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PROCEEDINGS AND DEBATES OF THE 100th CONGRESS, SECOND SESSION

SENATE—*Monday, September 26, 1988*

The Senate met at 12 noon, and was called to order by the Honorable TOM HARKIN, a Senator from the State of Iowa.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

As we begin our prayer this morning, let us pray for Jane McGhee from Senator KASTEN's office who undergoes brain surgery today.

The heavens declare the glory of God; and the firmament sheweth His handywork.—Psalm 19:1.

Creator God, in Jesus' name we begin this week by using the first prayer from space, Christmas Eve, 1968, Apollo 8.

"Give us, O God, the vision which can see Thy love in the world in spite of human failure. Give us the faith to trust the goodness in spite of our ignorance and weakness. Give us the knowledge that we may continue to pray with understanding hearts, and show us what each one of us can do to set forward the coming of the day of universal peace." Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. STENNIS].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, September 26, 1988.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable TOM HARKIN, a Senator from the State of Iowa, to perform the duties of the Chair.

JOHN C. STENNIS,
President pro tempore.

Mr. HARKIN thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is recognized.

THE JOURNAL

Mr. BYRD. Mr. President, I ask unanimous consent that the Journal of proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MANAGING THE DEFENSE BUILDUP: A LOOK AT THE REAGAN RECORD

Mr. BYRD. Mr. President, during the 8 years of the Reagan administration, the American people have invested over $2 trillion in the Nation's defense. It is time to ask ourselves: Are we getting a fair return on our investment? A look at the record of waste, mismanagement, and fraud in the Pentagon over the past 8 years indicates that we are not.

All Americans support a strong defense, and investing the necessary resources to ensure that our Nation's security is one of the most important functions of Government. National security should be our No. 1 priority, the No. 1 priority of any nation.

The question is not whether our defenses should be strong. It is whether our money has been spent wisely.

The American taxpayer should raise the following questions:

First. Would you buy an insurance policy if the protection it offered declined each year while the premiums increased? Probably not, but that is what is happening with the administration's defense program.

Second. Would you hire a contractor to build your house if he worked on the house with no coordination or supervision of his subcontractors? Probably not, but that is the way the defense buildup of the Pentagon has been managed.

Third. Would you entrust the closest secrets of your family to someone who made a living selling inside information? Probably not, but many of these so-called consultants appear to have had the run of the Pentagon in the past few years.

The record on defense mismanagement for the past 8 years is not a pretty one. The administration's approach has been "more is better," and the administration has consistently refused to take the tough management actions needed to administer the Pentagon effectively. As David Stockman, former Director of the Office of Management and Budget in the Reagan administration has written, the President thought defense was "not a budget issue," and has been inclined to grant every wish on the Pentagon's list—a "wish list a mile long."

The heart of the administration's defense spending problem is the reluctance to exercise effective management and control of Pentagon costs and operations. The failure to manage has resulted, inevitably, in extravagance, fraud, and scandal.

There has not been a good return on the defense dollar. They appear to have had a philosophy of 50 cents of security for every defense dollar that has resulted in waste, cost overruns, a failure to set defense priorities, and, Pentagon procurement scandals on a huge scale. For 8 years, "spend more, not better," has been the theme song of this administration.

Despite the spending spree of the past 8 years, many of our vital national security programs are in bad shape. Here are just a few examples:

For over 8 years, the administration has been searching for a survivable basing mode for land-based missiles, having canceled the program of the Carter administration which provided for a survivable basing mode for land-based missiles. Instead of fixing the problem of missile vulnerability, the problem has grown worse over the past 8 years. One ridiculous scheme after another has been proposed. Vacillation and neglect have left our land-based missiles more vulnerable to attack than ever before.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Neglect of critical spare parts and readiness issues now leaves many of our forces unable to perform their missions. Here are some examples: One-third of the Navy's A-6 bombers are grounded due to wing cracks, and so are one-third of the Navy's E-1 early warning aircraft.

The B-1B bomber, prime symbol of the so-called defense buildup, has failed to perform as advertised. After investing over $20 billion on this aircraft, we are now told by the Congressional Budget Office that it will take at least $8 billion more in order to bring the bomber up to a high level of effectiveness. Not only that, but the General Accounting Office has reported that 75 percent of the spare parts purchased to support the B-1B aircraft have not been delivered, shortages of parts have grounded a majority of the fleet, and training and readiness objectives are not being met. The Des Moines Register recently termed this aircraft a "$28 billion lemon." This is certainly not the way to "rearm America."

The heart of the defense muddle of the past 8 years has been a lack of effective management and control over Pentagon costs and operations. Waste, fraud, and scandal have been the inevitable results. The administration has repeatedly resisted efforts to encourage reform and tighter management of the Pentagon. Here are some examples:

The Reagan administration opposed the creation of the Office of the Inspector General in the Department of Defense. Congress insisted upon an inspector general in the Department of Defense. Now we find that it is the Inspector General's Office in the Defense Department which is uncovering waste and fraud.

But the administration continues to be of two minds about cleaning up waste. The Deputy Inspector General recently charged, as reported in the Washington Times on September 8, that top officials at the Pentagon and the Office of Management and Budget continue to block the needed changes and reforms. The Government is losing millions of dollars in overpriced defense contracts. Why? Because the administration refuses to hire the necessary auditors to ferret out the waste.

At the beginning of this year, 55 of the Pentagon's top 100 contractors were under investigation for procurement fraud.

Suspensions and debarments of contractors have grown tenfold since 1981 and now run at about 900 per year.

If these sound high, they may only be the beginning. Still under investigation is what could be, in the words of Time Magazine, "one of the biggest Federal white-collar crime cases ever prosecuted." I refer to the bribery and corruption scandal involving billions of dollars, possibly tainted contracts, and a nationwide network of so-called consultants trading inside information.

Mr. President, it is no wonder that a recent public opinion survey found that the American people felt that anyone involved in military procurement is likely to commit fraud.

The administration had a broad mandate to improve our defense and security. The administration has not taken advantage of that mandate to improve security—only to spend more money. Even that has now ended—the next administration will take office in the fifth year of declining defense budgets. In such an environment, and inheriting the problems of waste and scandal we have recently seen, the need for effective management and close supervision of the Pentagon will be greater than ever.

Let us hope that the next administration is willing to take responsibility for good management, for insisting on integrity in the procurement process, and for restoring the faith of the American taxpayer that a dollar spent on defense is buying a dollar's worth of security, rather than lining the pockets of corrupt consultants and contractors or funding weapons systems that do not work.

Mr. President, I yield the floor.

RESERVATION OF THE REPUBLICAN LEADER'S TIME

Mr. BYRD. Mr. President, I ask unanimous consent that the time of the Republican leader be reserved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 12:30 p.m. with Senators permitted to speak therein for not to exceed 5 minutes.

The Senator from Wisconsin.

AMERICA'S ECONOMIC PERFORMANCE TODAY: MEDIOCRE TO POOR

Mr. PROXMIRE. Mr. President, there is a gross misunderstanding in the Congress, the press, and much of the public about the status of the American economy today. That misunderstanding has become a critical advantage in the upcoming election for the Republican candidate for President. Supporters of Vice President BUSH argue that he would continue the economic policies of President Reagan, which they claim have brought our economy to a sounder and more prosperous state than we have enjoyed in many years. The BUSH supporters have been able to convince much of the country that this is the case because they have been able to select a basis of comparison that makes the present status of the economy look good. In fact, the American economy is doing poorly if we consider the country's present economic status with what the economy has done over the last 40 years. This is the period since the end of World War II.

Putting this in a much more logical and comprehensive perspective, the American economy today would have to be rated between mediocre and poor. Here is why. The New York Times in early September suggested four statistical standards for evaluating the status of the economy. They were the level of unemployment, the level of interest rates, the level of inflation, and the rate of economic growth. So how does the present status of the economy in each of these respects compare with the economy in each of the 10 previous Presidential election years since 1948?

In unemployment, the level today is higher; that is, it is worse, than it was in 7 of the previous 10 election years. So on providing jobs for Americans who want to work, the economy today as compared with its job performance in previous elections going back to 1948 is a C-minus.

Compare the performance of today's economy with the economy's performance since 1948 with respect to interest rates. Rates are higher today—that is, worse—than in 8 of the 10 previous election years. The economy's grade on interest rates is a D. That is not a failure but a bare pass.

In inflation the level is higher today; that is, it is worse, than in 6 of the previous 10 election years. It is at the same level as it was in one other year. Today's inflation rate constitutes an improvement on only 3 of the past 10 election years. The economy's inflation grade is a C-minus.

Finally, the level of economic growth of today's economy is lower; that is, worse, than 7 of the previous 10 Presidential election years. That earns the 1988 economy another C-minus.

So altogether, if we were rating the economy the way we rate high school or college students, we would suggest the economy find some line of endeavor that did not require intelligence. What is shocking about this mediocre to poor performance is that it has come after a record stimulus of the economy with king size deficits that should have jolted indices like economic growth and unemployment to shining performances. For the past 8 years, the Government has been spending more and taxing less, living far beyond our means—exactly the kind of policy that economists tell us is guaranteed to increase economic growth and diminish unemployment, but this wasteful policy has succeeded in doing neither. That policy has succeeded in building up a colossal $2.5 trillion national debt and a mammouth annual interest rate burden for the future as far as the eye can see.

The economy has failed in another critical respect. The Bureau of the Census issued its annual report on August 31. That report gave us an economic photograph of the economy in 1987. It showed that the 1987 economy was like the 1988 economy, stewing around with a mediocre performance, flatly flunking in one very important respect, specifically in fairness. In 1987, the richest 40 percent of the American families earned a record 67.8 percent of the national income. That is an all-time, never-exceeded record. It is like running the hundred yard dash in 8 seconds flat in maldistribution of income. In other words, the rich are not only getting richer, they are getting richer, as never before, at the expense of the 60 percent of the Nation's families who received a smaller percentage of the Nation's income than ever before in our history. The result of this maldistribution was that the poorest 40 percent received a pathetic 15.4 percent of the national income. And that tied with 1986 for the all-time lowest proportion received by those with modest and low incomes.

So when supporters of Vice President Bush talk about what a great economic performance America has enjoyed in the last couple of years, keep in mind that the objective comparison with the economy's performance over the past 40 years tells us that it was mediocre to poor. It also tells us that the rich are indeed getting richer as never ever before and the poor and middle-class poorer.

Mr. President, I ask unanimous consent that a table carried by the New York Times on September 4 showing the actual data over the past 40 years in each of the 11 election years from 1948 through this year, 1988, be printed in the Record.

There being no objection, the table was ordered to be printed in the Record, as follows:

ELECTION-YEAR ECONOMIES

[Economic conditions during the Presidential election years; for 1948–84, winner is listed first; amounts in percent]

Election year	Candidate (party) [1]	Growth rate [2]	Inflation	Interest rates [3]	Civilian unemployment
1988 [4]	George Bush (R)	3.3	4.5	7.02	5.6
	Michael Dukakis (D)				
1984	Ronald Reagan [1] (R)	6.8	4.3	10.49	7.5
	Walter Mondale (D)				
1980	Ronald Reagan (R)	−.2	13.5	9.26	7.1
	Jimmy Carter [1] (D)				
1976	Jimmy Carter (D)	4.9	5.8	5.15	7.7
	Gerald Ford [1] (R)				
1972	Richard Nixon [1] (R)	5.0	3.2	4.01	5.6
	George McGovern (D)				
1968	Richard Nixon (R)	4.1	4.2	5.10	3.6
	Hubert Humphrey (D)				
1964	Lyndon Johnson [1] (D)	5.3	1.3	3.51	5.2
	Barry Goldwater (R)				
1960	John Kennedy (D)	2.2	1.7	2.29	5.5
	Richard Nixon (R)				
1956	Dwight Eisenhower [1] (R)	2.1	1.5	2.61	4.1
	Adlai Stevenson (D)				
1952	Dwight Eisenhower (R)	3.9	1.9	1.88	3.0
	Adlai Stevenson (D)				
1948	Harry Truman [1] (D)	3.9	8.1	1.03	3.8
	Thomas Dewey (R)				

[1] Incumbent.

[2] Percent change in GNP in constant dollars.

[3] Monthly average auction rate of 3-mo. Treasury bills for August of each year.

[4] Figures for 1988 are annualized and the current unemployment rate is for August.

Source: Commerce Department, Bureau of Labor Statistics, Federal Reserve Board.

Mr. PROXMIRE. Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Vermont.

Mr BYRD. Mr. President, will the distinguished Senator yield for a request without time being charged to him.

Mr. STAFFORD. Yes.

MEASURE PLACED ON CALENDAR—H.R. 1580

Mr. BYRD. Mr. President, there is an item on the calendar of bills and joint resolutions read the first time. I wonder if the distinguished Republican leader would be willing to proceed to that at this moment without waiting until the close of morning business.

Mr. DOLE. Fine.

Mr. BYRD. I thank the Senator.

The ACTING PRESIDENT pro tempore. The clerk will read the bill H.R. 1580 for the second time.

The assistant legislative clerk read as follows:

A bill (H.R. 1580) to prohibit investments in and certain other activities with respect to South Africa, and for other purposes.

Mr. DOLE. Mr. President, I object to further consideration.

The ACTING PRESIDENT pro tempore. Objection is heard to further consideration of the bill. The bill will be placed on the calendar.

Mr. BYRD. Mr. President, I thank the distinguished Senator.

The ACTING PRESIDENT pro tempore. The Senator from Vermont.

Mr. DOLE. Mr. President, if the Senator from Vermont will yield, if he needs additional time, I will be happy to yield such time from my time as he may need.

Mr. STAFFORD. I thank the minority leader.

ATMOSPHERIC CONTAMINATION—X

Mr. STAFFORD. When it comes to atmospheric contamination, tailpipes and smokestacks—in that order—rule the world.

Motor vehicles generate more air pollution than any other single human activity. Electric utilities hold down second place by a wide margin. Nothing else comes close.

Cars and trucks are far and away the major source of carbon monoxide, oxides of nitrogen and hydrocarbons. They are a significant source of carbon dioxide and, particularly in our country, of chlorofluorocarbons—CFC's or Freons. All of these pollutants cause or contribute to the formation of ground level ozone. Some also destroy or contribute to the destruction of stratospheric ozone.

Throughout Europe, virtually all of the lead and carbon monoxide in cities, and an increasing proportion of the fine particles, originates with motor vehicles. Cars and trucks produce 50 to 70 percent of the oxides of nitrogen and 50 percent of the volatile organic chemcials, such as gasoline fumes.

The increases in the number of cars and in vehicle miles traveled are reducing the gains we have recorded from tailpipe exhaust standards set a decade ago. And, the growth in vehicles that took place in the United States and Europe during the last 35 years is now beginning to be recorded in the rest of the world.

This is probably due to a combination of increases in living standards and population growth. Our global population by the year 2000 is expected to be double the 1960 total.

There were less than 50 million cars on this planet in 1950, and 85 percent of them were in North America. The auto population is now about 350 million, with 125 million of those outside North America. By the year 2000, it is expected there will be more than 500 million motor vehicles.

In addition to creating air pollution, motor vehicles in the United States are the single largest contributor to depletion of the ozone layer that protects us from the radiation of the Sun.

One out of every eight pounds of Freons made in this country is used in cars and trucks for air conditioning—a total of 56,500 tons in 1985, for example. By contrast, home refrigerators used 3,800 tons that year.

In addition to those direct uses, chlorofluorocarbons are used as blowing agents to manufacture seat cushions and other foams in cars and trucks. About 20 percent of the flexible foams made from CFC's in the United States are destined for automobiles. And, of course, much of that chemical eventually is released into the air.

Cars and trucks also emit prodigious amounts of carbon dioxide, about 2.8 billion tons a year, or nearly one-quarter of the world total. Each tankful of gas that is burned produces between 300 and 400 pounds of carbon dioxide. At current growth rates, that emission total will quadruple by the year 2030.

Mr. President, I ask unanimous consent that some tables and an explanation of them be printed in the RECORD at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

[See exhibit No. 1.]

Mr. STAFFORD. Mr. President, while motor vehicles are the dominant source of total air pollution in the United States, electric powerplants are the major source of all the pollution that is pumped into our air through the smokestacks of American industry and commerce.

Total emissions of oxides of nitrogen in the United States in 1986 were calculated at 19.3 million tons. All smokestacks contributed more than half of that total—10 million tons. The major source of that smokestack pollution was electric utilities, with 6.6 million tons of oxides of nitrogen pumped into the air. That is about 34 percent of the national total and two-thirds of the smokestack total.

Utilities are estimated to have contributed in 1986 about 35 percent of all carbon dioxide emissions in the United States. That was about half of all the carbon dioxide emitted by smokestacks of all sorts in this country.

If we have any hope of reducing the air pollutants that are causing global climate changes, clearly we must focus on cars and powerplants. That does not mean we have to become pedestrians and eat cold food in the dark.

More than two-thirds of the coal, oil, and gasoline used to fuel our powerplants and motor vehicles is wasted because of the inefficiency of our technology. I will discuss this issue in more detail in the future, but clearly our struggle to clean our air must begin with tailpipes and smokestacks.

Tomorrow, I plan to discuss an obvious fact in what will be the 11th of these 16 5-minute discussions. That fact is that pollution is dangerous to all living things. In fact, air pollution is a killer.

EXHIBIT NO. 1

EXPLANATION OF TABLES

The attached tables illustrate future growth in motor vehicle fuel consumption—and, therefore, carbon dioxide emissions—unless some action is taken.

Table I, which is based on data collected by the Motor Vehicle Manufacturers Association, shows the increase in the number of vehicle miles travelled in recent years. The number of vehicle miles travelled is increasing in all modes—cars, trucks, motorcycles and buses—of transportation, although truck travel is rising at the sharpest rate. In 1987, the total number of vehicle miles travelled was just above 1.9 trillion.

Table II shows the amount of fuel consumed per year and by mode since 1940.

Table III projects that historic fuel consumption into the future, assuming there is an annual increase in the number of vehicle miles travelled of 2 percent per year. It also assumes that there is a 1 percent increase in fuel efficiency each year. Now that there is serious consideration given to relaxation of the Federal auto efficiency standards, it may be unrealistic to assume a 1 percent per year rise.

However, even if fuel efficiency does continue to grow, overall fuel consumption will still increase. This is because the number of vehicle miles travelled is rising at an even sharper rate.

Finally, table IV shows that legislation now before the Committee on Environment and Public Works could reverse this trend in fuel consumption. The Stafford-Baucus bill referred to is referred to as S. 2666. Other sponsors of that bill include Senators CHAFEE, DURENBERGER, GORE, BUMPERS and REID.

Table IV shows that by the year 2030 the Stafford-Baucus bill will be achieving fuel savings of over 65 billion gallons of gasoline a year. The cumulative fuel savings by 2030 would be 1.4 trillion gallons of gasoline.

Since each gallon of gasoline creates about 22 pounds of carbon dioxide when it is burned, the fuel savings translate to total CO_2 emissions reductions of over 50 trillion pounds by the year 2030. Annual CO_2 savings would be about 1.4 trillion pounds per year.

These analyses of S. 2666 were prepared by Mr. Michael Walsh, who is a consultant to the Committee on Environment and Public Works as well as to the governments of Sweden, Austria, Mexico, Taiwan, and a number of other nations.

TABLE I.—VEHICLE MILES TRAVELED

(Millions)

Year	Cars	MC	Buses	Trucks	All
1940	249,600		2,657	49,931	302,188
1950	363,613		4,081	90,552	458,246
1960	588,083		4,353	12,409	718,845
1965	709,300		4,684	173,656	887,640
1970	916,700	2,979	4,544	185,501	1,109,724
1975	1,033,950	5,629	6,055	282,030	1,327,664
1980	1,111,596	10,214	6,059	399,426	1,527,295
1984	1,224,919	8,784	4,640	481,926	1,720,269
1985	1,260,565	9,086	4,876	499,652	1,774,179
1986	1,303,507	9,414	5,087	520,232	1,838,240
1987					1,908,885

Source: Walsh—Derived From MVMA 1988.

TABLE II.—FUEL CONSUMED

(Millions of gallons)

Year	Cars	MC	Buses	Trucks	All
1940	16,323		436	5,156	21,915
1950	24,305		732	10,566	35,603
1960	41,169		827	15,882	57,878
1965	49,723		875	20,506	71,104
1970	67,820	60	820	23,630	92,330
1975	76,447	113	1,053	31,371	108,984
1980	71,883	204	1,018	41,854	114,959
1984	68,717	176	793	490,050	118,736
1985	69,268	182	835	51,037	121,322
1986	71,162	188	891	52,943	125,184
1987					126,843

Source: Walsh—Derived From MVMA 1988.

TABLE III.—U.S. AUTO FUEL CONSUMPTION (BILLION GALLON) 2 PERCENT VMT GROWTH PER YEAR

Year	Base[1]	Stafford/ Baucus bill
1985	68	68
1986	67	67
1987	66	66
1988	66	66
1989	66	66
1990	66	66
1991	66	66
1992	67	66
1993	68	67
1994	69	68
1995	70	68
1996	71	67
1997	72	67
1998	73	67
1999	74	67
2000	75	65
2001	76	63
2002	77	61
2003	78	60
2004	79	58
2005	80	57
2006	81	56
2007	82	55
2008	83	54
2009	84	54
2010	85	51
2011	85	48
2012	86	46
2013	87	44
2014	88	42
2015	89	40
2016	90	38
2017	91	37
2018	92	36
2019	92	35
2020	93	34
2021	94	34
2022	95	34
2023	96	34
2024	97	34
2025	98	35
2026	99	35
2027	100	36
2028	101	36
2029	102	37
2030	103	37

[1] Assumes 1 percent MPG improvement per year.

Source: Walsh Sept. 20, 1988.

TABLE IV.—U.S. FUEL SAVINGS FROM STAFFORD-BAUCUS BILL, 2 PERCENT VMT GROWTH, 1 PERCENT MPG GAIN POST-1995

Year	Savings (Annual)	(Billion gal/ year) (Cumulative)
1990	0.20	0.20
1991	0.39	0.59
1992	0.58	1.17
1993	0.77	1.94
1994	0.96	2.90
1995	2.39	5.29
1996	3.72	9.01
1997	4.97	13.98
1998	6.10	20.08
1999	7.11	27.18
2000	10.29	37.47
2001	13.31	50.78
2002	16.18	66.95
2003	18.85	85.81
2004	21.32	107.13
2005	23.53	130.66
2006	25.47	156.12
2007	27.20	183.32
2008	28.70	212.02
2009	29.95	241.97
2010	33.69	275.66
2011	37.12	312.78
2012	40.39	353.17
2013	43.46	396.63
2014	46.34	442.97
2015	48.99	491.97
2016	51.45	543.42
2017	53.73	597.15
2018	55.79	652.93
2019	57.61	710.54
2020	59.02	769.57
2021	60.16	829.72
2022	61.15	890.88
2023	62.02	952.90
2024	62.77	1,015.67
2025	63.42	1,079.09
2026	63.99	1,143.08
2027	64.49	1,207.58
2028	64.95	1,272.52
2029	65.36	1,337.89
2030	65.64	1,403.52

Source: Walsh Sept. 20, 1988.

Mr. President, I yield the floor.

EXTENSION OF MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that morning business be extended for not to exceed 10 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DOLE addressed the Chair.

The ACTING PRESIDENT pro tempore. The Republican leader.

BICENTENNIAL MINUTE

OCTOBER 27, 1787: FIRST FEDERALIST PAPER PUBLISHED

Mr. DOLE. Mr. President, 201 years ago, on October 27, 1787, the first letter signed "Publius" appeared in the New York Independent Journal. Actually written by Alexander Hamilton, the letter was part of a campaign to win ratification of the Constitution in New York.

Collectively using the pseudonym "Publius,' Hamilton, James Madison and John Jay published 85 letters which were then collected and published as the Federalist Papers.

This remarkable piece of scholarship and public relations has been called one of the three most important documents in American history, ranking only after the Constitution and the Declaration of Independence.

The courts have frequently cited the Federalist Papers as evidence of what the framers intended, and serious students of American government still draw insights into the workings of our political system from its pages.

Two of the letters, Nos. 62 and 63, written by James Madison, deal specifically with the U.S. Senate. The Congress that existed under the Articles of Confederation consisted of only one Chamber.

Madison argued the necessity of the Senate by noting "the propensity of all single and numerous assemblies to yield to the impulse of sudden and violent passions, and to be seduced by factious leaders, into intemperate and pernicious resolutions." Madison anticipated that the Senate, with its longer term of service, would "possess great firmness" and resist such pressures.

Although the Constitution provided at that time that Senators were to be elected by State legislatures, Madison concluded that, when balanced by the popularly elected House, that the Senate could never become "an independent and aristocratic body," and that it could exert its influence only by "a display of enlightened policy, and attachment to the public good."

SENATE SCHEDULE

Mr. DOLE. Mr. President, I ask the distinguished majority leader if he can give us any indication of what we might do the remainder of the day and the remainder of the week.

Mr. BYRD. Mr. President, I am turning that over in my mind at the moment.

I am going to have a meeting with some Senators. They are a little late getting in here. I will be able to indicate to the distinguished leader a little later today as to what we will be doing.

I hope that before the week is out, we will be able to get all the appropriations bills, the conference reports, down to the President.

I understand that the House will be taking all of the remainder of the conference reports beginning, I suppose, tomorrow. I have not been able to talk to the Speaker yet today.

In any event, it would appear to me that we would be getting a good many of those appropriations conference reports beginning Thursday and Friday. We could conceivably be in Saturday.

I would like to get all the appropriations bills down to the President before the beginning of the fiscal year. I do not know whether we will be able to do that or not. But, as of the moment, I believe that is all I can say in response to the leader's question.

Mr. DOLE. I appreciate the majority leader visiting with me privately earlier. He asked if I had heard anything. After that visit, I heard, as the majority leader indicated, that the majority leader on the House side had indicated through the weekly whip notice that they would try to conclude action on all conference reports this week. Hopefully, we can have those completed in the Senate this week.

I think the majority leader indicated, appropriately and properly, that they may become stacked up coming over here.

So I think our colleagues should be on notice that it may be Wednesday, Thursday, Friday, and possibly even Saturday.

Mr. BYRD. Possibly Saturday.

I do not anticipate a late day today.

Mr. DOLE. I thank the majority leader.

Mr. BYRD. I thank the Republican leader.

TWO REACTORS, TWO TECHNOLOGIES EQUALS ROBUSTNESS AND REDUNDANCY IN THE DEFENSE COMPLEX

Mr. McCLURE. Mr. President, the fragile, aging condition of the Department of Energy's defense complex is a matter of extreme concern to me. I have spoken here of this situation on a number of occasions. I will continue to do so, in order to alert my colleagues to our Nation's vulnerability to de facto disarmament.

I take heart from the support I find for my position in two recent articles. These, an editorial in the September 22, 1988, issue of the New York Times, and an article in the September 19, 1988, issue of Defense News, echo my concern while commending Secretary of Energy John Herrington's "far-sighted responsible program" to address the problem.

The Times editorial makes graphically clear the dimensions of this problem; "Decay hangs darkly over the manufacturing complex that makes America's nuclear weapons," and asserts "An accident in the aging complex could halt production of nuclear materials."

Frank Gaffney, a former Assistant Secretary of Defense is quoted in the Times article as warning, "The U.S. is one crippling breakdown away from incipient structural nuclear disarmament."

Gaffney makes a similar statement in the Defense News article which he authored. "It is hard to overstate the importance of a reliable supply of tritium to the U.S. deterrent posture," he points out. He explains that tritium, which decays rapidly, must be replaced about every 12 years in nuclear weapons if the weapons are to maintain their design effectiveness. Then, Gaffney warns all of us with these chilling words, "Unless the United States can reliably replace its constantly degrading tritium supplies, every single nuclear weapon in the U.S. stockpile could be rendered essentially unusable within a finite period."

Both Gaffney and the Times make the case that over the past 35-40 years of the complex's existence, little money has been spent to modernize or clean it up. Noting that the infrastructure of the complex has become vulnerable to catastrophic failure, Gaffney says, "The original redundancy and robustness that characterized the nuclear weapons complex established in the early postwar years has gradually given way to unique, aging facilities, virtually every one of which is essential to the ability of the complex to perform its missions."

The Times credits the staff of the complex for keeping the antiquated machinery going year after year without catastrophe, but concludes—as does Gaffney—that "to allow the plants to run down and environmental problems to run up is the epitome of risky and shortsighted management for which several administrations share blame."

Gaffney finds it "incredible" as I do, that "given what is at stake, there is no backup" for the production reactors. He comments on the repeated deferrals of construction for a replacement production reactor. Unfortunately, Mr. President, I remember those deferrals all too well, starting with the Ford administration. I was particularly relieved in 1983 when then Secretary of Energy, Don Hodel, recommended that a new production reactor be built, and I protested vehemently in 1985, when the decision was deferred.

The Times and Gaffney note that a start has been made to repair decades of neglect. That has brought us to what Gaffney calls, Herrington's bold plan for correcting this dangerous situation. That is "A 2-for-1 Bargain," as Gaffney's article is headlined; two years of reactors, in two widely separated locations.

The first reactor would update the existing heavy-water design and would use the existing infrastructure at the Savannah River plant. But it is the second reactor that generates excitement from Gaffney and approving sentiments from the Times. This reactor, to be developed at the Idaho National Engineering Laboratory, would feature the high temperature gas-cooled reactor [HTGR]. Gaffney describes the HTGR as modular, with the ability to generate steam for electricity, utilizing passive safety features, and immune to cooling accidents or the risk of nuclear meltdown. The Times notes that this will "help pioneer a new and inherently safe generation of civilian power reactors." Gaffney goes even further to say "the HTGR has the potential to revolutionize the U.S. civilian nuclear power industry and restore U.S. nuclear technology to the position of global leadership it once enjoyed."

These are excellent points. But I believe the key consideration of this decision is that we have the opportunity to provide this Nation with a "greater reliability and robustness in a vital defense resource."

Gaffney praises Herrington's vision and leadership, saying it goes well beyond the virtues of his commonsense approach to a tough national security problem. I sincerely hope, as does Gaffney, that Congress has the wisdom to endorse Herrington's plan to safeguard this Nation's ability to maintain a credible nuclear stockpile. I will do everything possible to bring this plan to reality.

However, Mr. President, like the former Assistant Secretary of Defense, I, too, fear that there is "considerable danger that a union could be forged between those who oppose U.S. nuclear strength * * * and those who for budgetary or parochial reasons resist the Herrington proposal for a second new reactor." I urge my colleagues to consider carefully the results of such "a marriage of convenience." Gaffney is absolutely correct when he warns all of us that, "If such a coalition should emerge and succeed in killing off the HTGR or for that matter, both reactors, the long-term national interest would be profoundly disserved."

Mr. President, I yield the floor.

RECESS UNTIL 2:30 P.M.

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess until the hour of 2:30 p.m. today.

There being no objection, the Senate, at 12:40 p.m., recessed until 2:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. GRAHAM].

USE OF CHEMICAL WEAPONS

Mr. COHEN. Mr. President, over the past weeks there has been a widespread expression of outrage over the most recent Iraqi aggression involving chemical weapons, this time against its own Kurdish citizens. The Senate has joined in condemning Iraq for its abhorrent actions. The passage of S. 2763, sponsored by the chairman of the Foreign Relations Committee, put the Senate unequivocally on record in demanding that the government of Saddam Hussein cease and desist in its attacks on Kurdish Iraquis and, in particular, halt its use of chemical munitions against the Kurds.

The chairman of the Foreign Relations Committee is to be commended for assigning high priority to addressing the Kurdish plight. However, I am concerned that in the rush to do something to assist the Kurds of Iraq, we have failed to address—and may have actually made it more difficult to address—the underlying issue which poses a threat to all peoples.

Iraq has engaged in chemical warfare since at least March 1984, and some Iraqi officials have openly acknowledged its use of chemical weapons. In short, it has rejected the standard of behavior established by the Geneva protocol of 1925, to which it is a party, and asserted an alternative standard which condones the offensive use of chemical weapons. The psychological barrier against chemical warfare has come tumbling down over the past 4 years. For 60 years, despite a world war in which essentially every other kind of warfare was used and despite a few comparatively isolated cases in which chemicals were used, this barrier remained in place as defining what constituted civilized behavior for nations.

The resolution rushed through the Senate 2 weeks ago correctly condemned the atrocities committed against the Kurds, an action which I think may help to alleviate the Kurds' situation. However, it also set forth a set of sanctions which, in terms of helping the Kurds, will be little more than symbolic because the Kurds need help in the immediate future, far sooner than sanctions could have an appreciable effect. Of even greater concern is the fact that the resolution complicates, and perhaps even undermines, the task of addressing the underlying, more serious problem, where sanctions would be helpful.

That underlying problem is rebuilding the barrier to chemical weapons use, to reassert the principle that chemical warfare is unacceptable. The urgency of this task was emphasized by last week's announcement by the State Department that Libya is on the verge of full-scale production of chemical weapons. If we fail in this task, the recent ominous prediction of Jane's Defense Weekly that chemical warfare is set to become standard military practice will become reality. And, in my view, Mr. President, we do not have much time to reverse these trends.

For not only will nations irresponsible enough to consider offensive chemical warfare seek the capability to make these weapons. Other nations that are potential victims may feel compelled to acquire a chemical deterrent if the international community can no longer deter chemical warfare by other means.

How can we turn back the clock and restore the barrier to chemical warfare?

We cannot do it by focusing only on the Kurdish situation, as did S. 2763. We cannot do it by sanctions that do not have the support of other key players in the international community, as S. 2763 would do. And most importantly, we cannot do it by sanctions that are waived as soon as Iraq halts its use of chemical weapons, as S. 2763 would do, since that only condones Iraq's many years of chemical warfare.

To deter countries considering chemical warfare, the international community must make it clear that an offending country will pay a serious price. A nation considering chemical weapons use must be convinced that the military benefit it gains will be offset by damage to its long-term interest imposed by the international community.

To date, however, the lessons of the Iran-Iraq war are completely contrary to this. Iraq has waged chemical warfare on a massive scale for at least half a decade and has paid no price. The international community cannot with any credibility reassert the behavioral code of the Geneva protocol unless Iraq is perceived to have been punished—punished explicitly for its chemical warfare and punished in proportion to the damage it has wrought to the international standards of behavior.

There may have been compelling reasons the international community failed to act against Iraq during the war. In particular, there was the recognition that an Iranian victory would destabilize all of Southwest Asia and the Middle East and there was the desire to end the war as soon as possible, both of which focused international pressure on Iran to accept a halt to the conflict. Secretary General Perez de Cuellar reflected this attitude in his July 20, 1988, report on Iraqi chemical warfare which, after documenting the "intensifying" and "more frequent" Iraqi chemical attacks, concludes by stating:

> At the same time, the Secretary-General cannot stress strongly enough, as he has consistently done, that his paramount objective remains to bring this protracted conflict to the earliest possible end.

In other words, while detering chemical warfare might be an important objective, the "paramount objective" was ending the war.

Now that the war appears to have genuinely ended, however, the paramount objective of the international community must be to rebuild the barrier to chemical warfare so that there will be no more atrocities of this type committed against Iranian troops and civilians and Kurdish guerrillas and civilians.

A preliminary step toward this end is to further strengthen controls on the export to worrisome countries of chemicals and equipment that could be used in the manufacture of chemical weapons. The export controls that have already been imposed pursuant to an antiproliferation effort by an informal group of some 19 nations, including the United States, have made it more difficult for nations to acquire chemical weapon technology. There is much room for improvement, however. Not only should more aggressive efforts be made to obtain the cooperation of additional potential supplier nations, but those nations that have imposed controls must be more vigilant in enforcing them.

Unfortunately, there have been significant failures in this last regard. Officials in the Federal Republic of Germany are reportedly investigating more than a dozen West German companies regarding allegations that they have supplied chemical weapon technology to Iraq. And just last Friday, the State Department announced that the United States has expressed concern to Japan about a Japanese company's participation in a Libyan industrial construction project that is colocated with what has been identified as a chemical weapon production facility. The company, Nihon Seikosho, reportedly sold Libya machine tools and steel products, and a company spokesman has acknowledged that the machine tools sold to Libya "could be used for the production of weapons." The United States is reportedly concerned that the material provided might be used in the production of containers or delivery vehicles for chemical agent.

Mr. President, I think it is evident that export controls must be more strictly enforced and penalties for violating controls may need to be stiffened. Despite the very high probability that many companies in many countries have ignored the export controls imposed since 1984, press reports indicate that only one company, Melchemie Holland B.V., has been convicted of violating controls and it received a fine of only $30,000 from the Netherlands Government. Clearly, much more needs to be done to slow the spread of chemical weapon-related technology to countries seeking a chemical weapon capability.

At the same time, it cannot be overemphasized that simply creating impediments to chemical weapon proliferation will not restore the integrity of the Geneva protocol. The countries that already possess a chemical arsenal or the ability to manufacture a chemical arsenal, which are estimated to number between one and two dozen, are not going to be dissuaded from using their weapons by exports controls. Moreover, our efforts to constrain the spread of chemical weapons are likely to be futile if the Geneva protocol is allowed to lie in its present comatose state, since many nations will conclude that a militarily credible chemical deterrent is essential to protect themselves from their chemically armed neighbors.

What, then, should we do it restore the integrity of the protocol? There will undoubtedly be a variety of views over how best to accomplish this objective. After weeks of deliberation, I have concluded that the international community—not solely the United States—should impose a regime of economic sanctions against Iraq that would significantly impede Iraq's postwar recovery. I do not propose that we seek to permanently and irrevocably damage the Iraqi economy or starve the Iraqi populace, which has little control over the acts of its government. Nor should we take action that would undermine the strategic balance between Iraq and Iran. Rather, we should seek to deny the Iraqi economy a certain amount of resources, measured in the billions of dollars per year, for a specified number of years.

To achieve this effect, sanctions would have to be a coordinated effort by the United States and other members of the international community. Getting this cooperation will not be easy. Countless people in Japan, Korea, Taiwan, Western Europe, Turkey, the United States, and elsewhere view the reconstruction of Iran and Iraq as the business opportunity of a generation. At the same time, Iraq's financial situation does make it particularly vulnerable if even partial international cooperation can be attained. Common estimates place Iraq's external debt at some $60 billion and its reconstruction requirements as high as $60 billion.

There will also be strong resistance from many in the Arab world who are inclined to continue rallying to Iraq's defense, as they did during the war. Given the concentration of nations in the region presumed to be chemically armed, however, it would seem to be clearly in their interest to join in this effort to prevent future chemical warfare.

In addition, Mr. President, some may argue that sanctions against Iraq are inconsistent with U.N. Security Council Resolution 598, which stated that the Security Council "recognizes the magnitude of the damage inflicted during the conflict and the need for reconstruction efforts, with appropriate international assistance * * *." Resolution 598, however, also requests the Secretary General to examine "measures to enhance the security and stability of the region." Given the concentration in the region of nations reportedly having or seeking a chemical weapon capability, I would argue that raising the barrier to chemical warfare is essential to the security and stability of the region and sanctions are the only measure that can be effective in this regard.

Moreover, following passage of 598, Iraq continued its chemical warfare on an "intensifying" and "more frequent" basis. The Iraqi chemical aggression included massive attacks against civilians in the Iraqi city of Halabja and the Iranian city of Oshnaviyeh. In July, the Secretary General unequivocally called the Iraqi attacks a "violation" of Security Council Resolution 612, which condemned and called for an end to the chemical attacks. In short, Iraq has defied the United Nations on this matter, and I do not believe that Iraq has a legitimate claim to assistance for reconstruction on the basis of 598 or any other grounds.

Accomplishing this objective of restoring the integrity of the Geneva protocol will require a deliberate and bipartisan effort in the United States to raise the political spotlight on the urgency of the task and to convince the world that this objective is, indeed, paramount over competing objectives such as resuming normal relations with Iraq or profiting by rebuilding Iraq. I am under no illusions that everyone will immediately agree that this should take precedence over other concerns. After working actively on the issues since the early 1980's, I have found how difficult it is to develop a consensus on any matter involving chemical weapons, whether maintaining a deterrent or promoting chemical arms control.

In an effort to seek a consensus on the urgency of restoring the barrier to chemical warfare and the imperative of significant, extended international sanctions to achieve this, I believe we should pursue a number of steps.

We should begin meeting with administration officials to seek cooperation and to search for a common position on the specific measures to be pursued.

We have begun a dialog with a number of colleagues on this matter, and I hope to expand that dialog to develop a bipartisan coalition committed to pursuing whatever steps may be necessary during the remainder of the 100th Congress, over the recess, and in the next Congress.

We should explore the need for hearings to address the issues of chemical proliferation in the wake of the Iran-Iraq war; the impact of the erosion of the Geneva protocol on the chemical weapons negotiations in the Committee on Disarmament; and the means to attain international cooperation in restoring the integrity of the Geneva protocol.

In the context of these efforts, we need to consult with officials from allied governments to persuade them of the urgency of this matter and to encourage them to take appropriate action.

We need to seek the advice and cooperation of former high-ranking government officials and other private citizens who play an important role in shaping public opinion on security issues.

And, in the event of inadequate cooperation from the administration, we should prepare legislation that would compel the executive branch to give this task the priority it warrants.

Finally, we need to increase the efforts in which to promote progress in the chemical arms negotiations in the conference on disarmament. Encouraging further progress in these negotiations is, in my view, critical to efforts to restore the integrity of the Geneva protocol. In particular, we need to step up efforts to get the administration to establish an integrated program for developing and demonstrating the procedures and equipment that will be necessary to monitor a chemical weapons ban. Such a program is needed now, both because of the leadtime needed and because the knowledge gained will assist our negotiators to tailor treaty provisions to specific monitoring procedures and equipment, thereby maximizing their effectiveness.

Mr. President, as the plight of the Kurds faded from the media, many will be inclined to think that problem of chemical warfare has also faded away—that repugnant headlines have become regrettable history. Unfortunately, Mr. President, it will be history only until the next time chemical weapons are used. And if nations believe that they can engage in chemical warfare with impunity, as Iraq has done, then that next time may come surprisingly soon. This is the subtext to Friday's announcement that Libya is "on the verge of full-scale production" of chemical weapons only a year after it was reported to have conducted a chemical attack against Chadian troops using weapons acquired from Iran.

Mr. President, if the world fails to take action against Iraq for its massive use of chemical weapons against both troops and civilians for at least half a decade, who will believe that we will act against a nation that uses them for only a limited time or in a limited manner or strictly against enemy troops?

If the world fails to take action against Iraq for its chemical attacks on Iran, a nation widely believed to have a minimal chemical capability, how many nations will conclude that they will be safe only if they build a large, unquestionably credible chemical deterrent?

Mr. President, the inescapable conclusion is that if the world fails to take action against Iraq for its repeated, egregious, defiant violation of the international community's standards, then we will have acquiesced in the transformation of chemical warfare into acceptable behavior and we will have actually created incentives for the further proliferation of chemical arsenals.

MODIFICATION TO SENATE REPORT 100-470

Mr. HATFIELD. Mr. President, in order to expedite the completion of conference action on the remaining fiscal year 1989 appropriations bills, the House and Senate Committees on Appropriations previously submitted revised section 302(b) allocations. These revised allocations were designed to provide identical allocations to those subcommittees which had not completed conference action.

In one instance the House allocations to a subcommittee not through conference is higher than that of the Senate. That is the allocation to the Commerce, Justice, State, and the Judiciary Subcommittee. The following modification to Senate Report No. 100-470, revised allocation to subcommittees of budget totals, corrects that deficiency.

This modification is consistent with action on the military constructed conference report, and provides the Commerce, Justice, State and the Judiciary Subcommittee an allocation that is identical in both the House and the Senate.

On behalf of the Committee on Appropriations and at the request of the chairman, Senator STENNIS, I submit the following modification to Senate Report No. 100-470 and ask unanimous consent that it be printed in the RECORD.

There being no objection, the modification was ordered to be printed in the RECORD, as follows:

REVISED ALLOCATIONS TO SUBCOMMITTEES

[Modification To Senate Report No. 100-470]

The Committee on Appropriations submits the following modification to its report, Revised Allocation to Subcommittees of Budget Totals from the Concurrent Resolution for Fiscal Year 1989, Senate Report 100-470, in compliance with section 302(b)(1) and section 302(e) of the Congressional Budget Act of 1974, as amended.

The discretionary and total outlay allocation of the Commerce, Justice, State, and the Judiciary subcommittee is increased by $6 million.

The discretionary and total outlay allocation of the Military Construction subcommittee is reduced by $6 million.

CHEMICAL WEAPONS CONTROL

Mrs. KASSEBAUM. Mr. President, earlier today President Reagan gave a moving farewell address to the United Nations. Eight years after he first took office, as President Reagan pointed out, both the world and the United Nations are better places. Major regional conflicts, from Afghanistan to the Persian Gulf to Africa, show the promise of resolution with the help of a much better run United Nations.

I share President Reagan's assessment that we are at a moment of hope for all the people of the world. But, I would like to add, Mr. President, that we are at this moment of hope largely because of the efforts of President Reagan and Vice President BUSH. They have worked hard to reestablish the United States as a leader in the world.

Their efforts have not only focused on reestablishing our strength militarily. They have also worked relentlessly over the past 8 years to use our strengthened military posture as a basis for a renewed role for the United States as a political and moral leader worldwide.

President Reagan warned us that the challenges before us remain great and that the chances for failure are real. Nevertheless, I believe the keys to success will remain the same—a continued leadership role by the United States as well as a determined leadership role by an energized United Nations.

As President Reagan stated today, one of the greatest challenges facing us is the threat of chemical warfare.

Unless the international community moves swiftly, perhaps the most serious threat we face is that the main lesson that less-developed countries may learn from the Iran-Iraq war, and the even more recent Iraqi gassing of a segment of its own population, is that chemical weapons do work and states that use them can get away with it.

Over half a century ago, the worldwide moral abhorrence over the use of chemical weapons in World War I mobilized the international community to ban the use of chemical weapons in 1925 with the signing of the Geneva protocol.

The international regime of restraint was based mainly on moral suasion since the Geneva protocol has no provisions for verification or implementation. Nevertheless, this regime of restraint was sufficient for several decades in preventing the widespread use of poison gas and in putting a brake on the spread of these weapons. For the most part, poison gas was not used as a means of warfare in World War II, and up until the 1960's only five nations were believed to possess chemical weapons.

Unfortunately, Mr. President, after almost half a century, this international regime of restraint is breaking down. Low in technology and relatively inexpensive, chemical weapons have evolved in their reputation from being weapons whose use is strongly condemned to weapons whose use is in demand. They have frequently come to be referred to as the poor man's atom bomb.

The spread of chemical weapons has gained such momentum that it is believed now that more than 15 nations now possess chemical weapons, and at least 10 additional nations are trying to acquire them. And, most alarmingly, over the past decade chemical weapons are once again being used in warfare and, to the horror of the world, even in civil strife.

Although we can take action alone in trying to stem the spread and use of chemical weapons by the leverage of our own trade policy, I strongly believe, Mr. President, that the most effective restraint is that which can be applied by the international community. This is a problem of international dimension. The chemicals which are needed to make chemical weapons are produced worldwide. And, as we learned immediately after World War I, only international abhorrence against the use of chemical weapons can provide the needed moral restraint.

We must act quickly, as a body of nations, to stop the alarming erosion of the international regime of restraint on chemical weapons. The international community must move not only to condemn but to stop the spread and use of chemical weapons.

I strongly support President Reagan's call for an international conference to consider actions that will reestablish the moral and legal strictures that have held these weapons in check.

Banning chemical weapons has been a long-held policy by our country. In fact, negotiations on the 1925 Geneva protocol were begun at our initiative. Our efforts since then to broaden the constraints to include a verifiable development and production ban, as well as constraints on the spread of chemical weapons have taught us that chemical weapons are not easy to control. It is difficult to differentiate between chemical weapons plants and pesticide plants, for example, and it is just as difficult to control trade in chemicals since many have legitimate uses.

Nevertheless, over the past several years some important progress has been made in the efforts to control the spread of chemical weapons. Concerned by the confirmed use of chemical weapons in the Iran-Iraq war, officials and chemical experts from the United States and chemically advanced Western European and Asian countries began meeting in 1984. This group currently has 19 members, and its main purpose is to coordinate informally export-control policies on the main chemicals that are used to produce weapons.

We also have held, since 1986, three bilateral meetings with the Soviet Union which have focused on efforts to control the export of chemicals used in manufacturing chemical weapons.

Mr. President, we must build on this initial progress. I urge that our efforts focus on mobilizing the international community in three major areas which are intended to complement the 40-nation negotiations at the Geneva Conference on Disarmament to Ban Chemical Weapons.

First, I believe we must increase the coordination of export constraints with our allies. We should lead the effort to broaden the list of items that the Western industrialized nations use as guidance for export controls. In my view, the coordinated list should be more extensive and include more chemicals and chemical precursors, as well as production equipment and technical assistance items.

Second, Mr. President, I believe that controls on the spread of chemical weapons can only be effective if they include export controls in the Soviet Union and the Eastern bloc. I believe we must build on our bilateral efforts with the Soviets and try to coordinate further export controls in the Soviet Union and the Eastern bloc with the Western industrialized countries' constraints.

Finally, as I stated earlier, I fully support President Reagan's efforts to take immediate action to strengthen the Geneva protocol regime. I would hope that the United States would use that opportunity to lead the effort in having the United Nations adopt an overall policy of applying international sanctions against any country which violates the Geneva accord.

I also urge that the United Nations adopt an overall policy of applying international sanctions against any country which uses chemical weapons under any circumstances and that members of the United Nations agree that inspections of suspected uses of chemical weapons by a U.N. investigating team should be allowed, not only in cases of chemical-weapons use during warfare but also when used under any circumstances.

Last month the United Nations passed a resolution which stated that "appropriate and effective measures will be taken" if such weapons are used again by anyone anywhere in the future. Mr. President, I urge that we build on this resolution and explicitly indicate that international economic sanctions will be the price that will have to be paid if chemical weapons are employed.

I believe that the spectre of international sanctions will help strengthen the enforcement of the Geneva protocol regime and will put the international community on record that it will not allow the use of chemical weapons to go unpunished.

Mr. President, the use of chemical weapons is a crime against the international community. It is only through an effective and coordinated response by the international community that we will be able to stop the erosion of the regime of constraint on chemical weapons, and I welcome President Reagan's announcement today that we will be playing a major role in trying to accomplish exactly that.

DEPARTMENT OF INTERIOR AND RELATED AGENCIES APPROPRIATIONS 1989—CONFERENCE REPORT

Mr. DECONCINI. Mr. President, since passage of the Department of Interior and related agencies appropriations fiscal year 1989 conference report on H.R. 4867 on Thursday, September 8, I have had inquiries from constituents concerning certain language in the report and I would like to take this opportunity to seek clarification of the language with my colleagues, the floor managers of the bill, Senator JOHNSTON and Senator MCCLURE.

The language concerns the Small Business Timber Set-Aside Program. As proposed by the Senate, the conferees deleted House bill language which would have prohibited the Forest Service from adopting or implementing any modifications to the Small Business Timber Set-Aside Progam. Is that the understanding of the floor managers?

Mr. JOHNSTON. The Senator is correct.

Mr. MCCLURE. The Senator is correct, and, in addition, the conferees have included report language which expresses some collective concerns.

Mr. DECONCINI. I thank the floor managers. It is my understanding that the report language, pointed out by the distinguished ranking minority member, notes the committee's awareness of the so-called freeze proposal advanced in May, 1987, by the Department and urges the Secretary, because of controversy to consider other options "that might be available," and that those options recognize regional differences.

It strikes me, that while not prohibiting the Secretary from going ahead with the current freeze proposal in fiscal year 1989, we are saying that we prefer that he consider a less controversial option and one that allows the Department to manage the program with the flexibility needed to deal effectively with the very different conditions and circumstances that are present in the various regions and management areas.

While testifying on this issue before the Senate Small Business Committee, I entered into a discussion with the chairman and with representatives of the Department, and of the Small Business Administration, concerning the possibility of an experimental program in the Southwest, especially Arizona, Utah, and New Mexico which would give specific consideration to dependent small communities. It was said that the Forest Service has compiled such a list and that it could be used as a basis for such an experimental program. This is precisely the sort of program that I, and I believe the other conferees, had in mind to be included, or at least not excluded, in the option for final regulations. It is my understanding the Forest Service has already begun to organize an experimental program and I certainly commend them for that.

In addition, I believe the committee in urging an option that is less controversial, prefers that both the large business community and the small business community be in agreement with the major provisions, or at least an option that addresses the serious concerns of both.

Mr. McCLURE. This Senator would concur in that assessment, and would express hope that industry representatives would make a serious effort in the very near future to recommend, or at least concur in an option that would resolve this very destructive situation.

Mr. DECONCINI. I thank the Senator, and agree that if the Secretary would devise an option that would be fair to both sides, and include a consideration of regional differences and special circumstances, this Senator, for one, would be relieved.

CONCLUSION OF MORNING BUSINESS

Mr. BYRD. Mr. President, has morning business been closed?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The majority leader.

MINIMUM WAGE RESTORATION ACT

Mr. BYRD. Mr. President, we have been on the minimum wage legislation now for 5 days. We went on that legislation on Thursday, a week ago. We were on it on that Friday. We were not on it on the following Monday. We were back on minimum wage on Tuesday. That was 3 days. We were not in session on Wednesday because of the religious holiday. We were back on minimum wage on last Thursday and on Friday. So the Senate has been on minimum wage for 5 days. Today we would enter the sixth day. We have had two cloture votes, and we have not been able to invoke cloture. My good friend, the Republican leader, has acknowledged that he is urging his side to vote against cloture, and I believe that the White House is also urging the same. I understand that there are approximately 150 to 155, possibly 160 amendments—there may be more—that have been filed by the Republicans on this legislation.

So I can read the handwriting on the wall. We cannot move forward on the minimum wage legislation because of the filibuster which comes from the other side of the aisle. There need be no mistake about that. It is clear from the cloture votes and the statements made in recent days that simple economic justice for those workers on the bottom rung of our economic ladder is being held hostage to the political agenda of those on the other side of the aisle.

Apparently it is not enough that those workers have lost more than a quarter of their purchasing power since the current administration took office.

Apparently it is not enough that a National Academy of Sciences panel recommended earlier that the minimum wage be increased in order to help reduce the shocking rate of homelessness, especially among children.

Apparently it is even not enough that the Vice President, the Republican candidate for President, has called for an increase in the minimum wage. Perhaps, as I said the other day, the word from the Vice President's campaign has not gotten through to our friends on the other side of the aisle. Perhaps it has gotten through. Perhaps it was never intended to get through. Either way, the results are evident. Some 15 million workers are the losers.

Those voting against cloture have chosen to prolong the debate. They have chosen to stall action on the bill. They have chosen to delay simple economic justice to millions of workers. The committee substitute and the modified Kennedy amendment are a strong package. They restore the minimum wage to a level that will recover the purchasing power lost to inflation over the past 7 years. They will let employers hire students part time at a lower wage to give them valuable work experience while encouraging them to finish their schooling; and to help those 600,000 high school dropouts; they will let employers hire unlimited numbers of those youths at a youth differential wage so long as the youth return to school. That is good, sound policy.

Those opposing cloture are not keeping faith with the American dream. Everybody else has had their cost-of-living increase. Senior citizens have had their cost-of-living increases. Veterans have had their cost-of-living increase. Federal workers have had cost-of-living increases. But those workers who are at the bottom rung of the economic ladder—the minimum wage rung—have not had their cost-of-living increased. To the contrary, as I have indicated, their purchasing power has diminished one-third from what it was when the last minimum wage increase went into effect in 1981, January, at the time this administration took office.

So while others have had cost-of-living increases, those people—63 percent of them women, 15 percent of them black, 24 percent of them blacks and Hispanics—have suffered a decrease in their purchasing power during these almost 8 years.

How many times have we told our children and grandchildren that with hard work and perseverance and determination they can make it? Well, today, if you work full time at the minimum wage and have to support two children, you are not making it. Your annual income is below the poverty line. You may be working, but you are working your way into poverty. That is not an America that we should foster. Hard work should be encouraged and rewarded, not with poverty but with a decent wage. The Scriptures say "the laborer is worthy of his hire;" "the workman is worthy of his meat." The American people want to work an honest day, but they also want an honest deal. Apparently there are some who believe otherwise, and who believe that hard work deserves something less; something subminimum. That is not a value we should condone, much less pursue.

Mr. President, I am saddened by the position on the other side of the aisle. And America's working poor are surely more than saddened.

The position of those who are opposing cloture on the other side is clear and there is no point in our continuing to pound at their door. Obviously, not even GEORGE BUSH—if he did, indeed try, can change that party's position.

They say, "We want to wait until we get 24 judgeships." So 15 million American workers on the bottom rung of the economic ladder are being held hostage for 24 judges who, I am sure, are working full time and not working at the minimum wage.

Mr. President, I am now conceding that the Republican filibuster on the minimum wage legislation has been successful.

Mr. President, I will shortly take the steps necessary to return the minimum wage bill to the calendar. I regret that.

I would like to have seen minimum wage legislation on the record of the 100th Congress. It means that simple economic justice will be delayed for millions of workers on the bottom rung of our economic ladder.

Members of the executive branch have had increases, Members of Congress have had increases, but those who oppose cloture, we have been told, will continue to be urged to vote against cloture. They will deny an increase to more than 5 million workers who are barely making it—workers who are not able to bring their families out of poverty and who, even if they work full time, are not looking for a handout. This is not a proposal just to allow students to earn a little more popcorn money. These workers are looking for encouragement. They work for a minimum wage and we should at least give them a minimum of hope.

So there has been much talk from the other side and from the Vice President but when the time comes to put those words into actions, the convictions have disappeared.

Apparently they have wanted to kill the bill, and they have succeeded.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I am prepared to move to the parental leave bill. I indicated some several days ago that I would follow minimum wage with parental leave. The motion I make will not be debatable. I am not going to shut off the Republican leader.

Mr. President, I ask unanimous consent that I may yield the floor for not to extend beyond 1 hour, and that I then be protected in my rights by the Chair; that I again be given the floor, and that the rights under the rules which I now possess, namely, to make a motion that will be nondebatable to take up the parental care bill, thus displace the minimum wage bill and put it back on the calendar, be retained as in status quo.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. Mr. President, I do not object. I want to thank the majority leader. This preserves his rights and gives himself, Senator HATCH, and Senator KENNEDY, a chance to comment on the action. I do not believe there will be a rollcall on the motion to proceed with the other matter, but I will double-check that in the meantime.

Mr. BYRD. Very well.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Kansas.

Mr. DOLE. Mr. President, first of all, I know that time is short in this legislative session. I know the majority leader is going to have to make some decisions because of many of these bills. He has just made one to move off the minimum wage bill. I must say that does not come as any great surprise. This bill could not pass in the House. It was not likely it was going to pass in the Senate unless it could be modified. We were told we could not modify it, and that we would have to sustain or fight against cloture if we offered any nongermane amendments. So I think it is a pretty good result.

We are prepared, and have been prepared with the substitute on this side to increase the minimum wage, and also include the training wage. I will leave that to the distinguished manager on this side, Senator HATCH, who has worked and spent a great deal of time on the training wage, and also trying to work out something on a modest increase in the minimum wage.

Again, I would go back to an editorial that appeared in the New York Times a couple of weeks ago. The last paragraph in that editorial says:

> The best hope now is for the Senate Republicans to kill the minimum wage in the coming days. That would clear the decks for a fresh, bipartisan look at the earned income tax credit next year.

This editorial also disclosed a lot of myths that we have been hearing on the floor the past several days. When it says that 5 out of 6 jobs paying the minimum wage are not held by poor people at all but by teenaged children or middle-income families and by second earners with families with few children, they say 1 in 6 is still a pretty large number. They also point out that a $1 increase in the minimum wage would cost 250,000 jobs. Most of this quarter of a million jobs are held by young people under the age of 24.

For some, loss of a job might mean only the loss of movie money. But as pointed out by the researcher for the Urban Institute, it would deprive others of the work experience needed to break the cycle of poverty. And then they go on and talk about the earned income tax credit.

I know it is discussed—about the cost of the earned income tax credit—but why should this minimum wage not be part of the national debate? It was not mentioned last night. Both debaters did an excellent job. The Vice President clearly won but otherwise it was a good debate. But why not have this brought up in the next debate, maybe the Vice Presidential debate or the Presidential debate? Why not look for some new initiatives, new ideas, instead of the same old tired ideas that the chairman of the Labor Committee comes in here with every day? Now he has another one. I was right last week when I said how many more? How many more bills are we going to get from Kennedy's committee? What else does he have in mind for the American business community?

Well, maybe this one can be disposed of, minimum wage. Maybe we will find a way to reach a bipartisan agreement next year but let us face it. The minimum wage was not going anywhere anyway.

When the labor leaders get together, they say we want these bills. So now we can cross this one off. It is probably high on their list. Parental leave, mandated health benefits—how many more must we consider before we go out this season? All of these have merit. That does not mean we cannot find innovative ways to deal with the problem of the minimum wage, and I believe we can. And the Vice President has, as the majority leader stated, indicated he would favor an increase in the minimum wage. We never got any details on that plan. But I would have to guess that the Vice President would have supported $4.10 and a training wage.

I also believe that there are not enough votes on this floor for the Kennedy substitute. I have talked to a good number of Senators on the other side of the aisle, Democrats, and I do not believe there are 50 votes for the Kennedy package of $4.55; because many Senators are concerned about small businessmen and women, are concerned about people now receiving the minimum wage losing their jobs altogether if we raise it as much as the distinguished Senator from Massachusetts seeks to do.

So, I think the majority leader is putting the best face on it that he can. He cannot win it, so he wants to have a respectful burial, and that is what we are doing now.

I do not know how many amendments are pending—175, a pretty high number, but there could be that many. Some are germane, some are not; some are good amendments. Some nongermane amendments such as the one by the Senator from Washington had difficulty on this side, but we were going to work it out, in respect to a pay equity study, which many of us believe should be done.

The Senator from South Carolina has been waiting a couple of weeks with an antipornography measure, with 45 cosponsors.

We had other good amendments to offer to the minimum wage. Maybe they can now be offered to parental leave.

I do not normally quote the New York Times and Washington Post editorials at length, but this editorial and the one in the Post 2 weeks ago said we should pass the appropriations bill and maybe welfare reform and get out here. It is still a pretty good editorial.

I believe we are going to pass or at least complete action on all appropriations bills—the House said they will do it this week. I am certain that if they do it, the majority leader will see that we do it. They are meeting right now in Representative ROSTENKOWSKI's office, in H-208. Senator BENTSEN is there Senator PACKWOOD, and others. They are so close to welfare reform that we may have a package on that before the day is out.

So, I say, in conclusion, that the record should clearly reflect that I do not believe that many Members on this side opposed bringing up minimum wage. I cannot remember the vote—four or five. Everybody else said let us proceed to the minimum wage and maybe we can work out a package. There was not any opposition at the outset. There was not any opposition once we got into it. Once we were notified by Senator KENNEDY that there was not going to be any compromise, that we are going to take it his way or not at all, that reduced our options, and we had to do the best we could to make certain that cloture was not invoked, so that we could talk about compromises, possible compromises. There were all sorts of meetings going on, Democrats and Republicans. The Senator from Utah had been working night and day on changes in the training wage.

The record should clearly reflect that it is not opposition to an increase in the minimum wage. It is in opposition to taking it or leaving it, and I do not believe we should be required to do it.

The distinguished majority leader, when he filed a cloture motion the first time, made it clear: "There is not a filibuster, but we don't want any nongermane amendments on this bill."

There was no cloture motion filed on Friday. The majority leader could move right now to reconsider the vote—it is still out there—move to reconsider the last cloture vote. He has until the close of business tomorrow. He may do it yet. We could still have another cloture vote without filing a cloture motion. I do not believe the outcome would change, even though it was one vote away.

So, I say to those concerned about a minimum wage that we are, also, on this side, and so are many Democrats, as many as a dozen, I believe, who would not go along with the approach of the distinguished Senator from Massachusetts.

Now we are going to roll out another one. I do not know what will happen to parental leave. It is a lofty goal, but who pays for it? Who is going to pick up the tab?

I did not hear the candidate for President talking about minimum wage or parental leave last night, and I am certain the Governor of Massachusetts has surely been coached by the distinguished senior Senator from Massachusetts. At least, my conclusion was that it was fairly close.

Mr. KENNEDY. That is what you said.

Mr. DOLE. I said that, yes. The Governor was a Ted Kennedy liberal, and I said it respectivefully. But we just have a different view.

So, if the majority leader would like us to sit down and hammer out a minimum wage package, we can do it in 30 minutes, if the Senator from Massachusetts would yield a bit.

On parental leave, I say to the majority leader that we will try to clear that so that there will not be a necessity for a vote. I am not privy as to what will happen if it does come to the floor. I understand that the Senator from Mississippi [Mr. COCHRAN] will manage the bill on this side.

Mr. President, I ask unanimous consent to have printed in the RECORD the complete New York Times editorial, which I know has been included before, but I think it makes the point that we ought to look at other ideas.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times]

THE MINIMUM WAGE: A BETTER WAY

A job at the current Federal minimum wage of $3.35 an hour pays just $6,700 a year. Is it humane to ask anyone to clean offices or pump gas for that amount, which is only half of what it takes to keep a family of four out of poverty?

Surely not. But the remedy proposed by Congressional Democrats is not humane, either. They would raise the minimum wage to $4.55, pushing thousands of needy workers off the job rolls. Happily, there's another remedy that's humane and sesnsible, and that has no adverse employment effects: expand an existing Federal program to supplement wages, the earned income tax credit.

A bipartisan effort to do just that, led by Representative Thomas Petri, a Wisconsin Republican, is probably doomed this Presidential election year because both parties would rather embarrass each other than reduce poverty. But that's no reason to rush to raise the minimum wage. The tax credit belongs high on the legislative calender next year, no matter who wins the White House.

Five out ouf six jobs paying the minimum wage are not held by poor people at all, but by the teenage children of middle-income families or by second earners in families with few children. But one in six is still a lot of people. According to Ronald Mincy, a researcher at the Urban Institute, increasing the minimum wage by just a dollar would lift nearly 100,000 families above the poverty line.

The catch is that a higher minimum wage would also induce businesses to get by with fewer employees. By conservative estimate, a dollar increase would eliminate 250,000 jobs, most held by people under age 24. For some, loss of a job might mean only the loss of movie money. But as Mr. Mincy points out, it would deprive others of the work experience needed to break the cycle of poverty. That's where the Petri plan fits in.

Wage subsidies have been built into the Federal tax code since 1975. Some four million poor families with children receive tax credits—cash payments—of up to 14 percent of wages, or a maximum of $870 annually. Mr. Petri would raise the maximum, and link payments to need. A family of six subsisting on $8,000 would receive $2,500.

Unlike an increased minimum wage, the expanded earned income tax credit would add nothing to employers' costs and create no incentives for evasion or payroll cuts. Targeting would be precise. Suburban teenagers wouldn't get a penny, while a $12,000-a-year garment worker supporting three kids would receive an extra 60 cents an hour.

Why, then, has Mr. Petri's plan received so cold a shoulder in Congress? Many Republicans are obsessed by the idea of a two-tier minimum, with a lower rate for teenagers. Many Democrats are eager to placate organized labor by voting to raise the minimum wage, and even more eager to embarrass George Bush by forcing a White House veto just before the election.

The best hope now is for Senate Republicans to kill the minimum wage bill in coming days. That would clear the decks for a fresh, bipartisan look at the earned income tax credit next year.

Mr. DOLE. Mr. President, if we really want something to truly help the poor, why not look at an earned income tax credit or some other idea where you do not eliminate jobs by raising it across the board? You still target those who need the assistance, the poor people in this country, and you do it the right way.

I would hope that organized labor would take a look at some innovative and creative idea—maybe the earned income tax credit increase. We can determine how we can resolve it and pay for it, because this is important.

So we will be willing to move on to some other business. We would like to move on to adjournment, if the truth were known. None of these issues is so urgent that it should not be part of the national debate: the minimum wage, health benefits, parental leave, and maybe some others.

I would hope that we would complete action on technical corrections this year and maybe other matters that the majority leader would like to do, but I think those I have mentioned should become part of the Presidential debate. We should determine precisely what Governor Dukakis and the Vice President have in mind on these issues. We will have plenty of time next year to address each of them, and we will have more than 20 hours to discuss an important issue like minimum wage before it is taken off the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, before responding to the good Republican leader let me mention that I had thought the Vice President had won all the debates this spring but, quite frankly, did not win the one last night. Perhaps we have a different assessment in terms of the outcome of that.

Mr. BYRD. Mr. President, will the Senator yield on that point?

Mr. KENNEDY. I yield.

Mr. BYRD. I do not think he won all of them this spring. [Laughter.]

Mr. DOLE. I am undecided.

Mr. KENNEDY. We will have a Kennedy bill on that.

Mr. President, to reach common understanding that has been expressed here by the majority leader and the minority leader—that is, that the position which has been taken by the Republican leader and by the floor manager for the Republican Party is not going to permit us to achieve cloture on the minimum wage, neither this afternoon nor tomorrow nor in the foreseeable future.

I am proud that my name is associated with this particular proposal in the U.S. Senate, and I have welcomed the strong support that we have received from our colleagues on this side and the few on the other side as well.

The Republican leader points out "the votes were not there."

Mr. President, we had 56 votes there last week that were urging us to move ahead to give consideration to the amendment which was pending, which is the Kennedy-Byrd amendment.

If we followed what the Republican leader has said, and this is wonderful guidance—"Why do we not just close down shop here and all go home?" That is wonderful advice for all of those in this body who are making $80,000 a year, but I imagine those 16 million Americans, more than 5 million Americans who are heads of households, who depend upon the minimum wage to put food on the table and clothes on their children, might have a different view. They might say, "Why don't you stay there 2 or 3 more days? What is so important to you there, Senators? Why don't you stay 2 or 3 more days and give a sense of economic justice to the 16 million of us who have been left out of this alleged prosperity that we have had over the period of the last 8 years?"

Now, we are too busy. We just want to get home. This Senator does not want to go home when we have this measure before us. I regret that attitude that is stated by the Republican leader and by others who said "Let's just close up shop?"

Certainly the Chamber of Commerce would like us to go home, all the lobbyists would like us to go home and not address this issue. Certainly those people, whose interest we are trying to protect, whose interest we have tried to protect over the period of the last 50 years, would not want us to go home.

Effectively, what the Republican leader has said is that we are opposed to a living wage for working Americans. He talks about percentages and only a few percentages are involved. What he does not say is that 560,000 families are dependent upon the minimum wage today to survive. And today it is a subpoverty wage.

But, oh, no, they say "we want to compromise." And I have said right from the beginning that we will not compromise in giving a cost-of-living increase to the men and women who have been left out and left behind over the period of the last 8 years. That is not worth compromising. Maybe it is worth it to the Republican leader to say, "We are not going to restore the purchasing power that they have lost, but $4.55 restores it. But what about $4.33, $4.20? Why not grab a figure out of the air? Let's not make it all up to them. I mean, after all, they are the poorest workers in the country. There is no sense in giving them a half-decent break in our society. Let's skim them down. Let's really make it difficult for most men and women in our society."

Well, Mr. President, that is not my position, that may be his and that may be the position of others on that side of the aisle, but I wish them luck in explaining it in good conscience, to others.

This is not a new issue in this body. We have faced these filibusters just about every time that the minimum wage issue has come up. We have heard the same arguments time in and time out.

As we pointed out in the course of the debate, the record does not prove them to be well reasoned arguments or to work out the way that they have been expressed. They talk about the loss of 260,000 jobs.

(Ms. MIKULSKI assumed the chair.)

Mr. KENNEDY. Madam President, when we saw the loss of 260,000 jobs just a few weeks ago, this Republican Vice President said that is statistically unimportant. And now when you talk about estimates of 260,000 over a 3-year period in the future, that is suddenly unacceptable.

I think we know what the real fact is, and that is that this was a Republican filibuster. We were quite prepared to move on my amendment. We had that before the Senate in one form or another for a period of days, some 5 or 7 days. We have been unable to dispose of that. We could have gotten on to other amendments, but absolutely, no. "We will not permit you to get a vote on that. We will not participate in a unanimous-consent agreement that would have been able to get a vote."

I am glad to hear the Republican leader talk about what Mr. BUSH was going to do. We have not yet heard his proposal.

Now we have a little indication—$4.15, $4.20, $4.25 an hour—but there was no indication about where or when this was going to come.

Madam President, let me just finally come back to what the issue was——

Mr. BYRD. Madam President, will the Senator yield?

Mr. KENNEDY. I am glad to yield.

Mr. BYRD. Perhaps he has not gotten it sorted out yet.

Mr. KENNEDY. We found out.

Hopefully when we have the statements on parental leave, perhaps we will get this sorted out.

We have heard him now talk about the day care. We have heard the Republican leader talk about the earned income tax credits, the New York Times tax credits on that. We hear the Vice President say no new taxes. That program is going to take new taxes. You cannot have it both ways and say we are opposed to the minimum wage because we want the tax credit but we do not want any increase in taxes. However, that is exactly what they are saying, and we can all see it for what it is. It is a blatant attempt to turn back any kind of consideration for an increase.

Madam President, with all respect for those including my friend from Utah who were talking about a training wage as I mentioned, this really was not a training wage at all. Basically you are talking about a subminimum wage. We have training programs. We have some 600,000 youths between 16 and 19 who work in businesses across the country where those businesses get a tax credit of 40 percent on the wages of those youth. It only cost them $2 per hour. They get training. They are supposed to get training as part of the condition for their getting the credit. It is some element of training.

We have the Job Corps Program where some 70,000 get training, real training, and evaluations have demonstrated that program to be effective. We have a WIN Program where 170,000 young people get training. They get actual training.

And those programs are worthwhile. And we have the other programs under the JTPA and the targeted jobs tax credit where they get training.

But this is not a training program. But this is not a training wage. This is not a training effort that we had been addressing.

So, Madam President, while we are facing now some 158 different amendments, it seems to me that I support the actions that have been taken by the majority leader in this case, and I would indicate to all of those who have strongly supported us that we will be back. We are going to continue in this effort. I am convinced that we will be successful if not this year, then hopefully in the early part of the next Congress.

To those families across this country who have been watching this debate I would hope that they understand who have been the Senators who have urged us to stall this measure. And I hope they see who have been the ones who have asked us to restore a simple sense of equity, justice and decency for them.

Madam President, I hope we will move expeditiously on to the parental leave legislation and hopefully we will be able to get some votes on that program. Perhaps we will find out what the Vice President really feels about that issue in a clearer way than we found out how he felt about the minimum wage.

The **PRESIDING OFFICER.** The Senator from Utah.

Mr. **HATCH.** Madam President, I have listened with a great deal of interest to the distinguished Senator from Massachusetts, and I certainly, personally, do not blame him for being very agitated here that this bill has to be pulled down at this time. After all, his side controls the U.S. Senate and they control it by a substantial majority.

I think, though, some of his anger is unjustified because there are many on his side who do not agree with him who basically realize it is time for a little bit of a showdown on minimum wage. We have just been borrowing these old ideas from the past for all these years without looking for real ways of solving the problems, stemming the loss of jobs, stopping the increases of inflation and, of course, doing something that is really worthwhile to help people to get jobs especially those who are undertrained and underprivileged.

I do not blame him for being upset. I just have to say this to my dear colleague from Massachusetts. He really believes this, he really believes that increasing the minimum wage is really going to pay people a livable wage. Come on. If we increased it to $4.55 today it would not pay the living wage for the average family of three or four?

The fact is that of the 4.7 million people who make the minimum wage—not 16 million people; 16 million people make $4.55 or less—but of the 4.7 million who actually make the minimum wage at this time, 14 percent of them are truly poor. They are the working poor and we really ought to do something about that.

And I have offered, I think, a tremendous suggestion. And it happens to be a Democratic-Republican suggestion, brought forward by, I think, more innovative thinkers on how to solve these problems, and that is a refundable earned-income tax credit that would go for those who are truly the working poor in America, instead of inflating everybody in our society and inflating the cost of everything for everybody in our society by having an across-the-board increase in the minimum wage and, in the process, losing, even by the lowest estimates by responsible economists, 200,000 to 1 million jobs.

Now, anybody who really wants to save jobs, who really wants to do what is right, has to relook, reassess, and reevaluate the minimum wage. I think it is time for my colleague and I to look at it again. If we can work together, I will tell you we could solve most of the problems for the working poor in this country, and I would like to. But let me tell you, when he locks up the tree with an amendment and by locking up the tree puts us in a parliamentary situation where only his amendments can be understood or heard or voted upon, and allows no other ideas to come forward, there just is no other alternative, other than to talk about this and try to get some reason and to work on a substitute.

Now, the real reason this is being pulled down is because the distinguished Senator from Massachusetts knows that we are on the verge of having a substitute that would increase the minimum wage in a proper way, if that is the best we can do, while plugging in a true training wage to help the poor, the unfortunate, the underserved, the undereducated, and the untrained, and we will buy his amendment, to boot. We will take his increase of 6 people to 12 full-time working students. And we will be glad to do it, and he can win.

But the fact of the matter is, he is unwilling to do it, because there is only one way to do it, and that is the old, archaic, time-honored methods of the past that really have not worked in the past and will not work any better in the future.

If we took his approach without a training wage, whose jobs are going to be lost, the 200,000 to 1 million jobs? They would be the unskilled, the least advantaged people in our society. Those who needed the chance the most would lose their jobs and would not even have an opportunity. And that is just talking about lost jobs now. That is not talking about lost jobs in the future.

He would not have a training wage. It is a simple little thing. Eighty percent of the minimum wage, but not lower than $3.35 an hour for those who take jobs for the first time. The one thing that could help us is a real training wage, not what he calls a training wage, which is really a subminimum wage for full-time students.

A real training wage would be an incentive to small business people who provide two-thirds of the new jobs in our society to take a chance on those who cannot get to the mainstream any other way.

If you take the approach of my distinguished colleague from Massachusetts, you would have a ripple effect that would cost, just in increased wages alone, $48 billion. Now, add to that the cost of goods and services and products and everything else and you can see how inflation just starts right up again that evil trail that put us at 13 percent inflation back in the late 1970's. My goodness, nobody wants to go back to that.

Why can we not help the working poor? Is there not a way to do it? Study after study shows they are not helped by increases in the minimum wage. I suppose there has to be some modest help to them, but everything else goes up, too, so they really do not benefit from it.

And the minimum wage is not a targeted approach to help them, anyway. It is a good political gimmick, but, as an economic reality, it does not work.

So why do we not approach this in a more intelligent way? Most minimum wage people are not from poor families. Five out of six come from families that are not poor, that are mainly younger people who are not married and do not have household responsibilities. Approximately 70 percent of those 4.7 million people on the minimum wage come from families with incomes 50 percent or more above the poverty line. Only 19 percent come from below the poverty line and only 14 percent are heads of households.

Most minimum wage jobs are not held by heads of family. About two-thirds are held by young and single workers.

Really, most workers do not get stuck in minimum wage jobs as a practical matter. Actually, two-thirds of them are in part-time minimum wage jobs.

Let us look at the facts here. Since 1980, the proportion of workers receiving the minimum wage has fallen from 11 percent of the workers down to 4 percent. That is under the economic policies of this administration, which my colleague politically is criticizing.

I do not know why this debate always has to be a debate against George Bush or against Michael Dukakis. Let them debate themselves. Let us do what is right for America.

I want to say this: That there are better ways to help the poor. The refundable earned-income tax credit would be a way. Yes, it is expensive. But if we want to do it, we should do it, instead of my distinguished colleague's mandated health benefits approach, which would cost, pretty much admitted by CBO, around $40 billion. And that is not counting all the paperwork costs. That means that it probably will cost nearer $100 billion. He would spend $40 to $100 billion to solve what people say is a problem that could be solved if we directly targeted it for $6 to $8 billion.

Now, that is a lot of money, and we do not know where it is going to come from. But if it has to be done—and I agree with him, it probably does and we should find some innovative ways to do it, and one of the best ways is to stimulate the private sector to do it—but if it has to be done, let us find the $6 or $8 billion, either by finding appropriate savings in the budget or, if we have to, we have to increase revenues to be able to pay for it. If it is that important, let us do it. But let us not solve a $6 to $8 billion problem with a $40 to $100 billion solution.

I have been on the Labor and Human Resources Committee—the most liberal committee in the Congress—now for 12 years. Some have said that for a conservative it has to be purgatory. Well, I want to tell you it seems like it sometimes. But it has been the greatest experience, because I have been tutored and trained by the best.

And I have to say my colleague from Massachusetts is the best. When he is talking about policies around here, from a liberal's perspective, there is nobody in this country who can speak more authoritatively, more persuasively, or more politically. He is the best political liberal in the whole U.S. Congress. And I am not saying that in jest. It is true. He is one of the best speakers in the whole Congress. That is true. I wish he would be the best at being right. That would really help everybody. If we could channel all that energy and all that ability into doing what is right for America, I will tell you something, I personally will help get that statue erected for his memory. I will work very hard to do it, too. In fact, I may do it anyway, because I like him so much.

But, to make a long story short, the Labor and Human Resources Committee has been so liberal through the years that literally about 95 percent of all that it brings to the floor of either House of the Congress is rejected out of hand, it is so off the wall. But the 5 percent that has gotten through now compromises approximately 3,000 Federal social programs, many of which work to a more or less degree, but all of which cost an awful lot of money.

Now, I have spoken tongue in cheek here to a slight degree at the end of this particular debate. And I am sure it will come back again, and I am sure that my distinguished colleague will be as formidable again as he was on the floor in this debate.

I just want to say that I have great respect for him. I have watched him for the last 12 years and I came here thinking I would really despise him, but I have to tell you I have gained great respect for him. I only despise some of his policies.

But I will tell you this, I have to hand it to Senator KENNEDY for being the terrific leader that he is. And he has been a good chairman of the Labor and Human Resources Committee.

I, myself, am sorry to see this pulled down because I feel like we could have effectuated a compromise that would have been acceptable to both of us. The fact of the matter is the international trade union movement in this country would not accept a training wage even though they, themselves, recognize that it would do a lot of good for these young people. They just will not accept it.

They consider the minimum wage their single idea and nobody is going to change it. All we are going to do is keep increasing it and, of course, when you increase it at the bottom, they then can make higher wage demands at the top. It has been a wonderful fiction for them, but it has cost an awful lot of jobs for an awful lot of young people, inception jobs that would have saved their lives and that is why this debate has been so important.

The distinguished Senator from Massachusetts could have had increases in the minimum wage, maybe not as high as he wanted but he could have had them. All he had to do was accept a new idea, that has never been accepted so far but which most economists say would work to help young people get jobs, and that is the training wage. We wrote it about as modestly as it could be written. I wish it could be much more stringent. I wish it could be a situation where we could put a lot more innovative ideas in it, but we made it as modest and simple as we could.

We happen to disagree, he and I. But that does not negate the fact I have great respect for him. I feel every time we go to battle together, I am in some sort of a whirlwind against the strongest liberal leader in the whole Congress. And I respect him and I respect the fact that he does believe these things, even though I disagree totally with some of the things that he believes.

Madam President, I do not want to keep us any longer because we have been on this for along time and I do not really see any reason why we need to go to a vote to bring up the parental leave bill. I do not have any desire to do that.

The distinguished Senator from Mississippi will be managing the floor on this side and whatever he desires will be fine with me, but I do not think he will desire it either. We will just have to go into a debate. But if we do debate that, then let us allow all Senators to have their right to come in and amend. Let us not just lock up the tree and expect the Republican Party on this side to roll over and play dead.

We have a right. This is a free Congress. This is a free Senate. Yes, they can exercise the rules, but so can we. If we do not have a right to have our amendments heard, then that is just not fair. And that has gone on too much over the last couple of years as one side has tried to lock up the debates so many times.

I want to stress again my regard for my colleagues from Massachusetts and how much I care for the decent way he has treated me on this issue. I want to say in closing that this particular issue will come back. When it does I hope all of us will pay more attention to the New York Times editorial. I, for one, am very pleased to see that type of an editorial from the New York Times. And I hope that they will continue to write editorials that make economic sense, like that one has. I have high hopes that they will and if they will, they will certainly have my total respect.

But I think we all have to work on these issues. I hope that we can in the future and I hope my colleague and I can get together because if we can I think most people would listen to us, if we would get together. They would know that maybe the best approaches have been brought together in a compromise form for the betterment of all people in our society. And I pledge to do what I can to work with him as he did with me when I was chairman of this committee, to try to do what is right and to try to come up with good legislation and to try to pass it and, of course, to try to help our country.

So I want to thank everybody who has participated on both sides of the floor and just say that we will go on to the next issue and see what happens there.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Madam President, I want to thank my colleague and friend from Utah for his kind words. I am somewhat disappointed. I thought we would have the opportunity to continue our debate, even on parental leave.

I hope the Senator will be as forthcoming on that issue as he has been on this one.

Seriously, I want to thank the Senator from Utah. He has mentioned the times we have worked together and I have certainly enjoyed those. I must say, we have points of difference but I appreciate, always, the good humor and the attitude that he has taken, both of us have taken, on matters where we do differ.

As I think each of us have pointed out, this level of civility sometimes gets close to the edge but has been retained and there is a special quality about this legislative body which really is unique in the world.

Let me just mention a couple of points. I see my colleague from Maine who wants to speak to this issue. Let me just mention a couple of points that I think are probably self-evident, but are necessary to complete the record.

The parliamentary situation, as our colleagues know, is that an amendment had been laid down by the Senator from Utah, then a perfecting amendment had been put on by the Senator from Massachusetts that had been cosponsored by the leader. That is a process and a procedure that has been followed for 200 years in this body and in which for 200 years, in various forms, we have been able to live with. No unseemly parliamentary procedures were part of our effort to adopt an increase in the minimum wage.

And I have placed this in the Record, the Gallup poll, to the extent that that is an accurate reflection of the attitude of the American people, which demonstrated 76 percent of the American people were in favor of going to a minimum wage up to $5.05 and a cost-of-living indexing provision. I wish we had accepted a cost-of-living measure, if we did we would not be having this debate now. We have cost-of-living features built into other programs but not for the working poor.

That was the target of a good deal of opposition initially, so we dropped it. We have opposition for a proposed 4 years, so we dropped the fourth year. Now we have 3 years and they cry we will not compromise. I think that record has been spelled out, we have compromised.

Madam President, finally let me address the points which have been raised. It is a marvelous argument by the Republican leader and my colleague from Utah about how to approach this particular issue of increasing the minimum wage.

They say: "We do not want to increase the minimum wage. What we want is to get an earned income credit that will be refundable for people."

This is what they are saying, what their argument says: No increase for the wages for minimum wage workers. You are not going to get any increase in wages. And, you know something else, Mr. Taxpayer, we are going to raise your taxes by $6 billion. We are going to raise your taxes some $6 billion, so we can take some money out of other workers in the middle income bracket and give it to those people on the earned income tax credit. We do not want your wages increased and, taxpayers, beware, because we are going to raise your taxes. The only people that are not being affected are the business lobbyists who are outside. Those are the only ones who are not being affected by this. Because they know how to deal with that type of an issue.

It is a wonderful way. Basically you are taking the $6 billion from general revenues, which are taxpayers' dollars from middle-income families to subsidize employers that are paying subminimum wages. It is as simple as that. Wonderful Republican argument. Wonderful.

They do not mind employers exploiting American workers. What they are going to do, lo and behold, is not increase the wages for those workers; we will make the taxpayers give the money. That is a wonderful way to come to the conclusion of this argument.

I do not question that under selective circumstances, in terms of the size of families, the earned income tax credit can have a targeted and a positive response. But to use that as a general approach on this issue, Madam President, is a wonderful Republican idea for subsidizing many of those who have been exploiting the poorest workers in this country. Now they say they are for it.

Madam President, finally we talked about the "hire 'em and fire 'em" wage. It is wonderful that in the Hatch amendment there was not any limitation on age. No limitation on age. Now they are talking—is it not nice we get the dropout; we are going to give him training? But there is no requirement for any training. We will put him to work. Sure, he can only have it for 60 or 90 days, because we will fire him. Get another kid.

There are no limitations on times. They could do the same thing to the older workers who have been hard pressed in these areas and fired someone else who had a full-time job and picked that person up. The amendment has no provision in terms of limitations on age. Or requirements in terms of education.

We have dealt with that situation, Madam President. If you want training programs, we have responsible training programs.

I yield to no one, nor does our committee, into giving focus, attention, and priority to those types of training efforts.

I think we diminish the decent record of the Labor Committee for developing training programs when we have this kind of a discussion.

A final point. Madam President, I will include in the Record the CBO estimate on the minimum health benefits. We heard these figures—I do not know where the Senator from Utah got them—some $40 billion. We are putting the cost estimates in the Record, and it comes to additional costs of $12.5 billion. That is in CBO.

In the last few weeks we got used to various figures being slapped around in the course of the campaign. I think it is important with regard to this particular issue that we put those figures in the Record because I think it is important that the Record be complete. I will put the attendant material in which justifies those estimates.

Madam President, I ask unanimous consent that the CBO figures be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

U.S. Congress,
Congressional Budget Office,
Washington, DC, April 22, 1988.

Hon. Edward Kennedy,
Chairman, Committee on Labor and Human Resources, U.S. Senate, Washington, DC.

Dear Senator. The Congressional Budget Office has reviewed S. 1265 (the "Minimum Health Benefits for All Workers Act of 1987") as ordered reported by the Senate Committee on Labor and Human Resources on February 17, 1988, and has prepared an estimate of its costs to the federal government. The estimated fiscal impact of S. 1265 is shown as steady-state estimates for a year in which the bill is assumed to be fully implemented.

The approach and major assumptions of this estimate are similar to those outlined in CBO's testimony before the Committee on November 4, 1987. The changes in the estimate reported here reflect changes in baseline budget estimates, changes in the bill, a change of the year for which the estimate is reported, as well as refinements in the estimate. Because one of the major uncertainties underlying this estimate is the pace at which federal outlays and revenues would change after the law takes effect, we present the estimated fiscal impact as if the bill were fully implemented. Thus, workers in small firms, which would be phased in over five years, are treated as if they were already fully covered. Also, the estimate assumes that abrupt shifts in outlays and revenues, that may occur in the first year or two of implementation, are no longer significant. If the bill is enacted during calendar year 1988, it would take effect on January 1, 1990. In such an event, CBO believes that S. 1265 would have no significant effects on the federal budget during fiscal year 1989.

The CBO estimate is, however, highly uncertain. Because the bill would have broad consequences, quantifying the costs requires the use of many assumptions. To illustrate the significance of the assumptions, we have provided a sensitivity illustration with high and low variants bracketing the CBO estimate. It is achieved by using two values for one key assumption on the outlay side and for one key assumption on the revenue side. The outlay sensitivity illustration shows the results of assuming that secondary payer enforcement realizes only 90% (high variant) and 100% (low variant) of what is estimated would be avoided when private insurers become primary payers for current federal beneficiaries. The revenue sensitivity illustration shows the effects of assuming that 100% (high variant) and 90% (low variant) of the new employer-paid premiums are paid for by reducing taxable wages (the remaining 10% being paid for by reducing existing non-taxed benefits). Although CBO believes the true value of these two variables lies within the assumed ranges, there is little evidence to support precise figures for either. We arrived at the CBO estimate for the variable by selecting the mid-points of each range. The purpose of the sensitivity analysis is to demonstrate the effects of substituting different assumptions on CBO's estimate. Of course, there are other assumptions, as discussed later, that could be varied to further demonstrate sensitivity. If these other assumptions were also varied, the range of uncertainty would be larger than that shown here. The estimate and two variants are as follows:

ANNUAL FEDERAL FISCAL IMPACT OF S. 1265

[Billions of 1990 dollars]

Budget category	Estimated effects on budget deficit		
	High variant	CBO estimate	Low variant
Revenue loss	6.2	5.9	5.6
Outlays	−5.1	−5.4	−5.7
Medicare	−3.5	−3.7	−3.9
Medicaid	−1.1	1.2	1.2
CHAMPUS	−.7	.7	.8
FEHBP	.2	.2	.2
Net change in the Federal deficit	1.1	.5	−.1

An important contributing factor making average estimated revenue reductions higher than average estimated outlay reductions is the mental health benefit, which was added to the bill shortly before the Committee vote. In itself, this additional benefit would increase the deficit by about $250 million dollars per year. Reduced federal outlays for mental health would be about $100 million per year, while reduced revenue would total over $300 million.

What follows is a general discussion of the methodology and magnitudes, as well as the uncertainties, involved in the estimate.

Basis for the estimate: In keeping with the CBO's general practices, the quantitative estimates are static—that is, they consider only the direct changes in behavior that would result from requiring health coverage for workers and their immediate families. Any indirect and secondary effects of the proposed law are not included in the estimates. According to this criterion, S. 1265 would change outlays for federal health programs either because current beneficiaries would receive primary coverage through the required employment-based insurance (and, hence, the federal government would become secondary payer) or because the federal government, as employer, would itself be required to insure those of its workers currently without coverage. There are about 6.7 million uninsured workers currently working and receiving federal health benefits who would switch to private insurance coverage if the law passed. About 0.8 million federal workers would gain health benefits coverage. On the revenue side, the proposed bill would cause federal tax receipts to drop because, it is assumed, otherwise taxable wages would be largely transformed into non-taxable health benefits—with total compensation remaining virtually unchanged.

Spending: S. 1265 would cause net reductions in federal outlays totalling about $5 billion. Each of four federal health programs would be affected: Medicare, Medicaid, the Civilian Health and Medical Program for the Uniformed Services (CHAMPUS), and the Federal Employees Health Benefits Program FEHBP). Except for outlays for FEHBP, outlays for each would fall. The estimates also assume that all workers would participate in employment-based plans (including all qualified federal employees), as mandated in S. 1265, even though their share of the employment-based premium might purchase few or no additional benefits for many of them.

Medicare would save about $4 billion, because employment-based plans would become the primary payers for essentially all beneficiaries employed at least 17.5 hours per week. Because most of these beneficiaries would not continue Part B coverage, about $400 million in reduced receipts of Part B premiums are accounted for in these estimated Medicare savings.

Private plans would also become the primary insurers for uninsured workers now enrolled in Medicaid, as they would for uninsured workers now covered by CHAMPUS. This secondary payer status for Medicaid would yield federal savings of more than $1 billion, and for CHAMPUS would yield federal savings of a little less than $1 billion.

Federal employees currently without FEHBP coverage would be required by S. 1265 to be covered under FEHBP, at a cost of about $400 million. Most of these employees are currently covered by the insurance policy of a working spouse. At the same time, some savings would be realized because working spouses of those federal employees who have chosen family coverage in FEHBP would not be required to take primary coverage through their own jobs. The net federal cost for FEHBP coverage changes would amount to about $200 million.

Revenue: Under the assumption that wages and salaries would drop by nearly all of the employer's share of the cost of providing new health insurance, federal revenues would fall by about $6 billion. About two-fifths of this drop would be due to lower income tax collections and about three-fifths of it would be due to lower payroll tax revenues (Social Security and Medicare taxes).

These revenue losses result from the differential treatment of wages and salaries—which are taxable—and of employers' contributions for employees' health benefits—which are not subject to either income or payroll taxes. Corporate tax revenues would not drop because we assume that, over the long term, all of the incremental costs of the mandated health benefits are paid for out of labor compensation, not out of profits.

Uncertainties in the estimate: Estimating the costs of S. 1265 to the federal government is an usually complex and uncertain task. Because the bill would have broad consequences, quantifying the costs requires the use of a large number of assumptions, many of which are uncertain. Three characteristics of our estimation of the bill's impact would tend to magnify any uncertainty due to the assumptions used.

First, because the net effect on the budget deficit is the difference beween two large numbers, relatively small errors in estimating each could be magnified in the final number.

Second, the estimate of changes in outlays is uncertain because it consists of the sum of five separate and largely independent estimates—estimates of changes in receipts of Medicare's Part B premium and estimates of outlay changes in each of the four major federal health programs. Each of these five estimates is a large magnitude in itself; three of them represent contractions of federal costs and two represent expansions of federal costs.

Third, the estimate is uncertain to the degree that the behavioral responses of employees and employers to the implementation of S. 1265 are uncertain. While this estimate assumes that the total amount of labor compensation remains virtually unchanged after S.1265 takes effect (with cash wages reduced by almost the full level of new health benefits), actual behavior—and the impact on revenues—might be different.

Costs to state and local governments: The budgetary effects on state and local governments would include both outlay and revenue effects. On the outlay side, for the states, reduced costs for Medicaid would be offset by decreased income tax receipts and increased costs of providing minimum benefits to currently uninsured state and local government employees. The estimated savings in Medicaid costs would be about $1 billion. The estimated new outlays required for state and local government employees would be about $800 million.

On the revenue side, the assumed reduction in wages would lower state and local taxes, but the magnitude is impossible to estimate. Local governments would gain from a reduced liability to pay for uncompensated care in city and county hospitals. The extent of these savings would depend on how local governments respond to the perceived effects of S. 1265 on local hospital budgets.

If you need further information or have any questions about this estimate, please call me or have your staff contact Alan Fairbank (226-2820).

Sincerely,

JAMES L. BLUM,
Acting Director.

Mr. KENNEDY. Madam President, I look forward to our continued discussion. The only final point that I will make is that the best thing, Madam President, is perhaps not just to take our arguments on the minimum wage. We demonstrated through historical tracking of the last six times we have increased the wage, that there has not been the kind of loss that has been described here today, and there has not been the adverse economic impact on the economy which again has been described today. That is the best test.

I hope we will have a minimum health benefit bill, and I would hope so when we have President Dukakis.

You will hear all these descriptions on how it will bankrupt everyone. All we have to do is look at what is happening in Hawaii. They have had effectively a minimum health benefit bill for 14 years. Quite frankly, it has enjoyed the support of the business community and perhaps most important, it has given some security to working families out there. It has given security for their families and for their children so that they are not going to have the fear of serious illness that can bankrupt a family, or force the sale of a house, or devastate the possibilities of a young person's education in the future.

That has worked, Madam President, and it has been successful. I am hopeful we will be able to have an opportunity to debate that issue in the next session.

Madam President, I yield the floor.

Mr. COHEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Maine.

Mr. COHEN. Madam President, I was tempted to talk at the conclusion of the remarks of my colleague from Utah. I am glad I waited until the Senator from Massachusetts responded because at the conclusion of the remarks of the Senator from Utah, I thought I had stumbled into the wrong building. I thought I was in the Botannic Garden. He was throwing so many bouquets to the Senator from Massachusetts, I was not sure I was in the right place. Then when the Senator from Massachusetts responded, I realized I was, indeed, in the right place. We had returned to the brickyard, and he was tossing some bricks back at the Senator from Utah.

I want to say that last night a question was raised about Governor Dukakis being a dispassionate technocrat. I do not know if he dispelled that particular image. I say to my colleague from Massachusetts, he could hardly be accused of being a dispassionate technocrat. He is a passionate politician in the best sense of the word. But that brings me to the point that what we are talking about also is a political agenda.

I might very well have supported the legislation of the Senator from Massachusetts, but I objected and many on this side objected to having it structured in such a way that only benefited one party's social agenda. We come in for the last 6 weeks of the session and suddenly this bill comes before this Chamber and we have to have it on a take-it-or-leave-it basis. Frankly, I objected to this sort of scorched earth policy, "take my bill or nothing; let's take the bill down."

Mr. KENNEDY. Will the Senator yield on that point?

Mr. COHEN. Let me finish.

Frankly, there are people on this side who wanted to offer some amendments, and they were going to be precluded from doing that. They may very well have lost. I may have supported the Senator from Massachusetts, but I do object to this procedure, the procedure the Senator from Masschusetts said we have followed for 200 years. Maybe that is why the Democrats have been in control of this institution for 200 years, for following that procedure. It has not been fair in giving Members on this side of the aisle a chance to offer their amendments.

I do not necessarily agree with some of the amendments that would have been offered on this side, but I do believe there ought to be fair play in how we approach this subject matter.

I support an increase in the minimum wage. I want to stay here as long as is necessary to pass a bill. I am not prepared to go home, and I do not want to go home, but I also want to see a measure of fair play extended to this side of the aisle.

So I hope, Madam President, that we can return to the minimum wage issue, that we can have a fair debate, that we can have amendments offered in an alternative fashion—to let a Democratic amendment be offered, let a Republican offer an amendment, whatever it might be—and to debate it through, as we should on a matter as important as this. Let us not take the position, "Well, unless I can have my way, I am just going to take the bill down and we will talk about it next year, if necessary."

I do not think that is in the best spirit of the institution. I do not think it is in the best interest of this country. I simply wanted to take this opportunity to register my objection to the way in which the debate has been conducted.

Mr. KENNEDY. Madam President, as I mentioned earlier, I am absolutely bemused by this argument about the procedures which have been followed in which one Member offers an amendment and someone offers a perfecting amendment. That does not preclude any other Senator from having a chance to offer their amendments once those amendments are disposed of. That is what we are talking about. Let us let the Senate work its will. That is part of fair play, too. But then they say, "Well, no, we are not going to let the Senate exercise its will." You either have the votes or you do not.

We were quite prepared to enter into a time agreement on that. But, "No, no, we won't let you." That is part of fair play, too.

With all respect, I have trouble following the legitimacy of the Senator's position on that when all we would have to do is permit a vote. Then as we have seen done before, they can come back and amend the bill; if you have the votes, you are able to amend the bill again. That is what happens around here.

The Senator is quite familiar with that process and procedure. That is not in any sense unfair to this membership or to any Member. I hear the arguments. We have been around, the Senator has been around at the time when we had the AIDS debate when Senator NICKLES would put one amendment down and Senator HELMS would come right back on top of it. We had to dispose of those and come back to the issue. That is done around here. That is not locking it up and prohibiting Members from acting.

Quite frankly, I know the Senator agreed with some positions and disagreed with others. I am not going to accept the fact of being unfair or using the rules in a way which has been unfair to the Members. What we do is dispose of these matters. If the Senator has the votes to come back and change and alter or undo what has been done, they can do it. That is all this current situation demands.

The Senator is quite correct in saying that we have compromised enough on the figures, on the $4.55. The Senator is quite correct. If the Senator wants to say I would not compromise on that and, therefore, because I would not compromise, it was take it or leave it, the Senator is quite correct, and I will accept that responsibility. The responsibility of returning the purchasing power of the minimum wage to America's working poor.

On the $4.55, we had already compromised in the fact we eliminated the cost of living indexing provision. "Well, that is not enough compromise. We want more compromise." We increased the small business exemption. That is not enough compromise. So we say, 3 years at 40 cents to restore the cost of living. "Well, we want more compromise." We want to stand our ground some way. "No, we are not going to let you have it all your way." That is a great logic. That is a great rationale. Maybe that can be sold someplace, but I, quite frankly, find it unconvincing.

In any event, Madam President, I yield the floor.

Mr. DIXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DIXON. Madam President, I want to express my personal disappointment with the fact that we were unable to obtain cloture on minimum wage legislation so that we could vote in the closing days of this session and send to the House minimum wage legislation that certainly would have been approved by the House and sent to the President of the United States.

I think, Madam President, given the circumstances of the statements that Vice President BUSH has made in this campaign, I feel that the President may have felt sufficiently compromised by the statements of the Vice President that he would have signed that legislation.

I think, Madam President, that this demonstrates beyond any question of a doubt that our friends on the other side, notwithstanding the expressions of support by the Vice President, simply did not want to pass a very moderate minimum wage bill this year.

Madam President, the indexing had been taken out of this legislation. This legislation was behind the curve, a lower minimum wage than most of the country is already accepting.

I told the story the other day, Madam President, about being home during the Labor Day break. I was in the Aurora-Elgin region, and I left Aurora after making a speech and I was going over to Elgin to make another talk. Driving along the highway, I passed a White Castle hamburger stand, and on the marquee of this White Castle hamburger stand was a sign saying "Employees Wanted, starting salary $4.35 an hour."

Madam President, in Aurora, IL, they have already raised the minimum wage $1 an hour. Everybody in this Chamber knows that you cannot hire anybody for less than $5 an hour in the District of Columbia, our Capital city.

We had a very simple, moderate, lean minimum wage bill that in three steps would have raised the minimum wage 40 cents a year for 3 years. It was absolutely the most moderately conceived piece of legislation Congress would have considered, and our friends on the other side, Madam President, our friends on the other side hid behind the facade of the cloture vote and refused to permit this body to go to the central issue of passing minimum wage legislation this year.

Of 56 of us—I may stand corrected. The leader knows the number—only three, I believe, from the other side—there may have been a few more on the second vote, in all fairness, but a fairly minimal number voted for cloture to go to this legislation. A majority of this body were prepared to vote for a very moderate minimum wage bill to take millions of American working poor and give them not a decent wage—nobody would argue it is a decent wage—but a modest increase in a basic minimum wage.

Madam President, my friend, the distinguished other Senator from Illinois, is sitting next to me, and I want to say to him what I said here on the other day. It reminds me of a saying we have in southern Illinois that my friend, Senator SIMON, and I have heard many times: "With friends like this, who needs enemies?" And I am going to say with a friend like GEORGE BUSH, the working people of America do not need enemies.

Here is the Vice President of the United States, a candidate for President, who cannot influence enough votes on his side to bring us to the central question of going to a vote on the minimum wage bill, and I regret that, Madam President, very much. I urge my friends to reconsider at another occasion this important question.

Mr. CRANSTON. Mr. President, a half-century has passed since passage of the Fair Labor Standards Act of 1938. When the original Act was signed into law, President Roosevelt had these words: "Except for the Social Security Act, it is the most far-reaching, far-sighted program ever adopted here or in any country."

In the 50 years since enactment of the Fair Labor Standards Act the Congress has again and again reaffirmed this public policy of a level below which wages could not fall. This public policy enables full-time workers to maintain a minimum living standard.

The last time the Congress acted to raise the minimum wage was 11 years ago, in 1977. The current level of $3.35 an hour took effect in 1981. Between 1981 and now, this $3.35 an hour has declined in worth to just $2.60 an hour in today's dollars. As the distinguished Senator from Massachusetts [Mr. KENNEDY] has pointed out, the minimum wage today represents 36 percent of the average hourly earnings, which is a decline from 46.2 percent in 1981 and from 55.4 percent in 1968. The original 25 cents an hour passed in 1938 represented a greater percentage of average hourly earnings than does $3.35 today.

For the working poor and for nonpoverty workers alike, it is time to raise the minimum wage. I therefore am in strong support of S. 837, the Minimum Wage Restoration Act, now before the Senate.

Mr. President, the fact is, we cannot afford not to raise the minimum wage. Right now, in over half of the States, there is greater available cash income from basic welfare benefits than from working full-time at the current minimum wage. Many of the poor literally cannot afford to work at the current minimum wage and thus lose benefits upon which their families' survival depends.

According to the Department of Labor, over 15 million hourly workers earned less than $4.55 an hour in 1987; 63 percent of those were women, even though women make up 45 percent of the labor force. Black and Hispanics also make up higher percentages of low-wage workers than of the work force in general. Just 26 percent of those earning less than $4.55 an hour were teenagers, while 39.5 percent of those 65 and older earn less than $4.55.

Opponents of this bill argue that raising the minimum wage will result in job loss and inflation. Historically, this is the argument raised on every piece of legislation to raise worker living standards that comes before this body. The fact is, however, there is overwhelming statistical evidence—much of it printed in the Labor Committee report on this bill—proving that changes in the minimum wage since 1938 have had little impact on prices or employment levels. Since 1981, 10 States—including my State of California—have raised the minimum wage above the Federal level. In all but one of those 10 States, employment increased and unemployment decreased or remained stable after the minimum wage increased. In fact, the Republican Governor of California—George Deukmejian—wrote me earlier this year arguing for a raise in the Federal minimum wage, based upon the California experience.

Mr. President, the arguments for raising the minimum wage are ones of equity and fairness. The minimum wage is our basic protection for the working poor, especially for single working mothers. Americans know this—and by an overwhelming margin, they support raising the minimum wage. In fact, a Gallup poll this year reported that 76 percent of Americans favored raising the minimum wage, 20 percent opposed it, and 4 percent were undecided: 85 percent of Democrats polled said they were in favor of raising the wage and 67 percent of Republicans were in favor.

I stand with the great majority of Amercians on this vital issue. I will vote for raising the minimum wage by supporting S. 837.

Mr. MOYNIHAN. Mr. President, I rise today in support of the Minimum Wage Restoration Act of 1988. This bill seeks to establish one thing: Opportunity for economic self-sufficiency. While it is a goal achieved by most, it remains an elusive one for many. Today, 13.5 percent of all Americans live in poverty. Many of these people are working men and women who deserve fair economic compensation. Throughout the 1960's and 1970's, this expectation was fulfilled. But, today a worker's wages are no assurance that he or she will not live in poverty.

A person working full time, year round at $3.35 earns less than $7,000, an income well below the poverty level for any family. As a result, despite the hard work of a minimum wage earner, he or she will not be able to adequately provide for his or her family. This is reality for the working poor.

In most States, the annual salary of a minimum wage earner will not provide a greater cash income than basic welfare benefits. In other States, the difference between the income of the minimum wage worker and that of a welfare recipient is negligible. This is not to say that welfare benefits are generous; they most certainly are not. Rather, it is to illustrate that for many unskilled workers, there is a disincentive to leave the welfare rolls for employment.

A comprehensive program is needed to put people back to work; one that removes the legislative obstacles to employment and provides reasonable incentives for hard work. Both the Family Security Act and a fair minimum wage are vital to such a program. Only in this way, can we encourage and enable the poor to become economically self-sufficient.

Seven years have elapsed since the minimum wage was raised to $3.35. The longest period without an increase since its creation. In 1977, I stood before this House and voted in favor of that increase. If a vote were possible today, I would again vote for a raise in the minimum wage. We must reflect the value of hard work in our wages.

THE PRESIDING OFFICER. Under the previous order, the majority leader now has the floor.

Mr. BYRD. Madam President, I thank the Chair for protecting my rights.

PARENTAL AND TEMPORARY MEDICAL LEAVE

Mr. BYRD. Madam President, I move that the Senate proceed to the consideration of Calendar Order No. 863.

The PRESIDING OFFICER. A motion made during the morning hour, after morning business has been concluded, is nondebatable. The question is now on agreeing to the motion to proceed to S. 2488.

The motion was agreed to.

Mr. BYRD. Madam President, I move to reconsider the vote by which the motion was agreed to.

Mr. GRAMM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

BILL RETURNED TO CALENDAR—S. 837

The PRESIDING OFFICER. The pending business, S. 837, is displaced and will be placed back on the calendar. The clerk will report the parental leave bill, S. 2488.

The legislative clerk read as follows:

A bill (S. 2488) to grant employees parental and temporary medical leave under certain circumstances, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Labor and Human Resources, with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets, and the parts of the bill intended to be inserted are shown in italics.)

S. 2488

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) Short Title.—This Act may be cited as the "Parental and Medical Leave Act of 1988".

(b) Table of Contents.—

TITLE I—GENERAL REQUIREMENTS FOR PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE
Sec. 101. Findings and purposes.
Sec. 102. Definitions.
Sec. 103. Parental leave requirement.
Sec. 104. Temporary medical leave requirement.
Sec. 105. Certification.
Sec. 106. Employment and benefits protection.
Sec. 107. Prohibited acts.
Sec. 108. Administrative enforcement.
Sec. 109. Enforcement by civil action.
Sec. 110. Investigative authority.
Sec. 111. Relief.
Sec. 112. Notice.
TITLE II—PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE FOR CIVIL SERVICE EMPLOYEES
Sec. 201. Parental leave and temporary medical leave.
TITLE III—COMMISSION ON PARENTAL AND MEDICAL LEAVE
Sec. 301. Establishment.
Sec. 302. Duties.
Sec. 303. Membership.
Sec. 304. Compensation.
Sec. 305. Powers.
Sec. 306. Termination.
TITLE IV—MISCELLANEOUS PROVISIONS
Sec. 401. Effect on other laws.
Sec. 402. Effect on existing employment benefits.
Sec. 403. Encouragement of more generous leave provisions.
Sec. 404. Regulations.
Sec. 405. Effective dates.

TITLE I—GENERAL REQUIREMENTS FOR PARENTAL LEAVE AND MEDICAL LEAVE

SEC. 101. FINDINGS AND PURPOSES.

(a) Findings.—Congress finds that—

(1) the number of two-parent households in which both parents work and the number of single-parent households in which the single parent works are increasing significantly;

(2) it is important for the development of children and the family unit that fathers and mothers be able to participate in early child rearing and the care of children who have serious health conditions;

(3) the lack of employment policies to accommodate working parents forces many individuals to choose between job security and parenting;

(4) there is inadequate job security for employees who have serious health conditions that prevent the employees from working for temporary periods;

(5) due to the nature of the roles of men and women in our society, the primary responsibility for family caretaking often falls on women, and such responsibility affects their working lives more than it affects the working lives of men; and

(6) employment standards that apply to one gender only have serious potential for encouraging employers to discriminate against employees and applicants for employment who are of that gender.

(b) Purposes.—It is the purpose of this Act—

(1) to balance the demands of the workplace with the needs of families;

(2) to promote the economic security and stability of families;

(3) to entitle employees to take reasonable leave for medical reasons, for the birth or adoption of a child, and for the care of a child who has a serious health condition;

(4) to accomplish such purposes in a manner which accommodates the legitimate interests of employers;

(5) to accomplish such purposes in a manner which, consistent with the Equal Protection Clause of the Fourteenth Amendment, minimizes the potential for employment discrimination on the basis of sex by ensuring generally that leave is available for eligible medical reasons (including maternity-related disability) and for compelling family reasons, on a gender-neutral basis; and

(6) to promote the goal of equal employment opportunity for women and men, pursuant to such clause.

SEC. 102. DEFINITIONS.

As used in this title:

(1) Commerce.—The terms "commerce" and "industry or activity affecting commerce" mean any activity, business, or industry in commerce or in which a labor dispute would hinder or obstruct commerce or the free flow of commerce, including "commerce" and any activity or industry "affecting commerce" within the meaning of the Labor Management Relations Act, 1947 (29 U.S.C 141 et seq.).

(2) Employ.—The term "employ" has the same meaning given the term in section 3(g) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(g)).

(3) Employee.—

(A) In general.—The term "employee" means an individual that is included under the definition of such term in section 3(e) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(e)) who has been employed by the employer with respect to whom benefits are sought under this Act for at least—

(i) 900 hours of service during the previous 12-month period; and

(ii) 12 months.

"(B) Exclusion.—The term "employee" does not include any Federal officer or employee covered under subchapter III of chapter 63 of title 5, United States Code (as added by title II of this Act).

(4) Employer.—The term "employer"—

(A) means any person engaged in commerce or in any industry or activity affecting commerce who employs 20 or more employees at any one worksite for each working day during each of 20 or more calendar workweeks in the current or preceding calendar year;

(B) includes—

(i) any person who acts directly or indirectly in the interest of an employer to one or more employees; and

(ii) any successor in interest of such an employer; and

(C) includes any public agency, as defined in section 3(x) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(x)).

(5) Employment benefits.—The term "employment benefits" means all benefits provided or made available to employees by an employer, including group life insurance, health insurance, disability insurance, sick leave, annual leave, educational benefits, and pensions, regardless of whether the benefits are provided by a policy or practice of an employer or by an employee benefit plan as defined in section 3(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(1)).

(6) Health care provider.—The term "health care provider" means—

(A) any person licensed under Federal, State, or local law to provide health care services, or

(B) any other person determined by the Secretary to be capable of providing health care services.

(7) Person.—The term "person" has the same meaning given the term in section 3(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(a)).

(8) Reduced leave schedule.—The term "reduced leave schedule" means leave scheduled for fewer than the usual number of hours of an employee per workweek or hours per workday.

(9) Secretary.—The term "Secretary" means the Secretary of Labor.

(10) Serious health condition.—The term "serious health condition" means an illness, injury, impairment, or physical or mental condition that involves—

(A) inpatient care in a hospital, hospice, or residential medical care facility; or

(B) continuing treatment or continuing supervision by a health care provider.

[(11) Son or daughter.—The term "son or daughter" means a biological, adopted, or foster child, stepchild, legal ward, or child of a de facto parent, who is under 18 years of age.]

(11) Son or daughter.—The term "son or daughter" means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a de facto parent, who is—

(A) under 18 years of age; or

(B) 18 years of age or older and incapable of self-care because of a mental or physical disability.

(12) State.—The term "State" has the same meaning given the term in section 3(c) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(c)).

SEC. 103. PARENTAL LEAVE REQUIREMENT.

(a) In General.—

(1) Entitlement to leave.—An employee shall be entitled, subject to section 105, to 10 workweeks of parental leave during any 24-month period—

(A) as the result of the birth of a son or daughter of the employee;

(B) as the result of the placement, for adoption or foster care, of a son or daughter with the employee; or

(C) in order to care for the employee's son or daughter who has a serious health condition.

(2) Expiration of entitlement.—The entitlement to leave under paragraphs (1)(A) and (1)(B) shall expire at the end of the 12-month period beginning on the date of such birth or placement.

(3) Intermittent leave.—In the case of a son or daughter who has a serious health condition, such leave may be taken intermittently when medically necessary, subject to subsection (e).

(b) Reduced Leave.—On agreement between the employer and the employee, leave under this section may be taken on a reduced leave schedule, however, such reduced leave schedule shall not result in a reduction in the total amount of leave to which the employee is entitled.

(c) Unpaid Leave Permitted.—Except as provided in subsection (d), leave granted under subsection (a) may consist of unpaid leave.

(d) Relationship to Paid Leave.—

(1) Unpaid leave.—If an employer provides paid parental leave for fewer than 10 work-weeks, the additional weeks of leave added to attain the 10 work-week total may be unpaid.

(2) Substitution of paid leave.—An employee or employer may elect to substitute any of the employee's accrued paid vacation leave, personal leave, or other appropriate paid leave for any part of the 10-week period.

(e) Foreseeable Leave.—

(1) Requirement of notice.—In any case in which the necessity for leave under this section is foreseeable based on an expected birth or adoption, the employee shall provide the employer with prior notice of such expected birth or adoption in a manner which is reasonable and practicable.

(2) Duties of employee.—In any case in which the necessity for leave under this section is foreseeable based on planned medical treatment or supervision, the employee shall—

(A) make a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the operations of the employer, subject to the approval of the health care provider of the employee's son or daughter; and

(B) provide the employer with prior notice of the treatment or supervision in a manner which is reasonable and practicable.

(3) Regulations.—The Secretary shall promulgate regulations under section 108(a) that define the term "reasonable and practicable" for purposes of paragraphs (1) and (2)(B).

(f) Spouses Employed by the Same Employer.—In any case in which a husband and wife entitled to parental leave under this section are employed by the same employer, the aggregate number of workweeks of parental leave to which both may be entitled may be limited to 10 workweeks during any 24-month period, if such leave is taken under subparagraph (A) or (B) of subsection (a)(1).

SEC. 104. TEMPORARY MEDICAL LEAVE REQUIREMENT.

(a) In General.—

(1) Entitlement to leave.—Any employee who, as the result of a serious health condition, becomes unable to perform the functions of the position of the employee, shall be entitled to temporary medical leave, subject to section 105.

(2) Period of entitlement.—The entitlement under paragraph (1) shall continue for as long as the employee is unable to perform the functions, except that the leave shall not exceed 13 workweeks during any 12-month period.

(3) Intermittent leave.—Leave taken under this subsection may be taken intermittently when medically necessary, subject to subsection (d).

(b) Unpaid Leave Permitted.—Except as provided in subsection (c), leave granted under subsection (a) may consist of unpaid leave.

(c) Relationship to Paid Leave.—

(1) In general.—If an employer provides paid temporary medical leave or paid sick leave for fewer than 13 weeks, the additional weeks of leave added to attain the 13-week total may be unpaid.

(2) Substitution of paid leave.—An employee or employer may elect to substitute the employee's accrued paid vacation leave, sick leave, or other appropriate paid leave for any part of the 13-week period, except that nothing in this Act shall require an employer to provide paid sick leave or paid medical leave in any situation in which such employer would not normally provide any such paid leave.

(d) Foreseeable Leave.—

(1) Duties of employee.—In any case in which the necessity for leave under this section is foreseeable based on planned medical treatment or supervision, the employee shall—

(A) make a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the operations of the employer, subject to the approval of the employee's health care provider, and

(B) provide the employer with prior notice of the treatment or supervision in a manner which is reasonable and practicable.

(2) Regulations.—The Secretary shall promulgate regulations under section 108(a) that define the term "reasonable and practicable" for purposes of paragraph (1).

SEC. 105. CERTIFICATION.

(a) In General.—An employer may require that a claim for parental leave under section 103(a)(1)(C), or temporary medical leave under section 104, be supported by certification issued by the health care provider of the son, daughter, or employee, whichever is appropriate. The employee shall provide a copy of such certification to the employer.

(b) Sufficient Certification.—The certification shall be considered sufficient if it states—

(1) the date on which the serious health condition commenced;

(2) the probable duration of the condition;

(3) the appropriate medical facts within the knowledge of the provider regarding the condition; and

(4)(A) for purposes of leave under section 104, a statement that the employee is unable to perform the functions of the employee's position; and

(B) for purposes of leave under section 103(a)(1)(C), an estimate of the amount of time that the employee is needed to care for the son or daughter.

(c) Second Opinion.—

(1) In general.—In any case in which the employer has reason to doubt the validity of the certification provided under subsection (a), the employer may require, at its own expense, that the employee obtain the opinion of a second health care provider designated or approved by the employer concerning the information certified under subsection (b).

(2) Limitation.—Any health care provider designated or approved under paragraph (1) may not be employed on a regular basis by the employer.

(d) Resolution of Conflicting Opinions.—

(1) In general.—In any case in which the second opinion described in subsection (c) differs from the original certification provided under subsection (a), the employer may require, at its own expense, that the employee obtain the opinion of a third health care provider designated or approved jointly by the employer and the employee concerning the information certified under subsection (b).

(2) Finality.—The opinion of the third health care provider concerning the information certified under subsection (b) shall be considered to be final and shall be binding on the employer and the employee.

(e) Subsequent Recertification.—The employer may require that the employee obtain subsequent recertifications on a reasonable basis.

SEC. 106. EMPLOYMENT AND BENEFITS PROTECTION.

(a) Restoration to Position.—

(1) In general.—Any employee who takes leave under section 103 or 104 for its intended purpose shall be entitled, on return from the leave—

(A) to be restored by the employer to the position of employment held by the employee when the leave commenced; or

(B) to be restored to an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment.

(2) Loss of benefits.—The taking of leave under this title shall not result in the loss of any employment benefit accrued before the date on which the leave commenced.

(3) Limitations.—Except as provided in subsection (b), nothing in this section shall be considered to entitle any restored employee to—

(A) the accrual of any seniority or employment benefits during any period of leave; or

(B) any right, benefit, or position of employment other than that to which the employee was entitled to on the date the leave was commenced.

(4) Certification.—As a condition to restoration under paragraph (1), the employer may have a policy that requires each employee to receive certification from the employee's health care provider that the employee is able to resume work.

(5) Construction.—Nothing in this subsection shall be construed to prohibit an employer from requiring an employee on leave under section 103 or 104 to periodically report to the employer on the employee's status and intention to return to work.

(b) Maintenance of Health Benefits.—During any period an employee takes leave under section 103 or 104, the employer shall maintain coverage under any group health plan (as defined in section 162(i)(3) of the Internal Revenue Code of 1954) for the duration of such leave at the level and under the conditions coverage would have been provided if the employee had continued in employment continuously from the date the employee commenced the leave until the date the employee is restored under subsection (a).

SEC. 107. PROHIBITED ACTS.

(a) Interference With Rights.—

(1) Exercise of rights.—It shall be unlawful for any employer to interfere with, restrain, or deny the exercise of or the attempt to exercise, any right provided under this title.

(2) Discrimination.—It shall be unlawful for any employer to discharge or in any other manner discriminate against any individual for opposing any practice made unlawful by this title.

(b) Interference With Proceedings or Inquiries.—It shall be unlawful for any person to discharge or in any other manner discriminate against any individual because the individual—

(1) has filed any charge, or has instituted or caused to be instituted any proceeding, under or related to this title;

(2) has given or is about to give any information in connection with any inquiry or proceeding relating to any right provided under this title; or

(3) has testified or is about to testify in any inquiry or proceeding relating to any right provided under this title.

SEC. 108. ADMINISTRATIVE ENFORCEMENT.

(a) In General.—The Secretary shall issue such rules and regulations as are necessary to carry out this section, including rules and regulations concerning service of complaints, notice of hearings, answers and amendments to complaints, and copies of orders and records of proceedings.

(b) Charges.—

(1) Filing.—Any person alleging an act that violates this title may file a charge respecting the violation with the Secretary. Charges shall be in such form and contain such information as the Secretary shall require by regulation.

(2) Notification.—Not later than 15 days after the Secretary receives notice of a charge under paragraph (1), the Secretary shall—

(A) serve a notice of the charge on the person charged with the violation; and

(B) inform such person and the charging party as to the rights and procedures provided under this title.

(3) Time of filing.—A charge may not be filed later than 1 year after the date of the last event constituting the alleged violation.

(c) Process on Notice of a Charge.—Investigation; Complaint.—

(1) Investigation.—Within the 60-day period after the Secretary receives any charge, the Secretary shall investigate the charge and issue a complaint based on the charge or dismiss the charge.

(2) Complaint based on charge.—If the Secretary determines that there is a reasonable basis for the charge, the Secretary shall issue a complaint based on the charge and promptly notify the charging party and the respondent as to the issuance.

(3) Dismissal.—If the Secretary determines that there is no reasonable basis for the charge, the Secretary shall dismiss the charge and promptly notify the charging party and the respondent as to the dismissal.

(4) Settlement agreements.—

(A) With charging party.—The charging party and the respondent may enter into a settlement agreement concerning the violation alleged in the charge before any determination is reached by the Secretary under this subsection. To be effective such an agreement must be determined by the Secretary to be consistent with the purposes of this title.

(B) With secretary.—On the issuance of a complaint, the Secretary and the respondent may enter into a settlement agreement concerning a violation alleged in the complaint. Any such settlement may not be entered into over the objection of the charging party, unless the Secretary determines that the settlement provides a full remedy for the charging party.

(5) Civil actions.—If, at the end of the 60-day period referred to in paragraph (1), the Secretary—

(A) has not issued a complaint under paragraph (2);

(B) has dismissed the charge under paragraph (3); or

(C) has not approved or entered into a settlement agreement under subparagraph (A) or (B) of paragraph (4);

the charging party may elect to bring a civil action under section 109.

(6) Complaint and relief on secretary's initiative.—

(A) Issuance.—The Secretary may issue and serve a complaint alleging a violation of this title on the basis of information and evidence gathered as a result of an investigation initiated by the Secretary pursuant to section 110.

(B) Relief.—

(i) In general.—On issuance of a complaint, the Secretary shall have the power to petition the United States district court for the district in which the violation is alleged to have occurred, or in which the respondent resides or transacts business, for appropriate temporary relief or a restraining order.

(ii) Notice.—On the filing of any such petition, the court shall cause notice of the petition to be served on the respondent.

(iii) Type of relief.—The court shall have jurisdiction to grant to the Secretary such temporary relief or restraining order as the court considers just and proper.

(d) Rights of Parties.—

(1) Service of complaint.—In any case in which a complaint is issued under subsection (c), the Secretary shall, not later than 10 days after the date on which the complaint is issued, cause to be served on the respondent a copy of the complaint.

(2) Parties to complaint.—Any person filing a charge alleging a violation of this title may elect to be a party to any complaint filed by the Secretary alleging the violation. The election must be made before the commencement of a hearing.

(3) Civil action.—The failure of the Secretary to comply in a timely manner with any obligation assigned to the Secretary under this title shall entitle the charging party to elect, at the time of such failure, to bring a civil action under section 109.

(e) Conduct of Hearing.—

(1) Prosecution by secretary.—The Secretary shall prosecute any complaint issued under subsection (c).

(2) Hearing.—An administrative law judge shall conduct a hearing on the record with respect to a complaint issued under this title. The hearing shall be conducted in accordance with sections 554, 555, and 556 of title 5, United States Code, and shall be commenced within 60 days after the issuance of the complaint, unless the judge, in the judge's discretion, determines that the purposes of this Act would best be furthered by commencement of the action after the expiration of such period.

(f) Findings and Conclusions.—

(1) In general.—After a hearing is conducted under this section, the administrative law judge shall promptly make findings of fact and conclusions of law, and, if appropriate, issue an order for relief as provided in section 111.

(2) Notification concerning delay.—The administrative law judge shall inform the parties, in writing, of the reason for any delay in making the findings and conclusions if the findings and conclusions are not made within 60 days after the conclusion of the hearing.

(g) Finality of Decision; Review.—

(1) Finality.—The decision and order of the administrative law judge shall become the final decision and order of the Secretary unless, on appeal by an aggrieved party taken not later than 30 days after the action, the Secretary modifies or vacates the decision, in which case the decision of the Secretary shall be the final decision.

(2) Review.—Not later than 60 days after the entry of the final order of the Secretary under paragraph (1), any person aggrieved by the final order may obtain a review of the order in the United States court of appeals for the circuit in which the violation is alleged to have occurred or in which the employer resides or transacts business.

(3) Jurisdiction.—On the filing of the record with the court, the jurisdiction of the court shall be exclusive and its judgment shall be final, except that the same shall be subject to review by the Supreme Court of the United States on writ of certiorari or certification as provided in section 1254 of title 28, United States Code.

(h) Court Enforcement of Administrative Orders.—

(1) Power of secretary.—If a respondent does not appeal an order of the Secretary under subsection (g)(2), the Secretary may petition the United States district court for the district in which the violation is alleged to have occurred, or in which the respondent resides or transacts business, for the enforcement of the order of the Secretary, by filing in the court a written petition praying that the order be enforced.

(2) Jurisdiction.—On the filing of the petition, the court shall have jurisdiction to make and enter a decree enforcing the order of the Secretary. In the proceeding, the order of the Secretary shall not be subject to review.

(3) Decree of enforcement.—If, on appeal of an order under subsection (g)(2), the United States court of appeals does not reverse or modify the order, the court shall have the jurisdiction to make and enter a decree enforcing the order of the Secretary.

SEC. 109. ENFORCEMENT BY CIVIL ACTION.

(a) Right To Bring Civil Action.—

(1) In general.—Subject to the limitations in this section, an employee or the Secretary may bring a civil action against any employer to enforce the provisions of this title in any appropriate court of the United States or in any State court of competent jurisdiction.

(2) No charge filed.—Subject to paragraph (3), a civil action may be commenced under this subsection without regard to whether a charge has been filed under section 108(b).

(3) Limitations.—No civil action may be commenced under paragraph (1) if the Secretary—

(A) has approved, or has failed to disapprove, a settlement agreement under section 108(c)(4), in which case no civil action may be filed under this subsection if the action is based on a violation alleged in the charge and resolved by the agreement; or

(B) has issued a complaint under section 108(c)(2) or 108(c)(6), in which case no civil action may be filed under this subsection if the action is based on a violation alleged in the complaint.

(4) To enforce settlement agreements.—Notwithstanding paragraph (3)(A), a civil action may be commenced to enforce the terms of any such settlement agreement.

(5) Timing of commencement of civil action.—

(A) In general.—Except as provided in subparagraph (B), no civil action may be commenced more than 1 year after the date on which the alleged violation occurred.

(B) Exception.—In any case in which—

(i) a timely charge is filed under section 108(b); and

(ii) the failure of the Secretary to issue a complaint or enter into a settlement agreement based on the charge (as provided under section 108(c)(4)) occurs more than 11 months after the date on which any alleged violation occurred,

the employee may commence a civil action not more than 30 days after the date on which the employee is notified of the failure.

(6) Agencies.—The Secretary may not bring a civil action against any agency of the United States.

(b) Venue.—An action brought under subsection (a) in a district court of the United States may be brought—

(1) in any appropriate judicial district under section 1391 of title 28, United States Code; or

(2) in the judicial district in the State in which—

(A) the employment records relevant to the violation are maintained and administered; or

(B) the aggrieved person worked or would have worked but for the alleged violation.

(c) Notification of the Secretary; Right To Intervene.—A copy of the complaint in any action brought by an employee under subsection (a) shall be served on the Secretary by certified mail. The Secretary shall have the right to intervene in a civil action brought by an employee under subsection (a).

(d) Attorneys for the Secretary.—In any civil action brought under subsection (a), attorneys appointed by the Secretary may appear for and represent the Secretary, except that the Attorney General and the Solicitor General shall conduct any litigation in the Supreme Court.

SEC. 110. INVESTIGATIVE AUTHORITY.

(a) In General.—To ensure compliance with the provisions of this title, or any regulation or order issued under this title, subject to subsection (c), the Secretary shall have the investigative authority provided under section 11(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 211(a)).

(b) Obligation To Keep and Preserve Records.—An employer shall keep and preserve records in accordance with section 11(c) of such Act, and in accordance with regulations issued by the Secretary.

(c) Required Submissions Generally Limited to an Annual Basis.—The Secretary may not under this section require any employer or any plan, fund, or program to submit to the Secretary any books or records more than once in any 12-month period, unless the Secretary has reasonable cause to believe there may exist a violation of this title or any regulation or order issued pursuant to this title, or is investigating a charge brought pursuant to section 108.

(d) Subpoena Powers, Etc.—For purposes of any investigation conducted under this section, the Secretary shall have the subpoena authority provided under section 9 of the Fair Labor Standards Act of 1938 (29 U.S.C. 209).

(e) Dissemination of Information.—The Secretary may make available to any person substantially affected by any matter that is the subject of an investigation under this section, and to any department or agency of the United States, information concerning any matter that may be the subject of the investigation.

SEC. 111. RELIEF.

(a) Injunctive Relief.—

(1) Cease and desist.—On finding a violation under section 108 by a person, an administrative law judge shall issue an order requiring the person to cease and desist from any act or practice that violates this title.

(2) Injunctions.—In any civil action brought under section 109, a court may grant as relief any permanent or temporary injunction, temporary restraining order, or other equitable relief as the court considers appropriate.

(b) Monetary Damages.—

(1) In general.—Any employer that violates this title shall be liable to the injured party in an amount equal to—

(A) any wages, salary, employment benefits, or other compensation denied or lost to the employee by reason of the violation, plus interest on the total monetary damages calculated at the prevailing rate; and

(B) an additional amount equal to the greater of—

(i) the amount determined under subparagraph (A), as liquidated damages; or

(ii) the amount of consequential damages but not to exceed three times the amount determined under subparagraph (A).

(2) Good faith.—If an employer who has violated this title proves to the satisfaction of the court that the act or omission which violated this title was in good faith and that the employer had reasonable grounds for believing that the act or omission was not a violation of this title, the court may, in its discretion, reduce the amount of the liability or penalty provided for under this subsection to the amount determined under paragraph (1)(A).

(c) Attorneys' Fees.—A prevailing party (other than the United States) may be awarded a reasonable attorneys' fee as part of the costs, in addition to any relief awarded. The United States shall be liable for costs in the same manner as a private person.

(d) Limitation.—Damages awarded under subsection (b) may not accrue from a date more than 2 years before the date on which a charge is filed under section 108(b) or a civil action is brought under section 109.

SEC. 112. NOTICE.

(a) In General.—Each employer shall post and keep posted, in conspicuous places on the premises of the employer where notices to employees and applicants for employment are customarily posted, a notice, approved by the Secretary, setting forth excerpts from, or summaries of, the pertinent provisions of this title and information pertaining to the filing of a charge.

(b) Penalty.—Any employer who willfully violates this section shall be fined not more than $100 for each separate offense.

TITLE II—PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE FOR CIVIL SERVICE EMPLOYEES

SEC. 201. PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE.

(a) In General.—(1) Chapter 63 of title 5, United States Code, is amended by adding at the end thereof the following new subchapter:

"SUBCHAPTER III—PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE

"§ 6331. Definitions

"For purposes of this subchapter:

"(1) 'employee' means—

"(A) an employee as defined by section 6301(2) of this title (excluding an individual employed by the government of the District of Columbia); and

"(B) an individual under clause (v) or (ix) of such section;

who has been employed for at least 12 months and completed at least 900 hours of service during the previous 12-month period.

"(2) 'serious health condition' means an illness, injury, impairment, or physical or mental condition that involves—

"(A) inpatient care in a hospital, hospice, or residential medical care facility; or

"(B) continuing treatment, or continuing supervision, by a health care provider; and

["(3) 'son or daughter' means a biological, adopted, or foster child, stepchild, legal ward, or child of a de facto parent, who is under 18 years of age.]

"(3) 'son or daughter' means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a de facto parent, who is—

"(A) under 18 years of age; or

"(B) 18 years of age or older and incapable of self-care because of a mental or physical disability.

"§ 6332. Parental leave requirement

"(a)(1) An employee shall be entitled, subject to section 6334, to 10 workweeks of parental leave during any 24-month period—

"(A) as the result of the birth of a son or daughter of the employee;

"(B) as the result of the placement, for adoption or foster care, of a son or daughter with the employee; or

"(C) in order to care for the employee's son or daughter who has a serious health condition.

"(2) The entitlement to leave under paragraphs (1)(A) and (1)(B) shall expire at the end of the 12-month period beginning on the date of such birth or placement.

"(3) In the case of a son or daughter who has a serious health condition, such leave may be taken intermittently when medically necessary, subject to subsection (e).

"(b) On agreement between the employing agency and the employee, leave under this section may be taken on a reduced leave schedule, however, such reduced leave schedule shall not result in a reduction in the total amount of leave to which the employee is entitled.

"(c) Except as provided in subsection (d), leave granted under subsection (a) may consist of unpaid leave.

"(d)(1) If an employing agency provides paid parental leave for fewer than 10 workweeks, the additional weeks of leave added to attain the 10 work-week total may be unpaid.

"(2) An employee or employing agency may elect to substitute any of the employee's accrued paid vacation leave, personal leave, or other appropriate paid leave for any part of the 10-week period.

"(e)(1) In any case in which the necessity for leave under this section is foreseeable based on an expected birth or adoption, the employee shall provide the employing agency with prior notice of such expected birth or adoption in a manner which is reasonable and practicable.

"(2) In any case in which the necessity for leave under this section is foreseeable based on planned medical treatment or supervision, the employee shall—

"(A) make a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the operations of the employing agency, subject to the approval of the health care provider of the employee's son or daughter; and

"(B) provide the employing agency with prior notice of the treatment or supervision in a manner which is reasonable and practicable.

"(3) The Director of the Office of Personnel Management shall promulgate regulations that define the term 'reasonable and practicable' for purposes of paragraphs (1) and (2)(B).

"§ 6333. Temporary medical leave requirement

"(a)(1) Any employee who, as the result of a serious health condition, becomes unable to perform the functions of the position of the employee, shall be entitled to temporary medical leave, subject to section 6334.

"(2) The entitlement under paragraph (1) shall continue for as long as the employee is unable to perform the functions, except that the leave shall not exceed 13 administrative workweeks of the employee during any 12-month period.

"(3) Leave taken under this subsection may be taken intermittently when medically necessary, subject to subsection (d).

"(b) Except as provided in subsection (c), leave granted under subsection (a) may consist of unpaid leave.

"(c)(1) If an employing agency provides paid temporary medical leave or paid sick leave for fewer than 13 weeks, the additional weeks of leave added to attain the 13-week total may be unpaid.

"(2) An employee or employing agency may elect to substitute the employee's accrued paid vacation leave, sick leave, or other appropriate paid leave for any part of the 13-week period, except that nothing in this Act shall require an employing agency to provide paid sick leave or paid medical leave in any situation in which such employing agency would not normally provide any such paid leave.

"(d)(1) In any case in which the necessity for leave under this section is foreseeable based on planned medical treatment or supervision, the employee shall—

"(A) make a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the operations of the employing agency, subject to the approval of the employee's health care provider, and

"(B) provide the employing agency with prior notice of the treatment or supervision in a manner which is reasonable and practicable.

"(2) The Director of the Office of Personnel Management shall promulgate regulations that define the term "reasonable and practicable" for purposes of paragraph (1).

"§ 6334. Certification

"(a) An employing agency may require that a claim for parental leave under section 6332(a)(10)(C), or temporary medical leave under section 6333, be supported by certification issued by the health care provider of the son, daughter, or employee, whichever is appropriate. The employee shall provide a copy of such certification to the employing agency.

"(b) The certification shall be considered sufficient if it states—

"(1) the date on which the serious health condition commenced;

"(2) the probable duration of the condition;

"(3) the appropriate medical facts within the knowledge of the provider regarding the condition; and

"(4)(A) for purposes of leave under section 6333, a statement that the employee is unable to perform the functions of the employee's position; and

"(B) for purposes of leave under section 6332(a)(1)(C), an estimate of the amount of time that the employee is needed to care for the son or daughter.

"(c)(1) In any case in which the employing agency has reason to doubt the validity of the certification provided under subsection (a), the employing agency may require, at its expense, that the employee obtain the opinion of a second health care provider designated or approved by the employing agency concerning the information certified under subsection (b).

"(2) Any health care provider designated or approved under paragraph (1) may not be employed on a regular basis by the employing agency.

"(d)(1) In any case in which the second opinion described in subsection (c) differs from the original certification provided under subsection (a), the employing agency may require, at its expense, that the employee obtain the opinion of a third health care provider designated or approved jointly by the employing agency and the employee concerning the information certified under subsection (b).

"(2) The opinion of the third health care provider concerning the information certified under subsection (b) shall be considered to be final and shall be binding on the employing agency and the employee.

"(e) The employing agency may require that the employee obtain subsequent recertifications on a reasonable basis.

["§ 6335. Job protection

"An employee who uses leave under section 6332 or 6333 of this title shall be entitled to be restored to the position held by the employee immediately before the commencement of the leave.]

"§ 6335. Job protection

"An employee who uses leave under section 6332 or 6333 of this title shall be entitled, on return from the leave—

"(1) to be restored to the position of employment held by the employee when the leave commenced; or

"(2) to be restored to an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment.

"§ 6336. Prohibition of coercion

"(a) An employee may not directly or indirectly intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce, any other employee for the purpose of interfering with the exercise of the rights of the employee under this subchapter.

"(b) For the purpose of this section, 'intimidate, threaten, or coerce' includes promising to confer or conferring any benefit (such as appointment, promotion, or compensation), or taking or threatening to take any reprisal (such as deprivation of appointment, promotion, or compensation).

"§ 6337. Health insurance

"An employee enrolled in a health benefits plan under chapter 89 of this title who is placed in a leave status under section 6332 or 6333 of this title may elect to continue the health benefits enrollment of the employee while in leave status and arrange to pay into the Employees Health Benefits Fund (described in section 8909 of this title), through the employing agency of the employee, the appropriate employee contributions.

"§ 6338. Regulations

"The Office of Personnel Management shall prescribe regulations necessary for the administration of this subchapter. The regulations prescribed under this subchapter shall be consistent with the regulations prescribed by the Secretary of Labor under title I of the Parental and Medical Leave Act of 1988.".

(2) The table of contents for chapter 63 of title 5, United States Code, is amended by adding at the end thereof the following:

"SUBCHAPTER III—PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE

"6331. Definitions.
"6332. Parental leave requirement.
"6333. Temporary medical leave requirement.
"6334. Certification.
"6335. Job protection.
"6336. Prohibition of coercion.
"6337. Health insurance.
"6338. Regulations.".

(b) EMPLOYEES PAID FROM NONAPPROPRIATED FUNDS.—Section 2105(c)(1) of title 5, United States Code, is amended by striking out "53" and inserting in lieu thereof "53, subchapter III of chapter 63,".

TITLE III—COMMISSION ON PARENTAL AND MEDICAL LEAVE

SEC. 301. ESTABLISHMENT.

(a) ESTABLISHMENT.—There is established a Commission to be known as the Commission on Parental and Medical Leave (hereinafter in this title referred to as the "Commission").

SEC. 302. DUTIES.

The Commission shall—

(1) conduct a comprehensive study of—

(A) existing and proposed policies relating to parental leave and temporary medical leave; and

(B) the potential costs, benefits, and impact on productivity of such policies on employers;

(2) to the extent practicable, include in the study of parental leave and temporary medical leave policies required under subsection (1)(A), a review of all studies of existing and proposed methods designed to provide workers with full or partial salary replacement or other income protection during periods of parental leave and temporary medical leave that are consistent with the legitimate business interests of employers;

(3) within 2 years after the date on which the Commission first meets, submit a report to Congress that outlines the findings of the Commission.

SEC. 303. MEMBERSHIP.

(a) COMPOSITION.—

(1) APPOINTMENTS.—The Commission shall be composed of 12 voting members and 2 ex-officio members appointed not more than 60 days after the date of the enactment of this Act as follows:

(A) One Senator shall be appointed by the majority leader of the Senate, and one Senator shall be appointed by the minority leader of the Senate.

(B) One member of the House of Representatives shall be appointed by the Speaker of the House of Representatives, and one member of the House of Representatives shall be appointed by the minority leader of the House of Representatives.

(C)(i) Two members each shall be appointed by—

(I) the Speaker of the House of Representatives,

(II) the majority leader of the Senate,

(III) the minority leader of the House of Representatives, and

(IV) the minority leader of the Senate.

(ii) Such members shall be appointed by virtue of demonstrated expertise in relevant family, temporary disability, and labor-management issues and shall include representatives of employers.

(2) EX-OFFICIO MEMBERS.—The Secretary of Health and Human Services and the Secretary of Labor shall serve on the Commission as nonvoting ex-officio members.

(b) VACANCIES.—Any vacancy on the Commission shall be filled in the same manner in which the original appointment was made.

(c) CHAIRPERSON AND VICE CHAIRPERSON.—The Commission shall elect a chairperson and a vice chairperson from among the members of the Commission.

(d) QUORUM.—Eight members of the Commission shall constitute a quorum for all purposes, except that a lesser number may constitute a quorum for the purpose of holding hearings.

SEC. 304. COMPENSATION.

(a) PAY.—Members of the Commission shall serve without compensation.

(b) TRAVEL EXPENSES.—Members of the Commission shall be allowed reasonable travel expenses, including a per diem allowance, in accordance with section 5703 of title 5, United States Code, while performing duties of the Commission.

SEC. 305. POWERS.

(a) MEETINGS.—The Commission shall first meet not more than 30 days after the date on which all members are appointed. The Commission shall meet thereafter on the call of the chairperson or a majority of the members.

(b) HEARINGS AND SESSIONS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers appropriate. The Commission may administer oaths or affirmations to witnesses appearing before the Commission.

(c) ACCESS TO INFORMATION.—The Commission may secure directly from any Federal agency information necessary to enable the Commission to carry out this Act. On the request of the chairperson or vice chairperson of the Commission, the head of the agency shall furnish the information to the Commission.

(d) EXECUTIVE DIRECTOR.—The Commission may appoint an Executive Director from the personnel of any Federal agency to assist the Commission in carrying out the duties of the Commission.

(e) USE OF SERVICES AND FACILITIES.—On the request of the Commission, the head of any Federal agency may make available to the Commission any of the facilities and services of the agency.

(f) PERSONNEL FROM OTHER AGENCIES.—On the request of the Commission, the head of any Federal agency may detail any of the personnel of the agency to assist the Commission in carrying out the duties of the Commission.

SEC. 306. TERMINATION.

The Commission shall terminate 30 days after the date of the submission of the final report of the Commission to Congress.

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. EFFECT ON OTHER LAWS.

(a) FEDERAL AND STATE ANTIDISCRIMINATION LAWS.—Nothing in this Act shall be construed to modify or affect any Federal or State law prohibiting discrimination on the basis of race, religion, color, national origin, sex, age, or handicapped status.

(b) STATE AND LOCAL LAWS.—Nothing in this Act shall be construed to supersede any provision of any State or local law that provides greater employee parental or medical leave rights than the rights established under this Act.

SEC. 402. EFFECT ON EXISTING EMPLOYMENT BENEFITS.

(a) MORE PROTECTIVE.—Nothing in this Act shall be construed to diminish the obligation of an employer to comply with any collective-bargaining agreement or any employment benefit program or plan that provides greater parental and medical leave rights to employees than the rights provided under this Act.

(b) LESS PROTECTIVE.—The rights provided to employees under this Act may not be diminished by any collective-bargaining agreement or any employment benefit program or plan.

SEC. 403. ENCOURAGEMENT OF MORE GENEROUS LEAVE POLICIES.

Nothing in this Act shall be construed to discourage employers from adopting or retaining leave policies more generous than any policies that comply with the requirements under this Act.

SEC. 404. REGULATIONS.

Not later than 60 days after the date of enactment of this Act, the Secretary shall prescribe such regulations as are necessary to carry out title I.

SEC. 405. EFFECTIVE DATES.

(a) ADVISORY COMMISSION.—Title III shall become effective on the date of enactment of this Act.

(b) OTHER TITLES.—

(1) IN GENERAL.—Except as provided in paragraph (2), titles I, II, and IV shall take effect 6 months after the date of the enactment of this Act.

(2) COLLECTIVE BARGAINING AGREEMENTS.—In the case of a collective bargaining agreement in effect on the effective date described in paragraph (1), title I shall apply on the earlier of—

(A) the date of the termination of such agreement, or

(B) the date which occurs 12 months after the date of the enactment of this Act.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

MINIMUM WAGE RESTORATION ACT OF 1988

Mr. GRAMM. Madam President, I had withheld my remarks to allow the majority leader to bring up the new bill so that he could go on and conduct his important work. But I would like to take this opportunity to say a few words about the minimum wage, having listened to the great passion that was involved in this debate.

Madam President, I want to make it clear that I am not one who objected to this bill because of procedure. I think there was a problem in terms of procedure in considering it, but I was against this bill because it was a rotten bill that was antipoor, antigrowth, antijob, and anti-American.

Madam President, I wish our colleagues would have had the opportunity to live in another era. I was pointing out the other day that I could visualize some of my colleagues 100 years ago when the world was simpler, when people saw their own individual involvement in the economy a little more clearly. I could picture one of my colleagues in favor of this bill getting out of their carriage with their black suit and their gold chain, climbing across a picket fence, coming up to the old farmer who was out working on his 40 acres with his mule and saying, "Farmer Brown, I'm here to help you. I'm here to help you because I'm going to pass a law that says that you are going to be paid more."

Madam President, I would have been interested to hear them explain to Farmer Brown how that was going to work. You see, Madam President, the farmer's first questions would have been, "Now, is this law of yours going to make it so that this mule and me can plow more rows?" And I guess our colleague would have said, "No, I don't see how that would happen." And he might have asked, "Well, now, does this law of yours mean that the seeds I'm planting will come up sooner?" And I do not know how they could have said it would have. And then the farmer would have asked, "Well, is it going to mean people are going to pay more for the grain I am growing?" And I do not see how the answer would have been yes. And I would expect this farmer would have viewed this for what it was, an election year tactic, and his time was better spent plowing than talking to this politician.

But in the world in which we live, because so few people actually sell what they sow, we can pass off this political mumbo jumbo by making people think that somehow in this little Chamber in this great country of ours we can pass a law and make wages what we want them to be.

Madam President, if that really worked, I wonder why we are cheating people. Why are we debating only $4.55 an hour? I think maybe we ought to have it $1 million an hour so we could all be rich. Of course, there is this quirk that we all learned in third grade arithmetic and then when we came to the Senate we promptly forgot it, and that is that anything times zero is zero. So with this great movement, with the election just over the horizon, maybe we should guarantee that every American who worked earned $1 million an hour. The problem is nobody would hire him and $1 million an hour times zero hours would be zero dollars.

Now, Madam President, we heard a great deal of discussion about somehow this bill, which we have just taken down—and thank goodness we have taken it down—had to do with poor people. If anybody goes back and looks at the history of minimum wage, they will find that there has never really been a minimum wage law that was driven by any concern about the poor.

In fact, minimum wage laws always have been promoted by economic interests that hope to gain by keeping somebody else from working. In the American experience, the primary driving force behind the first minimum wage laws was that textile mills were moving out of the Northeast into the South. And so the textile unions and the textile industry in the Northeast sought to pass laws to protect southerners. In doing so, they, in essence, passed a law that prevented or at least sought to prevent textile mills from moving to the South by mandating a wage that made such a move noneconomic.

Madam President, that did not keep the textile mills from moving. They moved for a lot of other economic reasons. But since that time, the primary motivation of the minimum wage has been to protect one economic interest against another.

Madam President, we heard a lot of talk about the people on the lowest rung of the ladder, and the people who are working at minimum wage are on the lowest rung of the ladder. But if we raise the minimum wage, we do not raise the rung of the ladder; we simply cut it off. So if you lack the language skills, if you lack technical skills, if you lack training, what the minimum wage law really says is you cannot work.

Madam President, we have passed many laws here where we are trying to engage in training. But all of the laws ever passed by this Senate are insignificant compared to the training which has been done by the American free enterprise system. The plain truth is that minimum wages represent jobs that people pass through as a weigh station en route to economic prosperity. Some people in this country make low wages, but by and large they do not stay at those low wages. They acquire skills and they move on in the marketplace.

I said this the other day, but since I heard many arguments here today for the second and third time, I want to repeat it again. The best explanation of minimum wage I have gotten came 4 or 5 months ago. I had a group of florists come into my office bringing me a whole bunch of flowers, and talking about the minimum wage. I had an older florist there who said that he always hired four or five people at the minimum wage, employees who normally worked for him a year or two and they either moved up in his organization or they went to work for somebody else. And he pointed out a case where several years ago he hired a fellow at the minimum wage, and the fellow learned the business, was good at clipping flowers, and had a little artistic flair. So he moved up to become a supervisor, and then assistant manager, and learned how to keep the books, learned where you bought the flowers, learned the fellow's business, and then he quit. By this time he is making a lot more than the minimum wage. But he quit, he went across the street, and he opened up his own florist shop. Now this fellow is hiring 10 people at the minimum wage.

And the florist was pointing out to me, "You know, if you all had passed this law 10 years ago that made me pay this guy $4.55 an hour, I would probably be richer. I would be richer because the guy across the street from me—the guy who undercuts me on every bouquet of flowers he sells, hiring twice as many people as I am, and making twice as much money as I am—would be on welfare. I never would have hired him to begin with, and he never would have learned my business."

Madam President, he was not sorry he hired the man who is now his chief competitor. But the point is the minimum wage job that guy took several years ago was a weigh station where he acquired a skill. Now he is in business for himself. Before he took that job, he probably would have been voting for Michael Dukakis. My guess is today he is going to be voting for GEORGE BUSH.

Madam President, I want more people to have an opportunity to work at the minimum wage as an alternative to not working. I worked at the minimum wage on several occasions. I acquired great skill. My work was at the Tom Houston Peanut Co. taking kerosene and washing the grease off these new metal candy stands that went into filling stations. You would cut your hand and the kerosene would get in your hand. You would wash it off, somebody would spray paint it, you would sand it, and they would come back and paint it again. That job had great impact on me. It convinced me that washing candy stands was not what I wanted to do the rest of my life. I suspect many people have acquired that skill or that knowledge in working at the minimum wage. I suspect also that many who want to raise the minimum wage have never had a similar experience.

But anybody who claims that this debate has anything really to do with poor people I think is either misleading us or misinformed.

I want to conclude, because I see my dear colleague from Illinois is here, and I am sure he wants to make arrangements on the other side. I do not want to delay him.

But let me give you four facts. We heard in all of this lament about this bill not being able to get the required votes to move ahead about how this hurt poor people. So I want to remind my colleagues of three facts.

I am not aware of any substantial body of knowledge or learned study anywhere that has ever suggested this bill would do anything other than put people out of work and limit job growth. The debate is about how many people would lose their jobs, but there is no debate about jobs being lost. But assume nobody lost their job. Just assume we could pass a law and everybody would make more by some miracle without producing more. Even if that were the case, only 11 percent of the gain would go to people who are in poverty. Eighty-nine percent of the gain would go to people in families that are not in poverty.

The second point I want to make is even more revealing. Only 2.3 percent of minimum wage earners are full-time, year-round workers in families below the Federal poverty line.

The third point I want to make is that 63 percent of the heads of households below the poverty line are not working at all. Our problem is not that they are working for inadequate wages as much as the fact that they are not working at all. How we are going to induce people to hire them and train them by raising the minimum wage I do not know. Sixty-three percent of the heads of poverty households are either unemployed or they are no longer in the labor force.

Finally, if our objective was to raise people out of poverty with a minimum wage, this is not going to do the job. For a family of four, if the minimum wage was raised to $3.75 an hour next year, which is what this bill would provide, the poverty threshold income deficit—that is the amount that they would still be below poverty—would be $4,758.

Madam President, this is a bad bill. It has come before us on the eve of the election because people do not understand how markets work. If this bill were adopted, America would get by, progress would still exist, but that first rung on the ladder of opportunity would be cut off. So there would be a lot of people who never would get that minimum-wage job, who never would acquire skills, who never would become part of the American mainstream, and whose talents would be wasted in terms of their ability to serve themselves, their families, and America.

I do not want to cut that rung off. I want people to be able to go to work. I want them to be able to acquire skills, and I am not concerned about the inability of the American free enterprise system to generate good wages.

I am concerned about our ability to give people on-the-job training where they can do the jobs that are bringing forth good wages. That is what this issue is about.

Madam President, if this bill stays where it belongs, which is oblivion, there will be hundreds of thousands of Americans, many of whom may think that the passage of this bill would accrue to their benefit, but there will be hundreds of thousands of Americans, most of them young people, many of them minorities, who will get jobs, who will acquire skills, who will end up doing quite well in American society, and they would never have had the opportunity had this bill been passed.

I yield the floor.

Mr. KENNEDY. Madam President, I always find it interesting to hear from my friend from Texas, even though he fails to show much understanding of labor law history—the AFL-CIO opposed the minimum wage when it was first introduced—and his understanding of what the impact has been in employment and unemployment in the last six times it was raised. The facts are completely contradictory to what he has mentioned here this afternoon.

I remember one Senator from Texas, Lyndon Johnson, who made a compelling case on the floor when he talked about interference. He said everybody interferes. There will be interference for the employer to make sure that that employer is going to pay that few pennies and a few nickels a day to a widow to shell pecans. He was one of the most effective and articulate and forceful Members of this body in support of a minimum wage, from Texas.

I was interested in listening to the Senator from Texas talk about what this person would have thought about 100 years ago. They went out to this farmer on a mule. I wonder if they said they were going to get a few cents as a minimum wage, how that would have increased productivity.

I wonder what I would say to the fishermen in Massachusetts when the IRS comes up and says, "We are going to increase your taxes to send billions down there to bail out Texas banks." No complaint about that, billions of dollars going down to bail out the savings and loans banks down there.

The estimates are anywhere from $40 billion to $50 billion. We can get that money down there for those banks, those guarantees of those deposits in all those banks down there. But make sure those poor people do not have any savings in that bank, keep them out of that bank. Do not let them mention a minimum wage.

Five hundred thousand families—it is only 11 percent. "Those are my figures. I have four points here. It is only 11 percent." Tell that to 567,000 heads of households who are dependent on the minimum wage, trying to survive on $3.75. That might not be statistically important to the Senator from Texas, but it is very important to those families.

I hear those statements when we come out here, about the cost, always talking about it is going to ripple through the economy. But we never hear those costs when it comes to the increase in subsidies for those farmers in Texas—and subsidies which I have supported. No, we do not hear about hundreds of millions of dollars that go into Texas for the farmers. A Government program? My goodness, it is a Government program. But just have somebody say you have to pay a livable wage, and that is real interference. They do not mind it when they interfere to save the banks. They do not mind it when they send the checks down there on crop subsidies. That is good Government interference. But, boy, just tell someone, "You have to pay enough so a person can put food on the table," and, boy, that is the next step down the road to socialism.

With all respect, I could not afford to let that particular argument, which I have heard on previous occasions by the Senator from Texas in opposition to this measure, pass.

I have been proud to serve in this body with Senators from Texas who I believed represented the working men and women of that State, did it very effectively, and were returned many times over, and who were leaders in the cause of decency and fairness. Evidently, they reached different conclusions and served here after the minimum wage went on. Their description of what the impact would be upon their States and what it would mean in terms of their people reached an entirely different conclusion from that of the Senator from Texas. They are no longer here. Some have passed on; others have been defeated.

I find it very difficult to hear the Senator's arguments and to take them as the definitive economic analysis of the impact of the increase in the minimum wage, an analysis which does not bear up in terms of past history, either in terms of employment or its impact on the economy, and it certainly does not bear up in terms of human decency.

Mr. GRAMM and Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. GRAMM. Madam President, will the distinguished Senator allow me to respond briefly?

Mr. SIMON. I yield 2 minutes. But the Senator from Texas knows I have been waiting for some time to speak on this issue.

Mr. GRAMM. If the Senator will yield me 2 minutes, I will be grateful.

Mr. KENNEDY. Just so long as I can have a minute after that.

Mr. SIMON. I yield to my friend from Massachusetts a minute after that.

Mr. GRAMM. Madam President, first of all, when I am talking about a minimum wage, I am talking about something I know something about because I have worked for minimum wage on several jobs. I am sure there were many in this body who would have voted to say that my mama ought not work in the cotton mill at less than $17 an hour. Had there been such a law, she would not have been working, because she would have been out of work.

I have not called for a bailout of the Texas banks. So far as I am aware, I am the only Member of this body who has said that the taxpayer's money would be taken to bail out banks or savings and loans over my cold, dead body. So the remarks of the distinguished Senator may be relevant to somebody, but not me.

If this body had voted as I have voted on subsidies, both to Texas and to America, we would not have $145 billion budget deficit today.

I have never believed that the path of progress in my State or America is to be found by more Government.

The path of progress in Texas is to be found by more opportunity.

The problem with this bill is that it seeks to substitute Government for opportunity. It keeps people from acquiring and becoming part of the American mainstream. It sounds like it is pro-worker or pro-poor, but nothing could be further from the truth.

This bill hurts the poor. It hurts the people who want to be part of the mainstream.

The point I made was that minimum wages in America were initially supported by the textile industry and the textile workers. I believe that to be the case. I am not aware that minimum wages have ever been substantially supported by the poor, and for good reason. This bill is antipoor, and the people who are pushing for this bill are primarly not poor people, but people who have an agenda that is quite different from that.

Mr. KENNEDY. Madam President, I appreciate the comments of the Senator from Texas. Quite frankly, that is just a matter of presentation. Indicating the full roster of opposition to Federal interference, I think, puts his opposition in an entirely different kind of flavor. We are talking about the only interference being the interference in terms of employers paying a decent minimum wage. I think one can certainly reach a conclusion that the Senator's assumption with regard to the economics are completely erroneous, as we have spelled out in our report, and in this debate. History on this issue should be our guide.

I appreciate the clarification of the Senator.

Could I ask if the Senator has ever supported an oil import fee? I know he is against it now. But did he ever?

Mr. GRAMM. I did not support it. I believe it is unworkable.

Mr. KENNEDY. Even in the Congress as well?

Mr. GRAMM. I did not.

Mr. KENNEDY. I appreciate that.

Mr. GRAMM. I also opposed the windfall profit tax as confiscatory and was happy to see it defeated.

Mr. KENNEDY. I thank the Senator.

The PRESIDING OFFICER (Mr. CONRAD). The Senator from Illinois.

Mr. SIMON. Mr. President, my colleague from Texas says that people who are pushing this are not the poor. Let me tell you, the people who are opposing this are not the poor. It is those who are the most fortunate in our society who are saying "Do not do this."

I go back to the years when I was in the State Legislature in Illinois. We had no minimum wage law. I introduced a bill for a 75-cent-an-hour minimum wage law in Illinois. I brought a woman in to testify who was making 57 cents an hour trying to support herself and her two children and she got lectures on free enterprise, and everything else.

My colleague from Texas talks about political mumbo jumbo and third-grade arithmetic. Let me give him a little third-grade economics. We just find every possible excuse not to help the people who need it the most.

I would like to add one other important point that has something to do with a minimum wage, but is far beyond the minimum wage, and that is our whole system of government and how we get into this body.

My friend, the Senator from Massachusetts [Senator KENNEDY] mentioned there are 560,000 heads of households who are interested here who have something at stake, 5 million people in this Nation working for the minimum wage, 15.3 million working for less than the increase this bill would call for. What if instead, I ask the distinguished Presiding Officer from North Dakota, my friends from Massachusetts and Connecticut who are on this floor right now, of 15 million poor people needing help under this bill, we had just 100 people who had an interest in this bill but they gave $1,000 contributions to every Member of this body, would we have the kind of opposition to this bill or would that bill just sneak through so fast you would not know what happened? You know the answer, Mr. President, and I know the answer.

Our system of financing campaigns has made this body much, much too subservient. We pander to the whims and the wishes of the rich and the powerful, but let 560,000 people, heads of households who make $3.35 an hour, come to us and ask for help, well, we just cannot seem to get around to helping them. Something is wrong.

I hope we change this system of financing campaigns around here, so this body really is representative of the people, so that we do not just respond to the special financial interests.

My colleague from Texas is correct when he says the poor are not pushing this bill. A lot of people at the minimum wage do not even know we are in session. A lot of them do not vote. Probably none of them make campaign contributions. But we ought to be here fighting for their interest and for their cause, and we are not doing it.

This is not an illustrious day in the history of the Senate. I am proud to serve this body, but there are days when I see us do things that I really regret, Mr. President. We can do better. We have to do better. I want to see the day come when we are just as responsive to 5 million people on the minimum wage, to 560,000 heads of households on the minimum wage, as we are to a handful of people who finance our campaigns.

It is a sad day for this country and for this body.

I yield my time.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CHILES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHILES. Mr. President, questions of jobs, how many we have, what kind they are, and how much they pay are very much on the minds of everyone these days.

It should not come as any surprise. The market is changing. Some jobs are gone forever. Some jobs exist today with titles we never heard before.

Our workers are not intimidated by change. But they are not willing to take it for granted, either. They want to make sure the new jobs they hold today are better for themselves and for their families than the ones they held yesterday.

For months now, we have been getting mixed information about the nature of the American job market. Some tell us we have more jobs and should be grateful. Others come right back and say, but they are not good jobs.

For the benefit of both the American worker and the long-range vitality of the American economy, it is important to know just where the country is on the job landscape.

The majority staff of the Senate Budget Committee at my direction has just completed a study of wages and the American worker in the mid-1980's. Their instructions were to be objective and to be accurate. This issue does not need to be fancy or bias. It needs facts.

The study is based on the most recent data for 1987, just released by the Census Bureau earlier this month.

I ask unanimous consent that it be printed in the RECORD so my colleagues can look it over in greater detail.

There being no objection, the study was ordered to be printed in the RECORD, as follows:

WAGES OF AMERICAN WORKERS IN THE 1980s

EXPLANATORY NOTES

The data for the study is from the microdata files of the Bureau of Census' Current Population Survey for data years 1979, 1986, and 1987.

The poverty-level benchmarks for 1979 are deflated by the CPI-X price deflator (which has been the official price index since 1983). The results would be identical if the Personal Consumption deflator were used since it registered the same rate of inflation as the CPI-X deflator over the 1979-87 period.

Hourly wage rates are based on wage and salary income. A job is categorized as low-wage if the income from working year-round, full-time at that wage would provide less than the poverty level of income for a family of four ($11,611 in 1987 dollars, or $5.80 per hour). Middle and high-wage categories are based on multiples of the poverty level.

The study analyzes the distribution of employment according to the low, middle, and high-wage categories, focusing on the changes that occurred between 1979 and 1987. Common terms used in the text such as "job creation" and "new jobs" refer to the net increase in employment in a particular wage category.

Details may not add to totals due to rounding.

[All charts not reproducible for the RECORD.]

EXECUTIVE SUMMARY

The dominant trend in American job creation during the 1980s has been for low-paying jobs to replace those which provided a middle-class standard of living.

The finding, based on the latest Census Bureau data, is contained in the Senate study, Wages of American Workers in the 1980s.

The most recent, detailed, and comprehensive data set on the wage rates of American workers, reveals:

The share of middle-wage jobs decreased markedly in this decade while the shares of both low and high-wage jobs increased.

The share of low-wage jobs (those providing annual incomes below the poverty level), increased by more than twice that of high-wage jobs.

Wage rates are in the United States becoming polarized in a downward direction.

Sixty-four percent of American jobs paid middle-level wages in 1979. Between the peak of the business cycle in 1979 and the latest year of the current expansion in 1987, only 38 percent of the increase in employment was in middle-wage jobs. Over 50 percent of the increase was in low-wage jobs. High-wage jobs accounted for the other 12 percent of the growth in employment.

The downward movement of wage rates continued strongly in 1987, the fifth year of the current economic expansion. In fact, the situation deteriorated last year with 60 percent of the net increase in employment occurring at below-poverty-level wages. And there was an actual decrease in the number of high-wage jobs in 1987.

The movement in wage rates has not been uniform among groups and across regions and States. This study uses a categorization scheme based on changes in the shares of low, middle, and high-wage jobs.

This approach biases the outcome *against* the low-wage hypothesis, simply because the number of low-wage jobs in America is so much greater than the number of high-wage jobs (by a factor of 15). For example, between 1979 and 1987, the share of high-wage jobs in Florida rose while the share of low-wage jobs decreased, even though four times as many low-wage jobs were created.

Wage enrichment: Occurs when the share of low-wage jobs declines and the shares of middle and/or high-wage jobs grow.

Upward wage polarization: The case of a declining share of middle-wage jobs being offset by a growing share of low-wage jobs, and an even larger share of high-wage jobs.

Polarization: The share of middle-wage jobs declines and the share of low and high-wage jobs increase equally.

Downward wage polarization: A shrinking share of middle-wage jobs being supplanted by a growing share of high-wage jobs, and an even larger share of low-wage jobs.

Wage impoverishment: Occurs when the shares of both high-wage and middle-wage jobs decline and only the share of low-wage jobs expands.

Movements in wage rates by geographical area are:

Wage Enrichment occurred along the Eastern Coast, encompassing three of the nation's nine census regions (New England, Middle Atlantic, and South Atlantic) and in four of the nation's twelve most populous states (Florida, Massachusetts, New Jersey, and New York). Only in Massachusetts and New Jersey did the actual number of low-wage jobs decline to the benefit of middle and high-wage jobs.

Downward Wage Polarization was the result for the United States as a whole and in three of the nine census regions (East North Central, Pacific, and West North Central). Downward wage polarization occurred in six of the twelve most populous states (California, Indiana, Illinois, Michigan, North Carolina, and Pennsylvania).

Wage Impoverishment was the result in three of the nine census regions (East South Central, Mountain, and West South Central) and two of the twelve most populous states (Ohio and Texas).

Principles Underlying the Study

Whether by accident or design, this critical economic issue has been obscured by a jumble of conflicting pronouncements. However, a clear and definitive view is possible if four fundamental principles are kept in mind.

The Real Standard of Living Is What Counts

The real value of work is measured by the goods and services wages can buy. A worker's standard of living increases only if rising wages provide greater purchasing power.

This basic concept has been abandoned in many studies in favor of the notion that a worker is better off if he is moving up relative to his co-workers, even if his real purchasing power has declined.

Earnings Matter, No Matter What You Call Yourself

This distinction is the most important to sort out the conflicting viewpoints on workers' wages. Jobs and occupations can be ranked relative to each other as high-paying or low-paying. But this distinction does not measure the real standard of living provided by an occupation.

Evidence from other studies shows that many of the jobs created in this decade have been in occupations labeled as high-paying relative to others. But it has also been shown that those jobs are predominantly at the low end of the wage scale within occupations.

Workers have moved into occupations classified relative to others as high-paying, but at lower real wages. It's a case of "we're hiring you as a vice-president at $4 an hour."

Wages Are the Appropriate Measure

Some workers' annual earnings go up because they make a higher hourly wage, while others' annual earnings may rise because they work more hours at the same or lower wages. An example is women workers whose annual earnings have risen in part because the number of hours worked increased by 8.5 percent between 1979 and 1987.

Only an examination of hourly wage rates can reveal the return to effort measured in real purchasing power.

Examine All Types of Workers

The "American workforce" can be categorized in different ways. A thorough evaluation of wage trends must examine whether wage movements are general or specific to particular groups of workers—male/female, white/nonwhite, full-time/part-time, service sector/manufacturing.

Accordingly, this study analyzes changes in the wage rates of American workers in terms of their ability to command goods and services. The specific benchmarks are based on multiples of the poverty level. A low-wage job is one that on a year-round, full-time basis pays less than the poverty level of income for a family of four ($11,611 in 1987 dollars). A middle-wage job pays more than $11,611 annually but less than $46,444 (four times the poverty level). A high-wage job pays more than $46,444 on an annual basis.

An important assumption was used to bias the analysis *against* the hypothesis that the share of middle-wage jobs has declined at the expense of low-wage jobs. The poverty-level benchmarks were adjusted by the CPI-X price deflator, yielding a higher benchmark for 1979 than the officially published number ($7,564 versus $7,412). This increased the number of low-wage jobs in the base year of 1979, and reduced the net increase in low-wage jobs for any change in wage rates between 1979 and 1987.

WAGES OF AMERICAN WORKERS IN THE 1980s

Since the Employment Act of 1946, the primary goal of economic policy has been the full employment of the American workforce. With 75 percent of the income of Americans in the form of wages and salaries, America's prosperity rests on the opportunity for work at good wages.

In the first 3 decades following World War II, the promise of good jobs was kept. The unemployment rate averaged 4.4 percent in the 1950s, 4.6 percent in the 1960s, but rose to 6.8 percent in the 1970s. As important, the real wages of American workers followed an upward course and the gains were spread across different wage levels. The reality of good jobs allowed effort to be rewarded with a rising standard of living.

But this decade has been a difficult one for America's workers. The unemployment rate has averaged 7.6 percent. Real average hourly earnings as measured by the Labor Department's Establishment Survey were lower in 1987 than in 1979.

The prelude to policy must be an accurate assessment of the facts. This study examines changes in wage rates by numerous categories and classifications, including:

—male and female workers,

—workers above and below 35 years of age,

—white and nonwhite workers,

—service sector and manufacturing sector workers,

—workers in the nation's nine census regions, and

—workers in the 12 most populous States.

These distinctions were applied to (1) the workforce as a whole, (2) all year-round, full-time workers, and (3) part-time and seasonal workers.

Since the Survey of Establishment data is recognized as being limited in coverage, this study uses the latest and most comprehensive data on the wages of American workers—the microdata files of the Bureau of the Census' Current Population Survey.

The fundamental conclusion is that wage rates are becoming polarized while moving in a downward direction. The share of middle-wage jobs has declined while the proportion of both low-paying jobs and high-paying jobs has increased. But the share of low paying jobs has increased by more than twice the amount of high-wage jobs.

The middle of the wage distribution is shrinking, along with the opportunities for middle-class status. During this decade more than half of the net increase in employment has been at jobs paying below a poverty-level wage.

Wage Trends in 1987

Perhaps one of the more remarkable and troubling results of the study is that the downward polarization of wages continued strongly in 1987, the fifth year of the current economic expansion.

Between 1979 and 1986, the share of middle-wage jobs declined by 2.4 percentage points. But measured over the 1979 to 1987 period, the loss in the share of middle-wage jobs was 2.6 percentage points. Between 1979 and 1986, the share of low-wage jobs grew by 1.4 percentage points. But between 1979 and 1987 the increase in the share of low-wage jobs was 1.8 percentage points.

Put another way, in the fifth year of economic expansion, middle-wage jobs continued to be created at about half the rate, and low-jobs continued to be created at twice the rate, as their historical norms. The share of middle-wage jobs continued to shrink largely at the expense of low-wage employment. This result was pervasive, cutting across industry and most demographic distinctions.

Thus, the numbers indicate a worsening of the situation in 1987. A greater proportion of the jobs created in 1987 were low-paying compared to the 1979 to 1986 period. And a smaller proportion were high-paying. The share of middle-wage jobs continued to shrink in 1987 but those jobs were being supplanted to a greater extent by low-wage rather than high-wage jobs.

Male Workers: Male workers have fared extremely poorly in this decade, experiencing extreme downward wage polarization. The share of middle-wage jobs decreased by 5.4 percentage points. The increase in the share of below-poverty-level-wage jobs has been 3.2 times the increase in the share of high-paying jobs.

There were actually 223,000 fewer jobs held by men that paid middle-level wages in 1987 than there were in 1979. Fully 82 percent of the gain in male employment in this decade has been at jobs paying below-poverty-level wages.

	Percent of employment		Difference
	1979	1987	(1987 minus 1979)
Low-wage (less than $11,611)	22.3	26.5	+4.2
Middle-wage ($11,612 to $46,444)	72.1	66.6	−5.4
High-wage ($46,445 and above)	5.6	6.9	+1.3

Female Workers: The share of low-wage jobs declined from 44.6 percent to 42.9 percent of the total. The share of middle-wage jobs increased by 1.2 percentage points while the share of high-wage jobs increased by 0.5 percentage points.

But in absolute terms, 2.4 million low-wage jobs were added, compared to 367,000 high-wage jobs. The average level of womens' wages is far below that of men. Forty-three percent of women make below-poverty-level wages, while only 27 percent of men do. At the high end, the proportion of men holding high-wage jobs is nearly four times the proportion of women with such jobs.

	Percent of employment		Difference
	1979	1987	(1987 minus 1979)
Low-wage (less than $11,611)	44.6	42.9	−1.7
Middle-wage ($11,612 to $46,444)	54.2	55.4	+1.2
High-wage ($46,445 and above)	1.3	1.8	+0.5

Nonwhite Workers: Downward wage polarization is color blind. Both whites and nonwhites have seen the share of jobs paying below the poverty level expand at the expense of middle-wage jobs.

For nonwhites, the share of middle-wage jobs declined by 1.8 percentage points and the share of low-wage jobs increased by 1.2 percentage points.

In terms of net employment change, 1.4 million jobs paying below the poverty level were added, compared to 147,000 high-wage jobs.

Just as the wage levels of women are well below those of men, the wages of nonwhite workers are significantly lower than those of white workers. In 1987, 42 percent of nonwhite workers earned wages below the poverty level while 33 percent of whites held such low-paying jobs. At the other end of the wage distribution, 4.8 percent of the jobs held by whites paid high wages while only 2.3 percent of the jobs held by nonwhites paid such wages.

	Percent of employment		Difference
	1979	1987	(1987 minus 1979)
Low-wage (less than $11,611)	40.5	41.7	+1.2
Middle-wage ($11,612 to $46,444)	57.8	56.0	−1.8
High-wage ($46,445 and above)	1.7	2.3	+0.6

White Workers: Downward wage polarization has been more pronounced among white workers than among nonwhites. For white workers, the share of middle-wage jobs declined by 2.6 percentage points and the share of low-wage jobs expanded by 1.8 percentage points.

The increase in low-wage jobs for whites was 4.5 million while high-wage jobs increased by 1.3 million.

	Percent of employment		Difference
	1979	1987	(1987 minus 1979)
Low-wage (less than $11,611)	31.2	33.0	+1.8
Middle-wage ($11,612 to $46,444)	64.8	62.2	−2.6
High-wage ($46,445 and above)	4.0	4.8	+0.9

Workers Under the Age of 35: Young workers experienced severe downward wage polarization. The share of middle-wage jobs fell by 4.8 percentage points while the share of low-wage jobs increased by 4.7 percentage points.

The 2 million net increase in employment for young workers between 1979 and 1987 was more than completely accounted for by low-wage jobs. Jobs paying below-poverty-level wages increased by 3.6 million while there was a net loss of 1.6 million jobs paying middle-level wages. High-wage jobs rose by 75,000.

	Percent of employment		Difference
	1979	1987	(1987 minus 1979)
Low-wage (less than $11,611)	39.4	44.2	+4.7
Middle-wage ($11,612 to $46,444)	59.0	54.2	−4.8
High-wage ($46,445 and above)	1.5	1.6	+0.1

Workers Over the Age of 34: These workers saw no change in their share of low-wage jobs. A decline in the share of middle-wage jobs of 1.2 percentage points was taken up by a larger share of high-wage jobs.

The number of low-wage jobs held by workers 35 and over increased by 2.4 million while the number of high wage jobs grew by 1.3 million.

	Percent of employment		Difference
	1979	1987	(1987 minus 1979)
Low-wage (less than $11,611)	24.3	24.3	0.0
Middle-wage ($11,612 to $46,444)	69.6	68.4	−1.2
High-wage ($46,445 and above)	6.1	7.3	+1.2

The Manufacturing Sector: The manufacturing sector of the economy experienced wage polarization in this decade.

The share of middle-wage jobs declined by 3.3 percentage points while the shares of low and high-wage jobs both increased by 1.6 and 1.7 percentage points respectively.

The total number of jobs in manufacturing declined by nearly two million since 1979. Over 2.2 million middle-wage jobs disappeared. At the same time, 295,000 high-wage jobs were added.

	Percent of employment		Difference
	1979	1987	(1987 minus 1979)
Low-wage (less than $11,611)	21.1	22.7	+1.6
Middle-wage ($11,612 to $46,444)	75.0	71.7	−3.3
High-wage ($46,445 and above)	4.0	5.6	+1.7

The Service Sector: As was the case in manufacturing, wage polarization has been the norm. The share of middle-wage jobs declined by 1.6 percentage points while the shares of low and high-wage jobs each increased by 0.8 percentage points.

Forty-five percent of the net new jobs in the service sector paid below-poverty-level wages, although historically the share of low-wage jobs in this sector has been near 40 percent. Only 41 percent of the net increase in service sector employment was at middle-level wage jobs, even though in 1979, 56 percent of service sector jobs paid a middle-level wage.

	Percent of employment		Difference
	1979	1987	(1987 minus 1979)
Low-wage (less than $11,611)	40.3	41.1	+0.8
Middle-wage ($11,612 to $46,444)	56.4	54.8	−1.6
High-wage ($46,445 and above)	3.3	4.1	+0.8

YEAR-ROUND, FULL-TIME WORKERS

Year-round, full-time workers experienced strong downward wage polarization. The share of middle-wage jobs declined by 4.0 percentage points while the share of low-wage jobs increased by 3.2 percentage points.

The number of low-wage jobs held by year-round, full-time workers increased by 4.4 million while the net gain in high-wage employment was 1.1 million.

The same classifications, used in the analysis of the entire workforce—male/female, young/old, white/nonwhite, manufacturing/services, and geographical—were applied to the analysis of year-round, full-time workers. The fundamental conclusion is that strong downward wage polarization is pervasive—occurring among young and old workers, white and nonwhite workers, and in the manufacturing and service sector.

Males experienced strong downward polarization while the position of women improved marginally. The share of middle-wage jobs of year-round, full-time women workers declined by 0.2 percentage points and the share of high-wage jobs expanded by 0.5 percentage points. For women, the number of low-wage jobs grew by 2 million, compared to a 200,000 increase in high-wage jobs.

Geographically, full-time, year-round workers experienced wage enrichment in two of the nation's twelve most populous states (Massachusetts, New Jersey). Workers in New York and Florida saw upward wage polarization. In seven of the twelve most populous states (California, Indiana, Illinois, Michigan, North Carolina, Pennsylvania, and Texas), downward wage polarization occurred. Ohio's workers went in the direction of wage impoverishment.

From the viewpoint of the nine census regions, only New England's year-round, full-time workers moved toward enrichment. The Middle Atlantic Region experienced upward wage polarization. Four Regions (East North Central, Pacific, South Atlantic, West South Central) experienced downward wage polarization. The remaining three regions (East South Central, Mountain, and West North Central) underwent wage impoverishment.

	Percent of employment		Difference
	1979	1987	(1987 minus 1979)
Low-wage (less than $11,611)	17.7	20.9	+3.2
Middle-wage ($11,612 to $46,444)	77.9	74.0	−4.0
High-wage ($46,445 and above)	4.4	5.2	+0.8

PART-TIME AND SEASONAL WORKERS

Workers who are not year-round, full-time workers also experienced strong downward wage polarization. The share of middle-wage jobs declined by 4.1 percentage points while the share of low-wage jobs expanded by 3.4 percentage points.

In the period between 1979 and 1987, middle-wage jobs declined by 1.9 million while low-wage jobs increased by 1.6 million.

Downward wage polarization was pervasive among this group of workers—affecting males and females, whites and nonwhites, service sector and manufacturing workers, and workers under the age of 35.

The sole exception to the general trend was for part-time seasonal workers over the age of 35. Their share of low-wage jobs declined from 43.2 percent to 42.5 percent of the total. The share of middle-wage jobs declined by 0.4 percentage points while the share of high-jobs wage increased from 4.5 percent to 6.2 percent of the total. Yet even here, 623,000 low-wage jobs were added, compared to an increase of 411,000 high-wage jobs.

The changes by geographical location follow extremely closely the trends for year-round, full-time workers.

	Percent of employment		Difference
	1979	1987	(1987 minus 1979)
Low-wage (less than $11,611)	51.1	54.5	+3.4
Middle-wage ($11,612 to $46,444)	46.1	42.1	−4.1
High-wage ($46,445 and above)	2.7	3.4	+0.7

WAGE TRENDS BY REGION

The study examined the change in the distribution of wage rates for all nine census regions.

Workers in New England, and the Middle and South Atlantic regions moved toward enrichment.

Three regions (East North Central, Pacific, and West North Central) experienced downward wage polarization.

Three regions (East South Central, Mountain, and West South Central) experienced wage impoverishment with both the shares of middle and high-wage jobs declining at the expense of the low-wage jobs.

New England (Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont): New England's workers experienced enrichment of wage rates between 1979 and 1987.

The share of jobs paying below-poverty-level wages fell from 32.2 percent in 1979 to 26.5 percent in 1987, a decline of 5.6 percentage points. The share of jobs paying middle-class wages increased by 3.8 percentage points to 67.9 percent of the total. High-wage jobs increased from 3.7 percent to 5.6 percent.

New England was the only region that experienced a decline in the number of low-paying jobs, offset by increases in middle and high-wage jobs. A reduction of 252,000 low-wage jobs was accompanied by an increase of 528,000 middle-wage jobs and 140,000 high-wage jobs.

	Percent of employment		Difference
	1979	1987	(1987 minus 1979)
Low-wage (less than $11,611)	32.2	26.5	−5.6
Middle-wage ($11,612 to $46,444)	64.1	67.9	+3.8
High-wage ($46,445 and above)	3.7	5.6	+1.8

Middle Atlantic (New Jersey, New York, Pennsylvania): This region experienced wage enrichment, based on upward wage movements in New York and New Jersey, despite the downward polarization of wages that occurred in Pennsylvania.

For the region, the share of low-wage jobs decreased by 0.4 percentage points and the share of high-wage jobs grew by 1.8 percentage points.

In absolute amounts, 188,000 low-wage jobs were created, compared to 370,000 high-wage jobs.

	Percent of employment		Difference
	1979	1987	(1987 minus 1979)
Low-wage (less than $11,611)	28.0	27.6	−0.4
Middle-wage ($11,612 to $46,444)	68.0	66.5	−1.5
High-wage ($46,445 and above)	4.1	5.9	+1.8

East North Central (Indiana, Illinois, Ohio, Michigan, Wisconsin): This region experienced severe downward wage polarization. Middle-wage jobs declined from 67.6 percent of the total to 62.1 percent. At the same time, the share of low-wage jobs increased by 5.0 percentage points, almost the entire amount.

The number of middle-wage jobs declined by 802,000 while the number of low wage-jobs grew by 1.2 million. High-wage jobs grew by 116,000.

	Percent of employment		Difference
	1979	1987	(1987 minus 1979)
Low-wage (less than $11,611)	28.8	33.8	+5.0
Middle-wage ($11,612 to $46,444)	67.6	62.1	−5.5
High-wage ($46,445 and above)	3.6	4.1	+0.5

West North Central (Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota): Workers experienced downward wage polarization. The shares of middle-wage jobs declined by 2.4 percent points while the share of poverty-level jobs increased by 2.2 percentage points.

The net increase of 413,000 jobs between 1979 and 1987 was mainly accounted for by jobs paying below a poverty-level wage (342,000 jobs). The number of middle-wage jobs grew by 45,000 while 26,000 high-wage jobs were added.

	Percent of employment		Difference
	1979	1987	(1987 minus 1979)
Low-wage (less than $11,611)	35.1	37.4	+2.2
Middle-wage ($11,612 to $46,444)	62.1	59.7	−2.4
High-wage ($46,445 and above)	2.8	2.9	+0.2

South Atlantic (Delaware, District of Columbia, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, West Virginia): Wages moved in the direction of enrichment. The share of middle-wage jobs declined by 0.4 precentage points. The share of high-wage jobs grew by 1.0 percentage points.

In absolute terms, 1.3 million low-wage jobs were added, compared to 317,000 high-wage jobs.

	Percent of employment		Difference
	1979	1987	(1987 minus 1979)
Low-wage (less than $11,611)	37.0	36.5	0.5
Middle-wage ($11,612 to $46,444)	59.9	59.5	−0.4
High-wage ($46,445 and above)	3.0	4.0	+1.0

East South Central (Alabama, Kentucky, Mississippi, Tennessee): The region moved strongly in the direction of wage impoverishment. The share of middle-wage jobs fell 5.1 percentage points from 57.7 percent to 52.6 percent. Low-wage jobs increased from 39.9 percent of the total to 45.1 percent. High-wage jobs fell from 2.4 to 2.3 percent of the total.

As in other regions experiencing wage impoverishment, the absolute number of middle-wage jobs declined (by 46,000) while the overall growth in employment (520,000 jobs) was more than accounted for by an increase in low-wage jobs (560,000).

	Percent of employment		Difference
	1979	1987	(1987 minus 1979)
Low-wage (less than $11,611)	39.9	45.1	+5.2
Middle-wage ($11,612 to $46,444)	57.7	52.6	−5.1
High-wage ($46,445 and above)	2.4	2.3	−0.1

West South Central (Arkansas, Louisiana, Oklahoma, Texas): Wages in this region moved strongly in the direction of impoverishment. The share of middle and high-wage jobs declined by 2.3 percentage points and the share of low-wage jobs grew by a like amount.

Over 900,000 million low-wage jobs were created at a time when 65,000 high-jobs came into being.

	Percent of employment		Difference
	1979	1987	(1987 minus 1979)
Low-wage (less than $11,611)	37.6	39.8	+2.2
Middle-wage ($11,612 to $46,444)	58.9	56.6	−2.3
High-wage ($46,445 and above)	3.5	3.5	−0.0

Mountain (Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, Wyoming): Wages moved toward impoverishment with the share of below-poverty-level jobs increasing at the expense of both middle and high-wage jobs.

Of the net increase in jobs, 42 percent were middle-wage while 56 percent were low-wage.

	Percent of employment		Difference
	1979	1987	(1987 minus 1979)
Low-wage (less than $11,611)	34.1	37.1	+3.0
Middle-wage ($11,612 to $46,444)	61.7	59.0	−2.7
High-wage ($46,445 and above)	4.2	3.9	−0.3

Pacific (Alaska, California, Hawaii, Oregon, Washington): Contrary to the widely-held belief that both coastal regions of the U.S. are prospering, downward wage polarization occurred in the Pacific region.

The share of middle-wage jobs declined by 4.0 percentage points, from 67.1 percent to 63.2 percent of the total. The increase in the share of low-wage jobs was two and a third times the increase in the share of high-wage jobs.

In terms of net job creation, 47 percent paid below-poverty level wages, 40 percent paid middle-level wages, and 13 percent were high-wage.

	Percent of employment		Difference
	1979	1987	(1987 minus 1979)
Low-wage (less than $11,611)	28.0	30.7	+2.8
Middle-wage ($11,612 to $46,444)	67.1	63.2	−4.0
High-wage ($46,445 and above)	4.9	6.1	+1.2

WAGE TRENDS BY STATE

The study examined the wage trends in the decade for the nation's twelve most populous states. As detailed in the following pages:

Wage enrichment was the result in Massachusetts, Florida, New Jersey and New York;

Downward wage polarization was the norm in California, Indiana, Illinois, Michigan, North Carolina, and Pennsylvania; and

Wage impoverishment was the experience in Ohio and Texas.

Florida: Florida wages moved upward toward enrichment. The share of low-wage jobs declined by 3.0 percentage points while the share of the middle-wage jobs increased by 1.2 percentage points. The proportion of high-wage jobs rose by 1.8 percentage points from 2.0 percent of the total to 3.8 percent.

While the trend was favorable, Florida remains a relatively low-wage state. In 1987, for example, 40 percent of Florida's workers made below-poverty-level wages. In contrast, only 25 percent of Massachusetts' workers and 27 percent of those in New York were employed at low-wage jobs.

	Percent of employment		Difference
	1979	1987	(1987 minus 1979)
Low-wage (less than $11,611)	42.5	39.5	−3.0
Middle-wage ($11,612 to $46,444)	55.5	56.7	+1.2
High-wage ($46,445 and above)	2.0	3.8	+1.8

Massachusetts: Wage enrichment was the experience in Massachusetts. The share of low-wage jobs decreased by 7.0 percentage points. The share of middle-wage jobs grew by 4.2 percentage points while the share of high-wage jobs increased by 2.7 percentage points.

The actual number of low-wage jobs declined by 162,000, the largest improvement in any state. Middle-wage jobs grew by 260,000 and high-wage jobs by 95,000.

	Percent of employment		Difference
	1979	1987	(1987 minus 1979)
Low-wage (less than $11,611)	31.8	24.8	−7.0
Middle-wage ($11,612 to $46,444)	64.5	68.7	+4.2
High-wage ($46,445 and above)	3.8	6.5	+2.7

New Jersey: Workers in New Jersey saw their wages move in the direction of enrichment. The share of low-wage jobs declined by 3.2 percentage points, while the share of middle-wage jobs grew by 1.1 percentage points and the proportion of high-wage jobs by 2.1 percentage points.

	Percent of employment		Difference
	1979	1987	(1987 minus 1979)
Low-wage (less than $11,611)	27.3	24.1	−3.2
Middle-wage ($11,612 to $46,444)	67.6	68.7	+1.1
High-wage ($46,445 and above)	5.1	7.3	+2.1

New York: Workers in New York experienced wage enrichment. The share of middle-wage jobs decreased by 1.6 percentage points, but the share of high-wage jobs increased by 2.4 percentage points while the share of low-wage jobs decreased by 0.8 percentage points.

The number of high-wage jobs increased by 220,000 while the number of low-wage jobs grew by 56,000.

	Percent of employment		Difference
	1979	1987	(1987 minus 1979)
Low-wage (less than $11,611)	27.7	26.9	−0.8
Middle-wage ($11,612 to $46,444)	68.1	66.5	−1.6
High-wage ($46,445 and above)	4.2	6.6	+2.4

California: Workers in California experienced downward polarization of wages. The share of middle-wage jobs declined by 3.6 percentage points. The proportion of low-wage jobs increased by 2.1 percentage points, while that of high-wage jobs grew by 1.5 percentage points.

The number of low-wage jobs grew by nearly three times the amount of high-wage jobs.

	Percent of employment		Difference
	1979	1987	(1987 minus 1979)
Low-wage (less than $11,611)	27.5	29.6	+2.1
Middle-wage ($11,612 to $46,444)	67.6	64.0	−3.6
High-wage ($46,445 and above)	4.9	6.5	+1.5

Indiana: Indiana's workers experienced severe downward wage polarization. The share of middle-wage jobs declined by 8.3 percentage points, the largest decline in any of the twelve most populous states. The share of low-wage jobs increased by 8.1 percentage points.

The number of middle wage jobs declined by 231,000 while low-wage employment increased by 213,000.

	Percent of employment		Difference
	1979	1987	(1987 minus 1979)
Low-wage (less than $11,611)	32.2	40.3	+8.1
Middle-wage ($11,612 to $46,444)	65.7	57.4	−8.3
High-wage ($46,445 and above)	2.1	2.2	+0.2

Illinois: Downward wage polarization occurred in Illinois. The share of middle-wage jobs declined by 3.7 percentage points, and was offset by a 2.9 percent increase in the share of low-wage jobs.

The number of middle wage jobs shrunk by 201,000 while low-wage jobs increased by 165,000.

	Percent of employment		Difference
	1979	1987	(1987 minus 1979)
Low-wage (less than $11,611)	27.2	30.1	+2.9
Middle-wage ($11,612 to $46,444)	68.4	64.8	−3.7
High-wage ($46,445 and above)	4.4	5.2	+0.7

Michigan: The experience was one of strong downward wage polarization. The share of middle-wage jobs fell by 6.4 percentage points while the share of low-wage jobs increased by 5.6 percentage points. High-wage jobs increased from 4.5 percent of the total to 5.3 percent.

The number of middle-wage jobs declined by 225,000 and were more than offset by an increase of 278,000 low-wage jobs.

	Percent of employment		Difference
	1979	1987	(1987 minus 1979)
Low-wage (less than $11,611)	27.1	32.7	+5.6
Middle-wage ($11,612 to $46,444)	68.4	62.0	−6.4
High-wage ($46,445 and above)	4.5	5.3	+0.8

North Carolina: Downward wage polarization occurred in North Carolina as the share of middle wage jobs declined by 3.3 percentage points and the proportion of low-wage jobs rose by 2.3 percentage points.

There were 231,000 more low-wage jobs in North Carolina in 1987 than in 1979, compared to an increase of 123,000 middle-wage jobs and 41,000 high-wage jobs.

	Percent of employment		Difference
	1979	1987	(1987 minus 1979)
Low-wage (less than $11,611)	39.3	41.6	+2.3
Middle-wage ($11,612 to $46,444)	58.7	55.4	−3.3
High-wage ($46,445 and above)	2.0	3.0	+1.0

Pennsylvania: Downward wage polarization occurred in Pennsylvania. The share of middle-wage jobs declined by 3.1 percentage points and the share of low-wage jobs increased by 2.4 percentage points.

The actual number of middle-wage jobs declined by 150,000 and was offset by an increase of 141,000 low-wage jobs.

	Percent of employment		Difference
	1979	1987	(1987 minus 1979)
Low-wage (less than $11,611)	28.7	31.1	+2.4
Middle-wage ($11,612 to $46,444)	68.0	64.9	−3.1
High-wage ($46,445 and above)	3.3	4.0	+0.7

Ohio: Workers in Ohio moved toward wage impoverishment between 1979 and 1987. The shares of middle and high-wage jobs declined by 5.8 percentage points, and the share of below-poverty-level-wage jobs increased by the same amount.

The actual number of high and middle-wage jobs decreased by 38,000. The entire growth in employment was accounted for by an increase in low-wage jobs (412,000).

	Percent of employment		Difference
	1979	1987	(1987 minus 1979)
Low-wage (less than $11,611)	28.4	34.2	+5.7
Middle-wage ($11,612 to $46,444)	67.9	62.4	−5.5
High-wage ($46,445 and above)	3.7	3.4	−0.3

Texas: Workers' wages moved toward impoverishment. The share of middle and high-wage jobs declined by 1.6 percentage points and the share of low-wage jobs increased by that amount. 594,000 low-wage jobs were added, compared to 37,000 high-wage jobs.

	Percent of employment		Difference
	1979	1987	(1987 minus 1979)
Low-wage (less than $11,611)	36.3	37.9	+1.6
Middle-wage ($11,612 to $46,444)	59.6	58.3	−1.4
High-wage ($46,445 and above)	4.0	3.8	−0.2

APPENDIX 1—METHODOLOGICAL CONSIDERATIONS

EARNINGS VERSUS OCCUPATIONS

Those who claim that the American economy has created high-paying jobs since 1973 base this, not on a direct analysis of workers' earnings, but on the change in the number of workers in what are classified as high-paying occupations.

This occupational approach groups jobs from the highest paying to lowest. This ordering of occupations is then divided into three groups with approximately the same number of occupations in each group. The top third of occupations are classified as high paying; the bottom third, low paying.

The evidence for the first half of the 1980s shows that the proportion of jobs in high-paying occupations has increased while those in middle and low-paying occupations has decreased.

Past studies claiming that the U.S. economy has created primarily low-paying jobs base this on an examination of workers' earnings. Supporting the present study, the preponderance of evidence shows that the share of low-paying jobs has increased relative to the share of middle and high-income ones.

Reconciliation: The earnings approach shows that the United States is becoming a nation with a greater proportion of low-paying jobs. The occupational approach shows that a greater number of workers are in higher-paying occupations. These contradictory results can be reconciled.

As shown in an important paper by Patrick J. McMahon and John Tschetter which appeared in the September 1986 "Monthly Labor Review," what has actually happened is that the proportion of low-paying jobs within each occupational class has increased. Greater numbers of workers are entering high-paying occupations, but at jobs at the low end of the wage scale within those occupations.

THE IMPACT OF THE BUSINESS CYCLE

A priori, one would expect the level and distribution of wage rates to depend on the phase of the business cycle. A recession would be likely to exert pressures to slow the rate of increase, or actually decrease, wage rates.

To remove the impact of the business cycle, this study has followed the common practice of comparing movements in wage rates between comparable points in the business cycle.

The peak year of the business expansion that began after the 1974-75 recession was 1979. In the latest cycle, the trough of the recession was 1982, and the expansion continues to this date.

APPENDIX 2—DETAILED RESULTS ON CHANGES IN THE WAGE DISTRIBUTION

This appendix presents data on trends in wage rates using wage categories defined around single multiples of the poverty level.

Data for six categories are presented: wage rates yielding annualized incomes below the poverty level (less than $11,611), wages yielding incomes between one and two times the poverty level ($11,611 to $23,222), between two and three times the poverty level ($23,222 to $34,833), between three and four times the poverty level ($34,833 to $46,444), between four and five times the poverty level ($46,444 and $58,055), and over five times the poverty level (more than $58,055)

The strong trend toward downward wage polarization does not depend on the definition of the middle-wage category. Downward wage polarization emerges quite strongly even if the middle-wage category is narrowed to include jobs paying annualized incomes between one and three times the poverty level ($11,611 to $34,833) and the high-wage category is widened to encompass those paying above $35,833.

The share of jobs paying between $11,611 and $33,833 declined by 3.1 percentage points. The share of high-wage jobs under this categorization (above $35,833) increased by 1.2 percentage points while the share of below-proverty-level-wage jobs grew by 1.8 percentage points.

Wage categories	Percent distribution		Percent change
	1979	1987	1979–87
Poverty	32.4	34.2	1.8
Poverty to 2 times poverty	40.1	37.3	−2.8
2 to 3 times poverty	17.9	17.6	−.3
3 to 4 times poverty	6.0	6.4	.4
4 to 5 times poverty	1.9	2.3	.4
5 times plus poverty	1.8	2.2	.4
Total	100.0	100.0	

Mr. CHILES. Mr. President, I am afraid the news is not good.

Here are the basics.

The share of middle-wage jobs decreased significantly during the last decade. Although there is a greater share of high-wage jobs now than 8 years ago, the share of low-wage jobs has increased by twice as much.

The middle of the wage distribution is shrinking and along with it the opportunities for middle-class status. The extremes of the wage distribution are growing, but the bottom portion increased by twice the amount as the top. We are seeing a downward polarization of American wage rates.

In 1979, 64 percent of Americans held jobs that woud support a middle-class standard of living. But in this decade, only 38 percent of the new jobs were in this middle class, middle level range.

In 1979, 32.4 percent of Americans held jobs that paid below poverty level wages. But since 1979, over 50 percent of the net increase in employment was paying below poverty level wages.

We found the trend toward downward wage polarization throughout the economy. It occurred for both year round, full time workers, and for part time, part year workers. It occurred in both the manufacturing and service sectors of the economy. It was experienced by white and nonwhites alike.

Male workers were particularly hard hit in this decade. The share of middle-wage jobs decreased by 5.4 percentage points. The actual number of middle-wage jobs declined by 223,000. There were over a million new high-wage jobs for men—but over 3.6 million low-wage jobs.

One bright spot was that wage patterns of female workers improved. The share of low-wage jobs declined while the shares of middle and high wage jobs increased. We would certainly like to see this trend continue—for even by 1987, the share of high-wage jobs held by women was only one-quarter that of men.

The staff also looked at wage patterns across the regions of the United States. The chart shows that the Eastern regions have done well, with the share of low-wage jobs declining and the shares of middle and high wage jobs increasing.

But not so for the rest of the country. Wages have moved in the wrong direction.

Some people say the bicoastal economy—meaning the Eastern and Western coastlines—are prospering and the middle of the country is doing poorly.

But we found this was not so. Downward wage polarization occurred along the Pacific Coast, as well as in the East and West North Central regions.

Some regions experienced wage impoverishment. That means the share of both high and middle wage jobs decreased and only the share of low-wage jobs increased. Wage impoverishment occurred in East South Central and West South Central America as well as in the Mountain region.

In fact, Mr. President, all of the areas in the dark red are where there was wage impoverishment, which means that the share of high-level jobs as well as middle-level jobs actually decreased.

We also looked at what has been happening in the 12 most populous States. Some States experienced an improvement in wage patterns. Florida, Massachusetts, New York, and New Jersey saw the share of low-wage jobs decline to the benefit of middle or high wage jobs.

The remaining 8 of the 12 most populous States, however, went in the wrong direction. The share of middle-wage jobs declined, primarily at the expense of law-wage jobs. This occurred in California, Indiana, Illinois, Ohio, Michigan, North Carolina, Pennsylvania, and Texas.

The central notion of this report is that when measuring the caliber and quality of the job market, the golden index is wages. Real wages—and what those wages are buying in today's market.

The sad truth is that jobs paying below the poverty level are growing faster than any other kind while jobs that provide a middle-class standard of living are a shrinking part of our job landscape.

One of the most troubling findings is that things got worse, not better, in 1987. The number of high-wage jobs actually fell while the share of low-wage employment just kept on growing. If that is how we are doing in the fifth year of economic growth—I fear what a more uncertain economic future might bring the American worker.

This study is based on the most comprehensive, detailed, and recent data on the wages of American workers. It is the Census Bureau's survey of current population. This is the source for every major study—including one released in July by the American Enterprise Institute. These are the numbers underlying the Bureau of Labor Statistic's monthly employment report.

Mr. President, I yield the floor.

Mr. BYRD. Mr. President, I yield to the distinguished Senator from New Mexico, without losing my right to the floor. How long does the Senator wish me to yield?

Mr. DOMENICI. I would like 10 minutes.

Mr. BYRD. I yield 10 minutes, without losing my right to the floor.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I thank the distinguished majority leader.

I want to say it is not very often that I come to the floor to dispute positions taken by my good colleague, the chairman of the Budget Committee, but I would like to make a few points about this so-called Committee on the Budget of the U.S. Senate report.

First of all, I would like to make it clear that it was not prepared with the assistance or cooperation, nor was it sought, of the minority staff. So I think it would be more appropriate to call this report a report prepared by the majority staff of the Senate Budget Committee, for starters. I do not believe my friend from Florida would argue with that.

Second, I really do not know why, other than because an election is at hand, we would busy ourselves wasting so much time and effort to try to disprove or prove whether Americans are poor or not today. We have had report upon report as to whether the jobs created in the last 5½ to 7 years are good jobs or bad jobs. And I am willing to admit that this is a matter that some would interpret the data one way and others would interpret it another way. But I must say that I do not believe this report is worthy of being authenticated as a report of the U.S. Budget Committee.

First of all, it is a rehash, in my opinion, of some reports and studies that were made for the Joint Economic Committee, the so-called Bluestone reports, and by the time they were finished being criticized even the author went back and redid them.

Now, having said that, I want the Senate to know that I have not, nor has my staff, the staff of the Senate Budget Committee, the minority staff, had an opportunity to review this document. It was received today and it was embargoed until 4 o'clock for release, although we started getting press calls 2 or 3 hours ago about it.

Suffice it to say that I truly regret to say this, and I do not think it is necessarily Senator Chiles, but I believe that what we have is a lesson in the tactics of the political season. This is a politically motivated document created to stir up the American people. I do not believe they can really be misled. They know whether their jobs are good jobs or not. They know whether they are employed or not.

I am willing to admit that the jobs are different today than 15 years ago. They are changing jobs. They are not the old jobs of the old steel mill or the old General Motors automobile plant. They may not even have 40 years of longevity attached to them, as jobs of a long time ago.

But let me submit to the Senate that this document deserves nothing more than the majority staff of the U.S. Budget Committee, as professional as they are or as nonprofessional as they are, it is their assessment of the jobs situation in the United States.

I believe anyone with a little bit of time could prepare another one disputing many of the contentions in this document. I do not believe it deserves to receive any kind of authentication by the U.S. Senate, and I do not think anyone is suggesting that it should. It is a report prepared by some staff members. It is very detailed. It has a lot of graphs in it. But I submit to you there are documents upon documents saying exactly the opposite about the same situation during the same timeframe.

If I had more time I would go into detail as to what I have already found that is extremely misleading, subject to confusion, making people that read it confused and exactly contradictory to what the Bureau of Labor Statistics, the authentic factfinder, has said about jobs in the United States.

Now, having said that, I want my friend from Florida to know that I truly am sorry that I have to come to the floor and say this about this document. But I believe it would have been better, and I suggested this to him because I believe it is the product of staff, I believe this document should have been delivered to the minority if it is going to be a Budget Committee document, with ample time to review it and at a minimum to permit us to have attached views. I think it should have been done collaboratively if it was going to have any authenticity.

I yield the floor.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I yield to Mr. Chiles for the purpose of responding to Mr. DOMENICI and yield to him 3 minutes, and I ask that my rights to the floor be retained.

The PRESIDING OFFICER. Is there objection? Without objection, the Senator from Florida is recognized for 3 minutes.

Mr. CHILES. Mr. President, I just wanted to acknowledge the kind remarks of my good friend from New Mexico about the study that was just introduced. In my remarks I did say that it was a majority study.

My understanding is that over the years that each side has been in the majority, studies have been made by their staff which have been put in. I certainly am not trying to say this is a full Budget Committee staff report.

Having said that, I hope the Senator will take the time and look at the study because I think he will find, when he looks at it—he said something about it is based on the same kind of studies that had been turned out—every criticism that was made in the earlier studies we attempted to account for and to take those biases out.

So I look forward to the time that he gets his wonderful staff to get a chance to look at this study. As far as I was concerned, he could have had time to start with.

But what we did seek in this was not to have a bias in it and to see, if we could, what the trend is in regard to jobs.

I think we have done that. I think the study itself really should stand or fall on its merits and how it looks. It is out there now and everybody will get a chance to look at it and make their reading as to whether it is a valid study or not.

I think that they will find that it is a valid study based on valid data.

Mr. DOMENICI. Will the Senator yield 30 seconds?

Mr. BYRD. Yes, I yield under the same understanding.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, let me say that I appreciate the remarks of the distinguished chairman. The Senate is not aware of the fact that this evening at 6:30 my wife and I are honoring my good friend from Florida as our long-time friend as he and his wife leave the Senate.

Mr. CHILES. I thought you started the celebration a little early.

Mr. DOMENICI. I was hoping this report would have come out tomorrow instead of today so I would not have to come down to the floor and say what I said. But I guess I have to keep my reputation, whatever it is, intact. I believe sincerely in what I said, and I think my friend from Florida would expect me to say what I believe, even on a day when I truly will pay homage to him and thank him for everything he has done for this U.S. Senate, for his State, and for the kind of friendship that only he has been able to impart to this Senator and to many others in the U.S. Senate.

None of these remarks were intended to in any way influence the dialog that occurred between the two of us. I will again conclude, after those remarks, I still believe the report has tremendous shortcomings and should not have been issued as an official report, but I have had the explanation and I accept it.

I yield the floor.

Mr. CHILES. I would say to my good friend from New Mexico, as always, he has often been wrong, but never in doubt, and I hope he will have a chance to restudy this.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PARENTAL AND TEMPORARY MEDICAL LEAVE

The Senate continued with the consideration of the bill.

Mr. BYRD. Mr. President, the Senate will not be in long today.

I ask unanimous consent that no further amendments or motions be in order for the rest of today to this bill and that Senators may speak on the bill, they can make opening statements or whatever but no motions or amendments be in order.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. I yield the floor.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER (Mr. BREAUX). The Senator from Connecticut is recognized.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. DODD. I will be glad to yield.

Mr. BYRD. Mr. President, there will be no rollcall votes today.

Mr. DODD. Mr. President, I am honored to be joined today by 28 of my colleagues, including Senator JOHN CHAFEE of Rhode Island as my principal cosponsor, and almost 200 national children's, family, health, labor, and business organizations in bringing before the Senate the Parental and Medical Leave Act of 1988.

This legislation, Mr. President, is supported by a solid bipartisan group of Senators from every geographic region in this country, including 11 out of the 16 members of the Senate Labor and Human Resources Committee.

I am also pleased, Mr. President, to have the endorsement of a wide range of key organizations like the American Academy of Pediatrics, the Associations of Junior Leagues, the Child Welfare League, the American Association of Retired Persons, the United States Catholic Conference, and the Leadership Conference on Civil Rights.

The purpose of this legislation, Mr. President, is very simple. It is to provide a short period of unpaid parental leave for the birth, adoption, or serious illness of a child and temporary medical leave for a worker's own serious illness. This is a modest and low-cost proposal designed to help American workers deal with crisis family situations without the risk of losing their jobs.

The demographic revolution in the American work force is having a profound effect on the lives of working men and women and their families. Just consider these demographic statistics. Today fewer than 1 in 10 American families have the luxury of having the mother at home with the children while the father is at work. Fifty-six percent of American women are now in the work force and 80 percent of these women are in their prime child-bearing years. Furthermore, more than one-half of all mothers with infants under 1 year of age now work outside of the home.

While these work force changes have been a boon to the American business community, many American workers face difficult choices every day as they seek to balance family and workplace responsibilities. For too many American parents, family crises present a Hobson's choice. Millions of American workers are denied the temporary leave necessary to meet their family obligations without losing their jobs in the process.

After introducing the original version of this legislation in January 1987, I brought my Subcommittee on Children to virtually every region of this country to hear firsthand about the need for a national policy on parental leave. From Boston to Chicago, from Los Angeles to Atlanta, and in three hearings right here in Washington, DC., Mr. President, I heard from parents tragic personal stories that would make your hair stand on end. A father in Rhode Island told of being fired from his job after taking 6 days unpaid leave to be at the hospital with his 7-year-old son who is dying of leukemia. A security guard from San Gabriel, CA, was fired when he took unpaid leave to care for his sickly infant son while his wife was disabled by diabetes and complications in childbirth. And after 5 years with what she thought was a family-oriented company, a secretary was fired the day before she was to return to work after taking the 5 weeks maternity leave permitted by her company's written employment policy.

The stories, Mr. President, go on and on. Good people, productive people, are losing their jobs because they also have families. The Parental and Medical Leave Act is based on the philosophy that strong American families mean a stable and productive work force and a stronger nation. This is something many employers around the country already understand. But to be perfectly candid, Mr. President, powerful lobbies have shed a great deal more heat than light on this issue. This is not a labor bill but a family bill. This is not a bill to mandate benefits but to create job security. The basic issue, Mr. President, is whether a parent should be forced to choose between his or her job and the critical short-term care necessary for a new or seriously ill child. I think the answer to all of us here should be obvious.

In developing this new legislation, we made some very tough decisions and major changes designed to reduce the cost of the bill and the help employers plan for workers taking unpaid leave. Let me cite what some of those changes have been, Mr. President.

The maximum number of weeks allowed for parental leave and temporary medical leave have been scaled down dramatically. Under the proposal that we will make in an amendment to this bill, Mr. President, small employers are exempt from the revised legislation. Only 5 percent of the firms will be covered under this bill and employees must be on the job for 1 year before they are eligible for unpaid leave even within that 5 percent of employers.

Other important changes have been incorporated which will help employers plan for employees taking leave. An employee, Mr. President, must provide reasonable notice and schedule the leave to avoid disrupting the employer's operations. An employer may substitute any accrued paid leave for part of the unpaid leave. So while the weeks may be 10, you reduce that amount by what the employer already provides.

In addition, an employer may require medical certification of illnesses and a second opinion, and a third opinion if they are not satisfied with the two they have received. When spouses are employed at the same work site, they are together eligible for only 10 weeks of parental leave, not 20 weeks.

I want to make one thing very clear, Mr. President. I would never sponsor a piece of legislation, nor would I vote for legislation, that I felt was bad for American business or small employers. Firms that have leave policies in place report an improved employee loyalty, reduced turnover and absenteeism, and enhanced productivity. According to the most detailed study to date on employer leave policies, in 1986 study of Fortune 500 corporations, 87 percent of the companies responding which had leave policies reported that setting up the system and continuing benefits was an easy thing to do.

Furthermore, Mr. President, the subcommittee commissioned a major general accounting of a study of this legislation. Let me share with my colleagues what some of those conclusions were from the General Accounting Office.

They are clear and unambiguous. This legislation, the GAO says, will result in no measurable net cost to businesses from displacing workers or lost productivity. That is not the conclusion of this Senator or the conclusion of a congressional committee. It is the conclusion of the General Accounting Office.

The GAO also concludes that the cost of revised legislation to employers will be less than $147 million annually, unlike over $16 billion that one business organization claimed is billed as cost—47 percent of the cost I might add of the original legislation. This amounts, the revised bill, as offered by the amendment to be proposed, to $2.67 per covered worker per year. Let me repeat that again. The cost of this legislation will amount to $2.67 per worker per year for a parental leave policy to allow people unpaid leave during the birth, adoption, serious illness of their child, or the serious illness of the employee. This cost results exclusively I might add from the continuation of health insurance coverage for employees on unpaid leave. That is the only benefit the employer must maintain. They do not have to maintain seniority, they do not have to maintain any other benefit—just the insurance benefit cost, and the cost of that under this legislation is $2.67 per year covered worker.

According to a recent study by the Institute for Women's Policy Research, the results of which are also available here today—and I will provide them to my colleagues—this Nation loses more than 3½ times that amount, nearly $715 million each year, in forgone earnings and public assistance costs because we lack a national parental leave policy. Let me restate that. I mentioned a moment ago the total cost of this bill, $147 million, $2.67 per covered worker per year. Right now without the legislation, according to the respectable study done, it is costing us $715 million because there is not a leave policy. So those will stand up and suggest this is costly. Let us be reminded that we are already paying costs because we do not have a national parental leave policy.

Given the changing demographics of the American work force, the Government should be a positive force in ameliorating the tremendous pressures parents face in balancing workplace and family responsibilities. From time to time throughout American history we have taken stock of where we are as a nation and a democracy, and have put in place minimum protections for American workers. As a matter of human decency we have done it—child labor laws, fair labor standards, occupational health and safety standards, and nondiscrimination in employment statutes.

Mr. President, I see a parental leave policy as part of that long tradition of consensus labor standards which take the broad societal concerns out of the competitive process by establishing a minimum national standard. That is what we are doing with this piece of legislation. What we are creating is a level playing field on which all businesses that employ or will employ more than 50 employees in States can play. We are the only industrialized nation in the world without a parental leave policy. The time to establish one is now.

Mr. President, I think it is worthwhile to note that on September 9, only a few short days ago in this year, Vice President Bush speaking to a Republican women's group in Rockford, IL, said the following. It was only about 10 or 12 days ago. "Look, we also need to assure that women don't have to worry about getting their jobs back after having a child or caring for a child during a serious illness."

I agree with George Bush. We ought to be able to assure people in that situation that they do not have to choose between their job and their kids. That is what this parental leave bill does. It applies to larger employers. We exempt the small employers. Ninety-five percent of all the businesses in this country are exempt or will be exempt under this legislation. That will still include, Mr. President, about 40 or 42 percent of the work force.

The reason we are proposing that amendment and raising that exemption level is because quite honestly smaller employers already will take care of employees that they know. They know their names. They know about their families. As most of us do here, I think all of my colleagues, when one of our employees has a crisis at home, generally we try to accommodate. We know them, we like them, and we care about them. The problem arises not with the smaller employer.

I would not support legislation, I know as some will suggest down the road, that is the nose of the camel under the tent. It is when you get to the larger employer. In that situation, you do not know the boss. The boss does not know you. You punch a time clock. And there if your kid is in the hospital, usually in Washington at the Children's Hospital or some other place, there really is not anybody to go to. The contract is on a computer. The rules are clear. We do not provide that benefit. If you do not show up at work, your job is at risk.

So this legislation was designed to help people out in that situation. So we exempt the smaller employer. We also cover medical leave. Let me restate some of those statistics I mentioned earlier.

Two out of every three women in the work force today are either the sole providers of their families or who have husbands that earn less than $15,000 a year. These are not people in the work force because they do not want to stay at home. They are in the work force because they have to be there. They have no other choice.

In this Nation today there are 8.7 million women as the sole providers of their families. They are taking care of 16 million kids who have no father at home. And when that child becomes sick or that employee becomes sick, we ought not to say to that family that is struggling to make ends meet, choose, choose your child or choose your job. Interestingly, Mr. President, there are more than 1 million fathers, a figure that has gone up 102 percent in the last 10 years, who are the sole providers of their children. Somewhere between 16 and 20 million kids in our society today have one parent at home. I do not like that. I do not applaud that. But many groups, many doctors, will tell you—in fact, it is not debatable—that if your child is sick, a child's recovery is enhanced by at least 50 percent if one or the other parents are there to help them.

You can call the children's hospitals around this country and ask the people in the social services departments what is the major problem they face. The major problem is calling employers and begging employers to allow the parent, the employee, to be away from work so they can be with their recovering child. That ought not to be too much to ask.

The same is true with birth or adoption. A new child arrives. We ought to be able to say during a few weeks after that child is born that you can take off a few weeks, not every year, not every month—once every 2 years if you have a new child, and you do not get paid while you are gone. So I presume most people are not going to take this leave unless they absolutely have to. They will not do that. But during that bonding period you get a few weeks to be with your newborn child. Adoption is the third case.

Very, very affluent people are not inclined to adopt. And the poor do not adopt. By and large they cannot afford it. Who adopts children? Middle-income folks, working families. There is a crisis in this country with special needs children, older children, handicapped children that are living in institutions or in foster care. Every year or every 2 years this institution, the U.S. Senate, passes without even voting on the money, taxpayer money, to assist special needs adoption cases.

Everyone agrees with it. There is no division on it. There has not been a single recorded vote, in the time I have been in the Senate, on special needs adoption financing. It is ironic that while we support that, the very people inclined to adopt these children would be precluded from doing so because they would have to choose between the economics of holding a job or taking on the adoption of a child.

How many businesses, how many organizations support the Ronald McDonald houses? That is something all of us applaud.

I presume that most of our colleagues, at one time or another, have participated in ribbon-cutting ceremonies where the business community has built or renovated an older home near our children's hospitals across the country and say to families that cannot afford hotels: "You can stay in a Ronald McDonald house at no cost or at minimum cost, depending on your economic situation, to be there while your child recovers in a children's hospital." What an irony it is that we provide these places for parents, and yet a parent who tries to stay there with a child would have to make a choice between their job and being with the young one.

Mr. President, this bill has evoked some controversy. I am willing to wager if we adopt this legislation—and I hope we do, before the end of this 100th Congress—we will look back on this legislation a year or two from now and wonder what all the fuss was about, what all the concerns were about. This legislation is commonsense legislation. It reflects the change in our society. It reflects what working families are putting up with or trying to put up with.

It deals with family crisis: birth, a joyous crisis; adoption, a joyous crisis, but nonetheless one that puts strain on families; serious illness of the child or the employee.

We ought to be able to say, under that situation, that a few weeks of unpaid leave for those individuals in that situation is not an onerous burden. This bill applies to 5 percent of all the employers in the United States; 95 percent are excluded. We say, "We ask you to participate and support this basic concept." Regrettably, it is not being done. There are only a handful of businesses that provide any kind of parental leave.

We asked businesses that have had leave policies in some cases for a dozen years to testify as to how well these programs are working. Obviously, there were businesses without parental leave that wanted to testify as well. Without exception, the businesses that have parental leave policies applaud them. What a consensus they have been. How successful they have been in hiring people, retaining people, building up loyalty. Yet, their testimony was not of any more weight than the testimony of business groups which have never adopted such a policy and will tell you what they think it is apt to be like.

The businesses that have had these policies for years will tell you that the horror stories of the hypotheticals which are raised, they never confront. They never have those problems.

Mr. President, I hope my colleagues will think about what George Bush is urging us to do, to assure that women do not have to worry about getting their jobs back after having a child or caring for a child during a serious illness. It is the very least we can do.

Mr. President, there are a number of charts and statistics in the rear of the Chamber. Today there will be no more rollcall votes, as the majority leader has announced, so I do not expect that we will see a rush to the floor to view these clear and important charts. I will return them to the Chamber tomorrow, so that my colleagues will have an opportunity to look at them. At that time, I would like to review these facts and statistics.

Our colleagues may have some amendments to offer, or one of my colleagues will offer an amendment to raise the exemption level. I hope that will not even require a rollcall vote. The full membership of the Labor Committee supports it.

We could very well deal with this bill by the termination of business tomorrow or earlier. I see no reason to engage in a lengthy debate. If people want to vote against this, they have the right to do so, but let us try to get to the merits of the amendments, so that we can give this piece of legislation the opportunity to be considered.

Mr. President, I ask unanimous consent to have the names of the cosponsors printed in the Record.

There being no objection, the names were ordered to be printed in the Record, as follows:

Cosponsors of Parental and Medical Leave Act of 1988 (S. 2488)

Senators Chafee, Kennedy, Packwood, Metzenbaum, Evans, Fowler, Hatfield, Mikulski, Weicker, Cranston, Stafford, Pell, Moynihan, Kerry, Adams, Simon, Inouye, DeConcini, Gore, Wirth, D'Amato, Sanford, Rockefeller, Lautenberg, Burdick, Specter, Biden, and Proxmire.

Mr. DODD. Mr. President, someone may suggest that this is a Labor Committee proposition. Some of the cosponsors are Senator Chafee, Senator D'Amato, Senator Packwood, Senator Specter, Senator Stafford, Senator Hatfield, Senator Evans, Senator Moynihan, Senator Fowler, Senator Mikulski, Senator Cranston. There is a long list. It is a pretty strong bipartisan group of cosponsors on both sides, reflecting political views that run the spectrum. There are others who indicated they would like to support this legislation and are not cosponsors. On this bill, a principal cosponsor is on the other side of the aisle.

So I hope people will see that as not something we are trying to rush out on the floor. The reports have been available for several weeks. I have talked to most of my colleagues in one-on-one meetings, in their offices or elsewhere, trying to get their suggestions on what could be done to improve this legislation.

I know that many business groups will not support this bill, but they have made excellent suggestions. They came up with the idea of having legislation that you would have to work for a year before you could qualify for the benefit.

We apply this site by site. By that I mean that if you have an employer who has franchises and they employ, as a corporation, more than 50 people, they would not be covered by this legislation, if at each one of their franchises they employ less than 50 people. So we try to take into consideration the unique parts of a large corporation.

The business suggestions of certification of serious illness are suggestions that we require notice, particularly in the case of adoption and birth, where you know that is coming along. Obviously, with illness, you cannot require notice. Certainly, if you knew that you were going in for an operation, you would have to make sure your employer knew that, in order that he could make whatever accommodations were necessary.

A lot of the suggestions have come from business organizations. Some of those organizations will not urge adoption of this legislation.

This has involved a lot of work, hearings all across this country, taking the best advice of my colleagues and the medical community, to put together a bill that has been well thought out.

There will be people who will philosophically disagree with some of this. I understand that. There are people who philosophically disagree with any kind of mandated benefit. But I hope that Senators who are not embracing that philosophical point of view will see what we are doing here—the changing demographics, the changing family situation, the tremendous pressure families are under today.

Mr. President, I hardly know of anyone in public life who is not making speeches about how we must do something to help the American family. There are those who suggest that we should not do anything on child care because we are forcing people out of their homes and forcing them into the workplace.

Here is a proposal that says that even if you are in the workplace you ought to be home with your child during that bonding period.

So my hope would be that organizations who believe that parents ought to be spending more time with their children but appreciate and recognize it may not be possible for obvious economic reasons in normal circumstance, in abnormal circumstance we ought to be able to make it possible for people to be with their children during adoption, illness, and birth. That ought not to be too much to ask, unpaid leave, $2.67 per year for covered worker, $147 million total for the employers who would be covered by this legislation.

Mr. President, tomorrow I will share with my colleagues graphs in talking about the comparison of States where there is some parental leave and States where there is not and what has happened to business growth because I know some of those arguments will be forthcoming.

But I urge my colleagues tonight, since the legislation has been submitted, to read the bill and to consider supporting this legislation. I believe its time has come. It is something this Congress can do for families in a very concrete, specific way at a time when they are feeling the pressures and crises of problems at home as well as trying to maintain a decent job to provide for their families economically.

Mr. President, I yield the floor.

The **PRESIDING OFFICER**. The Senator from Mississippi [Mr. COCHRAN].

Mr. **COCHRAN**. Mr. President, today we have before us a bill reported from the Labor Committee which we should review very carefully before we approve it with no change. The reason I make that suggestion is that it appears to be a very attractive piece of legislation providing leave benefits to those who would like time off from work to care for a newborn child or a newly adopted child or to deal with a family medical crisis.

I am not going to rise today and say I am opposed to that kind of benefit. I do not think any Senator serving today is opposed to that kind of benefit for each employee in this country. I think we all favor that kind of benefit.

The question before the Senate, however, is whether we help ensure the availability of that specific benefit by selecting it from among a wide range of potential employee benefits and requiring that every employer offer it to every employee.

There are a lot of benefit packages available today in the workplace. Many companies and many industries are being very innovative and aggressive in the development of employee benefit plans that include not just salary, not just time off for vacation with one's family, but flexible working hour conditions, opportunities to share part-time jobs in certain circumstances, health insurance benefits, life insurance benefits, and profit-sharing options. There are many, many benefits now offered by most employers in this country to individual employees in addition to their regular wages or salaries.

This proposal, however, calls on the Senate to identify one benefit and to require every employer in the country to make it available to every employee.

What if you were an elderly employee and you were told that you were now going to have a new Federally-mandated benefit that would allow you to take off 10 weeks or 13 weeks—or whatever the bill in its final form will provide—if you had a newborn child in your family? You might say, "That is great news for a newly married couple working here, but I do not really need that. I would much rather have an additional few days of vacation every year or I might prefer to have a bigger stake in the profits of the company." In other words, that benefit, while it sounds good for some employees, would not really help all employees. Instead, it would require employers to pay for a benefit not shared by everybody and would impinge upon the opportunity for every employee to have more flexible benefit programs.

We ought to take a look at this and try to assess its impact upon other benefit packages that employers may already be offering to their employees. Will it be a detriment to some, even though it would provide an obvious benefit to others?

This is something that we need to review. We need to know the answer to that question before we proceed.

This year we enacted a trade bill in the Senate to try to improve our competitive relationship with other countries and to enhance our ability to compete in the international marketplace. This suggests another question we need to have answered, perhaps by the majority manager of the bill: What impact would this bill have on the cost of doing business in America today?

It has been suggested that the cost will be modest, and it may be, but we need a clear answer to that question before we proceed to the passage of this bill.

I am convinced there may be ways to meet this problem other than merely mandating the benefits required by this bill.

Some have suggested that we might get a better deal for all workers if we provided incentives through the Tax Code for employee benefit plans that include time off for the birth, adoption, or illness of a child. That approach would not be punitive against employers operating at such a very small margin of profit that their likelihood of survival would be jeopardized by the bill that is before the Senate.

I think Vice President BUSH offered a suggestion that we consider adopting some kind of tax incentive plan to encourage employers to provide such a benefit. That ought to be considered by the Senate, and I think that on this side of the aisle there may be more than one amendment offered to permit the Senate to review that as an option.

I hope as we proceed to the consideration of this bill we keep an open mind about alternatives to help ensure that generous benefit packages are made available to American workers.

I think that ought to be national policy, and I think we have an opportunity, as we deal with this bill, to send that clear signal to all employers. I do not think, however, that just by rushing to the enactment of this bill as it is reported from the committee we would achieve that result.

I hope that we will recognize that there has been tremendous progress in the development of benefit programs for American workers in the recent past. It is really astounding to look at the amount of money that is spent each year. I will provide to the Senate tomorrow a chart showing the increase in the amount of money spent by employers for voluntary employee benefits, not mandated by the Government but mandated by necessity to attract good, qualified employees.

Employers know today that they have to be competitive. They have to offer an attractive workplace. They have to pay attractive salaries and wages, and they have to be sensitive to individual employee needs as they arise.

Let me recite some statistics. In 1955, the year I graduated from high school, $36 billion was spent annually by employers in the United States for employee benefits. In 1968, 13 years later, that amount had almost doubled to $68 billion.

By 1973, $190 billion a year was being spent for employee benefits.

In 1986, the figure had risen to $742 billion.

All of this occurred not because the Federal Government mandated that these benefits be provided to employees, but because of the changing attitudes of both employees and employers. The needs of the marketplace required that employers do a better job of helping ensure that individual and family needs were addressed at the workplace, in the business. We have thus seen a lot of freely negotiated employee benefits with flexibility, helping to sustain the economic growth that we have seen in our country for the past several years.

I hope we can continue on that path, providing encouragement, providing incentives, providing policies that will help us to continue that trend. I think most Senators would applaud and would support such action.

Before we single out one or more benefits from a wide range of options and direct that every employer provide them at his own cost and with serious penalties for noncompliance, I think we ought to proceed very carefully and ask hard questions, some of which I have raised here.

I hope as we proceed to consider the bill that all Senators will be given the opportunity to make suggestions for improvement in this legislation by amendments that will be entertained by the Senate in an equitable procedural situation that will recognize that all amendments ought to be considered as Senators might want to offer them.

The PRESIDING OFFICER. The Senator from Mississippi yields the floor.

Mr. DODD. Mr. President, I will be brief in my response.

Let me, if I can, Mr. President, just address, as I understood it, the major thrust of my good friend and colleague from Mississippi's comments about this cafeteria approach to benefits and forcing employers or employees to have to make choices of reducing or eliminating other benefits.

First of all, let me inform my colleagues of something I am sure they are aware of. Parental leave is something that is not offered by all business—some businesses, it already is. I mentioned that earlier.

Second, there are some States that offer variations of parental leave under some fact situations. So I thought it was interesting, in anticipation of this kind of a comment, to go back and review an interview of businesses that provide parental leave and States that provide parental leave and to examine what has happened to the other benefits as a result of parental leave policies being added.

There is no reason to believe that the employers will offset the cost of this benefit by reducing other benefits to which their employees are currently entitled. Studies of business and States which offer parental medical leave indicate unequivocally that other benefits are not reduced when they put these policies in place.

In any event, this argument implies it is no longer enough for employers to offer a single package of benefits to apply to all employees.

According to the Bureau of Labor Statistics, only 5 percent of full-time employees are eligible for flexible or cafeteria benefit plans. Moreover, where such plans are available, statistics show parental leave policies are rarely, if ever, included. Employers find it very difficult to estimate the cost of parental leave policies and thus compare their value with that of other benefits.

By the same token, employees are reluctant to give up more immediate and quantifiable benefits, like health or dental insurance, for a benefit which they may never need. It is one reason why Government-mandated child care and minimum wage, et cetera, because employees would choose more immediate, appropriate benefits.

The Parental Leave and Medical Leave Act is entitled to provide a minimum floor protection for all workers to help them deal with unanticipated short-term family crises. After all, we do not ask American workers to choose between a safe and healthy work environment and dental insurance or between age discrimination protections and a parking space.

And, really, that is what we are talking about here—a minimum family benefit. Most people do not anticipate that a child is going to be sick. They do not try to anticipate that kind of need or concern they are going to have. It happens to the other person; never happens to me.

Let me just point out that the Southern New England Telephone Co. has had a parental leave policy in place for some years. I quote from a letter from Jeanne Kardos, who is the director of the employee benefits:

> One issue which seems to be getting a great deal of attention is the notion that mandation of parental leave will be so costly that it will force employers to eliminate other employee benefits.
>
> This position puzzles me. As I recall, the General Accounting Office estimated that the cost of this legislation to employers was approximately $194 million.

That is under the old version of the bill. It is now $167 million, as I informed my colleagues earlier.

> If you divide that figure by the total number of employees covered by the bill, the cost per employee per year is approximately—

Here she says $3.50. When you raise it to 50, it is $2.67 per worker per year—$2.67 per worker per year of covered workers. Someone could calculate quickly, I presume, how many pennies that is a day, but it does not amount to much.

So to suggest somehow that by enacting a parental leave policy you are going to force out other benefits, a benefit that cost less than $3 per year per employee, I think, according to the GAO studies, it just does not add up. I realized that argument would be made.

But, again, the data we tried to collect in anticipation of that argument would seem to suggest that, while there is a concern, I admit, it is a concern really that is not justified.

Again, let me urge my colleagues to focus on the notion that what we are talking about here is really a pro-family issue. Again, I noted some of the organizations, including the

Catholic Conference of Bishops and others that support this legislation. It is designed to help working families—working families confronted with a crisis.

It would be foolish for an individual to have paid leave to take advantage of unpaid leave or vacation time. But even if they do, our bill says you do not penalize the generous employer. If an employer already provides for some of these benefits, our bill says you do not add on 10 weeks, you subtract from the 10 weeks the amount the employer gives. So you are not rewarding an employee that works for an employer that already is doing something in these areas. That leave or whatever benefits that are provided would apply appropriately in the case of parental leave or medical leave.

So, the notion somehow that we are going to create additional burdens, I think, is unfounded. But, again, I emphasize working families. Today, with the concerns raised by many organizations in this country, I know when we have talked about child care, a piece of legislation I feel vey strongly about—and Senator HATCH, from Utah, has been tremendously supportive and cooperative on that legislation—some of the groups that are most opposed to a child care bill are opposed to it because they feel as though we are pushing mothers and fathers out of the home into the work force and institutionalizing child care.

I think that concern has some legitimacy, I must say. I am worried about it.

But what we are doing here has exactly the opposite effect. We are saying that, unfortunately, when people are in that situation we ought to be able to say that:

> You ought to be home during the crisis taking care of those kids. We are not going to pay you during that time. You lose all your other benefits except insurance, but you ought to be home. You ought to be there for a few weeks while those children are suffering.

So again, I hope that when people look at this they will see it as truly something we all feel deeply about, and that is those profamily issues. Lord knows as I hear the debate for President of the United States and other concerns, it is hard to watch a TV spot or ad on television today that does not find a candidate in a child care center, does not find a candidate standing there talking about what we need to do for working families with children. The airwaves are cluttered with the spots on radio and television, suggesting that this particular candidate or another, regardless of party, are most concerned about children and their families.

Well, here we have a chance to do something, a modest proposal for children and families and that is really all it is. This is not an outrageous, wild idea. It is an idea that has been well thought out, well constructed to provide a modest amount of relief for families in crisis for a few weeks, if that crisis arrives.

That person does not have to worry about whether there is a job waiting for them at the end of that crisis. They can take care of their family, they can take care of their child, they can get on their feet and get back to work. And every study that has been done will tell you this places absolutely no burden, or a burden so insignificant that it is tantamount to no burden at all, on those employers.

So I would urge, again, my colleagues, read the bill, read the committee reports that we have filed with the bill and I think my colleagues will come to the same conclusion that we have. There is almost a 2 to 1 majority of our committee, as 27 other of my colleagues here who cosponsored the bill and as I say almost half that number coming from the Republican side of the aisle.

This is not a Democratic proposal. It is a proposal that is strongly supported by many of my colleagues on the other side and I commend them for it and thank them for it as well, and many others who I think will support the legislation with some amendments that will be offered that they think are needed. Nonetheless, I am hopeful we will get as strong support here as possible.

I should suggest as well in the other body, the principal sponsors of this legislation, Congresswoman ROUKEMA of New Jersey and Congresswoman SNOWE of Maine, along with others, enjoyed bipartisan support for the parental leave bill on the House side. So my hope is with the House considering this bill, as it will, I am told, in the next week or so, if we can deal with this legislation, work out whatever differences, with the Vice President's support, we hope the President would sign this legislation and what a profound and strong signal it would be before we end up this Congress, that we did something a bit different. It is something new and I realize we do not like to do things that are terribly new all the time. But it would be catching up with the needs of the people in this country.

I know the minimum wage legislation will not be dealt with this year, and I heard the debates on all sides of that. Regrettably, I guess everyone would have liked to have seen something done. But I hope this legislation does not end up provoking that kind of debate. I hope we can get together on this and adopt this legislation. Hopefully, the President might support it.

It might take one of these issues, in a sense, away where people argue who cares more about kids and their families.

Here is something we can do together and do pretty quickly and move on to the appropriations bills or other matters.

I urge my colleagues to look over this legislation and hopefully tomorrow, depending on, of course, what the majority leader feels is important for this body to deal with first, if we can get back to this matter, maybe we can move and finish it tomorrow night and get back and do other things this Congress or this Senate would like to complete.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I commend my good friend and distinguished colleague from Connecticut for his skillful effort in bringing this legislation to the floor of the Senate. Senator DODD has developed an extraordinarily important and balanced piece of legislation in the Family and Medical Leave Act of 1988, and I urge my colleagues to give the bill their full support.

The time is long overdue for the Congress of the United States to take measures to ensure the jobs and health insurance benefits of workers who need to take emergency family leave. The need for parental leave legislation is so urgent that even Vice President BUSH has decided to support it in principle. Of course, we have been awaiting for some time now to see just what he has in mind. He asked for an increase in the minimum wage, but it turned out that he only wanted it if all the minimum wage workers got fired once every 90 days. We will have to see just what the opposition intends for Mr. BUSH on this one. But let us remember where the administration stands on this issue. We have received not one, not two, but three separate veto letters on this bill from the administration. And Senator QUAYLE voted against the bill in the Labor and Human Resources Committee.

I found that vote especially troublesome. In that committee meeting, the Senator offered an amendment that would affirm an employer's right to fire at will any employee who took off so much as 1 day of unpaid leave to be with a seriously ill child. And what can be the defense for a position like that? We are told that this kind of decency and fairness is just not the kind of thing that America can afford. We are told by our opponents and their allies at the chamber of commerce that the

American job creation machine will not work unless we fire people who take time to care for their children. Well, I do not believe it, the GAO does not believe it, and the American people do not believe it—and they do not believe it because it is not true.

When the debate on this bill began, the chamber claimed that the bill would cost $16 billion. They were called in to testify on that claim, and had to admit that they had revised their estimate a little, and that they were off by $14 billion. The GAO examined the chamber's claim, and found that the chamber had falsely inflated the cost of the proposal 80 fold. The original chamber estimate was 80 times too high. The chamber of commerce is nothing more than the Little Shop of Horrors when they produce invented numbers like these.

The true cost of this bill is, according to GAO, $3.50 per employee per year. Mr. President, that is less than a penny a day. A penny a day so that working parents will not lose their jobs when they care for a newborn. A penny a day so that working parents will not lose their jobs when they must care for a seriously ill child. I put the choice to the opponents of this bill—can you spare a penny a day for these children? Or is this economic expansion so fragile that a penny a day will do us in? Is the grip of the big business lobbyists who are paid hundreds of dollars a day to kill this bill so strong that you cannot squeeze from their grip a mere penny a day?

Time and time again, the Committee on Labor and Human Resources has heard testimony from Americans describing tragic stories of being fired from their jobs because of sickness, pregnancy, or the illness of their child. In these cases, not only do workers lose their jobs, but also their health insurance during the time it is probably most desperately needed. In a country where far too many citizens are already without health coverage, this is deplorable.

The fact is the American family and the American workplaces have changed substantially in recent years. More than 90 percent of American families do not have the luxury of having one parent home on a full-time basis. Many workers have the dual responsibilities of parent and breadwinner. Women, faced with new economic burdens, are entering the work force at an ever increasing rate. Because of the inadequacies of State and Federal policies on parental leave, parents must often make a difficult and unfair choice between their children and their jobs.

Greater protection of the American family must be one of our top priorities. We need legislation to help workers reconcile the demands of being a parent with those of being an employee. Granting a parent leave to care for a newly born, newly adopted, or seriously ill child is the least we can provide. No woman—no parent—should have to choose between the job they need and the child they love. We are talking about basic human decency—not elaborate and expensive employee benefits.

The evidence is clear—this bill will have no adverse effects on productivity. Firms with 20 or fewer employees at each work site will be exempted. The GAO predicts that only 1 in 300 workers will be absent at any given time. In fact, this legislation may well raise productivity, through longer tenure of skilled workers and higher morale.

It is not a question of whether companies can afford this legislation but, rather, a question of whether American workers and their families can reach their full potential without it. I urge the Senate to approve it, I urge the opposition to reconsider what they have been asked to do by the business lobbyists, and I urge the Senate to bring this measure of justice to the millions of Americans who are now without it.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator yields the floor. The Senator from Connecticut, Mr. Dodd.

Mr. DODD. Mr. President, I do not know if there are other Members who wish to address this legislation. Maybe, Mr. President, what I would do is note the absence of a quorum, but I withhold that notation to inquire if there be other Members who wish to address this legislation this evening. So I would note the absence of a quorum in the hopes that Members will let me know in the next several minutes whether or not they wish to address this legislation.

Mr. President, I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I suggest further proceedings under the quorum be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I believe parental leave is a worthy benefit. If a company wishes to offer this benefit to an employee—and many do—it is to be commended. However, I am concerned about whether a Federal mandate—I repeat, a Federal mandate—in this area fully takes into account the varying needs and circumstances of employers and employees.

Family needs are diverse. One family may want a parental leave benefit. Another may prefer to choose a different benefit from among the wide range of benefits now being offered by many companies.

I am concerned that this legislation may impede the trend that is now developing in the workplace whereby employees are able to choose from a whole range of benefits and tailor them to meet their individual needs.

This trend is cited in John Naisbitt's national bestseller, "Megatrends." In this book, Naisbitt has outlined 10 major changes taking place in America. It has been called by some a roadmap to the future. One such area of change is the emerging new relationship between employees and employers. According to Naisbitt, a large company had to treat all employees the same because that was the only way to keep track of them in the past. Now, with the computer to keep track, employees can be treated differently, with a unique contract for each. Naisbitt concludes that the technology of the computer allows businesses to have a distinct and individually tailored arrangement with each of thousands of employees. An employee can now decide to have a certain combination of salary, pension, health benefits, insurance, flextime, job sharing, vacation arrangements, and job objectives.

Currently, employers are voluntarily spending a record amount on employee benefits. According to the U.S. Chamber of Commerce, on average, employers pay 39.3 percent of their payroll for benefits, or $10,283 per year per employee. Voluntary annual expenditures by employers on benefits have risen from $190 billion in 1973 to $742 billion in 1986. None of these benefits have been federally mandated. I want to repeat, none of these benefits have been federally mandated.

This wide range of benefits results from the energy, vitality, and flexibility of the private sector, and shows the ability of American business to respond to the changing needs of the work force.

Numerous hearings were conducted in the 100th Congress on mandated parental leave benefits. Concerns about congressionally mandated benefits were expressed in all regions of the Nation.

In Boston, Steve Elmont, president of Creative Gourmets, Ltd., testified:

> * * * [S]uch a broad government mandate is unwarranted and amounts to a costly and counterproductive intrusion into the marketplace * * * It drives up costs for benefits, and, worst of all, it undermines the current trend toward *flexible* benefit policies * * * [U]nder this bill, small businesses would suffer the most. Small firms * * * operate with very small profit margins and could not easily absorb the additional labor costs involved.

In Los Angeles, Michael C. Burandt, president of Alfred M. Lewis, Inc., testified:

> [I]t just is not possible for Congress to decide for each of America's 112 million em-

> ployees which benefit is the most important. In fact, it is patently unfair to mandate that a benefit plan for a 55 year-old woman * * * contain a parental leave provision when such a mandate might well preclude the offering of a benefit, such as paid prescriptions, which is more important for this particular employee.

In Chicago, Cynthia Grantz, president of Rockford Coatings Corp. testified:

> The * * * bill * * * would seriously undermine many business operations, particularly smaller concerns that may find it impossible to hold open a position for the leave periods mandated in these bills. The legislation would result in additional labor costs and hamper productivity. As a consequence, businesses may be forced to scale back or drop other needed and desired benefits. Without a doubt, this legislation will severely limit this country's greatest job generators—small business.

In Atlanta, Michael Roark, vice president of WestPoint Pepperell stated:

> [W]e believe that it is inappropriate, unnecessary, and unwise for government to mandate employee benefits. There is a powerful economic imperative which impels employers to offer the best employee benefits programs which they can afford. That imperative is the never-ending competition in the employment marketplace for the best and the brightest the workforce has to offer. Employee benefits were created by business, not government, in response to the needs and often the demands of our employees. American industry spends $105 billion per year on medical insurance benefits and countless billions more on pensions, long-term disability insurance, life insurance and other components of the compensation and benefits mix. American business and American workers have been well-served by a system where employers have provided the benefits which their employees most desired, balanced by the Company's ability to pay. The Europeanization of the American economy through ever more intrusive regulation of the work place will in the end lead to lost productivity, lost jobs, lost tax revenue and a loss of the competitive edge which America has begun to regain.

As the baby-boom generation grows older, other benefits will be desired. The needs of the work force will change over time. If we mandate parental leave, the market will not be able to respond to changing demographics. Mandated benefits make it more difficult for companies to respond to these changes. Moreover, once we begin down this road, there will be a never-ending call by special interest groups to mandate benefits they think are important. Benefits will become politicized in the sense that they will increasingly be determined by groups with the greatest political clout and access to Congress. Benefits should be left to the free market.

Mr. President, no country has a higher percentage of women in its economy than the United States. America has led the Western industrial nations in economic growth and job creation. Other nations with generous mandated maternity leave benefits find their women of childbearing age frequently unemployed or clustered in low paying jobs. We should not be asked to look to these other nations as role models when many have stagnated economies. I am concerned that, while the intent of this legislation may be meritorious, it will have a discriminatory impact on those very people it seeks to help. When faced with equally qualified job applicants, an employer is likely to hire the one without a claim to this benefit.

Congress has a hard enough time keeping its own house in order without attempting to tell businesses how to run their affairs. I am for free enterprise, which has provided American families the highest standard of living in the history of the world. We should not kill the goose that laid the golden egg.

I urge my colleagues to reject this measure.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Republican leader.

SENATOR MATHIAS AWARDED HONORARY KNIGHTHOOD

Mr. DOLE. Mr. President, I would like to extend my congratulations to a former colleague, Senator Charles Mathias, who was awarded an honorary British Knighthood by Queen Elizabeth II.

On October 20, Senator Mathias will receive the award in recognition of his contribution to Anglo-American affairs, at the British Embassy here in Washington. He will be made an Honorary Knight Commander of the Civil Division of the Most Excellent Order of the British Empire.

Senator Mathias, who served in the U.S. Senate from 1969 to 1986, was a member of the Foreign Relations Committee. Mac has had a longtime, personal interest in Anglo-American affairs and is an American history buff.

This is quite an honor for Senator Mathias. He is only the 57th American to receive such a knighthood. And he joins such illustrious company as President Eisenhower, Paul Mellon, and John Paul Getty, and former Secretary of Defense Caspar Weinberger.

So, Mr. President, again, I want to congratulate Senator Mathias on this rather unique achievement.

Ms. MIKULSKI. Mr. President, if the Senator from Kansas will yield, I know the previous Senator from Maryland whose seat I am privileged to hold has completed many significant activities that are recognized the world over. We know that he has been a gentleman for years. We have always referred to him as "sir," and in Maryland he has been a white knight. And I am glad that "Maggie" Thatcher and the Queen have recognized that.

Mr. DOLE. I thank the Senator.

GOOD NEWS ON WELFARE REFORM

Mr. DOLE. Mr. President, I have been saying on the floor for a number of days that we are just that close to working out something on welfare reform. I am certain it has already been announced, but that was accomplished today in a bipartisan way.

The White House is on board. It is a $3.4 billion package, and I certainly want to commend all the conferees. Senator MOYNIHAN has taken the lead in this. Certainly he deserves congratulations. It is a very important piece of legislation.

But the point I would make is it was a bipartisan effort. We have been arguing about minimum wage and parental leave. We can work out something on a bipartisan basis on those two major issues. But when there is a commitment there to work it out, and you have men and women of good will in each of the parties, then I think we can do just as we have done on welfare reform.

Some have been announcing or pronouncing welfare reform is going to be dead for the past several months, and particularly the last couple of weeks. But the conferees I think have done an outstanding job. What we are trying to do in this bill is break the debilitating cycle of Government dependence by offering welfare recipients some education and training, and the bottom line many of us insisted on for years, the requirement that they work. But I would say as a long-time advocate of welfare reform, I want to commend my colleagues, and again I will single out Senator MOYNIHAN, chairman of the subcommittee, Senator PACKWOOD, Senator ARMSTRONG, Senator BENTSEN, Senator ROCKEFELLER, and many others who have been working on this; not only the committee. It shows what can happen when Republicans and Democrats work together. We have a common sense, responsible package, and let us face it, the time for welfare reform is now.

Mr. President, let me repeat that I am pleased to report to my colleagues that a working group dealing with the important task of welfare reform have reached a tentative agreement on a sweeping—and long overdue—new direction for this important social program.

I want to salute this bipartisan effort and hope that the full conference committee will soon have an opportunity to review and endorse this reform package. It gives America real hope that a new era for the unemployed and the disadvantaged is truly at hand.

It is a bipartisan mandate that will break the debilitating cycle of Government dependence by offering welfare recipients education and training and—the bottomline many of us have insisted on for years—a requirement that they work.

As a longtime advocate for real welfare reform, and as a conferee on this important issue, I can tell my colleagues today that we have worked with the States to make certain that there will be adequate incentives to engage men and women in useful work; and we have worked with Republicans and Democrats to make certain that this is a commonsense, responsible package that will get the job done: let's face it, the time for real welfare reform is now.

It is long past time for welfare recipients to trade in their Government handouts for a helping hand to a lifetime of meaningful and productive employment.

I look forward to reviewing the complete package and hope that my colleagues will join me in endorsing this package.

I hope we complete action on this conference report in the next few days. I know the majority leader joins me in that hope.

Again, I take this time to point out that despite the partisan debates we have many times we can work out these matters on a nonpartisan basis. That is the way it should happen in some cases.

I thank the distinguished Senator from Maryland for permitting me to speak.

THE PARENTAL AND MEDICAL LEAVE ACT OF 1988

The Senate continued with the consideration of the bill.

The **PRESIDING OFFICER**. The Senator from Maryland is recognized.

Ms. **MIKULSKI**. Mr. President, I rise today to support the Parental and Medical Leave Act of 1988. I want to congratulate the Senator from Connecticut for his leadership in developing this legislation and moving it to the floor. I regret that we had to take so many shavings on this bill to make it acceptable to so many people. Now that we have cut back on benefits, and have cut back on time, I do not think that there is any excuse for anyone not to support this bill.

You know, I bet there is no one in this country who would deny the importance of American families and the need for a family policy. However, it has been my observation that what we explicitly state as our values we implicitly deny in our public policy and our public practice. We state that our values are strengthening the family, caring for the sick, and giving our children the best possible start in life.

I think it is ironic that one of the highest values we hold is the care for the sick, but then we deny parental leave, the opportunity to mothers and fathers whose children have either serious of even fatal illnesses.

As the chairman has often said, the same employers that will contribute to a Ronald McDonald house will not give their workers time off to be with their children when they are dying of a disease.

I cannot tell you how devastating it is to hear from parents who tell how they are forced often to choose between spending time with their children in need of treatment or evaluation and more complicated diagnoses or losing their job.

There are American families every day who face a double tragedy and a double fear. They fear for their child and the health of their child, and they have to fear for their job. Yet, we find in this debate contradictory recommendations.

Yesterday, in a well-known national newspaper, an author representing the think tank at the American Enterprise Institute attacked day care. He said he attacked day care because it weakened the bond between mother and child, and he particularly attacked the concept of family day care because he said that the children in the early days of life needed to be with their mom. But, at the same time, the same people who think mom should be back home full time and all the time because of the needs of the children—and we are not minimizing the contributions of a full-time homemaker—will not advocate a family leave policy.

If ever a baby needs you, it is in the first hours and the first days and the first weeks of life. If ever a child needs you, it is when that child faces serious illness.

Certainly, the United States of America should be able to afford a mom or a dad having time off without the threat of losing your job, to see a child through a life-threatening illness. Is that too much to ask of this country? If it is, then maybe we have to reevaluate our resources and priorities.

This parental medical leave legislation is just a small step toward a family policy. We have shrunk the opportunity so that now we will be reaching 12 percent of the U.S. firms. There might even be recommendations to cut it more.

It really makes me angry if we have to cut it more, because it has been my observation and the observation of magazines such as Business Week that America cannot make it without working women. It is working women in this country who are subsidizing the boom; and at the same time they are subsidizing the boom, we do not necessarily get the benefits that come with the boom.

One of the oppositions I heard to this legislation as I moved around my State was employers saying: "We can't live without that woman holding down that job. I can't live without that woman who runs the printing press. I can't live without that woman who operates my Pap smear lab"—even though sometimes it is sweatshop conditions. "I just can't live without her."

At the same time, they cannot live without us, they will not pay us what we are worth. We know that we are making 60 cents for every $1 that men make, and at the same time they say they cannot live without us.

We do not have a day care program. We do not have the other benefits necessary to help support us to be in the marketplace.

I think you should practice what you preach. If you cannot live without us, do not send us roses; do not take us out for National Secretary's Day. We do not want boxes of candy. We want benefits that are specific, immediate, and realizable, and that can be achieved in this Congress.

Sure, we want pay equity and day care. I think this very modest step to allow a mother or a father to have time off to be with their sick child cries out for national action.

Nationally, it has been estimated that the cost to all employed women who give birth without leave is more than $607 million annually. That means that women who are having children in this country give a subsidy to this country of over $607 million. And all we get is wisecracks and snide remarks.

I never heard such snide and ugly remarks about anything as when I went around my State on this legislation. People say, "I'm not going to hire any more fertile fillies." I thought that was a pretty crude way to talk about American women of child-bearing age. I think it shows a kind of hostile attitude to us.

If you do not want us in the marketplace, maybe we should go home and see what happens. You know that you will not sell any more houses. You know that you will not sell any more cars. You know that you will not sell any more shoes. Maybe the baby boom ought to be just a little quieter. What will happen? The American economy will fall down; it will fall apart. America cannot live without us.

So when you look at the fact that in Maryland 76 percent of the mothers of school-age children or younger children work, these women and their families need parental leave; and the absence of the family leave policy costs Marylanders about $22 million in lost wages.

Mr. President, we are once again trying to advocate a very modest opportunity for women. Other industrialized countries have it. They are our allies. We are not talking about commie kiddie care. We are talking about what our allies are able to offer. If little countries in Northern Europe and large countries who are allies can afford to do it, we can.

Very often I am asked, "What do women want?" I can tell you. First of all, we want respect, and we want respect in our law books and in our checks, and parental leave is an opportunity to do that.

Mr. DODD. Mr. President, I commend my distinguished colleague from Maryland, not only for her statement but also for her tireless effort on this legislation and others that she and I are working on together. We would not be where we are today here, discussing this legislation, had it not been for her work on the committee and with our colleagues and her suggestions on this legislation. Certainly, no one brings to this debate more experience and more knowledge about the needs of working women in this country—and men as well—who are trying to raise families.

She mentioned it, and I regret that I did not make the point in my opening remarks. This legislation is called parental leave, not maternal leave. I think I did mention that there are over a million men who are the sole support of their children in this country today. That figure is up 10 percent in the last several years.

There are 8.7 million women who are the sole providers of over 16 million children. That number gets near 20 million children, if only a mother or only a father is taking care of them.

When that child becomes sick or there is another crisis in that home, we should not place that family under those conditions.

There are intact families, 1 out of 10 in the United States today; but even in those situations, 2 out of 3 women in the work force are sole providers or are earning less than $15,000 a year.

The Senator from Maryland is correct when she says that the economics of these families are crucial and that the economy of this country has become dependent on two-income families. The marketplace demands that they are people who have joint incomes—cars, homes, appliances, and so forth. That second income has become vitally important.

I commend her for her work and congratulate her on her statement. I look forward to continuing work with her on this legislation and others.

Mr. President, I know of no other Member who wants to address this specific piece of legislation this evening, so I will suggest the absence of a quorum, to give the majority leader an opportunity to be here.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DODD). Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 5:30 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has agreed to the resolution (H. Res. 544) stating that the bill of the Senate (S. 2662) to remedy injury to the United States textile and apparel industries caused by increased imports, in the opinion of the House, contravenes the first clause of the seventh section of the first article of the Constitution of the United States and is an infringement of the privileges of this House and that such bill be respectfully returned to the Senate with a message communicating this resolution.

The message also announced that the House agrees to the amendment of the Senate to the bill (H.R. 3977) to authorize appropriations for the Mining and Mineral Resources Research Institute Act for fiscal years 1990 through 1993, with an amendment, in which it requests the concurrence of the Senate.

The message further announced that the House has passed the following bill, with amendments, in which it requests the concurrence of the Senate:

S. 2042. An act to authorize the Vietnam Women's Memorial Project, Inc., to construct a statue at the Vietnam Veterans Memorial in honor and recognition of the women of the United States who served in the Vietnam conflict.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 3455. An act to authorize the Indian American Forum for Political Education to establish a memorial on Federal land in the District of Columbia or its environs to honor Mahatma Gandhi;

H.R. 4748. An act to amend the Federal Railroad Safety Act of 1970 to provide for drug and alcohol testing for railroad employees;

H.R. 5114. An act to amend title 38, United States Code, to improve programs for the recruitment and retention of health-care personnel of the Veterans' Administration, to extend certain expiring programs of the Veterans' Administration, and for other purposes; and

H.R. 5336. An act to further the revitalization, rehabilitation, and utilization of the area known as Officers Row located within the Sandy Hook Unit of the Gateway National Recreation Area, and for other purposes.

The message further announced that the House has agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:

H. Con. Res. 361. Concurrent resolution authorizing the printing of the booklet entitled "Our Flag";

H. Con. Res. 367. Concurrent resolution authorizing printing of the booklet entitled "Black Americans in Congress"; and

H. Con. Res. 368. Concurrent resolution authorizing printing of the booklet entitled "Women in Congress".

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 5114. An act to amend title 38, United States Code, to improve programs for the recruitment and retention of health-care personnel of the Veterans' Administration, to extend certain expiring programs of the Veterans' Administration, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 5336. An act to further the revitalization, rehabilitation, and utilization of the area known as "Officers Row" located within the Sandy Hook Unit of the Gateway National Recreation Area, and for other purposes; to the Committee on Energy and Natural Resources.

The following bill, previously received from the House of Representatives, was read the first and second times by unanimous consent, and referred as indicated:

H.R. 4188. An act to designate the United States courthouse located at 445 Broadway in Albany, New York, as the "James T. Foley United States Courthouse"; to the Committee on Environment and Public Works.

The following concurrent resolutions were read, and referred as indicated:

H. Con. Res. 367. Concurrent resolution authorizing printing of the booklet entitled "Black Americans in Congress"; to the Committee on Rules and Administration.

H. Con. Res. 368. Concurrent resolution authorizing printing of the booklet entitled "Women in Congress"; to the Committee on Rules and Administration.

The following concurrent resolution, previously received from the House of Representatives, was read, and referred as indicated:

H. Con. Res. 357. Concurrent resolution expressing the sense of the Congress that the historic restoration and commercial development of a selfsustaining Union Station will provide enormous historic and social benefit to the District of Columbia and to all the Nation as a great transportation center, a grand and magnificant monument to American architecture, and a model commercial development; to the Committee on Environment and Public Works.

MEASURES PLACED ON THE CALENDAR

Pursuant to the order of August 4, 1977, the Committee on the Budget was discharged from the further consideration of the following bill, which was placed on the calendar:

S. 2478. A bill to provide for a two-year Federal budget cycle, and for other purposes.

The following bill was read the second time and placed on the calendar:

H.R. 1580. An act to prohibit investments in, and certain other activities with respect to, South Africa, and for other purposes.

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 4748. An act to amend the Federal Railroad Safety Act of 1970 to provide for drug and alcohol testing for railroad employees.

The following bill, previously received from the House was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 5007. An act to designate the United States Courthouse at 620 Southwest Main Street, Portland, Oregon, as the "Gus J. Solomon United States Courthouse".

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. INOUYE, from the Select Committee on Indian Affairs, with amendments:

S. 1305. A bill to settle certain claims arising out of activities on the Pine Ridge Indian Reservation (Rept. No. 100-548).

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with amendments:

H.R. 2839. A bill to correct historical and geographical oversights in the establishment and development of the Utah component of the Confederated Tribes of the Goshute Reservation, to unify the land base of the Goshute Reservation, to simplify the boundaries of the Goshute Reservation, and for other purposes (Rept. No. 100-549).

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute and an amendment to the title:

H.R. 4505. A bill to authorize appropriations to the Department of Energy for civilian research and development programs for fiscal year 1989 (Rept. No. 100-550).

By Mr. KENNEDY, from the Committee on Labor and Human Resources, without amendment:

S. 2086. A bill to establish a trust fund using civil penalties collected under the Occupational Health and Safety Act of 1970 to compensate victims of the collapse of the L'Ambiance Plaza in Bridgeport, Connecticut (Rept. No. 100-551).

By Mr. KENNEDY, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute:

S. 2229. A bill to amend the Public Health Service Act to reauthorize programs concerning health research and teaching facilities, and training of professional health personnel under title VII of such Act, and for other purposes (Rept. No. 100-552).

By Mr. BURDICK, from the Committee on Environment and Public Works, without amendment:

H.R. 4410. A bill to designate the Federal Building at Spring and High Streets in Columbus, Ohio, as the "John W. Bricker Building".

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. INOUYE, from the Select Committee on Indian Affairs:

Kenneth Blankenship, of North Carolina, to be a Member of the Board of Trustees of the Institute of American Indian and Alaska Native Culture and Arts Development for a term of years prescribed by Public Law 99-498 of October 17, 1986.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BINGAMAN (for himself, Mr. Domenici, and Mr. DeConcini):

S. 2829. A bill to require Federal departments and agencies to participate in the Federal Uniform Crime Reports program; to the Committee on the Judiciary.

By Mr. MELCHER (for himself, Mr. Biden, Mr. Burdick, Mr. Cochran, Mr. Daschle, Mr. Fowler, Mr. Gore, Mr. Harkin, Mr. Helms, Mr. Leahy, Mr. Pryor, Mr. Sarbanes, Mr. Sasser, Mr. Conrad, and Mr. Boren):

S. 2830. A bill to establish a commission to review and make recommendations for the improvement of the Federal crop insurance program; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. MELCHER (for himself, Mr. Heinz, Mr. Burdick, and Mr. Pressler):

S. 2831. A bill to require that the Consumer Price Index for all urban consumers be utilized by a Federal officer or agency in determining certain cost-of-living increases in benefits and allowances, and for other purposes; to the Committee on Governmental Affairs.

By Mr. MELCHER (for himself, Mr. Burdick, and Mr. Pressler):

S. 2832. A bill to provide that the Bureau of Labor Statistics conduct a study to examine inflation with respect to spending by social security beneficiaries, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. HATCH (for himself, Mr. Kennedy, Mr. Adams, Mr. Bentsen, Mr. Bond, Mr. Boschwitz, Mr. Chafee, Mr. Cochran, Mr. D'Amato, Mr. Danforth, Mr. Dixon, Mr. Dodd, Mr. Domenici, Mr. Durenberger, Mr. Garn, Mr. Glenn, Mr. Heflin, Mr. Heinz, Mr. Hollings, Mr. Inouye, Mr. Lautenberg, Mr. Lugar, Mr. Matsunaga, Mr. McCain, Mr. Mitchell, Mr. Moynihan, Mr. Murkowski, Mr. Dole, Mr. Packwood, Mr. Hecht, Mr. Pell, Mr. Weicker, Mr. Quayle, Mr. Riegle, Mr. Reid, Mr. Karnes, Mr. Rockefeller, Mr. Kerry, Mr. Roth, Mr. Levin, Mr. Sanford, Mr. Armstrong, Mr. Specter, Mr. Gramm, Mr. Stafford, Mr. Thurmond, Mr. Trible, Mr. Grassley, Mr. Wilson, Mr. Simon, and Mr. Gore):

S.J. Res. 385. Joint resolution to designate September 11 through 17, 1988, as "National Youth 2000 Week"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BINGAMAN (for himself, Mr. Domenici, and Mr. DeConcini):

S. 2829. A bill to require Federal departments and agencies to participate on the Federal Uniform Crime Reports Program; to the Committee on the Judiciary.

UNIFORM FEDERAL CRIME REPORTING ACT

Mr. BINGAMAN. Mr. President, I rise today to introduce legislation that will help complete a critically needed picture of the true extent of crime in America.

This legislation will require all Federal agencies involved in law enforcement to report certain crime-related data to an existing, centralized data base: the Federal Bureau of Investigation's Uniform Crime Reporting Program.

Once the reporting begins, the Bureau will compile uniform, statistical information on some of the major problems that plague our Nation and threaten our security and our future.

Never before has the Federal Government been able to do this. Never have all the Federal agencies worked together to coordinate data collection efforts.

Consequently, never has the Congress truly been able to assess the degree to which the crime-related laws it enacts and the crime-stopping programs it funds, are successful.

And never has the need for such information been as great as it is now, as we prepare to consider a multibillion dollar antidrug bill.

Last week, the House overwhelmingly passed its tough, $2 billion antidrug bill. I am sure the Senate will act in the near future on that same legislation or something very similar. But without my legislation, which I plan to offer as an amendment to the Senate's bill, we will obligate these billions—and grant vast amounts of new agency authority—without any assurance that the billions will be usefully spent or the authority will be effectively directed and coordinated.

Today, critical information about the extent of drug smuggling—a serious problem in my home State of New

Mexico—is collected by the Central Intelligence Agency, the Defense Intelligence Agency, the FBI, and several other agencies. But this information generally is not shared by the agencies, and it is not shared with State and local law enforcement personnel, and it is not shared with the Members of Congress who fund these efforts.

When I asked Federal officials about this recently, I was told by a U.S. Customs agent that although Federal, State, and local agencies cooperate in antidrug trafficking programs in New Mexico, each agency keeps its own set of statistics on seizures and arrests. The result, he said, was that we are not sure we really know the size of the problem.

And if we do not know that fundamental fact, then it is very difficult to see how we can properly allocate our resources to deal with this issue.

Fortunately, the mechanism for collecting this important data already exists. For more than half a century, the FBI has compiled data in an efficient, uniform manner for State and local crimes. Through its Uniform Crime Reporting Program, approximately 16,000 city, county, and State law enforcement agencies voluntarily report data on eight major crimes—the Crime Index—to the Bureau. These crimes currently include murder and nonnegligent manslaughter, forcible rape, robbery, aggravated assault, burglary, larceny-theft, motor vehicle theft, and arson.

My legislation adds another category to the Crime Index: Drug-related crimes, to be defined by the Attorney General, or, in his discretion by an advisory board of law enforcement officials.

The foundation for the Uniform Crime Reporting Program was laid in the 1920's by the International Association of Chiefs of Police when it recognized the need for uniform, accessible, national crime statistics. Since that time, the program has generated a reliable set of criminal statistics for use by the Congress, and Federal, State, and local law enforcement officials. But an important element has always been missing; Federal criminal statistics from agencies other than the FBI.

It is time to rectify this deficiency and to require Federal agencies—agencies which already collect crime statistics in some form—to collect the data in a uniform manner so that the Congress, coordinating Federal agencies, and State and local law enforcement officials can use the information to better serve the American people and better deal with the serious problems we face.

Without a doubt, we need a new antidrug strategy. The drug problem is far beyond the point where rhetoric and promises are adequate.

We need legislation to ensure that Federal and State law enforcement officials have the manpower and tools they desperately need to gain sustained success in their battle against drugs.

We need legislation that will ensure our children of quality, comprehensive education on the dangers of drug abuse, because without reducing the demand, the problems will always remain.

But we also desperately need legislation that will enable us to gain a reliable understanding of the true extent of serious drug and crime problems. We need legislation that will provide a means for determining whether our manpower, tools, and money are properly channeled.

I believe my legislation will help accomplish this, and I urge my colleagues to support it.

I state for my colleagues that this legislation is being introduced today on behalf of myself, and my colleagues, Senator DOMENICI and Senator DECONCINI from Arizona. Senator DECONCINI from Arizona had a hearing of his subcommittee of the Appropriations Committee in the State of New Mexico 3 weeks ago and we were able at that time to take testimony which demonstrated the value of this legislation.

I urge my colleagues to support it.

I ask unanimous consent that a summary of the Uniform Crime Reporting Program, from the FBI's most recent annual uniform crime report for the United States, be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SECTION I—SUMMARY OF THE UNIFORM CRIME REPORTING PROGRAM

The Uniform Crime Reporting (UCR) Program is a cooperative statistical effort of approximately 16,000 city, county, and state law enforcement agencies voluntarily reporting data on crimes brought to their attention. Since 1930, the FBI has administered the Program and issued periodic assessments of the nature and type of crime in the Nation. While the Program's primary objective is to generate a reliable set of criminal statistics for use in law enforcement administration, operation, and management, its data have over the years become one of the leading social indicators in the country. The American public looks to UCR for information on fluctuations in the level of crime, while criminologists, sociologists, legislators, municipal planners, the press, and other students of criminal justice use the statistics for varied research and planning purposes.

HISTORICAL BACKGROUND

Recognizing a need for national crime statistics, the International Association of Chiefs of Police (IACP) formed the Committee on Uniform Crime Records in the 1920s to develop a system of uniform police statistics. Establishing offenses known to law enforcement as the appropriate measure, the Committee evaluated various crimes on the basis of their seriousness, frequency of occurrence, pervasiveness in all geographic areas of the country, and likelihood of being reported to law enforcement. After studying state criminal codes and making an evaluation of the recordkeeping practices in use, the Committee in 1929 completed a plan for crime reporting which became the foundation of the UCR Program.

Seven offenses were chosen to serve as an Index for gauging fluctuations in the overall volume and rate of crime. Known collectively as the Crime Index, these offenses included the violent crimes of murder and nonnegligent manslaughter, forcible rape, robbery, and aggravated assault and the property crimes of burglary, larceny-theft, and motor vehicle theft. By congressional mandate, arson was added as the eighth Index offense in 1979.

During the early planning of the Program, it was recognized that the differences among criminal codes precluded a mere aggregation of state statistics to arrive at a national total. Further, because of the variances in punishment for the same offenses in different state codes, no distinction between felony and misdemeanor crimes was possible. To avoid these problems and provide nationwide uniformity in crime reporting, standardized offense definitions by which law enforcement agencies were to submit data, without regard for local statutes, were formulated. The definitions used by the Program are set forth in Appendix II of this publication.

In January, 1930, 400 cities representing 20 million inhabitants in 43 states began participating in the UCR Program. Congress enacted Title 28, Section 534, of the United States Code authorizing the Attorney General to gather crime information that same year. The Attorney General, in turn, designated the FBI to serve as the national clearinghouse for the data collected. Since that time, data based on uniform classifications and procedures for reporting have been obtained from the Nation's law enforcement agencies.

While throughout the years the Program remained virtually unchanged in terms of the data collected and disseminated, a broad utility had evolved for UCR by the 1980s. Recognizing the need for improved statistics, law enforcement called for a thorough evaluative study that would modernize the UCR Program. The FBI fully concurred with the need for an updated Program and lent its complete support, formulating a comprehensive three-phase redesign effort. The Bureau of Justice Statistics (BJS), the Department of Justice agency responsible for funding criminal justice information projects, agreed to provide financial support for the first two phases. Conducted by an independent contractor, these phases were structured to determine what, if any, changes should be made to the current Program. The third phase would involve implementation of the changes identified. Abt Associates Inc. of Cambridge, Massachusetts, overseen by the FBI, BJS, and a Sterring Committee comprised of prestigious individuals representing a myriad of disciplines, commenced the first phase of 1982.

During the first phase, the historical evolution of the Program was examined. All aspects of the Program, including the objectives and intended user audience, data items, reporting mechanisms, quality control, publications and user services, and relationships with other criminal justice data systems, were studied.

Early in 1984, a conference on the future of UCR, held in Elkridge, Maryland, launched the second phase of the study, which would examine potential futures for UCR and conclude with a set of recommended changes. Attendees at this conference reviewed work conducted during the first phase and discussed the potential changes that should be considered during phase two.

Findings from the evaluation's first phase and input on alternatives for the future were also major topics of discussion at the seventh National UCR Conference in July, 1984. Overlapping phases one and two was a survey of law enforcement agencies.

Phase two ended in early 1985 with the production of a draft "Blueprint for the Future of the Uniform Crime Reporting Program." The study's Steering Committee reviewed the draft report at a March, 1985, meeting and made various recommendations for revision. The Committee members, however, endorsed the report's concepts.

In April, 1985, the phase two recommendations were presented at the eighth National UCR Conference. While various considerations for the final report were set forth, the overall concept for the revised Program was unanimously approved. The joint JACP/National Sheriffs' Association (NSA) Committee on UCR also issued a resolution endorsing the Blueprint.

The final report, the "Blueprint for the Future of the Uniform Crime Reporting Program," was released in the summer of 1985. It specifically outlined recommendations for an expanded, improved UCR Program to meet informational needs into the next century. There were three recommended areas of enhancement to the UCR Program. First, reporting of offenses and arrests would be made by means of an incident-based system. Second, collection of data would be accomplished on two levels. Agencies in level one would report important details about those offenses comprising the current Crime Index, their victims, and arrestees. Law enforcement agencies covering populations of over 100,000 and a sampling of smaller agencies would be included in level two, which would collect expanded detail on all significant offenses. The third proposal involved introducing a quality assurance program.

One of the first actions taken by the FBI to begin implementation was to award a contract for the development of new offense definitions and data elements for the redesigned system. The work involved: (a) revision of the definitions of certain Index offenses; (b) identification of additional significant offenses to be reported; (c) refining definitions for both; and (d) development of data elements (incident details) for all UCR offenses in order to fulfill the requirements of incident-based reporting versus the current summary reporting

Concurrent with the preparation of the data elements, the FBI studied the various state systems to select an experimental site for implementation of the redesigned Program. In view of its long-standing incident-based Program and well-established staff dedicated solely to UCR, the South Carolina Law Enforcement Division (SLED) was chosen. The SLED agreed to adapt its existing system to meet the requirements of the redesigned Program and collect data on both offenses and arrests relating to the newly defined offenses.

To assist SLED in conducting the pilot project, offense definitions and data elements developed under the private contract were put at the staff's disposal. Also, the FBI's Technical Services Division developed "Automated Data Capture Specifications" for use in adapting the state's data processing procedures to incorporate the revised system. The BJS supplied funding to facilitate needed software revisions. Testing of the new Program was completed in late 1987.

ADVISORY GROUPS

Providing vital links between local law enforcement and the FBI in the conduct of the UCR Program are the IACP and the NSA. The IACP's Committee on Uniform Crime Records, as it has since the Program began, represents the thousands of police departments nationwide. The NSA's Committee on Uniform Crime Reporting, established in June, 1966, encourages sheriffs throughout the country to participate fully in the Program. Both committees serve in advisory capacities concerning the UCR Program's operation.

The Association of State Uniform Crime Reporting Programs and committees on UCR within individual state law enforcement associations are also active in promoting interest in the UCR Program. These organizations foster widespread and more intelligent use of uniform crime statistics and lend assistance to contributors when the needs arise.

By Mr. MELCHER (for himself, Mr. Biden, Mr. Burdick, Mr. Cochran, Mr. Daschle, Mr. Fowler, Mr. Gore, Mr. Harkin, Mr. Helms, Mr. Leahy, Mr. Pryor, Mr. Sarbanes, Mr. Sasser, Mr. Conrad, and Mr. Boren):

S. 2830. A bill to establish a commission to review and make recommendations for the improvement of the Federal Crop Insurance Program; to the Committee on Agriculture, Nutrition, and Forestry.

FEDERAL CROP INSURANCE COMMISSION ACT

Mr. MELCHER. Mr. President, I am today introducing the Federal Crop Insurance Commission Act of 1988, along with 14 other cosponsors. Mr. President, I have long been a supporter of the Federal Crop Insurance Program, as have the farmers of my State. I am proud that Montana farmers have one of the highest levels of participation in the Federal Crop Insurance Program of any State in the Nation. This proved to be indeed fortunate both in 1985, when Montana had a serious drought, and again in the current year, when the drought was more national in scope. In both instances, crop insurance indemnities have made a huge difference in the economic survival of much of the State. Unfortunately, not every State enjoys the high level of participation, currently over 80 percent of eligible acres, that we enjoy in Montana.

In order to be a truly successful national disaster relief program, Federal crop insurance must be successful in all major crops and in all major agricultural areas. It is to this end that I am proud to introduce in the Senate the Federal Crop Insurance Commission Act of 1988, a bill that has already been introduced by Congressman Ed Jones of Tennessee and 40 other members of the House Agriculture Committee.

I believe that the concepts that are embodied in this proposed Commission are sound ones. I know all of us have had the experience of seeing commissions appointed which issue reports which do nothing but gather dust. However, I believe that the structure of this Commission will make it more effective than many others. First, the Commission will be composed equally of farmer representatives and insurance industry representatives who have a direct stake in the success of the program. It will also have as a member the manager of the Federal Crop Insurance Corporation, and it will have as nonvoting members four Members of Congress. These congressional representatives will be designated by the chairman and the ranking minority members of the Senate Committee on Agriculture, Nutrition and Forestry and the House Committee on Agriculture.

The 10 farmer representatives who are appointed to the Commission will include representatives of the corn, cotton, soybeans and wheat organizations because these commodities account for 65 percent of the insured acreage. It would also include representatives of the three largest national general farm organizations, as well as three individuals representing fruits, vegetables, specialty crops, and other crops.

As chairman of the Senate subcommittee which has jurisdiction over the Federal Crop Insurance Program, I am particularly anxious to receive the benefits of the recommendations of the Crop Insurance Commission. I believe that Congress will wish to make whatever changes are necessary to improve the crop insurance program as a part of the 1990 farm bill. However, I hope that the Commission will make recommendations prior to that time which the Department of Agriculture will institute administratively. The Commission is to make its first report no later than April 1, 1989 on administrative improvements that can be instituted in the crop insurance programs for the 1990 sales year. The report on recommendations for changes in the law will be made on July 1, 1989.

One of the most serious impediments to progress in the Federal Crop Insurance Program has been program instability. Repeated changes in management and policies have made it difficult for the insurance industry and farmers to understand or deal with the program. It is hoped that this proposed Commission can act as a stabilizing factor on the administration of the program.

Mr. President, I urge my colleagues to support prompt passage of this legislation. It is a modest bill which will give Congress the tools to make the appropriate changes in the Federal Crop Insurance Program so that the Nation's farmers have more dependable protection against natural disasters.

I am pleased that the administration has no objections to this proposal and would ask that a letter from Deputy Secretary of Agriculture Peter Myers be printed in the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Department of Agriculture,
Office of the Secretary,
Washington, DC, September 26, 1988.

Hon. E. (Kika) de la Garza,
Chairman, Committee on Agriculture, Washington, DC.

Dear Mr. Chairman: This is in reply to your request of September 19, 1988, for a report on H.R. 5325, a bill "To Establish a Commission on Crop Insurance".

This Department has no objection to the enactment of this bill. The intent of the bill is consistent with the desire of the Department to undertake a comprehensive study of the crop insurance program during the 1989 fiscal year.

The bill provides for the establishment of a commission to study problems with participation in the crop insurance program, program operations, and ways to improve crop insurance. The Secretary of Agriculture is to appoint 10 individuals representing various constituencies of the insurance industry and 10 individuals representing agriculture producer interests. The Manager of the Federal Crop Insurance Corporation (FCIC) and the Chairman and Ranking Minority Members of the House and Senate Agriculture Committees are also members of the Commission.

We believe that an effort such as this can make a contribution to assuring that crop insurance meets the objective of serving as the primary disaster risk management tool for America's agricultural producers as envisioned by the 1980 amendments to the Crop Insurance Act. Further we believe that this would be an appropriate way to follow-up on exploring shortcomings which may have contributed to the need for special legislation to protect producers during the 1988 drought and other agricultural production disasters.

The bill authorizes the use, by the Commission, of up to $1.5 million of the amounts appropriated to the FCIC for administrative and operating expenses for fiscal year 1989. These funds would remain available to the Commission until expended.

The bill also provides for the expiration of the Commission on December 31, 1990, absent a decision by the Secretary of Agriculture to extend its life.

The Office of Management and Budget advises that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

Peter C. Myers,
Deputy Secretary.

AMENDMENT TO CROP INSURANCE COMMISSION

Mr. DOLE. Mr. President, I am pleased to see the idea of a Commission to Study Crop Insurance since this was an issue the administration had wanted to study in 1989.

I may have an amendment containing some additional ideas or options for the Commission to study in addition to what has been laid out in H.R. 5325, the Jones-Madigan bill. It would be my hope we could then move the bill very quickly.

I have had several discussions with farmers and others on the recent drought and what can be done to improve crop insurance including how to raise participation levels and make it a more affordable option for farmers. I must say, there is a lot of interest in improving the current Crop Insurance Program.

BACKGROUND

Unfortunately, participation in the Federal Crop Insurance Program has grown much more slowly than we had anticipated when Congress passed "the Crop Insurance Act of 1980". Participation in some States is very low, some farmers say the premium is too high, some say the yield coverage is too low, some say the insurance companies have the best deal.

And we certainly need to ensure that the program helps farmers, not just insurance companies. We need to get more participation, especially from low-risk participants. Some suggest we need better enforcement practices. Some policy changes may be necessary.

So the Commission's study may be a big help in giving us some practical advice on restructuring FCIC. We have to face the reality that we may not always have an extra $4 billion to spend when a drought or a flood comes along. This last relief effort was the second time in 3 years Congress passed disaster relief. It may be fiscally wiser to ensure that crop insurance has a majority of farmers signed up, provides a low-cost service and can withstand the heat of congressional politics as well as the heat of a major drought.

SUMMARY

I would reiterate my support for the Commission to Study Crop Insurance, but there may be a few members who have additional options for the Commission to study. We were able to act to help American agriculture withstand the current drought, but many feel the best course is to ensure that crop insurance meets the objective of being the primary disaster management tool as envisioned in the 1980 Amendments to the Crop Insurance Act.

By Mr. MELCHER (for himself, Mr. Heinz, Mr. Burdick, and Mr. Pressler):

S. 2831. A bill to require that the Consumer Price Index for all urban consumers be utilized by a Federal officer or agency in determining certain cost-of-living increases in benefits and allowances, and for other purposes; to the Committee on Governmental Affairs.

By Mr. MELCHER (for himself, Mr. Burdick, and Mr. Pressler):

S. 2832. A bill to provide that the Bureau of Labor Statistics conduct a study to examine inflation with respect to spending by Social Security beneficiaries, and for other purposes; to the Committee on Labor and Human Resources.

FAIR ADJUSTMENTS TO CERTAIN PENSION BENEFITS

● Mr. MELCHER. Mr. President, today I am pleased to introduce two bills that work toward ensuring that recipients of Social Security, civil service, railroad retirement, military retirement and veterans pensions benefits receive a cost-of-living adjustment [COLA] based on the most accurate and fair Consumer Price Index [CPI] available.

BACKGROUND

Americans across the country, including many Members of Congress, assume that the Federal Government is using the most accurate CPI available for indexing Federal retiree, survivor, and disabled benefits to the rate of inflation. Unfortunately and surprisingly, we are not. In fact, the CPI used for COLA calculations—The CPI-W—does not survey even one retired person or disabled person who does not work.

Mr. President, because most older and disabled Americans live on a fixed income, a COLA that truly offsets the effects of inflation on the purchasing power of Social Security benefits and pensions under other Federal retirment, disability, and survivor programs is of vital importance. However, because the CPI used for COLA calculations surveys only the working population, a great deal of doubt on its value and reliability for COLA formulations has emerged.

Clearly, there is no reason to assume that older and disabled Americans have the same buying patterns as the rest of the population. In fact, just the opposite is true. For example, few would dispute the fact that, on average, the medical needs of those 65 and older are far greater than for the rest of the population. If the inflation rate for these services paralleled the overall inflation rate, there would be less reason for concern. Unfortunately, the medical inflation rate has consistently rose much faster than the general inflation rate. In fact, despite a recent reduction in the rate of growth of medical inflation, it is still significantly higher than the general rate.

For example, while the general inflation rate from August 1987 to 1988 was 4 percent, the medical inflation rate was 6.6 percent, a difference of over 60 percent. As a result, because the elderly are not sampled in the CPI used for COLA's it is logical to conclude that the CPI-produced inflation rate is understated, particularly as it relates to the elderly's inflation rate. As a result, older Americans are finding that their COLA's are not keeping up with the inflation they are facing. They are discovering, much to their dismay, that they have less money each year to pay for food, electricity, and other necessities.

Witnesses at the June 1987 Aging Committee hearing graphically illustrated the burden of inadequate and unfair COLA's. One witness testified that her medical insurance costs, along with other expenses, left her unable to put a decent meal on the table. With a third of the elderly deriving 80 percent or more of their income from Social Security, I am certain many other elderly men and women could echo her testimony.

BUREAU OF LABOR STATISTICS STUDY

Because of my concerns regarding the adequacy of the CPI-W, soon after last year's Aging Committee hearing, I sponsored legislation that required the Bureau of Labor Statistics [BLS] to develop a one-time reweighted index that reflected the inflation rate older Americans face. That legislation was incorporated in the Older Americans Act of 1987 and enacted into Public Law 100-175.

In July 1988, BLS reported on the results of its efforts. Although preliminary, the experimental index showed that Americans 65 or older appear to have experienced higher inflation than has the rest of the Nation. According to the preliminary findings of the BLS study, the inflation rate for the elderly they surveyed rose a total of 19.5 percent over the last 5 years, compared with 16.5 percent for the Consumer Price Index that is used as a basis for the Social Security COLA and other Federal retirement programs, the CPI-W. BLS concluded that it appeared that higher medical and housing costs were the primary factors for the difference.

While a 3-percent difference does not seem much to some Americans, it certainly would make a major difference to the elderly person relying solely on their Social Security for so-called retirement security. On average, the yearly percentage difference would be a $3.50 to $5 per month shortfall, an amount not insignificant to many retirees.

LEGISLATIVE RESPONSE

BLS informs us that the so-called experimental" index for older Americans is not ready to be utilized as an index for COLA's. Apparently, much more extensive research on the special purchasing habits of the elderly, as well as additional sampling population studies, must be completed. However, we cannot sit back and allow older Americans and the disabled to be cheated by an index that doesn't even measure the inflation they actually face.

Fortunately, there is currently an index available that the BLS has complete confidence in that does sample at least some retirees and some disabled persons. This index, known as the CPI-U, surveys a broader and larger sample population and is the index used in most other Government-wide calculations. In fact, in 1980, the Office of Management and Budget recommended its use as the index to use for all Government inflation calculations. Since then, the General Accounting Office recommended using the CPI-U for COLA calculations in a 1982 report, as well as in testimony before the Aging Committee in 1987.

Consistent with these recommendations, Senators HEINZ, BURDICK, and PRESSSLER are joining me introducing my first bill, which simply requires the use of the CPI-U in all, Federal COLA programs. Effective January 1, 1988, future COLA's would be indexed to the CPI-U.

As BLS Indicated in their June 1988 report, the CPI-U did come much closer to mirroring the inflation rate finding produced by the "experimental" index. Whereas the CPI-W produced inflation rate finding that was 3 percent less over 5 years, the CPI-U produced an inflation rate measure that was a little over 1 percent off.

At this time, because inflation estimates used for COLA indexing have not been completed, it is unclear how this policy change would affect this year's COLA's. COLA's are based on the CPI-W inflation rate from the third quarter of the previous year compared with the current third quarter's inflation rate. However, the difference between the inflation rate produced by the CPI-W and the CPI-U from the second quarter of last year to the second quarter of this year is 3.8 versus 3.95 percent respectively. Although this difference is small, there have been years when the CPI-U has been as much as 0.7 greater than the CPI-W.

My first bill is only one part of an effort to provide a more appropriate and accurate index to be used for COLA calculations. My second bill, cosponsored by Senators BURDICK and PRESSLER, would build on the first by authorizing funds to enable BLS to fine-tune the research tools and sampling methods needed to assess if a separate inflation index for federally financed COLA recipients is warranted.

Specifically, this measure would provide $1.5 million per year for 3 years to BLS to finance the analysis of the spending of Social Security beneficiaries on goods and services and the inflation rate of those goods and services. A major focus of this research would be beneficiary expenditures on medical services.

Under this bill, BLS would be required to report to the Congress by January 1992 on the results of their efforts, specifically whether a newly refined index from COLA recipients would yield a significantly different COLA than otherwise produced. Along with those findings, BLS would provide estimates of how much it would cost to implement a new CPI.

CONCLUSION

For the many elderly, disabled, and survivors who have to live on fixed incomes and must count every penny, it appears that they have been shortchanged. Although it has become fashionable in some political circles to suggest that these people—particularly the elderly—are somehow asking more than their fair share of the pie, this suggestion is completely without foundation. Older Americans are not seeking windfalls or handouts. They seek and expect nothing more, nor nothing less, than an accurate measure of inflation. Fairness is something our Nation has always and rightly valued.

Taken together, these two bills would provide seniors and other recipients of Federal COLA programs with a more accurate COLA and build the framework for a new, more precise CPI for COLA recipients. Both measures have been endorsed by the American Association of Retired Persons, the National Council of Senior Citizens, the National Association of Retired Federal Employees, and the National Committee to Preserve Social Security and Medicare. They are being introduced in the House by Congressman RINALDO, ranking member of the House Select Committee on Aging. Joining Congressman RINALDO is Congressman ROYBAL, chairman of the House Aging Committee. Therefore, this legislation has earned and deserves bipartisan support in both Houses of the Congress, and I urge my colleagues to support these bills.●

● Mr. PRESSLER. Mr. President, many Social Security recipients view Social Security cost-of-living adjustments [COLA's] as a way to reduce the devastating impact of inflation on their limited-fixed incomes. Without COLA's, many elderly would find it much more difficult to purchase the basic necessities of life: Food, shelter, utilities and phone service, medical care, and prescription drugs.

Currently, the COLA associated with Social Security is tied to the Consumer Price Index for urban wage earners and clerical workers [CPIw]. For almost all other Federal Government calculations of inflation, the CPI for all urban workers [CPIu] is used. Since 1982, Congress has debated the issue of which CPI to tie to Social Security. And the issue is still not resolved.

In 1972, Congress amended the Social Security Act to provide for automatic cost-of-living adjustments. Because the CPIu was the only measure in existence then, Congress used it to determine Social Security COLA's.

In 1978, the CPIu was created to measure goods and services purchased by all urban consumers, including white/blue collar workers, the unemployed and retirees. The CPIu was considered more representative because it reflected the inflation rate experienced by 80 percent of the population while the CPIw covered only 32 percent of the population.

Because the CPIu included a better measurement of retirees' cost of living, various advocacy organizations have pressed for Social Security COLA's to be tied to the CPIu index rather than the CPIw. On June 29, 1987, the Senate Special Committee on Aging held a hearing entitled "Developing a Consumer Price Index for the Elderly" to examine which CPI index should be tied to Social Security. Witnesses at this hearing testified that the currently used CPIw did not reflect the cost of high medical care and the cost of drugs. In 1986, medical inflation was five times higher for the older population than the general population. Others testified that adequate data were not yet available to construct an accurate CPI for older Americans.

Today, we have the opportunity to put this issue to rest once and for all. It is important for Congress to protect Social Security pensions. I strongly support our colleague Senator John Melcher's two bills which would change the CPI used in calculating Social Security to more accurately reflect the inflation rate actually experienced by the elderly.

One of the bills, S. 2831, directs the Federal Government to use the CPIu for Social Security Program COLA calculations, on an interim basis, until a new and more reliable index could be developed by the Bureau of Labor Statistics [BLS]. The other bill, S. 2832, authorizes $1.5 million per year for 3 years to the BLS to finance the hiring of additional staff to analyze Social Security beneficiaries' spending on goods and services that are felt to account for differences in the currently used CPI indexes and the 1988 BLS experimental index. It would direct the Social Security Administration to provide the BLS with access to its beneficiary list to enable the bureau to perform statistical analyses.

By January 1992, the BLS would report to Congress on proposed utilization the newly developed index. This report would also provide an estimate of how much it would cost to implement a new index.

Mr. President, the enactment of these bipartisan bills are one way to better protect the limited income of our elderly from the ravages of inflation. I urge our colleagues to carefully consider this legislation.●

By Mr. HATCH (for himself, Mr. Kennedy, Mr. Adams, Mr. Bentsen, Mr. Bond, Mr. Boschwitz, Mr. Chafee, Mr. Cochran, Mr. D'Amato, Mr. Danforth, Mr. Dixon, Mr. Dodd, Mr. Domenici, Mr. Durenberger, Mr. Garn, Mr. Glenn, Mr. Heflin, Mr. Heinz, Mr. Hollings, Mr. Inouye, Mr. Lautenberg, Mr. Lugar, Mr. Matsunaga, Mr. McCain, Mr. Mitchell, Mr. Moynihan, Mr. Murkowski, Mr. Dole, Mr. Packwood, Mr. Hecht, Mr. Pell, Mr. Weicker, Mr. Quayle, Mr. Riegle, Mr. Reid, Mr. Karnes, Mr. Rockefeller, Mr. Kerry, Mr. Roth, Mr. Levin, Mr. Sanford, Mr. Armstrong, Mr. Specter, Mr. Gramm, Mr. Stafford, Mr. Thurmond, Mr. Trible, Mr. Grassley, Mr. Wilson, Mr. Simon, and Mr. Gore):

S.J. Res. 385. A joint resolution to designate September 11 through 17, 1988, as "National Youth 2000 Week;" to the Committee on the Judiciary.

NATONAL YOUTH 2000 WEEK

Mr. HATCH. Mr. President, today I am introducing a joint resolution designating the week of September 11 through 17 of this year as "Youth 2000 Week." This will officially launch a nationwide call to action to help address the problems facing our youth.

Those problems are serious and widespread. One million adolescents drop out of school annually; more than 1 million adolescents become pregnant annually; and 21 percent of all 14- to 17-year-olds have problems with alcohol and drug abuse. Teenage suicides have become epidemic.

In June of this year, Mary Lou Bozich, educational specialist on substance abuse prevention education for the Utah State Office of Education, testified that a recent survey in Utah showed that 20 percent of 12- to 17-year-olds were regularly using alcohol; 19 percent were regularly using medical drugs for nonmedical reasons; 13 percent were regularly using tobacco; and 7 percent were regularly using street drugs, primarily marijuana and cocaine. In addition, it was estimated that nearly 13,000 12- to 17-year-olds were experiencing severe or extreme problems as a result of their drug use and were in need of treatment.

To help fight the problems, Utah has initiated an extensive prevention effort entitled the K-12 Alcohol, Drug, and Tobacco Prevention Education Program. This program consists of a multicomponent drug education curriculum and teacher inservice training that reaches students in an effort to prevent such problems before they occur. Since 1983, all 40 of Utah's school districts and over 8,000 educators have been trained. The 1986-87 data have led to an estimation that 2 years of exposure to the curriculum prevented or delayed the initiation of alcohol use by 2,550 students and prevented or delayed 1,950 cases of tobacco initiation and 1,490 cases of marijuana initiation.

We have only just begun a tough war against those things that are negatively affecting our teenagers. We must help our youth pass through adolescence into adulthood by providing them with the opportunity for an education. We must help them become skilled and literate, have an understanding of the responsibilities as well as the joys of parenting, achieve a sense of pride and self-worth, and establish a set of values to live by.

Each of us through our newsletters, our speeches, and our district activities has an opportunity during Youth 2000 Week to make our own call to action.

The Secretary of Health and Human Services and the Secretary of Labor have made Youth 2000 a special initiative for their departments. Governors in all 50 States have appointed a Youth 2000 liaison and have organized statewide conferences and other activities to focus attention on the problems of our Nation's young people.

Acknowledging the problems is a necessary first step, but Youth 2000 means action—at all levels—to solve these problems. We, in Congress, should become involved in this effort.

At this time, I ask unanimous consent that the entire resolution be printed in the Record. I urge my colleagues to support this joint resolution.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

S.J. Res. 385

Whereas demographic trends show that by the year 2000 there will be a job available for every qualified young person who wants one;

Whereas employment opportunities will increasingly require workers who are able to read, compute, and learn new skills, and who have acquired education or training beyond high school;

Whereas young people must begin now to prepare and qualify themselves for these employment opportunities;

Whereas 10 to 15 percent of our 16- to 19-year old youth are presently at risk of not successfully making the transition from adolescence into productive and responsible adulthood due to various, often interrelated, problems such as teenage pregnancy, alcohol and drug abuse, dropping out of school, illiteracy, homicide, suicide, and automobile accidents;

Whereas these problems, although particularly acute among our urban and rural poor, cut across all social, economic, and geographic boundaries;

Whereas there is a need for the support, involvement, and commitment of all sectors of society (including business, labor, and religious organizations, voluntary and professional organizations, educational institutions, Federal, State and local governments, adults, parents, and young people themselves) in addressing these problems and working together to develop solutions that build on the strengths of the community and the family;

Whereas there is an urgent need for heightened public awareness about the issues that threaten to prevent millions of young people from becoming healthy, motivated, and self-sufficient members of society;

Whereas our Nation needs the productive energies of all its youth to ensure continued social and economic progress as we move into the 21st century; and

Whereas Youth 2000 is a nationwide "call to action" between now and the year 2000 designed to enlist the involvement of all sectors of society in helping vulnerable and at-risk youth achieve social and economic self-sufficiency and fulfill their potential as viable, contributing members of society: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning September 11, 1988, is designated as "National Youth 2000 Week". The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

ADDITIONAL CONSPONSORS

S. 708

At the request of Mr. PROXMIRE, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 708, a bill to require annual appropriations of funds to support timber management and resource conservation in the Tongass National Forest.

S. 1515

At the request of Mr. HEFLIN, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of S. 1515, a bill to prohibit injunctive relief, or an award of damages, against a judicial officer for action taken in an official capacity.

S. 2601

At the request of Mr. HEFLIN, the name of the Senator from Georgia [Mr. FOWLER] was added as a cosponsor of S. 2601, a bill to amend section 371 of title 28, United States Code, to allow a Federal judge who is at least 60 years of age and has completed 20 years of service to retire from regular active service.

S. 2644

At the request of Mr. BAUCUS, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 2644, a bill to amend title XVIII of the Social Security Act to make certain payment reforms in the Medicare Program to ensure the adequate provision of health care in rural areas, and for other purposes.

S. 2707

At the request of Mr. SYMMS, the name of the Senator from Wisconsin [Mr. PROXMIRE] was added as a cosponsor of S. 2707, a bill to provide for the transfer of certain monkeys to the animal sanctuary known as Primarily Primates, Incorporated.

S. 2756

At the request of Mr. KENNEDY, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of S. 2756, a bill entitled the "Anti-Apartheid Act Amendments of 1988".

S. 2782

At the request of Mr. DASCHLE, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of 2782, a bill to amend title XIX of the Social Security Act to provide coverage for certain outreach activities undertaken at the option of a State for the purpose of identifying pregnant women and children who are eligible for medical assistance and assisting them in applying for and receiving such assistance, and for other purposes.

SENATE JOINT RESOLUTION 343

At the request of Mr. ADAMS, the name of the Senator from Idaho [Mr. MCCLURE] was added as a cosponsor of Senate Joint Resolution 343, a joint resolution to designate the period commencing November 13, 1988, and ending on November 19, 1988, as "Filipino American National History Week."

SENATE JOINT RESOLUTION 346

At the request of Mr. LAUTENBERG, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of Senate Joint Resolution 346, a joint resolution to designate March 25, 1989, as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy."

SENATE CONCURRENT RESOLUTION 127

At the request of Mr. WILSON, the names of the Senator from Texas [Mr. BENTSEN], the Senator from Illinois [Mr. SIMON], the Senator from Illinois [Mr. DIXON], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Rhode Island [Mr. PELL], and the Senator from North Dakota [Mr. CONRAD] were added as cosponsors of Senate Concurrent Resolution 127, a concurrent resolution expressing the sense of the Congress concerning support for Amateur Radio and Amateur Radio frequency allocations vital for Public Safety purposes.

AMENDMENTS SUBMITTED

PARENTAL AND TEMPORARY MEDICAL LEAVE

NICKLES AMENDMENT NO. 3289

(Ordered to lie on the table.)

Mr. NICKLES submitted an amendment intended to be proposed by him to the bill (S. 2488) to grant employees parental and temporary medical leave under certain circumstances, and for other purposes, as follows:

On page 32, line 4, strike out "and".

On page 32, line 6, insert "and" after the semicolon.

On page 32, between lines 6 and 7, insert the following:

"(c) an employee of either House of Congress or of the two Houses;

ARMSTRONG (AND NICKLES) AMENDMENT NO. 3290

(Ordered to lie on the table.)

Mr. ARMSTRONG (for himself, and Mr. NICKLES) submitted an amendment intended to be proposed by them to the bill S. 2488, supra; as follows:

At the appropriate place, insert the following new section:

SEC. . HOMEWORK.

(a) IN GENERAL.—Section 11(d) of the Fair Labor Standards Act of 1938 (29 U.S.C. 211(d)) is amended—

(1) by inserting "(1)" after the subsection designation;

(2) by striking out "Administrator" each place it appears and inserting in lieu thereof "Secretary";

(3) by striking out "regulating, restricting, or prohibiting" and inserting in lieu thereof "regulating or restricting"; and

(4) by adding at the end thereof the following new paragraphs:

"(2) The Secretary may not make any regulation or order under this Act that would prohibit an individual from engaging in homework as an employee of any employer subject to this Act, except that the Secretary may make such an order with respect to an individual employer found to be in violation of this Act. For purposes of this paragraph, an individual shall be considered as being engaged in homework if the individual performs work in the individual's home as an employee of a particular employer.

"(3) Not later than 1 year after the date of enactment of this paragraph, and each year thereafter, the Secretary shall report to Congress on—

"(A) the impact on industries and employers of regulations of the Secretary under paragraph (1); and

"(B) the economic effect on industries and employees of paragraph (2).".

(b) EFFECT ON EXISTING REGULATIONS AND ORDERS.—Any regulation or order of the Secretary of Labor made under section 11(d) of the Fair Labor Standards Act of 1938 before the date of enactment of this Act that is not authorized by such section (as amended by subsection (a)) shall, as of such date of enactment, be of no force or effect.

NOTICE OF HEARING

SPECIAL COMMITTEE ON AGING

Mr. MELCHER. Mr. President, I would like to announce for the public that the Special Committee on Aging has rescheduled its hearing on "Cost-of-Living Adjustments and the CPI: A Question of Fairness" to October 5, 1988, at 10 a.m. in room 628, Dirksen Building.

For further information, please contact Max Richtman at 202-224-5364.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Monday, September 26 at 10 a.m. in open session to consider the nomination of Ken Kramer to be Assistant Secretary of the Army for Financial Management.

The PRESIDING OFFICER. Without objection, it is ordered.

SUBCOMMITTEE ON WAR POWERS

Mr. BYRD. Mr. President, I ask unanimous consent that the Special Subcommittee on War Powers of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Monday, September 26 at 10 a.m. to continue their series of hearings on the War Powers Resolution.

The PRESIDING OFFICER. Without objection, it is ordered.

ADDITIONAL STATEMENTS

A TRIBUTE TO MRS. RUBYE DOBBINS

● Mr. SASSER. Mr. President, I would like to call your attention to a distinguished constituent from Shelby County, TN, Mrs. Rubye Dobbins.

Mrs. Dobbins, a native of Millington, TN, has dedicated her life to the betterment of education. The future of our American society depends upon the education of today's youth and I salute Mrs. Rubye Dobbins today for her commitment to our youth and the futures that each of our youths hold.

Throughout her years in the field of education, Mrs. Dobbins has been a strong influence on many young minds, developing and encouraging them to continue to learn and strive for academic excellence. Mrs. Dobbins outstanding leadership abilities coupled with her deep concern and commitment to academic excellence has had great influence in the school system and the Memphis community. In 1981, under Rubye Dobbins leadership, the Shelby County School Board was selected the outstanding school of the year at the Tennessee School Boards Convention.

Rubye's dedication to quality education has meant involvement with the state wide school boards association as well. She led that body as its president in 1985. And once more, her peers singled her out for exemplary work. She has received both the award of merit and the distinguished service award from the Tennessee School Board Association. I can think of no one who stands as a better example of commitment to education than Rubye Dobbins.

But as with many great leaders, Rubye has found time to become involved in many more community projects. The interest in children which she displays in her career is evident in her participation in such programs as the United Nations International Workshop on Children and Youth and the White House Conference on Children and Youth. This mother of five's tireless efforts on family issues led to her being named Tennessee's Mother of the Year in 1982.

Rubye Dobbins takes the word community very seriously. She is an active member of countless church and civic organizations. She brings to each the same boundless energy which has brought her praise from across our State.

As we take time to reflect on the importance of education, the importance of community, it is truly fitting that we also take time to honor Rubye Dobbins. She is a shining example of what one person can do for their community. The programs which Mrs. Dobbins has established and the standards which she has set will continue to pave the way for many students as they strive to reach for their goals; her life's community service. The Shelby County School System has come a long way under Mrs. Dobbins leadership.

I want to commend Mrs. Dobbins for dedication and commitment to professional excellence. Mrs. Dobbins has inspired both faculty and students to learn and achieve. For that, all of us are grateful.

I salute Mrs. Rubye Dobbins for all that she has meant to Millington, to Tennessee and to this Nation. I know our State is a better place because of her. Rubye, we thank you.●

IN HONOR OF FRED F. STECHER, SR.

● Mr. BRADLEY. Mr. President, New Jersey has lost one of its great community leaders. Fred F. Stecher, Sr., was executive secretary treasurer of the Essex-West Hudson Central Labor Council of the AFL-CIO. He was both a labor leader and a community leader, and I join my fellow New Jerseyans in mourning our loss.

As the top administrator of the labor council that represents union members in Essex and Hudson Counties and as a member of the board of trustees of the United Labor Agency, Fred worked tirelessly to defend the rights of working people. But his efforts were not limited to the labor movement. As a member of the Newark Board of Education, he fought to improve the quality of education in his community. During his years of service, Fred also focused his considerable energy on the New Jersey political arena, working as a member of the New Jersey Democratic Committee and as an aide to Essex County freeholder president, Thomas P. Gilbin.

Fred Stecher was much beloved by the people of his community. We all share our grief with his wife, Marion and his children, Fred, Jr., Loretta and Patricia. He will be deeply missed.●

MEETING THE CHALLENGE OF COMPETITIVENESS

● Mr. BAUCUS. Mr. President, I have long been a proponent of efforts by the private sector and the Government to increase the international competitiveness of U.S. business. Many United States firms have so far failed to recognize that they are losing business to firms in West Germany, Japan, Korea, other developing economies. Fortunately, some U.S. firms have not only recognized this growth of competition from abroad, they also have taken steps to meet the competition head on. One such firm is Hewlett-Packard.

Hewlett-Packard is an international manufacturer. It recognizes the importance of international trade to the U.S. economy and it has taken steps to become more competitive in overseas markets. Hewlett-Packard is a leader in private sector research expenditures to develop the new products that world markets demand. Equally important, Hewlett-Packard has been working to improve its manufacturing process.

Hewlett-Packard recently sent me a description of some of the firm's efforts to respond to global competition. Mr. President, I ask that a copy of that report, entitled "Meeting the Challenge of Competitiveness," be inserted in the RECORD.

The report follows:

MEETING THE CHALLENGE OF COMPETITIVENESS

How Hewlett-Packard is responding to the new reality of global competition through better development and application of technology and through policies that encourage the commitment and creativity of its people.

DIMENSIONS OF THE CHALLENGE

A truly domestic U.S. economy has ceased to exist. Today, imports and exports represent twice as large a portion of our gross national product as they did just two decades ago. To prosper in this environment, there is no alternative but to compete in global markets.

Even before American exporters felt the effects of a strong dollar in the 1980s, our balance of trade began declining. The nation registered its first merchandise trade deficit in this century in 1971. Since then, the deficit has risen dramatically. In 1987, it was $171 billion. Even high-tech products, which account for 40% of U.S. trade in manufacturers, posted a deficit in 1986—the first ever—and again in 1987.

U.S. productivity has grown at an average rate of only 0.8% per year in the past 10 years, compared with more than 3% annually in the 1950s and 1960s. During the same period, productivity was growing at four times that rate in the rest of the industrial world.

American spending on non-defense R&D, both by government and by the private sector, has increased far more slowly than non-defense R&D spending in rival nations. Today, Japan spends nearly 3% of GNP on non-defense R&D, while the United States spends about 1.7%. And U.S. funding for university research plant and facilities declined by 95% in real terms from the 1960s to the 1980s.

The personal savings rate in the United States is significantly lower than that of our major industrial trading partners, and our consumer debt is higher. This, together with rising federal deficits, has increased the cost of capital and reduced the net investment rate of U.S. business.

As a result of these trends, the U.S. standard of living has been growing much more slowly than in the past, and real wages have actually declined. Indeed, from 1973 to 1986, real average hourly wages of production and nonsupervisory workers fell by 10%, according to a recent Congressional Research Service Report for Congress.

Capturing a larger share of today's global markets will not come easily. In some respects, American companies operate at a disadvantage. They must contend with high capital costs. Foreign trade investment barriers often work against them. And high wages are a handicap everyone would like to keep. That makes it imperative that we work more productively than our competitors.

HEWLETT-PACKARD'S RESPONSE

Although it's 49th on the Fortune 500 list, Hewlett-Packard ranks 12th among U.S. exporters. Last year, sales outside the United States—where 35% of HP's employees work—accounted for almost half of company revenues. International orders increased 22 percent in 1987, compared with an 11% increase in U.S. orders.

In 1987, Hewlett-Packard invested $901 million in research and development—more than 11% of sales. That makes it the third largest private sector electronic research organization in America. Products less than three years old account for more than half of HP orders.

HP sales have grown 2.5 times as fast as employment over the past decade. In 1987, revenues increased by 14% with virtually no growth in employment, which translates into a 14% gain in sales per person.

Revenues from equipment sales are growing 10% faster than the cost of producing goods, resulting in an annual return of $200 million.

Field failure rates have been declining by 20% annually and are now one-sixth of 1979 levels.

Inventory reductions have freed $542 million in working capital. HP's inventory in 1987 was 13.8% of sales, compared with 20.5% in 1979.

Faster collection of accounts receivable translates into a gain of $146 million. Since 1979, the amount of time required for collection has been cut from 58 days to 50 days.

Lower costs for supplies purchased from outside vendors save HP $80 million annually. By working closely with suppliers, the company pays 20% less than the Producer's Price Index for common electronic parts.

Hewlett-Packard finances all investments and growth out of its own profits. This tradition of self-financing makes HP a more stable employer, because it can buffer the effects of rising interest rates or business downturns. Despite the recessions of 1981-2 and 1985-6, sales have grown 20 percent annually for the past decade, well above the average growth rate for the U.S. Fortune 500.

1. INCREASING INTERNATIONAL PRESENCE TO BUILD SALES IN GLOBAL MARKETS AND ADD VALUE TO THE AREAS IN WHICH HEWLETT-PACKARD DOES BUSINESS

Although 65% of Hewlett-Packard employees work in the United States, nearly half of HP revenues come from customers abroad. And their share of total sales is growing. Thanks to the company's strong international presence, international orders increased 22% in 1987, twice the rate of growth for U.S. orders.

This presence goes well beyond the establishment of sales organizations in foreign markets. By setting up manufacturing, purchasing and research facilities abroad, HP is better able to respond to the needs of customers there. In addition to adding value to local economies, HP's presence abroad contributes to economic development and high quality employment in the United States.

Direct participation in overseas markets stimulates exports from the United States. It enables Hewlett-Packard to better understand the needs of customers in other countries. This contributes to greater demand for a broad range of company products manufactured in the United States. HP's long-established presence abroad also enables it to quickly capitalize on changes in the value of the dollar.

Hewlett-Packard was among the first U.S. electronics companies to establish a manufacturing presence outside the U.S. Its first international plant opened in West Germany in 1959, soon after creation of the European Community. Its first international joint venture—a partnership with Yokogawa Electric Corporation in Japan—dates back to 1963.

Here are some of the ways Hewlett-Packard has extended its reach in international markets.

Manufacturing and Research. Hewlett-Packard has manufacturing operations in 16 countries and this year began construction of new facilities in France, West Germany and Singapore. Many international HP subsidiaries have their own product development programs. In addition, three years ago the company established the Bristol Research Center in England as an arm of HP Laboratories and a link to the research comunity in Europe.

International procurement. HP purchases of goods and services help stimulate local economies. For example, Hewlett-Packard contracted with a Norwegian firm to develop test instrumentation in support of the de facto standard for Nordic mobile telephones. It's now on the HP price list and is exported to several European countries.

Joint Ventures. In addition to it initial Japanese joint venture with Yokogawa, HP has a close working relationship with Canon Inc. involving joint R&D and marketing efforts for laser printers and office computers in Japan. In Europe, the company participated in the development of the next generation of the Integrated Services Digital Network through the European Community's program for Research and Development for Advanced Communication in Europe (RACE).

Such interactions reinforce Hewlett-Packard's ties with customers, suppliers, affiliates and government entities around the world and support international sales efforts. Active participation in global markets stimulates exports of U.S.-made products as well as those manufactured abroad. Some examples of this participation:

Japan, often characterized as a difficult market to crack, accounts for 16% of HP international sales—more than any other foreign country. Hewlett-Packard's market share for electronic instruments in Japan has grown 50% since 1985.

Last year, the prestigious Queen's Award for Export Achievement was awarded to Hewlett-Packard Limited, HP's subsidiary in the United Kingdom. Exports by HP Limited nearly tripled between 1984 and 1986.

Hewlett-Packard's Norwegian subsidiary recently created a way to connect users of HP's electronic mail system with users of IBM's system. The technique was developed for Statoil, the national oil company, but is now an HP product available to customers worldwide.

A quality assurance manager from HP's Disc Memory Division became the first non-Japanese invited to speak about quality to the annual conference of the Japanese Union of Scientists and Engineers. The organization was intrigued by dramatic improvements in disc drive quality and reliability by a team of HP engineers in Boise, Idaho.

2. INVESTING IN RESEARCH AND DEVELOPMENT AND APPLYING TECHNOLOGY TO CREATE A COMPETITIVE ADVANTAGE

Hewlett-Packard invested more than $900 million in research and development in 1987, more than 11% of new revenue. Such expenditures are vital to future growth, since more than half of company revenues come from products that are less than three years old.

Investing in technology. If new products are the lifeblood of HP's business, than investment in new technology is the heart that keeps the innovation cycle flowing. Despite ups and downs in the industry, Hewlett-Packard has consistently made continuing investments in research and development.

In 1987, this strategy paid off in the strongest product rollout in years, including a shipment of six new HP Precision Architecture systems and powerful new engineering workstations and personal computers. The new architecture enable HP to bring systems to market more rapidly and produce powerful and extremely reliable machines at competitive prices.

The technology Hewlett-Packard supplies to customers also helps HP design and production teams work together more effectively for example, the company has developed software products that make it possible to share engineering data among different project members, applications and workstations. Such tools enable HP to produce integrated circuits that are nine times more complex than just four years ago in less time and with fewer defects.

Shortening the product development cycle. HP design teams currently are working to dramatically shorten the time from conception of an idea to delivery of the finished product. The goal is to cut in half the time it takes to pay off the investment in a new product.

To help meet this challege, full-time productivity managers have been assigned to each R&D organization in the company. They analyze the group's design process, identify the best practices, select the right computer-assisted engineering tools and ensure that all members of the technical staff are fully trained.

Product teams also have been broadened to include representatives from R&D, manufacturing, marketing, materials management and other disciplines. They work together from day one of a project, contributing their different perspectives and making sure organizational barriers do not hinder product development.

Here are some other ways Hewlett-Packard is using technology to improve the cost/effectiveness of its internal operations—a complex matrix of more than 50 manufacturing divisions and sales offices in 78 countries:

Faster collection of accounts receivable. The amount of time required to collect accounts receivable has been reduced from an average of 58 days in 1979 to 50 days in 1987—a savings of $146 million.

Better management information. Hewlett-Packard gathers the information needed to manage the company through five global systems that link all service and manufacturing facilities. They provide accurate and timely data that allows management to respond quickly to changes affecting the business. Local and shared systems also are in place to meet the operational needs of individual HP entities.

Higher sales force productivity. HP's U.S. sales force is equipped with portable computers that communicate with corporate data bases to obtain status and competitive offerings, permitting salespeople to spend 35% more time with customers.

More efficient communications. Advances in electronic mail and other communication systems enable HP personnel in far-flung locations to communicate with colleagues throughout the world quickly and efficiently. This makes it possible to cut across organizational boundaries and run an international, decentralized organization with greater flexibility.

3. EMPHASIZING TOTAL QUALITY CONTROL AND DESIGNING FOR MANUFACTURABILITY

In 1979, Hewlett-Packard embarked on a major, companywide campaign to improve the quality and reduce the cost of manufacturing. This drive was prompted by an internal study that revealed that, despite HP's reputation for high quality, fully one-fourth of its manufacturing costs were quality-related and could be eliminated by doing things right the first time. Since then, the company has been right on target in its efforts to reduce field failure rates to one-tenth their previous levels by 1990—the objective established by President John A. Young at the beginning of this decade.

The defect rates on components supplied by vendors have been cut by 90% since 1982.

The price Hewlett-Packard pays for purchased common electronic parts—which account for about half of manufacturing costs—is 20% less than the Producer's Price Index—an annual savings of about $80 million.

As a result of higher productivity, revenues are growing 10% faster than the cost of goods sold—including direct labor, materials, and other input required to produce a product.

These results have been achieved by:

Total quality control. The benefits of quality control were amply demonstrated early in this decade by the experience of HP's Japanese joint venture, Hewlett-Packard Yokogawa (YHP), which won the coveted Deming Prize in 1982. During the five years it strove for that award, YHP cut manufacturing costs on its own products by 42% and inventory by 64%. Failure rates went down by 60%, and R&D cycle time was cut by more than a third. At the same time, productivity almost doubled, and profits and market share improved by about a factor of three.

By synthesizing the experience of YHP and other successful manufacturing operations, Hewlett-Packard has made dramatic improvements in quality and productivity throughout the organization. For example, since 1981, HP's Loveland Division has slashed the failure rate for its instruments by 85%, reduced production costs by 30% and cut product development cycle time by 60%. At the same time, productivity increased by 50% and the stability of specifications improved by 145%.

Reducing inventory. Progress in these areas permits HP to practice Just-in-Time manufacturing and thereby reduce inventories substantially. Before total quality control was introduced, Hewlett-Packard's inventories equaled 20.5% of sales, by 1987, that figure had been reduced to 13.8%, freeing $542 million in working capital.

Designing for manufacturability. Good design no longer just means advancing the state of the art or adding new features. It also means developing products that are easy and cost-effective to build, inexpensive to maintain and convenient to use. To meet these demands, Hewlett-Packard has broadened its new product teams to include people from materials, production, testing and other disciplines.

By treating product development and manufacturing as parallel processes, striking gains have been made, for example, in developing HP's 3065 boardtest system, it took only two days to turn on the test systems, compared with eight weeks for the previous model, the 3065 required only three technicians in production, compared with 14 for its predecessor. Component test quality improved sixfold. The time required for redesigning after release to manufacturing went from 180 to 9 man-months.

Closer relationships with suppliers. Hewlett-Packard uses information systems to help suppliers forecast HP requirements and track the quality of their parts and their delivery performance. Suppliers benefit by getting an accurate picture of the company's total needs six months in advance so they can plan their production schedules. Hewlett-Packard, in turn, is assured of Just-in-Time deliveries to meet its demand for parts at a cost substantially below the industry average.

4. BASING COMPANY OBJECTIVES AND STRATEGIES ON CUSTOMER NEEDS, NOT ON TECHNOLOGY OR PRODUCT LINES

Five years ago, the Hewlett-Packard organization was based on major technologies and product families. This made sense from an internal perspective and encourages innovation and entrepreneurship. However, a survey of HP customers indicated that a structure based on product lines was not best for them. They needed solutions that included many different products, integrated to provide the right combination for their needs.

Restructuring the organization. As a result, in 1984 Hewlett-Packard realigned the entire company into major business sectors based on key markets and applications. Some activities were consolidated to achieve economies of scale. And executives learned to manage across organizational boundaries to coordinate the activities of the many HP entities that play a role in systems-related projects.

Breaking down organizational barriers and improving teamwork is an ongoing process at HP. Managers are encouraged to shorten lines of communication, resist the "not invented here" syndrome and refuse to get comfortable with doing things the same old way.

Revising business strategies. Dissatisfaction with the status quo also prompted Hewlett-Packard to take a new look at its strategy for business development from the customer's point of view. It recognized that customers operate in a multi-vendor environment, using systems from many different suppliers. To serve their needs, HP totally revised its networking approach. Instead of pursuing a proprietary strategy, like some vendors, it chose to support industry standards.

In keeping with this approach, the company introduced more than 70 new networking products in 1987. HP was the first computer company to market a private communications network based on the X.25 protocol, an international standard. It also markets an access tool for transferring data from an IBM mainframe to an HP personal computer.

Providing customer support. HP follows up sales with a single, integrated set of support services. The same team that puts together a customer solution supports it after the sale. As a result of these efforts users rated Hewlett-Packard number one in customer support satisfaction in a recent survey by the market research firm Datapro International.

STRESSING THE IMPORTANCE OF PEOPLE ISSUES—TRAINING, TEAMWORK, AND MOTIVATION—AS KEY FACTORS IN THE COMPETITIVE EQUATION

Hewlett-Packard has long been recognized for its success in creating a corporate culture that emphasized respect for the individual, open communication and a desire to share both responsibilities and rewards with the people who make up the organization. Those principles have been tested in recent years by intense competition, rapid technological change and the need to rebalance human resources.

Such issues are not unique to Hewlett-Packard or the electronics industry. Many companies face similar challenges. HP is meeting them by focusing on retraining, employment stability, profit sharing and policies that promote teamwork and longterm solutions.

Retraining. Hewlett-Packard currently spends at least $200 million a year to prepare people to take on new job assignments. For example, about 7,000 hardware engineers have been retrained for careers in software engineering. Production people are learning how to operate computers or provide administrative support. And in cooperation with junior colleges, HP is offering first-line manufacturing supervisors the opportunity to expand their skills in total quality control.

Employment stability. Rather than pass out layoff notices and abruptly close unprofitable operations, HP responds to changing work-force requirements in ways that promote employment stability. During temporary downturns, layoffs have been avoided by asking all employees—from the president on down—to accept a 10% pay cut and take every other Friday off.

In other cases, Hewlett-Packard has balanced its human resources through short-term loans of employees to other division, permanent relocation, or voluntary early retirement and severance programs that provide a cash incentive for leaving the company. The company provides financial counseling for those who choose early retirement and offers counseling in interviewing skills and resume writing for those who choose voluntary severance.

Profit sharing. HP's generous profit sharing, stock purchase and retirement plans enable employees to share the rewards of the company's success. All employees are eligible for profit sharing after six months, and everybody receives the same percentage of base salary. Participation is unusually high. About 70% of HP employees take part in the stock purchase program, and stock options are granted to 10% of employees—the largest number of options in the Fortune 500.

Team building. Hewlett-Packard's corporate culture-sometimes referred to as "the HP way"—encourages teamwork in a number of ways:

Through informality—open and honest communications, no artificial distinctions, use of first names and an open-door policy.

Through personnel policies—promotion from within, lifetime training and education, career counseling and other development opportunities.

Through decentralization—keeping groups as small as possible. Management by objective—giving employees authority to make decisions and set goals.

Through "management by walking around"—being accessible and talking to people on an informal and spontaneous basis.

Hewlett-Packard also encourages teamwork by using cross-divisional collaboration as a standard in measuring the performance of HP units and by gauging the value and complexity of a manager's job in nontraditional ways. The company looks beyond standard criteria such as size of budget and number or reporting relationships, which tend to reward empire building. Its goal is to create a lean organization that encourages people to work effectively across organizational boundaries.

6. RECOGNIZING THAT YOU DON'T HAVE TO SACRIFICE THE STANDARD OF LIVING IN ORDER TO BE A LOW-COST PRODUCER

There is a tendency to equate low-cost production with cheap wages and substandard working conditions. This overlooks the true meaning of competitiveness stated at the beginning of this report-producing "goods and services that meet the test of international markets while simultaneously maintaining and expanding real incomes."

Hewlett-Packard recently demonstrated that American know-how can, indeed, triumph over low-cost labor advantages by launching a new family of American-made computer terminals the HP 700 series, including the most inexpensive terminal on the market. The terminals are priced from $375 to $1,095, 5% to 45% less than terminals offered by competitors.

The challenge. The assignment sounded like an episode from the Mission Impossible television series:

Redesign existing terminal architecture, reducing the number of printed circuit boards from three to one per terminal to lower material cost and raise reliability

Overhaul the manufacturing floor to dramatically reduce assembly and test costs through selective automation.

Create a new market thrust to challenge existing terminal market leaders.

And do all of this not in Asia—where labor costs are one-sixth those of the United States and where 90% of today's computer terminals are made—but in Roseville, California.

The approach. HP's Roseville team started with a clean slate, discarding preconceptions about how terminals should be designed, manufactured and sold. From the very beginning, representatives from research and development, manufacturing, marketing and quality control were involved in determining the product line's evolution.

Nearly 75% of the non-production employees at the Roseville Terminals Division worked on the program on 18 individual task teams. They focused on reducing overhead costs and designing for manufacturability.

Representatives from engineering, manufacturing, product assurance, marketing and finance added their perspectives at each step of the process.

As part of their homework, team members spent several weeks in the Far East studying low-cost, high-volume components and determining the best sources of supply. This was a crucial consideration because materials account for most of the terminal's total cost. Only by getting the right components at rock-bottom prices could the Roseville Terminals Division meet its goal—manufacturing the world's lowest-priced terminals—without moving production, and the jobs associated with it, offshore.

The entire manufacturing process—from automation to training—came under close scrutiny. A team of veteran assemblers was asked to examine their jobs and suggest where improvements could be made. In some cases, people even suggested eliminating their own jobs to reduce overhead.

The results. This team effort, hard work and innovation paid off.

The cost of raw materials has been reduced by more than 50%.

With 20% fewer people needed for production, manufacturing overhead costs are considerably below the norm.

Because 90% of the components are identical, the production line can produce any of the five models at any time.

Fewer parts means high reliability.

Initial sales results are extremely favorable. If sales volume continues at current levels, production is expected to double within a year.

Larry Mitchell, general manager of the Roseville Terminals Division, sums up the implications of the Roseville project this way:

"We saw more and more manufacturing being sent overseas and decided that somebody somewhere had to do something or our jobs, our industrial leadership and perhaps our high standard of living were going to go away. We hope that Roseville will make a major statement for Hewlett-Packard and possibly the electronics industry that we have the ability to design low-cost products, manufacture them in the United States and still be highly competitive with products made offshore."

WHAT GOVERNMENT AND BUSINESS CAN DO TO INCREASE OUR COMPETITIVENESS

The role of government. Government has an indispendable role in promoting the competitiveness of American business because it creates the context in which our free enterprise system operates. Only the federal government can establish the trade, fiscal and monetary policies and build the national agenda required to get us back on the fast track of global competition. Government can help create such an environment by:

Pursuing public policies that promote capital formation and productive investments.

Moderating the volatility of exchange rates.

Avoiding excessive dollar overvaluation.

Strengthening the international trading system.

Providing a strong educational foundation.

Supporting basic research and commercially relevant technologies.

The role of business. In our society, the primary responsibility for restoring this country's competitive vigor rests with the private sector. It's up to American business to mobilize human resources, invest capital, manage assets and serve market needs. Through leadership in these areas, companies can master two key prerequisites of competitiveness:

Cost reduction—i.e., increasing output through improved productivity;

And competitive differentiation—offering products and services of such uniqueness or quality that people will pay well for them.

Companies like Hewlett-Packard are addressing these issues. They have adopted their own individual agendas for responding to the new realization of global competition and for meeting the test of international markets. If government does its part to create a climate that encourages initiative and supports innovation, American business will indeed meet the challenge of competitiveness.●

SENATOR ROCKEFELLER'S SPEECH ON TECHNOLOGY ISSUES IN UNITED STATES-JAPANESE RELATIONS

● Mr. BRADLEY. Mr. President, it is my pleasure to submit to the RECORD a speech by my colleague from West Virginia, Senator ROCKEFELLER, on technology issues in United States-Japanese relations. Senator ROCKEFELLER spoke before the Sixth National Leadership Conference on the United States-Asia Institute on September 16. I commend the speech to all of my colleagues as a thoughtful analysis of an important subject.

The remarks follow:

REMARKS BY SENATOR JOHN D. ROCKEFELLER IV

I am very pleased to be here today as you grapple with a critically important set of issues—the interrelationship of trade, security, technology, and competitiveness in the U.S./Asia context. As some of you may know, I have had a long involvement with Japan, ever since I was a university student and spent three years in Tokyo studying the Japanese language in the 1950's. I have been particularly concerned in recent years about the state of science and technology in the United States and a decline in our ability to compete globally in many areas. In an effort to put these two interests together, I would like to focus today on technology issues in the U.S./Japan relationship.

I believe that the health of this most important relationship will be determined, to a significant extent, by how the United States and Japan handle developments in the high-tech area. And how these two economic superpowers manage those issues will have a tremendous impact on all of Asia and the world.

According to one long-time Japan watcher, James Abegglen, between 1950 and 1980 Japan spent $10 billion to acquire just about all the technology in the world that it was considered worth having. This was done in the form of a staggering 30,000 separate agreements. The Japanese economic miracle—despite their impressively high savings rate, a government-coordinated industrial policy, and the deep commitment of the Japanese worker—would never have taken place without this massive transfer of technology.

The Japan of today, of course, is quite different than it was during that earlier era. Japan is no longer an imitator but an innovator, a creator, an inventor. Japan is doing research at the cutting edge in many advanced technological areas, such as new materials, biotechnology, semiconductor devices, and artificial intelligence, to name but a few.

Many people in both countries believe that the United States and Japan are in a race—a contest to be the number one technological power in the world. We constantly see comparisons in newspapers and magazines in both countries telling us who is ahead in which technology. The Asahi Shimbun, Japan's most widely read newspaper, for example, prints a scorecard on its front page every week rating the two countries in over 100 different technologies.

I believe this contest has both positive and negative elements. It is positive as it represents a high state of competition between our two countries, between our industries and our scientific establishments, and competition, after all, is what makes our capitalist societies thrive and prosper. It is unfortunate, however, that the contest engenders commercial, emotional, and political friction, and I fear that there are many opportunities for cooperation lost because of this. Japan is consumed by a passionate desire to be number one. The United States is consumed by an equally passionate desire to remain number one.

I believe that this is the wrong foundation on which to base technology policy in both countries. It need not be a zero-sum game. Linus Pauling, winner of two Nobel Prizes, once wrote "Science is the search for truth—it is not a game in which one tries to beat his opponent, to do harm to others." Neither Japan, nor the United States, nor, for that matter, the rest of the world, can afford to see technological development inhibited by a narrow, nationalistic orientation. There will have to be fundamental changes in the approaches taken by both the United States and Japan, and I would like to discuss these with you. Let me begin with some of the changes that I see as absolutely necessary in the United States.

First, we have to put our own house in order. It is not the fault of others that we have a massive budget deficit and a microscopic savings rate. It is not the fault of others if we have let our education system slip and don't have a national commitment to retrain our workers. The United States cannot maintain a strong economy on the current course. Americans can no longer buy without selling; consume without producing; borrow without saving. We need to make significant adjustments in our macroeconomic policies and to re-order priorities in our society if we expect strong economic and technological growth to continue.

Second, we must renew our commitment to excellence. Quality control began in the United States, although we seem, somehow, to have lost our way. Many companies in a wide range of industries are moving to regain this commitment, but we still have a long road ahead of us.

Third, we must assign the proper value in our society to those individuals who create, who invent, and who manufacture. Do we need more lawyers in this country or more engineers? Do we need more experts at financial manipulation and corporate takeovers or more scientists? The answer is obvious. Unfortunately, the solution is not so clear.

Fourth, we have to change the way government and business interact. In a world where the semiconductor is the rice of industry and it costs hundreds of millions of dollars to open a fabrication plant, government must play a new role in promoting and fostering industry. There is still a very important role for the individual, the entrepreneur, the small, high tech start-up firm in this country. There is still opportunity for those like Steve Jobs and Steve Wozniak who began a revolution by building the Apple Computer in their garage. But Steve Chen, the world's foremost developer of supercomputers, cannot move to the next generation of these machines without at least one hundred million dollars and a massive infrastructure and support system. Our government does a superb job of supporting research and development for defense. It must begin to do a similar job with non-military technology.

The final item on this illustrative list of necessary changes in the United States is, perhaps, a small matter, but it is something in which I have been very involved—America's tragic inability and unwillingness to monitor technological developments in Japan. Japanese scientific literature is vast and open for all to see. However, out of some 10,000 scientific and technical journals published in Japanese, maybe 100 are translated regularly into English. The cause of this is a combination of an American syndrome called "not invented here" whereby many Americans believe that something not discovered in the United States has no value, the still tragic lack of interest in foreign languages, and the absence of a commitment by industry and government to put adequate resources into these translations. There are some exceptions, of course. The effort by Microelectronics and Computer Technology Corporation to monitor Japanese high-tech developments comes particularly to mind. But, as one who spent three years studying Japanese as a university student in Tokyo, I find my countrymen's attitude toward foreign languages to be nothing short of a national disgrace and a national disaster. I sponsored legislation establishing a Japanese Technical Literature Translation Office in the Department of Commerce to help seed this process, but much more needs to be done.

Let me turn now to a list of some of the changes that I think will have to take place in Japan—changes that will be just as hard to make there as those I have just listed will be to make in the United States.

First, although Japanese industry and government recognize the degree to which our two economies are linked and interdependent, the rhetoric has not yet been translated into practice. Single-minded pursuit of market share at any cost and the continuing mercantilist orientation of trade policy do not contribute to a healthy relationship. Yes, Japanese and American firms are competitors. But the destruction of key American industries—be it television manufacturing, machine tools, or semiconductors—is not in anyone's best interest, including Japan's.

Second, Japan will have to learn to share its technology with the United States and the world. An oft-used word in the United States is "techno-nationalism". This is defined by Professor Robert Reich as "a new effort by the US to keep the fruits of American technology in the US, and to make it more difficult for foreign nations, in particular the Japanese, to take advantage of American technology." Ironically, there is probably no better place to observe techno-nationalsim than in Japan.

Let me give two examples of this Japanese unwillingness to share technology. The U.S./Japan Agreement on Science and Technology was signed by President Carter and Prime Minister Ohira in 1980. Last year, it came up for renewal, and one important issue dealt with equitable access for researchers of one country into government and university laboratories of the other. Japanese scientists have virtually unrestricted access to U.S. Government laboratories, while American, and other foreign, researchers have had very little opportunity to participate in Japanese government funded or supported research. The 400 Japanese researchers at the National Institutes of Health attest to the fundamental openness of the American system. After protracted negotiations, backed up by Congressional pressure, the renewed agreement included a provision that refers to "comparable access" by researchers. It will be necessary to monitor develoments in Japan closely to insure that this provision is properly implemented. I note that it will also be incumbent on American scientists and researchers to take maximum advantage of these new opportunities.

The other example of Japan's techno-nationalism relates to a bilateral agreement on the transfer of military and dual-use technology from Japan to the United States—dual-use meaning technology that can be used for either military or non-military purposes. Very little technology has been transferred as a result of this agreement, apparently, because of considerable resistance on the part of Japanese industry and some parts of the government bureaucracy. As the issue of defense burden-sharing comes to the fore next year—that is, the concept that our allies should share more of the burden for their own, as well as regional, defense—the concern about this unwillingness to share dual-use technology will grow significantly.

A third change Japan will have to make is to improve the intellectual property protection it offers to foreigners. Problems in this area with Third World countries are an important topic in the Uruguay Round of Multilateral trade negotiations, but one hears little about this problem as it relates to Japan. I recently held a hearing in my Foreign Commerce Subcommittee on the problems foreign companies have with the Japanese patent system. Many face unacceptable delays when applying for patents and often find themselves virtually forced into cross-licensing arrangements in order to sell their high-tech products in Japan. Efforts to resolve these problems are now taking place in various bilateral, trilateral, multilateral fora, and I am hopeful that we will make progress in these discussions. It is unconscionable that in 1988 American and other foreign companies should have such a problem in Japan.

A final issue that must be raised when talking about technology and Japan is the Toshiba case and the broader question of export controls and East/West trade. As many of you know, Toshiba Machine Tools sold the Soviet Union high-tech machinery that allowed the Soviets to reduce significantly the noise level of their nuclear submarines, a development which may have a profound impact on the security interests of the United States and our allies, including Japan. This was a clear violation of the rules of COCOM—the Coordinating Committee for Multilateral Export Controls. As a result of this act, the Congress passed measures imposing sanctions on Toshiba Machine and its parent, Toshiba Corporation. One can argue that the United States improperly took extraterritorial action, contravening COCOM procedures upon which Allied export controls are based. On the other hand, one can also argue that the Japanese government was extraordinarily lax in its commitment to protect allied security and in its enforcement of these multilateral COCOM obligations. In any event, the positive outcome from this incident has been a considerable tightening of the Japanese government system for controlling technology leakage to the Soviet bloc, an increase in the attention paid by many Japanese corporations to their own internal controls, and a reinvigoration of COCOM. Japanese industry, in particular, now bears the burden of demonstrating its commitment to our alliance and its willingness to abide by the terms of the security system.

I have tried to present an illustative list of some of the changes that must take place in the United States and in Japan to assure that bilateral technological competition will not become a source of dangerous friction. I am sure that many of you could add to this list, and I would enjoy hearing your own suggestions during the question and answer period.

The leadership in both countries must recognize the importance of the technology relationship and avoid approaches that look at this from a short-term, nationalistic point of view. In the 1990's, technology questions will blend together with issues of trade, security, and the concern of Americans about their future. We must do a much better job of managing this technology relationship.●

PICKING UP THE PACE

● Mr. **BAUCUS**. Mr. President, for the last few years this Nation's position as the economic leader of the world has been changing. The change is due in part because other nations have been moving up on us. One area in which West Germany, Korea, Japan, and others have been moving up is in the area of commercialization of technology.

Commercialization of technology, simply put, is the ability to turn new ideas into products that can be sold here and abroad. We still do the research that develops new products, but we are letting other nations run away with the prize when it comes to manufacturing those new products more efficiently.

This problem has been examined in a recent report by the Council on Competitiveness entitled "Picking Up the Pace: The Commercial Challenge to American Innovation." The council is an organization of chief executive officers from business, organized labor, and higher education. The focus of their report is on what the U.S. Government can do to encourage more rapid commercialization of technology by U.S. firms and workers.

Mr. President, I ask that a copy of the report be placed in the RECORD at the end of this statement.

The report follows:

PICKING UP THE PACE: THE COMMERCIAL CHALLENGE TO AMERICAN INNOVATION

In field after field—from combustion engineering to consumer electronics, from machine tools to the integrated circuit—foreign competitors have moved into markets pioneered and once dominated by American firms. By aggressively developing and commercializing new technologies, foreign companies have achieved considerable economic success, sometimes taking over entire industries. Often, their success was built on exploiting inventions made in American laboratories by American scientists.

Throughout the 1970s, as trade deficits in U.S. "smokestack" industries mounted, we comforted ourselves with the notion that foreign commercial successes did not really matter since the economic future lay with "sunrise" high-technology industries. In 1986, however, we suffered our first high-technology trade deficit; and in 1987, despite the decline of the dollar, we registered only a modest high-tech trade surplus.

Then, we told ourselves that while other nations might be able to take advantage of lower wages and an overvalued dollar to make and sell products more cheaply, those countries were incapable of innovation themselves. Today, about half of all the patents awarded in the United States go to foreign inventors, and an increasing percentage of these patents are the important ones, the ones often cited in subsequent research applications.

We cannot afford any further erosion in our once-commanding technological lead. In the race for economic prosperity, the commercial application of technology is the nation's "value-added"—the process by which America's vaunted know-how is taken from the laboratory to the marketplace. Because technology is a driving force behind productivity improvements, export strength and a high standard of living, the stakes are enormous.

In examining the commercial challenge to American innovation, we ask one basic question: How can the federal government create an environment that is more conducive to the rapid commercialization of technology by the private sector? We believe that facilitating U.S. private sector efforts to move ideas from the laboratory to the marketplace should be a top national priority. America's future competitiveness and standard of living depend on it.

The Council on Competitiveness recognizes that the private sector has the primary responsibility for commercializing technology. It alone can develop, produce and market new products and processes. In this report, however, we focus on the government's role for two reasons. First, public policies undeniably create the climate in which American scientists, engineers, manufacturers and managers work. Second, and more important, the federal government is in a position to create public awareness of technology's central role in revitalizing American competitiveness and to promote the cooperation necessary to turn that awareness into national action.

The primary challenge for policy-makers is to develop a new public policy framework for technology that is appropriate for today's global competitive environment. While other governments have used science and technology policies to promote industrial growth, commercial spin-offs from U.S. government programs, if they occurred at all, have been incidential. Because the ability of American firms to identify, develop and commercialize technology is critical to our ability to compete in world markets, it is essential for the government to promote these private sector efforts systematically. Our report recommends a series of improvements.

In developing a framework for action, both the public and private sectors should be guided by a new understanding of the innovation process. Part of the reason for the erosion of America's technological lead is that we have tended to view progress in science and technology as a relay race, a step-by-step process whereby the "basic research runner" handed the baton to the "applied research runner," who handed off to the development and marketing specialists, and so on. Many of our efforts in the past few decades have concentrated on ensuring that the first runner—the basic researcher—exploded out of the blocks with a breakthrough invention that provided enough of a cushion for the rest of the team to coast to victory.

The innovation game, however, has changed. Instead of a relay race, research and development require a total team effort—where individual heroics are subordinated to a coordinated team approach, where systematic long-term progress is more important than a fast start out of the blocks. In many ways, foreign competitors are the driving force behind this new approach to innovation; and in many instances they have capitalized on it ahead of U.S. companies and the federal government. Because the approach to technology has changed, so must public policy.

The Council believes that the United States continues to maintain an overall world lead in science and technology. Our concern is the erosion of that lead. In pursuing a new level of scientific and technological excellence, America brings many strengths: a superb foundation of scientific expertise; a university system that is the envy of the world; a heritage of entrepreneurship; a flexible form of government that can correct policies as circumstances change; and the renowned willingness of the American people and their public officials to rise to a challenge.

Four decades ago, America restructured its technology and science policies in response to the challenge of the post-war setting and entered an era of unparalleled scientific achievement. Today, spurred by the commercial gains of foreign competitors, America must respond again. Increased government attention to, and support for, the commercialization of technology is a vital part of that response.

Thus, the recommendations contained in this report are offered not as a final answer, but as a necessary beginning in the long process of rebuilding American competitiveness.

B.R. Inman, Project Adviser, Chairman and Chief Executive Officer, Westmark Systems, Inc.; Ruben F. Mettler, Council Vice Chairman, Chairman, TRW, Inc.; John A. Young, Council Chairman, President and Chief Executive Officer, Hewlett-Packard Co.; Paul E. Gray, Council Vice Chairman, President, Massachusetts Institute of Technology; and Howard D. Samuel, Council Vice Chairman, President, Industrial Union Department, AFL–CIO.

EXECUTIVE SUMMARY

Foreign success in the rapid commercialization of technology is changing the way R&D and the innovation process are viewed. When the United States was primarily a domestic marketplace, the pace at which technology was turned into new products and processes was only one of several factors that determined commercial success. Today, with companies from around the world vying to gain competitive advantage from technology, time is a crucial consideration. The speed with which firms are able to translate innovations into commercial products and processes often spells the difference between success and failure.

Countries without a large scientific base have made up for shortcomings in research by concentrating industrial resources on the rapid commercial application of new ideas. By developing superior manufacturing systems, emphasizing quality and creating a supportive financial structure, other nations have been able to take new discoveries, often American in origin, and quickly move them into the marketplace. Government policies have supported this effort.

The United States, long used to preeminence in basic research, has been slow to recognize the changing nature of technological competition. As the nation wakes up to this new reality, it must reassess the roles played by all sectors—industry, academia, labor and government. The American economic system is based on the premise that the primary responsibility for commercialization belongs with the private sector. But success ultimately depends on a team effort. University research often sets the stage for private sector advances; a skilled, motivated labor force is essential to sustained progress; and government policies create the economic environment in which firms must operate.

This report focuses on the role of the federal government in facilitating and removing impediments to the commercial application of technology. It addresses several questions: How has international competition affected technology and the innovation process? What are the warning signals of a problem? Does federal policy facilitate the accelerated development of commercial technology? Is the technology that is developed by federal funding worthwhile and available in a timely way to the American private sector for commercialization? Does the regulatory and macroeconomic framework provide adequate support or does it hinder commercial activities?

The findings listed below address these questions and summarize the key points in the report. In doing so, they set the stage for the recommendations that follow.

SUMMARY OF FINDINGS

The effective development and deployment of technology is critical to America's ability to compete in world markets. Technology has traditionally been a major U.S. export strength, and leading economists estimate that technology is responsible for as much as 80 percent of U.S. productivity growth since the Depression. In today's international economy, virtually all aspects of the commercialization process have become globalized. For U.S. companies, this means that they must become as much "hunters and gatherers" of technology as they are generators; for the federal government, it means that public policy must take into account the impact of international competition on the commercial application of technology.

Technological innovation is closely linked to systematic, incremental improvements that are driven by market needs. America's post-war preeminence resulted largely from the "research-driven" model of the innovative process. This model views innovation as a linear process—starting with a major scientific breakthrough, progressing through design, development and production, and ending with marketplace distribution. Consequently, this model emphasizes the importance of basic research. The research-based model must be supplemented by another view that focuses more on market-driven applications of technology. The new model suggests that innovation is better described as an interactive or reiterative interdependent process in which design, manufacturing and product development all drive research and, at the same time, are highly dependent on research. This approach involves systematic, incremental improvments in products and processes as firms react to ever-changing market signals.

A variety of warning signals point to problems in the U.S. ability to commercialize technology rapidly. The signals of the commercialization problem are diverse. America registered its first high-tech trade deficit in 1986. The U.S. share of the consumer electronics market has dipped from about 100 percent in 1970 to less than 5 percent today. Other core industries—from semiconductors to pharmaceuticals—are being strongly challenged by foreign competitors. Foreign inventors captured 46.6 percent of U.S. patents in 1987 (up from 35 percent in 1975); and the Japanese hold the key patents in an increasing number of fields.

Many of America's problems stem from not rapidly moving new innovations into the marketplace and from underestimating the importance of manufacturing, quality and long-term planning. When the United States so thoroughly dominated the world economy, the speedy translation of new ideas into practical products and processes was not a crucial factor in commercial success. International competition has changed that situation. For technology-based industry, a failure to focus on the rapid application of new ideas can be devastating. Science and technology thrive in organizations where there is a critical mass of highly skilled talent, adequate facilities and equipment, as well as a sense of mission. Long-term investments in research, constant improvements in manufacturing processes, attention to quality, a supportive financial environment and the creation of a skilled, motivated work force are essential ingredients to success.

The federal government has not focused on the commercial application of technology as a public policy issue. As a result, current government policies and procedures tend to inhibit rather than accelerate rapid commercialization. In many ways, America's hands are tied by policies geared to another era that do not address today's competitive realities. Since the end of World War II, U.S. government science and technology programs have been dominated by two overriding concerns: basic research and support for specific national missions, such as national security and health. Largely as a result of this concentrated federal effort, American science has enjoyed an era of unprecedented excellence. In staking out a forceful role in the advancement of science, however, the federal government has tended to ignore factors important to the commercialization of technology. U.S. public officials too readily assumed that preeminence in science automatically confers technological and commercial success as well. It does not—at least since the rapid gains made by other nations. America assumed that government support for science would be adequate to provide for technology. It is not. Existing federal science and technology programs do not adequately recognize the new market-driven model of innovation.

Large federal budget deficits in a low savings society drive up the cost of capital and hinder the commercialization of technology. The commercial application of technology involves significant short-term investments in R&D that are rewarded only over the long-term. As a result, the cost and supply of capital are critical considerations. The combination of large U.S. federal budget deficits and low U.S. savings drive up the cost of capital in the United States. Consequently, U.S. firms are at a disadvantage in the race to commercialize technology. Large budget deficits and low savings also present America with another dilemma: either it can forego investment, which would hobble technological innovation, or borrow capital from abroad, which increases the U.S. foreign debt.

Federal government mechanisms for determining science and technology priorities and for coordinating policies across agencies are insufficient. No line agency of the federal government has broad responsibility for research and other activities related to civilian technology or for the coordination of technology policy at the national level. In the Executive Branch, responsibility for R&D is dispersed among 12 agencies; the Congress, the civilian science budget alone is divided among 9 of 13 different appropriations subcommittees. There is little federal focus on technology's impact on the economy, and there is no mechanism for setting overall priorities. Individual agencies are responsible only for their particular missions. The one organization that provides an overview of federal research and other activities related to economic performance—the White House Office of Science and Technology Policy—has no line functions and a small budget, with staff mostly on temporary loan from other agencies.

Federal investments in education, facilities and equipment that make up the nation's science and technology infrastructure are inadequate. American students consistently score lower on international math and science tests than their counterparts in other industrial nations; 1,300 to 1,800 engineering faculty positions at U.S. colleges and universities are currently vacant; the nation faces a projected shortfall of over 500,000 scientists and engineers by the year 2010; and federal funding of university research facilities has dropped by 95 percent in real terms over the past two decades. The federal government has a vital role to play in addressing these problems.

Inconsistent government R&D incentives undermine private sector efforts to make long-term investments in R&D. R&D is a long-term proposition for industry, but government R&D incentives can change from year-to-year, thereby undermining industry's ability to plan ahead. The R&D Tax Credit, the moratorium on implementation of Treasury Regulation 1.861–8 and the Basic Research Tax Credit are among the important R&D incentives for industry that have not been applied consistently over the long-run.

There is no consensus on the scope, mission and relevance of the federal laboratories to the needs of the country over the next 20 years. The federal government operates more than 700 laboratories whose annual budget of approximately $20 billion is equal to almost one-third of the government's annual R&D expenditures and one-sixth of the nation's total. The technology needs of industry are not among their major priorities. It is difficult to determine exactly how many laboratories there are and how many scientists and engineers they employ, much less which labs are effective in meeting their objectives and which should be closed down or reorganized for other purposes. Although recent efforts to promote technology transfer from the federal labs to the U.S. private sector are a step in the right direction these broader issues also need to be addressed.

In serving as a contractor and regulator of economic activity, the federal government has too often assumed an adversarial role in its relationship with industry. To commercialize new technologies, U.S. industry must overcome a set of economic, legal and regulatory barriers, such as inadequate protection of intellectual property, restrictions on research, pre-market approval of certain pharmaceuticals and chemicals, excessive export-licensing rules and unpredictable state product-liability laws. Most laws and regulations were enacted to address justifiable social concerns that have little to do with technology. Nonetheless, their aggregate impact on the commercial application of technology is enormous. This impact is often unforeseen by lawmakers, ignored by enforcement officials and almost entirely unmanaged.

In too many instances, promising science and technology initiatives have not been implemented. During the 1980s, the federal government took a number of steps to promote technology. In many respects, these efforts focused on the right issues: cooperative R&D, technology transfer, intellectual property rights, regulatory constraints, generic manufacturing and government organization. All too often, however, these policies were piecemeal, ad hoc and inconsistent. Implementation has been a recurrent problem. In some cases, promising new laws were enacted, but never funded. In others bureaucrats could not accommodate new priorities rapidly, and a shortage of skilled staff slowed progress. In still others, political considerations came into play. An initiative enacted by one Congress—the R&D tax credit, for instance—was undercut by the next. Throughout the government, there is far too little coordination within the federal bureaucracy and among the federal agencies, the states and private sector.

State governments have established an extensive network of technology programs that has yielded several important lessons. By mid-1987, 31 states had offices responsible for promoting the growth of technology-based businesses, and most other states provided assistance through state university systems or economic development authorities. State technology programs cannot provide a quick fix to the commercialization problem, but they do hold some important lessons. Among them are the following: (1) infrastructure, not projects, is usually viewed as the priority ingredient for success; (2) the private sector must take the lead; (3) a broad range of activities, from research to business-plan development, are necessary; and (4) innovation is a pragmatic, non-doctrinaire activity that cannot be reduced to a single model or approach.

SUMMARY OF RECOMMENDATIONS

To be effective, government actions to foster the commercial application of technology must respond to the needs of the private sector. In determining what kind of role the government should play, it is important to ask the question, "What does the private sector need to commercialize technology more effectively, and how can the government help meet these needs?" Viewed from this perspective, it is clear that government reform should center on four areas: (1) macroeconomic policy; (2) science and technology policy-making machinery; (3) infrastructure; and (4) expanded national R&D efforts. The recommendations below address the key policy issues in each area.

Recommendation 1: The Federal Government should improve the macroeconomic environment that affects the private sector's ability to develop and apply technology.

Make fiscal policy more supportive of private sector efforts to commercialize technology. U.S. fiscal policy—including large federal budget deficits and the tax structure—affects the supply and cost of capital to American industry, which has an important impact on private sector efforts to commercialize new technology. Credible multi-year deficit reduction should be a top priority of the new President and Congress. Furthermore, tax policy should be structured to promote savings and long-term investment. (The Council is addressing these issues more fully in a separate report to be published later in 1988.)

Strengthen U.S. trade policy for technology. The U.S. government should continue its efforts to open foreign high-technology markets, using all the tools available to it under current law. It also should attempt—both bilaterally and multilaterally—to improve protection of intellectual property abroad. The creation of a new unit for Technology, Intellectual Property, Services and Investment within the U.S. Trade Representative's Office is a step in the right direction.

Recommendation 2: The Federal Government should improve the machinery for making technology policy.

Appoint an Assistant to the President for Science and Technology. The next President should elevate the National Science Adviser to the position of Assistant to the President for Science and Technology. The Assistant to the President should report directly to the President, have Cabinet-level status and be an active member of interagency policy groups, such as the Economic Policy Council and National Security Council. Like the National Science Adviser, the Assistant to the President also would head the Office of Science and Technology Policy. Elevation of this position would not entail the creation of a new agency. The Assistant to the President should be provided with the necessary staff and resources to carry out his responsibilities, which are further described below:

Be a vital participant in shaping the macroeconomic and regulatory policy framework that affects the commercialization of technology. The Assistant to the President should make sure that technology issues are carefully considered in determining broader economic policy, rather than treated as residual or secondary concerns.

Develop priorities and coordinate science and technology policy across agencies. The Assistant to the President should help develop overall priorities and take them to the President for approval. He also should coordinate science and technology policy. This effort should include a review of the programs and objectives of individual science and technology agencies to ensure that they are consistent with one another and that they facilitate the commercial application of technology.

Review the federal science and technology budget with the Office of Management and Budget. Nowhere in the federal budget-making process is there an evaluation of the total federal science and technology budget and its rationale in terms of national goals. The Assistant to the President should be responsible for a cross-cutting review of the overall science and technology budget, looking beyond individual agencies' missions to consider whether the aggregate budget contributes to U.S. competitiveness.

Monitor implementation of policy. Much of the legislation necessary for a more effective government focus on technology is already on the books, but has not been effectively implemented. The Assistant to the President should monitor the efforts of government departments to implement these policies and bring to the President's attention failures of implementation. The Assistant to the President should work with Executive Branch agencies and Congress to make sure that key initiatives are fully implemented.

Work with the Office of Management and Budget's Office of Information and Regulatory Affairs. The Assistant to the President should work closely with this office to ensure that the current regulatory framework, to the maximum extent possible, supports private sector efforts to commercialize technology. Among the issues that should be reviewed to assess their impact on the commercialization process are: export controls; procurement and reimbursement policies; standards and testing requirements; product- and plant-approval processes; reassessment of laws and regulations that hinder or slow the commercialization of technology; and ownership of data rights.

Develop a four-year President's strategy for science and technology. The Assistant to the President should work with the President, Congress, relevant Executive Branch agencies and leaders from the private sector to develop an overall Administration strategy for science and technology. This strategy should be developed early in the new Administration's first year in office. It should be presented to the relevant committees in the House and Senate and made available to the American public. It should outline the Administration's objectives and detail how individual programs fit into the overall strategy. It should be updated as necessary during the Administration's term in office.

Forum for considering industrial technology needs. The Assistant to the President should provide a forum where industry can discuss issues related to the commercialization of technology and international competition. Such a forum could take several forms, such as an advisory committee, an *ad hoc* group or a special ombudsman. The precise form is secondary to the primary goal of creating a forum where industry can present its views to government on technology as it relates to international competition.

Rationalize the involvement of Congress in technology-related issues. The fragmented policy apparatus for science and technology extends to Congress. Progress in the Executive Branch will have a limited impact unless it is supported by Congress. Three major issues deserve consideration: bringing technology to the macroeconomic policy table; setting priorities; and developing two-year funding for R&D.

Consideration of technology issues in the formulation of macroeconomic policy. The commercial application of technology is not a discrete issue, but an integral part of broader macroeconomic policy. Fiscal policy, savings rates, investment patterns and the cost of capital all have an important impact on the commercialization process. At present, technology issues are not adequately considered during critical policy junctures. Congress needs to pay more attention to these issues in the formulation of U.S. macroeconomic policy.

Setting R&D funding priorities. The Senate and House Budget Committees, in addition to setting overall funding priorities for various departments, should also review the entire federal R&D budget and outline R&D budget priorities. Such a review would refocus discussion of the R&D budget away from the needs of individual agencies toward the needs of the nation as a whole.

Two-year funding for R&D. The President and Congress should work on a process whereby both budget authorizations and appropriations for R&D apply for two years. This framework should be implemented by a two-year budget resolution, with the resulting allocations to the other congressional committees also binding for two years. To guarantee budgetary discipline, an enforcement mechanism should be established to make sure that the two-year appropriations ar within the limits established during biannual presidential-congressional negotiations.

Make R&D tax provisions consistent. Inconsistencies in R&D tax provisions undermine industry's ability to plan for the long-term. In particular, the R&D tax credit should be made permanent and reviewed after 10 years to assess its impact on private sector R&D investments. A permanent moratorium should be placed on the implementation of Treasury Regulation 1.861-8, which would otherwise drive research abroad.

Incease funding for government agencies that contribute to the commercial application of technology. The budget of the National Science Foundation, which was $1.7 billion last year, should be increased systematically to meet the President's FY 1988 goal of doubling the budget over five years. In addition, systematic increases should be sought for the National Bureau of Standards, which is the primary federal laboratory with an explicit mision to aid U.S. industry, so that its budget is increased substantially over the current level.

Create a legal and regulatory environment more conducive to the commercial application of technology. The current legal and regulatory environment does not adequately take into acount the need to facilitate private sector efforts to commercialize technology rapidly. Three issues stand out: some, but not all, regulations are overly stringent; approval of new products and determination of standards are not handled expeditiously; and some laws and regulations lack a rational basis. To address these issues, regulatory agencies should make competitiveness an integral consideration in implementing their missions. As part of this effort, better mechanisms should be developed to analyze and coordinate the impact of regulation on the commercial application of technology.

Recommendation 3: The Federal Government should increase its investment in the education, facilities and equipment that constitute the Nation's technology infrastructure.

Make education, equipment and facilities a priority investment. Competing claims, from both inside and outside the scientific community, for scarce federal dollars have complicated the science and technology budget debate. In sorting out these funding issues, Congress and the Administration should view investments in two areas as top priorities: science and engineering education; and equipment and facilities. Whenever possible, the United States should seek to work with other nations on "mega-projects" in specific technical areas related to basic research.

Initiate a faculty-development program for science and engineering. There are an estimated 1,300-1,800 vacant engineering faculty positions in U.S. universities and colleges. There are also shortages of qualified science faculty. These shortages will increase in the early 1990s as faculty trained during the 1950s start to retire. In order to meet this shortage, the federal government should launch a major faculty-development program in science and engineering. Such a program should provide grants and loans to American citizens and permanent U.S. residents sincerely interested in teaching careers to enable them to pursue graduate-level studies. These loans could then be forgiven after three years of teaching. This program would build on existing programs in the private sector, and could be extended to science and mathematics teachers in elementary and secondary schools.

Modernize university research facilities. Over the past 20 years, federal funding for university research facilities and equipment has declined by 95 percent in real terms. A 1986 White House Science Council study estimated that a $10 billion program over the next 10 years is required to restore U.S. university research facilities to an adequate level. The Council supports passage of legislation that would begin to provide the necessary funds.

Recommendation 4: The Federal Government should widen the focus of national research and development efforts.

Re-evaluate the agenda and purpose of the federal laboratories and their relationship with industry. There is no consensus on the scope, mission and relevance of the federal laboratories to the needs of the nation over the next 20 years. Their role and utility should be thoroughly reexamined. Although the Council has not undertaken such an examination, much of U.S. industry agrees that the laboratories need to be streamlined: some need to be consolidated and others need to be closed. At a minimum, technology transfer should be elevated to an important objective of the labs and should be viewed as an important criterion in evaluating lab performance. The exchange of technical personnel between the labs and industry should be encouraged as part of this effort.

Facilitate cooperative generic manufacturing technology. The government should continue to facilitate cooperative R&D among industry, universities and government. This framework is effective for generating concentrated long-term funding and an excellent pool of talent. It remains uncertain, however, whether a significant number of participating companies will make speedy use of the results. Thus, priority consideration in establishing cooperative generic manufacturing R&D efforts should be the active participation of industry, a focus on base-building technologies and processes rather than products, and the rapid transfer of new knowledge from laboratory to marketplace. Such efforts as Sematech and the National Center for Manufacturing Sciences recognize that the private and public sectors must find new ways of working together if American industry is to respond to the reality of global competition. These efforts should be evaluated carefully to assess how best to structure joint approaches to problems involving generic manufacturing technology.

Improve federal coordination with state technology programs. State technology programs fill a niche that the federal government cannot: small-scale, grass-roots efforts involving local businesses, universities and governments. At the very least, the federal government should make sure that its programs do not duplicate or compete with those established at the state level. In addition, the federal government should establish a clearinghouse for state and local initiatives related to the promotion of technology; the clearinghouse would collect and disseminate information on state programs, develop methods to evaluate these programs and provide technical assistance and advice. The provision in the omnibus trade bill that would create such a clearinghouse should be fully implemented.

Encourage Department of Defense efforts to strengthen the U.S. industrial base. The Department of Defense has a vital interest in the health of the U.S. industrial base. In times of national security crisis, the department must be able to rely on a strong and diverse national industrial capacity. With pressures on the federal budget, the United States is unlikely to achieve the necessary scale and scope of funding support for science and technology unless the Pentagon is involved. The Defense Department should use its procurement policies and R&D budget to strengthen the U.S. industrial base. It should focus on conducting critical basic research, developing key technologies and improving production processes, rather than on supporting specific industries or industrial products.

CHAPTER I: TECHNOLOGY AND GLOBAL COMPETITION

The effective development and deployment of technology are critical to America's ability to compete in world markets. Technology has made a vital contribution to America's economic growth and high standard of living. It has improved manufacturing efficiency, created entire industries and served as an important source of U.S. export strength. Leading economists believe that technological change is the single most significant factor behind U.S. productivity growth. Some argue that it is directly or indirectly responsible for two-thirds and perhaps as much as 80 percent of the productivity growth since the Depression.

Today, both domestic and international forces are pushing the U.S. economy toward greater reliance on technology. Structural changes in the economy make the nation more reliant on technology-based sectors and on technology-based improvements of traditional industries as the foundation for national competitiveness. Estimates are that the percentage of GNP derived from these sectors has almost doubled over the past 20 years.[2]

The United States is not alone in its increasing focus on science and technology. According to the National Science Foundation, the United States spent $62 billion on R&D (in real 1982 dollars) in 1970, while the combined spending of Japan, West Germany, France and the United Kingdom was $38 billion; by 1985, U.S. spending had risen to almost $97 billion (in real 1982 dollars), while the combined spending of these other countries had increased to approximately $80 billion.

In today's international economy, virtually all aspects of the commercialization process have become globalized. Recent developments in superconductivity illustrate the new global technical community. Breakthroughs at an IBM European facility in late 1986 set off a chain reaction throughout the world. Intense verification efforts followed quickly in Europe, Japan, China and the United States; major governmental initiatives were launched; and superconductivity newsletters now routinely report on virtually all research results from universities and laboratories around the world.

The reality of a globalized scientific and technical community has profound implications for corporate strategy and the commercialization process. Since competing technology can be generated worldwide, companies must place increased emphasis on monitoring international sources of innovation, protecting their own technical positions and participating in many national technical communities. U.S. companies, too, now must be as much "hunters and gatherers" of technology as they are generators. Information technology and investment capital flow irrespective of national boundaries, and Americans must adapt to this new situation.

AMERICAN STRENGTHS

The United States unquestionably enjoys significant strengths in science and technology. U.S. citizens have won an increasing share of Nobel Prizes in each post-war decade, capturing about 60 percent of the total in the 1980s; U.S. technical articles are cited overwhelmingly in many fields; and compared to its major trading partners, the United States has by far the most favorable ratio of receipts/payments for technology, a performance maintained over time at a reasonably constant level.

The most unique and dynamic aspect of the American commercial and technical network, however, is the extraordinary mobility of capital, ideas and people. America's rate of business formation, which is high overall, is particularly strong in technology-related areas, where the net business-formation rate is twice that for non-high-technology establishments. A record number of foreign students continue to flock to American colleges and universities, which are unique in their contribution to national research efforts.

Over the years, the federal government has contributed significantly to America's historic scientific and technological preeminence. The basic framework for U.S. government support of science and technology in the post-war era can be traced to the Vannevar Bush report of 1945. Its title, *Science, the Endless Frontier,* capsulizes the argument that science can yield an infinite stream of benefits to society, that support for science in general is an appropriate role for government, and that more applied areas of work should be left to industry.

For many years, particularly during the two decades following World War II, U.S. industry responded to the support provided by federal science policy and led the world in the development of innovative products and processes. During that period, U.S. firms dominated the commercial application of technology in most industries. With a virtual monopoly on technology, the United States enjoyed what the economist Joseph Schumpeter called the "best of monopoly profits—a quiet life."

Over the past four decades, however, this situation has changed. Countries without a large research base have made up for their shortcomings in research by acquiring technology abroad, often from the United States, and concentrating their industrial resources on the rapid commercial application of new ideas. This approach to innovation and commercialization was built around catching-up with the United States—not by doing independent basic research, but by finding new market applications for existing technology. Excellence in manufacturing, attention to quality and a supportive financial environment that provides a low cost of capital are the key elements of this strategy.

Another factor is also crucial: speed. By rapidly translating new technology into new products and processes, firms in other countries have gained access to new markets and reaped considerable commercial rewards. For several years, the United States, with its large lead in technology, failed to appreciate how critical a role time played in the commercialization process. It was not until several American industries had been dominated by foreign competitors and the United States began to lose its substantial lead in technology that the country began to recognize the extent of the foreign commercial challenge. Part of that challenge relates to the innovation process itself.

INNOVATION AND THE COMMERCIALIZATION OF TECHNOLOGY

America's post-war preeminence in science and technology resulted largely from its ability to master the so-called "research-driven" model of the innovation process. A new model has emerged, however, and America's current difficulties in the global technology race have occurred, in part, because neither U.S. industry nor the federal government has responded sufficiently to that new reality.

Simplistically defined, the research-driven model views innovation as a linear process—starting with a major scientific breakthrough, progressing through design, development and production, and ending with marketplace distribution. Consequently, this model emphasizes the importance of basic research. The progression from research breakthroughs to market is most likely for radical discoveries that represent major technical advances. Such discoveries may reorder existing economic relations significantly or create entirely new markets. Indeed, the United States has excelled at this mode of innovation, with American companies and engineers having produced most of the major technical break-throughs since World War II.

As a growing number of observers recognize, however, the research-based model offers, at best, a partial explanation of the innovation process. It is far more complex than suggested by this linear concept. Consequently, the research-based model must be supplemented by another view that focuses more on market-driven applications of technology. This approach involves systematic, incremental improvements in products and processes that arise in response to market needs. These improvements—which, in the aggregate, can be as significant as a radical discovery, if not more so—depend on day-to-day adaptation as firms react to ever-changing market signals. Success depends on a team effort that includes carefully focused research, design for manufacturing, attention to quality and continuous market feedback.

This new model suggests that innovation is better described as an interactive or reiterative, interdependent process in which design, manufacturing and product development all drive research and, at the same time, are highly dependent on research. In policy terms, it suggests that science and engineering must be viewed as closely linked and as both the product and the source of technology. It also suggests that products must be rapidly advanced to the marketplace so that market feed-back can be factored into new research and improved technologies. One of the key distinctions between the linear model of innovation and this new model is that the former emphasizes generic research while the latter emphasizes more market-specific research.[3]

Commercialization involves applying fresh ideas to market opportunities to create new and better products. It is the primary job of the private sector. Innovations are brought to market through a firm's internal operations, which combine research, concept identification, development and implementation. The research stage begins the linkage between market needs and specific technical ideas for new products or processes. As work proceeds, the available pool of ideas is narrowed and specific concepts are selected for development. Once in development, they are judged according to technical feasibility, quality, cost and customer acceptance. Decisions made in this development stage are the ones that control the rate of technological progress in many major U.S. industries. Ultimately, the innovation is implemented in the form of a new or improved product or process that yields a return to the firm. Distinct lines cannot be drawn between phases, nor do they necessarily proceed in a sequence. On the contrary, most firms are involved in a continued process of feedback as they perceive and respond to a changing market.

Many underlying external factors also influence the commercialization process. Labor skills, customer wants, government regulations, the cost of capital and the ability to protect the R&D investment all bear on the ability of firms to commercialize technology successfully. Their impact on each industry is different. A critical aspect of managing the process is balancing these factors in an effort to focus scientific and technical capabilities on a market-drawn goal.

AMERICAN WEAKNESSES

Much of the U.S. failure to exploit technology for commercial advantage lies in not adequately appreciating the importance of manufacturing and not properly balancing short-term and long-term goals. The neglect of manufacturing arose largely out of the complacency of the 1950s and 1960s when the United States dominated international markets. Top U.S. managers began to focus on marketing and finance at the expense of manufacturing and, as a result, failed to manage the investments in worker skills, plant and equipment necessary for a strong manufacturing capability. Today, foreign companies are often beating U.S. companies, not with low wages, but with more efficient manufacturing processes. For example, Japanese manufacturers, who have a reputation for efficiency, spend two-thirds of their R&D budgets on process innovations, while U.S. manufacturers spend only one-third.[4]

The importance that Japan places on manufacturing as a source of its economic future should not be underestimated. In the past, the Ministry of International Trade and Industry has explicitly set economic policies and priorities for Japanese industry. In its 1987 White Paper on International Trade, MITI described how Japan's R&D manufacturing muscle could be used to advance Japan's economic agenda around the world.

". . . Japanese industry has built up a store of know-how and advanced productive technology in the processing and assembly fields. The supply of this know-how, in conjunction with capital, to both the developed and developing countries, would do a great deal to help activate the economies of those countries. . . . Japanese industry must press ahead with internationalization in every field." [5]

Closely linked with problems in U.S. manufacturing is the American preoccupation with short-term goals. All too often American management is under pressure to improve the bottom line in the next quarter, without regard to how their actions will affect business in the future. This problem is not simply a result of myopic management; it is systemic. The cost of capital, budget and trade deficits, the tax system and the pressure of financial markets all contribute to the problem.

Unfortunately, preoccupation with short-term goals can be devastating for technology-based industry. R&D, manufacturing excellence and the creation of a talented labor force are inherently long-term propositions. Science and technology thrive in organizations where there is a critical mass of highly skilled talent and a sense of mission. Systematic investments in research, plant and equipment, and in training and retraining are essential.[6]

Problems in manufacturing and in setting long-term goals attest to the fact that American managers often lack the benchmarks to understand and evaluate their companies' performance in the R&D cycle. As a result, they have difficulty accurately identifying specific problem areas. Better information about each of the steps in the R&D cycle is required, from research through design, manufacturing and marketing. More important, management needs to establish a new set of benchmarks that will allow it to survey the private sector's R&D cycle and address problems.

Succeeding in the global scientific and technological race depends on an ability to integrate a number of capabilities over a sustained period of time. Focused research, excellence in manufacturing, commitment to quality, incentives for worker motivation and upgraded employee skills are all part of the process.

There is no doubt that the commercial challenge to American innovation is the result of problems within American industry. But industry's performance is vitally affected by federal macroeconomic policy, regulatory policies and by government science and technology policies.

The following chapters and subsequent recommendations focus on the role of the federal government. Just as industry must integrate capabilities more effectively, so must government; Chapters 3 and 4 demonstrate the extent to which U.S. public policy-making remains fragmented and uncoordinated.

Beyond the structural problem lies an even more significant issue; in many ways, the federal government has failed to adapt its policies to the new, market-driven model of innovation. Hence, America's hands are tied by policies geared to another era that do not address today's competitive realities.

In staking out a forceful federal role in the advancement of scientific knowledge, the government has tended to ignore technology. The American people and public officials too readily assumed that preeminence in science automatically confers technological and commercial success as well. It does not—at least since the rapid gains by foreign nations in the past two decades. America assumed that government support for science would be adequate to provide for technology. It is not. In all too many sectors, America took technology for granted. Today, the nation is paying the price for that complacency. The extent of the problem is described in the following chapter.

CHAPTER II: THE COMMERCIALIZATION PROBLEM

[Figures not reproducible in the Record.]

There is no question that the United States enjoys significant strengths in science and technology, described in the previous chapter. America's primary problem in the science and technology field relates neither to enterpreneurship, research nor the performance of its universities, but to the commercial application of technology. Considerable evidence suggests that America is failing to commercialize the kinds and quality of technology that the market demands.

The problem is relatively new. For many years, particularly the two decades following World War II, U.S. firms dominated the commercial application of technology in most industries. Over time, however, foreign companies assimilated state-of-the-art technology, often American in origin; improved it; generated their own products and processes; and brought them skillfully to market.

No single measure can prove or account for deficiencies in the U.S. ability to commercialize technology rapidly. In the aggregate, however, a variety of "warning signals" point to a problem. These indicators include the erosion of the U.S. high-technology trade surplus, problems in specific industries, patent trends and the educational performance of U.S. students.

THE U.S. HIGH-TECHNOLOGY TRADE BALANCE

Some of the evidence of the commercial challenge to American innovation relates directly to technology-based products. In the post-war era, technology has been a leading U.S. export strength. The U.S. high-technology trade surplus, however, declined precipitously during the early 1980s when the dollar was high. It turned negative for the first time in 1986. In 1987, despite the significant drop in the dollar, the United States posted only a modest surplus in high-technology trade.

The performance of individual industries reflects this overall trend. Since 1970, many U.S. industries have lost their dominant position in the domestic market to foreign competitors. Some technologies that were pioneered by the United States. In many instances, U.S. firms once controlled much of the domestic American market. Today, however, even though the markets are large, U.S. firms have been displaced to an important extent by foreign competitors.

INDUSTRY-SPECIFIC PROBLEMS

The deterioration of the U.S. high-technology trade surplus and the trade performance of specific U.S. industries attests to the fact that foreign companies have made dramatic inroads into a number of sectors pioneered and previously dominated by Americans. Examples can be found in a number of industries, including consumer electronics, semiconductors, superconductors and pharmaceuticals.

Consumer electronics

Over the past century, U.S. industry traditionally enjoyed a strong position in consumer electronics, but during the last 15 years, the United States has lost this market to foreign manufacturers. The American era of consumer electronics manufacturing began with Edison's invention of the phonograph in 1887. This was followed by a string of other U.S. inventions, including the cathode ray tube (1887), wireless transmission of speech (1900), radio broadcasting (1920), television receivers (1923), magnetic wire recorders (1946), transistors (1947), color televisions (1954), portable radios (1954) and home video cassette recorders (1963). Until 1970, the United States dominated these fields.

Since then, it has lost virtually the entire market. In 1970, U.S. industry enjoyed almost a 100 percent share of the American consumer electronics manufacturing market; today, it has less than 5 percent, despite the fact that the consumer electronics market has more than trebled to $25 billion in annual sales over the last decade.

One of the most troubling aspects of the erosion of the U.S. manufacturing presence in consumer electronics is the repercussions for other parts of the electronics industry. This connection has been likened to the biological food chain: when one link is weakened, other links feel the injury. While the United States continues to enjoy a considerable market presence in related fields—such as home computers, telephones, calculators and video games—the erosion of the U.S. position in consumer electronics could affect the U.S. lead in these other areas.

High-definition television is an example of this linkage. Although the United States, along with Japan and some European countries, still possesses the technology for high-definition television, U.S. industry no longer has the capacity to manufacture, market and distribute it. The real challenge of foreign dominance of high-definition television technology, however, is not simply the television market (which is projected to reach $40 billion in worldwide sales in 2007), but the ripple effect on other segments of the electronics industry, such as semiconductor manufacturing, test equipment, software, manufacturing equipment in general and, ultimately, telecommunications and computers.[1]

Semiconductors

Semiconductors, which are central to the entire computer industry, have been the focus of extensive attention in public policy circles in recent years. In 1959 two Americans, Robert Noyce and Jack Kilby, almost simultaneously invented the integrated circuit. During the 1960s and 1970s, U.S. companies dominated the world market for the design and manufacture of semiconductors and computers. In the early 1970s, however, Japan targeted semiconductors as a strategic industry. By 1980, Japanese companies had surpassed U.S. merchant semiconductor firms in the design and manufacture of the latest generation of semiconductor devices. By 1983, Japan-based firms' share of the world market was equal to that of U.S.-based firms. By 1986, the Japanese had taken 65 percent of the world market, while the U.S. share had fallen to under 30 percent.[2] These market shifts are even more dramatic for dynamic random access memory products (DRAMS), which constitute a core technology.

Superconductors

Similar concerns are being raised about high-temperature superconductors. In 1987, two researchers in an IBM lab in Zurich pioneered the breakthrough in superconductors. This scientific advance was confirmed quickly by scientists in Tokyo and subsequently extended by U.S. researchers working at the University of Houston. Soon thereafter, Japan's Ministry of International Trade and Industry established an R&D consortium for superconductors. Japanese companies have also begun to file a flood of patent applications. The speed of Japan's response has raised public concern about America's ability to rapidly commercialize this discovery and has driven home the commercial challenge to American innovation.

Pharmaceuticals

The commercial challenge to American innovation also extends to the pharmaceutical industry. Over the past decade, American pharmaceutical companies have experienced a "drug lag" due to the lengthy approval procedures of the U.S. Food and Drug Administration. As a result, significant U.S. and foreign discoveries often are approved abroad well before they are approved in the United States. This deprives U.S. companies of significant sales and profits and undermines incentive to invest in R&D to develop new drugs. From 1970 to 1979, of the 24 most significant new drugs introduced in the U.S. market with 1979 sales over $20 million, 13 were discovered in American laboratories, 10 were discovered overseas and one was discovered jointly. Despite the fact that U.S. laboratories were responsible for more than half of these new drugs, 20 of the 24 were approved in the United Kingdom an average of about two-and-one-half years before they were approved in the United States. Of the 13 U.S. discoveries, 11 were approved in the United Kingdom an average of two years before they were introduced in the United States.[3]

This "drug lag" not only has consequences for American patients who could be helped by these drugs, but also for American companies which lose significant sales as a result of these delays. The delay in approval and marketing of the 11 drugs mentioned above represented lost U.S. sales of $1 billion to U.S. pharmaceutical companies during the patent life of the drugs. Despite repeated industry complaints about the slow pace of the federal approval process, there is little evidence that this problem has been remedied.

Foreign-based firms are also increasing their share of innovative R&D leading to new products. From 1976 through 1980, the U.S. research-based pharmaceutical industry contributed 70 new drugs to world markets, more than one-fourth of the total and twice the number originating from Japan. In sharp contrast, during the last five years, Japan introduced 60 new drugs into world markets as compared with 58 originating from the United States.[4]

Patents

Patent statistics also point to troubling trends. Between 1969 and 1982, the rate at which U.S. residents patented their discoveries abroad decreased by about 50 percent. Only the United Kingdom experienced a decline of similar magnitude to the United States.

In the meantime, foreign applicants increased their share of U.S. patents from about 35 percent of grants in 1975 to 46.6 percent in 1987. Most of this growth is accounted for by a more than doubling of the Japanese share. Looking beneath the aggregate numbers, these data show that the most important patents are held by the Japanese in an increasing number of fields. Starting more than a decade ago, patents awarded to Japanese inventors were cited more frequently by those applying for new patents than those awarded to Americans. And the gap appears to be growing.

Fiber optics provide an interesting case study of the importance of patents. In the late 1960s, the optical fiber was invented in the United States by Corning Glass Works. Corning patented this invention in the United States in the mid-1970s, but many of the patents were not issued in Japan for more than 10 years, which left Corning's technology unprotected in this critical market. For much of the 1970s, Corning was effectively closed out of the Japanese market, first by Nippon Telegraph and Telecommunications' procurement policies and then by NTT's "design" specifications for suppliers. In the meantime, Japan's Ministry of International Trade and Industry designated fiber optics a strategic industry, provided government-backed research and development and attracted the necessary investment from Japanese companies. The inevitable result was surplus capacity in Japan and a push for exports.

By 1983, Sumitomo Electric and other Japanese manufacturers were selling fiber optics at well below cost in the United States. Although Corning successfully brought suit against Sumitomo for patent infringement in the United States, the U.S. International Trade Commission ruled that the infringement was not causing significant loss of sales or profits to Corning and declined to penalize Sumitomo. Corning then took the case to the U.S. district courts, which in 1987 ruled that there had been willful infringement. By the time of this ruling, however, Corning's patents had only a short period of validity left.

The result was that Corning Glass Works, after investing $200 million to develop a patented process for manufacturing optical fibers, was blocked from capitalizing on its early technological advantage in Japanese markets and was unable to prevent Sumitomo from using Corning's patented process to sell fiber optics in the United States.

Another interesting example is provided by the experience of Fusion Systems Corporation, a small high-technology company in Maryland that makes patented ultra-violet lamps. In 1976, Fusion began selling its products in Japan. In 1977, it noticed that Mitsubishi electric was filing numerous patent applications in Japan on similar technology, a process known as "patent flooding," a common practice in Japan that entails patenting multiple minor variations of the original patented design. By 1985, Mitsubishi had filed almost 200 patent applications. These patents surrounded Fusion's core patent. When Fusion tried to modify its product to meet the individual needs of its customers, it found that in many cases Mitsubishi already held patents on the modified designs. As a result, Fusion's right to sell in Japan was threatened.

In an attempt to avoid a long and costly legal battle, Fusion offered not to oppose Mitsubishi's applications in Japan if Mitsubishi would agree not to assert any of its patents against Fusion. Such an agreement would have allowed Fusion to continue selling in Japan. Mitsubishi countered by suggesting that both sides cross-license their technology.

Although this is a common practice with large U.S. companies, which view it as a price of doing business in Japan, Fusion—a small company whose only real advantage is its technology—could not. Fusion feared that cross-licensing would eventually undercut its sales in Japan, and eventually lead to its competing against its own technology in world markets. As of August 1988, the two companies were still negotiating.

The growing concern that Japanese firms may be using their patent system to corner emerging technologies and freeze out competitors extends to the field of superconductors, which some experts project to be a $20 to $30 billion market by the end of the century. By early 1988, Japanese corporations had filed more than 2,000 patent applications for superconducting materials and devices, which amounts to a $40 million investment in patent filing fees alone.

SCIENCE AND ENGINEERING EDUCATION

America's ability to commercialize technology is linked closely to its supply of skilled technical workers. Clear signs, however, show that the nation faces significant human resource problems. The challenge is two-fold. First, the nation's most experienced scientists and engineers, who were recruited shortly after the launching of Sputnik, will be retiring in the 1990s. Second, by the year 2000 the number of jobs requiring college degrees will increase dramatically. Unfortunately, the education system is failing to produce the American scientists and engineers needed to meet future demand. With a decreasing number of 18-year-olds in the United States and a declining percentage of high school graduates choosing science and engineering, a shortfall of more than 500,000 scientists and engineers is projected by the year 2010.[5]

Leadership in science and technology cannot be maintained unless the education pipeline—from elementary school through graduate school—is repaired so it yields a larger and more diverse group of world-class scientists and engineers. The United States needs to do a better job of preparing American elementary and high school students for college-level work in science and engineering; of stimulating them to pursue engineering; and of providing them with incentives for graduate study. As the chart on the next page demonstrates, the number of U.S. students interested in science and engineering drops sharply from high school through college.

Major problems in science and engineering education include the poor performance of U.S. primary and secondary school students in science and mathematics in comparison to students in other industrialized countries; several decades of underinvestment in facilities and equipment; the increasing inability of engineering schools to attract adequate numbers of qualified U.S. students into graduate programs; and the inability of engineering schools to fill their faculty vacancies.

The problem begins in elementary school. Elementary schools, especially in large urban school systems, suffer from chronic shortages of good mathematics and science teachers, offer little hands-on laboratory science and have low expectations of teacher performance. One of the early points at which students in the United States drop out of the mathematics-science pipeline is in grades 5 through 8. Decisions about science and math courses made at this time can substantially foreclose later choices.

The pattern continues in high school. American students take fewer science and math courses in high school than students in many other industrialized nations. Consequently, they score lower on international tests in these areas, and fewer are prepared to pursue higher education in these fields.

Problems persist in higher education. In 1985, almost 8 percent of all bachelor's graduates earned their degrees in engineering, up from 4 percent a decade earlier. Much of this increase reflected student interest in the relatively new field of computer science. This decade-long trend, however, disguises the fact that all of the numbers have now started to turn downward. The college-age population peaked in 1983; freshman enrollment in engineering started down in 1982 and had dropped 14 percent by 1986; and bachelor's degrees in engineering topped out in 1985 and 1986.[6]

The number of college-age students will continue to decrease through 1996, for a total drop of about 25 percent, and then hold at about that level until 2005. But the number of freshman students choosing engineering is declining even faster than these demographic trends would suggest. This decline is due to the drop in job offers to engineering graduates in the past three years and to the fact that women and minorities—who have traditionally been under-represented in science and engineering—constitute a growing share of the college-age population.

If the United States is to train adequate numbers of scientists and engineers in the future, it will have to reach out to these traditionally under-represented groups. In the year 2000, these groups will account for about 85 percent of the new entrants into the nation's work force. Their involvement in science and engineering is essential to the nation's future strength in technology.

Fortunately, the decrease in the proportion of American freshmen choosing science and engineering majors has been compensated for by many foreign students enrolling in U.S. universities in these fields and colleges' success in attracting more older and part-time students. But a significant portion of foreign-born technical professionals trained in the United States is not employed here, and older and part-time students tend not to graduate in science and engineering.

Foreign students represent approximately 40 percent of enrollments in U.S. graduate schools of engineering and they receive more than half of U.S. doctorates in engineering. Without foreign-born students, there would be a severe shortage of qualified engineering personnel in both industry and universities. Clearly, the United States needs to encourage foreign engineering students to remain here after they have completed their education. Present immigration laws limit the opportunities for U.S. firms to employ these foreign nationals, however, and consideration should be given to modifying these laws.

Teacher shortages

The shortage of competent math and science teachers and engineering faculty is one of the most important barriers to raising the quality, scope and number of engineering programs. According to the National Science Foundation, 60,000 math and science teachers in America's secondary schools are not fully qualified, and by 1995 the United States will need an estimated 300,000 additional secondary-school math and science teachers.

According to a 1985 survey by the American Society for Engineering Education, approximately 1,300 authorized positions for engineering faculty are vacant, which represents 8.8 percent of the total number of faculty positions.[7] Significantly, more than half of the positions vacant in 1985 also were vacant in 1984. The greatest shortages were among computer and electrical engineers. Many engineering school administrators believe that the number of authorized full-time positions is not adequate to "maintain and restore quality in their programs." Engineering deans reported that authorized full-time faculty positions are only about 89 percent of the number required. This translates into 22,000 full-time engineering faculty positions and an actual shortage of over 18 percent.[8] To compensate for the shortage of engineering faculty, U.S. engineering schools have relied on foreign faculty. At present, over half of all U.S. assistant professors in engineering under the age 35 are foreign-born. When the many science and engineering faculty trained in the 1950s retire in the 1990s, as expected, the faculty shortage will be exacerbated.

CHAPTER III: THE FRAGMENTED PUBLIC POLICY ENVIRONMENT

Remedying the problems described in the previous chapter will require a series of government actions. There are disturbing signs, however, that in many areas federal policies are undermining the effective commercialization of technology.

While the private sector is primarily responsible for commercializing new technology, the federal government creates the environment in which the commercialization process takes place. In some areas—such as macroeconomic policy, the organization of federal programs and infrastructure—the government's impact is indirect. In other areas—such as the federal R&D budget, government R&D incentives, the federal laboratory system and the regulatory and legal environment—government's impact is much more direct. In general, however, the federal government has not addressed technology as an issue. Therefore, the policies and processes in place tend to inhibit rather than promote the rapid commercialization of technology.

MACROECONOMIC POLICY

On the most basic level, private sector decisions about the commercialization of technology are affected by federal monetary and fiscal policies. Government borrowing, the money supply and tax laws strongly influence the domestic cost of capital. Since the commercial application of technology involves significant short-term investments in R&D that are only rewarded over the long-term, the commercial applications are highly sensitive to the cost of capital. The fact that the cost of capital in the United States is higher than in many other countries, notably Japan, puts American firms at a disadvantage in the race to commercialize technology.

Low U.S. savings rates add to the investment problems created by the relatively higher U.S. cost of capital. Adequate levels of domestic saving are essential to support the domestic investment necessary for increased growth and productivity. Total national savings include personal savings, business savings, state and local government surpluses and federal savings. Since 1981, high levels of federal dissavings in the form of large budget deficits have had a profound effect on total levels of domestic savings available for investment.

From 1981 to 1987, federal dissavings averaged 4.2 percent of the Gross Domestic Product (GDP). During the same period, personal and business savings decreased from 18 percent of the GDP in 1981 to approximately 15 percent in 1987, while state and local government surpluses declined from 1.5 to 1.0 percent, reducing further the absolute levels of national savings. Large budget deficits in a low-savings society present America with a dilemma: either it can forego investment or borrow capital from abroad to finance domestic investment that would not take place otherwise.

The United States has chosen to finance domestic investment (and consumption) through foreign borrowings, which in 1987 exceeded $155 billion—22 percent of the total investment that year. Borrowing from abroad has significant economic costs. America mortgages its economic future by transferring domestic resources abroad to pay interest and principal on foreign-held assets. Had the foreign resources been used to sustain higher levels of investment, America would have increased its productive resources to meet these financing requirements. Unfortunately, however, foreign borrowing went largely to subsidize domestic consumption; even with the inflow of foreign funds, domestic investment as a percentage of the GDP declined between 1981 and 1984.[1]

International currency swings also affect the commercialization process. By effectively raising the prices of U.S. goods and services in world markets and giving foreign competitors a price advantage in the U.S. market, the high dollar of the early 1980s stripped many American technology companies of the sales and profits necessary to make systematic, long-term investments in R&D. In addition, trade policies, such as U.S. export controls and the inadequate protection of intellectual property, have undermined the worldwide sales of U.S. companies. The result can be seen in the deterioration of the U.S. high-technology trade surplus.

GOVERNMENT ORGANIZATION

Government procedures and organization have a critical impact on the development of technology. Even the best-conceived technology initiatives can be frustrated by the lack of coordination among responsible agencies, the inability to implement policies or unproductive relationships among the principal participants. In large part, such problems are the legacy of historical circumstances. Because public policy has not addressed the issue of the commercial application of technology, government policies often tend to impede rather than contribute to the rapid commercialization of technology.

No line agency of the federal government has broad responsibility for research and other activities related to civilian technology or for strategic coordination of technology policy at the national level. In the Executive Branch, responsibility for R&D is dispersed among 12 agencies. In Congress, the civilian science budget alone is divided among 9 of 13 different appropriations subcommittees, and there is no mechanism for devising reasonable compromises or setting priorities. For example, although the Administration's FY 1988 proposal to double the National Science Foundation's budget was greeted with enthusiasm by Congress, the first-year funding target was not met because the subcommittee responsible for determining budget had to choose between funding for science and funding for housing subsidies in the Housing and Urban Development budget.

Furthermore, there is little federal focus on technology's impact on the economy. Individual agencies are responsible for the research and technology that relates solely to their particular missions. Only the Department of Energy and the Department of Agriculture extend their focus to economic performance and then only in specific sectors.

The one organization that provides an overview of federal research and other activities related to economic performance is the White House Office of Science and Technology Policy. The office advises the President and helps coordinate federal R&D activities, but it has no line functions and a small budget, with staff mostly on temporary loan from other agencies.

The Department of Commerce has broader economic responsibilities. Its National Bureau of Standards is the only federal lab explicitly charged with serving the needs of U.S. industry; its small Office of Productivity, Technology and Innovation works to create a favorable climate for industrial innovation, technology and productivity; and its National Technical Information Service serves as a resource for scientific and technical information.

The National Science Foundation also has a series of broader responsibilities. It supports education, research and information transfer in most scientific and engineering fields and, in effect, serves as the general science and engineering agency of the federal government. Its budget, however, accounts for only 2.5 percent of total government R&D funding.

The dispersed responsibility for technology apparent in the federal government is unusual among industrialized countries. Most national governments maintain a ministry of science and technology or a ministry of trade and industry that has broad responsibility for research and technology-related activities.

Four issues arise from the U.S. situation: (1) the lack of an organizational focus on technology; (2) inadequate coordination and implementation of existing programs; (3) inadequate policy continuity over time; and (4) inadequate modes of private-public communcation and cooperation. These concerns are discussed below.

First, because the primary goals of technology-related agencies (such as the Department of Defense, the National Science Foundation, the National Institutes of Health, the National Aeronautics and Space Administration and Department of Energy) are not related directly to the commercialization of technology, they have tended to subordinate industrially relevant initiatives. Formerly, the Office of Science and Technology Policy coordinated responsibility among these agencies to some extent, but it currently has neither the resources nor the inclination to play a strong role in this area. It is difficulty to imagine that programs designed to support industrial technology will be elevated in status without some organizational change.

Second, technology programs that are industrially relevant are inadequately coordinated and implemented. Although individual programs are valuable, their overall effectiveness is hampered because they are spread throughout the government without viable mechanisms for coordination. Some constructive atempts have been made to address this problem. These include, principally, the National Science and Technology Policy Organization and Priorities Act of 1976 (PL94282), the Stevenson-Wydler Act of 1980 and the Technology Transfer Act of 1986. As discussed more fully in the following chapter, none of these laws has been implemented adequately. In part, this is a funding issue—for example, the Stevenson-Wydler Centers for Industrial Technology were never funded—but it is also an organizational problem. Unless policies have an institutional advocate committed to fulfilling their purposes over time, their goals are likely to remain unrealized.

Third, science and technology programs necessarily have long time horizons. Research results from particular projects often take years to achieve, and research in the future must be linked to work undertaken in the past. Similarly, industrial investments in the development of new technology need to be planned within the predictable financial climate. The current federal budget process often frustrates attempts in academe and industry to develop new technology. Annual appropriations decisions create significant discontinuities for many projects. Tax-law changes—particularly in the R&D tax credit, Treasury Regulation 1.861-8 and depreciation schedules—continually modify industry's cost picture for new technology. Congress must pay special attention to this problem, with strong consideration given to a longer budgeting cycle for scientific and technical programs.

Fourth, largely because of the federal government's traditional role as regulator, interactions between the public and private sectors have often been adversarial. Moreover, federal law has frequently discouraged cooperation within the private sector. In part, this has been changed by the 1984 antitrust modifications and new policies affecting cooperative agreements between industry and government. Although new partnerships are being formed between the private and public sectors and among private institutions, the pattern of a new, cooperative relationship is only beginning.

Cooperation between sectors has been made even more difficult because support for industrial technology has not been an explicit public mission. When government has supported industry, its contractors typically were seen as serving public purposes rather than *vice versa*. Perhaps even more important, there has been no established public forum where industry's needs could be considered, analyzed and acted upon.

INFRASTRUCTURE

Public funds and government programs also play an important role in establishing the infrastructure for science and technology. On a fundamental level, federal programs affect the education and skills of the American work force. Although state and local government have the primary responsibility for education, federal spending constitutes about 10 percent of total education spending in the United States. The federal role consists principally of providing funds to support educational programs for the economically and physically disadvantaged. Federal funds also underwrite a number of special elementary and secondary programs, such as math and science education, and assure access to higher education by providing financial support to college students.

Outside the classroom, the federal government has a major impact on the funding or research, the establishment of technical standards and the demand for technical personnel. It funds about half of all basic research in higher education. The National Bureau of Standards establishes standards for materials. And the Department of Defense, the federal labs and other agencies are major employers of American scientific and engineering personnel.

THE R&D BUDGET

Throughout most of the post-war era, the federal government has spent more each year on R&D than American industry. Today, government is responsible for about half of the nation's spending on R&D. In 1987, U.S.-based companies invested $61 billion in R&D; for FY 1988, Congress approved $61.1 billion in budget authority for federal government spending on R&D.

Most federal R&D spending is aimed at specific mission objectives—such as defense, health and space exploration—reflecting the public consensus for a strong federal role in these areas. Developing and applying new commercial technologies is the responsibility of the private sector. At the same time, however, it is widely recognized that U.S. government R&D spending has been used successfully to build the science and technology base of some important American industries, such as agriculture and computers, and that the governments of other industrial nations emphasize the commercial application of technology as an essential objective of their R&D programs.

R&D spending does not constitute a single funding category in the federal budget. Instead, it is distributed across several budget functions. The largest single category is national defense. In 1988, Congress approved $41 billion for defense R&D (about 67 percent of total government R&D spending) and $19 billion for non-defense R&D. Most increases under the current Administration have gone for military R&D, which has reached the highest funding levels since 1962. Non-defense R&D funding in constant 1982 dollars is lower today than at any time since 1966.

In absolute terms, the United States spends more on total R&D than Japan, West Germany, France, and the United Kingdom combined and devotes the highest percentage of its gross national product to R&D (2.8 percent in 1987). When defense-related R&D is excluded, however, a different picture emerges.

The United States devotes a smaller share of its R&D budget to non-defense projects than Japan, West Germany, France, the United Kingdom or Sweden. As a fraction of total GNP, total U.S. spending on non-defense R&D has stagnated at about 1.8 percent over the past 20 years, while the real cost of research has grown. In contrast, Japan's spending on non-defense R&D has grown to 2.8 percent of its GNP and West Germany's to 2.6 percent. Furthermore, within the category of non-defense R&D, the United States spends the lowest proportion on R&D directly related to industrial growth.[2] The governments of other major industrialized nations place greater emphasis on focusing R&D efforts in areas believed to be important to economic development. One estimate suggests that, at most, only about 10 percent of federal R&D is relevant to the technical needs of industry.[3]

The top four U.S. non-defense R&D functions are health, space, general science and energy. The agencies responsible for these activities together account for more than three-fourths of total non-defense federal R&D spending. The remaining one-fourth is distributed over transportation, agriculture, natural resources, the environment and other areas.

Since 1980, increases in federal R&D have been targeted on basic research, both defense- and non-defense related. Increases in non-defense basic research have been justified by the challenge of international competitiveness. However, the contribution of basic research to competitiveness is long-term indirect and uncertain.

About 80 percent of federal non-defense R&D spending is concentrated on basic and applied research. Almost half of this spending goes for basic research, which represents a shift since 1976 when basic research was the smallest portion of non-defense R&D. In contrast, defense R&D is concentrated on development (about 90 percent). Defense basic research, which has declined despite the overall defense build-up, is far outweighed by basic research in other areas. In FY 1988, Congress approved $8.9 billion for basic research in non-defense areas, and $902 million for basic research in defense.

Despite the overall constraints on budget growth, major increases are being sought for such "big science" projects as the Strategic Defense Initiative, the space station and the superconducting super collider. These initiatives are very expensive, and any commercial benefits are not likely to be realized for long periods of time. Futhermore, these requests compete with federal funding for other R&D projects more directly linked to competitiveness and the overall health of the U.S. science and engineering infrastructure.

GOVERNMENT R&D INCENTIVES

In addition to its own R&D spending, the federal government provides incentives for private sector R&D. Unfortunately, many of these incentives have been applied inconsistently. As a result, the objective of fostering private sector R&D has been undermined.

Beginning in 1981, a 25 percent R&D tax credit was enacted, whose value to industry was about $1.4 billion per year before it was modified to 20 percent in 1986. Since then, it has been extended, but not made permanent, disrupting industry's ability to plan long-term R&D projects. Because the credit is based on incremental increases in R&D spending, it can be claimed only for increases in company R&D spending over the prior three-year period. In 1986, Congress enacted the basic research tax credit, which encourages industry-sponsored university research. Like the R&D tax credit, the basic research tax credit has been enacted for only a short time period (1987-1989) despite the fact that basic research is, by definition, a long-term proposition.

In 1977, Treasury Regulation 1.861-8 was issued, which prevents U.S. companies with excess foreign tax credits on their overseas operations from deducting for U.S. tax purposes a portion of their domestic R&D expenditures. By increasing the effective rate of U.S. taxation on R&D, the regulation increases the cost of performing R&D in the United States and thus encourages American companies to shift their R&D overseas. Concern about the impact of Regulation 1.861-8 on U.S. competitiveness has prompted Congress to place moratoriums on its implementation four times without reaching a permanent solution. The last moratorium expired in 1987. Consequently this provision is currently applied to U.S. multinationals.

Outside of the tax context, reimbursement for independent R&D by Department of Defense and National Aeronautics and Space Administration procurement contracts amounted to about $3 billion in 1983. Another element of federal R&D support is the Small Business Innovation Research Program, which sets aside a percentage of federal lab contracting for small business. Agencies are required to advertise their needs and spend a minimum of 1.25 percent of their external R&D funds with small businesses.

THE FEDERAL LABORATORY SYSTEM

The federal government operates more than 700 laboratories established at various times for specific purposes. Over the years, they have expanded and diversified, partly because they succeeded in their original tasks, partly because their mission requirements were changed and partly because they are viewed as important to state economic development. Although the federal labs represent a significant portion of the nation's technical enterprise, supporting the commercial application of technology is not among their major priorities. Instead, they focus primarily on defense-related issues and basic research in specific areas, such as energy and health.

The role of the federal labs has evolved considerably over the past few decades. New concerns, such as space exploration, the energy crisis, cancer and AIDS have pushed them into new areas of research. Despite the valuable role they play in these areas, there is no consensus on their scope, mission and relevance to the nation over the next 20 years. Federal budget constraints and international competition in technology have raised serious questions about the labs' role and economic utility.

The debate about the federal labs' involvement in the commercial application of technology is complicated by political considerations, inadequate information about the scope and contribution of their research and disagreements about their appropriate role. As a result, it is difficult to coordinate their activities, much less to phase out those that have limited effectiveness.

Political considerations should not be underestimated. Many members of Congress view the labs as critical to their states' economies and as a source of high-technology jobs. Consequently, they resist any effort to close down or redirect lab resources, regardless of the performance of individual facilities. In addition, because the lead agencies of the labs are mission oriented, they have a vested interest in maintaining control over the labs' research agendas.

A lack of reliable information further confuses the issue. In the aggregate, there is no question that the resources of the labs are immense. Their annual budget is approximately $20 billion, which is equal to almost one-third of the federal government's annual R&D expenditures and one-sixth of total national R&D expenditures. But it is difficult to determine exactly how many laboratories there are and how many scientists and engineers they employ, much less which institutions are effective in meeting their objectives and which should be reorganized for other purposes.

There are conflicting views about the role the labs should play in industrially relevant R&D. Some government and industry officials believe that a significant portion of the labs' research should be redirected to areas that are directly relevant to American industry. Proposals range from boosting technology-transfer initiatives to making the labs dependent of U.S. industry for a substantial part of their budget. This latter proposal would have the effect of creating a direct incentive for the labs to engage in more commercially relevant R&D; if they failed, their budget presumably would be cut back.

Others believe that the labs should not stray from their original mission objectives. Those who embrace this point of view stress that the commercial application of technology is, by definition, industry's responsibility. They maintain that even if the federal labs were directed to do so, they could make little contribution to commercial R&D. Instead of redirecting the labs to perform industrially relevant R&D, they argue, inefficient labs should be phased out and additional incentives provided directly to industry.

Despite these differing viewpoints, much of U.S. industry agrees that the labs need to be re-evaluated. Some labs need to be closed, others consolidated. For their part, officials from the federal labs criticize American industry for not making better use of the labs by keeping track of the research conducted there. They stress that foreign industry representatives regularly visit them to inquire about the status of research, while American industry rarely does so.

Recent federal initiatives—including funding of the Federal Laboratory Consortium, which works with a broad range of government agencies—have focused on technology transfer from the labs to industry. It is important to take advantage of existing legislation to make the transfer of useful technology work. In addition, however, it is important to address the need to refocus resources on research relevant to industrial needs.

THE REGULATORY AND LEGAL FRAMEWORK

If new technologies are to be commercialized successfully, they must overcome a set of economic, legal and regulatory barriers. These barriers arise from private agreements (such as contracts, licenses and corporate structures); from common law (tort and property concepts enforceable in court); and from public law and regulation. Just as the competitive context for American technology has changed enormously over the past decade, so, too, has the legal environment.

The effect of law and regulation on technological innovation cannot be characterized simply. They affect industries differently and often require amendment in the face of new technology and new markets. Some regulations are intended to encourage new technology—intellectual property rights being the prime example. Other regulations—pharmaceutical, pesticide and chemical registrations, for example—create deliberate barriers to ensure that new products are safe and environmentally sound. Yet even in this context, the government imprimatur can aid market acceptance.

Laws and regulations like these that directly affect technological innovation are only part of the problem. In fact, most laws and regulations are enacted to address a particular social issue that has little to do with technology. Although, in the aggregate, the impact of these laws and regulations on technology is enormous, it is almost entirely unmanaged—typically unforeseen by lawmakers, ill-considered by enforcement officials and often unpredictable.

Clearly, the legal and regulatory environment could be better planned and controlled. With foresight, laws and regulations could be designed to encourage technological innovation—or at least minimize negative impacts. This is not done, however, for several reasons: legislative ignorance of the issue; inadequate analytical resources to study the issue; an adversarial legal process that impedes informal discussion; and the absence of a forum where industrial concerns can be aired. All of these deficiencies must be addressed in reformulating national technology policy.

The growth of government regulation

Federal regulation of industry today extends throughout the economy. The American penchant for making rules to guide the market, coupled with a reluctance to intervene in other ways, has caused the United States to be characterized as a "regulatory state." Other countries, notably Japan, take a different approach in which the state has taken on a "development" role, intervening more frequently to promote, rather than regulate, economic development.[4]

Indeed, a different approach was taken in America in earlier eras. Throughout the pre-Revolutionary period, for instance, the colonies saw themselves as promoters of economic growth. During the first hundred years of nationhood, the federal government dedicated itself largely to infrastructure development. During this era, the nation emerged as an exporter. The first regulatory agency, the Interstate Commerce Commission, was not established until 1887. Since then, laws and regulations have accumulated in waves: antitrust and trade laws at the turn of the century; labor and securities regulations in the 1930s; environmental and consumer-protection regulations throughout the 1970s. In recent years, the nation has imported massive amounts of goods and services and run up large trade deficits. It is important to shift the focus of national policy back toward facilitating exports.

The wave of consumer-protection legislation in the 1970s is perhaps the most problematic from the point of view of technological innovation. New and radically reformulated regulatory mandates arose: air pollution, water pollution, chemical registration, strengthened pesticide and pharmaceutical controls, equal employment opportunity, consumer financial protection, export controls, advertising limitations, and occupational safety and health. Ironically, this new wave of regulation was being enacted just as established regulatory regimes—such as trucking, natural gas and airlines—were being dismantled. The new regulations differed from the old not only in terms of their focus—consumer and environmental protection—but also in that their mandates typically were applied irrespective of industry boundaries. As a result, there was no way for regulators to consider the cumulative impact or to coordinate across regulatory regimes.

Developments in private legal practice intensified the regulatory changes ushered in during the 1970s. In some instances—environmental impact statements and civil rights, for example—legislative mandates opened the door to private civil actions that supplemented government enforcement. Elsewhere, the courts created major doctrines that enlarged consumers' and workers' rights and their ability to bring suit. An explosion of litigation, which has continued largely unabated through the 1980s, is most visible in the area of product liability.[5] A doctrinal movement away from fault-based torts to compensation in the absence of fault was accompanied by procedural innovations that allowed consumers to join in large-scale tort actions. Although product-liability reform has generated extensive discussion at the national level, by and large it has remained within the ambit of state law, and, thus, is highly variable across jurisdictions.

The regulatory process

Dramatic changes in administrative law and in the structure of private-public relationships also arose during the 1960s and 1970s. As a result, the American regulatory process has become more adversarial, political, legalistic and highly pluralistic. In part, these developments were fashioned by the courts, which transformed the Administrative Procedure Act into a powerful tool for challenging government action and ensuring public debate of regulatory decisions. Congress also chose to open government to the public through actions such as the Freedom of Information Act. This pluralism, while desirable, often has also caused uncertainty in the direction of public policy and has hampered the implementation of new policies and programs.[6]

Along the way, the regulatory decision process itself has become a subject of controversy. Since the Nixon Administration, each President has attempted changes, but only in the first four years of the Reagan Administration did "regulatory reform" become well-institutionalized. By and large, reform has not altered legislative mandates, nor has it eliminated many existing regulations. Instead, it has focused on how regulatory decisions are made, as expressed through four principal actions: paperwork reduction, as mandated by the 1980 Paperwork Reduction Act; economic impact analysis of major regulations, as mandated by Executive Order 12291; the establishment of a regulatory planning process, as mandated by Executive Order 12498; and executive oversight of the regulatory process through the Office of Management and Budget.[7] These initiatives in regulatory reform have primarily addressed economic regulations, with very little attention being given to social regulations in areas such as health, safety and the environment.

While valuable, these policies and procedures generally do not address issues pertaining to commercial technology. In a few specific instances, notably antitrust reform through the National Cooperative and Research Act of 1984, the promotion of new technology in industry was moved to center stage but for the most part regulatory reform only considers technology within the generalized rubric of "economic impact." The indirect impacts of social regulations on technology development are significant in many industrial sectors and these regulations need review and streamlining. Nor does the reform process effectively attack institutional and organizational difficulties. For example, there is currently no neutral forum where industry can have its concerns about regulation and technology aired and discussed. Similarly, the ability to consider and coordinate the impact of regulatory requirements across different agencies and statutory mandates is inadequate. And few alternatives to adversarial regulatory procedures have been explored seriously.

Impacts on commercial technology

Laws and regulations have a pervasive impact on the process by which technology is introduced to the commercial marketplace. On the most microlevel, their impact is felt as products and processes are "engineered" to cope with applicable legal specifications. In the aggregate, they strongly shape the overall climate for technological innovation. The sheer breadth and variety of legal requirements make a full discussion here impractical, nor can simple conclusions be drawn. Nevertheless, a number of areas, discussed below, stand out as particularly important to the business community today.

Intellectual property rights are widely recognized as essential to technological innovation Appreciation of this relationship has led to recent decisions strengthening these rights: the Supreme Court and Patent Office have upheld the patentability of life forms, patent-term restoration for pharmaceuticals and the right of government contractors to claim title to inventions.

At the same time, however, some industries face uncertainty about the extent of legal rights (for example, in the area of computer software).[8] In the context of government regulation, it is not clear that officials adequately protect trade secrets from disclosure to the public or competitors under the Freedom of Information Act. Perhaps the most pressing problems are in international markets where intellectual property "piracy" is common. The ability of foreign companies to legally "infringe" on U.S. process patents abroad has been a subject of legislative concern, and provisions to address this problem are included in the recently passed omnibus trade bill.

Direct restrictions on research are occasionally imposed by funding and regulatory agencies. Notably, genetic engineering experiments are subject to guidelines from the National Institutes of Health as a condition of funding, as well as regulations from the Environmental Protection Agency, the Department of Agriculture and other agencies. Similarly, new drug testing is subject to Food and Drug Administration controls on experimentation.

Pre-market and pre-manufacturing approval for new products moves government regulation beyond research into direct control of innovation. This occurs for pharmaceuticals, pesticides, food additives and industrial chemicals. The government's power to halt the marketing of a new technology, in turn, increases testing costs and delays. Although the need for these regulatory regimes is hard to question, there is also a need to strike a better balance between legitimate public health goals and the competitive position of the firms that produce new technology. Few legislative mandates have followed the lead of the Toxic Substances Control Act in this regard, which causes regulators to avoid "undue" adverse effects on innovation. Even the best legislative intent, however, can be frustrated by staff shortages in the regulatory agencies, an area of special concern today.

Restrictions on commercial transfers of technology occur mostly in the context of international sales, where concern for national security has led to a comprehensive system of export licenses under the Export Administration Act. Controversy here centers not on the need for regulation, but on the details of implementation. This issue was addressed most recently in the omnibus trade bill when Congress attempted to better define strategic technologies subject to strict control and to streamline the administrative process.

Government standards also establish performance criteria for products and processes in commercial use—air pollution, water pollution, waste disposal, product safety and occupational safety and health are the main examples. These standards influence technology in diverse ways. For example, because new sources typically are treated more strictly than old ones, some bias against modernization may arise. On the other hand, the regulations that mandate use of "best available technology" encourage diffusion of new techniques to lagging firms. Because environmental and safety standards have such significant economic impact, their costs and benefits are carefully weighed in rulemaking. Nevertheless, the analysis typically pays insufficient attention to the affect on commercial technology. In addition, because the rulemaking process is so lengthy, subsequent changes to adapt to new technical developments are made with difficulty. Greater use of informal consultation or negotiating strategies between industry and regulators may be useful in remedying these problems.

State product-liability laws also significantly influence the development of technology. Here, the laws are problematic because they cut two ways. On the one hand, high insurance and liability risks now associated with untried products deter the introduction of new technology. On the other hand, court awards made against old, unsafe products make it imperative to introduce improvements or substitutes. Because liability is imposed *ex post facto*, and is based on every-evolving precedents, the law is also highly uncertain. Reform efforts therefore have focused on means of creating a more predictable legal environment. For the most part, these actions have occurred at the state level; Congress has been reluctant to enter this traditional area of state jurisdiction.

Evaluating the impact of regulation

The precise impact that the legal and regulatory environment has on technology is extremely difficult to assess. Analysis is hampered by methodological problems, lack of appropriate data and disagreement about evaluation. Perhaps the most troublesome issue is that the analysis can only be done in the particular: each regulation is different; each industry's technology is different; and each company will have different responses.

While the impact of regulation is specific to industries and companies, regulatory decisionmaking is oriented toward broad problems that span industries. Discontinuity and controversies emerge as regulatory and legal mandates are applied without a unified perspective. Nowhere has this been more evident than in the biotechnology industry.

Biotechnology research has long been supported by the National Institutes of Health and the Department of Agriculture, both of which have been thrust into a regulatory role. In addition, the Environmental Protection Agency (under both pesticide and toxic substances authority), the Food and Drug Administration and the Occupational Safety and Health Administration all exercise regulatory control over certain aspects of biotechnology. Environmental impact litigation has cast the judiciary as a major player as well.

At least two fundamental problems have arisen in this regulatory scenario. First, the overlap among the regulatory agencies, their many scientific advisory committees, Congress and the courts has created a highly inefficient, often confusing and conflicting system. These difficulties have not been addressed adequately by attempts at coordination at higher levels (for example, the Biotechnology Science Coordinating Committee). Second, the current institutional structure lacks a forum for overall consideration of the balance that needs to be struck among the competitive position of this industry, the development of its technology, and public health and safety.

Reforming the legal and regulatory system.

The regulatory and legal apparatus represents the accumulation of many years of federal activity. Throughout its history, America was responding to diverse sets of pressing social issues, as has been discussed earlier. By and large, however, today's laws and regulations were enacted during a period when the United States was more insulated from the international economy, and the competitiveness of American industry was a matter of little concern. The changed competitive circumstances now demand reforms in the regulations and laws to harmonize their legitimate objectives with a new national economic agenda.

Regulatory and legal reform should be directed toward four broad goals. First, changes need to be made in obsolete legal structures. Inadequate protection against international intellectual property piracy and tax provisions that discriminate against domestic R&D investments are priority issues. Second, more consideration needs to be given to the potential negative impact of certain regulatory measures. Restrictions on international transfers of technology and slow or overly strict new product-approval procedures (for example, in pharmaceuticals) may present the most pressing problems of this nature. Third, the promotion of technology must become an integral element in regulatory strategies. Regulators must consider explicitly the impacts of their actions on the development of new technology, and, to the extent possible, craft regulations that encourage technological innovation. All legal and regulatory regimes need to reflect this orientation. Fourth, better mechanisms of coordination, analysis of industry impacts and consideration of the technological dimension of law and regulation must be developed.

These goals can be accomplished through various legislative, administrative and private sector initiatives. Specific amendments to the legal and regulatory systems need to be considered along with enabling statutes on a general "technology mission." The novel decision-making criterion in the Toxic Substances Control Act—to minimize undue impacts on innovation—may provide a model.

Inside Executive Branch agencies, analyses of the impacts of regulation on technology must become more important. Regulatory strategies that promote innovation in industry must be considered. These objectives could be added to the existing analytical requirements contained in Executive Order 12291 or they could become a separate, complementary analytical effort.

New institutional mechanisms may be necessary to build a technology focus into law and regulation. It also may be desirable to change the skill mix and orientation within the federal regulatory apparatus, which is currently dominated by lawyers and economists. More technically trained individuals are needed, perhaps drawn from industry on a temporary basis. Last, coordination of regulation needs to be made a high-level, high-priority concern.

During the 1980s, the federal government has initiated a number of promising pro-technology initiatives. All too often, however, these policies were piecemeal, *ad hoc* and inconsistent. In some cases, promising new laws were enacted, but never funded. In other cases, a benefit bestowed by one Congress—the R&D tax credit, for instance—was denied by the next. Chapter 4 assesses new developments in U.S. technology policy at both the federal and state levels, initiatives that help set the stage for a series of recommendations.

CHAPTER IV: NEW DEVELOPMENTS IN U.S. TECHNOLOGY POLICY

As a result of the reevaluation of its traditional role in science and technology, the U.S. government is becoming more involved, on a selective basis, in aiding the private sector's commercial application of technology. During the 1980s, Congress and the Executive Branch undertook a number of important new initiatives, in large part motivated by growing concern about faltering commercialization. In general, these appear to have been positive steps. In some cases, it is too early to judge the results and, in other areas, programs have been underfunded.

RECENT FEDERAL INITIATIVES

A first important action occurred in the fall of 1980 when Congress passed the Stevenson-Wydler Technology Innovation Act and committed the country to broad support of technological innovation. The bill prescribed some organizational changes to focus the Executive Branch (principally the Department of Commerce) more clearly on industrial technology by mandating a government-wide program of technology transfer and authorizing a network of centers for industrial technology. Because the Stevenson-Wydler Act has never been fully implemented (the Centers for Industrial Technology were never funded, for example), subsequent legislation has been used to fulfill specific aspects of its vision.

Several bills focused on intellectual property: the Bayh-Dole Act, the Patent Term Restoration Act and the Semiconductor Chip Protection Act. All of these attempted to broaden the legal protection for inventors by, respectively, allowing federal contractors to claim title to inventions, restoring the patent term for pharmaceuticals to the extent that it was shortened due to regulatory review, and establishing a new form of intellectual property rights for chips.

Other legislation specifically addressed the operation of federal R&D programs. For example, in 1985 the National Science Foundation charter was amended to give engineering a stronger role. Furthermore, the Small Business Innovation Research program phased in mandated increases in federal R&D contracting with small business. In addition, the Technology Transfer Act of 1986 and Executive Order 12591 established a system of cooperative agreements and sought to increase technology transfer between the labs and private firms by giving financial incentives to federal employees, among other measures. This legislation, however, has only been partly implemented. The emphasis on cooperative modes of technology development and transfer was strengthened by National Science Foundation programs to establish university-industry cooperative research centers. Building on the successful experience of its Engineering Research Centers, the National Science Foundation has attempted to establish interdisciplinary Science and Technology Centers, which are still in the planning stage. The participation of industry in the research program has influenced the content of the research agendas and stimulated a renewed focus on manufacturing.

A noteworthy event occurred late in 1987, when Congress appropriated $100 million of Department of Defense funds in fiscal 1988 for Sematech, a research consortium recently formed in the semiconductor industry to counter intense competition from overseas manufacturers. Sematech's goal is to develop manufacturing technology for a new generation of integrated circuits.

The U.S. machine tool industry also is involved in a national effort—the National Center for Manufacturing Sciences—to explore new developments in manufacturing. It expects to spend approximately $30 million over three years, with half of the money coming from industry and half from the government. As with Sematech, the Department of Defense will help fund this effort.

These two initiatives demonstrate that growing concern about U.S. industrial competitiveness is prompting the federal government to focus on the commercial application of technology. They also indicate the Pentagon's increasing concern about the ability of American industry to support technology-related national defense requirements. The Department of Defense has launched the Industrial Base Initiative to identify and encourage critical manufacturing capabilities of U.S. industry.

Other federal initiatives have attacked regulatory and international issues. The National Cooperative Research Act of 1984, which relaxed the antitrust laws for research consorita, is particularly noteworthy. In 1986, the Export Administration Act was amended in response to business concern about the impact of export regulations on international competitiveness. And in 1987, Congress passed the Japan Technical Literature Act, which mandated a program of assessment, translation and dissemination of Japanese-language sources by the Department of Commerce.

Few of these initiatives required major new appropriations by the Congress, which made them especially attractive in a period of fiscal stringency. Even so, science and technology funding programs tended to fare well. Research support grew 26 percent in real terms between 1980 and 1985, primarily in defense and basic research. In the 1986 Tax Act, the R&D credit was one of the few benefits preserved, albeit at a less generous level than before.

The technology policy issue receiving perhaps the most attention and the least action within the last several years is the organization of the federal science and technology policy apparatus. A number of recommendations have been advanced in an attempt to incorporate a concern for commercial technology more clearly in the organization of the federal government. The broad contours of these proposals are:

Enhanced Office of Science and Technology Policy

Expanding the functions and capabilities of the office could strengthen the federal focus on industrial technology. An important part of the work would be to improve the funding and implementation of existing technology-related policies and to spur greater coordination among federal science and technology agencies. With direct access to the President, the office could become more active in budget and oversight matters, functioning as an advocate for industrial technology at the highest levels of government. In theory, the office already has many of these functions, but its lack of authority over other agencies, small budget, lack of staff and inevitable preoccupation with day-to-day Executive-Office concerns limit its effectiveness.

Policy and Technology Foundation

A National Policy and Technology Foundation, patterned after the National Science Foundation, would fund civilian industrial technology as one of its main purposes. This option represents the institutionalization of initiatives such as congressional funding for Sematech. The new foundation would identify critical industrial technologies, fund the relevant industries and provide a forum for analyzing important issues relating to civilian technology.

Department of Science and Technology

This option, recommended by the President's Commission on Industrial Competitiveness, would consolidate many of the science and technology support programs into a single Cabinet-level department. Such an agency could coordinate existing programs, reallocate budget and possibly reorient the work of certain federal laboratories. However, such an agency could bring with it over centralizaion and bureaucracy, and weaken useful rivalry and experimentation among existing programs.

Department of Technology

A Department of Technology also would function at the Cabinet level, but would limit itself to activities and programs related to industrial technology. No basic research programs would be included. New analytical missions relevant to international competitiveness might be added and the new department possibly would have funding authority to directly support industrial technology development in appropriate circumstances. Two quite disparate versions have been discussed. One would pull together all technology programs not related to defense; the other would unite only those tehnology programs with missions related to industrial competitiveness.

National Institute of Industrial Technology

A smaller-scale alternative to a Department of Technology, the Institute would be built around the National Bureau of Standards and primarily would provide technical services to industry. It might be involved mainly with establishing and funding regional or state centers that undertake cooperative research or provide technical services directly to private firms. A variant of this option is a civilian version of the Defense Advanced Research Program Administration.

Technology and Science Advisory Councils

Irrespective of the form reorganization takes, a technology policy advisory body could be a useful adjunct (although not an alternative) to a new technology and science agency. One option would be to constitute a council that would include the heads of the major science and technology agencies that could function like the Economic Policy Council and provide direction on major decisions dealing with technology. Alternatively, a group of leading industrial figures could advise a new technology and science agency.

The multiple initiatives of the 1980s demonstrate the growing concern about U.S. competitiveness and acknowledge the critical role of technology. In many respects, these initiatives have focused on the critical issues in the commercialization process: cooperative R&D, intellectual property, regulatory constraints, technology transfer, generic manufacturing and government organization.

Yet, little has changed. The government policymaking apparatus remains fragmented. Implementation of new legislation has been a recurrent problem. In some cases, promising new laws were enacted but never funded. In others, bureaucrats and program administrators could not accommodate new priorities rapidly, and a shortage of skilled staff slowed progress. In still others, political considerations came into play: a benefit bestowed by one Congress, for example, was undercut by the next. Throughout the government, there remains far too little coordination within the federal bureaucracy and among the federal agenceis, the states and private sector.

STATE TECHNOLOGY PROGRAMS

Justice Louis Brandeis remarked some 50 years ago that one of the "happy incidents" of the American federal system was the ability of states to serve as "laboratories" for social and economic experiments.[1] Often, this has meant that ideas are originated among the states and then emulated at the national level. It also has meant that states sometimes carry out programs funded in Washington. The outstanding example is the agricultural extension service. Here, the federal government contributes finanical and administrative resources, but wisely chooses to leave implementation in the hands of states and universities, which have both expertise and proximity to the program's clients—the nation's farmers.

During periods of federal quiescence in a particular policy area, state activity often becomes intense. This appears to be true in the area of economic and technology development. An active state role took root first in regions adversely affected by plant closings and changes in the traditional nature of their economies—mostly the northeast and north-central states. Until the 1970s, the overriding goal was to attract business, with tax incentives being the main tool. Later, job-retention measures—subsidies, plant-closing legislation and regeneration of mature industries through new technology—were added.[2]

Focus on technology

By the early 1980s, the goal of state programs oriented toward economic development had taken on a very different cast: creation or expansion of business enterprise through new and improved products, services and technology.[3] Although earlier concerns were not abandoned, the promotion of technology or technology-oriented businesses moved to center stage. Southern and western states, whose resource-based economies had suffered reverses, embarked on active technology-development programs along with northern and eastern states.

By mid-1987, the National Governors' Association reported that 31 states had offices responsible for promoting the growth of technology-based businesses and most other states provided assistance through state university systems or economic development authorities.[4] More than 500 discrete programs have been identified, but, given the intense interest in this area, additions and changes make such numbers obsolete almost as fast as they are tallied. As recently as May of 1988, for example, Alaska had established its own state science and technology foundation.

Many factors fueled the growth of state technology-support programs. Fundamentally, the states recognize that technology is even more critical to the long-term growth and competitiveness of every region of the country. Beyond this, state officials appreciate keenly the fact that technology development is anchored in local and regional conditions. Lastly, state action was often necessary in order to counteract a declining federal presence.

Despite the soundness of the underlying concept, many technology-oriented programs were marred initially by over-enthusiasm, loose conceptualization and, predictably, frustrated expectations. In particular, the widespread emphasis on a few "high-technology" sectors overestimated the contribution of high-technology to employment growth and ignored the potential gains from improvements in traditional technical areas.[5] In addition, programs tended to assume that three models—Massachusetts' Route 128, California's Silicon Valley and North Carolina's Research Triangle Park—could be duplicated widely. These enormously appealing complexes did, in fact, show similarities: successful incubation of a high-technology complex over a long period, close university-industry relationships and ample federal money. On the other hand, each had unique aspects that were not applicable elsewhere. Moreover, in each case the early stages of development were accomplished with minimal state involvement; state support grew only when the complexes had the look of success.

Characteristics of state programs

Today, state technology programs have matured and are highly diverse and sophisticated. In any given state, a wide variety of initiatives may exist, carefully tailored to the strengths and needs of the local economy. In fact, it is almost misleading to characterize them as government programs, because the private sector has often taken the lead, private or quasi-public entities frequently carry out the initiatives and university activities play a vital role. The most common initiatives can be grouped into five categories: (1) centers of excellence; (2) venture capital for new products or technologies; (3) incubators to support entrepreneurs; (4) intermediary partnerships; and (5) information dissemination.

Centers of excellence are partnerships between state officials and higher education institutions that concentrate academic activity on technical areas the state can exploit as a unique competitive advantage. Typically, faculty members receive funding for research in areas that are likely to lead to commercially viable ideas, attract industry for collaborative research or help start new companies. Existing companies form affiliations with the center, cooperating in research projects and providing matching funds. Centers of excellence have become popular within the last several years. Ohio alone has 10, for example. Some are similar to the National Science Foundation's engineering research centers, raising concerns about duplication and destructive competition.

Venture-capital programs provide equity or loan financing to support R&D or the devlopment of innovative products and services. Examples include the Indiana Corporation for Innovation Development, the Massachusetts Technology Development Corporation and the New York Corporation for Innovation Development. These state-funded independent corporations function much as private venture capital companies would and, indeed, are often co-founders with private sources. Their special focus, however, is on new technologies or products that offer significant potential to the state economy but that carry high enough risks to make conventional sources of financing unavailable or inadequate. Technical, management or other consultation services also may be offered in conjunction with financing.

The recognition that financing is only one of the entrepreneurs' needs has prompted the creation of a number of outreach programs. Often called incubators, these initiatives may furnish new companies with low-rent office space, aid in developing business plans or undertake specific applied research projects, typically through a state university. Georgia Tech, for example, has such a program, and the University of Maryland has a technical extension service targeted at manufacturing firms. Business counseling and technical advice form a large part of the attempt to "nurture" entrepreneurs in these programs, making them perhaps the most hands-on and varied of technology-support endeavors.

Intermediary partnerships is the term often used to describe the combination of various types of programs—grants, applied research, venture capital and information dissemination—that have been grouped under one organization. Created as private, non-profit organizations encompassing business, labor, education and non-profit groups the partnership receive state financial support that they leverage with outside funds solicited on a project basis. Examples include Pennsylvania's Ben Franklin Partnerships, Arkansas' Science and Technology and Tennessee's Technology Corridor Foundation. The purpose of the partnerships is to create an integrated, coherent set of activities to support technology and entrepreneurship. Typically decentralized, partnerships work closely with local groups: labor unions, universities, economic development agencies, large companies and entrepreneurs. Nevertheless, they appear to be increasingly important and may play the leading role in state technology development in the future. They provide a radically different organizational paradigm than the state bureaucracies that have been dominant in the past.

Information-dissemination programs, the last type of state effort, have long been a university-based, state-funded effort. These programs are designed to enable companies to stay current in a particular technical area or to collect literature and data relevant to a firm's needs. Although information dissemination obviously can be linked with the other types of programs, many are more passive and reactive and may be restricted from direct involvement with technology transfer.

Three examples: California, Pennsylvania and Ohio

By most measures, California ranks as the nation's high-technology leader. It places first in high-technology employment, R&D expenditures and receipt of federal R&D monies. In large part, this springs from a unique entrepreneurial culture, strong university-industry links and federal support, not from state government action. Nevertheless, California certainly owes its success in part to its traditional leadership in the area that states increasingly consider the single most important contributor to technology and economic growth: quality education.

During the 1960s and 1970s, California's economic policy lacked an explicit focus on technology. In the mid-1970s, however, Governor Jerry Brown formed the California Commission on Industrial Innovation, which outlines a strategy on promote technology innovation that is perhaps more comprehensive than any other state's. Programs such as MICRO, which provides matching grants for industry support of University of California microelectronics projects, grew out of the commission. In contrast, Governor George Deukmejian's current approach has emphasized economic development more generally and a less active role for government. Many of the commission's recommendations have therefore been dropped. California does not have a state office of science and technology, but houses a number of technically oriented programs, particularly for small business, in its Department of Commerce.

Pennsylvania provides a prototype for states with severe economic problems due to a dramatic erosion of their traditional industrial bases within a relatively short period. In the face of plant closings, the state developed a set of technology-development-support programs that are among the most coherent and active in the country. Preeminent among them is the Ben Franklin Partnership Program, begun in 1982, which operates four advanced technology-development centers in different regions of the state. These centers provide applied research funding, entrepreneurial assistance, education and training, and seed capital. Their intention is to link private and academic resources, to make traditional industry more competitive and to spin off new businesses from universities. By most accounts, the Pennsylvania program is the largest in the country and is generally credited with much success.[6]

Ohio's economy is similar to Pennsylvania's. In 1983, Ohio initiated a program named the Thomas Alva Edison Partnership program, which at first glance seems to be an imitation of Pennsylvania's Ben Franklin Partnership program. In fact, the programs are quite different.

The Edison program is operated by the Ohio Department of Development and has an advisory board appointed by the governor. The program has three separate initiatives: the Advanced Technology Application Centers, the Innovation Research Financing Program and the Search for Innovation Technology Program. The first two are research and development programs; the Search program is a technology brokering/transfer activity. Total funding for the Edison program from 1983 to 1985 was $32.4 million; for 1985 to 1987, it was $34.8 million.

Over two-thirds of the budget is used to provide matching support for the Advanced Technology Application Centers. Six of these centers have been established at universities. They focus on generic technology research in areas such as advanced manufacturing, polymers, biotechnology and information technology. They are expected to attain national or international leadership in their respective fields, and are required to emphasize technology transfer to the private sector and to demonstrate how jobs can be created in Ohio. Estimates of the total matching fund commitment from non-state sources ranges from $75 million to $127 million.

Ohio's program is too new to evaluate meaningfully, but the state and matching funds that have been committed are encouraging signs. A technology-research-center approach on the scale of Ohio's can strengthen universities, but it does not solve the immediate need to create and retain jobs through applied research and to train workers for these jobs. Even though technology transfer has been emphasized, concrete results from the Edison Technology Centers in the form of products and jobs are likely to be realized only in the medium- to long-term.[7]

Assessment of State efforts

State technology-development efforts are not quick fixes for economic problems. Typically modest in scope, they must be viewed as only one part of a very long-term strategy to invest in and renew state or regional economies. Private sector and federal initiatives almost certainly have been more important. The successful high-technology complexes—Route 128, Silicon Valley, Research Triangle Park—took many years to develop. And successful individual projects may easily take five to ten years to mature into commerial results. Programmatic undertakings, at either the state or federal level, therefore must provide long-term, consistent and patient support, concentrating on building institutions and affiliations as well as projects with particular objectives.

The realization that infrastructure, not projects, is the most important element of success has led many states to emphasize education as the single most critical element in state technology-development strategies. One widely shared assumption is that future technology development will depend more and more on close ties between industry and higher education institutions. This has prompted efforts to develop new university-industry relations. Faculties and university administrators have responded with alacrity. Universities also are encouraged to play a larger role in entrepreneurship, as a source of both spin-off businesses and of advice to the private sector. Clearly less-emphasized but not ignored, training and technical skills development for workers also has been the subject of some programs. In addition, efforts are under way across the country to improve science and mathematics education at lower grade levels.

State programs uniformly recognize the need for the private sector to take the lead. Today, in contrast to earlier economic-development efforts, government's efforts are designed to help, rather than guide. Public programs are seen more as accelerators than initiators of industrial change. Moreover, independent, non-profit, non-governmental institutions are clearly preferred to a government agency as the focus of technology-development efforts.

State programs have recognized that a single element, such as funding or technical information, is insufficient. Instead, most states employ the entire range of activities related to commercialization, from research to business-plan development. The fact that technology programs are commonly part of overall economic-development plans underscores the appreciation of the government-business-academe links necessary for successful commercialization.

The wide variety of state programs attests to the fact that the promotion of innovation is a pragmatic, non-doctrinaire activity. No single model is best or suitable for all circumstances. The orientation must be local: entrepreneurs, workers and researchers must come together at a local site. Typically, technology is adapted first for use in local markets. Programs therefore need to be highly decentralized, flexible and able to respond to changing economic conditions.

Although, in the aggregate, state programs represent a large investment in innovation, most individual efforts are quite small. (Exceptions include Pennsylvania, which spent about $500 million last year, and Virginia, which spent $86 million.) Because state governments rarely have generous resources, administrators must leverage what they receive. The virtues mentioned above—cooperation across sectors, joint funding, flexibility—are virtues born of necessity as much as they are a conscious choice.

Last, the state programs provide some lessons about what not to do. By and large, they show that focus on research, particularly basic or academic research, holds little promise as a technology-development strategy. Nor will it appeal politically to the legislature that must provide funding. State programs are also recognizing that "high-technology" provides no panacea—and may even be a counterproductive strategy. The most fruitful efforts are geared to exploiting the potential and renewing the strengths, often traditional in nature, of the local economy.

Federal-State linkages

The relationship between the states and the federal government must be determined by the kinds of functions each can best fulfill. By and large, the federal government does better with funding programs and with large-scale projects and institutions. The states function more effectively at the grass-roots level with activities oriented toward particular ventures. A guiding principle of the federal-state relationship should be for each to acknowledge the other's area of competence.

Although the benefits of coordination are obvious, it is not always easy to achieve. The federal government, principally through the National Science Foundation's advanced scientific computing centers, engineering centers, and science and technology centers, is embarking on programs that closely resemble what states have been doing in their centers of excellence. State officials believe that their federal counterparts have not always been sensitive to the need to coordinate the ongoing state initiatives with new federal undertakings. And there is a great need for information transfer and coordination between the two levels of government.

The first step toward better coordination is to develop a better information base about state programs. This need was recognized in the Bumpers provision in the omnibus trade bill, which mandates a survey of state technology-support programs and provides for a federal information clearinghouse in the Department of Commerce. Funds for these programs have been included in FY 1988 and FY 1989 appropriations bills.

The most immediate source of support that the federal government could offer state technical programs comes from the federal labs. Through cooperative agreements, the labs could provide financial, technical or personnel support to state programs. Further, the labs might be directed by legislation to devote a certain portion of their resources to local technology-development efforts.

The federal government also could provide direct financial support to state programs. In fact, there is already legislation, the State Technical Services Act of 1965, that commits the federal government to do so. This Act which has gone unfunded since its passage, could provide the basis for federal support.

CHAPTER V: RECOMMENDATIONS

In supporting and encouraging private sector efforts to commercialize technology, the federal government has four responsibilities: bolstering the macroeconomic environment with fiscal monetary and trade policies that foster international competitiveness; establishing policies that encourage, not hinder, the development of new technology while improving the machinery for making technology policy; strengthening the technology infrastructure; and expanding national R&D efforts.

A unifying theme in this report's recommendations is the basic need to place competitiveness at the top of the national agenda and to recognize that the ability of American firms to commercialize technology effectively has a crucial impact on their ability to compete in world markets. The Council's recommendations should be viewed as essential first steps. By themselves, they will not solve the commercialization problem. They can, however, set the stage for private sector success.

Recommendation 1: The Federal Government should improve the macroeconomic environment that affects the private sectors ability to develop and apply technology.

Without appropriate macroeconomic policies, it will be difficult for U.S. firms to meet the international challenge to American innovation, even if government science and technology policies support their efforts. Two issues in particular need to be addressed: the federal budget deficit and U.S. trade policy.

Make fiscal policy more supportive of private sector efforts to commercialize technology: U.S. fiscal policy—including large federal budget deficits and the tax structure—affects the supply and cost of capital to American industry, which has an important impact on private sector efforts to commercialize new technology. Credible multi-year deficit reduction should be a top priority of the new President and Congress. Furthermore, tax policy should be structured to promote savings and long-term investment.

Strengthen U.S. trade policy for technology: The development and application of new technology also is influenced by trade policy. Restricted access to foreign markets, foreign targeting of high-technology industries and violations of intellectual property rights all serve as disincentives for U.S. firms to design and introduce new products into the marketplace. The omnibus trade bill contains a number of provisions designed to better protect U.S. industry against unfair trade practices. The Council believes that the Administration should use these new tools to improve market access for U.S. high-technology products, to protect U.S. firms and workers from the potentially negative effects of foreign targeting policies and to improve protection of intellectual property. The creation of a new unit within the Office of the U.S. Trade Representative that focuses on science and technology, intellectual property, services and investment is a step in the right direction.

Recommendation 2: The Federal Government should improve the machinery for making technology policy.

The President and Congress should refocus the federal science and technology policy apparatus to give more weight to issues related to the commercial application of technology; to strengthen the funding and stature of federal R&D programs that contribute to industrial competitiveness; and to create a more hospitable legal and regulatory environment for the commercial application of technology.

Appoint an Assistant to the President for Science and Technology: To ensure that the commercial application of technology remains a priority issue, the next President should elevate the position of National Science Adviser to that of Assistant to the President for Science and Technology. Like the current National Science Adviser, the Assistant to the President would serve as the head of the Office of Science and Technology Policy, but would have more input into policy decisions. To be effective, the Assistant to the President must have the full support of the President. The National Science Adviser currently reports to the White House Chief of Staff, and is not a member of the Cabinet or the Economic Policy Council. The Assistant to the President should report directly to the President, have Cabinet-level status and be an active member of inter-agency groups such as the Economic Policy Council and the National Security Council.

Because of the interrelated nature of technology and science, the Assistant to the President should be responsible for both areas, with the clear understanding that progress in science alone is not enough to meet international competitive challenges and that the government must systematically aid private sector efforts to identify, develop and deploy technology. Elevation of the position of Assistant to the President would not entail the creation of a new agency. The Assistant to the President should be provided with sufficient staff and resources to discharge his responsibilities effectively. Additional responsibilities of this position are outlined below.

Be a vital participation in shaping the macroeconomic and regulatory framework that affects the commercialization of technology. The Assistant to the President should participate fully in the formulation of macroeconomic policy. He should make sure that technology issues are carefully considered in these discussions and not treated as residual or secondary concerns.

Develop priorities and coordinate science and technology policy across agencies. The Assistant to the President should help develop overall priorities and take them to the President for approval. He should also coordinate science and technology policy. This effort should include a review of the programs and objectives of individual science and technology agencies to ensure that they are consistent with one another and that they facilitate the commercial application of technology.

Review the federal science and technology budget with the Office of Management and Budget. Nowhere in the federal budget-making process is there an evaluation of the total federal science and technology budget and its rationale in terms of national goals. The Assistant to the President should be responsible for a cross-cutting review of the overall science and technology budget, looking beyond individual agencies' missions to consider whether the aggregate science and technology budget contributes to U.S. competitiveness.

Monitor implementation of policy. Much of the legislation necessary for a more effective government focus on technology is already on the books, but has not been effectively implemented. The Assistant to the President should monitor the efforts of government departments to implement these policies and bring to the President's attention failures of implementation. The Assistant to the President should work with Executive Branch agencies and Congress to make sure that key initiatives are fully implemented.

Work with the Office of Management and Budget's Office of Information and Regulatory Affairs: The Assistant to the President should work closely with this office to ensure that the current regulatory framework, to the maximum extent possible, supports private sector efforts to commercialize technology. Among the issues that should be considered are export controls, procurement and reimbursement policies, standards and testing requirements, product- and plant-approval processes, reassessment of laws and regulations that hinder or slow the commercialization of technology, and ownership of data rights.

Develop a four-year President's strategy for science and technology. The Assistant to the President should work with the President, the Congress and the relevant Executive Branch agencies, and consult with leaders from the private sector to develop an overall Administration strategy for science and technology. This strategy should be developed early in the new Administration's first year in office. It should be presented to the relevant committees in the House and Senate, made available to the American public and updated as necessary during the Administration's term in office. At present, Congress and the Executive Branch consider science and technology issues on a piecemeal basis. Priorities are not ranked and, as a result, programs compete counterproductively with each other for federal funding. The President's report should detail how individual science and technology programs fit into the Administration's overall strategy.

Forum for considering industrial technology needs: No public policy forum exists where industry can discuss issues pertaining to technology and competitiveness. As a result, technology issues often do not receive a timely hearing, and policy responses often are implemented only after lengthy delays. The Assistant to the President should provide such a forum. It could take several forms, such as an advisory committee, an *ad hoc* group or a technology ombudsman. The form is secondary to the goal of ensuring that industry will have a high-level government forum where it can present its views on technology and international competition.

Rationalize the involvement of Congress in technology-related issues: The fragmented policy apparatus for science and technology extends to Congress. The systematic, long-term funding necessary for effective R&D is not adequately provided for by the competing demands facing Congressional appropriations committees or the current one-year federal R&D is not adequately provided for by the competing demands facing Congressional appropriations committees or the current one-year federal R&D budget cycle. Three major issues deserve consideration: including technology issues in macroeconomic policy discussions, setting priorities and developing two-year funding for R&D.

Including technology issues in the discussion of macroeconomics policy: The commercial application of technology is not a discrete issue, but an integral part of broader macroeconomic policy. Fiscal policy, savings rates, investment incentives and the cost of capital all have an important impact on the commercialization process. At present, technology issues are not carefully considered during critical macroeconomic policy junctures. Congress needs to focus more systematically on these issues.

Setting R&D funding priorities: The Senate and House Budget Committees, in addition to setting overall funding priorities for various departments, should also review the entire federal R&D budget and outline R&D budget priorities. Such a review would recast the R&D budget debate away from the needs of individual agencies toward the R&D needs of the nation as a whole.

Two-year funding for R&D: The President and Congress should work on a process whereby budget authorizations and appropriations for R&D both apply for two years. The cycle should begin with negotiations between the President and the Congress to establish a broad framework to guide the enactment of such a budget. This framework would be implemented under a two-year budget resolution, with the resulting allocations to the other congressional committees also binding for two years. To guarantee budgetary discipline, an enforcement mechanism would be established to keep the two-year appropriations within the limits established during the biannual presidential-congressional negotiations.

Make R&D tax provisions consistent over several years: Inconsistencies in U.S. tax provisions do not permit American industry to plan for R&D investments over the long-run. The R&D tax credit and Treasury Regulation 1.861-8 are examples of programs in which inconsistency has undermined industry's ability to plan for the future. The R&D tax credit should be made permanent and reviewed after 10 years to assess its impact on private sector investments in R&D. A permanent moratorium should be placed on the implementation of Treasury Regulation 1.861-8 to encourage the performance of R&D at home rather than abroad.

Increase funding for government agencies that contribute to the commercial application of technology: Although the Council supports reductions in the overall federal budget deficit, it is convinced that government support should be increased in areas that contribute to the ability of U.S. industry to commercialize new technology. These programs represent investments in future economic growth and their economic returns far exceed their immediate budget cost. Two government agencies stand out: the National Science Foundation and the National Bureau of Standards.

The National Science Foundation makes a critical contribution to the nations science and technology base. Last year the Foundation's budget was $1.7 billion. In FY 1988, the President recommended doubling its budget over five years. So far, the necessary funding targets have not been met. National Science Foundation funding should be systematically increased to achieve the goal of doubling its budget by FY 1992.

The National Bureau of Standards is the primary federal laboratory with an explicit mission to aid U.S. industry. Because it is housed in the Department of Commerce, the Bureau often tends to be overlooked in R&D budget discussions. Systematic increases in its budget also should be supported.

Create a legal and regulatory environment more conducive to the commercial application of technology. Much of the current U.S. legal and regulatory system was established when the American economy was insulated from international competition. Reform is needed in three areas.

First, some, but not all, regulations are overly stringent and need to be eased. Not only do obsolete measures need to be reformed, but when new regulations are considered, more attention needs to be given to their potentially negative impact on the ability of industry to commercialize technology. Second, the U.S. regulatory process suffers from slow determination of standards and approval of new products. The standards-setting process is critical to the commercial application of technology and should be strengthened. For example, British companies are able to introduce new drugs to market more rapidly than U.S. companies because the United Kingdom approves new drugs much more expeditiously than the U.S. Food and Drug Administration. Third, the rationality of laws and regulations needs to be closely assessed. It is widely agreed, for example, that U.S. product-liability laws significantly hinder the commercialization of technology. These laws should be reviewed and reformed. In order to address issues in these three areas, U.S. regulatory agencies should make competitiveness an integral element of their missions. As part of this effort, better mechanisms to analyze and coordinate the impact of regulation should be developed.

Legislative, administrative and private sector initiatives will be needed to accomplish these goals. Congress will need to reconsider specific statutes and may wish to add a general "technology mission" to all regulatory mandates (like the provision in the Toxic Substances Controls Act that directs the agency to avoid undue impacts on innovation).

In addition, agencies need to analyze more closely the impact of economic and social regulations on technology, making this focus more explicit under Executive Order 12291. In some cases, staff with more industry and technical experience need to be added to the regulatory agencies and to the Office of Information and Regulatory Affairs in the Office of Management and Budget. One reason for the Food and Drug Administration's delay in granting approval for new drugs, for example, is that it does not have adequate staff to meet the demands placed on the agency. Furthermore, the coordinating function across regulatory agencies needs to be strengthened to emphasize a new focus on technology. This function can be performed by the Office of Science and Technology Policy as well as the Office of Management and Budget.

Recommendation 3: The Federal Government should increase its investment in the education, facilities and equipment that constitute the Nation's technology infrastructure.

The federal government has a critical role to play in ensuring that the U.S. science and technology infrastructure is sound. Government programs contribute importantly to the education of scientists and engineers, the equipment and facilities, and the basic research that industry utilizes in its efforts to commercialize technology. Sustained investments in these areas are vital to the nation's economic future.

Make education, equipment and facilities a priority investment: In determining spending priorities, the federal government should follow three simple rules: first, it should make sure that there is adequate funding for science and engineering education; second, it should focus on investments in research equipment and facilities; and third, it should help fund projects in specific technical disciplines. Federal funding for "mega-science" projects, even if they are warranted on their own merits, have a much longer-term, indirect impact on U.S. competitiveness. To the degree possible, the United States should seek to work with other nations on mega-projects that relate to basic research.

Initiate a faculty-development progam for science and engineering: Facility development is one area in education that deserves special attention. There are approximately 1,300-1,800 vacant engineering faculty positions in U.S. colleges and universities, and some 60,000 math and science teachers in America's secondary schools are not fully qualified. There are also shortages of qualified science faculty. These shortages will increase in the early 1990s as faculty trained during the 1950s begin to retire.

Several innovative faculty-development programs have been put in place to remedy this situation, including the American Electronics Association's Fellowship Loan Program, Hewlett-Packard's Faculty Development Program and programs at the Society for Automotive Engineers. These private sector efforts, however, are not enough. In order to meet this shortage, the federal government should launch a major faculty-development program in science and engineering. Such a program should provide grants and loans to American citizens and permanent U.S. residents sincerely interested in teaching careers to enable them to pursue graduate-level studies. These loans could then be forgiven after three years of teaching.

A similar program could be designed for secondary science and math teachers, whereby federal grants and loans would be provided for graduate study and retraining, and forgiven after three years of teaching. The Education Directorate of the National Science Foundation should be responsible for managing the federal involvement in these programs.

Modernize university research facilities. A matching-grant program for increased federal and private sector investment in university research facilities should be established. Over the past 20 years, while many foreign competitors have been aggressively building up their R&D infrastructure, U.S. federal funding for university research plant and facilities has declined by 95 percent in real terms. In a 1986 study on the health of U.S. colleges and universities, the White House Science Council estimated that a $10 billion program over the next 10 years would be required to bring U.S. university research facilities to an adequate level. The Council supports passage of legislation that would begin to provide the necessary funds.

Recommendation 4: The Federal Government should widen the focus of national research and development efforts.

Recent federal technology initiatives have concentrated on cooperative R&D. Some efforts, such as technology transfer, have focused on links between national labs and industry; others, such as Sematech and the National Center for Manufacturing Sciences, have focused on the need to sponsor more cooperative R&D and generic manufacturing among different companies in the same industry; and still others, such as the National Science Foundation's Engineering Reseach Centers, have focused on the need to conduct multidisciplinary research among different sectors of the economy. Although it is still too early to draw definite conclusions from these programs, it is clear that the federal effort to promote cooperative R&D among industry, universities and government should be expanded and that more resources should be directed toward R&D that is relevant to the private sector.

Re-evaluate the agenda and purposes of the federal laboratories and their relationship with industry. There is no consensus on the scope, mission and relevance of the federal laboratories to the needs of the nation over the next 20 years. Their role and utility should be thoroughly reexamined. Although the Council has not undertaken such an examination, much of U.S. industry agrees that the laboratories need to be streamlined: some need to be consolidated and others need to be closed. At minimum, technology transfer should be elevated to an important criterion in evaluating lab performance. The exchange of technical personnel between the labs and industry should be encouraged as part of this effort.

Facilitate cooperative generic manufacturing technology: The federal effort to facilitate cooperative R&D among industry, universities and government should be encouraged. This framework is effective for generating concentrated, long-term funding and an excellent pool of talent. It remains uncertain, however, whether a significant number of participating companies will make speedy use of the results. A priority consideration in establishing cooperative R&D efforts should be active participation by industry, a focus on base-building technologies and processes rather than products, and the rapid transfer of new knowledge from the laboratory to the marketplace. Such efforts as Sematech and the National Center for Manufacturing Sciences recognize that the private and public sectors have to find new ways of working together if American industry is to respond to the reality of global competition. These efforts should be evaluated carefully to assess how best to structure joint approaches to problems involving generic manufacturing.

Improve federal coordination with state technology programs: During the 1980s, state technology-support programs have proliferated, matured and, in some cases, been remarkably successful. The states have filled a niche for which the federal government is ill-equipped: small-scale, grass-roots efforts involving local businesses, universities and government that focus on the application of technology. At the very least, the federal government should be careful to coordinate its science and technology programs with state efforts. Some state administrators, for example, are concerned that the National Science Foundation's interdisciplinary centers might duplicate existing state-organized centers of excellence.

The first step in improving federal coordination with the states is to create a better information base about state technology programs. The Bumpers provision to the omnibus trade bill would help accomplish this goal. It would establish within the Department of Commerce a clearinghouse for state and local initiatives related to the promotion of technology. The clearinghouse would collect and disseminate information on federal, state and local initiatives, and develop methodologies that state and local governments could use to evaluate their programs. It also would provide technical assistance and advice about these initiatives. This program should be implemented fully.

Encourage Department of Defense efforts to strengthen the U.S. industrial base: The Department of Defense has a vital interest in the health of the U.S. industrial base. In times of national security crisis, it must be able to rely on a strong and diverse national industrial capacity. With pressures on the federal budget, the United States is unlikely to achieve the scale and scope of funding support for science and technology that is relevant to the needs of American industry unless the Pentagon is involved. The Department of Defense should use its procurement policy and R&D budget to strengthen the U.S. industrial base. Its efforts are likely to be most constructive when they focus on conducting critical basic research, developing key technologies and improving production processes, rather than on indentifying and supporting specific industries or industrial products.

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Founded in 1986, the Council on Competitiveness is an organization of leading executives from industry, organized labor and higher education who have one overriding objective: to improve the ability of American companies and workers to compete in world markets. Among the Council's more specific goals are to increase public awareness of the competitiveness challenge; to promote consensus and cooperation on competitiveness-related issues within the private sector; and to assist in the development of far-sighted government policies that help Americans compete.

The Council is governed by an executive committee and draws on the resources of its national affiliates—more than two dozen trade associations, professional societies and research organizations—to help coordinate private sector activity. The Council is privately supported through contributions from its members, foundations, and other granting institutions.

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FOOTNOTES

Chapter I

[1] The first effective effort to measure the impact of technology on the U.S. economy is credited to Robert Solow. See "Technical Change and the Aggregate Production Function," *The Review of Economics and Statistics, 1957.* Many economists have since expanded on these concepts.

[2] Chris Freeman, *The Economics of Industrial Innovation*, Cambridge: MIT Press, 1982.

[3] See Lewis M. Branscomb, *Policy for Science and Engineering in 1989: A Public Agenda for Economic Renewal*, April 1988.

[4] See Edwin Mansfield, "Industrial R&D in Japan and the United States: A Comparative Study," American Economic Review, May 1988.

[5] Ministry of International Trade and Industry, *White Paper on International Trade*, Tokyo, 1987, p. 173.

[6] Ian Ross, "Information Technology and U.S. Technological Competitiveness in the 1990s," in *Vision for the 1990s: U.S. Strategy and the Global Economy*, edited by Daniel Burton, Jr., Victor Gotbaum and Felix Rohatyn, Cambridge: Ballinger Press, 1988.

Chapter II

[1] Pat Hill Hubbard, *New Directions in Home Video Technology*, Testimony presented to the Subcommittee on Science, Research and Technology. House Committee on Science, Space and Technology, Washington, D.C., June 23, 1988.

[2] For a complete discussion, see Clyde V. Prestowitz, Jr., *Trading Places: How We Allowed Japan to Take the Lead*, New York: Basic Books, 1988, pp. 26–70.

[3] Unpublished study of commercially and therapeutically important drugs of the 1970s, Thomas Althuis.

[4] Pharmaceutical Manufacturers' Association.

[5] *Changing America: The New Face of Science and Engineering*, Interim Report of the Task Force on Women, Minorities, and the Handicapped in Science and Technology, Washington, D.C.: 1988, p. 9.

[6] Betty M. Vetter, "Demographics of the Engineering Student Pipeline," *Engineering Education*, May 1988, p. 735.

[7] One hundred eighty out of 270 schools, representing 73 percent of total graduate and undergraduate enrollments, responded to this survey. Extrapolating from this data would lead to the conclusion that there are about 20,400 full-time authorized faculty positions and about 1,800 vacancies.

[8] See Paul Doigan and Mack Gilkeson, "ASEE Survey of Engineering Faculty and Graduate Students, Fall 1985," *Engineering Education*, October 1986, pp. 51–56.

Chapter III

[1] Council on Competitiveness, *The President's FY 1989 Budget Request: A Competitiveness Assessment*, Washington, D.C.: 1988.

[2] Leonard L. Lederman, "Science and Technology Policies and Priorities: A Comparative Analysis," *Science*, v. 237, September 4, 1987, p. 1126.

[3] Albert H. Teich, "Federal Support of Applied Research: A Review of the United States Experience," Washington, D.C.: American Association for the Advancement of Science, 1985.

[4] Chalmers Johnson, *MITI and the Japanese Miracle*, Stanford University Press, Palo Alto, 1982.

[5] Jethro Liberman, *The Litigious Society*, Basic Books, New York, 1981.

[6] Perhaps the primary example is the automobile passive restraint standard, which is still unimplemented after more than 20 years. See Susan Tolchin, "Air Bags and Regulatory Delay," *Issues in Science and Technology*, Fall 1984.

[7] Executive Office of Management and Budget, *Regulatory Program of the United States Government*, April 1, 1987–March 31, 1988.

[8] See Anne W. Branscomb, "Who Owns Creativity?" *Technology Review*. May/June 1988.

Chapter IV

[1] David Osborne, *Laboratories for Democracy*, Harvard Business School Press, Boston, 1988.

[2] R. Scott Fosler, *The New Economic Role of American States*, Oxford University Press, New York, 1988.

[3] Walter H. Plosila, "State Technical Development Programs," *Forum for Applied Research and Public Policy*, Summer 1987.

[4] National Governors' Conference, *Survey of Science and Technology Offices*, July 1987.

[5] National Governors Association Center for Policy Research and Analysis, *Programs for Innovative Technology Research in State Strategies for Economic Development*, December 1985.

[6] R. Scott Fosler, *The New Economic Role of American States*, 1988.

[7] National Governors' Association, *Programs for Innovative Technology Research in State Strategies for Economic Development*, December 1985.●

ELVIN HILL ELEMENTARY SCHOOL DESERVING OF RECOGNITION AND PRAISE

● Mr. **SHELBY**. Mr. President, I rise today to recognize the outstanding achievement of an Alabama elementary school which has been selected to receive the "Flag of Excellence" by the U.S. Department of Education.

The Elvin Hill Elementary School in Columbiana, AL, embodies many characteristics that set it apart as a leader with an innovative curriculum and an outstanding faculty. There are so many factors that distinguish the Elvin Hill School from its counterparts nationwide. Selected from over 600 schools across the country, this Alabama elementary school won high marks not only for the academic growth of its students, but also, for the commitment, dedication, and understanding of its faculty—qualities that are visible both inside and out of the classroom.

Since taking office in January 1987, I have spoken out in this Chamber on numerous occasions about the importance of education. I know that I share this support for educational programs with many of my colleagues both in the House and in the Senate.

Frequently in Congress, we have the opportunity to witness the culmination of many levels of effort. We have a chance to see our combined goal—excellence in education—come to fruition through the unity of Federal, State, and local efforts. The Elvin Hill Elementary School is a product of a community that cares about education, that wants the best for its children. The Elvin Hill Elementary School is the product of a community that realizes that the future of our great State—and country—rests with our children.

I applaud the Elvin Hill Elementary School; its principal, Ann B. Head; the tremendous faculty; caring parents and, of course, its hard working students. As a recipient of the Flag of Excellence, may the Elvin Hill School be a symbol to all elementary schools in Alabama and across the country that commitment and dedication on every level are the keys to educational success.●

JAPANESE PROTECTIONISM

● Mr. **HEINZ**. Mr. President, from time to time I, along with many of my colleagues, have complained about Japanese protectionism. Notwithstanding some modest progress we have recently made in selected sectors, it is my view that this still remains a serious and persistent problem, as evidenced by a letter recently written by J. Hutcheson Page and sent me by a mutual friend. Mr. Page is affiliated with International Market Consultants, Inc., in Tokyo, a firm that provides market development services.

I think Mr. Page's letter will give Senators some revealing and unusually candid insights into why our negotiators have achieved so little over the years, and why we face substantial continuing resistance to meaningful change.

I have made minor editing changes to the letter to delete some personal references, and I ask that its text be printed at this point in the RECORD.

The letter follows:

DEAR JOHN: Among the many issues between the United States and Japan, two are daily topics these days—one the beef and citrus matter and the other United States construction firms being allowed to bid on construction projects here on a fair basis.

Perhaps, you know the real reasons why these two issues are such hot ones now. If not let me give you some ammunition.

Both issues are such because of money politics. Let's take the construction one. Did you know that at present the local construction firms here are the biggest contributors to the Liberal Democratic coffers collectively and individually?

You know well the old proverb—you scratch my back and I'll scratch yours. Here in Asia, such moneys have great meaning in terms of obligations.

Except for a few "crumbs", I doubt there will be any significant opportunities for the U.S. firms now or ever. These political funds are not going to disappear, as a matter of fact right now, the LDP Party is working out a scheme where by moneys from Japanese firms will be doubled in the foreseeable future. I was most pleased whereby some organization in D.C. came out earlier this week saying no Japanese construction company nor its subsidiaries could bid on any Federal projects for 1988. Heck, keep this restriction and make it apply to State projects, too.

In case of beef, here again it is a matter of money politics. As you know the semi-gov't organization with a misnomer of a name—The Live Stock Promotion Committee is the sole importer of beef with a couple of exceptions. Ito-Yokado, the second largest supermarket chain brings in live cattle—about 200 hundred a month and slaughters them here. OK, the Live Stock people worked up a real Rube Goldberg distribution chart with lots of hands out all throughout it. By the time a little bit gets down to some retail shops, the price becomes 4 or more times the price over there.

Some years ago, a Japanese writer mentioned that 120 or so Diet members enjoy income from these U.S. beef imports. So, again, no way will these interests agree to free up beef imports.

The important point is, the average Japanese consumers have absolutely no say in this matter . . . there are no people of an advanced country monetarily so mistreated by their government and business interests as are the Japanese. In this case the outrageous prices they must pay for daily necessities.

I think Sec. Lyng probably understands these political money factors, but feels it not diplomatic to say anything. On the other hand based on my observations over many years, once the foreign press or press in western countries starts to highlight this or that matter over here, then the Japanese back off quickly.

Therefore, a Congressman with courage and who can't be "bought" by Japanese interests even with huge money could do a lot of good re the many issues like the two above. Or, the press over there should concern themselves with these facts of life. Of course much of this will be in my book, if I can stop procrastinating and get on with it.

. . . some of my Japanese friends feel as I do, if Washington does extend say, two more years, I think it will mean more foot-dragging at that time. Therefore, it is hoped that in the new agreement some real tough clauses will be included such as severe penalties effective immediately be included . . . even if the beef quota is eliminated [some believe] the Rube Goldberg distribution scheme will stay in effect, so U.S. beef prices will still be very, very high as now, hence a sales deterrent.

Yours sincerely.

J. HUTCHESON PAGE.●

NUCLEAR POWER

● Mr. McCLURE. Mr. President, I would like to bring to the attention of my colleagues an editorial that was published in the August 28 edition of the Boston Globe. This editorial caught my eye because it was written by David Wilson, a Globe columnist who, heretofore, has been a relatively vocal opponent of nuclear power. Yes this article reflects a complete turnaround in attitude, based on some rather impressive introspection on the part of the author that has enabled him to reassess the overall risks and benefits of the various energy choices before us.

I am delighted that there are people out there like Mr. Wilson who are not so entrenched in antinuclear sentiments that they cannot revisit and revise their views, based on the rather alarming global trends and inevitable choices that we must make in the not-to-distant future if we are to continue to enjoy the benefits of an energy-secure society.

Nothing in our world worth having comes free of charge. An energy-plentiful society brings prosperity and comforts which we all too frequently take entirely for granted. But if we reflect on it, we realize the costs we've paid in the past for having depended too heavily on foreign sources of oil. We are paying a dear price right now in terms of acid rain and global warming for having depended too much on fossil-derived fuels to serve our energy and transportation needs for so long.

Nuclear power has served our Nation's electrical needs well over the last several decades, and it has been central to the energy development of other countries—most notably France and Japan. Surely it has not been without its own costs, but I firmly believe that, when every energy player has anteed up, we would find that nuclear power has cost us far less than have the remaining cost of characters in this energy arena.

As more and more people take stock of the true energy situation, I will wager a bet that nuclear power will come out relatively unscathed, and it will emerge in a second generation of nuclear plants to serve a vital role in the future energy development of the world. Furthermore, it will ultimately be viewed in retrospect as a hero in rescuing the globe from the devastating effects of continued reliance on fossil fuels.

Mr. President, I ask that the Boston Globe editorial to which I earlier referred be entered into the RECORD following my remarks.

The article follows:

[From the Boston Globe, Aug. 28, 1988]

BITING THE BULLET ON NUCLEAR POWER

(By David B. Wilson)

Having written a couple of years ago that Boston Edison should recycle its magnificent Plymouth real estate from nuclear-power generation to ocean-view condos. I find myself somewhat embarrassed.

Past rhetorical intemperance was induced by the utility's then truly abominable record of shutdowns and negative official evaluations, the culture of the nuclear work force and some private information.

But after a tour of the premises last week, and after the Nuclear Regulatory Commission's positive evaluation of what has been done at Pilgrim I over the last two years, I must conclude that the plant should be permitted to resume generating badly needed electricity.

The house in which I have lived since before Pilgrim I was built—and where I intend to stay—is 15 minutes drive from the plant. If there is an emergency there, I intend to evacuate upwind to Newport and order dinner, regardless of what disaster plans the government may promulgate.

These conclusions "were reached while I stood atop the shut-down reactor and peered into the adjacent blue 38-foot-deep pool where the spent fuel rods at least seem to glow.

The facility is the size of a small swimming pool and contains every bit of spent fuel the plant has used since 1972. There is room in the pool, according to an Edison spokesman, for full power production well into the next century, by which time the federal government presumably will have made up its mind what to do with the stuff.

The plant seemed to me to be immaculate, cheerful, orderly and disciplined. Security was awesome. But what do I know about the technology? Very little, and that controversial.

On the other hand, there are 109 nuclear reactors on line generating about 20 percent of the power used in the United States. France gets about 70 percent of its power from nuclear plants and Japan 31 percent.

It's about time for Americans to bite the bullet on this issue and recognize that even with the accidents of Three-Mile Island and Chernobyl, nuclear-power generation remains statistically a superior technololgy from the public safety point of view.

There is a nasty political joke which states that more people died at Chappaquiddick than at Three-Mile Island. Its nastiness should not be an obstacle to recogniton of its arithmetical truth.

But there is more to it than that. A session with my trusty calculator and the World Almanac says that the United States produces more than 10,000 kilowatt hours of electricity per inhabitant. Comparable statistics are as follows: Ireland, 3,285: Zambia (a major hydro generator), 1,470: Mexico, 1,041: Zimbabwe, 476: Haiti, 65: and Bagladesh, 36.

Most of the people in the world do not live in the United States. Most of them would prefer to enjoy the standards of consumption enjoyed here. And the best readily available measurement of industrialization and material progress is probably per capita electric-power production.

This means that over the next couple of generations billions of the world's people are going to increase exponentially their consumption of electricity. Where is it to come from? Not windmills or pig droppings, I suspect. Not even oil or gas, I suspect. Not coal, given the acid rain and greenhouse issues. Not hydro, where the nearby sites are developed, or costly, and the remote ones tend to be wasteful.

No, the material progress of the Third World's people almost certainly depends upon the growth of the nuclear-power industry, which seems poised to resume, using a new generation of modular, smaller reactors, whose designs reflect what has been learned about the process. Sadly, a lot of Americans have acquired enormous emotional, political, social and even pseudo-religious stakes in opposition to nuclear power. In fact, the record of the industry seems to demonstrate conclusively, here and abroad, that the opponents' concern, however sincere, has been misdirected.

The mining of bituminous coal is a dirty, brutally dangerous, environmentally degrading and persistently fatal way for human beings to make a living. Coal-fired power plants are widely believed to produce acid rain and contribute to ozone depletion and the overheating of the planet.

If these concerns are valid, then imagine the consequences for the world's atmosphere of burning enough coal to produce enough electricity to give the rest of the world the standards of electrification presently enjoyed here.

Something's got to give, and it might as well be the superannuated '60s-ish anti-nuclear movement.●

THE DEVELOPMENT OF A NATIONAL AVIATION POLICY

● **Mr. DASCHLE.** Mr. President, I am pleased to join my colleagues in supporting the call for the development of a national aviation policy.

This resolution calls upon all segments of the aviation industry, the executive branch of the Federal Government, the Congress of the United States, State and local governments and the general public to unite in taking the first steps toward developing a framework for the safety, efficiency, and reliability of America's air transportation network. This effort represents a commitment to superior air service in all areas of our Nation.

This resolution makes clear that citizens of small and rural communities must be provided the same air service benefits as all other citizens of our Nation. The importance of reliable and efficient air transportation in rural States such as South Dakota must be included as a priority for this policy to encompass the aviation concerns of the entire country.

Specifically, there are two aspects of air service in rural states that must be recognized and supported by the White House conference to make a national aviation policy workable.

First, the White House Conference must recognize the vital nature of the Essential Air Service [EAS] Program to rural areas. EAS is critical to preserving access to air travel in many rural States and to the economic well being of communities and towns still struggling in the wake of agricultural crises. It is imperative that the Conference on a National Aviation Policy recognize and support the irreplaceable value of EAS.

Second, while this resolution comments on the positive benefits of a deregulated industry, we must not forget the areas of this Nation that have struggled under this policy. A comprehensive national policy must recognize that residents of rural communities deserve and require safe and reliable air service at reasonable rates. To be truly national in scope, such a commitment to rural States must be emphasized.

Americans have sent a clear signal to their leaders that they want safer and more reliable service. We can all tell stories of how our constituents have voiced their concern over the future of air travel in our Nation, and a recent survey reporting that 86 percent of the American public supports the development of a comprehensive national policy suggests that the time has arrived to consider what such a policy would encompass.

This resolution is not a panacea for our air transportation problems. It is simply a starting point from which to build a national aviation policy. With the efforts of the Congress, the administration, the aviation industry and the general public who depend on air service, we can certainly address the needs and concerns of America's air service in a comprehensive manner.●

ORDERS FOR TUESDAY

RECESS UNTIL 10 A.M.

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that on tomorrow after the two leaders have been recognized under the standing order there be a period for morning business not to extend beyond the hour of 10:30 and that Senators may speak during that period for not to exceed 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I ask unanimous consent that at the conclusion of morning business on tomorrow the Senate resume consideration of the now pending business, the parental leave bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

GUS J. SOLOMON U.S. COURTHOUSE

Mr. BYRD. Mr. President, I ask unanimous consent that H.R. 5007, a bill to designate the U.S. courthouse in Portland, OR, as the "Gus J. Solomon U.S. Courthouse" be placed on the calendar.

Mr. DOLE. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, I say before the majority leader leaves that he has indicated if we could clear the homeless bill that I be authorized to do that, so the RECORD will reflect that.

Mr. BYRD. Yes.

Mr. DOLE. I thank the majority leader.

IMPEACHMENT OF JUDGE ALCEE L. HASTINGS

The PRESIDING OFFICER. Pursuant to Senate Resolution 456, 100th Congress, the Chair submits to the Senate for printing in the Senate Journal and in the CONGRESSIONAL RECORD, the replication of the House of Representatives to the answer of Alcee L. Hastings to the articles of impeachment, as received by the Secretary of the Senate on September 23, 1988.

Simultaneous with the filing of the below described document, the same was served on opposing counsel, William G. McLain, by messenger and on Terence J. Anderson, Robert S. Catz, and Patricia Williams, by mail.

The material follows:

COMMITTEE ON THE JUDICIARY,
Washington, DC, September 23, 1988.

Hon. WALTER J. STEWART,
Secretary of the Senate of the United States,
The Capitol, Washington, DC.

DEAR SECRETARY STEWART: Enclosed is the Replication of the House of Representatives to the Answer of Alcee L. Hastings to the Articles of Impeachment.

Sincerely yours,

ALAN I. BARON,
Special Counsel.

[In the Senate of the United States]

SITTING AS A COURT OF IMPEACHMENT

In re Impeachment of Judge Alcee L. Hastings

REPLICATION OF THE HOUSE OF REPRESENTATIVES TO THE ANSWER OF ALCEE L. HASTINGS TO THE ARTICLES OF IMPEACHMENT

The House of Representatives, through its Managers and counsel, replies to the Answer to Articles of Impeachment as follows:

ARTICLE I

The House of Representatives denies each and every statement in the Answer to Article I that denies the acts, knowledge, intent or wrongful conduct charged against Respondent.

First Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that Article I sets forth an impeachable offense as defined in the Constitution of the United States, that the same is proper to be answered by Respondent and sufficient to be entertained and adjudicated by the Senate sitting as a Court of Impeachment.

Second Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that the asserted defense is not relevant to the allegations of Article I and is insufficient as a matter of law. Article I sets forth an impeachable offense as defined in the Constitution of the United States and the jury verdict in *United States* v. *Hastings* does not preclude its adjudication in the Senate. To the extent said affirmative defense purports to suggest that the doctrine of laches or any statute of limitations is applicable, the House of Representatives denies the applicability of such doctrine or statute of limitations.

Third Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that the asserted defense is not relevant to the allegations of Article I and is insufficient as a matter of law.

ARTICLE II

The House of Representatives denies each and every statement in the Answer to Article II that denies the acts, knowledge, intent or wrongful conduct charged against Respondent.

First Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that Article II sets forth an impeachable offense as defined in the Constitution of the United States, that the same is proper to be answered by Respondent and sufficient to be entertained and adjudicated by the Senate sitting as a Court of Impeachment.

Second Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that the asserted defense is not relevant to the allegations of Article II and is insufficient as a matter of law. Article II sets forth an impeachable offense as defined in the Constitution of the United States and the jury verdict in *United States* v. *Hastings* does not preclude its adjudication in the Senate. To the extent said affirmative defense purports to suggeset that the doctrine of laches or any statute of limitations is applicable, the House of Representatives denies the applicability of such doctrine or statute of limitations.

Third Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that the asserted defense is not relevant to the allegations of Article II and is insufficient as a matter of law.

ARTICLE III

The House of Representatives denies each and every statement in the Answer to Article III that denies the acts, knowledge, intent or wrongful conduct charged against Respondent.

First Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that Article III sets forth an impeachable offense as defined in the Constitution of the United States, that the same is proper to be answered by Respondent and sufficient to be entertained and adjudicated by the Senate sitting as a Court of Impeachment.

Second Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that the asserted defense is not relevant to the allegations of Article III and is insufficient as a matter of law. Article III sets forth an impeachable offense as defined in the Constitution of the United States and the jury verdict in *United States* v. *Hastings* does not preclude its adjudication in the Senate. To the extent said affirmative defense purports to suggest that the doctrine of laches or any statue of limitations is applicable, the House of Representatives denies the applicability of such doctrine or statute of limitations.

Third Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that the asserted defense is not relevant to the allegations of Article III and is insufficient as a matter of law.

ARTICLE IV

The House of Representatives denies each and every statement in the Answer to Article IV that denies that acts, knowledge, intent or wrongful conduct charged against Respondent.

First Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that Article IV sets forth an impeachable offense as defined in the Constitution of the United States, that the same is proper to be answered by Respondent and sufficient to be entertained and adjudicated by the Senate sitting as a Court of Impeachment.

Second Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that the asserted defense is not relevant to the allegations of Article IV and is insufficient as a matter of law. Article IV sets forth an impeachable offense as defined in the Constitution of the United States and the jury verdict in *United States* v. *Hastings* does not preclude its adjudication in the Senate. To the extent said affirmative defense purports to suggest that the doctrine of laches or any statute of limitations is applicable, the House of Representatives denies the applicability of such doctrine or statute of limitations.

Third Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that the asserted defense is not relevant to the allegations of Article IV and is insufficient as a matter of law.

ARTICLE V

The House of Representatives denies each and every statement in Answer to Article V that denies the acts, knowledge, intent or wrongful conduct charged against Respondent.

First Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that Article V sets forth an impeachable offense as defined in the Constitution of the United States, that the same is proper to be answered by Respondent and sufficient to be entertained and adjudicated by the Senate sitting as a Court of Impeachment.

Second Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that the asserted defense is not relevant to the allegations of Article V and is insufficient as a matter of law. Article V sets forth an impeachable offense as defined in the Constitution of the United States and the jury verdict in *United States* v. *Hastings* does not preclude its adjudication in the Senate. To the extent said affirmative defense purports to suggest that the doctrine of laches or any statue of limitations is applicable, the House of Representatives denies the applicability of such doctrine or statue of limitations.

Third Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that the asserted defense is not relevant to the allegation of Article V and is insufficient as a matter of law.

ARTICLE VI

The House of Representatives denies each and every statement in the Answer to Article VI that denies the acts, knowledge, intent or wrongful conduct charged against Respondent.

First Affirmative Defense

The House of Representative denies each and every allegation of this purported defense and further states that Article VI sets forth an impeachable offense as defined in the Constitution of the United States, that the same is proper to be answered by Respondent and sufficient to be entertained and adjudicated by the Senate sitting as a Court of Impeachment.

Second Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that the asserted defense is not relevant to the allegations of Article VI and is insufficient as a matter of law. Article VI sets forth an impeachable offense as defined in the Constitution of the United States and the jury verdict in *United States* v. *Hastings* does not preclude its adjudication in the Senate. To the extent said affirmative defense purports to suggest that the doctrine of laches or any statute of limitations is applicable, the House of Representatives denies the applicability of such doctrine or statute of limitations.

Third Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that the asserted defense is not relevant to the allegations of Article IV and is insufficient as a matter of law.

ARTICLE VII

The House of Representatives denies each and every statement in the Answer to Article VII that denies the acts, knowledge, intent or wrongful conduct charged against Respondent and further states that Article VII is proper to be answered by Respondent and sufficient to be entertained and adjudicated by the Senate sitting as a Court of Impeachment.

First Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that Article VII sets forth an impeachable offense as defined in the Constitution of the United States, that the same is proper to be answered by Respondent and sufficient to be entertained and adjudicated by the Senate sitting as a Court of Impeachment.

Second Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that the asserted defense is not relevant to the allegations of Article VII and is sufficient as a matter of law. Article VII sets forth an impeachable offense as defined in the Constitution of the United States and the jury verdict in *United States* v. *Hastings* does not preclude its adjudication in the Senate. To the extent said affirmative defense purports to suggest that the doctrine of laches or any statue of limitations is applicable, the House of Representative denies the applicability of such doctrine or statute of limitations.

Third Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that the asserted defense is not relevant to the allegations of Article VII and is sufficient as a matter of law.

ARTICLE VIII

The House of Representatives denies each and every statement in the Answer to Article VIII that denies the acts, knowledge, intent or wrongful conduct charged against Respondent.

First Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that Article VIII sets forth an impeachable offense as defined in the Constitution of the United States, that the same is proper to be answered by Respondent and sufficient to be entertained and adjudicated by the Senate sitting as a Court of Impeachment.

Second Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that the asserted defense is not relevant to the allegations of Article VIII and is insufficient as a matter of law. Article VIII sets forth an impeachable offense as defined in the Constitution of the United States and the jury verdict in *United States* v. *Hastings* does not preclude its adjudication in the Senate. To the extent said affirmative defense purports to suggest that the doctrine of laches or any statute of limitations is applicable, the House of Representatives denies the applicability of such doctrine or statute of limitations.

Third Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that the asserted defense is not relevant to the allegations of Article VIII and is insufficent as a matter of law.

ARTICLE IX

The House of Representatives denies each and every statement in the Answer to Article IX that denies the acts, knowledge, intent or wrongful conduct charged against Respondent.

First Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that Article IX sets forth an impeachable offense as defined in the Constitution of the United States, that the same is proper to be answered by Respondent and sufficient to be entertained and adjudicated by the Senate sitting as a Court of Impeachment.

Second Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that the asserted defense is not relevant to the allegations of Article IX and is insufficient as a matter of law. Article IX sets forth an impeachable offense as defined in the Constitution of the United States and the jury verdict in *United States* v. *Hastings* does not preclude its adjudication in the Senate. To the extent said affirmative defense purports to suggest that the doctrine of laches or any statute of limitations is applicable, the House of Representatives denies the applicability of such doctrine or statute of limitations.

Third Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that the asserted defense is not relevant to the allegations of Article IX and is insufficient as a matter of law.

ARTICLE X

The House of Representatives denies each and every statement in the Answer to Article X that denies the acts, knowledge, intent or wrongful conduct charged against Respondent.

First Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that Article X sets forth an impeachable offense as defined in the Constitution of the United States, that the same is proper to be answered by Respondent and sufficient to be entertained and adjudicated by the Senate sitting as a Court of Impeachment.

Second Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that the asserted defense is not relevant to the allegations of Article X and is insufficient as a matter of law. Article X sets forth an impeachable offense as defined in the Constitution of the United States and the jury verdict in *United States* v. *Hastings* does not preclude its adjudication in the Senate. To the extent said affirmative defense purports to suggest that the doctrine of laches or any statute of limitations is applicable, the House of Representatives denies the applicability of such doctrine or statute of limitations.

Third Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that the asserted defense is not relevant to the allegations of Article X and is insufficient as a matter of law.

ARTICLE XI

The House of Representatives denies each and every statement in the Answer to Article XI with denies the acts, knowledge, intent or wrongful conduct charged against Respondent.

First Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that Article XI sets forth an impeachable offense as defined in the Constitution of the United States, that the same is proper to be answered by Respondent and sufficient to be entertained and adjudicated by the Senate sitting as a Court of Impeachment.

Second Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that the asserted defense is not relevant to the allegations of Article XI and is insufficient as a matter of law. Article XI sets forth an impeachable offense as defined in the Constitution of the United States and the jury verdict in *United States* v. *Hastings* does not preclude its adjudication in the Senate. To the extent said affirmative defense purports to suggest that the doctrine of laches or any statute of limitations is applicable, the House of Representatives denies the applicability of such doctrine or statute of limitations.

Third Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that the asserted defense is not relevant to the allegations of Article XI and is insufficient as a matter of law.

ARTICLE XII

The House of Representatives denies each and every statement in the Answer to Article XII that denies the acts, knowledge, intent or wrongful conduct charged against Respondent.

First Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that Article XII sets forth an impeachable offense as defined in the Constitution of the United States, that the same is proper to be answered by Respondent and sufficient to be entertained and adjudicated by the Senate sitting as a Court of Impeachment.

Second Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that the asserted defense is not relevant to the allegations of Article XII and is insufficient as a matter of law. Article XII sets forth an impeachable offense as defined in the Constitution of the United States and the jury verdict in *United States* v. *Hastings* does not preclude its adjudication in the Senate. To the extent said affirmative defense purports to suggest that the doctrine of laches or any statute of limitations is applicable, the House of Representatives denies the applicability of such doctrine or statute of limitations.

Third Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that the asserted defense is not relevant to the allegations of Article XII and is insufficient as a matter of law.

ARTICLE XIII

The House of Representatives denies each and every statement in the Answer to Article XIII that denies the acts, knowledge, intent or wrongful conduct charged against Respondent.

First Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that Article XIII sets forth an impeachable offense as defined in the Constitution of the United States, that the same is proper to be answered by Respondent and sufficient to be entertained and adjudicated by the Senate sitting as a Court of Impeachment.

Second Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that the asserted defense is not relevant to the allegations of Article XIII and is insufficient as a matter of law. Article XIII sets forth an impeachable offense as defined in the Constitution of the United States and the jury verdict in *United States* v. *Hastings* does not preclude its adjudication in the Senate. To the extent said affirmative defense purports to suggest that the doctrine of laches or any statute of limitations is applicable, the House of Representatives denies the applicability of such doctrine or statute of limitations.

Third Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that the asserted defense is not relevant to the allegations of

Article XIII and is insufficient as a matter of law.

ARTICLE XIV

The House of Representatives denies each and every statement in the Answer to Article XIV that denies the acts, knowledge, intent or wrongful conduct charged against Respondent.

First Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that Article XIV sets forth an impeachable offense as defined in the Constitution of the United States, that the same is proper to be answered by Respondent and sufficient to be entertained and adjudicated by the Senate sitting as a Court of Impeachment.

Second Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that the asserted defense is not relevant to the allegations of Article XIV and is insufficient as a matter of law. Article XIV sets forth an impeachable offense as defined in the Constitution of the United States and the jury verdict in the *United States* v. *Hastings* does not preclude its adjudication in the Senate. To the extent said affirmative defense purports to suggest that the doctrine of laches or any statute of limitations is applicable, the House of Representatives denies the applicability of such doctrine or statute of limitations.

Third Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that the asserted defense is not relevant to the allegations of Article XIV and is insufficient as a matter of law.

ARTICLE XV

The House of Representatives denies each and every statement in the Answer to Article XV that denies the acts, knowledge, intent or wrongful conduct charged against Respondent.

First Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that Article XV sets forth an impeachable offense as defined in the Constitution of the United States, that the same is proper to be answered by Respondent and sufficient to be entertained and adjudicated by the Senate sitting as a Court of Impeachment.

Second Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that the asserted defense is not relevant to the allegations of Article XV and is insufficient as a matter of law. Article XV sets forth an impeachable offense as defined in the Constitution of the United States and the jury verdict in *United States* v. *Hastings* does not preclude its adjudication in the Senate. To the extent said affirmative defense purports to suggest that the doctrine of laches or any statute of limitations is applicable, the House of Representatives denies the applicability of such doctrine or statute of limitations.

Third Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that the asserted defense is not relevant to the allegations of Article XV and is insufficient as a matter of law.

ARTICLE XVI

The House of Representatives denies each and every statement in the Answer to Article XVI that denies the acts, knowledge, intent or wrongful conduct charged against Respondent.

First Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that Article XVI sets forth an impeachable offense as defined in the Constitution of the United States, that the same is proper to be answered by Respondent and sufficient to be entertained and adjudicated by the Senate sitting as a Court of Impeachment.

Second Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that the asserted defense is not relevant to the allegations of Article XVI and is insufficient as a matter of law.

ARTICLE XVII

The House of Representatives denies each and every statement in the Answer to Article XVII that denies the acts, knowledge, intent or wrongful conduct charged against Respondent and further states that Article XVII sets forth an impeachable offense as defined in the Constitution of the United States, that the same is proper to be answered by Respondent and sufficient to be entertained and adjudicated by the Senate sitting as a Court of Impeachment.

First Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that Article XVII sets forth an impeachable offense as defined in the Constitution of the United States, that the same is proper to be answered by Respondent and sufficient to be entertained and adjudicated by the Senate sitting as a Court of Impeachment.

Second Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that Article XVII sets forth an impeachable offense as defined in the Constitution of the United States, that the same is proper to be answered by Respondent and sufficient to be entertained and adjudicated by the Senate sitting as a Court of Impeachment.

Third Affirmative Defense

The House of Representatives denies each and every allegation of this purported defense and further states that the asserted defense is not relevant to the allegations of Article XVII and is insufficient as a matter of law.

Respectfuly submitted,
United States House of Representatives,
ALAN I. BARON,
Special Counsel.

Managers of the House of Representatives: Peter W. Rodino, Jr., John Conyers, Jr., Don Edwards, John Bryant, Hamilton Fish, Jr., and George W. Gekas.

Impeachment trial staff: Alan I. Baron, Special Counsel, Janice E. Cooper, Assistant Special Counsel, Patricia Wynn, Assistant Special Counsel, and Lori E. Fields, Assistant Special Counsel.

House Judiciary Committee staff participating in impeachment trial preparation: M. Elaine Mielke, General Counsel, Alan F. Coffey, Jr., Associate Counsel, and Peter Levinson, Associate Counsel.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER.** The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

RECESS UNTIL TUESDAY at 10 A.M.

Mr. DOLE. Mr. President, apparently we cannot work out the homeless bill this evening. Hopefully, we can do that in the morning or sometime during the day. It is an important measure and we are hung up on a couple of amendments.

So, in accordance with the previous order, I move that the Senate now stand in recess until 10 a.m., Tuesday, September 27, 1988.

The motion was agreed to; and at 6:52 p.m., the Senate recessed until Tuesday, September 27, 1988, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate September 26, 1988:

DEPARTMENT OF COMMERCE

LEW W. CRAMER, OF CALIFORNIA, TO BE ASSISTANT SECRETARY OF COMMERCE AND DIRECTOR GENERAL OF THE UNITED STATES AND FOREIGN COMMERCIAL SERVICE (NEW POSITION—PUBLIC LAW 100-418).

IN THE MARINE CORPS

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE OF GENERAL UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be general

GEORGE B. CRIST, [redacted] U.S. MARINE CORPS.

IN THE NAVY

THE FOLLOWING-NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601, TO BE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be vice admiral

VICE ADM. PAUL D. MILLER, [redacted]/1110, U.S. NAVY.

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL ON THE RETIRED LIST PURSUANT TO THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. JAMES A. ABRAHAMSON, [redacted]FR, U.S. AIR FORCE.

THE FOLLOWING-NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601, TO BE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

LT. GEN. GEORGE L. MONAHAN, JR., [redacted]FR, U.S. AIR FORCE.

THE FOLLOWING-NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601, TO BE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

LT. GEN. GRAVEN C. ROGERS, JR., [redacted] FR, U.S. AIR FORCE.

THE FOLLOWING-NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601, TO BE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

MAJ. GEN. THOMAS A. BAKER, [redacted] FR, U.S. AIR FORCE.

IN THE NAVY

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be vice admiral

VICE ADM. CLYDE R. BELL, [redacted] /1120, U.S. NAVY.

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be vice admiral

VICE ADM. WALTER T. PIOTTI, JR., [redacted] /1110, U.S. NAVY.

THE FOLLOWING-NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601, TO BE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be vice admiral

REAR ADM. JAMES F. DORSEY, JR., [redacted] /1310, U.S. NAVY.

THE FOLLOWING-NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601, TO BE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be vice admiral

REAR ADM. HENRY H. MAUZ, JR., [redacted] U.S. NAVY.

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370.

To be vice admiral

VICE ADM. WILLIAM E. RAMSEY, [redacted] /1310, U.S. NAVY.

THE FOLLOWING-NAMED OFFICER, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 5149(E), TO BE ASSIGNED AS DEPUTY JUDGE ADVOCATE GENERAL OF THE NAVY:

To be deputy judge advocate general of the Navy

REAR ADM. (LOWER HALF) JOHN E. GORDON, [redacted] 2500 JUDGE ADVOCATE GENERAL'S CORPS, U.S. NAVY.

IN THE ARMY

THE U.S. ARMY RESERVE OFFICER NAMED HEREIN FOR APPOINTMENT AS A RESERVE COMMISSIONED OFFICER OF THE ARMY, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTIONS 593(A), 3371 AND 3384:

To be brigadier general

COL. ROGER C. BULTMAN, [redacted]

HOUSE OF REPRESENTATIVES—*Monday, September 26, 1988*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

May we be open, O God, to the wideness in Your mercy and realize that all good works that glorify Your creation and serve the needs of people are from Your hand. May we always be supportive of every person from every background who truly seeks to do justice, love mercy and walk humbly with You. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Pennsylvania [Mr. WELDON] come forward, please, and lead us in our Pledge of Allegiance.

Mr. WELDON. Thank you, Mr. Speaker.

I ask the ladies and gentleman in the gallery, as well as the staff, to please rise.

Mr. WELDON led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation, under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 580. Joint resolution to designate the month of September 1988 as "National Sewing Month."

The message also announced that the Senate agrees to the amendment of the House to the bill (S. 1934) entitled "An act pursuant to the report ordered by Public Law 99-229 which directed the Architect of the Capitol and the Secretary of Transportation to undertake a study of the needs of the Federal judiciary for additional Federal office space, to authorize the Architect of the Capitol to contract for the design and construction of a building adjacent to Union Station in the District of Columbia to house agencies offices in the judicial branch of the United States, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the joint resolution (S.J. Res. 317) "Joint resolution commemorating the bicentennial of the French Revolution and the Declaration of the Rights of Man and of the Citizen."

THE TRAUMA CARE SYSTEMS PLANNING AND DEVELOPMENT ACT OF 1988

(Mr. BATES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BATES. Mr. Speaker, on Tuesday the House will consider legislation I introduced which will save 20,000 lives per year. The Trauma Care Systems Planning and Development Act of 1988 will encourage States to develop regional trauma centers and enhanced systems of emergency medical care.

Trauma, the medical term for severe injury, kills 140,000 people in the United States each year. Among Americans under the age of 44, trauma is the leading cause of death. The economic costs as well as the human costs to our Nation are enormous. Yet trauma can be largely prevented. A 1985 San Diego County study found that after the 1984 introduction of a regional trauma system, the death rate from major trauma dropped 55 percent. Unfortunately, the lifesaving services of a regional trauma center are unavailable to 80 percent of our constituents.

I urge my colleagues to support H.R. 3133, as reported by the Energy and Commerce Committee.

GOVERNOR DUKAKIS VERSUS MOTHER NATURE

(Mr. DANNEMEYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DANNEMEYER. Mr. Speaker, long before Mike Dukakis was a Governor or Democratic candidate for President, he was a member of the Massachusetts House of Representatives. For 8 years, from 1963 to 1971, Miracle Mike faithfully served his Brookline community. Today, of course, the good Governor desires to do to all Americans what he has done for his home State.

Four examples of what he has done while serving in the Massachusetts House on behalf of his constituents have recently come to my attention. In 1970, on behalf of William R. Baird of sexual revolution fame, then Representative Dukakis introduced four House bills dealing with morality, or immorality as the case may be.

The first Dukakis-sponsored measure was a bill to repeal the law prohibiting abortions. Remember this was 1970.

The second Dukakis-sponsored measure was a bill to repeal the law prohibiting fornication.

The third Dukakis-sponsored bill would have repealed a law prohibiting blasphemy.

The fourth, and last, Dukakis-sponsored bill would have repealed the law prohibiting the crime against nature, in this case both sodomy and bestiality.

Granted, the first three measures have taken hold nationwide over the last 20 years. But I am happy to say that some States still disapprove of crimes against nature, including Massachusetts. Mr. Speaker, all Americans must wonder whether Mr. Dukakis will seek to pursue this fourth plank of his sexual agenda as President of the United States. Perhaps, Mr. Speaker, someone ought to tell Governor Dukakis that it is not morally correct or physically healthy to fool Mother Nature.

HOUSE NO. 3756

(By Mr. Dukakis of Brookline (by request), petition of William R. Baird for legislation to repeal the law prohibiting abortions. Social Welfare)

THE COMMONWEALTH OF MASSACHUSETTS, IN THE YEAR ONE THOUSAND NINE HUNDRED AND SEVENTY

An act repealing the laws prohibiting abortion

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Chapter 112 of the General Laws is hereby amended by inserting after section 12C the following section—

SECTION 12D. Abortion may be performed by any physician who has first obtained the consent of the female upon whom said abortion is to be performed.

SECTION 2. Sections nineteen, twenty, twenty-one, twenty-two and twenty-three of chapter two hundred and seventy-two of the General Laws are hereby repealed.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

House No. 3482

(By Mr. Dukakis of Brookline (by request), petition of William R. Baird for legislation to repeal the law prohibiting fornication. The Judiciary)

THE COMMONWEALTH OF MASSACHUSETTS, IN THE YEAR ONE THOUSAND NINE HUNDRED AND SEVENTY

An act repealing the law prohibiting fornication

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

Section eighteen of chapter two hundred and seventy-two of the General Laws is hereby repealed.

House No. 3483

(By Mr. Dukakis of Brookline (by request), petition of William R. Baird for legislation to repeal the law punishing blasphemy. The Judiciary)

THE COMMONWEALTH OF MASSACHUSETTS, IN THE YEAR ONE THOUSAND NINE HUNDRED AND SEVENTY

An act repealing the law punishing blasphemy

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

Section thirty-six of chapter two hundred and seventy-two of the General Laws is hereby repealed.

House No. 3484

(By Mr. Dukakis of Brookline (by request), petition of William R. Baird for legislation to repeal the law prohibiting the crime against nature. The Judiciary)

THE COMMONWEALTH OF MASSACHUSETTS, IN THE YEAR ONE THOUSAND NINE HUNDRED AND SEVENTY

An act repealing the law prohibiting the crime against nature

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

Section thirty-four of chapter two hundred and seventy-two of the General Laws is hereby repealed.

APPOINTMENT OF CONFEREES ON S. 1220, AIDS RESEARCH AND INFORMATION ACT OF 1988

The SPEAKER. The Chair appoints the following conferees on the Senate bill (S. 1220) to amend the Public Health Service Act to provide for a comprehensive program of education, information, risk reduction, training, prevention, treatment, care, and research concerning acquired immunodeficiency syndrome.

From the Committee on Energy and Commerce, for consideration of the Senate bill, and the House amendment, and modifications committed to conference: Messrs. DINGELL, WAXMAN, WYDEN, LENT, and MADIGAN.

From the Committee on Veterans' Affairs, for consideration of title III of the House amendment, and modifications committed to conference: Messrs MONTGOMERY, EDWARDS of California, ROWLAND of Georgia, SOLOMON, and HAMMERSCHMIDT.

A PLAN TO HELP EASE RADON DANGER

(Mr. GORDON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GORDON. Mr. Speaker, I have introduced a bill that takes a practical step toward easing the danger radioactive radon gas poses to the health of millions of Americans.

The Public Health Service and the EPA this month advised everyone in the country to test their homes for radon, advice given Tennesseans a year ago.

Radon may lead to as many as 20,000 lung cancer deaths a year. Eight million American homes may need repairs to reduce radon buildup.

My bill, the Radon Reduction Incentives Act, will allow Americans to take a tax deduction under the category of medical care expenses for what they spend on testing for radon and removing it.

I believe our country will find it much cheaper to help people pay for testing and fixing their homes than to pay for lung cancer treatments.

For millions, testing for radon and flushing it from their homes will be one of the most important actions they will ever take to protect their health.

TELLING THE TRUTH IN THE DUKAKIS CAMPAIGN

(Mr. WALKER asked and was given permission to address the House for 1 minute and to be allowed to read from papers.)

Mr. WALKER. Mr. Speaker, in last night's debate, Governor Dukakis claimed that he would be tough on terrorists. At one point he even claimed that he would use military strikes against terrorist base camps.

Vice President BUSH rightfully pointed out at that point that Governor Dukakis had opposed the raid on Libya. As Vice President BUSH was making that point, Governor Dukakis said, "That is not true, that is not true."

Well, if it is not true, Governor Dukakis, I think you better tell your campaign, because back on August 25 in the Chicago Tribune your campaign spokesman said you did, in fact, oppose the raid on Libya.

Responding to a charge made by DAN QUAYLE, this paragraph appears in the Chicago Tribune of August 25:

> A second Quayle charge—that Dukakis had opposed U.S. air strikes against Libya—was correct, according to Dukakis spokesman Mark Gearan.

In other words, Governor Dukakis, your campaign or you were wrong. Somebody has got to tell the truth here.

FBI FIRST AMENDMENT PROTECTION ACT OF 1988

(Mr. EDWARDS of California asked and was given permission to address the House for 1 minute.)

Mr. EDWARDS of California. Mr. Speaker, on Friday, the gentleman from Michigan, [Mr. CONYERS], and I introduced legislation H.R. 5369 to make it clear that the FBI must not monitor first amendment activities of American citizens and organizations without some reason to believe that there is criminal activity involved.

I commend the FBI Director for the honest manner in which he acknowledged the serious mistakes in the FBI's recent investigation of a domestic group opposed to United States policy in El Salvador. Our legislation will help ensure that these mistakes do not occur again. The bill would provide the specific guidance that has been lacking in FBI investigations of politically active groups. The bill would simply require the FBI to focus on collecting evidence of crimes and to steer clear of monitoring demonstrations and conferences.

The requirements in the bill are not onerous, but they are long overdue. They establish a clear, objective standard that will protect the rights of Americans while allowing the FBI to focus on serious cases. I hope the bill will receive active consideration early in the 101st Congress.

CUTTING AND SLASHING

(Mr. SOLOMON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SOLOMON. Mr. Speaker, the last time the American people elected a Democrat President, he was about the most naive President this country has ever had and the country almost went down the drain but last night I heard Michael Dukakis acting more naive than even Jimmy Carter. He talked about President Reagan and GEORGE BUSH cutting this, slashing that, cutting this and slashing that.

I guess nobody ever told him that no President can cut this or slash that. Only the U.S. Congress, and particularly this House of Representatives, can cut and slash anything or increase spending.

The last time, as a matter of fact, we had a President of the United States who tried to cut and slash on his own, his name was Richard Nixon, and this Congress, this House of Representatives, took him before the U.S. Supreme Court and made him spend the money.

So, Mr. Speaker, with all due respect to you, Mr. Speaker, Michael Dukakis ought to blame you and my good friend, Tip O'Neill, and this House of Representatives for any cutting and slashing or any excess spending that is going on because this body which controls all spending has been controlled by you Democrats for the last 30-plus years.

A NEW CODE WORD IN THE BUSH CAMPAIGN

(Mr. LEVIN of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVIN of Michigan. Mr. Speaker, we now have a new code word in the Bush campaign. It is "Boston."

In the debate last night, the Vice President referred to marvelous Boston adjectives and then said, "Several Bostonians don't like it, but the rest of the country will understand."

Let me if I might remind the Vice President of several things. First of all, Boston is the home of the tea party, indeed the home of the American Revolution, Paul Revere, John Adams, Sam Adams, and so many others.

It is also the area where the Vice President was born.

I think instead of this code word, instead of dividing Americans geographically, we ought to start talking about the issues.

As someone born and raised in Michigan, I am proud that Mike Dukakis comes from Boston, like lots of other patriots in the history of this country.

□ 1215

H.R. 5056, AGRICULTURAL RESEARCH ACT OF 1988

(Mrs. SMITH of Nebraska asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SMITH of Nebraska. Mr. Speaker, later today the House will consider H.R. 5056, the Agricultural Research Act of 1988. I rise in support of this bill and I commend Agriculture Committee members for moving ahead with legislation aimed at finding new uses for agricultural commodities.

H.R. 5056 incorporates essential elements of my one bill, H.R. 1197, by establishing a National Institute for Alternative Agricultural Products.

This new Institute would help us find profitable and useful work for the more than 70 million acres of productive land idled at public expense. It would create new jobs and profits in depressed rural areas.

The Institute, patterned roughly on the National Institutes of Health, would coordinate public, private, and academic initiatives aimed at developing new crops, such as milkweed fibers for disposable diapers, and new uses for old crops, such as printer's ink from soybeans.

The best-known industrial crops from agriculture, of course, are cotton and wool. And fuel alcohol from corn and other crops is only the latest major development.

The University of Nebraska and several progressive Nebraska farmers already are at work on several promising new products.

Producing useful lubricants, oils, and plastics from biodegradable agricultural products appeals not only to profit-starved farmers but also to those interested in protecting the environment and reducing Federal budget spending for agriculture.

Food and fiber production should remain dominant in U.S. agriculture, but diversification is essential.

Among other industrial materials that could come from agriculture are newsprint from a woody plant called kenaf, lubricants from such crops as crambe, jojoba, lesquerella, and meadowfoam, rubber from the guayule plant, soaps and detergents from the cuphea plant, nylon from the lunaria and winter rapeseed plants, epoxy glues from the stokes aster and vernonia plants, and many industrial products from certain trees.

I urge my colleagues to vote for H.R. 5056, the Agricultural Research Act of 1988.

MEMBERS MUST EXAMINE EVIDENCE ON CHILD CARE

(Mr. COATS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COATS. Mr. Speaker, in the continuing debate on child care, the one question least asked has been what is best for the child.

Yesterday's Washington Post carried an article by Karl Zinsmeister that should be must reading for all Members who are interested in this subject. In his article, Zinsmeister said, and I quote:

> There is a growing and worrisome body of evidence that suggests when infants and toddlers go into full-time day care, long-term emotional, intellectual and cultural damage can result.

Mr. Speaker, Zinsmeister cites the fact that many leading child development experts are now expressing doubts about institutional day care. Given this evidence and their concerns, it is more important than ever that we proceed with caution and that any child-care legislation contains flexibility and maximizes choices for parents.

The child-care component of the American Family Act, which I introduced on Friday, addresses the need for child-care assistance for low-income working parents, while retaining the options that parents need when deciding what is best for their children.

Mr. Speaker, I ask Members to thoughtfully examine the evidence on child care and the proposals offered to us and ask the most important question: Which one is best for the children?

HELP THE WORKING POOR BY REFORMING EITC

(Mr. PETRI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PETRI. Mr. Speaker, what would be the cost of the current Senate proposal to increase the minimum wage?

First, 175,000 to 350,000 jobs which could be eliminated, according to the Congressional Budget Office.

Beyond the loss of jobs, the increase would cost America's businesses $70 billion per year. And the cost to the Federal Government would be somewhere between $2 to $6 billion per year.

There's a better way to help the working poor: reform of the earned income tax credit. By reforming the EITC, we could target wage subsidies to those who really need help to support families.

The minimum wage is a blunt and destructive instrument. But the EITC can be made into a precise tool, a bridge between welfare and total independence.

The reform I propose, the Job Enhancement For Families Act, would cost the Federal Government only $2 billion per year up front—that's before adding in the savings which would result from helping people get off welfare.

So compare the two proposals: less than $2 billion for the EITC, versus a cost to the Federal budget of $2 to $6 billion by increasing the minimum wage. Increasing the minimum wage is a budget buster.

But there's a problem. Faulty accounting practices prevent CBO from acknowledging the totally predictable budget consequences of the minimum wage, and from recognizing the actual welfare savings from EITC reform. He should recognize this, and then determine public policy based on the real world. We should help the working poor by reforming the EITC.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE RESOLUTION 242

Mr. HOPKINS. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of House Resolution 242.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

VICE PRESIDENT FAILED THE TEST

(Mr. DeFAZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DeFAZIO. Mr. Speaker, last evening in the debate, Vice President Bush was presented with a test. The test was, "Mr. Vice President, given the fact that we cannot afford a massive new increase in our military spending, what weapons systems, what wasteful programs at the Pentagon would you cut if you were elected President?"

Mr. Speaker, the Vice President failed miserably. He could not think of a single present or proposed program at the Pentagon that he thinks is spending too much money. He named two programs, the Divad program and the A-6F. Both are programs already canceled because of massive mismanagement, waste, overspending, and underperformance.

The Vice President could not think of a single proposed program or ongoing program that was wasteful, too expensive, unneeded. He could not think of where he would make those savings and those cuts that are needed to make the tough decisions that have to be made at the Pentagon.

Mr. Speaker, the next thing we know he will be asking to shut down the production line for the B-17 bomber. Come on, now, Mr. Vice President, take a look across the Potomac River. There is a lot of waste over there. He must tell us where he would make the tough decisions to make those cuts.

CORRECT ELECTRONIC VOTING MALFUNCTION

(Mr. SIKORSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SIKORSKI. Mr. Speaker, I rise to correct the Record.

On Friday, September 23, 1988, I voted in the affirmative to pass House Resolution 540, the rule for H.R. 1154, the Textile and Apparel Trade Act.

Mr. Speaker, I was present for the vote on House Resolution 540 that was ordered at 12:18 p.m., as I was for all of the recorded votes on Friday. That was rollcall 341.

I inserted my voting card in order to record my affirmative vote on the rule, and I checked the light on the board up behind us.

Mr. Speaker, when it was brought to my attention later on that I was not recorded as having voted, I immediately had my legislative director check with Legis to ascertain whether there was any basis for this problem. The computer confirmed that I voted "yea" on House Resolution 540. However, not wanting to mar my 100-percent voting record for the 2d session of the 100th Congress, I also had my legislative director call the Democratic Cloakroom to reconfirm. Tim Keating, of the Cloakroom, pulled up the vote on his computer system and also showed that I was recorded as having voted in the affirmative. Then later in the day I was told that my vote had not been officially recorded, and I was told that the computer will sometimes do this.

Mr. Speaker, I urge the immediate correction of this electronic malfunction so that no one else is victimized by the machine and also properly register my affirmative vote.

BUSH GETS HALF THE CREDIT FOR EDUCATION BUDGET CUTS

(Mr. HOYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOYER. Mr. Speaker, the issue of who won last night, of course, will not be decided by any of us on this floor or any of the pundits who will report about it. Ultimately it will be decided by the American public on November 8.

Of course, I believe that George Bush was not in command of the facts and was perhaps not in command of himself. It was clear to me that, on the other hand, by contrast, Michael Dukakis was very much in control of himself as a President must be and, as importantly, was in control of the substance, the facts and the issues.

Mr. Speaker, I would like to address one issue brought up in that debate, but because of the format of that debate, which was very restricted, it could really not be discussed at length. The Vice President says that he wants to be the education President. I commend him for that objective. He said that, in the course of the debate, that if he could get half of the credit for things done, he would be satisfied.

Mr. Speaker, I am prepared to give him half of the credit for suggesting that the education budget of this Federal Government be cut 7 years in a row, 7 years in a row. After "A Nation at Risk," in the midst of that, education funding was suggested to be cut drastically by the Reagan-Bush administration. Only in 1988, an election year, was a 5-percent increase proposed.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken on Tuesday, September 27, 1988.

VETERANS' HOME LOAN MORTGAGE INDEMNITY ACT OF 1988

Mr. MONTGOMERY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5221) to amend title 38, United States Code, with respect to the housing loan program carried out under chapter 37 of such title, and for other purposes, as amended.

The Clerk read as follows:

H.R. 5221

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Veterans' Home Loan Mortgage Indemnity Act of 1988".

SEC. 2. ESTABLISHMENT OF SPECIAL INDEMNITY FUND AND LOAN FEE.

(a) Special Indemnity Fund.—(1) Chapter 37 of title 38, United States Code, is amended by adding the following new section after section 1824:

"§ 1824A. Mortgage indemnity fund

"(a) There is hereby established in the Treasury of the United States a revolving fund known as the Veterans' Administration Mortgage Indemnity Fund (hereinafter referred to as the 'Indemnity Fund').

"(b) The Indemnity Fund shall be available to the Administrator for all operations (other than administrative expenses) carried out with respect to guaranteed or insured housing loans for which a fee is collected under section 1829 of this title on or after the effective date of the Veterans' Home Loan Mortgage Indemnity Act of 1988, other than loans to which section 1814 of this title applies and which were originally guaranteed or insured before such effective date.

"(c)(1) All fees collected under such section 1829 on or after such effective date shall be credited to the Indemnity Fund, other than fees collected with respect to loans to which section 1814 of this title applies and which were originally guaranteed or insured before such effective date.

"(2) There shall also be credited to the Indemnity Fund—

"(A) for each housing loan guaranteed or insured under this chapter for which a fee is collected under section 1829 of this title on or after such effective date an amount equal to 0.25 percent of the original amount of such loan for each of the three fiscal years beginning with the fiscal year in which such fee is collected;

"(B) all collections of principal and interest and the proceeds from the use of property held, or from the sale of property disposed of, with respect to loans to which subsection (b) of this section applies; and

"(C) all income from the investments described in subsection (d) of this section.

"(d)(1) The Secretary of the Treasury shall invest the portion of the Indemnity Fund that is not required to meet current pay-

ments made from the Indemnity Fund, as determined by the Administrator, in obligations of the United States or in obligations guaranteed as to principal and interest by the United States.

"(2) Such obligations shall have maturities suitable to the needs of the Indemnity Fund, as determined by the Administrator, and shall bear interest at rates determined by the Secretary of the Treasury, taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturities.".

(2) The table of sections of subchapter III of chapter 37 of such title is amended by inserting after the item for section 1824 the following new item:

"1824A. Mortgage indemnity fund.".

(b) LOAN FEE.—Section 1829 of such title is amended to read as follows:

"§ 1829. Loan fee

"(a)(1) Except as provided in subsections (c) and (d), a fee shall be collected from each veteran obtaining a housing loan guaranteed or insured under this chapter, and from each person obtaining a loan under section 1833(a), and no such loan may be guaranteed, made, or insured under this chapter until the fee payable under this section has been remitted to the Administrator.

"(2) The amount of such fee shall be 1.25 percent of the total loan amount, except that—

"(A) in the case of a loan made under section 1833(a), the amount of such fee shall be one percent of the total loan amount; and

"(B) in the case of a guaranteed or insured loan for a purchase or construction with respect to which the veteran has made a downpayment of not less than 5 percent of the total purchase price or construction cost, the amount of such fee shall be 0.75 percent of the total loan amount.

"(3) The amount of the fee may be included in the loan and paid from the proceeds thereof.

"(b) Except as provided in subsections (c) and (d), a fee shall be collected from a person assuming a loan to which section 1814 of this title applies. The amount of the fee shall be equal to one-half of one percent of the balance of the loan on the date of the transfer of the property.

"(c) A fee may not be collected under this section from a veteran who is receiving compensation (or who but for the receipt of retirement pay would be entitled to receive compensation) and whose disability is rated at not less than 30 percent or from a surviving spouse of any veteran (including a person who died in the active military, naval, or air service) who died from a service-connected disability.

"(d) After September 30, 1989, a fee may not be collected under this section with respect to a loan made under section 1833(a) or to which section 1814 of this title applies.".

(c) LIABILITY.—Section 1803 of such title is amended by adding at the end the following:

"(e) Any veteran who pays a fee under section 1829 of this title, or is exempted under section 1829(c) from paying such fee, on or after the effective date of the Veterans' Home Loan Mortgage Indemnity Act of 1988 with respect to a housing loan (other than a loan made under section 1833(a) or a loan for which a fee is collected under section 1829(b)) shall have no liability to the Administrator with respect to the loan for any loss resulting from any default of the veteran.".

(d) CONFORMING AMENDMENTS.—(1) Section 1824 of such title is amended—

(A) in subsection (b), by inserting the following before the period at the end of the first sentence: "and the operations carried out with the Indemnity Fund established by section 1824A"; and

(B) in subsection (c)—

(i) by inserting after "title" in clause (2) the following: "before the effective date of the Veterans' Home Loan Mortgage Indemnity Act of 1988, except that fees collected under subsection (b) of such section 1829 on or after such effective date with respect to loans which were originally guaranteed, made, or insured before such effective date shall also be deposited in the Fund"; and

(ii) by inserting after "chapter" in clause (3) the following: "with respect to housing loans guaranteed or insured under this chapter before the effective date of the Veterans' Home Loan Mortgage Indemnity Act of 1988".

(2) Section 1832(a)(1) of such title is amended by striking out "If" in the last sentence and inserting in lieu thereof "Except as provided in section 1803(e), if".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to any loan closed on or after October 1, 1989.

SEC. 3. SALE OF VENDEE LOANS.

(a) IN GENERAL.—Paragraph (3) of section 1833(a) of title 38, United States Code, is amended to read as follows:

"(3) The Administrator may sell any note evidencing such a loan with or without recourse, but only if the amount received at the time of such sale is equal to an amount which is not less than 90 percent of the unpaid balance of such loan.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1989.

SEC. 4. COMPUTATION OF ENTITLEMENT AMOUNT.

Section 1802(b) of title 38, United States Code, is amended—

(1) by striking out "or" at the end of clause (1)(B);

(2) by striking out the period at the end of clause (2) and inserting in lieu thereof "; or"; and

(3) by inserting after clause (2) the following new clause:

"(3) the loan has been repaid in full.".

SEC. 5. WAIVER.

Section 3102(b) of title 38, United States Code, is amended by adding at the end the following new sentence: "The Administrator may not make a determination with respect to equity and good conscience solely on the basis of a balancing of fault or on whether the veteran might be able to repay the indebtedness.".

SEC. 6. STUDY, PLAN, AND REPORT ON DISPOSAL OF CERTAIN VETERANS' ADMINISTRATION PROPERTIES.

(a) FINDING.—The Congress finds that the manner in which auctions have been used to dispose of foreclosed real property held by the Veterans' Administration has had some negative effects.

(b) STUDY.—The Administrator of Veterans' Affairs shall carry out a study for the purpose of evaluating the most effective methods of disposing foreclosed properties held by the Veterans' Administration, including auctions, leasing with options to buy, selling through brokered sales, and disposing for the benefit of the homeless. Such evaluation shall be completed no later than 90 days after the date of the enactment of this Act. With regard to auction sales, the evaluation should develop criteria to determine circumstances under which auctions may be the best disposition method.

(c) PLAN AND REPORT.—Based upon such evaluation, the Administrator shall, no later than 120 days after the date of the enactment of this Act, prepare a comprehensive plan for the disposition of foreclosed real property held by the Veterans' Administration and transmit the plan to the Congress.

(d) PENDING ACTION.—Until such plan has been transmitted to the Congress, the Administrator should refrain from disposing of such real property through auctions.

The SPEAKER. Is a second demanded?

Mr. SOLOMON. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from Mississippi [Mr. MONTGOMERY] will be recognized for 20 minutes and the gentleman from New York [Mr. SOLOMON] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Mississippi [Mr. MONTGOMERY].

GENERAL LEAVE

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill presently under consideration.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. MONTGOMERY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to commend the gentlewoman from Ohio [Ms. KAPTUR], chairwoman of our Subcommittee on Housing and Memorial Affairs, and the distinguished gentleman from Indiana [Mr. BURTON], for their leadership in getting this bill to the floor.

It is the second major housing bill they have brought to the House in this Congress and I congratulate them for their hard work.

I also want to thank the very able ranking minority member of the full committee, the gentleman from New York [Mr. SOLOMON], for his cooperation.

As usual, we have acted in a bipartisan manner and we are pleased to support the enactment of this bill.

H.R. 5221 is very important legislation, and the gentlewoman from Ohio [Ms. KAPTUR] will explain the bill in detail.

It is legislation that will help veterans and it is a bill that should provide financial credibility to the loan guaranty revolving fund.

GI home loans are very important to veterans and to active duty personnel.

The program is a good one and we want to see it continue to be financially stable.

Mr. Speaker, I yield such time as she may consume to the very able chairman of the Subcommittee on Housing and Memorial Affairs, the gentlewoman from Ohio [Ms. KAPTUR].

Ms. KAPTUR. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, the major provisions of this bill are contained in the full committee report accompanying the bill. Therefore, I will limit my remarks to a brief explanation of the major provisions, and I will present my full statement in the RECORD.

I want to thank the chair of the full committee as well as the ranking minority member, the gentleman from New York [Mr. SOLOMON], for their cooperation in working with us. Our objective in this legislation is to keep the Veterans' Administration Home Loan Guaranty Program a viable entitlement.

Mr. Speaker, since assuming the chair of the Subcommittee on Housing and Memorial Affairs, our legislative initiatives have focused on keeping the VA's Home Loan Guaranty Program a viable benefit. The bill we bring before you today accomplishes this from several perspectives.

H.R. 5221, the veterans' home loan mortgage indemnity bill, offers an approach to put the VA Home Loan Guaranty Program on a sound financial footing and keeps the entitlement nature of the program intact.

I would like to commend the chairman of the Veterans' Affairs Committee, SONNY MONTGOMERY, for his great leadership and strong support of this measure, and for moving this bill so quickly through the legislative process.

I would also like to thank the committee's ranking minority member, JERRY SOLOMON, and DAN BURTON, ranking minority member for the Subcommittee on Housing and Memorial Affairs and their support.

Mr. Speaker, the fact that the VA Home Loan Guaranty Program has guaranteed nearly 13 million loans since its inception in 1944 is a tribute to the program's success. However, with the economic downturns attributed to the energy and oil industry, foreclosure levels have risen dramatically and the solvency of the program has been the subject of several hearings. With almost $1 billion needed in appropriated funds this year alone, the subcommittee searched for a method to continue the entitlement nature of the program as well as create a more prudent funding mechanism. If we do nothing, CBO estimates substantial deficiencies in the existing loan guaranty revolving fund with no break even point. This year alone, we needed almost $1 billion in appropriations just to keep the program ongoing.

The mortgage indemnity concept contained in H.R. 5221 has been over a year in the making. We have heard lengthy testimony and, in fact, have almost exhausted all of the intellectual resources of this country including Fannie Mae, Ginnie Mae, MGIC officials, former FHA and VA officials, and computer models from FHA and CBO.

Under current law, veterans must pay a 1 percent user fee in order to get VA guaranteed home loan. For an additional one-fourth of 1-percent fee, the veteran would be relieved of liability in the event of foreclosure. We think that this is a substantial improvement over current law. What should also be emphasized, Mr. Speaker, is that according to the CBO, this new indemnity program addresses the future solvency of the VA Home Loan Guaranty Program.

H.R. 5221 would set up a 1¼-percent mortgage indemnity fee for veterans supplemented by a one-quarter percent premium for 3 years by the Government. Service-connected disabled veterans rated 30 percent or more and service-connected widows would be precluded from paying this fee. Veterans who make a downpayment of 5 percent or more would be charged a three-fourths of 1-percent fee. This new fee would provide indemnity for veterans in that they would no longer be liable to the Veterans' Administration for outstanding debts in the event of foreclosure. Mr. Speaker, we believe that this indemnity feature is consistent with FHA's policy of seldom pursuing individuals whose homes have gone into foreclosure. It is also my understanding that mortgage bankers themselves seldom establish deficiency judgments against homeowners with conventional loans whose homes are foreclosed. Frankly, when someone has just lost their home, they usually have lost everthing. The Veterans' Administration, however, has been assessing substantial debts against veterans who have been unfortunate enough to lose their homes. These debts, on the whole, have averaged approximately $15,000. I have been advised that the VA has been unable to collect more than 3 percent of these outstanding debts and it it truly ironic that the bulk of these collections have come from withholding a portion of compensation benefits from our service-connected disabled veterans. This is not fair and H.R. 5221 will remedy this situation in the future.

In addition, the bill would establish a new account to receive these collections as well as pay obligations incurred in connection with loans closed after date of enactment. The Veterans' Administration would be given the authority to invest excess moneys in Government securities. According to the Congressional Budget Office, the VA could possibly collect $218.3 million in interest over the next 10 years.

Mr. Speaker, this bill is supported by all of the veterans organizations and I would like to request that letters received from some of the veterans groups in support of this measure be incorporated in the RECORD. I know that some of the trade associations have expressed some concern with this bill. I wish to emphasize that the bill will not affect the current entitlement features of no downpayment loans up to $144,000 and the VA will continue to set interest rates, which historically have been somewhat less than conventional rates. I also wish to specify that the nature of the guaranty to the lending community is not being changed.

In regard to the future funding mechanisms, I believe all concerned are now satisfied with the explanation provided by the Congressional Budget Office. However, should the Senate not adopt our measure this year, it is our intent to clarify this language next year.

Mr. Speaker, I want to reiterate all we are doing is creating a program which is fairer to veterans who are trying to buy homes. At the same time, the Congressional Budget Office says this will help to put the program on a sound financial footing. Hopefully, this will get us out of the terrible box of having to go to the floor yearly to request $1 billion in appropriations during these difficult budget times just to keep the existing program going.

Mr. Speaker, it is also my strong belief that as a result of this restructuring, the Veterans' Administration will be in a position to cope much more effectively with the program's basic operation. Frankly, many of the VA's recent administrative decisions have been based on the impact on outlays from the loan guaranty revolving fund in 1 fiscal year rather than a concern for long-term prudent management.

Other provisions of the bill affect the sale of the VA's loan portfolio. The last two loan sales held by the VA without recourse involved a two-pool approach—a pool of senior certificates backed by subordinate pools. The objective of the subordinate pools was to cover any losses due to delinquencies or foreclosures of the senior certificates. The net proceeds of these sales amounted to approximately 56 and 55 percent returns on the day of sale. This compares very unfavorably with previous recourse loan sale proceeds where traditionally the VA has received par or better. For example, the February 1988 recourse sale netted above par results with a 1 percent premium—$1.01 for face value. At a time when this program is experiencing severe financial difficulty, this type of sale makes no sense at all, especially since the Veterans' Administration has retained all of the inherent risks as in previous recourse loan sales while receiving considerably less in up front money. H.R. 5221 gives the Administrator the authority to sell any note evidencing such a loan with or without recourse but only if the amount received at time of such sale is equal to not less than 90 percent of the unpaid balance of such a note. This provision is designed to maximize the VA's returns.

The bill would also modify the existing refinancing loan provisions to allow for easier refinancing of conventional loans. Under current law and implementing regulations, certain veterans may meet the requirements for having loan guaranty entitlement restored. A veteran may qualify for restoration if VA has been relieved of liability on the GI loan, which normally is accomplished by the loan being paid in full, and if the property has been disposed of; or if a veteran buyer agrees to substitute his or her entitlement for that of the original veteran borrower and meets all other requirements for substitution of entitlement.

In terms of refinancing, however, it has come to our attention that once a veteran has refinanced his loan conventionally, he may no longer refinance that same home through a VA guaranty, even though this remains his primary residence. On the other hand, had he originally bought his home with a conventional loan, he would be eligible for VA refinancing. This seemed inconsistent with the beneficial intent of the VA Home Loan Guaranty Program and H.R. 5221 would remedy this inequity.

The bill would clarify the equity and good conscience debt waiver provisions contained in section 3102 of title 38. Under current law, loan guaranty indebtedness may be waived by the Veterans' Administration whenever the collection of the indebtedness would be against equity and good conscience. In implementing this provision, VA has traditionally considered two factors: balancing of fault and the veteran's ability to repay. Cases brought to the committee's attention indicate a shift in focus from the equitable consideration intended by law to a much stricter loan forgiveness posture. H.R. 5221 would refocus VA's attention on the current law's beneficial and equitable intent.

Lastly, the measure would require the VA to formulate a property disposition plan. Currently, little, if any, long-term planning is being done. We think that is one of the major problems with current property management. Therefore, H.R. 5221 would require the Veterans' Administration to study the most effective methods of disposing of foreclosed properties including auctions, leasing with options to buy, selling through brokered sales and disposing for the benefit of the homeless. This evaluation should be completed no later than 90 days following the date of enactment and should include criteria to determine circumstances under which auctions may be the best disposition method.

Based upon this evaluation, the Administrator is required to transmit to the Congress within 120 days of enactment a comprehensive plan for the disposition of foreclosed real property.

In closing, I want to reiterate that this is a pro veterans bill. I would also like to emphasize that although the bill contains $37 million in budget authority in fiscal year 1990, it will save $689 million over the next 5 years and over $3 billion in the next 10 years. Therefore, Mr. Speaker, I strongly urge the bill's favorable consideration.

THE AMERICAN LEGION,
Washington, DC, September 26, 1988.
Hon. MARCY KAPTUR,
Chairwoman, Subcommittee on Housing and Memorial Affairs, House Veterans' Affairs Committee, Cannon House Office Building, Washington, DC.

DEAR CHAIRWOMAN KAPTUR: The American Legion appreciates the efforts put forth by you and your subcommittee in the development of H.R. 5221, the Veterans' Home Loan Indemnity Act of 1988. We feel this bill is a viable solution to insure the solvency of a program which has guaranteed nearly 13 million loans over the past 44 years. You can count on the support of this organization in helping H.R. 5221 become public law.

Sincerely,
E. PHILIP RIGGIN,
DIRECTOR,
National Legislative Commission.

DISABLED AMERICAN VETERANS,
Washington, DC, September 23, 1988.
Hon. MARCY KAPTUR,
Chairwoman, Subcommittee on Housing and Memorial Affairs, Longworth House Office Building, Washington, DC.

DEAR CONGRESSWOMAN KAPTUR: On behalf of the more than one million members of the Disabled American Veterans, I take this opportunity to underscore the DAV's support of H.R. 5221, the "Veterans' Home Loan Mortgage Indemnity Act of 1988."

As you know, the VA Home Loan Guaranty Program has assisted nearly 13 million veterans in obtaining favorable credit terms to purchase a family home. In addition to assisting America's veterans, this program has been good for America's economy, adding stability and expanding the tax base of nearly every community in our country.

The VA Home Loan Program was self-sufficient from its inception in 1944 until late in Fiscal Year 1983 when, due to declining economic conditions in some parts of our country, an infusion of federal dollars was necessary. Since Fiscal Year 1983, it has been necessary to appropriate nearly $2 billion for the VA's Home Loan Guaranty Program . . . almost $1 billion in Fiscal Year 1988 alone.

As you know, this measure was supported by the major veterans' service organizations in hearings held by the Subcommittee on Housing and Memorial Affairs. In our opinion, this bill will return the VA Home Loan Guaranty Program to fiscal solvency and provide much needed protection to veterans—especially service-connected disabled veterans—who, due to unfortunate financial situations, lose their family home through foreclosure.

We are aware that one trade association opposes indemnifying veterans against financial loss should they lose their home through foreclosure. The DAV, however, believes a veteran who has lost his family home has suffered enough. At the very least, veterans in this unfortunate situation should be protected against further financial hardship. H.R. 5221 will do just that . . . and save taxpayer dollars.

We thank you for your efforts to bring H.R. 5221 to the floor for full House consideration and look forward to your continued support to ensure that our nation's veterans continues to have a viable fiscally sound Home Loan Guaranty Program.

Sincerely yours,
BILLY E. KIRBY,
National Commander.

AMVETS,
Lanham, MD, September 26, 1988.
G.V. "SONNY" MONTGOMERY,
Chairman, House Veterans' Affairs Committee, Washington, DC.

DEAR MR. MONTGOMERY: AMVETS is pleased to support H.R. 5221 the Veterans Home Loan Mortgage Indemnity Act of 1988. Chairwoman Kaptur and her subcommittee are to be congratulated for their efforts in achieving a highy acceptable piece of legislation as currently outlined in H.R. 5221.

We feel that this legislation will benefit the nation's veterans as well as ensure the longevity of the VA Home Loan Program.

If you have any questions or I can assist you further, please feel free to contact my office at your convenience.

Sincerely yours,
JIMMY T. SMITH,
National Commander.

PARALYZED VETERANS OF AMERICA,
Washington, DC, September 26, 1988.
Hon. MARCY KAPTUR,
Chairwoman, Subcommittee on Housing and Memorial Affairs, House Committee on Veterans' Affairs, Cannon House Office Building, Washington, DC.

DEAR MADAM CHAIRWOMAN: The Paralyzed Veterans of America wishes to thank you for your efforts to make H.R. 5221 a reality. The "Veterans' Home Loan Mortgage Indemnity Act of 1988" represents, we believe, a responsible and fiscally sound alternative to the present VA home loan program.

We especially wish to commend you and your staff for arranging, on rather short notice, a meeting to discuss the concerns of the trade associations. Although PTA has supported H.R. 5221 since its inception, we believe your willingness to consider their suggestions, following the successful mark-up of the bill, was both generous and indicative of your dedication to the program's ultimate success.

Once again, our sincere thanks for your continued efforts to improve the VA home loan program. We believe that H.R. 5221, if enacted, will restore financial solvency to the program and ensure that veterans will continue to be able to purchase homes with a certain degree of financial advantage and protection.

Sincerely,
DOUGLAS K. VOLLMER,
National Legislative Director.

□ 1230

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I might consume.

Mr. Speaker, I support H.R. 5221, as amended, to reform the VA's Home Loan Guarantee Program. This program has enabled almost 13 million American veterans to realize the dream of home ownership.

Our mortgage indemnity plan can save the loan guarantee program and return it to a sound financial footing. Also, while I am no fan of the origination fee, if there is going to be a fee, our veterans ought to get something valuable for it.

The increase in the fee would be only one-fourth of 1 percent, and protection from liability in the event of default certainly ought to be worth that. I believe veterans would be willing to pay a reasonable amount for insurance against the unexpected, just as they pay for life, fire, and automobile insurance, because it is prudent to do so.

Mr. Speaker, I wish to commend the chairman and all who took the time to address the concerns raised by the mortgage bankers, realtors, and homebuilders. The members of these associations are an integral part of the large and complex loan guarantee picture, and we ignore their well considered views at our peril.

I commend Marcy Kaptur and her excellent staff for developing and advancing this legislation from the Housing and Memorial Affairs Subcommittee. I would also thank Dan Burton, the ranking member of the subcommittee, for his fine work and I commend the chairman for promptly acting on H.R. 5221. I urge my colleagues to support this measure.

Mr. Speaker, I yield such time as he may consume to the gentleman from Arkansas [Mr. Hammerschmidt], the former ranking Member of the full Committee on Veterans' Affairs.

Mr. HAMMERSCHMIDT. Mr. Speaker, the VA Home Loan Guarantee Program, which has been a great success over the past 44 years, is having serious financial difficulties. Our committee is strongly committed to the continuation of the program, and, if it is to continue, it must be changed in fundamental ways.

Mr. Speaker, I am pleased to support H.R. 5221 because I believe it can save the VA Loan Guarantee Program. At the same time, it would provide a major new benefit for veterans—insurance from liability to the VA if the guaranteed loan is foreclosed.

In my view, this indemnity protection for veterans would not cause an increase in foreclosures, as some critics have suggested. Few people, veterans or not, will walk away from their homes, except in extremely distressed circumstances.

Those who do walk away have almost always experienced total personal financial devastation and it is of little use to obtain deficiency judgments against them.

A particularly good feature of the bill would exempt from the indemnity fee veterans rated 30 percent or more for service-connected disabilities, similar to the current exemption for the origination fee.

Mr. Speaker, H.R. 5221 is needed to save the VA Loan Guarantee Program and I urge my colleagues to vote for it.

Mr. MONTGOMERY. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, again I want to thank the gentlewoman from Ohio, Ms. Marcy Kaptur, the gentleman from Indiana, Mr. Burton, the gentleman from Arkansas, Mr. Hammerschmidt, and also the gentleman from New York, Mr. Solomon, for their support of this legislation.

Mr. Speaker, I would like to remind Members that we have the blue sheets here that further explain this legislation. I think it is great that we can bring a bill to the floor which the Congressional Budget Office agrees, as the gentlewoman from Ohio [Ms. Kaptur] has said, will save millions of dollars by this proposal we have submitted today in the housing program for veterans.

I certainly hope that all Members of the House will support this bill.

Mr. BOLAND. Mr. Speaker, H.R. 5221, the Veterans' Home Loan Mortgage Indemnity Act of 1988, would replace the existing Home Loan Guaranty Program with a new Home Loan Insurance Program.

I am concerned about a provision in this legislation which would establish a permanent indefinite appropriation. Under the proposed new progam, the Government would contribute its share of the anticipated future default costs of the loans at the time of origination. Government contributions of 0.75 percent of the mortgage principal would be made to the loan fund for each loan insured. The Government contribution for a loan, however, would be spread over the 3 years with 0.25 percent paid in each of the first 3 years after origination. The Government contribution for the loan would come from a permanent appropriation not subject to the annual appropriations process.

This proposal is in violation of the Congressional Budget and Impoundment Control Act of 1974 and the rules of the House. Section 401 of the Congressional Budget Act requires that bills providing new spending authority be effective only to the extent or in such amounts as are provided in appropriations acts. This provision was passed so as to provide the Congress with greater control over Government spending.

My concern is that the Congress and the administration continue to lose control of the Federal budget. By establishing a new permanent appropriation, the Congress places more pressure on discretionary programs when it addresses the budget deficit situation. When we do that, discretionary programs like veterans medical care, the space program, environmental programs, and housing programs are forced to bare the brunt of any deficit reduction action. Making the provision of the 0.75 percent fee subject to the appropriations process would not change the Home Loan Program. It would, however give the Congress an opportunity to annually review what the proper dollar amount provided for the Veterans Home Loan Program should be.

Mr. Speaker, as I understand it, this legislation will not be enacted this year. It is my sincere hope that if a similar proposal is introduced next year, that the House Veterans' Affairs Committee and the Appropriations Subcommittee on HUD-Independent Agencies can work together on this matter so that the Home Loan Insurance Program for veterans is in accord with the Budget Act and the rules of the House.

Mr. SOLOMON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. MONTGOMERY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. Murtha). The question is on the motion offered by the gentleman from Mississippi [Mr. Montgomery] that the House suspend the rules and pass the bill, H.R. 5221, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

INDIAN GAMING REGULATORY ACT

Mr. UDALL. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 555) to regulate gaming on Indian lands.

The Clerk read as follows:

S. 555

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

That this Act may be cited as the "Indian Gaming Regulatory Act".

FINDINGS

Sec. 2. The Congress finds that—

(1) numerous Indian tribes have become engaged in or have licensed gaming activities on Indian lands as a means of generating tribal governmental revenue;

(2) Federal courts have held that section 2103 of the Revised Statutes (25 U.S.C. 81) requires Secretarial review of management contracts dealing with Indian gaming, but does not provide standards for approval of such contracts;

(3) existing Federal law does not provide clear standards or regulations for the conduct of gaming on Indian lands;

(4) a principal goal of Federal Indian policy is to promote tribal economic development, tribal self-sufficiency, and strong tribal government; and

(5) Indian tribes have the exclusive right to regulate gaming activity on Indian lands if the gaming activity is not specifically prohibited by Federal law and is conducted within a State which does not, as a matter

of criminal law and public policy, prohibit such gaming activity.

DECLARATION OF POLICY

SEC. 3. The purpose of this Act is—

(1) to provide a statutory basis for the operation of gaming by Indian tribes as a means of promoting tribal economic development, self-sufficiency, and strong tribal governments;

(2) to provide a statutory basis for the regulation of gaming by an Indian tribe adequate to shield it from organized crime and other corrupting influences, to ensure that the Indian tribe is the primary beneficiary of the gaming operation, and to assure that gaming is conducted fairly and honestly by both the operator and players; and

(3) to declare that the establishment of independent Federal regulatory authority for gaming on Indian lands, the establishment of Federal standards for gaming on Indian lands, and the establishment of a National Indian Gaming Commission are necessary to meet congressional concerns regarding gaming and to protect such gaming as a means of generating tribal revenue.

DEFINITIONS

SEC. 4. For purposes of this Act—

(1) The term "Attorney General" means the Attorney General of the United States.

(2) The term "Chairman" means the Chairman of the National Indian Gaming Commission.

(3) The term "Commission" means the National Indian Gaming Commission established pursuant to section 5 of this Act.

(4) The term "Indian lands" means—

(A) all lands within the limits of any Indian reservation; and

(B) any lands title to which is either held in trust by the United States for the benefit of any Indian tribe or individual or held by any Indian tribe or individual subject to restriction by the United States against alienation and over which an Indian tribe exercises governmental power.

(5) The term "Indian tribe" means any Indian tribe, band, nation, or other organized group or community of Indians which—

(A) is recognized as eligible by the Secretary for the special programs and services provided by the United States to Indians because of their status as Indians, and

(B) is recognized as possessing powers of self-government.

(6) The term "class I gaming" means social games solely for prizes of minimal value or traditional forms of Indian gaming engaged in by individuals as a part of, or in connection with, tribal ceremonies or celebrations.

(7)(A) The term "class II gaming" means—

(i) the game of chance commonly known as bingo (whether or not electronic, computer, or other technologic aids are used in connection therewith)—

(I) which is played for prizes, including monetary prizes, with cards bearing numbers or other designations,

(II) in which the holder of the card covers such numbers or designations when objects, similarly numbered or designated, are drawn or electronically determined, and

(III) in which the game is won by the first person covering a previously designated arrangement of numbers or designations on such cards,

including (if played in the same location) pull-tabs, lotto, punch boards, tip jars, instant bingo, and other games similar to bingo, and

(ii) card games that—

(I) are explicitly authorized by the laws of the State, or

(II) are not explicitly prohibited by the laws of the State and are played at any location in the State,

but only if such card games are played in conformity with those laws and regulations (if any) of the State regarding hours or periods of operation of such card games or limitations on wagers or pot sizes in such card games.

(B) The term "class II gaming" does not include—

(i) any banking card games, including baccarat, chemin de fer, or blackjack (21), or

(ii) electronic or electromechanical facsimiles of any game of chance or slot machines of any kind.

(C) Notwithstanding any other provision of this paragraph, the term "class II gaming" includes those card games played in the State of Michigan, the State of North Dakota, the State of South Dakota, or the State of Washington, that were actually operated in such State by an Indian tribe on or before May 1, 1988, but only to the extent of the nature and scope of the card games that were actually operated by an Indian tribe in such State on or before such date, as determined by the Chairman.

(D) Notwithstanding any other provision of this paragraph, the term "class II gaming" includes, during the 1-year period beginning on the date of enactment of this Act, any gaming described in subparagraph (B)(ii) that was legally operated on Indian lands on or before May 1, 1988, if the Indian tribe having jurisdiction over the lands on which such gaming was operated requests the State, by no later than the date that is 30 days after the date of enactment of this Act, to negotiate a Tribal-State compact under section 11(d)(3).

(8) The term "class III gaming" means all forms of gaming that are not class I gaming or class II gaming.

(9) The term "net revenues" means gross revenues of an Indian gaming activity less amounts paid out as, or paid for, prizes and total operating expenses, excluding management fees.

(10) The term "Secretary" means the Secretary of the Interior.

NATIONAL INDIAN GAMING COMMISSION

SEC. 5. (a) There is established within the Department of the Interior a Commission to be known as the National Indian Gaming Commission.

(b)(1) The Commission shall be composed of three full-time members who shall be appointed as follows:

(A) a Chairman, who shall be appointed by the President with the advice and consent of the Senate; and

(B) two associate members who shall be appointed by the Secretary of the Interior.

(2)(A) The Attorney General shall conduct a background investigation on any person considered for appointment to the Commission.

(B) The Secretary shall publish in the Federal Register the name and other information the Secretary deems pertinent regarding a nominee for membership on the Commission and shall allow a period of not less than thirty days for receipt of public comment.

(3) Not more than two members of the Commission shall be of the same political party. At least two members of the Commission shall be enrolled members of any Indian tribe.

(4)(A) Except as provided in subparagraph (B), the term of office of the members of the Commission shall be three years.

(B) Of the initial members of the Commission—

(i) two members, including the Chairman, shall have a term of office of three years; and

(ii) two members shall have a term of office of one year.

(5) No individual shall be eligible for any appointment to, or to continue service on, the Commission, who—

(A) has been convicted of a felony or gaming offense;

(B) has any financial interest in, or management responsibility for, any gaming activity; or

(C) has a financial interest in, or management responsibility for, any management contract approved pursuant to section 12 of this Act.

(6) A Commissioner may only be removed from office before the expiration of the term of office of the member by the President (or, in the case of associate member, by the Secretary) for neglect of duty, or malfeasance in office, or for other good cause shown.

(c) Vacancies occurring on the Commission shall be filled in the same manner as the original appointment. A member may serve after the expiration of his term of office until his successor has been appointed, unless the member has been removed for cause under subsection (b)(6).

(d) Two members of the Commission, at least one of which is the Chairman or Vice Chairman, shall constitute a quorum.

(e) The Commission shall select, by majority vote, one of the members of the Commission to serve as Vice Chairman. The Vice Chairman shall serve as Chairman during meetings of the Commission in the absence of the Chairman.

(f) The Commission shall meet at the call of the Chairman or a majority of its members, but shall meet at least once every 4 months.

(g)(1) The Chairman of the Commission shall be paid at a rate equal to that of level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(2) The associate members of the Commission shall each be paid at a rate equal to that of level V of the Executive Schedule under section 5316 of title 5, United States Code.

(3) All members of the Commission shall be reimbursed in accordance with title 5, United States Code, for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties.

POWERS OF THE CHAIRMAN

SEC. 6. (a) The Chairman, on behalf of the Commission, shall have power, subject to an appeal to the Commission, to—

(1) issue orders of temporary closure of gaming activities as provided in section 14(b);

(2) levy and collect civil fines as provided in section 14(a);

(3) approve tribal ordinances or resolutions regulating class II gaming and class III gaming as provided in section 11; and

(4) approve management contracts for class II gaming and class III gaming as provided in sections 11(d)(9) and 12.

(b) The Chairman shall have such other powers as may be delegated by the Commission.

POWERS OF THE COMMISSION

SEC. 7. (a) The Commission shall have the power, not subject to delegation—

(1) upon the recommendation of the Chairman, to approve the annual budget of the Commission as provided in section 18;

(2) to adopt regulations for the assessment and collection of civil fines as provided in section 14(a);

(3) by an affirmative vote of not less than 3 members, to establish the rate of fees as provided in section 18;

(4) by an affirmative vote of not less than 3 members, to authorize the Chairman to issue subpoenas as provided in section 16; and

(5) by an affirmative vote of not less than 3 members and after a full hearing, to make permanent a temporary order of the Chairman closing a gaming activity as provided in section 14(b)(2).

(b) The Commission—

(1) shall monitor class II gaming conducted on Indian lands on a continuing basis;

(2) shall inspect and examine all premises located on Indian lands on which class II gaming is conducted;

(3) shall conduct or cause to be conducted such background investigations as may be necessary;

(4) may demand access to and inspect, examine, photocopy, and audit all papers, books, and records respecting gross revenues of class II gaming conducted on Indian lands and any other matters necessary to carry out the duties of the Commission under this Act;

(5) may use the United States mail in the same manner and under the same conditions as any department or agency of the United States;

(6) may procure supplies, services, and property by contract in accordance with applicable Federal laws and regulations;

(7) may enter into contracts with Federal, State, tribal and private entities for activities necessary to the discharge of the duties of the Commission and, to the extent feasible, contract the enforcement of the Commission's regulations with the Indian tribes;

(8) may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission deems appropriate;

(9) may administer oaths or affirmations to witnesses appearing before the Commission; and

(10) shall promulgate such regulations and guidelines as it deems appropriate to implement the provisions of this Act.

(c) The Commission shall submit a report with minority views, if any, to the Congress on December 31, 1989, and every two years thereafter. The report shall include information on—

(1) whether the associate commissioners should continue as full or part-time officials;

(2) funding, including income and expenses, of the Commission;

(3) recommendations for amendments to the Act; and

(4) any other matter considered appropriate by the Commission.

COMMISSION STAFFING

SEC. 8. (a) The Chairman shall appoint a General Counsel to the Commission who shall be paid at the annual rate of basic pay payable for GS-18 of the General Schedule under section 5332 of title 5, United States Code.

(b) The Chairman shall appoint and supervise other staff of the Commission without regard to the provisions of title 5, United States Code, governing appointments in the competitive service. Such staff shall be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that no individual so appointed may receive pay in excess of the annual rate of basic pay payable for GS-17 of the General Schedule under section 5332 of that title.

(c) The Chairman may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the maximum annual rate of basic pay payable for GS-18 of the General Service.

(d) Upon the request of the Chairman, the head of any Federal agency is authorized to detail any of the personnel of such agency to the Commission to assist the Commission in carrying out its duties under this Act, unless otherwise prohibited by law.

(e) The Secretary or Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request.

COMMISSION—ACCESS TO INFORMATION

SEC. 9. The Commission may secure from any department or agency of the United States information necessary to enable it to carry out this Act. Upon the request of the Chairman, the head of such department or agency shall furnish such information to the Commission, unless otherwise prohibited by law.

INTERIM AUTHORITY TO REGULATE GAMING

SEC. 10. Notwithstanding any other provision of this Act, the Secretary shall continue to exercise those authorities vested in the Secretary on the day before the date of enactment of this Act relating to supervision of Indian gaming until such time as the Commission is organized and prescribes regulations. The Secretary shall provide staff and support assistance to facilitate an orderly transition to regulation of Indian gaming by the Commission.

TRIBAL GAMING ORDINANCES

SEC. 11. (a)(1) Class I gaming on Indian lands is within the exclusive jurisdiction of the Indian tribes and shall not be subject to the provisions of this Act.

(2) Any class II gaming on Indian lands shall continue to be within the jurisdiction of the Indian tribes, but shall be subject to the provisions of this Act.

(b)(1) An Indian tribe may engage in, or license and regulate, class II gaming on Indian lands within such tribe's jurisdiction, if—

(A) such Indian gaming is located within a State that permits such gaming for any purpose by any person, organization or entity (and such gaming is not otherwise specifically prohibited on Indian lands by Federal law), and

(B) the governing body of the Indian tribe adopts an ordinance or resolution which is approved by the Chairman.

A separate license issued by the Indian tribe shall be required for each place, facility, or location on Indian lands at which class II gaming is conducted.

(2) The Chairman shall approve any tribal ordinance or resolution concerning the conduct, or regulation of class II gaming on the Indian lands within the tribe's jurisdiction if such ordinance or resolution provides that—

(A) except as provided in paragraph (4), the Indian tribe will have the sole proprietary interest and responsibility for the conduct of any gaming activity;

(B) net revenues from any tribal gaming are not to be used for purposes other than—

(i) to fund tribal government operations or programs;

(ii) to provide for the general welfare of the Indian tribe and its members;

(iii) to promote tribal economic development;

(iv) to donate to charitable organizations; or

(v) to help fund operations of local government agencies;

(C) annual outside audits of the gaming, which may be encompassed within existing independent tribal audit systems, will be provided by the Indian tribe to the Commission;

(D) all contracts for supplies, services, or concessions for a contract amount in excess of $25,000 annually (except contracts for professional legal or accounting services) relating to such gaming shall be subject to such independent audits;

(E) the construction and maintenance of the gaming facility, and the operation of that gaming is conducted in a manner which adequately protects the environment and the public health and safety; and

(F) there is an adequate system which—

(i) ensures that background investigations are conducted on the primary management officials and key employees of the gaming enterprise and that oversight of such officials and their management is conducted on an ongoing basis; and

(ii) includes—

(I) tribal licenses for primary management officials and key employees of the gaming enterprise with prompt notification to the Commission of the issuance of such licenses;

(II) a standard whereby any person whose prior activities, criminal record, if any, or reputation, habits and associations pose a threat to the public interest or to the effective regulation of gaming, or create or enhance the dangers of unsuitable, unfair, or illegal practices and methods and activities in the conduct of gaming shall not be eligible for employment; and

(III) notification by the Indian tribe to the Commission of the results of such background check before the issuance of any of such licenses.

(3) Net revenues from any class II gaming activities conducted or licensed by any Indian tribe may be used to make per capita payments to members of the Indian tribe only if—

(A) the Indian tribe has prepared a plan to allocate revenues to uses authorized by paragraph (2)(B);

(B) the plan is approved by the Secretary as adequate, particularly with respect to uses described in clause (i) or (iii) of paragraph (2)(B);

(C) the interests of minors and other legally incompetent persons who are entitled to receive any of the per capita payments are protected and preserved and the per capita payments are disbursed to the parents or legal guardian of such minors or legal incompetents in such amounts as may be necessary for the health, education, or welfare, of the minor or other legally incompetent person under a plan approved by the Secretary and the governing body of the Indian tribe; and

(D) the per capita payments are subject to Federal taxation and tribes notify members of such tax liability when payments are made.

(4)(A) A tribal ordinance or resolution may provide for the licensing or regulation of class II gaming activities owned by any person or entity other than the Indian tribe and conducted on Indian lands, only if the tribal licensing requirements include the requirements described in the subclauses of subparagraph (B)(i) and are at least as restrictive as those established by State law governing similar gaming within the jurisdiction of the State within which such Indian lands are located. No person or entity, other than the Indian tribe, shall be eligible to receive a tribal license to own a class II gaming activity conducted on Indian lands within the jurisdiction of the Indian tribe if such person or entity would not be eligible to receive a State license to conduct the same activity within the jurisdiction of the State.

(B)(i) The provisions of subparagraph (A) of this paragraph and the provisions of subparagraphs (A) and (B) of paragraph (2) shall not bar the continued operation of an individually owned class II gaming operation that was operating on September 1, 1986, if—

(I) such gaming operation is licensed and regulated by an Indian tribe pursuant to an ordinance reviewed and approved by the Commission in accordance with section 13 of the Act,

(II) income to the Indian tribe from such gaming is used only for the purposes described in paragraph (2)(B) of this subsection,

(III) not less than 60 percent of the net revenues is income to the Indian tribe, and

(IV) the owner of such gaming operation pays an appropriate assessment to the National Indian Gaming Commission under section 18(a)(1) for regulation of such gaming.

(ii) The exemption from the application of this subsection provided under this subparagraph may not be transferred to any person or entity and shall remain in effect only so long as the gaming activity remains within the same nature and scope as operated on the date of enactment of this Act.

(iii) Within sixty days of the date of enactment of this Act, the Secretary shall prepare a list of each individually owned gaming operation to which clause (i) applies and shall publish such list in the Federal Register.

(c)(1) The Commission may consult with appropriate law enforcement officials concerning gaming licenses issued by an Indian tribe and shall have thirty days to notify the Indian tribe of any objections to issuance of such license.

(2) If, after the issuance of a gaming license by an Indian tribe, reliable information is received from the Commission indicating that a primary management official or key employee does not meet the standard established under subsection (b)(2)(F)(ii)(II), the Indian tribe shall suspend such license and, after notice and hearing, may revoke such license.

(3) Any Indian tribe which operates a Class II gaming activity and which—

(A) has continuously conducted such activity for a period of not less than three years, including at least one year after the date of the enactment of this Act; and

(B) has otherwise complied with the provisions of this section

may petition the Commission for a certificate of self-regulation.

(4) The Commission shall issue a certificate of self-regulation if it determines from available information, and after a hearing if requested by the tribe, that the tribe has—

(A) conducted its gaming activity in a manner which—

(i) has resulted in an effective and honest accounting of all revenues;

(ii) has resulted in a reputation for safe, fair, and honest operation of the activity; and

(iii) has been generally free of evidence of criminal or dishonest activity;

(B) adopted and is implementing adequate systems for—

(i) accounting for all revenues from the activity;

(ii) investigation, licensing, and monitoring of all employees of the gaming activity; and

(iii) investigation, enforcement and prosecution of violations of its gaming ordinance and regulations; and

(C) conducted the operation on a fiscally and economically sound basis.

(5) During any year in which a tribe has a certificate for self-regulation—

(A) the tribe shall not be subject to the provisions of paragraphs 1, 2, 3, and 4 of section 7(b);

(B) the tribe shall continue to submit an annual independent audit as required by section 11(b)(2)(C) and shall submit to the Commission a complete résumé on all employees hired and licensed by the tribe subsequent to the issuance of a certificate of self-regulation; and

(C) the Commission may not assess a fee on such activity pursuant to section 18 in excess of one quarter of 1 per centum of the gross revenue.

(6) The Commission may, for just cause and after an opportunity for a hearing, remove a certificate of self-regulation by majority vote of its members.

(d)(1) Class III gaming activities shall be lawful on Indian lands only if such activities are—

(A) authorized by an ordinance or resolution that—

(i) is adopted by the governing body of the Indian tribe having jurisdiction over such lands,

(ii) meets the requirements of subsection (b), and

(iii) is approved by the Chairman,

(B) located in a State that permits such gaming for any purpose by any person, organization, or entity, and

(C) conducted in conformance with a Tribal-State compact entered into by the Indian tribe and the State under paragraph (3) that is in effect.

(2)(A) If any Indian tribe proposes to engage in, or to authorize any person or entity to engage in, a class III gaming activity on Indian lands of the Indian tribe, the governing body of the Indian tribe shall adopt and submit to the Chairman an ordinance or resolution that meets the requirements of subsection (b).

(B) The Chairman shall approve any ordinance or resolution described in subparagraph (A), unless the Chairman specifically determines that—

(i) the ordinance or resolution was not adopted in compliance with the governing documents of the Indian tribe, or

(ii) the tribal governing body was significantly and unduly influenced in the adoption of such ordinance or resolution by any person identified in section 12(e)(1)(D).

Upon the approval of such an ordinance or resolution, the Chairman shall publish in the Federal Register such ordinance or resolution and the order of approval.

(C) Effective with the publication under subparagraph (B) of an ordinance or resolution adopted by the governing body of an Indian tribe that has been approved by the Chairman under subparagraph (B), class III gaming activity on the Indian lands of the Indian tribe shall be fully subject to the terms and conditions of the Tribal-State compact entered into under paragraph (3) by the Indian tribe that is in effect.

(D)(i) The governing body of an Indian tribe, in its sole discretion and without the approval of the Chairman, may adopt an ordinance or resolution revoking any prior ordinance or resolution that authorized class III gaming on the Indian lands of the Indian tribe. Such revocation shall render class III gaming illegal on the Indian lands of such Indian tribe.

(ii) The Indian tribe shall submit any revocation ordinance or resolution described in clause (i) to the Chairman. The Chairman shall publish such ordinance or resolution in the Federal Register and the revocation provided by such ordinance or resolution shall take effect on the date of such publication.

(iii) Notwithstanding any other provision of this subsection—

(I) any person or entity operating a class III gaming activity pursuant to this paragraph on the date on which an ordinance or resolution described in clause (i) that revokes authorization for such class III gaming activity is published in the Federal Register may, during the 1-year period beginning on the date on which such revocation ordinance or resolution is published under clause (ii), continue to operate such activity in conformance with the Tribal-State compact entered into under paragraph (3) that is in effect, and

(II) any civil action that arises before, and any crime that is committed before, the close of such 1-year period shall not be affected by such revocation ordinance or resolution.

(3)(A) Any Indian tribe having jurisdiction over the Indian lands upon which a class III gaming activity is being conducted, or is to be conducted, shall request the State in which such lands are located to enter into negotiations for the purpose of entering into a Tribal-State compact governing the conduct of gaming activities. Upon receiving such a request, the State shall negotiate with the Indian tribe in good faith to enter into such a compact.

(B) Any State and any Indian tribe may enter into a Tribal-State compact governing gaming activities on the Indian lands of the Indian tribe, but such compact shall take effect only when notice of approval by the Secretary of such compact has been published by the Secretary in the Federal Register.

(C) Any Tribal-State compact negotiated under subparagraph (A) may include provisions relating to—

(i) the application of the criminal and civil laws and regulations of the Indian tribe or the State that are directly related to, and necessary for, the licensing and regulation of such activity;

(ii) the allocation of criminal and civil jurisdiction between the State and the Indian tribe necessary for the enforcement of such laws and regulations;

(iii) the assessment by the State of such activities in such amounts as are necessary to defray the costs of regulating such activity;

(iv) taxation by the Indian tribe of such activity in amounts comparable to amounts assessed by the State for comparable activities;

(v) remedies for breach of contract;

(vi) standards for the operation of such activity and maintenance of the gaming facility, including licensing; and

(vii) any other subjects that are directly related to the operation of gaming activities.

(4) Except for any assessments that may be agreed to under paragraph (3)(C)(iii) of this subsection, nothing in this section shall be interpreted as conferring upon a State or any of its political subdivisions authority to impose any tax, fee, charge, or other assessment upon an Indian tribe or upon any other person or entity authorized by an Indian tribe to engage in a class III activity. No State may refuse to enter into the negotiations described in paragraph (3)(A) based upon the lack of authority in such State, or its political subdivisions, to impose such a tax, fee, charge, or other assessment.

(5) Nothing in this subsection shall impair the right of an Indian tribe to regulate class III gaming on its Indian lands concurrently with the State, except to the extent that such regulation is inconsistent with, or less stringent than, the State laws and regulations made applicable by any Tribal-State compact entered into by the Indian tribe under paragraph (3) that is in effect.

(6) The provisions of section 5 of the Act of January 2, 1951 (64 Stat. 1135) shall not apply to any gaming conducted under a Tribal-State compact that—

(A) is entered into under paragraph (3) by a State in which gambling devices are legal, and

(B) is in effect.

(7)(A) The United States district courts shall have jurisdiction over—

(i) any cause of action initiated by an Indian tribe arising from the failure of a State to enter into negotiations with the Indian tribe for the purpose of entering into a Tribal-State compact under paragraph (3) or to conduct such negotiations in good faith,

(ii) any cause of action initiated by a State or Indian tribe to enjoin a class III gaming activity located on Indian lands and conducted in violation of any Tribal-State compact entered into under paragraph (3) that is in effect, and

(iii) any cause of action initiated by the Secretary to enforce the procedures prescribed under subparagraph (B)(vii).

(B)(i) An Indian tribe may initiate a cause of action described in subparagraph (A)(i) only after the close of the 180-day period beginning on the date on which the Indian tribe requested the State to enter into negotiations under paragraph (3)(A).

(ii) In any action described in subparagraph (A)(i), upon the introduction of evidence by an Indian tribe that—

(I) a Tribal-State compact has not been entered into under paragraph (3), and

(II) the State did not respond to the request of the Indian tribe to negotiate such a compact or did not respond to such request in good faith,

the burden of proof shall be upon the State to prove that the State has negotiated with the Indian tribe in good faith to conclude a Tribal-State compact governing the conduct of gaming activities.

(iii) If, in any action described in subparagraph (A)(i), the court finds that the State has failed to negotiate in good faith with the Indian tribe to conclude a Tribal-State compact governing the conduct of gaming activities, the court shall order the State and the Indian Tribe to conclude such a compact within a 60-day period. In determining in such an action whether a State has negotiated in good faith, the court—

(I) may take into account the public interest, public safety, criminality, financial integrity, and adverse economic impacts on existing gaming activities, and

(II) shall consider any demand by the State for direct taxation of the Indian tribe or of any Indian lands as evidence that the State has not negotiated in good faith.

(iv) If a State and an Indian tribe fail to conclude a Tribal-State compact governing the conduct of gaming activities on the Indian lands subject to the jurisdiction of such Indian tribe within the 60-day period provided in the order of a court issued under clause (iii), the Indian tribe and the State shall each submit to a mediator appointed by the court a proposed compact that represents their last best offer for a compact. The mediator shall select from the two proposed compacts the one which best comports with the terms of this Act and any other applicable Federal law and with the findings and order of the court.

(v) The mediator appointed by the court under clause (iv) shall submit to the State and the Indian tribe the compact selected by the mediator under clause (iv).

(vi) If a State consents to a proposed compact during the 60-day period beginning on the date on which the proposed compact is submitted by the mediator to the State under clause (v), the proposed compact shall be treated as a Tribal-State compact entered into under paragraph (3).

(vii) If the State does not consent during the 60-day period described in clause (vi) to a proposed compact submitted by a mediator under clause (v), the mediator shall notify the Secretary and the Secretary shall prescribe, in consultation with the Indian tribe, procedures—

(I) which are consistent with the proposed compact selected by the mediator under clause (iv), the provisions of this Act, and the relevant provisions of the laws of the State, and

(II) under which class III gaming may be conducted on the Indian lands over which the Indian tribe has jurisdiction.

(8)(A) The Secretary is authorized to approve any Tribal-State compact entered into between an Indian tribe and a State governing gaming on Indian lands of such Indian tribe.

(B) The Secretary may disapprove a compact described in subparagraph (A) only if such compact violates—

(i) any provision of this Act,

(ii) any other provision of Federal law that does not relate to jurisdiction over gaming on Indian lands, or

(iii) the trust obligations of the United States to Indians.

(C) If the Secretary does not approve or disapprove a compact described in subparagraph (A) before the date that is 45 days after the date on which the compact is submitted to the Secretary for approval, the compact shall be considered to have been approved by the Secretary, but only to the extent the compact is consistent with the provisions of this Act.

(D) The Secretary shall publish in the Federal Register notice of any Tribal-State compact that is approved, or considered to have been approved, under this paragraph.

(9) An Indian tribe may enter into a management contract for the operation of a class III gaming activity if such contract has been submitted to, and approved by, the Chairman. The Chairman's review and approval of such contract shall be governed by the provisions of subsections (b), (c), (d), (f), (g), and (h) of section 12.

(e) For purposes of this section, by not later than the date that is 90 days after the date on which any tribal gaming ordinance or resolution is submitted to the Chairman, the Chairman shall approve such ordinance or resolution if it meets the requirements of this section. Any such ordinance or resolution not acted upon at the end of that 90-day period shall be considered to have been approved by the Chairman, but only to the extent such ordinance or resolution is consistent with the provisions of this Act.

MANAGEMENT CONTRACTS

SEC. 12. (a)(1) Subject to the approval of the Chairman, an Indian tribe may enter into a management contract for the operation and management of a class II gaming activity that the Indian tribe may engage in under section 11(b)(1), but, before approving such contract, the Chairman shall require and obtain the following information:

(A) the name, address, and other additional pertinent background information on each person or entity (including individuals comprising such entity) having a direct financial interest in, or management responsibility for, such contract, and, in the case of a corporation, those individuals who serve on the board of directors of such corporation and each of its stockholders who hold (directly or indirectly) 10 percent or more of its issued and outstanding stock;

(B) a description of any previous experience that each person listed pursuant to subparagraph (A) has had with other gaming contracts with Indian tribes or with the gaming industry generally, including specifically the name and address of any licensing or regulatory agency with which such person has had a contract relating to gaming; and

(C) a complete financial statement of each person listed pursuant to subparagraph (A).

(2) Any person listed pursuant to paragraph (1)(A) shall be required to respond to such written or oral questions that the Chairman may propound in accordance with his responsibilities under this section.

(3) For purposes of this Act, any reference to the management contract described in paragraph (1) shall be considered to include all collateral agreements to such contract that relate to the gaming activity.

(b) The Chairman may approve any management contract entered into pursuant to this section only if he determines that it provides at least—

(1) for adequate accounting procedures that are maintained, and for verifiable financial reports that are prepared, by or for the tribal governing body on a monthly basis;

(2) for access to the daily operations of the gaming to appropriate tribal officials who shall also have a right to verify the daily gross revenues and income made from any such tribal gaming activity;

(3) for a minimum guaranteed payment to the Indian tribe that has preference over the retirement of development and construction costs;

(4) for an agreed ceiling for the repayment of development and construction costs;

(5) for a contract term not to exceed five years, except that, upon the request of an Indian tribe, the Chairman may authorize a contract term that exceeds five years but does not exceed seven years if the Chairman is satisfied that the capital investment re-

quired, and the income projections, for the particular gaming activity require the additional time; and

(6) for grounds and mechanisms for terminating such contract, but actual contract termination shall not require the approval of the Commission.

(c)(1) The Chairman may approve a management contract providing for a fee based upon a percentage of the net revenues of a tribal gaming activity if the Chairman determines that such percentage fee is reasonable in light of surrounding circumstances. Except as otherwise provided in this subsection, such fee shall not exceed 30 percent of the net revenues.

(2) Upon the request of an Indian tribe, the Chairman may approve a management contract providing for a fee based upon a percentage of the net revenues of a tribal gaming activity that exceeds 30 percent but not 40 percent of the net revenues if the Chairman is satisfied that the capital investment required, and income projections, for such tribal gaming activity require the additional fee requested by the Indian tribe.

(d) By no later than the date that is 180 days after the date on which a management contract is submitted to the Chairman for approval, the Chairman shall approve or disapprove such contract on its merits. The Chairman may extend the 180-day period by not more than 90 days if the Chairman notifies the Indian tribe in writing of the reason for the extension. The Indian tribe may bring an action in a United States district court to compel action by the Chairman if a contract has not been approved or disapproved within the period required by this subsection.

(e) The Chairman shall not approve any contract if the Chairman determines that—

(1) any person listed pursuant to subsection (a)(1)(A) of this section—

(A) is an elected member of the governing body of the Indian tribe which is the party to the management contract;

(B) has been or subsequently is convicted of any felony or gaming offense;

(C) has knowingly and willfully provided materially important false statements or information to the Commission or the Indian tribe pursuant to this Act or has refused to respond to questions propounded pursuant to subsection (a)(2); or

(D) has been determined to be a person whose prior activities, criminal record if any, or reputation, habits, and associations pose a threat to the public interest or to the effective regulation and control of gaming, or create or enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities in the conduct of gaming or the carrying on of the business and financial arrangements incidental thereto;

(2) the management contractor has, or has attempted to, unduly interfere or influence for its gain or advantage any decision or process of tribal government relating to the gaming activity;

(3) the management contractor has deliberately or substantially failed to comply with the terms of the management contract or the tribal gaming ordinance or resolution adopted and approved pursuant to this Act; or

(4) a trustee, exercising the skill and diligence that a trustee is commonly held to, would not approve the contract.

(f) The Chairman, after notice and hearing, shall have the authority to require appropriate contract modifications or may void any contract if he subsequently determines that any of the provisions of this section have been violated.

(g) No management contract for the operation and management of a gaming activity regulated by this Act shall transfer or, in any other manner, convey any interest in land or other real property, unless specific statutory authority exists and unless clearly specified in writing in said contract.

(h) The authority of the Secretary under section 2103 of the Revised Statutes (25 U.S.C. 81), relating to management contracts regulated pursuant to this Act, is hereby transferred to the Commission.

(i) The Commission shall require a potential contractor to pay a fee to cover the cost of the investigation necessary to reach a determination required in subsection (e) of this section.

REVIEW OF EXISTING ORDINANCES AND CONTRACTS

SEC. 13. (a) As soon as practicable after the organization of the Commission, the Chairman shall notify each Indian tribe or management contractor who, prior to the enactment of this Act, adopted an ordinance or resolution authorizing class II gaming or class III gaming or entered into a management contract, that such ordinance, resolution, or contract, including all collateral agreements relating to the gaming activity, must be submitted for his review within sixty days of such notification. Any activity conducted under such ordinance, resolution, contract, or agreement shall be valid under this Act, or any amendment made by this Act, unless disapproved under this section.

(b)(1) By no later than the date that is 90 days after the date on which an ordinance or resolution authorizing class II gaming or class III gaming is submitted to the Chairman pursuant to subsection (a), the Chairman shall review such ordinance or resolution to determine if it conforms to the requirements of section 11(b) of this Act.

(2) If the Chairman determines that an ordinance or resolution submitted under subsection (a) conforms to the requirements of section 11(b), the Chairman shall approve it.

(3) If the Chairman determines that an ordinance or resolution submitted under subsection (a) does not conform to the requirements of section 11(b), the Chairman shall provide written notification of necessary modifications to the Indian tribe which shall have not more than 120 days to bring such ordinance or resolution into compliance.

(c)(1) Within 180 days after the submission of a management contract, including all collateral agreements, pursuant to subsection (a), the Chairman shall subject such contract to the requirements and process of section 12.

(2) If the Chairman determines that a management contract submitted under subsection (a), and the management contractor under such contract, meet the requirements of section 12, the Chairman shall approve the management contract.

(3) If the Chairman determines that a contract submitted under subsection (a), or the management contractor under a contract submitted under subsection (a), does not meet the requirements of section 12, the Chairman shall provide written notification to the parties to such contract of necessary modifications and the parties shall have not more than 120 days to come into compliance. If a management contract has been approved by the Secretary prior to the date of enactment of this Act, the parties shall have not more than 180 days after notification of necessary modifications to come into compliance.

CIVIL PENALTIES

SEC. 14. (a)(1) Subject to such regulations as may be prescribed by the Commission, the Chairman shall have authority to levy and collect appropriate civil fines, not to exceed $25,000 per violation, against the tribal operator of an Indian game or a management contractor engaged in gaming for any violation of any provision of this Act, any regulation prescribed by the Commission pursuant to this Act, or tribal regulations, ordinances, or resolutions approved under section 11 or 13.

(2) The Commission shall, by regulation, provide an opportunity for an appeal and hearing before the Commission on fines levied and collected by the Chairman.

(3) Whenever the Commission has reason to believe that the tribal operator of an Indian game or a management contractor is engaged in activities regulated by this Act, by regulations prescribed under this Act, or by tribal regulations, ordinances, or resolutions, approved under section 11 or 13, that may result in the imposition of a fine under subsection (a)(1), the permanent closure of such game, or the modification or termination of any management contract, the Commission shall provide such tribal operator or management contractor with a written complaint stating the acts or omissions which form the basis for such belief and the action or choice of action being considered by the Commission. The allegation shall be set forth in common and concise language and must specify the statutory or regulatory provisions alleged to have been violated, but may not consist merely of allegations stated in statutory or regulatory language.

(b)(1) The Chairman shall have power to order temporary closure of an Indian game for substantial violation of the provisions of this Act, of regulations prescribed by the Commission pursuant to this Act, or of tribal regulations, ordinances, or resolutions approved under section 11 or 13 of this Act.

(2) Not later than thirty days after the issuance by the Chairman of an order of temporary closure, the Indian tribe or management contractor involved shall have a right to a hearing before the Commission to determine whether such order should be made permanent or dissolved. Not later than sixty days following such hearing, the Commission shall, by a vote of not less than three of its members, decide whether to order a permanent closure of the gaming operation.

(c) A decision of the Commission to give final approval of a fine levied by the Chairman or to order a permanent closure pursuant to this section shall be appealable to the appropriate Federal district court pursuant to chapter 7 of title 5, United States Code.

(d) Nothing in this Act precludes an Indian tribe from exercising regulatory authority provided under tribal law over a gaming establishment within the Indian tribe's jurisdiction if such regulation is not inconsistent with this Act or with any rules or regulations adopted by the Commission.

JUDICIAL REVIEW

SEC. 15. Decisions made by the Commission pursuant to sections 11, 12, 13, and 14 shall be final agency decisions for purposes of appeal to the appropriate Federal district court pursuant to chapter 7 of title 5, United States Code.

SUBPOENA AND DEPOSITION AUTHORITY

SEC. 16. (a) By a vote of not less than two members, the Commission shall have the power to require by subpoena the attendance and testimony of witnesses and the production of all books, papers, and documents relating to any matter under consideration or investigation. Witnesses so summoned shall be paid the same fees and mileage that are paid witnesses in the courts of the United States.

(b) The attendance of witnesses and the production of books, papers, and documents, may be required from any place in the United States at any designated place of hearing. The Commission may request the Secretary to request the Attorney General to bring an action to enforce any subpoena under this section.

(c) Any court of the United States within the jurisdiction of which an inquiry is carried on may, in case of contumacy or refusal to obey a subpoena for any reason, issue an order requiring such person to appear before the Commission (and produce books, papers, or documents as so ordered) and give evidence concerning the matter in question and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(d) A Commissioner may order testimony to be taken by deposition in any proceeding or investigation pending before the Commission at any stage of such proceeding or investigation. Such depositions may be taken before any person designated by the Commission and having power to administer oaths. Reasonable notice must first be given to the Commission in writing by the party or his attorney proposing to take such deposition, and, in cases in which a Commissioner proposes to take a deposition, reasonable notice must be given. The notice shall state the name of the witness and the time and place of the taking of his deposition. Any person may be compelled to appear and depose, and to produce books, papers, or documents, in the same manner as witnesses may be compelled to appear and testify and produce like documentary evidence before the Commission, as hereinbefore provided.

(e) Every person deposing as herein provided shall be cautioned and shall be required to swear (or affirm, if he so requests) to testify to the whole truth, and shall be carefully examined. His testimony shall be reduced to writing by the person taking the deposition, or under his direction, and shall, after it has been reduced to writing, be subscribed by the deponent. All depositions shall be promptly filed with the Commission.

(f) Witnesses whose depositions are taken as authorized in this section, and the persons taking the same, shall severally be entitled to the same fees as are paid for like services in the courts of the United States.

INVESTIGATIVE POWERS

SEC. 17. (a) Except as provided in subsection (b), the Commission shall preserve any and all information received pursuant to this Act as confidential pursuant to the provisions of paragraphs (4) and (7) of section 552(b) of title 5, United States Code.

(b) The Commission shall, when such information indicates a violation of Federal, State, or tribal statutes, ordinances, or resolutions, provide such information to the appropriate law enforcement officials.

(c) The Attorney General shall investigate activities associated with gaming authorized by this Act which may be a violation of Federal law.

COMMISSION FUNDING

SEC. 18. (a)(1) The Commission shall establish a schedule of fees to be paid to the Commission annually by each class II gaming activity that is regulated by this Act.

(2)(A) The rate of the fees imposed under the schedule established under paragraph (1) shall be—

(i) no less than 0.5 percent nor more than 2.5 percent of the first $1,500,000, and

(ii) no more than 5 percent of amounts in excess of the first $1,500,000,

of the gross revenues from each activity regulated by this Act.

(B) The total amount of all fees imposed during any fiscal year under the schedule established under paragraph (1) shall not exceed $1,500,000.

(3) The Commission, by a vote of not less than three of its members, shall annually adopt the rate of the fees authorized by this section which shall be payable to the Commission on a quarterly basis.

(4) Failure to pay the fees imposed under the schedule established under paragraph (1) shall, subject to the regulations of the Commission, be grounds for revocation of the approval of the Chairman of any license, ordinance, or resolution required under this Act for the operation of gaming.

(5) To the extent that revenue derived from fees imposed under the schedule established under paragraph (1) are not expended or committed at the close of any fiscal year, such surplus funds shall be credited to each gaming activity on a pro rata basis against such fees imposed for the succeeding year.

(6) For purposes of this section, gross revenues shall constitute the annual total amount of money wagered, less any amounts paid out as prizes or paid for prizes awarded and less allowance for amortization of capital expenditures for structures.

(b)(1) The Commission, in coordination with the Secretary and in conjunction with the fiscal year of the United States, shall adopt an annual budget for the expenses and operation of the Commission.

(2) The budget of the Commission may include a request for appropriations, as authorized by section 19, in an amount equal to the amount of funds derived from assessments authorized by subsection (a) for the fiscal year preceding the fiscal year for which the appropriation request is made.

(3) The request for appropriations pursuant to paragraph (2) shall be subject to the approval of the Secretary and shall be included as a part of the budget request of the Department of the Interior.

AUTHORIZATION OF APPROPRIATIONS

SEC. 19. (a) Subject to the provisions of section 18, there are hereby authorized to be appropriated such sums as may be necessary for the operation of the Commission.

(b) Notwithstanding the provisions of section 18, there are hereby authorized to be appropriated not to exceed $2,000,000 to fund the operation of the Commission for each of the fiscal years beginning October 1, 1988, and October 1, 1989.

GAMING ON LANDS ACQUIRED AFTER ENACTMENT OF THIS ACT

SEC. 20. (a) Except as provided in subsection (b), gaming regulated by this Act shall not be conducted on lands acquired by the Secretary in trust for the benefit of an Indian tribe after the date of enactment of this Act unless—

(1) such lands are located within or contiguous to the boundaries of the reservation of the Indian tribe on the date of enactment of this Act; or

(2) the Indian tribe has no reservation on the date of enactment of this Act and—

(A) such lands are located in Oklahoma and—

(i) are within the boundaries of the Indian tribe's former reservation, as defined by the Secretary, or

(ii) are contiguous to other land held in trust or restricted status by the United States for the Indian tribe in Oklahoma; or

(B) such lands are located in a State other than Oklahoma and are within the Indian tribe's last recognized reservation within the State or States within which such Indian tribe is presently located.

(b)(1) Subsection (a) will not apply when—

(A) the Secretary, after consultation with the Indian tribe and appropriate State and local officials, including officials of other nearby Indian tribes, determines that a gaming establishment on newly acquired lands would be in the best interest of the Indian tribe and its members, and would not be detrimental to the surrounding community, but only if the Governor of the State in which the gaming activity is to be conducted concurs in the Secretary's determination; or

(B) lands are taken into trust as part of—

(i) a settlement of a land claim,

(ii) the initial reservation of an Indian tribe acknowledged by the Secretary under the Federal acknowledgment process, or

(iii) the restoration of lands for an Indian tribe that is restored to Federal recognition.

(2) Subsection (a) shall not apply to—

(A) any lands involved in the trust petition of the St. Croix Chippewa Indians of Wisconsin that is the subject of the action filed in the United States District Court for the District of Columbia entitled St. Croix Chippewa Indians of Wisconsin v. United States, Civ. No. 86-2278, or

(B) the interests of the Miccosukee Tribe of Indians of Florida in approximately 25 contiguous acres of land, more or less, in Dade County, Florida, located within one mile of the intersection of State Road Numbered 27 (also known as Krome Avenue) and the Tamiami Trail.

(3) Upon request of the governing body of the Miccosukee Tribe of Indians of Florida, the Secretary shall, notwithstanding any other provision of law, accept the transfer by such Tribe to the Secretary of the interests of such Tribe in the lands described in paragraph (2)(B) and the Secretary shall declare that such interests are held in trust by the Secretary for the benefit of such Tribe and that such interests are part of the reservation of such Tribe under sections 5 and 7 of the Act of June 18, 1934 (48 Stat. 985; 25 U.S.C. 465, 467), subject to any encumbrances and rights that are held at the time of such transfer by any person or entity other than such Tribe. The Secretary shall publish in the Federal Register the legal description of any lands that are declared held in trust by the Secretary under this paragraph.

(c) Nothing in this section shall affect or diminish the authority and responsibility of the Secretary to take land into trust.

(d)(1) The provisions of the Internal Revenue Code of 1986 (including sections 1441, 3402(q), 6041, and 6050I, and chapter 35 of such Code) concerning the reporting and withholding of taxes with respect to the winnings from gaming or wagering operations shall apply to Indian gaming operations conducted pursuant to this Act, or under a Tribal-State compact entered into under section 11(d)(3) that is in effect, in the same manner as such provisions apply to State gaming and wagering operations.

(2) The provisions of this subsection shall apply notwithstanding any other provision of law enacted before, on, or after the date

of enactment of this Act unless such other provision of law specifically cites this subsection.

DISSEMINATION OF INFORMATION

SEC. 21. Consistent with the requirements of this Act, sections 1301, 1302, 1303 and 1304 of title 18, United States Code, shall not apply to any gaming conducted by an Indian tribe pursuant to this Act.

SEVERABILITY

SEC. 22. In the event that any section or provision of this Act, or amendment made by this Act, is held invalid, it is the intent of Congress that the remaining sections or provisions of this Act, and amendments made by this Act, shall continue in full force and effect.

CRIMINAL PENALTIES

SEC. 23. Chapter 53 of title 18, United States Code, is amended by adding at the end thereof the following new sections:

"§ 1166. Gambling in Indian country

"(a) Subject to subsection (c), for purposes of Federal law, all State laws pertaining to the licensing, regulation, or prohibition of gambling, including but not limited to criminal sanctions applicable thereto, shall apply in Indian country in the same manner and to the same extent as such laws apply elsewhere in the State.

"(b) Whoever in Indian country is guilty of any act or omission involving gambling, whether or not conducted or sanctioned by an Indian tribe, which, although not made punishable by any enactment of Congress, would be punishable if committed or omitted within the jurisdiction of the State in which the act or omission occurred, under the laws governing the licensing, regulation, or prohibition of gambling in force at the time of such act or omission, shall be guilty of a like offense and subject to a like punishment.

"(c) For the purpose of this section, the term 'gambling' does not include—

"(1) class I gaming or class II gaming regulated by the Indian Gaming Regulatory Act, or

"(2) class III gaming conducted under a Tribal-State compact approved by the Secretary of the Interior under section 11(d)(8) of the Indian Gaming Regulatory Act that is in effect.

"(d) The United States shall have exclusive jurisdiction over criminal prosecutions of violations of State gambling laws that are made applicable under this section to Indian country, unless an Indian tribe pursuant to a Tribal-State compact approved by the Secretary of the Interior under section 11(d)(8) of the Indian Gaming Regulatory Act, or under any other provision of Federal law, has consented to the transfer to the State of criminal jurisdiction with respect to gambling on the lands of the Indian tribe.

"§ 1167. Theft from gaming establishments on Indian lands

"(a) Whoever abstracts, purloins, willfully misapplies, or takes and carries away with intent to steal, any money, funds, or other property of a value of $1,000 or less belonging to an establishment operated by or for or licensed by an Indian tribe pursuant to an ordinance or resolution approved by the National Indian Gaming Commission shall be fined not more than $100,000 or be imprisoned for not more than one year, or both.

"(b) Whoever abstracts, purloins, willfully misapplies, or takes and carries away with intent to steal, any money, funds, or other property of a value in excess of $1,000 belonging to a gaming establishment operated by or for or licensed by an Indian tribe pursuant to an ordinance or resolution approved by the National Indian Gaming Commission shall be fined not more than $250,000, or imprisoned for not more than ten years, or both.

"§ 1168. Theft by officers or employers of gaming establishments on Indian lands

"(a) Whoever, being an officer, employee, or individual licensee of a gaming establishment operated by or for or licensed by an Indian tribe pursuant to an ordinance or resolution approved by the National Indian Gaming Commission, embezzles, abstracts, purloins, willfully misapplies, or takes and carries away with intent to steal, any moneys, funds, assets, or other property of such establishment of a value of $1,000 or less shall be fined not more than $250,000 and be imprisoned for not more than five years, or both;

"(b) Whoever, being an officer, employee, or individual licensee of a gaming establishment operated by or for or licensed by an Indian tribe pursuant to an ordinance or resolution approved by the National Indian Gaming Commission, embezzles, abstracts, purloins, willfully misapplies, or takes and carries away with intent to steal, any moneys, funds, assets, or other property of such establishment of a value in excess of $1,000 shall be fined not more than $100,000,000 or imprisoned for not more than twenty years, or both.".

CONFORMING AMENDMENT

SEC. 24. The table of contents for chapter 53 of title 18, United States Code, is amended by adding at the end thereof the following:

"1166. Gambling in Indian country.
"1167. Theft from gaming establishments on Indian lands.
"1168. Theft by officers or employees of gaming establishments on Indian lands.".

The SPEAKER pro tempore. Is a second demanded?

Mrs. VUCANOVICH. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Arizona [Mr. UDALL] will be recognized for 20 minutes and the gentlewoman from Nevada [Mrs. VUCANOVICH] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Arizona [Mr. UDALL].

GENERAL LEAVE

Mr. UDALL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on the Senate bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. UDALL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, S. 555 provides for the regulation of certain gambling activity conducted on Indian lands. I want to make clear that this bill does not authorize gambling on Indian reservations, but, rather, establishes regulatory schemes for gaming which is otherwise legal under existing law.

S. 555 is the culmination of nearly 6 years of congressional consideration of this issue. The basic problem which has prevented earlier action by Congress has been the conflict between the right of tribal self-government and the desire for State jurisdiction over gaming activity on Indian lands.

On July 6, I inserted a statement in the RECORD which set out my position on this issue. I stated that I could not support the unilateral imposition of State jurisdiction over Indian tribal governments. I did state, however, that I remained open to reasonable compromises on the issue.

S. 555 is such a compromise, hammered out in the Senate after considerable debate and negotiations. It is a solution which is minimally acceptable to me and I support its enactment.

The core of the compromise in S. 555 is that class III gaming activities, generally defined to be casino gaming and parimutuel betting, will hereafter be legal on Indian reservations only if conducted under a compact between the tribe and the State.

While it is possible that elements of State regulation may be a part of such a compact, this is a matter between two sovereign entities and the Federal court, under the terms of the bill, will review the failure of the parties to arrive at an agreement under a test of good faith bargaining.

While the Interior Committee did not consider and did not report S. 555, certain members and committee staff did participate very actively in the negotiations in the Senate which gave rise to the compromise of S. 555. In addition, many of the provisions of S. 555 are included in House legislation which has been considered by the Interior Committee and the House in this and past congresses. Therefore, I would like to comment briefly on some aspects of the bill.

First, I would like to comment on the core compromise relating to the regulation of class III gaming. Over the years, I have strongly resisted the imposition of State jurisdiction over Indian tribes in this and other areas. This Nation has had a longstanding policy of protecting the rights of Indian tribes to self-government. Most acts of Congress in the last 50 years, including in this Congress, have been designed to strengthen those governments. The tribal-State compact provisions of S. 555 should be viewed in those terms. To the extent those provisions result in State involvement in tribal gaming activities, they should be viewed as exceptions to this policy and not as precedents for the future.

Some concern has been expressed about the interpretation of the term

"Indian lands" with respect to the restriction or expansion of tribal jurisdiction within the reservation. Except to the extent of limitations specifically placed on the tribe by the bill or agreed to by the tribe under a compact, nothing in this bill is intend to limit the existing reach of tribal jurisdiction within their reservations.

Subsection (c) of section 11 of the bill provides for the regulation of class III gaming on the reservations. This subsection authorizes the negotiation of tribal-State compacts for such regulation. The subsection requires the State to bargain in good faith with the tribe requesting such a compact and imposes the burden of proof on the State in any court test. Where the State's refusal to enter into the agreement is based upon its position that the activity should not take place at all, it must be incumbent upon the State to make a clear showing that the activity will have a significant adverse impact upon the public. Where the failure of the State to agree revolves around its insistence that a particular provision be included in the compact, it must be incumbent on the State to make a clear showing that the inclusion of such provision is necessary to avoid such an adverse impact.

Mr. Speaker, while this legislation does impose new restrictions on tribes and their members, it is legislation enacted basically for their benefit. I would expect that the Federal courts, in any litigation arising out this legislation, would apply the Supreme Court's time-honoring rule of construction that any ambiguities in legislation enacted for the benefit of Indians will be construed in their favor.

Mr. Speaker, S. 555 is a delicately balanced compromise. I know that many Indian tribes are strongly opposed to enactment of S. 555 and consider it a further infringement on their rights and another broken promise. I sympathize with their anger and frustration, but I feel that this bill is probably the most acceptable legislation that could be obtained given the circumstances.

It may be small consolation to them to know that the other side, the strong economic forces of the gambling industry, also do not totally support the bill.

Mr. Speaker, I would like to recognize and commend the efforts of Congressman COELHO on this legislation. While he and I have strongly disputed the central issue I have discussed, it has always been in the spirit in good will and sincerity.

While I understand the misgivings of my Indian friends and while I share some of those misgivings about this legislation, in the spirit of compromise, I urge passage of S. 555.

Mr. Speaker, I reserve the balance of my time.

Mrs. VUCANOVICH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of S. 555, the Indian Gaming Regulatory Act. S. 555 is the outgrowth of more than 5 years of discussions and negotiations between gaming tribes, States, the gaming industry the administration, and the Congress, in an attempt to formulate a system for regulating gaming on Indian lands. In developing the legislation, the issue has been how best to preserve the right of tribes to self-government while, at the same time, to protect both the tribes and the gaming public from unscrupulous persons. An additional objective inherent in any government regulatory scheme is to achieve a fair balancing of competitive economic interests.

The question of how best to regulate gaming on Indian lands raises important issues regarding State law enforcement authority, the need for proper regulation of gaming activities and the strong interests of Indian tribes in self-government and economic development. As with most matters affecting the legal relations between the States and Indian tribes, Congress is faced with the difficult task of reconciling powerful and conflicting interests. The task faced by Congress in developing this legislation has been made far more difficult since it involves the balancing of not only property rights or other economic considerations, but also complex matters of law enforcement and regulatory policy in the unique field of gaming.

S. 555, in my view, represents a sound attempt by Congress to strike a fair balance among the many parties who have interests at stake in the regulation. The bill, which was passed unanimously by the other body on September 15, 1988, incorporates elements of most of the legislative proposals introduced in Congress and considered at length in the Interior Committee. Like all compromises, the bill is not perfect from the point of view of any individual interest within its purview. State attorneys general, the non-Indian gaming industry throughout the country, and Indian tribes can all point to particular provisions of the bill they may find objectionable. Considering the strongly held views of the diverse interest groups involved in our deliberations, I believe that the Interior Committee and the Senate Committee on Indian Affairs have done an admirable job in fashioning an acceptable, workable, compromise bill. At this point, I would like to commend Chairman UDALL, ranking minority member DON YOUNG, the other members of the Interior Committee, Chairman INOUYE and Senator EVANS for their hard work in producing a compromise acceptable to all parties.

The principal objective of S. 555 is to provide a statutory basis and an appropriate regulatory framework for gaming on Indian lands. The bill achieves this by dividing the many types of gaming into three classes and prescribing a particular form of regulation for each class.

Class I gaming, as defined in the bill, includes social or traditional Indian games played in connection with tribal ceremonies or celebrations. This class of gaming will be regulated exclusively by tribal governments under S. 555.

Class II gaming includes bingo, lotto, and poker games if played in conformance with State laws regarding pot sizes, bet limits, and hours of operation. Those card games allowed under class II are those where players play against each other rather than against the house. Those games where players play against the house and the house acts as banker are placed under class III which I will talk about next. Class II also includes a "grandfather clause" for certain banking card games in operation on or before May 1, 1988. Class II specifically excludes slot machines or electronic or electromechanical facsimiles of other games. Under the bill, class II gaming will be regulated by the tribes with oversight by a five-member national Indian gaming commission.

Class III gaming includes all forms of gaming not identified in classes I and II. In particular, this class would include casino gaming and parimutuel betting on horse racing, dog racing, and jai alai. For this class, the bill establishes a system through which tribes and States may negotiate the terms of gaming regulation as part of a compact. This system ensures that tribal economic opportunities are preserved in a context which assures the States a degree of control over high stakes gaming within their borders.

Many State law enforcement officials had advocated complete State jurisdiction over gaming on Indian lands. Some tribes, on the other hand, advocated strictly tribal jurisdiction over all forms of gaming by requiring the States and the tribes to negotiate with one another, this bill favors neither State jurisdiction nor exclusive tribal control.

In order to meet tribal concerns that States may refuse to allow them to initiate class III gaming, the bill includes protections for tribes in the process or achieving a compact. In particular, the bill requires States to negotiate in good faith with tribes, and establishes standards for determining whether this requirement has been met. The bill grants tribes a federal cause of action against States for failure to negotiate in good faith. If a court finds that the State did not negotiate in good faith, the bill prescribes further procedures, including a court-ordered second round of negotiations, submittal of the matter to a mediator, and the establishment of class III gaming procedures by the Secretary of the Interior.

In short, this bill represents a carefully crafted and long-sought solution to an especially difficult problem in Indian affairs. While the bill may not be perfect, it is perhaps as close as we will ever get to an appropriate solution. Recognizing that S. 555 may have certain short-comings, I nevertheless feel it is a workable and effective compromise. Once again, I want to thank Chairman UDALL; Chairman INOUYE; Mr. PEPPER from Florida; my colleague from California, Mr. COELHO; and Mr. RHODES of Arizona for their help. We've all worked very hard on ths bill and I urge my colleagues to support passage.

□ 1245

Mr. Speaker, I reserve the balance of my time.

Mr. UDALL. Mr. Speaker, I yield such time as he may consume to the distinguished gentlemen from California [Mr. COELHO].

Mr. COELHO. Mr. Speaker I thank the gentlemen for yielding time to me.

Mr. Speaker, the legislation we have before us today is not perfect. It would be impossible to craft a bill that perfectly addresses every single aspect of an issue as complex and—for many—as emotional as the regulation of gambling on Indian lands. But I believe this legislation represents a fair and reasonable approach to resolving that difficult issue, and I joint the distinguished chairman of the Interior and Insular Affairs Committee in urging my colleagues to support it.

The gentleman from Arizona has worked long and hard to develop consensus legislation that would provide for the effective regulation of high-stakes gambling on Indian reservations while preserving the sovereignty of tribal governments. Achieving that balance has not been easy, and I commend Chairman UDALL for his dedication and leadership in pursuing the consensus embodied by this bill.

I also want to acknowledge the outstanding leadership of Senator INOUYE, the chairman of the Senate Indian Affairs Committee and author the legislation we have before us today. I doubt that a consensus would have been possible without Senator INOUYE's diligent efforts to accommodate the interests of the tribes, the States and the non-Indian gaming industry.

Mr. Speaker, I also want to acknowledge the work of my colleague, the gentlewoman from Nevada [Mrs. VUCANOVICH], who I think has done a tremendous job in making sure that all interests are represented as well.

Mr. Speaker, it has taken us a long time to get to this point, and I will not waste any more time rehashing all of the issues and arguments. But I do think it is important to say a few words about why this legislation is necessary.

Indian tribes have been engaged in gaming activity, chiefly bingo, for about 15 years. To be sure, gaming revenues have greatly benefited tribes that would otherwise face dire economic hardship. And in most cases, the tribes appear to have done a fairly good job of regulating their bingo games, even though some Indian reservation bingo operations have been victimized by unscrupulous characters and criminal elements.

There are those who say that because there has never been a "clearly proven" case of "organized" criminal activity in bingo and card operations on Indian reservations, there is no reason for Congress to pass this legislation. That argument misses the point completely because the congressional debate on the regulation of Indian gaming has never been about bingo. In fact, the bill we have here today provides for only minimal Federal regulation of bingo and certain card games. It even allows most of that Federal regulation to be waived for reservation bingo and card games that are well run.

The debate and this bill are about regulation of the kind of high-stakes gambling that for the most part has not yet appeared on Indian reservations. This so-called class III gaming includes horse racing, dog racing, jai alai and certain casino-type card games and gambling devices. No one can deny that these very lucrative and easily corrupted games have long been the target of organized and sometimes intensive criminal activity. That is why the States that allow such gaming activities subject them to very strict regulation. In the case of horse racing, much of that regulation is intended to protect horses from those who would abuse them for an unfair advantage and an illegal profit. As a lifelong horseman, I am concerned that the welfare of racing animals receives the greatest measure of protection possible. That concern is what brought me into the debate on the regulation of gaming on Indian reservations.

Despite the vast amount of experience and resources that the States devote to the regulation of non-Indian horse racing and other high-stakes gambling, the pressure from criminal elements remains constant and strong. There is good reason to believe that similar gambling activity on Indian reservations would be subject to similar pressures. But there is also good reason to doubt that many Indian tribes, lacking in experience and resources, would be able to effectively regulate high-stakes gambling. And the checkered history of Federal Indian programs makes it impossible to believe that any sort of Federal regulatory system would be successful.

As sovereign governments, Indian tribes certainly have the right to engage in gambling if they wish. But the States also have the sovereign right—and the responsibility—to protect their citizens from the threat of criminal activity. When the legitimate exercise of their rights brings sovereign States into conflict with one another, the universally accepted practice is for them to negotiate an agreement that serves the interests of all parties. In most cases, such agreements require each party to voluntarily limit the exercise of certain individual rights in order to achieve a common goal. This bill establishes a framework in which Indian tribes and States can meet as equals, government-to-government, to negotiate an agreement—a compact—for a mutually acceptable method of regulating high-stakes gambling on Indian reservations. The bill requires the States to negotiate in good faith and it provides for legal recourse if they do not.

It is important to make it clear that the compact arrangement set forth in this legislation is intended solely for the regulation of gaming activities. It is not the intent of Congress to establish a precedent for the use of compacts in other areas, such as water rights, land use, environmental regulation or taxation. Nor is it the intent of Congress that States use negotiations on gaming compacts as a means to pressure Indian tribes to cede rights in any other area. Congress also assumes that the States will be reasonable in negotiating gaming compacts and not simply insist that tribes submit to complete State regulation. It is even possible that a compact may provide for no State involvement in the regulation of gaming activities on a particular reservation.

Last year, I worked with representatives of both the Indian and non-Indian gaming communities to develop a compromise proposal based on a tribal-State compact arrangement very similar to the one contained in this bill. I believe it is a good idea now, and I again strongly urge my colleagues to support this bill.

Mr. SHUMWAY. Mr. Speaker, I am opposed to S. 555, the Indian Gaming Regulatory Act. While proponents laud this measure as the best compromise we are going to get, I believe it is just not good enough.

My major objection to this bill is the establishment of another layer of Federal bureaucracy, with its attendant cost. The bill establishes the National Indian Gaming Commission, to monitor gaming activities on Indian lands and approve management contracts for such games. While the bill provides for a compact between the State and the tribe in the case of class III games, no similar provision is made for class II gambling. Ironically, several Members who spoke in favor of the Federal regulatory approach pointed out that State supervision and control is imperative for class III games to prevent corruption, ensure compliance and apply existing expertise. In my view, the same should hold true for all gaming activities.

I make no secret of my personal opposition to using gambling as a means to raise money. However, I also believe that the decision to permit gambling should be left up to the individual States. In States where gambling is permitted, a mechanism is already in place to police and oversee the games of chance. It makes far more sense to permit the States to extend existing regulations to games taking place on Indian lands. There is no need to establish more Federal Government.

Mrs. VUCANOVICH. Mr. Speaker, I yield 1 minute to the gentleman from New Mexico [Mr. LUJAN].

Mr. LUJAN. Mr. Speaker, I thank the gentlewoman for yielding time to me.

Mr. Speaker, I have a question for Chairman UDALL. The language of section 12(b)(5) and 12(c) contemplates that if an Indian tribe so requests, the Chairman of the Commission may authorize a contract term of 7 years and a management fee of 40 percent. The Indian tribe, as a party to the management contract and as the owner of the bingo operation, is in the best position to evaluate the reasonableness of its contract term and management fee. Am I correct in my understanding that it is the intent of this legislation that because the request by the Indian tribe is a condition precedent to a 7-year term and 40-percent management fee, the assumption by the Chairman will be that such term and fee are economically reasonable when so requested by the Indian tribe and will be approved by the Chairman?

Mr. UDALL. Mr. Speaker, will the gentleman yield?

Mr. LUJAN. I yield to the chairman of the Committee on Interior and Insular Affairs, the gentleman from Arizona [Mr. UDALL].

Mr. UDALL. I thank the gentleman for yielding.

Mr. Speaker, yes, we expect the Chairman will approve the tribe's request.

Mr. LUJAN. I thank the gentleman for his response.

Mr. UDALL. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. OBERSTAR].

Mr. OBERSTAR. I thank the gentleman for yielding.

Mr. Speaker, I want to congratulate the chairman of the Committee on Interior and Insular Affairs on developing this legislation which I know has been very difficult to bring together. One of the most difficult challenges that one could undertake is one of those involving Indian affairs. This legislation will bring consistency to the way in which the Federal Government regulates gaming on Indian lands. But at least one inconsistency remains in the bill.

On the one hand, I think it is very good that the legislation provides regulation on a joint basis between the Federal Government and the tribes, of class two high stakes bingo. That is a very important provision. It is a very important source of revenue for Indian reservations in our State of Minnesota and in my congressional district where reservations are using the money wisely to invest in health care, education and economic development, the revenue derived from high-stakes bingo.

But there is another class of activity that is not covered by this legislation and that is the class three gaming. Many of the reservations in Minnesota are set up for games of chance. It seems to me that they should have been grandfathered in along with those tribes in the four States that are allowed to continue with class three card games under the Federal mandate.

I earnestly hope that future legislation can be written and enacted to remedy this omission. But as I understand it, however, the State of Minnesota can go back, that is if I understand the legislation correctly, can change its own law to regulate between the State and the Indian reservations the class three gaming that is now already set up and for which the reservations are ready to undertake activities. But frankly it seemed to me that this activity should have been within the ambit of the overall Federal-to-tribe responsibility that has historically existed with respect to Indian activities.

Overall I support the legislation. I want to compliment the gentleman on bringing it forth. It does make secure the high states bingo operation that has been such an important source of revenue and economic growth and development for Indian reservations throughout the country.

Mrs. VUCANOVICH. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. HENRY].

Mr. HENRY. I thank the gentleman for yielding.

Mr. Speaker, it is with reluctance that I rise in opposition of the bill. I point out that although we are operating under suspension of the rules, it is a little strained to be debating a bill which at this point is not even yet printed. It has not been made available to the Members.

Granted that the bill is taken to us without amendment from the way in which it was passed September 15 in the Senate. It is a little late for Members on either side of the aisle to be getting that kind of information.

But more importantly, Mr. Speaker, are the merits of the bill. I come from one of the five States in which this bill circumvents State law by grandfathering in existing illegal gambling on some of the tribal territories and reservations within the State.

My Federal prosecutor has advised me of this fact and urge that I urge you, in turn, to support the State of Michigan and several other States who have fought illegal gambling on Indian reservations. Our position has been upheld by the Federal district court for western Michigan and also on appeal to the sixth district court of the Federal court of appeals.

It is unfair, Mr. Speaker, to retroactively grandfather existing illegal gambling operations in a number of States as this legislation does. I am also advised that other States object because they were not grandfathered while others will be, which indicates inconsistencies in the legislation.

I urge a "no" vote.

Mr. UDALL. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. SIKORSKI].

Mrs. VUCANOVICH. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. SIKORSKI].

Mr. SIKORSKI. Mr. Speaker, I rise in opposition to the legislation although I have great respect for the gentlewoman from Nevada and for the gentleman from Arizona [Mr. UDALL], the chairman, for their long and vigorous fight for Indian rights, and with others who are involved in this legislation.

After a weekend of conversation with Minnesota's Indians, I think there are more questions than answers.

For example, what is the origin of this legislation undermining Indian sovereignty? Who wins and who loses under it? Where is the problem that needs correction? Finally, why do we feel we can invade Indian sovereignty when it is inconvenient to respect it?

On the "who" issue, I have been told that the white and multibillion-dollared casino syndicates on the east and west coasts, the track owners and even States that have their own gambling operation do not like the little competition they get from reservation bingo and cards and video machines.

We can understand this desire to shut down any competition; any business wants to do that.

But does this explain why we pull the plugs on a couple of video machines hundreds of miles, in some cases thousands of miles, from Donald Trump or the Vegas strip? It is piddling money to the big boys, but to most reservations it is the very small difference between survival and total dependence on the "Big White Father"—the Federal Government. On the reservations, this little money is the difference between a drug rehabilitation program and no program; between the successful child nutrition program and no program; between an alternative school or a senior citizen center and nothing.

It provides a little cushion, a little bit of employment on reservations that have 50, 60, 70, 80 most of them close to 90 percent unemployment. This little industry provides health and human services, Indian cultural efforts, and badly needed employment to forgotten human beings who are set aside on picked-over and left-over public lands that were given to them as reservations under treaties. Indians lose. In gambling turns—with winners and losers—Indians are losers and the gamblers, casino operators, track owners, and State gamblers are winners.

Where is the problem? There have been grand claims that this is good for the Indians because it "protects them" from unscrupulous managers and organized crime. But there is no data on that at all. In fact, one tribal leader told me the only organized crime they have seen is the Bureau of Indian Affairs. And they do not need one more commission or another bureaucracy, and still more outside intervention from those people who say they know it all but know too little.

Now why? Why do we feel we can once again invade the sovereignty of Indian tribes and governments and peoples? Nonchalantly? Not only do we invade Indian sovereignty, this bill in wholesale fashion empowers the States to do the same. And these are the States that are negotiating with these tribes on water rights, on mineral rights, on hunting and fishing rights.

This is a usurpation of powers held under treaty with this Government by the independent tribal governments in this Nation that they once held dominion over.

The Supreme Court has ruled for the Indians; Congress has passed laws on Indian self-determination; Presidents from Washington to Reagan have in statements respected Indian rights. So how can we now in this great body and as this Government so easily trample on independent treaties recognized by our forebearers? Is it simple mathematics? More of us and less of them? Is it sheer force of habit? Or convenience? Like the many people we know who are great dieters, and are always on a diet—except when it comes to mealtime or snacktime or ice cream time.

Can we not resist just once the temptation to resolve a real or potential problem by diminishing the sovereignty of Indian peoples? Is this, the 100th Congress, memorializing the 200th anniversary of our Constitution, not going to go back and read that document? Indian nations are given special status and protection therein.

Vote "no" and vote against bureaucracy, against the casino syndicates, and for respect for Indian rights.

Mr. UDALL. Mr. Speaker, I reserve the balance of my time.

□ 1300

Mrs. VUCANOVICH. Mr. Speaker, I yield 2 minutes to the gentleman from Nebraska [Mr. BEREUTER], a former member of the committee.

Mr. BEREUTER. Mr. Speaker, let me begin by thanking the gentlewoman from Nevada [Mrs. VUCANOVICH] for yielding me this time and commending the distinguished chairman, the gentleman from Arizona [Mr. UDALL], and the members of the Committee on Interior and Insular Affairs and their counterparts in the other body for wrestling with the issues involved in this legislation. They are contentious, they are complicated, and I think it is well to commend the committees for addressing them through this legislation.

I am particularly pleased with section 20 of this legislation. It reflects, with only minor adaptations, legislation I introduced about 3 years ago, in the 99th Congress—H.R. 3130. It relates to gaming on noncontiguous sites for Indian tribes. In this legislation, section 20 prohibits Indian gaming activities on land not adjacent to Indian reservations, on reservation or contiguous sites, and then, when additional sites are considered in that category, on reservation or contiguous to reservation. For gaming to occur on reservation or parcels contiguous to a reservation after the enachment of this legislation the Secretary would have to consult with State and local officials, including officials of nearby Indian tribes that might be affected, to determine that such gaming would be in the best interest of Indian tribes and its members and that such gaming would not be detrimental to the surrounding community or adjacent Indian tribes for such gaming activities to take place on these new sites.

While proposed Indian gaming activities on noncontiguous sites was a problem that affected South Sioux City, NE, in my own district, it was also a situation that was apparently about to occur on noncontiguous sites as far as halfway across the United States from the Indian tribe proposing such sites. This legislation also gives the opportunity for the Governor to have an input, and the Secretary, in fact, could not take action to establish or approve additional gaming sites on reservation or contiguous to a reservation unless the Governor concurred with the proposed approval by the Secretary.

So, Mr. Speaker, the language contained in section 20, I think, demonstrates a respect for local community views and for the responsibility of State government. I thank the committees for their effort on this particular section of the bill.

Mrs. VUCANOVICH. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. Mr. Speaker, I rise in opposition to the bill, and I wish to associate myself with the remarks of the gentleman from Minnesota [Mr. SIKORSKI], who just completed his presentation in the well of the House a few moments ago.

Whatever good may come out of this bill is not well-known to me, primarily because the committee has not seen fit to present us with a committee report. We have only a copy of a Senate bill, and it is a little hard for us to know exactly what the committee intends or what benefits it believes are inherent in the bill.

However, to the gentleman from Minnesota [Mr. SIKORSKI], the gentleman from Minnesota [Mr. OBERSTAR], myself, and many others who represent tribal units which rely on the income from certain games other than bingo conducted by groups within our area, this is a devastating blow.

In my own district, there is a very small tribal unit which uses bingo and the television games. They are an important part of its revenue. Since it undertook the conduct of these games, things have taken a good turn for that tribe.

Its operations have always been very highly thought of by the neighboring municipalities and counties, and there is general approbation of the conduct of these games. There have never been complaints, insofar as I am aware, and now this tribe is going to have jerked from it its very important source of revenue.

That, it seems to me, is a very strange maneuver by a committee like this whose job it is to look after the interests of Indian tribes. This bill would seem to give evidence that the committee is more interested in the welfare of the large casinos in Las Vegas and Atlantic City.

I am extremely disappointed that the committee would not have undertaken an amendment to grandfather in a group such as the one that operates in my district and the ones of which the other two gentlemen from Minnesota spoke.

Mr. Speaker, I hope there will be a chance to defeat this bill so that the committee can do a job that will pay attention to the needs of these small tribes such as the ones to which I refer.

Mrs. VUCANOVICH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as a final note, let me say that the administration has fully participated in the formulation of S. 555, and officially the administration has no objection to the bill.

Mr. RHODES. Mr. Speaker, I rise in reluctant support of S. 555, the Indian Gaming Regulatory Act. The act would provide a regulatory scheme for gambling operations regulated by an Indian tribe in Indian country. The bill divides gaming into three categories—class I ceremonial, class II bingo-level games, and class III all other forms, including parimutuels and casinos.

While I support a regulatory oversight by the Federal Government of Indian games, I am concerned that we may have taken a step too far, and may subject tribes to unwarranted State control.

As my colleagues should know, the U.S. Constitution grants Congress the authority to address Indian issues, and except where specifically granted by Congress, States do not have jurisdiction over Indian tribes nor over Indian country. This was the basis for the ruling in the Cabazon decision, affirming the rights of tribes to regulate gaming outside of the State regulatory system.

S. 555 would provide a procedure for an Indian tribe and a State to enter into a compact for the purpose of regulating class III Indian gaming, such as dog and horse racing, casinos, and jai alai. While this appears on the surface to be fair to tribes, as independent sovereigns, to negotiate with States for these compacts, I am concerned. The States do not have a good track record in how they deal with Indians, and the appeal provisions of S. 555 are quite complicated.

Therefore, Mr. Speaker, I urge my colleagues to support S. 555, but also to be aware that I believe congressional oversight of the compact process is essential in the future.

Mr. BILBRAY. Mr. Speaker, I wish to take this opportunity to say a few words in support of S. 555, the Indian Gaming Regulatory Act.

We in Nevada have over 55 years of legal gaming experience, and we have enjoyed many of the benefits as well as the unpleasant side effects of legalized casino gaming. Prior to serving in the Congress, I served in both the legislative and judicial branches of government in the State of Nevada. My experience in Nevada has sensitized me to many of the issues surrounding Indian gaming. It is from this perspective that I wish to discuss S. 555 and other issues concerning gaming on Indian lands.

Today more than ever, Indian tribes are seeking to supplement their limited resources through the exercise of their sovereign right to invite the general public to come onto their lands to participate in various forms of legal gaming activities. But because of the special nature of legal gaming, governmental regulation of such activity is necessary. The current question before Congress is whether this legal gaming will be regulated by the Indian tribes, by the States where the tribal lands are located, or by the Federal Government, which retains authority over certain aspects of reservation life. A recent decision of the Supreme Court, Cabazon Band of Mission Indians, reaffirmed that State laws may be applied to tribal Indians on their reservations if Congress expressly provides for such application.

S. 555 seeks to balance the legitimate interest of the Indian tribes with the need to regulate gaming on Indian lands in order to minimize or avoid the effects of the actions of unscrupulous operators. This measure leaves class I gaming activities, such as traditional ceremonial gaming, under the sole jurisdiction of the tribes. Class II gaming, such as bingo, lotto, and certain card games, would continue to be within tribal jurisdiction but subject to oversight regulation by the National Indian Gaming Commission. Supervision and control of class III gaming, which includes horse racing, dog racing, casino gaming including slot machines, jai alai and similar activities, would be a State function under a transfer of authority from the Indian tribe once the tribe had decided to offer class III games. This is most appropriate given the expertise of State class III gaming regulators on the oversight and control of this complex class of gaming.

Mr. Speaker, because of the experience of the State of Nevada in the area of legal gaming, I believe State supervision and control of class III gaming is imperative for the following reasons:

Class III games are complex and easily corrupted without constant vigilance by trained and experienced regulators.

Those States that now permit such gaming already have in place tested regulatory programs and trained programs.

The expertise and experience these States have acquired over the years cannot be readily replicated by the Indian tribes or by regulatory contractors to the tribes.

A Federal commission would not have the money, manpower, or expertise necessary to regulate class III games.

The States have a strong interest in regulating all class III gaming activities within their borders—the vast majority of consumers of such gaming on Indian lands would be non-Indian citizens of the State and tourists to the State. Similarly, most operators of class III games would be non-Indians with previous experience in such gaming.

The States have a constitutional responsibility to protect their citizens from harm, here in the form of fraudulent manipulation by the operators of the games and of victimization by criminal elements that may infiltrate the legal games operated on Indian lands. A State's citizenry has a right to be treated fairly in any commercial activity, whether provided by Indians or non-Indians.

Disparate treatment of the same activities within a State would not only create tremendous strains between the tribes and State law enforcement officials, it would also accord preferential treatment to one group of gaming operators.

A single State entity to regulate all class III gaming within the State is the most efficient allocation of scarce resources.

The imposition of a State regulatory scheme on class III games operated on Indian lands would enhance both the appearance and the fact of integrity in the operation of the games.

Mr. Speaker, for all of these reasons, I urge my colleagues to join me in supporting S. 555.

Mrs. VUCANOVICH. Mr. Speaker, I have no further requests for time, I urge my colleagues to support S. 555, and I yield back the balance of my time.

Mr. UDALL. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MONTGOMERY). The question is on the motion offered by the gentleman from Arizona [Mr. UDALL] that the House suspend the rules and pass the Senate bill, S. 555.

The question was taken.

Mr. FRENZEL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

SOUTHWESTERN LOW-LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT CONSENT ACT

Mr. UDALL. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5232) to grant the consent of the Congress to the southwestern low-level radioactive waste disposal compact.

The Clerk read as follows:

H.R. 5232

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Southwestern Low-Level Radioactive Waste Disposal Compact Consent Act".

SEC. 2. CONGRESSIONAL FINDING.

The Congress finds that the compact set forth in section 5 is in furtherance of the Low-Level Radioactive Waste Policy Act.

SEC. 3. CONDITIONS OF CONSENT TO COMPACT.

The consent of the Congress to the compact set forth in section 5—

(1) shall become effective on the date of the enactment of this Act;

(2) is granted subject to the provisions of the Low-Level Radioactive Waste Policy Act; and

(3) is granted only for so long as the regional commission established in the compact complies with all of the provisions of such Act.

SEC. 4. CONGRESSIONAL REVIEW.

The Congress may alter, amend, or repeal this Act with respect to the compact set forth in section 5 after the expiration of the 10-year period following the date of enactment of this Act, and at such intervals thereafter as may be provided in such compact.

SEC. 5. SOUTHWESTERN LOW-LEVEL RADIOACTIVE WASTE COMPACT.

In accordance with section 4(a)(2) of the Low-Level Radioactive Waste Policy Act (42 U.S.C. 2021d (a)(2)), the consent of Congress is given to the states of Arizona, California, and any eligible states, as defined in article VII of the Southwestern Low-Level Radioactive Waste Disposal Compact, to enter into such compact. Such compact is substantially as follows:

ARTICLE I.—COMPACT POLICY AND FORMATION

The party states hereby find and declare all of the following:

(A) The United States Congress, by enacting the Low-Level Radioactive Waste Policy Act, Public Law 96-573, as amended by the Low-Level Radioactive Waste Policy Amendments Act of 1985 (42 U.S.C. sec. 2021b to 2021j, incl.), has encouraged the use of interstate compacts to provide for the establishment and operation of facilities for regional management of low-level radioactive waste.

(B) It is the purpose of this compact to provide the means for such a cooperative effort between or among party states to protect the citizens of the states and the states' environments.

(C) It is the policy of party states to this compact to encourage the reduction of the volume of low-level radioactive waste requiring disposal within the compact region.

(D) It is the policy of the party states that the protection of the health and safety of their citizens and the most ecological and economical management of low-level radioactive wastes can be accomplished through cooperation of the states by minimizing the amount of handling and transportation required to dispose of these wastes and by providing facilities that serve the compact region.

(E) Each party state, if an agreement state pursuant to section 2021 of title 42 of the United States Code, or the Nuclear Regulatory Commission if not an agreement state, is responsible for the primary regulation of radioactive materials within its jurisdiction.

ARTICLE II.—DEFINITIONS

As used in this compact, unless the context clearly indicates otherwise, the following definitions apply:

(A) "Commission" means the Southwestern Low-Level Radioactive Waste Commission established in article III of this compact.

(B) "Compact region" or "region" means the combined geographical area within the boundaries of the party states.

(C) "Disposal" means the permanent isolation of low-level radioactive waste pursuant to requirements established by the Nuclear Regulatory Commission and the Environmental Protection Agency under applicable laws, or by a party state if the state hosts a disposal facility.

(D) "Generate," when used in relation to low-level radioactive waste, means to produce low-level radioactive waste.

(E) "Generator" means a person whose activity, excluding the management of low-level radioactive waste, results in the production of low-level radioactive waste.

(F) "Host county" means a county, or other similar political subdivision of a party state, in which a regional disposal facility is located or being developed.

(G) "Host state" means a party state in which a regional disposal facility is located or being developed. The state of California is the host state under this compact for the first thirty years from the date the California regional disposal facility commences operations.

(H) "Institutional control period" means that period of time in which the facility license is transferred to the disposal site owner in compliance with the appropriate regulations for long-term observation and maintenance following the postclosure period.

(I) "Low-level radioactive waste" means regulated radioactive material that meets all of the following requirements:

(1) The waste is not high-level radioactive waste, spent nuclear fuel, or by-product material (as defined in section 11e(2) of the Atomic Energy Act of 1954 (42 U.S.C. sec. 2014(e)(2))).

(2) The waste is not uranium mining or mill tailings.

(3) The waste is not any waste for which the Federal Government is responsible pursuant to subdivision (b) of section 3 of the Low-Level Radioactive Waste Policy Amendments Act of 1985 (42 U.S.C. sec. 2021c(b)).

(4) The waste is not an alpha emitting transuranic nuclide with a half-life greater than five years and with a concentration greater than one hundred nanocuries per gram, or plutonium-241 with a concentration greater than three thousand five hundred nanocuries per gram, or curium-242 with a concentration greater than twenty thousand nanocuries per gram.

(J) "Management" means collection, consolidation, storage, packaging, or treatment.

(K) "Major generator state" means a party state which generates 10 percent of the total amount of low-level radioactive waste produced within the compact region and disposed of at the regional disposal facility. If no party state other than California generates at least ten percent of the total amount, "Major generator state" means the party state which is second to California in the amount of waste produced within the compact region and disposed of at the regional disposal facility.

(L) "Operator" means a person who operates a regional disposal facility.

(M) "Party state" means any state that has become a party in accordance with article VII of this compact.

(N) "Person" means an individual, corporation, partnership, or other legal entity, whether public or private.

(O) "Postclosure period" means that period of time after completion of closure of a disposal facility during which the licensee shall observe, monitor, and carry out necessary maintenance and repairs at the disposal facility to assure that the disposal facility will remain stable and will not need ongoing active maintenance. This period ends with the beginning of the institutional control period.

(P) "Regional disposal facility" means a non-Federal low-level radioactive waste disposal facility established and operated under this compact.

(Q) "Site closure and stabilization" means the activities of the disposal facility operator taken at the end of the disposal facility's operating life to assure the continued protection of the public from any residual radioactive or other potential hazards present at the disposal facility.

(R) "Transporter" means a person who transports low-level radioactive waste.

(S) "Uranium mine and mill tailings" means waste resulting from mining and processing of ores containing uranium.

ARTICLE III.—THE COMMISSION

(a) There is hereby established the Southwestern Low-Level Radioactive Waste Commission.

(1) The Commission shall consist of one voting member from each party state to be appointed by the governor, confirmed by the senate of that party state, and to serve at the pleasure of the governor of each party state, and one voting member from the host county. The appointing authority of each party state shall notify the Commission in writing of the identity of the member and of any alternates. An alternate may act in the member's absence.

(2) The host state shall also appoint that number of additional voting members of the commission which is necessary for the host state's members to compose at least 51 percent of the membership on the Commission. The host state's additional members shall be appointed by the host state governor and confirmed by the host state senate.

If there is more than one host state, only the state in which is located the regional disposal facility actively accepting low-level radioactive waste pursuant to this compact may appoint these additional members.

(3) If the host county has not been selected at the time the commission is appointed, the governor of the host state shall appoint an interim local government member, who shall be an elected representative of a local government. After a host county is selected, the interim local government member shall resign and the governor shall appoint the host county member pursuant to paragraph (4).

(4) The governor shall appoint the host county member from a list of at least seven candidates compiled by the board of supervisors of the host county.

(5) In recommending and appointing the host county member pursuant to paragraph (4), the board of supervisors and the governor shall give first consideration to recommending and appointing the members of the board of supervisors in whose district the regional disposal facility is located or being developed. If the board of supervisors of the host county does not provide a list to the governor of at least seven candidates from which to choose, the governor shall appoint a resident of the host county as the host county member.

(6) The host county member is subject to confirmation by the senate of that party and shall serve at the pleasure of the governor of the host state.

(b) The Commission is a legal entity separate and distinct from the party states and shall be so liable for its actions. Members of the Commission shall not be personally liable for actions taken in their official capacity. The liabilities of the commission shall not be deemed liabilities of the party states.

(c) The Commission shall conduct its business affairs pursuant to the laws of the host state and disputes arising out of Commission action shall be governed by the laws of the host state. The Commission shall be located in the capital city of the host state in which the regional disposal facility is located.

(d) The Commission's records shall be subject to the host state's public records law, and the meetings of the Commission shall be open and public in accordance with the host state's open meeting law.

(e) The Commission members are public officials of the appointing state and shall be subject to the conflict of interest laws, as well as any other law, of the appointing state. The Commission members shall be compensated according to the appointing state's law.

(f) Each Commission member is entitled to one vote. A majority of the Commission constitutes a quorum. Unless otherwise provided in this capacity, a majority of the total number of votes on the Commission is necessary for the Commission to take any action.

(g) The Commission has all of the following duties and authority:

(1) The Commission shall do, pursuant to the authority granted by this compact, whatever is reasonably necessary to ensure that low-level radioactive wastes are safely disposed of and managed within the region.

(2) The Commission shall meet at least once a year and otherwise as business requires.

(3) The Commission shall establish a compact surcharge to be imposed upon party state generators. The surcharge shall be based upon the cubic feet of low-level radioactive waste and the radioactivity of the low-level radioactive waste and shall be collected by the operator of the disposal facility.

The host state shall set, and the Commission shall impose, the surcharge after congressional approval of the compact. The amount of the surcharge shall be sufficient to establish and maintain at a reasonable level funds for all of the following purposes:

(A) The activities of the Commission and Commission staff.

(B) At the discretion of the host state, a third-party liability fund to provide compensation for injury to persons or property during the operational, closure, stabilization, and postclosure and institutional control periods of the regional disposal facility. This subparagraph does not limit the responsibility or liability of the operator, who shall comply with any federal or host state statutes or regulations regarding third-party liability claims.

(C) A local government reimbursement fund, for the purpose of reimbursing the local government entity or entities hosting the regional disposal facility for any costs or increased burdens on the local governmental entity for services, including, but not limited to, general fund expenses, the improvement and maintenance of roads and bridges, fire protection, law enforcement, monitoring by local health officials, and emergency preparation and response related to the hosting of the regional disposal facility.

(4) The surcharges imposed by the Commission for purposes of subparagraphs (b) and (c) of paragraph (3) and surcharges pursuant to paragraph (3) of subdivision (E) of article IV shall be transmitted on a monthly basis to the host state for distribution to the proper accounts.

(5) The Commission shall establish a fiscal year which conforms to the fiscal years of the party states to the extent possible.

(6) The Commission shall keep an accurate account of all receipts and disbursements. An annual audit of the books of the Commission shall be conducted by an independent certified public accountant, and the audit report shall be made a part of the annual report of the Commission.

(7) The Commission shall prepare and include in the annual report a budget showing anticipated receipts and disbursements for the subsequent fiscal year.

(8) The Commission may accept any grants, equipment, supplies, materials, or services, conditional or otherwise, from the federal or state government. The nature, amount and condition, if any, of any donation, grant, or other resources accepted pursuant to this paragraph and the identity of the donor or grantor shall be detailed in the annual report of the Commission.

However, the host state shall receive, for the uses specified in subparagraph (E) of paragraph (2) of subsection (d) of section 2021e of title 42 of the United States Code, any payments paid from the special escrow account for which the Secretary of Energy is trustee pursuant to subparagraph (A) of paragraph (2) of subsection (d) of section 2021e of title 42 of the United States Code.

(9) The Commission shall submit communications to the governors to the presiding officers of the legislatures of the party States regarding the activities of the Commission, including an annual report to be submitted on or before January 15 of each year. The Commission shall include in the annual report a review of, and recommendations for, low-level radioactive waste disposal methods which are alternative technologies to the shallow land burial of low-level radioactive waste.

(10) The Commission shall assemble and make available to the party states, and to the public, information concerning low-level radioactive waste management needs, technologies, and problems.

(11) The Commission shall keep a current inventory of all generators within the region, based upon information provided by the party states.

(12) The Commission shall keep a current inventory of all regional disposal facilities, including information on the size, capacity, location, specific low-level radioactive wastes capable of being managed, and the projected useful life of each regional disposal facility.

(13) The Commission may establish advisory committees for the purpose of advising the Commission on the disposal and management of low-level radioactive waste.

(14) The Commission may enter into contracts to carry out its duties and authority, subject to projected resources. No contract made by the Commission shall bind a party state.

(15) The Commission shall prepare contingency plans, with the cooperation and approval of the host state, for the disposal and management of low-level radioactive waste in the event that any regional disposal facility should be closed.

(16) The Commission may sue and be sued and, when authorized by a majority vote of the members, may seek to intervene in an administrative or judicial proceeding related to this compact.

(17) The Commission shall be managed by an appropriate staff, including an executive director. Notwithstanding any other provision of law, the Commission may hire or retain, or both, legal counsel.

(18) The Commission may, subject to applicable federal and state laws, recommend to the appropriate host state authority suitable land and rail transportation routes for low-level radioactive waste carriers.

(19) The Commission may enter into an agreement to import low-level radioactive waste into the region only if both of the following requirements are met—

(a) The Commission approves the importation agreement by a two-thirds vote of the Commission.

(b) The Commission and the host state assess the affected regional disposal facilities' capability to handle imported low-level radioactive wastes and any relevant environmental or economic factors, as defined by the host state's appropriate regulatory authorities.

(20) The Commission may, upon petition, allow an individual generator, a group of generators, or the host state of the compact, to export low-level radioactive wastes to a low-level radioactive waste disposal facility located outside the region. The Commission may approve the petition only by a two-thirds vote of the Commission. The permission to export low-level radioactive wastes shall be effective for that period of time and for the amount of low-level radioactive waste, and subject to any other term or condition, which may be determined by the Commission.

(21) The Commission may approve, only by a two-thirds vote of the Commission, the exportation outside the region of material, which otherwise meets the criteria of low-level radioactive waste, if the sole purpose of the exportation is to process the material for recycling.

(22) The Commission shall, not later than 10 years before the closure of the initial or subsequent regional disposal facility, prepare a plan for the establishment of the next regional disposal facility.

ARTICLE IV.—RIGHTS, RESPONSIBILITIES, AND OBLIGATIONS OF PARTY STATES

(A) There shall be regional disposal facilities sufficient to dispose of the low-level radioactive waste generated within the region.

(B) Low-level radioactive waste generated within the region shall be disposed of at regional disposal facilities and each party state shall have access to any regional disposal facility without discrimination.

(C)(1) Upon the effective date of this compact, the state of California shall serve as the host state and shall comply with the requirements of subdivision (E) for at least 30 years from the date the regional disposal facility begins to accept low-level radioactive waste for disposal. The extension of the obligation and duration shall be at the option of the state of California.

If the state of California does not extend this obligation, the party state, other than the state of California, which is the largest major generator state shall then serve as the host state for the second regional disposal facility.

The obligation of a host state which hosts the second regional disposal facility shall also run for thirty years from the date the second regional disposal facility begins operations.

(2) The host state may close its regional disposal facility when necessary for public health or safety.

(D) The party states of this compact cannot be members of another regional low-level radioactive waste compact entered into pursuant to the low-level Radioactive Waste Policy Act, as amended by the Low-Level Radioactive Waste Policy Amendments Act of 1985 (42 U.S.C. Secs. 2021b to 2021j, incl.).

(E) A host state shall do all of the following:

(1) Cause a regional disposal facility to be developed on a timely basis.

(2) Ensure by law, consistent with any applicable federal laws, the protection and preservation of public health and safety in the siting, design, development, licensing, regulation, operation, closure, decommissioning, and long-term care of the regional disposal facilities within the state.

(3) Ensure that charges for disposal of low-level radioactive waste at the regional disposal facility are reasonably sufficient to do all of the following:

(a) Ensure the safe disposal of low-level radioactive waste and long-term care of the regional disposal facility.

(b) Pay for the cost of inspection, enforcement, and surveillance activities at the regional disposal facility.

(c) Assure that charges are assessed without discrimination as to the party state of origin.

(4) Submit an annual report to the Commission on the status of the regional disposal facility including projections of the facility's anticipated future capacity.

(5) The host state and the operator shall notify the Commission immediately upon the occurrence of any event which could cause a possible temporary or permanent closure of a regional disposal facility.

(f) Each party state is subject to the following duties and authority:

(1) To the extent authorized by federal law, each party state shall develop and enforce procedures requiring low-level radioactive waste shipments originating within its borders and destined for a regional disposal facility to conform to packaging and transportation requirements and regulations. These procedures shall include, but are not limited to, all of the following requirements:

(a) Periodic inspections of packaging and shipping practices.

(b) Periodic inspections of low-level radioactive waste containers while in the custody of transporters.

(c) Appropriate enforcement actions with respects to violations.

(2) A party state may impose a surcharge on the low-level radioactive waste generators within the state to pay for activities required by paragraph (1).

(3) To the extent authorized by federal law, each party state shall, after receiving notification from a host state that a person in a party state has violated packaging, shipping, or transportation requirements or regulations, take appropriate actions to ensure that these violations do not continue. Appropriate actions may include, but are not limited to, requiring that a bond be posted by the violator to pay the cost of repackaging at the regional disposal facility and prohibit future shipments to the regional disposal facility.

(4) Each party state shall maintain a registry of all generators within the state that

may have low-level radioactive waste to be disposed of at a regional disposal facility, including, but not limited to, the amount of low-level radioactive waste and the class of low-level radioactive waste generated by each generator.

(5) Each party state shall encourage generators within its borders to minimize the volume of low-level radioactive waste requiring disposal.

(6) Each party state may rely on the good faith performance of the other party states to perform those acts which are required by this compact to provide regional disposal facilities, including the use of the regional disposal facilities in a manner consistent with this compact.

(7) Each party state shall provide the Commission with any data and information necessary for the implementation of the Commission's responsibilities, including taking those actions necessary to obtain this data or information.

(8) Each party state shall agree that only low-level radioactive waste generated within the jurisdiction of the party states shall be disposed of in the regional disposal facility, except as provided in paragraph (19) of subdivision (G) of article III.

(9) Each party state shall agree that if there is any injury to persons or property resulting from the operation of a regional disposal facility, the damages resulting from the injury may be paid from the third-party liability fund pursuant to subparagraph (b) of paragraph (3) of subdivision (G) of article III, only to the extent that the damages exceed the limits of liability insurance carried by the operator. No party state, by joining this compact, assumes any liability resulting from the siting, operation, maintenance, long-term care, or other activity relating to a regional facility, and no party state shall be liable for any harm or damage resulting from a regional facility not located within the state.

ARTICLE V.—APPROVAL OF REGIONAL FACILITIES

A regional disposal facility shall be approved by the host state in accordance with its laws. This compact does not confer any authority on the Commission regarding the siting, design, development, licensing, or other regulation, or the operation, closure, decommissioning, or long-term care of, any regional disposal facility within a party state.

ARTICLE VI.—PROHIBITED ACTS AND PENALTIES

(A) No person shall dispose of low-level radioactive waste within the region unless the disposal is at a regional disposal facility, except as otherwise provided in paragraphs (20) and (21) of subdivision (G) of article III.

(B) No person shall dispose of or manage any low-level radioactive waste within the region unless the low-level radioactive waste was generated within the region, except as provided in paragraphs (19), (20), and (21) of subdivision (G) of article III.

(C) Violations of this section shall be reported to the appropriate law enforcement agency within the party state's jurisdiction.

(D) Violations of this section may result in prohibiting the violator from disposing of low-level radioactive waste in the regional disposal facility, as determined by the Commission or the host state.

ARTICLE VII.—ELIGIBILITY, ENTRY INTO EFFECT, CONGRESSIONAL CONSENT, WITHDRAWAL, EXCLUSION

(A) The states of Arizona, North Dakota, South Dakota, and California are eligible to become parties to this compact. Any other state may be made eligible by a majority vote of the commission and ratification by the legislatures of all of the party states by statute, and upon compliance with those terms and conditions for eligibility which the host state may establish. The host state may establish all terms and conditions for the entry of any state, other than the states named in this subparagraph, as a member of this compact.

(B) Upon compliance with the other provisions of this compact, an eligible state may become a party state by legislative enactment of this compact or by executive order of the governor of the state adopting this compact. A state becoming a party state by executive order shall cease to be a party state upon adjournment of the first general session of its legislature convened after the executive order is issued, unless before the adjournment the legislature enacts this compact.

(C) A party state, other than the host state, may withdraw from the compact by repealing the enactment of this compact, but this withdrawal shall not become effective until two years after the effective date of the repealing legislation. If a party state which is a major generator of low-level radioactive waste voluntarily withdraws from the compact pursuant to this subdivision, that state shall make arrangements for the disposal of the other party states' low-level radioactive waste for a time period equal the period of time it was a member of this compact.

If the host state withdraws from the compact, the withdrawal shall not become effective until five years after the effective date of the repealing legislation.

(D) A party state may be excluded from this compact by a two-thirds vote of the Commission members, acting in a meeting, if the state to be excluded has failed to carry out any obligations required by compact.

(E) This compact shall take effect upon the enactment by statute by the legislatures of the state of California and at least 1 other eligible state and upon the consent of Congress and shall remain in effect until otherwise provided by federal law. This compact is subject to review by Congress and the withdrawal of the consent of Congress every 5 years after its effective date, pursuant to federal law.

ARTICLE VIII.—CONSTRUCTION AND SEVERABILITY

(A) The provisions of this compact shall be broadly construed to carry out the purposes of the compact, but the sovereign powers of a party state shall not be infringed unnecessarily.

(B) This compact does not affect any judicial proceeding pending on the effective date of this compact.

(C) If any provision of this compact or the application thereof to any person or circumstances is held invalid, that invalidity shall not affect other provision or applications of the compact which can be given effect without the invalid provision or application, and to this end the provisions of this compact are severable.

(D) Nothing in this compact diminishes or otherwise impairs the jurisdiction, authority, or discretion of either of the following:

(1) The Nuclear Regulatory Commission pursuant to the Atomic Energy Act of 1954, as amended (42 U.S.C. Sec. 2011 et seq.).

(2) An agreement state under section 274 of the Atomic Energy Act of 1954, as amended (42 U.S.C. Sec. 2021).

(E) Nothing in this compact confers any new authority on the states or Commission to do any of the following:

(1) Regulate the packaging or transportation of low-level radioactive waste in a manner inconsistent with the regulations of the Nuclear Regulatory Commission or the United States Department of Transportation.

(2) Regulate health, safety, or environmental hazards from source, by-product, or special nuclear material.

(3) Inspect the activities of licensees of the agreement states or of the Nuclear Regulatory Commission.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Arizona [Mr. UDALL] will be recognized for 20 minutes and the gentlewoman from Nevada [Mrs. VUCANOVICH] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Arizona [Mr. UDALL].

GENERAL LEAVE

Mr. UDALL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. UDALL. Mr. Speaker, I yield myself such time as I may consume.

FLOOR STATEMENT

Mr. Speaker, H.R. 5232 grants the consent of the Congress to the southwestern low-level radioactive waste disposal compact. The States of Arizona and California are now parties to the southwestern compact. The States of North Dakota and South Dakota are eligible to join. The purpose of the compact is to enable its member States to establish and operate a regional facility for the disposal of low-level radioactive waste generated within the borders of the member States.

Low-level waste is generated by hospitals, universities, various industrial operations, and nuclear powerplants. It consists of medical wastes, protective clothing, contaminated rags, and the like. Low-level waste is less hazardous and its radioactivity is less intense and shorter lived than spent reactor fuel and high-level defense wastes. Nonetheless, low-level waste must be isolated from the environment and properly disposed of at special sites.

Under the Low-Level Radioactive Waste Policy Act Congress passed 8 years ago, each State is required to provide for the disposal of low-level radioactive wastes generated within its borders.

That act, as since amended, gives the States until 1993 to develop new disposal facilities and imposes penalties on the States for failing to meet the act's milestones. The act also encourages the States to combine in interstate compacts to manage the low-level radioactive wastes on a regional basis. Three years ago, Congress gave its consent to 7 of these regional compacts composed of 35 States. Earlier this year, Congress approved an eighth compact covering four more States.

The bulk of this bill, section 5, consists of the text of the compact itself, as written, negotiated, and ratified by Arizona and California. The remainder of the bill simply states that Congress finds the compact to be in furtherance of the Federal Low-Level Radioactive Waste Policy Act, conditions the Congress' consent on the compact's compliance with that act, and assures the States that Congress won't withdraw its consent for at least 10 years. These are the same terms and conditions contained in the eight other compact consent laws we have passed.

Mr. Speaker, this is an important bill. Its enactment will enable these two States to get on with implementing their compact so that they might meet the milestones we imposed upon all States in the Low-Level Radioactive Waste Policy Act. I urge the House to pass this bill.

Mr. Speaker, I reserve the balance of my time.

Mrs. VUCANOVICH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today I rise in support of H.R. 5232, legislation which would provide for the approval of the proposed southwestern low-level radioactive waste disposal compact.

This compact is an agreement between Arizona and California, which could be joined into by South Dakota and North Dakota, to construct and operate a low-level nuclear waste disposal facility.

The 1980 Low-Level Radioactive Waste Policy Act requires that all low-level nuclear waste compacts be ratified by Congress. We have already acted on numerous other similar compacts.

During the subcommittee hearing on H.R. 5232, representatives of California and Arizona testified in favor of this legislation and no opposition was heard from either the related State delegations or the administration.

The proposed 100-acre site of the low-level waste facility which will serve these compact members is in Ward Valley near Needles, CA, approximately 25 miles from the Arizona border.

This is an excellent compact and I urge my colleagues to support its ratification through the adoption of H.R. 5232.

Mr. Speaker, I reserve the balance of my time.

Mr. UDALL. Mr. Speaker, I yield such time as he may consume to the gentleman from Indiana [Mr. SHARP].

Mr. SHARP. Mr. Speaker, I rise in support of H.R. 5232 to which the Committee on Energy and Commerce has given its approval. It is an important step in getting these interstate compacts in place in various jurisdictions around the country.

Mr. Speaker, I rise in support of H.R. 5232, which grants congressional consent to the southwestern low-level waste disposal compact. The bill was reported on voice vote by the Energy and Commerce Committee and, I believe, is noncontroversial. I wish to thank the distinguished chairman of the Commerce Committee, Chairman DINGELL, as well as Chairman UDALL of the Interior Committee, and the minority, for their cooperation in expeditiously bringing this bill to the floor.

The southwestern compact has been a long time in coming. I am sure I am joined by the ranking minority member on the Energy and Power Subcommittee, Mr. MOORHEAD, as well as Chairman UDALL, in my pleasure in seeing their States' successful conclusion of a compact agreement after several years of negotiations. Currently, the southwestern compact includes just Arizona and California. The compact may, in time, include North and South Dakota as well, if their legislatures choose to become member States.

This is the ninth low-level waste compact to come before the Congress under the 1980 Low-Level Radioactive Waste Policy Act and the 1985 amendments to the act. It demonstrates that the States are making progress toward fulfilling their responsibilities under the act, and ensuring a fair and safe system for the disposal of low-level radioactive waste. In short, the process appears to be working as intended.

The Low-Level Radioactive Waste Policy Act encourages the formation of interstate compacts by allowing congressionally approved compacts the right to exclude waste generated by States who are not members of the compact. Congressional consent for eight compacts including 39 States already has been granted.

H.R. 5232 grants the necessary congressional consent to the Southwestern Low-Level Radioactive Waste Disposal Compact Consent Act, which conforms with the statutory requirements applicable to all previously ratified State compacts.

I urge my colleagues to support H.R. 5232.

Mr. UDALL. Mr. Speaker, I have no further requests for time.

Mrs. VUCANOVICH. Mr. Speaker, I yield such time as he may consume to the gentleman from California.

Mr. MOORHEAD. Mr. Speaker, the Low-Level Radioactive Waste Policy Act authorizes States to enter into agreements for the disposal of low-level radioactive wastes. Under these agreements the affected States cooperate to ensure centralized and coordinated disposal of the low-level wastes generated in their States, including the transportation of such wastes from the sites where they are generated to the disposal facilities.

This approach thus allows States to negotiate their own mutually satisfactory arrangements, rather than having them imposed by the Federal Government. This makes good policy sense to me. The States have the primary responsibility for the health and safety of their citizens, and are in the best position to know what needs to be done to fulfill their responsibility.

I would like to commend the States who are parties to the southwest compact for reaching and agreement. Governor Dukemejan and his staff warrant congratulations for their conscientious efforts to protect California's interests.

I would also like to thank BARBARA VUCANOVICH, Chairman MO UDALL, Subcommittee Chairman SHARP, and Committee Chairman DINGELL for moving expeditiously on this important bill.

I urge my colleagues to vote in favor of H.R. 5232.

Mrs. VUCANOVICH. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arizona [Mr. UDALL] that the House suspend the rules and pass the bill, H.R. 5232.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

AUTHORIZING DEVELOPMENT OF FACILITIES AT MINIDOKA DAM, ID

Mr. DEFAZIO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4584) to authorize the development of public outdoor recreation areas and facilities at Minidoka Dam in the State of Idaho, as amended.

The Clerk read as follows:

H.R. 4584

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PUBLIC OUTDOOR RECREATION AREAS AND FACILITIES.

(a) PROJECT AUTHORIZATION.—The Secretary of the Interior is authorized to construct, operate, and maintain public outdoor recreation areas and facilities at Minidoka Dam of the Minidoka Project, Idaho. In carrying out this section, the Secretary may acquire or otherwise make available lands and interests in lands within the Minidoka Dam area. Fifty percent of the costs associated with carrying out this section shall be repaid to the Federal Government by non-Federal interests under such terms and conditions as the Secretary deems appropriate.

(b) There is authorized to be appropriated $1,600,000 to carry out the purposes of subsection (a).

The SPEAKER pro tempore. Is a second demanded?

Mrs. VUCANOVICH. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Oregon [Mr. DEFAZIO] will be recognized for 20 minutes and the gentlewoman from Nevada [Mrs. VUCANOVICH] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Oregon [Mr. DEFAZIO].

GENERAL LEAVE

Mr. DEFAZIO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. DEFAZIO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 4584, a bill to authorize the Secretary of the Interior to plan and construct outdoor recreation facilities at the Minidoka project in Idaho.

In recent years, local governments have expressed interest in developing outdoor recreation at the project. Lake Walcott, the reservoir backed up by the Minidoka Dam, is the major body of water providing recreation in the area. Visitor use on the lake has been increasing, and in the next 15 years is expected to double.

The Bureau and local officials agree that the present facilities are inadequate to serve the projected growth in recreation. Working with local officials, the Bureau has assisted in developing a recreation plan.

However, the Bureau has concluded that it does not have the authority to construct any recreation facilities at Lake Walcott. Because there is a concern about the Bureau's authority to construct recreation developments at Lake Walcott, the Interior Committee concluded that a straight-forward authorization was necessary.

The committee has recommended two changes in H.R. 4584, as introduced. The first change establishes a 50-50 cost-sharing requirement for the recreation facilities. The second change places a cap on the authorization of appropriations at $1.6 million.

Mr. Speaker, I urge the support of my colleagues for this bill. It clarifies a nagging problem which is inhibiting the orderly development of recreation facilities at the Minidoka project.

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Mrs. VUCANOVICH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 4584, a bill to authorize the development of outdoor recreation facilities at Minidoka Dam in Idaho.

The bill reported by committee sets a $1.6 million cost ceiling and requires 50 percent of the costs to be reimbursed by a non-Federal entity under such terms and conditions as deemed appropriate by the Secretary of the Interior.

Funds for this project were appropriated in the fiscal year 1989 Energy and Water appropriation's bill. The Minidoka project was originally authorized in the early 1900's and the authority granted at that time is very general. The intent of the bill is to make clear that authority exist to spend the moneys for the purposes specified. The administration recommended that a cost ceiling be set and the language on nonreimbursability be struck. Those concerns have been addressed.

Mr. Speaker, I urge my colleagues to support H.R. 4584.

Mrs. VUCANOVICH. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DEFAZIO. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore, (Mr. MONTGOMERY). The question is on the motion offered by the gentleman from Oregon [Mr. DEFAZIO] that the House suspend the rules and passed the bill, H.R. 4584, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

WASHINGTON PARK WILDERNESS ACT OF 1988

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4146) to designate wilderness within Olympic National Park, Mount Rainier National Park, and North Cascades National Park Complex in the State of Washington, and for other purposes, as amended.

H.R. 4146

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Washington Park Wilderness Act of 1988".

TITLE I—OLYMPIC NATIONAL PARK WILDERNESS

SEC. 101. DESIGNATION AND ADMINISTRATION.

(a) WILDERNESS.—In furtherance of the purposes of the Wilderness Act (16 U.S.C. 1131 et seq.; 78 Stat. 890), certain lands in the Olympic National Park, Washington, which—

(1) comprise approximately 876,669 acres of wilderness, and approximately 378 acres of potential wilderness additions, and

(2) are depicted on a map entitled "Wilderness Boundary, Olympic National Park, Washington", numbered 149/60,051A and dated August 1988,

are hereby designated as wilderness and therefore as components of the National Wilderness Preservation System. Such lands shall be known as the Olympic Wilderness.

(b) ADMINISTRATION.—(1) Subject to valid existing rights, the wilderness area designated under this section shall be administered by the Secretary of the Interior in accordance with the provisions of the Wilderness Act governing areas designated as wilderness, except that reference to the Secretary of Agriculture shall be deemed, where appropriate, to be a reference to the Secretary of the Interior, and any reference to the effective date of the Wilderness Act shall be deemed, where appropriate, to be a reference to the effective date of this Act.

(2) Lands designated as potential wilderness additions shall be administered by the Secretary of the Interior insofar as practicable as wilderness until such time as said lands are designated as wilderness. Any lands designated as potential wilderness additions, upon publication in the Federal Register of a notice by the Secretary of the Interior that all uses thereon that are inconsistent with the Wilderness Act have ceased or that non-Federal interests in land have been acquired, shall thereby be designated as wilderness and managed accordingly.

(3) Congress does not intend that designation of the Olympic Wilderness lead to the creation of protective perimeters or buffer zones around such wilderness area. The fact that nonwilderness activities or uses can be seen or heard from areas within the wilderness shall not, of itself, preclude such activities or uses up to the boundary of the wilderness area.

(c) MAP AND DESCRIPTION.—(1) As soon as practicable after the effective date of this Act, the Secretary of the Interior shall file a map of the wilderness area and a legal description of its boundaries with the Energy and Natural Resources Committee of the United States Senate, and the Interior and Insular Affairs Committee of the United States House of Representatives. Such map and legal description shall have the same force and effect as if included in this Act, except that correction of clerical and typographical errors in the map and legal description may be made. Such map and legal description of the boundaries shall be on file and available for public inspection in the office of the Director of the National Park Service, Department of the Interior, and in the office of the superintendent of the Olympic National Park.

(2) Boundaries adjacent to paved and unpaved roads shall be drawn as narrowly as is practicable to allow for necessary maintenance and repairs to existing roads. Such boundaries should not, in general, exceed 200 feet from the centerline of paved roads and 100 feet from the center of unpaved roads: *Provided, however,* That larger boundaries may be drawn only as the Secretary deems necessary to exclude from wilderness existing developments, improvements, and structures adjacent to existing roads, as well as areas needed to maintain and repair existing roads: *Provided further,* That to the extent practicable, undeveloped areas adjacent to all roads shall be managed as if designated as wilderness.

SEC. 102. WOLF CREEK POWERLINE.

The Secretary is authorized to maintain and replace, as necessary, the Wolf Creek underground powerline to Hurricane Ridge. To the extent practicable, such maintenance and operation shall be conducted in such a manner as to remain consistent with wilderness management.

SEC. 103. PAYMENT TO CLALLAM COUNTY.

There is hereby authorized to be appropriated not to exceed $155,000 to the Secretary of the Interior to make a payment to the Clallam County Historical Society and Museum of Port Angeles, Washington, not to exceed $155,000 to compensate the Society for its possessory interest in the National Park Service visitor center, Pioneer Memorial Museum, Olympic National Park, Washington. Upon relinquishment by the Clallam County Historical Society of all interests and use in the facility, the Secretary of the Interior shall make payment to the Clallam County Historical Society and such payment shall be considered full and just compensation for the Society's participation in the construction of the Pioneer Memorial Museum.

SEC. 104. GENERAL PROVISIONS.

(a) FORFEITURE OF PROPERTY.—Section 4 of the Act of March 6, 1942 (56 Stat. 135; 16 U.S.C. 256c) is hereby revised to read as follows:

"SEC. 4. All guns, bows, traps, nets, seines, fishing tackle, clothing, teams, horses, machinery, logging equipment, motor vehicles, aircraft, boats, or means of transportation of every nature or description used by any person or persons or organizations within the limits of the park when engaged in or attempting to engage in killing, trapping, ensnaring, taking or capturing such wild birds, fish or animals, or taking, destroying or damaging such trees, plants, or mineral deposits contrary to the provisions of this Act or the rules and regulations promulgated by the Secretary of the Interior shall be forfeited to the United States and may be seized by the officers in the park and held pending prosecution of any person or persons or organization arrested under or charged with violating the provisions of this Act, and upon conviction under this Act of such persons or organizations using said guns, bows, traps, nets, seines, fishing tackle, clothing, teams, horses, machinery, logging equipment, motor vehicles, aircraft, boats, or other means of transportation of every nature and description used by any person or persons or organization, such forfeiture shall be adjudicated as a penalty in addition to the other punishment prescribed in this Act. Such forfeited property shall be disposed of and accounted for by and under the authority of the Secretary of the Interior: *Provided*, That the forfeiture of teams, horses, machinery, logging equipment, motor vehicles, aircraft, boats, or other means of transportation shall be in the discretion of the court.".

(b) TECHNICAL CORRECTIONS TO BOUNDARIES.—The Act of November 7, 1986 (P.L. 99-635; 100 Stat. 3527) revising the boundaries of Olympic National Park is hereby amended as follows:

(1) In section 1(a)(2) after "48 degrees 23 minutes north and 47 degrees" strike "38" and insert in lieu thereof "34".

(2) In section 1(a)(2) after "all surveyed and unsurveyed islands", insert ", above the point of lowest low tide,"; and at the end of the subsection after "minutes north" insert ": *Provided*, That such lands as are identified in this paragraph shall continue to be open to fishing and to the taking of shellfish in conformity with the laws and regulations of the State of Washingon".

(3) In section 1(b) after "numbered 149/60,030A, sheets 1 through" strike "10" and insert in lieu thereof "9".

(4) In section 2(a) after "within section 15, township", strike "15" and insert in lieu thereof "24".

(5) In section 2(a) after "*Provided, however*, That the Secretary of Agriculture shall" strike "not".

(6) Renumber section 4 as section 5 and insert a new section 4 as follows:

"SEC. 4. Effective upon acceptance thereof by the State of Washington, the jurisdiction which the United States acquired over those lands excluded from the boundaries of Olympic National Park by this Act is hereby retroceded to the State.".

SEC. 105. KALALOCH VISITOR CENTER.

The Secretary of the Interior is directed to complete a study for the location of a year round visitor center in the Kalaloch area of Olympic National Park. Such plan shall include the location, size, and cost estimates for the design, planning, and construction of the visitor center and support facilities. The study shall be submitted to the Committee on Interior and Insular Affairs of the United States House of Representatives and to the Committee on Energy and Natural Resources of the United States Senate by March 1, 1989. The Secretary is authorized to construct such visitor center subject to the appropriation of funds.

TITLE II—NORTH CASCADES NATIONAL PARK SERVICE COMPLEX WILDERNESS

SEC. 201. DESIGNATION AND ADMINISTRATION.

(a) WILDERNESS.—In furtherance of the purposes of the Wilderness Act (16 U.S.C. 1131 et seq.; 78 Stat. 890), certain lands in the North Cascades National Park, Ross Lake National Recreation Area, and Lake Chelan National Recreation Area, Washington, which—

(1) comprise approximately 634,614 acres of wilderness, and approximately 5,226 acres of potential wilderness additions, and

(2) are depicted on a map entitled "Wilderness Boundary, North Cascades National Park Service Complex, Washington", numbered 168-60,186 and dated August 1988, are hereby designated as wilderness and therefore as components of the National Wilderness Preservation System. Such lands shall be known as the Stephen Mather Wilderness.

(b) ADMINISTRATION—(1) Subject to valid existing rights, the wilderness area designated under this section shall be administered by the Secretary of the Interior in accordance with the provisions of the Wilderness Act governing areas designated as wilderness, except that reference to the Secretary of Agriculture shall be deemed, where appropriate, to be a reference to the Secretary of the Interior, and any reference to the effective date of the Wilderness Act shall be deemed, where appropriate, to be a reference to the effective date of this Act.

(2) Lands designated as potential wilderness additions shall be administered by the Secretary of the Interior insofar as practicable as wilderness until such a time as said lands are designated as wilderness. Any lands designated as potential wilderness additions, upon publication in the Federal Register of a notice by the Secretary of the Interior that all uses thereon that are inconsistent with the Wilderness Act have ceased or that non-Federal interests in land have been acquired, shall thereby be designated as wilderness and managed accordingly.

(3) Congress does not intend that designation of the Stephen Mather Wilderness lead to the creation of protective perimeters or buffer zones around such wilderness area. The fact that nonwilderness activities or uses can be seen or heard from areas within the wilderness shall not, of itself, preclude such activities or uses up to the boundary of the wilderness area.

(c) MAP AND DESCRIPTION—(1) As soon as practicable after the effective date of this Act, the Secretary of the Interior shall file a map of the wilderness area and a legal description of its boundaries with the Energy and Natural Resources Committee of the United States Senate, and the Interior and Insular Affairs Committee of the United States House of Representatives. Such map and legal description shall have the same force and effect as if included in this Act, except that correction of clerical and typographical errors in the map and legal description may be made. Such map and legal description of the boundaries shall be on file and available for public inspection in the office of the Director of the National Park Service, Department of the Interior, and in the office of the superintendent of the North Cascades National Park.

(2) Boundaries adjacent to paved and unpaved roads shall be drawn as narrowly as is practicable to allow for necessary maintenance and repairs to existing roads. Such boundaries should not, in general, exceed 200 feet from the centerline of paved roads and 100 feet from the center of unpaved roads: *Provided, however*, That larger boundaries may be drawn only as the Secretary deems necessary to exclude from wilderness existing developments, improvements, and structures adjacent to existing roads, as well as areas needed to maintain and repair existing roads: *Provided further*, That to the extent practicable, undeveloped areas adjacent to all roads shall be managed as if designated as wilderness.

SEC. 202. HYDROELECTRIC PROJECTS.

Section 505 of the Act of October 2, 1968 (82 Stat. 930; 16 U.S.C. 90d-4) is amended by striking "in the recreation areas", and insert in lieu thereof "in the lands and waters within the Skagit River Hydroelectric Project, Federal Energy and Regulatory Commission Project 553, including the proposed Copper Creek, High Ross, and Thunder Creek elements of the project, and the Newhalem Project, Federal Energy and Regulatory Commission Project 2705, within the Ross Lake National Recreation Area, and in the lands and waters within the Lake Chelan Project, Federal Energy and Regulatory Commission Project 637, and the Company Creek small hydroelectric project at Stehekin within the Lake Chelan National Recreation Area and existing hydrologic monitoring stations necessary for the proper operation of the hydroelectric projects listed herein.".

SEC. 203. LAND ACQUISITION FOR ADMINISTRATIVE FACILITIES.

Section 301 of the Act of October 2, 1968 (82 Stat. 927; 16 U.S.C. 90b) is amended by inserting "(a)" after "301" and by adding at the end thereof a new subsection as follows:

"(b) The Secretary is hereby authorized to acquire, with the consent of the owner, lands outside of the authorized boundaries of North Cascades National Park Service Complex for the purpose of construction and operation of a back country information center not to exceed five acres. The Secretary of the Interior is further authorized to acquire with the consent of the owner, lands for the construction of a headquarters and administrative site or sites, for the North Cascades National Park, Ross Lake National Recreation Area, and Lake Chelan National Recreation Area not to exceed 10 acres. The lands so acquired shall be managed as part of the park.".

SEC. 204. AUTHORIZATION OF APPROPRIATIONS.

There are hereby authorized to be appropriated to the Secretary of the Interior such sums as may be necessary to complete the land acquisitions authorized pursuant to section 203 of this Act.

SEC. 205. RENEWABLE NATURAL RESOURCE USE IN RECREATION AREAS.

Section 402(a) of the Act of October 2, 1968 (82 Stat. 928; 16 U.S.C. 90c-1) is amended to read as follows:

"(a) The Secretary shall administer the recreation areas in a manner which in his judgment will best provide for (1) public outdoor recreation benefits and (2) conservation of scenic, scientific, historic, and other values contributing to public enjoyment. Within that portion of the Lake Chelan National Recreation Area which is not designated as wilderness, such management, utilization, and disposal of renewable natural resources and the continuation of existing uses and developments as will promote, or are compatible with, or do not significantly impair public recreation and conservation of the scenic, scientific, historic, or other values contributing to public enjoyment, is authorized. In administering the recreation areas, the Secretary may utilize such statutory authorities pertaining to the administration of the national park system, and such statutory authorities otherwise available to him for the conservation and management of natural resources as he deems appropriate for recreation and preservation purposes and for resource development compatible therewith. Within the Ross Lake National Recreation Area the removal and disposal of trees within powerline rights-of-way is authorized as necessary to protect transmission lines, towers, and equipment: *Provided*, That to the extent practicable, such removal and disposal of trees shall be conducted in such a manner as to protect scenic view sheds.".

SEC. 206. MINERAL RESOURCE USE IN RECREATION AREAS.

Section 402(b) of the Act of October 2, 1968 (82 Stat. 928; 16 U.S.C. 90c-1) is amended to read as follows:

"(b) The lands within the recreation areas, subject to valid existing rights, are hereby withdrawn from all forms of appropriation or disposal under the public land laws, including location, entry, and patent under the United States mining laws, and disposition under the United States mineral leasing laws; except that within that portion of the Lake Chelan National Recreation Area which is not designated as wilderness, sand, rock, and gravel may be made available for sale to the residents of Stehekin for local use so long as such sale and disposal does not have significant adverse effects on the administration of the National Recreation Area.".

TITLE III—MOUNT RAINIER NATIONAL PARK WILDERNESS

SEC. 301. DESIGNATION AND ADMINISTRATION.

(a) Wilderness.—In furtherance of the purposes of the Wilderness Act (16 U.S.C. 1131 et seq.; 78 Stat. 890), certain lands in the Mount Rainier National Park, Washington, which—

(1) comprise approximately 228,480 acres of wilderness, and

(2) are depicted on a map entitled "Wilderness Boundary, Mount Rainier National Park, Washington", numbered 105-20,014A and dated July 1988,

are hereby designated as wilderness and therefore as components of the National Wilderness Preservation System. Such lands shall be known as the Mount Rainier Wilderness.

(b) Administration.—(1) Subject to valid existing rights, the wilderness area designated under this section shall be administered by the Secretary of the Interior in accordance with the provisions of the Wilderness Act governing areas designated as wilderness, except that reference to the Secretary of Agriculture shall be deemed, where appropriate, to be a reference to the Secretary of the Interior, and any reference to the effective date of the Wilderness Act shall be deemed, where appropriate, to be a reference to the effective date of this Act.

(2) Congress does not intend that designation of the Mount Rainier Wilderness lead to the creation of protective perimeters or buffer zones around such wilderness area. The fact that nonwilderness activities or uses can be seen or heard from areas within the wilderness shall not, of itself, preclude such activities or uses up to the boundary of the wilderness area.

(c) Map and Description.—(1) As soon as practicable after the effective date of this Act, the Secretary of the Interior shall file a map of the wilderness area and a legal description of its boundaries with the Energy and Natural Resources Committee of the United States Senate, and the Interior and Insular Affairs Committee of the United States House of Representatives. Such map and legal description shall have the same force and effect as if included in this Act, except that correction of clerical and typographical errors in the map and legal description may be made. Such map and legal description of the boundaries shall be on file and available for public inspection in the office of the Director of the National Park Service, Department of the Interior, and in the office of the Superintendent of the Mount Rainier National Park.

(2) Boundaries adjacent to paved and unpaved roads shall be drawn as narrowly as is practicable to allow for necessary maintenance and repairs to existing roads. Such boundaries should not, in general, exceed 200 feet from the centerline of paved roads and 100 feet from the center of unpaved roads: *Provided, however*, That larger boundaries may be drawn only as the Secretary deems necessary to exclude from wilderness existing developments, improvements, and structures adjacent to existing roads, as well as areas needed to maintain and repair existing roads: *Provided, further*, That to the extent practicable, undeveloped areas adjacent to all roads shall be managed as if designated as wilderness.

SEC. 302. BOUNDARY ADJUSTMENTS.

(a) Park Boundary Adjustments.—The boundaries of the Mount Rainier National Park as established in the Act of March 2, 1899 (30 Stat. 993), as amended (16 U.S.C. 91-110b), are further revised to add to the park approximately 240 acres, and to exclude from the park approximately 31½ acres, as generally depicted on the map entitled "Mount Rainier National Park Proposed 1987 Boundary Adjustments", numbered 105-80,010B and dated January 1987, which shall be on file and available for public inspection in the Washington office of the National Park Service, United States Department of the Interior and at Mount Rainier National Park.

(b) Forest Boundary Adjustment.—The boundaries of the Snoqualmie National Forest and of the Gifford Pinchot National Forest, are hereby revised to include in the Snoqualmie National Forest approximately 31½ acres, to exclude from the Snoqualmie National Forest approximately 30 acres, and to exclude from the Gifford Pinchot National Forest approximately 210 acres, as generally depicted on a map entitled "Mount Rainier National Park Proposed 1987 Boundary Adjustments", numbered 105-80,010B, and dated January 1987, which shall be on file and available for public inspection in the Washington, D.C., office of the Forest Service, United States Department of Agriculture and at the Snoqualmie and Gifford Pinchot National Forests.

(c) Administration of Park Land.—(1) Federal lands, waters, and interests therein formerly within the boundary of the Snoqualmie National Forest and the Gifford Pinchot National Forest, which are included within the boundary of the Mount Rainier National Park pursuant to this Act are, subject to valid existing rights, hereby transferred to the administrative jurisdiction of the Secretary of the Interior for administration as part of the park, and shall be subject to all the laws and regulations of the park.

(2) The Secretary of the Interior is authorized to accept either concurrent or exclusive jurisdiction over lands and waters included within Mount Rainier National Park. The Secretary shall notify in writing the Governor of the State of Washington of the acceptance of any such jurisdiction ceded to the United States by the State. The existing exclusive Federal jurisdiction, where it exists in the park, shall remain in effect until such time as the Secretary and the Governor shall agree upon the terms and conditions of concurrent legislative jurisdiction for said park pursuant to section 320(i) of the Act of October 21, 1976 (90 Stat. 2741).

(3) The Secretary of the Interior is authorized to acquire by donation, purchase with donated or appropriated funds, exchange, bequest, or otherwise all non-Federal lands, waters, and interests therein included within the boundary of the Mount Rainier National Park pursuant to this Act.

(d) Administration of Forest Land.—(1) Federal lands, waters, and interests therein formerly within the boundary of the Mount Rainier National Park, which are excluded therefrom and are included within the boundaries of the Snoqualmie National Forest pursuant to this Act are, subject to valid existing rights, hereby transferred to the administrative jurisdiction of the Secretary of Agriculture for administration as part of the forest, and shall be subject to all the laws and regulations applicable to the National Forest System.

(2) For the purposes of section 7 of the Land and Water Conservation Fund Act of 1965 (78 Stat. 903, as amended; 16 U.S.C. 4601-9), the boundaries of the Snoqualmie National Forest and the Gifford Pinchot National Forest, as modified pursuant to this Act, shall be treated as if they were the boundaries of those national forests on January 1, 1965.

(3) Effective upon acceptance thereof by the State of Washington, the jurisdiction which the United States acquired over those lands excluded from the boundaries of the Mount Rainier National Park by this Act is hereby retroceded to the State.

SEC. 303. PARADISE POWERLINE.

The Secretary is authorized to maintain and replace as necessary, the Paradise powerline from Longmire to Paradise. To the extent practicable, such maintenance and operation shall be conducted in such a manner as to protect scenic view sheds.

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. WILD AND SCENIC RIVERS.

Paragraph (60) of section 3(a) of the Wild and Scenic Rivers Act, which designates the Klickitat River in the State of Washington as a component of the national wild and scenic rivers system, is amended to add the following sentence at the end of paragraph: "The boundaries of the designated portions of the Klickitat River shall be as generally depicted on a map dated November 1987, and entitled 'Klickitat National Recreation River, River Management Area: Final Boundary', which is on file in the office of the Chief, Forest Service, Washington, D.C.".

The SPEAKER pro tempore. Is a second demanded?

Mrs. VUCANOVICH. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes and the gentlewoman from Nevada [Mrs. VUCANOVICH] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 4146, the bill now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 4146, introduced by the gentleman from Washington [Mr. CHANDLER] designates wilderness in the State of Washington's three national parks, approximately 877,000 acres in Olympic, approximately, 217,000 acres in Mount Rainier and approximately 635,000 acres in the North Cascades National Park service complex. These three national parks contain outstanding wilderness resources which include majestic mountain scenery, wilderness beaches, temperate rain forests, alpine lakes and meadows, glaciers and abundant wildlife. Furthermore, these national parks provide a scenic backdrop to the major metropolitan areas bordering Puget Sound and receive millions of visitors. Despite the national park and national recreation area designation for these lands, development does remain a threat to their wilderness character. The potential exists for roads, lodges, dams, powerlines, and recreational facilities to encroach on these pristine areas.

H.R. 4146 not only prevents this threat from becoming a reality, it also includes special provisions to improve the management efficiency of the three parks:

First, it clarifies and strengthens law enforcement authorities.

Second, it makes boundary adjustments and corrections.

Third, it authorizes the Secretary of the Interior to acquire land for an administrative headquarters and a backcountry information center for the North Cascades complex.

Fourth, for the Lake Chelan and Ross Lake national recreation areas, the bill limits the number of hydroelectric projects, clarifies when lumber can be harvested and withdraws the lands from mineral entry with the exception of sand, rock, and gravel for the residents of Stehekin.

Mr. Speaker, H.R. 4146 is a bipartisan bill with the unanimous support of all members of the Washington congressional delegation. I want to thank Mr. CHANDLER and his two cosponsors, Mr. SWIFT and Mr. MILLER, for their hard work and success in pulling together a complex bill that everyone can support. I urge the passage of this bill.

Mrs. VUCANOVICH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 4146, to designate approximately 1.7 million acres of wilderness and potential wilderness in Olympic and Mount Rainier National Parks and the North Cascades National Park complex in the State of Washington.

As the subcommittee chairman has explained, H.R. 4146 is a comprehensive bill which contains several provisions to improve the management of the three national parks. These include authorizing the continued maintenance and replacement of the Wolf Creek underground powerline and the Paradise powerline which are located within the proposed wilderness; specifying the number and type of hydroelectric projects to be allowed within the Ross Lake and Lake Chelan national recreation areas in the North Cascades National Park complex; authorizing acquisition of approximately 15 acres of land outside the boundaries of the North Cascades Park for construction of an information center and a headquarters and administrative site; permitting the leasing of sand, rock, and gravel from within the Lake Chelan national recreation area to the residents of Stehekin; and providing for a boundary adjustment between Mount Rainier National Park and Snoqualmie National Forest to consolidate two park roads within the park and the Crystal Mountain Ski Resort within the forest.

The pristine areas to be designated as wilderness are well-known for their outstanding scenic and natural resources and have been managed as wilderness for many years. Because of the restrictive nature of wilderness, however, the bill does contain language to protect valid existing rights within the designated areas. It is also important to note the inclusion of language within the legislation clearly stating it is not the intention of Congress that designation of these wilderness areas lead to the creation of buffer zones or protective perimeters around the wilderness. Any nonwilderness activities or uses are permitted up to the boundaries of the wilderness areas even though they may be seen or heard from within the wilderness. Since this is often a controversial issue concerning wilderness, I believe this clarification is important. In addition, language was included in the committee report to insure the continued operation of the Stehekin Airport according to a lease arrangement with the Park Service.

Mr. Speaker, I would like to commend the sponsor of H.R. 4146, the gentleman from Washington [Mr. CHANDLER], for his efforts on this legislation. He has been very cooperative in working with Members on both sides of the aisle to develop a good bill.

H.R. 4146 is a consensus bill crafted primarily by the Washington delegation. It enjoys broad, bipartisan support, including that of the administration. I believe it is a good bill which will protect through wilderness designation the most outstanding resources of Olympic and Mount Rainier National Parks and the North Cascades National Park complex. Therefore, I urge my colleagues to approve H.R. 4146.

Mr. Speaker, I yield such time as he may consume to the gentleman from Washington [Mr. CHANDLER].

Mr. CHANDLER. Mr. Speaker, on March 15, 1988, I was joined by my Washington State colleagues, Representatives AL SWIFT and JOHN MILLER in introducing H.R. 4146, the Washington park wilderness bill. I was pleased to introduce in the House, the bill sponsored in the other body by Senator DAN EVANS and his colleague from Washington, BROCK ADAMS. The entire Washington delegation supports this measure.

The Washington parks wilderness bill will go far in protecting three magnificent national parks that are located in my home State—Mount Rainier, Olympic, and the North Cascades. The legislation would also establish wilderness status for parts of the Ross Lake and Lake Chelan national recreation areas.

By enacting this legislation, we will be doing a great deal to guide future park management. Congress will be setting a firm policy that it intends careful management of the three parks. These are some of the most unique natural places in the United States, if not the world—ranging from miles of uninhabited ocean beaches, to dense rain forests, to mountain glaciers, and alpine meadows.

We want the parks to remain as beautiful and pristine as they are today. This bill will be an insurance policy for the future.

Future generations of park visitors will thank us for the actions we now take on this bill. Under the bill, more than 1.7 million acres of area already within the National Park System in Washington State would be given a wilderness designation. The bill would designate 872,000 acres of wilderness and 594 acres of potential wilderness in Olympic National Park, 635,000 acres of wilderness and 5,226 acres of potential wilderness in the North Cascades National Park and national recreation area complex, and 217,000 acres of wilderness in Mount Rainier National Park.

Why do we need this legislation?

I represent an area which in recent years has experienced one of the fastest rates of population growth in the United States. The Eighth District of Washington State, including areas east and south of Seattle, grew 29 percent between 1970 and 1980—and continues to grow. For many people in the Puget Sound area of Washington State, the national parks are convenient places to get away from the stresses of urban and suburban living. Mount Rainier is just a 2-hour drive from Seattle.

With substantial population growth, these parks are bound to feel the pressures of over development. The threat is serious. Mount Rainier, the boundaries of which are within my congressional district, has insufficient low-level elevation to protect the ecological community surrounding the mountain. Olympic National Park has recently been listed as one of the 10 most endangered national parks in the United States by the Wilderness Society.

These parks are wilderness today. They should remain wilderness tomorrow. Make no mistake, the National Park Service by and large already does an excellent job of managing these park areas as wilderness. This bill seeks to ensure that this careful management continues over many years.

A wilderness designation would require a high standard of management. However, the object of the bill is not in any way to discourage recreational use. All recreational activities now associated with these park and recreation areas will continue. Wilderness boundaries in the legislation would be drawn to accommodate existing transportation corridors within the parks, including campgrounds and lodges. New trail development will also continue to be a high priority.

Certain lands under the bill will be identified as potential wilderness—lands that are either not owned by the Federal Government, but targeted for acquisition, or on which a nonwilderness use exists that the National Park Service anticipates terminating. Potential wilderness would allow the Park Service to administratively declare the area as wilderness once it has been acquired or the non-conforming use is terminated.

Wilderness boundaries have been carefully considered throughout the bill. Wilderness boundaries have been drawn to protect private land-holdings. Each park will be assured of continued substantial road access. Wilderness boundaries have been drawn around both existing roads and those currently in park planning documents.

What would be limited under a wilderness designation are physical changes which could negatively impact the environmental importance and natural beauty of these areas. New road construction would be limited. Mineral extraction, dam construction, and large-scale commercial recreational development would also be strictly limited by a wilderness designation.

At some point, sooner or later, we will have to say that limitations on development of these park areas are both necessary and desirable. This legislation would ensure that the natural character of these areas take precedence. We cannot forget that it is the natural significance of these areas that draw thousands of tourists every year.

The bill does make provisions for new visitor centers in two new park locations: the Pacific coast of Olympic National Park, and at an entrance to the North Cascades National Park.

In the North Cascades, the bill is sensitive to the concerns of area residents. The Stehekin Valley in the Lake Chelan National Recreation Area is truly unique, with no roads into or out of this historic area at the north end of Lake Chelan. Its residents are proud of their beautiful surroundings, and rightfully protective of their land-holdings. Senator EVANS and I have sought to carefully protect these interests by specifically excluding the Stehekin Valley from wilderness status.

Carefully considered wilderness boundaries exclude most of the valley floor from wilderness designation as well as the road far up into the mountains and into the Cottonwood campground to the north. Stehenkin homeowners would be permitted a reasonable use of gravel and firewood for personal use. Private land, private home development, and the use of aircraft on Lake Chelan and the public airstrip in the valley would be protected. Report language recognizes an agreement concerning the Stehekin airstrip made with the State of Washington many years ago.

The proposed legislation would also make a number of necessary administrative reforms for the three parks at the request of the Park Service. Several provisions amend unclear and outdated provisions in existing law and clarify the legal authority of the parks. Other language enables park superintendents to have reasonable latitude in servicing often mountainous road corridors within 200 feet of existing paved roads.

Several technical boundary adjustments with the Forest Service are also proposed by the bill.

A boundary adjustment affecting Crystal Mountain Ski Resort, adjacent to Mount Rainier, would remove 31½ acres from the park and turn administrative authority over to the Forest Service. Although subject to debate, this seems like the only practical solution to a longstanding administrative problem for the park. A portion of a ski lift tower has occupied park land since 1962. This technical exchange is needed so that the Crystal Mountain Resort can make necessary repairs and modifications to continue operation of the lift. Rather than complicate matters by having the Park Service issue a special permit for continued operation on parkland, the Park and Forest Services have agreed that the continuing nonconforming use should be deleted from the park's jurisdiction.

As compensation, a total of 240 acres of Forest Service land would be added to Mount Rainer National Park in the areas of Backbone Ridge on the south, and Klapatchee Point on the west side. This exchange will place two park roads—that briefly cross over into Forest Service land—wholly inside the park. Putting Mount Rainier's roads inside park boundaries will ease agency management conflicts.

In a bill of this size and nature, there have been concerns raised that we are trying to do too much—or not enough. In this short legislative year, I feel that we have done well.

This bill is certainly not intended to be a license to lock-out public use and enjoyment of the parks. Public access for all, including youngsters, senior citizens, and the disabled, will continue to be a high priority. People in the parks will continue to be the highest priority. Parks are for people.

Mr. Speaker, to my knowledge, this is the first attempt to place wilderness protection on national parks on a statewide basis. Work on the bill has been a large undertaking, and I am grateful to the work of many individuals, the Park Service, Forest Service, environmental organizations, and citizens groups, who have helped write a good bill, and have given it their active support. I also thank Chairman BRUCE VENTO for his interest in the bill. I hope members support this wise measure on final passage.

Mr. MORRISON of Washington. Mr. Speaker, will the gentleman yield?

Mr. CHANDLER. I am happy to yield to my colleague, the gentleman from Washington.

Mr. MORRISON of Washington. Mr. Speaker, I thank my colleague for yielding to me.

Mr. Speaker, I commend the gentleman for his leadership in this area.

I am also pleased that the House version of the bill does not address a problem which is represented in the Senate version of the measure, and that is a question of water rights in wilderness areas.

I am pleased that the chairman, the gentleman from Minnesota [Mr. VENTO], has seen fit not to raise this issue. I believe the House version of the bill should be passed.

Mrs. VUCANOVICH. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 4146, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

DESIGNATING SECTION OF COLUMBIA RIVER AS STUDY AREA FOR INCLUSION IN NATIONAL WILD AND SCENIC RIVERS SYSTEM

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3614) to amend the Wild and Scenic Rivers Act to designate a section of the Columbia River in Washington State as a study area for inclusion in the National Wild and Scenic Rivers System and for other purposes, as amended.

The Clerk read as follows:

H.R. 3614

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. COMPREHENSIVE RIVER CONSERVATION STUDY.

The Secretary of the Interior, in consultation with the Secretary of Energy, shall prepare a comprehensive river conservation study for that segment of the Columbia River extending from one mile below Priest Rapids Dam downstream approximately fifty-one miles to the McNary Pool north of Richland, Washington, as generally depicted on the map entitled "Proposed Columbia River Wild and Scenic River Boundary" dated May 17, 1988, which is on file with the United States Department of the Interior. The study shall identify and evaluate the outstanding features of the river segment, including fish and wildlife, scenic, recreational, natural, historical, and cultural values, and examine alternatives for their preservation. In examining alternative means for the preservation of such values, the Secretary shall include a study regarding potential addition to the National Wild and Scenic Rivers System, and recommend a perferred alternative that will address the values concerned. The Secretary shall cooperate with State, local, and tribal governments in preparation of such a study and provide for public comment. The study shall be completed and presented to Congress within three years after the date of enactment of this Act.

SEC 2. INTERIM PROTECTION.

For a period of eight years after the enactment of this Act, no Federal agency may construct any dam, channel, or related navigation project within the boundaries identified in section 1. During the interim protection period, Federal and non-Federal agencies engaged in new activities within the study boundaries shall consult and coordinate with the Secretary of the Interior to minimize the impact on the values for which the river is being studied.

SEC. 3. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated not more than $150,000 for the purpose of conducting the study of the section of the river identified in section 1.

The SPEAKER pro tempore. Is a second demanded?

Mrs. VUCANOVICH. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes and the gentlewoman from Nevada [Mrs. VUCANOVICH] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 3614, the bill now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3614, as reported by the Committee on Interior and Insular Affairs, would designate for study 51 miles of the Hanford Reach of the Columbia River in the State of Washington.

The Hanford Reach segment is the last free-flowing stretch of the Columbia River. In listing the Hanford Reach segment on the 1982 nationwide river inventory it was noted that this river segment contained significant natural, cultural, and fisheries resource values. Further, the magnificence of this river segment was earlier recognized in a 1970 report prepared by the Departments of the Interior and Agriculture on potential candidates for national wild and scenic river protection. The Hanford Reach segment was one of only 47 rivers nationwide so distinguished at that time.

In hearings before the committee on H.R. 3614 which was introduced by Representative MORRISON of Washington and S. 1850, a Senate passed companion measure, the testimony of the Department of the Interior and the other witnesses was favorable to a wild and scenic river study. Subsequent to the hearing, we received a letter from the Department of Energy [DOE] and a letter from Representative MORRISON, expressing concerns about the possible impacts of such a study on DOE operations within the Hanford Nuclear Reservation. Representative MORRISON and I personally discussed this matter and although I found the concerns expressed by DOE to be very vague and ambiguous, and support within the State of Washington to be very strong for a wild and scenic river study, an opportunity was given to see if the issues raised could be settled in a satisfactory manner.

Over the last month, a concerted effort has been made in seeing whether satisfactory legislative language could be worked out. It was only recently that agreement was reached on such legislative language with the major affected parties.

The agreed-upon language of the interested parties has been incorporated into H.R. 3614, as reported by the Interior Committee. This agreement addresses the Department of Energy's concerns with their operations at the Hanford Nuclear Reservation, while at the same time providing for a comprehensive study and interim period of protection for the river that will forestall actions that could possibly degrade the significant values for which the river is being studied. H.R. 3614, as amended, directs the Secretary of the Interior, in consultation with the Secretary of Energy, to undertake a comprehensive river conservation study of the Hanford Reach segment. The study area would encompass those waters and lands identified in the original legislation. The study would identify and evaluate the outstanding resources of the area and examine alternatives for their protection, including possible designation as a wild and scenic river. H.R. 3614 includes public participation requirements and directs that the study be completed within 3 years of enactment. Further, during an 8-year period from the date of enactment, no Federal dam, channel or related navigation project may be constructed within the study area, and Federal and non-Federal agencies shall consult and coordinate with the Secretary on their activities to minimize any impact on the values for which the river is being studied. Finally, the legislation authorizes $150,000 to carry out the study.

Mr. Speaker, I would note that while there was and is strong support for a formal wild and scenic river study, this legislation will direct a wide ranging and comprehensive river conservation study that in the end will address the issues on the preservation and enhancement of the significant resources within this river segment. For this reason, I support the bill and recommend its passage by the House.

□ 1330

Mr. Speaker, I reserve the balance of my time.

Mrs. VUCANOVICH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 3614, to authorize a comprehensive river conservation study of the 51-mile segment of the Columbia River extending from Priest Rapids Dam to the McNary Pool near Richland, WA. The study would be conducted by the Secretary of the Interior, in consultation with the Secretary of Energy, due to the close proximity of the Hanford nuclear reservation. The purpose of the study is to identify and evaluate the outstanding values of the river segment and examine alternative means for their preservation, including potential addition to the national wild and scenic rivers systems. The bill requires completion of the study within 3 years and provides for interim protection of the river segment from water developments for a period of 8 years after the bill's enactment. Finally, H.R. 3614 authorizes appropriations of $150,000 to conduct the study.

While the Department of Energy previously expressed concerns with H.R. 3614, I believe the bill has been improved through the committee process to address these concerns. Specific language included in the committee report clarifies that the study is not intended to interfere in any way with the Department of Energy's normal operations at the Hanford nuclear reservation or any new projects or activities that may be undertaken for the reservation's use.

I believe the sponsor of H.R. 3614, the gentleman from Washington [Mr. MORRISON] deserves recognition for his tireless efforts to craft a bill satisfactory to the many interests involved.

The version of H.R. 3614 before us today is clearly an improved bill. It will provide for a study of the unique features of the Hanford Reach segment of the Columbia River for potential protection in the future without interfering with the Department of Energy's operations or plans at the Hanford nuclear reservation. Therefore, I urge my colleagues to approve H.R. 3614.

Mr. Speaker, I reserve the balance of my time.

Mr. VENTO. Mr. Speaker, I yield such time as he may consume to my good friend and colleague, the gentleman from Washington [Mr. LOWRY].

Mr. LOWRY of Washington. Mr. Speaker, I thank the gentleman for yielding me this time, and thank him and the gentlewoman for their cooperation in moving this important legislation.

Mr. Speaker, I simply rise in support of this legislation and to compliment my colleague, the gentleman from Washington [Mr. MORRISON], for his leadership on this important legislation.

As was pointed out by the chairman, this is the only remaining 51 miles of free-flowing river water in the Columbia River. If we stop to think about that for 1 minute, that is quite a statement. It is important we make sure we evaluate those resources and prevent further loss.

Mr. Speaker, I think that this bill very well lays out those desires and those needs, and I compliment its prime sponsor, the gentleman from Washington [Mr. MORRISON], and the committee, and I urge passage of this legislation.

Mrs. VUCANOVICH. Mr. Speaker, I yield such time as he may consume to the gentleman from Washington [Mr. MORRISON].

Mr. MORRISON of Washington. Mr. Speaker, I rise in support of H.R. 3614, a bill to establish a study of the 51-mile stretch of the Columbia River known as the Hanford Reach for possible protection as determined by a future session of Congress. I would like to thank my colleague, Congressman VENTO, the chairman of the Subcommittee on National Parks and Public Lands, for his cooperation as we worked to change the initial language of H.R. 3614 to reflect the various positions of numerous parties who have a direct interest in this portion of the Columbia River. I also wish to thank the chairman of the Interior Committee, Mr. UDALL, for his efforts to bring this measure before the whole House for consideration.

The Hanford Reach is the last free-flowing stretch of the Columbia River in the United States. The reach provides habitat for a diverse range of animals and birds, as well as a variety of plants, including some that have been proposed for protection by State and Federal agencies. In recent years, the Hanford Reach has provided important spawning sites that have contributed to the dramatic increase in the salmon runs of the Columbia River. The Hanford Reach also contains many cultural and burial sites of great significance to the Wanapum and Yakima Indians.

There is a great deal of support for protecting the Hanford Reach and its resources. At the State level, the area has been nominated for inclusion in the Washington State scenic rivers system. Locally, boaters, sportsmen, the Yakima Indians and many environmental interests have been actively involved in seeking protection for the Hanford Reach and are largely responsible for bringing this issue to Congress.

To my knowledge, there is little opposition to studying the Hanford Reach for possible designation as a protected river, though some groups have expressed a preference for the immediate designation of the segment. I understand the desire to provide the highest level of protection possible for the river, but believe that a study is in order to better identify the resources we are trying to protect, what the boundaries of the area should be, and potential conflicts that might arise as a result of a protective designation.

One of the areas that warrants close examination is the compatability between operations at the Hanford nuclear reservation, which includes most of the Hanford Reach, and the management of the river should it be recommended for protection. I believe that it is important to clarify that the study status of the river, as defined in H.R. 3614, is not intended to impact existing operations or facilities at Hanford. The Department of Energy has a 40-year history of operating Hanford in a manner that minimizes its impact on the resources of the Hanford Reach and has pledged to continue to do so. Indeed, specific language in section 2 of H.R. 3614 provides that any Federal and non-Federal agencies shall consult and coordinate with the Secretary of the Interior to minimize the impact on the river values for any new activities within the study boundaries.

H.R. 3614 protects the values being studied by prohibiting the construction of any dam, channel, or related navigation project. The dredging of the river would disrupt the important spawning beds and disturb the scenic tranquility of the reach. Preventing such an intrusion is as important as the study itself.

Mr. Speaker, I am grateful that all the interested parties from the Hanford Reservation, the Department of Energy, the Bonneville Power Administration, and the Washington public power supply system, seek to preserve this important stretch of the Columbia River. I also appreciate the recognition on the part of the nature conservancy, the audubon society, and American rivers of the necessity to maintain and encourage the activities at the Hanford Reservation. Last, I would like to thank the members of the Columbia River Conservation League for their dedication and perseverence in working toward a fair and equitable compromise on this study bill. This last organization, comprised almost entirely of residents from communities around the Hanford Reach, has provided valuable assistance in the formulation of this legislation.

In conclusion, I urge all Members to support H.R. 3614. This measure provides for a necessary and comprehensive study, ensures protection of the river from the primary threat of dredging, and compels all future development to be pursued in a safe and responsible fashion.

Mrs. VUCANOVICH. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MONTGOMERY). The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 3614, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to authorize a study of the Hanford Reach of the Columbia River, and for other purposes."

A motion to reconsider was laid on the table.

BIG THICKET NATIONAL PRESERVE ADDITION ACT OF 1988

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3544) to increase the size of the Big Thicket National Preserve in the State of Texas by adding the Village Creek Corridor unit, the Big Sandy Corridor unit, and the Canyonlands unit, as amended.

The Clerk read as follows:

H.R. 3544

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Big Thicket National Preserve Addition Act of 1988".

SEC. 2. ADDITIONS TO BIG THICKET NATIONAL PRESERVE.

(a) ADDITIONS.—(1) Subsection (b) of the first section of the Act entitled "An Act to authorize the establishment of the Big Thicket National Preserve in the State of Texas, and for other purposes", approved October 11, 1974 (16 U.S.C. 698), is amended as follows:

(A) Strike out "map entitled 'Big Thicket National Preserve'" and all that follows through "Secretary of the Interior (hereafter referred to as the 'Secretary')" and insert in lieu thereof "map entitled 'Big Thicket National Preserve', dated July, 1988, and numbered BITH175-80,003, which shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior, and the Offices of the Superintendent of the Preserve. After advising the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives, in writing, the Secretary of the Interior (hereafter in this Act referred to as the 'Secretary') may make minor revisions of the boundaries of the preserve when necessary by publication of a revised drawing or other boundary description in the Federal Register. The Secretary".

(B) Strike out "and" in the penultimate undesignated paragraph relating to Little Pine Island-Pine Island Bayou corridor unit.

(C) Strike out the period in the ultimate undesignated paragraph relating to Lance Rosier unit and insert in lieu thereof ";".

(D) Add at the end thereof the following:

"Village Creek Corridor unit, Hardin County, Texas, comprising approximately six thousand and eighty-eight acres;

"Big Sandy Corridor unit, Hardin, Polk, and Tyler Counties, Texas, comprising approximately six thousand one hundred and twenty acres; and

"Canyonlands unit, Tyler County, Texas, comprising approximately one thousand seven hundred and ninety-two acres.".

(2) The first sentence of subsection (c) of such Act is amended by adding at the end thereof the following: "Within one year after the enactment of this sentence, the Secretary and the Secretary of Agriculture shall determine which timberlands within their respective jurisdictions in the vicinity of the preserve may be suitable for exchange and shall offer to exchange such lands for timberlands within the boundaries of the preserve which have not previously been acquired. The values of the properties so exchanged shall be approximately equal or, if they are not approximately equal, shall be equalized by the payment of cash to the grantor or to the respector Secretary as the circumstances require. In the exercise of this exchange authority, the Secretaries may utilize any authorities or procedures otherwise available to them in connection with land exchanges.".

(b) ACQUISITION.—(1) Subsection (c) of the first section of the Act entitled "An Act to authorize the establishment of the Big Thicket National Preserve in the State of Texas, and for other purposes", approved October 11, 1974 (16 U.S.C. 698), Act is amended by inserting "(1)" after "(c)" and by adding the following at the end:

"(2) Privately owned lands or interests used for noncommercial residential purposes and located within the Village Creek Corridor Unit, the Big Sandy Corridor Unit, or the Canyonlands Unit may be acquired only with the consent of the owner thereof unless the Secretary determines that the property is being developed or proposed to be developed in a manner which is detrimental to the natural, scenic, historical, cultural, and other values for the the Preserve was established. For purposes of this paragraph, development or proposed development of private property within the boundaries of the Preserve that is significantly different from, or significant expansion of, development existing as of October 22, 1987, shall be considered by the Secretary as detrimental to the values for which the Preserve was established.".

(2) Section 3(b) of such Act (16 U.S.C. 698(b)) is amended by adding at the end thereof "For the purposes of any improved property located in the Village Creek Corridor unit, the Big Sandy Corridor unit, or the Canyonlands unit, the date 'July 1, 1973' shall be treated as 'October 22, 1987'.".

(c) PUBLICATION OF BOUNDARY DESCRIPTION.—Not later than 6 months after the date of enactment of this Act, the Secretary of the Interior shall publish in the Federal Register a detailed description of the boundary of the Village Creek Corridor unit, the Big Sandy Corridor unit, and the Canyonlands unit of the Big Thicket National Preserve.

The SPEAKER pro tempore. Is a second demanded?

Mrs. VUCANOVICH. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes and the gentlewoman from Nevada [Mrs. VUCANOVICH] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 3544, the bill under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3544, introduced by our colleague Representative CHARLES WILSON, would authorize the addition of three areas, totaling approximately 13,980 acres, to the Big Thicket National Preserve in Texas. The three additions would link existing units of this internationally acclaimed ecological preserve.

The Big Thicket National Preserve was established by Public Law 93-439 in 1974 to protect remnants of the complex biological ecosystem found in this section of southeast Texas. The preserve is composed of 12 distinct units and river corridors comprising approximately 85,000 acres. Often referred to as the biological crossroads of North America the Big Thicket contains a diverse multitude of flora and fauna. The uniqueness of this resource was further recognized in 1981 with its designation as an international biosphere preserve.

Mr. Speaker, in hearings before the Committee on Interior and Insular Affairs on H.R. 3544 we received testimony on the significance of each of the three additions to the protection and enhancement of the values for which the preserve was established. I would note that a substantial amount of the acreage provided for in H.R. 3544 was part of the original Big Thicket proposal back in 1974 but were subsequently dropped as part of the legislative compromise establishing the preserve. Concerns have been raised on how these three additions would impact adjacent property owners. As reported, H.R. 3544 minimizes the impacts on private noncommercial landowners by providing that land within the three additions will not be acquired without the consent of the landowner unless development has or will be undertaken that adversely affects the values for which the preserve was established. If private noncommercial landowners help preserve the waterway corridors by forgoing adverse developments then they will not be unduly impacted by the legislation.

I would also note that the timberlands included within the three additions to the preserve represent less than one-tenth of 1 percent of the timberlands within Texas, H.R. 3544 provides limited exchange authority so that timber companies who own harvestable timber may seek land exchanges for such timber in lieu of monetary compensation.

Mr. Speaker, in introducing his legislation, Representative WILSON drew the boundary lines so as to minimize impacts on existing developments. The change made by the committee was a further refining of the process and will permit the focus to remain where it should; namely on the protection of wildlife habitat and the enhancement of this Unique Ecosystem.

I support H.R. 3544, as amended and urge its adoption.

Mr. Speaker, I reserve the balance of my time.

Mrs. VUCANOVICH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in opposition to H.R. 3544, to expand the boundary of Big Thicket National Preserve. The addition would include approximately 14,000 acres of land in the Village Creek Corridor Unit, the Big Sandy Corridor Unit, and the Canyonlands Unit. My opposition stems from a number of concerns raised during the committee process on this legislation. Specifically, the significance of the lands proposed for inclusion in the preserve, the impacts of the bill on the private landowners and the timber industry, and the cost of the legislation were questioned. Since these concerns have not yet been addressed, I do not believe it is appropriate nor responsible to move forward on the enactment of this bill at this time.

Representative RON MARLENEE, one of my colleagues on the Interior Committee, outlined these concerns through a number of questions in a July 21, 1988, letter to the Honorable William Penn Mott, Jr., Director of the National Park Service. Unfortunately, as indicated in the Interior Department's views on this bill, the administration has not had sufficient time to complete a thorough evaluation of the lands included in the proposed addition. Therefore, it has been unable to provide responses to the questions or recommendations on H.R. 3544. Absent further information, several of us on this side of the aisle believe it is premature to move forward on the legislation.

Other problems with H.R. 3544 concern timely compensation for the private landowners within the proposed addition whose property may be acquired. Many landowners whose lands were included in the original preserve 14 years ago are still waiting for payment. This is a serious problem since the current land acquisition backlog for the National Park System alone is estimated at $1 billion. As a result, many members on this side of the aisle have recommended against further authorizations for land acquisition until the current backlog is eliminated. H.R. 3544 is another example of an unnecessary authorization that may result in hardship for the private landowners who may not receive fair compensation in a timely manner.

The effect of H.R. 3544 upon the timber industry in east Texas is also of concern. Recently, several thousand acres of productive east Texas national forests have been withdrawn for the protection of the red-cockaded woodpecker and recreation and wildlife purposes. While this bill on its own would not have a significant impact on the timber industry, it would serve to compound the problem of reduced future timber supplies for the east Texas region.

Finally, concerns have been expressed regarding the cost of H.R. 3544. Not only would timber receipts be reduced, but land acquisition costs are estimated at $28 million. The Federal Government has already expended approximately $96 million for acquisition at Big Thicket National Preserve. Authorizing additional expenditures for this area during this time of fiscal constraint is not responsible policy.

Mr. Speaker, I cannot support passage of H.R. 3544 today. I believe land use decisions should be based on good information and good land management prescriptions. That, however, is not the case with this piece of legislation. In addition, there is a great deal of opposition to the bill from local citizens, the timber industry and the administration. I would hope that we are provided the opportunity to carefully and thoroughly review this legislative issue prior to further congressional action.

Mr. Speaker, I reserve the balance of my time.

Mr. VENTO. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. WILSON].

Mr. WILSON. Mr. Speaker, I respect the arguments made by the gentlewoman from Nevada, but there are a couple of points that really should be made.

The first is the individual homeowners who live along the creek are exempted, and their home places will not be taken.

Second, and very importantly, this will have a negligible, absolutely negligible, impact on timber production. Timber production, the timber industry, is the largest employer in my district. I would be the last one to do anything that I felt would hurt it.

These are hardwood bottomlands. They are not pine planations. They are hardwood bottomlands that the timber companies all say they are not going to cut anyway. The policy of the timber companies is not to clearcut the bottomlands.

Mr. Speaker, if they are not going to take them anyway, if they are not going to harvest it anyway, I cannot see how it can be argued that it is going to damage the timber industry when the timber industry says they are not going to harvest them.

Those are in response to the gentlewoman's arguments, but in addition to that, I would like for the Chamber to know that this is absolutely the 16,000 most beautiful acres in Texas. It is land that will never again be the way it is today if we do not preserve it. There will not be any heritage to show to our children and grandchildren of what the great east Texas forests looked like, what the great hardwood bottomlands looked like.

□ 1345

As the chairman has said, it has been called an ecological crossroads of North America. This bill is supported by every conservation group in the United States. It lies wholly within my district. I would courteously and respectfully ask for my colleagues' support on this legislation and I would also like to thank the chairman of the subcommittee for his diligence and thoroughness in bringing this before us.

Mr. CHAPMAN. Mr. Speaker, I rise today to urge my colleagues to oppose H.R. 3544, the Big Thicket National Preserve Addition Act of 1987. This legislation before us today seeks to add privately held sections of land totaling 14,000 acres to the Big Thicket National Preserve.

In 1974, the Big Thicket National Preserve was created by Congress to protect the delicate environment and sustain the diversity of species which exist in this southeast Texas area. However, at that time, it was agreed to keep the Village Creek and Big Sandy Creek corridors outside of the preserve boundaries.

While I am not against preserving the very beautiful and biologically significant environment of this area for everyone to enjoy, I am very concerned about the impact this addition may have on the citizens of this area.

First, I am concerned that this legislation infringes upon the rights of landowners. I believe that the landowners in this area are very much interested in protecting the environment of their homeland and have worked very hard at being responsible stewards of their property. While the bill does exclude all homes of year-round residents from the acquisition land, it is not right to force any landowners to give up their right to pass on their property to the next generations.

Further, I have a deep concern about the diminishing inventory of timber that can be harvested in east Texas. This conversion of land out of forestry use will constrain the future growth of the timber industry in east Texas which is a great contributor to the present economy. I am opposed to limiting future economic opportunity for east Texas.

Finally, I am concerned about the impact of loss of tax base. The communities of east Texas cannot afford the erosion of tax base which they depend on for road and school budgets.

There is no question of the importance of preserving our natural resources. The original creation of the Big Thicket National Preserve is certainly a result of realizing this importance. However, I am opposed to unnecessary additions of wilderness lands to this preserve at the expense of individual property owners, a vital timber industry, and strong east Texas communities.

I urge my colleagues to vote against this measure.

Mrs. VUCANOVICH. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MONTGOMERY). The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 3544, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

PERMITTING ACCESS ACROSS CERTAIN FEDERAL LANDS IN ARKANSAS

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 1259) to direct the Secretary of the Interior to permit access across certain Federal lands in the State of Arkansas, and for other purposes.

The Clerk read as follows:

S. 1259

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) Notwithstanding any other provision of law, the Secretary of the Interior shall permit access across the Buffalo National River (hereinafter referred to as "the park") to certain privately owned lands outside the park boundary along a route known locally as the "Old Springtown Road" as depicted on a map entitled "Old Springtown Road Access", dated April, 1987 and available for inspection in the Office of the Superintendent, Buffalo National River.

(b) The Secretary shall permit such access across the park solely for the purpose of providing to the owners (as of September 1, 1987) reasonable ingress and egress to the private residential property depicted on the map referenced in subsection (a).

(c) The Secretary shall promulgate such regulations as he deems necessary to ensure that such access does not unreasonably diminish the scenic, historic, and other values for which the park was established.

(d)(1) The owners of the private residential property identified in subsection (b) shall pay an annual fee to the Secretary of the Interior for the access provided pursuant to this Act.

(2) Any fee collected shall be fair and reasonable and shall be in an amount necessary to cover the administrative costs associated with granting of such access, including the issuance of annual permits: *Provided,* That in no event shall the fee collected pursuant to this subsection exceed $100 per annum.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes, and the gentlewoman from Nevada [Mrs. VUCANOVICH] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, S. 1259, which directs the Secretary to permit access across certain Federal lands in the State of Arkansas, would resolve a dispute about a roadway that runs some 450 feet across a portion of the Buffalo National River. This dispute, which goes back some 7 years, includes a long list of efforts by Mr. Eddie Jones to obtain access across park lands to his home.

Mr. Chairman, S. 1259 was introduced by Senator BUMPERS, and passed the Senate last December. Passing this legislation will end this dispute, and as such I endorse it. But I want to be very clear that this is not a precedent in any way. Mr. Jones initially obtained a special use permit in order to move his house located within the park outside it and to be able to get to it he constructed another road. The access is not paved or otherwise improved, nor should it be. If any improvements are made, they must be the minimal necessary, approved by the National Park Service and completely reversible. Further, this access applies only to the owners of the property as of September 1, 1987. It does not carry over to any future owners of the property, whether by sale, inheritance or any other means of acquisition I support this legislation, and recommend its enactment.

Mrs. VUCANOVICH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I think my colleague has adequately described the purposes and intent of the Senator from Arkansas' bill. From time to time, it is necessary to fine tune and adjust past legislation. This is one of those times, and I urge the Members to support this bill, because we probably all have had to address similar concerns in our own Districts.

Mr. Speaker, I yield back the balance of my time.

Mr. VENTO. I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the Senate bill, S. 1259.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

ESTABLISHING DELAWARE WATER GAP NATIONAL RECREATION AREA CITIZEN ADVISORY COMMISSION

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5001) to establish the Delaware Water Gap National Recreation Area Citizen Advisory Commission, as amended.

The Clerk read as follows:

H.R. 5001

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ESTABLISHMENT OF COMMISSION.

There is established a commission to be known as the "Delaware Water Gap National Recreation Area Citizen Advisory Commission" (hereafter in this Act referred to as the "Commission"). The Commission shall advise the Secretary of the Interior on matters pertaining to the management and operation of the Delaware Water Gap National Recreation Area, as well as on other matters affecting the recreation area and its surrounding communities.

SEC. 2. MEMBERSHIP OF COMMISSION.

(a) APPOINTMENT.—The Commission shall be composed of the following 11 members appointed not later than 60 days after the date of the enactment of this Act from among persons with knowledge of the recreation area:

(1) 2 members appointed by the Secretary of the Interior (hereafter in this Act referred to as the "Secretary").

(2) 2 members appointed by the Secretary from among residents of New Jersey nominated by the Governor of New Jersey.

(3) 2 members appointed by the Secretary from among residents of Pennsylvania nominated by the Governor of Pennsylvania.

(4) 1 member appointed by the Secretary from among the residents of each of the following counties nominated by the county administrator of each such county: Sussex County, New Jersey, Warren County, New Jersey, Pike County, Pennsylvania, Monroe County, Pennsylvania, and Northampton County, Pennsylvania.

The Secretary shall ensure that the membership of the Commission is fairly balanced in terms of the points of view represented and the functions to be performed by the Commission.

(b) TERMS.—Members shall be appointed to the Commission for a term of 4 years. A member may serve after the expiration of his term until his successor has taken office.

(c) VACANCIES.—Any vacancy on the Commission shall be filled in the manner in which the original appointment was made.

(d) PROHIBITION OF ADDITIONAL PAY.—Members of the Commission shall receive no additional pay, allowances, or benefits by reason of their service on the Commission, but the Secretary may pay expenses reasonably incurred in carrying out their responsibilities under this Act on vouchers signed by the Chairperson.

(e) CHAIRPERSON.—The Commission shall elect a chairperson from among the members of the Commission.

(f) QUORUM.—A majority of the members of the Commission shall constitute a quorum but a lesser number may hold hearings.

(g) VOTING.—Each member of the Commission shall be entitled to 1 vote, which shall be equal to the vote of every other member of the Commission.

(h) CHARTER.—The provisions of section 14(b) of the Federal Advisory Committee Act (Act of October 6, 1972; 86 Stat. 776), are hereby waived with respect to this Advisory Commission.

SEC. 3. POWERS OF COMMISSION.

(a) HEARINGS.—The Commission may, for the purpose of carrying out its functions under section 1, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission considers appropriate.

(b) MEETINGS WITH SECRETARY OF THE INTERIOR.—Members of the Commission shall meet with the Secretary of the Interior or his designee at least once every 6 months. Such meetings shall be open to the public and shall be held at such times and in such places as to encourage public participation. The Commission shall provide the public with adequate notice of such meetings.

(c) RULES AND REGULATIONS.—The Commission may adopt such rules and regulations as may be necessary to establish its procedures and to govern the manner of its operation.

(d) ASSISTANCE FROM FEDERAL AGENCIES.—Upon request of the chairperson of the Commission, the head of any Federal agency or instrumentality shall, to the extent possible and subject to the discretion of such head make any of the facilities and services of such agency or instrumentality available to the Commission.

(e) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other Federal agencies.

SEC. 4. REPORTS.

The Commission each year shall transmit to the Secretary of the Interior and to each House of the Congress a report containing a detailed statement of the findings and conclusions of the Commission, together with its recommendations for such legislation and administrative actions as it considers appropriate.

SEC. 5. TERMINATION OF COMMISSION.

The Commission shall terminate on the date that is 10 years after the date of the enactment of this Act.

SEC. 6 AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out this Act.

The SPEAKER pro tempore. Is a second demanded?

Mrs. VUCANOVICH. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes and the gentlewoman from Nevada [Mrs. VUCANOVICH] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 5001, introduced by our colleague, Congresswoman MARGE ROUKEMA, establishes the Delaware Water Gap National Recreation Area Citizen Advisory Commission. This legislation will ensure local input into the development of the general management plan for the national recreation area. The general management plan was completed in May 1987 and will guide the development and management of the national recreation area for the next 10 years. I understand that this area combines the scenic beauty of the Delaware Water Gap with recreational, natural and cultural opportunities for visitors.

The Committee on Interior and Insular Affairs adopted an amendment in the nature of a substitute that makes several technical changes in the bill as introduced. These changes serve to clarify the bill's intent. The only significant changes are expanding the Advisory Commission to 11 members, increasing members' terms to 4 years and the requiring that the Commission meet not less than every 6 months. These changes will allow for better representation on the Advisory Commission, and help ensure that the Commission reflect a balance of the various interested groups including canoeists, motorboaters, swimmers, snowmobilers, hikers, and campers, as well as business and agricultural parties, and other residents in the affected counties.

Mr. Speaker, I endorse H.R. 5001 and urge its passage.

Mr. Speaker, I reserve the balance of my time.

Mrs. VUCANOVICH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 5001, to establish the Delaware Water Gap National Recreation Area [NRA] Citizen Advisory Commission. The purpose of the Commission is to advise the Secretary of the Interior on matters relating to the management and operation of the Delaware Water Gap NRA.

The Commission will be composed of nine members from the States of New Jersey and Pennsylvania, appointed for 4-year terms by the Secretary. The bill requires the Commission to report to the Secretary and Congress each year with findings and recommendations pertaining to the Delaware Water Gap NRA. The Commission will terminate 10 years after enactment of the legislation.

The Delaware Water Gap NRA was established by Congress in 1965 to preserve land on both the New Jersey and Pennsylvania sides of the Middle Delaware River; however, an advisory commission for the NRA was never created. Because citizen advisory commissions have proven to be important assets, Congress has generally made it a practice in recent years to establish such commissions when new units of the National Park System are created. It is therefore appropriate that we establish an advisory commission for the Delaware Water Gap NRA, particularly since a comprehensive 10-year management and development plan for the park was recently completed by the Park Service. An advisory commission would be able to provide valuable citizen input regarding implementation of the plan and would improve communication and coordination between the local communities and the Park Service to everyone's benefit.

I would like to commend the sponsor of H.R. 5001, the gentlelady from New Jersey [Mrs. ROUKEMA] for her efforts on this legislation. She has worked to address any concerns with the bill and has done an excellent job of representing her constituents on this particular matter.

Mr. Speaker, H.R. 5001 is a good bill which deserves enactment. It will provide the local citizens of the Delaware Water Gap NRA with an important and necessary voice concerning management and operation of the park. Therefore, I urge my colleagues to approve H.R. 5001.

Mr. Speaker, I yield such time as she may consume to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Mr. Speaker, before I begin my remarks, I would like to thank the chairman of the full Interior Committee, Mr. UDALL, the chairman of the National Parks Subcommittee, Mr. VENTO, and the ranking member of the subcommittee, Mr. LAGOMARSINO, as well as all the members of the committee, for their cooperation and diligence in bringing this bill to the floor for our consideration today. These gentlemen particularly have played an important role in an issue far from their own districts and, in so doing, have once again demonstrated their commitment to sound public lands management.

As the sponsor of H.R. 5001, I can say with authority that this is an important piece of legislation for all the people of northern New Jersey as well as our neighbors across the Delaware River in Pennsylvaina. The need for this legislation arises from the fact the Park Service unveiled a comprehensive 10-year, $109 million general management plan for the recreation area. We do not oppose the plan but we are disturbed because this plan envisions a 300-percent increase in visitation to the park over the next decade, therefore, exacerbating the gridlock which is already characteristic of the roads in this rapidly growing part of the Nation. This region's infrastructure, emergency services, and environment can hardly absorb the present growth, much less the "double whammy" of development proposed in the park plan.

Since this dramatic park plan will, in effect, be imposed on the communities outside the recreation area, we should not and cannot allow all the planning for implementation to occur within the park gates. Therefore, in order to prepare for the regional impact of the park plan, a panel of responsible citizens and officials, with knowledge of the area, concern for the park, and from a wide range of interest groups, should be commissioned to advise the Park Service during the plan's decade-long implementation.

The Commission will only be advisory. It should not seek to micromanage the Park Service, but rather, it should encourage a productive dialog as well as a "commonsense" approach to policy development. With regard to the 10-year park plan specifically, the National Park Service has the undeniable responsibility to hear the people and be responsive to their concerns, and a formal Citizen Commission is the best mechanism to accomplish this important task.

This Commission can only benefit the National Park Service. Having the benefit of the views of citizens, local officials, and all the interest groups will serve to improve communication and coordination between the National Park Service and the surrounding area. Clearly, increased coordination will help the Park Service become a more efficient and effective Federal agency—of the people. As a result, we will all benefit from a better park, better recreation services, and better natural resources protection.

In summary, the Subcommittee on National Parks has received substantial testimony in support of this legislation from the Governors of both New Jersey and Pennsylvania, local citizens, governments, and businesses, as well as historic preservation and commuter groups. I am confident that my colleagues agree with me that those who will be most acutely affected by a Federal plan should have a formal say in its step-by-step implementation. As I said when I introduced this bill, what good is free speech if no one is listening?

I urge all my colleagues to vote for H.R. 5001 today. Other commissions across this country have been successful. We can expect equal success for the Delaware Water Gap National Recreation Area Citizens Advisory Commission.

Mrs. VUCANOVICH. Mr. Speaker, I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 5001, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

CONGAREE SWAMP NATIONAL MONUMENT EXPANSION AND WILDERNESS ACT

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 2018) to expand the boundaries of the Congaree Swamp National Monument, to designate wilderness therein, and for other purposes, amended.

The Clerk read as follows:

S. 2018

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Congaree Swamp National Monument Expansion and Wilderness Act".

SEC. 2. NATIONAL MONUMENT WILDERNESS.

(a) DESIGNATION OF WILDERNESS.—Certain lands comprising approximately 15,010 acres as generally depicted on a map entitled "Congaree Swamp National Monument Wilderness—Proposed", and dated July 1988, are hereby designated as wilderness and therefore as components of the National Wilderness Preservation System. Such lands shall be known as the Congaree Swamp National Monument Wilderness.

(b) POTENTIAL WILDERNESS ADDITIONS.—Certain lands comprising approximately 6,840 acres as depicted on the map referenced in subsection (a) are hereby designated as potential wilderness additions. Such lands shall be managed by the Secretary of the Interior (hereinafter referred to as the "Secretary") insofar as practicable as wilderness until such time as said lands are designated as wilderness. Any lands designated as potential wilderness additions shall, upon acquisition of any non-Federal interests in land and publication in the Federal Register of a notice by the Secretary that all uses thereon prohibited by the Wilderness Act have ceased, thereby be designated wilderness, shall be part of the Congaree Swamp National Monument Wilderness, and shall be managed in accordance with the Wilderness Act.

SEC. 3. MAP AND LEGAL DESCRIPTION.

As soon as practicable after the date of enactment of this Act, the map referenced in section 2 and a legal description of the boundaries of the wilderness and potential wilderness addition designated by this Act shall be on file and available for public inspection in the Office of the Director of the National Park Service, Department of the Interior, in the Office of the Superintendent of the Congaree Swamp National Monument and with the Committee on Interior and Insular Affairs of the United States House of Representatives and the Committee on Energy and Natural Resources of the United States Senate. Each such map and legal description shall have the same force and effect as if included in this Act, except that correction of clerical and typographical errors in such map and legal description may be made.

SEC. 4. ADMINISTRATION.

Subject to valid existing rights, the lands designated as wilderness pursuant to this Act shall be administered by the Secretary in accordance with the applicable provisions of the Wilderness Act governing areas designated by that Act as wilderness, except that any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act, and where appropriate, any reference to the Secretary of Agriculture shall be deemed to be a reference to the Secretary.

SEC. 5. ADDITION TO CONGAREE NATIONAL MONUMENT.

The first section of the Act approved October 18, 1976 (90 Stat. 2517), is amended by—

(1) inserting "(a)" after "That";

(2) striking all after "Federal Register" and inserting in lieu thereof a period; and

(3) adding at the end thereof the following:

"(b) In addition to the lands described in subsection (a), the monument shall consist of the additional lands within the boundary as generally depicted on the map entitled 'Citizens Boundary Proposal for Congaree Swamp National Monument', numbered ***178-80,009A***, dated July 1988, which shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior. The map may be revised as provided in subsection (a). The total acreage of the monument including lands described in subsection (a) and this subsection shall not exceed 22,200 acres.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

(1) LAND ACQUISITION FUNDS.—Section 5(a) of the Act approved October 18, 1976 (90 Stat. 2518), is amended by adding at the end thereof the following: "The Secretary may expend such additional sums as are necessary from the Land and Water Conservation Fund for acquisition of lands described in subsection (b) of the first section.".

(b) DEVELOPMENT FUNDS.—Section 5 of the Act approved October 18, 1976 (90 Stat. 2518), is amended by adding at the end thereof the following:

"(c) Notwithstanding subsection (a), there are hereby authorized to be appropriated $3,000,000 for construction and development within the monument.".

SEC. 7. LATE PAYMENT CHARGES UNDER FEDERAL MINERAL LEASES.

(a) Distribution of Late Payment Charges.—Any interest or other charges paid to the United States by reason of the late payment of any royalty, rent, bonus, or other amount due to the United States under any lease issued by the United States for the extraction of oil, gas, coal, or any other mineral, or for geothermal steam, shall be deposited in the same account and distributed to the same recipients, in the same manner, as such royalty, rent, bonus, or other amount.

(b) Effective Date.—Subsection (a) shall apply with respect to any interest, or other charge referred to in subsection (a), which is paid to the United States on or after July 1, 1988.

(c) Prohibition Against Recoupment.—Any interest, or other charge referred to in subsection (a), which was paid to the United States before July 1, 1988 and distributed to any State or other recipient is hereby deemed to be authorized and approved as of the date of payment or distribution, and no part of any such payment or distribution shall be recouped from the State or other recipient. This subsection shall not apply to interest or other charges paid in connection with any royalty, rent, bonus, or other amount determined not to be owing to the United States.

The SPEAKER pro tempore. Is a second demanded?

Mrs. VUCANOVICH. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Minnesota [Mr. Vento] will be recognized for 20 minutes and the gentlewoman from Nevada [Mrs. Vucanovich] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. Vento].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, S. 2018 adds approximately 7,000 acres to the Congaree Swamp National Monument in South Carolina. It also designates approximately 15,000 acres of existing monument as wilderness and approximately 6,840 acres of the new additions as potential wilderness which would become designated wilderness once non-Federal interests have been acquired. Furthermore, the bill authorizes an appropriation of $3 million for development. These funds would be used to construct a visitor center, roads, parking, and boat launch facilities.

Mr. Speaker, Congaree Swamp is a unique piece of country. It contains the largest remnant old-growth and southern bottomland hardwood forest in the United States. Located in the flood plain of the Congaree River, the swamp includes vast standards of Tupelo and Bald Cypress, oaks, sweetgums, and loblolly pines. Four trees are national champions in size for their species and several more trees are South Carolina champions. Wildlife includes alligators, white-tailed deer, raccoons, bobcats, otters, feral hogs, wild turkeys, and the endangered red-cockaded woodpecker and bald eagle. There are reports of sightings of the eastern cougar and the ivory billed woodpecker, a species that some believe to be extinct.

In 1974, the Department of the Interior designated approximately 20,000 acres of the swamp as a national natural landmark. In 1976, the Congress designated 15,000 acres of the landmark as the Congaree Swamp National Monument. Most recently, in 1983, the monument was included in UNESCO's International Network of Biosphere Reserves and has been nominated as a world heritage site.

When Congress designated the national monument in 1976, we recognized that more lands would be needed to protect this very special ecosystem and directed the Park Service to study which lands should be added. We have now reached a consensus and the entire South Carolina delegation supports the additions in this bill. Mr. Spence, Mr. Butler Derrick, Mr. Ravenel, and Mr. Spratt have worked closely with me to produce a bill that is bipartisan and worthy of everyone's support. I urge my colleagues to pass this legislation.

At full committee markup, my colleague from Wyoming [Mr. Cheney] offered an amendment dealing with Federal mineral royalties. This amendment has bipartisan support and was adopted by the committee. It requires the Federal Government to share with the States any interest collected on late payment of royalties for Federal minerals, in the same way that it shares the royalties themselves. Furthermore it permits the States to keep late payment interest receipts previously received, but recently found to be authorized according to an Interior Department solicitor's opinion.

Mr. Speaker, I reserve the balance of my time.

Mrs. VUCANOVICH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we support this legislation which is sponsored by the entire South Carolina delegation. As the subcommittee chairman has explained, the legislation would expand an existing national monument as well as provide for the designation of wilderness within the monument.

Mr. Speaker, as the chairman has indicated, we did adopt an amendment in committee to pay interest to the States on the onshore mineral production under the Surface Mining and Reclamation Act. Because of the lack of clear authority, the administration was unsure whether or not it could pay to the States these interest payments which the States rightfully deserve.

Mr. Speaker, returning to Congaree, I would like to commend my colleague, Floyd Spence, who is one of the primary sponsors of this legislation, for the leadership he provided in moving this bill.

□ 1400

Mr. Speaker, I yield such time as he may consume to the gentleman from South Carolina [Mr. Spence].

Mr. SPENCE. Mr. Speaker, I rise in support of S. 2018, legislation to expand the boundaries of the Congaree Swamp National Monument. As the sponsor of the House version of this bill, H.R. 4027, I would like to express my deep appreciation to Chairman Vento for his interest in Congaree and his help in moving this legislation forward. I would also like to thank the distinguished chairman of the Interior Committee, Mr. Udall, for his assistance in providing for the consideration of this bill.

Mr. Speaker, I was pleased to have been the sponsor of the bill that established the Congaree Swamp National Monument in my district back in 1976. At that time, the unique characteristics of Congaree were recognized along with the need to preserve the rare and rapidly disappearing southern bottomland hardwood forest. The purpose of the present legislation, which is supported by the entire South Carolina delegation as well as our former colleague, Gov. Carroll Campbell, would add approximately 7,000 acres to the monument in order to facilitate more efficient management of this resource. Every effort was made to satisfy all parties and the current landowners are agreeable to selling at a fair market value. Also, Congaree is situated only 20 miles from the capital city of Columbia and adding these acres would protect Congaree from the threats of encroaching development, environmental degradation, and habitat destruction.

The environmental virtues of Congaree Swamp National Monument are many. It is home to several endangered species and ancient trees. In 1983, Congaree became the first area in South Carolina to be included in UNESCO's Biosphere Reserve and it has been nominated for recognition as a World Heritage Site. With the international reputation of Congaree growing, the number of visitors per year has risen dramatically from 190 visitors in 1978 to 24,000 already in 1988. Scientists at the University of South Carolina have contacted me with their deep interest in conducting important research in the monument to advance the understanding of wetland forest ecosystems.

The Congaree Swamp National Monument has proven to be a valuable asset not only to the Southeastern United States but to the Nation as a whole. With S. 2018, we are giving the necessary expansion to the monument that will make it a vital resource not only for South Carolinians but for all Americans. I hope that my colleagues will join me in supporting this bill.

Mr. Speaker, I thank the gentlewoman for yielding time to me.

Mr. VENTO. Mr. Speaker, I yield such time as he may consume to the gentleman from South Carolina [Mr. Derrick] who has been a strong supporter of this legislation.

Mr. DERRICK. Mr. Speaker, I want to have a colloquy with the chairman of the subcommittee, the gentleman from Minnesota [Mr. Vento]. But before that I want to just say again how pleased I am that our colleague from South Carolina [Floyd Spence] I believe this is the first time he is before this body on any legislative matters since his recent recovery from being away from us for a long time; how pleased we are that he is here.

Mr. SPENCE. I thank the gentleman. It is great to be back.

Mr. DERRICK. Mr. Speaker, I would like to have a colloquy with the gentleman from Minnesota [Mr. Vento].

Mr. Speaker, I am concerned about the valuation of four parcels of land which will be acquired for the Congaree Swamp National Monument under the terms of this bill. These parcels are located between the current monument and the Congaree River. In the Interior Committee report accompanying this bill it is stated that "* * * the lands of issue, since the inception of the monument project in 1976, have been viewed by the National Park Service as natural components of the monument."

Am I to understand that the committee considers that these lands are within the scope of the original project?

Mr. VENTO. Mr. Speaker, will the gentleman yield?

Mr. DERRICK. I yield to the gentleman from Minnesota [Mr. Vento].

Mr. VENTO. I thank the gentleman for yielding.

Mr. Speaker, that is correct. We believe that these four parcels are and have been within the scope of the original 1976 acquisition proposal by the National Park Service.

Mr. DERRICK. I thank the gentleman for that clarification.

Mr. Speaker, I would also like to ask the gentleman whether it is his belief that the depreciating effect of a Federal project like the Congaree Swamp National Monument should not be accounted for in the valuation process of other parcels?

Mr. VENTO. Mr. Speaker, the determination of value is the responsibility of the courts. I would expect that the courts would evaluate many factors including depreciating or appreciating effects of an adjacent national monument or park.

Mr. DERRICK. I thank the gentleman for his help on this matter.

Mrs. VUCANOVICH. Mr. Speaker, I yield 2 minutes to the gentleman from South Carolina [Mr. Ravenel].

Mr. RAVENEL. Mr. Speaker, I thank the gentlewoman for yielding time to me.

Mr. Speaker, I strongly support H.R. 4027 to expand the Congaree Swamp National Monument. It is almost impossible for us living in the 20th century to conceive of the awesome beauty of this country prior to the colonial period. Fresh water aquifers gushing from the ocean floor greeted the early colonists as they approached the new world by ship. Along South Carolina's coast, vast maritime forests of ancient magnolias and live oaks 10 feet in diameter draped with Spanish moss harbored noisy flocks of native parakeets. Red wolves and secretive panthers preyed on herds of elk and deer. With each generation, this magnificent past fades further from memory. This is a loss that our Nation cannot bear. Fortunately, we have preserved parts of our rich natural legacy for the future. The Congaree Swamp National Monument was once part of a wide band of Virgin Bottomland Forest that bordered the rivers of the Southeastern United States.

Today, the Congaree is a unique and irreplaceable remnant of that ancient forest. It is a botanical and ornithological gem, containing giant bald cypress, southern red oaks, loblolly pines, and tupelo gums. In the forest reside 5 national and 12 State record trees. More than 10 species of birds nest in the Congaree including such rare and endangered species as the Swainson's warbler, red-cockaded woodpecker, and swallow-tailed kite. Even during the day, the swamp resonates with the calls of barred owls. At night, bobcats and wild boar roam the forest. Amazingly, this primeval wilderness is just 20 miles south of Columbia, South Carolina's capitol city. One hundred years ago, Henry Thoreau said, "A town is saved not so much by the good people in it, as by the swamps that surround it." Thoreau could have had no better subject in mind than the Congaree. Within the past 200 years, more that 50 percent of our country's original stock of forest wetlands have been destroyed or degraded. We are extremely fortunate that we have the opportunity today to save not just an additional 7,000 forested wetland acres, but to preserve in perpetuity one of the most outstanding swamp forests remaining in this country.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I think it is obvious that there is a great deal of enthusiasm in the delegation from South Carolina and members of the subcommittee for this addition. In lieu of the absence of the gentleman from South Carolina, Mr. Spence, because of illness, he had a lot of strong advocates in the gentleman from South Carolina, Mr. Ravenel, the gentleman from South Carolina, Mr. Butler Derrick, and especially the gentleman from South Carolina, Mr. Spratt, who has taken a real personal interest in this legislation.

Mr. Speaker, I am pleased to yield such time as he may consume to the gentleman from South Carolina [Mr. Spratt].

Mr. SPRATT. Mr. Speaker, first may I echo what the gentleman from South Carolina, Mr. Butler Derrick just said. It is good not just to see the gentleman from South Carolina [Mr. Spence] back, but back in harness and here on the floor of the House hard at work.

He and our colleague, the gentleman from South Carolina [Mr. Ravenel] have pretty well stated the case for Congaree Swamp. I am tempted to provide the House with a translation in a normal dialect of what Mr. Ravenel has just said, but I will forebear from that. I think we have heard him enough now that we can understand him.

Suffice it to say that this is a superb price of legislation and we have nothing but gratitude for the chairman of the subcommittee and the chairman of the full committee for the splendid manner in which they have cooperated with us in moving it.

When the Congress created the Congaree National Monument in 1976, Congress recognized that the boundaries might not be exactly what they would require for a proper suitable boundary for this fine resource.

The National Park Service was instructed to examine the boundaries and the surrounding and adjacent properties and determine whether or not and to what extent additional properties needed to be added.

A couple of years ago the National Park Service issued a report in which they said the existing boundaries are operationally submarginal.

What we do by this bill, this piece of legislation, is expand the boundaries or at least authorize the expansion up to 7,000 acres, adding about 50 percent to its existing size. That means that on the east and the west access to the monument will be made much easier and on the south side the boundaries will be extended all the way to the Congaree Swamp which will take in much of the habitat and resources that are not now covered.

Not all of this is pristine wilderness as the existing monument is, but some of it can be reforested and by protecting the boundaries we can protect the facility as a whole.

You can already tell that our delegation fervently supports it; we urge you to do the same.

Mr. SPRATT. Mr. Speaker, I rise to express my strong backing for H.R. 4027, legislation we are considering today to expand the Congaree Swamp National Monument by 7,000 acres. The Senate adopted the companion bill in the Senate, S. 2018 last July and House and Senate conferees to the Interior Department appropriations bill have agreed to include $3 million in the spending measure for Congaree Swamp. Both of these actions underscore the importance of House adoption of H.R. 4027 today before congressional adjournment next month.

The monument was established by Congress in South Carolina in 1976 to protect the unique and rapidly disappearing southern bottomland hardwood forest. The monument area contains both a variety of endangered species as well as extraordinary examples of ancient trees. Because it represents such a valuable resource, in 1983, Congaree became the first area in South Carolina to be included in UNESCO's Biosphere Reserve and it has been nominated for recognition as a world heritage site.

H.R. 4027 is needed because the existing monument boundaries are not suitable for resource protection, scenic integrity or management. H.R. 4027 would expand the existing boundaries of the Congaree Swamp Monument by 7,000 acres from its current size of 15,000 acres. This expansion would protect the monument while saving additional areas in need of preservation. According to a November 1987 National Park Service report, the monument in its existing boundaries "is operationally submarginal." The present configuration contains numerous gaps and it omits valuable adjacent areas which are now in danger of being purchased by lumber companies. Congress itself recognized the difficulties with Congaree's existing boundaries when it originally established the monument by authorizing the study of adjacent areas which should be included at a later date. By authorizing the purchase of up to an additional 7,000 acres in the immediate vicinity, S. 2018 would remedy the problems by creating a more suitable boundary area.

H.R. 4027 and its companion Senate bill, S. 2018 are being unanimously supported by the South Carolina delegation in the House and Senate because South Carolinians know the importance of the Swamp. The bill's supporters are very encouraged by the Senate passage of S. 2018 and congressional backing for $3 million in the Interior Appropriations bill for Swamp acquisition. But House passage of H.R. 4027 before congressional adjournment is essential for the Swamp's expansion to begin. I urge the House to act swiftly in approving this legislation.

Mrs. VUCANOVICH. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I urge passage of this legislation.

The SPEAKER pro tempore. (Mr. GRAY of Illinois). The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the Senate bill, S. 2018, as amended.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the Senate bill, as amended, was passed.

A motion to reconsider was laid on the table.

OMNIBUS NATIONAL PARKS AND PUBLIC LANDS ACT OF 1988

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 1693) to amend the National Trails System Act to provide for a study of the Coronado Trail, and for other purposes, as amended.

The Clerk read as follows:

S. 1693

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECION 1. SHORT TITLE AND TABLE OF CONTENTS.

This Act, together with the following table of contents, may be cited as the "Omnibus National Parks and Public Lands Act of 1988".

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TITLE I—PUBLIC LANDS

SEC. 101. PUBLIC LANDS AND NATIONAL FOREST ADJUSTMENTS.

(a) PHILLIPS COUNTY, MONTANA.—

(1) AUTHORIZATION OF EXCHANGE.—Notwithstanding the order of the United States District Court for the District of Columbia dated February 10, 1985, in Civil Action No. 85-2238, the Secretary of the Interior (hereafter in this subsection referred to as "the Secretary") is hereby authorized to revoke applicable public land orders, to revoke withdrawals, to terminate classifications, and to take such other actions as the Secretary determines necessary in order to consummate, in accordance with applicable law, an exchange of lands with Phillips County, Montana, as described in Bureau of Land Management Land Report Serial Number M-66965, dated May 8, 1986, if the Secretary determines such exchange to be in the public interest.

(2) CONDITIONS OF EXCHANGE.—

(A) MANAGEMENT.—Nothing in this subsection shall be construed as enlarging or diminishing the extent to which the United States or any other party may be responsible, under applicable laws of the United States or the State of Montana, for proper management of lands involved in the exchange described in paragraph (1) (including control of public access to such lands) or for management, control, removal, or other actions related to any hazardous substances or other materials located on such lands.

(B) HAZARDOUS SUBSTANCES.—Prior to consummating the exchange described in paragraph (1), the Secretary shall advise the county and appropriate officials of the United States and the State of Montana concerning any information, from inspection or otherwise, the Secretary has concerning hazardous substances or other materials (including, but not limited to, industrial solvents or wastes) located on such lands.

(b) VETERAN, WYOMING TOWNSITE.—

(1) SURVEY AND PLAT.—As soon as possible after the date of enactment of this Act, the Secretary of the Interior (hereafter in this subsection referred to as "the Secretary")

shall resurvey and prepare a new plat for the townsite of Veteran, Wyoming, to take into account the actual and common use of streets and alleys on such lands for designation as public reservations in accordance with the Act of April 16, 1906 (34 Stat. 116).

(2) PATENT AND SALES.—

(A) PATENT.—(i) After completion of the work required to complete the survey and plat required under paragraph (1), the Secretary shall patent the title of the United States in and to the public reservation lands referred to in paragraph (1) to Goshen County, Wyoming.

(ii) Title of the United States in and to a 90 feet by 75 feet lot of approximately 0.15 acres which is described in the records of the Goshen County, Wyoming, clerk's office as "a tract in southwest corner of town of Veteran, Block 40 in the original town of Veteran," shall be patented to Goshen County United School District Number One.

(B) DISPOSAL, ETC.—The Secretary, acting through the Commissioner of Reclamation, is authorized to dispose of Federal lands within the townsite area for fair market value, by negotiated or public sale, and to revoke withdrawals, terminate classifications, and take other steps necessary to implement this subsection, notwithstanding the order of the United States District Court for the District of Columbia dated February 10, 1985, in Civil Action No. 85-2238.

(c) MATTERS INVOLVING LANDS IN THE STATE OF UTAH.—

(1) FARMINGTON CITY EXCHANGE.—

(A) EXCHANGE.—(i) Subject to valid existing rights if Farmington City, Utah (hereafter in this paragraph referred to as the "city"), transfers to the United States all right, title, and interest of the city in and to the land described in clause (ii)(I) of this paragraph, the Secretary of Agriculture (hereafter in this paragraph referred to as the "Secretary") shall transfer to the city all right, title, and interest of the United States in and to the land described in clause (ii)(II). Any land acquired by the United States under this paragraph shall be added to and managed as part of the Wasatch National Forest.

(ii)(I) The land referred to in clause (i) to be transferred by the city is that land depicted as parcels Ai, Aii, and Aiii on the map entitled "Farmington Exchange" and dated May 1988.

(II) The land referred to in clause (i) to be transferred by the United States is that land depicted as parcel Bi on the map referred to in subclause (I).

(iii) Before transferring land to the city pursuant to this subparagraph, the Secretary shall appraise the values of the lands described in subclauses (I) and (II) of clause (ii). If, based on such appraisal, the fair market value of the lands being transferred to the city is not equal to the fair market value of the lands to be transferred to the United States, the Secretary shall require the city to pay, or shall pay to the city, an amount sufficient to equalize such values.

(B) CITY OR STATE LANDS WHICH MAY BE EXCHANGED.—(i)(I) Within the 3-year period beginning on the date of enactment of this Act, the Secretary, in conjunction with the city and the State of Utah, shall identify city or State lands which are suitable for transfer to the United States for national forest purposes in exchange for the Federal lands depicted as parcels Bii, Biii, Biv, Bv, and Bvi on the map referred to in subparagraph (A)(ii)(I).

(II) Subject to valid existing rights, if within such period Farmington City or the State (as the case may be) transfers to the United States the city or State lands identified pursuant to subclause (i), the Secretary shall transfer the appropriate Federal lands depicted as parcels Bii, Biii, Biv, Bv, and Bvi on the map referred to in subparagraph (A)(ii)(I) to Farmington City or the State, as appropriate. The values of lands exchanged under this section shall be of equal value as determined by the Secretary, or, if they are not of equal value, the values shall be equalized by payment to or by the Secretary so long as the payment does not exceed 25 percent of the total value of the lands transferred out of Federal ownership.

(ii) In lieu of an exchange under clause (i), the Secretary may transfer by sale for fair market value the Federal lands depicted as parcels Bii, Biii, Biv, Bv, and Bvi on the map referred to in subparagraph (A)(ii)(I) to the city or the State of Utah, as appropriate.

(2) KANAB CITY TRANSFER.—

(A) WITHDRAWAL.—Subject to valid existing rights, all public lands located within the city limits of Kanab City, Utah (as such limits stood on April 1, 1988) are hereby withdrawn from all forms of entry and appropriation under the public land laws, including the mining laws, and from operation of the mineral leasing and geothermal leasing laws. The withdrawal under this subsection shall terminate on the date which is five years after the date of enactment of this Act.

(B) RIGHT OF KANAB CITY TO PURCHASE CERTAIN WITHDRAWN LANDS.—As soon as possible after the date of enactment of this Act, the Secretary of the Interior (hereafter in this paragraph referred to as the "Secretary") shall determine which public lands withdrawn by subparagraph (A) meet the disposal criteria specified in section 203(a) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1713(a)) and shall notify the city of Kanab City concerning such determination. For the 4-year period beginning on the date of enactment of this Act, the city of Kanab City, Utah, shall have the exclusive right to purchase any public lands withdrawn by subparagrah (A) that the Secretary has determined to be suitable for disposal.

(C) PUBLIC SALE.—After the expiration of the period of exclusive right specified in subparagraph (B), the Secretary may offer any lands covered by such exclusive right for sale under appropriate provisions of the Federal Land Policy and Management Act of 1976, but the city of Kanab City, Utah, shall be given the opportunity to meet the high bid offered by any other party and if such city matches such high bid, the city shall be declared the highest bidder and allowed to purchase the property offered for sale.

(D) TERMS AND CONDITIONS.—All sales of public lands under this paragraph shall be for fair market value and subject to valid existing rights, and the Secretary may attach such conditions to any sale under this paragraph, and any patent issued in consequence of such sale, as the Secretary determines necessary or appropriate.

(3) RIVERDALE.—

(A) AUTHORIZATION FOR SALE.—If not later than one year after the date of enactment of this Act the city of Riverdale, Utah, submits to the Secretary of the Interior a request to release and quitclaim to the city all right, title, and interest of the United States in and to the property described in subparagraph (B), the Secretary is authorized to release and quitclaim such right, title, and interest, in accordance with this paragraph.

(B) PROPERTY DESCRIPTION.—The property referred to in subparagraph (A) is that certain parcel of land, comprising approximately 13.6 acres transferred to the city of Riverdale, Utah, by the United States by a deed dated April 30, 1975, as generally depicted on the map entitled "Riverdale City Parcel" dated May 1988.

(C) CONSIDERATION.—A release and quitclaim under this paragraph shall be in consideration for payment by the city of Riverdale, Utah, to the United States of the fair market value of the right, title, and interest of the United States in the property described in subparagraph (B) and shall have the effect of releasing any restrictions imposed on the use of such property by the deed referenced in such subsection. Such fair market value shall not include the value of improvements on such property.

(D) DISPOSITION OF FUNDS.—All funds received by the United States from the city of Riverdale, Utah, in consideration for a release and quitclaim under this section shall be covered into the land and water conservation fund in the Treasury of the United States and shall be available for expenditure in accordance with the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*-4 et seq.).

(d) OREGON TRAIL.—

(1) END OF THE OREGON TRAIL STUDY.—

(A) STUDY.—In furtherance of the interpretation and commemoration of the Oregon National Historic Trail, the Secretary of the Interior (hereafter in this subsection referred to as the "Secretary") is authorized and directed to conduct a study to determine the feasibility and desirability of protecting and preserving those lands and resources associated with the western terminus of the Oregon Trail in Oregon City, Oregon.

(B) CONSULTATION AND COORDINATION.—As part of such study, the Secretary shall consult with other interested Federal agencies and State and local bodies, and the study shall be coordinated with applicable outdoor recreation plans and related plans for the preservation of historic and natural resources in the area.

(C) REPORT.—Within one year after the date of enactment of this Act, the Secretary shall make a report of the Secretary's findings and recommendations to the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the Senate. The report of the Secretary shall include, but not be limited to, findings with respect to the historical and natural values of the lands and resources involved, and recommendations as to the historic preservation and markings of the area.

(D) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this subsection.

(e) CLARK COUNTY, NEVADA.—

(1) CATHOLIC DIOCESE OF RENO/LAS VEGAS, NEVADA.—

(A) FINDINGS.—The Congress finds the following:

(i) In 1949 Marie D. Lawton purchased from Clark County in a tax sale 40 acres of land in Clark County, Nevada.

(ii) She paid taxes on this property until her death in 1975, at which time the property was bequeathed to the Roman Catholic Diocese of Reno/Las Vegas to be used to benefit the Home of the Good Shepherd, which works with troubled young women in the western States.

(iii) Since 1975 the Diocese has paid taxes on the property.

(iv) It has recently been discovered that Clark County erred in selling the property in 1949 since the land at that time was actually in the public domain.

(B) Purpose.—The purpose of this paragraph is to convey this property to the Diocese of Reno/Las Vegas so it may be sold to benefit the Home of the Good Shepherd.

(C) Conveyance.—Subject to valid existing rights and notwithstanding any other provision of law, the Secretary of the Interior shall convey without consideration to the Catholic Diocese of Reno/Las Vegas, Nevada, the lands described as follows: one 40-acre parcel comprising the northwest one-quarter of southwest one-quarter of section 13 township 19 south range 61 east Mount Diablo base line and meridian, subject to the limitations of section 603 of this Act. The administrative costs of such conveyance shall be borne by the Catholic Diocese of Reno/Las Vegas, Nevada.

(2) Reservation of right-of-way.—Conveyance of land pursuant to paragraph (1) shall be subject to a right-of-way and construction easement which shall be reserved to the United States to accommodate flood control facilities of the Clark County Regional Flood Control District. Said right-of-way shall be no more than 75 feet in width and 1,320 feet in length, and shall be located in accordance with the Clark County Flood Control District Master Plan.

(f) Coal Mining Heritage Study.—

(1) Study.—The Secretary of the Interior, acting through the Director of the National Park Service, is authorized and directed to conduct a study to determine the feasibility of protecting and preserving certain significant cultural, historic, and natural resources associated with the coal mining heritage of southern West Virginia. The study shall include, but not be limited to, the identification of:

(A) Specific sites and points of interest associated with the coal mining heritage of West Virginia, the Appalachian Region, and the Nation.

(B) The historic and cultural values of such sites and points of interest.

(C) The relationship between such sites and points of interest with the natural, scenic, recreational, cultural, and historic resources in the region managed by State or Federal agencies, including State and national park system units, recreational lakes, State forest system units, and historic landmarks.

(D) A vehicular tour route along existing public roads linking such sites, points of interest, and such other resources managed by State or Federal agencies.

(2) Consultation and coordination.—As part of such study, the Secretary shall consult with other interested Federal agencies, State and local government authorities, and nonprofit organizations.

(3) Area to be studied.—The study shall focus on the eleven county area consisting of Cabell, Wayne, Mingo, Logan, McDowell, Wyoming, Raleigh, Mercer, Boone, Fayette, and Summers Counties, West Virginia.

(4) Report.—Within one year after the date of enactment of this Act, the Secretary shall make a report of his findings to the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the Senate.

(5) Authorization of appropriations.—There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this subsection.

SEC. 102. DESERT LAND ENTRY IN THE VICINITY OF DINOSAUR NATIONAL MONUMENT.

(a) Entry and Patent.—Notwithstanding any other provision of law or any order of land classification based thereon, the Secretary of the Interior is authorized to consider an application for desert land entry covering approximately 280 acres of public lands, 105 of which constitute a part of a scenic easement area of the Dinosaur National Monument, Utah, as identified on a map entitled "Desert Land Entry—Dinosaur National Monument—October 1, 1987.". If the applicant meets the requirements of subsection (b) of this section, the Secretary shall issue a patent to the applicant in accordance with the Desert Land Entry Act (43 U.S.C. 321 et seq.). Such patent shall reserve to the United States a right-of-way 200 feet in width for the Dinosaur National Monument entrance road.

(b) Preconditions.—The Secretary shall not issue a patent to the lands described in subsection (a) until the applicant has: (1) complied with the requirements of the Desert Land Entry Act; and (2) conveyed to the United States, at no cost, title to scenic easements for purposes of Dinosaur National Monument on lands identified by the National Park Service as tracts 07-114, south half; 07-115, the complete tract.

(c) Restrictions in Scenic Easement Deed.—The scenic easements acquired by the Secretary and any patents issued by the Secretary under this section shall be subject to the restrictions set forth in the scenic easement deed dated March 16, 1967, and filed in the records of Moffat County, Colorado, at pages 2 and 3 of book 341 of the deed of records of the county.

SEC. 103. IMPROVEMENT IN MANAGEMENT OF CERTAIN PUBLIC LANDS IN THE STATE OF MICHIGAN.

(a) Short Title; Findings and Purposes; Definitions.—

(1) Short title.—This section may be cited as the "Michigan Public Lands Improvement Act of 1988".

(2) Findings.—Congress hereby finds and declares that—

(A) within the State of Michigan there are a number of small scattered islands and upland tracts that are in Federal ownership and under the jurisdiction of the Bureau of Land Management;

(B) the public interest would be best served if these Federal islands and upland tracts continue to be managed for public recreation; preservation of open space; and for the protection of their fish, wildlife, and plants and their scientific, historic, cultural, geologic, and other resources and values;

(C) many such islands and upland tracts are not suitable for inclusion in the National Park System, National Forest System, National Wildlife Refuge System, or other Federal conservation system or for efficient management by the Bureau of Land Management;

(D) the State of Michigan is prepared and willing to undertake to manage such islands and upland tracts for such purposes and subject to appropriate conditions, but existing mechanisms for enabling the State to undertake such management are cumbersome and inefficient as applied to such small, scattered islands and tracts;

(E) elsewhere in Michigan there are unpatented lands which for many years have been in the possession of parties other than the United States but the title to which is clouded because of claims arising under public land laws or otherwise involving possible Federal residual interests;

(F) existing authorities for Federal resolution of such conflicts, and for removal of such clouds on title, are often not well suited for efficient, expeditious action that appropriately protects the interests of all parties, including the United States; and

(G) legislation to facilitate appropriate management by the State of such islands and upland tracts and to facilitate resolution of such claims and removal of such clouds would be in the public interest and would be a suitable recognition of the completion of Michigan's one hundred and fiftieth year of statehood.

(3) Purposes.—This section is intended to provide for better management of public lands located in the State of Michigan by—

(A) transferring certain specified unclaimed islands and uplands and certain other public lands to such State for purposes of public recreation, protection of fish, wildlife, and plants, and the protection of resources and values; and

(B) authorizing the Secretary of the Interior to resolve claims to certain other public lands in Michigan and to transfer such lands to claimants thereof on terms that recognize the equities of such claimants in such lands.

(4) Definitions.—As used in this section:

(A) The term "listed uplands and islands" means those vacant, unappropriated, and unreserved public lands located in the State of Michigan which are specified in the list entitled "Michigan Uplands and Islands Appropriate for State Management" dated June 1988, on file in the Office of the Secretary of the Interior.

(B) The term "public lands" has the same meaning as specified in section 103(e) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1702(e)).

(C) The term "claim" means an assertion by a party other than the United States that such party has title to a parcel or tract of land.

(D) The term "Recreation and Public Purposes Act" means the Act of June 14, 1926, as amended (43 U.S.C. 869 et seq.).

(E) The term "Secretary" means the Secretary of the Interior.

(F) The term "State" means the State of Michigan.

(b) Grant to State.—

(1) Unclaimed areas.—Effective 180 days after the enactment of this section and subject to its terms and conditions, the right, title, and interest of the United States in and to all listed uplands and islands, surveyed and unsurveyed, in the Great Lakes, inland lakes and rivers, and other bodies of water within the State which as of January 1, 1988, were not subject to any claim identified on the records of the Bureau of Land Management, are hereby granted to the State.

(2) Claimed areas.—Any listed uplands and islands which were subject to a claim identified on the records of the Bureau of Land Management on January 1, 1988, may be sold by the Secretary to the claimant or claimants thereof under subsection (c). No later than 180 days after the date of enactment of this Act, the Secretary shall notify such claimant or claimants concerning the Secretary's authority for such sales. The right, title, and interest of the United States in and to any such listed uplands and islands not purchased by such claimant or claimants within 10 years after the enactment of this Act shall be transferred by the Secretary to the State under and subject to this section at the end of such 10 years, and any claim to any such listed uplands and is-

lands by any party other than the State shall not thereafter be enforceable in any court of the United States.

(3) Prior transfers.—

(A) Title to the surface estate in all public land which on the date of enactment of this Act was subject to leases issued under the authority of the Recreation and Public Purposes Act to the State, its departments, agencies, and bureaus, shall be deemed to have been granted to and vested in the State under this section on such date and shall thereafter be exempt from the requirements of the regulations of the Department of the Interior governing leases under the Recreation and Public Purposes Act, but shall be subject to the provisions of this section.

(B) Upon reversion and acceptance of public land in Michigan which prior to the date of enactment of this Act was leased or patented under the Recreation and Public Purposes Act to entities other than the State, its departments, agencies, and bureaus, the surface estate in such lands shall be transferred by the Secretary to the State pursuant to and subject to the provisions of this section.

(C) If, in order to bring lands under the provisions of this section, the State notifies the Secretary that the State desires to relinquish to the United States the right, title and interest of the State in and to any lands which prior to the date of enactment of this Act were patented to the State (or to any department, agency, or bureau of the State) under the authority of the Recreation and Public Purposes Act, the Secretary shall transfer such relinquished lands to the State under and subject to the provisions of this section. Such transfer shall be effective at the same time that the State's relinquishment is effective.

(c) Resolution of Claims.—

(1) Sales.—In accordance with the provisions of this subsection, the Secretary is authorized to sell and issue a patent to a tract of public land located in Michigan to an applicant for such sale where the Secretary determines that—

(A) such tract does not exceed 1,500 acres and, because of its location or other characteristics, is difficult and uneconomic to manage as part of the public lands and is not suitable for management by another Federal department or agency, and

(B) such sale would not be inconsistent with land use plans developed in accordance with section 202 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712).

(2) Price adjustments.—Notwithstanding any other provision of law, following adjudication of any claims the Secretary may, at the Secretary's discretion, convey land pursuant to this subsection at fair market value, less equities presented by an applicant for such conveyance and less the value of any improvements that the applicant or the applicant's predecessors in interest have placed on the land. Such equities may include (but are not limited to)—

(A) the amount paid for the land by the applicant;

(B) longevity of applicant's claim;

(C) taxes paid on the land; and

(D) other equities as the Secretary may determine relevant.

(3) Descriptions.—Any tract of public land conveyed pursuant to this subsection shall be described in accordance with the Public Land Survey System as reflected on the approval Federal plat of survey. Where a tract does not conform to an existing survey plat, the Secretary may either—

(A) convey title to a trustee, qualified under the laws of the State to act as a trustee and acceptable to the Secretary, acting on behalf of more than one applicant to whom such trustee shall be required to transfer such tract, in order to conform the legal description to such plat; or

(B) require an applicant to reimburse the United States for the cost of preparing a plat of survey.

No costs incurred by a trustee in implementing this paragraph shall be borne by the United States.

(4) Applicability and procedure.—

(A) This subsection shall apply only to tracts specified in subsection (b)(2) and to other tracts of public lands in Michigan whose sale is requested by persons or entities asserting claims thereto.

(B) No sale under this subsection shall take place before 30 days after the Secretary has published in a newspaper of general circulation in the county where a tract proposed for sale is located a notice of the Secretary's determination that such tract is eligible for sale under this subsection and that the Secretary intends to offer such tract for sale. Such notice shall indicate the size and general location of the tract and the name or names of the claimant or claimants to whom the Secretary intends to sell such tract.

(d) Reservations and Conditions.—

(1) Mineral reservation.—All lands granted by, and any patent or document of conveyance or other transfer issued pursuant to, this section shall be subject to the reservations to the United States of all minerals in the lands granted, conveyed, or otherwise transferred, together with the right to prospect for, mine, and remove the minerals under applicable law and such regulations as the Secretary may prescribe, except that in the case of sales under subsection (c) the Secretary may convey the minerals together with the surface in accordance with section 209 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1719).

(2) Other conditions.—

(A) The lands granted or otherwise transferred to the State under this section shall not be conveyed or otherwise transferred by the State to any person or entity other than a political subdivision of the State.

(B) The lands granted or otherwise transferred to the State under this section shall be used only for purposes of—

(i) public recreation;

(ii) protection of fish and wildlife (including habitat) and plants; or

(iii) the protection of the scenic, scientific, historic, cultural, geologic, and other resources and value of such lands.

(C)(i) If the State attempts to convey or otherwise transfer title to any part of the lands granted or otherwise transferred to the State under this section to any person or entity other than a political subdivision of the State, all right, title, and interest in and to all such lands so granted or otherwise transferred to the State, together with all improvements thereon, shall revert to the United States.

(ii) If any political subdivision of the State attempts to convey or otherwise transfer title to any part of any lands granted or otherwise transferred to the State under this section (and conveyed or otherwise transferred to such subdivision by the State) to any person or entity other than the State, all right, title, and interest in and to all such lands so conveyed or otherwise transferred to such subdivision, together with all improvements thereon, shall revert to the United States.

(D)(i) If any part of the lands granted or otherwise transferred to the State under this section (and not further conveyed or otherwise transferred by the State to a political subdivision thereof) are used for any purpose incompatible with the purposes specified in subparagraph (B) of this paragraph, all right, title, and interest in and to all such lands in the ownership of the State, together with all improvements thereon, shall revert to the United States.

(ii) If any of the lands granted or otherwise transferred to the State under this section are conveyed or otherwise transferred by the State to a political subdivision of the State, use of part of any such lands for any purpose incompatible with the purposes specified in subparagraph (B) of this paragraph shall cause all right, title, and interest in and to all such lands conveyed or otherwise transferred to such political subdivision, together with all improvements thereon, to revert to the United States.

(e) Notice and Enforcement.—

(1) Public notice.—(A) As soon as practicable after the date of enactment of this Act, the Secretary, in consultation with appropriate officials of the State, shall take steps to notify residents of the State as to the nature and location of the listed uplands and islands to be granted or otherwise transferred to the State under this section.

(B)(i) The State shall provide notice in writing to the Secretary with regard to any conveyance or other transfer by the State to a political subdivision thereof of any of the lands granted or otherwise transferred to the State under this section. In the event that the State fails to provide such notice within one year after any such conveyance or transfer, such conveyance or transfer by the State shall be void ab initio and all right, title, and interest in and to the land covered by such attempted conveyance or transfer shall revert to the United States.

(ii) No later than 5 years after the date of enactment of this Act, and every 5 years thereafter, the State shall submit to the Secretary a report as to the present ownership, management, and use of the lands granted or otherwise transferred to the State pursuant to this section.

(iii) The Secretary shall maintain in the Secretary's offices in the District of Columbia and in an appropriate office in the State a current listing of the lands granted or otherwise transferred to the State under this section, including a record of which if any of such lands have been conveyed or otherwise transferred by the State to a political subdivision thereof.

(2) Enforcement.—(A) Any person may submit to the Secretary a complaint alleging that the State or a political subdivision thereof has failed to comply with the requirements of this section or that actions have occurred which have had the effect of causing the reversion to the United States of some or all of the lands granted or otherwise transferred to the State under this section.

(B) In the event that the Secretary determines that a complaint received under this paragraph is supported by evidence sufficient to warrant further investigation, the Secretary shall investigate the matter.

(C) If, as a result of an investigation under subparagraph (B) or for any other reason, the Secretary determines that title to some or all of the lands granted or otherwise transferred to the State under this section has reverted to the United States pursuant to this section, the Secretary shall take all necessary steps to enforce such revision and to stop use of any part of such lands for any purpose incompatible with the purposes specified in subsection (d)(2)(B) of this section.

(D) Any lands which may revert to the United States under this section shall be retained and managed by the Secretary for the purposes specified in subsection (d)(2)(B) of this section.

(f) HUNTING AND FISHING.—Nothing in this section shall be construed as affecting the jurisdiction or responsibilities of the State of Michigan with respect to fish and wildlife (including the regulation of hunting, fishing, and trapping) in any lands granted or otherwise transferred to the State under this section.

SEC. 104. LANDS IN RIVERSIDE COUNTY, CALIFORNIA.

The survey—

(1) conducted in 1955 by Hugh M. Gallaher and Leo C. Carroll of Albert A. Webb Associates;

(2) recorded in book 22, pages 52 and 53, of the Records of Surveys of Riverside County, California; and

(3) depicting a portion of township 6 south, range 4 west, San Bernardino Meridian, California;

is hereby deemed the legal boundary survey of that portion of the township and therefore represents the true location of the legal description as monumented and platted.

SEC. 105. REINSTATEMENT OF A CANCELED ENTRY IN LAMAR COUNTY, ALABAMA.

(a) REINSTATEMENT OF CANCELED ENTRY.—Notwithstanding any other provision of law, the Secretary of the Interior shall execute such instruments as may be necessary to reinstate the entry in 1858 of William A. Wright to the land described in subsection (b).

(b) PROPERTY DESCRIPTION.—The land referred to in subsection (a) is the parcel comprising approximately 80.05 acres and more particularly described as the northwest quarter southeast quarter of section 14 and the northeast quarter southeast quarter of section 15, township 15 south, range 15 west, Huntsville, Meridian, Alabama.

SEC. 106. LAND CLAIM IN SUMTER COUNTY, ALABAMA.

(a) APPLICATION OF CERTAIN PROVISIONS OF COLOR-OF-TITLE ACT.—Notwithstanding any other provision of law, the limitation provision of section 1 of the Act of December 22, 1928 (45 Stat. 1069; 43 U.S.C. 1068), popularly known as the Color-of-Title Act, that restricts conveyances under that Act to not more than 160 acres, shall not apply to any claim for a patent that may be filed under the Color-of-Title Act for a parcel of land described as section 33, township 20 north, range 1 west, Sumter County, Alabama.

(b) OTHER PROVISIONS.—Except as otherwise provided in subsection (a), all provisions of the Color-of-Title Act shall apply to any claim for a patent under the Color-of-Title Act for the parcel of land described in subsection (a).

SEC. 107. DECLARATION OF ABANDONMENT OF RIGHT-OF-WAY.

(a) FINDINGS.—The Congress finds that—

(1) Southern Pacific Transportation Company is the successor grantee of the real property described in subsection (c).

(2) Through a petition to the Interstate Commerce Commission to be allowed to cease using such property for the provision of railroad services, through the removal of tracks, and through other actions, the Southern Pacific Transportation Company has taken steps to abandon and relinquish the real propery described in subsection (c).

(3) The county of Alameda (a political subdivision of the State of California wherein the real property described in subsection (c) is situated) has acted to include such property within its County System of Highways.

(4) Use for public purposes of lands granted for railroad rights-of-ways, including use of such land for highway, communications, and other public purposes as well as for public recreational trails or other recreational purposes, is in the national interest.

(b) DECLARATION OF ABANDONMENT, ETC.—

(1) ABANDONMENT OF RIGHT-OF-WAY.—The Congress hereby declares that the Southern Pacific Transportation Company has abandoned the real property described in subsection (c).

(2) U.S. INTEREST.—(A) Except as otherwise provided in this section, any and all right, title, and interest of the United States in the real property described in subsection (c) shall be retained and managed by the Secretary of the Interior for use as a public recreational trail or for other recreational purposes, as well as for such other uses as the Secretary may determine to be appropriate pursuant to applicable law, so long as such uses do not preclude trail use.

(B) Subparagraph (A) of this paragraph shall not apply to any portion of the real property described in subsection (c) embraced in a public highway in a manner meeting the requirements of the Act of March 8, 1922 (43 U.S.C. 912).

(C) Subsection (d) shall apply to all the real property described in subsection (c), regardless of whether any portion of such property may be covered by subparagraph (B) of this paragraph.

(3) LIMITATIONS.—(A) Nothing in this section shall be construed as expanding or diminishing any right, title or interest of any party other than the United States in the real property described in subsection (c) which under applicable law vested in any such party on or before the date of enactment of this Act.

(B) Nothing in this section shall be construed as requiring or permitting the acquisition by the United States of any right, title, or interest in the real property described in subsection (c) greater than any such right, title, or interest of the United States in such real property as of the date of enactment of this Act.

(c) DESCRIPTION OF PROPERTY.—

(1) IN GENERAL.—The property referred to in subsections (a), (b), and (d) is certain real property situated in the County of Alameda, State of California, forming a part of the right-of-way granted by the United States to the Central Pacific Railway Company in the Act entitled "An Act to aid in the Construction of a Railroad and Telegraph Line from the Missouri River to the Pacific Ocean, and to secure to the Government the Use of the same for Postal, Military, and Other Purposes", approved July 1, 1862 (12 Stat. 489).

(2) SPECIFIC DESCRIPTION.—The real property referred to in paragraph (1) involves certain real property situated in the unincorporated townships of Murray, Pleasanton, and Washington, and in the incorporated area of the cities of Union City and Fremont, and is more particularly described as follows:

(A) PARCEL 1.—A strip of land, 400 feet in width, acquired by the Central Pacific Railway Company by an Act of Congress dated July 1, 1862 (as shown on the map entitled "C.P.RY. Co. Oakland to Sacramento Main Line Via Niles and Tracy Map of Real Estate and Right of Way Properties through Alameda County, California" dated 1914 in Alameda County Road Department Files numbered A 77-32, A 77-33, and A 77-34), lying equally 200 feet on each side of the center line more particularly described in that certain Quitclaim Deed from the Southern Pacific Transportation Company, a Delaware corporation, to the County of Alameda, dated March 15, 1985, and recorded April 23, 1985, as Series No. 85-077990, Official Records of Alameda County, California.

(B) PARCEL 2.—Those strips of land varying in width acquired by the Central Pacific Railroad Company by an Act of Congress, dated July 1, 1862 (as shown on the map entitled "C.P.RY. Co. Oakland to Sacramento Main Line Via Niles and Tracy Map of Real Estate and Right of Way Properties through Alameda County, California" dated 1914, in Alameda County Road Department Files numbered A 77-26, A 77-27, and A 77-28), the center line of said strips of land being more particularly described in that certain Quitclaim Deed from the Southern Pacific Transportation Company, a Delaware corporation, to the County of Alameda, dated March 15, 1985, and recorded April 23, 1985, as Series No. 85-077991, Official Records of Alameda County, California.

(C) PARCEL 3.—Those strips of land varying in width acquired by—

(i) the Central Pacific Railroad Company under the Act referred to in subsection (a) (as shown on the map entitled "C.P.RY. Co. Oakland to Sacramento Main Line Via Niles and Tracy Map of Real Estate and Right of Way Properties through Alameda, County, California" dated 1914, in Alameda County Road Department Files numbered A 77-26, A 77-27, and A 77-28);

(ii) the Western Pacific Railroad Company by Order and Declaration dated June 22, 1868, concerning the Report of Commissioners in the matter of the Western Pacific Railroad Company against Matthew W. Dixon, et al., in the District Court of the Third Judicial District in and for the County of Alameda, State of California, a certified copy of the Order recorded September 7, 1869, in Book 43 of Deeds at page 262, Records of Alameda County, California; and

(iii) the Western Pacific Railroad Company by deed dated April 18, 1870, from Jonas G. Clark, recorded June 14, 1870, in Book 55 of Deeds at page 342, Records of Alameda County.

(d) RESERVATION AND RESTRICTIONS.—

(1) RESERVATION.—Any and all rights of the United States in and to all oil, coal, and other minerals in the real property described in subsection (c) shall be retained by and reserved to the United States, together with the right to prospect for, mine, and remove such oil, coal, and other minerals under applicable law.

(2) RESTRICTIONS.—Any portion of the real property described in subsection (c) embraced in a public highway in a manner meeting the requirements of the Act of March 8, 1922 (43 U.S.C. 912) shall be used only for such purposes (including but not limited to public recreational purposes) as may be authorized under laws of the State of California applicable to property forming part of such public highway. In the event that any portion of such real property should be used for any other purpose, or in the event that an attempt should be made to transfer ownership of any portion of such

real property to any party other than the State of California or a political subdivision thereof, there shall revert to and be vested in the United States all the right, title, and interest in such real property which the United States possessed on the date of enactment of this Act.

(e) MOUNTAIN WARFARE TRAINING CENTER.—Unless otherwise provided by law, the lands within the Toiyabe National Forest, in California, which have been used for purposes of the United States Marine Corps Mountain Warfare Training Center, shall be retained as part of such National Forest. The Secretary of Agriculture shall continue to make such lands available to the United States Marine Corps for purposes of such training center, subject to such restrictions as the Secretary of Agriculture finds appropriate to protect the natural, environmental, aesthetic, scientific, cultural, and other resources and values of such lands. So far as possible, consistent with use of such lands by the United States Marine Corps for purposes of the Mountain Warfare Training Center, the affected lands shall be open to public recreation and other uses.

SEC. 108. ENHANCEMENT OF NATIONAL FOREST AND PUBLIC LANDS OF NEVADA.

(a) FINDINGS AND PURPOSES.—

(1) FINDINGS.—The Congress finds that:

(A) The public lands transferred by this section contain valuable natural resources (such as watershed, range, outdoor recreation, and wildlife habitat) which will be enhanced by the professional, multiple-use management of the Forest Service; and that certain national forest lands would be enhanced by the professional multiple-use management of the Bureau of Land Management.

(B) The public which uses these natural resources will be benefited by such adjustments in management.

(C) The public lands transferred by this section to the jurisdiction of the Forest Service are adjacent to existing national forests and, in many cases, are part of the same watersheds and mountain ranges, and placing the management of these lands under the administration of one agency, the Forest Service, will improve efficiency and be cost effective; that similar efficiency and cost effectiveness will result from transferring jurisdiction of certain national forest lands to the Bureau of Land Management.

(D) There is a consensus in Nevada that certain lands should be added to the national forest system and that certain national forest system lands should be transferred to the Bureau of Land Management for management.

(2) PURPOSES.—The purposes of this section are as follows:

(A) To transfer to the jurisdiction of the Forest Service, United States Department of Agriculture, certain public lands in Nevada currently administered by the Bureau of Land Management, United States Department of the Interior. These public lands are contiguous to the Toiyabe and Inyo National Forests and will become National Forest System lands.

(B) To transfer to the jurisdiction of the Bureau of Land Management, United States Department of the Interior, certain lands in Nevada currently administered by the Forest Service, United States Department of Agriculture. These lands are contiguous to other public lands and will be managed as such.

(b) DEFINITIONS.—As used in this section—

(1) The term "public lands" means the lands administered by the Bureau of Land Management, United States Department of the Interior, as defined in section 103(3) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701(e)).

(2) The term "National Forest lands" or "National Forest System lands" means the lands administered by the Forest Service, United States Department of Agriculture, as defined in section 11 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1609(a)).

(c) TRANSFER OF LANDS.—

(1) TRANSFER OF PUBLIC LANDS TO THE FOREST SERVICE.—Effective 180 days after the enactment of this Act, the approximately 662,000 acres of public lands designated for inclusion in the National Forest System on 3 maps entitled "Nevada Interchange-A", dated January 1987, "Nevada Interchange-B", dated February 1988, and "Nevada Interchange-C", dated August 1988, are hereby withdrawn from the public domain, transferred to the jurisdiction of the Secretary of Agriculture, and shall become part of the Toiyabe National Forest or the Inyo National Forest, as appropriate.

(2) BOUNDARIES OF TOIYABE AND INYO NATIONAL FORESTS.—

(A) The boundaries of the Toiyabe National Forest and the Inyo National Forest are hereby modified to reflect the transfer of lands under paragraph (1).

(B) For the purpose of section 7 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601-9), the boundaries of the Toiyabe National Forest and the Inyo National Forest, as modified by this subsection, shall be treated as if they were the boundaries of those National Forests as of January 1, 1965.

(3) TRANSFER OF FOREST SERVICE LANDS TO THE BUREAU OF LAND MANAGEMENT.—Effective 180 days after the enactment of this Act, approximately 23,000 acres of national forest lands identified for management by the Bureau of Land Management on a map entitled "Nevada Interchange-A" and dated January 1987, are hereby transferred to the Secretary of the Interior.

(4) MAPS.—The maps referred to in paragraphs (1) and (3) shall be on file and available for public inspection in the offices of the Governor of Nevada, the Supervisors of the Toiyabe and Inyo National Forests, the Nevada State Director of the Bureau of Land Management, the Chief of the Forest Service, and the Director of the Bureau of Land Management. The Secretaries of Agriculture and the Interior may make minor changes to the maps to correct technical errors.

(5) PLANS.—Effective 180 days after enactment of this Act, lands transferred by paragraph (1) to the jurisdiction of the Secretary of Agriculture shall be subject to the planning requirements of section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, and lands transferred by paragraph (3) to the jurisdiction of the Secretary of the Interior shall be subject to the planning requirements of the Federal Land Policy and Management Act of 1976. All transferred lands shall continue to be managed in accordance with plans in effect on the date of enactment of this Act until considered in plans developed under applicable provisions of law. If no plans are in effect on the date of enactment of this Act, the respective transferred lands shall be managed in a manner consistent with other national forest or public lands, as the case may be, in the vicinity until a plan is developed under applicable provisions of law. Nothing in this section shall of itself require the amendment or revision of the existing plans governing public lands or national forest lands affected by the addition of or deletion of lands transferred by this section.

(d) WILDERNESS SUITABILITY.—

(1) BLM WILDERNESS STUDY AREAS.—Any area or portion thereof designated as a Bureau of Land Management Wilderness Study Area, which is made a part of the National Forest System by this Act, shall be managed by the Secretary of Agriculture in accordance with the provisions of section 603(c) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1782), to protect its wilderness character until Congress designates it as wilderness or releases it from further wilderness consideration. At the same time that the Secretary of the Interior submits wilderness recommendations to the Congress with regard to public lands in the State of Nevada, he shall also recommend to the Congress whether any wilderness study area or portion thereof transferred to the jurisdiction of the Forest Service by this Act should be included in the National Wilderness Preservation System.

(2) ROADLESS AREAS NOT RECOMMENDED AS WILDERNESS.—Any roadless area or portion thereof which is made a part of the National Forest System by this section and which has been considered but not recommended for designation as wilderness pursuant to section 202 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712) shall be deemed to have been adequately considered for wilderness for the purposes of the initial land management plans hereafter required for such lands by section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1604). The Secretary of Agriculture shall not be required to review the wilderness option for such area prior to the next regular revision of such plans for the national forest in question, but the Secretary of Agriculture shall review the wilderness option for such area when such plans are revised.

(3) OTHER PORTIONS.—If the Secretary of the Interior does not recommend for wilderness designation all or any portion of the 160 acres of land described in this paragraph, the Secretary of Agriculture is authorized to offer for sale all or any portion of such land not recommended for wilderness for at least fair market value. If the Secretary of Agriculture decides to sell such land, he shall give public notice of such sale, and shall establish a date within 6 months of such notice for the receipt of bids on such land. The Secretary of Agriculture shall sell such land to the party submitting the highest bid (at least equal to fair market value) on or before such date. The land is described as follows:

Mount Diablo Meridian
Township 20 South, Range 57 East
Section 28, Southeast ¼ of Southeast ¼
Northwest ¼ of Southeast ¼
Northeast ¼ of Northeast ¼
Section 34, Southwest ¼ of Northwest ¼

(4) NO ADDITION TO THE NATIONAL WILDERNESS PRESERVATION SYSTEM.—Nothing in this section shall be construed to add lands to the National Wilderness Preservation System.

(e) MANAGEMENT OF MINERAL RESOURCES.—Nothing in this section shall be construed to change the laws governing the management of mineral resources.

(f) ADMINISTRATION OF RECEIPTS.—The acreage added to the Toiyabe and Inyo National Forests in the State of Nevada by this section shall not be counted in determining the distribution of the Twenty-Five Percent Fund between the States of California and Nevada under the Act of May 23, 1908, as amended: *Provided, however,* That the acreage added to these forests shall be counted in the distribution of the Twenty-Five Percent Fund among the affected counties in Nevada.

(g) VALID EXISTING RIGHTS.—

(1) SAVINGS CLAUSE.—Nothing in this section shall affect valid existing rights of any person under any authority of law.

(2) USE OF LANDS.—Authorizations to use lands transferred by this section which were issued prior to the date of transfer shall remain subject to the laws and regulations under which they were issued. Such authorization shall be administered by the Secretary to whom jurisdiction over affected lands has been transferred by this section: Any renewal or extension of such authorization shall be subject to the laws and regulations pertaining to the agency which has jurisdiction over the land at the time the renewal or extension is requested. The change of administrative jurisdiction resulting from the enactment of this Act shall not in itself constitute a basis for denying or approving the renewal or reissuance of any such authorization.

(h) ADMINISTRATIVE APPEALS.—With respect to the lands transferred by subsection (c), any formal administrative appeals, adjudication, or review pending on the date of transfer of jurisdiction under this Act shall be completed by the Secretary, or his designee, of the Department in which it was initiated.

(i) TRANSFER OF BUREAU OF RECLAMATION'S WILBUR SQUARE RESPONSIBILITIES TO THE CITY OF BOULDER CITY.—

(1) AGREEMENT.—Notwithstanding any other provision of law, the Secretary of the Interior is authorized and directed to enter into an agreement with the city of Boulder City, Nevada (hereafter in this subsection referred to as the "City"), which will provide that, upon acceptance by the City of title to and financial responsibility for continued maintenance of the parcel of land described in this paragraph, all remaining repayment obligations owing to the United States, pursuant to contract No. 14-06-300-978, dated January 4, 1960, between the United States and the City, as of the date of enactment of this act, shall be discharged. The land shall be maintained as a public park by the City at its own cost and expense, and shall be conveyed to the City, without consideration, by quit claim deed subject to the conditions, restrictions, and protective covenants as established in the Guidelines of the Advisory Council on Historic Preservation (36 Code of Federal Regulations, part 800). Title shall revert to the United States if the land ceases to be used for park purposes. The agreement shall also stipulate that the City shall provide, without cost to the United States, the water supply required to water the Federal grounds surrounding the Bureau of Reclamation's administration building in the City, for as long as Federal ownership is retained, or through the year 2010, whichever occurs first. The land to be conveyed to the City is described as follows: approximately 3.25 acres, comprising all of block six, according to sheet 1 of 20, block plats of Boulder City, Nevada, drawing No. x-300-460, dated July 15, 1959, and known as Wilbur Square or Government Park.

(2) GARDENING SERVICES.—The Secretary of the Interior is authorized to enter into an agreement for the City to provide gardening services on Bureau of Reclamation land within the City; and in partial payment for this gardening service to transfer to the City any or all lawn and garden equipment owned and used by the Bureau of Reclamation as of the date of enactment of this Act, which is used to maintain the Bureau's grounds within the City.

(3) WATER SUPPLY SYSTEM.—The Secretary of the Interior is authorized to transfer title to the City to all or any portion of the city water supply system which remains in Federal ownership and is located outside of the Hoover Dam Security Area, and to provide the City with a permanent easement across all Federal lands necessary to properly operate and maintain any facilities so transferred. The agreement referred to in this paragraph shall also provide that all obligations to make payments to the United States for operation, maintenance, and replacement for works transferred to the City shall be discharged as of the date or dates of said transfer of title or operations and maintenance responsibility to the City.

SEC. 109. TEMPORARY USE BY MILITARY DEPARTMENTS OF CERTAIN PUBLIC LANDS IN ALASKA.

Section 302 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1732) is hereby amended by adding the following at the end thereof:

"(d)(1) The Secretary of the Interior, after consultation with the Governor of Alaska, may issue to the Secretary of Defense or to the Secretary of a military department within the Department of Defense or to the Commandant of the Coast Guard a nonrenewable general authorization to utilize public lands in Alaska (other than within a conservation system unit or the Steese National Conservation Area or the White Mountains National Recreation Area) for purposes of military maneuvering, military training, or equipment testing not involving artillery firing, aerial or other gunnery, or other use of live ammunition or ordinance.

"(2) Use of public lands pursuant to a general authorization under this subsection shall be limited to areas where such use would not be inconsistent with the plans prepared pursuant to section 202. Each such use shall be subject to a requirement that the using department shall be responsible for any necessary cleanup and decontamination of the lands used, and to such other terms and conditions (including but not limited to restrictions on use of off-road or all-terrain vehicles) as the Secretary of the Interior may require to—

"(A) minimize adverse impacts on the natural, environmental, scientific, cultural, and other resources and values (including fish and wildlife habitat) of the public lands involved; and

"(B) minimize the period and method of such use and the interference with or restrictions on other uses of the public lands involved.

"(3)(A) A general authorization issued pursuant to this subsection shall not be for a term of more than three years and shall be revoked in whole or in part, as the Secretary of the Interior finds necessary, prior to the end of such term upon a determination by the Secretary of the Interior that there has been a failure to comply with its terms and conditions or that activities pursuant to such an authorization have had or might have a significant adverse impact of the resources or values of the affected lands.

"(B) Each specific use of a particular area of public lands pursuant to a general authorization under this subsection shall be subject to specific authorization by the Secretary and to appropriate terms and conditions, including such as are described in paragraph (2) of this subsection.

"(4) Issuance of a general authorization pursuant to this subsection shall be subject to the provisions of section 202(f) of this Act, section 810 of the Alaska National Interest Lands Conservation Act, and all other applicable provisions of law. The Secretary of a military department (or the commander of the Coast Guard) requesting such authorization shall reimburse the Secretary of the Interior for the costs of implementing this paragraph. An authorization pursuant to this subsection shall not authorize the construction of permanent structures or facilities on the public lands.

"(5) To the extent that public safety may require closure to public use of any portion of the public lands covered by an authorization issued pursuant to this subsection, the Secretary of the military Department concerned or the Commandant of the Coast Guard shall take appropriate steps to notify the public concerning such closure and to provide appropriate warnings of risks to public safety.

"(6) For purposes of this subsection, the term "conservation system unit" has the same meaning as specified in section 102 of the Alaska National Interest Lands Conservation Act."

SEC. 110. ISSUANCE OF PATENTS FOR LANDS DEVOTED TO SOLID WASTE DISPOSAL.

(a) SHORT TITLE.—This section may be cited as the "Recreation and Public Purposes Amendment Act of 1988".

(b) AMENDMENT.—Section 3 of the Act of June 14, 1926 (43 U.S.C. 869-2) is redesignated as subsection (a) of such section and the following new subsections are added at the end thereof:

"(b) NEW DISPOSAL SITES.—(1) Notwithstanding the provisions of subsectoin (a) of this section, if the Secretary receives an application for conveyance of land under this Act for the express purpose of solid waste disposal or for another purpose which the Secretary finds may include the disposal, placement, or release of any hazardous substance, the Secretary may convey such land subject only to the provisions of this subsection.

"(2) Prior to issuance of any conveyance of land under this subsection the Secretary shall investigate the land covered by an application for such conveyance to determine whether or not any hazardous substance is present on such land. Such investigation shall include a review of any available records as to the use of such land and all appropriate analysis of the soil, water, and air associated with such land. No land shall be conveyed under this subsection if such investigation indicates that any hazardous substance is present on such land.

"(3) No application for conveyance under this subsection shall be acted on by the Secretary until the applicant has furnished evidence, satisfactory to the Secretary, that a copy of the application and information concerning the proposed use of the land covered by the application has been provided to the Environmental Protection Agency and to all other State and Federal agencies with responsibility for enforcement of State and Federal laws applicable to lands used for the disposal, placement, or release of solid waste or any hazardous substance.

"(4) No application for conveyance under this subsection shall be acted on by the Secretary until the applicant has given a warranty that use of the land covered by the application will be consistent with all applicable State and Federal laws, including laws dealing with the disposal, placement, or release of hazardous substances, and that the applicant will hold the United States harmless from any liability that may arise out of any violation of any such law.

"(5) A conveyance under this subsection shall be made to the extent that the applicant has demonstrated to the Secretary that the land covered by an application meets all applicable State and local requirements and is appropriate in character and reasonable in acreage in order to meet an existing or reasonably anticipated need for solid waste disposal or for another proposed use that the Secretary finds may include the disposal, placement, or release of any hazardous substance.

"(6) A conveyance under this subsection shall be subject to the following conditions;

"(A) Except as otherwise provided in subparagraphs (B) and (D) of this paragraph, the document of conveyance shall provide that lands conveyed under this subsection shall revert to the United States unless substantially all of such lands have been used on or before the date five years after the date of conveyance for the purpose or purposes specified in the application or for other use or uses authorized under section 3(a) with the consent of the Secretary.

"(B) In the event that at any time after such conveyance any portion of such lands has not been used for the purpose or purposes specified in the application, and the party to whom such lands were conveyed by the Secretary shall transfer ownership of such unused portion to any other party, the party to whom such lands were conveyed by the Secretary shall be liable to pay the Secretary, on behalf of the United States, the fair market value of such transferred portion as of the date of such transfer, including the value of any improvements thereon. All amounts received by the Secretary under this subparagraph shall be retained by the Secretary and, subject to appropriation, shall be used for the management of public lands and shall remain available until expended.

"(C) Pricing for conveyances of land under this subsection shall be in accordance with the provisions of section 2 of this Act, except that no compensation shall be required for the inclusion of only the limited reverter specified in this paragraph.

"(D) Each patent issued under this subsection shall specify that no portion of the lands covered by such patent shall under any circumstances revert to the United States if such portion has been used for solid waste disposal or for any other purpose that the Secretary finds may result in the disposal, placement, or release of any hazardous substance.

"(7) For purposes of this section, the term 'hazardous substance' has the same meaning as such term has when used in the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9601 et seq.).

"(c) Existing Disposal Sites.—(1) Upon the application or with the concurrence of any party to whom the Secretary prior to the date of enactment of this subsection, conveyed land under this Act, the Secretary may renounce the reversionary interests of the United States in such land, or portion thereof, if the Secretary finds that such land, or portion thereof, has been used for solid waste disposal or for any other purpose which the Secretary finds may result in the disposal, placement, or release of any hazardous substance, and the Secretary may rescind any portion of any patent or other instrument of conveyance inconsistent with such renunciation. After such renunciation, affected lands shall not under any circumstances revert to the United States by the operation of law, and shall cease to be subject to the provisions of subsection (a) of this section.

"(2) Upon the application or with the concurrence of a party to whom the Secretary, prior to the date of enactment of this subsection, leased lands pursuant to this Act, the Secretary may convey in fee the lands covered by such lease or any portion thereof which have been used for solid waste disposal or for any other purpose that the Secretary finds may result in the disposal, placement, or release of any hazardous substance. Notwithstanding any other provision of this Act, a patent issued pursuant to this paragraph shall not contain a reverter provision and the lands covered by such patent shall not under any circumstances revert to the United States by operation of law after the issuance of such patent and shall not be subject to the provisions of subsection (a) of this section.".

(c) Savings Clause.—Nothing in this section or the amendments made thereby shall be construed to affect the applicability and operation of the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9601 et seq.) and the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.).

SEC. 111. SAN PEDRO RIPARIAN NATIONAL CONSERVATION AREA, ARIZONA.

(a) Establishment of Conservation Area.—

(1) Establishment.—In order to protect the reparian area and the aquatic, wildlife, archeological, paleontological, scientific, cultural, educational, and recreational resources of the public lands surrounding the San Pedro River in Cochise County, Arizona, there is hereby established the San Pedro Riparian National Conservation Area (hereafter in this section referred to as the "conservation area").

(2) Area included.—The conservation area shall consist of public lands as generally depicted on a map entitled "San Pedro Riparian National Conservation Area—Proposed", numbered AZ-040-02, and dated January, 1988 and consisting of approximately 546,431 acres.

(3) Map.—As soon as is practicable after enactment of this Act, a map and legal description of the conservation area shall be filed by the Secretary of the Interior (hereafter in this section referred to as the "Secretary") with the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the United States Senate. Each such map shall have the same force and effect as if included in this section. Such map shall be on file and available for public inspection in the Office of the Director of the Bureau of Land Management, Department of the Interior, and in the Bureau of Land Management offices of the State director for Arizona, and the district office responsible for the management of the conservation area.

(b) Management of the Conservation Area.—

(1) General authorities.—The Secretary shall manage the conservation area in a manner that conserves, protects, and enhances the riparian area and the acquatic, wildlife, archeological, paleontological, scientific, cultural, educational, and recreational resources of the conservation area. Such management shall be guided by this section and, where not inconsistent with this Act, by the provisions of the Federal Land Policy and Management Act of 1976 (hereinafter in this section referred to as "FLPMA").

(2) Uses.—The Secretary shall only allow uses of the conservation area as he finds will further the primary purposes for which the conservation area is established. Except where needed for administrative or emergency purposes, the use of motorized vehicles in the conservation area shall only be allowed on roads specifically designated for such use as part of the management plan prepared pursuant to subsection (c). The Secretary shall have the power to implement such reasonable limits to visitation and use of the conservation area as he finds appropriate for the protection of the resources of the conservation area, including requiring permits for public use, or closing portions of the conservation area to public use.

(3) Withdrawals.—Subject to valid existing rights, all Federal lands within the conservation area are hereby withdrawn from all forms of entry, appropriation, or disposal under the public land laws; from location, entry, and patent under the United States mining laws; and from disposition under all laws pertaining to mineral and geothermal leasing and all amendments thereto.

(4) Enforcement.—Any person who violates any provision of this section or any regulation promulgated by the Secretary to implement this section shall be subject to a fine of up to $10,000 or imprisonment for up to one year, or both.

(c) Management Plan.—

(1) Development of plan.—No later than 2 years after the enactment of this Act, the Secretary shall develop a comprehensive plan for the long-range management and protection of the conservation area. The plan shall be developed with full opportunity for public participation and comment, and shall contain provisions designed to assure protection of the riparian area and the aquatic, wildlife, archeological, paleontological, scientific, cultural, educational, and recreation resources and values of the conservation area.

(2) Recommendations.—The Secretary shall, in the comprehensive plan referred to in paragraph (1), develop recommendations to Congress on whether additional lands should be included in the conservation area.

(3) Cooperative agreements.—The Secretary may enter into cooperative agreements with appropriate State and local agencies, pursuant to section 307(b) of FLPMA to better implement the plan developed pursuant to paragraph (1).

(4) Research.—In order to assist in the development of appropriate management strategies for the conservation area, the Secretary may authorize research on matters including the environmental, biological, hydrological, and cultural resources of the conservation area, pursuant to section 307(a) of FLPMA.

(d) Advisory Committee.—

(1) Establishment.—The Secretary shall establish a San Pedro Riparian National Conservation Area Advisory Committee, whose purpose shall be to advise the Secretary with respect to the preparation and implementation of the comprehensive, long-range plan required pursuant to subsection (c).

(2) Representation.—There shall be 7 members of the committee, who shall be appointed by the Secretary. Members of the committee shall be appointed for terms of 3 years, except that of the members first appointed 2 shall be appointed for terms of one year and 3 shall be appointed for terms of 2 years. the Secretary shall appoint one member from nominations supplied by the Governor of the State of Arizona, and one member from nominations supplied by the supervisors of Cochise County, Arizona. The other members shall be persons with recognized backgrounds in wildlife conservation, riparian ecology, archeology, paleontology, or other disciplines directly related to the primary purposes for which the conservation area was created.

(e) Land Acquisition.—The Secretary may acquire lands or interests in lands within the boundaries of the conservation area by exchange, purchase or donation, except that any lands or interest therein owned by the State or local government may be acquired by donation or exchange only. Any purchase or exchange of lands or rights to be added to the conservation area shall require the consent of the owner of those lands or rights.

(f) Report of Congress.—No later than 5 years after the enactment of this Act, and every 10 years thereafter, the Secretary shall report to the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the United States Senate, on the implementation of this section. Such report shall include a detailed statement on the condition of the resources within the conservation area and of the progress of the Bureau of Land Management in achieving the purposes of this Act.

(g) Authorization.—There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

(h) Water Rights.—Congress reserves for the purposes of this reservation, a quantity of water sufficient to fulfill the purposes of the San Pedro Riparian National Conservation Area created by this Act. The priority date of such reserved rights shall be the date of enactment of this Act. Such rights shall be perfected in the ongoing general stream adjudication now pending in the Superior Court of the State of Arizona and to which the United States have been joined pursuant to the McCarran Amendment (43 U.S.C. 466).

TITLE II—RIVERS AND TRAILS

SEC. 201. WILDCAT RIVER, NEW HAMPSHIRE.

(a) Designation of Wildcat River.—In order to preserve and protect for present and future generations the outstanding scenic, natural, recreational, scientific, historic, and ecological values of the Wildcat River in the State of New Hampshire, section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)) is amended, by adding the following new paragraph at the end thereof:

"(65) Wildcat River, New Hampshire.—A 14.51 mile segment including the following tributaries: Wildcat Brook, Bog Brook, and Great Book (all as generally depicted on a map entitled 'Wildcat River', dated October 1987) to be administered as follows: those segments of the Wildcat River and its tributaries located within the boundary of the White Mountain National Forest (hereinafter in this paragraph referred to as 'the forest') shall be administered by the Secretary of Agriculture (hereinafter in this paragraph referred to as the 'Secretary'); those segments located outside the boundary of the forest shall be administered by the Secretary through a cooperative agreement with the Board of Selectmen of the town of Jackson and the State of New Hampshire pursuant to section 19(e) of this Act. Such agreement shall provide for the long-term protection, preservation, and enhancement of the river segments located outside the boundary of the forest and shall be consistent with the comprehensive management plan to be prepared by the Secretary pursuant to section 3(d) of this Act and with the July 1987 River Conservation Plan prepared by the Wildcat Brook Advisory Committee in conjunction with the National Park Service.

"(B)(i) To assist in the implementation of this paragraph, the Secretary shall establish, within 3 months after the date of enactment of this subparagraph, a Wildcat River Advisory Commission (hereinafter in this paragraph referred to as the 'Commission').

"(ii) The Commission shall be composed of 7 members appointed by the Secretary as follows: one member from recommendations submitted by the Governor of the State of New Hampshire; 4 members from recommendations submitted by the Jackson Board of Selectmen, of which at least 2 members shall be riparian property owners, and at least one member shall be on the Board of Selectmen; one member from recommendations submitted by the Jackson Conservation Commission; and one member selected by the Secretary. Members of the commission shall be appointed for terms of 3 years. A vacancy in the Commission shall be filed in the manner in which the original appointment was made. Any member appointed to fill a vacancy occurring before the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term. Any member of the Commission appointed for a definite term may serve after the expiration of his term until his successor is appointed. The Commission shall designate one of its members as Chairman.

"(iii) The Commission shall meet on a regular basis. Notice of meetings and agenda shall be published in local newspapers which have a distribution which generally covers the area affected by the designation of the segments described in this paragraph. Commission meetings shall be held at locations and in such a manner as to ensure adequate public involvement.

"(iv) Members of the Commission shall serve without compensation as such, but the Secretary may pay expenses reasonably incurred in carrying out their responsibilities under this paragraph on vouchers signed by the Chairman.

"(v) Four members of the Commission shall constitute a quorum but a lesser number may hold hearings.

"(vi) The Commission shall cease to exist on the date 10 years after the enactment of this paragraph.

"(vii) The provisions of section 14(b) of the Federal Advisory Committee Act (Act of October 6, 1972; 86 Stat. 776), are hereby waived with respect to the Commission.

"(C) The authority of the Secretary to acquire lands outside the boundary of the White Mountain National Forest for purposes of this paragraph shall be limited to acquisition by donation or acquisition with the consent of the owner thereof. The Secretary may also acquire scenic easements for purposes of this paragraph as provided in section 6 of this Act.

"(D) There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this paragraph.".

SEC. 202. ACCESS ACROSS CERTAIN FEDERAL LANDS IN ARKANSAS.

(a) Access.—Notwithstanding any other provision of law, the Secretary of the Interior (hereafter in this section referred to as the "Secretary") shall permit access across the Buffalo National River (hereafter in this section referred to as "the park") to certain privately owned lands outside the park boundary along a route known locally as the "Old Springtown Road" as depicted on a map entitled "Old Springtown Road Access", dated April, 1987 and available for inspection in the Office of the Superintendent, Buffalo National River.

(b) Purpose.—The Secretary shall permit such access across the park solely for the purpose of providing to the owners (as of September 1, 1987) reasonable ingress and egress to the private residential property depicted on the map referenced in subsection (a).

(c) Regulations.—The Secretary shall promulgate such regulations as he deems necessary to ensure that such access does not unreasonably diminish the scenic, historic, and other values for which the park was established.

(d) Fee.—(1) The owners of the private residential property identified in subsection (b) shall pay an annual fee to the Secretary of the Interior for the access provided pursuant to this Act.

(2) Any fee collected shall be fair and reasonable and shall be in an amount necessary to cover the administrative costs associated with granting of such access, including the issuance of annual permits: *Provided*, That in no event shall the fee collected pursuant to this subsection exceed $100 per annum.

SEC. 203. STUDY OF THE CORONADO TRAIL.

(a) Findings.—The Congress finds that—

(1) Francisco Vasquez de Coronado led an expedition from Compostela on the Southwest Coast of Mexico, into the American Southwest in search of the legendary Seven Cities of Cibola between 1540 and 1542;

(2) Coronado's expedition of approximately 300 Spanish soldiers and 1,000 Indian allies and servants marched through the State of Arizona, then through the States of New Mexico, Texas, Oklahoma, and Kansas;

(3) Coronado and his troops found Pueblo Indian settlements, including the Zuni villages of western New Mexico, Acoma along the Rio Grande River, as far north as Taos, and east to Pecos, as well as those of the Hopi in Arizona and Plains groups in Texas, Oklahoma, and Kansas; and

(4) members of the Coronado expedition became the first Europeans to see the Grand Canyon in Arizona, the Palo Duro Canyon in Texas, and many other Southwestern landmarks.

(b) Designation of Trail.—Section 5(c) of the National Trails System Act (82 Stat. 919; 16 U.S.C. 1244(c)) is amended by adding at the end thereof the following new paragraph:

"(32) Coronado Trail, the approximate route taken by the expedition of the Spanish explorer Francisco Vasquez de Coronado between 1540 and 1542, extending through portions of the States of Arizona, New Mexico, Texas, Oklahoma, and Kansas. The study under this paragraph shall be prepared in accordance with subsection (b) of this section. In conducting the study under this paragraph, the Secretary shall provide for (A) the review of all original Spanish documentation on the Coronado Trail, (B) the continuing search for new primary documentation on the trail, and (C) the examination of all information on the archeological sites along the trail.”.

SEC. 204. HANFORD REACH OF COLUMBIA RIVER.

(a) Comprehensive River Conservation Study.—The Secretary of the Interior, in consultation with the Secretary of Energy, shall prepare a comprehensive river conservation study for that segment of the Columbia River extending from one mile below Priest Rapids Dam downstream approximately 51 miles to the McNary pool north of Richland, Washington, as generally depicted on the map entitled “Proposed Columbia River Wild and Scenic River Boundary” dated May 17, 1988, which is on file with the United States Department of the Interior. The study shall identify and evaluate the outstanding features of the river segment, including fish and wildlife, scenic, recreational, natural, historical, and cultural values, and examine alternatives for their preservation. In examining alternative means for the preservation of such values, the Secretary shall include a study regarding potential addition to the National Wild and Scenic Rivers system, and recommend a preferred alternative that will address the values concerned. The Secretary shall cooperate with State, local, and tribal governments in preparation of such a study and provide for public comment. The study shall be completed and presented to Congress within 3 years after the date of enactment of this Act.

(b) Interim Protection.—For a period of 8 years after the enactment of this Act, no Federal agency may construct any dam, channel, or related navigation project within the boundaries identified in subsection (a). During the interim protection period, Federal and non-Federal agencies engaging in new activities within the study boundaries shall consult and coordinate with the Secretary of the Interior to minimize the impact on the values for which the river is being studied.

(c) Authorization of Appropriations.—There are authorized to be appropriated not more than $150,000 for the purpose of conducting the study of the section of the river identified in subsection (a).

TITLE III—NATIONAL PARK SYSTEM

SEC. 301. CONGAREE SWAMP NATIONAL MONUMENT.

(a) National Monument Wilderness.—

(1) Designation of wilderness.—Certain lands comprising approximately 15,010 acres as generally depicted on a map entitled “Congaree Swamp National Monument Wilderness—Proposed”, and dated July 1988, are hereby designated as wilderness and therefore as components of the National Wilderness Preservation System. Such lands shall be known as the Congaree Swamp National Monument Wilderness.

(2) Potential wilderness additions.—Certain lands comprising approximately 6,840 acres as depicted on the map referenced in this subsection are hereby designated as potential wilderness additions. Such lands shall be managed by the Secretary of the Interior (hereinafter in this section referred to as the “Secretary”) insofar as practicable as wilderness until such time as said lands are designated as wilderness. Any lands designated as potential wilderness additions shall, upon acquisition of any non-Federal interests in land and publication in the Federal Register of a notice by the Secretary that all uses thereon prohibited by the Wilderness Act have ceased, thereby be designated wilderness, shall be part of the Congaree Swamp Monument Wilderness, and shall be managed in accordance with the Wilderness Act.

(b) Map and Legal Description.—As soon as practicable after the date of enactment of this Act, the map referenced in subsection (a) and a legal description of the boundaries of the wilderness and potential wilderness addition designated by this section shall be on file and available for public inspection in the Office of the Director of the National Park Service, Department of the Interior, in the Office of the Superintendent of the Congaree Swamp National Monument and with the Committee on Interior and Insular Affairs of the United States House of Representatives and the Committee on Energy and Natural Resources of the United States Senate. Each such map and legal description shall have the same force and effect as if included in this Act, except that correction of clerical and typographical errors in such map and legal description may be made.

(c) Administration.—Subject to valid existing rights, the lands designated as wilderness pursuant to this section shall be administered by the Secretary in accordance with the applicable provisions of the Wilderness Act governing areas designated by that Act as wilderness, except that any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act, and where appropriate, any reference to the Secretary of Agriculture shall be deemed to be a reference to the Secretary.

(d) Addition to Congaree National Monument.—The first section of the Act approved October 18, 1976 (90 Stat. 2517), is amended as follows:

(1) Insert “(a)” after “That”.

(2) Strike all after “Federal Register” and insert in lieu thereof a period.

(3) Add at the end thereof the following:

“(b) In addition to the lands described in subsection (a), the monument shall consist of the additional lands within the boundary as generally depicted on the map entitled ‘Citizens Proposed Boundary Adjustment, Congaree Swamp National Monument’, numbered 178-80-009A, dated July 1988, which shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior. The map may be revised as provided in subsection (a). The total acreage of the monument including lands described in subsection (a) and this subsection shall not exceed 22,200 acres.”.

(e) Authorization of Appropriations.—

(1) Land acquisition funds.—Section 5(a) of the Act approved October 18, 1976 (90 Stat. 2518), is amended by adding at the end thereof the following: “The Secretary may expend such additional sums as are necessary from the Land and Water Conservation Fund for acquisition of lands described in subsection (b) of the first section.”.

(2) Development funds.—Section 5 of the Act approved October 18, 1976 (90 Stat. 2518), is amended by adding at the end thereof the following:

“(c) Notwithstanding subsection (a), there are hereby authorized to be appropriated $3,000,000 for construction and development within the monument.”.

SEC. 302. ZUNI-CIBOLA NATIONAL HISTORICAL PARK.

(a) Establishment of Park.—

(1) Establishment.—In order to preserve and protect for the benefit of present and future generations certain nationally significant historical, archeological, cultural, and national sites and resources associated with the Zuni Tribe, and in order to assist members of the Zuni Tribe in preserving and interpreting their tribal culture, there is hereby established the Zuni-Cibola National Historical Park. The park shall consist of lands with respect to which the Secretary of the Interior has accepted a leasehold pursuant to subsection (b).

(2) Effective date.—This subsection shall take effect on the date of publication by the Secretary, pursuant to subsection (b), of a notice that the Secretary has accepted a leasehold interest that meets the requirements of this section.

(3) Termination.—This subsection shall terminate and shall be ineffective 18 months after the date of enactment of this Act unless prior to the end of such 18-month period the Secretary has published a notice of acceptance of a leasehold pursuant to subsection (b).

(b) Acquisition of Leasehold.—

(1) Authority of Secretary.—If, no later than 1 year after the date of enactment of this Act, the Zuni Tribe offers to the Secretary a leasehold interest in trust lands of the Zuni Indian Reservation, in New Mexico, meeting the requirements of this section, the Secretary is authorized and directed to accept such leasehold on behalf of the National Park Service and to publish in the Federal Register a notice of such acceptance.

(2) Requirements.—The Secretary shall accept a leasehold under paragraph (1) if such leasehold.—

(A) would continue for a period of at least 99 years;

(B) would require no rentals or other payments by the United States to the Zuni Tribe or any other party;

(C) would be applicable to lands within the Zuni Indian Reservation that the Director of the National Park Service, after consultation with the Zuni Tribe and the Bureau of Indian Affairs, has determined to be necessary and adequate to carry out the purposes specified in subsection (c)(1);

(D) would not be inconsistent with any of the provisions of this Act.

(3) Map.—As soon as possible after publication of a notice of acceptance pursuant to paragraph (a), the Secretary shall prepare a map of the park and shall provide copies of such map to the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources and the Select Committee on Indian Affairs of the Senate.

(4) Additions.—If at any time after the publication of a notice of acceptance pursuant to paragraph (1), the Zuni tribe offers the Secretary a leasehold interest in additional trust lands of the Zuni Reservation (other than lands covered by the leasehold referenced in such notice), the Secretary may accept such leasehold if the Secretary determines that the terms thereof are consistent with the provisions of this Act and that its acceptance would be desirable in order to carry out the purposes specified in subsection (a)(1). If the Secretary accepts a leasehold pursuant to this paragraph, the Secretary shall revise the map prepared under paragraph (3) and shall provide copies of such revised map to the Committees specified in such paragraph (3). Lands covered by a leasehold accepted pursuant to this paragraph shall be incorporated into the park and managed accordingly.

(c) Management.—

(1) Purposes.—(A) The Secretary, acting through the Director of the National Park Service, and in consultation with the Advisory Commission established pursuant to section 6 of this Act, shall manage the lands covered by any leasehold accepted by the Secretary pursuant to this section as a unit of the National Park System consistent with the provisions of this section, and provisions of law generally applicable to units of the National Park System, including the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 1 et seq.) and the Act of August 21, 1935 (49 Stat. 666; 16 U.S.C. 461).

(B) The Secretary shall protect, manage, and administer the park for the purposes of preserving the historical, archeological, natural, scientific, cultural, and other resources and values of the park and providing for the public understanding and enjoyment of the same in such a manner as to perpetuate these resources and values for future generations.

(C) In implementing this section, the Secretary shall cooperate with the Zuni Tribe.

(2) Jurisdiction.—The Secretary is authorized to accept concurrent jurisdiction from the Zuni Tribe for the purpose of law enforcement.

(3) Consultation.—The Secretary, acting through the Director of the National Park Service, shall consult regularly with the Commission established pursuant to subsection (e). The Commission shall advise the Secretary on the management and operation of the park.

(4) Fees.—All enrolled members of the Zuni Tribe shall be exempt from the payment of fees for admission into the park.

(5) Training.—In furtherance of the purposes specified in paragraph (1)(B) of this subsection, and after consultation with the Advisory Commission established by subsection (e), the Secretary is authorized to enter into cooperative agreements with the Zuni Tribe, its subordinate boards, committees and enterprises, and individual members of the Zuni Tribe for the purpose of providing training of Zuni tribal members in the interpretation, management, protection, and preservation of archaeological and historical properties and in the provision of public services on the Zuni Indian Reservation needed for the fulfillment of the purposes specified in such paragraph (1)(B).

(6) Preference.—To the extent feasible, the Secretary shall exercise existing authorities so as to give preference to employing qualified members of the Zuni Tribe in the development, interpretation, and management of the park and in carrying out other activities related to the park.

(d) Federal Consistency.—

(1) Federal actions.—The head of any Federal agency conducting or supporting activities directly or indirectly affecting the park shall—

(A) consult with, cooperate with, and, to the maximum extent practicable, coordinate its activities with the Secretary and with the Advisory Commission; and

(B) conduct or support such activities in a manner which—

(i) to the maximum extent practicable is consistent with the standards and criteria establishment pursuant to the plan required in subsection (f), and

(ii) will not have an adverse effect on the resources or values of the park.

(2) Permits.—No Federal agency may issue any license or permit to any person to conduct any activity within the park or which could affect the resources or values of the park unless such agency determines that any such proposed activity within the park will be conducted in a manner consistent with the standards and criteria established pursuant to the plan required in subsection (f) and wherever occurring will not have an adverse effect on the resources or values of the park.

(3) Limitation.—The provisions of this subsection shall apply only with respect to activities begun and licenses or permits issued after the date of enactment of this Act.

(e) Establishment of Zuni-Cibola Advisory Commission.—

(1) Establishment.—There is established within the Department of the Interior a commission to be known as the Zuni-Cibola National Historical Park Advisory Commission which shall advise regularly the Director of the National Park Service on the planning, management, and administration of the park. The Advisory Commission shall consist of the Governor of the Zuni Tribe, the Director of the National Park Service, the Secretary of the Smithsonian Institution, the State Historic Preservation Officer of New Mexico (or their designees), and four members appointed by the Secretary from recommendations made by the Governor of the Zuni Tribe.

(A) The Advisory Commission is authorized to employ an administrative director who shall be appointed by the Advisory Commission and who shall be paid at a rate not to exceed the rate of pay payable for grade GS-12 of the General Schedule.

(B) The administrative directory of the Advisory Commission may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51, and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that the individual so appointed may not receive pay in excess of the annual rate of basic pay payable for grade GS-12 of the General Schedule.

(C) The Administrator of the General Services Administration shall provide to the Advisory Commission on a reimbursable basis such administrative support services as the Advisory Commission may request.

(2) Terms.—The initial terms of members of the Advisory Commission appointed by the Secretary pursuant to paragraph (1) shall be staggered, as determined by the Secretary, in order to assure continuity in the administration of the Advisory Commission. Thereafter the term shall be 4 years. Any member of the Advisory Commission appointed for a definite term may serve after the expiration of such member's term until a successor is appointed. A vacancy in the Advisory Commission shall be filled in the manner in which the original appointment was made. The Advisory Commission shall exist for the duration of a leasehold accepted by the Secretary pursuant to subsection (b), and any extensions or renewals thereof.

(3) Expenses.—The non-Federal members of the Advisory Commission appointed pursuant to paragraph (1) while away from their homes or regular places of business in the performance of services for the Advisory Commission, shall be allowed travel and all other related expenses, including per diem of lieu of subsistence, in the same manner as persons employed intermittently in Government service are allowed expenses under section 5703 of title 3 of the United States Code.

(4) Chair.—The governor of the Zuni Tribe shall be the Chair of the Advisory Commission. Other officers of the Advisory Commission shall be elected by a majority of the members of the Advisory Commission to serve for terms established by the Advisory Commission.

(5) Meetings.—The Advisory Commission shall meet at the call of the Chair or a majority of its members. Consistent with the public meeting requirements of the Federal Advisory Committee Act, the Advisory Commission shall from time to time meet with persons concerned with park issues relating to the Zuni Tribe.

(6) Application of federal advisory committee act.—Except with respect to any requirement for reissuance of a charter and except as otherwise provided in this Act, the provisions of the Federal Advisory Committee Act shall apply to the Advisory Commission established by this section.

(f) Park Plan.—

(1) Deadline.—No later than 3 years after the date of the publication of a notice pursuant to subsection (b)(1), the Secretary, acting through the Director of the National Park Service and in consultation with the Advisory Commission, shall develop and transmit to the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources and the Select Committee on Indian Affairs of the Senate, a general management plan for the park which shall describe the appropriate uses and development of the park consistent with the purposes of this Act.

(2) Elements.—The park plan shall include (but not be limited to) the following:

(A) Plans for implementation of a continuing program of interpretation and visitor education about the resources and values of the park.

(B) Proposals for visitor use facilities to be developed for the park.

(C) Plans for management of the natural and cultural resources of the park in order to carry out the purposes specified in subsection (c)(1)(B), with particular emphasis on the preservation and long-term scientific use of archeological resources, giving high priority to the enforcement of the provisions of the Archeological Resources Protection Act of 1979 (16 U.S.C. 470aa et seq.) and the National Historic Preservation Act (16 U.S.C. 470 et seq.) within the park. The natural and cultural resources management plans shall be prepared in close consultation with the New Mexico State Historic Preservation Office and the Zuni Tribe and their traditional cultural and religious authorities.

(D) Proposals for training members of the Zuni Tribe in such fields as interpretation, management, and artifact curation.

(E) A plan to implement the provisions of subsection (g) so as to ensure the protection of the right of the Zuni people to practice traditional Zuni religious activities within the park boundaries in a manner consistent with the purpose and intent of the American Indian Religious Freedom Act of August 11, 1978 (42 U.S.C. 1996).

(F) Proposals for cooperative research and interpretive programs within the park to be carried out by the Zuni Tribe through its archeology program, with technical assistance from the National Park Service.

(G) Proposals for implementing the provisions of this section relating to the operation and supply of park concessions by qualified Zuni-owned businesses.

(g) Cultural and Religious Uses.—In furtherance of the American Indian Religious Freedom Act, the Secretary, upon the request of an appropriate official of the Zuni Tribe, may, from time to time, temporarily close to general public use one or more specific portions of the park in order to protect the privacy of religious activities in such areas by Indian people. Any such closure shall be made so as to affect the smallest practicable area for the minimum period necessary for such purposes. Not later than 7 days after the first day on which any such closure takes effect, the Secretary shall provide written notification of such action to the Energy and Natural Resources Committee and Select Committee on Indian Affairs of the United States Senate and the Committee on Interior and Insular Affairs of the House of Representatives.

(h) Definitions.—As used in this section—

(1) The term "Advisory Commission" means the Zuni-Cibola National Historical Park Advisory Commission established under subsection (e).

(2) The term "park" means land constituting a Zuni-Cibola National Historical Park established under subsection (a).

(3) The term "park plan" means the general management plan developed pursuant to subsection (f).

(4) The term "Secretary" means the Secretary of the Interior.

(i) Addition to Masau Route.—

(1) Redesignation.—(A) Section 201 of the Act of December 31, 1987 (P.L. 100-225; 101 Stat. 1540), is amended by striking out "Masau Trail (hereinafter referred to as the 'trail')" and by inserting in lieu thereof "Masau Route (hereinafter referred to as the 'route')".

(B) The title of title II of such Act is amended by striking out "TRAIL" and inserting in lieu thereof "ROUTE".

(C) The heading of section 201 of such Act is amended by striking out "TRAIL" and inserting in lieu thereof "ROUTE".

(D) Section 202 of such Act is amended—

(i) by striking out "The trail" and inserting in lieu thereof "The route"; and

(ii) by striking out "the trail" and inserting in lieu thereof "the route".

(E) Section 203 of such Act is amended by striking out "the trail" each place it appears and inserting in lieu thereof "the route".

(F) Section 204 of such Act is amended—

(i) by striking out "The trail" and inserting in lieu thereof "The route";

(ii) by striking out "the trail" and inserting in lieu thereof "the route"; and

(iii) by striking out "Masau Trail Marker" and inserting in lieu thereof "Masau Route Marker".

(2) Addition.—The first sentence of section 202 of the Act of December 31, 1987 (P.L. 100-225; 101 Stat. 1540) is amended by striking out "and Gila Cliff Dwelling National Monument." and inserting in lieu thereof "Gila Cliff Dwellings National Monument, and Zuni-Cibola National Historical Park.".

(j) Authorization of Appropriations.—There are authorized to be appropriated such sums as may be necessary for the purposes of this section.

SEC. 303. MISSISSIPPI NATIONAL RIVER AND RECREATION AREA.

(a) Findings and Purposes.—

(1) Findings.—The Congress finds that:

(A) The Mississippi River Corridor within the St. Paul-Minneapolis Metropolitan Area represents a national significant historical, recreational, scenic, cultural, natural, and scientific resource.

(B) There is a national interest in the preservation, protection and enhancement of these resources for the benefit of the people of the United States.

(C) State and local planning efforts along the River Corridor provide a unique foundation for coordinating Federal, State, and local planning and management processes.

(D) Existing Federal agency programs lack sufficient coordination with State and local planning and regulatory authorities to provide for adequate and comprehensive resource management and economic development consistent with the protection of the Mississippi River Corridor's nationally significant resources, and the public use and enjoyment of the area.

(E) The preservation, enhancement, enjoyment, and utilization of the nationally significant resources of the Mississippi River Corridor can be accomplished by a cooperative Federal, State and local comprehensive planning and management effort.

(2) Purposes.—The purposes of this section are:

(A) To protect, preserve and enhance the significance values of the waters and land of the Mississippi River Corridor within the St. Paul-Minneapolis Metropolitan Area.

(B) To encourage adequate coordination of all governmental programs affecting the land and water resources of the Mississippi River Corridor.

(C) To provide a management framework to assist the State of Minnesota and its units of local government in the development and implementation of integrated resource management programs for the Mississippi River Corridor in order to assure orderly public and private development in the area consistent with the findings of this section.

(b) Establishment of National River and Recreation Area.—

(1) Establishment.—There is hereby established the Mississippi National River and Recreation Area (hereinafter in this section referred to as the "Area") which shall consist of that portion of the Mississippi River and adjacent lands generally within the St. Paul-Minneapolis Metropolitan Area, as depicted on the map entitled Mississippi National River and Recreation Area numbered MI-NRA/80,000 and dated April 1987. The map shall be on file and available for public inspection in the offices of the Department of the Interior in Washington, D.C., and in the offices of the Metropolitan Council of the Twin Cities Area in St. Paul, Minnesota.

(2) Boundaries.—The Secretary of the Interior (hereafter in this section referred to as the "Secretary") shall publish in the Federal Register, as soon as practicable after the date of enactment of this Act a detailed description and map of the boundaries established under paragraph (1).

(c) Mississippi River Coordinating Commission.—

(1) Establishment.—There is hereby established a Mississippi River Coordinating Commission whose purpose shall be to assist Federal, State and local authorities in the development and implementation of an integrated resource management plan for those lands and waters as specified in subsection (b). The Commission shall consist of the following 20 members appointed by the Secretary of the Interior:

(A) The Director of the National Park Service, or his designee.

(B) The Chief of the Corps of Engineers, or his designee.

(C) The Director of the Fish and Wildlife Service, or his designee.

(D) 3 individuals, nominated by the Governor of Minnesota, to represent the interests of the State of Minnesota.

(E) 1 individual, to represent the Minnesota Historical Society.

(F) 1 individual, to represent the Metropolitan Council of the Twin Cities Area.

(G) 4 individuals, to represent the cities of St. Paul and Minneapolis.

(H) 2 individuals, nominated by the Governor of Minnesota, to represent the interests of the other affected municipalities and counties.

(I) 1 individual, to represent the Metropolitan Parks and Open Spaces Commission.

(J) 1 individual, nominated by the Governor of Minnesota, to represent the interests of commercial navigation.

(K) 4 individuals, nominated by the Governor of Minnesota, to be chosen from the general public.

(2) Terms.—(A) Except as provided in subparagraphs (B) and (C), members (other than ex officio members) shall be appointed for terms of 3 years.

(B) Of the members first appointed—

(i) Under subparagraph (D) of paragraph (1):

(I) 1 shall be appointed for a term of 1 year.

(II) 1 shall be appointed for a term of 2 years.

(ii) Under subparagraphs (G) and (H) of paragraph (1), one shall be appointed for a term of 1 year.

(iii) Under subparagraph (K) of paragraph (1):

(I) 1 shall be appointed for a term of 1 year.

(II) 1 shall be appointed for a term of 2 years.

(III) 1 shall be appointed for a term of 4 years.

(C) Any member appointed to fill a vacancy occurring before the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term. A member may serve after the expiration of his term until his successor has taken office.

(3) Compensation.—Members of the Commission shall serve without pay. While away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in Government service are allowed expenses under section 5703 of title 5 of the United States Code.

(4) Chairperson.—The Chairperson of the Commission shall be appointed by the Secretary from among the members of the Commission nominated by the Governor of Minnesota to serve for a term of 3 years.

(5) Quorum.—Eleven members of the Commission shall constitute a quorum.

(6) Meetings.—The Commission shall meet at the call of the Chairman or a majority of its members.

(7) Development of Policies and Programs.—As a coordinator and advisory organization, the Commission shall assist the Secretary, the State of Minnesota and local units of government, utilizing existing Federal, State, regional, and local plans and programs, in developing the following:

(A) Policies and programs for the preservation and enhancement of the environmental values of the Area.

(B) Policies and programs for enhanced public outdoor recreation opportunities in the Area.

(C) Policies and programs for the conservation and protection of the scenic, historical, cultural, natural and scientific values of the Area.

(D) Policies and programs for the commercial utilization of the Area and its related natural resources, consistent with the protection of the values for which the Area is established as the Mississippi National River and Recreation Area.

(8) Staff.—The Secretary shall provide the Commission with such staff and technical assistance as the Secretary, after consultation with the Commission, considers appropriate to enable the Commission to carry out its duties. Upon request of the Secretary, any Federal agency may provide information, personnel, property, and services on a reimbursable basis, to the Commission to assist in carrying out its duties under this Act. The Secretary may accept the services of personnel detailed from the State of Minnesota or any political subdivision of the State and may reimburse the State or such political subdivision for such services. The Commission may procure temporary and intermittent services under section 3109(b) of title 5 of the United States Code.

(9) Plan.—Within 3 years after enactment of this Act, the Commission shall submit to the Secretary and the Governor of Minnesota a comprehensive plan for land and water use measures for the area to be developed and implemented by the responsible Federal agencies, the State of Minnesota, and local political subdivisions. The plan shall utilize existing Federal, State, regional, and local plans and shall coordinate those plans to present a unified comprehensive plan for the Area. The plan shall include but not be limited to each of the following:

(A) A program for management of existing and future land and water use which—

(i) consider and details the application of a variety of land and water protection and management techniques;

(ii) includes a policy statement for the use of Federal, State, and local regulatory responsibilities to manage land and water resources in a manner consistent with the purposes of this Act; and

(iii) recognizes existing economic activities within the area and provides for the management of such activities, including barge transportation and fleeting and those indigenous industries and commercial and residential developments which are consistent with the findings and purposes of this Act.

(B) A program providing for coordinated implementation and administration of the plan with proposed assignment of responsibilities to the appropite governmental unit at the Federal, State, regional and local levels, including each of the following:

(i) Ways in which local, regional, State, and Federal policies and permits may better be coordianted to the goals and policies of this section.

(ii) A financial plan to provide and support the public improvements and services recommended in the plan; and a mechanism for coordinating local, regional, State, and Federal planning to promote the purposes of this section.

(iii) How the goals and policies of the management plan will be compatibale with the existing channel maintenance program on the Mississippi River, and the existing Federal, State, regional, and local programs and goals on the Minnesota and St. Croix Rivers.

(iv) The provisions of the Clean Water Act and the Safe Drinking Water Act (title XIV of the Public Health Service Act) which pertain to the surface waters of the Mississippi National River and Recreation Area.

(C) A coordination and consistency component which details the ways in which local, State and Federal programs and policies may best be coordinated to promote the purposes of this Act.

(D) A program for the coordination and consolidation, to the extent feasible, of permits that may be required by Federal, State, and local agencies having jurisdiction over land and waters within the Area.

(10) Development of plan.—

(A) In developing the plan in the Commission shall consult on a regular basis with appropriate officials of any local government or Federal or State agency which has jurisdiction over lands and waters within the Area.

(B) In developing the plan the Commission shall consult with interested conservation, business, professional and citizen organizations.

(C) In developing the plan the Commission shall conduct public hearings within the Area, and at such other places as may be appropriate, for the purposes of providing interested persons with the opportunity to testify with respect to matters to be addressed by the plan.

(11) Approval of plan.—The Commission shall submit the plan to the Secretary and the Governor of Minnesota for their review. The Governor shall act on the plan within 90 days and shall submit the plan to the Secretary along with any recommendations. The Secretary shall approve or disapprove the plan within 90 days. In reviewing the plan the Secretary shall consider each of the following:

(A) The adequacy of public participation.

(B) Assurances of plan implementation from State and local officials.

(C) The adequacy of regulatory and financial tools in place to implement the plan.

(D) Plan provisions for continuing oversight of the plan implementation by the Secretary and the Governor of Minnesota.

If the Secretary disapproves the plan, he shall, within 60 days after the date of such disapproval advise the Governor and Commission in writing of the reasons therefor, together with his recommendations for revision. The Commission shall within 90 days of receipt of such notice of disapproval revise and resubmit the revised plan to the Governor for his review. Following his review, the Governor shall submit the revised plan, together with any recommendations he may have, to the Secretary who shall approve or disapprove the revision within 60 days.

(12) Interim program.—Prior to the adoption of the Commission's plan, the Secretary shall monitor all land and water use activities within the Area to ensure that said activities are in keeping with the purposes of this section, and shall consult and cooperate with the State of Minnesota and its political subdivisions to minimize adverse impacts on the values for which the Area is established.

(13) Commission review.—The Commission may, after providing, for public comment and subject to the review and approval, as set forth in paragraph (11), modify said plan, if the Commission determines that such modification is necessary to further the purposes of this section.

(14) Termination of commission.—The Commission shall terminate on the date 10 years after the enactment of this Act. Following termination of the Commission the State is authorized to establish a State Commission which shall exercise the functions and authorities described in paragraph (13). The Secretary is authorized and directed to participate as a member of such State Commission.

(d) Federal Lands and Developments.—

(1) Lands.—Notwithstanding any other provision of law, any Federal property located within the boundaries of the Area as identified on the map referred to in subsection (b), is hereby transferred without consideration to the administrative jurisdiction of the Secretary for use by him in implementing the purposes of this section, except as follows:

(A) Facilities and lands administered by the Secretary of the Army through the Corps of Engineers for navigational purposes may continue to be used by the Secretary of the Army subject to the provisions of paragraph (2).

(B) Federal property on which there is located any building or other structure which is in use (as of the enactment of this Act) shall not be transferred under this subsection without the concurrence of the administering agency.

(2) Federal agency activities.—

(A) In general.—Before any department, agency, or instrumentality of the United States issues or approves any license or permit for any facility or undertaking within the Area and before any such department, agency or instrumentality commences any undertaking or provides any Federal assistance to the State or any local governmental jurisdiction for any undertaking within the Area, the department, agency, or instrumentality shall notify the Secretary. The Secretary shall review the proposed facility or undertaking to assess its compatibility with the plan approved under subsection (c). The Secretary shall make a determination with respect to the compatibility or incompatibility of a proposed facility or undertaking within 60 days of receiving notice under this subsection. Unless the Secretary determines that the proposed facility or undertaking is compatible with the plan, or that such proposed facility or undertaking is essential for the protection of public health or safety or is necessary for national security or defense, no license or permit may be issued by a department, agency, or instrumentality of the United States for the facility or undertaking and no such department, agency, or instrumentality may commence the undertaking or provide Federal assistance for such undertaking.

(B) Water resources developments.—The authority of the Secretary of the Army, through the Corps of Engineers, to undertake or contribute to water resources developments, including shore erosion control and navigation improvements on lands and waters within the Area shall be exercised in accordance with plans that are mutually acceptable to the Secretary and the Secretary of the Army. Such authority shall be exercised in a manner consistent with the purposes of this section and the purposes of existing statutes deallilng with water and related resources development.

(e) Administration.—

(1) Authorities.—The Secretary shall administer the Area in accordance with this section. Those lands within the area under the jurisdiction of the Secretary shall be administered in accordance with the provisions of law generally applicable to units of the National Park System. Other lands and waters within the area shall be administered under State and local laws. In the case of any conflict between the provisions of this

section and such generally applicable provisions of law, the provisions of this section shall govern.

(2) State and local authorities.—The Secretary shall consult and cooperate with the State of Minnesota and its political subdivisions concerning the development and management of Federal lands within the Area.

(3) Land acquisition.—Within the boundaries of the Area, the Secretary is authorized, in consultation with the State of Minnesota and the affected local governmental unit, to acquire land and interests therein by donation, purchase with donated or appropriated funds, exchange or transfer, except as provided in subparagraphs (A) and (B).

(A) Any lands or interests therein owned by the State of Minnesota or any political subdivision thereof may be acquired only by donation.

(B) Privately owned lands or interests therein may be acquired only with the consent of the owner thereof unless the Secretary makes a determination pursuant to paragraph (4)(B).

(4) Review of local plans.—

(A) Authority.—For the purpose of protecting the integrity of the Area the Secretary shall review all relevant local plans, laws and ordinances to determine whether they substantially conform to the plan approved pursuant to subsection (c). Additionally the Secretary shall determine the adequacy of enforcement of such plans, laws, and ordinances, including review of building permits and zoning variances granted by local governments, and amendments to local laws and ordinances. The Secretary may contract with the State or its political subdivision to provide, on behalf of the Secretary, professional services necessary for the review of such local plans, laws, and ordinances, and of amendments thereto and variances therefrom, and for the monitoring or the enforcement thereof by local governments having jurisdiction over any areas to which the management plan applies.

(B) Purpose.—The purpose of review under subparagraph (a) shall be to determine the degree to which actions by local governments are compatible with the purposes of this Act. Following the approval of the plan under subsection (c) and after a reasonable period of time has elapsed, upon a finding by the Secretary that such plans, laws and ordinances are nonexistent, are otherwise not in conformance with the plan or are not being enforced in such manner as will carry out the purposes of this section (as determined by the Secretary), and if the Secretary determines that there is no feasible alternative available to prevent uses which would be substantially incompatible with the plan, the Secretary may exercise the authority available to him under the provisions of subparagraph (C).

(C) Acquisition.—In those sections of the Area where local plans, laws and ordinances, or amendments thereto or variances therefrom are found by the Secretary not to be in conformance with the plan approved pursuant to subsection (c), or are not being enforced in such manner as will carry out the purposes of this section (as determined by the Secretary), the Secretary shall notify the local government authority concerned. Unless, within 60 days after the date of such notice, the plan, law, or ordinance, amendment, or variance is modified to conform with the plan or enforced in such manner as will carry out the purposes of this section (as determined by the Secretary), the Secretary may acquire land or interests in land without the consent of the owner thereof. Land and interests in land acquired pursuant to this paragraph shall be restricted to the geographical area of the local governmental unit failing to conform with the plan and shall be limited to those lands clearly and directly required, in the judgment of the Secretary, for the protection of the Area in a manner compatible with the plan.

(5) Use and occupancy of acquired improved property.—(A) The Secretary may permit the owner or owners of any improved residential property acquired by the Secretary under this section to retain a right of use and occupancy of the property for noncommerical residential uses not incompatible with the plan approved under subsection (c). Except as provided in this paragraph, such rights shall be for a definite term ending not more than 25 years from the date of acquisition or a term ending at the death of the owner. The owner shall elect the term to be reserved, except that if the owner is a corporation, trust, partnership or any entity other than an individual, the term shall not exceed 25 years. Unless the property is wholly or partially donated, the Secretary shall pay to the owner reserving a right of use and occupancy under this section the fair market value of the property on the date of its acquisition, less the fair market value on that date of the right retained by the owner.

(B) The Secretary may terminate at any time a right retained pursuant to this subsection if it is being exercised in a manner incompatible with the plan approved pursuant to subsection (c).

(C) As used in this paragraph, the term "improved residential property" means a single-family dwelling, the construction of which began before January 1, 1987, together with such land on which the dwelling and appurtenant buildings are located as is in the same ownership as such dwelling and as the Secretary designates is reasonably necessary for the owner's continued use and occupancy of the dwelling.

(f) State and Local Assistance and Jurisdiction.—

(1) Grants.—Upon approval of the plan under subsection (c), the Secretary is authorized and directed to make grants to the State of Minnesota, or its political subdivisions, to cover not more than 50 percent of the costs of acquisition and development within the Area of lands and waters or interests therein in a manner consistent with the purposes of this section.

(2) Cooperative agreements.—The Secretary is authorized and directed to enter into cooperative agreements with the State of Minnesota or any political subdivision thereof pursuant to which he may assist in the planning for and interpretation of non-Federal publicly owned lands within the Area.

(3) Technical assistance.—To enable the State of Minnesota and its political subdivisions to develop and implement programs compatible with the plan, the Secretary shall provide such technical assistance to the State and its political subdivisions as he deems appropriate.

(4) State and local jurisdiction.—Nothing in this section shall diminish, enlarge, or modify any right of the State of Minnesota or any political subdivision thereof, to exercise civil and criminal jurisdiction within the Area, or to tax persons, corporations, franchises, or private property on the lands and waters included in the Area.

(g) Authorization of Appropriations.—There is authorized to be appropriated such sums as may be necessary to carry out this section.

(h) Tri-Rivers Management Board.—

(1) Federal representatives.—In furtherance of the integrated management of those portions of the Mississippi, St. Croix, and Minnesota Rivers within the St. Paul-Minneapolis Metropolitan Area, the Secretary of the Interior and the Secretary of the Army are authorized and directed to appoint representatives to a Tri-Rivers Management Board (hereafter in this subsection referred to as the "Board"), or any similar organization, which may be established by the State of Minnesota to assist in the development and implementation of consistent and coordinated land use planning and management policy for such portions of such rivers.

(2) Personnel.—Upon request of the Board, the Secretary of the Interior and the Secretary of the Army may detail, on a reimbursable basis, any personnel to the Board.

(3) Authorization of appropriations.—There is hereby authorized to carry out the purposes of this subsection the sum of $100,000 annually; except that the Federal contribution to the Board shall not exceed one-third of the annual operating costs of the Board.

SEC. 304. NATCHEZ NATIONAL HISTORICAL PARK.

(a) Purposes.—The purposes of this section are to—

(1) preserve and interpret the history of Natchez, Mississippi, as a significant city in the history of the American South;

(2) preserve and interpret the sites and structures associated with all the peoples of Natchez and its surrounding area from earliest inhabitants to the modern era, and including blacks both slave and free;

(3) preserve and interpret the region's social, political, and economic development, with particular emphasis on the pre- and post-Civil War eras; and

(4) preserve and interpret the region's commercial and agricultural history, especially in relation to the Mississippi River and cotton.

(b) Establishment of Natchez National Historical Park.—

(1) In general.—In order to provide for the benefit, inspiration, and education of the American people, there is hereby established the Natchez National Historical Park (hereinafter in this section referred to as the "park") in the State of Mississippi.

(2) Area included.—The park shall consist of the historic districts established under this section and the following properties:

(A) The lands and structures known as Melrose, together with all personal property located on such lands.

(B) The lands and improvements thereof known as, or associated with, Fort Rosalie.

The property referred to in subparagraph (B) shall be included within the park only if the Secretary of the Interior (hereinafter in this Act referred to as the 'Secretary') determines that the historic resources of Fort Rosalie are of sufficient national significance and integrity to warrant inclusion in the national park system. The Secretary shall make such determination after receiving from the Governor of the State of Mississippi and the Mayor of the City of Natchez, in consultation with the State Historic Preservation Officer, a recommendation based on scholarly research as to the national significance and integrity of such historic resources.

(3) Boundaries; map.—The Secretary shall prepare a map of the lands included within the park. Such map shall be on file and available for public inspection in the offices of the National Park Service at the park and at the Department of the Interior in the District of Columbia. The Secretary may from time to time make minor revisions in the boundary of the park in accordance with section 7(c) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601-4 and following).

(c) Acquisition of Property.—Except as otherwise provided in this subsection, the Secretary may acquire, by donation, purchase with donated or appropriated funds, or exchange, land or interests in land, together with structures and other improvements thereon and personal property, which is included within the park. In addition the Secretary may acquire by any such means such personal property associated with the park as he deems appropriate for interpretation of the park and such additional lands and properties as may be necessary for purposes of an administrative headquarters and administrative site. Any land, interests in land, structures, improvements, or personal property owned by the State of Mississippi or any political subdivision thereof, may be acquired only by donation. The Secretary may not acquire fee title to any property other than the property the Secretary deems necessary for an administrative site and headquarters and the property referred to in subparagraph (A) or (B) of subsection (b)(2). The Secretary may not acquire the property referred to in subparagraph (A) of subsection (b)(2) unless at least 25 percent of the fair market value of such property (as determined by the Secretary) is donated to the United States in connection with such acquisition.

(d) Administration of Park.—

(1) In general.—The Secretary shall administer the park in accordance with this section and with the provisions of law generally applicable to units of the national park system, including the Act entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916 (39 Stat. 535; 16 U.S.C. 1-4) and the Act of August 21, 1935 (49 Stat. 666; 16 U.S.C. 461-467). Properties acquired under this section for purposes of inclusion in the park shall be available for visitor inspection and enjoyment as promptly as practicable after the date of acquisition notwithstanding the absence of a park management plan.

(2) Donations.—Notwithstanding any other provision of law, the Secretary may accept and expend donations of funds, property, or services from individuals, foundations, corporations, or public entities for the purpose of providing services and facilities which he deems consistent with the purposes of this section.

(3) Historic districts.—

(A) Study of historic properties.—The Secretary shall prepare and transmit to the Committee on Interior and Insular Affairs of the United States House of Representatives and to the Committee on Energy and Natural Resources of the United States Senate a study of the properties in the city of Natchez and its immediate environs that preserve and interpret the history contained in the purposes of this section. Such report shall consider which properties best exemplify such purposes and appropriate means for providing technical assistance to, and interpretation of, such properties. The study and report shall include consideration of Natchez-Under-the-Hill and the Briars.

(B) Establishment of districts.—Following completion of the study under subparagraph (A), but not later than 1 year after the enactment of this Act, the Secretary shall establish historic districts in the city of Natchez and its immediate environs for the preservation and interpretation of the resources that contribute to the understanding of the purposes of this section.

(C) Cooperative agreements with owners.—In furtherance of the purposes of this section, and after consultation with the Advisory Commission established by this section, the Secretary is authorized to enter into cooperative agreements with the owners of properties of historical or cultural significance (as determined by the Secretary) within any historic district established under this paragraph. Such agreements shall permit the Secretary to mark, interpret, improve, restore, and provide technical assistance with respect to the preservation and interpretation of such properties. Such agreements shall contain, but need not be limited to, provisions that the Secretary shall have the right of access at reasonable times to public portions of any property covered by such agreement for purposes of conducting visitors through such properties and interpreting them to the public, and that no changes or alterations shall be made in the property except by mutual agreement between the Secretary and other parties to the agreement.

(4) General management plan.—Within 3 complete fiscal years after the enactment of this Act, the Secretary shall submit to the Committee on Interior and Insular Affairs of the United States House of Representatives and to the Committee on Energy and Natural Resources of the United States Senate a general management plan for the park. The plan shall be prepared in accordance with section 12(b) of the Act of August 18, 1970 (84 Stat. 825; 16 U.S.C. 1a-1-1a-7). Such plan shall identify appropriate facilities for proper interpretation of the site for visitors.

(e) Natchez Trace Study.—The Secretary shall prepare, in consultation with the city of Natchez, a study of the feasibility of extending the Natchez Trace within the city of Natchez, including the acceptance of donations of rights-of-way. The Secretary shall transmit the study to the Committee on Interior and Insular Affairs of the United States House of Representatives and to the Committee on Energy and Natural Resources of the United States Senate within 1 year after the enactment of this Act.

(f) Advisory Commission.—

(1) Establishment.—There is hereby established the Natchez National Historical Park Advisory Commission (hereinafter in this section referred to as the "Advisory Commission"). The Advisory Commission shall be composed of 6 members appointed by the Secretary. Two of such members shall be appointed from among individuals nominated by the mayor of Natchez and 1 from among individuals nominated by the Governor of Mississippi. Two of the members shall have expertise in historic preservation and 1 shall have expertise in architectural history. Any member of the Advisory Commission appointed for a definite term may serve after the expiration of his term until his successor is appointed. The Advisory Commission shall designate one of its members as Chairperson.

(2) Management and development issues.—The Secretary, or his designee, shall from time to time, but at least semiannually, meet and consult with the Advisory Commission on matters relating to the management and development of the park.

(3) Meetings.—The Advisory Commission shall meet on a regular basis. Notice of meetings and agenda shall be published in local newspapers which have a distribution which generally covers the area affected by the park. Advisory Commission meetings shall be held at locations and in such a manner as to ensure adequate public involvement.

(4) Expenses.—Members of the Advisory Commission shall serve without compensation as such, but the Secretary may pay expenses reasonably incurred in carrying out their responsibilities under this section on vouchers signed by the Chairperson.

(5) Charter.—The provisions of section 14(b) of the Federal Advisory Committee Act (Act of October 6, 1972; 86 Stat. 776), are hereby waived with respect to the Advisory Commission.

(g) Authorization of Appropriations.—There are hereby authorized to be appropriated not to exceed $12,000,000 to carry out this section.

SEC. 305. CANAVERAL NATIONAL SEASHORE.

(a) Additions to Canaveral National Seashore.—

(1) Seminole rest and stuckey's.—

(A) The Secretary of the Interior (hereinafter in this section referred to as the "Secretary") is authorized and directed to acquire approximately 25 acres of land in the State of Florida known as Seminole Rest and approximately 10 acres of land known as Stuckey's. Both areas are depicted on a map entitled "Additions to Canaveral National Seashore" numbered NS-CAN-40000-C and dated May 1988.

(B) The Secretary shall manage the lands known as Seminole Rest for the primary purpose of protecting and interpreting their archaeological and historic resources and the lands known as Stuckey's for the primary purpose of establishing an administrative headquarters and visitor center within Volusia County, Florida.

(2) Acquisition authority.—Land acquired under this subsection may only be acquired in accordance with section 2 of the Act entitled "An Act to establish the Canaveral National Seashore in the State of Florida, and for other purposes" (16 U.S.C. 459j-1).

(b) Authorization of Appropriations Relating to Development of Essential Public Facilities.—Section 9(b) of the Act entitled "An Act to establish the Canaveral National Seashore in the State of Florida, and for other purposes" (16 U.S.C. 459j-8) is amended by striking out "not more than $500,000." and inserting in lieu thereof "$2.6 million in addition to the sums previously appropriated.".

(c) Miscellaneous Provisions.—

(1) Map.—The Secretary shall file the map referred to in this section with the Committee on Interior and Insular Affairs, House of Representatives, and the Committee on Energy and Natural Resources, Senate, and the map shall have the same force and effect as if included in this section, except that correction of clerical and typographical errors in such map may be made. The map shall be on file and available for public inspection in the office of the Director of the National Park Service, Department of the Interior.

(2) Authorization of appropriations.—There are authorized to be appropriated

such sums as may be necessary to carry out the acquisitions authorized by this section.

SEC. 306. ANTIETAM NATIONAL BATTLEFIELD.

(a) Acreage Limitation.—The first section of the Act entitled "An Act to provide for the protection and preservation of the Antietam Battlefield in the State of Maryland", approved April 22, 1960 (16 U.S.C. 430oo) is amended by striking out "Not more than 600 acres of land, however, shall be acquired in fee by purchase or condemnation, but neither this limitation nor any other provision of law shall preclude such acquisition of the fee title to other lands and its immediate reconveyance to the former owner with such covenants, restrictions, or conditions as will accomplish the purposes of this section: *Provided*, That the cost to the Government of any such transaction shall not exceed the reasonable value of the covenants, restrictions, or conditions thereby imposed on the property.".

(b) Scenic Easement Limitation.—Section 319(a) of the National Parks and Recreation Act of 1978 (16 U.S.C. 430oo note) is amended by striking out "only scenic easements over".

(c) Site Redesignation.—Section 319(b) of the National Parks and Recreation Act of 1978 (16 U.S.C. 430nn note) is amended by striking out ", including only scenic easements acquired pursuant to subsection (a) of this section,".

SEC. 307. HAMILTON GRANGE.

The Joint Resolution of April 27, 1962 (76 Stat. 57) is amended by striking all after the enacting clause and inserting the following:

"SECTION 1. HAMILTON GRANGE NATIONAL MEMORIAL.

"(a) Establishment.—In order to provide for the benefit, inspiration, and education of the American people, there is hereby established the Hamilton Grange National Memorial (hereinafter in this Act referred to as the "memorial") in the State of New York.

"(b) Map.—The memorial shall consist of the lands and interests in lands and improvements as generally depicted on the map entitled "Alexander Hamilton National Memorial", numbered 416/80,002 and dated June, 1988.

"SEC. 2. ACQUISITION OF PROPERTY.

"The Secretary of the Interior (hereinafter in this Act referred as the "Secretary") is authorized to acquire lands, interests in lands, and improvements thereon within the boundaries of the memorial by donation. The Secretary is authorized to reimburse the owner not more than $15,000 for administrative costs directly related to the transfer of ownership of this property. The Secretary may also acquire by the donation, purchase with donated or appropriated funds or by exchange, personal property associated with and appropriate for interpretation of the memorial.

"SEC. 3. ADMINISTRATION OF MEMORIAL.

"The Secretary shall administer the memorial in accordance with the provisions of law generally applicable to units of the national parks system, including the Act of August 21, 1916 (39 Stat. 535; 16 U.S.C. 1, 2-4) and the Act of August 21, 1935 (49 Stat. 666; 16 U.S.C. 461). In administering the memorial, the Secretary shall—

"(1) provide for the interpretation of the life of Alexander Hamilton;

"(2) preserve and interpret the history of The Grange, home of Alexander Hamilton; and

"(3) present the history of the United States as a young nation.

"SEC. 4. GENERAL MANAGEMENT PLAN.

"Within 3 complete fiscal years after the enactment of this section, the Secretary shall submit to the Committee on Interior and Insular Affairs of the United States House of Representatives and the Committee on Energy and Natural Resources of the United States Senate a general management plan for the memorial. The plan shall be prepared in accordance with section 12(b) of the Act of August 18, 1970 (84 Stat. 825; 16 U.S.C. 1a-1—1a-7). Such plan shall identify appropriate facilities for proper interpretation of the site for visitors.

"SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated such sums as may be necessary to carry out this Act, but not to exceed $2,500,000 for development.".

SEC. 308. POVERTY POINT.

(a) Establishment.—

(1) In general.—In order to preserve the archaeological areas known as Poverty Point, Louisiana, and to interpret and conduct further research on such area, its people and their culture, there is hereby established the Poverty Point National Monument (hereafter in this section referred to as the "monument").

(2) Area included.—The monument shall consist of the lands and interests in lands within the area generally depicted on the map entitled "Boundary Map, Poverty Point National Monument", numbered PO-PT 80,000, and dated August, 1988. The map shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior, and at the monument. The Secretary of the Interior (hereinafter in this section referred to as the "Secretary") may, from time to time, make minor revisions in the boundary of the monument.

(b) Administration.—

(1) In general.—The Secretary shall administer the monument in accordance with this section and with the provisions of law generally applicable to units of the national park system, including the Act entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916 (39 Stat. 535; 16 U.S.C. 1-4) and the Act of August 21, 1935 (49 Stat. 666); 16 U.S.C. 461-467). The Secretary is authorized to acquire personal property for the purpose of administering the monument.

(2) Management plan.—Not later than 2 years after the date of enactment of this Act, the Secretary shall develop and implement a management plan for the monument. The Secretary shall promptly submit such plan to the appropriate committees of the Congress.

(3) Cooperative agreements.—The Secretary is authorized to enter into cooperative agreements with institutions of higher education and professional societies to conduct further research on Poverty Point, its people and their culture.

(4) Employment.—The Secretary shall utilize existing authority, to the extent practicable, to employ those persons managing the State commemorative area at Poverty Point, Louisiana.

(c) Acquisition of Land.—The Secretary may acquire land or interests in land within the boundaries of the monument by donation, purchase from a willing seller with donated or appropriated funds, or exchange. Lands, and interests in lands, within the boundaries of the monument which are owned by the State of Louisiana, or any political subdivision thereof, may be acquired only by donation.

(d) Advisory Commission.—

(1) Establishment.—(A) There is hereby established the Poverty Point National Monument Advisory Commission (hereafter in this section referred to as the "Advisory Commission"). The Advisory Commission shall be composed of 7 members appointed by the Secretary as follows:

(i) 3 members from those nominated by the Governor of Louisiana, including the State of Louisiana Historic Preservation Officer;

(ii) 2 members from professional archaeologists in the archaeology community; and

(iii) 2 members from the public with particular interests in Poverty Point.

(B) Members of the Advisory Commission shall be appointed for terms of 3 years. Any member of the Advisory Commission appointed for a definite term may serve after the expiration of his term until his successor is appointed.

(C) The Advisory Commission shall designate one of its members as Chairperson.

(2) Management and development issues.—The Secretary, or his designee, shall from time to time, but at least semiannually, meet and consult with the Advisory Commission on matters relating to the management and development of the monument.

(3) Meetings.—The Advisory Commission shall meet on a regular basis. Notice of meetings and agenda shall be published in local newspapers which have a distribution which generally covers the area affected by the monument. Advisory Commission meetings shall be held at locations and in such a manner as to ensure adequate public involvement.

(4) Expenses.—Members of the Advisory Commission shall serve without compensation as such, but the Secretary may pay expenses reasonably incurred in carrying out their responsibilities under this section on vouchers signed by the Chairperson.

(5) Charter.—The provisions of section 14(b) of the Federal Advisory Committee Act (Act of October 6, 1972; 86 Stat. 776), are hereby waived with respect to this Advisory Commission.

(e) Authorization of Appropriations.—There is hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.

SEC. 309. DAMS IN YOSEMITE PARK.

Notwithstanding any other provision of law, no Federal lands may be used for the expansion of the capacity of any reservoir which is located within the boundaries of Yosemite National Park unless Congress enacts specific statutory authorization after the date of the enactment of this section for such expansion.

SEC. 310. DELAWARE AND LEHIGH NAVIGATION CANAL NATIONAL HERITAGE CORRIDOR.

(a) Findings.—Congress finds the following:

(1) The Delaware Canal, which opened for regular commercial navigation in 1834, provided an early and essential link in a 4,000 mile national transportation route and helped to transform Pennsylvania from an agrarian region to the center of an industrialized society.

(2) The Canal served as the primary means for transporting coal and other bulk goods from the "Anthracite Region" of Pennsylvania to New York, New Jersey, Philadelphia, and other industrial centers as far away as Europe.

(3) As part of an elaborate national transportation system, the Delaware Canal and Lehigh Navigation Canal played a critical role in supplying our developing nation with the coal that fueled its factories and heated its homes.

(4) The route of the Delaware Canal parallels stagecoach routes and the trails of the Lenni-Lenape Indians, and passes numerous 18th, 19th, and 20th century sites of national and state historical significance.

(5) In 1978, the Delaware Canal was declared a National Historic Landmark, and portions of the Lehigh Navigation Canal were placed on the National Register of Historic Places and designated a National Recreation Trail.

(b) ESTABLISHMENT.—There is hereby established in the Commonwealth of Pennsylvania the Delaware and Lehigh Navigation Canal National Heritage Corridor (hereafter in this section referred to as the "Corridor").

(c) PURPOSE.—It is the purpose of this section to provide a management framework to assist the Commonwealth and its political subdivisions in developing and implementing integrated cultural, historical, and natural resource policies and programs that will preserve and interpret for the educational and inspirational benefit of present and future generations the unique and significant contributions to our national heritage of certain historic and cultural lands, waterways, and structures within and surrounding the Delaware and Lehigh Navigation Canal in the Commonwealth.

(d) BOUNDARIES.—The boundaries of the Corridor shall include those lands generally depicted on the map entitled "Delaware and Lehigh Navigation Canal National Heritage Corridor" numbered DELE-90,000 and dated August, 1988. The map shall be on file and available for public inspection in the offices of the Department of the Interior in Washington, District of Columbia, and the Pennsylvania Department of Environmental Resources. As soon as practical after the date of enactment of this Act, the Secretary shall publish in the Federal Register a detailed description and map of the boundaries established under this subsection.

(e) ADMINISTRATION.—The Corridor shall be administered in accordance with the provisions of this section.

(f) DELAWARE AND LEHIGH NAVIGATION CANAL NATIONAL HERITAGE CORRIDOR COMMISSION.—

(1) ESTABLISHMENT.—There is hereby established the Delaware and Lehigh Navigation Canal National Heritage Corridor Commission (hereinafter in this Act referred to as the "Commission"). The Commission shall assist appropriate Federal, State, and local authorities in the development and implementation of an integrated resource management plan for the Corridor.

(2) MEMBERSHIP.—The Commission shall be composed of 21 members appointed not later than 6 months after the date of enactment of this Act as follows:

(A) The Director of the National Park Service ex officio (or his delegate).

(B) 4 individuals nominated by the Governor of the Commonwealth and appointed by the Secretary, who shall represent the Pennsylvania Department of Environmental Resources, the Pennsylvania Historical and Museum Commission, the Pennsylvania Department of Commerce/Economic Development Partnership, and the Pennsylvania Department of Community Affairs.

(C) 8 representatives of local governments from the Commonwealth nominated by the Governor of the Commonwealth and appointed by the Secretary, of whom 4 shall be representatives from the Lehigh Navigation Canal region and 4 shall be representatives from the Delaware Canal region.

(D) 8 individuals from the general public who are citizens of the Commonwealth nominated by the Governor of the Commonwealth and appointed by the Secretary, who shall have knowledge and experience in appropriate fields of interest, relating to the preservation, use, and interpretation of the Corridor of whom 4 shall be residents of the Delaware Canal region.

A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(3) TERMS.—(A) Members of the Commission shall be appointed for terms of 3 years and may be reappointed.

(B) Any member appointed to fill a vacancy occurring before the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term. Any member of the Commission appointed for a definite term may serve after the expiration of his term until his successor has taken office.

(4) COMPENSATION.—Members of the Commission shall receive no pay on account of their service on the Commission, but while away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703 of title 5, United States Code.

(5) CHAIRPERSON.—The chairperson of the Commission shall be elected by the members of the Commission. The term of the chairperson shall be 2 years.

(6) QUORUM.—(A) 11 members of the Commission shall constitute a quorum, but a lesser number may hold hearings.

(B) The affirmative vote of not less than 6 members of the Commission shall be required to approve the budget of the Commission.

(7) MEETINGS.—The Commission shall hold its first meeting no later than 90 days after the date on which its members are appointed, and shall meet at least quarterly at the call of the chairperson or 6 of its members. Meetings of the Commission shall be subject to section 552b of title 5, United States Code (relating to open meetings).

(8) STAFF OF THE COMMISSION.—

(A) IN GENERAL.—(i) The Commission shall have the power to appoint and fix the compensation of such staff as may be necessary to carry out its duties.

(ii) Staff appointed by the Commission—

(I) shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service; and

(II) shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(B) EXPERTS AND CONSULTANTS.—Subject to such rules as may be adopted by the Commission, the Commission may procure temporary and intermitent services to the same extent as is authorized by section 3109(b) of title 5, United States Code, but at rates determined by the Commission to be reasonable.

(C) STAFF OF OTHER AGENCIES.—(i) Upon request of the Commission, the head of any Federal agency may detail, on a reimbursable basis, any of the personnel of such agency to the Commission to assist the Commission in carrying out the Commission's duties.

(ii) The Commission may accept the services of personnel detailed from the Commonwealth and any political subdivision thereof, and may reimburse the Commonwealth or such political subdivision for those services.

(9) POWERS OF COMMISSION.—

(A) HEARINGS.—(i) The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission considers appropriate.

(ii) The Commission may not issue subpoenas or exercise any subpoena authority.

(B) POWERS OF MEMBERS AND AGENTS.—Any member or agent of the Commission, if so authorized by the Commission, may take any action which the Commission is authorized to take by this section.

(C) ADMINISTRATIVE SUPPORT SERVICES.—The Administrator of the General Services Administration shall provide to the Commission, on a reimbursable basis, such administrative support services as the Commission may request.

(D) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(E) USE OF FUNDS TO OBTAIN MONEY.—The Commission may use its funds to obtain money from any source under any program or law requiring the recipient of such money to make a contribution in order to receive such money.

(F) GIFTS.—(i) Except as provided in paragraph (10)(B)(ii), the Commission may, for purposes of carrying out its duties, seek, accept, and dispose of gifts, bequests, or donations of money, personal property, or services, received from any source.

(ii) For purposes of section 170(c) of the Internal Revenue Code of 1986, any gift to the Commission shall be deemed to be a gift to the United States.

(10) ACQUISITION OF REAL PROPERTY.—(A) Except as provided in subparagraph (B) and except with respect to any leasing of facilities under paragraph (9)(C), the Commission may not acquire any real property or interest in real property.

(B) Subject to subparagraph (C) of this paragraph, the Commission may acquire real property, or interests in real property, in the Corridor—

(i) by gift or devise; or

(ii) by purchase from a willing seller with money which was given or bequeathed to the Commission on the condition that such money would be used to purchase real property, or interests in real property, in the Corridor.

(C) Any real property or interest in real property acquired by the Commission under subparagraph (B) shall be conveyed by the Commission to an appropriate public agency, as determined by the Commission. Any such conveyance shall be made—

(i) as soon as practicable after such acquisition;

(ii) without consideration; and

(iii) on the condition that the real property or interest in real property so conveyed is used for public purposes.

(11) COOPERATIVE AGREEMENTS.—For purposes of carrying out the plan, the Commission may enter into cooperative agreements with the Commonwealth, with any political subdivision of the Commonwealth, or with any person. Any such cooperative agree-

ment shall, at a minimum, establish procedures for providing notice to the Commission of any action proposed by the Commonwealth, such political subdivision, or such person which may affect the implementation of the plan.

(12) Advisory groups.—The Commission may establish such advisory groups as it deems necessary to ensure open communication with, and assistance from, the Commonwealth, political subdivisions of the Commonwealth, and interested persons.

(13) Duties of the commission.—

(A) Preparation of plan.—Within 2 years after the Commission conducts its first meeting, it shall submit to the Secretary a Cultural Heritage and Corridor Management Plan. The Plan shall be based on existing Federal, Commonwealth, and local plans, but shall coordinate those plans and present a unified historic preservation and interpretation plan for the corridor. The plan shall—

(i) provide an inventory which includes any property in the Corridor which should be preserved, restored, managed, developed, maintained, or acquired because of its national historic or cultural significance;

(ii) develop a historic interpretation plan to interpret the history of the Canal and its surrounding area;

(iii) recommend policies for resource management which consider and detail the application of appropriate land and water management techniques, including the development of intergovernmental cooperative agreements, that will protect the Corridor's historical, cultural, scenic, and natural resources in a manner consistent with supporting appropriate and compatible economic revitalization efforts;

(iv) detail the ways in which local, Commonwealth, and Federal programs may best be coordinated to promote the purposes of this section; and

(v) contain a program for implementation of the Plan by the Commonwealth and its political subdivisions.

(B) Implementation of plan.—After review and approval of the Plan by the Secretary as provided in subsection (g)(1), the Commission shall implement the Plan by taking appropriate steps to preserve and interpret the historic resources of the Canal and its surrounding area, and to support public and private efforts in economic revitalization consistent with the goals of the Plan. These steps may include, but need not be limited to—

(i) assisting the Commonwealth in preserving the Canal;

(ii) assisting the Commonwealth and local governments in designing, establishing, and maintaining visitor centers and other interpretive exhibits in the Corridor;

(iii) assisting in increasing public awareness of and appreciation for the historical, architectural, and geological resources and sites in the Corridor;

(iv) assisting the Commonwealth, local governments, and nonprofit organizations in the restoration of any historic building in the Corridor;

(v) encouraging by appropriate means enhanced economic and industrial development in the Corridor consistent with the goals of the Plan;

(vi) encouraging local governments to adopt land use policies consistent with the management of the Corridor and the goals of the Plan, and to take actions to implement those policies; and

(vii) ensuring that clear, consistent signs identifying access points and sites of interest are put in place throughout the Corridor.

(14) Termination of commission.—

(A) Termination.—Except as provided in subparagraph (B), the Commission shall terminate on the day occurring 5 years after the date of the enactment of this Act.

(B) Extensions.—The Commission may be extended for a period of not more than 5 years beginning on the day of termination referred to in subparagraph (A) if, not later than 180 days before such day—

(i) the Commission determines such extension is necessary in order to carry out the purpose of this section;

(ii) the Commission submits such proposed extension to the Committee on Interior and Insular Affairs of the United States House of Representatives and to the Committee on Energy and Natural Resources of the United States Senate; and

(iii) the Governor of the Commonwealth and the Secretary each approve such extension.

(g) Duties of the Secretary.—

(1) Approval of plan.—The Secretary shall approve or disapprove a Plan submitted to him under this section by the Commission not later than 60 days after he receives such Plan. The Secretary shall approve a Plan submitted to him if—

(A) he finds that the Plan, if implemented, would adequately protect the significant historical and cultural resources of the Corridor while providing adequate and appropriate outdoor recreational opportunities and economic activities within the Corridor;

(B) he determines that the Commission held public hearings and provided adequate opportunity for public and governmental involvement in the preparation of the Plan; and

(C) he receives adequate assurances from appropriate Commonwealth officials that the recommended implementation program identified in the Plan will be initiated within a reasonable time after the date of approval of the Plan, and that such implementation program will ensure effective implementation of the State and local aspects of the Plan.

(2) Disapproval of plan.—If the Secretary disapproves a Plan submitted to him by the Commission, he shall advise the Commission in writing of the reasons therefor and shall make recommendations for revisions in the Plan. The Commission shall within 90 days of receipt of such notice of disapproval revise and resubmit the Plan to the Secretary who shall approve or disapprove a proposed revision within 60 days after the date it is submitted to him.

(3) Interpretive materials.—Following approval of the Plan as provided under paragraph (1), the Secretary shall assist the Commission in designing and producing interpretive materials based on the Plan. Such materials may include—

(A) guide brochures for exploring the Corridor by automobile, train, bicycle, boat, horseback, or foot;

(B) indoor and outdoor visitor displays, which may include video presentations, at several locations along the Corridor; and

(C) a mobile display describing the history of the Corridor, to be used in the Corridor, public buildings, libraries, and schools.

(4) Technical assistance.—The Secretary shall, upon the request of the Commission, provide technical assistance to the Commission in the preparation and implementation of the Plan.

(h) Duties of Other Federal Entities.—Any Federal entity conducting or supporting activities directly affecting the flow of the Canal or the natural resources of the Corridor shall—

(1) consult with the Secretary and the Commission with respect to such activities;

(2) cooperate with the Secretary and the Commission in carrying out their duties under this section and, to the maximum extent practicable, coordinate such activities with the carrying out of such duties; and

(3) to the maximum extent practicable, conduct or support such activities in a manner consistent with the Plan and the provisions of this section.

(i) Authorization of Appropriations.—

(1) Commission.—There is authorized to be appropriated annually to the commission to carry out its duties under this section, not more than $350,000, except that the Federal contribution to the Commission shall not exceed 50 percent of the annual costs of the Commission in carrying out those duties.

(2) Secretary.—There are authorized to be appropriated annually to the Secretary such sums as may be necessary to carry out his duties under this section.

(j) Definitions.—For purposes of this section—

(1) The term "Canal" means the Delaware and Lehigh Navigation Canal.

(2) The term "Commission" means the Delaware and Lehigh Navigation Canal National Heritage Corridor Commission established under subsection (f).

(3) The term "Commonwealth" means the Commonwealth of Pennsylvania.

(4) The term "Corridor" means the Delaware and Lehigh Navigation Canal National Heritage Corridor established under subsection (b).

(5) The term "Plan" means the Cultural Heritage and Corridor Management Plan to be prepared by the Commission pursuant to subsection (f)(13)(A).

(6) The term "Secretary" means the Secretary of the Interior.

SEC. 311. NEW JERSEY COASTAL HERITAGE ROUTE.

(a) Designation.—In order to provide for public appreciation, education, understanding, and enjoyment, through a coordinated interpretive program of certain nationally significant natural and cultural sites associated with the coastal area of the State of New Jersey that are accessible generally by public road, the Secretary of the Interior (hereinafter referred to as the "Secretary"), acting through the Director of the National Park Service, with the concurrence of the agency having jurisdiction over such roads, is authorized to designate, by publication of a map or other description thereof in the Federal Register, a vehicular tour route along existing public roads linking such natural and cultural sites in New Jersey. Such route shall be known as the New Jersey Coastal Heritage Route (hereafter in this section referred to as the "route").

(b) Location; Additional Segments.—The route shall follow public roads, which are generally located to the east of the Garden State Parkway, linking the New Jersey portion of Gateway National Recreation Area, known generally as the Sandy Hook Unit, with the national historic landmark in Cape May and that area north and west of Cape May in the vicinity of Deepwater, New Jersey. The Secretary may, in the manner set forth in subsection (a), designate additional segments of the route from time to time as appropriate to link the foregoing sites with other natural and cultural sites when such sites are designated and protected by Federal, State, or local governments, or other public or private entities.

(c) Inventory and Plan.—

(1) Preparation.—Within one year after the date of availability of funds, the Secretary shall prepare a comprehensive inventory of sites along the route and general plan which shall include but not be limited to the location and description of each of the following—

(A) Significant fish and wildlife habitat and other natural areas.

(B) Unique geographic or geologic features and significant landforms

(C) Important cultural resources, including historical and archeological resources.

(D) Migration routes for raptors and other migratory birds, marine mammals, and other wildlife.

(2) Interpretive program.—The general plan shall include proposals for a comprehensive interpretive program of the area and it shall identify alternatives for appropriate levels of protection of significant resources.

(3) Transmission to Congress.—The Secretary shall transmit the comprehensive inventory and the general plan to the Committee on Energy and Natural Resources of the United States Senate and to the Committee on Interior and Insular Affairs of the United States House of Representatives.

(4) Consultation; public participation.—The inventory and plan shall be prepared in consultation with other Federal agencies, the State of New Jersey, units of local government, and public and private entities. In addition, the Secretary shall ensure that there are ample opportunities for public involvement and participation in the preparation of the inventory and plan.

(d) Public Appreciation.—With respect to sites linked by segments of the route which are administered by other Federal, State, local, nonprofit or private entities, the Secretary is authorized, pursuant to cooperative agreements with such entities, to provide technical assistance in the development of interpretive devices and materials and conservation methods regarding the resources enumerated in subsection (c) in order to contribute to public appreciation, understanding and conservation of the natural and cultural resources of the sites along the route. The Secretary, in cooperation with State and local governments, and other public and private entities, shall prepare and distribute informational material for the public appreciation of sites along the route.

(e) Markers.—The route shall be marked with appropriate markers to guide the public. With the concurrence and assistance of the State or local entity having jurisdiction over the roads designated as part of the route, the Secretary may erect thereon signs and other informational devices displaying the New Jersey Coastal Heritage Route marker. The Secretary is authorized to accept the donation of suitable signs and other informational devices for placement at appropriate locations.

(f) Authorization of Appropriations.—There are authorized to be appropriated to the Secretary not more than $250,000 to carry out the purposes of this section. No funds made available under this section shall be used for the operation, maintenance, or repair of any road or related structure.

SEC. 312. NATIONAL PARK OF AMERICAN SAMOA.

(a) Findings.—The Congress finds that:

(1) Tropical forests are declining worldwide.

(2) Tropical forests contain 50 percent of the world's plant and animal species, contribute significantly to the advancement of science, medicine, and agriculture and produce much of the earth's oxygen. The loss of these forests leads to the extinction of species, lessening the world's biological diversity, reduces the potential for new medicines and crops and increases carbon dioxide levels in the atmosphere contributing to the greenhouse effect that is altering the global climate.

(3) The tropical forest of American Samoa is one of the last remaining undisturbed paleotropical forests.

(4) The tropical forest in American Samoa is the largest such forest under direct control of the United States.

(5) The tropical forest of American Samoa contains the habitat of one of the last remaining populations of Pacific flying foxes.

(6) The flying foxes of American Samoa are responsible for a large part of the pollination which maintains a significant portion of the species which inhabit the Samoan tropical forest.

(7) Information presently available indicates the existence of extensive archaeological evidence related to the development of the Samoan culture which needs to be examined and protected.

(8) The people of American Samoa have expressed a desire to have a portion of the tropical forest protected as a unit of the National Park System.

(b) Purposes.—The purposes of this section are to preserve and protect the tropical forest and archaeological and cultural resources of American Samoa, and of associated reefs, to maintain the habitat of flying foxes, preserve the ecological balance of the Samoan tropical forest, and, consistent with the preservation of these resources, to provide for the enjoyment of the unique resources of the Samoan tropical forest by visitors from around the world.

(c) Establishment.—In order to carry out the purposes expressed in subsection (b), the Secretary of the Interior (hereinafter in this section referred to as the "Secretary") shall establish the National Park of American Samoa (hereinafter in this section referred to as the "park"). The Secretary shall establish the park only when the Governor of American Samoa has entered into a lease with the Secretary under which the Secretary will lease for a period of 50 years the lands and waters generally referred to in subsection (d) for use solely for purposes of the park. Immediately after enactment of the Act, the Secretary shall commence negotiations with the Governor of American Samoa respecting such a lease agreement. On or before the expiration of the lease agreement as set forth in this subsection, the Governor of American Samoa is encouraged to extend the lease to maintain the area as a unit of the national park system. At such time as the lease may terminate the Government of American Samoa is urged to provide assurances to the Secretary that the lands and waters generally referred to in subsection (d) will be protected and preserved to the same standard as are applicable to national parks.

(d) Area Included.—The park shall consist of three units as generally depicted on the following maps entitled "Boundary Map, National Park of American Samoa,": (1) map number NP—AS 80,000A, dated August 1988, (2) map number NP—AS 80,000B, dated August 1988, and (3) map number NP—AS 80,000C, dated August 1988. Before publication of the maps, the Secretary, after consultation with the Governor of American Samoa and other appropriate leaders, may adjust the boundaries of the park to correspond with the appropriate village boundaries and modify the maps accordingly. The maps shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior. The Secretary may at any time make revisions of the boundary of the park in accordance with section 7(c) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601-4 and following), pursuant to agreement with the Governor of American Samoa, and contingent upon the lease to the Secretary of lands within the new boundaries.

(e) Management by American Samoa.—Notwithstanding subsection (g)(1), after 50 years after the enactment of this Act, the Secretary shall, if requested by the Governor of American Samoa, enter into an extension of the lease referred to in subsection (c). If the Governor does not request such an extension the Secretary shall transfer to the Governor the sole authority to administer the park. Whenever the Secretary makes such a transfer he shall also transfer any improvements constructed by the Secretary in the park to the Governor without compensation.

(f) Compensation Under Lease Agreement.—(1) Notwithstanding any other provision of law, the Secretary is authorized and directed to negotiate with the Governor of American Samoa the amount of the payments to be made by the United States under the 50-year lease referred to in subsection (c). The Secretary shall make such payments as may be mutually agreed to by the Secretary and the Governor pursuant to such negotiations.

(2) The Secretary shall place all lease payments made by the United States under the lease in an interest bearing escrow account in American Samoa. Funds in such account may be disbursed only by the Governor, in amounts determined by the High Court of American Samoa, to those villages and families located within the boundaries of the park. The High Court of American Samoa shall have exclusive jurisdiction to determine the amount to be disbursed under this section to any person.

(3) If the amount of the lease payments to be made under the lease is not agreed upon within 1 year after the enactment of this Act, the Secretary shall establish the escrow account referred to in paragraph (2) within 30 days after the expiration of such 1-year period and shall make monthly payments of $25,000 per month in to the account until such time as the full value of the lease payments is agreed to and deposited. Such deposits, together with the interest thereon, may be used only to cover the amounts of the lease payments due and payable to an agreement under this subsection. If the amounts deposited in such account, together with interest thereon, exceeds the amount of the lease payments due and payable at the time the agreement is entered into, notwithstanding any other provision of law the excess shall be transferred to the accounts provided to the Secretary for operation and maintenance and for development of the park.

(g) Administration.—

(1) In general.—The Secretary shall administer the park in acccordance with this section and with the provisions of law generally applicable to units of the National

Park System, including the Act entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916 (39 Stat. 535; 16 U.S.C. 1-4). In the administration of the park, the Secretary may utilize such statutory authority available to him for the conservation of wildlife and natural and cultural resources as he deems necessary to carry out the purposes of this section, except that he may not acquire any lands or waters or interests therein for purposes of the park other than by lease.

(2) Traditional subsistence uses.—(a) Agricultural, cultural, and gathering uses shall be permitted in the park for subsistence purposes if such uses are generally prior existing uses conducted in areas used for such purposes as of the date of enactment of this Act and if such uses are conducted in the traditional manner and by traditional methods. No such uses shall be permitted in the park for other than subsistence purposes.

(B) Subsistence uses of the marine areas of the park shall also be permitted in accordance with subparagraph (A), and no fishing or gathering shall be permitted in such marine areas for other than subsistence purposes.

(3) Interpretative facilities, etc.—Interpretative activities and interpretative facilities for the park (including maps) shall be in at least the following languages: English and Samoan.

(4) Employees and contracts.—In addition to the Secretary's authority to employ persons to carry out provisions of this section in accordance with the civil service laws, and notwithstanding any other provision of law, the Secretary is authorized to—

(A) hire employees for such purposes who shall not be subject to the civil service laws, including quotas, and

(B) enter into contracts with individuals for purposes of exercising any authority of the Secretary within the park.

(5) Native American Samoan personnel.—The Secretary shall establish a program to train native American Samoan personnel to function as professional park service employees, to provide services to visitors (including the interpretation of park resources), and operate and maintain park facilities. Notwithstanding any other provision of law, and to the extent practicable the Secretary shall extend a preference for the hiring of native American Samoans to carry out the Secretary's authorities under this Act (including both employees and persons operating under contract).

(6) Management plan.—The Secretary, in cooperation with the Governor of American Samoa, shall prepare a general management plan for the park. The plan shall comply with section 12(b) of the Act of August 18, 1970 (16 U.S.C. 1a-1 through 1a-7) and shall contain specific measures for the protection and preservation of tropical forest resources and archaeological and cultural resources within the park, including, but not limited to, protection of flying foxes and measures to enhance visitation to the park from throughout the world, to the extent consistent with the protection and preservation of such resources.

(h) Advisory Board.—(1) The Secretary shall establish an Advisory Board to provide advice to the Secretary regarding the management of the park. The Advisory Board shall be comprised of 5 members, 3 of whom shall be nominated by the Governor of American Samoa. The Advisory Board shall designate one of its members as Chairman.

(2) The Advisory Board shall meet on a regular basis. Notice of meetings and agenda shall be announced in advance and meetings shall be held at locations and in such a manner as to insure adequate public involvement.

(3) Members of the Advisory Board shall serve without compensation as such, but the Secretary may pay expenses reasonably incurred in carrying out their responsibilities under this Act on vouchers signed by the Chairman.

(4) The provisions of section 14(b) of the Federal Advisory Committee Act (Act of October 6, 1972; 86 Stat. 776), are hereby waived with respect to this Advisory Board.

(i) Review.—At least every 10 years, the Secretary and the Governor, or their designees, shall review the operation and management of the park. Such review shall include, but need not be limited to, consideration of how the objectives of the park can better be achieved, the need for additional technical or other assistance, cooperative arrangements between the Government of American Samoa and the National Park Service in the interpretation and management of the park, and the desirability of extension of the lease arrangement.

(j) Technical Assistance.—The Secretary, in providing technical or other assistance to the Government of American Samoa may use any authority otherwise provided to him, including requesting assistance from other Federal agencies.

(k) Definition.—For purposes of this section the term "native American Samoan" means a person who is a citizen or national of the United States and who is a lineal descendant of an inhabitant of the Samoan Islands on April 18, 1900. For purposes of this Act, Swains Island shall be considered part of the Samoan Islands.

(l) Funding.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

SEC. 313. PINELANDS.

(a) Interpretative and Educational Program; Study and Recommendations.—Section 502 of the National Parks and Recreation Act of 1978 (Public Law 95-625; 16 U.S.C. 471i) is amended by adding at the end the following new subsection:

"(1) Pinelands Interpretative and Educational Program; Interior Department Study and Recommendations.—

"(1) Study and recommendations for interpretative and educational program.—For the purpose of enhancing public understanding, awareness, and appreciation with respect to the natural and cultural resources of the Pine Barrens area of New Jersey, the Secretary shall, within 9 months after the enactment of this subsection, study and recommend appropriate initiatives to provide an educational and interpretative program for the Reserve. The Secretary shall conduct such study in consultation with the planning entity and the appropriate departments and agencies of the State of New Jersey.

"(2) Items included.—The study and recommendations required by this subsection shall include, but not be limited to each of the following:

"(A) Interpretative and informational materials, exhibits, films, lectures, and other devices and educational methods.

"(B) A plan to provide for educational and interpretative programs for the Reserve, considering among other things the improvement of existing facilities and interpretative programs in the Reserve, including the possible use of existing facilities such as Whitesbog, Batsto, Double Trouble State Park and Stockton State College.

"(C) The use and enhancement of existing fire towers in the Reserve to serve as observation platforms.

"(D) The appropriate role for departments and agencies of the State of New Jersey and the Federal Government in implementing the program.

"(3) Study of development credit bank and development credit system.—The Secretary is authorized and directed to study the State of New Jersey Pinelands Development Credit Bank and Pinelands Development Credit System, and to submit to the Congress within 9 months after enactment of this subsection such reocmmendations as the Secretary determines appropriate for improvements of the operation of the State Pinelands Development Credit Bank and the Overall Pinelands Development Credit Program.

"(4) Study of municipal council.—The Secretary shall study the Pinelands Municipal Council, and submit to the Congress within 9 months after enactment of this subsection such recommendations as the Secretary determines appropriate for improvements of the operation of the council.

"(5) Contracts and agreements.—The Secretary may enter into such contracts and agreements with the State of New Jersey and other public and private entities as may be necessary and appropriate to carry out the authorities and responsibilities of the Secretary under this subsection. For purposes of this subsection, there is authorized to be appropriated not more than $500,000 to prepare and complete the study pursuant to paragraph (1) and $3,000,000 to implement the recommendations of such study upon its approval by the Congress, the Federal share of which may not exceed 75 percent of the total cost.".

(b) Authorization of Appropriations.—Section 502(k) of the National Parks and Recreation Act of 1978 is amended by inserting "(1)" before the first full sentence thereof, and adding at the end thereof the following new paragraph:

"(2) In addition to other funds authorized pursuant to this subsection, there are hereby authorized to be appropriated not to exceed $14,500,000 for land acquisition, the Federal share of which may not exceed 50 percent of the total cost. Land acquisition pursuant to this subsection shall be carried out in accordance with the requirements of subsection (h) of this section insofar as such requirements are not inconsistent with this paragraph. Such acquisitions shall also be carried out in a manner consistent with the management plan and shall include—

"(A) lands located within the preservation area of the National Reserve which is designated in the management plan;

"(B) lands that are within the areas protected by the management plan and that are threatened by adverse development or have critical ecological values; or

"(C) lands that have limited practical use because of their location in the Reserve and that are held by landowners who both own less than 50 acres in the Reserve and have exhausted existing remedies to secure relief.

Additional funds contributed by the State to the Pinelands Development Bank after enactment of this Act, not to exceed $5,000,000, may be counted as part of the State share of land acquisition funds.".

SEC. 314. HERITAGE PRESERVATION COMMISSION: SOUTHWESTERN PENNSYLVANIA INDUSTRIAL HERITAGE ROUTE.

(a) Findings.—The Congress finds that:

(1) The iron and steelmaking, coal, and transportation industries and the labor of their workers contributed significantly to America's movement westward, allowed for the growth of the Nation's cities, and helped fuel and move its industrial growth and development and establish its standing among nations of the world.

(2) There are only a few recognized historic sites that are devoted to portraying the development and growth of heavy industry and the industrial labor movement in America.

(3) The 9-county region in southwestern Pennsylvania known as the Allegheny Highlands contain significant examples of iron and steel, coal, and transportation industries, and is a suitable reigon in which the story of American industrial heritage can be appropriately interpreted to present and future generations.

(b) Purpose.—In furtherance of the findings set forth in subsection (a) of this section, it is the purpose of this section to establish, through a commission representing all concerned levels of government, the means by which the cultural heritage of the 9-county region in southwestern Pennsylvania associated with the three basic industries of iron and steel, coal, and transportation may be recognized, preserved, promoted, interpreted, and made available for the benefit of the public.

(c) Establishment of Southwestern Pennsylvania Heritage Preservation Commission.—To carry out the purpose of this section and to implement, as appropriate, the document which is entitled "Action Plan—America's Industrial Heritage Project" and which is dated August 1987, there is hereby established in the Department of the Interior the Southwestern Pennsylvania Heritage Preservation Commission (hereinafter referred to as the "Commission"). The Commission shall exercise the responsibilities and authorities herein conferred on the Commission with respect to that region in southwestern Pennsylvania comprising the counties, of Bedford, Blair, Cambria, Fayette, Fulton, Huntingdon, Indiana, Somerset, and Westmoreland. The Commission shall consist of 21 members, appointed by the Secretary of the Interior (hereinafter referred to as the "Secretary") as follows:

(1) 2 members appointed from recommendations submitted by the Governor of Pennsylvania of which one shall represent the interests of the Pennsylvania Historical and Museum Commission; and the other shall represent the Pennsylvania Department of Community Affairs.

(2) 9 members appointed from recommendations submitted by the county commissioners of the Pennsylvania counties of Bedford, Blair, Cambria, Fayette, Fulton, Huntingdon, Indiana, Somerset, and Westmoreland, of which one member shall be appointed from the recommendations of each such county from groups and individuals representing historic preservation, tourism promotion, business and industry and industrial and labor history;

(3) 4 members appointed from recommendations from the Southern Alleghenies Planning and Development Commission;

(4) 4 members appointed from recommendations from Laurel Highlands, Inc.;

(5) 2 members appointed by the Secretary from recommendations by the Director of the National Park Service who shall have knowledge and experience in the field of historic preservation; and

(6) the Director of the National Park Service, ex officio, or his delegate.

(d) Appointment.—All members of the Commission shall be appointed for terms of 3 years, except that the terms of the 9 members appointed from recommendations submitted by each county pursuant to subsection (a)(2) shall be for 2 years.

(e) Chairman.—the Commission shall elect a chairman from among its members. The term of the chairman shall be 2 years.

(f) Terms.—Any member of the Commission appointed for a definite term may serve after the expiration of his term until his successor is appointed. Any vacancy in the Commission shall be filled in the same manner in which the original appointment was made. Any member appointed to fill a vacancy shall serve for the remainder of the term for which his predecessor was appointed.

(g) Quorum.—A simple majority of Commission members shall constitute a quorum.

(h) Meetings.—The Commission shall meet at least quarterly or at the call of the chairman or a majority of its members.

(i) Compensation.—Members of the Commission shall serve without compensation as such. Members shall be entitled to travel expenses under section 5703, title 5, United States Code, when engaged in Commission business, including per diem in lieu of subsistence in the same manner as persons employed intermittently.

(j) Staff of the Commission.—(1) The Commission shall have the power to appoint and fix the compensation of such staff as may be necessary to carry out its duties.

(2) Staff appointed by the Commission—

(A) shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service; and

(B) shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(k) Experts and Consultants.—Subject to such rules as may be adopted by the Commission, the Commission may procure temporary and intermittent services to the same extent as is authorized by section 3109(b) of title 5, United States Code, but at rates determined by the Commission to be reasonable.

(l) Staff of Other Agencies.—(1) Upon request of the Commission, the head of any Federal agency may detail, on a reimbursable basis, any of the personnel of such agency to the Commission to assist the Commission in carrying out the Commission's duties.

(2) The Commission may accept the services of personnel detailed from the Commonwealth of Pennsylvania (and any political subdivision thereof) and may reimburse the commonwealth or political subdivision for those services.

(m) Administrative Support.—The Administrator of the General Services Administration shall provide such administrative support services as the Commission may request, on a reimbursable basis.

(n) Powers of the Commission.—

(1) In general.—The Commission may for the purpose of carrying out this section hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission may deem advisable.

(2) Bylaws.—The Commission may make such bylaws, rules and regulations, consistent with this section, as it considers necessary to carry out its functions under this title.

(3) Delegation.—When so authorized by the Commission, any member or agent of the Commission may take any action which the Commission is authorized to take by this section.

(o) Technical Advisory Groups.—The Commission may establish and appoint one or more technical advisory groups to provide technical advice in financing, historic preservation, recreation, tourism, and intergovernmental coordination.

(p) Donations.—Notwithstanding any other provision of law, the Commission may seek and accept donations of funds, property, or services from individuals, foundations, corporations, and other private entities, and from public entities, for the purpose of carrying out its duties.

(q) Funds From Other Sources.—The Commission may use its funds to obtain money from any source under any program or law requiring the recipient of such money to make a contribution in order to receive such money.

(r) Mail.—The Commission may use the United States mails in the same manner and upon the same conditions as other departments and agencies of the United States.

(s) Obtaining Property.—(1) The Commission may obtain by purchase, rental, donation, or otherwise, such property, facilities, and services as may be needed to carry out its duties except that the Commission may not acquire any real property or interest in real property otherwise than under paragraph (2).

(2) Subject to paragraph (3), the Commission may acquire real property, or interests in real property, in the Corridor—

(A) by gift or device; or

(B) by purchase from a willing seller with money which was given or bequeathed to the Commission on the condition that such money would be used to purchase real property, or interests in real property, in the Corridor.

(3) Any real property or interest in real property acquired by the Commission under paragraph (2) shall be conveyed by the Commission to an appropriate public agency, as determined by the Commission. Any such conveyance shall be made—

(A) as soon as practicable after such acquisition;

(B) without consideration; and

(C) on the condition that the real property or interest in real property so conveyed is used for public purposes.

(t) Functions of the Commission.—The Commission shall—

(1) make loans and grants, from funds appropriated for that purpose or from funds donated or otherwise made available to the Commission, for the purpose of conserving and protecting sites, buildings, and objects which are related to the industrial development of the area and which are included or eligible for inclusion on the National Register of Historic Places;

(2) coordinate activities of Federal, State, and local governments and private businesses and organizations in order to further historic preservation and compatible economic revitalization;

(3) develop guidelines and standards for projects, consistent with standards established by the National Park Service for the preservation of historic properties, including interpretive methods, that will further historic preservation in the region; and

(4) provide advice and assistance in preparation of loan or grant applications to the Commission and applications for loans or grants from other Federal or non-Federal sources in furtherance of the purposes of this title.

Any loan made under this subsection shall be for a term expiring before the date 10 years after the enactment of this Act and shall be subject to such other terms and conditions, including interest, as may be established by the Commission with the approval of the Secretary.

(u) Annual Reports.—The Commission shall submit an annual report to the Secretary setting forth its expenses and income and the entities to which any loans and grants were made during the year for which the report is made. The Secretary shall submit an annual report to the Congress describing the loans, grants, and technical assistance provided under this section. Such report shall specify the amount, recipient, and purpose of any loan, grant, or technical assistance so provided and shall include an analysis of the adequacy of actions taken during the previous year to preserve, protect, and interpret the significant sites, buildings, and objects within the area; as well as the anticipated funds and personnel to be made available by the Secretary during the next fiscal year to implement the provisions of this Act.

(v) Cost Estimates.—Prior to making any grant or loan the Commission shall require detailed cost estimates to be prepared for the project to be funded. Within one year from the date of enactment, the Commission shall submit to the appropriate committees of the Congress detailed cost estimates for the project identified in the action plan referred to in subsection (c).

(w) Expiration.—The Commission established pursuant to this section shall cease to exist 10 years from the date of enactment of this Act. Any property or funds of the Commission remaining upon the expiration of the Commission shall be transferred by the Commission to the United States, to a State or local government agency, to a private nonprofit organization exempt from income taxes under section 501(c)(3) of the Internal Revenue Code of 1986, or to any combination of the foregoing.

(x) Authorization of Appropriations.—There is hereby authorized to be appropriated not more than $3,000,000 to the Commission to carry out the purposes of this section. Funds may be made available pursuant to this subsection only to the extent they are matched by equivalent funds from non-Federal sources.

(y) Designation of Southwestern Pennsylvania Industrial Heritage Route.—

(1) Designation.—In order to provide for public appreciation, education, understanding, and enjoyment of certain nationally and regionally significant sites in southwestern Pennsylvania which are accessible by public road, the Secretary of Interior (hereinafter referred to as the "Secretary"), with the concurrence of the agency having jurisdiction over such roads, shall designate, by publication of a description thereof in the Federal Register, a vehicular tour route along existing public roads linking historic, cultural, natural, scenic, and recreational sites in southwestern Pennsylvania. Such route shall be known as the Southwestern Pennsylvania Industrial Heritage Route (hereinafter referred to as the "route"), and shall be marked with an appropriate marker to guide members of the visiting public. With the concurrence of the State or local entity having jurisdiction over such roads so designated, the Secretary may erect thereon signs and other informational devices displaying the Southwestern Pennsylvania Industrial Heritage Route marker. The Secretary is authorized to accept the donation of signs and other informational devices for placement at appropriate locations along the route.

(2) Initial route.—The route as initially designated shall include public roads linking Allegheny Portage Railroad National Historic Site, Johnstown Flood National Memorial, Historic Saltsburg, Eliza and Mt. Etna Furnaces, the Charles Schwab Estate, Friendship Hill National Historic Site, Fort Necessity National Battlefield, Altoona Railroad Shops, Altoona Railroader's Memorial Museum, Cambria Iron Works, Johnstown Inclined Plane, Johnstown Flood Museum, Conemaugh Gap, East Broadtop Railroad National Historic Landmark, Gallitzin Tunnels, Horseshoe Curve National Historic Landmark, Fort Ligonier, Bushy Run Battlefield, Seldom Seen Valley Mine, and Somerset Historical Center.

(3) Additional segments.—The Secretary may, in the manner set forth in paragraph (1), designate additional segments of the route from time to time as appropriate to link the sites referred to in paragraph (2) with other historic, cultural, natural, scenic, and recreational sites when such sites are designated and protected by Federal, State and local governments, Indian tribes, or nonprofit entities.

(4) Technical assistance.—With respect to sites linked by segments of the route which are administered by other Federal, State, local, tribal, or nonprofit entities, the Secretary may, pursuant to cooperative agreements with such entities, provide technical assistance in the development of interpretive devices and materials in order to contribute to public appreciation of the historic, cultural, natural, scenic, and recreational sites along the route.

(5) Authorization of appropriations.—There is hereby authorized to be appropriated not more than $150,000 to the Secretary to carry out the purposes of this section. No funds made available under this section shall be used for the operation, maintenance, or repair of any road or related structure.

SEC. 315. GUADALUPE MOUNTAINS NATIONAL PARK.

(a) Boundary Modification.—The first section of the Act entitled "An Act to provide for the establishment of the Guadalupe Mountains National Park in the State of Texas, and for other purposes" (16 U.S.C. 283) is amended—

(1) by changing "in" after "That" to "(a) In"; and

(2) by adding at the end thereof the following:

"(b) The boundary of Guadalupe Mountains National Park is hereby modified to include the area which comprises approximately 10,123 acres as generally depicted on the map entitled 'Boundary Proposal' and dated August 1986, which shall be on file and available for public inspection in the office of the Director of the National Park Service and in the office of the Superintendent of the Guadalupe Mountains National Park.".

(b) Protection of Area.—Section 6 of the Act entitled "An Act to provide for the establishment of the Guadalupe Mountains National Park in the State of Texas, and for other purposes" (16 U.S.C. 283) is amended—

(1) by inserting "(a)" after "Sec. 6"; and

(2) by inserting at the end thereof the following:

"(b) In addition to amounts authorized to be appropriated under subsection (a), there is authorized to be appropriated such sums as may be necessary for the construction of a fence to protect the natural and cultural resources of the area added to Guadalupe Mountains National Park by section 2(b).".

(c) Land Acquisition.—Subsection (a) of section 6 of such Act (as redesignated by subsection (b) of this section) is amended by striking out "sums," and all that follows through "all," and inserting in lieu thereof "sums".

SEC. 316. SALINAS NATIONAL MONUMENT, NEW MEXICO.

(a) Redesignation.—Salinas National Monument, as designated by section 601 of the Act of December 19, 1980 (94 Stat. 3231), is hereby redesignated as Salinas Pueblo Missions National Monument.

(b) References.—Any reference in any record, map, or other document of the United States of America to Salinas National Monument shall hereafter be deemed to be a reference to Salinas Pueblo Missions National Monument.

SEC. 317. BOUNDARY CHANGE FOR JOHN MUIR NATIONAL HISTORIC SITE.

(a) Map; Land Acquisition.—The Secretary of the Interior is authorized to acquire (by donation, purchase with donated or appropriated funds, or exchange) lands and interests in lands within the area generally depicted on the map entitled "Boundary Map, John Muir National Historic Site" numbered 426-80, 015A and dated June 1988. The map shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior. Lands and interests in lands, within the boundaries of such areas which are owned by the State of California or any political subdivision thereof, may be acquired only by donation or exchange. The Secretary of the Interior shall acquire only such interests in the John Muir grave site (as depicted on the map referred to in this subsection) as may be necessary to preserve the site in its present undeveloped condition and to provide all maintenance of the site by the Secretary of the Interior.

(b) Inclusion Within Historic Site.—The lands and interests in lands within the boundaries of the area depicted on the map referred to in subsection (a) shall be adminstered as part of the John Muir National Historic Site established by the Act of August 31, 1964 (78 Stat. 753; 16 U.S.C. 461 note).

(c) Authorization of Appropriations.—For purposes of acquiring the lands and interests in lands within the area depicted on the map referred to in subsection (a), there are authorized to be appropriated such sums as may be necessary.

(d) Cooperative Agreement.—The Secretary of the Interior, acting through the Director of the National Park Service, is authorized to enter into a cooperative agreement with the East Bay Regional Park District of Oakland, California, for the operation and maintenance by such district of trails on lands within the John Muir National Historic Site.

SEC. 318. AUTHORIZATION FOR ACQUISITIONS AT WOMEN'S RIGHTS NATIONAL HISTORICAL PARK.

Subsection (i) of section 1601 of the Act entitled "An Act to provide, with respect to the national park system: for the establishment of new units; for adjustments in boundaries; for increases in appropriation authorizations for land acquisition and development; and for other purposes" (94 Stat. 3546; 16 U.S.C. 410ll(i)) is amended by striking out "$490,000" and inserting in lieu thereof "$700,000".

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. LEWIS AND CLARK NATIONAL HISTORIC INTERPRETIVE CENTER, MONTANA.

(a) FINDINGS.—The Congress finds that—

(1) the site at which the historic Lewis and Clark Expedition commenced in St. Louis, Missouri, and the site at which the expedition terminated at Fort Clatsop in Oregon have been recognized as sites of historic significance on the Lewis and Clark National Historic Trail; and

(2) the historic significance of the travels of Lewis and Clark on the High Plains and their portage around the Great Falls of the Missouri requires additional recognition and interpretation.

(b) LEWIS AND CLARK NATIONAL HISTORIC TRAIL INTERPRETIVE CENTER.—That to further the public's understanding and provide appropriate interpretation of the scope and accomplishments of the Lewis and Clark Expedition, within the State of Montana and along the Lewis and Clark National Historic Trail, the Secretary of Agriculture (hereinafter in this Act referred to as the "Secretary") is authorized to establish the Lewis and Clark National Historic Trail Interpretive Center (hereinafter in this section referred to as the "Center"). The Secretary shall establish the Center upon the transfer by the State of Montana to the United States of the lands described in subsection (c) and such additional easements and other rights as the Secretary deems necessary to ensure adequate public access to the Center.

(c) MAP.—The center shall consist of those lands, located in the vicinity of Great Falls, Montana, donated by the State of Montana, not to exceed 50 acres, as generally depicted on the map entitled "Boundary Map" Proposed Lewis and Clark National Historic Trail Interpretive Center," dated June 1980. The map shall be on file and available for public inspection in the offices of the Chief, United States Forest Service, Department of Agriculture, and the State of Montana Department of Fish, Wildlife, and Parks.

(d) REVERSION OF LANDS.—Any lands or portions of lands granted to the Secretary by the State of Montana for use in connection with the Center shall revert to the State of Montana if, at any time, the Secretary uses such lands for any purpose other than those authorized under this Act.

(e) ADMINISTRATION.—The Secretary shall administer the Center in accordance with this section and the laws, rules, and regulations applicable to the national forests in such manner as will best provide for the interpretation of the scope and accomplishments of the Lewis and Clark Expedition, along the Lewis and Clark National Historic Trail within the State of Montana. In no event shall the Center be used for purposes other than those provided for by this section.

(f) PLAN.—Within 2 years after the establishment of the Center, the Secretary shall prepare and submit to the Committee on Interior and Insular Affairs of the United States House of Representatives and the Committee on Energy and Natural Resources of the Senate, a plan for the development and interpretation of the Center. Such plan shall include but not be limited provisions for—

(1) interpretation to the public of available historic resources, documents, and artifacts associated with the Lewis and Clark Expedition, and.

(2) development of facilities for public use and enjoyment of the area.

(g) DONATIONS.—Notwithstanding any other provision of law, the Secretary may accept donations of funds, property, or services from individuals, foundations, corporations, or public entities for the purpose of providing services and facilities which he deems consistent with the purposes of this Act.

(h) COOPERATIVE AGREEMENTS.—In administering the Center, the Secretary is authorized to enter into cooperative agreements with the State of Montana, or any political subdivision thereof, for the rendering on a reimbursable basis, of rescue, firefighting, and law enforcement services and cooperative assistance by nearby law enforcement and firefighting departments or agencies. The Secretary is also authorized to enter into cooperative agreements with other Federal agencies, and with State or local public agencies for the development and operation of facilities and services in furtherance of the purposes of this section. The Secretary is encouraged to develop, in conjunction with the State of Montana, a cooperative management plan for the entire Giant Springs Park which will enhance the general public's opportunity to use and enjoy the Center as well as the nearby historical sites, and other States and Federal lands.

(i) COOPERATING ASSOCIATION.—The Secretary is authorized and directed to enter into an agreement with the Portage Route chapter of the Lewis and Clark Heritage Foundation or a similarly affiliated organization to provide educational and interpretive materials to the public that highlight the travels of Lewis and Clark, High Plains Indians, explorers, or other historical features of the area, that are compatible with the purposes of the Center. Such agreement shall include but not be limited to each of the following:

(1) Provisions requiring the Foundation to obtain and maintain its status as a nonprofit tax-exempt organization.

(2) A provision permitting the Secretary to have access to the documents and records of the Foundation that involve the Center.

(3) The Foundation shall agree to return to the Center the profits earned from the sale of educational and interpretive materials.

(4) Minimum operating requirements and procedures for the sale of educational and interpretive materials at the Center.

(5) A procedure to settle disagreements between the Foundation and the Secretary.

(6) Reasonable rent and maintenance costs for the use of an area within the Center.

(7) Other items of mutual agreement.

The Secretary may terminate the agreement for good cause.

(j) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—Except as provided in subsection (b), there is hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this section, including such sums as may be necessary for the planning and designing of, and site preparation for, the Center and associated structures and improvements.

(2) CONSTRUCTION OF INTERPRETIVE CENTER.—There is hereby authorized to be appropriated not more than $3,500,000 for the construction of the Lewis and Clark National Historic Trail Interpretive Center and associated structures and improvements.

(3) Any new spending authority described in subsection (c)(2)(A) of section 401 of the Congressional Budget Act of 1974 which is provided under this Act shall be effective for any fiscal year only to such extent or in such amounts as are provided in appropriation Acts.

(k) MISSOURI RIVER WILD AND SCENIC.—Subsection (g) of section 203 of the Act approved October 12, 1976 (90 Stat. 2327, 2329), is amended as follows:

(1) Strike out "except" in paragraph (1)(G) and insert in lieu thereof "including".

(2) Strike out "National Park Service" in-paragraph (2) and insert in lieu thereof "Bureau of Land Management".

SEC. 402. AMENDMENTS TO ARCHAEOLOGICAL RESOURCES PROTECTION ACT OF 1979.

(a) DEFINITION.—Section 3(1) of the Archaeological Resources Protection Act of 1979 (16 U.S.C. 470aa and following) is amended by striking out "which are of archaeological interest".

(b) TECHNICAL CORRECTION.—Section 3(3) of such Act is amended by striking out the semicolon at the end thereof and substituting a period.

(c) ATTEMPTS.—Section 6(a) of such Act is amended by inserting after "deface" the following: ", or attempt to excavate, remove, damage, or otherwise alter or deface".

(d) PENALTY.—Section 6(d) of such Act is amended by striking "$5,000" and inserting in lieu thereof "$500".

(e) PUBLIC AWARENESS.—Section 10 of such Act is amended by adding the following new subsection at the end thereof:

"(c) Each Federal land manager shall establish a program to increase public awareness of the significance of the archaeological resources located on public lands and Indian lands and the need to protect such resources. Each such land manager shall submit an annual report to the Committee on Interior and Insular Affairs of the United States House of Representatives and to the Committee on Energy and Natural Resources of the United States Senate regarding the actions taken under such program.".

SEC. 403. NATIONAL PARK WILDERNESS IN WASHINGTON STATE.

(a) OLYMPIC NATIONAL PARK WILDERNESS.—

(1) WILDERNESS.—In furtherance of the purposes of the Wilderness Act (16 U.S.C. 1131 et seq.; 78 Stat. 890), certain lands in the Olympic National Park, Washington, which—

(A) comprise approximately 876,669 acres of wilderness, and approximately 378 acres of potential wilderness additions, and

(B) are depicted on a map entitled "Wilderness Boundary, Olympic National Park, Washington", numbered 149/60,051A and dated August 1988,

are hereby designated as wilderness and therefore as components of the National Wilderness Preservation System. Such lands shall be known as the Olympic Wilderness.

(2) ADMINISTRATION.—(A) Subject to valid existing rights, the wilderness area designated under this subsection shall be administered by the Secretary of the Interior in accordance with the provisions of the Wilderness Act governing areas designated as wilderness, except that reference to the Secretary of Agriculture shall be deemed, where appropriate, to be a reference to the Secretary of the Interior, and any reference to the effective date of the Wilderness Act shall be deemed, where appropriate, to be a reference to the effective date of this Act.

(B) Lands designated as potential wilderness additions shall be administered by the Secretary of the Interior insolar as practicable as wilderness until such time as said lands are designated as wilderness. Any lands designated as potential wilderness additions, upon publication in the Federal Register of a notice by the Secretary of the Interior that all users thereon that are inconsistent with the Wilderness Act have ceased or that non-Federal interests in land have been acquired, shall thereby be designated as wilderness and managed accordingly.

(C) Congress does not intend that designation of the Olympic Wilderness lead to the creation of protective perimeters or buffer zones around such wilderness area. The fact that nonwilderness activities or uses can be seen or heard from areas within the wilderness shall not, of itself, preclude such activities or uses up to the boundary of the wilderness area.

(3) Map and description.—(A) As soon as practicable after the effective date of this Act, the Secretary of the Interior shall file a map of the wilderness area and a legal description of its boundaries with the Energy and Natural Resources Committee of the United States Senate, and the Interior and Insular Affairs Committee of the United States House of Representatives. Such map and legal description shall have the same force and effect as if included in this Act, except that correction of clerical and typographical errors in the map and legal description may be made. Such map and legal description of the boundaries shall be on file and available for public inspection in the office of the Director of the National Park Service, Department of the Interior, and in the office of the superintendent of the Olympic National Park.

(B) Boundaries adjacent to paved and unpaved roads shall be drawn as narrowly as is practicable to allow for necessary maintenance and repairs to existing roads. Such boundaries should not, in general, exceed 200 feet from the centerline of paved roads and 100 feet from the center of unpaved roads: *Provided, however,* That larger boundaries may be drawn only as the Secretary deems necessary to exclude from wilderness existing developments, improvements, and structures adjacent to existing roads, as well as areas needed to maintain and repair existing roads: *Provided further,* That to the extent practicable, undeveloped areas adjacent to all roads shall be managed as if designated as wilderness.

(4) Wolf creek powerline.—The Secretary is authorized to maintain and replace, as necessary, the Wolf Creek underground powerline to Hurricane Ridge. To the extent practicable, such maintenance and operations shall be conducted in such a manner as to remain consistent with wilderness management.

(5) Payment to clallam county.—There is hereby authorized to be appropriated not to exceed $155,000 to the Secretary of the Interior to make a payment to the Clallam County Historical Society and Museum of Port Angeles, Washington, not to exceed $155,000 to compensate the Society for its possessory interest in the National Park Service visitor center, Pioneer Memorial Museum, Olympic National Park, Washington. Upon relinquishment by the Clallam County Historical Society of all interests and use in the facility, the Secretary of the Interior shall make payment to the Clallam County Historical Society and such payment shall be considered full and just compensation for the Society's participation in the construction of the Pioneer Memorial Museum.

(6) General provisions.—

(A) Forfeiture of property.—Section 4 of the Act of March 6, 1942 (56 Stat. 135; 16 U.S.C. 256c) is hereby revised to read as follows: "Sec. 4. All guns, bows, traps, nets, seines, fishing tackle, clothing, teams, horses, machinery, logging equipment, motor vehicles, aircraft, boats, or means of transportation of every nature or description used by any person or persons or organizations within the limits of the park when engaged in or attempting to engage in killing, trapping, ensnaring, taking or capturing such wild birds, fish or animals, or taking, destroying or damaging such trees, plants, or mineral deposits contrary to the provisions of this Act or the rules and regulations promulgated by the Secretary of the Interior shall be forfeited to the United States and may be seized by the officers in the park and held pending prosecution of any person or persons or organization arrested under or charged with violating the provisions of this Act, and upon conviction under this Act of such persons or organizations using said guns, bows, traps, nets, seines, fishing tackle, clothing, teams, horses, machinery, logging equipment, motor vehicles, aircraft, boats, or other means of transportation of every nature and description used by any person or persons or organization, such forfeiture shall be adjudicated as a penalty in addition to the other punishment prescribed in this Act. Such forfeited property shall be disposed of and accounted for by and under the authority of the Secretary of the Interior: *Provided,* That the forfeiture of teams, horses, machinery, logging equipment, motor vehicles, aircraft, boats, or other means of transportation shall be in the discretion of the court."

(B) Technical corrections to boundaries.—The Act of November 7, 1986 (P.L. 99-635; 100 Stat. 3527) revising the boundaries of Olympic National Park is hereby amended as follows:

(i) In section 1(a)(2) after "48 degrees 23 minutes north and 47 degrees" strike "38" and insert in lieu thereof "34".

(ii) In section 1(a)(2) after "all surveyed and unsurveyed islands", insert ", above the point of lowest low tide,"; and at the end of the subsection after "minutes North" insert ": *Provided,* That such lands as are identified in this paragraph shall continue to be open to fishing and to the taking of shellfish in conformity with the laws and regulations of the State of Washington".

(iii) In section 1(b) after "numbered 149/60,030A, sheets 1 through" strike "10" and insert in lieu thereof "9".

(iv) In section 2(a) after "within section 15, township", strike "15" and insert in lieu thereof "24".

(v) In section 2(a) after "*Provided, however,* That the Secretary of Agriculture shall" strike "not".

(vi) Renumber section 4 as section 5 and insert a new section 4 as follows:

"Sec. 4. Effective upon acceptance thereof by the State of Washington, the jurisdiction which the United States acquired over those lands excluded from the boundaries of Olympic National Park by this Act is hereby retroceded to the State.".

(7) Kalaloch visitor center.—The Secretary of the Interior is directed to complete a study for the location of a year round visitor center in the Kalaloch area of Olympic National Park. Such plan shall include the location, size, and cost estimates for the design, planning, and construction of the visitor center and support facilities. The study shall be submitted to the Committee on Interior and Insular Affairs of the United States House of Representatives and to the Committee on Energy and Natural Resources of the United States Senate by March 1, 1989. The Secretary is authorized to construct such visitor center subject to the appropriation of funds.

(b) North Cascades National Park Service Complex Wilderness.—

(1) Wilderness.—In furtherance of the purposes of the Wilderness Act (16 U.S.C. 1131 et seq.; 78 Stat. 890), certain lands in the North Cascades National Park, Ross Lake National Recreation Area, and Lake Chelan National Recreation Area, Washington, which—

(A) comprise approximately 634,614 acres of wilderness, and approximately 5,226 acres of potential wilderness additions, and

(B) are depicted on a map entitled "Wilderness Boundary, North Cascades National Park Service Complex, Washington", numbered 168-60,186 and dated August 1988, are hereby designated as wilderness and therefore as components of the National Wilderness Preservation System. Such lands shall be known as the Stephen Mather Wilderness.

(2) Administration.—(A) Subject to valid existing rights, the wilderness area designated under this subsection shall be administered by the Secretary of the Interior in accordance with the provisions of the Wilderness Act governing areas designated as wilderness, except that reference to the Secretary of Agriculture shall be deemed, where appropriate, to be a reference to the Secretary of the Interior, and any reference to the effective date of the Wilderness Act shall be deemed, where appropriate, to be a reference to the effective date of this Act.

(B) Lands designated as potential wilderness additions shall be administered by the Secretary of the Interior insofar as practicable as wilderness until such time as said lands are designated as wilderness. Any lands designated as potential wilderness additions, upon publication in the Federal Register of a notice by the Secretary of the Interior that all use thereon that are inconsistent with the Wilderness Act have ceased or that non-Federal interests in land have been acquired, shall thereby be designated as wilderness and managed accordingly.

(C) Congress does not intend that designation of the Stephen Mather Wilderness lead to the creation of protective perimeters or buffer zones around such wilderness area. The fact that nonwilderness activities or uses can be seen or heard from areas within the wilderness shall not, of itself, preclude such activities or uses up to the boundary of the wilderness area.

(3) Map and description.—(A) As soon as practicable after the effective date of this Act, the Secretary of the Interior shall file a map of the wilderness area and a legal description of its boundaries with the Energy and Natural Resources Committee of the United States Senate, and the Interior and Insular Affairs Committee of the United States House of Representatives. Such map and legal description shall have the same force and effect as if included in this Act, except that correction of clerical and typographical errors in the map and legal description may be made. Such map and legal description of the boundaries shall be on file and available for public inspection in the office of the Director of the National Park Service, Department of the Interior, and in the office of the superintendent of the North Cascades National Park.

(B) Boundaries adjacent to paved and unpaved roads shall be drawn as narrowly as is practicable to allow for necessary maintenance and repairs to existing roads. Such boundaries should not, in general, exceed 200 feet from the centerline of paved roads and 100 feet from the center of unpaved roads: *Provided, however,* That larger boundaries may be drawn only as the Secretary deems necessary to exclude from wilderness existing developments, improvements, and structures adjacent to existing roads, as well as areas needed to maintain and repair existing roads: *Provided further,* That to the extent practicable, undeveloped areas adjacent to all roads shall be managed as if designated as wilderness.

(4) HYDROELECTRIC PROJECTS.—Section 505 of the Act of October 2, 1968 (82 Stat. 930; 16 U.S.C. 90d-4) is amended by striking "in the recreation areas", and inserting in lieu thereof "in the lands and waters within the Skagit River Hydroelectric Project, Federal Energy and Regulatory Commission Project 553, including the proposed Copper Creek, High Ross, and Thunder Creek elements of the project, and the Newhalem Project, Federal Energy and Regulatory Commission Project 2705, within the Ross Lake National Recreation Area, and in the lands and waters within the Lake Chelan Project, Federal Energy and Regulatory Commission Project 637, and the Company Creek small hydroelectric project at Stehekin within the Lake Chelan National Recreation Area and existing hydrologic monitoring stations necessary for the proper operation of the hydroelectric projects listed herein.".

(5) LAND ACQUISITION FOR ADMINISTRATIVE FACILITIES.—Section 301 of the Act of October 2, 1968 (82 Stat. 927; 16 U.S.C. 90b) is amended by inserting "(a)" after "301" and by adding at the end thereof a new subsection as follows:

"(b) The Secretary is hereby authorized to acquire, with the consent of the owner, lands outside of the authorized boundaries of North Cascades National Park Service Complex for the purpose of construction and operation of a back country information center not to exceed five acres. The Secretary of the Interior is further authorized to acquire with the consent of the owner, lands for the construction of a headquarters and administrative site or sites, for the North Cascades National Park, Ross Lake National Recreation Area, and Lake Chelan National Recreation Area not to exceed 10 acres. The lands so acquired shall be managed as part of the park.".

(6) AUTHORIZATION OF APPROPRIATIONS.—There are hereby authorized to be appropriated to the Secretary of the Interior such sums as may be necessary to complete the land acquisitions authorized pursuant to paragraph (5) of this subsection.

(7) RENEWABLE NATURAL RESOURCE USE IN RECREATION AREAS.—Section 402(a) of the Act of October 2, 1968 (82 Stat. 928; 16 U.S.C. 90c-1) is amended to read as follows:

"(a) The Secretary shall administer the recreation areas in a manner which in his judgment will best provide for (1) public outdoor recreation benefits and (2) conservation of scenic, scientific, historic, and other values contributing to public enjoyment. Within that portion of the Lake Chelan National Recreation Area which is not designated as wilderness, such management, utilization, and disposal of renewable natural resources and the continuation of existing uses and developments as will promote, or are compatible with, or do not significantly impair public recreation and conservation of the scenic, scientific, historic, or other values contributing to public enjoyment, is authorized. In administering the recreation areas, the Secretary may utilize such statutory authorities pertaining to the administration of the national park system and such statutory authorities otherwise available to him for the conservation and management of natural resources as he deems appropriate for recreation and preservation purposes and for resource development compatible therewith. Within the Ross Lake National Recreation Area the removal and disposal of trees within powerline rights-of-way is authorized as necessary to protect transmission lines, towers, and equipment: *Provided,* That to the extent practicable, such removal and disposal of trees shall be conducted in such a manner as to protect scenic view sheds.".

(8) MINERAL RESOURCE USE IN RECREATION AREAS.—Section 402(b) of the Act of October 2, 1968 (82 Stat. 928; 16 U.S.C. 90c-1) is amended to read as follows:

"(b) The lands within the recreation areas, subject to valid existing rights, are hereby withdrawn from all forms of appropriation or disposal under the public land laws, including location, entry, and patent under the United States mining laws, and disposition under the United States mineral leasing laws; except that within that portion of the Lake Chelan National Recreation Area which is not designated as wilderness, sand, rock, and gravel may be made available for sale to the residents of Stehekin for local use so long as such sale and disposal does not have significant adverse effects on the administration of the National Recreation Area.".

(c) MOUNT RAINIER NATIONAL PARK WILDERNESS.—

(1) WILDERNESS.—In furtherance of the purposes of the Wilderness Act (16 U.S.C. 1131 et seq.; 78 Stat. 890), certain lands in the Mount Rainier National Park, Washington, which—

(A) comprise approximately 228,480 acres of wilderness, and

(B) are depicted on a map entitled "Wilderness Boundary, Mount Rainier National Park, Washington", numbered 105-20,014A and dated July 1988,

are hereby designated as wilderness and therefore as components of the National Wilderness Preservation System. Such lands shall be known as the Mount Rainier Wilderness.

(2) ADMINISTRATION.—(A) Subject to valid existing rights, the wilderness area designated under this subsection shall be administered by the Secretary of the Interior in accordance with the provisions of the Wilderness Act governing areas designated as wilderness, except that reference to the Secretary of Agriculture shall be deemed, where appropriate, to be a reference to the Secretary of the Interior, and any reference to the effective date of the Wilderness Act shall be deemed, where appropriate, to be a reference to the effective date of this Act.

(B) Congress does not intend that designation of the Mount Rainier Wilderness lead to the creation of protective perimeters or buffer zones around such wilderness area. The fact that nonwilderness activities or uses can be seen or heard from areas within the wilderness shall not, of itself, preclude such activities or uses up to the boundary of the wilderness area.

(3) MAP AND DESCRIPTION.—(A) As soon as practicable after the effective date of this Act, the Secretary of the Interior shall file a map of the wilderness area and a legal description of its boundaries with the Energy and Natural Resources Committee of the United States Senate, and the Interior and Insular Affairs Committee of the United States House of Representatives. Such map and legal description shall have the same force and effect as if included in this Act, except that correction of clerical and typographical errors in the map and legal description may be made. Such map and legal description of the boundaries shall be on file and available for public inspection in the office of the Director of the National Park Service, Department of the Interior, and in the office of the Superintendent of the Mount Rainier National Park.

(B) Boundaries adjacent to paved and unpaved roads shall be drawn as narrowly as is practicable to allow for necessary maintenance and repairs to existing roads. Such boundaries should not, in general, exceed 200 feet from the center of unpaved roads: *Provided, however,* That larger boundaries may be drawn only as the Secretary deems necessary to exclude from wilderness existing developments, improvements, and structure adjacent to existing roads, as well as areas needed to maintain and repair existing roads: *Provided, further,* That to the extent practicable, undeveloped areas adjacent to all roads shall be managed as if designated as wilderness.

(4) BOUNDARY ADJUSTMENTS.—

(A) PARK BOUNDARY ADJUSTMENTS.—The boundaries of the Mount Rainer National Park as established in the Act of March 2, 1899 (30 Stat. 993), as amended (16 U.S.C. 91-110b), are further revised to add to the park approximately 240 acres, and to exclude from the park approximately 31½ acres, as generally depicted on the map entitled "Mount Rainer National Park Proposed 1987 Boundary Adjustments", numbered 105-80,010B and dated January 1987, which shall be on file and available for public inspection in the Washington Office of the National Park Service, United States Department of the Interior and at Mount Rainer National Park.

(B) FOREST BOUNDARY ADJUSTMENT.—The boundaries of the Snoqualmie National Forest and of the Gifford Pinchot National Forest, are hereby revised to include in the Snoqualmie National Forest approximately 31½ acres, to exclude from the Snoqualmie National Forest approximately 30 acres, and to exclude from the Gifford Pinchot National Forest approximately 210 acres, as generally depicted on a map entitled "Mount Rainier National Park Proposed 1987 Boundary Adjustments", numbered 105-80,010B, and dated January 1987, which shall be on file and available for public inspection in the Washington, D.C., office of the Forest Service, United States Department of Agriculture and at the Snoqualmie and Gifford Pinchot National Forests.

(C) ADMINISTRATION OF PARK LAND.—(i) Federal land, waters, and interests therein formerly within the boundary of the Snoqualmie National Forest and the Gifford Pinchot National Forest, which are included within the boundary of the Mount Rainier National Park pursuant to this section are, subject to valid existing rights, hereby transferred to the administrative jurisdiction of the Secretary of the Interior for administration as part of the park, and shall be subject to all the laws and regulations of the park.

(ii) The Secretary of the Interior is authorized to accept either concurrent or exclusive jurisdiction over lands and waters included within Mount Rainier National Park. The Secretary shall notify in writing the Governor of the State of Washington of the acceptance of any such jurisdiction ceded to the United States by the State. The existing exclusive Federal jurisdiction, where it exists in the park, shall remain in effect until such time as the Secretary and the Governor shall agree upon the terms and conditions of concurrent legislative jurisdiction for said park pursuant to section 320(i) of the Act of October 21, 1976 (90 Stat. 2741).

(iii) The Secretary of the Interior is authorized to acquire by donation, purchase with donated or appropriated funds, exchange, bequest, or otherwise all non-Federal lands, waters, and interests therein included within the boundary of the Mount Rainier National Park pursuant to this section.

(D) ADMINISTRATION OF FOREST LAND.—(i) Federal lands, waters, and interests therein formerly within the boundary of the Mount Rainier National Park, which are excluded therefrom and are included within the boundaries of the Snoqualmie National Forest pursuant to this section are, subject to valid existing rights, hereby transferred to the administrative jurisdiction of the Secretary of administration as part of the forest, and shall be subject to all the laws and regulations applicable to the National Forest System.

(ii) For the purposes of section 7 of the Land and Water Conservation Fund Act of 1965 (78 Stat. 903, as amended; 16 U.S.C. 4601-9), the boundaries of the Snoqualmie National Forest and the Gifford Pinchot National Forest, as modified pursuant to this section, shall be treated as if they were the boundaries of those national forests on January 1, 1965.

(iii) Effective upon acceptance thereof by the State of Washington, the jurisdiction which the United States acquired over those lands excluded from the boundaries of the Mount Ranier National Park by this section is hereby retroceded to the State.

(5) PARADISE POWERLINE.—The Secretary is authorized to maintain and replace as necessary, the Paradise powerline from Longmire to Paradise. To the extent practicable, such maintenance and operation shall be conducted in such a manner as to protect scenic view sheds.

(d) WILD AND SCENIC RIVERS.—Paragraph (60) of section 3(a) of the Wild and Scenic Rivers Act, which designates the Klickitat River in the State of Washington as a component of the national wild and scenic rivers system, is amended to add the following sentence at the end of the paragraph: "The boundaries of the designated portions of the Klickitat River shall be as generally depicted on a map dated November 1987, and entitled "Klickitat National Recreation River, River Management Area: Final Boundary', which is on file in the office of the Chief, Forest Service, Washington, D.C.".

SEC. 404. FEDERAL CAVE RESOURCES PROTECTION.

(a) FINDINGS.—The Congress finds and declares that—

(1) cave resources on Federal lands are an invaluable and irreplaceable part of the Nation's natural heritage; and

(2) these resources are threatened due to improper use, increased recreational demand, urban spread, and a lack of specific statutory protection.

(b) PURPOSES.—The purposes of this section are—

(1) to secure, protect, and preserve cave resources on Federal lands for the perpetual use, enjoyment, and benefit of all people, and

(2) to foster increased cooperation and exchange of information between governmental authorities and those who utilize cave resources located on Federal lands for scientific, educational, or recreational purposes.

(c) POLICY.—It is the policy of the United States that cave resources be managed in a manner that will protect and maintain such resources for present and future public use.

(d) DEFINITIONS.—For purposes of this section:

(1) CAVE.—The term "cave" means any naturally occurring void, cavity, recess, or system of interconnected passages which occurs beneath the surface of the earth or within a cliff or ledge (including any natural resource therein, and natural subsurface water and drainage systems, but not including any vug, mine, tunnel, aqueduct, or other man-made excavation) and which is large enough to permit an individual to enter, whether or not the entrance is naturally formed or man-made. Such term shall include any natural pit, sinkhole, or other feature which is an extension of the entrance.

(2) FEDERAL LANDS.—The term "Federal lands" means lands which are owned by the United States and administered by the Secretary of Agriculture or the Secretary of the Interior.

(3) INDIAN LANDS.—The term "Indian lands" means lands of Indian tribes or Indian individuals which are either held in trust by the United States for the benefit of an Indian tribe or subject to a restriction against alienation imposed by the United States.

(4) FEDERAL CAVE RESOURCE.—The term "Federal cave resource" means a cave located on Federal lands or Indian lands, together with associated topographic and hydrological features.

(5) INDIAN TRIBE.—The term "Indian tribe" means any Indian tribe, band, nation, or other organized group or community of Indians, including any Alaska Native village or regional or village corporation as defined in, or established pursuant to, the Alaska Native Claims Settlement Act (43 U.S.C. et seq.).

(6) NATURAL RESOURCE.—The term "natural resource" includes any material or substance occurring naturally in caves, such as animal life, plant life, paleontological deposits, sediments, minerals, speleogens, speleothems, and water.

(7) SECRETARY.—The term "Secretary" means the Secretary of Agriculture or the Secretary of the Interior, as appropriate.

(8) SPELEOTHEM.—The term "speleothem" means any natural mineral formation or deposit occurring in a cave or lava tube, including but not limited to any stalactite, stalagmite, helictite, cave flower, flowstone, concretion, drapery, rimstone, or formation of clay or mud.

(9) SPELEOGEN.—The term "speleogen" means relief features on the walls, ceiling, and floor of any cave or lava tube which are part of the surrounding bedrock, including but not limited to anastomoses, scallops, meander niches, petromorphs and rock pendants in solution caves and similar features unique to volcanic caves.

(e) SPECIAL MANAGEMENT ACTIONS.—

(1) IN GENERAL.—The Secretary shall take such actions as may be necessary to further the purposes of this section. These actions may include (but are not limited to)—

(A) regulation and restriction of use of Federal cave resources;

(B) entering into volunteer management agreements with persons of the scientific and recreational caving community; and

(C) appointment of advisory committees.

(2) PLANNING AND PUBLIC PARTICIPATION.—The Secretary shall—

(A) ensure that Federal cave resources are considered in any land management plan prepared, revised, or amended after the enactment of this Act; and

(B) foster communication, cooperation, and exchange of information between land managers, those who utilize cave resources, and the public.

Nothing in this section shall be deemed to require the preparation, revision, or amendment of any land management plan not otherwise required by applicable law.

(3) DISTURBANCE OF FEDERAL CAVE RESOURCES FOR MANAGEMENT PURPOSES.—The Secretary may disturb Federal cave resources where the Secretary finds that such a disturbance is necessary for the management or interpretation of a Federal cave resource and where the disturbance is consistent with applicable land management plans and the regulations under subsection (k). Such disturbance should not be treated as a violation of any provision of subsection (h).

(4) EXEMPTION.—The Secretary may exempt any cave located on Federal lands or Indian lands from any or all of the provisions of this section if he determines that management of the cave pursuant to such provisions is inappropriate. The Secretary shall promulgate regulations under which such exemptions may be granted. The regulations shall require that the Secretary publish a public notice setting forth the reasons why the Secretary determines that the cave should be exempted from the provision or provisions concerned and that the Secretary provide an opportunity of at least 30 days for public comment before such exemption takes effect.

(f) CONFIDENTIALITY OF INFORMATION CONCERNING NATURE AND LOCATION OF FEDERAL CAVE RESOURCES.—

(1) IN GENERAL.—Information concerning the nature or location of any Federal cave resource may not be made available to the public under section 552 of title 5, United States Code, unless the Secretary determines that disclosure of such information would further the purposes of this Act and would not create a substantial risk of harm, theft, or destruction of such resources.

(2) EXCEPTIONS.—(A) Notwithstanding paragraph (1), upon the written request of the Governor of the State in which a cave resource is located, which includes in such request—

(i) the specific site or area for which information is sought,

(ii) the purpose for which such information is sought, and

(iii) a commitment by the Governor to adequately protect the confidentiality of such information to ensure the protection of the cave resource from destruction by vandalism and unauthorized use,

the Secretary shall provide to the Governor information concerning the nature and location of Federal cave resources located within such site or area.

(B) Notwithstanding paragraph (1), upon the written request of any bona fide research institution, which includes in such request—

(i) the specific site or area for which information is sought,

(ii) the purpose for which such information is sought,

(iii) a commitment by such institution to adequately protect the confidentiality of such information to ensure the protection of the cave resource from vandalism and unauthorized use,

the Secretary may, after considering the purpose for which such information is sought and the value of the proposed use and activities in terms of enhancing understanding of the cave resource, furnish the requesting institution with information concerning the nature and location of caves and natural resources located in caves upon lands located within such site or area.

(g) Collection and Removal From Federal Caves.—

(1) Permit.—(A) Any person may apply to the Secretary for a permit to collect or remove any natural resource from caves located on Federal lands or Indian lands and to carry out activities associated with such collection or removal. The application shall contain such information as the Secretary deems necessary, including information concerning the time, scope, location, specific purpose of the proposed collection or removal and associated activity, and the manner in which such collection or removal and associated activity is to be performed.

(B) Unless the Secretary determines that such collection or removal and associated activity will not pose a substantial risk of harm to the cave resource, the Secretary shall require the permittee to post a bond or cash deposit in an amount sufficient to—

(i) ensure compliance with this section and regulations issued pursuant to this section; and

(ii) offset any potential damage sustained by the cave resource as a result of the actions of the permittee.

(C) The Secretary may approve a permit under this subsection if the Secretary determines that the proposed collection or removal activities are consistent with the purposes of this section and with other applicable provisions of law.

(2) Revocation of Permit.—Any permit issued under this subsection shall be revoked by the Secretary upon a determination by the Secretary that the permittee has violated any provision of paragraph (1) or (2) of subsection (h), or has failed to comply with any other condition upon which the permit was issued. Any such permit shall be revoked by the Secretary upon assessment of a civil penalty under subsection (i) against the permittee or upon the permittee's conviction under subsection (h). The Secretary may refuse to issue any permit under this section in the case of any person who has violated any provision of paragraph (1) or (2) of subsection (h) or who has failed to comply with any condition of a prior permit issued to such person.

(3) Transferability of permits.—Permits issued under this section are not transferable.

(4) Federal cave resources located on Indian lands.—(A)(i) Upon application by an Indian tribe, the Secretary of the Interior shall delegate all authority of the Secretary under this subsection with respect to issuing and enforcing permits for the collection or removal of any natural resource, or to carry out activities associated with such collection or removal, from any Federal cave resource located on the Indian lands concerned.

(ii) In the case of any permit issued by the Secretary for collection or removal of any natural resource, or to carry out activities associated with such collection or removal, from any Federal cave resource located on Indian lands (other than permits issued pursuant to clause (i)), the permit may be issued only after obtaining the consent of the Indian or Indian tribe owning or having jurisdiction over such lands. The permit shall include such terms and conditions as may be requested by such Indian or Indian tribe.

(B) If a permit issued by the Secretary under this subsection may result in harm to, or destruction of, any religious or cultural site, as determined by the Secretary, before issuing such permit, the Secretary shall notify any Indian tribe which may consider the site as having religious or cultural importance. Such notice shall not be deemed a disclosure to the public for purposes of subsection (f).

(C) A permit issued by the Secretary shall not be required under this subsection for the collection or removal of any natural resource, or to carry out activities associated with such collection or removal, by any Indian tribe or member thereof from any Federal cave resource located on Indian lands of such Indian tribe.

(5) Effect of permit.—No action specifically authorized by a permit under this subsection shall be treated as a violation of subsection (h).

(6) Exception.—This subsection shall not apply with respect to any Federal cave resource administered by the National Park Service, located within any unit of the National Park System, or located within any unit of the National Wildlife Refuge System.

(h) Prohibited Acts and Criminal Penalties.—

(1) Prohibited acts.—

(A) Whoever—

(i) in any manner knowingly destroys, disturbs, defaces, mars, alters, or harms any cave resource located on Federal lands or Indian lands, or

(ii) enters a Federal cave resource with the intention of committing any act described in this clause (i),

shall be punished in accordance with paragraph (2).

(B) Whoever—

(i) knowingly kills, injures, or otherwise interferes with any natural resource located in a cave on Federal lands or Indian lands, or interferes or obstructs the free movement of any natural resource into or out of any cave located on Federal lands or Indian lands, or

(ii) enters a Federal cave resource located on Federal lands or Indian lands, with the intention of committing any act described in clause (i),

shall be punished in accordance with paragraph (2).

(C) Whoever knowingly collects or removes any natural resource found within any cave located on Federal lands or Indian lands shall be punished in accordance with paragraph (2).

(D) Whoever possesses, consumes, sells, barters or exchanges, or offers for sale, barter or exchange, any natural resource with knowledge or reason to know that such resource was removed from any cave located on Federal lands or Indian lands shall be punished in accordance with paragraph (2).

(E) Whoever counsels, procures, solicits, or employs any other person to violate any provisions of this subsection shall be punished in accordance with paragraph (2).

(F) The prohibitions contained in this subsection shall not apply to any action authorized under other applicable State or Federal laws (including fish and wildlife laws).

(2) Punishment.—The punishment for violating any provision of paragraph (1) shall be imprisonment of not more than one year or a fine in accordance with title 18, United States Code, or both. In the case of a second or subsequent such violation, the punishment shall be imprisonment of not more than 3 years or a fine in accordance with title 18, United States Code, or both.

(3) Exception.—This subsection shall not apply with respect to any Federal cave resource administered by the National Park Service, located within any unit of the National Park System, or located within any unit of the National Wildlife Refuge System.

(i) Civil Penalties.—

(1) Assessment.—(A) The Secretary may issue an order assessing a civil penalty against any person who violates any prohibition contained in this section, any regulation promulgated pursuant to this section, or any permit issued under this section. Before issuing such an order to any person, the Secretary shall give to such person written notice and the opportunity to request a hearing within 30 days. Each violation shall be a separate offense, even if such violations occurred at the same time. A hearing under this subsection shall not be subject to section 554 or 556 of title 5 of the United States Code but shall provide a reasonable opportunity to be heard and to present evidence.

(B) The amount of such penalty shall be determined by the Administrator taking into account appropriate factors, including (i) the seriousness of the violation; (ii) the economic benefit (if any) resulting from the violation; (iii) any history of such violations; and (iv) such other matters as justice may require.

(2) Judicial review.—Any person aggrieved by an assessment of a civil penalty under paragraph (1) may file a petition for judicial review of such assessment with the United States District Court for the District of Columbia or for the district in which the violation took place. Such a petition shall be filed within the 30-day period beginning on the date the order assessing the civil penalty was issued. The Secretary shall promptly file in such court a certified copy of the record on which such penalty was assessed. The district court shall not set aside or remand such penalty unless there is not substantial evidence on the record, taken as a whole, to support the finding of a violation or, unless the Secretary's assessment of penalty or requirement for compliance constitutes an abuse of discretion.

(3) collection.—If any person fails to pay an assessment of a civil penalty—

(A) within 30 days after the order was issued under paragraph (1), or

(B) if the order is appealed within such 30-day period, within 10 days after the court has entered a final judgment in favor of the Secretary under paragraph (1),

the Secretary shall notify the Attorney General and the Attorney General shall bring a civil action in an appropriate United States district court to recover the amount a penalty assessed (plus costs, attorneys' fees, and interest at currently prevailing rates from the date the order was issued or the date of such final judgment, as the case may be). In such an action, the validity, amount, and appropriateness of such penalty shall not be subject to review.

(4) Subpoenas.—The Secretary may issue subpenas in connection with proceedings under this subsection compelling the attendance and testimony of witnesses and subpoenas duces tecum, and may request

the Attorney General to bring an action to enforce any subpoena under this subsection. The district courts shall have jurisdiction to enforce such subpenas and impose sanctions.

(5) EXCEPTION.—This subsection shall not apply with respect to any Federal cave resource administered by the National Park Service, located within any unit of the National Park System, or located within any unit of the National Wildlife Refuge System.

(j) AUTHORIZATION OF APPROPRIATIONS, SPECIAL FUND FOR FEDERAL CAVE RESOURCES.—

(1) AUTHORIZATION.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

(2) FUND.—Any money—

(A) collected by the United States as permit fees for use of Federal cave resources,

(B) received by the United States as a result of the forfeiture of a bond or other security by a permittee who does not comply with the requirements of such permit issued under subsection (h), or

(C) collected by the United States by way of civil penalties or criminal fines for violations of this section,

shall be placed in a special fund in the Treasury. Such moneys shall be available for obligation or expenditure (to the extent provided for in advance in appropriation Acts) as the Secretary shall determine for the improved management, benefit, repair, or restoration of the particular Federal cave resource affected or damaged.

(k) REGULATIONS.—The Secretary of Agriculture and the Secretary of the Interior shall each issue regulations implementing the provisions of this section. Such regulations shall be consistent with the purposes and policies of this section.

The SPEAKER pro tempore. Is a second demanded?

Mrs. VUCANOVICH. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes and the gentlewoman from Nevada [Mrs. VUCANOVICH] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous matter on S. 1693, the Senate bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, S. 1693 would provide for a study of the Coronado Trail. The expedition of Explorer Francisco Vasquez de Coronado traveled through much of the Southwestern United States. Such a study would provide information on the actual routes traveled by Coronado and provide information for possible inclusion of this historic trail in the National Trail System.

In addition, S. 1693 contains the language of 37 other bills all of which have passed the House as separate legislation. Each of these individual bills has had a report filed and I am including a list of those reports at the end of my statement for future reference to this legislation. To my knowledge, none of these bills are controversial and all of them should be enacted into law.

The bills included have generally been agreed to by both sides and have been discussed with key Members of the Senate. I am hopeful that this approach will aid us in gaining passage of legislation that is needed to further the proper use and management of the Nation's parks and public lands.

With respect to section 309, the scope of this section does not embrace jetties built into ocean waters.

REPORTS PREVIOUSLY FILED ON LEGISLATION CONTAINED IN S. 1693

TITLE I—PUBLIC LANDS

Sec. 101. Pub. lands & nat. for. adjust. (H. Rpt. 100-717 Pt. 1&2) (H.R. 3680).

Sec. 102. Desert land entry Dinosaur Nat. Mon. (H. Rpt. 100-930) (S. 1927).

Sec. 103. Mgmt. Public Lands in Michigan (H. Rpt. 100-758) (H.R. 4375).

Sec. 104. Lands in Riverside Cty., CA (H. Rpt. 100-707) (H.R. 4050).

Sec. 105. Lands Lamar Cty., Alabama (H. Rpt. 100-901) (H.R. 4642).

Sec. 106. Land claim Sumter Cty., Alabama (H. Rpt. 100-902) (H.R. 5059).

Sec. 107. RR Right of Way (H. Rpt. 100-941) (H.R. 4039).

Sec. 108. Enhancement lands in Nevada (S. Rpt. 100-511) (S. 59).

Sec. 109. Military use of Alaska lands (H. Rpt. 100-587 Pt. 1) (H.R. 2806).

Sec. 110. Solid waste disposal (H. Rpt. 100-934) (H.R. 4362).

Sec. 111. San Pedro Riparian NCA (H. Rpt. 100-24) (H.R. 568).

TITLE II—RIVERS AND TRAILS

Sec. 201. Wildcat River, New Hampshire (H. Rpt. 100-904) (S. 1914).

Sec. 202. Access fed. lands in Arkansas (H. Rpt. 100-976) (S. 1259).

Sec. 203. Study of Coronado Trail (S. Rpt. 100-367) (S. 1693).

Sec. 204. Hanford Reach of Columbia River (H. Rpt. 100-960) (H.R. 3614).

TITLE III—NATIONAL PARK SYSTEM

Sec. 301. Congaree Swamp (H. Rpt. 100-977) (S. 2018).

Sec. 302. Zuni-Cibola (H. Rpt. 100-942) (H.R. 4182).

Sec. 303. Mississippi NRRA (H. Rpt. 100-319) (H.R. 2530).

Sec. 304. Natchez Nat. Hist. Park (H. Rpt. 100-793) (H.R. 4457).

Sec. 305. Canaveral Nat. Seashore (H. Rpt. 100-695) (H.R. 3559).

Sec. 306. Antietam Nat. Battlefield (H. Rpt. 100-909) (H.R. 4554).

Sec. 307. Hamilton Grange (H. Rpt. 100-699) (H.R. 4212).

Sec. 308. Poverty Point (H. Rpt. 100-907) (H.R. 775).

Sec. 309. Dams in parks (H. Rpt. 100-185) (H.R. 1173).

Sec. 310. Delaware/Lehigh Canal (H. Rpt. 100-906) (H.R. 3957).

Sec. 311. New Jersey Heritage Route (H. Rpt. 100-905) (S. 2057).

Sec. 312. Nat. Park of American Samoa (H. Rpt. 100-916) (H.R. 4818).

Sec. 313. Pinelands (H. Rpt. 100-933) (S. 1165).

Sec. 314. Southwestern PA Heritage Route (H. Rpt. 100-789) (H.R. 3313).

Sec. 315. Guadalupe Mts. Nat. Park (H. Rpt. 100-837) (H.R. 4777).

Sec. 316. Salinas Nat. Monument, New Mexico (H. Rpt. 100-790) (H.R. 3541).

Sec. 317. John Muir (H. Rpt. 100-743) (H.R. 4315).

Sec. 318. Womens Rights (H. Rpt. 100-395) (H.R. 2952).

TITLE IV—MISCELLANEOUS PROVISIONS

Sec. 401. Lewis & Clark Nat. Hist. Site (H. Rpt. 100-788) (H.R. 1982).

Sec. 402. Archeological Res. Prot. Act. (H. Rpt. 100-791 Pt. 1) (H.R. 4068).

Sec. 403. Washington State Wilderness (H. Rpt. 100-961) (H.R. 4146).

Sec. 404. Fed. cave resources (H. Rpt. 100-534) (H.R. 1975).

Mr. Speaker, the members of the Committee on Interior and Insular Affairs have worked very hard this Congress to contend with the backlog of needed legislation within our jurisdiction. We look forward to gaining the support of the Senate in the passage of this bill which is and will be limited to that noncontroversial legislation which has already passed the House.

I urge all of my colleagues to support S. 1693.

Mr. Speaker, I reserve the balance of my time.

Mrs. VUCANOVICH. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of S. 1693, to provide for a study of the Coronado Trail for potential addition to the national trails system, and for other purposes. The trail follows the route taken by Spanish explorer Francisco Vasquez de Coronado between 1540 and 1542 which included portions of the present States of Arizona, New Mexico, Texas, Oklahoma, and Kansas.

As the subcommittee chairman has explained, the bill requires the study to be completed and recommendations submitted to Congress within 3 years. The study must provide for the review of all original Spanish documentation relating to the trail, continuing research for additional documentation on the trail and the examination of information on archaelogical sites located along the trail. During the subcommittee hearing on S. 1693, the administration expressed concern with these provisions which it believed would be more appropriate elements of a management plan for the trail. Therefore, the committee agreed during discussion on the bill that it intended for these activities to be undertaken in a reasonable manner. It was hoped this would not unduly burden the National Park Service with these requirements during the study process.

During full committee markup of S. 1693, the bill was amended to include the provisions of H.R. 5277, the Omnibus National Parks and Public Lands Act of 1988. This comprehensive legislative package includes 38 separate pieces of legislation relating to public lands, rivers and trails and the National Park System. All of the bills are basically noncontroversial and have already been passed by this body. While there are a number of good bills within this legislation that I support, I would like to mention those dealing specifically with issues in the State of Nevada and my congressional district. The Omnibus Public Lands and National Forest Adjustments Act of 1988 includes provisions to clear the title of a 40-acre parcel of land in Clark County, Nev. The land parcel would be conveyed to the local Roman Catholic diocese allowing its sale for the benefit of the Home of the Good Shepherd—a charity that works with troubled young women in the Western States. Provisions of other legislation included in this bill provide for a Nevada interchange of lands between the Forest Service and the Bureau of Land Management which will positively impact the National Forest System. As a sponsor of the original bills on these issues, I am pleased they are included in this legislative package for a second approval by this body.

Mr. Speaker, I want to commend the subcommittee chairman, Mr. VENTO, and the full committee chairman, Mr. UDALL, for their efforts to develop this omnibus legislation. They have invested a great deal of time and hard work in this measure and have cooperated with Members on this side of the aisle to address their concerns.

S. 1693 is a good bill which will provide for completion of a study of the Coronado Trail by 1992. Concurrently, this is the year of the 500th anniversary of the Discovery of the New World by Columbus, an event which is closely associated with the Coronado expedition. This legislation, as amended, also moves a number of important public lands and national parks bills one step closer to enactment. Therefore, I urge my colleagues to approve S. 1693.

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Mr. Speaker, I reserve the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time.

Mrs. VUCANOVICH. Mr. Speaker, I yield 2 minutes to the gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. Mr. Speaker, I strongly support the passage of this bill, S. 1693, to provide for the study of the Coronado Trail. I do so for a number of reasons.

First, the expedition of Francisco de Coronado through the American Southwest has had an indelible impact on the cultural heritage of my State. The historical significance of this effort is beyond doubt. The study of the Coronado Trail will contribute significantly to our understanding of our own territory and the historical foundation upon which our communities are built.

I also support this measure because the committee on Interior and Insular Affairs folded into this bill H.R. 5277, the Omnibus National Parks and Public Lands Act of 1988. Among other provisions, this bill includes language designating the San Pedro Riparian Conservation Area in southeastern Arizona.

Ironically, Mr. Speaker, the first few miles of the Coronado Trail would be through the San Pedro Conservation District. It was at this point where the San Pedro touches the Mexican border that Coronado first entered the United States. So these bills in a very unusual sense meld together.

The bill in question here, designating the San Pedro Riparian Conservation Area, has not been the subject of a great deal of controversy, and it would be a real disservice to Arizona if the schedule and not the substance were to cause its failure during this session of Congress. Passage of this bill will help speed the consideration of numerous worthwhile measures in these hectic closing days.

Mr. Speaker, I commend the members of the Subcommittee on National Parks and Public Lands for their work on these important items, and I urge this body to pass this measure in short order.

Mr. BILBRAY. Mr. Speaker, I rise today to express my support for S. 1693, a measure that contains two important measures for the citizens of Nevada.

I would like to commend the chairman of the Public Lands Subcommittee, my good friend, Representative BRUCE VENTO, for his work in putting together such a package.

Mr. Speaker, several years ago, the Reagan administration proposed a plan involving over 35 million acres of public lands. Under this proposal, large tracts of land under the control and management of the Forest Service would be transferred to the control and management of the Bureau of Land Management. The impact of this proposal upon Nevada would have resulted in the virtual elimination of national forests within our State.

In response, Nevadans numbering in the thousands opposed the declassification. Joining in a concert of efforts, a broad-based coalition of conservationists, wilderness advocates, miners, ranchers, and others worked toward increasing the size of the national forests in Nevada. In addition, each of the four largest Nevada newspapers have joined in endorsing enhanced National Forest Service lands for Nevada.

As a result of careful negotiations between the National Forest Task Force of Nevada, the entire Nevada congressional delegation, the Chief of the U.S. Forest Service, representatives of the Governor of Nevada and the Director of the Bureau of Land Management, legislation was introduced in the 99th Congress which would increase the size of national forests in Nevada. As you may recall, this legislation passed the House but failed to come to a vote in the Senate before adjournment.

The legislation introduced at that time would substantially ease the administrative burden of managing the lands while simultaneously improving the administrative capabilities of both the U.S. Forest Service and the Bureau of Land Management. In particular, the legislation would enhance the management of our land and resources, including sensitive watershed areas, wildlife habitat, grazing resources, mineral resources, and increasingly valuable recreational opportunities.

This measure, which enjoys strong bipartisan support within Nevada, would further enhance administrative efficiency of the management of Nevada public lands by establishing 14 new wilderness areas and adding lands managed by the Bureau of Land Management to the National Forest System.

The second measure contained in today's package will provide for clear title of a 40-acre parcel of land in Clark County, NV, which has been in the possession of the local Roman Catholic diocese.

Mr. Speaker, in 1949, Marie Lawton purchased from Clark County 40 acres of land in southern Nevada. Upon her death in 1975, she bequeathed the property to the diocese to be used to benefit assistance being provided to troubled young women.

However, it has now been determined that the property was and is public domain property of the United States, and that the 1949 sale was therefore invalid.

The legislation put together by Public Lands Subcommittee conveys the property to the diocese so that it may benefit the continued assistance to troubled young women.

Mr. Speaker, I am pleased to support this package and I urge the House to give its approval.

Mrs. VUCANOVICH. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The question is on the motion offered by the gentleman from Minnesota [Mr.VENTO] that the House suspend the rules and pass the Senate bill, S. 1693, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill, as amended, was passed.

A motion to reconsider was laid on the table.

HANDICAPPED PROGRAMS TECHNICAL AMENDMENTS ACT OF 1988

Mr. OWENS of New York. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5334) to make certain technical and conforming amendments to the Education of the Handicapped Act and the Rehabilitation Act of 1973, and for other purposes, as amended.

The Clerk read as follows:

H.R. 5334

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Handicapped Programs Technical Amendments Act of 1988".

TITLE I—AMENDMENTS TO THE EDUCATION OF THE HANDICAPPED ACT

SEC. 101. GENERAL PROVISIONS.

(a) Definitions.—Section 602 of the Education of the Handicapped Act (20 U.S.C. 1401) is amended—

(1) by moving paragraphs (1) through (23) of subsection (a) 2 ems to the right, so that the left margin of each such paragraph is indented 4 ems;

(2) by striking subsection (a)(3);

(3) in subsection (a)(6), by striking "Northern Mariana Islands" and inserting "Commonwealth of the Northern Mariana Islands";

(4) in subsection (a)(11)—

(A) by moving subparagraphs (A) through (E) 2 ems to the right, so that the left margin of each such subparagraph is indented 6 ems;

(B) by inserting "and" at the end of subparagraph (D);

(C) by striking "he" each place it appears in subparagraph (E) and inserting "the Secretary";

(D) by striking "; and" at the end of subparagraph (E) and inserting a period; and

(E) by striking subparagraph (F);

(5) by adding at the end of subsection (a)(11) the following:

"The term includes community colleges receiving funding from the Secretary of the Interior under the Tribally Controlled Community College Assistance Act of 1978.";

(6) in subsection (a)(18), by striking "related services which" and all that follows through the period at the end and inserting the following: "related services that—

"(A) have been provided at public expense, under public supervision and direction, and without charge,

"(B) meet the standards of the State educational agency,

"(C) include an appropriate preschool, elementary, or secondary school education in the State involved, and

"(D) are provided in conformity with the individualized education program required under section 614(a)(5).";

(7) in subsection (a)(19), by striking "statement shall include" and all that follows through the period at the end and inserting the following: "statement shall include—

"(A) a statement of the present levels of educational performance of such child,

"(B) a statement of annual goals, including short-term instructional objectives,

"(C) a statement of the specific educational services to be provided to such child, and the extent to which such child will be able to participate in regular educational programs,

"(D) the projected date for initiation and anticipated duration of such services, and

"(E) appropriate objective criteria and evaluation procedures and schedules for determining, on at least an annual basis, whether instructional objectives are being achieved.";

(8) in subsection (a)(20), by striking "after deducting" and all that follows through the period at the end and inserting the following: "after deducting—

"(A) amounts received—

"(i) under this part,

"(ii) under chapter 1 of title I of the Elementary and Secondary Education Act of 1965, or

"(iii) under title VII of the Elementary and Secondary Education Act of 1965, and

"(B) any State or local funds expended for programs that would qualify for assistance under such part, chapter, or title.";

(9) in subsection (a)(21), by striking "(20 U.S.C. 880b-1(a)(2))";

(10) in subsection (a)(23), by moving subparagraphs (A) through (C) 2 ems to the right, so that the left margin of each such subparagraph is indented 4 ems; and

(11) in subsection (b), by striking "section 602(a)(1))" and inserting "subsection (a)(1))".

(b) Equipment and Construction.—Section 605 of the Education of the Handicapped Act (20 U.S.C. 1404(a)) is amended—

(1) in subsection (a), by striking "he" and inserting "the Secretary"; and

(2) in the first sentence of subsection (b), by inserting a comma after "If".

(c) Grants for the Removal of Architectural Barriers.—Section 607(a) of the Education of the Handicapped Act (20 U.S.C. 1406(a)) is amended by striking "the Act approved" and all that follows through the period at the end and inserting the following: "the Act entitled 'An Act to insure that certain buildings financed with Federal funds are so designed and constructed as to be accessible to the physically handicapped', approved August 12, 1968.".

(d) Regulations.—Section 608 of the Education of the Handicapped Act (20 U.S.C. 1407) is amended—

(1) in subsection (b), by striking "IEP" and inserting "individualized education program"; and

(2) by striking subsection (c).

SEC. 102. ASSISTANCE FOR EDUCATION OF ALL HANDICAPPED CHILDREN.

(a) Allocations.—Section 611 of the Education of the Handicapped Act (20 U.S.C. 1411) is amended—

(1) in subsection (a)(2), by striking "Northern Mariana Islands" and inserting "Commonwealth of the Northern Mariana Islands";

(2) in subsection (a)(5)—

(A) by striking "on the order of any court;" in subparagraph (A)(ii) and inserting "or the order of any court;";

(B) by striking "section 121" in subparagraph (A)(iii) and inserting "subpart 2 of part D of chapter 1 of title 1"; and

(C)(i) by striking "five to seventeen," in subparagraph (B) and inserting "three to seventeen,"; and

(ii) by striking "him" in subparagraph (B) and inserting "the Secretary";

(3) in subsection (e)(1), by striking "Northern Mariana Islands" and inserting "Commonwealth of the Northern Mariana Islands";

(4) in subsection (f)(1), by striking "serviced" and inserting "served"; and

(5) in subsection (f)(2)(B), by inserting a comma after "inclusive".

(b) Eligibility.—Section 612 of the Education of the Handicapped Act (20 U.S.C. 1412) is amended—

(1) by moving paragraphs (1) through (7) 2 ems to the right, so that the left margin of each such paragraph is indented 4 ems;

(2) in paragraph (2), by moving subparagraphs (A) through (E) 2 ems to the right, so that the left margin of each such paragraph is indented 6 ems; and

(3) in paragraph (2)(E), by striking "the amendment" the first place it appears and inserting "any amendment".

(c) State Plans.—Section 613 of the Education of the Handicapped Act (20 U.S.C. 1413) is amended—

(1) in the first sentence of subsection (a), by striking "he" and inserting "the Secretary";

(2) in subsection (a)(2), by striking "section 121" and all that follows through "(20 U.S.C. 1262(a)(4)(B))," and inserting "subpart 2 of part D of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 and section 202(1) of the Carl D. Perkins Vocational Education Act,";

(3) in subsection (a)(3), by striking "a description of programs and procedures" and all that follows through the semicolon at the end and inserting the following: "a description of programs and procedures for—

"(A) the development and implementation of a comprehensive system of personnel development, which shall include—

"(i) inservice training of general and special educational instructional and support personnel,

"(ii) detailed procedures to assure that all personnel necessary to carry out the purposes of this Act are appropriately and adequately prepared and trained, and

"(iii) effective procedures for acquiring and disseminating to teachers and administrators of programs for handicapped children significant information derived from educational research, demonstration, and similar projects, and

"(B) adopting, where appropriate, promising educational practices and materials developed through such projects;";

(4) by amending subsection (a)(4)(B) to read as follows:

"(B) that—

"(i) handicapped children in private schools and facilities will be provided special education and related services (in conformance with an individualized education program as required by this part) at no cost to their parents or guardian, if such children are placed in or referred to such schools or facilities by the State or appropriate local educational agency as the means of carrying out the requirements of this part or any other applicable law requiring the provision of special education and related services to all handicapped children within such State; and

"(ii) in all such instances, the State educational agency shall determine whether such schools and facilities meet standards that apply to State and local educational agencies and that children so served have all the rights they would have if served by such agencies;";

(5) by amending subsection (a)(7) to read as follows:

"(7) provide for—

"(A) making such reports in such form and containing such information as the Secretary may require to carry out the Secretary's functions under this part, and

"(B) keeping such records and affording such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports and proper disbursement of Federal funds under this part;";

(6) in subsection (a)(9), by striking "under this part" the first place it appears and all that follows through the semicolon at the end and inserting the following: "under this part—

"(A) will not be commingled with State funds, and

"(B) will be so used as to supplement and increase the level of Federal, State, and local funds (including funds that are not under the direct control of State or local educational agencies) expended for special education and related services provided to handicapped children under this part and in no case to supplant such Federal, State, and local funds, except that, where the State provides clear and convincing evidence that all handicapped children have available to them a free appropriate public education, the Secretary may waive in part the requirement of this subparagraph if the Secretary concurs with the evidence provided by the State;";

(7) in subsection (a)(12), by striking "administrators of programs" and all that follows through the semicolon at the end and inserting the following: "administrators of programs for handicapped children, which—

"(A) advises the State educational agency of unmet needs within the State in the education of handicapped children,

"(B) comments publicly on any rules or regulations proposed for issuance by the State regarding the education of handicapped children and the procedures for distribution of funds under this part, and

"(C) assists the State in developing and reporting such data and evaluations as may assist the Secretary in the performance of the responsibilities of the Secretary under section 618;";

(8) in subsection (a)(13), by striking "appropriate State and local agencies" and all that follows through the period at the end and inserting the following: "appropriate State and local agencies to—

"(A) define the financial responsibility of each agency for providing handicapped children and youth with free appropriate public education, and

"(B) resolve interagency disputes, including procedures under which local educational agencies may initiate proceedings under the agreement in order to secure reimbursement from other agencies or otherwise implement the provisions of the agreement; and";

(9) in subsection (a)(14)—

(A) by inserting "set forth" after the paragraph designation; and

(B) in subparagraph (A), by striking "he or she is" and inserting "such personnel are";

(10) in subsection (c)—

(A) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(B) by inserting "(1)" after the subsection designation;

(C) by indenting the first line of the matter following subparagraph (B) (as redesignated by paragraph (1) of this subsection) 2 ems to the right and designating such matter as paragraph (2); and

(D) by striking "the preceding sentence" where it appears in paragraph (2) (as designated by subparagraph (C) of this paragraph) and inserting "paragraph (1)";

(11) in subsection (d)(3)(A), by striking "his" and inserting "the Secretary's";

(12) in subsection (d)(3)(B)—

(A) by striking "he" and inserting "the Secretary"; and

(B) by striking "his" and inserting "the Secretary's";

(13) in subsection (d)(3)(C), by striking "his" in the first sentence and inserting "the Secretary's"; and

(14) in subsection (e), by striking "; and" at the end and inserting a period.

(d) LOCAL EDUCATIONAL AGENCY APPLICATIONS.—Section 614 of the Education of the Handicapped Act (20 U.S.C. 1414) is amended—

(1) by amending subsection (a)(2) to read as follows:

"(2) provide satisfactory assurance that—

"(A) the control of funds provided under this part, and title to property derived from such funds, shall be in a public agency for the uses and purposes provided in this part, and that a public agency will administer such funds and property;

"(B) Federal funds expended by local educational agencies and intermediate educational units for programs under this part—

"(i) shall be used to pay only the excess costs directly attributable to the education of handicapped children; and

"(ii) shall be used to supplement and, to the extent practicable, increase the level of State and local funds expended for the education of handicapped children, and in no case to supplant such State and local funds; and

"(C) State and local funds will be used in the jurisdiction of the local educational agency or intermediate educational unit to provide services in program areas that, taken as a whole, are at least comparable to services being provided in areas of such jurisdiction that are not receiving funds under this part;";

(2) by amending subsection (a)(3) to read as follows:

"(3) provide for—

"(A) furnishing such information (which, in the case of reports relating to performance, is in accordance with specific performance criteria related to program objectives), as may be necessary to enable the State educational agency to perform its duties under this part, including information relating to the educational achievement of handicapped children participating in programs carried out under this part; and

"(B) keeping such records, and affording such access to such records, as the State educational agency may find necessary to assure the correctness and verification of such information furnished under subparagraph (A);"; and

(3) in subsection (a)(5)—

(A) by striking "establish," and inserting "establish"; and

(B) by inserting a comma after "if appropriate".

(e) PROCEDURAL SAFEGUARDS.—Section 615 of the Education of the Handicapped Act (20 U.S.C. 1415) is amended—

(1) in subsection (b)(1)(D), by striking "inform" and inserting "informs"; and

(2) in subsection (d), by striking "shall be accorded" and all that follows through the period at the end and inserting the following: "shall be accorded—

"(1) the right to be accompanied and advised by counsel and by individuals with special knowledge or training with respect to the problems of handicapped children,

"(2) the right to present evidence and confront, cross-examine, and compel the attendance of witnesses,

"(3) the right to a written or electronic verbatim record of such hearing, and

"(4) the right to written findings of fact and decisions (which findings and decisions shall be made available to the public consistent with the requirements of section 617(c) and shall also be transmitted to the advisory panel established pursuant to section 613(a)(12)).".

(f) WITHHOLDING AND JUDICIAL REVIEW.—Section 616 of the Education of the Handicapped Act (20 U.S.C. 1416) is amended—

(1) in subsection (a)—

(A) by striking "pursuant to the State plan" and all that follows through "If the Secretary withholds" and inserting the following: "pursuant to the State plan, the Secretary—

"(A) shall, after notifying the State educational agency, withhold any further payments to the State under this part, and

"(B) may, after notifying the State educational agency, withhold further payments to the State under the Federal programs specified in section 613(a)(2) within the Secretary's jurisdiction, to the extent that funds under such programs are available for the provision of assistance for the education of handicapped children.

If the Secretary withholds";

(B) by striking "he" in the second sentence and inserting "the Secretary";

(C) by striking "his jurisdiction" in the penultimate sentence and inserting "the Secretary's jurisdiction"; and

(2) in subsection (b)(1), by striking "on which he based his action" and inserting "upon which the Secretary's action was based"; and

(3) in subsection (b)(2), by striking "his" and inserting "the".

(g) ADMINISTRATION.—Section 617 of the Education of the Handicapped Act (20 U.S.C. 1417) is amended—

(1) in subsection (a)(1), by striking "his" and inserting "the Secretary's";

(2) in subsection (a)(1)(D), by inserting after "1975" the following: "and every year thereafter"; and

(3) in subsection (d), by striking "his" and inserting "the Secretary's".

(h) EVALUATION.—Section 618 of the Education of the Handicapped Act (20 U.S.C. 1418) is amended—

(1) by amending subsection (a) to read as follows:

"(a) The Secretary shall, directly or by grant, contract, or cooperative agreement, collect data and conduct studies, investigations, and evaluations—

"(1) to assess progress in the implementation of this Act;

"(2) to assess the impact and effectiveness of State and local efforts, and efforts by the Secretary of the Interior, to provide—

"(A) free appropriate public education to handicapped children and youth; and

"(B) early intervention services to handicapped infants and toddlers; and

"(3) to provide—

"(A) Congress with information relevant to policymaking; and

"(B) State, local, and Federal agencies, including the Department of the Interior, with information relevant to program management, administration, and effectiveness with respect to such education and early intervention services.";

(2) in subsection (b)(1), by striking "intervention services" and all that follows through the comma at the end and inserting the following: "intervention services—

"(A) in age groups 0-2 and 3-5, and

"(B) in age groups 6-11, 12-17, and 18-21, by disability category,";

(3) in subsection (b)(3), by striking "or otherwise" and all that follows through the comma at the end and inserting the following: "or otherwise—

"(A) in age group 3-5, and

"(B) in age groups 6-11, 12-17, and 18-21, by disability category and anticipated services for the next year,";

(4) in subsection (b)(6), by striking "handicapped children and youth" and all that follows through the period at the end and inserting the following: "handicapped children and youth—

"(A) in age group 3-5, and

"(B) in age groups 6-11, 12-17, and 18-21, and by disability category.";

(5) in subsection (d)(4), by striking "resources" and inserting "resource";

(6) in subsection (f)(4), by striking "a free appropriate public education" and all that follows through the period at the end and inserting the following: "a free appropriate public education to—

"(A) handicapped infants, toddlers, children, and youth in rural areas,

"(B) handicapped migrants,

"(C) handicapped Indians (particularly programs operated under section 611(f)),

"(D) handicapped Native Hawaiian (and other native Pacific basin) children and youth, and

"(E) handicapped infants, toddlers, children, and youth with limited English proficiency."; and

(7) in subsection (f)(5)—

(A) by striking "National Council for the Handicapped" and inserting "National Council on Disability"; and

(B) by inserting "the Secretary shall include" before "a description of".

(i) PRESCHOOL GRANTS.—Section 619 of the Education of the Handicapped Act (20 U.S.C. 1419) is amended—

(1) in subsection (a)(2)(A)(ii)(II), by inserting "increase in the" after "multiplied by the estimated";

(2) in subsection (a)(2)(E), by striking "clause (ii)(II) of the applicable subparagraph,";

(3) in subsection (b)(2)(A), by striking "$656,000,000, and" and inserting "$656,000,000, or";

(4) in subsection (c)(3)(B)—

(A) by striking "the amount available under subsection (a)(2)(A)(ii)(II)" and inserting "the amount of such funds"; and

(B) by striking "aggregate number of handicapped children" and all that follows through "related services" and inserting "aggregate number of such children"; and

(5) by adding at the end the following new subsection:

"(f) Notwithstanding any other provision of law, unless enacted in express limitation of this subsection, amounts appropriated under this section for fiscal years 1987 and 1988 and received by a State whose allotment for the succeeding fiscal year is adjusted downwards under subsection (a)(2)(E) shall remain available for obligation by such State, and by local educational agencies and intermediate educational units in such State, during the 2 fiscal years succeeding the fiscal year for which such amounts were appropriated.".

SEC. 103. CENTERS AND SERVICES TO MEET SPECIAL NEEDS OF HANDICAPPED INDIVIDUALS.

(a) IN GENERAL.—The part heading for part C of the Education of the Handicapped Act (20 U.S.C. 1421 et seq.) is amended to read as follows:

"PART C—CENTERS AND SERVICES TO MEET SPECIAL NEEDS OF HANDICAPPED INDIVIDUALS".

(b) REGIONAL RESOURCE AND FEDERAL CENTERS.—Section 621 of the Education of the Handicapped Act (20 U.S.C. 1421) is amended—

(1) in subsection (a), by striking "appropriate State agencies" in the second sentence and inserting "appropriate public agencies"; and

(2) in subsection (e), by striking "for this section" and all that follows through "subsection (a)" and inserting "in the previous fiscal year for regional resource centers under subsection (a) shall be made available for such centers".

(c) SERVICES FOR DEAF-BLIND CHILDREN AND YOUTH.—Section 622 of the Education of the Handicapped Act (20 U.S.C. 1422) is amended—

(1) in subsection (a)(1)(B), by inserting a comma after "youth"; and

(2) in subsection (c)(2)(B), by striking "subpart 2" and all that follows through "of 1981)" and inserting "subpart 2 of part D of chapter 1 of title I of the Elementary and Secondary Education Act of 1965".

(d) EARLY EDUCATION FOR HANDICAPPED CHILDREN.—Section 623 of the Education of the Handicapped Act (20 U.S.C. 1423) is amended—

(1) in subsection (a)(1), by striking "designed to" and all that follows through the period at the end and inserting the following: "designed to—

"(A) facilitate the intellectual, emotional, physical, mental, social, speech, language development, and self-help skills of such children,

"(B) encourage the participation of the parents of such children in the development and operation of any such program,

"(C) acquaint the community to be served by any such program with the problems and potentialities of such children,

"(D) offer training about exemplary models and practices to State and local personnel who provide services to handicapped children from birth through age 8, and

"(E) support the adoption of exemplary models and practices in States and local communities.";

(2) in subsection (d), by inserting "or" before "enter"; and

(3) in subsection (e), by striking "application" and inserting "applications".

(e) PROGRAMS FOR SEVERELY HANDICAPPED CHILDREN.—Section 624 of the Education of the Handicapped Act (20 U.S.C. 1424) is amended—

(1) in subsection (a)(2), by striking the comma following "improvements in";

(2) in subsection (a)(3), by inserting "and youth" after "such children";

(3) in subsection (b)—

(A) by striking "making grants and contracts" and inserting "making grants and entering into contracts and cooperative agreements"; and

(B) by striking "such grants and contracts" and inserting "such grants, contracts, or cooperative agreements"; and

(4) in subsection (c)—

(A) by striking the comma following "programs"; and

(B) by striking "nation" and inserting "Nation".

(f) POSTSECONDARY EDUCATION.—Section 625 of the Education of the Handicapped Act (20 U.S.C. 1424a) is amended—

(1) in subsection (a)(4), by striking "application" and inserting "applications"; and

(2) in subsection (a)(5), by striking "dispensed throughout the nation" and inserting "dispersed throughout the Nation".

(g) SECONDARY EDUCATION AND TRANSITIONAL SERVICES FOR HANDICAPPED YOUTH.—Section 626 of the Education of the Handicapped Act (20 U.S.C. 1425) is amended—

(1) in subsection (a)—

(A) by striking "(Public Law 97-300)" in the first sentence; and

(B) by striking "through the Nation" in the second sentence and inserting "throughout the Nation";

(2) in subsection (b)(6)—

(A) by striking "between" and inserting "among"; and

(B) by inserting "and" before "public employment".

(3) in subsection (b)(10), by striking "specifically" and inserting "specially"; and

(4) in subsection (c), by inserting "its activities" after "coordinate".

SEC. 104. TRAINING PERSONNEL FOR THE EDUCATION OF HANDICAPPED INDIVIDUALS.

(a) IN GENERAL.—The part heading for part D of the Education of the Handicapped Act (20 U.S.C. 1431 et seq.) is amended to read as follows:

"PART D—TRAINING PERSONNEL FOR THE EDUCATION OF HANDICAPPED INDIVIDUALS".

(b) GRANTS FOR PERSONNEL TRAINING.—Section 631 of the Education of the Handicapped Act (20 U.S.C. 1431) is amended—

(1) in subsection (a)(1), by striking "(including the university-affiliated" and all that follows through "program)" in the matter that precedes subparagraph (A) and inserting "(including university affiliated programs and satellite centers participating in programs under part D of the Developmental Disabilities Assistance and Bill of Rights Act)";

(2) in subsection (a)(2)(A), by striking "In making grants" and all that follows through "such grants" and inserting "The Secretary shall base the award of grants under paragraph (1)";

(3) in subsection (b), by inserting ", State agencies," after "higher education";

(4) in subsection (c)(2)(A)—

(A) by striking "on which a majority" both places it appears and inserting "of which a majority"; and

(B) by striking the comma and inserting a semicolon; and

(5) in subsection (c)(5)(D), by striking "individualized educational program" and inserting "individualized education program".

(c) GRANTS TO STATE EDUCATIONAL AGENCIES AND INSTITUTIONS FOR TRAINEESHIPS.—Section 632 of the Education of the Handicapped Act (20 U.S.C. 1432) is amended to read as follows:

"GRANTS TO STATE EDUCATIONAL AGENCIES AND INSTITUTIONS FOR TRAINEESHIPS

"SEC. 632. (a) The Secretary shall make a grant of sufficient size and scope to each State educational agency for the purposes described in subsection (c) and, in any State in which the State educational agency does not apply for such a grant, to an institution of higher education within such State for such purposes.

"(b) The Secretary may also make a limited number of grants to State educational agencies on a competitive basis for the purposes described in subsection (c). In any fiscal year, the Secretary may not expend for purposes of this subsection an amount that exceeds 10 percent of the amount expended for purposes of this section in the preceding fiscal year.

"(c) Grants made under this section shall be for the purpose of assisting States in establishing and maintaining preservice and inservice programs to prepare personnel to meet the needs of handicapped infants, toddlers, children, and youth or supervisors of such persons, consistent with the personnel needs identified in the State's comprehensive system of personnel development under section 613 and under section 676(b)(8).".

(d) Continuation Grants.—Notwithstanding section 632 of the Education of the Handicapped (as amended by subsection (c)), the Secretary of Education may make continuation grants for the fiscal year 1989 to institutions of higher education that received competitive grants for the fiscal year 1987.

(e) Clearinghouse.—Section 633(c)(2) of the Education of the Handicapped Act (20 U.S.C. 1433(c)(2)) is amended by inserting "of information" after "Dissemination".

SEC. 105. RESEARCH IN THE EDUCATION OF HANDICAPPED INDIVIDUALS.

(a) In General.—The part heading for part E of the Education of the Handicapped Act (20 U.S.C. 1441 et seq.) is amended to read as follows:

"Part E—Research in the Education of Handicapped Individuals".

(b) Research and Demonstration Projects in Education of Handicapped Children.—Section 641 of the Education of the Handicapped Act (20 U.S.C. 1441) is amended—

(1) in subsection (a), by striking "children and youth" each place it appears and inserting "children, and youth";

(2) in subsection (a)(6), by inserting a comma after "scales"; and

(3) in subsection (e)—

(A) by striking "National Institute of Handicapped Research" and inserting "National Institute on Disability and Rehabilitation Research"; and

(B) by striking "National Council on the Handicapped" and inserting "National Council on Disability".

(c) Panels of Experts.—Section 643(a)(1) of the Education of the Handicapped Act (20 U.S.C. 1443(a)(1)) is amended by striking "the handicapped" and inserting "handicapped individuals".

SEC. 106. INSTRUCTIONAL MEDIA FOR HANDICAPPED INDIVIDUALS.

(a) In General.—The part heading for part F of the Act is amended to read as follows:

"Part F—Instructional Media for Handicapped Individuals".

(b) Purposes.—Section 651 of the Education of the Handicapped Act (20 U.S.C. 1451) is amended to read as follows:

"PURPOSES

"Sec. 651. The purposes of this part are to promote—

"(1) the general welfare of deaf individuals by—

"(A) bringing to such individuals understanding and appreciation of those films that play such an important part in the general and cultural advancement of hearing individuals;

"(B) providing through these films enriched educational and cultural experiences through which deaf individuals can be brought into better touch with the realities of their environment; and

"(C) providing a wholesome and rewarding experience that deaf individuals may share together; and

"(2) the educational advancement of handicapped individuals by—

"(A) carrying on research in the use of educational media for handicapped individuals;

"(B) producing and distributing educational media for the use of handicapped individuals, their parents, their actual or potential employers, and other individuals directly involved in work for the advancement of handicapped individuals; and

"(C) training individuals in the use of educational media for the instruction of handicapped individuals.".

(c) Captioned Films and Educational Media for Handicapped Individuals.—Section 652 of the Education of the Handicapped Act (20 U.S.C. 1452) is amended—

(1) by amending the section heading of such section to read as follows:

"CAPTIONED FILMS AND EDUCATIONAL MEDIA FOR HANDICAPPED INDIVIDUALS";

(2) by striking "persons" each place it appears and inserting "individuals";

(3) by striking "the handicapped" each place it appears and inserting "handicapped individuals";

(4) in subsection (b)(2)—

(A) by striking "purchased" and inserting "purchase"; and

(B) by striking "to" and inserting "for";

(5) in subsection (b)(5), by striking "he" and inserting "the Secretary";

(6) in subsection (b)(6), by striking "and" the second place it appears;

(7) in subsection (b)(8), by striking "the deaf" and inserting "deaf individuals"; and

(8) in subsection (c), by striking "deaf people" each place it appears and inserting "deaf individuals".

SEC. 107. TECHNOLOGY, EDUCATIONAL MEDIA, AND MATERIALS FOR HANDICAPPED INDIVIDUALS.

(a) In General.—The part heading for part G of the Education of the Handicapped Act (20 U.S.C. 1461 et seq.) is amended to read as follows:

"Part G—Technology, Educational Media, and Materials for Handicapped Individuals".

(b) Financial Assistance.—The second sentence of section 661 of the Education of the Handicapped Act (20 U.S.C. 1461) is amended—

(1) by striking "subsection" and inserting "section"; and

(2) by striking "the handicapped" each place it appears and inserting "handicapped individuals".

SEC. 108. HANDICAPPED INFANTS AND TODDLERS.

(a) Findings and Policy.—Section 671 of the Education of the Handicapped Act (20 U.S.C. 1471) is amended—

(1) in subsection (a)(4), by striking "infants and toddlers with handicaps" and inserting "handicapped infants and toddlers"; and

(2) in subsection (b)(3), by striking "its" and inserting "their".

(b) Definitions.—Section 672 of the Education of the Handicapped Act (20 U.S.C. 1472) is amended—

(1) in paragraph (1)(A), by striking "Cognitive" and inserting "cognitive";

(2) in paragraph (2), by striking "'Early intervention services'" and inserting "The term 'early intervention services'"; and

(3) in paragraph (2)(C), by striking "psycho-social" and inserting "psychosocial".

(c) Continuing Eligibility.—Section 675 of the Education of the Handicapped Act (20 U.S.C. 1475) is amended—

(1) in subsection (a), by striking "assurances" and inserting "an assurance"; and

(2) in subsection (b)(1)(C), by striking "with respect to" and inserting "in order to comply with".

(d) Requirements for Statewide System.—Section 676 of the Education of the Handicapped Act (20 U.S.C. 1476) is amended—

(1) in subsection (b)(5)—

(A) by inserting "of this Act" after "part B"; and

(B) by striking "the participation by" and inserting "participation by"; and

(2) in subsection (b)(12), by striking "and".

(f) Individualized Family Service Plan.—Section 677 of the Education of the Handicapped Act (20 U.S.C. 1477) is amended—

(1) in subsection (a), by striking "infant" the second place it appears in the matter preceding paragraph (1) and inserting "infant's";

(2) in subsection (b)—

(A) by striking "6 month-intervals" and inserting "6-month intervals"; and

(B) by striking "infant and toddler" and inserting "infant or toddler";

(3) in subsection (d)(1), by striking "psycho-social" and inserting "psychosocial";

(4) in subsection (d)(3)—

(A) by striking "infant and toddler" and inserting "infant or toddler"; and

(B) by striking "are being made" and inserting "is being made";

(5) in subsection (d)(6), by striking "infant's and toddler's" and inserting "infant's or toddler's"; and

(6) in subsection (d)(7), by inserting "of this Act" after "part B".

(g) State Application and Assurances.—Section 678 of the Education of the Handicapped Act (20 U.S.C. 1478) is amended—

(1) in subsection (a)(3), by striking "and"; and

(2) in subsection (a)(5), by striking "for the fifth and succeeding fiscal years" and inserting a comma and "for the fifth and succeeding fiscal years,".

(h) Uses of Funds.—Section 679 of the Education of the Handicapped Act (20 U.S.C. 1479) is amended—

(1) in paragraph (1), by inserting "and their families" after "toddlers"; and

(2) in paragraph (2), by inserting "and their families" after "toddlers".

(i) Procedural Safeguards.—Section 680 of the Education of the Handicapped Act (20 U.S.C. 1480) is amended—

(1) in paragraph (3), by striking "and a guardian" and inserting "or a guardian";

(2) in paragraph (4), by striking "infant and toddlers" and inserting "infant or toddler"; and

(3) in paragraph (7), by striking "if applying for initial services" and inserting a comma and "if applying for initial services,".

(j) Payor of Last Resort.—Section 681(a) of the Education of the Handicapped Act (20 U.S.C. 1481(a)) is amended by striking "the delay" and inserting "a delay".

(k) State Interagency Coordinating Council.—Section 682 of the Education of the Handicapped Act (20 U.S.C. 1482) is amended—

(1) in subsection (b)(4), by striking "and";

(2) in subsection (b)(5), by striking "and others selected by the Governor." and inserting a comma and "and"; and

(3) by adding at the end of subsection (b) a new paragraph (6) to read as follows:

"(6) others selected by the Governor.".

SEC. 109. SPECIAL RULE FOR FISCAL YEAR 1987 PRESCHOOL GRANTS.

(a) Special Rule.—Notwithstanding section 412(b)(2) of the General Education Provisions Act, a State educational agency may use funds made available in fiscal year 1986 under section 619 of the Education of the Handicapped Act for expenditure in fiscal year 1987 in accordance with the statutory and regulatory provisions relating to such program that were in effect for fiscal year 1986 and the application submitted by such agency for such program for such fiscal year.

(b) Effective Date.—This section shall be effective as of October 1, 1987.

SEC. 110. PRESCHOOL GRANTS.

The provisions of section 300.300(b)(3) of title 34, Code of Federal Regulations, shall not apply with respect to children aged 3 through 5, inclusive, in any State for any fiscal year for which the State receives a grant under section 619(a)(1) of the Education of the Handicapped Act.

TITLE II—AMENDMENTS TO THE REHABILITATION ACT OF 1973

SEC. 201. GENERAL PROVISIONS.

(a) Rehabilitation Services Administration.—The last sentence of section 3(a) of the Rehabilitation Act of 1973 (29 U.S.C. 702(a)) is amended by striking "National Council on the Handicapped" and inserting "National Council on Disability".

(b) Consolidated Rehabilitation Plan.—Section 6 of the Rehabilitation Act of 1973 (29 U.S.C. 705) is amended—

(1) in subsection (a), by striking "the Developmental Disabilities Services and Facilities Construction Amendments of 1970" and inserting "the Developmental Disabilities Assistance and Bill of Rights Act"; and

(2) in subsection (b)—

(A) by striking "the Developmental Disabilities Services and Facilities Construction Amendments of 1970" in the first sentence and inserting "the Developmental Disabilities Assistance and Bill of Rights Act"; and

(B) by striking the last sentence and inserting the following: "If the Secretary finds that all such requirements are satisfied, the Secretary may—

"(1) approve the plan to serve in all respects as the substitute for the separate plans which would otherwise be required with respect to each of the programs included therein; or

"(2) advise the State to submit separate plans for such programs.".

(c) Definitions.—Section 7 of the Rehabilitation Act of 1973 (29 U.S.C. 706) is amended—

(1) in paragraph (2), by inserting a comma after "unit of general local government";

(2) in paragraph (5)(B), by inserting a comma after "employability";

(3) in paragraph (5)(C), by striking "skill" and inserting "skills";

(4) in paragraph (5)(G)(i), by striking "such individual" the second place it appears;

(5) by amending paragraph (13)(B) to read as follows: "(B) testing, fitting, or training in the use of prosthetic and orthotic devices,";

(6) by amending paragraph (13)(F) to read as follows: "(F) psychiatric, psychological, and social services,";

(7) in paragraph (13)(L), by striking "provisions" and inserting "provision"; and

(8) in paragraph (15)(A), by striking ", for purposes of this Act".

(d) Nonduplication.—Section 10 of the Rehabilitation Act of 1973 (29 U.S.C. 709) is amended in the last sentence by inserting a comma after "any other provision of this Act".

(e) Administration of the Act.—Section 12(c) of the Rehabilitation Act of 1973 (29 U.S.C. 711(c)) is amended by striking "his" and inserting "the Commissioner's".

(f) Evaluation.—Section 14 of the Rehabilitation Act of 1973 (29 U.S.C. 713) is amended—

(1) in subsection (a), by inserting a comma after "earnings" in the third sentence; and

(2) in subsection (c), by striking "evaluation" and inserting "evaluations".

(g) Review of Applications.—The first sentence of section 18 of the Rehabilitation Act of 1973 (29 U.S.C. 717) is amended—

(1) by inserting a comma after "this Act"; and

(2) by inserting a comma after "conferences".

SEC. 202. VOCATIONAL REHABILITATION SERVICES.

(a) Authorization of Appropriations.—Section 100 of the Rehabilitation Act of 1973 (29 U.S.C. 720) is amended—

(1) in subsection (b), by striking paragraph (3);

(2) in subsection (c)—

(A) by striking "price index" each place it appears and inserting "Consumer Price Index"; and

(B) by striking "subsection" in paragraph (3) and inserting "section"; and

(3) by amending subsection (d)(1) to read as follows:

"(d)(1)(A) Unless the Congress in the regular session which ends prior to the beginning of the terminal fiscal year—

"(i) of the authorization of appropriations for the program authorized by the State grant program under part B of this title; or

"(ii) of the duration of the program authorized by the State grant program under part B of this title;

has passed legislation which would have the effect of extending the authorization or duration (as the case may be) of such program, such authorization is automatically extended for one additional year for the program authorized by this title.

"(B) The amount authorized to be appropriated for the additional fiscal year described in subparagraph (A) shall be an amount equal to the amount appropriated for such program for fiscal year 1991, or the amount authorized to be appropriated for such program for fiscal year 1991, whichever is higher, plus the amount of the Consumer Price Index addition determined under subsection (c) for the immediately preceding fiscal year.".

(b) State Plans.—Section 101(a) of the Rehabilitation Act of 1973 (29 U.S.C. 721(a)) is amended—

(1) in paragraph (1)(A)(i)—

(A) by inserting a comma after "where";

(B) by inserting a comma after "law"; and

(C) by striking the comma following "adult blind";

(2) in paragraph (4), by striking "him" and inserting "the Commissioner";

(3) in paragraph (5)(A), by striking "individuals with handicaps with the most severe handicaps" and inserting "individuals with the most severe handicaps,";

(4) in paragraph (5)(A)(i), by inserting a comma after "provided";

(5) in paragraph (5)(A)(ii), by inserting a comma after "goals" the first place it appears;

(6) in paragraph (7)(B), by striking "utilized in" and inserting "utilized therein";

(7) in paragraph (9)—

(A) by striking "him" and inserting "the Commissioner"; and

(B) by striking "his" and inserting "the Commissioner's";

(8) in paragraph (13)(A)—

(A) by inserting "who is" before "disabled"; and

(B) by striking "his" and inserting "the employee's";

(9) in paragraph (13)(B), by striking "and the proximate cause" and inserting "if the proximate cause";

(10) by amending paragraph (15) to read as follows:

"(15) provide for continuing statewide studies of the needs of individuals with handicaps and how these needs may be most effectively met, including—

"(A) conducting a full needs assessment for serving individuals with severe handicaps;

"(B) an assessment of the capacity and condition of rehabilitation facilities, plans for improving such facilities, and policies for the use thereof by the State agency; and

"(C) review of the efficacy of the criteria employed with respect to ineligibility determinations described in paragraph (9)(C) of this subsection with a view toward the relative need for services to significant segments of the population of individuals with handicaps and the need for expansion of services to those individuals with the most severe handicaps;"; and

(11) in paragraph (20), by striking "handicapped American Indians" and inserting "American Indians with handicaps".

(c) Individualized Written Rehabilitation Program.—Section 102 of the Rehabilitation Act of 1973 (29 U.S.C. 722) is amended—

(1) in the last sentence of subsection (a), by striking "including recourse" and all that follows through "this section," and inserting "including, where appropriate, recourse to the processes set forth in subsections (b)(2) and (d) of this section, and the availability of services provided under section 112,";

(2) in subsection (b)(1)(H), by striking "severely handicapped individuals" and inserting "individuals with severe handicaps";

(3) in subsection (b)(2)—

(A) by inserting a comma after "annually"; and

(B) by inserting a comma after "(or"; and

(4) in subsection (c)(2), by inserting "is" after "thus".

(d) Scope of Vocational Rehabilitation Services.—Section 103 of the Rehabilitation Act of 1973 (29 U.S.C. 723) is amended—

(1) in subsection (a)(1)—

(A) by striking the comma after "related services"; and

(B) by striking "where appropriate," and all that follows through "or both;" and inserting the following: "where appropriate—

"(A) an evaluation by personnel skilled in rehabilitation engineering technology; and

"(B) an examination by a physician skilled in the diagnosis and treatment of mental or emotional disorders, or by a licensed psychologist in accordance with State laws and regulations, or both;"; and

(2) in subsection (a)(2), by striking "individuals maintain" and inserting "individuals to maintain".

(e) Payments to States for Basic Vocational Rehabilitation Services.—(1) Section 111 of the Rehabilitation Act of 1973 (29 U.S.C. 731) is amended by striking "Sec. 111. Sec. 111." and inserting "Sec. 111.".

(2)(A) Section 111(a)(2)(B) of the Rehabilitation Act of 1973 (29 U.S.C. 731(a)(2)(B)) is amended to read as follows:

"(B) For fiscal year 1990 and each fiscal year thereafter, the amount otherwise payable to a State for a fiscal year under this section shall be reduced by the amount by which expenditures from non-Federal sources under the State plan under this title for the previous fiscal year are less than the average of the total of such expenditures for the three fiscal years preceding that previous fiscal year.".

(B) The amendment made by subparagraph (A) shall take effect on October 1, 1989.

(3) Section 111(b)(1) of the Rehabilitation Act of 1973 (29 U.S.C. 731(b)(1)) is amended by striking the comma following "such other investigation".

(f) Client Assistance Program.—Section 112 of the Rehabilitation Act of 1973 (29 U.S.C. 732) is amended—

(1) in subsection (a), by striking "handicapped individuals" in the last sentence and inserting "individuals with handicaps";

(2) in subsection (b), by striking the comma following "client assistance program";

(3) by adding at the end of subsection (c) the following new paragraph:

"(4) For the purpose of this subsection, the term 'Governor' means the chief executive of the State.";

(4) in subsection (g)(1), by striking the comma after "consultants of";

(5) in subsection (g)(4), by striking "his" and inserting "the Secretary's";

(6) in subsection (h)(3)(C), by striking "this reauthorization" each place it appears and inserting "the date of the enactment of the Rehabilitation Amendments of 1984"; and

(7) in subsection (i), by inserting a comma after "1991".

(g) State Allotments.—Section 120(a) of the Rehabilitation Act of 1973 (29 U.S.C. 740(a)) is amended by striking "(1)".

(h) Payments to States for Innovation and Expansion.—Section 121(a)(3) of the Rehabilitation Act of 1973 (29 U.S.C. 741(a)(3)) is amended by striking "handicapped youth and adults" and inserting "both youths with handicaps and adults with handicaps".

(i) Vocational Rehabilitation Services Grants.—Section 130 of the Rehabilitation Act of 1973 (29 U.S.C. 750) is amended—

(1) in the first sentence of subsection (a)—

(A) by inserting a comma after "part"; and

(B) by striking "handicapped American Indians" and inserting "American Indians with handicaps";

(2) in subsection (b)(1)(B), by striking "handicapped American Indians" and inserting "American Indians with handicaps"; and

(3) by striking subsection (d) and redesignating subsection (e) as subsection (c).

(j) Study of Needs of American Indians With Handicaps.—Section 132 of the Rehabilitation Act of 1973 (29 U.S.C. 751) is redesignated as section 131.

SEC. 203. RESEARCH AND TRAINING.

(a) Authorization of Appropriations.—Section 201(a)(1) of the Rehabilitation Act of 1973 (29 U.S.C. 761(a)(1)) is amended by inserting a comma after "1987".

(b) National Institute on Disability and Rehabilitation Research.—Section 202 of the Rehabilitation Act of 1973 (29 U.S.C. 761a) is amended—

(1) in subsection (b)(8), by striking "the handicapped" and inserting "individuals with handicaps";

(2) in subsection (c)(1)—

(A) by striking "his" each place it appears and inserting "the Director's";

(B) by striking "National Council on the Handicapped" where it appears in the third sentence and inserting "National Council on Disability"; and

(C) by striking "him" where it appears in the last sentence and inserting "the Director";

(3) in subsection (c)(3), by inserting a comma after "to such provisions";

(4) in the second sentence of subsection (g)—

(A) by striking "in the consultation" and inserting "in consultation"; and

(B) by striking "National Council on the Handicapped" and inserting "National Council on Disability";

(5) in the third sentence of subsection (g); by inserting "the Director considers" before "necessary";

(6) in subsection (i)(2), by striking "Office of Special Education and Rehabilitation Services" and inserting "Office of Special Education and Rehabilitative Services";

(7) by amending subsection (j)(2) to read as follows:

"(2) The Director shall establish, either directly or by way of grant or contract, a Research and Training Center in the Pacific Basin in order to improve services to individuals with handicaps through relevant rehabilitation research and training in the Pacific Basin and to assist in the coordination of rehabilitation services provided by a broad range of agencies and entities. Such center shall—

"(A) develop a sound demographic base,

"(B) analyze, develop, and utilize appropriate technology,

"(C) develop a culturally relevant rehabilitation manpower development program, and

"(D) facilitate interagency communication and cooperation, implementing advanced information technology."; and

(8) in subsection (l)—

(A) by striking "Committee on Handicapped Research" in the third sentence and inserting "Interagency Committee on Disability Research";

(B) by inserting a comma after "Further" in the fourth sentence; and

(C) by striking "Interagency Committee on Handicapped Research" in the last sentence and inserting "Interagency Committee on Disability Research".

(c) Interagency Committee.—Section 203(a)(1) of the Rehabilitation Act of 1973 (29 U.S.C. 761b(a)(1)) is amended by striking "Interagency Committee on Handicapped Research" and inserting "Interagency Committee on Disability Research".

(d) Research.—Section 204 of the Rehabilitation Act of 1973 (29 U.S.C. 762) is amended—

(1) in subsection (b)(1), by striking "centers" in the seventh sentence and inserting "Centers";

(2) in subsection (b)(2)(B), by striking "to" where it appears after "severe handicaps,";

(3) in subsection (b)(2)(C), by striking "to" where it appears after "handicaps, and";

(4) in subsection (b)(3)(A), by striking "centers," and inserting "Centers,";

(5) in subsection (b)(4), by striking "Conduct a" and inserting "Conduct of a";

(6) in subsection (b)(5), by striking "rehabilitation of the individuals" and inserting "rehabilitation of individuals";

(7) in subsection (b)(8)—

(A) by striking "handicapped children" and inserting "children with handicaps"; and

(B) by striking "handicapped Indian Americans" and inserting "American Indians with handicaps";

(8) in subsection (b)(9), by striking "handicapped and" and inserting "individuals with handicaps, including";

(9) in subsection (b)(11), by striking "handicapped children" the first place it appears and inserting "children with handicaps"; and

(10) in subsection (b)(11)(A), by striking "severely handicapped children" both places it appears and inserting "children with severe handicaps".

SEC. 204. SUPPLEMENTARY SERVICES AND FACILITIES.

(a) Declaration of Purpose.—Section 300(3) of the Rehabilitation Act of 1973 (29 U.S.C. 770(3)) is amended by striking "handicapped migratory agricultural workers or seasonal farmworkers" and inserting "migratory agricultural workers with handicaps or seasonal farmworkers with handicaps".

(b) Vocational Training Services for Individuals With Handicaps.—Section 302(b)(3)(D) of the Rehabilitation Act of 1973 (29 U.S.C. 772(b)(3)(D)) is amended by striking "meet" and inserting "meets".

(c) Training.—Section 304 of the Rehabilitation Act of 1973 (29 U.S.C. 774) is amended—

(1) in subsection (a)(3), by striking "program,," and inserting "programs,";

(2) in subsection (b)(1)—

(A) by striking "those individuals who meet the definition of severely handicapped" and inserting "individuals with severe handicaps"; and

(B) by striking "ill and";

(3) in subsection (b)(3)(A)—

(A) by striking "grant of contract" and inserting "grant or contract"; and

(B) by striking "from" and inserting "utilizing";

(4) in subsection (d)(1), by striking "the Office of Information and Resources for the Handicapped" and inserting "the Office of Information and Resources for Individuals With Disabilities";

(5) in subsection (d)(2)(D), by striking "the Education for All Handicapped Children Act" and inserting "the Education of the Handicapped Act"; and

(6) in subsection (f), by striking "1991.." and inserting "1991.".

(d) Comprehensive Rehabilitation Centers.—Section 305(a)(1) of the Rehabilitation Act of 1973 (29 U.S.C. 775(a)(1)) is amended by striking "handicapped persons" and inserting "individuals with handicaps".

(e) General Grant and Contract Requirements.—Section 306 of the Rehabilitation Act of 1973 (29 U.S.C. 776) is amended—

(1) in subsection (b)(4), by striking "related to" and inserting "relating to";

(2) in subsection (b)(5), by striking "with Davis-Bacon Act" and inserting "with the Davis-Bacon Act"; and

(3) in subsection (h), by inserting a comma after "When".

(f) Authorization of Appropriations.—Section 310(a) of the Rehabilitation Act of 1973 (29 U.S.C. 777(a)) is amended by striking the parenthetical and inserting "(other than sections 311(d), 311(e), and 316)".

(g) Special Demonstration Programs.—Section 311 of the Rehabilitation Act of 1973 (29 U.S.C. 777a) is amended—

(1) in the first sentence of subsection (c)(1), by striking "handicapped youths" and inserting "youths with handicaps";

(2) in the first sentence of subsection (e)(1), by striking "severely handicapped youth" and inserting "youths with severe handicaps";

(3) in subsection (e)(3)(B)(ii), by striking "families." and inserting "families, will";

(4) in subsection (e)(3)(B)(iv)—

(A) by striking "designed" the second place it appears and inserting "designated"; and

(B) by striking "handicapped individual" and inserting "individual with handicaps"; and

(5) in subsection (e)(4)(B), by striking "both severely and mildly handicapped youth" and inserting "both youths with severe handicaps and youths with mild handicaps".

(h) MIGRATORY WORKERS.—Section 312 of the Rehabilitation Act of 1973 (29 U.S.C. 777b) is amended by striking "handicapped)" in the first sentence and inserting "such family members are individuals with handicaps)".

(i) READER SERVICES FOR THE BLIND.—Section 314(a)(2) of the Rehabilitation Act of 1973 (29 U.S.C. 777d(a)(2)) is amended by striking "need" and inserting "needs".

(j) SPECIAL RECREATIONAL PROGRAMS.—(1) Part B of title III of the Rehabilitation Act of 1973 (29 U.S.C. 777-777f) is amended by inserting before section 316 the following heading:

"SPECIAL RECREATIONAL PROGRAMS".

(2) Section 316(a)(1) of the Rehabilitation Act of 1973 (29 U.S.C. 777f(a)(1)) is amended by striking "nonhandicapped peers" in the third sentence and inserting "peers without handicaps".

(k) REPEAL OF OBSOLETE PROVISION.—Part B of title III of the Rehabilitation Act of 1973 (29 U.S.C. 777-777f) is further amended by striking section 313 where it appears following section 316.

SEC. 205. NATIONAL COUNCIL ON DISABILITY.

(a) IN GENERAL.—The title heading for title IV of the Rehabilitation Act of 1973 (29 U.S.C. 780-785) is amended to read as follows:

"TITLE IV—NATIONAL COUNCIL ON DISABILITY".

(b) ESTABLISHMENT OF NATIONAL COUNCIL ON DISABILITY.—Section 400 of the Rehabilitation Act of 1973 (29 U.S.C. 780) is amended—

(1) by amending the section heading to read as follows:

"ESTABLISHMENT OF NATIONAL COUNCIL ON DISABILITY";

(2) in subsection (a)(1)—

(A) by striking "National Council on the Handicapped" and inserting "National Council on Disability"; and

(B) by striking "the handicapped" each place it appears and inserting "individuals with handicaps"; and

(3) in subsection (a)(2), by striking "handicapped individuals" and inserting "individuals with handicaps".

(c) DUTIES OF NATIONAL COUNCIL.—Section 401 of the Rehabilitation Act of 1973 (29 U.S.C. 781) is amended—

(1) in subsection (a), by striking "handicapped individuals" each place it appears and inserting "individuals with handicaps";

(2) in subsection (a)(4), by striking "persons with disabilities" each place it appears and inserting "individuals with disabilities";

(3) in subsection (a)(4)(B), by striking "assisted" and inserting "assist";

(4) in subsection (a)(7)(A), by striking "the handicapped" and inserting "individuals with handicaps";

(5) in subsection (a)(8), by inserting a comma after "recommendations"; and

(6) in subsection (b)(1), by striking "recommendation" and inserting "recommendations".

(d) COMPENSATION OF NATIONAL COUNCIL MEMBERS.—Section 402(a) of the Rehabilitation Act of 1973 (29 U.S.C. 782(a)) is amended by striking "traveltime" and inserting "travel time".

(e) STAFF OF NATIONAL COUNCIL.—Section 403(b)(2)(B) of the Rehabilitation Act of 1973 (29 U.S.C. 783(b)(2)(B) is amended to read as follows:

"(B) in the name of the Council, accept, employ, and dispose of, in furtherance of this Act, any money or property, real or personal, or mixed, tangible or nontangible, received by gift, devise, bequest, or otherwise; and".

SEC. 206. MISCELLANEOUS.

(a) EMPLOYMENT OF INDIVIDUALS WITH HANDICAPS.—Section 501 of the Rehabilitation Act of 1973 (29 U.S.C. 791) is amended—

(1) by inserting after "Equal Employment Opportunity Commission" the first place it appears the following: "(hereafter in this section referred to as the 'Commission')";

(2) by striking "Equal Employment Opportunity Commission" the second place and each succeeding place it appears and inserting "Commission";

(3) in subsection (a)—

(A) by striking "Secretaries of Labor and Education and Health and Human Services" in the first sentence and inserting "Secretary of Labor, the Secretary of Education, and the Secretary of Health and Human Services";

(B) by striking "co-chairmen" in the second sentence and inserting "co-chairpersons"; and

(C) by striking "Employment of the Handicapped" in the second sentence and inserting "Employment of People With Disabilities";

(4) in subsection (a)(2), by striking "the Office" and inserting "the Commission";

(5) in subsection (b)—

(A) by striking "handicapped employees" in the second sentence and inserting "employees with handicaps"; and

(B) by striking "Office" each place it appears in the last sentence and inserting "Commission";

(6) in subsection (e), by striking "a individualized" and inserting "an individualized"; and

(7) in subsection (f), by striking "President's Committee on Employment of the Handicapped" each place it appears and inserting "President's Committee on Employment of People With Disabilities".

(b) ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD.—Section 502 of the Rehabilitation Act of 1973 (29 U.S.C. 792) is amended—

(1) by amending subsection (a)(2) to read as follows:

"(2)(A) The term of office of each appointed member of the Board shall be three years. Each year, the terms of office of four appointed members of the board shall expire.

"(B) A member whose term has expired may continue to serve until a successor has been appointed.

"(C) A member appointed to fill a vacancy shall serve for the remainder of the term to which that member's predecessor was appointed.";

(2) in subsection (a)(3), by striking "he" and inserting "the member";

(3) in subsection (a)(5)(A), by striking "traveltime" and inserting "travel time";

(4) in subsection (b)(2), by inserting a comma after "surface transportation";

(5) in subsection (b)(4), by striking "Administrator of the General Services Administration" and inserting "Administrator of General Services";

(6) in subsection (b)(5), by striking "results to" and inserting "results of";

(7) in subsection (b)(8), by striking "physically handicapped persons" and inserting "individuals with physical handicaps";

(8) in subsection (c)(2)(A), by inserting a comma after "new or expanded transportation systems";

(9) in subsection (d)(2)(B), by striking "which related to" and inserting "that relate to";

(10) in the last sentence of subsection (f)—

(A) by striking the comma after "daily pay rate";

(B) by striking "title 45" and inserting "title 5"; and

(C) by striking "traveltime" and inserting "travel time"; and

(11) in subsection (g)—

(A) by striking "transportation barriers to individuals with handicaps" in the fourth sentence and inserting "transportation barriers facing individuals with handicaps"; and

(B) in the seventh sentence—

(i) by striking "transportation barriers of handicapped individuals" and inserting "transportation barriers facing individuals with handicaps"; and

(ii) by striking "housing needs of handicapped individuals" and inserting "housing needs of individuals with handicaps".

(c) EMPLOYMENT UNDER FEDERAL CONTRACTS.—Section 503 of the Rehabilitation Act of 1973 (29 U.S.C. 793) is amended—

(1) in subsection (a), by inserting a comma in the first sentence after "to carry out such contract";

(2) in subsection (b), by striking "refuses" in the first sentence and inserting "refused"; and

(3) in subsection (c), by striking "The President" each place it appears and inserting "the President".

(d) NONDISCRIMINATION UNDER FEDERAL GRANTS AND PROGRAMS.—Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) is amended—

(1) in the first sentence of subsection (a), by striking "his handicap" and inserting "her or his handicap"; and

(2) in subsection (b)(2)(B), by striking "section 198(a)(10)" and inserting "section 1471(12)".

(e) SECRETARIAL RESPONSIBILITIES.—Section 506 of the Rehabilitation Act of 1973 (29 U.S.C. 794b) is amended—

(1) by redesignating paragraphs (1) through (4) as subsections (a) through (d), respectively;

(2) by redesignating subparagraphs (A) and (B) of subsection (a) (as redesignated by paragraph (1)) as paragraphs (1) and (2), respectively;

(3) in subsection (b) (as redesignated by paragraph (1)), by striking "traveltime" and inserting "travel time"; and

(4) in subsection (c) (as redesignated by paragraph (1)), by inserting a comma after "the President" in the first sentence.

(f) ELECTRONIC EQUIPMENT ACCESSIBILITY.—Section 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794d) is amended—

(1) in subsection (a)(1)—

(A) by inserting "the Director of" before "the National Institute";

(B) by striking "the General Services" and inserting "General Services"; and

(C) by striking "handicapped individuals" and inserting "individuals with handicaps";

(2) in subsection (a)(3), by inserting after "revised" the following: "by the Director of the National Institute on Disability and Rehabilitation Research and the Administrator of General Services in consultation with the electronics industry and the Interagency Committee for Computer Support of Handicapped Employees"; and

(3) in subsection (c), by striking "a handicapped individual" and inserting "an individual with handicaps".

SEC. 207. EMPLOYMENT OPPORTUNITIES FOR INDIVIDUALS WITH HANDICAPS.

(a) Administration.—Section 612(b) of the Rehabilitation Act of 1973 (29 U.S.C. 795a(b)) is amended by striking "programs authorized under" in the first sentence and all that follows through the period at the end and inserting "the Job Training Partnership Act and the Community Services Block Grant Act.".

(b) Projects with Industry.—Section 621 of the Rehabilitation Act of 1973 (29 U.S.C. 795g) is amended—

(1) in subsection (a)(1), by striking "people" and inserting "individuals";

(2) in subsection (a)(2)(D), by striking "handicapped individuals" and inserting "individuals with handicaps";

(3) in subsection (b)(1), by striking "assurances" and inserting "assurance";

(4) in subsection (b)(3), by striking "assurances" and inserting "assurance";

(5) in subsection (d)(1), by striking "section (a)(3)" and inserting "subsection (a)(4)";

(6) in subsection (d)(2), by striking "section (a)(3)" and inserting "subsection (a)(4)"; and

(7) in subsection (d)(4), by striking "National Council on the Handicapped" and inserting "National Council on Disability".

(c) Business Opportunities for Individuals With Handicaps.—Section 622 of the Rehabilitation Act of 1973 (29 U.S.C. 795h) is amended by striking "the Secretaries of Labor and Commerce" where it appears in the first sentence and inserting "the Secretary of Labor and the Secretary of Commerce".

(d) Authorization of Appropriations.—Section 623 of the Rehabilitation Act of 1973 (29 U.S.C. 795i) is amended—

(1) by inserting a comma after "fiscal year 1991"; and

(2) by inserting a comma after "1990" the second place it appears.

(e) Allotments.—Section 633 of the Rehabilitation Act of 1973 (29 U.S.C. 795l) is amended—

(1) in subsection (a)(1), by inserting a comma after "$250,000";

(2) in subsection (a)(2)(A), by striking "the term 'States' does not" and inserting "the term 'State' does not"; and

(3) in subsection (c)(1)—

(A) by inserting a comma after "section 638" in the first sentence; and

(B) by striking "appropriation" in the second sentence and inserting "application".

(f) State Plan.—Section 634 of the Rehabilitation Act of 1973 (29 U.S.C. 795m) is amended—

(1) in subsection (a)—

(A) by striking "In order" and inserting "(1) Except as provided in paragraph (2),"; and

(B) adding at the end the following new paragraph:

"(2) This subsection shall not apply in any fiscal year ending before October 1, 1990, in which amounts appropriated for this part do not equal or exceed $5,000,000.";

(2) in subsection (b)(3)(C), by striking "subsection (b)(3)(D) of this part" and inserting "subparagraph (D) of this paragraph"; and

(3) in subsection (b)(3)(D), by striking "614(5)" and inserting "614(a)(5)".

(g) Services; Availability and Comparability.—Section 635(a)(1) of the Rehabilitation Act of 1973 (29 U.S.C. 795n) is amended—

(1) by inserting "the" before "provision";

(2) by inserting a comma before "consistent"; and

(3) by inserting a comma after "subsection (b)".

(h) Authorization of Appropriations.—Section 638 of the Rehabilitation Act of 1973 (29 U.S.C. 795q) is amended by inserting "and" after "1990,".

SEC. 208. COMPREHENSIVE SERVICES FOR INDEPENDENT LIVING.

(a) Eligibility.—Section 702(a) of the Rehabilitation Act of 1973 (29 U.S.C. 796a(a)) is amended—

(1) by inserting "that are" before "appreciably" the first place it appears; and

(2) by inserting "that are" before "of appreciably".

(b) Allotments.—Section 703 of the Rehabilitation Act of 1973 (29 U.S.C. 796b) is amended by striking "subpart" each place it appears in subsections (a) and (b) and inserting "part".

(c) Payments to States From Allotments.—Section 704(b)(2) of the Rehabilitation Act of 1973 (29 U.S.C. 796c(b)(2)) is amended by striking "subpart" and inserting "part".

(d) State Plans.—Section 705(a)(4)(C) of the Rehabilitation Act of 1973 (29 U.S.C. 796d(a)(4)(C)) is amended—

(1) by inserting "will" after "that such program";

(2) by striking "section 112 of the Developmental Disabilities Services and Facilities Construction Act" and inserting "the Developmental Disabilities Assistance and Bill of Rights Act"; and

(3) by striking "the Education for All Handicapped Children Act of 1975" and inserting "the Education of the Handicapped Act".

(e) State Independent Living Councils.—Section 706 of the Rehabilitation Act of 1973 (29 U.S.C. 796d-1) is amended by striking "handicapped individuals" each place it appears and inserting "individuals with handicaps".

(f) Grant Program Established.—Section 711 of the Rehabilitation Act of 1973 (29 U.S.C. 796e) is amended—

(1) in subsection (b)(3), by striking "handicapped individuals" and inserting "individuals with handicaps";

(2) in subsection (c)(2)(E), by inserting a comma after "recreation";

(3) in subsection (c)(2)(F), by inserting a comma after "recreational opportunities";

(4) in subsection (e)(4), by striking "National Council on the Handicapped" and inserting "National Council on Disability";

(5) in subsection (f)(1), by striking "evaluation standards in" and inserting "evaluation standards published under"; and

(6) in subsection (h), by striking "not served or underserved" and inserting "underserved or not served".

(g) Service Program Established.—Section 721(a)(6) of the Rehabilitation Act of 1973 (29 U.S.C. 796f(a)(6)) is amended by striking "blind person" and inserting "blind individual".

(h) Protection and Advocacy of Individual Rights.—Section 731(a) of the Rehabilitation Act of 1973 (29 U.S.C. 796g(a)) is amended in the first sentence by inserting "for" after "advocate".

(i) Authorization of Appropriations.—Section 741(d) of the Rehabilitation Act of 1973 (29 U.S.C. 796i(d)) is amended—

(1) in paragraph (1), by striking "and 1990" and inserting "1990, and 1991"; and

(2) in paragraph (2), by striking "moneys" and inserting "monies".

SEC. 209. CLERICAL AMENDMENTS.

The table of contents contained in section 1 of the Rehabilitation Act of 1973 (29 U.S.C. 701 note) is amended—

(1) by striking the item relating to section 132 and inserting the following:

"Sec. 131. Study of needs of American Indians with handicaps.";

(2) by striking the heading for the items relating to title II and inserting the following:

"TITLE II—RESEARCH AND TRAINING";

(3) by striking the heading for the items relating to title IV and inserting the following:

"TITLE IV—NATIONAL COUNCIL ON DISABILITY";

(4) by striking the item relating to section 400 and inserting the following:

"Sec. 400. Establishment of National Council on Disability."; and

(5) by striking the heading for the items relating to part C of title VI and inserting the following:

"Part C—Supported Employment Services for Individuals With Severe Handicaps".

SEC. 210. CONFORMING AMENDMENT.

Subsection (b) of section 704 of the Rehabilitation Act Amendments of 1986 (the second place such section appears), relating to supported employment services for individuals with severe handicaps, is repealed.

TITLE III—AMENDMENTS RELATING TO THE PRESIDENT'S COMMITTEE ON EMPLOYMENT OF PEOPLE WITH DISABILITIES

SEC. 301. PRESIDENT'S COMMITTEE ON EMPLOYMENT OF PEOPLE WITH DISABILITIES.

(a) National Disability Employment Awareness Month.—The joint resolution entitled "Joint Resolution to establish the first week in October of each year as National Employ the Physically Handicapped Week", approved August 11, 1945, is amended—

(1) by amending the first sentence to read as follows: "That hereafter the month of October in each year shall be designated as National Disability Employment Awareness Month."; and

(2) in the second sentence—

(A) by striking "week" and inserting "month"; and

(B) by striking "handicapped workers" and inserting "workers with disabilities".

(b) President's Committee on Employment of People With Disabilities.—The joint resolution entitled "Joint Resolution authorizing an appropriation for the work of the President's Committee on National Employ the Physically Handicapped Week", approved July 11, 1949, is amended—

(1) by striking "National Employ the Physically Handicapped Week" the first place it appears and inserting "National Disability Employment Awareness Month";

(2) by striking "President's Committee on National Employ the Physically Handicapped Week" each place it appears and inserting "President's Committee on Employment of People With Disabilities"; and

(3) by adding at the end the following new section:

"SEC. 2. The President's Committee on Employment of People With Disabilities may—

"(1) accept voluntary and uncompensated services, notwithstanding the provisions of section 1342 of title 31, United States Code; and

"(2) in the name of the Committee, accept, employ, and dispose of, in furtherance of this resolution, any money or property, real, personal, or mixed, tangible or nontangible, received by gift, devise, bequest, or otherwise.".

TITLE IV—AMENDMENTS RELATING TO THE AMERICAN PRINTING HOUSE FOR THE BLIND

SEC. 401. SHORT TITLE.

This title may be cited as the "American Printing House for the Blind Amendments of 1988".

SEC. 402. TERMINATION OF PERPETUAL TRUST.

(a) IN GENERAL.—The perpetual trust fund and permanent annual appropriations thereof established by the Act of March 3, 1879, ch. 186, 20 Stat. 467, 468, as amended by the Act of June 25, 1906, ch. 3536, 34 Stat. 460 (codified in part in 20 U.S.C. 101) are terminated.

(b) EFFECTIVE DATE.—This section shall take effect on October 1, 1989.

SEC. 403. PRESERVATION OF AUTHORIZATION OF APPROPRIATIONS.

The Act of August 4, 1919, ch. 31, 41 Stat. 272, as amended by section 4 of Public Law 87-294, 75 Stat. 627 (codified in part in 20 U.S.C. 101) is further amended by striking "in addition to the permanent appropriation of $10,000 made in the Act entitled 'An Act to promote the education of the blind,' approved March 3, 1879, as amended".

SEC. 404. COMPENSATION.

Any and all rights of the American Printing House for the Blind determined to have vested in the perpetual trust fund established by the Act of March 3, 1879, shall be deemed to be compensated by the appropriation to the American Printing House for the Blind for fiscal year 1990.

SEC. 405. REFERENCE.

Notwithstanding any Federal law, reference to the perpetual trust fund and permanent annual appropriations thereof established by the Act of March 3, 1879, shall not be given any effect.

TITLE V—AMENDMENTS TO THE HELEN KELLER NATIONAL CENTER ACT

SEC. 501. EXTENSION OF PROGRAM AUTHORIZATION.

Section 205 of the Helen Keller National Center Act (29 U.S.C. 1904) is amended by striking "1990" and inserting "1991".

The SPEAKER pro tempore. Is a second demanded?

Mr. BARTLETT. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from New York [Mr. OWENS] will be recognized for 20 minutes and the gentleman from Texas [Mr. BARTLETT] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New York [Mr. OWENS].

GENERAL LEAVE

Mr. OWENS of New York. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. OWENS of New York. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this afternoon we are considering the Handicapped Programs Technical Amendments Act of 1988, H.R. 5334, as amended.

This bill makes technical and conforming amendments to the Education of the Handicapped Act, the Rehabilitation Act of 1973, the Helen Keller National Center Act, two joint resolutions, approved on August 11, 1945 and July 11, 1949, respectively, concerning the newly renamed President's Committee on Employment of People with Disabilities, and two statutes, 20 stat. 467, 468, as amended, and 41 Stat, 272, as amended, concerning the American Printing House for the Blind.

I am pleased to report that there is unanimous support for this legislation among the House and Senate committees of jurisdiction and Department of Education, and would like to thank my colleagues on both sides of the aisle and in both bodies, as well as the Department of Education, for their contributions toward the development and perfection of this bill.

One of the changes the bill makes is a simple one and costs the Government no money. It would however, add a measure of dignity to individuals with handicaps by changing all of the statutory references to reflect current thinking about the relationship between the use of disability language and attitudes held toward people with disabilities. Referring to individuals as persons or individuals with handicaps, rather than as "the handicapped" or "the disabled", emphasizes the fact that that person's disability or handicap is just one of their many other human traits. On the other hand, referring to a group of people as "the handicapped" or "the disabled" subtly sends a message that the dominant trait of 35 million Americans is their handicap or disability and is considered condescending and an affront by many people with disabilities.

Many Americans with disabilities do not consider their disability to be their most prominent characteristic. One cannot begin to understand the disability rights movement and what animates it without being aware of such perceptions by disabled people. Federal law should set a standard which encourages the adoption of healthier, reality-based notions about what disabled people can and cannot do.

For this reason, the bill renames the "National Council on the Handicapped" the "National Council on Disability", and the "President's Committee on Employment of the Handicapped" has been renamed the "President's Committee on Employment on People With Disabilities."

Mr. BARTLETT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I wish to take this time to introduce the first speaker, the gentleman from Vermont [Mr. JEFFORDS], and I will take just a moment to say, as I introduce the ranking member of the Committee on Education and Labor, that he has been one of the premier leading advocates of rights for handicapped persons since he came to Congress in 1974. The fact is that this may be his last bill on this side of the Capitol in terms of promoting and providing rights for handicapped persons. As I said, the gentleman from Vermont has been a leading advocate of rights for handicapped persons since 1974, when he came to Congress. He has been in the forefront of every single piece of legislation involving rights of handicapped persons since that time.

Mr. Speaker, I yield such time as he may consume to the gentleman from Vermont [Mr. JEFFORDS].

Mr. JEFFORDS. Mr. Speaker, I thank the gentleman from Texas [Mr. BARTLETT], the ranking Republican on the Select Education Subcommittee, for his kind remarks. May I say that the gentleman deserves similar praise for his role as a leader in the area of legislation for individuals with handicaps.

Mr. Speaker, I rise in support of H.R. 5334, the Handicapped Programs Technical Amendments Act of 1988. This legislation makes technical amendments to two laws—the Education of the Handicapped Act and the Rehabilitation Act of 1973. H.R. 5334 corrects grammatical and punctuation errors; it changes references from "handicapped individuals" to "individuals with handicaps"; corrects section references; and clarifies relationships between and among selected provisions. Staff from the Committee on Education and Labor, from the parallel committee in the other body, from organizations representing individuals with handicaps, and from the Department of Education, assisted with the development of this technical amendments bill. All support this legislation.

Although it is strictly technical in nature, it is important, because it will correct all known technical errors in two important laws affecting individuals with handicaps and allow us to print an error free compilation of these statutes, in advance of reauthorization activities which will occur in the next Congress.

H.R. 5334 is not controversial; it supported by the administration, major organizations concerned about the needs of individuals with handicaps; has no cost implication; and is timely. I urge my colleagues to join me in supporting this legislation.

Mr. OWENS of New York. Mr. Speaker, I have no further requests for time.

Mr. BARTLETT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 5334, which makes technical corrections to the Education of the Handicapped Act, the Rehabilitation Act of 1973, the Helen Keller National Center Act, two joint resolutions concerning the newly renamed President's Committee on Employment of People with Disabilities, and two statutes concerning the American Printing House for the Blind.

I do commend the subcommittee chairman, the gentleman from New York [Mr. OWENS], and the staff, both majority and minority, for the work they have done on this legislation which at times I am sure has been quite tedious.

These amendments are strictly technical, and the administration has worked closely with the subcommittee to ensure that we have achieved that goal. The administration supports H.R. 5334, and I do assure my colleagues that there are no surprises in this bill.

These technical amendments will provide us with a complete and comprehensive compilation and facilitate the administration of the programs under these acts.

Mr. Speaker, I might note that while these amendments are technical in nature, the fact is that the Education for the Handicapped Act and the Vocational Rehabilitation Act of 1973 are the cornerstones of Federal policy regarding disabled persons in this country.

My view is that Federal policy for disabled persons is and ought to be based on increasing opportunities for independent living and for independence for disabled persons. That is what these acts do. In the area of education, they provide key educational opportunities in elementary and secondary education and in some cases in college for education of the handicapped, and in the case of vocational rehabilitation they provide opportunities to receive job skills and job training and opportunities to achieve full employment.

Mr. Speaker, I support this bill, the administration supports this bill, and I urge my colleagues to pass H.R. 5334.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. OWENS of New York. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York [Mr. OWENS] that the House suspend the rules and pass the bill, H.R. 5334, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

LOCAL RAIL SERVICE REAUTHORIZING ACT

Mr. THOMAS A. LUKEN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4547) to amend the Department of Transportation Act to reauthorize local rail service assistance, as amended.

The Clerk read as follows:

H.R. 4547

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Local Rail Service Reauthorizing Act".

SEC. 2. AUTHORIZATION OF APPROPRIATIONS.

Section 5(q) of the Department of Transportation Act (49 U.S.C. App. 1654(q)) is amended—

(1) by striking "and not to exceed $8,000,000 for the fiscal year ending September 30, 1988" and inserting in lieu thereof "not to exceed $8,000,000 for the fiscal year ending September 30, 1988, and not to exceed $10,000,000 for the fiscal year ending September 30, 1989"; and

(2) by striking "after September 30, 1988" and inserting in lieu thereof "after September 30, 1989".

SEC. 3. FEDERAL SHARE OF COSTS.

The first sentence of section 5(g) of the Department of Transportation Act (49 U.S.C. App. 1654(g)) is amended to read as follows: "The Federal share of the costs of any rail service assistance program shall be 50 percent, except that in the case of financial assistance for purposes of subsection (f)(2), the Federal share shall be 70 percent.".

SEC. 4. ELIGIBILITY OF ABANDONED LINES.

(a) Section 5(k)(1)(A) of the Department of Transportation Act (49 U.S.C. App. 1654(k)(1)(A)) is amended to read as follows:

"(A) the Interstate Commerce Commission has authorized, or has exempted from the requirement of such authorization, the abandonment of, or discontinuance of service on, the line of railroad related to the project; or".

(b) Section 5(k)(3)(A) of the Department of Transportation Act (49 U.S.C. App. 1654(k)(3)(A)) is amended to read as follows:

"(A) the Interstate Commerce Commission has authorized, or has exempted from the requirement of such authorization, the abandonment of, or discontinuance of service on, the line of railroad related to the project; or".

(c) Section 5(k)(2)(C) of the Department of Transportation Act (49 U.S.C. App. 1654(k)(2)(C)) is amended by inserting ", or for an exemption from the requirement of such a certification," after "discontinuance".

SEC. 5. DISTRIBUTION OF FUNDS.

(a) Section 5(h) of the Department of Transportation Act (49 U.S.C. App. 1654(h)) is amended—

(1) by striking "(2) Effective October 1, 1981" and inserting in lieu thereof "(2) For the period beginning October 1, 1981, and ending September 30, 1988";

(2) in paragraph (2) by striking "paragraph (3)" and inserting in lieu thereof "paragraph (4)";

(3) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively;

(4) by inserting after paragraph (2) the following new paragraph:

"(3) Effective October 1, 1988, all funds appropriated pursuant to this section, except those to which each State is entitled under subsection (i), shall be made available to the Secretary for rail services assistance projects meeting the requirements of this section. Such funds shall remain available until expended.";

(5) by amending the second sentence of paragraph (4)(A), as redesignated, to read as follows: "The Secretary shall, no later than the first day of each fiscal year, notify each State of the sum of such mileage.";

(6) by amending paragraph (4)(B)(ii), as redesignated, to read as follows:

'(ii) Any funds which have not been applied for under this section shall be made available to the Secretary for rail service assistance projects meeting the requirements of this section. Such funds shall remain available until expended."; and

(7) in paragraph (4)(C), as redesignated, by striking "subparagraph (B)(ii)" and inserting in lieu thereof "paragraph (3) or in subparagraph (B)(ii) of this paragraph".

(b) Section 5(i) of the Department of Transportation Act (49 U.S.C. 1654(i)) is amended—

(1) by striking "$100,000" and inserting in lieu thereof "$36,000";

(2) by adding after the first sentence a new sentence as follows: "Effective October 1, 1988, a State may elect to use the funds to which it is entitled under this subsection for rail service assistance projects meeting the requirements of this section.";

(3) by striking "the first day of the fiscal year" and inserting in lieu thereof "the first day of the fiscal year, except in fiscal year 1989, in which case application must be made within 60 days of the first day of the fiscal year'; and

(4) by striking "subsection (h)(3)(B)" and inserting in lieu thereof "subsection (h)(4)(B)".

(c) Section 5(l) of the Department of Transportation Act (49 U.S.C. App. 1654(l)) is amended—

(1) by inserting "(1)" before "The Secretary shall pay"; and

(2) by adding at the end the following new paragraph:

"(2) The Secretary shall establish such procedures as are necessary to ensure that funds available to the Secretary for use for rail service assistance projects under subsection (h)(3) and (4)(B) are distributed by April 1 of the fiscal year for which funds are appropriated. If any funds are not distributed by this date, the Secretary shall report to Congress on the status of such funds.".

The SPEAKER pro tempore. Is a second demanded?

Mr. WHITTAKER. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Ohio [Mr. THOMAS A. LUKEN] will be recognized for 20 minutes and the gentleman from Kansas [Mr. WHITTAKER] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Ohio [Mr. THOMAS A. LUKEN].

Mr. THOMAS A. LUKEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the purpose of the bill which is now before the House is to reauthorize the Local Rail Service Assistance Act [LRSA]. This little noticed statute has played a vital role in ensuring the continuation of rail service to small communities and other areas where the large railroads are not able to provide rail service on an economical basis.

The Local Rail Service Assistance Program is administered by the Department of Transportation's Federal Railroad Administration. Under the act, FRA makes grants to the States for rail planning, and for the acquisition, rehabilitation, and construction of rail lines for the purpose of maintaining and improving rail service. The act limits the Federal participation in such projects to no more than 50 percent of the total cost of the project, with the small railroad involved putting up the rest of the money.

The need for this program to be continued is clear. Over the last 15 years the large railroads have abandoned or downgraded thousands of miles of rail lines in the face of sharply declining traffic. Since 1980, more than 200 new short line railroads have emerged to purchase and rehabilitate branch lines that are no longer profitable to the larger corporations. In most cases these small railroads can make an operating profit on these lines by using their size to advantage. Small carriers can concentrate their marketing efforts on only a few shippers, and because they often have lower labor costs and more flexible work rules, they tend to have excellent productivity.

The problem for new short lines, however, is scraping together the startup costs necessary to begin operation. Although these small railroads can generally earn operating profits, they cannot always afford the high acquisition and rehabilitation costs of beginning operations on a light density line. The Local Rail Service Assistance funds have been used to make many of these startup rail projects possible, while preserving jobs and continuing rail service.

The LRSA Program is a concept that clearly works. In my State of Ohio, for example, 13 small railroads have received funding since the program began. All 13 are still serving shippers who are dependent on rail service. On the national level, all rail lines assisted with LRSA discretionary funds are still in operation.

In addition to preserving rail service, the LRSA Program helps preserve jobs. One of the major criteria for LRSA branch line projects is job preservation. In Ohio, the development of small railroads has helped preserve over 15,000 jobs, since the continuation of rail service in small communities has stopped the closing of businesses which would have died without rail service.

In sum, the economic benefits provided by these projects to communities, shippers, farmers, and others warrant continuation of this modest program. I urge my colleagues to approve reauthorization of the act.

□ 1430

Mr. Speaker, I reserve the balance of my time.

Mr. WHITTAKER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the legislation we are considering today is a small but very important part of our national effort to maintain the quality of rail service by rehabilitating and improving our rail infrastructure. The Local Rail Service Assistance Program, or LRSA, has helped State governments, working closely with private enterprise, to preserve and upgrade rail lines and facilities. This partnership between government and private enterprise has kept numerous rail lines in active service—lines that otherwise would have been lost permanently to the shippers on the lines and to the national rail system.

The LRSA Program is particularly noteworthy for its highly effective use of carefully targeted Federal funds as seed money for critically needed rail infrastructure. Shared Federal and State funding makes it possible to multiply the effect of the Federal funds many times over.

LRSA has also made a major contribution to the necessary restructuring of our rail system—especially in areas where agricultural and industrial shippers are faced with abandonment of rail service by the major carriers. To serve such shippers, new regional and short-line railroads have sprung up over the last several years. I know from my own State's experience how critical these new carriers are to continued high-quality rail service. LRSA is a crucial ingredient in keeping these lines in condition to provide prompt and dependable service. I therefore urge the prompt reauthorization of the program as provided in this legislation.

Mr. THOMAS A. LUKEN. Mr. Speaker, I yield 5 minutes to the gentleman from Oregon [Mr. WYDEN].

Mr. WYDEN. Mr. Speaker, first of all I want to thank the gentleman from Ohio [Mr. THOMAS A. LUKEN], the chairman of the subcommittee, for his very, very capable work in shepherding this legislation and particularly for all the assistance that he and his staff have given me on this bill that is of enormous importance to my State. I also want to thank the ranking minority member, the gentleman from Kansas [Mr. WHITTAKER], who on this legislation, like so many things, is a pleasure to work with.

Mr. Speaker, the Federal budget is hundreds and hundreds of billions of dollars, and the fact is that the reauthorization that we are considering here will be $10 million, a sum that is a modest portion of that Federal budget.

But I introduce this legislation, H.R. 4547, Mr. Speaker, because I think dollar for dollar that program has an opportunity, though modest, to pay tremendous dividends to our State's economy.

Since 1980, for example, 5 Oregon railroads have been assisted through 15 projects funded partly by this program. Now, if we had not had this program, if we had not had these projects funded, industries served by the rail lines that would have had to cut back operations due to the loss of their rail service markets would have resulted in our State losing an estimated 1,800 jobs impacting 3,700 secondary jobs and resulting in an annual payroll loss of $87 million.

Mr. Speaker, I hope that the Members also understand just how serious the problem is with some of these small rail lines. For example, take the case of the Pineville Railway, a small railway in rural Oregon, one of the first projects to receive LRSA assistance. The track conditions at this Oregon railway were so bad that the railroad was having the derailment of trains standing still in the yards. The track structure would just collapse under the weight of the cars. This is a phenomenon, scary as it sounds, known as a standing derailment.

What we are talking about, Mr. Speaker, is not just an isolated situation in a rural part of Oregon. We are seeing this all over the country as a result of the ongoing consolidation of the railroad industry and the mergers of many large railroads. We have many local communities that are dependent on these small rail lines.

In a 1987 GAO report it was found that the Interstate Commerce Commission approved nearly 40,000 miles of track for abandonment between

1970 and 1985. According to estimates, in the last 5 years alone more than 14,000 miles of track have been abandoned, and there is no question that that number is going to increase in the years to come.

Mr. Speaker and my colleagues, when we introduced this legislation, we were hoping to have a long-term reauthorization. But I am pleased to say that we were able to get at least an additional year's authorization, a $10 million reauthorization, which I and industry and transportation leaders in my State of Oregon regard as only a stopgap measure.

So I want to make clear that early next session I am going to be working with our colleagues, the chairman of the subcommittee, the gentleman from Ohio [Mr. Thomas A. Luken], the ranking minority member, the gentleman from Kansas [Mr. Whittaker], and the chairman of our full committee, the gentleman from Michigan [Mr. Dingell], to take another look at a long-term reauthorization of this program. I just think that there is a growing threat of rail line abandonment throughout this country. There are a number of projects which just need a small amount of seed money. There have been several that have been identified in my congressional district, also on the Oregon coast and eastern Oregon, that I think dollar for dollar will be some of the best economic development work that this Congress could possibly do.

So, Mr. Speaker, I look forward first to seeing my colleagues pass this reauthorization, a 1-year reauthorization, and then to work closely with my colleagues when the next Congress reconvenes to get another reauthorization, a long term one, with additional funding for a critically needed year of economic development.

Mr. WHITTAKER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. GILMAN. Mr. Speaker, I rise in support of H.R. 4547, the Local Railroad Service Assistance Reauthorization Act [LRSA] and I would like to commend the sponsors of this legislation, and especially my colleagues on the Energy and Commerce Subcommittee on Transportation for their efforts on this measure.

The LRSA reauthorization will provide $15 million in each of next 3 fiscal years 1989–91 to assist the States in providing financial support for the continuation of rail freight service on light-density lines. For purposes of the bill, funds are granted to light-density lines carrying less than 3 million gross tons of freight per year.

While H.R. 4547 reduces the Federal share of LRSA projects from the current level of 70 percent to a new level of 50 percent—except on rehabilitation projects, I am nonetheless pleased that the measure provides an adequate level of funding, almost twice the fiscal year 1988, $8 million authorization. These funds will be used for the acquisition of rail lines which have received Interstate Commerce Commission abandonment authorization, for rehabilitation of light-density lines, and for rail facility construction.

LRSA assists small railroads to serve areas that might otherwise go without access to vital rail transportation. Despite the profitable operations of many small railroads, most would be unable to afford the high acquisition and rehabilitation costs associated with light-density lines.

Accordingly, I urge my colleagues to support this important measure.

Mr. DORGAN of North Dakota. Mr. Speaker, today the House is considering re-authorization of the Local Rail Services Assistance [LRSA] Program, which provides assistance to States for the purpose of rehabilitating railroad lines and carrying out other projects to maintain and improve rail service in local areas. LRSA also funds State governments offices which compile short-term and long-term plans for rail service in all parts of their States.

Railroads are essential to the economic vitality of my State, which produces grain and coal and other commodities that need to be transported from the producing regions to the consuming regions. Railroads are the blood vessels that reach out and connect small towns to the economic heartbeat of this Nation. If we let the rail lines deteriorate to the point where they can no longer carry a carload of grain or a unit train of coal, we will lose still more small towns as more Americans move out of rural areas in search of the jobs that left for another State or another country.

This bill, H.R. 4547, reauthorizes LRSA for 1 year, at $10 million. This represents a substantial reduction from the $80 million which was appropriated in 1980. While I am disappointed with the limited nature of the reauthorization, I very much appreciate the leadership on both sides of the Energy and Commerce Committee bringing this bill to the floor so that we can secure funding for fiscal year 1989. I am hopeful that next year we can pursue reauthorization for a longer period.

This program will help us maintain the main line railroads which provide service from the country elevator to the export terminal, keeping rural America strong, keeping all America strong. I urge my colleagues to support H.R. 4547.

Mr. BRUCE. Mr. Speaker, I welcome the opportunity to voice my support for the continuation of economic development through H.R. 4547. The Local Rail Service Assistance Act [LRSA] has successfully provided capital assistance to railroads, shippers, and communities to prevent the loss of critical industries and jobs due to rail line abandonments. It has also provided funds for capital improvements to allow expansion of existing facilities and to attract new industries to locate on rail lines.

As an important element in Illinois' rail freight support program the Local Rail Service Assistance Program has played a significant role in retaining essential rail freight service over light density lines and continues to be needed. The benefits which result from the LRSA Program also help provide a permanent solution to our rail service problems.

Projects funded by the LRSA grants provide economic stimulus to the State through leveraged private investment, retention and creation of jobs, retention of manufacturing and agricultural facilities, improved rail freight facilities, and relief from heavy truck traffic on State and local roads. Since 1980, the LRSA Program has enabled the State to undertake projects totaling $16.5 million under its rail freight program. Accomplishments include improving and keeping in service 400 miles of track, helping 300 industries, and creating or saving over 12,000 jobs. LRSA funds have also leveraged $106 million in private money over the last 8 years. One of those projects allowed NRG, a shortline railroad, purchase two abandoned lines and provide rail service for grain elevators, corn mills, a coal mine, and several factories all located within three counties of my district.

The continued funding of the LRSA is an important factor in providing essential rail service to spur economic development throughout our Nation.

I urge my fellow colleagues to join me in support of H.R. 4547, the Local Rail Service Assistance Act.

Mr. THOMAS A. LUKEN. Mr. Speaker, I am about to yield back the balance of my time, but I yield myself such time as I may consume to again extend my appreciation to the gentleman from Kansas [Mr. Whittaker] for his tremendous work in bringing this about. He has been a great partner in these operations which are having significance to so many communities, so many States as the gentleman from Oregon [Mr. Wyden] has indicated, and I join with him, and I am sure the gentleman from Kansas joins in the hope and the promise that we will be working together to get a more extensive authorization so that this tremendous program will continue in future years.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. Gray of Illinois). The question is on the motion offered by the gentleman from Ohio [Mr. Thomas A. Luken] that the House suspend the rules and pass the bill, H.R. 4547, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 4547, LOCAL RAIL SERVICE REAUTHORIZING ACT

Mr. THOMAS A. LUKEN. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 4547, the Clerk be authorized to correct section numbers, punctuation, and cross references, and to make such other technical and conforming changes as may be necessary to reflect the actions of the House in passing the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

GENERAL LEAVE

Mr. THOMAS A. LUKEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise their remarks, and to include extraneous matter therein, on H.R. 4547, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

AGRICULTURAL RESEARCH ACT OF 1988

Mr. DE LA GARZA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5056) to authorize agricultural research programs, improve the operations of the National Agricultural Library, and for other purposes; as amended.

The Clerk read as follows:

H.R. 5056

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Agricultural Research Act of 1988".

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TITLE I—ALTERNATIVE AGRICULTURAL PRODUCTION SYSTEMS RESEARCH

PURPOSES AND DEFINITIONS

SEC. 101. (a) PURPOSES.—The purposes of this title are to—

(1) improve the stability of agricultural production, thereby reducing financial risk for producers and ensuring a steady supply of agricultural commodities for national needs;

(2) increase the variety of production alternatives available to producers for responding to changing environmental and economic conditions; and

(3) foster the development of a systems approach to alternative agricultural production research that broadly considers the constraints facing producers as they try to adapt to changing conditions and ensure stable supplies of agricultural commodities.

(b) DEFINITIONS.— As used in this title—

(1) the term "agricultural commodity" means a plant or animal, or tree, or aquacultural species propagated or raised in a controlled environment, or the products thereof;

(2) the term "production alternatives" means a broad set of alternative production practices, including, but not limited to, new rotation combinations, multiple cropping, alternative crops, and other methods that increase producers' management flexibility, and thus increase their ability to manage their operations during changing environmental and economic conditions; and

(3) the term "systems approach" means a broad, interdisciplinary method that evaluates the components of agricultural production systems and the relationships among those components.

COMPETITIVE RESEARCH GRANTS PROGRAM

SEC. 102. (a). ESTABLISHMENT OF THE PROGRAM.—The Secretary of Agriculture shall carry out, through the Cooperative State Research Service, a competitive grants research program designed to improve the diversity of production methods available to producers of agricultural commodities. Competitive grants may be awarded to research projects, to be completed within five years, directed at producing production alternatives.

(b) CRITERIA FOR GRANTS.—(1) Proposals for grants under the program established under this section must be made by a minimum of three principal researchers, one or more being a biological scientist and one or more being a social scientist, to ensure an interdisciplinary team approach.

(2) Proposals shall designate a research team that includes the three or more principal researchers, one or more agricultural producers, and one or more State cooperative extension personnel.

(3) At least part of the research proposed shall involve on-farm trials to increase the involvement of producers in the research and speed the adoption of production alternatives.

(c) PRIORITIES FOR GRANT AWARDS.—In awarding grants under the program established under this section, the Secretary shall give priority to proposals that include—

(1) evidence of how a systems approach will address constraints facing a producer, including, but not limited to, those related to risk, soil and climatic conditions, labor, decision making, crop and livestock species availability, finances, information availability, environmental effects of production, and rural social economic factors;

(2) a plan for evaluating the social desirability and acceptability of various production alternatives that result from the research;

(3) a plan for evaluating the effect on natural resources of various production alternatives that result from the research; and

(4) innovative techniques for applying a systems approach to develop production alternatives.

(d) APPLICATIONS.—The Secretary shall accept grant applications from qualified individuals in the Federal Government, all colleges and universities, State agricultural experiment stations, and the private sector.

REPORTS TO CONGRESS

SEC. 103. Not later than one year after the date of the enactment of this Act, and annually thereafter, the Secretary of Agriculture shall submit, to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, a report on the implementation of this title.

AUTHORIZATION OF APPROPRIATIONS

SEC. 104. There are authorized to be appropriated annually such sums as are necessary to carry out the purposes of this title.

TITLE II—ALTERNATIVE AGRICULTURAL PRODUCTS RESEARCH AND COMMERCIALIZATION

Subtitle A—General

SHORT TITLE

SEC. 201. This title may be cited as the "Alternative Agricultural Products Act of 1988".

DEFINITIONS

SEC. 202. As used in this title—

(1) the term "agricultural commodity" means a plant or animal, or tree, or aquacultural species propagated or raised in a controlled environment, or the products thereof;

(2) the term "alternative agricultural product" means a new use, application, or material that is derived from an agricultural commodity, and that is—

(A) not in widespread commercial use, and

(B) not expected to significantly displace a use, application, or material derived from an agricultural commodity that already is in widespread commercial use;

(3) the term "Institute" means the National Institute for Alternative Agricultural Products;

(4) the term "Secretary" means the Secretary of Agriculture;

(5) the term "Director" means the Director of the National Institute for Alternative Agricultural Products;

(6) the term "Board" means the National Alternative Agricultural Products Board;

(7) the term "Corporation" means the Agricultural Research Commercialization Corporation established under section 222;

(8) the term "Corporate Board" means the Board of Directors of the Corporation established under section 222; and

(9) the terms "commercialization" or "commercialize" include—

(A) activities associated with the development of prototype products or industrial plants;

(B) the application of technology and techniques to the development of industrial products; and

(C) the market development of new industrial uses of new and traditional agricultural commodities and processes related thereto, that will lead to the creation of goods and services that may be marketed for profit.

NATIONAL ALTERNATIVE AGRICULTURAL PRODUCTS BOARD

SEC. 203. (a) ESTABLISHMENT.—The Secretary of Agriculture shall establish the National Alternative Agricultural Products Board, which shall consist of ex officio nonvoting members and not more than 15 voting members appointed by the Secretary.

(b) EX OFFICIO MEMBERS.—The ex officio members of the Board shall be—

(1) the Secretary, the Assistant Secretary of Agriculture responsible for agricultural research, extension, and teaching programs, the Director of the National Institute for Alternative Agricultural Products, and the Under Secretary of Agriculture for Small Community and Rural Development; and

(2) such additional officers or employees of the United States as the Secretary determines necessary for the Board to effectively carry out its functions.

(c) VOTING MEMBERS.—The voting members of the Board shall be appointed as follows:

(1) One-third of the members shall be appointed by the Secretary from among the leading representatives of the scientific disciplines relevant to the activities of the Institute.

(2) Two-thirds of the members shall be appointed by the Secretary from the general public and shall include leading representatives of persons engaged in agriculture, and leading representatives of persons engaged in commercial processing, product development, marketing, finance, business development, or business management.

(d) CONSIDERATIONS IN MAKING APPOINTMENTS.—In making appointments to the Board, the Secretary shall consider candidates recommended by United States agricultural producer groups (including general farm organizations, agricultural commodity organizations, and other such groups), organizations engaged in the processing, development, and marketing of agricultural commodities or other products, and organizations of the public and private sector agricultural research, engineering, finance, and business communities.

(e) TERMS OF OFFICE.—The term of office of an appointed voting member of the Board shall be four years, except that any member appointed to fill a vacancy for an unexpired term shall be appointed for the remainder of such term. The Secretary shall make part of the initial appointments to the Board for terms less than four years so as to ensure that the terms of the members do not all expire in the same year. A member may serve after the expiration of the member's term until a successor has taken office. A member who has been appointed and served for a term of four years may not be reappointed to the Board before two years after the date of expiration of such term of office. If a vacancy occurs in the Board among the appointed voting members, the Secretary shall make an appointment to fill the vacancy within 90 days after the date the vacancy occurs.

(f) CHAIRMAN.—The appointed voting members of the Board shall select a chair from among the appointed voting members. The term of office of the chair shall be two years.

(g) MEETINGS.—The Board shall meet at the call of the chair or at the request of the Director, but at least three times each fiscal year. The location of the meetings of the Board shall be subject to the approval of the Director. A quorum of the Board shall consist of a majority of the appointed voting members of the Board.

(h) RESPONSIBILITIES.—The Board shall—

(1) be responsible for the general supervision and policy control of the Institute;

(2) determine high priority research areas under this title and consider in its determination, when available and appropriate, the determinations made by the Joint Council on Food and Agricultural Sciences and the National Agricultural Research and Extension Users Advisory Board identifying such research areas;

(3) review and approve the reports required under sections 213(b)(13) and 222(c)(3);

(4) review and approve any grant, contract, or cooperative agreement to be made by the Institute in accordance with section 214 or 232, or assistance to be made by the Agricultural Research Commercialization Corporation under section 222(h); and

(5) serve as the Board of Directors of the Agricultural Research Commercialization Corporation.

(i) POLICIES AND BUDGET.—The Board shall establish program policy, objectives, and research, development, and commercialization priorities to implement this title, through a process of public hearings to be initiated as soon as practicable after the Board's establishment. Using the results of such hearings and other information and data, the Board shall develop and establish a budget plan and a long-term operating plan to implement this title, including an orderly phaseout of projects and activities by the expiration of the provisions of this title on September 30, 2000.

(j) TEMPORARY COMMITTEES.—The Board, at its discretion, may establish one or more temporary committees with scientific, technical, or other expertise, whose duties shall be to provide information, analysis, and recommendations, at the request and direction of the Board, on scientific, technological, policy, and other matters, as determined necessary by the Board. The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply with respect to such temporary committees.

(k) COMPENSATION.—Members of the Board who otherwise are officers or employees of the United States shall not receive any additional compensation for service on the Board. The other members of the Board shall receive, for each day (including travel time) they are engaged in the performance of the functions of the Board, compensation at a rate not to exceed the daily equivalent of the annual rate in effect for grade GS-18 of the General Schedule. All members of the Board shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties.

(l) RESTRICTIONS.—(1) Except as permitted in paragraph (3), no member of the Board shall vote on any matter respecting any application, contract, claim, or other particular matter pending before the Institute or Corporation, in which, to the knowledge of the member, such member, spouse or minor child of such member, partner, or organization (other than the Corporation) in which such member is serving as officer, director, trustee, partner, or employee, or any person or organization with whom such member is negotiating or has any arrangement concerning prospective employment, has a financial interest.

(2) Action by a member of the Board that is contrary to the prohibition contained in paragraph (1) shall be cause for removal of such member, but shall not impair or otherwise affect the validity of any otherwise lawful action by the Institute or Corporation in which the member or officer participated.

(3) The prohibitions contained in paragraph (1) shall not apply if a member of the Board advises the Board of the nature of the particular matter in which such member proposes to participate, and makes a full disclosure of the member's financial interests relating to such matter, prior to any participation in consideration of that matter, and the Board determines, by majority vote (excluding the member involved), that the financial interest is too remote or too inconsequential to affect the integrity of such member's services to the Board in consideration of that matter.

GENERAL RESEARCH AND COMMERCIALIZATION COOPERATIVE AUTHORITY

SEC. 204. (a) DUTY OF THE SECRETARY.—The Secretary of Agriculture shall encourage, cooperate with, and render assistance to the National Institute for Alternative Agricultural Products, the Agricultural Research Commercialization Corporation, other public authorities and agencies, commercial entities, and public and private scientific and educational institutions (1) in the conduct, promotion, and coordination of research, experiments, projects, and studies relating to the implementation of this title and (2) in the promotion and coordination *of the commercialization alternatives as described in section 222.*

(b) AUTHORITIES OF THE SECRETARY.—In carrying out subsection (a), the Secretary may, with or without reimbursement—

(1) collect, and make available to the Institute and the Corporation, publications, data, and other information relating to research, and agricultural product or processing developments;

(2) make research facilities of the Department of Agriculture available to the Institute and other public agencies, authorities, and public and private institutions engaged in special studies or projects administered by the Institute; and

(3) make grants to, and enter into contracts and cooperative agreements with, State agricultural experiment stations, public and private educational institutions, other public and private institutions and organizations, Federal agencies, and individuals for such projects as are approved by the Institute or the Corporation.

SUBTITLE B—NATIONAL INSTITUTE FOR ALTERNATIVE AGRICULTURAL PRODUCTS

PURPOSES

SEC. 211. The purposes of this subtitle are, through the encouragement of and assistance to agricultural research and development, to—

(1) substantially increase commercial use of grains and other agricultural commodities produced in the United States, through cooperative public and private development of environmentally sound, healthful, and safe new uses, applications, technologies, processes, and products of such commodities, using biotechnology as well as traditional and other agricultural research methods;

(2) mobilize private sector initiatives to improve the competitiveness of United States agricultural producers and processors in both domestic and export markets through accelerated development, application, and transfer of advanced technology related to new uses, processes, and products of agricultural commodities; and

(3) foster economic development in rural areas of the United States through the introduction of new products obtained from agricultural commodities.

ESTABLISHMENT OF INSTITUTE

SEC. 212. (a) GENERAL.—The Secretary of Agriculture shall cause to be established a National Institute for Alternative Agricultural Products to implement this subtitle and subtitle D, and to be parent organization of the Agricultural Research Commercialization Corporation.

(b) AUTHORITIES.—(1) As necessary to implement this subtitle, the Institute—

(A) may make grants to, and enter into cooperative agreements or contracts with, eligible applicants for research, development, and demonstration projects in accordance with section 214;

(B) shall provide technology transfer, information collection, and information dissemination;

(C) may search for new industrial materials produced from agricultural commodities and for processes to produce such materials; and

(D) may engage in other activities incident to such activities, and expend funds from the Fund established under section 241 for such activities.

(2) The Institute also may make grants to, and enter into cooperative agreements or contracts with, eligible applicants for research, development, and demonstration projects to implement subtitle D, and expend funds from the Fund established under section 241 for such activities.

(3) The Institute shall administer and maintain, and dispense funds from, the Alternative Agricultural Products Technology Revolving Fund, as provided in section 241, in order to facilitate the conduct of activities under this title.

(c) INDEPENDENT ENTITY.—The Institute shall be operated as an independent entity within the Department of Agriculture under the general supervision and policy control of the National Alternative Agricultural Products Board.

DIRECTOR OF THE INSTITUTE

SEC. 213. (a) APPOINTMENT.—The National Institute for Alternative Agricultural Products shall be headed by a Director, who shall be appointed by the National Alternative Agricultural Products Board and approved by the Secretary of Agriculture. The Director shall receive basic pay not to exceed the rate provided for level III of the Executive Schedule under section 5314 of title 5, United States Code. The Director shall be appointed for a term of five years (subject to removal by the Board).

(b) RESPONSIBILITIES; POWERS AND DUTIES.—The Director shall be responsible to the Board for the overall management of the Institute and the implementation of general policies respecting the management and operation of programs and activities of the Institute under this title. In carrying out such responsibilities, the Director, subject to general supervision by the Board, on behalf of the Institute—

(1) shall require appropriate technical and scientific peer review of—

(A) applications made for grants, contracts, and cooperative agreements under sections 214 and 232;

(B) the conduct of research for which assistance is provided by the Institute; and

(C) research findings or reports resulting from grants, contracts, and cooperative agreements administered by the Institute as the Board determines necessary;

(2) may acquire, without regard to the Act of March 3, 1977 (40 U.S.C. 34), by lease or otherwise through the Administrator of General Services, buildings or parts of buildings in the District of Columbia or communities located adjacent to the District of Columbia, for use by the Institute for a period not to extend beyond September 30, 2000;

(3) may acquire, hold, or sell such real property (other than that described in paragraph (2)) and personal property as is incidental and necessary to the conduct of the functions of the Institute;

(4) may receive and use funds and property donated to the Institute, if such funds and property can be used in the furtherance of the functions of the Institute (such donations to be considered as gifts and bequests for the use of the United States for purposes of Federal income, estate, and gift taxes, as provided in title 26 of the United States Code);

(5) may accept voluntary and uncompensated services by individuals and may provide transportation and subsistence, as authorized by section 5703 of title 5, United States Code, for such individuals;

(6) may accept and use services, equipment, personnel, information, and facilities from other Federal agencies, which the agencies are hereby authorized to provide to the Institute;

(7) may arrange with and reimburse other Federal agencies for any activity that the Institute is authorized to conduct and that the Institute requests such agency to furnish;

(8) shall prepare and submit directly to the President for review and transmittal to Congress, after consultation with and approval by the Board, an annual budget estimate (including an estimate of the number and type of personnel needed) for the Institute (except with respect to the Agricultural Research Commercialization Corporation under section 222), after reasonable opportunity for comment (but without change) by the Secretary of Agriculture;

(9) shall require, where appropriate, licensing and patent agreements, copyright fees, royalties, or other fee arrangements on the sales of products and new uses, applications, technologies, or processes developed through assistance provided through a grant, contract, or cooperative agreement to which the Institute is a party;

(10) may obtain reimbursement from other Federal agencies, and State or local agencies, to cover costs associated with any activity that the Institute is authorized to provide to such agencies;

(11) without regard to section 3324 of title 31 of the United States Code and section 3709 of the Revised Statutes (41 U.S.C. 5) (but subject to sections 214 and 232 with respect to grants, contracts, or cooperative agreements for research, development, or demonstration projects), may enter into contracts, cooperative agreements, or other transactions with any public agency or with any person, firm, association, corporation, or educational institution, as may be necessary in the conduct of the functions of the Institute;

(12) shall take necessary action to ensure, to the extent appropriate, that all channels for the dissemination and exchange of agricultural products and processes research are maintained between the Institute and other agricultural, scientific, and biotechnology organizations;

(13) as soon as practicable after the end of each fiscal year and after approval by the Board, shall prepare and submit to the Secretary of Agriculture, for simultaneous transmittal by the Secretary not later than November 30 following the end of such fiscal year to the President and Congress, a report on the activities, progress, and accomplishments of the Institute during such fiscal year, which report shall include a report on the progress, activities, and accomplishments of, and expenditures for the information and other service activities of, the Institute, and an operating plan for the Institute for the next five years;

(14) except as otherwise specifically provided for in this title or as otherwise limited by the Board or the Secretary of Agriculture as provided for in this title, shall exercise all other authority granted to the Institute by this title; and

(15) shall serve as the Chief Executive Officer of the Corporation.

GRANTS, CONTRACTS, AND AGREEMENTS

SEC. 214. (a) ELIGIBILITY.—All State agricultural experiment stations, public and private educational institutions, other public and private research institutions and organizations, Federal agencies, and individuals shall be eligible to receive grants from, or enter into contracts or cooperative agreements with, the National Institute for Alternative Agricultural Products for research, development, or demonstration projects, as authorized under section 212(b)(1)(A).

(b) SELECTION CRITERIA.—(1) The Institute shall select research, development, or demonstration projects to receive grants, or for the award of contracts or cooperative agree-

ments, based on the likelihood that the projects will result in creating or improving economically viable commercial products, applications, processes, or technologies that involve the use of raw or processed agricultural commodities.

(2) The following among other criteria shall be considered in selecting projects to receive grants, or for contracts or cooperative agreements:

(A) the potential of the project developing technologies that use or modify existing agricultural commodities to provide an economically viable quantity of new products;

(B) the potential of the project developing new processes that may significantly increase the use of agricultural commodities;

(C) the potential marketability of the new product, the time period needed to market the new product, and the availability of the raw or processed agricultural commodity used in production;

(D) the potential that a project's selection could have on reducing the costs of Federal agricultural assistance programs;

(E) the unavailability of appropriate funding from other sources to develop new commercial products or processes from agricultural commodities;

(F) the positive effect that the new product involved in the project may have on resource conservation, public health and safety, and the environment; and

(G) the ability to produce the alternative agricultural product in or near the area where the agricultural commodity is produced.

(c) EARMARKING OF FUNDS FOR CERTAIN PROJECTS.—At least two-thirds of the funds obligated each fiscal year for grants, contracts, and cooperative agreements for research, development, and demonstration projects shall be obligated only for projects for which the applicant has committed substantial funding and support from its own resources, and has also entered into a cooperative agreement or other contractual arrangement with a commercial company domiciled in the United States that commits such company to—

(1) provide funds for at least 20 percent of the total cost of such project; and

(2) engage in commercial production and sale of the marketable products, processes, uses, applications, or technologies developed through the project, under appropriate licensing, royalty, or other agreements.

(d) LIMITATIONS.—(1) Funds committed by the Institute for any research, development, or demonstration project under a grant, contract, or cooperative agreement shall in no case exceed 50 percent of the total cost of the project.

(2) The Institute shall disburse funds to each project on a dollar-matching basis with each dollar of Institute funds to be matched by one dollar or more from other than Institute funds, in the ratio agreed to by the Institute and the applicant.

(e) PREFERENCE.—In selecting applications or responses to requests for proposals for grants, contracts, or agreements in the first two fiscal years that research, development, or demonstration projects are selected and Institute funding is provided under this subtitle, the Institute shall give preference to those that are deemed most likely to produce successful short-term results.

(f) PEER REVIEW.—Grants, contracts, and cooperative agreements shall be made or entered into competitively, based on the recommendation of a peer review system to be established by the Institute, such system to provide peer review expertise in commercial production, development, processing, and marketing of agricultural products as well as in scientific research.

(g) INCUBATION PROJECTS.—Applications or responses to requests for proposals issued by the Institute for grants, contracts, or cooperative agreements may include proposals for incubation projects for the development of rural industries based on new agricultural products, applications, processes, and technologies that may be produced as a result of such projects.

(h) INFORMATION EXEMPT FROM DISCLOSURE.—With respect to research, development, or demonstration projects carried out with the participation of private research institutions or commercial companies, information received by the Institute incident thereto shall be exempt from disclosure under section 552 of title 5, United States Code, and shall not be made available publicly except in a judicial or administrative proceeding in which such information is subject to protective order.

(i) AUDITING AND ACCOUNTABILITY.—The Institute shall establish a thorough and effective system of auditing and accountability to ensure that funds paid under grants, contracts, and cooperative agreements are used only for intended purposes.

(j) OVERHEAD AND ADMINISTRATIVE COSTS.—The Institute shall require applications or responses to requests for proposals issued by the Institute for grants, contracts, or cooperative agreements to include detailed estimates of project overhead and administrative costs. In selecting such applications or proposals for awards, the Institute shall give preference to those with the lowest effective costs.

(k) TIME LIMITATION.—No grant may be awarded, or contract or cooperative agreement entered into, for a period to exceed three years.

(l) PROHIBITION.—No grant may be awarded, or contract or cooperative agreement entered into, for the planning, repair, rehabilitation, acquisition, or construction of a building or a facility.

FUNDING ALLOCATIONS

SEC. 215. (a) ADMINISTRATIVE EXPENSES.—Total administrative expenses of the National Institute for Alternative Agricultural Products under this title during any fiscal year shall be held to the lowest practicable levels consistent with carrying out the functions of the Institute under this title, but in any case may not exceed the amount determined in accordance with subsection (b)(1)(A).

(b) GENERAL.—Funding of the projects and activities authorized under this subtitle shall be subject to the following restrictions:

(1) Of the total amount of funds available each fiscal year under this subtitle:

(A) not more than 5 percent may be set aside to be used for authorized administrative expenses of the Institute in carrying out the functions of the Institute under this title;

(B) not more than 5 percent may be set aside to be used for the information collection and dissemination, and technology transfer, programs authorized under this subtitle;

(C) not less than 5 percent shall be set aside to be used under section 214 for projects of the 1890 land-grant institutions (including Tuskegee University) eligible to receive funds under the Act of August 30, 1890 (7 U.S.C. 321-326 and 328); and

(D) not less than 85 percent shall be set aside for projects of all qualified applicants (including those specified in subparagraph (C)) that may file project applications with, or respond to requests for proposals from, the Institute under the provisions of section 214.

(2) Any funds remaining uncommitted at the end of each fiscal year shall be credited to the revolving fund established under section 241 of this Act, and added to the total program funds available (subject to section 241) for the subsequent fiscal year for projects and activities under this subtitle.

Subtitle C—Agricultural Research Commercialization Corporation

PURPOSES

SEC. 221. The purposes of this subtitle are to—

(1) substantially increase commercial use of grains and other agricultural commodities produced in the United States, through cooperative public and private commercialization of environmentally sound, healthful, and safe new uses, applications, technologies, processes, and products of such commodities;

(2) mobilize private sector initiatives to improve the competitiveness of United States agricultural producers and processors in both domestic and export markets through accelerated application and transfer of advanced technology related to new uses, processes, and products of agricultural commodities;

(3) foster economic development in rural areas of the United States through the introduction of new products obtained from agricultural commodities;

(4) establish markets for new nonfood, nonfeed uses for traditional and new agricultural commodities resulting from cooperative research and development in order to create jobs and enhance economic development in the rural economy, and diversify markets for raw agricultural commodities;

(5) encourage cooperative development and marketing efforts among manufacturers, investors, universities, and private and government laboratories in order to accelerate the commercialization of new industrial uses for agricultural commodities; and

(6) direct, to the maximum extent possible, commercialization efforts toward the development of new products from raw agricultural commodities that can be produced by family farmers.

ESTABLISHMENT, FUNCTIONS, AND ACTIVITIES

SEC. 222. (a) ESTABLISHMENT.—(1) There is established within the National Institute for Alternative Agricultural Products an independent nonprofit corporation to be known as the "Agricultural Research Commercialization Corporation".

(2) The Corporation shall be incorporated in the District of Columbia and be considered a resident of such.

(b) FUNCTIONS.—The Corporation shall establish a minimum of seven and a maximum of fifteen Regional Centers in the United States as provided for in subsection (f), and shall expend funds as provided in subsection (g) and provide financial assistance as provided in subsection (h).

(c) POWERS AND DUTIES.—(1) In carrying out the provisions of this section, the Corporation shall have the power to—

(A) adopt, alter, and rescind bylaws and adopt and alter a corporate seal, which shall be judicially noticed;

(B) make agreements and contracts with persons and private or governmental agencies, except that the Corporation shall not provide any financial assistance unless specifically permitted under this section;

(C) lease, purchase, accept gifts or donations of, or otherwise acquire, and use, own, hold, improve, or otherwise deal in or with, and sell, convey, mortgage, pledge, lease, exchange, or otherwise dispose of, any property or interest therein;

(D) sue and be sued in its corporate name and complain and defend in any court of a competent jurisdiction;

(E) represent itself, or contract for representation, in all judicial, legal, and other proceedings, except actions cognizable under the Federal Tort Claims Act (28 U.S.C. 2671 et seq.), in which actions it shall be represented by the Attorney General;

(F) subject to other provisions of this section, select, employ, and fix the compensation of any such officers, employees, attorneys, and agents as shall be necessary for the transaction of the business of the Corporation;

(G) make provision for and designate such committees, and the functions thereof, as the Corporate Board may consider necessary or desirable;

(H) with the approval of the agency concerned, make use of services, facilities, and property of any board, commission, independent establishment, or executive agency or department of the executive branch of the United States Government in carrying out the provisions of this section and pay for such use, such payments to be credited to the applicable appropriation that incurred the expense;

(I) obtain the services and fix the compensation of consultants;

(J) use the United States mails on the same terms and conditions as other agencies in the executive department of the United States Government; and

(K) exercise all other useful powers necessarily or reasonably related to the establishment of the Corporation, carrying out the provisions of this section, and the exercise of its powers, purposes, functions, duties, and authorized activities.

(2) The Corporation shall have such powers and duties with respect to peer review, services, and dissemination and exchange of research with respect to activities under this section as are extended to the Director of the Institute with respect to the operations of the Institute under paragraphs (1), (5), and (12) of section 213(b), respectively.

(3) The Corporation shall make annual budget estimates and reports with respect to its operations in the manner provided for estimates and reports by the Institute under paragraphs (8) and (13) of section 213(b), respectively.

(4) The Corporation shall be considered a wholly-owned corporation for the purposes of the Government Corporation Control Act.

(d) MANAGEMENT.—(1) The Corporation shall be directed by the National Alternative Agricultural Products Board, serving as its Corporate Board; and the Director of the Institute shall serve as Chief Executive Officer of the Corporation and exercise all the powers of the Corporation, except as otherwise provided in this section.

(2) The Chief Executive Officer shall establish the offices and appoint the officers of the Corporation, which may include a general counsel, treasurer, and an executive director, and define the duties of such offices.

(3)(A) Notwithstanding any other provision of law, the Secretary of Agriculture or any other officer or employee of the United States may not make any delegation to the Corporation of any power, function, or authority not expressly authorized by the provisions of this section, except where such delegation is pursuant to an authority in law that expressly makes reference to this section.

(B) Notwithstanding any other provision of law, chapter 9 of title 5, United States Code, shall not apply to authorize the transfer to the Corporation of any power, function, or authority.

(4) The Chief Executive Officer shall provide a system of organization for the Corporation to fix responsibility and promote efficiency.

(e) PERSONNEL AND RELATED PROVISIONS.—Officers and employees of the Corporation shall be subject to any law of the United States relating to governmental employment, including the provisions of title 5, United States Code, relating to compensation.

(f) REGIONAL CENTERS.—(1) Each Regional Center established by the Corporation, as provided for in subsection (b), shall be located in a different State, reflective of regional climatic conditions, rural economic stress, and the ability of applicants for Regional Centers to carry out the duties of the Corporation.

(2) Each Regional Center shall carry on activities provided for in this section and such other activities as the Corporate Board shall from time to time specify.

(3) Each Regional Center shall be headed by a full-time Regional Director who shall—

(A) be selected by the Corporate Board; and

(B) have a scientific or engineering background or have experience in the development of new products or processes in the public or private sector.

(4)(A) The Corporation shall appoint an Advisory Council for each Regional Center and such Council shall advise the Regional Director concerning all applications for assistance as described in subsection (h).

(B) Each Advisory Council shall be comprised of representatives of the public sector, the financial sector, the private business community, State and local government, educational institutions, private and Federal laboratories, the farming sector, scientists, and engineers.

(C)(i) The primary duty of each Advisory Council shall be to review or coordinate the review of the technical, engineering, financial, and managerial soundness and marketing potential of the applications for assistance received under this section.

(ii) An Advisory Council may assist the Regional Director in monitoring the progress of ongoing projects by providing technical and business counseling when needed.

(iii) The Advisory Councils may provide technical and business counseling to entities not seeking financial assistance from the Corporation, but that are engaged in commercializing new nonfood, nonfeed uses of agricultural commodities.

(5) The Regional Centers shall—

(A) encourage interaction among private and Federal laboratories, National Science Foundation centers, Department of Agriculture research programs, including the National Institute for Alternative Agricultural Products, and other Federal resources, State and local regional economic development programs, universities, colleges, the private sector, and the financial community, for the purpose of evaluating and commercializing new nonfood, nonfeed uses of agricultural commodities;

(B) identify broad areas where commercialization of new products and processes can contribute to economic growth in rural areas of the United States, through the development of new nonfood, nonfeed uses for agricultural commodities by private companies and businesses;

(C) provide technical assistance and related business and financial counseling for small domestic businesses to commercialize new nonfood, nonfeed uses of agricultural commodities;

(D) identify new nonfood, nonfeed products and processes that are worthy of financial assistance;

(E) make use of existing programs in scientific, engineering, technical, and management education that will support the accelerated commercialization of new nonfood, nonfeed products and processes using agricultural commodities;

(F) advise the Chief Executive Officer on the viability of specific proposals submitted for financial assistance and on the type of assistance, if any, to be provided;

(G) coordinate their activities with the Small Business Development Centers; and

(H) coordinate their activities with the National Institute for Alternative Agricultural Products;

(g)(1) AUTHORIZATION FOR EXPENDITURES.—In each fiscal year, the Corporation may expend amounts from the Fund established under section 241 for—

(A) reasonable and necessary administrative expenses, not to exceed 6 percent of the amount appropriated for activities under this subtitle for such fiscal year, of which not more than 5 percent of such amount shall be allocated to the discretionary fund, as provided under subsection (h)(2);

(B) generic studies and specific reviews of individual proposals for financial assistance, which shall not exceed 3 percent of the amount appropriated under this subtitle for such fiscal year; and

(C) financial assistance under subsection (h).

(2) For purposes of this subsection, administrative expenditures shall include—

(A) all ordinary and necessary expenses, including all compensation for personnel and consultants, expenses for computer usage, or space needs of the Corporation and similar expenses; and

(B) reimbursement to members of the Corporate Board for reasonable expenses that are incurred in connection with providing services to the Corporation.

(3) Expenditures authorized under paragraph (1)(B) shall not be available for—

(A) administrative expenses;

(B) the reimbursement of governmental agencies for the salaries of personnel of such agencies detailed to the Corporation; or

(C) operating expenses.

(4) Funds authorized for expenditures under this section shall not be available for the acquisition of real property.

(h)(1) ASSISTANCE.—At the discretion of the Corporate Board, the Corporation (through the Regional Directors and in accordance with the criteria provided for in paragraph (4)) may provide financial assistance, using monies available to the Corporation from the Fund established under section 241, to projects to commercialize new nonfood, nonfeed products using agricultural commodities. Such financial assistance may be in the form of—

(A) loans made or insured by the Corporation;

(B) interest subsidy payments made to a lender by the Corporation, under an agreement among the Corporation, the lender,

and the borrower, in amounts determined under the agreement;

(C) venture capital invested by the Corporation in the form of a convertible debenture; or

(D) repayable grants that are matched by private or local public funds and that are repaid as agreed in a contract between the Corporation and entity.

(2) The Corporation shall establish a discretionary fund for the Regional Centers of not more than 5 percent of the amount appropriated for activities under this subtitle for each fiscal year. Such appropriated amounts shall be used for activities related to financial assistance under this subsection. Every six months, the Regional Directors shall prepare and submit to the Corporation a report that accounts for expenditures made from such fund.

(3)(A) The Corporation shall monitor the progress of the projects that receive financial assistance under this subsection.

(B) Such oversight may include on-site reviews, written reports, and supportive business and technical counseling as needed. The Regional Directors may call on the Advisory Councils to assist in such monitoring.

(C) The Corporation may require that recipients of assistance demonstrate that the use of financial assistance is in compliance with the contractual agreement.

(4)(A) To obtain financial assistance from the Corporation under this subsection, an eligible entity shall file an application with the Regional Director of a Regional Center.

(B) An application submitted to the Regional Director shall—

(i) describe the project proposal of the entity for the commercialization of a new product consistent with this section, including documentation that such proposal is scientifically sound, technologically feasible, and marketable;

(ii) provide documentation that adequate private sector funding is not available for the project, but that the applicant has the ability to obtain matching funds from the public or private sectors;

(iii) provide documentation that the applicant's own resources, including time and money, have been invested in the project;

(iv) provide documentation that the product or process involved in the project has broad application and has the potential to be commercially viable without continual assistance;

(v) provide documentation that the proposal has broad participation by representatives of the sectors described in subsection (f)(4)(B);

(vi) provide documentation that the managerial ability or established relationship between the applicant and other entities exists to give the applicant access to private business assistance;

(vii) provide assurances of legal compliance by the applicant with the terms and conditions of the receipt of assistance under this section; and

(viii) provide assurances that the project will result in the creation of new jobs.

(5) The Corporation shall give priority, in the award of assistance under this subsection, to—

(A) projects that shall create jobs in economically distressed rural areas;

(B) projects that have State or local government financial participation; and

(C) projects that have private financial participation.

(6)(A) The Regional Directors shall work in consultation with the Advisory Councils to obtain peer review and evaluation of the proposals submitted to the Regional Centers.

(B) The Advisory Councils shall review proposals submitted to the Regional Centers. An Advisory Council shall, by majority vote, make a nonbinding recommendation on each proposal to the Regional Director.

(C) The Regional Director, on consideration of the Advisory Council's recommendation and based on the comments of the reviewers, shall make and submit the Regional Director's recommendation to the Corporate Board along with the recommendation of the Advisory Council.

(D) Assistance may be provided under this subsection only if recommended by the Corporate Board.

(7) The Corporation shall publish in the Federal Register a notice that it is receiving applications for assistance under this subsection not later than 30 days prior to the period for receipt of such applications.

(8)(A) A business entity receiving financial assistance shall repay the Corporation in accordance with the contract between the Corporation and the business entity.

(B) The Corporate Board may waive the repayment of financial assistance.

(9)(A) An applicant for assistance under this subsection may include a university or other institution of higher education, a nonprofit organization, or a small business concern.

(B) As used in subparagraph (A)—

(i) the term "nonprofit organization" means an organization—

(I) described in section 501(c) of the Internal Revenue Code of 1986 (26 U.S.C. 501(c)); and

(II) exempt from taxation under section 501(a) of such Code (26 U.S.C. 501(a));

(ii) the term "small business concern" has the meaning given such term in section 3(a) of the Small Business Act (15 U.S.C. 632(a)) and in implementing rules issued by the Administrator of the Small Business Administration under such section.

Subtitle D—Enhancement of Existing Agricultural Products and Processes

PURPOSES

Sec. 231. The purposes of this subtitle are, through the encouragement and assistance to agricultural research and development, to—

(1) mobilize private sector initiatives to improve the competitiveness of United States agricultural producers and processors in both domestic and export markets through accelerated development, application, and transfer of advanced technology related to existing uses, processes, and products of agricultural commodities; and

(2) foster economic development in rural areas of the United States through enhancement of existing agricultural products and processes, and the marketing thereof.

SPECIAL PROGRAM

Sec. 232. (a) General.— The National Institute for Alternative Agricultural Products may make grants, and enter into contracts and cooperative agreements, for research, development, and demonstration projects as appropriate to achieve the purposes of this subtitle.

(b) Selection Criteria.—(1) The following among other criteria shall be considered in selecting projects to receive grants, or for contracts or cooperative agreements:

(A) the prospect of the project developing technologies that could make it possible to use or modify existing agricultural commodities to enhance the production of existing products;

(B) the prospect of the project enhancing existing processes that may significantly increase the use of agricultural commodities;

(C) the potential marketability of the enhanced agricultural product or process, the time period needed to market the enhanced agricultural product or process, and the availability of the raw or processed agricultural commodity used in production;

(D) the potential that a project's selection could have on reducing the costs of Federal agricultural assistance programs;

(E) the unavailability of appropriate funding from other sources to enhance the agricultural product or process;

(F) the positive effect that the enhanced agricultural production or process involved in the project may have on resource conservation, public health and safety, and the environment; and

(G) the ability to produce the agricultural product in or near the area where the agricultural commodity is produced.

(2) A project may be selected for a grant, contract, or cooperative agreement only if the National Alternative Agricultural Products Board determines that the implementation of the project will not result in substantial displacement of existing markets for the agricultural product involved in the project.

(c) Incubation Projects.—Applications or responses to requests for proposals issued by the Institute for grants, contracts, or cooperative agreements may include proposals for incubation projects for the development of rural industries based on existing agricultural products, applications, processes, and technologies that may be enhanced as a result of such projects.

(d) The requirements and restrictions in subsections (d), (e), (f), (h), (i), (j), (k), and (l) of section 214 shall apply to grants, contracts, and cooperative agreements under this section.

Subtitle E—Funding and Effective Dates

ALTERNATIVE AGRICULTURAL PRODUCTS TECHNOLOGY REVOLVING FUND

Sec. 241. (a) Establishment and Authorized Uses of the Fund.—(1) There is established in the Treasury of the United States the Alternative Agricultural Products Technology Revolving Fund. The Fund shall be available, as provided in paragraphs (2), (3), and (4), to the National Institute for Alternative Agricultural Products and (through the Institute) the Agricultural Research Commercialization Corporation for use as a revolving fund to carry out authorized activities under this title.

(2)(A) The Fund shall consist of three accounts, as follows:

(i) An account to cover activities under subtitles A and B.

(ii) An account to cover activities under subtitle C.

(iii) An account to cover activities under subtitle D.

(B) Appropriated amounts and other monies deposited in the Fund, as provided in subsection (b), shall be credited to the account to which the appropriation or monies relate, as determined by the National Alternative Agricultural Products Board. Monies in each account shall be used only for the purposes authorized in clause (i), (ii), or (iii) of subparagraph (A), respectively.

(3) Appropriated amounts in each account of the Fund shall be available (without fiscal year limitation) for such authorized purposes.

(4)(A) Other monies in each account of the Fund may be used for authorized direct

lending purposes if provided for in advance in an appropriation Act.

(B) Effective for each fiscal year beginning October 1, 1993, other monies in each account of the Fund, not to exceed $20,000,000 in any fiscal year, shall be available (without fiscal year limitation) for such authorized purposes other than direct lending. Amounts in excess of $20,000,000 may be used in any such fiscal year for such purposes only to the extent provided for in advance in an appropriation Act.

(b) Deposits.—There shall be deposited into the appropriate account within the Fund—

(1) payments received from any source for products, services, or property furnished in connection with Institute or Corporation activities;

(2) fees and royalties collected by the Institute from licensing or other arrangements relating to commercialization of products developed through projects funded in whole or part by grants, contracts, or cooperative agreements executed by the Institute;

(3) funds received by the Corporation under section 222(h)(8) in repayment of financial assistance made under section 222;

(4) donations or contributions accepted by the Institute or the Corporation to support authorized programs and activities;

(5) funds appropriated to support the programs and activities of the Institute and Corporation; and

(6) any other funds the Institute or Corporation may wish to deposit.

(c) Prohibition.—None of the monies deposited in the Fund may be used for facilities or equipment by recipients of grants or successful bidders for contracts or cooperative agreements under section 214 or section 232, or for facilities by recipients of assistance under section 222(h).

(d) Termination.—On expiration of the provisions of this title, all assets (after payment of all outstanding obligations) of the Fund shall revert to the general fund of the Treasury.

AUTHORIZATION OF APPROPRIATIONS

Sec. 242. (a) General.—There are hereby authorized to be appropriated such sums (not to exceed the amounts specified in subsection (b)) as may be necessary to carry out this title, to be available without fiscal year limitation until expended.

(b) Limitations.—(1) Not more than $20,000,000 may be appropriated for a fiscal year to carry out subtitles A and B of this title.

(2) Not more than $15,000,000 may be appropriated for a fiscal year to carry out subtitle C of this title.

(3) Not more than $600,000 may be appropriated for a fiscal year to carry out subtitle D of this title.

EFFECTIVE DATES

Sec. 243. This title shall be effective for the period beginning on the date of enactment of this Act and ending on September 30, 2000.

TITLE III—AGRICULTURAL COMMODITY PRODUCTION AND PROCESSING RESEARCH

FINDINGS, PURPOSE, AND DEFINITION

Sec. 301. (a) Findings.—Congress finds that—

(1) the wholesomeness of agricultural products is important to the welfare of the people of the United States;

(2) it is appropriate to periodically examine agricultural production and processing systems, especially with respect to harmful microbiological and chemical agents that seriously undermine product wholesomeness and fitness; and

(3) additional research into the wholesomeness of agricultural products should be conducted to identify needed improvements in production and processing.

(b)(1) Purpose.—The purpose of this title is to authorize agricultural products research, not to implement any changes to current agricultural products production or processing methods or procedures.

(2) Nothing in this title shall be construed or interpreted to limit or otherwise affect the research programs of any agency or department of the Federal Government currently conducted or to be conducted under any other statutory authority.

(c) Definition.—The term "agricultural product" as used in this title, means a meat, poultry, or egg product subject to regulation under the Federal Meat Inspection Act, the Poultry Products Inspection Act, or the Egg Products Inspection Act.

RESEARCH PROGRAM

Sec. 302. The Secretary of Agriculture shall establish a research program to—

(1) establish a statistical framework to measure the potential risk associated with microbiological and chemical agents in or affecting agricultural products that seriously undermine product wholesomeness and fitness;

(2) identify any microbiological or chemical agent under the statistical framework established under paragraph (1); and

(3) identify the means to avoid microbiological and chemical agents in or affecting agricultural products or to control or reduce such agents, including—

(A) developing techniques for the rapid detection and identification of such microbiological and chemical agents, and

(B) analyzing agricultural production, processing, and distribution, to determine those points at which intervention could occur to control microbiological or chemical agents in or affecting an agricultural product.

COMPETITIVE GRANTS

Sec. 303. (a) Authorization.—For the period ending September 30, 1993, the Secretary of Agriculture may make competitive grants, after consultation with the committee established under section 304, for periods not to exceed five years, to persons and governmental entities to perform any of the research specified in section 302. The Secretary shall require the grantee to provide matching funds for such research when making research grants under this section: Provided, That this requirement may be waived by the Secretary if the Secretary determines the research should be performed notwithstanding the lack of matching funds.

(b) Prohibition.—No grant under this section may be made or expended for the planning, repair, rehabilitation, acquisition, or construction of a building or facility.

(c) Applications.—To be eligible to receive a grant under this section, a person or governmental entity shall submit to the Secretary an application that contains—

(1) a proposal to carry out research for one or more of the activities specified in section 302;

(2) an assurance that such person or entity will submit to the Secretary a detailed report of the research conducted with such grant; and

(3) such other terms and conditions as the Secretary may require by rule.

CONSULTATION

Sec. 304. (a) Establishment of Committee.—The Secretary of Agriculture shall establish a committee to set research priorities for, and evaluate, proposed research projects for which grants under section 303 are requested.

(b) Membership on Committee.—The committee shall be comprised of nine members appointed by the Secretary as follows:

(1)(A) Two members shall be appointed from among scientists who are employed by colleges, universities, or State agricultural experiment stations and who are specially qualified to serve on the committee by virtue of their demonstrated, generally recognized expertise in food science, microbiology, veterinary medicine, pathology, or any other appropriate scientific discipline.

(B) Two members shall be appointed from among scientists or public health professionals who are employed by private research organizations or other entities involved in food research and who are specially qualified to serve on the committee by virtue of their demonstrated, generally recognized expertise in food science, microbiology, veterinary medicine, pathology, or any other appropriate scientific discipline.

(2) The Secretary or the designee of the Secretary shall be a member ex officio.

(3) Four members shall be appointed from among individuals who are employees of the Federal Government and who are specially qualified to serve on the committee by virtue of their demonstrated, generally recognized expertise in food science, microbiology, veterinary medicine, pathology, or any other appropriate scientific discipline.

(c)(1) Establishment of Priorities.—On receipt of the committee's recommendations with respect to research priorities for grants awarded under section 303, the Secretary shall publish in the Federal Register—

(A) the research priorities, and

(B) a notice requesting persons and governmental entities to submit written comments on the priorities to the Secretary not later than 60 days after publication of such notice.

(2) After review of the comments, the Secretary shall establish the research priorities by notice in the Federal Register.

(d) Review of Applications by Committee.—(1) On receipt of an application submitted under section 303 for a grant to perform any of the research activities specified in section 302, the Secretary shall refer the research proposal contained in such application to the committee for its review.

(2) To assist the committee in its review of applications, the committee shall establish peer review panels to review the scientific and technical merits of research proposals. The committee shall seek the widest participation of qualified scientists and public health professionals in such panels.

(3) The peer review panels shall report their findings and recommendations to the committee.

(4) Both the committee and the peer review panels shall consult and coordinate with other appropriate Federal advisory committees.

(5) After due consideration of the review panel comments, the committee shall recommend to the Secretary which grants may be made under this title for such research.

(e) Basic and Applied Research.—In reviewing research proposals under subsection (d), the committee and the peer review panels shall identify both—

(1) proposals for basic research; and

(2) proposals for applied research, taking into consideration the practical application of the results of basic research and applied research.

(f) RESULTS OF RESEARCH.—As research projects under grants are completed, the committee shall review and forward the results of the project to the Secretary along with any recommendations or suggestions of the committee.

(g) FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply with respect to the committee or peer review panels.

REPORTS TO CONGRESS

SEC. 305. (a) REPORT ON IMPLEMENTATION.—Not later than one year after the date of the enactment of this Act, the Secretary of Agriculture shall submit to the Committee on Agriculture of the House of Representatives and to the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the implementation of this title.

(b) REPORT ON FINDINGS AND RECOMMENDATIONS.—When all research for which grants are made under this title is completed, the Secretary shall report on the findings of the research and provide any recommendations for implementation of the findings to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

AUTHORIZATION OF APPROPRIATIONS

SEC. 306. (a) AUTHORIZATION.—There are authorized to be appropriated for each of the fiscal years 1989, 1990, 1991, 1992, and 1993 such sums as may be necessary to carry out this title, to be available until expended without fiscal year limitation.

(b) ADMINISTRATIVE COSTS.—Not more than 4 percent of the amount appropriated for a fiscal year under subsection (a) may be expended by the Secretary of Agriculture for the Secretary's administrative costs.

TITLE IV—NATIONAL AGRICULTURAL LIBRARY

FINDING AND PURPOSE

SEC. 401. (a) Congress finds that the library of the Department of Agriculture, established under the Department of Agriculture Organic Act of 1862 (7 U.S.C. 2201), has grown over the years to become a national library that serves as the leading agricultural information resource in the United States.

(b) PURPOSE.—The purpose of this title is to consolidate and expand the statutory authority for the operation of the library of the Department of Agriculture as the Nation's primary agricultural information resource.

ESTABLISHMENT

SEC. 402. There is established in the Department of Agriculture the National Agricultural Library to serve as the Nation's primary agricultural information resource.

DIRECTOR

SEC. 403. At the head of the National Agricultural Library shall be a Director who shall be responsible to the Secretary of Agriculture.

FUNCTIONS

SEC. 404. Subject to the direction of the Secretary of Agriculture, the Director of the National Agricultural Library may—

(1) acquire, preserve, and manage information and information products and services in all phases of agriculture and allied sciences;

(2) organize agricultural information and agricultural information products and services by cataloging, indexing, bibliographical listing, and other appropriate techniques;

(3) provide agricultural information and agricultural information products and services to agencies of the Department of Agriculture and the Federal Government, public and private organizations, and individuals, within the United States and internationally;

(4) plan for, coordinate, and evaluate information and library needs related to agricultural research and education;

(5) cooperate with and coordinate efforts among agricultural college and university libraries in conjunction with private industry and other agricultural library and information centers toward the development of a comprehensive agricultural library and information network; and

(6) coordinate the development of specialized subject information services among the agricultural and library information communities.

MAKING AND SELLING LIBRARY PRODUCTS AND SERVICES

SEC. 405. Subject to the direction of the Secretary of Agriculture, the Director of the National Agricultural Library may make copies of the bibliographies prepared by the National Agricultural Library, make microfilms and other reproductions of books and other library materials in the Department of Agriculture, provide any other library and information products and services, and sell all these products and services at such prices (not less than the estimated total cost of disseminating them) as the Secretary may determine. The money received from such sales shall be deposited in the Treasury of the United States to the credit of the applicable appropriation and shall remain available until expended.

REPEALS

SEC. 406. The second sentence in the second unnumbered paragraph following the heading "LIBRARY." and the portion of the second sentence in the second unnumbered paragraph following the heading "OFFICE OF EXPERIMENT STATIONS." beginning with "the Secretary of Agriculture hereafter may furnish" through and including "miscellaneous receipts; and" in the Act of May 23, 1908 (35 Stat. 264-266; 7 U.S.C. 2242), the eleventh unnumbered paragraph following the heading "STATES RELATIONS SERVICE." in the Act of March 4, 1915 (38 Stat. 1109; 7 U.S.C. 2242), and section 708 of the Act of September 21, 1944 (58 Stat. 742, 743; 7 U.S.C. 2244), are hereby repealed.

AUTHORIZATION OF APPROPRIATIONS

SEC. 407. There are authorized to be appropriated annually such sums as are necessary to support the activities of the National Agricultural Library and otherwise carry out the purposes of this title.

TITLE V—AGRICULTURAL WEATHER INFORMATION

SHORT TITLE

SEC. 501. This title may be cited as the "National Agricultural Weather Information System Act of 1988".

FINDINGS AND PURPOSES

SEC. 502. (a) FINDINGS.—Congress finds that—

(1) major causes of variability and losses in agricultural production are weather and climate factors;

(2) extreme weather conditions, such as drought, appear to be more frequently occurring, and further climate changes are likely;

(3) the Federal Government repeatedly has assumed responsibility for emergency aid to agricultural producers that suffer losses due to weather;

(4) it would be prudent and cost-effective to prevent or reduce agricultural losses due to weather and climate factors through better use of weather and climate information; and

(5) current agricultural weather and climate information and its delivery to agricultural producers do not appear to be adequate.

(b) PURPOSES.—The purposes of this title are to—

(1) provide an operational weather forecasting and observation system aimed at meeting the site-specific, short-term and long-term forecasting needs of agricultural producers, through private weather services and by other means where private weather forecasting is not available;

(2) bring about the collection, organization, and dissemination of weather and climate information relevant to agricultural producers;

(3) provide for research and education on agricultural weather and climate, aimed at improving the quality and quantity of weather and climate information available to agricultural producers; and

(4) allow for greater private sector participation in providing agricultural weather and climate information, and strengthen the ability of the private sector to provide site-specific weather forecasting for farmers and the agricultural sector in general.

AGRICULTURAL WEATHER AND CLIMATOLOGY OFFICE

SEC. 503. (a) ESTABLISHMENT OF THE OFFICE AND DESCRIPTION OF THE SYSTEM.—The Secretary of Agriculture shall establish in the Department of Agriculture an Agricultural Weather and Climatology Office to plan and administer the National Agricultural Weather Information System. The System shall be comprised of the Office and the activities of the State agricultural weather information systems described in section 506(b)(1).

(b) AUTHORITIES.—The Secretary, acting through the Office, may—

(1) enter into contracts with the National Weather Service for operational weather forecasting and observation useful in agricultural production;

(2) obtain standardized weather observation data collected through State agricultural weather information systems;

(3) provide, through the Cooperative State Research Service, competitive grants under section 505 for research in atmospheric sciences and climatology;

(4) provide grants to eligible States under section 506 to plan and administer State agricultural weather information systems;

(5) coordinate the activities of the Office with the weather and climate research activities of the Cooperative State Research Service, the National Sciences Foundation Atmospheric Services Program, and the National Climate Program; and

(6) encourage private sector participation in the National Agricultural Weather Information System by providing, to the private sector, weather and climatic data useful for site-specific agricultural weather forecasting.

(c) APPOINTMENT OF DIRECTOR.—The Secretary shall appoint a Director to manage the activities of the Office.

NATIONAL AGRICULTURAL WEATHER AND CLIMATOLOGY ADVISORY BOARD

SEC. 504. (a) ESTABLISHMENT.—The Secretary of Agriculture shall establish a permanent National Agricultural Weather and Climatology Advisory Board to advise the Director of the Agricultural Weather and Climatology Office with respect to carrying out this title.

(b) MEMBERSHIP.—The Board shall have nine members, appointed by the Secretary in

consultation with the Director of the National Weather Service, of which two members shall be appointed from each of the four Cooperative Extension Service regions. Of the two members of the Board from each region, one shall be an agricultural producer and one shall be an agricultural or atmospheric scientist. At least three of the nine members of the Board shall be appointed from among individuals who are engaged in providing private meteorology services or consulting with a private meteorology firm.

(c) CHAIR.—The Board shall elect a chair from among its members.

(d) TERMS OF OFFICE.—Each member of the Board shall be appointed for a three-year term, except that to ensure that members of the Board serve staggered terms, the Secretary shall appoint three of the original members of the Board to appointments for one year, and three of the original members to appointments for two years.

(e) MEETINGS.—The Board shall meet not less than twice annually.

(f) EXPENSES.—Members of the Board shall serve without compensation, but while away from their homes or regular places of business in the performance of services for the Board, members of the Board shall be allowed travel expenses, including a per diem allowance in lieu of subsistence, in the same manner as individuals employed in Government service are allowed expenses under section 5703 of title 5, United States Code.

COMPETITIVE GRANTS PROGRAM

SEC. 505. (a) GENERAL.—With funds allocated to carry out this section, the Secretary of Agriculture may make grants, on a competitive basis, to State agricultural experiment stations, all colleges and universities, other research institutions and organizations, Federal agencies, private organizations and corporations, and individuals to carry out research in all aspects of atmospheric sciences and climatology that can be shown (1) to be important in both a basic and developmental way to understanding and forecasting weather and (2) to be of potential benefit to the agricultural production process.

(b) PRIORITY.—In selecting among applications for grants under subsection (a), the Secretary shall give priority to proposals that emphasize—

(1) techniques and processes that relate to weather-induced agricultural losses, and to improving the forecasting of weather extremes such as drought, floods, freezes, and storms well in advance of their actual occurrence;

(2) improvement of site-specific weather data collection and forecasting; or

(3) the effect of weather on economic and environmental costs in agricultural production.

STATE AGRICULTURAL WEATHER INFORMATION SYSTEMS

SEC. 506. (a) GENERAL.—(1) With funds allocated to carry out this section, the Secretary of Agriculture shall make grants to not fewer than ten eligible States to plan and administer, in cooperation with the Director of the Agricultural Weather and Climatology Office and the Administrator of the Extension Service, State agricultural weather information systems.

(2) For purposes of selecting among applications submitted by States for such grants, the Secretary shall take into consideration the recommendations of the National Agricultural Weather and Climatology Advisory Board and consult with the Director.

(b) ELIGIBILITY TO RECEIVE GRANTS.—To be eligible to receive a grant under subsection (a), the chief executive officer of a State shall submit to the Secretary an application that contains—

(1) assurances that the State will expend such grant to plan and administer a State agricultural weather information system that will—

(A) collect observational weather data throughout the State and provide such data to the Agricultural Weather and Climatology Office; and

(B) develop methods for packaging information received from the National Agricultural Weather Information System for use by agricultural producers (with State extension services and the private sector to serve as the primary conduit of agricultural weather forecasts and climatic information to producers); and

(2) other assurances and information as the Secretary may require by rule.

FUNDING

SEC. 507. (a) ALLOCATION OF FUNDS.—Twenty percent of the funds appropriated for a fiscal year to carry out this title shall be used for contracts with the National Weather Service entered into under section 503(b)(1). Twenty percent of the funds shall be used by the Cooperative State Research Program for a competitive grants program under section 505. Thirty percent of the funds shall be divided equally between the participating States under section 506. The remaining funds shall be allocated for use by the Agricultural Weather and Climatology Office and the Cooperative Extension Service in carrying out generally the provisions of this title.

(b) LIMITATIONS ON USE OF FUNDS.—Funds provided under the authority of this title may not be used for the construction of facilities. Each State or agency receiving funds may not use more than 30 percent of such funds for equipment purchases. When a private weather firm indicates to the Agricultural Weather and Climatology Office its plans to provide site-specific agricultural weather forecasting for a particular region, the State and national agricultural weather information systems under this title shall use their funding to assist and not compete with the private firm regarding site-specific forecasting in that region.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is hereby authorized to be appropriated $5,000,000 in each of the fiscal years 1989 and 1990 to carry out this title.

TITLE VI—DEPARTMENT OF AGRICULTURE GROUNDWATER POLICY COORDINATION

SHORT TITLE

SEC. 601. This title may be cited as the "Groundwater Policy Coordination Act".

FINDINGS

SEC. 602. CONGRESS FINDS THAT.—

(1) groundwater is a resource of immeasurable value, comprising 86 percent of fresh water available for use in the United States;

(2) groundwater supplies approximately one-half of the Nation, and over 90 percent of the Nation's rural population, with water for human consumption and over one-half of the Nation's irrigation water;

(3) groundwater contamination has occurred in every State in the Nation, and contamination is being detected with increasing frequency;

(4) within the Federal Government, the Department of Agriculture has a significant role in groundwater research and the development and dissemination of groundwater information, and has joint responsibility under existing law with other parts of the Federal Government, the States, and local governments for the protection, maintenance, restoration, and remediation of groundwater quality;

(5) responsibilities for carrying out groundwater protection, technical assistance, education, and research within the Department of Agriculture are currently assigned to a number of agencies within the Department of Agriculture; and

(6) current groundwater programs within the Department of Agriculture require improved coordination.

GROUNDWATER POLICY COORDINATION OFFICE

SEC. 603. (a) ESTABLISHMENT.—Not later than 90 days after the date of enactment of this Act, the Secretary of Agriculture shall establish in the Department of Agriculture the Office of Groundwater Policy Coordination, under the direct authority of the Deputy Secretary of Agriculture, to initiate, coordinate, and monitor Department of Agriculture policies and programs related to the protection of groundwater.

(b) DUTIES.—The Office shall—

(1) review the activities of the Department of Agriculture agencies to ensure coordination of the Department's groundwater protection policies;

(2) identify duplication or overlap between or among groundwater protection programs of Department agencies;

(3) identify the need for, and advise the Secretary on, the development and implementation of comprehensive groundwater-related policy;

(4) facilitate communications within the Department, and among the Department and other Federal agencies, regional authorities as well as State and local governments, land grant and other colleges and universities, and nonprofit and commercial organizations regarding programs and actions relating to groundwater;

(5) recommend to the Secretary specific groundwater protection programs, initiatives, and policies that will preserve the needs of production agriculture while addressing groundwater concerns; and

(6) serve as the Department's clearinghouse for data, information, programs, and legislative initiatives dealing with groundwater.

DEPARTMENT OF AGRICULTURE GROUNDWATER EXECUTIVE COMMITTEE

SEC. 604. (a) ESTABLISHMENT.—Not later than 90 days after the date of enactment of this Act, the Secretary of Agriculture shall establish the Department of Agriculture Groundwater Executive Committee, to be chaired by the Deputy Secretary of Agriculture. The membership of the Executive Committee shall include, but not be limited to, the Under Secretary of Agriculture for International Affairs and Commodity Programs, the Assistant Secretary of Agriculture responsible for research, extension, and teaching programs, the Assistant Secretary of Agriculture responsible for marketing and inspection services, the Assistant Secretary of Agriculture responsible for natural resource and environmental programs, the Assistant Secretary of Agriculture responsible for economics services, and the Assistant Secretary of Agriculture responsible for administrative services. The Executive Committee shall meet at least monthly and shall be supplied, by the Deputy Secretary, with support staff from the Office of Groundwater Policy Coordination. Subcommittees needed to facilitate the work of the Executive Committee may be appointed by the Deputy Secretary.

(b) RESPONSIBILITIES.—The Executive Committee shall—

(1) develop recommendations for issues to be addressed by, and work to be conducted by, the Office of Groundwater Policy Coordination;

(2) recommend policy guidelines to the Secretary for adoption by the Office of Groundwater Policy Coordination in carrying out its authorities and responsibilities;

(3) facilitate coordination and communication relating to groundwater issues, as they concern the Department of Agriculture; and

(4) recommend priorities and goals for planning, research, and coordination of activities by agencies of the Department of Agriculture involved in groundwater issues.

TECHNICAL SUPPORT COMMITTEES

SEC. 605. The Deputy Secretary of Agriculture may establish, as prescribed by the Secretary of Agriculture, such technical support committees as the Deputy Secretary deems advisable to (a) provide technical advice to, and review and evaluate recommendations submitted to, the Department of Agriculture Groundwater Executive Committee, and (b) make recommendations to the Executive Committee to improve the effectiveness and technical quality of the coordination efforts of the Office of Groundwater Policy Coordination. The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply with respect to such committees.

AUTHORIZATION OF APPROPRIATIONS

SEC. 606. There are hereby authorized to be appropriated such sums as may be necessary to carry out this title.

TITLE VII—OTHER RESEARCH, DEMONSTRATION, AND TRAINING PROGRAMS

AMENDMENTS TO THE NATIONAL AQUACULTURE ACT OF 1980

SEC. 701. Effective October 1, 1988, paragraphs (1), (2), and (3) of section 10 of the National Aquaculture Act of 1980 (16 U.S.C. 2809 (1), (2), and (3)) are amended to read as follows:

"(1) to the Department of Agriculture, $1,000,000 for each of fiscal years 1989 and 1990;

"(2) to the Department of Commerce, $1,000,000 for each of fiscal years 1989 and 1990;

"(3) to the Department of the Interior, $1,000,000 for each of fiscal years 1989 and 1990.".

AMENDMENTS TO THE CRITICAL AGRICULTURAL MATERIALS ACT

SEC. 702. Section 16 of the Critical Agricultural Materials Act (7 U.S.C. 178n) is amended by—

(1) in subsection (a), striking out "and" each place it appears and inserting after "September 30, 1988," the following: "$8,000,000 for the fiscal year ending September 30, 1989, and $8,000,000 for the fiscal year ending September 30, 1990,";

(2) in subsection (b), striking out "and" each place it appears and inserting after "September 30, 1988," the following: "$4,500,000 for the fiscal year ending September 30, 1989, and $4,500,000 for the fiscal year ending September 30, 1990,"; and

(3) in subsection (e), striking out "1988" and inserting in lieu thereof "1990".

ALTERNATIVE CROPS DEMONSTRATION PROJECT

SEC. 703. (a) ESTABLISHMENT.—(1) Notwithstanding any other provision of law, effective for each of the 1989 and 1990 crop years, the Secretary of Agriculture shall conduct and analyze a demonstration project that encourages producers of wheat, feed grains, upland cotton, and rice to diversify their operations and market alternative crops in accordance with the provisions of this section.

(2) Under the project, the Secretary shall permit producers of each of the 1989 and 1990 crops of wheat, feed grains, upland cotton, and rice to devote any portion of permitted crop acreage on the farm to the production of alternative crops that the Secretary, in the Secretary's discretion, determines—

(A)(i) will or may increase present or future commercial returns to such producers; or

(ii) could add to research data relating to the goal of developing future farm program policy; or

(iii) will, in the Secretary's opinion, reduce total outlays for price support activities; and

(B) will allow the Secretary to determine whether or not to recommend continuation and expansion of the demonstration project beyond the 1990 crops.

(3) The Secretary shall limit the acreage of each alternative crop included in the demonstration project to 25,000 acres annually.

(b) LIMITATION.—The Secretary may not make available price support or program benefits under the Agricultural Act of 1949 with respect to any permitted crop acreage planted to alternative crops under this section.

(c) BASES.—For the purpose of determining the farm acreage base or the crop acreage bases for a farm in accordance with title V of the Agricultural Act of 1949, any permitted crop acreage on the farm that is planted to an alternative crop (as approved by the Secretary in accordance with this section) for harvest in crop year 1989 or 1990 shall be considered planted to the program crop for which such alternative crop is substituted.

(d) REPORT.—The Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate not later than April 1, 1990, a report detailing—

(1) the level of producer acceptance of approved crops under this section as alternatives to program crops and any barriers to increased domestic production of such alternative crops;

(2) projected domestic and export demand for approved alternative crops over the five-year period from 1991 to 1995;

(3) the benefits, if any, of approved alternative crops as rotation crops;

(4) the estimated effect of the demonstration project on Federal budget outlays for the 1989 and 1990 crops of wheat, feed grains, upland cotton, and rice; and

(5) any recommendation for modification or continuation of the program authorized by this section.

(e) DEFINITION.—As used in this section, the term "alternative crop" shall include only those agricultural commodities that are not produced domestically in substantial amounts and that—

(1) are currently imported, or likely to be imported, into the United States; or

(2) could yield industrial raw materials; or

(3) are grown for experimental purposes.

AGRICULTURAL TRAINING

SEC. 704. The National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3101 et seq.) is amended by adding at the end thereof the following new subtitle:

"Subtitle N—Agricultural Training

"TRAINING

"SEC. 1484. (a) Notwithstanding any other provision of law, the head of a Federal agency or major organizational unit within any agency, including agencies and offices within the Department of Agriculture, may place an order, or enter into an agreement, with the Graduate School of the United States Department of Agriculture (hereinafter in this section referred to as the "Graduate School") under the provisions of section 1535 of title 31, United States Code, for training as defined in section 4101 of title 5, United States Code, and for other services incidental to the provision of such training.

"(b) The Graduate School may obtain any goods or services necessary to the fulfillment of such order or its obligations under such agreement without regard to the requirements of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.), or any other law that prescribes procedures for the procurement of property or services by an executive agency.

"(c) The financial records of the Graduate School relating to such orders or agreements shall be made available to the Comptroller General for purposes of conducting an audit.".

TITLE VIII—LIMITATIONS

LIMITATION ON CONTRACT, CREDIT, AND NEW SPENDING AUTHORITY

SEC. 801. Any new contract, credit, or spending authority provided under this Act, within the meaning given such term by the Congressional Budget Act of 1974, may be exercised in any fiscal year only to the extent provided in advance in an appropriation Act, except as otherwise provided in the first sentence of section 241(a)(4)(B).

The SPEAKER pro tempore. Is a second demanded?

Mr. GRANDY. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas [Mr. DE LA GARZA] will be recognized for 20 minutes and the gentleman from Iowa [Mr. GRANDY] will be recognized for 20 minutes.

The Chair recognizes the distinguished gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to rise in support of H.R. 5056, the Agricultural Research Act of 1988.

This legislation, as is generally the case with agricultural research legislation considered by the Committee on Agriculture, has full bipartisan support of the committee and was reported by a unanimous vote of approval. In large part, our Nation's tremendous success in agriculture have been brought about because of breakthroughs in agricultural research, and if we are to continue making further strides in agriculture we must continue research to, among other things, increase production efficiencies, develop new products, and find new markets for our agricultural products.

This is basically the thrust of this legislation, Mr. Speaker. Let me say to my colleagues that we are the best-fed Nation in the history of the world for the least amount of disposable income per family for food. This, my colleagues, begins with research. It begins in the laboratory with a researcher either in the private sector and in academics the land-grant institutions and other great agricultural institutions of our country. This researcher basically is underpaid, overworked, probably writing his own notes without the benefit of a secretary. That is where productivity comes, and research is the first step in seeing that we continue being the best-fed people in the world, that we continue having the food items that are needed, practical, salable, and affordable. This legislation promotes basic research and competitive grants. It provides statutory authority for the instrument of knowledge, the National Agricultural Library. We in agriculture work with all people of good will who have an interest beyond economics, who have an interest that comes from the heart and an inherent need to involve themselves in the process of providing food and fiber for all of our citizens. Agriculture is the only sector basically in the great economic system of our country that is bringing money back from abroad. We are the only sector that provides abundantly for our citizens and yet has an abundance to export. All of the renewable resources bring new wealth but they are gone once taken out of the soil. The land is the only resource that can produce repeatedly and make new wealth for this vast economic empire we call the United States even with the problems we have. It all begins with research, and this legislation is a very minimal attempt to continue bringing research into the needs of our time and hopefully the needs of the future. I very much appreciate the cooperation of all the members of our committee, the ranking minority member, the gentleman from Illinois [Mr. MADIGAN], the subcommittee chairmen, who have worked on this legislation this is a unified effort, a bipartisan effort by our committee to bring us into the oncoming century and to continue the work that must be done to keep us at the top in agriculture—feeding ourselves, help feeding the world, and providing the positive economic impact that we do from the renewable resources. The renewable resources are what the farmers produce off the land. H.R. 5056 offers some new research approaches for agriculture. The primary thrust of the legislation is twofold: First, to provide for greater diversity of production methods to farmers through systems research, and secondly, to provide for new uses, applications, technologies, processes, and products of U.S. agricultural commodities and their commercialization.

The systems approach to research on alternative agricultural methods is provided in title I of the legislation. A number of agricultural scientists have identified the systems approach as an effective way of addressing the need to develop agricultural production alternatives. This concept differs from traditional research, which generally involves scientists from one discipline focusing only on one component of a complex problem. Systems research requires a team approach to evaluate all the various components of a farming operation. The research teams would be comprised of individuals from various scientific disciplines, such as agricultural economists, animal and crop scientists, rural sociologists, and others, and would include, for at least a portion of the research, farmers and extension personnel in the conduct of on-farm trials.

A competitive grants program will be authorized for this purpose, and funds would be available through the U.S. Department of Agriculture's Cooperative State Research Service.

A second new focus to agricultural research and development is contained in title II. This title will establish an independent National Institute for Alternative Agricultural Products within the U.S. Department of Agriculture to facilitate the development of new alternative products and new uses of agricultural commodities. The Institute would also work to develop enhanced marketing of existing agricultural products and processes. Research would be conducted through cooperative agreements with the private sector, and competitive grants would be provided on a matching basis.

Title II also will create the Agricultural Research Commercialization Corporation [ARCC]. The purpose of ARCC is to coordinate cooperative development efforts among manufacturers, investors, farmers, universities, and private and Government laboratories to accelerate the commercialization of new industrial products and processes using agricultural commodities. Seven to fifteen regional offices would be established under ARCC to develop a network of scientists, business managers, and others to assist in peer review of projects and provide business and technical counseling to small businesses for commercialization of new uses.

Both the Institute and ARCC would be headed by an independent National Agricultural Alternative Products Board.

Title II will provide annual authorizations for appropriations of $20 million for activities of the Institute; $15 million, for ARCC; and $600,000 for research on the enhancement of existing agricultural products and processes. Additionally, a revolving fund would be established in the Treasury of the United States with separate accounts for the Institute, ARCC and existing products and processes. Under the bill, as reported, repayments deposited into the revolving fund could not be used until 1994. It will not be until then that deposits are likely to begin from payments received for products and services, fees and royalties, donations, and other sources.

As in the previous two titles, title III will establish a competitive grants program to study agricultural production and processing systems. However, this title will focus on research with respect to microbial and chemical agents that undermine the wholesomeness of meat, poultry, and egg products. The purpose of title III is to develop a statistical framework to: First, identify possible contaminants in such agricultural products; second, determine the significance of any health risks of such contaminants; and third, develop appropriate methodologies and procedures for testing harmful contaminants.

Title IV of H.R. 5056 will authorize in statute the National Agricultural Library of the U.S. Department of Agriculture. It also will consolidate and expand the duties and responsibilities of the Library through clear statutory authority.

Title V will provide for the establishment within the Department of Agriculture of an Agricultural Weather and Climatology Office to plan and administer the national agricultural weather information system. The Office will work with the National Weather Service and State and private agricultural weather information systems to obtain more information to increase the efficiency of agricultural production and to reduce the risks to farmers associated with weather. A competitive grants program will be established for research in atmospheric sciences and climatology, and the Secretary of Agriculture will be required to make grants to at least 10 States to plan and administer State agricultural weather information systems. Appropriations of $5 million will be authorized for each of the fiscal years 1989 and 1990 to carry out the activities of this title.

Title VI will establish within the U.S. Department of Agriculture an Office of Ground Water Policy Coordination. This Office would initiate, coordinate, and monitor Department of Agriculture policies and programs related to the protection of ground water. A Ground Water Executive Committee would be established to develop recommendations for issues to be addressed by the office and to recommend policies and establish priorities and goals for planning, research, and coordination of activities by agencies of the department in ground water issues.

Title VII contains several legislative authorities, some of which fall within the shared jurisdiction of other committees of the House.

The first provision of title VII will reauthorize the aquaculture research program established under the National Aquaculture Act of 1980 for an additional 2 years—through fiscal year 1990—with $1 million each for the Department of Agriculture, the Department of Commerce, and the Department of the Interior. Committee jurisdiction over this program is shared with the Committee on Merchant Marine and Fisheries. That committee has already reported legislation this year reauthorizing the National Aquaculture Act, and Chairman Walter Jones has advised me that his committee fully supports this provision. I want to thank Chairman Jones for his assistance on this section of H.R. 5056 and on expediting House action on the legislation. This in no way diminishes the shared jurisdiction of the Committee on Merchant Marine and Fisheries with regard to national aquaculture programs.

Title VII also will reauthorize the research program established under the Critical Agricultural Materials Act for an additional 2 years—through fiscal year 1990—with $8 million annually for the Department of Commerce. These are the levels authorized in current law.

Jurisdiction over Critical Agricultural Materials Act is shared with the Committee on Science, Space, and Technology, and I wish at this time to thank Chairman Robert Roe for his support of this reauthorization and for agreeing to waive consideration of the legislation in the interest of time. This action will have no effect on the current shared jurisdiction of the Committee on Science, Space, and Technology regarding the Critical Agricultural Materials Act.

A third provision of title VII will require the Secretary of Agriculture to conduct a demonstration project that encourages producers of wheat, feed grains, upland cotton, and rice to diversify their operations and market alternative crops. The demonstration project will be effective for the 1989 and 1990 crop years. Alternative crops would include, but not be limited to kenaf, canola, crambe, guayule, high erucic rapeseed, milkweed, and meadowfoam. The alternative crop acreage would be limited to 25,000 acres per year for each crop so as not to adversely affect existing market conditions for program or other major nonprogram crops.

The final provision of title VII will permit the Graduate School of the U.S. Department of Agriculture to provide training services for Federal agencies. This provision in effect makes the Graduate School an entity of Government for purposes of providing training services to Federal Government agencies through cooperative agreements while maintaining its current nonappropriated status.

The moneys to be authorized by this legislation are small compared to the benefits that can be generated as a result of this important research. I urge my colleagues to give H.R. 5056 a vote of approval.

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Mr. MADIGAN. Mr. Speaker, will the gentleman yield?

Mr. de la GARZA. I am happy to yield to my distinguished colleague, the gentleman from Illinois.

Mr. MADIGAN. Mr. Speaker I rise in support of H.R. 5056, the Agricultural Research Act of 1988. This bill contains several worthy provisions relating to innovative research approaches in support of our farmers. I would like to take a moment to speak to one of them that has been of particular interest to me. I refer to that portion of title II that creates the National Institute for Alternative Agricultural Products.

We in the United States have long led the world in lab research on agricultural products, but there have sometimes been delays and difficulties in bringing the fruits of this research to the market. The purpose of the Institute established in title II will be to address that concern.

Our farmers through their hard work and the work of past agricultural research are now able to produce farm commodities in such abundance that we have an embarrassment of riches. Instead of cutting back production and denying farmers the benefit of their efficiency, we need to seek out new alternative products that can move farmers into new markets, thus increasing farmers' income and bringing the benefits of these new products to the consumer.

For a very modest investment, the Institute for Alternative Agricultural Products will provide a much-needed boost to the development and marketing of many new products that already show great potential. Among the most discussed of these are biodegradable plastics made from plant starches. We have all heard about threat to wildlife and the environment posed by plastic wrappers and containers that will be with us forever. Development of biodegradable plastics would end this problem. Of similar environmental use are superabsorbent materials, "superslurpers," made from corn that can be used to quickly soak up toxic or hazardous spills.

The advantages of such products are obvious, both for society and as an additional source of income for rural America. We need to encourage these developments all the way to the marketplace. By providing matching grants to projects that engage both researchers and private companies, the Institute can provide the extra push needed to get alternative agricultural products through development and onto the market. Since successful grants may yield royalties or other income, those proceeds will go into a revolving fund that could make this Institute self-funding in the future.

Mr. Speaker, we have an opportunity in this bill with a modest investment of only $20 million to set our rural areas on a course that can bring us back to full production agriculture, increase economic opportunity in rural communities, and even reduce Government costs for farm subsidy programs. I urged my colleagues to suspend the rules and pass H.R. 5056.

Mr. GRANDY. Mr. Speaker, I yield myself such time as I may consume.

I rise today in support of the Agricultural Research Act of 1988. Research has been directly responsible for making our American farmers the most advanced and productive farmers in the world. Within H.R. 5056 there is a provision to address one of the most important issues facing production agriculture—ground water. This provision would direct the Secretary of Agriculture to establish within USDA an office of ground water policy coordination.

The purpose of this section of the bill is to elevate the consideration of ground water issues within USDA and to ensure that there is a coordinated development of USDA policy on ground water. At present, of the 13 agencies within the Department that claim to have ground water missions or functions, none have a formal, developed, ground water policy. In short, USDA needs to develop a formal ground water policy and coordinate the efforts of its various agencies.

The creation of an Office of Ground Water Policy Coordination with USDA serves as a clear signal as to the importance attached to ground water by the House Agriculture Committee. Ground water is too important an issue for the farm community it affects to have the necessary management authority fragmented among the various USDA agencies without any centralized leadership.

While I recognize that the administration has drawn issue with the creation of an Office of Ground Water Policy, I must respectfully disagree with the foolish contention that the creation of this Office would interfere with the Secretary of Agriculture's ability to administer his Department. In fact, I would think this Office would enhance his power by placing a congressional mandate behind the inevitable coordination of ground water policy by the Department.

I firmly believe that the provision mandating an Office of Ground Water Policy enhances H.R. 5056. Production agriculture and the entire rural community will face dramatically different rules, regulations, and concerns in respect to ground water quality in the 1990's and beyond. It is vital for millions of rural residents that USDA accept its responsibility and move to the forefront of ground water policy.

Mr. DE LA GARZA. Mr. Speaker, I yield such time as he may consume to our distinguished colleague, the gentleman from Texas [Mr. STENHOLM].

Mr. STENHOLM. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in strong support of H.R. 5056, the Agricultural Research Act of 1988.

As the distinguished chairman of the Committee on Agriculture explained, the bill before us today provides for alternative agricultural production systems research, and agricultural commodity production and processing research peer-review grants, among other important provisions.

More specifically, after conducting several public hearings and reviewing countless pages of written testimony, many members of this committee have come to the conclusion that in this age of rapidly changing technologies, we must continue to enhance our ability to incorporate new advances in science and technology into our production and food processing systems.

The time for finger pointing is over. We must all come to terms with the realization that there is a need to make changes in the methods used in detecting and eliminating food-borne diseases from the food chain. Today there is clear and overwhelming scientific evidence to support a move away from traditions and habits of the past to a newer system and means of solving many of the deficiencies in agricultural production and processing systems.

Yet, despite the best efforts of science, some risk is unavoidable, even in products regulated to assure safety. Consequently, I do not believe anyone would argue that the safety of the food supply is the central public issue facing the food industry today. However, let there be no doubt, American consumers have the safest and most wholesome food supply found anywhere in the world.

Moreover, we should certainly move ahead and properly look at ways which take us further down the road in making a good system even better. In this endeavor, I believe the best strategy lies in a three-pronged approach that combines research, proper regulation and evaluation and consumer education.

I firmly believe that an effective framework for gathering useful scientific information is needed in determining what changes and improvements may need to be made in our current system. Hopefully this legislation will lay the proper foundation in meeting the challenges facing U.S. production agriculture.

In concluding my remarks, I urge my colleagues to support this timely and farsighted legislation.

Mr. DE LA GARZA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me mention that title VII of this legislation contains several legislative authorities, some of which fall within the shared jurisdiction of other committees of the House. Title VII, concerning aquaculture is under shared jurisdiction with the Committee on Merchant Marine and Fisheries. Our distinguished colleague, the gentleman from North Carolina [Mr. JONES], the chairman of the committee, and the members of that committee, concur with our proceeding with this title in this legislation. They also have other legislation that pertains to the acquaculture provision of this title that perhaps will run parallel with this action in the House. Our committees are in agreement and supporting each other on this matter.

Also, I might add with regard to the critical agricultural materials provision in title VII which reauthorizes the research program established under the Critical Agricultural Materials Act that the Agricultural Committee shares that jurisdiction with the Committee on Science, Space, and Technology. I wish to thank the distinguished chairman of that committee, the gentleman from New Jersey [Mr. ROE] for his support.

This action we have taken today will have no effect on the current shared jurisdiction of the Committee on Science, Space, and Technology. We will continue working together in this endeavor.

Mr. GRANDY. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding me this time.

I congratulate the gentleman for the work that he did in bringing this matter to the floor in a way that can be funded and I think probably adds a great deal to what we are about to do.

My concern is primarily jurisdictional and procedural. I appreciate the statement that the chairman of the Agricultural Committee just gave.

I must tell the gentleman, however, that from the minority side of things, this is not a bipartisan effort on the Science and Technology Committee. I do not know who the gentleman talked with over at the committee, but this is not an action that has been subjected to any hearings over there. The minority had absolutely no input into this action over there. There was no sign-off from the minority in terms of this particular action.

I think that if we are going to have a process around here which assures that we have a wide-based support for these kinds of bills, that it would be well to include both sides of the aisle in some of the sign-offs that bring these things to the floor.

I was a little surprised to find that an action which was to be jointly referred to my committee was coming to the floor today in a process, when I checked with my minority staff, I found there had been no consultation.

Perhaps that is not the job of the gentleman who is bringing it to the floor. Perhaps that is the job of the people on my committee itself, I do not know; but I will tell the gentlemen this. I do not think it is an appropriate procedure when all of a sudden we are confronted with bills out here that we know are under our jurisdiction, but yet we had no input into the decision to bring them to the floor.

So I would hope that we would have a little bit better coordination in the future to assure that all of us have some input on these things, rather than be confronted with a fait accompli.

In this particular instance, it appears as though the legislation does have some merit, but in the Science Committee, for example, we have not held any hearings on this matter since the 98th Congress. It might be well probably for us to take a look at some of the issues involved.

Mr. DE LA GARZA. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I am happy to yield to the gentleman from Texas.

Mr. DE LA GARZA. Mr. Speaker, as the gentleman knows in our committee we work together and we work in a bipartisan way.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has expired.

Mr. DE LA GARZA. Mr. Speaker, I yield 1 additional minute to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I continue to yield to the gentleman from Texas.

Mr. DE LA GARZA. In no way do we try to be uncooperative. We deal with the process in the system and we contact the other committees. We speak to what we assume is its leadership and counsel, and if it does not come down, we have no way of knowing. All we have is the assurances from the leadership in that committee that it is clear.

Perhaps we should caution, or I will caution our staff and our members that we should endeavor to see if all or both sides of the committee are notified. I assure the gentleman that will be the case from now on.

Mr. WALKER. Mr. Speaker, I appreciate that, and that is the point that I am making, that there is leadership, as the gentleman well knows from his own committee, on both sides of the aisle on these matters. It would certainly help if we had some warning about some of these things coming along, because it would allow us to be supportive without getting into it further.

Mr. DE LA GARZA. Mr. Speaker, if the gentleman will yield briefly, almost everything we do we have to clear with the gentleman from Pennsylvania. I do not know how this one escaped. It fell through the cracks.

Mr. WALKER. It simply did not come to the Science and Technology Committee.

Mr. Speaker, I thank the gentleman.

Mr. DE LA GARZA. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Minnesota [Mr. Penny].

Mr. PENNY. Mr. Speaker, I rise in strong support of the Agricultural Research Act of 1988, H.R. 5056. This legislation will promote the research and development of new crops and cropping systems, new industrial uses for agricultural and forestry commodities, and support the commercialization of new agricultural products and processes.

The Agriculture Committee realizes that the development, commercialization and marketing of new agricultural products is costly and unusually risky, but essential to the continued development of our agricultural economy. The committee feels that the establishment of a partnership among the private and public sectors to develop and commercialize new agricultural products will ensure that Federal dollars spent on agricultural research will yield the highest return for the American economy. New products will give farmers additional markets for their crops and strengthen their financial situation.

This legislation is an important first step in the revitalization of the farm economy of our Nation, and will contribute to the competitiveness of American exports on the world market.

I applaud the leadership and staff of the Agriculture Committee on their fine work on this legislation, and urge my colleagues to support this bill.

Mr. GRANDY. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota (Mr. Weber].

Mr. WEBER. Mr. Speaker, I would like to thank my colleagues, the gentleman from Iowa [Mr. Grandy] both for yielding me this time and for the tremendous leadership he has shown on this issue.

Mr. Speaker, I rise in strong support of the Agricultural Research Act of 1988.

I would like to commend the chairman, the gentleman from Texas [Mr. de la Garza], as well as the gentleman from Illinois [Mr. Madigan] for the leadership they have shown on this bill, along with our friend, the gentleman from Iowa [Mr. Grandy].

Mr. Speaker, I would specifically like to draw attention, as the previous speaker did, to title II, the National Alternative Agricultural Products Board, which I believe is one of the most exciting developments in agricultural research policy to come through this body, certainly since I have been a Member of Congress.

As a member of the Agricultural Appropriations Subcommittee, of course I have a great interest in agricultural research and this is a tremendous movement forward.

Mr. Speaker, I think we could argue that agricultural research has been the most successful investment of research dollars ever conducted by the Federal Government. I realize that is quite a strong statement, but in terms of getting what we paid for, there are few areas were we have invested research dollars where there have been so few failures and such a tremendous payback.

The only problem we have is that most of that money over the history of American agricultural research has been invested in expanding production, more soybeans per acre, more milk per cow. That is still an important function of agricultural research, but as the supply and demand equation worldwide has changed, we have had a need in agriculture to change the direction of that research away from simply expanding production into finding new uses for the products of America's renewable resource.

In Minnesota, the State government has taken a tremendous step in this direction by creating, through an entity called the Greater Minnesota Corp., an Agricultural Products Utilization Institute, which is going to be funding research projects this year, hopefully with the help of the Federal Government, into finding new uses for corn, soybean, wheat and sugar beets.

Some of the products they are going to be working on include the uses of cornstarch and road de-icer and plastics.

Mr. Speaker, those are only some of the opportunities that we have to make greater use of America's agricultural abundance.

There are three tremendous advantages to product utilization research.

First of all, it is good for agriculture because it is more uses for our commodities, uses close to the point of production, which means a better price for farmers.

Second of all, it is good for the environment. Those plastics we are trying to develop, that road de-icer we are working on, is biodegradable and more compatible with our environment than a traditional or petroleum based product.

Finally, it is the best rural development program we can have, because every new product that we develop from corn or wheat or soybeans is a new factory, a new business in small town America, close to the natural resource.

So I want to extend special commendation to my colleague, the gentleman from Minnesota [Mr. Penny] for the leadership that he has provided in helping to write this title, as well as for the tremendous work of all the members of the Agricultural Committee.

I thank the gentleman from Iowa for being generous with his time, and I urge the body to support this bill.

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Mr. DE LA GARZA. Mr. Speaker, I reserve the balance of my time.

Mr. GRANDY. Mr. Speaker, I yield 2 minutes to the distinguished ranking member of the Subcommittee on Departmental Operations, Research and Foreign Agriculture, the gentleman from Kansas [Mr. Roberts].

Mr. ROBERTS. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I want to commend my chairman, Mr. de la Garza, and the ranking member, Mr. Madigan, for the considerable effort put forth to develop and report H.R. 5056. Hopefully, the yeoman work of these gentlemen will put this bill on the President's desk by the end of this Congress.

I also want to thank our subcommittee chairman, the gentleman from California [Mr. Brown], for his longtime dedicated efforts in behalf of this bill and agricultural research in general. And, I want to especially thank the gentleman from Iowa [Mr. Grandy] for his contribution in mandating that the USDA take an activist role of leadership in this particular area. When the USDA takes a lead role next year it will be due to the efforts of Mr. Grandy.

Most Americans understand the good fortune we have when this Nation can produce enormous quantities of quality food and fiber. However, too few realize that the awesome productivity of agriculture can benefit industry as well. Today's technology allows chemists and engineers to derive a wide variety of industrial chemicals and products from our agricultural commodities, but we have done little to develop this near term potential. H.R. 5056 squarely answers this challenge.

H.R. 5056 represents a unique opportunity to couple private sector expertise and initiative with Federal support. By keying research and development funding to projects that have private sector support, we increase the likelihood of developing new products and processes that will create jobs and spur economic development. Given today's budget constraints we cannot afford to commit research dollars without regard to market realities.

I support this bill, and encourage its favorable consideration by my colleagues.

Mr. GRANDY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DE LA GARZA. Mr. Speaker, even though it sounds like a simple bill. This legislation is one of the more important pieces of legislation that we would consider this session. It has been worked out carefully, systematically. Everyone has been most cooperative.

The chairman of the subcommittee, the distinguished gentleman from California [Mr. BROWN], the gentleman from Kansas [Mr. ROBERTS], and everyone who has worked on this bill has put forth a very conscientious effort within the constraints we have with budget. I hope that my colleagues in the House would support this legislation.

Mr. Speaker, I yield such time as he may consume to the gentleman from Washington [Mr. LOWRY].

Mr. LOWRY of Washington. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in support of this legislation, and I commend the committee and their work.

Mr. ROTH. Mr. Speaker, our Nation's vast agriculture production capability is in large part due to the technological advances resulting from agriculture research through the years. The first American settlers engaged in elementary agriculture experimentation, and from these modest beginnings our agriculture sector has risen to be the world leader in production.

Today, I rise in strong support of H.R. 5056, the Agriculture Research Act of 1988. This legislation is designed to increase the variety of production alternatives for farmers and encourage experimentation with new crops. In addition, grants and low-interest loans will be available to promote new uses for farm products.

H.R. 5056 creates a competitive research grant program for projects to increase production methods available for farmers. Colleges and universities, State agricultural experiment stations and the private sector will be eligible for the research grants.

In an effort to promote the development of new products from agricultural commodities, a National Institute for Alternative Agricultural Products will be established within the Department of Agriculture. One new usage which is already widely implemented is the production of ethanol fuel from corn. Potential new products include biodegradable plastics, cosmetics, and pharmaceuticals.

The Institute will allocate grants, contracts and cooperative agreements for research efforts which are geared toward new nonfood and nonfiber uses of agricultural products. Priority consideration will be given to economically viable products.

A second important aspect of H.R. 5056 is the creation of a national weather information program. Given the devastating drought that swept the Midwest this past spring and summer, a grant program to aid State agricultural weather systems in developing more accurate indicators and reporting data will be most beneficial.

H.R. 5056 places a renewed emphasis on the development of alternative uses for farm commodities. It is a positive step for our Nation's farmers which is targeted toward opening new markets for new farm products in the United States and foreign countries.

Mr. Speaker, I urge my colleagues to support passage of this important legislation which will strengthen our commitment to agriculture research into the 1990's.

Mr. JONES of North Carolina. Mr. Speaker, today we are considering H.R. 5056, a bill to authorize agricultural research programs, improve the operations of the National Agricultural Library, and for other purposes.

Title V of H.R. 5056—aquacultural research—amends the National Aquaculture Act of 1980 to authorize that act for fiscal years 1988, 1989, and 1990. The National Aquaculture Act falls within the jurisdiction of the Committee on Merchant Marine and Fisheries, which I chair, and for that reason H.R. 5056 was jointly referred to my committee.

On July 28, 1988, the Committee on Merchant Marine and Fisheries reported H.R. 4123 (H. Rept. 100-808) which included provisions similar to those in title V of H.R. 5056 regarding the authorization of appropriations to carry out the National Aquaculture Act for several additional years. The unanimous vote in favor of H.R. 4123 in my committee demonstrates the strong bipartisan support that aquaculture enjoys in Congress.

The provisions of H.R. 5056 are sufficiently similar to those of H.R. 4123 to accomplish our mutual goal. It is important that we reauthorize the National Aquaculture Act.

H.R. 4123 would provide a 3-year reauthorization of the National Aquaculture Act, as opposed to the 2-year reauthorization that H.R. 5056 provides. This shorter authorization is acceptable to my committee.

I support the National Aquaculture Act, and I urge my colleagues to support it too. However, certain aspects of the administration's implementation of the act continue to trouble me. The administration's joint Subcommittee on Aquaculture has met regularly and does a good job of communicating and coordinating the fragments of aquaculture programs that they represent. However, the Federal effort regarding aquaculture is at best seriously fragmented and of very low priority within the departments that have responsibility for aquaculture programs.

For example, the national aquaculture plan wasn't published until September 1983. The plan calls for a number of tasks and reports. Unfortunately, few of these activities have been undertaken or completed. The plan discusses many barriers to the development of a domestic aquaculture industry, but little has been done to remove these barriers. Moreover, the national aquaculture plan is based on data that is 10 years old. Consideration should be given to revising the plan to reflect the considerable changes that have taken place in the field of aquaculture in the last decade and to enable the Government and the aquaculture industry to work together in developing the full potential of this very valuable industry.

Because of such shortcomings, it is acceptable to limit reauthorization of the National Aquaculture Act for a period of 2 years. This will allow us to revisit Federal aquaculture activities sooner to review whether the current shortcomings have persisted or have worsened.

I applaud the efforts of my colleagues to support this important fisheries program, and I urge your support of H.R. 5056 today.

Mr. TALLON. Mr. Speaker, I rise in strong support of H.R. 5056, the Agriculture Research Act.

The Agricultural Research Act is an investment in agricultural research that will be repaid many times over with a stronger, healthier agriculture economy.

H.R. 5056 establishes a National Institute for Alternative Agricultural Products at USDA to help develop new products that can be made from farm commodities. The institute would encourage and help fund joint research efforts between the public and private sectors, including work in the area of biotechnology, and provide information and technology transfer.

The measure authorizes the institute to award competitive research grants, and to enter into contracts and cooperative agreements—all of which would require at least a 50-percent non-Federal funding match.

The bill creates an independent, nonprofit corporation—the Agricultural Research Commercialization Corporation—within the institute. The corporation would use various business financing methods, for example, loans, loan guarantees, interest subsidies, debentures, and repayable grants to support the commercialization of agricultural products.

The measure authorizes such sums as may be necessary for the institute with the following limitations: $20 million to carry out the Institute for Alternative Agricultural Product's work to develop new agricultural products; $15 million for the corporation's work to commercialize new products; $600,000 to enhance marketing of existing agricultual products.

I introduced the final marketing provision to insure that existing commodities receive commercialization assistance. The committee envisions these funds—up to $600,000—to be used for commercial research and development and marketing of fresh water hybrid striped bass.

There is a great need and potential for the commercialization of fresh water hybrid striped bass in my State of South Carolina. Previous and existing research has taken us to the level of individual production. Now South Carolina is on the threshold of commercially producing these fish. Crossing this threshold, however, requires commercial and marketing guidance. We need the extra shove towards commercialization that this bill provides.

Tobacco has historically been the mainstay of South Carolina's agriculture economy. The size of farming operations in most of the State is particularly small and even now, no other crop brings as great a per acre return as tobacco. However, tobacco sales and prices have dropped dramatically in recent years.

As a result, farmers are searching for commodities that can be produced in conjunction with, or as an alternative to, tobacco. Agricultural research has been focused on developing commodities suitable to the climate, growing season, and farm size that has worked so well for tobacco.

Ongoing research has shown great promise in the area of aquaculture. In particular, South Carolina is already in a unique position with its capacity for growing hybrid striped bass. Because of its climate and geography, South Carolina's small farms can be successfully converted to the production of fresh water hybrid striped bass.

South Carolina has a wide diversity of aquatic resources that could be tapped to generate income and employment by the development and implementation of netpens or cage culture production systems.

There are approximately 150,000 acres of existing privately owned freshwater impoundments, 450,000 acres of large public and corporate freshwater impoundments, and about an equal number of brackish and saltwater areas along the coast.

Most of these aquatic resources are not capable of generating economic growth using conventional open pond rearing systems. However, many have potential for confinement culture using netpen technology. If 10 percent of the approximately 1,000,000 acres are developed and generate $1,000 per acre revenue, the potential benefit to South Carolina would be $100,000,000. This figure does not include value added or support industries.

Although the technologies for raising salmon in confinement have been refined to the point of economic feasibility, systems for temperate species appropriate for South Carolina are just now being researched.

A major priority of South Carolina's land grant university, Clemson, is to develop confinement culture systems appropriate for existing aquatic resources in the Southeast. An interdisciplinary aquaculture team with the specific expertise to develop these technologies has been assembled. Based on intensification of other livestock production systems, the needs during intensification were identified.

The aquaculture team consists of fish culture personnel, a facility and aquaculture engineer, a design and water quality engineer, a stress psysiologist, a health management fish pathologist, a nutritionist, a processing specialist, a product quality specialist, and an economic and marketing specialist. The purpose of this team is to research and develop cost effective technologies to use the abundant aquatic resources within the State.

The State of South Carolina has invested heavily in aquaculture research development with approximately $5 million in facilities with approximately 12 professional FTE's plus technical staff working in aquaculture. Additional funds are requested to develop and support facilities specifically designed to evaluate species and systems to utilize our abundant aquatic resources. South Carolina is investing in confinement systems, and it is imperative that we aggessively explore and define limitations of these systems to help ensure success.

In addition to developing cost effective production technologies, it is important that marketing outlets are identified. The markets have to first be quantified to establish present demand and price structure. When an estimate of quantity and price are established, the cost of production figures are generated in the research and development stage can be used to estimate return on investment. The marketing cannot be treated as constant: product development, further processing, and consumer acceptance research has to be conducted to ensure healthy markets for the product grown.

But, just as important as South Carolina's capacity for successfully commercializing the freshwater hybrid striped bass, is the potential that exists for filling a niche market gap since this Nation has a trade deficit in seafood. The only displacement that would result from the successful marketing of freshwater hybrid striped bass is of our foreign competitors.

Fish, other seafood, and related products and byproducts represent a trade imbalance of over $5.6 billion annually for the United States. This is our third largest trade deficit.

Third World countries have unlimited cheap labor and a 12-month growing season but lack the essential technology, transportation, and mechanization to be competitive with animal production systems such as poultry, pork, and beef.

In Europe, Asia, and North America, total confinement systems are already functional. The total confinement systems for salmon developed in Europe and transferred to Canada are designed to use aquatic resources which would be unusable without confinement culture. Open ocean netpens and freshwater systems represent state of the art for aquaculture in Norway, Scotland, and several coastal Canadian provinces. The use of these aquatic resources has generated economic prosperity, not only for the producer but also for support industries.

To sum it up, from tomatoes to fish, the one common obstacle among all the growers in my State is marketing. Regardless of your product, if you don't have the necessary marketing capabilities you're destined to fail. My amendment will make certain that past and future research pays off. It will better ensure those farmers who are willing to produce fresh water hybrid striped bass get what they deserve: a profit.

Mr. DE LA GARZA. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. (Mr. GRAY of Illinois). The question is on the motion offered by the gentleman from Texas [Mr. DE LA GARZA] that the House suspend the rules and pass the bill, H.R. 5056, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

FEDERAL CROP INSURANCE COMMISSION ACT OF 1988

Mr. DE LA GARZA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5325) to establish a commission to review and make recommendations for the improvement of the Federal Crop Insurance Program

The Clerk read as follows:

H.R. 5325

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Crop Insurance Commission Act of 1988".

SEC. 2. FINDINGS, POLICY, AND PURPOSE.

(a) Findings.—The Congress finds that—

(1) the Federal crop insurance program was established to promote the national welfare by improving the economic stability of agriculture through a sound and comprehensive system of nationwide crop insurance that would allow the phasing out of disaster payments programs as part of farm price support and income protection programs;

(2) despite recent increases in the acreage covered by Federal crop insurance, the level of farmer participation in the Federal crop insurance program in most agricultural areas is below what the Congress anticipated when the Federal Crop Insurance Act of 1980 (P.L. 96-365) was enacted into law; and

(3) low levels of participation in the Federal crop insurance program, from time to time, have contributed to the need to continue disaster payment programs in response to recurring natural disasters that threaten farmers, crop production, and the food supply of the United States.

(b) Statement of Policy.—It is hereby declared to be the policy of the Congress, in order to further the improvement of national farm policy, to determine why the Federal crop insurance program has not developed into a fully effective substitute for ad hoc disaster payment programs.

(c) Purpose.—The purpose of this Act is to ensure the thorough review of the Federal crop insurance program and the development of recommendations for such changes as are needed to improve the program so as to lessen, if not eliminate, the need for additional disaster payment programs, and thereby reduce the burden such programs impose on the Federal budget while providing to producers of agricultural commodities more equitable, efficient, and predictable protection from natural disasters.

SEC. 3. ESTABLISHMENT OF COMMISSION.

There is hereby established a commission to be known as the Commission for the Improvement of the Federal Crop Insurance Program (in this Act referred to as the "Commission"), which shall review and make recommendations concerning the authorization and administration of the crop insurance program established under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) (in this Act referred to as the "program"), as provided in section 5.

SEC. 4. MEMBERSHIP OF COMMISSION.

(a) In General.—The Commission shall be composed of 25 members, 21 of whom shall be voting members and 4 of whom shall be nonvoting members.

(b) Voting Members.—The 21 voting members of the Commission shall be the Manager of the Federal Crop Insurance Corporation and 20 other members who shall be appointed by the Secretary, as follows:

(1) Appointees.—Within 30 days after the date of the enactment of this Act, the Secretary shall appoint to the Commission—

(A) 4 individuals who will represent the views of the companies (or managing general agencies which write crop insurance through other companies) that—

(i) have a 1989 reinsurance agreement under the Federal Crop Insurance Act; and

(ii) for the 1987 crop year, wrote the greatest dollar volume of federally reinsured crop insurance;

(B) 2 individuals who will represent the views of companies writing lesser dollar volumes of federally reinsured crop insurance, and 1 of whom will represent the views of the companies writing Federal crop insurance whose primary business is the writing of crop insurance for losses due to hail;

(C) 2 individuals who will represent the views of the 2 largest agencies selling nonreinsured Federal crop insurance;

(D) 2 individuals who will represent the views of national organizations of insurance agents;

(E) 1 individual who will represent the views of the largest national association representing wheat producers;

(F) 1 individual who will represent the views of the largest national association representing corn producers;

(G) 1 individual who will represent the views of the largest national association representing cotton producers;

(H) 1 individual who will represent the views of the largest national association representing soybean producers;

(I) 3 individuals who will represent the views of the 3 largest national general farm organizations; and

(J) 3 individuals who will represent the views of producers of fruits, vegetables, specialty crops, and other crops not specified in subparagraph (E), (F), (G), or (H).

(2) CONSIDERATION OF NOMINATIONS.—

(A) In making appointments under subparagraph (A) of paragraph (1), the Secretary shall consider nominations submitted by the 4 companies described in such subparagraph.

(B) In making appointments under subparagraphs (B), (C), and (D) of paragraph (1), the Secretary shall consider nominations submitted by the organizations and associations representing the insurance companies and agents that participate in the program.

(C) In making appointments under subparagraphs (E), (F), (G), and (H) of paragraph (1), the Secretary shall consider nominations submitted by the 4 associations described in such subparagraphs.

(D) In making appointments under subparagraph (I) of paragraph (1), the Secretary shall consider nominations submitted by the organizations described in such subparagraph.

(E) In making appointments under subparagraph (J) of paragraph (1), the Secretary shall consider nominations submitted by organizations representing producers of the commodities specified in such subparagraph.

(c) NONVOTING MEMBERS.—The 4 nonvoting members of the Commission shall be—

(1) the Chairman of the Committee on Agriculture, Nutrition, and Forestry of the Senate (or the designee of such Chairman), and the ranking minority member of such Committee (or the designee of such minority member); and

(2) the Chairman of the Committee on Agriculture of the House of Representatives (or the designee of such Chairman), and the ranking minority member of such Committee (or the designee of such minority member).

(d) ELECTION OF CO-CHAIRMEN.—At the first Commission meeting, the Commission shall elect 2 members to be the co-chairmen of the Commission, 1 of whom shall be chosen from among members appointed under subparagraph (A), (B), (C), or (D) of subsection (b)(1), and the other of whom shall be chosen from among members appointed under subparagraph (E), (F), (G), (H), (I), or (J) of subsection (b)(1).

(e) VACANCIES.—A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

SEC. 5. DUTIES OF COMMISSION.

(a) STUDY OF FEDERAL CROP INSURANCE PROGRAM.—

(1) IN GENERAL.—The Commission shall—

(A) study and determine why participation in the program has not reached the levels anticipated when the Federal Crop Insurance Act of 1980 was enacted;

(B) identify the States and commodities with respect to which the lack of participation in the program is most serious; and

(C) prepare findings and recommendations setting forth means by which—

(i) participation in such program, in such States and throughout the United States, and by producers of the commodities identified under subparagraph (B), may be increased; and

(ii) natural disaster protection for producers of agricultural commodities may be improved.

(2) PARTICULAR AREAS TO BE EXAMINED.—In particular, the Commission shall examine—

(A) the reasons why more producers of agricultural commodities do not participate in the program;

(B) the adequacy of the insurance coverage provided by the program;

(C) the adequacy of the development and use by the Federal Crop Insurance Corporation of yield data in the program, including the yields used to establish insurance coverage;

(D) the effects of the crop insurance premiums charged such producers on the level of participation in, and the cost of, the program, and the actuarial soundness of such premiums;

(E) the nature and extent of all government subsidies associated with the program;

(F) whether the sales commission rates and Federal payments for services performed by crop insurance companies and agencies are at the proper levels, taking into consideration, among other things, commission rates and payment levels charged in other property insurance programs in which the Federal Government participates;

(G) the efficiency of sales and claims adjustment services provided to such producers who purchase insurance under the program, and the effectiveness of the educational efforts to inform such producers about the program;

(H) the ways in which the provision of Federal crop insurance information and the procedures for obtaining such insurance may be made simpler, more uniform, and stable;

(I) the adequacy of compliance efforts by insurance companies, agencies, and the Federal Crop Insurance Corporation to ensure program integrity;

(J) the extent to which financial institutions require such producers to purchase crop insurance as a prerequisite to making credit available to such producers;

(K) the effect of the crop insurance requirements imposed under section 207 of the Disaster Assistance Act of 1988 (7 U.S.C. 1421 note) on participation in the program;

(L) the feasibility of adopting "premium pools" that would set a single, nationwide "group" premium for each agricultural commodity, including the impact of such pools on the premiums paid by such producers and on government subsidies of premiums charged under the program; and

(M) any other aspect of the program that the Commission determines has an impact on participation in, or the effectiveness of, the program.

(b) INTERIM REPORT.—Not later than April 1, 1989, the Commission shall submit to the Committee on Agriculture, Nutrition, and Forestry of the Senate, the Committee on Agriculture of the House of Representatives, and the Secretary of Agriculture (in this Act referred to as the "Secretary") an interim report containing findings and recommendations for immediate administrative improvement in the program, aimed at improving the program in the 1990 sales year.

(c) FINAL REPORT.—Not later than July 1, 1989, the Commission shall submit to the Committee on Agriculture, Nutrition, and Forestry of the Senate, the Committee on Agriculture of the House of Representatives, and the Secretary a report that shall include—

(1) recommendations for legislation including alternative methods for achieving the desired goals;

(2) a status report on the improvement of program administration by the Secretary based on the recommendations contained in the interim report and subsequent findings; and

(3) the findings and recommendations required to be prepared pursuant to subsection (a)(1)(C).

(d) CONTINUED MONITORING OF PROGRAM; MONTHLY REPORTS.—Beginning July 1, 1989, and ending December 31, 1990, the Commission shall continue to monitor the program and shall report on a monthly basis to the Committee on Agriculture, Nutrition, and Forestry of the Senate, the Committee on Agriculture of the House of Representatives, and the Secretary on—

(1) the extent to which the recommendations of the Commission have been implemented; and

(2) the level of participation in the program by producers of agricultural commodities.

SEC. 6. TERM OF OFFICE.

Appointment to the Commission shall be for the life of the Commission.

SEC. 7. COMPENSATION OF COMMISSION MEMBERS.

Commission members shall not receive pay by reason of their service on the Commission, except that the Commission shall reimburse Commission members for reasonable and necessary travel expenses incurred by such members to carry out the duties and functions of the Commission.

SEC. 8. POWERS OF COMMISSION.

(a) HEARINGS.—The Commission may, for the purpose of carrying out this Act, hold such hearings, sit and act at such times and places, take such testimony, and receive such information, as the Commission considers appropriate.

(b) OBTAINING OFFICIAL INFORMATION.—Subject to other law, the Commission may secure directly from any department or agency of the United States information necessary to enable the Commission to carry out the duties and functions of the Commission under this Act. On joint request of the co-chairmen of the Commission, the head of such department or agency shall furnish such information to the Commission.

(d) USE OF OTHER FEDERAL PERSONNEL AND SUPPORT SERVICES.—The head of each executive agency and the General Accounting Office shall furnish the Commission such personnel and support services as the head of such agency or Office, as the case may be, and the co-chairmen of the Commission agree are necessary to assist the Commission to carry out the duties and functions of the Commission under this Act. The Commission shall not be required to pay or reimburse such agency or Office for personnel and support services provided under this subsection.

(e) INAPPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Commission.

(f) Experts and Consultants.—Subject to such rules as may be prescribed by the Commission, the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

(g) Leasing of Office Space.—The Commission may lease office space in the District of Columbia.

SEC. 9. DIRECTOR AND STAFF OF COMMISSION.

(a) Appointment.—Subject to such rules as may be prescribed by the Commission, the co-chairmen of the Commission may jointly appoint a staff director and such additional personnel as such co-chairmen agree are necessary to assist the Commission to carry out the duties and functions of the Commission.

(b) Compensation.—Subject to such rules as may be prescribed by the Commission, the co-chairmen of the Commission may jointly fix the compensation of the staff director at a rate not to exceed the rate of basic pay payable for level IV of the Executive Schedule, and the compensation of additional personnel at a rate not to exceed the maximum rate of basic pay payable for GS-16 of the General Schedule.

(c) Inapplicability of Certain Civil Service Laws.—The Director and staff of the Commission may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

SEC. 10. RULES GOVERNING COMMISSION MEETINGS.

(a) Quorum.—11 Commission members with the right to vote at Commission meetings shall constitute a quorum. Any number of Commission members may hold hearings and receive reports but only if such proceedings are conducted by a co-chairman of the Commission.

(b) Initial Meeting.—Within 60 days after the date of the enactment of this Act, the Secretary or the delegate of the Secretary shall conduct the first Commission meeting.

(c) Subsequent Meetings.—After the first Commission meeting, the Commission shall meet at the call of either co-chairman or of a majority of the Commission members.

"(d) Prohibition on Proxy Voting.—Voting by proxy shall not be allowed."

SEC. 11. TERMINATION.

The Commission shall cease to exist on December 31, 1990, except that the Secretary may, in the discretion of the Secretary, extend the life of the Commission beyond such date.

SEC. 12. FUNDING.

From amounts appropriated to the Federal Crop Insurance Corporation for administrative and operating expenses for fiscal year 1989, the Corporation shall make available to the Commission not to exceed $1,500,000 to carry out this Act. Amounts so made available shall remain available to the Commission until expended.

The SPEAKER pro tempore. Is a second demanded?

Mr. MADIGAN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas [Mr. de la Garza] will be recognized for 20 minutes and the gentleman from Illinois [Mr. Madigan] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. de la Garza].

Mr. de la GARZA. Mr. Speaker, I yield such time as he may consume to the distinguished chairman of the subcommittee who has jurisdiction over crop insurance, our distinguished colleague, the gentleman from Tennessee [Mr. Jones].

Mr. JONES of Tennessee. Mr. Speaker, all of us are aware of the pain and turmoil American farmers and ranchers have suffered this year as a result of the worst drought and heat wave since the days of the dust bowl, 50 years ago. Indeed it may be years before agricultural producers and rural businessmen recover from the economic effects of this disaster.

Acting in a nonpartisan spirit, the Congress and the Department of Agriculture worked successfully on a much needed disaster relief bill last month. During the consideration of the disaster bill, questions were repeatedly raised about why more producers weren't insured under the Federal Crop Insurance Program.

After all, in 1980, Congress completely overhauled the program to include coverage on virtually all crops in every county.

However, the sad fact is that only about 25 percent of the acreage eligible for insurance coverage currently is enrolled in the program. This level of participation simply is not adequate enough to address the financial consequences of a disaster like we experienced this year. Nor is producer participation in the program sufficient to forestall the political pressures that always come to bear when natural disasters strike a wide path, especially in an election year.

H.R. 5325 is an effort to establish a forum in which all constituencies involved in crop insurance can participate in a constructive debate aimed at resolving their differences and arriving at recommendations to improve the program and expand producer participation. I know of no opposition to this bill, and it has strong support from the various segments of the insurance industry, general farm groups, and commodity organizations. The administration has also given a very favorable report on the bill.

Mr. Speaker, I urge adoption of H.R. 5325, and am including in the Record excerpts from the Federal Crop Insurance Corporation's annual report to Congress, covering the years 1981 through 1986.

Preface

The Federal Crop Insurance Corporation (FCIC) herewith presents a report to the Congress on its activities under the authority of the Crop Insurance Act of 1980, which significantly altered the operations of the agency.

In its last report to the Congress, for 1980, it was noted that "the new legislation ushers in a new era for the Corporation, and further lengthens the far-reaching potential it offers in supporting American agriculture."

The report reviews the expansion of the Corporation's insurance coverage for American agriculture during the past 6 years. It presents a picture of dramatic growth to meet the challenges of the new authority provided by the 1980 Act. And it demonstrates some of the difficulties which FCIC experienced, and still faces, in its service to the concept of risk management by today's agricultural producer.

The Corporation, as is shown in this report, has made remarkable progress in providing a reliable risk management protection program for American farmers. Much remains to be done. While we can take pride in the millions of dollars of benefits received by producers since 1980, we are concerned that they have been provided in excess of premium income. The taxpayers of the United States have the assurance that such funds ensure a strong agricultural economy by directly compensating the farmer, but the FCIC continues to strive for the actuarial soundness called for in the 1980 Act.

In the narrative and tabular sections of this report the reader will find a complete review of FCIC operations since 1980. We hope that the report will provide the Congress and the public the assurance that the FCIC is working to meet its mandate "to promote the national welfare through a sound system of crop insurance. . . ."

E. Ray Fosse,
Manager, Federal Crop Insurance Corporation.

Federal Crop Insurance: Producer Partnership—Producer Protection.

Although agriculture faced a new decade in 1980 with anxiety, the idea of a revised and expanded Federal crop insurance program began in the 1970's, what had been "the flowering era" of modern American agriculture. The concept for a universal crop insurance program was actually presented by former USDA Secretary Earl Butz (1969-1976) and modified and passed by the Congress during the tenure of former USDA Secretary Bob Bergland (1976-1980).

Conceived during a period of rural prosperity, the idea of greater financial stability for the farmer through more widely available crop insurance made even more sense as farm incomes began to fluctuate and the cost of national programs climbed. The fruition of that first concept became the Federal Crop Insurance Act of 1980, whose record of crop program expansion and producer participation is bringing it closer each crop year to its goal—becoming the primary source of disaster risk management for American farmers.

While the idea of an expanded crop insurance program had thus been nurtured for years before the 1980 Act, crop coverage and county and State expansion were multiplied practically overnight upon passage of the new Act. The federal crop insurance program of the 1940's and 1950's, and even that of the 1960's and 1970's, was small in scope and coverage.

"For any business to grow as rapidly as crop insurance was asked to grow in 1980 would have been extremely difficult," stated Frank W. Naylor, Jr., Under Secretary for Small Community and Rural Development during the transition generated by the 1980 Act. "Few if any commercial businesses would even try to achieve the goals outlined in the 1980 Act." But grow it did, from 4,629 county crop programs in 1980, to 5,969 programs in 1981, and to more than 19,000 county crop programs for crop year 1987.

THE DELIVERY SYSTEMS

To most effectively coordinate delivery of the expanded Federal crop insurance programs and increased producer participation, a dual-delivery system was designed. In compliance with the 1980 mandate, this approach relied upon the capability of the private sector to the maximum extent possible. FCIC initiated working with the private sector in two ways: It provided for sales of federally underwritten policies by private sales and service contractors (Master Marketers); and it allowed private risk-bearing companies to provide and completely service insurance policies with identical coverage (reinsured companies).

In this dual-delivery system, Master Marketers must have at least 25 licensed agents, whom they recruit, train, and supervise in sales and sales servicing. Master Marketers are not responsible, however, for other types of policy servicing. FCIC offices of Data Automation, Claims, Accounting, and eighteen regional offices provide information and service for federal policies. In addition, FCIA sponsors annual up-date meetings, where new or modified FCIC programs and procedures are presented and discussed.

Reinsured companies, by comparison, conduct all aspects of the sales and servicing of the federally reinsured private policies. In 1986, reinsured companies received compensation for administrative and operating expenses at the rate of 30 percent of the written premium. Master Marketers were compensated at 15 percent of collected premium for the sales and service functions they provided.

While both systems provide equal coverage and quality of service, the treand appears to be that producers are relying on reinsured companies, which have provided traditional insurance services, for their crop insurance needs as well. As a general indicator, premium income patterns demonstrate an increase in policies sold through reinsured companies over the past 5 years.

For example, premium income for federal policies in 1981 was $366 million; for reinsured companies, it was $13 million. By 1986, however, premium income for reinsured companies had increased to approximately $303 million; premium income produced by Master Marketers, on the other hand, had decreased to approximately $75 million. However, this design of two systems for private delivery of the program has provided viable alternatives as FCIC continues to develop under the 5-year-old Act.

PARTICIPATION OF THE PRODUCER

An overview of how the public may still tend to see the role of Federal assistance is helpful in analyzing the reason behind somewhat slower growth in producer participation than originally anticipated. For decades, Federal assistance to agriculture came after widespread hardship. Benefits were awarded only to growers of limited basic crops; and because the decision to provide these payments was subject to legislative discretion, the frequency and amount of disaster relief was uncertain.

Crop insurance, however, is different. It provides a predictable and specific amount of protection against the loss of crop production, and it is user-supported. Seen as an "investment" with a guaranteed yearly return, the definition of crop insurance (or of any type of insurance) becomes distorted. However, properly viewed in perspective as an ecomonic tool for risk management and financial stabilization, crop insurance becomes indispensable.

To further encourage producer participation while emphasizing the Federal role of disaster protection, the 1985 Food Security Act requires that "no [Federal emergency loan] may be made for production losses that could have been insured under the Federal Crop Insurance Act."

Producer participation in crop insurance programs has grown at a steady but somewhat less rapid rate than projected in the early years under the new legislation. Crop program expansion has been rapid, and FCIC now offers coverage on 47 types of crops. An explanation for lower farmer involvement appears to be found in a combination of reasons, rather than a single specific cause.

Some reasons are

Uninsurable crops: Not all commercial crops grown in the United States are covered with a program through FCIC;

Small farm operations (with less than $10,000 annual gross sales);

Livestock feeding operations comingled with grain production;

Acreage farmed in high flood areas, backwater areas, or flood plains are high risk and sometimes require prohibitive rates;

Other USDA programs intended to reduce acreage in production;

Price supports and market programs.

As might be expected, the impact of these factors varies from year to year. In 1984, 50.4 million acres were covered by the FCIC-supported multiple-peril program. In 1986, the total number of insured acres had increased to 60.8 million, while the number of harvested acres decreased from 335.7 million in 1984 to 312 million. Approximately 50.9 percent of potentially insurable acres were insured through FCIC, the multiple-peril crop insurance program (MPCI), or through private crop-hail coverage.

CROP INSURANCE GROWTH: CROP PROGRAMS

One of the more obvious growth indicators since the passage of the 1980 Act has been expansion in the area of county crop programs. During the agency's infancy, wheat was the original and only crop covered. By 1980, however, 26 types of crops were covered in a total of 1,679 counties across 39 States.

These crop programs included: Barley, Dry Beans, Combined rop, Corn, Cotton, Flax, Forage Production, Forage Seeding, Grain Sorghum, Grapes, Oats, Peanuts, Peas, Potatoes.

Also Raisins, Rice, Rye, Soybeans, Sugar Beets, Sugar Cane, Sunflowers, Sweet Corn, Tobacco, Tomatoes, Tree Fruit, and Wheat.

In 1981, beans, forage seeding, and peas were added. As noted earlier, however, the keynote event of crop insurance in 1981 was the expansion to all Agricultural Stabilization and Conservation Service (ASCS) program crops in all counties in the United States. Coverage was provided in all U.S. counties for barley, corn, cotton, grain sorghum, oats, peanuts, soybeans, tobacco, and wheat.

This unprecedented expansion included 3,013 counties, and presented its own "crop" of administrative difficulties.

The year of 1982 saw the introduction of a pilot Prevented Planting Policy, which would, in 1986, evolve into a universally available policy endorsement option for ASCS program crops and program participants.

By 1983, 33 types of FCIC crop programs were active. In 1984, six more new crop programs were added, for a total of 39 programs.

By 1985, however, FCIC loss ratios (premiums balanced against indemnities) had increased to the point that a temporary moratorium on new crop programs was necessary as the Agency reviewed how to best achieve actuarial sufficiency. Limited expansion of existing programs into eligible counties continued.

Under the 1980 Act, States and private industry can play pivotal roles in the development of new crop programs offered through the Federal Crop Insurance Corporation. Working with FCIC during the past 2 years, private insurance service associations and State universities have provided vital data and information services that helped in coordinating much needed programs for safflower, cranberries, and nursery crops. Statistics on risk, insurance perils, characteristics of the crop and crop damage, harvesting, and yield records enabled the agency to more accurately assess proposed rates to determine their actuarial soundness and compliance with FCIC regulations.

Without this valuable information and continued producer input, crop program development (not only in crops and policies, but in guarantees, prices, and options) would have been severely limited. New crop programs are approved by the FCIC Board of Directors, based on the recommendations of the FCIC Actuarial Division. The number of acres and producers involved, and the availability of private delivery systems are factors which are carefully reviewed. As stated in the 1980 mandate, the Agency may not offer competition to private companies in any given crop program, so expansion is restricted to those areas where appropriate private coverage is not available.

After careful review, new crop expansion was again permitted by the Board of Directors in 1986. At the time of this report, the Agency currently offers programs through the following 47 crop policies (by CFR policy listings):

402 Raisin, 405 Apple, 410 FL Citrus, 414 Forage Seeding, 417 Sugarcane, 420 Grain Sorghum, 423 Flax, 427 Oat, 430 Sugarbeet, 433 Dry Bean, 436 Tobacco (Guar.), 439 Almond, 443 Hybrid Seed, 446 Walnut, 449 Sweet Corn (Fresh), 403 Peach, 408 Eastern Apple, 411 Grape, 415 Forage Production, 418 Wheat, 421 Cotton, 424 Rice, 428 Sunflower, 431 Soybean.

Also 434 Tobacco (Dollar), 437 Sweet Corn (Proc), 440 TX Citrus Tree, 444 Tomato (Fresh), 447 Popcorn, 450 Prune, 404 Western Apple, 409 AZ/CA Citrus, 413 TX Citrus, 416 Pea, 419 Barley, 422 Potato, 425 Peanut, 429 Rye, 432 Corn, 435 Tobacco (Quota), 438 Tomato (Proc), 441 Table Grape, 445 Pepper (Fresh), 448 ELS Cotton, and 451 Peach (Canning).

In addition to these crops, coverage for Safflower, Cranberries, Nursery Stock, and Fresh Market Tomatoes (Guaranteed Plan) have either been approved or are already available to producers.

County Expansion

In conjunction with crop program development, State and county expansion (as noted earlier) also grew rapidly. In 1981, 1,931 counties in a total of 40 States had crop coverage through the Federal Crop Insurance Corporation. By 1982, 49 States and 2,999 counties had crop coverage through the Agency. The program has continued to grow to its present capacity of 3,013 counties in a total of 49 States. (Limited expansion to Hawaii is currently under consideration.) While not all crop programs can be offered in every county, the Agency's goal of offering coverage on all significant crops is closer to full realization.

Through reinsurance, producers in Puerto Rico are also able to participate in a system of crop insurance. Two Puerto Rican insurance companies which directly insure crops are reinsured and serviced through a U.S.-based insurance company, which in turn is reinsured by the Federal Crop Insurance Corporation. The main crops insured (mostly against loss through hurricanes) are plantains, bananas, coffee, and a variety of vegetables.

State Participation

In addition to program and county expansion, State involvement is also an option through another innovation of the 1980 Act, which allows for premium subsidization at the State level. Several States, including Texas, Minnesota, Kansas, Maryland, and others, have explored this avenue of assistance for their producers.

In 1984, Alaska became the first State to initiate and furnish subsidization in order to further promote agricultural risk protection. This program, providing State-funded subsidization for premiums of qualified producers, covers barley, oats, potatoes, and wheat.

ADMINISTRATION

During 1986, the former Marketing and Reinsurance Divisions were restructured and made a part of a Division of Program Administration under the direction of an Assistant Manager. A Compliance Division was also established within the Program Administration unit to monitor contract operations.

The Program Administration Division oversees the development, analysis, and evaluation of alternative reinsurance and master marketing plans and agreements. This includes initiating and maintaining contacts with commercial insurance companies and Master Marketers to determine their managerial and financial capability, and providing technical guidance in marketing crop insurance.

These functions of the Program Administration Division are handled through the Reinsurance Contract Division, which evaluates training programs, loss adjustment procedures and other operational practices of the reinsured companies for adherence to FCIC contract requirements, and through the Marketing Contract Division. This latter Division has the responsibility of assuring conformity of Master Marketers to the sales and service contract, compliance with Titles VI and VII of the Civil Rights Act is providing insurance and employment, in addition to overseeing generic advertising.

In addition to promoting and safeguarding program integrity, the Compliance Division specifically provides guidance, assistance, and oversight in handling controversial or suspected fraudulent claims, at the request of the company or by corporation management.

By way of enforcement, FCIC may, at the recommendation of the Compliance Division, take various actions with companies not in line with contract provisions. The Corporation may require the refund or forfeiture of a share of the administrative expenses, loss reimbursement, or premium share; may rescind or deny assumption of liability for reinsurance with respect to the crop insurance contract involved; may forfeit or deny the payment of a share of the premium paid to the company, and of the expense reimbursement otherwise paid under such crop insurance contract; and may refuse to assume any further reinsurance liability under the contract agreement.

A Product Control and Underwriting Division realigned the elements of the former Actuarial Division and a new Assistant Manager of Actuarial and Underwriting Services was named. Former Field Actuarial Offices (FAO) were redesignated Field Underwriting Offices (FUO) to more accurately reflect their function.

These changes make it possible for the Agency to more accurately reflect its expanded role and to advance the objective of actuarial sufficiency as new programs are developed.

A FLEXIBLE PROGRAM TO MEET PRODUCER NEEDS

The individual needs and financial situation of each producer, even within the same county, will vary. No one crop insurance policy is best for everyone. Not only will needs vary from farmer to farmer, but needs will vary for the same producer from year to year. FCIC has therefore created a flexible program which allows the producer, based on his own experience, to tailor his protection to fit the individual needs of his operation. This replaces emergency types of Federal assistance that could only offer limited general assistance following widespread crop failure or destitution.

Since the 1980 Act, FCIC crop programs have each had three possible yield guarantees (50, 65, or 75 per cent) and three alternative price elections, each with or without hail and fire protection. This alone provides at least 18 possible combinations for coverage.

Policy Options

In addition to these basic combinations, three options enable the producer to protect himself against crop loss through the entire production year:

1. the Prevented Planting Endorsement;
2. the Late Planting Option; and
3. the Replant Policy Provision.

The Prevented Planting Endorsement began as a separate policy in 1982, and in 1986 was expanded to an endorsement option for all ASCS program crops. A modest additional premium is charged for election of this feature. The policy requires that the producer be prevented from planting the acreage insured to any nonconserving crop normal to his area and farm operation. Indemnity may be claimed after the sales closing date, the final planting date, and the late planting date for all spring-planted crops have passed.

The Late Planting Option may be elected up to the final planting date, and provides coverage up to 120 days after the final date. This involves a 10 percent decrease in guarantee for each 5 days of delay, and is available with the following crop programs:

Wheat, Cotton, Potatoes, Rice, Oats, Sugar Beets, Peanuts, Soybeans, Dry Beans, Sunflowers.

Also Grain Sorghum, Tobacco (Quota and Guaranteed), Corn, Barley, Rye, Flax, and Hybrid Seed.

The Replant Policy Provision is unique in that it provides reimbursement at a fixed amount to defray replanting expenses and is invoked where early loss situations occur. The amount of the reimbursement will vary by crop, taking the form of a dollar amount for some, a percentage of guarantee for others. Most importantly, potential indemnity on the replanted crop is not affected by use of the replant provision (that is, the coverage on the replanted crop is not reduced by the replant payment). The Replant Policy Provision is applicable to these crop programs:

Soybeans, Sugar Beets, Popcorn, Dry Beans, Peppers, Peanuts, Fresh Market Tomatoes, Grain Sorghum, Corn, Rice, Fresh Market Sweet Corn, Sunflowers.

Individualized Yield Protection

Producers had found for years that crop insurance rates were not proportioned to the coverage they offer. Simply put, crop insurance rates based on county averages had been too high for some and coverage had been too low for others.

Under the traditional form of crop insurance guarantee (the area coverage plan), the best offers would go to the poorest producer, as the lowest offers were going to the best producers. For instance, if the county area average is 100 bushels per acre and a producer with a 75-bushel average chooses to insure at the 75 percent coverage level, the producer would be able to insure 100 percent of his entire anticipated crop. A farmer possessing a 150-bushel average would be insuring only 50 percent of his anticipated production, even at the top yield guarantee. This situation, known as "adverse selection," can contribute to high loss ratios and limited participation.

Under the Actual Production History (APH) program, coverage and rates are based on average yields of the individual producer, not on a county average. Working to the maximum extent possible with the producer's actual production records, APH establishes yield averages based on a 10-year period. If actual yields are not available for each year, a combination of indexed yields, transitional yields, and available actual yield records are averaged. This system will help correct the adverse selection that occurred with the system of county averages. Over time, the use of APH yields should stabilize insurance rates, make crop insurance more attractive to the producer, and help achieve actuarial sufficiency.

The result is coverage for the individual producer that not only addresses his needs, but reflects his abilities. Rates are adjusted to ensure that they relate appropriately to risk.

Rate Adjustments

Even though an increase in insured acres is projected because of features such as the APH program, a corresponding increase in the financial stability of the Agency lags. In providing the producer budget flexibility through three levels of price election, the agency still may not realize financial growth during a year of increased insured acreage. This is especially true during a year of widespread crop failure.

For the 1986 crop year, FCIC found additional rate adjustments necessary, despite a continued increase in insured acreage. While in some areas and for some crops rate decreases occurred, rates for several crops were increased based on their poor experience during 1981–84. These adjustments were made based upon a loss ratio (indemnities divided by premiums) greater than 1.0. Sensitive to economic conditions, FCIC administratively limited increases to a maximum of 35 percent, even in cases where long term loss ratios exceeded that level.

As FCIC adjusts to meet the changing trends of agriculture, it seeks to stabilize the financial security of the producer by allowing him to tailor the program to his own changing environment.

Producers are finding that today they must also be alert agribusinessmen, keeping increasingly complex and accurate records to survive. FCIC helps the producer to use these increasingly improved records to tailor his crop insurance. Another trend is diversified farming, which, in addition to crop insurance, is an effective tool in risk management. Because of expanded crop programs, producers will be able to eventually diversify into a variety of crops. In addition, as general programming of Federal disaster assistance becomes less available, it is anticipated that the crop insurance program will become more desirable, with increased financial stability for both the farmer and FCIC.

CONCLUSION

Today's crop insurance can play a unique and critical role in risk management. It does this through allowing the producer to "customize" his coverage to the needs of his own farming operation, rather than trying to force him to rely upon general assistance that may not be appropriate to his situation.

Crop insurance also allows the producer to be prepared and independent, which historically has been the influencing philosophy of responsible producers. Indemnity payments provide the ready source of cash needed to maintain this independence.

Finally, and most importantly, crop insurance strengthens the financial position of the producer. It acts as a good form of collateral because it can be assigned to the lender. It lowers the risk factor, thus enabling the lender to offer better terms or larger loans. It also protects savings and helps to avoid a bad credit rating in case further funds must be borrowed.

As producer practices change to adjust to changing markets, crop insurance and its expanded programs will continue to become increasingly attractive. As agriculture changes, the needs of the producer will change. The ability of the crop insurance program to adapt to these changes, working with private, State, and local sectors, means that America's producers will also adapt. In that sense, crop insurance protects not only America's crops but her future in agriculture as well.

Mr. MADIGAN. Mr. Speaker, I yield myself such time as I may consume.

At the outset, I would like to call attention to the other Members in the Chamber that this bill is perhaps the last bill on which the distinguished gentleman from Tennessee will have remarks to make, because unfortunately our distinguished colleague, the gentleman from Tennessee [Mr. Jones] has chosen to retire at the end of this year. I think I would be remiss if I did not take this occasion to point out how valued his participation in agriculture matters has been to all Members of the House of both political persuasions.

The gentleman from Tennessee is a highly valued Member of this assembly, and this Member from Illinois is going to miss that participation considerably.

Mr. Speaker, I rise in support of H.R. 5325, the Federal Crop Insurance Commission Act of 1988. This bill, whose chief sponsor is my good friend from Tennessee, Ed Jones, represents an opportunity to thoroughly explore the Federal Crop Insurance Corporation preparatory to legislative reform of this important program.

This bill, sponsored by over 40 members of the House Agriculture Committee, would establish a 25-member commission, composed of representatives of the insurance industry, farming, and nonvoting Members of Congress. The purpose of the commission would be to explore methods of providing better and more cost-effective crop insurance coverage to farmers.

The recent drought and the ensuing need for the disaster assistance signed by the President this August make it clear that the present crop insurance program is not sufficiently attractive to become a routine part of every farmer's economic plan. It is the sponsors' hope that the commission established in H.R. 5325 will guide the Congress in making legislative reforms that would attract greater farmer participation.

Mr. Speaker, this bill can, at no additional cost to the Government, produce the information and recommendations necessary to improve a program important to farmers. Greater enrollment in crop insurance can prevent the need for future multibillion dollar disaster payment programs. I urge my colleagues join me in suspending the rules and passing H.R. 5325.

Mr. Speaker, I reserve the balance of my time.

Mr. de la GARZA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 5325, the Federal Crop Insurance Commission Act of 1988. This bill will establish a Federal commission to review the Federal Crop Insurance Program and recommend improvements in the program.

As was envisioned when the Federal crop Insurance Program was overhauled in 1980, thousands of farmers across the country rely on crop insurance as their first line of defense against natural disasters. However, the participation in the program is not as great as many had hoped when the program was established. The drought that struck many parts of the United States this summer highlighted the need to redouble our efforts to improve the Crop Insurance Program and to increase participation in the program.

This legislation, if enacted, will provide the Congress with valuable input from farmers, insurance agents, program administrators, and others affected by the operation of the Federal Crop Insurance Program, as to how the program can be improved. With the combined wisdom of these industry experts and the Congress, the appropriate adjustments and improvements in the program may help to eliminate the need for ad hoc disaster payment programs like the one approved by the Congress earlier this year.

Mr. Speaker, joining with the distinguished subcommittee chairman Mr. Jones it is my hope that this legislation will help the Congress to fine tune this program to better provide protection against disasters for farmers and ranchers. I would ask the Members to support the passage of this legislation.

Mr. Speaker, I wish to add that I join with my distinguished colleague, the ranking minority member, the gentleman from Illinois [Mr. Madigan], in expressing my appreciation, and that of all of the members of our committee, to our distinguished colleague, the gentleman from Tennessee [Mr. Jones], the chairman of the subcommittee, who has rendered such invaluable service to our Nation, in Tennessee, and then here in the national Congress, on behalf of agriculture.

As the gentleman from Illinois [Mr. Madigan] mentioned, this may well be the last bill from our committee in which the gentleman from Tennessee [Mr. Jones] actively participates, and he has been a yeoman. He has been a centurian in the ranks working quietly without much publicity and/or notice, but, as usual, he leaves his imprint on the lives of the people of rural America and all of the citizens of this great country of ours, and even beyond our boundaries. That the gentleman from Tennessee [Mr. Jones] came our way has turned out to be for the benefit of not only all of the people in rural America, but all Americans, and I would hope that as my colleagues approve this legislation, even though it is but a commission that will study the crop insurance program, eventually it will be a guidepost for us in future legislative endeavors.

The importance of this legislation is that in the drought legislation which was so overwhelmingly approved by this Congress and signed by the President, we provide that, for those to whom assistance is rendered, they must then join the crop insurance program. This legislation will assure that we will not be in a similar situation in the future, and that will be a very positive step in our endeavor to work within the constraints of the budget, in providing another tool to the agricultural sector, and to the benefit of all of rural America.

I hope that my colleagues, in tribute to the gentleman from Tennessee [Mr. Jones], who is the lead author of this legislation, will give this legislation an overwhelming vote of approval.

Mr. Speaker, I yield back the balance of my time.

Mr. MADIGAN. Mr. Speaker, I yield such time as he may consume to a most important member of the Committee on Agriculture, the gentleman from Kansas [Mr. Roberts].

Mr. ROBERTS. Mr. Speaker, I thank the gentleman for yielding time to me, and for his remarks, his very kind remarks.

Mr. Speaker, I am for this bill. I urge my colleagues to support it. It is a good bill.

As the gentleman from Illinois [Mr. Madigan] has indicated and as the chairman has indicated, it sets up yet another commission, but this commission, I think, is extremely important, and it has a very important function to perform.

We had a disaster program in the agriculture program some years back, about a decade ago, and it did involve some undue costs and was in dire need of reform. We moved to a Federal crop insurance program, Unfortunately, only about 21 percent of America's farmers enrolled in the Federal crop program. This is due in part to cost and also in part to some regional problems out in my country, what we call high-risk agriculture.

I have to say that this program is not very popular. I have some real concerns in really tying Federal crop requirement to a drought-relief bill or a farm program. I think that is using a stick as opposed to a carrot, and this commission should operate so that we answer these questions and so that farmers both can afford this insurance, and it will work in a much better fashion, especially out in the High Plains which I am privileged to represent.

I also want to associate myself with the remarks of the gentleman from Illinois [Mr. Madigan] and the chairman of the full committee in reference to the outstanding job and the contributions our subcommittee chairman has performed.

Mr. Speaker, I served on the subcommittee of the gentleman from Tennessee [Mr. Jones] for 2 years. He has been an outstanding leader and, more to the point, in a time when I think this Congress is not very accountable in some ways with what we pass and what we live with, that is, the shop mechanic work that we should be doing to dot the "i's" and to cross the "t's," the gentleman from Tennessee [Mr. Jones] does not let any legislation pass his subcommittee without doing that work.

I think that those of us who serve on the Committee on Agriculture really consider it a privilege. We are bipartisan in nature. We are a family, and a valued member of the family has chosen to retire. He will not retire. He will go on to even finer service in his home State, but Ed Jones for my ranchers and farmers, God bless and "thank you" for the work you have done.

Mr. MADIGAN. Mr. Speaker, I yield back the balance of my time.

Mr. de la GARZA. Mr. Speaker, I yield such time as he may consume to our distinguished colleague, the gentleman from Texas [Mr. Stenholm].

Mr. STENHOLM. Mr. Speaker, I congratulate the chairman and the ranking member for bringing this legislation to the floor.

Mr. Speaker, I would like to also offer my words of commendation to our distinguished chairman and friend, the gentleman from Tennessee [Mr. Jones]. I think it is a fitting legacy of the Federal Crop Insurance Program, a program that he has been so instrumental in carrying to the place that it is today, a proposal to find answers to the reason why it is not working as he and all of us would like.

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That is, as we have found the problems associated with crop insurance in the 1988 disaster program and other areas where it is not working quite as you or I or any member of the House Agriculture Committee would like to see it, that he has come with this legislation today that will give us a running start in the 101st Congress by providing for a commission to study, to make recommendations to the full House and Senate Agriculture Committees next year, to make those recommendations of how we can take a much needed program and make it better as being defined as more workable and more useful for the farmers and ranchers of the United States.

That is what this legislation is all about and why I, too, add my voice of commendation to you and say that we will miss you, but we appreciate the fact you are still working for U.S. agriculture as emblematic by the legislation before us today.

Mr. Speaker, as a farmer myself and as a Member of this Chamber representing one of the largest crop producing areas in the country, I believe the goal of establishing a viable Federal crop insurance program that provides a comprehensive, nationwide system of disaster protection is both admirable and long overdue.

As my colleagues are aware, before 1980, two Federal programs—a crop insurance program and a disaster payment program—offered farmers some protection against loss of income when their crops were damaged or destroyed by natural causes. Moreover, the Federal Crop Insurance Act of 1980 called for: First, improving the crop insurance program and expanding it nationwide; and second, eventually phasing out the free disaster payment program. It also called for involving the private sector in selling and servicing the insurance and provided for the Federal Government to subsidize up to 30 percent of each farmer's premium.

Recently, concern has grown regarding the Federal Crop Insurance Corporation's [FCIC] progress in implementing the act, the effectiveness of the program, and lack of producer participation. Consequently, the amount of Federal dollars authorized under the Disaster Assistance Act of 1988 is a perfect example of why it is crucial that we take a long hard look at how we can make a good Federal crop insurance program work better.

Mr. Speaker, I firmly believe that one of the hallmarks of a successful crop insurance program is its potential to link the cost of protection to management decisions. To this end, H.R. 5325 is a mechanism which has borrowed from the success of other established study commissions and represents a good faith attempt in providing the vehicle to examine the current crop insurance program and make proposals to the Secretary of Agriculture and the Congress to strengthen and enhance the current program.

In concluding my remarks, I would urge my colleagues to support this legislation. Yes, the FCIC has made some progress in expanding coverage but there are still many challenges to meet in achieving nationwide participation.

Mr. de la GARZA. Mr. Speaker, I yield back the balance of my time.

Mr. GILMAN. Mr. Speaker, I rise in strong support of H.R. 5325, establishing a Federal Commission to Conduct a Thorough Review of the Federal Crop Insurance Program.

I have had some recent experience with this program by virtue of the onion growing industry in my 22d Congressional District of New York. I am concerned that this program is not fulfilling the mission that Congress intended when the Federal Crop Insurance Corporation was first established in 1980. Many of our hard-working farmers who claim that the insurance offered is not worth what they are required to pay. However, pay they must for failure to obtain this coverage when available means that they will not qualify for low-interest disaster loans when acts of God destroy crops.

Mr. Speaker, I believe that this program is essential to protect the livelihood of many of our Nation's farmers. However, we must be certain that we offer these farmers the best insurance coverage possible so that they can be protected without having to shoulder too heavy a premium burden. Accordingly, I urge my colleagues to help our Nation's farmers by supporting H.R. 5325.

Mr. de la GARZA. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. Gray of Illinois). The question is on the motion offered by the gentleman from Texas [Mr. de la Garza] that the House suspend the rules and pass the bill, H.R. 5325.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 5325, FEDERAL CROP INSURANCE COMMISSION ACT OF 1988

Mr. de la GARZA. Mr. Speaker, I ask unanimous consent that the Clerk of the House be authorized to make corrections of punctuation and other typographical errors in the engrossment of H.R. 5325.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

GENERAL LEAVE

Mr. de la GARZA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 5325 and H.R. 5056.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

ENLARGING SAN FRANCISCO BAY NATIONAL WILDLIFE REFUGE

Mr. JONES of North Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4272) to enlarge the San Francisco Bay Wildlife Refuge, as amended.

The Clerk read as follows:

H.R. 4272

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ENLARGEMENT OF REFUGE.

Section 2 of the Act entitled "An Act to provide for the establishment of the San Francisco Bay National Wildlife Refuge", approved June 30, 1972 (16 U.S.C. 663dd note), is amended to read as follows:

"Sec. 2. There shall be included within the boundaries of the refuge the following:

"(1) Those lands, marshes, tidal flats, salt ponds, submerged lands, and open waters in the south San Francisco Bay area generally depicted on the map entitled "Boundary Map, Proposed San Francisco Bay National Wildlife Refuge", dated July 1971, and which comprise approximately twenty-one thousand six hundred and sixty-two acres within four distinct units to be known as Fremont (five thousand five hundred and twenty acres), Mowry Slough (seven thousand one hundred and seventy-five acres), Alviso (three thousand and eighty acres), and Greco Island (five thousand eight hundred and eighty-seven acres). Said boundary map shall be on file and available for public inspection in the offices of the U.S. Fish and Wildlife Service, Department of the Interior.

"(2) Approximately 21,000 acres of lands, marshes, tidal flats, salt ponds, submerged lands, and open waters in the vicinity of the areas described in paragraph (1), which the Secretary determines—

"(A) are valuable fish and wildlife habitat; or

"(B) are necessary to buffer the human impacts on fish and wildlife within the refuge.".

SEC. 2. TOTAL AREA OF REFUGE.

Subsection (a) of section 3 of such Act is amended in the second sentence by striking "twenty-three thousand acres" and inserting "44,000 acres".

SEC. 3. AUTHORIZATION OF APPROPRIATIONS.

Section 5 of such Act is amended—

(1) by inserting "(a)" before "Three"; and

(2) by adding at the end the following new subsection:

"(b) There are authorized to be appropriated to the Secretary to acquire areas described in section 2(2) such sums as may be necessary, which shall remain available until expended.".

SEC. 4. AMENDMENT TO THE NATIONAL FISH AND WILDLIFE FOUNDATION ESTABLISHMENT ACT.

Section 5 of the Act of March 26, 1984, (16 U.S.C. 3704), otherwise known as the National Fish and Wildlife Foundation Establishment Act, is amended by inserting the following at the end of section 5: "Notwithstanding any other provision of this section, the Secretary of the Interior is authorized to continue to provide facilities, and necessary support services for such facilities, to the National Fish and Wildlife Foundation after March 26, 1989 on a space available, reimbursable cost basis.".

SEC. 5. AMENDMENT TO THE NATIONAL WILDLIFE REFUGE SYSTEM ADMINISTRATION ACT OF 1966.

Subsection (e) of section 4 of the Act of October 15, 1966 (16 U.S.C. 668dd(e)), otherwise known as the "National Wildlife Refuge System Administration Act of 1966", is amended by striking "thereunder" and all that follows through the end of the sentence and inserting "thereunder shall be fined under title 18, United States Code, or imprisoned for not more than 1 year, or both.".

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

Section 7 of the Atlantic Striped Bass Conservation Act (16 U.S.C. 1851 note) is amended by striking "and 1988," and inserting in lieu therof "1988, 1989, 1990, and 1991,".

SEC. 7. EFFECTIVE PERIOD.

Section 9 of the Atlantic Striped Bass Conservation Act (16 U.S.C. 1851 note) is amended by striking "1988." and inserting in lieu thereof "1991.".

SEC. 8. FUNDING OF STRIPED BASS STUDIES.

Section 7(d) of the Anadromous Fish Conservation Act (16 U.S.C. 757g(d)) is amended by striking "the fiscal year ending September 30, 1980," and all that follows through "September 30, 1988" and inserting in lieu thereof "each of the fiscal years 1988, 1989, 1990, and 1991".

SEC. 9. COMMISSION FUNCTIONS.

Section 4(a)(1) of the Atlantic Striped Bass Conservation Act (16 U.S.C. 1851 note) is amended by inserting "and at any other time it deems necessary," immediately after "thereafter,".

SEC. 10. STUDY OF STRIPED BASS IN ALBERMARLE SOUND AND ROANOKE RIVER BASIN.

(a) Findings.—The Congress finds that:

(1) The anadromous stock of striped bass in the Albermarle Sound-Roanoke River basin area of North Carolina sustained important commercial and recreation fisheries as recently as the 1960s and 1970s.

(2) This stock has been declining for some time and is severely depressed at present, and may soon reach a level from which recovery will be exceptionally difficult.

(3) The reasons for this decline are thought to include fishing; other human activities and environmental factors, such as unsuitable water flow before, during, and after critical spawning periods; degradation of water quality by pollutants; the impact of eutrophication on the food chain; and the impact of changing land use activities.

(4) Current Federal and interstate efforts to conserve the Atlantic striped bass, while effective in identifying factors contributing to the decline of other important Atlantic coastal migratory stocks of striped bass and steps that will be effective in reversing that decline, have not made a major contribution to the protection and restoration of the Albemarle Sound-Roanoke River stock of striped bass.

(5) Because the striped bass and the aquatic environment of the Albemarle Sound—Roanoke River basin presently are being significantly affected by combined, but not fully understood causes, a study should be undertaken to obtain additional biological information to understand the significance of fishing, water flows and other factors in the decline of the striped bass populations in the Albemarle Sound-Roanoke River basin and, if feasible, develop an effective course of action for restoring these important stocks of striped bass.

(b) Study.—

(1) In general.—The Director of the United States Fish and Wildlife Service, in consultation with the Assistant Administrator of the National Oceanic and Atmospheric Administration for Fisheries—

(A) shall immediately undertake a biological study of the striped bass fishery resources and habitats of the Albemarle Sound-Roanoke River Basin area;

(B) develop short-term and long-term recommendations for Federal and State government agencies for restoring and conserving such resources and habitats; and

(C) submit the results of such study and such recommendations to the Congress and to the States of North Carolina and Virginia as soon as practicable, but not later than 36 months after the date of the enactment of this Act.

(2) Contents of the study.—The Study conducted under this subsection shall, to the extent existing data are adequate, use such existing data and shall include—

(A) a description of the Albemarle Sound-Roanoke River basis area, and an investigation and analysis of the effects of land and water use practices on the striped bass population and habitats of the area;

(B) an investigation and analysis of the abundance and age of geographic distribution of the Albemarle Sound-Roanoke River stock of striped bass, including the amount and geographical location of migration and spawning habitat;

(C) an investigation and analysis of factors that may affect the abundance and age and geographic distribution of the Albemarle Sound-Roanoke River stock of striped bass, including—

(i) the extent and causes of mortality at successive stages in life cycle of striped bass, including mortality due to recreational and commercial fishing; and

(ii) the combined effects of pollution and other natural and human alternations of the physical environment, including the effects of water withdrawals, discharges and flows, on striped bass migration and spawning and on the viability and condition of eggs and larval fish;

(D) an investigation and analysis of the status and effectiveness of current striped bass management measures implemented by State and Federal authorities, including State fishing regulations and Federal fish stocking activities, reservoir management and water flow regulation, and an analysis of whether any additional State or Federal measures would be effective in halting the decline and initiating the recovery of the Albermarle Sound-Roanoke River stock of striped bass; and

(E) a recommendation of whether conservation of the Albermarle Sound-Roanoke River stocks of striped bass could be improved by management of these stocks under the provisions of the Atlantic States Marine Fisheries Commission's Interstate Fisheries Management Plan for Striped Bass and the Atlantic Striped Bass Conservation Act.

(c) PARTICIPATION BY STATE AGENCIES.—

(1) The Director of the North Carolina Division of Marine Fisheries, the Executive Director of the North Carolina Wildlife Resources Commission, the Secretary of the Virginia Department of Natural Resources, and the District Engineer for the Wilmington District of the U.S. Army Corps of Engineers shall be invited to have their agencies participate in conducting the study and developing recommendations pursuant to subsection (b); and

(2) To facilitate participation by the agencies referred to in paragraph (1), should they decide to participate, a Memorandum of Understanding will be executed with such officials setting forth the respective responsibilities of the entities involved in conducting the study and developing those recommendations.

(d) CONSULTATION.—In carrying out the study under subsection (b), the Atlantic States Marine Fisheries Commission, other Federal agencies, the Albermarle-Pamlico Estuarine Study, Dominion Resources, Inc./Virginia Power/North Carolina Power, affected local governments in North Carolina and Virginia, appropriate commercial and recreational fishing interests, and other interests shall be consulted, to the maximum extent practicable.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated the sum of $1,000,000 to carry out the requirements of this section. These appropriations will remain available until expended. Only funds specifically appropriated the authorization contained in this subsection are authorized to carry out the requirements of this section.

(f) STATE AUTHORITY.—Nothing in this section shall be construed as authorizing any State to manage fisheries within the jurisdiction of another State.

SEC. 11. PROTECTION OF STRIPED BASS IN THE EXCLUSIVE ECONOMIC ZONE.

Notwithstanding any provision of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1801 et seq.), when State regulations or a Federal moratorium on fishing for Atlantic striped bass within the coastal waters of a State are in effect, the Secretary of Commerce, if requested by the appropriate Regional Fishery Management Council, shall promulgate regulations governing the fishing for Atlantic striped bass in that portion of the Exclusive Economic Zone adjacent to that State that are consistent with section 301 of the Magnuson Fishery Conservation and Management Act and appropriate to—

(1) ensure the effectiveness of such State regulations or such Federal moratorium; and

(2) achieve conservation and management goals for the Atlantic striped bass resource.

The SPEAKER pro tempore. Is a second demanded?

Mr. YOUNG of Alaska. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from North Carolina [Mr. JONES] will be recognized for 20 minutes and the gentleman from Alaska [Mr. YOUNG] will be recognized for 20 minutes.

The Chair recognizes the gentleman from North Carolina [Mr. JONES].

Mr. JONES of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today to urge my colleagues to support H.R. 4272, as amended, which would enlarge the San Francisco Bay National Wildlife Refuge. H.R. 4272 was introduced by Congressman DON EDWARDS and cosponsored by all of the Members of the California delegation from the San Francisco Bay area. The bill, as amended by the committee, would almost double the size of the San Francisco Bay Wildlife Refuge. This refuge was established to protect important tidal wetlands and fish and wildlife habitat. The preservation of the few remaining wetland area in the area is critically important to migrating waterfowl and resident endangered species.

In addition to dealing with the San Francisco Bay Wildlife Refuge, H.R. 4272, as amended, contains other noncontroversial changes. First, it would amend the National Fish and Wildlife Foundation Establishment Act to allow the Foundation to continue to rent space within the Department of the Interior beyond March 26, 1989, at GSA determined rental rates. This amendment would also allow the Foundation to receive from the Interior Department necessary support services associated with the rental space such as cleaning or mail delivery on a reimbursable cost basis.

The second modification to H.R. 4272 involves a long overdue upgrading of the criminal penalties available for violations of the National Wildlife Refuge System Administration Act. The current $500 maximum fine makes a violation of the Refuge Act one of the cheapest Federal wildlife violations on the books. This leaves our refuge system vulnerable to those who would disobey the wildlife laws of this country. With this amendment, the committee is signaling its desire that significant criminal fines be imposed for serious violations of the Refuge Act.

The final modification contains a more limited reauthorization of the Atlantic Striped Bass Conservation Act than previously passed by the House in July. Reauthorization of the act is necessary to continue effective interstate conservation and management measures for this important species. The bill today would also authorize a study of striped bass in Albermarle Sound and the Roanoke River basin. Since striped bass along the Atlantic coast have not yet fully recovered from the population declines of a decade ago, it is essential that we reauthorize the Atlantic Striped Bass Conservation Act.

H.R. 4272 enjoys wide bipartisan support. In this regard, I would like to thank the distinguished Representative from California, Mr. EDWARDS, and the other cosponsors of this bill for their efforts to develop a bill that is acceptable to all interests. This legislation will help protect valuable wildlife habitat in the San Francisco Bay area and make other beneficial changes to the wildlife laws of this country. I ask my colleagues to support this important piece of conservation legislation.

Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts [Mr. STUDDS].

Mr. STUDDS. Mr. Speaker, I rise in support of H.R. 4272 as amended, which will expand the San Francisco Bay National Wildlife Refuge. It was introduced by Congressman EDWARDS and cosponsored by the entire delegation of the San Francisco Bay area. It would authorize the Fish and Wildlife Service to nearly double the size of the existing refuge located at the southern end of the San Francisco Bay.

As introduced, the bill made reference to a map delineating the lands the Service was authorized to acquire, and limited the eminent domain authority of the Service. At the hearing the Subcommittee on Fisheries and Wildlife held in July, and in subsequent discussions with the Fish and Wildlife Service, environmentalists, local property owners and municipalities, we were urged to delete both the map and the limitation on eminent domain authority from the bill. The committee adopted a substitute amendment that accomplished those two objectives, addressing all the concerns we heard about the original bill.

The San Francisco Bay Refuge is a remarkable haven for wildlife in the midst of a large metropolitan area. This bill, which will authorize the doubling of the refuge, is a good piece of legislation.

The committee amendment reauthorizes the Striped Bass Conservation Act and extends for an additional 3 years the emergency striped bass study. Mr. Speaker, in July the House approved legislation reauthorizing the Striped Bass Act, H.R. 4124. Unfortunately the other body has been bogged down in committee jurisdictional squabbles.

The Merchant Marine and Fisheries Committee is attaching the striped bass provisions to H.R. 4272 because the law expires the 30th of this month and this procedure will expedite the renewal of the Striped Bass Act. We have checked with all those involved in the reauthorization process on both sides of the aisle and in both Houses and this bill is without controversy. We expect the other body to quickly accept this bill and send it to the President before the act expires.

Mr. YOUNG of Alaska. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 4272 and urge its adoption by the House.

This bill, which was unanimously reported by the Committee on Merchant Marine and Fisheries, would allow the U.S. Fish and Wildlife Service to acquire additional land adjacent to the existing San Francisco Bay National Wildlife Refuge. Although the administration has concerns about this bill for budgetary reasons, the land to be acquired is a high priority on the U.S. Fish and Wildlife Service's acquisition list. Further, this bill does not preclude environmentally sound development of adjacent parcels of land before acquisition takes place.

The committee amendment that we are including contains the text of H.R. 4124, a bill to extend the authorization of the Atlantic Striped Bass Conservation Act. H.R. 4124 has previously been passed by the House and is being included today so that the other body can deal with both of these bills at once without delay. If the Striped Bass Act is not reauthorized quickly, various State programs will expire and the administration will be forced to preempt State programs. Since neither the administration nor the States wish to have this happen, we are seeking expedited passage of the bill.

The amendment also includes an authorization for the Department of the Interior to continue leasing office space to the National Fish and Wildlife Foundation. This authorization is needed to allow Interior to continue its existing leasing agreement.

Finally, the amendment includes language increasing the penalties for violating the Refuge Administration Act. This increase is needed to bring up-to-date the penalties section.

Mr. Speaker, I believe this bill has been fairly worked out with all concerned and should be adopted by the House.

Mr. JONES of North Carolina. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. EDWARDS].

Mr. EDWARDS of California. Mr. Speaker, this is a great moment for the San Francisco Bay National Wildlife Refuge. We have before us today a bill which authorizes an expansion of the refuge which could potentially double its size. We would never have reached this point if not for the tireless efforts of the distinguished chairman of the Subcommittee on Fisheries and Wildlife Conservation and the Environment, Mr. STUDDS, as well as all of the members of the Subcommittee and the full Merchant Marine and Fisheries Committee. I should note as well all the outstanding work of Gina DeFerrari of the subcommittee staff, as well as Will Steele, the subcommittee counsel.

H.R. 4272 would allow for the acquisition of 20,850 acres of additional lands, marshes, tidal flats, salt ponds, submerged lands, open waters, and other endangered species wildlife habitat in the south bay area. This legislation represents the efforts and dedication of all of us who have worked together for many years to expand our spectacular refuge.

The importance of H.R. 4272 is made clear when we look at the drastic loss of wetlands throughout the Nation in recent years. Presently, half of America's estimated 215 million acres of wetlands remain—less than 90 million acres. Of these remaining wetlands, 458,000 acres are drained and lost to farming, urbanization, and other uses every year. In my State of California, only 5 percent of the wetlands remain, and the south San Francisco Bay area comprises over 80 percent of the remaining wetlands in the State.

The species which inhabit the wetlands are disappearing as quickly as their habitat. The south San Francisco Bay marshlands are a vitally important link in the Pacific Flyway and are crucial to the survival of several threatened and endangered species such as the California Clapper Rail, the Salt Marsh Harvest Mouse, the California Least Tern, and the Peregrine Falcon. The survival of these species depends upon the preservation of their habitat, and H.R. 4272 will allow us to begin the land acquisition needed to bring these valuable lands under the protection of our wildlife refuge.

Although the primary function of the refuge is to meet the needs of the wildlife, and to improve the health of our bay, the refuge meets many human needs as well. The refuge provides access to wildlife and the bay for thousands of school children, educators, families, photographers, recreationalists, and other bay area residents every year.

In addition, the Bay Conservation and Development Commission has stated that the San Francisco Bay wetlands may soon provide vitally important flood control protection for surrounding cities if current sea level rise projections for the San Francisco Bay are accurate.

Ongoing research to determine the impact of the greenhouse effect and sea level rise on the San Francisco Bay suggests the vitally important role of marshlands and tidal flats in preventing the innundation of many surrounding cities.

It's for these important reasons that the bill before us today is supported by environmental organizations, local cities and counties, and business. The entire San Francisco Bay area congressional delegation has also joined me as original cosponsors of H.R. 4272, and have provided valuable support for the expansion of the San Francisco Bay wildlife refuge.

I am pleased to have been a part of the efforts to halt the destruction of our wetlands, and to preserve the dwindling wildlife habitat of the bay. By passing H.R. 4272 today we can all actively play an important role in the preservation of the San Francisco Bay.

Mr. YOUNG of Alaska. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. JONES of North Carolina. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina [Mr. JONES] that the House suspend the rules and pass the bill, H.R. 4272, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to enlarge the San Francisco Bay National Wildlife Refuge, and for other purposes."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 4272, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

MARINE MAMMAL PROTECTION ACT AMENDMENTS OF 1988

Mr. JONES of North Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4189) to authorize appropriations to carry out the Marine Mammal Protection Act of 1972 for fiscal years 1989 through 1993, as amended.

The Clerk read as follows:

H.R. 4189

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE

This Act may be cited as the "Marine Mammal Protection Act Amendments of 1988".

SEC. 2. (a) The Marine Mammal Protection Act (16 U.S.C. 1361 et seq.) is amended—

(1) by redesignating section 114 as section 116; and

(2) by inserting immediately after section 113 the following new section:

"INTERIM EXEMPTION FOR COMMERCIAL FISHERIES

"SEC. 114. (a)(1) During the period beginning on the date of enactment of this section and ending October 1, 1993, except as provided in paragraph (2), the provisions of this section, rather than sections 101, 103, and 104, shall govern the incidental taking of marine mammals in the course of commercial fishing operations by persons using vessels of the United States and vessels which have valid fishing permits issued by the Secretary in accordance with section 204(b) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1824(b)). In any event it shall be the immediate goal that the incidental kill or serious injury of marine mammals permitted in the course of commercial fishing operations be reduced to insignificant levels approaching a zero mortality and serious injury rate.

"(2) The provisions of this section other than subsection (e)(6)(A) shall not govern the incidental taking of marine mammals in the course of commercial yellowfin tuna fishing subject to section 104(h)(2) of this title.

"(b)(1) The Secretary shall, after consultation with the Marine Mammal Commission—

"(A) publish in the Federal Register, for public comment, not later than sixty days after the date of enactment of this section a proposed list of those fisheries, along with a statement of the marine mammals and the approximate number of vessels or persons involved in each such fishery, that have—

"(i) frequent incidental taking of marine mammals;

"(ii) occasional incidental taking of marine mammals; or

"(iii) a remote likelihood of or no known incidental taking of marine mammals;

"(B) publish in the Federal Register not later than one hundred and twenty days after the date of enactment of this section a final list of the fisheries and other information required by paragraph (A), together with a summary of the provisions of this section and information sufficient to advise vessel owners on how to obtain an exemption and otherwise comply with the requirements of this section; and

"(C) at least once each year thereafter, and at such other times as the Secretary considers appropriate, reexamine, based on information gathered from the programs established under subsections (c), (d), (e), and (f), and other relevant sources and after notice and opportunity for public comment, the classification of fisheries and other determinations required under subparagraph (A) and publish in the Federal Register any necessary changes.

"(2)(A) An exemption shall be granted by the Secretary in accordance with this section for a vessel engaged in a fishery identified under paragraph (1)(A) (i) or (ii), upon receipt by the Secretary of a completed registration form providing the name of the vessel owner, the name and description of the vessel, the fisheries in which it will be engaged, and such other information as the Secretary considers necessary. A decal or other physical evidence that the exemption is current and valid shall be issued by the Secretary at the time an exemption is granted, and so long as the exemption remains current and valid, shall be reissued annually thereafter.

"(B) No exemption may be granted under this section to the owner of a vessel unless such vessel—

"(i) is a vessel of the United States; or

"(ii) has a valid fishing permit issued by the Secretary in accordance with section 204(b) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1824(b)).

"(C) Notwithstanding any other provision of this title, exemptions granted under this section shall authorize the incidental taking of marine mammals, other than California sea otters, from any species or stock, including a depleted population stock, but shall not authorize the intentional lethal taking of any Steller sea lion, any cetacean, or any marine mammal from a population stock designated as depleted.

"(3)(A) Beginning two hundred and forty days after the date of enactment of this section, each owner of a vessel engaged in any fishery identified under paragraph (1)(A) (i) or (ii) shall, in order to engage lawfully in that fishery—

"(i) have registered with the Secretary in order to obtain for each such vessel owned an exemption for the purpose of incidentally taking marine mammals in accordance with this section;

"(ii) ensure that a decal or such other physical evidence of a current and valid exemption as the Secretary may require is displayed on or is in the possession of the master of each such vessel; and

"(iii) report as required by subsection (c).

"(B) Any owner of a vessel receiving an exemption under this section for any fishery identified under paragraph (1)(A)(i) shall, as a condition of that exemption, take on board a marine mammal observer if requested to do so by the Secretary.

"(C) An owner of a vessel engaged in a fishery identified under paragraph (1)(A) (i) or (ii) who—

"(i) fails to obtain from the Secretary an exemption under this section;

"(ii) fails to maintain a current and valid exemption; or

"(iii) fails to ensure that a decal or other physical evidence of such exemption issued by the Secretary is displayed on or is in possession of the master of the vessel,

and the master of any such vessel engaged in such fishery, shall be deemed to have violated this title, and shall be subject to the penalties of this title; Provided, however, That if this provision is not knowingly violated before January 1, 1990, no penalties shall be imposed.

"(D) If the owner of a vessel has obtained and maintains a current and valid exemption from the Secretary under this section and meets the requirements set forth in this section, the owner of such vessel, and the master and crew members of the vessel, shall not be subject to the penalties set forth in this title for the incidental taking of marine mammals while such vessel is engaged in a fishery to which the exemption applies.

"(E) Each owner of a vessel engaged in any fishery not identified in paragraph (1)(A) (i) or (ii), and the master and crew members of such a vessel, shall not be subject to the penalties set forth in this title for the incidental taking of marine mammals if such owner reports to the Secretary, in such form and manner as the Secretary may require, instances of lethal incidental taking in the course of that fishery.

"(F) The owner of a vessel eligible for an exemption under paragraph (2) and the master and crew members of such vessel shall not be subject to the penalties set forth in this title for the incidental taking of marine mammals, other than California sea otters, during the two hundred forty day period following date of enactment of this section, except that this paragraph does not authorize the intentional lethal taking of any Steller sea lion, any cetacean, or any marine mammal from a population stock designated as depleted.

"(4) The Secretary shall suspend or revoke an exemption granted under this section and shall not issue a decal or other physical evidence of the exemption for any vessel until the owner of such vessel complies with the reporting requirements under subsection (c) and such requirements to take on board a marine mammal observer under paragraph (3)(B) as are applicable to such vessel.

"(5)(A) The Secretary shall develop, in consultation with the appropriate States, Regional Fishery Management Councils, and other interested parties, the means by which the granting and administration of exemptions under this section shall be integrated and coordinated, to the maximum extent practicable, with existing fishery licenses, registrations, and related programs.

"(B) The Secretary shall utilize newspapers of general circulation, fishery trade associations, electronic media, and other means of advising commercial fishermen of the provisions of this section and the means by which they can comply with its requirements.

"(C) The Secretary is authorized to charge a fee for the granting of an exemption under this subsection. The level of fees charged under this subparagraph shall not exceed the administrative costs incurred in granting an exemption. Fees collected under this subparagraph shall be available to the Under Secretary of Commerce for Oceans and Atmosphere for expenses incurred in the granting and administration of exemptions under this section.

"(c) The owner of each vessel holding an exemption granted under subsection (b) of this section shall regularly compile information which shall be used in a report to be submitted to the Secretary at close of the fishing season or annually, as the Secretary may prescribe. Such report shall be submitted in such form as the Secretary may require and shall include the following:

"(1) the type of fishery engaged in by the owner's vessel;

"(2) the date and approximate time of any incidental taking of a marine mammal, together with the area in which the incidental taking occurred, the fishing gear used at the time of the incidental taking, and the species of fish involved; and

"(3) for each incidental taking, the number and species of marine mammals involved, whether the marine mammals were deterred from gear or catch, incidentally injured, incidentally killed, or lethally removed to protect gear, catch, or human life.

If there was no incidental taking of marine mammals during the reporting period, a report stating that fact shall be filed with the Secretary.

"(d)(1) The Secretary shall establish a program to enhance the quality of and verify information received from reports submitted by owners of vessels who have been granted an exemption under subsection (b) of this section. The program shall include, but not be limited to—

"(A) education efforts regarding the information that must be submitted;

"(B) interviews with fishermen; and

"(C) other such information gathering and verification activities that will enable the Secretary to determine reliably the nature, type, and extent of the incidental taking of marine mammals that occurs in a fishery.

Except to the extent authorized by the provisions of subsection (e), the program shall not include placement of observers aboard exempted vessels.

"(2) Information obtained under this subsection shall be subject to the confidentiality provisions of subsection (j).

"(e)(1) For each fishery identified under subsection (b)(1)(A)(i) of this section, the Secretary shall, after consultation with the appropriate Regional Fishery Management Councils, other Federal and State agencies, and other interested parties, and subject to paragraph (5), place observers on board exempted vessels so as to monitor not less than 20 per centum nor more than 35 per centum of the fishing operations by vessels in the fishery to obtain statistically reliable information on the species and number of marine mammals incidentally taken in the fishery. If the Secretary determines that fewer than 20 per centum of the fishing operations by vessels in the fishery will be monitored during the course of the fishing season, the Secretary shall implement the alternative observation program described in subsection (f) to the extent necessary to supplement the observer program described in this subsection.

"(2) When determining the distribution of observers among fisheries and between vessels in a particular fishery, the Secretary shall be guided by the following standards:

"(A) the requirement to obtain the best scientific information available;

"(B) the requirement that assignment of observers is fair and equitable among fisheries and among vessels in a fishery;

"(C) consistent with paragraph (1), the requirement that no individual person or vessel, or group of persons or vessels, be subject to excessive or overly burdensome observer coverage; and

"(D) where practicable, the need to minimize costs and avoid duplication.

"(3) If the Secretary finds that, for reasons beyond his or her control, the Secretary cannot assign observers to all the fisheries identified under subsection (b)(1)(A)(i) of this section at the level of observer coverage set forth in paragraph (1), the Secretary shall allocate available observers among such fisheries, consistent with paragraph (2), according to the following priority:

"(A) those fisheries that incidentally take depleted marine mammals;

"(B) those fisheries that incidentally take marine mammals from populations that the Secretary believes are declining;

"(C) those fisheries other than those described in subparagraphs (A) and (B) in which the greatest incidental take of marine mammals occur; and

"(D) any other fishery identified under subsection (b)(1)(A)(i).

The Secretary may, with the consent of the vessel owner, station an observer on board a vessel engaged in a fishery not identified under subsection (b)(1)(A)(i).

"(4) Information gathered by observers shall be subject to the provisions of subsection (j). Consistent with the requirements of paragraph 1, the Secretary shall, if requested by the appropriate Regional Fishery Management Council, or in the case of a State fishery, the State, require observers to collect additional biological and other scientific information, including but not limited to quantities, species and physical condition of target and non-target fishery resources and, if requested by the Secretary of the Interior, seabirds.

"(5) The Secretary shall not be required to place an observer on a vessel in a fishery if the Secretary finds that—

"(A) in a situation where harvesting vessels are delivering fish to a processing vessel and the catch is not taken on board the harvesting vessel, statistically reliable information can be obtained from an observer on board the processing vessel to which the fish are delivered;

"(B) the facilities of a vessel for the quartering of an observer, or for carrying out observer functions, are so inadequate or unsafe that the health or safety of the observer or the safe operation of the vessel would be jeopardized; or

"(C) for reasons beyond the control of the Secretary, an observer is not available.

"(6)(A) An observer on a vessel (or the observer's personal representative) under the requirements of this section or section 104 that is ill, disabled, injured, or killed from service as an observer on that vessel may not bring a civil action under any law of the United States for that illness, disability, injury, or death against the vessel or vessel owner, except that a civil action may be brought against the vessel owner for the owner's willful misconduct.

"(B) This paragraph does not apply if the observer is engaged by the owner, master, or individual in charge of a vessel to perform any duties in service to the vessel.

"(7) There are authorized to be appropriated to the Department of Commerce for the purposes of carrying out this subsection not to exceed $2,700,000 for fiscal year 1989 and not to exceed $8,000,000 for each of the fiscal years 1990, 1991, 1992, and 1993.

"(f)(1) The Secretary shall establish an alternative observation program to provide statistically reliable information on the species and number of marine mammals incidentally taken in those fisheries identified pursuant to subsection (b)(1)(A)(i) of this section for which the required level of observer coverage has not been met or for any other fisheries about which such reliable information is not otherwise available. The alternative program shall include, but not be limited to, direct observation of fishing activities from vessels, airplanes, or points on shore.

"(2) Individuals engaged in the alternative observation program shall collect scientific information on the fisheries subject to observation, consistent with the requirements of paragraph (1) and subsection (e)(4). All information collected shall be subject to the provisions of subsection (j).

"(g)(1) The Secretary shall review information regarding the incidental taking of marine mammals and evaluate the effects of such incidental taking on the affected population stocks of marine mammals.

"(2) If the Secretary finds, based on the information received from the programs established under subsections (c), (d), (e), and (f), that the incidental taking of marine mammals in a fishery is having an immediate and significant adverse impact on a marine mammal population stock or, in the case of Steller sea lions and North Pacific fur seals, that more than 1,350 and 50, respectively, will be incidentally killed during a calendar year, the Secretary shall consult with appropriate Regional Fishery Management Councils and State fishery managers and prescribe emergency regulations to prevent to the maximum extent practicable any further taking. Any emergency regulations prescribed under this paragraph—

"(A) shall, to the maximum extent practicable, avoid interfering with existing State or regional fishery management plans;

"(B) shall be published in the Federal Register together with the reasons therefor;

"(C) shall remain in effect for not more than one hundred and eighty days or until the end of the fishing season, whichever is earlier; and

"(D) may be terminated by the Secretary at an earlier date by publication in the Federal Register of a notice of termination if the Secretary determines the reasons for the emergency regulations no longer exist.

In prescribing emergency regulations under this paragraph, the Secretary shall take into account the economics of the fishery concerned and the availability of existing technology to prevent or minimize incidental taking of marine mammals.

"(3) If the Secretary finds, based on information received from the programs established under subsections (c), (d), (e), and (f), that incidental taking of marine mammals in a fishery is not having an immediate and significant adverse impact on a marine mammal population stock but that it will likely have a significant adverse impact over a period of time longer than one year, the Secretary shall request the appropriate Regional Fishery Management Council or State to initiate, recommend, or take such action within its authority as it considers necessary to mitigate the adverse impacts, including adjustments to requirements on fishing times or areas or the imposition of restrictions on the use of vessels or gear.

"(4) The Secretary shall impose appropriate conditions and restrictions on an exemption granted under subsection (b) if—

"(A) a Regional Fishery Management Council or State does not act in a reasonable period of time on a request made by the Secretary under paragraph (3); or

"(B) if the Secretary determines after notice and opportunity for public comment that the purposes of this section would be better served by such action.

"(h) The Secretary shall design and implement an information management system capable of processing and analyzing reports received from the programs established under subsections (c), (d), (e), and (f), and other relevant sources, including Federal and State enforcement authorities, marine mammal stranding networks, and marine mammal researchers. The information shall be made accessible to the public on a continuing basis, but in any case no later than six months after it is received, subject to the provisions of subsection (j).

"(i) When carrying out the Secretary's responsibilities under subsections (b), (d), (e), (f), and (h) of this section, the Secretary shall, to the maximum extent practicable, utilize the services and programs of State agencies, Federal agencies (including programs established by Regional Fishery Management Councils), marine fisheries commissions, universities, and private entities, on a reimbursable basis or otherwise. The Secretary is authorized to enter into contracts and agreements to carry out his or her responsibilities and shall establish appropriate guidelines to ensure that other programs used or contracted for will meet the same standards as a program established by the Secretary. A person contracting with the Secretary to provide observer services under subsection (e) of this section must provide evidence of financial responsibility in an

amount and form prescribed by the Secretary to compensate employees (or their survivors) adequately for any illness, disability, injury, or death from service on a vessel.

"(j)(1) Any information collected under subsections (c), (d), (e), (f), or (h) of this section shall be confidential and shall not be disclosed except—

"(A) to Federal employees whose duties require access to such information;

"(B) to State employees pursuant to an agreement with the Secretary that prevents public disclosure of the identity or business of any person;

"(C) when required by court order; or

"(D) in the case of scientific information involving fisheries, to employees of Regional Fishery Management Councils who are responsible for fishery management plan development and monitoring.

"(2) The Secretary shall prescribe such procedures as may be necessary to preserve such confidentiality, except that the Secretary shall release or make public any such information in aggregate, summary, or other form which does not directly or indirectly disclose the identity or business of any person.

"(k) The Secretary, in consultation with any other Federal agency to the extent that such agency may be affected, shall prescribe such regulations as necessary and appropriate to carry out the purposes of this section.

"(l)(1) The Chairman of the Marine Mammal Commission shall, after consultation with interested parties and not later than February 1, 1990, transmit to the Secretary and make available to the public recommended guidelines to govern the incidental taking of marine mammals in the course of commercial fishing operations, other than those subject to section 104(h)(2), after October 1, 1993. Such guidelines shall be developed by the Commission and its Committee of Scientific Advisors on Marine Mammals and shall—

"(A) be designed to provide a scientific rationale and basis for determining how marine mammals may be incidentally taken under a regime to be adopted to govern such taking after October 1, 1993;

"(B) be based on sound principles of wildlife management, and be consistent with and in furtherance of the purposes and policies set forth in this Act; and

"(C) to the maximum extent practicable, include as factors to be considered and utilized in determining permissible levels of such taking—

"(i) the status and trends of the affected marine mammal population stocks;

"(ii) the abundance and annual net recruitment of such stocks;

"(iii) the level of confidence in the knowledge of the affected stocks; and

"(iv) the extent to which incidental taking will likely cause or contribute to their decline or prevent their recovery to optimum sustainable population levels.

"(2) The Secretary shall advise the Chairman of the Commission in writing if the Secretary determines that any additional information or explanation of the Chairman's recommendations is needed, and the Chairman shall respond in writing to any such request by the Secretary.

"(3) On or before February 1, 1991, the Secretary, after consultation with the Marine Mammal Commission, Regional Fishery Management Councils, and other interested governmental and non-governmental organizations, shall publish in the Federal Register, for public comment, the suggested regime that the Secretary considers should, if authorized by enactment of any additional legislation, govern incidental taking of marine mammals, other than those subject to section 104(h)(2), after October 1, 1993. The suggested regime shall include—

"(A) the scientific guidelines to be used in determining permissible levels of incidental taking;

"(B) a description of the arrangements for consultation and cooperation with other Federal agencies, the appropriate Regional Fishery Management Councils and States, the commercial fishing industry, and conservation organizations; and

"(C) a summary of such regulations and legislation as would be necessary to implement the suggested regime.

"(4) On or before January 1, 1992, the Secretary, after consultation with the Marine Mammal Commission, and consideration of public comment, shall transmit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Merchant Marine and Fisheries of the House of Representatives recommendations pertaining to the incidental taking of marine mammals, other than those subject to section 104(h)(2), after October 1, 1993. The recommendation shall include—

"(A) the suggested regime developed under paragraph (3) of this subsection as modified after comment and consultations;

"(B) a proposed schedule for implementing the suggested regime; and

"(C) such recommendations for additional legislation as the Secretary considers necessary or desirable to implement the suggested regime.

"(m) The Secretary shall consult with the Secretary of the Interior prior to taking actions or making determinations under this section that affect or relate to species or population stocks of marine mammals for which the Secretary of the Interior is responsible under this title.

"(n) For the purposes of this section, the owner of fixed or other commercial fishing gear that is deployed with or without the use of a vessel shall be deemed to be an owner of a vessel engaged in the fishery in which that gear is deployed.

"(o) As used in this section—

"(1) the term 'fishery' has the same meaning as it does in section 3(8) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1802(8)).

"(2) the term 'Secretary' means the Secretary of Commerce.

"(3) the term 'vessel engaged in a fishery' means a fishing vessel as defined in section 2101(11a) of title 46, United States Code, or a fish processing vessel as defined in section 2101(11b) of that title, which is engaged in a fishery.

"(4) the term 'vessel of the United States' has the same meaning as it does in section 3(27) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1802(27)).".

(b) Section 102(a) of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1372(a)) is amended—

(1) by striking "and" before "113"; and

(2) by inserting ", and 114" after "113".

STATUS REVIEW

SEC. 3. (a) The Marine Mammal Protection Act of 1972 (16 U.S.C. 1316 et seq.) is amended by inserting immediately after section 114, as added by section 2 of this Act, the following new section:

"STATUS REVIEW; CONSERVATION PLANS

"SEC. 115. (a)(1) In any action by the Secretary to determine if a species or stock should be designated as depleted, or should no longer be designated as depleted, regardless of whether such action is taken on the initiative of the Secretary or in response to a petition for a status review, the Secretary shall only make such a determination by issuance of a rule, after notice and opportunity for public comment and after a call for information in accordance with paragraph (2).

"(2) The Secretary shall make any determination described in paragraph (1) solely on the basis of the best scientific information available. Prior to the issuance of a proposed rule concerning any such determination, the Secretary shall publish in the Federal Register a call to assist the Secretary in obtaining scientific information from individuals and organizations concerned with the conservation of marine mammals, from persons in any industry which might be affected by the determination, and from academic institutions. In addition, the Secretary shall utilize, to the extent the Secretary determines to be feasible, informal working groups of interested parties and other methods to gather the necessary information.

"(3)(A) If the Secretary receives a petition for a status review as described in paragraph (1), the Secretary shall publish a notice in the Federal Register that such a petition has been received and is available for public review.

"(B) Within sixty days after receipt of the petition, the Secretary shall publish a finding in the Federal Register as to whether the petition presents substantial information indicating that the petitioned action may be warranted.

"(C) If the Secretary makes a positive finding under subparagraph (B), the Secretary shall include in the Federal Register notice, a finding that—

"(i) a review of the status of the species or stock will be commenced promptly; or

"(ii) a prompt review of the petition is precluded by other pending status determination petitions and that expeditious progress is being made to process pending status determination petitions under this title. In no case after making a finding under this subparagraph shall the Secretary delay commencing a review of the status of a species or stock for more than one hundred and twenty days after receipt of the petition.

"(D) No later than two hundred and ten days after the receipt of the petition, the Secretary shall publish in the Federal Register a proposed rule as to the status of the species or stock, along with the reasons underlying the proposed status determination. Persons shall have at least sixty days to submit comments on such a proposed rule.

"(E) Not later than ninety days after the close of the comment period on a proposed rule issued under subparagraph (D), the Secretary shall issue a final rule on the status of the species or stock involved, along with the reasons for the status determination. If the Secretary finds with respect to such a proposed rule that there is substantial disagreement regarding the sufficiency or accuracy of the available information relevant to a status determination, the Secretary may delay the issuance of a final rule for a period of not more than six months for purposes of soliciting additional information.

"(F) Notwithstanding subparagraphs (D) and (E) of this paragraph and section 553 of title 5, United States Code, the Secretary may issue a final rule as to the status of a species or stock any time sixty or more days after a positive finding under subparagraph (B) if the Secretary determines there is substantial information available to warrant such final status determination and further

delay would pose a significant risk to the well-being of any species or stock. Along with the final rule, the Secretary shall publish in the Federal Register detailed reasons for the expedited determination.

"(b)(1) The Secretary shall prepare conservation plans—

"(A) by December 31, 1989, for North Pacific fur seals;

"(B) by December 31, 1990, for Steller sea lions; and

"(C) as soon as possible, for any species or stock designated as depleted under this title, except that a conservation plan need not be prepared if the Secretary determines that it will not promote the conservation of the species or stock.

"(2) Each plan shall have the purpose of conserving and restoring the species or stock to its optimum sustainable population. The Secretary shall model such plans on recovery plans required under section 4(f) of the Endangered Species Act of 1973 (16 U.S.C. 1533(f)).

"(3) The Secretary shall act expeditiously to implement each conservation plan prepared under paragraph (1). Each year, the Secretary shall specify in the annual report prepared under section 103(f) of this title what measures have been taken to prepare and implement such plans.".

TAKING OF PORPOISE IN TUNA FISHERY

SEC. 4. (a) Section 101(a)(2) of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1371(a)(2)) is amended—

(1) in subparagraph (A), by striking "and" at the end;

(2) in subparagraph (B)—

(A) in clause (ii), by striking the period at the end and inserting in lieu thereof a comma; and

(B) by adding at the end, flush with the margin, the following:

"except that the Secretary shall not find that the regulatory program, or the average rate of incidental taking by vessels, or a harvesting nation is comparable to that of the United States for purposes of clause (i) or (ii) of this subparagraph unless—

"(I) the regulatory program of the harvesting nation includes, by no later than one hundred and eighty days after the imposition of new requirements under this Act, such prohibitions against encircling pure schools of species of marine mammals, conducting sundown sets, and other activities as are made applicable to United States vessels;

"(II) the average rate of the incidental taking by vessels of the harvesting nation is no more than 2.0 times that of the United States vessels during the same period by the end of the 1989 fishing season and no more than 1.25 times that of United States vessels during the same period by the end of the 1990 fishing season and thereafter;

"(III) the total number of eastern spinner dolphin (Stenella longirostris) incidentally taken by vessels of the harvesting nation during the 1989 and subsequent fishing seasons does not exceed 15 per centum of the total number of all marine mammals incidentally taken by such vessels in such year and the total number of coastal spotted dolphin (Stenella attenuata) incidentally taken by such vessels in such seasons does not exceed 2 percent of the total number of all marine mammals incidentally taken by such vessels in such year;

"(IV) the rate of incidental taking of marine mammals by the vessels of the harvesting nation during the 1989 and subsequent fishing seasons is monitored by the porpoise mortality observer program of the Inter-American Tropical Tuna Commission or an equivalent international program in which the United States participates and is based upon observer coverage that is equal to that achieved for United States vessels during the same period, except that the Secretary may approve an alternative observer program if the Secretary determines, no less than sixty days after publication in the Federal Register of the Secretary's proposal and reasons therefor, that such an alternative observer program will provide sufficiently reliable documentary evidence of the average rate of incidental taking by a harvesting nation; and

"(V) the harvesting nation complies with all reasonable requests by the Secretary for cooperation in carrying out the scientific research program required by section 104(h)(3) of this title;"; and

(3) by adding at the end the following new subparagraphs:

"(C) shall require the government of any intermediary nation from which yellowfin tuna or tuna products will be exported to the United States to certify and provide reasonable proof that it has acted to prohibit the importation of such tuna and tuna products from any nation from which direct export to the United States of such tuna and tuna products is banned under this section within sixty days following the effective date of such ban on importation to the United States; and

"(D) shall, six months after importation of yellowfin tuna or tuna products has been banned under this section, certify such fact to the President, which certification shall be deemed to be a certification for the purposes of section 8(a) of the Fishermen's Protective Act of 1967 (22 U.S.C. 1978(a)) for as long as such ban is in effect.".

(b) Paragraph (2) of section 108(a) of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1378(a)) is amended to read as follows:

"(2) initiate—

"(A) negotiations as soon as possible with all foreign governments which are engaged in, or which have persons or companies engaged in, commercial fishing operations which are found by the Secretary to be unduly harmful to any species of marine mammal, for the purpose of entering into bilateral and multilateral treaties with such countries to protect marine mammals, with the Secretary of State to prepare a draft agenda relating to this matter for discussion at appropriate international meetings and forums; and

"(B) discussions with foreign governments whose vessels harvest yellowfin tuna with purse seines in the eastern tropical Pacific Ocean, for the purpose of concluding, through the Inter-American Tropical Tuna Commission or such other bilateral or multilateral institutions as may be appropriate, international arrangements for the conservation of marine mammals taken incidentally in the course of harvesting such tuna, which should include provisions for (i) cooperative research into alternative methods of locating and catching yellowfin tuna which do not involve the taking of marine mammals, (ii) cooperative research on the status of affected marine mammal populations, (iii) reliable monitoring of the number, rate, and species of marine mammals taken by vessels of harvesting nations, (iv) limitations on incidental take levels based upon the best scientific information available, and (v) the use of the best marine mammal safety techniques and equipment that are economically and technologically practicable to reduce the incidental kill and serious injury of marine mammals to insignificant levels approaching a zero mortality and serious injury rate.".

(c) Section 108 of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1378) is amended by adding at the end the following new subsection:

"(c) The Secretary shall include a description of the annual results of discussions initiated and conducted pursuant to subsection (a)(2)(B), as well as any proposals for further action to achieve the purposes of that subsection, in the report required under section 103(f) of this Act.".

(d) Section 104(h)(2)(B) of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1374(h)(2)(B)) is amended by adding at the end the following new clauses:

"(iv) The Secretary shall, by January 1, 1989, promulgate regulations to ensure that sets of the purse seine net on marine mammals are completed no later than thirty minutes after sundown.

"(v) The Secretary may authorize, after public notice and opportunity for comment, designated certificate holders to conduct experimental fishing operations on observed trips, under such terms and conditions as the Secretary may prescribe, for the purpose of testing proposed improvements in fishing techniques and equipment that may reduce the incidental mortality of marine mammals in the course of commercial yellowfin tuna fishing operations, and the Secretary may waive such terms and conditions of the general permit and this section, other than the quotas on incidental taking of marine mammals and the prohibition against encircling pure schools of certain species of marine mammals, as the Secretary determines to be necessary and appropriate for the conduct of such experimental fishing.

"(vi) The Secretary, after public notice and opportunity for comment and consultation with the skippers' panel of experts established pursuant to the general permit, shall develop and implement by not later than the beginning of the 1990 fishing season a system of performance standards to maintain the diligence and proficiency of certificate holders in the use of the best marine mammal safety techniques and equipment that are economically and technologically practicable. The system shall include levels and rates of incidental mortality that shall not be exceeded by certificate holders and such arrangements as are necessary for the identification of certificate holder whose incidental marine mammal mortality rate is consistently and substantially higher than the average rate of the fleet, and for the supplemental training and observation of certificate holders, and provisions for suspension or revocation of their certificates of inclusion.

"(vii) During the 1989 and subsequent fishing seasons, each certificated vessel shall carry on every fishing trip subject to this subsection an official observer acceptable to the Secretary for the purpose of conducting research and observing fishing operations unless, for reasons beyond the control of the Secretary, an observer is not available for such purpose. The Secretary may waive this requirement after the 1991 fishing season and establish a less extensive observer program if the Secretary, after notice and opportunity for comment, determines that such an alternative program will provide sufficiently reliable information and ensure that the purposes and policies of this Act are satisfied.

"(viii) The Secretary shall annually convene meetings with representatives of conservation and environmental organizations, the commercial tuna fishing industry, and other interested persons for the purpose of discussing the results of efforts to reduce the incidental mortality and serious injury of marine mammals under this subsection and developing plans for such efforts during the next year. On or before April 1, 1992, the Secretary shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Merchant Marine and Fisheries of the House of Representatives a comprehensive report on the results of such efforts. The report shall discuss the results of the scientific research programs, performance standards, observer program, prohibition on sundown sets, development of alternative fishing techniques, and other efforts required by this section, and shall include specific proposals for legislation and other action if the total mortality and serious injury of marine mammals under the general permit has not been substantially reduced by such efforts.".

(e) Section 104(h) of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1374(h)) is amended by adding a new paragraph (4) as follows:

(4)(A) The Secretary, before the beginning of the 1990 fishing season and each year thereafter, shall examine the information provided in the report submitted under section 110(a)(2), the results of the development and implementation of alternative fishing techniques, the results of the annual meetings held to discuss the efforts to reduce mortality and serious injury of marine mammals, and any other relevant information.

(B) Based on the examination and consistent with paragraph (2)(B), the Secretary, after notice and opportunity for hearing, shall modify the terms and conditions of the general permit issued on December 1, 1980, to the American Tunaboat Association, so as to reduce the number of marine mammals taken incidental to commercial purse seine fishing for yellowfin tuna, to reduce the percentage of sets made on marine mammals, or to require the use of alternative fishing gear and techniques, in order to meet the goals of the Act as stated in section 101(a)(2).".

(f) Section 110(a) of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1380(a)) is amended—

(1) immediately before "The Secretary" at the beginning of the first sentence, by inserting "(1)"; and

(2) by adding at the end the following new paragraph:

"(2) For purposes of identifying appropriate research into promising new methods of locating and catching yellowfin tuna without the incidental taking of marine mammals, the Secretary shall contract for an independent review of information pertaining to such potential alternative methods to be conducted by the National Academy of Sciences with individuals having scientific, technical, or other expertise that may be relevant to the identification of promising alternative fishing techniques. The Secretary shall provide the National Academy of Science with all current research program information available regarding the abundance and trends of marine mammal population stocks under clause (A) of this paragraph. This information shall be summarized in the report of the independent review required by this clause. The Secretary shall request that the independent review be submitted to the Secretary on or before September 8, 1989, and the Secretary shall submit the report to the independent review, together with a proposed plan for research, development, and implementation of alternative fishing techniques, to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Merchant Marine and Fisheries of the House of Representatives on or before December 5, 1989.".

SCIENTIFIC RESEARCH AND PUBLIC DISPLAY PERMITS

SEC. 5. (a) Section 109(h) of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1379(h)) is amended to read as follows:

"(h)(1) Nothing in this title shall prevent a Federal, State, or local government official or employee or a person designated under section 112(c) from taking, in the course of his or her duties as an official, employee, or designee, a marine mammal in a humane manner (including euthanasia) if such taking is for—

"(A) the protection or welfare of the mammal,

"(B) the protection of the public health and welfare, or

"(C) the nonlethal removal of nuisance animals.

"(2) Nothing in this title shall prevent the Secretary or a person designated under section 112(c) from importing a marine mammal into the United States if such importation is necessary to render medical treatment that is not otherwise avalable.

"(3) In any case in which it is feasible to return to its natural habitat a marine mammal taken or imported under circumstances described in this subsection, steps to achieve that result shall be taken.".

"(b) Section 102(b) of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1372(b)) is amended by adding at the end the following new sentence, flush with the margin:

"Notwithstanding the provisions of paragraphs (1) and (2), the Secretary may issue a permit for the importation of a marine mammal, if the Secretary determines that such importation is necessary for the protection or welfare of the animal.".

(c) Paragraph (1) of section 101(a) of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1371(a)) is amended to read as follows:

"(1) Consistent with the provisions of section 104, permits may be issued by the Secretary for taking and importation for purposes of scientific research, public display, or enhancing the survival or recovery of a species or stock if—".

(d) Section 104(c) of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1374(c)) is amended—

(1) by striking "display or scientific research" each place it appears and inserting in lieu thereof the following: "scientific research, public display, or enhancing the survival or recovery of a species or stock";

(2) by inserting "(1)" immediately after "(c)"; and

(3) by adding at the end the following new paragraphs:

"(2) A permit may be issued for public display purposes only to an applicant which offers a program for education or conservation purposes that, based on professionally recognized standards of the public display community, is acceptable to the Secretary and which submits with the permit application information indicating that the applicant's facilities are open to the public on a regularly scheduled basis and that access to the facilities is not limited or restricted other than by the charging of an admission fee.

"(3) A permit may be issued for scientific research purposes only to an applicant which submits with its permit application information indicating that the taking is required to further a bona fide scientific purpose and does not involve unnecessary duplication of research. No permit issued for purposes of scientific research shall authorize the killing of a marine mammal unless the applicant demonstrates that a nonlethal method for carrying out the research is not feasible. The Secretary shall not issue a permit for research which involves the lethal taking of a marine mammal from a depleted species or stock, unless the Secretary determines that the results of such research will directly benefit that species or stock, or that such research fulfills a critically important research need.

"(4)(A) A permit may be issued for enhancing the survival or recovery of a species or stock only with respect to a species or stock for which the Secretary, after consultation with the Marine Mammal Commission and after notice and opportunity for public comment, has first determined that—

"(i) taking or importation is likely to contribute significantly to maintaining or increasing distribution or numbers necessary to ensure the survival or recovery of the species or stock; and

"(ii) taking or importation is consistent (I) with any conservation plan adopted by the Secretary under section 115(b) of this title or any recovery plan developed under section 4(f) of the Endangered Species Act of 1973 for the species or stock, or (II) if there is no conservation or recovery plan in place, with the Secretary's evaluation of the actions required to enhance the survival or recovery of the species or stock in light of the factors that would be addressed in a conservation plan or a recovery plan.

"(B) A permit issued in accordance with this paragraph may allow the captive maintenance of a marine mammal from a depleted species or stock only if the Secretary—

"(i) determines that captive maintenance is likely to contribute to the survival or recovery of the species or stock by maintaining a viable gene pool, increasing productivity, providing biological information, or establishing animal reserves;

"(ii) determines that the expected benefit to the affected species or stock outweighs the expected benefit of alternatives which do not require removal of animals from the wild; and

"(iii) requires that the marine mammal or its progeny be returned to the natural habitat of the species or stock as soon as feasible, consistent with the objectives of any applicable conservation plan or recovery plan, or of any evaluation by the Secretary under subparagraph (A).

The Secretary may allow the public display of such a marine mammal only if the Secretary determines that such display is incidental to the authorized maintenance and will not interfere with the attainment of the survival or recovery objectives.".

(e)(1) Section 101(a)(3)(B) of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1371(a)(3)(B) is amended by inserting, immediately after "scientific research purposes", the following: "or enhancing the survival or recovery of a species or stock".

(2) Section 102(b) of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1372(b)) is amended by striking "research" and inserting in lieu thereof the following: "research,

or for enhancing the survival or recovery of a species or stock,".

(3) Section 109(b) of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1379(b)) is amended—

(A) in paragraph (1)(E), by striking "research and public display purposes" and inserting in lieu thereof the following: "research, public display, or enhancing the survival or recovery of a species or stock"; and

(B) in paragraph (3)(B)(ii), by striking "research or public display purposes" and inserting in lieu thereof the following: "research, public display, or enhancing the survival or recovery of a species or stock".

(4) Section 202(a)(2) of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1402(a)(2)) is amended by inserting, immediately after "scientific research", the following: ", public display, or enhancing the survival or recovery of a species or stock".

AUTHORIZATION OF APPROPRIATIONS

SEC. 6. Section 7 of the Act entitled "An Act to improve the operation of the Marine Mammal Protection Act of 1972, and for other purposes", approved October 9, 1981 (16 U.S.C. 1384 and 1407 is amended—

(1) in subsection (a), by adding at the end the following new sentence: "There are authorized to be appropriated to the Department of Commerce, for purposes of carrying out such functions and responsibilities as it may have been given under such title (other than section 114(e)(7)), $12,250,000 for fiscal year 1989, $12,740,000 for fiscal year 1990, $13,250,000 for fiscal year 1991, $13,780,000 for fiscal year 1992, and $14,331,000 for fiscal year 1993.";

(2) in subsection (b)—

(A) by striking "and" immediately after "1985,"; and

(B) by striking "and 1988" and inserting in lieu thereof the following: "1988, and 1989, $3,120,000 for fiscal year 1990, $3,240,000 for fiscal year 1991, $3,370,000 for fiscal year 1992, and $3,500,000 for fiscal year 1993"; and

(3) in subsection (c)—

(A) by striking "and" immediately after "1983,"; and

(B) by striking "and 1988" and inserting in lieu thereof the following: "1988, and 1989, $1,140,000 for fiscal year 1990, $1,190,000 for fiscal year 1991, $1,230,000 for fiscal year 1992, and $1,280,000 for fiscal year 1993".

STUDY OF EFFECTS OF SEAL CONTROL DEVICES

SEC. 7. (a) The Secretary of Commerce shall conduct a study of the effects of seal control devices and other explosive devices used in the course of commercial yellowfin tuna fishing, to determine—

(1) whether use of such devices in such fishing will result in damage to the auditory system of marine mammals; and

(2) whether use of such devices for such fishing increases mortality of marine mammals; and

(3) if it is determined that such use does damage auditory system or increases mortality of marine mammals, whether other devices or alternative fishing techniques could be used in place of such devices for commercial yellowfin tuna fishing.

(b) Not later than two years after the date of the enactment of this Act, the Secretary shall report the findings of the study conducted under this section to the Committee on Commerce, Science, and Transportation of the Senate and to the Committee on Merchant Marine and Fisheries of the House of Representatives.

DOLPHIN DIE-OFF STUDY

SEC. 8. (a) The Secretary shall conduct a study regarding the die-off of east coast Atlantic bottle-nosed dolphin which occurred during 1987 and 1988. The study shall examine—

(1) the cause or causes of the die-off;

(2) the effect of the die-off on onshore and offshore populations of east coast Atlantic bottle-nosed dolphins;

(3) to what extent pollution may have contributed to the die-off;

(4) whether other species of marine mammals were affected by those factors which caused the Atlantic bottle-nosed dolphin die-off; and

(5) any other matters regarding the causes and effects of the die-off.

(b) On or before January 1, 1989, the Secretary, in consultation with the Administrator of the Environmental Protection Agency, the Secretary of the Navy, the Secretary of Agriculture, the Secretary of the Smithsonian Institution, and heads of other relevant agencies, shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Merchant Marine and Fisheries in the House of Representatives, a plan for conducting the study required in subsection (a).

(c) In performing the study required by subsection (a), the Secretary shall consult with agencies and institutions which might have information and other resources relevant to the study, including—

(1) Federal agencies, including the Environmental Protection Agency, the Department of the Navy, the Department of Agriculture, the Smithsonian Institution, and any other agencies the Secretary considers appropriate;

(2) State agencies;

(3) universities, foundations, and other institutions the Secretary considers appropriate; and

(4) foreign agencies and institutions, including any involved in the investigation of the 1987-1988 seal die-off in the North Sea.

(d) On or before January 1, 1990, the Secretary shall transmit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Merchant Marine and Fisheries of the House of Representatives a report on the findings of the study required by subsection (a).

The SPEAKER pro tempore. Is a second demanded?

Mr. YOUNG of Alaska. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from North Carolina [Mr. JONES] will be recognized for 20 minutes and the gentleman from Alaska [Mr. YOUNG] will be recognized for 20 minutes.

The Chair recognizes the gentleman from North Carolina [Mr. JONES].

Mr. JONES of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today to urge my colleagues to support H.R. 4189, the Marine Mammal Protection Act Amendments of 1988, as amended.

It is important to note that this comprehensive bill represents the culmination of months of consultation and negotiation among a coalition of conservation organizations, fishing industry representatives, and representatives from Congress.

This bill will maintain essential protection for depleted and other marine mammal populations while allowing the fishing industry to continue its operations for the next 5 years. It will also provide for the collection of badly needed information that will improve the overall management and protection of marine mammal populations.

The bill also provides for additional restrictions on the incidental taking of certain marine mammal species. Despite the authorization for this limited incidental take, the bill still provides an excellent safety net for marine mammals. For instance, if there is evidence that the incidental taking of marine mammals in a given fishery is having an immediate and significant adverse impact on a particular marine mammal population stock, the Secretary of Commerce has to issue emergency regulations to prevent any further taking to the maximum extent practicable. In issuing such regulations, the Secretary would consider, among other factors, the economic and technological feasibility of the measures to prevent or minimize these incidental takings. In establishing this approach, there is no intention to change the historic goals or purposes of the Marine Mammal Protection Act, the highest priority of which is to ensure the protection of marine mammals.

Although the bill gives the Secretary of Commerce the lead for regulating commercial fisheries conflicts with marine mammals, it is intended that the existing lines of responsibility between the Secretaries of Interior and Commerce generally remain the same. Thus for conflicts involving the biological status of species under the jurisdiction of the Interior Department, the Secretary of Commerce is expected to give great weight and due deference to the biological assessments of the Secretary of the Interior and to fully include the Secretary of the Interior in all regulatory discussions.

The bill also provides additional restrictions on the killing of porpoise by the domestic and foreign tuna fishing industries, but is not so restrictive that it will preclude our industry from carrying out its activities. It is important to remember that it is the greatly increased mortality caused by foreign tuna boats which is responsible for most of the porpoise deaths.

In addition, the bill addresses concerns regarding current restrictions on the importation, scientific research, and public display of marine mammals which appear to be in some instances too narrow or inadequate.

Of the many conservation issues facing this Nation, marine mammal protection has been one of the most important and difficult to resolve.

This bill reflects a consensus among all interested parties, and that represents a significant and important step for the conservation of marine mammals. The many individuals representing Congress, the fishing industry, and the conservation community are to be heartily commended for their hard work and dedication in seeking a common ground on this difficult conservation issue.

Please join me in extending thanks and congratulations to them, and in voting to pass H.R. 4189.

Mr. Speaker, I reserve the balance of my time.

Mr. YOUNG of Alaska. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the bill before us today and urge its adoption by the House.

This bill represents a yearlong effort by the staff and members of this committee in trying to resolve problems that have been identified in the existing Marine Mammal Protection Act. During the course of our work the Subcommittee on Fisheries and Wildlife Conservation and the Environment conducted two hearings and received comments and assistance from a broad spectrum of individuals, including representatives of the commercial fishing industry, the environmental community, the public display community, and Federal agencies. The resulting bill is a carefully crafted compromise which takes into account as many concerns as possible that were brought to the committee's attention.

The first section of this bill provides a new interim exemption for commercial fishermen other than tuna fishermen who take marine mammals in the course of commercial fishing operations. As we all know, fish and marine mammals share the same waters and at one time or another commercial fishermen wind up taking marine mammals in their nets. Fishermen have tried to prevent such incidental take and in many cases have willingly destroyed their gear and given up their fishing time in order to release marine mammals unharmed. Unfortunately, recent court decisions have called in to question the ability of the Secretary of Commerce to issue permits for such incidental take. Our bill would allow the permit process to continue while imposing new requirements on commercial fishermen to report takings of marine mammals and, in certain cases, to have Federal observers on board their vessels.

I also wish to note that this section requires the Secretary of Commerce, when using his emergency authority to protect marine mammals, to take into account the economics of the fishery concerned and the availability of existing technology. I believe that this language does not change previous legal rulings of the MMPA, but simply requires that the Secretary take action short of shutting down a fishery to protect marine mammals if that is possible.

The second section of our bill requires the Federal Government to prepare conservation plans for depleted species of marine mammals. These plans are similar to those already required for animals designated as endangered under the Endangered Species Act. In addition, this section requires greater public involvement in status reviews of marine mammal populations.

The third section is perhaps the most contentious. Under this section, we are providing additional restrictions on commercial fishermen, both foreign and domestic, who encircle porpoises in the course of fishing for yellowfin tuna. Our amendments require the Secretary of Commerce to set performance standards for tuna skippers, ban sundown sets, and have 100 percent of the domestic tuna fleet subject to Federal observer coverage. This section also requires the Secretary to annually review the existing permit granted to American tuna fishermen and revise it if by doing so more porpoises can be saved.

In addition to the additional restricitions imposed on domestic fishermen, the bill requires foreign vessels to meet the same standards as U.S. vessels and provides for an embargo of third-party countries so that a foreign nation which is not regulating its tuna fleet cannot ship its tuna productions to the United States.

The last major section establishes new conditions for granting of public display and scientific research permits. This section was adopted to prevent any abuse of the current permit process by those seeking to display marine mammals purely for profit. This section provides that an education or conservation component must be included in the public display. However, the committee recognizes that zoos and aquariums provide significant recreational, educational, and conservation benefits to marine mammals and the American public. As a result, this language is not intended to affect their operations. Neither is it a signal to the Secretary of Commerce that he can begin regulating the content of educational programs.

The final sections in the bill deal with authorizations and certain studies to be conducted, including one on the die-off of Atlantic bottle-nosed dolphins. This latter issue has been extremely important to our committee and should provide more information to deal with this problem.

Again, Mr. Speaker, this compromise has been put together with a great deal of public input and is designed to conserve marine mammals while allowing commercial fishing to continue. I believe it deserves the support of all Members of the House and urge its adoption.

Mr. LAGOMARSINO. Mr. Speaker, will the gentleman yield?

Mr. YOUNG of Alaska. I yield to the gentleman from California.

□ 1530

Mr. LAGOMARSINO. I thank the gentleman for yielding.

Mr. Speaker, I want to compliment the gentleman and the committee for working out this language. It is a very difficult issue. I think a lot of imagination and progressive thought went into it. Again, I congratulate the gentleman and urge my colleagues to support the bill.

Mr. YOUNG of Alaska. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey [Mr. SAXTON].

Mr. SAXTON. I thank the gentleman from Alaska for yielding.

Mr. Speaker, I want to compliment the gentleman from Alaska on his hard and diligent work as well as the chairman of the full committee, the gentleman from North Carolina [Mr. JONES], and the gentleman from Massachusetts [Mr. STUDDS], chairman of the subcommittee, for all that they have done in shaping this bill and bringing it to the floor. Mr. Chairman, I rise, obviously, in support of the bill. It represents a great deal of work, a great deal of compromise and really historic level of cooperation between the fishing industry and the community of ardent protectors of marine mammals. I consider both of these groups integral parts of the larger conservation community.

Mr. Speaker, I believe that both the lives of the many thousands of marine mammals and the livelihoods of many thousands of fishermen will be safeguarded by the provisions and the improvements made during the course this bill followed to the floor.

One such provision involves the study of mysterious dolphin deaths which plagued the east coast of the United States last year. In searching for causes of that everything from military waste to sewage sludge is on the suspect list. Of course, many other causes will be examined as well.

It was a sickening sight and one that we must learn not to allow ever to happen again, of those dolphin death. This bill provides for a study that will lead us in that direction.

I would also hope that the bill would contain some strongly worded prohibition on the use of some so-called seal bombs which are loud-noise devices which are used to herd marine mammals, particularly dolphins with regard to tuna fisherman.

I understand that the deliberations in the Senate on this subject are not yet complete.

I have urged inclusion of such language in their bill.

With that issue aside, we can all take pride on the accomplishments of this bill and I strongly urge its passage.

Mr. JONES of North Carolina. Mr. Speaker, I want to introduce the chief sponsor of the bill, the distinguished subcommittee chairman, the gentleman from Massachusetts [Mr. STUDDS] to whom I yield such time as he may consume.

Mr. STUDDS. Mr. Speaker, there is only one section of this bill I want to amplify in just a moment. It is a complex and important issue. The staff of the committee on both sides is to be commended for working throughout 2 years in trying to resolve a host of potential difficulties. It has been resolved, as has been observed. At this point we have a bill that is virtually unanimously supported by all who are concerned.

One area I would like to amplify in a moment, if I may, is the new restrictions on foreign and domestic tuna fishermen who take porpoise.

Mr. Speaker, the bill before the House is the product of lengthy meetings and negotiations between the conservation community, the fishing industry, Federal agencies, the Marine Mammal Commission and our committee. It represents the collective wisdom and expertise of all those who have fought to improve and strengthen the Marine Mammal Protection Act [MMPA] through the reauthorization process. Unlike past years when the MMPA produced highly emotional and contentious debates, reauthorization this year has been marked by a spirit of cooperation. I am happy to report that the bill enjoys the support of both fishing and environmental groups. The bill received unanimous support from our committee members and deserves the support of this body.

Section 2 of the bill provides a 5-year interim exemption of the MMPA for commercial fisheries. These provisions reflect an agreement reached between the commercial fishing industry and the environmental community. The exemption is based on the fact that the current provisions in the act are unworkable for commercial fishermen and that we simply do not know the degree to which most of our fisheries interact with marine mammals.

The bill establishes a comprehensive reporting and observer program as a way of increasing our understanding and knowledge of the interactions between marine mammals and fishermen. Those fisheries with the most severe interactions with marine mammals will be held to a higher degree of accountability than those fisheries with infrequent or no interactions. At the conclusion of the exemption we fully expect that the National Marine Fisheries will have a much better understanding of the impact of commercial fishing on marine mammal populations.

The bill requires the Marine Mammal Commission and its Committee of Scientific Advisers to recommend to the Secretary guidelines to govern the incidental taking of marine mammals in the course of commercial fishing. After review and public comment, the Secretary is required to submit to the Congress final recommendations on how best to establish a regime that protects our marine mammals in the course of commercial fishing. We expect that Congress would then be prepared to amend the MMPA, to do away with the interim exemption and establish a permanent system that meets the goals of the act.

The bill also directs the Secretary of Commerce to prepare conservation plans for marine mammals which have been declared depleted or are in the process of receiving this designation. These plans will be modeled after "Recovery Plans" called for under the Endangered Species Act and will be used to conserve and restore marine mammals stocks.

Last, the bill calls for new, tougher restrictions on foreign and domestic tuna fishermen who take porpoise. Specifically the bill:

Requires foreign nations wishing to sell their tuna in our markets to adopt a comprehensive dolphin protection regulatory program comparable to that of the United States;

Requires foreign fleets to cut in half their mortality rates by the end of this coming fishing season and requires that by the end of the 1990 season they must be fully comparable to the U.S. rate;

Requires foreign fleets to adopt special protections for the eastern spinner and coastal spotted dolphin, similar to those of the United States, in order to give these two stocks the protection they need;

Requires the Secretary of Commerce to begin embargo proceedings of all yellowfin tuna and yellowfin tuna products from any nation not complying with these protection standards;

Requires the Secretary to follow the same embargo proceedings against any third party or intermediary country wishing to sell yellowfin tuna in our markets and which fails to ensure that it too has embargoed the same tuna products from countries embargoed by the United States;

Directs the Secretary to enter into international negotiations aimed at establishing worldwide protection for porpoise;

Bans sundown and night fishing for all tuna fishermen by requiring the Secretary to write regulations to ensure fishing is completed by 30 minutes after sundown;

Requires for the first time ever, in any fishery, a system of performance standards for captains as a method of suspending or removing skippers with consistently and substantially high mortality rates;

Requires 100 percent observer coverage on all U.S. tuna boats;

Requires the National Academy of Sciences to quickly examine alternative fishing gear or techniques and identify those alternatives which should be tested; and

Requires the Secretary to submit to Congress before April 1, 1992 a full report on the results of these efforts to reduce foreign and domestic mortality. If mortality has not been substantially reduced by all these new restrictions, the Secretary is required to recommend specific legislative proposals to accomplish the goals of the act.

Mr. JONES of North Carolina. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. I thank the distinguished gentleman from North Carolina [Mr. JONES], chairman of the committee and the chairman of the subcommittee, the gentleman from Massachusetts [Mr. STUDDS].

I would like to add my support and endorsement in support of this legislation. As we attempt to clean up the oceans, as we attempt to clean up the beaches, we also must work toward a balance of compatibility between the economic factor of those who make their lives from the sea and our marine mammals, our marine friends. I think this legislation has been meticulously studied. I think it has been crafted such that it achieves the end result which all of us are aiming for, that we have a balanced but yet not in any way diminishing the possibility of the survival of, in this case, the marine mammals and the fishermen that work on the other side, and that we continue all of the forward measures that we are working with.

I would like to commend the chairman and the members of the Committee on Merchant Marine and Fisheries in the areas in which they have directed their efforts toward providing for a clean environment in the oceans, for helping us clean up the beaches and for helping us provide a balance between man and mammal that eventually both might profit. I would hope that all of my colleagues support this excellent piece of legislation.

Mr. CHANDLER. Mr. Speaker, I rise in strong support of H.R. 4189, the Marine Mammal Protection Act reauthorization.

Since 1972, this vital act has protected a very special class of endangered and threatened species, marine mammals. Through aggressive enforcement of this law over the years, we have saved several species from endangerment and assured that others are maintained at healthy population levels.

The reauthorization process, which we are engaged in today, has allowed us to update and fine tune the bill. One example of this is the eastern tropical Pacific dolphin.

In the waters from southern California down the coast of Latin America to Chile, yellowfin tuna swim under herds of dolphin. The reason for this is still a mystery to scientists, but fishermen use the dolphin herds to track the tuna below.

The result is that tens of thousands of dolphin are killed each year in the tuna nets. American fisherman have complied with the limits of this bill and should be commended. In the 1960's nearly half-a-million dolphins were killed in United States nets each year! But by 1987, when the legal limit for incidental killings of dolphins was 20,500, U.S. vessels were responsible for less than 14,000 casualties.

Yet while the United States industry has made great strides in compliance with the law, foreign vessels from Panama, Costa Rica, Japan, the U.S.S.R., Ecuador, Mexico, and Spain were responsible for more than 200,000 deaths in 1986 and 1987.

The bill we are considering today establishes new restrictions on foreign yellow fin tuna fishing. It requires each country to:

Implement a marine mammal conservation program similar to that of the United States;

Reduce by half the mortality rates for dolphin by the end of the next fishing season; and

Decrease the level of dolphin mortality to an amount comparable to the U.S. fleet by the end of the 1990 season.

Under the bill, the Commerce Department is to begin proceedings for imposing a ban on U.S. tuna imports from nations that do not comply with these requirements.

This is a tougher approach than the one we took in 1984, but given the lack of progress made by foreign fishing fleets since then, it is clearly needed.

I am proud to support this important bill, and the many improvements that have been made in it.

Mr. MILLER of Washington. Mr. Speaker, I rise in support of H.R. 4189, a bill to reauthorize the Marine Mammal Protection Act for 5 years. Mr. Speaker, we all know that this landmark bill is worthy of prompt passage by both the House and Senate.

I want to take a minute to talk about several important provisions in this bill. First, it allows the fishing industry to continue operations through 1993. During this time, observers on board fishing vessels will gather data on the incidental catching of marine mammals. The Department of Commerce will analyze the extent of the killing of marine mammals and methods to reduce those kills. This information will help us design a long-term solution to problems faced by stellar sea lions, north Pacific fur seals and other depleted species.

Mr. Speaker, I might note that this provision was the result of negotiations between the fishing industry and the environmental community. I want to applaud both sides for their efforts. I also want to note that because of an amendment I offered, the observers on the commercial fishing vessels will, if requested, be able to gather additional scientific information.

Second, Mr. Speaker, I want to call attention to a provision which will reduce the number of dolphins killed by tuna fishermen operating in the eastern tropical Pacific. I want to thank Congressman Gerry Studds and Congressman Don Young for listening to the concerns expressed by myself and a number of other members on the Merchant Marine and Fisheries Committee about the need to address this problem.

Under provisions of this bill, each foreign nation seeking to sell tuna in the United States, must implement a marine mammal conservation program similar to our law. Foreign fishing fleets will need to cut their dolphin mortality rate in half by the end of the next fishing season and match the performance of the U.S. fleet by 1990. Finally, the Department of Commerce will start tuna embargo proceedings against nations that do not meet these standards or nations which serve as third-party marketers for embargoed nations.

Moreover, H.R. 4189 prohibits night fishing for tuna, establishes a system of performance standards for vessel captains working in the tuna fishery. It also requires 100 percent observers coverage on U.S. tuna purse seiners.

Mr. Speaker, the bill also makes other modifications in the Marine Mammal Protection Act. It is an important bill and deserves the support of the House of Representatives.

Mr. LOWRY of Washington. Mr. Speaker, I rise to support the reauthorization of the Marine Mammal Protection Act and I would again like to commend both Mr. Studds and Mr. Young, as well as the fishing industry and the environmental community for their excellent work in putting together a consensus-type of process for reaching agreement on legislation to reauthorize the Marine Mammal Protection Act, which is always a very contentious process. I believe that we have a good bill and that it should receive the overwhelming support of our colleagues.

Because of the hard work of my colleagues and efforts of the environmental community and fishing industry to reach an acceptable agreement, this legislation will reduce the number of marine mammals killed or seriously injured in the course of fishing. The representatives of both the environmental community and the fishing industry should be highly commended for their tireless efforts to reach agreement. Additional requirements in this bill imposed on both domestic and foreign tuna fishing will also result in the decrease in overall dolphin mortality.

This legislation also requires the Secretary of Commerce to make determinations about the status of certain marine mammals to determine if they are depleted and requires the development of conservation plans to restore and conserve population of marine mammals. Finally the legislation requires several studies of marine mammals including a study on the rash of deaths of east coast Atlantic bottlenosed dolphins. I strongly support this legislation and I encourage my colleagues to support it.

Mr. BRENNAN. Mr. Speaker, I rise today to urge support of H.R. 4189, the Marine Mammal Protection Act Amendments of 1988.

As a member of the Merchant Marine and Fisheries Committee, I was pleased to support this measure in committee. Although a number of issues regarding marine mammal-fishing industry interactions remain unresolved, I believe this bill represents a particularly positive step toward the protection of dolphins during yellowfin tuna harvesting in the eastern Pacific.

H.R. 4189 requires foreign nations to implement marine mammal protection programs similar to that of the United States and directs the Secretary of Commerce to commence tuna embargo proceedings against noncomplying nations. It also requires 100 percent observer coverage on U.S. tuna purse seiners beginning with the 1989 fishing season.

I am encouraged by the tightening of restrictions of foreign nations' tuna fishing practices. Foreign nations' fleets now account for a sizable majority of the incidental dolphin kill.

While more needs to be done to reduce the senseless killing of dolphins and other marine mammals, I commend the leadership of the Merchant Marine and Fisheries Committee for their actions today. I look forward to working with my colleagues on this committee to fully monitor compliance with this act. I urge my colleagues to join me in a strong vote of support to approve H.R. 4189.

Mr. YOUNG of Alaska. Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

Mr. JONES of North Carolina. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. Gray of Illinois). The question is on the motion offered by the gentleman from North Carolina [Mr. Jones] that the House suspend the rules and pass the bill, H.R. 4189, as amended.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 4189, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

APPROVING GOVERNING INTERNATIONAL FISHERY AGREEMENT BETWEEN UNITED STATES AND SOVIET UNION

Mr. JONES of North Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4919) to approve the governing international fishery agreement between the United States and the Union of Soviet Socialist Republics, as amended.

The Clerk read as follows:

H.R. 4919

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SOVIET UNION FISHING AGREEMENT.

That notwithstanding any provision of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1801 et seq.), the governing international fishery agreement entered into between the Government of the United States and the Government of the Union of Soviet Socialist Republics, as contained in the message to Congress from the President of the United States dated June 22, 1988, is approved by the Congress and shall enter into force and effect with respect to the United States on the date of the enactment of this Act.

SEC. 2. MARINE BIOMEDICAL INSTITUTE.

There is authorized to be appropriated such sums as may be necessary for the development of a Marine Biomedical Institute for Advanced Studies, to be located at Woods Hole, Massachusetts.

SEC. 3. GREAT LAKES MAPPING REAUTHORIZATION.

Section 3206 of Public Law 100-200 is amended by striking "1988", and inserting instead "1989".

SEC. 4. STORAGE OF FISHING GEAR ON CERTAIN FOREIGN FISHING VESSELS OPERATING IN THE EXCLUSIVE ECONOMIC ZONE.

Section 307 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1857) is amended—

(1) in paragraph (2)(C) by striking "and";

(2) by striking the period at the end of paragraph (3) and inserting "; and"; and

(3) by adding at the end the following:

"(4) for any fishing vessel other than a vessel of the United States to operate, and for the owner or operator of a fishing vessel other than a vessel of the United States to operate such vessel, in the exclusive economic zone, if—

"(A) all fishing gear on the vessel is not stored below deck or in an area where it is not normally used, and not readily available, for fishing; or

"(B) all fishing gear on the vessel which is not so stored is not secured and covered so as to render it unusable for fishing:

unless such vessel is authorized to engage in fishing in the area in which the vessel is operating.".

SEC. 5. NORTH PACIFIC AND BERING SEA FISHERIES ADVISORY BODY.

(a) IN GENERAL.—The Secretary of State shall establish an advisory body on the fisheries of the North Pacific and the Bering Sea, which shall advise the United States representative to the International Consultative Committee created in accordance with Article XIV of the governing international fishery agreement entered into between the United States and the Union of Soviet Socialist Republics, as contained in the message to Congress from the President of the United States dated June 22, 1988.

(b) MEMBERSHIP.—

(1) IN GENERAL.—The advisory body established pursuant to this section shall consist of 12 members, as follows:

(A) The Director of the Department of Fisheries of the State of Washington.

(B) The Commissioner of the Department of Fish and Game of the State of Alaska.

(C) Five members appointed by the Secretary of State from among persons nominated by the Governor of Alaska on the basis of their knowledge and experience in commercial harvesting, processing, or marketing of fishery resources.

(D) Five members appointed by the Secretary of State from among persons nominated by the Governor of Washington on the basis of their knowledge and experience in commercial harvesting, processing, or marketing of fishery resources.

(2) NOMINATIONS.—The Governor of Alaska and the Governor of Washington shall each nominate 10 persons for purposes of paragraph (1).

(c) PAY.—Members of the advisory body established pursuant to this section shall receive no pay by reason of their service as members of the advisory body.

(d) EXEMPTION FROM FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (5 U.S.C. App. 1 et seq.) shall not apply to an advisory body established pursuant to this section.

SEC. 6. USE OF VESSEL IDENTIFICATION EQUIPMENT.

(a) The Secretary of State, the Secretary of Commerce, and the Secretary of the department in which the Coast Guard is operating, as appropriate, shall exercise their authority under section 201(c)(2)(C) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1821) to require the use of transponders or other such appropriate position-fixing and identification equipment on any vessel other than a vessel of the United States engaged in fishing in the United States Exclusive Economic Zone.

(b) The Secretary of Commerce, after consultation with the Secretary of Defense, the Secretary of State, and the Secretary of the department in which the Coast Guard is operating shall report to the Committee on Merchant Marine and Fisheries of the House of Representatives and the Committee on Commerce, Science and Transportation of the Senate within 180 days after the date of enactment of this Act on the results of their compliance with subsection (a).

SEC. 7. TRANSFER OF THE COAST GUARD CUTTER GLACIER.

Not later than 1 year after the date of the enactment of this Act the Secretary of Transportation shall transfer to the State of Oregon the decommissioned Coast Guard Cutter "GLACIER", in the condition that along with the equipment as the Secretary considers appropriate, * * * for use as a maritime museum and display consistent with the * * * military service and history of the cutter.

The SPEAKER pro tempore. Is a second demanded?

Mr. YOUNG of Alaska. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from North Carolina [Mr. JONES] will be recognized for 20 minutes and the gentleman from Alaska [Mr. YOUNG] will be recognized for 20 minutes.

The Chair recognizes the gentleman from North Carolina [Mr. JONES].

Mr. JONES of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today to urge my colleagues to support H.R. 4919, a bill to provide congressional approval of the new governing international fishery agreement between the United States and the Soviet Union, and for other purposes.

It is encouraging to see relations continue to improve between our two countries in fisheries matters. H.R. 4919 and the new comprehensive agreement that it implements promise to provide the United States fishing industry with new economic opportunities with the Soviet Union. In particular, it would provide our fishing industry with access to Soviet waters and fishery resources. It also establishes a framework to improve conservation and management of stocks of mutual concern. I congratulate those from the fishing industry and the Federal Government who have worked so hard and successfully to conclude this agreement.

H.R. 4919, as amended during full committee markup, also includes several noncontroversial provisions regarding foreign fishing activities and marine biomedical research.

I urge my colleagues to join me in supporting H.R. 4919.

Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts [Mr. STUDDS].

Mr. STUDDS. Mr. Speaker, H.R. 4919 provides congressional approval for the recently concluded fisheries agreement between the United States and the Soviet Union.

The signing of the comprehensive agreement marks the first and only reciprocal fisheries agreement that the United States has concluded. This unique 5-year agreement provides the framework for access by each country to the other country's 200 mile fishery zones and establishes the necessary groundwork for improved management and conservation of stocks of mutual concerns.

The agreement marks a new phase in the bilateral fishery relationship between our two nations. It has received unanimous support from every sector of the fishing industry and I believe it deserves our support.

Section 2 of the bill authorizes the development of a Marine Biomedical Institute for Advanced Studies. The Marine Biological Laboratory [MBL], a world-class research center for marine biological and biomedical research located in Woods Hole, MA, has secured this year the initial phase of Federal funding for the development of a facility for biomedical research. The House Appropriations Committee has requested an authorization for the facility in order to continue its support next year and this section provides that authorization.

Mr. Speaker, I urge the Members to support the bill in its entirety.

Mr. YOUNG of Alaska. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the bill before us today and urge its adoption by the House.

This bill, which was introduced by the chairman of the subcommittee and me, brings into force and effect the Governing International Fishery Agreement [GIFA] which has been signed by the United States and the Soviet Union. The GIFA will, for the first time, allow American fishermen equal access to the resources in the Soviet 200-mile zone as Soviet fishermen have to ours. I, along with other Members from the Pacific Northwest, have been trying for years to see that our fishermen obtain this privilege, and I congratulate the Department of State for obtaining this agreement.

In addition to the GIFA itself, the bill contains a number of other provisions of importance to this committee. The bill will authorize the establishment of a biomedical research facility in Woods Hole, MA, and allows the transfer without cost of the U.S. Coast Guard Cutter *Glacier* to the State of Oregon.

The bill also contains three sections dealing specifically with foreign fishing issues. The first requires foreign vessels which are transiting the U.S. exclusive economic zone and which have not received permission to engage in harvesting of fish to keep their fishing gear stowed or covered in such a way that it is not readily available for operation. This provision has been included to ensure that foreign vessels will not poach our resources.

The second provision requires the executive branch to exercise its authority regarding the use of transponders or other vessel identification devices by foreign vessels permitted to operate in our zone. This requirement is already found in law but the executive branch has never requested vessels to carry such devices.

The last provision requires the Secretary of State to establish an advisory committee to provide assistance on fisheries matters involving the United States and the Gulf of Alaska. The advisory committee is to be jointly chaired by the Alaska Commissioner of Fish and Game and the director of the Washington Department of Fisheries and is to be composed of five residents from Alaska and five from the State of Washington, all of whom are to be experienced in the harvesting, processing, or marketing of fish.

In connection with this section, I wish to note that members of the advisory body will not receive pay from the Federal Government by reason of their service as members of the body. However, the Secretary of State has in the past provided nominal financial assistance to cover travel costs of members of other advisory bodies. If such funds are available and if providing such assistance would further the purposes of this act, I hope that the Secretary would follow similar procedures.

I also want to note that the advisory body deals solely with the fisheries of the Bering Sea and the Gulf of Alaska. This should not excuse the Department of State from consulting with fishermen in other parts of the country regarding specific fisheries in which they participate.

Mr. Speaker, this is a noncontroversial bill and I believe it deserves the approval of the full House. I urge its adoption.

Mr. Speaker, I yield 5 minutes to the gentleman from Washington [Mr. MILLER].

Mr. MILLER of Washington. Mr. Speaker, I rise in strong support of H.R. 4919, a bill to approve the Governing International Fishery Agreement between the United States and the Soviet Union.

Mr. Speaker, as a member of both the Committee on Merchant Marine and Fisheries and the Committee on Foreign Affairs, I have participated in hearings on this important agreement. It marks a new day in fisheries relations between the United States and other fishing nations. When I first arrived in Congress, foreign fishermen and foreign processing vessels were taking a large share of our fisheries. Today, our fishermen have Americanized most of the vast fishery resources contained in our 200-mile fishery zone. Now, for the first time, American fishermen have an opportunity to take fish in the exclusive economic zone of another nation.

The new Comprehensive Fisheries Agreement replaces the existing GIFA. It will provide an opportunity for our fishing industry to participate in the harvesting, processing and marketing of fishery resources such as ground fish and crab caught in the Soviet exclusive economic zone.

Mr. Speaker, I want to call the attention of the House to two key amendments added to this bill to address part of the problem of illegal fishing taking place in our waters. I have taken the floor on several occasions to speak about the stealing of our fish. I have explained to my colleagues that all of the governing international fishery agreements have a provision which allows the United States to require that position fixing equipment, determined by the United States, be placed on permitted vessels. While the State Department supports the requirement, unfortunately, we have been caught in a game of bureaucratic roulette and no action has taken place. I offered and the committee agreed to include my transponder amendment in this bill. We will now be able to bell the cat.

Mr. Speaker, I also want to call the attention of the House to an amendment offered by my colleague, Congressman DON BONKER, which requires that all fishing vessels which cross our waters stow their fishing gear. If they can put their nets in our water, they can't steal our fish.

Mr. Speaker, the new fishery agreement with the Soviet Union is worth supporting. With these two amendments, it is a very good bill and we should pass this bill today.

□ 1545

Mr. JONES of North Carolina. Mr. Speaker, I yield 2 minutes to the gentleman from Washington [Mr. LOWRY].

Mr. LOWRY of Washington. Mr. Speaker, I rise in support of the United States-Soviet Governing International Fishing Agreement [GIFA]. This legislation represents the efforts of many members of the Committee on Merchant Marine and Fisheries and especially Mr. STUDDS, the chairman of the Subcommittee on Fisheries and Wildlife Conservation and the Environment. The United States-Soviet GIFA is especially important in light of recent fishing violations in the so-called donut area of the Bering Sea. I would like to applaud Mr. STUDDS and Mr. YOUNG for moving this bill in such a timely fashion.

I worked closely with my colleagues from Washington State, Mr. BONKER, and Mr. MILLER, to ensure that the legislation addresses issues of concern to the fishery industry in Washington State and the Pacific Northwest generally. I offered an amendment to the bill, which was approved and incorporated into the bill, at the full committee markup session. The purpose of my amendment was twofold. First, it requires that the Secretary of State appoint a fisheries advisory body pursuant to clause 14 of the new comprehensive fisheries agreement between the United States and the Soviet Union to provide advice to the State Department in any subsequent negotiations. This advisory body for the North Pacific and Bering Sea would be composed of no more than 12 individuals, who are knowledgeable with respect to the fishery, recommended by the Governors of Alaska and Washington and specifically including the director of the Washington Department of Fisheries and the commissioner of the Alaska Department of Fish and Game.

Second, by having this advisory body as a regular forum, the likelihood is greater that more effective communication can be achieved between the Seattle-based fishing industry and the Alaska seafood industry on the matter of how to more effectively manage the resources in the so-called donut-hole area.

I would also like to commend my colleagues from the State of Washington, Mr. BONKER and Mr. MILLER for their amendments in addition, which would require: First, the stowage of fishing gear by foreign vessels when transiting U.S. waters; and second, that transponders be required on foreign vessels pursuant to other bilateral fishing agreements.

The legislation before us today is critically important to the economy of the State of Washington and to the Nation. Our fishing industry is a growing and profitable segment of the economy and this agreement insures that Americans will be able to fully utilize our fisheries. Again, I urge my colleagues to support this bill. Thank you.

Mr. DAVIS of Michigan. Mr. Speaker, H.R. 4919 provides congressional approval for the new Governing International Fishery Agreement [GIFA] between the United States and the Soviet Union. It is encouraging to see continued improvement between our two nations concerning fishery issues. This agreement establishes a framework to improve cooperation and management of fishery stocks of mutual concern.

Earlier this year Secretary of State Shultz and Foreign Minister Shevardnadze signed a new Comprehensive Fisheries Agreement. This bill puts that agreement into motion and I congratulate those who have worked hard to accomplish this task.

Section 3 of H.R. 4919 reauthorizes the Great Lakes mapping plan through fiscal year 1989. This program was created last year, as part of Public Law 100-220, the United States-Japan Fishery Agreement Approval Act of 1987. The plan was to identify high-risk erosion and flooding areas, and estimate the costs of remapping the shoreline and nearshore waters. These updated maps are critical, as many of the Great Lakes navigation charts are over 50 years old.

The new maps would be designed to aid Federal, State, and local agencies, as well as private citizens and businesses, in preventing flooding and erosion, for public safety, and for commercial navigation. This measure has been widely supported by environmental groups, commercial shipping companies, and the Great Lakes States, and has received approval from many Federal agencies.

Because Public Law 100-220 was signed into law too late last year to benefit from the appropriations process, this program needs to be reauthorized through next year. Both the National Oceanic and Atmospheric Administration and the U.S. Geological Survey have begun preliminary work on this plan, and need our support through the next fiscal year. I have been working with the House and Senate conferees on the Department of Commerce appropriations bill to ensure that funds are available, and I am confident that a small amount of money will be earmarked for this program that has the potential of saving millions of dollars and perhaps some lives.

Mr. YOUNG of Alaska. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. JONES of North Carolina. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. (Mr. Montgomery). The question is on the motion offered by the gentleman from North Carolina [Mr. Jones] that the House suspend the rules and pass the bill, H.R. 4919, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to approve the governing international fishery agreement between the United States and the Union of Soviet Socialist Republics, and for other purposes."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 4919, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

CONFERENCE REPORT ON H.R. 1467, ENDANGERED SPECIES ACT AMENDMENTS OF 1987

Mr. JONES of North Carolina. Mr. Speaker, I move to suspend the rules and agree to the conference report on the bill (H.R. 1467) to authorize appropriations to carry out the Endangered Species Act of 1973 during fiscal years 1988, 1989, 1990, 1991, and 1992, and for other purposes.

The Clerk read the title of the bill.

(For conference report and statement, see proceedings of the House of September 16, 1988.)

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from North Carolina [Mr. Jones] will be recognized for 20 minutes and the gentleman from Alaska [Mr. Young] will be recognized for 20 minutes.

The Chair recognizes the gentleman from North Carolina [Mr. Jones].

Mr. JONES of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today I bring before the House the conference report on the bill, H.R. 1467, to amend and extend the Endangered Species Act of 1973 and for other purposes. The Endangered Species Act was passed in 1973 in response to a growing concern about the number of species of fish, wildlife, and plants that were in danger of becoming extinct as a consequence of man's activities. The original act has been reauthorized and amended on several previous occasions. I am pleased that we have reached another milestone in the history of one of this Nation's most important pieces of environmental legislation. After 3 years of effort, we have reached agreement with the other body to reauthorize and strengthen the Endangered Species Act.

The conference agreement contains a number of important provisions. In the interest of time I will highlight only a few key sections.

First, it reauthorizes the act for a period of 5 years and significantly enhances the authorization levels to fund vital endangered species programs.

Second, the conference agreement includes a fair compromise on the controversial issue regarding the use of turtle excluder devices by shrimp fisherman for the protection of endangered and threatened sea turtles. The compromise contains two separate parts. First, it requires that an independent review be undertaken which focuses primarily on the status and conservation needs of sea turtles, especially U.S. populations of sea turtles. Second, it delays for certain specified periods of time the implementation date for sea turtle conservation regulations published last spring by the Department of Commerce. Any necessary and advisable changes in those regulations would be in accordance with section 4(d) of the Endangered Species Act and other provisions of current administrative law.

The agreement also provides additional protection for candidate species and endangered plants and increases the penalties which may be imposed under the act. The conferees also agreed to revised language from the other body providing for additional requirements to improve the preparation, implementation and monitoring of recovery plans. The conferees agreed further to require the Administrator of the Environmental Protection Agency to work with the Secretaries of Agriculture and Interior in conducting a program of education and study on efforts to protect endangered and threatened species from pesticides without severe effects on the agriculture industry.

Finally, the agreement incorporates with only minor or technical changes the text of the African Elephant Conservation Act, H.R. 2999, which passed the House by unanimous voice vote on August 8 of this year.

This agreement with only a few exceptions is consistent with the House vote on the ESA reauthorization last December. It does adopt the other body's approach on sea turtle regulations but does not diminish the effectiveness of this Nation's conservation program for these endangered and threatened species. It also retains the general thrust of the House's positions on pesticides and plant protection, although the language has been somewhat modified on these measures. Thus, the conference agreement is generally faithful to the positions adopted by the House last December.

In closing, I want to commend all the conferees for their long and determined efforts to arrive at a fair agreement on some difficult issues addressed by this reauthorization. This agreement will enhance the Endangered Species Act which has played such an important role in protecting our Nation's fish and wildlife, and I strongly urge its passage.

Mr. Speaker, I yield such time as he may consume to the chairman of the subcommittee, the gentleman from Massachusetts [Mr. STUDDS].

Mr. STUDDS. Mr. Speaker, I rise today in strong support of the conference report on H.R. 1467, legislation to amend and reauthorize for an additional 5 years the Endangered Species Act. It is now 15 years since we first enacted this landmark piece or legislation that has served as a model for other nations endeavoring to prevent extinction of species within their borders. Our action today culminates a lengthy process during which we have discussed with a broad array of interested parties the costs to society—in the many and varied forms they take—of protecting species that are in danger of extinction. We have arrived today at what I believe is a consensus that these costs are justified. In doing so we acknowledge the immense value of the preservation of all species of wildlife. We have only to recall the strides in medical research that owe their success to a plant or a mold found in nature to realize that major breakthrough in medicine to come will undoubtedly draw from similar sources. We will continue to improve our own lives by learning of the unique adaptations other living organisms have made in order to survive on this planet.

The increasing visibility of global environmental degradation—acid rain, the greenhouse effect, ozone depletion, rain forest destruction, ocean pollution—is causing us to focus our attention on our role as caretakers of this planet for those who will inherit it from us. As the largest industrialized nation of the world, we have an enormous, direct impact on the stewardship of the world's natural resources—through our own actions and through the influence we exert on other nations. It is imperative that we ensure that our actions do not serve to reduce the diversity of life that exists now and rob future generations of these riches. Moreover, it is incumbent upon us to demonstrate our continuing commitment to prevent the extinction of species. The reauthorization of this act takes an important step toward that goal.

The conference report before us today contains the provisions of the legislation the House approved last December, with several modifications and additions. The most notable change relates to sea turtle protection.

It addresses the issue of sea turtle conservation by delaying the effective date for regulations promulgated by the National Marine Fisheries Service which require the use of turtle excluder devices—better known as TED's—by the shrimp industry; and mandating a study on the conservation of sea turtles by the National Academy of Sciences.

Mr. Speaker, regulations requiring shrimp fishermen to use certain types of gear to reduce the mortality of endangered sea turtles caused by shrimp trawling engendered substantial and thorough debate in the House last session when the House soundly defeated attempts to delay for 2 years those regulations in certain offshore areas.

Since that time, two things have happened. First, the courts that have reviewed those regulations have upheld them in all respects, rejecting summarily claims that the rules were arbitrary.

Second, the Senate decided to do for a short period of time what the House and the courts have refused to do: That is, to delay the offshore regulations for several months—until April 1 of next year. The Senate also called for a comprehensive review of sea turtle conservation by the National Academy of Sciences.

Mr. Speaker, the conference agreement that we bring before the House today includes the Senate provisions relating to sea turtles with certain technical modifications. The decision to delay the effective date of the offshore regulations until April 1989, reflects our belief that the additional time will enhance the ability of the shrimping industry to make the transition to using the turtle excluder devises [TED's] without undue disruption or difficulty.

The conference report also calls for a comprehensive study of sea turtle conservation by the National Academy of Sciences. The conference report itself notes that the primary purpose of the study is to further the long-term conservation of sea turtles by ensuring that the Federal Government is promoting that conservation in the most effective and comprehensive manner possible. During the Merchant Marine and Fisheries Committee's review of sea turtle conservation, it was suggested that many threats to sea turtles are not adequately addressed by the Federal Government. Witnesses before the committee suggested that poaching of turtle eggs, beach front development, removal of oil and gas structures, and ocean pollution each contribute to sea turtle mortality. The study is to review the Federal Government's response to these threats, to ensure that that response, along with the requirements for TED use by shrimp trawlers, will result in the best protection we are able to provide for endangered and threatened sea turtles.

The Academy is directed to review the status and distribution of sea turtles, the results of which may form the basis for recommendations that additional measures need to be taken to protect turtles in particular regions. For example, an analysis of the recent effects of Hurricane Gilbert on the only known nesting beach of the Kemp's Ridley, the most endangered of the sea turtles, may suggest the need for enhanced captive breeding efforts. Currently, the U.S. Fish and Wildlife Service conducts a program in which it removes 2,000 Kemp's Ridley eggs a year from the nesting beach in Mexico, in an attempt to establish a new nesting beach in Texas, and to enhance the survival rate of newborn Kemp's Ridley. Although approximately 40,000 to 60,000 turtles are hatched each year on the Mexican beach, the neonatal mortality is substantial, and the survival rate is very low. As a result, relatively few turtles are added to the breeding population each year, and the capture by shrimp trawlers of even small numbers of turtles poses a serious threat to the species.

The timetable for completing the study that is contemplated by the conference report—April 1 of next year—is overly ambitious. Several weeks ago I received a letter from the Academy estimating that the study will take 12 months to complete. A copy of that letter is attached to my statement. I forwarded a copy of it to each conferee, but the conference decided nonetheless to retain the ambitious date of April 1, 1989 for the final report. While I am sympathetic to the desire to see an early completion of the work, I nevertheless believe that the quality of the report should take precedence over its early conclusion.

Questions have also been raised about the relation of the report to the requirement that the offshore regulatons take effect in May 1, 1989. It has been suggested that the conferees intend in fact that the report and its congressional review should necessarily occur prior to the taking effect of the offshore regulations, and that if the report is not received before May 1, the regulations should be delayed. The conference report, however, proposes no such tie between the two. To clarify this point, I specifically questioned the Senate conferees in the only meeting of the conference committee on this, and I was assured by our Senate counterparts that no such tie was intended.

The conference agreement also contains the text of H.R. 2999, the African Elephant Conservaton Act, which the House passed last month, with a series of minor and technical amendments.

The conference agreement also makes the several additional modifications and additions to the bill passed by the House last year, which in the interest of time, I will not fully discuss at this time. They were carefully examined by the conferees and I believe that they will serve to enhance the implementation of the Endangered Species Act.

It clarifies that municipalities are subject to the Endangered Species Act.

It provides more structure to the Federal Government's efforts to effect the recovery of species that are listed under the act, and requires it to monitor the status of species after they have been delisted.

It makes additional funds available for efforts by the States to protect endangered species.

The conference report also addresses the protection of endangered species from the threats of pesticides used by the agriculture industry. Rachel Carson's warnings in "Silent Spring" 25 years ago have proven to be alarmingly on target. The environmental price we have paid for the use of pesticides in this country has been great. The Endangered Species Act requires the EPA to prohibit the use of pesticides under circumstances that will result in harm to threatened or endangered species. The conference agreement requires the EPA to conduct a study and an educational program to ensure that its implementation of the act will provide for the full protection of endangered species while minimizing, to the extent possible, the impact on the agriculture industry. While full compliance with the requirements of the ESA remains the first priority, the conference report also reflects the sensible desire that EPA meet its obligations in ways that will minimize avoidable impacts on the agriculture industry. It is clear that EPA will be unable to fulfill its obligations under the act without impacting farming practices to some degree. It is the intent of this agreement to ensure that the EPA's pesticide regulation program, as it is affected by the Endangered Species Act, is carefully designed to avoid restrictions on the use of pesticides in cases where there will be no related benefit to endangered species.

The conference agreement also directs the Fish and Wildlife Service to report to Congress on the costs of protecting endangered species.

The statement of managers errs in its description of section 2303 of title II, the African Elephant Conservation Act. The Report notes that it is the intent of the conferees that a certification under the Pell Act not occur "if an ivory producing country fails to satisfy the criteria set out in section 2201(b)(1)(B) of this title". It should note that the certification should not occur "merely because an ivory producing country fails to satisfy the criteria set out in section 2201(b)(1)(B) of this title".

Finally, the conference agreement includes provisions proposed by the House last year that will strengthen the protections in the act for candidate species and threatened and endangered plants, increase the penalties for violations of the act, raise the authorizations for funding the act, and extend the exemptions currently in the act for the sale of scrimshaw.

Mr. Speaker, in concluding my remarks on the conference report, I would like to note briefly the contributions of several of our colleagues in this major effort, including Mr. JONES, the Chairman of the conference; Senators MITCHELL and CHAFEE, the principal advocates on behalf of a strong reauthorization in the Senate; and Congressman BEILENSON for his tireless advocacy on behalf of the endangered African elephant.

NATIONAL RESEARCH COUNCIL,
COMMISSION ON LIFE SCIENCES,
Washington, DC, September 2, 1988.

Hon. GERRY E. STUDDS,
U.S. House of Representatives, Committee on Merchant Marine and Fisheries, Longworth House Office Building, Washington, DC.

DEAR CONGRESSMAN STUDDS: In response to your request of August 17, 1988, regarding a study of sea turtle conservation to be undertaken by the National Academy of Sciences, we have estimated that the study will take twelve months to complete at a cost of approximately $250,000.

We are enthusiastic about performing the study and are looking forward to beginning as soon as possible. If you have further questions, I can be reached at 334-2500. Thank you for your interest and support.

Sincerely,

JOHN E. BURRIS, PH.D.,
Executive Director, Commission on Life Sciences.

Mr. JONES of North Carolina. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. BEILENSON].

Mr. BEILENSON. Mr. Speaker, I thank the chairman of the committee for yielding this time to me.

Mr. Speaker, I rise in strong support of the conference report, an effective and long-awaited measure which will do much to strengthen the very successful 1973 Endangered Species Act.

With respect to title II, the African Elephant Conservation Act, I want to take this opportunity to personally thank and commend my colleagues on the conference committee, most particularly my friend GERRY STUDDS, without whose kind help the elephant would have faced perhaps another decade of devastating decline; my friends JACK FIELDS and WALTER JONES, and Senators GEORGE MITCHELL and JOHN CHAFEE. I also want to thank the committee staff, who have worked tirelessly on this issue for over a year, and have succeeded, I believe, in drafting a bill which will help stem the decline of the African elephant, and make a major international statement regarding American concern about its plight.

Mr. Speaker, this legislation is long overdue. When I first introduced the Elephant Protection Act more than a decade ago, there were an estimated 1.5 million elephants living in the African wild. Today there are fewer than 700,000. While exploding human population growth, drought, famine, disease and other natural factors are contributing to the decline of Africa's wildlife, there is virtually no question that the most immediate threat facing the African elephant is a steadily rising demand for ivory. And the vast majority of the ivory supplying this lucrative market is from elephants which have been poached.

At our hearing in June we received testimony from a number of African wildlife experts, all of whom related appalling stories about the devastation of elephant herds throughout Africa, and of the utter helplessness of wildlife officials and others who are trying to stop it. They testified that elephants have virtually disappeared from certain areas of Sudan, Chad, the Central African Republic, and Zaire. Even so-called protected areas are not immune to poaching. In the Selous Game Reserve in Tanzania, for example, the number of elephants declined by 50 percent between 1977 and 1986. In fact, according to a recent census, the number of elephants in all of east Africa has been reduced by 87 percent in the last 15 years; there will be no elephants left in east Africa within 10 years if the poaching persists.

Another disturbing indicator of this trend is that we are now seeing tusks of younger and smaller elephants being traded on the intenational market: the average tusk sold in 1979 weighed 35 pounds; today tusks average 13 pounds. In fact, a full 10 to 15 percent of tusks now being exported from Africa weigh less than 1 pound—the tusk of an infant elephant—evidence that in many populations entire generations of adult elephants have been completely wiped out.

Unfortunately for the elephant, as the supply of ivory becomes more scarce, its value increases, giving further incentive to poachers to kill more elephants. In 1960 ivory sold for $2 a pound; the going rate is now $70 a pound. It is obvious that so long as the demand for ivory remains high here in the United States and in other major ivory importing nations, the elephant will face an imperiled future.

Mr. Speaker, our bill addresses this problem in several ways. First, we will prohibit ivory imports from African countries that cannot, or will not, adequately protect their elephants from poachers. We are directing the Secretary of the Interior to evaluate, on a country-by-country basis, the effectiveness of the elephane conservation program of each ivory-producing country. The Secretary will render, within 1 year, decisions regarding each country and shall establish moratoriums against ivory imports from those countries that are not effectively managing their elephant populations.

Second, we will require that any intermediary country—those countries, primarily Hong Kong, which import raw ivory from Africa and export it in carved form to the United States—wishing to continue to export ivory to the United States must agree to conform to our moratorium—and thus refuse to import any ivory from any ivory-producing country subject to our moratorium—and must be in compliance with the CITES Ivory Trade Control System.

Third, our legislation authorizes the Secretary of the Interior to award grants to African governments and nongovernmental wildlife organizations for the purpose of assisting elephant conservation projects. The bill authorizes $5 million annually in fiscal years 1989 for this purpose. Wildlife is one of the few unique and valuable resources Africa has, and protection of elephants—valuable for both the tourism industry and the carving industry—should be part of the United State's overall effort to aid developing countries. Funding of elephant and other wildlife protection projects will in the short run provide relief to threatened species, and in the long run maximize the profitability of Africa's resources.

Finally, our legislation requires the Secretary to examine, in 3 years' time, the effectiveness of this bill in halting the importation of illegal ivory into the United States. If the situation has not drastically improved, the Secretary will consider and recommend to Congress other actions, including a total ban on ivory imports, which may be necessary to achieve that purpose.

I believe it should be made clear here, Mr. Speaker, that the cornerstone of this legislation is a moratorium designed to ensure that ivory imported in to the United States meets certain very strict standards. While the bill directs the Secretary of the Interior to solicit voluntary submissions to determine whether a moratorium should be imposed on a particular country, it is the intent of Congress that the Secretary use whatever means necessary to collect sufficient information to make a knowledgable determination. This will be particularly important with regard to countries which auction confiscated stocks of ivory, for which information may be particularly difficult to collect. In some cases, it will be necessary to conduct an independent inquiry into each confiscated ivory sale to determine the source of the ivory, the manner in which it was obtained, the identities of the parties involved, the reasons for the confiscation, and any other relevant information to ensure that it conforms with the CITES Ivory Trade Control System and the express intent of Congress in this legislation.

I urge the Secretary of Interior to act quickly and aggressively with this new authority. It is our expectation that it will be implemented forcefully, and that our actions will motivate similar action among other ivory-consuming nations. It should be pointed out that the bill is deliberately designed so that the Secretary will have completed these country-by-country evaluations just before the October 1989 meeting of CITES. It will be imperative that both ivory-producing and ivory-consuming nations, particularly Japan, which imports well over half of the ivory exported from Africa each year, begin then to reverse the elephant's decline by enacting much stricter controls on world trade in ivory. Our legislation will significantly strengthen the position of the U.S. delegation for stronger action.

In closing, I would like to reiterate that our bill, while significant, is just a first step. If the elephant is to be saved, we must persuade other ivory-consuming nations to follow our example, and we must assist African countries in their efforts to conserve elephants. I am hopeful that the next administration will recognize the urgency of this issue, and work to exert pressure internationally on this and other urgent conservation and environmental issues.

□ 1600

Mr. YOUNG of Alaska. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the conference report that is before us today and urge its adoption by the House.

Mr. Speaker, our committee has worked for 2 years on a bill reauthorizing the Endangered Species Act and adding amendments to it to enhance the act's operation. In the course of our work, we found there were serious differences with the approach taken with the other body and a formal conference was held to work out those differences. The report before us today fairly resolves those differences and includes with the agreement of both bodies the text of the African Elephant Conservation Act which was also reported by our committee.

The most difficult issue in the Endangered Species Act was that of a Federal requirement that shrimp fishermen use turtle excluder devices [TED's] while fishing for shrimp. Concern was expressed by fishermen in testimony before the committee that these devices were costly, difficult to operate, resulted in loss of catch, and would not provide any lasting benefits for the turtle population as turtle mortality is caused by a number of different factors. The committee agreed to delay implementation of regulations requiring TED's in the nearshore area but refused to provide a similar delay in the offshore area.

The other body took a different approach by delaying regulations in both areas. In addition, their bill required a comprehensive study on turtle mortality. After extensive discussion, the House receded to the Senate on this issue. In exchange, the Senate agreed to most of the amendments adopted by the House and agreed to passage of the African Elephant Conservation Act.

Mr. Speaker, the committee believes that this is a reasonable compromise and should be adopted by the House so that the Endangered Species Act will not continue without an authorization for another year. I urge its adoption.

Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. FIELDS].

Mr. FIELDS. Mr. Speaker, I rise in strong support of this conference report to H.R. 1467, a bill which reauthorizes the Endangered Species Act for an additional 5 years.

This is the fifth time that Congress has debated legislation to extend this landmark environmental statute. I am confident this year H.R. 1467 will be signed into law.

First enacted in 1973 to implement the Convention on International Trade in Endangered Species of Wild Fauna and Flora, the importance of the Endangered Species Act has grown considerably over the years.

Today, there are more than 400 U.S. species which have been listed as threatened or endangered by the U.S. Department of the Interior.

Without the protection and resources provided by this act, we would have seen the extinction of dozens of plants, insects, mollusks, crustaceans, and mammals. Such an irrevocable loss of these species would have been a terrible tragedy for all mankind.

Mr. Speaker, the Endangered Species Act is, in the words of Mr. David Attenborough, host of the television series "The Living Planet," "a courageous national statement that Americans care about the magnificent land and its wealth of living resources."

In my own State of Texas, which adopted its own Endangered Species Act in 1973, we have seen the positive effects that this law has provided to a number of wildlife species. An excellent example of this protection is the remarkable recovery of the majestic whooping crane.

From its all time low of 20 in 1941, the whooping crane survival is one of the great achievements of the Endangered Species Act. Today, more than half of the world's 224 whooping cranes live at least part of the year in the Aransas National Wildlife Refuge in Corpus Christi, TX.

Mr. Speaker, there is no question that without the Endangered Species Act we would have lost forever not only the whooping crane but also the brown pelican, tundra swans, alligators, grizzly bears, and the national symbol of our Nation, the bald eagle.

Extinction is a one-way process, but because of the Endangered Species Act we have been successful in reversing the trend in at least a few important cases.

Nevertheless, there is much work to be done and H.R. 1467 will help the Department of the Interior to accelerate its listing and recovery efforts for some, if not all, of the 950 species that are currently not protected under the act but are in danger of being extinct.

Mr. Speaker, I am proud to be part of the bipartisan effort that brings this conference report to the House of Representatives and I urge my colleagues to overwhelmingly approve H.R. 1467.

Before concluding my remarks, I would like to highlight two key provisions of H.R. 1467 dealing with sea turtle conservation and the protection of African elephants.

First, in the area of sea turtle conservation, I am pleased that this conference report includes the language of the so-called Heflin amendment. This provision, which was a compromise crafted by the senior Senator from Alabama, the environmental community, and shrimp fisherman, briefly delays the implementation of certain regulations, issued by the National Marine Fisheries Service [NMFS] which require the use of turtle excluder devices [TED's] on all shrimping vessels. During this brief period, the National Academy of Sciences will conduct an independent review of all of the various sea turtle species with specific emphasis and priority placed on the kemp's ridley sea turtle.

The purpose of this investigation is to gather information on the status, size, age structure, geograhical location, and, when possible, the sex of each of the various species of sea turtles.

In addition, the Academy has been asked to identify all of the major causes of sea turtle mortality in both our waters and those of other nations and to quantify the magnitude and significance of each of the contributing causes to sea turtle mortality.

With this data, we will be able to identify the appropriate conservation measures which are needed to help save each of these species and determine what impact shrimping may have on the mortality rates of these animals.

We will also know whether these sea turtles are in fact threatened or endangered and in need of the protections provided by the Endangered Species Act.

It is also my hope that during this period of investigation NMFS will conduct its own additional tests on TED's in both the inshore and offshore waters of the Gulf of Mexico. While there has been some limited testing of TED's in certain offshore waters, these tests were not conducted in actual shrimping conditions but, rather, only under the most ideal weather and geographical circumstances—a situation that has greatly skewed the scientific data on the need for TED's.

In half of the 20 statistical zones in the Gulf of Mexico, there has been almost no testing of the NMFS TED, and there has been less than 100 total hours of testing on the other 4 certified TED's. In short, the amount and quality of testing has been totally inadequate.

In fact, the best illustration of just how inadequate this testing has been in the Gulf of Mexico is that there has been none in the district represented by Congressman SOLOMON ORTIZ, which is recognized as the shrimp capital of the world.

I would hope that NMFS would utilize this time wisely and would work with the shrimping community, which already does a number of positive things to help save sea turtles, on ways to reduce the mortality rates for these species.

I am pleased that this investigation by the National Academy of Sciences is included within H.R. 1467 and believe it is highly appropriate that this study of sea turtle biology and the need for certain conservation measures, including TED's, be conducted before, and not after, their mandated use. I compliment Senator HEFLIN and our colleague from Texas, Congressman ORTIZ, for their leadership in this matter.

Finally, I am extremely pleased that the House-passed version of H.R. 2999, the African Elephant Conservation Act, was incorporated within title II of this conference report.

As someone who has strongly supported efforts to help stop the poaching and destruction of this magnificent animal, I am grateful that we have taken this first positive step toward protecting this vital species. My highest compliment goes to my friend, the gentleman from California, Congressman TONY BEILENSON, who has worked tirelessly for many years to see this vital legislation become a reality.

I would also like to compliment a number of organizations, including those representing hunters, conservationists, environmentalists, and animal rights groups, whose valuable support and leadership was instrumental in moving this important legislation.

While I would have preferred some stronger action against those countries which profit from the slaughter and poaching of these animals, I am confident that this bill will send a strong signal to the CITES conference next year that the United States will no longer import ivory from those countries which do not have effective elephant conservation programs. Let us hope that CITES will follow our leadership and will institute its own sanctions against those nations whose ivory merchants make a fortune from the illegal ivory trade.

As I have indicated in the past, we must eliminate the financial incentive that poachers now have to kill an elephant if we are ever going to have any hope of saving this species. I am confident that the Department of the Interior will react to this new national legislation by issuing effective and meaningful elephant protection regulations.

Congress' intent in this matter is clear. We want the Department of the Interior to stop accepting any imports without proper country-of-origin documentation and to refuse to allow any elephant ivory from any country which fails to meet the criteria stipulated in this act. With this legislation, we can only hope that the days of those unscrupulous ivory dealers in Hong Kong, Tokyo, Dubai, and Burundi are now numbered.

While title II is virtually identical to H.R. 2999, which we overwhelmingly adopted on Monday, August 8, I would like to mention two specific improvements which were added in conference. The first involves the definition of raw ivory. Under this legislation, raw ivory means any African elephant tusks, and any piece thereof, the surface of which, polished or unpolished, is unaltered or minimally carved.

The purpose of this change is to prevent minimally carved ivory, which is not in the form of a finished product, from being entered into trade as worked ivory. This is a significant difference because only raw ivory is subject to the requirements of the CITES ivory control system and, therefore, ivory dealers have attempted to circumvent this system, which now only monitors 22 percent of the international ivory trade, by cutting raw ivory into blocks or scratching superficial designs into the surface of the tusks.

This is a major improvement to the current definition of raw ivory and it will greatly assist the CITES ivory control system. Unfortunately, certain ivory dealers will go to extraordinary lengths to launder or misrepresent the origin of their illegally obtained elephant ivory.

Second, the conferees agreed to add language to the bill which addresses the problem that a country may face when it confiscates illegally obtained ivory. Under this legislation, a moratorium would not be placed on a country if the confiscated ivory was traded in accordance with the CITES ivory control system and the proceeds from the sale or disposal of the confiscated ivory were used solely to enhance wildlife conservation programs. In addition, the conferees stipulated that confiscated ivory must be disposed of in an open and public manner with safeguards to prevent persons responsible for elephant poaching or illegal ivory shipments from acquiring confiscated ivory or from receiving any of the proceeds from its sale.

Mr. Speaker, it is my expectation that the U.S. Fish and Wildlife Service will investigate each shipment of confiscated ivory to determine the source of the ivory, the identities of all parties involved, the amount of ivory, the reasons for confiscation, the disposal of the ivory, the amount of the proceeds, and the disposition of the proceeds.

Mr. speaker, again, I am extremely pleased that we have provided this long overdue protection for the African elephant. I do not view this, however, as the end of the process, but the beginning. I will continue to monitor this situation very closely and will not hesitate to urge this body to take stronger action, like a total ban on all intermediary countries, if this approach fails to stop the destruction of this magnificent animal—a species which mankind can ill afford to lose.

Mr. Speaker, the Endangered Species Act has been and will remain an inspiration to people throughout the world. It is vitally important that this act be extended and I urge my colleagues to overwhelmingly approve this conference report to H.R. 1467.

Mr. YOUNG of Alaska. Mr. Speaker, I yield 3 minutes to the gentleman from Kansas [Mr. ROBERTS].

Mr. ROBERTS. Mr. Speaker, I want to commend the leadership of the Committee on Merchant Marine and Fisheries. Chairman JONES and our colleague, Mr. YOUNG of Alaska, have performed yeoman work to guide this bill through to successful passage.

A year ago, last September, it came to my attention that the Envrionmental Protection Agency [EPA] was preparing to prohibit commonly used pesticides in over 900 counties throughout the United States, in order to comply with the Endangered Species Act. Obviously a program of this magnitude requires considerable planning and cooperation with the affected community. As of September 1987, scarcely anyone in the agriculture community knew that many very important pesticides would not be available for the following crop year. In fact, the maps to detail where precisely these pesticide prohibitions would hit were not even to be ready until January 1988. That scenario of uncertainty was tantamount to Government inspired bankruptcy for many agricultural operations in the 1988 crop year. EPA's endangered species pesticide prohibition program of last September would have failed miserably.

However, with the willingness of Chairman JONES, and the advice and counsel of Mr. STUDDS, of Massachusetts I was able to include language in H.R. 1467 that provides for the eduction, study, and reporting that EPA's program originally lacked. Section 1010 of these amendments to the Endangered Species Act represents precisely the kind of effort EPA should have made in the very beginning. Farmers and ranchers manage the land every day of their lives to provide this country and the world with the food and fiber we need. We should not fail to tap that expertise. A failure to work closely and seriously with the agriculture community would have squandered an important opportunity to further advance the full recovery of endangered and threatened species.

Section 1010 should remind everyone here that the protection of our environmental heritage requires an open and reasoned dialog between the environmental and agricultural communities so that we can, in fact, achieve real progress—both in protecting our endangered species and doing so in ways that will not cause serious economic distruption and an adversarial relationship between landowners and environmentalists.

This is and should be a partnership effort and I hope with our appropriate and compromise language it will be successful as well.

Mr. YOUNG of Alaska. Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana [Mr. LIVINGSTON].

Mr. LIVINGSTON. Mr. Speaker, I want to commend the Committee on Merchant Marine and Fisheries, and all its members, the chairman, Mr. JONES, the ranking member, the gentleman from Alaska [Mr. YOUNG], the subcommittee chairman, the gentleman from Texas [Mr. ORTIZ], the gentleman from Louisiana [Mr. TAUZIN] and the gentleman from Texas [Mr. FIELDS] for their work on the TED's issue. They have come up with a splendid compromise with the other body; a compromise which delays implementation of TED's until the study in the National Academy of Sciences can report its findings on factors affecting turtle mortality along the Atlantic and Gulf of Mexico. I feel that is a very wise move.

Mr. Speaker, I want to commend their action because in so doing, they are avoiding leaping into a complex problem without really being sure of the facts which prompt them.

Certainly we all should and do wish to preserve the various exotic species of turtles throughout our waters.

But, do not need to inflict irreparable damage on the livelihoods of thousands of people who make their livings on the water. Specifically, I am talking about the shrimpers in the coastal States, who find themselves threatened by the imposition of these devices in their nets.

Mr. Speaker, these devices are costly. They can be very dangerous. If we do not yet have the facts at hand, it is quite premature to move forward until we do.

Once again, Mr. Speaker, I commend the committee for putting into this final agreement a delay until we have the facts. The National Academy of Sciences will report its findings about turtle mortality, and then we can act with far greater certainty that we are not unnecessarily penalizing a significant segment of our working population.

Mr. YOUNG of Alaska. Mr. Speaker, I yield 2 minutes to the gentleman from South Carolina [Mr. RAVENEL].

Mr. RAVENEL. Mr. Speaker, I rise in support of the conference report on H.R. 1467. Aldo Leopold, the father of modern conservation, observed that the first rule of intelligent tinkering is to save all the parts. Even when you don't understand what a particular part does, you throw it away at your peril. The Endangered Species Act commits us to saving all the parts, and by doing so, saves us from the foolish mistake of casually eliminating a species because we don't yet know how it works or what good it does.

One part that I am particularly concerned about are the species of sea turtles that live in the waters off our shores and nest on gulf coast and south Atlantic beaches. Each year an estimated 11,000 turtles drown in the nets of American shrimp boats. Development of the turtle excluder device, or TED, has made these incidental mortalities avoidable. Acknowledging the benefits of TED's, the Reagan administration and my home State of South Carolina have acted to require most shrimp fishermen to utilize these inexpensive devices.

By enacting the legislation we are now considering, Congress does two things, It ratifies the Secretary of Commerce's action in promulgating TED regulations. It also clarifies the Secretary's right to modify the regulations if he determines that it is necessary to require shrimpers to use TED's in months when they are not now required to use them. The only things that he cannot do is to delay the implementation of regulations beyond the dates set forth in the legislation.

This legislation also requires a study of many other facets of the conservation needs of our Nation's sea turtles. I support this study and hope that the Secretary can use its results in determining how best to further reduce the incidental drowning of sea turtles in both inshore and offshore shrimp fisheries.

Mr. YOUNG of Alaska. Mr. Speaker, I yield 3 minutes to the gentleman from Montana [Mr. MARLENEE].

Mr. MARLENEE. Mr. Speaker, the abuses of property rights perpetrated by the Endangered Species Act are clearly defined in the circuit court decision which held that even though destruction of an individuals property was occurring that individual is prevented from killing the animal perpetrator of the crime. This display of fanaticism by the courts, by the Defenders of Wildlife, by the Department of the Interior and groups like the Sierra Club indicates to me that we must have change. This attitude makes private property and constitutional rights a sacrificial lamb to the Endangered Species Act.

Mr. Speaker, when the Endangered Species Act came before the House last year, I voted against reauthorization of the act for a number of reasons but mostly because no changes have been made to allow the States more control over the management of threatened or endangered species.

Instead, the Federal bureaucrats in Washington will continue to dictate to State wildlife managers how these species will be managed even though the Federal bureaucrat may have little understanding or appreciation of the problems facing State wildlife managers.

Furthermore, no consideration is made in the reauthorization of this act for individuals who are forced to protect their private property from federally protected predators. The circuit court decision I refer to was where the U.S. fish and wildlife agency prosecuted a sheep rancher for killing a grizzly bear which was killing several of his sheep. The fish and wildlife agency fined this man $3,000 for protecting his private property, even though he had continually asked for help the Government, they failed to get the job done.

To the amendment of many Montanans the Ninth Circuit Court 4 days ago held that it is permissible for this body to prevent an individual from protecting his private property: When and while it is being destroyed by an animal as long as that animal is an endangered species. The Endangered Species Act legitimized a criminal act.

Mr. Speaker, this country was founded on the notion of private property rights. Now, through laws like the Endangered Species Act, we are relegating private property rights to be an inferior right. I cannot and will not support this continued erosion of our basic individual rights.

For these reasons, I will not support the Endangered Species Act and all other acts like it. The people of my State are not willing to give up their private property to Federal programs like the Endangered Species Act—or to environmental groups like the Sierra Club and the Defenders of Wildlife who support making private property rights a sacrifical lamb to the Endangered Species Act.

COURT: RANCHERS CANNOT LEGALLY KILL GRIZZLIES

Ranchers have no constitutional right to kill grizzly bears to protect their sheep, a federal appeals court has ruled.

The grizzly bear is a threatened species, and the government is entitled to prohibit its killing except in self-defense, a three-judge 9th U.S. Circuit Court of Appeals panel said in upholding a May 1987 ruling by U.S. District Judge Paul Hatfield of Great Falls.

The San Francisco appeals court's 3-0 decision upheld a $2,500 civil fine by the U.S. Department of Interior against Fairfield sheep rancher Richard Cristy for killing a grizzly that was menacing his sheep on land near Glacier National Park in 1982.

Christy could not be reached for comment late Wednesday, but his attorney, Dale Schwanke of Great Falls, said, "I think most people would be amazed to find that . . . a court has said they don't have a fundamental right to protect their property against imminent destruction."

Christy, who was joined by ranchers Ira Perkins of Bynum and Thomas "Bert" Guthrie of Choteau, filed suit against the Department of Interior in 1986, saying the Endangered Species Act violated his rights in forbidding the killing of grizzly bear. Among other arguments, the ranchers also claimed discrimination, since licensed sport hunters are allowed to kill grizzlies in Montana.

Christy asked for an injunction halting enforcement of the act.

Christy's challenge has been a "matter of principle," with the rancher, Schwanke said. Unless his views have changed, "I would be very surprised if he didn't pursue it" by attempting to appeal to the U.S. Supreme Court, Schwanke said.

Hank Fischer of Missoula, Northern Rockies representative for the Defenders of Wildlife, said late Wednesday the appeals court's ruling on the lack of a constitutional right to protect property was a "sensible standard."

And "while it is not reasonable to expect livestock producers to suffer losses and not be compensated for it, there is a system in place to deal with problem animals quickly and efficiently," Fischer said.

Many people do not understand, Fischer said, that the Endangered Species Act does permit control and in some cases, killing of grizzly bears—though not by private individuals except under extraordinary circumstances.

Fischer also commented that while the federal government does not pay ranchers for losses attributed to endangered species, wildlife groups have such compensation programs. The Defenders of Wildlife has announced an offer to pay ranchers for livestock losses by wolves, and the Great Bear Foundation has had in place a plan to pay ranchers for grizzly-caused losses, he noted.

Court records indicate Christy was fined for shooting one of two grizzlies as they approached his flock July 9, 1982, after he had lost at least 20 sheep to bears on a newly leased pasture on the Blackfeet Indian Reservation.

Christy claimed that in two months he lost 64 more sheep from a total of 1,700 to bears after the shooting, and that he was forced to move his flock and sell some sheep at a loss.

In 1987, Hatfield granted the Department of Interior's motion for summary judgment, which claimed the ranchers had no legal basis for their federal suit. Hatfield's decision stated:

The ranchers failed to show the U.S. Constitution gives a property holder a fundamental right to protect and possess his property. Because there is no such right, the Endangered Species Act and current federal grizzly bear protections can be shown to meet a legitimate government interest to protect threatened and endangered species, Hatfield wrote.

The Endangered Species Act is a valid—not unconstitutional—delegation of power to Congress and represents "a rational reflection of Congress's will."

The ranchers' claim that their losses of sheep to bear attacks require government compensation isn't supported.

Christy had argued that Congress should have allowed ranchers to shoot protected animals when individual animals repeatedly kill livestock and elude trapping.

The Interior Department contended that a person's constitutional rights include due process and just compensation. But to claim an absolute right to protect one's property is to seek to create new constitutional protections, the department argued.

The Interior Department also argued that even though some states allow a person to kill wildlife protected by state laws where the action is necessary to protect property, no case has shown that a similar right exists under the U.S. Constitution.

In its opinion affirming Hatfield's 1987 findings, 9th U.S. Circuit Court Judge Arthur Alarcon wrote, "We do not minimize the seriousness of the problem faced by livestock owners . . . nor do we suggest that defense of property is an unimportant value."

"We simply hold that the right to kill federally protected wildlife in defense of property is not 'implicit in the concept of ordered liberty' nor so 'deeply rooted in this nation's history and tradition' that it can be recognized by us as a fundamental right," Alarcon said, quoting Supreme Court standards for fundamental rights.

He also said the government did not violate ranchers' right by authorizing a closely regulated hunt of grizzlies as a population-control measure in certain areas.

In addition, Alarcon said, the federal law forbidding the killing of certain species of animals does not convert the animals into "government agents," whose destruction of property can be attributed to the government, as the ranchers contended.

"The Federal government does not 'own' the wild animals it protects, nor does the government control the conduct of such animals," Alarcon said.

He said the law does not prevent ranchers from taking other steps to frighten bears away, and authorizes federal wildlife officers to kill troublesome bears at private citizens' request when other measures have failed.

Mr. YOUNG of Alaska. Mr. Speaker, will the gentleman yield?

Mr. MARLENEE. I am happy to yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. Mr. Speaker, I would like to compliment the gentleman for bringing this to the body.

I believe that if the court had made the decision prior to this conference report, there would have been a provision in there. Again this is an example of the court misinterpreting what the Endangered Species Act means to do.

The SPEAKER pro tempore (Mr. Gray of Illinois). The time of the gentleman from Montana has expired.

Mr. YOUNG of Alaska. Mr. Speaker, I yield 1 additional minute to the gentleman.

Mr. MARLENEE. Mr. Speaker, I yield to the gentleman from Alaska.

Mr. YOUNG of Alaska. Mr. Speaker, it is ludicrous, as the gentleman says, that if a farmer or rancher is in his pasture and there is a grizzly bear eating his sheep, he cannot protect it, because that species is on the endangered list.

The next thing that court would say is that the farmer could come into the yard and his child could be attacked, and he could not protect it because of the endangered species. It is an example of the fish and wildlife agency using little wisdom or logic in applying the law and a court following the same lack of logic.

Later on, if I may, this committee is going to review this act again, as we did when we first started 15 years ago. We are going to review the act again and if there is a continued misuse of the act, I promise the gentleman that we are going to re-write it with some smart people using it correctly.

Mr. MARLENEE. What about one's pet dog or pet cat or thoroughbred horse that happened to be out in the yard, what then?

Mr. YOUNG of Alaska. I agree with the gentleman. I wish this court had made that decision prior to this conference report and I am confident we would have written a provision in there for the protection of individual property and rights. It is ridiculous to have an agency and a court rule that a man's property can be destroyed by an endangered species.

Mr. MARLENEE. It is time we changed the court and it is time we changed the attitude in this Congress.

Mr. JONES of North Carolina. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia [Mr. Thomas].

Mr. THOMAS of Georgia. Mr. Speaker, I rise in support of this bill to reauthorize and strengthen the Endangered Species Act.

Sea turtles have been a part of our coastal environment since well before man first set foot here. They are survivors from a distant age.

Frankly, no one can say how the coastal environment may be altered if they were to disappear from it, for they have been a part of it for millions and millions of years.

The journey of thousands of newly hatched turtles from the white sand of the beach into the pounding surf is a perilous one, but the turtles' perils have provided nourishment for the intricate web of life—birds, fish, and mammals—that make the coast their home as well. The turtle now faces the ultimate peril, that of extinction itself, and none of us can say what the final repercussions of that may be.

Scientists have recently discovered that sea turtles are capable of diving deeper beneath the ocean than any other air-breathing creature known. What scientists do not yet know is how the turtle does it.

Finding out how may facilitate our own ability to explore the oceans' depths. Oceans occupy two-thirds of the Earth's surface, and their potential riches are still largely unexplored and untapped. Solving the mystery of the turtle's unique ability to survive pressures beyond those that any other air-breathing creature can endure could help us explore and tap those resources.

But it is a mystery we will never solve if we casually push the turtle over the brink of extinction. The turtle's loss could therefore be not just a loss to the ocean environment, but to our very own ability to improve our future well-being.

The bill before us is a good one because it puts to rest a controversy that has already gone on too long. I am proud to say that the shrimpers in my State have been in the forefront of efforts to respond positively to the challenge of reducing the drowning of sea turtles in their nets.

On May 1, 1989, all offshore shrimpers in both the Atlantic Ocean and Gulf of Mexico will be required under this bill to begin using turtle excluder devices. They will be free to choose among five different designs, but I frankly think that most will choose the design known as the Georgia jumper. It is a quality device that was designed by a Georgia fisherman, it catches shrimp, and it doesn't kill turtles.

In short, it is a positive solution to the serious environmental problem and I am proud that it bears my State's name because it reflects the positive attitude of the shrimpers in my State toward this problem.

I am fully supportive of other measures to help sea turtles as well and this bill is intended to help identify them through a special study of sea turtle conservation needs. But it is important to face the realities confronting some other potential measures. The sea turtles that inadvertently drown in nets are not like trout or salmon, which lay their first eggs within a year or two of their births. Breeding age in a sea turtle is anywhere from 30 to 50 years after hatching.

The turtles that survive to breeding age represent the tiniest imaginable fraction of those originally hatched, probably fewer than one in a thousand new hatchlings ever reaches breeding age. The rest fall victim to the many perils of life at sea.

That is why programs to protect new hatchlings can supplement programs to reduce the drownings of adult and subadult turtles in shrimp nets, but cannot alone resolve the problems. This bill before us is committed to addressing the major problem affecting sea turtles—the drowning of adult and subadult sea turtles in shrimp nets.

Under this bill, that problem will finally begin to be solved with the requirement of using turtle excluder devices beginning May 1 of next year.

Mr. JONES of North Carolina. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. Ortiz].

Mr. ORTIZ. Mr. Speaker, I rise in support of the conference report on the Endangered Species Act.

First, I want to commend the chairman, the gentleman from North Carolina [Mr. Jones], and the gentleman from Massachusetts [Mr. Studds], and my good friend, the gentleman from Texas [Mr. Fields], and the gentleman from Alaska [Mr. Young] for their hard work on the Endangered Species Act and their commitment to passing a new authorization bill in this Congress. The Endangered Species Act is one of our more important environmental protection laws, and I support it.

I am particularly supportive of this conference agreement which provides for a delay in the implementation of turtle excluder device regulations, as well as a comprehensive study of endangered sea turtle populations.

As many of you already know, the National Oceanic and Atmospheric Administration has issued highly controversial regulations requiring the use of turtle excluder devices, commonly called TED's, by shrimpers in the Gulf of Mexico and the South Atlantic. These regulations were issued under what many believe is the false assumption that the shrimping industry is the primary cause of sea turtle mortality.

This conference agreement provides for a study to be conducted by the National Academy of Sciences on sea turtles and all causes of mortality. It also gives the Secretary of Commerce, who has jurisdiction over NOAA the needed discretion to reconsider the TED's regulations in light of the results of the sea turtle study.

This is an important area of concern to the shrimpers in my congressional district as well as to the rest of the coastal community. The gulf shrimping industry is one of our country's most valuable fisheries and we cannot afford to put them out of business on the basis of assumption and extrapolation. This delay and study will give us the time we need to better evaluate the situation and save both the sea turtle and the shrimpers.

Mr. HUTTO. Mr. Speaker, will the gentleman yield?

Mr. ORTIZ. I yield to the gentleman from Florida.

Mr. HUTTO. Mr. Speaker, I would like to commend the gentleman from Texas for his work on the turtle excluder device, we believe in saving the sea turtle, but it has been through fact and statistic shown that the shrimpers are not taking the sea turtles. There have been very few that have.

I think that we all do want to have the sea turtles on the endangered species list. We are not trying to remove them, but we do have to have the concern of our shrimpers at heart. They have problems with this and they need to continue their livelihood, so I commend the gentleman on his work.

Mr. MACKAY. Mr. Speaker, June 16 of this year marked the first anniversary of an important but little noticed event. On that day a year ago, an inconspicuous bird still common in the Florida marshes near Cape Canaveral when man first began to voyage beyond this planet, joined the passenger pigeon, the great auk, the Carolina parakeet and a growing list of other wildlife no longer able to share the planet with man. The last dusky seaside sparrow died in captivity that day at Florida's Disney World.

The dusky's passing marked more than the silencing of one of nature's melodious voices. With it went an opportunity to understand a little better the mystery of what Darwin called the "tangled bank" of life. That alone is no small loss, for, as the early American conservationist, John Muir, noted, "any glimpse into the life of any animal quickens our own and makes it so much the larger and better in every way." Though Muir had other, more spiritual, values in mind, it is also true that our material dependence upon living nature—for agriculture, medicine, and commerce—is pervasive. Every species that passes from our midst is a unique and irreplaceable potential resource.

Reminders of that potential can be found almost daily. Within recent months, scientists have discovered a Malaysian plant that produces hormones that sterilize its insect predators; replicating this process in crop plants potentially offers enormous agricultural benefits. Other scientists have learned of the armadillo's unique ability to halt the development of its embryo, then allow it to resume; unlocking this mystery may enable us to solve problems of human infertility. Still others have discovered that sea turtles can dive nearly 4,000 feet below the ocean's surface—deeper than any other air-breathing creature known. Understanding how the sea turtle withstands the pressure of such depths could enhance man's own ability to explore the oceans. Discoveries such as these, and the enormous potential benefits they offer, will be imperiled if today's alarming pace of extinction continues. This is more than just a hypothetical concern, for all the sea turtles that occur in U.S. waters are already threatened with extinction. These gentle giants of the ocean still crawl out on the beaches near where the dusky seaside sparrow used to sing. Though they have done so since long before any human ever set foot there, they may soon follow the sparrow into extinction.

The United States has one of the most important and far-reaching laws to assure the survival of imperiled wildlife, the Endangered Species Act. The bill before us reauthorizes and strengthens that act. In particular, it contains a provision that will greatly aid all of this country's sea turtles because it requires, beginning next May 1, that all offshore shrimp fishermen use turtle excluder devices in their nets. Inshore shrimp fishermen are required to use the same devices beginning the following May 1. If necessary, the Secretary of Commerce can extend his excluder device requirements to encompass additional months of the year or different boat sizes if he has good cause for such regulatory changes, that is, if the conservation needs of sea turtles necessitate those changes. The bill also calls for a study of other measures that might aid sea turtles. The study and the requirement that shrimpers begin using excluder devices next May 1 are independent. The excluder requirement takes effect May 1 whether or not the special study has been completed by then and regardless of its conclusions.

Florida shrimpers were the first to be required to use excluder devices under these regulations when they were originally promulgated, and they will be the first to be required to use them under this legislation. Within a matter of only a few months, however, shrimpers up and down the Atlantic coast and throughout the Gulf of Mexico will also begin using these devices, and the unhappy fate of the dusky seaside sparrow can hopefully be avoided for this country's imperiled sea turtles.

Mr. DINGELL. Mr. Speaker, I rise in support of the conference measure before us.

Each day, a drama of survival takes place with little notice and little fanfare, but with vital consequences for our future well being. I refer to the alarming, and accelerating, loss of the world's wild plant and animal species. Scientists believe that never, in all of human history, has the rate of extinction been as rapid as it is today. Human activity may be wiping out another species every day, whereas perhaps only one a century disappears through natural causes.

We cannot be indifferent to this unprecedented destruction of nature's bounty. Living plants and animals have, through the centuries, evolved the means of coping with disease, drought, predation, and a myriad of other threats. Understanding how they do so enables us to improve the pest and drought resistance of our crops, discover new medicines for the conquest of disease, and make other advances vital to our welfare. Living wild species are like a library of books still unread. Our heedless destruction of them is akin to burning that library without ever having read the books in it to gain the knowledge they contain. We can avoid complicity in that senseless destruction by casting a vote in favor of the measure before us.

Happily, we have learned from 15 years of experience with the Endangered Species Act that it is almost always possible to conserve endangered species—and they promote our long-term welfare—without significantly harming our short-term interests. The matter of the shrimp industry and the protection of sea turtles is no exception. Turtle-excluder devices, four of the five varieties of which have been developed by fishermen themselves, offer a means of giving much-needed protection of several severely imperiled species without harming the shrimp industry. They save turtles and they catch shrimp. They are positive solutions to a serious environmental problem, one that can benefit both the environment and the shrimp industry. All that is needed is the will to make the transition to their use, just as our farmers made the transition from DDT to other, less hazardous pesticides not so many years ago. Farmers who had used DDT all their lives were understandably reluctant to give it up when its hazards became known. But once they did, the miraculous recovery of the bald eagle, symbol of the Nation, was the result.

In a similar way, some shrimpers have been reluctant to begin using turtle excluder devices. This bill provides one last delay in the requirement to use these devices—until May 1, 1989, for shrimpers in offshore waters and 1 year later for those in inshore waters. After this brief delay, the use of turtle excluder devices will be mandated and no further delays will be countenanced.

This bill also calls for a special study of other measures that might be taken to improve the survival prospects of this country's populations of sea turtles. Many such measures are already clearly identified in a "sea turtle recovery plan" prepared by the National Marine Fisheries Service. As that plan reveals, many threats to sea turtles must be addressed to assure their survival, and none can be ignored, particularly threats to the breeding age and nearly mature turtles that have survived the perilous years since birth and that are most frequently drowned in shrimp nets. The special study called for by this bill may identify other measures that could usefully be taken in addition to those identified in the recovery plan. The study is likely to take at least 1 year to complete; in the meantime, the reductions in unnecessary turtle drownings that will result from implementing the turtle excluder regulations next spring will finally put these species on the road to recovery.

For all of these reasons, I urge my colleagues to join me in supporting this bill to reauthorize and strengthen the Endangered Species Act.

Mr. LOWRY of Washington. Mr. Speaker I rise in support of the conference bill.

The distinguished Harvard scientist, Edward O. Wilson, has called the accelerating loss of species for which we are responsible today the "folly our descendants are least likely to forgive." That judgment is strong, but amply justified. By improvising the rich diversity of life with which we share this planet, we risk impoverishing our very futures. Today, fully a fourth of all prescription medicines are derived from nature. Recent advances in the treatment of leukemia, heart disease, and other serious maladies have been made possible because of the discovery of chemical compounds produced, not in the laboratory, but in living nature. Our heedless destruction of species puts at risk the possibility of finding new cures for the many existing and yet unknown diseases.

The Endangered Species Act is therefore not a sentimental gesture. It is not the means by which we promote the welfare of other living creatures at the expense of ourselves. It is, instead, a means of protecting ourselves and our futures against the folly of shortsightedness.

Among the species that this act seeks to protect are five species of sea turtles that occur in the waters of the United States. All are threatened with extinction and all are caught and drowned in shrimp nets. This isn't new information; it has been known for a long time.

There are within the shrimp industry some very reasonable individuals who recognized the importance of this problem and who recognized their responsibility to try to do something about it. They set about testing and trying new configurations of netting that would enable them to catch shrimp without killing turtles; they cooperated with the Government's efforts to test the devices it was developing.

There are also within the shrimp industry some individuals with a decidedly different attitude. They vowed never to change the way they did business. They denied any responsibility for any problem at all or, worse yet, said that if there were a problem that was just too bad.

The shrimp industry is not the only industry with such strikingly different individuals in it. A decade ago it was the tuna industry on the west coast that was forced to face up to a problem for which it was responsible. There were in that industry forward-looking individuals who set out to solve the problem by tinkering with the gear they used and how they deployed it.

By enacting this legislation today, we are sending a clear signal that those who dig in their heels and resist positive change will not be rewarded. Rather, we ae sending the clear message that those who responsibly undertook to cooperate and work in good faith for a constructive solution to a serious environmental problem did the right thing. The regulations that we so hotly debated last December permit shrimp fishermen to choose from among five varieties of turtle excluder devices. Four of those were developed by shrimp fishermen who put their ingenuity to the test of designing solutions. In passing this amendment, we align ourselves with the responsible elements of the American fishing industry who recognize that they must help design solutions for the problems they cause.

The Federal regulations requiring shrimp fishermen to reduce their inexcusable and unnecessary drowning of threatened and endangered sea turtles by using turtle excluder devices were to have been in effect througout this fishing year. Unfortunately, however, a lawsuit that ultimately proved groundless succeeded in disrupting the implementation of the regulations in the middle of the fishing season. The legal obstacles to resuming implementation of the regulations were not removed until early this month. By that time, the shrimping season was essentially over in most of the Atlantic and had only a few months remaining in most of the gulf. Rather than resume implementation of these regulations in mid-season after months of uncertainly stemming from the litigation, we have chosen in this legislation to direct the resumption of their implementation on May 1 of next year in offshore areas and May 1 of the following year in inshore areas. In the Cape Canaveral area of Florida, where an autumn shrimp fishery is about to begin, the regulations are to be implemented immediately.

The legislation before us also calls for a special study of the biology and conservation needs of sea turtles. Conspicuous by its absence from the terms of this study is any mention of the economic impact of the excluder device regulations. That issue was fully addressed by this House last December and has been disposed of authoritatively by the U.S. court of appeals in its recent ruling upholding the regulations in all respects. The study, targeted for completion next April but unlikely to be completed before next autumn, may suggest that the excluder device regulations need to be expanded so as to encompass months or areas or boats not currently subject to excluder requirements. If the study, or other new evidence relevant to the conservation needs of turtles, indicates that modifications of the Secretary's regulations are necessary and appropriate, the legislation preserves the Secretary's authority to make those needed changes. The Secretary, however, need not—indeed, cannot, absent new information relevant to the conservation needs of turtles—await the completion of the study before implementing the regulations. The dates upon which the regulations are to be implemented in inshore and offshore areas are fixed and independent of when the special study may be completed or what its conclusions may be.

Mrs. SMITH of Nebraksa. Mr. Speaker, I rise today in support of the conference report on H.R. 1467, the reauthorization of the Endangered Species Act.

This legislation will directly affect the lives of nearly all my farmers and ranchers and that of their families and their businesses. H.R. 1467 appears to be a step in the right direction to protect threatened and endangered species and, if implemented appropriately would still allow these producers the means to grow food for our tables.

There are provisions in this bill that are of particular interest to agriculture. I want to bring to the attention of my colleagues that H.R. 1467 requires the Environmental Protection Agency, the Secretary of Agriculture, and the Secretary of the Interior to jointly determine the most reasonable and prudent means of protecting endangered species when implementing the pesticide labeling requirements of this legislation. They must do this so as to permit our farmers and ranchers the means to produce our Nation's good and fiber.

I am happy to note that the efforts of Congressmen ROBERTS, STENHOLM, and myself to include section 1010 to this legislation was successful. This section requires a program of education on pesticide use and a study on any proposed changes to pesticides labels based on the relationship between pesticides and their effects on endangered species and to subsequently report the results of the study to Congress.

I will be carefully monitoring how the EPA implements the Endangered Species Act to ensure that viable agriculture production continues and threatened and endangered species are adequately protected. I believe agriculture and wildlife can coexist both economically and biologically.

However, Federal, State, and local governments must use sound judgment based on the most up-to-date and carefully researched scientific methods of protecting threatened and endangered species while permitting agricultural producers to control pests that could devastate crops and threaten livestock production.

Mr. CONTE. Mr. Speaker, I rise today in support of the conference report on H.R. 1467, to reauthorize the Endangered Species Act of 1973. This conference report authorizes a total of $239 million for fiscal years 1988–92 to the Departments of Interior, Commerce, and Agriculture for protection and preservation activities consistent with the original 1973 act.

Almost 15 years ago, the Endangered Species Act became law. In this time, significant progress has been made to reverse the trend for many species of plants and animals close to extinction. Because we acted then, the Florida alligator, the whooping crane, and the symbol of our Nation the bald eagle are enjoying unprecedented comebacks in our Nation.

Unfortunately, our successes are tempered with the knowledge that 947 species of plants and animals are currently endangered or threatened, with 447 native to the United States. It is crucial that we act today on the report before us.

The conference report contains many important improvements over the 1973 act. Most significant are its provisions to require that all offshore shrimp boats be equipped with turtle exclude devices [TED's] beginning in May of next year and to incorporate the language of H.R. 2999, the African Elephant Conservation Act, to establish an elephant conservation trust fund to finance conservation projects protecting elephants from ivory poachers.

Mr. Speaker, for over 20 years I have been a member of the Migratory Bird Commission. I have seen first hand the success of the Endangered Species Act. Words can't describe how important this act is to preventing the extinction of our fellow creatures. I therefore would urge all my colleagues to vote for this report. We simply cannot wait another Congress to reauthorize the Endangered Species Act.

Mr. YOUNG of Alaska. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. JONES of North Carolina. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina [Mr. JONES] that the House suspend the rules and agree to the conference report on the bill, H.R. 1467.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the conference report was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just agreed to.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from North Carolina?

There was no objection.

DIRECTING CLERK OF THE HOUSE TO MAKE CORRECTIONS IN ENROLLMENT OF H.R. 1467, ENDANGERED SPECIES ACT AMENDMENTS OF 1987

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the concurrent resolution (H. Con. Res. 373) correcting technical errors in the enrollment of the bill, H.R. 1467, and ask for its immediate consideration in the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 373

Resolved by the House of Representatives (the Senate concurring), That, in the enrollment of the bill to authorize appropriations to carry out the Endangered Species Act of 1973 during fiscal years 1988, 1989, 1990, 1991, and 1992, and for other purposes (otherwise designated as H.R. 1467), the Clerk of the House of Representatives shall make the following corrections:

(1) In the matter proposed to be amended by section 1001(a), strike "The term person" and insert "(13) The term 'person' ".

(2) In the second sentence of paragraph (1) of the matter proposed to be amended by section 1003, strike "in development" and insert "in developing".

(3) In section 1008(b)(2)(iv), strike "effect" and insert "affect".

(4) In section 1008(b)(2)(v), strike "measure" and insert "measures".

(5) In paragraph (1) of the matter proposed to be added by section 1012, strike "unidentifiable" and insert 'identifiable".

(6) In section 2305(9), strike "their" and insert "his or her".

The SPEAKER pro tempore. The question is on the concurrent resolution.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

REQUEST TO MAKE IN ORDER AT ANY TIME ON TUESDAY, SEPTEMBER 27, 1988, OR ANY DAY THEREAFTER, CONSIDERATION OF CONFERENCE REPORT ON H.R. 4782, DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS, 1989

Mr. BOLAND. Mr. Speaker, notwithstanding the provisions of clause 2 of rule 28, I ask unanimous consent that it shall be in order at any time on Tuesday, September 27, 1988, or any day thereafter, to consider the conference report and amendments in disagreement on the bill (H.R. 4782), making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1989 and for other purposes, and that the conference report, and the Senate amendments in disagreement, be considered as having been read, when called up for consideration.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from Massachusetts?

Mr. WALKER. Reserving the right to object, Mr. Speaker, I am concerned that in this Congress we have not moved to do what the House of Representatives indicated 6 months ago we wanted done, and that was to move acid rain legislation in this Congress.

Therefore, it would be my intention to object to conducting all legislative business by unanimous consent in this body until we have taken up the acid rain legislation.

So therefore, Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

REQUEST FOR PERMISSION TO FILE CONFERENCE REPORT ON H.R. 4637, FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS, 1989

Mr. BOLAND. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the bill (H.R. 4637) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1989, and for other purposes.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from Massachusetts?

Mr. WALKER. Reserving the right to object, Mr. Speaker, I still make the point that there is a need for substantive action in the area of acid rain.

Mr. BOLAND. Mr. Speaker, will the gentleman yield, under his reservation?

Mr. WALKER. I yield to the gentleman from Massachusetts.

□ 1630

Mr. BOLAND. Mr. Speaker, I might indicate to the gentleman from Pennsylvania that this is only a request for midnight filing, not for consideration.

Mr. WALKER. Reserving the right to object. Mr. Speaker, I understand what the gentleman is saying, but it is my intention that we should not conduct legislative business by unanimous consent in this body until we have taken up a matter that I regard as vital in the final days of this session.

Mr. BOLAND. Mr. Speaker, if the gentleman will yield, the purpose of this request, of course, is to get it into print so the Members can read it. That is the sole purpose of the request, and the request is for filing by midnight tonight.

Mr. WALKER. Mr. Speaker, further reserving the right to object, I understand what the gentleman's request is all about.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Is there objection?

Mr. WALKER. Mr. Speaker, I do not think we should proceed. I object.

The SPEAKER pro tempore. Objection is heard.

RECOGNITION OF LOYALTY AND DEDICATION OF PANAMA CANAL COMMISSION EMPLOYEES

Mr. JONES of North Carolina. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 322) recognizing the loyalty and dedication of the American and Panamanian employees of the Panama Canal Commission during the current political unrest in the Republic of Panama, and resolving to protect their personal safety and the integrity of their homes and workplaces, as amended.

The Clerk read as follows:

H. CON. RES. 322

Whereas the dedication of and performance of duty by the administration and employees of the Panama Canal Commission, in the midst of political unrest and instability in the Republic of Panama since June 1987, represents the highest tradition of public service;

Whereas the leadership of the Panama Canal Commission, including the Chairman of the Board of Directors, the Administrator, Deputy Administrator, and the Secretary, have ensured the continuous and efficient operation of the Panama Canal under extraordinary conditions;

Whereas the American and Panamanian employees of the Panama Canal Commission have exhibited an unwaivering dedication and commitment to the Panama Canal enterprise and its mission to provide interoceanic transit for vessels of all nations with the same professionalism and effectiveness that has characterized the operation of this critical international waterway for nearly three-quarters of a century;

Whereas the American and Panamanian employees of the Panama Canal Commission have endured asperities, harassment, and hardships at the hands of the military dictatorship which usurped control of the Government of the Republic of Panama in February 1988; and

Whereas the outstanding service and performance of duty by these loyal and dedicated American and Panamanian citizens have been accomplished without the adequate protection of and, at times, with international harassment from, the Panama Defense Forces in public areas of Panama: Now, therefore, be it

Resolved in the House of Representatives (the Senate concurring), That the Congress recognize that—

(1) the admirable performance of duty by the American and Panamanian employees of the Panama Canal Commission during the present political unrest in the Republic of Panama is in the highest tradition of the Panama Canal enterprise, and the Congress of the United States commends them for their loyal and dedicated service during this difficult period;

(2) the personal safety of the American employees of the Panama Canal Commission and integrity of their homes and workplaces are of great concern to the Congress of the United States, and that any action or threat of action by the military dictatorship which undermines the personal safety or violates the integrity of the homes or workplaces of these employees shall be considered by the United States of America as an offense against the neutrality and international character of the Panama Canal and the vital interests of the United States; and

(3) the United States of America is committed to maintaining the personal safety of American employees of the Panama Canal Commission and the integrity of their homes and workplaces, through the use of whatever appropriate means are necessary.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from North Carolina [Mr. JONES] will be recognized for 20 minutes, and the gentleman from Texas [Mr. FIELDS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from North Carolina. [Mr. JONES].

Mr. JONES of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in June 1987, a political revolt erupted in Panama when public allegations of corruption and murder were made against Gen. Manual Noriega. In February 1988, General Noriega was indicted by a grand jury in Miami, FL, on drug charges. Around the same time, the President of Panama, Eric Delvalle. was ousted by General Noriega.

During this political turmoil, the Panama Canal Commission employees dedicated themselves to the successful operation of the Panama Canal, in spite of the hardships they endured due to the harsh leadership of General Noriega.

Numerous cases of abuse, both physical and verbal, by the soldiers of the Panamanian Defense Forces (PDF] against the Panama Canal Commission employees were reported to the members of our committee. The attacks against the employees generally occurred in the public areas of Panama, patrolled by the PDF.

In response to the plight of the employees, I introduced H.R. 4256, a bill which would allow the Canal Commission employees to shop in United States military commissaries and exchanges, where it is safer than the public areas of Panama. The legislation passed on the floor of the House on March 30, 1988. The Senate did not consider H.R. 4256, but due to the pressures from our committee members, an arrangement was made with the State Department, the Department of Defense, and the Panama Canal Commission to allow PCC employees to shop in military shopettes.

In June 1988, the PDF threatened to raid the living quarters of those persons employed by the PCC shopping in military shopettes. General Noriega stated that the Panama Canal Treaty of 1977 prohibited PCC employees from using U.S. military commissaries, and that shopettes were also covered by the treaty. Vehicles leaving the shopettes were actually stopped and searched by the PDF. Goods from the shopettes purchased by the PCC employees were to be considered contraband.

In response to this harassment, Congressman BILLY TAUZIN, chairman of the Subcommittee on Panama Canal/Outer Continental Shelf, and Congressman JACK FIELDS, ranking minority member of the subcommittee, introduced House Concurrent Resolution 322, which recognized the loyalty and professional and effective performance of duty by the Panama Canal Commission employees.

The resolution also recognizes that any action or threat of action by the military dictatorship in Panama against American employees of the PCC or against their homes or workplaces is an offense against the neutrality of the Panama Canal and the vital interests of the United States.

Finally, the resolution commits to the use of whatever means are necessary by the United States to protect the American employees of the PCC.

Mr. Speaker, I believe this resolution is important to the morale of the PCC employees, and I also believe it is an important message to General Noriega and his PDF troops. We in the Congress of the United States are committed to the protection of our Panama Canal Commission employees and we recognize their importance and dedication to their work. Any threatening action by the PDF against our employees should be seriously considered as a threat against the vital interests of the United States.

I urge passage of this resolution.

Mr. Speaker, I reserve the balance of my time.

Mr. FIELDS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to rise in support of House Concurrent Resolution 322, a resolution I cosponsored with the gentleman from Louisiana, Congressman BILLY TAUZIN, chairman of the Panama Canal/OCS Subcommittee.

This simple, straightforward resolution commends the superb leadership and work force of the Panama Canal Commission [PCC]. While much has been written and said about the internal political problems in Panama and our efforts to encourage the removal of General Noriega, little has been said or reported about the extraordinary dedication and loyalty of those who work for the Panama Canal Commission.

These employees of this U.S. Government agency, for the past 15 months, have gone to work under the most difficult of conditions. While many people would have simply quit their jobs, these Americans and Panamanians have served with the highest distinction. This Nation and the entire world shipping community owes them a debt of gratitude for their successful efforts in keeping the canal operating safely and efficiently through all these difficult months.

At the same time, this resolution also states that the Congress is deeply concerned about the integrity of the homes and work places of those American citizens who are employed by the Panama Canal Commission.

Mr. Speaker, some months ago, the Department of Defense, after much prodding from this institution and others, allowed some 600 American families to purchase items at our military shoppette facilities in the Republic of Panama. While these individuals should have been given the right to shop at our PX and commissary stores regrettably they were only able to obtain permission to purchase badly needed foodstuffs and other basic necessities at these shoppettes which are little more than convenience stores.

On June 9, the Panama Canal Commission was advised by the Panamanian office of the Director General of Customs that the Panama Defense Force [PDF] would begin to raid the homes of those PCC employees who purchased items at these shoppette stores. In reponse to that letter, Chairman TAUZIN and I immediately sent a telegram to President Reagan urging that, "Every step be taken to protect Americans and their property in Panama from potential harm."

Fortunately, the Panamanians have not implemented that highly provocative and dangerous policy. Nevertheless, we must never tolerate that type of activity against any American citizen abroad, particularly those working for a U.S. Government agency and we should not hesitate to use whatever resources we have to prevent this from occurring in the future.

Mr. Speaker, House Concurrent Resolution 322 clearly states that the United States of America is committed to maintaining the personal safety of American employees of the Panama Canal Commission and will protect the integrity of their homes and work places.

I strongly believe this Congress needs to send this clear signal to Noriega and his thugs that we will not tolerate the raiding of PCC housing or their places of employment.

Mr. Speaker, House Concurrent Resolution 322 will send that message and my advice to General Noriega is: Keep your hands off these Americans and off of the Panama Canal.

I urge my colleagues to join with me in this long overdue recognition of these brave men and women, both Americans and Panamanians. They have exhibited great courage and because of their unwaivering dedication, the Panama Canal has remained open during this entire period of political crisis in the Republic of Panama.

Mr. DAVIS of Michigan. Mr. Speaker, I rise in strong support of House Concurrent Resolution 322, a resolution to recognize the dedication to duty and the sacrifices that the employees of the Panama Canal Commission [PCC] have made during the turmoil in the Republic of Panama.

As I am sure most of my colleagues are aware, the Republic of Panama has been in a state of political and economic turmoil for over a year. During this period of unrest the Panama Canal has continued to operate efficiently and safely. This is due almost entirely to the dedication of all of the employees and management of the Panama Canal Commission.

This period of unrest has been very trying for the employees in Panama. They have been subjected to spot checks while traveling to and from work, they have been harassed while shopping for groceries in the market places, and they have endured food shortages. This has not been a period of business-as-usual for the Canal Commission employees.

To help the American employees endure these hardships and to reduce their vulnerability to harassment in public places, the House of Representatives passed H.R. 4256, to grant commissary privileges to U.S. citizens in the employ of the PCC. While this legislation has yet to become law, certain other privileges were granted to these Americans in Panama through administrative action. These privileges included the ability to shop at the military shopettes or convenience stores.

While this was intended to be a temporary measure for the employees until it was determined that it was once again safe for Americans to enter the market areas of Panama, this gave Panamanian customs officials a reason to further their campaign of harassment against American citizens. They announced that this privilege was illegally granted by the U.S. Government and that any purchases made by these employees would be considered contraband. The customs officials also announced their intention to begin raiding the housing units of any Americans suspected of making "illegal" purchases at the shopettes.

This resolution before us today recognizes the sacrifices that the employees of the Panama Canal Commission have made during this time of unrest in Panama. Additionally, and more importantly, it states that Congress would view any action or threat of action against the American employees, their homes, or their workplaces as a violation of the neutrality of the Panama Canal. The resolution further states that the United States shall protect the safety of the employees, their homes, and their workplaces with whatever means the United States considers necessary.

Mr. Speaker, we must send a clear message to the Republic of Panama and its leaders that any action against the safety of the American employees of the canal, their homes, or their workplaces cannot and will not be tolerated by the United States.

Mr. Speaker, I encourage all of my colleagues to join me in sending this message to Panama by voting in favor of this resolution.

Mr. FIELDS. Mr. Speaker, I have no other requests for time, and I yield back the balance of my time.

Mr. JONES of North Carolina. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina [Mr. JONES] that the House suspend the rules and agree to the concurrent resolution (H. Con. Res. 322), as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution, as amended, was agreed to.

The title of the concurrent resolution was amended so as to read: "Concurrent resolution recognizing the loyalty and dedication of the American and Panamanian employees of the Panama Canal Commission during the current political unrest in the Republic of Panama."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Concurrent Resolution 322, the concurrent resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

PANAMA CANAL COMMISSION COMPENSATION FUND ACT OF 1988

Mr. JONES of North Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5287) to establish the Panama Canal Commission compensation fund to provide for the accumulation of funds to meet the Panama Canal Commission's obligations under chapter 81 of title 5, United States Code, and for other purposes as amended.

The Clerk read as follows:

H.R. 5287

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Panama Canal Commission Compensation Fund Act of 1988".

SEC. 2. ESTABLISHMENT OF COMPENSATION FUND.

There is established in the Treasury of the United States the Panama Canal Commission Compensation Fund (hereafter in this Act referred to as the "Fund").

SEC. 3. OPERATION OF THE FUND.

(a) DEPOSITS TO THE FUND.—The Panama Canal Commission shall make deposits on a regular basis to the Fund, beginning on October 1, 1988, to accumulate an amount sufficient to defray the estimated total cost of liability for the workers' compensation benefits and other payments payable under chapter 81 of title 5, United States Code, for the disability or death of employees of the Panama Canal Commission or any of its predecessor agencies on account of injuries sustained on or before December 31, 1999, except for those claims arising before, on, or after October 1, 1988, for which the Secretary of Labor has assumed fiscal responsibility.

(b) CALCULATION OF AMOUNTS TO BE DEPOSITED.—The amounts deposited under subsection (a) shall be based upon periodic actuarial studies conducted by experts or consultants whose services are procured by the Panama Canal Commission by contract. The amounts of such deposits shall take into consideration interest earnings in accordance with subsection (c) of this section and expected cost of living adjustments as provided in section 8146a of title 5, United States Code, but not amounts payable by the Commission for continuation of pay pursuant to section 8118 of such title.

(c) INVESTMENT OF AMOUNTS IN THE FUND.—The Secretary of the Treasury, upon the request of the Secretary of Labor, shall invest moneys in the Fund in public debt securities which shall bear interest at rates determined by the Secretary of the Treasury, takng into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturity. Such interest shall be credited to an form a part of the Fund.

SEC. 4. TRANSFERS FROM THE FUND FOR COMPENSATION BENEFITS.

The Secretary of the Treasury shall, upon the request of the Secretary of Labor, transfer funds from the Fund to the Employees' Compensation Fund to reimburse the Employees' Compensation Fund for the total cost of workers' compensation benefits and other payments described in section 3(a) that are provided on or after October 1, 1988.

SEC. 5. FINAL EVALUATION OF THE FUND; DEFICIENCY OR SURPLUS IN THE FUND.

(a) Final Evaluation of the Fund.—Upon the termination of the Panama Canal Commission, the Secretary of Labor shall, on the basis of an actuarial study conducted by experts or consultants whose services are procured by the Secretary of Labor by contract, make a final determination of the amounts estimated to be necessary to meet expenditures for workers' compensation benefits and other payments described in section 3(a), as calculated in accordance with the second sentence of section 3(b). Amounts in the Fund shall be used to make the final determination under this subsection. The Secretary of the Treasury shall, in accordance with such final determination, transfer to the Fund from the Panama Canal Revolving Fund amounts not otherwise obligated which are necessary to ensure that amounts in the Fund are sufficient to meet expenditures for workers' compensation benefits and other payments described in section 3(a).

(b) Deficiency or Surplus in the Fund.—If amounts in the Fund are not sufficient to meet expenditures for workers' compensation benefits and other payments described in section 3(a), then amounts in the Panama Canal Revolving Fund not otherwise obligated shall be transferred, in accordance with section 4, to the Employees' Compensation Fund to make up the deficiency. Any amounts remaining in the Fund after all expenditures for such workers' compensation benefits and payments have been met shall be transferred to the Panama Canal Revolving Fund, and may be used to satisfy lawful obligations of the Revolving Fund.

SEC. 6. CONTINUATION OF BENEFITS.

The provisions of chapter 81 of title 5, United States Code, shall, on or after the effective date of this Act, continue to be the exclusive remedy, in accordance with section 8116 of such title, for the disability or death of any employee of the Panama Canal Commission, or any of its predecessor agencies, who is covered under such chapter, resulting from injuries sustained while in the performance of the employee's duty. The rights of any such employee for workers' compensation benefits shall be based only on the provisions of that chapter.

SEC. 7. TECHNICAL AMENDMENT.

Section 1302 of the Panama Canal Act of 1979 (22 U.S.C. 3712) is amended in the last subsection by striking out "(e)(1)" and inserting in lieu thereof "(f)(1)".

SEC. 8. EFFECTIVE DATE.

This Act takes effect on October 1, 1988.

The SPEAKER pro tempore. Is a second demanded?

Mr. FIELDS. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from North Carolina [Mr. Jones] will be recognized for 20 minutes and the gentleman from Texas [Mr. Fields] will be recognized for 20 minutes.

The Chair recognizes the gentleman from North Carolina [Mr. Jones].

Mr. JONES of North Carolina. Mr. Speaker, I would like to make the observation at this point in time that the gentleman from Texas [Mr. Fields] and this gentleman from North Carolina opposed the original Panama Canal Treaty as vigorously as any two Members I know. We found ourselves here helping these people out of their dilemma.

Mr. Speaker, the Panama Canal Commission [PCC] is a U.S. Government agency that operates the Panama Canal. Its employees are covered by the Federal Employees' Compensation Act, but unlike other Federal agencies, the PCC administers its own fund and pays for the workers' compensation claims with its own revenues. No taxpayer funds are used to pay these claims.

H.R. 5287 would change this procedure twofold. First, it authorizes the Secretary of Labor to administer and pay the disability claims of the PCC employees. In addition, the bill establishes a separate fund in the U.S. Treasury. Financed by canal revenues, which will be available to the Secretary of Labor to pay the PCC workers' compensation claims. Again, no taxpayer funds will be used to pay these claims. An amount calculated to cover sufficiently the estimated cost of the claims will be transferred from the Panama Canal operating fund to the compensation fund.

The administration has requested this compensation fund and these new procedures.

H.R. 5287 also amends the Panama Canal Act to allow more than one proxy to be used at any one time for the Board meetings of the PCC. This change was needed to assure that a U.S. majority would always be present at the PCC Board meetings. There are five United States nationals and four Panamanian nationals on the PCC Board.

The act is also amended to further clarify the treaty requirement that restricts the use of canal funds to canal purposes and PCC activities. The Panama Canal Treaty of 1977 and the Panama Canal Act of 1979 limit the use of canal revenues to the operations of the canal and the activities of the PCC. To implement the treaty and the law, H.R. 5287 restricts the use of PCC funds solely to the Panama Canal Commission.

The Panama Canal Commission has requested these two amendments to the act.

I urge passage of this bill.

Mr. Speaker, I reserve the balance of my time.

Mr. FIELDS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as a coauthor of H.R. 5287, the Panama Canal Commission Compensation Fund Act, I am pleased that we are considering this bill today.

This bill, which has been carefully reviewed by both our committee and several Federal agencies, would authorize the transfer of funds from the Panama Canal Commission [PCC] for the payment of compensation to Commission employees who sustain on-the-job injuries prior to the transfer of the canal to the Republic of Panama.

While the Commission will continue to pay for compensation to its injured employees during the period of transition, it is critical that some mechanism and fund be created to pay those claims in the post 2000 era.

Mr. Speaker, that is the purpose of this legislation. Upon enactment, the Panama Canal Commission will transfer some $5 million each year, over and above amounts required to meet current compensation payments, to the newly created Panama Canal Commission Compensation Fund which will be administered by the Department of Labor.

Under the terms of this bill, these employees will receive exactly the same benefits as all other Federal workers covered by the Federal Employees Compensation Act.

Mr. Speaker, at the end of 1999, the Department of Labor will be charged with the responsibility of making a final evaluation of the adequacy of the PCC Compensation Fund. Based on their determination, the Commission will be required to offset any deficiency or funding shortfall from its funds. In the event of a surplus, such surplus will revert to the Commission's revolving fund to be available to meet any outstanding lawful obligation. In addition, the Commission will reimburse the Department of Labor for the cost incurred in making the final evaluation of the compensation fund.

Mr. Speaker, this is a good bill and I would like to compliment the Panama Canal Commission for recognizing its responsibility in this matter. Instead of waiting until the end of the transition period, the Commission has once again demonstrated its superb leadership by planning for the future.

From my perspective, it is good to know that these men and women, who are now working under extraordinary conditions, will be fully compensated for any injuries they may suffer between now and the year 2000.

Mr. Speaker, before concluding, let me briefly mention three other sections of this bill which were incorporated from H.R. 5254, the Panama Canal Act Amendments of 1988, which I introduced on Wednesday, September 7. These are:

First, the removal of the limitation in section 1102(c) of Public Law 96-70 that prohibits the Chairman of the Board of Directors from using more than one proxy for any PCC Board meeting;

Second, a clarification on the use of funds by the Panama Canal Commission which will ensure that no money may be authorized or appropriated for any function other than Panama Canal Commission activites; and

Third, a technical change correcting a minor reference problem in the Panama Canal Revolving Fund Act of 1987.

Mr. Speaker, these are important changes to the Panama Canal Act of 1979 which will improve the overall operation and efficiency of the Panama Canal—a waterway which we have a legal responsibility to operate until the year 2000.

I would urge my colleagues to join with me in supporting H.R. 5287.

Mr. DAVIS of Michigan. Mr. Speaker, I rise in support of H.R. 5287, the Panama Canal Commission Compensation Act of 1988.

Mr. Speaker, this legislation shows once again that the Panama Canal Commission is indeed fulfilling its mandate to operate and maintain the Panama Canal in a businesslike manner, and that even during trying times the Commission is able to adequately plan for the future claims that might be made against it. The legislation does something that few of our governmental agencies have been able to do. It establishes a fund within the U.S. Treasury to pay for future debts.

I am pleased that the Panama Canal Commission has the foresight to establish this fund in advance of the expected claims against the Commisison. In the year 2000, the United States will relinquish control of the Panama Canal to the Republic of Panama. This fund will ensure that those employees and former employees of the PCC who are entitled to workman's compensation funds will be able to collect them—even after the United States has turned control of the canal over to the Panamanian Government.

Mr. Speaker, it is important that this fund be established at this time so that the Panama Canal Commission can accrue the necessary funds to meet all of their obligations to the employees of the Commission.

Mr. Speaker, I support this legislation and urge its adoption.

Mr. FIELDS. Mr. Speaker, I have no other requests for time, and I yield back the balance of my time.

Mr. JONES of North Carolina. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from North Carolina [Mr. Jones] that the House suspend the rules and pass the bill, H.R. 5287, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

TO REQUIRE ALTERING AND LOCATING EQUIPMENT ON U.S. UNINSPECTED VESSELS

Mr. JONES of North Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4557) to direct the Secretary of the department in which the Coast Guard is operating to require alerting and locating equipment, including emergency position indicating radio beacons, on U.S. uninspected vessels, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4557

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ALERTING AND LOCATING EQUIPMENT.

(a) In General.—Subsection (e) of section 4102 of title 46, United States Code, is amended to read as follows:

"(e) Each manned uninspected vessel operating on the high seas or beyond three nautical miles from the coastline of the Great Lakes shall be equipped with the number and type of alerting and locating equipment, including emergency position indicating radio beacons, prescribed by the Secretary.".

SEC. 2. EXEMPTIONS FROM UNINSPECTED VESSEL REQUIREMENTS.

Section 4103 of title 46, United States Code, is amended—

(1) by inserting "(b)" before "Section"; and

(2) by inserting before subsection (b) (as so designated) the following:

"(a) The Secretary may exempt a vessel from any part of this chapter if, under regulations prescribed by the Secretary (including regulations on special operating conditions), the Secretary finds that—

"(1) good cause exists for granting an exemption; and

"(2) the safety of the vessel and individuals on board will not be adversely affected.".

SEC. 3. PENALTY FOR VIOLATION OF UNINSPECTED VESSEL REQUIREMENTS.

Section 4016 of title 46, United States Code, is amended by striking "$100" and inserting "not more than $5,000".

The SPEAKER pro tempore. Is a second demanded?

Mr. SAXTON. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. the gentleman from North Carolina [Mr. Jones] will be recognized for 20 minutes and the gentleman from New Jersey [Mr. Saxton] will be recognized for 20 minutes.

The Chair recognizes the gentleman from North Carolina [Mr. Jones].

Mr. JONES of North Carolina. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 4557, the Emergency Position Indicating Radio Beacon bill, more commonly known as the EPIRB bill. An EPIRB is a device which automatically sends out a radio signal in the event of a vessel sinking, thereby enabling resucers to quickly pinpoint the location of the mishap.

The bill, which was introduced at the request of the administration, will require all uninspected vessels operating on the high seas or the Great Lakes to carry alerting and locating devices. With enactment of H.R. 1841, the Commercial Fishing Vessel Safety Act of 1988, all documented vessels operated beyond the boundary line, and all undocumented uninspected fishing, fish processing, and fish tender vessels operated on the high seas were required to carry EPIRB's.

Specifically, H.R. 4557 will extend the requirement for emergency locating devices to all manned uninspected vessels operated on the high seas and vessels operated more than 3 miles from the coast on the Great Lakes, and allow the Coast Guard to require acceptable alerting devices other than EPIRB's. This bill does not authorize any appropriations.

This legislation has the bipartisan support of all members of the Committee on Merchant Marine and Fisheries as well as the administration, and I urge its adoption.

□ 1645

Mr. SAXTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 4557 and urge its adoption by the House.

This bill continues the work that our committee has done during the last two sessions of Congress in improving vessel safety. H.R. 4557 would require each uninspected vessel operating on the high seas or on the Great Lakes to be equipped with alerting and locating equipment, such as EPIRB's. The bill also changes the penalty for violations of safety requirements by uninspected vessels.

This bill does not affect commercial fishing vessels. Those vessels were convered in H.R. 1841, which was passed by the House in June and was recently signed into law by the President. Commercial fishing vessels are already required to carry EPIRB's under the provisions of that previous legislation. This bill would merely close a loophole so that all uninspected vessels to which it applies would have to carry locating equipment.

The bill is noncontroversial and is supported by the administration. I urge its adoption.

Mr. JONES of North Carolina. Mr. Speaker, I yield 3 minutes to the gentleman from Florida [Mr. Hutto], the chairman of the Subcommittee on Coast Guard and Navigation.

Mr. HUTTO. Mr. Speaker, I thank the gentleman for yielding and I rise in support of H.R. 4557, which I, along with the gentleman from North Carolina [Mr. Jones], the distinguished chairman of the Merchant Marine and Fisheries Committee, and the gentleman from Michigan [Mr. Davis], the ranking member, introduced at the request of the administration on May 10, 1988. I also want to thank the gentleman from Washington [Mr. Lowry] for his interest and support.

H.R. 4557 would require alerting and locating equipment on manned uninspected vessels on the high seas and on vessels operating beyond three nautical miles from the coastline of the Great Lakes, provide for exemptions of uninspected vessels from certain requirements of title 46 where it is determined that good cause exists and the safety of the crew will not be adversely affected, and increase the civil penalty for a violation of chapter 41 of title 46, United States Code, to bring it in line with the penalties for violations of chapters 43 and 45.

Emergency radio beacons are used as a means of last resort to alert others of a distress situation and to assist search and rescue units to locate those in distress. An emergency position indicating radio beacon, or EPIRB, functions much like an electronic flare. The signal can be picked up by commercial and military aircraft and by satellites. The location of a distressed person is then relayed to available aircraft and vessels, greatly reducing the area and time of a search.

The value of an EPIRB in alerting search and rescue operations and in assisting rescuers in locating the position of a distressed vessel or person has long been recognized. EPIRB's are now required to be carried on board inspected vessels, such as passenger, cargo, tank, small passenger, mobile offshore drilling units, and nautical school vessels. The recently enacted Commercial Fishing Industry Vessel Safety Act of 1988 requires all uninspected fishing, fish processing, and fish tender vessels to carry EPIRB's when operating offshore. The Coast Guard estimates that approximately 50,000 EPIRB's have been purchased for use on U.S. vessels and that approximately 750 lives have been saved since 1982 when EPIRB's were first introduced.

H.R. 4557 is needed to fill a gap left by previous legislation. The kinds of vessels affected by this bill include tug boats, towing vessels, offshore supply vessels, and passenger vessels carrying six or less passengers. A good example of the need for this bill is the sinking just a few days ago of the 45-foot charter fishing boat *Cougar* 35 miles off the coast of Oregon. Four of the people on board died, including the owner-operator and a crewman. The other five were rescued by the Coast Guard after being in the frigid water for 18 hours. The boat did not carry an EPIRB due to a technically in the law. The Coast Guard believes that, if an EPIRB had been on board the *Cougar*, a rescue operation would have been mounted almost immediately. A $300 instrument might have saved four lives.

The Coast Guard, the National Transportation Safety Board, the Radio Technical Commission for Maritime Service, and the American Institute of Marine Underwriters, all support the bill.

The administration also supports the bill, and I urge its passage so that not one more life will be lost needlessly.

Mr. LOWRY of Washington. Mr. Speaker, I rise in support of H.R. 4557, which would require critical alerting and locating equipment on uninspected vessels operating on the high seas. In addition, I want to thank my colleague EARL HUTTO, chairman of the Coast Guard and Navigation Subcommittee, for his leadership on this issue.

This legislation is consistent with the recently enacted Commercial Fishing Vessel Safety Act of 1988 which requires all uninspected fishing, fish processing, and fish tender vessels to carry emergency position indicating radio beacons [EPIRB] when operating off shore. My colleagues and I worked diligently on the Commercial Fishing Vessel Safety Act to insure that the very high incidence of accidents and mortalities in the fishing industry are greatly reduced. H.R. 4557 extends that effort to uninspected vessels which are not necessarily fishing vessels and therefore were not affected by the Commercial Fishing Vessel Safety Act.

The U.S. Coast Guard estimates that as many as 750 lives have been saved since EPIRB's were introduced in 1982. The signal put out by an EPIRB can be detected by commercial and military aircraft and by satellite, enabling rescuers to quickly locate and respond to vessels in distress. While examining a recent charter vessel accident, the need for this safety device becomes obvious. A 45-foot charter boat, the *Cougar*, was 35 miles off the Oregon coast when the *Cougar* began to flounder and ultimately sank. Four people on board died, and the remaining five nearly froze to death after being stranded without help for 18 hours in the water. Coast Guard officials were able to rescue the five, however, the Coast Guard believes that all persons aboard the *Cougar* would most likely be alive today had the vessel been equipped with an EPIRB. I would urge all of my colleagues to support this legislation which will greatly improve safety at sea.

Mr. DAVIS of Michigan. Mr. Speaker, I rise in support of H.R. 4557, to require emergency position indicating radio beacons [EPIRB's] on United States uninspected vessels. Recent advances in technology make it possible for us to take unprecedented precautions to protect the lives of those whose livelihoods depend upon the sea. Our passage of H.R. 4557 would enable the Coast Guard to more effectually locate missing vessels while reducing the effort required to search for them. Every reasonable device that can ease the job for the Coast Guard and reduce the hazards faced by those at sea ought to be encouraged.

The requirement to carry EPIRB's on uninspected vessels on the high seas and on the Great Lakes beyond 3 miles from the coastline further protects those nonrecreational vessels not covered by the Commercial Fishing Industry Safety Act. The exception for vessels within 3 miles of the coastline on the Great Lakes merely makes the requirements for them consistent with those for vessels along the other coastlines. The Secretary of Transportation has the further authority to exempt any vessels that are determined to be adequately equipped for the waters on which they operate.

Mr. Speaker, I urge adoption of H.R. 4557.

Mr. JONES of North Carolina. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The question is on the motion offered by the gentleman from North Carolina [Mr. JONES] that the House suspend the rules and pass the bill, H.R. 4557, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to amend title 46, United States Code, to require alerting and locating equipment on manned uninspected vessels, to provide for exemption of uninspected vessels from certain requirements of that title, and to increase penalties for violations of certain uninspected vessel requirements."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 4557, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

MARINE PROTECTION RESEARCH AND SANCTUARIES ACT AUTHORIZATION

Mr. LOWRY of Washington. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4209) to authorize appropriations to carry out title I of the Marine Protection, Research, and Sanctuaries Act of 1972 during fiscal years 1989, 1990, and 1991.

The Clerk read as follows:

H.R. 4209

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 111 of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1420) is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 111. There are authorized to be appropriated for purposes of carrying out this title, not to exceed $12,000,000 for each of fiscal years 1989, 1990, and 1991.".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Washington [Mr. LOWRY] will be recognized for 20 minutes, and the gentleman from New Jersey [Mr. SAXTON] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Washington [Mr. LOWRY].

Mr. LOWRY of Washington. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 4209, a bill to reauthorize title I of the Marine Protection, Research, and Sanctuaries Act [MPRSA].

This bill would provide a straight, 3-year reauthorization of the MPRSA, at a constant level of $12 million for fiscal years 1989, 1990, and 1991. Reauthorization of title I of the MPRSA, commonly referred to as the Ocean Dumping Act, will enable EPA to carry out its permitting responsibilities under the act.

This bill is noncontroversial and is simply a reauthorization of title I. It authorizes funding for EPA to administer the permitting process established under title I of the act. This includes administering of the site designation process and review of applications for permits to determine whether they meet the criteria of the act. Title I applies to any material which is transported from the United States and dumped in the ocean waters beyond the territorial sea. At this time, the primary materials which are subject to this process include dredged materials and sewage sludge.

This is important legislation and I urge its passage.

Mr. SAXTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this reauthorized bill as well. It certainly is something that is very, very important to coastal States all around the country. The bill reauthorizes title I of the Marine Protection, Research, and Sanctuaries Act otherwise known, as our good chairman from the Subcommittee on Oceanography pointed out, that it was better known as the Ocean Dumping Act.

This is, today, a very simple reauthorization which is noncontroversial and I urge the adoption by the House.

I would also like to say, Mr. Speaker, that today's bill is just two paragraphs long, and one would think that because the bill is that short and that simple that perhaps it is not as important as some other bills. In this case, however, this is to many of us one of the most important bills that will pass in this whole section, not that many others are not important, but this reauthorization is extremely important to one who represents individuals who live at the New Jersey shore and who vacation at the New Jersey shore.

So, this bill will be followed by amendments to it at a later date, hopefully in the next few days or the next few weeks at the most, which will reorganize and amend the process through which the EPA is authorized to issue ocean dumping permits.

We have a major problem. This is one step toward continuing in our trek to solve the problem of ocean sludge dumping, and I urge the adoption of this bill.

Mr. LOWRY of Washington. Mr. Speaker, I yield such time as he may consume to the gentleman from New Jersey [Mr. HUGHES] who has been very active on this important issue.

Mr. HUGHES. Mr. Speaker, first of all I want to congratulate the distinguished gentleman from Washington State, the chairman of the Subcommittee on Oceanography, for his work on what we call the Marine Protection, Research and Sanctuaries Act, but also all his work on the environment.

Over the years that I have been privileged to serve with him in the Congress, he and the ranking Republican, NORMAN SHUMWAY, of California, have done outstanding work in the 100th Congress, and I appreciate his valuable work. I also want to commend my colleague from New Jersey, JIM SAXTON, from a neighboring congressional district, the 13th District of New Jersey.

He follows Ed Forsythe in the Congress, who has worked on the ocean dumping issue with myself for many years, and the gentleman from New Jersey, JIM SAXTON, has picked up that work and has done outstanding work.

This bill just authorizes title I of 1970 Marine Protection, Research, and Sanctuaries Act, and basically provides title I for permits for ocean dumping and such things as sewage, sludge and dredge spoil, as the chairman indicated, under certain conditions it would protect the marine environment. There will be, in fact, amendments to this, we hope, in this Congress. As a matter of fact, it is my hope we can go to the Rules Committee by Wednesday of this week to try to deal with a very important aspect of ocean dumping that has not been addressed.

I regret to say that our work in the Congress to try to strengthen ocean dumping has been defeated, including one that occurred back in 1980.

In 1977 the Congress strengthened the Ocean Dumping Act by requiring that all harmful dumping of sewage sludge as well as industrial pollution be ended by December 31 of 1981. At that time, there were dozens and dozens of municipal polluters and upwards of 400 industrial polluters in the ocean, many just off of our beaches in New Jersey. I do not have to tell you that it is an important issue for the gentleman from New Jersey, JIM SAXTON, and for myself, and for New Jersey because tourism is our major industry and we depend upon clean air, clean water, sandy beaches and anything that despoils our marine environment works against us, and unfortunately the dumping by a number of polluters, including New York City, which is the granddaddy of all dumpers, and six municipal dumpers are in northern New Jersey, and two nearby counties have made a cesspool of the New York Bight, and it will take years and hundreds of millions to clean up an area that is important to the economy of both New York and New Jersey, as well as important to America, because we want to clean up waters. We have not been doing that.

A few years ago we forced the Environmental Protection Agency to move dumping and sewage sludge from the New York Bight to the 106-mile site. This was supposed to be an interim measure and that will expire in just a few years, but the dumpers, unfortunately, because it is cheap and because it is a way we have always done it, do not want to get out of the ocean, but we will see if we can provide the incentives this time to get them out of the ocean.

New York City took the Environmental Protection Agency to court a few years ago and they were successful in finding a Federal judge in New York City that, in fact, gutted our law. It is as simple as that. We tried to persuade the EPA that they were, in fact, running contrary to the policy of the Congress, in fact defying the law, but during that period of time in the early 1980's, 1981, 1982, the Environmental Protection Agency was marching to a different drummer, as the distinguished chairman knows, and we were unsuccessful even though Democrats and Republicans in the Congress both in the House and the Senate attempted to persuade them they were absolutely wrong and, as a result, New York City and a handful of other New Jersey and New York dumpers continue to dump sewage sludge into oceans.

Of course, what has happened in the last few years, we have seen an increasing incidence of all kinds of things washing up on our beaches, and we had dolphin deaths, we have had red tides, black tides, green tides, we have had tides that Members just cannot imagine and, as a result, as the gentleman from New Jersey [Mr. SAXTON] well knows, our tourist economy has been decimated this year, off as much as 35 percent. So it is important that we do something to strengthen this important bill.

□ 1700

Now we did agree that we would not tack on our ocean dumping strengthening amendment to this title because the title is too important. We do not want to saddle it with a highly controversial issue. I must say, however, that I believe that the Committee on Public Works and Transportation and

New York are now working with us to try to develop some consensus that makes sense. I think everybody knows there is no justification for ocean dumping and for that reason hopefully by Wednesday of this week we will have legislation that will track this bill to the Senate, to the other body and hopefully will strengthen it and will end ocean dumping and all the pollution once and for all.

Mr. Speaker, I thank the chairman for his yeoman's work and thank him for giving me this time.

The **SPEAKER** pro tempore (Mr. GRAY of Illinois). The gentleman from New Jersey [Mr. HUGHES] has consumed 6 minutes.

Mr. SAXTON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. LOWRY of Washington. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to compliment the gentleman from New Jersey [Mr. HUGHES] and the gentleman from New Jersey [Mr. SAXTON] for their tremendous amount of leadership on this issue. We have spent, I have spent a lot of time in the great State of New Jersey since I have been chair of the Subcommittee on Oceanography of the Committee on Merchant Marine and Fisheries looking at questions that have been raised and addressed very eloquently by the gentleman just previously here.

There have been many people working on these issues. I think we are making real progress. I think we are going to see the time that our oceans and waters are going to be much better for the work that this Congress has been doing.

Mr. JONES of North Carolina. Mr. Speaker, I rise today to urge my colleagues to support H.R. 4209. A bill to reauthorize title I of the Marine Protection, Research, and Sanctuaries Act of 1972, commonly called the Ocean Dumping Act.

This bill provides a straight 3-year reauthorization of the Ocean Dumping Act without amendment. We are requesting a reauthorization of the act for fiscal years 1989, 1990, and 1991 at $12 million for each fiscal year.

Reauthorization of the program will enable the Environmental Protection Agency [EPA] to carry out its programmatic responsibilities under the Ocean Dumping Act. This bill is noncontroversial and should not be confused with separate legislation to amend the Ocean Dumping Act with respect to the dumping of sewage sludge in the ocean.

I urge my colleagues to support H.R. 4209.

Thank you Mr. Speaker, and I yield back the balance of my time.

Mr. LOWRY of Washington. Mr. Speaker, I have no further requests for time and, I yield back the balance of my time.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from Washington. [Mr. LOWRY] that the House suspend the rules and pass the bill, H.R. 4209.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LOWRY of Washington. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 4209 the bill just passed.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Washington?

There was no objection.

AUTHORIZING THE COMMISSION ON WHITE HOUSE FELLOWS TO ACCEPT DONATIONS

Mrs. SCHROEDER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4529) extending permission for the President's Commission on White House Fellows to accept donations, as amended.

The Clerk read as follows:

H.R. 4529

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the President's Commission on White House Fellowships, established by Executive Order No. 11183, dated October 3, 1964, may accept donations of money, property, or personal services. The Commission shall take such actions as may be necessary to ensure that no conflict of interest, or appearance of a conflict of interest, arises from any such donation, including—

(1) ensuring that donations to the Commission do not have any effect on the selection of White House Fellows; and

(2) ensuring that donors do not receive any commercial advantage or benefit from any such donation.

The Commission shall keep records of all donations made to the Commission and shall make such records available for public inspection.

The **SPEAKER** pro tempore. Is a second demanded?

Mrs. MORELLA. Mr. Speaker, I demand a second.

The **SPEAKER** pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The **SPEAKER** pro tempore. The gentlewoman from Colorado [Mrs. SCHROEDER] will be recognized for 20 minutes and the gentlewoman from Maryland [Mrs. MORELLA] will be recognized for 20 minutes.

The Chair recognizes the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill I bring to the House floor today concerns the President's Commission on White House Fellowships. The fellowship program was established by President Johnson in 1964 to offer talented young leaders from the private sector and the military firsthand experience in the workings of government. Each White House fellow spends 1 year working in the White House or a Cabinet agency. The program also has an extensive education component. Several of our colleagues, including the bill's sponsor, the Honorable JOE BARTON, and Senator TIM WIRTH from the State of Colorado, have participated in the program.

The White House Fellowship Program is included in the budget of the Office of Personnel Management [OPM], although the education part of the program is largely funded through private contributions to the White House Fellows Foundation.

H.R. 4529 would permit the White House Fellowship Program to accept private donations of money, property, and personal service for purposes other than the educational program. This is not unprecedented. Last year, the fellowship program received a one-time authorization to accept private funds to produce their brochures and applications.

When I first read the bill, I saw a real potential for a conflict of interest in allowing a government body to accept donations from the private sector. I was concerned that a corporation, for example, might contribute and expect in return that its employees would receive preferential treatment in the selection process. I also did not want a private business to be able to advertise that it "supplies the While House Fellowship Program."

The amendment to H.R. 4529, which is a complete substitute for the original text, directly addresses these conflicts of interest problems. The amendment specifically directs the Commission on White House Fellowships to ensure that the selection of White House fellows is not in any way influenced by any donations. The amendment also requires the Commission to ensure that private donors do not receive any commercial advantage or benefit from any donations it may make. The Commission is also required to keep records of any and all donations, and to make such records available for public inspection.

I urge my colleagues to vote in favor of this bill.

Mr. Speaker, I reserve the balance of my time.

Mrs. MORELLA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am happy to rise in support of H.R. 4529, a noncontroversial bill which promises a measure of relief to our Nation's taxpayers.

As explained by my distinguished colleague on the Post Office and Civil Service Committee, this bill permits the President's Commission on White House Fellowships to accept donations of money, property, or personal services. Last year, the White House fellows received a 1-year gift authority to accept private sector donations for their informational brochure and application. It was an action that ultimately saved the Commission $30,000. That prompted collaboration on the bill before us by Mr. BARTON and Mr. LELAND to give the Commission continued authority to accept private donations for other activities. Mr. BARTON, a former White House fellow, was particularly concerned about restrictions which prohibited the Commission from accepting private donations.

As noted by the sponsors of this legislation, the restrictions, while well intentioned, actually burdened taxpayers unnecessarily.

It is my understanding the Commission is scheduled to purchase under current budgetary authority a facsimile machine and four personal computers at a total cost of approximately $40,000. I have been advised that all of this equipment has been offered to be donated by the supporters of the Commission.

The White House Fellowship Program was established in 1964 by President Lyndon B. Johnson and has been supported by every President since President Johnson. Each person chosen for the program serves for 1 year as a special assistant to a Cabinet Secretary or senior official in the White House. The selection process is based on merit, and is totally nonpartisan.

This is worthwhile legislation which deserves the support of the House.

Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. BARTON].

Mr. BARTON of Texas. I thank the gentlewoman for yielding.

Mr. Speaker, I do rise in support of this legislation.

I want to thank the gentlewoman from Colorado, Congresswoman SCHROEDER, for her excellent leadership in this effort. I also thank my cosponsor, the gentleman from Texas, Mr. LELAND, who is also a member of the full committee, and the gentleman from New York, Mr. HORTON, the gentleman from Missouri, Mr. TAYLOR, and the gentleman from California, Mr. PASHAYAN, along with all the members of the committee who have supported this legislation.

The White House fellows is one of the outstanding examples, I believe, of public/private partnership between the Federal executive branch of the Government and the people of our Nation.

As Congresswoman MORELLA indicated, the White House Fellowship Program was established by President Johnson in 1964. Its intent is to bring a small group of American citizens, normally in the beginning to mid-years of their careers, into Washington to work in the executive branch for a 1-year period. It is totally nonpartisan, and nonpolitical. Selection is based on merit. Every President since President Johnson has enthusiastically endorsed and supported the White House Fellowship Program.

The year I was chosen, as an example, the original Commissioners were appointees of President Carter. I was interviewed by President Carter's Commissioners at the regional level. When I got to the national finals, President Reagan had appointed new Commissioners and the national final interviews were conducted by President Reagan appointees. At no time during the inverview process, by either group of Commissioners, was I asked any partisan questions.

Former Congressman WIRTH, now Senator WIRTH, is a former White House fellow; Senator KARNES of Nebraska is also a former White House fellow. There have been over 300 White House fellows since the program was established, and the average class size is approximately 15. White House fellows have served in every executive branch of the Government with distinction, including the White House, the Pentagon, the Department of Energy, and the Department of Justice. This bill, if passed by the House and if passed by the Senate and signed by the President, will allow the Commission to accept private donations to defray some of the costs of the fellowship program. It will reduce the dollars that have to come from the taxpayers of our great country.

I am very proud to be the original sponsor of H.R. 4529. Again, I want to thank my colleagues for supporting the bill and would urge its expeditious passage.

Mrs. MORELLA. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mrs. SCHROEDER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from Colorado [Mrs. SCHROEDER] that the House suspend the rules and pass the bill, H.R. 4529, as amended.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mrs. SCHROEDER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks H.R. 4529 the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Colorado?

There was no objection.

REQUIRING CERTAIN DETAILED TABULATIONS RELATING TO ASIAN AMERICANS AND PACIFIC ISLANDERS IN THE DECENNIAL CENSUSES OF POPULATION

Mr. DYMALLY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4432) to amend title 13, United States Code, to require certain detailed tabulations relating to Asian Americans and Pacific Islanders in the decennial censuses of population, as amended.

The Clerk read as follows:

H.R. 4432

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 141 of title 13, United States Code, is amended—

(1) by redesignating subsection (g) as subsection (h); and

(2) by inserting after subsection (f) the following:

"(g)(1) The Secretary shall take appropriate measures to ensure that each questionnaire used in a decennial census of population contain at least 1 question relating to race or ethnic origin. Such question—

"(A) shall include, in a checkoff format—

"(i) each group identified in question 4 of the short form used in the 1980 decennial census of population; and

"(ii) at least 2 additional groups, each of which shall be within the category of Asian American or Pacific Islander; and

"(B) shall include means to write in the name of any group not specified under subparagraph (A).

The Secretary shall take appropriate measures to ensure that 'Taiwanese' is included as 1 of the groups specifically identified under subparagraph (A)(ii).

"(2)(A) The Secretary shall tabulate and make available to the general public the population of Asian Americans and Pacific Islanders both by total and by groups, as determined in any decennial census of population.

"(B) The requirements of subparagraph (A) shall, with respect to any decennial census of population, be satisfied not later than December 31 of the first year beginning after the year in which such census is taken.".

(b) The amendments made by subsection (a) shall apply with respect to the 1990 decennial census of population and each decennial census thereafter.

(c) For purposes of the questionnaires (both the long form and the short form) to be used in the 1990 decennial census of population, the amendments made by subsection (a) may not serve as the basis (in whole or in part)—

(1) for modifying the question proposed to be included as question 7 (relating to Spanish or Hispanic origin), as set forth in the report submitted by the Secretary of Commerce to the Congress under section 141(f)(2) of title 13, United States Code, on or about March 31, 1988; or

(2) modifying the question proposed to be included as question 4 (relating to race), as set forth in the report referred to in paragraph (1), except to the extent that any group or other matter must be added in order to comply with such amendments.

The SPEAKER pro tempore. Is a second demanded?

Mrs. MORELLA. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California [Mr. DYMALLY] will be recognized for 20 minutes and the gentlewoman from Maryland [Mrs. MORELLA] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. DYMALLY].

Mr. DYMALLY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 4432 amends title 13, United States Code, to require certain detailed tabulations relating to Asians and Pacific Islanders in the decennial censuses of population.

H.R. 4432 provides for the use of a checkoff format for the Asian and Pacific Islander portion of the race question in the 1990 census.

A checkoff format was used in the 1980 census. This method requires the Asian American or Pacific Islander respondent to indicate his or her subgroup, such as Japanese or Hawaiian, by checking the appropriate category from a list of subgroups.

H.R. 4432 also provides for the addition of two new subgroups to the list of nine groups used in 1980.

This bill was introduced by Congressman ROBERT MATSUI as a response to concerns raised about the write-in format proposed by the Census Bureau for Asian and Pacific Islander subgroups on the 1990 census questionnaires.

The write-in format requires the respondent to indicate his or her subgroup by writing it in a box. The Census Bureau will code and tabulate every write-in response to determine data on Asian and Pacific Islander subgroup populations.

Given the diversity of the Asian and Pacific Islander population, however, most of whom have their own language, there undoubtedly will be problems with language barriers, illiteracy, and unclear writing. It is a lot simpler to ask respondents to check a group already listed than to write in a box.

The method proposed in H.R. 4432 simplifies the question for the respondent, improves the accuracy of the data collected on Asians and Pacific Islanders, and provides a better understanding of the diversity of this population.

During the subcommittee's consideration of this legislation, a concern was raised about the potential impact H.R. 4432 would have on other portions of the race question on the census. This primarily is a concern with space limitations and the fact that the Asian and Pacific Islander category is part of a comprehensive race question.

H.R. 4432 protects the remaining portions of the race question, and the Hispanic origin question, from further changes, by prohibiting the Census Bureau from changing any other part of the race question or the Hispanic origin question as a result of the changes called for in H.R. 4432.

Mr. Speaker, H.R. 4432 also provides a more expedient timetable for the release of data on Asians and Pacific Islanders.

Data collected on this part of our population in the 1980 census was released several years after the census was taken. Of course, the data was outdated before anyone could make use of it. H.R. 4432 prevents this unacceptable delay from reoccurring by requiring the release of data on Asians and Pacific Islanders a year after the census is taken.

Mr. Speaker, the census provides a snapshot of our population every 10 years. It allows us to formulate policies and administer programs for an entire decade. It is critical, therefore, that the most accurate and detailed data is collected in the census.

H.R. 4432 will promote the collection of accurate and detailed information on one of the most diverse, and fastest growing populations in the country.

Let me thank my good friend, Mr. MATSUI, for his persistence on this issue. Let me also add that legislation was introduced only as a result of failed negotiations with the Census Bureau to make the change administratively.

I urge my colleagues to join me in adopting this measure.

Mr. Speaker, I reserve the balance of my time.

Mrs. MORELLA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 4432, a bill which provides for a checkoff format for Asian American and Pacific Islanders.

It is important that the 1990 Decennial Census be the most accurate ever. I believe that H.R. 4432 will help to achieve that objective.

Some may say that this detailed tabulation in the Decennial Census relating to Asian American and Pacific Islanders consumes more space, will cause delays in printing of the Census forms, require additional staffing and funding; that if this format is instituted, there will be a delay tabulating the data for some of the Asian Pacific Islander groups who are not listed.

Our first interest, Mr. Speaker, should be tabulating complete and accurate counts. H.R. 4432 will help in facilitating a more accurate count without changing the format or content for counting any racial group other than the specific group which this bill addresses.

A checkoff procedure for data pertaining to the race question is not new. The 1980 Decennial Census used such a procedure to indicate a subgroup in a pre-listed category. The proposed Census for 1990 has departed from this detailed tabulation procedure. The write-in format, though it would save space, would create problems such as miscount if the writing were illegible, and inability to write.

Mr. Speaker, I urge our colleagues to support this bill in order to simplify the procedure for the 1990 Census.

□ 1715

Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. GREEN].

Mr. GREEN. Mr. Speaker, I thank the gentlewoman for yielding time to me.

Mr. Speaker, I rise today in strong support of H.R. 4432, a bill introduced by the gentleman from California [Mr. MATSUI], which requires the Census Bureau to continue using a checkoff system when gathering census data from Asian-Americans and Pacific Islanders.

In the 1980 decennial census a detailed count of Asian-American subgroups was achieved by the use of a checkoff system which provided the respondent with nine categories of Asian-American subgroups such as Korean, Chinese, or Japanese which could be easily checked off. Unfortunately, the Census Bureau currently plans to discontinue the listing of those subgroups, and instead intends to use a form in 1990 which would simply have a space for Asian-Americans to "write in" their ethnic subgroup. The Asian-American community is fearful that this simplified method of data gathering would rob that community of millions of dollars in social service funding and important demographic research, as well as the opportunity to assert claims with respect to legislative districting under the Voting Rights Act.

H.R. 4432 enjoys widespread support in the Asian-American community. The legislation would require the Census Bureau to use a checkoff format similar to that used in 1980 which would list 11 Asian subgroups and ask respondents to check off the appropriate category. It would also have a category for "other" for those who do not fall into the listed categories. The checkoff system would be easier and more accurate for respondents, especially given the language barriers that may face some Asian-American respondents.

In short, I strongly urge my colleagues to support H.R. 4432 so that a proper and accurate census count can be maintained on Asian-Americans. An accurate census is critical for this Nation, and we must not take short cuts when conducting this important survey of our Nation's population. Minority groups in this country deserve to be counted accurately and fully so that their needs may be properly understood in the years to come.

Mr. DYMALLY. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. MATSUI].

Mr. MATSUI. Mr. Speaker, if I may, I would like first to commend the gentleman from Hawaii [Mr. AKAKA] and the gentlewoman from Hawaii [Mrs. SAIKI] for their support of this legislation, and I also, of course, thank the gentleman from New York [Mr. GREEN] for his support. Certainly the gentlewoman from Maryland [Mrs. MORELLA], who has been working on this legislation for some time, has been very, very helpful, and I would like also to thank her very much for her support of this legislation. Certainly the gentleman from California [Mr. DYMALLY] has been working on the whole issue of the census for about 3 years at this time, and he has called the attention of the Members of the House to some of the concerns he has had with much of the legislation that is pending, including the bill we have before us. I would like to personally thank him for all the efforts he has put into the whole issue of the census over the last 36 months.

Mr. Speaker, today we have the opportunity to provide for an accurate and complete census tabulation for all Americans. As you know, the Census Bureau has proposed to change the way Americans of Asian and Pacific Islander ancestry are to be counted in the 1990 decenial census. In the 1980 census form, the Bureau listed nine Asian American subgroups such as Japanese, Chinese, Korean et cetera, and Asian-American respondents were asked to check off their category. If none of the nine applied, respondents were requested to fill in the blank labeled other. For the 1990 census however, the Bureau is asking all Asian-Americans to write in their subgroup.

Mr. Speaker, I have grave concerns regarding this proposed change. Given the language barriers faced by many Asian-Americans, an accurate census count using the fill-in-the-blank format simply is not possible. Written responses can be illegible, interpreted incorrectly, and ambiguous. This written format would introduce many new potential sources for error. Mr. Bob Suzuki, vice president for Academic Affairs at California State University at Northridge, concludes in his 68-page study that a write-in format could create great confusion because many respondents may only check their general category, but not provide a written response regarding their specific ethnic identities.

The decennial census is vital to this Nation. It provides Americans with useful information and it gives elected officials an essential tool for governing. Equipped with accurate and current census data, we in public office can allocate limited resources more thoughtfully, effectively, and equitably. I am fearful that the proposed changes in the census will mean less information, making our task of governing more difficult. More importantly, the fact remains that insufficient data would undercut these Asian-American subgroups, leading to a loss of social services, educational and language programs.

Mr. Speaker, I truly feel we in Congress have the obligation of ensuring a fair census tabulation for all Americans. I believe that as it stands now, we can not guarantee the people this most basic right. I urge my colleagues to vote for a fair census and I thank them for their support.

Mrs. MORELLA. Mr. Speaker, I want to commend the prime sponsor of the bill, the gentleman from California [Mr. MATSUI] and tell him that I appreciate what he has done to help us get a very accurate census.

Mr. Speaker, let me say that it is a particular pleasure for me to act as his Representative in Congress at his home away from home while he is in Congress.

Mr. Speaker, I yield 1 minute to the gentlewoman from Hawaii [Mrs. SAIKI].

Mrs. SAIKI. Mr. Speaker, I rise today in support of H.R. 4432 and to encourage its passage in the House.

By requiring a checkoff list rather than a writing in of Asian subgroups, this measure will help to improve 1990 U.S. census tabulation of Asian-Americans and Pacific Islanders.

This mandate will be especially helpful in acquiring a greater and more accurate response from recently arrived Asian immigrants with limited command of the English language. It will also assist Census Bureau in reading and tabulating the numbers much sooner than the 8 years taken for the processing of 1980 census ethnic information.

We live in a technologically advanced society. Let's take advantage of computer technology and expedite more efficient methods of data collection.

I know we all want the most fair and accurate census achievable in 1990. I think this legislation will bring us a step closer to this.

Mr. DYMALLY. Mr. Speaker, I yield 4 minutes to the gentleman from Hawaii [Mr. AKAKA].

Mr. AKAKA. Mr. Speaker, I thank the gentleman for yielding me this time. Mr. Speaker, I rise in support of the bill, H.R. 4432, and commend Chairman DYMALLY, the members of the Post Office and Civil Service Committee, my colleagues Representatives MATSUI and MINETA, and the many others who have rallied behind the Asian and Pacific Islander population on this most important measure.

Mr. Speaker, I would like to ask a question of my colleagues in the House. It's question that is central to this debate. My question is: Would you go to a Chinese restaurant if you wanted to eat poi?

Of course, the answer is "no."

Now, you're probably wondering why I have asked this question. Why is Congressman AKAKA talking about food when the bill that we have up concerns the census? You probably think that it has nothing to do with the debate.

Well, ladies and gentleman, I will tell you that it has everything to do with the debate. Because, you see the issue that we are debating today is ethnic differences and the need to understand those differences.

My question, though crudely elementary, was posed to illustrate to you that there are differences between Chinese and Hawaiians.

Yet, how many of you know the deeper differences—culturally and ethnically—between a Chinese and a Hawaiian. Or a Japanese-American and a Samoan-American. Or, for that matter, a Korean-American and a Vietnamese-American?

I'd venture to say that most people don't know.

Yet, these groups, and the more than 20 others that comprise what has come to be known as the Asian and Pacific Islander population, are as starkly different from each other as they are from whites, blacks, Hispanics, and the numerous other races counted during our decennial census.

In spite of their marked differences, though, the Census Bureau believes that the best way for our Government to keep track of these nearly 4 million Americans, and their individual needs, is to lump them together and count them as one. Call it laziness. Call it pennypinching. Or, call it insensitivity. No matter what you call it, the result is still the same: Our Government is trying to reduce our understanding of the unique socioeconomic and cultural needs of our Asian and Pacific Islander-Americans.

Those of you who have Asian and Pacific Islanders residing in your States—and let me say that most of us do—had better think seriously about that process before voting on this bill.

Because, if you do not support the bill, there is very good chance that you will be contributing to the worst form of representative that our country could offer our Asian and Pacific Islanders.

H.R. 4432, of which I am a cosponsor, seeks to ensure the most accurate count of Asian and Pacific Islanders possible by limiting an undercount of individuals who compromise that category.

It harkens back to the race question in the 1980 census; a question that listed nine different Asian and Pacific Islander racial groups: Chinese, Filipino, Japanese, Korean, Asian Indian, Vietnamese, Hawaiian, Samoan and Guamanian. At that time, these racial groups comprised at least 95 percent of the national Asian and Pacific Islander population. Respondents of these racial groups checked off the appropriate racial designation the race question; the Census Bureau electronically tabulated their responses on a 100-percent basis.

The 1980 race question was a good beginning to secure a detailed count of Asians and Pacific Islanders.

In 1990, the Census Bureau proposes to change the method in which it collects this information, opting for the use of a "short race" question that will turn back the clock on securing useful information about Asians and Pacific Islanders. The "short race" question will exacerbate the undercount of Asians and Pacific Islanders, diminish the ability of social service providers to target services to the needy, and undermine the aspirations of Asians and Pacific Islanders for fair, adequate political representation.

The Census Bureau does not have to waste millions of dollars and take several years to tabulate Asian and Pacific Islander responses. The Census Bureau can achieve an accurate, detailed count of Asians and Pacific Islanders in the 1990 census by maintaining and expanding the use and format of the 1980 race question, as proposed in this bill.

This format will be more efficient and cost-effective than the one proposed for 1990.

Furthermore, it will prevent the perpetuation of the stereotypical notion that "all Asians are alike." In effect, the short race question ignores the individual needs of specific Asian subgroups, opting for a more generic label.

In this way, the question will lend the perception that characteristics and needs of the Southeast Asian or the Filipino communities will be similar to the Japanese, Korean, or Chinese communities. In reality, this is simply not true.

Mr. Speaker, I am supporting this bill because I believe that a dangerous wrong will be committed if we allow the Census Bureau to proceed with the tabulation that it now proposes. And, it is a wrong which will ultimately haunt us unitl the turn of the century.

Americans from Asia and Pacific Islanders comprise our Nation's fastest growing population. They deserve every consideration that we can afford them.

I urge my colleagues to support this bill.

Mrs. MORELLA. Mr. Speaker, I yield back the balance of my time.

Mr. DYMALLY. Mr. Speaker, I yield 4 minutes to the gentleman from California [Mr. MINETA].

Mr. MINETA. Mr. Speaker, I wish to thank the chairman of this subcommittee for this leadership and I rise in strong support of my colleague from California, Mr. MATSUI, and his bill, H.R. 4432. This important legislation authorizes the Census Bureau to use the checkoff format to count the number of Americans of Asian or Pacific Island ancestry in the 1990 census. I encourage all of my colleagues to support this bill.

As a former mayor of the city of San Jose, CA, I know how important it is to have accurate and high quality census information. The data collected is used for many critical public policy decisions at the State and local levels.

The write-in format as currently proposed by the Census Bureau presents obvious drawbacks related to accuracy. For example, respondents must write-in their subgroup. How many will not do so? How many will not understand the directions? The write-in format can only perpetuate the language barrier.

The Bureau has pledged to conduct outreach efforts to help those Americans with any language barriers. But I am not convinced these efforts will counter this drastic change in format.

In effect, the data collected by the write-in format will not accurately reflect the Asian American community, particularly the large number of recent Asian American immigrants. It is very important the census distinguish between the diverse groups which are collectively known as Asian Pacific because accurate, detailed information about individual communities must be available to make specific decisions and to provide necessary services.

The 1990 census should be the best possible count of our population. Mr. Speaker, H.R. 4432 is a step in that direction and I hope all my colleagues will agree and support a more accurate census.

Mr. MATSUI. Mr. Speaker, today we have the opportunity to provide for an accurate and complete census tabulation for all Americans. As you know, the Census Bureau has proposed to change the way Americans of Asian and Pacific Islander ancestry are to be counted in the 1990 decenial census. In the 1980 census form, the Bureau listed nine Asian American subgroups such as Japanese, Chinese, Korean, and so forth, and Asian American respondents were asked to "check off" their category. If none of the nine applied, respondents were requested to fill in the blank labeled "other." For the 1990 census however, the Bureau is asking all Asian Americans to write-in their subgroup.

Mr. Speaker, I have grave concerns regarding this proposed change. Given the language barriers faced by many Asian Americans, an accurate census count using the "fill-in-the-blank" format simply is not possible. Written responses can be illegible, interpreted incorrectly, and ambiguous. This written format would introduce many new potential source of error. Mr. Bob Suzuki, vice president for Academic Affairs at California State University at Northridge, concludes in his 68 page study that a write-in format "could create great confusion because many respondents may only check their general category, but not provide a written response regarding their specific ethnic identities."

The decennial census is vital to this Nation. It provides American with useful information and its gives elected officials an essential tool for governing. Equipped with accurate and current census data, we in public office can allocate limited resources more thoughtfully, effectively, and equitably. I am fearful that the proposed changes in the census will mean less information, making our task of governing more difficult. More importantly, the fact remains that insufficient data would undercount these Asian American subgroups, leading to a loss of social services, educational and langauge programs.

Mr. Speaker, I truly feel we in Congress have the obligation of ensuring a fair census tabulation for all Americans. I believe that as it stands now, we can not guarantee that people this most basic right. I urge my colleagues to vote for a fair census and I thank them for their support.

Ms. PELOSI. I rise in support of H.R. 4432. This bill is of great importance to my district, which is home to a large and culturally diverse Asian American and Pacific Islander community. H.R. 4432 would require the U.S. Census Bureau to use a checkoff system to accurately count 11 Asian American and Pacific Islander subgroups. This is the most cost-effective method to collect the information necessary to determine and varied needs of these vastly different communities.

Over the decades, the city of San Francisco which I represent has been enriched by the contributions of many different Asian and Pacific Islander groups. Recently, we have experienced an influx Asian refugees, including an estimated 28,600 refugees from Vietnam, Cambodia, and Laos.

In the past, we have seen many well-intentioned government programs fail because of a lack of accurate information. An accurate census count will make our programs more effective.

Asian Americans across the country are participating in all facets of our society—in politics, in education, in the Arts and in the economy. It is essential that these Americans be counted with full recognition of their ethnic heritage. An accurate count will ensure that the contributions and the needs of the Asian American community will be recognized.

I commend my colleagues, Congressmen MATSUI, MINETA, and DYMALLY for their leadership of this issue. Their vigilance and hard work has been eesential to ensuring that Asian Americans are accorded equal status with other groups. Without their guidance and support, this legislation would not have been successful. I urge my colleagues to support H.R. 4432, which will ensure that our census accurately reflects the rich cultural heritage or our Asian American and Pacific Islander citizens.

□ 1730

Mr. DYMALLY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The question is on the motion offered by the gentleman from California [Mr. DYMALLY] that the House suspend the rules and pass the bill, H.R. 4432, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

HOUSING DATA RELATING TO DECENNIAL CENSUSES

Mr. DYMALLY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4550) to amend title 13, United States Code, to improve the administration of decennial censuses of population, and for other purposes.

The Clerk read as follows:

H.R. 4550

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. QUESTIONS RELATING TO HOUSING.

(a) DEFINITIONS.—For the purpose of this section—

(1) the term "Secretary" means the Secretary of Commerce; and

(2) the term "census of population" has the meaning given such term under section 141 of title 13, United States Code.

(b) QUESTIONS FOR INCLUSION.—The Secretary shall take appropriate measures to ensure that—

(1) each short form and each long form used in the 1990 decennial census of population shall include—

(A) all of the respective questions proposed to be included on each such form, as set forth in the report submitted by the Secretary to Congress under section 141(f)(2) of title 13, United States Code, on or about March 31, 1988;

(B) 1 or more questions relating to plumbing facilities in the respondent's housing unit; and

(C) 1 or more questions relating to whether the respondent's housing unit is part of a condominium; and

(2) each long form used in the 1990 decennial census of population shall include (and each short form used in such census may include) 1 or more questions relating to the heating of the respondent's housing unit, including at least 1 question relating to the type of equipment used in such heating.

(c) CONSTRUCTION.—Nothing in this section shall, with respect to the forms used in the 1990 decennial census of population, be considered to limit the Secretary's discretion to include questions in addition to any questions permitted or required to be included under the preceding provisions of this section.

SEC. 2. PROCEDURES RELATING TO DECENNIAL CENSUSES OF POPULATION.

Section 141 of title 13, United States Code, is amended by redesignating subsection (g) as subsection (h), and by inserting after subsection (f) the following:

"(g) Notwithstanding any other provision of law, no form, questionnaire, methodology, procedure, or other matter relating to a census of population (excluding a request for appropriations or any other matter relating to funding for any such census) shall be subject to the clearance or approval of any individual or agency in the executive branch outside of the Department of Commerce.".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on the motion.

The gentleman from California [Mr. DYMALLY] will be recognized for 20 minutes and the gentlewoman from Maryland [Mrs. MORELLA] will be recognized for 20 minutes.

The Chair recognizes the distinguished gentleman from California [Mr. DYMALLY].

Mr. DYMALLY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 4550 amends title 13, United States Code, to improve the administration of the decennial census of population.

This bill requires the inclusion of three housing-related questions on the 1990 census questionnaires.

In April of 1987, the Census Bureau submitted the forms for the 1988 census dress rehearsal—a dry run of the plans for the 1990 census—to the Office of Management and Budget for clearance. OMB, under the Paperwork Reduction Act of 1980, ordered certain extensive changes to the census questionnaires.

OMB instructed the Census Bureau to shift seven housing-related questions from the short form, which is sent to every household, to the long form, which is sent to only a sample of households.

These seven questions included value of home, monthly rent, condominium status, and plumbing facilities.

OMB also ordered three utility-related questions eliminated from the long form. These questions gather information on the cost of utilities, type of fuel used for heating, and type of heating equipment.

Finally, OMB ordered a reduction in the sample size of households to receive the long form, from 16 million to 10 million with a variable sampling rate scheme.

Needless to say, there was an instant uproar from users of census data, State and local governments across the country, and Members of Congress. While it took years to develop the questionnaire, it took OMB only several months to wipe out nearly half of the short form.

Clearly on the defensive, OMB decided to negotiate with the Census Bureau, and finally OMB revised its position by restoring some of the housing questions to the short form and two of the utility questions to the long form.

The compromise, however, did not restore the three questions which H.R. 4550 seeks to include in the 1990 census at their original places on the forms prior to OMB's review.

H.R. 4550 restores the questions on plumbing facilities and condominium status to the short form. The bill also restores the question on the type of heating equipment to the long form.

Mr. Speaker, the importance of these questions cannot be overstated.

The questions on complete plumbing facilities and heating equipment are the only ones in the census which gather information on the quality of homes in our country. This information is critical to rural and disadvantaged areas.

Moving the plumbing facilities question to the long form from the short form reduces the accuracy of the data gathered from this item. Eliminating the heating equipment question, of course, means no data will be collected on this housing characteristic at all.

The lack of complete indoor plumbing facilities and working heating equipment are key indicators of substandard housing, as well as key factors in formulas used to distribute Federal housing program funds. Without complete data on these housing characteristics, administration of our Federal housing programs would be incomplete and inaccurate.

The condominium status question gathers information on the availability of homes for rent and the state of the housing market. This information is a particular need of city planners in low-income areas.

Section 2 of the bill addresses the possible recurrence of this problem. It provides the Department of Commerce with exclusive clearance authority of the content, forms, and procedures to carry out the census. It ensures that the professionals at the Census Bureau charged with administering the census will make all determinations to complete their mission.

Mr. Speaker, the primary author of this measure, the gentleman from Washington, Congressman DON BONKER, introduced this bill as the chairman of the Subcommittee on Housing and Consumer Interest of the House Select Committee on Aging.

Information gathered by the three questions restored under H.R. 4550 is critical to improving and planning housing policies for the elderly.

At a time when we are witnessing a steady growth of the elderly population, it is important that we have the most complete information available, in order to properly formulate our response to the needs of this special population.

Government agencies at the Federal, State, and local levels, private data users, and the housing industry have called for the restoration of these questions to their original places on the census forms as proposed by the Census Bureau. They are all rightfully concerned that data which has been available to them for years will be minimized or eliminated without reason.

Mr. Speaker, H.R. 4550 seeks to gather critical housing data. It is important that we pass this measure today because we are approaching the point where changes to the census forms will be inadvisable. The printing process is about to begin, and I would not want to disrupt it.

I commend my good friend, the gentleman from Washington [Mr. Bonker], for introducing this bill, and I urge my colleagues to join me in adopting H.R. 4550.

Mrs. MORELLA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this bill, H.R. 4550, would restore to the 1990 census form some very important questions dealing with plumbing, condominium, and heating equipment.

These questions, Mr. Speaker, are vital to States and local jurisdictions for planning and monitoring their housing stock.

Last July, OMB proposed substantial modifications on the housing questions. I was thanked by officials of my own great State of Maryland for cosponsoring this bill to reinstate these questions.

Data on plumbing are identified as critical at the local level to identify need for housing in poor areas or for identifying substandard housing.

The condominium question is valuable at the block level to identify tenure type housing and housing trends. The assessment of these trends are further used by the private sector for the betterment of the housing industry.

The heating fuel and equipment question is used by the private and public sector in determining the needs of the elderly and poor, and for replacement heating equipment and forecasting energy demand.

The elimination of these questions cannot be taken lightly by our States and local jurisdictions.

Additionally, this bill requires that future census forms be exempt from clearance or approval by any individual or agency in the executive branch outside the Department of Commerce. This provision is inevitable, Mr. Speaker, because the Office of Management and Budget has decimated the census form under the ruse of the Paperwork Reduction Act. There is no savings in time or money if the census is conducted in a piecemeal fashion over a period of years, rather than in one fell swoop. The Congressional Research Service has seen no constitutional violation in this provision.

I take this opportunity to commend the gentleman from Washington [Mr. Bonker], chairman, Subcommittee on Housing and Consumer Interest for sponsoring H.R. 4550 and urge all Members to support this legislation.

Mr. Speaker, I yield back the balance of my time.

Mr. DYMALLY. Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. Dymally] that the House suspend the rules and pass the bill, H.R. 4550.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the bill was passed.

A motion to reconsider was laid on the table.

MOTION TO DISCHARGE COMMITTEE ON ARMED SERVICES FROM FURTHER CONSIDERATION OF H.R. 4264, NATIONAL DEFENSE AUTHORIZATION ACT, FISCAL YEAR 1989

Mr. WELDON. Mr. Speaker, I offer a privileged motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. Weldon moves to discharge the Committee on Armed Services from further consideration of H.R. 4264.

Mr. DYMALLY. Mr. Speaker, I move to lay the motion to discharge on the table.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. Dymally] to lay on the table the motion offered by the gentleman from Pennsylvania [Mr. Weldon].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WELDON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 198, nays 145, not voting 88, as follows:

[Roll No. 345]

YEAS—198

Ackerman
Akaka
Alexander
Anthony
Applegate
Atkins
AuCoin
Beilenson
Bennett
Berman
Bevill
Bilbray
Boggs
Boland
Bonior
Bosco
Boxer
Brennan
Brooks
Bruce
Bryant
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clement
Coelho
Coleman (TX)
Collins
Conyers
Cooper
Costello
Coyne
Crockett
Darden
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
Donnelly
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
English
Erdreich
Evans
Fascell
Fazio
Feighan
Flippo
Florio
Foley
Ford (MI)
Frank
Gejdenson
Gephardt
Gibbons
Glickman
Gonzalez
Gordon
Grant
Gray (IL)
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hertel
Hochbrueckner
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Lancaster
Leath (TX)
Lehman (CA)
Levin (MI)
Levine (CA)
Lloyd
Lowry (WA)
Luken, Thomas
Martinez
Matsui
Mazzoli
McCloskey
McCurdy
McMillen (MD)
Mfume
Miller (CA)
Mineta
Moakley
Mollohan
Montgomery
Morrison (CT)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Patterson
Payne
Pease
Pelosi
Penny
Pepper
Perkins
Pickett
Pickle
Rahall
Rangel
Robinson
Roe
Rose
Rowland (GA)
Roybal
Sabo
Savage
Sawyer
Scheuer
Schroeder
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stratton
Studds
Swift
Thomas (GA)
Torres
Traficant
Traxler
Udall
Vento
Visclosky
Volkmer
Walgren
Watkins
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NAYS—145

Archer
Armey
Baker
Ballenger
Bartlett
Barton
Bateman
Bereuter
Bilirakis
Bliley
Boehlert
Brown (CO)
Buechner
Bunning
Burton
Callahan
Chandler
Clinger
Coats
Coble
Coleman (MO)
Combest
Conte
Coughlin
Courter
Craig
Crane
Dannemeyer
Davis (IL)
Davis (MI)
DeLay
DeWine
Dickinson
DioGuardi
Edwards (OK)
Emerson
Fawell
Fields
Fish
Frenzel
Gallegly
Gallo
Gekas
Gilman
Goodling
Gradison
Grandy
Green
Gunderson
Hammerschmidt
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Hopkins
Houghton
Hunter
Hyde
Inhofe
Johnson (CT)
Kasich
Kolbe
Kyl
Lagomarsino
Leach (IA)
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lowery (CA)

Lujan
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCollum
McCrery
McDade
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Morrison (WA)
Myers
Nielson
Oxley
Packard
Parris
Pashayan
Petri
Porter
Pursell
Quillen
Ravenel
Regula
Rhodes
Ridge
Rinaldo
Ritter
Roberts
Rogers
Roukema
Rowland (CT)
Saiki
Saxton
Schaefer
Schneider
Schuette
Schulze
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Slaughter (VA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Stangeland
Tauke
Thomas (CA)
Upton
Vander Jagt
Vucanovich
Walker
Weber
Weldon
Whittaker
Wolf
Young (AK)
Young (FL)

NOT VOTING—88

Anderson
Andrews
Annunzio
Aspin
Badham
Barnard
Bates
Bentley
Bonker
Borski
Boucher
Boulter
Broomfield
Brown (CA)
Cheney
Clay
Daub
Dixon
Dornan (CA)
Dowdy
Dreier
Espy
Flake
Foglietta
Ford (TN)
Frost
Garcia
Gaydos
Gingrich
Gray (PA)
Gregg
Guarini
Hayes (LA)
Hefner
Holloway
Horton
Ireland
Jacobs
Jeffords
Kemp
Konnyu
Kostmayer
LaFalce
Lantos
Latta
Lehman (FL)
Leland
Lent
Lewis (GA)
Lipinski
Lott
Lukens, Donald
Lungren
Mack
MacKay
Manton
Markey
Mavroules
McCandless
McHugh
Mica
Moody
Panetta
Price
Ray
Richardson
Rodino
Rostenkowski
Roth
Russo
Shumway
Smith (FL)
Smith (IA)
Stokes
Stump
Sundquist
Sweeney
Swindall
Synar
Tallon
Tauzin
Taylor
Torricelli
Towns
Valentine
Waxman
Wortley
Wylie

☐ 1759

Mrs. BOXER and Mr. OWENS of New York changed their vote from "nay" to "yea."

So the motion to lay the motion on the table was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

☐ 1800

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 4782, DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY AND RELATED AGENCIES APPROPRIATIONS, 1989

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 100-982) on the resolution (H. Res. 545) waiving certain points of order against the conference report on the bill (H.R. 4782) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary and related agencies for the fiscal year ending September 30, 1989, and for other purposes, which was referred to the House Calendar and ordered to be printed.

NATIONAL BUREAU OF STANDARDS AUTHORIZATION ACT FOR FISCAL YEAR 1989

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 522 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 522

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4417) to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal year 1989, and for other purposes, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and the amendment made in order by this resolution and which shall not exceed one hour, with fifty minutes to be equally divided and controlled by the chairman and ranking minority member of the Committee on Science, Space, and Technology, and with ten minutes to be equally divided and controlled by the chairman and ranking minority member of the Committee on Energy and Commerce, the bill shall be considered for amendment under the five-minute rule. In lieu of the amendments now printed in the bill, it shall be in order to consider an amendment in the nature of a substitute consisting of the text of the bill H.R. 5183 as an original bill for the purpose of amendment under the five-minute rule, said substitute shall be considered by title instead of by section, and each title shall be considered as having been read. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order by this resolution. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The gentleman from Massachusetts [Mr. MOAKLEY] is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield 30 minutes to the gentleman from Tennessee [Mr. QUILLEN], and pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 522 is an open rule providing for the consideration of the bill H.R. 4417, which authorizes appropriations for the National Bureau of Standards for fiscal year 1989.

The rule provides for 1 hour of general debate, with 50 minutes to be equally divided between the chairman and ranking minority member of the Committee on Science, Space, and Technology, and 10 minutes to be equally divided between the chairman and ranking minority member of the Committee on Energy and Commerce.

Mr. Speaker, the rule also makes in order an amendment in the nature of a substitute consisting of the text of the bill H.R. 5183 as an original bill for the purpose of amendment. The substitute bill will be considered by titles and each title will be considered as having been read.

Finally, the rule provides for one motion to recommit with or without instructions.

Mr. Speaker, H.R. 4417 is an annual authorization for the National Bureau of Standards and various programs within the Department of Commerce. The National Bureau of Standards is the agency that is responsible for the research that provides the foundation for the Nation's physical measurement system and helping the Nation's industries with scientific and technological services.

The substitute bill, H.R. 5183, authorizes $162 million in fiscal year 1989 for the National Institute of Standards and Technology, which reflects the new name and responsibilities of the National Bureau of Standards.

The bill would also reorganize somewhat the areas of the Department of Commerce that are involved in science and technology research. The bill creates a technology administration that include the National Bureau of Standards, the National Technical Information Corporation, the Office of Technology Policy, and the Japanese Technical Literature Program. This new technical administration will ensure that all future technology needs of these organizations will be coordinated and utilized to ensure that U.S. industries will be able to compete in the world trade markets.

Mr. Speaker, I urge my colleagues to adopt this rule.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is an open rule and it should be adopted.

The rule makes in order a substitute bill written under the leadership of Chairman ROE which has reduced the opposition to the measure. The Roe subsitute authorizes $158 million for the National Bureau of Standards for fiscal year 1989. This holds the spending level to what was requested in the President's budget.

The bill reorganizes parts of the Department of Commerce dealing with science and technology, as requested by the administration, and enhances the capabilities of the National Bureau of Standards to assist industry to compete successfully in international trade.

The National Bureau of Standards is the country's oldest laboratory and is an important national resource to American business because of its measurement and standards services which improve productivity and quality control in American industry.

Mr. Speaker, I urge adoption of the rule so that we can fully debate this bill under an open rule.

Mr. Speaker, I yield back the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 522 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4417.

□ 1810

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4417) to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal year 1989, and for other purposes, with Mr. Moakley in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

The gentleman from New Jersey [Mr. Roe] will be recognized for 25 minutes; the gentleman from New Mexico [Mr. Lujan] will be recognized for 25 minutes; the gentleman from Michigan [Mr. Dingell] will be recognized for 5 minutes; and the gentleman from California [Mr. Moorhead] will be recognized for 5 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. Roe].

Mr. ROE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 4417 the National Institute of Standards and Technology Authorization Act for Fiscal Year 1989.

I want to congratulate Mr. Walgren of Pennsylvania, the chairman of the Subcommittee on Science, Research, and Technology, for his leadership in bringing this legislation to the floor. I also want to acknowledge the efforts of our colleagues on the other side of the aisle, our ranking Republican Members, Mr. Lujan of New Mexico, at the full committee level, and Mr. Boehlert of New York, at the subcommittee level, for all of their help.

As the Nation's oldest national laboratory, the National Institute of Standards and Technology [NIST] has been advancing U.S. industrial competitiveness since it was established at the turn of the century. NIST's scientific and engineering research and standardization activities make possible the precise measurements which underpin both U.S. commerce and U.S. scientific advancement. The NIST mission takes on special significance now as our country responds to a serious challenge to its competitiveness effort. The economy cannot function without the standards, services, and other information NIST provides. The science and technology of measurement is the same science and technology that leads to the development of new technologies and, ultimately, new products.

H.R. 4417 would authorize $158 million for the National Institute of Standards and Technology for fiscal year 1989, which is the level of the President's budget request.

The total includes all the initiatives proposed by the administration for the Institute, including funding for process and quality control; high performance composites; bioprocess engineering; lightwave measurement technology; and high temperature superconductors; as well as funding for NIST to carry out its new responsibilities under the Computer Security Act of 1987, Public Law 100-235. Money has also been provided for the NIST Non-energy Inventions Program recently enacted by Congress as part of the trade bill, and for the Cold Neutron Source Facility, an ongoing construction project which has been identified as the No. 1 U.S. priority for materials research. The vital fire and building research programs are also restored by this legislation to a viable level.

H.R. 4417 also creates a new Technology Administration and the position of Under Secretary for Technology within the Department of Commerce [DOC] to manage it, H.R. 4417 gives new authorities to the National Technical Information Service [NTIS] which are greatly needed to modernize the operations of the NTIS. These changes are important to this country's technological future by strengthening a focus on technology within DOC. The current version of the NTIS provision has been worked out with the House Judiciary Committee and the House Energy and Commerce Committee, and modified significantly to reflect the concerns of these committees. Mr. Walgren will offer an amendment which also has been agreed to by these committees which prohibits privatization of the National Technical Information Service to finalize this agreement. I will offer an additional amendment which corrects technical errors in the version of H.R. 4417 as introduced, and strengthens the committee's intent to begin the automated manufacturing centers at NIST.

The bill authorizes $2 million for the Office of Technology Policy, which supersedes the Office of Productivity, Technology, and Innovation [OPTI]. $1 million for the Technology Administration and $1 million for the Office of Japanese Technical Literature, which will become a part of the National Technical Information Service. The committee continues to believe in the importance of these programs to the overall competitiveness effort and will continue to support them.

Mr. Chairman, the scientific and technological programs authorized in this bill are essential to this country's economic progress. I urge my colleagues to support this important legislation.

Summary of H.R. 5183, the Substitute Text for H.R. 4417, Including the Roe and Dymally Amendments Offered and Approved Today in the Committee of the Whole

A. PURPOSE OF THE BILL AND ADMINISTRATION BUDGET REQUEST

The purpose of the bill is to authorize appropriations for the National Institute of Standards and Technology (NIST), formerly the National Bureau of Standards (NBS) and related agencies for fiscal year 1989. The bill also establishes the position of Under Secretary of Commerce for Technology, changes the title of the Assistant Secretary for Productivity, Technology Policy and provides for the modernization of and limits efforts to privatize the National Technical Information Service (NTIS). The President's budget request for fiscal year 1989 included $158,039,000 for the NIST; $2,007,000 for the Office of Technology Policy (formerly OPTI); $425,000 for Japanese Technical Literature; and no appropriated funds for the National Technical Information Service (NTIS), for a total for programs covered by this authorization of $160,471,000.

B. NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY (NIST) AUTHORIZATION

H.R. 5183, the substitute text for H.R. 4417, reflects the new name and responsibilities of the former National Bureau of Standards as mandated by H.R. 4848, the Omnibus Trade Bill, and reduces the National Institute of Standards and Technology funding levels to $158,039,000, the level requested by the President. H.R. 4417, as reported by the Committee on Science, Space, and Technology, would have authorized $168,500,000 for NIST. The total includes all the research initiatives proposed by the Administration, including process and quality control; bioprocess engineering; lightwave metrology; high performance composites; and superconductivity, although in certain instances at less than the Administration request levels. The bill also restores funding for the fire and building safety programs. The Administration's request for $4,000,000 for a Thomas A. Edison Technological Award is not included in the bill.

$3,000,000 is included for NIST to carry out its responsibilities under the Computer

Security Act of 1987, P.L. 100-235; $3,000,000 is authorized for the NIST Non-Energy Inventions Program; and $6,500,000 is authorized for the Cold Neutron Source Facility. The bill also includes exclusive authorization amounts of $2,000,000 for steel technology; $4,000,000 for the Center for Building Technology; $6,000,000 for the Center for Fire Research; and $7,500,000 for the Technical Competence Fund reduced by $200,000. An amendment offered by Mr. Roe raised the funding for the line item called Technology Services from $3,000,000 to $3,300,000 to correct an error in the bill's printing.

In Section 102, a new subsection (d) Publication in Federal Register has been included which provides that the requirement for a Federal Register notice in the Trade Bill to advertise the Automated Manufacturing Centers program has been met by a notice published by the National Bureau of Standards on July 18, 1988 (53 Fed. Reg. 27060) shortly before the Trade Bill was signed into law. (Public Law 100-418, signed on August 23, 1988).

The Fiscal Year 1988 Commerce Appropriations Act included $5 million to provide for a fast start for this program in advance of its authorization which was delayed several months when the Fiscal Year 1988 National Bureau of Standards Authorization Act was added to the Omnibus Trade and Competitiveness Act of 1988. The Department of Commerce faithfully followed the legislative intent of the program's authorization even though it had not yet been enacted by publishing a notice in the Federal Register which solicited proposals for the establishment of Regional Centers for the Transfer of Manufacturing Technology. The Committee on Science, Space, and Technology shares the desire of the Department of Commerce that this program be implemented both fairly and quickly and feels that requiring a second notice and resubmittal of proposals would be wasteful. Therefore, subsection (d)'s inclusion in this Act clarifies Congressional intent that the program begun under the Fiscal Year 1988 Commerce Appropriations Act and the program authorized in the Trade Act are the same program and that actions taken under the appropriations act do not need to be repeated simply because they predate and are also mentioned in the Trade Act.

The provisions in Sections 103, 104, 105, 106, 107, and 108 remain the same as in H.R. 4417, as reported by the Committee. See H. Rept. 100-673, Part I.

Section 109, Technology Services, was added in the Senate bill, S. 2701, and included in the substitute text. This provision increases the discretion of the Institute in setting up the technology extension responsibilities it received under the Trade Bill. Mr. Roe's clarifying amendment to the H.R. 5183 text, which was offered in the Committee of the Whole, deletes reference to the Federal Laboratory Consortium thus eliminating a duplication of the responsibilities described in this section. Paragraph (5), now renumbered Paragraph (4), covers this assignment.

Section 110, Technology Transfer, and Section 111, Annual Budget Submission, are the same as the reported version of H.R. 4417.

Section 112, International Standards, added by the Dymally amendment in the Committee of the Whole, estabishes an international standards program to provide assistance to other countries who wish to make their nation's standards compatible with the standards in effect in the United States. The assistance may be provided to a group of nations and it is the assumption of the Committee that the first use of this authority will be to assist the Gulf Cooperation Council Countries. Under Section 112, the Secretary, acting through the Director of the National Institute of Standards and Technology and other appropriate Department officials, presumably employees of the International Trade Administration, will solicit funds from the private sector to cover the complete costs of the program during fiscal year 1989 and fiscal year 1990. Long term plans to fund the program will be submitted in a report to the appropriate Committees of Congress by June 30, 1989. The intent of this amendment is to ensure that export markets are expanded rather than diminished and to counteract the negative effects to U.S. companies of European and Asian competitors supplying similar technical assistance, which in the absence of U.S. input, is likely to lead to standards which serve as a barrier to the importation of American products. Therefore, given the gravity of the situation, the Committee asks for rapid implementation of the program.

C. TECHNOLOGY ADMINISTRATION

Section 201 of the substitute text is virtually the same as that reported in H.R. 4417. It creates the position of Under Secretary of Commerce for Technology and places the NIST, the Office of Technology Policy (formerly the Office of Productivity, Technology, and Innovation (OPTI)), and the National Technical Information Service under the Under Secretary. The Japanese Technical Literature Program is formally assigned to the NTIS by this section.

For fiscal year 1989, the bill authorizes $1,000,000 for the Technology Administration; $2,000,000 for the Office of Technology Policy, and $1,000,000 for the Japanese Technical Literature Program.

This section differs from the Senate-reported version by not expressly giving the Secretary the authority to transfer other parts of the Department into the Technology Administration. This provision was removed in Full Committee to accommodate the Committee on Energy and Commerce.

D. NATIONAL TECHNICAL INFORMATION SERVICE

Section 211-214 as reported in H.R. 4417 amended the Stevenson-Wydler Technology Innovation Act to reconstitute the National Technical Information Service as the National Technical Information Corporation, a government corporation within the Commerce Department. The Committee on Energy and Commerce was given three sequential referrals (June 3, 8, 22) of this section because as reported it had repealed the Act of September 9, 1950 which that Committee had authored. The Energy and Commerce Committee report (H. Rept. 100-6873, Part II) objected to the repeal of the 1950 Act, the reconstitution of NTIS as a government corporation, the use of the Federal Financing Bank for NTIS modernization, annual audits, and the structure of the NTIS Advisory Board contained in the section.

Section 211-214 also contained judicial review and corporate name provisions which were objectionable to the Committee on the Judiciary. These provisions were struck in their entirety. A compromise agreement was reached with the Energy and Commerce Committee which is contained in Section 211-212 of H.R. 5183, as amended in the Committee of the Whole.

The compromise abandons the corporate form and the attempt to make the Stevenson-Wydler Act into an Organic Act for NTIS. Under the compromise, NTIS has broad authority to enter into cooperative agreements and joint ventures; to modernize using its net revenues; to contract for promotion services, and to hire without regard to personnel ceilings. The General Accounting Office audit is replaced with a commercial audit. NTIS is to keep Congress fully informed, and to provide an annual report on modernization and business activites.

Section 212 prevents contracting out any functions of the National Technical Information without the express approval of Congress. In addition, the provision in the Trade Bill (Sec. 5163(c) of P.L. 100-418) capping the value of any privatization contracts with the private sector at $250,000 is repealed, as the new language is broader in scope. The Director of the National Technical Information Service remains a member of the Senior Executive Service instead of a presidential appointee. the Senate prefers not having to confirm the incumbent in this position.

Under Section 212(e)(3), reference to NTIS dissemination of bibliographic products was amended in the Committee of the Whole to clarify the original Congressional intent to make sure the NTIS continues to contribute publications to the Depository Library Program. The changes remove an ambiguity that could have been wrongly interpreted as expanding the contribution requirement to include all NTIS abstracts.

E. STEVENSON-WYDLER ACT AMENDMENTS

Section 301-303 relating to intellectual property rights remains the same as reported.

F. DRUG-FREE WORKPLACE

Section 401 is the same Drug-Free Workplace language that was incorporated in the National Science Foundation Authorization Act.

☐ 1815

Mr. Chairman, I reserve the balance of my time.

The **CHAIRMAN.** The gentleman from New Jersey [Mr. Roe] has consumed 5 minutes.

Mr. **LUJAN.** Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of the bill H.R. 5183 with the addition of a series of amendments that are technical and clarifying in nature. This bill authorizes appropriations for the National Institute of Standards and Technology [NIST] for fiscal year 1989. The bill exceeds the administration's request for authorization of only one program. The Japanese Technical Literature Act; however, I would urge the Department of Commerce and NTIS to continue interaction with the private sector in the United States to cost share this program.

Public Law 100-418, the omnibus trade bill signed into law earlier this year authorized an expansion of the NBS's traditional function and renamed the organization NIST.

H.R. 5183 also authorizes a technology administration within the Department of Commerce to provide a clear focal point for the incorporation of technology developments in the Departments activities. This was a request from the Secretary of Commerce and I am supportive of this. A new Under Secretary will head up this section of Commerce and each of the following agencies will report directly to him or her: NTIS, NIST, and the Office of Technology Policy—formerly referred to as OPTI. It is not within the jurisdictional purview of the committee to authorize any other agencies which may logically deal with technology within the Department of Commerce.

Mr. Chairman, I understand there is one proposed amendment to H.R. 5183 which will delete the 45 legislative calendar day provision for NTIS which allows the Secretary of Commerce to consult with Congress prior to proceeding with any contracting of services other than those expressed in the bill. I must oppose this amendment when it is offered.

However, I urge my colleagues to support H.R. 5183 without this amendment. I commend the chairman of our committee, Mr. Roe, the chairman and ranking member of our subcommittee, Mr. Walgren and Mr. Boehlert, and the chairman and ranking member of the Committee on Energy and Commerce, Mr. Dingell, and Mr. Lent and Mr. Moorhead for their hard work.

Mr. WALGREN. Mr. Chairman, at the outset I want to congratulate those on these committees that have focused on the authorized for the National Institute of Standards and Technology, the gentleman from New Jersey [Mr. Roe] chairman of the full committee, the gentleman from New Mexico [Mr. Lujan], the ranking minority member of the full committee, the gentleman from New York [Mr. Boehlert], my ranking minority member on the subcommittee of jurisdiction, all have given real attention over the last 18 months or more to giving birth to what is a new institute in the landscape of Federal efforts in science and technology.

I think we all recognize the importance of thorough research and development. Oftentimes we do not stop to realize that the Federal Government funds a very high percentage of the exploratory research and development no matter how it is described.

We look at agriculture and aerospace and find our economy and our abilities unparalleled in the world. There is a reason for that. The reason really is that throughout our history there has never been any dispute about the importance of the Federal Government funding without any controversy the research and development that was necessary to make these fields prosper.

We now enter a new age with technology driving the world economy and it is critical that the United States bring its research and development efforts as funded by the Federal Government to bear on new technology as well.

So I rise today in support of H.R. 4417, the first authorization in fiscal year 1988 for this new child of modern technology, the National Institute of Standards and Technology.

While these are modest amounts in this bill compared to authorizations normally considered by this body, dollar for dollar there is no better investment we make in this Nation's scientific pursuit than the funding authorized for the NTIS.

Mr. Chairman, I want to address a particular subsection that is a very small subsection indeed, in fact one that does not involve any authorization of any great extent, but that is the subsection included to "assure and strengthen access to scientific and technical information through the NTIS, the National Technical Information System."

Since 1949 the National Technical Information Service and its predecessor agents in the Department of Commerce have had the responsibility to accumulate and distribute the enormous body of scientific and technical literature that is generated by Federal laboratories, by U.S. industries and by universities under contract for government research. The NTIS is currently tasked to carry out the dissemination of scientific and technical information nationwide. Unfortunately, this 350-employee operation must approach a critical 21st century task with outdated resources and outdated equipment.

NTIS provides access to approximately 1.7 million technical and scientific papers housed in its library.

There are no Federal funds appropriated in support of this effort because these services are essentially provided on a cost reimbursable basis. However, NTIS has not been able to purchase the modern equipment needed to convert this operation to new information storage and information technology.

The revolution in information technology has essentially passed NTIS by because we have not been able to structure it in a way that it was able to use its Government rated funds to the best advantage.

This bill will grant NTIS a clear legislative mandate to pursue modernization as a Government agency. Without this legislation, one of two things will be sure to happen. Either the Office of Management and Budget will continue in what has been its now 8-year effort to dismantle the service by privatizing portions, or all of it, or the usefulness of NTIS as a national resource for technical information will erode and decline.

I do not think our Nation can live with either of these options so at the proper time I will offer an amendment that will ensure that NTIS remains a Government function. After all, it is a library and as a library must handle information not on a for-profit basis, but on a basis of the importance of the information for the future.

This amendment will assure that NTIS will not be privatized or otherwise contracted out to private for profit interests. This section will take NTIS much of the way to becoming a modern, efficient, scientific, and technical information agency which our country desperately needs and it is our responsibility to assure.

Overall this bill provides the critical authorization levels to keep portions of the Department of Commerce in an improved structure in which those activities shall take place. It is the product of over 18 months of attention, of some of the most knowledgeable Members of Congress on the Science and Technology Committee; it is the product of the cooperation of those Members on the Energy and Commerce Committee and particularly the chairman of that committee, the gentleman from Michigan [Mr. Dingell] with respect to NTIS. It deserves favorable support of this body.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. WALGREN. I am happy to yield to the distinguished gentleman from Michigan [Mr. Dingell], chairman of the full committee.

Mr. DINGELL. Mr. Chairman, I want to commend the gentleman from Pennsylvania for the amendment which he will later offer. It is one which has my support. I believe it is a good amendment. I want to commend also the distinguished gentleman from New Jersey [Mr. Roe], chairman of the full committee, for his participation and help. The cooperation of both gentlemen with our committee has been outstanding. I appreciate their friendship and their help. I commend them for this effort and I support the amendment which they will be offering. I believe it is in the best interests of the House and the best interest of the legislation.

Of course, I support the bill.

I thank the gentleman for yielding.

Mr. LUJAN. Mr. Chairman, I yield 4 minutes to the gentleman from New York [Mr. Boehlert].

Mr. BOEHLERT. Mr. Chairman, I rise in support of H.R. 5183, a measure that builds on steps we took in the trade bill to modernize and strengthen American industry.

In that bill, we renamed the National Bureau of Standards the National Institute of Standards and Technology, and we instructed that laboratory to work even more closely with industry—small and large—to spur new breakthroughs and, just as importantly, to see that we apply the knowledge we already have.

In this bill, we start seeing to it that the Institute has the resources it needs to carry out those tasks. We approve the healthy 9 percent budget increase sought by the administration, allowing for more research in such critical fields as biotechnology, fiber optics, quality control, and superconductors.

We also provide funds for the new technology extension programs created by the trade bill and we ensure the continuation of the vital fire and building programs that have been under attack for far too long.

This bill also seeks to give technology a higher profile in the Commerce Department as a whole, creating a Technology Administration to underscore the central role the Department should have in formulating technology policy.

Last, but not least, this bill drives another nail in the coffin of one of the most foolhardy ideas to ever cross our committee's agenda—privatizing the National Technical Information Service.

This agency, the Government's clearinghouse for technical information, makes money and has unparalleled access to foreign and Government technical documents because it is a Government agency. The privatization proposal has been shot down by almost anyone who's ever looked at it, including the Grace Commission and Secretary Verity—both fans of privatization in general. Still, the obsessed at OMB, apparently inspired by Rasputin, have struggled to keep the idea alive, creating needless uncertainty at the agency. This should be the provision that kills the idea once and for all.

The provisions of this bill, taken together, will lead us to a more technologically adept America, one where new technologies are continually developed and commercialized and where technical information will be readily available to all who can use it.

If you're concerned about competitiveness, this bill deserves your strong support.

Mr. LUJAN. Mr. Chairman, I yield 4 minutes to the gentleman from Pennsylvania [Mr. RITTER].

Mr. RITTER. Mr. Chairman, I rise today in support of H.R. 5183, the NIST authorization bill. Its very name indicates that this year has been historic for the National Bureau of Standards. It has a new name—the "National Institute of Standards and Technology."

That isn't just a simple name change; it's recognition that this vital Government agency will lead the United States in competing with aggressive foreign nations in science and technology. I'm pleased to have been in the forefront of this change, starting with my bill, H.R. 2069. That bill was the first to propose reorganizing the NBS into something more, a "National Bureau of Standards and Industrial Competitiveness." I am also pleased to have joined my colleagues on the Science, Space, and Technology Committee in shaping the new structure of the NIST.

The new NIST has a strong sense of purpose at an appropriate time. We need better coordination, synergism, and collaboration in private sector research and development in cutting-edge technologies. That's part of the secret of Japan's success in so many fields where the Japanese have taken the lead.

Key NIST innovations in the trade bill include the new Advanced Technology Program, which will serve as a focal point for greater cooperation between private sector players and the public sector as well. There's room for a "Team America" approach, plus, we need to transfer even more of the technology developed by the NIST out to the firms that need it most—small to midsize companies that can't foot the entire research bill. The automated manufacturing research facility has that as a goal. We need to tell the world that we are committed to winning the race to commercialize new science and technology. The NIST will help us do all that, and more.

We've provided the resources for a modernized NIST—almost $13 million more than the total for fiscal year 1988. That's as it should be. NIST should regain its international preeminence, and should, once again, be recognized as one of America's flagship R&D facilities. NIST's strength, reinforced by the structural changes, is its ability to work hand-in-glove with industry and the private sector. NIST conducts research in areas where promising breakthroughs are occurring almost daily, such as high temperature superconductivity, photonics, biotechnology, quality and advanced manufacturing.

We're in an economic Olympics with the global giants, most notably the Japanese, who have forged ahead in bringing science and technology to the marketplace, fast. America needs us to state clearly that we value what NIST can do to strengthen the science and technology base that's critical for our jobs, our standard of living, and our global competitiveness. Our support of this bill is an important step in that direction: we're saying that cutting edge progress in science and technology is important to us. I urge you to support this bill.

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Mr. LUJAN. Mr. Chairman, I have no further requests for time, and I reserve the balance of my time.

Mr. ROE. Mr. Chairman, I have no further requests for time, and I reserve the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. DINGELL] for 5 minutes.

Mr. DINGELL. Mr. Chairman, I reserve my time at this time. My dear friend, the gentleman from California [Mr. MOORHEAD] is seeking recognition.

The CHAIRMAN. The gentleman reserves his time.

The gentleman from California [Mr. MOORHEAD] is recognized for 5 minutes.

Mr. MOORHEAD. Mr. Chairman, I rise in support of the substitute to H.R. 4417. In particular I support the compromise that the substitute reaches on the issue of contracting by the National Technical Information Service.

Some of the activities carried out by the NTIS can be performed at a lower cost and more effectively in the private sector. For NTIS to carry out its responsibilities effectively, it needs the ability to enter into contracts. At the same time concerns have been raised that the administration might try to privatize the agency or that NTIS might essentially achieve the same objective by contracting out large segments of the agency's responsibilities. While privatization was proposed at one point, it is not now under consideration. Instead, we have before us a balanced proposal that permits contracting in a way that will ensure that the NTIS is not transferred to the private sector. This approach strikes the right balance.

Before we went to the Rules Committee, the two committees having jurisdiction of this bill, the Energy and Commerce Committee and the Science, Space, and Technology Committee, came to a compromise, which is embodied in H.R. 5183. On the question of contracting this is a good compromise as it preserves the flexibility which will enable NTIS to function effectively and efficiently, while at the same time giving Congress notification of 45 legislative days before a request for proposal can be published. This required notification gives Congress plenty of time to act if the NTIS attempts to privatize the agency by contracting out entire functions.

The administration supports H.R. 5183 but would oppose the bill if any further restrictions on NTIS contracting are added. H.R. 5183 is a reasonable compromise agreed upon by the committees involved. We should approve the substitute and avoid any further amendments to the contracting provisions.

Mr. Chairman, I reserve the balance of my time.

Mr. DINGELL. Mr. Chairman, I support the bill. It is a good bill.

Mr. Chairman, I again commend my friends on the Committee on Science, Space and Technology, its distinguished chairman, the gentleman from New Jersey [Mr. ROE] and the ranking minority member, the gentleman from New Mexico [Mr. LUJAN] for the outstanding work they have done on this legislation.

I also want to make it clear that our two committees have worked well together and harmoniously on this particular matter.

Mr. Chairman, I strongly support the Walgren amendment. I commend the gentleman from Pennsylvania [Mr. WALGREN] for offering this amendment. The amendment is important. It insures that important functions of the National Technical Information Service will remain Federal functions. It is curious, indeed, when we set up an institution which would carry out such functions to provide essential services, that there would be attempts made to spin off those services into the private sector. I understand that the Office of Management and Budget is behind this idea.

The Walgren amendment would prevent that. The Walgren amendment, however, does allow a reasonable opportunity for contracts to carry out the vital business of the agency, so long as that effort does not result in a transfer of functions. It does, and I think very importantly so, prevent privatization. It protects the public interest by seeing to it that these functions are carried out by the government which is concerned with seeing that progress occurs in this area.

The amendment is a good one. It has been worked out cooperatively between Chairman ROE, Chairman WALGREN, and members of our committee.

I urge its adoption. I urge the bill be favorably considered and approved by the House when that amendment has been adopted.

Mr. Chairman, I reserve the balance of my time.

Mr. ROE. Mr. Chairman, I, too, want to extend my high regard to Chairman DINGELL and the ranking member, the gentleman from California, Mr. MOORHEAD, of the Committee on Energy and Commerce for the excellent cooperation we have received in working together on this very important legislation. I think it is a major step forward and demonstrates again how two committees can get a job achieved.

Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. LUJAN. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. MOORHEAD. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. DINGELL. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. All time having expired, pursuant to the rule, an amendment in the nature of a substitute consisting of the text of H.R. 5183 is considered as an original bill for the purpose of amendment under the 5-minute rule in lieu of the committee amendments now printed in the reported bill and each title is considered as having been read.

The Clerk will designate title I.

The text of title I is as follows:

H.R. 5183

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY AUTHORIZATION

SECTION 101. SHORT TITLE.

This title may be cited as the "National Institute of Standards and Technology Authorization Act for Fiscal Year 1989".

SEC. 102. AUTHORIZATIONS FOR PROGRAM ACTIVITIES.

(a) AUTHORIZATIONS.—There are authorized to be appropriated to the Secretary of Commerce (hereafter in this Act referred to as the "Secretary"), for fiscal year 1989, to carry out activities performed by the National Institute of Standards and Technology, the sums set forth in the following line items:

(1) Measurement Research and Standards, $43,220,000.

(2) Materials Science and Engineering, $24,054,000.

(3) Engineering Measurements and Standards, $49,098,000.

(4) Computer Science and Technology, $11,000,000.

(5) Research Support Activities, $20,867,000.

(6) Cold Neutron Source Facility, $6,500,000 (for a total authorization of $19,500,000).

(7) Technology Services, $3,000,000.

(b) LIMITATIONS.—Notwithstanding any other provision of this or any other Act—

(1) of the total of the amounts authorized under subsection (a), $2,000,000 is authorized only for steel technology;

(2) of the total amount authorized under paragraph (3) of subsection (a)—

(A) $4,000,000 is authorized only for the Center for Building Technology, and

(B) $6,000,000 is authorized only for the Center for Fire Research,

and the two Centers shall not be merged;

(3) of the total amount authorized under paragraph (5) of subsection (a), $7,500,000 is authorized only for the technical competence fund; and

(4) of the amount authorized under paragraph (7) of subsection (a)—

(A) $3,000,000 is authorized only for the support of Regional Centers for the Transfer of Manufacturing Technology, and Assistance to State Technology Programs;

(B) $300,000 is authorized only for the evaluation of nonenergy-related inventions and related technology extension activities; and

(C) funds authorized under subparagraph (A) shall be used only to award, amend, or renew research cooperative agreements entered into pursuant to the competitive process established by the National Bureau of Standards for this program (53 Fed. Reg. 27060; July 18, 1988).

(c) TRANSFERS.—(1) Funds may be transferred among the line items listed in subsection (a), so long as the net funds transferred to or from any line item do not exceed 10 percent of the amount authorized for that line item in such subsection and the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives are notified in advance of any such transfer.

(2) In addition, the Secretary may propose transfers to or from any line item exceeding 10 percent of the amount authorized for the line item in subsection (a); but such proposed transfer may not be made—

(A) unless a full and complete explanation of any such proposed transfer and the reason therefore are transmitted in writing to the Speaker of the House of Representatives, the President of the Senate, and the appropriate authorizing committees of the House of Representatives and the Senate, and

(B) 30 calendar days have passed following the transmission of such written explanation.

SEC. 103. UNDER SECRETARY FOR TECHNOLOGY.

In addition to any sums otherwise authorized by this title, there are authorized to be appropriated to the Secretary for fiscal year 1989—

(1) $1,000,000 for the activities of the Office of the Under Secretary of Commerce for Technology, as established in section 201(a); and

(2) $2,000,000 for the activities of the Office of Technology Policy, as established in such section.

SEC. 104. JAPANESE TECHNICAL LITERATURE.

In addition to any sums otherwise authorized by this title, there is authorized to be appropriated to the Secretary for fiscal year 1989 the sum of $1,000,000 to carry out the purposes of the Japanese Technical Literature Act of 1986 (Public Law 99-382; 100 Stat. 811).

SEC. 105. SALARY ADJUSTMENTS.

In addition to any sums otherwise authorized by this title, there are authorized to be appropriated to the Secretary for fiscal year 1989 such additional sums as may be necessary to make any adjustments in salary, pay, retirement, and other employee benefits which may be provided for by law.

SEC. 106. AVAILABILITY OF APPROPRIATIONS.

Appropriations made under the authority provided in this title shall remain available for obligation, for expenditure, or for obligation and expenditure for periods specified in the Acts making such appropriations.

SEC. 107. RESEARCH INFORMATION CENTER.

The Research Information Center of the National Bureau of Standards shall be maintained as a governmental activity under the National Institute of Standards and Technology.

SEC. 108. EVALUATED ENGINEERING DATA STUDY.

Within 6 months after the date of the enactment of this Act, the Director of the National Institute of Standards and Technology shall conduct a study of needs within the private and public sectors for evaluated engineering data, and shall submit a report to the Congress making recommendations concerning the appropriate roles of the National Institute of Standards and Technology, other government agencies, professional societies, and trade associations in the collection, evaluation, and dissemination of such data. Such recommendations shall, among other things, address plans for the dissemination of the results of the study through data bases, and plans for incorporating high quality results from other countries.

SEC. 109. TECHNOLOGY SERVICES.

In addition to such other technology services and technology extension activities which may be mandated or authorized by law, and in order to help improve the use of technology by small and medium-sized industrial firms within the United States, the Director of the National Institute of Standards and Technology, as appropriate, shall—

(1) work directly with States, local governments, and other appropriate organizations to provide for extended distribution of Standard Reference Materials, Standard Reference Data, calibrations, and related technical services and to help transfer other expertise and technology to the States and to small businesses and other businesses within the States;

(2) evaluate those inventions from small businesses or individuals which have a significant potential for improving competitiveness;

(3) provide support for workshops on technical and entrepreneurial topics and share information developed through the Malcolm Baldrige Quality Award Program;

(4) work with the Federal Laboratory Consortium and other agencies to improve State and business access to local Federal laboratories; and

(5) work with other Federal agencies to provide technical and related assistance to the States and businesses within the States.

SEC. 110. TECHNOLOGY TRANSFER.

Within 6 months after the date of the enactment of this Act, the Director of the National Institute of Standards and Technology shall report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives on domestic technology transfer accomplishments, trends, and plans since 1986 at the National Bureau of Standards and the National Institute of Standards and Technology. Such report shall describe with examples the types of technology transfer undertaken by the National Bureau of Standards or the National Institute of Standards and Technology, the amount of funds devoted to these efforts, and patent and licensing activities related to the National Bureau of Standards and the National Institute of Standards and Technology research results. The report shall describe the division of technology transfer activities between the Gaithersburg, Maryland, and Boulder, Colorado, sites of the National Institute of Standards and Technology. The merits of establishing a technology transfer office in Boulder or of giving the Boulder laboratories increased technology transfer responsibilities shall also be considered.

SEC. 111. ANNUAL BUDGET SUBMISSION.

The National Institute of Standards and Technology shall annually submit to the Congress, at the time of the release of the President's budget, a three year budget estimate for the Institute, including funding estimates for each major account and new initiative.

The CHAIRMAN. Are there any amendments to title I?

AMENDMENTS OFFERED BY MR. ROE

Mr. ROE. Mr. Chairman, I offer some technical and clarifying amendments and ask that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The Clerk read as follows:

Amendments offered by Mr. ROE: Page 2, line 19, strike "$3,000,000" and insert in lieu thereof "$3,300,000".

Page 4, after line 18, insert the following new subsection:

(d) PUBLICATION IN FEDERAL REGISTER.—The requirement of section 25(c)(2) of the Act of March 3, 1901, shall be considered to have been met by the publication made by the National Bureau of Standards on July 18, 1988 (53 Fed. Reg. 27060).

Page 7, line 9, insert "and" after "Program;".

Page 7, strike lines 10 through 12.

Page 7, line 13 strike "(5)" and insert in lieu thereof "(4)".

Page 10, line 11, strike "on such matters".

Amend page 15, lines 5 through 13, to read as follows:

(b) DIRECTOR OF THE SERVICE.—The management of the Service shall be vested in a Director who shall report to the Under Secretary of Commerce for Technology and the Secretary of Commerce.

Page 16, lines 17 through 19, strike "its bibliographic information products (including but not limited to catalogs, indexes, abstracts, and newsletters)" and insert in lieu thereof "selected bibliographic information products".

Page 19, strike lines 3 through 7.

Page 12, line 3, strike "Section 10(g)(1)" and insert in lieu thereof "Section 11(g)(1)".

Page 15, line 2, strike "section 13(a)(4)" and insert in lieu thereof "section 14(a)(4)".

Page 19, line 14, strike "Section 11" and insert in lieu thereof "Section 12".

Page 20, line 7, strike "Section 12(1)" and insert in lieu thereof "Section 13(1)".

Page 20, line 12, strike "Section 13(a)(1)(A)" and insert in lieu thereof "Section 14(a)(1)(A)".

Mr. ROE (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. ROE. Mr. Chairman, this is a series of technical and conforming amendments and really they do not alter but simply clarify a number of sections within the bill and do not alter the text in any extent.

Mr. LUJAN. Mr. Chairman, will the gentleman yield?

Mr. ROE. I yield to the gentleman from New Mexico.

Mr. LUJAN. I thank the gentleman for yielding.

Mr. Chairman, we have looked over all of the amendments and as a matter of fact worked together on them. We have no objection.

Mr. ROE. Mr. Chairman, I have no further comments.

The CHAIRMAN. The question is on the amendments offered by the gentleman from New Jersey [Mr. ROE].

The amendments were agreed to.

The CHAIRMAN. Are there any other amendments to title I?

Mr. ROE. As chairman, I ask unanimous consent that the amendment in the nature of a substitute be printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

The text of the remainder of the amendment in the nature of a substitute is as follows:

TITLE II—TECHNOLOGY ADMINISTRATION IN THE DEPARTMENT OF COMMERCE

Subtitle A—Technology Administration

SEC. 201. TECHNOLOGY ADMINISTRATION.

(a) ESTABLISHMENT.—Section 5(a) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3704(a)) is amended to read as follows:

"(a) ESTABLISHMENT.—There is established in the Department of Commerce a Technology Administration, which shall operate in accordance with the provisions, findings, and purposes of this Act. The Technology Administration shall include—

"(1) the National Institute of Standards and Technology;

"(2) the National Technical Information Service; and

"(3) a policy analysis office, which shall be known as the Office of Technology Policy.".

(b) UNDER SECRETARY AND ASSISTANT SECRETARY.—Section 5(b) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3704(b)) is amended to read as follows:

"(b) UNDER SECRETARY AND ASSISTANT SECRETARY.—The President shall appoint, by and with the advice and consent of the Senate, to the extent provided for in appropriations Acts—

"(1) an Under Secretary of Commerce for Technology, who shall be compensated at the rate provided for level III of the Executive Schedule in section 5314 of title 5, United States Code; and

"(2) an Assistant Secretary of Commerce for Technology Policy, who shall serve as policy analyst on such matters for the Under Secretary.".

(c) DUTIES.—Section 5(c) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3704(c)) is amended—

(1) by redesignating paragraphs (1) through (10) as paragraphs (5) through (14), respectively;

(2) by striking "Assistant Secretary, on a continuing basis, shall—" and inserting in lieu thereof "Under Secretary, as appropriate, shall—

"(1) manage the Technology Administration and supervise its agencies, programs, and activities;

"(2) conduct technology policy analyses to improve United States industrial productivity, technology, and innovation, and cooperate with United States industry in the improvement of its productivity, technology, and ability to compete successfully in world markets;

"(3) carry out any functions formerly assigned to the Office of Productivity, Technology, and Innovation;

"(4) assist in the implementation of the Metric Conversion Act of 1975;"; and

(3) in paragraph (10), as redesignated by paragraph (1) of this subsection, by striking "Assistant Secretary" and inserting in lieu thereof "Under Secretary".

(d) CONFORMING AMENDMENTS.—(1) Section 4 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3703) is amended—

(A) in paragraph (1), by striking "Productivity, Technology, and Innovation" and inserting in lieu thereof "Technology Policy"; and

(B) by amending paragraph (3) to read as follows:

"(3) 'Under Secretary' means the Under Secretary of Commerce for Technology appointed under section 5(b)(1).".

(2) Section 5(d)(1) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3704(d)(1)) is amended by striking "shall establish and, through the National Technical Information Service and" and inserting in lieu thereof "and the Under Secretary shall establish, and through the National Technical Information Service and with the cooperation of".

(3) Section 10(g)(1) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710(g)(1)) is amended by inserting "through the Under Secretary, and" after "Secretary,".

(4) Section 5314 of title 5, United States Code, is amended by adding at the end the following item:

"Under Secretary of Commerce for Technology.".

(e) Transition.—The individual serving as the Assistant Secretary of Commerce for Productivity, Technology, and Innovation immediately before the date of enactment of this Act shall serve as Acting Assistant Secretary of Commerce for Technology Policy until the Assistant Secretary takes office.

Subtitle B—National Technical Information Service

SEC. 211. SHORT TITLE.

This subtitle may be cited as the "National Technical Information Act of 1988".

SEC. 212. NATIONAL TECHNICAL INFORMATION SERVICE.

(a) Powers.—(1) The Secretary of Commerce, acting through the Director of the National Technical Information Service (hereafter in this subtitle referred to as the "Director") is authorized to do the following:

(A) Enter into such contracts, cooperative agreements, joint ventures, and other transactions, in accordance with all relevant provisions of Federal law applicable to such contracts and agreements, and under reasonable terms and conditions, as may be necessary in the conduct of the business of the National Technical Information Service (hereafter in this subtitle referred to as the "Service").

(B) In addition to the authority regarding fees contained in section 2 of the Act entitled "An Act to provide for the dissemination of technological, scientific, and engineering information to American business and industry, and for other purposes" enacted September 9, 1950 (15 U.S.C. 1152), retain and, subject to appropriations Acts, utilize its net revenues to the extent necessary to implement the plan submitted under subsection (f)(3)(D).

(C) Enter into contracts for the performance of part or all of the functions performed by the Promotion Division of the Service prior to the date of the enactment of this Act. The details of any such contract, and a statement of its effect on the operations and personnel of the Service, shall be provided to the appropriate committees of the Congress 30 days in advance of the execution of such contract.

(D) Employ such personnel as may be necessary to conduct the business of the Service.

An increase or decrease in the personnel of the Service shall not affect or be affected by any ceilings on the number or grade of personnel.

(2) No functions or activities of the Service which are performed by employees of the Service as of July 1, 1988, shall be contracted out or otherwise transferred from the Government through an agreement executed after July 1, 1988, unless the request for proposal under which the agreement is negotiated is presented to the Congress 45 legislative days in advance of its publication. Functions or activities—

(A) for the procurement of supplies, materials, and equipment by the Service;

(B) referred to in paragraph (1)(C); or

(C) to be performed through joint ventures or cooperative agreements which do not result in a reduction in the workforce of the affected programs of the Service,

shall not be considered functions or activities for purposes of this paragraph. For purposes of this paragraph, the term "legislative days" includes only days on which either the House of Representatives or the Senate is in session.

(3) For the purposes of this subsection, the term "net revenues" means the excess of revenues and receipts from any source, other than royalties and other income described in section 13(a)(4) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710c(a)(4)), over operating expenses.

(b) Director of the Service.—The management of the Service shall be vested in an Director who shall be appointed by the President, by and with the advice and consent of the Senate. The Director shall be compensated at a rate not to exceed that provided for level IV of the Executive Schedule in section 5316 of title 5, United States Code, to the extent provided for in appropriations Acts. The Director shall report to the Under Secretary of Commerce for Technology and the Secretary of Commerce.

(c) Advisory Board.—(1) There is established the Advisory Board of the National Technical Information Service, which shall be composed of a chairman and four other members appointed by the Secretary.

(2) In appointing members of the Advisory Board the Secretary shall solicit recommendations from the major users and beneficiaries of the Service's activities and shall select individuals experienced in providing or utilizing technical information.

(3) The Advisory Board shall review the general policies and operations of the Service, including policies in connection with fees and charges for its services, and shall advise the Secretary and the Director with respect thereto.

(4) The Advisory Board shall meet at the call of the Secretary, but not less often than once each six months.

(d) Audits.—The Secretary of Commerce shall provide for annual independent audits of the Service's financial statements beginning with fiscal year 1988, to be conducted in accordance with generally accepted accounting principles.

(e) Functions.—The Secretary of Commerce, acting through the Service, shall—

(1) establish and maintain a permanent repository of nonclassified scientific, technical, and engineering information;

(2) cooperate and coordinate its operations with other Government scientific, technical, and engineering information programs;

(3) make its bibliographic information products (including but not limited to catalogs, indexes, abstracts, and newsletters) available in a timely manner to depository libraries as part of the Depository Library Program of the Government Printing Office;

(4) in conjunction with the private sector as appropriate, collect, translate into English, and disseminate unclassified foreign scientific, technical, and engineering information;

(5) implement new methods or media for the dissemination of scientific, technical, and engineering information; and

(6) carry out the functions and activities of the Secretary under the Act entitled "An Act to provide for the dissemination of technological, scientific, and engineering information to American business and industry, and for other purposes" enacted September 9, 1950, and the functions and activities of the Secretary performed through the National Technical Information Service as of the date of enactment of this Act under the Stevenson-Wydler Technology Innovation Act of 1980.

(f) Notification of Congress.—(1) The Secretary of Commerce and the Director shall keep the appropriate committees of Congress fully and currently informed about all activities related to the carrying out of the functions of the Service, including changes in fee policies.

(2) Within 90 days after the date of the enactment of this Act, the Secretary of Commerce shall submit to the Congress a report on the current fee structure of the Service, including an explanation of the basis for the fees, taking into consideration all applicable costs, and the adequacy of the fees, along with reasons for the declining sales at the Service of scientific, technical, and engineering publications. Such report shall explain any actions planned or taken to increase such sales at reasonable fees.

(3) The Secretary shall submit an annual report to the Congress which shall—

(A) summarize the operations of the Service during the preceding year, including financial details and staff levels broken down by major activities;

(B) detail the operating plan of the Service, including specific expense and staff needs, for the upcoming year;

(C) set forth details of modernization progress made in the preceding year;

(D) describe the long-term modernization plans of the Service; and

(E) include the results of the most recent annual audit carried out under subsection (d).

(4) The Secretary shall also give the Congress detailed advance notice of not less than 30 calendar days of—

(A) any proposed reduction-in-force;

(B) any joint venture or cooperative agreement which involves a financial incentive to the joint venturer or contractor; and

(C) any change in the operating plan submitted under paragraph (3)(B) which would result in a variation from such plan with respect to expense levels of more than 10 percent.

(g) Technical Amendment.—Section 5316 of title 5, United States Code, is amended by adding at the end the following:

"Director of National Technical Information Service.".

TITLE III—MISCELLANEOUS AMENDMENTS TO STEVENSON-WYDLER TECHNOLOGY INNOVATION ACT OF 1980

SEC. 301. COOPERATIVE RESEARCH AND DEVELOPMENT AGREEMENTS.

Section 11 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a) is amended—

(1) in subsection (a)(2), by striking "at the laboratory and other inventions" and inserting in lieu thereof "or other intellectual

property developed at the laboratory and other inventions or other intellectual property"; and

(2) in subsection (b)—

(A) by striking "and" at the end of paragraphs (2) and (3);

(B) by redesignating paragraph (4) as paragraph (5); and

(C) by inserting after paragraph (3) the following new paragraph:

"(4) determine rights in other intellectual property developed under an agreement entered into under subsection (a)(1); and".

SEC. 302. REWARDS.

Section 12(1) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710b(1)) is amended by inserting "computer software," after "inventions, innovations,".

SEC. 303. DISTRIBUTION OF ROYALTIES.

(a) Section 13(a)(1)(A) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710c(a)(1)(A)) is amended—

(1) in clause (i), by striking "was an employee of the agency at the time the invention was made" and inserting in lieu thereof "has assigned his or her rights in the invention to the United States"; and

(2) in clause (ii), by striking "who were employed by the agency at the time the invention was made and whose names appear on licensed inventions" and inserting in lieu thereof "under clause (i)".

(b) This section shall be effective as of October 20, 1986.

TITLE IV—DRUG-FREE WORKPLACE

SEC. 401. DRUG-FREE WORKPLACE.

(a) No department, agency, or instrumentality of the United States receiving funds authorized to be appropriated under this Act for fiscal year 1989 or under any other Act authorizing appropriations for fiscal year 1989 for the National Institute of Standards and Technology (hereafter in this section referred to as the "Institute"), shall obligate or expend any such funds, unless the Institute has in place, and will continue to administer in good faith, a written policy designed to ensure that all of its workplaces are free from the illegal use, possession, or distribution of controlled substances (as defined in the Controlled Substances Act) by the officers and employees of the Institute.

(b) No funds so authorized to be appropriated to the Institute for fiscal year 1989 shall be available for payment in connection with any grant, contract, or other agreement, unless the recipient of such grant, contractor, or party to such agreement, as the case may be, has in place and will continue to administer in good faith a written policy, adopted by such recipient, contractor, or party's board of directors or other governing authority, satisfactory to the Director of the Institute, designed to ensure that all of the workplaces of such recipient, contractor, or party are free from the illegal use, possession, or distribution of controlled substances (as defined in the Controlled Substances Act) by the officers and employees of such recipient, contractor, or party.

AMENDMENT OFFERED BY MR. WALGREN

Mr. WALGREN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Walgren: Amend page 14, line 6, through page 15, line 4, to read as follows:

(2) The functions and activities of the Service specified in subsection (e) (1) through (6) are permanent Federal functions to be carried out by the Secretary through the Service and its employees, and shall not be transferred from the Service, by contract or otherwise, to the private sector on a permanent or temporary basis without express approval of the Congress. Functions or activities—

(A) for the procurement of supplies, materials, and equipment by the Service;

(B) referred to in paragraph (1)(C); or

(C) to be performed through joint ventures or cooperative agreements which do not result in a reduction in the Federal workforce of the affected programs of the Service,

shall not be considered functions or activities for purposes of this paragraph.

(3) For the purposes of this subsection, the term "net revenues" means the excess of revenues and receipts from any source, other than royalties and other income described in section 13(a)(4) of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710(a)(4)), over operating expenses.

(4) Section 11(h) of the Stevenson-Wydler Technology Innovation Act of 1980 is repealed.

Mr. WALGREN (during the reading). Mr. Chairman, I ask unanimous consent the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. WALGREN. I thank the chairman.

Mr. Chairman, we have had over the last 8 years a constant effort by the Office of Management and Budget to privatize or contract out or otherwise spin off into the private sector the functions that the NTIS has performed traditionally as a government agency.

I want to say how much I appreciate the endorsement of this amendment by the chairman of the full Committee on Energy and Commerce, the gentleman from Michigan [Mr. Dingell]. He has been involved in this and concerned with it from the outset. He and I have been in agreement that privatization was not the proper course to pursue and this amendment is the result of an agreement made between our two committees that I think will serve the country well.

The amendment, in unequivocal terms, puts the issue of the NTIS privatization to rest. Over these years there have been some five A-76 studies trying to find the benefit to the cost structure by the privatization of these functions and none was able to be found. In truth, this is an important government function.

As we said at the outset, this is a library function. Information cannot be valued only by its for-profit nature; in fact, it must be evaluated and stored and made available for those circumstances unpredictable in the future when that piece will be the key ingredient to advancing knowledge further.

It is also very true that were NTIS privatized, we would see a sharp erosion of our access to foreign scientific information that is presently made available to our economy and our society by government-to-government agreements.

There is no assurance whatsoever that we would see the foreign governments that now enter into these exchange agreements with our Government as our Government, would have any interest in doing the same with a corporation that was for-profit and narrowly based.

And worse than that, there is no guarantee if these functions are privatized that they would not fall literally into the hands of foreign interests that would have a direct interest in subverting our access to scientific and technical information.

In fact, when these proposals were floated out by OMB, one of the expressions of interest that came back was from a corporation owned by foreign interests. That is the kind of position that we could never put this kind of information in.

This amendment would ban privatization unless there was specific authorization by legislative act of the Congress. It provides certain exceptions. It provides particularly for the entering into contracts, the privatization of the marketing and promotion function in the NTIS, the one area where a good case has been made that private sector initiative may be able to expand the promotion and use of these materials.

So we provide for that exception. We also provide that private contracts may be entered into in the equipment area so that there is no arbitrary restraint on the ability of this agency to move quickly with modern information equipment and we also provide for the entering into joint ventures so long as Federal employees are not substantially unhorsed in the process.

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So we provided a substantial amount of flexibility, but the importance of keeping this function as a governmental function, as the gentleman from New York [Mr. Boehlert] has indicated, as the gentleman from Michigan [Mr. Dingell] has indicated, and as we have broad agreement with the chairman of the full committee, is, I believe, without question.

Mr. Chairman, I urge support for the amendment.

Mr. MOORHEAD. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment offered by the gentleman from Pennsylvania [Mr. Walgren]. This amendment would unreasonably and unnecessarily restrict the ability of the National Technical Information Service to be more efficient in its operations through contracts with the private sector.

The substitute we are considering today, H.R. 5183, contains a reasonable compromise on this isssue. The provision would require NTIS to give advance notice to Congress of 45 legislative days before entering into a contract for most functions and activities of the NTIS. This approach gives the NTIS the flexibility to enter into a contract when that will achieve cost savings or provide a better product, while at the same time giving Congress a sufficient amount of time to review the contracts. Any concerns that NTIS will privatize the entire agency are taken care of by this provision.

The amendment, on the other hand, absolutely prohibits contracting to carry out certain functions and activities of NTIS without the express approval of Congress. In other words, NTIS would not be able to enter into a contract to carry out these functions or activities unless Congress passed a laws approving the contract. The clear effect of this will be to prevent NTIS from entering into contracts that make sense from a management and cost-savings standpoint.

The agreement contained in H.R. 5183 was reached before Rules Committee consideration. That agreement was acceptable at that time to all parties involved. The amendment being considered now goes back on that agreement and introduces an element of controversy to an otherwise noncontroversial package.

The administration supports H.R. 5183 but would oppose the bill if any further restrictions on NTIS contracting are added. I urge all Members to reject this amendment and to give NTIS the contracting flexibility it needs to carry out its important mission efficiently and effectively.

Mr. DINGELL. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I think it is important to understand, first of all, what NTIS does. A reading of the language of the bill tells us that it is a body which is supposed to establish and maintain a permament repository of nonclassified scientific, technical, and engineering information;

Second, to cooperate and coordinate its operations with other Government scientific, technical, and engineering information programs.

Third, to make its bibliographic information products of all kinds available in a timely manner to libraries and to agencies, public and private, which would have use of that information;

Fourth, to collect and to translate into English and disseminate unclassified foreign scientific, technical, and engineering information;

Fifth, to implement new methods or media for the dissemination of scientific, technical, and engineering information; and then

Sixth, to carry out the functions and the activities of the Secretary, who has broad responsibilities under this statute.

Those are very important functions. They are governmental functions. They are functions that can only properly, and in an unbiased fashion, be carried out by government. They are functions which are important to the economic, scientific, and technical advancement of the United States and American industry. They are functions which may define whether this Nation continues to grow technologically or whether that growth will be carried forth by some other nation using the expertise that this entity should have developed for the American people.

These are the functions which could, after 45 days, be transferred out of government potentially into the hands of some foreign-held corporation or possibly into the hands of some foreign government, if the Walgren amendment is not adopted.

If we are interested in seeing to it that this country grows with good technological information, with a sound base of scientific and technological information, and if we are interested in seeing to it that this information flows readily and quickly in an unbiased fashion to enable America to compete in one of the most difficult and technological wars in which we have ever engaged, with the Japanese, with the Europeans, and with the countries around the Pacific rim, then we must support this amendment and we must in like fashion oppose the effort to defeat it.

As I have said, the amendment has the support of the chairman of the committee and the chairman of the subcommittee. Our committee supports it. We recognize that this information is important to the United States. We have no reason to assume that this information would not be carefully controlled and filtered to assure that American corporations would not have full access to it if this kind of function were to fall into the hands of a foreign corporation.

The amendment is carefully thought out. It assures that the wild rush or the wild disregard of privatization does not take place to the hazard of American industry and without regard to the future of the people of this country.

I urge my colleagues to support the amendment. I urge my colleagues to see to it that this remains a proper governmental function. I would trust the good faith and the wisdom of my colleagues to support the amendment and see to it that this remains an asset in the Federal Government to the benefit of all Americans and to the benefit of all American engineering, scientific, technical, and business institutions.

Mr. Chairman, I urge the adoption of the amendment.

Mr. LUJAN. Mr. Chairman, I move to strike the requisite number of words, and I reluctantly rise in opposition to this amendment.

Mr. Chairman, this is not a question of whether the services of NTIS are going to be contracted out. Everybody has already agreed that they are not going to be contracted out. The Secretary of Commerce, Mr. Verity, has himself gone through all the different agencies to make sure that this information transfer remains the business of the Federal Government.

We all agree with that, and that is not the issue here with that, and that is not the issue here with this amendment. I am surprised that there is concern that the handling of U.S. information is going to fall into the hands of the evil empire. I do not think that the bill allows that to happen. The bill, after all, says that no functions or activities which are performed by employees of the Service as of July 1, 1988, shall be contracted out or otherwise transferred from the Government unless the request for proposal under which the agreement is negotiated is presented to the Congress 45 legislative days in advance of its publication.

This is micromanagement at best. The Secretary agreed that he would send his proposals to us. This is not even the request going out to the public, but the fact is that he wanted to even do that. And that would come to us 45 days ahead of time.

The amendment says that we cannot contract out. It is more stringent than it is for any other agency. Any other agency can contract out through some administrative procedures. What happens if they want to contract out janitorial services, printing, or computer services? Do they have to come to the Congress and have a law passed that they can contract janitorial services?

That is not just micromanagement, it is super micromanagement. We are micromanaging with the 45-day notice. This amendment says that even if it is more cost effective, even if it is better to have somebody come out and clean the restrooms, or whatever they would contract out, even if it is better to have somebody outside the Government do it, they cannot do it without passing a specific law.

Mr. Chairman, I really do not understand all the fuss with this amendment, and so for that reason, because it is getting right down into super micromanagement, I must oppose this management.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALGREN].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. LUJAN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 219, noes 116, not voting 96, as follows:

[Roll No. 346]

AYES—219

Ackerman
Akaka
Alexander
Anthony
Applegate
Atkins
AuCoin
Beilenson
Bennett
Berman
Bevill
Bilbray
Boehlert
Boland
Bonior
Bosco
Boucher
Boxer
Brennan
Brooks
Bruce
Buechner
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Cheney
Clarke
Clement
Coelho
Coleman (TX)
Collins
Conyers
Costello
Coughlin
Courter
Coyne
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Dicks
Dingell
Donnelly
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
English
Erdreich
Evans
Fascell
Fazio
Flippo
Florio
Ford (MI)
Frank
Gallo
Gejdenson
Gibbons
Glickman
Gonzalez
Gordon
Grant
Gray (IL)
Gunderson
Hall (OH)
Hamilton
Hammerschmidt
Harris
Hatcher
Hawkins
Hayes (IL)
Henry
Hertel
Hochbrueckner
Hoyer
Huckaby
Hughes
Hutto
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Lancaster
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Levin (MI)
Levine (CA)
Lightfoot
Lloyd
Lowry (WA)
Luken, Thomas
Martinez
Matsui
Mazzoli
McCloskey
McCurdy
McDade
McHugh
McMillen (MD)
Meyers
Mfume
Miller (CA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Olin
Ortiz
Owens (NY)
Owens (UT)
Parris
Pashayan
Patterson
Payne
Pease
Pelosi
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Rahall
Rangel
Ravenel
Rinaldo
Robinson
Roe
Rose
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Sabo
Saiki
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schumer
Sharp
Shays
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (NJ)
Snowe
Spratt
St Germain
Staggers
Stallings
Stark
Stratton
Studds
Swift
Tauke
Thomas (GA)
Torres
Traficant
Traxler
Udall
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Yates
Yatron

NOES—116

Archer
Armey
Baker
Ballenger
Bartlett
Barton
Bentley
Bereuter
Bilirakis
Bliley
Brown (CO)
Bunning
Burton
Callahan
Chandler
Clinger
Coats
Coble
Coleman (MO)
Combest
Conte
Craig
Crane
Dannemeyer
Davis (IL)
DeLay
DeWine
Dickinson
DioGuardi
Edwards (OK)
Emerson
Fawell
Fields
Fish
Frenzel
Gallegly
Gekas
Gilman
Goodling
Gradison
Grandy
Green
Hall (TX)
Hansen
Hastert
Hefley
Herger
Hiler
Hopkins
Houghton
Hubbard
Hunter
Hyde
Inhofe
Kasich
Kolbe
Konnyu
Kyl
Lagomarsino
Lewis (CA)
Lewis (FL)
Livingston
Lowery (CA)
Lujan
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCollum
McCrery
McEwen
McGrath
McMillan (NC)
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morrison (WA)
Myers
Nielson
Oxley
Packard
Porter
Pursell
Quillen
Regula
Ridge
Ritter
Roberts
Rogers
Schuette
Schulze
Sensenbrenner
Shuster
Skeen
Slaughter (VA)
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Spence
Stangeland
Stenholm
Sweeney
Thomas (CA)
Upton
Vander Jagt
Vucanovich
Walker
Weber
Whittaker
Young (AK)
Young (FL)

NOT VOTING—96

Anderson
Andrews
Annunzio
Aspin
Badham
Barnard
Bateman
Bates
Boggs
Bonker
Borski
Boulter
Broomfield
Brown (CA)
Bryant
Clay
Cooper
Crockett
Daub
Derrick
Dixon
Dornan (CA)
Dowdy
Dreier
Dyson
Espy
Feighan
Flake
Foglietta
Foley
Ford (TN)
Frost
Garcia
Gaydos
Gephardt
Gingrich
Gray (PA)
Gregg
Guarini
Hayes (LA)
Hefner
Holloway
Horton
Ireland
Jacobs
Jeffords
Kemp
Kostmayer
LaFalce
Lantos
Latta
Leland
Lent
Lewis (GA)
Lipinski
Lott
Lukens, Donald
Lungren
Mack
MacKay
Manton
Markey
Mavroules
McCandless
Mica
Morella
Obey
Panetta
Price
Ray
Rhodes
Richardson
Rodino
Rostenkowski
Roth
Russo
Savage
Schroeder
Shaw
Shumway
Smith (FL)
Smith (IA)
Solarz
Stokes
Stump
Sundquist
Swindall
Synar
Tallon
Tauzin
Taylor
Torricelli
Towns
Valentine
Wortley
Wylie

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The Clerk announced the following pairs:

On this vote:

Mr. LaFalce for, with Mr. Boulter against.

Mr. Panetta for, with Mr. Dreier of California against.

Mr. RITTER and Mr. HALL of Texas changed their vote from "aye" to "no."

Mr. HAMMERSCHMIDT and Mrs. PATTERSON changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. DYMALLY

Mr. DYMALLY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DYMALLY: At the end of title I, insert the following new section:

SEC. 112. INTERNATIONAL STANDARDS.

(a) PROGRAM.—The Secretary, acting through the Director of the National Institute of Standards and Technology and other appropriate officials, shall seek funding for and establish, within 6 months after the date of the enactment of this Act, a program to assist other countries in the development of their domestic standards which are compatible with standards in general use in the United States. After the program is established, it shall be funded through voluntary contributions from the private sector to fully reimburse the United States for expenses incurred during fiscal years 1989 and 1990. The program shall begin on a pilot basis focusing on one or two countries or groups of countries which are major United States trading partners and have expressed interest in such program. The Secretary shall ensure that contributions whic are earmarked by country are spent to assist the development of standards by that country or group of countries.

(b) LONG-TERM PLAN.—No later than June 30, 1989, the Secretary shall submit to the Commitee on Science, Space, and Technology of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate a long-term plan for assistance under this section for each nation or group of nations which annually has imports of at least $1,000,000,000 from the United States (or has the potential for being a major importer from the United States) and which desires such assistance. The plan shall include a description of the resources needed to provide such assistance, the appropriate and likely sources of such funds, and the appropriate relationship between the program established under this section and private sector standards organizations. Special consideration is to be given to the feasibility of establishing a data base and other methods for making standards information developed in cooperation with one country available to other countries.

Mr. DYMALLY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROE. Mr. Chairman, will the gentleman yield?

Mr. DYMALLY. I yield to the gentleman from New Jersey.

Mr. ROE. Mr. Chairman, I want to join in strong support for the amendment of the gentleman from California [Mr. DYMALLY] because it adds an extremely important dimension to this legislation and begins to provide a mechanism where the other countries that we are working with and exporting to will be able to start to be on the same type of program that we are establishing here in our country. I think it is a splendid amendment, and I certainly strongly support the gentleman from California.

Mr. LUJAN. Mr. Chairman, will the gentleman yield?

Mr. DYMALLY. I yield to the gentleman from New Mexico.

Mr. LUJAN. Mr. Chairman, it is my understanding that the amendment of the gentleman from California [Mr. DYMALLY] calls for the establishment of a new program within NIST. This new effort is to assist other countries in the development of their domestic standards which are compatible with standards in general use in the United States. I am very apprehensive about any additional authority for NIST, particularly because of the new burden under the trade bill. However, as I read the amendment it states on line 9:

> It shall be funded through voluntary contributions from the private sector to fully reimburse the United States for expenses incurred during fiscal years 1989 and 1990.

I interpret this very specifically to mean that all costs associated with this program—start to finish—are to come from resources other than the Federal budget. NIST and the department should not interpret this language to mean a need for appropriations.

Mr. DYMALLY. Mr. Chairman, the purpose of my amendment is to involve the Commerce Department and Institute of Standards and Technology in providing technical assistance to other countries which are developing their national product standards. This amendment Mr. Speaker is about protecting and perhaps even increasing our exports to those countries which are currently major importers from the United States.

With the trade imbalance in excess of $70 billion for the first half of this year—an estimated $140 billion in 1988—enhancing the competitiveness of our products is crucial to reducing our trade deficit. This is an issue of which Members in this House have been committed to resolving, as evident in the recent enactment of the Omnibus Trade and Competitiveness Act of 1988. This act focuses on enhancing our competitiveness in the world market in order to protect jobs in America. This is precisely the goal that my amendment would accomplish.

This amendment requires the Secretary of Commerce to establish a program, by way of a pilot project, to assist other countries in the development of their domestic product standards to ensure compatibility with U.S. product standards. Mr. Speaker, if we do not supply these nations with technical assistance in developing these standards, we run the risk of countries developing standards which are incompatible with our products. The inevitable, and catastrophic result would be a substantial decrease in American exports abroad. Mr. Speaker, this pilot project would be funded by the private sector.

An additional provision of this amendment directs the National Institute of Standards and Technology to do what it does best—work in partnership with the private sector to support the promotion and adoption of American standards by foreign countries. To date, key market areas have requested American assistance in developing their standards. These countries include the People's Republic of China, Brazil, India, and the States of the Gulf Cooperation Council. These markets import more than $24 billion a year from the United States. These exports help create and sustain more than a million American jobs. The positive fiscal impact is twofold: First, at least 45 billion dollars' worth of revenues will filter back to the communities from which the exports were generated; and second, approximately $4 to $5 billion is generated in tax revenues.

Most importantly these exports favorably impact our trade balance.

If the National Institute of Standards and Technology does not respond positively to these requests, only our competitors will. This will ensure America's declining share and eventual exclusion from these markets. European and Asian standards will prevail—thus increasing the price and depressing the utility of American goods in these markets.

Mr. Chairman, as you can see here, this amendment requires a study by the Department submitted to the appropriate committees in both Chambers of a long-term plan of assistance for major importing nations or those with such potential. This plan should include a description of the resources needed to provide technical assistance, and the feasibility of establishing a data base for transferring the knowledge developed in providing the assistance to one country to others who will need it in the future.

This amendment also provides for the establishment of this program on a pilot basis within 6 months of enactment of this act. Because the Department of Commerce does not have the funds for this program in the days of Gramm-Rudman cuts, the program will be funded initially by the Department if need be, however, these funds would be reimbursed by the private sector on a voluntary basis.

The need for this pilot project is underscored by a crisis situation we are facing in one of our major export markets. Countries of the Gulf Cooperation Council whose imports from the United States, this year, is estimated at $6.4 billion in nonmilitary or even services, an increase of $1.5 billion over last year, had requested assistance with developing some 42,000 GCC-wide import standards. The GCC requested assistance for the Saudi Arabian Standards Organization [SASO] which is entrusted with this task. Since then, more than 11 teams from other countries have been sent to Riyadh at no expense to the GCC. Saudi Arabia offered to pay some local costs of the program, but the National Institute of Standards and Technology had no mechanism to respond to these types of requests.

Mr. Chairman, this market of the GCC countries is comprised of six friendly nations who aspire for better economic and cooperative ties with the United States. The exports we sell these nations generate at least 125,000 jobs in the United States annually. Therefore the reason for making this project the likely candidate for the pilot program.

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The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. DYMALLY].

The amendment was agreed to.

The CHAIRMAN. Are there any other amendments to the bill? If not, the question is on the amendment in the nature of a substitute, as amended.

The amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. GRAY of Illinois] having assumed the chair, Mr. MOAKLEY, Chairman of the Committee on the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 4417) to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal year 1989, and for other purposes, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ROE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous material, on H.R. 4417, the bill just passed.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

PERSONAL EXPLANATION

Mr. **PACKARD**. Mr. Speaker, due to commitments in my district, I missed three votes last Friday. If I had been present I would have voted in the following manner:

Rollcall vote No. 342, "nay."
Rollcall vote No. 343, "yea."
Rollcall vote No. 344, "yea."

CONFERENCE REPORT ON H.R. 4637, FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1989

Mr. **McHUGH** submitted the following conference report and statement on the bill (H.R. 4637) making appropriations for Foreign operations, export financing, and related programs, for the fiscal year ending September 30, 1989, and for other purposes:

CONFERENCE REPORT (H. REPT. 100-983)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4637) making appropriations for the foreign operations, export financing, and related programs for the fiscal year ending September 30, 1989, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 3, 6, 12, 15, 18, 21, 22, 34, 45, 48, 49, 51, 57, 58, 59, 66, 67, 68, 71, 72, 73, 91, 92, 93, 94, 95, 96, 102, 104, 105, 110, 113, 114, 116, 121, 137, 139, 140, 142, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 158, 159, 161, 162, 164, 165, 174, 178, and 181.

That the House recede from its disagreement to the amendments of the Senate numbered 9, 13, 17, 19, 20, 24, 25, 26, 27, 39, 41, 60, 69, 76, 81, 82, 85, 88, 97, 98, 109, 117, 122, 126, 131, 167, and 168, and agree to the same.

Amendment numbered 4:

That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert ***$52,392,036***; and the Senate agree to the same.

Amendment numbered 8:

That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert ***$111,000,000***; and the Senate agree to the same.

Amendment numbered 16:

That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert ***$9,500,000***; and the Senate agree to the same.

Amendment numbered 30:

That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert ***$129,541,000***; and the Senate agree to the same.

Amendment numbered 43:

That the House recede from its disagreement to the amendment of the Senate numbered 43, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert ***$35,000,000***; and the Senate agree to the same.

Amendment numbered 46:

That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert ***$28,500,000***; and the Senate agree to the same.

Amendment numbered 50:

That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert ***$3,258,500,000***; and the Senate agree to the same.

Amendment numbered 52:

That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert ***$215,000,000***; and the Senate agree to the same.

Amendment numbered 54:

That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert ***$11,250,000***; and the Senate agree to the same.

Amendment numbered 56:

That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert ***$50,000,000***; and the Senate agree to the same.

Amendment numbered 63:

That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert ***$15,000,000***; and the Senate agree to the same.

Amendment numbered 65:

That the House recede from its disagreement to the amendment of the Senate numbered 65, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert ***$85,750,000***; and the Senate agree to the same.

Amendment numbered 74:

That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert ***$8,000,000***; and the Senate agree to the same.

Amendment numbered 77:

That the House recede from its disagreement to the amendment of the Senate numbered 77, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert ***$153,500,000***; and the Senate agree to the same.

Amendment numbered 99:

That the House recede from its disagreement to the amendment of the Senate numbered 99, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert ***$695,000,000***; and the Senate agree to the same.

Amendment numbered 100:

That the House recede from its disagreement to the amendment of the Senate numbered 100, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert ***$20,390,000***; and the Senate agree to the same.

Amendment numbered 138:

That the House recede from its disagreement to the amendment of the Senate numbered 138, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment amended to read as follows:

HONDURAS-RAMIREZ CASE

SEC. 574. It is the sense of the Congress that, pursuant to the procedures contained in section (j) under the heading "Assistance for Central America" enacted in Public Law 100-71, the Honduran Government appears to have made a reasonable and good faith settlement offer based on a factual analysis by third parties, and the owner of the property in question is strongly encouraged to accept the proposed settlement. Therefore, nothwithstanding the provisions of such section, $5,000,000 of the Economic Support Funds made available by Public Law 100-71 for Honduras but withheld from expenditure shall be available for expenditure upon enactment of this Act: Provided, That if a settlement is reached on the property in question, then the additional $15,000,000 withheld from expenditure pursuant to such section shall then be available for expenditure.

And the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 5, 7, 10, 11, 14, 23, 28, 29, 31, 32, 33, 35, 36, 37, 38, 40, 42, 44, 47, 53, 55, 61, 62, 64, 70, 75, 78, 79, 80, 83, 84, 86, 87, 89, 90, 101, 103, 106, 107, 108, 111, 112, 115, 118, 119, 120, 123, 124, 125, 127, 128, 129, 130, 132, 133, 134, 135, 136, 141, 143, 144, 155, 156, 157, 160, 163, 166, 169, 170, 171, 172, 173, 175, 176, 177, 179, 180, and 182.

DAVID R. OBEY,
SIDNEY R. YATES,
MATTHEW F. McHUGH,
WILLIAM LEHMAN,
CHARLES WILSON,
JULIAN C. DIXON,
WILLIAM H. GRAY III,
ROBERT J. MRAZEK,
JAMIE L. WHITTEN,
MICKEY EDWARDS,
JACK KEMP,
JERRY LEWIS,
JOHN EDWARD PORTER,
SILVIO O. CONTE,
Managers on the Part of the House.

JOHN C. STENNIS,
DANIEL K. INOUYE,
J. BENNETT JOHNSTON,
PATRICK LEAHY,
DENNIS DECONCINI,
FRANK R. LAUTENBERG,
TOM HARKIN,
B. A. MIKULSKI,
ROBERT KASTEN,
MARK O. HATFIELD,
ALFONSO M. D'AMATO,
WARREN B. RUDMAN,
ARLEN SPECTER,
DON NICKLES,

TED STEVENS,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4637) making appropriations for Foreign Operations, Export Financing, and Related Programs for the fiscal year ending September 30, 1989, and for other purposes submit the following joint statement to the House and Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

TITLE I—INTERNATIONAL ECONOMIC ASSISTANCE

INTERNATIONAL FINANCIAL INSTITUTIONS

Amendment No. 1: Reported in technical disagreement: The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

CONTRIBUTIONS FOR ARREARAGES

CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

For payment to the International Development Association by the Secretary of the Treasury, $43,333,334, for the United States contribution to the replenishments, to remain available until expended: Provided, That no such payment may be made while the United States Executive Director to the International Bank for Reconstruction and Development is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while the alternate United States Executive Director to the Bank is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

CONTRIBUTION TO THE INTERNATIONAL FINANCE CORPORATION

For payment to the International Finance Corporation by the Secretary of the Treasury, $4,891,528 for the United States share of the increase in subscriptions to capital stock, to remain available until expended.

CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND

For the United States contribution by the Secretary of the Treasury to the increases in resources of the Asian Development Fund, as authorized by the Asian Development Bank Act, as amended (Public Law 89-369), $100,000, to remain available until expended: Provided, That no such payment may be made while the United States Director of the Bank is compensated by the Bank at a rate which, together with whatever compensation such Director receives from the United States, is in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while any alternate United States Director to the Bank is compensated by the Bank in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

ANNUAL CONTRIBUTIONS TO INTERNATIONAL FINANCIAL INSTITUTIONS

CONTRIBUTION TO THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

For payment to the International Bank for Reconstruction and Development by the Secretary of the Treasury, for the United States share of the paid-in share portion of the increases in capital stock, for the General Capital Increase, $50,000,795, to remain available until expended: Provided, That no such payment may be made while the United States Executive Director to the Bank is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while the alternate United States Executive Director to the Bank is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the International Bank for Reconstruction and Development may subscribe without fiscal year limitation to the callable capital portion of the United States share of increases in capital stock in an amount not to exceed $2,292,972,540.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed to provide for contributions for arrearages as follows: $43,333,334 for the International Development Association, $4,891,828 for the International Finance Corporation, and $100,000,000 for the Asian Development Fund. The conferees have further agreed to provide funding for a contribution to General Capital Increase of the International Bank for Reconstruction and Development totalling $50,000,795 in paid-in capital and $2,292,972,540 in callable capital.

The conferees regret their inability to fund the IFC at a higher rate. The conferees direct that the Secretary of the Treasury explore the possibility of changing agreements with the IFC in order to have expenditures for the IFC more in line with the expenditure rates of other international financial institutions.

The conferees have agreed to provide $50,000,795 in paid-in capital for the International Bank for Reconstruction and Development. The conferees are deeply concerned that (1) debt service requirements of lending institutions do not threaten the social gains and political stability of fragile democratic governments in a number of debtor nations; (2) developing countries capital flows to industrial countries totalling $30 billion annually are not decreasing; (3) current third world debt policies over the last five years, under relatively favorable world economic conditions, have been unable to result in progress toward improving the abilities of third world debtors to service their debt.

The conferees believe that a resolution of the debt crisis is crucial to the future development prospects of many third world countries. The conferees further believe that the Bank should provide stronger and more creative leadership in addressing this problem. Actions and proposals reaching far beyond current ineffective policies based primarily on growth and increased debt loads are clearly required. The conferees in considering future year contributions to the Bank will be reluctant to provide additional resources without greater efforts and progress in addressing and resolving the debt crisis.

The conferees have agreed that despite the enactment of authorizing legislation in the last session of Congress requiring the U.S. Executive Directors to the Multilateral Development Banks to "vigorously and continously promote . . . full availability . . . of full documentary information concerning details of design and potential environmental and sociocultural impacts of proposed loans" public access to Multilateral Development Banks' documents is unnecessarily restrained. The public continues to be denied adequate access to basic Multilateral Development Banks documents which underlie or carry out country development plans, describe the design of proposed projects and evaluate the effectiveness of completed projects. If the Multilateral Development Banks continue to refuse to release these key documents, the Treasury should make them available. Accordingly, the conferees direct the Secretary of the Treasury, to the extent the Secretary believes this action would be consistent with the environmental objectives of U.S. law pertaining to Multilateral Development Banks, to make available these categories of documents to the public beginning one year from the date of enactment of this Act if the Multilateral Development Banks have not reformed their information policies to provide such information directly by that date.

CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

Amendment No. 2: Appropriates $951,666,666 for the International Development Association as proposed by the House instead of $931,176,717 as proposed by the Senate.

CONTRIBUTION TO THE INTERNATIONAL FINANCE CORPORATION

Amendment No. 3: Deletes funding for the International Finance Corporation proposed by the Senate. Funding is provided for the IFC under Amendment No. 1,

CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND

Amendment No. 4: Appropriates $52,392,036 for the Asian Development Bank instead of the $41,868,609 as proposed by the House and $146,070,000 as proposed by the Senate.

CONTRIBUTION TO THE AFRICAN DEVELOPMENT FUND

Amendment No. 5: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert: ".".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed to strike the Senate provision requiring authorization of contributions to the African Development Bank.

SEQUESTRATION OF FUNDS

Amendment No. 6: Deletes language proposed by the Senate relating to sequestration of funds.

INTERNATIONAL ORGANIZATIONS AND PROGRAMS

Amendment No. 7: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *$226,115,000, of which $2,650,334 shall be made available for the Organization of American States which amount shall be in addition to funds earmarked elsewhere under this heading for that organization.*

The managers on the part of the Senate will move to concur in the amendment of the House to the Senate.

Amendment No. 8: Appropriates $111,000,000 for the United Nations Development Program instead of $110,000,000 as proposed by the House and $112,000,000 as proposed by the Senate.

Amendment No. 9: Appropriates $60,400,000 for the United Nations Children's Fund as proposed by the Senate Instead of $54,400,000 as proposed by the House.

Amendment No. 10: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following: *of which $3,000,000 shall be made available to UNICEF as funds in trust for the activities of Childhope or similar organizations to help homeless or street children*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed on an appropriation of $60,400,000 for the United Nations Children's Fund, UNICEF, of which $3 million is to be earmarked for the organization Childhope and similar organizations to help homeless or street children. The conferees intend that their action reaffirm UNICEF's position as the preeminent organization dedicated to improving the health and safety of children while also recognizing that Childhope offers a distinct focus on the needs of homeless street children.

The conferees wish to express their special concern for the appalling plight of homeless children in developing countries. The plight of these children is extensively documented, and represents a clear political, social, and economic failing for which the world community must assume a particular responsibility. Childhope continues to demonstrate a unique capacity for administering compassionate, immediate, and responsible care to abandoned children. The conferees expect that Childhope will receive the funds allotted under the $3 million trust fund unless, and until, there is a convincing and substantial reason why they should not.

Amendment No. 11: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken by said amendment, insert the following: *Provided further, That if the previous proviso has not been complied with, none of the funds appropriated by this Act remaining unobligated or unexpended at that time shall be obligated or expended until funds appropriated under this heading are made available to UNICEF (less amounts withheld pursuant to the previous proviso);*

The managers on the parts of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 12: Appropriates $1,500,000 for the United National Capital Development Fund as proposed by the House instead of $2,000,000 as proposed by the Senate.

Amendment No. 13: Appropriates $800,000 for the United National Voluntary Fund for the Decade for Women as proposed by the Senate instead of $220,000 as proposed by the House.

Amendment No. 14: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate.

The conferees have agreed to provide new funding of $200,000 for the United Nations International Research and Training Institute for the Advancement of Women.

Amendment No. 15: Appropriates $22,000,000 for the International Atomic Energy Agency as proposed by the House instead of $14,500,000 as proposed by the Senate.

Amendment No. 16: Appropriates $9,500,000 for the United Nations Environment Program instead of $9,000,000 as proposed by the House and $10,500,000 as proposed by the Senate.

Amendment No. 17: Appropriates $800,000 for the United Nations Educational and Training Program for Southern Africa as proposed by the Senate instead of $784,000 as proposed by the House.

Amendment No. 18: Appropriates $500,000 for the United Nations Trust Fund for South Africa as proposed by the House instead of $250,000 as proposed by the Senate.

Amendment No. 19: Appropriates $650,000 for the Convention on International Trade in Endangered Species as proposed by the Senate instead of $450,000 as proposed by the House.

Amendment No. 20: Appropriates $100,000 for the United Nations Voluntary Fund for Victims of Torture as proposed by the Senate instead of $90,000 as proposed by the House.

Amendment No. 21: Appropriates $245,000 for the United Nations Fellowship Program as proposed by the House instead of $200,000 as proposed by the Senate.

Amendment No. 22: Appropriates $250,000 for the NIDO Investment Promotion Service as proposed by the House instead of $300,000 as proposed by the Senate.

Amendment No. 23: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following: *: Provided further, That the Department of State shall provide a report to the Committees on Appropriations, not later than June 1, 1989, analyzing the effectiveness of the United Nations Environment Program (UNEP) and detailing how UNEP has spent or intends to spend the funds appropriated under this heading. The State Department shall make this report immediately available to the Appropriations Committees.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees are aware that it is against the Governing Council rules of the United Nations Environmental Program (UNEP) to accept earmarked voluntary contributions. The conferees continue, however, to seek assurances that financial resources are dedicated to top priority programs. The conferees are concerned that these funds be used efficiently and that they are dedicated to the most pressing international environmental programs.

The conferees believe that the Department of State should work to assure that these funds will be used primarily to support crucial environmental priorities. The conferees believe that the Department of State, in providing guidance to UNEP and within proper UNEP guidelines, should consider the following ranges as guidelines: approximately one-quarter of the U.S. contribution being allocated toward activities to control the global emission of CFCs through the implementation of the Montreal Protocol and through the development of additional international restraints on the atmospheric release of CFC's and other ozone depleting gases; approximately one-fifth of the U.S. contribution being allocated toward initiation of activities to establish an international agreement limiting the emission of greenhouse gases; approximately one-fifth of the U.S. contribution being allocated toward support of the Oceans and Coastal Areas Program; and approximately one-quarter of the U.S. contribution being allocated toward operation of the International Registry of Potential Toxic Chemicals, provision of technical assistance to developing countries on the use of and treatment of hazardous materials, implementation of the Cairo Plan, and assistance to developing countries with the development of resource and environmental management strategies.

TITLE II—BILATERAL ECONOMIC ASSISTANCE

AGENCY FOR INTERNATIONAL DEVELOPMENT

AGRICULTURAL, RURAL DEVELOPMENT, AND NUTRITION, DEVELOPMENT ASSISTANCE

Amendment No. 24: Appropriates $493,715,000 as proposed by the Senate instead of the $488,715,000 proposed by the House.

The conferees agree with the language in the House report concerning collaborative research on peas, lentils, chickpeas and faba beans related to the Collaborative Research Support Program. The Agency for International Development is to follow the recommendations in the House report concerning a study to determine the feasibility of establishing a CRSP for peas, lentils, chickpeas and faba beans.

HEALTH, DEVELOPMENT ASSISTANCE

Amendment No. 25: Appropriates $122,459,000 as proposed by the Senate instead of the $119,000,000 proposed by the House.

INTERNATIONAL AIDS PREVENTION AND CONTROL PROGRAM

Amendment No. 26: Appropriates $40,000,000 as proposed by the Senate instead of $35,000,000 proposed by the House.

Amendment No. 27: Provides that within the funds available for International AIDS Prevention and Control $25,500,000 as proposed by the Senate shall be provided directly to the World Health Organization. The House had proposed the amount of $17,500,000.

Amendment No. 28: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides funds directly to the World Health Organization for its use in financing the Global Program on AIDS.

Amendment No. 29: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which specifies that the funds provided to the World Health Organization for AIDS are to be for its use in financing the Global Program on AIDS.

EDUCATION AND HUMAN RESOURCES DEVELOPMENT, DEVELOPMENT ASSISTANCE

Amendment No. 30: Appropriates $129,541,000 instead of $117,000,000 as proposed by the House and $134,541,000 as proposed by the Senate.

The conferees are aware of the need for affordable educational and training opportunities in the Caribbean as a way of furthering development in the region. A telecommunications network has been developed jointly by Nova University and the University of the West Indies to expand the existing audioconferencing network to encompass a one-way video, multichannel audio and high-speed data transfer capacity. This system would increase Caribbean access to a broad variety of U.S. institutions, data resources and satellite programming not now available in the region, and would be a particularly useful and innovative component in providing teacher training and instruction support for AID's basic education program in the area. The conferees encourage AID's consideration of this project as a component in Caribbean development efforts.

Amendment No. 131: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following: *: Provided further, That not less than $64,770,500 of the funds appropriated under this heading and under the heading "Sub-Saharan Africa, Development Assistance" shall be available only for programs in basic primary and secondary education: Provided further, That in fiscal year 1989, the Agency for International Development shall initiate two new bilateral projects in basic primary and secondary education, at least one of which shall be initiated in countries in Sub-Saharan Africa: Provided further, That in each of fiscal years 1990 and 1991, such agency shall initiate three new bilateral projects in basic primary and secondary education, at least two of which in each fiscal year shall be initiated in Sub-Saharan Africa.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees are agreed that within the funds provided in this earmark for primary and secondary education at least two new bilateral projects in basic primary and secondary education are to be initiated in fiscal year 1989. One of the two projects initiated in FY 1989 is to be initiated in a country in Sub-Saharan Africa.

In fiscal year 1990 and 1991 the conferees agree that AID is to initiate three new bilateral projects each year, and two of those projects per year are to be in Sub-Saharan Africa.

The conferees agree that there continues to be a world-wide problem in providing educational advantages in developing countries. In countries such as Malawi in Sub-Saharan Africa illiteracy rates continue to be higher than 75%, but our bilateral program in that country is not geared toward addressing either primary or secondary educational needs. The conference agreement includes an earmark of $64,770,500 to illustrate the Congressional concern toward addressing the educational priority that needs to be given to U.S. bilateral assistance.

Amendment No. 32: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which provides $15,000,000 within the Education and Human Resources account for the International Student Exchange Program.

Amendment No. 33: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following: *: Provided further, That not less than $1,200,000 of the funds appropriated under this heading shall be made available for the Leadership Center for the Americas program.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees are agreed that funds provided for the Leadership Center for the Americas program are to be used only for operational programs and are not to be used for building improvements or new construction.

PRIVATE SECTOR, ENVIRONMENT, AND ENERGY, DEVELOPMENT ASSISTANCE

Amendment No. 34: Deletes language proposed by the Senate providing $600,000 for the reconstruction of the Parliament building in Dominica.

The conferees agree with the Senate report language concerning the Caribbean Basin Promotion program. The Agency for International Development should consider providing $1,500,000 for a two-year continuation and expansion of the Caribbean Basin Promotion program.

ASSISTANCE FOR JAMAICA

Amendment No. 35: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken by said amendment, insert the following:

ASSISTANCE FOR JAMAICA

Of the aggregate of the funds appropriated by this Act to carry out part I of the Foreign Assistance Act of 1961, not less than $35,000,000 shall be made available, notwithstanding any other provision of law, for relief, rehabilitation and reconstruction assistance, which amount shall be in addition to funds otherwise made available for Jamaica to carry out the provisions of part I of such Act.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees recognize the damage wrought on the island of Jamaica by Hurricane Gilbert as an extraordinary disaster demanding an extraordinary response. Accordingly, the conferees have earmarked $35,000,000 for disaster assistance for Jamaica in addition to any funds otherwise earmarked for that country. These funds shall be used to restore power distribution and communication, to distribute food and other needed supplies, to provide materials for temporary shelters, to contribute to the process of re-development and for other emergency needs.

The conferees are also aware that USAID is seeking additional emergency aid for Jamaica in the amount of $8,000,000 from Title II of the Food for Peace Program under the Department of Agriculture and $8,000,000 in low interest loans from the Section 108 Food Aid fund. The conferees welcome these proposals. However, if the necessary inter-agency agreement cannot be reached to provide these funds, the conferees recommend USAID borrow $16,000,000 from funds provided for its other programs to further meet the needs for emergency aid in Jamaica.

In no case shall any of the funds described above for disaster relief be subject to withholdings or reductions based on matters of policy or unresolved disputes.

The conferees are sympathetic to the plight of the Jamaican people who have suffered from the ravages of hurricane Gilbert. Relief funds should only be disbursed through official government organizations, private voluntary organizations, and other non-political entities.

In view of the impending election, the conferees believe it is important that disaster assistance not become part of the partisan political process or be used to further the political objectives of any one party. None of the funds may be used in any way which could prejudice the internal political situation in Jamaica.

The conferees direct the Agency for International Development to keep the appropriations Committees regularly informed on the details of the proposed uses of these funds.

In addition, the conferees direct the AID Inspector General to closely monitor the uses of Jamaica disaster assistance as well as provide the Committees with a detailed accounting of the uses of the funds provided for this purpose. The conferees are modeling this approach on the very successful Congressionally mandated Inspector General review of the El Salvador earthquake program.

The conferees have agreed to the Senate amendment deleting the House earmark of $29,000,000 within the fund for Sub-Saharan Africa for child survival activities. The conferees have received assurance from the Agency for International Development that it will provide $29,000,000 in funding for child survival activities from the funds for Sub-Saharan Africa, and therefore the earmarking of the funds has been deleted.

The conferees strongly encourage AID to increase overall funding for child survival, through all accounts, in FY 1989 to a level at or above that of FY 1987. The conferees also encourage AID to increase funding levels for child survival activities in Africa in FY 1989 to a level at or above that of FY 1987.

ASSISTANCE FOR VICTIMS OF WAR

Amendment No. 36: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which provides for $5,000,000 in development assistance funds to be made available for assistance for the provision of prostheses for civilians who have been injured as a result of civil strife and warfare.

WOMEN IN DEVELOPMENT

Amendment No. 37: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which specifies that the $5,000,000 earmarked in the bill for Women in Development is in addition to funds otherwise available for such purposes.

Amendment No. 38: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which specifies that not less than $3,000,000 in funds for Women in Development shall be made available as matching funds to support the activities of AID's field missions to integrate women into their programs. AID is to seek to ensure that country strategies, projects, and programs are designed so that the percentage of women participants will be demonstrably increased.

The conferees are particularly concerned that the Agency for International Development not miss opportunities for greater effectiveness in its development programs by failing to adequately integrate women into development activities. The conference agreement therefore, provides $3,000,000 as proposed by the Senate for a matching program to enhance the Agency for International Development's women in development efforts. These funds are to supplement and encourage additional spending for women and expansion of development activities for a wide variety of Agency for International Development programs—not as a substitute for other AID funds that benefit women's development. The conferees wish to emphasize the great importance they attach to ensuring that AID's development assistance programs actively incorporate women. To this end, the conferees direct AID in the design of country strategies, and where appropriate, projects and programs to seek to ensure that the percentage of women participants will be in approximate proportion to their traditional participation in the targeted activities or their proportion of the population, whichever is greater.

Amendment No. 39: Deletes language proposed by the House concerning country strategies under AID for Women in Development. The issues addressed by the House are now covered in the conference agreement language under amendment 38.

PHILIPPINES, DEVELOPMENT ASSISTANCE

Amendment No. 40: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment. The Senate amendment clarifies that $1,000,000 of the $40,000,000 in development assistance earmarked for the Philippines is to be made available to fund technical assistance to strengthen nonprofit private organizations and cooperatives in conjunction, where possible, with projects using local currencies generated by sale of Public Law 480 and section 416 commodities.

PRIVATE SECTOR REVOLVING FUND (INCLUDING TRANSFERS OF FUNDS)

Amendment No. 41: Provides that loan guarantees may be made available up to a limit of $50,000,000 as proposed by the Senate.

Amendment No. 42: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which specifies that the $25,000,000 limit on guaranteed loans is contingent liability for loan principal.

AMERICAN SCHOOLS AND HOSPITALS ABROAD

Amendment No. 43: Appropriates $35,000,000 for American Schools and Hospitals Abroad instead of $30,000,000 proposed by the House and $40,000,000 proposed by the Senate.

INTERNATIONAL DISASTER ASSISTANCE

Amendment No. 44: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken by said amendment, insert the following: *: Provided, That not less than $500,000 of the funds appropriated under this heading may be available for assistance for children who have become orphans as a result of natural disasters*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement earmarks $500,000 for children who have become orphans as a result of natural disasters. The House had proposed specifying $500,000 for children who have become orphans as a result of drought and famine in Sub-Saharan Africa. In light of recent disasters occurring throughout the world and the availability of $1,500,000 for orphans under a separate provision, the conferees agree that the Disaster Assistance funding for orphans should be earmarked and available on a broad basis. The conferees expect the disaster assistance funding for orphans to be closely coordinated and administered with development assistance funds that have been made available for this purpose.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT

Amendment No. 45: Deletes language proposed by the Senate concerning the definition of Hispanic-American colleges and universities. The conferees agreed to retain the House provision specifying that colleges had to have a 40 percent Hispanic American student body to qualify for set aside funding.

The conferees support increased participation of Hispanic Americans in activities undertaken by the Agency for International Development and have extended the scope of AID's Disadvantaged Business Participation Program to include "colleges and universities having a student body in which more than 40 percent of the students are Hispanic Americans." In doing so, the conferees in no way seek to create a new category of institutions analogous to the Historically Black Colleges and Universities (HBCUs). The conferees are strongly committed to preserving the unique identity of HBCUs. There is no similar legal status or historical tradition for colleges and universities that currently enroll or employ substantial percentages of Hispanic Americans. The language extending the Disadvantaged Business Participation Program is intended to motivate the management of AID to more fully utilize Hispanic American faculty and students in its projects and activities.

AID is directed to remove existing impediments to domestic and overseas use of Hispanic American faculty and staff of all participating institutions. The conferees particularly discourage policies that preclude placement of Spanish-speaking short term training participants in areas of the United States with substantial Hispanic-American populations.

The conferees are strongly opposed to any policy or suggestion that states which once were colonies of Spain and today maintain close ties of culture and language with Latin America are not suitable for placement of Spanish speaking students. Our Hispanic American citizens and cultural ties are a national treasure, not a liability.

EXCESS CURRENCY

The conferees are concerned that the United States holds excess currencies that are a potential resource for use in programs overseas. In cases where there are excess foreign currencies, the conferees feel that the Administration should study a means to make these funds available for other uses overseas, such as development assistance programs, including support of institutions providing education.

In order to identify the best use of these excess currencies, the Secretary of State is directed to study their potential uses and report to the Congress within 60 days after enactment of this act. The Secretary should study means for use of excess currencies in the countries in which they exist as well as a means for the transfer of the excess currencies to other countries.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT OFFICE OF INSPECTOR GENERAL

Amendment No. 46: Appropriates $28,500,000 instead of $23,970,000 proposed by the House and $30,143,000 proposed by the Senate.

Amendment No. 47: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following: *: Provided, That up to three percent of the amount made available under the heading "Operating Expenses of the Agency for International Development" may be transferred to and merged and consolidated with amounts made available under this heading: Provided, further, That except as may be required by an emergency evacuation affecting the United States diplomatic missions of which they are a component element, none of the funds in this Act, or any other Act, may be used to relocate the overseas Regional Offices of the Inspector General to a location within the United States without the express approval of the Inspector General: Provided further, That the total number of positions authorized for the Office of Inspector General in Washington and overseas shall be not less than 240 at September 30, 1989: Provided further, That section 103(b) of the Omnibus Diplomatic Security and Antiterrorism Act of 1986 is amended by (1) striking out subsection (b)(3); (2) inserting, in subsection (b)(2), "or regional inspector general offices under the jurisdiction of the Inspector General, Agency for International Development" after "commander"; and (3) striking out "; and" at the end of the subsection (b)(2) and inserting in lieu thereof a period!*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have provided $28,500,000 in operating expenses for the Office of the Inspector General, AID. The Conferees have also included language giving the Inspector General authority over personnel decisions. The conferees direct that in using this new authority the Inspector General should attempt to fully coordinate and cooperate with the Department of State.

HOUSING AND OTHER CREDIT GUARANTY PROGRAMS

Amendment No. 48: Deletes language proposed by the Senate setting a fiscal year 1989 limit of $10,000,000 for the Housing and Other Credit Guaranty loan reserve.

Amendment No. 49: restores House language striken by the Senate specifying that such amounts as may be necessary to retain an adequate level of contingency reserves for Housing and Other Credit Guaranty loans is available for FY 1989.

SUPPORT FOR PRIVATE AND VOLUNTARY ORGANIZATIONS (PVOs) AND COOPERATIVES

The conferees understand that some PVOs are having great difficulty with the high operational costs of undertaking mother and child feeding and food-for-work programs in Sub-Saharan Africa. These regular, non-emergency programs require developmental funds for roads, ports, storage and other support services, without which several PVOs may have to terminate these important programs. The conferees believe that the food aid enhancement and outreach grants should be funded at $12,000,000 in FY 1989.

SUB-SAHARAN AFRICA, DEVELOPMENT ASSISTANCE

The conference agreement provides $500,000,000 for Sub-Saharan Africa, the amount recommended in both bills. The conferees agree that this assistance should continue to be implemented in accordance with the statement of managers accompanying P.L. 100-202. In addition to the guidance provided in that report, the conferees are in agreement on a number of other points. First, while the conference agreement provides $10,000,000 under the Economic Support Fund for scholarships for disadvantaged South Africans, the conferees recommend that an additional $10,000,000 be provided for that purpose from this account. Second, the conferees recommend that AID provide at least $29,000,000 for child survival activities in Sub-Saharan Africa in fiscal year 1989 from this account.

U.S.- ISRAEL COOPERATIVE DEVELOPMENT RESEARCH PROGRAM

The conferees wish to express their continuing support for the U.S.-Israel Cooperative Development Research (CDR) Program and its original purpose of promoting basic scientific research into the problems of third World development. In just four years, this program has become a major vehicle through which innovative breakthroughs in the fields of public health, genetic engineering, arid lands agriculture, veterinary medicine and biological pest control have found wide application across the continents of Africa, Asia and the Americas.

The conferees are aware that earlier this year AID redirected this program away from basic, innovative research and toward the application of off-the-shelf, existing technologies to problems of development. The full $5 million earmarked for the original CDR program now will be channeled into this new effort, with the result that, by 1990, the scientific research which made this collaborative effort unique and attractive to hundreds of scientists in the U.S. and Israel no longer will be funded. The conferees wish to note that, in doing this, AID also will be transferring administrative responsibility for the CDR program from its own Office of the Science Advisor to MASHAV, an agency of the Israel Foreign Ministry.

The conferees believe that there is a requirement for both CDR programs in meeting the development needs of the Third World. We applaud the vigor with which scientists and government officials in both the United Sates and Israel have sought to address these concerns through energetic and imaginative initiatives. There certainly is a place for the provision of off-the-shelf technology within the context of the CDR program. Yet, it is a tragedy when one eminently successful, future-oriented program is sacrificed, albeit unnecessarily, to make room for an equally good initiative. Applied research certainly has its place; but the effort, money and international goodwill that AID wisely has invested in setting up this model of advanced, problem-oriented research will be wasted if it is allowed to founder. The conferees believe AID has pursued a policy which is needlessly shortsighted.

The conferees recommend that AID explore ways to fund both CDR initiatives within existing AID program accounts and that the original CDR program once again be administered through the Office of the Science Advisor. The conferees request that the AID Administrator provide the Senate Committee on Appropriations and the House Committee on Appropriations with a report on the status of the two CDR programs by January 15, 1989.

AUSTRALIA—KANGAROOS

The conferees wish to take note of the recent and significant "Report on Kangaroo Killing" by the Australian Senate Select Committee on Animal Welfare.

The Report contains 27 specific recommendations, which acknowledge that the large-scale commercial kangaroo industry in Australia is not adequately controlled. The conferees welcome the candor of the Report and hope that the Australian Parliament will consider its recommendations as soon as possible.

The conferees also note that the European Parliament received a "Report on the Importation of Kangaroo Products" on June 5, 1987 (Document A 2-91/87) and subsequently resolved, without opposition, to adopt it in September 1987. The Resolution included six specific recommendations considered vital to control kangaroo imports into the European Community.

The conferees hope that legislation in sympathy with the Australian and European recommendations cited above will receive full and fair consideration by the Congress in order to complement the attempts by the Australian and European parliaments to bring this large-scale commercial kill of wildlife under proper control. This need is indicated by the fact that the Australian state of Queensland, which controls nearly sixty percent of the commercial kangaroo kill, attempted to make its 1988 Management Program confidential and had exceeded its total 1988 kill quota for Red Kangaroos, listed as a threatened species by the U.S. Fish and Wildlife Service, by 40,000 in July.

ECONOMIC SUPPORT FUND

Amendment No. 50: Appropriates $3,258,500,000 instead of $3,248,500,000 as proposed by the House and $3,268,500,000 as proposed by the Senate.

Antigua and the eastern Caribbean have been steadfast allies of the United States and house the only U.S. military base in a non-U.S. possession in the Caribbean, outside of Guantanamo Bay in Cuba. A Voice of America facility is also located there. Because of the importance of this region to U.S. drug interdiction efforts, and in the interest of maintaining a strong U.S. influence in the region, the conferees recommend an increased emphasis on the economic development of this region, and the renewed provision of economic support funds.

The conferees again deplore the inaction of the Salvadoran government with respect to the expropriation of the San Salvadoran Electric Light Company (CAESS). The Supreme Court of Justice of El Salvador has twice ruled against the Salvadoran government for its actions in seizing without compensation the assets and property of the U.S. owned firm.

The Congress has been very supportive of the Salvadoran Government over the years, but not so that it can seize U.S. firms without paying for them. In light of the rulings of its own supreme court, the Salvadoran government should move promptly to negotiate a fair value for the CAESS assets and reach an equitable settlement for all concerned or, failing that, refer the matter to binding arbitration.

Amendment No. 51: Restores language proposed by the House and stricken by the Senate which requires that Egypt undertake significant economic reforms which are in addition to those which were undertaken in previous fiscal years as a one condition of receiving $115,000,000 in cash transfer assistance.

Amendment No. 52: Earmarks $215,000,000 for Pakistan instead of $220,000,000 as proposed by the House and $210,000,000 as proposed by the Senate.

Amendment No. 53: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following: *: Provided further, That not less than $2,500,000 of the funds appropriated under this heading shall be available for Thailand.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 54: Earmarks $11,250,000 for Tunisia instead of $10,000,000 as proposed by the House and $12,500,000 as proposed by the Senate.

Amendment No. 55: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following: *: Provided further, That not less than $60,000,000 of the funds appropriated under this heading shall be available for Turkey*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 56: Earmarks $50,000,000 for Portugal instead of $40,000,000 as proposed by the House and $55,500,000 as proposed by the Senate.

Amendment No. 57: Reported language proposed by the House but deleted by the Senate which requires that up to $35,000,000 but not less than $10,000,000 be available for the United States contribution to the International Fund for Ireland.

The conferees urge the State Department to allocate at least an additional $10,000,000 to the International Fund for Ireland above the $10,000,000 already earmarked.

Amendment No. 58: Restores language proposed by the House but deleted by the Senate which requires that not less than $85,000,000 be earmarked for Honduras.

Amendment No. 59: Deletes language proposed by the Senate limiting the funds earmarked for Honduras to $85,000,000.

Amendment No. 60: Deletes language proposed by the House and stricken by the Senate which withheld funds from Honduras pending agreement to reimburse the United States government for recent damage done to the United States Embassy facility in Tegucigalpa, Honduras.

The conferees have agreed to delete this requirement based on assurances from the Department of State that the government of Honduras has agreed to pay for these damages. The Department of State is to inform the Appropriations Committees when the payment has been made.

Amendment No. 61: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and

concur in the amendment of the Senate which earmarks $5,000,000 of the funds provided for Central American countries to develop energy self-sufficiency, to identify and utilize indigenous resources, to improve economic development and to reduce reliance on imported energy.

Amendment No. 62: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following: *$15,000,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 63: Earmarks $15,000,000 for programs in Jordan instead of $11,000,000 as proposed by the House and $17,000,000 as proposed by the Senate.

Amendment No. 64: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter stricken by said amendment, strike out all of the House engrossed bill language beginning on Page 23, line 19 following the words "Jordan" through Page 23, line 24 ending with the words "regional program", and insert in lieu thereof the following: *: Provided further, That not less than $15,000,000 of the funds appropriated under this heading shall be made available for the West Bank and Gaza Program through the Asia and Near East regional program*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate. The conferees strongly support the Cooperative Development project and urge consideration by U.S. cooperatives from the additional resources made available for the direct PVO program on the West Bank and Gaza.

The conference agreement includes $15,000,000 for programs in Jordan, and $15,000,000 for the regional West Bank and Gaza Program.

The funding for the West Bank and Gaza Program follows the recent announcement by King Hussein that the King has cancelled the Jordan Development Program, a principal vehicle for development projects on the West Bank.

The conferees agree that the uncertain political climate in the Middle East today makes it imperative that progress continue to be made to improve the quality of life and development prospects of the communities in the West Bank and Gaza. Furthermore, they recognize that funds appropriated for the region have had a direct and measurable effect on its political future. It is for these reasons that special care must be given to the nature of projects carried out on the West Bank and Gaza and the manner in which they are implemented, and AID is to retain effective control over the disbursement of project funds. These funds are intended to further the national interests of the United States which include encouraging regional peace.

The conferees are concerned that the PVOs may not have the institutional depth that the Jordon Development Program had, and are wary of a rapid expansion of PVO responsibilities outside their traditional areas of technical expertise. While not wishing to preclude PVOs from moving beyond traditional areas, the conferees are concerned that too rapid an expansion might jeopardize the present quality of their projects and the working relationships needed to carry out their important activities.

The conferees are agreed that along with the increase in funding for grant recipients on the West Bank and Gaza there is a corresponding increase in the rigorous obligations upon their administration. Among these are a continued need for accountability, thorough project planning and cooperation. Expanded project activity may require an increase in staffing capacity, but sufficient care should be taken by the organizations to avoid management problems which often accompany large increases in funding. The conferees expect the PVOs on the West Bank and Gaza will work with AID to ensure that the local population will continue to receive maximum benefit from the available funding.

The conferees expect that the Agency for International Development will provide regular and timely consultation on all aspects of funding going to the West Bank and Gaza under this program. Projects that are initiated with funding provided above the Administration's request for the West Bank and Gaza are to be notified through the regular notification procedures.

Amendment No. 65: Earmarks $85,750,000 for Sub-Saharan Africa instead of $90,000,000 proposed by the House and $81,500,000 as proposed by the Senate.

Amendment No. 66: Deletes language proposed by the Senate earmarking $10,000,000 for Kenya.

Amendment No. 67: Earmarks $2,000,000 for the Polish trade union "Solidarity" as proposed by the House instead of $1,000,000 as proposed by the Senate.

Amendment No. 68: Restores language proposed by the House and stricken by the Senate which earmarks $1,000,000 of the funds provided to "Solidarity" for its Social Fund project and $1,000,000 for the AFL-CIO Free Trade Union Institute.

Amendment No. 69: Earmarks $2,000,000 for the promotion of democracy in Nicaragua through the National Endowment for Democracy as proposed by the Senate instead of $1,000,000 as proposed by the House.

Amendment No. 70: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter inserted by said amendment insert the following: *: Provided further, That $1,000,000 of the funds appropriated under this heading shall be made available, notwithstanding any other provision of law, for the provision of medical supplies and hospital equipment for Poland through private and voluntary organizations, including the expenses of purchasing, transporting, and distributing such supplies and equipment.*

The managers on the part of the Senate will offer a motion to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 71: Deletes language proposed by the Senate which earmarked $10,000,000 to carry out the purposes of the South Pacific Tuna Act of 1988.

Amendment No. 72: Deletes language proposed by the Senate which earmarked $100,000 for assistance related to the presidential election in Chile.

The conferees are aware that the Agency for International Development during fiscal year 1988 provided development funds to support the electoral process in Chile, including financing the participation of international observers for the Chilean presidential elections, through the Human Rights Initiatives project. The conferees expect that AID, in making funding allocations for FY 1989 for the Human Rights Initiatives project, will take into account that the project had to meet unanticipated needs of the Chilean elections from its existing funds, thereby having to defer other worthwhile activities. The conferees expect that any such FY 1988 shortfalls will be made up in the allocation process for FY 1989.

Amendment No. 73: Deletes language proposed by the Senate which limited the obligation of funds.

INDEPENDENT AGENCIES

AFRICAN DEVELOPMENT FOUNDATION

Amendment No. 74: Appropriates $8,000,000 for the African Development Foundation instead of $7,140,000 as proposed by the House and $8,500,000 as proposed by the Senate.

Amendment No. 75: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, which clarifies that the Foundation may make grants, loans and loan guarantees to African private or public groups.

INTER-AMERICAN FOUNDATION

Amendment No. 76: Deletes language proposed by the House concerning funds from the Social Progress Trust Fund of the Inter-American Development Bank.

The conferees have agreed to continue to support IAF funding and the use of Social Progress Trust Fund monies for IAF activities.

PEACE CORPS

Amendment No. 77: Appropriates $153,500,000 for the Peace Corps instead of $152,000,000 as proposed by the House and $157,000,000 as proposed by the Senate.

INTERNATIONAL NARCOTICS CONTROL

Amendment No. 78: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which earmarks $15,000,000 for Bolivia.

Amendment No. 79: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, which earmarks $7,000,000 for Latin America regional programs.

Amendment No. 80: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, which sets forth policy guidelines for this program.

MIGRATION AND REFUGEE ASSISTANCE

Amendment No. 81: Earmarks $28,000,000 for Soviet, East European and other refugees resettling in Israel as proposed by the Senate instead of $27,500,000 as proposed by the House.

Amendment No. 82: Deletes language proposed by the House which earmarked $23,500,000 for refugee entrant assistance.

Amendment No. 83: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, which earmarks the funds for refugee admissions worldwide, specifies certain funds for East Asian and Vietnamese Amerasians, and earmarks funds for Afghan refugees, the Thailand-Cambodia Border Protection program, the Anti-Piracy program and the Thailand border protection program.

In addition, the problem of the Kurds and of Soviet refugees continues to remain unresolved and in the view of the conferees should weigh heavily on the conscience of the world. Today there are approximately 100,000 Kurdish refugees who have fled genocide in Iraq and now are resident in the neighboring countries of Iran, Syria, Turkey and the borderlands of the Soviet Union. Recent, authoritative reports suggest that the Kurdish minority in Iraq may have been the target of poison gas attacks by the Baghdad Government which allegedly has used chemical weapons against combatants and non-combatants alike. The conferees stand horrified by these reports and urge the President to speak in condemnation of such attacks and provide aid and comfort to the fleeing Kurdish tribesmen.

The conferees are mindful of the fact that these are not the only refugees in distress at this time and funds are provided within the general account to provide measures assistance to these groups. It should be noted that the current appropriation is $20 million above the President's request. In addition, the United States is providing funding to multilateral organizations responsible for refugee welfare.

The conferees are distressed to learn of the sudden and overwhelming increase in the world's refugee population this year. According to the State Department's World Refugee Report for FY 1989, among the groups most tragically affected are Mozambicans with 629,267 refugees in Malawi; Sudanese, with 281,600 refugees in Ethiopia; Burundi, with 19,000 refugees in Rwanda; Ethiopia, with 366,000 refugees in Somalia and 649,500 in the Sudan; and Somalia, with 25,500 refugees in Ethiopia.

The conferees are concerned about the inaccurate and unrealistic methods used in determining the budget request for migration and refugee assistance. Amounts requested by Refugee Entrant Assistance in FY 1989 only supported a level of 51,000 arrivals, despite the fact that the Administration officially anticipated level of admissions for FY 1989 was 68,500. Since that time, the Administration has officially added 15,000 arrivals to the anticipated admissions levels for both FY 1988 and FY 1989 without submitting budget requests to fund the additional requirements arising from these admissions. Congress has been forced to provide funds for these requirements through an emergency supplemental and the provision of additional funds in the emergency account this year. The conferees expect future budget requests to reflect not only known requirements, but realistic assumptions on anticipated refugee needs.

Amendment No. 84: Reported in technical disagreement.The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken by said amendment, insert the following: *: Provided further, That the provisions of subsection (c) of section 584 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988, as contained in section 101(e) of Public Law 100-202, shall apply to an individual who (1) departs from Vietnam after the date of the enactment of this Act and before the end of the two-year period described in subsection (a)(1)(B) of such section, and (2) is described in subsection (b) of such section, but who is issued an immigrant visa under section 201(b) or 203(a) of the Immigration and Nationality Act (rather than under subsection (a) of such section), or would be described in subsection (b) of such section if such section also applied to principal aliens who were citizens of the United States (rather than merely to aliens)*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

UNITED STATES EMERGENCY REFUGEE AND MIGRATION ASSISTANCE FUND

Amendment No. 85: Appropriates $50,000,000 for Emergency Refugee and Migration Assistance as proposed by the Senate instead of $30,000,000 as proposed by the House.

Amendment No. 86: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following: *: Provided, That of the funds appropriated under this heading not less than $23,000,000 shall be made available only for Afghan refugees to be administered by the cross-border humanitarian assistance program: Provided further, That the funds made available under this heading are appropriated notwithstanding the provisions contained in section 2(c)(2) of the Migration and Refugee Assistance Act of 1962 which would limit the amount of funds which could be appropriated for this purpose: Provided further, That funds appropriated under this heading shall be available for obligation and expenditure for Afghan refugees only after funds appropriated or otherwise earmarked for assistance for the Afghan people under section 537 of this Act and under the heading "Migration and Refugee Assistance" have been obligated*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

TITLE III—MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

MILITARY ASSISTANCE

Amendment No. 87: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter stricken by said amendment, insert the following:

MILITARY ASSISTANCE

For necessary expenses to carry out the provisions of section 503 of the Foreign Assistance Act of 1961, including administrative expenses and purchase of passenger motor vehicles for replacement only for use outside of the United States, $467,000,000: *Provided,* That of the funds appropriated under this heading not less than $125,000,000 shall be made available only for the Philippines: *Provided further,* That not less than $9,000,000 shall be available for non-lethal military assistance for Guatemala, of which not less than $2,000,000 shall be available only for civic action programs and for the construction of military barracks: *Provided further,* That not less than $15,000,000 shall be available for Kenya: *Provided further,* That if any of the funds appropriated under this heading are made available for Turkey, then not less than $30,000,000 of such funds shall be available for Greece: *Provided further,* That of the funds appropriated under this heading not more than $40,000,000 shall be used for general costs of administering the Military Assistance program: *Provided further,* That any material assistance provided with funds appropriated under this heading for Haiti shall be limited to non-lethal items such as transportation and communications equipment and uniforms: *Provided further,* That funds made available under this heading for Haiti shall be made available only through the regular notification procedures of the Committees on Appropriations: *Provided further,* That funds appropriated under this heading shall be expended at the minimum rate necessary to make timely payment for defense articles and services: *Provided further,* That the proviso under this heading in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988, prohibiting the use of military assistance funds after September 30, 1989, for the purposes of section 503(a)(3) of the Foreign Assistance Act of 1961, is repealed: *Provided further,* That any military assistance funds appropriated by this Act that have not been committed for the payment of any sale under the Arms Export Control Act during the period ending at the end of the second fiscal year after the fiscal year for which such funds were appropriated shall not be committed for such purpose thereafter unless the Committees on Appropriations are given a fifteen day period notification of the amount of funds involved, the reasons why no commitment was made thereof, and the proposed sales to be financed with such funds: *Provided further,* That military assistance funds appropriated by this or any other Act that have been expended into the account designated in section 503(a)(3) of the Foreign Assistance Act of 1961 to finance particular sales shall be available, subject to all applicable reprogamming provisions, to finance other sales in the event of sales cancellations, reductions, excess funds at case closeout, or other reasons relating to the implementation of sales programs: *Provided further,* That the Committees on Appropriations shall be furnished on March 1 of each year a complete report of the status of military assistance funds appropriated by this or any future Act committed for the payment of any sales under the Arms Export Control Act as regards the individual sale, item description, and estimated sales price.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees recognize the impressive progress made by the Aquino Government in the field of human rights and are encouraged by the repeated proclamation of its officials that they are committed to upholding democracy and the rule of law. Nevertheless, the conferees are seriously concerned about reports of killings of civilians by members of the regular military and paramilitary groups. Of particular concern are recurrent allegations that members of so-called vigilante groups in the Philippines are responsible for chilling human rights abuses. Amnesty International, and the Lawyers Committee for Human Rights have compiled extensive documentation of vigilante violence, alleging connections between many of these groups and members of the Philippine military. The Philippine Senate Committee on Justice and Human Rights has called for the dismantling of vigilante groups, asserting that the "existence and operations of many vigilante groups subject the local population to a grip of paralyzing debilitating fear that greatly hampers their ability to work for their livelihood and the welfare of their families and communities."

The conferees are cognizant that these abuses are taking place in the context of violent civil conflict between Government troops, and other armed insurgent groups, including the communist-led New People's Army (NPA) which also is responsible for indefensible human rights abuses. Nevertheless, the conferees are concerned that support for the vigilantes could undermine the popularity and legitimacy of the Aquino Government.

The conferees wish to make it clear that the provision of United States security assistance in no way condones acts of illegal violence by members of the Philippine military or paramilitary forces.

The Conferees urge that the next Administration make the issue of vigilante violence a priority concern in its discussions with the Philippine Government. The conferees feel that a constructive dialogue with the Aquino Government can only be achieved once the full facts are known and requests that a report be submitted to Congress on the extent of Philippine vigilante and paramilitary violence no later than April 30, 1989.

The conferees have agreed to provide $9,000,000 in nonlethal military assistance to Guatemala of which not less than $2,000,000 will be spent on civic action and barracks construction for the Guatemalan military. This assistance is provided for the purpose of promoting democratically elected, civilian government in Guatemala and with the understanding that the country's defense forces will respect the human rights of the citizens of Guatemala.

The conferees continue to support the positive changes that have taken place in Guatemala since President Cerezo took office in January 1986. Since that time, the Government of Guatemala has made significant progress in improving the security, economic, and human rights situation in that country. The conferees have agreed to provide $9,000,000 in military assistance to Guatemala in the interest of encouraging this welcome trend.

The conferees remain concerned that random killings and disappearances continue to take place in Guatemala. There continue to be reports that elements of both the military and police are involved in a number of these instances. In providing assistance to Guatemala it is the conferee's expectation that such assistance will be helpful in assisting the government of President Cerezo in the investigation of abuses against civilians. Furthermore, it is the conferees desire that those responsible for human rights crimes be brought to justice and that the civil institutions intended to protect the rights of the citizenry be strengthened.

The conferees were deeply concerned about the May 11 coup attempt led by officers and their civilian supporters against the Cerezo government. The conferees are encouraged that the Guatemalan army, led by its high command, supported its constitutional government and put down the revolt. To reaffirm its support for civilian rule in Guatemala and elsewhere, the conferees put into the bill a provision that all U.S. assistance will be terminated to any country whose duly elected head of government is deposed by military coup or decree.

The conferees believe that President Cerezo has made a concerted effort to expand his electoral appeal as demonstrated by the strong showing of his Christian Democratic party in the municipal elections in April. These results appear to signify that President Cerezo's credibility remains high among the bulk of the population and that his commitment to civilian rule in Guatemala has begun to leave its mark. The conferees will be watching to see how well President Cerezo is able to draw disaffected military officers into the democratic process while at the same time seeking a negotiated resolution of the country's 27-year-old insurgency.

In providing aid to Guatemala, the conferees expect that the Government of Guatemala will continue to make significant progress toward (a) achieving control over its military and security forces; (b) investigating and prosecuting human rights violations alleged to have been committed by the security or defense forces since January 1986; (c) eliminating kidnappings and disappearances, forced recruitment into the civil defense patrols, and other abuses of internationally recognized human rights by such forces; (d) respecting the internationally recognized human rights of the indigenous Indian population; and (e) completing negotiations for a permanent presence of the International Committee of the Red Cross.

INTERNATIONAL MILITARY EDUCATION AND TRAINING

Amendment No. 88. Appropriates $47,400,000 for International Military Education and Training as proposed by the Senate instead of $51,254,750 as proposed by the House.

Amendment No. 89. Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following: *: Provided, That none of the funds appropriated under this heading shall be made available for grant financed military education and training for any country whose annual per capita GNP exceeds $2,349 unless that country agrees to fund from its own resources the transportation cost and living allowances of its students.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees wish to express their displeasure with the egregious manner in which IMET funds have been used to support programs in advanced, industrialized countries with highly professional military establishments and longstanding relationships with the counterpart U.S. military establishment. The conferees believe these countries have the capacity to train and equip their own military forces and that any IMET expenditures made on their behalf are made to the detriment of more needy recipients of IMET assistance. Consequently, the conferees have agreed to bill language requiring countries which have a per capita GNP (as set forth in the International Bank for Reconstruction and Development "World Development Report, 1988") in excess of $2,349 to pay the transportation and per diem costs of their participants in the IMET program.

Amendment No. 90: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment, as follows:

Strike out all of the Senate engrossed amendment that follows "page 34," and insert in lieu thereof the following: strike out line 1 and all that follows through line 18 on page 35, and insert in lieu thereof the following:

FOREIGN MILITARY FINANCING PROGRAM

For expenses necessary for grants to enable the President to carry out the provisions of section 23 of the Arms Export Control Act, $3,862,750,000: Provided, That of the funds appropriated by this paragraph not less than $1,800,000,000 shall be available for grants only for Israel, not less than $1,300,000,000 shall be available for grants only for Egypt, not less than $230,000,000 shall be available for grants only for Pakistan, not less than $52,000,000 shall be available for grants only for Morocco, and not less then $30,000,000 shall be available for grants only for Tunisia: Provided further, That to the extent that the Government of Israel requests that funds be used for such purposes, grants made available for Israel by this paragraph shall, as agreed by Israel and the United States, be available for advanced fighter aircraft programs or for other advanced weapons systems, as follows: (1) up to $150,000,000 shall be available for research and development in the United States: and (2) not less than $400,000,000 shall be available for the procurement in Israel of defense articles and defense services, including research and development: Provided further, That grants shall be provided with the funds appropriated by this paragraph notwithstanding any requirement in section 23 of the Arms Export Control Act for repayment and shall be implemented by grant documents which do not include a requirement to repay the United States Government with respect to any funds provided under this paragraph.

For expenses necessary for loans to enable the President to carry out the provisions of section 23 of the Arms Export Control Act, $410,000,000: Provided, That any funds made available by this paragraph except as otherwise specified, may be made available at concessional rates of interest: Provided further, That the concessional rate of interest on foreign military credit sales loans shall be not less than 5 percent per year: Provided further, That all country and funding level changes in requested concessional financing allocations shall be submitted through the regular notification procedures of the Committees on Appropriations: Provided further, That during fiscal year 1989, gross obligations for the principal amount of direct loans under this heading, exclusive of loan guarantee defaults, shall not exceed $410,000,000.

Of the funds appropriated under both the "Military Assistance" heading and this heading $500,000,000 only shall be available for Turkey and $350,000,000 only shall be available for Greece: Provided, That funds previously obligated for the Philippines under the heading "Foreign Military Credit Sales" but uncommitted on the date of enactment of this Act shall be used only to finance sales made under the Arms Export Control Act: Provided further, That of the funds appropriated under this heading, not less then $409,750,000 shall be available only for use in financing the procurement of defense articles, defense services, or design and construction services that are sold by the United States Government under the Arms Export Control Act to countries other than Israel and Egypt: Provided further, That funds appropriated under this heading shall be expended at the minimum rate necessary to make timely payment for defense articles and services: Provided further, That the Department of Defense shall conduct during *the current fiscal year nonreimbursable audits of private firms whose contracts are made directly with foreign governments and are financed with funds made available under this heading (as well as subcontractors thereunder) as requested by the Defense Security Assistance Agency: Provided further, That any reference in Title V of this Act to "Foreign Military Credit Sales" shall be deemed to be a reference to grants and loans pursuant to the Foreign Military Finance Program under this heading.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees are deeply concerned about the reported inability of the Department of Justice to successfully investigate and prosecute cases of fraud and corruption, and to recover stolen FMS funds, particularly in commercial FMS cases. The conferees believe that all possible efforts should be made to ensure that abuses of this type can be and are investigated fully.

The conferees are aware that the Department of Justice has in the past had difficulties proving guilt due to poor recordkeeping, gaining access to international banking records, being allowed to interview and take depositions from foreign nationals, dealing with issues of diplomatic immunity and in recovering lost funds. The conferees are also aware that the Department of Justice and the Defense Security Assistance Agency are in the process of promulgating specific changes in the existing regulations in order to strengthen the ability of the United States government to investigate and prosecute FMS related corruption cases. The conferees strongly support strengthening these regulations and providing for regular periodic audit of selected commercial FMS contracts.

The conferees believe that it is imperative that funds provided for security assistance be spent for the purpose they were requested and appropriated. The conferees further believe that administrative procedures, audit functions, and legal requirements should be such as to assure the American taxpayer that funds are not stolen or misspent; and, that when they are there is a very high probability that investigations can be successfully pursued to ensure that the perpetrators of such crimes are convicted and that stolen funds are recovered.

The conferees believe that these concerns should be equally shared with the recipient governments, who as a result of these problems receive either higher cost, poorer quality, or fewer quantities of military supplies and services, and with commercial producers and suppliers, who as a group suffer the bad publicity of the few "bad apples" in their crowd.

Amendment No. 91: Deletes language and funding proposed by the Senate. The conferees have resolved this item in Amendment No. 90.

Amendment No. 92: Deletes language and funding proposed by the Senate. The conferees have resolved these items in Amendments No.'s 87 and 90.

Amendment No. 93: Deletes language proposed by the Senate. The conferees have resolved this item in Amendment No.'s 87 and 90.

Amendment No. 94: Deletes language proposed by the Senate. The conferees have resolved this item in Amendment No.'s 87 and 90.

Amendment No. 95: Deletes funding proposed by the Senate. The conferees have resolved this item in Amendment No.'s 87 and 90.

Amendment No. 96: Deletes language proposed by the Senate. The conferees have resolved these items in Amendments No.'s 87 and 90.

GUARANTEE RESERVE FUND

Amendment No. 97: Deletes a paragraph designation proposed by the House.

Amendment No. 98: Deletes language proposed by the House concerning budget estimate.

TITLE IV—EXPORT ASSISTANCE

EXPORT-IMPORT BANK OF THE UNITED STATES

Amendment No. 99: Limits the principal amount of direct loans for the Export-Import Bank to $695,000,000 instead of $690,000,000 as proposed by the House and $705,000,000 as proposed by the Senate.

Amendment No. 100: Limits funds available for administrative expenses at the Export-Import Bank to $20,390,000 instead of $19,890,000 as proposed by the House and $21,800,000 as proposed by the Senate.

Amendment No. 101: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following: : *Provided, That notwithstanding any other provision of law, any funds contained in any previously enacted Act appropriating funds for foreign operations, export financing, and related programs which are transferred or otherwise made available to carry out the purposes of section 661 of the Foreign Assistance Act of 1961 may be deobligated and thereafter reobligated for the purposes for which such funds were originally appropriated: Provided further, That of the amounts appropriated under this heading up to $5,000,000 may be used for joint financing with individual State trade promotion organizations of activities directed at the expansion of trade with developing and middle income countries, including such activities as trade fairs, seminars, targeting and feasibility studies, and activities directed at enhancing the use of exports from the United States in bilateral and multilateral projects.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed to permit funds previously transferred, due to other legislation, to be returned for the use for which they were originally appropriated due to the fact that the conferees and the committees of jurisdiction were never consulted concerning the original change in use of the funds.

TITLE V—GENERAL PROVISIONS

REPRESENTATIONAL ALLOWANCES

Amendment No. 102: Restores language proposed by the House but stricken by the Senate to include a reference to Military Assistance.

DEOBLIGATION/REOBLIGATION AUTHORITY

Amendment No. 103: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following: *: Provided further, That the authority of this section may be used to continue the availability of any of the funds deobligated under any of such headings in order to provide relief, rehabilitation, and reconstruction assistance for Jamaica and Bangladesh: Provided further, That any such funds reobligated for Jamaica and Bangladesh shall be made available in accordance with the general authorities contained in section 491 of the Foreign Assistance act of 1961: Provided further, That the authority of this section may not be exercised to deobligate and reobligate funds previously obligated for the "Economic Support Fund".*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

NOTIFICATION REQUIREMENTS

Amendment No. 104: Restores language proposed by the House but stricken by the Senate to include a reference to Military Assistance.

Amendment No. 105: Restores language proposed by the House but stricken by the Senate to include a reference to chapter 2 of part II of the Foreign Assistance Act of 1961.

UNITED NATIONS VOTING RECORD

Amendment No. 106: Reported in technical disagreement. The managers on the House will offer a motion to recede and concur in the amendment of the Senate, which allows the President's report on United Nations voting records to continue to include certain information.

Amendment No. 107: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, which requires the format of the report of the UN voting record to be developed in consultation with Congress provided that any changes are approved by legislation.

ENVIRONMENTAL CONCERNS

Amendment No. 108: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, which requires the Secretaries of State and Treasury to conduct discussions with other Multilateral Development Bank members on strengthening environmental performance.

The conferees direct the Department of the Treasury and other appropriate departments to urge the Governer of Brazil to review its policies restricting the international scientific community's access to environmental and native people's reserves.

Amendment No. 109: Inserts a new section number as proposed by the Senate.

EL SALVADOR—INVESTIGATION OF MURDERS

Amendment No. 110: Restores language proposed by the House but stricken by the Senate including a reference to chapter 2 of part II of the Foreign Assistance Act of 1961, and deleting the reference to chapter 5 of part III of the Foreign Assistance Act of 1961.

NOTIFICATION REQUIREMENTS

Amendment No. 111: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following: *Burundi, Liberia, Uganda,*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 112: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following: *Burundi, Liberia, Uganda,*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Uganda has been added to the list of those countries requiring prior notification to the Congress before funds may be made available under this Act. The conferees express concern about the events surrounding the reported death of United States businessman Joel Walehwa in Uganda in September, 1988, and urge the Government of Uganda to investigate thoroughly the circumstances surrounding Mr. Walehwa's death and to bring to justice any persons who may be found responsible for these actions.

DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

Amendment No. 113: Restores language proposed by the House but stricken by the Senate including a reference to Military Assistance.

CHILD SURVIVAL ACTIVITIES

Amendment No. 114: Deletes language proposed by the Senate which included Sub-Saharan Africa, Development Assistance as a source of reimbursement in carrying out child survival activities.

CHILE—LOANS FROM MULTILATERAL DEVELOPMENT INSTITUTIONS

Amendment No. 115: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *Except for programs under section 534(b)(4) or (6) of the Foreign Assistance Act of 1961 to support the efforts of private groups and individuals seeking to develop a national consensus on the importance of an independent judiciary and the administration of justice generally in a democratic society, assistance for which programs may be made available notwithstanding section 726 of the International Security and Development Cooperation Act of 1981, none*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

ASSISTANCE FOR LIBERIA

Amendment No. 116: Restores language proposed by the House but stricken by the Senate including a reference to Military Assistance.

Amendment No. 117: Deletes House language as proposed by the Senate.

Amendment No. 118: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, which requires the Secretary of State to certify that Liberia is making progress in satisfying undisputed debts to United States citizens before assistance is provided to Liberia.

AUTHORIZATION REQUIREMENT

Amendment No. 119: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendmet of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *Funds appropriated by this Act may be obligated and expended notwithstanding section 10 of Public Law 91-672 and section 15 of the State Department Basic Authorities Act of 1956: Provided, That section 514 of the Foreign Assistance Act of 1961 is amended by amending subsection (b)(2) to read as follows: "(2) The value of such additions to stockpiles in foreign countries shall not exceed $77,000,000 for fiscal year 1989.": Provided further, That H.R. 4645 as reported on September 22, 1988 by the Committee on Banking, Finance and Urban Affairs of the House of Representatives is hereby enacted into law: Provided further, That title I of H.R. 5263 as passed by the House of Representatives on September 20, 1988 is hereby enacted into law: Provided further, That purchases, investments or other acquisitions of equity by the fund created by secition 104 of H.R. 5263 as hereby enacted are limited to such amounts as may be provided in advance in appropriations Acts.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

MIDDLE EAST REGIONAL COOPERATION

Amendment No. 120: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, which strikes language requiring that $500,000 be available for scholarships to Israeli students studying in Arab countries, and that $500,000 be available to Arab students studying in Israel; and inserts language repealing similar provisos in the FY 1988 Foreign Operations, Export Financing, and Related Programs Appropriations Act.

ASSISTANCE FOR THE PEOPLE OF LEBANON

Amendment No. 121: Restores language included by the House but stricken by the Senate which provides that up to $5,000,000 shall be made available to provide assistance to the people of Lebanon. Language requiring that not less than $5,000,000 be provided is deleted. The conferees have agreed that the Young Men's Christian Association shall not be excluded from receiving funding under this provision as long as no U.S. citizens involved in the implementation of such projects are in Lebanon.

DEPLETED URANIUM

Amendment No. 122: Deletes House language as proposed by the Senate.

Amendment No. 123: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, which includes countries for which repayment of foreign military sales credits were forgiven in FY 1988 with those countries which are exempt from the restrictions in the provision.

EARMARKS

Amendment No. 124: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following: *or, with respect to a country with which the United States has an agreement providing the United States with base rights or base access in that country, if the President determines that the recipient for which funds are earmarked has significantly reduced its military or economic cooperation with the United States since enactment of the Foreign Operations, Export financing, and Related Programs Appropriations Act, 1988; however, before exercising the authority of this section with regard to a base rights or base access country which has significantly reduced its military or economic cooperation with the United States, the President shall consult with, and shall provide a written policy justification to the Committees on Appropriations.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees wish to reaffirm their support for the historic relationships which bind the United States to its democratic allies. Today, more than ever before, these relationships are critical to the economic and military vitality which has allowed the nations of the free world to prosper in the second half of the Twentieth Century. For this reason, it is distressing to note the failure of many friends of the United States to acknowledge that it is in their interest as well as ours that we reach equitable and mutually beneficial conclusions to base rights and base access negotiations. The conferees believe that recognition of shared responsibilities in mutual security relationships is essential.

The conferees have chosen to reinforce this message by amending section 562 with a provision allowing the President to reprogram funds earmarked for assistance to a base rights, or base access country, should it be determined that it has significantly reduced its military or economic cooperation with the United States.

Amendment No. 125: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, which specifies that any assistance reprogrammed shall be available under the same terms and conditions as originally provided.

HAITI

Amendment No. 126: Deletes House languages proposed by the Senate.

Amendment No. 127: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, which inserts "Act".

Amendment No. 128: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, which adds the Peace Corps and the Overseas Private Investment Corporation to the exceptions on assistance to Haiti.

The conferees wish to express their displeasure with the Government of Haiti for failing to live up to its obligations, under the March 29, 1987 Constitution, to ensure the formation and preservation of democratic institutions. As recent events in the country demonstrate, political stability and economic development will not occur in the absence of a clear national commitment to free expression and the rule of law.

The ascension of Lt. General Prosper Avril to the leadership of the Haitian Government on September 18, appears to represent yet another turn in the cycle of violence and repression which has marked the history of the country since the overthrow of the authoritarian Duvalier regime. Reports indicate that humanitarian agencies of the United States have found it difficult to operate in such a volatile climate and to provide rudimentary health care, agricultural development, and vocational training of vital importance to the citizens of Haiti. The enactment of section 569 of the FY 1988 Foreign Operations Appropriations Act, suspending all United States assistance to Haiti until democracy is restored, was meant to send a signal to the Government that this country does not condone the atrocities that have been committed by the Haitian military and Duvalier loyalists against the civilian population.

It is the hope of the conferees that the new Government of Haiti will see fit to fulfill the promise of the country's March, 1987 Constitution, and that its people soon will discover the peace, tranquility and prosperity they so rightly deserve.

Amendment No. 129: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, which adds the Peace Corps and the Overseas Private Investment Corporation to exclusions on assistance to Haiti.

ASSISTANCE FOR PANAMA

Amendment No. 130: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, which inserts the Government of Panama into the provision restricting assistance to Panama.

Amendment No. 131: Delete House language as proposed by the Senate.

Amendment No. 132: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and occur in the amendment of the Senate, which inserts the word "being" into provisions on assistance to Panama on freedom of the press.

Amendment No. 133: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *programs, projects, or activities which assist or lend support for the Noriega regime, ministries of government under the control of the Noriega regime, or any successor regime that does not meet the criteria specified in subsection (a) of this section*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

STINGERS IN THE PERSIAN GULF REGION

Amendment No. 134: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

(d) ILLEGAL ACQUISITION.—Effective April 1, 1989, before issuing any letter of offer to sell any defense article or defense service to Qatar, Qatar shall have returned all Stinger antiaircraft missiles illegally acquired or purchased. The President shall notify the Committees on Appropriations and the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate when all such missiles have been returned.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

RELATIVELY LEAST DEVELOPED COUNTRIES

Amendment No. 135: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter striken and inserted by said amendment, insert the following: *or at any time after September 30, 1989, the President may, if he determines it is in the national interest to do so, use the authority of those paragraphs with respect to such aggregate amounts of outstanding principal and interest payable at any time after that date as the President may determine. The authority provided in this section may be exercised with respect to any country described in the last sentence of this section and may be exercised notwithstanding section 124(c)(2) of that Act. In exercising the authority provided in this section, the President may waive the requirement that equivalent amounts of local currencies be deposited into local currency accounts in accordance with paragraph (A) of section 124(c)(1) of that Act, to the extent that the President determines that sufficient local currencies are otherwise available to achieve development objectives. This section applies with respect to any relatively least developed country, or any country in Sub-Saharan Africa (without regard to whether that country is a relatively least developed country within the meaning of section 124(a) of that Act), if*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 136: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate relating to conditions of eligibility for relatively least developed countries.

RESOLUTION OF JAPANESE BEETLE PROBLEM

Amendment No. 137: Restores language proposed by the House regarding the solving of the Japanese beetle problem in the Azores, Portugal.

HONDURAS-RAMIREZ CASE

Amendment No. 138: Restores and alters language proposed by the House and stricken by the Senate.

The conferees have agreed to restore the language proposed by the House except that only $5,000,000 of the $20,000,000 withheld from expenditure will be released and $15,000,000 will continue to be withheld.

CONGRESSIONAL PRESENTATION FOR SECURITY ASSISTANCE PROGRAMS

Amendment No. 139: Restores the section number proposed by the House and changed by the Senate.

Amendment No. 140: Restores language proposed by the House which requires that $10,000,000 in funds from the Military Assistance program be returned to the United States Treasury if certain conditions are not met, instead of deriving the funds from Foreign Military Credit Sales as proposed by the Senate.

SOUTH AFRICA—SCHOLARSHIPS

Amendment No. 141: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken by said amendment, insert the following:

SOUTH AFRICA—SCHOLARSHIPS

SEC. 576. Of the funds made available by this Act under the heading "Economic Support Fund", not less than $10,000,000 shall be made available for scholarships for disadvantaged South Africans: Provided, That these funds shall be in addition to funds earmarked under such heading for Sub-Saharan Africa.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

THIRD PARTY TRANSFER

Amendment No. 142: Restores the section number proposed by the House and changed by the Senate.

Amendment No. 143: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, which changes a citation of the Arms Export Control Act from 3(d)(2)(A) as proposed by the House to 3(d) as proposed by the Senate.

Amendment No. 144: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

(1) in paragraph (2)(A), by striking out "law" and inserting in lieu thereof "joint resolution, as provided for in sections 36(b)(2) and 36(b)(3) of this Act"; and

(2) in paragraph (3), by adding at the end thereof "Such consent shall become effective then only if the Congress does not enact, within a 30-day period, a joint resolution, as provided for in sections 36(c)(2) and 36(c)(3) of this Act prohibiting the proposed transfer."

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

NARCOTICS CONTROL PROGRAM

Amendment No. 145: Restores a section number proposed by the House and changed by the Senate.

The Conferees support the Government of Bolivia in its recent efforts to eliminate illicit narcotics production and trafficking in its country. The conferees note several major achievements in Bolivia's war on drugs. Bolivia has met eradication targets set forth in the US-Bolivia joint narcotics agreement and the conferees note the success of the voluntary eradication effort. The Bolivian Congress has passed and the President of Bolivia has signed a comprehensive anti-narcotics law that prohibits and sets stiff criminal penalties for growing, distributing, or trafficking in illicit narcotics. In keeping with that law, the Bolivian special drug forces apprehended and imprisoned Roberto Suarez.

Amendment No. 146: Deletes language proposed by the Senate relating to the narcotics program.

Amendment No. 147: Deletes permissive language proposed by the Senate and restores mandatory language proposed by the House concerning the narcotics program.

Amendment No. 148: Restores a citation proposed by the House and changed by the Senate.

Amendment No. 149: Deletes permissive language proposed by the Senate and restores mandatory language proposed by the House.

Amendment No. 150: Deletes language proposed by the Senate and restores language proposed by the House.

Amendment No. 151: Deletes permissive language proposed by the Senate and restores mandatory language proposed by the House.

Amendment No. 152: Restores language proposed by the House and deleted by the Senate related to a program designation.

Amendment No. 153: Restores language proposed by the House and deleted by the Senate concerning the use of title II funds for a naroctics program.

Amendment No. 154: Restores a paragraph designation proposed by the Hosue and deleted by the Senate.

Amendment No. 155: Restored in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which adds technical language.

Amendment No. 156: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which adjusts technical language.

Amendment No. 157: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which changes a technical designation.

TURKISH AND GREEK MILITARY FORCES ON CYPRUS

Amendment No. 158: Restores a section number proposed by House and changed by the Senate.

COMMERCIAL LEASING OF DEFENSE ARTICLES

Amendment No. 159: Restores a section number proposed by House and changed by the Senate.

Amendment No. 160: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate allowing NATO and major non-NATO allies to commercially lease defense equipment.

Amendment No. 161: Restores language proposed by House and deleted by the Senate limiting commercial leasing of defense equipment to non-major defense equipment.

CAMBODIAN NON-COMMUNIST RESISTANCE FORCES

Amendment No. 162: Restores a section number proposed by House and changed by the Senate.

Amendment No. 163: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires that not to exceed $5,000,000 may be made available for this program.

Amendment No. 164: Restores language proposed by the House and stricken by the Senate which cites Military Assistance as a source of funds for this program, instead of military assistance as proposed by the Senate.

HUMAN RIGHTS IN CUBA

Amendment No. 165: Restores section number stricken and changed by the Senate.

Amendment No. 166: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which strikes the House language on human rights in Cuba and inserts a sense of Congress on human rights in Cuba.

DRUG-FREE WORKPLACE

Amendment No. 167: Deletes language proposed by the House concerning drug free workplaces.

The conferees have deleted this provision from the bill because a provision addressing the drug free workplace has been included in the Treasury-Postal Service-General Government Appropriations Act for FY 1989. This provision covers all activities of the U.S. Government.

Amendment No. 168: Deletes language proposed by the House concerning drug free and corruption free workplaces.

ASSISTANCE FOR POLAND

Amendment No. 169: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the section number named in said amendment, insert: *583*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree to include the Senate provision providing that up to the equivalent of $500,000 of the non-convertible and convertible Polish currencies held by the United States which have been generated by the sale to Poland of United States agricultural products may be made available for the reconstruction, renovation and maintenance of the Research Center on Jewish History and Culture of the Jagiellonian University of Krakow, Poland.

COMPETITIVE INSURANCE

Amendment No. 170: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of section number named in said amendment, insert: *584*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement inserts the Senate provision on competitive insurance.

PAY RAISES

Amendment No. 171: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of section number named in said amendment, insert: *585*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement inserts the Senate provision requiring that FY 1989 pay raises for programs funded by this Act be absorbed within the levels appropriated in this Act.

FAIR PRICING

Amendment No. 172: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

FAIR PRICING

SEC. 586. (a) The last sentence of paragraph (3) of section 503(a) of the Foreign Assistance Act of 1961 is amended by inserting immediately after the phrase "under paragraph (3)" the phrase "or from funds made available on a non-repayable basis under section 23 of the Arms Export Control Act", and by inserting after "Armed Forces of the United States" the phrase "(other than the Coast Guard)".

(b) The Secretary of Defense shall waive collection of the following amounts of surcharges otherwise due on the letter of offer and acceptance (without amendment) for the sale to Israel of aircraft known as Peace Marble III and on the letter of offer and acceptance (without amendment) for the sale to Egypt of aircraft known as Peace Vector III:

(1) $20,000,000 of administrative surcharges under section 21(e)(1)(A) of the Arms Export Control Act for the letter of offer and acceptance with Israel and $11,700,000 of administrative surcharges under that section for the letter of offer and acceptance with Egypt: Provided, That the Secretary shall reimburse the fund established to carry out section 43(b) of the Arms Export Control Act in the amount of the surcharges waived pursuant to this paragraph from any funds available to the Department of Defense, as he determines; and

(2) $70,000,000 of nonrecurring cost recoupment surcharges under section 21(e)(1)(C) of the Arms Export Control Act for the letter of offer and acceptance with Israel and $38,000,000 of nonrecurring cost recoupment surcharges under that section for the letter of offer and acceptance with Egypt.

(c) This section shall be effective on October 1, 1989.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement includes waivers of certain charges of military costs on aircraft purchases for Israel and Egypt. The provision goes into effect in fiscal year 1990.

IRELAND

Amendment No. 173: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the mater inserted by said amendment, insert the following:

IRELAND

SEC. 587. It is the sense of the Congress that of the funds appropriated or otherwise made available for the International Fund for Ireland, the Board of the International Fund for Ireland should give great weight in the allocation of such funds to projects which will create permanent, full time jobs in the areas that have suffered most severely from the consequences of the instability of recent years. Areas that have suffered most severely from the consequences of the instability of recent years shall be defined as areas that have high rates of unemployment.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree to revise language proposed by the Senate concerning the International Fund for Ireland.

SALES FROM STOCKS

Amendment No. 174: Deletes language proposed by the Senate concerning sales fom Defense Department stocks.

NOTICE TO CONGRESS REGARDING POSSIBLE MISSILES SALES

Amendment No. 175: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

NOTICE TO CONGRESS REGARDING POSSIBLE MISSILES SALES

SEC. 588. (a) PRICE AND AVAILABILITY REPORTS:—Section 28 of the Arms Export Control Act is amended—

(1) in the first sentence of subsection (a)—

(A) by striking out "or" after "$7,000,000 or more" and inserting in lieu thereof a comma, and

(B) by inserting ", or of any Air-to-Ground or Ground-to-Air missiles, or associated launchers (without regard to the amount of

the possible sale)," after "$25,000,000 or more"; and

(2) in clause (2) of subsection (b)—

(A) by striking out "or" after "$7,000,000 or more" and inserting in lieu thereof a comma, and

(B) by inserting ", or of any Air-to-Ground or Ground-to-Air missiles or associated launchers (without regard to the amount of the proposed sale)," after "$25,000,000 or more".

(b) NOTIFICATIONS IN THE ABSENCE OF RECENT PRICE AND AVAILABILITY REPORT LISTING.—

(1) SALES SUBJECT TO NOTIFICATION REQUIREMENT.—Paragraph (2) of this subsection applies with respect to any letter or offer to sell any Air-to-ground or Ground-to-Air missiles, or associated launchers (without regard to the amount of the sale) if, within the preceding 6 months, a listing has not been transmitted to the Congress pursuant to section 28 of the Arms Export Control Act with respect to that sale and if section 36(b) of that Act does not apply.

(2) REQUIREMENT FOR NOTIFICATION.—Before issuing any letter of offer described in paragraph (1), the President shall notify the Speaker of the House of Representatives and the Chairman of the Committee on Foreign Relations of the Senate. Any such notification shall contain the information required in a certification under section 36(b) of the Arms Export Control Act.

(3) TIME FOR NOTIFICATION.—The notification required by paragraph (2) shall be submitted not less than 30 days before the letter of offer is issued, unless the President states in the notification that an emergency exists which requires the proposed sale in the national security interests of the United States. If the President states that such an emergency exists, he shall include a detailed justification for his determination, including a description of the emergency circumstances which necessitate the immediate issuance of the letter of offer and a dicsussion of the national security issues involved.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree to revise the Senate language concerning Congressional notice of missile sales to require notification on air-to-ground or ground-to-air missiles or associated launchers, instead of on all missiles and related equipment.

FUNDING ADJUSTMENTS

Amendment No. 176: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter inserted by said amendment insert the following:

FUNDING ADJUSTMENTS

SEC. 589. Notwithstanding any other provision of this Act, the following amount is hereby appropriated in lieu of the amount contained previously herein for payment to the African Development Bank, $7,345,371: Provided, That notwithstanding any other provision of this Act, during fiscal year 1989, total commitments by the Overseas Private Investment Corporation to guarantee loans shall not exceed $175,000,000 of contingent liability for loan principal: Provided further, That section 514 of this Act is amended to read as follows:

TRANSFERS BETWEEN ACCOUNTS

SEC. 514. None of the funds made available by this Act may be obligated under an appropriation account to which they were not appropriated.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

OLD EXECUTIVE OFFICE BUILDING

Amendment No. 177: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter inserted by said amendment insert the following:

OLD EXECUTIVE OFFICE BUILDING

SEC. 590. (a) ACCEPTANCE OF GIFTS OF MONEY AND PROPERTY.—The Director of the Office of Administration is authorized to—

(1) accept, hold, administer, utilize and sell gifts and bequests of property, both real and personal, and loans of personal property other than money; and

(2) accept and utilize voluntary and uncompensated services;

for the purpose of aiding, benefiting, or facilitating the work of preservation, restoration, renovation, rehabilitation, or historic furnishing of the Old Executive Office Building and the grounds thereof.

(b) ESTABLISHMENT OF FUND.—There is established in the Treasury a fund for use in accordance with the provisions of this section. Amounts of money and proceeds from the sale of property accepted under subsection (a) shall be deposited in the fund, which shall be available to the Director of the Office of Administration. Such funds shall be held in trust by the Secretary of the Treasury.

(c) USE OF FUND.—Property accepted pursuant to this section or the proceeds from the sale thereof, shall be used as nearly as possible in accordance with the terms of the gift or bequest. Any use or sale of property accepted pursuant to this section, and any use of proceeds from such sale, shall be subject to the disapproval of the Administrator of General Services within 30 days after the Administrator receives notice of such use or sale. The Director of the Office of Administration shall not accept any gift under this section that is expressly conditioned on any expenditure not to be met from the gift itself unless such expenditure has been approved by an Act of Congress.

(d) TAXES.—For the purpose of the Federal income, estate, and gift tax laws, property accepted under this section shall be considered as a gift, bequest, or devise to the United States.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

CONSULTING SERVICES

Amendment No. 178: Delete language proposed by the Senate limiting consulting services.

EL SALVADOR ECONOMIC SUPPORT FUND

Amendment No. 179: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the section number named in said amendment, insert: *591*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement inserts a Senate provision which requires that twenty-five percent of the Economic Support Funds for El Salvador be used for project assistance.

AFGHANISTAN

Amendment No. 180: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

ASSISTANCE TO AFGHANISTAN

SEC. 592. Funds appropriated by this Act may not be made available, directly or for the United States proportionate share of programs funded under the heading "International Organizations and Programs", for assistance to be provided inside Afghanistan if that assistance would be provided through the Soviet-controlled government of Afghanistan. This section shall not be construed as limiting the United States contributions to international organizations for humanitarian assistance.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed to revise the Senate provision restricting funds to Afghanistan to clarify that the restriction does not limit the United States contributions to international organizations for humanitarian assistance.

AGM-65-D/G MAVERICK

Amendment No. 181: Deletes language proposed by the Senate which prohibited the sale of any AGM-65-D/G missiles under the numbered certification transmitted to the Congress on July 7, 1988 (transmittal number 88-39).

COSTA RICA

Amendment No. 182: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

COSTA RICA

SEC. 594. The Department of State shall select an independent factfinder to investigate the legal and financial issues related to the case involving the Government of Costa Rica and an American citizen concerning property and businesses in the vicinity of Limon Province, Costa Rica. The Department of State shall report, no later than March 1, 1989, the findings made by the factfinder to the parties involved and to the Committees on Appropriations and the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate. The costs of the factfinder shall be paid from unearmarked funds provided under the heading "Economic Support Fund".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees are concerned about a continuing dispute between an American citizen and the Government of Costa Rica concerning development of business activities in the vicinity of Limon Province, Costa Rica. While the conferees have undertaken unusual action in this particular case, the conferees do not intend to set a precedent of U.S. taxpayers paying the costs of factfinders in situations involving private U.S. citizens and businesses and foreign governments.

The conferees believe that the appropriate authorizing Committees and the Executive Branch should review the "Hickenlooper Amendment" and its shortcomings and consider new ways for the United States Government to deal with these types of situations. The conferees note that an increasing number of disputes between U.S. citizens and foreign governments have been brought before the Congress in recent years.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1989 recommended by the Committee of Conference, with comparisons to the fiscal year 1988 amount, the 1989 budget estimates, and the House and Senate bills for 1989 follow:

New budget (obligational) authority, fiscal year 1988	$13,614,746,741
Budget estimates of new (obligational) authority, fiscal year 1989	14,307,969,987
House bill, fiscal year 1989	14,299,842,666
Senate bill, fiscal year 1989	14,296,021,936
Conference agreement, fiscal year 1989	14,290,032,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1988	+675,285,259
Budget estimates of new (obligational) authority, fiscal year 1989	−17,937,987
House bill, fiscal year 1989	−9,810,666
Senate bill, fiscal year 1989	−5,989,936

DAVID R. OBEY,
SIDNEY R. YATES,
MATTHEW F. MCHUGH,
WILLIAM LEHMAN,
CHARLES WILSON,
JULIAN C. DIXON,
WILLIAM H. GRAY III,
ROBERT J. MRAZEK,
JAMIE L. WHITTEN,
MICKEY EDWARDS,
JACK KEMP,
JERRY LEWIS,
JOHN EDWARD PORTER,
SILVIO O. CONTE,
Managers on the Part of the House.

JOHN C. STENNIS,
DANIEL K. INOUYE,
J. BENNETT JOHNSTON,
PATRICK LEAHY,
DENNIS DECONCINI,
FRANK R. LAUTENBERG,
TOM HARKIN,
B. A. MIKULSKI,
ROBERT KASTEN,
MARK O. HATFIELD,
ALFONSE M. D'AMATO,
WARREN B. RUDMAN,
ARLEN SPECTER,
DON NICKLES,
TED STEVENS,
Managers on the Part of the Senate.

CONFERENCE REPORT ON H.R. 4782

Mr. SMITH of Iowa submitted the following conference report and statement of the bill (H.R. 4782) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary and related agencies for the fiscal year ending September 30, 1989, and for other purposes:

CONFERENCE REPORT (H. REPT. 100-979)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4782) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary and related agencies for the fiscal year ending September 30, 1989, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 5, 14, 25, 26, 27, 28, 41, 70, 74, 79, 80, 81, 83, 84, 89, 90, 95, 98, 101, 103, 105, 106, 108, 115, 122, 130, 135, 161, 162, 169, 172, 173, 175, 178, 179, 180, 181, and 182.

That the House recede from its disagreement to the amendments of the Senate numbered 67, 72, 75, 76, 82, 100, 114, 157, 159, 165, and 166, and agree to the same.

Amendment numbered 3:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$96,035,000*; and the Senate agree to the same.

Amendment numbered 6:

That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$32,899,000*; and the Senate agree to the same.

Amendment numbered 40:

That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert *$75,000,000*; and the Senate agree to the same.

Amendment numbered 97:

That the House recede from its disagreement to the amendment of the Senate numbered 97, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert *as authorized by law, $8,000,000*; and the Senate agree to the same.

Amendment numbered 104:

That the House recede from its disagreement to the amendment of the Senate numbered 104, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$95,100,000*; and the Senate agree to the same.

Amendment numbered 111:

That the House recede from its disagreement to the amendment of the Senate numbered 111, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert *as authorized by law, including travel as authorized by 31 U.S.C. 1345*; and the Senate agree to the same.

Amendment numbered 113:

That the House recede from its disagreement to the amendment of the Senate numbered 113, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$11,200,000*; and the Senate agree to the same.

Amendment numbered 129:

That the House recede from its disagreement to the amendment of the Senate numbered 129, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert *$31,030,000*; and the Senate agree to the same.

Amendment numbered 132:

That the House recede from its disagreement to the amendment of the Senate numbered 132, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended as follows: In lieu of the sum named in said amendment insert *$500,000*; and the Senate agree to the same.

Amendment numbered 137:

That the House recede from its disagreement to the amendment of the Senate numbered 137, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$741,000*; and the Senate agree to the same.

Amendment numbered 138:

That the House recede from its disagreement to the amendment of the Senate numbered 138, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$1,290,000*; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 2, 4, 7, 8, 9, 10, 11, 12, 13, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 68, 69, 71, 73, 77, 78, 85, 86, 87, 88, 91, 92, 93, 94, 96, 99, 102, 107, 109, 110, 112, 116, 117, 118, 119, 120, 121, 123, 124, 125, 126, 127, 128, 131, 133, 134, 136, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 158, 160, 163, 164, 167, 168, 170, 171, 174, 176, and 177.

NEAL SMITH,
BILL ALEXANDER,
JOSEPH D. EARLY,
BERNARD J. DWYER,
BOB CARR,
ALAN MOLLOHAN,
JAMIE L. WHITTEN,
HAL ROGERS,
(except on amendments 144 and 168)
RALPH REGULA,
JIM KOLBE,
(except on amendments 144 and 168)
SILVIO O. CONTE,
Managers on the Part of the House.

ERNEST F. HOLLINGS,
DANIEL INOUYE,
DALE BUMPERS,
FRANK R. LAUTENBERG,
JIM SASSER,
WARREN B. RUDMAN,
TED STEVENS,
LOWELL P. WEICKER, JR.,
MARK HATFIELD,
ROBERT KASTEN,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4782) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies for the fiscal year ending September 30, 1989, and for other purposes, submit the following joint statement to the House and Senate in explanation of the effect of the action upon by the managers and recommended in the accompanying conference report:

WAR ON DRUGS

The conferees wish to emphasize that the conference agreement for H.R. 4782 contains no funds to enhance or increase efforts for the war on drugs. As a result of the section 302 budget allocation which constrained funding in the bill, the conferees were confronted with a very difficult choice in resolving the differences between the House and Senate bills.

The conferees had to choose between two equally unpopular alternatives: (1) adding more drug law enforcement personnel, equipment and other support, but reducing the other agencies and commissions in the bill, including such critical programs as the SEC and weather satellites *below* the FY 1988 levels, or (2) freezing most agencies and commissions at FY 1988 levels, allowing some growth to high priority national programs such as the 1990 Census, and providing sufficient funds to allow those agencies critical to the war on drugs to maintain their current level of operations. The knowledge that legislation providing considerable additional resources to combat illegal drugs has passed the House greatly influenced the conferees' decision to choose alternative two.

As the following chart indicates, once defense and international functions (which are scored independently from the rest of the bill under last year's economic summit agreement), drug related programs and the highest priority national programs are considered, the remaining 30 agencies and commissions in the bill are held to a net $3 million *reduction* from fiscal year 1988:

[Budget authority in millions]

	FY 1988	FY 1989 conference	Change
Bill totals	$14,100	$14,855	+$755
High priority programs:			
1990 Decennial Census			+172
Weather Satellites and related programs			+81
National Institute of Standards & Technology			+14
SEC			+7
Export promotion/International Trade programs			+9
Drug Related Agencies:			
Justice			+307
Judiciary			+69
Defense and International Functions			+99
Other Agencies/Commissions			−3

The conferees are confident that levels provided in this bill will allow the law enforcement agencies to continue their current drug enforcement efforts, and that amounts provided in upcoming drug bills will allow for the expansion which the conferees agree is urgently required. The conferees also realize that those agencies which are being frozen at or below FY 1988 levels by this bill will probably be forced into hiring freezes, furloughs and even reductions in force (RIFs). This is especially true since all agencies in the bill are required to absorb the recently approved 4.1 percent pay raise.

The agencies and commissions frozen at or reduced below fiscal year 1988 levels are as follows: Department of Commerce—Minority Business Development Agency, Patent and Trademark Office, Economic Development Administration, and National Telecommunications and Information Agency; Department of Justice—General Administration, Parole Commission, Antitrust Division, U.S. Trustees Systems, Foreign Claims Settlement Commission, Community Relations Service, and Office of Justice Program; Department of State—Maintenance of buildings overseas, International Commission, Asia Foundation, Soviet-East European research and training, Fishermen's Guaranty Fund, and Fishermen's Protective Fund; The Judiciary—Supreme Court building and grounds and Court Security; Related Agencies—Maritime Administration operations and training, Christopher Columbus Commission on the Bicentennial of the Constitution, Commission on Civil Rights, Equal Employment Opportunity Commission, Federal Communications Commission, Federal Maritime Commission, Federal Trade Commission, Marine Mammal Commission, Office of the U.S. Trade Representative, and USIA Salaries and Expenses and Exchange Programs.

TITLE I—DEPARTMENT OF COMMERCE

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

Amendment No. 1: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *Including not to exceed $2,000 for official entertainment, $40,404,000.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $40,404,000 for General Administration, Salaries and Expenses, with a limitation of $2,000 for official entertainment. The House had proposed an appropriation of $39,204,000 for the Salaries and Expenses account. The Senate had proposed an appropriation of $41,000,000 with a limitation of $2,000 for official entertainment.

Amendment No. 2: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which earmarks $250,000 of the Salaries and Expenses appropriation for the Clearinghouse for State and Local Initiatives on Productivity, Technology and Innovation. The House bill contained no provision on this matter.

BUREAU OF THE CENSUS

SALARIES AND EXPENSES

Amendment No. 3: Appropriates $96,035,000 instead of $94,835,000 as proposed by the House and $96,995,000 as proposed by the Senate. The conference agreement includes $1,200,000 for the transfer of the plant and equipment survey from Economic and Statistical Analysis.

PERIODIC CENSUSES AND PROGRAMS

Amendment No. 4: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment insert: *$517,304,000, to remain available until expended.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The House had proposed $527,304,000 for Periodic Censuses and Programs. The Senate had proposed $535,399,000. The conference agreement provides $517,304,000.

The conference agreement includes $227,000 for a survey of residential finance and $800,000 to continue the horticultural specialties census. The conferees are agreed that the horticultural specialties industry ought to reimburse the Bureau of the Census up to $300,000 in FY 1989 for preparation of this census.

The conferees note that $50,000,000 is currently estimated to be carried over to FY 1989 from prior fiscal years in the Periodic Censuses and Programs account and believe that this amount, together with the $517,304,000 in the conference agreement for FY 1989, should be sufficient to carry out all necessary activities planned for FY 1989 for the 1990 decennial census and other periodic censuses.

Amendment No. 5: Deletes language proposed by the Senate which would have required the Census Bureau to use the same question that was used in the 1980 census concerning Asian and Pacific Islander racial data. The House bill contained no provision on this matter. The conferees are agreed that the Census Bureau should use the 1980 question on this matter to the extent possible under time and budget constraints. The conferees are further agreed that with respect to the forms used in the 1990 decennial census, the Bureau should not modify or alter, either in format or content, the manner in which data relating to any other racial group, including American Indians and their enrolled or principal tribes and persons of hispanic origin, is collected as set forth in the report of the Secretary of Commerce to Congress under section 141(f)(2) of title 13, United States Code, on or about March 31, 1988.

ECONOMIC AND STATISTICAL ANALYSIS

SALARIES AND EXPENSES

Amendment No. 6: Appropriates $32,899,000 instead of $29,667,000 as proposed by the House and $33,000,000 as proposed by the Senate. The conference agreement reflects a net reduction of $1,257,000 in adjustments to base, and increases over the House allowance of $2,412,000 for continuation of the Office of Productivity, Technology and Innovation and $2,400,000 for enhancement of the quality of GNP estimates, balance of payments estimates and tabulation of corporate tax return data.

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

Amendment No. 7: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

For economic development assistance as provided by the Public Works and Economic Development Act of 1965, as amended, and Public Law 91-304, and such laws that were in effect immediately before September 30, 1982, $182,028,000, of which (a) $1,400,000 is for a grant to the Crownpoint Institute of Technology in the State of New Mexico to assist in the rehabilitation and reconstruction of facilities, including site stabilization and drainage repairs; (b) $2,000,000 is for a grant to the Philadelphia Port Corporation in Philadelphia, Pennsylvania, for the Fruit Shed Expansion project at Tioga Marine Terminal I and Piers 82 and 84 to assist in the expansion of storage and handling facilities; (c) $4,500,000 is for a grant to the University of Kentucky in Lexington, Kentucky, to assist in the construction of the Advanced Science and Technology Commer-

cialization Center; (d) $250,000 shall be obligated for the Center for International Trade Development at Oklahoma State University; (e) $600,000 is for a grant to Crittenden County, Arkansas, for use in replacing a health center; (f) $125,000 is for a grant to Arkansas State University, Jonesboro, Arkansas, for the establishment and first year operation of a university center under the provisions of the Public Works and Economic Development Act of 1965, as amended; (g) $1,700,000 is for a grant to the revolving loan fund established under the provisions of Title XI of the Public Works and Economic Development Act of 1965, as amended, and administered by the East Arkansas Planning and Development District, Jonesboro, Arkansas, except that notwithstanding any other provision of law or regulation, no requirement for provision of matching funds shall be imposed as a condition for making this grant; (h) $2,400,000 is for a grant to the City of Beaumont, Texas, for the Spindletop Regional Development Project; (i) $200,000 is for a grant to Marshall University, Huntington, West Virginia, for the Marshall University Flexibility Manufacturing Proposal; (j) $200,000 is for a grant to Wheeling Jesuit College, Wheeling, West Virginia, for planning and technical assistance activities for establishment of a Software Development Center; (k) $2,250,000 is for grants for Projects A and B of the Special Impact Area Overall Economic Development Program for Polk County and the Cities of Des Moines and Ankeny, Iowa; and (1) $600,000 is for a grant to the Southeastern Area Technology Development Center, Inc., New London, Connecticut, for a demonstration project on the ability of a small business incubator to help diversify the economy of a defense-dependent region: Provided, That the Secretary of Commerce shall thoroughly review and evaluate each of the projects listed in subsections (a) through (1) of this paragraph and shall submit a report to the House and Senate Committees on Appropriations in March 1980 concerning the details and evaluation of each such project: Provided further, That the funds designated in subsections (a) through (1) of this paragraph shall be available for the national economic development assistance programs of the Economic Development Administration unless the House and Senate Appropriations Committees send letters to the Secretary of Commerce within 60 days of the submission of the report or June 1, 1989, whichever is later, on the projects listed in subsections (a) through (1) of this paragraph interposing no objection to the commencement of these projects: Provided further, That any sum in excess of the sum needed to comply with the House and Senate Appropriations Committees' letters for any of the projects listed in subsections (a) through (1) shall be available for the national economic development assistance programs of the Economic Development Administration: Provided, further, That the Secretary of Commerce or his designees shall not promulgate or enforce any rule, regulation, or grant agreement provision affecting programs authorized by the Public Works and Economic Development Act of 1965, as amended, unless such rule, regulation, or provision is either required by statute or expressed as the explicit intent of the Congress or is in substantial conformity with those rules, regulations and provisions in effect prior to December 22, 1987: Provided, further, That during fiscal year 1989 total commitments to guarantee loans shall not exceed $150,000,000 of contingent liability for loan principal: Provided further, That none of the funds appropriated or otherwise made available under this heading may be used directly or indirectly for attorneys' or consultants' fees in connection with securing grants and contracts made by the Economic Development Administration.

SALARIES AND EXPENSES

For necessary expenses of administering the economic development assistance programs as provided for by law, $24,742,000: Provided, That the number of Deputy Assistant Secretary positions shall not be greater than four: Provided, further, That these funds may be used to monitor projects approved pursuant to title I of the Public Works Employment Act of 1976, as amended, title II of the Trade Act of 1974, as amended, and the Community Emergency Drought Relief Act of 1977. Notwithstanding any other provision of this Act or any other law, funds appropriated in this paragraph shall be used to fill and maintain forty-nine permanent positions designated as Economic Development Representatives out of the total number of permanent positions funded in the Salaries and Expenses account of the Economic Development Administration for fiscal year 1989, and such positions shall be maintained in the various States within the approved organizational structure in place on December 1, 1987, and where possible, with those employees who filled those positions on that date.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $182,028,000 for Economic Development Assistance Programs instead of $183,500,000 as proposed by the Senate, and $24,742,000 for Salaries and Expenses instead of $24,989,000 as proposed by the Senate. The House bill contained no provision on this matter.

The conference agreement also provides for four projects included in the Senate bill, as well as eight new projects. New language has been included to require a report from the Secretary of Commerce in March of 1989 regarding the details of these projects. Based on this report, the conference agreement provides that funds will be obligated for each such project based on the written approval and direction of the Committees on Appropriations. New language has also been included to provide that excess funds not used for specific projects will become available for the national program. The House bill contained no provision on this matter.

The conference agreement also includes language proposed by the Senate to authorize a loan guarantee program of $150,000,000, as well as new language to prohibit the imposition of new restrictions not specifically authorized or permitted by the Congress on EDA grants. The House bill contained no provision on this matter.

For the Salaries and Expenses appropriation, the conference agreement includes language proposed by the Senate and carried in prior Acts limiting the number of Deputy Assistant Secretary positions to four, and requiring the maintenance of 49 permanent positions designated as Economic Development Representatives. The House bill contained no provision on this matter.

The amount in the conference agreement shall be allocated as follows among the various EDA programs:

Fiscal year 1989 EDA Program levels

Public works grants	$126,460,000
Planning assistance	22,995,000
Districts	(15,330,000)
Indians	(2,875,000)
States	(1,916,000)
Urban	(2,874,000)
Technical assistance	6,706,000
University centers	(4,790,000)
Research and evaluation	1,210,000
Economic adjustment grants	24,657,000
Sudden and severe projects	(12,454,000)
Revolving loan fund projects	(12,203,000)
Total	182,028,000

Of the technical assistance funds provided under this conference agreement, the conferees intend that not less than 83 percent shall be made available for projects processed through the Economic Development Representative/Regional Office review procedure.

INTERNATIONAL TRADE ADMINISTRATION

OPERATIONS AND ADMINISTRATION

Amendment No. 8: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of "$178,917,000, to remain available until expended," in said amendment, insert: *$167,502,000, to remain available until expended, of which $3,300,000 is for support costs for a new materials center in Ames, Iowa, and*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $167,502,000 for the International Trade Administration, certain language provisions contained in the Senate amendment, and new language earmarking $3,300,000 for support costs for a new materials center in Ames, Iowa. The Senate had provided $178,917,000 and the aforementioned certain language provisions. The House had provided $161,432,000 with language making the appropriation available for expenses of international trade activities of the Department of Commerce provided for by law.

The conference agreement includes the following:

—$10,000,000 for restoration of funds provided in FY 1988 through releasing a reserve for loan losses;
—$9,200,000 to cover exchange rate losses;
—$600,000 to implement the Canadian softwood lumber agreement;
—$3,300,000 for support costs for a new materials center in Ames, Iowa; and
—$5,795,000 for trade adjustment assistance, including $3,957,000 for renewal of all existing grants to trade adjustment assistance centers through September 30, 1989.

EXPORT ADMINISTRATION

OPERATIONS AND ADMINISTRATION

Amendment No. 9: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the sum "$40,481,000", named in said amendment, insert: *$40,106,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $40,106,000 for Export Administration and certain language provisions which were contained in the Senate amendment. The Senate had provided $40,481,000 and the language contained in the conference agreement. The House had provided $37,465,000 with language making the appropriation available only for certain activities authorized by certain provisions of law.

The conference agreement includes a total of $775,000 to establish regional offices in Portland, Oregon and the Boston, Mass./Nashua, New Hampshire area. The conference agreement does not provide any increase for annualizing the cost of the Los Angeles regional office, established in FY 1988. The conferees are agreed that this should be absorbed within the total amount provided. The conferees are agreed that within the total amount of the conference agreement, the Bureau of Export Administration may allocate a small portion of the resources provided to meet the expanded statutory requirements for foreign availability assessments.

MINORITY BUSINESS DEVELOPMENT AGENCY

MINORITY BUSINESS DEVELOPMENT

Amendment No. 10: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the sum "$40,102,000" named in said amendment, insert: *$39,705,000* and in lieu of the sum "$25,718,000 " named in said amendment, insert: *$25,321,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $39,705,000 for the Minority Business Development Agency of which $25,321,000 shall be available until expended, and the language contained in the Senate amendment providing for a limitation of $14,384,000 on funds available for program management and a limitation on the transfer of Department of Commerce funds appropriated in this title to the Department's Working Capital Fund without complying with the Appropriations Committees' reprogramming procedures. The Senate had provided $40,102,000 of which $25,718,000 was to remain available until expended and the aforementioned language provisions. The House bill contained no provision on this matter.

The conferees direct the Minority Business Development Agency to maintain its offices in Boston, Massachusetts and Stark County, Ohio.

UNITED STATES TRAVEL AND TOURISM ADMINISTRATION

SALARIES AND EXPENSES

Amendment No. 11: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which appropriates $13,800,000 for the United States Travel and Tourism Administration and provides certain language provisions governing the use of funds. The House bill contained no provision on this matter.

The conference agreement includes $250,000 for a study to explore ways in which small businesses in rural areas can be promoted through travel and tourism, as well as $150,000 to enable the Department of Commerce to enter into a contract to update the travel economic impact model (TEIM).

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH, AND FACILITIES

(INCLUDING TRANSFERS OF FUNDS)

Amendment No. 12: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of activities authorized by law for the National Oceanic and Atmospheric Administration, including acquisition, maintenance, operation, and hire of aircraft; 439 commissioned officers on the active list; construction of facilities, including initial equipment; alteration, modernization, and relocation of facilities; and acquisition of land for facilities; $1,211,652,000, to remain available until expended; of which $3,000,000 shall be available for the EROS Data Center in South Dakota pursuant to section 602 of Public Law 98-365; and of which $1,941,500, including $941,500 previously appropriated, shall be available only for construction and renovation of facilities at the Stuttgart Fish Farming Experimental Station, Stuttgart, Arkansas; and of which $377,000 shall be available only for a semi-tropical research facility located at Key Largo, Florida; and of which $1,700,000 is for the St. Paul Pribilof Island Trust; and in addition, $28,717,000 shall be derived from the Airport and Airways Trust Fund; and in addition, $45,600,000 shall be derived from the Airport and Airways Trust Fund; and in addition, $45,600,000 shall be derived by transfer from the Fund entitled "Promote and Develop Fishery Products and Research Pertaining to American Fisheries"; and in addition, $6,500,000 shall be derived by transfer from the Coastal Energy Impact Fund: Provided, That grants to States pursuant to sections 306 and 306(a) of the Coastal Zone Management Act, as amended, shall not exceed $2,000,000 and shall not be less than $450,000.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $1,211,652,000 instead of $1,181,858,000 as proposed by the House and $1,265,854,000 as proposed by the Senate.

The conference agreement also appropriates $28,717,000 from the Airport and Airways Trust Fund instead of $30,000,000 as proposed by the Senate, and provides that $45,600,000 shall be transferred from the fund entitled "Promote and Develop Fishery Products and Research Pertaining to American Fisheries" as proposed by the Senate, and also provides that $6,500,000 shall be derived by transfer from the Coastal Energy Impact Fund as proposed by the Senate. The House bill contained no provisions on these matters.

The conference agreement includes an earmarking of $3,000,000 for the EROS Data Center instead of $4,000,000 as proposed by the Senate. The House bill contained no provision on this matter.

The conference agreement includes earmarkings of $1,941,500 for construction and renovation of facilities at the Stuttgart Fish Farming Experimental Station, Stuttgart, Arkansas, and $1,700,000 for the St. Paul Pribilof Island Trust as proposed by the Senate. The House bill contained no provision on these matters.

The conference agreement includes an earmarking of $377,000 for a semi-tropical research facility located at Key Largo, Florida. Neither the House nor the Senate bills contained a provision on this matter.

The conference agreement deletes the Senate provision which would have required that the funds made available in this paragraph be obligated in accordance with the Senate Appropriations Committee's report as if such report were enacted into law. The House bill contained no provision on this matter.

The conference agreement includes language proposed by the Senate which makes the appropriation available for 439 commissioned officers on the active list. The House bill contained no provision on this matter.

The conference agreement provides the budget request for the Operations, Research and Facilities account with the following additions and reductions:

Additions to budget request

[Dollars in thousands]

National Ocean Service:	
Vertical control network.	$200
South Carolina mutipurpose mapping project...	377
Great Lakes mapping project...	100
Multipurpose cadastre survey...	1,836
Circulatory program...	400
Ocean assessment activities (Long Island Sound—$1,000)...	6,500
California data buoys...	151
Coastal Zone Management—306 and 306(a) State grants...	33,000
Coastal Zone Management—309 grants...	942
Estuarine sanctuary program...	1,600
Marine sanctuary management...	504
Coastal Zone Management program management...	500
Wetlands demonstration project...	900
Ocean services...	2,400
National Marine Fisheries Service:	
Resource surveys and technology (New England stock depletion, $650—State agency grant)...	2,650
Protected species research...	1,200
Habitat research...	5,133
Fisheries statistics...	2,919
Analysis of ecosystems...	917
Aquaculture (Newport, OR, $350; Stuttgart, AR, $1,375; Southern Kentucky aquaculture project, $247)...	4,344
Chesapeake Bay studies..	1,600
SEAMAP...	942
MARFIN...	3,000
West Coast groundfish research...	847
Right whale research...	235
Marine mammal research...	1,506
Gear entanglement research...	706
Habitat evaluation research...	471
Subarctic fisheries research...	753

Hawaii stock management plan	400
Complete Lake Mead limnological research	400
Yukon River Chinook study	235
Japanese salmon interceptions	141
Alaska salmon enhancements	3,766
Pacific salmon research	4,708
Atlantic salmon research	250
Antarctic research	1,300
Regional fisheries councils	3,766
Columbia River/Mitchell Act hatcheries	9,300
Manage Georges Bank fisheries	471
Tiburon lab	94
Habitat conservation	1,883
Oregon harbor seals and sea lions	36
Oyster disease research	500
Shellfish water standards research	500
Endangered species recovery plans	235
Fisheries trade promotion activities	1,388
Interjurisdictional fisheries grants to states	3,500
Andromous fisheries grants	2,354
Striped bass research	471
Interstate fisheries commissions	330
Product, quality and safety research (includes Gloucester Lab)	4,400
Fish oil research	942
Asian acquaculture exchanges (Oceanic Institute)	282
St. Paul trust fund	1,700
Mahi Mahi export strategy	188
Seafood inspection program	330
Oceanic and Atmospheric Research:	
Regional climate centers ($300 each for Illinois, New York-New England, Nebraska, Nevada, and South Carolina)	1,500
National climate program office	250
State weather modification grants	2,213
Sea Grant (base program)	39,000
National Coastal R&D Institute	1,177
NOAA Undersea Research Program (NURP)	14,285
Key Largo research facility	377
Great Lakes Environmental Research Lab (GLERL)	1,600
VENTS/Sea floor spreading research (Newport, Oregon)	1,695
Fisheries-Oceanography Coordinated Investigations (FOCI)	942
PROFS	1,883
Woods Hole Oceanographic Institute (Construction)	2,000
National Weather Service:	
Staffing of Weather Service Forecast Offices	787
Southern regional headquarters	852
Pacific and Alaska regional headquarters	383
Data buoy activities	1,105
Fire weather	282
Agriculture and fruit frost warnings	1,355
Susquehanna River flood warning system operations	700
Colorado River basin flood warning system operations	300
Meteorological/hydrological research	320
MARD	1,000
Advanced Weather Interactive Processing System (AWIPS)	8,500
National Environmental Satellite, Data, and Information Service:	
Landsat 4 and 5 operations (In addition, $3,000 in carryover balances)	6,400
NOAA Port	2,000
EROS Data Center operations	3,000
Program Support:	
Marine Services (restores fleet rehabilitation, days-at-sea, and denies ship deactivations)	6,275
Total additions	220,664
Reductions from budget request:	
Polar satellite spacecraft and launching (slippage)	−33,619
Landsat commercialization (partial funding from other sources)	−13,700
Reduced adjustments to base funding	−12,378
ANCS II	−1,660
Climate and global change ($9,000 program level)	−6,000
NEXRAD (slippage; $41,400 program level)	−12,500
Administration, services, and facilities	−3,651
Aircraft services	−575
Total reductions	−84,083
Budget request	1,133,171,000
Additions to budget request	220,664,000
Reductions from budget request	−84,083,000
Offset from CEIF	−6,500,000
Offset from S/K fund	−45,600,000
Deobligations	−6,000,000
Appropriation	1,211,652,000

The conference agreement provides $7,700,000 for Saltonstall-Kennedy Grants to conduct educational, technological and biological related research and marketing pertaining to American fisheries. The Northeast Region, an area which includes the New England, Mid-Atlantic and East Central regions and the Great Lakes, comprises at least 40 percent of the U.S. population, a like amount of seafood consumption and an even greater share of economic activity from fisheries activities. The conferees have noted the inappropriate distribution of these grants in the past several years for the Northeast Region, averaging about 13 percent of the total. NOAA is directed to distribute the 1989 Grants to more properly reflect the level of activity, degree of industry support and involvement appropriate to the level of fisheries activities within the respective regions.

The conference agreement provides $29,800,000 for the LANDSAT System, of which $20,400,000 is for the continued construction of LANDSAT 6 and $9,400,000 is for the expenses associated with the continued operation of LANDSATS 4 and 5. Of the funds allocated for the continued construction of LANDSAT 6, the planned payment to the Air Force for launch costs is to be deferred until fiscal year 1990 and is to come from a source other than NOAA. The total amount provided for the operational expenses of LANDSATS 4 and 5 is based on the revised estimate of continued availability and level of LANDSAT imagery during the first half of fiscal year 1989. If LANDSATS 4 and 5 continue to operate for a longer period of time, then NOAA will need to make suitable financial arrangements.

The conferees have been informed of a new initiative at the Woods Hole Oceanographic Institute entitled "A Program for Research on the Changing Global Habitat", designed to contribute to an increased understanding of the operation of the "Earth System" and a better use of the habitat of this planet. To assist in the establishment of this program, the conference agreement includes $2,000,000 for a grant to the Woods Hole Oceanographic Institute for interior finishing work and laboratories at its new geosciences building which will house the program.

The conferees did not provide $1,500,000 for research and related activities. However, the conferees anticipate that this matter will be reviewed by the Appropriations Committees at the first available opportunity.

The conferees direct that $750,000 be available for bowhead whale research, of which $400,000 shall be allocated to NOAA's Marine Mammal Lab to conduct the bowhead whale spring aerial survey and continue work on the associated length frequency study, and $350,000 shall be allocated to the Alaska Eskimo Whaling Commission for the following purposes: (1) scientific research; (2) International Whaling Commission representation; and (3) implementation of the Alaska Eskimo Whaling Commission and National Oceanic and Atmospheric Administration cooperative agreement.

The conferees direct that none of the funds appropriated to the Department of Commerce, the National Oceanic and Atmospheric Administration, or the National Weather Service shall be used to move from Kansas City, Missouri, the National Weather Service Training Center currently located in Kansas City, nor to close such Center. The conferees note that any proposal to contract out this facility to the private sector would be subject to review pursuant to the Appropriations Committees' reprogramming procedures.

The conferees are agreed that NOAA should consider Guam's application for funding to the Coastal Zone Management program as well as the application for start up funds for a marine sanctuary program in south Texas.

Of the enhanced-funding provided for the NOAA Undersea Research Program,

$500,000 is for the Undersea Research Program at the University of Connecticut for continuation of critical studies on the deep water impacts of the ocean dumping of sewage sludge, and the continuation of the cooperative research program with the Israel Oceanographic and Limnological Research Institute; $175,000 is for the Undersea Research Program at the Caribbean Marine Research Center for the further investigation of physical biological conditions surrounding the massive coral bleaching witnessed throughout the Caribbean region last summer and fall; $375,000 is for the Undersea Research Program at Fairleigh Dickinson University for further systems development for NOAA's newly launched mobile habitat, the Aquarius; and $1,300,000 is provided to enable the Hawaii Underwater Research laboratory (HURL) to acquire a surplus tuna seiner. A reduction of $200,000 is to be assessed against the base program of NURP.

Within the funds provided for the National Undersea Research Program, the conferees have allocated $200,000 for the underwater research program at the University of North Carolina— Wilmington in the South Atlantic, Caribbean and Gulf of Mexico.

By restoring funds for Coastal Zone Management, the conferees intend that any available carryover or deobligated balances up to a maximum of $500,000 will be used to continue support of ongoing federal, state, and local efforts to study and restore the Albemarle-Pamlico estuarine system.

The conference agreement provides $4,344,000 above the budget request for aquaculture projects including $350,000 for work at Newport, Oregon; $1,375,000 for Stuttgart, Arkansas, of which $375,000 is for operations and maintenance and $1,000,000 is in addition to the $941,000 previously appropriated for construction and renovation of facilities; and $247,000 for the Southern Kentucky Aquaculture Demonstration project.

The conferees have approved the $100,000 included by the Senate for the Sandy Hook Laboratory monitoring and research program of the dumping of sewage sludge at the 106-mile dumpsite.

Of the funds provided for facilities maintenance, $200,000 shall be made available to the Beaufort, North Carolina, laboratory. The conferees note ongoing efforts to establish a cooperative institute for coastal ocean sciences between the Beaufort Lab, the University of North Carolina, and Duke University. These maintenance funds should help to initiate an upgrade of equipment and facilities which will assist development of this cooperative institute.

The conferees have not included the language in the Senate bill requiring that the obligation of funds be made in accordance with the Senate report. It is the understanding of the conferees that the Department of Commerce intends to obligate funds provided to NOAA in accordance with the House and Senate reports and in accordance with the provisions of this conference agreement as expressed in the joint explanatory statement of the managers.

The conferees are concerned at the cost growth of the GOES spacecraft development contract. The conferees request that NASA restructure the present contract into a fixed-price type as soon as practicable. A fixed-price contract should enable NOAA and NASA to control costs.

FISHERIES PROMOTIONAL FUND

Amendment No. 13: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

FISHERIES PROMOTIONAL FUND

Of the funds deposited in the Fisheries Promotional Fund pursuant to section 209 of the Fish and Seafood Promotion Act of 1986, $3,000,000, to remain available until expended, shall be made available as authorized by said Act: Provided, That $135,000 of this amount shall be available only for a grant to the Seafood Consumer Research and Education Center, Astoria, Oregon.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement makes available until expended $3,000,000 of the funds deposited in the Fisheries Promotional Fund and inserts new language making $135,000 of this amount available only for a grant to the Seafood Consumer Research and Education Center, Astoria, Oregon. The Senate amendment would have made available until expended $3,000,000 of the funds deposited in the Fisheries Promotional Fund. The House bill contained no provision on this matter.

The $135,000 included in the conference agreement for a grant to the Seafood Consumer Research and Education Center will supplement commitments of local funds to start up this center in Astoria, Oregon and the development of a plan for a permanent facility and long-term industry and institutional support.

FISHERMEN'S CONTINGENCY FUND

Amendment No. 14: Appropriates $719,000 as proposed by the House instead of $726,000 as proposed by the Senate.

Amendment No. 15: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which inserts a provision making the appropriation available until expended. The House bill contained no provision on this matter.

FOREIGN FISHING OBSERVER FUND

Amendment No. 16: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *$1,919,000, to remain available until expended.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $1,919,000 to remain available until expended, instead of $1,938,000 to remain available until expended as proposed by the Senate and $1,919,000 without any provision for continued availability of funds as proposed by the House.

PATENT AND TRADEMARK OFFICE

SALARIES AND EXPENSES

Amendment No. 17: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate agreement with an amendment as follows:

In lieu of the sum named in said amendment, insert the following: *$109,000,000.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $109,000,000 for the Patent and Trademark Office and the language provisions contained in the Senate amendment. The Senate amendment would have provided $110,529,000 for the Office. The House bill contained no provision on this matter.

NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY

Amendment No. 18: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter proposed in said amendment, insert the following:

NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY

SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES

For necessary expenses of the National Institute of Standards and Technology, $159,000,000, to remain available until expended, of which $250,000 shall be available for a grant to the Southwest Radiation Calibration Center at the University of Arkansas; and of which not to exceed $6,050,000 may be transferred to the "Working Capital Fund"; and of which $7,500,000 shall be for Regional Centers for Transfer of Manufacturing Technology; and of which $7,500,000 shall be used to develop and fund for the period January 1, 1989 through December 31, 1991 a cooperative agreement, with a non-Federal partner, for the establishment of a Center for Integrated Design, Non-Destructive Evaluation and Manufacturing. Of the funding provided for the Center for Integregated Design, Non-Destructive Evaluation and Manufacturing, 50 percent will be used for program operations and 50 percent for facilities development and equipment. The Institute will report to the House and Senate Committees on Appropriations on the status of the cooperative agreement with the Center for Integrated Design, Non-Destructive Evaluation and Manufacturing not later than February 1, 1989.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $159,000,000, the language provisions in the Senate amendment earmarking $250,000 for a grant to the Southwest Radiation Calibration Center at the University of Arkansas and not to exceed $6,050,000 for transfer to the Working Capital Fund, and new language earmarking $7,500,000 for Regional Centers for Manufacturing Technology and $7,500,000 for a cooperative agreement for the establishment of a Center for Integrated Design, Non-Destructive Evaluation and Manufacturing. The Senate amendment would have appropriated $151,231,000 with earmarkings for the Southwest Radiation Calibration Center and the Working Capital Fund. The House bill contained no provision on this matter.

The conference agreement includes the following increases over the 1988 amounts:	
1988 Appropriation	$144,783,000
Regional Centers for the Transfer of Manufacturing Technology	2,500,000
Modifications to adjustments to base	1,067,000
Computer Security Act	1,500,000
Superconductivity	[1](2,000,000)

New fire research on ignition of upholstery and general toxicity studies	[2] 250,000
Study of alternative refrigerants	250,000
Chemical measurements and standards	400,000
Evaluation of non-energy related inventions	150,000
Bioprocess engineering	[2] 200,000
Lightwave/measurement technology	400,000
Cooperative Agreement for Center for Integrated Design, Non-Destructive Evaluation and Manufacturing	7,500,000
Total	159,000,000

[1] To be funded from unobligated balances carried into fiscal 1989.

[2] In addition, $250,000 is to be made available from unobligated balances carried into fiscal 1989.

The conferees have included language in the bill as approved by the Senate designating $250,000 to be made available for a grant to the Southwest Radiation Calibration Laboratory at the University of Arkansas. In addition, $6,050,000 is to be transferred to the Working Capital Fund.

As indicated above, the program increases include $2,500,000, in addition to the $5,000,000 continuing level, for a total of $7,500,000 in 1989 funds, to follow on the $5,000,000 appropriated in fiscal 1988 for the development of new regional centers for the transfer of manufacturing technology, as authorized in the comprehensive Trade Act. The conferees believe that these centers will be a major contributor to making America competitive and have appropriated the necessary funding to insure a good start on their vital assistance to the Nation's manufacturers. The conferees intend that these centers will be geographically distributed and shall focus on areas of critical national need.

The conferees have inserted language in the bill providing $7,500,000 to be used to develop and fund for the period January 1, 1989 through December 31, 1991, a cooperative agreement, with a non-Federal partner, for the establishment of a Center for Integrated Design, Non-Destructive Evaluation and Manufacturing. Of the funding provided, 50 percent will be used for program operations and 50 percent for facilities development and equipment. The Institute will report to the Committees on Appropriations on the status of this cooperative agreement not later than February 1, 1989.

NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION

Amendment No. 19: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which inserts a heading.

SALARIES AND EXPENSES

Amendment No. 20: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

SALARIES AND EXPENSES

For necessary expenses, as provided for by law, of the National Telecommunications and Information Administration, $13,630,000 of which $700,000 shall remain available until expended.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement appropriates $13,630,000 for the National Telecommunications and Information Administration's Salaries and Expenses account of which $700,000 shall remain available until expended. The Senate amendment would have appropriated $13,630,000 without any provision on carryover funds. The House bill contained no provision in this matter.

The conferees are agreed that the National Telecommunications and Information Administration shall use such funds as are necessary to undertake an evaluation of the impact on the United States' telecommunications marketplace, in particular, the provision of new and innovative information services, due to the restriction prohibiting the Regional Bell Operating Companies from engaging in research and development, and product design for the manufacturing of telecommunications related equipment. The prohibition of such activities is contained in the Modification of Final Judgment in *United States* v. *Western Electric Co., Inc. and American Tel. and Tel. Co.* and a subsequent *Opinion and Order* issued by the U.S. District Court for the District of Columbia, on December 3, 1987, in Civil Action Number 82-0192. The Secretary shall report the findings of such evaluation to the Speaker of the House of Representatives and the President Pro Tempore of the Senate no later than March 1, 1989.

PUBLIC TELECOMMUNICATIONS FACILITIES, PLANNING AND CONSTRUCTION

Amendment No. 21: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the sum "$21,590,000" named in said amendment, insert: *$20,000,000* and in lieu of the sum "$1,700,000" named in said amendment, insert: *$200,000 appropriated in this paragraph.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $20,000,000 for Public Telecommunications Facilities, Planning and Construction, instead of $21,590,000 as proposed by the Senate, and certain language proposed by the Senate except that up to $200,000 is earmarked for the PEACESAT project instead of $1,700,000 as proposed by the Senate. The House bill contained no provision on this matter.

The conferees recognize the importance of the PEACESAT program to our national interests in the Pacific. However, since NTIA has not yet fully expended the $1.7 million appropriated for FY 1988, the conferees agree to defer full funding for the second year of the program until FY 1990. Instead of the Senate figure of $1.7 million, the conferees agree to provide $200,000 in FY 1989 to allow NTIA to complete the necessary studies and acquire the space segment and hardware to restore the PEACESAT program to full operation.

GENERAL PROVISIONS—DEPARTMENT OF COMMERCE

Amendment No. 22: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which provides language in Sec. 101 making Commerce Department funds in this Act available for advanced payments only upon certification of officials designated by the Secretary that such that such payments are in the public interest. The House bill contained no provision on this matter.

Amendment No. 23: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which inserts Sec. 103 prohibiting the use of funds in the Commerce Department title of the bill to sell to private interests, except with the consent of the borrower, or to contract with private interests to sell or administer any loans made under the Public Works and Economic Development Act of 1965 or any loans made under the Trade Act of 1954. The House bill contained no provision on this matter.

Amendment No. 24: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which inserts Sec. 104 that permits the National Bureau of Standards to accept contributions to construct a facility for cold neutron research on materials. The House bill contained no provision on this matter.

Amendment No. 25: Deletes Sec. 105 proposed by the Senate which would have added a general provision making permanent, language providing for the payment of contingent liability in certain contracts for information processing and telecommunications services for the Advanced Weather Interactive Processing Systems (AWIPS-90). Similar language was enacted in Fiscal Year 1988. The House bill contained no provision on this matter. The conferees agree the language included in the Fiscal Year 1988 appropriations Act provides sufficient authority for the payment of contingent liability.

Amendment No. 26: Deletes Sec. 106 proposed by the Senate which would have added the "Process Patent Amendments Act of 1988" to this Act. That legislation is included in P.L. 100-418. The House bill contained no provision on this matter.

Amendment No. 27: Deletes Sec. 107 proposed by the Senate which would have added the "Patent Law Foreign Filing Amendments Act of 1988" to this Act. That legislation is included in P.L. 100-418. The House bill contained no provision on this matter.

Amendment No. 28: Deletes Sec. 108 proposed by the Senate which would have required the Commerce Department to conduct certain studies and report to Congress on the feasibility of establishing a central computer bank for U.S. corporations needing personnel with foreign language skills and a computer bank of personnel with foreign language skills seeking employment. The House bill contained no provision on this matter.

The conferees agree that the Department of Commerce should conduct a study on the feasibility of establishing a central computer bank for U.S. corporations needing personnel with foreign language skills and a computer bank of personnel with foreign language skills seeking employment and submit a report on these matters to the Appropriations Committees by March 15, 1989.

TITLE II—DEPARTMENT OF JUSTICE

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

Amendment No. 29: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and

concur in the Senate amendment with an amendment as follows:

In lieu of the matter proposed by said amendment insert the following:

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

For expenses necessary for the administration of the Department of Justice, $88,360,000: Provided, That balances previously made available for Federal Justice Research activities may be used for other activities of this account.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $88,360,000 for General Administration, instead of $89,244,000 as proposed by the Senate. The conference agreement also includes language requested by the Department, but left out of both the House and Senate bills which makes unobligated balances previously provided, but no longer required, for Federal Justice Research activities available for use in General Administration.

UNITED STATES PAROLE COMMISSION

SALARIES AND EXPENSES

Amendment No. 30: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which appropriates $10,893,000 for the Commission, the amount requested for fiscal year 1989.

LEGAL ACTIVITIES

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

Amendment No. 31: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the sum "$240,591,000" named in said amendment insert: *$242,994,000.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $242,994,000 for General Legal Activities, an increase of $5,785,000 over FY 1988 in order to allow the activities to maintain ongoing drug law enforcement efforts.

The conference agreement includes language proposed by the Senate, but not in the House bill, which allows up to $6,000,000 for litigation support contracts to remain available until expended, provides up to $5,000,000 for office automation projects, and allows the United States National Central Bureau, INTERPOL to establish and collect fees.

SALARIES AND EXPENSES, ANTITRUST DIVISION

Amendment No. 32: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the sum named in said amendment insert: *$44,937,000.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $44,937,000 for the Antitrust Division for fiscal year 1989, instead of $45,386,000 as proposed by the Senate.

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

Amendment No. 33: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter proposed by said amendment insert the following:

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

For necessary expenses of the Offices of the United States Attorneys, $391,212,000.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $391,212,000, the amount proposed by the Senate, for the salaries and expenses of the U.S. Attorneys for fiscal year 1989. The conference agreement deletes Senate language which places a floor of 112 full-time assistant U.S. Attorneys at the U.S. Attorneys Office of the Southern District of Florida. While the conferees understand that this District has a unique and direct correlation with U.S. drug enforcement efforts, the conferees could not agree to the constraints made in the Senate bill because of the impact it would have on other Districts. The conferees agree that the Department should make every effort to adequately staff the Southern District Office, especially if additional appropriations are provided through upcoming drug enforcement legislation.

UNITED STATES TRUSTEE SYSTEM FUND

Amendment No. 34: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the sum named in said amendment insert: *$47,370,000.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $47,370,000 for the United States Trustee System for fiscal year 1989, instead of $47,784,000 as proposed by the Senate. The conference agreement also includes language which allows the Trustees to pay refunds due depositors and which merges remaining balances of "Salaries and expenses, oversight of bankruptcy cases" into the Fund.

SALARIES AND EXPENSES, FOREIGN CLAIMS SETTLEMENT COMMISSION

Amendment No. 35: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which appropriates $472,000, the amount requested for the Commission for fiscal year 1989. The conference agreement also includes language proposed by the Senate which allows the Commission to provide allowances and benefits for Commission personnel overseas similar to those allowed under the Foreign Service Act of 1980.

SALARIES AND EXPENSES, UNITED STATES MARSHALS SERVICE

Amendment No. 36: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the sum "$185,000,000" named in said amendment insert: *$190,000,000.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $190,000,000, an amount sufficient to allow the Marshals Service to maintain its fiscal year 1988 level of operations, instead of $185,000,000 as proposed by the Senate. The conference agreement also includes language proposed by the Senate which allows the Marshals Service to collect fees and credit up to $1,000,000 to this appropriation.

SUPPORT OF UNITED STATES PRISONERS

Amendment No. 37: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the sum "$87,649,000" named in said amendment insert: *$93,700,000.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $93,700,000 for Support of United States Prisoners, an amount sufficient to allow this program to maintain its fiscal year 1988 level of operation, instead of $87,649,000 as proposed by the Senate. The Conference agreement also includes language proposed by the Senate which earmarks $5,000,000 for the Cooperative Agreement Program.

FEES AND EXPENSES OF WITNESSES

Amendment No. 38: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter proposed by said amendment insert the following:

FEES AND EXPENSES OF WITNESSES

For expenses, mileage, compensation, and per diems of witnesses, for private counsel expenses, and for per diems in lieu of subsistence, as authorized by law, including advances; $52,203,000, to remain available until expended, of which not to exceed $1,350,000 may be made available for planning, construction, renovation, maintenance, remodeling, and repair of buildings and the purchase of equipment incident thereto for protected witness safesites: Provided, That the Attorney General may enter into reimbursable agreements with other Federal Government agencies or components within the Department of Justice to pay expenses of private counsel to defend Federal Government employees sued for actions while performing their official duties.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $52,203,000 for Fees and Expenses of Witnesses for fiscal year 1989, instead of $51,569,000 as proposed by the Senate. The Conference agreement also includes new language which allows the Department to enter into reimbursable agreements with other Federal agencies to pay expenses of private counsel to defend Federal employees in tort claims for action taken while performing their official duties.

SALARIES AND EXPENSES, COMMUNITY RELATIONS SERVICE

Amendment No. 39: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter proposed by said amendment insert the following:

SALARIES AND EXPENSES, COMMUNITY RELATIONS SERVICE

For necessary expenses of the Community Relations Service, established by title X of the Civil Rights Act of 1964, $27,858,000, of which not to exceed $20,667,000 shall remain available until expended to make payments in advance for grants, contracts and reimbursable agreements and other expenses nec-

essary under section 501(c) of the Refugee Education Assistance Act of 1980 (Public Law 96-422; 94 Stat. 1809) for the processing, care, maintenance, security, transportation and reception and placement in the United States of Cuban and Haitian entrants: Provided, That notwithstanding section 501(e)(2)(B) of the Refugee Education Assistance Act of 1980 (Public Law 96-422; 94 Stat. 1810), funds may be expended for assistance with respect to Cuba and Haitian entrants as authorized under section 501(c) of such Act.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $27,858,000 for the Community Relations Service for fiscal year 1989, instead of $28,137,000 as proposed by the Senate. The conference agreement also includes language which limits to $20,667,000 the amount available for the processing, care and placement of Cuban and Haitian entrants, instead of $20,873,000 as proposed by the Senate.

ASSETS FORFEITURE FUND

Amendment No. 40: Appropriates $75,000,000 instead of "such sums as may be necessary" as proposed by the House and $147,056,000 as proposed by the Senate. The conference agreement limits amounts to be obligated from the Assets Forfeiture Fund to $75,000,000.

Amendment No. 41: Deletes language proposed by the Senate which would have directed that asset-specific expenses be funded prior to program-related expenses, and provides that funds transferred at the end of the fiscal year from the Fund to the Federal Prison System shall be made without regard to fiscal year limitations.

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

Amendment No. 42: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the sum "$1,424,977,000" named in said amendment insert: *$1,424,100,000.*

And in lieu of the sum "$10,000,000" named in said amendment insert: *$25,000,000.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $1,424,100,000 for the FBI for fiscal year 1989, instead of $1,424,977,000 as proposed by the Senate, and includes language which limits to 2,600 the number of passenger vehicles to be purchased and which provides $15,100,000 for INF treaty activities and allows up to $25,000,000 for ADP and telecommunications, instead of $10,000,000 as proposed by the Senate, $1,000,000 for undercover operations, $3,000,000 for research, and $500,000 for payments to State and local law enforcement agencies. The conference agreement also allows the FBI to collect fees for fingerprint identifications, provides that $45,000 shall be available for official reception and representation expenses, and makes $11,358,000 for a language translation system available until expended.

The conferees agree that the highest funding priority of the FBI within the amounts appropriated is to maintain its agent strength at as high a level as possible.

DRUG ENFORCEMENT ADMINISTRATION

SALARIES AND EXPENSES

Amendment No. 43: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter proposed by said amendment insert the following:

DRUG ENFORCEMENT ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Drug Enforcement Administration, including not to exceed $70,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General, and to be accounted for solely on his certificate; purchase of not to exceed 549 passenger motor vehicles of which 489 are for replacement only for police-type use without regard to the general purchase price limitation for the current fiscal year; and acquisition, lease, maintenance, and operation of aircraft; $505,000,000, of which not to exceed $1,200,000 for research shall remain available until expended; and of which not to exceed $1,700,000 for purchase of evidence and payments for information, not to exceed $4,000,000 for contracting for ADP and telecommunications equipment, not to exceed $ 2,000,000 for technical equipment, and not to exceed $15,150,000 for aircraft and equipment shall remain available until September 30, 1990.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $505,000,000 for the DEA in fiscal year 1989, instead of $503,219,000 as proposed by the Senate, and also includes language which limits to 549 the number of passenger vehicles to be purchased, and allows up to $1,200,000 for research, $1,700,000 for purchase of evidence, $4,000,000 for ADP and telecommunications and $2,000,000 for technical equipment. The conference agreement also includes new language making up to $15,150,000 for aircraft and equipment available until September 30, 1990.

The conferees agree that the highest funding priority for the DEA within the amounts appropriated is to maintain its agent strength at as high a level as possible.

IMMIGRATION AND NATURALIZATION SERVICE

SALARIES AND EXPENSES

Amendment No. 44: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the sum "$804,323,000" named in said amendment insert: *$800,000,000.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $800,000,000 for the INS in fiscal year 1989, instead of $804,323,000 as proposed by the Senate, and also includes language which limits to 525 the number of passenger vehicles to be purchased, provides up to $50,000 for unforeseen emergencies and $400,000 for research, limits total overtime pay per individual to $25,000, and allows for transfer of equipment purchased for the legalization program to be made available for general INS use.

The conferees are aware of serious processing delays taking place at the Immigration and Naturalization Service's Southern Regional Office and directs the INS to conduct a thorough study of all processing at this Office. A report of the findings and corrective actions taken shall be submitted to the Committees on Appropriations of the House and Senate by February 28, 1989.

The conferees are concerned over the so-called "revolving door" phenomenon of illegal entry by aliens. This phenomenon involves repeated attempts by aliens to cross U.S. borders, requiring continual apprehension, removal and repeat apprehension of the same individual by INS officials. Illegal immigration continues at alarming rates, and criminal alien statistics provided by the Immigration and Naturalization Service indicate a growing proportion of aliens are drug smugglers, known criminals and suspected terrorists. Emerging technology in the area of automated fingerprint identification systems has the potential for providing empirical data to clearly define the problem of recidivism as well as immediately identify those criminal aliens who should remain in the custody of INS. In order to address this problem, the conferees expect INS to undertake a prototype Automated Fingerprint Identification System test in the San Diego Border Patrol Sector with up to $1,375,000 in funding provided by this bill or with any other available resources. The INS shall report back to the Committee on Appropriations of the House and Senate by October 15, 1989 the results of the prototype test as well as a report on the merits of this system on a region-wide basis. The conferees expect the Department of Justice to cooperate with this endeavor to ensure the expeditious procurement of equipment and ADP hardware and related software necessary for the completion of this prototype test within fiscal year 1989.

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

Amendment No. 45: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which adds a heading not included in the House bill.

Amendment No. 46: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter proposed by said amendment insert the following:

SALARIES AND EXPENSES

For expenses necessary for the administration, operation, and maintenance of Federal penal and correctional institutions, including purchase (not to exceed 159 of which 109 are for replacement only) and hire of law enforcement and passenger motor vehicles; $953,012,000: Provided, That there may be transferred to the Health Resources and Services Administration such amounts as may be necessary, in the discretion of the Attorney General, for direct expenditures by that Administration for medical relief for inmates of Federal penal and correctional institutions: Provided further, That uniforms may be purchased without regard to the general purchase price limitation for the current fiscal year: Provided further, That of the amount appropriated under this heading, not to exceed $4,204,000 shall be for "Federal Prison Industries" to replace equipment destroyed during the Mariel Cuban disturbances.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $953,012,000 for the salaries and expenses of the Federal Prison System for fiscal year 1989, instead of $963,012,000 as proposed by the Senate. The conference agreement also includes language which allows for the payment for medical expenses of prisoners, limits to 159 the number of passenger vehicles to be purchased, and allows up to $4,204,000 for replacement of Federal Prison Industry equipment destroyed during the Mariel Cuban disturbances.

The conference agreement includes $250,000 for prison MATCH for fiscal year 1989 to continue this important program that facilitates visits between children and their inmate parents. These funds are provided for ongoing MATCH programs at the following institutions: Pleasanton, California; Fort Worth, Texas; Alderson, West Virginia; and Lexington, Kentucky. These funds are also provided to expand the program to institutions which are projected to house female prisoners in FY 1989, as follows: Geiger Correctional Institution, Washington; Mariana, Florida; Danbury, Connecticut; and Phoenix, Arizona.

NATIONAL INSTITUTE OF CORRECTIONS

Amendment No. 47: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the sum named in said amendment insert: *$9,590,000.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $9,590,000 for the National Institute of Corrections which results in a freeze at fiscal year 1988 levels, instead of $9,686,000 as proposed by the Senate.

The Martin Luther King, Jr. Center for Nonviolent Social Change has worked closely with the Federal Bureau of Prisons in developing a training program for Federal correctional officers in nonviolent conflict resolution. The conferees commend these efforts and urge the National Institute of Corrections to consider a collaborative effort with the Center to make this or similar programs available to state and local correctional systems.

BUILDINGS AND FACILITIES

Amendment No. 48: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the percentum "20" named in said amendment insert: *10.*

And in lieu of the section number "607" named in said amendment insert: *606.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $203,693,000 for Federal Prison System, Buildings and Facilities as proposed by the Senate, which allows $49,700,000 for construction of one medium security Federal correctional institution to be located in the Southeast, $52,000,000 for construction of a Federal detention center to be located in the Northeast, $29,950,000 for capacity expansion projects at six existing prisons, and $72,043,000 for modernization and repair projects at existing institutions.

The conference agreement includes language which allows for use of prison labor and which allows for transfer of up to 10 percent of Buildings and Facilities appropriation to the Salaries and Expenses appropriation instead of 20 percent as proposed by the Senate, subject to the reprogramming procedures of the Committees on Appropriations of the House and Senate.

FEDERAL PRISON INDUSTRIES, INCORPORATED

Amendment No. 49: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter proposed by said amendment insert the following:

FEDERAL PRISON INDUSTRIES, INCORPORATED

The Federal Prison Industries, Incorporated, is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available, and in accord with the law, including not to exceed $20,000,000 in borrowing authority in fiscal year 1989 from the Secretary of the Treasury as authorized in legislation enacted subsequent to this Act, and to make such contracts and commitments, without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the program set forth in the budget for the current fiscal year for such corporation, including purchase of (not to exceed five for replacement only) and hire of passenger motor vehicles.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides language as proposed by the Senate which provides basic authorities to Federal Prison Industries to make expenditures, but adds new language to allow for $20,000,000 in borrowing authority subject to enactment of authorizing legislation.

LIMITATION ON ADMINISTRATIVE AND VOCATIONAL EXPENSES, FEDERAL PRISON INDUSTRIES, INCORPORATED

Amendment No. 50: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the sum "$7,677,000" named in said amendment insert: *$4,677,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement reduces the limitation on vocational training expenses from the requested amount of $7,677,000 as proposed by the Senate to $4,677,000.

OFFICE OF JUSTICE PROGRAMS

JUSTICE ASSISTANCE

Amendment No. 51: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment insert the following:

For grants, contracts, cooperative agreements, and other assistance authorized by the Justice Assistance Act of 1984, Runaway Youth and Missing Children Act Amendments of 1984, and the Missing Children Assistance Act, including salaries and expenses in connection therewith, $89,383,000, to remain available until expended, of which $3,497,000 is provided for programs authorized under part E of the Justice Assistance Act of 1984, notwithstanding the provisions of section 407 of such Act, including $2,300,000 for the National Crime Prevention Campaign and $1,000,000 for Operational Information Systems Support.

In addition, for grants as authorized by the State and Local Law Enforcement Assistance Act of 1986 (Public Law 99-570, 100 Stat. 3207-42 to 3207-48), including salaries and expenses in connection therewith, $70,000,000, to remain available until expended, of which not less than $1,500,000 shall be made available for drug abuse demand reduction programs authorized under 42 U.S.C. 3761.

In addition, for grants, contracts, cooperative agreements, and other assistance authorized by title II of the Juvenile Justice and Delinquency Prevention Act of 1974, as amended, including salaries and expenses in connection therewith, $64,692,000, to remain available until expended, and in addition, $2,000,000, to remain available until expended, to be derived from deobligated funds previously awarded under title II, part B, subpart I and II of the Juvenile Justice and Delinquency Prevention Act.

In addition, $5,000,000 for the purpose of making grants to States for their expenses by reason of Mariel Cubans having to be incarcerated in State facilities for terms requiring incarceration for the full period October 1, 1988 through September 30, 1989, following their conviction of a felony committed after having been paroled into the United States by the Attorney General: Provided further, That within 30 days of enactment of this Act the Attorney General shall announce in the Federal Register that this appropriation will be made available to the States whose Governors certify by February 1, 1989, a listing of names of such Mariel Cubans incarcerated in their respective facilities: Provided further, That the Attorney General, not later than April 1, 1989, will complete his review of the certified listings of such incarcerated Mariel Cubans, and make grants to the States on the basis that the certified number of such incarcerated persons in a State bears to the total certified number of such incarcerated persons: Provided further, That the amount of reimbursements per prisoner per annum shall not exceed $12,000.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides new budget authority of $229,075,000 as proposed by the Senate instead of $75,000,000 as proposed by the House.

The conference agreement provides funding for Justice Assistance programs as follows:

[In thousands of dollars]

Program/activity	House	Senate	Conference
National Institute of Justice	[1]	$21,065	$21,000
Bureau of Justice Statistics	[1]	19,986	19,986
State and Local Assistance	[1]	3,300	3,497
Emergency Assistance	[1]	1,200	0
(prior year carryover)			(1,148)
Missing Children	[1]	4,000	4,000
Public Safety Officers Benefits	[1]	10,000	10,000
Regional Information Sharing System	[1]	12,000	13,000
Management and Administration	[1]	15,832	17,900
(prior year carryover)		(2,000)	(1,200)
Subtotal, new budget authority		87,383	89,383
Juvenile Justice programs	[1]	66,692	64,692
(prior year carryover)			(2,000)
Mariel Cubans	5,000	5,000	5,000
Anti-Drug Abuse Grants	70,000	70,000	70,000
Total, new budget authority	75,000	229,075	229,075
(prior year carryover)		(2,000)	(4,348)
Total availability	75,000	231,075	233,423

[1] The House provided no funds for these unauthorized programs, however, the fiscal year 1988 enacted amount was reserved within the House 302(b) allocation.

The conference agreement provides $21,000,000 for the National Institute of Justice (NIJ) to continue its research on crime and the criminal justice system. The conferees expect NIJ, within available funds, to expand in FY 1989 the very important research on a field prototype of a less-than-lethal weapon. The conference agreement also includes sufficient funds for NIJ to conduct an "Issues and Practices" study on hate crimes—i.e., crimes motivated on the basis of race, religion, sexual orientation, or ethnicity. The study will highlight existing programs to combat hate crimes and provide guidelines for criminal justice agencies to (1) identify, classify, investigate and prosecute hate crimes, (2) encourage reporting by hate crime victims, and (3) improve the treatment of hate crime victims.

The conference agreement provides a total of $3,497,000 for State and Local Assistance discretionary grants in order to fund high priority programs of a national scope. The conference agreement provides $2,300,000 for the National Crime Prevention Council to administer the National Crime Prevention Campaign, $1,000,000 for Operational Information Systems Support (SEARCH), and $197,000 for other high priority programs. The conferees agree that the benefits of automating State criminal justice information systems are national in scope and that financial support of automating these systems is an appropriate Federal role. In allocating the $1,000,000 made available by this Act for SEARCH, the conferees expect the Director of the Bureau of Justice Assistance to give priority consideration to States that have not automated their criminal justice information systems.

The conference agreement eliminates new budget authority for the Emergency Assistance program due to the availability of prior year funds.

The conference agreement provides a total of $66,692,000 for Juvenile Justice and Delinquency Prevention (JJDP) programs. Within these amounts, the conferees agree that the National Council of Juvenile and Family Court Judges and the Court-Appointed Special Advocate programs be provided funds sufficient to continue and enhance their vital programs, and that no less than $2,400,000 be provided for the coordinated, national Law-Related Education Program. The conference agreement also deletes language for JJDP, included by the Senate, which earmarks $3,000,000 to assist States not in substantial compliance with the jail removal mandate. The conferees agree that this earmark is no longer required and that funding should be distributed in accordance with existing law and departmental regulations.

The conference agreement provides $13,000,000 for the Regional Information Sharing System (RISS) program. the conferees are aware of ongoing, coordinated efforts by State and local law enforcement agencies, through the LEVITICUS project, to investigate and prosecute energy-related security fraud cases. The conferees expect, within amounts appropriated for RISS, that an additional $500,000 above FY 1988 amounts be provided to investigate and prosecute gold-mining and other precious metal fraud.

The conference agreement provides a total of $22,492,000 and 334 workyears for Management and Administration, to be derived as follows:

New budget authority	$17,900,000
Prior year carryover	1,200,000
Juvenile Justice M&A	2,892,000
Drug Grant M&A	500,000
Total	22,492,000

The conference agreement provides $70,000,000 for Anti-Drug Abuse Grants and related salaries and expenses. The conference agreement earmarks $1,500,000 for drug abuse demand reduction programs, specifically, $1,000,000 for the National Crime Prevention Campaign to expand drug abuse prevention initiatives and $500,000 for the Drug Abuse Resistance Education (DARE) program. In addition, the conferees expect that $510,000 of discretionary Anti-Drug Abuse Grants be provided to assist in attacking clandestine drug labs in the Portland, Oregon metropolitan area.

The conference agreement provides $5,000,000 for grants to States for Mariel Cuban prisoners, and adds Senate language included in previous appropriations Acts which establishes the procedure for providing grants to those States.

GENERAL PROVISIONS—DEPARTMENT OF JUSTICE

Amendment No. 52: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which adds the heading "General Provisions—Department of Justice".

Amendment No. 53: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which adds a general provision, Sec. 201, contained in a previous appropriations Acts which allows the Department to spend up to $75,000 for official reception and representation expenses.

Amendment No. 54: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which adds a general provision, Sec. 202, contained in previous appropriations Acts which allows use of material produced by convict labor to be used in highway construction.

Amendment No. 55: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which adds a general provision, Sec. 203, contained in previous appropriations Acts which makes appropriations available for uniforms and allowances.

Amendment No. 56: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which adds a general provision, Sec. 204, contained in previous appropriations Acts which continues in FY 1989 the authorities contained in the FY 1980 Department of Justice Authorization Act, and adds language relating to FBI/DEA undercover activities.

Amendment No. 57: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which adds a general provision, Sec. 205, contained in previous appropriations Acts which precludes use of appropriated funds to pay for an abortion.

Amendment No. 58: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which adds a general provision, Sec. 206, contained in previous appropriations Acts which precludes use of appropriated funds to require anyone to perform or facilitate an abortion.

Amendment No. 59: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which adds a general provision, Sec. 207, contained in previous appropriations Acts which requires the Bureau of Prisons to provide escort services for female prisoners seeking abortions.

Amendment No. 60: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment as follows:

In lieu of the matter proposed by said amendment insert the following:

SEC. 208. (a) Notwithstanding subsections (c) and (d) of section 223 of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5633), failure to achieve compliance with the requirements of subsection (a)(14) of such section within the five-year time limitation specified in such subsection (a)(14) shall terminate any State's eligibility for funding for fiscal year 1989 under subpart I of part B of title II of such Act unless the Administrator of the Office of Juvenile Justice and Delinquency Prevention—

(1) determines, in the discretion of the Administrator, that such State has—

(A)(i) removed not less than 75 percent of juveniles from jails and lockups for adults; or

(ii) achieved substantial compliance with such subsection (a)(14); and

(B) made, through appropriate executive or legislative action, an unequivocal commitment to achieving full compliance within a reasonable time, not to exceed three additional years; or

(2) waives the termination of the State's eligibility on the condition that the State agrees to expand all of the funds to be received under such subpart for such fiscal year by the State (excluding funds required to be expended to comply with subsections (c) and (d) of section 222) of such act, only to achieve compliance with such subsection (a)(14).

(b) Except as provided in subsection (a) of this section, failure to achieve compliance with the requirements of subsection (a)(14) of section 223 of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5633) after December 8, 1985, shall terminate any State's eligibility for funding for fiscal year 1989 under subpart I of part B of title II of such Act unless the Administrator waives the termination of the State's eligibility on the condition that the State agrees to expend all of the funds to be received for such fiscal year under such subpart by the State (excluding funds required to be expended to comply with subsections (c) and (d) of section 222) of such Act, only to achieve compliance with section 223(a)(14) of such Act.

(c) For purposes of subsection (a)(1)(A)(ii) of this section, a State may demonstrate that it is in substantial compliance with section 223(a)(14) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5633(a)(14)) by showing that it has—

(1) removed all juvenile status offenders and nonoffenders from jails and lockups for adults;

(2) made meaningful progress in removing other juveniles from jails and lockups for adults;

(3) diligently carried out the State's plan to comply with such section 223(a)(14); and

(4) historically expended, and continues to expend, to comply with such section 223(a)(14) an appropriate and significant share of the funds received by the State under subpart I of Part B of title II of such Act.

(d) Authorities contained in this Section shall remain in effect until the termination date of this Act or until the effective date of an Act to authorize appropriations for fiscal year 1989 for Juvenile Justice and Delinquency Prevention programs, whichever is earlier.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement modifies language proposed by the Senate and adds language contained in H.R. 1801 as passed the House on June 1, 1988, which amends 42 U.S.C. to allow the Administrator of the Office of Juvenile Justice and Delinquency Prevention to waive termination of funds to States not in substantial compliance with the provisions of the Juvenile Justice and Delinquency Prevention Act. The conferees expect the Administrator to notify the Committees on Appropriations of the House and Senate 15 days in advance of any decision to terminate such funding to a State.

Amendment No. 61: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which adds a general provision, Sec. 209, which amends 8 U.S.C. 1356 to establish an Immigration Examinations Fee Account.

The conference agreement directs that all deposits into the Account in excess of $50,000,000 be used to reimburse the Department for immigration adjudication and naturalization services. The conferees expect that funds generated by this Account shall not be used for any purpose other than enhancing naturalization and adjudications programs. Additionally, naturalization and adjudications fees shall not be increased beyond the extent they would have been increased absent the existence of the Account. Lastly, the conferees expect that the Department will identify in their annual budget submissions to the Congress collections to and expenses from the Account.

Amendment No. 62: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter proposed by said amendment insert the following:

SEC. 210. (a) IN GENERAL.—Section 101(b)(2) of the Immigration and Nationality Act (8 U.S.C. 1101(b)(2)) is amended by inserting before the period at the end the following: ", except that, for purposes of paragraph (1)(F) in the case of an illegitimate child described in paragraph (1)(D) (and not described in paragraph (1)(C)), the term 'parent' does not include the natural father of the child if the father has disappeared or abandoned or deserted the child or if the father has in writing irrevocably released the child for emigration and adoption".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the enactment of section 315 of the Immigration Reform and Control Act of 1986 and shall expire on October 1, 1989.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement adds a general provision, Sec. 210, which is a temporary technical correction to the Immigration and Nationality Act to remove constraints which bar the uniting of orphaned illegitimate children with their adoptive American families. The proposed language was amended to clarify that the father of the child had to have abandoned or deserted the child or released the child in writing. The language was also amended to make it effective only until September 30, 1989 in order to allow the appropriate Committees of Congress to enact permanent legislation to correct this problem.

Amendment No. 63: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which extends into fiscal year 1989 a general provision first included in the fiscal year 1988 appropriations Act, Sec. 211, which prevents the Immigration and Naturalization Service from implementing its rulemaking proceeding of August 8, 1986 concerning H-1 temporary visas.

TITLE III—DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

SALARIES AND EXPENSES

Amendment No. 64: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which deletes the word "For" in the House bill and inserts a provision waiving section 110 of Public Law 100-204. The House bill contained no such provisions.

Amendment No. 65: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendments which permits the Salaries and Expenses appropriation to be used for expenses of international agreements and binational contracts including obligations assumed in Germany on or after June 5, 1945. The House bill contained no provision on this item.

Amendment No. 66: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which permits the Salaries and Expenses appropriation to be used for telecommunications and physical security expenditures in Government-owned and leased properties and vehicles abroad. The House bill contained no such provision.

Amendment No. 67: Deletes the word "conventions" proposed by the House and stricken by the Senate.

Amendment No. 68: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which inserts the word "conventions". The House bill addressed this item in Amendment No. 67.

Amendment No. 69: Reported in technical disagreement. The managers of the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the sum stricken and inserted by said amendment, insert the following: *$1,784,000,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $1,784,00,000 for the State Department's Salaries and Expenses account instead of $1,793,500,000 as proposed by the House and $1,792,000,000 as proposed by the Senate.

The conference agreement includes $3,000,000 for counterterrorism research and development and $3,675,000 for replacing Foreign Service Nationals at certain Eastern European posts. The conference agreement also includes $900,000 for a second year grant to the University of Miami for establishing a Latin American data base. In addition, the conference agreement reflects a reduction of $7,000,000 for anticipated currency gains in the Department's overseas operations.

The conferees continue to be concerned that the Department of State should develop a plan for reimbursement of the Department's expenses incurred in providing office space, housing and administrative support costs for the personnel of other Departments and agencies overseas. The conferees are agreed that the Department should continue its efforts to develop such a plan with particular attention to the issue of additional costs, if any, that might result from the implementation of such a reimbursable system, and submit a status report to the House and Senate Appropriations Committees by February 1, 1989.

The conferees are agreed that the State Department should not lease any warehouse space for the storage of household effects of State Department employees beyond the 100,000 square feet of space already leased in a Government-leased, contractor-operated facility until the Department's Inspector General reviews this matter and submits a report to the House and Senate Appropriations Committees. The conferees wish to express their concern that the Department of State's policy and procedures for storage of the household goods of State Department employees does not properly and adequately protect the employees' interest in those goods. The conferees are concerned that the Department's plan to use a government-leased, contractor-operated storage facility does not afford proper security for the stored household effects of State Department employees. The conferees believe that the household effects storage policy and procedures, including those associated with the use of a government-leased, contractor-operated facility, must be thoroughly evaluated and revised where necessary to insure that they provided adequate protection of State Department employees' household goods, including insuring that the contractors involved in providing storage services can provide sufficient security for the stored goods and have sufficient financial strength to assure the contractors' successful compliance with all terms of the contract for services associated with storage of household goods. The impact on existing small business contracts and overall feasibility of the proposal and the necessity for bonding or satisfactory security needs was not considered, and therefore these matters warrant further review. The conferees request the State Department Inspector General to develop an objective analysis of the proposed policy change, including the acquisition of warehouse space, to identify key economic and public policy questions, and to recommend procedures to the Department and the appropriate committees of the Congress.

The conferees are concerned that the Department of State, the Immigration and Naturalization Service and other United States Government agencies have not requested the resources to develop and implement the system which will machine scan visas, determine authenticity and automatically perform a single name check against the combined lookout systems of the United States Government agencies. The conferees are advised that authorization for such a system is included in the House-approved drug bill and believe that such a system should be a high priority for funding at the earliest possible time.

Amendment No. 70: Deletes Senate language which would have required the State Department to make available $150,000 to the Atlantic Council to support the NATO Information Office. The House bill contained no provision on this matter.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

Amendment No. 71: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which deletes the word "For" in the House bill and inserts a provision waiving section 102(a) (1) through (11) of Public Law 100-204. The House bill contained no such waiver provision.

Amendment No. 72: Deletes the word "conventions" proposed by the House and stricken by the Senate.

Amendment No. 73: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which inserts the word "conventions." The House bill addressed this item in Amendment No. 72.

Amendment No. 74: Appropriates $485,940,000 as proposed by the House instead of $489,906,000 as proposed by the Senate. The conferees are agreed that $31,887,000 shall be allocated to the Organization of American States and that the allocations to the other international organizations shall be as proposed in the FY 1989 budget request.

INTERNATIONAL CONFERENCES AND CONTINGENCIES

Amendment No. 75: Inserts a reference to section 287(e) of 22 U.S.C. as proposed by the Senate instead of section 2696(c) of such title as proposed by the House.

INTERNATIONAL COMMISSIONS

Amendment No. 76: Deletes the word "conventions" proposed by the House and stricken by the Senate.

Amendment No. 77: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which inserts the word "conventions". The House bill addressed this item in Amendment No. 76.

INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO

SALARIES AND EXPENSES

Amendment No. 78: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *including preliminary surveys, operations and maintenance of the interceptor system to be constructed to intercept sewage flows from Tijuana and from selected canyon areas as currently planned, and the operation and maintenance upon completion of the proposed Environmental Protection Agency and Corps of Engineers pipeline and plant project to capture Tijuana sewage flows in the event of a major breakdown in Mexico's conveyance system, $10,261,000: Provided, That expenditures for the Rio Grande bank protection project shall be subject to the provisions and conditions contained in the appropriation for said project as provided by the Act approved April 25, 1945 (59 Stat. 89).*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $10,261,000 and certain language provisions proposed by the Senate. The Senate amendment would have appropriated $10,364,000 and the aforementioned language provisions. The House bill would have appropriated $10,261,000.

CONSTRUCTION

Amendment No. 79: Appropriates $3,166,000 as proposed by the House instead of $3,198,000 as proposed by the Senate.

AMERICAN SECTIONS, INTERNATIONAL COMMISSIONS

Amendment No. 80: Appropriates $4,316,000 as proposed by the House instead of $4,359,000 as proposed by the Senate.

INTERNATIONAL FISHERIES COMMISSIONS

Amendment No. 81: Appropriates $10,548,000 as proposed by the House instead of $10,653,000 as proposed by the Senate.

OTHER

UNITED STATES BILATERAL SCIENCE AND TECHNOLOGY AGREEMENTS

Amendment No. 82: Appropriates $2,000,000 as proposed by the Senate instead of $1,900,000 as proposed by the House.

The conferees are agreed that in view of the current unrest in Poland, the funds budgeted for programs with Poland should not be obligated until the Department submits a program for the use of these funds in Poland pursuant to the Appropriations Committee's reprogramming procedures.

PAYMENT TO THE ASIA FOUNDATION

Amendment No. 83: Appropriates $13,700,000 as proposed by the House instead of $15,000,000 as proposed by the Senate.

The conferees recommend that the appropriate authorizing committees of the House and Senate consider authorizing any future appropriations for the Asia Foundation under the United States Information Agency in view of the similarity of the Foundation's programs with certain programs funded under the United States Information Agency.

SOVIET-EAST EUROPEAN RESEARCH AND TRAINING

Amendment No. 84: Appropriates $4,600,000 as proposed by the House instead of $5,000,000 as proposed by the Senate.

FISHERMEN'S GUARANTY FUND

Amendment No. 85: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the sum "$1,742,000" named in said amendment, insert: *$1,725,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 86: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which adds a general provision which requires the Secretary of State to submit monthly reports to appropriate Congressional committees on the obligation of funds for the diplomatic security program. The House bill contained no provision on this matter.

Amendment No. 87: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

SEC. 303. (a) Section 303 of the Department of State Appropriations Act, 1988 (as contained in section 101(a) of Public Law 100-202), is amended in the first sentence—

(1) by striking out "$290,000" and inserting in lieu thereof "$340,000";

(2) by striking out "and"; and

(3) by inserting after "Public Law 86-420" the following: ", and section 109(c) of the Department of State Authorization Act, Fiscal Years 1984 and 1985.".

(b) Section 109(c) of the Department of State Authorization Act, Fiscal Years 1984 and 1985, is amended—

(1) by striking out "Of the amounts" and inserting in lieu thereof "There are";

(2) by striking out "for 'International Organizations and Conferences' "; and

(3) by striking out "may be used".

(c) The amendments made by this section shall take effect on October 1, 1988.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The House bill contained no provision on this matter.

Amendment No. 88: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

SEC. 304. (a) Section 8 of the United Nations Participation Act of 1945 is amended as follows:

(1) by adding the words "serving abroad" after the words "in section 2 of this Act";

(2) by adding the word "abroad" after the words "such living quarters"; and

(3) by deleting the last sentence of that section.

(b) Section 9 of the United Nations Participation Act of 1945 is amended as follows:

(1) by deleting all but subsection (2);

(2) by renumbering subsection (2) as (3) and deleting the word "President" therein and inserting the word "Secretary" in lieu thereof; and

(3) by inserting the following:

"SEC. 9. The Secretary of State may, under such regulations as he shall prescribe, and notwithstanding section 3648 of the Revised Statutes (31 U.S.C. 3324) and section 5536 of title 5, United States Code—

"(1) make available to the Representative of the United States to the United Nations and the Deputy Permanent Representative of the United States to the United Nations living quarters leased or rented by the United States (for periods not exceeding ten years) and allowances for unusual expenses incident to the operation and maintenance of such living quarters similar to those and to be considered for all purposes as authorized by section 22 of the Administrative Expenses Act of 1946, as amended by section 311 of the Overseas Differentials and Allowances Act."

"(2) make available in New York to no more than 18 foreign service employees of the staff of the United States Mission to the United Nations, other representatives, and no more than two employees who serve at the pleasure of the Representative, living

quarters leased or rented by the United States (for periods not exceeding ten years). The number of employees to which such quarters will be made available shall be determined by the Secretary and shall reflect a significant reduction over the number of persons eligible for housing benefits as of the date of enactment of this provision. No employee may occupy a unit under this provision if the unit is owned by the employee. The Secretary shall require that each employee occupying housing under this subsection contribute to the Department of State a percentage of his or her base salary, in an amount to be determined by the Secretary of State, toward the cost of such housing. The Secretary may reduce such payments to the extent of income taxes paid on the value of the leased or rented quarters. Any payments made by employees to the Department of State for occupancy by them of living quarters leased or rented under this section shall be credited to the appropriation, fund, or account utilized by the Secretary of State for such lease or rental or to the appropriation, fund, or account currently available for such purpose."

* * * * *

"(4) The Inspector General shall review the program established by this section no later than December 1989 and periodically thereafter with a view to increasing cost savings and making other appropriate recommendations."

(c) Transition provisions

(1) provisions set forth in this section shall be effective July 1, 1989.

(2) In the event that taxes paid by an employee on the benefit provided under subsection (2) of section 9 exceed the contribution amount computed as a percentage of base salary under that subsection, the Department of State may reimburse the employee up to the amount of such differential for the period from the date of enactment of this Act through July 1, 1989.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Senate amendment would have prohibited the State Department from funding housing benefits to certain employees of the U.S. mission to the United Nations and would have required the State Department by October 9 to submit to the appropriate Congressional Committees, a proposal to meet the housing needs of personnel in the U.S. mission to the UN. The House bill contained no provision on this matter. The conference agreement inserts new language to take effect in July 1989 which limits the housing program to no more than 18 Foreign Service Officers plus two persons who serve at the pleasure of the U.S. Representative to the UN. The conference agreement also provides for the continuation of the provision of housing to the Representative and the Deputy Representative. The conference agreement also provides for the Secretary of State to require an employee occupying housing pursuant to this provision to make a contribution from his or her salary toward the cost of such housing. This contribution is expected to be about 20 percent of salary. Finally, the conference agreement permits the Secretary of State to reduce the employee's contribution to the extent of income taxes which are paid on the value of the leased or rented quarters. The Internal Revenue Service has recently determined that income tax must be paid on the value of the leased or rented quarters of the State Department employees participating in its housing program at the U.S. mission to the UN.

Amendment No. 89: Deletes a general provision proposed by the Senate concerning the United Nations Human Rights Commission investigation of human rights conditions in Cuba. The House bill contained no provision on this matter.

The conferees agree that the Secretary of State shall certify to the appropriate committees of the Congress, within 60 days of the issuance of a final report by the United Nations Human Rights Commission on Cuban human rights conditions, whether the presence of Cuba on the Commission interfered with the independence of the human rights investigation, the preparation of the resulting report, or the consideration of this report under agenda item 12(h) at the Commission's 45th session. If a certification of objectivity cannot be made, the Secretary of State shall recommend appropriate action.

The conferees are agreed that—

(1) the United Nations, the United Nations Human Rights Commission, and the Chairman of the Commission are to be commended for Decision 1988/106 as interpreted by the Chairman which establishes a working group on Cuba to conduct an onsite investigation on Cuban human rights conditions and prepare a report for consideration under agenda item 12(h) at the 45th session on the commission in 1989;

(2) the President, the Secretary of State, the Permanent Representative of the United States to the United Nations, and the Representative of the United States to the United Nations Human Rights Commission are to be commended for their efforts to place Cuba on the agenda of the Commission and are strongly encouraged to continue to support and assist the Commission in its implementation of Decision 1988/106;

(3) the following countries are to be commended for their courageous support for an independent investigation of the human rights situation in Cuba under the auspices of the United Nations and consideration of Cuba under agenda item 12 at the 45th session of the Commission: Bangladesh, Belgium, Costa Rica, France, the Gambia, Federal Republic of Germany, Ireland, Japan, Mozambique, Norway, the Philippines, Sao Tome and Principe, Portugal, Senegal, Somalia, Togo, the United Kingdom, and Venezuela;

(4) the following countries, despite overwhelming evidence of serious human rights abuses in Cuba, failed to support the efforts of the United States to establish an independent working group on Cuba and to provide for consideration of the report of this group under agenda item 12, a nonconfidential procedure reserved for countries with records of serious human rights violations: Algeria, Argentina, Botswana, Bulgaria, People's Republic of China, Colombia, Cyprus, Ethiopia, German Democratic Republic, India, Iraq, Mexico, Nicaragua, Nigeria, Pakistan, Peru, Rwanda, Spain, Sri Lanka, Union of Soviet Socialist Republics, and Yugoslavia;

The conferees strongly object to the election of Cuba and Panama to the Commission and strongly urge that the Secretary General and Chairman, and the other members of the Commission insure that Cuba and Panama do not in any way interfere with the independence of the pending investigation, the preparation of the resulting report, or the consideration of this report under agenda item 12(h) at the Commission's 45th session.

Amendment No. 90: Deletes a general provison proposed by the Senate requiring the Secretary of State to conduct a demonstration project of ram-resistant, barrier-gate security devices for U.S. overseas missions. The House bill contained no provision on this matter.

The conferees have been assured by the Department of State that the Department will purchase and test such devices. In accordance with the terms of the deleted provision, the Department shall report to the Committees on Appropriations concerning the sites selected for installation of such devices and the cost-effectiveness of the devices.

Amendment No. 91: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment which changes the section number to 305.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Senate amendment waives certain sections of current law that prohibit construction of a new embassy or consulate in Israel and permits funds to be obligated for two such diplomatic facilities in Israel, Jerusalem or the West Bank, provided that each facility:

(A) equally preserves the ability of the United States to locate its Ambassador or its Consul General at that site, consistent with United States policy, (B) shall not be denominated as the United States Embassy or Consulate until after construction of both facilities has begun, and construction of one facility has been completed, or is near completion; and (C) unless security considerations require otherwise, commences operation simultaneously.

The House bill contained no provision on this matter.

Amendment No. 92: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the section number named in said amendment, insert: *306*

And in lieu of the matter proposed in subsection (c)(2) of said amendment, insert the following:

(2) The special envoy shall hold the personal rank of Ambassador and shall coordinate United States policies and programs with the Afghan Resistance.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement inserts a general provision which states findings and expresses the sense of Congress about the situation in Afghanistan, establishes the position of a special envoy to the Afghan Resistance, and provides for the appointment of such an envoy. The conference agreement is the same as the Senate amendment except that the agreement does not include the requirement that the special envoy be qualified in the languages necessary to work closely with the Afghan Resistance. The House bill contained no provision on this matter.

TITLE IV—THE JUDICIARY

SUPREME COURT OF THE UNITED STATES

SALARIES AND EXPENSES

Amendment No. 93: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and

concur in the Senate amendment with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment insert the following: *as authorized by 31 U.S.C. 1343 and 1344; not to exceed $10,000 for official reception and representation expenses; and for miscellaneous expenses, to be expended as the Chief Justice may approve; $15,901,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $15,901,000 for the salaries and expenses of the Supreme Court for fiscal year 1989, instead of $15,453,000 as proposed by the Senate and $15,840,000 as proposed by the House. The conference agreement restores House language, stricken by the Senate, which provides the citation of authorization for this appropriation and also adds Senate language included in previous appropriations Acts which allows the Court to spend up to $10,000 for official reception and representation expenses.

CARE OF THE BUILDINGS AND GROUNDS

Amendment No. 94: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which appropriates $2,131,000 for the care of the buildings and grounds of the Supreme Court. The conference agreement includes language from previous appropriations Acts included by the Senate which allows the Architect of the Capitol to perform maintenance and repair of the Supreme Court building.

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

SALARIES AND EXPENSES

Amendment No. 95: Deletes language proposed by the Senate which would have added the word "all".

Amendment No. 96: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment insert the following: *as authorized by law, $8,300,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides the Court appropriations of $8,300,000 for fiscal year 1989 and restores House language stricken by the Senate which limits these funds to authorized expenses.

UNITED STATES COURT OF INTERNATIONAL TRADE

SALARIES AND EXPENSES

Amendment No. 97: Appropriates $8,000,000 instead of $8,159,000 as proposed by the House and $7,889,000 as proposed by the Senate and restores House language stricken by the Senate which limits these funds to authorized expenses and deletes Senate language which allowed for expenses for books and travel.

COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES

SALARIES AND EXPENSES

Amendment No. 98: Deletes language proposed by the Senate which added language authorizing "all" necessary expenses.

Amendment No. 99: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment insert the following: *as authorized by law, including the purchase of firearms and ammunition, $1,135,000,000: Provided, That of the total amount appropriated, $500,000 is to remain available until expended for acquisition of books, periodicals, and newspapers, and all other legal reference materials, including subscriptions: Provided further, That the number of staff attorneys to be appointed in each of the courts of appeals shall not exceed the ratio of one attorney for each authorized judgeship, exclusive of the seven attorneys assigned preargument conference duties: Provided further, That, nowithstanding any other provision of law, not to exceed $1,500,000 for expenses of the Claims Court associated with processing cases under the National Childhood vaccine Injury Act of 1986 shall be reimbursed from the special fund established to pay judgment awarded under the Act: Provided further, That and funds hereafter collected by the Judiciary as a charge for services rendered in administering accounts kept in a court's registry shall be deposited into a separate account entitled "Registry Administration Account" in the Treasury of the United States. Such funds shall remain available to the Judiciary until expended to reimburse any appropriation for the amount paid out of such appropriation for expenses of the Courts of Appeals, District Courts and Other Judicial Services and the Administrative Office of the United States Courts*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $1,135,000,000, instead of $1,178,336,000 as proposed by the House and $1,106,768,000 as proposed by the Senate, which funds the Courts' FY 1989 baseline programs, but does not allow for program growth to handle additional drug related expenses. The conference agreement also adds Senate language found in previous appropriations Acts which allows the Courts to spend funds for necessary expenses, including firearms, ammunition, and reference materials, and also limits the number of staff attorneys to one attorney per judgeship.

The conference agreement includes $150,000 for a study to analyze the cost of constructing a new Federal courthouse in Boston, Massachusetts. The study should analyze the cost of privately constructing a new building, including alternative financing options, as compared to renovating the existing facility. The study should take into consideration the long-term needs of the U.S. courts in assessing this matter. The study is to be submitted to the Committees by February 1, 1989.

The conference agreement includes no new budget authority in fiscal year 1989 for the United States Claims Court to begin the processing of cases under the National Childhood Vaccine Injury Act of 1986. The Court extimates that to process these cases requires an additional $1,500,000 above their fiscal year 1988 base in order to hire special masters and supporting personnel, and for other administrative expenses. However, as discussed earlier in this Statement of Managers, the section 302 budget allocation which constrains spending within this bill precludes the funding of new or expended initiatives in fiscal year 1989. The conferees believe that the only available source of funds for these cases, which will not adversely impact on other Court operations, is the fund established by the National Childhood Vaccine Injury Act of 1986 for awards of compensation. Current estimates of $88,000,000 for collections into the fund are far ahead of the original projection of $68,000,000. The conferees believe that providing $1,500,000 to the Court will reduce the fund by less than two percent in fiscal year 1989. The conference agreement adds language for fiscal year 1989 that allows the Claims Court to be reimbursed for expenses incurred, up to $1,500,000, for processing Vaccine Injury cases. The conferees agree that this provision will be for one year only and understand this issue will be reviewed by the appropriate committees of jurisdiction.

The conference agreement includes new language which allows funds collected by the Judiciary for services rendered in administering accounts kept in a court's registry to be available to reimburse any appropriation for performance of such services. The conferees understand that the Judicial Conference is currently examining several options for charging for registry services. The conference agreement will allow the Judiciary to retain funds collected through this service charge once the Judicial Conference has implemented the program.

Amendment No. 100: Makes a technical correction to the bill by adding the word "further" as proposed by the Senate.

DEFENDER SERVICES

Amendment No. 101: Restores language proposed by the House and stricken by the Senate which provides a citation of authorization for this appropriation.

Amendment No. 102: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment to add language contained in previous appropriations Acts which allows the courts to compensate attorneys appointed to assist the courts in criminal cases where the defendant has waived counsel.

Amendment No. 103: Restores language proposed by the House and stricken by the Senate and deletes language inserted by the Senate. The conference agreement language provides a citation of authorization for this appropriation.

Amendment No. 104: Appropriates $95,100,000 instead of $109,900,000 as proposed by the House and $86,478,000 as proposed by the Senate. The conference agreement provides $95,100,000 for Defender Services in fiscal year 1989.

The conference agreement includes funds sufficient to establish five additional Death Penalty Resource Centers in order to improve the Federal Courts' ability to furnish counsel in death penalty habeas corpus cases. These Centers provide defense counsel service designed to furnish representation, assistance, information, and other related services to eligible persons and appointed attorneys in connection with federal habeas corpus proceedings. The conferees understand that South Carolina, Alabama, Arizona, Mississippi, and Texas have been identified by the Judicial Conference as fulfilling the criteria for matching funds and are in particular need of assistance in federal appellate habeas corpus court proceedings because these States have no existing post conviction representation organization.

Amendment No. 105: Restores language proposed by the House and stricken by the Senate which provides a citation of authorization for this appropriation.

FEES OF JURORS AND COMMISSIONERS

Amendment No. 106: Deletes language added by the Senate which would have approved use of funds to serve refreshments to jurors. This language is restored in amendment No. 107.

Amendment No. 107: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter stricken by said amendment insert the following: *as authorized by 28 U.S.C. 1871 and 1876; refreshments of jurors*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides a citation of authorization for this appropriation and adds Senate language which allows use of funds to serve refreshments to jurors.

Amendment No. 108: Restores language proposed by the House and stricken by the Senate which provides a citation of authorization for this appropriation.

Amendment No. 109: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment insert the following: *(28 U.S.C. Appendix Rule 71A(h)); $43,135,000, to remain available until expended: Provided, That the compensation of land commissioners shall not exceed the daily equivalent of the highest rate payable under section 5332 of title 5, United States Code*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $43,135,000 for Fees of Jurors and Commissioners, instead of $44,193,000 as proposed by the House and $43,600,000 as proposed by the Senate. The conference agreement restores House language which provides a citation of authorization for this appropriation and adds Senate language which limits compensation of land commissioners as contained in previous appropriations Acts.

COURT SECURITY

Amendment No. 110: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which appropriates $41,423,000 for Court Security in fiscal year 1989 and which adds language included in previous appropriation Acts which allows for use of funds for necessary expenses, and which provides for transfer of funds to the Marshals Service.

ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS

SALARIES AND EXPENSES

Amendment No. 111: Restores House language stricken by the Senate which provides a citation of authorization and deletes the language proposed by the Senate permitting travel and advertising.

Amendment No. 112: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment insert the following: *as authorized by 31 U.S.C. 1343(b), advertising and rent in the District of Columbia and elsewhere, $33,600,000, of which an amount not to exceed $5,000 is authorized for official reception and representation expenses*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $33,600,000 for expenses of the Administrative Office, instead of $34,228,000 as proposed by the Senate and $33,087,000 as proposed by the Senate, restores House language stricken by the Senate providing a citation of authorization, and adds Senate language which allows funds to be used for advertising, rent and official reception and representation expenses.

FEDERAL JUDICIAL CENTER

SALARIES AND EXPENSES

Amendment No. 113: Appropriates $11,200,000 instead of $11,581,000 as proposed by the House and $10,669,000 as proposed by the Senate. The conference agreement provides $11,200,000 for the Federal Judicial Center for FY 1989.

UNITED STATES SENTENCING COMMISSION

SALARIES AND EXPENSES

Amendment No. 114: Appropriates $5,183,000 as proposed by the Senate instead of $5,129,000 as proposed by the House. The conference agreement allows for the personnel increase requested by the Sentencing Commission.

GENERAL PROVISIONS—THE JUDICIARY

Amendment No. 115: Deletes the Senate language which would have added a general provision to allow Justices and judges to receive the same pay increase received by General Schedule employees in fiscal year 1989. This language was deleted because the Treasury, Postal Service and General Government Appropriations Act, 1989, eliminates a pay increase for Justices and judges. Additionally, the conferees agree that deletion of this provision precludes Justices and judges from receiving a pay raise pursuant to the Federal Salary Act of 1967, as amended, unless Congress enacts required legislation approving such a pay raise.

Amendment No. 116: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment, a general provision which adds language included in previous appropriations Acts to make appropriations available for the Temporary Emergency Court of Appeals, with an amendment redesignating section number "403" to "402".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 117: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment, a general provision which adds language included in previous appropriations Acts to provide that Trustee Coordinator positions not be limited to lawyers, with an amendment redesignating section number "404" to "403".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 118: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment, a general provision which adds language included in previous appropriations Acts to preclude the Administrative Office from restricting to Bankruptcy Court clerks the issuance of notices to creditors, with an amendment redesignating section number "405" to "404".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 119: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment, a general provision which adds language included in previous appropriations Acts to establish procedures for deposit and use of bankruptcy fees, with an amendment redesignating section number "406" to "405".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 120: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment which redesignates section number "407" to "406".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement adds a general provision which amends 28 U.S.C. 603 to establish three additional positions in the Administrative Office of the U.S. Courts at level IV of the Executive Schedule.

Amendment No. 121: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment which redesignates section number "408" to "407".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement adds a general provision which amends 28 U.S.C. 332(f) to fix the salaries of Circuit Executives at rates not to exceed level IV of the Executive Schedule.

Amendment No. 122: Deletes a general provision proposed by the Senate which would have authorized an increase of three new bankruptcy judgeships.

TITLE V—RELATED AGENCIES

DEPARTMENT OF TRANSPORTATION

MARITIME ADMINISTRATION

Amendments Nos. 123 and 124. Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendments which insert headings.

READY RESERVE FORCE

Amendment No. 125: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which appropriates $110,751,000 for the Ready Reserve Force, earmarks $3,000,000 for the National Defense Reserve Fleet, and provides for reimbursement to the operations and training appropriation for expenses related to the National Defense Reserve Fleet. The House bill contained no provision on this matter.

OPERATING-DIFFERENTIAL SUBSIDIES

(LIQUIDATION OF CONTRACT AUTHORITY)

Amendment No. 126: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which appropriates $248,900,000 to liquidate contract obligations incurred for operating differential subsidies of American flag vessels. The House bill contained no provision on this matter.

OPERATIONS AND TRAINING

Amendment No. 127: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which appropriates $66,250,000 for operations and training and provides that reimbursements may be made to this appropriation from the Federal Ship Financing Fund for certain administrative expenses. The House bill contained no provision on this matter.

The conferees are agreed that any effort to contract out the operations and maintenance activities associated with the Ready Reserve Fleet/Ready Reserve Force is subject to the reprogramming requirements of section 606 of this Act.

The fiscal 1988 continuing appropriations bill directed the Maritime Administration to conduct a study to determine the feasibility of ship-sharing while maintaining the essential training requirements of the State maritime schools. Because the study has not been completed and the conferees have not had the opportunity to review the findings, the $9 million provided for State maritime schools does not reflect a phase-in of the ship sharing concept. The total amount provided in the conference agreement permits reimbursement for fuel oil costs for training ship cruises.

ADMINISTRATIVE PROVISIONS—MARITIME ADMINISTRATION

Amendment No. 128: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which inserts certain administrative provisions involving Government property controlled by the Maritime Administration, the accounting for certain funds received by the Maritime Administration, and a prohibition on obligations from the Maritime Administration construction fund. The House bill contained no provision on this matter.

ARMS CONTROL AND DISARMAMENT AGENCY

ARMS CONTROL AND DISARMAMENT ACTIVITIES

Amendment No. 129: Appropriates $31,030,000 instead of $30,830,000 as proposed by the House and $32,000,000 plus language providing for the transfer of $2,200,000 to the Department of Energy for the Reduced Enrichment in Research and Test Reactor Program as proposed by the Senate.

The conference agreement includes $1,560,000 for the Reduced Enrichment in Research and Test Reactor Program and a total of $3,000,000 for ACDA's external research program pursuant to Sec. 2 of Public Law 100-213.

BOARD FOR INTERNATIONAL BROADCASTING

GRANTS AND EXPENSES

Amendment No. 130: Appropriates $194,900,000 as proposed by the House instead of $192,100,000 as proposed by the Senate. The conference agreement includes $2,800,000 for continuation of the multiyear facilities modernization program.

ISRAEL RELAY STATION

Amendment No. 131: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment as follows:

In lieu of the sum named in said amendment insert: *$33,000,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Senate bill proposed an appropriation of $35,000,000 for the Israel Relay Station. The House bill contained no provision on this matter.

COMMISSION ON AGRICULTURAL WORKERS

SALARIES AND EXPENSES

Amendment No. 132: Appropriates $500,000 instead of $600,000 as proposed by the House and no funds as proposed by the Senate. The conference agreement provides $500,000 to allow the Commission to fund staff and other support requirements to enable it to begin its review of the impact of the Immigration Reform and Control Act (IRCA) on the supply of agricultural labor and on the agricultural industry.

COMMISSION ON THE BICENTENNIAL OF THE UNITED STATES CONSTITUTION

SALARIES AND EXPENSES

Amendment No. 133: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment insert the following: *to remain available until expended, of which $4,500,000 is to be derived from unobligated balances made available under this heading in previous appropriations Acts, and of which $7,500,000*

The managers on the part of the Senate will offer a motion to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides that $4,500,000 of the amounts appropriated be derived from unobligated, uncommitted balances of the Commission on the Bicentennial. The conferees understand that these funds are being reserved by the Commission for fiscal year 1990 projects which have not yet been formally approved by the Commission. The conferees believe that the low budget allocations under which this bill is constrained and which results in the freezing of most accounts at fiscal year 1988 levels, precludes allowing the Commission to retain these unobligated balances when they could be used to offset fiscal year 1989 requirements. The conferees believe that fiscal year 1990 projects should be considered in conjunction with the Commission's fiscal year 1990 appropriation request.

Amendment No. 134: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which earmarks $4,508,000 for educational programs about the Constitution and the Bill of Rights below the university level instead of $2,008,000 as proposed by the House.

Amendment No. 135: Deletes, without prejudice, Senate language which earmarks $790,000 for a grant to develop an Encyclopedia of the United States Congress and $109,000 to establish a bicentennial exhibit to commemorate the First Federal Congress at the National Portrait Gallery of the Smithsonian Institution.

The conferees understand that the Commission has designated 1988 as the year it intends to give special attention to bicentennial programs that will promote broader understanding of the United States Congress. The conferees are not aware of any substantive program that the Commission has developed to achieve this goal. The conferees further understand that the aforementioned two proposals were formally submitted to the Commission in March 1988, were briefly discussed at a subsequent Commission meeting, but were never placed on the agenda for full consideration and a vote. The conferees believe Commission members should have an opportunity to vote on both proposals. It is hoped that they will be given most serious attention at the earliest possible time. If action is not taken soon, a unique opportunity will be missed to enrich public understanding of our complex and vital two-century-old national legislature. The conferees expect the Commission to resolve this issue and provide a report to the Congress by November 30, 1988 on the status of these two proposals.

COMMISSION ON CIVIL RIGHTS

SALARIES AND EXPENSES

Amendment No. 136: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

For necessary expenses of the Commission on Civil Rights, including hire of passenger motor vehicles, $5,707,000, of which $2,000,000 is for regional offices and $700,000 is for civil rights monitoring activities: Provided, That not to exceed $20,000 may be used to employ consultants: Provided further, That not to exceed $185,000 may be used to employ temporary or special needs appointees: Provided further, That none of the funds shall be used to employ in excess of four full-time individuals under Schedule C of the Excepted Service, exclusive of one special assistant for each Commissioner whose compensation shall not exceed the equivalent of 150 billable days at the daily rate of a level 11 salary under the General Schedule: Provided further, That not to exceed $40,000 shall be available for new, continuing or modifications of contracts for performance of mission-related external services: Provided further, That none of the funds shall be used to reimburse Commissioners for more than 75 billable days, with the exception of the Chairman who is permitted 125 billable days: Provided further, that the General Accounting Office shall audit the Commission's use of this appropriation under such terms and conditions as deemed appropriate by the Comptroller General and shall report its findings to the Appropriations Committees of the Senate and House of Representatives.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $5,707,000 for the salaries and expenses of the Civil Rights Commission for FY 1989 as proposed by the House instead of $5,841,000 as proposed by the Senate. The conference agreement includes language proposed by the Senate which places earmarks and limitations on use of Commission funds identical to those contained in their fiscal year 1988 Appropriations Act and clarifies Senate language concerning a GAO review of this appropriation.

COMMISSION ON SECURITY AND COOPERATION IN EUROPE

SALARIES AND EXPENSES

Amendment No. 137: Appropriates $741,000 instead of $701,000 proposed by the House and $780,000 proposed by the Senate.

COMMISSION FOR THE STUDY OF INTERNATIONAL MIGRATION AND COOPERATIVE ECONOMIC DEVELOPMENT

SALARIES AND EXPENSES

Amendment No. 138: Appropriates $1,290,000 instead of $1,690,000 as proposed by the House and $890,000 as proposed by the Senate. The conference agreement provides $1,290,000 in FY 1989 to allow the Commission to perform the research necessary to produce the report due to the Congress and the President by July 1, 1990.

Equal Employment Opportunity Commission

SALARIES AND EXPENSES

Amendment No. 139: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the sum "$181,758,000" named in said amendment insert: *$180,712,000*

And in lieu of the sum "$1,200,000" named in said amendment insert: *$900,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $180,712,000 for the salaries and expenses of the Commission for fiscal year 1989 instead of $179,812,000 as proposed by the House and $181,758,000 as proposed by the Senate, and earmarks $900,000 to conduct an age discrimination study with the National Academy of Sciences instead of $1,200,000 as proposed by the Senate. The conference agreement also includes language proposed by the Senate which suspends, for Fiscal Year 1989, an Equal Employment Opportunity Commission (EEOC) regulation and policy that would validate the waiver of employee rights under the Age Discrimination in Employment Act (ADEA) even when the waiver has not been supervised by the EEOC or the federal courts. The conferees believe that serious questions have been raised as to whether this EEOC regulation contravenes section 16(c) of the Fair Labor Standards Act, which is incorporated into the ADEA at section 7. By suspending the regulation, the conferees intend to preclude reliance upon the regulation and underlying EEOC policy during fiscal year 1989. The conference agreement also precludes the EEOC from otherwise recognizing unsupervised waivers of ADEA rights as valid, e.g., by filing court briefs or by ceasing investigation of claims due to the existence of an unsupervised waiver. The conferees do not intend for this temporary suspension to affect the standing or rights of parties to sue for rescission of the regulation should the regulation become effective at some later date.

Federal Communications Commission

SALARIES AND EXPENSES

Amendment No. 140: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the sum "$100,660,000" named in said amendment, insert: *$99,613,000*

And following the phrase "Code of Federal Regulations" at the end of said amendment, insert: *: Provided further, That the authority under the Supplemental Appropriations Act, 1985 (Public Law 99-88) with respect to the relocation of the Fort Lauderdale Monitoring Station shall extend through fiscal year 1989 and under the same terms and conditions of Public Law 99-88*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $99,613,000 for the Federal Communications Commission instead of $100,660,000 as proposed by the Senate. The conference agreement also provides for all of the language proposed in the Senate amendment and new language extending the authority contained in Public Law 99-88 concerning the relocation of the Fort Lauderdale Monitoring Station. The House bill contained no provision on this matter.

Federal Maritime Commission

SALARIES AND EXPENSES

Amendment No. 141: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *$13,585,000: Provided,* That not to exceed $1,500 shall be available for official reception and representation expenses

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $13,585,000 with a limitation of $1,500 for official reception and representation expenses instead of $13,737,000 and such a limitation as proposed by the Senate and $13,585,000 without such a limitation as proposed by the House.

Federal Trade Commission

SALARIES AND EXPENSES

Amendment No. 142: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter proposed by said amendment, insert:

FEDERAL TRADE COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Trade Commission, including uniforms or allowances therefor, as authorized by 5 U.S.C. 5901-5902; services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; and not to exceed $2,000 for official reception and representation expenses; $66,243,000: Provided, That the funds appropriated in this paragraph are subject to the limitations and provisions of sections 10(a) and 10(c) (notwithstanding section 10(e)), 11(b), 18, and 20 of the Federal Trade Commission Improvements Act of 1980 (Public Law 96-252; 94 Stat. 374).

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement appropriates $66,243,000 and maintains certain restrictions from the Federal Trade Improvements Act of 1980. The Senate amendment included $66,918,000 and these restrictions and language not included in the conference agreement allowing the FTC to provide assistance to State agencies investigating possible unfair or deceptive practices in the sale of drought insurance during calendar year 1988. The House bill contained no provision on this matter.

International Trade Commission

SALARIES AND EXPENSES

Amendment No. 143: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the sum "$37,069,000" named in said amendment insert: *$35,958,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Senate amendment proposed an appropriation of $37,069,000 for the International Trade Commission. The House bill contained no provision on this matter.

Legal Services Corporation

PAYMENT TO LEGAL SERVICES CORPORATION

Amendment No. 144: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which appropriates $308,555,000 with certain earmarkings of funds. The House bill contained no provision on this matter.

The conference agreement earmarks funding levels for each of the Corporation's program activities as follows:

Basic field programs	$264,349,000
Native American programs	7,022,000
Migrant programs	9,698,000
Law school clinics	1,100,000
Supplemental field programs	1,000,000
Regional training centers	624,000
National support	7,228,000
State support	7,843,000
Clearinghouse	865,000
CALR regional centers	510,000
Corporation management and administration	8,316,000
(Carryover)	(1,700,000)
Total	308,555,000

The conferees have assumed the availability of $1,700,000 in carryover funding to meet the needs of Corporation management and Administration. The conferees expect the Corporation to submit a reprogramming request, under the guidelines, established in section 606 of this Act setting forth the specific programmatic areas, from which carryover funding is derived.

In addition, the conferees recognize that the level assumed for Management and Administration may not be sufficient to fully meet its needs during fiscal year 1989. The conferees are agreed that additional carryover beyond $1,700,000 may be applied to management and administration upon submission and approval of a reprogramming request. However, the conferees would urge the Corporation to make every attempt to derive such carryover from the nondelivery components of its budget.

The conferees direct that the Legal Services Corporation shall not disapprove a subgrant to a subrecipient pursuant to section 1627 of the Legal Services Corporation regulations until the subrecipient has been accorded the same rights accorded to a recipient under section 1606 of the Legal Services Corporation regulations when the subrecipient has previously received funding under a corporation approved subgrant.

Marine Mammal Commission

SALARIES AND EXPENSES

Amendment No. 145: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the sum named in said amendment insert: *$953,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Senate amendment proposed an appropriation of $962,000 for the Marine Mammal Commission. The House bill contained no provision on this matter.

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

SALARIES AND EXPENSES

Amendment No. 146: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

SALARIES AND EXPENSES

For necessary expenses of the Office of the United States Trade Representative, including the hire of passenger motor vehicles and the employment of experts and consultants as authorized by 5 U.S.C. 3109, $15,229,000, of which $1,000,000 shall remain available until expended: Provided, That not to exceed $69,000 shall be available for official reception and representation expenses.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Senate amendment proposed the appropriation of $15,383,000 for the Office of the United States Trade Representative. The House bill contained no provision on this matter.

SECURITIES AND EXCHANGE COMMISSION

SALARIES AND EXPENSES

Amendment No. 147: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment insert the following: *and not to exceed $3,000 for official reception and representation expenses, $142,640,000, of which not to exceed $10,000 may be used toward funding a permanent secretariat for the International Association of Securities Commissioners*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Conference agreement provides $6,236,000 and 45 workyears above the House allowance for adjustments to base and $1,184,000 for a portion of the requested increase for the EDGAR system.

SMALL BUSINESS ADMINISTRATION

Amendment No. 148: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which inserts a heading.

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

Amendment No. 149: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses, not otherwise provided for, of the Small Business Administration, including hire of passenger motor vehicles and not to exceed $2,500 for official reception and representation expenses, $228,490,000, of which $45,000,000 shall be available for grants for performance in fiscal year 1989 or fiscal year 1990 for Small Business Development Centers as authorized by section 21(a) of the Small Business Act, as amended: Provided, That not more than $350,000 of this amount shall be made available to pay the expenses of the National Small Business Development Center Advisory Board and to reimburse centers for participating in evaluations as provided in section 20(a) of such Act, and to maintain a clearinghouse as provided in section 21(g)(2) of such Act: Provided further, That none of the funds appropriated or made available by this Act or otherwise appropriated or made available to the Small Business Administration shall be used to adopt, implement, or enforce any rule or regulation with respect to the Small Business Development Center program authorized by section 21 of the Small Business Act, as amended (15 U.S.C. 648) nor may any of such funds be used to impose any restrictions, conditions or limitations on such program whether by standard operating procedure, audit guidelines or otherwise, unless such restrictions, conditions or limitations were in effect on October 1, 1987, unless specifically approved by the Committees on Appropriations under reprogramming procedures except that this provision shall not apply to the Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments published as a final rule in the Federal Register on March 11, 1988; nor may any of such funds be used to restrict in any way the right of association of participants in such program: Provided further, That none of the funds appropriated for the Small Business Administration under this Act may be used to impose any new or increased loan guaranty fee or debenture guaranty fee unless specifically permitted by subsequently enacted authorizing legislation: Provided further, That none of the funds appropriated for the Small Business Administration under this Act may be used to impose any new or increased user fee or management assistance fee unless the Administration notifies the Appropriations Committees of the Senate and the House of Representatives and the Committees on Small Business of the Senate and the House of Representatives at least 30 days prior to the imposition of such fee. In addition, such sums as may be necessary for disaster loan-making activities, including loan servicing, shall be transferred to this appropriation from the "Disaster Loan Fund".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $228,490,000 for Salaries and Expenses instead of $237,148,000 as proposed by the Senate. In addition, $45,000,000 is provided for Small Business Development Centers instead of $40,000,000 as proposed by the Senate. Concerning these funds, the conference agreement includes a new provision that not more than $350,000 is made available for expenses of the National Small Business Development Center Advisory Board, to reimburse centers for evaluations, and to maintain an SBDC clearinghouse. The conference agreement also includes language proposed by the Senate prohibiting the imposition of any new or increased loan guaranty fee or debenture guarantee fee unless specifically authorized in subsequent legislation, and prohibiting the imposition of any new or increased user fee or management assistance fee unless the Administration notifies the House and Senate Committees on Appropriations and Small Business at least 30 days prior to the imposition of such fee. In addition, the conference agreement includes new language similar to language included in the fiscal year 1988 Appropriations Act to prohibit the imposition of any new restrictions, conditions, or limitations on grants to Small Business Development Centers unless such restrictions were in effect on October 1, 1987, or unless such changes are approved pursuant to the Committees' reprogramming procedures. However, this provision does not apply to the Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments.

The conference agreement also provides new language making available such sums as are necessary for transfer from the Disaster Loan Fund to Salaries and Expenses for disaster loan-making activities, including loan servicing. The conference agreement assumes a transfer of $88,669,000 for fiscal year 1989 under this authority. The conferees direct that any proposed change from this level must be approved pursuant to the reprogramming procedures contained in section 606 of this Act.

The House bill contained no provisions on any of these items.

Of the total appropriation provided for Salaries and Expenses, the International Trade program shall received $1,427,000, a $500,000 increase over fiscal year 1988 levels in conformity with the Small Business title of the Omnibus Trade Act, and the Minority Small Business and Capital Ownership Development program shall receive $27,004,000, $4,000,000 increase in conformity with S. 1993 and H.R. 1807 which will require approximately 100 new staff. The Administration is directed to fully utilize these funds for hiring and training of staff to implement the legislative reforms that have been set forth by the authorizing committees. In addition, the Service Corps of Retired Executives (SCORE) program shall received $2,500,000, a $500,000 increase over fiscal year 1988 levels.

In addition, $2,000,000 shall be provided for new management assistance and/or export promotion. The conferees have provided these funds to carry out the program for management and technical assistance to women-owned small businesses and the pilot program for export strategy development as proposed in H.R. 4174 as passed by the House. If both these programs are authorized, the conferees expect $1,500,000 to be made available to the women's program and $500,000 to be made available to the export program. If by January 1, 1989, the women's program has not been authorized, then an additional $500,000 shall be available for the export program, if it has been authorized; if by that date the export program has not been authorized, then an additional $500,000 shall be available for the women's program, if it has been authorized. If neither program is authorized, the funds are to be used for base operating programs subject to the submission of a reprogramming request.

Also, the Agency is directed to continue a pilot program under which a full-time procurement specialist would be assigned to each of the following seven states which do not have any such specialists: Minnesota, Montana, North Carolina, North Dakota, Oregon, Rhode Island and Tennessee. These positions are in addition to the six specified last year.

In order to improve communications and more efficiently serve small businesses in the State of West Virginia, the conferees direct that the full-time procurement specialist assigned to West Virginia under the pilot program established in FY 1988, report to the Small Business Administration District Director in the State of West Virginia rather than the Small Business Administration Regional Director located in Philadelphia, Pa.

The conference agreement does not include any funds for the new Small Business Development Center export development program authorized by the Omnibus Trade and Competitiveness Act of 1988. This program will enable the SBDC's to assist with the development and enhancement of exports by small businesses. The conferees encourage the Small Business Administration to consider submitting a reprogramming proposal to the Appropriations Committees to provide the necessary resources for this important new program.

REVOLVING FUNDS

Amendment No. 150: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which inserts language, carried in previous years, authorizing SBA to make certain expenditures from its revolving funds as are necessary in carrying out SBA's loan programs for FY 1989.

BUSINESS LOAN AND INVESTMENT FUND

Amendment No. 151: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

BUSINESS LOAN AND INVESTMENT FUND

For additional capital for the "Business Loan and Investment Fund", $85,500,000, to remain available without fiscal year limitation; and for additional capital for new direct loan obligations to be incurred by the "Business Loan and Investment Fund", $82,000,000, to remain available without fiscal year limitation: Provided, That no funds appropriated under this Act may be used to sell direct loans which are held by the Small Business Administration or any loan guaranty or debenture guaranty made by the Small Business Administration under the authority contained in the Small Business Investment Act of 1958, and which was held by the Federal Financing Bank on September 30, 1987: Provided further, That up to $5,000,000 of the unobligated balances available in the "Business Loan and Investment Fund" may be transferred to "Salaries and Expenses", Small Business Administration upon notification by the Administrator to the Committees on Appropriations of the House and Senate in compliance with provisions set forth in section 606 of this Act.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides a total of $167,500,000 with new language providing that $85,500,000 is to remain available without fiscal year limitation and $82,000,000 is for additional capital for new direct loans, a provision proposed by the Senate prohibiting the sale of direct loans or loan guarantees under certain conditions, and new language permitting a transfer of up to $5,000,000 to SBA's Salaries and Expenses account upon notification to the Appropriations Committees pursuant to their reprogramming procedures. The Senate amendment would have provided $169,000,000 with the aforementioned prohibition on the sale of direct loans and loan guarantees. The House bill included no provision on any of these matters.

The conference agreement includes loan program levels for fiscal year 1989 as follows:

General business loans	$2,421,000,000
Guaranteed	2,421,000,000
Handicapped loans	18,000,000
Direct	12,000,000
Guaranteed	5,000,000
Economic opportunity loans	59,000,000
Direct	17,000,000
Guaranteed	40,000,000
8(a) loans	8,000,000
Direct	8,000,000
Energy loans	5,000,000
Guaranteed	5,000,000
Development company loans	450,000,000
Guaranteed	450,000,000
Investment company loans	269,000,000
Direct [MESBIC]	36,000,000
Guaranteed [SBIC]	233,000,000
Veterans loans	17,000,000
Direct	17,000,000
Total business loans	3,244,000,000
Direct	90,000,000
Guaranteed	3,154,000,000

The conference agreement includes $8,000,000 for a new section 8(a) loan program as proposed in S. 1993, if authorized. These funds are included in the $85,500,000 provided for the additional capital for the fund, and are in addition to the $82,000,000 specified for ongoing direct loans. If this program is not authorized, the conferees are agreed the funds should be used for business development expense (BDE).

SURETY BOND GUARANTEES REVOLVING FUND

Amendment No. 152: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which appropriates $9,497,000 in additional capital for the Surety Bond Guarantees Revolving Fund. The House bill contained no provision on this matter.

POLLUTION CONTROL EQUIPMENT CONTRACT GUARANTEE REVOLVING FUND

Amendment No. 153: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which appropriates $13,656,000 in additional capital for the Pollution Control Equipment Contract Guarantee Revolving Fund. The House bill contained no provision on this matter.

STATE JUSTICE INSTITUTE

SALARIES AND EXPENSES

Amendment No. 154: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the sum named by said amendment insert the following: *$10,980,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $10,980,000 for the salaries and expenses of the State Justice Institute for fiscal year 1989, instead of $11,130,000 as proposed by the Senate.

UNITED STATES INFORMATION AGENCY

SALARIES AND EXPENSES

Amendment No. 155: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which inserts language allowing the Salaries and Expenses appropriation to be used for activities authorized by law related to USIA's international communication, educational and cultural activities. The House bill contained no provision on this matter.

Amendment No. 156: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *$620,347,000, none of which shall be restricted from use for the purposes appropriated herein and of which $38,500,000 shall be available for the Television and Film Service;*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement appropriates $620,347,000 for the Salaries and Expenses of the United States Information Agency as proposed by the House, instead of $619,032,000, as proposed by the Senate, and includes language proposed by the Senate making $38,500,000 available for the Television and Film Service. The House bill contained no provision on this latter item.

Amendment No. 157: Provides a limitation of $1,132,000 for representation abroad as proposed by the Senate instead of $1,070,000 as proposed by the House.

Amendment No. 158: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: *: Provided further, That the funds appropriated by this paragraph shall be available notwithstanding section 201(2) and 301(a)(6) of Public Law 100-204 and notwithstanding section 701 of the United States Information and Educational Exchange Act of 1948, as amended: Provided further, That the funds appropriated in this paragraph shall be available as authorized by Reorganization Plan No. 2 of 1977 (91 Stat. 1636)*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement contains the same provisions as the Senate amendment and in addition inserts new language which waives section 301(a)(6) of Public Law 100-204 and makes the appropriation available as authorized by reorganization Plan No. 2 of 1977. The House bill contained no provision on this matter.

EDUCATIONAL AND CULTURAL EXCHANGES

Amendment No. 159: Inserts "Private Sector" as proposed by the Senate. The House bill provided for the Private Sector program in amendment No. 160.

Amendment No. 160: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *Reorganization Plan No. 2 of 1977 (91 Stat. 1636) $150,040,000, of which $9,290,000 is for Private Sector programs including up to $1,500,000, to remain available until expended, for the Eisenhower Exchange Fellowship Program*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement appropriates $150,040,000 for Educational and Cultural Exchange Programs as proposed by the Senate and provides $9,290,000 for Private Sector programs of which up to $1,500,000 is made available for the Eisenhower Exchange Fellowship Program. The House bill appropriated a total of $150,040,000 for this item of which $7,730,000 was for Private Sector Exchange Programs. The Senate bill provided a total of $150,040,000 for this item of which $10,290,000 was for Private Sector programs including $3,000,000 for the Eisenhower Exchange Fellowship Program.

Amendment No. 161: Deletes Senate amendment earmarking $500,000 for the Seattle Goodwill Games Organizing Committee. The conferees are agreed that the $500,000 for this item is available within the overall amount appropriated for Educational and Cultural Exchanges. The House bill contained no provision on this matter.

With regard to the Seattle Goodwill Games, it is expected that these cultural exchanges will include a comprehensive human rights program including expanded access to Soviet athletes, distribution of material about the United States in Russian, recognition of ethnic and national diversity in the Soviet Union, and the inclusion of non-official art, literature and journalism.

Amendment No. 162: Deletes language proposed by the Senate earmarking $2,000,000 for the Samantha Smith Memorial Exchange Program. The House bill contained no provision on this matter.

The conferees have agreed to a total of $3,000,000 for youth and student exchanges between the United States and the Soviet Union, and the United States and Eastern Europe. These funds are available within the total amount provided in Amendment No. 160. The conferees direct that of this amount, no more than $1,000,000 be expended for exchanges with Eastern Europe.

Of the total amount, the conferees embrace the thrust of the Senate amendment that specifically designated $2,000,000 for the Samantha Smith Memorial Exchange Program, which supports exchanges involving youth under the age of 21 (including some which may not occur under academic circumstances) and undergraduate students under the age of 26. The conferees direct USIA to promote the program, and solicit and announce grant proposals explicitly under the name of the "Samantha Smith Memorial Exchange Program".

The conferees also direct that of the total $3,000,000, funds provided for exchanges between the United States and Soviet Union shall be divided, to the maximum extent possible, approximately equally between the youth and undergraduate categories.

RADIO CONSTRUCTION

Amendment No. 163: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: *: Provided, That not to exceed $7,500,000 of these funds may be available for the purchase, rent, construction, improvement and equipping of facilities for and startup operations including a test of television broadcasting to Cuba: Provided further, That in conducting such startup operations the United States Information Agency shall use a tethered aerostat operated and located at Cudjoe Key Air Force Base in Key West, Florida, if feasible and subject to reimbursement, for both the United States Customs Service's drug interdiction efforts and the U.S. Information Agency's test of television broadcasting to Cuba: Provided further, That the Department of Defense shall provide the necessary military support required to support this effort to the maximum extent possible: Provided further, That all such television broadcasting activities shall be conducted for the same purposes and, to the extent feasible, under the same conditions, direction and controls as the radio broadcasting activities authorized by the Radio Broadcasting to Cuba Act: Provided further, That notwithstanding the preceding proviso, section 7 of the Radio Broadcasting to Cuba Act shall not apply to television broadcasting station licensees*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement earmarks $7,500,000 for TV Marti with certain conditions on the use of these funds as proposed by the Senate and adds new language providing that in conducting startup operations for this project, USIA shall use a tethered aerostat operated and located at Cudjoe Key Air Force Base in Key West, Florida, and that the Department of Defense shall provide the necessary military support required to support this effort to the maximum extent possible. The House bill contained no provision on this matter.

The conferees direct the United States Information Agency to provide to the appropriate committees of the Congress, to include the Committees on Appropriations of the House and Senate, a report on the startup operations of TV Marti, such report to include information on any interference created by TV Marti. The conferees expect that no further funds will be appropriated for TV Marti prior to the enactment by the Congress through the regular legislative process and the signing into law by the President of a separate law authorizing TV Marti.

EAST-WEST CENTER

Amendment No. 164: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows: *: Provided, That none of the funds appropriated herein shall be used to pay any salary, or to enter into any contract providing for the payment thereof, in excess of the rate authorized for GS-18 of the Classification Act of 1949, as amended, exclusive of any cap on such rate*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides language which limits the base pay of East-West Center executives to the rate of GS-18 of the Classification Act of 1949, as amended, exclusive of any cap on such rate. The House bill had proposed language which would have limited the pay of such executives to Executive Level V of the Classification Act Schedule. The Senate bill had proposed no limitation on the base pay of East-West Center executives.

NATIONAL ENDOWMENT FOR DEMOCRACY

Amendment No. 165: Appropriates $15,800,000 as proposed by the Senate instead of $16,875,000 as proposed by the House.

TITLE IV—GENERAL PROVISIONS

Amendment No. 166: Deletes a general provision proposed by the House and stricken by the Senate concerning funding of workplaces free of illegal controlled substances.

The conferees strongly support the intent of the House provision. The conferees note that this issue is addressed in the Treasury, Postal Service, and General Government Appropriations Act, 1989 in a manner that applies to all Federal Government agencies.

Amendment No. 167: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which inserts Sec. 604 providing that if any provision of this Act or the application of any provision is held invalid, the remainder of the Act and the application of its provisions to persons or circumstances other than those as to which it is held invalid, shall not be affected. The House bill contained no provision on this matter.

Amendment No. 168: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the sum, "$8.75" named in said amendment, insert: *$8.58*

And in lieu of the section number "607" named in said amendment, insert: *606*

And at the end of the amendment after the phrase "fiscal year 1988", insert: *: Provided further, That the fourteenth and fifteenth provisos of this section (relating to Parts 1607 and 1612 of the Corporation's regulations) shall expire upon action by the United States Senate confirming a Board of Directors of the Legal Services Corporation composed of individuals who are nominated by the President after January 20, 1989: Provided further, That a Board of Directors of the Legal Services Corporation, composed of individuals nominated by the President after January 20, 1989 and subsequently confirmed by the United States Senate, shall develop and implement a system for the competitive award of all grants and contracts, including support centers, to take effect after September 30, 1989.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement includes all of the provisions included in the Senate amendment concerning the Legal Services Corporation with two technical changes and a new provision which permits the current restrictions on Parts 1607 and 1612 of the Corporation's regulations to expire upon Senate confirmation of a Board of Directors of the Corporation, nominated after January 20, 1989, and a new provision which will permit such a new board to develop and implement after September 30, 1989, a system for the competitive award of grants and contracts. The House bill contained no provision on this mattter.

The conferees have included language to permit the current restrictions affecting Parts 1607 and 1612 of the Corporation's regulations to expire upon confirmation by the United States Senate of a Board of Directors of the Legal Services Corporation composed of individuals who are nominated by the President after January 20, 1989. The conferees recognize that the terms of service of the current Board of Directors have expired and agree to give future confirmed Boards of Directors the opportunity to implement or revise such regulations as they may deem appropriate.

The conferees have also included language which will permit a Board of Directors nominated by the President after January 20, 1989, and subsequently confirmed by the Senate to develop and implement, after September 30, 1989, an effective system for the competitive award of all grants and contracts including those to support centers. The conferees understand that the provision on the competitive award of grants, of necessity, implicitly modifies section 1011 of the Legal Services Corporation Act, as amended by the seventh and eighth provision of this section. However, the conferees are agreed that such a modification only applies during such a competition and further agree that any recipient awarded a grant under a competitive system must comply with all provisions of the Legal Services Corporation Act and this Appropriations Act. For example, the statutory provisions concerning board composition requirements continue to apply. The conferees are aware of the administrative difficulties of instituting a nationwide competitive system for the award of Legal Services' grants to assist the poor. The conferees have, therefore, not specified the length of time of a proper competitive cycle. The conferees believe that this determination is best left to a Board of Directors of the Corporation. Nonetheless, the conferees believe a nationwide competitive system for the award of Legal Services' grants has not been fully explored. Language authorizing such a system has been included to permit full exploration of a competitive system that will continue to meet the needs of poor clients throughout the country.

Amendment No. 169: Deletes a Senate provision which would have prohibited funds in the Act from being used to procure any item or service from a foreign entity which engages directly or indirectly, in activities which, if it were a United States person, would violate section 8 of the Export Administration Act of 1979. The House bill contained no provision on this matter.

Amendment No. 170: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment which changes the section number to "606". The Senate amendment inserts a provision concerning the reprogramming of funds within appropriation accounts. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The House bill contained no provision on this matter.

Amendment No. 171: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment which changes the section number to "607". The Senate amendment inserts a provision which requires that FY 1989 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The House bill contained no provision on this matter.

Amendment No. 172: Deletes Senate language which would have limited funding for management and professional consulting services to 85 percent of FY 1987 level for these items and funding for consulting services for research and development activities to 95 percent of the FY 1987 level. The House bill contained no provision on this matter.

The conferees have deleted this provision without prejudice. The conferees are concerned about abuses in the use of consulting services by the Federal Government and expect the Departments and agencies funded by this Act to monitor and control expenditures for these activities assiduously.

Amendment No. 173: Deletes Senate language which would have expressed the sense of the Congress on certain policies and practices in Japan affecting commerce in American high technology products, particularly with regard to issuance of patents. The House bill contained no provision on this matter.

The conferees are agreed that—

(1) the appropriate Federal officials should closely analyze and consider possible ways to address the many constraints, detailed in the Senate bill, that may confront foreign companies and individuals when they seek to obtain and enforce patents in Japan;

(2) in light of such constraints, the appropriate Federal officials should encourage Japan to make changes in its patent system to ensure that foreign firms, especially American firms, are in no way disadvantaged and should seek to use the newly established United States-Japan Working Group on Intellectual Property as the focal point of efforts to change those practices that result in the inadequate protection of intellectual property;

(3) the appropriate Federal officials should urge Japanese authorities to take all possible action to prevent the manipulation of the patent system by Japanese companies;

(4) the principles underlying the administration of patent systems throughout the world should be the fostering and protection of true innovation and new products and processes, since the misappropriation of innovative technology serves no country's interest; and

(5) the appropriate Federal officials should also use the following forums to encourage Japan to make changes in this patent system to assure that these principles are observed:

(A) the harmonization talks in the World Intellectual Property Organizations' Committee of Experts;

(B) the trilateral harmonization discussions among the United States Patent and Trademark Office, the Japanese Patent Office, and the European Patent Office; and

(C) the Uruguay Round of Multilateral Trade Negotiations.

Amendment No. 174: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment which changes the section number to "608".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Senate amendment requires the Federal Communications Commission by January 31, 1989 to issue regulations to enforce 18 U.S.C. 1464 on a 24-hour basis.

The House bill contained no provision on this matter.

Amendment No. 175: Deletes a Senate provision which would have required all Federal grantees to state the percentage of the total cost of the program or project to be financed with Federal funds and the dollar amount of the Federal grant for the project or program, whenever such grantees issue statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with Federal money. The House bill contained no provision on this matter.

The conferees have deleted this provision without prejudice. The conferees are concerned that some recipients of Federal grants are not accurately stating the amount of Federal support included in the total cost of their projects or programs. The conferees expect the Appropriations Committees to address this matter in future legislation which covers all departments and agencies of the Federal Government.

Amendment No. 176: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment which changes the section number to 609.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Senate amendment prohibits the Commission on Civil Rights from enforcing subpoenas involving Indian tribal governments until 60 days after the Comptroller General has issued an opinion regarding the scope and authority of the Commission in this area.

Amendment No. 177: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment which changes the section number to 610.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Senate amendment adds language which provides the authority for the Bicentennial Commission to utilize funds for official reception and representation expenses. The Senate amendment also establishes an account for printing to be derived from receipts from sales of publications bearing the bicentennial logo.

Amendment No. 178: Deletes a Senate provision which would have stated findings and expressed the sense of the Senate that the People's Republic of China should immediately stop its sales of weapons to all nations in the Middle East and Persian Gulf, should discontinue its discussions with Syria, Iran, Libya and Pakistan on certain arms sales, and should endorse the UN sponsored arms embargo against Iran and Iraq. The amendment also provided that if such action is not taken, the U.S. should reassess it bilateral relations with the PRC. The House bill included no provision on this matter.

The conferees have deleted the Senate provision without prejudice. The conferees agree that the People's Republic of China should immediately stop its sales of weapons to all nations in the Middle East and Persian Gulf, should discontinue its discussions with Syria, Iran, Libya and Pakistan on certain arms sales and should endorse the UN sponsored arms embargo against Iran and Iraq. If such action is not taken the United States Government should reassess its bilateral relations with the PRC.

Amendment No. 179: Deletes a Senate provision which would have stated findings and expressed the sense of the Senate that the Soviet Union should respect the human rights and legitimate aspirations of the Armenian people. The House bill contained no provision on this matter.

The Conferees have deleted the Senate provision without prejudice. The conferees agree that—

(1) The Soviet Government should respect the legitimate aspirations of the Armenian people;

(2) The Soviet Government should discontinue its very serious violations of the human rights of the Armenian people;

(3) If the Soviet Union continues its deplorable suppression of the Armenian people, it will inevitably impact on United States-Soviet relations.

Amendment No. 180: Deletes Senate language which would have stated certain findings concerning United Nations security and peacekeeping activities and that the United States should pay its full assessed contributions to the UN and the U.S. proportionate share of peacekeeping activities. The House bill contained no provision on this matter.

The conferees have deleted the Senate provision without prejudice. The Conferees agree that—

(1) The United Nations security and peacekeeping activities are in the vital national security interests of the United States;

(2) United Nations security and peacekeeping activities represent an unparalleled opportunity for resolution of major regional conflicts; and

(3) The United Nations activities will save the United States hundreds of millions of dollars that otherwise would have to be spent in protecting United States interests in regions such as the Persian Gulf or in support of United States friends in Afghanistan, Angola, and Cambodia.

Amendment No. 181: Deletes a Senate provision which would have amended 8 U.S.C. 1157(a)(1) to require the President to consult with the Appropriations Committees, in addition to the Judiciary Committees, about the number of refugees which are going to be allowed into the U.S. each year. The House bill contained no provision of this matter.

The conferees have deleted the Senate provision without prejudice. The conferees expect the President to consult with the Appropriations Committees, the Judiciary Committees and all other appropriate committees of the Congress about the number of refugees which are going to be allowed into the U.S. each year.

TITLE VII—TECHNOLOGY COMPETITIVENESS

Amendment No. 182: Deletes a new title proposed by the Senate which would have inserted the Technology Competitiveness Act into the bill. The House bill contained no provision on this matter.

The Technology Competitiveness Act is included in P.L. 100-418, the Omnibus Trade and Competitiveness Act of 1988.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1989 recommended by the Committee of Conference, with comparisons to the fiscal year 1988 amount, the 1989 budget estimates, and the House and the Senate bills for 1989 follow:

	Amount
New Budget (obligational) authority, fiscal year 1988	$14,088,004,000
Budget estimates of new (obligational) authority, fiscal year 1989	15,504,004,000
House bill, fiscal year 1989	7,966,708,000
Senate bill, fiscal year 1989	15,006,408,000
Conference agreement, fiscal year 1989	14,849,392,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1988	+761,388,000
Budget estimates of new (obligational) authority, fiscal year 1989	−654,612,000
House bill, fiscal year 1989	+6,882,684,000
Senate bill, fiscal year 1989	−157,016,000

Neal Smith,
Bill Alexander,
Joseph D. Early,
Bernard Dwyer,
Bob Carr,
Alan R. Mollohan,
Jamie L. Whitten,
Hal Rogers, (except on amendments 144 and 168)
Ralph Regula,
Jim Kolbe, (except on amendments 144 and 168)
Silvio O. Conte,
Managers on the Part of the House.

Ernest F. Hollings,
Daniel Inouye,
Dale Bumpers,
Frank R. Lautenberg,
Jim Sasser,
Warren B. Rudman,
Ted Stevens,
Lowell P. Weicker, Jr.,
Mark Hatfield,
Robert Kasten,
Managers on the Part of the Senate.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. Gray of Illinois). The Chair will announce the resumption of consideration of bills under suspension of the rules.

HOTEL AND MOTEL FIRE SAFETY ACT OF 1988

Mr. ROE. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3704) to amend the Federal Fire Prevention and Control Act of 1974 to direct the Director of the Federal Emergency Management Agency, acting through the Administrator of the U.S. Fire Administration, to propose and promulgate a model code and guidelines governing the use and installation of automatic sprinkler systems in places of public accommodation affecting commerce, and for other purposes, as amended.

The Clerk read as follows:

H.R. 3704

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Hotel and Motel Fire Safety Act of 1988".

SEC. 2. FINDINGS AND PURPOSE.

(a) Findings.—Congress finds that—

(1) more than 400 Americans have lost their lives in multi-story hotel fires over the last 5 years;

(2) when properly installed and maintained, automatic sprinklers and smoke detectors provide the most effective safeguards against the loss of life and property from fire;

(3) some State and local governments and the hotel industry need to act more rapidly to require the installation and use of automatic sprinkler systems in hotels; and

(4) through the United States Fire Administration and the Center for Fire Research, the Federal Government has helped to develop and promote the use of residential sprinkler systems and other means of fire prevention and control.

(b) Purpose.—It is the purpose of this Act to save lives and protect property by promoting fire and life safety in hotels, motels, and all places of public accommodation affecting commerce.

SEC. 3. HOTEL AND MOTEL FIRE PREVENTION AND CONTROL.

(a) In General.—The Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2201 et seq.) is amended by adding at the end the following new sections:

"GUIDELINES FOR PLACES OF PUBLIC ACCOMMODATION"

"Sec. 28. (a) In General.—Not later than 270 days after the date of enactment of the Hotel and Motel Fire Safety Act of 1988, the Director, acting through the Administrator and in consultation with experts in hotel fire prevention and control, shall, in accordance with section 553 of title 5, United States Code, issue guidelines governing the use and installation of automatic sprinkler systems and smoke detectors in places of public accommodation affecting commerce.

"(b) Contents of Guidelines.—The guidelines issued under subsection (a) shall include—

"(1) a requirement that an automatic smoke detection system be installed in accordance with the appropriate American National Standard for Fire Alarm Systems in each place of public accommodation affecting commerce; and

"(2) a requirement that an automatic sprinkler system be installed in accordance with the appropriate American National Standard for the Installation of Sprinkler Systems in each place of public accommodation affecting commerce except those places that—

"(A) are 2 stories or lower;

"(B) have no interior corridors; and

"(C) have immediate exterior egress from rooms to a ground level area.

"(c) Effect on State and Local Law.—The provisions of this section shall not be construed to limit the power of any State or political subdivision thereof to implement or enforce any law, rule, regulation, or standard governing fire prevention and control.

"(d) Definitions.—For purposes of this section, the following definitions shall apply:

"(1) The term 'automatic smoke detection system' means an alarm system which is designed to respond to the presence of visible or invisible particles of combustion, and which incorporates in individual guest rooms self-contained smoke detector devices with warning signals.

"(2) The term 'automatic sprinkler system' means an integrated system of piping to which sprinklers are attached in a systematic pattern, and which, when activated by heat from a fire, will protect human lives by discharging water over the fire area.

"LISTINGS OF CERTIFIED PLACES OF PUBLIC ACCOMMODATION

"SEC. 29. (a) SUBMISSIONS BY STATES.—(1) Not later than 1 year after the date of the issuance of the guidelines referred to in section 28, each State shall, under procedures formulated by the Director, submit to the Director a list of those places of public accommodation affecting commerce located in the State which the Governor of the State or his designee certifies meet the requirements of the guidelines issued under section 28.

"(2) The Director shall formulate procedures under which each State shall periodically update the list submitted pursuant to paragraph (1).

"(b) COMPILATION AND DISTRIBUTION OF MASTER LIST.—(1) Not later than 60 days after the expiration of the 1-year period referred to in subsection (a), the Director shall compile and publish in the Federal Register a national master list of all of the places of public accommodation affecting commerce located in each State which meet the requirements of the guidelines issued under section 28, and shall distribute such list to each agency of the Federal Government and take steps to make the employees of such agencies aware of its existence and contents.

"(2) The Director shall periodically update the national master list compiled pursuant to paragraph (1) to reflect changes in the State lists submitted to him pursuant to subsection (a), and shall periodically redistribute the updated master list to each agency of the Federal Government.

"(3) For purposes of this subsection, the term 'agency' has the meaning given to it under section 5701(1) of title 5, United States Code.

"DISSEMINATION OF FIRE PREVENTION AND CONTROL INFORMATION

"SEC. 30. The Director, acting through the Administrator, is authorized to take steps to encourage the States to promote the use of automatic sprinkler systems and automatic smoke detection systems, and to disseminate to the maximum extent possible information on the life safety value and use of such systems. Such steps may include, but need not be limited to, providing copies of the guidelines issued under section 28 and of the master list compiled under section 29(b) to Federal agencies, State and local governments, fire services throughout the United States, and making copies of the master list compiled under section 29(b) available upon request to interested private organizations and individuals.".

(b) DEFINITIONS.—(1) Section 4 of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2203) is amended by redesignating paragraphs (4), (5), (6), and (7) as paragraphs (5), (6), (7), and (8), respectively, and by inserting immediately after paragraph (3) the following new paragraph:

"(4) 'Director' means the Director of the Federal Emergency Management Agency;".

(2) Section 4 of such Act (as amended by paragraph (1)) is further amended by redesignating paragraphs (7) and (8) as paragraphs (8) and (9), respectively, and by inserting immediately after paragraph (6) the following new paragraph:

"(7) 'place of public accommodation affecting commerce' means any inn, hotel, or other establishment not owned by the Federal Government which provides lodging to transient guests, other than an establishment located within a building which contains not more than 5 rooms for rent or hire and which is actually occupied as a residence by the proprietor of such establishment;".

SEC. 4. ADHERENCE TO FIRE SAFETY GUIDELINES IN ESTABLISHING RATES AND DISCOUNTS FOR LODGING EXPENSES.

(a) AMENDMENT TO TITLE 5.—Subchapter I of chapter 57 of title 5, United States Code, is amended by inserting immediately after section 5707 the following new section:

"§ 5707a. Adherence to fire safety guidelines in establishing rates and discounts for lodging expenses

"(a) Studies or surveys conducted for the purposes of establishing per diem rates for lodging expenses under this chapter shall be limited to places of public accommodation which meet the requirements of the guidelines governing the use and installation of automatic sprinkler systems and smoke detectors in places of public accommodation issued by the Director of the Federal Emergency Management Agency pursuant to section 28(a) of the Federal Fire Prevention and Control Act of 1974. The provisions of this subsection shall not apply with respect to studies and surveys that are conducted in any jurisdiction that is not a State as defined in section 4 of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2203).

"(b) The Administrator of General Services, in negotiating lodging discounts for official travel, shall not accept, or include in any directory listing lodging accommodations, any rates offered by places of public accommodation which do not meet the guidelines described in subsection (a).

"(c) The Administrator of General Services shall include in each directory listing lodging accommodations a description of the access and safety devices, including alarm systems for the deaf, which each listed place of public accommodation provides for guests who are hard of hearing, deaf, visually handicapped, or physically handicapped.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 57 of title 5, United States Code, is amended by inserting immediately after the item relating to section 5707 the following new item:

"5707a. Adherence to fire safety guidelines in establishing rates and discounts for lodging expenses.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect 1 year after the date of the publication in the Federal Register of the master list of certified places of public accommodation maintained by the Director of the Federal Emergency Management Agency pursuant to section 29(b) of the Federal Fire Prevention and Control Act of 1974 (as added by section 3 of this Act).

SEC. 5 PROHIBITION OF FEDERAL FUNDING OF CONFERENCES HELD AT NON-CERTIFIED PLACES OF PUBLIC ACCOMMODATION.

(a) IN GENERAL.—No funds may be provided by the Federal Government for the specified purpose of sponsoring or funding in whole or in part of a meeting, convention, conference, training seminar, or any similar event that is conducted in, or that otherwise uses the rooms, facilities, or services of, a place of public accommodation which does not meet the requirements of the guidelines governing the use and installation of automatic sprinkler systems and smoke detectors in places of public accommodation issued by the Director of the Federal Emergency Management Agency pursuant to section 28(a) of the Federal Fire Prevention and Control Act of 1974 (as added by section 3 of this Act).

(b) WAIVER.—The Secretary of the Treasury may waive the prohibition described in subsection (a) if the head of the agency of the Federal Government sponsoring or funding a particular meeting, convention, conference, training seminar, or similar event determines and certifies to the Secretary that a waiver of such prohibition is necessary in the public interest in the case of such particular event.

(c) EFFECTIVE DATE.—The provisions of this section shall take effect 1 year after the date of the publication in the Federal Register of the master list of certified places of public accommodation maintained by the Director of the Federal Emergency Management Agency pursuant to section 29(b) of the Federal Fire Prevention and Control Act of 1974 (as added by section 3 of this Act).

The SPEAKER pro tempore. Is a second demanded?

Mr. LUJAN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from New Jersey [Mr. ROE] will be recognized for 20 minutes and the gentleman from New Mexico [Mr. LUJAN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. ROE].

Mr. ROE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the committee has brought you a bill designed to protect the American public. H.R. 3704 seeks to improve fire safety conditions in hotels and motels across the country. On December 31, 1986, 97 lives were needlessly lost in a tragic fire at the Dupont Plaza Hotel in San Juan, Puerto Rico. This tragedy prompted my colleagues, DOUG WALGREN, of Pennsylvania, chairman, Subcommittee on Science, Research and Technology, MANUEL LUJAN, of New Mexico, ranking Republican member, Committee on Science, Space, and Technology and SHERWOOD BOEHLERT, of New York, ranking Republican member, Subcommittee on Science, Research and Technology, to hold a hearing on the causes of this fire. As a result of that hearing, my colleagues introduced H.R. 3704 on December 3, 1987.

The bill, as amended, represents an agreement reached between the Committee on Science, Space, and Technology and the Committee on Government Operations. I would like to thank JACK BROOKS, of Texas, chairman, Committee on Government Operations and FRANK HORTON, of New York, ranking Republican member, Committee on Government Operations for working with us to reach this agreement.

This bill under consideration requires the U.S. Fire Administration to issue guidelines within 9 months after enactment of this legislation, on specific fire safety features for hotels and motels. These guidelines must include smoke detection systems in all hotels and motels with five or more rooms and sprinklers in all hotels except those that meet all of the following criteria: two stories or lower, no interior corridors and immediate egress from rooms to a ground level area.

After these guidelines are issued, States are given 1 year to prepare for the Fire Administration a list of all hotels and motels which comply with the guidelines. At the end of that year, the U.S. Fire Administration has 2 months to publish the list of hotels and motels in compliance in the Federal Register.

In addition, the General Services Administration's [GSA] Federal Travel Directory, which contains a Federal hotel and motel discount directory for Federal employees on official travel, is required to list only the hotels or motels in compliance with the firesafety guidelines; and GSA is required to undertake discount negotiations for Federal employee lodging expenses only with hotels or motels in compliance with the firesafety guidelines.

In Federal Travel Directory is also required to include a description of special access and safety features each hotel or motel provides for the disabled. Finally, the bill prohibits the use of Federal funds for the specific purpose of sponsoring conferences, meetings, and similar events, at hotels and motels that do not meet the specified firesafety guidelines. All the provisions involving the General Services Administration are to take effect 1 year after the list of hotels and motels in compliance is published in the Federal Register.

It should be noted that local and State fire code writing and enforcement remain unaltered by this bill, because those matters remain within the rightful domain of State and local government jurisdictions. Also Federal employees have the option to stay in hotels and motels that are in compliance with the guidelines. Furthermore, hotels and motels can implement these guidelines on a voluntary basis.

Finally, H.R. 3704 represents a step made by the Federal Government to lead by setting the example, by encouraging its employees to stay in, and hold functions sponsored with Federal money in only fire-safe hotels and motels. From this example, it is hoped that hotels and motels in this country will make fire safety a high priority. Therefore, the American public can check into any hotel and motel around the country and feel assured that in most cases, they will be protected from the hazards of fire.

Attached to my statement is a list of 37 Members that asked to cosponsor the bill. Unfortunately, the narrow window between reaching an agreement with the committees of jurisdiction to bring the bill to the floor and the filing of the report precluded the submission of the list as additional cosponsors.

I strongly urge my colleagues to vote in favor of fire safety in hotels and motels, by voting in favor of H.R. 3704. The public has the right to expect fire-safe hotels wherever they travel in this country.

LIST OF COSPONSORS

Mr. Curt Weldon (Pa.), Mr. Robert Mrazek (N.Y.), Mr. Benjamin Gilman (N.Y.), Mr. Frank Horton (N.Y.), Mr. Christopher Smith (N.J.), Mr. Gary Ackerman (N.Y.), Mr. Frank Wolf (Va.), Mr. Peter DeFazio (Ore.), Mr. Major R. Owens (N.Y.), Mr. Vic Fazio (Ca.), Mr. James Traficant (Ohio), Mr. Paul Henry (Mich.), Mrs. Barbara Boxer (Ca.), Mr. Robert Garcia (N.Y.), Mr. Harris Fawell (Ill.), Mrs. Helen Bentley (Md.), Mr. Thomas Foglietta (Pa.), Mr. Martin Frost (Tex.), Mrs. Constance Morella (Md.), Mr. Buddy MacKay (Fla.), Mr. Chris Perkins (Ky.), Mr. Edolphus Towns (N.Y.), Mr. David Price (N.C.), Mr. Edward Madigan (Ill.), Mr. George Brown, Jr. (Ca.), Mr. Tim Valentine (N.C.), Mr. Robert Walker (Pa.), Miss Claudine Schneider (R.I.), Mr. Jack Davis (Ill.), Mr. Claude Pepper (Fla.), Mr. Steve Gunderson (Wis.), Mr. Hamilton Fish (N.Y.), Mr. Daniel K. Akaka (HI), Mr. Ron de Lugo (V.I.), Mr. Terry Bruce (Ill.), Mr. Chester Atkins (Mass.), Mr. Dennis Eckart (Ohio).

Mr. LUJAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. GILMAN. Mr. Speaker, will the gentleman yield.

Mr. LUJAN. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I want to commend the gentleman from New Jersey [Mr. ROE] and the gentleman from New Mexico [Mr. LUJAN] for bringing this measure to the floor, and I urge my colleagues to support the bill.

Mr. Speaker, I rise in support of H.R. 3704, the Hotel and Motel Fire Safety Act. I would like to commend the sponsors of this legislation, the distinguished ranking minority member of the Committee on Science, Space, and Technology, the gentleman from New Mexico [Mr. LUJAN] and the chairman and ranking minority member of the Subcommittee on Science, Research and Technology, Mr. WALGREN and Mr. BOEHLERT, for bringing this legislation before us.

The consideration of this legislation, H.R. 3704, affords us the opportunity to once again take stock of our national efforts at fire safety and prevention. As a active member of the Congressional Fire Service Caucus, I am pleased to acknowledge our local fire services companies who stand in the forefront of this effort, bearing the primary burden of protecting our communities from devastating fire damage to life and property. Mr. Speaker, there is clearly much more which we can do and should do on the Federal level to assist our front-line firefighters in this valiant task.

The Hotel and Motel Fire Safety Act will further our mutual campaign to end needless fire injury by requiring the Federal Emergency Management Agency [FEMA] to issue guidelines which require the use and installation of automatic sprinklers and smoke detectors in most places of public accommodation. Based upon periodic, frequent compliance reports from the States, FEMA will maintain and disseminate a master list of hotels which are approved as conforming with the guidelines. The use of Federal funds will be prohibited at any hotel which does not appear on this list.

More than 400 Americans have lost their lives in hotel fires over the last 5 years, and this figure attests to the need for more stringent safeguards aimed at preventing needless tragedies. In response to concerns voiced by hotel and motel associations, H.R. 3704 attempts to pursue the goal of fire safety in a manner which is fair and reasonable. The committee has added a number of amendments and exceptions which hopefully will serve to allay the fears of inn-keepers and hotel operators throughout the Nation. The compromise version of H.R. 3704, therefore, represents a straightforward effort to balance the concerns of hotel operators, firefighters, and citizen consumers. While the bill may not go far enough to please everyone, it does go a long way to encourage the use of fire sprinkler systems and should also serve to further the National debate on fire safety and prevention.

Accordingly, I urge my colleagues to assist our firefighters in preventing needless loss of life by voting to support the Hotel and Motel Fire Safety Act.

Mr. LUJAN. Mr. Speaker, as the ranking Republican member of the primary committee with jurisdiction over this bill and as one of the three initial cosponsors of H.R. 3704, I rise in strong support of this legislation, as amended, and ask my colleagues to do likewise.

The Hotel and Motel Fire Safety Act of 1988 has had a long incubation period beginning long before the tragic Dupont Plaza Hotel fire on December 31, 1986, where 97 people lost their lives. But that tragedy was perhaps the straw that broke the congressional back. Perhaps it began in 1974 with the creation of the Federal Fire Prevention and Control Act giving the Federal Government its formal and statutory stewardship over certain areas of fire mitigation.

However, my gut feeling's that H.R. 3704 had its inception with each family and friend that has lost a fellow human being to fire in a structure that could have been better protected.

This bill is based on fact not stupidity; and the fact is that no life has been lost in a motel or hotel that was fully sprinklered—lobby, rooms, and hall. The fact is that ignorance is the reason we do not realize how little control we have over mother nature. However, stupidity is the reason we do not use what control we do have available. Technology is a treat when it is improperly used but it is more egregious when technology is known to advance our society and it is not used at all.

In a Congress where competitiveness is the root of all evil and where the goal is to transfer existing and enabling technolgy to American businesses that do not have it, H.R. 3704 can be added to the list. Only this time, its not just the motel and hotel business that doesn't have it, its Uncle Sam himself, our own Federal employees haven't had the benefit of the available information. H.R. 3704 will correct that. Under this legislation, employees have a choice. As a government employee you can choose to stay in a protected hotel or you can decide not too. However, from now your employing agency and the Federal Travel Assistance Director will list those hotels and motels which have smoke detectors and are fully sprinklered. And I am proud to say, that for the first time we will assist the physically handicapped by listing those services available at hotels and motels which meet the special needs of the handicapped.

This bill is voluntary not a mandate to Government employees, you stay where you want and you decide how much protection you want. The Government through the U.S. Fire Administration provides guidance—not regulation—on the use and installation of automatic sprinkler systems and smoke detectors. USFA's activities under this bill will and have always been intended to be in accordance with the private sector code organizations. The Federal Government's support of conferences, seminars, and so forth, will be at only protected hotels and motels, unless the Secretary of the Treasury can justify otherwise.

Although the means of achieving the goal of this bill have gone through extensive revision, the end, I believe, have been justified.

The goal remains the same: To save lives and protect property by promoting fire prevention and control in hotels, motels, and all places of public accommodation affecting commerce.

In its final form, the means justifies the end and it is a bill that all Members of this body can vote yes for.

Mr. ROE. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Pennsylvania [Mr. WALGREN].

Mr. WALGREN. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in support of the Hotel-Motel Fire Safety Act.

Death from fire is one of the worst tragedies that can happen and it is even more tragic because it is needless. It is needless because we now have available cost-effective automative sprinkler systems that effectively stop fires before they get going and before they snuff out a life; yet the public in the United States remains at terrible risk from hotel fires. Despite the fact that there has never been multiple lives lost from a fire in a properly sprinklered building, and despite the public's instinctive and reasonable assumption that the hotels and motels that they check into are protected by reasonable means, we find that less than one-half of the hotel rooms in the United States are now protected by sprinklers, and it is time that public safety regulations caught up with public expectations.

Ninety-seven Americans died in 12 minutes in the Dupont Plaza Hotel fire in Puerto Rico New Year's Eve, 1986, just several days before this Congress convened.

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It is, I think, especially fitting that the House of Representatives in this session make a start on passing the kind of laws that will in the end assure that hotels and motels in America will truly be fire-safe. This bill represents a noncontroversial start down that road. It is an argument between the Committees on Science, Space, and Technology and on Government Operations, and I want to particularly salute those on the Committee on Government Operations, the gentlewoman from Illinois [Mrs. COLLINS], and particularly the chairman of the full comittee, the gentleman from Texas [Mr. BROOKS], for the attention they were able to give to this legislation as it came before them.

As passed originally by the Comittee on Science, Space, and Technology, we would have simply prevented Federal employees from receiving reimbursement for lodging expenses at hotels which were not fire-safe. I think we should be able to provide even stricter penalties than that. Nevertheless, we were not able to reach that kind of agreement that would have been able to move that kind of legislation.

This alternative that is being considered today simply encourages hotels and motels to put fire-safety features in place without using Federal employees as the enforcement mechanism. I believe that the bill should not be controversial.

The agreement developed by the two committees essentially would bar hotels and motels from being listed in the GSA Federal Travel Directory which lists places of public accommodation that provide special Government rates unless they meet fire-safety guidelines for hotels and motels as issued by the U.S. Fire Administration.

The bill would require these guidelines to include smoke-detection systems in all hotels and motels with five or more rooms, but most importantly it would require sprinklers in all hotels except those that meet the following criteria: those that are two stories or lower, those that have no interior corridors, and those that have direct exits to the outside from all rooms to a ground-level area. This bill would at least put in that directory and focus the GSA on this kind of presently available fire protection. It would also require the GSA to negotiate special rates for Federal employees only with those hotels and motels that meet those guidelines, and it would prohibit Federal funds from sponsoring conferences or meetings or similar events at hotels and motels that do not meet those guidelines.

This bill does not solve all the safety problems the public will encounter in staying in hotels across the country. Indeed, Federal employees will still be able to stay in hotels that do not meet that standard, but it does demonstrate the Federal Government's support for fire-safe hotels, and indirectly it will enhance the safety of the public in staying in all hotels.

When we can install sprinklers for the cost of redecorating, we ought to be requiring, strictly requiring, sprinklers. I urge my colleagues to vote for H.R. 3704. The public has the right to expect fire-safe hotels wherever they travel in this country.

Mr. LUJAN. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. BOEHLERT].

Mr. BOEHLERT. Mr. Speaker, the bill before us today is an attempt to begin to remedy what can only be called a national disgrace: the United States has the highest rate of losses of life and property caused by fire in the industrialized world.

This alarming rate of death and destruction is particularly inexcusable because it is so easy to reduce. The problem, you see, is not lack of knowledge, not lack of technology, not lack of funding, but only a sorry lack of attention. We are oblivious to the fire threat until we get burned.

It is only when we have a major blaze, like the one that wiped out the lives of 97 Americans in about 12 minutes at the Dupont Plaza Hotel in Puerto Rico, that we sit up and take notice.

The investigation of that fire found what the investigation of every other hotel fire has found—that if the building had had fire sprinklers the fire never would have gone beyond the smouldering chairs that started it.

We have seen study after study showing that sprinklers and smoke detectors, working together, efficiently and inexpensively prevent death and minimize damage.

What have we done with this knowledge? Almost nothing. A recent study by the hotel industry itself, one designed to produce a feeling of safety, found that more than half the hotel guest rooms in this country lack sprinklers. A handful of States and localities have laws requiring hotels to install sprinklers, but generally local government will move only after a devastating tragedy like the fires at the Dupont Plaza or the MGM Grand in Las Vegas.

This is clearly an area where if we want to make all Americans safe, the Federal Government is going to have to exercise some leadership. All of us have to face risks in life, but there's no reason why checking into a hotel should be among them.

The question before the sponsors of this bill, Mr. WALGREN, Mr. LUJAN, and myself, was how precisely the Federal Government should go about providing that leadership. After lengthly negotiations with fire service groups, the hotel industry, the Government Operations Committee and others, I think we have come up with a reasonable, moderate, logical, unobjectionable way to encourge hotels to install sprinklers and to protect Federal employees.

The bill would not require changes in State and local codes, would not set up a new Federal bureaucracy, would not even take the perfectly reasonable step—already taken by some major corporation—of requiring our own employees to stay in sprinklered hotels.

But the bill would begin to use the enormous purchasing power of the Federal Government—that $1.3 billion a year that is spent on lodging—to promote hotel safety. H.R. 3704 would do that by basing per diem rates and Federal Travel Directory listings solely on sprinklered hotels and by banning the use of unsprinklered hotels for federally funded conferences.

This is, quite literally, the very least we can do to protect Americans from the scourge of fire.

It is rare for Congress to be faced with such a clear and significant problem that has such a simple, feasible solution right at hand. I think we would be evading our responsibility if we failed to protect Americans under such circumstances.

I urge passage of H.R. 3704.

Mr. LUJAN. Mr. Speaker, I have no further request for time, and I yield back the balance of my time.

Mr. ROE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey [Mr. ROE] that the House suspend the rules and pass the bill, H.R. 3704, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to amend the Federal Fire Prevention and Control Act of 1974 to allow for the development and issuance of guidelines governing the use and installation of automatic sprinkler systems and smoke detectors in places of public accommodation affecting commerce, and for other purposes.".

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ROE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks to H.R. 3704, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

NATIONAL SCIENCE FOUNDATION AUTHORIZATION ACT OF 1988

Mr. ROE. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 547) to concur in the Senate amendments with an amendment to the bill (H.R. 4418) to authorize appropriations for the National Science Foundation for fiscal years 1989 and 1990, and for other purposes.

The Clerk read as follows:

H. RES. 547

Upon adoption of this resolution, the House shall be considered to have taken from the speaker's table the bill, H.R. 4418, the National Science Foundation authorization for fiscal years 1989 and 1990, with the Senate amendment thereto, and concurred in the Senate amendment to the text with an amendment as follows:

The House amendment to the Senate amendment: In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

SHORT TITLE

SECTION 1. This Act may be cited as the "National Science Foundation Authorization Act of 1988".

TITLE I—NATIONAL SCIENCE FOUNDATION AUTHORIZATION

AUTHORIZATION OF APPROPRIATIONS

SEC. 101. (a) Congress finds that to strengthen basic research and human resources in science and engineering the programs of the National Science Foundation (hereinafter referred to as the "Foundation") should be adequately funded.

(b) There is authorized to be appropriated to the Foundation $2,050,000,000 for fiscal year 1989, which shall be available for the following categories:

(1) Research and Related Activities, $1,653,500,000, which shall be available for the following subcategories:

(A) Mathematical and Physical Sciences, $507,800,000.

(B) Engineering, $198,000,000.

(C) Biological, Behavioral, and Social Sciences, $288,700,000.

(D) Geosciences, $320,900,000.

(E) Computer and Information Science and Engineering, $162,100,000.

(F) Science and Technology Research Centers, $25,000,000.

(G) Scientific, Technological, and International Affairs, $56,000,000.

(H) Program Development and Management, $95,000,000.

(2) Science and Engineering Education, $175,500,000, of which $17,500,000 shall be available for College Science Instrumentation.

(3) United States Antarctic Program, $141,000,000.

(4) Academic Research Facilities Modernization, $80,000,000.

(c) There is authorized to be appropriated to the Foundation $2,388,000,000 for fiscal year 1990, which shall be available for the following categories:

(1) Research and Related Activities, $1,910,700,000, which shall be available for the following subcategories:

(A) Mathematical and Physical Sciences, $588,500,000.

(B) Engineering, $229,500,000.

(C) Biological, Behavioral, and Social Sciences, $334,600,000.

(D) Geosciences, $372,000,000.

(E) Computer and Information Science and Engineering, $188,000,000.

(F) Science and Technology Research Centers, $30,000,000.

(G) Scientific, Technological, and International Affairs, $65,000,000.

(H) Program Development and Management, $103,100,000.

(2) Science and Engineering Education, $205,300,000.

(3) United States Antarctic Program $147,000,000.

(4) Academic Research Facilities Modernization, $125,000,000

(d) There is authorized to be appropriated to the Foundation $2,782,000,000 for fiscal year 1991, which shall be available for the following categories:

(1) Research and Related Activities, $2,200,200,000, which shall be available for the following subcategories:

(A) Mathematical and Physical Sciences, $681,500,000.

(B) Engineering, $265,800,000.

(C) Biological, Behavioral, and Social Sciences, $387,400,000.

(D) Geosciences, $430,800,000.

(E) Computer and Information Science and Engineering, $217,600,000.

(F) Science and Technology Research Centers, $30,000,000.

(G) Scientific, Technological, and International Affairs, $75,200,000.

(H) Program Development and Management, $111,900,000.

(2) Science and Engineering Education, $240,200,000.

(3) United States Antarctic Program, $154,100,000.

(4) Academic Research Facilities Modernization, $187,500,000.

(e) There is authorized to be appropriated to the Foundation $3,245,000,000 for fiscal year 1992, which shall be available for the following categories:

(1) Research and Related Activities, $2,552,000,000

(2) Science and Engineering Education, $281,000,000.

(3) United States Antarctic Program, $162,000,000.

(4) Academic Research Facilities Modernization, $250,000,000.

(f) There is authorized to be appropriated to the Foundation $3,505,000,000 for fiscal year 1993, which shall be available for the following categories:

(1) Research and Related Activities, $2,772,000,000.

(2) Science and Engineering Education, $308,000,000.

(3) United States Antarctic Programs, $175,000,000.

(4) Academic Research Facilities Modernization, $250,000,000.

(g) Notwithstanding any other provision of this Act—

(1) not less than $5,000,000 of the amount authorized in subsection (b)(2) is authorized only for purposes of teacher training and enhancement and for development of model curriculum tailored for science and mathematics instruction, and instruction in technician training programs, in two-year and community colleges; and

(2) in allocating funds authorized under this section for planning grants for Science and Technology Centers, the Director of the Foundation (hereinafter referred to as the "Director") shall give due consideration to the need to establish centers in geographic areas of the United States in which there is no nationally recognized research university.

(h)(1) If the total amount appropriated for a program category specified in subsections (b) through (f) of this section is less than the total amount authorized to be appropriated for such category under this section, the portion of such appropriated amount that shall be available for spending for each subcategory of such category, and for each program of such category or subcategory for which a funding floor is specified, shall be determined as follows:

(A) For each subcategory, the amount available for spending shall be equal to the amount specified in subsections (b) through (f) for that subcategory, as multiplied by the funding availability percentage.

(B) For each program of any category or subcategory for which a funding floor is specified, the amount available for spending shall be equal to the amount specified in this section as the floor for that program, as multiplied by the funding availability percentage.

(2) For the purposes of this subsection, the term "funding availability percentage" means the percentage determined by dividing—

(A) the total amount appropriated for a program category specified in subsection (b), (c), (d), (e), or (f) of this section by

(B) the total amount authorized under subsection (b), (c), (d), (e), or (f) for that category.

AVAILABILITY OF APPROPRIATIONS

SEC. 102. Appropriations made under authority provided in section 101 of this Act shall remain available for obligation for periods specified in the Acts making the appropriations.

CONSULTATION AND REPRESENTATION EXPENSES

SEC. 103. From appropriations made under authorizations provided in this Act, not more than $7,500 may be used in each fiscal year for official consultation, representation, or other extraordinary expenses at the discretion of the Director. The determination of the Director will be final and conclusive upon the accounting officers of the Government.

TRANSFER OF FUNDS

SEC. 104. (a) In any given fiscal year, funds may be transferred among the categories listed in section 101, and among subcategories listed in section 101, so long as the net funds transferred to or from any category, or to or from any subcategory, do not exceed 10 percent of the amount authorized for that category or subcategory.

(b) In addition, the Director may propose transfers to or from any category exceeding 10 percent of the amount authorized for that category in section 101, and to or from any subcategory in which the net funds transferred exceed 10 percent of the amount authorized for that subcategory. An explanation of any such proposed transfer must be transmitted in writing to the Committee on Science, Space, and Technology of the House of Representatives, and the Committees on Labor and Human Resources and Commerce, Science, and Transportation of the Senate. The proposed transfer may be made only when 30 calendar days have passed after transmission of such written explanation.

ADMINISTRATIVE AMENDMENTS

SEC. 105. (a) Section 4 of the National Science Foundation Act of 1950 (42 U.S.C. 1863) is amended by adding at the end thereof the following:

"(k) Portions of Board meetings in which the Board considers proposed Foundation budgets for a particular fiscal year may be closed to the public until the President's budget for that fiscal year has been submitted to the Congress.".

(b) Subsection (c) of section 15 of the National Science Foundation Act of 1950 (42 U.S.C. 1874) is repealed.

(c) Section 36(f) of the Science and Technology Equal Opportunities Act (42 U.S.C. 1885c(f)) is amended to read as follows:

"(f) Every two years, the Committee shall prepare and transmit to the Director a report on its activities during the previous two years and proposed activities for the next two years. The Director shall transmit to Congress the report, unaltered, together with such comments as the Director deems appropriate.".

TEMPORARY PERSONNEL

SEC. 106. Section 14(a) of the National Science Foundation Act of 1950 (42 U.S.C. 1873(a)) is amended by inserting "(1)" immediately after "(a)", and by adding at the end the following new paragraphs:

"(2) The Director may, under the authority provided by paragraph (1) of this subsection and in accordance with such policies as the Board chooses to prescribe, appoint for a limited term, or on a temporary basis, scientists, engineers, and other technical and professional personnel on leave of absence from academic, industrial, or research institutions to work for the Foundation.

"(3) The Foundation may pay, to the extent authorized for certain other Federal employees by section 5723 of title 5, United States Code, travel expenses for any individual appointed for a limited term or on a temporary basis and transportation expenses of his or her immediate family and his or her household goods and personnel effects from that individual's residence at the time of selection or assignment to his or her duty station. The Foundation may pay such travel expenses and transportation expenses to the same extent for such an individual's return to the former place or residence from his or her duty station, upon separation from the Federal service following an agreed period of service. The Foundation may also pay a per diem allowance at a rate not to exceed the daily amounts prescribed under section 5702 of title 5, United States Code, to such an individual, in lieu of and when less than transportation expenses of the immediate family and household goods and personal effects, for the period of his or her employment with the Foundation. Notwithstanding any other provision of law, the employer's contribution to any retirement, life insurance, or health benefit plan for a individual appointed for a term of one year or less, which could be extended for no more than one additional year, may be made or reimbursed from appropriations available to the Foundation.".

BUDGET ESTIMATES

SEC. 107. Section 14 of the National Science Foundation Act of 1950 (42 U.S.C. 1873) as amended by adding at the end the following new subsection:

"(j) Starting with fiscal year 1990, the Foundation shall submit to the Congress in each fiscal year, at the time of the release of the President's budget, a three-year budget estimate for the Foundation. The three-year budget shall include funding estimates for each major activity, including each scientific directorate, the United States Antarctic Program, the Science and Engineering Education Directorate, and the Program Development and Management activity.".

FINANCIAL DISCLOSURE REPORT FOR BOARD MEMBERS

SEC. 108. Section 4 of the National Science Foundation Act of 1950 (42 U.S.C. 1863) is amended by adding at the end the following new subsection:

"(k) Members of the Board shall be required to file a financial disclosure report under title II of the Ethics in Government Act of 1978 (5 U.S.C. App; 92 Stat. 1836), except that such reports shall be held confidential and exempt from any law otherwise requiring their public disclosure.".

EVALUATIONS OF RESEARCH CENTERS

SEC. 109. In carrying out performance reviews of research centers by the Foundation, the Director shall take such action as may be necessary, consistent with the merit review process of the Foundation, to ensure that—

(1) members of review panels are free from any conflict of interest; and

(2) the conditions of each award to such centers have been fulfilled.

RESEARCH CENTER CONSORTIA

SEC. 110. In Foundation programs making grants to research centers, the Director shall encourage the formation of consortia that include research universities, two-year and four-year colleges, and the private sector.

BUY-AMERICAN REQUIREMENTS

SEC. 111. (a) The Director shall, to the maximum extent practicable and consistent with current law, award to domestic firms any contracts for the purchase of goods and services intended for direct use by the Foundation.

(b) The Director shall, as soon as possible after the date of enactment of this Act, prepare a report on—

(1) the number of Foundation contracts entered into with foreign firms in fiscal year 1988;

(2) the number of such contracts entered into with domestic firms in that fiscal year;

(3) the number of contracts entered into with foreign firms where the Foundation also received a technically acceptable bid from a domestic firm; and

(4) any steps the Foundation will take to increase the number of contracts awarded to domestic firms.

Such report shall be submitted to the Committee on Science, Space, and Technology of the House of Representatives and the Committees on Labor and Human Resources and Commerce, Science, and Transportation of the Senate.

(c) For the purposes of this section—

(1) the term "domestic firm" means a business entity which is organized under the laws of the United States or the laws of a State, district, commonwealth, territory, or possession of the United States, and which conducts business operations in the United States; and

(2) the term "foreign firm" means a business entity not described in paragraph (1).

UNDERGRADUATE SCIENCE IMPROVEMENT

SEC. 112. (a) The Congress finds that the support of undergraduate science and engineering education is a critical component in a comprehensive national policy intended to ensure the Nation's future supply of scientists and engineers.

(b) In accordance with the provisions of this Act, the Foundation shall support undergraduate science and engineering activities in instrumentation and laboratory improvement, undergraduate faculty enhancement, undergraduate research opportunities, undergraduate curriculum development, and efforts to encourage the participation of women, minorities, and the disabled in such fields.

(c) In carrying out the provisions of this section, the Foundation shall take into account the special needs of two-year and four-year colleges and universities.

EXPERIMENTAL PROGRAMS TO STIMULATE COMPETITIVE RESEARCH

SEC. 113. (a) The Director shall operate an Experimental Program to Stimulate Competitive Research, the purpose of which is to assist those States that—

(1) historically have received relatively little Federal research and development funding; and

(2) have demonstrated a commitment to develop their research bases and improve science and engineering research and education programs at their universities and colleges.

(b) A State which has received an initial award under such Program, whether or not the award was received before or after the date of enactment of this Act, shall be eligible for up to 5 years of additional support under the Program if that State provides assurances of new matching funds and submit an acceptable new plan for using Program funds and matching funds to build the research capabilities of the State

COLLEGE AND UNIVERSITY INNOVATION RESEARCH

SEC. 114. The Director shall prepare and submit, not later than March 1, 1989, a report to the Committee on Labor and Human Resources and Committee on Commerce, Science, and Transportation of the Senate, and the Committee on Science Space, and Technology of the House of Representatives on assisting academic research at a wide range of colleges and universities, including smaller institutions and institutions which do not traditionally receive Federal research funds, to pursue high-quality research of economic potential. The report shall—

(1) describe the procedures, terms, and conditions necessary for the establishment of a program patterned after the Small Business Innovation Research program to assist college and university faculty to pursue research of economic potential;

(2) analyze the feasibility of establishing funding recoupment mechanisms to offset the cost of such assistance; and

(3) state whether such a program is appropriate and feasible and, if so, the steps the Director shall take to establish and carry out such a program.

EARTHQUAKE ENGINEERING RESEARCH

SEC. 115. (a) The National Academy of Sciences shall conduct a study of earthquake engineering activities being carried out by the Foundation and other Federal agencies under the Earthquake Hazards Reduction Act of 1977 (42 U.S.C. 7701 et seq.). Such study shall include—

(1) an assessment of the adequacy of each agency's current Federal earthquake engineering efforts, including those designed to increase the implementation of new techniques; the need for specialized research facilities, including large-scale facilities; the division of responsibilities among the various Federal agencies; and recommended levels of funding that the Foundation and other agencies should provide, in the form of grants to individuals, groups, and centers, to non-Federal researchers prinicipally engaged in earthquake engineering research; and

(2) recommendations, if any, of the National Academy of Sciences for improvements in the current Federal efforts in the area of earthquake engineering research.

(b) The results of the study required by subsection (a) of this section shall be reported to the Congress on or before the expiration of the 12-month period following the date of enactment of this Act.

(c) In carrying out such study, the National Academy of Sciences is authorized to call upon any agency, department, or other instrumentality or entity of the United States for cooperation, and such agency, department, instrumentality, or entity shall provide such cooperation.

DESALINATION REPORT

SEC. 116. The Office of Science and Technology Policy shall prepare and submit a report to the Congress not later than December 1, 1988, on desalination research and technology. The report shall—

(1) describe the state of desalination research and technology being conducted by agencies of the Federal Government;

(2) recommend an agency of the Federal Government to be the lead agency on desalination research and technology;

(3) recommend ways to spur research and technology to decrease the cost of desalination; and

(4) recommend how desalination research and technology can be used as a component of the foreign assistance program of the United States.

PRESIDENTIAL AWARDS FOR TEACHING EXCELLENCE

SEC. 117. (a)(1)(A) The President is authorized to make Presidential Awards for Excellence in Mathematics and Science Teaching to kindergarten through grade 12 school teachers of mathematics and science who have demonstrated outstanding teaching ability in the field of teaching mathematics or science.

(B) Each year the President is authorized to make no fewer than 108 awards under subparagraph (A). In selecting teachers for an award authorized by this subsection, the President shall select at least two teachers—

(i) from each of the several States;

(ii) from the District of Columbia;

(iii) from the Commonwealth of Puerto Rico;

(iv) from among the Trust Territory of the Pacific Islands, the Commonwealth of the Northern Mariana Islands, and other commonwealths, territories, and possessions of the United States; and

(v) from the United States Department of Defense Dependents' School.

(2) The President shall carry out this subsection, including the establishment of the selection procedures, after consultation with the Director and other appropriate officials of Federal agencies.

(3)(A) Funds to carry out this subsection for any fiscal year shall be made available from amounts appropriated pursuant to annual authorization of appropriations for the Foundation for Science and Engineering Education.

(B) Amounts made available pursuant to subparagraph (A) shall be available for making awards under this subsection, for administrative expenses, for necessary travel by teachers selected under this subsection, and for special activities related to carrying out this subsection.

(b)(1) Part C of title II of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2701 et seq.), as amended by the Augustus F. Hawkins-Robert T. Stafford Elementary and Secondary School Improvement Amendments of 1988, is amended to read as follows:

"PART C—PRESIDENTIAL AWARDS FOR TEACHING EXCELLENCE IN FOREIGN LANGUAGES

"SEC. 2201. PRESIDENTIAL AWARDS.

"(a) GENERAL AUTHORITY.—The President is authorized to make Presidential Awards for Teaching Excellence in Foreign Languages to elementary and secondary school teachers of foreign languages who have demonstrated outstanding teaching ability in the field of teaching foreign languages.

"(b) LIMITATIONS.—Each year the President is authorized to make 108 awards under subsection (a). In selecting elementary and secondary school teachers for an award authorized by this section, the President shall select at least one elementary school teacher and one secondary school teacher—

"(1) from each of the several States;

"(2) from the District of Columbia;

"(3) from the Commonwealth of Puerto Rico;

"(4) from among the Trust Territory of the Pacific Islands, the Commonwealth of the Northern Mariana Islands, and other commonwealths, territories, and possessions of the United States; and

"(5) from the United States Department of Defense Dependents' School.

"SEC. 2202. ADMINISTRATIVE PROVISIONS.

"(a) IN GENERAL.—There are authorized to be appropriated $1,000,000 for each fiscal year to carry out this part.

"(b) AVAILABILITY.—Amounts appropriated pursuant to subsection (a) shall be available for making awards under this part, for administrative expenses, for necessary travel by teachers selected under this part, and for special activities related to carrying out this part.".

(2) The items in the table of contents of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2701 et seq.) relating to part C of title II are amended to read as follows:

"PART C—PRESIDENTIAL AWARDS FOR TEACHING EXCELLENCE IN FOREIGN LANGUAGES

"SEC. 2201. Presidential awards.

"SEC. 2202. Administrative provisions.".

DRUG-FREE WORKPLACE

SEC. 118. (a) No funds authorized to be appropriated under this Act, or under any other Act authorizing appropriations for fiscal year 1989 through 1993 for the Foundation, shall be obligated or expended unless the Foundation has in place, and will continue to administer in good faith, a written policy designed to ensure that all of its workplaces are free from the illegal use, possession, or distribution of controlled substances (as defined in the Controlled Substances Act) by the officers and employees of the Foundation.

(b) No funds authorized to be appropriated to the Foundation for fiscal years 1989 through 1993 shall be available for payment in connection with any grant, contract, or other agreement, unless the recipient of such grant, contractor, or party to such agreement, as the case may be, has in place and will continue to administer in good faith a written policy, adopted by the board of directors or other governing authority of such recipient, contractor, or party, satisfactory to the Director of the Foundation, designed to ensure that all of the workplaces of such recipient, contractor, or party are free from the illegal use, possession, or distribution of controlled substances (as defined in the Controlled Substances Act) by the officers and employees of such recipient, contractor, or party.

TITLE II—ACADEMIC RESEARCH FACILITIES MODERNIZATION

SHORT TITLE

SEC. 201. This title may be cited as the "Academic Research Facilities Modernization Act of 1988".

FINDINGS AND PURPOSE

SEC. 202. (a) The Congress finds that—

(1) the fundamental research and related education programs supported by the Federal Government and conducted by the Nation's universities and colleges are essential to our national security, and to our health, economic welfare, and general well-being;

(2) many national research and related education programs conducted by universities and colleges are now hindered by obsolete research buildings and equipment, and many institutions lack sufficient resources to repair, renovate, or replace their laboratories;

(3) the Nation's capacity to conduct high quality research and education programs and to maintain its competitive position at the forefront of modern science, engineering, and technology is threatened by this research capital deficit, which poses serious and adverse consequences to our future national security, health, welfare, and ability to compete in the international marketplace;

(4) a national effort to spur reinvestment in research facilities is needed, and national, State, and local policies and cooperative programs are required that will yield maximum return on the investment of scarce national resources and sustain a commitment to excellence in research and educaiton; and

(5) the Foundation, as part of its responsibility for maintaining the vitality of the Nation's academic research, and in partnership with the States, industry, and universities and colleges, must assist in enhancing the historic linkages between Federal investment in academic research and training and investment in the research capital base by reinvesting in the capital facilities which modern research and education programs require.

(b) It is the purpose of this title to assist in modernizing and revitalizing the Nation's research facilities at institutions of higher education, independent non-profit research institutions and research museums, and consortia thereof, through capital investment.

ESTABLISHMENT OF PROGRAM

SEC. 203. (a)(1) To carry out this title, the Director shall establish and carry out a new Academic Research Facilities Modernization Program (hereafter in this title referred to as the "Program"), under which awards are made to institutions of higher education, independent nonprofit research institutions, and research museums, and consortia thereof, for the repair, renovation, or, in exceptional cases, replacement of obsolete science and engineering facilities primarily devoted to research.

(2) Such awards shall, consistent with the functions of the Foundation set forth in section 3 of the National Science Foundation Act of 1950 (42 U.S.C. 1862) and through established Foundation selection procedures, serve to—

(A) promote the modernization of graduate academic science and engineering research laboratories and related facilities so as to facilitate and support research in the scientific and engineering disciplines;

(B) assist those academic institutions that historically have received relatively little Federal research and development funds to improve their academic science and engineering infrastructures and broaden and strengthen the Nation's science and engineering base; and

(C) promote the modernization of undergraduate academic science and engineering research laboratories and related facilities so as to facilitate and support research in the scientific and engineering disciplines.

(b)(1) The Program shall be carried out through projects which involve the repair, renovation, or, in exceptional cases, replacement of specific science and engineering facilities devoted primarily to research at eligible institutions, or consortia thereof, and for which funds are awarded in response to specific proposals submitted by such eligible institutions or consortia in accordance with procedures prescribed by the Director pursuant to section 204 of this Act.

(2) Awards made under the Program shall not exceed $7,000,000 to any institution or consortium over any period of 5 years for the repair, renovation, or, in exceptional cases, replacement of academic research facilities.

(3) The Director shall, in making awards under the Program, consider the extent to which that institution or consortium has received funds for the repair, renovation, construction, or replacement of academic facilities from any other Federal funding source within the 5-year period immediately preceding the application. The Director shall give priority to institutions or consortia that have not received such funds in the preceding 5 years.

(4) The Director shall, in awarding funds under this title, consider the distribution of funds among institutions of different sizes and geographical locations.

(c) Criteria for the award of funds to any institution for a project under the Program shall include—

(1) the quality of the research and training to be carried out in the facility or facilities involved;

(2) the need for the proposed repair, renovation, or, in exceptional cases, replacement based on an analysis of the age and condition of existing research facilities and equipment;

(3) the congruence of the institution's research and training activities with the future research needs of the Nation and the research mission of the Foundation;

(4) the contribution that the project will make toward meeting national, regional, and institutional research and related training needs;

(5) in the case of an institution that historically has received relatively little Federal research and development funding, the contribution the proposed project will make to improving the institution's academic scientific and engineering infrastructure and broadening the Nation's science and engineering base; and

(6) the impact of the award on the overall geographic distribution of awards made under the Program, with the objective of avoiding undue concentration of awards.

PROCEDURES, GUIDELINES, AND PLANNING ACTIVITIES

SEC. 204. (a)(1) The Director shall, consistent with the objectives of the Program and the criteria set forth in section 203(c) of this Act, shall set forth procedures for the Program.

(2) The procedures so prescribed shall contain such terms, conditions, and guidelines as may be necessary in the light of Program objectives, but shall in any event provide that—

(A) funds to carry out the Program will be awarded only on the basis of merit after a comprehensive review using established Foundation procedures;

(B) the membership of merit review panels that assess proposals will be broadly representative of eligible institutions, including research universities and predominantly undergraduate and minority institutions;

(C) the institution receiving an award shall provide at least 50 percent of the cost, in cash or in kind, fairly evaluated, of the repair, renovation, or replacement involved and shall provide this contribution from private or non-Federal public sources, except that the Director may accept a match of less than 50 percent, but at least 30 percent, for institutions which are not ranked among the top 100 of the institutions receiving Federal research and development funding, as documented in the latest annual report of the Foundation entitled "Federal Support to Universities, Colleges, and Selected Nonprofit Institutions"; and

(D) to the extent practicable, eligible institutions of a given type will compete against similar institutions for Program awards.

(b) The Director shall conduct comprehensive planning activities, including surveys of research facility needs and other information-gathering activities, necessary to implement the Program and to develop the procedures called for under subsection (a) of this section.

(c) Prior to the issuance of the comprehensive plan required by subsection (d) of this section, and consistent with the Program criteria set forth in section 203(c) of this Act, the Director shall publish in the Federal Register proposed Program guidelines for public review for a comment period of 30 days. Such guidelines shall provide detailed information on eligibility, criteria, terms, and conditions and shall include, but not be limited to—

(1) definitions for the terms "institutions of higher education", "private non-profit research organizations", "research museums", "consortia", "facilities primarily devoted to research", "instrumentation", "equipment", "repair", "renovation", and "replacement";

(2) selection criteria to be used by the Foundation in evaluating proposals from institutions and consortia thereof, including criteria for evaluating scientific merit and for evaluating the age and condition of existing research facilities; and

(3) requirements for matching a Program award with contributions from non-Federal sources.

(d) The Director, after gathering appropriate information and after considering comments on the proposed Program guidelines published in the Federal Register pursuant to subsection (c) of this section, shall develop a comprehensive plan for the Program that—

(1) defines the appropriate roles and responsibilities of the Federal Government, institutions of higher education, State governments, private foundations, and other appropriate organizations;

(2) states what procedures will be used to ensure that predominantly undergraduate institutions and colleges and universities that historically have received little Federal research and development funding will receive substantial percentages of the funds awarded under this title;

(3) states the estimated percentage of Program funds available for each category of eligible institutions, including predominantly undergraduate institutions and colleges and universities that historically have received little Federal research and development funding as well as research universities; and

(4) evaluates and addresses, to the maximum extent possible, a variety of factors which include—

(A) the unique circumstances and research facilities needs of research universities, undergraduate institutions, and other institutions whose enrollment includes substantial percentages of minorities underrepresented in science and engineering research;

(B) innovative approaches in the management of the Program that address both short-term and long-term aspects of the renovation, repair, and replacement of academic research facilities;

(C) programmatic approaches that recognize and support excellence, strengthen scientific and engineering research potential and, to the maximum extent possible and consistent with the purposes of this Act, assure an equitable distribution of resources with respect to institutions and geographical areas; and

(D) any recommendations necessary to improve the Program and further meet the purposes of this title.

(e) The Director shall prepare and submit, not later than June 15, 1989, a report containing the comprehensive plan required by subsection (d) of this section to the Committee on Labor and Human Resources and the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives.

(f) Final guidelines shall be published in the Federal Register not later than 45 days after the submission of the report required under subsection (e).

(g) The Director shall, from amounts available to the Foundation under section 101(b) of this Act for fiscal year 1989, make available an amount, not to exceed $1,000,000, to carry out the provisions of this section. None of the funds authorized to be appropriated in section 101 of this Act may be used for grant or contract awards under the Program prior to completion and submission to Congress of the comprehensive plan required by subsection (d) of this section.

(h) In conducting the activities under the Program, the Director shall consult with the Secretary of Education and the heads of other related agencies.

SET-ASIDE FOR CERTAIN INSTITUTIONS

SEC. 205. Of the amounts appropriated to the Foundation for the Program, as authorized under section 101 of this Act, in each fiscal year, at least 12 percent shall be reserved for historically Black colleges or universities defined as "part B institutions" by section 322(2) of the Higher Education Act of 1965 (20 U.S.C. 1061(2)) and other institutions of higher education whose enrollment includes a substantial percentage of students who are Black Americans, Hispanic Americans, or Native Americans.

CONFRONTING AMENDMENT

SEC. 206. Subtitle E of title IV (sections 6401-6403) of the Omnibus Trade and Competitiveness Act of 1988 is repealed.

Amend the title to read as follows: "A bill to authorize appropriations for the National Science Foundation, and for other purposes.".

The SPEAKER pro tempore. Is a second demanded?

Mr. LUJAN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from New Jersey [Mr. ROE] will be recognized for 20 minutes and the gentleman from New Mexico [Mr. LUJAN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. ROE].

Mr. ROE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as chairman of the Science, Space, and Technology Committee, the authorizing committee for the National Science Foundation, I want to inform the House of my committee's understanding of those provisions in the bill before the House that authorize an NSF program for the revitalization of the scientific research facilities on the Nation's college and university campuses. I have expressed that understanding in previous statements on the facilities issue, but the issue itself is so critical to the Nation's economic future that I think it important to make that understanding absolutely clear once more.

As I believe the House is aware, this program is designated to make Federal financial support available for the replacement and renovation of university research facilities. The need for this support is very great, and this program is a positive step in the direction of meeting that need. Accordingly, I and the overwhelming majority of my committee members are enthusiastic supporters of the program. We urge the House to adopt the program as it is outlined in the pending legislation.

At the same time, however, the House should be aware that the program in question is not intended by the committee to be the exclusive congressional response to the need for new or renovated research facilities crisis on our college and university campuses. As my committee has seen in the course of our consideration of the issue, we in the Congress have an important role to play beyond the authorizing and funding of this program. Congress, by directly funding college and university research facilities, can promote the development of the Nation's greatest single natural resource, the minds of its citizens. Such initiatives can stimulate the development of new technologies, new processes, and new materials. They can assist institutions that aspire to greatness in scientific research to become respected participants in the competition for scarce Federal research funds. They can help to rebuild the Nation's research infrastructure. Finally, they can contribute mightily to local, regional, and national economic development, particularly in some of our Nation's poorest and most depressed geographical areas.

In my judgment and that of my committee, these initiatives are an essential part of Congress' duty to promote the general welfare. To build up our emerging institutions, to renew our university research infrastructure, to promote economic development, to stimulate new technological advances, and to improve the opportunities available to our young men and women for scientific education—these are very good things, and direct and decisive congressional action to meet the pressing facilities needs of deserving colleges and universities has proven to be an extremely effective way of achieving them.

I would like to explain the amendment we have worked out to the Senate passed version of H.R. 4418, the National Science Foundation Authorization Act for fiscal years 1989 through 1993.

I want especially to thank the chairman of the Subcommittee on Science, Research and Technology, Mr. WALGREN, as well as the ranking Republican member of the committee, Mr. LUJAN, and the ranking Republican member of the subcommittee, Mr. BOEHLERT, for their hard work and cooperation in the development of this legislation, and more particularly, this amendment.

I also want to thank our colleagues on the Senate Committee on Labor and Human Resources. Chairman KENNEDY and ranking Republican member, Mr. HATCH, as well as on the Senate Committee on Commerce, Science, and Transportation, Chairman Mr. HOLLINGS and ranking Republican member, Mr. DANFORTH, for their outstanding cooperation and diligent efforts to reconcile any differences with the House over provisions in H.R. 4418.

H.R. 4418 was considered by the Committee on Science, Space, and Technology early in the term and passed the House on June 9. In the other body, two committees share jurisdiction over NSF—the Committee on Commerce, Science, and Transportation and the Committee on Labor and Human Resources. These two committees together produced a bill which was passed as an amendment to H.R. 4418 on June 17, I am pleased that this action allows Congress to move forward with an authorization for NSF for the first time in 3 years.

There were a number of differences between the House and Senate passed versions of H.R. 4418. The amendment in the nature of a substitute before us was discussed with the Senate Committees on Labor and Human Resources and on Commerce, Science, and Transportation. We believe this amendment will be satisfactory and acceptable to the other body.

Let me point out the main points of difference and how they were resolved. I request that I be allowed to submit a more complete statement describing the provisions in the amendment, to be appended to my remarks.

The House bill provided a 2-year authorization while the Senate bill was for 5 years. The proposed amendment accepts a 5-year authorization but differs from the Senate bill by including authorization levels for all major NSF activities for the first 3 years and for research and related activities, science, and engineering education, the U.S. Antarctic Program, and the Academic Research Facilities Modernization Program in the final 2 years. The total authorization level reaches the goal of doubling the NSF budget in fiscal year 1992. This is the goal first sought by the administration in the NSF budget submittal for fiscal year 1988, which we strongly endorse. Within this authorization level, the new Academic Research Facilities Modernization Program is ramped up to a level of $250 million in fiscal year 1992, which is a funding level consistent with the magnitude of the problem of deteriorating research facilities confronting our colleges and universities.

For fiscal year 1989, both the House and Senate bills, authorized a total of $2.05 billion for NSF, but there were differences in seven specific budget items. The House accepted three of the Senate figures, split the difference for two, and reached a compromise for the last two, favoring the House in one and the Senate in the other. For the Science and Engineering Education Program, a House provision was retained requiring that $5 million be used for enhancement of instruction in 2-year and community colleges, while a Senate provision augmenting the College Science Instrumentation Program was accepted at a reduced level of $17.5 million.

A provision in the House bill requiring NSF to have a Presidentially appointed inspector general is not included in the amendment. This provision is not now required because we have reached an agreement with both the House Government Operations Committee and the Senate Governmental Affairs Committee to include language in S. 908, a bill to establish Offices of Inspector General in smaller Federal agencies, which will meet our concerns relative to an inspector general for NSF. In particular, S. 908, as modified, will require that the NSF inspector general be appointed by the National Science Board, preserving the independence of the inspector general. Also, language will be included in the conference report on S. 908 to make clear that the NSF inspector general is not intended to review the scientific merit of research proposals submitted to NSF.

Both the House and Senate bills included administrative amendments to the National Science Foundation Act of 1950 but differed on two of them. One Senate amendment was dropped which would have altered the eligibility for service by National Science Board members on the executive committee of the Board and would have altered reporting requirements by the executive committee, a second Senate amendment changing the appointment procedure of members to the NSF Committee on Equal Opportunities in Science and Engineering was dropped, but a further provision allowing the committee to submit biennial, rather than annual, reports was retained.

The House bill had also amended the NSF Act to require that members of the National Science Board be required to file a financial disclosure report under title II of the Ethics in Government Act of 1978. The purpose is to require that members of the National Science Board be subject to formal conflict-of-interest standards consistent with the practice of other Federal agencies. This provision is retained in the amendment before us.

The Senate bill included an amendment to the NSF Act to stimulate competitive research in regions that have historically received little Federal research and development funding. This provision has not been retained in the amendment before us since existing language in the NSF Act authorizes such activities by NSF and, in fact, is the basis for the ongoing Experimental Program to Stimulate Competitive Research—the so-called EPSCoR Program. The amendment does, however, codify the EPSCoR Program, as was done in the Senate bill, and also authorizes NSF to allow States which have received EPSCoR awards to compete for follow-on awards.

In the amendment to H.R. 4418 before us today, title II sets forth the objectives and establishes the broad guidelines for the new Academic Research Facilities Modernization Program. The House and Senate Committee which produced the amendment believe that this facilities program is essential for the long-term health of the basic research enterprise of the Nation. Both the House and Senate bills have authorized this program but there were differences in certain provisions. Mr. WALGREN will speak in some detail about the specific differences and how they were resolved.

I will simply say that the basic intention of the two Houses was identical in establishing a program to assist all categories of institutions of higher education, including major research universities, universities which have historically received little Federal research and development funding and 4-year institutions; research museums; and independent nonprofit research institutions in revitalizing laboratories, and other facilities devoted primarily to research. The amendment prescribes some specific guidelines for the program regarding matching requirements by awardees, limits on frequency of awards, and a set aside for institutions serving large numbers of minority students. However, the amendment also accommodates the Senate proposal to assign to NSF responsibility for developing a detailed implementation plan for the program, modified by a House proposal which ensures ample opportunity for active involvement by the affected academic communities. NSF is expected to develop a plan which fully takes into account the needs of all the categories of eligible institutions and which reflects those identified needs in the distribution of the total funding among the categories. A specific timetable is set out in the amendment for this planning function with a report due to Congress by June 15, 1989.

I would urge my colleagues to support the amendment in the nature of a substitute to H.R. 4418. This is a balanced proposal which is essential for maintaining the health of the U.S. basic research enterprise and for the training of new generations of scientists and engineers necessary for the well-being of our country.

Mr. Speaker, I am including for the RECORD an explanation of the amendment in the nature of a substitute.

EXPLANATION OF AN AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 4418, THE NATIONAL SCIENCE FOUNDATION AUTHORIZATION

AUTHORIZATION LEVELS

H.R. 4418 as amended provides a five year authorization for the National Science Foundation (NSF) and doubles the Foundation's budget by fiscal year 1992. Doubling the budget by fiscal year 1992 was first proposed in the Administration's budget request for fiscal year 1988. The authorization levels for the various NSF program activities for fiscal years 1989 through 1993 are shown in figure 1. The Committee's view of the importance of the NSF programs in science and education is reflected in the growth of the Science and Engineering Education Directorate authorization, which exceeds $300 million in the fifth year. The magnitude of the problem of outdated and deteriorating academic research facilities is addressed by ramping up the authorization level for new Academic Research Facilities Modernization Program to $250 million by the fourth year. In fiscal years 1992 and 1993, only an aggregate authorization is provided for Research and Related Activities. The Committees intend to provide authorization levels for each major program within the Research and Related Activities subtotal as more specific budget estimates and research priorities become known.

In moving to multiyear authorizations for NSF, the Congress will require more complete information on planned reductions in existing programs and on anticipated new research initiatives in outyears. It is imperative that the multiyear budget estimates reflect science and engineering research and education funding strategies and priorities. Consequently, the amendment requires NSF to submit three-year budget estimates to Congress annually.

The authority of the NSF Director to transfer funds among authorized categories and subcategories, up to a maximum of 10 percent of any authorized amount, is retained in the amendment. For proposed transfers to or from any category or subcategory exceeding 10 percent, the Director is required to first notify in writing the appropriate authorizing committees of Congress and to allow 30 calendar days to pass.

Fiscal Year 1989.—The authorization levels in the amendment for fiscal year 1989 are compared with the Administration's requested budget in figure 2. In the Research and Related Activities programs, augmentations to the Administration's request were provided for the following four programs. Funding for Computer and Information Science and Engineering was increased for the purpose of ensuring that the National Supercomputer Centers program has resources necessary to provide hardware upgrades at the Centers and other appropriate supplementary support for maintaining services to Center users. Further discussion of the concerns leading to this authorization increase are provided in House Report 100-649. Funding for Engineering was increased in order to ensure adequate support for NSF programs in ocean engineering systems. Funding for Mathematical and Physical Sciences was increased for the purpose of augmenting materials research and, in particular, research on high-temperature superconductivity. Finally, funding for Scientific, Technological and International Affairs was increased for the purpose of augmenting NSF Research Initiation programs for underrepresented groups in science and engineering and for possible expansion of the Experimental Program to Stimulate Competitive Research.

The Science and Technology Centers program is authorized at approximately the level requested by NSF for the first year of the initiative. However, in considering the NSF budget request, the Committees do not endorse the creation of a special fund to provide upfront funding for up to five years for 15 to 20 Centers. In principle, the Science and Technology Centers should not receive greater funding stability than other important NSF programs. The actual resources allotted to new Centers should be consistent with the need to sustain other centers programs and national facilities and to maintain the vigor of the individual investigator grants program.

In Science and Engineering Education, $19.5 million was added above the Administration's request. The College Science Instrumentation Program is authorized at $17.5 million, $6 million above the request, in order to address more adequately the serious shortcomings in instrumentation for instruction in science and engineering available in 2-year and 4-year colleges. Strengthening the instructional capabilities of these institutions is critical for maintaining the pipeline of scientists and engineers needed to meet our societal goals. Also, $5 million is authorized only for purposes of enhancing the instructional capabilities of two-year and community colleges by means of both teacher training and enhancement and also development of model curricula tailored for science and mathematics instruction, and instruction in technical training programs. It is intended that curricula be developed on the basis of appropriate needs assessments and in consultation with two-year and community college faculty and education leaders.

The new Academic Research Facilities Modernization Program, authorized at a level of $80 million, is a high priority of the Committees. As noted previously, the authorization increases in each of the first three years, reaching a level of $250 million by fiscal year 1992.

PLANNING GRANTS FOR SCIENCE AND TECHNOLOGY CENTERS

The Committees realize that the Science and Technology (S&T) Centers program selection process is already underway. The provision in the amendment regarding S&T planning grants does not in any way require that the selection process be started anew.

Also, the Committees in no way intend to circumvent the merit review process. Rather, by acknowledging the unique circumstances of urban areas where there are no nationally recognized research universities and where special efforts have been made to overcome such circumstances, the Committees are simply highlighting the continuing need for the NSF to carry out its mission to "strengthen research and education . . . throughout the United States, and to avoid undue concentrations of such research and education". (Organic Act, Sec. 3(e))

Furthermore, by giving due consideration to these areas for planning grants, the areas should be able to compete more fully in the final selection process for Science and Technology Centers.

DETERMINATION OF AUTHORIZATION LEVELS RELATIVE TO ACTUAL APPROPRIATIONS

If the total amount appropriated in a given fiscal year for a given program category—Research and Related Activities, United States Antarctic Program, Science and Engineering Education, or Academic Research Facilities Modernization—is less than the amount authorized, then the amounts to be spent within each subcategory or floor within that category shall be reduced by an equivalent percentage. For example, if in a given fiscal year Research and Related Activities receives an appropriation equal to 90 percent of its authorization, then each subcategory and floor mentioned in the authorization bill for that year (such as Mathematical and Physical Sciences or Engineering) shall be funded at 90 percent of its authorized level.

AMENDMENTS TO THE NATIONAL SCIENCE FOUNDATION ACT OF 1950

The amendment contains six amendments to the National Science Foundation Act of 1950 (including the three-year budget estimate requirement previously discussed) and one change to a related law. All of the changes would serve a broad long-term purpose.

Board Meetings.—The provision exempts discussions by the National Science Board of proposed NSF budgets from disclosure under the Government in the Sunshine Act until the President submits a budget and legislative program for the specific fiscal year(s) under discussion. The provision is intended to restore and enhance the participation of the National Science Board in the budget and related policy planning process of the Executive Branch.

Repeal.—Section 15 is repealed to delete an obsolete provision having no current effect and to delete the requirement, which has no counterpart in student aid programs in other federal agencies, for an oath and for reporting past criminal records in NSF fellowship applications.

Committee on Equal Opportunities in Science and Engineering.—The reporting requirement of the Committee is changed from annual to biennial. However, interim activities that merit the attention of Congress should not be delayed until the next report is due to Congress.

Temporary Personnel.—NSF may pay certain expenses and benefits for participants in the NSF Rotator Program directly, rather than as part of salary. The benefits and expenses allowed are to be patterned on provisions in the Intergovernmental Personnel Act of 1970.

Financial Disclosure Report for Board Members.—Members of the National Science Board are required to file a financial disclosure report under title II of the Ethics in Government Act of 1978 and such reports may be held confidential and exempt from any other law otherwise requiring their public disclosure. Thus, the members of the

National Science Board are subject to formal conflict of interest standards consistent with the practice of other federal agencies.

INSPECTOR GENERAL

A provision in the House bill which required NSF to establish an independent office of Inspector General patterned on the Inspector General Act of 1978 is not included in the amendment. S. 908, a bill to establish Inspectors General for smaller federal agencies, is now in conference between the House and Senate. As a result of staff discussions between the Committee on Science, Space, and Technology and the Committee on Government Operations, language changes have been made to S. 908 which identify the National Science Board as the "head of the designated federal entity" for purposes of appointing the Inspector General for NSF. In addition, language will be added to the conference report on S. 908 to make clear that the Inspector General for NSF is not intended to review the scientific merit of specific grant or contract proposals. Both the Government Operations Committee and the Senate Governmental Affairs Committee have agreed to these changes to S. 908 and to the conference report. The principal goals of the Inspector General provision in the House bill are now met by S. 908.

EVALUATIONS OF RESEARCH CENTERS

NSF is creating a growing number of centers. Engineering Research Centers, Supercomputer Centers, the Earthquake Engineering Center, Materials Research Centers and Biology Center are among the examples. The Committees want these centers evaluated fully and fairly so that only those that merit continued funding are sustained beyond the initial commitment. Therefore, the bill requires NSF to ensure that evaluation panels are free of conflict-of-interest and that the panels thoroughly review the centers. The Committees intend that such reviews include an assessment of whether the center's performance is consistent with all contractual goals and obligations, including matching grant requirements, made at the time of the center grant award. The Committees are not contemplating any change in standard NSF procedures in this provision of the amendment.

RESEARCH CENTER CONSORTIA

The Committees intend that NSF continue its efforts to reach out to all types of institutions in establishing centers. Therefore, NSF is directed to encourage participation by centers that include all types of institutions. The Committees do not intend to create a preference for such consortia in the award selection process.

BUY-AMERICA REQUIREMENTS

Within the restrictions of current international agreements to which the U.S. is a party, the Committees urge NSF to obtain goods and services for direct support of Foundation activities from domestic firms. This provision is not intended to apply to research contract awards but rather to in-house Foundation activities. Further, NSF is required to prepare and submit a report to Congress documenting the number of foreign and domestic awards in fiscal year 1988, including the number of foreign awards for which technically acceptable domestic bids were received. The report also calls for documentation of any plans by NSF to increase the number of awards to domestic firms.

RESEARCH ICEBREAKER

The House bill, but not the Senate bill, contained a provision to give preference to U.S. shipyards in the acquisition of an icebreaker to support research activities in the Antarctic. The Committees note the provisions of P.L. 100-404, the FY 89 HUD appropriations bill pertaining to acquiring and/or leasing a research vessel with icebreaking capability. Under those provisions no funds shall be used to acquire such a vessel built by a shipyard located in a foreign country if such a vessel of U.S. origin can be obtained at a cost of no more than 50% above the least expensive technically acceptable foreign vessel bid. Furthermore, the cost of any foreign vessel shall be increased by the amount of any subsidies of financing provided by a foreign government to such vessel's construction. PL. 100-404 requires that a new competitive solicitation occur and permits temporary leasing arrangements, not to exceed 120 days for any one austral summer Antarctic season, to allow research activities to continue uninterrupted until such time as the solicitation and selection process is completed. The Committee on Science, Space, and Technology agreed to delete the icebreaking provision in H.R. 4418, as passed by the House, because P.L. 100-104 expresses the intent of the Committee with regard to this issue.

SPECIAL EMPHASIS PROGRAMS

In an effort to streamline the amendment, Title II, IV, and V of the Senate bill were dropped as separate titles, and special language was included to highlight these programs in Title I. This effort at economy in legislative drafting should not be seen, however, as a diminution of support for these programs. The Committees agree that these NSF initiatives are key elements for U.S. success in scientific research.

The Experimental Program to Stimulate Competitive Research (EPSCoR) was initiated in 1978 to address the need of some states to improve their scientific research capabilities. Eight states received five-year awards in FY 1986. The amendment increases the authorization for the EPSCoR program in order to allow the expansion of this program and to permit the Foundation to renew EPSCoR grants for up to an additional five years.

The joint bill also highlights the role of the NSF in supporting undergraduate research and education. Testimony presented to all three Congressional Committees involved in this reauthorization bill has emphasized the importance of the undergraduate line in the educational pipeline which supplies our nation's future scientists and engineers. Undergraduate programs, particularly two and four year colleges and universities, must have adequate, up-to-date instrumentation and equipment, as well as appropriate curricula and knowledgeable faculty. In recognition of these goals, the amendment increases the authorization above the Administration's request for College Science Instrumentation Program and directs the Foundation's continued attention to the needs of undergraduate science and engineering education.

Finally, the amendment requires the Foundation to report on the feasibility of establishing a new college/industry partnership program similar to the highly successful Small Business Innovation Research program (SBIR). Such a program would not ony provide greater opportunity for college students to participate directly in research related to industry, but would also result in innovations of benefit to business and our economy as a whole. The Committees are interested in pursuing such a program, but refrain from including specific mandates in this bill until the Foundation has made its recommendations.

EARTHQUAKE ENGINEERING RESEARCH

A number of concerns have been raised about the earthquake engineering programs under the National Earthquake Hazards Reduction Act (P.L. 95-124), which authorizes programs in the National Science Foundation, the National Bureau of Standards, U.S. Geological Survey and the Federal Emergency Management Agency. Concerns include whether funding has been adequate, responsibilities are divided properly among the four agencies, large scale facilities (such as shake tables) are available as needed, and information is successfully being transferred from researchers to practitioners. The National Academy of Sciences has issued a number of studies on the earthquake research program, and the Committees directs the Academy to review issues described above and in the amendment. All four agencies should work together to fund the study and provide information to the Academy as necessary.

DESALINATION REPORT

The amendment directs the White House Office of Science and Technology Policy to prepare a report on desalination research and technology. Currently, several government agencies are performing research on desalination technology, but their efforts are often uncoordinated and lack a common goal. The report shall describe current federal research efforts, suggest methods for improving coordination, highlight new research opportunities, and recommend a lead federal agency for desalination research and technology. The report shall also discuss how the United States can work with other countries, especially Middle East countries, in developing desalination technology.

PRESIDENTIAL AWARDS FOR TEACHING EXCELLENCE

A provision in the amendment makes a technical correction to Title II of the Elementary and Secondary Education Act of 1965. The provision establishes the program for Presidential Awards for Excellence in Mathematics and Science Teaching in NSF while retaining and Presidential Awards for Teaching Excellence in Foreign Languages in the Department of Education. Each program will make at least 108 awards for teaching excellence to selected teachers from the States, the District of Columbia, the Commonwealth of Puerto Rico, the Trust Territories, and the Department of Defense Dependent Schools

Each awardees' school is given a grant to improve instruction in science and mathematics or foreign languages. In general, awardees use their grants for professional development activities, new equipment, materials for student research, and other teaching materials.

The Committees expect the National Science Foundation and the Department of Education to coordinate their plans for the awards ceremonies.

DRUG FREE WORKPLACE

The Committees are concerned that the illegal use of controlled substances is undermining American society. To ensure that federal dollars are being expended in drug free environments, the Committees have adopted a more comprehensive amendment than was contained in H.R. 4418, as passed by the House. Furthermore, adoption of this amendment ensures that the provision in this bill conforms with and is complementary with other legislation.

The amendment states that no funds authorized to be appropriated to NSF for fiscal years 1989 through 1993 shall be expended by NSF or by the recipient of a grant, contract or party to any other agreement that NSF enters into for the expenditure of funds authorized to be appropriated by NSF for fiscal year 1989 through 1993, unless all such parties have in place and will continue to administer in good faith a written policy designed to ensure that all of its workplaces are free from the illegal use, possession, or distribution of controlled substances (as defined in the Controlled Substances Act).

ACADEMIC RESEARCH FACILITIES MODERNIZATION

The Academic Research Facilities Modernization Program authorized in this amendment supersedes the facilities program include in the Trade Bill (P.L. 100-418).

The program is designed to help fund repair, renovation and, in exceptional cases, replacement of facilities primarily devoted to research. The Committees intend that only those facilities whose primary purpose is for science and engineering research (federally funded or otherwise) be eligible for funding, although such facilities may also be used for undergraduate instruction. In the case of multipurpose buildings, only those portions of the building primarily devoted to research are eligible for awards.

The Committees accepted Senate language clarifying all that types of academic institutions are to be assisted under this program. Specifically, the program is to aid major research universities, four-year colleges, universities that traditionally have not been recipients of a large amount of federal research and development (R&D) funds, nonprofit research institutions and research museums. The committees expect that similar types of institutions will complete against each other to ensure that all types of institutions receive assistance.

To ensure that as many institutions as possible are assisted, the amendment imposes a cap of $7 million on the amount of aid any single institution can receive under the program in any five-year period. In addition, NSF is instructed to give priority to institutions that have not received funds for facilities from any other federal sources during the five years prior to the grant application.

Awardees under the grant program are required to contribute to the cost of their facilities projects. The Committee understand that the financial conditions of applicants will differ widely. Therefore, only the top 100 recipients of federal R&D funds are required to provide a match of at least 50 percent. NSF should prescribe matching requirements for other classes of institutions; however, all awardees are required to contribute at least 30 percent of the project cost in-cash or in-kind. NSF may consider the size of an institution's financial commitment to a project when reviewing grants, as long as that does not lead to awards being made to only the wealthiest institutions. The amendment requires NSF to publish in the Federal Register the specifics of how the grant program will be implemented. The Federal Register notice must make clear the classes of institutions and kinds of projects which are eligible, as well as selection criteria and matching requirements.

The Director is required to publish proposed guidelines and accept comments for 30 days. After evaluating those comments, but no later than June 15, 1989, the Director must submit to the Committees a report describing how the program will achieve the Committees' intention of helping all types of institutions in all sections of the nation. The report must include estimated percentages of facilities program funds that will be provided to each class of institutions. The Committees understand that these figures will be goals that may require alteration after applications are received, since the demand for funds from any class of institution is not yet known. The Committees expect, however, that the aggregate percentage goal for other than major research universities be substantial. NSF should be prepared to explain to the Committees how it arrived at those goals and any later deviation from them. Funds expended in the preparation of the guidelines and the plan shall not be considered expenditures on facilities under this or any other Act.

Final guidelines should be published in the Federal Register 45 days after the program plan is submitted to Congress. The final guidelines should take into account any comments the Committees might provide on the program plan.

The Committees continue to be concerned about the need to bring more minorities into science and engineering. Therefore, the bill provides a 12 percent set-aside for minority institutions, including Historically Black Colleges and Universities and other institutions with substantial enrollments of Black, Hispanic and Native American students as determined by traditional NSF criteria. The Committees intend that minority institutions applying for grants demonstrate how the grant will help increase the numbers of minority students preparing for careers in science and engineering.

FIGURE 1.—NATIONAL SCIENCE FOUNDATION FISCAL YEARS 1989–1993 AUTHORIZATION

[In millions of dollars] [1]

Activities	Fiscal year— 1989	1990	1991	1992	1993
Research and related activities:					
Biological, behavioral and social sciences	288.7	334.6	387.4		
Computer and information science and engineering	162.1	188.0	217.6		
Engineering	198.0	229.5	265.8		
Geosciences	320.9	372.0	430.8		
Mathematical and physical sciences	507.8	588.5	681.5		
Science and technology centers	25.0	30.0	30.0		
Scientific, technological and international affairs	56.0	65.0	75.2		
Program development and management	95.0	103.1	111.9		
Subtotal, research and related activities	1,653.5	1,910.7	2,200.2	2,552	2,772
Science and engineering education	175.5	205.3	240.2	281	308
U.S. Antarctic Program	141.0	147.0	154.1	162	175
Academic Research Facilities Modernization Program	80.0	125.0	187.5	250	250
Total	2,050.0	2,388.0	2,782.0	3,245	3,505

[1] Dollar amounts have been rounded.

FIGURE 2.—NATIONAL SCIENCE FOUNDATION BUDGET COMPARISONS

[In millions of dollars] [1]

Activities	Current fiscal year 1988	Fiscal year 1989 Administration request	H.R. 4418 as amended	Changes from administration request
Research and related activities:				
Biological, behavioral and social sciences	266	288.7	288.7	0
Computer and information science and engineering	124	149.1	162.1	+13
Engineering	171	195.0	198.0	+3
Geosciences	291	320.9	320.9	0
Mathematical and physical sciences	473	502.8	507.8	+5
Science and technology centers	0	150.0	25.0	−125
Scientific, technological and international affairs	44	51.0	56.0	+5
Program development and management	84	95.5	95.0	−0.5
Subtotal, research and related activities	1,453	1,753.0	1,653.5	−99.5
Science and engineering education	139	156.0	175.5	+19.5

FIGURE 2.—NATIONAL SCIENCE FOUNDATION BUDGET COMPARISONS—Continued

[In millions of dollars] [1]

Activities	Current fiscal year 1988	Fiscal year 1989		
		Administration request	H.R. 4418 as amended	Changes from administration request
U.S. Antarctic Program	125	141.0	141.0	0
Academic Research Facilities Modernization Program	0	0	80	+80
Total	1,717	2,050.0	2,050.0	0

[1] Dollar amounts have been rounded.

Mr. Speaker, I reserve the balance of my time.

Mr. LUJAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to address this measure which will provide for a 5-year authorization of funds for NSF. The Senate amended the House-passed bill on June 17, 1988. In order to expedite the legislative process, we have worked in close collaboration with each of the two Senate committees having jurisdiction over this bill and have crafted an amendment to the Senate amendment which is acceptable to both Chambers.

This measure represents the essence of compromise and balance. While it is not everything to one, it is something for all. The administration took a bold step in its fiscal year 1988 request to Congress in asking for a doubling of the NSF budget. Mr. Bloch, Director of NSF, who has been a superb director, stood up to scrutiny both in the executive and legislative branches, successfully defending the proposal. The authorizing committees have endorsed his proposal and fiscal conditions over the next 5 years, we hope, can accommodate the doubling.

In fiscal year 1989 the authorizing committees are endorsing the requested $2.05 billion level. In fiscal year 1992, we are endorsing the doubling target of $3.245 billion. In fiscal year 1993, we endorse a further growth to $3.505 billion.

We provide the authority, through a line item, for the science and technology centers the administration so strongly wanted. There was some congressional apprehension about the line item as other NSF centers and large-case facilities are not treated this way. However, NSF if getting a slightly lower authorization level than they asked for in fiscal year 1989—$25 million. Nevertheless, they are up to where they want to be—$30 million for fiscal year 1990 and fiscal year 1991.

The committees have created new authority for a "bricks-and-mortar" facilities program—one which both universities and undergraduate institutions have lobbied hard for. However, the committees have done so without taxing the research and related account over the next 5 years—an area where this Member is committed to supporting healthy growth. Moreover, there has been strong congressional interest in doubling the science and engineering education line item as the overall agency budget doubles.

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Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I would like to engage in a colloquy with the gentleman from New Jersey [Mr. ROE], chairman of the committee.

Mr. Chairman, is your understanding that American institutions which are located outside of the United States will be eligible to apply for matching grants from the National Science Foundation to help repair, renovate, or in exceptional circumstances, replace facilities whose primary purpose is for science and engineering research under the program established by this legislation?

Mr. ROE. Mr. Speaker, if the gentleman will yield, that is correct. Where American research institutions abroad have the capabiity to perform unique research which can advance the frontiers of science, we believe that they should be eligible to apply for matching funds under this program like other American research institutions.

Mr. GILMAN. Mr. Speaker, I thank the gentleman for that clarifying statement.

Mr. LUJAN. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. BOEHLERT].

Mr. BOEHLERT. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I want to join my colleagues in expressing great satisfaction in the agreement we've been able to work out with the Senate, which is reflected in this amendment.

The bill we'll be sending on to the President has a number of significant features:

It makes clearer than ever our commitment to double the National Science Foundation's budget by fiscal 1993—an essential step if we are to keep our Nation at the forefront of science and technology.

It makes clearer than ever our commitment to science and engineering education by increasing spending in that directorate to $308 million in fiscal 1993—an essential step if our Nation is to maintain its prosperity. Recent studies have shown yet again how critical it is that we bolster our science education programs at every level from kindergarten through grad school.

It makes clearer than ever our commitment to provide state-of-the-art research facilities by creating a new construction grant program to help all types of colleges and universities modernize their research labs.

In short, H.R. 4418 will be a pace-setting bill that will enable American scientists and engineers to set the pace in their fields for the foreseeable future. I feel honored to have been able to play an active role in crafting this agreement, and I urge its adoption.

Mr. ROE. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Pennsylvania [Mr. WALGREN], chairman of our Subcommittee on Science, Research and Technology.

Mr. WALGREN. Mr. Speaker, on June 9, 1988, the House of Representatives passed H.R. 4418, the National Science Foundation [NSF] authorization for fiscal years 1989 and 1990. Shortly thereafter, the Senate passed an amended version of H.R. 4418. Over the past 3 months, we have worked hard in cooperation with our Senate counterparts to resolve the differences between the two bills. The bill we have before us today is the product of that cooperative effort.

Before discussing the major issues involved with this legislation, I want to give well deserved recognition to the role of the chairman and ranking Republic member of the House Committee on Science, Space, and Technology, Mr. ROE and Mr. LUJAN, for their leadership in moving this important bill through the legislative process. Without their efforts we would not be taking the final legislative steps for NSF authorization here today. I also want to give special recognition to the ranking Republican member, Mr BOEHLERT, for his thoughtful contributions from the very start of this long process. Further, I want to note the important contribution of our Senate counterparts—Senator KENNEDY, Senator HATCH, Senator HOLLINGS, and Senator DANFORTH in crafting a compromise version that will make an historic contribution to the future of NSF.

As Mr. Roe explained in his statement, there were several differences between the House and Senate versions of H.R. 4418 involving funding, program activities, and changes in NSF Act of 1950. But, fundamentally, this bill breaks important new ground—by providing for a 5-year authorization, by doubling the NSF budget over that period, by establishing a fund for updating and research facilities substantially increasing our effort in science, math, and engineering education.

At this point I would like to give special attention to the Academic Research Facilities Modernization Program and some of the activities of the science and engineering education directorate.

The Academic Research Facilities Modernization Program is of major importance. In the 1940's and 1950's the Federal Government embarked on a series of ambitious programs to construct and support science research facilities. These programs were an appropriate response to a national need to build a productive research infrastructure. But Federal funding for facility construction and instrumentation were not sustained. Since the 1960's that infrastructure has eroded. Due to the explosion in the growth of scientific knowledge and new standards for conducting research, the facility requirements have changed dramatically. The buildings on our campuses cannot support the high level of research needed in the 21st century.

In response to this problem, the House-Senate agreement includes the Academic Research Facilities Modernization Program. Such a facilities program was included in both the House and Senate versions of H.R. 4418. This program will make competitive matching grants available to all types and sizes of academic institutions including nonprofit research institutions and research museums. The purpose of these grants is to provide support for the repair, renovation, or in exceptional cases, replacement of obsolete science and engineering facilities primarily devoted to research; $80 million is authorized for this program in fiscal year 1989, increasing steadily to $250 million by fiscal year 1992.

The Congress intends to distribute funds under this program to as many academic institutions as possible by setting a $7 million limit on awards to any institution over a 5-year period. Further, NSF must give consideration to the amount of facilities funding an institution has received from other Federal sources over the preceding 5 years. In matching an NSF grant, those institutions that rank among the top 100 in Federal research and development funding must provide at least 50 percent of the needed funds while those institutions below the first 100 in Federal research and development funding are required to provide a match of at least 30 percent. The bill also provides a special 12-percent set-aside for those institutions serving a substantial percentage of blacks, Hispanics, or Native Americans.

Special note should be made of the eligibility of undergraduate labs and facilities in this program. Four-year undergraduate colleges provide high-quality science and engineering education for a large majority of students who eventually earn a Ph.D. in science and engineering. As a result, their influence on the future of science and engineering research and education is profound. H.R. 4418 requires NSF to State in its final guidelines for the program what steps will be taken to address the needs of undergraduate schools, as well as state the percentage of program funds these schools will receive. H.R. 4418 also requires NSF to submit a comprehensive plan for the program to the Congress before it publishes the final guidelines in the Federal Register. This will permit the Congress to have a continued influence on the implementation of the facilities program.

But, when it comes to facilities funding, two points stand out. First, as anyone familiar with the university research facilities area knows, while this program is surely a step in the right direction, it is only a modest step. Under the able leadership of Chairman Roe, the Science, Space, and Technology Committee has studied this area with great care, and it is clear to us that the need is so great that it overwhelms the amounts in this bill. Estimates of the cost of replacing and renovating the facilities in question run as high as $10 billion.

In short, the $250 million per year provided by this bill will only scratch the surface of the needs of the Nation's colleges and universities for new or renovated research facilities. There is much more to be done.

Second, as the House knows, in an effort to promote regional economic development, to permit emerging institutions to compete more effectively for Federal research support, and to broaden the Nation's research infrastructure, Congress has, in a number of instances, provided funds directly to colleges and universities for the construction or renovation of research facilities. Given the enormity of the infrastructure need, and given the urgency of the need to promote economic development, it is clear that Congress has a continuing role to play in this area.

Accordingly, this facilities program should not be seen as limiting the important perogative of Congress to provide funds directly to deserving colleges or universities when the circumstances merit it.

The other critical area I want to highlight is the science and engineering education directorate in NSF. Mr. Speaker, it is essential that we make a strong commitment to improving the quality of science and mathematics education, especially at the precollege levels. The quality of science and math education will determine whether or not we have an adequate supply of scientists and engineers in the future.

Also, the technical literacy of all citizens in tomorrow's high-technology world will depend on the quality of science and mathematics instruction. As technology becomes more and more dominant in the workplace, workers must achieve higher levels of science and math skills. In response, we must continue a high rate of growth for precollege, undergraduate, and post graduate activities. We cannot afford to allow any more time to pass before we act.

The bill before us today makes a serious and sustained investment in science and engineering education. The total amount authorized for the science and engineering education directorate grows steadily from $175.5 million in fiscal year 1989 to $308 million in fiscal year 1993. That will be a strong program if we can match these authorizations with full appropriations.

Of further importance, the amendment to H.R. 4418 designates $5 million of the science and engineering education directorate funds in fiscal year 1989 for enhancement of science and math instruction and technical training programs at 2-year and community colleges. Since a majority of current freshman and sophomore college students are enrolled in 2-year and community colleges. Their programs will have a major impact on the skills and knowledge of the work force. Strong technical training programs at 2-year and community colleges is a must.

In order to strengthen the quality of science and engineering education programs at undergraduate institutions—including 2-year and community colleges—$17.5 million is authorized for the College Science Instrumentation Program. This is an increase of $6 million above the requested level. By augmenting the College Science Instrumentation Program we can make a positive impact on the quality of science and engineering education for all undergraduate students.

The amendment to H.R. 4418 makes a strong contribution to the national effort to strengthen our basic research and education base. Our Nation is poised to enter into a new century as the turn of the millennium approaches. The role America will play in the new world of the 21st century will be determined directly by the health and vigor of research and education. The amendment to H.R. 4418 makes the necessary investment toward this goal.

I urge my fellow colleagues to vote for the amendment to H.R. 4418.

Mr. LUJAN. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. Ritter].

Mr. RITTER. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise today in support of H.R. 4418, the NSF authorization bill. The increase in funding which we've provided over the next 5 years will go a long way toward modernizing and strengthening America's science programs.

The National Science Foundation plays a critical role in supporting basic science and engineering research in America. In the continuing battle for supremacy in the new global economy, where getting science and technology to the marketplace is so important, we must continue to promote basic research. We may be looking over our shoulders in terms of using our brainpower to convert that basic research into new technology and marketable products, but no nation can yet match us in basic research itself. That is in great part due to the efforts of the NSF.

The NSF funds basic research in "cutting-edge" fields such as superconductivity, materials science, chemistry, photonics and fiber optics, biotechnology, advanced manufacturing sciences, and more. But the NSF has another major function: it invests in the next generation of scientists and engineers, just this past week, major newspapers such as the Washington Post and New York Times commented on the woeful status of scientific literacy among our youth. In light of those reports, preparing the next generation of researchers, applications-oriented engineers, and manufacturing specialists is crucial.

This bill is a comprehensive plan to address both of those concerns over the next 5 years, while at the same time it strives to meet the goal of doubling the NSF budget. Funding for science and engineering education will be $308 million under this bill in fiscal year 1993, a substantial increase over current funding levels. The compromise on funding for the science and technology centers—up to $30 million by fiscal year 1991—is a wise decision, striking a balance between the centers program and the efforts of individual investigators.

I would especially like to commend the House and Senate negotiators for their concern for modernizing research facilities in America's colleges and universities. Our academic laboratories need help now, and the new facilities program is the right solution at the right time. We have, I think, balanced the concerns of all institutions which need overhauled facilities.

Mr. Speaker, since we are at the end of the Reagan administration, I'd like at this point to commend the superb leadership of Dr. Erich Bloch, Director of NSF. Coming from one of the world's preeminent research-oriented firms, IBM, Erich Bloch brought his understanding of the global challenge that America faces to NSF policies. He's done a remarkable job in stimulating the greater linkage of the science and technology community in America's universities to the private sector.

He's enhanced the position of engineering at NSF; he's created the Engineering Research Centers and now he's initiated the Science and Technology Centers.

Indeed, the very success of the idea of doubling the NSF budget can be traced to Dr. Bloch's leadership.

The National Science Foundation is a vital part of America's science and technology enterprise. I am pleased to support this bill, which funds a wide array of promising—and necessary—science programs. I ask my colleagues to join me in supporting this bill.

Mr. HENRY. Mr. Speaker, I rise in strong support of the resolution being offered today by our distinguished colleague from New Jersey, Mr. Roe.

Without question, a sound science and engineering base is essential in creating the new knowledge and industrial technologies needed to enable our country to compete in an ever-shrinking world economy. In passing this 5-year authorization for the National Science Foundation [NSF], we send forth a loud message that this body remains committed to one of the primary Federal agencies responsible for promoting and supporting this "base."

Mr. Speaker, during this fiscal year alone, the Federal Government is spending more than $60 billion to support research and development. Federal support for research and development benefits many areas—including national defense, public health, energy, space exploration, and agriculture. Therefore, I find it extremely important that we make our colleagues aware of the critical role the NSF plays in promoting and supporting the Nation's science and engineering infrastructure in this regard. The NSF has instituted a vast array of programs involving students, faculty, and researchers at all levels of the educational spectrum. They facilitate research among our scientists, engineers, and research institutions. And by promoting the sciences to younger generations, the NSF attempts to ensure that our Nation's future need for scientists and engineers is met as well.

In addition, however, I would also like to single out the continuing need for the NSF to carry out its mission to "strengthen scientific research and education throughout the United States." In promoting and supporting the scientific base of which I have spoken, it is essential that the NSF recognize and expand its mission to those geographic areas which have lacked a technological foundation in this regard.

Included in this authorization is language that calls for the NSF to give special consideration to geographical areas which do not have access to the benefits provided by a research university. It also encourages the formation of consortia groups to help overcome such local technological deficiencies.

I commend the committee for the approach they have taken in addressing this noted area of concern. It recognizes and rewards the efforts of communities which have taken steps to improve their educational and technological resources. But yet, it does not circumvent the merit review process vis-a-vis the grant application process. Rather, it allows these areas to compete more fully in the final selection process.

In closing, Mr. Speaker, I would like to thank our committee staff and the members of the committee for their diligent work in putting this authorization together. Emerging out of the multitude of conflicting interests and concerns in this regard, they have brought forth a piece of legislation that merits the unanimous support of this body.

Mr. Speaker, I would commend the chairman of the committee and the ranking Republican member for their tremendous assistance. I would acknowledge the gentleman from Pennsylvania, as well as the ranking subcommittee member, the gentleman from New York, for their tremendous assistance in the effort.

Mr. LUJAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. ROE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. (Mr. Gray of Illinois). The question is on the motion offered by the gentleman from New Jersey [Mr. Roe] that the House suspend the rules and agree to the resolution (H. Res. 547).

The question was taken.

Mr. LUJAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. ROE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the resolution just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

FEDERAL FIRE PREVENTION AND CONTROL ACT AUTHORIZATION, FISCAL YEARS 1989, 1990 AND 1991

Mr. ROE. Mr. Speaker, I move to suspend the rules and concur in the Senate amendment to the bill (H.R. 4419) to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974.

The Clerk read as follows:

Senate amendment:

Page 2, after line 8, insert:

SEC. 2. (a) The Administrator of the United States Fire Administration shall conduct a study concerning the quality, availability, and degree of use of fire prevention systems for the hearing impaired population. In particular such study shall—

(1) evaluate the quality of equipment for the hearing impaired;

(2) assess the extent, adequacy, and status of research on ways to improve the quality of such equipment;

(3) evaluate the availability of such equipment and the extent to which it is being used in houses, apartments, hotels, and public buildings; and

(4) determine the degree to which such equipment is required by States and model codes.

(b) The Administrator shall, not later than January 1, 1989, complete such study and transmit to the Congress a report on the results of the study, together with recommendations on how fire alarm and detection systems for the hearing impaired can be improved and how the use of such system can be encouraged, including the appropriate Federal rule in doing so.

The SPEAKER pro tempore. Is a second demanded?

Mr. LUJAN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection

The SPEAKER pro tempore. The gentleman from New Jersey [Mr. ROE] will be recognized for 20 minutes and the gentleman from New Mexico [Mr. LUJAN] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. ROE].

Mr. ROE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to urge my colleagues to accept H.R. 4419, the Federal Fire Prevention and Control Act for fiscal years 1989, 1990, and 1991, as amended by the Senate on August 10, 1988. The House passed H.R. 4419 on May 24, 1988, and the bill was referred to the Senate Committee on Commerce, Science, and Transportation. The funding levels in the bill as passed by the House and Senate are identical: $17,039,000 for fiscal year 1989; $17,737,000 in fiscal year 1990, and $18,464,000 for fiscal year 1991. Also, both versions of the bill cap the amount of funds from the U.S. Fire Administration [USFA] and the National Fire Academy [NFA] which can be used as administrative support for the National Emergency Training Center at a level of no more than $4,150,000 in fiscal year 1989-91 and provide annual 4.1 percent inflationary increase in fiscal year 1989-91 for all programs.

The only difference between the House- and Senate-passed bills is the Senate added a provision which requires the Administrator of the U.S. Fire Administration to conduct a study on the quality, availability, and amount of use of fire prevention systems for the 21 million hearing-impaired individuals in the United States. The study is to be completed by January 1, 1989. This provision is identical to the language that is in the Committee on Science, Space, and Technology's report on H.R. 4419 (H. Rept. 100-589), which was filed on April 27, 1988.

Therefore, H.R. 4419, as amended by the Senate, really has no significant changes from our House-passed bill. I urge my colleagues to adopt H.R. 4419, as amended by the Senate.

Mr. LUJAN. Mr. Speaker, I yield myself such time as I may consume.

This bill, which authorizes the National Fire Academy that does the training that is so vitally needed for combatting fires in New Jersey, also authorizes the U.S. Fire Administration that does research and collection of data, community based education, and we think that it is a very good bill. It is the same bill that passed the House on May 24, went to the Senate, and they just added the one amendment which the chairman spoke of, and that was to require the U.S. Fire Academy to conduct a study of the quality available and degree of use of fire prevention systems for the deaf and recommended ways that the Federal Government could spur their use and development.

This study is due on January 1. Mr. Speaker, this bill is a good bill, and I urge its support by all our colleagues.

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Mr. ROE. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Pennsylvania [Mr. WALGREN].

Mr. WALGREN. Mr. Speaker, I urge my colleagues to accept H.R. 4419, the Federal Fire Prevention and Control Act for fiscal years 1989, 1990, and 1991, as amended by the Senate on August 10, 1988. The House passed H.R. 4419 on May 24, 1988.

This bill authorizes funds for the U.S. Fire Administration [USFA], the agency that is the focus of Federal programs to reduce the loss of life and property to fire. The USFA conducts research on residential sprinkler systems, promotes fire safety education, monitors trends in fire losses nationwide and sponsors programs to improve fire prevention and control methods. The second program authorized by this bill is the National Fire Academy [NFA], which provides expert training to the Nation's fire service leaders.

To summarize, this bill as amended, does the following:

Supports all fire prevention and arson control activities within the U.S. Fire Administration in fiscal year 1989;

Provides full funding of the stipends needed to bring firefighters to the Fire Academy for top-notch training in FY 1989;

Caps the funds from the USFA and NFA which can be used as administrative support for the National Emergency Training Center in fiscal year 1989-90;

Provides an annual 4.1-percent inflationary increase in fiscal year 1989, 1990 and 1991 for all programs; and

Adds a Senate provision, which requires the Administrator of the U.S. Fire Administration to conduct a study on the quality, availability, and amount of use of fire prevention systems for the 21 million hearing impaired individuals in the United States. This Senate provision is identical to the language that is in the Committee on Science, Space, and Technology's report on H.R. 4419—House Report 100-589.

We simply must support these programs. Each year 6,000 citizens die from fire and more than $9.6 billion worth of property is lost as a result of fire. Reauthorizing the fire activities for fiscal years 1989-91 as presented in H.R. 4419, as amended by the Senate, is a small price to pay to continue programs which have a proven success rate of reducing human and property losses due to fire.

Therefore, I urge my colleagues to adopt H.R. 4419, as amended by the Senate, which is almost identical to our House-passed bill.

Mr. BOEHLERT. Mr. Speaker, I just want to reiterate what I said earlier today—this Nation has a serious fire problem, and the Federal Government has an obligation to help correct that.

The two, small programs authorized in this bill have more than repaid their costs in the reduction in fire losses over their brief 14-year history. We need the U.S. Fire Administration and the National Fire Academy to help the professional firefighters at the local level—full-time and volunteer—do their jobs. They put their lives on the line to protect us, and they deserve our help.

This bill is identical to one the House passed earlier this year except the Senate took a request for a study and moved it from report language to bill language—without changing a word.

The study concerns alarm systems for the deaf. We want to see what can be done to ensure that the deaf are at no greater risk from fire than other Americans.

I urge my colleagues to support this bill and send it on to the President.

Mr. LUJAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. ROE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey [Mr. Roe] that the House suspend the rules and concur in the Senate amendment to the bill, H.R. 4419.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the Senate amendment was concurred in.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ROE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 4491, and the Senate amendment just concurred in.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

COMMENDING OFFICERS OF DEPARTMENT OF STATE

Mr. FASCELL. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 369) to commend the Department of State's Science and Technology Officers on their outstanding performance and to recognize the importance of their work to the Congress and to the Nation.

The Clerk read as follows:

H. Con. Res. 369

Whereas scientific and technological strength is closely associated with the economic and political strength of this Nation;

Whereas the increasingly global nature of scientific and technological activities has broadened opportunities for both competition and cooperation in these activities;

Whereas the Congress is increasingly concerned with a number of issues related to international cooperation and competition in science and technology, including the role of cooperative science and technology in global development; the balance between international cooperation and national security; exchange of scientific and technological personnel; and access to scientific and technological facilities and knowledge;

Whereas the Department of State's Science and Technology Officers have for many years provided the United States Government with excellent information and advice on these and other matters, both in the United States and abroad;

Whereas the Department of State's Science and Technology Officers carry out a variety of functions in an extraordinarily competent manner, including providing liaison between scientific communities in the United States and overseas, informing the United States Government of foreign science and technology policies and developments, participating in international negotiations, and managing cooperative bilateral science and technology programs;

Whereas the Department of State's Science and Technology Officers are often outnumbered by their counterparts from other nations, placing the United States at a distinct disadvantage in terms of monitoring and influencing international science and technology;

Whereas periodic informal meetings between the Congress and the Department of State's Science and Technology Officers have yielded timely, relevant and valuable guidance and perspective with respect to foreign policy considerations; and

Whereas it is the desire of the Congress to ensure that the corps of Science and Technology Officers abroad and at the Department of State remain strong not only in its scientific abilities, which are of high quality, but also in number, so that United States policy on science, technology, and diplomacy may be well coordinated. Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That—

(1) the Congress congratulates the Department of State's Science and Technology Officers on executing their duties in a meritorious manner under difficult circumstances;

(2) the Congress urges the Secretary of State to make every effort to enhance the number and professional standing of Science and Technology Officers in order to reflect greater emphasis upon science and technology in the United States diplomatic agenda as stated pursuant to title V of Public Law 95-426, the Science, Technology, and American Diplomacy Act; and

(3) the Congress and the Department of State maintain, and take steps to expand, both formal and informal communications with regard to science, technology, and diplomacy.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Florida [Mr. Fascell] will be recognized for 20 minutes, and the gentleman from New York [Mr. Gilman] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Florida [Mr. Fascell].

GENERAL LEAVE

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Concurrent Resolution 369, the concurrent resolution presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. FASCELL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of House Concurrent Resolution 369, recommending the Department of State's science and technology officers on their outstanding performance and recognizing the importance of their work to the Congress and to the Nation.

House Concurrent Resolution 369, was introduced by my good friend and colleague, Mr. Roe, chairman of the Science and Technology Committee and it is with pleasure that I join him in sponsoring this resolution.

House Concurrent Resolution 369 congratulates the Department of State's science and technology officers, urges the Secretary of State to make every effort to enhance the number and professional standing of these officers, and urges continued close cooperation between the Congress and the Department of State with regard to science, technology, and American diplomacy.

Finally, Mr. Speaker, it is important to recognize that in this age of stiff international competitiveness we must be more aggressive in employing science and technology to improve America's industrial competitiveness, and we must recognize our continued reliance on our U.S. science attache's overseas who are on the front line and who are required to monitor and influence international science and technology. Further, the Congress, through the adoption of this resolution, recognizes the high degree of professionalism of our science attaches around the world.

Mr. Speaker, I urge the adoption of House Concurrent Resolution 369.

Mr. Speaker, I yield such time as he may consume to the gentlemen from New Jersey [Mr. Roe].

Mr. Chairman, I rise in strong support of House Concurrent Resolution 369, a resolution commending the outstanding performance of the science and technology officers of the Department of State.

Mr. Speaker, as we move toward the 21st century—barely 11 years away—it becomes more and more clear that our global competitiveness will depend on maintaining our competitive advantage in science and technology [S&T]. If our technological development is to remain the world's best, its participants must have full access to developments and scientific results produced elsewhere. Similarly, most countries see scientific development as a key to their economic development and long-term competitiveness, and they increasingly seek a vigorous S&T relationship with the United States to further their goals. International cooperation in science and technology, in short, is playing an increasingly prominent role in the conduct of our foreign relations and diplomatic initiatives throughout the world.

Standing in the front lines of critical international scientific and diplomatic initiatives are the extraordinarily capable science and technology officers of the State Department. Their jobs are difficult and diverse, including advising our Ambassadors abroad on S&T issues, providing liaison between the science communities in the United States and overseas, informing the U.S. Government of foreign science and technology policies and development, and participating in international S&T negotiations. When one considers that the United States has cooperative S&T programs with over 80 nations worldwide, and that we compete with scores of nations in high-technology trade, the key role of these S&T officers cannot be overstated.

The importance of international S&T linkages will be highlighted on Thursday of this week when representatives from the United States, Japan the European Space Agency, and Canada will sign agreements in Washington to proceed with cooperative development of the International Space Station program. The space station will be the largest S&T project ever undertaken, and it is a tribute to our negotiators in both NASA and the State Department that the program will go forward with significant international cooperation. We have much to gain—scientifically, politically, and financially—from a truly international effort in space.

We hope that the space station will be the first of many successful international efforts in big S&T projects. In some many areas on the cutting edge of science—superconductivity, the superconducting supercollider, mapping the human genome, and understanding global environmental changes like the greenhouse effect—we can reach our goals much more quickly and at much less cost to the taxpayer with international cooperation. I know, from meetings that I have had with leaders in science and technology from many other nations, that these goals are shared by our S&T officers. I also know that the S&T officers are doing as much as any group can to make these goals a reality.

Mr. Speaker, the resolution is a timely tribute to a fine group of highly capable and dedicated Americans, and I urge my colleagues to support its passage.

Mr. GILMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I heartily support this resolution to commend the State Department's science and technology officers and I commend the distinguished chairman of the Science and Technology Committee, the gentleman from New Jersey [Mr. Roe] and the distinguished chairman of our Foreign Affairs Committee, the gentleman from Florida [Mr. Fascell] for bringing this measure to the House floor at this time.

Science and technology is an increasingly important aspect of diplomatic relations.

There is a growing need for exchange between U.S. and foreign scientists and engineers.

U.S. business needs to be aware of important technological developments abroad, and people overseas need access to high-technology goods and services from the United States.

Global environmental issues have also raised the need for coordinated scientific research and exchange of information. We need only think of such issues as loss of the Earth's ozone layer, possible climatic changes from the greenhouse effect, and the loss of tropical forests and rare species.

The Department's science and technology officers can make a contribution in all these areas. Skilled people are in short supply, however.

I hope this resolution will not only commend our science and technology officers but will also bring to public attention the need for increased efforts in this area.

Mr. Speaker, I yield such time as he may consume to the gentleman from New Mexico [Mr. Lujan].

Mr. LUJAN. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I join my colleagues in rising in support of this resolution. Throughout my service to Congress, I have found the caliber of science and technology officers working in Washington and abroad to be exceptional in terms of their willingness and ability in pursuing their mission and their cooperation with the other officers of the Department of State. When services and advice are solicited of these officers it has proven accurate and timely. But as our demands for their services increase proportionately as science projects become more international in participation, we cannot take the fulfillment of their mission for granted.

This year alone, our S&T officers have played a crucial role in negotiating an international treaty and three memorandums of understanding to secure the participation of Japan, Canada, and the European Community on the construction of the space station. They completed a new and improved Science and Technology Treaty with Japan after months of difficult negotiations. They have monitored the science efforts and research achievements of many countries around the world so we can have a better perspective on the relative strengths and weaknesses of our research endeavors. And a host of other agreements were concluded which were designed to further our foreign policy goals, improve the level of scientific knowledge in this country, and protect the intellectual property rights of our scientists and engineers.

This week the Science Committee will host a delegation of U.S. science and technology officers currently stationed abroad. We will benefit greatly from their insights on a variety of topics and issues of concern to members of the committee. This resolution is our opportunity to express our support for the efforts of our S&T officers and to reiterate our commitment to give them the resources necessary to continue to provide the level of service to which this Congress has become accustomed.

Mr. Speaker, I appreciate the opportunity to bring the achievements of the Department of State's science and technology officers to the attention of my colleagues and welcome the adoption of this resolution.

Mr. HALL of Texas, Mr. Speaker, I rise in support of the adoption of the House Concurrent Resolution 369 to commend the State Department's science and technology officers who serve with honor and distinction in our Embassies worldwide.

These men and women are an enormous, and often overlooked, resource to the administration and the Congress. They have played a pivotal role in assisting the Science Committee in conducting its oversight responsibilities, particularly with respect to the basic sciences and the Space Program, for many years.

As chairman of the Subcommittee on International Scientific Cooperation, it has been my pleasure to work directly with a number of these officers over the last 2 years, and their advice and assistance has always been on the first order. I look forward to my continued association with these fine men and women and am most appreciative of the job they do for their country aboard.

Mr. GILMAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. FASCELL. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. Fascell] that the House suspend the rules and agree to the concurrent resolution (H. Con. Res. 369).

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

SANCTIONS AGAINST IRAQI CHEMICAL WEAPONS USE ACT

Mr. FASCELL. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5337) to provide for the imposition of sanctions on Iraq, as amended.

The Clerk read as follows:

H.R. 5337

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Sanctions Against Iraqi Chemical Weapons Use Act".

SEC. 2. FINDINGS.

The Congress finds that—

(1) the Kurdish people constitute a distinct ethnic group of some twenty million, with an ancient history and a rich cultural heritage;

(2) three to four million Kurds are citizens of Iraq, residing in the northern part of that country;

(3) the Iraqi Army has undertaken a military campaign against Kurdish region of Iraq and has destroyed Kurdish villages in northern Iraq;

(4) substantial evidence exists that the Iraqi Army has been using chemical weapons against Kurdish insurgents and unarmed Kurdish civilians;

(5) by these and other actions against the Kurds, Iraq has violated their internationally recognized human rights;

(6) tens of thousands of Kurdish survivors of the Iraqi Army assaults have taken refuge in Turkey;

(7) several United Nations teams have confirmed that Iraq has used chemical weapons in its war with Iran; and

(8) Iraq's use of chemical weapons is a gross violation of international law.

SEC. 3. IMPOSITION OF SANCTIONS AGAINST IRAQ.

(a) Initial Sanctions.—(1) The United States Government may not sell to Iraq any item on the United States Munitions List.

(2) Licenses may not be issued for the export to Iraq of any item on the United States Munitions List.

(3) The authorities of section 6 of the Export Administration Act of 1979 shall be used to prohibit the export to Iraq of any goods or technology on the control list established pursuant to section 5(c)(1) of that Act.

(4) Licenses may not be issued for the exports to Iraq of any chemical that the President determines may be used primarily in the production of chemical weapons or may be otherwise devoted to chemical warfare purposes.

(5) This subsection takes effect on the date of enactment of this Act.

(b) Requirement for Additional Sanctions.—The President, after consultation with the Congress, shall impose appropriate additional sanctions against Iraq unless the President certifies in writing to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate—

(1) that the Government of Iraq is not using chemical weapons in violation of international law, including the 1925 Geneva Protocol (relating to the use of chemical weapons in war) and Common Article 3 of the 1949 Geneva Conventions (relating to the protection of victims of war); and

(2) that the Government of Iraq has provided reliable assurances that it will not use chemical weapons in the future in violation of international law; and

(3) that—

(A) the Government of Iraq is willing to allow on-site inspections by United Nations observers or other internationally-recognized, impartial observers, or

(B) other reliable means exist, to ensure that the Government of Iraq is not using chemical weapons.

(c) Additional Sanctions.—Among the additional sanctions to be considered by the President in implementing subsection (b) shall be the following sanctions, which are hereby authorized to be imposed to the extent such sanctions are not otherwise authorized:

(1) Restrictions on imports.—Prohibiting or otherwise restricting the importation into the United States of petroleum, petroleum products, or any other article, which is the growth, product, or manufacture of Iraq.

(2) Additional restrictions on exports.—Prohibiting or otherwise restricting, using the authorities of section 6 of the Export Administration Act of 1979, the export to Iraq of agricultural commodities and products and other goods and technology.

(3) Denial of credits, guarantees, and other assistance.—Denying United States Government credits, guarantees of credits, and other assistance with respect to Iraq.

(4) Opposition to multilateral economic assistance.—Oppose any loan or financial or technical assistance to Iraq by international financial institutions in accordance with section 701 of the International Financial Institutions Act.

(5) Downgrading diplomatic relations.—Downgrading or suspending diplomatic relations between the United States and Iraq.

(d) Contract Sanctity.—For purposes of export controls imposed in accordance with subsection (a)(3) of this section, the date described in section 6(m)(1) of the Export Administration Act of 1979 shall be deemed to be September 15, 1988. In imposing any additional sanction under subsection (c) of this section, the President may not prohibit or curtail the execution of any contract or agreement entered into before the earlier of the date on which notice of intent to impose the additional sanction is printed in the Federal Register or the date on which the President notifies the Congress of such an intent.

(e) Reports to Congress.—The President shall report to the Congress periodically on the actions taken pursuant to this section.

SEC. 4. CONDITIONS FOR LIFTING SANCTIONS.

The President may waive any sanctions imposed pursuant to section 3 (a) or (b), including sanctions described in section 3(c), if the President determines and so certifies in writing to the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate—

(1) that the Government of Iraq is not using chemical weapons in violation of international law, including the 1925 Geneva Protocol (relating to the use of chemical weapons in war) and Common Article 3 of the 1949 Geneva Conventions (relating to the protection of victims of war); and

(2) that the Government of Iraq has provided reliable assurances that it will not use chemical weapons in the future in violation of international law; and

(3) that—

(A) the Government of Iraq is willing to allow on-site inspections by the United Nations observers or other internationally-recognized, impartial observers, or

(B) other reliable means exist, to ensure that the Government of Iraq is not using chemical weapons.

SEC. 5. ACTIONS BY THE GOVERNMENT OF TURKEY.

The Congress—

(1) urges the Government of Turkey to cooperate with any United Nations or other appropriate investigation of Iraqi use of chemical weapons; and

(2) commends the Government of Turkey for its humanitarian decision to host thousands of Kurdish people fleeing Iraq.

SEC. 6. MULTILATERAL ACTIONS.

(a) United Nations.—The Congress calls upon the President—

(1) to bring immediately to the attention of the Secretary General of the United Nations, and to pursue before the Security Council of the United Nations, the matter of Iraq's use of posion gas against its own nationals, most of whom are defenseless civilians; and

(2) to demand that, in accordance with United Nations Security Council Resolution 620, appropriate and effective measures be taken against Iraq for its repeated use of chemical weapons.

(b) Other Multilateral Efforts.—(1) The Congress calls upon the President to seek multination cooperation in imposing sanctions and otherwise bringing pressure on Iraq in order to obtain a cessation of Iraq's use of chemical weapons.

(2) The Congress also call upon the President to seek multilateral cooperation in order to obtain Iraqi respect for the internationally recognized human rights of the Kurdish minority in Iraq.

(3) It is the sense of the Congress that the United States should cooperate with and, as appropriate, participate in multilateral efforts to assist Kurdish refugees who are in need of medical treatment and other humanitarian aid.

SEC. 7. CERTAIN UNITED STATES EXPORTS.

It is the policy of the United States to prohibit the export to Iraq of goods and technology that would significantly contribute to the military potential of Iraq. The President should review, under section 6 of the Export Administration Act of 1979, any proposed export to Iraq of goods or technology valued at over $50,000,000.

SEC. 8. TERMINATION OF ACT.

No provision of this Act, and no sanction imposed by or under the authority of this Act, has force and effect after June 30, 1991.

The SPEAKER pro tempore. Is a second demanded?

Mr. GILMAN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Florida [Mr. Fascell] will be recognized for 20 minutes and the gentleman from New York [Mr. Gilman] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Florida [Mr. Fascell].

GENERAL LEAVE

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. FASCELL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 5337, the Sanctions Against Iraqi Chemical Weapons Use Act, as amended.

This legislation was ordered reported by the Committee on Foreign Affairs on September 22, 1988, and from the Committee on Ways and Means on September 23, with strong bipartisan support. I would like to express my appreciation to the ranking minority member of the Committee on Foreign Affairs, Mr. Broomfield, to my colleagues Mr. Lantos and Mr. Berman, and to the distinguished chairman of the Subcommittee on Europe and the Middle East, Mr. Hamilton and Mr. Gilman for their cooperation in considering this important piece of legislation. I would also like to express my appreciation to the distinguished chairmen of the Ways and Means Committee, the Banking, Finance and Urban Affairs Committee, and the Agriculture Committee, Mr. Rostenkowski, Mr. St Germain, and Mr. de la Garza, for their cooperation in considering this important legislation in such a prompt manner which has allowed the House to consider this legislation today.

The purpose of the legislation is to demonstrate strong congressional concern against Iraq's use of chemical weapons against its Kurdish population. Further, it puts the committees of jurisdiction and subsequently this body on record demanding that the Iraqi use of poison gas against Kurdish rebels and civilians must stop, that Iraqi abuses of Kurdish human rights must end, that the ceasefire between Iran and Iraq must hold, and that peace negotiations must progress.

On September 8, 1988, Secretary of State Shultz stated that all the evidence available had convinced the United States Government that Iraq has used chemical weapons in its military campaign against the Kurdish rebels and that the most recent use had taken place in August, after the cease-fire with Iran, causing tens of thousands of Kurds to flee to Turkey. The Committee on Foreign Affairs has also had the opportunity to be briefed on this matter and based on the information available to the Committee believes that his legislation is appropriate, measured and in no way premature.

I am sure that my colleagues all join Secretary Shultz in finding this use of poison gas unjustifiable and abhorrent. I would like to remind my colleagues that this conclusion by the Secretary of State comes after 2 years' of reports and monitoring of the situation with the Kurds and U.N. investigations into Iraqi use of chemical weapons against Iran dating back to 1983. A U.N. investigative report released in August 1988 concluded that chemical weapons similar to those used by Iraq in 1984, 1986, and 1987 had again been used against Iranian forces and that such use had become more intense and frequent. Secretary of State Shultz' conclusion of Iraqi use of chemical weapons against the Kurds is based on information collected from a variety of sources over a long span of time.

Briefly, the legislation being considered takes a graduated approach to sanctions, invoking some sanctions immediately and specifying other sanctions that may be imposed in the future. The immediate sanctions deliver the urgent message that the use of chemical weapons by Iraq must cease and there must be assurances by Iraq that chemical weapons will not be used in the future. If such assurances are not forthcoming, the President must then invoke additional sanctions, which are specified in the legislation. The degree and manner of invoking additional sanctions is left to the discretion of the President. This approach allows the necessary time and flexibility to achieve a successful deplomatic solution without undermining the ceasefire agreement.

While this measure deals chiefly with the abhorrent use of chemical weapons by the Iraqi Government, our concern for the long-suffering Kurdish minority in Iraq extends beyond the use of chemical weapons. Thus the resolution urges the Iraqi Government to respect the internationally recognized human rights of the Kurds and calls upon the President to work with other nations to help achieve those rights.

I would like to also add that while we are addressing the situation in Iraq in this legislation, I am convinced more than ever that we must intensify our efforts to stop the proliferation of chemical weapons. It would be a grave mistake to allow the use of chemical weapons to slip by as tolerable behavior.

We must do everything we can to not return to the World War I days in which the use of lethal chemical weapons was an acceptable practice. One of the major achievements of the 1925 Geneva Protocols and subsequent action by countries of the world was to renounce the use of chemical weapons as morally repugnant and to recognize that chemical weapons were a militarily counter-productive weapons system.

Accordingly, I strongly endorse the President's call earlier today at the United Nations for an international conference to affirm world repugnance over the use of chemical weapons and to develop a multilateral and effective response to preclude chemical weapons production and usage in the future.

Success in the multilateral chemical weapons negotiations in Geneva, a halt in our new nerve gas production program, and more vigorous work with chemical suppliers' group could contribute to halting the proliferation of chemical weapons and help assure that they will not become the "poor man's atomic bomb."

Finally, Mr. Speaker, strong immediate condemnation and action by the international community, whenever there is use of chemical weapons, is also absolutely essential if the Multilateral Chemical Weapons Treaty being negotiated in Geneva is to succeed and if suppliers' groups limiting the export of precursor chemicals are to be effective in restricting the possible use of those chemicals to produce chemical weapons. Any perceived military and political utility for chemical weapons must be diminished by international sanctions and condemnations or we will face a very dangerous conclusion by some nations that weapons can be used to advantage.

Mr. Speaker, I ask, unanimous consent to insert in the Record at the end of my remarks a summary of Foreign Affairs Committee Action, a section-by-section analysis of the bill, and letters from the Agriculture Committee and the Banking Committee concerning this legislation.

Mr. Speaker, I urge the adoption of H.R. 5337, as amended.

ACTION TAKEN BY THE COMMITTEE ON FOREIGN AFFAIRS

On September 9, 1988, H.R. 5271, a bill condemning the Iraqi use of chemical weapons and imposing sanctions against Iraq, and for other purposes, was introduced by Hon. Tom Lantos and Hon. John Porter. The bill was jointly referred to the Committee on Foreign Affairs, the Committee on Ways and Means and the Committee on Banking, Finance and Urban Affairs.

On September 22, 1988, the Committee on Foreign Affairs met in open session to consider draft legislation concerning the use of chemical weapons by Iraq. On the same day, the Committee on Foreign Affairs ordered favorably reported, by voice vote, H.R. 5337, the Sanctions Against Iraqi Chemical Weapons Use Act, a quorum being present.

SECTION-BY-SECTION ANALYSIS OF H.R. 5337

SECTION 1—SHORT TITLE

Section 1 is the short title of the bill, the "Sanctions Against Iraqi Chemical Weapons Use Act."

SECTION 2—FINDINGS

Section 2 states Congressional findings about the Iraqi military campaign against the Kurdish people, the substantial evidence about Iraqi use of chemical weapons against Kurdish insurgents and civilians, and condemns such use as a gross violation of international law.

SECTION 3—IMPOSITION OF SANCTION AGAINST IRAQ

Section 3 prohibits government-to-government or commercial arms sales to Iraq, dual use items that are on the commodity control list established pursuant to the Export Administration Act, and any chemical that the President determines may be used primarily in the production of chemical weapons or may be otherwise devoted to chemical warfare purposes. These sanctions would take effect upon date of enactment of the bill. Section 3 also provides discretionary authority to the President, after consultation with Congress, to apply appropriate additional sanctions against Iraq.

Both sets of sanctions may be waived at any time if the President determines that the Government of Iraq is (1) not using chemical weapons in violation of international law; (2) that the Government of Iraq has provided reliable assurances that it will not use chemical weapons in the future; and (3) the Government of Iraq is willing to allow on-site inspections by United Nations observers or other internationally-recognized, impartial observers, or other reliable means exist to ensure the Government of Iraq is not using chemical weapons.

The additional appropriate sanctions to be applied by the President against Iraq include restricting petroleum imports or any other article grown, manufactured, or produced in Iraq, the export of agricultural commodities or other goods and technology to Iraq, the denial of U.S. government credits and guarantees, voting against loans to Iraq by international financial institutions, and downgrading or suspending diplomatic relations. The President is required to periodically report to Congress on actions taken with respect to sanctions.

Contract sanctity is provided for the immediate sanctions imposed on the export of goods and technology on the control list and for any additional sanctions which the President may impose. For the immediate sanctions, the cut-off date is September 15th, 1988; contracts entered into prior to that date can be honored. For additional sanctions which the President may impose, the cut-off date shall be the earlier of either the date on which notice of intent to impose the additional sanction is printed in the Federal Register or the date on which the President notifies the Congress of such an intent.

SECTION 4—CONDITIONS FOR LIFTING SANCTIONS

Section 4 provides the conditions by which the President may lift sanctions to Iraq. Those conditions are described in the summary of section 3 above.

SECTION 5—ACTIONS BY THE GOVERNMENT OF TURKEY

Section 5 urges the Government of Turkey to cooperate with any United Nations or other appropriate investigation of Iraqi use of chemical weapons and commends Turkey for its decision to host thousands of Kurdish people fleeing Iraq.

SECTION 6—MULTILATERAL ACTIONS

Section 6 calls upon the President to take action at the United Nations by bringing to the attention of the Secretary-General Iraq's use of chemical weapons and demanding that appropriate and effective measures to be taken against such use, in accordance with U.N. Secretary Council Resolution 620. Section 6 also calls upon the President to seek multinational cooperation in imposing sanctions and otherwise bringing pressure on Iraq in order to stop Iraq's use of chemical weapons, and obtain Iraqi respect for the internationally-recognized human rights of the Kurdish people. Finally, section 6 states the sense of Congress that the U.S. should cooperate and participate in multilateral efforts to assist Kurdish refugees.

SECTION 7—CERTAIN UNITED STATES EXPORTS

Section 7 is a policy statement urging the President to prohibit the export to Iraq of goods and technology that would significantly contribute to the military potential of Iraq and to review, under section 6 of the Export Administration Act of 1979, any proposed export to Iraq of goods and technology valued at over $50 million.

SECTION 8—TERMINATION OF THE ACT

Section 8 establishes a sunset provision of June 30, 1991, at which time all authorities and any sanctions imposed under this bill would cease to have effect.

COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS,
Washington, DC, September 26, 1988.
Hon. JIM WRIGHT,
Speaker of The House, The Capitol, Washington, DC.

DEAR MR. SPEAKER: The Committee on Foreign Affairs and the Committee on Ways and Means last week reported H.R. 5337, a bill to provide for the imposition of sanctions against Iraq. The Committee on Banking, Finance and Urban Affairs, has worked with the Ways and Means Committee and the Foreign Affairs Committee to fashion legislation which deserves the broad-based and bipartisan support it has received.

As reported, H.R. 5337, would prohibit the export of arms and certain high technology products to Iraq. In addition, the legislation also authorizes the imposition of additional sanctions if the President makes certain determinations and consults with Congress.

Most of the additional sanctions described in Section 3(c) could not be imposed without the authorization contained in this bill. In contrast, current law under the jurisdiction of the Banking, Finance and Urban Affairs Committee permits the President to impose sanctions against Iraq. The President is authorized to instruct the United States' Executive Directors to the international financial institutions to vote against loans to Iraq, and to prohibit the use of the EX-IM Bank to facilitate exports to Iraq.

Therefore, H.R. 5337, as reported, does not provide new authority to the President to impose sanctions through the international financial institutions or the EX-IM Bank. Instead, the specific references to these sanctions serve as guidance to the President by illustrating which sanctions Congress feels would be appropriate.

The Committee on Banking, Finance, and Urban Affairs is most pleased with the cooperation they have received from the Ways and Means Committee and Foreign Affairs Committee.

Because of this close cooperation and the existence of current authority of the President to impose sanctions through entities under the jurisdiction of the Committee on Banking, Finance and Urban Affairs, the Committee has no objection to H.R. 5337 being considered under suspension of the rules and waives its consideration without prejudice.

Sincerely,
FERNAND J. ST GERMAIN,
Chairman.

COMMITTEE ON AGRICULTURE,
Washington, DC, September 21, 1988.
Hon. DANTE B. FASCELL,
Chairman, Committee on Foreign Affairs, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: It is my understanding the Committee on Foreign Affairs later this week will consider draft legislation providing for the imposition of sanctions on Iraq. As you know, the Senate-passed sanctions bill, as well as the House bill, contain provisions giving the Committee on Agriculture a substantial jurisdictional interest in the legislation.

Iraq is a large and growing market for U.S. agricultural exports with sales more than quadrupling over the last six years. It is the major user of the U.S. Department of Agriculture GSM-102 (short-term) and GSM-103 (intermediate-term) credit guarantee programs. Export credit sales of approximately $1 billion have been registered so far this fiscal year.

Particularly in light of the difficulties that our Nation's farmers have faced over the past few years, I am deeply concerned over any possible loss of major market for U.S. agricultural commodities. At the same time, I in no way wish to condone the use of chemical weapons by Iraq or any other country.

In this regard, I have reviewed your Committee's draft legislation dated September 21, 1988, which provides for an immediate halt in U.S. sales to Iraq of munitions and goods or technology on the control list, a requirement for additional sanctions with a Presidential waiver, and a requirement that the President consider among additional sanctions the export of agricultural commodities to Iraq and denial of guarantees of credits. I personally would not oppose the legislation if it is reported by your Committee as currently drafted and will work with you and other Committees of jurisdiction in clearing the legislation for consideration by the House.

With best regards,
Sincerely,
E (KIKA) DE LA GARZA,
Chairman.

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Mr. GILMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to commend the gentleman from Florida [Mr. FASCELL] for his remarks with regard to this issue.

Mr. Speaker, all of us have heard the revolting reports about the use of chemical weapons by the Government of Iraq against innocent Kurdish civilians. I would like to think that many people around the world are waiting to see how civilized nations respond to these attacks. The use of chemical weapons against civilians fills us with a sense of revulsion.

The bill we have before us, H.R. 5337, imposes sanctions on Iraq. It also demonstrates that America is prepared to act swiftly and decisively to curb the use of chemical weapons.

Vice President BUSH recently presented a draft proposal of a comprehensive ban on chemical weapons to the United Nations. In his speech at the United Nations President Reagan today spoke about the need for such a ban and is calling for an international meeting on this critical problem.

This comprehensive approach is still the standard to which the world should aspire. An agreement among all nations to ban these weapons will send an unmistakable signal that swift and forceful punishment will be the lot of any nation foolish enough to contemplate their use.

Yet, an initiative that seeks to include all nations will take years to achieve. In the meantime, America must take the lead in making sure that the use of chemical weapons is halted immediately.

Chemical weapons, and the missile technology to deliver them, are proliferating rapidly in the Middle East. A top official in the PLO recently stated that his organization already had chemical weapons and would not hesitate to use them against the State of Israel.

H.R. 5337 is a measured response to the problem. Yet, it is designed to achieve results. It will give President Reagan and his successors meaningful options by which to halt the use of chemical weapons by Iraq, and it will show other nations in the area that we are serious about dealing with the problem.

This legislation owes much to our colleagues, the gentleman from California [Mr. LANTOS], the original sponsor of sanctions legislation in the House, the gentleman from California [Mr. BERMAN] who has been particularly active with regard to the issue of chemical weapons in the Middle East, and to our colleagues, the gentleman from Florida [Mr. FASCELL], the distinguished chairman of our Foreign Affairs Committee, the Middle East Subcommittee chairman, Mr. HAMILTON, and the gentleman from Michigan [Mr. BROOMFIELD], our ranking minority member.

I support this measure and urge its passage.

Mr. Speaker, I support this measure, and I urge its adoption.

Mr. FASCELL. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. BERMAN].

Mr. BERMAN. Mr. Speaker, I thank the gentleman of the committee and the other members of the leadership of our committee for bringing this legislation forward.

There are very few claimants to our attention as important as the response we give to Iraq's use of chemical weapons. It is imperative that the response we give not be one of silence. On the contrary, the only protection the world's citizens will ever have against chemical weapons is deterrence. But in order for deterrence to be effective, there must be a credible threat against the purveyor of these hideous weapons that his crime will be punished.

The bill before us is a modest response, and I personally hope it will be strengthened to some extent in conference. But it is important nonetheless as the first concrete communication of congressional outrage over the Iraqi use of chemical weapons.

I regret that we did not bring up this legislation before, and I hold myself responsible to some extent for not pushing this kind of legislation before the Iraq-Iran cease-fire. The murder of Kurds by chemical weapons is a matter of no greater enormity than chemical weapons used against Iranians. Whatever we think of the Iranian Government, we must acknowledge the moral parity of the Iranian grievance. To do less is to undermine the moral imperative against weapons of mass destruction.

I regret, too, that we did not act before the cease-fire, because it is important that Iraq not understand our opposition to chemical weapons as opportunistic, as well they might; that is, we waited until they had won the war before we imposed sanctions.

From the start, this administration has been reluctant to deny Iraq even the few privileges we propose to take away today, not to mention opposition to impose the harsher sanctions, some of which I feel would be appropriate at this time.

Since 1983, the United States has given Iraq $4.5 billion in CCC credit guarantees in exchange for nothing in the way of a change in Iraqi policy, including its chemical weapons use.

Since reflagging the Kuwaiti ships, the United States has spent over $200 million to protect Iraq's commerce, also in exchange for nothing.

During the gulf war, the United States was reported to have given vital satellite intelligence to Iraq, in exchange for nothing.

It is not enough to say that Iraq's not losing the war was a strategic aim of the United States, too, which it was, that our interests coincided. We have been helping Iraq fight for its very existence. So demanding that Iraq stop its use of chemical weapons would have been a very small price to ask.

Because the administration and those in the State Department have not apparently had the wherewithal to negotiate an agreement at a time when Iraq might have felt beholden to us for our efforts on its behalf, I am afraid we may all pay a very large price. Chemical weapons are the poor man's nuclear weapons, and we have done nothing to let the world understand that their use is intolerable. This is an important first step toward that end, but in order for it to convey the necessary message to the Iraqis, it must be delivered as only part of a comprehensive effort to isolate Iraq until the assurances as provided in this legislation are met that chemical weapons will not be used again, and that appropriate international inspections will take place to ensure that those weapons are not used again.

Currently, the administration is pressing the Export-Import Bank to upgrade Iraq's credit status in order to increase United States investment in Iraq. We are offering the Iraqis another $1.1 billion in credit guarantees next year under the CCC Program.

What is the context of our continuing generosity? Iraq is no longer under mortal threat from Iran. Iraq has been using chemical weapons against whole towns, killing civilians and combatants alike. And when the United States Senate passed sanctions against Iraq for this atrocity, the Iraqi Minister of Foreign Affairs dismissed its actions as the work of the "Zionist lobby" and other "potentates of imperialism and racism."

These are not words of contrition or words of regret. It is evident that what our actions have so far told Iraq is that they can operate their business as usual, that they may continue to overestimate our tolerance with impunity.

The Kurds are already paying the price for our tolerance and the world's tolerance. This bill is truly the very least we can do to let them know that we understand that sad fact.

Mr. Speaker, we should pass this bill, and I hope that in conference we will work to strengthen it.

Mr. GILMAN. Mr. Speaker, I yield 3 minutes to the distinguished ranking minority member of the Subcommittee on Trade of the Committee on Ways and Means, the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. Mr. Speaker, today we are once again considering quickstep legislative sanctions against a foreign country because Congress feels the need to react to the latest injustice or violent act that is seen in the world. It is a normal, natural reaction, but not necessarily a wise one, even in this egregious case of heinous behavior by Iraq.

The use of chemical weapons or devices by anyone, anywhere in reprehensible. Such abhorrent behavior is to be condemned and the United States as a government should exert its considerable influence against such activity. This influence can be exercised in a number of ways ranging from diplomatic representations calling for desired changes to harsh economic sanctions that, in reality, admit failure to persuade or to influence.

Congress should not be a separate government from the President and his Secretary of State. We cannot have two foreign policies—one developed by the administration, in consultation with Congress, and one legislated by Congress in a reactionary, piecemeal way with little forethought and no cooperation with the executive branch. How can our Government provide effective leadership moral and otherwise, if the administration must always be second-guessed by a Congress which wants to make its own foreign policy with splashy headlines.

In order to be effective, actions taken by our Government must be considered carefully, measured against what we hope to achieve, and taken with assurance that some degree of success will be the result. Actions should be tailored to the particular circumstances, should be flexible enough to respond when the foreign country acts desirably, and should not ignore the adverse consequences to Americans caught unaware in our moral outrage and who often become equal victims of any sanctions.

The objectives of this bill can be broadly supported. The administration has made it clear that the United States is determined to prevent Iraq from using chemical weapons against the Kurds or anyone else. It has also made it clear that as important as the bilateral relationship with Iraq is in an extremely sensitive region, the issue of the use of chemical weapons overrides other bilateral considerations.

However, the administration rejects the assertion that new and extensive export restrictions slapped immediately and inflexibly on Iraq, and possible broader controls for the future, will succeed in ending the use of chemical weapons. In fact, we likely will end up much farther away from achieving the objectives we all share. In the process United States producers can be hurt much more than Iraq.

Even without Congress interjecting itself into the process with this harsh bill, the administration has succeeded in eliciting the kind of signal we want from that country. On September 17 the Foreign Minister of Iraq formally "reaffirmed that Iraq respects and abides by all the provisions of international law and international agreements accepted by the international community, including the General Protocol of 1925 * * * and other agreements within the framework of humanitarian law."

This is an important and positive step which, in the view of the United States, includes a recognition of obligations under the 1949 Geneva Convention relative to the protection of civilian persons in time of war. Our Government continues to discuss such obligations with the leaders of Iraq to gain further assurances that the use of chemical weapons by Iraq will end once and for all. It is clear that pressure from the United States and from other countries has resulted in positive responses by Iraq. We need to pursue a reasoned and measured course, or our efforts could backfire and we could lose our influence totally.

Mr. Speaker, I believe this sanctions bill can undermine the efforts of the President and of United States Foreign Service employees in the field in their efforts to bring about the end of chemical weapons use by Iraq. Furthermore this bill would unduly punish U.S. business by basically turning over their sales to foreign competitors. Iraq will certainly find other reliable suppliers.

Current United States exports to Iraq total about $480 million with imports reaching one-half of a billion dollars. Also, the Commodity Credit Corporation [CCC] has authorized $2.3 billion in sales of agricultural products to Iraq in 1988 and 1989. These sales would be threatened almost immediately. Also, the Commerce Department has estimated that the export market for United States products in postwar Iraq could exeed $3 billion annually. Sanctions likely would end these sales with little effect on Iraq's behavior.

Amendments have improved the bill, but the basic flaw remains. Economic sanctions have never been a very effective tool of foreign policy. The days of total U.S. economic dominance is over. The world is full of suppliers ready and willing to take our place. Sanctions by the United States, even if coupled with actions by some of our other allies, is like plugging one or two holes in a sieve. We give economic benefits away to competing nations and invite an expanded role for the Soviet Union and other nations who may not share our goals.

The list of countries against which we have invoked trade sanctions is long. A few of them are Cuba, Rhodesia, U.S.S.R., Argentina, Nicaragua, South Africa, and now Iraq. The list of countries which our sanctions convinced to mend their ways is short. In fact, it is nonexistent.

However, there is another long list. It is the list of American employers and employees who have been severely hurt by our embargos American farm producers head that list but they are not alone.

Mr. Speaker, I believe the sanctions incorporated in H.R. 5337 are well intentioned, but shortsighted, and will seriously undermine diplomatic efforts. We ought to let the President and the State Department do their jobs.

I urge my colleagues to vote "no" on H.R. 5337.

Mr. FASCELL. Mr. Speaker, let me say just this: There comes a time in the life of everyone when one must take a strong moral position, and this is one of those times.

Mr. GILMAN. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. FIELDS].

Mr. FIELDS. Mr. Speaker, I would be remiss if I did not begin by profusely thanking the committee chairman, the gentleman from Florida [Mr. FASCELL], the gentleman from California [Mr. LANTOS], the gentleman from Michigan [Mr. BROOMFIELD], and the gentleman from New York [Mr. GILMAN], who worked with me on an amendment. I want to thank the chairman of the committee specifically for allowing me to speak before the Committee on Foreign Affairs and also for allowing me to offer an amendment or have an amendment offered. I also want to thank the gentleman from New York [Mr. GILMAN] for introducing my amendment.

Mr. Speaker, the amendment that the gentleman from New York [Mr. GILMAN] offered is very important to me, but it is also very important to our country because the amendment is consistent with the thrust of the action we are taking here tonight, and that is to protest through sanctions the actions of the Iraqi Government.

What this amendment of which I speak does is to state clearly what our policy toward Iraq should be. This amendment is very important to me, not only because it is an appropriate policy but because of a situation that occurred locally in my district where a corporation named USX, formerly United States Steel, was attempting to sell a million-ton capacity steel plant in my district to Iraq. USX is a company that laid off 2,500 workers 2 years ago. It is protected through steel import limitations imposed by the Federal Government. It receives tax credits and tax preferences, and it has privileges extended to few other U.S. corporations.

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It is a company that could sell to one of over five interested domestic companies who would pay equal or greater value than the Iraqis which would result in the creation of over 750 jobs in economically depressed Baytown, TX. But while USX has exhibited the worst possible corporate behavior and corporate citizenship, the thrust of this amendment and legislation is to state a policy, and the amendment states, and I quote that, "It is the policy of the United States to prohibit the export to Iraq of goods and technology that would significantly contribute to the military potential of Iraq."

Because steel is a major component of military hardware, a large steel facility would certainly contribute to Iraq's military potential. But in addition to the use of steel and military hardware, the Texas Works plant specifically has the capability of producing armorized steel plate for use in building military tanks, planes, and ships.

Mr. Speaker, that is why I say the amendment is consistent with the thrust of this legislation.

The amendment goes on to state that the President should review under section 6 of the Export Administration Act any proposed export of goods or technology to Iraq valued over $50 million. Now section 6 of the Export Administration Act deals with exports which are prohibited for foreign policy reasons. In other words, to accomplish foreign policy goals, the export of goods may be banned; the goods need not be sensitive technology, a requirement under other sections of the Export Administration Act.

Mr. Speaker, I am proud to stand tonight and say that this is an extremely important piece of legislation, and, as the chairman just stated, there are times in this country's history when we must stand and do what is right, and this is one of those times.

Mr. GILMAN. Mr. Speaker, I yield 7 minutes to the gentleman from Illinois [Mr. Porter].

Mr. PORTER. Mr. Speaker, I thank the distinguished gentleman from New York [Mr. Gilman] for yielding.

Mr. Speaker, I rise in strong support for H.R. 5337, to provide for the imposition of sanctions on Iraq for its use of chemical weapons. I want to commend Chairman Fascell, one of the great leaders of the Congress, and his Foreign Affairs Committee for making such a speedy reaction to this genocide. I would also like to commend my colleague and fellow cochairman of the Congressional Human Rights Caucus, Tom Lantos, for taking the lead in the House in introducing, along with myself, the original House Iraqi sanctions bill.

As we all know, in the last month and a half, approximately 1,000 innocent Kurds have died and over 100,000 have fled into Turkey. Just a month ago, the world took a short sigh of relief at the signing of a cease fire agreement between Iran and Iraq—an agreement we all hoped would put an end to the fighting that during the last 9 years had killed over 1 million people. But then, as UN observers were moving into positions to ensure the credibility of the ceasefire, the Iraqi leadership turned on its own citizens.

This is a new level of human rights abuse not seen since the Cambodian or Nazi genocides. So shortly after the world was horified by the gassing of civilians near Halabja last March, the Iraqi Government has continued this terrible slaughter.

The growing amount of proof is convincing and disturbing. Amnesty International reports that Iraq used cyanide, mustard and nerve gases against Kurdish civilians, and a U.N. committee concluded in August that Iraq used mustard gas in an August 2 attack on an Iranian village on the northern war front. Finally, Secretary of State George Shultz 2 weeks ago said the evidence of Iraq's chemical use was "convincing," and the United States recently joined with the other members of the Security Council in supporting a U.N. resolution that notes the conclusion of the U.N. team Iraq used chemical weapons.

The bill before us is a fair and reasonable one. It states congressional findings regarding Iraq's abusive use of chemical weapons against its Kurdish citizens and rightly condemns Iraq for this blatent violation of international law and basic human rights. It prohibits government-to-government or commercial arms sales to Iraq, as well as dual-use items that are on the commodity control list.

In addition, the bill authorizes the President to impose a wide range of additional sanctions if he is unable to certify to Congress first that Iraq is not longer using chemical weapons, second that Iraq has given reasonable assurances that it will not use chemical weapons in the future, and finally that Iraq is willing to allow on-site inspections to ensure that Iraq does not once again resort to this despicable practice.

While less severe than the bill Tom Lantos and I originally introduced, Iraq should read no lack of resolve on behalf of the House and this Congress on this matter. If Iraq wants to be welcomed back into the law-abiding community of nations, it cannot continue to violate its obligations under international law. Iraq should understand that the continued use and possession of chemical weapons will only lead to the further disruption of United States-Iraqi relations.

I would also like to take this time to commend Turkish Prime Minister Ozal and his government for the willingness to accept and provide refuge for the tens of thousands of Kurdish refugees that have fled from Iraq. Early in this crisis, Mr. Ozal warned that "a massacre of innocent people" was occurring in Iraq. This warning helped attract attention to this tragic event, and may have prevented further bloodshed.

Finally, Mr. Speaker, let no one see the slaughter of Iraq's Kurds in a vacuum. The entire event is a symptom of the dangerous continuing proliferation of chemical and biological weapons. Over 15 countries now possess these weapons, including Syria, Iran, Libya, and North Korea.

Iraq could not have produced its chemical weapons stockpile without outside help. They obtained the materials to build their Smarra pesticide plant, which they later converted to a chemcial weapons factory of death, from the West. The nerve agents produced in this plant, are likely the same ones that have killed innocent Kurds. Syria's chemical weapons capability came first from West Germany and then from right here in the United States. In short, unless we take strong actions, including export controls, the West's fingerprints will continue to be indelibly marked on the chemical weapons that proliferate in the third world.

My colleague, the gentleman from Missouri [Mr. Skelton] and I last year introduced H.R. 2880, the Chemical and Biological Weapons Non-Proliferation Act of 1988. This bill has garnered 100 cosponsors, and would establish a new U.S. chemical and biological weapons nonproliferation regime. Continued support for this bill, and hearings, will help direct attention to the importance of controlling the spread of chemical weapons.

There are those, Mr. Speaker, who believe we should forgo sanctions. Normally I would agree. But this is an unusual circumstance.

For the first time since World War I, since 1918, 70 years ago, a supposedly civilized nation has used poison gases in violation of international law, and for the first time upon its own citizens. The message must be strong and without equivocation. Civilization rejects the use of chemical weapons under all circumstances. Silence in the face of great moral wrong yields the field to evil, Mr. Speaker.

We must never yield to evil. The Iraqi sanctions bill we consider today, to the extent that it makes clear the United States Government's strident oppositon to the use of chemical weapons, is a positive first step, and I urge its adoption, Mr. Speaker.

Mr. FASCELL. Mr. Speaker, will the gentleman yield?

Mr. PORTER. I yield to the gentleman from Florida.

Mr. FASCELL. Mr. Speaker, I thank the gentleman for yielding.

I simply want to commend the gentleman from Illinois [Mr. Porter] for his remarks and also thank him as an original cosponsor of the legislation and for the years of dedicated effort that he has made. It has been a pleasure working with him in an effort to stop proliferation of chemical warfare weapons, and I am delighted that he got so many cosponsors on his bill. I look forward to continuing our work together.

Mr. PORTER. Mr. Speaker, I look forward to that, too, until this scourge is removed from the face of this Earth.

Mr. GILMAN. Mr. Speaker, I want to thank the distinguished gentleman from Illinois [Mr. Porter], the cochairman of the Human Rights Caucus, for his strong supporting statement as well as the gentleman from Texas [Mr. Fields] for his support of this measure.

I urge my colleagues to join in adopting this measure.

Mr. HOYER. Mr. Speaker, I rise today to voice my support for H.R. 5337, legislation imposing economic and military sanctions against Iraq for the use of chemical weapons against its Kurdish population.

Despite the bitter lessons of the Nazi Holocaust of World War II, millions of Cambodians in the 1970's were brutally annihilated. And now the calculated massacre of Kurds in Iraq is taking place.

For the past 8 years, the world has witnessed a barbarous war waged by the Governments of Iraq and Iran with scant regard for human life or the sufferings of their people, the cease-fire in the gulf concluded one chapter of the war, only to usher in a wholesale genocide directed against the Kurdish people of Iraq.

This large-scale atrocity of using chemical weapons against civilian population centers, which Iraqi officials deny despite "conclusive evidence" to the contrary, violates all standards of international behavior and demands an appropriate and quick response from the international community.

Last Friday, I along with 80 of my House colleagues sent a letter to Iraqi President Saddam Hussein urging him to end the use of poison gas against the Kurdish population. While the horrors of gas warfare can be described, they cannot be justified. If such pictures of suffering are to end, then the international community must act firmly and it must act now.

As a cosponsor of House Resolution 532, introduced by my colleague, Mr. BATES, which expresses the Congress' outrage toward Iraq for its use of poison gas; and as a cosponsor of H.R. 2880, legislation regarding the nonproliferation of chemical and biological weapons, designed to control the spread of chemical weapons, which was introduced by my colleagues, JOHN PORTER and IKE SKELTON, I believe, that along with this sanctions legislation the U.S. Congress is sending a clear and strong message to the Government of Iraq. That message is that such acts as are now being carried out by the Iraqi Government will not be tolerated.

Mr. GARCIA. Mr. Speaker, I rise in support of H.R. 5337 as reported by the Committee on Foreign Affairs. I commend Chairman FASCELL and his staff for expeditiously reporting the comprehensive bill condemning the Iraqi Government for their recent atrocities against the Kurdish population.

However, as chairman of the Banking Subcommittee on International Finance, Trade and Monetary Policy, I support the bill with the understanding established with the Foreign Affairs Committee that the President's authority to sanction credits and guarantees as it relates to the U.S. Export-Import Bank is not a new one but clarifies existing authority provided by section 2(b)(1)(B) of the U.S. Export-Import Bank Act of 1945 as amended through 1986.

Mr. BROOMFIELD. Mr. Speaker, the measure we have before us, H.R. 5337, is a clear expression of our condemnation of the Government of Iraq for its use of chemical weapons against its Kurdish minorities. The recent reports from northern Iraq paint a gruesome picture of the use of chemical weapons against innocent men, women, and children.

I am very much heartened that the President has decided to renew his efforts on his initiative to ban chemical weapons from the face of the Earth. These weapons are a worldwide problem, and the solution to the problem must eventually include all of the world's nations. It must be clear to any leader who contemplates the use of these horrible weapons that the rest of the world will act swiftly and decisively to punish such an offender.

A comprehensive approach may be the best eventual solution. But I am concerned that the diplomatic work necessary to bring all nations together on an agreement will take so long that the urgency of this issue will be lost. I believe that we must speak forcefully and unmistakably that the use of chemical weapons is not an acceptable method of waging war—not just when an international agreement is signed, but now.

I believe that the Committee on Foreign Affairs should make a clear statement that we find the use of chemical weapons repugnant and that we are prepared to act decisively if chemical weapons use is not halted immediately.

Our national policy is to achieve a negotiated total ban on chemical weapons. Chemical weapons proliferation in the Third World is one of the most serious problems facing the global community today. Often described as the poor man's atomic bomb, chemical weapons use appears to be on the rise, and recent news reports suggest that this problem may be becoming even more serious.

Recently, a top commander of the PLO revealed that Palestinian commandos have chemical weapons and would not hesitate to use them in any future war with Israel. We know that Iran, Syria, and Libya possess chemical weapons. None of these states has displayed any qualms about using any weapon, however repellent, that lays at hand.

The State Department has called this bill premature. There is nothing premature about it. We must act expeditiously to put a halt to the use of chemical weapons. The more America dawdles on this issue, the more it appears to other nations that we are acquiescing in the use of these weapons.

I believe this is a measured approach to a very serious problem. And I should add that it has attracted wide bipartisan support. I think all of us feel strongly that there is something entirely too casual about the way these weapons are being allowed to proliferate around the world, particularly in such hot spots as the Middle East. It's time for America to take the lead in putting a stop to the world's growing reliance on chemical weapons.

The bill we are presently considering offers a formula which is designed to get results. The sanction package before us is closer to the administration's position than the Pell language passed by the Senate, yet it still retains tough, immediate sanctions designed to illustrate just how serious we are about stopping chemical weapons use now.

Mr. Speaker, this bill is fashioned in a way which is designed to get results. It will give both the present administration and the next President meaningful options to stop the senseless use of chemical weapons by Iraq. I support this measure and urge its passage.

Mr. ARCHER. Mr. Speaker, I rise in support of H.R. 5337, a bill providing limited sanctions against Iraq as a response to that country's use of chemical weapons against Kurdish minorities. It is a measured and reasonable response by Congress after several reported incidents of chemical weapons use. These horrible incidents have been substantiated by international organizations and by evidence gathered by our own State Department.

When this legislation first appeared, it could not have been more harmful to U.S. business and agriculture interests. In addition to a total ban on sales to Iraq of articles on the munitions list and on the export control list, the bill banned all commercial imports and exports from that country to the United States. Of course, the effect of such an extreme measure would be to punish unsuspecting U.S. businesses and to once again victimize our farmers.

I was pleased that my colleagues accepted an amendment that I offered in committee to protect the sanctity of existing contracts and to promise U.S. business that future contracts will not be indiscriminately nullified. Under my amendment, if additional commercial sanctions are imposed in the future, Congress—and thereby the public—must be notified of such actions. Until sanctions are reported to Congress and printed in the Federal Register, contracts existing up to that point will be protected.

Our goal should be to insure that Iraq becomes a responsible member of the world community. I believe that economic sanctions by themselves often have little effect and can indeed retrench the unacceptable behavior we want to change. Worst still, economic sanctions often hurt U.S. citizens much more than the government of the country we want to discipline. Sanctions, therefore, must be flexible so that they can be effectively coupled with diplomatic efforts.

As H.R. 5337 was originally written, almost half a billion dollars in current export sales to Iraq, and more than $2 billion in future sales would have been immediately lost. These sales are mostly agricultural products and oil drilling equipment. These are two sectors of our economy that have suffered enough over the last few years and do not need to be made pawns in a political game.

With my amendment and other changes made by the Foreign Affairs Committee, the sanctions involving commercial exports and imports were made a discretionary tool for the President to use as discussions continue with Iraq on future chemical weapons use. Military sales and products subject to export controls would become the focal point of the sanctions. This is a more appropriate response that does not victimize U.S. citizens.

Mr. Speaker, with the discretionary nature of commercial sanctions and with my amendment protecting contract sanctity, I believe this legislation is now a reasonable approach to dealing with a very difficult situation. As much as we abhor the use of chemical weapons by Iraq, especially on innocent civilians, the solution is not to put United States firms out of business.

I believe this bill represents a tough but realistic response against Iraq, and one that complements diplomatic efforts. I urge passage of H.R. 5337.

Mr. BEREUTER. Mr. Speaker, I rise in support of H.R. 5337.

A point which I want to briefly address pertains to the contract sanctity provisions of this bill.

During the markup of this bill in the Foreign Affairs Committee, I attempted to clarify the contract sanctity provisions of this bill, and to determine whether the contract sanctity provisions of the Export Administration Act apply to contracts which may be entered into after September 15, 1988.

The explanations and assurances that I received from the chairman, Mr. FASCELL, the original sponsor of an Iraq sanctions bill in the House, Mr. LANTOS, and the legislative counsel appeared to confirm that the contract sanctity provisions of the Export Administration Act would apply to all contracts entered into after September 15, 1988.

However, the reference to sanctions required under (c)(2) within the contract sanctity section of this bill posed a potential technical problem which could imply that contract sanctity would begin to run for all contracts on September 15, 1988, even those entered into subsequent to that date. To eliminate this inadvertent error, it became necessary to strike the reference to subparagraph (c)(2) from the contract sanctity section of the bill.

The potential problem which this interpretation created was that technically all contracts entered into after September 15, 1988, had a diminishing period of contract sanctity protection, and for those contracts entered into after June 15, 1988, 270 days after September 15, 1988, there would be no contract sanctity protection at all. In other words, without correcting the bill as it was considered by the Foreign Affairs Committee, there would technically be no contract sanctity protection for any contract entered into after June 15, 1989, either under this bill or the Export Administration Act.

Without the protection of contract sanctity, exporters would be reluctant to enter into contracts for the export of U.S. goods or commodities, and lenders would be reluctant, if not completely unwilling, to extend credit to finance such transactions. The end result would be the imposition of a de facto legislative embargo against Iraq even during a time when there may be no sanctions in effect against Iraq.

Fortunately, the Ways and Means Committee did in fact adopt such an amendment that strikes the reference to additional sanctions which might be imposed against contracts entered into after September 15, 1988. I thank the committee for their action.

As the bill is now written, the contract sanctity of all contracts entered into prior to September 15, 1988, would be honored and protected as of September 15, 1988, rather than the date on which any initial sanctions might be imposed under section 3(a)(3) of this bill. For contracts entered into after September 15, 1988, contract sanctity will be provided in accordance with the Export Administration Act from the date that any subsequent sanctions might be imposed under section 3(c)(2) of this bill.

Mr. PEASE. Mr. Speaker, I would like to commend the Senate and the distinguished leadership of the House Foreign Affairs and Ways and Means Committees for moving swiftly on this legislation. Iraq's use of chemical weapons is deplorable. We cannot stand by and condone it.

We must make clear to Iraq and other nations that the use of chemical weapons is beyond the pale and will not be countenanced by this or any other civilized nation.

I strongly support the structure of the bill before us. It requires a prompt halt to U.S. exports of arms, sensitive technology and chemicals that are precursors to chemical and biological weapons. And it provides discretionary authority for the President to impose further sanctions if necessary.

The State Department has evidence of Iraq's barbarism. The bill would give the President time to confirm these reports beyond a doubt and to secure iron-clad assurances that the Iraqis will not use chemical weapons again.

Mr. DE LA GARZA. Mr. Speaker, H.R. 5337, which would provide for the imposition of sanctions on Iraq for certain violations of international law, has a number of provisions giving the Committee on Agriculture a substantial jurisdictional interest in the bill. In particular, sections 3(c)(2) and 3(c)(3) of the bill, as amended, provide for the restriction of exports of agricultural commodities to Iraq or the prohibition on the extension of United States Government export credits or credit guarantees to Iraq for the purchase of agricultural commodities.

Iraq is a large and growing market for United States agricultural exports. Sales of United States agricultural goods to Iraq have more than quadrupled over the last 6 years. Iraq is the major user of the U.S. Department of Agriculture's GSM-102—short-term—and GSM-103—intermediate-term—credit guarantee programs. Agricultural export credit sales of approximately $1 billion to Iraq have been registered so far this fiscal year.

We in agriculture are painfully aware of the effects that the restriction or embargo of agricultural commodity sales have on farm families, rural businesses, and the many thousands of American workers who depend on agricultural exports for their livelihoods. I am especially concerned at the loss of a major market for U.S. agricultural commodities in light of the difficulties that our Nation's farmers have faced over the last few years. At the same time, I in no way want to condone the use of chemical weapons by Iraq or any other country.

With this in mind, I am pleased that the bill before us today provides for the imposition of sanctions against Iraq without penalizing the American farmer in the process. I would like to thank Chairman FASCELL for cooperating with the Committee on Agriculture in this regard.

I would also like to thank Mr. FASCELL for his graciousness in working both with the Committee on Agriculture and Committee on Ways and Means to clarify that the contract sanctity provisions in section 3(d) of the amended bill will protect contracts for the export of agricultural commodities until the actual announcement and imposition of sanctions by the President. Pursuant to current law, export sales contracts for agricultural commodities which require the delivery of the commodity within 270 days after the trade suspension is imposed would also be protected. The amendment approved by the Committee on Ways and Means to clarify that the contract sanctity provisions of current law will continue to apply to agricultural exports to Iraq is a definite improvement to the bill.

The bill before the House today represents a compromise that provides for the imposition of sanctions while maintaining the protections afforded in current law to America's farmers. I thank the distinguished Chairmen of the Committees on Foreign Affairs and Ways and Means, Mr. FASCELL and Mr. ROSTENKOWSKI for their attention to this matter of great importance to the Committee on Agriculture during their consideration of the bill.

Mr. ROSTENKOWSKI. Mr. Speaker, I rise in support of the bill before us today to impose sanctions against Iraq for its use of poison gas against its Kurdish minority. H.R. 5337 imposes immediate sanctions in the form of restrictions on the export to Iraq of munitions and chemicals. Moreover, the bill directs the President to impose additional sanctions, including import restrictions, denial of export credits, and further export controls, unless the Government of Iraq stops using chemcial weapons now and in the future. The nature and extent of such sanctions, however, would be left to the President. Mr. Speaker, the Committee on Ways and Means favorably reported H.R. 5337 by voice vote. The committee adopted one amendment which is incorporated into the amended text now under consideration. That amendment provides for contract sancity in cases where future sanctions are imposed by the President.

Mr. Speaker, I urge adoption of the bill.

Mr. LANTOS. Mr. Speaker, I join my colleagues on the Committee on Foreign Affairs in urging the Members of this House to support the adoption of H.R. 5337 to impose sanctions against Iraq for its use of chemical weapons. I would like to pay tribute to my friend, the distinguished chairman of the Foreign Affairs Committee, the gentleman from Florida [Mr. FASCELL] who has taken the lead in drafting this legislation and building support for it in the Congress. Chairman FASCELL has long been a leader in the Congress in urging U.S. action to eliminate the use of chemical weapons by all nations. I would also like to commend my distinguished friend the ranking minority member of the Foreign Affairs Committee, Mr. BROOMFIELD for his leadership on this particular bill.

Mr. Speaker, there is no question about the facts of the matter before us today. Within the last month, Iraq used chemical weapons against Kurdish men, women and children during a major offensive against them in northern Iraq. The number of casualties from this latest offensive has been in the thousands. Even those who have opposed sanctions against Iraq do not deny the horrible details of what happened.

The Department of State has said there is "incontrovertible evidence" of "massive use" of poison gas based on interviews by State Department officials with Kurdish refugees from Iraq who are now in Turkey and other information. Last week, at the request of Senator CLAIBORNE PELL, Chairman of the Senate Foreign Relations Committee, Senate staff conducted an on-site investigation in Turkey and unequivocally confirmed the use of poison gas.

This is not the first time that the Iraqis have used poison gas—in has been used against Iranian troops in the Iran-Iraq war and it has been used on previous occasions against the Kurdish population of northern Iraq.

The Iraqi use of chemical weapons is a gross and a blatant violation of international law and international obligations that Iraq has undertaken. The policies of the Iraqi Government against its Kurdish population are likewise an egregious violation of international law and an assault upon the human rights of this minority population. It violates principles of humanity and decency that are accepted by all civilized nations.

Despite the incontrovertible evidence of the use of poison gas, the State Department suggested in a letter to the Foreign Affairs Committee that such sanctions are "premature." I wish it were premature. Unfortunately, there are large numbers of dead men, women, and children indicating that our action is tardy and tragically long overdue. Poison gas has been repeatedly on a large scale against Kurdish civilians.

This action is by no means premature. In fact, Mr. Speaker, if the United States had taken stronger action—action such as that we are considering here today—this latest tragic outrage by Iraq against the Kurds might not have taken place.

Mr. Speaker, the sanctions that are contained in the legislation we are considering today are appropriate in view of Iraq's unprincipled actions. It imposes immediate sanctions on the sale of United States military equipment, and then requires the subsequent imposition of additional sanctions unless Iraq ceases the use of chemical weapons and agrees that it will not use such weapons again in the future.

It is important that we take a strong stand against Iraq's use of chemical weapons. This legislation makes clear the strong opposition of the United States against such vicious weapons. Mr. Speaker, I urge my colleagues to support the adoption of this legislation before us today.

Mr. ALEXANDER. Mr. Speaker, I rise in support of H.R. 5337, the Iraqi sanctions legislation. However, I do so with some reservations.

In recent weeks, reports of increasing reliability have indicated that Iraq is indeed using chemical weapons against civilian Kurdish populations within its own borders. Should these reports be true, no one could condone Iraq's actions, and the United States should strongly condemn such actions.

However, we must take care that our condemnation is effective. Sanctions against the export of products to Iraq that are readily available elsewhere will have no effect on the situation within Iraq and will only harm United States producers and exporters.

Arkansas is the No. 1 rice producing State in the Union, and the First Congressional district of Arkansas is far and away the No. 1 rice producing State in the Union, and the First Congressional District of Arkansas is far and away the No. 1 rice producing congressional district in the Nation. In recent years, Iraq has rapidly become the No. 1 importer of American rice, and it has bought almost all of that rice with export credit guarantees provided by the United States.

The Senate version of this legislation would prohibit the extension of further export credit guarantees to Iraq. If the Senate provision became law, Iraq would merely have to go elsewhere for its rice. However, the disruption of the U.S. rice market would be substantial.

Cutting off sales to America's best rice customer would send the farmgate price of rice through the floor. This would be harmful at any time; however, such a price crash at the beginning of harvest, when farmers are being paid for their rice, would be disastrous.

The Foreign Affairs Committee version of the legislation is infinitely preferable to the Senate-passed version. Under the legislation before the House today, the question of whether to embargo agricultural exports to Iraq or discontinue export credit guarantees, which would have the same effect, would be left up to the President.

In 1981, after the ill-fated Soviet grain embargo, the administration promised never to impose stand-alone agricultural trade embargoes. I trust the administration will keep its word in this instance.

Agricultural export embargoes do not work. Time and again they have failed to achieve their foreign policy objectives while hurting only the American farmer. We would not have to worry about the farm ramifications of this legislation if the bill I introduced with Mr. BEREUTER, H.R. 4692, was already law.

H.R. 4692 would prohibit all farm export embargoes against any nation under any circumstances, excepting actual armed hostilities against the United States.

As we prepare to send this bill to the Senate, let me serve notice that I will vigorously oppose any conference agreement that embargoes farm exports to Iraq or prohibits export credit guarantees to Iraq.

I also call upon the administration to announce now that should the House version prevail, it will not embargo farm exports to Iraq or suspend export credit guarantees. Indeed, the administration should act now to ensure that this year's rice sales to Iraq go forward on schedule.

Let's make sure the Iraqis quit using poison gas. But let's also make sure our actions have a real impact without harming American farmers.

Mr. GILMAN. Mr. Speaker, I yield back the balance of my time.

Mr. FASCELL. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The question is on the motion offered by the gentleman from Florida [Mr. FASCELL] that the House suspend the rules and pass the bill, H.R. 5337, as amended.

The question was taken.

Mr. FASCELL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

CREATING TWO DIVISIONS IN THE JUDICIAL DISTRICT OF MARYLAND

Mr. KASTENMEIER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1596) to amend title 28, United States Code, to create two divisions in the Judicial District of Maryland.

The Clerk read as follows:

H.R. 1596

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CREATION OF TWO DIVISIONS.

Section 100 of title 28, United States Code, is amended to read as follows:

"§ 100. Maryland

"Maryland constitutes one judicial district comprising two divisions.

"(1) The Northern Division comprises the counties of Allegany, Anne Arundel, Baltimore, Caroline, Carroll, Cecil, Dorchester, Frederick, Garrett, Harford, Howard, Kent, Queen Anne's, Somerset, Talbot, Washington, Wicomico, and Worcester, and the City of Baltimore.

"Court for the Northern Division shall be held at Baltimore, Cumberland, and Denton.

"(2) The Southern Division comprises the counties of Calvert, Charles, Montgomery, Prince George's, and St. Mary's.

"Court for the Southern Division shall be held at a suitable site in Montgomery or Prince George's County not more than five miles from the boundary of Montgomery and Prince George's Counties."

SEC. 2. EFFECTIVE DATE.

(a) IN GENERAL.—This Act and the amendments made by this Act shall take effect 180 days after the date of the enactment of this Act.

(b) PENDING CASES NOT AFFECTED.—This Act and the amendments made by this Act shall not affect any action commenced before the effective date of this Act and pending in the United States District Court for the District of Maryland on such date.

(c) JURIES NOT AFFECTED.—This Act and the amendments made by this Act shall not affect the composition, or preclude the service, of any grand or petit jury summoned, empaneled, or actually serving in the Judicial District of Maryland on the effective date of this Act.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on the motion.

The gentleman from Wisconsin [Mr. KASTENMEIER] will be recognized for 20 minutes and the gentleman from California [Mr. MOORHEAD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. KASTENMEIER].

Mr. KASTENMEIER. Mr. Speaker, I yield myself such time as I may consume.

Mr. SPEAKER, I am pleased to bring before my colleagues H.R. 1596, a bill to create a southern division for the Federal court in the State of Maryland. This bill, was originally introduced by my colleague from Maryland, STENY HOYER, as well as seven of the eight members of the State's congressional delegation. This bill would create a southern division of the Maryland district Federal court consisting of the counties of Montgomery, Prince Georges, Calvert, Charles, and St. Marys.

As my colleagues from Maryland will tell you the counties encompassed within the proposed southern division represent 42 percent of the State's assessable tax base, and by 1990 its 1.5

million residents will constitute 35 percent of the State's population. In addition, about 35 percent of the State's practicing attorneys live within the proposed southern division. Finally, approximately 35 percent of all criminal cases and 20 percent of all civil cases will arise within the proposed southern division. As these statistics demonstrate the need to address the judicial needs within the southern and western counties of Maryland is acute.

This bill has no direct fiscal impact. Current Federal law already provides that a "place of holding court" is authorized for this part of Maryland. The legal consequences of creating a new division are minimal.[1] The practical consequences of creating a new division are quite real. Passage of this bill will recognize the dynamic growth that has occurred in this part of Maryland and assist their representatives in their efforts to secure a courthouse facility. To this date we have received no opposition to this bill from the administration. I urge my fellow Members to support this bill.

Mr. MOORHEAD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 1596, which would amend title 28, United States Code, to create two divisions in the judicial district of Maryland. The northern division would comprise 18 countries and the city of Baltimore, while the southern divison would consist of five counties.

The Subcommittee on Courts, Civil Liberties and the Administration of Justice held one day of hearings on H.R. 1596. During the hearing our colleagues from Maryland, STENY HOYER, the sponsor of the bill, along with BEVERLY BYRON and CONNIE MORELLA made a good case for H.R. 1596 and they are to be commended for their efforts on behalf of this initiative.

The legislation is based on the final report of the Maryland Bar Association's task force on the organization of the U.S. District Court for the District of Maryland. The task force which filed its report in 1986 found a "strong and compelling need for such a division." Over the years, the Judicial Council of the Fourth Circuit has been opposed to the creation of a second division. However, the Judicial Council has withdrawn its opposition and now holds a neutral position.

I think it is important to note that according to the Congressional Budget Office there would be no costs to the Federal Government or to State or local governments resulting from the enactment of H.R. 1596. This is because in 1970 Congress in Public Law 91-546 authorized that court be held in Prince Georges County not more than 5 miles from the boundary of Montgomery and Prince Georges Counties.

The gentleman from Wisconsin [Mr. KASTENMEIER] has pointed out that legal consequences of creating a new division are minimal and accordingly I urge the passage of H.R. 1596.

Mr. KASTENMEIER. Mr. Speaker, I yield 3 minutes to the gentleman from Maryland [Mr. HOYER].

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Mr. HOYER. Mr. Speaker, I rise in strong support of H.R. 1596, legislation to create a southern division in the judicial district of Maryland. As the original sponsor of H.R. 1596, I would like to thank my friends and colleagues, Chairman RODINO, subcommittee Chairman KASTENMEIER and the ranking member of the subcommittee, CARLOS MOORHEAD for moving this legislation through the Judiciary Committee and to the floor of the House. I would also like to thank the subcommittee staff, Mr. David Beier, Chairman KASTENMEIER's counsel and Mr. Joseph Wolfe, Congressman MOORHEAD's counsel, for the courtesy and assistance which they extended to my staff and me.

I would also like to thank my colleagues in the Maryland delegation who have cosponsored H.R. 1596, Congresswoman BEVERLY BYRON, Congresswoman HELEN BENTLEY, Congressman ROY DYSON, Congresswoman CONSTANCE MORELLA, and Congressman TOM MCMILLEN, for their support. I would like to particularly mention the efforts of my friend BEN CARDIN, also a cosponsor, for his work on the Judiciary Committee. Without Congressman CARDIN's leadership and political courage we would not be here today.

H.R. 1596 would not be on the floor of the House today if a broad based, bipartisan consensus had not been developed in the State of Maryland and if not for the efforts of several prominent individuals. This individuals include: Mr. Herbert Belgard, past president of the Maryland Bar Association, whose leadership set the forces in motion that led us to the consensus we have today.

I must also thank former Congressman Lawrence Hogan, for his continuing efforts and his interest in the establishment of a southern division; Mr. James Thompson, past president of the Montgomery County Bar Association; Magistrate James E. Kenkel, former president of the Prince Georges County Bar Association; Mr. George A. Brugger, chairman of the Federal Courts Liaison Committee and past president of the Prince Georges County Bar; the Honorable Steven I. Platt, President of the Prince Georges County Bar Association. These individuals have worked to analyze the court situation in the State of Maryland and have helped us to develop a solution which will benefit the State of Maryland and the entire fourth circuit.

H.R. 1596 is also endorsed by a wide range of civic and legal organizations from around the State. These include the Montgomery and Prince Georges County governments, the Association for Retarded Citizens of Maryland, the Bankers' Association of Montgomery County, the Board of Trade of Prince Georges County, certified public accountants; Montgomery-Prince Georges Counties Chapter Montgomery-Prince Georges Counties Chambers of Commerce, Coalition for the Handicapped, Commission for Women, Montgomery County, Farm Bureau, Grey Panthers of Montgomery County, I-270 Corridor Employers' Group, League of Women Voters, State of Maryland, Legal Aid Clinic, Local 400 Food and Commercial Workers, Rainbow Coalition, Suburban Maryland Building Industry Association, and the United Way of Maryland. Also, the bar associations of Montgomery, Prince Georges, Charles, St. Marys, Anne Arundel, and Fairfax Counties, the District of Columbia Bar Association's section on courts, Maryland Trial Lawyers Association, J. Franklyn Bourne Bar Association and the Maryland State Bar Association Board of Governors.

Today, in the State of Maryland, we do not have a situation where all our citizens have equal and convenient access to the Federal courts. With the fast pace of change in our State, particularly in the last 20 or 30 years, it no longer makes sense and is no longer equitable for my State to have one Federal district court without divisions.

Within the fourth judicial circuit, Maryland is the only State without either multiple divisions or districts.

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[1] According to the Judicial Conference of the United States and the federal courts there appears to be little difference between the designation of a "place of holding court" and a "division." See *Reorganization of Federal district courts; hering before the Subcomm. on courts, Civil Liberties and Administration of Justice of the House Comm. on the Judiciary,* 99th Cong. 2d Sess. 67 (1986) (testimony of C. Massie, Administrative Office of the United States Courts); Zicarelli v. Gray, 543 F. 2d 466,480 (3rd Cir. 1976) "'places for holding court' are similar to, but not strictly identical with, divisions of a federal judicial district.").

28 U.S.C. 1393 provides that an action brought against a single defendant must be brought in the division in which the defendant resides. If multiple defendants are involved then the action may be brought in any division within the district. Section 1404 provides that an action brought in one division can be transferred to another division within the same district. Thus, there is virtually no procedural consequences to bringing an action in the wrong division. In addition, a provision of H.R. 4807, a bill that recently passed the Hosue proposes to eliminate divisional venue altogether.

As the Judicial Conference of the United States told the Committee "[t]he designation of this area as a statutory division would in no way expand or restrict the court's discretion in determining the geographic area from which jurors are selected." Testimony of Hon. Alexander Harvey III, and Hon. Edward Becker on behalf of the Judicial Conference of the United States, Before the Subcomm. on Courts, Civil Liberties and the Administration of Justice of the Comm. on the Judiciary, United States House of Representatives on Judical Housekeeping, August 10, 1988 at 18 (hereinafter "Harvey").

There are three judicial districts in North Carolina. In Virginia, there are two judicial districts. South Carolina, which is a single district, has 11 divisions, with the 11th having been added in 1986. In West Virginia, there are two judicial districts. At the same time, the population of Maryland exceeds that of several multidistrict States at the time they gained multiple districts.

The creation of two divisions, including a southern division, within the U.S. District Court for the District of Maryland is long overdue. For the more than 20 years that I have been involved in public life, the creation of two divisions has been a much-debated issue. However, all of the facts, the statistics, the demographics, and indeed the basic ideas of fairness and justice, support the idea of two divisions. Furthermore, after a great deal of debate on this issue, the various parties have reached a consensus on the idea of a southern division and it is appropriate the Congress now move forward with this bipartisan legislation.

The legislaton before us today, H.R. 1596, is based on the final report unanimously endorsed by the Maryland Bar Association's task force on the organization of the U.S. District Court for the District of Maryland. Under the aegis of Maryland's then senior Senator, the Honorable Charles McC. Mathias, Jr., the then president of the Maryland State Bar Association, Herbert J. Belgrad of Baltimore, and the then immediate past president of the State Bar, Judge John P. Corderman of Hagerstown appointed a task force to study the question of a southern division. The proposal for two judicial divisions was evaluated by a distinguished panel of prominent attorneys and judges and a noted nonlawyer, a group which fully represents the geographic diversity of the State of Maryland. The task force was chaired by George J. Goldsborough, Jr. and included the Honorable Philip M. Fairbanks, Judge Kenneth C. Proctor, Mr. W. Kennedy Boone II, Mr. James C. Chapin, Mr. Hal C.B. Claget, Mr. William B. Dulany, Mr. Charles H. Dorsey, Jr., and Mr. Walter Sondheim.

After thoroughly examining and analyzing the evidence, and hearing extensive testimony from all interested parties, the task force called for the establishment of two divisions. This was the unanimous recommendation of a panel selected for its collective expertise, objectivity, and knowledge of our legal system and needs.

The U.S. District Court for the District of Maryland sits in Baltimore. As currently configured, this district encompasses the entire State—23 counties and Baltimore City. Based on the recommendations of the task force, H.R. 1596 divides the district court into a southern division comprising five counties and a northern division including the city of Baltimore and the remaining 18 counties.

The five southern Maryland counties—my own County of Prince Georges, Montgomery, Calvert, Charles and St. Marys, have all experienced enormous growth in terms of population, economic development, and court activity. By 1990, the Bureau of the Census projects 1,576,500 residents, or almost 35 percent of the total population of the State of Maryland will reside in this region. Furthermore, these five counties are the fastest growing in Maryland when one considers not only population, but business activity and development, the expanding tax base, and legal activity, as measured by civil, criminal, and Bankruptcy Court filings. These trends will certainly continue as the Washington Metropolitan Area maintains its rapid pace of development.

Furthermore, the existing Federal judicial and law enforcement organization already serving what would be the southern division underscores the argument for two divisions. The Bankruptcy Court, the U.S. Magistrates; members of the probation office; members of the clerk's office and a satellite office of the Federal Bureau of Investigation are already there. Only Federal judges are missing. Under the weighted caseload system for determining judicial manpower needs, there is more than sufficient work to justify the assignment of two judges to a newly created division.

Last November, I had the opportunity to testify before the Judicial Council of the Fourth Circuit regarding the need for two divisions in Maryland. Over the years, the Judicial Council has been opposed to the creation of a second division. However, after reviewing the report of the task force, and hearing further testimony from interested parties throughout Maryland, the Judicial Council withdrew its opposition and now holds a neutral position.

Since 1970, as a result of legislation sponsored by former Congressman Lawrence Hogan, it has been law that the U.S. District Court for the District of Maryland, in addition to sitting in Baltimore, should also sit at a suitable site in Prince Georges or Montgomery County. However, this rarely occurs.

On June 30 of this year, the Judicial Council of the Fourth District adopted a resolution concerning the need for the district court to hold court in the sourthern counties. The Judicial Council's resolution urges the U.S. District Court for the District of Maryland to continue efforts to schedule trials in Prince Georges and Montgomery Counties. The resolution also recognizes the need for appropriate space and urges the Congress to provide funds for the establishment of a permanent Federal court facility.

Mr. Speaker, clearly, the Judicial Council recognizes the need for court to be held in the region of the proposed southern Division. In order to fulfill that need, it would be most appropriate, and indeed necessary, for the Congress to approve the establishment of a southern division. The legislation is supported by a broad based coalition of citizen and legal organizations from around the State and both of our U.S. Senators. A southern division will ensure that the people of Southern Maryland have access to our judicial system. I strongly urge my colleagues to support this noncontroversial, bipartisan legislation, which has been long-awaited and much needed by the citizens of southern Maryland.

Mrs. MORELLA. Mr. Speaker, I strongly support the establishment of a southern division of the Maryland Federal District Court, comprising the counties of Montgomery, Prince Georges, Calvert, Charles, and St. Marys. It is time for a Federal judicial presence in the Washington suburbs of Maryland.

This southern division of the court recognizes the facts of the situation. The Washington suburbs are growing twice as fast as the rest of Maryland and are projected to account for more than one-third of the State's population by 1990.

The area has 42 percent of the State's assessable tax rate. It is expected to account for 35 percent of all criminal cases and 20 percent of all civil cases in the State's Federal district court. In addition, approximately 33.4 percent of currently practicing Maryland attorneys reside in what would be the southern division.

Maryland is the only one of the five States in the fourth judicial circuit in which the Federal court consists of only one division. West Virginia, with less than one-half of Maryland's population, has two divisions of its Federal district court.

The constitutional right of the people of Montgomery, St. Marys, Calvert, Charles, and Prince Georges Counties "to a speedy and public trial, by an impartial jury of the State and district wherein the crime shall have been committed" must not be abridged.

I, also, support this bill, H.R. 1596, because of the implications which the lack of a southern division has for women in the Washington area, since they often bear the financial burden when seeking redress, particularly in sex discrimination cases involving employment, insurance, and health.

The prospect of repeated trips to Baltimore from this area and other southern counties has only served to discourage people from asserting their rights under the law. Without question, justice discouraged is justice denied.

Support for this proposal continues to build. In 1986, a blue-ribbon task force under the auspices of Senator Charles McC. Mathias reported upon the necessity for a southern division. The task force found a strong and compelling need for such a division.

More recently, both houses of the Maryland Legislature, as well as the board of governors of the Maryland State Bar Association, have approved the proposal. In addition, a coalition of more than 20 civic groups, including the League of Women Voters, the United Way, and the Gray Panthers of Montgomery County have supported the plan.

The Baltimore Evening Sun endorsed the proposal by stating: "It can scarcely be denied that the holding of all trials in Baltimore constitutes a considerable inconvenience to parties, witnesses and lawyers who often must drive for perhaps as much as four or five hours in order to get to the courthouse."

The editorial further reminds us that "in earlier times this inconvenience was tolerable because the relatively low level of litigation in the Federal courts made it more efficient to try all cases, no matter where they arose in the State, in Baltimore."

The Evening Sun concludes by stating: "The explosion of Federal court litigation over the past two decades or so, however, makes it clear that it's time to end this burden on the process of justice."

Mr. Speaker, I want to thank Mr. HOYER, who sponsored this legislation and who has worked hard for its passage. I am grateful to my other Maryland colleagues who are cosponsors of this necessary bill. I urge speedy passage of this legislation which will meet a pressing need in the southern counties of Maryland.

Mr. MOORHEAD. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. KASTENMEIER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. KASTENMEIER] that the House suspend the rules and pass the bill, H.R. 1596.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. KASTENMEIER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 1596, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 1596, CREATING TWO DIVISIONS IN THE JUDICIAL DISTRICT OF MARYLAND

Mr. KASTENMEIER. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill (H.R. 1596) to amend title 28, United States Code, to create two divisions in the Judicial District of Maryland, the Clerk may correct certain errors in indentation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

HEALTH WASTE ANTI-DUMPING ACT OF 1988

Mr. HUGHES. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5225) to amend title 18, United States Code, to provide penalties for the dumping of hospital wastes in the high seas, and for other purposes.

The Clerk read as follows:

H.R. 5225

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE

This Act may be cited as the "Health Waste Anti-Dumping Act of 1988".

SEC. 2. TITLE 18 AMENDMENT.

(a) IN GENERAL.—Chapter 111 (relating to shipping) of title 18, United States Code, is amended by adding at the end the following:

"§ 2280. Dumping of health care facility waste

"(a) Whoever knowingly and without lawful authority, dumps any health care facility waste—

"(1) upon the high seas or on any other waters within the admiralty and maritime jurisdiction of the United States; or

"(2) in any other place within the United States, if such dumping affects interstate or foreign commerce;

shall be fined under this title or imprisoned not more than 5 years, or both.

"(b) Any person convicted of a violation of this section shall forfeit to the United States—

"(1) any property constituting, or derived from, any proceeds the person obtained, directly or indirectly, as a result of such violation; and

"(2) any of the person's property used, or intended to be used in any manner or part to commit, or to facilitate the commission of, such violation.

"(c) As used in this section, the term 'health care facility waste' means any solid or liquid waste generated by a facility providing health care services, including veterinary services and laboratory services.".

(b) CLERIAL AMENDMENT.—The table of sections at the beginning of chapter 111 of title 18, United States Code, is amended by adding at the end of the following:

"2280. Dumping of health care facility waste.".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from New Jersey [Mr. HUGHES] will be recognized for 20 minutes and the gentleman from California [Mr. MOORHEAD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from New Jersey [Mr. HUGHES].

Mr. HUGHES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the Health Waste Anti-Dumping Act of 1988, H.R. 5225 which was reported favorably to the House of Representatives by the Committee on the Judiciary by voice vote on September 22, 1988. This bill addresses the problem we have experienced in the past few years of the exponential increase in the incidents of health wastes, often containing highly infectious material, washing up on our shores. Although the Northeastern part of the United States appears to have been victimized more than other portions of the country, there are incidents in such areas as Maryland, North Carolina, Texas, and Florida.

Among the types of medical wastes involved are unmarked needles and vials, stained bandages, catheter bags, blood bags, respirator parts, and plastic tubing for intravenous drugs. Some of the vials have tested positive for the AIDS virus or for hepatitis.

Because of these incidents and the media attention they received, people have been afraid to go to the beach-they fear that their children may step on a needle or get sick from swimming in the ocean. As a result, the tourist industry or our coastal States has suffered tremendously.

Dumping of such wastes is also proliferating at land sites. In April of this year, some 2,000 vials were dumped in locations which included a vacant lot in my home State of New Jersey. When 300 of these vials were tested, 28 tested positive for HIV antibodies and four tested positive for hepatitis B.

Experts tell us that 25 percent of the 150 million pounds of waste produced annually by hospitals in this Nation is considered infectious. The fact is that so-called red-bag waste—waste containing infectious material—is much more expensive to dispose of than ordinary waste material. While hospitals might pay city sanitation departments $50 or $60 a ton for disposal of non-red-bag waste, private incineration companies charge up to $2,000 a ton for red-bag waste disposal.

As in most human endeavors that cost substantial sums, there seems to be no scarcity of persons willing to dump these wastes anywhere and everywhere in order to avoid the cost of proper disposal or to reap the profits of improper disposal procedures.

One of the problems in stopping the illegal and dangerous practice of dumping infectious materials in our waterways and on our lands is the absence of adequate regulatory controls dictating how such materials are to be disposed of, and monitoring compliance with such requirements, including the tracking of the material from source to disposal.

At the present, our colleagues in the Committee on Merchant Marine and Fisheries are processing such a bill, and another companion bill involving a cradle-to-grave manifest system is close to floor action out of the Energy and Commerce Committee.

However, I believe we should be sending an explicit message signaling the seriousness with which we see this problem by enacting severe criminal penalties for persons who knowingly and consciously endanger the quality of life, if not life itself, by dumping medical wastes.

H.R. 5225 is just such a bill. It makes it a felony—up to 5 years and a $250,000 fine—for anyone to knowingly and without lawful authority to dump health care facility waste either at sea or on the land and also provides forfeiture sanctions for property used or derived from the illegal acts.

I believe that this bill is noncontroversial. It is sponsored by all members of the Subcommittee on Crime and many others involved in the problem, and I urge my colleagues to support it.

Mr. MOORHEAD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 5225 prohibits the dumping of any health care facility waste on U.S. waters on in any other place within the United States. Violations are punishable by imprisonment for up to 5 years and/or a fine. Conviction would result in the forfeiture of any property or proceeds derived as a result of the violation.

We have had serious problems in medical and veterinary facilities generating medical wastes and dumping these wastes into the waters off the shores of the United States.

Hospitals alone are responsible for over 3 million tons annually of this kind of waste, some of which is infectious. When improperly managed, this medical and infectious waste can cause an array of serious health and environmental problems. Over the last 2 years potentially infectious syringes and vials of blood have washed up on the east coast beaches from Massachusetts to Florida. The medical waste washups have closed beaches, especially in New York and New Jersey, damaging local economies depending on summer tourists.

Similar instances have occurred in inland States. In Ohio in August 1988, hundreds of syringes washed up on the shores of Lake Erie outside of Cleveland.

In September, five Michigan beaches closed when needles and syringes, some containing blood and other medical wastes, washed up on Lake Michigan's shores.

H.R. 5225 is an attempt to solve this problem by prohibiting the dumping of any health care facility wastes on U.S waters within or any other place within the United States, and the punishments are severe enough to cause the perpetrators at least 5 years in prison if they are convicted.

There is no CBO cost estimate at the present time and the administration has no opposition that has been given to us to the bill to date.

Mr. Speaker, I strongly support the legislation and ask for an "aye" vote.

Mr. HUGHES. Mr. Speaker, I yield such time as he may consume to the gentleman from New Jersey [Mr. Saxton], one of the prime sponsors of the bill.

Mr. SAXTON. Mr. Speaker, I thank the gentleman from New Jersey [Mr. Hughes] for yielding me this time, and also for his fine leadership.

I might just point out, Mr. Speaker, that as the chairman of the Subcommittee on Crime, my colleague, the gentleman from New Jersey, has been most instrumental in moving this bill quickly, something that I think was very important, because not only is it a good bill in terms of its subject matter and the penalties that have been described ably by both the gentleman from New Jersey [Mr. Hughes] and the gentleman from California [Mr. Moorhead], but the fact that we needed it quickly was also important. If it were not for the fine efforts and diligent efforts of the gentleman from New Jersey in getting that done, we certainly would not be here today.

The bill before us today is quite simple. It is quite straightforward, and as I indicated, I believe it is greatly needed. When medical waste is dumped anyplace in the country, it is a tragedy. When medical waste is dumped offshore, it is just as much of a tragedy. When that happens and lawmen from New Jersey or any other State have to work tirelessly to piece together a clue as to where that waste came from, a clue from here and a clue from there, and working under the worst of circumstances with no tracking system in place, to go along with this bill. I believe that we are going to be successful with this bill, but only partially successful, because it is most difficult to find out who the dumpers were. That is why my colleague, the gentleman from New Jersey [Mr. Hughes] and I have sponsored another bill which will go, we hope, hand in hand with this one, because with no tracking system in place to help develop a solid trail of evidence, they can only hope, that is, the law enforcement officers can only hope to be lucky, and if they are lucky the worst the dumper faces then is a misdemeanor or under the current law and a small fine. Well, that is simply not enough.

This bill, sponsored by my friend, the gentleman from New Jersey [Mr. Hughes], goes toward correcting that. If a dumper does not tremble today when he thinks he can pass on a fine to his customers, I understand that, a small fine; but the thought of wasting away in a Federal penitentiary for 5 years is another matter, and a $250,000 fine is another matter as well.

I believe that provides incentive to stop carrying out illegal activities.

The combination of this bill and a nationwide medical waste tracking bill therefore that the Energy and Commerce Committee is currently considering, together with the Merchant Marine and Fisheries Committee, and we hope it will soon bring that bill jointly to the floor as well to complete this package. It is a great combination and it needs to be moved forward.

Now, my friend, the gentleman from California [Mr. Moorhead] and my good colleague, the gentleman from New Jersey [Mr. Hughes] have I believe more than adequately explained both the situation this bill is designed to cure, as well as the provisions of the bill itself but I think there is one more important factor which perhaps has not been mentioned tonight.

We all understand the thought of going to the shore and facing the danger of being affected and infected by a needle or by a broken piece of glass that may be infected with some virus such as AIDS, but what often escapes people and it does not escape us from New Jersey, because we went through it this summer, what escapes us often is the perception that the public holds of the shore area that is really worse than the reality of being there.

This summer pollution affected 6 miles of the New Jersey coast. We have 127 miles of coast, and because of the needles that have been on television, the news coverage which has been so good, people have come to the conclusion that the shore is not a good place to go, and because of the perception that people have, and I cannot blame them, if I were going someplace for vacation and I knew there was a major problem like blood vials or needles, I would probably plan a vacation elsewhere, too.

That is why this bill is so important, because tough laws, effective laws, tough fines and prison sentences, a tracking system to go with it, will change that perception and will convince people that once again the shores on Long Island, the shores in New Jersey, are good places to go.

So we have put in place in this bill fines, jail terms, and forfeitures of property, because we need an effective bill, one that people will understand, one that illegal dumpers will understand, and we hope to be followed by an effective tracking system.

So Mr. Speaker, I urge my colleagues to fully support this bill tonight and hope that they will again join forces to complete the package in the bills that will come in the days and weeks ahead.

Mr. MOORHEAD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to congratulate the gentleman from New Jersey [Mr. Hughes], the chairman of the subcommittee; the gentleman from New Jersey [Mr. RODINO], chairman of the full Judiciary Committee; the gentleman from Kentucky [Mr. MAZZOLI], the gentleman from Florida [Mr. MCCOLLUM], the gentleman from Texas [Mr. SMITH], the gentleman from California [Mr. LUNGREN], the gentleman from Pennsylvania [Mr. GEKAS], the gentleman from New Jersey [Mr. SAXTON], all of whom have contributed very greatly to this bill, which is aimed at a problem that is so severe for many parts of our country and which is so badly needed.

Mr. DAVIS of Michigan. Mr. Speaker, I rise in support of Mr. HUGHES' bill to impose criminal penalties on the dumping of medical waste into our waters.

We must recognize, though, that Mr. HUGHES' bill is only one of many approaches we must take to combat the medical waste problem now plaguing our shores. Congressman JIM SAXTON has introduced a comprehensive bill (H.R. 3478) to help track this waste and impose civil sanctions on illegal dumpers which was reported out of one of the Merchant Marine and Fisheries Committee's subcommittees earlier this month. The Energy and Commerce Committee will also be reporting out a bill which will mandate the tracking of medical waste from point of origin to disposal. This type of system will aid us in discovering scofflaws who endanger our health, our environment, and our economies when their appalling medical debris washes ashore.

The Merchant Marine and Fisheries Committee has also reported out a bill authored by Congressman GERRY STUDDS which not only prohibits the dumping of medical waste in the ocean under the Ocean Dumping Act, but also creates a liability regime for those who dump any type of debris in our waters which causes harm. At the full committee markup of Mr. STUDDS' bill, I offered the heart of my medical waste bill, H.R. 5249, which prohibits the dumping of medical waste in the Great Lakes or along their shores. This approach is entirely consistent with Mr. HUGHES' bill. My bill also imposed criminal penalties like those in H.R. 5225, required a tracking system for medical waste, and authorized a research and monitoring program to ensure that when persons dumped waste into the Great Lakes, we could trace it back to its source.

Although I am pleased that the House will have an opportunity to address criminal sanctions for wrongful medical waste disposal, I am disappointed that the Judiciary Committee was unable to delay a vote on their bill to work with the other committees considering this issue to develop omnibus medical waste legislation. It would be better to ensure that all the segments of the medical waste package mesh neatly, rather than passing piecemeal solutions. One case in point is the differing definition of medical waste in the various bills. It is also important that this legislation take a national approach, for we have seen medical waste on the beaches of almost all coastal states, including Lakes Michigan and Erie.

However, I do support the gentleman from New Jersey's bill, and urge the remaining committees to act swiftly so that our shores are not under siege next summer.

Mr. McGRATH. Mr. Speaker, I want to take this opportunity to voice my strong support of H.R. 5225, the Medical Waste Anti-Dumping Act. While at times it is understandable for minimal amounts of natural pollution to wash ashore, the current rash of sewage containing syringes, blood vials and infectious hospital waste, is intolerable.

I represent an area that was hit hard this summer by the medical waste quagmire. Long Island's most precious natural resource is its miles of rich, clean, sandy ocean shoreline. The Island's beaches serve as both a recreation area and leading economic base for the entire Metropolitan New York area. To have these beaches closed due to human error or oversight is a hardship the people of that region should not have to bear.

Briefly, the Medical Waste Anti-Dumping Act stiffens present law by making it a Federal felony, punishable by up to 5 years in prison and up to a $250,000 fine, for anyone who knowingly and without authority, dumps medical waste either in the ocean or on land. The bill also authorizes the Federal Government to seize the profits and property associated with the dumper's illegal activities.

The perpetrators of these heinous crimes should be penalized to the fullest extent of H.R. 5225. Anything less than that would invite adverse environmental implications to our Nation's shores. I ask my colleagues to support the passage of H.R. 5225, a sensible approach to preventing the atrocities recently witnessed at Northeastern beaches.

Mr. ROTH. Mr. Speaker, the dumping of medical waste within U.S. waters is a deplorable act which must be halted. We need tough penalties to deter this unscrupulous activity and I am pleased to support H.R. 5225, which imposes stiff fines and mandates up to 5 years imprisonment for the dumping of medical waste in U.S. waters.

Earlier this month, five beaches on Lake Michigan were closed as a result of discarded needles, syringes and other medical waste washing up on the shoreline. In August, many of the beaches outside of Cleveland, OH, on Lake Erie were closed as a result of medical waste washing up on shore. What is most troubling about these two occurrences is that it happened on the Great Lakes. It is now apparent that medical waste washups are no longer the sole problem of our Nation's east coast communities.

Over the last 2 years, thousands of potentially infectious syringes and vials of blood have washed up on east coast beaches from Massachusetts to Florida. It is a serious problem which has posed considerable health risks and threatened marine wildlife, not to mention the fact that the closure of beaches has devastated local economies dependent on summer tourists.

The incidents of medical waste washing up on shorelines in the Great Lakes underscores the gravity of the problem. The unregulated dumping of medical waste must be stopped and H.R. 5225 represents a firm step toward this action. H.R. 5225 outlaws the dumping of any health-care facility waste in U.S. waters and authorizes severe penalties for violations of this Act.

I urge my colleagues to support H.R. 5225 and put an end to the scourge of medical waste dumping in U.S. waters

Mr. BRENNAN. Mr. Speaker, I rise in support of H.R. 5225, the Medical Waste Anti-Dumping Act.

This summer we witnessed several incidents of medical waste washing ashore on the coasts of our lakes and oceans. This important measure takes decisive action to address the growing problem of illegally dumped medical waste.

Those of us who represent coastal States are particularly sensitive to the gruesome sight of medical waste that has washed ashore. Even the beautiful coast of my home State of Maine has experienced incidents of this kind.

The littering of our beaches and coastline with dangerous medical debris is appalling and unacceptable. By passing this legislation, Congress will show that it will not tolerate reckless and irresponsible disposal of medical waste.

I support Congressman HUGHES' measure to make illegal dumping of medical waste a Federal felony, punishable by 5 years in prison, a $250,000 fine, and seizure of property and profits. I urge my colleagues to join me in a strong show of support for H.R. 5225 and send a signal that the dumping of medical waste will not be an accepted practice.

Mr. GILMAN. Mr. Speaker, I rise in strong support of H.R. 5225, the Health Waste Anti-Dumping Act of 1988. I would like to commend the gentleman from New Jersey, Mr. HUGHES, for introducing this long overdue bill, and for taking a lead in addressing the escalating problem of medical waste dumping.

Members of the Congress and citizens of the Northeast are acutely aware of the problems of medical waste dumping escalating to near epidemic proportions. The severity of this threat to our environment and health has been highlighted over the past two successive summers by massive beach wash-ups throughout the Northeastern seaboard, and was brought to National attention most recently with the August 1, 1988, editions of Time and Newsweek, which both ran cover stories on the tragedy of pollution at sea. But the problem is not just limited just to New York and New Jersey. Thousands of volunteers are busy this week cleaning up the shores along both the Eastern and Western seaboards and the Great Lakes.

The Health Waste Anti-Dumping Act of 1988 begins to address this complex problem by making it a Federal felony, punishable by up to 5 years in prison and up to a $150,000 fine, for anyone to knowingly and without lawful authority dump medical wastes—either in the ocean or on land. It also authorizes the Federal Government to seize the profits and property associated with dumpers' illegal activities.

Mr. Speaker, H.R. 5225 will send a clear signal to those who pollute our oceans and shores that medical waste dumping will not be tolerated by the U.S. Congress. We need to adopt this bill immediately. Accordingly, I urge my colleague to join in support of H.R. 5225.

Mr. SMITH of New Jersey. Mr. Speaker, I rise in strong support of H.R. 5225, the Health Waste Anti-Dumping Act of 1988. As my colleagues know, H.R. 5225 makes for the first time medical waste dumping a Federal felony. The bill provides penalties of up to a $250,000 fine and a maximum of 5 years imprisonment for anyone who knowingly and without lawful authority dumps medical wastes in the ocean or on land.

Mr. Speaker this is a simple, straightforward measure which I am sure has the strong support of all the people in my home State. Medical waste dumping is an all too common compliant I hear from my constituents in the Fourth Congressional District of New Jersey. The time has come for action. For two summers in a row, New Jersey beaches have been marred by illegal dumping of medical waste. The myriad of syringes, blood bags, needles and other infectious medical waste that has washed up on area beaches is not only unsightly but poses particular threats to the health of beachgoers and to the economic well-being of beach communities.

I urge my colleagues to pass H.R. 5225 and send a clear message to all illegal dumpers that their environmentally harmful practices will be tolerated no longer.

I commend my good friends, Mr. HUGHES and Mr. SAXON, for their leadership on this issue.

Mrs. ROUKEMA. Mr. Speaker, I rise in strong support of this legislation and wish to commend my colleague from my home State of New Jersey, [MR. HUGHES], for his leadership on this vital issue.

Mr. Speaker, the last two summers have proven beyond a shadow of a doubt that it is high time we put a stop to the foul and reckless practice of illegal medical waste dumping at sea. The people in my district up and down the east coast are sick and tired of this insidious activity, and, rightly so, have demanded firm action from this Congress. Two summers have already been lost. We must pass this bill and related legislation pending before this body which would put an end to all forms of ocean dumping. Mayor Koch, I hope you are listening.

The aim of H.R. 5225 is to hit the medical waste dumpers where it hurts most—in their pockets. The bill would make medical waste dumping a Federal felony and make violators subject to prison terms of up to 5 years and penalties of up to a quarter of a million dollars. We must adopt this approach because it will, once and for all, take the profit out of a practice that heretofore has been profitable, at the expense of public health, the tourism economy, the environment, and family recreation.

Mr. Speaker, this is an area where strong Federal regulation and enforcement is justified and required. Individual States will be hard pressed to enforce their medical waste laws on their own. Therefore, I ask all my colleagues to join me in supporting this legislation.

Mr. MOORHEAD. Mr. Speaker, I yield back the balance of my time.

Mr. HUGHES. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey [Mr. HUGHES] that the House suspend the rules and pass the bill, H.R. 5225.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

□ 2100

GENERAL LEAVE

Mr. HUGHES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

MAKING PERMANENT CERTAIN RECORD RENTAL PROVISIONS IN THE COPYRIGHT ACT

Mr. KASTENMEIER. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of the Senate bill (S. 2201) to make certain record rental provisions in title 17, United States Code, the Copyright Act, permanent, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

Mr. MOORHEAD. Mr. Speaker, reserving the right to object, I do not intend to object, but only to concur with the remarks that will be made by the gentleman from Wisconsin [Mr. KASTENMEIER] and indicate my strong support for this legislation.

We are going to extend this legislation for 8 years, which is the record rental legislation which has been so important to the record industry. The industry has stopped much of the use of records in the rental business by this legislation. The bill has worked well for the last 5 years, and it certainly should be continued.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 2201

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 4(c) of the Record Rental Amendment of 1984 (98 Stat. 1727; 17 U.S.C. 109 note) is repealed.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. KASTENMEIER

Mr. KASTENMEIER. Mr. Speaker, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. KASTENMEIER: Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. EXTENSION OF RECORD RENTAL AMENDMENT.

Section 4(c) of the Record Rental Amendment of 1984 (17 U.S.C. 109 note) is amended by striking out "five" and inserting in lieu thereof "13".

SEC. 2. TECHNICAL AMENDMENTS.

Section 109(d) of title 17, United States Code, is amended—

(1) by striking out "(b)" and inserting in lieu thereof "(c)"; and

(2) by striking out "coyright" and inserting in lieu thereof "copyright".

Mr. KASTENMEIER (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The SPEAKER pro tempore. The question is on the amendment in the nature of a substitute offered by the gentleman from Wisconsin [Mr. KASTENMEIER].

The amendment in the nature of a substitute was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

TITLE AMENDMENT OFFERED BY MR. KASTENMEIER

Mr. KASTENMEIER. Mr. Speaker, I offer an amendment to the title.

The Clerk read as follows:

Title amendment offered by Mr. KASTENMEIER: Amend the title so as to read: "A bill to extend for an additional 8-year period certain provisions of title 17, United States Code, relating to the rental of sound recordings, and for other purposes."

The title amendment was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. KASTENMEIER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on S. 2201, the Senate bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

INTRODUCTION OF TRADE LEGISLATION TO ENCOURAGE REFORESTATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. STARK] is recognized for 5 minutes.

Mr. STARK. Mr. Speaker, today I am introducing legislation that would deny GSP trade benefits on wood and wood products to developing nations which do not have in operation a program of reforestation. The bill also urges that the United States use the Uruguay round of multilateral trade negotiations to obtain international cooperation on ways to end the annihilation of the world's forests.

The destruction of the world's rain forests threatens the entire world economy and environment. The Nations of the world must come together and use every device possible to encourage wiser forestry policies in order to slow or even reverse the greenhouse effect and other negative effects of world deforestation.

My bill is a first step in this process, designed to encourage and debate and action on one of the most serious problems to face mankind.

THE PROBLEM

Today, forests are being destroyed at an unprecedented rate within the Third World, both for the sale of wood and wood products, and for the creation of land to be used by farmers, ranchers, and homesteaders. Due to lack of both reforestation and natural regeneration, forests are not growing back with the frequency with which they are being destroyed. The reason is because cattle ranchers, farmers, and homesteaders often move into recently deforested land and destroy whatever vegetation is left. This renders forestland incapable of regenerating on its own, even after its occupants have left.

THE IMPACT OF DEFORESTATION

THE GREENHOUSE EFFECT

Scientists widely accept that forests directly influence regional climate and, indirectly, global weather patterns. By removing carbon dioxide from the atmosphere, forests have traditionally stabilzed the world climate. But today, with rising cabon dioxide levels and diminishing forests, many forsee an inevitable change in global climate.

In the last 30 years carbon dioxide levels have risen by the same amount that scientists estimate they rose in the previous 200 years. During the same time period the Earth's average annual temperature has increased seven-tenths of 1 degree (the global temperature had risen by half a degree in the entire century before 1880). John Firor, Director of the Advanced Study Program at the National Center for Atmospheric Research, predicts that by 2035 global temperatures will likely be 3 degrees Celsius above the current levels.

There are many potential effects of the global warming, which is believed to be caused by rising carbon dioxide levels. Although precipitation is likely to increase in the world, moisture is likely to evaporate from the midlatitudes—United States—and move to the higher latitudes and equatorial area—according to Syukuro Manabe of the National Oceanic and Atmospheric Administration. Current statistics seem to support Manabe's belief that moisture levels will decrease at the midlatitudes, as drought continues to plague the United States. If current trends continue, the effects on American agricuture will be devastating.

Globally, the rise in temperature is predicted to cause a thermal expansion of the oceans and to melt glaciers and polar ice, causing sea levels to rise by 1 to 4 feet by the middle of the next century (scientists have already detected a slight rise in sea levels). James Titus, an EPA economist, said that it would cost between $10 billion and $50 billion to protect beachfront homes and businesses from rising tides.

A few scientists note that any action taken now would be based on theories rather than concrete facts. Although the upward trends in carbon dioxide emissions and global temperature are indisputable, the correlation between carbon dioxide and temperature cannot be scientifically proven. However, waiting for definitive observations or absolute proof could commit the United States and the planet ultimately to much more detrimental effects associated with climatic changes, and much greater difficulty and costs associated with reducing carbon dioxide levels in the atmosphere.

INSTABILITY IN DEVELOPING NATIONS

Although developing countries clear away tropical forests to increase their current well-being, their plans can backfire. One way that deforestation can backfire is by depleting the income generating wood resources of a nation. The destruction of Haiti's forests was a primary cause of that island's movement into poverty.

According to a report published by the U.S. Office of Technology Assessment, forests fulfill many other important functions for Third World inhabitants. These functions include providing fuel, food, medical needs, protection of waterways, and protection from violent coastal storms.

In Bangladesh, one of the main causes of the massive flooding, which has left two-thirds to three-fourths of that nation under water and 25 million people homeless, is the deforestation which has occured in Bangladesh, the Himalayas, and Nepal. This deforestation has resulted in large amounts of topsoil deposit into waterways and also increased water runoff into rivers.

The Environmental Policy Institute recently released a joint statement which claimed that it is difficult to avoid the conclusion that within 30 years, up to 1 billion people will starve to death in the tropics unless current trends of deforestation are reversed.

Although it is difficult for Third World nations to think long term, they must, or they will soon face even more severe hardships than they currently face. Providing for reforestation may use up more resources now than developing nations wish to invest, but the long-term commitment will yield many returns—in the form of economic resources and human lives—in years to come.

BIOLOGICAL DIVERSITY

Rain forests are the most biologically diverse regions of the world, producing over half of the world's plant, animal, and insect species. Since fewer than 1 percent of tropical plants have been checked for practical uses—according to a 1985 World Resources Institute report—as rain forests and regular forests are cleared, wild species and ancient varieties particular to certain regions of the world are being lost forever.

This means that many developing countries are destroying valuable plants that could be used as medicines—rain forest plants are the source of at least one fourth of the ingredients for prescription drugs on the market today. At the same time plant genes that could be used to create more nutritious, productive, or disease resistant crops are being wiped from existence, before they are ever discovered.

WOOD SUPPLIES

The world's consumption of all kinds of commercial lumber has grown enormously this century and now totals roughly 1.5 billion cubic yards annually. Conservationist Norman Myers predicts that figure is likely to double by 2000 and double again by 2025.

Within the United States, wood also continues to grow in use. Wood now constitutes more than 25 percent of all U.S. industrial raw materials, and the ratio has been rising since the mid-1970's.

Due to the rising world demand for wood, U.S. Forest Service economist Dwight Hair foresees a future of intensifying competition for available wood, which will result in rising real prices of stumpage and most wood products for all nations. If the United States wishes to avoid the inevitable depletion of world wood supplies, and accompanying increases in wood prices, it must act now to promote replenishment of one of the Earth's most valuable resources.

CURRENT STATE OF THE WORLD: WHY WE NEED TO TAKE ACTION

There is a definite problem with deforestation in the Third World, which is home of over 50 percent of the world's forests.

According to the United Nations estimates, Africa has lost 23 percent of its forests since 1950, Central America 38 percent, and the Himalayan watershed has lost 40 percent. Such traditional timber producers as Malaysia, Thailand, and the Philippines have almost completely exhausted their lumber supplies. Other countries, especially Indonesia, Brazil, and Colombia, have large reserves but are losing vast areas every year.

Meanwhile, during the past 30 years, more than 40 percent of the original rain forests have been destroyed.

According to a report of an international task force convened by the World Resources Institute, the World Bank, and the United Nations development programme: By the end of the century, the 33 developing countries that are now net exporters of forest products will be reduced to fewer than 10. Something must be done to curb the current rate of deforestation in the world today.

A PARTIAL SOLUTION

Mr. Speaker, I do not like telling the Third World what they should do, especially given our own mass forest fires and considering the industrialized world has deforested a good percentage of its own land; But something must be done for the good of both the world and developing nations. Of course the United States should not tell the Third World what is best for them, but should not these nations be encouraged to avoid the same fate as that of a completely deforested Haiti. I think Third World nations should be encouraged to reforest, and this is why, with humility, I am introducing this bill.

The bill which I have drafted would remove GSP tariff waivers on wood and wood products unless the U.S. Department of Agriculture certifies that the nation exporting wood to the United States has either a (1) replanting or (2) natural regeneration program, designed to provide for the reforestation of amounts of land equivalent to the amount of land which was deforested for the purpose of exporting wood or wood products to the United States.

A second section of the bill requests the USTR to include the encouragement of world reforestation as part of the U.S. agenda in the Uruguay round of multilateral trade negotiations. This would be accomplished by the multilateral removal of GSP tariff waivers from those nations not replanting or allowing for natural regeneration in areas where lumber is harvested for the export of wood or wood products. An alternative would be to offer developing nations new areas of GSP treatment and other positive incentives while denying GSP for trade in wood products from nations that do not meet international standards for reforestation and regeneration. Another possibility would be to establish multilateral tariffs on raw lumber and other untariffed wood products that are harvested on forest land which is not replanted, or allowed to naturally regenerate, according to agreed upon standards. A final alternative would be for industrialized nations to provide the financial and technical aid necessary for Third World nations to institute such forest regeneration programs.

The nations which would be most impacted by this legislation—and the value of their 1987 wood and wood product exports to the United States, excluding raw lumber—are: Indonesia, $345,000,000; Brazil, $177,000,000; Mexico, $84,000,000; Philippines, $35,000,000; and Malaysia, $20,600,000.

TRIBUTE TO THE HONORABLE ED JONES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee [Mr. QUILLEN] is recognized for 60 minutes.

Mr. QUILLEN. Mr. Speaker, I have called this special order to honor and to pay tribute to a friend of many years and a valued colleague, Congressman ED JONES of Tennessee's Eighth Congressional District, who is retiring at the end of this Congress.

Those of us who have had the privilege to know and to work with ED over the past 20 years are going to miss him when the 101st Congress convenes in January of next year. At the same time, we all want to wish ED and his lovely wife, Llew, many happy and healthy years back on the farm in Yorkville. They have earned it after all these years of hard work in service to the people of west Tennesse, the State of Tennessee and the Nation.

And a distinguished career it has been with definite, beneficial results to show for it. When ED JONES, who had been raised on a farm in Yorkville, was appointed by Governor Browning to be Tennessee Commissioner of Agriculture in 1949, he was the youngest in the State's history. He served as State commissioner until 1953 when he returned to private business, but the call of agriculture and public service went forth again in 1961 when President Kennedy appointed him to be the chairman of the Agricultural Stabilization and Conservation Committee for Tennessee. He was reappointed by President Johnson in 1965 and served until his first election to the Congress in a special election in 1969.

Because of his experience and knowledge of agricultural and rural problems and opportunities, Congressman JONES asked for and received a seat on the House Agriculture Committee, where he continues to serve with effectiveness and genuine distinction. In 1977, Congressman JONES became the chairman of the important Subcommittee on Conservation, Credit, and Rural Development, which from that time to the present, became the focus of his work on national agricultural policy. As chairman, Congressman JONES has played a major role in the enactment of a great many beneficial bills relating directly to agriculture and rural America. These bills include, to name just a few, the Soil and Water Resources Conservation Act of 1977, the Emergency Agriculture Credit Act of 1978, the Agriculture Credit Act of 1978, the Futures Trading Act of 1978, the Consolidated Farm and Rural Development Act of 1979, the Federal Crop Insurance Act of 1980, the Farm Credit Act of 1980, the Futures Trading Act of 1982, the Farm Credit Act Amendments of 1985, last year's very important Farm Credit Act of 1987, as well as the new soil and water conservation programs he wrote into the 1981 and 1985 farm bills. His conservation provisions in the 1985 farm bill, placing tough restrictions on the use of marginal and eroding farm land and increased protections for uncultivated cropland and wetlands, have been called the most significant soil and water conservation laws enacted in over 50 years. ED JONES wrote those laws.

ED, I want to especially salute you for those conservation laws and also for your hard work over the years to make the Farm Credit System a better system for our small family farmers. You have done well, my friend, and I congratulate you most sincerely.

We in the Tennessee delegation are especially at a loss with ED JONES' departure because he has been so positive an influence on all of us in our efforts to work together as a team for the benefit of the people of Tennessee. Over the years, I have come to rely on ED's first-hand experience with and knowledge of agriculture and rural problems and policy solutions. We are all going to miss his leadership.

Besides his good counsel and hard work, we are going to miss our friend ED because of his personal qualities and virtues. ED JONES is above all a gentleman, a man with a compassionate heart for those in need of help, and a thoroughly decent man of integrity.

For many years, ED and I have had offices on the same corridor of the Cannon Building. I can't count the number of times that ED would drop into my offices on his way to or from the House floor with a cheerful smile and greeting for me and the people on my staff. He's a real favorite with my staff, and they told me to mention how much it brightens their day to see Congressman ED JONES; and better yet, to have him stop by for a chat. They are going to miss you, too, ED.

ED JONES is a gentleman in every sense of the word. He is quiet and courteous and in his words and actions shows his genuine respect and consideration for all who come in contact with him. Anyone who knows ED will vouch for his compassionate heart, and as for integrity, his word is his bond.

In the Eighth Congressional District of west Tennessee, ED JONES is noted for his outstanding personal and office service to his constituents. He maintains three district offices and holds regular town hall meetings in each of the 15 counties of his rural district. ED JONES has stayed in touch with the people of his district, and they have stayed in touch with him. This is partly the reason for his great popularity back home and partly the reason for the big margins of victory ED JONES routinely rolls up at the polls on election days. There is no doubt in my mind that Congressman JONES would have received another strong vote for reelection to the House this November if he had asked for it.

In closing, let me just say thanks for the 20 years together, ED. You have made a great congressional career here. We will miss you and your lovely wife, Llew, who has stood by you and been your great helpmate these many years. To both of you and your family—the best of everything in the many years which lie ahead.

Mr. HUGHES. Mr. Speaker, will the gentleman yield?

Mr. QUILLEN. I am happy to yield to the gentleman from New Jersey.

Mr. HUGHES. Mr. Speaker, I rise to join with my colleagues in congratulating our good friend, ED JONES, on his retirement after serving 10 years as the Representative of Tennessee's Eighth Congressional District. As he prepares to leave this institution he has served so well, ED can be rightfully proud of his accomplishments in a lifetime of public service.

ED JONES was raised on a farm, and has been a farmer all his life. That circumstance has proven to be the impetus behind a remarkably productive legislative record that spans two decades. ED has drawn upon his broad experience in agriculture as the author of numerous legislative initiatives to improve the lot of the family farmer and enhance the position of American agriculture.

As chairman of the Subcommittee on Conservation, Credit and Rural Development Ed has been a leader in the enactment of many important pieces of legislation, including the Soil and Water Resources Conservation Act, the Agriculture Credit Act, and the Futures Trading Act. Today the House passed yet another important bill managed by Ed, authorizing the establishment of a commission to improve the functioning of the Federal Crop Insurance Program.

Mr. Speaker, I know I speak for all of us when I say that we are going to miss Ed's presence in this House, not only as a legislator, but also as a good friend and a trusted adviser. As he and his lovely wife, Llew, begin their well-deserved retirement, we wish them the best of luck in all their endeavors, and invite them to please come back and visit us often.

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Mr. QUILLEN. Mr. Speaker, I thank the gentleman from New Jersey for his remarks.

I yield to the gentlewoman from Tennessee [Mrs. Lloyd].

Mrs. LLOYD. Mr. Speaker, I thank the dean of our delegation for yielding this time to me.

We can pay our tribute to Ed Jones, whom all of us love so very much, as he begins his retirement from the U.S. Congress. Certainly his distinguished service here in the House marked by his devout love of his country and of our home State of Tennessee has made him clearly a giant among our colleagues.

His thorough knowledge and understanding, Mr. Speaker, of the legislative process, will have a lasting effect on our Nation for generations to come.

The agriculture programs and policies which he has shaped and molded have led our country through times which have often been trying for so many in farm communities. His leadership in the enactment of the critical Emergency Relief Act of 1988 which ravaged so much of our farmlands is but one example of the many, many landmark pieces of legislation which have been touched and guided by his knowing hand.

He is certainly a friend of the farmer, and I know the dean of our delegation will say that he has no peer when it comes to farm legislation. Certainly we are all indebted to Ed Jones for his knowledge and expert experience he has brought to the Congress, for the advice and the counsel which he has given to all of us, when he has been so helpful when it comes to helping all of us.

I cannot help but recall, Mr. Speaker, when I came to Congress some 14 years ago, that it was Ed and Llew Jones who took me under their wing, and I know that the other members of our delegation will also express this because we certainly worked out of his office, before we were assigned our office, and he helped us in finding staff members to work for us and to help us, and certainly he has been our friend to help us through the years.

We have looked to him as a leader on agricultural legislation and certainly my dear friend, Llew, his wife, is one of the greatest friends that I have.

We will all miss Ed Jones, but as I speak for the entire members of our delegation, though he will not be with us in the Congress, Mr. Jones will remain in our thoughts and prayers always. We wish you success, and I do not believe that Mr. Jones will ever retire. I think he will always be around to help us, to counsel us, and we certainly are going to miss him and we do wish him health and happiness and prosperity and godspeed in all his endeavors.

I thank the dean of our delegation for yielding me this time.

Mr. QUILLEN. Mr. Speaker, I thank the gentlewoman from Tennessee.

At this time I yield to the gentleman from Texas [Mr. Stenholm].

Mr. STENHOLM. Mr. Speaker, I thank my distinguished colleague for yielding.

Mr. Speaker, I rise to pay tribute to the Honorable Ed Jones, friend and a distinguished Member of Congress who is not seeking reelection after some 20 years of quality service to the people of the Eighth District of Tennessee.

A native of Yorkville, TN, Ed Jones has risen through the congressional seniority system to the position of third senior majority member of the Committee on Agriculture since coming to the Congress. That position has enabled him to have an important influence on agricultural related issues. In fact, though he never sought the limelight, his highly visible position often thrust him there. Each time he was articulate, forthright and effective.

A man of Ed Jones' stature and ability does not go unnoticed. He has received numerous honors during his career, including the National Rural Electric Cooperative Distinguished Service Award, the National Association of Conservation Districts Distinguished Service Award, the FFA Distinguished National Leadership Award, and Progressive Farmer magazine's Man of the Year Award to just name a few.

"Mr. Ed", as he is referred to by those who know him, served as Tennessee commissioner of agriculture from 1949 to 1952 under the late Gov. Gordon Browning. Then, in 1969, he succeeded the late Robert A. Everett in representing Tennessee's Eighth Congressional District. As the dean of Tennessee's congressional delegation, Ed Jones has won the respect of his fellow colleagues on both sides of the aisle. It has always been clear to those of us who have had the honor of working closely with Ed where his real heart was.

Serving as chairman of the House Agriculture Subcommittee on Conservation, Credit, and Rural Development, Ed Jones was one of the major players who sought changes in the Federal Government's soil conservation programs in the 1985 farm bill. Furthermore, without Mr. Ed's effective leadership, the recent Farm Credit System legislative changes would simply not have been possible. He took the time to listen, and he asked the right questions. But most important, he is a man of great integrity—a trait which he sought and admired in those he worked with as well.

Recently, Ed Jones was quoted as saying, "I hope to be remembered for my fight for the family farmer, for my efforts toward a strong national soil conservation program, for my support of national defense, for my votes to help with the education of our children, and, finally, for my advocacy of a rural development program that can revitalize and recapture the economic advantage of 'Main Street America'." Suffice it to say, rural America has had no greater friend in the Congress than the Honorable Ed Jones.

What I shall miss most with Ed Jones' retirement is the opportunity for our paths to cross. A true southern gentleman in every way, Mr. Ed will be joyfully welcomed back home in Yorkville, TN, yet surely missed in the Halls of Congress.

Mr. Speaker, let me conclude my remarks by saying that I wish Ed and his lovely wife, Llew, the best in life and may the good Lord provide them with many more healthy and happy years together.

Mr. QUILLEN. Mr. Speaker, I thank the gentleman from Texas. I yield to the gentleman from Idaho [Mr. Stallings].

Mr. STALLINGS. Mr. Speaker, I certainly appreciate the gentleman from Tennessee [Mr. Quillen] taking a special order for a very dear friend of mine.

Mr. Speaker, I would like to add my voice of commendation to that of my colleagues for the years of extraordinary public service by Representative Ed Jones. Rather than documenting his many accomplishments, which will be done by others and is already well known by everyone acquainted with Ed, I would like to add a personal observation and perspective.

During my years in Congress since 1984, I have had the unique privilege of serving on the Agricultural Subcommittee on Conservation, Credit, and Rural Development, which Mr. Jones chairs. In this capacity, I have witnessed the unique leadership and equitable manner in which he always approached each issue. I cannot recall a time in which he did not treat the members of his subcommittee and their staffs and every witness who came before his committee with respect and politeness. I think the honorable manner in which Ed conducted his business has enabled him to play such an important and substantial role in legislation vital to U.S. agriculture and rural America.

Ed came to Idaho for subcommittee hearings on the farm crisis in 1985. I will forever remember, and my constituents who met with Ed often remind me, of his ability to make everyone he talked to feel that their opinion was important. Ed is a master of compromise—that difficult art of bringing diverse interests together to reach an acceptable resolution. He continues to be highly respected by all who have come to know him, regardless of whether there was agreement on a particular issue.

I thank Ed for his years of exemplary leadership. His wisdom and knowledge and experience will be sorely missed on the House Agriculture Committee. Thank you Ed. I wish you the best in your many good years ahead.

Mr. QUILLEN. Mr. Speaker, I thank the gentleman from Idaho.

At this time I yield to the gentleman from Tennessee [Mr. Gordon].

Mr. GORDON. Mr. Speaker, I appreciate the gentleman from Tennessee [Mr. Quillen] yielding to me.

Mr. Speaker, when I first arrived here, wandering around the Halls feeling lost, I eventually found my way to the office of Mr. Ed Jones. It was a lucky break for me. Because Mr. Jones knew all there was to know about how to get around up here, and he was willing to share that knowledge with me.

He has made it a habit of offering new Members of Congress the time to help find their way through the mazes of Capitol Hill, helping us overcome our culture shock and learn the ropes. For that, I say thank you, Mr. Jones.

Congressman Ed Jones is the epitomy of the people's representative in Washington. Throughout his 18 years in Congress, he has kept both his feet firmly planted in the fertile farmland of his native west Tennessee. The family farm in Yorkville will always be home to Mr. and Mrs. Jones, and that has meant much to the people of his district.

The American farmer has had few friends who are as understanding and as knowledgeable as Congressman Ed Jones. The list of innovative farm legislation moved through Congress by Mr. Jones is a long and distinguished one.

It ranges from farm credit measures that ease the terrible burden of debt hanging over many farmers to conservation legislation that is saving the precious topsoil which is agriculture's most vital raw material.

In the crisis that have beset American farmers during the last two decades, Mr. Jones has been there not just with words of comfort but with a plan and action.

This year, he was one of the major crafters of the drought relief legislation, legislation that is both fiscally responsible and extremely helpful to farmers in my district and around the country who suffered the consequences of one of the worst dry spells in American history.

I know I can speak for all the farmers of Tennessee and of the entire United States when I say we appreciate your friendship and your leadership.

Thank you, Mr. Jones, for understanding, for never walking away from your roots, for caring and for serving.

Mr. Speaker, the strong feelings of affection that farmers hold for Mr. Jones is well expressed by an article in the September 2 issue of the Delta Farm Press. I include this article in the Record, as follows:

[From the Delta Farm Press, Sept. 2, 1988]

Congressman Jones Honored for Contributions to Agriculture

(By Scott McClure)

Memphis, Tenn.—The accolades were almost enough to make Tennessee Congressman Ed Jones scrap his plans to retire from public office.

Dignitaries and friends from all walks lined up to praise Jones during a recent recognition service for the Congressman at Agricenter international here.

The ceremony was part of Congressman Ed Jones Day at the 3rd annual Agricenter International Exposition, and included the renaming of the Agricenter amphitheater in Jones' honor.

Many of these attending, like Texas Congressman E. "Kika" de la Garza, chairman of the House Agricultural Committee cited Jones for his longtime service as chairman of the Subcommittee on Conservation, Credit and Rural Development.

"His retirement is a major loss for us in Congress," he said, "I feel like my right arm will be gone.

"But the fact is that Ed leaves behind a better country, a better state, a better district and a better Congress."

De la Garza noted Jones was a key figure in the writing and passage of major legislation dealing with a broad range of issues impacting agriculture.

"When you talk about rural development legislation—there is Ed Jones; about soil conservation—Ed Jones, about the farm credit system—Ed Jones," he said.

"There wasn't headlines or sensationalism, just a proven record of working for the good of America and agriculture."

SUPPORTED FARMERS

John W. "Buddy" Moses, a Sunflower, Miss., a farmer and former American Agricultural Movement president, said Jones' efforts on behalf of the farm community, and his willingness to open his doors to farmers, "made me respect my country more."

"He would draw farmers from all over to his office because it was obvious he felt the same things we felt," said Moses. "He took the time."

Noting Jones is credited with being the author of conservation provisions in the current farm bill, Moses said the Congressman helped him and other farmers "realize we weren't good stewards of the land."

"His efforts will pay off in benefits for our children and their children. He could see down the road, and around the corner too."

Moses also praised Jones for his work to save the ailing federal Farm Credit System.

"I know my country is a better place to be because of Ed Jones," he said.

ROLE IN HISTORY

Peter Myers, Deputy Secretary of Agriculture and former head of the U.S. Soil Conservation Service, said Jones contributions to conservation in the current farm bill "leaves a legacy Ed Jones can be proud of."

"It was a historic point—tying conservation and farm programs together," he said.

"I believe history will say Ed Jones was the right man at the right place at the right time. He will be remembered for his considerable contributions to our country."

Jones, who was raised on a Yorkville, Tenn., farm and who continues to maintain a 300 acre farm there, was a dairy inspector for the Tennessee Department of Agriculture. He then worked with the Tennessee Dairy Products Association.

He became Tennessee's youngest commissioner of agriculture in 1948 when he was appointed to the post by Gov. Gordon Browning.

In 1961, Jones was named chairman of the state's Agricultural Stabilization and Conservation Service Committee by President John F. Kennedy, and later reappointed by President Lyndon Johnson.

Jones was elected to his first of 10 consecutive terms in Congress in 1969.

Twenty years later, standing in the Ed Jones Amphitheater after being showered with praise, Jones remembered the driving force behind his career.

"My greatest hope is that my efforts will be judged as having met some degree of success, not by me, not by my colleagues in the Congress but by those who spend their lives tilling the soil."

Mr. QUILLEN. Mr. Speaker, I appreciate the statements made by the gentleman from Tennessee [Mr. Gordon].

I yield to the gentleman from Tennessee [Mr. Cooper].

Mr. COOPER. Mr. Speaker, I thank the gentleman from Tennessee for calling this special order on this very, very important occasion and, unfortunately, a sad occasion for the House of Representatives because we are losing one of our great friends, not for life, but from our fellowship on a daily basis here. We hope Mr. Ed and Ms. Llew will come back and visit often. I include with my statement the following article from the Tennessee magazine of August 1988, as follows:

[From the Tennessee magazine, August 1988]

Ed Jones: Ending a Career Built on Kinship

(By Evelyn Dodd)

Tennessee Congressman Ed Jones and his wife, Llewellyn, celebrated their 50th wedding anniversary in June by throwing a huge party, and their guest list reveals something about the relationship between

Jones and the people he represents in Congress.

"Llew and I were trying to make out a guest list—friends we'd like to help us celebrate—and it just wasn't working," Rep. Jones recalled. "I like to think of everyone as my friend."

The only thing to do, the couple decided, was to invite everyone in the state of Tennessee. Coming from some politicians, the open invitation might have seemed insincere. But coming from Jones, it magnified a sense of kinship that bonds the nine-term representative to Tennessee's voters.

That kinship has been evident since he took office nearly 20 years ago. He still recalls the "proudest moment of my congressional career" when 170 friends from his district chartered a plane to Washington to be with him when he was sworn into office in 1969.

"It was my first day here, and it was special to have my friends around. They told me at the Capitol that it was the largest single crowd ever at such a ceremony."

To the voters, Jones is a friend as well as a member of Congress; a strong voice in Washington not just for Tennessee's 8th District but for all of rural America; a friend who will be missed when he retires from Congress this November.

"Every other congressman from my district has died in office," the 76-year-old representative said recently in his Capitol Hill office. "I want to beat them out. I've observed since I've been here that public officials don't know when to quit. In the life of every person there comes a time for retirement, and now is my time."

He plans to return to the 300-acre family farm he and Llewellyn have maintained on weekend trips back to his native Yorkville, a small agricultural community in the northwestern corner of Tennessee. It was as a farmer there that Jones learned about cooperatives.

"I must have been a member of a dozen co-ops," Jones said. "When I was actively farming, I sold my milk, bred my cows, bought my supplies, got both my telephone and electric service, borrowed my money and bought my insurance all through a variety of co-ops," Jones said. He is a past president of the Yorkville Telephone Cooperative.

"Co-ops have done more for rural America than any other program in America today. That's why I supported them back then, and I continue to support them to this day."

Jim White, manager of Gibson County Electric Membership Corporation in Trenton, remembers some advice Jones gave him years ago: "I remember asking him what our co-ops should be doing. He said 'Stay close to your consumers. Make sure that everything you do reflects their interest, and you can't go wrong.' It worked then, and that advice still holds true today."

Jones has followed his own advice, staying close to those who sent him to Congress. Now he's ready to join them at home.

"I'm tired of catching an airplane every Monday morning," he says. "I'm ready to get back to Tennessee and to our farm. We have everything we need there."

But he'll be missed in Washington, Bob Bergland, general manager of the National Rural Electric Cooperative Association in Washington, says it's because of Jones' close ties to his district that he's been such a strong voice for rural America.

"Jones grew up in the Depression," Bergland says. "That means he knows instinctively what electricity meant to rural Tennessee. He was there when the lights came on, and because he understands what it was like before the Rural Electrification Administration came about, he takes a longer look at the problems facing rural America. He understands the importance of our program and is true believer in what we do."

Bergland, a former member of Congress from Minnesota, adds, "I've never seen him get involved in a situation that would benefit Ed Jones directly. He doesn't look at the economics of a situation, he looks at the people. That's a rare thing to find with all the egos running around up there in Congress."

Jones realizes that he is a rare breed in Congress and refers to himself as "the last of the great rural round-up."

"You are probably looking at the last man from a rural area ever to serve my congressional district. People are no longer elected like I was with just a little money and a sweep of my district. You have to be introduced to the public by the media. These days, everyone up here strives for publicity.

"I don't do my business that way," Jones adds. "My focal reason for coming to Congress was to do something for rural America. I feel I've done a little something—not all I wanted to do—but now the time has come for me to lay it down."

His "little something" for rural America amounts to taking an instrumental role in the passage and enactment of at least 14 major pieces of legislation, including the 1987 amendments to save the Farm Credit System. He is chairman of the House Agriculture Committee's Subcommittee on Conservation, Credit, and Rural Development.

"The bottom line about Ed Jones," says NRECA's executive director of operations and fellow Tennessean Roy Palk, "is that the rural electrification program will never have another friend in Congress like him. He understands rural issues as well as supports them. Lots of times when issues concerning rural development come up, instead of studying the issues, his colleagues will pick up the phone and call him to see what he thinks. He's going to be missed."

But leaving Washington doesn't mean leaving politics, Jones assures his fans.

"Going home doesn't mean I'm going to quit," he says. "From now on, I'm just going to set my own agenda."

People who live outside of Washington DC, do not realize what a tough, mean town this can be. And I am not referring to the high homicide rate. I mean the often intentional cruelty of political life in the Capital City. There are many relationships of convenience here, but few real friendships. As President Harry Truman used to say, "If you want to have a real friend while you're in Washington * * * buy a dog."

Alice Roosevelt Longworth knew politics better than almost anyone since she was the daughter of President Teddy Roosevelt and the wife of Speaker of the House Nicholas Longworth. She kept a pillow on her sofa that had a saying embroidered on it. This saying captured the essence of Washington political life. It read, "If you can't say something nice about someone * * * then come sit by me."

What does all of this have to do with Ed Jones, the dean of the Tennessee Democratic congressional delegation, the man we are honoring today on his retirement? Almost nothing. Because he violated almost every rule of political meanness in the book. To my knowledge, he was never a back stabber, a poor mouther, a gossip, a tattletale, a stool pigeon, or a schemer. He came to Washington a gentleman 19 years ago and he remained a gentleman. It's too bad that Harry Truman's tenure and Ed Jones' tenure did not overlap; they would have liked each other. And if Ed had ever visited Alice Roosevelt Longworth's house, he could have sat by that famous pillow and still not have said a critical word.

This has been a sad year for the Tennessee delegation because we have lost two of our greatest assets this year. John Duncan was claimed by cancer and has been sorely missed. Ed Jones decided to retire while he was in good health, in fact, while heading toward the peak of his political career. Many people have tried to change Ed's mind because it will be much harder for the rest of us when he's retired, but Mr. Ed has always been his own man. Only his wife, Miss Llew, has much effect on his thinking. Together they sensed that the time was right to leave. Their inner clock, their sense of timing and balance, said now was the time. It reminds me of Ecclesiastes, "For everything there is a season, and a time for everything under the sun." Mr. Ed and Miss Llew were smart enough to sense it. No ambition of selfishness clouded their vision.

There are so many Ed Jones stories, it is hard to know where to start. Although my father and Ed were friends. I never really had a chance to know him until we were colleagues here in Washington 6 years ago. He took me under his wing as he has so many others, allowed me to work out of his office, offered to help me find a place to live in the Methodist Men's Building, and gave me much valuable advice. But what I remember most about those first days is sitting at a banquet next to a very important lady who had started her career on the Hill at the very bottom, as an elevator operator. When she heard that I was the new Congressman from Tennessee, she told me how Mr. Ed always got to his office early in the morning, just like a farmer, and, if she looked sleepy in the elevator, he would go buy her a cup of coffee. That made a deep impression on me because most Congressmen are so self-absorbed that they barely notice others unless they are VIP's. But not Ed Jones. He treats everyone equally, whether they are mighty or humble.

The harmony that the Tennessee delegation has enjoyed is largely attributable to Ed's quiet leadership. He is a peacemaker in a place where peacemakers are in short supply. He has also worked for harmony on his committees. Many people encouraged him to run for chairman of the full Agriculture Committee even though he was not the next in the line of seniority. They trusted and respected his leadership. But ED refused to buck the system for his own advantage and became a loyal lieutenant to the man he has been encouraged to run against. ED knew that the system is larger than the man, and that personal gain has to be sacrificed for the larger good. In a town where many people talk as if they are humble, ED JONES is one of the very, very few who act humbly. He governs his own life by the Golden Rule, not just everyone else's.

ED also serves on the House Administration Committee, which is not well known outside of Congress, but which wields great power over the details of the daily lives of Congressmen. The power to grant favors, or to discriminate, is very great. Many of ED JONES' predecessors used their committee membership as a club, to frighten or intimidate Members. Not ED JONES. He treated Members equally, as he would want to be treated. And he knew the names and faces of the many House staff who make our lives tolerable here. He treated them well, just as he did Members.

ED and Llew have known deep personal tragedy in the untimely death of their daughter. But they braved their hardship well, and never inflicted their pain on anyone else. Today their hearts are still sad, but not bitter. They have accepted God's plan for their lives.

No one can ever say that ED JONES lost touch with himself, or with his constituents. ED JONES is a deeply rooted man who kept his roots in the fertile soil of west Tennessee, soil which he has done so much to protect and enhance with his work on the Agriculture Committee. Just the other day, ED and I were talking in the back of the House Chamber and he pointed out to me how many other Members gradually lose touch with their constituents until they have very little home to go back to. They have already transplanted themselves to Washington and its vast suburbs. But ED and Llew have kept their farm in the tiny village of Yorkville, a farm with a homeplace that's been in the family for years, a farm with a good fishing pond and with ED's congressional office in a field by the house.

Even more important than the physical surroundings, ED and Llew have literally thousands of friends within a few miles. My wife and I found this out when we attended their 50th wedding anniversary this summer and witnessed one of the greatest outpourings of public sentiment that I have ever seen. By the time we got to Jackson, still an hour away from Yorkville, we saw cars heading for ED's house. By the time we were in Yorkville, it looked as if all the traffic from the interstate had been detoured into that tiny hamlet. Needless to say, ED's front yard was jammed with people, young and old, who had come to pay their respects. The long receiving line snaked among the trunks of the big shade trees in the front yard as ladies from the community passed out trays full of lemonade. ED and Llew were standing in the parlor greeting the thousands of guests one by one. Beyond them was an ever-flowing punch bowl with punch that the liquor industry would have scorned, but that tasted sweet to even the worst backsliding Baptist in the crowd. It was a perfect occasion.

How do you thank a man who has done so much for you personally, and for his State and Nation, with his quiet leadership? Tip O'Neill was famous for the sign in his Boston office which said, "It's nice to be important, but it's more important to be nice." ED JONES is the living embodiment of that principal. Unlike the many who come to Washington to do good, and who stay to do well, ED JONES stayed for 19 years not only to keep on doing good himself, but to help others do better as well. His life has been a full one already, but so many of his real accomplishments lie outside of his own résumé and outside of the pages of conventional history. He has quietly touched, and helped, so many tens of thousands of lives.

This may sound silly, but when ED decided to retire he called my house, as I'm sure he did many others, to tell me the news. My wife and I were out. When we returned later in the evening, we turned on the answering machine—a piece of new-fangled equipment that I bet Mr. ED has never fully approved of—and heard Mr. ED's voice. I was shocked at the news, but I was struck by the calmness and eloquence with which he delivered it. It's not going too far to say that his words were deeply moving. I called him back immediately to ask him to change his mind and, when that failed, to ask his permission to keep the code-a-phone tape that he had unintentionally made on my machine. He said yes, and, for the only time in my life I was thankful that I had missed an important phone call. Otherwise I would not have a permanent record of a great man in a trying moment living up, as always, to his own high standards.

ED and Llew we will miss you and hope that you will visit us as often as you can, both here in Washington and in our districts back home. We know that you will be just as busy in retirement as before but we will need to share your wisdom and your equanimity just as we always have. I just hope that you realize that you are leaving the Capitol and the Nation a better place than when you found it. And you are leaving us better people than we were when we first met. We often use the term "Gentleman from Tennessee" when we refer to each other in debate on the floor of the House, but for me there is only one real gentleman from Tennessee: ED JONES.

Mr. DE LA GARZA. Mr. Speaker, earlier today the House passed H.R. 5325, the Federal Crop Insurance Commission Act. It wasn't lost on many of us that this bill may be perhaps the last major agricultural legislation to be introduced by our colleague, ED JONES of Tennessee.

Even though he won't be here next year, ED has a deep and abiding interest in agriculture, and that includes improving our Nation's Federal crop insurance program throughout his career. This bill, coming on the heels of the worst drought in 50 years, is yet another example of ED JONES' concern about the successful operation of our farm programs for both the farmer and for the taxpayer.

I have known ED JONES throughout his time here in Washington as the Congressman for the people of the Eighth District of Tennessee. He is one of my colleagues on the House Committee on Agriculture and he is my friend.

ED JONES has countless friends here in Washington and back in Tennessee. There is no man or woman in this body who is more respected for his ability and dedication, nor is there anyone more well-liked than ED JONES.

As chairman of the House Agriculture Subcommittee on Conservation, Credit, and Rural Development, he has carried one of the heaviest workloads of any subcommittee chairman in the House. ED JONES has always been willing to take on the most difficult and thankless of tasks with a common sense and good humor characteristic of the man.

Since he became subcommittee chairman, ED has had a hand in crafting all the major legislation that's gone through this Congress. When you talk about soil conservation—there was ED JONES. When you talk about the farm credit legislation—there was ED JONES. He has made a positive difference.

In August of this year I had the pleasure and honor of participating in "ED JONES Day" at the third annual Agricenter International Exposition in Memphis, TN. His friends and neighbors and acquaintances were there. We participated in a ceremony renaming the center's amphitheater in honor of him.

Watching all this, I was struck by the mutual admiration and trust between the people of western Tennessee and their Congressman, ED JONES.

I have been fortunate to know and work with ED. He has been my top lieutenant on the Agriculture Committee.

Mr. Speaker, we have a saying in south Texas that if you go on the land and don't feel its vibration, its magic, you can forget about farming. It won't work out for you. ED JONES is the type of person who feels the vibration, the magic, and he can translate that feeling into the legislative process.

When ED leaves later this year we lose an able colleague and a friend. But the people of western Tennessee will get their son and neighbor back.

I wish my colleague the very best wishes in the years ahead.

Mr. WHITTEN. Mr. Speaker, it is my great pleasure to join with my colleagues in honoring my good friend and colleague, Congressman Ed Jones.

Throughout his years in Washington, Ed Jones has proven himself to be a highly able, conscientious, and effective Member of Congress who works well with all his colleagues.

Ed's work on the Committee on Agriculture is a fine example of his effectiveness. Few have served in this body who have had a better grasp and understanding of the complex problems facing the American farmer. Fewer still can match his efforts in the field of soil conservation. Throughout his congressional career, Ed's work has been exemplary in promoting our Nation's single largest industry—agriculture, while seeking to preserve and protect our country's greatest resource—our land. The benefits of Ed's efforts are not restricted to only his locale or region; they are shared and felt by the entire Nation.

For all his achievements, Ed never forgot the personal touch. He always dedicated himself to being in touch with his constituents, ready to respond to any and every request.

We all shall miss Ed Jones, but the benefits of his service will live on.

Mr. JONES of North Carolina. Mr. Speaker, I have had the pleasure of being in the same apartment building with the Honorable Ed Jones for 18 years. I remember fondly the fellowship which existed between his wife, Llew, and my late wife, Dot. Our family had very much in common and we shared an outlook on legislative initiatives.

To say that I will miss Ed is putting it mildly. In this instance, he may be gone but he will certainly not be forgotten by me.

I want to wish Ed and his charming wife, Llew, many years of health and happiness in the years ahead.

In closing, I want to commend Ed for his congressional service throughout the years. The agriculture interest of this Nation will sorely miss him and he is held in very high regard by the entire congressional membership.

Good luck, Ed.

Mr. BOLAND. Mr. Speaker, it is my pleasure to join in this special order honoring our colleague, the gentleman from Tennessee, Representative Ed Jones. For the past 19 years the Congress has been greatly enriched by his presence and his hard work on agricultural matters. The Members of the 101st Congress will miss his knowledge in the areas of farm management, commodity trading, and soil conservation.

Ed Jones was born and raised on a family farm in Tennessee. He has never forgotten those days and the people who work to raise the crops that feed America. Farming is a tough business. Farmers often find themselves at the mercy of the weather, fickle commodity prices, international economic shocks, and rising overhead costs. For the past 40 years the American farmer has had a friend in Ed Jones. From his days as the Tennessee Commissioner of Agriculture, through his service as chairman of the State Agricutural Stabilization and Conservation Committee and finally as an important member of our Agriculture Committee, Ed Jones has consistently sought ways to make farming a viable business.

Virtually all of the important farm legislation of the past 20 years has the imprint of Ed Jones's hard work. A short list of major legislation that he has helped create includes the Soil and Water Resources Conservation Act of 1977, the Futures Trading Act of 1978, the Federal Crop Insurance Act of 1980, and the Farm Credit Act Amendments of 1985. Many of these acts were hammered out during times of crisis for the American farmer. Ed Jones was there to make sure these measures would work. He was able to get important soil conservation language into the 1985 Farm Act. All Americans have benefited from his work here in Congress. I am sure that farmers and legislators from across the country will continue to seek his expertise and advice during his retirement years.

Mr. Speaker, I join with all of us here in Congress in wishing Ed Jones the best of everything as he heads back to west Tennessee to enjoy life. I wish Ed and his wife Llewellyn years of health and happiness away from the hectic schedule of Congress.

Mr. FORD of Tennessee. Mr. Speaker, I rise today to pay tribute to my good friend and colleague, Congressman Ed Jones. Congressman Jones has been a Member of the House of Representatives since 1969 and is now retiring after 19 years of fruitful service and dedication.

Raised on a farm, Mr. Jones has been a leader in representing the interests of the farmer. Before his election to Congress, he worked for the Tennessee Department of Agriculture, the Tennessee Dairy Products Association, and as an agricultural representative for the Illinois Central Railroad. As a Member of Congress, he utilized his extensive knowledge of agricultural issues in his service on the House Committee on Agriculture.

Congressman Jones served as chairman of the Subcommittee on Conservation, Credit, and Rural Development for 11 years. In that capacity, Mr. Jones led the fight for soil and water conservation legislation which was hailed as the most significant legislation on that issue for decades. Through his hard work and determination, Mr. Jones was responsible for the passage of the Agricultural Credit Act of 1978, the Farm Credit Act of 1980, and the Future Trading Act of 1978 and 1982.

Yet, his accomplishments in the field of agriculture go beyond his extensive work in the House of Representatives. He was appointed by President Kennedy to chair the State Agriculture Stabilization and Conservation Committee. He founded the West Tennessee Artificial Breeding Association and helped to found the National Endowment for Soil and Water Conservation.

The retirement of Ed Jones will be felt most strongly back in Tennessee. He is known among those he represents as a man who is just a phone call away and visits his district frequently, always keeping his finger on the pulse of his constituency.

Mr. Jones is truly a representative of the people. His long and outstanding record of community service reflects his integrity and his dedication to those he represents. His ability and leadership will be missed here in Congress. I would like to extend my personal thanks for his friendship, his many years of service to the State of Tennessee, and his dedication to the principles and philosophy of this great Nation.

Mr. PICKLE. Mr. Speaker, I rise today to join my colleagues in thanking Ed Jones for his two decades of service in this House.

Ed Jones is one of those kindly and knowledgeable statesmen who brings stature and respect to legislative bodies like the Congress. He has been one of our most outstanding agriculture leaders, and for 20 years he has performed in an exemplary and admirable manner. Everyone in this House thinks of Ed as a gentleman and a great leader who never imposes his will, but rather discusses any given issue and makes up his mind on the basis of the facts, not on prejudice or passion.

Ed Jones has kept agriculture in the forefront of concerns before this House through our respect for him and the progressive programs he espouses. Anyone can approach Ed and discuss any program or issue secure in the knowledge that he will be fair, kind, and firm. There is no equivocation or evasion in this man. You always know where he stands and that you can count on him.

In my opinion, Ed Jones stands as an example of the best in America. If all of us in this House could be as unanimously loved and respected as Ed, you would not hear criticism but rather continuous praise for this body.

He is the kind of person who elevates this body and given confidence to the people of his district and the Nation that democracy will prevail because good men and women of the caliber of Ed Jones represent the people.

As he leaves us, Ed Jones can know that he goes with the heartfelt thanks of a grateful body for his years of friendship, diligence, and unblemished service.

Mr. SUNDQUIST. Mr. Speaker, I am proud to join my colleagues in saluting one of the finest gentleman to have served in this House, the Honorable Ed Jones.

For 20 years Ed Jones has served the people of west Tennessee honorably and well. He has been a tireless advocate of American agriculture and one of this body's most knowledgeable and skillful Members on issues important to farming and farm families.

He has had a career devoted to public service. From 1948, when he became Tennessee's Commissioner of Agriculture, to 1961, when President Kennedy named him to chair the State's Agricultural Stabilization and Conservation Committee, to 1969, when he began his tenure in Congress Ed Jones has never given anyone reason to question his integrity or his sense of fair play.

His mark has been left on virtually all of the important agricultural legislation of the last two decades:

Soil and Water Resources Conservation Act of 1977;

Emergency Agriculture Credit Act of 1978;

Agriculture Credit Act of 1978;

Futures Trading Act of 1978;

Consolidated Farm and Rural Development Act of 1979;

Federal Crop Insurance Act of 1980;

Farm Credit Act of 1980;

Futures Trading Act of 1982; and

Farm Credit Act Amendments of 1985.

In addition, he has pioneered in critical areas such as soil erosion. The National Endowment for Soil and Water Conservation was established in 1981 because of his interest and support.

The honors he has earned in 40 years of public life are too numerous to mention here, and in truth, ED JONES is not the sort who want a long recitation of achievements. What mattered to him, and what ought to matter to each of us in Government, is the well being of those who elected him. For 20 years, the citizens of west Tennessee placed their faith and trust in ED JONES, and never once did he let them down. That is evident in the genuine affection so many in our State feel for him.

He is a gentleman in the finest sense of the word, and he is a friend whose company and counsel I shall miss in this House. Not every senior Member of Congress would take time to extend a helping hand to a freshman Member of the opposite party, but ED JONES extended that hand to me in 1983.

ED JONES is a rare individual, one we would do well to emulate. I wish him peace and contentment and happiness in retirement.

Mr. ANNUNZIO. Mr. Speaker, I rise to join with my colleagues in the House of Representatives in paying tribute to the Honorable ED JONES, one of the most dedicated and devoted Members of the House of Representatives who is retiring after 20 years of service.

I have had the pleasure of serving with ED on the House Administration Committee for all of these years, and he has served the House well—as chairman of the Subcommittee on Procurements and Printing and the Subcommittee on Services. As chairman of the full Committee on House Administration, I shall miss ED for his hard work on the committee and his loyalty to me. ED is a fine legislator, and his service to the Congress has been exemplary.

Because of his dedicated service to the House Administration Committee, the full committee on September 14, approved a resolution commending his service, along with the service of Congressman BADHAM, and a copy of that resolution follows:

RESOLUTION COMMENDING THE SERVICE OF THE HONORABLE ED JONES OF TENNESSEE AND THE HONORABLE ROBERT E. BADHAM OF CALIFORNIA

Whereas; The Committee on House Administration is grateful for the long and devoted service of Ed Jones and Robert Badham, and,

Whereas; At this last meeting of the Committee during the 100th Congress, it is appropriate to recognize their significant contributions to our work. Service on this Committee does not always bring the recognition or the stature that other Committees may bestow, but the work of this Committee is what preserves and protects this institution and its Member. We are, more than any other Committee, the servants of the House. It is Members like Ed Jones and Robert Badham who have made this committee work, and,

Whereas; Ed Jones has served on every subcommittee, and he has been a loyal and dependable Member. As Chairman of the Subcommittee on Procurement and Printing and the Subcommittee on Services, he has taken his responsibilities seriously. While cooperative and helpful to Members, he has always recognized the need for honesty and integrity in purchasing essential equipment and furnishings and in managing House services. Ed Jones sets an example for all of us. We will always be in his debt, and,

Whereas; Robert Badham exemplifies the best traditions of the "loyal opposition." Ever sensitive to the policies and directions of his leaders, he has been able to work in harmony with the majority. Time after time, with his quiet and effective manner, he has put his stamp on actions taken by the Committee. Loyal to his party and committed to its principles, Bob has demonstrated an equal loyalty to this Committee and to the Chairmen under whom he has served, and,

Whereas; In Ed Jones and Robert Badham, future Members of this Committee have examples of a willingness to see the other fellows' problems, to work constructively as a team to work them out, and to strengthen and nourish this great institution, the United States House of Representatives: Therefore be it

Resolved, That the Committee on House Administration extend its gratitude and thanks to Ed Jones and Robert Badham. We will miss them. We are forever grateful for their service. We wish them every success in their future endeavors.

Resolved, by the Committee on House Administration, 100th Congress, Second Session, September 14, 1988.

Before coming to Congress, ED JONES pursued a career in farming. He served as a dairy inspector for the Tennessee Department of Agriculture in 1934, and was supervisor for the Tennessee Dairy Products Association from 1941 through 1943. From 1943 through 1948 and from 1954 through 1969, he served as the agriculture representative for the Illinois Central Railroad. From 1949 through 1953, he served as the commissioner of agriculture for Tennessee.

Elected to the 91st Congress by a special election in 1969, Congressman JONES rose to third ranking member of the House Agriculture Committee, where he has compiled an outstanding record of achievement and has made a lasting impact on the agriculture policy of the United States. He has served with distinction as the chairman of the Subcommittee on Conservation, Credit, and Rural Development, and also as a member of the Subcommittee on Cotton, Rice and Sugar and as a member of the Subcommittee on Livestock, Dairy, and poultry.

ED JONES is a Congressman of great ability and skill, who has worked hard to represent his constituents from the Eighth Congressional District of Tennessee. He will sorely be missed by all of us in the Congress who had an opportunity to work with him and to know him.

I extend to ED JONES my best wishes for continued success in all his future endeavors in devotion to the highest principles.

Mr. CLEMENT. Mr. Speaker, I thank my colleague for taking this special order so that we may pay tribute to our distinguished fellow Tennessean, ED JONES.

Mr. Speaker, few men's accomplishments have shaped the landscape of our Nation as have the accomplishments of Mr. JONES. His lifetime of service to the agricultural community has helped sustain the American farmer through drought and oversupply. His authorship of several major agricultural credit and soil and water conservation programs has underscored his love of the land and his heartfelt belief that the production of food and fiber is vital to our people and the continued security of our Nation.

Many of my other colleagues can comment on the role Mr. JONES has played within the House Agriculture Committee. I would like to share with my colleagues a comment on the vital role Mr. JONES has played in bringing the Tennessee congressional delegation together on issues. As with many State delegations, geography often creates barriers far greater than politics alone. While our delegation is blessed with dedicated and effective members, it is Mr. JONES who leads the efforts bringing together the mountainous east and the western flatlands, the rural farmlands, and the bustling urban centers. Mr. JONES' quiet style belies his discerning eye and his ability to find consensus among our members.

Words are inadequate to express the deep appreciation Members have for Mr. JONES. He will be sorely missed. The American farmer has had few better friends than Mr. JONES. The citizens of the Eighth Congressional District of Tennessee have had no harder working public servant than Mr. JONES. And the U.S. House of Representatives has had few more respected Members than the gentleman from Tennessee, Mr. ED JONES.

Mr. Speaker, the CLEMENT family has known Mr. JONES and his wife, Llewellyn, for many years. We wish them both God speed as they return to their farm in Yorkville and to a well-deserved retirement.

Thank you, Mr. ED. And I thank my colleague, Mr. QUILLEN, for the opportunity to speak during this special order.

Mr. ANDERSON. Mr. Speaker, it gives me great pleasure to rise today and pay tribute to one of Tennessee's most exemplary citizens, Congressman ED JONES. Through his leadership and dedication to his constituents in the Eighth District, ED has been reelected nine times. His 20 years in Congress have produced a long and outstanding record of community service and awards.

Congressman JONES' expertise in the agricultural area enabled him to obtain a seat on the House Committee on Agriculture. In this position, ED has an effective voice in the drafting of the Food and Agriculture Acts of 1973, 1977, 1981, 1985 and other key pieces of agricultural legislation.

My 20 years in the House has given me the privilege of watching Congressman JONES at work. All of Tennessee can be very proud of the accomplishments that ED has achieved while in Congress. It is rare these days you find a man with the dedication and abilities of Congressman JONES. He will certainly be missed.

Mr. MCMILLEN of Maryland. Mr. Speaker, I am pleased to join the chorus of praise for Representative ED JONES of Tennessee. When I came to Congress 2 years ago I was advised of a few Members of this body who knew their way around certain issues better than most. ED has been a foremost expert on agricultural issues during his 20 years in Congress and a tireless advocate for the farmers of western Tennessee.

Ed has been an important contributor to nearly every major piece of farm legislation that has been passed in the last two decades, including the Agriculture Credit Act, the Federal Crop Insurance Act, and the 1985 farm bill. While I wish him the best in his retirement, his wisdom and counsel will be sorely missed in this body.

Mr. UDALL. Mr. Speaker, a distinguished colleague and a friend, Ed Jones of Tennessee, is retiring from this House after 20 years of service to his congressional district, his State, and his Nation.

I'm going to miss Ed. This has been a Member who has loved this House, whose work was always marked by his conscientious devotion to it, and whose long contributions to the work of the House Agriculture Committee are well known.

Not only will I miss Ed Jones, but I will miss his firm fair-mindedness, his conviction, his courage, and his compassion.

I wish Ed and his family all the best of what they seek in the years ahead.

Mr. HORTON. Mr. Speaker, today I rise to speak about a colleague who is retiring after nearly two decades in the House. Ed Jones will be leaving the Congress when we adjourn in the next few weeks. I would like to reflect a moment on his contributions to this body and to the Republic as a whole.

Ed Jones has served with distinction as a member of the Agriculture Committee since he came to the Congress in 1969. Winning a special election to succeed the late Robert Everett, Ed Jones quickly made use of his extensive experience in the agriculture business.

While it would be difficult to confuse the Eighth District of Tennessee with the 29th District of New York, they do share some common interests. Both Ed and I represent a considerable number of farmers who have benefited from farm credit programs that have grown under his guidance as the chairman of the Subcommittee on Conservation, Credit, and Rural Development. Farmers everywhere owe a great deal of gratitude to this distinguished Member of the House.

Having been in the Congress for Ed Jones' entire career, I have had the privilege of serving with him. I have always considered him an outstanding person and a good friend. Nancy and I wish Ed and Llewellyn a healthy and happy retirement. We will miss him here in the House just as his constituents will miss him.

Mr. CRANE. Mr. Speaker, the retirement in January of next year of our good friend and colleague, Ed Jones, will further reduce the ranks of the small class of 1969, of which, I am happy to report, I, too, am a member. Ed was elected by a special election on March 25, 1969, to fill a vacancy. That was exactly 8 months to the day before I was honored by Illinois voters—also by Special Election to fill a vacancy—and sent here to the House of Representatives to serve in the 91st Congress.

In the years that we have served together it has been evident that my classmate has served the constituents in his district, as well as the other citizens of Tennessee and the entire Nation, with honor and pride and distinction.

It is to the credit of the House of Representatives that Ed Jones was almost immediately, after taking the oath of office, named to the House Agriculture Committee. His entire career, before his election to Congress, set a firm foundation for his ability to ably guide us in agriculture legislation. From his days at the University of Tennessee where he graduated after majoring in dairy husbandry, through services in the Tennessee Department of Agriculture, 4 years as Tennessee Commissioner of Agriculture, some 20 years as agricultural agent with the Illinois Central Railroad, Ed Jones studied the problems of the farmer, and he assisted in solving those problems.

Early in our careers, our paths crossed in committee work, when he took on the added duty of membership on the House Administration Committee. It was there—as a fellow member—that I viewed up close this smiling, pleasant, hard-working Member of Congress that I am proud and lucky to call my friend.

We here in Congress will miss Ed Jones and the country will suffer a loss at his leaving.

Mr. MINETA. Mr. Speaker, I am delighted to join with my colleagues in saluting Ed Jones upon his retirement after a distinguished career in the U.S. House of Representatives.

Ed can mark many legislative accomplishments to his credit as a result of his hard work and leadership in this body. He can point to his many achievements with pride, and our Nation has benefited from his efforts. The list of his successes mirrors like the list of the major agricultural legislation of the past 20 years.

But Ed's many achievements are not limited to his honorable service in the House of Representatives. He served to better the field of agriculture both in State government in his native Tennessee, and at the Federal level, where he was appointed to the Tennessee Agriculture Stabilization and Conservation Committee by President Kennedy and President Johnson.

The farmers of Tennesee, indeed, the farmers of America, all owe a great debt to Ed Jones for his conscientious dedication to improving agriculture in the United States.

However, one does not have to be a farmer to appreciate Ed Jones. Though my district in the Santa Clara Valley, once an area of orchards and farms, is now almost completely urban, I am glad to have had the proud opportunity to work with Ed Jones.

I have enjoyed his dedication, integrity, and commitment. The House of Representatives is the greater for his efforts and contributions, and I am glad to pay tribute to Ed as we salute his 20 years of achievements as he eases into a well-earned retirement.

Mr. COELHO. Mr. Speaker, there are two kinds of people who serve in Congress: those who are ennobled by this institution and those who ennoble the Congress by serving here. I suppose most of us, including this gentleman from California, fall into this first category. It is beyond dispute that the gentleman from Tennessee, our friend Ed Jones, fits comfortably into the second.

Ed Jones has ennobled the Congress of the United States and our people with his long record of service in Washington. That's why so many of us are sad to see Congressman Ed Jones leave this institution. He has ennobled us with his sense of history, his legislative achievements, and the generosity of his spirit.

The House of Representatives has a long and proud history, but perspective is one commodity that is often lacking here. Eighty-five percent of the Members of this body were elected after Ed Jones came here in 1969, and that makes Ed's sense of history, his view of Congress, and the events which have transpired since his election very valuable indeed.

Before coming to Congress, he served 4 years as commissioner of agriculture in Tennessee. Following his service with the Illinois Central, Ed was tapped by President John F. Kennedy to chair the State agriculture stabilization and conservation committee, and subsequently reappointed to that post by President Johnson.

Over Ed's career, the great debates over Vietnam and War Powers occurred; we wrote and passed the Budget Act; we reformed the committee system; the role of Congress in the Nation's affairs was properly expanded; and we tried to protect rural America as an administration hostile to the programs on which farmers depend sought to dismantle them. Ed witnessed all and participated in many of those important debates. We will miss his advice and sense of history as we confront new issues ranging from those affecting agriculture to those which involve conflict between the legislative and executive branches of our Government.

In the legislative process, for more than 18 years, Ed has been an achiever. The quadrennial farm bills since 1973 have each borne Ed's imprint—reflecting his expertise in all areas of agriculture, responding to the interests of his congressional district, and resulting in the passage of historic and helpful legislation.

Ed can point with pride to the enactment of the conservation reserve, sodbuster, and swampbuster measures in the 1985 farm bill. He can claim for the significant credit bills of 1978, 1980, 1985, and 1987. Most of all, he can leave this body knowing there are farmers all over this country that remain productive and on the land because of his great work. He has prepared a vital part of America's history and future served a strong agricultural sector dominate by family farms and the people who operate them.

Beyond his historical perspective and his legislative accomplishments, there is Ed Jones the colleague and Ed Jones the man. Both are models of gentility, collegiality, modesty, and depth. I knew Mr. Jones as a young staffer working in the Congress during the 1960's and early 1970's. I got to know Ed better as a colleague on the Agriculture Committee, once I was elected to this body in 1978. He is, at once, a mentor, role model, and friend. Not only will Congress miss his contributions when we reconvene next January, but I will miss his advice, counsel, and friendship.

Our colleagues wish Ed and Llewellyn all the best. May his years beyond Congress be ones filled with pleasure, fulfillment, family, and fun.

Mr. SCHULZE. Mr. Speaker, I rise to pay tribute to my colleague, Ed Jones of Tennessee, on the occasion of his impending retirement. He will be sorely missed by those in Congress who have had the opportunity of knowing, and working with, this accomplished statesman.

Ed embarked on his career of public service immediately upon graduation from college. With his appointment as a dairy inspector for the Tennessee Department of Agriculture, Ed began his many years of service to the citizens of Tennessee, and his dedication to the advancement of agriculture.

Indeed, that first appointment proved the beginning of a long and proud career which included positions with the Tennessee Dairy Products Association, and as agriculture representative of the Illinois Central Railroad. Ed also had the privilege of serving as Tennessee's Commissioner of Agriculture, under former Governor Gordon Browning, and later serving two Presidents as the chairman of the State Agriculture Stabilization and Conservation Committee until his election to Congress in 1969.

After being elected to Congress, Ed asked for and received a seat on the House Committee on Agriculture. Over the last 20 years, both the committee and the agricultural industry have benefitted from his expertise and extensive background in the field. During his tenure, Ed continued his diligent endeavors, and presently serves as fourth senior majority member of the Agriculture Committee, serving as chairman of the Subcommittee on Conservation, Credit and Rural Development. It is through this subcommittee that Ed has seen many of his legislative successes, especially on soil and water conservation, the farm credit system and rural development. He also serves on two other Agriculture subcommittees, and as third ranking majority member of the Committee on House Administration.

Although his legislative work alone deserves high praise, yet another aspect of Ed's congressional service proves highly laudable. Indeed, Ed has exhibited a unique ability to balance his legislative duties with those of service to his western Tennessee constituency. He has proven numerous times that he is never more than a phone call away from those he represents.

All of Congress will surely miss the efforts of Ed Jones. I would like to join my colleagues in bidding Ed farewell, and wishing him future success.

Mr. PRICE of North Carolina. Mr. Speaker, when the 101st Congress convenes next January, it will do so without one of the most distinguished and most respected Members of the 100th Congress. Ed Jones has decided to bring an end to a congressional career that has been marked by solid accomplishment and faithful service.

First elected in 1969, Ed brought to Washington an extensive knowledge of agricultural issues and a record of outstanding service as Tennessee's Commissioner of Agriculture. In the process of moving from being the most junior member of the House Committee on Agriculture to the chair of the Subcommittee on Conservation, Credit, and Rural Development, he has shown his genuine dedication to the well-being of American farmers.

My constituents and I had reason to appreciate these characteristics firsthand earlier this year when Ed came to North Carolina for our annual farm breakfast in the Fourth District. Ed renewed his acquaintance with North Carolina Commissioner of Agriculture Jim Graham and many other old friends. Before he left he also had made many new friends and given a concise and useful address on farm credit, conservation programs, and other agricultural issues. He has also helped ensure that federal agriculture officials are attentive and responsive to the particular needs of North Carolina farmers who are attempting to comply with the new "sodbuster" requirements.

As impressive as Ed Jones' many achievements are, I will remember him mainly for the assistance and friendship he has extended to me as a first-term Member of this body. He was one of the first senior members I came to know here, and I know for certain that it was he who got me on the list for an economical and convenient apartment in the nearby building where he has lived for 20 years! Ed Jones has been a constant source of wise counsel, good humor and personal encouragement. I, and many like me, will miss him greatly and will always treasure the time and association we have shared with him here.

Mr. ENGLISH. Mr. Speaker, I rise today to salute my colleague and friend, Hon. Ed Jones, who will be leaving at the end of the 100th Congress to return to his home in the Volunteer State of Tennessee. There will be many salutations, congratulatory expressions and other laudable comments on behalf of this fine public servant, dedicated husband and father and a loyal proponent of a better quality of life for the American farmer. I don't know if I have the eloquence to describe the contributions Ed Jones has made to agriculture. As well, I don't know if I can adequately show appreciation, how, Ed Jones demonstrated aptly to me, as a newly elected representative in 1974, the necessary legislative acumen required to negotiate the multitude of issues before the Committee on Agriculture. And given the sharply drawn positions of the Committee, especially during farm bill reauthorizations, it is not surprising that the voice of balance, concensus and statesmenship has come from the soft-spoken, gentle man from Tennessee. And when Ed Jones has spoken over the years, American agriculture has listened.

I have been fortunate to serve with Ed Jones on the Subcommittee on Credit, Conservation and Rural Development. As Chairman, Ed Jones was evenhanded in all matters and toward all witnesses before the subcommittee. And over the years, the issues before the subcommittee have been numerous, from the early 1980's when family farmers were at one of their lowest ebbs in history as plummeting land prices and low commodity prices were destabilizing farm communities to the late 1980's when some Government studies are beginning to show an upswing in some areas of agriculture. Ed Jones is a farmer and from this vantage point has always been an advocate for individual producers who sometimes must wonder in the labyrinth of rules and regulations who will be looking after them. Well, Mr. Speaker, someone has been looking after the family farmer and that person is Ed Jones.

Agriculture since time immemorial has been the victim of unpredicable fluctuations. Since Ed Jones has been in Congress the challenges to rural America has often appeared to be insurmountable—low prices, declining property values, escalating production costs, and financial pressures which have seen the number of family farms dwindle to their lowest number this year. But, in spite of these continual changes one thing has been constant—Ed Jones has been the faithful watchdog over the threats and onslaughts to the men and women in rural communities throughout the United States.

I have seen many adjectives describing Ed Jones. He is loyal—to his family, his constituents, his party, his staff and to the family farmer. And Ed Jones is effective—his legislative contributions are all-encompassing, including the Soil and Water Resources Conservation Act of 1977, the Futures Trading Act of 1978, the Consolidated Farm and Rural Development Act of 1979, the Federal Crop Insurance Act of 1980, the Food Security Act of 1985 and the Agricultural Credit Act of 1987. And Mr. Speaker, I will continue to use the adjective "effective" in the present tense because, as a member of the Subcommittee on Credit, Conservation and Rural Development, I will continue to seek Ed Jones' input on issues of importance to American agriculture. From his farm in Yorkville, TN, I expect Ed Jones to continue to advise his many friends and colleagues who have depended upon his guidance in the past.

My wife, Jan, joins me in extending to Ed and his wife, Llew, a relaxing, rewarding and fulfilling retirement. Those of us in Congress have benefited richly from Ed Jones' presence, and we are envious of the wisdom that our colleague will continue to impart to the citizens of the Eighth Congressional District of Tennessee.

Mr. VOLKMER. Mr. Speaker, I am pleased to join in this tribute to my friend and colleague on the Agriculture Committee, Ed Jones. But I deeply regret the circumstance which brings us to this day.

We will all miss Ed Jones when he retires at the end of this session. Personally, we will miss his friendly presence, and professionally we will miss his dedicated leadership.

As a member of the Agriculture Committee, I have especially appreciated Ed's guidance, and his unending commitment to American farmers. He has been equal to every task that has presented itself to the Conservation, Credit, and Rural Development Subcommittee, including the most difficult farm credit problems to surface since the great depression.

Ed Jones embodies all that is good about public sevice. He is honest, caring, and intelligent, an inspiration to us all. I am grateful for having been able to work with him, and I join with all Members in wishing him the very best and most fulfilling retirement.

Mr. APPLEGATE. Mr. Speaker, I would like to join with my colleagues in the House in extending special recognition and honor to one of the truly outstanding and likable Member of this Chamber, Representative Ed Jones of Tennessee.

I've had the tremendous pleasure of working with Ed throughout most of his 20 years in the House, and I can only say that his departure from Washington after this historic 100th Congress will leave a tremendous gap in the line of towering leaders of Congress. Of course, Washington's loss will be Tennessee's gain as ED returns to his hometown of Yorkville and back to his native fellow Tennesseans.

Last month, the people of Tennessee extended to ED JONES the kind of recognition that few Members ever achieve, having a special day set aside for him on August 19 with a celebration in his honor held at the International Agricultural Exposition Center in Memphis, TN. This certainly demonstrates the sincere appreciation and thanks that are felt by his constituents and all Tennesseans, and as well as by literally millions of people all across America whose lives have been made better because of ED'S commitment to improving the lot of farmers and rural communities over the past two decades.

ED JONES has served with distinction on the House Committee on Agriculture, and the well-being of rural America and conservation areas throughout our Nation are better today than they would have been if it wasn't for the guidance and leadership that ED has demonstrated in Congress. As chairman of the Subcommittee on Conservation, Credit and Rural Development, ED has played a major role in the numerous key pieces of legislation that have come out of the Agriculture Committee and have been enacted into law.

ED JONES played a major role in the crafting and passage of the 1985 farm bill. As well, ED was the driving force behind such key measures as the Soil and Water Resources Conservation Act of 1977, the Agriculture Credit Act of 1978, the Farm Credit Act of 1980, and the Farm Credit Act amendments of 1985. While many leaders of our Nation have come to virtually ignore the plight of rural America, ED has been pitching away during his 20 years in Congress—and 20 years beforehand—in a number of key State, local, and Federal positions of direct involvement in the farm lands and small communities throughout America.

Mr. Speaker, I will miss ED'S presence in this Chamber and throughout the Halls of Congress. I've enjoyed the many years working with him and I wish for him and his lovely wife, Llewellyn, many more happy years in the future as they return to the farm and their home in Yorkville.

Thank you, ED, for all that you've done for the people who are often overlooked and forgotten—those who live on the land and in the small towns and rural regions all over the United States.

Mr. TOWNS. Mr. Speaker, I am pleased to join with my colleagues today in honoring one of the senior Members of this House, ED JONES of Tennessee.

As many of my colleagues know, I have a keen interest in agriculture, despite the fact that I represent an urban district in Brooklyn, NY. Many have asked why a guy from Brooklyn is so interested in agriculture? My response has always been that my constituents have to eat just like everyone else. Without a strong agricultural sector in this country, food prices will skyrocket; rural economies will deteriorate and our cities will become overcrowded with those who can no longer survive in rural America. It is my belief that urban and rural America must work together to ensure that agriculture remains a viable part of the Nation's economy.

In that vein, it has been my pleasure to work with the distinguished chairman of the Subcommittee on Conservation, Credit and Rural Development over the last 6 years. As cochair of the Congressional Black Caucus Braintrust on Agriculture, I often appealed to Chairman JONES on a number of issues related to improving access to FmHA programs and enhancing credit for black and other minority farmers. He always stood ready to support our initiatives, in the Congressional Black Caucus, to aid black family farmers. ED JONES' willingness to address these concerns in both the 1985 farm bill and the reauthorization of the agricultural credit system made a major contribution in expanding access for blacks and other limited resource farmers. Nowhere was Chairman JONES' support more evident than in his personal commitment to increase the participation of family farmers in the county committee process.

Since my election to this body in 1982, several of my colleagues have made the decision to return to private life, many of them served with great distinction in this House. Yet, Mr. Chairman, no one has accomplished more for the family farmer in terms of access to credit and FmHA reform than our colleague, ED JONES. While I wish him well in his retirement, he will be sorely missed by the small family farmers of this Nation.

Mr. MAZZOLI. Mr. Speaker, it is an honor to join with my colleagues today to pay tribute to our good friend, the Honorable ED JONES of Tennessee's Eighth Congressional District, who is retiring from the House at the end of this Congress.

ED served his district and the people of rural West Tennessee with distinction for two decades. As a member of the House Committee on Agriculture, ED has been a leader in shaping every agricultural policy and law since coming to the House back in 1969. His knowledge and experience in addressing the problems of our Nation's farmers will be missed.

All of us know ED to be a very dedicated public servant who has always fought for the interests and needs of his home district. In this role he has been a champion for the many small family farmers throughout the country.

ED and I came to the House at about the same time. Throughout his service in the House, ED JONES has displayed the kind of caring concern and leadership qualities which have endeared him to his constituents and have rightfully earned him the respect and admiration of all his colleagues.

We will certainly miss ED'S wise counsel on a day-to-day basis, but I know his retirement will not end his interest and commitment in behalf of issues facing the agriculture community and his people. I wish ED much health and happiness in the years ahead.

Mr. GOODLING. Mr. Speaker, I rise to pay tribute to a good friend and respected colleague, Congressman ED JONES of Tennessee.

I must say I am saddened that he will be retiring at the end of the 100th Congress. He has served this body well and will certainly be missed.

ED has served with two generations of Goodlings. My father was also a member of the House Committee on Agriculture and thought very highly of ED JONES. When I was elected and got to know ED, I could understand why. He is a hard worker, an excellent Representative, and a good friend of agriculture.

Coming from an agriculture district and growing up on a farm, I quickly grew to appreciate ED'S knowledge on agriculture matters. I also gained a friend.

For several years, I had an office across the hall from ED. I came to know him and his staff very well. We were always going back and forth between offices, sharing stories, food, and friendship. I have to admit the hardest thing about moving to the Rayburn House Office Building was leaving ED and his staff.

Mr. Speaker, I want to thank ED for the privilege of serving with him and becoming his friend. I wish him and his family the best of luck in all of their future endeavors.

Mrs. LLOYD. Mr. Speaker, I'd like to commend my dear friend and colleague, ED JONES, who will retire this year after 20 years of service in the U.S. Congress. His distinguished career in the House marked by his devout love of country, and our own home State of Tennessee, has made him clearly a giant amongst our ranks. His thorough knowledge and understanding of the legislative process, will have a lasting effect on our Nation for generations to come. The agriculture programs and policies which he has shaped and molded, have led our country through times which have often been trying for many of our farm communities. His leadership in the enactment of the critical Emergency Drought Relief Act of 1988, which ravaged so much of our farmlands, is but one example of the many landmark pieces of legislation which have been touched and guided by his knowing hand. He is a true friend to the farmer and the authority on farm legislation from our area. As fourth senior member of the committee he has used his background and expertise in this field to promote the critical production of food and fiber necessary to feed our country and the world.

We are all indebted to ED JONES for the knowledge and experience which he has brought to the Congress, and for the advice and counsel, which he has so selflessly given to those of us who sought it.

ED, we will all miss you, but I think that I can speak for the entire membership of the Tennessee delegation in saying that although you will not be here with us for the 101st Congress, you will remain in our thoughts and prayers always. I wish you all the best for future success and I hope that your years ahead will be filled with health, happiness, and prosperity. Godspeed in all your endeavors.

Mr. GUNDERSON. Mr. Speaker, I would like to call to the attention of the House the retirement of one of our most respected and dedicated members—the Honorable ED JONES of Tennessee.

As one who has been fortunate enough to serve with Ed Jones on the House Agriculture Committee, I know that his leadership and compassion will be missed. But I will also miss my friendship with Ed Jones—a close friendship which we have shared since I came to Congress in 1981.

Despite the fact that Ed Jones and I are from different political parties, in the 8 years I have worked with him, I can recall only one major disagreement, that being the "leverage" issue on the Commodity Futures Trading Commission reauthorization bill. Otherwise, our party labels meant little as we worked on major and often controversial issues confronting American agriculture.

Without question, rural America knows no better friend than Ed Jones. His work as chairman of the House Subcommittee on Conservation, Credit and Rural Development has resulted in many significant accomplishments. Under his leadership, the subcommittee has:

Drafted major legislation restoring stability to the Farm Credit System and reorganizing the System so it can be competitive into the next century;

Initiated new conservation programs, directly linking farmers' soil conservation practices to their eligibility for Federal farm program assistance;

Provided guidance to legislative and administrative efforts on rural economic development;

Led the fight to save our Rural Electric Administration;

Reformed the many important programs administered by the Farmers Home Administration;

Made significant improvements in the organization and authority of the Commodity Futures Trading Commission; and

Established a secondary market for the sale of agriculture real estate loans.

Mr. Speaker, I have mentioned just the highlights of Ed Jones' remarkable list of congressional victories. But what impresses me most about his record is that they are victories not only for Ed Jones, but also for rural Americans.

We will all miss Ed Jones. We wish him and his family the best of luck in their new life.

Mr. GAYDOS. Mr. Speaker, Ed Jones and I have served together here in the House for almost 20 years, and I will miss him when he retires at the end of this Congress and goes back to his home in Yorkville, TN.

Since his childhood, Ed has been involved with farming and farm issues. He was raised on a Yorkville farm and was educated in that town's public school system. After graduating from the University of Tennessee, he went to work for the Tennessee Department of Agriculture. His next job was with the Tennessee Dairy Products Association and then from 1943 until 1949 and again from 1953 until 1969, Ed worked as an agricultural representative with the Illinois Central Railroad. During his leave of absence from the I.C., he served as Tennessee's commissioner of agriculture.

He came to Congress in 1969, and ever since, Ed has given the House Committee on Agriculture the benefit of his years of farming experience. His practical agricultural expertise has helped the committee craft legislation which has benefited our Nation's farmers. As chairman of the Subcommittee on Conservation, Credit, and Rural Development he has developed and worked to pass legislation which has kept countless U.S. farmers out of bankruptcy.

Ed has also made soil and water conservation and the policy of the United States through legislation which he has introduced and passed. As a practical Tennessee farmer, he realizes that our farmland is the Nation's most precious natural resource and it must be protected from overfarming and exploitation.

Without his conservation efforts, there is little doubt that the crop and soil damage of this past summer's drought would have been far worse. And without his efforts to save family farms, many more farmers would undoubtedly have lost their land.

In addition to agriculture, Ed has spent most of his tenure in Congress on the Committee on House Administration. Ed and I serve together on that committee, and I have always been impressed by his quiet efficiency, his proven competence, and his ability to deal diplomatically with difficult and sometimes controversial issues.

Mr. Speaker, I bid a fond farewell to my friend and colleague, Ed Jones, and I know that I speak for every Member when I say that the citizens of Yorkville, TN, are lucky. They're lucky because their neighbor, Ed Jones, will be around more. But, most of all, they're lucky they have had the privilege and benefit of his hard work and dedication as he has ably represented their interests in Washington for the last two decades.

Mr. HUTTO. Mr. Speaker, I rise to pay tribute to one of the finest gentlemen I have had the opportunity of serving with since I have been in the Congress of the United States. Ed Jones, in my view, is a great asset to our Nation as well as to the people of Tennessee and his congressional district. Ed Jones has had a distinguished career at the local and State level and at the national level on behalf of the people. He has strong and compassionate feelings toward everyone and especially the rural people of America. He previously served as the Agricultural Commissioner in the State of Tennessee before coming to Congress. Here, in the House of Representatives, he has been a champion for agriculture and for those people living in the rural areas of the country.

But beyond all of his achievements, I think that we also should realize that Ed Jones is a fine and decent human being who epitomizes the values which have made our Nation great. He has a great concern, as do I, about the future of America and particularly, he is concerned about our young people. When he spoke at our weekly prayer breakfast recently, he mentioned that many of our young people have ideals and abilities but somehow, we have gotten away from some of those standards and values which have been so much a part of our culture from the days of our Founding Fathers. Ed gives praise to God for how He has led him and his lovely wife, Lou, in good times and bad times. This couple truly are loved by their constituents in Tennessee as well as those friends whom they have gained since arriving on Capitol Hill. Ed Jones stands for what is good and wholesome. He is, indeed, a credit to the Congress, and I, personally, appreciate his contributions to our Nation. But now, he has made the decision to retire, and he richly deserves the opportunity to go back home and along with his wife and family, to enjoy doing some of the things that he likes to do without the pressures that go with serving in Congress. I join with his many friends in wishing Ed and his family much joy and happiness in retirement.

Mr. VALENTINE. Mr. Speaker, I rise to pay tribute to my good friend and colleague, the Honorable Ed Jones, who has loyally represented the Eighth Congressional District of Tennessee with honor and distinction for two decades.

A dairy farmer before he came to Congress, Ed never forgot the special problems that farmers encounter, and he fought hard to ensure that their needs were met.

When money was short for farmers and many faced bankruptcy, Ed worked hard to rebuild the Farm Credit System so they could keep their farms and refinance their loans.

When there was no rain and crops withered in the fields, Ed was critical in shaping legislation that provided farmers with emergency drought relief assistance.

He fought to save the Rural Electric Administration and to reform programs under the Farmers Home Administration.

In short, when his constituents needed help, Ed Jones was there.

His knowledge of the legislative process make him an extraordinary champion for farmers and a valuable Member of Congress.

On a more personal level, Ed is a warm, humane person whose concern and sensitivity make him an asset to this Congress. I will miss Ed's leadership, his knowledge of farming issues and his expertise in the legislative process. But most of all, I will miss having his daily advice and friendship. I wish him good health and a happy retirement.

Mr. SMITH of Iowa. Mr. Speaker, Ed Jones, who is retiring this year after 20 years of distinguished service in the House, is one of the most congenial Members it has been my privilege to know. When he first came to Washington, following a special election on March 25, 1969, we became acquainted almost immediately and since then we have been close friends. Talking to Ed is like talking over the fence row to a farm neighbor back home. But behind the folksy exterior is one of the most knowledgeable minds in the House on agriculture and with an enclyclopedic knowledge agricultural programs. A former Tennessee State agricultural commissioner, Ed is one of the most senior members of the House Agriculture Committee and an authority on farm credit, conservation, and rural development as well as on the whole range of farm programs.

ED will be sorely missed when the farm bills come up in the years ahead because he has a unique understanding of farm issues based on a depth of experience at State and local levels and deep compassion for farm people and their problems.

A large roomful of distinguished service awards from every branch of agriculture attest to the esteem in which ED is held by leading farm associations, institutions of higher learning, and rank and file farmers and rural people. It is not easy to adjust to the loss of the service of a colleague of ED's caliber, but I am sure that he will keep in touch and that his counsel and influence will live on. We all wish ED health and happiness in the good years of his well-earned retirement.

Mr. GEPHARDT. Mr. Speaker, I am extremely pleased to have this opportunity to wish a fond farewell to our colleague, the Honorable ED JONES of Tennessee. As a respected statesman and dynamic legislator, ED has made countless contributions to the people of this great country.

Perhaps ED's most important contributions have been in the area of helping the farmers of this Nation. Daniel Webster said: "When tillage begins, other arts follow. The farmers therefore are the founders of human civilization." Senator Webster must have had his mind on the future, to a town in Tennessee called Yorkville, where a young man would begin a long and distinguished career dedicated to the land.

After graduation from the University of Tennessee, ED became a dairy inspector in the Tennessee Department of Agriculture. He soon became a supervisor with the Tennessee Dairy Products Association and then an agriculture representative for the Illinois Central Railroad. He also enjoyed a tenure as the commissioner of agriculture during the early 1950's.

Another man whose mind was on the future, President John F. Kennedy, asked ED to chair the State agriculture stabilization and conservation committee. In 1969 he brought his experience to the House. ED earned a seat on the Agriculture Committee where he has been a friend of the family farmer ever since. His help on the Food and Agriculture Acts, the Consolidated Rural Development Act, the Emergency Agriculture Credit Act, the Federal Crop Insurance Act, and the Farm Credit Act gave farmers across this Nation a sense of hope and security. When times were tough, ED was there.

Many distinguished awards have been bestowed upon ED for his dedication throughout the years. He has been awarded the FFA Distinguished National Leadership Award, the Gamma Sigma Delta Award for Service to Agriculture, the National Association of Conservation Districts Distinguished Service Award, and twice named Progressive Farmer, Tennessee Man of the Year.

Thank you,ED, for the many years of valuable service you have given to this House and to the farmers across this Nation. We all wish you a happy and healthy retirement, and we certainly will miss your presence in the House. Good luck and God bless.

Mr. QUILLEN. Mr. Speaker, ED JONES and I chose to stay in the Cannon Building, our offices just one door apart. We have been there many years. We are both partisan, but partisan politics have never entered our minds, because ED JONES is a gentleman and considerate. His thoughts are for the benefit of the people and for the country which he loves dearly and his family which he loves dearly. When one has such a dedication as ED JONES we owe him a great debt of gratitude and, ED, we salute you and Llew and your family and your staff for the great job that you have done and the many accomplishments that you have made. Deeply from my heart we just think the world of you and we are going to miss you. I know that your counsel and advice will long remain in our minds in our efforts as we go forward here in the House of Representatives.

Thank you, thank you and thank you.

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GENERAL LEAVE

Mr. QUILLEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order tonight.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MCCANDLESS (at the request of Mr. MICHEL), from September 26 to September 30, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. SAXTON) to revise and extend their remarks and include extraneous material:)

Mr. MILLER of Washington, for 60 minutes, September 28.

Mr. BURTON of Indiana, for 60 minutes, today.

Mr. HUNTER, for 60 minutes, today.

Mr. BEREUTER, for 60 minutes, on September 29.

Mr. BEREUTER, for 60 minutes, on September 30.

Mr. MCCOLLUM, for 60 minutes, on October 4.

(The following Members (at the request of Mr. GORDON) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. STARK, for 5 minutes, today.

Mr. FRANK, for 60 minutes, on September 30.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. SAXTON) and to include extraneous matter:)

Mr. HERGER.

Mr. GALLO.

Mr. BEREUTER.

Mr. MCGRATH.

Mr. COBLE.

Mr. SMITH of New Jersey.

Mr. BARTON of Texas.

Mr. RITTER.

Mr. FAWELL.

Mr. WELDON.

Mr. CLINGER.

Mr. DAVIS of Illinois in two instances.

Mr. COATS.

(The following Members (at the request of Mr. GORDON) and to include extraneous matter:)

Mr. ANDERSON in 10 instances.

Mr. GONZALEZ in 10 instances.

Mr. BROWN of California in 10 instances.

Mr. ANNUNZIO in six instances.

Mr. SAWYER.

Mr. BONIOR in two instances.

Mr. LANTOS.

Mr. SCHUMER in three instances.

Mr. STARK.

Mr. DOWNEY of New York.

Mr. DYSON.

Mr. EDWARDS of California.

Mr. MACKAY.

Mr. MR. ACKERMAN.

Mr. DORGAN OF NORTH DAKOTA.

Mr. JOHNSON of South Dakota.

Mr. TORRES.

Mrs. LLOYD.

BILLS PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 517. An act to designate Soldier Creek Diversion Unit in Topeka, KS, as the "Lewis M. Paramore Diversion Unit";

H.R. 1154. An act to remedy injury to the U.S. textile and apparel industries caused by increased imports; and

H.R. 5090. An act to implement the United States-Canada Free Trade Agreement.

ADJOURNMENT

Mr. COOPER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 43 minutes p.m.), the House adjourned until to-

morrow, Tuesday, September 27, 1988, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4375. A letter from the Chairman, Farm Credit Administration, transmitting the annual report of the Administration for calendar year 1987, pursuant to 12 U.S.C. 2252(a)(3); to the Committee on Agriculture.

4376. Communication from the President of the United States, transmitting proposed appropriations language changes for the Department of Health and Human Services for fiscal year 1989, and appropriations transfer language for the Department of Housing and Urban Development, the Department of State, and the General Services Administration, pursuant to 31 U.S.C. 1107 (H. Doc. No. 100-232); to the Committee on Appropriations and ordered to be printed.

4377. A letter from the Postmaster General, U.S. Postal Service, transmitting a copy of the Postal Service's 1988 report on services available to the homeless, pursuant to Public Law 100-77, section 202(c)(1) (101 Stat. 487); to the Committee on Banking, Finance and Urban Affairs.

4378. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed letter(s) of offer and acceptance [LOA] to the Netherlands for defense articles and services estimated to cost $27 million (Transmittal No. 88-63), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

4379. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed letter(s) of offer and acceptance [LOA] to Belgium for defense articles and services estimated to cost $49 million (Transmittal No. 88-62), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

4380. A letter from the National Quartermaster/Adjutant, the Veterans of World War I of the U.S.A., Inc., transmitting a report of the proceedings of the annual national convention of the Veterans of World War I of the United States, Inc., held in Oklahoma City, OK, August 26-30, 1988, pursuant to 36 U.S.C. 776; 44 U.S.C. 1332 (H. Doc. No. 100-233); to the Committee on the Judiciary and ordered to be printed.

4381. A letter from the Assistant Secretary of the Army (Civil Works), transmitting a report from the Chief of Engineers, Department of the Army, on the project at Falfurrias, TX, together with other pertinent reports and comments, in response to Public Law 93-251, section 11(a) (H. Doc. No. 100-234); to the Committee on Public Works and Transportation and ordered to be printed.

4382. A letter from the Secretary of Health and Human Services, transmitting the annual report of the Indian Health Care Improvement Act covering the major activities and accomplishments of the Indian Health Service during fiscal year 1986, pursuant to 25 U.S.C. 1671; jointly, to the Committees on Interior and Insular Affairs and Energy and Commerce.

4383. A letter from the Secretary of Health and Human Services, transmitting a report on certified registered nurse anesthetists, pursuant to 42 U.S.C. 1395ww nt.; jointly, to the Committees on Ways and Means and Energy and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[Pursuant to the order of the House on September 23, the following report was filed on September 25, 1988]

Mr. SMITH of Iowa: Committee of conference. Conference report on H.R. 4782 (Rept. 100-979). Ordered to be printed.

[Submitted September 26, 1988]

Mr. DINGELL: Committee on Energy and Commerce. H.R. 5232. A bill to grant the consent of the Congress to the Southwestern Low-Level Radioactive Waste Disposal Compact. (Rept. 100-931, Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. DINGELL. Committee on Energy and Commerce. S. 836. An act to amend the Department of Energy Organization Act to authorize protective force personnel who guard the strategic petroleum reserve or its storage and related facilities to carry firearms while discharging their official duties and in certain instances to make arrests without warrant; to establish the offense of trespass on property of the strategic petroleum reserve, and for other purposes; with an amendment (Rept. 100-980, Pt. 1). Ordered to be printed.

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 5337. A bill to provide for the imposition of sanctions on Iraq, with amendments (Rept. 100-981, Pt. 1). Ordered to be printed.

Mr. DERRICK: Committee on Rules. House Resolution 545. A resolution waiving certain points of order against the conference report on H.R. 4782 a bill making appropriations for the Departments of Commerce, Justice, and State, the Judiciary and Related Agencies for the fiscal year ending September 30, 1989, and for other purposes (Rept. 100-982). Referred to the House Calendar.

Mr. OBEY: Committee of conference. Conference report on H.R. 4637 (Rept. 100-983). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WHITTEN (for himself, Mr. Espy, and Ms. Oakar):

H.R. 5378. A bill to establish a Lower Mississippi Delta Development Commission; jointly, to the Committees on Public Works and Transportation and Banking, Finance and Urban Affairs.

By Mr. ANDERSON (for himself, Mr. Hammerschmidt, and Mr. Shuster):

H.R. 5379. A bill to direct the Secretary of Transportation to submit to Congress reports on whether or not improved brake systems and speed control devices enhance safe operation of commerical motor vehicles; to the Committee on Public Works and Transportation.

By Mr. AuCOIN (for himself and Mr. Fazio):

H.R. 5380. A bill to establish a national energy policy to reduce global warming, and for other purposes; jointly, to the Committees on Energy and Commerce Science, Space and Technology, Ways and Means, Armed Services, Banking, Finance and Urban Affairs, Government Operations, Foreign Affairs, Small Business, Interior and Insular Affairs, and Agriculture.

By Mr. COBLE (for himself and Mr. Neal):

H.R. 5381. A bill to amend title 18, United States Code, to establish fair competition between the private sector and Federal Prison Industries; to the Committee on the Judiciary.

By Mr. COURTER:

H.R. 5382. A bill to amend the Revised Statutes of the United States to clarify the extent of rights against nongovernmental discrimination under certain civil rights laws; to the Committee on the Judiciary.

By Mr. DORGAN of North Dakota:

H.R. 5383. A bill to amend the Immigration and Nationality Act to prevent the unreasonable detention of certain aliens with dependent children; to the Committee on the Judiciary.

By Mr. HEFLEY:

H.R. 5384. A bill to abolish the Interstate Commerce Commission; jointly, to the Committees on Energy and Commerce and Public Works and Transportation.

By Mr. HUGHES (for himself, Mr. Moorhead, and Mr. Staggers):

H.R. 5385. A bill to amend title 28, United States Code, to permit the district courts of the United States to enjoin, suspend or restrain certain State and valorem property taxes on interstate telecommunications service property, and for other purposes; jointly, to the Committees on the Judiciary and Energy and Commerce.

By Mr. McCLOSKEY:

H.R. 5386. A bill to amend title 5 of the United States Code to except certain marine traffic controllers employed by the Panama Canal Commission from the limitation on the rate at which overtime compensation may be paid; to the Committee on Post Office and Civil Service.

By MR. MOLINARI:

H.R. 5387. A bill to designate the building to be constructed at 2566 Hylan Boulevard, Staten Island, NY; as the "Walter Edward Grady United States Post Office"; to the Committee on Post Office and Civil Service.

By Mr. NIELSON of Utah:

H.R. 5388. A bill to improve land ownership patterns and management of State and Federal lands in the State of Utah and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SOLARZ (for himself, Mr. de la Garza, Mr. Atkins, Mr. Leach of Iowa, Mr. Dymally, Mr. Ackerman, and Mr. Hall of Ohio):

H.R. 5389. A bill concerning disaster assistance for Bangledesh; to the Committee on Foreign Affairs.

By Mr. STARK (for himself and Miss Schneider):

H.R. 5390. A bill to authorize the suspension of duty-free treatment to wood products under the generalized system of preferences to beneficiary countries that do not implement appropriate reforestation programs, and for other purposes; to the Committee on Ways and Means.

By Mr. YATES:

H.J. Res. 664. Joint resolution designating the week of December 4, 1988 as "National Humanities Week"; to the Committee on Post Office and Civil Service.

By Mr. JONES of North Carolina:

H. Con. Res. 373. Concurrent resolution correcting technical errors in the enrollment of the bill, H.R. 1467; considered and agreed to.

By Mr. PACKARD:

H. Con. Res. 374. Concurrent resolution expressing the sense of the Congress regarding funding for the Space Station Program; to the Committee on Science, Space and Technology.

By Mr. SMITH of Texas (for himself, Mr. Skelton, Mr. Combest, Mr. Wilson, Mr. Barton of Texas, and Mr. Stenholm):

H. Res. 546. Resolution expressing the sense of the House of Representatives regarding the provisions of the Omnibus Drug Initiative Act of 1988 which amend the formula for allocating funds to State and local governments under the Omnibus Crime Control and Safe Streets Act of 1968 for drug control activities; to the Committee on the Judiciary.

By Mr. ROE:

H. Res. 547. Resolution to concur in the Senate amendments with an amendment to H.R. 4418, The National Science Foundation Authorization Act for fiscal year 1989 and 1990; considered and agreed to.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 1028: Mr. Cardin, Mr. Dannemeyer, Mr. Visclosky, Mr. Scheuer, and Mr. Hertel.

H.R. 2168: Mr. Florio, Mr. Walgren, Mr. Saxton, Mr. Gunderson, and Mr. Torricelli.

H.R. 3390: Mr. Coats.

H.R. 3478: Mr. Dyson.

H.R. 4277: Mr. Hyde, Mr. Hutto, and Mr. McCurdy.

H.R. 4530: Mr. Bryant and Mr. Lowery of California.

H.R. 4632: Mr. Weldon and Mr. Upton.

H.R. 4992: Mr. Spratt, Mr. Miller of California, Mr. Gejdenson, and Mr. Fuster.

H.R. 5017: Mr. Hall of Texas and Mr. Chapman.

H.R. 5020: Mr. Ireland, Mr. Murphy, and Mr. Roberts.

H.R. 5156: Mr. Neal and Mr. Lancaster.

H.R. 5231: Mr. Dyson.

H.R. 5251: Mr. Emerson, Mr. Shaw, Mr. Armey, Mr. Archer, Mr. Schaefer, Mr. Shumway, Mr. McMillan of North Carolina, and Mr. Barton of Texas.

H.R. 5347: Mr. Craig, Mr. Berman, Mr. Cardin, Ms. Pelosi, Mr. Morrison of Washington, Mr. Fazio, Mr. Frank, Mr. Robinson, Mrs. Schroeder, Mr. Crockett, Mr. Schumer, and Mr. Foglietta.

H.R. 5376: Mr. Grandy, Mr. Johnson of South Dakota, Mrs. Martin of Illinois, and Mr. Whittaker.

H.J. Res. 360: Mr. Burton of Indiana, Mr. Jacobs, and Mr. Panetta.

H.J. Res. 438: Mr. Spence, Mr. Richardson, and Mr. McCloskey.

H.J. Res. 454: Mr. DioGuardi, Mr. DeWine, and Mr. Thomas of Georgia.

H.J. Res. 501: Mr. Schaefer, Mr. LaFalce, Mr. Ray, Mr. Gingrich, Mr. Jenkins, and Mr. AuCoin.

H.J. Res. 526: Mr. Bartlett.

H.J. Res. 528: Mr. Fascell.

H.J. Res. 579: Mr. Anderson, Mr. Andrews, Mr. Annunzio, Mr. Applegate, Mr. AuCoin, Mr. Baker, Mr. Ballenger, Mr. Bartlett, Mr. Barton of Texas, Mr. Bennett, Mr. Bereuter, Mr. Bliley, Mr. Boehlert, Mrs. Boxer, Mr. Broomfield, Mr. Brown of Colorado, Mr. Buechner, Mr. Burton of Indiana, Mr. Callahan, Mr. Chapman, Mr. Chappell, Mr. Cheney, Mr. Clay, Mr. Clinger, Mr. Coats, Mr. Coleman of Missouri, Mr. Coleman of Texas, Mr. Coughlin, Mr. Coyne, Mr. Craig, Mr. Crockett, Mr. Dannemeyer, Mr. Daub, Mr. Davis of Illinois, Mr. de la Garza, Mr. DeLay, Mr. DioGuardi, Mr. Dixon, Mr. Dornan of California, Mr. Downey of New York, Mr. Durbin, Mr. Dwyer of New Jersey, Mr. Early, Mr. Edwards of Oklahoma, Mr. Fields, Mr. Fish, Mr. Ford of Tennessee, Mr. Frost, Mr. Gallegly, Mr. Gallo, Mr. Garcia, Mr. Gaydos, Mr. Gejdenson, Mr. Gibbons, Mr. Gonzalez, Mr. Goodling, Mr. Grant, Mr. Green, Mr. Gregg, Mr. Gunderson, Mr. Hansen, Mr. Hawkins, Mr. Hefley, Mr. Hefner, Mr. Henry, Mr. Hiler, Mr. Hopkins, Mr. Houghton, Mr. Huckaby, Mr. Hunter, Mr. Hyde, Mr. Ireland, Mr. Jacobs, Mr. Jeffords, Mr. Jenkins, Mrs. Johnson of Connecticut, Mr. Jones of Tennessee, Mr. Jones of North Carolina, Mr. Kanjorski, Mr. Kennedy, Mr. Kildee, Mr. Kolter, Mr. Konnyu, Mr. Lagomarsino, Mr. Latta, Mr. Lehman of Florida, Mr. Lent, Mr. Lewis of California, Mr. Lewis of Georgia, Mr. Lightfoot, Mr. Livingston, Mrs. Lloyd, Mr. Lott, Mr. Lowery of California, Mr. Lowry of Washington, Mr. Thomas A. Luken, Mr. Donald E. Lukens, Mr. Lungren, Mr. McCandless, Mr. McCloskey, Mr. McCrery, Mr. McDade, Mr. McEwen, Mr. McMillen of Maryland, Mr. Madigan, Mr. Marlenee, Mr. Martin of New York, Mrs. Martin of Illinois, Mr. Martinez, Mr. Mavroules, Mrs. Meyers of Kansas, Mr. Michel, Mr. Miller of Ohio, Mr. Miller of Washington, Mr. Mineta, Mr. Moorhead, Mrs. Morella, Mr. Morrison of Connecticut, Mr. Morrison of Washington, Mr. Mrazek, Mr. Murtha, Mr. Myers of Indiana, Mr. Neal, Mr. Nielson of Utah, Mr. Nowak, Mr. Ortiz, Mr. Oxley, Mr. Panetta, Mr. Parris, Mr. Pashayan, Mrs. Patterson, Mr. Payne, Mr. Pepper, Mr. Petri, Mr. Price of North Carolina, Mr. Pursell, Mr. Ravenel, Mr. Ray, Mr. Rhodes, Mr. Richardson, Mr. Ridge, Mr. Rinaldo, Mr. Ritter, Mr. Roberts, Mr. Rodino, Mr. Rogers, Mr. Rowland of Connecticut, Mr. Roybal, Mr. Russo, Mr. Sabo, Mrs. Saiki, Mr. Savage, Mr. Saxton, Mr. Schuette, Mr. Schumer, Mr. Shaw, Mr. Shumway, Mr. Sisisky, Mr. Slaughter of Virginia, Mr. Smith of New Jersey, Mr. Denny Smith, Mr. Smith of Texas, Mr. Smith of Florida, Mr. Smith of New Hampshire, Mr. Robert F. Smith, Mrs. Smith of Nebraska, Ms. Snowe, Mr. Solarz, Mr. Spratt, Mr. Stallings, Mr. Stark, Mr. Stokes, Mr. Stump, Mr. Sundquist, Mr. Sunia, Mr. Swift, Mr. Tauke, Mr. Thomas of California, Mr. Torres, Mr. Traficant, Mr. Traxler, Mr. Upton, Mr. Vento, Mrs. Vucanovich, Mr. Watkins, Mr. Wheat, Mr. Wolf, Mr. Wolpe, Mr. Wyden, and Mr. Wylie.

H.J. Res. 613: Mr. Grandy, Mr. Rhodes, Mr. Hastert, Mr. Hayes of Illinois, Mr. Hefley, Mr. Hochbrueckner, Mr. Hopkins, Mr. Houghton, Mr. Hunter, Mr. Porter, Mr. Inhofe, Mr. Oxley, Mr. Obey, Mr. Johnson of South Dakota, Mr. Jones of Tennessee, Mrs. Morella, Mr. Moorhead, Mr. Montgomery, Mr. McCrery, Mr. McCollum, Mr. Kastenmeier, Mr. Kemp, Mr. Lewis of California, Mr. Lightfoot, Mr. Lewis of Florida, Mr. Lent, Mr. Latta, Mr. Huckaby, Mr. Roth, and Mr. AuCoin.

H.J. Res. 627: Mr. Lagomarsino, Mr. Eckart, Ms. Kaptur, Mr. Dannemeyer, Mr. Lungren, Mr. Nielson of Utah, Mr. Gray of Illinois, Mr. Lancaster, Mr. Leach of Iowa, Mr. Edwards of Oklahoma, Mr. Rowland of Connecticut, Mr. Clement, Ms. Oakar, Mr. Horton, Mr. Lent, Mr. Emerson, Mr. Badham, Mr. Berman, Mr. Gallegly, Mr. Richardson, Mr. Martinez, Mr. Hughes, Mr. Rodino, Mr. Volkmer, Mr. Lantos, Mr. Wolpe, Mr. Manton, Mr. McGrath, Mr. Boucher, and Mr. Solomon.

H.J. Res. 645: Mr. Horton, Mrs. Morella, and Mr. Lancaster.

H.J. Res. 651: Mr. Martin of New York, Mr. Owens of New York, and Mr. Wolpe.

H.J. Res. 661: Mr. Green, Mr. Solarz, Mr. Gilman, Mr. Lantos, Mr. Atkins, Mr. AuCoin, Mrs. Bentley, Mr. Bliley, Mr. Boulter, Mr. Brown of Colorado, Mr. Burton of Indiana, Mr. Clarke, Mrs. Collins, Mr. Conte, Mr. Darden, Mr. Dixon, Mr. Dornan of California, Mr. Ackerman, Mr. Erdreich, Mr. Fauntroy, Mr. Fazio, Mr. Frank, Mr. Fuster, Mr. Gallo, Mr. Horton, Mr. Lipinski, Mr. Martinez, Mr. Moody, Mrs. Morella, Mr. Rinaldo, Mr. Rodino, Mr. Sawyer, Mr. Traxler, Mr. Weber, and Mr. Yates.

H. Con. Res. 286: Mr. Evans.

H. Con. Res. 362: Mr. Lagomarsino, Mr. Bateman, and Mr. Dannemeyer.

H. Con. Res. 366: Mr. Roe, Mr. Ortiz, Mr. Lancaster, and Mrs. Bentley.

H. Con. Res. 371: Mr. Crockett, Mr. Yatron, Mr. Berman, Mr. Atkins, Mr. Studds, and Mr. Leach of Iowa.

H. Res. 501: Mrs. Vacanovich, Mr. Emerson, Mr. Daub, Mr. Stump, Mr. Upton, Mr. Bateman, Mr. English, Mr. Edwards of Oklahoma, Mr. Inhofe, and Mr. Houghton.

H. Res. 516: Mr. Davis of Michigan, Mr. Hughes, and Mrs. Bentley.

H. Res. 532: Mr. Shays.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H. Res. 242: Mr. Hopkins.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 387

By Mr. GEKAS:

—Page 16, line 19, after "of" insert "Afgani, Albanian, Algerian, Andorran, Angolan, Antiguan & Barbudan, Argentinian, Australian, Austrian, Bahamian, Bahrainian, Bangladeshi, Barbadian, Belgian, Belizian, Beninian, Bhutanian, Bolivian, Botswanian, Brazilian, Bulgarian, Burman, Burundian, Kampuchean, Cameroon, Canadian, Cape Verdian, Central African, Chadian, Chilean, Chinese, Taiwanese, Colombian, Comorosian, Congolese, Costa Rican, Cuban, Cypriot, Czech, Danish, Djibouti, Dominica, Dominican, Ecuadoran, Egyptian, Salvadoran, Guinean, Ethiopian, Fiji, Finnish, French, Gabonese, Gambian, German, Ghanian, Greek, Grenadian, Guatemalan, Guyanese,

Haitian, Honduran, Hungarian, Icelandian, Indian, Indonesian, Iranian, Iraqui, Israeli, Italian, Ivory Coastal, Jamaican, Japanese, Jordanian, Kenyan, Kiribatian, Korean, Kuwaiti, Laotian, Lebanese, Lesothian, Liberian, Libyan, Liechtensteinian, Luxembourger, Madagascaran, Malawian, Malaysian, Maldivian, Mali, Maltese, Mauritanian, Maurititian, Mexican, Monocan, Mongolian, Moroccan, Mozambiqan, Nauran, Nepalese, Dutch, New Zealander, Nicaraguan, Niger, Nigerian, Norwegian, Omanian, Pakistanian, Panamanian, Papuan, Paraguayan, Peruvian, Philippino, Polish, Portuguese, Qataran, Romanian, Rwandan, St. Lucian, St. Vincentian, San Marinan, Principan, Saudi Arabian, Senegalese, Seychellian, Sierra Leonese, Singaporan, Solomonese, Somalian, South African, Spanish, Sri Lankese, Sudanese, Surinamese, Swazi, Swedish, Swiss, Syrian, Tanzanian, Thai, Togonese, Tonganese, Trinidad & Tobogan, Tunisian, Turkish, Tuvaluan, Ugandan, Russian, U.A.R., British, Upper Voltese, Uruguayan, Vanuatuan, Vatican, Venezuelan, Vietnamese, Western Samoan, Yemenese, Yugoslavian, Zairese, Zambian, Zimbabwean, or".

H.R. 387

By Mr. LUNGREN:

—Page 16, line 9, strike "and".

Page 16, after line 9, insert the following new subparagraph:

(C) labor market supply and demand factors; and

Page 16, line 10, strike "(C)" and insert in lieu thereof "(D)".

EXTENSIONS OF REMARKS

TOWARD BETTER HEALTH INSURANCE COVERAGE

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 26, 1988

Mr. STARK. Mr. Speaker, on September 22, the Ways and Means Health Subcommittee held another of its hearings on ways to provide better health insurance to the millions of Americans who have no health insurance or woefully inadequate coverage.

Prof. Karen Davis of Johns Hopkins provided one of the best summaries of the problem and the possible solution that I have seen, and I would like to share it with the rest of the Congress. Her statement follows:

TOWARD BETTER HEALTH INSURANCE COVERAGE

(By Karen Davis)

Thank you, Mr. Chairman, for this opportunity to testify on the need to improve health insurance coverage in the United States. As the cost of health care has risen sharply over the last decade, every family in the U.S. needs health insurance to avoid the financial catastrophe that a serious illness or injury can bring. About 35 million uninsured Americans every day face this risk. Two-thirds of these Americans are employed, most at modest wages that are insufficient to protect the family should a serious illness strike. The other third are even less fortunate—poor or near-poor families who do not qualify for Medicaid because of serious restrictions on who can be covered, the unemployed, and older adults between the ages of 55 and 64 including widows and retired workers and their spouses who do not yet qualify for Medicare. The absence of health insurance for these groups is not only a serious financial matter but poses a significant barrier to needed medical care and undermines both the health and economic security of families. Particularly alarming is the fact that access of health care in this nation is becoming worse not better and the ranks of the uninsured are swelling.

Today, I would like to share with the Committee the latest data on health care costs that face those without health insurance, gaps in health insurance coverage, what we know about the consequences of these gaps in coverage, and suggest ways in which gaps in health insurance coverage could be closed.

HEALTH CARE COSTS AND THE UNINSURED

Health care costs have risen rapidly in the 1980s. National health expenditures doubled between 1980 and 1987, from $250 billion in 1980 to $500 billion in 1987. In 1980 the average per capita health expenditure was a little over $1,000. By 1987, on average, each man, woman, and child incurred health expenses of almost $2,000. If current policies remain unchanged, this will increase further to $2,500 in 1990. As a percent of the Gross National Product, health expenditures have increased from 9.1 percent in 1980 to 11.2 percent in 1987—a two percentage point increase in only seven years. This is projected to increase to 12 percent in 1990, and will reach 15 percent by the year 2000 if nothing is done.

These figures are truly astounding—but their impact on those Americans without any health insurance coverage is devastating. If a patient is hospitalized today, the average cost of a hospital stay is over $3,900—compared with $1,800 in 1980. Physician fees have increased eight percent a year in the 1980s—three percentage points faster than the Consumer Price Index. The Medicare premium has increased from just over $115 a year in 1980 to about $300 today. The Medicare hospital deductible has increased three-fold from 1980 to 1988, up from $180 in 1980 to $540 today.

Fortunately, the elderly are protected from the most serious brunt of medical expenses by Medicare. The recent passage of the Medicare Catastrophic Coverage Act of 1988 will further enhance financial protection against serious illness for Medicare's elderly and disabled beneficiaries.

However, about 35 million Americans have no insurance from private companies or public programs to shield them should medical catastrophe strike. Particularly disturbing is the fact that the ranks of the uninsured are growing. For these Americans a single hospital stay can wipe out a lifetime of savings and saddle the family with debt for years to come. No other nation in the industrialized world subjects its families to such a prospect.

HEALTH INSURANCE COVERAGE IN THE U.S.

People under age 65 obtain health insurance coverage in three major ways: they receive group health insurance provided by their employer, they purchase health insurance individually from private health insurance companies, or they qualify for coverage under the Medicaid program.

Coverage under an employer health plan is the most common way in which the nonelderly obtain health insurance coverage. About 132 million nonelderly people, or about two-thirds of the nonelderly, have employer-provided health insurance coverage. About 24 million are covered by Medicaid or other public programs. About 16 million purchase private health insurance coverage individually, leaving an estimated 35 to 37 million uninsured.

The common impression is that the uninsured are outside the work force—mostly young adults who have not yet found jobs. This is not the case. Surprisingly, over half of the uninsured, 19.6 million people, are in families where at least one number has a full-time job working 35 or more hours per week. Two-thirds of the uninsured are in families where at least one member works at least 17½ or more hours per week.

About one-third of the uninsured are children under age. Half of the uninsured are parents or other adults between the ages of 17 and 45. The remaining sixteen percent of the uninsured are split equally between older adults between the ages of 45 and 54 and between the ages of 55 and 64. Many of these older adults are widows or spouses of retired persons who do not yet qualify for Medicare.

Nearly all of the uninsured have modest incomes. About one-third have incomes below the poverty level. Only 20 percent have incomes greater than three times the poverty level. Individual purchase of private health insurance is not economically feasible for most of the uninsured. Individual plans typically have inadequate benefits and charge premiums well in excess of actual benefit outlays.

Medicaid fails to cover the majority of the poor. Absence of Medicaid coverage among the poor occurs because states set income eligibility levels well below the federal poverty level and because categorical restrictions limit coverage largely to one-parent families—excluding two parent poor families, childless couples, and single individuals.

The majority of workers receive health insurance coverage from their employers. However, 22 million Americans in families where one person works at least half-time fail to receive coverage. Gaps in employer-provided health insurance coverage occur because such coverage is optional for employers. About half of all employed uninsured persons work in firms with fewer than 25 employees. Employer-provided health insurance coverage is particularly low in certain industries—including agriculture, construction, retail trade, and services. Coverage of workers is lower in the South and West than in the North and Central regions of the country.

To a considerable extent health insurance coverage in this country is a matter of luck. Those fortunate enough to be employed by large, unionized, manufacturing firms are also likely to be fortunate enough to have good health insurance coverage. Those who have modest incomes, live in the South and West or in rural areas, and those who are black or minority group members are more likely to bear the personal and economic effects of lack of insurance and the consequent financial barriers to health care.

Health insurance coverage has been getting worse not better. Several factors are responsible for this:

The growth of jobs in the service sector which tend not to have health insurance coverage.

The growth of jobs in smaller firms.

The increasing tendency for employers to require employee contributions to health insurance premiums, including paying the full cost of dependent coverage.

The growth in one-parent families, which are less likely to have health insurance coverage than two-worker families.

The growth in the number of adults between the ages of 17 and 45 which are less likely to have health insurance coverage.

While considerable further analysis and research will be required to sort out the independent contribution of these and other factors, it is clear that gaps in employer-provided health insurance are responsible for a large portion of the uninsured population.

THE UNINSURED AND ACCESS TO HEALTH CARE

A new report on access to health care in 1986 recently released by the Robert Wood

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Johnson Foundation contains evidence on the deterioration in access to health care in the 1980s. Thirteen and one-half million people reported not receiving medical care for financial reasons. An estimated one million individuals actually tried to obtain needed care but were turned away. Several indicators suggest that progress in improving access to health care for the poor and minorities has been reversed between 1982 and 1986.

The Robert Wood Johnson Foundation access survey found particular problems for the uninsured. The uninsured are one-third more likely to be in fair or poor health than the nonelderly insured. Yet despite their poorer health status, the uninsured receive 27 percent fewer physician services and are hospitalized 19 percent less frequently than the insured. One-fifth of the uninsured with chronic illness did not see a physician during the year. Fully two-thirds of the uninsured with serious symptoms (e.g., bleeding, loss of consciousness, chest pain, shortness of breath, weight loss unrelated to diet) did not see or contact a physician. One-fifth of uninsured pregnant women did not receive care in the first trimester of pregnancy. Twenty-two percent of the uninsured with hypertension did not receive a blood pressure check in the year.

Clearly, absence of health insurance coverage is not only a serious financial problem, it is a health problem as well. Millions of Americans are at risk of death and disability because of an inability to pay for needed health care.

ALTERNATIVE APPROACHES TO CLOSING THE GAPS IN HEALTH INSURANCE COVERAGE

It is urgent that action be taken to provide at least some minimum health insurance coverage for all Americans. In evaluating the economic impact of any one approach to dealing with this problem, it is important to consider the alternatives. The major approaches which could be followed to close the gaps in health coverage include:

Expanding public programs such as Medicaid or Medicare to cover the uninsured or establishing a new public program,

Subsidizing the purchase of individual private health insurance through federal or state government funds,

Taxing hospitals or private health insurance plans to create a pool for paying for care for the uninsured, or

Requiring employers to provide health insurance coverage for employees and dependents.

The first of these alternatives would require substantial new taxes from corporations or individuals. Given current governmental budgetary problems, public funds might be better targeted on those low-income uninsured falling outside the workforce. In addition, since some of the working poor and near-poor have private health insurance coverage through employers, public coverage would displace current private coverage and add considerably to public outlays.

The second approach would also require additional taxes to pay for subsidies of an inherently inefficient type of health insurance coverage. Individual health insurance plans run administrative costs 30 to 50 percent of benefits, compared to 3 to 5 percent for Medicare and Medicaid. Public monies would go further by directly covering the uninsured under Medicaid or Medicare than by indirectly subsidizing coverage under individual private health insurance plans.

The third approach of taxing hospitals or private health insurance plans would shift the financial burden of covering the uninsured onto the insured. Those employers providing coverage for their workers would be doubly burdened—picking up the costs of their own workers plus the cost of workers in firms not providing such coverage. In a given industry, firms providing health insurance coverage for workers would be at a serious competitive disadvantage to those firms not providing such coverage.

In the light of these alternatives, requiring minimum employee health insurance coverage has much to commend it. It would minimize new taxes required to fill the gaps in health insurance coverage. It would build on the current system of employer-provided private group health insurance. It would spread the cost of expanded coverage more equitably among firms, rather than concentrating the burden on those firms voluntarily electing to provide coverage to their workers. It would permit limited public funds to be targeted onto low-income individuals not covered by employer plans.

MINIMUM EMPLOYER HEALTH INSURANCE COVERAGE

The Employee Health Benefit Improvement Act of 1988 introduced by Chairman Stark represents an important step toward assuring better health insurance coverage in this country. This plan would provide coverage to all workers and their dependents who work at least 17.5 hours per week, with special provisions for coverage of farmworkers. Importantly, no employer plan could exclude a worker or coverage for specific health problems because that worker or dependent already had a health condition.

Employers would contribute at least 80 percent of the premium for both workers and their dependents. Low-income employees would receive some assistance in meeting their share of the premium through a health insurance income tax credit, similar to the existing earned income tax credit.

Under the plan all working families would be protected from catastrophic health care expenses—through a ceiling on out-of-pocket health expenses not to exceed $1,500 per family, or $1,000 per individual. In addition the bill would help get all children of working families off to a healthy start in life through comprehensive coverage of maternal and infant health care.

The primary criticism raised against such a proposal is that it would be an economic burden on low-wage firms and might result in loss of jobs for low-wage workers. There is some evidence that suggests a 10 percent increase in labor costs might result in a one-half to one percent decline in employment. Applying this to the low-wage uninsured suggests a potential employment loss of under 50,000. However, this job loss would be more than offset by additional jobs of 100,000 or more in the health sector to provide new services.

There is reason to believe that even these modest adverse employment effects are overstated. First, the plan outlined does not constitute an excessively burdensome plan. Second, the labor market for entry-level workers is tightening with the drop in fertility in the mid-1960s leading to a smaller size cohort entering the labor force. Loss of jobs in such an environment is less likely. Third, the minimum wage has not been increased since 1981, so that the cost of entry-level workers has declined in real terms over the last six years. Fourth, the types of jobs that are potentially affected are largely in the service sector or retail trade which are not as sensitive to international competition.

Another concern is that small firms would not be able to purchase health insurance economically. The option of purchasing coverage through state pools would assure even the smallest firms of the availability of coverage. Consideration might be given to holding premiums in the state pool to no more than 20 percent above the average premium in the state.

MEDICAID COVERAGE

Requiring employers to provide coverage for their workers and dependents would add 22 million more people to health insurance coverage, and drop the number of uninsured to less than 15 million. Most of the remaining uninsured are poor or near-poor. While state pools might be of some assistance to the 5 million with incomes above twice the poverty level, most of these individuals will remain uncovered. Another step that needs to be considered is expansion of Medicaid coverage to cover all poor uninsured, as well as permitting the near-poor to purchase Medicaid on a sliding scale basis.

Under this proposal, the Medicaid program would be expanded to provide acute health care benefits to the entire population falling outside employer mandated coverage and Medicare coverage. It would provide complete coverage to all poor and premium-financed coverage to others. Medicaid would be a secondary payer for individuals covered under employer plans or Medicare.

The provisions of this component include:

Automatic coverage of all individuals under the poverty level.

Optional purchase of Medicaid to all non-poor not covered under an employer plan on a sliding scale premium basis.

The Medicaid program would cover the current mandatory benefits plus prescription drugs, without arbitrary limits on amount, duration, or scope of benefits. For individuals purchasing coverage with a sliding-scale premium, modest cost-sharing provisions could be included.

SUMMARY

The private-public partnership set forth here is an economically and administratively feasible approach to remedying the gaps in health insurance coverage that threaten the health and well-being of a significant portion of our nation's population. While the specific details could be modified, or even more modest steps taken incrementally to close these gaps in coverage, the plan proposed here should be carefully considered and debated. I congratulate the Committee for undertaking serious examination of ways in which such gaps in coverage can be eliminated. Thank you.

CELEBRATING THE 10 YEAR ANNIVERSARY OF PASTOR C. ANTHONY HARVEY

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 26, 1988

Mr. SCHUMER. Mr. Speaker, today I rise to pay tribute to a fine man, Pastor C. Anthony Harvey of St. John-St. Mathew-Emanuel Lutheran Church. On October 2 Pastor Harvey will be honored by his church for 10 years of outstanding leadership.

After serving as pastor of Faith Lutheran Church in Lewisburg, PA, and as pastoral assistant at the Lewisburg Correctional Institution, Pastor Harvey found his way to Brooklyn on September 3, 1978, and we Brooklynites are glad he did.

Pastor Harvey's limitless energy and imagination has allowed him to bring a great deal to St. John-St. Matthew-Emanuel Lutheran Church. The pastor initiated weekly communion, chaired the Women's Opportunity Program and extended the Seniors Program.

In addition, Pastor Harvey saw to many property improvements to the church itself. He remodeled the worship center as well as the community center and the sexton's living quarters. St. John-St. Matthew Emanuel was also made a more beautiful place to worship by Pastor Harvey with the extensive repairs to the stained glass and to the organ.

But the most important contributions that Pastor Harvey has made to his followers and to the community are not the tangible ones. For it is his leadership and his wisdom that have made the last 10 years special for Park Slope. Mr. Speaker, today I offer Pastor Harvey congratulations of 10 wondrous years of service. God willing, we'll have the gift of Pastor Harvey for at least another 10 years.

TRIBUTE TO BROTHER GEORGE SYNAN

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, September 26, 1988

Mr. BONIOR. Mr. Speaker, I would like to pay tribute to someone I have known for 30 years—a man who has been an inspiration to the many people he has taught and nurtured through the years. Brother George Synan, who this year is celebrating his 60th anniversary as a christian brother, has left an indelible mark on DeLaSalle Collegiate High School in Warren, MI, as a teacher, coach, and mentor.

Brother George came to DeLaSalle in 1936. He left in 1944, but returned in 1957 as subdirector of the community, vice principal, athletic director, and teacher. Although Brother George semiretired in 1974, he still teaches occasionally at DeLaSalle.

I first met Brother George when I was 11 years old. I used to play basketball at the old DeLaSalle, which used to be near Detroit City Airport. A few years later, as a member of the Notre Dame High School Basketball Team, I used to visit with Brother George when my school played DeLaSalle. Now, the campus has been moved into the congressional district I represent, and I still see Brother George occasionally when I go near the school.

The Christian Brothers of DeLaSalle and the New York Province are sponsoring a joyous celebration of liturgy and a testimonial dinner in honor of Brother George's accomplishments over the past 60 years on October 2, 1988. I wish the best for Brother George and congratulate him on his successes over the years.

VIOLENCE AGAINST SIKHS ALLEGED

HON. WALLY HERGER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 26, 1988

Mr. HERGER. Mr. Speaker, I have been disturbed to learn that as many as 30 young Sikh college students may have been killed this week in India. Phone calls placed to Dr. Gurmit Singh Aulakh have suggested that these students were killed by criminals loyal to Prime Minister Gandhi's Congress-I Party.

If true, this would be a tragic reminder that the Indian Government still refuses to acknowledge the genuine human rights concerns of the Sikh people. I would urge that the State Department fully investigate this matter, and take the appropriate action once their review is complete.

[Press release, Sept. 23, 1988]

SIKH STUDENTS MASSACRED IN INDIA

News was relayed from India that Sikh students at an engineering college in western India have been the victims of violence which was suspected to be politically organized. The incident took place at the Guru Nanak Engineering College in the city of Bider, Maharashtra, which is ruled by the Congress-I party. This is India's ruling party of which Prime Minister Rajiv Gandhi is head.

Thirty bodies have reportedly been found dead so far, with another one hundred-fifty missing. All of the victims were Sikh students in their early twenties. This is a repetition of the Delhi genocide of November 1984, in which 20,000 were killed by Congress-I organized death squads. Not surprisingly, some of the organizers of these death squads were later rewarded cabinet level positions in the Indian government.

This latest incident went unreported in India, as the Indian government, has again, failed to report the mass murders which afflict the Sikh people. This again signals the complete control of the media and press by the Indian government.

The reported number of Sikhs killed this year in India is around 1,500, with many more missing. Over 80,000 Sikhs have been killed since the attack on the Golden Temple in 1984.

Dr. GURMIT SINGH AULAKH,
President, Council of Khalistan.

A SALUTE TO 10 YEARS OF SUCCESS FOR JPAC

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 26, 1988

Mr. DOWNEY of New York. As acting chairman of the Subcommittee on Human Services of the House Select Committee on Aging, I would like to call to the attention of my colleagues an important anniversary which will take place in New York City on October 11. I refer to the 10th anniversary of the Joint Public Affairs Committee for Older Adults or JPAC as it so well known among New Yorkers.

JPAC was established in 1977 by the Jewish Association for Services for the Aged, a major and well respected provider of services for the elderly of New York and surrounding counties. JPAC's purpose was then and remains today to educate and mobilize the elderly in order that they may improve access to and availability of programs of benefit to them, and it has succeeded in introducing or amplifying the concept of citizenship education and social action as tools to create an impact on policy makers at the Federal, State, and local levels. In its brief 10 year history, JPAC has engaged the interest and worked in partnership with some 200 community associations and affiliated groups in New York City, Nassau and Suffolk Counties, with a membership that exceeds 50,000.

JPAC throughout its 10 year history has had a close working relationship with the Subcommittee on Human Services. We have worked closely together on the Older Americans Act, its reauthorizations and various amendments that have been added to the act. JPAC's contributions have led to improvements in the title III program, especially in the area of legal services and nutrition.

The subcommittee in 1985 held a hearing in the JASA auditorium in New York City. There, then-Chairman Mario Biaggi heard JPAC members address the need for Medicare reform. It was a cold and rainy day in January, and seniors from all over the New York metropolitan area were bused in. They filled the auditorium to the maximum to listen to and express their views on issues of vital importance to them and to their families. One of the highlights of the hearing was the final session when JPAC members participated quite actively in an open-microphone situation, and one by one, these seniors delivered short but extremely strong messages about Medicare and related issues. They gave the members of the subcommittee a message to take back to Washington, and it was a rewarding morning for all concerned. In addition to playing an instrumental role in impacting Federal legislation, JPAC has also played a strong role in the State and local level.

Under the leadership of JPAC staff, and in coalition with other advocacy groups, JPAC's older adult participants have successfully petitioned public officials to address local community needs such as the installation of traffic lights; to add New York City tax levy dollars to support senior centers; to enact a program of prescription drugs cost relief to low income elderly New Yorkers; to increase the State share of the SSI grant; and to increase the New York State share of the CSE and EISEP programs. In addition to the Older Americans Act, JPAC has effectively lobbied to limit the impact on the elderly of Federal budget cuts in Social Security, title XX, Medicare, Medicaid, SSI, Low Income Energy Assistance, and the Community Services Block Grant, among others.

JPAC has successfully sponsored annual legislative forums at the Federal, State, and city levels at which time elected officials and policy makers discussed issues such as health care reform, housing for the elderly, and local New York City issues. In addition, JPAC has organized eight successful trips to Albany, where older adult JPAC representative present their New York State priorities to State legislators and the Governor.

JPAC has been an instrumental force in bringing together the aging community in New York on common issues. On May 16, 1985, JPAC helped bring together 5,000 seniors and senior supporters to celebrate the 50th anniversary of Social Security. This event received widespread media coverage and served to educate the public at large to the importance of the Social Security system.

On January 22, 1986, the New York City Council Committee on Aging was announced. JPAC was the leading force in this 3 year effort by a broad coalition of groups.

One of the most outstanding success stories throughout the history of JPAC has been the enactment of a prescription drug assistance program for low income elderly. JPAC began the campaign in the 1970's to address this unmet need. With the active involvement of many different groups, a bill was signed into law by Governor Cuomo in January 1987.

Through involvement in JPAC, older people in New York are gaining an appreciation and awareness of their potential in contributing to the area of public policy. As the coordinating body of more than 100 senior centers throughout metropolitan New York, JPAC has received increased recognition by senior center members, the aged and the potential community as a whole. Many JPAC representatives have gone on to receive awards of achievement in social action and civic involvement and as "senior citizens of the year."

In June 1985, JPAC organized the first meeting of the National Conference of Jewish Community Senior Advocacy Groups in Washington, DC. This conference represented the first attempt by Jewish community groups throughout the country to meet and identify legislative issues of concern to the elderly and to exchange ideas and develop models of advocacy that could be adapted to their own community needs. These groups agreed to continue to work together under JPAC's coordination. As a result of this, JPAC now serves as a clearinghouse for materials from over 50 senior advocacy groups across the county.

I am pleased to be able to share the special history of JPAC with my colleagues. I am proud of their accomplishments. I would like to also take a moment to recognize some important members of the JPAC family, some outstanding individuals whose time and energy and commitment have been a strong foundation for JPAC's success. They are past Director Judith Duhl, present Director Caryn Resnick, Sam Sadin, chairman of JPAC, Bernard Warach, executive director of the Jewish Association for Services for the Aged and Ruth Perelson, JASA board president. These individuals and the entire staff of JPAC are a very special group.

It is my privilege to pay tribute to this outstanding and vibrant organization as it reaches a major milestone in its history. For much of the past 10 years, it has not been easy to be effective as an advocacy group. Too much time has been spent simply trying to keep even with where you were with respect to funding for social programs. In this decade there has been an unprecedented effort to scale back the Federal commitment to programs for the aged under this administration.

Fortunately, because of the tenacity of groups such as JPAC, most of these proposals have been rejected. It is my hope that as they enter their second decade, we might see a return to more progressive and enlightened public policy for the aged. We need to address the critical issue of long-term care for our seniors and we need to do it soon. We must never retreat from our commitment to ensure quality of care for all seniors in nursing homes, hospitals and other health care facilities. We must work for expansion of critical social and human services which will keep seniors out of nursing homes. We must better target our services to help those elderly in the greatest need. I am confident that JPAC will continue to play an important role in shaping the legislative agenda at all levels for their membership. I look forward to working with them toward these important goals.

THE TRADE BILL PROVES IT: A LITTLE PRESSURE GOES A LONG WAY

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 26, 1988

Mr. BEREUTER. Mr. Speaker, I want to bring to the attention of my colleagues a commentary entitled "The Trade Bill Proves It: A Little Pressure Goes a Long Way" which recently appeared in Business Week magazine.

The commentary suggests that we are already beginning to see results from the new trade bill, especially in our trade relationship with Japan. Rather than just talking tough on trade, the trade bill has enabled the United States Government and business to act tough and grab the attention of the Japanese.

Some concrete results stemming from the bill which the author points out include the opening of the Japanese bond market to U.S. brokers. The commentary also suggests that we may be on the threshhold of resolving disputes over telecommunications and patent infringements. Success in these areas would follow the recently negotiated victories by the Special Trade Representative and the USDA in opening the Japanese market for American beef and citrus products.

The likelihood of future successes will depend upon the continued attention of Government and business in pursuing trade intiatives with the Japanese. Thus, as the title of the commentary suggests: "A little pressure can go a long way." This Member expects that omnibus trade bill will continue to prove to be a success in helping to open foreign markets and thereby reduce our national trade deficit.

THE TRADE BILL PROVES IT: A LITTLE PRESSURE GOES A LONG WAY

(By Ted Holden)

The Japanese don't openly admit it, but they've whispered it to foreigners for years: If you want to get things done in Japan, apply outside pressure. Surprisingly, the recently enacted U.S. trade bill, which many in Congress thought was watered down, may be doing just that. The new law makes it far easier for U.S. companies to turn the bureaucratic screws on Japan. It is this act-tough, rather than talk-tough, approach that seems to have grabbed Tokyo's attention.

Even before the law took effect in August, many Japanese suspected the U.S. mood on trade was swinging. First, Washington officials acted on more dumping complaints than at any other time during the Reagan Administration. Second, Japan's leaders decided that Democratic hopeful Michael Dukakis would practice, as well as preach, a harder trade policy.

SAFETY VALVES

Together, these signs of a bigger-stick approach have produced a surprisingly broad effort by Japan to defuse U.S. trade spats. The new law streamlines the process by which the President and the U.S. Trade Representative's office act on unfair trade complaints.

It already has produced one concrete result: A month after the trade bill passed, Japan suddenly opened a major section of its bond market to U.S. brokers, who had been trying to crack it for years. The spur: Several Japanese securities houses would have been stripped of their right to buy U.S. Treasury bonds if Japan hadn't opened its doors wider.

There are also signs of progress in resolving disputes over telecommunications and patent infringements. On Sept. 12, Japan's Ministry of Posts & Telecommunications moved to resolve a dispute over standards for value-added networks before the issue became "political." Other moves could come soon on complaints over Japan's cumbersome distribution system and supercomputers. These overtures follow deals earlier this year that opened Japan's markets to more American beef and citrus fruit and allowed U.S. companies to bid on public construction projects.

Is all this for real, and is it likely to continue? Much will depend on America's attention span. It's possible the Japanese are making these gestures to avoid being placed in an unwelcome campaign spotlight. Although the trade law institutionalizes a more aggressive trade stance, the Administration has many escape valves for doing nothing. If pressure dissipates, so could Japan's conciliatory efforts.

U.S. officials also wonder whether American industries will take full advantage of the new openings. Cattle farmers are, but other industries aren't. On Sept. 10, for example, Commerce Secretary C. William Verity Jr. warned that delays by U.S. contractors in bidding on Japanese construction projects meant the business might go to the Koreans. With $17 billion at stake, only four U.S. contractors have even opened offices in Japan. Overall, U.S. figures released on Sept. 14, show the deficit with Japan narrowed 12.5% in the first seven months of 1988 to $30.4 billion, which is modest in view of the dollar's weakness.

BACKLASH

There are limits to where the big stick can be used. Take rice, for example. In a test of the new trade law, the Rice Millers Assn. on Sept. 14, petitioned the White House to investigate Japan's barriers against U.S. rice. But pressing Japan on rice carries bigger risks than other disputes because self-sufficiency in rice is a sore issue for the Japanese. One U.S. official in Tokyo raised the rice issue recently with a few Japanese politicians. "They came straight at me, like a bull out of the chute," he says.

The key to U.S. trade hopes will be sustaining political pressure and targeting it carefully. If that can be done, some of the major trade disputes of the past eight years may never come back to haunt the next President.

HONORING ARTHUR DeMELLO FOR 30 YEARS OF SERVICE TO BROOKLYN

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 26, 1988

Mr. SCHUMER. Mr. Speaker, 30 years ago in October 1958, Dwight Eisenhower was our 34th President, the New York Yankees won the World Series and a teenager named Arthur DeMello joined the Gerrittsen Beach Fire Department. Now as we approach October 1988 we are ready to elect our 41st President, a different New York team seems destined for the World Series and Arthur DeMello is still serving his coummunity as chief of the Gerrittsen Beach Fire Department. Today I rise to pay tribute to Arthur for 30 years of outstanding service.

After joining the department as a firefighter, Arthur DeMello has steadily climbed the ranks. He has served as lieutenant, captain and assistant chief, not to mention president, vice president, secretary and treasurer of the department. Over the years he has been instrumental in obtaining the department's first certified ambulance and has led members of the department in emergency medical technician training.

But Arthur DeMello's contributions go beyond the department. He has served the community by offering instruction in pre-hospital medical treatment through the American Red Cross and the New York State Department of Health. In addition, he has trained dozens of school health aides and teachers in CFR and first aid.

Arthur DeMello has also generously donated his time to the American Red Cross and is a charter member of the New York City Regional Medical Services Council.

Arthur DeMello's service has been outstanding in its quality and nothing short of amazing in its 30 years of quantity. Mr. Speaker, Arthur DeMello is a true public servant and with a little luck he'll be serving Brooklyn for another 30 years.

TRIBUTE TO ST. JOHN'S LUTHERAN CHURCH IN NEW BALTIMORE, MI

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, September 26, 1988

Mr. BONIOR. Mr. Speaker, I rise today to pay tribute to St. John's Lutheran Church in New Baltimore, MI, which is celebrating its 125th anniversary on October 2, 1988.

St. John's Lutheran Church was founded in 1863 by seven families of German origin. They first met in the log cabin of one of the parishioners. The congregation moved in 1868 to a chapel in the town. By 1870, the congregation dedicated a new church building, which today is still used.

The State of Michigan in 1979 honored the church by placing a marker in front of the church acknowledging the building as a 100-year-old historical site. It is estimated that during the past 125 years approximately 500,000 worshippers have passed through the doors of the church.

I congratulate the Reverend Dale Deames and the congregation of the St. John's Lutheran Church in their celebration of this milestone in the church's rich history.

WARM WELCOME TO NEW U.S. CITIZENS

HON. TOM SAWYER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 26, 1988

Mr. SAWYER. Mr. Speaker, I rise today to extend a warm welcome to 27 residents of my district who recently took the oath of allegiance as U.S. citizens in Akron, OH.

Coming from Europe, Asia, South America, and the Middle East, they represent a true cross section of our world's people, cultures, and traditions. I would like to include their names in the RECORD so that my colleagues can join me in offering our congratulations to them on this special occasion.

LIST OF NEW CITIZENS WHO TOOK THE OATH OF ALLEGIANCE ON AUGUST 12 AT YWCA

1. Nancy and Thomas Fuller in behalf of Stephen Thomas Fuller, 877 Herefore Drive, Akron—Korea.
2. Paul Hai Wei in behalf of Shelly Hsin-I Wei, 1469 Alphada Ave., Akron 44310—Republic of China.
3. Nicholas John Boulter, 1755 Eastwood Ave., Akron 44305—England.
4. Milo Kuraica, 3354 S. Hametown Rd., Norton 44203—France.
5. George Istocki, 1275 Weathervane Lane, Akron 44313—Yugoslavia.
6. Tru Dien Huynh, 50 Spruce St., Down, Akron 44304—Vietnam.
7. Coy Allegos Valerio, 1930 Newton St., Akron 44305—Philippines.
8. Perry Allegos Valerio, 1930 Newton St. Akron 44305—Philippines.
9. Diana Valerio, 1930 Newton St., Akron 44305—Philippines.
10. Shao-Yun Wang, 3787 Valley Drive, Norton 44203—China.
11. Seng Vue, 820 Wall St., Akron 44310—Laos.
12. George Susman, 2803 Massillon Rd., Akron 44312—Romania.
13. Eugenia Susman, 2803 Massillon Rd., Akron 44312—Romania.
14. Robert Yingko Liang, 3305 Edington Rd., Akron 44313—Taiwan.
15. Robert Steven Moore, 454 Garnette Rd., Akron 44313—Scotland.
16. Farnaz Gholizadeh, 125 Brookrun Drive, Akron 44321—Iran.
17. Elias Raymond Choueiry, 473-C Zahn Drive, Akron 44313—Lebanon.
18. William McGucken, 115 Bennington Rd., Akron 44313—Ireland.
19. Shiaw-wei Ko Wang, 3234 W. Chase Circle, Stow 44224—Taiwan.
20. Am Chou Chan, 4222 Smoke Rise Drive, Stow 44224—Cambodia.
21. Sori Chai Chan, 4222 Smoke Rise Drive, Stow 44224—Cambodia.
22. Stephen Hok Ching Lee, 2178 Springfield Center Rd., Akron 44312—Hong Kong.
23. Lee John Sacre, 147 Myers Avenue, Akron 44305—Lebanon.
24. Estella Allen, 1872 Sixth St., Cuyahoga Falls 44221—Hong Kong.
25. Afshin Fatholahi, 927 Annapolis Ave., Akron 44310—Iran.
26. Marilou Redota Wallace, 695 Rainbow Drive, Akron 44320—Philippines.
27. Isabels Sardas-Trevorrow—Brazil.

WILLARDS PRIDE DAY: THE START OF A NEW TRADITION

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, September 26, 1988

Mr. DYSON. Mr. Speaker, I rise today to announce the start of a new tradition. On October 1, the town of Willards in the First District of Maryland will hold its first Willards Pride Day. I am hopeful that this will become an annual event and a model for other communities.

Willards Pride Day is a celebration in conjunction with the State of Maryland's initiative to take pride in local communities. In fact, the purpose of Willards Pride Day is just that—pride. As part of the event, there will be a town cleanup. All residents are encouraged to clean their yards and streets, allowing Willards' beauty to shine. All visitors then can see Willards in all her glory. Also, in keeping with the beautification theme, there will be a fundraiser to benefit the town park. A park is a central part of any community, and Willards is to be lauded for improving it. This sounds like something we could consider on a national scale!

Willards Pride Day will begin with a 5 kilometer and a 10 kilometer race. I have the honor of being the starter for those races and opening the festivities. Following this, we will be treated to little league soccer, an antique automobile show, fire trucks, and many more exhibits. Of course there will be wonderful food and country music. Willards Pride Day proves that civic pride can be fun.

Mr. Speaker, I am pleased to see the pride Willards is exhibiting with its celebration of Willards Pride Day. I wish them well, and hope that this event becomes a model for the rest of the State and all of America.

STATE TAX DISCRIMINATION AGAINST INTERSTATE TELECOMMUNICATIONS SERVICE PROPERTY

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, September 26, 1988

Mr. HUGHES. Mr. Speaker, in July 1987, I introduced a bill, H.R. 2953, designed to help eliminate discriminatory State property taxation of interstate natural gas pipeline companies. Since then, it has become clear that one other major interstate industry—the interstate telecommunications industry—deserves the same protection from discriminatory State property taxes. Accordingly, I am today introducing legislation, joined by Mr. MOORHEAD and Mr. STAGGERS, that would amend section 1341 of title 28, United States Code, to allow interstate telecommunications companies to seek relief in Federal courts from discriminatory state property taxes, in addition to current State remedies. The bill is in all respects identical to H.R. 2953, which now has bipartisan cosponsors and which has been favorably reported out of the Subcommittee on Monopolies and Commercial Law of the House Judiciary Committee.

In my remarks introducing H.R. 2953, I described how the discriminatory tax practices of some States are burdening customers residing in other States. Those remarks apply equally to the interstate telecommunications industry, whose property is also taxed by some States at proportionately higher levels than paid by commercial and industrial property owners. Those States are able to export the discriminatory taxes to consumers in other States through the Federal regulatory process, confident that any challenge to the legality of the taxes must stay within the State administrative and judicial systems, where it has been difficult if not impossible to gain relief. The unfair result is that long-distance telephone customers nationwide are paying higher rates because of the discriminatory tax policies of a few States. This bill would make State taxation of interstate telecommunications service property just, and would make the Federal courts a forum for relief.

Congress has already demonstrated its resolve to eliminate discriminatory State property taxes by passing legislation providing effective remedies for interstate railroads, motor carriers, and airlines. This bill, together with H.R. 2953, would merely extend Federal protection against discriminatory property taxes to the remaining affected major industries—telecommunications and natural gas pipelines—primarily involved in interstate activities. In so doing, it would remove a major burden on interstate commerce and on consumers now who pay the discriminatory tax burden imposed by other States.

COMMEMORATING LT. COL. CASPER TREPP

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 26, 1988

Mr. SCHUMER. Mr. Speaker, I would like to take this opportunity to honor and commemorate a hero of the Civil War, Lt. Col. Casper Trepp.

Colonel Trepp's story is a fascinating and very special one. Trepp immigrated to New York from Switzerland sometime in the mid-Nineteenth Century. During the Civil War he fought with the 1st Regiment of the U.S. Sharpshooters.

Colonel Trepp led the sharpshooters in the Peninsula Campaign in July 1862, the Battle of Fredericksburg in December 1862, and the Battle of Gettysburg in July 1863. He was killed in action during the Mine Run Campaign in November 1863.

Trepp was interred twice following his death before being buried at the Greenwood Cemetery in Brooklyn. However, there is currently no marker at the grave of the Civil War hero.

Through diligent research efforts, a number of New York residents, members of Colonel Trepp's former company which travels the East as a Civil War reenactment unit, found Colonel Trepp's grave. They have arranged for a ceremony with full military honors for Colonel Trepp at which a gravemarker will be placed at the grave.

This ceremony will take place on December 4, 1988, 125 years and 4 days following Colonel Trepp's death. I hope all of my colleagues will join me in commemorating this hero, and congratulating the members of Berdan's Sharpshooters, Company B, 1st Regiment of the U.S. Sharpshooters, whose hard work has made this long-awaited ceremony a reality.

MORRIS COUNTY CELEBRATES 250TH

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, September 26, 1988

Mr. GALLO. Mr. Speaker, on October 2, Morris County, NJ, celebrates its 250th anniversary with a gala gathering at the Mennen Arena that highlights our past accomplishments, our present successes and our hopes for the future.

As a former member of the Morris County Board of Chosen Freeholders, I share the deep sense of pride that has prompted so many talented individuals to cooperate in the planning and execution of this celebration.

In many ways, our history reflects our Morris County pride—a pride that has carried us through from a wilderness settlement to one of the leading corporate centers in the Nation.

Early settlers, including New Englanders who farmed the land and iron producers who later played a key role in the Revolution, had already established communities by 1738, when the county was organized and named for the State's Governor, Lewis Morris.

Farming and iron working were to be the cornerstones of Morris County's economy for nearly 150 years.

During the Revolution, Morris County played a key role, including providing a winter home for George Washington and his Army. At a critical time in the war, Morris County residents provided the Continental Army with valuable hours in the march to Yorktown by creating a phony encampment seen by the British from Staten Island.

A number of events are planned at the upcoming celebration that highlight our proud history as colonial Freedom Fighters.

As Morris County residents celebrated America's 50th year in 1826, the Morris Canal—the only canal at the time built totally with private funds—was well on its way to completion. Using the innovative engineering principle of inclined planes, the canal's design soon became state-of-the-art in America.

Twelve years later, as Morris County celebrated its centennial, another technological breakthrough was made when the telegraph machine was perfected at Speedwell Village and a new form of communication reached a critical point in its development.

By 1860, coal moved by rail and canal from the west and finished products were shipped eastward to the cities, making New Jersey the third largest iron producer in the United States at the time.

From the Civil War until World War II, Morris County retained its rural flavor and with its easy access to major cities by rail, it became a popular summer retreat for many people who escaped the city in places like Mt. Freedom and Madison.

Between 1940 and 1970, Morris County began its period of rapid growth, increasing in population by 59 percent during the first 30 years of the post-war period.

Today, we have a great deal of pride in the role that Morris County, NJ, continues to play in the growth and development of our country. As defenders of Freedom and preservers of the Union, we have shared the hopes and challenges of our Nation, in war and in peace.

As producers and designers, we have lent our expertise to many projects, building the great transportation systems and developing the communications systems of the 21 century; saving countless lives by producing the wonder drugs that fight disease and designing the technologies of the future.

I ask my colleagues to join with me in recognizing the people of Morris County, NJ, on the occasion of the county's 250th anniversary.

PRESIDENT'S SPEECH TO UNITED NATIONS

HON. JACK DAVIS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 26, 1988

Mr. DAVIS of Illinois. Mr. Speaker, I would like to take this opportunity to congratulate the President on a statement made today in his speech before the United Nations. In this speech, the President called for an international conference by the signatory countries of the Geneva protocol and other concerned states to discuss a multilateral mechanism for enforcing the ban of chemical weapons as stated in the Geneva protocol of 1925. Of these poisons, the President states, and I quote:

> Poison gas. Chemical warfare. Mr. Secretary General, distinguished delegates, the terror of it. The horror of it. We condemn it. The use of chemical weapons in the Iran-Iraq war—beyond its tragic human toll—jeopardizes moral and legal strictures that have held these weapons in place since World War I. Let this tragedy speak reaffirmation of the protocol outlawing the use of chemical weapons.

We have been recently confronted with the troubling acknowledgement that despite the ban of the use of chemical weapons by the Geneva protocol of 1925 and the convention of 1947, the use of poison gas has not stopped. The United Nations Security Council has documented proof that in at least three instances, in 1984, 1986, and 1987, Iraq used chemical weapons against its civilian population. More frightening is the fact that use by Iraq is not an isolated succession of incidents. The International Conference on Disarmament has recently documented 28 countries that have allegedly used chemical weapons between 1980 and 1988. The case of Iraq has allowed us to peek into a Pandora's box. Let us not allow the box to be opened, or its troubles will spill upon all nations.

The proliferation of chemical weapons use is particularly ominous because chemical weapons have become the militarily weaker nations' alternative to nuclear weapons. Chemical gases are so silent and so deadly that there is no fighting back. They are indiscriminate in their choice of the enemy. Beyond the moral indignity of the use of chemical weapons, these murderous gases offer a real threat to the national security of even those countries who consider themselves militarily secure. More than 20 nations are believed to be developing chemical weapons, among them Iraq, Syria, and Libya.

The case of Iraq has set an internationally recognized precedent for the use of chemical weapons since the signing of the Geneva protocol. It is exigent that we not let this precedent stand untouched. The recent sanctions against Iraq, sanctions which passed in the Senate and are now to be voted upon in suspensions in the House, are a step in the right direction. However, we must not fall into the trap of interpreting the transgressions of Iraq as a one-time error, with a one-time response by the United States. What is needed is internationally recognized general policy for enforcement of the ban on chemical weapons use. We must learn from past tragedies, lest they become foregone conclusions. As William Webster, Director of the CIA, said in a speech before the World Affairs Council on September 19:

> Perhaps the biggest question that we are considering is what Iran and Iraq—and the rest of the world—have learned from a war that involved the first sustained use of chemical weapons since World War I.

I stand with the President in condemnation of these tragic weapons; I laud him on his efforts at establishing an international symposium regarding chemical warfare; I encourage him to further any and all efforts at establishing a multilateral enforcement clause in response to the instigated use of chemical weapons.

PRICE DANIEL: A GREAT STATESMAN

HON. J.J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 26, 1988

Mr. PICKLE. Mr. Speaker, Price Daniel of Texas served his state as a member of the Texas Legislature, Speaker of the Texas House of Representatives, Attorney General of Texas, U.S. Senator, Governor of Texas, and as Associate Justice of the Texas Supreme Court. No other person in the history of the State of Texas has held so many important statewide elective offices. He served with great distinction in all three branches of government—legislative, executive, and judicial—and his record of achievement is unparalleled.

Price Daniel died of a stroke August 25 at his ranch in Liberty, TX at the age of 77. Our State deeply mourns his loss.

In 1940, Price Daniel married the former Jean Houston Baldwin, a great-great-granddaughter of the legendary Taxes leader, General Sam Houston. Together they served the State and the Nation with honor and distinction.

It was my privilege to be a member of Governor Daniel's staff on the Texas State Democratic Committee, and I was honored to work in his campaigns and to work with him on a day-to-day basis for 6 years. In this time, the depth of our friendship grew and my respect and love for him became unbonded. I speak from firsthand knowledge when I say that Price Daniel was truly one of the great men of our time. His loss is mourned not only in Texas, but in Washington, DC, and throughout the world.

My State honors Price Daniel for the many offices he held and his outstanding record of achievement, especially his successful effort to retain State control of 3 million acres of oil-rich offshore land and his leadership in constructing the State library and Archives building. Our history books will reflect his tireless and dedicated service to the State he loved—service in the finest sense, with never so much as a whisper of self-interest.

But I speak today more in a personal sense of one who has so often worked so closely with Price Daniel. I deeply admired his high sense of public service, his wit, his humor, and his charm. The public generally knew Price Daniel as "governor" or "senator" or "justice" but, while those titles are admirable and honorable, those of us who worked with him knew the true character of a simple man who loved his State and whose joy was in serving it.

Price Daniel was one of the most Christian gentlemen I have ever known. He was a devout Methodist and a graduate of Baylor University. He always put his God first and served his maker with dedication and with sincerity. Along with Senator Frank Carlson of Kansas, he founded the Congressional Prayer Breakfast, which has since grown enormously in both size and dedication.

Mrs. Pickle and I have been associated for many years as part of the family circle that loved Governor Daniel, Mrs. Daniel, and their family. And they were all part of our family. I know the same love and admiration we felt for them was shared by the citizens of my State.

Many recent articles on Governor Daniel's death indicate the depth of feeling of the loss of this unique and irreplaceable Texan. Mr. Speaker, I ask unanimous consent to include quotations from a few of my State's distinguished citizens for the RECORD.

> "[Price Daniel] didn't believe in titles. He believed in testimonials. His life was made up of shining testimonials. His family won't remember him for his titles. They'll remember him for his testimonials and sharing his love."—Rev. Jerry House, pastor of First United Methodist Church, Liberty, Texas, in his eulogy
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> "He was a great among Texans. He was a dear friend, a great public servant. He epitomized all that we strive for in public service."—U.S. Senator LLOYD BENTSEN of Texas
>
> "No man has done more for our state than Price Daniel. He will be remembered as a great patriot, a great American and, most of all, as a great Texan."
>
> "Governor Daniel helped shape so much of our history and, in doing so, ushered Texas into an era of greatness."—Texas governor William P. Clements
>
> "You could hear the footsteps of history as he walked there."—Former Texas governor Mark White
>
> "[Price Daniel] was one of our Texas heroes. No other Texan served with such distinction in all three branches of government. His accomplishments make us all humble."—Texas lieutenant governor William P. Hobby, Jr.
>
> "He made such a difference in so many ways that I think he stands apart from virtually any public official you could name. Everything that was important that happened in Texas politically and governmentally from the late '30s until at least the end of his gubernatorial term in '63, he was intimately involved in.
>
> "When we worked for him, we felt that we had to do as he did. He set a moral standard in the governor's office that everybody stood by. He was an outstanding teacher as governor. If you worked for him—and I had the privilege of working for him for seven years—you learned an awful lot. You may have worked yourself to death, but It was well worth it."—George Christian, former press aide and executive assistant to Governor Daniel

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THE HONORABLE MOU-SHIH DING, REPRESENTATIVE, COORDINATION COUNCIL FOR NORTH AMERICAN AFFAIRS

HON. TIM JOHNSON

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 26, 1988

Mr. JOHNSON of South Dakota. Mr. Speaker, the Republic of China's announcement of her Foreign Minister, Mou-Shih Ding, to succeed Dr. Frederick Chien as her Washington representative was greeted with enthusiasm and immediate approval by Washington, given Minister Ding's eminent experience and credentials.

Minister Ding was born in 1925 and educated at the Universite de Paris. He has spent most of his career in the foreign service, starting as a specialist in European affairs in the Ministry of Foreign Affairs (1958) and later Section Chief for African Affairs in the Department of West Asian Affairs and Director of the Department of African Affairs (1973). He also served in various posts abroad. He was Republic of China Ambassador to the Republic of Rwanda (1965), then Ambassador to the Republic of Zaire (1967), and Ambassador to the Republic of Korea (1979).

In addition, he served as First Secretary of the Republic of China Mission to the European Office of the United Nations (1962); he also served as advisor and alternate representative of the Republic of China delegation to the U.N. General Assembly (1964–70).

From 1975 through 1979, he was Director-General of Republic of China's Government Information Office, while concurrently serving as Director of the Department of Cultural Affairs of the Central Committee of the Kuomintang.

Minister Ding is no stranger to many United States dignitaries who have visited Taiwan. In his capacity as Republic of China Administrative Vice Minister for Foreign Affairs (1979) and Political Vice Minister (1983), he often hosted diplomatic functions and was able spokesman for Republic of China's foreign policies. In his role as Foreign Minister (1987–88), he helped shape the present Republic of China policy of political democratization and economic liberalization.

As Taipei's Washington representative, Ding will continue to articulate Republic of China positions on matters vital to sustaining a vibrant and expanding relationship between the Republic of China and the United States, while at the same time he will help his Government and his countrymen understand United States views on related political and trade issues.

Representative Ding will have a challenging job in Washington. But, with the assistance of his charming wife, the former Shih Mei-chang, he will certainly meet and exceed the expectations of both Taipei and Washington.

NATIONAL HUMANITIES WEEK

HON. SIDNEY R. YATES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 26, 1988

Mr. YATES. Mr. Speaker, today I am introducing a resolution to designate a week in December as National Humanities Week.

The purpose of this resolution is to show our appreciation for the vital role that the humanities play in our society. By calling the public's attention to the varied, practical and necessary contributions of the humanities, National Humanities Week will contribute to public and private efforts to maintain and strengthen educational standards and promote the diverse heritage that brings us together as a nation.

I hope all Members will join me in cosponsoring this resolution and I ask that the text be printed at this point in the RECORD.

NATIONAL HUMANITIES WEEK

Whereas the study of the humanities increases the understanding of the great traditions of civilization and of the intellectual heritage of mankind;

Whereas our identity as a people and as a Nation is expressed through the humanities;

Whereas the humanities help us plub the reflections of the elderly, break down the barriers of isolation, allow us to talk to each other across differences of race, gender or family experience;

Whereas the humanities help communities inventory their bonds of history and place, console in sorrow and, no less important in American life, give us delight, wonder, laughter;

Whereas the state humanities councils bring the general public and the scholar together in conversation and discovery for their mutual benefit;

Whereas support of the humanities has been a partnership of federal, State and local government entities, universities, colleges, businesses, teachers, scholars and individuals;

Whereas designating a National Humanities Week provides a focal point to celebrate the diverse heritage of the United States;

Whereas designating a National Humanities Week brings together the public and private sectors to restate support of the humanities: Now, therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the period designated as "National Humanities Week, and the President is authorized and requested to issue a proclamation calling upon citizens of the United States to observe such period with appropriate programs and activities.

H.R. 4208, SENATE CONSIDERATION URGED

HON. JOE BARTON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 26, 1988

Mr. BARTON of Texas. Mr. Speaker, I rise today to urge my colleagues in the Senate Commerce Committee to consider H.R. 4208 prior to the conclusion of the 100th Congress as passed out of the House on June 28, 1988. This important piece of legislation, which will authorize appropriations to carry out title III of the Marine Protection, Research, and Sanctuaries Act of 1972 during fiscal years 1989, 1990, 1991, and 1992, will assist in designating the Flower Garden Coral Reefs in the Galveston, TX, area as a national marine sanctuary. The natural resources of this country deserve preservation, and as this legislation works toward this goal, I urge my colleagues in the other body to do the same.

ROSA PARKS' RETIREMENT

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 26, 1988

Mr. OWENS of New York. Mr. Speaker, I rise to honor Rosa Parks, a veteran civil rights activist, who will retire this month from her position on Congressman JOHN CONYERS' District Office staff in Detroit after 23 years of service. This tireless and dedicated civil rights worker may be leaving her post, but not the struggle. For the reason she is leaving is to devote her full attention to the Rosa and Raymond Parks Institute for Self-Development. The institute, which Mrs. Parks founded in February of last year, was established in order to encourage youth to strive to achieve their goals, to motivate them, and to instill in them the qualities of determination and self-confidence.

Mrs. Parks has been called "The Mother of the Civil Rights Movement," an apt description. Her refusal to give up her seat on a Montgomery, AL public bus to a white man in December 1955 was the opening salvo of the civil rights movement. That simple act of quiet dignity and pride launched the 13-month bus boycott by black Montgomery residents, and eventually led to a Supreme Court decision integrating the busline. Subsequently, the integration of all public accommodations, including interstate bus and rail transportation, became the law of the land. The Montgomery bus boycott was also responsible for catapulting Dr. Martin Luther King, Jr., onto the world stage, as the young black minister got his start as a major civil rights leader when he organized and led the Montgomery bus boycott.

Mrs. Parks' civil rights involvement began long before the boycott. In the 1930's, this Tuskegee, AL native and her husband Raymond, a barber who was active in various civil rights campaigns, worked on the notorious case of the Scottsboro Boys, and nine Alabama black men wrongfully accused of assaulting a white woman.

Rosa and Raymond Parks were also active in the NAACP, the National Association for the Advancement of Colored People. Mrs. Parks served as secretary and youth leader in the Montgomery, AL, chapter.

Throughout her life, Mrs. Parks has traveled and spoken to gatherings around the country, in an effort to keep alive the dreams she and Dr. King shared of peace, justice, and freedom for all people. When she speaks to young audiences, she is always careful to stress the fact that "the struggle continues," despite the many gains that black Americans have made as a result of the civil rights movement.

In short, Mr. Speaker, retire is not exactly what Mrs. Parks will do when she leaves her position in Congressman CONYER'S District Office. Although she is 75, an age when most senior citizens have long since stopped working, Mrs. Parks is living out a line in a song by the Washington, DC, based black women's singing group, Sweet Honey in the Rock: "We who believe in freedom cannot rest until it comes." Her life is an example and an inspiration to all civil rights workers, past, present and future, who understand that the struggle continues.

IN MEMORY OF DR. RICHARD LEWIS

HON. JACK DAVIS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 26, 1988

Mr. DAVIS of Illinois. Mr. Speaker, I would like to take a moment to mark the recent loss of Dr. Richard Lewis of Argonne National Laboratory in Illinois. Dr. Lewis was an outstanding scientist, a brilliant research manager, and a superb program innovator whose work was vital in both the scientific and defense communities of the United States.

At the time of his death, Dr. Lewis was the president of the Illinois Defense Technology Association, director of the Argonne National Laboratory Strategic Defense Initiative Program office, and the director of Argonne National Laboratory's Engineering Division. Prior to assuming these duties, he presided over several research and development programs at Argonne. In the mid-1970's, at the request of the Secretary of State, he served in the State Department as a technical adviser in the areas of nonproliferation and nuclear research reactors.

In addition to his scientific and managerial success, Dick Lewis was an accomplished aviator, with over 2,000 hours of flight experience and a special love for sport aerobatics. In 1987, he became the U.S. National Aerobatic champion in the sportsman class. Having recently won the Illinois State Aerobatic championship in the intermediate class, he was training for the U.S. national competition at the time of his death.

I have only touched on some of the achievements of Dick Lewis' life. In my own experiences working closely with him both here in Washington and in Illinois, I have come to regard Dick Lewis with the highest respect. As I am sure is the case with his coworkers and associates, I will miss him.

VOTE EXPLANATION

HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 26, 1988

Mr. FAWELL. Mr. Speaker, I unfortunately missed two votes on Friday, September 23, because I had to return to my congressional district. Had I been present, I would have voted "yea" on rollcalls numbered 343 and 344.

COMPREHENSIVE CURBSIDE RECYCLING

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 26, 1988

Mr. WELDON. Mr. Speaker, all of us are becoming increasingly concerned about the quality of our environment and the absolute necessity of taking positive action to preserve and protect it. Many of us have read with concern the disquieting studies and media reports concerning the solid waste crisis—landfills are being closed, more and more waste products are being generated, et cetera. One leading trade association, the Glass Packaging Institute, has taken a positive step forward in the fight against solid waste. The institute has prepared a detailed, yet useful guide to determine costs associated with operating a comprehensive multimaterial curbside recycling program. The guide addresses recycling glass, aluminum, newspapers, and yard wastes. Although the guide cannot provide a national standard to assessing recycling program costs, it should help facilitate discussion of key economic issues in curbside collection programs. It will be an extremely useful tool for local governments, civic interest groups, recycling concerns, and others as well. A limited number of free copies of the Comprehensive Curbside Recycling Guide are available by writing to the Glass Packaging Institute, 1801 K Street NW., Suite 1105-L, Washington, DC 20006.

NEW CATASTROPHIC CARE COVERAGE

HON. MARILYN LLOYD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, September 26, 1988

Mrs. LLOYD. Mr. Speaker, like most Members, I spent the recent district work period back home with the folks in my congressional district. This interlude from legislative pressures gave me the opportunity to hold town hall meetings throughout the Third District of Tennessee, and to otherwise mingle with the people whose interests I am proud to represent here in the Congress.

Today, I am prepared to respond to the concerns of many retirees in my district who feel that the U.S. Government, through the Medicare Catastrophic Coverage Act of 1988, has literally taken them to the cleaners—first of all, by robbing them of a benefit that they earned from their employers; and, second, by forcing them to pay a relatively high price for coverage that in many cases is less comprehensive than the employer-provided insurance they are now receiving at little if any cost to them. There is no question but that these retirees as a whole will be paying more for less under the Medicare Catastrophic Coverage Act of 1988.

The provision of the law which requires employers to provide retirees with additional benefits or a cash refund equal to the actuarial value of benefits duplicated by Public Law 100-360 is limited to 1 year following enactment or until the expiration of an existing collective bargaining agreement. Because of its limited nature, the provision does not adequately compensate retirees for the loss of employer provided health insurance.

Then there are those who have purchased Medigap insurance policies from private companies. Their premiums are based on risk—not on personal income or income tax liability as they are under the Medicare Catastrophic Coverage Act of 1988. Obviously, there are many retirees in this group who will also be paying more for less under the new Medicare law. They too are upset, and justifiably so. Their freedom of choice has also been taken away by the Medicare Catastrophic Coverage Act of 1988.

The U.S. Senate, in its version of the catastrophic care bill, had the right approach. It would have made participation in the new catastrophic care program voluntary. Unfortunately, this principle was sacrificed in negotiations to resolve differences between the House and Senate versions of the bill. In my opinion, it should be restored, and it is toward that end that I am introducing a bill today to amend title XVIII of the Social Security Act and the Internal Revenue Code of 1986 to limit application of the benefits and premiums of the Medicare Catastrophic Coverage Act of 1988 to those voluntarily enrolled in part B of the Medicare Program.

I strongly believe that retirees should have the right to decide for themselves whether or not they want the new catastrophic care coverage, and I hope that others here who agree, will join me in cosponsoring this legislative initiative.

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. LIMITING MEDICARE CATASTROPHIC BENEFITS AND PREMIUMS TO MEDICARE PART B ENROLLEES.

(a) MEDICARE PART A BENEFITS.—Part A of title XVIII of the Social Security Act is amended by inserting before section 1811 the following new section:

"LIMITING APPLICATION OF AMENDMENTS MADE BY MEDICARE CATASTROPHIC COVERAGE ACT OF 1988 TO PART B ENROLLEES

"SEC. 1810. Notwithstanding any other provision of this part, the amendments made to this part by the Medicare Catastrophic Coverage Act of 1988 shall not apply to any individual for services provided in any month unless the individual is enrolled under part B for that month.".

(b) LIMITING APPLICATION OF SUPPLEMENTAL MEDICARE PREMIUM TO MEDICARE PART B ENROLLEES.—Section 59B(f) of the Internal Revenue Code of 1986, as added by section 111(a) of the Medicare Catatrophic Coverage Act of 1988, is amended—

(1) by striking "medicare-eligible individual" each place it appears and inserting "medicare-enrolled individual";

(2) by amending paragraph (1) of subsection (f) to read as follows:

"(1) MEDICARE-ELIGIBLE INDIVIDUAL.—The term 'medicare-enrolled individual' means, with respect to any month, any individual who is entitled to benefits under part A and part B of title XVIII of the Social Security Act for such month."; and

(3) by striking paragraph (5) of subsection (f), and by redesignating paragraphs (6) through (8) of such subsection as paragraphs (5) through (7), respectively.

(c) ADJUSTMENT OF PREMIUMS.—Notwithstanding any other provision of law, if the Secretary of the Treasury, in consultation with the Secretary of Health and Human Services determines for a year that, solely due to the amendments made by this Act—

(1) the revenues generated by the catastrophic coverage premium rates established under section 59B of the Internal Revenue Code of 1986 and the catastrophic coverage monthly premiums established under section 1839(g) of the Social Security Act will be insufficient to pay for additional benefits (other than for covered outpatient drugs) provided under title XVIII of the Social Security Act pursuant to the amendments made by the Medicare Catastrophic Coverage Act of 1988, or

(2) the revenues generated by the prescription drug premium rates established under section 59B of the Internal Revenue Code of 1986 and the prescription drug monthly premiums established under section 1839(g) of the Social Security Act will be insufficient to pay for covered outpatient drugs under title XVIII of the Social Security Act, pursuant to the amendments made by the Medicare Catastrophic Coverage Act of 1988.

the Secretary shall provide for such proportional adjustment in such rates and monthly premiums with respect to that year as may be necessary to remove any such shortfall.

(d) EFFECTIVE DATES.—

(1) The amendment made by subsection (a) shall take effect on January 1, 1989.

(2) The amendment made by subsection (b) shall apply to taxable years beginning after December 31, 1988.

(3) Subsection (c) shall take effect on the date of the enactment of this Act.

STOP THE INHUMANE ACTIONS OF THE INS

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 26, 1988

Mr. DORGAN of North Dakota. Mr. Speaker, a few weeks ago I read a story in the Washington Post that really disturbed me. The story was about a Salvadoran woman, with three young children, who was detained and sent to jail. The woman was nursing a 6-week-old infant who was suffering from a fever and an infection. The woman was detained when she went into the local immigration office for what she thought would be a routine interview. Authorities were simply going to deport her on the next plane back to El Salvador.

This tragic episode took place in what is supposed to be the most humanitarian country in the world, the United States. It upsets me that our immigration service treats individuals who are seeking refuge in our country to escape oppression and violation of their human rights in such an insensitive way. This woman is of no threat to society. She had maintained the same residence for 2 years. She had three dependent children, one of which she was nursing. Yet the INS arrested her and separated her from her children.

This kind of inhumane treatment of individuals who are seeking refuge in our country should not happen. Today I am introducing legislation that will prohibit the INS from detaining a woman who is of no threat to society and who has dependent children under 2 years old. It is my hope that this legislation will contribute to the debate of how our country treats human beings, citizens, or refugees seeking protection and freedom.

The legislation I am introducing today is intended only to ensure that we treat people, regardless of their citizenship status, in a decent manner that is due all human beings.

UNICOR

HON. HOWARD COBLE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 26, 1988

Mr. COBLE. Mr. Speaker, today I have introduced a bill in the House which will correct a serious flaw currently existing in the law, and will bring much needed reform to a statutorily created corporation known as Federal Prison Industries, Inc., or UNICOR.

UNICOR was created in order to provide a meaningful activity for prisoners—to instill a work ethic which would carry over into public life, and to provide necessary job skills. We all agree that these are laudable goals. However, as happens all too often, the intended positive effects of a given policy are dwarfed by their unintended negative impacts.

UNICOR has grown into a $316 million a year industry, with a net worth of $160 million, 11,000 workers and 72 manufacturing facilities around the country. Its products include what UNICOR mentions in one of its advertisements: "We make the chairs and desks you use every day. In addition, we manufacture a wide array of products from parachutes to paintbrushes, from printed circuits to gloves. We're even into data processing, printing, drafting and more." Its expansion in recent years has been dramatic, with employment growing by 150 percent from 1980 to 1987—due to factors other than an increase in the prison population.

Any one of our constituents manufacturing any product that competes directly with UNICOR's products could only dream of the circumstances under which our Federal prison system has built a thriving industrial enterprise. Advantage No. 1: For any Federal contract open to the private sector, UNICOR's products are granted a unilateral right of first refusal. Advantage No. 2: UNICOR has been granted an exemption from General Services Administration [GSA] quality standards—standards which must be met by private sector products sold to the Federal Government. Advantage No. 3: UNICOR has at its disposal a virtually unlimited supply of significantly undervalued, low wage labor for its manufacturing operations—and need not worry about a very high turnover rate, minimum wage, parental leave or the like.

These advantages translate into major problems for the industries in competition with Federal Prison Industries. The phenomenal growth rate exhibited by Federal Prisons Industries in recent years is proof positive that these advantages are real and effective.

Now, we all realize that the laudable social goals of Federal Prison Industries are worthwile. But we cannot sacrifice jobs for honest, law-abiding citizens in the private sector in order to expand jobs in our prison systems. That is akin to cutting off our nose to spite our face.

This bill provides a middle ground. It would allow UNICOR to continue its production, reaching for those social goals I mentioned previously. However, it would eliminate at least two of the most egregious advantages under which UNICOR threatens private sector jobs. Federal agencies would be allowed, but not compelled, to purchase the Federal Prison Industries' products. Additionally, those products would have to meet the same GSA quality standards applied to products manufactured by law-abiding citizens in the private sector.

In rejecting the Federal Prison Industries request for borrowing authority, one could reasonably conclude that many Members of the House understood UNICOR's unfair advantages and the danger of further accelerating its rate of growth under current conditions. Competition from imports is bad enough without unfair competition from our own Government. However, just saying "no" to UNICOR's request is insufficient to prevent UNICOR's expansion on an unfair basis in the future. This bill simply provides that our law-abiding constituents will be competing with Federal prisoners on a more equitable basis.

TRIBUTE TO DR. WILLIAM RYAN

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, September 26, 1988

Mr. SMITH of New Jersey. Mr. Speaker, it is my pleasure to call to the attention of my colleagues a personal friend and a highly respected physician, Dr. William Ryan. This Wednesday, family and friends will gather to pay tribute to Dr. Ryan to show their appreciation and admiration for an exemplary citizen and an outstanding physician.

As a leader in the medical field, Dr. Ryan has been active in various professional organizations—he has served on the board of directors of the Alumni Association of the Mayo Clinic and the New Jersey Rheumatism Association. He also has served as a delegate to the New Jersey State House of Delegates and as liaison to the Medical Assistance Advisory Council for the Medical Society of New Jersey—a society which Dr. Ryan has represented tirelessly throughout his career.

The American Board on Internal Medicine and Geriatrics has recognized Dr. Ryan for his advanced achievement in internal medicine and has listed him in the directory of Medical Specialists and Certified Internists. Additionally, Dr. Ryan has been certified by the board as a diplomat in geriatric medicine—a very pertinent and honorable achievement.

Mr. Speaker, Dr. Ryan's strengths lie not only in his work. He is an admirable individual who is highly regarded by all who come in contact with him. He has devoted much of his time to local causes and rarely passes up an opportunity to lend a helping hand. I admire his unwavering commitment to his profession and community and I am grateful for his friendship.

NEW YORK TIMES REPORTS BREAKTHROUGH IN SUPERCONDUCTIVITY THEORY

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 26, 1988

Mr. RITTER. Mr. Speaker, a dramatic article on the front page of today's New York Times announces a breakthrough comprehensive theory in high-temperature superconductivity, probably the most exciting, most potentially life changing scientific breakthrough of the past decade, and perhaps more.

A team of scientists from the California Institute of Technology has explained the revolutionary phenomenon, akin to perpetual motion of electricity without resistance, that takes place in the new copper oxide materials. With this property, a current flowing in a loop of superconducting wire would flow forever. That's exciting—and it's front page news.

Research into superconductivity began in 1911, but until 1986, scientists were unable to find a superconducting material with a critical temperature—temperature at which the material becomes superconducting—higher than the 23 degrees Kelvin of niobium-tin. That required cooling by expensive liquid helium. Since 1986, when Drs. Alex Muller and Georg Bednorz of IBM, and Dr. Paul Chu of the University of Houston discovered that certain copper oxides are superconducting at temperatures up to 95 degrees Kelvin, scientists have hoped that materials which were superconducting at room temperature would soon follow.

The compounds discovered to date may be cooled by cheaper liquid hydrogen, which opens the door to a wide variety of applications. More dramatic advances are possible, as scientists tinker with copper oxide compounds in their laboratories.

Until today, scientists did not know why these ceramic materials are superconducting. The Caltech report will change all that. It explains the phenomenon of superconductivity in terms of a "checkerboard" pattern of copper and oxygen atoms. It predicts an exciting future: Copper oxide compounds will be superconducting all the way up to 55 degrees below zero Fahrenheit, at which point something as readily available as dry ice could be used to cool the material.

The possible applications are exciting. Materials that are superconducting at room temperature appear to be out of reach, so the wild predictions of uses in everyday appliances may be too futuristic. But superconductors cooled by dry ice could form the backbone of magnetically levitated trains, floating on a cushion of magnetic field provided by superconducting magnets, and reaching speeds of up to 320 mph. Superconducting power transmission could help the United States save billions of dollars in transmitting electricity.

Small-scale applications are also promising. The $100,000 annual operating cost of a nuclear magnetic resonance imaging machine—a medical diagnostic tool—could be cut by as much as 30 percent by using dry ice-cooled superconductors. Another possibility is the creation of the world's fastest computer. Other potential applications are in measurement devices and sensors.

It hasn't been easy for Congress to promote these dramatic advances. The competition for preeminence in high-temperature superconductivity is fierce. Our global competitors, notably the Japanese, understand that the world market for superconductors is in the billions of dollars, and they are already poised to leap ahead of us. Given all this, we've begun to create a new, collaborative way of promoting superconductivity through a governmental R&D policy that institute a "Team America" approach.

The bill which I introduced in 1987, H.R. 3024, was the first attempt to create just such a new effort—to focus on developing superconducting materials which American industry could then process and manufacture. H.R. 3048, a compromise between my bill and that of Representative DAVE MCCURDY of Oklahoma, passed the House last week.

It's been a long time since DAVE MCCURDY and I introduced our separate bills on superconductivity. I'm grateful to have worked with my colleagues on the Science, Space, and Technology Committee on H.R. 3048, a good bill which begins to coordinate our efforts in superconductivity at the agencies which are undertaking groundbreaking research. Now that the phenomenon of superconductivity has been explained, the race to discover and commercialize new materials will be even tougher and swifter. I hope that our efforts in this Congress will assist us in winning that race.

[From the New York Times, Sept. 26, 1988]

THEORY IS UNVEILED ON BREAKING BARRIER OF ELECTRICITY RESISTANCE

(By Malcolm W. Browne)

LOS ANGELES, Sept. 25.—A team of scientists from the California Institute of Technology announced today that they had developed a long-sought comprehensive theory explaining key aspects of superconductivity, the phenomenon in which certain materials are able to conduct electricity without resistance.

The theory appears to rule out the possibility that currently known superconductors could ever be made to work at room temperature, a requirement for many of the technological marvels envisioned when researchers recently discovered the new class of materials that are superconductors at higher temperatures than previously seen.

HOPE FOR BETTER MATERIALS

But the Caltech scientists predicted that their theory, based on complex calculations involving the quantum mechanics of bonds between atoms, would eventually guide experimenters to the development of materials that would become superconductive at about 55 degrees below zero Fahrenheit, warmer than dry ice and far warmer than the temperature of 243 degrees below zero required by the best existing materials.

VISIONS OF LEVITATED TRAINS

An outline of the theory was presented at the annual meeting in Los Angeles of the American Chemical Society by Dr. William A. Goddard 3d, a professor of chemistry and applied physics at Caltech, and three of his graduate students, Guanhua Chen, Yuejin Guo and Jean-Marc Langlois.

Superconductivity has already been exploited in many scientific instruments, astronomical sensors and such clinical diagnostic techniques as nuclear magnetic resonance, which is used to view the brain and other previously inaccessible parts of the human body.

But the theory presented today may disappoint engineers and others who hoped recent advances would lead to trains levitated and propelled by superconducting magnets or to power lines in which current flows without loss.

Superconductivity was discovered in 1911 when it was found that certain metals completely lost their resistance to electricity when chilled by liquid helium to a temperature only a few degrees above absolute zero, the point at which all molecular motion stops. That is about 459 degrees below zero Fahrenheit.

In the past few years, experimenters have hit upon a dozen or so compounds that become superconductive at higher temperatures. But despite these laboratory successes, theorists have been unable to explain the phenomenon or to offer guidance for future experiments. Caltech's theory may for the first time fill this gap, its authors say.

Dr. Goddard said in an interview that the new Caltech "magnon-pairing mechanism" theory calculates superconducting temperatures for compounds containing copper oxide, a component of all the new superconductors. These theoretical calculations closely match the results of actual experiments, he said.

NEED FOR GENERAL THEORY

Dr. Paul C. W. Chu of the University of Houston, a leader in the field, said in a telephone interview that although he had not yet had an opportunity to study the new theory, "if it can really predict the conditions of superconductivity, it is very important." A satisfactory theory of superconductivity must be as general, simple and predictive as possible, he said, "and since the Caltech theory is described as one single equation, it sounds simple enough to meet my criteria."

The Caltech group expects experimenters to test its theory in various ways. Dr. Goddard suggested that one approach would be to squeeze certain superconductors from different directions * * * The theory predicts that some variant of a copper oxide compound could one day be discovered that would become superconductive at a temperature as high as 54.7 degrees below zero Fahrenheit, he said.

USES IN MOTORS AND COMPUTERS

This temperature is well above the temperature of the dry ice (frozen carbon dioxide) often used to refrigerate ice cream and certain drugs, 108 degrees below zero Fahrenheit. A superconductor that could be chilled by something as readily available as dry ice would find many applications in devices used to operate motors and computers and to measure very weak magnetic fields and faint infrared radiation.

But, while cheaper to operate than a superconductor requiring liquid helium or liquid nitrogen, it would still be much more expensive than a room-temperature superconductor requiring no refrigeration at all. For very large-scale applications of superconductivity, such as power lines, power storage facilities and superconductive magnetically levitated trains, any need for refrigeration might be prohibitively expensive.

But Dr. Goddard offered hope that new systems of superconductors, some possibly based on copper sulfide rather than copper oxide, may be permitted by his theory. Their transition temperatures or temperatures below which they become superconductors could be much higher than those of any compounds now known.

BASIS OF THEORY

The theory Dr. Goddard's group has developed is based on the fact that copper and oxygen atoms in the new superconductors are arrayed in a checkerboard pattern, linked into a grid by electrons. Very complex quantum mechanical calculations using supercomputers permitted the group to analyze the electronic bonds that link the atoms.

Current high-temperature superconductors are all based on stacked grids of copper and oxygen atoms, which are interspersed like the red and black squares of a checkerboard. A few of the atoms in such a grid must be replaced by atoms of other elements that disturb the regularity of the pattern.

As Dr. Goddard explained it, the copper atoms in the grid behave like little magnets with north and south poles. Ordinarily, the oxygen atoms in the grid are not magnetic. Two magnetic copper atoms separated by one nonmagnetic oxygen atom tend to orient themselves in opposite directions.

But when a checkerboard grid of copper and oxygen atoms becomes superconducting, he said, a few of the oxygen atoms temporarily lose one of their two bonding electrons, and when this happens, the oxygen atoms themselves become magnetic. A magnetic oxygen atom situated in a grid between two magnetic copper atoms causes the adjacent copper atoms to line up with each other as well as with the oxygen.

This creates a microscopic pocket called a "hole," in which any nearby electron will almost instantly jump. When the electron fills the "hole," however, it creates another hole in the space it vacated, and this in turn must be filled by another electron. In a superconductive state, this process continues indefinitely, with the oxygen atoms acting as carriers of the hole, and hence also of a current of electrons.

"Before superconductivity is established", Dr. Goddard said, "the copper-oxygen grid is like a checkerboard that is fully occupied by the players' pieces. It is gridlocked, and no piece can move. But once a hole is created, another piece may be moved into the hole, and the process repeats itself indefinitely."

Dr. Goddard and his colleagues published two papers in the journal Science last February describing their preliminary calculations, but today's report greatly extended the applicability of the theory and presents a unifying equation.

"It explains all the high-temperature superconductors now known to science, including the latest ones incorporating thallium," he said.

DISCOVERIES IN 1970'S

Research on superconductivity was a relatively arcane field of study until the 1970's, when scientists found hints that a few compounds prepared under special conditions could become superconductive at temperatures far above absolute zero. One of the scientists was Dr. Chu, who showed that certain compounds of copper could sometimes lose much of their electrical resistance at temperatures substantially above the absolute zero.

FIFTIETH WEDDING ANNIVERSARY OF JOHN AND IRENE ALLARD

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 26, 1988

Mr. TORRES. Mr. Speaker, I rise today to ask that my colleagues in the House of Representatives join me in paying tribute to two noteworthy Americans, John and Irene Allard on the occasion of their fiftieth wedding anniversary.

A TRIBUTE TO JOHN AND IRENE ALLARD AS RECOUNTED BY MARGIE ALLARD-NORTON

John Francis Allard was born in November, 1913, to Ollie and Chan Allard on a farm near Soldier, Kansas. After graduating from high school, John taught school for three years. He then enrolled at Ottawa University in Ottawa, Kansas on a basketball scholarship. Like many others, Ollie and Chan worked hard but were unsuccessful in keeping their farm during the Great Depression, and John was needed to support his family. After one year at the University, he left to look for work in California. His parents and two younger brothers would follow shortly.

During his Kansas years, John had met and courted Irene Amelia Conner, who was born in 1915 in Bancroft, Kansas to Alma and Clarence Conner. John's father had been a teacher of Irene's mother leading to a friendship between the two families. After high school Irene graduated from business school in Lawrence, Kansas. The training she received there would be invaluable to John in the future. At the time, it won her a coveted position with the State of Kansas as a secretary in the Capitol Building in Topeka.

John went to work at Chrysler in September of 1936. While he was grateful for the opportunity to make a living, he witnessed first-hand the injustices to which employees were vulnerable, especially when jobs were scarce. On the other hand, he enjoyed great camaraderie with his fellow auto workers. When the old timers in the Industry who came through from Detroit started talking about a Union to improve the conditions in the plant, John realized quickly the potential if a group of individuals united for a common purpose. John joined the United Auto Workers Local 230 in March of 1937.

Having thus established himself in California, John sent for Irene. Responding to John's marriage proposal, Irene took a train from Kansas to California and they were wed on October 11, 1938. That marriage was to be blessed with three fine children: Larry, Judy and Mark.

John was first elected to Union office as Secretary of the UAW Local 230 in 1939. He depended heavily on Irene and her secretarial skills in carrying out his duties.

When the United States entered World War II, there was a tremendous shift of manpower to war production from auto and other industries. In 1942, John was appointed to the Staff of the International Union to help get war work into the auto plants and to secure employment for displaced auto workers whose skills were needed in aircraft and ship production. As auto plants on the West Coast began building tanks, Army trucks, and aircraft sub-assemblies, the men who built them bonded together in new unions. John was instrumental in organizing and servicing Ryan Local 506, North American Local 887, and Douglas Local 148.

The Federal Government under President Roosevelt created the War Manpower Commission and the Southern California Aircraft Committee of the War Labor Board. Their function was to set policy on manpower utilization, wages, and contract provisions in the field of collective bargaining. John served with distinction on both those committees. A major accomplishment of the War Labor Board was the adoption of "maintenance of membership" into collective bargaining agreements in the aircraft industry.

In 1942, John was awarded a special scholarship for labor courses at Yale University under the direction of Professor E. Wight Bakke. In Janaury of 1943, John, Irene and two year old, Larry boarded a train for New Haven, Connecticut. That trip was characterized by wartime hardships. Seats were scarce on a train that was packed with soldiers. New Haven greeted the Allard Family with winter cold, a widespread blackout, and a housing shortage.

The course work at Yale was very concentrated. Irene played a critical role in John's education there. He would dictate his ideas to Irene and she would compose them into final form. John estimates that he was able to accomplish twice as much with her assistance as he would have on his own. The training he received provided the foundation for his long, successful career in the UAW.

In 1944, John ran for Regional Director of the UAW's Region Six. After losing a very close election, he returned to Chrysler and UAW Local 230. Early in 1945, John was drafted into the Army where he served until discharged in 1946. At home, Irene cared for their two children and kept roomers to supplement John's Army pay.

After the war, John returned to the Chrysler plant and served as President of the Local Union for four years. He guided the Local Union through the bitter strike in 1950 and represented Local 230 on the National Negotiating Committee in 1948 and 1950.

Returning to the Staff of the International Union, John served as Coordinator in the National Aircraft Department from 1950 to 1955. He led national negotiations in all three major West Coast aircraft companies: Douglas, North American and Ryan. Two major challenges during those years were strikes at Douglas and North American.

From 1955 to 1958, John worked in the Technical Office and Professional Department of the UAW, organizing office and technical workers in the aircraft companies. In the years from 1958 to 1967, John was Organizing Coordinator for the UAW on the West Coast. At that time several promising young men were brought under John's tutelage at the International with the objective of developing a strong leadership cadre to bring in new workers during those difficult times. One of those men was Esteban E. Torres, now a member of Congress from the 34th district of California. Another was Bruce Lee, currently the West Coast Regional Director of the UAW. With John's leadership many plants were brought under the UAW banner. In 1966 alone, John and his crew led the International Union in organizing with over 6600 workers joining the UAW ranks in Region Six through new plant organization.

John transferred to the Servicing Staff in 1967 and began servicing his own Local 230 as well as Ryan Local 506 in San Diego. His responsibilities required that he live in San Diego during the week and commute home to Bell on the weekends. Irene assumed many of his duties at home while she cared for their children which, by that time, numbered three.

Irene and John had long been active in their local Baptist Church and Irene has especially devoted much time to church work. She was an active member in the Women's Missionary Society. Her community activities included membership in the PTA, and service as a den mother for the Cub Scouts.

In 1967, John transferred to the Retired Workers Department where he worked for the International Union until his own retirement at the age of 60 in 1974. While in that department, he helped organize and service the UAW Retiree Councils in Phoenix and Tucson as well as organizing and servicing UAW retired members affiliated with Local Unions in Region Six.

After retirement, John returned to work as a volunteer under special assignment by UAW President Leonard Woodcock in the UAW-NEPA Organizing Drive for Convair Engineers. He was also elected as UAW Region Six Representative on the Advisory Council of the International UAW Retired Workers, a position he held until 1978. During those years he served as Regional Board Member of the National Council of Senior Citizens; Organizer and Founding

Chairman of the California Congress of Senior Citizens; Board Member of the Affiliated Committees on Aging in Los Angeles County; Board Member of the Los Angeles County Department on Affairs of the aging; two-term President of the Five Cities Committee on Aging; and Secretary for UAW Local 230 Retirees.

In 1978, at age 65, John resigned all positions in the field of aging except in his local Union Retirees Chapter and the Five Cities Committee on Aging. This allowed him to spend more time with his family and gave John and Irene a chance to see other parts of the world. Of particular interest to them were the conditions in rural Haiti, where they visited the Seminary and observed the mission work being done by the American Baptist Church.

In 1979, John was selected to spend two weeks in the Soviet Union as a guest of the Auto Union in the Zil Plant in Moscow. This gave him a dual opportunity: to observe Russian workers and their way of life; and to speak with Union leaders who operate in a different type of society. Using slides of his trip, John has shared his experiences on that visit with groups and individuals promoting a better understanding of workers and their problems in the Soviet Union.

Throughout these years, Irene steadily increased her volunteer activities. For many years she served on the Election Board in the cities of Bell and South Gate. She has been a member of her church's Women's Missionary Society for over 35 years and is currently its secretary. She has served as Deaconess in her church. She has been a member of the ecumenical association, Church Women United for over 20 years and has been its Treasurer for nine years, including the current one.

One of her most important roles has been as the Key woman representing her church in its outreach to Rancho Los Amigos Hospital in Downey, California. For over twenty years she has been responsible for the visitation program to long-term patients at that facility. She coordinated the visitation schedule by church volunteers, solicited gifts from the community and oversaw the preparation of patient gifts at holidays. On a one-to-one basis with patients, she wrote letters, offered comfort and listened.

John considers his greatest strength (and his first love) as teaching. He began his work life as a school teacher in Kansas. He tutored his fellow athletes in English when he was in college. For many years he was an instructor at UAW Summer Schools. He taught at UAW's Special Family Training Center in Black Lake. He has taught labor classes at UCLA and other Los Angeles area colleges. He has participated in labor forums throughout the Pacific Southwest. But his teaching is best known by Local Union leaders and staff representatives with whom he worked for many years. To them he conveyed the "how's and why's" of the Trade Union Movement as it affects the lives of working people.

TRIBUTE TO SAN JOSE JOB CORPS CENTER

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 26, 1988

Mr. EDWARDS of California. Mr. Speaker, today I am proud to bring to the attention of my colleagues a truly remarkable accomplishment by the San Jose Job Corps Center, which is located in my district. For the second year in a row, the San Jose Center has been named the No. 2 Job Corps Program in the Nation by the Department of Labor out of 106 centers. It has also received top honors in region IX each of the last 2 years.

The Department of Labor judges Job Corps Programs on rate of student completion of training, rate of placement after training, general equivalency diploma [GED] production, and reading and math gains. The San Jose Center has excelled in each of these areas consistently since its creation in 1972. For instance, last year 470 students successfully completed training at the center and 200 students earned their California high school equivalency diplomas.

The success of this important program, both in San Jose and across the Nation, should be obvious. These graduates will be making over $11,000 in their first year of employment. Prior to enrolling at the center, many participants were receiving an average of $5,000 a year in Government subsidies. Who can argue with such a great return on a modest investment?

Most importantly, the San Jose Corps Center has given its graduates an opportunity to realize their potential, achieve financial independence, contribute to the community and live lives of dignity. I have no doubt that the center's staff will continue their impressive performance in the future and help countless more residents of the 10th District develop strong job skills and find rewarding employment.

THE AIDS FEDERAL POLICY ACT, H.R. 5142

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 26, 1988

Mr. MATSUI. Mr. Speaker, on Friday, September 23, 1988, the House of Representatives passed H.R. 5142, the AIDS Federal Policy Act of 1988, by a vote of 367 to 13. Although obligations in my district forced me to be traveling to Sacramento on Friday, I was very pleased with the outcome of the vote. My colleagues displayed leadership by voting in a well-informed and intelligent manner on this issue, the most critical health issue facing our country. I thank Mr. WAXMAN and the members of the Subcommittees on Health and the Environment who worked very hard to forge this solid piece of legislation.

The AIDS Federal Policy Act represents the best wisdom from health practioners, service providers, and gay and civil rights advocacy groups. H.R. 5142 is the product of significant compromise regarding many difficult medical and civil rights dilemmas. The final bill is endorsed by the American Medical Association, the American Nurses Association, the American Hospital Association, the American Red Cross, the AIDS Action Council, and the National Gay and Lesbian Task Force.

With as many as 1.5 million Americans currently infected with the human immunodeficiency virus [HIV], it is imperative that a sound testing and counseling policy, with strong confidentiality assurances, be put in place immediately. There is at this time no vaccine for AIDS; the best tool for slowing the spread of the tragic disease is education on how to avoid exposure and transmission of the virus. Almost all public health officials and medical experts agree that confidentiality of AIDS testing and counseling records must be guaranteed so that the people at highest risk for the disease will seek testing and counseling without fear that they will be stigmatized, lose their jobs or insurance, or even have their right to parent attacked.

The purpose of H.R. 5142 is to encourage individuals, who are at risk or who have possibly been exposed to the disease, to be tested for the AIDS virus and receive counseling in order to prevent the spread of the disease. I am pleased that restrictive amendments which would have required the State to divert resources for testing to low-incidence groups and medically ineffective measures were defeated by a wide margin of votes. One amendment would have required all physicians to report identifying information of individuals testing positive to the State's public health officer. Although the author of this amendment shares the concern of all Members of Congress that the spread of AIDS must be slowed, this mandatory reporting requirement would have actually discouraged testing. In South Carolina, the recent introduction of mandatory reporting resulted in a 51-percent decrease in the number of homosexual men seeking AIDS testing.

H.R. 5142 strikes a proper balance among many competing viewpoints and begins to resolve many of the complex issues surrounding AIDS. Although the bill does not expand current antidiscrimination laws to cover AIDS bias in housing, public accommodations, schools, and jobs that do not receive Federal funds, it is an important step toward a complete Federal AIDS policy.

IS DAY CARE RUINING OUR KIDS?

HON. DAN COATS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 26, 1988

Mr. COATS. Mr. Speaker, as the national debate concerning child care has continued, it often seems like we forget to consider the most important question of all: What is best for the children? In an article in the Washington Post this past weekend, Karl Zinsmeister points to an increasing amount of research that suggests full-time institutionalized child care may be harmful to small children.

Last week I introduced the American Family Act, which includes the Choices in Child Care Act. This child care bill both maximizes support to working parents in low-income families and provides choices for all parents. It seems to me that it is vital, given the mixed results of research on the impact of child care upon children, that we in Congress need to proceed cautiously and that we should offer parents choices as to the method of caring for their children. Karl Zinsmeister's summary of research is something all of us in public policy need to consider.

I commend this article to my colleagues, and ask that it be printed in the RECORD. The material follows:

[From the Washington Post, September 25, 1988]

IS DAY CARE RUINING OUR KIDS?

(By Karl Zinsmeister)

On the left and right alike, there is growing conviction that modern parents need more help from society in bringing up the next generation of Americans. A recent flurry of major proposals would increase federal support, and both presidential candidates have weighed in with daycare plans. Yet for all its new urgency, the national day-care debate often ignores a central question: What effect does it have on our children?

Research indicates that as much as half of one's adult character may be formed by the age of 4. How will increasing use of paid child care affect that development? A growing and worrisome body of evidence suggests that when infants and toddlers go into full-time day care, long-term emotional, intellectual and cultural damage can result.

The mass surrender of child-rearing responsibilities to non-relatives and state-regulated institutions marks a profound change in human history. It represents the final victory of the Industrial Revolution: the industrialization of the family. In essence, we are attempting to make child-rearing—the original social imperative—into a branch of the modern service economy. But when someone buys day care, they are buying much more than a service which permits them to work. They are buying an environment which determines much of what their children—what this society—will become.

As yet our experiment in proxy parenting on a mass scale is still very young; the first large cohorts of children growing up in day care are just now beginning to mature. So is the second generation of more sophisticated studies.

THE KID FACTORY

The definitive review of research conducted during the '70's, which pronounced day care to have a generally neutral effect on child development, was co-authored by child psychologist Jay Belsky. But in September 1986 he published an article expressing concern over a "slow, steady trickle" of accumulating negative evidence.

For one thing, a number of different investigators have found that when babies less then one year old are placed in day care, many of them—perhaps as many as half—develop weak and insecure bonds with their parents, bonds that are thought to be crucial to healthy later development. [See box.] Moreover, this effect is apparent in all social strata: in both poor and middle-class children in good or bad programs and even among youngsters with extremely expensive at-home caretakers.

One recent study in Chicago examined 110 children of affluent, intact families. Half were cared for full-time by parents; half had stable, high-quality caretakers in their homes because both parents worked. The hired care began at eight months or earlier. The substitute-care infants turned out to have significantly less secure relationships with their mothers, as measured by a standard scored psychological test. The researchers concluded that many infants interpret repeated daily separations from their working mothers as rejection, which they cope with by withdrawing. Related studies elsewhere have found similar alienation problems.

Other follow-up studies of children as old as 10 have shown that those with a record of early nonparental care tend to exhibit more serious aggression, less cooperation, less patience, more misbehavior and pattern of social conflict or withdrawal. A study of 5- to 8-year-olds who had spent part of their first years at a highly regarded day-care center at the University of North Carolina found them more likely to hit, push, kick, threaten, swear and argue than children who were not in day care or who started later. Research on middle-class third-graders in the Dallas area found that children who had spent extensive time in day care were more uncooperative, less popular and had lower grades, poorer study skills and less self-esteem than their counterparts who were cared for exclusively or predominantly by a parent.

Of course, individual circumstances such as a child's temperament and family status can have a lot to do with how well he or she adapts to day care. The nature and quality of the program make a difference too; so does whether the care is full- or part-time. Age at enrollment also seems to be critical: What might be disorienting for a child under 3 can often be handled adequately by an older preschooler. In addition, large numbers of children apparently suffer no negative effects; and there remains much that we don't know. But the findings already accumulated ought to give us pause in our uncritical plunge toward more child-raising by hire.

EXPERT WARNINGS

Moreover, one of the dark little secrets of day care—sure to come as a surprise to those listening only to activists and "children's defense" groups—is that even before the latest troubling evidence appeared, many leading child-development experts were expressing doubts.

Penelope Leach, the British psychologist and author of perhaps the most influential child-raising handbook in America at the moment, "Your Baby and Child," speaks out regularly against group care for the very young, insisting that babies need one-on-one tending.

Dr. Benjamin Spock has for years resisted infant day care. Despite a good deal of backtracking in successive editions of "Baby and Child Care" in response to criticism from feminists, he still states, "It is stressful to children to have to cope with groups, with strangers, with people outside the family. That has emotional effects, and, if the deprivation of security is at all marked, it will have intellectual effects, too." Until age 3, Spock now argues, a child at least needs individualized care from the same person.

Burton White, the former director of the Harvard Preschool Project and author of "The First Three Years of Life" says that "after more than 30 years of research on how children develop well, I would not think of putting an infant or toddler of my own into any substitute-care program on a full-time basis, especially a center-based program" during the first six months of a child's life. Moreover, he writes, "unless you have a very good reason, I urge you not to delegate the primary child-rearing task to anyone else during your child's first three years of life. . . . Babies form their first human attachment only once. Babies begin to learn language only once.

Selma Fraiberg, Lee Salk, Urie Bronfenbrenner and other authorities have also expressed serious reservations. The American Medical Association, the Centers for Disease Control and other groups have warned that day-care centers—where drooling, diapered, toy-sucking infants put their fingers in their mouths an average of once every three minutes—were becoming dangerous sources of infections.

Many of the germs thus encountered would eventually have entered the child's system anyway at a later age. But given that a baby's immune system is not well developed until the third month, and not fully effective until about age two, early exposure can be risky.

THE WRONG STUFF

Both George Bush and Michael Dukakis have recently endorsed major new child-care plans, but each would have very different effects.

Dukakis has backed "in concept" the Act for Better Childcare (ABC) bills now being debated in Congress. In the latest versions, ABC would provide government subsidies for federally licensed day-care centers, costing an estimated $13 billion in the first four years. It sets up a child-care czar within the Department of Health and Human Services, requires a range of state panels and agencies to promulgate new regulations, train administrators, establish information clearinghouses, set standards and draw up master plans, and it stipulates that at least one-quarter of all funds appropriated for the program must be devoted to these bureaucratic purposes. This strategy would, in short, create a kind of pediatric Pentagon whose most profound effect would be to encourage the transfer of the parenting function to professionals operating in institutions that resemble hospitals more than homes. Indeed, ABC would allow no funding whatever to go to parents who raised their children themselves, nor to informal caretakers such as grandparents, other relatives or neighbors in home settings.

The Bush plan avoids many of these problems by calling simply for a "Children's Tax Credit" of up to $1,000 for every child under age 4. Within a few years the credit would be available to any family with income up to $20,000, and it would be refundable (thereby available even to families who earn too little to owe tax). This and other aspects of the program would cost about $2 billion annually, but no funds at all would be drained off for administration.

The Bush plan thus does not discriminate against parents who stay at home with young children, and it gives families complete control over their child-care choices. And because the credit is conditioned simply upon the presence of young children, the money can be used for purposes other than care-taking.

ABC, on the other hand, would be available to families making up to 115 percent of the median income—more than $40,000 in some states. It would be another sloppily-aimed middle-class entitlement like our existing Dependent Care Tax Credit, more than 40 percent of which goes to families making $50,000 or above.

The Dependent Care credit is not only economically regressive but also bad policy for children, because it is unavailable to families using the very best form of care—parental. Yet Bush too has partially capitulated to middle-class voter interests by proposing to retain the existing credit instead of folding the funds thus available (more than $3 billion worth) into his new program. He would leave the Dependent Care credit (available to yuppies and poor alike) in place, and give the lower-income families who qualify for both the option of claiming the higher sum.

Any pro-child day-care policy must seek to unite parents and children as much as possible in the early years. (It so happens that this is also what most parents want: Three out of four mothers with children under three still either do not work at all or work only part-time or seasonally.) Hired care must be viewed as a distinct second choice, not favored as it is under current policies.

Any sensible policy must acknowledge that much of the economic pressure parents feel today stems from changes in the tax burden on families. Middle-class families with children were largely exempt from taxation in the period following World War II. If the current federal dependent exemption were adjusted to retain its 1948 value, each child would now bring his parents well over $6,000 in tax benefits. Present law allows only $1,900, due to rise to $2,000 by 1989.

A pro-family day-care policy must avoid standardized models and attempt to increase parental choice in recognition of the wide range of family situations to be accommodated. It must continue to work to improve the economic status of low-income and single parents, who have the fewest childbearing options. It must recognize that parents alone can judge what qualities they need and want in a care provider. The things really important to children—such as rapport, trustworthiness and love—are not amenable to state stipulation. Regulatory norms dictated in the name of "quality control" will simply reduce the range of services available (driving informal care-givers like neighbors out of business, for instance) and increase their price.

Parents using day care ought to be encouraged to shorten its duration as much as possible, by reducing work hours, using caretakers close to work or home or staggering work schedules. Employers ought to be encouraged to provide more part-time, flexible and sharable work. The many regulatory obstacles to home-based work ought to be removed.

The deepest truth about paid child-rearing is that it is rarely more than a weak stand-in for parental care. Someone is being asked to do for money what very few of us are able to do for any reason other than love. It will always be extremely difficult—no matter what laws or subsidies prevail—to find persons who feel such affinity for an unrelated child that they will repeatedly go out of their way to do the tiny, precious things that make children thrive rather than merely survive: giving a reason why rather than just saying no; rewarding a small triumph with a joyful expression; risking a tantrum to correct a small habit that could be overlooked but would be better resolved; showering unqualified devotion.

A child and a parent are bound eternally, by blood and destiny. A day-care worker is doing a job. If he or she manages simply to be a kind friend and reliable guardian, that is all anyone ought to expect. Giving the child the rest of what he so urgently needs—a self-image, a moral standard, life ambitions and a sense of permanent love—is too much to ask of anyone other than parents.

THE MISSING MOM

After World War II, English psychiatrist John Bowlby conducted pioneering research on the effects of parental separation on children. He found that orphans raised in institutions where there was no opportunity to develop enduring bonds with a single caretaker suffered startling debilities. In the worst cases, they completely withdrew and simply stopped taking an interest in life. In 1969, Bowlby's American protege, Mary Ainsworth, devised a clinical test to objectively evaluate and score infant-parent attachments. Called the "strange situation" procedure, it involves observing a 12- to 20-month-old child in repeated three-minute exposures to his parent, a stranger and an empty room. The situations are repeated several times and the child's behavior when reunited with the parent is closely categorized each time. Insecurely attached children avoid physical and visual contact or may approach but then turn away before reaching the mother or father.

Like any clinical procedure, the test is not foolproof. But it is widely accepted as an accurate barometer of security and emotional development. It has been found to predict a very high fraction of subsequent psychosocial pathologies. As researchers have perfected the procedure and controlled more carefully for factors such as age and sex, they have begun to find clearly elevated levels of insecure attachment among day-care children.—KARL ZINSMEISTER.

THE ICC SUNSET BILL

HON. JOEL HEFLEY

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 26, 1988

Mr. HEFLEY. Mr. Speaker, I am today introducing legislation which would abolish the Interstate Commerce Commission as of October 1, 1990.

You know 8 years ago, the American people elected Ronald Reagan President, at least in part because they felt Government was too big. And yet, in the past 8 years, only one agency—the Office of Economic Opportunity—has been sunsetted and its functions have been rolled into the Department of Health and Human Services.

I wasn't here for that debate but I can imagine the kind of statements that were made. There were probably cries that, without the OEO, full and independent affirmative action would grind to a halt. But it didn't. The program continued under HHS, the Sun came up the next day and life went on.

Earlier this year, we voted to zero out the Urban Development Action Grant Program. And we heard the claims our cities would suffer for lack of improvement funds. But even some of that program's oldest supporters countered that UDAG had simply outlived its usefulness.

So it is with the ICC. For years, the commission regulated trucking, the railroads, and our waterways, moving companies, and taxicabs. The transportation industry would suffer without the ICC, goes the common belief.

Yet over the past 8 years, we've gradually deregulated the airlines, the trucking industry, and virtually every other form of transportation save the railroads. Life has gone on, better, in fact, than before for the transportation industry. Meanwhile, the ICC has become a case study for bureaucratic lethargy.

This year, approximately $40 million has been appropriated for the ICC. Most of that will go toward compensation, benefits, and rent. Most observers say deregulation has gone so far that today, if the last vestiges of deregulation were removed, no one would notice. Indeed, even ICC employees admit their Commission has few real functions outside of the railroad industry.

Mr. Speaker, it's time to pat the ICC on the back and bid it adieu. My bill recognizes the already virtually deregulated nature of the trucking industry and transfers implementation of rail freight functions, presently the ICC's only important work, to the Department of Transportation. Any of its residual functions would be removed to the Federal Trade Commission and to the Justice Department.

This isn't a cruel bill, throwing Government employees out into the street. Under my bill, ICC workers and career members of the Senior Executive Service will be transferred to those agencies which assume its functions. The only ones left out will be the political appointees.

But the aim of this bill goes beyond simple savings: it's good management. I think all of us recognize and have come to admit that Government is big, clumsy, and too often trips over its own regulations. The old adage is that once Government starts an agency or program, we can never get rid of it. Yet, past experience has shown that we can disband outmoded agencies, as we did with the OEO. If we ever hope to balance the budget, we must cut out outmoded, unnecessary programs. The ICC is such a program, and I would ask the support of my colleagues for this proposal.

THOUGHT-PROVOKING SPEECH BY HYMAN BOOKBINDER

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 26, 1988

Mr. ACKERMAN. Mr. Speaker, in this season of Presidential debates and endless stump speeches, it is rare indeed to come across someone with a new perspective on the race between GEORGE BUSH and Mike Dukakis. I would like to insert into the RECORD a unique commentary on the upcoming Presidential elections, a commentary made by a man who has more political experience and know how than many of us on this floor.

This is a speech Hyman Bookbinder gave before the Council of Jewish Federations in early September. Many of us have had the privilege of working personally with "Bookie" because for many years he was the Washington representative for the American Jewish Committee. In that position, he was active in a wide variety of issues, from Middle East peace to Soviet Jewry and the Genocide Treaty. Bookie is now a special advisor to Democratic candidate Michael Dukakis.

His speech is not your average partisan attack or personal vendetta. It is one of the most thoughtful pieces I have seen on these issues. Hyman Bookbinder's arguments are compelling and I urge my colleagues to read this thought-provoking speech.

OPENING STATEMENT OF HYMAN BOOKBINDER, SPECIAL ADVISOR AT COUNCIL OF JEWISH FEDERATIONS—NEW YORK, SEPTEMBER 8, 1988

We are one people—quite united in our basic goals and principles. Peace and security for Israel. Freedom for all Jews around the world, including the right to emigrate. Justice and opportunity for all people and all peoples. A democratic, pluralist America in which Jews can participate fully.

But we are not one people, politically. In Israel and in America, Jews divide sharply on how best to achieve common goals. Here at home, while we are not monolithic, for all of the years for which reliable data is available, there has been an unbroken record of Jewish voters preferring Democratic candidates for the presidency—sometimes by as much as ten to one. The gap has narrowed in recent years, reflecting the general trend to conservatism. But only once in all these years has the Republican candidate received as much as 40 percent of the Jewish vote; that was 1980. But despite four years of high personal popularity and an essentially pro-Israel record, President Reagan's Jewish support declined to 32 percent in 1984.

It's good that Jews are not monolithic, that they are to be found in both parties. But it is hardly surprising—and, for me, most gratifying—that the bulk of Jewish votes has gone to the party that, in my opinion, clearly reflects the dominant ideology and aspirations of American Jewry—and the essence of what I believe Judaism requires. I see no reason why 1988 should not continue the pattern. Jews will prefer Michael Dukakis both for "Jewish" reasons—Israel, Soviet Jewry, church-state—and for the broader purposes valued by most Jews as to the kind of society America should be, and what its proper role in the world should be.

The November vote could break 80-20, 70-30, or 60-40. Which way it actually goes could determine the general election, because our Jewish voters are to be found in some very key states. What Jewish voters—and all voters—need in order to choose wisely is an intelligent, rational, honest debate on the many critical issues crying out for understanding and resolution. How do we best implement our bi-partisan consensus on Israel's security? Which candidate is more likely to preserve the precious wall of separation between church and state? How do we react to the protentous changes in the Soviet Union? How do we resume the stalled battles to eliminate discrimination and poverty in America?

My chauvinism may be showing, but I believe that Jewish voters are among the most sophisticated and responsible voters in the nation. They want to discuss these and other critical issues. So I am persuaded that they are particularly dismayed, even outraged, over the campaign being waged thus far on behalf of George Bush.

I have known and respected Mr. Bush for over 20 years as a very decent human being, even though we have disagreed over some specific issues. So I am particularly distrubed that he now seeks to win the presidency by such shoddy tactics as impugning the patriotism and love of country by Governor Dukakis with a phony Pledge-of-Allegiance issue—or accusing him of being soft on crime because of a tragic, isolated incident in a prison furlough program approved by most experts and essentially similar to the Federal and most state furlough programs—or invoking a McCarthyite, albeit ludicrous, accusation of Dukakis being a "card-carrying member of the ACLU!"—or doing nothing to stop the outrageous peddling of manufactured rumors about Dukakis' health, or Kitty's flag-burning. To all of this I say—Shame!

If Jewish voters join others in resenting this kind of gutter politics, they particularly resent the specific "dirty trick" directed at the Jewish community. I refer to the reckless, demogogic campaign of fear about who would really determine and direct Middle East policy in a Dukakis administration. It is a tactic of desperation, needed by Jewish Bush supporters because they dare not deal directly with the facts about the Dukakis record on Israel as well as the full Republican record on the subject.

Before detailing that record, let me say first that I am delighted to acknowledge that both parties have earned the right to be considered pro-Israel—though it took much too long for the Republicans to become part of the national concensus on Arab-Israeli relations. To acknowledge that both parties, and both presidential candidates, are "pro-Israel" in the general sense is, however, not to say that the records of these two political parties over the years are equally good. The record will show substantial differences in the performance of Democratic and Republican Administrations—and Democratic and Republican Congresses. A Dukakis administration will be a more reliable champion of U.S.-Israel cooperation than would be a Bush administration.

Item—We all agree that the United States should not seek to impose its own Middle East plan on the parties. But it was the Nixon administration that proposed the Rogers plan; it was the Ford administration that threatened re-assessment; it was the Reagan-Bush administration that in 1982 offered a Reagan plan that had been cleared with Arab nations but not with Israel. And only last month, Washington Jewish Week's Larry Cohler reported: "Dennis Ross, senior foreign policy adviser to the vice president, reiterated Bush's support for the Reagan Plan, which calls for an autonomous Palestinian entity to be linked in a federation with Jordan * * * Madelaine Albright, Dukakis' adviser, said Dukakis opposes advancing such U.S. generated plans."

Item.—We all agree that Israel's security should not be threatened by massive sales of sophisticated arms, including AWACS, to Israel's enemies. But the Reagan-Bush administration over and over again has proposed such sales—most of these proposals having been defeated only because the Democrats in Congress overwhelmingly opposed them—while the large majority of Republicans were voting for the sales. The 1981 sale of AWACS to the Saudis, for example, was opposed by 36 out of 47 Democratic Senators, but supported by 41 out of 53 Republicans. And, yes, when George Bush looked around for a running-mate, he found one of those 41 Senators, Dan Quayle, who during his service in the Senate, nine times out of eleven by AIPAC's count, had failed to join others in blocking dangerous arms sales.

Item.—Every Democratic president has made significant contributions to the "special relationship" between the US and Israel which has, over the years, blossomed into an impressive "strategic partnership". Today's relationship reflects the many Democratic building blocks: Truman's immediate recognition of Israel, signalling to the world what Israel was bound to mean for the US; Kennedy's decision to end the arms embargo against Israel; Johnson's agreement to sell offensive as well as defensive weapons; Carter's historic co-operation with Israel that made Camp David possible. The formalization and strengthening of the strategic partnership in the Reagan period deserves acknowledgement and appreciation, but it was a natural development after the earlier steps taken by other administrations.

Item.—The current levels of aid for Israel reflects the cumulative record of solid, consistent Democratic support for such aid. Resistance to such aid, in the past and today, has been primarily Republican. This is a fact, not partisan rhetoric. A very special fact is that during the first four years of the Reagan-Bush administration, Democrats in Congress refused to accept the lower aid levels proposed by the White House. Israel would have been deprived of many hundreds of millions of dollars, if the Reagan-Bush proposals had prevailed.

Item.—George Bush can point to a generally good Republican plank on Israel in 1988 and to some good speeches. But it is quite easy to understand why his own national security adviser, Donald Gregg, told the Manchester Guardian, "Bush does not have the same gut feeling toward Isarel as the President." It is that absence of gut feeling that may explain Bush's persuading Reagan, as recorded in the book by Al Haig, to OK the vote in the UN condemning Israel's move into Lebanon. It may explain why, according to Bill Safire, "Bush led the charge to punish Israel after the bombing of the Iraqui reactor by withholding the shipments of promised aircraft." And it may explain why he told the Irangate/Tower Commission that he felt US policy was "in the grip of the Israelis."

Item.—Words in party platforms are important. But actions are even more important. So, small wonder that Jewish Republicans had a fit recently when, within days after the adoption of the Republican platform, the Reagan-Bush administration took three consecutive actions that led the Near East Report, in a front-page editorial, to declare that the government's presumed tough pro-Israel posture "seems to have wilted in Washington's late summer heat."

In unprecedented, intemperate language, the State Department scolded and threatened Israel for expelling a number of Palestinians responsible for fomenting violence.

Yielding to Arab-American pressures, the US Trade Representative cited Israel, along with Syria and four other countries, for alleged violation of workers' rights, starting a process of investigation and public hearings that could lead to cancellation of important trading privileges Israel has enjoyed.

After initiating action to close the PLO mission at the UN in New York, the government handed the PLO a major political victory by deciding not to appeal a court order rejecting the US action.

Item.—The record is clear that Michael Dukakis does have a gut feeling about Israel—and he has demonstrated it over and over again. Republican nit-pickers tried to make something out of the fact that the word Israel was not included in the Dukakis acceptance speech; at least, they did that until Bush too failed to use that word in his acceptance speech! More seriously, of course, it was at the Democratic convention that Dukakis proved how tough he could be on the subject of Israel. Yes, there was a frank floor debate on the Palestinian question. It made some Jews uncomfortable. One of the defeated candidates for the nomination, Jesse Jackson, had chosen to invoke the rules of the convention to advance a minority plank which, if adopted, would have diluted the tough pro-Israel plank prepared and fought for by Michael Dukakis. I know, from first hand. We were all under strict instructions not to yield whatsoever on the substance of the majority resolution. We didn't and we prevailed. Dukakis prevailed. The pro-Israel policy prevailed. So we know just where he stands—not only from the brief but tough plank that was adopted but from all the earlier and subsequent commitments Dukakis has made, including recognizing Jerusalem as Israel's capital, a glaring and ominous omission from the Republican's lengthy Middle East plank.

In his speech last night to B'nai Brith, and in scores of statements over the years, Governor Dukakis has revealed his understanding of the central elements of a sound Middle East policy: No imposition of a peace settlement on the parties; direct talks with Arab leaders the only route to settlement; no dealings with a PLO that doesn't meet American conditions for acceptance of Israel and renouncing of terrorism; further strengthening of the strategic partnership; recognition of Jerusalem as Israel's capital; and, in anticipation of some possible PLO reaction to Hussein's recent declarations, a firm pledge that a President Dukakis will refuse to recognize any unilaterally declared government-in-exile or Palestinian state.

Governor Dukakis didn't discover Israel when he started to campaign for the presidency. In 1975, he was the first governor to direct that his state officials refuse to do business with any firm honoring the Arab boycott against Israel. In 1976, soon after its adoption by the UN, Dukakis issued a state proclamation calling for the rescinding of the hateful zionism-equals-racism resolution. Now, contrast this with the fact that the only governor in all 50 states who has refused to condemn this resolution is John Sununu of New Hampshire, the co-chairman of the National Bush campaign!

Given this clear and impressive picture of Dukakis and the Israel issue, Jewish supporters of George Bush decided months ago to pound away, not at Dukakis as such, but at Jesse Jackson, arguing that he is and would be the real maker of Middle East policy. Thus, on June 10, the National Jewish Coalition sent a circular letter to its supporters in which they set a new record for arrogant chutzpah. "The Democrats will give Jackson what he asks for at the Democratic convention," the letter asserted, "because they would rather abandon the Jewish community than alienate Jackson's supporters."

One month later, the Democrats met in convention and gave Jackson a stunning defeat on the Palestinian question. Did the Jewish Coalition or any of its officers apologize for this false accusation so soon proven to be so wrong? Not at all. They just modified the canard by asserting that in some mysterious way the Jackson defeat was really a victory for him and that he would be implementing Middle East policy in a Dukakis administration. I have too much respect for the intelligence of Jewish voters to believe that the Coalition will succeed in stealing Jewish votes through such transparent distortion of the truth.

Michael Dukakis' gut feelings about Israel, about Soviet Jewry, about the Holocaust, about anti-semitism, about Jewish pain and Jewish hopes, all of this is a reflection of a lifetime of direct, personal involvement. Born and raised in a Jewish community; Jewish friends and associates in school, at work, in politics, in his own family life.

I can assure you that Elie Wiesel would never have had to say to Michael Dukakis, "Mr. President, Bitberg is not your place."

Both Michael and Kitty Dukakis's intense involvement in the Soviet Jewry cause, I assume, is well known to you. I can testify personally to the exhilaration I sensed in both of them recently in their personal achievements in the cases of Refuseniks Michael Fuchs Rabinowich and cancer victim Benjamin Charny.

Now, if Michael Dukakis can be trusted to be responsive to issues of specific and direct concern to Jewish voters, he can be trusted too to respond to the broader societal and world concerns that move us as a Jewish community. Time now does not permit adequate analysis of the many issues that surely unite Dukakis and the Jewish community much more often than they do George Bush. George Bush's platform favors constitutional amendments that would permit prayers in public schools and that would deprive women of the right to abortion even in the case of rape or incest, but opposes the Equal Rights Amendment. Dukakis disagrees with Bush on all three. And on the whole range of social justice issues.

Michael Dukakis shares with the Jewish community keen disappointment that these last eight years has seen a Federal abandonment of the civil rights struggle. And that's putting it mildly. Where was George Bush when the Reagan administration fought bitterly to prevent passage of the Civil Rights Restoration Act, when the White House sought to cripple affirmative action, when it directed a virtual scuttling of the Civil Rights Commission?

On August 27, Governor Dukakis spoke at the 25th anniversary of the great March on Washington and spoke movingly of Martin Luther King's dream to make this a country of one people, one nation, one community. Where was George Bush on that historic occasion?

And on that occasion, let it be noted, Dukakis spoke out firmly about rooting out the last vestiges of anti-semitism. He did not wait for his B'nai Brith speech last night to speak out on this subject—where of course he did speak out. He chose weeks ago an audience of tens of thousands of civil rights activists of all religions and all colors to declare clearly:

"We must march until racism and anti-semitism and discrimination of all kinds are banished from this land."

Above all, Michael Dukakis has demonstrated through all his public life that he shares with our Jewish community a sense of society's responsibility to care for one another. His policies and his actions tell us that he understands what our Torah demands of us and what the Welfare clause of the Constitution requires us to do.

Last week's report on poverty in America tells us so very much. I looked in vain last week for some statements of concern from the President or the Vice President following the Census Bureau report that there had been a significant increase in the number of people below the poverty line since 1978, that the statistics do indeed bear out the troubling news that the rich have indeed been getting richer—that part I do not necessarily condemn—but that at the same time the poor were getting poorer.

I was reminded of that eloquent statement by Franklin Roosevelt, that "The test of our progress is not whether we add more to the abundance of those who already have much; it is whether we do enough for those who have too little." And I was reminded of John Kennedy who, just before his tragic death, ordered his top aides to report back to him with recommendations for action when he had read a report that told of the 20% of Americans who in 1963 were below a "poverty line." He demanded to know just who those poor were, why they were poor, what had to be done, both by the public and private sectors, to lift them out of poverty. The result was the war on poverty, which we called the Economic Opportunity Program. The specific results have now become accepted: Head Start, Job Corps, Medicare, Medicaid, VISTA, etc.

How sad that last week's somber report got no such reaction from our current national leaders. Where was Ronald Reagan? Where was George? Does anybody think that a President Dukakis would have been silent at the issuance of such report? His record as Governor is a certain and positive answer to that question. He did not wait to be president to speak out; it was a principal element of his Labor Day speeches.

What group of American Jews knows better than you what indifference to poverty, to homelessness, to family breakdown, to problems of the very young and the very old, what such indifference can mean to the individuals directly affected and to the basic fabric of our society?

You know that while Jews remain relatively better off than other groups in our society, they are surely not immune from hardship, from misery. And your agencies know what 7½ years of Federal neglect have meant for people generally and for Jews specifically.

You know that while Jewish agencies and some states have partially filled the gaps created by these years of indifference and retrenchment, there has been serious deterioration in our ability, your ability, to deliver human services to our young, our elderly, our single parents, our homeless, our disabled, our retarded, and to so many of our poor.

I know the high priority you have given to housing for the elderly, how many of your communities built wonderful housing units and then provided superb services in those complexes. This wonderful 202 program has been all but eliminated by the Reagan-Bush administration. What has remained is due primarily to your very special efforts, but the absence of a positive, committed national policy is painfully evident.

There are other deficiencies in vital social services—transportation for the elderly, day care, health insurance. You know more about these problems than I do. What we both know is that we did not hear from George Bush all these years about these real problems. Where, indeed, was George? And I hope you know that within the limits and resources available to a state, Governor Dukakis did make substantial progress in housing and health care and other special services for the people of Massachusetts.

To those who make excuses for the absence of leadership during these years on the basis of his having been only the vice-president, what shall we say about the first critical decision he was called on to make as the presidential candidate?

George Bush's selection of Dan Quayle to be his running mate has raised the most troublesome questions about his basic judgment, about the risk to which he was subjecting the nation in placing a heart-beat from the presidency an individual with obviously no qualifications to be the free world's leader. For the Jewish community the selection was extraordinarily troublesome, signalling a turn by Bush to the ultra-conservatives, a selection hailed loudly by the Christian far right. It was indeed an ominous warning about what a Bush administration might look like. And, above all, what a Bush Supreme Court would look like.

In less than nine weeks, American Jews will cast their precious votes to determine who will be their leaders for the next four years. For those Jews who believe that the perils facing Israel require that we judge Bush and Dukakis only in terms of their Middle East record, to them I say that on this issue alone you should prefer Michael Dukakis, who brings heart as well as mind to his commitment, that he is the nominee of the party that has consistently been stronger on Israel than has the Republican party.

And for those Jews who place Israel on top of their agenda, but want to know much more than the Middle East policies of the competing candidates, can there be any question whatsoever that Michael Dukakis is infinitely more likely to reflect their concerns about a pluralist, a just, a compassionate, a progressive, a responsive society?

A few weeks ago, Senator Frank Lautenberg wrote a piece for the Jerusalem Post. Let me quote this former chairman of the United Jewish Appeal:

"Governor Dukakis feels strongly about issues that affect Jewish security in his gut. His life has made him acutely aware of the problems endured by minorities, by those who are scorned and discriminated against. A son of immigrants, he has been exposed * * * to the agonies and the aspirations of the Jewish people. His concern for the security of the people of Israel, as well as the plight of Soviet Jewry, will never be abandoned or bargained away. A Dukakis White House will be a caring White House, a faithful White House, one that keeps its promises and does not break faith with its friends."

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, September 27, 1988, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

SEPTEMBER 28

9:00 a.m.

Armed Services
Defense Industry and Technology Subcommittee
To hold hearings to review Department of Defense acquisition policy initiatives.
SR-222

Office of Technology Assessment
The Board, to meet to consider pending business
S-146, Capitol

9:30 a.m.

Banking, Housing, and Urban Affairs
Housing and Urban Affairs Subcommittee
To resume hearings to review legislative implications of staff concept papers to develop the framework for a National Affordable Housing Act.
SD-538

Finance
Private Retirement Plans and Oversight of the Internal Revenue Service Subcommittee
To resume hearings to examine the Internal Revenue Code penalty structure.
SD-215

10:00 a.m.

Commerce, Science, and Transportation
Merchant Marine Subcommittee
To hold hearings on S. 2728, to permit coal to be transported in foreign flag vessels between the States of Alaska and Hawaii without regard to section 27 of the Merchant Marine Act of 1920, and S. 2729, to allow certain foreign-flag vessels to carry passengers among ports in Alaska and between points in Alaska and Seattle, Washington.
SD-562

Environment and Public Works
Water Resources, Transportation, and Infrastructure Subcommittee
To hold hearings on the use of Federal highway rights-of-way for development of magnetic levitation transportation.
SD-406

Governmental Affairs
To hold hearings on the nomination of John Alderson, of Virginia, to be Administrator of General Services.
SD-342

Joint Economic
To hold hearings on rural development in the 1990's.
SD-628

10:30 a.m.

Conferees
On H.R. 4587, appropriating funds for fiscal year 1989 for the Legislative Branch.
S-126, Capitol

2:00 p.m.

Commerce, Science, and Transportation
Consumer Subcommittee
To hold hearings on S. 2347, to declare certain activities of manufacturers of soft drinks to be unfair acts or practices for purposes of the Federal Trade Commission Act.
SR-222

Foreign Relations
International Economic Policy, Trade, Oceans and Environment Subcommittee
To hold hearings on U.S.-Japan Trade Services
SD-419

Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

SEPTEMBER 29

9:30 a.m.

Energy and Natural Resources
Energy Regulation and Conservation Subcommittee
To hold hearings on S. 2313 and S. 1998, bills to prohibit the Federal Energy Regulatory Commission from authorizing the bypass of local distribution companies when the Commission deems such authority is required by the public convenience and necessity.
SD-366

10 a.m.

Agriculture, Nutrition, and Forestry
Agricultural Research, and General Legislation Subcommittee
To hold joint hearings with the House Committee on Agriculture's Subcommittee on Department Operations, Research, and Foreign Agriculture on critical challenges facing agricultural research.
SR-332

Foreign Relations
War Powers Subcommittee
To resume hearings to review the War Powers Resolution of 1973 (P.L. 93-148).
SD-419

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To hold hearings on S.J. Res. 368, to establish a National Commission on Human Resources.
SD-430

Labor and Human Resources
Children, Family, Drugs, and Alcoholism Subcommittee
To hold hearings on alcoholism and alcohol-related problems among women.
SD-538

2:00 p.m.

Agriculture, Nutrition, and Forestry
Conservation and Forestry Subcommittee
To hold joint hearings with the Committee on Energy and Natural Resources' Subcommittee on Public Lands, National Parks and Forests to review current policies regarding fire management on lands administered by the National Park Service and the Forest Service.
SD-366

Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee
To hold joint hearings with the Committee on Agriculture, Nutrition, and Forestry's Subcommittee on Conservation and Forestry to review current policies regarding fire management on lands administered by the National Park Service and the Forest Service.
SD-366

Select on Indian Affairs
Business meeting, to consider S. 2723, to partition certain reservation lands between the Hoopa Valley Tribe and the Yurok Indians, to clarify the use of tribal timber proceeds, and S. 2752, to declare that certain lands be held in trust for the Quinault Indian Nation; to resume consideration of S. 2672, to provide Federal recognition for the Lumbee Tribe of North Carolina; to consider additional amendments to S.

187, Native American Cultural Preservation Act (previously ordered reported on September 21, and H.R. 3621, Southern California Indian Land Transfer Act (previously ordered reported on September 14), and pending nominations.

SR-485

SEPTEMBER 30

9:30 a.m.

Agriculture, Nutrition, and Forestry

Agricultural Credit Subcommittee

To hold oversight hearings on the implementation of the Agricultural Credit Act of 1987.

SR-332

10:00 a.m.

Governmental Affairs

To hold joint hearings with the House Committee on Government Operations' Subcommittee on Environment, Energy, and Natural Resources to discuss the power surge incident at the Savannah River Plant in Aiken, South Carolina.

2154 Rayburn Building

OCTOBER 3

2:00 p.m.

Governmental Affairs

To resume hearings on regulatory reform.

SD-342

OCTOBER 4

9:30 a.m.

Energy and Natural Resources

Energy Regulation and Conservation Subcommittee

To hold hearings on S. 2179, to modify the terms under which termination of a petroleum franchise relationship is deemed reasonable.

SD-366

2:00 p.m.

Joint Library

To hold hearings to receive reports by the Librarian of Congress on his first year in office and on plans for the coming year.

H-328, Capitol

OCTOBER 5

9:30 a.m.

Agriculture, Nutrition, and Forestry

To hold hearings to review current food prices in the United States.

SR-332

10:00 a.m.

Governmental Affairs

To hold hearings on S. 2721, Federal Advisory Committee Act Amendments of 1988.

SD-342

Special on Aging

To hold hearings on cost-of-living adjustments and the consumer price index (CPI).

SD-628

OCTOBER 6

10:00 a.m.

Governmental Affairs

Oversight of Government Management Subcommittee

To hold oversight hearings on implementation of the Department of Defense ethics program.

SD-342

OCTOBER 12

9:30 a.m.

Select on Indian Affairs

To hold hearings on S. 1142, to provide Federal recognition of the Mowa Band of Choctaw Indians of Alabama.

SR-485

SENATE—*Tuesday, September 27, 1988*

(Legislative day of Monday, September 26, 1988)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the Honorable JOHN BREAUX, a Senator from the State of Louisiana.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

A good name is rather to be chosen than great riches, and loving favour rather than silver and gold.—Proverbs 22:1

Gracious God, our loving heavenly Father, one of the giants of the Senate leaves us at the end of this session. We thank Thee for the Honorable JOHN C. STENNIS, for his 41 years of invaluable service to his State, the Nation and the world. Thank Thee for the princely influence of this southern gentleman whose exemplary life has been a model of servant leadership. He will be greatly missed, but may he be assured of the unbounded respect, admiration and affection of his peers.

With profound gratitude we commend him to Thy care and direction as he retires to private life. Uphold him by Thy grace and lead him in Thy way, O Lord, our strength and our redeemer. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. STENNIS].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, September 27, 1988.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JOHN BREAUX, a Senator from the State of Louisiana, to perform the duties of the Chair.

JOHN C. STENNIS,
President pro tempore.

Mr. BREAUX thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is now recognized.

RESERVATION OF THE MAJORITY LEADER'S TIME

Mr. BYRD. Mr. President, I yield my time.

RECOGNITION OF THE REPUBLICAN LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the Republican leader is recognized.

SCHEDULE

Mr. DOLE. Mr. President, I will just take a minute at this time, and then I will be happy to reserve my time until the Senator from Wisconsin and the Senator from Vermont have completed their statements.

I wonder if I might ask the majority leader at this point what he foresees for the remainder of the week, say, Tuesday, Wednesday, Thursday, and Friday evenings?

Mr. BYRD. Mr. President, with the considerable number of appropriations conference reports that I think will be coming over from the House beginning possibly even today, certainly tomorrow, I suggest that Senators be prepared to stay into the evenings. If these remaining seven conference reports can be acted upon by both Houses before the beginning of the fiscal year on Saturday, or before 12 o'clock midnight Friday, this will be the first time since 1948, as I understand it—40 years—that the Congress will have completed all the appropriations bills prior to the beginning of the fiscal year. Of course, we have to remember the new fiscal year began some years ago on July 1.

Nevertheless, it would be a remarkable accomplishment and one that I think both the distinguished Republican leader and I very much want to see come about.

This would mean that we might have to stay in session into the evenings. I think the sooner that we can get to each conference report when it comes over and get it on its way to the President, the better.

So conceivably, there could be late evenings and especially Friday there could be, with a Friday midnight deadline. If we are not able to complete all of the conference reports by midnight Friday, it might very well be the Senate ought to be in Saturday, depending upon what the conference report is. If it were a DOD conference report which could very well be one of the last, or may not be one of the last, it would seem to me the Senate ought to be giving its attention to that conference report even on Saturday.

Mr. DOLE. I thank the majority leader. That will give us some guidance. Members have been on notice for at least 10 days that there could be a Saturday session. I am not trying to find a Saturday session, but the necessity might dictate that we have a Saturday session.

Mr. BYRD. I should add a postscript, if the distinguished Republican leader will allow me, once again to respond that there may be some thought that once we do the appropriations conference reports, we are going to say "school is out" and we are going home. That is not the case. I think it is important that the Senate address a drug bill and complete action on a drug bill in time for a conference on the drug bill, if at all possible. There are the tax technical amendments which I would like to call up.

I have not been able to get a clear message from the White House. I saw one that had been sent, and I will ask unanimous consent to have it printed in the RECORD, if the distinguished Republican leader will allow me to.

There being no objection, the message was ordered to be printed in the RECORD, as follows:

[Statement of Administration Policy, Sept. 26, 1988]

S. 2238—TECHNICAL CORRECTIONS ACT OF 1988

The Administration believes that S. 2238, as it would be modified by a proposed Finance Committee amendment, makes significant progress toward the enactment this year of technical corrections legislation. The enactment of such legislation is essential, both to alleviate taxpayer uncertainty and to ensure that the intent of Congress in enacting the Tax Reform Act of 1986 and other recent tax legislation is carried out fully.

S. 2238 contains many improvements over the House technical corrections bill. Although further improvements are needed, the Administration believes that S. 2238 may provide a sound foundation for technical corrections legislation.

S. 2238 appropriately rejects ill-conceived tax increases included in the House-passed technical corrections legislation, such as repeal of the completed contract method of accounting and reduction in the dividends-received deduction. In addition, the Administration supports the provisions in S. 2238 that would: repeal the limitation on the Treasury's long-term bond authority; relieve farmers and certain other exempt users of diesel fuel from the burden of current collection procedures for the diesel fuel tax;

and adopt a domestic election mechanism necessary for implementation of the pending United States-Bermuda tax treaty.

The Administration is concerned, however, that S. 2238 includes numerous revenue-losing and other measures that are neither well-founded in policy nor true technical corrections. The inclusion of these measures threatens to create a technical corrections bill of unacceptably large size and scope and divert revenues from such important matters as the tax credit and allocation rules for research and experimentation and relief from the two percent floor for mutual fund shareholders.

The Administration supports an amendment to the bill to provide that organizations deriving a significant portion of their gross receipts from the performance of abortions, other than abortions where the life of the mother would be endangered if the fetus were carried to term, not be exempt from Federal taxation. Abortions deny unborn Americans the most precious of civil rights—the right to life. The Federal Government should not subsidize abortions through an exemption in the tax code.

Mr. BYRD. I will use one word in referring to it. It is floccinaucinihilipilification. I think that is a 29-letter word. I will spell it: f-l-o-c-c-i-n-a-u-c-i-n-i-h-i-l-i-p-i-l-i-f-i-c-a-t-i-o-n, meaning "of little value." I cannot get a clear message from the sheet of paper.

Mr. DOLE. That word is not in the statement, is it?

Mr. BYRD. No. And also, I have indicated that if we could work out a reasonable, fair approach on acid rain legislation, I would like for us to do that before we go out. I say that because judging from the public statements of both Mr. Dukakis and Mr. BUSH, I feel that it will be far better for the coal-producing States if we could reach a compromise that would be fair and reasonable. I would like to see such this year because I am concerned about the prospects of getting that kind of legislation next year in the next administration regardless of the occupant of the White House.

I do not know how easy that will be to accomplish. I do not know how easy it will be to accomplish any of these things beyond the conference reports on appropriations, but there are other conference reports, too—the welfare reform conference report. That will be a great landmark. It would be the first welfare reform legislation, I believe, that would have been passed in 50 years probably.

So there are some very important pieces of legislation out there yet. It seems to me that the best politics that either party can play is do the people's business and try to do it well, and then we will go out. I would say October 15, give or take a little, is probably still a good target. I thank the Republican leader.

Mr. DOLE. I thank the majority leader. I would just say as far as technical corrections are concerned, I think both sides have now asked all Members to give us potential amendments, and we are going to be going over our list today at the policy luncheon. Then hopefully we could use the old formula Russell Long used as chairman of the Finance Committee. He would get a bipartisan group of staff people, someone from the Joint Tax Committee, and someone from Treasury to sit down and go through all these amendments, Republican and Democrat, suggest some ought to be laid aside, others might be considered, so we would be able to tell the majority leader we have 10 amendments, 15 amendments, 20 amendments. Then we would have to work out some agreement with the leaders which would have to be agreeable with the managers of the bill, Senator BENTSEN and Senator PACKWOOD, that we would take the other amendments. Otherwise, we could get a tax bill on this floor, as the majority leaders knows, that could go on for days. It is an important bill, and we will be working with the administration to be more specific. I think they do like the Senate bill. There is some indication in the statement the Senate bill is preferable, but even that may include some revenue losing and other measures that they do not believe are good tax policy. But we are trying to constrain the number of amendments, and hopefully we on this side will be able to report to the majority leader after the policy luncheon today.

Mr. BYRD. Mr. President, I thank the Republican leader. I think he has outlined the workable and right approach if we could preclude various and sundry amendments being offered to that measure. I am just concerned that the White House will stand on the sidelines and then attack the Congress on the tax technical amendments.

Mr. DOLE. That is why we were suggesting that Treasury would be involved in it, the administration would be represented by Treasury, and then if we had a package we had a package.

Mr. BYRD. I thank the leader.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 10:30 a.m. with Senators permitted to speak therein for not to exceed 5 minutes.

The Chair recognizes the Senator from Wisconsin, Senator PROXMIRE.

CONGRATULATIONS TO THE LEADERSHIP

Mr. PROXMIRE. Mr. President, first I congratulate the leadership. This is astounding; I do not think many Members of the Senate or House realize that we are on the verge of passing all the appropriations bills before the end of the fiscal year. As the leader says, this has not been done for a long time. It is a real achievement of our leadership, and I think we should all be grateful for the excellent job that has been done.

In addition, it was music to my ears, and I am sure music to the ears of the Senator from Vermont, when the distinguished majority leader mentioned acid rain as legislation that might pass this year. This is great news. Of course, there is nobody who has played a more critical part in this than the majority leader. He has a tremendous interest in it. The possibility that it may pass is good news for the country.

THE BIG INTERNATIONAL ECONOMIC SECRET: AN INVESTMENT ONE-WORLD

Mr. PROXMIRE. Mr. President, without most Members of the Congress noticing, there has been an astonishing change in the financial markets of this world in the last few years. American investors have suddenly become international investors. Our own economy has been invaded as never before by foreign investors. The speed of this transition is breathtaking. Consider just a few figures. In 11 short years—between 1975 and 1986—American investors increased their transactions in foreign securities from $14.4 billion in 1975 to $438.5 billion in 1986. That, Mr. President, represents an astounding 30 fold increase in foreign investment by Americans just since 1975. And if that does not take your breath away, consider how foreign investors have swarmed into our capital markets. In 1975, foreign investors engaged in transactions involving $51.9 billion. In 1986, the value of U.S. securities bought and sold by foreigners exploded to $2.56 trillion, a fifty-fold expansion! This exuberant growth continues at breakneck speed. The Eurobond market now exceeds the U.S. corporate bond market in size. The talk about the pending invasion of American banking by foreigners is not just a prediction. It has already taken place. And it is very, very big. Think of it. Today, foreign banks and their subsidiaries control one-fifth of all American bank deposits. They make one-fifth of all commercial loans made to American business. Anyone who believes this internationalization of investment and banking has reached its peak or constitutes just a passing fancy has not been paying attention.

These are economic developments that are having an immense effect on our economy, on our economic growth, on employment and unemployment, on prices Americans pay, the interest rates that apply when Americans finance the purchase of their homes and their cars, and the availability of vital capital to American business.

John Heiman is a former Comptroller of the Currency. As such, he was a leading regulator of American banks. Today, he is a brilliant investment expert on Wall Street. On October 13, he testified before the Senate Banking Committee that

> * * * future generations may well view the globalization of capital and the shift from national markets to a global capital marketplace as a watershed of history, equal in its impact on human affairs as the shift in transportation from the horse and buggy to the automobile, and from the car to the jet.

Heiman told the Banking Committee that the pace of growth in international money flows is "astonishing." How fast is it growing? It has doubled over each of the past 2 years. Experts tell us it will continue to soar. How do money flows compare with international trade? Last year international capital flows were roughly 15 times the volume of world trade. Foreign exchange transactions alone were about $200 billion a day. That's right, $200 billion each and every day.

If this affects the average American's job and the interest rate he pays, how does it do so? Is it good? Is it bad? Will it raise interest rates or lower them? Will it increase the number of American jobs available? Or will it diminish the number of jobs available for our constituents? That, Mr. President, depends on the world's economy. In the future, as never before, the efficiency, the competitiveness, the ingenuity of American workers and American management will be put to the test. The world's capital, including American capital, will go wherever profitability, and that means efficiency and productivity, is greatest.

Nearly 50 years ago, a candidate for President, Wendel Wilkie, talked of one world, one unified, interdependent, global economy. Well, Wendell Wilkie was right, but he was ahead of his time. Foreign exchange transactions were a bare trickle in 1940 when Wilkie ran against Franklin Roosevelt. Today, they are a torrent. In the next few years, they will become a flood. So, if the United States is to prosper and succeed in this competitive, interdependent world, we must increase our technological capability, the skill of our workers and managers, and we must hold down our costs. For the Congress, it means we must find ways to improve our country's education, advance our country's science, encourage vigorous competition among our country' business, and especially hold down the cost of government.

The spectacular growth of American investment abroad and foreigners' investment in America can enhance the world economy and the economies of all countries. This is anything but a zero sum game. The United States will thrive as foreign countries thrive. We will suffer hard times as our trading and investing partners suffer hard times. This interdependence should greatly enhance the strength of the free world. It should also persuade the Communist world to recognize the advantages of moving away from totalitarian government monopoly to the kind of free economy including free investment that has so consistently brought a much higher standard of living to free nations compared to Communist nations.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator yields the floor.

The Senator from Vermont is recognized.

ATMOSPHERIC CONTAMINATION—XI

Mr. STAFFORD. Mr. President, one of the things that is most contrary about air pollution is that it is often most dangerous just when you want to be outside breathing it. Ground level ozone concentrations, for instance, are at their highest on bright and sunny summer afternoons.

That is bad enough. What is worse is that we have recently received new information that suggests that this ozone—or smog—is more dangerous to our health than previously thought.

About 2 months ago, scientists from all parts of the world released new data on the health effects of smog. Their studies demonstrate that, in many respects, breathing the air that prevails about half the time in the Eastern United States and nearly all the time in California during the ozone seasons is about the same as smoking tobacco.

That's because ozone breaks down the cell walls of our lungs: decreases our ability to breathe, and disrupts the normal pattern of our heartbeat.

Another problem is that the damage gets worse as the concentration of ozone increases, and also that the damage gets worse the more an individual exercises. That means the Saturday bicycle ride or the afterschool pickup game of ball during the ozone season is hazardous to the health of Americans of all ages.

I am not talking about laboratory experiments. These are real-world circumstances. During the week of June 13 of this year, for instance, air in the Baltimore-Washington area violated the ozone health standard by more than 50 percent of 4 out of 5 days. At the same time, areas of Wisconsin violated the standard 8 days in a row.

And, do not forget, ozone is not the only pollutant in the air. There are also oxides of nitrogen, sulphur dioxide, and a wide variety of other pollutants not present in laboratory tests.

A study of children at a New Jersey summer camp revealed that the youngsters were regularly breathing air that violated the workplace standard under the Occupational Health and Safety Administration rules. If the youngsters had been workers at their summer camp, the exposures would have been declared unsafe as a matter of Federal law, even though the standards of the Environmental Protection Agency were never violated.

We have also learned that more damage is caused to health by repeated short bursts of exposure to ozone than by single, continuous doses. And, of course, ozone occurs in real world in waves that come and go on tides of high pressure air. Just the way that is most damaging to our health.

Public health scientists have told the Congress that air pollution is the third leading cause of lung disease in the United States, exceeded only by active and passive cigarette smoking.

That should not come as too much of a surprise when we consider that more than 35 million Americans live in parts of this country where the air quality not only fails to meet the health standards—but where that air has become more unhealthy than it was in 1981.

More than 100 million Americans—mostly in metropolitan areas—are breathing air that does not meet the Federal health-based air quality standards. About the only thing we have done about that lately is to extend the deadlines for achieving healthy air. That means those Americans will continue to breathe dirty air—but it will be legal.

It will also be hazardous to their health. And, it will be costly to this Nation. The American Lung Association estimates the costs of air pollution at $40 billion annually.

And, a Harvard scientist estimates that air pollution could be causing more than 50,000 excess deaths each year in this country. That estimate was challenged by polluting industries, but none of the scientists invited to submit disagreeing testimony were willing to do so.

That tide of evidence is growing in force and in volume. Air pollution causes health problems that are serious and pervasive. Ozone at the ground level is a major and dangerous pollutant. We are running out of places to hide and out of time to act.

I ask unanimous consent to have some material printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. Environmental Protection Agency,
Washington, DC, August 18, 1988.

Note to Lee Thomas:

Subject: Update of 1988 Ozone Concentrations through August 12, 1988.

The National Air Monitoring Stations (NAMS) Coordinators have updated the earlier nationwide survey of this summer's ozone season. Most of the data are current through August 12. The number of monitoring sites participating in the survey has increased from 96 to 209. Most of the participating monitors are located in Regions I, II, III and IV (179 out of 209 monitors) but the major areas in all Regions are represented. In general, the monitors selected for the study are those with the highest readings. In order to expedite the reporting of the ozone data, it must be clearly understood that the data has not gone through the normal validation process.

The 1988 ozone data has been compared to 1987 and then to 1983, regarded by many as the worst year for ozone pollution. The last four columns show the net change in peak concentrations for each monitor location from 1983 to 1988 and 1987 to 1988.

The following observations can be made:

Nationally, 1988 peak concentration levels reported so far already exceed 1987 levels at 154 out of 199 sites (77 percent).

Compared with 1983, Nationally, the 1988 peak concentrations reported so far already exceed the 1983 levels at 116 out of 176 sites (65 percent).

The increases are particularly evident in the Northeast (EPA Regions I and II), the mid-Atlantic States (EPA Region II), the southeast (EPA Region IV) and the Great Lakes States (EPA Region V). Of the 147 selected monitoring sites in these combined Regions, 1988 peak levels exceed the 1987 levels at 140 out of 170 sites (82 percent) and exceed the 1983 levels at 107 of 147 sites (72 percent).

Major increases in Regions I through V in the peak concentrations from 1983 to 1988 were observed at:

	Percent
Stafford, CT	21
Acadia National Park, ME	30
Manchester, NH	74
Newark, NJ	30
Buffalo, NY	42
Rochester, NY	30
World Trade Center, NYC	51
Washington, DC	21
Johnstown, PA	44
Charleston, WV	25
Covington, KY	52
Greensboro, NC	30
Nashville, TN	37
Evanston, IL	34

The data summarized so far generally represent ozone measurement collected through mid-August, 1988. It should be understood that additional exceedances of the National Ambient Air Quality Standards (NAAQS) are likely to occur throughout the summer and that the 1988 peak concentrations may also increase. Even with this incomplete information, the following observations can be made:

Nationally, 116 out of 176 sites (65 percent) have more exceedances in 1988 than 1983, and 161 out of 199 sites (80 percent) have more exceedances in 1988 than 1987.

In the eastern half of the United States (EPA, Regions I, II, III, IV and V), 107 out 147 sites (72 percent) have more exceedances in 1988 than 1983, and 153 out of 170 sites (90 percent) have more exceedances in 1988 than 1987.

In fact, in 1988, there were 1247 exceedances at these 170 eastern sites by August 15, compared to 632 for all of 1987 (an increase of 97 percent).

Examples of specific areas that observed major increases in the number of exceedances of the NAAQS between 1987 and 1988 are:

Area	Increase
Stafford, CT,	From 2 in 1987 to 15 in 1988.
Acadia National Park, ME,	From 1 in 1987 to 6 in 1988.
New Brunswick, NJ,	From 6 in 1987 to 14 in 1988.
Philadelphia, PA,	From 3 in 1987 to 17 in 1988.
Baltimore, MD,	From 7 in 1987 to 17 in 1988.
Charleston, WV,	From 0 in 1987 to 7 in 1988.
Atlanta, GA,	From 7 in 1987 to 13 in 1988.
Covington, KY,	From 2 in 1987 to 11 in 1988.
Raleigh, NC,	From 2 in 1987 to 8 in 1988.
Evanston, IL,	From 6 in 1987 to 16 in 1988.
Cleveland, OH,	From 2 in 1987 to 11 in 1988.

Don Clay.

Mr. STAFFORD. Mr. President, I will be back tomorrow for the 12th in these talks.

At this point, I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Nevada, Mr. REID, is recognized.

Mr. REID. Mr. President. It is very common today to hear people talk about how the pace of life has picked up in recent years and is now moving so much faster than in times gone by. Well the pace of life is not the only thing that is moving faster. So is the pace of death—not individual death but the death of whole species.

It took 8 million years for the dinosaurs to disappear. Today extinction of species can be quick—and is often man made. Scientists tell us that every year between 10,000 and 35,000 species become extinct when their forest habitat is destroyed. Tropical forests are the planet's genetic storehouses—home to half the world's species.

Most of these deaths go unnoticed by the general public. They are not spectacular like the end of the dinosaurs. These are quiet deaths, unnoticed by all but a few scientists. Most of the species that disappear are insignificant, even invisible to the naked eye—micro-organisms, insects, protozoa, worms. But that makes the loss no less important to the biological balance of our globe. These species are interrelated to the rest of life on Earth and their loss will have an impact on the rest of us in time.

Mr. President, not only do our forests provide the exclusive home for many of the species that exist today, but they also regulate the climate, protect the soil against erosion and help control floods. They are the only source of fuel for about 2 billion people—40 percent of the world's population. Fodder for domestic animals and cash crops crucial to the survival of poor rural families also come from the forests.

There are 250 million landless people in the world today. Pushed into the forests, they destroy an estimated 12.5 million acres a year. After 2 or 3 years the land becomes barren. The settlers move on again, deeper and deeper into wooded areas. They are the greatest single threat today to the rain forests.

Mr. President, unless something is done quickly, closed forests will totally disappear within 25 years in four Latin American, three African and two Asian countries. Thirteen other countries will lose them within 50 years. Since the 1960's, a quarter of the Central American rain forest has been felled.

As in other areas of environmental concern that I have discussed recently, I intend to encourage my colleagues in the Senate to put these problems at the top of our agenda in coming sessions of Congress. We must start today if we are to get action quickly enough to protect our environment before it is too late.

The ACTING PRESIDENT pro tempore. The Senator from New Mexico, Mr. BINGAMAN, is recognized.

(The remarks of Mr. BINGAMAN pertaining to the introduction of legislation are located in today's RECORD under Statements on Introduced Bills and Joint Resolutions.)

FOUNDING FATHERS FREEDOM AWARD ESSAY COMPETITION

Mr. HATCH. Mr. President, in 1983, the Maud Birkin Peterson Endowment, founded by Mr. Jack P. Peterson in memory of his mother, established the Founding Fathers Freedom Award Essay Competition for law students at the J. Reuben Clark Law School at Brigham Young University. This series of essay competitions is designed to continue through the current school year to celebrate the bicentennial of the Constitution of the United States. The idea behind the competition and awards is to encourage law students to critically examine the problem of judicial activism and to think creatively about what can be done to restore the intent of the framers.

Mr. President, I would like to commend Mr. Peterson for establishing such a valuable program. It is through efforts such as his that the commemoration of the U.S. Bicentennial has been such a success. It is easy for Congress to pass various bills commemorating one event or another, but I fear that may of these efforts are generally ignored or unknown to the average person. It is only when concerned citizens, such as Mr. Peterson, make an additional effort to bring the importance of an event into focus through hands-on experiences such as these that the significance behind the commemoration is truly understood by the participants. For his efforts in this instance, I applaud Mr. Peterson.

In conjunction with the continuing title of the series, "Restoration of the United States Constitution in the Tradition of the Founding Fathers: A

Constitutional Bicentennial Perspective," the topic for last year was "The Proper Role of the States." As in the past, the 1988 competition produced many thoughtful essays with insightful comments on the original tradition and intent of the authors of our Constitution.

The 1988 winning essay, entitled "The Proper Role of the States: A Middle Ground Allowing Limited Federal Protection of Individual Rights and Yet Preserving the Intent of the Founding Fathers," was submitted by Lisa Broderick. The second and third place winners were Scott Crowley, "The Effects of the Sixteenth and Seventeenth Amendments On the Decline of the States' Role in the Federal System," and Ken Elbert, "The Dwindling Role of the States Under the Commerce Clause: Is There Anything Left After Garcia?" I am very impressed with the efforts of all three of these outstanding young Americans, and I would like to take this opportunity to publicly congratulate each of them for their efforts.

For the benefit of my colleagues and the numerous Americans who will profit from the work done by this group of outstanding students, I would respectfully ask unanimous consent that the winning essay be included in the RECORD at this point.

There being no objection, the essay was ordered to be printed in the RECORD, as follows:

RESTORATION OF THE U.S. CONSTITUTION IN THE TRADITION OF THE FOUNDING FATHERS: A CONSTITUTIONAL BICENTENNIAL PERSPECTIVE

THE PROPER ROLE OF THE STATES: A MIDDLE GROUND ALLOWING LIMITED FEDERAL PROTECTION OF INDIVIDUAL RIGHTS AND YET PRESERVING THE INTENT OF THE FOUNDING FATHERS

(By Lisa Broderick)

Our nation has been celebrating the beginning of our republic during the bicentennial commemoration of the constitution. It has been a celebration not marked by fireworks and tall ships, but rather "a celebration of reflection." [1] Such a commemoration reminds us that we are a nation of immigrants. Some were our own parents or grandparents. Many spoke foreign languages and many were poor and uneducated. All lacked knowledge and experience with the democratic process.[2] "That they survived—and in fact thrived—is a testament not only to their fortitude, but to the foresight of our constitutional forbearers, and to the seeds of a just government they planted so firmly." [3] However, we would be negligent to be satisfied with "a mere celebration of the past. Celebrations are also a time for examination—to consider where we are now, what the future holds in store for us and whether that future will see survival of this great democratic experiments." [4]

One area of significant exploration should be the proper role of the states under our governmental system. In the intervening two centuries since the Constitution was ratified, the place of the states in the Federal Union has been the subject of endless debate and theorizing. "States' rights, concurrent majorities, and countless other variations on the theme have been aired." [5] From the tragedy of the civil war to the present, this endless debate has raged on, with the winner almost always being federal powers at the expense of the individual states.

However, in his last year on the Supreme Court, Justice Black wrote an opinion arguing for the Supreme Court to act on the belief that "the National Government will fare best if the States and their institutions are left free to perform their separate functions in their separate ways." [6] This decision marks a new trend toward restoration of the role the state courts were designed to play in our constitutional scheme, a restoration of the right of state courts to determine pending proceedings without federal court interference.

Section one of this paper describes the powerful role the founding fathers intended for the state courts to play in our governmental system. Section two then explores how the nation has departed from the intent of the founding fathers by depicting the extent to which the powers of the federal courts have reached to cover areas previously allocated solely to the states. Section three then describes a recent trend in restoring the founding father's desire of preventing federal courts from interfering with pending state proceedings. Next, section four mandates that because an approach reflecting strict adherence to the founding fathers' intent for the role of state courts would probably not sufficiently protect constitutional rights of our nation's citizens, this approach should not be restored. Instead of adopting the more extreme positions taken in the past, the federal courts should adopt a middle course that would allow them to play an important role in vindicating constitutional rights of criminal defendants without interfering significantly with state proceedings. The approach the federal courts should adopt is first, to leave the states enough room to deal with deficiencies in their own institutions, to encourage the states to amend their constitutions sufficiently to prevent federal intrusion. Second, because states often fail to attend to such deficiencies, federal injunctions must be available to plaintiffs in the federal courts under specified standards enforced by the federal courts.

I. NONINTERVENTION: THE FOUNDING FATHERS' INTENT

Two centuries ago "a newly free and independent American people crafted a system of government unlike any that had ever existed. The memory of their struggle for freedom and the tyranny that precipitated it still fresh in mind," [7] the founding fathers were acutely aware of the danger to freedom posed by the concentration of power in a central government. The dilemma they faced was "how to create a government at once sufficiently powerful so that it might govern while adequately limiting it in order to protect individual rights." [8]

"Accordingly, the Framers of the Constitution fashioned a federal system of government under which power was dispersed between two sovereigns: the national government would hold only certain enumerated powers relating to matters—such as war and interstate commerce—beyond the competence of the individual states," [9] and the states would retain, "as James Madison said, 'a residuary and inviolable sovereignty' of the 'lives, liberties, and properties of the people . . . and the internal order, improvement, and prosperity of the states.' " [10] In contemplating the role of the states and especially the relationship between the federal and state courts, the founding fathers clearly intended that the state courts would have jurisdiction over all areas not exclusively delegated to the federal courts.[11] The Constitution's framers "specifically declined to require the creation of lower federal courts because of the availability of state courts to enforce federal law." [12] It was not until 1875 that Congress provided lower federal courts with the general power to hear cases arising under federal law.[13] Because the Constitution's supremacy clause binds state courts to apply relevant principles of federal law, the founders intended that the state courts effectively possess the same powers and responsibilities as the federal courts in protecting constitutional rights.[14]

Besides this wide latitude in power, there also remained "a very large residue of powers that were neither granted the central government nor denied the states and by necessary implication these remained with the latter or the people." [15] Though not explicitly stated in the Constitution, the Tenth Amendment soon made this very clear. Thus the Union and the states were to be coexistent, and neither was at the mercy of the other.[16]

From the manner in which the founding fathers structured our governmental system, we can conclude the founders intended the federal courts to be without jurisdiction to intervene in pending state criminal proceedings. Our nation was instead to rely upon the state courts to vindicate the rights connected with these proceedings.[17]

II. SHIFTING FROM THE FOUNDING FATHERS' ORIGINAL INTENT

In the intervening two centuries since the ratification of the Constitution, the role of the states as intended by the founding fathers has been the subject of constant conflict. The civil war was fought to decide whether the Union would in fact be indissoluble, and in that war's aftermath, the reconstruction amendments profoundly altered the rights of the states. Congress gradually awoke to the potential inherent in its legislative powers. Between 1867 and 1875, Congress passed a series of measures expanding the jurisdiction of the federal courts to hear: habeas corpus claims of state prisoners; cases removed from state courts by persons claiming that their civil rights could not be enforced in those courts; claims of state infringement of civil rights;[18] and (for the first time since the creation of the federal judiciary) cases arising under federal law generally.

One area of significant interest in charting the shifting of the role of the states is the propriety of federal court intervention in state criminal proceedings. The Supreme Court first addressed this issue in *In re Sawyer* in 1888.[19] In this case the Court relied primarily on the principle of judicial comity and prohibited, without exception, federal intervention in a pending state prosecution instituted prior to the federal action. This strict policy soon became incompatible with the Supreme Court's "preconceived need for a more active judicial role in reviewing state economic legislation. Thus, in the early 1900's, the Court acknowledged the authority of the federal courts to enjoin the prospective enforcement of state crimi-

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Footnotes at end of article.

nal statues that violated constitutionally guaranteed property rights." [20]

At the turn of the century during the period of great economic growth, many states enacted laws regulating interstate commerce. Large corporations often turned to the federal court for injunctions that would prevent state officials from enforcing the criminal sanctions contained in such legislation.[21] One example of the struggle beteen the corporations and the state governments was the attempts by the states to fix maximum railroad rates. In a series of cases beginning with *Chicago, Milwaukee & St. Paul Railway* v. *Minnesota* [22] and culminating in the decision of *Ex parte Young,*[23] the Supreme Court determined the rate statues in question deprived the railroads and their stockholders of property without due process of law, and the Court enjoined the prospective enforcement of the laws.[24] In these cases, the states argued that actions against state officials were barred by the eleventh amendment, which prohibits any federal "suit commenced . . . against one of the United States by Citizens of another States," [25] and that the federal courts lacked jurisdiction to enjoin threatened state criminal proceedings.[26] The Court rejected both of these arguments.

In *Ex Parte Young,* the Court held that [t]o await proceedings against the company in a state court grounded upon a disobedience of the act, and then, if necessary, obtain a review in this court by writ of error to the highest state court, would place the company in peril of large loss . . . if it should be finally determined that the act was valid. This risk the company ought not to be required to take.[27]

Following *Ex parte Young,* the Supreme Court continued to analyze the constitutionality of state regulatory statues containing criminal sanctions, and to enjoin enforcement of those it found unconstitutional.[28] In 1926, however, the Court in *Fenner* v. *Boykin* [29] made a major modification of the relatively permissive standards that had previously governed federal intervention in such cases:

Ex Parte Young . . . and following [decisions] have established the doctrine that when absolutely necessary for the protection of constitutional rights courts of the United States have power to enjoin state officers from instituting criminal actions. But this may not be done except under extraordinary circumstances where the danger of irreparable loss is both great and immediate. Ordinarily, there should be no interference with such officers. . . . The accused should first set up and rely upon his defense in the state courts. . . . An intolerable condition would arise if, whenever about to be charged with violating a state law, one were permitted freely to contest its validity by an original proceeding in some federal court.[30]

This case represented some limitations on the federal courts' ability to intervene in state proceedings. The Supreme Court limited federal intervention in state criminal proceedings to those instances in which such action was "absolutely necessary for the protection of constitutional rights."[31] The Court in *Ex parte Young* had previously held, without this restriction, that state officials who threaten "proceedings, either of a civil or criminal nature, to enforce . . . an unconstitutional act . . . may be enjoined by a Federal court of equity from such action.[32]

Also, before *Fenner,* there was no requirement that a complainant must demonstrate, as a prerequisite to federal action, the danger of "both great and immediate . . . irreparable loss" if relief were denied.[33] Finally, the *Fenner* decision required a person threatened with prosecution to "set up and rely upon his defense in the state courts."[34] "*Ex parte Young* and subsequent cases had held that the opportunity to test the constitutionality of a state law by way of defense in a state criminal proceeding did not constitute an adequate remedy at law."[35]

The *Fenner* decision was largely ignored during the next ten years and the Supreme Court continued to apply pre-*Fenner* standards in reviewing whether state regulatory statutes were constitutional.[36] However, with the coming of the Depression, "the rigorous substantive economic due process analysis that had reigned since the 1890's fell into disfavor, and the federal judiciary became increasingly reluctant to scrutinize state regulatory legislation."[37] Many statutes challenged during this period contained criminal sanctions, and the Supreme Court often evaded ruling on the merits by citing *Fenner*[38] and applying the nonintervention doctrine.[39]

While the Supreme Court was limiting federal intervention in the economic field, it was also "expanding the federal courts' role in protecting individual liberties from state encroachment, particularly in first amendment cases."[40] This involved the Court's examination of the constitutionality of state statutes containing criminal sanctions and, if appropriate, enjoining their enforcement.[41] This policy of protecting individual liberties resulted in a restricted application of the nonintervention doctrine. Often, the Supreme Court did not even mention the appropriateness of federal equitable intervention in the state criminal process.[42]

The issue of federal court intervention in state proceedings was rarely discussed until the 1965 Supreme Court decision of *Dombrowski v. Pfister.*[43] The nonintervention doctrine was ignored for twenty years probably because strict application of the doctrine "would have seriously hindered the Court's efforts to end de jure segregation in the South." [44] When the Supreme Court in *Dombrowski* considered the appropriateness of federal court intervention in state criminal proceedings, the Court made obtaining federal intervention easier, thus loosening the strict standards developed in the 1930's and early 1940's.[45] in *Dombrowski,* the Court determined that federal intervention was reasonable because defending against the state criminal charge would not adequately ensure protection of the plaintiffs' first amendment rights. The plaintiffs had alleged that their rights were in danger because the statutes in question were overbroad on their face, and because the state was prosecuting in bad faith for the purpose of discouraging protected civil rights activity.[46] They alleged that "a substantial loss or impairment of freedoms of expression" would occur if they were forced to await the outcome of state court litigation.[47] Stating that all statutes that regulate expression risk inhibiting the exercise of first amendment rights and that this danger is particularly great when the statute is alleged to have "an overbroad sweep," the Court found "[t]he assumption that defense of a criminal prosecution will generally assure ample vindication of constitutional rights [to be] unfounded in such cases." [48] Thus, the Court determined the plaintiffs' "allegations, if true, clearly show irreparable injury." [49]

This liberal approach of allowing federal intervention in pending state proceedings was restricted six years later by the reemergence of the strict standards enunciated in *Younger v. Harris.*[50]

III. YOUNGER: MOVING TOWARD RESTORING THE FOUNDING FATHERS' ORIGINAL INTENT

The potential clash between federal courts' power and principles of federalism and states rights is nowhere more evident than in cases in which a party seeks to have a federal court enjoin state judicial proceedings.[51] "When a federal judge is asked to prevent state court proceedings from running their course, he is, in effect, being asked to rule that the state court cannot be trusted to enforce constitutional rights—that federally guaranteed rights are secure only in a federal forum." [52]

Because the Court recognized this serious undermining of the state courts, the Court reversed its trend of loosely granting injunctive relief and began to make federal injunctive relief harder to obtain in cases where state proceeding are pending. The pivotal case was *Younger v. Harris*—the decision in which Justice Black extolled "Our Federalism." [53] In *Younger,* Harris had been indicted in a California state court for violating the California Syndicalism Act. Harris went into federal court, asking that the court enjoin the county district attorney from prosecuting him. Agreeing with Harris' contention that the state statute was vague and overbroad, and was, therefore, an infringement of his rights under the first amendment, the federal trial judge issued the injunction.

The Supreme Court reversed relying upon principles of equity, comity, and federalism.[54] Justice Black's premise of comity—of respect for the independence of state proceedings—led him to see noninterference as the norm. The person seeking to have a federal court enjoin a pending state prosecution must show an "irreparable" injury, one that is both "great and immediate" [55] Being forced to defend against a criminal prosecution, Black thought, was not that kind of injury.

The Supreme Court cited this explanation for the *Younger* decision:

"This underlying reason . . . is reinforced by an even more vital consideration, the notion of 'comity,' that is, a proper respect for state functions, a recognition of the fact that the entire country is made up of a Union of separate state governments, and a continuance of the belief that the National Government will fare best if the States and their institutions are left free to perform their separate functions in their separate ways. . . . The concept does not mean blind deference to 'States' Rights' any more than it means centralization of control over every important issue in our National Government and its courts. The Framers rejected both these courses. What the concept does represent is a system in which there is sensitivity to the legitimate interests of both State and National Governments, and in which the National Government, anxious though it may be to vindicate and protect federal rights and federal interests, always endeavors to do so in ways that will not unduly interfere with the legitimate activities of the states.[56]

Thus, under *Younger,* injunctions against state officials should be issued only "under extraordinary circumstances where the danger of irreparable loss is both great and immediate." and that "[t]he accused should first set up and rely upon his defense in the state courts . . . unless it plainly appears that this course would not afford adequate protection." [57] Also, "[c]ertain types of injury, in particular, the single criminal prosecution, could not by themselves be considered 'irreparable'. . . ." Rather, "the threat to plaintiff's federally protected rights must be one that cannot be eliminated by his defense against a single criminal prosecution." [58]

The central question in the *Younger* line of cases is how to accommodate competing values—the enforcement of federal civil rights on the one hand, and the integrity of state judicial proceedings on the other.

IV. WHAT CAN AND SHOULD BE DONE TO RESTORE STATES' RIGHTS AS THE FOUNDING FATHERS INTENDED

During the bicentennial celebration of our Constitution, it is inevitable that there would be suggestions that we need to change and reform the constitution in fundamental ways. While some ideas may have merit, "we should be cautious in thinking about changing the document that has served us so very well for so very long." [59] Throughout our nation's history, as changes have seemed necessary, "we have amended the Constitution to meet those various exigencies. The framers knew they had not written the final word on the constitution, and they were wise enough to make provisions for future generations to change the Constitution as those later Americans might see fit." [60] Each of the amendments is a kind of reflection of the times that produced it. Today, however, we are less in need of reforming the constitution than we are in need of restoring it.

But, there are some dangers in arguments that the courts, in reviewing constitutional challenges, should always strive to discover and strictly apply the original intent of the framers.

This approach would stifle the Constitution's ability to evolve in a way that would extend protection to those excluded in the past. It suggests a return to 1787 when blacks, other minorities and women were totally excluded from protection under the Constitution. It suggests a period before the amendments that changed the relationship of the federal government to the states, thereby limiting state practices that violated the Bill of Rights deprived citizens of due process and equal protection. It is at odds with the values expressed in the Declaration of Independence that guided the establishment of the new government.[1]

The Constitution is more than simply a written document; it is tradition, practices, customs, laws, and everything that has gone into our American democracy. "The history of the Constitution, like that of the United States, has been a continuous effort to achieve equal opportunity for all Americans." [2] Thus, of utmost importance is how to accommodate the competing values of enforcing federal civil rights on the one hand, and maintaining the integrity of state judicial proceedings on the other.

As discussed above, over the years since the ratification of the Constitution, the Supreme Court has "applied the nonintervention doctrine in a flexible manner—construing it to permit federal intervention in state proceedings when the Court sought an active role in vindicating constitutional rights, and interpreting it to forbid intervention when the Court eschewed federal court involvement in state affairs." [3] Because an approach reflecting strict adherence to the founding fathers' intent for the role of state courts would probably not sufficiently protect constitutional rights of our nation's citizens, this approach should not be adopted. Instead of utilizing the more extreme positions taken in the past, the federal courts should instead "adopt a middle course that would allow them to play an important but realistically limited role in enforcing the constitutional rights of persons involved in the state criminal process, thus allowing the least realistically possible interference in the states' rights to have an efficient court system." [4]

The approach that should be adopted is first to leave the states enough room to deal with deficiencies in their own institution, to make remedial efforts independent from federal intrusion. Next, because states often fail to attend to such deficiencies, federal law remedies must be available to the plaintiff in federal courts under specified standards enforced by federal courts acting as an arbiter of federalism.

A. Encourage States To Bolster and Revise Their Own Constitutions

The first step in achieving the appropriate balance between the proper role of the state courts and federal intrusion is to encourage states to develop efficient state constitutions which will halt, to a large measure, federal intrusion into state proceedings. A state wins independence from federal intrusion into pending state proceedings by offering its citizens generous state law rights and remedies.[5]

"In the twentieth century, state constitutions have not attracted the popular interest and scholarly comment provoked by the Federal Constitution. The growth of national power—including the Supreme Court's carving out of a greater role for itself—has focused attention on federal constitutional law." [6] It is easy to forget that state constitutions also represent an important body of fundamental law. In *Michigan v. Mosely* Justice Brennan called upon states to go further in protecting individual liberties than the Supreme Court has been willing to go:

> In light of today's erosion of *Miranda* standards as a matter of federal constitutional law, it is appropriate to observe that no State is precluded by the decision from adhering to higher standards under state law. Each State has power to impose higher standards governing police practices under state law than is required by the Federal Constitution.[7]

Many states have responded. While the Supreme Court has been somewhat strict in policing the boundaries between church and state, many state decisions go even farther in keeping church and state separate. Notwithstanding the Supreme Court's 1947 *Everson* decision which permitted the use of state funds to reimburse parents for the expense of transporting their children to parochial schools, [68] many state courts have rejected this theory and have refused to permit the state to reimburse parents for transportation to the parochial schools.[69] Similarly, in dealing with environmental litigation, the federal courts have not declared a constitutional right to a decent environment. Many states have responded with a body of state constitutional law protecting the environment.[70]

Far more than the Federal Constitution, state constitutions are "a mirror of contemporary perceptions of fundamental values." [71] The Federal Constitution is amended infrequently and with great difficulty. Consequently, Supreme Court justices bear an unusually heavy burden when they break new ground. State constitutions, on the other hand, are far easier to amend. Thus, a state court interpretation that is unacceptable to the people of a state is more susceptible to correction.[72]

In addition to specific amendments, state constitution, unlike the Federal Constitution, should be, and are periodically revised. As a result, they correspond more closely to the Jeffersonian precept that in order to be effective, a constitution should be revised at regular intervals "so that it may be handed on, with periodical repairs, from generation to generation. . . ."[73]

Thus, the states should make a " 'separate sphere' for itself by inducing plaintiffs who generally would prefer a federal forum to choose state court instead in order to claim state-created rights." [74] In order to accomplish this, "the state law that wins the state independence must be more generous than federal law, just as the state constitutional law that shields a state court opinion from Supreme Court review under the independent and adequate state law ground doctrine must surpass the protection offered by the analogous federal statutory or constitutional law." [75] The state should be awarded separateness only if the state earns it.

This freedom will encourage states to develop and experiment with new projections and entitlements for their citizens that extend beyond the federal requirements and to tailor solutions in accordance with their knowledge of local conditions and preferences. In this way, the states can serve the interests of federalism as articulated by Justice Black in *Younger*.[76]

B. Federal Intervention Standards Must Be Set

In formulating an appropriate standard for federal intervention which accommodates protection of federal interests and prevention of impingement of state rights, the second step is for the federal courts to act as arbiters of federalism. Given the federal courts' powers of judicial review, it is natural that their part of their role should include acting as defenders of federalism.

In order for the federal courts to accommodate the respective federal and state interests in relation to pending state proceedings, the courts should adopt a middle course in their approach to granting federal injunctions that would allow them to play an important but realistically limited role in enforcing constitutional rights of persons involved in the state criminal process. In setting this standard for the federal courts to follow, determining the proper scope of the *Younger* doctrine provides the guidelines.

First, the *Younger* doctrine should bar federal courts from interfering with state court proceedings if that interference would seriously hinder the adjudication of state prosecutions "by involving federal courts in the piecemeal determinations of issues considered traditionally during the course of state court proceedings." [77] The federal courts cannot feasibly monitor all aspects of state practice and procedure, or provide individual review each time a defendant's rights are arguably violated in the source of a state prosecution.[78] Thus, federal courts "should deny requests for relief by individual criminal defendants that would necessitate federal review of substantive state court rulings regarding issues considered traditionally during the course of the state court proceeding." [79]

Some federal courts have already adopted this position. The Fifth Circuit, in ***Bryant*** v. *Morgan*,[80] cited *Younger* in rejecting a constitutional attack on trial jury selection procedures brought in state court. In ***Manns*** v. *Koonts*,[81] the Fourth Circuit held that under *Younger* a suit must be barred which contested the constitutionality of a state law that placed exclusive original jurisdiction of the criminal case in a domestic relations court not affording a jury trial. Similarly, in *United States* ex rel. *Hudson* v. *Wollenzien*,[82] a district court used *Younger* to dismiss a case in which a party sought a declaration that he was entitled to a jury determination on the issue of the reasonableness of his refusal to submit to blood alcohol test in proceeding brought to suspend his driver's license.

If the federal courts had granted the relief requested in *Bryant, Manns*, or *Hudson*, this would have blocked or substantially impeded state criminal prosecutions. Also, "the claims raised in these cases all related to jury matters, which traditionally have been considered first in the context of the state prosecution. Thus, the court held correctly that *Younger* barred relief." [83]

Second, the *Younger* doctrine should also preclude "blanket injunctions when such orders would replace individual factual determinations [84] or would require second-guessing the discretionary decisions of state judges." [85]

The Second Circuit, in *Wallace* v. *Kern*,[86] vacated a lower court ruling that each detainee awaiting trial before the specified court for more than six months (nine months when the detainee is accused of murder) would be able to demand a trial and be released on his own recognizance if not brought to trial within forty-five days of the demand. The Second Circuit held that "[r]elief from unconstitutional delays in criminal trials is not available in wholesale lots." [87] The circuit court found the automatic six-month time limit to be "curiously arbitrary" and concluded the decision lacked the "fine, albeit difficult, case-by-case determination of whether a prejudicial delay exists as to any individual inmate." [88]

Third, the *Younger* doctrine should also be applied to bar relief that consists of extensive reform of a state's criminal process and which would thus cast "a federal district court in the role of receiver for a state judicial branch." [89] For example, in *O'Shea v. Littleton* the plaintiffs attached the entire criminal justice system of Cairo, Illinois. The plaintiffs claimed the state's attorney, his investigator, and the police commissioner intentionally practiced racial discrimination in the performance of their duties, alleging that the law was deliberately applied more harshly against blacks than against whites. The plaintiffs also claimed that a county magistrate and a judge used unconstitutional bail procedures that mandated harsher sentences and conditions on black defendants. Finally, the plaintiffs charged all the state officials with using their powers to stop the plaintiffs from peacefully protesting racist practices in Cairo. The plaintiffs sought injunctive relief against these discriminatory practices.

The Supreme Court dismissed the case on standing grounds because "[n]one of the named plaintiffs [was] identified as himself having suffered any injury in the manner specified" [90] and because the prospect of future injury was speculative. In dicta the court stated that the kind of relief sought by the plaintiffs necessarily would include "abrasive and unmanageable intercession" [91] into the day-to-day conduct or local criminal proceedings. Because the plaintiffs alleged racial discrimination throughout the criminal process, effective relief would have required a complete federal take-over of Cairo's prosecutorial and judicial systems. By seeking "an injunction aimed at controlling or preventing the occurrence of specific events that might take place in the course of future state criminal trials," the plaintiffs seemed to "contemplate interruption of state proceedings to adjudicate assertions of noncompliance" in an "ongoing federal audit or state criminal proceedings." [92] Thus, the Court found that granting the relief requested "would indirectly accomplish the kind of interference that *Younger v. Harris* . . . and related cases sought to prevent." [93]

Fourth, because the policies of the *Younger* doctrine involve the relationship between the federal and state courts, the doctrine should not apply when the relief sought has no interference with substantive aspects of pending state judicial proceedings, even if other aspects of the state criminal process are involved.[94] Thus, if a suit were brought against state officials for providing incomplete or erroneous criminal histories,[95] or against officials in charge of courthouse detention facilities for not providing adequate facilities for pretrial detainees to consult with their attorneys privately,[96] or against a court reporter for failing to transcribe trial minutes properly,[97] the federal courts "should be allowed to grant relief directed against these nonjudicial officials as long as the relief sought does not interfere with pending judicial proceedings." [98]

Finally, *Younger* should not ordinarily bar class actions brought by person requesting equitable relief from probable future arrests or prosecutions, or in other words, prospective relief. In *Rakes v. Coleman*,[99] an action was brought on behalf of anyone "convicted or being convicted" [100] under a public drunkenness statute. The plaintiffs alleged that the Constitution required the courts to recognize alcoholism as a defense to the prosecutions. The court determined that it was barred by *Younger* from interfering with any pending prosecutions.

Thus , a federal court should bar injunctive relief that would hinder the orderly adjudication of state proceedings through the involvement of federal courts, that would supplant individual factual determinations or would require second-guessing discretionary decision of state judges, or would entail extensive reform of a state's criminal process. A federal court should not apply *Younger* and thus allow injunctive relief when the relief sought entails no interference with substantive aspects of pending state proceedings and when the complainants seek only prospective relief.

V. CONCLUSION

While we celebrate the beginning of our republic by reflecting on the foresight of our constitutional forbearers and speculating whether the future will see survival of this great democratic experiment, we should explore and perhaps revise the proper role of the states in our government system.

The founding fathers foresaw a powerful role for the state courts to play in our governmental system. The economic and social changes in history provoked departures from this intent, causing the federal courts to extend their authority to areas previously allocated solely to the states. However, a recent trend has emerged which has partially restored the founding father's desire of preventing federal courts from interfering with an ongoing state proceeding. Even so, returning to a strict adherence of the founding fathers' intent for the role of state courts would probably not sufficiently protect constitutional rights of our nation's citizens. Thus, the founding fathers' intentions for the role of the states in this respect should not be completely restored. Instead, the federal courts should adopt a middle ground by encouraging states to bolster their constitutions to prevent federal intrusion and by establishing standards limiting federal injunctive intervention. These measures would allow the federal courts to play an important role in vindicating rights of criminal defendants without interfering significantly with state proceedings.

FOOTNOTES

[1] Wachtler *The Constitution: Merely Words That We Give Meaning.* Nat'l L. J. Monday, April 27, 1987 at S-8.

[2] *Id.*

[3] *Id.*

[4] *Id.*

[5] Annual Chief Justice Earl Warren Conference On Advocacy in the United States *The Courts: The Pendulum of Federalism* 50 (1979).

[6] Younger v. Harris, 401 U.S. 37, 44-45 (1971).

[7] Cooper, *Has the Supreme Court Destroyed Federalism?*, A.B.A. J., May 1, 1987 at 42.

[8] E. Meese, *A Call to Restore, But Not To Reform, The Constitution,* Nat'l Law J., April 27, 1978 at S-5.

[9] *Id.*

[10] Cooper, *supra* note 7, at 42.

[11] "I shall lay it down as a rule, that the State courts will *retain* the jurisdiction they now have unless it appears to be taken away in one of the enumerated modes. C. Beard, *The Enduring Federalist* 354 (1984). *See also* Warren, *supra* note 5 at 50. ("From the beginning, federalism has been one of the cornerstones of the American constitutional system. The Federal Union came into being when the people, acting through the states, ratified the Constitution, and at the time that the first ten amendments—an implicit part of the ratification bargain—were added to the Constitution, the Tenth Amendment spoke of rights not delegated to the Federal Government being 'reserved to the States respectively, or to the people.' ")

[12] M. Reddish, *Federal Jurisdiction: Tensions in the Allocation of Power,* 298 (1980). In the scheme of the Constitution, state courts "are the primary guarantors of constitutional rights, and in many cases they may be the ultimate ones." Hart, *The Power of Congress to Limit Jurisdiction of Federal Courts: An Exercise in Dialect,* 66 Harv. L. Rev. 1362, 1401 (1953).

[13] Reddish, *supra* note 12, at 298.

[14] *Id.*

[15] D. Malone & B. Rauch, *American Origins To 1789,* 236 (1960).

[16] *See* Wilson v. Schnettler, 365 U.S. 381, 385 (1961) (The state and federal courts should be independent of one another).

[17] Zeigler, *An accommodation of the* Younger *Doctrine and the Duty of the Federal Courts To Enforce Constitutional Safeguards in the State Criminal Process* 125 U. Pa. L. Rev. 266, 270 (1977).

[18] During the era of Reconstruction, Congress enacted civil rights legislation aimed primarily at securing the status of the newly freed slaves because the states were failing to do so adequately. Following is an example:

(1) The Civil Rights Act. This act declared there shall be no discrimination in civil rights on account of race but that inhabitants of every race and color should have the same right to make and enforce contracts, to sue, be parties, and give evidence, and to

full and equal benefit of all laws and proceedings for the security of personal and property, and shall be subject to like punishments, pains and penalties. Cong. Glove, 39th Cong., 1st Sess. 211 (1866).

These provisions contemplated federal court intervention in the criminal and civil justice systems of the South to ensure fair administration of the laws. Congress told southern officials that "all causes, civil and criminal," would be taken away from them by federal courts if defendants were denied fundamental rights in state proceedings. Also, during the debates, proponents of the Civil Rights Act made clear that it was to be broadly construed to combat the Black Codes and to remedy the unequal enforcement of the laws by southern justice officials. "Opponents complained that the bill would work wholesale reform of state criminal codes, interfere with the duties of state judicial and executive officals, and result in a flood of petty cases being removed to federal court. Proponents of the measure answered that it was necessary" because the judicial systems of the southern states were routinely violating fundamental rights. Zeigler, *A Reassessment of the* Younger *Doctrine In Light of the Legislative History of Reconstruction* 1983 Duke L. J. 987, 999-1001 (1983).

"After long debate, both the House and Senate overwhelmingly approved the Civil Rights bill. Nevertheless, President Johnson vetoed the bill, claiming that it intruded improperly into internal state affairs and authorized unprecedented federal court interference with officials in all branches of state government. The sponsors of the bill emphasized to Congress that the federal courts should interfere with state judicial and executive officials to the extent necessary to ensure impartial administration of justice. Congress overrode the President's veto, and the Civil Rights bill became law on April 9, 1866." *Id.* at 1001

[19] 124 U.S. 200 (1888). The Supreme Court had not addressed this issue previously because of the belief that "the federal courts were without jurisdiction in such cases. A defendant in a criminal action was usually a citizen of the same state as the prosecutorial authority, and thus diversity jurisdiction rarely existed. More importantly, during America's first century, Congress relied on the state courts to vindicate federal rights." Zeigler, *supra* note 17 at 270 n. 23. It was not until 1875 that the lower federal courts were granted "original cognizance, concurrent with the courts of the several states, of all suits . . . arising under the Constitution of laws of the United States. . . ." Act of Mar. 3, 1875, ch. 137, 18 Stat. 470. "Because most requests for federal intervention in state criminal proceedings are based on alleged violations of federal statutory or constitutional rights, such requests probably would not have been considered cognizable in the lower federal courts prior to 1875." Zeigler, *supra* note 17, at 272 n. 23. *See generally* Chadbourn & Levin, *Original Jurisdiction of Federal Questions,* 90 U. Pa. L. Rev. 639 (1942); Forrester, *The Nature of a "Federal Question,"* 16 Tul. L. Rev. 362 (1942); Wechsler, *Federal Courts, State Criminal Law and the First Amendment,* 49 N.Y.U. L. Rev. 740, 744–45 (1974).

[20] Zeigler, *supra* note 17, at 270.

[21] *Id* at 271. *See generally* Congressional Research Service, The Constitution of the United States of America 770–77 (1973); *Developments in the Law—Injunctions,* 78 Harv. L. Rev. 994, 1024 (1965).

[22] 134 U.S. 418 (1890).

[23] 209 U.S. 123 (1908). Other significant cases include: *Prout* v. *Starr,* 188 U.S. 537 (1903); Smyth v. Ames, 169 U.S. 466 (1898); *Reagan* v. *Farmers' Loan & Trust Co.,* 154 U.S. 362 (1894).

[24] Zeigler, *supra* 17, at 271.

[25] U.S. Const. amend. XI.

[26] Zeigler, *supra* note 17, at 272.

[27] 209 U.S. 123, 164 (1908). In this case the Court ruled that the Eleventh Amendment does not bar suit against a state official where he is claimed to have violated a plaintiff's constitutional rights.

Justice Harlan, dissenting in *Ex parte Young,* foresaw what that decision implied for the federal system:

> This principle, if firmly established, would work a radical change in our governmental system. . . . It would enable the subordinate Federal Courts to supervise and control the official action of the States as if they were "dependencies" of provinces. 209 U.S. 123, 175 (1908) (Harlan J., dissenting).

Justice Harlan saw the situation clearly. "Today federal judges run school systems, local jails, state mental hospitals, state prisons, and other local governmental institutions. In Boston, Judge Garrity put South Boston High School into a receivership, appointing a committee to run the school and to report to him rather than to the Boston School Committee. In Alabama, Judge Fran Johnson has been so busy overseeing the operations of state police and other state agencies that he has often been referred to as "the real Governor of Alabama." Annual Chief Justice Earl Warren Conference on Advocacy in the United States *The Courts: The Pendulum of Federalism* 57 (1979).

[28] Zeigler, *supra* note 17, at 273. For example, in Traux v. Raich, 239 U.S. 33 (1915), and Western Union Tel. Co. v. Andrews, 216 U.S. 165 (1910), the Court held that the enforcement of unconstitutional statutes could be enjoined. In Hall v. Geiger Jones Co., 242 U.S. 539 (1917), and Lindsley v. National Carbonic Gas Co., 220 U.S. 61 (1911), state statutes were found not unconstitutional after consideration of the merits. In Hygrade Provision Co. v. Sherman, 266 U.S. 497, Packard v. Banton, 264 U.S. 140 (1924), and Terrace v. Thompson, 263 U.S. 197 (1923), the Court stated that it would intervene to protect property rights and enjoin the enforcement of unconstitutional statutes, but found the statutes before it consitutional. Zeigler, *supra* note 17, at 273 n. 34.

[29] 271 U.S. 240 (1926).

[30] *Id.* at 243–44.

[31] *Id.* at 143–44.

[32] 209 U.S. at 156.

[33] 217 U.S. at 243–44.

[34] *Id.*

[35] Zeigler, *supra* note 17, at 274.

[36] *Id.* at 274.

[37] *Id.* at 274–75. (footnote omitted).

[38] In Spielman Motor Sales Co. v. Dodge, 295 U.S. 89 (1935), the petitioner requested that the Court invalidate a New York law regulating car sales. Relying on *Fenner,* the Court stated:

> The general rule is that equity will not interfere to prevent the enforcement of a criminal statute even though unconstitutional. . . . To justify such interference there must be exceptional circumstances and a clear showing that an injunction is necessary in order to afford adequate protection of constitutional rights. . . . We have said it must appear that the "danger of irreparable loss is both great and immediate"; otherwise, the accused should first set up his defense in the state court, even though the validity of a statute is challenged. . . .
>
> [The] complainant failed to meet this test. . . . [It] contained general allegations of irreparable damage and deprivation of . . . due process . . . [b]ut . . . failed to state facts sufficient to warrant such conclusions. . . . [T]he case presented . . . was the ordinary one of a criminal prosecution which would afford appropriate opportunity for assertion of appellant's rights. *Id.* at 95–96.

[39] Zeigler, *supra* note 17, at 275.

[40] *Id.* at 276.

[41] *Id.* For example, in Grosjean v. American Press Co., 297 U.S. 233 (1936), the Court struck down a state statute which imposed a percentage tax on the gross receipts of newspapers; a fine and imprisonment were the penalties for nonpayment. Simiarly, in Hague v. CIO, 307 U.S. 496 (1939), the Supreme Court invalidated two state statutes that prohibited public assembly without a permit from a director who had absolute discretion to deny requests for permits.

[42] Zeigler, *supra* note 17, at 276. In one case, however, *Douglas v. City of Jeannette,* 319 U.S. 157 (1943), the Court (citing *Fenner*) would not enjoin prospective prosecutions under a statute that mandated criminal penalties for selling religious literature door-to-door without paying a license tax.

[43] 380 U.S. 479 (1965). One exception was Steffanelli v. Minard, 342 U.S. 117 (1951). Here the Court would not order the suppression of evidence in a pending state prosecution. This decison was noteworthy because the Supreme Court modified its former prohibition against intervention in pending state criminal proceedings *Id.* at 122–23.

[44] Zeigler, *supra* note 17 at 277.

[45] *Id.* at 279.

[46] *Id.* at 278. The Court was able to distinguish *Douglas v. City of Jeannette* because the plaintiffs in *Douglas* had neither questioned the facial validity of the city ordinance requiring door-to-door solicitors to pay a license tax, nor been "threatened with any injury other than that incidental to every criminal proceeding brought lawfully and in good faith. . . ." 380 U.S. 479, 485 (1965).

[47] 380 U.S. at 486.

[48] *Id.* at 486.

[49] *Id.*

[50] 401 U.S. 37 (1971).

[51] Annual Chief Justice Earl Warren Conference on Advocacy in the United States *The Courts: The Pendulum of Federalism* 62 (1979).

[52] *Id.* Because the Constitution's supremacy clause forces states to apply relevant principles of federal law, the state courts possess the same powers and responsibilities as the federal courts. "Thus it is often thought that a federal injunction of an ongoing state criminal proceeding could be interpreted as an aspersion on the ability or willingness of the state court to meet the obligations imposed upon it by the Constitution. Reddish, *supra* note 12, at 299.

[53] 401 U.S. 37 (1971).

[54] *Id.* at 54.

[55] *Id.* at.

[56] *Id.* at 44.

[57] *Id.* at 45.

[58] *Id.* at 46.

[59] Meese, *A Call to Restore, But Not To Reform, The Constitution* Nat'l Law J., April 27, 1987 at S-5.

[60] *Id.*

[61] Chambers, *Constitutional Protection for Minority Rights* Nat'l. Law J., April 27, 1987 at S-14.

[62] *Id.*

[63] Zeigler, *supra* note 17 at 283.

[64] *Id.* at 283-84.

[65] Althouse, *How To Build a Separate Sphere: Federal Courts and State Power* 100 Harv. L Rev. 1485, 1525 (1987).

[66] Annual Chief Justice Warren Conference on Advocacy in the United States *The Courts: The Pendulum of Federalism,* 71 (1979).

[67] 423 U.S. 96, 120 (1975) (Brennan J., dissenting). See Miranda v. Arizona, 384 U.S. 436 (1966).

[68] Everson v. Board of Educ., 330 U.S. 1 (1947).

[69] See, e.g., Opinion of the Justices, 59 Del. 196, 216 A.2d 668 (1966); Epeldi v. Engelking, 94 Idaho 390, 488 P.2d 860 (1971), *cert. denied,* 406 U.S. 957 (1972).

[70] *See* Sax, *The Public Trust Doctrine in Natural Resources Law: Effective Judicial Intervention,* 68 Mich. L. Rev. 471 (1970).

[71] Annual Chief Justice Earl Warren Confernce on Advocacy in the United States *The Courts: The Pendulum of Federalism* 74 (1979).

[72] *Id.*

[73] Letter of July 12, 1816 to Samuel Kerchival, in *Writings of Thomas Jefferson* (P. Ford ed. 1892-99).

[74] Althouse, *supra* note 65, at 1526.

[75] *Id.* at 1526.

[76] *Id.* 1527.

[77] Zeigler, *supra* note 17, at 286. The Court in *Younger* state that "courts of equity should not act, and particularly should not act to restrain a criminal prosecution, when the moving party has an adequate remedy at law and will not suffer irreparable injury if denied equitable relief." 401 U.S. at 43-44.

[78] Zeigler, *supra* note 17, at 284.

[79] *Id.*

[80] 451 F.2d 354 (5th Cir. 1971).

[81] 451 F.2d 1344 (4th Cir. 1971).

[82] 345 F. Supp. 436 (E.D. Wis. 1972).

[83] Zeigler, *supra* note 17, at 286-87.

[84] When the proper relief depends on individual determinations, relief by blanket injunctions will be insufficient for some individuals and unwarranted for others. Zeigler, *supra* note 17, at 284.

[85] Zeigler, *supra* note 17, at 284.

[86] 499 F.2d 1345 (2d Cir. 1974), *cert. denied,* 420 U.S. 947 (1975).

[87] 499 F.2d at 1351.

[88] *Id.* at 1350.

[89] Ad Hoc Comm. on Judicial Admin. v. Massachusetts, 488 F.2d 1241, 1246 (1st Cir. 1973), *cert denied,* 416 U.S. 986 (1974).

[90] *Id.* at 495.

[91] *Id.* at 504.

[92] *Id.* at 500.

[93] *Id.*

[94] Zeigler, *supra* note 17, at 290.

[95] *See, e.g.,* Tatum v. Rogers, No. 75 Civ. 2782-CBM (S.D.N.Y., 1975).

[96] *See, e.g.,* Wallace v. Kern (E.D.N.Y. 1975), *rev'd,* 520 F.2d 200 (2d Cir. 1975), *cert denied,* 96 S. Ct. 1109 (1976).

[97] *See, e.g.,* Simmons v. Maslysnky, 45 F.R.D. 127 (E.D. Pa. 1966).

[98] Zeigler, *supra* note 17, at 291.

[99] 359 F. Supp. 370 (E.D. Va. 1973).

[100] *Id.* at 372.

PRESTON DARDEN, MAYOR, HUEYTOWN, ALABAMA

Mr. SHELBY. Mr. President, this week a good friend and dedicated Alabamian will step down as mayor of Hueytown, AL—a small town with a lot of character. Preston Darden has served as mayor of Hueytown for 12 years, and during those years has led Hueytown toward the 21st century with a deliberate concentration on improved commercial and industrial growth. During a time when, tragically, many of our Nation's small towns have deteriorated, Mayor Darden's leadership and genuine devotion to his home have shone in Hueytown's prosperity.

Preston and his wife, Sara, have lived in Hueytown since 1946. He is the father of two daughters and four grandchildren and is known to most as a compassionate and caring man, a good friend and concerned citizen—who also happens to be the mayor. A true semblance of his humanity is his faithfulness to the Board of Superannuant Homes for the North Alabama Methodist Conference—a group that works to assure every retired Methodist minister in the conference an affordable home. He has tirelessly served in this capacity longer than any other Alabamian.

The mayor's leadership and endless participation on the national, State, and local level has provided Hueytown a known and respected voice of representation. He has been active in the National League of Cities, the Alabama League of Municipalities, the Birmingham Regional Planning Commission and is chairman of the Metropolitan Planning Organization.

I salute Preston Darden as not only my friend but as a man of character. Though city hall won't be quite the same without him, I wish for him all good things in his retirement and the sense to take time to enjoy them.

TRIBUTE TO THE ALABAMA SYMPHONY ORCHESTRA

Mr. SHELBY. Mr. President, I rise today to welcome the Alabama Symphony Orchestra—one of my State's greatest treasures—to Washington. This weekend, on October 2, 1988, the Alabama Symphony Orchestra will make its national debut with a performance at Washington's prestigious Kennedy Center. This event is the national kickoff for the Alabama Reunion and is made possible by a contribution from Secor Bank. I encourage my colleagues to take advantage of this opportunity and hope that they will attend this performance and hear one of my State's remarkable assets.

The Alabama Reunion is a unique yearlong celebration intended to focus on the State of Alabama, spotlighting those special qualities it has to offer its residents, tourists, and prospective new comers to the State. During the year, it is the duty of every Alabamian to encourage and to promote pride in Alabama. As part of the Alabama Reunion, the Alabama Symphony Orchestra comes to Washington as an ambassador to impress upon the Nation that Alabama has much to offer.

Under the brilliant and dynamic direction of Conductor Paul Polivnick, the Alabama Symphony Orchestra will perform an extraordinary program which includes, Russell Peck's "Peace Overture." This work was premiered by the Alabama Symphony Orchestra at the Annual Birmingham Festival of Arts Concert. The second piece is Aram Khachaturians' "Concerto for Piano and Orchestra" and will feature guest soloist Lorin Hollander who has been recognized as one of the great pianists of our time. Hollander brings with him an exclusive résumé, having performed with virtually every major orchestra. The grand finale will be Vladimir Ashkenazy's arrangement of Modeste Mussorgsky's "Pictures at an Exhibition," an arrangement not previously performed at the Kennedy Center.

Performing at the Kennedy Center is a significant moment in the history of the Alabama Symphony Orchestra. Founded in 1933 and formerly known as the Birmingham Symphony Orchestra, the Alabama Symphony Orchestra, in the last 55 years, has grown from a small community orchestra to a highly professional orchestra of 74 musicians. As the orchestra has grown, it has become the pivotal component for the arts and cultural life in my home State. The symphony acts as the cultural core or base for the performing arts community of Alabama.

Not only does the Alabama Symphony Orchestra provide the necessary support for Alabama's performing arts community, but also it plays an important role in providing the various communities of my State with cultural activity. Each year, the Alabama Symphony Orchestra performs before hundreds of thousands of Alabamians. Through its various concert programs, the Alabama Symphony Orchestra attempts to reach all types of individuals and provide them the opportunity to hear symphonic music. Besides their 34 week season of concerts fashioned on a traditional classical repertoire, the Alabama Symphony Orchestra has initiated such wonderful programs as the pops in the park series—a free concert series open to the public and held in some of the more beautiful parks in and around the Birmingham area. Two additional programs which I feel benefit the people of my State are the Discovery Series and the Youth Concert Series. These two programs are designed to expose school age children to the wonderful world of classical music.

The gift of music has been made more wonderful since the arrival of Paul Polivnick, who is presently in his fourth season as the music director and conductor of the Alabama Symphony Orchestra. Since Polivnick's arrival, the orchestra has become recognized as one of the finer regional orchestras in the country. This new found reputation is something in which all Alabamians can take pride, and Polivnick has been the major force in establishing this reputation.

Paul Polivnick is one of this country's up and coming young conductors, and we are lucky to have such an accomplished musician in Alabama. Paul began to seriously study the trumpet and violin at the age of 8. In 1965, he entered the Juilliard School of Music to study the violin with Oscar Shumsky, one of the world's premier violinist. While at Juilliard, he studied conducting under Jean Morel, a world famous conductor. Polivnick also studied at a variety of music academies here and abroad which have produced some of the great conductors in the world today.

Since stepping into the professional music arena, Polivnick's reputation as a conductor has grown with great leaps and bounds. In recent years, Polivnick has been highly acclaimed by many of his critics as one of the more imaginative young conductors in the country. In 1987, he received a nomination for the coveted Seaver Award—the top honor a young American conductor can receive. His outstanding reputation as a conductor is also reflected in his conducting engagements over the last 2 years which have taken him as far as Vienna, Portugal, and Korea. In August 1988, he had the wonderful opportunity to serve as the guest conductor for the internationally acclaimed London Symphony Orchestra. We are indeed privileged to have in our great State such a highly regarded member of the music profession who has dedicated himself to improving Alabama's cultural heritage.

Mr. President, I am extremely proud to welcome the Alabama Symphony Orchestra to Washington. I am looking forward to what I am sure will be a magnificent performance that will sweep the audience away with every note. With this performance, individuals in this area and across the Nation will experience first hand one of my State's greatest natural resources. Alabama is a State with a great deal to offer its residents and its visitors. The Alabama Symphony Orchestra is a vital organization in my State which improves the quality of life for all Alabamians. I encourage my colleagues and others in the Washington area to attend this week's performance and to take advantage of this opportunity to hear one of my State's greatest treasures.

MINIMUM WAGE RESTORATION ACT OF 1988

Mr. SYMMS. Mr. President, the battle cry I hear in the Senate is people keep making claims that during the last 8 years that somehow all the good jobs in this country have been replaced by bad jobs and people are not really earning a good living. I find very frustrating, Mr. President, the repeated use of the time and resources of the committees of the Senate to produce misleading studies and reports about the relative condition of American workers after 10 years of economic change.

The Budget Committee has just released a study, entitled "Wages of American Workers in the 1980's," that is just filled with statistical information on the work force, breaking it down by regions and some individual States, and by various demographic categories. Some members of the committee have made the statement that this research has demonstrated that American workers are not better off after 6 years of economic recovery under the Reagan administration.

Mr. President, the Budget Committee study is seriously flawed in its economic methodology. I should call it economic mythology. As a member of the Joint Economic Committee, I am becoming increasingly aware of the use of this kind of misleading statistical analysis.

I want to call the Senate's attention to two basic methodological errors in the new Budget Committee study:

First, the study has taken every job in America during the period of the study and annualized it—that is, every part-time job has been multiplied by some number in order to count it as if it were a full-time job.

Mr. President, that is an illegitimate way to measure the income from employment. As every economist knows, part-time jobs pay substantially less normally than full-time jobs. There are many reasons for this—they are marginal jobs, supplemental jobs, dispensible jobs employers can often make do without or they can be done occasionally when there are no time constraints on them. The individuals who hold part-time jobs are most often students who are working their way through school or working after school; or the part-timers are second earners in a household, frequently reentrants to the work force.

The labor force participation rate, the percentage of the American adult population who have jobs of any kind, is at an all time high—66.2 percent. The increase in American labor force participation is primarily due to the increase in part-time work by millions of people who are willing and able to make an economic contribution in that way.

Dr. Janet Norwood, the Commissioner of Labor Statistics, has testified before the Joint Economic Committee about part-time employment. The BLS counts as a job, during its monthly survey of employment and unemployment, any paid work of 1 hour or more. What this Budget Committee study has done, intentionally or not, is to take such jobs of 1 hour or more and multiply them out to the full-time status of 2,080 hours per year. Then they fed them into the statistics to make it look like wages have gone down instead of up, as they have.

Second, the study commits another fallacy by measuring the jobs in categories based on the poverty level for a family of four—$11,611 in 1987 dollars. Since most part-time jobs are not held by heads of households, this use of the poverty level for a family of four is very misleading. It creates a so-called low-wage category, a middle-wage category, and a high-wage category based on this very deceptive distinction. Due to its peculiar methodology, of multiplying part-time jobs by an annual-hours factor to treat them as full-time jobs, the increase in part-time employment as our Nation grows higher and higher toward full employment looks misleadingly like an increase in the number of "full-time poverty level jobs." This is a completely false picture.

The very revealing economic data from changes in family income and real per capita disposable income in recent years are the strongest evidence that the flawed methodology of this Budget Committee study has produced a totally misleading conclusion.

The Republican members of the Joint Economic Committee addressed this bad jobs myth in our 1988 annual report. I ask unanimous consent to reprint at this point in the RECORD a table from the March 15, 1988, JEC annual report, showing the Census Bureau's findings for real per capita disposable income and consumption expenditures in constant 1982 dollars. As this table shows, real per capita disposable income has risen 13 percent since its lows in 1980 and 1982.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Real per capita disposable income has risen by 13 percent relative to its level in both 1980 and 1982. While declining by one percent in 1980, this measure of income shows a less serious problem than does real median family income in that year. In addition, the table shows how these income gains have been reflected in increased real consumption—another measure of higher living standards.

TABLE IV.4.—REAL PER CAPITA DISPOSABLE INCOME AND CONSUMPTION

[1979–87, in constant (1982) dollars]

Year	Income	Personal consumption expenditures
1979	$9,829	$8,904
1980	9,722	8,783
1981	9,769	8,794
1982	9,724	8,818
1983	9,930	9,139
1984	10,419	9,489
1985	10,622	9,830

TABLE IV.4.—REAL PER CAPITA DISPOSABLE INCOME AND CONSUMPTION—Continued

[1979–87, in constant (1982) dollars]

Year	Income	Personal consumption expenditures
1986	10,947	10,142
1987	10,976	10,234

Source: Census Bureau.

Mr. SYMMS. Also, Mr. President, I ask unanimous consent to have printed in the RECORD at this point a new study by one of our staff economists, "The Turnaround in Family Income, 1977–1987."

The facts of the rising American family standard of living simply refute and repudiate the allegations of the Budget Committee study. It is just logically impossible for American workers to be losing ground, to be sinking ever more deeply into worse and worse paying jobs, and yet still be enjoying a 13-percent rise in real per capita disposable income and a constantly rising family income.

There being no objection, the study was ordered to be printed in the RECORD, as follows:

THE TURNAROUND IN FAMILY INCOME 1977–87

(By Christopher Frenze)

This paper will review trends in the incomes of low, middle, and upper income Americans. Factual information about family income is important because it is sure to emerge as a fiercely debated issue this year. As one would expect, family income has trended upward during the current economic expansion. But partisan critics will argue that any income gains under the current Administration are either illusory or unfairly distributed.

Addressed effectively, the partisan attacks on Administration policy can be refuted, and the tables turned. During the Carter Administration median family income declined by $867. The last year a Democrat Administration was in power—1980—was a disaster for family income. The middle American family lost about $1,700 in 1980 alone, the biggest drop since World War II. If each of the last five years had repeated this performance, the middle American family would have lost $8,365 in real income since 1982.

INCOME DISTRIBUTION

The critics and some elements of the press have and will continue to use income distributing arguments to create the impression that the rich are getting richer, and the poor, poorer, under President Reagan. Though shopworn, it can be effective. The trick is to keep the focus on inequality in "the distribution of income," as if there were some entity distributing a pool of common income in a free society. However, in a market economy most income is privately generated by mutual agreement between two or more persons, such as an employee and an employer. There is no "Distributor" of income as such, so attacks on Administration policy are really directed against a straw man.

Instead of the issue being framed in this way, the focus should be shifted to whether the incomes of low, middle and affluent families are going up or down. It would be small consolation for a poor person to learn that one's share of total income has increased slightly, but at the price of a significantly lower level of income. What is important is not the relative share of the income pie, but that everyone over time gets a larger piece of a growing economic pie.

Measures of income distribution typically rely on what share of total family income was earned by each consecutive quintile, or 20 percent grouping, of all families or households. The Census Bureau, for example, divides all families by income levels into classes of lowest fifth, second fifth, middle fifth, fourth fifth, and top fifth for each year since 1947, and allocates the income of each quintile accordingly. Others often use this information as though the quintiles are composed of roughly the same families, ignoring factors such as demographics, labor force participation, social changes such as divorce, and upward and downward mobility. The fluid movement of particular families in and out of the various quintiles is not reflected in these data. For example, young families typically tend to begin in the lower quintiles and work their way up as they acquire more work experience. The entrance of many such families as the result of an earlier baby boom may appear similar to a deterioration of living standards, though it actually would only reflect a younger workforce.

Nonetheless, the income distribution issue can be politically effective because it can be used to stir up envy, jealousy, and resentment in an effort to establish a common enemy in class warfare—the "malefactors of great wealth." Once this mythical enemy class is created, the problems of everyone else: the farmers, workers, and small businessman can be blamed on it. One major U.S. political party has relied heavily on this approach in the past, and there is every reason to expect that it will be used again in coming months.

One prominent member of the House has already pointed out that the share of income going to the bottom 20 percent of families in 1986 and 1987—4.6 percent—was the lowest level since the mid-1950s. He might have added that the share going to the middle 20 percent in 1986—16.8 percent—was the lowest since 1947, though rising slightly to 16.9 percent in 1987. However, the distribution argument says nothing about the important question regarding the direction of middle class income—is it going up or down?

THE FALL AND RISE OF THE MIDDLE CLASS

According to a variety of employment and income data, there is indeed evidence that the middle class is in decline. The reason is not that a growing proportion of Americans are unemployed or homeless, but that they have moved upward to a higher income level during the Reagan Administration. Census Bureau data has shown this trend in recent years, and it has been confirmed in a new study published in the May issue of the Monthly Labor Review, the professional journal of the nonpartisan Bureau of Labor Statistics.

Families are classified below by income as lower with income under $20,000, middle with between $20,000 and $50,000, and upper with income above $50,000. According to the Census Bureau data, the unfavorable trend starting in the Carter Administration was reversed in the Reagan years.

The share of low income families climbed from 30.4 percent in 1976, the last Ford year, to 31.9 percent in 1980, the last Carter year. The share of high income families was unchanged at 17.5 percent in 1976 and 1980. Meanwhile, the proportion of middle income families declined from 52.0 percent to 50.7 percent, reflecting downward mobility into the lower income group. In other words, economic conditions for middle income families deteriorated, boosting the share falling into the lower income category. This deterioration is especially severe in 1980, as the low income share jumps 2.1 percentage points in this year alone.

On the other hand, data from the table below show that the share of families classified as low income has declined since 1980, while that classified as high income has increased sharply from 17.5 percent to 22.9 percent. The middle class declined from 50.7 percent to 46.9 percent because more of them moved into the upper income group. Between 1980 and 1987 the share of high income families jumped 31 percent, virtually all from the middle class.

[In percent]

	Low income (under $20,000)	Middle income ($20,000 to $50,000)	High income (over $50,000)
1973	28.4	52.3	19.3
1976	30.4	52.0	17.5
1977	30.1	51.3	18.6
1978	29.3	50.9	19.9
1979	29.8	50.8	19.4
1980	31.9	50.7	17.5
1981	33.7	49.4	16.9
1982	34.0	48.9	17.1
1983	33.6	48.4	17.9
1984	32.5	47.8	19.6
1985	32.0	47.4	20.6
1986	30.8	47.0	22.2
1987	30.3	46.9	22.9

As the table shows, the recent trend is favorable, with a smaller share of families since 1980 classified as lower income, and a greater share of upper income. This marks a reversal of the Carter years, when the combined share of middle and upper income families declined, while that of the lower income expanded.

THE LEVEL OF FAMILY INCOME

There are a number of ways of measuring income trends and defining low, middle, and high income. Real median family income measures the middle family in the income distribution, 50 percent from the bottom and 50 percent from the top, in each year. Similarly, the same approach can be used for setting other income levels. For example, low income can be defined as 20 percent from the bottom and eighty percent from the top, lower middle income as 40 percent from the bottom, upper middle as 60 percent from the bottom, affluent as 80 percent from the bottom, and upper income as 95 percent from the bottom (or 5 percent from the top).

Each year the Census Bureau reports the level of median, or middle, family income for the previous year. Generally, income trends are positive during periods of healthy economic growth and negative during periods of economic trouble. The table below shows that real median family income started to trend downward in 1979. The malaise and stagflation of this time reflected the fact that inflation outpaced income growth, leading to declines in real (inflation adjusted) family income.

FAMILY INCOME TRENDS

[In constant 1987 dollars]

	Middle American family income	Change from previous year
1973	30,820	
1976	29,863	893
1977	30,025	162
1978	30,730	705
1979	30,669	−61
1980	28,996	−1,673
1981	27,977	−1,019
1982	27,591	−386
1983	28,147	556
1984	28,923	776
1985	29,302	379
1986	30,534	1,232
1987	30,853	319

Source: Census Bureau.

By raising family income as an issue the critics invite a review of their own record on family income. While it may be true that real median family income in 1987 is only slightly higher than that of 1973, the above table shows that this is almost entirely due to the negative income trend which began under President Carter. Once the change under Republican economic policy permitted the economy to escape from the Carter era malaise and despair, family income began to grow again. Of the $3,139 decline in family income between 1978 and 1982, over half took place under the Carter Administration, while the remainder is clearly a hangover from Carter policy. Once new Republican policies were set in place to permit economic growth, family income expanded with the economy.

Under the Carter Administration, middle American family income declined from $29,863 in 1976 to $28,996, a drop of $867, or 3 percent. In contrast, even if the Carter hangover years of 1981 and 1982 are given to the Reagan Administration, median family income increased by $1,857, or 6.4 percent, between 1980 and 1987. The data are so clear that one wonders how partisan critics could seek to benefit from raising the issue of middle American family income.

During this longest peacetime expansion in U.S. history, middle American family income has risen 12 percent, even after adjustment for inflation. Once the economic mess left by the Carter Administration was cleaned up, family income could grow for five consecutive years. Supporters of the previous Administration have no grounds to point the finger at anyone else on the family income issue, instead, like Pogo, they should admit, "We have met the enemy, and he is us."

ALTERNATIVE FAMILY INCOME MEASURES

As clear as the official Census Bureau data appears, there is a technical problem with the consumer price index which makes the income trend look more negative than it really is. In brief, the CPI overstates inflation in the late 1970s, thereby over compensating inflation adjusted income in earlier years and making subsequent income gains seem smaller. An alternative inflation measure, the CPI-X1, can be used instead to remove this distortion in inflation adjustment, and is often used for research purposes. The choice of inflation index can significantly affect the results.

For example, much has been made of the fact that the 1987 level of real median family income is only $33 higher than that of 1973. Often this is presented as though it was a problem of Reagan Administration policy, although, as we have seen, it was actually spawned under the Carter Administration. However, when the CPI-X1 index is used to remove the distortion in the standard CPI, the 1973-1987 gain in real median family income jumps from $33 to $1,804.

Real family income levels for the median (50th percentile) and other percentiles permit examination of how various income groups fared over time. As the table below shows, income at all levels fell sharply during the stagflation year of 1980. Though the 1980 decline in median family income is not quite as severe as under the official measure, it is still quite serious.

Between 1979 and 1980, the family income of the low income family (20th percentile) declined from $15,048 to $14,196. This loss of $852 translates into a decline of 6 percent, the largest percent drop for any income group in that year. Median family income fell $1,062 in 1980, its biggest one year decline in the postwar period. Though this amounts to a percent decline smaller than that of the low income group, it still represents a loss of 3.5 percent. The richest group, the 95th percentile, had the smallest percent decline in real income, amounting to 3.3 percent.

The malaise was reversed with the implementation of the Reagan tax cuts, which sparked the longest peacetime expansion in U.S. history. As a result, incomes have climbed across the board since 1982. Even the low income 20th percentile showed income gains of 8.5 percent between 1982 and 1986. The data below have been inflation-adjusted using the CPI-X1, an index designed for research purposes.

FAMILY INCOME BY PERCENTILE

[In constant 1986 dollars]

	20th	40th	Median	60th	80th	95th
1973	14,658	24,187	29,049	33,747	46,409	72,350
1976	14,230	23,713	28,605	33,084	45,749	70,847
1977	14,221	23,884	28,808	33,830	46,786	72,866
1978	14,673	24,735	29,682	34,662	48,177	75,513
1979	15,048	24,819	30,077	35,149	48,382	77,159
1980	14,196	24,001	29,015	33,993	47,662	74,611
1981	13,767	23,393	28,230	33,450	47,231	73,834
1982	13,313	23,005	27,854	32,985	47,536	76,073
1983	13,316	22,982	28,135	32,985	47,891	77,629
1984	13,669	23,761	28,931	34,477	49,581	80,151
1985	13,938	24,011	29,304	34,909	50,716	82,102
1986	14,393	24,897	30,533	36,293	52,209	85,276
1987	14,450	25,100	30,853	36,600	52,910	86,300

The Reagan Administration policy of sustained economic growth has generated income gains. During the current expansion the income of poor families (20th percentile) jumped 8.5 percent, while median family income was up 11 percent, as was the income of the upper middle class (80th percentile). The income of the upper income group (95th percentile) went up by an even faster 13 percent. Every income group was significantly better off, and none worse off, during the expansion.

The approach used here assumes that the most important family income issue is the trend in the level of income, and not its distribution. On the other hand, there are those who will instead argue that the main issue is that the bottom 20 percent or 40 percent is receiving a smaller share of personal income now than in 1980. Although this appears to be the case, there are important reasons why it is irrelevant to policy.

Growth policy sought to lower tax barriers to employment of labor and capital in production. Clearly the objective was to make the economic pie bigger so everyone could have a larger slice. This is more important than the relative shares one or another group receives of a shrinking economic pie. In 1980, the economic pie was shrinking, and everyone was worse off as a result.

The key question is whether these families are better off in the economic environment of 1980 or 1988. In 1980, the share of income received by the bottom 20 percent of families was unchanged from the previous year, but their incomes and standard of living were much lower. During the Reagan-Bush economic expansion the share of income going to the bottom 20 percent seems to have declined slightly, but the above table demonstrates that the level of income and the standard of living has risen for Americans at all levels of income.

CONCLUSION

The policy of economic growth has succeeded in increasing family incomes across-the-board. Despite their relative position in the income distribution, families at all levels have seen income gains of at least 8.5 percent since 1982, according to the percentile approach used here. In addition, middle American family income has shown strong gains since 1982, in strong contrast to the legacy of malaise left by the Carter Administration, with the largest one year drop in family income in the postwar period. This despite the rising female labor force participation rate, female employment-population ratio, and level of female employment in 1980. Anyone who complains about the level of family income has only President Jimmy Carter to blame, not the President who has brought five consecutive years of improvement in middle American family income.

Mr. **SYMMS.** Finally, Mr. President, I ask unanimous consent to insert in the RECORD a recent article by economist Robert J. Samuelson from the Washington Post, September 14, about the fictitious issue of the "Jobs Gap" and the damage it can cause.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Sept. 14, 1988]

THE FICTITIOUS ISSUE OF THE "JOBS GAP"—AND THE DAMAGE IT CAN CAUSE

(By Robert J. Samuelson)

Every election has its fraudulent issues. In 1960 it was the missile gap. This year it's the jobs gap. We're told by Democrats that the economic expansion of the 1980s is a mirage. Lots of jobs were created (nearly 16 million since 1980), but most are said to be low paying. Middle-class living standards are said to stagnating. All this is largely untrue, despite the political rhetoric.

At the Democratic convention, Texas Treasurer Ann Richards read from a letter of a working mother. "We buy clothes at budget stores and we have them fray," she wrote. "We . . . try to figure out how we're going to pay for college, and braces and tennis shoes. We don't take vacations and don't go out to eat." It sounds as if the family is struggling with an income of, say, $27,000. Reporters located the family, whose income is about $50,000.

No one doubts the woman's sincerity. But it's important to separate facts from feelings. The adjacent table describes what's happened since 1970 and 1980. The picture is neither as glorious as Republicans boast nor as wretched as Democrats contend. From these statistics and other studies, I draw three main conclusions:

Living standards for most Americans haven't stagnated. If the middle class is taken roughly to include families earning between $20,000 and $50,000, it has shrunk—because the share of families with incomes exceeding $50,000 has risen steadily since 1970. (Incomes in the table are adjusted for inflation and expressed in "constant" 1987 dollars.)

But the rise of living standards has slowed down. Living standards reflect productivity—the amount of goods or services turned out in an hour—and productivity growth is sluggish. Between 1947 and 1973, nonfarm productivity rose 2.5 percent a year; in this period, median family income roughly doubled. In the 1980s productivity is growing only about 1.2 percent a year. The good news is that this is about double the rate of the late 1970s.

The poor haven't shared in the improvement. The proportion of Americans with $20,000 or less of income hasn't dropped since 1970. Neither has the poverty rate—the share of Americans below the poverty line ($11,611 for a family of four in 1987).

Exaggerated theories of economic stagnation are attractive to Democrats (and some media commentators) because they seem plausible. Gains that occur slowly seem almost invisible and nonexistent. It's also true that economic insecurity has increased in the 1980s. Younger members of the baby-boom generation—because there are so many of them competing against each other—have had their wages depressed compared to those of older workers. In addition, many workers have lost high-paying industrial jobs. Since 1979 steel-industry employment has dropped by 290,000.

But these changes don't create stagnation. Far from it. Job losses often have been greatest in uncompetitive industries. Massive layoffs have enabled the steel industry to increase the amount of steel produced per worker by more than 100 percent since 1979. The idea that higher incomes reflect only families with two jobs is based on a statistical illusion: the appearance that average pay hasn't risen.

It's true that average hourly earnings—a statistic that's widely reported—haven't kept up with inflation. But the statistic is flawed. It covers less than two thirds of all jobs. Excluded are many fast-growing and well-paid professional and technical jobs. Fringe benefits are also excluded. Finally, the inflation adjustment is (for technical reasons) slightly overstated. Eliminating these defects, average hourly pay has risen 8 percent since 1980, estimates William Cox of the Congressional Reseach Service. The message: gains in living standards are modest, but genuine.

The reality is that neither party can quickly influence trends in poverty and living standards. No one really knows why productivity growth—the key to higher living standards—has slowed. Government can't change the number of workers in the baby-boom generation. It's also tough to treat entrenched poverty. Low-wage jobs aren't a major cause. In 1986 only 16 percent of the poorest fifth of families had at least one full-time, year-round worker. This is why raising the minimum wage won't reduce poverty much. Stubborn poverty has two major causes, and both defy easy solutions.

The first is the explosion of single-parent families with children. They represent nearly two fifths of those in poverty, up from about a fifth in 1960. The second is the growth of Hispanics. There are now 3.3 million more Americans below the poverty line than in 1980—the result mainly of a bigger population, not a higher poverty rate. Nearly 2 million are Hispanic. The number of Hispanics is increasing five times faster than the total population; half the gain comes from migration. The high poverty rate partially reflects a new wave of poor immigrants.

The job gap is fictitious. The trouble with inventing such issues is that, once they're recognized as baseless, they deepened public cynicism about government and politicians. That's a bad foundation for anyone's presidency.

INCREASING INCOMES

Family income (in 1987 dollars)	Percent of families		
	1970	1980	1987
Under $10,000	11.1	11.9	11.7
$10,000 to $20,000	19.0	20.0	18.6
$20,000 to $35,000	33.3	30.2	26.7
$35,000 to $50,000	21.2	20.5	20.2
$50,000+	15.4	17.5	22.9
Median income [1]	$28,880	$28,996	$30,853
Poverty rate [2]	12.6	13.0	13.5

[1] Half the families are above, half below the median.

[2] Share of population below official poverty line.

Note.—Living standards for most families have risen slowly since 1970. But poverty hasn't declined.

Source: U.S. Bureau of the Census.

ARMENIAN PROTESTS CONTINUE

Mr. PRESSLER. Mr. President, the citizens of Soviet Armenia continue to demonstrate their desire for greater freedom. For months, reports from Yerevan, capital of the Armenian Soviet Socialist Republic, have described the Armenians' demands for control of the predominantly Armenian region of Nagorno-Karabakh and the right to preserve important features of their ancient culture, including the Armenian language. The reports also continue to describe how Soviet troops have tried to stop these nationalist demonstrations.

The significance of the Soviet Armenian protests is great. General Secretary Gorbachev promised glasnost and perestroika to all Soviet citizens. Yet it is clear from what has occurred in Armenia that the Soviet state intends to keep strict limits on those policies of greater openness and restructuring of Soviet society. The door to democracy and greater respect for the rights of minorities was opened just a crack by Secretary Gorbachev. That door has not swung wide open, and those who, like the Armenians, try to push it open farther than that tiny little crack do so at great personal risk.

Mr. President, I have great respect for the Armenian people of the Soviet Union. Their struggle to preserve their identity in the monolithic Soviet society is something all lovers of freedom can admire and support.

I ask unanimous consent that an article on the Soviet Armenian situation from the Wall Street Journal of September 26, 1988, appear at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

OLD ARMENIA CAPITAL SPAWNS NATIONALISM CHALLENGING SOVIETS

(By Peter Gumbel)

YEREVAN, ARMENIA, U.S.S.R.—For the aggrieved residents of this ancient capital, a night at the opera is a night of defiance.

Every day at sunset, hundreds of Armenians head for the square outside Yerevan's opera house to swap news—and curse the Russians. Every week, hundreds of thousands gather here for rallies under the red, blue and orange national flag—outlawed by the Soviets—and plot the next stage of what one calls "our cultural revolution."

The smell of strong coffee drifts from a nearby cafe as factory and office workers talk in clusters. One demonstrator has propped a grotesque poster against the opera door. It shows a man drowning in a swamp, his right hand reaching hopelessly for something to grab hold of. The caption: "Glasnost."

A FOCAL POINT

Yerevan's Opera Square, long a social meeting place, has suddenly become the cradle of a volatile movement of Armenian nationalism. Though Soviet troops were deployed in the city last week to put down unrest, they have so far steered clear of Opera Square, where the biggest rallies have taken place and which this reporter visited just before the region was closed to journalists last Wednesday.

At stake in the crisis is the stability of the Caucasus and possibly Mikhail Gorbachev's program of perestroika, or social and economic reform. If tense Armenia runs out of control, Mr. Gorbachev will face heavy pressure to bottle up some of the new freedoms he has allowed in the name of openness and democracy.

Armenians such as Levon Terpetrossian, a university professor, are giving voice to the new challenge Mr. Gorbachev faces. Mr. Terpetrossian, dressed in a gray suit and sitting on a patch of grass outside the ornate, granite opera house, is part of an 11-man group of intellectuals that has orchestrated the rallies. Like others in Yerevan, he is furious with Moscow for favoring Azerbaijan in a dispute between the two neighboring republics over control of the mountainous region of Nagorno-Karabakh. The anger has spawned strikes and revived old dreams, especially that of greater sovereignty for Armenia.

"After all, what is perestroika?" Mr. Terpetrossian asks softly. "It is the state carrying out the will of the people."

The vast, oval plaza outside the opera house has been an ideal location for political organizers in Yerevan. It is near the town center and surrounded by a park, whose trees provide welcome shade from September's scorching midday sun. A nearby pond cools tempers.

At the top of the opera house's steps, beneath its arched windows and decorative colonnade, speakers can look out over the sea of increasingly disaffected Armenians gathered in the square. Shouting through a megaphone, the activists decry the presence of Soviet troops in Yerevan and sound a political call to arms.

The students of Yerevan started a vigil here two weeks ago, camping under two statues of Armenian artists. They have cordoned off the entrance to the opera with string and hung from one of the doors an Armenian national flag embroidered with the words "liberty" and "fraternity." To ward off the heat, they make paper hats out of Pravda, the Communist Party newspaper.

Several uniformed Russian soldiers, pale next to the olive-skinned, black-haired Armenians, stand at a distance, sucking their teeth nervously.

Sveta, a woman in her 40s with dyed red hair and gold caps on her teeth, is in tears as she tells of a clash between Armenians and Russian troops at the local airport in July. A group of onlookers in the square gathers closer round to listen. "It was a provocation," declares Sveta, who, like others, wouldn't give her surname. "I saw people beaten. They were shouting, 'Why are you doing this to us?'"

Until then, the soldiers in Yerevan were tolerated with grumbles. But residents say the airport fight was a turning point.

In the square, the word now used most often in connection with Russians is "fascists." In the outdoor cafes, locals stop talking when a Russian walks by, and glare coldly until he is out of earshot. It isn't so much a precaution as a protest: Few Russians can speak Armenian.

Even industrial projects in the region have become reasons for distrust. A huge rubber factory has been built in the southern part of Yerevan and a nuclear plant in a seismic area near Etchmiadzin, the seat of the Armenian Catholic Church. "The Russians are trying to poison us," one middle-aged teacher at Opera Square contends bitterly.

Conventional Soviet wisdom has it that Armenians are deeply grateful to Moscow for giving them refuge from Turkish Moslems, who killed thousands of Christian Armenians in April 1915. It is certainly true that the Armenians' latest fury was first and foremost directed against the Moslems of neighboring Azerbaijan, especially after a bloody rampage in the town of Sumgait at the end of February killed 26 Armenians and six Azeris. But as the dispute over Nagorno-Karabakh has dragged on, the mood here has grown increasingly anti-Russian.

When news came last week that fighting had broken out in Nagorno-Karabakh, hundreds spilled out of the square at 1 a.m., marching on the town hall with their right fists raised in a defiant salute and chanting in Armenian, gordsadul, gordsadul—"strike, strike," Since Sept. 19, factories have been shuttered, schools closed and public transport disrupted by the walkout. Every evening, the square has been a mass of people as thousands of factory workers, bus drivers and students gather to back the strike call.

If the Soviets are now the bad guys in Yerevan, Mr. Gorbachev is the phantom of this opera. When the territorial crisis burst into the open early this year, the Soviet leader was seen as a hero who could make possible the transfer of Nagorno-Karabakh from Azerbaijan to Armenia. At meetings on the square, people carried portraits of him and used his slogans of "glasnost" and "democracy."

Ever since July, when the decision was made to leave control of Nagorno-Karabakh to Azerbaijan, Mr. Gorbachev's portrait has disappeared from the scene. Instead of praise and hope, there is disillusionment and cynicism.

"Gorbachev was popular because he gave us the hope of democracy and justice," says Artur, a rubber factory worker in his mid-20s "Now he has lost all his authority here."

The locals have watched with amazement as the Soviet press, supposedly freed from old constraints either ignored or distorted events in Armenia. As befits a people who like to boast that their capital is older than Rome and their culture richer than Russia's, they now express their anger and nationalism in ways that are more quaint than revolutionary.

The wall on one side of the opera house is an impromptu noticeboard, where the latest news and a list of the movement's demands are posted. Nearby, budding poets have hung their melancholy verses. "My heart is aching" is the title of one lament, written in the spidery Armenian script. "Where is new thinking, where is perestroika, when people are beaten and killed?" asks another. "What is democracy when bureaucracy acts like a pig at the trough?"

On the first day of the general strike, factories closed but bookstores remained open in this old-war cultural center. Most schools were shut, but Pushkin Street near the square reverberated as usual with the sound of badly played Chopin emanating from the open windows of the music academy. Many of the Armenian's demands are cultural. They want their old flag reinstated, their children sent to Armenian schools rather than Russian ones, their own language used on official documents. Their political demands include calls for a separate army brigade and the right for Armenia to have consulates abroad.

Amid the turmoil, theatergoers in this city and tourists from abroad contributed to an eerie veneer of normalcy in Yerevan. Performances at the opera house continued as dissent mounted in the square. But lately, the speechmaking and rallies have interrupted the opera; one recent night, a performance of Verdi's Otello was canceled because of a loud gathering outside.

"There isn't any time for opera and ballet now," says Karina, an arts student neatly dressed in jeans. "Now the opera is a symbol of our struggle."

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS UNDER RULE 35, PARAGRAPH 4, PERMITTING ACCEPTANCE OF A GIFT OF EDUCATIONAL TRAVEL FROM A FOREIGN ORGANIZATION

Mr. HEFLIN. Mr. President, it is required by paragraph 4 of rule 35 that I place in the Congressional Record notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The Select Committee received a request for a determination under rule 35, for Ms. Sharon Waxman, a member of the staff of Senator Lautenberg, who participated in a program in Krakow, Poland, sponsored by the Coordinating Office Abroad of NSZZ *Solidarnosc*, from August 25-28, 1988.

The committee determined that participation by Ms. Waxman in the program in Poland, at the expense of the Coordinating Office Abroad of NSZZ *Solidarnosc*, was in the interest of the Senate and the United States.

The Select Committee received a request for a determination under Rule 35, for Mr. Brian Hanson, a member of the staff of Senator Dixon, who participated in a program in Krakow, Poland, sponsored by the Coordinating Office Abroad of NSZZ *Solidarnosc*, from August 25-28, 1988.

The committee determined that participation by Mr. Hanson in the program in Poland, at the expense of the Coordinating Office Abroad of NSZZ *Solidarnosc*, was in the interest of the Senate and the United States.

RETIREMENT OF J. LEWEY CARAWAY

Mr. DOLE. Mr. President, today I had the pleasure and honor of attending a luncheon on behalf of one of those people who literally keeps the Senate running—Lewey Caraway. After more than 50 years of service in the Senate Lewey retired this June.

Anyone who works in one place, whether it is a business, or a hospital, or pubic service, for more than 50 years deserves not only our admiration, but our respect.

Lewey Caraway, who retired as superintendent of Senate office buildings, started his work here in the 1931—yes, 1931, and became a building superintendent in 1949.

Those who have been privileged to be acquainted with him, knows of Lewey Carey's great love for this institution. That love is manifest in the care Lewey took in overseeing the maintenance of all the Senate buildings. His was no easy task—and the demands were great. But his technical knowledge combined with the stability and dedication he brought to the job, meant that all of us who work here never had to worry about the condition of our physical surroundings.

So for all of us who spend a good portion of our lives here in the Senate, and its buildings, I wish to express many thanks to Lewey Caraway, for his care and dedication. I know my colleagues all join me in wishing him the very best in his retirement.

TRIBUTE TO LEROY SIMMS

Mr. HEFLIN. Mr. President, I am proud to rise today in tribute to Leroy Alexander Simms who recently announced that he will retire from his position as chairman of the board of the Huntsville Times. The newspaper industry will be losing one of its most devoted and talented members.

Leroy Simms' incredible career in the newspaper industry spanned over six decades and covered almost every imaginable job. He worked as a reporter, a wire service correspondent, a publisher, an editor, and finally as chairman of the board. His experience will be sorely missed but the people whom he has influenced will carry on his wealth of knowledge.

Simms was born in Emelle, AL, and spent most of his life working for papers in the State. At the Birmingham News, he served as a reporter before moving to the Post as a city editor and at the age of 26 becoming the youngest managing editor in the Scripps Howard newspaper group. He later served as the day editor and a correspondent for the Associated Press in Alabama before becoming the managing editor of the Birmingham News. Since 1961, Simms has been with the Huntsville Times, first as editor and then as publisher. In 1985, Simms gave up this post and concentrated on his position as chairman of the board.

Leroy Simms has watched Alabama grow and change. He has seen Huntsville explode with the increased industry associated with the U.S. Army and NASA installations on Redstone Arsenal. He has always worked diligently in the community to ensure that it adjusts to these changes. He has been recognized especially for his effort to reduce racial conflicts in Huntsville during the 1960's.

Mr. President, Leroy Simms is officially stepping down from his newspaper career. For 63 years he has worked with newspapers, working with passion, and leading with a steady hand. I am, indeed, proud to congratulate Leroy Simms for all that he has done. He serves as a shining example for anyone wishing to serve a career in the newspaper industry. He will be sorely missed but his legacy and his influence will be felt for years to come.

Mr. President, I ask unanimous consent that an article telling of Leroy Simms' accomplishments be printed in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Birmingham News, Sept. 13, 1988]

LEROY SIMMS, 83, RETIRES AS NEWSPAPER EXEC

HUNTSVILLE.—Leroy Alanson Simms, whose newspaper career spanned 63 years with jobs as a reporter, wire service correspondent editor and publisher, has retired as chairman of the board of The Huntsville Times.

Simms, who will be 83 on Saturday, had served as board chairman since 1985, when he was succeeded as publisher of the newspaper by William C. Green Jr. The newspaper announced Simms' retirement from the board Sunday.

A native of Emelle, Simms' first newspaper job was as a reporter at The Birmingham News in 1925. Two years later he became city editor of The Post newspaper in Birmingham, moving up to the job of managing editor four years later at 26 the youngest person in the Scripps Howard newspaper group to hold that position.

After joining the Newspaper Enterprise Association Service as a copy editor in Cleveland, Ohio, in 1931, he returned to Birmingham two years later as day editor for The Associated Press.

Simms served as correspondent for the AP in Alabama for the next 25 years covering some of the major news stories in the region during that time and left the AP in 1958 to become to become managing editor of The Birmingham News.

In 1961, Simms was asked to serve as Interim editor of The Huntsville Times, a corporate division of the News Simms was told that it would be a temporary assignment, but he stayed and in 1964 became publisher of the Huntsville newspaper, a post he held until 1985.

When Simms arrived in 1961, the Times' circulation was about 29,000 in a city of about 70,000 people. Now the paper's metropolitan editions have a circulation of almost 60,000, and nearly 80,000 on Sundays, in a space industry city that has grown in population to more than 165,000.

Active in a number of civic and professional organizations, Simms was awarded an honorary Doctor of Humane Letters by the University of Alabama in 1982. Cited for his work easing racial strife in Huntsville in the 1960s, be was presented the Brotherhood Award by the Alabama Chapter of the National Conference of Christians and Jews in 1983.

TRIBUTE TO ELVIN HILL ELEMENTARY

Mr. HEFLIN. Mr. President, a few weeks ago, it was my distinct pleasure to meet with officials from Elvin Hill Elementary in Columbiana, AL. The officials, including Mrs. Ann B. Head, the principal, were in Washington representing one of five Alabama schools to receive the U.S. Department of Education's "Flag of Excellence" award.

Elvin Hill Elementary received the award after being judged on a wide range of qualifications such as curriculum, instruction, climate, character development, and community relations as well as their organization, leadership, and their stated goals and philosophy. The school's individual approach to students helped set them above other schools. Their students were motivated by a range of academic programs including reading clubs and knowledge games. The school prides itself in tailoring their educational programs to each student's needs.

Mr. President, the excellence obtained at Elvin Hill Elementary can be attributed to the dedication of the administration, the faculty, the students, the families, and the community. When so often, mediocrity has become the norm, it is refreshing to see a school and a community which refuse to settle for anything less than excellence. The school has had many barriers to overcome to reach this point. Over one third of the students come from low-income families and one quarter of the students are involved in special education programs for the mentally handicapped, gifted, or children with emotional conflicts. Despite these burdens, over 80 percent of the students scored above their grade level on standardized math and reading tests.

Elvin Hill Elementary should be commended for the record they have achieved. It should serve, along with the other Alabama "Flag of Excellence" schools, as an example of the good work which can be done in our schools when a positive environment is gained among the students, the faculty, the families, and the community. Mr. President, I would like to officially commend the recognized Alabama schools: Elvin Hill Elementary, the Academy for Academics and Arts in Huntsville, Julian Newman Elementary School in Athens, Mars Hill Bible School in Florence, and St. Ignatius Catholic School in Mobile. I hope that the success these schools have achieved will inspire others to follow their lead. Their examples prove what can happen when mediocrity is not good enough. Again, congratulations and good luck.

TRIBUTE TO DR. REX DUNHAM

Mr. HEFLIN. Mr. President, I rise today to pay tribute to Dr. Rex Dunham—an associate professor at Auburn University. Dr. Dunham is an extension fish geneticist working on the cutting edge of biotechnological research for food fish.

Dr. Dunham has worked for 4 years with the genetic engineering of catfish. He is well on the way to producing a supercatfish. He aims his research at breeding a catfish which will reach the marketable size and weight more quickly than normal catfish. By inserting the catfish embryo with a human growth hormone, Dr. Dunham has been able to incorporate the human gene into the genetic makeup of the catfish.

Dr. Dunham's research through the Auburn University Department of Fisheries and Allied Aquacultures makes him the first U.S. research scientist to incorporate a new gene into a commercially produced food fish. His work should produce a transgenic fish which will pass the growth hormone on to successive generations. His 2-year-old genetically altered fish are approaching the age of sexual maturity when they will demonstrate if the genes will be passed to offspring.

While Dr. Dunham admits that commercial production of the gentically engineered catfish is still years away, his research has placed Auburn University at the forefront of genetic research for food fish. He is to be commended for his innovative research and attempts to improve the food fish industry. The field of genetic engineering is still largely unexplored but his efforts show the practical applications possible in this area.

Mr. President, I again congratulate Dr. Rex Dunham and Auburn University and ask unanimous consent that an article describing his research be reprinted in the Congressional Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Auburn Develops a New Strain of Super Catfish

Auburn, AL.—An Auburn fisheries researcher has taken the idea of genetically improved food fish to the cutting edge of biotechnology by successfully implanting catfish with human growth hormone genes in an attempt to improve rate and efficiency of growth.

Dr. Rex. Dunham, an extension fish geneticist and an associate professor with the Auburn University Department of Fisheries and Allied Aquacultures, began working with genetic engineering of catfish about four years ago. Since then he has been able to incorporate the human growth hormone gene into catfish and the rainbow trout growth hormone gene into carp embryos, producing transgenic fish which carry the genes in their genetic makeup. This not only fits into the catfish improvement project, Dunham said, but it offers a scientific model for studying techniques of transferring genes into fish.

Dunham is the first U.S. research scientist to incorporate a new gene into a commercially produced food fish like catfish. Now he is looking forward to testing the fish in an outdoor pond.

The process involves injecting a specific gene into fish embryos where it may become part of the animals' genetic profile.

Dunham chose the human growth hormone because "it was readily available, well studied, and identifiable once incorporated into the fish." Also, he noted, the human growth hormone gene is similar to the same gene in fish and poultry, so he believed it would be compatible.

Carp were used as a control group, or model, while the main research is focused on the catfish.

According to Dunham, such research must proceed through several steps before it can be successful. "Once the gene has been injected into the embryo, it must express itself, or work or function, in the embryo and later in the hatched fish, and it must have a biological effect," he noted. To express itself the gene must have a promoter—a sort of on-off switch. In the Auburn test, Dunham used a metallothionine promoter from the RNA makeup of a lab mouse, he explained. Following this, the fish must demonstrate an ability to pass the gene on to their offspring.

By taking a biopsy from fin clips on the fish, Dunham determined which fish accepted the human or trout genes, and he now has several fish that carry the gene in their genetic profile. But, to see if the transgenic fish will pass it on, Dunham must move them from the indoor lab to an outdoor, experimental pond, because for a catfish to reach sexual maturity, it must be placed in an outdoor environment. Once mature, Dunham said, the fish can be returned indoors for artificial spawning. His experimental fish are now two years old and approaching the age of sexual maturity.

Use of the experimental pond also reduces the risk of mechanical failure in a laboratory tank system which could kill the fish and will also test the animals' performance in a more realistic environment. * * * Advisory Committee (ABRAC), a division of the USDA Office of Agricultural Biotechnology, to transfer the fish into a test pond. Dunham's project is the first to be considered by the new advisory committee of scientists and administrators involved in plant and animal genetic engineering established to assure proper handling of genetically engineered animals in field testing.

A one-tenth-acre pond specifically designed to keep the fish contained and protected while their life cycles evolve, has been built at the Fisheries Research Station located near campus. The fenced area includes netting to protect against bird predation and double screens in drains to prevent loss of fish.

Dunham said that if the fish are able to transfer the gene to another generation, he will then be able to monitor the biological effects of the gene on the animal and determine if the effects are positive enough to warrant continued research.

"We are not interested in developing a huge catfish using the human growth hormone," he explained. "Catfish are marketed at a specific size and weight. We want to produce a fish which can reach that size more quickly and efficiently than they do now."

"It could be that we won't be any more successful than by using selective breeding to genetically improve fish," he continued. "It could be that a combination of the two procedures is beneficial, or using growth genes from other fish, such as salmon, trout, carp, or catfish, will be more beneficial. But, if we find a way to incorporate the right gene into the fish using this process, it could be a big help to the catfish industry."

Any release of a genetically engineered catfish for commercial production is many years away, according to Dunham.

TRIBUTE TO FRED R. MAXWELL

Mr. HEFLIN. Mr. President, it is with great sadness that I rise today, in tribute to Fred R. Maxwell, Jr., of Tuscaloosa, AL, who passed away on September 9, 1988. A retired U.S. Navy captain, Fred Maxwell had been the Nation's oldest naval aviator and the oldest living graduate of the University of Alabama before he died at the age of 99.

Fred Maxwell was a pioneer in many aspects of his life. He was a pioneer in aviation, in airport construction, in building restoration, and in higher education. To his great credit, Fred Maxwell brought to each of his endeavors, a unique combination of talents and abilities which enabled him to succeed where others might have failed. His persistence and diligence always ensured that each of his undertakings prospered under his able leadership.

In 1918, during the early years of aircraft flight, Fred Maxwell earned his wings as a naval aviator. The year before, he had been 1 of 12 accepted into the first class of the Naval Reserve Flying Corps. His interest in aviation prompted him to become the driving force behind Tuscaloosa's first airport, Druid Field. He was also responsible for the succeeding fields, Maynor Field in Northport and the Tuscaloosa Municipal Airport, the current facility. During World War II, Fred Maxwell returned to the service of his country as the head of Cadet Ground School in Pensacola.

Mr. President, Fred Maxwell served as a founding member of the Golden Eagles, the Early and Pioneer Naval Aviators Association, a charter member of the U.S. Naval Aviation Museum in Pensacola, and a member of the Association of Navy Aviation. For all his contributions to aviation, Capt. Fred Maxwell was named, in 1985, to the Alabama Aviation Hall of Fame.

Much of Fred Maxwell's life revolved around his love for the University of Alabama. He was awarded the university's first mechanical engineering degree in 1911, and later returned as the university's consulting engineer and as a professor of electrical engineering. Continuing his pioneering ways, Fred started the Aeronautical Engineering Program in 1923, making the University of Alabama only the second institution in the country to offer such a program.

While at the university, Fred Maxwell's impact went beyond education. His influence as consulting engineer has shaped the atmosphere of the campus for generations to come. He was instrumental not only in constructing 28 permanent university buildings, but also in the restoration and preservation of numerous university buildings and landmarks. Fred Maxwell was largely responsible for saving Clark, Manly, and Woods Halls from destruction. He also preserved other buildings in the Woods Quadrangle as well as saving a university landmark—Denny Chimes.

Mr. President, Fred Maxwell was a great Alabamian and a great American. He was a quiet, considerate, thoughtful, warm, and lovable individual who I and his host of friends will indeed miss. His lifelong commitment to patriotism, to education, and to history should serve as an inspiration to us all. He repeatedly answered his State and his country in their calls to service and did much to make both better places to live. His legacy will survive for decades through the buildings he has influenced at the University of Alabama, and more importantly through the people whose lives he touched and whose futures he helped shape.

Mr. President, I ask unanimous consent that an article describing Fred Maxwell's achievements be printed in the Congressional Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Tuscaloosa News, Sept. 11, 1988]

Maxwell Leaves a Lasting Legacy

Fred Maxwell, who died Friday at age 99, was very much a man of his century.

A leader in an age of invention, his name appears on many lists of "firsts" in aviation and technology. Maxwell also was among the first in many hearts and minds as a family man, a friend and colleague, a teacher and a civic leader.

He earned the first degree in mechanical engineering offered by the University of Alabama in 1912. When the U.S. entered World War I, he was a member of the first class of 12 students in the new U.S. Naval Reserve Flying Corps in Pensacola.

He inaugurated the first aviation courses at the Capstone in 1923 and the same year, he was primarily responsible for constructing Tuscaloosa's first airport. Later he chaired the committee that led to the founding of Van de Graaff Field, the Tuscaloosa Municipal Airport.

Characteristically, Maxwell earned the first driver's license issued in Tuscaloosa County.

His accomplishments were many. The aviation courses he inaugurated at the UA grew into a four-year degree course in aeronautical engineering and ultimately became UA's aeronautical engineering department, one of the nation's oldest.

After World War I, he headed the American Legion Farley Moody Post's project to plant oak trees as memorials to Tuscaloosa Countians killed in the war. The trees grew into the tall oaks lining University Boulevard and shading the Stillman College campus.

During the Depression, he headed a Civilian Conservation Corps unit of out-of-work veterans who reclaimed the prehistoric Indian mounds at Moundville from the fields and woods. Today Mound State Monument is one of the best-preserved Mississippian Indian sites in the country.

As consulting engineer at the University, he saved Clark Hall, a beautiful building off the Woods Quadrangle, from destruction. He also oversaw construction of 28 permanent UA buildings, major improvements to four and construction of 693 temporary structures, some of which are still in use.

He persuaded the Veterans Administration to give UA land adjacent to the VA Medical Center rather than sell it as surplus property. Then he developed the UA Arboretum and a recreational facility which ultimately became the Harry H. Pritchett Golf Course.

He persuaded the Navy to locate a U.S. Naval Reserve Training Center here and he served as its training officer in 1946-54. The center remains in operation here.

He was largely responsible for the renovation of Denny Chimes in a project which culminated with their rededication in 1986 as an enduring symbol of the University.

The airport he founded serves as a key element in this city's present and future in transportation and growth. And his election in 1985 to the Alabama Aviation Hall of Fame was a fitting tribute to Maxwell's pioneering years in aviation.

A charming and personable man, Maxwell left a strong stamp on Tuscaloosa and the University. His influence and innovations in his long career as a teacher, builder and leader will be felt far into the future.

WAGES OF AMERICAN WORKERS

Mr. CHILES. Mr. President, I appreciate the interest that Senator Symms has shown in the Budget Committee print "Wages of American Workers in the 1980's."

Given his strong interest, I felt it important to respond to each and every issue he raised in his remarks on the floor earlier today.

I am afraid my friend is mistaken on every count.

First he claims that the report paints a negative picture because it includes part-time as well as year-round, full-time workers.

But we were extremely sensitive to the distinctions between full-time and part-time workers, so we performed the analysis separately for each group. And we reported the results on pages 11 and 12 of the committee print. The share of middle-wage jobs held by year-round, full-time workers declined by 4 percentage points between 1979 and 1987. The share of middle-wage jobs held by part timers declined by 4.1 percentage points over the same period.

The bottom line is that strong downward wage polarization occurred for both groups and in nearly identical amounts.

A second misunderstanding is one that is quite common. People seem to think that the number of part-time workers has grown by leaps and bounds in this decade. Exactly the opposite is true.

So please listen carefully to the following number. Of the total increase in employment between 1979 and 1987, only three-tenths of 1 percent was part-time work. Virtually the entire gain in employment over the period was in year-round, full-time employment. That is where the story is.

Senator Symms seems to think we have confused things by the way we dealt with part-time workers. So let me explain exactly what we did.

This is a study about wage rates. The Census Bureau data tells us what the wage rate of every worker was—whether he was a full-time or part-time worker. It is those wage rates, and those wage rates alone that are the basis for our study.

It is those wage rates that are used to classify jobs as high or low-paying. In our study, we used $5.80 as the low-wage benchmark. If a worker—whether he was full time or part time—made less than $5.80 an hour in 1987, he was classified as a low-wage worker.

Contrary to what Senator Symms seems to believe, no annualization of any sort was performed in putting workers into categories. It was simply on the basis of their hourly wage.

It was only after workers had been allocated among the wage categories that the study described what level of income a particular wage rate would yield if the worker were employed year round, full time.

Finally, and probably most important to understand—Senator Symms wondered how the wages of workers could have been polarized in a downward direction if family incomes have been rising.

The answer is that family income reflects at least three things—the wage of the worker, the number of workers in the family, and the number of hours each worker works.

Our focus was on the wages of workers—what the return is for our effort and time on the job. That's the critical, bottom-line measure of how our workers are doing. And our report shows that the news has not been good.

Family incomes have risen not because wages are on the rise, but because more family members are working and they're working longer hours. For example, female workers have increased their hours of work by 8 percent between 1979 and 1987.

That is sort of like saying you can double your income if you work twice as long. I'm not sure we want to call that progress.

I ask unanimous consent that a document entitled "Wages of American Workers in the 1980's" be printed in the Record.

There being no objection, the document was ordered to be printed in the Record, as follows:

Wages of American Workers in the 1980's

The Census Bureau's data on the wages of American workers in 1987 just became available at the beginning of September. It is the most comprehensive and detailed data set on the wages of American workers and is the basis for every major study.

The staff analyzed changes in workers' wages since 1979—the peak of the last business cycle.

FINDINGS

The share of middle-wage jobs decreased markedly in this decade. The shares of both high and low-wage jobs increased but the share of low-wage jobs increased by more than twice that of high-wage jobs. Wage rates are becoming polarized in a downward direction.

Sixty-four percent of American jobs paid middle-level wages in 1979. But between 1979 and 1987 only 38 percent of new jobs paid middle-class wages.

Thirty-two percent of jobs paid below-poverty-level wages in 1979. Between 1979 and 1987, over half of the increase in employment paid below-poverty-level wages.

The situation deteriorated in 1987. Sixty percent of new jobs were low-wage. The number of high-wage jobs actually declined by 81,000.

Downward polarization of wage rates was pervasive. It occurred in the service sector and manufacturing, among full-time and part-time workers, white and nonwhite workers, and was felt particularly by men. The position of women improved, but their wages remain well below those of men.

The Eastern Seaboard did well, but the rest of the country saw wages go in the wrong direction. The East North Central, Pacific, and West North Central regions experienced downward polarization. The East South Central, Mountain, and West South Central regions saw wage impoverishment—meaning the share of both middle and high-wage jobs declined and only the share of low-wage jobs increased.

Of the twelve most populous states, Florida, Massachusetts, New Jersey and New

York saw improvement in wages. In the remaining eight—California, Indiana, Illinois, Ohio, Michigan, North Carolina, Pennsylvania, and Texas—the share of middle-wage jobs declined at the expense of low-wage jobs.

The attached table presents changes in wage patterns for all 50 states.

Alabama

Alabama moved toward wage impoverishment. The share of low-wage jobs expanded 2.9 percentage points at the expense of declines in the shares of middle-wage jobs (2.3 percentage points) and high-wage jobs (0.7 percentage points).

The state lost 6,000 high-paying jobs and added 66,000 middle-wage jobs and 134,000 low-wage jobs.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	42.2	45.1	+2.9
Middle-wage ($11,612 to $46,444)	54.8	52.5	−2.3
High-wage ($46,445 and above)	3.1	2.4	−.7

Alaska

The wage distribution in Alaska moved downward with a decline of 4.5 percentage points in the share of high-wage jobs. The shares of middle-wage jobs increased by 3.5 percentage points while the share of low-wage jobs grew by 1.0 percentage points.

Alaska lost 4,000 high-wage jobs and gained 13,000 low-wage, and 41,000 middle-wage jobs.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	21.2	22.2	+1.0
Middle-wage ($11,612 to $46,444)	64.8	68.3	+3.5
High-wage ($46,445 and above)	14.0	9.5	−4.5

Arizona

Arizona broke the typical pattern, experiencing a rising share of middle-wage jobs (2.1 percentage points) and a decline in the shares of both low-wage (−1.7 percentage points) and high-wage jobs (0.4) percentage points.

Arizona added 101,000 low-wage jobs, 256,000 middle-wage jobs, and 10,000 high-wage jobs.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	35.1	33.4	−1.7
Middle-wage ($11,612 to $46,444)	60.2	62.4	+2.1
High-wage ($46,445 and above)	4.7	4.2	−.4

Arkansas

The trend was strongly toward downward polarization. With the share of middle-wage declining by 4.8 percentage points and the share of low-wage jobs growing by 3.9 percentage points. The share of high-wage employment increased 0.9 percentage points.

Arkansas added 95,000 low-wage jobs, compared to increases of 8,000 middle-wage and 12,000 high-wage jobs.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	45.5	49.4	+3.9
Middle-wage ($11,612 to $46,444)	52.8	47.9	−4.8
High-wage ($46,445 and above)	1.7	2.6	+.9

California

Workers in California experienced downward polarization of wages. The share of middle-wage jobs declined by 3.6 percentage points. The proportion of low-wage jobs increased by 2.1 percentage points, while that of high-wage jobs grew by 1.5 percentage points.

The number of low-wage jobs grew by three times the amount of high-wage jobs.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	27.5	29.6	+2.1
Middle-wage ($11,612 to $46,444)	67.6	64.0	−3.6
High-wage ($46,445 and above)	4.9	6.5	+1.5

Colorado

Colorado went toward wage impoverishment. The share of middle-wage jobs declined by 6.1 percentage points and the share of high-wage jobs fell by 0.3 percentage points. The share of low-wage jobs grew by 6.4 percentage points.

Colorado gained 1,000 middle-wage and 3,000 high-wage jobs. Low-wage jobs increased by 153,000.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	29.3	35.7	+6.4
Middle-wage ($11,612 to $46,444)	65.1	59.0	−6.1
High-wage ($46,445 and above)	5.6	5.3	−.3

Connecticut

Workers in Connecticut experienced enrichment in their wages. The share of low-wage jobs decreased by 4.4 percentage points. The share of middle-wage jobs increased by 3.0 percentage points and the share of high-wage jobs increased by 1.3 percentage points.

The actual number of low-wage jobs declined by 66,000. Middle-wage jobs increased by 77,000 and high wage jobs by 24,000.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	29.1	24.7	−4.4
Middle-wage ($11,612 to $46,444)	65.8	68.8	+3.0
High-wage ($46,445 and above)	5.2	6.5	+1.3

Delaware

Delaware's case was atypical. The share of middle-wage jobs increased by 6.6 percentage points while the shares of low and high-wage jobs declined by 4.6 and 2.0 percentage points, respectively.

The number of middle-wage jobs grew by 56,000 while 5,000 low-wage jobs were added. High-wage employment decreased by 4,000.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	36.7	32.1	−4.6
Middle-wage ($11,612 to $46,444)	58.1	64.7	+6.6
High-wage ($46,445 and above)	5.2	3.2	−2.0

District of Columbia

Downward wage polarization was the norm with the share of middle-wage jobs declining by 0.7 percentage points. The share of low-wage employment grew by 0.5 percentage points while the share of high-wage employment increased 0.2 percentage points.

The number of middle and high-wage jobs grew by 1,000 each while low-wage employment grew by 3,000.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	25.9	26.4	+0.5
Middle-wage ($11,612 to $46,444)	68.5	67.8	−.7
High-wage ($46,445 and above)	5.6	5.8	+.2

Florida

Florida wages moved upward toward enrichment. The share of low-wage jobs declined by 3.0 percentage points while the share of middle increased by 1.2 percentage points. The proportion of high-wage jobs rose by 1.8 percentage points from 2.0 percent of the total to 3.8 percent.

While the trend was favorable, Florida remains a relatively low-wage state. In 1987, for example, 40 percent of Florida's workers made below-poverty-level wages. In contrast, only 25 percent of Massachusetts' workers and 27 percent of those in New York were employed at low-wage jobs.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	42.5	39.5	−3.0
Middle-wage ($11,612 to $46,444)	55.5	56.7	+1.2
High-wage ($46,445 and above)	2.0	3.8	+1.8

Georgia

Georgia moved in the direction of wage enrichment with the share of low-wage jobs declining by 2.7 percentage points. The share of middle-wage jobs increased by 2.2 percentage points and the share of high-wage jobs by 0.6 percentage points.

The number of middle-wage jobs grew by 422,000 while the increase in low-wage jobs was 141,000. High-wage jobs increased by 35,000.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	37.9	35.2	−2.7
Middle-wage ($11,612 to $46,444)	59.1	61.3	+2.2
High-wage ($46,445 and above)	3.0	3.5	+.6

Hawaii

Hawaii moved toward enrichment of wages. The shares of low-wage and middle-wage jobs fell by 0.9 and 1.1 percentage points, respectively. The share of high-wage jobs increased by 1.9 percentage points.

Hawaii gained 17,000 low-wage jobs, 40,000 middle-wage jobs, and 12,000 high-wage jobs.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	33.1	30.2	−0.9
Middle-wage ($11,612 to $46,444)	66.1	64.9	−1.1
High-wage ($46,445 and above)	2.9	4.9	+1.9

Idaho

Idaho experienced downward wage polarization with the share of middle-wage jobs declining by 2.3 percentage points. The shares of low-wage employment and high-wage employment grew by 2.2 and 0.1 percentage points, respectively.

Idaho gained 20,000 low-wage jobs compared to increases of 3,000 middle and 1,000 high-wage jobs.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	40.8	43.0	+2.2
Middle-wage ($11,612 to $46,444)	56.5	54.1	−2.3
High-wage ($46,445 and above)	2.8	2.8	+.1

Illinois

Downward wage polarization occurred in Illinois. The share of middle-wage jobs declined by 3.7 percentage points, and was offset by a 2.9 percent increase in the share of low-wage jobs.

The number of middle wage jobs shrunk by 201,000 while low-wage jobs increased by 165,000.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	27.2	30.1	+2.9
Middle-wage ($11,612 to $46,444)	68.4	64.8	−3.7
High-wage ($46,445 and above)	4.4	5.2	+.7

Indiana

Indiana's workers experienced severe downward wage polarization. The share of middle-wage jobs declined by 8.3 percentage points, the largest decline in any of the twelve most populous states. The share of low-wage jobs increased by 8.1 percentage points.

The number of middle wage jobs declined by 231,000 while low-wage employment increased by 213,000.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	32.2	40.3	+8.1
Middle-wage ($11,612 to $46,444)	65.7	54.4	−8.3
High-wage ($46,445 and above)	2.1	2.2	+.2

Iowa

Iowa has been experiencing impoverishment of wages. The share of low-wage jobs increased by 9.3 percentage points. The share of middle-wage jobs decreased by 9.0 percentage points and the share of high wage jobs decreased by 0.3 percentage points.

The actual number of low-wage jobs increased by 137,000. Middle-wage jobs decreased by 116,000 and high-wage jobs decreased by 4,000 jobs.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	34.8	44.2	+9.3
Middle-wage ($11,612 to $46,444)	63.3	54.3	−9.0
High-wage ($46,445 and above)	1.9	1.6	−.3

Kansas

Kansas experienced severe downward polarization of wages with the share of middle-wage jobs falling by 5.7 percentage points. The share of low-wage jobs grew by 5.2 percentage points while the share of high-wage employment increased by 0.5 percentage points.

Kansas lost 35,000 middle-wage jobs and added 82,000 low-wage and 8,000 high-wage jobs.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	33.6	38.8	+5.2
Middle-wage ($11,612 to $46,444)	64.1	58.4	−5.7
High-wage ($46,445 and above)	2.3	2.9	+.5

Kentucky

Kentucky experienced wage impoverishment with the shares of both middle and high-wage jobs declining (4.8 and 0.6 percentage points, respectively)

Kentucky lost 66,000 middle-wage jobs and 9,000 high-wage jobs. There was a gain of 94,000 of low-wage jobs.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	36.6	42.0	+5.4
Middle-wage ($11,612 to $46,444)	60.8	56.0	−4.8
High-wage ($46,445 and above)	2.6	2.0	−.6

Louisiana

Louisiana went toward wage impoverishment with the share of low-wage employment expanding 4.0 percentage points at the expense of the shares of middle-wage (−3.9 percentage points) and high-wage jobs (−0.1 percentage points).

The state gained 131,000 low-wage jobs compared to increases of 20,000 middle-wage and 3,000 high-wage jobs.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	36.3	40.3	+4.0
Middle-wage ($11,612 to $46,444)	61.1	57.2	−3.9
High-wage ($46,445 and above)	2.6	2.5	−0.1

Maine

Like many Eastern states Maine experienced wage enrichment. The share of low-wage jobs decreased by 6.1 percentage points. The share of middle-wage jobs increased by 5.3 percentage points and the share of high-wage jobs increased by 0.8 percentage points.

The actual number of low-wage jobs declined by 21,000. Middle-wage jobs grew by 48,000 and high-wage jobs by 5,000.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	41.7	35.6	−6.1
Middle-wage ($11,612 to $46,444)	56.8	62.1	+5.3
High-wage ($46,445 and above)	1.5	2.3	+.8

Maryland

Maryland also experienced a growth in the share of middle-wage jobs by 1.1 percentage points. But it was at the expense of the share of high-wage jobs (−1.2 percentage points). The share of low-wage jobs expanded by 0.1 percentage points.

Middle-wage jobs increased by 215,000 while high-wage employment declined by 14,000. Low-wage employment grew by 70,000.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	24.9	25.0	+0.1
Middle-wage ($11,612 to $46,444)	69.4	70.5	+1.1
High-wage ($46,445 and above)	5.7	4.5	−1.2

Massachusetts

Wage enrichment was the experience in Massachusetts. The share of low-age jobs decreased by 7.0 percentage points. The share of middle-wage jobs grew by 4.2 percentage points while the share of high-wage jobs increased by 2.7 percentage points.

The actual number of low-wage jobs declined by 162,000, the largest improvement in any state. Middle-wage jobs grew by 260,000 and high-wage jobs by 95,000.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	31.8	24.8	−7.0
Middle-wage ($11,612 to $46,444)	64.5	68.7	+4.2
High-wage ($46,445 and above)	3.8	6.5	+2.7

Michigan

The experience was one of strong downward wage polarization. The share of middle-wage jobs fell by 6.4 percentage points while the share of low-wage jobs increased by 5.6 percentage points. High-wage jobs increased from 4.5 percent of the total to 5.3 percent.

The number of middle-wage jobs declined by 225,000 and were more than offset by an increase of 278,000 low-wage jobs.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	27.1	32.7	+5.6
Middle-wage ($11,612 to $46,444)	68.4	62.0	−6.4
High-wage ($46,445 and above)	4.5	5.3	+0.8

Minnesota

Minnesota experienced a form of wage enrichment. The share of low-wage jobs declined and most of this shift was into middle-wage classification. The share of low-wage jobs declined by 3.8 percentage points. The share of middle-wage jobs increased by 3.7 percentage points and the share of high-wage jobs remained unchanged.

The actual number of low-wage jobs declined by 43,000. Middle-wage jobs increased by 154,000 and high-wage jobs increased by 5,000.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	33.8	30.1	−3.8
Middle-wage ($11,612 to $46,444)	62.4	66.1	+3.7
High-wage ($46,445 and above)	3.8	3.8	0.0

Mississippi

Extreme downward wage polarization was the experience with the share of middle-wage jobs declining by 6.1 percentage points and the share of low-wage jobs expanding by 5.4 percentage points.

Mississippi lost 35,000 middle-wage jobs and added 8,000 high-wage jobs. At the same time, low-wage employment grew by 90,000.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	46.3	51.7	+5.4
Middle-wage ($11,612 to $46,444)	52.4	46.3	−6.1
High-wage ($46,445 and above)	1.3	2.0	+0.6

Missouri

Downward polarization has been taking place in Missouri. The share of middle-wage jobs decreased by 2.3 percentage points. The increase is mostly in the share of low-wage jobs (2.1 percentage points). High-wage jobs increased by 0.2 percentage points.

The increase in low-wage jobs was 111,000. In contrast middle-level jobs increased by 55,000 and high wage jobs increased by 11,000.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	33.1	35.1	+2.1
Middle-wage ($11,612 to $46,444)	63.8	61.5	−2.3
High-wage ($46,445 and above)	3.1	3.3	+0.2

Montana

Montana moved strongly toward impoverishment. The share of low-wage jobs increased by 5.9 percentage points while the share of middle-wage jobs declined by 5.6 percentage points. The proportion of high-wage employment fell by 0.3 percentage points.

Montana lost 15,000 middle-wage jobs and 1,000 high-wage jobs. It gained 26,000 low-wage jobs.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	39.4	45.3	+5.9
Middle-wage ($11,612 to $46,444)	57.9	52.3	−5.6
High-wage ($46,445 and above)	2.8	2.4	−0.3

Nebraska

Downward polarization occurred in Nebraska. The share of middle-wage jobs declined by 2.1 percentage points while the shares of low and high-wage jobs increased by 1.4 and 0.6 percentage points, respectively.

The number of middle-wage jobs declined by 12,000 while 14,000 low-wage and 4,000 high-wage jobs were added.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	41.2	42.6	+1.4
Middle-wage ($11,612 to $46,444)	57.0	54.9	−2.1
High-wage ($46,445 and above)	1.8	2.5	+0.6

Nevada

Nevada experienced wage impoverishment with the share of low-wage jobs rising by 3.8 percentage points and the shares of middle-wage jobs and high-wage jobs declining 2.1 and 1.6 percentage points, respectively.

Nevada lost 4,000 high-wage jobs while adding 65,000 middle-wage and 55,000 low-wage jobs.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	29.9	33.6	+3.8
Middle-wage ($11,612 to $46,444)	65.9	63.8	−2.1
High-wage ($46,445 and above)	4.2	2.6	−1.6

New Hampshire

Wage enrichment occurred in New Hampshire. The share of low-wage jobs decreased by 4.8 percentage points. The share of middle and high-wage jobs increased by 4.5 and 0.3 percentage points, respectively. In New Hampshire, 87,000 middle-wage jobs were added (93.5 percent of the increase), compared to 5,000 high-wage and 1,000 low-wage jobs.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	31.0	26.1	−4.8
Middle-wage ($11,612 to $46,444)	65.7	70.2	+4.5
High-wage ($46,445 and above)	3.3	3.7	+0.3

New Jersey

Workers in New Jersey saw their wages move in the direction of enrichment. The share of low-wage jobs declined by 3.3 percentage points, while the share of middle-wage jobs grew by 1.1 percentage points and the proportion of high-wage jobs by 2.1 percentage points.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	27.3	24.1	−3.2
Middle-wage ($11,612 to $46,444)	67.6	68.7	+1.1
High-wage ($46,445 and above)	5.1	7.3	+2.1

New Mexico

New Mexico experienced downward wage polarization. The share of middle-wage jobs declined by 3.4 percentage points. The share of low-wage jobs grew by 2.6 percentage points and that of high-wage jobs by 0.8 percentage points.

New Mexico gained 59,000 low-wage jobs, 39,000 middle-wage, and 8,000 high-wage jobs.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	39.6	42.2	+2.6
Middle-wage ($11,612 to $46,444)	57.5	54.1	−3.4
High-wage ($46,445 and above)	2.9	3.7	+0.8

New York

Workers in New York experienced wage enrichment. The share of middle-wage jobs decreased by 1.6 percentage points, but the share of high-wage jobs increased by 2.4 percentage points while the share of low-wage jobs decreased by 0.8 percentage points.

The number of high-wage jobs increased by 220,000 while the number of low-wage jobs grew by 56,000.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	27.7	26.9	−.8
Middle-wage ($11,612 to $46,444)	68.1	66.5	−1.6
High-wage ($46,445 and above)	4.2	6.6	+2.4

North Carolina

Downward wage polarization occurred in North Carolina as the share of middle wage jobs declined by 3.3 percentage points and the proportion of low-wage jobs rose by 2.3 percentage points.

There were 231,000 more low-wage jobs in North Carolina in 1987 than in 1979, compared to an increase of 123,000 middle-wage jobs and 41,000 high-wage jobs.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	39.3	41.6	+2.3
Middle-wage ($11,612 to $46,444)	58.7	55.4	−3.3
High-wage ($46,445 and above)	2.0	3.0	+1.0

North Dakota

Workers' wages moved toward impoverishment. The share of middle- and high-wage jobs decreased by 3.9 and 1.2 percentage points, respectively. The share of low-wage jobs increased by 5.0 percentage points.

22,000 low-wage jobs were added. There was a loss of 2,000 middle-wage jobs and 3,000 high-wage jobs.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	41.0	46.0	+5.0
Middle-wage ($11,612 to $46,444)	56.2	52.3	−3.9
High-wage ($46,445 and above)	2.8	1.7	−1.2

Ohio

Workers in Ohio moved toward wage impoverishment between 1979 and 1987. The shares of middle- and high-wage jobs declined by 5.8 percentage points, and the share of below-poverty-level-wage jobs increased by the same amount.

The actual number of high- and middle-wage jobs decreased by 38,000. The entire growth in employment was accounted for by an increase in low-wage jobs (412,000).

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	28.4	34.2	+5.7
Middle-wage ($11,612 to $46,444)	67.9	62.4	−5.5
High-wage ($46,445 and above)	3.7	3.4	−.3

Oklahoma

Oklahoma experienced downward wage polarization with the share of middle-wage jobs decreasing by 3.3 percentage points while the share of low-wage jobs grew by 2.7 percentage points.

The state added 117,000 low-wage jobs while middle-wage employment increased by 62,000. High-wage employment grew by 15,000.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	39.6	42.3	+2.7
Middle-wage ($11,612 to $46,444)	57.0	53.7	−3.3
High-wage ($46,445 and above)	3.4	4.0	+.6

Oregon

Oregon made a dramatic move toward downward wage polarization with a decline of 10.8 percentage points in the share of middle-wage jobs. the share of low-wage jobs grew 9.4 percentage points while high-wage jobs grew 1.4 percentage points.

Oregon lost 101,000 middle-wage jobs and gained 150,000 low-wage and 21,000 high-wage jobs.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	29.8	39.2	+9.4
Middle-wage ($11,612 to $46,444)	67.2	56.4	−10.8
High-wage ($46,445 and above)	3.1	4.5	+1.4

Pennsylvania

Downward wage polarization occurred in Pennsylvania. The share of middle-wage jobs declined by 3.1 percentage points and the share of low-wage jobs increased by 2.4 percentage points.

The actual number of middle-wage jobs declined by 150,000 and were more than offset by an increase of 141,000 low-wage jobs.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	28.7	31.1	+2.4
Middle-wage ($11,612 to $46,444)	68.0	64.9	−3.1
High-wage ($46,445 and above)	3.3	4.0	+.7

Rhode Island

Rhode Island wages moved toward enrichment. The share of low-wage jobs decreased by 2.0 percentage points. Middle-wage jobs increased 1.3 percentage points and high-wage jobs increased by 0.7 percentage points.

34,000 middle-wage jobs were added, compared to increase of 5,000 high-wage jobs and 3,000 low-wage jobs.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	31.7	29.8	−2.0
Middle-wage ($11,612 to $46,444)	65.4	66.6	+1.3
High-wage ($46,445 and above)	2.9	3.6	+.7

South Carolina

South Carolina moved toward wage enrichment with the share of low-wage jobs decreasing by 3.3 percentage points and the shares of both middle (+3.3 percentage points) and high-wage jobs expanding (0.3 percentage points).

188,000 new middle-wage jobs were added, compared to 62,000 low-wage and 11,000 high-wage jobs.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	44.5	41.2	−3.3
Middle-wage ($11,612 to $46,444)	53.0	56.0	+3.0
High-wage ($46,445 and above)	2.5	2.7	+.3

South Dakota

South Dakota experienced downward wage polarization. The share of middle wage jobs decreased by 2.7 percentage points. The share of low-wage jobs increased by 1.6 percentage points and the share of high-wage jobs increased by 1.2 percentage points.

The number of jobs added to the low-wage area was 18,000. There were only 5,000 middle-wage and 4,000 high-wage jobs added.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	48.0	49.5	+1.6
Middle-wage ($11,612 to $46,444)	51.0	48.3	−2.7
High-wage ($46,445 and above)	1.0	2.2	+1.2

Tennessee

Tennessee experienced severe downward wage polarization with the share of middle-wage jobs declining by 7.0 percentage points and low-wage jobs increasing by 6.6 percentage points. The share of high-wage jobs grew by 0.4 percentage points.

The state lost 10,000 middle-wage jobs and gained 243,000 low-wage ones. The increase in high-wage employment was 15,000.

	Percentage of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	37.4	44.0	+6.6
Middle-wage ($11,612 to $46,444)	60.5	53.5	−7.0
High-wage ($46,445 and above)	2.2	2.6	+.4

Texas

Workers' wages moved toward impoverishment. The share of middle- and high-wage jobs declined by 1.6 percentage points and the share of low-wage jobs increased by that amount. 594,000 low-wage jobs were added, compared to 37,000 high-wage jobs.

	Percentage of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	36.3	37.9	+1.6
Middle-wage ($11,612 to $46,444)	59.6	58.3	−1.4
High-wage ($46,445 and above)	4.0	3.8	−.2

Utah

Utah went toward wage impoverishment with a decline of 4.2 percentage points in the share of middle-wage jobs being offset by an equivalent rise in the share of low-wage jobs.

The state gained 56,000 low-wage jobs, 16,000 middle-wage jobs, and 2,000 high-wage jobs.

	Percentage of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	33.7	38.0	+4.2
Middle-wage ($11,612 to $46,444)	63.1	58.9	−4.2
High-wage ($46,445 and above)	3.2	3.1	+.0

Vermont

Vermont experienced wage enrichment. The share of low-wage jobs decreased by 6.5 percentage points. The share of middle-wage jobs increased by 4.2 percentage points and the share of high-wage jobs increased by 2.3 percentage points.

The actual number of low-wage jobs declined by 7,000. Middle-wage jobs grew by 28,000 and high-wage jobs by 7,000.

	Percentage of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	40.6	34.2	+6.5
Middle-wage ($11,612 to $46,444)	57.8	62.0	+4.2
High-wage ($46,445 and above)	1.6	3.9	+2.3

Virginia

Virginia experienced upward wage polarization with the share of middle-wage jobs declining by 3.5 percentage points and the share of high-wage jobs gaining 2.8 percentage points. The proportion of low-wage jobs grew by 0.7 percentage points.

The number of middle-wage jobs increased by 231,000 while low-wage employment grew by 196,000. High-wage employment increased by 107,000.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	32.9	33.6	+0.7
Middle-wage ($11,612 to $46,444)	63.3	59.9	−3.5
High-wage ($46,445 and above)	3.7	6.6	+2.8

Washington

Washington moved toward wage impoverishment. The share of middle-wage jobs fell by 3.3 percentage points while the share of high-wage jobs declined 0.4 percentage points. The share of low-wage jobs rose 3.7 percentage points.

Washington gained 165,000 low-wage jobs, 99,000 middle-wage jobs, and 5,000 high-wage jobs.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	29.8	33.4	+3.7
Middle-wage ($11,612 to $46,444)	64.9	61.7	−3.3
High-wage ($46,445 and above)	5.3	4.9	−.4

West Virginia

West Virginia experienced wage impoverishment with the share of low-wage jobs expanding 7.2 percentage points at the expense of the shares of middle-wage (7.1 percentage points) and high-wage jobs (0.1 percentage points).

109,000 middle-wage and 3,000 high-wage jobs were lost, and low-wage jobs grew by 17,000.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	35.1	42.3	+7.2
Middle-wage ($11,612 to $46,444)	62.6	55.5	−7.1
High-wage ($46,445 and above)	2.3	2.1	−.1

Wisconsin

Wisconsin experienced severe downward polarization of wages. Low-wage jobs increased by 4.1 percentage points. Middle-wage jobs decreased by 5.4 percentage points and high-wage jobs rose by 1.3 percentage points.

The actual number of middle-wage jobs declined by 107,000 while low-wage jobs increased by 111,000. High-wage jobs increased by 32,000.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	32.5	36.6	+4.1
Middle-wage ($11,612 to $46,444)	65.5	60.2	−5.4
High-wage ($46,445 and above)	2.0	3.3	+1.3

Wyoming

Wyoming moved toward wage impoverishment with the share of low-wage jobs expanding by 3.2 percentage points at the expense of the shares of middle (−2.9 percentage points) and high-wage jobs (−0.3 percentage points)

Wyoming lost 11,000 middle-wage and 1,000 high-wage jobs. It gained 5,000 low-wage jobs.

	Percent of employment		Difference (1987 minus 1979)
	1979	1987	
Low-wage (less than $11,611)	34.7	38.0	+3.2
Middle-wage ($11,612 to $46,444)	61.4	58.5	−2.9
High-wage ($46,445 and above)	3.8	3.5	−.3

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. All time for morning business has expired. Morning business is closed.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, do I have any time remaining?

The ACTING PRESIDENT pro tempore. The Senator has 1 minute and 50 seconds.

Mr. DOLE. Mr. President, I ask unanimous consent that I may proceed for 5 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

KANSAS FARM ECONOMY ON THE MOVE

Mr. DOLE. Mr. President, it was only a few years ago that we heard a lot of talk in this Chamber—and in the news media—that the American farmer was on the verge of extinction; that the family farm was doomed; and that the "Dust Bowl days" looked like a picnic compared to the 1980's.

Well, to paraphrase Mark Twain, reports of rural America's death have been greatly exaggerated. Just this week, a new report in my home State documents that the Kansas farm economy is on the move—on the rebound, in fact, and heading toward the highest net farm income in many years.

Additional findings, according to a new survey by the Kansas Agricultural Statistics Service, show that grain sales have doubled since 1986, livestock sales are up 33 percent, and far fewer Kansas farmers are strapped with heavy debt.

This is good news; not only for Kansas farmers, but for the entire State economy. Oh, yes, we have much more work to do on the farm front, but we have turned a corner, not only in Kansas but throughout rural America.

In my view, the 1985 farm bill helped us make that turn. The Senator from Kansas is proud to say that it was a Republican-led Senate that passed that landmark farm bill. We did not panic in the face of what was described as "the farm crisis." We didn't cave in to the pressure of those few who were crying for immediate Government control of farm operations. We rejected the calls for mandatory controls and supply management. We hung tough and worked directly with the experts—the American farmer—to produce a bill that has been a life preserver for rural America.

Best of all, every recent report on the U.S. farm scene indicates that the good news from Kansas is part of a nationwide trend.

Mr. President, I ask at this time that two newspaper articles detailing the major turnaround in the Kansas farm economy be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Hutchinson News, Sept. 26, 1988]

KANSAS FARM ECONOMY IMPROVES OVER LAST YEAR'S FIGURES

TOPEKA.—A study by Kansas Agricultural Statistics confirms what some others have claimed for months: the state's farm economy improved in 1987.

"We saw a decline in the percentage of farmers in the high debt and negative income category and we saw the highest net farm income we have seen for some time—$33,800 in 1987, compared to $12,500 in 1986 and $10,700 in 1985," said M.E. Johnson, state statistician.

Study results released last week came from lengthy interviews during February and March with 963 of the state's 70,000 farmers. A farm is defined as "an establishment from which $1,000 or more of agricultural products were sold or would normally be sold during the year."

According to the findings, almost 60 percent of the farms surveyed had a positive cash income and a relatively light debt load. At the other extreme, seven percent of the farms had a negative cash income and heavy debt (for every $1 of assets, they had 40 cents or more of debt). Another 14 percent of the farms had a positive cash income and heavy debt and 22 percent had a negative income and light debt.

By comparison, the 1986 survey had 50 percent of the farms in the most favorable category and 10 percent were at the other end of the financial scale.

In other findings:

Cash grain farms had the biggest share—66 percent—of operations in the most financially favorable category. Beef, hog and sheep operations had the smallest proportion with 48 percent.

Nine percent of beef, hog or sheep farms were in the weakest financial group, and more than 25 percent of livestock or poultry farms had negative income and low debt.

"Income for cash grain was up considerably in 1987, more than double 1986," Johnson said. "It may have come from government payments, but it was at least partly from the market, too.

"Livestock was up some, but not up nearly as much (as grain) in total value of sales. Livestock was up about 33 percent in total value of sales from 1986."

Kansas had the highest nonfarm income—$21,100—in the northern plains region, which includes Nebraska, North Dakota and South Dakota.

"It might be there are more off-farm income possibilities in Kansas than in the Dakotas or Nebraska," Johnson said. "We have about the same off-farm income as the Corn Belt. We may be looking at the influence of eastern Kansas, whether it be aircraft manufacturing in Wichita or making tires in Topeka."

In a 1985 study, off-farm income was broken down by region. The figures ranged from $15,700 in eastern Kansas to $9,300 in western Kansas.

Farmers in the most favorable financial category earned the least amount of non-farm income.

"Those with a negative income and low debt had the highest non-farm income," Johnson said. "These people, I wonder, we might want to classify as part-time farmers, anyway."

Farm production costs in the northern plains region in 1987 were $14 billion, a decline of 4 percent from 1986. Nationally, however, 1987 costs increased 3.9 percent. The difference between the regional and national figures was credited to reduced outlays for feed, farm services, chemicals, interest and other supplies in the northern plains.

The average farm or ranch size in Kansas was 830 acres.

GRAIN SALES BOOSTED KANSAS FARM INCOME

(By Curt McConnell)

TOPEKA.—A new survey shows that net cash farm income in Kansas last year was higher than non-farm income for the first time in several years, an official with the Kansas Agricultural Statistics Service said Wednesday.

Net cash farm income averaged $33,800 per farm in 1987, nearly three times the $12,500 figure for 1986, said M. E. "Moe" Johnson, state statistician. Average non-farm income of $20,600 in 1986 rose only slightly in 1987 to $21,100.

"This is the first time farm income has topped non-farm income in the three years the service has been conducting comparable surveys," Johnson said in an interview. The income jump is due to "a sizable increase in crop sales," he said.

Based on a survey of 1,000 sample farms, the report found that the value of crop sales rose 119 percent to $43,500 in 1987 from $19,900 the previous year.

"That is a reflection of crop prices and probably, overall, a reflection of an increase in the number of bushels produced," Johnson said. "Though corn and sorghum production declined between 1986 and 1987, the increase in wheat production more than made up for it," Johnson said.

"About half the 20 million acres harvested in Kansas each year are planted in wheat," Johnson said.

"Over the same period, the average value of livestock sales increased 33 percent to $49,800 from $37,400," he said.

The "Farm Costs and Returns Survey" for 1987 also showed that there were fewer Kansas farmers with high debt levels and negative incomes and more farmers with low debt levels and positive incomes.

"It is too early to say how the drought will affect 1988 net cash farm income," Johnson said.

But "we can't expect farmers to do as well in 1988, I don't believe, because of drought and also some reduction in the wheat crop," Johnson said.

"However, we've got significantly higher prices. Those farmers least affected by the drought will probably be better off this year, while farmers who lost more of their crop to the dry weather will have lower incomes," Johnson said.

"What this means is we'll have wider extremes (in 1988 farm income) and the average will be less descriptive," he said.

"But 1988 farm income will also depend on government payments which amounted to about $900 million last year," Johnson said.

The report said the proportion of the most financially strapped farmers—those with negative incomes and high debt—fell to 7 percent in 1987 from 10 percent a year earlier.

And the proportion of farmers in the best financial position—those with positive incomes and low debt levels—rose to 57 percent in 1987 from 50 percent a year earlier.

BICENTENNIAL MINUTE

AUGUST 7, 1982: SENATE COMMISSIONS A FORMER PRESIDENT

Mr. DOLE. Mr. President, 106 years ago, on August 7, 1882, the U.S. Senate commissioned a former President of the United States, Ulysses S. Grant, to negotiate a reciprocal-trade treaty with Mexico.

Ulysses Grant's fascination with Mexico dated back to his days as a young Army lieutenant, fighting in the Mexican-American War. He had been appalled at the poverty inflicted upon Mexicans by the large landowners, and for that reason he later supported the Mexican Revolution led by Benito Juarez. When he left the Presidency, Grant became chief executive of a company that proposed building a railroad from Texas to Mexico City, as a means of fostering free trade between the two nations.

Grant had also become a close friend of the Mexican Ambassador to the United States, Matias Romero. So it was in 1882, when Grant was commissioned to negotiate a trade agreement, Romero led the Mexican delegation, and their resulting handiwork became known as the Grant-Romero Treaty.

Agreed to in January 1883, this treaty established a list of manufactured goods and agricultural products that could be traded between the United States and Mexico free of any tariffs. Unfortunately for Grant, protectionist sympathies in Congress stymied his free trade accomplishment. Although Grant placed his considerable prestige behind the treaty, critics charged him with negotiating primarily to promote his railroad for personal financial gain.

There was some truth to the charges. After his Presidency, Grant frequently found himself in precarious financial straits, and he entered into a number of unwise business ventures. The Mexican Southern Railroad went bankrupt in 1884. That same year the Senate approved the treaty, but with an amendment requiring congressional passage of enabling legislation.

In 1885 U.S. Grant died, and a year later the Senate formally scrapped the Grant-Romero Treaty after both Houses refused to agree to the necessary legislation.

WELFARE REFORM LEGISLATION

Mr. DOLE. Mr. President, I wish to take a moment at this time, as I did last evening, to congratulate my colleagues on a welfare reform package. There will be another meeting at 3 o'clock, when the House and Senate conferees will meet to take final action. I hope nothing happens in the meantime that might derail this welfare reform package, the first one in 53 years.

It was the result of a bipartisan effort, which I believe may be an indication of what we can do on that basis, whether it is the pending bill or whatever bill it may be, if we work together.

There were principal players involved. Senator MOYNIHAN certainly was a principal player; Senator ARMSTRONG, on this side of the aisle; Senator ROCKEFELLER, Senator PACKWOOD, Senator BENTSEN. I am proud to be the ranking Republican on that subcommittee.

There are a number of outstanding staff people, too. Sheila Burke, my director, has played a very critical and key role in all the negotiations, and I know there are other staff members who have worked diligently.

If we should take action on this matter this year, as the majority leader has already indicated, it would be landmark legislation. It would demonstrate that we can get together, and I believe it might portend cooperation in other areas before we adjourn this year.

ORDER OF PROCEDURE

Mr. EXON. Mr. President, I ask unanimous consent that I be allowed to proceed as in morning business for not to exceed 3 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(The remarks of Mr. EXON pertaining to the introduction of legislation are located in today's RECORD under Statements On Introduced Bills And Joint Resolutions.)

PARENTAL AND TEMPORARY MEDICAL LEAVE

The ACTING PRESIDENT pro tempore. The Senate will now resume consideration of the pending business, S. 2488, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2488) to grant employees parental and temporary medical leave under certain circumstances, and for other purposes.

The Senate resumed consideration of the bill.

Mr. DODD. Mr. President, what is the pending amendment?

The ACTING PRESIDENT pro tempore. The pending amendment is the first committee amendment, which the clerk will report.

The assistant legislative clerk read as follows:

On page 8, beginning with line 3, strike through line 6 and insert the following:

(11) SON OR DAUGHTER.—The term "son or daughter" means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a de facto parent, who is—

(A) under 18 years of age; or

(B) 18 years of age or older and incapable of self-care because of a mental or physical disability.

Mr. DODD. Mr. President, the manager on the other side is Senator COCHRAN.

I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. PACKWOOD. Mr. President, as in morning business, I ask unanimous consent that I may ask the majority leader a couple questions on technical corrections.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PACKWOOD. This is my sense of technical corrections, and I have talked to Senator BAUCUS who apparently will be handling it for the majority.

I think we can pass in the Senate a technical corrections bill in a day to a day and a half. There will be a lot of amendments. I think most of them will be defeated.

In terms of priorities for the White House—and I have talked to the White House—they would accept the Senate bill as it is. I think they might accept one or two other amendments. There is a thing or two they do not like. But I think they would accept the Senate bill as it is. And I know on the list or the letter that the White House sent down they had a last paragraph about abortion, and we will have a debate on that. This is taking away tax-exempt status to clinics that principally perform abortions. I think we can beat that amendment and I think it was put on frankly on the end of the White House's letter as a throwaway to right to life, but I would not let that affect the majority leader's decision as to whether or not we take it up because I think we can beat that amendment.

I think the problem for the Senate is there are a lot of Members who want this bill. There are lots of Members in the House who want a bill. The House bill was not acceptable to the President, and the House knows that. If we were to pass that—and I do not think it would pass here—I think he would veto it.

But on the list of priorities for the White House, I do not think that the tax bill is up on the top five of their list, and it is no threat to the White House as to whether or not we pass this bill. They will take it. They are not going to force it. They are not really opposed to the Senate bill.

But I would hope that the leader would be willing to schedule it because I have talked to Senator BAUCUS. I think we can pass it in a day to a day and a half. And there are lots of legitimate things in it that ought to be passed whether or not the White House is in support or opposition.

I hope that is not a determining factor in the majority leader's thinking.

Mr. BYRD. While it may not be the predominant factor, I am just suspicious of this White House. If there are tax increases in that bill, even though it may be revenue neutral, I do not want a White House that sits down there and gives signals that might indicate that they have no problem with it and then once it is passed, clobber the Congress and say, "Ah, there they go, there they go raising taxes before they even get to the White House. There the Democrats go. You see, they are in control."

I am suspicious of this White House. I do not trust it on many things. We saw that on the DOD bill when Mr. Carlucci spoke presumably for the White House. There is the Secretary of Defense speaking for the White House. Yet the President vetoed the bill.

So I simply say that to express my concerns as to what may happen.

I want us to approach this carefully. I will certainly listen to what the distinguished Senator is saying and will say, and I have no problem at all with his presentations and what he is saying.

I hope we can get the bill up and act on it, and I would say the chances are pretty good that we can.

I do think that as the Republican leader said earlier today, if we can come up to some kind of an agreement that will at least enumerate the amendments that will be called up, particularly those nongermane amendments that might be called up, then we may be able to handle it.

I would like to have some kind of an agreement, though, so that it is not open ended and so that we do not face all kinds of amendments as we so often do when we take up tax legislation, all kinds of amendments. I am hoping, as I told Mr. BAUCUS, that we can achieve some kind of agreement that will allow us to act within reason and avoid bringing up a bill here that sees various and sundry irrelevant, nongermane, lightning rod amendments.

Mr. PACKWOOD. I would be willing to work with the leader. I would be happy to limit this bill from the standpoint of the minority on the Finance Committee.

I want to come back again—I think I can speak for the White House on this—they would sign the Senate bill as it came out of the Finance Committee, and they might sign it with one or two minor or irrelevant amendments we might add on the floor that does not cost anything.

I do not think they are going to come back and say "Wow, there is a tax increase in that bill, and even though we went along with it in the committee, we are going to veto it."

I cannot guarantee what they might do if we added a lot of amendments to this that the majority leader and I might not even be thinking about now, especially tax amendments, and I can pretty well assure the majority leader that if we moved any place toward the House bill, they would veto it because it is a $7 billion bill with lots of taxes they do not like.

But I would hope we would not hold up the bill in the Senate for fear that the White House would veto what we are currently considering. As to whether we can get an agreement on other amendments, I do not know. That is really not something the White House is involved in. But I think I can assure the majority leader that the White House should not be the impediment to at least our considering the bill as it came out of Finance.

Mr. BYRD. It is not my intention to make the White House an absolute impediment. I think I have stated where I stand in the matter.

It would be well if we could get some clear, unequivocal, indubitably plain, well-understood statement from the White House.

But I am certainly going to work with the Senator and with Mr. BENTSEN, Mr. BAUCUS, and others on both sides and with the Republican leader, if we can reach an agreement that will do what I outlined, namely that we not have something here that is an open-ended and attractive magnet for any and all kinds of amendments, we can have some understanding as to what amendments will be called up, what category of amendments will be called up, and if we can have an understanding that we will all join to table other amendments.

I would like to see this bill enacted. It has some things in it that are very important to my State of West Virginia.

Mr. PACKWOOD. And they are important generally to honest technical corrections in the tax reform bill of 1986, that I think probably 90 percent of the House, the Senate, and the administration support.

Mr. BYRD. Very well.

Mr. PACKWOOD. I thank the leader.

Mr. BYRD. I thank the Senator.

Mr. PACKWOOD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DODD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. REID). Without objection, it is so ordered.

PARENTAL AND TEMPORARY MEDICAL LEAVE

The Senate continued with the consideration of the bill.

AMENDMENT NO. 3291 TO FIRST COMMITTEE AMENDMENT

Mr. DODD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Connecticut [Mr. DODD] proposes an amendment numbered 3291.

Mr. DODD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The amendment is as follows:

On page 8, strike lines 12 through 14 and insert the following.

(B) 18 years of age or older and incapable of self-care because of a mental or physical disability.

Notwithstanding any other provision of this Act, the term "employer" means any person engaged in commerce or in any industry affecting commerce who employs 50 or more employees at any one worksite for each working day during each of 20 or more calendar workweeks in the current or preceding calendar year; and includes:

"(i) any person who acts directly or indirectly in the interest of an employer to one or more employees;

"(ii) any successor in interest of such an employer; and

"(iii) any public agency, as defined in section 3(x) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(x)): and

notwithstanding any other provision of this act, the period of entitlement described in Sec. 104 (a)(2) of this act shall not exceed 10 workweeks during any 12-month period; and

notwithstanding any other provision of this act, the entitlement under paragraph (a)(2) in "Sec. 6333" entitled "Temporary Medical Leave Requirement" contained in Sec. 201 of this act shall not exceed 10 administrative work weeks of the employee during any 12-month period.

Mr. DODD. Mr. President, let me explain what this amendment is and does.

First of all, the first committee amendment, so my colleagues will be able to follow this, the first committee amendment was an amendment adopted by the Labor Committee, offered by Senator WEICKER, which would redefine or add to the definition of son or daughter, under the parental leave legislation, a dependent child, mentally retarded child over the age of 18 who was still a dependent.

So, the modification is the first committee amendment. I have offered an amendment to that which changes some of the numbers in the legislation as it refers to the exemptions, the number of employees that an employer would hire that would then make them subject to the provisions of this law.

Under the bill as it came out of the committee, any employer that hired or had in his employ or her employ 20 employees or less would not have been subject to the provisions of this law.

The Dodd amendment raises that exemption level to 50 employees. So, this amendment says that any employer that employs less than 50 employees would not be covered by the provisions of this law.

What is the effect of that? The effect of that is that 95 percent of all business, all business in the United States, would be exempt under the parental leave legislation if this amendment is adopted.

Under the previous exemption level, 88 percent of all businesses would have been exempt. But many of my colleagues and others felt that that was a little too low, that 20 employees was just too low a threshold and would be too much of a burden on the real small operator.

I agree with that conclusion. Most of us here as Members of this body have staffs that number in the 20, 30, 40, 45 range. It occurred to me that, since I can tell you the names of every one that works for me, I know what their families are like, I know what problems they face, that small business of that size would probably be in the same condition. And since we really want to deal with the large employer who does not know his employees as well where a problem would arise with birth, adoption, or serious illness of a child, raising the exemption to 50 employees or less I think substantially improves this legislation and certainly eliminates the argument that this is going to be or would be a burden on the small, little employer.

The second part of this amendment reduces the number of weeks that would be available to an employee under the medical leave position of the bill. Under the bill as it came out of the committee, the number of weeks that an employee could take under medical leave was 13. The number of weeks that an employee could take under the parental leave section of the bill was 10.

This amendment reduces the number of weeks from 13 to 10 in conformity with the parental leave section of the legislation. It puts them in harmony. That is what this amendment does.

The net effect of these two provisions also reduces the cost of this legislation substantially. Under the bill as it was reported from the committee, the parental leave legislation was estimated by the General Accounting Office to cost business across this country something in the neighborhood of $180 million, $190 million, nationwide, all businesses.

With the adoption of this amendment we reduce the cost of this legislation by something in the neighborhood of $30 to $35 or $40 million. It could come down as low as $160 million, $155 million, $160 million.

Mr. President, the effect of that is that this legislation would cost an employer, the 5 percent, now, only 5 percent of the employers that would be covered under this legislation, it would cost them approximately $2.67 per employee per year for the parental leave legislation. That is less than a penny a day. A penny a day per covered employee.

I see no reason why this amendment would not be unanimously supported. I believe it meets the concerns raised by my colleagues that the threshold level was too low at 20 although I would argue that other States in this country that have modified parental leave legislation use numbers in the 15, 20, and 25 range, and have done so with little or no difficulty at all in terms of employer compliance or burdens on the employer in terms of substantial additonal costs.

So I would hope this amendment would be adopted.

Second, Mr. President, allow me to say at this particular point that I would hope as well that other amendments regarding parental leave, if there are any, would be forthcoming. I see no reason why we have to spend a great deal of time on this legislation. There are, I know, other concerns that some Members have and I would welcome them to raise those in amendments or at least allow me to see them ahead of time. Possibly we might reach accommodation on some. Others I think it will be impossible to, and I think we will have to just engage in debate here and allow our colleagues to decide whether or not they want those provisions included or certain provisions excluded. But my hope is we would not take an unnecessary amount of time on this legislation. It is not a complicated bill.

With all due respect, this is not the minimum wage legislation. It is complicated in some people's minds. This bill is straightforward and one that deserves, in my view, as I said during the debate, the support of this body.

Mr. President, there are a couple of other points that I would make regarding some of the business concerns about this legislation. We asked a study to be done to compare the effect on business in States where there are already some parental provisions and compare the data of business growth in those States with States that do not have any parental leave provisions and considered by most to be the most pro-business, if you will, States in the country. I think my colleagues will find interesting the conclusions of that study.

The assumption would be, I presume, that in States where there are some parental leave provisions—we examined seven States, Mr. President, where those parental leave provisions were in place and then seven States that were considered the most pro-business in the country. It was interesting to examine over the last decade the economic growth in those States, the parental leave States and the most pro-business States.

In the parental leave States, the growth of business—small employers, medium-sized employers, and large employers—was substantially larger than in the seven States that were considered the most pro-business, if you will, States. I am not going to suggest that merely because those States have parental leave policies there was economic growth. I would not try to make that case. It would not hold water. But certainly to argue that because there is parental leave in place business growth in those States is stymied, I think, is certainly negated by the data that was concluded in the study of the 14 States—the 7 parental leave States and the 7 most pro-business States.

In the parental leave States, we saw economic growth that was in the neighborhood of 7 to 10 percent larger over the last 10 years in every business size category—the smallest businesses, the medium-size businesses as well as the larger ones.

Last, Mr. President, as I stated yesterday, this legislation is a pro-family legislation. Again, we hear people talking at great length about what we can do to strengthen the American family, what we can do for children. Hardly a day goes by when you cannot find a spot on television during this campaign season that will show candidates of all political persuasions trying to convince the voters that they care most about children and that they care most about the American family.

This parental leave bill is one of the first pieces of legislation that we have that deals directly with children and their families. As I mentioned yesterday—it deserves repeating—there are 8.7 million women in this country who are the sole providers for 16 million children. There are over 1 million men in this country who are the sole providers of somewhere between 1 and 3 million children. That is almost 20 million children who have only a mother or a father taking care of them today.

Again, I do not applaud that. I wish it were otherwise. I think it is regrettable that only 10 percent of the American families have intact relationships—mothers and fathers with their children. It is regrettable; only 10 percent in this country.

I hope that trend reverses, but in the meantime, if your child gets sick, there is not anybody else who can stay at home. You have to work when you have two out of three women who have children or have husbands who earn less than $15,000 a year. Women are not in the work force because they do not like being at home. They are in the work force because they have to be there. They have no other choice.

If your child gets sick, seriously ill and is in the hospital, do we want to say to that woman or that man who is the sole provider, "Choose: your job or your family." Regrettably, Mr. President, that is what happens today with great frequency. We place families in that Hobson's choice: Family or job.

All this legislation does, Mr. President, is say that for 10 weeks, once every 2 years, if you are confronted with a crisis that exhausts your paid leave, your vacation time, your medical leave, whatever else you may have that your employer is willing to give, if you are confronted with that situation, we say that for 10 additional weeks without being paid, without any other benefit, except your insurance, you do not lose your job.

I do not consider that to be a terribly revolutionary idea. I think it is human decency. I think it is common sense. The reason we can, with this amendment, raise the exemption level is because, as a matter of fact, a smaller employer takes care of his employees. If you know their first names, you know their families, you are not going to see them thrown on the heap outside without a job. I accept that.

The problem arises, Mr. President, with the larger employer, and it is not his fault or her fault, but you do not know people. You are numbers. You are doing piecemeal work. As an employee, you do not know the boss, they do not know your family, they do not know what you are going through, and if a tragedy befalls that individual in the larger employment setting, there is little or nothing you can do. That is what we are really trying to deal with here.

In those situations, we are saying not as a labor issue, not as a benefit like a parking space on the job, or a coffee break or the length of your lunch hour, or whether or not you have a window in your office, not those benefits. It is your family; the relationship between the employee, their family, and the employer.

This legislation is really designed to say in those situations this is not something that ought to be negotiated as such, but something we ought to say is a part of the fabric, the seamless garment that makes this country strong, because some families and the relationships between children and parents is an integral part of this country's strength. It is part of the seamless garment of this country's strength. To put people in the position of having to choose between their job and employment and their family is an unfair thing to do.

Mr. President, I said yesterday, if this were happening out there, if people were moving to take care of parental leave issues, I would not offer this bill. There is no reason to be offering legislation if things are happening, but they are not. So in this situation, we ask that our colleagues support a modest proposal to provide families today, under the new demographic situations, an opportunity to be able to be good workers.

Interestingly, Mr. President, every factory and every business—I should not say every—87 percent, according to a survey done by the Fortune 500, in every situation where an employer provided some parental leave for their employees, those employers found that there were lower degrees of absenteeism, greater employee loyalty, more support, less turnover.

Employers who were witnesses before the committee suggested that this legislation was a good idea; that they had found it helpful; that it was not onerous or burdensome.

Again, $2.67 per covered worker per year—per year now—less than a penny a day to provide a benefit that would be of help I think is important.

Mr. President, I hope that my colleagues could support this amendment, and again I invite whatever other amendments may be out there. I know my distinguished colleague from South Carolina has a matter he wants to bring up. We are going to get to that. That is not as directly related to parental leave. I hope that any other amendments regarding parental leave, specifically regarding the measures in this particular bill, would be forthcoming so we could debate them, discuss them, accept them, whatever, and move to the adoption of this legislation.

I do not see any reason for us to take up what few remaining days of the Senate remain on a matter that I think can enjoy broad-based support in this body.

Mr. President, at this point I note the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. **BOREN**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **BOREN**. Mr. President, I ask unanimous consent that I might be allowed to speak for 5 minutes as if in morning business.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Oklahoma is recognized for 5 minutes.

THE PLIGHT OF THE AMERICAN OIL INDUSTRY

Mr. BOREN. Mr. President, on the first legislative day of the 100th Congress I stood before my colleagues and introduced legislation that would repeal the so-called windfall profit tax, establish an oil import fee, and provide small incentives for marginal oil and gas production.

At that time I recounted how in July 1985, the price of oil was around $31 per barrel and we had over 2,000 rigs looking for oil and natural gas in the United States. As a nation in July 1985, we were importing approximately 24 percent of our energy needs from foreign sources, with only 45,000 barrels per day from Saudi Arabia. I then unfortunately had to relate to my colleagues what had happened between July 1985 and January 1987. The price of crude oil had fallen to a low of $9.75 per barrel in August 1986 and had risen only slightly by the following January. Imports had risen to 40 percent of our energy needs, including over 650,000 barrels per day from Saudi Arabia.

Mr. President, as we approach the end of 100th Congress we must face the fact that little has been done over the past 2 years to address the problems confronting our domestic energy industry.

The United States is now importing over 43 percent of our energy needs from foreign sources. That means that every day over 7.3 million barrels of foreign crude oil and refined petroleum products cross our borders, including over 1 million barrels per day from Saudi Arabia alone—a staggering 2,120 percent increase since July 1985. The United States today produces less oil and natural gas on a daily basis than we did in 1977. Mr. President, let me remind you that 1977 was 2 years before the Iranian crisis and the resulting long lines at gas stations. But perhaps the most telling statistic is our domestic rig count. From a high of over 4,500 a little more than 6 years ago, the U.S. rig count fell to an all time low of 663 on July 14, 1986. Today the rig count stands at 920.

What then does our future hold? Our ability to produce over the next 3 or 4 years has already been determined. If we could barely replace reserves with 4,500 drilling rigs operating, it should be obvious what will happen to our future production with only 920 rigs actively looking for oil and natural gas. Our ability to produce beyond the short term must be questioned. Five years ago there were over 7,000 students pursuing degrees in geology, petroleum engineering, and geophysics. This fall that number has dropped below 2,800. Where will the next generation of oil men and women come from?

Mr. President our domestic production has fallen to levels less than in 1977, consumption of petroleum products is rising, imports of crude oil and refined products are rising and the number of qualified geologists and petroleum engineers is falling. The parallels to the mid 1970's are disturbingly clear and yet this administration has done nothing to address this growing problem.

For more than 3 years I have called for the consideration of an excise tax on foreign oil. My current proposal, S. 302, would impose an excise tax on all foreign oil brought into the United States that is priced below $18 per barrel. We as a nation also must act quickly in the short term to preserve existing production to the greatest extent possible. It is vitally important that we keep the stripper well in Kansas, the heavy oil well in California, and the natural gas well in Michigan operational and flowing. Every barrel of oil that continues to flow from marginal and stripper wells is one less barrel that we will have to import. One less barrel we will have to replace should a supply disruption occur. One less barrel subject to the whim of foreign leaders who do not play by the same economic rules as our independent domestic producers must.

Mr. President with the current price for crude oil below $14.50 and threatening to fall lower the future for stripper well production in the United States is not bright. An analysis of our Nation's energy security done by the RAM group estimates that if the price of crude oil fell to a level of $10 per barrel fully 40 percent of all of our stripper wells will be abandoned resulting in a loss of more than 630,000 barrels per day in domestic production. At the current price range of $14 to $15 per barrel 22 percent of all stripper wells will be abandoned. That means at a minimum over 100,000 producing oil wells will be shut down and lost forever.

That means that you are not only losing the current amount of production but you are losing the opportunity for enhanced production in the future from those wells, many of which still contain discoverable through the right technological means two-thirds of all of the oil that was first found in those oils. Only about a third has actually been produced. We must not lose that resource.

In Oklahoma alone more than 148 million barrels of proven oil reserves will be lost. In fact since 1986 the oil price decline has taken the jobs of 175,000 workers in oil and gas extraction alone, not including related service industries, and has reduced severance tax revenues to States by more than $1.5 billion per year.

My proposals include the imposition of an excise tax on all foreign oil priced below $18 per barrel. This will serve to act as a floor price for crude oil in the United States. No longer will domestic producers have to worry whether Saudi Arabia or Iran or some other foreign producer wants to flood the world with cheap oil. This floor mechanism will bring much needed stability to our domestic industry. An industry that needs stability if it is to survive and to continue to contribute toward our national security.

Mr. President, I do not think there is any Member of this Chamber who would doubt that our national security is threatened if indeed within the next year and a half, as the experts predict, we will be importing more than half of all the crude oil needs of the United States of America.

I have also proposed several revisions in our Tax Code that will remove impediments to increase domestic production. I have suggested that we repeal the "transfer rule" that limits the use of percentage depletion deductions for independent producers who happen to buy producing properties from major oil companies. I also have suggested that we repeal the 50 percent of net income limitation on percentage depletion deductions. Currently independent producers' percentage depletion deductions are limited to no more than 50 percent of the net income from a property. Unfortunately with the price of crude oil below $15 per barrel very, very few producers are generating any net income and consequently are denied taking percentage depletion deductions, the very deductions that may allow them to "break even" and not have to shut in a well that is vital to the economic well being of this country. These suggestions are very simple and straightforward and are not very expensive. The benefits from these changes will far outweigh any unfront cost to implement them.

Mr. President, we are fast approaching the point of no return. Either we act now to mitigate the damage visited upon our domestic energy industry over the past 24 months or we will condemn ourselves to repeat the policy failures of the not to distant past.

I hope before this Congress leaves we will give serious consideration to the imposition of what has been called a variable oil import fee that was established as a stable bottom floor price for oil products in this country, so we will not lose this production and so we will not destroy the domestic industry.

I would point out to my colleagues that according to the latest estimates by the CBO it is very likely that we may be above the deficit targets that could cause a sequester to take place under the so-called Gramm-Rudman-Hollings proposal.

I think we should face up to that possibility. Approximately $9 billion could be raised this year by implementing this kind of $18 per barrel floor price variable oil import fee proposal. It is time for it to be considered with market prices continuing to fall at alarming levels, with the continued existence of the domestic oil and gas industry at stake, and with this Congress facing potential difficult budgetary problems that might force a sequester order. Now is the time for us to give serious consideration to this proposal.

I will be looking for opportunities to present the opportunity to my colleagues to consider this matter before this session ends.

I thank the Chair.

I thank my colleagues, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DODD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PARENTAL AND TEMPORARY MEDICAL LEAVE

The Senate continued with the consideration of the bill.

Mr. DODD. Mr. President, I ask unanimous consent that the committee amendment, as amended, be adopted.

The PRESIDING OFFICER. The request of the Senator from Connecticut is that his amendment be adopted?

Mr. DODD. Yes, and that the committee amendment, as amended, be adopted.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 3291) was agreed to.

The first committee amendment, as amended, was agreed to.

Mr. DODD. Mr. President, I move to reconsider the vote by which the committee amendment as amended was adopted.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. COCHRAN. Mr. President, what is the pending business?

The PRESIDING OFFICER. The clerk will report the second committee amendment.

The legislative clerk read as follows:

On page 16, beginning on line 16, insert the following:

(5) Construction.—Nothing in this subsection shall be construed to prohibit an employer from requiring an employee on leave under section 103 or 104 to periodically report to the employer on the employee's status and intention to return to work.

AMENDMENT NO. 3293 TO SECOND COMMITTEE AMENDMENT

Mr. THURMOND. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from South Carolina [Mr. Thurmond], for himself, Mr. Hatch, and Mr. Dole, proposes an amendment numbered 3293.

Mr. THURMOND. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(The text of the amendment is printed in today's Record under Amendments Submitted.)

Mr. THURMOND. Mr. President, I rise today to offer a second degree amendment which is substantially similar to S. 2033, the Child Protection and Obscenity Enforcement Act of 1988 that I introduced on February 4, 1988. Currently, 44 Senators have joined me as cosponsors.

Today in our great Nation, pornography is widespread. A person may gain access to such material in magazines, films and even on the telephone. It is cause for concern that so many adults have chosen to make pornography a part of their lives. However, of even greater concern, is the effect that pornography can have on children. Currently, children are being used in the production of sexually explicit material. Further, obscene material is often readily accessible to children at the corner newsstand. With regard to judicial decisions, the Supreme Court has ruled that obscenity and child pornography are forms of speech that are not protected by the first amendment. Therefore, as legislators, we must take the steps necessary to ensure that our laws prohibiting the sale or distribution of such material may be strictly enforced. It is time that the spread of pornography is brought to an immediate halt.

This legislation, which is based in part on the recommendations of the Attorney General's Commission on Pornography, amends the current laws with regard to child pornography and obscenity to take into account new technologies that are being used in the distribution of pornography and also adds provisions that will aid Federal prosecutors in the prosecution of persons who traffic in pornography.

Some of the major provisions included in this amendment would:

First, prohibit the buying and selling of children for use in child pornography.

Second, require producers of sexually explicit material to document the ages of persons appearing in the material.

Third, add forfeiture provisions to the obscenity and child pornography laws.

Fourth, make it illegal to sell or possess obscene material or child pornography on Federal lands.

Fifth, make it illegal to provide obscene programming on cable and subscription services.

This measure represents a much needed effort to address the pornography problem. On June 8, 1988, the Judiciary Committee held a full committee hearing on S. 2033. However, no further action has been taken by the committee at this time.

As I stated earlier, this amendment is substantially similar to S. 2033. As introduced, that bill contained a provision to ban obscene dial-a-porn and to strengthen the penalties for persons who transmit such communications. In April, the Congress passed H.R. 5, the Elementary and Secondary Schools Improvement Act, which includes a provision that bans obscene and indecent dial-a-porn. Therefore, I changed this amendment to only include a provision which toughens the penalty for transmitting obscene dial-a-porn.

Further, in response to concerns raised by distributors of magazines and books, I have amended the civil forfeiture section. As amended, the scope of civil forfeiture would be limited to the obscene material and gross profits from the material. Additionally, this amendment contains a new section which provides civil fines for persons violating the obscenity laws. Last, I amended the provision dealing with cable porn to clarify that States may regulate matter on cable that is obscene or not otherwise constitutionally protected.

This is an important amendment which will help to ensure that those who profit from child pornography and obscenity will be harshly prosecuted. I strongly urge my colleagues to support this amendment.

The PRESIDING OFFICER. Is there further debate?

Mr. DODD. Mr. President, this is an amendment that has already received a great deal of attention in the Judiciary Committee. My hope is, of course, that we would deal with amendments dealing strictly with parental leave here and not get into matters that were appropriately the jurisdictions of the Judiciary Committee.

But nonetheless, the amendment is before us. It is a lengthly amendment, one that numbers some 40 pages or so, and it deals with an issue that is of deep concern to many people in this country, a legitimate concern. The Senator from South Carolina is to be commended for pressing ahead on a matter that does interest a great many Americans in trying to curtail what is becoming pervasive, and that is the whole issue of child pornography. There are some concerns, legitimate concerns, being raised about provisions in the legislation and their constitutionality which the courts will have to address if this amendment is adopted and the underlying legislation is adopted and signed into law.

We saw that same problem the Senator pointed out with the legislation on dial-a-porn that passed this Congress overwhelmingly. The courts have dealt with the matter differently than the Congress, but that is what we have the courts for, to judge whether or not legislation that we pass meets the constitutional tests. That will undoubtedly be the case in this particular piece of legislation if it does become the law of the land.

Mr. President, I know that there are many Members on this side who are interested in examining this amendment. It is a lengthy amendment. I know that members of the Judiciary Committee have had an opportunity to look at it but others have not. I know there was some discussion last evening. I believe there is going to be some discussion early this afternoon, including some people leading with the Senator from South Carolina.

I would suggest that before getting to a vote on this amendment, we have the opportunity for those discussions to transpire. I think we may find that this amendment can be supported possibly unanimously if some of these modifications would be considered and accepted by the Senator from South Carolina. But that is a matter for discussion and not a matter for debate here.

So what I would like to urge at this point is that we discuss either the underlying bill itself or invite other Members who are interested in this particular amendment to come to the floor to discuss it at this point.

So, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CONRAD). Without objection, it is so ordered.

RECESS

Mr. BYRD. Mr. President, I am told there are no more speakers at the moment on the pending matter before the Senate and that various sundry discussions are going on off the floor in which the principals have to participate.

The desire is, I believe, on both sides, for the time being the Senate stand in recess; that there will be no action on the amendment before the two conferences today.

I, therefore, ask unanimous consent that the Senate now stand in recess until the hour of 2 o'clock p.m. today.

There being no objection, at 12:12 p.m., the Senate recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. SANFORD).

Mr. COCHRAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CHILD PORNOGRAPHY AND OBSCENITY ENFORCEMENT ACT OF 1988

Mr. HATCH. Mr. President, I rise today in support of the amendment to add the Child Protection and Obscenity Enforcement Act to S. 2488, the Parental and Temporary Medical Leave Act. This amendment takes an important step in addressing a major concern of millions of Americans; namely protecting this country from the harmful, and sometimes deadly effects, of the dehumanizing and destructive force of child pornography and obscenity.

On October 16, 1979, a nightmare began for five families in the State of Utah. Although these families did not know it at the time, they all had one thing in common—they all had young sons who would become acquainted with Arthur Gary Bishop, himself a young man in his late twenties.

On that day Arthur Bishop met, and lured to his home with the promise of candy, a 4-year-old Salt Lake County boy. After giving him the candy, Bishop attempted to sexually molest the child, who began crying and threatening to tell his mother. Out of fear of discovery, Bishop picked up a hammer and hit the boy on the head. After this defenseless child fell to the floor and began whining in pain, Bishop picked him up, took him to the bathroom, and drowned him in the bathtub. He then proceeded to sexually molest the dead child's body.

Over the period of the next 4 years, Arthur Bishop repeated the process with four other young boys, enticing them with money or candy, molesting them, and then beating, strangling, or shooting them to death. After his arrest, in 1984, Bishop told the police that he attained his sexual gratification out of viewing their naked bodies after they had been murdered.

While awaiting his execution, Bishop sent an open letter in which he detailed the awful influence of pornography in his life. I would like to read an excerpt of the letter:

> I am a homosexual pedophile convicted of murder and pornography was a determining factor in my downfall. Somehow I became sexually attracted to young boys and I would fantasize them naked. Certain book stores offered sex education, photographic, or art books which occasionally contained pictures of nude boys; I purchased such books and used them to enhance my . . . fantasies. But it wasn't enough. I desired more sexually arousing pictures, so I enticed boys into letting me take pictures of them naked.
>
> From adult magazines I also located addresses of foreign companies specializing in "kiddie porn," and spent hundreds of dollars on their magazines and films. Such materials would temporarily satisfy my cravings, but soon I would need pictures that were more explicit and revealing. Some of the material I received was shocking and disgusting at first, but it shortly became commonplace and acceptable—and provided ideas on how to make my own pictures more sensual.
>
> As I continued to digress further into my perverted behavior, more stimulation was necessary to maintain the same level of excitement. Finding and procuring sexually arousing materials became an obsession. For me, seeing pornography was like lighting a fuse on a stick of dynamite; I became stimulated and had to gratify my urges or explode. I persisted in taking photographs of boys, encouraging suggestive and perverted stances; shorty this became a starting point for me to physically fondle and involve them in mutual masterbation, I knew that what I was doing was wrong, but I perceived the money and gifts as compensation for any emotional harm sustained by them.
>
> I guess I was seeking the love and companionship generated between a man and his wife, but such tender feelings were incapable of being produced under these conditions. All boys became mere sexual objects, their only purpose being to heighten and intensify my sensual feelings. My conscience was desensitized, and my sexual appetite entirely controlled my actions. The day came when I invited a small neighborhood boy into my apartment, molested him, and then killed him in fear of being caught. Over the next few years I kidnapped, sexually abused, and murdered four other boys.

Bishop goes on, and this is important.

> Pornography wasn't the only negative influence in my life but its effect on me was devastating. I lost all sense of decency and respect for humanity and life, and I would do anything or take any risk to fulfill my deviant desires. If pornographic material would have been unavailable to me in my early stages, it is most probable that my sexual activities would not have escalated to the degree they did.

Mr. President, as shocking as this account seems, it is not an isolated incident. The United States is currently experiencing an increase in the number of crimes involving sexual violence. As was reported to the Judiciary Committee earlier this year, from 1981 to 1985, reported cases of child abuse increased by 175 percent. The following excerpt from written testimony presented before the Judiciary Committee is particularly troubling:

> John Rabun, Deputy Director of the National Center for Missing and Exploited Children, reports that a study in Louisville, Kentucky, showed that out of 1,400 child sexual exploitation cases reported between

> July 1980 and February 1984, adult pornography was found in all 1,400 cases and child pornography was found in a significant number of them.
>
> Dr. Abel and his colleagues reported in a 1986 study that homosexual and heterosexual child molesters average 30.6 and 60.4 child victims respectively before being caught and that child molesters will sexually abuse 380 children on the average in their life time. In that group which consisted of 240 sex offenders (average age 34 years) the sex offenders reported to clinicians that they had attempted or completed an average of 381 deviant acts per offender, against an average of 380 victims. If statistics hold true, many of the 380 children will become abusers to another 380 children.

Police officials have reported that 77 percent of the molesters of young boys and 87 percent of the molesters of young girls admitted imitating the sexual behavior they had read or seen in pornographic literature and movies. As Robert Showers, the executive director of the National Obscenity Enforcement Unit, testified to the Judiciary Committee:

> According to the study, the obscene material was used by these sex offenders for three reasons: (1) to stimulate themselves; (2) to destroy the consciences and lower the inhibitions and resistance to sexual activity in their intended child victims; and (3) as teaching tools for the child to imitate or model in their real life sexual encounter with the adult.
>
> Child pornography itself is nothing less than the sexual abuse, rape, and molestation of real children, permanently captured on film, for the profit, entertainment and gratification of child molesters. Many psychologists believe that its dissemination actually harms the child victim emotionally and psychologically more than even the sexual abuse itself, because the child knows the material is always out there, perhaps being used to further the molestation of other children.

Mr. President, these alarming figures are not only limited to child abuse. Obscene materials are contributing to the increase in other violent sexual crimes as well. Over the last decade, the rape rate has risen over 43 percent, with the highest incidence of victims being teenagers between 16 and 19. In addressing this issue, Mr. Showers testified as follows:

> A 1983 study by William Marshall of Queens University, Canada, of inmates of Canada's Kingston Penitentiary who were convicted of rape, indicates that 86% of those studied admitted regular use of pornography, with 57% admitting actual imitation of pornographic scenes in the commission of sex crimes. And a 20-year Michigan state police study by Detective Darrell H. Pope of the Michigan State Police, reveals that 41 percent of all sexually violent crimes in that state involved hard core pornography either during the commission of the crime or immediately preceding it.

Any person of candor would have to consider the wave of child pornography and obscenity that is engulfing the Nation as a major cause of the increase in sexual violence. Several of the leading monthly magazines in the Nation are devoted exclusively to male entertainment. These are not publications featuring mere nudity, but magazines that are devoted to sexually violent material and depict a wide array of sexual perversions, attempting to legitimize the acts of rape, torture, and even murder. And despite previous legislative efforts, there are still serious problems with publications in America featuring child porn.

Mr. President, many of these magazines and other sexual materials are not merely pornographic, they are obscene. As such, they are not constitutionally protected under the first amendment as the purveyors of this filth would have us believe.

The availability of obscenity has become widespread. Pornographic and obscene films are now available through cable television and sold on video cassettes. Little children, left unattended in front of the screen, even for short periods of time, can be exposed to various forms of pornography. The relatively easy access of these materials and the resulting sexual abuse of both children and adults is destroying the moral fabric of our Nation. Without action on the part of Congress, we will slip closer toward the disintegration of our society.

As we debate this amendment, we must realize that it is more than a moral issue. The studies and statistics which I have relayed and other similar studies show that pornographic material has a negative effect on individuals and families, and that it is closely related to the commission of sexual crimes in society. The values and lives of our children are literally at stake and it is our responsibility to take those steps that are necessary in protecting them.

ANALYSIS OF THE BILL

Over the last two decades, Congress has done much to combat the sexual exploitation of children through pornography. To date we have passed the Protection of Children Against Sexual Exploitation of 1977, the Child Protection Act of 1984, the Child Sexual Abuse and Pornography Act of 1986, and the Child Abuse Victims' Rights Act of 1986. With each of these changes in the law, however, the pornography industry moves into new areas in order to circumvent what we have done.

For example, current law prohibits any advertisement seeking or offering to receive, exchange, buy, produce, display, distribute, or reproduce, any visual depiction, if the production of such visual depiction involves the use of a minor engaging in sexually explicit conduct and such visual depiction is of such conduct, if the defendant knows that the advertisement will be transported in interstate commerce (18 U.S.C. sec. 2251(c)). When we passed this law, report language indicated that the statute was meant to apply to situations in which a computer is used to disseminate the advertisement. Currently, however, computers are widely used to advertise child pornography, and this amendment by the distinguished Senator from South Carolina would plainly state that we intend the use of computers to be covered by the law. Such coverage will provide the Government with the capability of prosecuting obscenity in computer form in the same manner that it prosecutes obscenity in the form of printed matter, movies, and video cassettes.

This and other proposed changes to the laws dealing with child pornography are found in title I of the legislation now before us. With respect to the Child Protection Act, there are provisions to create new offenses for the buying or selling of children to facilitate in the production of child pornography. This section would apply to both those situations where there is knowledge that the purchase or sale will result in the production of such materials and to those situations where it is the defendant's intention to promote sexually explicit conduct by a minor for the production or assistance in production of such materials. As with the sections involving the use of computers for advertising child pornography, this section also requires an interestate commerce nexus. It is intended that the term "with knowledge" include cases of willful blindness. Furthermore, with respect to custody or control over the child, these provisions include temporary supervision over or responsibility for a minor whether such supervision or responsibility was obtained legally or illegally.

The next section of this amendment would create a recordkeeping requirement to assist in enforcing the current statutes prohibiting the use of a person under 18 years of age in actual or simulated sexually explicit conduct. As Brent Ward, the U.S. attorney for the district of Utah testified before the committee:

> In federal child pornography prosecutions brought under current law the battleground is often the issue of whether the performer was a minor and whether the producer or distributor knew that the performer was a minor * * *.
>
> This recordkeeping requirement would be an added burden, but only for producers of material which by its very nature poses a risk of serious harm to children. Meanwhile, the recordkeeping requirement would significantly enhance the ability of U.S. Attorneys to prosecute and convict the producers and distributors of child pornography. The issue of performers' ages would no longer be the battleground it is now.

This bill would also include child pornography violations as predicate offenses under the RICO statute. The networks of pedophiles and child molesters which produce much of the child pornography are connected with organized crime and as such are properly the subject of this statute which is aimed at organized crime. This provision was previously passed by the Senate during the consideration of S. 985, the Child Abuse Victims Rights Act, on October 18, 1986.

Title II of this legislation provides for needed changes in our aging obscenity laws. The first section encompasses related amendments designed to facilitate the prosecution of interestate obscenity syndicates. This includes the creation of a new offense for receiving or possessing, with the intent to sell or distribute, obscene matter which has moved in interstate commerce. It would prohibit the use of a facility or means of commerce for obscenity trafficking. In other words, under the language of this provision it would not be necessary for the Government to demonstrate that obscene material actually traveled interstate, but only that a facility or means of interstate commerce was used.

Coupled with this amendment is a new rebuttable presumption that obscene material produced in one State and later located in another State was transported, shipped, or carried in interstate commerce. This change in the law shifts the burden of proof in obscenity cases from the prosecutor to the defendant when the nexus with interstate commerce is question to be decided in a trial. As Mr. Ward told the committee:

> It has been our experience as U.S. Attorneys that the present requirement of specific proof that obscene material traveled in interstate commerce is a weakness in the law which is systematically exploited by the distributors of pornography industry. By using a variety of commercial carriers, transporting material by private conveyance, and by falsifying, destroying or failing to keep records, distributors are able to obstruct and in some cases prevent investigations and prosecutions. This would be much more difficult to do if S. 2033 became law. U.S. attorneys will love these "syndicate buster" amendments because they will make our job easier at the same time meeting all constitutional requirements.

A final provision of this section dealing with obscenity syndicates is the expansion of the Travel Act to cover persons who travel in interstate commerce to commit violations of State or Federal obscenity laws.

The next section of amendments in this legislation provides for criminal and civil asset forfeiture in obscenity cases. Under these provisions, obscenity violations can result in the forfeiture of all obscene materials, all property constituting or traceable to gross profits or proceeds from the obscene material, and all property used to commit or promote the commission of the offense. This provision would also subject to forfeiture any such property transferred to a third person. Forfeiture provisions are also included for cases involving child pornography. With respect to these forfeiture provisions, Mr. Ward stated the following:

> By now it is safe to say that the biggest boost to Federal drug law enforcement in recent years has been the adoption of statutes authorizing the forfeiture of assets in drug cases. In my opinion the impact of asset forfeiture has exceeded even the impact of mandatory minimum sentences in drug cases as a means of punishing and deterring drug crimes.
>
> The same would be true in obscenity cases. Forfeiture of assets used in the commission of obscenity offenses or purchased with the proceeds of these crimes may prove to be the best available means of actually breaking up criminal enterprises engaged in the production and distribution of obscenity.
>
> These enterprises have grown so large that the removal of current management often has no appreciable effect upon the operations of the enterprise. As soon as the principals in the enterprise are prosecuted, other persons take their place and it is back to business as usual. We are simply not likely to have any lasting influence on the rapidly expanding pornography industry without the ability to seize and forfeit assets. Asset forfeiture succeeds because it removes the means by which these crimes are committed.

With respect to these forfeiture provisions, Mr. Showers, of the National Obscentiy Enforcement Unit, had this to say:

> Some have argued that forfeiture, while appropriate for drug offenses, is inappropriate for obscenity offenses because materials forfeited, such as magazines and videos, may have first amendment protection. Such arguments indicate a total misunderstanding of forfeiture laws. The purpose of forfeiture provisions is totally unrelated to the nature of the assets in question. The purpose of forfeiture laws is to disgorge assets acquired through, or used for, illegal activity. It makes no constitutional difference whether a video store is selling drugs or obscene videos. If the proceeds of the illegal activity are used to buy videos, magazines, or, for that matter, drugs, forfeiture provisions are appropriate for the purpose of ending the illegal activity. Simply stated, it is irrelevant whether assets derived from violations of law are or are not obscene. Prosecution of national and international drug cartels have underscored the importance of forfeiture provisions on numerous occasions.

In addition to these provisions, the obscenity title of the legislation also creates a new offense for uttering obscene language or distributing obscene matter by means of cable television or subscription television services. Furthermore, it includes a dial-a-porn provision to eliminate the "restriction of access" defense commonly employed by purveyors of obscenity via telephone. These provisions promote important additional protections for our country's children.

Finally, this title of the bill also makes it illegal to sell obscene material, or merely possess child pornography, on Federal lands. It also authorizes court ordered wiretaps to help fight the distribution of obscene materials by organized crime elements.

Mr. President, the dangers of child pornography and obscenity which I discussed earlier in my remarks are very real. As many in favor of this legislation have commented, it is no longer a question of whether or not obscenity leads to violent sexual crimes. The evidence strongly supports such a conclusion. The question now is whether or not we will allow the producers of this filth to continue their assault on our families and children.

The provisions of this amendment provide basic tools to our Nation's prosecutors and help to reduce the legal advantages enjoyed by these victimizers. It is now time that we in Congress followed the will of the overwhelming majority of Americans and enact meaningful changes in this area of the law. I encourage my colleagues to support this amendment.

As a father of six children and a grandfather of seven grandchildren, I am concerned. I have a daughter who is attending the Brigham Young Univesity. Just this last week I noticed in the Salt Lake Tribune an article about a young man who had even gone so far as to fulfill a mission in the Mormon Church who came back and became a voyeur who attempted to rape a number of girls. I clipped that article out and sent it to my daughter. Even though she is in a relatively wonderful environment, comparable to any of the best environments in this country or in the world, she still has to be careful because there are people who are sick in this world and who have become sick because of obscene materials.

As he as sentenced, this young man who attempted to rape a number of girls and did rape some said obscene materials, as I recall the article, were part of the reasons why he was the way he was.

I wrote a personal letter to my daughter and sent that to her and said, "Now watch it. Always go with somebody else, always try to be in groups. Take good care of yourself and protect yourself."

Can you imagine what happens to young teenagers who really do not have much experience in life when they meet up with an Arthur Gary Bishop. They may not know what to do. They may not even understand. They may not have an experience, and they may wind up dead like those young boys who were killed by Arthur Gary Bishop in our State.

This is an important bill. It is in the form of an amendment to this important bill.

I commend and compliment the distinguished Senator from South Carolina for his courage, his dedication, and his fortitude in bringing this type of legislation forth year after year.

It is not hard to understand why the great STROM THURMOND has been a

Senator for so long and has been such a power in our Government for so long. He has the guts to stand up and to do the things that need to be done.

I support him in that matter and in this fight. I think it is time we do.

I also add that the reason this bill had to be brought up as an amendment to the present legislation is that he tried to bring it up as an amendment to the minimum wage bill and was foreclosed. He has tried to get it out of committee as all of us Republicans have tried to do, and holds were placed on it by people on the other side. And there was no way we could get it out of the committee even though everybody says they are against child pornography and obscenity, and this is the only way it could be brought to the floor. Now it is here, and I hope all of my colleagues will vote for it. I suspect many of those who even have held it up will vote for it because it is the right thing to do. It is a constitutionally written bill and it is a tough bill as it should be because we are dealing with the most precious asset in our lives and that is our children and our grandchildren, these young people, and really the lives of many adults, too, who are affected as a result of the filth that is being purveyed all over America today.

I think it is time we brought this to the floor. It is a shame we had to bypass the committee. But there is no question it was held up in committee and this is the only way we could bring it to the floor, and I hope our colleagues will forgive us for that. We would have preferred to have brought it through the committee, but it never would have seen the light of day because of the holds that were placed on it in the Judiciary Committee.

I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, this past June, I joined Senator DODD in introducing a new version of the parental and temporary medical leave bill. At that time, I stressed that this was a reasonable bill in support of children and their families. This is not solely a "prowomen" bill. This is a bill that is "prochildren" and I would like to stress that point.

The bill, as amended today, would require employers of 50 persons or more to allow employees up to 10 weeks of unpaid leave within any 2-year period upon the birth, adoption, or illness of a child. In addition, it provides for 10 weeks of leave within any 1-year period in the event of a worker's illness or injury.

I think it is important to note that the leave is unpaid. Employers would not be required to pay the employee during the leave. They would be required to continue health benefits for that employee and to guarantee that the employee's job would be there when he or she returned at the end of the leave.

In my judgment this is a reasonable bill. It ensures that a large majority of the families in this country will be treated fairly upon the joyful event of a birth or an adoption of a child, or in the face of disaster when a serious illness strikes. At the same time our measure also protects very small businesses from undue hardships. As amended, the bill would not apply to those businesses with fewer than 50 employees.

Today, in a majority of American families—I believe we have to recognize this; it is a dramatic change in our society—in a majority of American families, both parents work. That was not true 15 years ago or 20 years ago. And should a child become ill, most companies have no fixed policy that would allow adults of either gender to care for that sick child. It is an absolute fact that a sick or injured child makes a faster recovery when given the steady comfort of a parent within the child's home as opposed to being alone in some hospital or some other setting. All the caring attention of hospital staff cannot take the place of the presence of a child's own parents. That is an illustration of how this is a "prochild" piece of legislation.

In the same vein, the rhetoric of "profamily" policies can have little effect if parents are not given some job security at the time of childbirth. Surely we do not want to make having a career, on the one side, or a child, on the other, be mutually exclusive.

The need for a national policy for parental leave is great. A recent survey reported by the U.S. Chamber of Commerce found that 83 percent of this Nation's employers had no "sick child" policy—meaning no standard policy on leave for care of sick children. If we did not need this bill, Mr. President, I would not be a supporter of it. But the bad news is, we desparately need a Federal leave policy because parental leave is not common, and its scarcity is hurting Americans everywhere. The irony is, those the most hurt are the one's we want to help the most—those Americans who are working and raising families.

There is some good news, though. The good news is, the cost of parental leave is minimal. As originally written, this bill exempted employers who had less than 20 employees. Mind you, that was the way the original bill was written. Now the exemption applies to those employers with less than 50 employees.

Before this amendment, the bill's cost was assessed by the General Accounting Office at $200 million a year. Now that the exemption for businesses applies to those employers with less than 50 employees, the cost of this bill is estimated at $160 million. That means this bill costs about a penny a day per covered employee. This is a pittance when compared to the benefits that can be reaped for American families.

In addition to its modest cost, this parental leave legislation contains a number of safeguards to ensure that employers can continue to run their businesses efficiently.

First, an employer may require medical certification of a child's or a worker's illness. If they think the employee is not telling the truth, then there is a requirement in the legislation for the employee to produce medical certification. An employer may require medical certification of the child's or a worker's illness and may require a second opinion or periodic recertification.

Second, the employee must provide reasonable notice of parental or medical leave. If they are going in the hospital for an operation, they can give the employer notice so the employer can make the arrangements. Also, if they are expecting a child, obviously, they can tell their employer when they plan to leave and how long they expect to be gone. This should help the employer accommodate his schedule.

Third, an employee may only take intermittent—that is, spaced out—leave with the permission of his or her employer. the employee cannot say to the employer, "I think I'll take a week here and a week there." No, no. Arrangements must be made to accomodate the employer to the greatest extent possible.

Finally, an employer may substitute any of the employee's accrued paid leave for any part of the unpaid leave provided for in this legislation.

What do we mean by that? Let us say the employee is entitled to 3-week's vacation every year. If the employee requires this sick leave of 10 weeks, 3 of those weeks must count toward the vacation time. You cannot track the vacation time on top of 10 weeks of leave. We do not want to penalize the good employer who does give paid vacations or leave. So, in the event any of these leaves are taken, the accrued vacation or whatever leave time is there has to be used up as part of that leave policy.

Parental leave will give American families a fair shake, in my judgment. Children will heal faster, knowing their parents are there; and parents can celebrate the miracle of birth without worrying about losing their jobs.

For a penny a day per covered employee, this is a leave policy that makes sense.

Mr. DODD. Will my colleague yield?

Mr. CHAFEE. Yes.

Mr. DODD. Mr. President, I just want to take this opportunity to commend my distinguished colleague from Rhode Island. He has been my principal cosponsor of this bill. His advice and counsel have been invaluable. Many of the provisions in this bill and some of the modifications and ideas that we have incorporated in this legislation occurred as a result of the Senator from Rhode Island's participation. I think it is a stronger and a better bill because of his involvement. I am deeply appreciative to him as I know millions of Americans are for his willingness to stand up and support this piece of legislation.

He has accurately described the provisions of it. There has been more misinformation about this legislation, unfortunately, over the last several months than what the actual provisions of the bill are or will be.

So I commend him for his statement and commend him for his support and I thank him for it.

I hope we will see the legislation adopted.

Mr. CHAFEE. I thank the distinguished Senator from Connecticut for those kind words. He has worked very hard on this legislation. He has been amendable to amendments or suggestions to try and improve the legislation. I think it is a good piece of legislation and to a great degree, it is due to the very careful attention of the junior Senator from Connecticut on this piece of legislation. So I thank him.

Mr. DODD. Mr. President, I take this opportunity to urge our colleagues to come to the floor if they would like to comment or speak on the Thurmond amendment, which is pending, or if they have other amendments. At this point, the Thurmond amendment is being discussed between Members here and others in the administration, some provisions of it. I believe I can speak for the Senator from South Carolina that if there were another amendment to be offered we could ask unanimous consent that that amendment be laid aside pending the consideration of whatever other amendment our colleagues may want to offer.

So at this point we are anxious either for statements on the Thurmond amendment or other amendments. My hope is that we can move this process along. We are prepared to debate those amendments. I am hopeful to get a list of what some of those amendments are so we will not be caught unaware in terms of the ideas that Senators want to bring forward.

But I would urge that colleagues who are anxious to participate in this debate take advantage of this time at this point.

I have other remarks I could make, Mr. President, but I see no point in doing that at this point. I have been over the major provisions of the bill. I will be glad to try to respond to questions my colleagues may have about the bill and, as I said a moment ago, debate other amendments which I believe we can consider pending a further debate and consideration of the Thurmond amendment.

I see my colleague from Mississippi standing, so I will yield the floor.

Mr. COCHRAN. Mr. President, I know there are Senators who intend to speak to the amendment offered by the Senator from South Carolina. I know at least one Senator who is on his way to the floor for that purpose.

If the Senator from Idaho would like to seek recognition, I would be happy to yield the floor at this time to permit him to make whatever remarks he would like to make.

Mr. SYMMS. Mr. President, the mandated health care benefit simply is a situation of the same old political game in Washington, DC, that has happened since time immemorial. For years and years, we have had tax, spend, and elect.

Mr. President, have we spent so much money around here. The public has gotten tired of taxes being increased, so politicians now are going to mandate that business give certain benefits to employees.

But nothing is free. Everything has to be paid for. There are no free lunches, as Milton Friedman says.

So we should not deceive ourselves. This piece of legislation will cost the American people a lot of money. It will cost a lot of jobs. It will force benefits on some people to the disadvantage of others. The Government simply cannot intervene in the affairs of commerce and people and somehow think it is doing citizens a favor.

If this was true, the Soviet Union would be the symbol of opportunity in the world and not the United States of America. Moreover, the Communist Chinese would not be trying to recapitalize their economies. The Soviet Union intellectuals would not be saying they are trying to change their current system by promoting perestroika and glasnost. They are rejecting exactly what this piece of legislation is proposing.

It is the unneeded and unnecessary interference of the Government.

Here we are at a time when we should be home campaigning. This Congress and the Members of the House and Senate, whether you are up for election or not, should be back in their home States getting input and feedback from the American people. They should be deciding and informing the Congress if they want an ACLU liberal for President or a conservative leader like GEORGE BUSH, the Vice President, to be President. We should be talking about these issues at home.

There is nothing in this piece of legislation that needs to be passed right now. We have high levels of employment in the country and high levels of opportunity. In many ways it is a buyers market for skilled workers. They can negotiate their own benefits. That is basically what the distinguished Senators from Utah and Mississippi said in the minority views.

I urge my colleagues to get the committee report and look through some of the minority views. I know it is difficult for Senators to read bills before they pass, and as Senator Baker, one of the greatest Senators to ever serve in this Chamber, said when he held up a bill one day of 1,100 or 1,200 pages, I wager that no Senator in the room has read the bill.

I ask my colleagues before they go further on this legislation to read some of the things that Senators have said. Senators HATCH and COCHRAN make some excellent points about this issue. Senator THURMOND, Senator QUAYLE, and others have pointed out that nothing is costless in this society. There is no free lunch. Legislation like this, in my judgment, is not needed. A person who is working may not want parental leave, but instead have a few extended days of paid vacation. If the Government requires an employer to give parental leave to employees rather than letting each individual negotiate separately, then it may cost a worker the opportunity to negotiate their own paid vacation because the employer would have to give those benefits mandated by Government to specific employees.

So, Mr. President, I compliment the Senator from Mississippi for his fine work on this matter. I repeat the point that he emphasized in his remarks, that is, the policy of mandating specific benefits can have adverse effects on small business as well as the economy as a whole.

I think that is a point that we often forget. Small business hire most of the people in this country. This was clearly stated American business is interested and must give continued attention to American families. I have no quarrel with that. However, I think if you go out in your States, you will find the people want us to pass the appropriations bills and approve the judges for the courts where there is litigation stacked up. But this Senate has roadblocked the passage of judges because they want to wait until after the election and see if they get their ACLU liberal, the Governor of Massachusetts elected President. Then, he will be able to appoint some judges that will suit the views of the majority in the Senate. That is why we cannot get our judges approved. We know that.

I have no animosity toward my friend from Connecticut. I have known him for many years and served with him in the other body as well. But we have a different perspective on maybe who could best lead this country. Nevertheless, when it comes to legislating on issues such as this, it would seem to me that it would be appropriate if this legislation were set aside, we were to bring in the judges that have been appointed by the President, and confirm those judges as the process is constitutionally outlined to work. Give them a vote. If the majority wants to vote them down, vote them down, but give them their day in the Senate so that the people who are litigating cases around the country can have a full complement of judges to try the cases currently overloading the courts. Then, get the appropriations bills up and adjourn this Senate. Let the Senators and Members of the House go back home and listen to what the people have to say and we can take up issues like this next year. We will see how the election goes. But I do not believe that the people in this country are in any emergency situation over whether or not Congress intervenes between the employers and the employees in this Congress, whether the long arm of Government intervention gets to people trying to make a decision negotiating out their own benefits.

Mr. President, I urge the majority leader and the leaders of this bill to take this bill down. Let us get on with something that needs to be done to get this Congress adjourned and send these people home where they belong. Because as the old saying always has been, no man is safe while the Congress is in session. When I see bills mandating benefits coming up like this, I think they will simply make America less competitive. Make no mistake about it. The reason we are talking about mandated benefits is because everyone knows that there is a deficit to the budget. They really do not have enough money to pass these kinds of benefits which takes the money away from one person and gives it to another in the name of doing something good for people. Now they want to go out and pass a law and say that we will take the money out of the pockets of the employers and give it to the employees. And who does it hurt the most? It hurts the good, faithful, loyal, hard working, dependable American employee who wants to negotiate their own benefits from their own employer. I think that most employers are willing to work out parental leave benefits for their employees anyway today. I know of no one that is not willing to work out some kind of a benefit so that a person can raise a family in this country because a good, solid family foundation makes for a good employee, one that is dependable. The market system does work and it works in a very humane way. But the Government continues to try to intervene in the allocation of resources. Government cannot equal the actions of free people working through free institutions. If it could then I would invite all my colleagues to take a trip behind the Iron Curtain where benefits are mandated by the government and see how those people are living—see how good they are living when they do have mandated benefits. They have instituted mandated benefits behind the Iron Curtain, but in truth all they have managed to do is distribute the poverty to everyone. Due to their lack of incentives in the system, people do not take care of their own problems. That is really what is at the core of this, whether to substitute government for freedom and allow free men and women to make up their own minds and make their own decisions.

I yield the floor.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER (Mr. DIXON). The Senator from Idaho yields the floor. The Senator from Connecticut.

Mr. DODD. Just a couple of comments. I cannot resist responding in part anyway to my good friend from Idaho.

First of all, in regard to the question of whether or not the American people are interested in parental leave policies, there have been surveys done going back to 1987, 1988, and the most recent just a few days ago, completed September 25. Let me share with my colleagues how Americans feel about parental leave policies, and so you can appreciate it, let me read you some of the questions that were specifically asked in the survey done—just on parental leave I might add—of 1,002 registered voters nationwide completed September 25, 1988.

"I would like to ask your opinion of a bill currently being considered in Congress, the parental leave bill. This is a bill requiring companies with 20 or more employees"—I would point out, Mr. President, that bill now is 50 or more employees, but when the question was asked it was 20 or more employees—"to allow up to 10 weeks of unpaid leave to employees who need time off to care for a newborn child, a recently adopted child, or a child of theirs who is seriously ill."

Parents who take unpaid leave are guaranteed their jobs back if they return to the job within 10 weeks. All registered voters: 79 percent in favor, 13 percent opposed; party identity, Democrats, 14 percent in favor, 11 percent opposed; independents 10 percent opposed; Republicans, 71 percent favored, 18 percent opposed; the regions in the East, 83 percent in favor, 11 percent opposed; the South, 75 percent in favor, 16 percent opposed; the central part of the country, 84 percent in favor, 10 percent opposed; in the West, 74 percent in favor, 16 percent opposed.

Mr. President, you can go on down here. I will not bore my colleagues. I will make it available, and have them go through it and see for themselves.

There are surveys done by Issue Watch, Opinion Research Corporation Public Opinion Index; Parental leave, 76 percent agree, 21 percent disagree; May 1987, men and women, about the same numbers; Marttila and Kiley done in June 1988, a total of 901, in that particular poll. Hickman-Maslin, done in June 1988, this was just in 18 Southern industrial States who are likely to participate in the November election—601 "swing" voters, 87 percent favor, 10 percent opposed.

There is data available. These are polls and surveys done specifically on this bill. I am willing to suggest to people who oppose the legislation, but suggest somehow the American public is not aware of this or given the choice whether or not they would like to have a parental leave policy, that the data here would indicate quite the contrary.

Let me mention a couple of other points. With regard to whether or not the companies have formal parental leave policies, the studies are done and again are available. Only 19 percent of all companies have any form of parental leave plans in this country. My colleague from Idaho suggests that most people or all people have some sort of policy. The fact is they do not. If they did, I would not be standing here. I would not offer a bill and ask my colleagues to vote on something here being done out there.

When you get into adoption, it is less than 6 percent of the American firms that allow any kind of leave for a newly adopted child. You start talking about child serious illness, 16 percent—less than 19 percent in some of the others. When you start talking about a father, I mentioned earlier today we have a 102-percent increase in fathers who are the sole providers of their families. That number is going up. There is virtually almost no leave at all in that situation.

So to suggest somehow that we are dealing here with a policy that is already in place as I said, there are firms that are doing things in this area. Many firms are not, and many are. I applaud them for doing it. But that is not the issue here. The fact of the matter is the overwhelming number are not, and the American people are interested in this. That is because of changed demographics. Only 10 percent, as I am sure my colleague from Idaho knows, of the American families are intact; 1 in 10. That is it today. That is a change from when my colleague and I were growing up. I do not applaud it, and I do not like it. I wish it were otherwise. But that is a fact of life.

The fact of the matter is you have mothers and fathers raising children on their own. The issue is simply when confronted with a crisis after having exhausted paid benefits and you need some more time, you need a little more time, can you get that time without losing your job? That is the issue.

It seems to me when you are talking about a sick child, a newly born child, and adopted child, or a parent that is on their back, whether it is a man with a heart attack, a woman who has had some other problem, then should get a few weeks not being paid just to maintain insurance benefits so that in fact they can hold their job. That should not be a major cataclysmic occurrence in this institution. We ought to be able to do that.

We modified the bill ready to change some of these numbers substantially. We exempt 95 percent of all businesses. All businesses that employ 50 employees or less are exempt. We are only dealing with a handful—5 percent. They employ about 40 to 42 percent of the population, Mr. President—the 5 percent do.

The reason, as I said earlier, in those cases is because you have a situation where the employer, if they knew the guy, if they knew the woman, if they knew the family, I think would probably do something. But they cannot deal on that basis. So things are written down. They are on computers. If you miss work, you are fired.

I will be glad to share with my colleagues reams of letters and testimony from those people who have already been in that situation. This is not an incidental occurrence or an occasional one. It happens all the time. I do not think we ought to be placing people in that situation.

I will be glad to share that with my colleagues as well.

But I hope what will happen here is we will get some people over, as I mentioned earlier, to comment on the Thurmond amendment, or to offer any other amendments.

I gather there are other amendments. I am told there are others who would like to offer or have amendments they would like to offer on this legislation. I am here, and my colleague from Mississippi is here. We have been here now for over an hour this afternoon.

If there are those amendments, bring them up. Let us vote on these. If you want to vote against the parental leave bill, vote against it. If you have some amendments you want to support, bring them over. If they pass here, they pass. But let us not sit around and have a filibuster by silence. That is what I am confronted with—a filibuster by silence here.

I am not afraid of losing. I am not afraid of debating the issues. But let us come over, debate them, and discuss them.

If people do not want the bill, if my colleagues do not want to support a parental leave bill, we can vote against it and move on to the next item of business. But that is what we are here for.

I hear my colleagues saying we want to go home. We did not get elected to go home. I know these issues are not easy. They make some people uncomfortable. I know they make some of our constituents unhappy. We were not elected to the U.S. Senate to make everybody happy in every situation. We came here to deal with tough problems, and to try to confront problems that affect the people we represent. I have raised an idea. I have raised a concept that enjoys, I think, broad-based support with 28 cosponsors, many of whom sit on the other side of the aisle. I applaud them for doing it. If 51 of my colleagues do not like this idea, we will move on to the next item.

I can tolerate a loss. But I cannot tolerate us sitting here and not have anybody raise any questions or raise any issues about this.

I commend my colleague from Idaho raising some points. It gives me a chance to respond to some. I hope others might come over so we can engage in the debate, and decide one way or the other whether this Congress wants to support a parental leave policy. That is all I ask.

Mr. President, I urge my colleagues, those who have amendments or speeches they would like to give on the Thurmond amendment or anything else affecting this legislation, to come over. I invite them to come to the floor. It is 3:20 in the afternoon. There are a lot of other pieces of legislation. I know my colleague from Montana wants to get some technical amendments in the tax bill. We have a drug bill and a lot of other issues; child issues. My colleague from Utah and I have been working hard and long on that legislation.

We are complaining about going home. There are a lot of things people would like to see us address in this Congress. This is one of those items.

So I hope we can get a chance to resolve it. I believe we can resolve it by the end of this afternoon, if they will come over and offer some amendments, debate them out, either have a voice vote, accept an amendment, or have rollcalls, whatever we need. Let us get on with the business.

The frustrating part is being here and not being able to debate the issues some of my colleagues want to raise or apparently some of the amendments they want to offer.

Mr. President, pending the arrival of some colleagues, I note the absence of a quorum.

Mr. COCHRAN. Mr. President, will the Senator withhold?

Mr. DODD. Absolutely.

The PRESIDING OFFICER. The Senator from Connecticut yields the floor.

The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I thank the Senator for withholding his suggestion of the absence of a quorum.

I am advised there are Senators who want to discuss the pending amendment, the amendment of the Senator from South Carolina, and there will be Senators coming to the floor to speak to that issue. While we await their arrival, I would like to make some observations concerning alternatives to the pending legislation, the so-called parental-medical leave legislation reported by the Labor Committee.

I joined with some of the members of the committee in filing minority views. Although the views were not shared by most of the members of the committee, the minority thought they were significant and should be stated as this bill was being reported by our committee.

One of the observations made in the report by me and the distinguished Senator from Utah was that parental leave is a good employee benefit. That issue was not disputed in our committee. Parental leave is a worthwhile, important employee benefit.

A major question, however, is whether, as a government, we encourage employers to make that benefit available to employees who want it or whether we mandate by Federal statute that employers make that specific benefit available to each employee in this country, whether they want it or not.

Some of us disagreed with the notion that it ought to be a mandated benefit rather than an encouraged benefit.

One amendment that this Senator filed today in the Senate, and which I intend to call up at the appropriate time for the consideration of the Senate, would use the Tax Code to encourage employers to make available paid parental leave benefits by providing a tax credit to those who voluntarily provide that benefit.

In my judgment, and I think others will agree as we discuss the proposal, this incentive is preferable to the approach taken by the committee in the bill before us.

Very few benefits are actually mandated under current law. They include unemployment compensation benefits, Social Security benefits required by Federal law, and workers' compensation. Those are the only Federal benefits that are mandated by law. But there are many other benefits that many, though not all, employees in our society enjoy today, and they include profit-sharing; retirement benefits; vacation benefits; sick leave benefits; disability and accident insurance benefits; life insurance benefits; and flexible working hour benefits.

Some businesses are now providing innovative benefits such as on-site child care; assistance for workers in the payment of college tuition and other school expenses; and reimbursement of travel expenses to and from work. There are also other family-oriented benefits that many businesses are now realizing are important to employees.

We read that the health and morale of employees are very important assets in today's business world. They are important for employees, but they are also important for employers as they try to compete and to maintain a high level of productivity. The physical and emotional well-being of workers is important.

There are opportunities now being provided by some progressive industries and businesses that relate to that well-being: exercise programs, nutrition education and health education all try to encourage good habits, to encourage workers to stop smoking, to encourage recognition that this is good not only for the business but also for the person, for his attitude, and for his family.

I suggest that what we are seeing today in America is the creation of more innovative, caring, and sensitive fringe benefits than we have ever seen before. Just a few years ago, many of these benefits were not even contemplated in our society, but many are becoming commonplace today. These benefits have not developed because our Government or our Labor Committee in the Senate decided that they ought to be mandated or required by law. They have developed for many reasons, some of them very worthwhile and unselfish kinds of reasons.

As a practical matter, Mr. President, with the shrinking pool of workers projected for our society over the next few decades, businesses are realizing that they have to provide an attractive work environment that is sensitive to the interests employees have in maintaining a healthy family life while at the same time earning a living in the work force.

American workers are trying to mesh these interests—interests of caring for and being responsible for the family unit, being a responsible family member and at the same time contributing at the workplace, earning money to give the family a better opportunity, a higher standard of living—and employers are increasingly attempting to serve these interests, not because they are mandated but because such responsiveness improves productivity.

The amendment I am going to offer would provide an incentive to continue this responsiveness and to enlarge upon it. My amendment would support the notion of parental leave as a national policy, as an available benefit, and employers would be encouraged by tax benefits to provide paid parental leave, not the unpaid leave provided in the pending legislation.

One of the criticisms we heard in committee—and Senators may have had this communicated to them from their constituents—was that only workers who really could afford to take off from work without pay could take advantage of the leave provided by this legislation.

Those on a day-to-day, month-to-month, week-to-week existence, just barely keeping up with the bills, would be unable to take advantage of the unpaid leave afforded by this legislation. Only workers in the higher-pay categories who are really better off financially would be able to take advantage of unpaid leave opportunities. Lower-paid workers would have to return to work as soon as they possibly could.

Under my amendment, although the period of time would be shorter—6 weeks instead of 10 weeks—the employee would be guaranteed his pay would continue at the same rate, and the employee would probably be able to take advantage of that leave. Under the committee bill, on the other hand, it is questionable whether many employees could take advantage of unpaid leave.

I think it is important to note some statistics on the total amount being allocated by American employers today for benefits. In 1986, to give an example of the commitment that employers are making to benefits for employees, employers spent $742 billion on benefits. That represented 40 percent of payroll dollars.

So in addition to salaries and wages paid directly to employees, businesses in America in 1986, in that 1 year, spent $742 billion. Only 8 percent of those benefits were mandated.

This trend will continue. It has continued over the past 40 or 50 years. It is accelerating as more employers recognize the benefit of these policies as tools for recruiting and retaining qualified workers.

Currently, the mandates that I noted are limited to retirement changes, to Social Security, workers compensation, and unemployment insurance benefits.

Those of us who joined in the minority report referred to by the distinguished Senator from Idaho feel that the Federal Government, even though we have some very talented, very bright Members here in the Senate, should refrain from trying to make a judgment in behalf of employees and employers about the individual benefits that should be given in every instance or made available in every instance by an employer.

Such action would put the Government in the business of making decisions that employers and employees are more competent to make, decisions better suited to individual needs than a general Federal mandate.

Although the distinguished Senator from Connecticut suggested that where parental leave had been mandated there has been no concomitant reduction in other benefits from employers, I think in some businesses that is probably not going to be true, particularly in a business operating on a very small margin of profit, a business being pushed very hard in the competitive international marketplace, a business having a hard time staying afloat financially. Although that business might like to provide a wide choice of employee benefits, if it is required by law to make available to all of its employees a certain unpaid leave benefit, it has to cost something. It has to require that business to employ a substitute employee in the event a worker elects to take advantage of the unpaid leave, and that additional expense is going to have to be paid by the employer.

So there is going to be a cost. The health insurance and other benefits the employee who is on leave may be entitled to will have to be continued. The employee that has now been hired as the substitute is also going to be entitled to health benefits and other benefits as well. Although we cannot be totally certain exactly what that cost is going to be, we know it will be costly and it will increase the cost of doing business.

Some are suggesting that the business operating at the margin may very well be forced to close down its operation, and that could cost jobs. Whether or not this occurs, it seems to me that we should all be concerned about the impact this bill might have on other benefits that are made available.

Take the case of the business contemplating getting with the trend, becoming a part of the progressive American workplace that is making available child care services, education benefits, health benefits, and many other benefits that have been talked about in articles and journals describing what is going on in America today. They are necessarily going to be limited in what they do provide if a certain benefit is mandated by law for every employee, whether that employee wants it or not. That is going to take some portion of the total amount of money that will be available for benefits generally.

In my judgment, the Federal mandate is a very drastic departure from current practice and it is not really necessary in trying to deal with the needs of a diverse and changing work force.

Rather than trying to deal with that problem, with a mandated solution, we should be encouraging the adoption of innovative, flexible plans. Job sharing is an example where those who may want to work just part-time after having a newborn child in the family could share a job with someone else who also wanted to work just part-time.

Senators who serve here are probably aware of changes in their own offices that have occurred when children are born into families of those who work in Senate offices or on committee staffs, and there are different attitudes held by different staff members about what they would really prefer. Some would like to come back to work soon after the addition of a child to the family. Others decide against coming back at all and decide to become a full-time parent. Others decide that they would like to work just part of a day and spend the other part of the day at home with a child or with their children. These are individual decisions that are being made every day throughout America in a variety of ways.

What I would like to see and I think most of us would like to see would be freedom and the opportunity of individual employees to make those decisions in consultation with their husbands, their wives, their employers, to try to determine what the options are and what the most satisfactory option may be for them. But here, even though you may be as smart as the distinguished Senator from Connecticut, our subcommittee chairman, or as smart as the distinguished Senator from Massachusetts, Senator KENNEDY, the full committee chairman, you really ought not try to substitute your judgment in each of these cases for the freely-negotiated decision that as a parent and as an employee in consultation with his spouse and his employer an individual worker ought to be able to make.

I am suggesting that there is a more appropriate way that recognizes there are individual differences in these matters, there are individual differences in attitudes and desire, in financial abilities, in financial goals, in family goals.

I am saying, Mr. President, that we ought to provide encouragement as a matter of national policy to employers to provide family-oriented and sensitive benefits to employees, whether we are talking about a situation where a new child is born or adopted, a child is sick, or another family member is ill. These are important events. These are serious situations that people in our society confront on a daily basis.

We ought to provide incentives for employers to be sensitive to those needs and to provide policies that address those needs and permit time away from work without the threat of losing a job. But we ought to do it through providing incentives and not requiring in each instance each employee to have the same benefit, unpaid leave for a prescribed period of time, whether he is a single person who may be reaching retirement age or newly married and looking forward to having a family.

I can remember, Mr. President, when I was graduated from law school and was exploring the opportunities for employment with law firms. I recall that some firms tried to entice me with the different kinds of benefits that would be available. These are important to consider. Everybody looks at them.

But I remember at one firm, I asked about some of the benefits and I recall one of the lawyers saying, "Well, we don't do like some of the firms here: when you become a partner, you get a car and you get a membership at the local club and you get this and you get that." He said, "We just pay you money and let you decide how you want to spend it."

And I remember thinking, you know, I like that. Rather than having the law firm decide what kind of car I was going to drive and which kind of club I should join, this firm was going to provide money. And I liked that.

Some employees would rather have more money. Some employees would rather have a longer vacation period. Some employees would rather have an opportunity to share in the profits of the business in a profit-sharing plan. Some employees would like to have child care at the workplace, rather than 10 weeks of unpaid leave.

Another employee might like to have help in buying life insurance to protect children about to enter college and confront large bills for education, or another employee might prefer a generous health insurance benefit program.

Why not let the employee and the employer negotiate these things freely and make their own decisions about what is best for them, rather than letting the Labor Committee of the U.S. Senate decide it for them? This decision affects the flexibility, the availability of benefits in the workplace today. It is going to have a cost, and it will have an impact.

I am suggesting that we all favor parental leave and sick leave and other kinds of benefits in the workplace. And there will be amendments offered to achieve these in various ways. The one I am offering is a tax incentive to give us a chance to vote for an alternative to the bill that I think would be a much more attractive approach as far as most employees throughout America are concerned. They are more likely to get a benefit that they will really be able to use and that will not adversely affect their other benefit opportunities.

Mr. DODD. Mr. President, let me commend my colleague from Mississippi. As always, he was eloquent and he made a fine statement. As will come as no great surprise to him, I disagree with him on a couple of points he has made. Let me address some of them because he has brought up a couple that I think are worthwhile.

As I said earlier, this is not a benefit that falls into the dental plan or parking space or the length of coffee hours of lunch breaks kind of benefit. I agree with my colleague. On those sorts of things, they ought to be matters where the employer and the employee negotiate them out.

What we are talking about here is comparable more to fair labor standards, occupational safety and health, child labor laws. We did not sit around and say to businesses, "We will give you a tax break if you clean up the plant" or "We will give you a tax break if you will apply fair labor standards."

We are talking about something that, as I mentioned earlier, is part of that seamless garment that makes this country strong—a strong economy, businesses that produce and are competitive, as well as strong families.

In the past, those were never really in conflict, or only on a few occasions were they in conflict. Family life was family life. The mother was at home raising children; dad went off to work. Rarely did those two parts of the strength of this country conflict.

What has unfortunately happened over the last few years is we find those two important ingredients that combined to make this a strong country coming into conflict, where people have to start making choices from time to time about their families and about their jobs. And that is happening with great frequency, as the data indicates and would support.

What we are saying is, in those situations where you are confronted with a crisis now—not the decision to take a family vacation or to go to the Little League game or to the high school play—but where a crisis arises in that family and you have exhausted all the other benefits that are available to you, that you ought to be able to take some time without being paid in order to resolve that family crisis and not lose your job at the same time.

That is profamily. That is profamily.

If the child care bill were on the floor here today, we would hear from organizations across this country saying, "You are trying to institutionalize child care. It is the socialization of America. You want to get kids out of the house into some child care environment with some stranger taking care of them. They ought to be home with their parents."

That would be basically one of the arguments being made. I do not think that argument has merit, because those parents who are putting their children in child care have no choice but to be in the workplace. But, nonetheless, that is one of the arguments.

In this bill, what we are saying is that in narrow fact situations, in crises, where a family is in trouble, we want to make it possible for the parents to be at home in that situation. Not for months, not for no reason at all, but in those fact situations where the American family, as it is, is in trouble. That is all this is about.

I hope that some of those same organizations that object so strongly to a child care bill would step forward and say that this bill makes some sense, because it does what we think ought to be done in those situations where you can at least keep some families together in a crisis environment.

Mr. President, again, I would not ask my colleagues to rely on me. I would ask them to call any pediatrician they know in their States or group of pediatricians they know in their States. This is not a debatable point. When a child is seriously ill, the recovery rate of a seriously ill child where a parent or parents can be with them increases by a minimum 50 percent the time of recovery. That is not debatable. We understand that.

Businesses, to their great credit—it is not a Government program—have supported Ronald McDonald houses. Those institutions exist all across this country because American businesses and corporations contributed hard-earned dollars to see to it that Ronald McDonald houses exist in every major city in this country, where parents can go and stay and not have to pay much costs while their children are in children's hospital—Ronald McDonald houses.

The irony is that, while you can stay at that place free of charge if you do not have the money to stay in a local hotel near that children's hospital, the same employer that would contribute the money to build the Ronald McDonald Houses, in many instances, would fire the employee who went to that Ronald McDonald House to be with their child. That is what we are saying, and it happens.

So, in a sense, we have created catch-22 in that fact situation.

But let me share with my colleagues here some of the testimony of businesses.

Mr. President, we had seven hearings across the country, one in the major city of the Presiding Officer's home State. Others in Atlanta, Los Angeles, Boston. To try and glean from folks outside of Washington how they feel about this.

Let me quote from Jean Cardos. This was a witness who came from the Southern New England Telephone Co., and I quote her.

"So, why do we do this?" She is talking about parental leave. They have had it for 10 years.

> First of all, we recognize that women with small children are in our workforce today. It is ovbious from our statistics they are having babies. These women are very highly trained. They have a tremendous amount of job experience and we do not want to lose them.

This was not a do-good thing. They do not want to lose them. This was a business decision they are making.

> We also have a very selfish reason. We regard these people as assets to our corporation. We have a lot invested in them. It is unfair to make them choose and to have to prioritize between their families and their careers when we can make them satisifed with both.
>
> The main reason it is cost effective is that it serves productivity. We get people back who are not only highly trained and skilled in what they do, but we get them back in such a way that they are very grateful to the company that cares for them and they stay with us.

That is why they have parental leave.

I know in this Chamber, I know colleagues that have gone through family tragedies, where a child has been very ill, or sick, and I do not know of a single situation where colleagues of this body or of the other, when confronted with the choice between being with that ill child or being here voting and participating, at the time of crisis have chosen to be here. In every instance that I know of, they have chosen to be with their families. And they do not worry about whether or not their constituents like it or not. They feel very comfortable explaining to their constituents: I was with my sick child. And we applaud them for that.

We say, that is a Senator, that is a Congressman that has his head screwed on straight. He knows what is important in life. And frankly, he would be in trouble politically, I would suggest to you, if he were here voting or going to committee hearings, and not with his sick child.

Freda Klein, director of organization, Development Corp., Cambridge, MA, says:

> Having a parenting leave policy assists us in attracting and retaining the most qualified employees.

Robert O'Keefe, vice president, industrial relations, Felbro Industries, Skokie, IL:

> We feel that our benefit programs and our policies create a highly-motivated workforce. We feel good business and good employee relations go hand in hand. We believe that a leave policy should be Federally mandated since it will reduce serious tensions when employees have a family demand that can now only be answered by having to quit their job or be fired. Because it is an unpaid leave, very few will take advantage of this policy. So we should not fear how expensive it might be.

Mr. President, there are a number of more testimonies here which later in the debate I will be glad to share with my colleagues.

My friend from Mississippi said, if you have a parental leave policy that other benefits employees have will be lost.

I do not know of a single chief executive officer who, if their son or daughter or grandchild was suffering, would go to a board meeting if being with that child made a difference. I do not know of one. And we commend that. We applaud that. We say that is the way Americans ought to be when it comes to dealing with their families.

All we are saying, Mr. President, is for that person who is not a Senator or is not a Congressman or is not a chief executive officer or does not run his own company but works on the line somewhere, when their kid is sick, when they are in the hospital, do they have to lose their job? Cannot they have a few days and be with their child without losing their job? Is that too much to ask?

And the fact of the matter is, Mr. President, they do. Employees will not have parental leave and maintain the level of benefits they have existing right now.

Mr. President, there are about 15 to 20 States that have modified parental leave policies, some just for maternity, some for adoption, some for sick children. They are not consistent, but there are 20 States.

We have written to every State. We have written to every single bureau in those States responsible for keeping statistics. We have the letters here from several but not in a single case have we had a report from a State that there has been any erosion of benefits, existing benefits because of the parental leave policy.

We anticipated that question. We worried about it ourselves. And so we asked and we asked the appropriate States if there had been any erosion of existing benefits because of parental leave.

Let me quote from the department of fair employment and housing, State of California, Talmadge Jones' response to the question. I will quote part of the letter.

Mr. President, I ask unanimous consent that these documents be included as part of the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DODD. In this particular letter Mr. Jones says:

> In the 8 years that the California Department of Fair Employment and Housing has been enforcing this law, the Department has not received any complaints alleging that an employer has eliminated or reduced other employee benefits because of the enactment of the foregoing pregnancy leave requirement.

Minnesota. I quote from a letter from Donald Jackman, the director, department of labor and industry.

> Not once has the question of reducing other employee benefits to implement this statute ever been raised by anyone contacting this Department.

The Bureau of Labor and Industries, State of Oregon. This is a lengthier letter, Mr. President, but let me quote from page 2 of it. This letter is from Mary Wendy Roberts, who is the Commissioner in the State of Oregon.

> My staff compiled at random a list of employers in Oregon and posed the question. We also asked how many employees had taken advantage of the Oregon parental leave law and the total number of employees at each firm. In addition, we surveyed personnel consultants in the Portland area who represent smaller companies.
>
> In Oregon about 11.5 percent of the private employers come under the law because they employ 25 or more full-time and part-time employees.

Mr. President, our bill is 50, 50 or more covered. This is 25. We only cover 5 percent in the country. They are 11 percent. The 11.5 percent in Oregon.

> The 11.5 percent account for 70 percent of the workforce. We estimate that we talked to personnel managers of companies employing an estimated 34,500. (I want to stress our sample is not statistically valid because we did not employ a random selection process.)

She is very candid in that parenthetical remark.

> We surveyed companies throughout the State, concentrating on the Portland metropolitan area but also including businesses in Eugene, the State's second most populous city, Salem, the State capital, and in eastern Oregon where the population is small. In addition, we included firms with corporate headquarters in other States.
>
> In addition to direct contact with company personnel managers, we talked with about six insurance brokerages which specialize in employee benefits packages. We have no estimate how many employees they represent. They agree the parental leave law has had no effect on employee benefits offered their clients. Whatever reductions or adjustments employers are making are motivated by rising costs, primarily for health benefits.
>
> The results were heartening. Virtually every company surveyed had not reduced other benefits because of parental leave; on the contrary, many had increased fringe benefits since January 1 when the law went into effect.

That is the State of Oregon. I can just go on, Mr. President. I anticipated this would be a concern raised, but in every single instance we found absolutely no reduction in existing benefits.

You heard in this particular letter they said that some of the fringe benefits had actually increased. I am not suggesting that there is some relationship between the adoption of parental leave and the increasing of fringe benefits. I would not try to make that case to my colleague, but the notion somehow that fringe benefits were reduced because of enactment of the parental leave, from every State we contacted, the answer was no, a flat no.

So, Mr. President, let me also share, because the concern is of small firms and that was raised as well. We do not cover the type of firm that I am about to quote a letter from here. Ariel Capital Management, Inc., 307 North Michigan Avenue, Chicago, IL. I suspect the Presiding Officer may be familiar with that street address. This letter from Darice Wright, senior vice president of that firm. She says in that letter:

> I understand there have been certain allegations from those opposing the parental leave legislation that the enactment of this bill would necessitate a "trade-off" of other employee benefits.
>
> In response to these allegations, I must say that this has not been my experience at Ariel Capital Management, Inc., a small company which employs nine full-time workers. In fact, quite the opposite is true. The adoption of a parental leave policy was part of an overall effort by the company to enhance the benefits offered to its employees, thereby enhancing employee-employer relationships, strengthening the employees' sense of loyalty, increasing worker productivity and reducing employee turnover. In addition to offering a parental leave, my employer is in the process of opening up to *all* of the employees an Employee Stock Option Plan funded totally by the corporation and an Employee Profit Sharing Plan. We also maintain life insurance coverage, hospital, medical and disability benefits, all totally funded by the company.
>
> It is my opinion (and fortunately that of my employer as well) that an employee who feels that the skills and services he or she offers in the workplace are valued, will in turn feel that he or she is valuable. It only follows, that such a worker will be more inspired, more dedicated and more committed.

There is a firm with nine employees Mr. President. I am not suggesting that we ought to have a mandated parental leave benefit for firms of that size at all.

But to suggest somehow that even small firms would be adversely affected I think is reflected by the evidence we offer in this correspondence and the testimony of countless witnesses that came before our panel.

So I would suggest on the major points, as I understand them from my colleague from Mississippi, that, one, we ought to maybe provide some tax incentive, a tax credit, so what we want to do there, let me see if I understand it, is we are not going to charge the businesses, we are going to charge the American taxpayer to subsidize that so we are going to say to the same recipient of this benefit you have got to subsidize your employer so they can give it to you. So there is a cost here. At a time when deficits are the way they are, we are going to come out with a special interest tax break here for businesses to do something which all of them will tell you serves their own interests.

I quoted yesterday, Mr. President, a survey done of Fortune 1500. Eighty-seven percent of those that have parental leave policies responded saying it has been one of the best things they have done, it has really paid dividends for them. So the notion we provide a tax break to a business to do that which they benefit from anyway draining on the Treasury, I suggest at far more cost—my colleague suggests it ought to be paid leave. I am not suggesting paid leave—unpaid leave, just maintain insurance benefits, nothing else—would make little sense to me.

Let me quote from J. Douglas Phillips, senior director of corporate planning at American Company. This is from the Christian Science Monitor, June 30, 1988.

"Mr. Phillips estimates the cost of losing an employee at $50,000."

This is the fact situation that we have described, parents on their back, kids sick, they lose their job.

"But by permitting a worker to take a 6-month child care leave"—we are talking about 10 weeks, Mr. President, not 6 months; 10 weeks. Those 10 weeks, by the way, as my colleague from Rhode Island pointed out, are reduced. If the generous employer has some of those benefits, you subtract from the 10 weeks that which already exists so in many cases it is far less than 10 weeks, so it does not approximate this situation.

"By permitting an employee to take a 6-month child-care leave, the cost would be $38,000. The company achieves a net improvement of $12,000; when you focus on people, profits will follow." Phillips at that point was quoting the company's founder.

And so you see in those situations actually these policies have worked for businesses that are today complaining they are going to be terrible. Ironically, witnesses who have no idea what these policies are going to be are given the same weight.

So as to the notion of a tax credit, with all due respect, there is a cost; it comes out of the General Treasury, and I see no reason for providing a tax break for businesses doing something which businesses will tell you they benefit from already. Usually, you provide a tax break because you want to get the business to do something they really do not want to do and it may be costly for them to do it. Then you provide a break if it is important in the larger sense that that business do those things.

I do not believe in providing breaks for businesses to do something which is in their own interest anyway. That is No. 1.

No. 2, he suggested that if you apply this benefit, you are going to lose benefits. Well, I pointed out earlier, and I will not go back over it here, in fact all the testimony we have says that those benefits are not reduced in any way whatsoever.

It has also been suggested we are going to lose economic growth.

(Mr. BURDICK assumed the chair.)

Mr. DIXON. I wonder if my distinguished friend from Connecticut will yield for a question.

Mr. DODD. I will be glad to yield to my colleague.

Mr. DIXON. Mr. President, as the person who has acted as the Presiding Officer for the last hour, may I say that the very interesting debate which has taken place in the last hour between my friend from Connecticut and my friend from Mississippi has been very enlightening and helpful. So many times the impression I have when I listen to fine debate on the floor is that all of us would profit if we spent more time on the floor because I think both Senators have touched upon such matter that has been very interesting to this Senator with respect to the issue before us.

I wonder whether the distinguished Senator from Connecticut and the distinguished Senator from Mississippi might each give this Senator their view about this whole question that I have heard the Senators touch upon about people who take some parental leave and are paid their normal salary while on that parental leave.

This Senator is a lawyer but not a tax lawyer. It has always been my impression that that would be deductible; that if an employee who is employed in due course was off for 4 or 5 weeks and the employer elected to pay for those 4 or 5 weeks, that would be the ordinary salary in the course of employment and appropriately deductible. Is this Senator in error in coming to that conclusion?

Mr. DODD. No. In fact, I am informed by staff that that is a deductible item.

Mr. DIXON. I wonder if the distinguished Senator from Mississippi would enlighten this Senator in respect to what he has suggested. I can understand cutting the 10 weeks down to 6 weeks. There may be some around here perhaps even a majority, who would support that. I do not know. But I wonder what is novel about suggesting you can cut it to 6 weeks and now it is an income tax deduction if you pay them their salary when it would be the impression of this Senator it would already be a deductible item.

Mr. COCHRAN. Mr. President, if the Senator will yield, the proposal that I was describing is a tax credit, not a tax deduction. It is actually an incentive over and above the right a business has to deduct ordinary and necessary business expenses from its gross income. This would be a credit against tax that would in the details of the amendment amount to 25 percent of 50 percent of the wages up to a total annual salary of $20,000. It would be an additional inducement to a business to provide a benefit.

Mr. DIXON. So the Senator from Mississippi is suggesting to this Senator that in addition to allowing the full deduction of the salary paid and the benefits paid for, let us say, the 6 weeks the standard employee is off for parental leave, in addition to that and on top of that the Senator from Mississippi would suggest a tax credit?

Mr. COCHRAN. The Senator is correct because not every employer is going to make available paid leave of 6 weeks——

Mr. DIXON. Yes.

Mr. COCHRAN [continuing]. To employees on demand or on request.

Mr. DIXON. I understand.

Mr. COCHRAN. Some will but some will not. This is an inducement to those who will not or do not.

Mr. DIXON. I think I understand that perfectly well. I think my friend from Mississippi would agree, however, that if an employer wants to make that individual judgment, which I think frankly the Senator from Mississippi spoke about so compellingly in his speech about all these things we can voluntarily do, certainly the employer now—let us say a small employer on Main Street in my hometown of Belleville—if he wants to let that employee off for 6 weeks and wants to pay that employee as well he certainly has a right to deduct that as an expense in the normal course of business.

Mr. COCHRAN. The Senator is correct. We have no problem with that.

Mr. DIXON. I thank the Senators. I want to observe, Mr. President, I hope a good many in their separate offices have listened to what I consider to be a very fine expression of each of their separate points of view by the distinguished Senators from Connecticut and Mississippi, who in my view have eloquently displayed the different points of view that are inherent in this particular issue. I thank both of my friends for their enlightenment in respect to this particuar issue.

Mr. DODD. I thank my colleague from Illinois for his comments. Before he walks off the floor, we will check but I think it is not a full deduction. I think it is 34 percent, if I am not correct.

Mr. COCHRAN. Of the salary.

Mr. DODD. Of the salary, but I will check that for my colleague from Illinois. But it is certainly a substantial one. The Senator from Illinois is correct.

Mr. President, if I can, I am going to step back to the rear of the Chamber for 1 second. I beg the indulgence of the Chair.

Mr. President, this last chart on the side is on the employment growth in parental leave States, probusiness or the most probusiness climate States. I thought this would be interesting for my colleagues to focus their attention on. This was a study released last month. It was done by the Institute for Women's Policy Research at American University here in the Nation's Capital. There were seven parental leave States; that is, States that already have some form of parental leave policy, maybe just for adoption, or it may be for the ill child, but in some fashion, parental leave policies.

Then there were seven States chosen that were considered to be of the climates that are most favorably disposed to business. The seven parental leave States that we used in this study are California, Colorado, Connecticut, Kansas, Massachusetts, Montana, and the State of Washington. The seven probusiness or most probusiness climate States were Indiana, Tennessee, North Carolina, South Dakota, Florida, Missouri, and Nebraska.

Mr. President, the analysis was done of business growth in the last 10 years. Between the seven States where there is parental leave or they have a parental leave policy, in seven States where there is no parental leave policy, and even more importantly, where they have the most probusiness environment, less regulations, less business taxes and the like, if you compare here the numbers of parental leave States, employers who employ less than 20 employees, growth in the parental leave States between 1976 and 1986 was 32 percent. That was the employment growth in those States.

In the probusiness States, the employers of less than 20, the growth was 22 percent, the most probusiness States; parental States 32, probusiness States 22; States with 50 employees or less, parental leave States, 36 percent, probusiness States, 27 percent. The larger ones, 46 percent, and the parental leave States, 38 percent in the probusiness States.

You can see there that its findings were that parental leave States had higher growth in small business than did probusiness States. Overall job growth is 21 percent higher, and parental leave States when broken down by firm size as shown on this chart.

I am not suggesting that because there was a parental leave policy that those States had more growth. I would not try to make that case. I do not think you can make that case at all based on this chart. But the notion somehow that you inhibit growth, that you stunt economic growth, if you have a parental leave policy, I think is repudiated by this survey, by this comparison of States where there is a parental leave policy and States where there is not.

Mr. President, the economic growth factor is an important issue and one that I will be debating from time to time, but I thought it would be worthwhile to have this chart here for our colleagues to observe.

Mr. President, again, I know there are amendments out there. I know there are those who would like to speak either on the Thurmond amendment or on the underlying bill on parental leave.

My colleague from Mississippi and I have been here engaging in a good, healthy discussion over the last hour or so. We would encourage others to come and participate.

I see our colleague from North Carolina here who I gather wants to talk on the Thurmond amendment.

EXHIBIT 7

DEPARTMENT OF FAIR EMPLOYMENT & HOUSING,
Sacramento, CA, September 22, 1988.

Hon. EDWARD M. KENNEDY,
Chairman, Senate Committee on Labor and Human Resources, Washington, DC.

Re: State Pregnancy Leave.

DEAR SENATOR KENNEDY: This is in response to your inquiry as to whether California employers have eliminated or reduced employee benefits because of pregnancy disability leave required under California law.

In 1980, California passed a law making it an unlawful employment practice for any employer to refuse to allow a female employee affected by pregnancy, childbirth, or related medical conditions to take a leave for a reasonable period of time not to exceed four months. An employer is not required to provide a paid leave, other than permitting an employee to utilize any vacation or sick leave credits.

In the eight years that the California Department of Fair Employment and Housing has been enforcing this law, the Department has not received any complaints alleging that an employer has eliminated or reduced other employee benefits because of the enactment of the foregoing pregnancy leave requirement.

If you need further information on the California Fair Employment and Housing Act, the Department will gladly provide it.

Sincerely,

TALMADGE R. JONES,
Director.

BUREAU OF LABOR AND INDUSTRIES,
September 23, 1988.

Hon. EDWARD M. KENNEDY,
U.S. Senate, Washington, DC.

Hon. CHRISTOPHER J. DODD,
U.S. Senate, Washington, DC.

DEAR SENATORS KENNEDY AND DODD: I am pleased to respond to your letter of September 22 on Oregon's parental leave law. My agency was given the responsibility for enforcement of parental leave. We also wrote the administrative rules implementing the statute.

BACKGROUND

The 1987 Oregon Legislature enacted the parental leave bill, effective Jan. 1, 1988 (Chapter 319, Oregon Laws 1987). The legislation provides up to 12 weeks unpaid leave following the birth or the adoption of a child under the age of 6 years. Both mothers and fathers of covered employers—those companies and governmental entities with 25 or more employees—are eligible, but not concurrently. The mother could take the first six weeks following the birth or adoption of a youngster, and the father the remaining six weeks.

Although the leave is unpaid, an employee is entitled to use other accrued paid leave during parental leave, including sick leave.

Upon completion of the leave the employee must be reinstated in his or her old position at the same work site, unless that position has been abolished. The employee then must be offered an equivalent position (same pay, similar duties and responsibilities).

IMPACT ON OTHER COMPANY BENEFITS

In your letter you ask the following question: "In your experience with parental/medical leave, has it become necessary for employers to limit or reduce previously available benefits in order to offer the parental/medical leave benefit?"

My staff compiled at random a list of employers in Oregon and posed the question. We also asked how many employees had taken advantage of the Oregon parental leave law, and the total number of employees at each firm. In addition, we surveyed personnel consultants in the Portland area who represent smaller companies.

In Oregon about 11.5 percent of the private employers come under the law because they employ 25 or more full-time and part-time employees. The 11.5 percent account for 70 percent of the work force. We estimate that we talked to personnel managers of companies employing an estimated 34,500. (I want to stress our sample is not statistically valid because we did not employ a random selection process.)

We surveyed companies throughout the state, concentrating on the Portland metropolitan area but also including businesses in Eugene, the state's second most populous city; Salem, the state capital, and in Eastern Oregon where the population is small. In addition, we included firms with corporate headquarters in other states.

In addition to direct contact with company personnel managers, we talked with about six insurance brokerages which specialize in employee benefits packages. (We have no estimate how many employees they represent.) They agree the parental leave law has had no effect on employee benefits offered their clients. Whatever reductions or adjustments employers are making are motivated by rising costs, primarily for health benefits.

The results were heartening. Virtually every company surveyed had not reduced other benefits because of parental leave; on the contrary, many had increased fringe benefits since Jan. 1 when the law went into effect.

One surprising finding was the fact two or three firms already had a parental leave policy prior to passage of the state law. Perhaps the most generous was Pacific Northwest Bell (now US West) in Oregon and Washington. The utility grants six months parental leave with a guarantee the employee will be returned to his or her old job. With passage of the state law, it expanded its plan to include adoptions yet continued the six months leave period even though state law mandates a maximum of 12 weeks.

A spokesman said US West plans to bring the 14 states in the Western region under the same leave provisions available to employees in Oregon and Washington. Another Portland-based company, ESCO, an electronics firm, with 900 employees in Oregon and 600 in other states expanded its parental leave to include those workers outside Oregon. However, according to the personnel manager, the average age of employees is 46 so "It's not a big issue with us."

A Portland area hospital (2,200 employees) had provided concurrent parental leave if both employees worked for the hospital prior to passage of the state law, but rolled that back to conform to the state law allowing only one covered employee to take leave at a time. At the same time, it reduced its vesting period from 10 to five years.

Among the comments:

"(Parental leave) is not an inconvenience. It is working well." Personnel manager for a Japanese electronics firm.

"It's working just fine." Manager of a Portland hotel.

"No reduction in other benefits. We just assume parental leave is an additional benefit." Personnel manager, Eugene municipal utility.

"It's caused some dislocation, but that is more than offset by the improvement in employee morale." Manager, potato processing plant, Ontario.

"We were struck over salary and benefits, but parental leave was never a rationale in justifying our (benefits) package to the union that included rollbacks in several areas." Personnel manager, Willamette Valley wood products company.

CONCLUSIONS

Based on the Oregon experience, I am somewhat surprised that the issue in the federal debate is a taking away of other benefits should Congress mandate parental leave. That has not been the experience here, based on this survey and our contacts with the business community through the Bureau's Technical Assistance Unit which conducts seminars on parental leave and other employment law. Nor was it an issue during legislative debate.

To date the Bureau has received only about 15 complaints involving parental leave, all of them challenging their respective company policy denying new parents the use of paid sick leave during parental leave.

I hope this information is of help to you in the upcoming debate on the bill. The law is working in Oregon. I believe it will work nationally, and I wish you success in the Senate.

With warm regards,

MARY WENDY ROBERTS,
Commissioner.

MINNESOTA DEPARTMENT OF LABOR AND INDUSTRY,
St. Paul, MN, September 22, 1988.

Senator EDWARD M. KENNEDY,
Chairman, Senate Committee on Labor and Human Resources, U.S. Senate, Washington, DC.

DEAR SENATOR KENNEDY: The Minnesota Parental Leave Statute took effect on August 1, 1987.

Since then, the Division of Labor Standards has responded to many inquiries concerning this law from both employers and employees alike.

Not once has the question of reducing other employee benefits to implement this statute ever been raised by anyone contacting this Department.

Sincerely,

DONALD G. JACKMAN,
Director.

SEPTEMBER 22, 1988.

Senator EDWARD KENNEDY,
Senate Committee on Labor and Human Resources, U.S. Senate, Washington, DC.

DEAR SENATOR KENNEDY: I understand there have been certain allegations from those opposing the parental leave legislation that the enactment of this bill would necessitate a "trade-off" of other employee benefits.

In response to these allegations, I must say that this has not been my experience at Ariel Capital Management, Inc., a small company which employs nine full-time workers. In fact, quite the opposite is true.

The adoption of a parental leave policy was part of an overall effort by the company to enhance the benefits offered to its employees, thereby enhancing employee-employer relationships, strengthening the employees' sense of loyalty, increasing worker productivity and reducing employee turnover. In addition to offering a parental leave, my employer is in the process of opening up to all of the employees an Employee Stock Option Plan funded totally by the corporation and an Employee Profit Sharing Plan. We also maintain life insurance coverage, hospital, medical and disability benefits, all totally funded by the company.

It is my opinion (and fortunately that of my employer as well) that an employee who feels that the skills and services he or she offers in the workplace are valued, will in turn feel that he or she is valuable. It only follows, that such a worker will be more inspired, more dedicated and more committed.

Sincerely,

DARICE WRIGHT,
Concerned Citizen, Wife, Mother, Senior Vice President.

[From the Christian Science Monitor, June 30, 1988]

FAMILY-FRIENDLY CORPORATIONS—THEY HELP BALANCE DEMANDS OF HOME AND WORK

(By Marilyn Gardner)

NEW YORK.—Rita Wilson, a vice president at Allstate Insurance Company, likes to think expansively.

Instead of seeing the Northbrook, Ill., company as an employer of 55,000 workers, she imagines a group twice that size.

"The people we employ are not the only people we affect," Mrs. Wilson explains. "We affect at least two times that number because of the way the quality of work life affects families."

Wilson's attitude reflects a new corporate philosophy slowly gaining favor in board rooms across the country; the pro-family workplace. As dual-career couples and women with children make up an increasingly large part of the work force, Wilson and other executives see an inescapable obligation to help employees balance the demands of work and home.

The shift to more inclusive policies is not totally altruistic. A shrinking labor pool, combined with a continuing influx of women into the work force, will make the labor market increasingly competitive in the 1990s, according to United States Department of Labor projections.

Wilson outlines the challenges facing employers in the 1990s. Speaking to a group of 150 policymakers, analysts, and business leaders attending the founding conference of the Insititute for American Values she warned, "It will be foolhardy to think that benefits packages as we know them today, as good and competitive as they are, will be adequate in the future."

Instead, she says, companies will need to offer perks such as child care, elder care, at-home work, and flexible hours to remain competitive.

Identifying policies that create a "family-friendly" workplace is one of the tasks of the new institute, a nonpartisan group founded, according to executive director David Blankenhorn, "to answer one simple question: How can public and private-sector policies strengthen families?"

That question may be anything but simple. In Congress, a parential-leave bill, guaranteeing unpaid leave for parents of newborn or seriously ill children, appears to be stalled. And in corporations, executive concerns about productivity and cost often prevent serious discussions of policy changes. Too many managers, Wilson finds, continue to view employees as "a cost to be controlled rather than an asset to be used."

As one way of countering that attitude, Marie McKee, director of executive personnel planning for Corning Glass, urges employers to think in terms of two kinds of customers: "internal" and "external."

"'Internal' customers—employees—become a very large group of people you must serve," she explains.

At Corning, serving "internal" customers includes providing on-site child care and offering a child-care referral service. The company is also implementing a "more aggressive" part-time work policy to identify part-time jobs and convince managers that this makes good business sense. "You always get more than parttime work out of people," Ms. McKee observes.

In addition, the company has assembled a career and family book for supervisors and employees, outlining family-support policies.

Still, any policy is only as good as the support it receives from management. "The real story at Corning is a commitment at the top," McKee says proudly. "We have a chairman who is committed to the retention of women."

But retaining women is only part of the solution. Benefits must include men, McKee adds, and male workers "must get support from other men for doing more parenting."

To executives worried about the cost of offering broader-based policies, J. Douglas Phillips, senior director of corporate planning at Merck and Co., offers an example. Merck's child-care leave policy, he says, has resulted in savings.

Mr. Phillips estimates the cost of losing an employee at $50,000. But by permitting a worker to take a six-month child-care leave (cost: $38,000), the company achieves a net improvement of $12,000, he says. "When you focus on people, profits will follow," Phillips comments, quoting the company's founder.

Speaking broadly of "family-friendly" benefits, Wilson says, "The successful companies of the future will respond both to the brainpower and the hearts of their workers."

Dr. Ethel Klein, professor of political science at Columbia University, puts it another way: "The family is an institution that is valuable enough to make accommodations for, rather than always asking the family to make the sacrifices."

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I thank the Chair.

I was in the Cloakroom, I say to my friend from Connecticut, when he was standing by the graphs there. North Carolina is what you call a probusiness State, I have heard privately. Does the Senator have the percentages for North Carolina alone?

Mr. DODD. If my colleague will yield, I do not have them with me. But I would be glad to get them.

Mr. HELMS. I would be interested in that. I think North Carolina would be in terms of employment growth more in line with the top of the graph to which the Senator alluded.

Mr. DODD. It may very well be. I have lumped together the seven States. So there is obviously some disparity. I will be glad to get them.

Mr. HELMS. Mr. President, I know the answer to this. But just to have it reflected in the RECORD, what is the pending business?

The PRESIDING OFFICER. The pending business is the amendment by the Senator from South Carolina to the pending business.

Mr. HELMS. I thank the Chair.

And that is a second-degree amendment to a committee amendment. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. HELMS. I thank the Chair.

Mr. President, one of the curiosities of politics is that every election year you cannot find anybody anywhere on any ticket who is not talking about the importance of restoring values and fighting crime. You heard it in Sunday night's debates. You hear the rhetoric, whether it be from Democrats, Republicans, conservatives, or liberals, East, West, North or South. There they are. Everybody is the champion of restoring values and fighting crime. But, nevertheless, it is sort of like the weather and what Mark Twain said about it: Everybody talks about crime, everybody talks about values, but almost nobody is willing to do anything about it.

The pending amendment, which is the text of "The Child Protection Act of 1983, was following the same course, Mr. President. As a bill, it was log-jammed in the Judiciary Committee for more than 7 months. Senator THURMOND tried, to no avail, to have it considered and reported to this floor. But the majority on the committee said, "No way, Jose. We won't mess with it."

I commend the distinguished Senator from South Carolina, [Mr. THURMOND] for having the courage to propose this bill as an amendment to the pending bill—and, I might add, as a second-degree amendment to a committee amendment. I think it is about time that all of us stopped trying to fool ourselves. Certainly, it is time that we stopped looking the other way. It is time that we stopped making specious excuses for doing nothing about something that we know in our hearts of hearts is wrong.

As I was reviewing my notes on the Thurmond amendment, Mr. President. I recalled my friend, Jack Anderson, who is well known as a columnist across this country, and how appalled Mr. Anderson was when on many of his speaking tours around the country he would check into hotels, very reputable hotels, high-priced hotels, elegant hotels. What would he find when he looked on the television set? There were advertisements for what amounted to pornographic movies. This bothered Jack. I suspect it bothers most people who have had the same experience.

Anyway, on one occasion, Mr. President, Jack Anderson was so indignant that he arranged for some technicans to come in with recording equipment and videotape the offerings in one rather expensive, rather elegant hotel. He sent it to me with a note saying, "Jesse, take a look at this."

So, Mr. President, I took a look at it, a very short look. Then I turned off the set. I may have looked at it 15 seconds, Mr. President. I am no Goody Two-Shoes. I have been around the track a number of times. I served 4 years in the Navy. And I thought I had seen everything and heard everything, that nothing could surprise me, let alone shock me. But that small portion of that tape did the job.

I'm afraid, Mr. President, that Jack Anderson saw only the tip of the iceberg. Pornography pervades every level of our society. It has reached the proportions of a tidal wave. Anybody alive in the United States in the year 1988 who does not realize this must be on cloud nine. Everybody is bound to know that there is an explosion in the volume and the availability of pornography in our society.

Today, it is impossible to open your mail or to turn on the television or to walk in the downtown areas of most of our cities—and in the suburban areas as well—without being accosted by a deluge of pornographic material. The sheer volume and the pervasiveness of pornography in this society tends to make adults less sensitive to the traditional value of decent conduct, and it certainly is leading children to abandon the moral values their parents have tried so hard to instill in them.

My children are grown, but I have six grandchildren, and I am aware that it is not easy to raise children these days, given the corrupting influences all around: Illegal drug use, alcohol abuse, and permissive sexual behavior are rampant. But parents, being parents, quite naturally want nothing less than the best for their children, and this certainly includes passing on to them the moral values which the parents, themselves, received years ago.

The scourge of widespread pornography, the easy access to it, complicates in no small degree the already difficult task of raising children in 1988. I do not think many parents, if any, would disagree with that.

I heard the President of the United States not long ago discuss pornography as eating at the very core of this country's moral foundations, and he is right, Mr. President. The consequences are enormous. It is not a mere coincidence that a time in our history when pornography and obscenity are rampant in all forms—printed, electronic, and otherwise—this Nation is likewise being engulfed with promiscuity, veneral disease, herpes, AIDS, abortion on demand, divorce, family breakdown, and all sorts of problems relating thereto.

Mr. President, what do we expect? Have we forgotten that we become a part of what we condone? We can snicker and say, "Well, we can't legislate morality." The heck we can't. I do not think that you can find anywhere in the declarations of the Founding Fathers any reluctance to draw a line between what is right and what is wrong.

Mr. President, maybe they did not practice it, all of them, but they sure did not condone it publicly, and until fairly recent times it was a disgrace to be involved in anything like this but now it is accepted. And that is what is gnawing at the foundation of this country.

Are we a nation that does not care any more, Mr. President? At a very minimum, this deluge of pornography just pouring forth from the sewer pipes lowers the moral level of society. It contributes to the social problem that I have just enumerated and not only those problems but others.

And these problems, as I stated earlier, may have existed to a minimal degree relatively and comparatively in previous years but nothing like what we are seeing today.

So, Mr. President, let it be understood that pornography degrades the dignity and worth of human beings by presenting a false picture, a distortion, a cruel distortion of human relationships or, say the word, "sexuality." In fact it holds sexuality out as a sort of an end in itself; that is all you care about. It holds it out totally removed from its proper, normal, and spiritual place as its purpose in marriage for conjugal love and the procreation of children.

Mr. President, in recent times pornography has been condemned as a particular offense against women. It has been said over and over again that pornography is nothing less than the crass exploitation of women for the pleasure of men. That is true but only part of the truth. The whole truth is that pornography is not only an offense against women but it also constitutes an offense against men and children and human dignity and common decency all together.

In short, it is a scourge to all society and Congress should act promptly and effectively to eliminate it.

Senator THURMOND is exactly right in pushing for the approval of his bill which was totally ignored in committee for all of the past 7 months. I thoroughly support Senator THURMOND, and I am honored to be a cosponsor.

When I began, I mentioned the direct relationship between pornography and crime, violent crime. There are some who choose to ignore it. But the real truth, Mr. President, is that study after study have shown that pornography is directly linked to rape and other sexual assaults.

Robert Showers, the executive director of the National Obscenity Enforcement Unit down at the Justice Department, testified before the Judiciary Committee to the effect that studies show a correlation between pornography and rape.

One of the studies to which Mr. Showers alluded was done by Mr. William Marshall of Queens University in Canada, and that showed that 86 percent of the inmates at Canada's Kingston Penitentiary who were convicted of rape used pornography regularly. They watched it on television. They read the scumbooks available at almost every newsstand; 56 percent of these inmates admitted that they were imitating the pornographic scenes they had seen or read about when they committed the crimes.

So who is going to say that it does not have any effect? Of course it does.

Then there was another study in the State of Michigan. The Michigan State Police designated an expert to head up a study which showed that 41 percent of all sexually violent crimes in Michigan involved hard core pornography either during or immediately preceding the commission of the crime.

And there are other studies reaching the same conclusion.

(Mr. FORD assumed the chair.)

Mr. HELMS. Pornography maims our children, Mr. President. Let us take, for example, dial-a-porn. I had a little something to do with throwing the blocks to that insidious moneymaking scheme by dial-a-porn operators and even some telephone companies.

There is a professor out at Utah University, Victor Kline, who has found after an exhaustive study, that children listening to these dial-a-porn messages became addicted to it. They could not wait to make another call and hear this garbage, and the more they called, the more eager they were to hear, and they were corrupted.

As a matter of fact, Professor Kline of the University of Utah said that without exception this kind of thing happened with every child studied, every child who had been exposed to the dial-a-porn racket. And Professor Kline spoke before the National Consultation on Pornography and said "In every case without exception, the children, girls as well as boys, became hooked on this sex by phone and kept going back for more and still more. They did not cease until found out." And, of course, Mr. President, he meant found out by their parents.

He continues:

> Nearly all of the children had clear memories of a great deal of the content of the calls they heard. This may help explain the

addicting effect. These powerfully sexually arousing experiences became vivid memories which the mind continually replays, stimulating the child again and again and suggesting the need for even further stimulation by way of making more calls. In nearly all cases there were some problems and tensions generated in the parent, child, and family relationship because of their having made these Dial-a-Porn calls.

Some children have been physically assaulted by other children after listening to dial-a-porn.

Several months ago, I was down at the National Press Club for an appearance of a father and a mother from different parts of the country, each of whom had a daughter who was violently assaulted by other little boys, after the little boys had listened on the telephone to the garbage. The anguish on these parents' faces is something I will never forget as long as I live. The innocence of their children has been robbed by the porn kings and smut peddlers who have such little regard for human life.

Mr. President, evidence continues to grow showing an indisputable correlation between adult molestation of children and pornography. I referred to Robert Showers earlier. In his testimony before the committee, he cited a study conducted by John Raymond, who is Deputy Director of the National Center for Missing and Exploited Children, which revealed that out of 1,500 cases of child sexual exploitation, adult pornography was found in all cases and child pornography was found in a significant number of them. Another study found that 87 percent of the despicable people who molest little girls and 77 percent of boy child molesters admitted to regular use of hard-core adult pornography.

Now the Thurmond-Helms amendment is a worthy first step that is a prelude to other things that need to be done.

One section prohibits the use of computers to advertise, distribute or receive child pornography and related information. Another section strengthens current law prohibiting the buying or selling of children for use in the production of pornography. Another section of the amendment extends the RICO statutes to child pornography. Then title II of the amendment strengthens the transporting of pornography across State lines; that is to say, it strengthens the restraints on the transporting of such garbage.

Additionally, title II prohibits the sale of pornography on Federal property. All of these things need to be done, but more, far more, needs to be done.

Americans are screaming out for our help, Mr. President. Let no one be fooled, Mr. President. Pornography poisons our citizenry. It erodes the traditional values which undergird the foundation of this country. It provokes violent crime against women and it victimizes our children. We owe it to this generation and future generations to end this malignancy in our society.

The Child Protection Act of 1988, as incorporated in the pending amendment, deserves the support of every Senator and I urge its adoption.

Mr. DOMENICI. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOMENICI. Are there any time restraints on the Senator from New Mexico?

The PRESIDING OFFICER. There are no time restraints.

Mr. DOMENICI. I thank the Chair.

Mr. President, I want to talk a little while this afternoon about the general subject of mandated benefits. For those who are wondering if I am going to speak about the bill that is before us, parental leave and the related issues in that bill, let me clearly indicate that I will address that. But I generally would like very much to talk this afternoon to the Senate about the economic effects of mandated benefits.

And so I would like to start this discussion by introducing the Thursday, September 22 editorial of the Washington Post headlined "Mr. Dukakis on Health."

I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MR. DUKAKIS ON HEALTH

To have no health insurance means, in this society, to have no reliable access to medical care at all. Some 37 million Americans have no health coverage, and the number is rising—a reality that is, or ought to be, a burden on the country's conscience. Mr. Dukakis is right to make it an issue in this presidential campaign.

But providing health insurance to those 37 million people is going to be expensive. Mr. Dukakis urges federal legislation along the general lines of the plan that his state of Massachusetts enacted last spring, requiring all employers to provide health benefits to the people working for them. That would certainly give coverage to most of the uninsured, since most either have jobs or are in the families of people with jobs. But putting the costs on employers would have effects that raise serious questions.

The appeal of this plan is that it does not require a tax, in the conventional sense. But that's also its weakness. It is always tempting for legislatures to circumvent the normal processes of taxation by simply mandating that someone other than the government provide a service. But it also allows the legislature to evade all the hard questions about the way the burden of cost is distributed, and whether it is fair.

The Massachusetts plan is highly regressive. The impact is much greater on low-wage employment than on jobs higher up the income ladder, because the insurance costs as much for one employee as for another. The Massachusetts economy, with its high wages and low unemployment rate, is far from typical of the country as a whole. What succeeds there may not be easily adaptable to less fortunate states.

Other financing methods may be preferable to requiring employers to pay for the insurance. One possibility, suggested by Uwe Reinhardt of Princeton, is to impose on every uninsured person a health insurance surtax set at a certain percentage of his taxable income. In that case the tax would be scaled to his ability to pay. Equally important, the cost of the insurance would not be a deterrent to employers to hire low-wage workers.

Any improvement in health insurance is going to have to be accompanied by cost controls. Every expansion of medical benefits over the past generation has been accompanied by a rapid escalation in costs of care. But neither Mr. Dukakis nor the Massachusetts plan addresses that sensitive subject. Since the fear of another cost explosion is the chief reason for the resistance to universal health insurance, a consensus on cost containment is going to be necessary to any real progress. Mr. Dukakis has the right goal in sight, but neither he nor anyone else has yet worked out the route for getting there.

Mr. DOMENICI. Mr. President, I would like to make it clear that I am not this afternoon, in the little while that I have, going to take a lot of time making the Governor of Massachusetts' health care proposal the subject matter of my discussion. But I do want to use the mandated health benefit proposal and the editorial of the Washington Post as an introduction to a discussion about all of the mandated benefits that we have been discussing in the U.S. Senate this year and the health benefits that are part of the Presidential campaign.

From the standpoint of a few of the notions contained in this editorial, let me first compliment the Washington Post for two notions contained in their editorial regarding mandated health benefits, health benefits mandated by the U.S. Government on some or all American business.

First, they make a very good point that when you have a U.S. budget that is in deficit and you are seeking ways and means of controlling the deficit, it is a very exciting thing to consider broad-based proposals that allegedly help the people without the Government spending any money. That point is made in the editorial of the Washington Post.

You all know that we take care of many of our poor people with a program called Medicaid.

Medicaid is paid for partially by the Federal Government and partially by the treasuries of our sovereign States. They combine and pay for health care and for our poor people.

That program was supposed to cost $800 million a year when the U.S. Senate adopted it here as a floor amendment. We were slightly off. It is costing the U.S. Treasury over $25 billion now. Slightly off. But I make the point that at least every year we have to appropriate money for that program.

But you see, Mr. President, and fellow Senators, when you mandate that American business, large and small, pay for some benefits, you never do find out how much it costs. Because, unlike Medicaid, it is never appropriated. A point well made by this editorial that I have alluded to and that is in the RECORD.

My second point about the editorial and health care, which is interesting to me, and again I compliment the editorial writers for making the point: If you look at the history of health care in the United States of America for the last 30 years the American people would be intrigued to find that there is one single characteristic about it that is frightening and that is inflation. Because, if the costs of inflation in the United States on automobiles or clothes or desks or electric lights is 4 percent, that is how much it is going up by way of inflation, interestingly enough for most of the last 20 to 30 years the inflationary costs of health care have been about double that of other things.

As a matter of fact, there has been a portion of time when the inflation was triple what the other inflation was in the United States. But most interesting, if you draw a graph of how inflation took hold of medical costs and just grabbed onto it and became a part of it, you would find two very interesting things.

While it has always been higher than average inflation, you will find that it makes a jump and you look at the graph and say, my, it went up significantly this particular period of time and then it stayed there, substantially higher than average.

And lo and behold, this was the point in time when the Federal Government programs came into effect, Medicare and Medicaid. Both of these I think most people would say are good programs. We need them. But I merely offer as a suggestion that clearly, sooner rather than later, the United States has to find out how to control the costs of health care.

That does not mean that we have to appoint a commission and put price controls on. But we have to make some decisions with reference to what is causing that astronomical inflation.

The second point made in this editorial, before we set about on yet another major Federal Government health program we ought to find out why the costs of health care are so much higher than the inflation in other aspects of our daily market basket of goods and services and do something about it.

Now, Mr. President, let us get to the point of mandated benefits. It is estimated—and I am just going to use round numbers here on this one—that the health care program discussed in this editorial to make sure that all working men and women in this country have health insurance paid for by business in the United States, large and small, mandated benefits, that is going to be, according to the Congressional Budget Office estimates, a $30 billion program.

I cite that because, you see, it is a hidden program. Congress does not have to spend any money. Congress does not have to look at a trust fund and worry about whether there is enough there or not. You see business pays for it and we assume, therefore, as far as the Government is concerned, it is free.

Well, Mr. President, I regret to tell you that it is far from free. The $30 billion paid for by American business, large or small, is $30 billion that comes out of their profits, out of moneys that they might have to increase pay, to increase their productivity and capability to hire workers and pay them, to modernize and remain competitive—or, conversely, not to do those things.

So I believe the time is right to discuss this basket of mandated benefits that the U.S. Congress is considering, or that the political debate of this particular time of year has focused on. You know, this U.S. economy, since 1981, early 1982, has been on a rather substantial upward job-producing trend, active in decreasing the cost of goods, getting more and more competitive and adding more and more men and women to the job market and the job machine of American enterprise.

We have been able to do this because the U.S. Government has not intervened and because we went out and said to American business and American workers: The world is beating us. They are producing things better than we are at cheaper prices. We are not able to sell, not only overseas but even here at home. And in a very real way we said let us get on with competing. And we have.

Mr. President, it is absolutely urgent in this Senator's opinion that we carefully analyze what new costs we are going to impose on business after going through tax reform and saying to corporate America we have reduced your rates—and corporate America means large and small corporations—we have reduced your rates, you all pay one rate and it is low. We have got to be careful that we do not come around the other way with mandated benefits and raise that tax so that they cannot make a profit and cannot compete.

Mr. President, I ask unanimous consent that a table entitled "Annual Cost to Business (Hidden Tax)" be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Annual cost to business (hidden tax)

	Billions
Plant closing [1] (H.R. 1122/S. 1420)	$1-$2
Minimum wage [2] (S. 876)	7.4
Family and med. leave [1] (H.R. 925)	0.2–0.6
Mandated health benefits [3] (S. 1265)	27
Occupational disease not. [1] (H.R. 162 & S. 79)	5.8–6.4
Total	41.4–43.4

[1] Robert Nathan Associates estimates of bills as introduced.

[2] Senate Budget Committee, Republican staff estimate.

[3] Congressional Budget, Office estimates.

Mr. DOMENICI. Mr. President, we have been very successful in moving from stagnation to competitiveness; from lacking in the competition of the world market to moving up that ladder to where we are getting very competitive, to where we are able to sell our goods and merchandise as high quality and it is selling in the world market. We are making real strides.

Mr. President, let me move to the bill that is before us. This is another one of these mandated benefits. There is not any question that, whether it is a mandated benefit called parental leave, a new mandated benefit called health insurance imposed from here, whether it is a new minimum wage which is a mandated cost on business, many of these proposals have merit.

The bill before us on parental leave has important goals and we are all very sympathetic toward them. It would guarantee workers time off for a birth, adoption or illness of a child, or their own serious illness. We can feel a concern for those who want to spend time with a seriously ill child. I have, as many of you know, eight children. They are now grown. I certainly have had my share of these kind of worries, and I am inclined to support some compromise of some type on this bill. Just as I was inclined to support some compromise and moderate increase in the minimum wage, if it had been combined with a time-limited training wage for new workers.

But I could not do that because we were prevented from voting on the training wage amendment offered by Senator HATCH and from considering any other alternatives. That minimum wage bill was very important to our economy also and our workers. Not to give those amendments the serious consideraiton they deserved in my opinion was a mistake. But that is the way it is and perhaps it will not come back and we can save the debate on that for another day.

But I do have some questions about whether the medical leave portion of the bill before us is necessary and wise as now drafted given the current rate of coverage of employees' by sick leave and disability insurance. According to the Bureau of Labor Statistics, workers in the medium and large firms, those entities to which this bill applies, are eligible for an average of 15.2 days of paid sick leave after 1 year and 52 days after 30 years of service. Unpaid sick leave and personal leave may be even more widely available.

So I think the bill, especially in combination with other mandated benefits, may create serious problems for our economy in terms of the costs it imposes on business and the other part, the rigidities that it imposes on the benefits available to our workers. I understand that the amendment to the bill adopted earlier increased the size of the exemption such that it would cover companies with 50 employees or more. My friend from Connecticut in amending the bill indicates that it would cover about 5 percent of the companies. That is interesting, I would point out to my friend from Montana, from what I can tell that is 56 percent of the workers. So the bill still has very broad coverage.

Now, let us talk for a minute about these new costs, a tax on business, and the point I would like to make today is that when we mandate that busines do something, we just as well call it a tax, because that is what it is. We just as well acknowledge that we kind of wash our hands of it because we do not have to pay for it; we do not have to collect the tax or pay for the program, but the truth is that even the medical leave portion of this bill is a new cost on business. It is not as astronomical as some of the other mandated benefits, but the GAO would say it is about $190 million and that only includes the cost of continuing health insurance during the period of leave. Other sources have indicated that it is much higher than that when the effect of new hiring to replace those on leave is taken into account. And then I would add that there is far more rigidity and less flexibility on the part of the employer, and that, too, has a very negative effect.

Mandated parental and medical leave means that the employers and employees will have far less flexibility in tailoring the benefit package to their own needs and their desires. By requiring that we spend on given things and mandate them, companies will have less to spend on other benefits or wages, like child care, profit sharing, pensions, and so on. There is really only so much money to go around, so much profit to go around, and to either close your doors, lay off workers, or get less competitive and seek protection from competition from your Government. Employers and employees traditionally have been free to bargain collectively over wages and benefits in a manner that maximizes the employee choice and productivity. This new constraint, while well intended and helpful to some persons, does constrain the ability to provide other benefits in ways that maximize economic performance.

So I have grave concerns about the negative effects on our economy that this bill would have in combination with other mandated benefit bills that we have considered, and not yet adopted, but clearly are running full scale ahead to adopt in the name of helping our people, and saying we are not imposing any new taxes and not having any adverse effect on the deficit of the United States.

I have already talked a bit but I want to be more specific now about mandatory health insurance. As I indicated, all of these proposals are attractive because they do not seem to cost us any money, but let me start by being specific.

The Congressional Budget Office estimates that the mandatory health insurance to which I have alluded would cost employers $27 billion in the first year. My point is that such direct Federal mandate represents a real cost on the economy. The question is what impact this burden will have and who within our society will end up bearing the burden.

I have cited the $27 billion new tax on business for mandatory health insurance. Let me suggest that to the extent business cannot adjust their processes and their labor costs, the initial effect of raising the minimum wage is also much like a new tax.

I have already said that I support some moderate increase, but let me, consistent with this theme so everyone will understand, put that one in perspective also. Given that in 1987 there were about 4.7 million workers who earned the minimum wage, raising the wage to $4.55 could cost the economy not a few hundred million dollars but as much as $7.4 billion.

Now, I do not know that we are used to talking about things this way because we talk about people needing the increase, we talk about inflation precipitating the necessity for an increase, but I would like to add up these costs so we understand what we are doing to the current state of American business's ability to pay our working men and women, remain competitive, and grow.

So now while we have a cost of parental leave to business, which may seem relatively small, the new cost on business from these bills which I have just discussed is roughly $40 billion. Everyone knows that businesses pass these costs on to workers by either lowering the wages, hiring fewer workers, eliminating jobs, or raising the cost of the product. I think we have finally as a people for the most part understood that even in this area there is literally no free lunch. We already know what corporate profits are for the small and large companies, and you have to take it out of that and assume they can still get along or they will have to generate more profits or cut costs someplace. Ultimately, businesses may pass on these costs, especially if they are in a competitive arena. They hire fewer workers, and I regret to say they might even have to eliminate jobs. So the real impact on businesses, workers, and the economy that I fear is not from parental leave but, rather, from the combination of an increase in the minimum wage with all the other well intentioned, socially minded, mandated benefits that we are talking about. Individually, these may impose costs and rigidities which seem relatively small, but taken together their total effect in my humble opinion could be devastating on the ability of the American economy to continue to prosper, its businesses to continue to prosper and hire new workers and, yes, to compete both at home and internationally. I regret to say that I am absolutely certain that the effect on small business would be particularly great and, frankly, if there is one thing we ought to be proud of it is the energy and prosperity and jobs that small business adds to the American marketplace and job opportunity machine.

It is absolutely the most significant energizer and producer of goods and services is a competitive arena of anything anywhere in the world. And we do not want to lose it. We do not want to trade it for planned economies and centralized control.

I note that some colleagues on the other side of the aisle have made this point. I merely want to say that Senators ADAMS, MIKULSKI, and PELL noted in additional views on the mandated health benefits bill their "* * * concerns about the cumulative impact which this bill and others currently under consideration may have on small business."

Let me talk for a moment about the mandated health benefits proposals. One bill on mandated health benefits proposes that businesses be required to provide health insurance to all workers who work more than 17 hours per week.

Mr. President, it is time that we all make sure that we understand what that means. This might cost $1,000 for an individual or $3,000 for workers with a family. Again, I repeat the Congressional Budget Office—that is not me, that is not Republican, that is not Democratic, that is not the White House, it is a neutral estimating institution—estimates that this proposal will cost almost $30 billion in the first year. I have had people argue that is too low.

I repeat this is a free program for the Federal Government. We make the rules, and someone else pays for them. But make no mistake, this is a real tax as if it were an amendment to the Internal Revenue Code. And the key question is who pays for it? In the near term it is clearly a tax of business.

It is difficult to get good data on just which firms would be affected and how much these firms pay in taxes to the Federal Government now. But looking at corporate profits as a proxy suggests that this could increase the average business tax burden by 30 percent. Today's pretax profits are between $200 and $300 billion, and corporations are paying about $90 billion in taxes now. It sounds like a lot of money. But if we are going to add the tax of the mandated health benefit, it would have the same effect as adding $30 billion to that $90 billion they now pay.

So it would have the same effect as eliminating the full amount of the business tax rate cuts in the 1986 tax reform bill. This could mean for many American businesses that the new corporate tax rate is back up to 46 percent. We went through the entire reform package, and spent quite a period of time around it, with the discussions and gathering support. We would have us right back where it was for many American businesses with just the mandated health benefits that they would have to pay.

The problem is that workers in this country ultimately pay because we will have to reduce wages or even worse, lose jobs. When the Government comes in and tells business that for everyone working 17 hours or 20 hours or more he has to provide health insurance, it might cost $1,000 for an individual or $3,000 for an employee with a family, that business might try to pass the cost of this on to their customers in higher prices. If that is the case, we get inflation. But for many small businesses, often that option is not available.

When you stop to think that the average family pays about $3,000 in Federal taxes, these provisions could reduce an average worker's disposable income by an amount equal to doubling of the Federal income tax.

So it seems to this Senator that we ought to add up all of these proposals. We ought to make sure that before we adopt them we know what the whole package looks like, and what the whole cost will be.

From the standpoint of social policy, the real problem is that lower wage workers end up paying with their jobs because their wages are lower, and there is less room for growth to take up the slack for these mandated costs. So simply put their jobs are phased out.

If we had had mandated health benefits of the type I am discussing today in the phase during the recovery, we could have lost 600,000 jobs in the first year alone. This is precisely the experience of the European countries that have this sort of policy. Manufacturing jobs in the European countries that have these kinds of requirements have been declining in absolute terms since the early 1970's. In short, this type of proposal will transform the working uninsured into the unemployed uninsured.

So taken together, the minimum wage, the parental and medical leave, the mandatory health benefits, the plant closing bill was passed and the occupational disease notification bill that we rejected but clearly is still on the agenda, if you add them all up, you would add about $42 billion to the cost of employment in this economy.

I will close by saying if we were going to do this through the budget, and this would be to some extent a more careful way of doing it because at least we would have to vote for the expenditure and presumably at some point in time for the revenues and taxes to pay for it, we would know the cost. We would have a new payroll tax, and we could call it "the worker welfare tax."

We have a payroll tax now of 15 percent for Social Security and Medicare. It is equally shared by the employees and the employer. The sum of the proposals that I have just discussed will be very similar to a payroll tax. And I told the Senate early on that I merely came to the floor to give my best analysis of the economic impact of the five measures that I have just described, and so let me tell you in terms of payroll tax what they would amount to. It would be the equivalent of a new 11½ percent increase in the current payroll tax.

Most Members know we would not even consider debating that proposal. Who would bring before the Senate to pay for the benefits that I have just described a new 11½ percent payroll tax increase to pay for these?

We are not going to do that because in each case we end up with these particular approaches saying we are not going to pay for them; somebody else is. I am reminded at one point in time when former chairman of the Finance Committee, Russell Long said about taxes, "Don't tax me, tax the fellow behind the tree."

Well, in this case we are clearly saying we do not want to pay for these. We will let somebody else, and we will act like nobody is paying for them.

I myself am convinced that with the American economic machine, the capitalistic system we have here energized in the last few years by a spirit and a sense of wanting to compete, and doing things far better in terms of quality and productivity, we are on our way to once again becoming the chief supplier of new products, of competitiveness in the world, and we are already the world's biggest economic machine. And I believe we are going to remain vastly improved and moving ahead.

But I am fearful that if we are not careful these indirect kinds of costs will truly make the prediction of some that we are on a downward slide instead of an upward trend a reality.

MINIMUM WAGE LEGISLATION

Mr. President, on the minimum wage, I am going to close by saying had we been able to discuss it and offer amendments, in addition to the amendment of the distinguished Senator from Utah, Senator HATCH, I would have offered an amendment for the Summer Youth Program of this country. I just add this by way of common sense.

We send to our mayors moneys in the summer to hire young people to do public service type jobs that are not in competition with the private sector. I believe we should give them some latitude to hire more rather than less young people and pay them, say 80 percent of the minimum wage, if that is what they think is in the best interests of their community. I think that makes good sense. I wish we would have an opportunity to do that.

Mr. COCHRAN. Mr. President, I congratulate the distinguished Senator from New Mexico for his excellent presentation to the Senate. The information that he has made available to us is certainly important, valuable, and ought to be reviewed carefully by the Senate before we proceed to the enactment of these bills that have been recommended by the Senate Labor Committee. The obvious costs that are going to be incurred if we do enact them will be substantial.

I think we owe the Senator from New Mexico our sincere thanks and gratitude for his efforts in compiling this information and presenting it to the Senate in the excellent way he did. I commend him and I thank him.

Mr. DOMENICI. Mr. President, I thank my good friend from Mississippi. I believe that his effort here on the floor in trying to get our fellow Members to understand the significance of the bill before us is highly laudable, and I commend him for that. I thank him for the kind words regarding my presentation.

I hope that Senators who worry about America remaining competitive and continuing to increase our productivity and adding new jobs all the time, in a difficult, free, industrialized world, which has changed dramatically in the last 10 years, would at least look at the costs and ask who pays them. There is no free lunch. I do not use that phrase and that kind of rhetoric often, but I think that on these mandated benefits bills, we must understand that somebody pays for them.

Mr. COCHRAN. Mr. President, I think it is for the reasons stated by the Senator from New Mexico that we should consider carefully an amendment that is filed in the form of a bill at this point, but which will be offered in the form of an amendment to the bill before the Senate, to create a Commission on the American Family and Employment, to review the proposals that are before the Senate on parental leave, minimum wage, child care, and mandated health benefits; to assess the benefit packages already available to workers and employees; to assess the impact of the enactment of any of these bills on competitiveness, and the likelihood of the availability of other benefit packages; and to assess the effect on salaries and wages of employees and workers.

These are important considerations, and I hope the Senate will give careful consideration to that amendment when it is offered to this bill.

The manager of the bill on the majority side pointed out that the legislation that is pending before the Senate calls for the establishment of a Commission. Let me observe at this point that that Commission on Parental and Medical Leave will study proposed policies on parental and medical leave, their costs, benefits, and impact on productivity, with a report due to Congress within 2 years. That fact will occur after the bill has already been enacted, not as a step toward the decision to enact the bill. It is my hope that we will obtain the information that we would get from such a Commission before we enact legislation.

Mr. President, I am advised that there were other Senators who had expressed the hope that they could come to the floor and discuss the amendment offered by the Senator from South Carolina, which I understand is the pending business before the Senate. I know that a few of those Senators have sent word that they will not be able to be here personally but will put statements in the RECORD on the subject of that amendment.

Pending the arrival of other Senators who do want to discuss that amendment or the bill, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. DASCHLE). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded.

Mr. BYRD. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

The legislative clerk resumed the call of the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I am going to take a few moments to address the amendment offered by the senior Senator from South Carolina to give Federal prosecutors the tools they need to combat the scourge of child pornography and obscenity in this country.

Senator THURMOND's amendment incorporates S. 2033, the Child Protection and Anti-Obscenity Enforcement Act proposed by President Reagan last February. This critical legislation is long, long overdue. It is a pity that the Judiciary Committee, where it is lodged, has not sought to bring this matter to the floor. Therefore, I commend the Senator for bringing it to the floor by way of amendment to the pending bill so that we can act on this during this Congress.

Let me stress that my office has received more letters from concerned citizens on this bill than on any legislation pending in the Judiciary Committee in this Congress. These are not preprinted, orchestrated letters or postcards, but individual letters expressing genuine citizen concern regarding the serious problems of child pornography and obscenity.

As demonstrated by the findings of the Attorney General's Commission on Pornography, purveyors and publishers of hard-core pornography continue to exploit and degrade children and women. The porno profiteers not only destroy the lives of the youthful "models" manipulated in their obscene pictures and productions, but they spread a distorted image of sex which poisons millions of impressionable young minds.

These corrupt practices have to be stopped, and this amendment goes a long way toward that end. It gives prosecutors the meaningful tools they need to close loopholes used by the porn-peddlers to escape prosecution.

This bill—that is, the amendment which the Senator has offered—has widespread bipartisan support in this body, and it would be a tragedy if we fail to convert this strong consensus this year, in these next few weeks, into effective anti-porn legislation. I am proud to be one of the nine members of the Judiciary Committee, representing both sides of the aisle, who have cosponsored this measure. There are now a total of some 44 cosponsors of this measure. This broad support within Congress accurately reflects the strong national grassroots consensus that we must expand and toughen the laws which apply to the pornography czars.

The Thurmond amendment places appropriate focus on the shameful exploitation of children and juveniles by the pornography industry. I particularly support the bill's new requirement that pornographers—must keep records—must keep records reflecting the identity and age of performers and models. This section will help prevent pornographers from evading the Federal ban on exploitation of minors by professing ignorance as to the age or identity of those whom they exploit.

Simply put, that provision closes a large loophole through which many of these exploiters of children have escaped. They simply claim, however unbelieveably, that they did not know the age of the child being exploited. Well, this provision will require them to seek that information and to record the identity and the age of their so-called models.

This provision will also help reduce the tragedy that occurs when pornographic pictures taken of an exploited young woman are published for decades after the pictures were taken, thus casting a cloud over her entire life.

As I mentioned, I have received an extraordinary volume of mail from all over the country urging prompt passage of S. 2033.

These letters reflect sincere frustration that the Judiciary Committee has not yet seen fit to act on this legislation, which underscores the appropriateness of Senator THURMOND's amendment.

Let me point out again, Mr. President, that of the 14 members of the Judiciary Committee, fully 9 support the measure and have urged that the committee act on it. And yet, to this day, in these last few weeks of Congress, despite the fact that 9 of the 14 members of the Judiciary Committee have urged action on that bill, there it languishes still in the committee. And that is why it is important that the Senator from South Carolina has brought the bill to the floor and has offered it as an amendment to the pending legislation.

Typical of the mail I have received is this observation from a mother in Nampa, ID:

> We finally have an opportunity to crush the poisonous influence of pornography in our society. When the President's Child Protection and Obscenity Enforcement Act of 1987 reaches the Senate floor for a vote, please vote for its passage. Families across America will be grateful.

It is especially encouraging that tough antipornography laws have become a broad-based, bipartisan cause that defies all ideological labels. Proponents of this legislation range from fundamentalist church groups to determined feminists. One compelling cause brings them all together and brings us all together, and that is that we are just plain fed up with the exploitation of women and children, and the debasement of loving relationships, that is the tragic result of rampant pornography in our society.

No doubt some Members will raise concerns about alleged first amendment problems raised by this amendment. If this amendment interfered with legitimately protected speech, then it would not have the support of

9 members of the Judiciary Committee, nor would it have the support of some 44 Members of this body as a whole so far.

However, we are dealing here with two areas where the Supreme Court has made it clear that properly tailored Government restrictions are not only constitutional, but appropriate. We must always remember the truism that "the Constitution is not a suicide pact." It does not prevent the Government, the Congress from stopping corrupt practices that threaten the moral, social, and even physical well-being of our children.

Title I of this bill is concerned with pornography which exploits and degrades children and juveniles. In many cases, including New York versus Ferber decided in 1982, the Supreme Court has recognized that the compelling Government interest in protecting the psychological and physical well-being of minors more than justifies legal measures restricting pornography which exploits and corrupts children. This principle is well-settled in our law.

Title II of the bill applies only to materials which are legally obscene. It has long been settled that obscene material simply does not constitute "speech" protected by the first amendment.

It is especially important to stress that tough laws against obscenity and child pornography have become an important woman's issue. Although this material corrupts and exploits persons of all sexes, there is an enormous volume of magazines and films today which depict women in a degrading and offensive manner. The Attorney General's Commission on Pornography has also established that there is a strong link between obscene materials and rape. Rapists and, for that matter, pedophiles often duplicate and imitate the obscene acts portrayed in the magazines they read and the films they view. This amendment will help to undercut the multimillion dollar commerce in obscenity and child pornography which both stimulates sex crimes and degrades the status of women.

I would especially underscore the importance of the amendment's criminal forfeiture provisions, which anti-pornography prosecutors have described as the key tool for a successful crackdown on the major porn profiteers. This provision will give prosecutors the same tools that are proving effective in prosecuting the illegal drug trade. After establishing that the materials in question are legally obscene, prosecutors can then effectively shut down major outlets for child pornography and obscenity by obtaining court-ordered forfeitures of the obscene materials and assets used to sustain this illegal trade.

Make no mistake, our prosecutors need these additional tools and remedies to win the battle against child pornography and obscenity. This is tough legislation, but that is just what is called for to combat what has become one of the major social problems in this country.

The American people want this legislation. It has broad bipartisan support in both Houses. It has been carefully crafted to protect legitimate constitutional rights of citizens, and it will help get the job done. The job needs to be done. We only have a few weeks to do it. I am afraid we cannot depend upon the Judiciary Committee for some inexplicable reason to me to do that job. Therefore, the Senator from South Carolina is well within the bounds of propriety, good sense and good judgment to bring this bill to the floor, bypassing it in the committee, let us face it, and bringing it directly to the floor and offering it as an amendment to the pending business.

I urge my colleagues to give the Senator from South Carolina the support he deserves.

I thank the Chair.

Mr. SYMMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. SYMMS. Mr. President, I have spoken briefly on the floor this afternoon. I do have a few other remarks to make about this bill that is before the Senate, and I also have brief remarks and an article I wish to print in the RECORD in support of Senator THURMOND's amendment.

Mr. President, once again we are here on a mission to legislate prosperity, to legislate the goodness of mankind by passing more laws to make life better for the citizens of this country. I think it is our mission and our duty to support legislation that provides for an opportunity for more happiness for the citizens of this country.

The Parental and Medical Leave Act simply has none of those criteria, in my judgment. It will do nothing to enhance the lives of the American people; it will create more unemployment; it will be costly; and it is very discriminatory in terms of who it helps.

I suppose if you are a two-income family, it may give you the benefit of being able to spend 10 weeks with a newborn in the family. That is a good goal. The problem is the bill does nothing to help a one-income family. It will cost them other benefits that they might be able to take home to their family.

Legislation to require certain employee benefits increases Government intervention, the cost of doing business, the cost of negotiating contracts, and reduces other benefits that people might get in exchange for these benefits.

The distinguished manager said earlier that the American family does face significant challenges. There is no question that it does as we approach the end of this century. The greatest challenge for most parents is to keep their family intact and secure. The federally mandated benefit of parental and medical leave advocated in S. 2488 is not the guarantor of the goals its proponents insist it will deliver. It is simply not the guarantor of parent-child bonding, and it discriminates against the one-income earner family and the single parent. It discriminates against them because those people are not going to be able to take the time off. They are going to have to work, but they will probably lose other benefits that they might have been able to negotiate if their employer were not forced to provide parental and medical leave.

The Senator from New Mexico pointed out how much these bills cost, and there is a cost attached to every piece of legislation like this that mandates benefits. There is no such thing as a free lunch.

This legislation mandates a strictly defined provision for employed parents allowing them to stay at home with adopted, newborn, or ill children. Its supporters would rely on the power of Government to solve a problem that can and should be in the employer/employee negotiations.

As Stephen Chapman, a syndicated columnist, states, parental leave legislation starts with an uncontroversial proposition that it is good for parents to spend time with their newborn children. There is no one in the Chamber who would argue that. That is a good cause. It proceeds to a wrong conclusion, however, that because it is good, there ought to be a law to require it. You can go to countries where they have a law for everything. I think you can see for yourself who has the best opportunities: Those people who live where there are more decisions made by individual people and less decisions made by government as opposed to those countries where more decisions are made by government and less decisions are made by people.

This bill calls for 10 weeks of unpaid leave to be taken over a 2-year period to ensure parents have the opportunity to bond with newborn and adopted children. The provision seriously compromises the goal of the legislation since research suggests that parent-child bonding occurs at the onset of an infant's life and requires much more time than a 10-week period.

The American family is traditionally defined as a father, mother, and children who live under one roof. It also encompasses couples who have already raised their children and now enjoy grandchildren and those couples who in the future will have the privilege of raising children.

In more recent years, it includes the single-parent households which are supported by one income, and this legislation discriminates against a single-parent household. Only one of these family types will receive the benefits of this legislation. It does benefit the two-income earner family, but it does not benefit the single-income earner or the traditionally family where one person works and one person stays home and works in the household to take care of the household responsibilities.

It is discriminatory against those people. So the benefits of this bill will accrue to some families at the expense of another large segment of our society.

(Mr. BINGAMAN assumed the chair.)

Mr. SYMMS. The latest census statistics report that the median income for families with the wife at home is $23,562. It is $34,560 for families with both parents in the labor force. So the passage of parental leave legislation would discriminate against women who choose to be full-time homemakers because of the preferential benefit that would be given to two-income families whose earnings already average about $11,000 more than the single-income family. I just cannot see anything fair about that.

Legislative parental leave would favor those with more resources and subsidize the concept of a two-income family at the expense of the traditional family. That is exactly what this piece of legislation will lead to.

Government policy in my view ought not to favor one lifestyle at the expense of another. Certainly it should not discriminate against what most people would view as the best of all worlds, which would be to have one income high enough to support the family and one person who takes care of the family responsibilities, child rearing, and so forth. So I think that legislative parental leave is going to end up subsidizing those people who have the most resources and highest earned income.

There are alternatives to parental leave legislation that would benefit all families with dependent children. Doubling the dependent tax exemption in the year the child is born or adopted, making the child care tax credit available to both one- and two-income families are two legitimate alternatives. That is an alternative that could be discussed here. But at this time the child care tax credit is only available to families where both parents work, and both of these proposals would help to offset the expenses parents face during the child's first year. Unlike parental leave, it would do so without encouraging employer discrimination against the traditional family employees.

Mr. President, in conclusion, I know the proponents are sincere in bringing this legislation before us, and I do not impugn their motives, but I do think there is another side to this.

Parental leave legislation may have some merits, I concede that, but if we are trying to encourage stronger families most likely it will have the opposite effect of what is intended. All of this legislation has a similar vein to it. It is the same as the minimum wage law, the same idea of mandating benefits and mandating health coverage. They are noble causes, but I have to remind my colleagues it was a very wise man who said that the highways to hell are paved with good intentions. This is just another example of trying to legislate something that is best left to individuals working voluntarily, a free people working through free institutions to solve these problems without the coercion of Government to compel employers to grant one set of benefits at the expense of another set, thus restricting the ability of employees to have freedom to work out their own problems and freedom to choose where they wish to work and for whom and at what price.

Mr. President, in addition to those comments, I would like to make some comments about the pending amendment. That is Senator THURMOND's amendment which adds the Child Protection and Enforcement Act to S. 2488, the Parental and Medical Leave Act.

Proponents of S. 2488 have claimed that the bill is important to ensure the rights of employees to leave work for childbirth, adoption, or serious illness of their children. While such Government interference in the private sector will be debated at great length in the future, the so-called pro-family proponents of this bill certainly cannot legitimately object to adding language which will protect our families from the ravages of pornography. I would like to outline a few points which indicate the critical need for the Thurmond amendment.

Studies have shown that pornography and sexual crimes are inexplicably intertwined. "Dr. William Marshall, in an examination of sexual deviates and their use of pornographic material, found that 83 percent of the rapists studied used hard core pornography. Marshall concluded that in many cases the pornographic material triggered their rape fantasies."

Further, pornography has similarly been linked to child molestation.

"Dr. Marshall's study of 89 offenders established that more than one-third of the child molesters admitted to at least occasionally being incited to commit an offense by exposure to forced or consenting pornography."

Recent numbers have shown that Los Angeles alone reports more than 30,000 sexually abused children. However, there is not a State in the Union that has not been affected by this horrid obsession to some degree. All families are at risk.

I recently attended a banquet at the North Idaho Children's Home in Lewiston, ID. Most of the occupants of that home have at one time or another in their lives been in a situation where they have been sexually exploited. These young people come from all over the State. The staff and the leadership are doing an excellent job. It is one that needs the support of the public as well as the private sector. It is getting it. It is a very important institution in my State. But when you talk to them, you find that most of the occupants of the home have come from this kind of terrible situation where they have been sexually abused. It is quite heart-breaking, Mr. President, because oftentimes the sexually abused children grow up to be abusers, so this emotional trauma suffered by children being used in pornography is devastating to their lives. "Most children experience depression, suicidal thoughts, guilt, shame, alienation from family and peers, and massive acute anxiety. The long-term effects are low self-esteem, anxiety regarding their own sexuality, and role confusion, with many exploited children becoming abusers themselves." That is really what happens, and so I think that Senator THURMOND is on the right track to try to stop this trend from continuing because sex crimes against children are on the rise, Mr. President. They are on the rise. They are not on the decline.

"Current crime statistics indicate in no uncertain terms the devastating effect child pornography and obscenity have had on this country. Sexual abuse of children rose over 175 percent between 1981 and 1985 with estimates of juvenile prostitution ranging from 100,000 to 200,000 children selling their bodies daily. Rape rose over 700 percent since World War II, with a 43-percent increase in the past decade."

The censorship argument stressed by the opponents of this measure really has no constitutional basis.

"The Supreme Court has ruled several times that obscenity is expressly not protected by the Constitution—nor should it. Roth versus the United States, Paris Adult Theatre versus Slayton, Kaplan versus California, are all cases where the Supreme Court has taken a stance against this form of pornography."

These points are by no means the only arguments in favor of the amendment. They simply demonstrate an urgent need for legislation which will protect our children from the ravages of pornography, protect the sanctity of our families, and protect the values of our society.

Mr. President, I ask unanimous consent that an article written by Rita Rodney entitled, "Children for Sale: Pornography's Dark New World," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Reader's Digest, July 1988]

CHILDREN FOR SALE: PORNOGRAPHY'S DARK NEW WORLD

(By Rita Rooney)

The first time Sunny* appeared in a pornographic magazine, she was about six, a towheaded youngster with a toothless grin and wide, innocent blue eyes. Detectives in the Indianapolis Police Department's child-porn unit nicknamed her "Sunny," because, as Sgt. Tom Rodgers remembers, "This kid's smile was real." Her expression alerted police that her victimization had probably just begun.

In the next few years Sunny appeared in more porn magazines and films, and her smile changed to a half-smirk, a look that might have been a comic parody of seduction were it not worn by a child photographed in a sexual encounter with an adult male. By the time she was about 14, she was the filmed object of increasingly savage sado-masochism.

Police officers haven't come across any pictures of Sunny in more than a year. She's reached the age when models are routinely discarded for younger children.

Julie Rich was a chatty three-year-old. One day, while talking about James Meacham, co-owner of the now-closed Isabel's Nursery School in Los Angeles, Julie announced, "James took pictures of my butt today." Parents of other children who attended Isabel's heard similar stories from their youngsters, and the police were notified. Meacham, a middle-aged man with a doctoral degree, was finally arrested after police confiscated more than 2000 pictures of boys and girls between the ages of two and five.

Johnny Atwood, 13, was a troubled kid having difficulty with his father. So when he was hired by Donald Glaser, a local minister, to help with home repairs, Johnny's mother was delighted. But Johnny's troubles had just begun. Shortly after he took the job, his parents became suspicious of gifts and money he received. They questioned him and learned he had been the willing prey of the charismatic clergyman, who convinced him that posing in homosexual acts was an easy way to earn big money. When the police arrested Glaser, they found a diary and a photo album dating back to 1968, showing various encounters with young boys.

Tragically, these aren't isolated cases. Law-enforcement officials estimate that each year as many as one million youngsters, ranging in age from 16 to under a year, are sexually molested and then filmed or photographed, either for the abuser's pleasure or for profit. Many young victims are subjected to every form of sadism and bestiality. One magazine shows toddlers in sexual acts with adults. Some audio tapes, complete with descriptive narration, record the screams of a little girl being raped.

"This sickness exists," says Father Bruce Ritter, founder of New York City's Covenant House, a nonprofit youth shelter, "because a small segment of society wants it, another segment profits by it, and the rest aren't doing anything about it. Maybe we don't know enough—or care enough."

Who are the child pornographers? Often they are commercial operators who profit from the sickness of disturbed, immature people called pedophiles, who can receive sexual satisfaction only with children. Catering to these perverted tastes, child pornographers may pick up youngsters who have run away. Their favorite subject is the attractive, smiling child, the more innocent-looking the better. Or pedophiles themselves may kidnap and molest a child, and then take photographs. Other children may actually be exploited by their own parents.

Even children from happy homes may be lured into the vile business by someone who is familiar, someone they are supposed to respect. Jacqueline Connor, head of the sexual-crimes program in the Los Angeles County district attorney's office, says she gets at least one complaint a week indicating that youth leaders, camp counselors, baby-sitters on others in authority are involved in some form of child molestation, including pornography.

Pornographers get children to pose through insidious methods, including blackmail. When two young girls in Chicago accepted a job modeling jeans, one of their mothers went to the first session with them to be sure everything was legitimate. But after several weeks, the girls were coaxed into modeling bathing suits for extra money. Next came nude photos, and by the time they were asked to pose for hard-core pornography, their photographer had them cornered. "He told us that if he showed our parents the nude photos, they'd believe we had done the rest anyway," one girl said.

The seducer also preys on a child's personal vulnerabilities. Ellen Crandon, 16, coping with diabetes as well as the usual traumas of adolescence, began to confide in a middle-aged family friend, Senne Brookshire. It took more than a year of kindness and grandfatherly attention before he caught Ellen sufficiently off guard to molest her and take pictures. Brookshire then swore Ellen to secrecy, convincing her that she was at fault, that here parents would never believe her. When she found out that Brookshire has also molested her 12-year-old sister, Ellen finally told her parents. She has been in therapy for several years trying to deal with the aftereffects of sexual abuse.

Ann Burgess, associate director of nursing research at Boston City Hospital, has studied pornographic exploitation of children. Burgess says that the secrecy demanded by pornographers leaves children feeling they are society's outsiders and increases chances that they'll turn to antisocial behavior such as truancy, and alcohol and drug abuse.

Besides the trauma of being molested, a child who has been photographed or filmed must cope with another fear: Will the obscene pictures or movies show up again? "One photo can haunt a child for a lifetime," says Frank Osanka, a social psychologist in Naperville, Ill., and a leading specialist in the prevention of sexual exploitation of children.

Margie, a shy nine-year-old, was lured into a porn-photo session by a Little League coach who used provocative pictures of Brooke Shields as a child to entice her. Although the coach has been convicted, not all the photos of Margie were found. Recently, she refused to go to her school's open house because she dreamed that her teacher had the missing photographs displayed for everyone to see.

While children like Margie suffer, pornographers make huge profits. A magazine of obscene pictures of children can be produced for 50 cents and sold for as much as $12.50. Overall, the annual child-porn take is estimated at half-a-billion to a billion dollars.

Child pornographers have powerful allies. In Los Angeles, the Rene Guyon Society, which claims 5000 supporters, including doctors, parents and others who believe that young children should experience sex, has a slogan: "Sex by year eight, or else it's too late."

The North American Man/Boy Love Association (NAMBLA), which calls itself a gay-liberation group, has chapters around the country, an emergency defense fund for members arrested for molestation, and a prisoner-support committee. Last December, police raided a cottage in Massachusetts used by NAMBLA members and found photographs of young boys in sex acts.

In 1978 the Protection of Children Against Sexual Exploitation Act was signed to halt the production and dissemination of child pornography. As of April 1982, the FBI reported 428 investigations under the act, leading to 33 indictments and 23 convictions. And the U.S. Supreme Court held last year that the dissemination of child pornography is illegal regardless of whether the material itself is judged legally obscene. The ruling upholds laws in 20 states and paves the way for other states to enact stronger legislation. In addition, Sen. Arlen Specter (R., Pa.) and Rep. Earl Hutto (D., Fla.) have introduced bills to strengthen existing laws and toughen the punishment for those trafficking in child porn.

Law enforcement, however, is an uphill battle. Part of the problem is that many children are too frightened to come forward. Often parents, refusing to face up to the full implications of what has happened, are unwilling to press charges. Some police officers, and even some parents, tend to think of youngsters as participants rather than victims in pornography.

Law-enforcement efforts are also too often fragmented. Civil, criminal, local and federal codes differ, and three federal bureaus—postal, customs and FBI—have jurisdiction over child porn. Local police, usually ill-equipped to track down offenders, frequently claim that the FBI doesn't do enough, while the FBI says it needs expanded authority. "Right now," says Sean McWeeney, chief of the organized-crime section of the FBI, "we get involved when there's evidence of a large operation. But it's the small-town operator who contributes to the massive business in child pornography."

A strong legal case requires concerted efforts at law enforcement. In Los Angeles, the D.A.'s sexual crimes program and the police department's sexually exploited child unit worked for more than a year preparing the case against James Meacham, the co-owner of Isabel's Nursery School. Meacham was eventually tried on 11 counts of molestation and received a 26-year 8-month sentence, just short of the 28-year maximum.

In many cases, however, the courts tend to be lenient. Donald Glaser, the minister who seduced Johnny Atwood, was put on probation and sent back to an unwitting community to do 200 hours of community service.

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*The names of all child victims and their families have been changed.

Johnny's mother was reluctant to testify for fear of exposure, but did so to try to keep the minister off the streets. "I risked my son's reputation," she wonders today, "and for what?"

Senne Brookshire was already on probation for child abuse when he molested the Crandon sisters. After this arrest, he was released and soon was charged with molesting two other children. (These charges were dismissed as part of a plea bargain in the Crandon trial.) Police estimate he'll probably serve only 4½ years of his current 7-year sentence.

What judges—and all the rest of us—must remember is that lewd pictures harm society as a whole. All children become more susceptible to violence. "There's a ripple effect," says Kristin Cole Brown of Child Find, a nonprofit agency devoted to locating missing youngsters. "Kiddie-porn readers may be incited to abduct and rape a child."

To stop these crimes against children will take the combined efforts of legislators, law-enforcement officials—and parents. "We've got to make it expensive for these criminals to do business," argues Senator Specter. "Ignoring this issue sets up a pattern for future violence against yet another generation."

HOW TO PROTECT YOUR CHILD

Give your youngster clear warnings that no one—not even people in authority—should touch him or her in intimate ways.

Insist that schools, camps and other organizations do thorough background checks on anyone who will be working with your child.

If your child has negative feelings about a teacher or some other authority figure, explore why he feels this way.

Learn to recognize the signs that a child may have been assaulted; these include chronic unexplained physical complaints, loss of appetite, disturbed sleep, mood change and sudden sexually focused behavior.

Believe your child if he says he's been assaulted. Children seldom lie about molestation.

Mr. SYMMS. Mr. President, I yield the floor.

Mr. GRASSLEY. Mr. President, I rise today to give my strongest possible support for the Child Protection and Obscenity Enforcement Act amendment to the parental leave legislation now before the Senate, and offered by the distinguished Senator from South Carolina, Senator THURMOND.

This legislation builds upon the Congress' successful effort in April to ban dial-a-porn telephone services, in spite of the influence of the multibillion dollar pro-pornography lobby.

Even with our recent victory, I am still very concerned about the pernicious effects that the multibillion dollar pro-pornography industry has on our society.

Since the beginning of my service in the Congress, I have been especially concerned about protecting one of our Nation's most important resources—our children—from abuse and exploitation by pornographers, pedophiles, and others.

In fact, during the 99th Congress, I introduced the Child Abuse Victims' Rights Act. After its approval by the Senate Judiciary Committee, my bill was signed into law as a part of the Omnibus Reconciliation Act of 1986, Public Law 99-591.

The provisions from my bill that are now the law of the land include the creation of a new Federal civil remedy that finally gives victims of child pornography—the children—the ability to sue their victimizers in Federal court for damages, court costs, and attorney's fees.

Since the passage of my bill in 1986, the Attorney General's Commission on Pornography has reported to the President on its findings regarding the effects of pornography on our society.

According to the Pornography Commission, "What is commonly referred to as child pornography is not so much a form of pornography as it is a form of sexual exploitation of children." Based upon is findings, the Pornography Commission made recommendations on how to control this degrading enterprise.

I have studied this report very closely, especially with regard to its recommendations on preventing the sexual exploitation of children. Based upon my reading of the commission's report, I became an original cosponsor of the President's Child Protection and Obscenity Enforcement Act, S. 2033.

On June 8, 1988, the Judiciary Committee held a very extensive hearing on this important piece of legislation. However, in the intervening period of time, the committee leadership has not seen fit to allow the bill to be debated by the committee.

Now there are some who would be critical of an attempt to amend this legislation onto a labor bill, contending that this subject matter is within the jurisdiction of the Judiciary Committee. And, normally Mr. President, I would agree with that assessment.

However, since the Senate has reconvened, our committee has not had an opportunity to conduct any kind of bill markup session on any legislation.

And, since the June committee hearing on this issue was so extensive, I believe that this issue is too important to be allowed to fall through the cracks as the 100th Congress rushes out the door.

I would like to take a minute of the Senate's time to highlight some of the more important aspects of the Child Protection and Obscenity Enforcement Act amendment.

The amendment prohibits computers from being used for the purpose of setting up nationwide networks, which otherwise enable child molesters, pedophiles, and collectors of child pornography to traffic in child pornography.

It prohibits a parent or other adult with custody of a minor child, from selling that child for use in the production of pornography.

The amendment requires producers and certain distributors of sexually explicit materials to keep and maintain verifiable records with respect to the age and identity of each performer appearing in depictions of actual sexually explicit conduct.

Because there has not been a recordkeeping requirement, it has been virtually impossible to prove the age of the performer in the sexually explicit material. This has allowed pornographers to evade Federal laws that are supposed to protect all persons under the age of 18 from exploitation.

Finally, it amends the Racketeer Influenced and Corrupt Organizations [RICO] Act to cover child pornography offenses. Much of the growing commercial market for child pornography in our country is produced and distributed by networks of pedophiles and child molesters who are well organized. This is a much-needed law enforcement tool in the fight against child pornography.

I believe the sanctions provided for in the Child Protection and Obsenity Enforcement Act amendment provide for much needed criminal enforcement tools against those who abuse our children through such sordid enterprises.

I believe that this legislation addresses the need to keep the pressure on the producers and distributors of child pornography.

The measure, backed by eloquent testimony during our June hearing, recognizes that there are many harms that can befall children who are used in the production of pornography; and consequently, it recognizes the rights of these children not to be victims of sexual exploitation.

I know that the testimony given before our committee in June only helped to reinforce my belief that our future as a civilized people may just depend on the outcome of the battle against pornography.

I wanted my colleagues in the Senate to know how strongly I felt about this issue, and I wanted to urge them to support the passage of this amendment.

I want to commend my colleague, the ranking member on the Senate Judiciary Committee, Senator THURMOND, for his efforts to bring this issue before the Senate before it adjourns.

And, I also want to ask unanimous consent that I be added as a cosponsor of the Child Protection and Obsenity Enforcement Act amendment.

Mr. PRESSLER. Mr. President, I rise today as a cosponsor and vigorous supporter of an amendment to protect our Nation's vulnerable children from sexual exploitation and abuse. The amendment is very similar to the Child Pornography and Obscenity Enforcement Act, of which I also am a cosponsor.

It is of the utmost importance for us to do everything in our power to stop child pornography because it has such a devastating effect on its innocent victims. Child pornography affects a child's mental, physiological, and emotional health. It is estimated that over 1.2 million children in the United States experience sexual abuse each year. Child pornography is one form of child sexual abuse and facilitates other forms. For example, it is used by child molesters to entice children into performing sexual acts and then to blackmail them. Viewing of child pornography can lower the inhibitions of child molesters and increase their desire to obtain and molest children. The innocent victims of child pornography suffer both short-term and long-term effects. Feelings of guilt, shame, depression, and alienation from loved ones are sometimes carried through to adulthood and lead to more psychological suffering and adjustment problems. Just the knowledge that there is a permanent record of sexual activity in the form of photographs can be a source of great anxiety to child abuse victims.

To combat this technologically advanced, multimillion dollar industry, law enforcement officials must have effective, up-to-date tools. It is our duty as lawmakers to give them the necessary tools by updating current laws. We must protect our children from the scoundrels who injure innocent children in the name of perversion and profit. This amendment would strengthen the current laws against child pornography in several very important ways.

Unbelievably, Mr. President, children are bought and sold for use in child pornography—even by parents. Even more unbelievable is the fact that it is not illegal for them to do so. Allowing this crime to happen in our great country is an utter disgrace. This amendment would establish stringent penalties for a parent or any other person with custody of a minor who sells that child for use in the production of pornography.

Another problem is the enormous computer communication network pornographers have set up to contact each other and to exchange information about potential victims. Not only can pornographers trade information, but they also can transmit pictures of children with absolutely no fear of getting caught. Circulation of pornographic pictures of a child is obviously very harmful to that child as well as to society. This amendment would deter child pornographers by providing stiff penalties for people who use computers to transmit child pornography or related information.

We all agree, Mr. President, that child pornography is an extremely serious crime. To keep it under control, we need to take equally serious measures that give law enforcers all the assistance they need to apprehend these pathetic lawbreakers. Under this proposal, law enforcers would be able to use court-ordered wiretaps to investigate cases of child pornography.

In addition, this amendment would require that pornographers have the burden of proving that a model is not a minor. While it is illegal for pornographers to use subjects under the age of 18, it is often difficult to prove that the models are under age. This would make it much easier for prosecutors to convict and punish the criminals who prey upon our children.

We have taken the first step in protecting our children by passing a law banning dial-a-porn. Today we have the opportunity to further our progress by passing this amendment. I have heard from hundreds of South Dakotans who are concerned about child pornography and support this amendment. The well-being or our Nation's children is at risk. We cannot afford to procrastinate in doing whatever is necessary to protect them. This amendment is an essential addition to our current child abuse laws.

Mr. President, I strongly support the amendment and urge our distinguished colleagues to join in voting for it.

Mr. KARNES. Mr. President, it has become unquestionably clear that throughout the country, including Nebraska, our children are being threatened by a social menace, the business of pornography.

The statistics are alarming. As many as 1 out of every 5 girls and 1 of every 11 boys will be sexually assaulted before reaching age 18. A child is sexually abused every 2 minutes. More than 800,000 calls are made each day to New York City's dial-a-porn numbers.

Pornography is very big business, grossing some $6 to $7 billion annually. This compares with the $6 billion profit reported in 1984 by IBM, one of the world's largest and most successful corporations.

In 1987 alone, the U.S. attorney's office in Omaha, NE, brought six separate indictments for cases of child pornography. Of these four of the accused pleaded guilty, one committed suicide the night before his arraignment, and one case is still not resolved. These were six cases, in one year, in Omaha, where the U.S. attorney was able to gather enough evidence to prove the crime had been committed.

In addition, in the approximately 3-year period beginning March 1, 1985, the National Center for Missing and Exploited Children received 165 calls regarding sexual exploitation of children in Nebraska. Seventy-six of these calls led to actual cases where there were enough hard facts to investigate the matter further.

Child pornography is obviously a major problem in America. Pornography, in a general sense, is obscene literature, art or photography, with little or no artistic merit. The legal definition of pornography has been the subject of extensive litigation for years in the Federal courts, including the U.S. Supreme Court.

Pornography, as defined by the courts, is either obscene or indecent. To the degree that it is obscene, pornographic material is not protected by the U.S. Constitution. Even though there are many prohibitions on the dissemination of obscene materials under current Federal laws, because of technical loopholes, the statutes are not enforced in many areas, and the trafficking of pornography continues.

Mr. President, we need to update our laws and tighten the legal guidelines relating to the distribution of pornography. This should be done in a way that leaves the free speech guarantees of the U.S. Constitution undisturbed.

Last session, the Senate voted on and passed, by a vote of 98 to 0, a provision introduced by my distinguished colleague from North Carolina, Senator JESSE HELMS, to outlaw dial-a-porn communications to minors. I voted in favor of the measure because I recognize the need to protect our children from exposure to lewd and disturbing telephone messages. The need for this is increasingly clear.

For example, it is worth noting that in one 24-hour period in May, 1984, 800,000 calls were placed to a single dial-a-porn service. It is not known how many of those calls may have been placed by children. The plain truth about this disgraceful service is that it has grown from a single operation in 1983 into a widespread industry, with operations based all over the country that service every major city.

Today, Mr. President, we have an opportunity to address the laws relating to the regulation and distribution of illicit material on a broader scale. The Child Protection and Obscenity Enforcement Act provides a comprehensive solution to the problems posed by the trafficking of obscene materials and the extent to which this leads to the exploitation of our children. The legislation will give parents some reassurance that their children will not be exposed to obscene or indecent material which contains no educational or cultural merit whatsoever.

We must consider the psychological and moral impact that pornographic material has on our children. The Attorney General's Commission on Pornography has concluded, based on its study of substantial data, that child pornography is a catalyst for depraved behavior among children. In its final report, the Commission stated that "there is substantial evidence that photographs of children engaged in sexual activity are used as tools for further molestation of other children." It has been shown as well that, in a given year, almost every single reported case of child sexual exploitation also involves some degree of adult pornography. The seriousness of this link between pornography and criminal acts cannot be overlooked.

A group located in Lincoln, NE, known as Citizens Against Pornography of Lincoln, Inc. [CAP], has dedicated a great deal of the time and effort to increasing the public awareness of the evil influences of pornography. CAP members serve as coordinators of a statewide network, known as Network for a Porn-Free Nebraska. Their aim is to protect the moral fabric of communities in Nebraska, through the bonds of the family and the purity of our children.

Mr. President, I would ask unanimous consent to submit for the RECORD the letter I received from the president of CAP which endorses the bill that my distinguished colleagues from South Carolina and Arizona have introduced today, and enlightens us further about the great need for refining our laws in this area. I would ask that my colleagues pay particularly close attention to the sections entitled "Porn Socializes Taboo Ideas" and "Porn Erodes the Sexual Safety of Children."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CITIZENS AGAINST PORNOGRAPHY
OF LINCOLN, INC.,
Lincoln, NE, January 4, 1988.

DEAR NEBRASKA CONGRESSMAN: Some wonderfully encouraging things have been coming out of Washington over the past year to help in the battle against child porn and hard-core obscenity.

One of the most encouraging of these was the recent introduction of the Child Protection and Obscenity Enforcement Act of 1987.

This package of anti-obscenity legislation is powerful enough to significantly deter, it seems to me, both the illegal child porn and hard core obscenity industries in our country.

I am so impressed with its provisions to bring the law up to date with current technology, e.g., prohibition of the use of computers to advertise, distribute and receive child porn. It would prohibit obscenity on cable or any subscription T.V. It would deter organized crime by providing that assets derived from child porn or through violation of obscenity law can be forfeited.

The law would protect young people by outlawing the buying or selling of children by parents or others to produce pornography. (How sad that it is even necessary to have such a law!) It also protects young people by requiring that verifiable records be maintained of the age and identity of every performer.

We would like to know what our views are of this proposed law, and to encourage you to support it.

I am including a background sheet on CAP of Lincoln. We are serving as coordinators of the State-wide network, the NPFN. If you have citizens writing to you, wondering what can be done, you may want to put them in touch with us.

Sincerely,

DIANA NYANGIRA,,
President.

BACKGROUND SHEET—CITIZENS AGAINST PORNOGRAPHY OF LINCOLN

Citizens against Pornography of Lincoln was formed in the fall of 1984 to fight pornography in all of its forms. It serves as a mobilization tool through which local men and women of a wide range of backgrounds can respond to the harm such materials have on our women, men, young people, families and community. Since 1985, Coach Tom Osborne has been its honorary chairman. Five significant aspects of CAP's work are these:

Community education. CAP provides speakers for civic groups and a broad spectrum of the city's churches. It also publishes a monthly newsletter.

Positive consumer pressure campaign. CAP has identified 10 categories of businesses that typically sell porn in Lincoln. It has visited all merchants concerned. Those which have neither print nor video porn can display, if they wish, our red, white and blue "welcome sticker". We widely distribute lists of these merchants and encourage the public to reward them with their business. At the same time, the concerned public is encouraged to no longer spend their consumer dollars at businesses which persist in marketing such materials till the materials have been completely removed.

Legislative change. CAP's law committee studies the State's antiobscenity laws and works toward their improvement. For example, the support of legislation increasing child porn penalties, was mobilized by CAP.

Court watch. Through its research CAP has found that one reason that Cinema X and the Embassy stay in business in Lincoln has not been because of inaction by the police or county attorney, but because of the very low fines levied by our local judges. These fines, little more than a token wristslap, have lacked deterrent effect. For this reason CAP maintains a court watch and keeps people informed of the records of the judges in relevant cases.

Co-ordination of NPFN [Network for a Porn-Free Nebraska]. CAP serves as coordinator of the Network for a Porn-Free Nebraska. The NPFN is a State-wide group involved in anti-porn work. CAP provides a bimonthly NPFN newsletter, and a yearly training/sharing workshop.

Why do we care? Sometimes people take a laissez-faire position on these materials because they do not actually know what the content of these materials are like and because they feel that, possibly, no one is seriously harmed by them. This after all, is not the kind of material decent citizens are normally acquainted with. This is what our study has found:

Porn socializes taboo ideas. One of the socially taboo ideas to which porn attempts to lend respectability is incest. Even in neighborhood convenience stores one can find such material as: "I Screwed by Mother This Summer" in family touch. Incest cartoons have been found in popular soft-porn magazines.

Another sexual taboo, bestiality, is found in soft, as well as hard porn. Example: Santa Claus having intercourse with his reindeer [Playboy, Jan. 1979].

Porn glamorizes and promotes multiple, uncommitted sexual relationships even though promiscuity is high risk behavior for AIDS.

Porn devalues women. Women, above all people, are blatantly degraded by pornographic and obscene materials. They are characteristically portrayed as masochistic and subservient, and of no greater value than their genitals. This kind of devaluation would not be given community tolerance if it were against blacks, Jews, or other ethnic or religious groups. CAP believes that all members of our community, including women, should be valued as whole human beings—not just what they can be used for.

Porn erodes the sexual safety of children. Among the most troubling findings is that not only child-porn, but the most widely sold porn magazines, Playboy, Penthouse and Hustler, for many years showed children as suitable sexual objects. Judith Reisman did a study of adult-child sex in these three magazines. The study was funded by the office of Juvenile Justice and Delinquency Prevention, in cooperation with the American University in Washington, DC., where Reisman was a researcher. In analyzing the content of these magazines for the period 1953–1984, Reisman found more than 6,000 illustrations of children—most between the ages of 6 and 11.

989 child images were sexually associated with adults.

1,225 child images were associated with genital activity.

267 child images were associated with sex with animals or objects.

592 were associated with specific kinds of force.

2,096 juxtaposed the child image with adult sexual body parts or activity.

Almost all inferred that the child was unharmed or benefited from sexual assaults; they also inferred that the activity was something that the child desired or sought out.

Both pornographic and obscene materials make sexual violence against women more likely. The Attorney General's Commission on Pornography found that "substantial exposure, even to non-violent porn, will increase the acceptance of the proposition that women like to be forced into sexual practices and . . . that the women who says 'no' really means 'yes'."

This is the classic rape myth: That women like and deserve to be raped—and that even their protests should be disbelieved.

A 1984 study by two University of New Hampshire researchers found that States with the highest readership of pornographic magazines, such as Playboy and Hustler, had the highest rape rates. The study showed that Alaska had the highest rape rate (72 per 100,000 people) and the highest percentage of pornographic magazine readers (1/5 of the State adult population). Colorado, California and Arizona were among the 10 States with the highest correlation between pornographic readership and incidence of rape.

The chance of a woman being raped is increased by these materials and rape now is more than physical damage and emotional trauma. As the AIDS virus increasingly becomes part of the equation, the price of rape can be a death sentence—for the woman as well as for her attacker.

The Supreme Court states categorically that obscenity is not protected speech. Some mistakenly believe that all speech is protected by the first amendment. This is not true. Libel, for example, is not protected speech. Neither is inciting people to riot or the transmission of state secrets. Similarly, obscenity has never been considered protected speech. The legal definition of obscenity is stated in the 1973 Supreme Court Case, Miller v. California. According to the Miller test, material is obscene if:

1. The average person, applying contemporary adult community standards, would find that the work, taken as a whole, appeals to the prurient (lustful, erotic, shameful or morbid) interest.

2. The average person, applying contemporary adult community standards, would find that the work depicts or describes, in a patently offensive way, ultimate sexual acts, normal or perverted, actual or simulated, and masturbation, excretory functions, lewd exhibition of the genitals and sado-masochistic sexual abuse.

3. The work, taken as a whole, lacks serious literary, artistic, political or scientific value.

A comment on CAP's strategy. In a letter to the public mind of the Lincoln Journal (July 28, 1986), Bill Morris, head of the Nebraska Civil Liberties Union, commended CAP's approach. This is what he said:

"In Lincoln, the major anti-pornography group is Citizens Against Pornography. CAP's activities include communicating its views about pornography and boycotting of stores that sell materials its members consider objectionable.

"Although we neither support nor oppose CAP's views about sexually explicit materials, we see no constitutional objections to its activities. In fact, we applaud its commitment to working towards its goals within the first amendment's framework.

"Whatever one's beliefs about sexually explicit materials, the first amendment protects the right to communicate and act upon these beliefs. It deserves our strong support."

Mr. KARNES. Mr. President, Citizens Against Pornography is not alone in its concern about the frequency with which child images appear in pornography in association with adult sexuality. In a study of three widely circulated adult magazines performed by a researcher from American University and funded by the Office of Juvenile Justice and Delinquency Prevention, the author reveals that, for the period between 1953 and 1984, these magazines contained more than 6,000 illustrations of children—most between the ages of 6 and 11. The analysis shows that 989 of these child images were sexually associated with adults and 1,225 were associated with genital activity.

According to CAP, "almost all of these child images inferred that the child was unharmed or benefited from sexual assaults * * *" and that "* * * the activity was something that the child desired or sought out." Mr. President, we cannot let this continue.

The Child Protection and Obscenity Enforcement Act will protect children from being exposed to illicit literature and from being exploited by their parents or guardians against their will, or without even their knowledge, for the purposes of producing pornography that will be sold across State lines. This so-called child slavery should have been outlawed long ago.

Unfortunately, we must contend with more than just photographs of children. I learned recently in reviewing the Attorney General's report that it is possible for anyone to call up a pornographic message on a personal computer. All you need is a computer and a modem which connects to the telephone, and you can then have child pornography at your fingertips. The use of this new technology has heretofore evaded current obscenity laws and would be outlawed with the enactment of this bill.

The findings of the Attorney General's Commission on Pornography point out the great need for refining our laws in this area, particularly regarding obscenity trafficking. Despite the fact that all forms of obscenity have been outlawed, obscenity trafficking has become a multibillion-dollar market annually. The technology for maintaining this market is state of the art, or close to it—clearly the sign of an industry that is not limited in its resources.

By outlawing the trafficking of such material across State lines, particularly by means of federally subsidized modes of transportation, this amendment addresses a major enforcement problem. Current Federal laws which prohibit the interstate traffic of obscene and pornographic materials place an extremely difficult burden of proof on Federal prosecutors. A prosecutor must demonstrate that State lines have been crossed before being able to prosecute a violator under the current obscenity statutes. This means that prosecutors practically have to follow obscenity traffickers across the country in order to make a successful case. The ways in which these criminals escape detection are endless, and place a great burden on Federal law enforcement officials.

Under the Thurmond amendment before us today, the prosecutor will finally have the law on his side. Any organization or individual that produces obscene material in one State but sells it in another would automatically create a rebuttable presumption that the law has been violated. This provision would apply to the use of Federal roads, interstate railroads, motor vehicles, boats, airplanes, or other methods for obscenity trafficking across State lines.

Taxpayers will benefit as well, because tax dollars are used to subsidize Federal transportation systems. I presume that I speak not only for Nebraskans, but all Americans, when I say that most taxpayers would be happy to know that their tax dollars are not being used to subsidize interstate transportation of pornographic and obscene materials.

Mr. President, there are other significant provisions in this amendment that, together, make it more comprehensive and far-reaching than current law in this area. This legislation is a direct result of an exhaustive study commissioned by the President of the United States and conducted by the Attorney General. It provides a much needed response to the growing problem of pornography in our country and the enforcement of existing laws which relate to pornography.

I am cosponsoring this amendment because I believe we need to provide an equal footing for Federal prosecutors to be able to enforce the laws which punish the individuals making millions of dollars from this industry and, who, at the same time, exploit our children. I want to thank my distinguished colleague Senator THURMOND for offering this comprehensive legislation as an amendment to S. 2488 to protect our society, and especially our children. After all, the future of our country is our children.

Mr. HECHT. Mr. President, I am pleased today to reiterate my support for the Thurmond amendment which is brought before us today. This amendment encompasses an extremely thorough and complete package which is a direct result of the Reagan administration's deep commitment to address the problem of pornography in this country. I am a cosponsor of S. 2033 and support the efforts of Senator THURMOND. It is my firm belief that this amendment should be supported by every Member of this body because every single Senator must share my deep commitment to putting an end to the vile, disgusting display, which is child pornography.

The significance of this amendment is tremendous, Mr. President, and when passed by this body, it will continue the commitment of the U.S. Senate to wrok in a bipartisan manner to ensure the children of the United States can be, and should be, provided with a safe, prosperous, and, most importantly, crimefree environment in which they can grow into successful and productive members of our society. The time for lip-service to the problem of pornography in our society has passed, Mr. President. It is time for all of us who are serious in our antipornography efforts, to put up or shut up!

I am pleased to support this very significant antipornography amendment and urge its adoption.

Mr. WALLOP. Mr. President, I rise today to express my strong support for Senator THURMOND's effort to attach S. 2033, the Child Pornography and Obscenity Enforcement Act, to the pending legislation.

Living in an age of autocratic tyranny, it is not surprising our forefathers drafted, as the first amendment to the U.S. Constitution, the prohibition that "Congress shall make no law abridging the freedom of speech, or the press." Yet, this is not an absolute right. As one Supreme Court Justice once wrote, the right to free speech does not include the right to yell "Fire" in a crowded theatre. There are limits, and today we are once again engaged in this complex process of finding proper limits without infringing on basic liberties.

Congress has left this issue to be debated by the courts. But, as the elected representatives of the people, it is a debate we should engage. The court decisions in this area do provide us with the framework for this debate. The amendment today would restrict the production of child pornography. Now, the courts have ruled that pornography, erotic material, is protected by the first amendment. However, child pornography is clearly obscene, in other words "filth". The courts have granted no constitutional protection to obscene material.

Once again, Congress has waited for the Supreme Court to provide a definition of obscene. Over the past 30 years, the Court has struggled, with a definition. We now have some guidance as we deliberate this issue. The Court has ruled that the standard is materials which appeal to the prurient interest. This was later clarified to mean materials which are patently offensive to contemporary community standards and lacking "serious literary, artistic, political, or scientific value."

While we may argue over this definition regarding some pornography, I do not believe there is anyone in this body who would object to labeling child pornography as clearly obscene material. In fact, the Supreme Court has set a tougher standard for such pornography. A 1982 Court decision agreed that government could regulate material which depicts minors engaged in sexual activity even when such material is not legally obscene.

Back in 1984, we did enact the Child Protection Act which was a start in protecting the welfare of children from sexual exploitation. Today, we have another opportunity to expand child welfare protections.

I have had a long interest in protecting our Nation's youth against the scourge of child pornography. When I first came to the Senate and was a member of the Senate Judiciary Committee, I was involved in getting a child pornography bill enacted, Public Law 95-225, which cracked down on the sexual exploitation of children profit by, among other things, prohibiting the transportation of both minor boys and girls across State lines. I strongly supported enactment of Public Law 95-292, which raised age of majority from 16 to 18 to protect more of our youth from exploitation, and which raised penalties for those convicted of sexually exploitating children. And, I supported Public Law 99-591, which gives underage victims of sexual exploitation the right to sue for damages.

Despite these excellent pieces of legislation, loopholes remain.

Loopholes which exist because of the growth of computers. This new technology has allowed a sophisticated network to develop in which child pornographers are able to advertise and distribute their wares.

Loopholes which permit a parent or guardian, Heaven forbid, from selling or transferring custody of their minor child to a pornographer.

Loopholes that allow pornographers to continue to use minors in sexually explicit materials because proof of age is impossible to prove in the absence of verifiable records.

Loopholes which allow organized crime profit from the child pornography trade.

The amendment before us today will bring us one step closer to eradicating child pornography by eliminating these loopholes. Use of computers for trafficking child pornography would be outlawed. Parents and guardians would be prohibited from making a fast buck by selling their kids. Distributors and producers of sexually explicit materials would be forced to keep records on the age and identity of each performer. Prosecutors would finally be given the tools they need to puncture the multibillion-dollar child pornography industry by amending the RICO statute to include child pornography offenses.

Over the years I have received thousands of letters from my constituents in Wyoming urging me to do everything in my power to crack down on child pornography. Just this year, I have had hundreds of letters flow in supporting S. 2033. Many echoed the concerns of Jerry and Sue Lohr of Casper, who recently wrote to me,

> We are becoming more and more aware every day of the horrible effects of pornography on people. We need to do what we can to stop the spread of this vile and destructive force in America. We strongly urge you to fight for passage of the Child Protection and Obscenity Enforcement Act.

I could not agree more with Mr. and Mrs. Lohr. It is imperative that we protect our children from this ruthless and exploitative scourge. I believe S. 2033 will go a long way toward effective eradiction of child pornography and I urge my colleagues to support it.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

STATE, JUSTICE, COMMERCE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, FISCAL YEAR 1989—CONFERENCE REPORT

Mr. BYRD. Mr. President, I submit a report of the committee of conference on H.R. 4782 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

> The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4782) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1989, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the Record of today, September 27, 1988.)

Mr. CHILES. Mr. President, the Senate Budget Committee has examined H.R. 4782, the Commerce-State-Justice appropriations bill and has found that the bill is under its 302(B) budget authority allocation by $129 million and under its 302(B) outlay allocation by $1 million.

I compliment the distinguished manager of the bill, Senator Hollings, and the distinguished ranking member of the subcommittee, Senator Rudman on all their hard work.

Mr. President, I have a table from the Budget Committee showing the official scoring of the Commerce-Justice-State appropriations bill and I ask unanimous consent that it be printed in the Record at the appropriate point.

There being no objection, the table was ordered to be printed in the Record, as follows:

SENATE BUDGET COMMITTEE SCORING OF H.R. 4782—COMMERCE-STATE-JUSTICE SUBCOMMITTEE—SPENDING TOTALS (CONFERENCE REPORT)

[Dollars in billions]

	Fiscal year 1989	
	Budget authority	Outlays
302(B) BILL SUMMARY		
H.R. 4782, conference report (new budget and authority and outlays)	14.8	11.4
Enacted to date	+(1)	3.5
Adjustment to conform mandatory programs to resolution assumptions	−(1)	−(1)
Scorekeeping adjustments		
Bill total	14.9	14.9

SENATE BUDGET COMMITTEE SCORING OF H.R. 4782—COMMERCE-STATE-JUSTICE SUBCOMMITTEE—SPENDING TOTALS (CONFERENCE REPORT)—Continued

[Dollars in billions]

	Fiscal year 1989	
	Budget authority	Outlays
Subcommittee 302(b) allocation	15.0	15.0
Difference	−0.1	−(1)
Bill total above (+) or below (−):		
President's request	−0.5	−0.5
House adjusted bill	+(1)	−(1)
Senate adjusted bill	−0.2	−0.1
SUMMIT CAP SUMMARY		
Defense (050) spending in bill	0.1	0.1
Allocation under defense cap	0.1	0.1
Difference	+(1)	+(1)
International affairs spending in bill	3.8	3.8
Allocation under international affairs cap	3.8	3.9
Difference	−(1)	−(1)
Domestic discretionary spending in bill	10.7	10.8
Allocation under domestic cap	10.9	10.8
Difference	−0.1	+(1)

(1) Less than $50 million.

Note: Details may not add to totals due to rounding.

Source: Prepared by Senate Budget Committee Staff.

Mr. HOLLINGS. Mr. President, the conference report on the Commerce, Justice, State, the Judiciary and Related Agencies Appropriations Act, H.R. 4782, is an outstanding example of Congress setting priorities. The ranking minority member, the distinguished Senator from New Hampshire, Mr. RUDMAN, and I had major roles in the enactment of the Balanced Budget and Deficit Control Act. Perhaps there are those who are smiling and thinking that the "chickens have come home to roost" on Hollings and Rudman, but I would put it in the positive and say that "we have bitten the bullet." That bullet doesn't taste very good, Mr. President, but the overall budget situation has taken the sweet desserts and the fancy sauces out of this appropriations bill and it's meat and potatoes now. And that meat isn't steak, but more like meatloaf.

As the Senate will recall, when we passed H.R. 4782 on July 27 it amounted to $14,790,177,000 in budget authority and $14,800,541,000 in outlays. The Senate's action was based on our recommendation that we essentially provide the Departments and Agencies on this bill a 1-percent increase over the 1988 appropriations, plus increases for a few high priority programs; the preparation for the 1990 Decennial Census; the replacement of the weather satellites; and the expansion of the Federal prisons to cope with the overcrowding resulting from increased efforts in the war on drugs.

We thought that the Senate level was extremely constrained. Many of our colleagues begrudgingly agreed with us as they realized that there was no practical alternative and they had to forego on amendments that would be absolutely meritorious in a less-constrained environment.

Since the Senate approved H.R. 4782, the Committee on Appropriations revised its 302(b) and reduced the allocation for the bill by $90,000,000 in outlays. Mr. President, we literally looked into every nook and cranny of this bill and fashioned a conference agreement that is within the revised allocation. The conference agreement appropriates $15,504,004,000 in budget authority which the CBO estimates will result in outlays of $14,937,190,000. In budget authority we are $654,612,000 after the requests for fiscal year 1989, and $157,016,000 under the Senate bill. We are $6,882,684,000 over the House bill, but that is mainly due to the large number of items for which the House did not appropriate due to lack of authorization.

Mr. President, I ask unanimous consent that a table entitled "Budgetary Impact of Conference Report," prepared by the Congressional Budget Office, be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

BUDGETARY IMPACT OF CONFERENCE REPORT

[In millions of dollars]

	Budget authority		Outlays	
	Committee allocation	Amount in bill	Committee allocation	Amount in bill
Comparison of amounts in the bill with the committee allocation to its subcommittees of amounts in the first concurrent resolution for 1989: Subcommittee on Commerce, Justice, and State, the Judiciary, and related agencies	14,985	14,855	14,983	[1]14,937
Projections of outlays associated with budget authority recommended in the bill:				
1989				[2]11,408
1990				2,340
1991				814
1992				268
1993 and future year				49
Financial assistance to State and local governments for 1989 in the bill		522		192
Credit authority estimates, fiscal year 1989	[3]450	[3]447	[4]3,066	[4]3,066

[1] Includes outlays from prior-year budget authority.

[2] Excludes outlays from prior-year budget authority.

[3] Direct loans.

[4] Loan guarantees.

Source: Prepared by the Congressional Budget Office pursuant to Sec. 308(a), Public Law 93-344, as amended.

Mr. HOLLINGS. To summarize the conference agreement, under Commerce we agreed on the increases Secretary Verity wanted in International Trade, the economic statistics, and the 1990 census. In NOAA we protected the projects of vital interest to the Members, mainly by taking advantage of the slippage on the Polar Orbiter.

NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY

Mr. President, in my mind, the most important part of the conference report deals with the Commerce Department's National Institute of Standards and Technology [NIST]—formerly the National Bureau of Standards.

For 87 years, this important laboratory has provided important technical services to American industry, particularly in the fields of measurement, instrumentation, and quality assurance. Now, in an era when our country faces unprecedented technological challenges from abroad, the newly enacted Omnibus Trade and Competitiveness Act directs the Agency not only to continue this vital existing work but also to take on additional responsibilities.

In particular, we have asked the Agency to perform two other critical tasks—to work with industry to improve product and manufacturing technologies for older industries as well as for new sectors such as superconductivity, fiber optics, and biotechnology; and to work with the States and others to provide technical advice and assistance to help hard-pressed small- and medium-sized manufacturing firms automate and become more competitive. The United States faces serious problems in both areas. We still lead the world in basic research, but all too often we lag behind others in manufacturing and in developing the techniques needed to turn laboratory discoveries quickly into high quality products.

As chairman of the Commerce Committee and author of the Technology Competitiveness Act, the technology portion of the Trade Act, I know how important leadership in technology is to our Nation's economic future. Last year and again this year, this Appropriations Subcommittee therefore has made the Institute one of its highest priorities. The conference number this year is $159,000,000—approximately $14,000,000 above the fiscal year 1988 level. This additional money, plus carryover funds, will fund increases in several key areas. For example, in the critical area of helping the Nation's small- and medium-sized manufacturers the conference report provides $7,500,000 for regional centers for the transfer of manufacturing technology. These funds, in addition to $5,000,000 in fiscal year 1988 funds that will be carried over, will ensure that this important new initiative receives adequate funding. The Institute, with help from the National Research Council, is now in the process of evaluating proposals and selecting the first set of centers. These geographically distributed centers will help provide the objective advice and assistance needed to help small firms improve their technology and productivity.

Several of the Institute's in-house research programs will also receive increases—superconductivity, chemical process control, lightwave technology, bioprocessing, fire toxicity, and new refrigerants to replace dangerous chlorofluorocarbons. We also have increased funding for work on computer security; the Computer Security Act of 1987 gives the Institute the mission of helping other civilian Federal agencies in this important area.

For several years, the Department of Commerce has proposed to transfer all or portions of the Fisheries Financial Services programs to a Grants and Loan Administration Office to be created in the Office of the Secretary. No funds have ever been authorized for this purpose. We find that these programs are being efficiently and effectively administered where they are. In section 606 of the bill we have our usual reprogramming requirements and any effort to consolidate or contract out this office would be subject to that section.

In Justice we are $73 million under the Senate level but that is mainly due to a legislative change on the assets forfeiture fund. The conference agreement limits the expenditures from the fund to $75 million. We have the assurances from the Department of Justice that this limitation will not affect equitable sharing payments to State and local governments or law enforcement agencies. The Department has the authority to make these payments from outside the fund.

As I indicated earlier, the constraints of our 302 budget allocation precluded us from providing funds to enhance or increase efforts on the war on drugs. But, the levels provided in the conference report will allow the law enforcement agencies in the bill to continue their current drug enforcement efforts.

The bulk of our $307 million increase over fiscal year 1988 went to the Federal Bureau of Prisons, S&E account. This increase will permit the activation of our critically needed prisons, improve staffing at existing, overburdened facilities, and cover additional costs of Mariel Cuban detainees. In addition, the conference agreement includes $203,693,000 for new prison construction. These funds will allow the construction of two new prisons and increased capacity at six existing facilities.

With regard to the Office of Justice Programs, the conference agreement restored the requested $154 million cut.

In the Judiciary, we are up $38 million over the Senate bill, which is needed, but didn't help in getting to our overall reduction. The conference agreement will maintain judicial services and staffing currently provided the public and the bar, but does not reflect the additional resources necessary for an expanded war on drugs.

In State we are down slightly from the Senate level but we were working under a separate allocation for Foreign Affairs. As usual, we had a number of Senate amendments dealing with foreign policy matters. With respect to the housing of the employees of the United States Mission to the United Nations, we have adopted reform legislation drafted by Deputy Secretary Whitehead with the approval of Ambassador Walters. This new policy will reduce the costs of this program by 65 percent while maintaining the critical core of highly skilled foreign service officers in New York.

The conference agreement also provides for the Ambassador to the Afghan resistance that was sponsored by the majority and minority leaders.

Finally, in the related agencies, we are down about $24,000,000 from the Senate bill, a good portion of which is the deletion of $4,500,000 that the Commission on the Bicentennial of the Constitution has said they won't need unitl 1990. We also had to cut the SBA and the SEC more than I wanted—to get the bill down.

The conference agreement includes $500,000 to begin the Commission on Argicultural Workers' review of the Immigration Reform and Control Act's [IRCA] impact on the agricultural industry.

For the Equal Employment Opportunity Commission, the conference agreement reduced by $300,000 the earmark in the Senate bill to conduct an age discrimination study with the National Academy of Sciences. The Academy reestimated the cost of this study at $900,000.

We have the same restrictions on FCC that the Senate approved and nothing more, except that we extended the availability of the funds to rebuild the Fort Lauderdale office they lost to a highway.

On the Legal Services Corporation, the conference agreement maintained the Senate level of funding at $308,555,000. However, a compromise was reached with regard to certain restrictions in the Senate bill. I will defer, momentarily, to my colleague, Mr. RUDMAN, who was the chief negotiator of this agreement. But, basically, the conference agreement eliminates the restrictions on the composition of board members and lobbying upon Senate confirmation of a Board of Directors of the Corporation who are nominated after January 20, 1989.

This will give the future Legal Services Corporation Board of Directors the opportunity to implement or revise regulations as they deem appropriate.

Mr. President, in closing I want to express my appreciation to the distinguished ranking minority member, and former chairman of the subcommittee, the distinguished junior Senator from New Hampshire. In my 12 years as chairman or ranking member of the subcommittee, and working with Senators WEICKER, LAXALT, and RUDMAN, we have always conducted our business in a completely bipartisan manner. Last week, Senator RUDMAN was at my side in every meeting with the House managers as we fought for amendments we made to the bill.

That spirit of bipartisanship extends to the staff, from Warren Kane, John Shank, Dorothy Seder, Santal Manos, and Terry Olson. They all gave up last weekend and worked until midnight Sunday evening so that we could have this report before the House and Senate today. They are an outstanding group of professionals and they have my personal thanks for the time they have devoted to this bill.

Mr. RUDMAN. Mr. President, as ranking minority member of the Subcommittee on Commerce, Justice, and State, the Judiciary and related agencies, I am pleased to join my colleagues from South Carolina in presenting this conference report providing appropriations for fiscal year 1989 for the agencies and programs under the jurisdiction of the subcommittee. I want to compliment the chairman for successfully leading us through a difficult conference with the House. We resolved a number of contentious issues, and reduced appropriations in the Senate-passed bill in order to conform to our new section 302(b) allocation.

To reach our new allocation, the conferees were forced to reduce the Senate bill by $157 million in budget authority. This was not an easy task, and we had to make some tough decisions. However, we were determined not to cut funding for law enforcement activities, and other than adjustment for the Assets Forfeiture Fund, actually increased funding slightly for the Justice Department. For the Judiciary we were able to increase funding by $38.7 million over the Senate-passed bill.

We were also able to retain several provisions important to the Senate, including a modification of the Chiles amendment to reduce the inflated housing allowances for U.S. employees at the United Nations in New York; the Helms amendment to authorize the State Department to begin construction of facilities in Tel Aviv and Jerusalem without designating either as our embassy at this time; and an amendment sponsored by the majority and minority leaders, and my colleague from New Hampshire, which establishes an envoy to the Afghan resistance.

Finally the conference agreement also includes a compromise on restrictions affecting the Legal Services Corporation. The compromise will result in the introduction of competitive grants and contracts for fiscal year 1990, something constructive critics of the corporation have been advocating for a number of years. My problem has never been with those constructive critics, but with a majority of the current Board of Directors, which has been intent on destroying the Legal Services Corporation using whatever tactics they have at their disposal. Therefore the compromise also provides that they must be replaced before the system of competitive grants can be developed and implemented. A new President and a new Board of Directors will be able to start with a clean slate regarding the management of the Legal Services Corporation.

Mr. President, once again I thank the Senator from South Carolina for his leadership, cooperation, and persistence in ensuring that this appropriations act is approved before the beginning of the fiscal year. He has been most gracious in his accommodation of my interests and those of the other minority members, and we owe him a debt of gratitude.

I am pleased to say that for the eighth straight year the work of this subcommittee has been carried on in a most bipartisan manner, which is my view of how appropriation bills ought to be handled in the first place.

So I wish again to thank my friend from South Carolina.

I yield the floor.

Mr. DOMENICI. Mr. President, I rise in support of the conference report accompanying the Commerce, State, Justice appropriations bill for fiscal year 1989 that is now before the Senate.

The conference agreement, as adjusted, provides $14.9 billion in both budget authority and outlays for the Departments of Commerce, State, and Justice, as well as the Judiciary. The bill also funds related agencies such as the Small Business Administration, the U.S. Information Agency [USIA], and the Legal Services Corporation.

Mr. President, I commend the chairman and ranking member of this subcommittee, Senators HOLLINGS and RUDMAN for their diligent work in producing a bill that is consistent with the subcommittee's revised 302(b) allocation.

The Senate subcommittee had to make reductions in its bill to meet the revised 302(b) allocation, and our distinguished colleagues, Senators HOLLINGS and RUDMAN, did an admirable job in producing this bill within those constraints.

I urge my colleagues to pass this conference report and bring us another step closer to completing action on 13 individual appropriations bills prior to the start of the new fiscal year on October 1.

Mr. HOLLINGS. Mr. President, I am prepared now to move the adoption of the report and then, thereafter, ask the Chair to lay before the Senate the amendments in disagreement and then that the Senate concur en bloc, at which point would the distinguished leader suggest that we have a rollcall?

Mr. BYRD. Mr. President, may I say to the distinguished Senator, I think the rollcall should be on the adoption of the conference report.

Mr. HOLLINGS. All right.

Mr. President, I urge that the Senate adopt the conference report and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the conference report. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Texas [Mr. BENTSEN], the Senator from Illinois [Mr. DIXON], the Senator from Tennessee [Mr. GORE], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Tennessee [Mr. SASSER], and the Senator from Illinois [Mr. SIMON] are necessarily absent.

I further announce that, if present and voting, the Senator from Illinois [Mr. DIXON] would vote "yea."

Mr. SIMPSON. I announce that the Senator from Missouri [Mr. BOND], the Senator from Indiana [Mr. QUAYLE], the Senator from Delaware [Mr. ROTH], and the Senator from Vermont [Mr. STAFFORD] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 77, nays 13, as follows:

[Rollcall Vote No. 338 Leg.]

YEAS—77

Adams
Baucus
Biden
Bingaman
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Glenn
Graham
Grassley
Harkin
Hatch
Hatfield
Hecht
Heflin
Heinz
Hollings
Inouye
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Riegle
Rudman
Sanford
Sarbanes
Shelby
Simpson
Specter
Stennis
Stevens
Thurmond
Wallop
Weicker
Wirth

NAYS—13

Armstrong
Conrad
Garn
Gramm
Helms
Humphrey
McClure
Nickles
Proxmire
Symms
Trible
Warner
Wilson

NOT VOTING—10

Bentsen
Bond
Dixon
Gore
Quayle
Rockefeller
Roth
Sasser
Simon
Stafford

So the conference report was agreed to.

The PRESIDING OFFICER. The Senate will come to order. Will Senators please take their conversations to the Cloakroom.

The Senate will be in order.

The majority leader is recognized.

Mr. BYRD. Mr. President, there are amendments in disagreement. I ask unanimous consent that the Senate concur en bloc in the amendments of the House to the amendments of the Senate.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The amendments in disagreement, considered and agreed to en bloc, are as follows:

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 2, 11, 15, 19, 22, 23, 24, 30, 35, 45, 52, 53, 54, 55, 56, 57, 58, 59, 61, 63, 64, 65, 66, 68, 71, 73, 77, 86, 94, 102, 110, 123, 124, 125, 126, 127, 128, 134, 144, 148, 150, 152, 153, 155, and 167 to the aforesaid bill, and concur therein.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 1 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: "including not to exceed $2,000 for official entertainment, $40,404,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 4 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: *$517,304,000, to remain available until expended*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 7 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

For economic development assistance as provided by the Public Works and Economic Development Act of 1965, as amended, and Public Law 91-304, and such laws that were in effect immediately before September 30, 1982, $182,028,000, of which (a) $1,400,000 is for a grant to the Crownpoint Institute of Technology in the State of New Mexico to assist in the rehabilitation and reconstruction of facilities, including site stabilization and drainage repairs; (b) $2,000,000 is for a grant to the Philadelphia Port Corporation in Philadelphia, Pennsylvania, for the Fruit Shed Expansion project at Tioga Marine Terminal I and Piers 82 and 84 to assist in the expansion of storage and handling facilities; (c) $4,500,000 is for a grant to the University of Kentucky in Lexington, Kentucky, to assist in the construction of the Advanced Science and Technology Commercialization Center; (d) $250,000 shall be obligated for the Center for International Trade Development at Oklahoma State University; (e) $600,000 is for a grant to Crittenden County, Arkansas, for use in replacing a health center; (f) $125,000 is for a grant to Arkansas State University, Jonesboro, Arkansas, for the establishment and first year operation of a university center under the provisions of the Public Works and Economic Development Act of 1965, as amended; (g) $1,700,000 is for a grant to the revolving loan fund established under the provisions of Title XI of the Public Works and Economic Development Act of 1965, as amended, and administered by the East Arkansas Planning and Development District, Jonesboro, Arkansas, except that notwithstanding any other provision of law or regulation, no requirement for provision of matching funds shall be imposed as a condition for making this grant; (h) $2,400,000 is for a grant to the City of Beaumont, Texas, for the Spindletop Regional Development Project; (i) $200,000 is for a grant to Marshall University, Huntington, West Virginia, for the Marshall University Flexibility Manufacturing Proposal; (j) $200,000 is for a grant to Wheeling Jesuit College, Wheeling, West Virginia, for planning and technical assistance activities for establishment of a Software Development Center; (k) $2,250,000 is for grants for Projects A and B of the Special Impact Area Overall Economic Development Program for Polk County and the Cities of Des Moines and Ankeny, Iowa; and (l) $600,000 is for a grant to the Southeastern Area Technology Development Center, Inc., New London, Connecticut, for a demonstration project on the ability of a small business incubator to help diversify the economy of a defense-dependent region: *Provided,* That the Secretary of Commerce shall thoroughly review and evaluate each of the projects listed in subsections (a) through (l) of this paragraph and shall submit a report to the House and Senate Committees on Appropriations in March 1989 concerning the details and evaluation of each such project: *Provided further,* That the funds designated in subsections (a) through (l) of this paragraph shall be available for the national economic development assistance programs of the Economic Development Administration unless the House and Senate Appropriations Committees send letters to the Secretary of Commerce within 60 days of the submission of the report or June 1, 1989, whichever, is later, on the projects listed in subection (a) through (l) of this paragraph interposing no objection to the commencement of these projects: *Provided further,* That any sum in excess of the sum needed to comply with the House and Senate Appropriations Committees' letters for any of the projects listed in subsections (a) through (l) shall be available for the national economic development assistance programs of the Economic Development Administration: *Provided further,* That the Secretary of Commerce or his designees shall not promulgate or enforce any rule, regulation, or grant agreement provision affecting programs authorized by the Public Works and Economic Development Act of 1965, as amended, unless such rule, regulation, or provision is either required by statute or expressed as the explicit intent of the Congress or is in substantial conformity with those rules, regulations and provisions in effect prior to December 22, 1987: *Provided further,* That during fiscal year 1989 total commitments to guarantee loans shall not exceed $150,000,000 of contingent liability for loan principal: *Provided further,* That none of the funds appropriated or otherwise made available under this heading may be used directly or indirectly for attorneys' or consultants' fees in connection with securing grants and contracts made by the Economic Development Administration.

SALARIES AND EXPENSES

For necessary expenses of administering the economic development assistance programs as provided for by law, $24,742,000: *Provided,* That the number of Deputy Assistant Secretary positions shall not be greater than four: *Provided further,* That these funds may be used to monitor projects approved pursuant to title I of the Public Works Employment Act of 1967, as amended, title II of the Trade Act of 1974, as amended, and the Community Emergency Drought Relief Act of 1977. Notwithstanding any other provision of this Act or any other law, funds appropriated in this paragraph shall be used to fill and maintain forty-nine permanent positions designated as Economic Development Representatives out of the total number of permanent positions funded in the Salaries and Expenses account of the Economic Development Administration for fiscal year 1989, and such positions shall be maintained in the various States within the approved organizational structure in place on December 1, 1987, and where possible, with those employees who filled those positions on that date.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 8 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of "$178,917,000, to remain available until expended," in said amendment, insert: "$167,502,000, to remain available until expended, of which $3,300,000 is for support costs for a new materials center in Ames, Iowa, and".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 9 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum "$40,481,000", named in said amendment, insert: "$40,106,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 10 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum "$40,102,000" named in said amendment, insert: "$39,705,000".

And in lieu of the sum "$25,718,000" named in said amendment, insert: "$25,321,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 12 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

"(INCLUDING TRANSFERS OF FUNDS)

"For necessary expenses of activities authorized by law for the National Oceanic and Atmospheric Administration, including acquisition, maintenance, operation, and hire of aircraft; 439 commissioned officers on the active list; construction of facilities, including initial equipment; alteration, modernization, and relocation of facilities; and acquisition of land for facilities; $1,211,652,000, to remain available until expended; of which $3,000,000 shall be available for the EROS Data Center in South Dakota pursuant to section 602 of Public Law 98-365; and which $1,941,500, including $941,500 previously appropriated, shall be available only for construction and renovation of facilities at the Stuttgart Fish Farming Experimental Station, Stuttgart, Arkansas; and of which $377,000 shall be available only for a semi-tropical research facility located at Key Largo, Florida; and of which $1,700,000 is for the St. Paul Pribilof Island Trust; and in addition, $28,717,000 shall be derived from the Airport and Airways Trust Fund; and in addition, $45,600,000 shall be derived by transfer from the Fund entitled "Promote and Develop Fishery Products and Research Pertaining to American Fisheries"; and in addition, $6,500,000 shall be derived by transfer from the Coastal Energy Impact Fund: *Provided,* That grants to States pursuant to section 306 and 306(a) of the Coastal Zone Management Act, as amended, shall not exceed $2,000,000 and shall not be less than $450,000.".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 13 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

"FISHERIES PROMOTIONAL FUND

"Of the funds deposited in the Fisheries Promotional Fund pursuant to section 209 of the Fish and Seafood Promotion Act of 1986, $3,000,000, to remain available until expended, shall be made available as authorized by said Act: *Provided,* That $135,000 of this amount shall be available only for a grant to the Seafood Consumer Research and Education Center, Astoria, Oregon.".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 16 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: ***$1,919,000, to remain available until expended***

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 17 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum named in said amendment, insert: ***$109,000,000***

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 18 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

"NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY

"SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES

"For necessary expenses of the National Institute of Standards and Technology, $159,000,000, to remain available until expended, of which $250,000 shall be available for a grant to the Southwest Radiation Calibration Center at the University of Arkansas; and of which not to exceed $6,050,000 may be transferred to the "Working Capital Fund"; and of which $7,500,000 shall be for Regional Centers for Transfer of Manufacturing Technology; and of which $7,500,000 shall be used to develop and fund for the period January 1, 1989 through December 31, 1991 a cooperative agreement, with a non-Federal partner, for the establishment of a Center for Integrated Design, Non-Destructive Evaluation and Manufacturing. Of the funding provided for the Center for Integrated Design, Non-Destructive Evaluation and Manufacturing, 50 percent will be used for program operations and 50 percent for facilities development and equipment. The Institute will report to the House and Senate Committees on Appropriations on the status of the cooperative agreement with the Center for Integrated Design, Non-Destructive Evaluation and Manufacturing not later than February 1, 1989.".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 20 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

"SALARIES AND EXPENSES

"For necessary expenses, as provided for by law, of the National Telecommunications and Information Administration, $13,630,000 of which $700,000 shall remain available until expended.".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 21 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum "$21,590,000" named in said amendment, insert: "$20,000,000".

And in lieu of the sum "$1,700,000" named in said amendment, insert: "$200,000 appropriated in this paragraph".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 29 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

"GENERAL ADMINISTRATION

"SALARIES AND EXPENSES

"For expenses necessary for the administration of the Department of Justice, $88,360,000: *Provided,* That balances previously made available for Federal Justice Research activities may be used for other activities of this account.".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 31 to aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum "$240,591,000" named in said amendment, insert: *$242,994,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 32 to aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum named in said amendment, insert: *$44,937,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 33 to aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

"SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

"For necessary expenses of the Offices of the United States Attorneys, $391,212,000.".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 34 to aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum named in said amendment, insert: *$47,370,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 36 to aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum "$185,000,000" named in said amendment, insert: *$190,000,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 37 to aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum "$87,649,000" named in said amendment, insert: *$93,700,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 38 to aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

"FEES AND EXPENSES OF WITNESSES

"For expenses, mileage, compensation, and per diems of witnesses, for private counsel expenses, and for per diems in lieu of subsistence, as authorized by law, including advances; $52,203,000, to remain available until expended, of which not to exceed $1,350,000 may be made available for planning, construction, renovation, maintenance, remodeling, and repair of buildings and the purchase of equipment incident thereto for protected witness safesites: Provided, That the Attorney General may enter into reimbursable agreements with other Federal Government agencies or components within the Department of Justice to pay expenses of private counsel to defend Federal Government employees sued for actions while performing their official duties.".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 39 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

"SALARIES AND EXPENSES, COMMUNITY RELATIONS SERVICE

"For necessary expenses of the Community Relations Service, established by title X of the Civil Rights Act of 1964, $27,858,000, of which not to exceed $20,667,000 shall remain available until expended to make payments in advance for grants, contracts and reimbursable agreements and other expenses necessary under section 501(c) of the Refugee Education Assistance Act of 1980 (Public Law 96-422; 94 Stat. 1809) for the processing, care, maintenance, security, transportation and reception and placement in the United States of Cuban and Haitian entrants: Provided, That notwithstanding section 501(e)(2)(B) of the Refugee Education Assistance Act of 1980 (Public Law 96-422; 94 Stat. 1810), funds may be expended for assistance with respect to Cuban and Haitian entrants as authorized under section 501(c) of such Act.".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 42 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum "1,424,977,000" named in said amendment insert: "$1,424,100,000".

And in lieu of the sum "$10,000,000" named in said amendment insert: "$25,000,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 43 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

"DRUG ENFORCEMENT ADMINISTRATION

"SALARIES AND EXPENSES

"For necessary expenses of the Drug Enforcement Administration, including not to exceed $70,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General, and to be accounted for solely on his certificate; purchase of not to exceed 549 passenger motor vehicles of which 489 are for replacement only for police-type use without regard to the general purchase price limitation for the current fiscal year; and acquisition, lease, maintenance, and operation of aircraft; $505,000,000, of which not to exceed $1,200,000 for research shall remain available until expended; and of which not to exceed $1,700,000 for purchase of evidence and payments for information, not to exceed $4,000,000 for contracting for ADP and telecommunications equipment, not to exceed $2,000,000 for technical equipment, and not to exceed $15,150,000 for aircraft and equipment shall remain available until September 30, 1990.".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 44 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum "$804,323,000" named in said amendment, insert: *$800,000,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 46 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

"SALARIES AND EXPENSES

"For expenses necessary for the administration, operation, and maintenance of Federal penal and correctional institutions including purchase (not to exceed 159 of which 109 are for replacement only) and hire of law enforcement and passenger motor vehicles; $953,012,000: *Provided,* That there may be transferred to the Health Resources and Services Administration such amounts as may be necessary, in the discretion of the Attorney General, for direct expenditures by that Administration for medical relief for inmates of Federal penal and correctional institutions: *Provided further,* That uniforms may be purchased without regard to the general purchase price limitation for the current fiscal year: *Provided further,* That of the amount appropriated under this heading, not to exceed $4,204,000 shall be for 'Federal Prison Industries' to replace equipment destroyed during the Mariel Cuban disturbances.".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 47 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum named in said amendment, insert: *$9,590,000.*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 48 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the percentum "20" named in said amendment insert: "10".

And in lieu of the section number "607" named in said amendment insert: "606".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 49 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

"FEDERAL PRISON INDUSTRIES, INCORPORATED

"The Federal Prison Industries, Incorporated, is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available, and in accord with the law, including not to exceed $20,000,000 in borrowing authority in fiscal year 1989 from the Secretary of the Treasury as authorized in legislation enacted subsequent to this Act, and to make such contracts and commitments, without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the program set forth in the budget for the current fiscal year for such corporaton, including purchase of (not to exceed five for replacement only) and hire of passenger motor vehicles.".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 50 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum "$7,677,000" named in said amendment, insert: *$4,677,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 51 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

"For grants, contracts, cooperative agreements, and other assistance authorized by the Justice Assistance Act of 1984, Runaway Youth and Missing Children Act Amendments of 1984, and the Missing Children Assistance Act, including salaries and expenses in connection therewith, $89,383,000, to remain available until expended, of which $3,497,000 is provided for programs authorized under part E of the Justice Assistance Act of 1984, notwithstanding the provisions of section 407 of such Act, including $2,300,000 for the National Crime Prevention Campaign and $1,000,000 for Operational Information Systems Support.

"In addition, for grants as authorized by the State and Local Law Enforcement Assistance Act of 1986 (Public Law 99-570, 100 Stat. 3207-42 to 3207-48), including salaries and expenses in connection therewith, $70,000,000, to remain available until expended, of which not less than $1,500,000 shall be made available for drug abuse demand reduction programs authorized under 42 U.S.C. 3761.

"In addition, for grants, contracts, cooperative agreements, and other assistance authorized by title II of the Juvenile Justice and Delinquency Prevention Act of 1974, as amended, including salaries and expenses in connection therewith, $64,692,000, to remain available until expended, and in addition, $2,000,000, to remain available until expended, to be derived from deobligated funds previously awarded under title II, part B, subpart I and II of the Juvenile Justice and Delinquency Prevention Act.

"In addition, $5,000,000 for the purpose of making grants to States for their expenses by reason of Mariel Cubans having to be incarcerated in State facilities for terms requiring incarceration for the full period October 1, 1988 through September 30, 1989, following their conviction of a felony committed after having been paroled into the United States by the Attorney General: *Provided further,* That within 30 days of enactment of this Act the Attorney General shall announce in the Federal Register that this appropriation will be made available to the states whose Governors certify by February 1, 1989, a listing of names of such Mariel Cubans incarcerated in their respective facilities: *Provided further,* That the Attorney General, not later than April 1, 1989, will complete his review of the certified listings of such incarcerated Mariel Cubans, and make grants to the States on the basis that the certified number of such incarcerated persons in a State bears to the total certified number of such incarcerated persons: *Provided further,* That the amount of reimbursements per prisoner per annum shall not exceed $12,000.".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 60 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

"SEC. 208. (a) Notwithstanding subsections (c) and (d) of section 223 of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5633), failure to achieve compliance with the requirements of subsection (a)(14) of such section within the five-year time limitation specified in such subsection (a)(14) shall terminate any State's eligibility for funding for fiscal year 1989 under subpart I of part B of title II of such Act unless the Administrator of the Office of Junvenile Justice and Delinquency Prevention—

"(1) determines, in the discretion of the Administrator, that such State has—

"(A)(i) removed not less than 75 percent of juveniles from jails and lockups for adults; or

"(ii) achieved substantial compliance with such subsection (a)(14); and

"(B) made, through appropriate executive or legislative action, an unequivocal commitment to achieving full compliance within a reasonable time, not to exceed three additional years; or

"(2) waives the termination of the State's eligibility on the condition that the State agrees to expend all of the funds to be received under such subpart for such fiscal year by the State (excluding funds required to be expended to comply with subsections (c) and (d) of section 222) of such Act, only to achieve compliance with such subsection (a)(14).

"(b) Except as provided in subsection (a) of this section, failure to achieve compliance with the requirements of subsection (a)(14) of section 223 of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5633) after December 8, 1985, shall terminate any State's eligibility for funding for fiscal year 1989 under subpart I of part B of title II of such Act unless the Administrator waives the termination of the State's eligibility on the condition that the State agrees to expend all of the funds to be received for such fiscal year under such subpart by the State (excluding funds required to be expended to comply with subsections (c) and (d) of section 222) of such Act, only to achieve compliance with section 223(a)(14) of such Act.

"(c) For purposes of subsection (a)(1)(A)(ii) of this section, a State may demonstrate that it is in substantial compliance with section 223(a)(14) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5633(a)(14)) by showing that it has—

"(1) removed all juvenile status offenders and nonoffenders from jails and lockups for adults;

"(2) made meaningful progress in removing other juveniles from jails and lockups for adults;

"(3) diligently carried out the State's plan to comply with such section 223(a)(14); and

"(4) historically expended, and continues to expend, to comply with such section 223(a)(14) an appropriate and significant share of the funds received by the State under subpart I of part B of title II of such Act.

"(d) Authorities contained in this Section shall remain in effect until the termination date of this Act or until the effective date of an Act to authorize appropriations for fiscal year 1989 for Juvenile Justice and Delinquency Prevention programs, whichever is earlier.".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 62 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 210 (a) IN GENERAL.—Section 101(b)(2) of the Immigration and Nationality Act (8 U.S.C. 1101(b)(2)) is amended by inserting before the period at the end the following: ", except that, for purposes of paragraph (1)(F) in the case of an illegitimate child described in paragraph (1)(D) (and not described in paragraph (1)(C)), the term 'parent' does not include the natural father of the child if the father has disappeared or abandoned or deserted the child or if the father has in writing irrevocably released the child for emigration and adoption".

"(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the enactment of section 315 of the Immigration Reform and Control Act of 1986 and shall expire on October 1, 1989.".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 69 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum inserted by said amendment, insert: *$1,784,000,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 78 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert "including preliminary surveys, operations and maintenance of the interceptor system to be constructed to intercept sewage flows from Tijuana and from selected canyon areas as currently planned, and the operation and maintenance upon completion of the proposed Environmental Protection Agency and Corps of Engineers pipeline and plant project to capture Tijuana sewage flows in the event of a major breakdown in Mexico's conveyance system, $10,261,000: Provided, That expenditures for the Rio Grande bank protection project shall be subject to the provisions and conditions contained in the appropriation for said project as provided by the Act approved April 25, 1945 (59 Stat. 89)".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 85 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum "$1,742,000" named in said amendment, insert: *$1,725,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 87 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

"Sec. 303. (a) Section 303 of the Department of State Appropriations Act, 1988 (as contained in section 101(a) of Public Law 100-202), is amended in the first sentence—

"(1) by striking out "$290,000" and inserting in lieu thereof "$340,000";

"(2) by striking out "and"; and

"(3) by inserting after "Public Law 86-420" the following: ", and section 109(c) of the Department of State Authorization Act, Fiscal Years 1984 and 1985.".

"(b) Section 109(c) of the Department of State Authorization Act, Fiscal Years 1984 and 1985, is amended—

"(1) by striking out "Of the amounts" and inserting in lieu thereof "There are";

"(2) by striking out "for 'International Organizations and Conferences' "; and

"(3) by striking out "may be used".

"(c) The amendments made by this sections shall take effect on October 1, 1988.".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 88 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

"Sec. 304. (a) Section 8 of the United Nations Participation Act of 1945 is amended as follows:

"(1) by adding the words "serving abroad" after the words "in section 2 of this Act";

"(2) by adding the word "abroad" after the words "such living quarters"; and

"(3) by deleting the last sentence of that section.

"(b) Section 9 of the United Nations Participation Act of 1945 is amended as follows:

"(1) by deleting all but subsection (2);

"(2) by renumbering subsection (2) as (3) and deleting the word "President" therein and inserting the word "Secretary" in lieu thereof; and

"(3) by inserting the following:

"Sec. 9. The Secretary of State may, under such regulations as he shall prescribe, and nothwithstanding section 3648 of the Revised Statutes (31 U.S.C. 3324) and section 5536 of title 5, United States Code—

"(1) make available to the Representative of the United States to the United Nations and the Deputy Permanent Representative of the United States to the United Nations living quarters leased or rented by the United States (for periods not exceeding ten years) and allowances for unusual expenses incident to the operation and maintenance of such living quarters similar to those and to be considered for all purposes as authorized by section 22 of the Administrative Expenses Act of 1946, as amended by section 311 of the Overseas Differentials and Allowances Act."

"(2) make available in New York to no more than 18 foreign service employees of the staff of the United States Mission to the United Nations, other representatives, and no more than two employees who serve at the pleasure of the Representative, living quarters leased or rented by the United States (for periods not exceeding ten years). The number of employees to which such quarters will be made available shall be determined by the Secretary and shall reflect a significant reduction over the number of persons eligible for housing benefits as of the date of enactment of this provision. No employee may occupy a unit under this provision if the unit is owned by the employee. The Secretary shall require that each employee occupying housing under this subsection contribute to the Department of State a percentage of his or her base salary, in an amount to be determined by the Secretary of State, toward the cost of such housing. The Secretary may reduce such payments to the extent of income taxes paid on the value of the leased or rented quarters. Any payments made by employees to the Department of State for occupancy by them of living quarters leased or rented under this section shall be credited to the appropriation, fund, or account utilized by the Secretary of State for such lease or rental or to the appropriation, fund, or account currently available for such purpose.

* * * * *

"(4) The Inspector General shall review the program established by this section no later than December 1989 and periodically thereafter with a view to increasing cost savings and making other appropriate recommendations.

"(c) Transition provisions—

(1) provisions set forth in this section shall be effective July 1, 1989.

"(2) In the event that taxes paid by an employee on the benefit provided under subsection (2) of section 9 exceed the contribution amount computed as a percentage of base salary under that subsection, the Department of State may reimburse the employee up to the amount of such differential for the period from the date of enactment of this Act through July 1, 1989.".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 91 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section designation in the said amendment, insert: *305*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 92 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section number named in said amendment, insert: "306".

And in lieu of the matter proposed in subsection (c)(2) of said amendment, insert the following:

"(2) The special envoy shall hold the personal rank of Ambassador and shall coordinate United States policies and programs with the Afghan Resistance.".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 93 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: "as authorized by 31 U.S.C. 1343 and 1344; not to exceed $10,000 for official reception and representation expenses; and for miscellaneous expenses, to be expended as the Chief Justice may approve; $15,901,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 96 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: *as authorized by law, $8,300,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 99 to the aforesaid bill and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: "as authorized by law, including the purchase of firearms and ammunition, $1,135,000,000: *Provided*, That of the total amount appropriated, $500,000 is to remain available until expended for acquisition of books, periodicals, and newspapers, and all other legal reference materials, including subscriptions: *Provided further*, That the number of staff attorneys to be appointed in each of the courts of appeals shall not exceed the ratio of one attorney for each authorized judgeship, exclusive of the seven attorneys assigned preargument conference duties: *Provided further*, That, notwithstanding any other provision of law, not to exceed $1,500,000 for expenses of the Claims Court associated with processing cases under the National Childhood Vaccine Injury Act of 1986 shall be reimbursed from the special fund established to pay judgements awarded under the Act: *Provided further*, That any funds hereafter collected by the Judiciary as a charge for services rendered in administering accounts kept in a court's registry shall be deposited into a separate account entitled "Registry Administration Account" in the Treasury of the United States. Such funds shall remain available to the Judiciary until expended to reimburse any appropriation for the amount paid out of such appropriation for expenses of the Court of Appeals, District Courts and Other Judicial Services and the Administrative Office of the United States Courts".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 107 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter stricken by said amendment insert the following: "as authorized by 28 U.S.C. 1871 and 1876; refreshments of jurors".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 109 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: "(28 U.S.C. Appendix Rule 71A(h)); $43,135,000, to remain available until expended: *Provided*, That the compensation of land commissioners shall not exceed the daily equivalent of the highest rate payable under section 5332 of title 5, United States Code".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 112 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: "as authorized by 31 U.S.C. 1343(b), advertising and rent in the District of Columbia and elsewhere, $33,600,000, of which an amount not to exceed $5,000 is authorized for official reception and representation expenses".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 116 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section designation in said amendment, insert: *402*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 117 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section designation in said amendment, insert: *403*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 118 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section designation in said amendment, insert: *404*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 119 to the aforesaid bill, and concur therein with an amendment as follows:

in lieu of the section designation in said amendment, insert: *405*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 120 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section designation in said amendment, insert: *406*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 121 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section designation in said amendment, insert: *407*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 131 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum named in said amendment, insert: *$33,000,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 133 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: "to remain available until expended, of which $4,500,000 is to be derived from unobligated balances made available under this heading in previous appropriations Acts, and of which $7,500,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 136 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

"For necessary expenses of the Commission on Civil Rights, including hire of passenger motor vehicles, $5,707,000, of which $2,000,000 is for regional offices and $700,000 is for civil rights monitoring activities: *Provided,* That not to exceed $20,000 may be used to employ consultants: *Provided further,* That not to exceed $185,000 may be used to employ temporary or special needs appointees: *Provided further,* That none of the funds shall be used to employ in excess of four full-time individuals under Schedule C of the Excepted Service, exclusive of one special assistant for each Commissioner whose compensation shall not exceed the equivalent of 150 billable days at the daily rate of a level 11 salary under the General Schedule: *Provided further,* That not to exceed $40,000 shall be available for new, continuing or modifications of contracts for performance of mission-related external services: *Provided further,* That none of the funds shall be used to reimburse Commissioners for more than 75 billable days, with the exception of the Chairman who is permitted 125 billable days: *Provided further,* That the General Accounting Office shall audit the Commission's use of this appropriation under such terms and conditions as deemed appropriate by the Comptroller General and shall report its findings to the Appropriations Committees of the Senate and House of Representatives.".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 139 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum "$181,758,000" named in said amendment insert: "$180,712,000".

And in lieu of the sum "$1,200,000" named in said amendment insert: "$900,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 140 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum "$100,660,000" named in said amendment, insert: "$99,613,000".

And following the phrase "Code of Federal Regulations" at the end of said amendment, insert: ": *Provided further,* That the authority under the Supplemental Appropriations Act, 1985 (Public Law 99-88) with respect to the relocation of the Fort Lauderdale Monitoring Station shall extend through fiscal year 1989 and under the same terms and conditions of Public Law 99-88".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 141 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: "$13,585,000: *Provided,* That not to exceed $1,500 shall be available for official reception and representation expenses".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 142 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

"FEDERAL TRADE COMMISSION

"SALARIES AND EXPENSES

"For necessary expenses of the Federal Trade Commission, including uniforms or allowances therefor, as authorized by 5 U.S.C. 5901-5902; services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; and not to exceed $2,000 for official reception and representation expenses; $66,243,000: *Provided,* That the funds appropriated in this paragraph are subject to the limitations and provisions of sections 10(a) and 10(c) (notwithstanding section 10(e)), 11(b), 18, and 20 of the Federal Trade Commission Improvements Act of 1980 (Public Law 96-252; 94 Stat. 374).".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 143 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum "$37,069,000" named in said amendment, insert: *35,958,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 145 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: *$953,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 146 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

"OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

"SALARIES AND EXPENSES

"For necessary expenses of the Office of the United States Trade Representive, including the hire of pasenger motor vehicles and the employment of experts and consultants as authorized by 5 U.S.C. 3109, $15,229,000, of which $1,000,000 shall remain available until expended: *Provided,* That not to exceed $69,000 shall be available for official reception and representative expenses.".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 147 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: "and not to exceed $3,000 for official reception and representation expenses, $142,640,000, of which not to exceed $10,000 may be used toward funding a permanent secretariat for the International Association of Securities Commissioners".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 149 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

"SALARIES AND EXPENSES

("Including Transfer of Funds)

"For necessary expenses, not otherwise provided for, of the Small Business Administration, including hire of passenger motor vehicles and not to exceed $2,500 for official reception and representation expenses, $228,490,000, of which $45,000,000 shall be available for grants for performance in fiscal year 1989 or fiscal year 1990 for Small Business Development Centers as authorized by section 21(a) of the Small Business Act, as amended: *Provided,* That not more than $350,000 of this amount shall be made available to pay the expenses of the National Small Business Development Center Advisory Board and to reimburse centers for participating in evaluations as provided in section 20(a) of such Act, and to maintain a clearinghouse as provided in section 21(g)(2) of such Act: *Provided further,* That none of the funds appropriated or made available by this Act or otherwise appropriated or made available to the Small Business Administration shall be used to adopt, implement, or enforce any rule or regulation with respect to the Small Business Development Center program authorized by section 21 of the Small Business Act, as amended (15 U.S.C. 648) nor may any of such funds be used to impose any restrictions, conditions or limitations on such program whether by standard operating procedure, audit guidelines or otherwise, unless such restrictions, conditions or limitations were in effect on October 1, 1987, unless specifically approved by the Committees on Appropriations under reprogramming procedures except that this provision shall not apply to uniform common rules applicable to multiple Federal departments and agencies including the Small Business Administration; nor may any of such funds be used to restrict in any way the right of association of participants in such program: *Provided further,* That none of the funds appropriated for the

Small Business Administration under this Act may be used to impose any new or increased loan guaranty fee or debenture guaranty fee unless specifically permitted by subsequently enacted authorizing legislation: *Provided further*, That none of the funds appropriated for the Small Business Administration under this Act may be used to impose any new or increased user fee or management assistance fee unless the Administration notifies the Appropriations Committees of the Senate and the House of Representatives and the Committees on Small Business of the Senate and the House of Representatives at least 30 days prior to the imposition of such fee. In addition, such sums as may be necessary for disaster loanmaking activities, including loan servicing, shall be transferred to this appropriation from the 'Disaster Loan Fund'.".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 151 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

"BUSINESS LOAN AND INVESTMENT FUND

"For additional capital for the "Business Loan and Investment Fund", $85,500,000, to remain available without fiscal year limitation; and for additional capital for new direct loan obligations to be incurred by the "Business Loan and Investment Fund", $82,000,000, to remain available without fiscal year limitation: *Provided*, That no funds appropriated under this Act may be used to sell direct loans which are held by the Small Business Administration or any loan guaranty or debenture guaranty made by the Small Business Administration under the authority contained in the Small Business Investment Act of 1958, and which was held by the Federal Financing Bank on September 30, 1987: *Provided further*, That up to $5,000,000 of the unobligated balances available in the "Business Loan and Investment Fund" may be transferred to "Salaries and Expenses", Small Business Administration upon notification by the Administration to the Committees on Appropriations of the House and Senate in compliance with provisions set forth in section 606 of this Act.".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 154 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum named by said amendment, insert: *$10,980,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 156 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: "$620,347,000, none of which shall be restricted from use for the purposes appropriated herein and of which $38,500,000 shall be available for the Television and Film Service:".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 158 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: ": *Provided further*, That the funds appropriated by this paragraph shall be available notwithstanding section 201(2) and 301(a)(6) of Public Law 100-204 and notwithstanding section 701 of the United States Information and Educational Exchange Act of 1948, as amended: *Provided further*, That the funds appropriated in this paragraph shall be available as authorized by Reorganization Plan No. 2 of 1977 (91 Stat. 1636)".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 160 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

"Reorganization Plan No. 2 of 1977 (91 Stat. 1636) $150,040,000, of which $9,290,000 is for Private Sector programs including up to $1,500,000, to remain available until expended, for the Eisenhower Exchange Fellowship Program".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 163 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: ": *Provided*, That not to exceed $7,500,000 of these funds may be available for the purchase, rent, construction, improvement and equipping of facilities for and startup operations including a test of television broadcasting to Cuba: *Provided further*, That in conducting such startup operations the United States Information Agency shall use a tethered aerostat operated and located at Cudjoe Key Air Force Base in Key West, Florida, if feasible and subject to reimbursement, for both the United States Customs Service's drug interdiction efforts and the U.S. Information Agency's test of television broadcasting to Cuba: *Provided further*, That the Department of Defense shall provide necessary military support required to support this effort to the maximum extent possible: *Provided further*, That all such television broadcasting activities shall be conducted for the same purposes and, to the extent feasible, under the same conditions, direction and controls as the radio broadcasting activities authorized by the Radio Broadcasting to Cuba Act: *Provided further*, That notwithstanding the preceding proviso, section 7 of the Radio Broadcasting to Cuba Act shall not apply to television broadcasting station licensees".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 164 to the aforesaid bill, and concur therein with an amendment as follows:

Strike out the matter stricken, and insert: ": *Provided*, That none of the funds appropriated herein shall be used to pay any salary, or to enter into any contract providing for the payment thereof, in excess of the rate authorized for GS-18 of the Classification Act of 1949, as amended, exclusive of any cap on such rate".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 168 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum, "$8.75" named in said amendment, insert: "$8.58".

And in lieu of the section number "607" named in said amendment, insert: "606".

And at the end of the amendment after the phrase "fiscal year 1988", insert: ": *Provided further*, That the fourteenth and fifteenth provisos of this section (relating to Parts 1607 and 1612 of the Corporation's regulations) shall expire upon action by the United States Senate confirming a Board of Directors of the Legal Services Corporation composed of individuals who are nominated by the President after January 20, 1989: *Provided further*, That a Board of Directors of the Legal Services Corporation, composed of individuals nominated by the President after January 20, 1989 and subsequently confirmed by the United States Senate, shall develop and implement a system for the competitive award of all grants and contracts, including support centers, to take effect after September 30, 1989".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 170 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section designation in said amendment, insert: *606*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 171 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section designation in said amendment, insert: *607*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 174 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section designation in said amendment, insert: *608*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 176 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section designation in said amendment, insert: *609*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 177 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section designation in said amendment, insert: *610*

Mr. BYRD. Mr. President, I move that a motion to reconsider be laid on the table.

The motion was agreed to.

PARENTAL AND TEMPORARY MEDICAL LEAVE

The Senate continued with the consideration of the bill.

Mr. BYRD. Mr. President, in order that Senators may go home without having to wait on another rollcall vote, I would like to put that vote over until the morning.

Mr. President, Senator THURMOND and Senator BIDEN have agreed on some modifications to the pending amendment by Mr. THURMOND.

I ask unanimous consent that on tomorrow, Mr. THURMOND have for not to exceed 1 hour to offer modifications to his amendment, notwithstanding that the yeas and nays may have already been ordered provided the modification or modifications are agreed upon by Mr. BIDEN.

The PRESIDING OFFICER. Is there objection?

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. I offer this not as an amendment today, but Senator BIDEN had some questions about some portions of it, so we have gotten together. We have been working for several hours, and we have reached an agreement on a few changes in it. They are being drafted now, but there is no use holding up the Senate. We will vote on it first thing in the morning if that suits the majority leader. I suggest we do that, and we will be ready to present it in the morning.

Mr. BYRD. Very well. This will protect the rights of the Senator from South Carolina. It would also protect the rights of Mr. BIDEN and all Senators, and it would allow the Senate to go home early.

Mr. ROCKEFELLER. Will the majority leader yield?

Mr. BYRD. Yes, I yield.

Mr. ROCKEFELLER. Mr. President, the junior Senator from West Virginia was necessarily absent for the last vote. If I had been here, I would have voted aye.

Mr. BYRD. What was the Senator's request?

Mr. ROCKEFELLER. Simply that the junior Senator from West Virginia was necessarily absent during the previous vote. Had I been present, the Senator would have voted aye.

Mr. BYRD. Yes.

Mr. COCHRAN. Mr. President, has the Chair ruled?

Mr. BYRD. Did the Chair rule on my request?

The PRESIDING OFFICER. Without objection, the majority leader's request is agreed to.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations and a withdrawal, which were referred to the appropriate committees.

(The nominations and withdrawal received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE RECEIVED DURING RECESS

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Under the authority of the order of the Senate of February 3, 1987, the Secretary of the Senate, on September 26, 1988, during the recess of the Senate, received a message from the House of Representatives announcing that the Speaker had signed the following enrolled bills and joint resolution:

S. 425. An act for the relief of Sukhjit Kuldip Singh Saund;

S. 1583. An act for the relief of Maria Antonieta Heird;

S. 1945. An act to amend the Second Supplemental Appropriation Act, 1961, relating to the lease of certain lands from the Isleta Indian Tribe for a seismological laboratory;

S. 1972. An act for the relief of Irma Purisch and Daniel Purisch; and

S.J. Res. 322. Joint resolution to designate the week of September 23-30, 1988, as "National American Indian Heritage Week."

The enrolled bills and joint resolution were subsequently signed on today, September 27, 1988, by the Acting President pro tempore [Mr. BREAUX].

MESSAGES FROM THE HOUSE

At 11:29 a.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill, without amendment:

S. 1259. An act to direct the Secretary of the Interior to permit access across certain Federal lands in the State of Arkansas, and for other purposes.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1467) to authorize appropriations to carry out the Endangered Species Act of 1973 during fiscal years 1988, 1989, 1990, 1991, and 1992, and for other purposes.

The message further announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 373. A concurrent resolution correcting technical errors in the enrollment of the bill H.R. 1467.

At 2:01 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the amendment of the Senate to the bill (H.R. 4419) to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker has signed the following enrolled bill and joint resolution:

H.R. 2884. An act to assure uniformity in the exercise of regulatory jurisdiction pertaining to the transportation of natural as and to clarify that the local transportation of natural gas by a distribution company is a matter within State jurisdiction and subject to regulation by State commissions, and for other purposes; and

H.J. Res. 580. Joint resolution to designate the month of September 1988 as "National Sewing Month".

The enrolled bill and joint resolution were subsequently signed by the President pro tempore (Mr. STENNIS).

At 4:11 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two House on the amendments of the Senate to the bill (H.R. 4794) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1989, and for other purposes; it recedes from its disagreement to the amendments of the Senate numbered, 21, 34, 74, 75, and 97 to the bill, and agrees thereto; it recedes from its disagreement to the amendments of the Senate numbered 20, 22, 38, 48, 50, 76, 77, 87, 100, 104, 122, 126, 127, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, and 153 to the bill, and agrees thereto, each with an amendment, in which it requests the concurrence of the Senate; and that the House insists upon its disagreement to the amendments of the Senate numbered 12 and 121 to the bill.

The message also announced that the House disagrees to the amendment of the Senate to the bill (H.R. 4174) to amend the Small Business Act and the Small Business Investment Act of 1958, and for other purposes, agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. LAFALCE, Mr. SMITH of Iowa, Mr. GONZALEZ, Mr. THOMAS A. LUKEN, Mr. SKELTON, Mr. MCDADE, Mr. CONTE, and Mr. BROOMFIELD as managers of the conference on the part of the House.

At 6:21 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4782) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1989, and for other purposes; it recedes from its disagreement to the amendments of the Senate numbered 2, 11, 15, 19, 22, 23, 24, 30, 35, 45, 52, 53, 54, 55, 56, 57, 58, 59, 61, 63, 64, 65, 66, 68, 71, 73, 77, 86, 94, 102, 110, 123, 124, 125, 126, 127, 128, 134, 144, 148, 150, 152, 153, 155, and 167 to the bill and agrees thereto; and that the House recedes from its disagreement to the amendments of the Senate numbered 1, 4, 7, 8, 9, 10, 12, 13, 16, 17, 18, 20, 21, 29, 31, 32, 33, 34, 36, 37, 38, 39, 42, 43, 44, 46, 47, 48, 49, 50, 51, 60, 62, 69, 78, 85, 87, 88, 91, 92, 93, 96, 99, 107, 109, 112, 116, 117, 118, 119, 120, 121, 131, 133, 136, 139, 140, 141, 142, 143, 145, 146, 147, 149, 151, 154, 156, 158, 160, 163, 164, 168, 170, 171, 174, 176, and 177 to the bill, and agrees thereto, each with an amendment, in which it requests the concurrence of the Senate.

The message also announced that the House has passed the following bill, without amendment:

S. 555. An act to regulate gaming on Indian lands.

The message further announced that the House has passed the following bill, with amendments, in which it requests the concurrence of the Senate:

S. 2201. An act to make certain record rental provisions in title 17, United States Code, the Copyright Act, permanent.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 4209. An act to authorize appropriations to carry out title I of the Marine Protection, Research, and Sanctuaries Act of 1972 during fiscal years 1989, 1990, and 1991; and

H.R. 4432. An act to amend title 13, United States Code, to require certain detailed tabulations relating to Asian Americans and Pacific Islanders in the decennial censuses of population.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 4209. An act to authorize appropriations to carry out title I of the Marine Protection, Research, and Sanctuaries Act of 1972 during fiscal years 1989, 1990, and 1991; to the Committee on Environment and Public Works.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, September 27, 1988, he had presented to the President of the United States the following enrolled bills and joint resolution:

S. 425. An act for the relief of Sukhjit Kuldip Singh Saund;

S. 1583. An act for the relief of Maria Antonieta Heird;

S. 1945. An act to amend the Second Supplemental Appropriation Act, 1961, relating the lease of certain lands from the Isleta Indian Tribe for a seismological laboratory;

S. 1927. An act for the relief of Irma Purisch and Daniel Purisch; and

S.J. Res. 322. Joint resolution to designate the week of September 23-30, 1988, as "National American Indian Heritage Week."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 2352. A bill to provide for the transfer of certain lands in the State of Arizona, and for other purposes (Rept. No. 100-533).

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, without amendment:

S. 2408. A bill to transfer the Coast Guard cutter *Ingham* to the Naval and Marine Museum at Patriots Point, South Carolina (Rept. No. 100-554).

By Mr. PELL, from the Committee on Foreign Relations, without amendment and with a preamble:

H.J. Res. 648. Joint resolution to encourage increased international cooperation to protect biological diversity.

By Mr. BURDICK, from the Committee on Environment and Public Works, without amendment and with a preamble:

H. Con. Res. 357. Concurrent resolution expressing the sense of the Congress regarding the reopening of Washington Union Station.

By Mr. PELL, from the Committee on Foreign Relations, without amendment and with a preamble:

S. Res. 475. Resolution urging the Polish Government to recognize the independent trade union Solidarity as a legal entity.

By Mr. PELL, from the Committee on Foreign Relations, with an amendment:

S. 2204. A bill to implement the Inter-American Convention on International Commercial Arbitration.

By Mr. BURDICK, from the Committee on Environment and Public Works, without amendment:

S. 2835. An original bill to designate the United States Post Office and Courthouse located at 151 West Street in Rutland, Vermont, as the "Robert R. Stafford United States Courthouse and Post Office."

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, without amendment:

S. 2840. An original bill to provide for the designation and conservation of certain lands in the States of Arizona and Idaho, and for other purposes.

By Mr. PELL, from the Committee on Foreign Relations, without amendment and with a preamble:

S. Con. Res. 140. Concurrent resolution calling for the restoration of democracy in Panama and pledging economic assistance.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. PELL, from the Committee on Foreign Relations:

Carol C. Adelman, of Virginia, to be an Assistant Administrator of the Agency for International Development.

Richard Clark Barkley, of Michigan, a career member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the German Democratic Republic.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Richard C. Barkley.

Post: Ambassador, German Democratic Republic.

Contributions, amount, date, and donee.

1. Self, none.

2. Spouse, none.

3. Children and spouses names, none.

4. Parents names, Mr. and Mrs. Kenneth Goulet (stepfather), $635, 1985, $300; 1986, $300; 1988, $35, the Republican Party of Michigan.

5. Grandparents names, deceased.

6. Brothers and spouses names, none.

7. Sisters and spouses names, Mr. and Mrs. Robert Sammis, none.

Charles A. Gillespie, Jr., of California, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Chile.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Charles A. Gillespie, Jr.

Contributions, amount, date, and donee.

1. Self, none.

2. Spouse, Vivian H., none.

3. Children and spouses names, son, Charles A. IV; daughter, Kristin H., none.

4. Parents names, father, deceased 1964; mother, Ann H. Gillespie, none.

5. Grandparents names, all deceased.

6. Brothers and spouses names, none.

7. Sisters and spouses names, none.

Robert Bigger Oakley, of Louisiana, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Islamic Republic of Pakistan, to which position he was appointed during the last recess of the Senate.

Nominee: Robert B. Oakley.

Post: Ambassador to the Islamic Republic of Pakistan.

Nominated: August 18, 1988.

(Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.)

Contributions, amount, date, and donee.

1. Self, none.

2. Spouse, Phyllis E. Oakley, none.

3. Children and spouses names, Mary Oakley; Thomas Oakley, none.

4. Parents names, Josephine Oakley, none; Robert N. Oakley, deceased.

5. Grandparents names, Mr. and Mrs. Alden C. Bigger, deceased, The Reverend and Mrs. George Oakley, deceased.

6. Brothers and spouses names, none.

7. Sisters and spouses names, none.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. PELL. Mr. President, for the Committee on Foreign Relations, I also report favorably a nomination list in the Foreign Service which appeared in full in the CONGRESSIONAL RECORD of September 16, 1988, and, to save the expense of reprinting them on the Executive Calendar, I ask that these nominations lie at the Secretary's desk for the information of Senators.

The PRESIDING OFFICER. Without objection it is so ordered.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. EXON:

S. 2833. A bill to amend the Internal Revenue Code of 1986 to provide that gross income of an individual shall not include income from U.S. savings bonds which are transferred to an educational institution as payment for tuition and fees; to the Committee on Finance.

By Mr. BINGAMAN (for himself, Mr. Domenici, Mr. Inouye, and Mr. Burdick):

S. 2834. A bill to amend the Carl D. Perkins Vocational Act to establish a program of grants for vocational-technical training and to encourage tribal economic development, to provide for the designation of the National Indian Center for Research in Vocational-Technical Training, and for other purposes; to the Select Committee on Indian Affairs.

By Mr. BURDICK, from the Committee on Environment and Public Works:

S. 2835. An original bill to designate the U.S. Post Office and Courthouse located at 151 West Street in Rutland, VT, as the "Robert T. Stafford United States Courthouse and Post Office"; placed on the calendar.

By Mr. BUMPERS (for himself, Mr. Pryor, Mr. Cochran, Mr. Stennis, Mr. Johnston, Mr. Breaux, Mr. Bond, Mr. Danforth, Mr. Sasser, Mr. Gore, Mr. Simon, Mr. Dixon, Mr. Ford, Mr. McConnell, Mr. Cranston, Mr. Moynihan, and Mr. Bradley):

S. 2836. A bill to establish the Lower Mississippi Delta Development Commission; to the Committee on Environment and Public Works.

By Mr. CRANSTON:

S. 2837. A bill to make nonmailable any plant, fruit, vegetable, or other matter, the movement of which in interstate commerce has been prohibited or restricted by the Secretary of Agriculture in order to prevent the dissemination of dangerous plant diseases or pests, and for other purposes; to the Committee on Governmental Affairs.

By Mr. HEFLIN (for himself and Mr. Shelby):

S. 2838. A bill to designate the Sipsey River as a component of the National Wild and Scenic Rivers System, to designate certain areas as additions to the Sipsey Wilderness, to designate certain areas as additions to the Cheaha Wilderness, and to preserve over 30,000 acres of pristine natural treasures in the Bankhead National Forest for the aesthetic and recreational benefit of future generations of Alabamians, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. PELL (by request):

S. 2839. A bill to establish programs for the professional development, recruitment, and training of elementary and secondary school teachers, to establish a national academy for teaching, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources:

S. 2840. An original bill to provide for the designation and conservation of certain lands in the States of Arizona and Idaho, and for other purposes; placed on the calendar.

By Mr. KARNES (for himself, Mr. Dole, Mr. Helms, Mr. Bond, Mr. Gramm, Mr. Cochran, Mr. Nickles, Mr. Dixon, Mr. Simon, and Mr. Harkin):

S. 2841. A bill to provide that the Secretary of Transportation may not issue regulations reclassifying anhydrous ammonia under the Hazardous Materials Transportation Act; to the Committee on Commerce, Science, and Transportation.

By Mr. CONRAD (for himself, Mr. Sanford, Mr. Burdick, Mr. Boren, Mr. Daschle, Mr. Gore, Mr. Nunn, Mr. Dixon, Mr. Stennis, Mr. DeConcini, Mr. Inouye, Ms. Mikulski, Mr. Wirth, Mr. Leahy, Mr. Moynihan, Mr. Johnston, Mr. Matsunaga, Mr. Heflin, Mr. Murkowski, Mr. Garn, Mr. Lugar, Mr. Stevens, Mr. Karnes, Mr. McClure, Mr. Bond, Mr. Domenici, Mr. Warner, Mr. Graham, Mr. Mitchell, Mr. D'Amato, Mr. Thurmond, Mr. Hollings, Mr. Dole, Mr. Riegle, Mr. Boschwitz, and Mr. Bentsen):

S.J. Res. 386. A joint resolution to designate the week of June 18 through June 24, 1989, as "National Grasslands Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BYRD (for Mr. Pell (for himself and Mr. Helms)):

S. Con. Res. 144. Concurrent resolution correcting the enrollment of S.J. Res. 317; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. EXON:

S. 2833. A bill to amend the Internal Revenue Code of 1986 to provide that gross income of an individual shall not include income from U.S. savings bonds which are transferred to an educational institution as payment for tuition and fees; to the Committee on Finance.

EDUCATION SAVINGS ACT

Mr. EXON. Mr. President, I rise today to introduce legislation which will extend help to a forgotten segment of people in this country, the low- and middle-income families.

Most families spend a career trying to save enough money to send their children to college. A college education is part of the American dream, but with the rising cost of education it is becoming more difficult for families to afford to send their children to college. Ten years ago, grants comprised 80 percent of the average student aid package, with loans making up less than 20 percent. Today, a student aid package is comprised of more than 50 percent loans, leaving grants to make up less than 48 percent of the average aid package. And now, even loans are moving out of the reach of many individuals. We are quickly moving backward to the time when a college education was a privilege reserved only for the wealthy.

We clearly need to help the low- and middle-income families regain some financial stability and hold on to whatever meager security they gained a few years ago. The current administration has repeatedly cut and chopped at the so-called safety net they put into place to protect these very individuals. Now, there is nothing there but tattered shreds of forgotten, underfunded, and eliminated programs. To the thinking of this Senator, that is not the way to achieve morning in America.

Mr. President, the bill I am introducing today will allow interest earned on savings bonds to be tax exempt if the savings bonds are used for the purpose of financing a student's higher education costs. Also, to ensure that this bill really helps the low- and middle-income families, this exemption is phased out according to income. For taxpayers with an adjusted gross income of $60,000 to $70,000 only 67 percent of the excludable interest would be allowed. For adjusted gross incomes of $70,000 to $80,000 only 34 percent of the excludable interest would be allowed. For those with adjusted gross incomes of over $80,000, no exemption would be allowed.

My bill is similar to that introduced by my colleague, Mr. Kennedy, of which I am a cosponsor. It is also similar to the idea put forth by Vice President Bush. However, where these and other similar bills only allow this exemption for parents, spouses, or the student, my bill will allow grandparents, aunts, uncles, friends—anybody—to help a student finance his or her education. I think this is a major difference. If we are trying to stimulate savings, and encourage education, why limit the incentive to such a small audience? When I talk to people about this proposal, overwhelmingly the response is to open the exemption to anybody who would like to help the student. With the soaring costs of college today, every little bit helps. As with the other bills of this type, to gain the tax exemption on the interest, the savings bonds have to be transferred to the institution of higher education. If the student decides not to go to school, the bonds could be cashed in and used for any purpose, but there would be no tax exemption.

The Tax Code unfortunately has never encouraged Americans to save for an education. Education is so valuable to our children and society that we should encourage savings for higher education. The Nation benefits by having a better educated society. The need for a better educated society has become a theme for this Congress—reiterated through our discussions on the trade bill into the passage of the Hawkins-Stafford elementary and secondary school improvement amendments.

Mr. President, this is a small step toward helping low- and middle-income families finance a postsecondary education for their children. It is also a small step toward restoring the financial stability of low- and middle-income families which has seriously eroded over the last 7½ years. I urge my colleagues to join with me in supporting this desperately needed piece of legislation, and I ask unanimous consent that the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2833

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; STATEMENT OF PURPOSES.

(a) Short Title.—This Act may be cited as the "Education Savings Act of 1988".

(b) Purposes.—The purposes of this Act are—

(1) to encourage savings for higher education, and

(2) to encourage the sale of United States savings bonds.

SEC. 2. EXCLUSION FROM GROSS INCOME OF INCOME FROM UNITED STATES SAVINGS BONDS USED TO PAY TUITION AND FEES.

(a) In General.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to items specifically excluded from gross income) is amended by redesignating section 135 as section 136 and by inserting after section 134 the following new section:

"SEC. 135. INCOME FROM UNITED STATES SAVINGS BONDS TRANSFERRED TO PAY TUITION AND FEES.

"(a) General Rule.—If a taxpayer transfers a qualified United States savings bond to an eligible educational institution as payment for the higher education expenses of the taxpayer or any other individual, gross income shall not include the lesser of—

"(1) the amount which (but for this section) would be includible in gross income by reason of such transfer, or

"(2) the amount of such higher education expenses.

"(b) Phase-out of Exclusion.—

"(1) In general.—In the case of a taxpayer with an adjusted gross income of $60,000 or more for the taxable year, the amount excludable under subsection (a) shall be equal to the following percentage of such amount determined without regard to this subsection:

If the adjusted gross income is:	The percentage is:
$60,000 or greater but less than $70,000	67
$70,000 or greater but less than $80,000	34
$80,000 or more	0

"(2) Indexation of amounts.—In the case of taxable years beginning in any calendar year after 1988, each dollar amount under paragraph (1) shall be increased by the cost-of-living adjustment for such calendar year under section 1(f)(3).

"(3) Married individuals filing separately.—In the case of a married individual filing separately, paragraph (1) shall be applied by taking into account only one-half of each dollar amount contained therein.

"(4) Certain dependents.—In the case of an individual with respect to whom a deduction under section 151 is allowable to another taxpayer for a taxable year beginning in the calendar year in which the individual's taxable year begins, this subsection shall be applied to such individual by taking into account the adjusted gross income of the other taxpayer.

"(c) Qualified United States Savings Bond.—For purposes of this section, the term 'qualified United States savings bond' means a United States savings bond which—

"(1) is issued at discount under section 3105 of title 31, United States Code, and

"(2) is issued after the date of the enactment of this section.

"(d) Other Definitions.—For purposes of this section—

"(1) Higher education expenses.—The term 'higher education expenses' means—

"(A) tuition and fees required for the enrollment or attendance at an eligible educational institution, and

"(B) fees, books, supplies, and equipment required for courses of instruction at an eligible educational institution.

"(2) Eligible educational institution.—The term 'eligible educational institution' means—

"(A) an institution of higher education; or

"(B) a vocational school.

"(3) Institution of higher education.—The term 'institution of higher education' means the institutions described in section 1201(a) or 481(a) of the Higher Education Act of 1965.

"(4) Vocational school.—The term 'vocational school' means an area vocational education school as defined in subparagraph (C) or (D) of section 521(3) of the Carl D. Perkins Vocational Education Act which is in any State (as defined in section 521(27) of such Act)."

(b) Promotion of Public Awareness of Program.—The Secretary of the Treasury or his delegate shall take such actions as may be necessary to make the general public aware of the program established by this Act.

(c) Conforming Amendment.—The table of sections for part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by striking out the item relating to section 135 and by inserting after the item relating to section 134 the following new items:

"Sec. 135. Income from United States savings bonds transferred to pay tuition and fees.
"Sec. 136. Cross references to other acts."

(d) Effective Date.—The amendments made by this section shall apply to transfers after the date of the enactment of this Act of United States savings bonds issued after such date.

SEC. 3. TRANSFERABILITY OF UNITED STATES SAVINGS BONDS.

Section 3105 of title 31, United States Code, is amended by adding at the end thereof the following new subsection:

"(f)(1) Nothing in subsection (c) shall restrict—

"(A) the transfer of a qualified United States bond to an eligible educational institution as payment for higher education expenses, or

"(B) the redemption of such bond by such institution.

"(2) For purposes of paragraph (1), any term used which is also used in section 135 of the Internal Revenue Code of 1986 shall have the same meaning as when used in such section."

By Mr. BINGAMAN (for himself, Mr. Domenici, Mr. Inouye, and Mr. Burdick):

S. 2834. A bill to amend the Carl D. Perkins Vocational Education Act to establish a program of grants for vocational technical training and to encourage tribal economic development, to provide for the designation of the National Indian Center for Research in Vocational-Technical Training, and for other purposes; to the Select Committee on Indian Affairs.

VOCATIONAL EDUCATION ASSISTANCE TO INDIANS AND HAWAIIAN NATIVES

Mr. BINGAMAN. Mr. President, today I have the pleasure of introducing legislation intended to help young Native Americans better prepare themselves for the competitive, global society of the 21st century.

Joining me in introducing this bill are my good friends and distinguished colleagues, Senator Domenici, the chairman of the Senate Select Committee on Indian Affairs, Mr. Inouye, and the Senator from North Dakota, Mr. Burdick.

This legislation amends the Carl D. Perkins Vocational Education Act to ensure more Native Americans of their right to a quality vocational education.

Such an assurance is vitally important to the young Indian people of my home State of New Mexico and to Native Americans throughout the country because the world these young people face, with its harsh economic realities, is a new and different place. It is not the world we knew as children.

In that world, the key to success is education.

NEED FOR LEGISLATION

Without a good, solid education, the youth of today will be unable to compete for the jobs of the 21st century. And without maximum participation by all of our citizens in the work force, our Nation's social and economic structure will suffer untold damage.

Indeed, many of our Indian tribes are already suffering. Some of the highest unemployment rates in the Nation are recorded on their lands, and some of the highest high school dropout rates are found among their youths.

Unfortunately, the Indian tribes of New Mexico know the pain of these statistics all too well.

The Navajo Nation, despite its recent successful efforts to develop its economy and attract new business and industry to its land, is plagued with an unemployment rate hovering near 40 percent.

And last year in New Mexico, 12 percent of the Native American teenagers enrolled in public schools dropped out. During the last 5 years, the State dropout rate has been highest among this group of students, while the Native American college-entrance rate remains woefully low.

These grim statistics must be turned around. Each Indian youth, no less than any other young person in this country, deserves the opportunity to achieve as much as he or she is able.

THIS LEGISLATION—PROVISIONS

That is why this legislation is so important. It will establish a National American Indian Center for Research in Vocational-Technical Training to help tribes and tribal institutions formulate important economic development policies and strategies and develop critical education and training programs.

Importantly, it will also provide a stable, basic funding source for the two institutions nationwide that are committed solely to providing quality vocational educational opportunities for Indian students—the Crownpoint Institute of Technology in New Mexico, and the United Tribes Technical College in Bismarck, ND.

CROWNPOINT INSTITUTE—PROBLEMS

These are good schools, with important training opportunities in high-demand fields such as accounting, computer technology, health care, masonry, carpentry, and mechanics.

They also are schools operating on meager budgets, built largely by the Federal Government, but without Federal authorizing statutes to provide stable funding sources.

The problems they must grapple with are many. Without dependable funding from the Federal or State government, the schools exist year-by-year, competing for grants that get smaller and smaller each year. Long range planning is difficult, because their administrators often do not know whether they will be able to operate into the future. Critical structural repairs remain undone and course curriculum sometimes suffers.

Yet despite these adversities, these two schools are successes.

CROWNPOINT INSTITUTE—SUCCESSES

Since first opening its doors in 1979, Crownpoint Institute of Technology has graduated more than 1,100 skilled workers into the Nation's work force. Nearly all of these graduates were unemployed and without job skills when they enrolled into Crownpoint.

Now, they have the education and training needed to leave the welfare rolls forever and assume active roles in their tribe's labor force and in our Nation's future.

CONCLUSION

Without a doubt, Crownpoint Institute of Technology and the United Tribes Technical College have played a crucial role in the education of many Native Americans, and their intensive training programs should be encouraged and strengthened.

Accessible, affordable vocational education is critical to our future work force, and our Indian people deserve the same basic opportunities available to others. We owe this to the young Native Americans of today and tomorrow.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2834

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. VOCATIONAL EDUCATION ASSISTANCE TO INDIANS AND HAWAIIAN NATIVES.

(a) ALLOTMENT.—Section 101(a)(1)(B) of the Carl D. Perkins Vocational Education Act (hereafter in this Act referred to as the "Act") (20 U.S.C. 2301 et seq.) is amended—

(1) by striking "1½" and inserting "2½"; and

(2) by striking "1¼" in clause (i) and inserting "2".

(b) INDIAN AND HAWAIIAN NATIVES PROGRAMS.—

(1) IN GENERAL.—Section 103 of the Act (20 U.S.C. 2313(b)) is amended—

(A) in subsection (b)—

(i) by adding at the end of paragraph (1) the following: "The Secretary may not place upon grants made or contracts entered into under this paragraph any restrictions relating to rates of placement of students or adults served other than restrictions which apply to grants made to or contracts entered into with States under section 101. The Secretary, in making grants under this paragraph, shall give special consideration to grants which involve, coordinate with, or encourage tribal economic development plans.";

(ii) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively; and

(iii) by inserting after paragraph (2) the following new paragraph (3):

"(3)(A)(i) From funds reserved under section 101(a)(1)(B)(i) in any fiscal year, the Secretary shall first reserve not less than $1,500,000 for purposes of making grants to the Crownpoint Institute of Technology, located in Crown Point, New Mexico, and next shall reserve not less than $2,100,000 for purposes of making grants to the United Tribes Technical College, located in Bismarck, North Dakota. Grants made under the preceding sentence shall be for vocational-technical training and related activities, and shall be subject to such terms and conditions as the Secretary may reasonably require relative to satisfactory performance (other than the restrictions prohibited under paragraph (1)).

"(ii) The Secretary shall, for fiscal year 1991 and each succeeding fiscal year, adjust for inflation the amounts reserved by the Secretary under clause (i). The Secretary shall calculate the adjustment required by the preceding sentence based on the percentage change in the price index published by the Secretary of Labor in the Federal Register as required by section 100(c)(1) of the Rehabilitation Act of 1973.

"(B) From any funds reserved under section 101(a)(1)(B)(i) in any fiscal year that remain after reservations are made under subparagraph (A)(i) and to the extent that the amount of such funds exceeds the amount of funds reserved under such section in fiscal year 1988, the Secretary shall first make grants to institutions of higher education that are eligible for assistance under the Tribally Controlled Community College Assistance Act of 1978, for purposes of encouraging the development of programs relating to and involving tribal economic development. If no such institution of higher education submits an application under the preceding sentence, the Secretary may approve a single application from the American Indian Higher Education Consortium for such purposes.

"(C) Nothing in this paragraph shall be interpreted as effecting or limiting the ability or eligibility of any entity to whom this paragraph applies to apply for, or receive assistance from, any other source, including Federal assistance other than assistance under this title.";

(B) by redesignating subsection (c) as subsection (d); and

(C) by inserting after subsection (b) the following new subsection (c):

"(c)(1) Subject to the provisions of paragraph (2), the Secretary of Education shall transfer to the Secretary of the Interior funds reserved under section 101(a)(1)(B)(iii) to be expended for activities consistent with the purposes of this Act (other than construction or alteration of facilities) for the benefit of students attending Bureau funded schools.

"(2) The Secretary of the Interior shall provide for purposes of the activities described in paragraph (1), for each fiscal year, an amount equal to the amount of funds transferred under paragraph (1), and shall administer all amounts so transferred or provided as a single fund. If the Secretary of the Interior is unable to provide the amount described in the preceding sentence, the Secretary of Education shall use any funds reserved under section 101(a)(1)(B)(iii) for purposes of carrying out subsection (b).".

(2) AUTHORIZATION OF AMOUNTS.—Section 101(a)(1)(B) of the Act (as amended by subsection (a)) is further amended—

(A) by inserting a comma in clause (i) after "103(b)";

(B) by striking "103(c)" in clause (ii) and inserting "103(d)";

(C) by redesignating clause (ii) as clause (iii); and

(D) by inserting after "section 103(b)" the following: "(ii) ¼ percent shall be for the purposes of section 103(c),".

(c) DEFINITIONS.—Section 521 of the Act is amended by adding at the end the following new paragraph:

"(33) The term 'bureau funded school' has the meaning provided in section 1139(3) of the Education Amendments of 1978.".

SEC. 2. NATIONAL PROGRAMS.

Part A of title IV of the Act is amended by adding at the end the following new section:

NATIONAL INDIAN CENTER FOR RESEARCH IN VOCATIONAL-TECHNICAL TRAINING

"SEC. 405. (a)(1) The National Indian Center for Research in Vocational-Technical Training (hereafter in this section referred to as the 'National Indian Center') established pursuant to this Act shall continue to be operated with funds made available under this Act.

"(2)(A) The Secretary shall provide support for the National Indian Center through an annual grant for its operation of not less than $500,000 per fiscal year. The

National Indian Center shall be a nonprofit entity associated with a tribe or a tribal organization. The Secretary shall, on the basis of applications received, designate the entity to be the National Indian Center for a period of five years, acting upon the advice of a panel composed of individuals appointed by the Secretary who are not Federal employees and who are nationally recognized as experts in vocational-technical education training, administration, or research. A recipient of a grant under this subsection may apply for later grants under this subsection. In reviewing applications for grants under this subsection, the Secretary shall consider, but may not require, past experience, demonstrated commitment (in terms of programs and fiscal resources) to past vocational-technical activities and potential for future commitment to the support of the National Indian Center.

"(3) The National Indian Center shall have a Director, appointed by the entity to which the grant is made under this subsection. Such entity shall assure that the activities of the National Indian Center equitably consider and involve the national and regional needs of all federally recognized tribes. The Secretary shall establish procedures to ensure that activities conducted under the grant will support, investigate, and fulfill national needs or goals.

"(b) The National Indian Center shall have as its primary purposes the design and conduct of research and developmental projects and programs, including longitudinal studies, which extend over a period of years, and such supplementary and short-term studies as the Director may choose to conduct consistent with the purposes of this Act. Such projects, programs, and activities shall be conducted by the National Indian Center directly and through subcontracts (subject to the availability of appropriations therefor) with tribes or tribal organizations, public agencies, and public or private secondary schools or institutions of higher education. The National Indian Center shall—

"(1) conduct applied research and development on—

"(A) the constructive involvement of the private sector, including private and institutional entrepreneurship, in vocational-technical training for American Indians and Alaska Natives;

"(B) effective methods for providing quality vocational-technical training to American Indians and Alaska Natives, including youths and young adults, handicapped individuals, individuals who are single parents or homemakers, individuals of limited English proficiency, and individuals who are incarcerated in correctional institutions;

"(C) successful methods for reinforcing and enhancing basic academic skills in vocational settings;

"(D) the development of curriculum materials and instructional methods relating to new and emerging technologies, and assessments of the nature of change in the workplace and its effect on individual jobs, specifically as such change relates to tribal or reservation settings and resources, particularly with respect to tribal economic development; and

"(E) the identification of institutional, social, and cultural characteristics which improve the preparation of youths and adults for employment;

"(2) conduct research into the relationship between training and tribal or reservation economic development, particularly with respect to the creation of, and full utilization of, employment opportunities;

"(3) provide leadership development through an advanced study center and inservice education activities for tribal and local leaders in vocational-technical education;

"(4) disseminate the results of the research and development projects funded by the National Indian Center;

"(5) develop and provide information to facilitate the formulation of national planning and policy for Indian tribes and their economic development through vocational-technical training;

"(6) provide technical assistance to programs serving American Indians and Alaska Natives;

"(7) act as a clearinghouse for information on—

"(A) contracts entered into and grants made by States which are intended to, or may, provide services to American Indians and Alaska Natives; and

"(B) contracts entered into and grants made by the Secretary under section 103;

"(8) work with tribes, tribal organizations, the Bureau of Indian Affairs, secondary schools that receive funding from the Bureau of Indian Affairs, States, local educational agencies, and other public agencies in developing methods of planning and evaluating programs, including the followup studies of individuals who complete the program so that such entities can offer vocational-technical education programs which are more closely related to the types of jobs available or to become available in their reservations, communities, States, and regions; and

"(9) after consultation with the National Commission for Employment Policy, report annually to the Congress, the Secretary of Education, the Secretary of Labor, and the Secretary of the Interior on the extent, efficiency, and effectiveness of planning and coordination under this Act, the Job Training Partnership Act, and all other/Federal programs providing vocational-technical education and economic development-related services to American Indians and Alaska Natives.".

SEC. 3. EFFECTIVE DATE.

The amendments made by this Act shall take effect on October 1, 1990.

By Mr. BUMPERS (for himself, Mr. Pryor, Mr. Cochran, Mr. Stennis, Mr. Johnston, Mr. Breaux, Mr. Bond, Mr. Danforth, Mr. Sasser, Mr. Gore, Mr. Simon, Mr. Dixon, Mr. Ford, Mr. McConnell, Mr. Cranston, Mr. Moynihan, and Mr. Bradley):

S. 2836. A bill to establish the Lower Mississippi Delta Development Commission; to the Committee on Environment and Public Works.

DELTA DEVELOPMENT ACT

● Mr. BUMPERS. Mr. President, I am today introducing the Delta Development Act, which is based upon the text of S. 2246, legislation I introduced on March 31, 1988. It is also based upon H.R. 4373, introduced on the House side by Congressmen Espy and Whitten and others.

The introduction of S. 2246 appears at pages S3626 of the Congressional Record of March 31, and I refer my colleagues to the statement I made upon the introduction of that measure. In that statement I provided extensive statistics and materials on the problems of the Mississippi delta region, statistics and materials that are just as relevant to the legislation I introduce today, and I hereby incorporate that statement by reference.

Other critical legislative history can be found in the transcripts of the hearings held in both the Senate and the House on S. 2246 and H.R. 4373 on June 28, 1988. (Joint hearing by Committee on Environment and Public Works and Committee on Small Business of the Senate on S. 2246, and hearing by Subcommittee on Economic Stabilization of the House of Representatives on H.R. 4373.)

The legislative language of the bill I am introducing today is the product of negotiations among relevant committees of both the House and Senate, primarily the Environment and Public Works Committee of the Senate, the Economic Stabilization Subcommittee of the House, and the Agriculture Appropriations Subcommittees of both the House and Senate. Identical legislation is being introduced in the House of Representatives.

In working out this compromise, I want to especially thank Representatives Espy, Whitten, Oakar, Anderson, and St Germain and Senators Burdick, Cochran, and Breaux. This agreement will hopefully allow the legislation I am introducing today to become law.

This legislation is a critical first step toward bringing together the local, State, and Federal governments and the private sector to work to alleviate the poverty of the lower Mississippi delta area. It establishes a nine member Commission composed of one member appointed by the Governor of each State and two members appointed by the President. The Commission is required to identify and study the problems of the region and to prepare a 10-year plan that recommends ways to promote economic development in the region. It is intended that the Commission's report will form the basis for programs and policies adopted by all levels of government directed at the development of the lower Mississippi River.

Authorizing committees in both the House and Senate have acted on the earlier bills (S. 2246 and H.R. 4373) on which this legislation is based. On August 10 the Committee on Environment and Public Works reported S. 2246 with an amendment. On September 14 the Economic Stabilization Subcommittee of the House Committee on Banking, Finance and Urban Affairs reported an original bill, H.R. 5283, which was based upon H.R. 4373.

The lower Mississippi delta region follows the course of the Mississippi River and stretches from southern Illinois to the delta of the Mississippi

River and the Gulf of Mexico. The 187 counties in the seven States—Illinois, Missouri, Kentucky, Tennessee, Arkansas, Mississippi, and Louisiana—that make up the region are the home of more than 11 million Americans.

The lower Mississippi River valley is the poorest, most underdeveloped region in the United States, ranking lowest in almost every economic and social indicator. According to the Congressional Research Service, all but three counties in the region are well below the national average in terms of measurable poverty—that is, the number of people below the poverty line, per capita income, and unemployment.

Tunica County, MS, for example, is the poorest county in the Nation. Almost 53 percent of its citizens live below the national poverty level. The per capita income is $6,643, or 48 percent below the national average. In Lee County, AR, 44.3 percent of the population lives in poverty, with a per capita income of just $6,542. In Madison Parish, LA, 42.7 percent of the population lives below the national poverty level; in Lake County, TN, the comparable figure is 31.3 percent. Similar statistics abound throughout the region.

The poverty in the region is reflected in the statistics for education and health. Since 1900, Louisiana and Mississippi have consistently ranked first and second in illiteracy and Arkansas has ranked in the top 10. Louisiana, Mississippi, Tennessee, and Kentucky are all among the worst States in terms of the public school dropout rates, in excess of 30 percent. Per pupil spending rates are also among the lowest in the country. Arkansas ranks 45th, Tennessee ranks 46th, Kentucky ranks 48th, and Mississippi ranks last.

With respect to health, Mississippi and Arkansas ranked first and second in teen pregnancy rates in 1985. Louisiana, Mississippi, and Arkansas ranked in the worst one-fifth of all States in their infant mortality rates, far in excess of the national average of 10.6 deaths per 1,000 live births.

This data clearly highlights the hardships faced by the people who inhabit the lower Mississippi delta region. The Commission established by this legislation will be required to identify and study the specific problems of the region that perpetuate these hardships and prepare a 10-year plan with recommendations to address the problems of the area.

Although the legislation does not give the Commission authority to implement its recommendations, it is the intent of the sponsors that the State and local government entities in the area and Federal Government will rely principally on the Commission's report when developing legislative and executive initiatives that address the problems identified by the Commission.

SUMMARY OF MAJOR PROVISIONS

The legislation establishes the Lower Mississippi Delta Development Commission to study the economic development problems of the lower Mississippi river delta. The Commission is to be composed of nine members, one member appointed by the Governor of each State and two members to be appointed by the President.

The Commission is to remain in effect for 2 years from the date of its first meeting. An interim report of the Commission's activities is required within 9 months after the first meeting of the Commission and a final report is expected within 18 months after the first Commission meeting. The Commission is to remain organized for an additional 120 days after the final report is issued in order to answer questions or to conduct further studies required to carry out the purposes of the act.

The Commission is directed to identify and study the economic development, infrastructure, employment, transportation, resource development, education, health care, housing, and recreation needs of the lower Mississippi region and develop a 10-year plan that recommends and establishes priorities to alleviate the needs identified by the Commission. The Commission is directed to study and report on the specific problems that are enumerated by the legislation, and to make recommendations for solving such problems. In addition, the Commission may study, report, and make recommendations on other issues it determines are relevant to economic development.

Explanation of the section-by-section analysis is as follows:

SECTION-BY-SECTION ANALYSIS

SECTION 1. SHORT TITLE

This section provides that this legislation may be cited as the "Lower Mississippi Delta Development Act."

SECTION 2. FINDINGS

House and Senate committees heard testimony, reviewed studies, and heard reports about the development needs of the Lower Mississippi Delta Region.

The solutions to the long-term economic development problems of the Region depend upon a combined effort and long-term commitment of federal, state and local governments. No single level of government can address the complex problems of the Region. Moreover, to the greatest extent possible, the governments should rely on the expertise and suggestions of the private sector, citizens of the area, and any organizations committed to the development of the area. Considerable expertise exists in the academic community in the region and should be fully utilized.

Economic revitalization and long-term economic growth of the region is dependent upon the ability of the region to sustain itself through expansion of employment and business opportunities. Business expansion in the region offers the greatest hope for economic growth and revitalization of the region. Toward the achievement of this goal, the Commission is to develop an inventory of business resources in the region and compare the availability of those resources with those available in other regions of the Nation; and to study and make recommendations for improvements in federal, state and local business development and financing programs. To attract businesses and other investment into the area, the region needs to be developed in such a way to create a favorable business environment. The approach to development of the area must be comprehensive and include: increasing investment capital availability, developing infrastructure, providing adequate education opportunities and health care services, ensuring the availability of adequate housing and recreational activities, and maximizing resource development in the area.

The Mississippi River, although a tremendous natural resource for the region, has been somewhat of a barrier to the development of highway transportation. Meeting transportation needs in the region is essential to an overall economic development plan. Therefore, the legislation directs the Commission to study and recommend a system of joint federal and state-funded limited access highways and parkways interconnecting the region, and connecting the region to other major national transportation routes.

SECTION 3: PURPOSE

This section establishes the purpose of the Delta legislation. A Commission is created to study the economic needs of the region and make recommendations on how to alleviate those needs. The phrase "economic needs and economic development" should be interpreted in a comprehensive manner. The Commission is not to focus all of its efforts on business development. The Commission must also look at ways to create a favorable business environment and improve the quality of life for the region's inhabitants including studying and making recommendations that address education, health, transportation, and housing needs. Obviously, improvement in these areas is key to economic development.

SECTION 4: DEFINITIONS

This section defines the key terms used throughout the legislation. The title "Lower Mississippi" refers to the Lower Mississippi River, which begins geographically at the confluence of the Ohio and Mississippi Rivers at the southern tip of Illinois, and continues down the Mississippi to the Gulf of Mexico.

The term "delta" is used both in the geographical and cultural sense. The Lower Mississippi Delta is the common term used in the area to describe what is geographically known as the Mississippi alluvial plain; an area of rich soils created by the deposits of loess and silt in the Mississippi Basin over thousands of years, reaching as wide as 125 miles on each bank, and which follows the river's course from southern Illinois to the Gulf. This is not to be confused with the more precise geographical usage of the term "Mississippi delta", which is often used to mean the area of silt deposited at the mouth of the river in southern Louisiana. "Delta" is also a cultural term, used by the inhabitants of this region to define their unique culture, including their literature, music and institutions.

The legislation uses this term because the Lower Mississippi Valley Delta region includes the poorest counties of the country and is the poorest region, and because the people and counties of the region that are targeted share many of the same cultural, economic, geographical, geological and other regional similarities. However, while the act targets those counties with a reasonable proximity to the Mississippi River, it is important to note that it does not exclude other counties or areas near the Delta from being examined if the Commission finds such examination useful in carrying out the purposes of this Act.

SECTION 5: ESTABLISHMENT

This section establishes the Lower Mississippi Delta Development Commission.

SECTION 6: MEMBERSHIP AND ORGANIZATION

The Governor of each State in the region—Arkansas, Illinois, Kentucky, Louisiana, Missouri, Mississippi, and Tennessee—is required to participate and to appoint a Commission member. The President is required to appoint two members from the economic development community.

The Governors should coordinate their appointments in order that there be a diversity of expertise represented on the Commission. For example, one State may wish to appoint a Commission member with expertise in public health or education, while another may wish to appoint a member with expertise in natural resource development.

The states are primarily responsible for developing the report and recommendations. However, many federal agencies have expertise valuable to solving the problems of the Lower Mississippi River Delta region including the Corps of Engineers, the Small Business Administration, the U.S. Department of Agriculture, the Department of Housing and Urban Development, the Department of Health and Human Services, and the Department of Transportation. Rather than selecting from among these agencies which will be represented on the Commission, the legislation authorizes the President to appoint federal employees as representatives. The Presidential appointees do not have to be federal employees, however, and must be drawn from the economic development community.

Each appointee, state or Presidential, shall serve at the pleasure of the appointing officer. Commission members are not appointed for the life of the Commission and may be terminated if the officer who appoints them is no longer in office. Thus, if the administration changes, the new administration will have the authority to either retain the former administration's appointee or appoint a new member.

For the purposes of conducting business, such as approving the interim or final report or for purposes of selecting a chairman, a quorum of five Commission members is required. The Commission may establish a lesser quorum for purposes of conducting meetings, holding hearings, and discussion forums or other similar activities relating to the development of the interim or final report.

Four or more of the state appointed members shall determine the date, time and place of the first meeting and shall call the first meeting. The first meeting must be held within forty-five days after the enactment of this legislation. The first meeting should be at a location centrally located in the region. The first order of business at the meeting shall be to appoint a chairman. The Chairman must be selected from among the state appointees. The quorum required for selecting a Chairman is five members of the Commission.

The Commission shall conduct additional meetings as it feels are appropriate and shall decide how the meetings shall be called. Each meeting location should be easily and economically accessible by all members of the Commission.

The Commission is required to establish a headquarters.

SECTION 7: DUTIES OF THE COMMISSION

The Commission is directed to identify and study the economic development, infrastructure, employment, transportation, resource development, education, health care, housing and recreation needs of the Lower Mississippi Delta region. Each of the listed needs are to receive equal consideration in the identification and study process.

The Commission is to use the information it gathers to develop a ten-year plan that makes recommendations on actions that should be taken to alleviate the problems of the area. The Committee intends that the ten-year plan form the basis for any actions taken by the federal, state and local governments to address the problems in the region. The Commission is directed to establish priorities from among the recommended actions to help guide an orderly economic development course for the region.

In addition to the issues enumerated in the legislation, the Commission is given discretion to study other issues the Commission feels are relevant to economic development. Although most of the specified items in this section address economic development needs, all of the needs identified by the Commission as important to carrying out the purposes of the act should receive equal consideration in the study process. In studying and reporting on the issues, the Commission is required to conduct studies, investigations and field hearings. The Commission should actively encourage and solicit public participation in the study process. Considerable expertise exists within the region—in colleges and universities, business, economic development organizations, and state and local institutions—and the Commission should fully utilize such regional expertise.

The Commission is directed to compare issues in the Delta Region with those nationwide. The Commission should focus its resources primarily on developing local data. The Commission is not to conduct nationwide data gathering activities. Rather, the Commission is to rely on existing data and resources when making the comparisons required by this section.

The Commission is directed by the legislation to hold one hearing in each State in the region. Hearings and discussion forums should be well publicized in order to encourage the highest possible level of public participation.

SECTION 8: COMPENSATION OF THE COMMISSION

This section provides the manner of compensation for the Commission members. The Governors are not required to compensate their appointees but are not precluded from doing so. Members appointed by the President shall not receive additional compensation for their Commission activities if they are already employees of the federal government. If the Presidential appointees are not federal employees they will be compensated at a rate no higher than a level GS-15 civil service employee for the time spent on Commission business.

All members of the Commission, state and federal, will be reimbursed by the federal government for travel and subsistence costs accrued during the performance of their duties on the Commission.

SECTION 9: POWERS AND ADMINISTRATIVE PROVISIONS

This section gives the Commission authorities necessary to conduct its business, including entering into contracts.

SECTION 10: REPORTS

The Commission is required to submit an interim report of its findings and activities within nine months after the first Commission meeting. The interim report is to be submitted to the seven Governors, the President, and to the Speaker of the House and the President pro tempore of the Senate. The Speaker and President pro-tempore are to submit copies of the report to the appropriate committees of the House and Senate.

Within eighteen months after the date of the first Commission meeting, the Commission is to file a final report. The final report is to contain recommendations on all the items specified in this section. In addition, the Commission may make recommendations on other issues it believes are relevant to the economic development of the region. Recommendations should discuss the proper role of the state, federal and local governments in alleviating the problems of the area. In addition, the Commission should consider the proper role of the private sector and make recommendations accordingly.

SECTION 11: LIFE OF THE COMMISSION

The Commission is required to remain in effect for 120 days after the date the final report is submitted, but in no event is the total term of the Commission to exceed 2 years from the date of enactment of this legislation.

SECTION 12: AUTHORIZATION OF APPROPRIATIONS

This section authorizes $2 million for FY '89 and $1 million for FY '90 to fund the activities of the Commission.

Mr. President, I ask unanimous consent that the text of this legislation be printed in full in the RECORD immediately following my remarks and this section-by-section analysis.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2836

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Delta Development Act".

SEC. 2. FINDINGS.

The Congress finds that—

(1) the lower Mississippi River Valley region lags behind the rest of the country in economic growth and prosperity;

(2) this region suffers from a greater amount of measurable poverty and unemployment than any other region of the country;

(3) a concerted Federal, State, and local effort is needed if this region is to share in the general prosperity of the Nation;

(4) the creation of jobs and expansion of existing business, including small business, offer the greatest hope for economic growth and revitalization in the region;

(5) the availability of capital, infrastructure development, educational opportunities, health care, housing, recreational activities, and resource development are essential to successful business development and

for attracting complementary industrial expansion;

(6) the transportation needs through highway and bridge construction, air service availability, and river transport development must be addressed; and

(7) because of the social, historical, and cultural ties of this region through its proximity to the Mississippi River, as well as common economic problems, planning for this unique region is desirable and urgently needed.

SEC. 3. PURPOSE.

The purpose of this Act is to establish a Commission to study and make recommendations regarding the economic needs and economic development of the Lower Mississippi Delta region by seeking and encouraging the participation of interested citizens, public officials, groups, agencies, and others in developing a 10-year economic development plan for the region.

SEC. 4. DEFINITIONS.

For purposes of this Act—

(1) the term "Commission" means the Lower Mississippi Delta Development Commission;

(2) the term "Lower Mississippi" means those areas within a reasonable proximity of the Mississippi River in Arkansas, southern Illinois, western Kentucky, Louisiana, Mississippi, southeastern Missouri, and western Tennessee that share common economic, social, and cultural ties, and that suffer from any combination of high unemployment; low net family income; agriculture and oil industry decline; a decrease in small business activity; or poor or inadequate transportation infrastructure, health care, housing, or educational opportunities, areas including, but not limited to—

(A) the Arkansas counties of Ashley, Chicot, Drew, Bradley, Union, Desha, Lincoln, Arkansas, Cleveland, Jefferson, Lonoke, Prairie, Monroe, Lee, Phillips, St. Francis, Crittenden, White, Woodruff, Cross, Poinsett, Jackson, Mississippi, Craighead, Calhoun, Lawrence, Greene, Clay, Randolph, White, Independence, Sharp, Ouachita, Dallas, Grant, Fulton, Izard, Stone, Searcy, Marion, Van Buren, and Baxter;

(B) the southern Illinois counties of Alexander, Pulaski, Massac, Union, Johnson, Pope, Hardin, Gallatin, Saline, Williamson, and Jackson;

(C) the western Kentucky counties of Fulton, Hickman, Carlisle, Ballard, Graves, McCracken, Calloway, Marshall, Livingston, Crittenden, and Union;

(D) the Louisiana parishes of East Carroll, West Carroll, Morehouse, Union, Lincoln, Ouachita, Jackson, Caldwell, Winn, Grant, LaSalle, Richland, Madison, Franklin, Tensas, Catahoula, Concordia, Avoyelles, Pointe Coupee, St. Landry, West Feliciana, East Feliciana, St. Helena, Tangipahoa, Iberville, Assumption, Washington, Allen, Evangeline, Acadia, Ascension, St. James, and St. John the Baptist;

(E) the Mississippi counties of DeSoto, Tunica, Tate, Marshall, Benton, Tippah, Union, Coahoma, Quitman, Panola, Bolivar, Sunflower, Tallahatchie, Lafayette, Yalobusha, Washington, Humphreys, Holmes, Grenada, Carroll, Leflore, Montgomery, Issaquena, Sharkey, Yazoo, Warren, Attala, Madison, Claiborne, Copiah, Jefferson, Adams, Lincoln, Pike, Amite, Wilkinson, Franklin, Rankin, Simpson, Lawrence, and Walthall;

(F) the southeastern Missouri counties of Dunklin, Pemiscot, New Madrid, Mississippi, Scott, Studard, Butler, Ripley, Carter, Wayne, Bollinger, Cape Girardeau, Oregon, Shannon, Reynolds, Iron, Madison, Perry, St. Genevieve, St. Francis, Washington, Crawford, Dent, Texas, Howell, Ozark, Douglas, Wright, and Phelps;

(G) the western Tennessee counties of Tipton, Lauderdale, Dyer, Obion, Fayette, Crockett, Haywood, Hardeman, McNairy, Hardin, Chester, Gibson, Weakley, Henry, Carroll, Madison, Decatur, Benton, Lake, and Henderson; and

(H) and such other adjoining counties as the Commission may determine are necessary for inclusion in order to carry out the purposes of this Act, including the counties of Pulaski in Arkansas, Shelby in Tennessee, and Hinds in Mississippi, and the parishes of Rapides, East Baton Rouge, West Baton Rouge, St. Charles, Jefferson, Orleans, and St. Bernard in Louisiana;

(3) the term "Chairman" means the Chairman of the Commission.

SEC. 5. ESTABLISHMENT.

There is established a Commission to be known as the "Lower Mississippi Delta Development Commission".

SEC. 6. MEMBERSHIP AND ORGANIZATION.

(a) The Commission shall be composed of 9 members as follows:

(1) seven members appointed one each by the Governors of Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee; and

(2) two members appointed by the President chosen from the economic development community of the Lower Mississippi Delta region.

(b) A member of the Commission shall serve at the pleasure of the appointing officer.

(c) Five members of the Commission shall constitute a quorum, but the Commission may establish a lesser number for the purpose of conducting meetings.

(d) Four or more members appointed pursuant to subsection (a)(1) of this section shall determine the date, time, and place of the first meeting, and shall call the first meeting. At the first meeting, the members of the Commission shall appoint a chairman from among the members appointed pursuant to subsection (a)(1). The first meeting of the Commission shall be held within 45 days after the date of enactment of this Act. The Commission shall conduct such additional meetings as it deems appropriate.

(e) All appointments made pursuant to this Act shall be made within 30 days after the date of enactment of this Act.

(f) A vacancy on the Commission resulting from the death or resignation of a member shall not affect its powers and shall be filled in the same manner in which the original appointment was made.

(g) The Commission shall establish the location for its headquarters.

SEC. 7. DUTIES OF THE COMMISSION.

(a) The Commission shall identify and study the economic development, infrastructure, employment, transportation, resource development, education, health care, housing, and recreation needs of the Lower Mississippi region and develop a 10-year plan that makes recommendations and establishes priorities to alleviate the needs identified.

(b) In developing such plan, the Commission shall—

(1) sponsor and conduct investigations, research, studies, and field hearings;

(2) study and evaluate Federal, State, and local business development and financing programs and planning in the region, including the economic development programs, minority small business and capital ownership development programs, procurement assistance programs, and management assistance programs to small business;

(3) develop an inventory of business resources in the region and compare the availability of such resources with those available in other regions of the Nation;

(4) study existing or proposed Federal, State, and local public and private programs and projects to help the promotion of regional development;

(5) study the role of small businesses in creating jobs in the region, and compare the numbers and types of jobs arising in small businesses within such region with those arising in large businesses therein during the 10-year period preceding such study;

(6) evaluate the distribution and impact of Federal spending in the region, including grant-in-aid programs, research, and Federal procurement, and compare the level of spending in these categories in the region with spending in other regions of the country; evaluate the extent to which reliance on Federal, State, and local government outlays for poverty programs can be reduced by outlays targeted for economic development;

(7) develop an inventory of water, mineral, energy, timber, agriculture, and other natural resources in the region;

(8) assess the availability and cost of power in the region and the impact of these factors on business growth; compare the availability and cost of power in the region with other regions of the Nation;

(9) review the existing system of limited-access highways interconnecting the region to other major transportation routes, and study the necessity for establishing a system of joint Federal and State-funded limited-access highways for such purposes;

(10) evaluate the proper roles of State, local, and Federal governments and the private sector in fostering economic development in the region;

(11) determine the feasibility of—

(A) targeting Federal direct loan and loan guarantee programs, whether unilaterally or in conjunction with State and local programs;

(B) establishing revolving loan funds, community development corporations, business investment corporations, and other forms of funding mechanisms; and

(C) establishing Federal, State, and local recoupment and participation;

(12) assess the health, educational, job training, housing, and poverty relief needs of the region; and

(13) analyze such other issues affecting the region which the Commission determines to be relevant to the future economic development of the region.

(c) In developing such plan, the Commission shall—

(1) provide a forum for consideration of problems of the region and proposed solutions, and establish and utilize citizens, special advisory councils, public hearings, and conferences;

(2) seek and encourage the participation of interested citizens, public officials, groups, agencies, economic development districts, and others; and

(3) make the Commission accessible to such groups, agencies, and individuals by holding at least one well publicized public hearing in every State within such region.

SEC. 8. COMPENSATION OF THE COMMISSION AND COMMITTEE.

Each member of the Commission appointed by a Governor of a State may be compensated by the State he or she represents. The compensation of the members appointed by the President, who are not otherwise employed by the United States Government, shall receive compensation at a rate equal to the lowest daily rate prescribed for GS-15 under the General Schedule contained in section 5332 of title 5, United States Code, including traveltime, for each day he or she is engaged in the actual performance of his or her duties as a member of the Commission. A member of the Commission who is an officer or employee of the United States Government shall serve without additional compensation. All members of the Commission shall be reimbursed by the United States Government for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties.

SEC. 9. POWERS AND ADMINISTRATIVE PROVISIONS.

(a) The Commission is authorized to obtain the services of experts and consultants in accordance with the provisions of section 3109 of title 5, United States Code.

(b) The Commission is authorized to enter into agreements with the General Services Administration for procurement of necessary financial and administrative services, for which payment shall be made by reimbursement from funds of the Commission in such amounts as may be agreed upon by the Chairman and the Administrator of General Services.

(c) The Commission is authorized to procure supplies, services, and property, and make contracts in any fiscal year, only to such extent or in such amounts as are provided in appropriation Acts.

(d) The Commission is authorized to enter into contracts with Federal or State agencies, private firms, institutions, and agencies for the conduct of research or surveys, the preparation of reports, and other activities necessary to the discharge of its duties.

(e) The Commission or, on the authorization of the Commission, a member thereof, may, for the purpose of carrying out the provisions of this Act, hold such hearings and sit and act at such times and places, and request the attendance and testimony of such witnesses and the production of books, records, memoranda, papers, and documents as the Commission or such member deems advisable.

(f) The Commission, or on the authorization of the Commission, any member thereof, may, for the purpose of carrying out the provisions of this Act, have such printing and binding done, enter into contracts and other arrangements to such extent or in such amounts as are provided in appropriation Acts, and make such expenditures as the Commission or such member deems advisable.

(g) The Commission may acquire directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality, information, suggestions, estimates, and statistics for the purpose of this Act. Each such department, bureau, agency, board, commission, office, establishment, or instrumentality is authorized and directed to furnish, to the extent permitted by law, such information, suggestions, estimates, and statistics directly to the Commission, upon request by the Chairman.

(h) The Chairman of the Commission is authorized to appoint, terminate, and fix the compensation, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, of an Executive Director and such additional personnel as the Chairman finds necessary to enable the Commission to carry out its duties. The annual rate of compensation of the Executive Director may not exceed a rate equal to the rate provided for level II of the Executive Schedule under section 5316 of such title and the annual rate of compensation of all other personnel may not exceed a rate equal to the lowest rate for GS-15 of the General Schedule under section 5332 of such title.

(i) Upon request of the Commission, the head of any Federal agency is authorized to make any of the facilities and services of such agency available to the Commission or to detail any of the personnel of such agency to the Commission, on a reimbursable basis, to assist the Commission in carrying out its duties under this Act, unless the head of such agency determines that overriding reasons will not permit the agency to make such facilities, services, or personnel available to the Commission and so notifies the Chairman in writing.

(j) The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(k) The Commission may expend funds made available for purposes of this Act for printing and binding, notwithstanding any other provision of law.

SEC. 10. REPORTS.

(a) Interim Report.—Before the end of the 9-month period beginning on the date of the first meeting of the Commission pursuant to section 6(d), the Commission shall submit a report to the President pro tempore of the Senate, the Speaker of the House of Representatives, the President, and the Governors of the States listed in section 6(a), describing the findings and activities of the Commission and a description of the work necessary to carry out the duties of the Commission.

(b) Final Report.—Before the end of the 18-month period beginning on the date of the first meeting of the Commission pursuant to section 6(d), the Commission shall submit to the President pro tempore of the Senate, the Speaker of the House of Representatives, the President, and the Governors of the States listed in section 6(a), a report describing the findings and activities of the Commission, together with recommendations in the following areas regarding specific actions necessary to be taken to promote the economic development of the Lower Mississippi Delta region while preserving, as much as possible, the natural beauty and habitat of the region—

(1) infrastructure development through public projects (including projects relating to highways, bridges, harbors, water, and sewer);

(2) public health, education, job training, natural resource development, capital availability, recreation, tourism, and other policies and programs which will promote population and labor force stability improve the quality of the labor force, and provide for continuing educational opportunities for the labor force;

(3) modifications and additions to programs and projects to help the promotion of regional development under section 7(b)(4) of this Act;

(4) establishing a system of joint Federal and State-funded limited-access highways under section 6(b)(9) of this Act;

(5) policies and programs that will better attract private investment in industrial, commercial, and recreational projects;

(6) State, local, and Federal tax policies which might be used to further economic growth and business opportunities in the region;

(7) the creation of interstate compacts and other forms of interstate or interregional cooperation to carry out the recommendations made pursuant to this Act;

(8) the role of small businesses in creating jobs in the region under section 7(b)(5) of this Act;

(9) such other issues affecting the region which the Commission believes are important to future economic development; and

(10) the proper roles of the State, local, and Federal governments and the private sector in carrying out the recommendations submitted pursuant to this Act.

SEC. 11. LIFE OF THE COMMISSION.

Upon the expiration of the 120-day period following the date on which the final report is submitted pursuant to section 10, the Commission shall cease to exist, but in no event shall the life of the Commission exceed 2 years from the date of enactment of this Act.

SEC. 12. AUTHORIZATION OF APPROPRIATIONS.

For carrying out the purposes of this Act, there are authorized to be appropriated $2,000,000 for fiscal year 1989, and $1,000,000 for fiscal year 1990.●

By Mr. CRANSTON:

S. 2837. A bill to make nonmailable any plant, fruit, vegetable, or other matter, the movement of which in interstate commerce has been prohibited or restricted by the Secretary of Agriculture in order to prevent the dissemination of dangerous plant diseases or pests, and for other purposes; to the Committee on Governmental Affairs.

PREVENTION OF DISSEMINAITON OF DANGEROUS PLANT DISEASES OR PESTS

Mr. CRANSTON. Mr. President, I introduce for appropriate reference a bill to make nonmailable any plant, fruit, vegetable, or other matter, the movement of which in interstate commerce has been prohibited or restricted by the Secretary of Agriculture in order to prevent the dissemination of dangerous plant diseases or pests. The bill is a companion to H.R. 5199 introduced in the House by Congressman Tony Coelho and others.

Mr. President, since 1980 the California Department of Food and Agriculture and the U.S. Department of Agriculture have spent $110 million on the eradication of fruit flies in California. The shipment of plants, fruits and vegetables through the first-class mail has been identified as a major source of these fruit fly infestations. Thus, while California and USDA struggle to eradicate these destructive pests, a steady stream of new infestations is mailed into the State.

As my colleagues know, domestic first-class mail is sealed against inspection. U.S. Postal Service officials therefore may not inspect soggy or leaky packages suspected of containing quarantined fruit sent by first-class mail despite the fact that such parcels are a known source of fruit flies. Even if the package is about to break open, it is protected by privacy laws and must be rewrapped and promptly sent on to the addressee.

The bill I am introducing today is intended to deal with this serious problem which threatens California's $14 billion a year agricultural industry and costs the State and Federal Government an average of $14 million annually in eradication efforts, $100 million in 1980-81 alone. The legislation deals with the problem at its source. At the same time, it does not diminish fourth amendment protections of citizens concerning the privacy of the mails.

Under the bill, whenever a quarantine is established for a plant, fruit, or vegetable under the Plant Quarantine Act, the Secretary of Agriculture is to notify the Postal Service. The Postal Service must display copies of the quarantine notice in post offices in the affected area. The bill makes it a crime punishable by fines up to $1,000 and a jail term of up to 1 year to mail a first-class package containing any listed plant, fruit, or vegetable unless the package has been certified as disease and pest free. The bill also makes it a crime punishable by a fine and imprisonment up to 5 years to falsify a certification. Finally, the bill calls on the Postal Service and Department of Agriculture to educate the public about the harm which could result from the shipment of contraband plants, fruits, and vegetables in the mail.

Mr. President, I'm pleased to say that the California Department of Food and Agriculture fully supports this bill to deal with the problem of pests transmitted through the first-class mail.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2837

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. NONMAILABLE PLANTS.

(a) AMENDMENTS TO TITLE 39.—

(1) IN GENERAL.—Chapter 30 of title 39, United States Code, is amended by adding at the end the following:

"§ 3014. Nonmailable plants

"(a)(1) Whenever the Secretary of Agriculture establishes a quarantine under section 8 of the Plant Quarantine Act, prohibiting the transportation by common carrier of any plant from any State or other geographic area, the Secretary shall give notice of the establishment of such quarantine to the Postal Service in writing.

"(2) Upon receiving any such notice under paragraph (1), the Postal Service shall ensure that copies of such notice are prominently displayed at post offices located within each State or area covered by the quarantine, and shall take any other measures which the Postal Service considers necessary in order to inform the public both of the establishment of such quarantine and of relevant provisions of this section and sections 1716B and 1716C of title 18 in connection therewith.

"(b) Any plant, the transportation of which by common carrier from any State or other area is prohibited or restricted under any quarantine referred to in subsection (a), is nonmailable matter, and may not be accepted by the Postal Service or conveyed in the mails, if the matter involved is tendered for transmission through the mails from such State or area or if such matter first enters the mails within such State or area.

"(c) The Postal Service shall, after consultation with the Secretary of Agriculture, prescribe rules and regulations permitting the mailing of a plant, and otherwise making subsection (b) of this section inapplicable with respect to such plant, if the method or manner of mailing such plant would be consistent with the procedures set forth in the rules and regulations prescribed under the fourth sentence of section 8 of the Plant Quarantine Act (relating to the inspection, disinfection, and certification of, and other conditions for, the delivery and shipment of plants otherwise subject to quarantine).

"(d) For the purposes of this section—

"(1) 'Plant Quarantine Act' means the Act entitled 'An Act to regulate the importation of nursery stock and other plants and plant products; to enable the Secretary of Agriculture to establish and maintain quarantine districts for plant diseases and insect pests; to permit and regulate the movement of fruits, plants, and vegetables therefrom, and for other purposes', enacted August 20, 1912 (37 Stat. 315 et seq.); and

"(2) 'plant' means any class of plants, fruits, vegetables, roots, bulbs, seeds, or other plant products, any class of nursery stock (as defined by section 6 of the Plant Quarantine Act), and any other article or matter which is capable of carrying any dangerous plant disease or pest.".

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 30 of title 39, United States Code, is amended by adding after the item relating to section 3013 the following:

"3014. Nonmailable plants.".

(b) AMENDMENTS TO TITLE 18.—

(1) IN GENERAL.—Title 18, United States Code, is amended by inserting after section 1716A the following:

"§ 1716B. Nonmailable plants

"Whoever knowingly deposits for mailing or delivery, or knowingly causes to be delivered by mail, according to the direction thereon, or at any place at which it is directed to be delivered by the person to whom it is addressed, anything declared nonmailable by section 3014(b) of title 39, unless in accordance with the rules and regulations prescribed by the Postal Service under section 3014(c) of such title, shall be fined under this title, or imprisoned not more than one year, or both.".

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 83 of title 18, United States Code, is amended by inserting after the item relating to section 1716A the following:

"1716B. Nonmailable plants.".

SEC. 3. FORGED AGRICULTURAL CERTIFICATIONS.

(a) IN GENERAL.—Title 18, United States Code, is amended by inserting after section 1716B, as added by section 2(b)(1), the following:

"§ 1716C. Forged agricultural certifications

"Whoever forges or counterfeits any certification authorized under any rules or regulations prescribed under section 3014(c) of title 39 with intent to make it appear that such is a genuine certification, or makes or knowingly uses or sells, or possesses with intent to use or sell, any forged or counterfeited certification so authorized, or device for imprinting any such certification, shall be fined under this title, or imprisoned not more than five years, or both.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 83 of title 18, United States Code, is amended by inserting after the item relating to section 1716B, as added by section 2(b)(2), the following:

"1716C. Forged agricultural certifications.".

SEC. 4. SENSE OF THE CONGRESS.

It is the sense of the Congress that the United States Postal Service and the Department of Agriculture should, using the resources and methods available to each, engage in a joint effort to educate the public as to the types of harm which can result from the transmission to different parts of the country of plants, fruits, vegetables, and other matter which may be carrying dangerous plant diseases or pests. To that end, particular emphasis should be placed on such matters as—

(1) the potential for injury to crops and other agricultural products, and the economic consequences to farmers, the consumer, and the Nation's balance of trade, likely to result therefrom;

(2) the environmental impact associated with the spread of plant diseases and pests, including the potentially catastrophic consequences which can result if a natural predator or other inhibiting factor which is present in one area is absent in an area to which the disease or pest has spread; and

(3) the economic and other costs associated with attempting to eliminate or control plant diseases and pests.

SEC. 5. EFFECTIVE DATE.

(a) IN GENERAL.—This Act and the amendments made by this Act shall become effective on the earlier of—

(1) the 366th day after the date of the enactment of this Act; or

(2) the first date as of which all rules and regulations required to be prescribed under the amendments made by this Act have first been published in the Federal Register.

(b) REGULATIONS.—Nothing in this section shall prevent the United States Postal Service from taking any action which may be necessary to prepare and issue, as soon as possible after the date of the enactment of this Act, any rules and regulations which the Postal Service is required to prescribe under any of the amendments made by this Act.

By Mr. HEFLIN (for himself and Mr. SHELBY):

S. 2838. A bill to designate the Sipsey River as a component of the National Wild and Scenic Rivers System, to designate certain areas as additions to the Sipsey Wilderness, to designate certain areas as additions to the Cheaha Wilderness, and to preserve over 30,000 acres of pristine natural treasures in the Bankhead National Forest for the aesthetic and rec-

reational benefit of future generations of Alabamians, and for other purposes; referred to the Committee on Agriculture, Nutrition, and Forestry.

SIPSEY WILDERNESS AND CHEAHA WILDERNESS EXPANSIONS

Mr. HEFLIN. Mr. President, today I am introducing a bill relative to the environmental, recreational, and commercial use of the William F. Bankhead National Forest and the Talladega National Forest and how the pristine natural treasures of these forests may best be enjoyed by a majority of the citizens of Alabama and elsewhere.

I am very pleased to have finally reached an agreement which enables us to proceed with this bill best utilizing the Sipsey and Cheaha Wildernesses. It is no secret that it has been difficult during the last several years to reach a compromise. We were unable to reach an agreement in 1986. However, recently, I have worked with Congressman FLIPPO and his staff to reach this compromise which has been approved by all interested parties. In addition, Congressman NICHOLS and his staff have played a large role in the portion of the bill adding 710 acres to the Cheaha Wilderness.

The Bankhead National Forest consist of nearly 180,000 acres located in the Alabama counties of Winston, Lawrence, and Franklin while the Talladega Division of the Talladega National Forest consists of nearly 220,000 acres located in the Alabama counties of Calhoun, Clay, Cleburne, and Talladega. These two beautiful and diverse areas provide a natural habitat for a wide variety of plant and animal life. The topography and climate of these areas offer myriads of recreational opportunities in all seasons of the year.

In the 94th Congress, Mr. President, there was established within the confines of the Bankhead National Forest and area known as the Sipsey Wilderness. The legislation which gave birth to the Sipsey Wilderness was authored by former Alabama Senators John Sparkman and Jim Allen. The existing Bankhead (Sipsey) Wilderness consists of 12,726 acres and the existing Cheaha Wilderness consists of 6,780 acres. The forested lands of these two existing wilderness areas are primarily hardwoods, and the area is honeycombed by many heavily forested canyons which feature numerous waterfalls and caves. The existing Sipsey and Cheaha Wilderness areas are in truth majestic settings where people go to experience the heritage of nature and to escape the din associated with their daily lives and vocational pursuits.

Mr. President, the legislation that I introduce today expands the wilderness protection by adding more than 13,000 additional acres of land covered with stately oaks and other noble hardwoods within the Sipsey Wilderness and the Cheaha Wilderness. The Wild and Scenic River designation in this legislation will preserve an additional 52 miles of the majestic river canyons in the Bankhead National Forest for generations to come. Other pristine areas of the forest will be managed under semiprimitive designation.

To state that the Sipsey Wilderness expansion proposal is controversial is a gross understatement. The issue of whether any additional lands in the Bankhead Forest should be designated as wilderness, and how much, has been the subjet of emotional debate almost from the time the issue surfaced in legislative form.

Somewhere along the line of this controversy, the focus was centered on the two extremely divergent views and the overall public interest was seemingly shunned. The idea of considering different approaches to sound use of these precious natural resources and sound environmental protection was forgotten. I believe, Mr. President, that the broad spectrum of Alabama's citizens prefer a solution which would enhance sensible wilderness preservation, as well as permitting other legitimate uses of our public lands. We must make the best and most balanced use of Alabama's national forest lands if these lands are to benefit all citizens and contribute to their outdoor enjoyment and economic well being.

With this thought in mind, Mr. President, I am hopeful that the bill I am introducing today will serve as a basis for reaching a balanced approach to both rounding out the Alabama wilderness system and releasing areas to nonwilderness management.

This legislation would add 13,260 acres to the existing Sipsey Wilderness and 710 acres to the Cheaha Wilderness, which fully meets the U.S. Forest Service's expected demand for wilderness recreation. The acreage figure contained in the bill, was drawn from a compromise that was discussed by some of the interested parties in Alabama. My bill minimally reduces this acreage, because lands surrounding the Bunyun Hill Cementery were removed from the proposal. I feel that friends and families, of those buried there, should have easy access to these reverent grounds.

In addition, the legislation would designate some 5,085 acres of the heavily forested river canyons as part of the National Wild and Scenic River System. As the Senate knows, the purpose of the Wild and Scenic Rivers Act is to preserve in free-flowing condition rivers which, with their immediate environments, possess particularly remarkable scenic, recreational, geologic, fish and wildlife, historical, cultural or other similar values.

Early on in the discussion of wilderness expansion, there were concerns raised about the need to prevent possible contamination of the Sipsey River since it fed the water supply for residents of Birmingham. To ensure the protection of high water quality, I have directed the Secretary of Agriculture to monitor the water flowing toward and into Lewis Smith Lake.

The bill and also provides for the construction of a lake and sufficient recreational facilities in the Bankhead National Forest. This lake will not be located in any of the watershed area designated as wild and scenic. Such a lake will allow additional recreational benefits to those visiting the wilderness area. The Secretary of Agriculture will construct a dam to establish this lake in the northeast section of the Bankhead National Forest after first conducting a study to determine the ideal location and size of the lake.

Other issues that were discussed in connection with the expansion of Sipsey Wilderness are also addressed in this bill. Much concern was raised regarding the spread of the southern pine beetle within the wilderness area. This legislation gives authority to the Forest Service to take the necessary measures to control the spread of this infamous pest and to study U.S. Forest Service policy with respect to the beetle. Alabama has already lost thousands of acres of prime forest land to the pine beetle, and if such steps are not taken, the pristine wilderness area could be lost forever.

Mr. President, I want to make it abundantly clear that I support the wilderness concept. Our wilderness areas are, in fact, showplaces and gymnasiums of nature—places for scenic leisure, refuge, recreation and spiritual and physical refreshment. Since the time is running out on this session, I am hopeful the Agriculture Committee will address this immediately. I want to pass legislation which reasonably addresses the environmental, recreational, and economical utilization of the Bankhead National Forest and the Talladega National Forest and which the majority of Alabama's citizens can support.

By Mr. PELL (by request):

S. 2839. A bill to establish programs for the professional development, recruitment, and training of elementary and secondary school teachers, to establish a national academy for teaching, and for other purposes; to the Committee on Labor and Human Resources.

TEACHERS' PROFESSIONAL DEVELOPMENT ACT

● Mr. PELL. Mr. President, today I am introducting, by request, the Teachers' Professional Development Act of 1988. I am introducting this legislation on behalf of the Council of Great City Schools. The Council of Great City Schools represents 44 large inner-city public school systems. These urban schools face special problems in educational delivery. Inner-city schools house the greatest concentrations of at-risk youth. Some students in inner-city schools may well be the first in their families to learn how to read. Many live in poverty, even more come from single-parent homes. Thirty-three percent of children enrolled in Great City schools come from families receiving public assistance.

School resources in urban areas are woefully inadequate. These schools wrestle with serious shortages of educational materials, equipment and facilities. But no problem faced by a school system is more serious than that of teacher shortages. And, in this regard, urban schools are in a crisis mode. For compounding this situation is one overwhelming fact: it is extemely difficult to encourage new teachers to work in urban schools.

Problems that threaten most schools across the country such as drugs, illiteracy, teen pregnancy and dropping out are more pronounced in urban school systems. Often their teachers are required not only to teach, but to feed, nurse, counsel, transport, shelter and provide recreation for these children. Most important, they must serve as role models.

The situations facing us in urban schools is perceptively articulated in Felix Rohatyn's op-ed piece in today's Washington Post. In that article, one of our most prominent businesss leaders speaks of the tremendous responsibility that these schools carry in the face of inadequate resources: "Urban school systems have to be more than schools. In many cases, they have to stand in for absent parents and deal with childen living in an appalling environment under serious emotional stress."

I would ask unanimous consent that the full text of Mr. Rohatyn's article be printed in the RECORD following my remarks. His statement powerfully describes the extent of the work we face in making every school a true ticket of opportunity out of the urban ghetto. Mr. Rohatyn understands the necessity of improving these schools because he and his wife have worked with a junior high school in New York City. The conditions he describes are mirrored in school after school in the major cities across the country. It takes but one visit to such a school to comprehend the strength of this challenge. In Providence, RI, there is an elementary school—the Carl G. Lauro Elementary School—which was built to teach 400 students. Today that school houses 900. It takes but one visit to such a school to comprehend the strength of the challenge we face in providing quality education to our children in city schools.

Teachers in these school systems may well be the only influence in a child's life that recognizes the importance of doing well in school. It is critical that these teachers translate that awareness to each student if that student is to succeed in school and, in turn, in life. Given that fact, we need to recruit more minority teachers. For while 75 percent of children enrolled in urban schools are minority, only 30 percent are minority teachers. Evening out this imbalance would require recruiting 50,000 black, Asian or Hispanic teachers.

The Teacher's Professional Development Act would provide financial assistance to local education agencies, colleges and universities, and individuals to develop programs to enchance the professional status of teachers; recruit and retain larger numbers of minority teachers; and provide inservice training and incentives which encourage teaching as a career goal. I am introducing this bill so that it may serve as a vehicle for discussion. It is one example of an approach to the very difficult problem we face in the area of teacher shortages.

It is my hope that during the next Congress we can examine the whole issue of teaching, including teacher shortages and teacher quality. I commend this proposal of the Council of Great City Schools to my colleagues, and urge that they give it their most serious consideration.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2839

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Teachers' Professional Development Act".

SEC. 2. STATEMENT OF PURPOSE.

It is the purpose of this Act to strengthen the Nation's teaching force by establishing programs of financial assistance that will—

(1) explore new methods of enhancing the professional status and professional satisfaction of teachers;

(2) increase the proportion of minority teachers in the workforce;

(3) offer incentives for qualified individuals to teach in local educational agencies and public elementary and secondary schools with high proportions of minority students;

(4) encourage talented individuals to pursue careers in teaching, particularly in academic disciplines in which shortages of qualified teachers exist or are projected;

(5) retrain teachers and update the skills of teachers; and

(6) attract individuals who have left teaching to reenter the profession.

SEC. 3. AUTHORIZATION OF APPROPRIATIONS.

(a) TEACHING PROFESSIONS PILOT GRANTS.—There are authorized to be appropriated $25,000,000 for fiscal year 1989 and each of the 2 succeeding fiscal years to carry out the provisions of section 4.

(b) TEACHER RECRUITMENT INCENTIVE GRANTS.—There are authorized to be appropriated $100,000,000 for fiscal year 1989 and for each of the 6 succeeding fiscal years to carry out the provisions of section 5.

(c) INSERVICE TEACHER TRAINING GRANTS.—There are authorized to be appropriated $250,000,000 for fiscal year 1989 and for each of the 6 succeeding fiscal years to carry out the provisions of section 6.

(d) NATIONAL ACTIVITIES.—(1) There are authorized to be appropriated $5,000,000 for fiscal year 1989 and each of the 6 succeeding fiscal years to carry out the provisions of section 7(a).

(2) There are authorized to be appropriated $500,000 to carry out the provisions of section 7(b).

(e) LOAN FORGIVENESS FOR TEACHERS IN SCHOOLS WITH SUBSTANTIAL ENROLLMENTS OF MINORITY STUDENTS.—There are authorized to be appropriated such sums as may be necessary for fiscal year 1989 and each of the 6 succeeding fiscal years to carry out the provisions of section 8.

SEC. 4. TEACHING PROFESSIONS PILOT GRANTS.

(a) SELECTION PROCEDURE.—From amounts appropriated pursuant to section 3(a) the Secretary shall make grants to local educational agencies to plan and implement teaching professions pilot grants on the basis of competitive selection among qualifying applicants. In making such grants, the Secretary shall provide for an equitable distribution of funds by geographic area and shall fund only applicants whose applications propose programs of sufficient size, scope, and quality to be of value as a demonstration.

(b) USE OF FUNDS.—Funds provided pursuant to section 3(a) may be used to plan and implement pilot programs to enhance the professional status, governance role, and professional satisfaction of teachers. Such pilot programs may include programs which—

(1) use differential staffing patterns (such as career ladders and job-sharing) for teachers;

(2) provide incentive pay to teachers;

(3) employ experienced teachers as mentor or master teachers;

(4) increase teacher involvement in policy and governance decisions, such as decisions related to curriculum, class size, staff hiring, and the role of teacher aides;

(5) decentralize management so that decisions are made at the school level and with the participation of teachers;

(6) promote research on effective techniques to recruit, train, and reward teachers; and

(7) foster coordinated activities with teacher associations or institutions of higher education.

(c) DURATION OF GRANTS.—Grants under this part may be awarded for a period not to exceed 3 years.

(d) EVALUATIONS.—Each local educational agency receiving a grant under this section shall evaluate the effectiveness of the pilot program at the end of the grant period. Each local educational agency shall submit the results of such evaluation to the Secretary.

(e) APPLICATION.—Each local educational agency desiring a grant or contract under this Act shall submit an application at such time, in such manner, and containing such information as the Secretary may reasonably require.

SEC. 5. TEACHER RECRUITMENT INCENTIVE GRANTS.

(a) ESTABLISHMENT OF PROGRAM.—(1) From amounts appropriated pursuant to section 3(b) the Secretary shall make grants on the basis of competitive selection among applicants that qualify pursuant to subsection (b) to—

(A) eligible local educational agencies for local recruitment programs described in subsection (d); and

(B) eligible local educational agencies (or consortia of such agencies) and eligible institutions of higher education, applying jointly, for teacher preparation programs described in subsection (e).

(2) The Secretary shall annually determine the amount of funds to be reserved for programs under subsection (d) and programs under subsection (e) on the basis of the number of applicants and the funding needs for each type of program.

(b) Eligibility.—(1) A local educational agency is eligible to receive a grant under this section if the enrollment of minority students in the schools of the agency equals or exceeds 30 percent of the total enrollment of such agency.

(2) An institution of higher education is eligible to receive a grant under this section only if—

(A) the institution of higher education offers a course of study leading to teacher certification; and

(B) the institution of higher education applies jointly with an eligible local educational agency for a program described in subsection (d).

(c) Priorities for Awards.—(1) In making grants for programs described in subsections (d) and (e), the Secretary shall give priority to projects which will help prepare minority individuals to teach in academic disciplines in which shortages of qualified teachers exist or are projected to exist at the time the application is made.

(2) In making grants for programs described in subsection (e), the Secretary shall give priority to applicants who are from institutions of higher education which qualify for assistance under part B of title III of the Higher Education Act of 1965.

(d) Local Recruitment Programs.—Each eligible local educational agency having an application approved pursuant to subsection (f) shall use grants received from funds made available for this subsection for—

(1) programs that provide tuition assistance, stipends, and other forms of educational support to individuals who are currently employed as teacher aides in the schools of the local educational agencies, to assist such individuals in entering and completing courses of study at an institution of higher education that lead to teacher certification; or

(2) pilot programs, including pilot programs operated in conjunction with youth organizations such as the Future Teachers of America, to encourage secondary school students (especially minority students) to pursue careers in teaching.

(e) Joint Teacher Preparation Programs.—(1) Each eligible local educational agencies and eligible institutions of higher education having an application approved pursuant to subsection (f) shall use grants received from funds made available for this subsection to plan and implement 5-year, cooperative programs of teacher training, in which students complete 4 years of preparation for a teaching certificate and spend a fifth year participating in a teacher training program operated jointly by the institution of higher education and one or more local educational agencies.

(2) Grants under this subsection may also be used to provide tuition assistance and scholarships for promising students to participate in joint teacher preparation programs.

(f) Application.—Each local educational agency and institution of higher education desiring a grant or contract under this Act shall submit an application at such time, in such manner, and containing such information as the Secretary may reasonably require.

SEC. 6. INSERVICE TEACHER TRAINING GRANTS.

(a) Establishment and Distribution.—From amounts appropriated pursuant to section 3(c) the Secretary shall make grants to local educational agencies to plan and implement inservice teacher training programs. The Secretary shall make grants on the relative basis of the amount each local educational agency receives under chapter 1 of title I of the Elementary and Secondary Education Act of 1965 in the year preceding the fiscal year for which the determination is made.

(b) Use of Funds.—Funds provided pursuant to section 3(c) may be used by local educational agencies to plan and implement inservice training programs for teachers in mathematics, science, foreign languages, technology, the humanities, and pedagogical skills. Such programs may include—

(1) training in academic disciplines in which shortages of qualified teachers exist or are projected;

(2) retraining to help teachers move into other academic disciplines to fill shortages;

(3) recruitment and retraining of individuals who have left teaching to prepare such individuals to fill shortages; and

(4) recruitment and training of individuals with special experience in the private sector to qualify such individuals to fill classroom vacancies on a temporary basis.

(c) Application.—Each local educational agency desiring a grant or contract under this Act shall submit an application at such time, in such manner, and containing such information as the Secretary may reasonably require.

SEC. 7. NATIONAL ACTIVITIES.

(a) National Academy for Teaching.—From amounts appropriated pursuant to section 3(d)(1) the Secretary shall, through grant, contract, or other arrangement with a public agency or private nonprofit institution or organization, establish a National Academy for Teaching. The Academy shall—

(1) serve as a clearinghouse for research, evaluations, and model programs regarding the professional development, recruitment, and training of teachers;

(2) disseminate information about such research, evaluations, and model programs (including pilot programs conducted under sections 4 and 5); and

(3) train or retrain elementary or secondary school teachers and principals.

The Academy shall not have the authority to certify or license teachers.

(b) Study of Pension Portability.—From amounts appropriated pursuant to section 3(d)(2) the Secretary shall conduct a study of the feasibility of permitting teachers and administrators to transport pension benefits among States and among local educational agencies.

SEC. 8. LOAN FORGIVENESS FOR TEACHERS IN SCHOOLS WITH SUBSTANTIAL ENROLLMENTS OF MINORITY STUDENTS.

(a) In General.—(1) Notwithstanding the provisions of the Higher Education Act of 1965, the Secretary shall, in accordance with the provisions of this section, cancel the obligation to repay a Stafford loan (a loan made, insured, or guaranteed under part B of title IV of the Higher Education Act of 1965) for any borrower who is employed as a full-time teacher in a public elementary or secondary school of a State or local educational agency in which the enrollment of minority students equals or exceeds 50 percent of the total enrollment of such school.

(2) The Secretary is authorized to issue such regulations as may be necessary to carry out the provisions of this section.

(b) Loan Cancellation.—(1) For each academic year in which the borrower of any Stafford loan is employed as a full-time teacher in a school described in subsection (a), the Secretary shall cancel the obligation to repay 20 percent of the total amount of each such loan. The total period for which cancellation may be made under this subsection shall be 5 years.

(2) If a portion of a loan is canceled under this subsection for any year, the entire amount of interest on such loan which accrues for such year shall be canceled.

(c) Repayment of Eligible Lenders.—From amounts appropriated pursuant to section 3(e), the Secretary shall pay to each eligible lender and holder for each fiscal year an amount equal to the aggregate amount of Stafford loans which are canceled pursuant to this section for such year.

(d) Application for Cancellation.—Each individual desiring a cancellation under this Act shall submit an application at such time, in such manner, and containing such information as the Secretary may reasonably require.

(e) Definition.—For the purpose of this section, the term "eligible lender" has the meaning provided by section 435(d) of the Higher Education Act of 1965.

(f) Effective Date.—The provisions of this section shall take effect 90 days after the date of enactment of this Act.

SEC. 9. DEFINITIONS.

As used in this Act, the term—

(1) "institution of higher education" has the meaning provided in section 435(b) of the Higher Education Act of 1965;

(2) "local educational agency" has the meaning provided by section 1471(c)(12) of the Elementary and Secondary Education Act of 1965;

(3) "Secretary" means the Secretary of Education; and

(4) "State educational agency" means the officer or agency primarily responsible for the State supervision of public elementary and secondary schools.

SEC. 10. EFFECTIVE DATE.

The provisions of this Act shall take effect on October 1, 1988.

[From the Washington Post, Sept. 26, 1988]

SCHOOLS IN DEEP TROUBLE

(By Felix G. Rohatyn)

Education is an important issue in the presidential campaign, with much of the discussion focusing on higher education in particular. It's worth keeping in mind, though, that important as higher education is, we cannot build it without a foundation. And that foundation has to be the elementary and secondary school systems, which are in deep trouble today.

My experience in these matters is limited to the New York City public school system; however, I doubt that other urban public school systems do not face similar problems, although on a smaller scale. The New York City system has 1 million students, a majority of whom are black and Hispanic. It has about 1,000 buildings, of which more than half are over 50 years old. It has some 57,000 teachers, of whom about 50 percent will be eligible to retire within five years. It has a drop-out rate of about 35 percent, although it may well be much higher than that in reality. It costs the city about $5 billion per annum or about $5,000 per student. It is a dismal failure.

The experience I have had has been both personal and institutional. Personal in that my wife and I are sponsoring a junior high school class under the Eugene Lang I Have A Dream program; we have 58 youngsters from a Lower East Side Junior High School now entering the 9th grade, whom we will follow through college. Institutionally, as chairman of New York's Municipal Assistance Corporation, I have participated in a long, difficult political struggle to reform the system. For whatever they are worth, these are some of my observations:

(1) Urban school systems have to be more than schools. In many cases, they have to stand in for absent parents and deal with children living in an appalling environment under serious emotional stress.

(2) This requires high levels of personal support and decent physical facilities.

(3) The IHAD program is successful because we have, for our class, a full-time coordinator who works with our 58 students. He sees them every day, as well as their teachers and their parents. He is, in effect, their individual counselor. A dedicated worker, Sam Sanchez is at the limit of his capacity dealing with 58 children. The New York City public school system has, on average, one counselor per 700 students. That is equivalent to no counseling at all. To bring the ratio down to one per 60 students would cost the city about $350 million; that is about 7 percent of the budget of the Board of Education. Much of this should come from savings taken out of a bloated, inefficient bureaucracy.

(4) Regular, organized tutoring has made a big difference to our students. The pejorative implications of after-class tutoring have been eliminated, and the children view it as an opportunity. Tutoring can be done by college students working for their diplomas. It need not involve significant expenditure of public funds, but it requires organization and structure within both the school system and the university system.

(5) New and attractive physical facilities are necessary. We have existing school buildings that make the Rikers Island Jail look attractive. Because of regulatory impediments and damaging construction laws and union practices, it takes eight to 10 years to build a school. None has been completed in many years.

(6) School buildings must be open evenings and weekends. Feeding facilities must be available in the evening for children who are either homeless or whose parents are unavailable. School buildings should be used for programs aimed at parents as well as for tutoring, homework and remedial education.

(7) Schools should be open in the summer. An abbreviated summer schedule of maybe two months would maintain children's study habits and keep them off the street and out of trouble. Exemptions could be made for summer jobs.

We have developed a five-year construction and rehabilitation program to be financed by the city and state. The Municipal Assistance Corporation has committed $600 million out of its surplus earnings as part of this program. We have, however, conditioned our investment on legislative changes to reduce construction time and abusive waste. With the support of Gov. Cuomo and Mayor Koch, it is now the subject of a very difficult political struggle in Albany.

There are many more necessities: the availability of pre-kindergarten facilities in order to take in 3- and 4-year-olds; dealing more effectively with teen-age pregnancies, AIDS and child abuse; the involvement of the business community with the school system; all of these and many more have to be examined. I doubt whether it can be accomplished by the cities and states alone, without greater federal involvement. It will require cooperation with state and local government, and help from the business community and labor. It will require presidential leadership. But it will have to be done.

I am fully aware that we are running large budgetary deficits, and that improving elementary education will require additional funds both from federal and local sources. But we can deal with our budget deficit with only a modest amount of sacrifice and some political will. We cannot avoid dealing with our educational deficit. There is really nothing more important.●

By Mr. CONRAD (for himself, Mr. Sanford, Mr. Burdick, Mr. Boren, Mr. Daschle, Mr. Gore, Mr. Nunn, Mr. Dixon, Mr. Stennis, Mr. DeConcini, Mr. Inouye, Ms. Mikulski, Mr. Wirth, Mr. Leahy, Mr. Moynihan, Mr. Johnston, Mr. Matsunaga, Mr. Heflin, Mr. Murkowski, Mr. Garn, Mr. Lugar, Mr. Stevens, Mr. Karnes, Mr. McClure, Mr. Bond, Mr. Domenici, Mr. Warner, Mr. Graham, Mr. Mitchell, Mr. D'Amato, Mr. Thurmond, Mr. Hollings, Mr. Dole, Mr. Riegle, Mr. Boschwitz, and Mr. Bentsen):

S.J. Res. 386. Joint resolution to designate the week of June 18 through June 24, 1989, as "National Grasslands Week"; to the Committee on the Judiciary.

NATIONAL GRASSLANDS WEEK

● Mr. CONRAD. Mr. President, I am pleased to introduce today a Senate joint resolution designating the week beginning June 18, 1989, as "National Grasslands Week."

The national grasslands comprise approximately 4 million acres of publicly owned land in 14 States extending from California to New York. These lands are managed by the Forest Service, USDA, according to the principles of land conservation and multiple use. The chief aims are to promote development of grassland agriculture and sustained-yield management of the forage, fish and wildlife, timber, water and recreational resources in the areas of which the national grasslands are a part.

The grasslands provide employment to thousands of Americans in rural areas and contribute approximately $750,000,000 to the gross national product of the United States from livestock grazing, energy, environmental, tourism and recreation industries. Millions of our citizens as well as foreign visitors enjoy our national grasslands for such recreational activities as camping, hiking, fishing, boating, hunting, snow-mobiling, biking, cross-country skiing and many other outdoor activities.

The grasslands are of great historical, archeological, and anthropological as well as environmental value to our Nation. They are models to the public of the principles of conservation, multiple-use of the land, as well as appreciation of our natural resources.

The purpose of National Grasslands Week is to increase public awareness of the history, role and benefits—social, cultural and economic—of the national grasslands.

Mr. President, I ask unanimous consent that the text of our joint resolution be printed in the Record.

There being no objection, the joint resolution was ordered to be printed in the Record, as follows:

S.J. Res. 386

Whereas there are nearly 4,000,000 acres of publicly owned grasslands located in 14 states across the United States;

Whereas these national grasslands are managed according to the principles of land conservation, multiple-use of land, promotion of development of grassland agriculture and sustained-yield management of forage, fish, wildlife, timber, water, and recreational resources;

Whereas millions of Americans and visitors to our Nation enjoy our national grasslands for camping, hiking, fishing, boating, hunting, snow-mobiling, biking, cross-country skiing, and many other outdoor activities each year;

Whereas our national grasslands continue to provide employment and local stability to rural America and contribute approximately $750,000,000 to the gross national product of our Nation from livestock grazing, energy, environmental, tourism, and recreation industries;

Whereas our national grasslands contain an abundant storehouse of historical, archaeological, and anthropological artifacts unique to North America;

Whereas our national grasslands comprise a unique ecosystem providing our Nation with water, minerals, soils, plants, and animals in a habitat not found elsewhere; and

Whereas our national grasslands provide a model demonstrating for the public the principles of conservation, cooperation, multiple-use of the land, and an appreciation of natural resources: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of June 18 through June 24, 1989, is designated "National Grasslands Week". The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe this week with appropriate ceremonies and activities. ●

ADDITIONAL COSPONSORS

S. 1897

At the request of Mr. Thurmond, the names of the Senator from Ohio [Mr. Metzenbaum], the Senator from Pennsylvania [Mr. Heinz], and the Senator from Oklahoma [Mr. Boren] were added as cosponsors of S. 1897, a bill to recognize the organization known as the National Association of State Directors of Veterans' Affairs, Inc.

S. 2047

At the request of Mr. Thurmond, the name of the Senator from Rhode Island [Mr. Chafee] was added as a cosponsor of S. 2047, a bill to require a health warning on the labels of all alcoholic beverage containers.

S. 2159

At the request of Mr. Nickles, the name of the Senator from Alaska [Mr. Stevens] was added as a cosponsor of S. 2159, a bill to amend the Commercial Motor Vehicle Safety Act of 1986 to provide that the requirements for the operation of commercial motor vehicles will not apply to the operation of certain farm vehicles.

S. 2395

At the request of Mr. Wirth, the names of the Senator from Arizona [Mr. McCain] and the Senator from Maryland [Ms. Mikulski] were added as cosponsors of S. 2395, a bill to facilitate access to space, and for other purposes.

S. 2445

At the request of Mr. Heinz, the name of the Senator from Ohio [Mr. Metzenbaum] was added as a cosponsor of S. 2445, a bill to amend the National Trails System Act to designate the Kosciuszko Trail as a study trail.

S. 2698

At the request of Mr. Dodd, the names of the Senator from Hawaii [Mr. Matsunaga] and the Senator from Arizona [Mr. McCain] were added as cosponsors of S. 2698, a bill to provide Federal assistance to the National Board for Professional Teaching Standards.

S. 2733

At the request of Mr. Thurmond, the name of the Senator from Alaska [Mr. Murkowski] was added as a cosponsor of S. 2733, a bill to amend title 18, United States Code to prohibit any person who is being compensated for lobbying the Federal Government from being paid on a contingency fee basis.

S. 2820

At the request of Mr. Hecht, the name of the Senator from Nevada [Mr. Reid] was added as a cosponsor of S. 2820, a bill to prohibit a State from imposing an income tax on the pension income of individuals who are not residents or domiciliaries of that State.

SENATE JOINT RESOLUTION 373

At the request of Mr. Byrd, the names of the Senator from Texas [Mr. Bentsen] and the Senator from Rhode Island [Mr. Pell] were added as cosponsors of Senate Joint Resolution 373, a joint resolution to designate this week beginning November 13, 1988, as "National Craniofacial Deformity Awareness Week."

SENATE RESOLUTION 477

At the request of Mr. Roth, the name of the Senator from Idaho [Mr. Symms] was added as a cosponsor of Senate Resolution 477, a resolution expressing the Sense of the Senate that National Economic Commission meetings be open, that no increases in taxes be legislated, and that Social Security benefits, including COLA's, be preserved.

SENATE RESOLUTION 478

At the request of Mr. Roth, the name of the Senator from Idaho [Mr. Symms] was added as a cosponsor of Senate Resolution 478, a resolution expressing the Sense of the Senate that National Economic Commission meetings be open and that Social Security benefits be preserved.

SENATE CONCURRENT RESOLUTION 144—CORRECTING THE ENROLLMENT OF SENATE JOINT RESOLUTION 317

Mr. BYRD (for Mr. Pell and Mr. Helms) submitted the following concurrent resolution; which was considered and agreed to:

S. Con. Res. 144

Resolved by the Senate (the House of Representatives concurring), That in the enrollment of the joint resolution (S.J. Res. 317) commemorating the bicentennial of the French Revolution and the Declaration of the Rights of Man and of the Citizen, the Secretary of the Senate shall make the following correction:

Strike out subsection (c) and insert in lieu thereof:

"(c)(1) There shall be printed as a Senate document during the bicentennial year 1989 the Declaration of the Rights of Man and of the Citizen, and the Bill of Rights, with accompanying historical notes.

"(2) Bound volumes suitable for presentation to the President of the French Republic, the President of the Senate of France, and the President of the National Assembly of France.".

AMENDMENTS SUBMITTED

PARENTAL AND TEMPORARY MEDICAL LEAVE

DODD AMENDMENT NO. 3291

Mr. DODD proposed an amendment to the first reported amendment to the bill (S. 2488) to grant employees parental and temporary medical leave under certain circumstances, and for other purposes; as follows:

On page 8, strike lines 12 through 14 and insert the following:

(B) 18 years of age or older and incapable of self-care because of a mental or physical disability.

Notwithstanding any other provision of this Act, the term "employer" means any person engaged in commerce or in any industry affecting commerce who employs 50 or more employees at any one worksite for each working day during each of 20 or more calendar workweeks in the current or preceding calendar year; and includes:

(i) any person who acts directly or indirectly in the interest of an employer to one or more employees;

(ii) any successor in interest of such an employer; and

(iii) any public agency, as defined in section 3(x) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(x)); and

notwithstanding any other provision of this act, the period of entitlement described in Sec. 104 (a)(2) of this act shall not exceed 10 workweeks during any 12-month period; and notwithstanding any other provision of this act, the entitlement under paragraph (9)(2) in "Sec. 6333" entitled "Temporary Medical Leave Requirement" contained in Sec. 201 of this act shall not exceed 10 administrative work weeks of the employee during any 12-month period.

COCHRAN AMENDMENT NO. 3292

(Ordered to lie on the table.)

Mr. COCHRAN submitted an amendment intended to be proposed by him to the bill S. 2488, supra; as follows:

At the appropriate place, insert the following new section:

SEC. . CREDIT FOR EMPLOYERS PROVIDING QUALIFIED PARENTAL LEAVE.

(a) In General.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to business related credits) is amended by adding at the end thereof the following new section:

"SEC. 43. QUALIFED EMPLOYER-PROVIDED PARENTAL LEAVE CREDIT.

"(a) In General.—For purposes of section 38, the amount of the qualified parental leave credit determined under this section for the taxable year shall be equal to 25 percent of 50 percent of the wages and other compensation paid to an employee by an employer while on qualified parental leave for a maximum of six calendar workweeks, not to exceed a total of $288 per employee, for such taxable year.

"(b) Definitions.—For purposes of this section—

"(1) Qualified parental leave.—The term 'qualified parental leave' means paid leave granted to an employee by an employer as the result of the birth of a son or daughter of the employee or as the result of the placement, for adoption, of a son or daughter with the employee. Such qualified parental leave includes only leave provided in addition to any leave provided or made available to an employee by an employer as of September 1, 1988.

"(2) Wages and other compensation.—The term 'wages and other compensation' has the meaning given to the term 'wages' by subsection (b) of section 3306 (determined without regard to any dollar limitation contained in such section).

"(3) Employer.—The term 'employer'—

"(A) means any person engaged in commerce or in any industry or activity affecting commerce who employes 1 or more employees at any 1 worksite for each working day including each of 20 or more calendar workweeks in the current or preceding calendar year;

"(B) includes—

"(i) any person who acts directly or indirectly in the interest of an employer to 1 or more employees; and

"(ii) any successor in interest of such an employer;

"(C) excludes any public agency, as defined in section 3(x) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(x)).

"(4) EMPLOYEE.—

"(A) IN GENERAL.—The term 'employee' means any individual who has been employed by an employer for at least—

"(i) 900 hours of service during the previous 12-month period; and

"(ii) 12 months."

(b) CONFORMING AMENDMENTS.—

(1) Section 38(b) of the Internal Revenue Code of 1986 is amended—

(A) by striking out "plus" at the end of paragraph (4),

(B) by striking out the period at the end of paragraph (5) and inserting in lieu thereof a comma and "plus", and

(C) by adding at the end thereof the following new paragraph:

"(6) the qualified parental leave credit determined under section 43."

(2) The table of sections for subpart D of part IV of subchapter A of chapter 1 of such Code is amended by adding at the end thereof the following new item:

"Sec. 43. Qualified employer-provided parental leave credit."

(c) Effective Date.—The Amendments made by this section shall apply to taxable years beginning after December 31, 1988.

THURMOND (AND GRASSLEY) AMENDMENT NO. 3293

Mr. THURMOND (for himself and Mr. GRASSLEY) proposed an amendment to the second reported amendment to the bill S. 2488, supra; as follows:

At the end of the committee amendment add the following:

TITLE—CHILD PROTECTION AND OBSCENITY ENFORCEMENT ACT OF 1988

That this Title may be cited as the "Child Protection and Obscenity Enforcement Act of 1988".

Subtitle I—Child Pornography

SEC. 101. AMENDMENTS TO EXISTING OFFENSES.

(a) SEXUAL EXPLOITATION OF CHILDREN.—Paragraph (2) of subsection 2251(c) of title 18, United States Code, is amended by inserting "by any means including by computer" after "interstate or foreign commerce" both places it appears.

(b) MATERIAL INVOLVING SEXUAL EXPLOITATION OF CHILDREN.—Subsection 2252(a) of title 18, United States Code, is amended by inserting "by any means including by computer" after "interstate or foreign commerce" each place it appears.

(c) DEFINITION.—Section 2256 of title 18, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (4);

(2) by striking out the period at the end of paragraph (5) and inserting in lieu thereof: "; and"; and

(3) by adding at the end the following:

"(6) 'computer' has the meaning given that term in section 1030 of this title.".

SEC. 102. SELLING OR BUYING OF CHILDREN.

(a) IN GENERAL.—Chapter 110 of title 18, United States Code, is amended by inserting after section 2251 the following:

"§ 2251A. Selling or buying of children

"(a) Any parent, legal guardian, or other person having custody or control of a minor who sells or otherwise transfers custody or control of such minor, or offers to sell or otherwise transfer custody of such minor either—

"(1) with knowledge that, as a consequence of the sale or transfer, the minor will be portrayed in a visual depiction engaging in, or assisting another person to engage in, sexually explicit conduct; or

"(2) with intent to promote either—

"(A) the engaging in of sexually explicit conduct by such minor for the purpose of producing any visual depiction of such conduct; or

"(B) the rendering of assistance by the minor to any other person to engage in sexually explicit conduct for the purpose of producing any visual depiction of such conduct;

shall be punished by imprisonment for not less than 20 years or for life and by a fine under this title, if any of the circumstances described in subsection (c) of this section exist.

"(b) Whoever purchases or otherwise obtains custody or control of a minor, or offers to purchase or otherwise obtain custody or control of a minor either—

"(1) with knowledge that, as a consequence of the purchase or obtaining of custody, the minor will be portrayed in a visual depiction engaging in, or assisting another person to engage in, sexually explicit conduct; or

"(2) with intent to promote either—

"(A) the engaging in of sexually explicit conduct by such minor for the purpose of producing any visual depiction of such conduct; or

"(B) the rendering of assistance by the minor to any other person to engage in sexually explicit conduct for the purpose of producing any visual depiction of such conduct;

shall be punished by imprisonment for not less than 20 years or for life and by a fine under this title, if any of the circumstances described in subsection (c) of this section exist.

"(c) The circumstances referred to in subsections (a) and (b) are that—

"(1) in the course of the conduct described in such subsections the minor or the actor traveled in or was transported in interstate or foreign commerce;

"(2) any offer described in such subsections was communicated or transported in interstate or foreign commerce by any means including by computer or mail; or

"(3) the conduct described in such subsections took place in any territory or possession of the United States.".

(b) DEFINITION.—Section 2256 of title 18, United States Code, as amended by section 201 of this Act, is further amended—

(1) by striking out "and" at the end of paragraph (5);

(2) by striking out the period at the end of paragraph (6) and inserting "; and" in lieu thereof; and

(3) by adding at the end the following:

"(7) 'custody or control' includes temporary supervision over or responsibility for a minor whether legally or illegally obtained.".

(c) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 110 of title 18, United States Code, is amended by inserting after the item relating to section 2251 the following:

"2251A. Selling or buying of children.".

SEC. 103. RECORD KEEPING REQUIREMENTS.

(a) IN GENERAL.—Chapter 110 of title 18, United States Code, is amended by adding at the end thereof the following:

"§ 2257. Record keeping requirements

"(a) Whoever produces any book, magazine, periodical, film, videotape, or other matter which—

"(1) contains one or more visual depictions (originally made within 25 years of the date of sale or distribution by the producer of the book, magazine, periodical, film, videotape, or other matter) of actual sexually explicit conduct; and

"(2) is produced in whole or in part with materials which have been shipped in interstate or foreign commerce, or is shipped or transported or is intended for shipment or transportation in interstate or foreign commerce;

shall create and maintain individually identifiable records pertaining to every performer portrayed in such a visual depiction.

"(b) Any person to whom subsection (a) applies shall, with respect to every performer portrayed in a visual depiction of actual sexually explicit conduct—

"(1) ascertain, by examination of an identification document containing such information, the performer's name and date of birth, and require the performer to provide such other indicia of his or her identity as may be prescribed by regulations;

"(2) ascertain any name, other than the performer's present and correct name, ever used by the performer including maiden name, alias, nickname, stage, or professional name; and

"(3) record in the records required by subsection (a) the information required by paragraphs (1) and (2) of this subsection and such other identifying information as may be prescribed by regulation.

"(c) Any person to whom subsection (a) applies shall maintain the records required by this section at his business premises, or at such other place as the Attorney General may by regulation prescribe and shall make such records available to the Attorney General for inspection at all reasonable times.

"(d)(1) No information or evidence obtained from records required to be created or maintained by this section shall, except as provided in paragraphs (2) and (3), be used, directly or indirectly, as evidence against any person with respect to any violation of law.

"(2) Paragraph (1) of this subsection shall not preclude the use of such information or evidence in a prosecution or other action for a violation of any applicable provision of law with respect to the furnishing of false information.

"(3) In a prosecution of any person to whom subsection (a) applies for an offense in violation of subsection 2251(a) of this title which has as an element the production of a visual depiction of a minor engaging in or assisting another person to engage in sexually explicit conduct and in which that element is sought to be established by showing that a performer within the meaning of this section is a minor—

"(A) proof that the person failed to comply with the provisions of subsection (a) or (b) of this section concerning the creation and maintenance of records, or a regulation issued pursuant thereto, shall raise a rebuttable presumption that such performer was a minor; and

"(B) proof that the person failed to comply with the provisions of subsection (e) of this section concerning the statement required by that subsection shall raise the rebuttable presumption that every performer in the matter was a minor.

"(e)(1) Any person to whom subsection (a) applies shall cause to be affixed to every copy of any matter described in paragraph (1) of subsection (a) of this section, in such manner and in such form as the Attorney General shall by regulations prescribe, a statement describing where the records required by this section with respect to all performers depicted in that copy of the matter may be located.

"(2) If the person to whom subsection (a) of this section applies is an organization the statement required by this subsection shall include the name, title, and business address of the individual employed by such organization responsible for maintaining the records required by this section.

"(3) In any prosecution of a person for an offense in violation of section 2252 of this title which has as an element the transporting, mailing, or distribution of a visual depiction involving the use of a minor engaging in sexually explicit conduct, and in which that element is sought to be established by a showing that a performer within the meaning of this section is a minor, proof that the matter in which the visual depiction is contained did not contain the statement required by this section shall raise a rebuttable presumption that such performer was a minor.

"(f) The Attorney General shall issue appropriate regulations to carry out this section.

"(g) As used in this section—

"(1) the term 'actual sexually explicit conduct' means actual but not simulated conduct as defined in subparagraphs (A) through (E) of paragraph (2) of section 2256 of this title;

"(2) 'identification document' has the meaning given that term in subsection 1028(d) of this title;

"(3) the term 'produces' means to produce, manufacture, or publish and includes the duplication, reproduction, or reissuing of any material; and

"(4) the term 'performer' includes any person portrayed in a visual depiction engaging in, or assisting another person to engage in, actual sexually explicit conduct.".

(b) Clerical Amendment.—The table of sections at the beginning of chapter 110 of title 18, United States Code, is amended by adding after the item relating to section 2256 the following:

"2257. Record keeping requirements.".

(c) Effective Date.—Section 2257 of title 18, United States Code, as added by this section shall take effect 180 days after the date of the enactment of this Act except—

(1) the Attorney General shall prepare the initial set of regulations required or authorized by section 2257 within 90 days of the date of the enactment of this Act; and

(2) subsection (e) of section 2257 of this title and of any regulation issued pursuant thereto shall take effect 270 days after the date of the enactment of this Act.

SEC. 104. R.I.C.O. AMENDMENT.

Subsection 1961(1)(B) of title 18, United States Code, is amended by inserting after "section 1957 (relating to engaging in monetary transactions in property derived from specified unlawful activity)" the following: "sections 2251 through 2252 (relating to sexual exploitation of children),".

Subtitle II—Obscenity

SEC. 201. RECEIPT OR POSSESSION FOR SALE; PRESUMPTIONS FOR CHAPTER 71.

(a) Receipt or Possession for Sale.—Chapter 71 of title 18, United States Code, is amended by inserting after section 1465 the following:

"§ 1466. Receipt or possession of obscene matter for sale or distribution

"(a) Whoever knowingly receives or possesses with intent to distribute any obscene book, magazine, picture, paper, film, videotape, phonograph recording, electrical transcription, or any other matter, which has been shipped or transported in interstate or foreign commerce shall be punished by imprisonment for not more than two years or by a fine under this title, or both.

"(b) Whoever violates subsection (a) of this section and is engaged in the business of selling or transferring obscene matter shall be punished by imprisonment for not more than five years and by a fine under this title, or both. As used in this subsection, the term 'engaged in the business' means that the person who sells or transfers or offers to sell or transfer obscene matter devotes time, attention, or labor to such activities, as a regular course of trade or business, with the objective of earning a profit, although it is not necessary that the person make a profit or that the selling or transferring or offering to sell or transfer obscene matter be the person's sole or principal business or source of income. The offering for sale of or to transfer, at one time, two or more copies of any obscene publication, or two or more of any obscene article, or a combined total of five or more such publications and articles, shall create a rebuttable presumption that the person so offering them is engaged in the business of selling or transferring obscene articles.".

(b) Clerical Amendment.—The table of sections at the beginning of chapter 71 of title 18, United States Code, is amended by adding after the item relating to section 1465 the following:

"1466. Receipt or possession of obscene matter for sale or distribution.".

(c) Use of Facility of Commerce.—The first paragraph of section 1465 of title 18, United States Code, is amended by inserting after the word distribution: ", or knowingly uses a facility or means of commerce for the purpose of interstate or foreign sale or distribution of,".

(d) Presumptions.—Chapter 71 of title 18, United States Code, as amended by subsection (a) of this section and by section 302, is further amended by adding at the end the following:

"§ 1469. Presumptions

"(a) In any prosecution under this chapter in which an element of the offense is that the matter in question was transported, shipped, or carried in interstate commerce, proof, by either circumstantial or direct evidence, that such matter was produced or manufactured in one State and is subsequently located in another State shall raise a rebuttable presumption that such matter was transported, shipped, or carried in interstate commerce.

"(b) In any prosecution under this chapter in which an element of the offense is that the matter in question was transported, shipped, or carried in foreign commerce, proof, by either circumstantial or direct evidence, that such matter was produced or manufactured outside of the United States and is subsequently located in the United States shall raise a rebuttable presumption that such matter was transported, shipped, or carried in foreign commerce.".

(e) Clerical Amendment.—The table of sections at the beginning of chapter 71 of title 18, United States Code, is amended by adding after the item relating to section 1468 the following:

"1469. Presumptions.".

(f) Travel Act Amendment.—Subsection 1952(b) of title 18, United States Code, is amended by striking out "or prostitution offenses" and inserting in lieu thereof: "or obscenity or prostitution offenses".

SEC. 202. FORFEITURE IN OBSCENITY CASES.

(a) In General.—Chapter 71 of title 18, United States Code, is amended by adding at the end the following:

"§ 1467. Criminal forfeiture

"(a) Property Subject to Criminal Forfeiture.—A person who is convicted of an offense involving obscene material under this chapter shall forfeit to the United States such person's interest in—

"(1) any obscene material produced, transported, mailed, shipped or received in violation of this chapter;

"(2) any property, real or personal, constituting or traceable to gross profits or other proceeds obtained from such offense; and

"(3) any property, real or personal, used or intended to be used to commit or to promote the commission of such offense.

"(b) Third Party Transfers.—All right, title, and interest in property described in subsection (a) of this section vests in the United States upon the commission of the act giving rise to forfeiture under this section. Any such property that is subsequently transferred to a person other than the defendant may be the subject of a special verdict of forfeiture and thereafter shall be ordered forfeited to the United States, unless the transferee establishes in a hearing pursuant to subsection (m) of this section that he is a bona fide purchaser for value of such property who at the time of purchase was reasonably without cause to believe that the property was subject to forfeiture under this section.

"(c) Protective Orders.—(1) Upon application of the United States, the court may enter a restraining order or injunction, require the execution of a satisfactory performance bond, or take any other action to preserve the availability of property described in subsection (a) of this section for forfeiture under this section—

"(A) upon the filing of an indictment or information charging a violation of this chapter for which criminal forfeiture may be ordered under this section and alleging that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section; or

"(B) prior to the filing of such an indictment or information, if, after notice to persons appearing to have an interest in the property and opportunity for a hearing, the court determines that—

"(i) there is a substantial probability that the United States will prevail on the issue of forfeiture and that failure to enter the order will result in the property being destroyed, removed from the jurisdiction of the court, or otherwise made unavailable for forfeiture; and

"(ii) the need to preserve the availability of the property through the entry of the requested order outweighs the hardship on any party against whom the order is to be entered;

except that an order entered under subparagraph (B) shall be effective for not more than 90 days, unless extended by the court for good cause shown or unless an indictment or information described in subparagraph (A) has been filed.

"(2) A temporary restraining order under this subsection may be entered upon application of the United States without notice or opportunity for a hearing when an information or indictment has not yet been filed with respect to the property, if the United States demonstrates that there is probable cause to believe that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section and that provision of notice will jeopardize the availability of the property for forfeiture. Such a temporary order shall expire not more than 10 days after the date on which it is entered, unless extended for good cause shown or unless the party against whom it is entered consents to an extension for a longer period. A hearing requested concerning an order entered under this paragraph shall be held at the earliest possible time and prior to the expiration of the temporary order.

"(3) The court may receive and consider, at a hearing held pursuant to this subsection, evidence and information that would be inadmissible under the Federal Rules of Evidence.

"(d) WARRANT OF SEIZURE.—The Government may request the issuance of a warrant authorizing the seizure of property subject to forfeiture under this section in the same manner as provided for a search warrant. If the court determines that there is probable cause to believe that the property to be seized would, in the event of conviction, be subject to forfeiture and that an order under subsection (c) of this section may not be sufficient to assure the availability of the property for forfeiture, the court shall issue a warrant authorizing the seizure of such property.

"(e) ORDER OF FORFEITURE.—The court shall order forfeiture of property referred to in subsection (a) if the trier of fact determines, beyond a reasonable doubt, that such property is subject to forfeiture.

"(f) EXECUTION.—Upon entry of an order of forfeiture under this section, the court shall authorize the Attorney General to seize all property ordered forfeited upon such terms and conditions as the court shall deem proper. Following entry of an order declaring the property forfeited, the court may, upon application of the United States, enter such appropriate restraining orders or injunctions, require the execution of satisfactory performance bonds, appoint receivers, conservators, appraisers, accountants, or trustees, or take any other action to protect the interest of the United States in the property ordered forfeited. Any income accruing to or derived from property ordered forfeited under this section may be used to offset ordinary and necessary expenses to the property which are required by law, or which are necessary to protect the interests of the United States or third parties.

"(g) DISPOSITION OF PROPERTY.—Following the seizure of property ordered forfeited under this section, the Attorney General shall destroy or retain for official use any property described in paragraph (1) of subsection (a) and shall direct the disposition of any property described in paragraph (2) or (3) of subsection (a) by sale or any other commercially feasible means, making due provision for the rights of any innocent persons. Any property right or interest not exercisable by, or transferable for value to, the United States shall expire and shall not revert to the defendant, nor shall the defendant or any person acting in concert with him or on his behalf be eligible to purchase forfeited property at any sale held by the United States. Upon application of a person, other than the defendant or person acting in concert with him or on his behalf, the court may restrain or stay the sale or disposition of the property pending the conclusion of any appeal of the criminal case giving rise to the forfeiture, if the applicant demonstrates that proceeding with the sale or disposition of the property will result in irreparable injury, harm, or loss to him.

"(h) AUTHORITY OF ATTORNEY GENERAL.—With respect to property ordered forfeited under this section, the Attorney General is authorized to—

"(1) grant petitions for mitigation or remission of forfeiture, restore forfeited property to victims of a violation of this chapter, or take any other action to protect the rights of innocent persons which is in the interest of justice and which is not inconsistent with the provisions of this section;

"(2) comprise claims arising under this section;

"(3) award compensation to persons providing information resulting in a forfeiture under this section;

"(4) direct the disposition by the United States, in accordance with the provisions of section 1616, title 19, United States Code, of all property ordered forfeited under this section by public sale or any other commercially feasible means, making due provision for the rights of innocent persons; and

"(5) take appropriate measures necessary to safeguard and maintain property ordered forfeited under this section pending its disposition.

"(i) APPLICABILITY OF CIVIL FORFEITURE PROVISIONS.—Except to the extent that they are inconsistent with the provisions of this section, the provisions of section 1468(d) of this title (18 U.S.C. 1468(d)) shall apply to a criminal forfeiture under this section.

"(j) BAR ON INTERVENTION.—Except as provided in subsection (m) of this section, no party claiming an interest in property subject to forfeiture under this section may—

"(1) intervene in a trial or appeal of a criminal case involving the forfeiture of such property under this section; or

"(2) commence an action at law or equity against the United States concerning the validity of his alleged interest in the property subsequent to the filing of an indictment or information alleging that the property is subject to forfeiture under this section.

"(k) JURISDICTION TO ENTER ORDERS.—The district courts of the United States shall have jurisdiction to enter orders as provided in this section without regard to the location of any property which may be subject to forfeiture under this section or which has been ordered forfeited under this section.

"(l) DEPOSITIONS.—In order to facilitate the identification and location of property declared forfeited and to facilitate the disposition of petitions for remission or mitigation of forfeiture, after the entry of an order declaring property forfeited to the United States, the court may, upon application of the United States, order that the testimony of any witness relating to the property forfeited be taken by deposition and that any designated book, paper, document, record, recording, or other material not privileged be produced at the same time and place, in the same manner as provided for the taking of depositions under Rule 15 of the Federal Rules of Criminal Procedure.

"(m) THIRD PARTY INTERESTS.—(1) Following the entry of an order of forfeiture under this section, the United States shall publish notice of the order and of its intent to dispose of the property in such manner as the Attorney General may direct. The Government may also, to the extent practicable, provide direct written notice to any person known to have alleged an interest in the property that is the subject of the order of forfeiture as a substitute for published notice as to those persons so notified.

"(2) Any person, other than the defendant, asserting a legal interest in property which has been ordered forfeited to the United States pursuant to this section may, within 30 days of the final publication of notice or his receipt of notice under paragraph (1), whichever is earlier, petition the court for a hearing to adjudicate the validity of his alleged interest in the property. The hearing shall be held before the court alone, without a jury.

"(3) The petition shall be signed by the petitioner under penalty of perjury and shall set forth the nature and extent of the petitioner's right, title, or interest in the property, the time and circumstances of the petitioner's acquisition of the right, title, or interest in the property, any additional facts supporting the petitioner's claim, and the relief sought.

"(4) The hearing on the petition shall, to the extent practicable and consistent with the interests of justice, be held within 30 days of the filing of the petition. The court may consolidate the hearing on the petition with a hearing on any other petition filed by a person other than the defendant under this subsection.

"(5) At the hearing, the petitioner may testify and present evidence and witnesses on his own behalf, and cross-examine witnesses who appear at the hearing. The United States may present evidence and witnesses in rebuttal and in defense of its claim to the property and cross-examine witnesses who appear at the hearing. In addition to testimony and evidence presented at the hearing, the court shall consider the relevant portions of the record of the criminal case which resulted in the order of forfeiture.

"(6) If, after the hearing, the court determines that the petitioner has established by a preponderance of the evidence that—

"(A) the petitioner has a legal right, title, or interest in the property, and such right, title, or interest renders the order of forfeiture invalid in whole or in part because the right, title, or interest was vested in the petitioner rather than the defendant or was superior to any right, title, or interest of the defendant at the time of the commission of the acts which gave rise to the forfeiture of the property under this section; or

"(B) the petitioner is a bona fide purchaser for value of the right, title, or interest in the property and was at the time of purchase reasonably without cause to believe that the property was subject to forfeiture under this section;

the court shall amend the order of forfeiture in accordance with its determination.

"(7) Following the court's disposition of all petitions filed under this subsection, or if no such petitions are filed following the expiration of the period provided in paragraph (2) for the filing of such petitions, the

United States shall have clear title to property that is the subject of the order of forfeiture and may warrant good title to any subsequent purchaser or transferee.

"(n) Construction.—The provisions of this section shall be liberally construed to effectuate its remedial purposes.

"(o) Substitute Assets.—If any of the property described in subsection (a), as a result of any act or omission of the defendant—

"(1) cannot be located upon the exercise of due diligence;

"(2) has been transferred or sold to, or deposited with, a third party;

"(3) has been placed beyond the jurisdiction of the court;

"(4) has been substantially diminished in value; or

"(5) has been commingled with other property which cannot be divided without difficulty;

the court shall order the forfeiture of any other property of the defendant up to the value of any property described in paragraphs (1) through (5).

"§ 1468. Civil forfeiture

"(a) Property Subject to Civil Forfeiture.—The following property shall be subject to forfeiture by the United States:

"(1) Any obscene material produced, transported, mailed, shipped, or received in violation of this chapter.

"(2) Any property, real or personal, constituting or traceable to gross profits or other proceeds obtained from a violation of this chapter involving obscene material, except that no property shall be forfeited under this paragraph, to the extent of the interest of an owner, by reason of any act or omission established by that owner to have been committed or omitted without the knowledge or consent of that owner.

"(b) Seizure Pursuant to Supplemental Rules for Certain Admiralty and Maritime Claims.—Any property subject to forfeiture to the United States under this section may be seized by the Attorney General upon process issued pursuant to the Supplemental Rules for Certain Admiralty and Maritime Claims by any district court of the United States having jurisdiction over the property, except that seizure without such process may be made when the seizure is pursuant to a search under a search warrant. The government may request the issuance of a warrant authorizing the seizure of property subject to forfeiture under this section in the same manner as provided for a search warrant under the Federal Rules of Criminal Procedure.

"(c) Custody of Attorney General.—Property taken or detained under this section shall not be repleviable, but shall be deemed to be in the custody of the Attorney General, subject only to the orders and decrees of the court or the official having jurisdiction thereof. Whenever property is seized under any of the provisions of this subchapter, the Attorney General may—

"(1) place the property under seal;

"(2) remove the property to a place designated by him; or

"(3) require that the General Services Administration take custody of the property and remove it, if practicable, to an appropriate location for disposition in accordance with law.

"(d) Other Laws and Proceedings Applicable.—All provisions of the customs laws relating to the seizure, summary and judicial forfeiture, and condemnation of property for violation of the customs laws, the disposition of such property or the proceeds from the sale thereof, the remission or mitigation of such forfeitures, and the compromise of claims, shall apply to seizures and forfeitures incurred, or alleged to have been incurred, under this section, insofar as applicable and not inconsistent with the provisions of this section, except that such duties as are imposed upon the customs officer or any other person with respect to the seizure and forfeiture of property under the customs laws shall be performed with respect to seizures and forfeitures of property under this section by such officers, agents, or other persons as may be authorized or designated for that purpose by the Attorney General or the Postal Service, except to the extent that such duties arise from seizures and forfeitures effected by any customs officer.

"(e) Applicability of Certain Sections.—Sections 1606, 1607, 1608, 1609, 1613, 1614, 1617, and 1618 of title 19 shall not apply with respect to obscene material subject to forfeiture under subsection (a)(1) of this section.

"(f) Disposition of Forfeited Property.—Whenever property is forfeited under this section the Attorney General shall destroy or retain for official use any article described in paragraph (1) of subsection (a), and with respect to property described in paragraphs (2) and (3) of subsection (a) may—

"(1) retain the property for official use or transfer the custody or ownership of any forfeited property to a Federal, State, or local agency pursuant to section 1616 of title 19;

"(2) sell any forfeited property which is not required to be destroyed by law and which is not harmful to the public; or

"(3) require that the General Services Administration take custody of the property and dispose of it in accordance with law.

The Attorney General shall ensure the equitable transfer pursuant to paragraph (1) of any forfeited property to the appropriate State or local law enforcement agency so as to reflect generally the contribution of any such agency participating directly in any of the acts which led to the seizure or forfeiture of such property. A decision by the Attorney General pursuant to paragraph (1) shall not be subject to judicial review. The Attorney General shall forward to the Treasurer of the United States for deposit in accordance with section 524(c) of title 28 the proceeds from any sale under paragraph (2) and any moneys forfeited under this subchapter.

"(g) Title to Property.—All right, title, and interest in property described in subsection (a) of this section shall vest in the United States upon commission of the act giving rise to forfeiture under this section.

"(h) Stay of Proceedings.—The filing of an indictment or information alleging a violation of this chapter which is also related to a civil forfeiture proceeding under this section shall, upon motion of the United States and for good cause shown, stay the civil forfeiture proceeding.

"(i) Venue.—In addition to the venue provided for in section 1395 of title 28 or any other provision of law, in the case of property of a defendant charged with a violation that is the basis for forfeiture of the property under this section, a proceeding for forfeiture under this section may be brought in the judicial district in which the defendant owning such property is found or in the judicial district in which the criminal prosecution is brought.".

"§ 1469. Civil penalties

"(a) Whoever produces, transport, mails, ships or receives any obscene article in violation of this chapter shall be subject to a civil penalty of not more than $10,000 for the first violation. For a second violation, not more than $50,000. For a third violation, a fine under this title. Such fine shall be recoverable in a civil action brought in the name of the United States. The Attorney General may commence such a civil action in the district court in any district where the violation occurs. Such an action must be commenced within 5 years of the violation. The Attorney General may compromise, modify, or remit with or without condition any civil penalty imposed for which a civil action has been commenced under this section."

(b) Clerical Amendments.—The table of sections at the beginning of chapter 71 of title 18, United States Code, is amended by inserting after the item relating to section 1465 the following:

"1467. Criminal forfeiture.
"1468. Civil forfeiture.
"1469. Civil penalties.".

(c) Repeal.—The last paragraph of section 1465 of title 18, United States Code, is repealed.

(d) Sexual Abuse of Children.—Sections 2253 through 2254 of title 18, United States Code, are amended to read as follows:

"§ 2253. Criminal forfeiture

"(a) Property Subject to Criminal Forfeiture.—A person who is convicted of an offense under this chapter involving a visual depiction described in section 2251, 2251A, or 2252 of this chapter shall forfeit to the United States such person's interest in—

"(1) any visual depiction described in section 2251, 2251A, or 2252 of this chapter, or any book, magazine, periodical, film, videotape, or other matter which contains any such visual depiction, which was produced, transported, mailed, shipped or received in violation of this chapter;

"(2) any property, real or personal, constituting or traceable to gross profits or other proceeds obtained from such offense; and

"(3) any property, real or personal, used or intended to be used to commit or to promote the commission of such offense.

"(b) Third Party Transfers.—All right, title, and interest in property described in subsection (a) of this section vests in the United States upon the commission of the act giving rise to forfeiture under this section. Any such property that is subsequently transferred to a person other than the defendant may be the subject of a special verdict of forfeiture and thereafter shall be ordered forfeited to the United States, unless the transferee establishes in a hearing pursuant to subsection (m) of this section that he is a bona fide purchaser for value of such property who at the time of purchase was reasonably without cause to believe that the property was subject to forfeiture under this section.

"(c) Protective Orders.—(1) Upon application of the United States, the court may enter a restraining order or injunction, require the execution of a satisfactory performance bond, or take any other action to preserve the availability of property described in subsection (a) of this section for forfeiture under this section—

"(A) upon the filing of an indictment or information charging a violation of this chapter for which criminal forfeiture may be ordered under this section and alleging that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section; or

"(B) prior to the filing of such an indictment or information, if, after notice to persons appearing to have an interest in the property and opportunity for a hearing, the court determines that—

"(i) there is a substantial probability that the United States will prevail on the issue of forfeiture and that failure to enter the order will result in the property being destroyed, removed from the jurisdiction of the court, or otherwise made unavailable for forfeiture; and

"(ii) the need to preserve the availability of the property through the entry of the requested order outweighs the hardship on any party against whom the order is to be entered;

except that an order entered pursuant to subparagraph (B) shall be effective for not more than 90 days, unless extended by the court for good cause shown or unless an indictment or information described in subparagraph (A) has been filed.

"(2) A temporary restraining order under this subsection may be entered upon application of the United States without notice or opportunity for a hearing when an information or indictment has not yet been filed with respect to the property, if the United States demonstrates that there is probable cause to believe that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section and that provision of notice will jeopardize the availability of the property for forfeiture. Such a temporary order shall expire not more than 10 days after the date on which is it entered, unless extended for good cause shown or unless the party against whom it is entered consents to an extension for a longer period. A hearing requested concerning an order entered under this paragraph shall be held at the earliest possible time and prior to the expiration of the temporary order.

"(3) The court may receive and consider, at a hearing held pursuant to this subsection, evidence and information that would be inadmissible under the Federal Rules of Evidence.

"(d) Warrant of Seizure.—The Government may request the issuance of a warrant authorizing the seizure of property subject to forfeiture under this section in the same manner as provided for a search warrant. If the court determines that there is probable cause to believe that the property to be seized would, in the event of conviction, be subject to forfeiture and that an order under subsection (c) of this section may not be sufficient to assure the availability of the property for forfeiture, the court shall issue a warrant authorizing the seizure of such property.

"(e) Order of Forfeiture.—The court shall order forfeiture of property referred to in subsection (a) if the trier of fact determines, beyond a reasonable doubt, that such property is subject to forfeiture.

"(f) Execution.—Upon entry of an order of forfeiture under this section, the court shall authorize the Attorney General to seize all property ordered forfeited upon such terms and conditions as the court shall deem proper. Following entry of an order declaring the property forfeited, the court may, upon application of the United States, enter such appropriate restraining orders or injunctions, require the execution of satisfactory performance bonds, appoint receivers, conservators, appraisers, accountants, or trustees, or take any other action to protect the interest of the United States in the property ordered forfeited. Any income accruing to or derived from property ordered forfeited under this section may be used to offset ordinary and necessary expenses to the property which are required by law, or which are necessary to protect the interests of the United States or third parties.

"(g) Disposition of Property.—Following the seizure of property ordered forfeited under this section, the Attorney General shall destroy or retain for official use any article described in paragraph (1) of subsection (a), and shall retain for official use or direct the disposition of any property described in paragraph (2) or (3) of subsection (a) by sale or any other commercially feasible means, making due provision for the rights of any innocent persons. Any property right or interest not exercisable by, or transferable for value to, the United States shall expire and shall not revert to the defendant, nor shall the defendant or any person acting in concert with him or on his behalf be eligible to purchase forfeited property at any sale held by the United States. Upon application of a person, other than the defendant or person acting in concert with him or on his behalf, the court may restrain or stay the sale or disposition of the property pending the conclusion of any appeal of the criminal case giving rise to the forfeiture, if the applicant demonstrates that proceeding with the sale or disposition of the property will result in irreparable injury, harm, or loss to him.

"(h) Authority of Attorney General.—With respect to property ordered forfeited under this section, the Attorney General is authorized to—

"(1) grant petitions for mitigation or remission of forfeiture, restore forfeited property to victims of a violation of this chapter, or take any other action to protect the rights of innocent persons which is in the interest of justice and which is not inconsistent with the provisions of this section;

"(2) compromise claims arising under this section;

"(3) award compensation to persons providing information resulting in a forfeiture under this section;

"(4) direct the disposition by the United States, in accordance with the provisions of section 1616, title 19, United States Code, of all property ordered forfeited under this section by public sale or any other commercially feasible means, making due provision for the rights of innocent persons; and

"(5) take appropriate measures necessary to safeguard and maintain property ordered forfeited under this section pending its disposition.

"(i) Applicability of Civil Forfeiture Provisions.—Except to the extent that they are inconsistent with the provisions of this section, the provisions of section 2254(d) of this title (18 U.S.C. 2254(d)) shall apply to a criminal forfeiture under this section.

"(j) Bar on Intervention.—Except as provided in subsection (m) of this section, no party claiming an interest in property subject to forfeiture under this section may—

"(1) intervene in a trial or appeal of a criminal case involving the forfeiture of such property under this section; or

"(2) commence an action at law or equity against the United States concerning the validity of his alleged interest in the property subsequent to the filing of an indictment or information alleging that the property is subject to forfeiture under this section.

"(k) Jurisdiction to Enter Orders.—The district courts of the United States shall have jurisdiction to enter orders as provided in this section without regard to the location of any property which may be subject to forfeiture under this section or which has been ordered forfeited under this section.

"(l) Depositions.—In order to facilitate the identification and location of property declared forfeited and to facilitate the disposition of petitions for remission or mitigation of forfeiture, after the entry of an order declaring property forfeited to the United States, the court may, upon application of the United States, order that the testimony of any witness relating to the property forfeited be taken by deposition and that any designated book, paper, document, record, recording, or other material not privileged be produced at the same time and place, in the same manner as provided for the taking of depositions under rule 15 of the Federal Rules of Criminal Procedure.

"(m) Third Party Interests.—(1) Following the entry of an order of forfeiture under this section, the United States shall publish notice of the order and of its intent to dispose of the property in such manner as the Attorney General may direct. The Government may also, to the extent practicable, provide direct written notice to any person known to have alleged an interest in the property that is the subject of the order of forfeiture as a substitute for published notice as to those person so notified.

"(2) Any person, other than the defendant, asserting a legal interest in property which has been ordered forfeited to the United States pursuant to this section may, within 30 days of the final publication of notice or his receipt of notice under paragraph (1), whichever is earlier, petition the court for a hearing to adjudicate the validity of his alleged interest in the property. The hearing shall be held before the court alone, without a jury.

"(3) The petition shall be signed by the petitioner under penalty of perjury and shall set forth the nature and extent of the petitioner's right, title, or interest in the property, the time and circumstances of the petitioner's acquisition of the right, title, or interest in the property, any additional facts supporting the petitioner's claim, and the relief sought.

"(4) The hearing on the petition shall, to the extent practicable and consistent with the interests of justice, be held within 30 days of the filing of the petition. The court may consolidate the hearing on the petition with a hearing on any other petition filed by a person other than the defendant under this subsection.

"(5) At the hearing, the petitioner may testify and present evidence and witnesses on his own behalf, and cross-examine witnesses who appear at the hearing. The United States may present evidence and witnesses in rebuttal and in defense of its claim to the property and cross-examine witnesses who appear at the hearing. In addition to testimony and evidence presented at the hearing, the court shall consider the relevant portions of the record of the criminal case which resulted in the order of forfeiture.

"(6) If, after the hearing, the court determines that the petitioner has established by a preponderance of the evidence that—

"(A) the petitioner has a legal right, title, or interest in the property, and such right, title, or interest renders the order of forfeiture invalid in whole or in part because the right, title, or interest was vested in the petitioner rather than the defendant or was superior to any right, title, or interest of the defendant at the time of the commission of the acts which gave rise to the forfeiture of the property under this section; or

"(B) the petitioner is a bona fide purchaser for value of the right, title, or interest in the property and was at the time of purchase reasonably without cause to believe that the property was subject to forfeiture under this section;

the court shall amend the order of forfeiture in accordance with its determination.

"(7) Following the court's disposition of all petitions filed under this subsection, or if no such petitions are filed following the expiration of the period provided in paragraph (2) for the filing of such petitions, the United States shall have clear title to property that is the subject of the order of forfeiture and may warrant good title to any subsequent purchaser or transferee.

"(n) Construction.—The provisions of this section shall be liberally construed to effectuate its remedial purposes.

"(o) Substitute Assets.—If any of the property described in subsection (a), as a result of any act or omission of the defendant—

"(1) cannot be located upon the exercise of due diligence;

"(2) has been transferred or sold to, or deposited with, a third party;

"(3) has been placed beyond the jurisdiction of the court;

"(4) has been substantially diminished in value; or

"(5) has been commingled with other property which cannot be divided without difficulty;

the court shall order the forfeiture of any other property of the defendant up to the value of any property described in paragraphs (1) through (5).

"§ 2254. Civil forfeiture

"(a) Property Subject to Civil Forfeiture.—The following property shall be subject to forfeiture by the United States:

"(1) Any visual depiction described in sections 2251, 2251A, or 2252 of this chapter, or any book, magazine, periodical, film, videotape or other matter which contains any such visual depiction, which was produced, transported, mailed, shipped, or received in violation of this chapter.

"(2) Any property, real or personal, used or intended to be used to commit or to promote the commission of an offense under this chapter involving a visual depiction described in sections 2251, 2251A, or 2252 of this chapter, except that no property shall be forfeited under this paragraph, to the extent of the interest of an owner, by reason of any act or omission established by that owner to have been committed or omitted without the knowledge or consent of that owner.

"(3) Any property, real or personal, constituting or traceable to gross profits or other proceeds obtained from a violation of this chapter involving a visual depiction described in sections 2251, 2251A, or 2252 of this chapter, except that no property shall be forfeited under this paragraph, to the extent of the interest of an owner, by reason of any act or omission established by that owner to have been committed or omitted without the knowledge or consent of that owner.

"(b) Seizure Pursuant to Supplemental Rules for Certain Admiralty and Maritime Claims.—Any property subject to forfeiture to the United States under this section may be seized by the Attorney General upon process issued pursuant to the Supplemental Rules for Certain Admiralty and Maritime Claims by any district court of the United States having jurisdiction over the property, except that seizure without such process may be made when the seizure is pursuant to a search under a search warrant. The Government may request the issuance of a warrant authorizing the seizure of property subject to forfeiture under this section in the same manner as provided for a search warrant under the Federal Rules of Criminal Procedure.

"(c) Custody of Attorney General.—Property taken or detained under this section shall not be repleviable, but shall be deemed to be in the custody of the Attorney General, subject only to the orders and decrees of the court or the official having jurisdiction thereof. Whenever property is seized under any of the provisions of this subchapter, the Attorney General may—

"(1) place the property under seal;

"(2) remove the property to a place designated by him; or

"(3) require that the General Services Administration take custody of the property and remove it, if practicable, to an appropriate location for disposition in accordance with law.

"(d) Other Laws and Proceedings Applicable.—All provisions of the customs laws relating to the seizure, summary and judicial forfeiture, and condemnation of property for violation of the customs laws, the disposition of such property or the proceeds from the sale thereof, the remission or mitigation of such forfeitures, and the compromise of claims, shall apply to seizures and forfeitures incurred, or alleged to have been incurred, under this section, insofar as applicable and not inconsistent with the provisions of this section, except that such duties as are imposed upon the customs officer or any other person with respect to the seizure and forfeiture of property under the customs laws shall be performed with respect to seizures and forfeitures of property under this section by such officers, agents, or other persons as may be authorized or designated for that purpose by the Attorney General or the Postal Service, except to the extent that such duties arise from seizures and forfeitures affected by any customs officer.

"(e) Sections 1606, 1607, 1608, 1609, 1613, 1614, 1617, and 1618 of title 19, United States Code, shall not apply with respect to any visual depiction or any matter containing a visual depiction subject to forfeiture under subsection (a)(1) of this section.

"(f) Disposition of Forfeited Property.—Whenever property is forfeited under this section the Attorney General shall destroy or retain for official use any property described in paragraph (1) of subsection (a) and, with respect to property described in paragraph (2) or (3) of subsection (a), may—

"(1) retain the property for official use or transfer the custody or ownership of any forfeited property to a Federal, State, or local agency pursuant to section 1616 of title 19;

"(2) sell any forfeited property which is not required to be destroyed by law and which is not harmful to the public; or

"(3) require that the General Services Administration take custody of the property and dispose of it in accordance with law.

The Attorney General shall ensure the equitable transfer pursuant to paragraph (1) of any forfeited property to the appropriate State or local law enforcement agency so as to reflect generally the contribution of any such agency participating directly in any of the acts which led to the seizure or forfeiture of such property. A decision by the Attorney General pursuant to paragraph (1) shall not be subject to judicial review. The Attorney General shall forward to the Treasurer of the United States for deposit in accordance with section 524(c) of title 28 the proceeds from any sale under paragraph (2) and any moneys forfeited under this subchapter.

"(g) Title to Property.—All right, title, and interest in property described in subsection (a) of this section shall vest in the United States upon commission of the act giving rise to forfeiture under this section.

"(h) Stay of Proceedings.—The filing of an indictment or information alleging a violation of this chapter which is also related to a civil forfeiture proceeding under this section shall, upon motion of the United States and for good cause shown, stay the civil forfeiture proceeding.

"(i) Venue.—In addition to the venue provided for in section 1395 of title 28 or any other provision of law, in the case of property of a defendant charged with a violation that is the basis for forfeiture of the property under this section, a proceeding for forfeiture under this section may be brought in the judicial district in which the defendant owning such property is found or in the judicial district in which the criminal prosecution is brought.".

(e) Tariff Act Amendment.—Section 305 of the Tariff Act of 1930 (19 U.S.C. 1305), is amended by adding at the end the following:

"(b) Coordination of Forfeiture Proceedings with Criminal Proceedings.—(1) Notwithstanding subsection (a), whenever the Customs Service is of the opinion that criminal prosecution would be appropriate or that further criminal investigation is warranted in connection with allegedly obscene material seized at the time of entry, the appropriate customs officer shall immediately transmit information concerning such seizure to the United States Attorney of the district of the addressee's residence. No notice to the addressee or consignee concerning the seizure is required at the time of such transmittal.

"(2) Upon receipt of such information, such United States attorney shall promptly determine whether in such attorney's opinion the referral of the matter for forfeiture under this section would materially affect the Government's ability to conduct a criminal investigation with respect to such seizure.

"(3) If the United States attorney is of the opinion that no prejudice to such investigation will result from such referral, such attorney shall immediately so notify the Customs Service in writing. The appropriate customs officer shall immediately notify in writing the addressee or consignee of the seizure and shall transmit information concerning such seizure to the United States attorney of the district in which is situated the office at which such seizure has taken place. The actions described in paragraphs (1) through (3) of this subsection shall take place within sufficient time to allow for the filing of a forfeiture complaint within 14 days of the seizure unless the United States attorney of the district of the addressee's residence certifies in writing and includes specific, articulable facts demonstrating that the determination required in paragraph (2) of this subsection could not be made in sufficient time to comply with this deadline. In such cases, the actions described in paragraphs (1) through (3) of this subsection shall take place within sufficient time to allow for the filing of a forfeiture complaint within 21 days of seizure.

"(4) If the United States attorney for the district of the addressee's residence concludes that material prejudice to such investigation will result from such referral, such United States attorney shall place on file, within 14 days of the date of seizure, a dated certification stating that it is the United States attorney's judgment that referral of the matter for forfeiture under this section would materially affect the Government's ability to conduct a criminal investigation with respect to the seizure. The certification shall set forth specific, articulable facts demonstrating that withholding referral for forfeiture is necessary.

"(5)(A) As soon as the circumstances change so that withholding of referral for forfeiture is no longer necessary for purposes of the criminal investigation, the United States attorney shall immediately so notify the Customs Service in writing and shall furnish a copy of the certification described in paragraph (4) above to the Customs Service.

"(B) In any matter referred to a United States attorney for possible criminal prosecution wherein subparagraph (5)(A) does not apply, the United States attorney shall immediately notify the Customs Service in writing concerning the disposition of the matter, whether by institution of a prosecution or a letter of declination, and shall also furnish a copy of the certification described in paragraph (4) of this subsection to the Customs Service.

"(C) Upon receipt of the notification described in subparagraph (A) or (B) of this paragraph, the appropriate customs officer shall immediately notify the addressee or consignee of the seizure and shall transmit information concerning the seizure, including a copy of the certification described in paragraph (4) above and a copy of the notification described in subparagraph (A) or (B) of this paragraph, to the United States attorney of the district in which is situated the office at which such seizure has taken place, who shall institute forfeiture proceedings in accordance with subsection (a) hereof within 14 days of the date of the notification described in subparagraph (A) or (B) above. A copy of the certification described in paragraph (4) above and a copy of the notification described in subparagraph (A) or (B) of this paragraph shall be affixed to the complaint for forfeiture.

"(c) STAY ON MOTION.—Upon motion of the United States, a court, for good cause shown, shall stay civil forfeiture proceedings commenced under this section pending the completion of any related criminal matter whether in the same or in a different district.".

SEC. 203. CABLE TELEVISION OBSCENITY.

(a) FINDINGS.—The Congress finds that—

(1) cable television programming is routinely transmitted from transmitting facilities in one State to locations in other States and in foreign countries;

(2) cable and subscription television programs are routinely relayed in interstate or foreign commerce via satellites;

(3) operators of cable and subscription television services routinely make available to their subscribers movies and other programs that have been produced in a manner that involves interstate or foreign commerce and have been shipped or transported in interstate or foreign commerce;

(4) the equipment necessary to provide cable and subscription television service to consumers and television sets capable of receiving cable transmissions and subscription television programming are all routinely shipped and transported in interstate commerce and foreign commerce;

(5) a national market exists for all types of programming available via cable and subscription television, and this market involves the use of the channels of interstate and foreign commerce;

(6) production and distribution of cable and subscription television programming that is entirely within a single State has an impact on the national market for such programming;

(7) the proliferation of cable and subscription television outlets requires more effective safeguards against obscene cable and subscription programming; and

(8) the harm caused by obscene television programming combined with the interstate nature of such programming requires that the Federal Government must assist the States in their efforts to combat it.

(b) NEW OFFENSE.—Chapter 71 of title 18, United States Code, is amended by inserting after section 1464, the following:

"§ 1464A. Distributing obscene material by cable or subscription television

"(a) Whoever knowingly utters any obscene language or distributes any obscene matter by means of cable television or subscription services on television, shall be punished by imprisonment for not more than 2 years or by a fine in accordance with this title, or both.

"(b) As used in this section, the term 'distribute' means to send, transmit, retransmit, telecast, broadcast, or cablecast, including by wire, microwave, or satellite, or to produce or provide material for such distribution.

"(c) Nothing in this chapter, or the Cable Communications Policy Act of 1984, or any other provision of Federal law, is intended to interfere with or preempt the power of the States, including the political subdivisions thereof, to regulate the uttering language that is obscene or otherwise unprotected by the Constitution or the distribution of matter that is obscene or otherwise unprotected by the Constitution, of any sort, by means of cable television or subscription services on television, in a manner which is not inconsistent with the Constitution.".

(c) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 71 of title 18, United States Code, is amended by adding after the item relating to section 1464 the following:

"1464A. Distributing obscene material by cable or subscription television.".

SEC. 204. COMMUNICATIONS ACT AMENDMENT.

Subsection 223(b) of the Communications Act of 1934 (47 U.S.C. 223) is amended to read as follows:

"shall, in the case of an obscene communication be fined in accordance with the provisions of title 18 or imprisoned not more than 2 years, or both, and in the case of an indecent communication shall be fined not more than $50,000 or imprisoned not more than 6 months, or both."

SEC. 205. POSSESSION AND SALE OF OBSCENE MATTERS IN FEDERAL JURISDICTION OR ON FEDERAL PROPERTY.

(a) IN GENERAL.—Chapter 71 of title 18, United States Code, is amended by inserting before section 1461 the following:

"§ 1460. Possession and sale of obscene matter on Federal property

"(a) Whoever, either—

"(1) in the special maritime and territorial jurisdiction of the United States, or on any land or building owned by, leased to, or otherwise used by or under the control of the Government of the United States; or

"(2) in the Indian country as defined in section 1151 of this title,

knowingly sells or possesses with intent to sell an obscene visual depiction or a visual depiction of a minor engaging in or assisting another person to engage in sexually explicit conduct, shall be punished by a fine in accordance with the provisions of this title or imprisoned for not more than 2 years, or both.

"(b) Except as provided in subsection (c), whoever, in an area described in subparagraph (1) or (2) of subsection (a) knowingly possesses an obscene visual depiction or a visual depiction of a minor engaging in or assisting another person to engage in sexually explicit conduct shall be punished by imprisonment for not more than 6 months or a fine of not more than $5,000 for an individual or $10,000 for a person other than an individual, or both.

"(c) Subsection (b) shall not apply in the case of a person who possesses an obscene visual depiction in any place where such person lives or resides.

"(d) For the purposes of this section—

"(1) the term 'visual depiction' includes undeveloped film and videotape but does not include mere words; and

"(2) the terms 'minor' and 'sexually explicit conduct' have the meaning given those terms in chapter 110 of this title.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 71 of title 18, United States Code, is amended by adding before the item relating to section 1461 the following:

"1460. Possession and sale of obscene matter on Federal property.".

SEC. 206. ELECTRONIC SURVEILLANCE.

Subsection (1) of section 2516 of title 18, United States Code, is amended by redesignating paragraphs (i) and (j) as (j) and (k), respectively, and by adding a new paragraph (i) as follows:

"(i) any felony violation of chapter 71 (relating to obscenity) of this title;".

SEC. 207. SEPARABILITY OF PROVISIONS.

If any provision of this Act or the application thereof to any person or circumstances is held invalid, the remainder of the Act and the application of the provision to other persons not similarly situated or to other circumstances shall not be affected thereby.

PRESSLER AMENDMENT NO. 3294

(Ordered to lie on the table.)

Mr. PRESSLER submitted an amendment intended to be proposed by him to the bill S. 2488, supra, as follows:

On page 2, insert between lines 4 and 5, at the end of the matter relating to the table of contents the following:

"TITLE V—PAY OF MEMBERS OF CONGRESS

"Sec. 501. Pay of Members of Congress.".

At the end of the bill, add the following new title:

TITLE V—PAY OF MEMBERS OF CONGRESS

SEC. 501. PAY OF MEMBERS OF CONGRESS.

(a) Short Title.—This section may be cited as the "Congressional Pay Accountability Act of 1988".

(b) Congressional Vote on Presidential Recommendations to Increase Congressional Rates of Pay.—Section 225(i) of the Federal Salary Act of 1967 (2 U.S.C. 359) is amended to read as follows:

"(i) Effective Date of Presidential Recommendations; Congressional Vote on Increases in Congressional Rates of Pay.—(1)(A) Except for the recommendations relating to Members of Congress (which shall be subject to the provisions of paragraph (2)), the recommendations of the President which are transmitted to the Congress pursuant to subsection (h) of this section shall be effective as provided in subparagraph (B) of this paragraph, unless any such recommendation is disapproved by a joint resolution agreed to by the Congress not later than the last day of the 30-day period which begins on the date on which such recommendations are transmitted to the Congress.

"(B) The effective date of the rate or rates of pay which take effect for an office or position under subparagraph (A) of this paragraph shall be the first day of the first pay period which begins for such office or position after the end of the 30-day period described in such paragraph.

"(2)(A) The recommendations of the President relating to the rates of pay of Members of Congress which are transmitted to the Congress under subsection (h) of this section shall become effective only after the enactment of a joint resolution as provided under subparagraph (B).

"(B) The joint resolution described under subparagraph (A) shall—

"(i) relate only to the issue of such recommendation to increase the rates of pay of Members of Congress; and

"(ii) be recorded to reflect the vote of each Member of Congress thereon.

"(C) For purposes of this paragraph the term "Members of Congress" includes all positions described under section 225(f)(A), except for the Vice President of the United States.".

(c) Congressional Vote to Increase Congressional Rates of Pay with Increases in the General Schedule.—Section 601(a)(2) of the Legislative Reorganization Act of 1946 (2 U.S.C. 31(2)) is amended to read as follows:

"(2)(A) Any increase in the rates of pay of Members of Congress which corresponds to an increase in the rates of pay in the General Schedule under section 5305 of title 5, United States Code, in any fiscal year shall become effective only after enactment of a joint resolution as provided under subparagraph (B).

"(B) The joint resolution described under subparagraph (A) shall—

"(i) relate only to the issue of the increase in the rates of pay of Members of Congress; and

"(ii) be recorded to reflect the vote of each Member of Congress thereon.

"(C) If a joint resolution is enacted as provided under subparagraphs (A) and (B), effective at the beginning of the first applicable pay period commencing on or after the first day of the month in which said joint resolution is enacted, each annual rate of pay of Members of Congress shall be adjusted by an amount, rounded to the nearest multiple of $100 (or if midway between multiples of $100, to the next higher multiple of $100), equal to the percentage of such annual rate which corresponds to the overall average percentage (as set forth in the report transmitted to the Congress under section 5305) of the adjustment in the rates of pay under the General Schedule.".

(d) Congressional Vote on any Increase in the Rates of Pay of Members of Congress.—(1) Notwithstanding any other provision of law, any increase in the rates of pay of Members of Congress shall become effective only after the enactment of a joint resolution as provided in subsection (b).

(2) The joint resolution described under subsection (a) shall—

(A) relate only to the issue of the increase in the rates of pay of Members of Congress; and

(B) be recorded to reflect the vote of each Member of Congress thereon.

NOTICE OF HEARING

SUBCOMMITTEE ON GOVERNMENT MANAGEMENT

Mr. LEVIN. Mr. President, I would like to announce that the Subcommittee on Oversight of Government Management, Committee on Governmental Affairs, will hold a hearing on Thursday, September 29, at 2 p.m., in room 342 of the Dirksen Senate Office Building, on Oversight of Department of Defense Ethics Programs.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON HAZARDOUS WASTES AND TOXIC SUBSTANCES

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Hazardous Wastes and Toxic Substances, Committee on Environment and Public Works, be authorized to meet during the session of the Senate on Tuesday, September 27, beginning at 10:30 a.m., to conduct a hearing on proposals to address asbestos in public buildings.

The PRESIDING OFFICER. Without objection, it is ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Tuesday, September 27, at 9:30 a.m. for a hearing on the subject of alcoholism prevention.

The PRESIDING OFFICER. Without objection, it is ordered.

SUBCOMMITTEE ON THE HANDICAPPED

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on the Handicapped of the Committee on Labor and Human Resources be authorized to meet during the session of the Senate on Tuesday, September 27, 1988, at 10 a.m. in SH-216 to conduct a hearing on "Discrimination on the Basis of Disability."

The PRESIDING OFFICER. Without objection, it is ordered.

ADDITIONAL STATEMENTS

MAGNETOHYDRODYNAMICS

● Mr. GORE. Mr. President, I rise today to applaud the success of the University of Tennessee Space Institute's Magnetohydrodynamics [MHD] Program, a coal-burning project that could substantially reduce emissions from coal burning and decrease the U.S. dependence of foreign energy sources.

This month, the MHD powerplant in Tullahoma, TN, ran continuously for a record 111 hours during a 2-week, 250-hour test. In contrast, in the early 1980's, test runs of 5 to 10 minutes were considered long.

I have been a consistent supporter of this impressive technology. Magnetohydrodynamics promises 50 percent more efficient use of coal and significant reduction in acid rain and greenhouse gas emissions. In this process, finely crushed coal is burned at 5,000 degrees and an electrically conducting gas or plasma is passed across a magnetic field, producing an electrical current. Thus, power is directly coverted into electrical energy without the intermediate mechanical step such as turning turbines in a conventional powerplant. As a bonus, the exhaust heat can power a conventional steamplant, resulting in an MHD/steam combined cycle powerplant that produces 50 percent more electrical power than a conventional steam powerplant.

There have been attempts to eliminate the program, but Congress allocated $37 million for fiscal year 1989. Today, rather than ask my colleagues for more money for this program, I want to thank them for their support and underscore the importance and the benefits of the MHD Program.

The University of Tennessee Space Institute [UTSI] has pioneered work on coal fired MHD power generation through the Energy Conversion Research and Development Programs in Tullahoma. The UTSI's coal fired flow facility [CFFF] is an integral part of the Department of Energy's program to retrofit an MHD system to an existing electric powerplant in the early 1990's. Testing at UTSI is proving the feasibility of the concept as well as providing critical data required for production of commercial scale powerplant equipment. Information from the UTSI tests will reduce the risk of implementing this technology on a larger scale, thereby encouraging utilities to invest in it. I should also note that there are other important MHD projects in Mississippi, Montana, California, Massachusetts, Pennsylvania, and Florida.

Since MHD burns coal 50 percent more efficiently and cleanly than any existing technology, it represents one of our best hopes for addressing environmental concerns associated with coal fired electricity generation. In addition, at the UTSI, the facility burns both eastern and western coals: Illinois No. 6 and Montana rosebud.

As a leader of congressional efforts to understand the greenhouse effect and develop policies to prevent it, I am impressed by the results of the prototype MHD facility in Tullahoma. Tests at the facility indicate that commercial MHD plants will reduce carbon dioxide emissions 50 percent. Equally important, MHD reduces sulfur dioxide [SO$_2$] emissions to one-seventh the Environmental Protection Agency requirement. Nitrogen oxide [NO$_x$] emissions and particulates are also well below EPA standards. I cannot overemphasize the importance of this technology in efforts to ameliorate the greenhouse effect and acid rain problems.

Using MH technology would also increase our energy independence. The United States is the Saudi Arabia of coal. We have 29 percent of the world's coal reserves, and increased use of coal in an environmentally sound manner would enhance U.S. energy security by reducing our dependence on foreign sources of oil.

In addition to its use as a stationary power source, MHD power generation is well-suited for special applications when power bursts are required. For example, MHD can be used in geophysical research for electromagnetic probing of the Earth's crust. In addition, some scientists point out that MHD could be used for weapons systems. Reports indicate that the Soviet Union used an MHD generator to power a laser in 1985.

Although Congress decided to allocate $37 million for fiscal year 1989, other nations are investing heavily in this promising technology.

The Soviet Union, with the second largest coal reserves in the world, is one of our chief rivals for dominance in MHD technology. In addition to developing a commercial MHD plant, the Soviets are also trying to develop a pulsed MHD generator, which, as I mentioned, could be applied to power lasers. The Soviets have cooperative programs with Finland, India, Yugoslavia, Bulgaria, Hungary, Poland, Romania, and Czechoslovakia, and the Soviets expect to operate a commercial MHD plant by the 1990's.

Equally striking, an Italian consortium, administered by the University of Bologna, plans to spend $100 million on a program to retrofit one gas-fired and one coal-fired electric powerplant with MHD technology, eventually using that experience to market MHD equipment internationally. The UTSI was selected to provide technical support to the Italian consortium.

Once again, we are in danger of letting our technological lead slip. We hear that so often it has almost become a cliche. But in a world where environmental concerns are becoming more urgent and market competition for more efficient energy systems has gotten tougher, MHD technology could be a big seller. If we do not continue to invest in and develop MHD, I am concerned that the United States might depend on foreign sources of MHD technology just as we now depend heavily on foreign sources of energy.

In addition, that the University of Bologna has taken such a prominent role in the Italian project underscores the need for the United States to develop better technology transfer programs here at home. The Italians plan to market their MHD equipment worldwide in the 1990's and could become a major competitor with United States industry in the powerplant market.

Elsewhere, Israel and France are at work on liquid metal MHD. Japan, the Netherlands, Italy, and Austria are pursuing closed cycle noble gas MHD. With the third largest coal reserves in the world, China has begun serious work on MHD. Japan, focusing on education and the future, is training specialists in the technology at universities.

We have been slow to take advantage of our technological lead and have been slow to join international cooperative programs. There is serious concern in the MHD community about the gradual erosion of the United States' technological leadership and our international competitiveness.

In the current national effort, Tennessee has been a leader in the MHD Program, but important projects are also under way in Montana. Diagnostic testing efforts center on Mississippi. the construction of superconducting magnets leads us to California. Other testing programs are in Massachusetts, Pennsylvania, and Florida. We have the lead in MHD technology.

At the least, the United States must maintain the present DOE/industry proof-of-concept program which will provide the engineering data required to retrofit an MHD unit to an existing powerplant in the early 1990's. The Senate this year provided adequate funds—$40.9 million for the MHD Program under the Fossil Energy Research and Development Program in the DOE. Although the final allocation was reduced in conference, there should be enough for the program to remain strong. I urge my colleagues to continue to support this promising, vital program.●

CROSSROADS OF CONTINENTS SMITHSONIAN EXHIBIT

● Mr. STEVENS. Mr. President, I want to call attention to last week's opening of the Smithsonian Institution's "Crossroads of Continents" exhibition—a major project with far-reaching cultural, educational, and international implications.

Crossroads of Continents is a display of artifacts, early paintings and photographs, and film footage, which presents the unique traditional cultures of the native peoples of Siberia and Alaska. These cultures are united by 15,000 years of exchanges across the Bering Strait. This is the first project to bring together collections from museums of the United States, Canada, and the Soviet Union in a way that will fully document the complex interrelationships involved.

The exhibition will remain at the National Museum of American History through April 2, at which time it will begin a tour of North American and Soviet museums. I am pleased to say that from April 7 to August 11, 1991, the exhibition will be on display in Alaska at the Anchorage Museum of History and Art.

Alaskans congratulate and thank the many people at the Smithsonian, the Soviet Institute of Ethnography, the American Council of Learned Societies, and other institutions, who have worked for nearly 10 years toward making this exhibition a reality.

Americans and Soviets alike will have the opportunity to view artifacts which are native to their own lands, but which have been removed to another continent for generations. This will be an interesting and educational experience, providing insights into the culture, society, arts, and technologies of Native Alaskans and Siberians. Scholars and scientists will be able to examine the artifacts and the cultural relationships they reflect.

My special thanks go to Secretary Robert McCormick Adams of the Smithsonian for his dedication to representing these cultures with the utmost attention to tradition. The Smithsonian has approved my request that the sale of ivory products made by Native Alaskans be allowed in their gift shops. These crafts, made from marine mammal products obtained legally by Alaska Natives, are truly representative of an important aspect of the art and culture of our peoples. The Smithsonian's decision to allow the display and sale of these crafts sends a positive message regarding respect for a preservation of a great tradition.

Crossroads of Continents demonstrates our increasingly open relations with the Soviet Union. The exhibition would not be possible without the complete cooperation and mutual efforts of our two nations Soviet policies which have made this possible give great hope to future exhanges in the arts and sciences.●

HATE MOTIVATED VIOLENCE AND THE NEED FOR S. 702

● **Mr. SIMON.** Mr. President, over the past few weeks hate motivated violence has once again reared its ugly head. First was the destruction of a New York synagogue on the eve of Yom Kippur, the highest holy day in the Jewish religion. Next the home of MIKE ESPY, the first black Congressman from Mississippi since Reconstruction, was maliciously vandalized.

Congress has the opportunity before it adjourns to take a stand against this hate related crime by passing the Hate Crimes Statistics Act, S. 702. I introduced this measure to require the Attorney General to collect data on crimes motivated by prejudice. Such data will not only send the signal that the Government cares about the victims of these heinous acts, but will allow police officers throughout the country to identify problem areas and develop strategies to combat it.

I urge my colleagues to read carefully the articles from the New York Times and the Washington Post describing these incidents which I wish to have included in the RECORD and to lend their support to S. 702 so that we can make a difference now in the fight against prejudice.

The articles follow:

[From the New York Times, Sept. 19, 1988]

FIVE TORAH SCROLLS BURNED BY VANDALS AT BROOKLYN TEMPLE

(By Don Terry)

Vandals broke into a synagogue in the Midwood section of Brooklyn early yesterday and destroyed at least five Torah scrolls, the most sacred objects in Judaism.

The arson attack came three days before the start of Yom Kippur, the Day of Atonement, the holiest day of the Jewish calender.

It was one of the most serious desecrations of a synagogue in the United States in recent memory. In a neighborhood where many Holocaust survivors live, it evoked memories of Nazi attacks on synagogues in Germany.

"It was like you were walking in on a murder scene with six victims," a member of the synagogue, Volvie Herman, said. "It is an undescribable feeling of horror."

In Judaism, the destruction of a Torah, the Five Books of Moses, is tantamount to a death in the family.

The fire began shortly after midnight in the sanctuary of Orthodox Congregation Rabbinical Institute Sharai Torah, an Orthodox synagogue at 1162 East 12th Street. Sharai Torah means "The Gates of the Torah."

Police Commissioner Benjamin Ward, who met with the synagogue's rabbi and toured the burned building a few hours after the fire, said: "This crime was perpetrated against this building only because it's populated by Jews and for no other reason. In America this should not happen, and we will not tolerate it."

He announced the formation of a Police and Fire Department task force to investigate.

Neighbors said two teen-age boys were seen running from the building shortly before the fire began, but the police refuse to confirm those reports.

The blaze caused little damage to the building. But as word of the desecrated scrolls swept through the neighborhood and nearby synagogues, hundreds of Jews, many wearing their prayer shawls, gathered behind red police tape stretched down the tree-lined street. They stood in silent anger, shock and bewilderment.

VANDALS BROKE INTO BASEMENT

"Why do they break the Torah?" a little girl asked her mother as they stood across the street from the synagogue.

The mother did not answer and pulled her daughter away.

The vandals broke into the two-story building through the basement. There, they spray-painted more than a dozen swastikas on the walls.

Then they climbed a narrow staircase and spray-painted several more swastikas on the sanctuary walls and on a Talmud, the collection of writings constituting Jewish civil and religious law.

At some point, they turned their attention to the ark, a cedar wood cabinet where the Torah scrolls are kept. The scrolls are covered in velvet, and when they are removed from the ark during religious services, everyone in the congregation rises.

TORAH CENTRAL TO WORSHIP

While it contains only the Five Books of Moses, for Jews the Torah embodies all of the Jewish law, lore, history and customs. Jews see it as a living document, to be studied all one's life and to be understood on many levels.

The reading of the Torah is the central part of most Jewish worship. It is read publicly from beginning to end in a yearly cycle.

Each scroll takes at least a year to write by one person working under strict religious guidelines. Mr. Herman said each scroll in the synagogue cost more than $25,000.

The vandals ripped the scrolls from the ark, rolled them across the floor and then set them on fire. The synagogue had six scrolls, and it was unclear whether all six had been destroyed or whether one was missing.

"It's hard to tell," Mr. Herman said, displaying a charred piece of a scroll.

"NOT THE FIRST INCIDENT"

On a wall a few feet from the ark, the vandals had painted the words "The god" in silver spray paint.

According to Jewish tradition, the desecrated scrolls must be placed in a coffin and buried.

Justin J. Finger, the associate national director of the B'nai B'rith Anti-Defamation League, said, "I have never heard of any desecration in the United States in recent years where that number of Torahs was destroyed. That is an extraordinary number of sacred items to be desecrated."

"This is not the first incident to happen here," said David Seidemann, 29 years old, a member of a nearby synagogue who stood outside the building in his prayer shawl. "People have been pelting the building with eggs all summer long."

Nothing is posted outside the synagogue building to indicate that it is a house of worship, so Mr. Seidemann said he thought the vandals were people from the neighborhood who knew the area.

BIAS INCIDENTS UP SLIGHTLY

Inspector Michael Markman of the Police Department Bias Incident Investigation Unit said the number of bias reports in the city was up slightly compared with 1987 but the increase was not significant.

"Until we catch whoever did this, we won't really know why," he said. "It's obvious, though, that some hate was involved?"

Many people who watched from across the street as detectives and fire officials gathered evidence were reluctant to answer questions from reporters because it was the Sabbath.

"We are not mad at you," one man told a reporter. "It is the Sabbath, and we are shocked at what happened."

The number of anti-Jewish acts of vandalism has decreased over the last four years, said the National Director of the Anti-Defamation League, Abraham Foxman. But during the first six months of 1988, there was a 20 percent increase over the same period in 1987, he said.

In 1987, about 1,000 acts of anti-Jewish vandalism were reported.

"If the trend continues this year," Mr. Foxman said, "we'll reach 1,250 by the end of the year, which will be the highest in the last 10 years. Why? I wish I knew."

As for the arson attack yesterday, Mr. Foxman said, "It brings back painful images of a not-so-distant past."

[From the Washington Post, Sept. 21, 1988]

REP. ESPY'S HOME DEFACED WITH RACIAL SLURS

MADISON, MS, September 20.—Vandals carved racial slurs on doors and splashed paint on an entryway floor at the home of Rep. Mike Espy (D-Miss.) the state's first black congressman since Reconstruction.

Espy, who is seeking a second term, interrupted his 2nd District campaign against Republican Jack Coleman today to repair the damage to his home in this town a few miles north of Jackson.

"We've come a long way in Mississippi, but cases like this remind you how far we've got to go," Espy said, adding that his major concern is his family. "I'm the congressman. I have the record and I have my performance to defend and I can defend it. I'm the congressman, not my wife, my brother or my children."

"Something like this should not be a part of the American political process," said Coleman, contacted by telephone. "We should talk about the issues and beat each other on top of the head with those."

Espy said his wife discovered the vandalism when she returned home with her children late Monday.

"My son is 5 and my daugther is 8 and I had to explain to them the history of race relations in Mississippi," he said. "They had carved the word 'Nigger' on two doors and I had to tell my children what that meant and why somebody would do that. It was not an easy thing to do.

"If someone wants to come after me, let them come, but I want them to leave my family alone."

Espy said the racial slurs and "U.S. Con"—an apparent reference to the congressman—were carved into the tops of doors in the covered entryway leading into the house and garage. Plants in the entryway had been uprooted and paint dashed on the floor and on some of the plants.

Police are investigating.

Espy said he had received threatening calls in the past, "but you always expect those."●

MARY T. MEAGHER

● Mr. McCONNELL. Mr. President, for over a week now, the entire Nation has been fascinated by the spectacle of international athletic competition going on in Seoul. Indeed, all of the Members of this body have constituents who are in the Olympics serving proudly their State and Nation. I, too, am very proud of the contribution these young athletes make to our national character. But there is one young lady that I would like to single out because her Olympic achievements can only be overshadowed by her embodiment of the essence of sportsmanship.

Mary T. Meagher, a product of the great Commonwealth of Kentucky, is one of only four American women to compete in three Olympiads. She has won numerous NCAA swimming titles and has world record times in the 100 and 200 meter butterfly events. In fact, every time in the 200 meter butterfly's all-time top 10 belongs to Mary. She began accumulating world records 9 years ago at the age of 14.

Her quest to add a fourth gold medal to the three she won in the 1984 Olympics ended this week when she was awarded the bronze medal for her performance in the 200 meter butterfly. What distinguishes Mary from most athletes, Mr. President, is her attitude and spirit.

I would like to insert into the RECORD an article that appeared in yesterday's Courier-Journal that describes how the last competitive swim of her career won the hearts of journalists, competitors, and fans in Seoul.

I hope my colleagues will take the time to read this account. It proves that while her swimming earned her a bronze medal, her class earns her a gold.

The article follows:

[From the Courier-Journal, Sept. 26, 1988]

MEAGHER ENDS IT WITH BRONZE—AND RESPECT

(By Rick Bozich)

SEOUL, SOUTH KOREA.—A knot of Olympic journalists awaited the arrival of East Germans Kathleen Nord and Birte Weigang, the one-two finishers in the Olympic women's 200-meter butterfly yesterday.

But one interviewer, representing an East German publication, had other interests. The gentleman walked to the end of the interview table, where bronze medalist Mary T. Meagher sat, and quietly made his simple, but sincere, request.

"I want you to sign, 'To all my friends in East Germany, from Mary T. Meagher, best butterfly swimmer in the world.' "

Smiling through some tears, the best butterfly swimmer the world has ever seen graciously accepted the compliment and scribbled an autograph across the official results of the race.

Signed it, in fact, right below the news that showed the muscular Nord (2:09.51) and the solemn Weigang (2:09.91) had stopped Meagher (2:10.80) from adding to the three gold medals she collected in Los Angeles four years ago.

Yes, Mary T. Meagher wanted to leave Seoul with two or three more pieces of gold, but she'll depart instead with a seventh in the 100 'fly, a third in the 200 and the admiration of Olympic observers from around the world.

The East German journalist was followed by a swimming official from Italy, who was followed by a doctor from Los Angeles, who was followed by a coach from Japan, who was followed by the coach from Stanford, who was followed by a string of American journalists who wanted to shake Meagher's hand and remind her there's more to being an Olympic hero than being the first to touch the wall.

"I prepared myself as well as I could for this meet," Meagher said. "But my times show that it's time for me to move on to other areas of my life."

"I did the best I could. Right now I'm a little sad and disappointed. But I know I'll look back some day and be satisfied."

Her smile took control of the scene.

"Right now I'm looking forward to the rest of my life," she said.

The little girl from Lakeside Swim Club in Louisville who grabbed her first world records nine years ago said her goodbye to competitive swimming as an elegant 23-year-old woman.

Seven years ago, when Meagher carried stuffed animals in her equipment bag, she just jumped into the water and swept into the record book. Life was simple. Swimming was even simpler.

Life was not simple along the road to Seoul in 1988. Searching for motivation, Meagher had to leave Louisville for Norfolk, Va., to train with Bill Peak, her former coach. Her best times never approached the world records she set in 1981 or the Olympic records she set in 1984.

Even something as simple as having two of her gold medals mailed to her brought misery. They were lost in the transaction, and remained so, although Meagher received word last week that they can be remade.

"Something had changed," Meagher said. "I knew that. I'd lost my flexibility, I'd lost too much strength, and I'd lost my feel for the water. I guess it was because I'd taken time off (in 1987).

"But I really enjoyed the five months I took off from swimming. I wouldn't trade that for anything. I'm a different person now. I'm not the same person I was when I set those records."

She's changed, but not completely. The reason for the 4:30 a.m. wake-up calls, the two-a-day training sessions, the move to Norfolk and the will power at the ice cream parlor was to chase a gold medal.

On the starting block, Mary T. Meagher told herself to relax. But the nerves were grinding. She blew into her goggles, looked away from the East Germans and appeared mildly tense.

"I was telling myself I could do it," she said. "But I was nervous because I knew this was it. I knew the East Germans would go out fast."

Too fast. Welgang and Nord took control in the first 25 meters. Through 150 meters, Welgang's pace was ahead of Meagher's world record. Then fatigue took over. That is the point, the final 30 meters, when the younger Mary T. Meagher always rushed past the tiring field.

But this time, over the final 50 meters, Meagher gained slightly on Weigang but lost ground to Nord. She outraced Romania's Stein Pura for the bronze.

"I tried as hard as I could," Meagher said. "But it just didn't turn out the way I wanted it to."

It, of course, was the last race of her career, a career that concludes with a 200-meter butterfly record of 37-3. Every time in the event's all-time Top 10 belongs to the kid from Sacred Heart.

Meagher knew there was no way she could produce another Top 10 time. That would require a 2:07.41 or better. But if she could recreate the 2:09.13 she swam while winning the U.S. Olympic Trials last month, a gold medal was possible.

"I knew I'd have to swim my best times (of this year) to beat them, but it just didn't happen," she said.

Maybe the final moment wasn't satisfying, but the career had to be fulfilling. Hey, a retirement is supposed to be a party, not a wake. When emotions settle, the picture will show that Meagher set world records in the 100 and 200 butterfiles that have endured for seven years and may last seven more.

Only four U.S. women have made three Olympic teams. Mary T. Meagher is one of them. There were NCAA titles, trips to four continents, nominations for three Sullivan Awards and the scholarship and degree from California-Berkeley.

The disappointment of not winning another Olympic gold will quickly become a footnote on her resumé.

What Meagher discovered in the Olympic Indoor Swimming Pool is what Mary Decker Slaney and Edwin Moses discovered on the track and Chris Evert learned at the tennis venue.

The beat goes on, and as it does, even the unbeatable are beaten.

Not that it will slow Mary T. Meagher. The game plan calls for her to attend the remainder of the Games. She's retained Parkes Brittain of Washington, D.C., as her agent. He had arranged a $25,000 Disney World commercial—but only if she'd won a gold medal.

Now, they'll discuss other endorsement opportunities. And Meagher intends to study an offer from Cal-Berkeley to work as a fund-raiser.

"Eventually," she said, "I plan to use my degree and work with children. But right now I might explore some opportunities in marketing or public relations."

She was laughing again.

"I guess I'll just slowly take off my swimsuit," she said. "And I don't know what outfit I'll put on next."●

JOBS FOR NORTHERN IRELAND

● Mr. MOYNIHAN. Mr. President, today's New York Times contained an encouraging report about the efforts of Father Matthew Wallace to create jobs in economically depressed West Belfast. I agree with Father Wallace that reversing the cycle of violence and despair that so grips Northern Ireland depends on bringing economic progress—jobs—to the Catholic community there.

Father Wallace is one of the moving forces behind the West Belfast Enterprise Board, which has the support of the church, Catholic businessmen, the British Government and the International Fund for Ireland. Indeed, the British have contributed $2.7 million for projects sponsored by the Board and the International Fund has contributed another $1.5 million.

It is particularly worthwhile that we note these rather tangible efforts, as we will soon be observing the third anniversary of the Anglo-Irish Agreement. That agreement created the International Fund for Ireland, whose objectives are "to promote economic and social advance and to encourage contact, dialog and reconciliation between Nationalists and Unionists throughout Ireland."

I am proud that the United States has wholeheartedly supported the International Fund and its efforts to stimulate economic opportunity, and hence peace, in Northern Ireland. To date, the United States has contributed $120 million to the International Fund, and, as early as this week, Congress, in the foreign operations appropriations bill for fiscal year 1989, will appropriate an additional $35 million to the Fund.

As Father Wallace's efforts demonstrate, this is money well spent. In fact, to date all of the $91.3 million available to the Fund has been allocated to different program areas and more than $62 million has been committed to various projects. More than 2,000 direct and 1,100 indirect permanent jobs have been created through projects supported by the Fund. With our continued support, we can expect that the Fund will achieve even greater progress in the future, especially with committed people such as Father Wallace leading the way.

Mr. President, I ask that the article from the September 27, 1988, New York Times be printed in the RECORD at this point.

The article follows:

A PRIEST BRINGS JOBS—AND HOPE—INTO A LIVING HELL

(By Steve Lohr)

BELFAST, NORTHERN IRELAND.—The problems of Northern Ireland are inordinately clustered in West Belfast, a Roman Catholic ghetto of poverty, broken homes and crime, where the Irish Republican Army finds plenty of sympathy for its credo of violent revolution and where a priest named Matthew Wallace is trying to change all that.

Father Wallace is a kind of economic evangelist, committed to the belief that jobs are the essential ingredient if the future of West Belfast is to be any different from its bleak present.

He is leading an unusual effort to try to breathe some economic life into West Belfast in a campaign that seems courageous and perhaps quixotic, given the area's handicaps, history and politics. The drive combines large doses of voluntarism, self-help, government funds and international support into a handful of ventures under the wing of the West Belfast Enterprise Board, which was set up a few months ago.

INITIAL AIM IS 1,000 JOBS

The board's ambitious aim initially is to create 1,000 jobs over the next year, mainly by nurturing small businesses, many of which will be housed in a sprawling, abandoned factory once occupied by an American medical equipment company that left Northern Ireland a few years ago.

"We reckon that it will take 5 or 10 years to really change things in West Belfast," Father Wallace said. "But we hope to have a major impact in terms of a start to job creation within a year."

The chain-smoking, 45-year-old Irish priest blends a sense of urgency with dogged optimism. Walking along Falls Road past the burned-out hulk of a bus that was recently hijacked by local youths and then set on fire, Father Wallace said young men with jobs would not be burning vehicles. "If they had something to lose, we wouldn't have all the antisocial behavior in West Belfast," he said.

THE SEEDS OF CONFIDENCE

Father Wallace is encouraged by the handful of businesses that have already signed up to move into the former American factory, including a carpet maker, a sock manufacturer and a food-processing operation. Negotiations are under way with nearly a dozen other aspiring entrepreneurs, both local people and outside investors. In Townsend Enterprise Park, another board-supervised project that opened last June, a bakery, a furniture maker, an upholsterer and a computer-service concern are in operation providing 60 jobs so far.

Father Wallace hopes these fledgling enterprises are only the beginning. "We're trying to get a network of entrepreneurial projects going across West Belfast to show everyone that businesses can thrive here and to give the local people the opportunity to succeed that they so badly need," he said. "We have to start sowing the seeds of confidence soon. Time is not exactly on our side."

The West Belfast Enterprise Board is supported by the church and successful Catholic businessmen have been persuaded to contribute their time and skills. In addition, considerable financial support has come from the British Government and the International Fund for Ireland, which is backed mainly by the United States Government.

The board's origins go back to last fall when Father Wallace, after talking to his superior, Bishop Cahal Daly, and Catholic business leaders, wrote to Tom King, the British Secretary for Northern Ireland, stating that West Belfast was in desperate need of a major economic program. The initiative, he stressed, would come from the local community, but it would need Government financing.

FUND CALLED A LIFESAVER

"The Government recognized that they can justify the situation in West Belfast no longer and they had run out of ideas," said James Kennedy, a management consultant working with the board. "But the Government did respond positively to make resources available to a group close to the community."

The British Government has contributed $2.7 million to two of the largest projects handled by the board, the refurbishment of the former American factory and the Townsend Industrial Park. The International Fund, whose goal is to promote social and economic development, has given more than $1.5 million to three of the board's ventures.

The fund, founded after the British-Irish agreement of November 1985, has been criticized for being slow to dole out money. But the West Belfast board is not among its critics.

"The International Fund has been a lifesaver for these initiatives in West Belfast," said Frank Murphy, the board's chairman, who runs a local computer software company. "They never would have got off the ground without it."

Supporters of the West Belfast Enterprise Board believe it may succeed where other efforts have failed for two reasons. First, the drive is coming from people close to the Catholic nationalist community, whereas most programs in the past have been seen as intervention by the British Government. Second, the board has been put in charge of coordinating job training in the area. So in addition to the package of tax breaks and financing offered to all investors in Northern Ireland, the board can tailor training programs to the needs of the businesses it is fostering.

Father Wallace and the other board directors view the creation of jobs as an engine of change, giving people a stake in their community and instilling a now-absent sense of hope for the future. The results, they insist, could be wide-ranging: less crime, fewer broken homes, fewer school dropouts and reduced support for the I.R.A.

"Imagine a situation where most of the people of West Belfast had jobs," Father Wallace said. "Then you wouldn't have the sympathy for the I.R.A. that you do here now."

To imagine a time when job-holding might be the norm among West Belfast's 90,000 residents seems an act of fantasy today. In some districts, the unemployment rate is estimated at 60 percent to 80 percent.

A JOB IS A RARITY

Father Wallace's parish, St. Peter's, is in the center of one of the most deprived districts of West Belfast, a public-housing development called Divis Flats. A recent survey of all the adults in his parish found an unemployment rate of 86 percent. "A job is a rarity here," Father Wallace said.

He estimates that half of all marriages in Divis Flats break up within the first five years, even though the couples, as Catholics, are not divorced. School dropout rates are high. And those who remain in school, Father Wallace added, are unmotivated because they see their older siblings and parents without jobs and little chance that they will ever find employment either.

"It's a vicious cycle and it has to be broken," he said. "That's what we're trying to do here."●

THE MINIMUM WAGE

●Mr. DURENBERGER. Mr. President, I rise to express my extreme disappointment that the Senate majority leader yesterday decided to withdraw the Minimum Wage Restoration Act (S. 887) from consideration by the full Senate. Since Republicans and Democrats had been working for the past week trying to achieve a compromise on this legislation, I see absolutely no reason, other than election year politics, to have withdrawn the bill from consideration.

Mr. President, the minimum wage has not been raised in more than 7 years. I, and many other Members of the Senate, believe it is about time to raise the minimum wage. Yet through a series of procedural tactics, the members of the majority party, in effect, precluded Republicans from offering any amendments to the bill.

Last week, colleagues on my side of the aisle suggested that we put aside the controversial issue of establishing a subminimum wage and try to work out a compromise on the issue while other Senators had the opportunity to offer other amendments to the bill. It was suggested that a Democratic Senator could offer an amendment and then be followed by a Republican's amendment. We could have gone back and forth in offering our amendments and made significant progress on the bill.

For example, Senator EVANS and I intended to offer an amendment that would require a study of the Federal Government's pay practices in the context of pay equity between men and women. My distinguished colleague from Minnesota, Senator BOSCHWITZ, had intended to offer an amendment to increase the earned income credit for the working poor. However, the majority party would not allow us to offer these amendments, or any other amendment. Instead, they demanded that we invoke cloture and preclude ourselves from offering so-called nongermane amendments.

Mr. President, I do not think it is necessary to go into a detailed assessment of the procedural ploys that have been used by the majority party on this legislation. However, it is clear to me that the Democrats are more interested in "having the election issue" of the minimum wage rather than seriously deliberating and passing a responsible increase in the minimum wage.

There is no doubt in my mind that when the majority leader decides to end debate on this bill less than 24 hours after the Presidential debate in Winston-Salem, his purpose can only be labeled transparently political. If the Democrats think they are going to embarrass the Vice President by this tactical ploy, they surely diminish the intellectual understanding of the American public.

Mr. President, let us stop playing politics with the minimum wage. I urge the majority leader to bring this bill back for consideration so that we can act responsibly to the people at the lowest end of the economic spectrum. It is a pity that the poor are being held hostage to the politics of 1988.●

KRISTALLNACHT

● Mr. INOUYE. Mr. President, the 50 years since Kristallnacht leave no doubt that we must continue to voice our grief and horror at the atrocities that have been inflicted on the Jewish people and at the prejudices that too often surface in our society. In articulating our sorrow, we dedicate ourselves to a struggle against fear, racism, and the desire to blame our victims for our shortcomings and for the difficulties that we impose upon them.

I cannot recall Kristallnacht without wondering if we will ever truly value the diversity that contributes so much to our Nation. Certainly, we appreciate it in the abstract. Still, we tend to surround ourselves with people who largely look and pray like us. Only rarely are we willing to extend ourselves, to tolerate the discomfort that can result from unfamiliarity and the differences between us.

I look forward to the day when we will no longer need to hear echoes of our own beliefs in the views of others, and when we will choose the challenges and the rewards that follow from being open to the variety of races, nationalities, religions, and orientations that life offers.

The U.S. Senate is often called upon to make itself the instrument of those who want their creeds and their prejudices written into the law. I hope that this anniversary of Kristallnacht will remind us all of the importance of maintaining the Senate as a guardian of our diversity.●

ROBERT K. GRIFFITH, JR.

● Mr. WIRTH. Mr. President, we who have the privilege of serving in this body depend greatly on our staffs—to carry out our wishes and to attend to thousands of details ranging from the mundane to the critically important. Without their assistance, our ability to fulfill the purposes for which we were elected by the citizens of our States would be substantially impeded.

In many cases, those who serve as members of congressional staffs arrive on Capitol Hill, immerse themselves fully in their responsibilities for a period of months or years, and then move on to other facets of their careers. We for whom they have worked can only be grateful for their investments of effort, through us and our offices, in pursuit of serving the people who sent us here, and wish them well in their future endeavors.

Recently, Bob Griffith left my staff after serving for a year as Legislative Assistant for National Security and Foreign Policy. Bob came to my office directly from a career as an officer in the Army, where he rose to the rank of colonel during service that ranged from duty with an armor unit in the Federal Republic of Germany to teaching at the Industrial College of the Armed Forces.

Bob energetically and enthusiastically offered help and counsel to Coloradans or those with major interests in Colorado—whether they were soldiers and their families at Fort Carson, military retirees, contractors such as Martin Marietta and McDonnell Douglas, and units of our Armed Forces such as the U.S. Space Command. He assisted me in advancing legislation to address needs of these various individuals and organizations, and analyzing and tracking legislation offered by others. In addition, Bob contributed significantly to the assembly of literature and selection of military policy authorities with whom I met as I set about the task of educating myself concerning the convention balance and conventional arms control as a new member of the Senate Armed Services Committee.

With his family, Bob now has returned home to New England. As he begins his service with Rhode Island State government, I want to extend my best wishes to him and his family, and say thanks, once again, for the year he invested in the service of the people of Colorado through his work in my office.●

WORKERS' WAGES AND INCOMES

● Mr. BINGAMAN. Mr. President, I have been listening with some interest to the ongoing debate over the recently released report by the Budget Committee on worker's wages. One of my colleagues, Senator SYMMS, asked how it could be logically possible that workers' wages are stagnant when statistics on per capita personal income show an increase.

That is exactly the question I asked the Congressional Research Service last year. I commend their answer, in the form of a report released November 13, 1987, entitled Measures of Real Earnings Since 1970, to my colleagues. I ask unanimous consent that this report be placed in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BINGAMAN. Mr. President, the report concludes that most of this growth in the personal income statistics is due not to Americans' earning more, but due to other factors.

The first factor is rising "non-labor" personal income. Nonlabor incomes includes transfer payments—such as Social Security, Medicare, and unemployment compensation—and interest income. Between 1970 and 1986, this nonlabor income rose 81 percent. Nonlabor income now makes up almost one-third of personal income compared to less than one-quarter of personal income in 1970. The rise in interest income as a percent of total income has increased to most in the late 1970's and 1980's whereas transfer payments grew the most in the early 1970's.

The second factor in the increase in these personal income statistics is a rise in the labor force participation rate—that is, a rise in the number of people working per capita. There is today a greater percentage of the population and of family members in the labor force—working or looking for jobs—than there was in 1970. The rise in the number of working wives and two-income households is part of this trend. Because "per capita" is based on the total population and not on the size of the labor force, an increase in the percentage of the population in the labor force artificially increases the income per capita figure.

As an example of how this is an artificial increase, take the "economy" of a family of four where only the husband works. Income "per capita" in this family's world equals his wages divided by four. If the wife then goes to work, income "per capita" will go up. But the husband is not earning more per hour; the wife has just sacrified time at home with her children in order to increase her family's "per capita" income. The same thing happens in the general economy—more people working as a percentage of the population means more income as a percentage of the population—per capita—not more earnings per individual working.

In other words, real personal income per capita has grown because of high real interest rates paid to people with capital to invest, because of expanded entitlement programs, and because more family members are working—not because Americans are earning more.

Another technical factor also overstates the rise in real personal income. Economists use two different measures of inflation: the GNP price deflator and the Consumer Price Index [CPI]. To calculate real—that is inflation adjusted—personal income per capita, the GNP price deflator for personal consumption is used. This measure rose slower between 1970 and 1986 than did CPI. Using CPI to calculate real income, our standard of living has declined since its peak in the 1970's.

To translate real personal income per capita into a more realistic measure of standard of living, CRS adjusted for these three factors. They separated labor income from nonlabor income, translated this from per capita to per hour, and used the Consumer Price Index to adjust for inflation. The resulting measure of real labor income per hour matched the stagnation in real wages and salaries.

When they excluded fringe benefit program costs paid by employers, which bear no necessary relation to the dollar value of any benefits actually received by any particular employee, the situation was even worse. It turns out that this modified calculation requires the same conclusion compelled by the hourly wage data. Real labor income per hour excluding fringe benefits was, in 1986, well below the same figures for almost every year in the entire decade of the 1970's.

Mr. President, the CRS report makes clear that real income per capita is a misleading indicator of our standard of living. That indicator is useful as a gross measure of wealth, but it fails to point out the true situation in which most Americans find themselves. Real labor income per hour presents a more realistic picture of America's standard of living in the 1980's. And that picture is far from the rosy one that some would have us accept.

The conclusions of the CRS report are worth quoting directly. "Dealing in averages is a very imperfect way of evaluation changes in society. It greatly oversimplifies the complex changes that are taking place. If the typical American household were the same in 1986 as it was in 1970, these data would show clearly that the fruits of its labors in the paid economy have grown little if at all since that earlier time. But the typical household has also changed."

The report goes on to say "the typical couple, for instance, has fewer children, and, if both parties work for pay, they should have more real income per household and per capita, if not hours worked, than households of similar ages and circumstances in the 1970's. In many cases women prefer to work for pay over remaining out of the labor force. In other cases they work outside the home mainly to earn income to maintain or increase the family's material living standard, at the sacrifice of some amenities that would have resulted from having more time at home. In most cases the extra income is partly expended on child care and other outlays necessary, transformation of the household means a single parent, typically female, raising children * * * This study suggests that these families, whose prevalence has increased, typically are trying to make ends meet on real hourly take-home pay that averages less than it did 15 years ago."

Mr. President, we have listened to statements that the 1980's have wrought prosperity for average Americans. This is just not true. We need to acknowledge that the fundamentals of this country's economy are not sound at all. Only when we stop deluding ourselves will we be able to mobilize the concerted effort required of business, government, and labor, to work together to improve productivity, inovation, and the ability of our industry to compete in the international marketplace. And only then will we begin to reverse the demonstrable decline in the American standard of living.

EXHIBIT 1

MEASURES OF REAL EARNINGS SINCE 1970

(By William A. Cox)

Personal income per capita, excluding inflation, rose by 37 percent from 1970 to 1986, according to the national income accounts. But real wages and salaries per hour went up by only 13.3 percent, and many gauges of real hourly wages and take-home pay peaked in 1973 and remain considerably below that year's level. These divergences are explained by the steep rise in nonlabor income (interest and transfer payments), the increase in hours worked per capita due to rising labor-force participation, and difference in price indexes used to correct for inflation.

[Figures 1 thru 8 not reproducible for the RECORD.]

Dramatically differing statements about income growth since 1973, and even since 1981, can be supported using U.S. government data. For instance, disposable personal income per capita, excluding inflation, went up by 21 percent from 1973 to 1986, justifying claims of substantial gains. At the same time, most measures of real wages and salaries per hour have declined, and real compensation per hour, including fringe benefits, has risen very slowly.

Can both of these statements be correct? If so, what is one to make of them? This study lays out the data and clarifies their meaning. First, three gauges of real hourly earnings in the private sector are examined. Then personal income per capita is broken down into its components and analyzed to see why it has been rising so much faster.

To summarize, average hourly wages of production and nonsupervisory workers, deflated by the consumer price index (CPI), declined from 1973 to 1975 and then dropped precipitously from 1978 through 1982, as inflation soared ahead of wage gains. They have shown no appreciable recovery since then. In 1986 this gauge was 10 percent below its 1973 peak. Total wage and salary disbursements per hour to all persons employed in the private business sector (including managers and proprietors), deflated by the CPI, have fallen by somewhat less each time and recovered more, but not completely. In 1986, this gauge was still 1.8 percent below its 1973 peak level. Total compensation per hours, including fringe benefits, fell much less in the two inflationary recessions and recovered each time. This measure is now 4.5 percent above its 1973 level; it reached a new high in 1986, but at 0.2 percent above its 1978 peak. All of these measures are before taxes. These findings are illustrated in Figure 1.

The large difference between the growth of real personal and disposable income per capita and real earnings per hour is attributable to three factors: (1) nonlabor income, particularly interest income and transfer payments, grew much faster than labor income; (2) hours worked per capita rose steadily with a rising fraction of the population in paid employment; and (3) real disposable income is adjusted for inflation using the GNP price deflator for consumer spending, while real earnings usually are adjusted using the consumer price index, which rose somewhat faster. These conclusions are illustrated in Figures 5, 6 and 7.

I. THREE MEASURES OF REAL HOURLY EARNINGS

Real Wage Rates of Nonsupervisory Workers

These data, obtained by the Bureau of Labor Statistics from a monthly survey of business establishments, are limited to production and other nonsupervisory workers in private businesses, excluding agriculture. The data include full and part-time workers. Average before-tax hourly earnings in current dollars were deflated by the consumer price index for urban wage earners and clerical workers and converted to index form with 1970 as the base year (see Appendix, Table 1, columns 2 and 3). The index declined because nominal wage rates lagged inflation considerably in the high-inflation years of 1974 and 1975 and again from 1979 through 1981.

Why has this gauge failed to recover since 1982? Part of the answer is found in the increasing prevalence of nonunion labor at lower wages, especially in manufacturing, construction and transportation. Also playing a role are wage "give-backs" and "two-tier" compensation systems (lower pay for new employees) under the union contracts, forced by nonunion and foreign competition.

Another part of the answer is found by comparing this index to the "adjusted" hourly earnings index, in which the distribution of employment among major industries and the amount of overtime in manufacturing are held constant. The index without adjustment, used here, indicates actual changes in the average wage for nonsupervisory workers, including the effects of job losses in high-wage manufacturing and job gains in other industries. These two indexes tracked each other closely until the 1980s, when the high-wage heavy industries fell on hard times, and the unadjusted index lagged increasingly behind. Comparing to two indexes shows that employment shifts among industries and losses of overtime in manufacturing held average wages down by about 3 percent from 1980 to 1986. (See Appendix, Table 2.) These influences, however, also affect the other gauges shown in Figure 1 and do not explain the differences among them.

Like the other measures, moreover, the hourly earnings index reflects the influx of teenagers at the entry level of the wage scale in the 1970s, which has not abated, and the continuing influx of women. If one assumes that women's pay throughout the period averaged 70 percent of that for men, then the gradual expansion of women's role from 38 to 44 percent of civilian employment lowered average pay by 2 percent, but this effect was spread evenly over the 16-year period under study.

Real Hourly Pay of All Private-Sector Personnel

As a broader measure of private-sector earnings, one may use total private wage and salary disbursements. By adding in proprietor's incomes, one captures all labor income in the private sector. This measure includes agriculture but excludes wages and salaries of all levels of government to maintain comparability with the other series in Figure 1. It encompasses all persons employed in the private sector, including supervisors, managers, proprietors, and self-employed persons, totaling about 25 percent more people than the production and nonsupervisory workers covered by the hourly earnings index above.

Data on wage and salary disbursements and proprietors' incomes are found in the personal income tables of the National Income and Product Accounts. The sum of these income components was deflated by the CPI for all urban consumers and by the index of payroll hours of all persons in the private business sector, and placed in index form with 1970 as the base year (see Appendix, Table 1, columns 4 and 5).

This index fell nearly as far as production workers' real wage rates from 1973 to 1982 but, unlike the latter, has made a significant recovery since then.[1] This divergence must be traceable in substantial part to the fact that pay reductions and two-tier pay systems have been less common for supervisory employees than for production workers. Also increased nonunion competition does not often affect supervisory personnel, most of whom are not unionized to begin with. Some role also is played by the fact that lump-sum payments, which have become fairly common in union contracts since 1980, are counted in wage and salary disbursements but not in the hourly earnings index. The disbursement data also include commissions and tips, which could account for part of the divergence to the extent that these forms of compensation rose faster than wage rates themselves.

An analysis of other Labor Department data on compensation gains by occupational groups shows that white-collar occupations, such as managerial, professional, technical, administrative and administrative-support jobs, have received larger pay increases during the 1980s than have blue-collar occupations. Private data on executive pay indicate, furthermore, that top executives have made large gains, especially if their sizeable bonuses are included.[2]

Total Private Compensation Per Hour

This gauge represents employers' labor costs, including employers' contributions for social insurance and private pensions, profit-sharing, group health and life insurance and workmen's compensation. Such benefits grew steadily from 10.8 percent of total compensation in 1970 to 17.1 percent in 1984 and then leveled off in 1985 and 1986. Roughly half of this amount consists of employers' social-insurance contributions (principally social security, disability insurance and medicare). Another 12 percent or so go for private pensions and profit-sharing arrangements. Most of the remainder is for health insurance.[3] [4]

The index of real compensation per hour is published by the Bureau of Labor Statistics (See Appendix, Table 1, columns 6 and 7). Compared to the other measures, it shows a small setback in 1974 and a relatively moderate slide from 1979 to 1982, as inflation exceeded nominal compensation gains. It barely recouped the latter loss by 1986. Its compound annual rate of increase since 1973 has been only 0.3 percent. This gauge, like that based on wage and salary disbursements, is for all persons employed in the private business sector.

All of the above discussion refers to hourly incomes before taxes. Both social-insurance contributions and income taxes have risen somewhat as percentages of income over the period under study. Individuals' social-insurance contributions rose fairly steadily from 4.4 percent of wages and salaries (including proprietors' incomes) in 1970 to 6.7 percent in 1986. While income taxes paid on labor income cannot be separated from those paid on other income, total personal taxes as a share of total personal income are now somewhat higher than they were in the early 1970s. The share of personal incomes taken in Federal and State income, estate and personal property taxes (and certain other fees) rose from a low for the period examined of 12.5 percent in 1975 to a high of 15 percent in 1981 and then subsided to 13.9 percent in 1986. Taxes plus social-insurance contributions rose from 16.2 to 19 percent and fell back to 18.2 percent. (See Figure 2.) Thus after-tax incomes have done even less well than before-tax incomes. (See further discussion on page 14 below.)

II. FROM PERSONAL INCOME PER CAPITA TO LABOR INCOME PER HOUR

An often quoted measure, real disposable (i.e. after-tax) personal income per capita, rose by nearly 35 percent from 1970 to 1986, despite the growing tax bite. In fact, total personal income per capita, before taxes and social-insurance contributions, rose by 37 percent. What accounts for the fact that these measures have so greatly outdistanced real wage rates and salaries per hour?

Nonlabor Income

Nonlabor income—personal interest, transfer payments, personal dividends and rental income—rose rapidly and bulged from 23.5 percent of total personal income in 1970 to 31.5 percent in 1983, subsiding slightly since then. The remainder, labor income, dropped accordingly from 76.5 to 68.5 percent (see Figure 3). The increases in nonlabor income were in the categories of transfers and interest payments. Personal dividends remained fixed in the range of 2.3 percent of personal income, and rental incomes of individuals (after capital-consumption adjustment) declined.[5] (See Figure 4 and Appendix, Table 3.)

Transfer payments rose sharply from 10.3 percent of personal income in 1970 to 15.6 percent in 1983 and then subsided slightly. These payments include social-security, disability and medicare benefits, unemployment compensation, aid to families with dependent children, and others. The total shows a cyclical pattern due to the rise and fall of unemployment compensation and other income-support programs in recessions and recovery periods. The long-term upward trend is traceable in large part to the increasing proportion of the population that is collecting social security, the growing size of benefits, and the rapid expansion of medical transfer payments.

Interest payments also rose rapidly, especially from 1977 to 1982, as interest rates soared. One must bear in mind, however, that the rise in interest rates reflected in large part an increase in inflation during the late 1970s and early 1980s. This "inflation premium" in interest rates has the effect of reimbursing lenders for the depreciation of their loan principle through inflation. Thus it represents capital recoupment rather than income in a real economic sense, and to this extent personal and disposable incomes are overstated.[6] Now that inflation and interest rates have fallen from their heights of the early 1980s, interest payments are expected to decline as a share of income, as high-interest investments mature and funds are reinvested at lower rates.

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[1] The two series are adjusted for inflation using consumer price indexes that differ slightly after 1978, but the difference tends to narrow, not to widen, the divergence between these pay measures.

[2] U.S. Library of Congress. Congressional Research Service. Who's Keeping Up In the 1980s? Compensation As An Indicator, (CRS Report No. 87-883 E), by Linda LeGrande, Specialist in Labor Economics. Washington, November, 1987, p. 2-5.

[3] U.S. Department of Commerce. Survey of Current Business, July, 1987, p. 25. Table 1.14 (line 7) and p. 63, Table 6.13 (lines 20-27).

[4] These fringe benefits include only benefits not reflected in employees' pay envelopes and thus counted in wage and salary disbursements above. Broader definitions of fringe benefits, including paid holidays, vacation and sick leave, put fringes in 1986 at 26.8 percent of total compensation. U.S. Department of Labor, Monthly Labor Review. Analyzing Employers' Costs for Wages, Salaries, and Benefits, by Felicia Nathan. October, 1987, p. 3-11.

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Statistics on 1984 adjusted gross incomes (AGI) from the Internal Revenue Service indicate that taxpayers with AGIs above $75,000 who reported interest income received much more per return than taxpayers in lower income classes. The same data show, however, that 82 percent of all reported interest income went to taxpayers with incomes below $75,000. In fact, more than 42 percent went to taxpayers with incomes below $25,000. Thus interest income often is important to retired people with low and moderate incomes. It also is becoming increasingly significant to workers taking advantage of the increasing accessible and popular tax-deferred retirement plans.[7]

If the rapidly rising nonlabor income is excluded from personal income, the remainder rose by only 23.9 percent per capita from 1970 to 1986 after adjustment for inflation. This compares to a 37-percent gain for total personal income per capita. Most of this gap has arisen since 1978 (see Figure 5 and Appendix Table 4, columns 2 and 4). Figure 6 shows the growth of the components of personal income in constant 1982 dollars over this period.

Increasing Hours Worked Per Capita

Part of the rise in income per capita is traceable to a rise in hours worked per capita. This is not because individuals are working longer hours. On the contrary, the average work week has fallen from 37 hours in 1970 to less than 35 hours in 1986, in large part because a growing share of the labor force works part-time. The declining average work week was outweighed, however, by the steady rise in the employment-to-population ratio with the baby-boom generation's entry into the labor market and the greater prevalence of women working outside of the home. Thus part of the rise in income per capita is due to an increase in the number of people working per capita and a decline in the share of the population outside of the labor force.

On net, the number of payroll hours per capita increased by 9.4 percent from 1970 to 1986. Real labor income per hour was only 13.3 percent higher in 1986 then in 1970 and 4.4 percent above its 1978 peak (see Figure and Appendix, Table 4, right column). Real labor income per hour has risen barely one-third as fast since 1970 as personal income per capita.[8]

III. THE ROLE OF PRICE INDEXES

Personal and disposable income and their components are deflated to "real" terms using the GNP price deflator for personal consumption expenditures. This index rose somewhat more slowly than the consumer price index, mainly because of the way in which the CPI measures housing costs, which has now been changed. The slower price rise yielded faster growth of the inflation-adjusted series.

If real labor income per hour is deflated by the CPI, as is done with series published by the Bureau of Labor Statistics, it rose by only 6.9 rather than 13.3 percent from 1970 through 1986 and remained below its peak levels of the 1970s. Most of this difference also has arisen since 1978 (see Table 5). This series is comparable to total private-sector compensation per hour in Table 1 and Figure 1, except that it includes all government employees and excludes employers' contributions for social insurance (payroll taxes), which are encompassed in the compensation data.

IV. FROM BEFORE-TAX INCOME TO TAKE-HOME PAY

Finally, the rising share of taxes, social-insurance contributions, and other deductions will be stripped out to show the development of the take-home pay of working people.

Taxes

As noted above, taxes on labor incomes cannot be separated from those on other personal income. As a share of total personal income, taxes increased significantly during the latter 1970s. Here I shall apply the effective tax rate on all personal income to the labor share.[9] As one might infer from the fact that the effective tax rate rose to its peak in 1981 and then subsided, deduction of taxes suppressed the growth of after-tax income most during the period of this rise. The index of after-tax income was 1.7 percent lower in 1981 than the index of before-tax income (see Figure 8 and Appendix Table 6, columns 2 and 3). The rising tax burden was exacerbated by the fact that real earnings were falling rapidly anyway during this inflationary period. After 1982, as the Reagan tax cuts took effect, after-tax incomes recouped almost all of their lag. Even after those large tax cuts, however, the growth of after-tax income was still slightly behind that of before-tax income, compared to their levels of the 1970s.

Social-Insurance Contributions

The deduction of personal social-insurance contributions, which have risen steadily, takes a bigger chunk out of take-home pay. As noted above, these contributions rose from 4.4 to 6.7 percent of labor incomes. They entitle workers and their families to old-age, survivors', disability and medical benefits, but they are compulsory levies on wages and salaries, and the benefits are not closely tied to contributions and in most cases are expected in the distant future.

After deduction of taxes and social-insurance contributions, the index of real earnings per hour rose by only 3.8 percent from 1970 to 1986 and remained 3.2 percent below its peak in 1973 (see Figure 8 and Appendix Table 6, column 4).

Other Fringe Benefits

This index still includes employer contributions for pensions, profit-sharing, group insurance, workmen's compensation, and supplemental unemployment funds. These contributions are in a somewhat different category from the items discussed above in that most of them are paid out more or less concurrently to the group, if not to each individual, on whose behalf they are made. Indeed, employees and unions often indicate a preference for these types of compensation, because they are in large part not taxable under current law and regulations. Nonetheless, these contributions do not appear in employees' paychecks. Real earnings per hour excluding these contributions peaked in 1973 and bottomed in 1982 at 14 percent below their 1973 level. By 1986 this gauge remained 6 percent below that level. (See Figure 8 and Appendix Table 6, right column.)

V. CONCLUSION

Dealing in averages is a very imperfect way of evaluating changes in society. It greatly oversimplifies the complex changes that are taking place. If the typical American household were the same in 1986 as it was in 1970, these data would show clearly that the fruit of its labors in the paid economy have grown little if at all since that earlier time. But the typical household also has changed.

The average household has shrunk from 3.14 persons in 1970 to 2.67 in 1986, but the number of employed persons per household has remained constant at about 1.24.[10] The typical couple, for instance, has fewer children, and, if both parties work for pay, they should have more real income per household and per capita, if not per hour worked, than households of similar ages and circumstances in the 1970s. In many cases women prefer to work for pay over remaining out of the labor force. In other cases they work outside the home mainly to earn income to maintain or increase the family's material living standard, at the sacrifice of some amenities that would have resulted from having more time at home. In most cases the extra income is partly expended on child care and other outlays necessary to permit both parties to work.

In many instances, however, transformation of the household means a single parent, typically female, raising children. The number of female-headed households with one or more children under the age of 18 rose from 10.2 percent of total family households in 1970 to 19.3 percent in 1985. For black families with children, the numbers are far higher: 30.6 percent in 1970 and 49.9 percent in 1986.[11] This study suggests that these families, whose prevalence has increased, typically are trying to make ends meet on real hourly take-home pay that averages less than it did 15 years ago.

APPENDIX

TABLE 1.—INDEXES OF REAL WAGE RATES, WAGE AND SALARY DISBURSEMENTS, AND TOTAL COMPENSATION PER HOUR

Year	Wage rates of production and nonsupervised workers—private nonfarm business		Wages and salaries of all persons—private business		Total compensation, all persons—private business	
	1970 equals 100	Percent change	1970 equals 100	Percent change	1970 equals 100	Percent change
1970	100.0		100.0		100.0	
1971	102.4	2.4	101.8	1.8	102.1	2.1
1972	106.30	3.8	105.5	3.6	105.2	3.0

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[6] Rental income, as noted above, is adjusted in the national income accounts for the impact of inflation on depreciation allowances, but no such adjustment is made to interest income for inflation's impact on money capital.

[7] U.S. Department of the Treasury. Internal Revenue Service. Individual Income Tax Returns, 1984. p. 18, Table 1.4.)

[8] The widely published Labor-Department index of payroll hours in the private sector was augmented with Commerce-Department data on hours worked in government plus other unpublished data to compile an index of total hours worked.

[9] So-called "personal tax and nontax payments" in the national income accounts include Federal and State income and estate taxes as well as motor-vehicle license fees, personal property taxes, fines, and charges by public hospitals and universities. In 1986, 84 percent of these payments were for income taxes.

[10] U.S. Department of Commerce, Bureau of the Census. Statistical Abstract of the United States 1987. Govt. Print. Off., Washington, 1987, p. 42, Table 55 and p. 374, Table 637.

[11] Ibid., p. 49, Table 68.

TABLE 1.—INDEXES OF REAL WAGE RATES, WAGE AND SALARY DISBURSEMENTS, AND TOTAL COMPENSATION PER HOUR—Continued

Year	Wage rates of production and nonsupervised workers—private nonfarm business		Wages and salaries of all persons—private business		Total compensation, all persons—private business	
	1970 equals 100	Percent change	1970 equals 100	Percent change	1970 equals 100	Percent change
1973	106.05	.2	108.0	2.4	107.2	1.9
1974	103.4	−2.9	104.3	−3.5	105.8	−1.3
1975	101.2	−2.1	104.7	.4	106.3	.5
1976	102.6	1.4	106.3	1.6	109.4	2.9
1977	104.2	1.6	106.8	.4	110.9	1.4
1978	105.0	.8	107.8	.9	111.8	.8
1979	102.0	−2.9	105.3	−2.3	110.2	−1.4
1980	97.2	−4.7	100.0	−5.0	107.2	−2.7
1981	95.8	−1.4	98.4	−1.6	106.1	−1.0
1982	95.6	−.2	98.2	−.2	107.9	1.7
1983	96.8	1.3	99.5	1.3	108.9	.9
1984	96.2	−.6	100.9	1.5	108.6	−.3
1985	95.8	−.4	102.8	1.9	109.9	1.2
1986	96.0	.2	106.1	3.1	112.0	1.9

Sources: U.S. Department of Labor and Department of Commerce. See discussion in text for details.

TABLE 2.—ADJUSTED AND UNADJUSTED HOURLY EARNING INDEXES

[Real pretax hourly earnings]

Year	Adjusted [1] (1970 equals 100)	Unadjusted (1970 equals 100)	Difference (percentage points)
1970	100	100	0
1971	102.7	102.4	.3
1972	105.7	106.4	−.6
1973	105.6	106.6	−.9
1974	102.7	103.3	−.6
1975	102.0	101.3	.7
1976	103.4	102.6	.8
1977	104.5	104.2	.3
1978	105.0	104.9	.1
1979	101.8	102.1	−.3
1980	97.7	97.2	.5
1981	96.8	95.8	.9
1982	97.6	95.6	2.0
1983	99.2	96.8	2.4
1984	98.9	96.4	2.5
1985	98.3	95.8	2.5
1986	99.2	96.0	3.1

[1] Adjusted to exclude the effects of interindustry employment shifts and of changes in overtime in manufacturing.

Source: U.S. Department of Labor.

TABLE 3.—NONLABOR INCOMES AS PERCENTAGES OF PERSONAL INCOME

Year	Personal interest	Personal dividends	Rental income	Transfer payments	Total nonlabor income
1970	8.3	2.7	2.2	10.3	23.5
1971	8.4	2.5	2.1	11.4	24.3
1972	8.2	2.5	1.8	11.5	24.1
1973	8.5	2.4	1.6	11.8	24.3
1974	9.2	2.4	1.3	12.7	25.6
1975	9.3	2.2	1.0	14.7	27.2
1976	9.2	2.3	.8	14.5	26.9
1977	9.7	2.4	.5	14.1	26.9
1978	10.1	2.4	.5	13.5	26.4
1979	10.9	2.4	.3	13.4	27.0
1980	12.0	2.3	.3	14.4	29.0
1981	13.3	2.4	.5	14.6	30.9
1982	13.8	2.4	.5	15.4	32.1
1983	13.8	2.4	.5	15.6	32.3
1984	14.3	2.4	.3	14.7	31.7
1985	14.3	2.3	.3	14.7	31.6
1986	14.1	2.3	.5	14.7	31.5

Source: U.S. Department of Commerce, National Income and Product Accounts.

TABLE 4.—INDEXES OF REAL PERSONAL INCOME, LABOR AND NONLABOR INCOME PER CAPITA AND LABOR INCOME PER HOUR

Year	Total [1] personal income	Nonlabor income	Labor income [1]	Hours worked per capita	Labor income per hour
1970	100.0	100.0	100.0	100.0	100.0
1971	101.4	104.8	100.5	99.0	101.5
1972	106.1	108.3	105.4	101.4	103.9
1973	111.4	114.5	110.5	103.8	106.5
1974	109.9	119.0	107.2	103.6	103.5
1975	109.2	125.9	104.2	100.2	104.0
1976	113.0	128.7	108.4	101.9	106.4
1977	116.3	131.0	111.9	104.2	107.4
1978	120.9	135.1	116.7	107.6	108.5
1979	123.0	140.1	117.9	109.3	107.9
1980	121.7	149.6	113.5	107.7	105.4
1981	123.4	160.8	112.4	106.5	105.6
1982	122.5	166.0	109.7	103.4	106.1
1983	123.9	168.8	110.6	103.6	106.8
1984	129.5	173.0	116.7	107.7	108.4
1985	133.0	176.8	120.1	108.7	110.4
1986	137.0	181.5	123.9	109.4	113.3

[1] Includes personal contributions for social security insurance (i.e. social security).

Source: Department of Commerce, National Income and Product Accounts.

TABLE 5.—EFFECT OF USING GNP DEFLATOR VERSUS CONSUMER PRICE INDEX TO DEFLATE REAL HOURLY EARNINGS

[1970 equals 100]

Year	Labor income per hour deflated by—		GNP deflator [1]	CPI–U
	GNP deflator [1]	CPI–U		
1970	100.0	100.0	100.0	100.0
1971	101.5	101.9	104.7	104.3
1972	103.9	105.1	108.9	107.7
1973	106.5	107.6	115.6	114.4
1974	103.5	104.1	127.7	127.0
1975	104.0	103.6	138.0	138.6
1976	106.4	105.9	145.9	146.6
1977	107.4	107.0	155.5	156.1
1978	108.5	107.8	166.9	168.0
1979	107.9	105.2	182.3	186.9
1980	105.4	100.3	201.9	212.2
1981	105.6	99.4	220.5	234.2
1982	106.1	99.5	233.1	248.6
1983	106.8	101.0	242.7	256.6
1984	108.4	102.1	252.0	267.5
1985	110.4	103.9	260.6	277.0
1986	113.3	106.9	266.4	282.4

[1] Deflator for consumer expenditures.

Sources: U.S. Department of Commerce and Department of Labor.

TABLE 6.—IMPACT OF RISING TAXES, SOCIAL INSURANCE AND FRINGE BENEFIT DEDUCTIONS ON REAL TAKE-HOME PAY PER HOUR

[1970 equals 100]

Year	Real labor income per hour deflated by the CPI			
	Before tax	After tax	After social insurance	Excluding fringe benefits [1]
1970	100.0	100.0	100.0	100.0
1971	101.9	102.9	102.7	102.4
1972	105.1	104.5	104.2	103.3
1973	107.6	107.8	107.0	105.9
1974	104.1	103.9	102.8	101.3
1975	103.6	105.2	104.2	102.1
1976	105.9	106.3	105.3	102.3
1977	107.0	106.8	105.9	102.1
1978	107.8	107.3	106.2	102.3
1979	105.2	104.1	102.8	98.7
1980	100.3	99.2	97.8	93.4
1981	99.4	97.7	95.9	91.5
1982	99.5	98.1	96.1	91.2
1983	101.0	100.6	98.5	93.6
1984	102.1	102.0	99.9	95.5
1985	103.9	103.4	100.9	96.6
1986	106.9	106.4	103.8	99.6

[1] Employer contributions for private pensions, profit-sharing, group health and life insurance, worker's compensation, et cetera.

Source: U.S. Department of Commerce, National Income and Product Accounts.●

OPPOSE REDUCTION IN DIVIDENDS RECEIVED DEDUCTION

● Mr. KASTEN. Mr. President, I commend by colleagues on the Senate Finance Committee for rejecting a provision in the House version of the Technical Corrections Act of 1988 which would reduce the dividends received reduction [DRD] from 70 to 50 percent. Furthermore, I respectfully urge my colleagues to oppose any amendment to the act offered on the Senate floor that would reduce the DRD.

What is a dividends received deduction? Under current law, corporations owning common and preferred stock in other corporations are allowed to deduct from their taxable income 70 percent of the dividends they receive from this stock. Since 1986, the dividends received deduction has been lowered from 85 to 70 percent by the last two tax bills to raise revenue.

Mr. President, reducing the DRD will have an adverse impact on capital formation, productivity, international competitiveness, and economic growth. First of all, this provision would exacerbate the multiple taxation of intercorporate dividends. The income these dividends represent is taxed to the payor and the payee corporations and again at the individual shareholder level. This triple taxation of the same stream of income is inequitable tax policy and it raises the cost of equity capital to American business.

Second, this provision makes debt financing more attractive than equity financing because interest is fully deductible and taxed once while dividends are not deductible and taxed at multiple levels. Since small businesses rely more heavily on equity finance to start-up and grow, the DRD reduction would increase small business costs by a higher proportion than the costs of their larger competitors.

Moreover, reducing the DRD will promote more stock market volatility on Wall Street. By making equity financing less attractive, the proposal will reduce the breadth of the equity market's capitalization and the ability of corporations to absorb the impact of adverse financial events. It also reduces the value of preferred stocks and common stocks with high dividends.

Mr. President, in order to stay competitive in today's global marketplace, American business must increase investment in new technologies, new plant and equipment and new industrial innovations. Reducing the DRD would raise the cost of capital, and undermine our international competitiveness.●

TIME-LIMITATION AGREEMENT—WELFARE REFORM CONFERENCE REPORT

Mr. BYRD. Mr. President, I ask unanimous consent that on the conference report on the welfare reform bill there be 2 hours overall to be equally divided between Mr. MOYNIHAN and Mr. PACKWOOD.

The PRESIDING OFFICER (Mr. LAUTENBERG). Without objection, it is so ordered.

Mr. BYRD. Mr. President, I am prepared to yield for a statement only if any Senator wishes to. I am going to move that the Senate stand in recess.

Mr. DOLE. Will the majority leader yield, not yield the floor but yield for a question?

Mr. BYRD. Yes.

Mr. DOLE. As the majority leader knows, I indicated earlier I might want to file or enter a motion to reconsider the cloture vote on minimum wage. I would have to do that at close of business today. The majority leader advised me he probably would just as soon that did not happen. That is why he has the floor and is probably going to keep the floor.

I am not going to try to frustrate the majority leader. I did want the record to reflect that there had been some discussion about that on this side.

Mr. BYRD. Mr. President, I ask the Chair to protect my rights. I yield to the Republican leader for a question.

Mr. DOLE. As I indicated, we have had discussions on this side. We indicated we believe there is some opportunity to work out a compromise on the minimum wage, which included training wage.

That is why the Republican leader intended but not without giving notice to the majority leader, as he knows, to enter a motion to reconsider which would protect the rights of anyone. Anyone could call it up. But I would say to the majority leader for the reasons he stated to me I will not enter that motion, so if there is anything else the Senator needs to do tonight as far as wrap-up, we have no objection.

Mr. BYRD. Mr. President, I thank the able Republican leader.

SENATE CONCURRENT RESOLUTION 144—TO CORRECT THE ENROLLMENT OF SENATE JOINT RESOLUTION 317

Mr. BYRD. Mr. President, I ask unanimous consent that a concurrent resolution to correct the enrollment of Senate Joint Resolution 317, a resolution commemorating the bicentennial of the French Revolution, be considered and agreed to and the motion to reconsider laid on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the concurrent resolution (S. Con. Res. 144), as agreed to, is as follows:

Resolved by the Senate (the House of Representatives concurring), That in the enrollment of the joint resolution (S.J. Res. 317) commemorating the bicentennial of the French Revolution and the Declaration of the Rights of Man and of the Citizen, the Secretary of the Senate shall make the following correction:

Strike out subsection (c) and insert in lieu thereof:

"(c)(1) There shall be printed as a Senate document during the bicentennial year 1989 the Declaration of the Rights of Man and of the Citizen, and the Bill of Rights, with accompanying historical notes.

"(2) Bound volumes suitable for presentation to the President of the French Republic, the President of the Senate of France, and the President of the National Assembly of France.".

HISTORIC RESTORATION OF UNION STATION

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate now turn to the consideration of House Concurrent Resolution 357 expressing the sense of the Congress on the restoration of Union Station.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 357) expressing the sense of the Congress that the historic restoration and commercial development of a self-sustaining Union Station will provide enormous historic and social benefit to the District of Columbia and to all the Nation as a great transportation center, a grand and magnificent monument to American architecture, and a model commercial development.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. MOYNIHAN. Mr. President, on Thursday, September 29, 1988, the historic Union Station will again open its doors. The building has been restored to its original splendor and will serve not only as a major transportation center but also as a thriving commercial enterprise.

The success of this project demonstrates that significant accomplishments can be made when various governmental and private entities work together toward a common goal. On behalf of the Committee on Environment and Public Works, I would especially like to acknowledge the following for their contributions toward the Union Station restoration project: The Department of Transportation; the Federal Railroad Administration; Amtrak; LaSalle Partners Limited; Williams Jackson Ewing; Benjamin Thompson & Associates; Harry Weese & Associates; and the Union Station Redevelopment Corporation.

Mr. DOLE. Mr. President, I join my colleagues in praising the efforts of the Union Station redevelopment board in the marvelous restoration of Union Station.

My interest in the project is more than just being the senior Senator from Kansas. In one of her first major actions upon being sworn into office in February 1983, my wife, Elizabeth Hanford Dole, immediately placed resurrecting the dilapidated structure high on her agenda.

Through her constant and tireless contacts with Members of Congress, private companies, the government of the District of Columbia and other officials in the executive branch, former Transportation Secretary Elizabeth Dole can take great pride in the results of her labor.

Secretary Dole was able to secure $70 million in Federal funds, which were combined with funds from the District Government and additional money from the private sector, as well as forge a union between these groups, instill confidence that the U.S. Government could be trusted to protect what is truly again one of the Capital's most majestic monuments.

Mr. President, I congratulate all those involved in the restoration of Union Station, particularly former Secretary of Transportation, Elizabeth Dole.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 357) was agreed to.

The preamble was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL PARK AT NATCHEZ, MS

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 973, H.R. 4457.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 4457) to create a national park at Natchez, Mississippi.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H.R. 4457).

Mr. COCHRAN. Mr. President, the passage of legislation to create a national park at Natchez, MS, culminates a partnership entered into by the Federal Government and the States of Mississippi, Alabama, and Tennessee more than 50 years ago.

That partnership created the scenic Natchez Trace Parkway that traverses original Indian footpaths in those three States.

This legislation authorizes the establishment of an appropriate terminus facility and park at the end of this historic 450-mile overland route from Natchez, MS to Nashville, TN. The creation of a park under the auspices of the National Park Service will allow Mississippians to share the preserved history of the antebellum society that prospered and thrived in this historic river port.

The national park will include the historical mansion Melrose, which was built in 1845 and which still contains its original furnishings. The park will depict the importance of this area of the country from the early beginnings of the Natchez Indians and continuing through the Civil War.

The people of my State are excited about the chance to add this well-preserved history to the National Park System.

I thank my colleagues and the people of Mississippi for their hard work in making the passage of this legislation possible.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there are no amendments to be offered, the question is on the third reading and passage of the bill.

The bill (H.R. 4457) was ordered to a third reading, was read the third time, and passed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDERS FOR WEDNESDAY

RECESS UNTIL 10:30 A.M.

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 10:30 tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that after the two leaders have been recognized tomorrow under the standing order there be a period for morning business not to extend beyond the hour of 11 o'clock therein and Senators may speak during that period of morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 10:30 A.M. TOMORROW

Mr. BYRD. Mr. President, may I ask the distinguished Republican leader if he has any other business that he would like to transact?

If not, Mr. President, I ask unanimous consent that the Senate stand in recess under the order until the hour of 10:30 tomorrow morning.

There being no objection, the Senate, at 7:10 p.m., recessed until Wednesday, September 28, 1988, at 10:30 a.m.

NOMINATIONS

Executive nominations received by the Senate September 27, 1988:

DEPARTMENT OF EDUCATION

PATRICK PIZZELLA, OF VIRGINIA, TO BE DEPUTY UNDER SECRETARY FOR MANAGEMENT, DEPARTMENT OF EDUCATION, VICE MARY MCNALLY ROSE, RESIGNED.

NATIONAL ADVISORY COUNCIL ON EDUCATIONAL RESEARCH AND IMPROVEMENT

CARL M. KUTTLER, JR., OF FLORIDA, TO BE A MEMBER OF THE NATIONAL ADVISORY COUNCIL ON EDUCATIONAL RESEARCH AND IMPROVEMENT FOR A TERM EXPIRING SEPTEMBER 30, 1991, VICE JOAN M. GUBBINS, TERM EXPIRING.

NATIONAL COUNCIL ON THE HANDICAPPED

JOHN A. GANNON, OF OHIO, TO BE A MEMBER OF THE NATIONAL COUNCIL ON THE HANDICAPPED FOR THE REMAINDER OF THE TERM EXPIRING SEPTEMBER 17, 1989, VICE HARRY J. SUTCLIFFE, DECEASED.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

THE FOLLOWING-NAMED PERSONS TO BE MEMBERS OF THE NATIONAL MUSEUM SERVICES BOARD FOR TERMS EXPIRING DECEMBER 6, 1993:

RICHARD J. HERCZOG, OF CALIFORNIA (REAPPOINTMENT).

PAULINE CROWE NAFTZGER, OF CALIFORNIA (REAPPOINTMENT).

GEORGE S. ROSBOROUGH, JR., OF MISSOURI (REAPPOINTMENT).

WITHDRAWAL

Executive message, received September 27, 1988, transmitting the withdrawal of the following nomination from further Senate consideration:

GENERAL SERVICES ADMINISTRATION

JOHN ANDERSON, OF VIRGINIA, TO BE ADMINISTRATOR OF GENERAL SERVICES, VICE TERENCE C. GOLDEN, RESIGNED, WHICH NOMINATION WAS SENT TO THE SENATE ON MAY 25, 1988.

HOUSE OF REPRESENTATIVES—*Tuesday, September 27, 1988*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Gracious and loving God, as we learn of the experiences of those who know calamity of one sort or another, whether flood or disease, the hurt of poverty or want, or any ill that tears at the human spirit, teach us always to open our hearts and our resources to others, whether in our own communities or at the ends of the Earth. May we share that which we have received—our prayers, our encouragement, our wealth, for by so giving we will receive the blessings of Your hand, Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Virginia [Mr. PAYNE] come forward and lead the House in the Pledge of Allegiance to the flag.

Mr. PAYNE. I ask that all rise and join together in pledging allegiance to our flag.

Mr. PAYNE led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation, under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 4857. An act to amend the Job Training Partnership Act to make a technical change.

The message also announced that the Senate had passed bills, a joint resolution, and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 1626. An act to keep secure the rights of intellectual property licensors and licensees which come under the protection of title 11 of the United States Code, the bankruptcy code;

S. 2653. An act to establish a National Commission on the Thrift Industry;

S.J. Res. 369. Joint resolution to designate the period of September 17 through October 10, 1988, as "Coastweeks "88"; and

S. Con. Res. 137. Concurrent resolution to provide the use of the Rotunda of the Capitol in honor of John F. Kennedy.

MOTION TO DISCHARGE COMMITTEE ON ARMED SERVICES FROM FURTHER CONSIDERATION OF H.R. 4264, NATIONAL DEFENSE AUTHORIZATION ACT, FISCAL YEAR 1989

Mr. DAVIS of Illinois. Mr. Speaker, I offer a privileged motion.

The SPEAKER. The Clerk will report the motion.

The Clerk read as follows:

Mr. DAVIS of Illinois moves to discharge the Committee on Armed Services from further consideration of H.R. 4264.

Mr. MONTGOMERY. Mr. Speaker, I move to lay the motion to discharge on the table.

The SPEAKER. The question is on the motion offered by the gentleman from Mississippi [Mr. MONTGOMERY] to lay on the table the motion offered by the gentleman from Illinois [Mr. DAVIS].

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. DAVIS of Michigan. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 235, nays 159, not voting 37, as follows:

[Roll No. 347]

YEAS—235

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Bates
Beilenson
Bennett
Berman
Bevill
Bilbray
Boggs
Boland
Bonior
Borski
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clay
Clement
Coelho
Coleman (TX)
Collins
Conyers
Cooper
Costello
Coyne
Crockett
Darden
de la Garza
DeFazio
Derrick
Dicks
Dingell
Donnelly
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
English
Erdreich
Evans
Fascell
Fazio
Flake
Flippo
Florio
Foglietta
Foley
Frank
Frost
Garcia
Gaydos
Gejdenson
Gibbons
Glickman
Gonzalez
Gordon
Grant
Gray (IL)
Gray (PA)
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jacobs
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
LaFalce
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Lowry (WA)
Luken, Thomas
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McHugh
McMillen (MD)
Mfume
Mica
Mineta
Moakley
Mollohan
Montgomery
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oberstar
Obey
Olin
Ortiz
Owens (UT)
Panetta
Patterson
Payne
Pease
Pelosi
Penny
Perkins
Pickett
Pickle
Price
Rahall
Rangel
Ray
Richardson
Robinson
Rodino
Roe
Rose
Rostenkowski
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Scheuer
Schroeder
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stokes
Stratton
Studds
Swift
Synar
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whitten
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NAYS—159

Archer
Armey
Badham
Baker
Ballenger
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Brown (CO)
Buechner
Bunning
Burton
Callahan
Chandler
Cheney
Clinger
Coats
Coble
Coleman (MO)
Combest
Conte
Coughlin
Courter
Craig
Crane
Dannemeyer
Daub
Davis (IL)
Davis (MI)
DeLay
Dickinson
DioGuardi
Dornan (CA)
Dreier
Edwards (OK)
Emerson
Fawell
Fields
Fish
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Lewis (CA)

Lewis (FL)
Lightfoot
Livingston
Lowery (CA)
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Lungren
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Marlenee
Martin (IL)
Martin (NY)
McCollum
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McDade
McEwen
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McMillan (NC)
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Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Morrison (WA)
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Slaughter (VA)
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Smith (NJ)
Smith (TX)
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Smith, Robert (NH)
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Solomon
Spence
Stangeland
Stump
Sundquist
Sweeney
Swindall
Tauke
Thomas (CA)
Upton
Vander Jagt
Vucanovich
Walker
Weber
Weldon
Whittaker
Wolf
Young (AK)
Young (FL)

NOT VOTING—37

Bartlett
Bonker
Bosco
Boulter
Broomfield
Dellums
DeWine
Dixon
Dowdy
Espy
Feighan
Ford (MI)
Ford (TN)
Frenzel
Gephardt
Gingrich
Gregg
Guarini
Holloway
Kemp
Konnyu
Kostmayer
Latta
Lott
Lukens, Donald
Mack
MacKay
McCandless
Miller (CA)
Oakar
Owens (NY)
Pepper
Tallon
Taylor
Williams
Wortley
Wylie

□ 1224

Mr. LAFALCE changed his vote from "nay" to "yea."

So the motion to lay the motion on the table was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER

The **SPEAKER**. The Chair desires to announce that in view of the important appropriation bill conference reports which are pending, the Chair would like to postpone 1-minute speeches until the completion of legislative business at the end of the day.

The Chair will take other unanimous-consent requests.

ORDER OF BUSINESS

Mr. **SHUSTER**. Mr. Speaker, I ask unanimous consent that my position on the special orders for this evening be exchanged with the position of the gentlewoman from Maryland [Mrs. BENTLEY].

The **SPEAKER**. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

MAKING IN ORDER AT ANY TIME ON WEDNESDAY, SEPTEMBER 28, 1988, OR ANY DAY THEREAFTER, CONSIDERATION OF CONFERENCE REPORT ON H.R. 4637, FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS, APPROPRIATIONS ACT, 1989

Mr. **OBEY**. Mr. Speaker, notwithstanding the provisions of clause 2, rule XXVIII, I ask unanimous consent that it shall be in order at any time on Wednesday, September 28, 1988, or any day thereafter, to consider the conference report and amendments in disagreement on the bill (H.R. 4637) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1989, and for other purposes, and that the conference report and the Senate amendments in disagreement be considered as having been read when called up for consideration.

The **SPEAKER**. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 4784, RURAL DEVELOPMENT, AGRICULTURE, AND RELATED AGENCIES APPROPRIATIONS ACT, 1989

Mr. **OBEY**. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the bill (H.R. 4784) making appropriations for Rural Development, Agriculture, and Related Agencies programs for the fiscal year ending September 30, 1989, and for other purposes.

The **SPEAKER**. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 4776, DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 1989

Mr. **OBEY**. Mr. Speaker, I ask unanimous consent that the managers may have until midnight Tuesday, September 27, 1988, to file a conference report on the bill (H.R. 4776) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1989, and for other purposes.

The **SPEAKER**. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 4174, SMALL BUSINESS ADMINISTRATION REAUTHORIZATION AND AMENDMENT ACT OF 1988

Mr. **LAFALCE**. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4174) to amend the Small Business Act and the Small Business Investment Act of 1958, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The **SPEAKER**. Is there objection to the request of the gentleman from New York?

Mr. **McEWEN**. Mr. Speaker, reserving the right to object, it is my understanding that this has been cleared with the responsible Republicans involved and that they have assented to the gentleman's request?

Mr. **LAFALCE**. Mr. Speaker, if the gentleman will yield, yes, it has been cleared with the gentleman from Pennsylvania [Mr. MCDADE], the ranking minority member.

Mr. **McEWEN**. Mr. Speaker, I withdraw my reservation of objection.

The **SPEAKER**. Is there objection to the request of the gentleman from New York?

The Chair hears none, and appoints the following conferees: Messrs. LAFALCE, SMITH of Iowa, GONZALEZ, THOMAS A. LUKEN, SKELTON, MCDADE CONTE, and BROOMFIELD.

PERMISSION FOR COMMITTEE ON THE JUDICIARY TO SIT DURING 5-MINUTE RULE

Mr. **FRANK**. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be permitted to sit during the 5-minute rule for the consideration of bills from the Subcommittee on Administrative Law and Governmental Relations. This has been cleared with all the Republicans responsible and otherwise.

The **SPEAKER**. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

□ 1230

CONFERENCE REPORT ON H.R. 4794, DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 1989

Mr. **LEHMAN** of Florida. Mr. Speaker, I call up the conference report on the bill (H.R. 4794) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1989, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Pursuant to the rule, the conference report is considered to have been read.

(For conference report and statement, see proceedings of the House of September 22, 1988.)

The SPEAKER. The gentleman from Florida [Mr. LEHMAN] will be recognized for 30 minutes and the gentleman from Pennsylvania [Mr. COUGHLIN] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Florida [Mr. LEHMAN].

GENERAL LEAVE

Mr. LEHMAN of Florida. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report and the amendments in disagreement on the bill, H.R. 4794.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. LEHMAN of Florida. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we bring back to the House today the conference report on the fiscal year 1989 transportation appropriations bill.

I want to begin by paying tribute to Senator LAUTENBERG, the chairman of the Transportation Subcommittee in the Senate. Our working relationship has been excellent—and his leadership has helped us put together a package that provides significant increases for air safety, drug interdiction, highway construction and other important activities in a time of severe fiscal constraint. I also pay tribute to my friend, the gentleman from Pennsylvania [Mr. COUGHLIN]. His wise counsel has been of immeasurable help to me. I truly appreciate the spirit of cooperation and expertise he brings to our Committee.

Mr. Speaker, I will not go into detail on each and every account in this bill. The conference report and the statement of the managers have already been printed in the RECORD. The statement of the managers includes a comprehensive table comparing this agreement with the amounts provided in 1988, the budget request, and the House- and Senate-passed bills.

But I would like to highlight several important points.

First, this conference agreement is within the overall budget summit amounts that were agreed to last year by the congressional leadership and the President. It is within our section 302(b) allocations.

Second, the President has written us that he will sign this bill.

Third, the agreement provides nearly a $600 million increase over last year—about 10.3 percent—for FAA programs.

Fourth, when combined with DOD funds that have been agreed to, the Coast Guard will receive $320 million more in appropriated funds over last year—an increase of 11.4 percent.

Fifth, this bill continues Amtrak and our country's Mass Transit Program at slightly less than the current rate instead of being decimated as under the President's budget proposal.

Sixth, our Nation's vital highway programs will receive over three-fourths of a billion dollars more than the amount requested by the President.

Mr. Speaker, there have been some major compromises and very tough decisions to get to this point. In my judgment, it is the best bill that can be produced given the fiscal realities we face. It deserves each Member's support. I urge its overwhelming adoption today.

Mr. Speaker, I reserve the balance of my time.

Mr. COUGHLIN. Mr. Speaker, I yield myself such time as I may consume.

I rise in support of the conference report on the fiscal year 1989 Transportation appropriations bill. The distinguished chairman, the gentleman from Florida [Mr. LEHMAN] has done a remarkable and courageous job in bringing us a bill that will be signed by the President.

Running the conference was not an easy task. This is a difficult bill and it contains many important issues. It was important this year in particular to get a bill that can be signed by the President. I give great, great credit to the gentleman from Florida [Mr. LEHMAN], and the members of the subcommittee on both sides. I see the gentleman from Minnesota [Mr. SABO], and the gentleman from Michigan [Mr. CARR]. I certainly give them great credit. The gentleman from Texas [Mr. DELAY], on our side, is here. We appreciate what they are doing to get a bill that will be signed. I will not take the time to repeat what has been said by the chairman except to underscore the fact that the $25.670 billion in new budget authority and the limitation on obligations is, first, within our section 302(b) allocation, and second, only about 2.2 percent over fiscal year 1988 levels.

On September 16, 1988, President Reagan wrote to the Members of Congress saying that if he received this bill in its present form, it would on balance merit his approval. We have delivered a bill that will be signed, and with the new fiscal year appropriations and the working to clear all 13 appropriations bills and avoid a continuing resolution, I urge approval of the conference report.

Mr. Speaker, I reserve the balance of my time.

Mr. LEHMAN of Florida. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. SABO].

Mr. SABO. Mr. Speaker, I wonder if I might engage in a brief colloquy with the distinguished chairman of the Subcommittee on Transportation, Mr. LEHMAN, on a matter of importance to me and my constituents.

Mr. Speaker, I rise in strong support of this conference agreement on appropriations for the Department of Transportation for fiscal year 1989. This is a reasonable compromise with our colleagues in the other body. These expenditures will do much to assist the Coast Guard in its important work, assure a greater margin of safety in the skies, build the roads which must be built and generally advance the Nation's important transportation programs.

But I am compelled, in the next breath, to express my frustration and disappointment at our inability to do more to meet our cities' mass transit needs. No Member and no subcommittee in this Congress has championed transit needs more than you, Mr. Chairman, and our Subcommittee on Transportation have. Time and again, in the face of outrageous budget assaults on transit from the current administration, the subcommittee under your leadership has responded with a firm "no," and with the foresight to maintain our transit investment at current levels or better.

But this year, I'm sure the chairman would agree, we had limited choices. Under the relentless presence of Gramm-Rudman-Hollings, highly pressing and visible needs in other areas and bare bones allocations, we were left with few options in conference but to go along with transit numbers lower than we might have liked, indeed lower than approved overwhelmingly in this Chamber.

I know, Mr. Chairman, that you share my view, that we did the best we could under the circumstances.

I am aware that the total UMTA funding level is just about 2 percent less than in the current year, not a bad outcome considering where we began. But in looking closely at program funding, I noted that resources for capital formula grants—which go to all urban areas in the Nation to replace worn out buses and facilities—is down more than 14 percent. This size cut will hurt. Transit in the urban area, including my city of Minneapolis will lose $1.2 million, more than 15½ percent. Their ability to rely on the Federal Aid Program for bus replacement will be further jeopardized.

I am pleased that we were able to maintain operating assistance at the current level. But as you are aware, Mr. Chairman, formula funds from general revenues are declining such that 128 urban areas nationwide will receive less in total from UMTA than we intend for them to use for operations. Thus, in effect, there will be an unplanned restriction in the ability of many transit authorities to use these grant funds for operating and maintenance purposes.

State governments will not always be able to transfer funds from community to community to offset this shortfall because—in the case of 23 States, Minnesota included—the State total for small urban areas is also less than the freeze in the operating ceiling we call for in this bill.

As troubling as these facts are, I am convinced that things could be worse if our bill were to be placed in a continuing resolution and exposed to the fiscal uncertainties that await such a piece of legislation.

So I repeat my support for this conference agreement which I signed. I hope the president will sign this bill and I hope that circumstances will change after January 20. Perhaps under a new and more understanding administration, our subcommittee will have a new opportunity, the flexibility and resources to improve our level of transit investment.

I wonder if the distinguished chairman of the subcommittee would agree with these sentiments.

Mr. LEHMAN of Florida. Mr. Speaker, if the gentleman will yield, the gentleman from Minnesota has spoken eloquently of the frustrations we all feel about on the one hand, what should be done with regard to transportation funding and on the other hand, what is possible. I, too, join in the hope that we will be able to do better next year, that more resources will be available, and that the next administration will better realize the investment worthiness of transit spending. I thank the gentleman for his support. And the gentleman, I hope, is fully aware how much I depend on his steady creative dedicated contributions to our transportation legislation.

Mr. Speaker, let me congratulate the chairman and the ranking minority member for doing an outstanding job.

Mr. COUGHLIN. Mr. Speaker, will the gentleman from Minnesota yield?

Mr. SABO. Mr. Speaker, I yield to the gentleman from Pennsylvania.

Mr. COUGHLIN. Mr. Speaker, I agree with the distinguished chairman that the subcommittee had a great many difficult funding decisions to make, and I stand a second to no one in support of mass transit, and this subcommittee has done a great job in supporting mass transit over the years. I join in the hope that we will be able to fund that at more adequate levels as we look ahead to next year.

Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Massachusetts [Mr. CONTE], the ranking minority member of the full committee.

Mr. CONTE. Mr. Speaker, I am very disappointed that the House receded to the Senate and took airline employee labor protection out of H.R. 4794, the fiscal year 1989 transportation appropriations bill. These labor protection provisions would have required airlines to pay benefits to workers hurt by mergers. It is the least we can do.

As you know, the labor protection provisions contained in the House's version of the transportation appropriation have passed the House on three separate occasions.

They were first approved in 1986 by a vote of 329 to 72 and approved twice in 1987. Unfortunately, the conference on these bills bogged down due to other issues, not because of labor protection. Inclusion of labor protection in the House transportation appropriation was intended to get the provision off a floundering bill.

But, at the same time that Congress was working to send labor protection to the President, the President was moving to block it. The President has said, in writing and to me personally, that he'll veto the transportation appropriation if it contains labor protection provisions. The House conferees were put in a very difficult position by the White House's refusal to accept labor protection and by the delay in the conference on the airline passenger bills. But I did not recede on labor protection and I am very disappointed with the House's concession.

In my 30 years in Congress, I have always supported the use of labor protection provisions in the transportation industry. In my view, it is only fair. In 1978, when we deregulated the airline industry, we recognized that deregulation could adversely affect airline workers. And we were right. As competition intensified, some airlines went belly up, others merged, and others cut fares.

As a consequence, many workers lost their jobs or took pay cuts. Despite these adverse economic consequences, the Department of Transportation did not implement the provision that we put in the Airline Deregulation Act permitting the payment of benefits to soften these adverse consequences.

Since 1978, there has been a rash of mergers, with more losses in jobs, wages, and seniority. Still the Department refuses to implement labor protection provisions.

In the face of this neglect and inaction, it is time that we in Congress honor our promises to airline workers and act to stop this cavalier disregard of their needs and rights. We must let the President and the Department know that we will not ignore their disregard of our intent. Airline workers need and deserve our support.

Mr. Speaker, H.R. 4794 is a good bill. It increases funding for the Coast Guard and the FAA.

It funds Amtrak at last year's level and it provides a bonus appropriation for rural and nonurban transit. With this one exception—deletion of the House's provision on labor protection—it is a good bill. I urge my colleagues to support it.

☐ 1245

Mr. LEHMAN of Florida. Mr. Speaker, I yield 2 minutes to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. I thank the gentleman for yielding.

Mr. Speaker, I would like to engage the distinguished chairman of the subcommittee in a colloquy about two FAA funding items affecting the new Denver Airport. As the chairman knows so well, the city and county of Denver has committed to a new hub airport to replace Denver-Stapleton Airport in the 1990's. This will reduce air traffic delays throughout the Rocky Mountain region.

Am I correct that the fiscal year 1989 budget approved by the conferees makes available adequate funds for the FAA's engineering studies and planning of its facilities and equipment [F&E] installations for the new airport site?

Mr. LEHMAN of Florida. Mr. Speaker, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the chairman of the subcommittee, the gentleman from Florida [Mr. LEHMAN].

Mr. LEHMAN of Florida. I thank the gentlewoman for yielding.

Mr. Speaker, the gentlewoman from Colorado is correct.

The fiscal year 1989 FAA budget approved by the conferees provides $4 million for engineering studies and design applications for facility and equipment installations for the new Denver Airport. I am pleased that FAA is planning ahead so that these installations will be ready at the same time the runways and other airfield facilities to be assisted by Federal airport grants [AIP] are completed in the early mid-1990's.

Mrs. SCHROEDER. I thank the chairman for his clarification. If I may inquire further, was it the conferees' expectation in clarifying FAA's "letter of intent" process for airport capacity that this process and a fair share of FAA's discretionary airport grant funding should be made available to help important new airport projects such as the new Denver Airport?

Mr. LEHMAN of Florida. I agree. The subcommittee recognizes how important additional airport capacity is to the Nation and we were pleased to hear from Denver's mayor and its congressional delegation that it will have its new airport ready in the early 1990's. This will be the first major hub airport started since Dallas-Fort Worth Airport was constructed in the early 1970's.

Mrs. SCHROEDER. I sincerely thank the distinguished chairman for his support. All members of the Colorado congressional delegation look forward to working closely with you in future years to help increase airport capacity through this new airport project.

Mr. COUGHLIN. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. SHUMWAY].

Mr. SHUMWAY. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise today in support of the DOT appropriations conference report.

While I have some concern regarding the funding levels for certain portions of this bill, I strongly support the conference committee's action with regard to the Coast Guard's funding level. The committee has included a total of $2.45 billion for the Coast Guard's two main accounts—the operating and expense account and the acquisition, construction and improvements account.

This level is within $3 million of the administration's request for fiscal year 1989 funding, and I believe is a sufficient amount to allow the Coast Guard to carry out the many important missions which we require of them, including drug interdiction.

This funding measure assumes a $200 million transfer of Department of Defense funding to help meet the Coast Guard's overall level. This is a funding mechanism which the Congress has used in the past and is appropriate given the nature of many of the Coast Guard's operations. I believe passage of this conference report, with this provision in it, puts the House on record as supporting this transfer and, thus, is instructive to the House conferees on the pending DOD appropriations bill that this money should be made available.

Mr. Speaker, I am particularly pleased that the conference committee has retained language similar to the House floor amendment I coauthored with Mr. ECKART of Ohio, along with several other of my colleagues, to reopen nine search and rescue stations which the Coast Guard closed earlier this year due to budgetary constraints.

As the Appropriations Committee stated in their report accompanying H.R. 4794, "one of the Coast Guard's highest priorities is to save lives through its search and rescue and boat safety functions. The Committee believes that these lifesaving services should not be adversely affected by budgetary constraints."

In my congressional district the Lake Tahoe station was closed in March of this year despite the fact that in 1987 alone the Coast Guard saved 31 lives and approximately $414,000 in property. How much did the Coast Guard save by closing this particular station? A grand total of $383,000. Mr. Speaker, I would submit that $383,000 in Federal expenditures to save 31 lives and $414,000 in property is a good bargain.

In the case of the Tahoe station, Lake Tahoe involves two State jurisdictions and in California alone three county jurisdictions. Without the Coast Guard, jurisdictional disputes ensue making it almost impossible to effectively protect the safety of the thousands of boaters who use this nationally important resort area.

With enactment of this bill, the necessary moneys will be transferred from the acquisition, construction and improvements account to the operation and expense account to reopen the search and rescue stations specified in the bill. It is my understanding the stations are to be opened by the spring of 1989, and fully operational by the next boating season. Given the actions by the committee and the Congress, the Coast Guard should not undertake to close these or other search and rescue stations in the future without the proper consultation and agreement of the congressional committees of jurisdiction.

I would like to thank the various Members who have worked to get these needed stations reopened, especially Mr. ECKART of Ohio, Miss SCHNEIDER of Rhode Island, Ms. SNOWE of Maine, and Mrs. VUCANOVICH of Nevada who shares the privilege of representing the Lake Tahoe region with me.

I would also like to thank the gentleman from Florida [Mr. LEHMAN], the subcommittee chairman, for his tireless efforts on this provision and the overall Coast Guard budget and Mr. COUGHLIN the ranking minority member as well.

Mr. LEHMAN of Florida. Mr. Speaker, I yield 2 minutes to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Speaker, I commend the chairman and the minority members of the committee for their leadership with respect to this legislation.

Mr. Speaker, funds spent wisely on mass transit help protect our environment and preserve the quality of our air.

This legislation is very important. As an environmentalist I appreciate the chairman's hard work to protect the air we breathe.

Today, Mr. Speaker, I would like to engage the chairman of the subcommittee in a colloquy regarding an issue of concern to my district in San Francisco.

Mr. Speaker, in 1986, the San Francisco Airports Commission refused landing rights to a retrofitted stage 1 aircraft, commonly known as the Q707, as part of the airport's progressive noise mitigation policy.

As a result of this action by the airports commission, the Federal Aviation Administration has withheld $8.6 million in Federal grants to the San Francisco International Airport for fiscal year 1986. If these fiscal year 1986 funds are not obligated by the FAA to the commission by September 30, 1988, the commission could permanently lose their funds.

The commission is currently appealing that decision with the FAA and with the ninth circuit court of appeals in San Francisco.

Mr. Speaker, I would like to ask the chairman is it his position that these funds should be reserved by the FAA beyond September 30, 1988, and until all appeals have been concluded.

Mr. LEHMAN of Florida. Mr. Speaker, will the gentlewoman yield?

Ms. PELOSI. I yield to the gentleman from Florida.

Mr. LEHMAN of Florida. I thank the gentlewoman for yielding.

Mr. Speaker, the distinguished gentlewoman from California is correct and that is my position.

Ms. PELOSI. I thank the chairman.

Mr. Speaker, I appreciate the support of the gentleman in establishing this record in favor of the FAA meeting this obligation of $8.6 million for fiscal year 1986 to the San Francisco International Airport pending the outcome of all avenues of appeal by the airports commission. This is a situation where the airports commission has made a tremendous effort to reduce aircraft noise over San Francisco and is being penalized for compliance with its noise abatement regulation which was designed to create a quieter, safe environment for the airport community.

Mr. Speaker, I commend the distinguished chairman again and would also like to thank him for his generosity to San Francisco. His actions on behalf of the San Francisco Municipal Railway will enable the city of San Francisco to continue to modernize its historic trolley system.

Mr. COUGHLIN. Mr. Speaker, I yield such time as he may consume to the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Speaker, I rise in strong support of the conference report on transportation appropriations. Also I wish to express appreciation to the committee chairman, the distinguished gentleman from Mississippi [Mr. WHITTEN], the distinguished ranking minority member, the gentleman from Massachusetts [Mr. CONTE], and especially the distinguished gentleman from Pennsylvania [Mr. COUGHLIN] and the distinguished subcommittee chairman the gentleman from Florida [Mr. LEHMAN] for their fine work in bringing the conference report on the Department of Transportation appropriations measure to the House floor.

I particularly appreciate the language in the conference report that earmarks $1.26 million for Lincoln, NE's rail transportation safety project. These dollars will allow for the final design and right-of-way for the L Street overpass which is part of the K and L Streets extension project.

Once again the Senate refused to fund any of the railroad-highway crossing demonstration projects including the Lincoln project. The House conferees, however, fought for and won approval of the House-approved level of funding for these projects during the conference. I would like to express my gratitude to the House Members of the conference for fully supporting the railroad-highway crossing projects. The economic significance and safety concerns of this project in Lincoln, NE, warrant the support of the Members of this body.

On the general merit of the bill, however, I urge my colleagues to support this conference report.

Mr. COUGHLIN. Mr. Speaker, I yield 5 minutes to the gentleman from Virginia [Mr. SLAUGHTER].

Mr. SLAUGHTER of Virginia. Mr. Speaker, while I understand the effort the conferees have put into this bill and appreciate the many beneficial programs contained therein, I must rise in opposition to the conference report for H.R. 4794, the fiscal year 1989 transportation appropriations bill, due to the inclusion in the final report of an amendment adopted during original House subcommittee consideration of this measure.

The amendment, included in section 329 of the conference report, would prohibit Federal funding for construction or approval of an interchange between Interstate 66 and a proposed Route 234 bypass in Prince William County, VA, which is located in my district.

The purpose of this amendment was to preclude development of a proposed mall on a tract of land adjacent to the Manassas National Battlefield Park. I believe the issue of whether or not this land should be added to the park is one that should rightly be decided in separate legislation, as recently passed by the House and now pending in the Senate, and not as part of a transportation appropriations measure.

While the conference committee added a 2-year sunset to this provision, it could block the most important transportation improvement in Prince William County—the Route 234 bypass—which has been planned in the county for 15 years and is central to the county's long range transportation and economic development plan. The transportation situation in the county is critical, and this bypass is needed with or without the construction of any new developments.

In order for this bypass to work, it obviously must interchange with I-66 at some point.

In addition, in order to even consider closing old route 234 to through traffic in the park—as envisioned in separate legislation designed to protect the park—the bypass will have to be built. With or without the closing of old Route 234 through the park, the proposed 234 bypass would greatly reduce traffic through the park, to the park's great benefit.

Finally, the bypass is a part of a $66 million bond referendum for highways that will be held on November 8 in Prince William County. The uncertainty as to whether or not the bypass can go forward, as a result of section 329, may therefore have a negative impact upon adoption of this bond issue.

For these reasons, I believe section 329 of the conference report to H.R. 4794 is detrimental to the park and to the county's transportation needs.

The county's preference—and mine—would be to simply delete this entire section in order to permit the county to proceed with its transportation priorities.

I unsuccessfully sought to remove this provision during conference consideration of this measure. Due to the gravity of the transportation situation in Prince William County and the detrimental effect section 329 would have on this situation, I must oppose this conference report because of the inclusion of this section.

Mr. LEHMAN of Florida. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. EVANS].

Mr. EVANS. I thank the chairman for yielding.

Mr. Speaker, I would like to engage the chairman of the subcommittee in a colloquy.

Mr. Speaker, the Avenue of the Saints is a proposed highway between St. Paul and St. Louis. Senator HARKIN proposed language which was included in the Senate bill and accepted by the conference which appropriates $400,000 for a study. This language directs the Federal Highway Administration to cooperate with the States of Iowa, Minnesota, and Missouri in conducting a study of the feasibility and the best route for a four-lane highway between St. Paul and St. Louis.

I would like for Illinois routes to be considered, especially since I believe that the most direct route is through Illinois.

Mr. Speaker, I believe the provision requires consideration of the best route between St. Paul and St. Louis. I do not see any problem with the Illinois Department of Transportation providing input into the study. So I would like to ask if in the chairman's view does the study in any way preclude the consideration of routes in Illinois and does it preclude the participation of the Illinois Department of Transportation?

Mr. LEHMAN of Florida. Mr. Speaker, will the gentleman yield?

Mr. EVANS. I yield to the gentleman from Florida.

Mr. LEHMAN of Florida. I thank the gentleman for yielding.

Mr. Speaker, I will tell the gentleman that I appreciate his bringing this to the attention of the subcommittee. We feel that this language does not preclude his State as a possible route to be considered for this Highway of the Saints.

Mr. EVANS. I thank the chairman.

Mr. COUGHLIN. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. DELAY], a member of the subcommittee.

Mr. DELAY. Mr. Speaker, I rise in support of this conference report. Because I am a member of the subcommittee, I am fortunate to have the pleasure of working with the distinguished chairman, the gentleman from Florida [Mr. LEHMAN], and the equally distinguished vice chairman, the gentleman from Pennsylvania [Mr. COUGHLIN].

I also must say it has been a pleasure to work with my colleagues on this subcommittee and our very competent staff. It has been a pleasure because of their commitment to get a bill, a good bill that the President will sign.

As most of us know, there was a lot of disagreement between the President's budget and the bills that passed the House and the Senate earlier this year.

I strongly supported the President's effort to remove the airline labor protection provisions from our bill. I am pleased that our subcommittee did not let that provision drag our bill and the Nation's transportation program into a veto and the uncertainty of a continuing resolution.

Now this bill has some things I strongly support in it and that I think most of us can support, such as increased funding for the operation and modernization of our Nation's traffic control system and for grants for improvements to our Nation's airports.

The funding increases in this bill are vital if we are going to catch up with the exploding demand of air travel which we are experiencing under deregulation.

Let me say to my side of the aisle and to those Members who do not like to vote for increased spending, it has been mentioned here that this bill is a small increase in spending over last year; let me say to my colleagues that this small increase in spending over last year is made up from funds coming out of the airport and highway trust funds. These are funds that are collected and mandated to be used in these areas and that reflects in the increase in spending in this bill. It is a very minor increase.

So in essence if you really look at this bill we are looking at a freeze in general revenue funds, and an increase in spending out of our trust funds. So this is not a bill that you can say is an increase in spending over last year. In this bill we have also been able to increase funding for the Coast Guard which is so vital to our marine safety and the war on drugs. That does not mean that this bill is perfect and I would like to see us begin to dramatically scale back the operating subsidies to Amtrak and mass transit.

□ 1300

But these programs, I feel, we can no longer afford. So far that is a minority view, Mr. Speaker.

On balance, this is a good bill. It is a bill that I strongly support. It is one that has the support of the Secretary of Transportation, and that the President has said he will sign.

So, Mr. Speaker, I urge my colleagues to approve this conference report overwhelmingly.

Mr. LEHMAN of Florida. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland [Mr. McMillen].

Mr. McMILLEN of Maryland. Mr. Speaker, I congratulate the leadership for expediting the House's consideration of H.R. 4794, the conference report on fiscal year 1989 transportation appropriations. In particular, I am pleased that today we are moving one stop closer to maintaining the viability of an essential Coast Guard facility in my district, the Curtis Bay, MD, Coast Guard Yard.

The debate over the Curtis Bay Ship Repair Yard stands as a prime example of poor oversight by a Federal agency. In January of this year Coast Guard headquarters mandated the closure of many Coast Guard installations nationwide as part of a budget austerity move. However, in the case of Curtis Bay, it became quite evident that the Coast Guard did not possess adequate data to justify closing their only ship repair facility. After looking into the issue members of the Maryland delegation discovered that ceasing operations at the yard would achieve, at best, illusory savings. In fact, the possibility exists that closing the yard might translate into higher ship repair costs, as the service would be relegated to using outside firms for costly ship repair work. This certainly doesn't sound like smart management practices to me.

For my part, I will continue to speak out on on illogical and inefficient moves such as the proposed Curtis Bay facility closing. America deserves a Coast Guard service that operates at peak efficiency—a cost effective ship repair yard is integral to this effort.

Mr. COUGHLIN. Mr. Speaker, I yield 3 minutes to the gentleman from Iowa [Mr. Grandy].

Mr. GRANDY. Mr. Speaker, I thank the distinguished ranking member of the subcommittee for yielding me this time.

Mr. Speaker, I rise in strong support of H.R. 4794. I, too, rise to express concerns about the feasibility study for the so-called Avenue of the Saints route in the Midwest, and I take this time to enter into a colloquy with the distinguished chairman of the subcommittee, the gentleman from Florida [Mr. Lehman].

Mr. Speaker, the support for an improved roadway connecting the cities of St. Louis and St. Paul has grown dramatically in the past few years. Although these two cities would anchor the "Avenue," they would not be the only beneficiaries. In fact, St. Louis and St. Paul would still probably not benefit as much as the hundreds of smaller communities whose transportation infrastructure would be greatly improved.

I recognize that a major highway project of this magnitude cannot move forward without first studying the true need for, and the best location for, the project, and that is why I am supportive of the provision allocating $400,000 for study of the "best possible route" for an Avenue of the Saints.

The people in Mason City, IA, located in my district, and Waterloo, IA, located in the district of my colleague, the gentleman from Iowa [Mr. Nagle], have long been seeking to improve the roadway between these two cities. They have been working to connect Interstate 380, which presently terminates at Waterloo, with Interstate 35, near Mason City. The proponents of this project are confident that this route could be a cost-effective option for an Avenue of the Saints. I have assured them that it is my belief that their proposed route is in no way excluded from consideration in an Avenue of the Saints study.

Mr. Speaker, let me ask, is it the gentleman's understanding that I am correct in my belief?

Mr. LEHMAN of Florida. Mr. Speaker, will the gentleman yield?

Mr. GRANDY. I am pleased to yield to the gentleman from Florida.

Mr. LEHMAN of Florida. Mr. Speaker, it is my understanding that the gentleman from Iowa is correct in assuring the people of Mason City and Waterloo that they are not in any way excluded from consideration in the Avenue of the Saints study.

Mr. GRANDY. Mr. Speaker, I thank the chairman of the subcommittee for engaging in this colloquy with me. I appreciate his efforts to clarify this very important part of the Department of Transportation appropriations bill for fiscal year 1989. I would also like to commend the subcommittee chairman and the gentleman from Pennsylvania [Mr. Coughlin] for their leadership and their help in guiding this bill to the floor and helping to bring this particular issue to the membership for their consideration.

Mr. LEHMAN of Florida. Mr. Speaker, I yield 2 minutes to the gentleman from Oregon [Mr. AuCoin].

Mr. AuCOIN. Mr. Speaker, I rise in strong support of this well crafted bill and wish to commend my good friends Bill Lehman and Larry Coughlin and the conferees for reporting another excellent transportation appropriations bill.

If this administration had had its way, mass transit would have been restricted to the Washington, DC Metro system. That's it:

No service to millions of people and hundreds of cities and towns across the country.

No mass transit, with 2.5 billion ridership miles of service each year.

No recognition that mass transit across the United States faces serious challenges in the near future.

Overcoming this sort of hostility is the kind of foresight that we have come to expect from this committee.

An excellent example of a transit program hard at work is the MAX system in Portland, OR. The MAX system has been supported by this committee and UMTA for a number of years. Since its opening in September of 1986, MAX demonstrated the operating efficiencies of light rail. In its first year. MAX has carried twice as many passengers as had been projected. All of the system's success has come after the project finished under budget and ahead of schedule.

The experience in places like San Francisco and Atlanta has shown that the impacts of a rail line on community development are not generally realized until at least 5 years after the line is in place.

Early indications of MAX's influence on development are very encouraging. By the time the system opened, private investment equivalent to its $214 million construction cost had already been committed to development along the line. Now, less than 2 years later, $300 million more is planned or under construction.

This year we're investing in MAX in a way that will continue to revitalize the business district of northeast Portland.

This is only one example of the hard work we've accomplished with the help of Mr. Lehman, and his excellent staff—but I think it well represents the efforts we are making to ensure the continued growth in the State of Oregon.

In addition to investments made in MAX and other transportation projects in the State of Oregon funded in this bill. I want to call attention to the fiscal year 1989 status of the U.S. Coast Guard.

In my district the Coast Guard is the first line of defense against ocean drug smuggling and plays a lifesaving role at sea and in my State's rivers and lakes.

In fiscal year 1988 the Coast Guard had a real problem. With shortfalls in their budget, they cut patrols and closed stations. They didn't have any choice.

Because of these cuts, drug interdiction efforts were cut by 55 percent: 52 stations were closed, including two on the coast of Oregon: cutters lay idle in port for lack of essential spare parts.

This type of shortfall is a national tragedy. So I'm pleased to say that in this bill the Coast Guard is no longer being strangled.

With Mr. FOLEY, Mr. RANGEL, Mr. HUGHES, and others crafting an omnibus drug bill that will actually work, it makes no sense to leave the Coast Guard with any thing less than a full funded operational budget.

Mr. COUGHLIN. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia [Mr. WOLF], a member of the subcommittee.

Mr. WOLF. Mr. Speaker, I want to thank the gentleman from Pennsylvania [Mr. COUGHLIN] for the time, and I want to commend both the gentleman from Florida [Mr. LEHMAN] and the ranking Republican, the gentleman from Pennsylvania [Mr. COUGHLIN].

I rise in support of this conference report. It is a good balanced conference report. It is very fair to Metro and to the Washington, DC, metropolitan area.

Mr. LEHMAN of Florida. Mr. Speaker, I have no further requests for time, and I reserve the balance of my time.

Mr. COUGHLIN. Mr. Speaker, I yield such time as he may consume to the gentleman from Virginia [Mr. PARRIS].

Mr. PARRIS. Mr. Speaker, I thank the gentleman from Pennsylvania [Mr. COUGHLIN], and I rise in support of the conference report.

Mr. Speaker, I rise in strong support of the conference report making fiscal year 1989 appropriations for the Department of Transportation and related agencies. The principal reasons for my support of this measure are threefold.

First, this bill would provide $168 million in 1989 for further construction on the Metro rail system in our National Capital area. I have always referred to our Metro funding successes as "the annual miracle"—that our Metro mass transit system consistently gets nearly 25 percent of the Federal funds allocated for such programs. I am very pleased to note that this bill helps to perpetuate that miracle into fiscal year 1989.

The next item of interest to me and many of my constituents is the inclusion of the first $500,000 in Federal funds for planning, design, engineering and right-of-way acquisition for addition of HOV lanes to I-66 outside the Capital Beltway. The addition of these lanes is of critical importance to the commuting public living and working along that corridor and in our Capital City.

Finally, the bill includes $225,000 for the George Mason University transportation systems management plan study for the Route 28, Dulles corridor. There also can be no question as to the importance of this program.

I am also supportive of the 2-year sunset on the provision concerning the Route 234 bypass project in Manassas, and am confident that this situation can be further resolved in future legislation. This is a good bill for my constituents and the Commonwealth of Virginia.

I urge my colleagues to support its passage.

Mr. COUGHLIN. Mr. Speaker, I yield 3 minutes to the gentlewoman from Nebraska [Mrs. SMITH], a member of the committee.

Mrs. SMITH of Nebraska. Mr. Speaker, I support the conference report on H.R. 4794, Department of Transportation appropriations for fiscal year 1989, now before the House. But I rise at this time to call attention to House and Senate report language accompanying H.R. 4794 that directs the Department of Transportation [DOT] to stop consideration of any plan to reclassify anhydrous ammonia as a poisonous gas.

This ban is extremely important to the farmers of this country, and I thank Mr. WHITTEN, my colleagues on the House Appropriations Committee, and our counterparts in the other body for their assistance on this agricultural issue.

However, this report language, every indication is that the issue of reclassification anhydrous ammonia by the DOT is still very much alive. This I find extremely distressing.

For over 40 years, anhydrous ammonia has been used as a safe and effective fertilizer. Especially important to both U.S. corn and wheat production, it accounts for more than half of the American fertilizer supply.

The proposed modification of the anhydrous ammonia classification from a nonflammable to a poisonous gas would cause unwarranted increases in both transportation and insurance costs, and heighten public concern over a safe fertilizer.

Reclassification is opposed by the National Corn Growers Association, the National Wheat Growers Association, National Farm Bureau Federation, American Agricultural Movement, National Farmers Union, National Farmers Organization, the Fertilizer Institute, and other farm organizations.

In addition, the Secretary of Agriculture has stated his opposition to any change in the current classification.

While the concept of bringing the United States in line with the standards adopted by the United Nations Committee of Exports on Transportation of Dangerous Goods has appeal, the DOT has not taken into consideration the fact that most countries do not use significant amounts of anhydrous ammonia, largely due to economic factors not relevant to the United States.

Canada, our major fertilizer trader, has already rejected the United Nations classification.

Further, it is significant to note that more than 1,000 public comments have been received by the Department of Transportation in opposition to this plan—the comments received were virtually unanimous in opposition.

Not trusting the administration's response to appropriations report language, particularly in light of DOT's apparent continued efforts to move forward on reclassification, I introduced H.R. 5376 on September 23.

H.R. 5376 would stop any reclassification by the Secretary of Transportation—a step taken to bring this issue to its final end.

I hope that House could take quick action in these final days of the 100th Congress to resolve this issue once and for all.

I call my colleagues' attention to the report language regarding this issue, which I will insert with my remarks. I hope my colleagues find this additional information helpful.

Again, I thank the members of the Appropriations Committee for their assistance. Your efforts and leadership are recognized and appreciated by our Nation's farmers.

SENATE REPORT LANGUAGE, REPT. 100-411

Anhydrous ammonia.—The Committee is aware that the Department of Transportation is considering the reclassification of anhydrous ammonia as part of an extensive review under a proposed rulemaking amending the hazardous materials regulations to conform them with United Nations standards.

Anhydrous ammonia is a very important plant nutrient which accounts for over one-half of the U.S. fertilizer supply. It has been used for a very long period of time by farmers and the fertilizer industry safely. The proposed rule could have very serious adverse effects on farmers and many other segments of the agricultural community. If the rule were to be finalized in its proposed form, it could generate higher insurance rates and might cause transportation difficulties because of local restrictions. And anhydrous ammonia may not fall within DOT's own proposed inhalation toxicity criteria for the proposed standard.

The Committee notes the Secretary of Agriculture's concern about the potential negative impact of this proposed rule and urges the Department to retain the present classification of this important commodity. The Committee directs that the Secretary provide the Committee with 30 days' notice prior to finalizing a rule which changes the classification of anhydrous ammonia.

HOUSE REPORT LANGUAGE, REPT. 100-691

Anhydrous ammonia.—The Committee is aware that the Department of Transportation is considering the reclassification of anhydrous ammonia as part of an extensive review underway regarding a proposed rulemaking to amend Hazardous Materials Regulations to conform them to United Nations Standards.

Anhydrous ammonia accounts for almost half the U.S. fertilizer supply and has been safely used by farmers for decades. The United States is the world's largest producer and exporter of corn, and corn is a highly nitrogen-intensive crop.

American agriculture is our largest dollar earner in world trade. In 1987 American farmers produced over $12 billion worth of corn and exported over $2 billion.

The Committee is aware that the Secretary of Agriculture has asked the Secretary of Transportation to retain the present classification of anhydrous ammonia. The Committee agrees with Secretary Lyng on the potential negative impact a reclassification might have on the American farmer and the export of agricultural production and therefore urges the Department of Transportation to withhold such change.

Mr. COUGHLIN. Mr. Speaker, I yield 1 minute to the gentlewoman from Hawaii [Mrs. Saiki].

Mrs. SAIKI. Mr. Speaker, I rise in support of the conference report on H.R. 4794, the fiscal year 1989 appropriations for the Department of Transportation. This bill funds the Coast Guard at a level close to that requested by the administration and will allow the Coast Guard to perform its important search and rescue, law enforcement, and environmental response duties during this fiscal year.

The bill also directs the Coast Guard to restore to operation a total of nine search and rescue activities that were cut for budgetary response during the last fiscal year. I am extremely pleased that the search and rescue station at Kauai, HI, will be reopened, along with the eight others around the country.

I have been a strong supporter of the Coast Guard throughout this Congress and during their difficult budgetary times. This bill is a welcome and needed improvement. I commend the conferees on the bill on a job well done. I urge my colleagues to vote in favor of passage of this important piece of legislation.

Mr. COUGHLIN. Mr. Speaker, I yield 4 minutes to the gentleman from Michigan [Mr. Davis].

Mr. DAVIS of Michigan. Mr. Speaker, I rise in support of the conference report on H.R. 4794, the fiscal year 1989 appropriations for the Department of Transportation. I commend the Appropriations Committee for its efforts in balancing the needs of our transportation agencies and especially the hard work they put in to make sure that our U.S. Coast Guard would receive necessary funding for its operations.

Dollar for dollar, the U.S. Coast Guard provides one of the best bargains in Government. They save lives daily, they help make our waterways safer and cleaner, they enforce our fishing laws, they provide education to our Nation's boaters, they break ice to keep commerce flowing, and they continue to be on the front lines of our war against drugs. I know that it is not always easy to provide all the funding that the Coast Guard must have to carry our these varied missions, but this year we have accomplished that, albeit with a little help from the Department of Defense once again.

In the 1988 fiscal year the Coast Guard came up short on funds and we all saw the immediate results. Drug interdiction cut by 55 percent, stations closed, and morale depressed. However, this Congress rallied to give the Coast Guard emergency funding through a supplemental, additional funding in our omnibus drug bill, and fiscal year 1989 funds which closely reflect the administration request. This bill funds the reopening of Coast Guard stations that were closed earlier this year, including those in the Great Lakes region. This demonstration of support for the Coast Guard is very gratifying.

I am particularly happy to note that there is language in this report addressing the icebreaking needs in the Great Lakes, and in particular the importance of the icebreaker *Mackinaw*, which currently is undergoing engine repairs and will be back in service for the spring breakout ice season. The shipping industry in the Great Lakes has been especially supportive in the effort to keep the *Mackinaw* running, and while she's an old vessel, she is the most capable vessel we have for the severe ice conditions that occur in the lakes. The Coast Guard and industry have been communicating about the future icebreaking needs in the Great Lakes and I believe that this kind of dialog is the best method of ensuring that we will always have the capability for heavy icebreaking on which we now depend.

In conclusion I would like to commend the members of the Appropriations Committee for a difficult job well-done. Mr. Whitten, Mr. Conte, and Mr. Coughlin, with their Senate colleagues, have succeeded in performing a delicate balancing act with laudable results.

I urge adoption of this conference report.

□ 1315

Mr. LEHMAN of Florida. Mr. Speaker, I yield 2 minutes to the distinguished chairman of the Committee on the Budget, the gentleman from Pennsylvania [Mr. Gray].

Mr. GRAY of Pennsylvania. Mr. Speaker, I rise to commend my colleague from Florida and the rest of the members of the Transportation Appropriations Subcommittee for the hard work they have done in crafting this conference agreement. It is a package of sensibly set priorities for the Nation's growing transportation needs.

But, Mr. Speaker, I must also express my disappointment at the administration's attempt to hold this agreement hostage to force the defeat of policies that protect the American worker. In a letter sent to the conferees, the President stated that he would veto this spending bill if it included a provision guaranteeing protection for airline employees who fall through the cracks of mergers and acquisitions.

This is not the first time that the administration has clearly displayed the limited vision of its economic outlook. It is singularly guided by market principles and has no response when the market runs over workers in its path. It is the same outlook that guided the President's opposition to the simple requirement of 60 days advance notice for workers who are about to lose their jobs.

This time, in its opposition to protection for American workers, the administration has forced Members to choose between their responsibility to fund the country's transportation needs, and their concern to give airline employees the safeguards they deserve. Because I understand that there is a commitment to take up the labor protection provision separately before Congress adjourns, and because I don't think we can afford to risk transportation funding in a political game of "who will blink first," I have supported this conference report without the labor provision opposed by the administration. I urge my colleagues to support the agreement as well.

But I also urge the leadership and my colleagues to move quickly to put the labor protection issue before the President without giving him an opportunity to hold spending hostage. Just as we did in separating the plant-closing provision from the trade bill, I urge that we present the labor protection provision on its own to the President and let Members register their vote uninfluenced by other concerns.

In that effort I will be a leading proponent of protection for working men and women.

Mr. PORTER. Mr. Speaker, I would like to take this opportunity to applaud the subcommittee for the fine work in crafting the Department of Transportation fiscal year 1989 conference report. In particular I would like to commend the excellent work of Bill Lehman and Larry Coughlin, the chairman and ranking member of the subcommittee. They have done a superlative job steering this bill through what were, at times, troubled waters.

The conference report appropriates a total of $2.7 billion for the Coast Guard. The conference agreement also assumes the availability of $200 million to be provided by the fiscal year DOD appropriations measure, making a total of $2.1 billion available for Coast Guard operating expenses in fiscal year 1989. This represents an increase of 7.4 percent above the fiscal year 1988 total. All Members working in support of the Coast Guard must now turn their attention to the DOD conferees to ensure that the assumption in this bill is provided for.

This amount is close to the President's request, and should enable the Coast Guard to maintain the search and rescue stations around the country that continue to provide essential lifesaving services to our citizens. The conference report also includes the necessary funding for the acquisition, construction, and improvements account that will provide the Coast Guard the necessary physical resources to carry out its increasing role in drug interdiction and water safety.

We all know that over the last year the Coast Guard has been asked to take on increased responsibilites concerning our ongoing effort to halt the flow of drugs into our country. At the same time, we have worked with the Coast Guard to ensure that these new responsibilitities did not come at the expense of the Coast Guard's historic responsibility of protecting and safeguarding our waterways. The Coast Guard's lifesaving search and rescue stations are essential and deserve priority status. Passage of this conference report will ensure that the Coast Guard is able to carry out both of these vital missions.

The conference report also contains language that will prevent the Coast Guard from closing any search and rescue stations until at least 60 days after the GAO reports to Congress on the criteria used by the Coast Guard in deciding which stations to close. Considering the absolute necessity of Chicago's Air Rescue Station, which was originally on the hit list, to the safety of the millions of users of southern Lake Michigan, this GAO study will ensure that stations which continue to save lives will not be closed.

I urge Members to support this fair and reasonable conference report.

Mr. BRENNAN. Mr. Speaker, I am pleased to see this conference report reach the House for approval. While there were some issues which were not resolved, such as airline employee protection, I am pleased to see funding for several vital programs is ready for the President's signature.

As a member of the Coast Guard and Navigation Subcommittee, I have been particularly interested in adequate funding for the Coast Guard. During these times of increased awareness of the need for improved drug interdiction, our Coast Guard needs our support to carry out this important mission. The funding allocated in this measure will hopefully avoid the problems witnessed earlier this year when Coast Guard ships were tied to the pier because of a budgetary shortfall. We cannot allow those individuals who lead the fight against drug smugglers to be handicapped with less than a full compliment of ships, plans, and manpower.

I will continue to work with my colleagues on the Coast Guard Subcommittee to insure an adequate level of funding is provided to allow a fully functioning Coast Guard to continue. So many of our constituents depend on the Coast Guard for search and rescue operations, navigational assistance, fishing law enforcement, and pollution control. Perhaps most important is the role of drug interdiction carried out by our Coast Guard. An adequate funding level will send a strong signal to those involved in smuggling that we are not sounding retreat in the war against drugs.

I urge my colleagues to join me in a strong vote of support for H.R. 4794, to help insure a viable and effective Coast Guard.

Mr. ECKART. Mr. Speaker, today we have before us a conference report which exists due to the many long hours of negotiations and dedication displayed by the House and Senate conferees on both sides of the aisle.

I must first commend my colleagues for their diligence during these difficult negotiations. Not only does this bill provide the Department of Transportation and its related agencies with adequate spending levels for the development of highway interchanges, Federal Aviation Administration programs and masstransit formula grants, just to name a few—but it also provides the U.S. Coast Guard with a commendable budget of $2.8 billion.

For millions of commercial and recreational boaters across the Nation, and particularly the thousands of boaters in northeast Ohio, the renewed support and strengthening of U.S. Coast Guard facilties and functions are both a blessing and a sigh of relief. And nowhere, Mr. Speaker, has this been more important than in those areas of the country where Coast Guard officials informed our constituents that in March of this year, their Coast Guard search-and-rescue stations or marine river patrol facilities were to be closed.

It has been a long and arduous road, but it is with great pride that I stand before you today knowing that this conference report incorporates a provision which I, along with several of my colleagues, worked to include in the 1989 transportation appropriations bill. This language directs the reopening of nine search-and-rescue stations located at Ashtabula. OH: Shark River, NJ: East Port, ME; Block Island, RI, North Superior, MN; Kennewick, WA; Kauai, HI; and, Lake Tahoe, and Mare Island, CA; In addition to maintaining a search-and-rescue station located in Bayfield, WI, on a year-round status; and reactivating two river partols in Oregon.

For the people of Ashtabula this is a great victory, boaters throughout northeast Ohio breathe a sigh of relief that this most important part of the boaters' safety net has been restored. Boater safety and education, harbor and environmental security, and appropriate law enforcement are important roles for the Coast Guard. We welcome them back.

Mr. Speaker, it is my hope, given the importance of this bill to all those who utilitize our Nation's waterways and/or other modes of transportation, that my colleagues will join me in showing their support for legislation which takes a colossal step in the right direction for the programs and activities under the Department of Transportation and Related Agencies.

Miss SCHNEIDER. Mr. Speaker, I rise today in strong support of the conference report on H.R. 4794, the Department of Transportation appropriations. This conference report contains a very important provision that I introduced along with my colleagues Norman Shumway and Dennis Eckart.

The provision that I introduced will reopen nine search and rescue stations that the Coast Guard announced will close this year because of budget problems. The conference report also includes the reopening of two critical river patrols in the Pacific Northwest that were also closed. The Coast Guard, however, has put their budget crisis behind. This conference report has included an increase of $300 million for fiscal year 1989 over the Coast Guard's fiscal year 1988 levels. With this new influx of money it is quite reasonable to require the Coast Guard to spend only $4.8 million to reopen these essential search and rescue stations.

If we fail to require these reopenings to occur, the price will be paid with the lives of innocent boaters, fishermen, and tourists. According to Coast Guard figures, in the past 5 years these nine stations saved the lives of 525 people. In 1987 alone, 89 lives were saved. I am not willing to sacrifice 89 lives every year in order to save less than $4 million. And this Congress should not allow this potential disaster to continue.

Reopening these nine stations and river patrols will also play an important role in this Nation's drug interdiction program. The loss of these strategically located stations will create gaps along our coastline that will be exploited by people attempting to smuggle drugs to our shores. The Coast Guard's expanded role in drug interdiction is justified, and retaining these important stations will only enhance their mission.

These stations also play an important role in protecting our environment. The Coast Guard is responsible for emergency response in case of hazardous waste or oil spills. These stations are located in areas with a very high recreational and environmental value, and a quick and effective response by the Coast Guard in an environmental emergency is crucial.

Keeping these nine stations closed is not a cost effective measure. We will pay for this decision with innocent lives and with a weakened drug interdiction program, and I am not willing to bear those costs! The Coast Guard station reopening provision is not a budget buster—in fact, it does not require any new money to be appropriated. I urge all of my colleagues to support this important provision by voting for this conference report.

Mrs. LLOYD. Mr. Speaker, I rise today to thank my distinguished colleagues for their support of the Walnut Street Bridge project. In particular, I wish to express my gratitude to the Honorable BILL LEHMAN, chairman of the Subcommittee on Transportation, for his help and support. The Walnut Street Bridge has played a vital role in the history of Chattanooga for almost 100 years. The appropriation of $2 million by Congress to restore the bridge will guarantee that the bridge continues to play a significant role in the city's history. The Walnut Street Bridge will serve a practical purpose and serve as a symbol of Chattanooga's progressive spirit. I appreciate the help given to me by my colleagues in this regard.

Mr. LIGHTFOOT. Mr. Speaker, I'd like to voice my support for H.R. 4794, the Department of Transportation appropriations bill for 1989.

Although I opposed the House-passed version of this legislation, I am pleased to note some of the bill's objectionable provisions were modified in this final conference report.

As a member of the House Public Works and Transportation Committee, my interest in the impact of this legislation is considerable. Let me take this opportunity, as well, to note my support for several projects earmarked by this measure, the Pella Airport and the Carroll Airport. While earmarking does not in itself guarantee funds will be allocated in fiscal year 1989 for these projects, the bill does advise the Federal Aviation Administration [FAA] of Congress' interest in these particular projects. I will continue to work with the FAA to see that funds are allocated for these important projects.

I'm pleased the major difficulties with this legislation have been resolved, and I welcome the opportunity to support funding for next year's critical transportation projects and needs through this bill.

Ms. SNOWE. Mr. Speaker, I rise in support of this conference agreement and, in particular, two provisions of considerable importance to the State of Maine. One provision concerns the reopening of the search and rescue station in Eastport, ME. The other provision concerns a plan to increase landing fees for regional commuter airlines and general aviation pilots at Boston's Logan Internatinal Airport.

First, the conference agreement includes a valued provision earmarking $4.5 million in funds in the ACI budget in this bill to reopen nine previously closed Coast Guard stations, including the station in Eastport. This provision was unanimously adopted as a floor amendment by the House. The Coast Guard Commandant, citing budgetary reasons, closed these stations earlier this year.

The Eastport station has provided excellent service for the hundreds of fishermen, sailors, and other operators who use these coastal waters. The Coast Guard has maintained its presence in this area since the 1800's, providing an essential level of safety for a coastal area heavily traveled by commercial and recreational vessels.

Boaters off of the Maine coast have looked to the Eastport Coast Guard Station as an important line of protection in the event of an emergency. With their lives and property at stake, operators of boats of all sizes—from multi-ton cargo ships to small size fishing boats—count on the Coast Guard.

For almost a year, however, this station has been empty, and residents of our coastal communities in this area of Maine remain very concerned that this station was closed last March. I remain strongly opposed to this action, and I am gratified that the Congress recognizes the need to reopen these stations and restoring service immediately.

Maine's 3,600-mile coastline can pose a real challenge for even the most experienced of seafarers. Boaters often encounter rough seas and dense fog conditions. Without a presence at Eastport, the nearest rescue service location is in Jonesport, which is over 4½ hours away. The northern Maine coastline has thus become the only area along the whole contiguous seacoast of the United States that cannot be reached within 2 hours, which is the Coast Guard's acknowledged standard measure for rescue response.

In addition, a coastline of this size offers an obvious possibility for illegal drug operations, a suggestion which is already of concern to the U.S. Customs Service. The Eastport station can help ward off such operations, and the closing of this station only hinders our efforts to improve Federal initiatives in the war against drugs.

As we now address the overall budget of the U.S. Coast Guard, we must correct this earlier mistake that closed Eastport and certain other search and rescue stations. I urge my colleagues to recognize the value of this provision to my State. I will urge Coast Guard officials to reopen immediately the Eastport Search and Rescue Station.

Mr. Speaker, I am also pleased that the House conferees agreed to include provisions in the conference agreement from the Senate-passed bill that seek to correct the Massachusetts Port Authority's [Massport] attempt to restrict access to Logan Airport's facilities.

Under these provisions, sponsored by Senator RUDMAN, Massport will receive no Federal funds if the U.S. Department of Transportation determines that the PACE plan does not comply with current Federal aviation law or conflicts with national air transportation policy, and Massport continues to implement the plan after such a determination. Under the final bill's language, this decision will be made by a DOT-appointed administrative law judge before December 5, 1988.

The attempt of Massport to use the PACE plan's higher landing fees for smaller and lighter airplanes is highly discriminatory and clearly unconscionable as well. It has been obvious from the beginning that Massport intended to use these higher landing fees to limit the amount of access that regional commuter and general aviation pilots have to Logan Airport and the Greater Boston metropolitan area. Meanwhile, larger commercial jetliners have had their landing fees significantly reduced by the PACE plan, thereby deriving financial benefits at the direct expense of smaller airplanes.

The PACE plan has clear national implications. It threatens important air service in Maine and all of New England. If the Congress were to do nothing and allow Massport to go ahead with this plan, it would establish a dangerous precedent for every part of this country that relies upon a regional hub airport like Logan.

When the Congress decided to deregulate the commercial airline industry 10 years ago, it assumed that although major airlines might withdraw their service from certain markets, necessary air service in rural and sparsely populated areas would be provided by commuter services. By implementing the PACE plan, Massport is using excessively increased landing fees to shut these very same air carriers out of Logan. As a result, the important role that commuter airlines play in the aviation industry is being hindered, thereby disrupting air service and creating serious problems for the traveling public.

Furthermore, when U.S. Transportation Secretary James Burnley requested a simple delay in the implementation of the PACE plan while DOT studied the impact of the plan, Logan rejected his request. I find these actions ironic, given the fact that Logan International Airport has eagerly accepted roughly $40 million in Federal funds over the last 10 years to upgrade and improve its facilities.

Massport authorities seem to believe that they can ignore the Federal Government's role in determining national air transportation policy when they so choose, without damaging their ability to receive Federal funds at the same time. The conference agreement provision sufficiently changes Federal policy to address this situation.

Mr. Speaker, these provisions deserve the support of the House, and I urge all of my colleagues to join me in supporting the conference committee report on H.R. 4794.

Mr. AuCOIN. Mr. Speaker, I rise in strong support of this well-crafted bill and wish to commend my good friends BILL LEHMAN and LARRY COUGHLIN and the conferees for reporting another excellent Transportation appropriations bill.

If this administration had had its way, mass transit would have been restricted to the Washington, DC, Metro system. That's it!

No service to millions of people and hundreds of cities and towns across the country.

No mass transit, with 2.5 billion ridership miles of service each year.

No recognition that mass transit across the United States faces serious challenges in the near future.

Overcoming this sort of hostility is the kind of foresight that we have come to expect from this committee.

An excellent example of a transit program hard at work is the MAX system in Portland, OR. The MAX system has been supported by this committee and UMTA for a number of years. Since its opening in September 1986, MAX demonstrated the operating efficiencies of light rail. In its first year, MAX has carried twice as many passengers as had been projected. All of the system's success has come after the project finished under budget and ahead of schedule.

The experience in places like San Francisco and Atlanta has shown that the impacts of a rail line on community development are not generally realized until at least 5 years after the line is in place.

Early indications of MAX's influence on development are very encouraging. By the time the system opened, private investment equivalent to its $214 million construction cost had already been committed to development along the line. Now, less than 2 years later, $300 million more is planned or under construction.

This year we're investing in MAX in a way that will continue to revitalize the business district of northeast Portland.

This is only one example of the hard work we've accomplished with the help of Mr. LEHMAN, and his excellent staff—but I think it well represents the efforts we are making to ensure the continued growth in the State of Oregon.

In addition to investments made in MAX and other transportation projects in the State of Oregon funded in this bill, I want to call attention to the fiscal year 1989 status of the U.S. Coast Guard.

In my district the Coast Guard is the first line of defense against ocean drug smuggling and plays a lifesaving role at sea and in my State's rivers and lakes.

In fiscal year 1988 the Coast Guard had a real problem. With shortfalls in their budget, they cut patrols and closed stations. They didn't have any choice.

Because of these cuts, drug interdiction efforts were cut by 55 percent; 52 stations were closed, including 2 on the coast of Oregon; cutters lay idle in port for lack of essential spare parts.

This type of shortfall is a national tragedy. So I'm pleased to say that in this bill the Coast Guard is no longer being strangled.

With Mr. FOLEY, Mr. RANGEL, Mr. HUGHES, and others crafting an omnibus drug bill that will actually work, it makes no sense to leave the Coast Guard with anything less than a full funded operational budget.

Mr. MFUME. Mr. Speaker, I rise in support today of the conference report on transportation appropriations for fiscal year 1989. I commend the conferees for the work that they have done and am especially pleased with the decisions that were made concerning the Coast Guard.

As a member of the Maryland delegation, I became deeply disturbed by the Coast Guard's original plan to phase out, over a 5-year period, the industrial work activities at the Coast Guard yard at Curtis Bay in Baltimore County, MD. I was concerned for the dedicated men and women who work at this yard because the proposed action would have eliminated up to 700 of 1,100 jobs currently at the yard. This action would also have posed a direct threat to our national security in eliminating a key portion of the Nation's shipyard industrial base, and severely limiting further our drug interdiction efforts in which the Coast Guard plays such a viable role.

The Coast Guard yard has been a major force in maintaining the Coast Guard's and Navy's fleet and the Maryland delegation has stood united with the workers at Curtis Bay to protect and maintain the Coast Guard yard. The content of this appropriations measure today shows that our efforts have not been all for naught as the conferees have concurred that the yard is a core logistics facility and they believe that sufficient industrial work should be assigned to the yard to maintain this capability.

While the General Accounting Office is instructed to continue in its efforts to evaluate the relative costs of ship repair work at Curtis Bay versus private ship yards, such an evaluation is welcomed over an arbitrary phase-out. I strongly feel that industrial work at the yard is a needed part of an infrastructure that should not be contracted out and I expect a consensus of this opinion once the evaluation is completed.

Again, Mr. Speaker, I can't express just how pleased I am to have been a part of this winning struggle to save jobs in the Greater Baltimore area. It is at times like these that I feel Congress is at its best.

Mr. COUGHLIN. Mr. Speaker, I yield back the balance of my time.

Mr. LEHMAN of Florida. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FRENZEL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 392, nays 13, not voting 26, as follows:

[Roll No. 348]

YEAS—392

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonior
Borski
Bosco
Boxer
Brennan
Brooks
Brown (CA)
Brown (CO)
Bruce
Bryant
Bunning
Burton
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Cheney
Clarke
Clay
Clement
Clinger
Coats
Coble
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Costello
Coughlin
Courter
Coyne
Craig
Crockett
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeFazio
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Frank
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Gregg
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Konnyu
LaFalce
Lagomarsino
Lancaster
Lantos
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCrery
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Oxley
Packard
Panetta
Pashayan
Patterson
Payne
Pease
Pelosi
Penny
Perkins
Petri
Pickett
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sharp
Shaw
Shays
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wise
Wolf
Wolpe
Yates
Yatron
Young (AK)
Young (FL)

NAYS—13

Buechner
Crane
Dannemeyer
Dreier
Frenzel
Gekas
Jacobs
Kyl
Lungren
Sensenbrenner
Slaughter (VA)
Stump
Walker

NOT VOTING—26

Berman
Bonker
Boucher
Boulter
Broomfield
Callahan
Coelho
Dowdy
Espy
Ford (TN)
Guarini
Horton
Kemp
Kostmayer
Latta
Lukens, Donald
Mack
MacKay
McCandless
Owens (UT)
Parris
Pepper
Wilson
Wortley
Wyden
Wylie

□ 1337

Mr. DAVIS of Illinois changed his vote from "nay" to "yea."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER pro tempore (Mr. MOAKLEY). The Chair will at this time take a few unanimous-consent requests.

PERMISSION FOR COMMITTEE ON THE JUDICIARY TO FILE REPORTS ON PRIVATE BILLS

Mr. FRANK. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may have until midnight tonight, September 27, 1988, to file reports on private bills to be adopted today. The request has been cleared with the appropriate Members on the Republican side.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CONFERENCE REPORT ON H.R. 4794, DEPARTMENT OF TRANSPORTATION AND RELATED APPROPRIATIONS ACT, 1989

AMENDMENTS IN DISAGREEMENT

The SPEAKER pro tempore. The Clerk will designate the first amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 12: Page 2, line 23, after "Service;" insert "$630,000 for Regional Representatives;".

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House insist on its disagreement to the amendment of the Senate numbered 12.

Mr. LEHMAN of Florida (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. LEHMAN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 20: Page 4, line 17, strike out "$2,026,000,000" and insert "$1,896,116,000".

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida, moves that the House recede from its disagreement to the amendment of the Senate numbered 20 and concur therein with an amendment, as follows: In lieu of the sum proposed in said amendment, insert the following: "$2,100,616,000 is authorized to be appropriated, derived by transfer, or otherwise provided in "in kind" commodities and services for Coast Guard operating expenses in fiscal year 1989; of which $1,896,116,000 is hereby appropriated".

Mr. LEHMAN of Florida (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. LEHMAN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 21: Page 4, line 22, after "activities" insert "and not less than $147,000,000 shall be available for environmental protection activities".

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 21, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 22: Page 4, line 22, after "activities" insert ": *Provided further*, That, within available funds, the Coast Guard shall reopen and maintain the Coast Guard search and rescue stations located at Shark River, New Jersey; East Port, Maine; Block Island, Rhode Island; Ashtabula, Ohio; North Superior, Minnesota; Lake Tahoe, California; Kennewick, Washington; Kauai, Hawaii; and Mare Island, California and reactivate the Coquille and Rogue River Patrols in Oregon: *Provided further*, That within available funds, the Coast Guard shall maintain the Coast Guard search and rescue station located at Bayfield, Wisconsin on a year-round basis".

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 22 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: ": *Provided further*, That, of the funds provided in this Act for "Acquisition, Construction, and Improvements", $4,500,000 shall be transferred to this head to reopen and maintain the Coast Guard search and rescue stations located at Shark River, New Jersey; East Port, Maine; Block Island, Rhode Island; Ashtabula, Ohio; North Superior, Minnesota; Lake Tahoe, California; Kennewick, Washington; Kauai, Hawaii; and Mare Island, California; and reactivate the Coquille and Rogue River Patrols in Oregon: *Provided further*, That within available funds, the Coast Guard shall maintain the Coast Guard search and rescue station located at Bayfield, Wisconsin on a year-round basis".

Mr. LEHMAN of Florida (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. LEHMAN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 34: Page 11, line 23, after "facilities" insert "; *Provided further*, That of the funds available under this head, $1,000,000 shall be available for the Secretary of Transportation to enter into grant agreements with universities or colleges having an airway science curriculum recognized by the Federal Aviation Administration, to conduct demonstration projects in the development, advancement, or expansion of airway science curriculum programs, and such funds, which shall remain available until expended, shall be made available under such terms and conditions as the Secretary of Transportation may prescribe, to such universities or colleges for the purchase or lease of buildings and associated facilities, instructional materials, or equipment to be used in conjunction with airway science curriculum programs but in no event shall the total Federal share provided for any airway science construction project exceed 50 per centum of the total cost of such project: *Provided further*, That upon FAA determination that a new permanent auxiliary air traffic control tower at the Orlando International Airport is needed, and upon approval by FAA of the design and location of such tower, up to $5,800,000 shall be set aside from funds made available for Facilities and Equipment for construction of the tower".

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 34, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 38: Page 13, line 9, after "rescinded" insert ": *Provided further*, That no funds appropriated in this paragraph shall be available to the Massachusetts Port Authority subsequent to a determination by the Department of Transportation that the landing fee structure adopted by the Massachusetts Port Authority on March 16, 1988, for Logan International Airport, is not consistent with the Federal Aviation Act of 1958, 49 U.S.C. app. 1301 et seq. or the Airport and Airway Improvement Act of 1982, 49 U.S.C. app. 2201 et seq., or with national transportation policy, if such fee structure remains in effect after such determination: *Provided further*, That the Department of Transportation shall make such determination prior to December 5, 1988".

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 38 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following: *"Provided further*, That no grants-in-aid the commitments for which are subject to a limitation contained in this paragraph shall be made to the Massachusetts Port Authority subsequent to a determination by the Department of Transportation that the landing fee structure adopted by the Massachusetts Port Authority on March 16, 1988, for Logan International Airport, is inconsistent with the Federal Aviation Act of 1958, 49 U.S.C. app. 1301 et seq., or the Airport and Airway Improvement Act of 1982, as amended, 49 U.S.C. app. 2201 et seq., or with national transportation policy, if such fee structure remains in effect more than seven days after such determination is made: *Provided further*, That the Department of Transportation shall make a determination on the consistency of the landing fee structure prior to December 17, 1988".

Mr. COUGHLIN (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. LEHMAN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 48: Page 17, line 17, strike out "$25,000,000" and insert "$24,500,000".

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 48 and concur therein with an amendment, as follows: In lieu of the sum proposed in said amendment, insert "$27,000,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 50: Page 18, line 8, strike out all after "appropriated" down to and including "appropriation" in line 13 and insert "$841,000 for necessary expenses of certain access highway projects, as authorized by section 155, title 23, United States Code, to remain available until expended".

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 50 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "$1,291,000 for necessary expenses of certain access highway projects, as authorized by section 155, title 23, United States Code, to remain available until expended".

Mr. COUGHLIN (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. LEHMAN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 74: Page 25, after line 16, insert:

CORRIDOR H IMPROVEMENT PROJECT

For the purpose of carrying out a demonstration of methods of eliminating traffic congestion, and to promote economic benefits for the area affected by the construction of a bypass, on the Corridor H segment of the Appalachian Highway System, there is hereby appropriated $16,000,000, to remain available until expended: *Provided*, That all funds appropriated under this head shall be exempted from any limitation on obligations for Federal-aid highways and highway safety construction programs.

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 74, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of this amendment is as follows:

Senate amendment No. 75: Page 25, after line 16, insert:

ROAD EXTENSION DEMONSTRATION

For 80 percent of the expenses necessary to provide for the initial planning and design of an improved and widened roadway from Prairie City, Iowa, to Burlington, Iowa, for the purpose of demonstrating the economic benefits of an improved highway to a depressed area, $600,000 is appropriated, to remain available until expended.

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 75, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 76: Page 25, after line 16, insert:

BRIDGE RESTORATION

For necessary expenses to carry out an historic bridge rehabilitation demonstration project, for the purpose of demonstrating the economic and transportation benefits of restoring a previously closed historic bridge, $2,500,000, to remain available until expended, shall be available to the city of Chattanooga, Tennessee, for restoration of the Walnut Street Bridge.

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 76 and concur therein with an amendment, as follows: in lieu of the sum named in said amendment, insert "$2,000,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 77: Page 25, after line 16, insert:

RESERVATION ROAD

For the purpose of carrying out a demonstration of economic growth and development benefits on approximately twentynine miles of Federal-aid secondary road connecting Interstate 10 and State Route 84, there is hereby appropriated $5,000,000 for the acquisition of rights-of-way and other costs incurred in the reconstruction of that portion of the road on the Gila Indian Reservation and the Maricopa Ak Chin Indian Reservation: *Provided,* That no Federal assistance shall be made available to carry out the project until: (1) an agreement is reached with the Indian Communities for the purchase of the required rights-of-way on the two reservations, (2) the road is accepted on the state Highway System, (3) the rights-of-way needed for that portion of the road outside the reservation boundaries is donated by the developers, and (4) Maricopa County and Pinal County agree to participate financially in the reconstruction of the road: *Provided further,* That all funds appropriated under this section shall be exempted from any limitation on obligations for Federal-aid highways and highway safety construction programs.

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 77 and concur therein with an amendment, as follows: In lieu of the matter by said amendment, insert the following:

RESERVATION ROAD

For the purpose of carrying out a demonstration of economic growth and development benefits on approximately twenty-nine miles of Federal-aid secondary road connecting Interstate 10 and State Route 84, there is hereby appropriated $3,500,000 for the acquisition of rights-of-way construction, and other costs incurred in the reconstruction of that portion of the road on the Gila Indian Reservation and the Maricopa Ak Chin Indian Reservation: *Provided,* That no Federal assistance shall be made available to carry out the project until: (1) an agreement is reached with the Indian Communities for the purchase of the required rights-of-way on the two reservations, (2) the road is accepted on the state Highway System, (3) not less than seventy-five percent of the rights-of-way needed for that portion of the road outside the reservation boundaries is donated by the landowners, and (4) Maricopa County and Pinal County agree to participate financially in the reconstruction of the road.

Mr. COUGHLIN (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. LEHMAN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment is as follows:

Senate amendment No. 87. Page 28, line 2, after "made" insert ": *Provided,* That as part of the Washington Union Station transaction, the Secretary shall assume the first deed of trust on the property and, where the Union Station Redevelopment Corporation or any successor is obligated to make payments on such deed of trust on the Secretary's behalf, including payments on and after September 30, 1988, the Secretary is authorized to receive such payments directly from the Union Station Redevelopment Corporation, credit them to the appropriation charged for the first deed of trust, and make payments on the first deed of trust with those funds".

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 87 and concur therein with an amendment, as follows: In lieu of the matter proposed by the said amendment, insert the following: ": *Provided,* That, as part of the Washington Union Station transaction, the Secretary shall assume the first deed of trust on the property and, where the Union Station Redevelop Corporation or any successor is obligated to make payments on such deed of trust on the Secretary's behalf, including payments on and after September 30, 1988, the Secretary is authorized to receive such payments directly from the Union Station Redevelopment Corporation, credit them to the appropriation charged for the first deed of trust, and make payments on the first deed of trust with those funds: *Provided further,* That an additional amount of $10,000,000, of which $4,000,000 shall be derived from unobligated balances of "Grants to the National Railroad Passenger Corporation," is hereby made available only for the purpose of purchasing title to Washington Union Station as authorized by the Union Station Redevelopment Act of 1981".

Mr. COUGHLIN (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. LEHMAN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 97: Page 32, line 20, strike out "$32,100,000" and insert "$31,882,000 of which not to exceed $600,000 shall be available for the Office of the Administrator".

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 97, and concur therein.

The motion was agreed to.

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The SPEAKER pro tempore (Mr. MOAKLEY). The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment number 100: Page 33, line 16, after "amended" insert ": *Provided further,* That, notwithstanding any other provision of law, before apportionment of these funds, $27,000,000 shall be made available for the purposes of section 18 of the Urban Mass Transportation Act of 1964, as amended".

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 100 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: ": *Provided further,* That, notwithstanding any other provision of law, before apportionment of these funds, $18,000,000 shall be made available for the purposes of section 18 of the Urban Mass Transportation Act of 1964, as amended".

Mr. COUGHLIN (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. LEHMAN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment number 104: Page 34, line 12, strike out "$180,000,000" and insert "$123,500,000".

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 104 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert the following: "$200,000,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment number 121: Page 54, strike out all after line 20 over to and including line 5 on page 55.

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Motion offered by Mr. LEHMAN of Florida:

Mr. LEHMAN of Florida moves that the House insist on its disagreement to the amendment of the Senate numbered 121.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment number 122: Page 55, line 6, strike out "329" and insert "325".

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 122 and concur therein with an amendment, as follows: In lieu of the section number stricken and inserted by said amendment, insert the following:

329. This section shall expire on December 31, 1990

Mr. COUGHLIN (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Florida [Mr. LEHMAN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment number 126: Page 56, strike out lines 3 to 17.

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 126 and concur therein with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows:

SEC. 330. (a) UMTA CHARTER SERVICE RULE.—Notwithstanding any other provision of law or regulation, the Urban Mass Transportation Administration charter service rule (49 CFR Part 604—charter service) and any subsequent Federal regulations governing charter service shall not apply to the Long Beach Public Transportation Company.

(b) ALABAMA FEASIBILITY STUDY.—For expenses necessary to carry out the Alabama Feasibility Study as authorized by section 350 of the Department of Transportation and Related Agencies Appropriations Act, 1988, Public Law 100-202, as amended, $675,000, to remain available until expended: *Provided*, That section 350(b) of such Act is amended by adding the following new sentence: "Such study shall include environmental assessment, economic analysis, and engineering.": *Provided further*, That section 350(d) of such Act is amended by striking out "1 year" and inserting in lieu thereof "2 years".

(c) EXPRESSWAY SAFETY IMPROVEMENT DEMONSTRATION PROJECT.—For 80 percent of the expenses necessary to carry out preliminary engineering, environmental studies, and right-of-way acquisition to improve an interstate highway between Lake Success and Medford, New York, that demonstrates methods of enhancing safety and reducing motor vehicle congestion through widening, $2,600,000, to remain available until expended.

(d) MASS TRANSIT CAPITAL FUND (LIQUIDATION OF CONTRACT AUTHORIZATION) (HIGHWAY TRUST FUND).—Funds appropriated under this heading in the Department of Transportation and Related Agencies Appropriations Act, 1988, shall be available for payment of obligations incurred in carrying out section 317(b) of the Surface Transportation and Uniform Relocation Assistance Act of 1987.

Mr. COUGHLIN (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. LEHMAN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment number 127: Page 56, strike out lines 18 to 25.

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 127 and concur therein with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows:

SEC. 331. (a) Of the funds made available under "Discretionary Grants" for fiscal year 1989 the Secretary of Transportation shall, on or before January 1, 1989, transfer $7,000,000 from the Urban Mass Transportation Administration to the Federal Highway Administration to cover the cost of the federal share of the transit element of the Acosta Bridge replacement project in Jacksonville, Florida: *Provided*, That none of these funds shall be obligated until the Jacksonville Transportation Authority commits to the Secretary in writing that it will repay to the Urban Mass Transportation Administration the amount of Federal funds transferred by this section if the Automated Skyway Express project is not extended across the Acosta Bridge for reasons other than the availability of sufficient Federal discretionary grants: *Provided further*, That the Jacksonville Transportation Authority's obligation to repay these funds shall not require any compensatory adjustment to previous or future apportionments made available to Jacksonville under "Formula Grants".

(b) The Secretary of Transportation shall enter into negotiations with the Jacksonville Transportation Authority to revise the existing full funding contract to provide for the expeditious release of $1,800,000 made available from "Discretionary Grants" for the Automated Skyway Express project in fiscal year 1985 (House Report 98-1159) and $4,000,000 made available from "Discretionary Grants" for such project in fiscal year 1988 (House Report 100-498) with no compensatory adjustment to previous or future apportionments made available to Jacksonville under "Formula Grants": *Provided*, That the revised contract will provide for the completion of the 2.5 mile Automated Skyway Express project and will cover full project costs for completion of the project including Federal financial participation consisting of "Discretionary Grants" as made available by Congress: *Provided further*, That the Secretary shall commence negotiations with the Jacksonville Transportation Authority to enter into such revised contract no later than 30 days after enactment and shall conclude such negotiations no later than 90 days after enactment of this section.

Mr. COUGHLIN (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennslyvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. LEHMAN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment number 130: Page 58, after line 8, insert:

SEC. 326. (a) The Federal Aviation Administration shall satisfy the following air traffic controller work force staffing requirements by September 30, 1989:

(1) total air traffic controller work force level of not less than 16,800;

(2) total full performance level air traffic controllers of not less than 10,832; and

(3) at least 70 percent of the air traffic controller work force, at each center and level 3 and above terminal shall have achieved operational controller status.

(b) The Secretary may waive any requirement of this section by certifying that such requirement would adversely affect aviation safety: *Provided*, That such a waiver shall become effective 30 days after the Committee on Appropriations of the Senate and the House of Representatives are notified in writing of the Secretary's intention to waive and reasons for waiving such requirement.

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 130 and concur therein with an amendment, as follows: In lieu of the section number "326" insert "332".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment number 131: Page 58, after line 8, insert:

Sec. 327. Nothwithstanding any other provision of law, the Secretary of Transportation shall make payment of compensation under subsection 419 of the Federal Aviation Act of 1958, as amended, only to the extent and in the manner provided in Appropriations Acts, at times and in a manner determined by the Secretary to be appropriate, and claim for such compensation shall not arise except in accordance with this provision.

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Lehman of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 131 and concur therein with an amendment, as follows: In lieu of the section number "327" insert "333".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment number 132: Page 58, after line 8, insert:

Sec. 328. The authority conferred by section 513(d) of the Airport and Airway Improvement Act of 1982, as amended, to issue letters of intent shall remain in effect subsequent to September 30, 1992. Letters of intent may be issued under such subsection to applicants determined to be qualified under such Act.

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Lehman. of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 132 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

Sec. 334. The authority conferred by section 513(d) of the Airport and Airway Improvement Act of 1982, as amended, to issue letters of intent shall remain in effect subsequent to September 30, 1992. Letters of intent may be issued under such subsection to applicants determined to be qualified under such Act: *Provided*, That, notwithstanding any other provision of law, all such letters of intent in excess of $10,000,000 shall be submitted for approval to the Committees on Appropriations of the Senate and House of Representatives; the Committee on Commerce, Science, and Transportation of the Senate; and the Committee on Public Works and Transportation of the House of Representatives.

Mr. COUGHLIN (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. Lehman].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment number 133: Page 58, after line 8, insert:

Sec. 329. Section 347(d) of Public Law 100-202 is amended by striking out "(8)" each place it appears and inserting in lieu thereof "(9)" and by striking out "State of Georgia" and inserting in lieu thereof "States of Georgia and West Virginia."

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Lehman of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 133 and concur therein with an amendment, as follows: In lieu of the section number "329" insert "335".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment number 134: Page 58, after line 8, insert:

Sec. 330. Notwithstanding any other provision of law, the Rail Passenger Services Act (45 U.S.C. 501 et seq.) is amended by inserting immediately after section 581(c)(3) the following new subsection: "581(c)(4) commuter authorities shall be exempt from the payment of any taxes or other fees to the same extent as the Corporation is exempt: *Provided*, That the commuter authority could have contracted with Amtrak Commuter, is a direct operator of commuter service, and that the direct operation of such service was initiated on January 1, 1983; and, such exemption shall be effective as of January 1, 1983".

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion,

The Clerk read as follows:

Mr. Lehman of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 134 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

Sec. 336. Section 501(c) of the Rail Passenger Service Act (45 U.S.C. 581(c)) is amended by adding at the end thereof the following new paragraph: "(5) Notwithstanding any other provision of law, any commuter authority that could have contracted with Amtrak Commuter for the provision of commuter service but which elected to operate directly its own commuter service as of January 1, 1983, shall be exempt from the payment of any taxes or other fees to the same extent as the Corporation is exempt. Such exemption shall be effective as of October 1, 1981.".

Mr. COUGHLIN (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. Lehman].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment number 135: Page 58, after line 8, insert:

Sec. 331. Notwithstanding any other provision of law, when a commuter rail service has been suspended for safety reasons, and when a statewide or regional agency or instrumentality commits to restoring such service by the end of 1989, and when the improvements needed to restore such service are funded without Urban Mass Transportation Administration funding, the directional route miles of such service shall be included in the 1988 Section 15 Report as well as subsequent years. If such service is not restored by the end of 1989, the money received as a result of the inclusion of the directional route miles shall be returned to the disbursing agency, the Urban Mass Transportation Administration.

MOTION OFFERED BY MR. LEHMAN OF FLORDIA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Lehman of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 135 and concur therein with an amendment, as follows: In lieu of the section number "331" insert "337".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment number 136: Page 58, after line 8, insert:

Sec. 332. Notwithstanding any other provision of law, discretionary bridge funds allocated by the Secretary of Transportation for the Main Avenue Bridge in Cleveland, Ohio for fiscal year 1989 and each fiscal year thereafter shall not be included in any calculations made under section 157 of title 23, United States Code.

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Lehman of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 136 and concur therein with an amendment, as follows: In lieu of the section number "332" insert "338".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment number 137: Page 58, after line 8, insert:

Sec. 333. Notwithstanding any other provision of law, the Secretary of Transportation shall grant a request by respective local officials to redesignate funds authorized by section 149(a)(105) of Public Law 100-17 to carry out a project in the City of Las Vegas to construct interchanges at Craig Road and U.S. 95 and, Lake Mead Boulevard and U.S. 95, the Oran Gragson Expressway, and Cheyenne Avenue and U.S. 95; as well as grade separations at Vegas Drive and U.S. 95 and Smoke Ranch Road and U.S. 95.

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Lehman of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 137 and concur therein with an amendment, as follows: In lieu of the section number "333" insert "339".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment number 138: Page 58, after line 8, insert:

Sec. 334. For the purpose of carrying out emergency repairs to airports sustaining storm-related damage, $100,000, to be derived from the Airport and Airway Trust Fund and to remain available until expended, to be disbursed by the Secretary of Transportation pursuant to the Federal Grant and Cooperative Agreement Act of 1977: *Provided*, That in no event shall the total Federal share provided for such repairs exceed 50 percentum of the total cost of such repairs.

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Lehman of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 138 and concur therein with an amendment, as follows: In lieu of the section number "334" insert "340".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment number 139: Page 58, after line 8, insert:

Sec. 335. The Secretary of Transportation is authorized to transfer appropriated funds under "Office of the Secretary, Salaries and expenses": *Provided*, That no appropriation shall be increased or decreased by more than 4 per centum by all such transfers: *Provided further*, That any such transfer shall be submitted for approval to the House and Senate Committees on Appropriations.

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Lehman of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 139 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

Sec. 341. The Secretary of Transportation is authorized to transfer appropriated funds under "Office of the Secretary, Salaries and expenses": *Provided*, That no appropriation shall be increased or decreased by more than 2 per centum by all such transfers: *Provided further*, That any such transfer shall be submitted for approval to the House and Senate Committees on Appropriations.

Mr. COUGHLIN (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. Lehman].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment number 140: Page 58, after line 8, insert:

Sec. 336. Such sums as may be necessary for fiscal year 1989 pay raises for programs funded in this Act shall be absorbed within the levels appropriated in this Act.

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Lehman of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 140 and concur therein with an amendment, as follows: In lieu of the section number "336" insert "342".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment number 141: Page 58, after line 8, insert:

Sec. 337. Notwithstanding any other provision of law, the Secretary of the department in which the Coast Guard is operating is authorized to transfer without consideration all rights, title, and interest of the United States in six and one-half acres of land, as determined by survey to be paid for by transferees, and improvements thereon, which comprise what is known as Station Gloucester City to City of Gloucester City, New Jersey.

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Lehman of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 141 and concur therein with an amendment, as follows: In lieu of the section number "337" insert "343".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment number 143: Page 58, after line 8, insert:

Sec. 339. For the purpose of making grants under section 3 of the Urban Mass Transportation Act of 1964, as amended, the requirements of section 3(a)(2)(A)(ii) shall not apply to the Caltrain project specified in House Report 100-202, and the Urban Mass Transportation Administration shall release the amounts for that project.

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Lehman of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 143 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

Sec. 344. For the purpose of making grants under section 3 of the Urban Mass Transportation Act of 1964, as amended, the requirements of section 3(a)(2)(A)(ii) shall not apply to the Caltrain project specified in House Report 100-691, and the Urban Mass Transportation Administration shall release the amounts for that project.

Mr. COUGHLIN (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. Lehman.]

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment number 144: Page 58, after line 8, insert:

Sec. 340. There is hereby appropriated $8,000,000 for a grant by the Secretary of Transportation to the Soo Line Railroad Company to be available only for construction, rehabilitation, renewal, replacement, or other improvements to maintain railroad passenger service between La Crosse and Milwaukee, Wisconsin.

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Lehman of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 144 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

Sec. 345. (a) Wisconsin Rail Service.—There is hereby appropriated $6,000,000 for a grant by the Secretary of Transportation to the Soo Line Railroad Company to be available only for construction, rehabilitation, renewal, replacement, or other improvements to maintain railroad passenger service between La Crosse and Milwaukee, Wisconsin: *Provided,* That the Soo Line Railroad Company match on a dollar for dollar basis the monies hereby appropriated with funds not already planned to be committed relative to the 1989 construction season: *Provided further,* That the monies hereby appropriated shall be made available within 30 days of the presentation to the Secretary by the Soo Line Railroad Company of sufficient evidence of the availability of matching funds that are beyond those planned to be spent relative to the 1989 construction season: *Provided further,* That these Federal funds shall be made available on a monthly basis that is as close to conformance to a dollar for dollar matching arrangement as is possible.

(b) SAN JOAQUIN VALLEY RAIL SERVICE.—(1) Within 15 days of receiving adequate assurance that all necessary capital funding will be provided from a non-Amtrak source, the National Railroad Passenger Corporation shall submit an application to the Secretary of Transportation under the authority of section 402(g) of the Rail Passenger Service Act (45 U.S.C. 562) to order the operation of rail passenger service between Fresno and Stockton, California, over the rail lines of the Southern Pacific Railroad or its successors. Such application shall provide for rail service that is operated at the maximum legally permissible passenger train speeds in accordance with Federal Railroad Administration track safety standards based on the existing physical condition of the rail line.

(2) Notwithstanding any other provision of law, the Secretary of Transportation shall approve such application within 30 days of its receipt, and is authorized to amend the terms and conditions proposed in such application only for reasons of public safety.

(3) Notwithstanding any other provision of law, in the event the Interstate Commerce Commission receives an application to affix appropriate terms and conditions for the provision of this rail service under the authority of section 402(a) of the Rail Passenger Service Act, the Commission shall make a final determination on such application within 30 days of its receipt.

Mr. COUGHLIN (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. LEHMAN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment number 145: Page 58, after line 8, insert:

SEC. 341. Sections 1601 (a)(8) and (b)(3) of the Federal Aviation Act of 1958 (49 App. U.S.C. 1551 (a)(8) and (b)(3)) and section 4(c) of the Civil Aeronautics Board Sunset Act of 1984 (Public Law 98-443), are each amended by striking out "January 1, 1989" wherever it appears and inserting in lieu thereof "January 1, 1999."

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 145 and concur therein with an amendment, as follows: In lieu of the section number "341" insert "346".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment number 146: Page 58, after line 8, insert:

CONSULTING SERVICES

SEC. 342. (a)(1) Notwithstanding any other provision of this Act, no department, agency, or instrumentality of the United States Government receiving appropriated funds under this Act of fiscal year 1989, shall, during fiscal year 1989, obligate and expend funds for consulting services involving management and professional services; special studies and analyses; technical assistance; and management review of program funded organizations; in excess of an amount equal to 85 percent if the amount obligated and expended by such department, agency, or instrumentality for such services during fiscal year 1987.

(2) Notwithstanding any other provision of this Act, no department, agency, or instrumentality of the United States Government receiving appropriated funds under this Act for fiscal year 1989, shall, during fiscal year 1989, obligate and expend funds for consulting services involving management and support services for research and development activities; engineering development and operational systems development; technical representatives; training; quality control, testing, and inspection services; specialized medical services; and public relations; in excess of an amount equal to 95 percent of the amount obligated and expended by such department agency, or instrumentality for such services during fiscal year 1987.

(b) The Director of the Office of Management and Budget shall take such action as may be necessary, through budget instruction or otherwise, to direct each department, agency, and instrumentality of the United States to comply with the provisions of section 1114 of title 31, United States Code.

(c) Notwithstanding any other provision of this Act, the aggregate amount of funds appropriated by this Act to any such department, agency, or instrumentality for fiscal year 1989 is reduced by an amount equal to—

(1) 15 percent of the amount expended by such department, agency, or instrumentality during fiscal year 1987 for purposes described under subsection (a)(1); and

(2) 5 percent of the amount expended by such department, agency, or instrumentality during fiscal year 1987 for purposes described under subsection (a)(2).

(d) As used in this section, the term "consulting services" includes any service within the definition of "Advisory and Assistance Services" in Office of Management and Budget Circular A-120, dated Janaury 4, 1988.

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 146 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

SEC. 347. (a) Notwithstanding any other provision of this Act, no department, agency, or instrumentality of the United States Government receiving appropriated funds under this Act for fiscal year 1989, shall, during fiscal year 1989, obligate and expend funds for non safety-related consulting services involving management and professional services; special studies and analyses; technical assistance; and management review of program funded organizations; in excess of an amount equal to 85 percent of the amount obligated and expended by such department, agency, or instrumentality for such services during fiscal year 1987.

(b) The Director of the Office of Management and Budget shall take such action as may be necessary, through budget instructions or otherwise, to direct each department, agency, and instrumentality of the United States Government receiving funds under this Act to comply with the provisions of section 1114 of title 31, United States Code.

(c) Notwithstanding any other provision of this Act, the aggregate amount of funds appropriated by this Act to any such department, agency, or instrumentality for fiscal year 1989 is reduced by an amount equal to 15 percent of the amount expended by such department, agency, or instrumentality during fiscal year 1987 for purposes described under subsection (a).

(d) As used in this section, the term "consulting services" includes any service within the definition of "Advisory and Assistance Services" in Office of Management and Budget Circular A-120, dated January 4, 1988.

Mr. COUGHLIN (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. LEHMAN.]

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 147: Page 58, after line 8, insert:

SEC. 343. Section 139 of the Highway Improvement Act of 1982 (23 U.S.C. 101, note) is amended by adding at the end thereof the following new subsection:

"(c) Notwithstanding any other provision of this section or of any other provision of law, any project involving the relocation of any Interstate route or segment that is approved by the Secretary of Transportation under subsection (a) shall be eligible for discretionary funds made available under section 118(b)(2)(B) of title 23, United States Code.".

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Lehman of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 147 and concur therein with an amendment, as follows: In lieu of the section number "343" insert "348".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 148: Page 58, after line 8, insert:

Sec. 344. Not later than 90 days after the date of enactment of this Act, the Administrator of the Federal Aviation Administration shall institute a rulemaking proceeding to consider the need for changes to the existing regulation concerning the allocation and transfer of "slots" held by air carriers and commuter operators at each of the four airports covered by the final rule regarding Slot Allocation and Transfer Methods at High Density Traffic Airports, published in the Federal Register on December 20, 1985. Included among the issues that shall be considered in this proceeding are (1) the overall effect of the existing buy-sell regulation upon new entry or limited incumbents at these four airports, (2) the effects of the recently-approved mergers and acquisitions upon the operation of the buy/sell program at these airports, (3) the competitive and fare implications of the utilization of slots for providing services to and from hub airports and on monopoly routes, (4) the effect of short-term leases of slots upon the ability of new entrants or limited incumbents to purchase slots at these airports, (5) the effect of the use of air carrier slots by commuter operators upon entry by air carriers at these airports, and (6) the variation in prices paid for slots since adoption of the buy/sell program. The Administrator shall take final action in this proceeding, including the promulgation of any resulting final regulations, not later than 270 days after the date of enactment of this Act.

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Lehman of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 148 and concur therein with an amendment, as follows: In lieu of the section number "344" insert "349".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 149: Page 58, after line 8, insert:

Sec. 345. Notwithstanding any other provision of this Act, no funds appropriated to the Department of Transportation or the United States Coast Guard by this Act shall be used to carry out the closing of any search and rescue operation of the United States Coast Guard until after the expiration of the 90-day period following the date on which the Comptroller General of the United States reports to the Congress the results of his evaluation of the criteria used by the United States Coast Guard in determining whether or not to close out or curtail such operations, and his recommendations with respect thereto.

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Lehman of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 149 and concur therein with an amendment, as follows: In lieu of the section number "345" insert "350".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 150: Page 58, after line 8, insert:

Sec. 346. Section 154 of title 23, United States Code is amended by adding a new subsection (i):

"(i) Notwithstanding any other provision of law, none of the funds appropriated in this, or any other Act, shall be available for obligation by the Secretary of Transportation, unless the Secretary implements a program not to reduce apportionments under section 154, title 23, United States Code for noncompliance with subsection (f) of such section during fiscal years 1987 and 1988, and until September 30, 1989.".

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Lehman of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 150 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

Sec. 351. Notwithstanding sections 141(a) and 154 of title 23, United States Code, none of the funds in this or any previous or subsequent Act shall be used for the purpose of reducing or reserving any portion of a State's apportionment of Federal-aid highway funds as required by section 154(f) of title 23, United States Code, for reason of non-compliance with the criteria of that subsection during fiscal years 1986, 1987, and 1988. The Secretary shall promptly restore any apportionment which, prior to enactment of this Act, were reduced or reserved from obligation for reason of noncompliance under section 154(f) during said fiscal years.

Mr. COUGHLIN [during the reading]. Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. Lehman].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 151: Page 58, after line 8, insert:

Sec. 347. Section 149(k)(1) of the Federal-Aid Highway Act of 1987 is amended by adding paragraph (U) as follows:

"(U) Eastport to Homedale, Idaho.—The Secretary is authorized to carry out work on the United States Route 95 highway in the State of Idaho from Eastport, Idaho, to Homedale, Idaho.".

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Lehman of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 151 and concur therein with an amendment, as follows: In lieu of the section number "347" insert "352".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 152: Page 58, after line 8, insert:

Sec. 348. Paragraph (1) of section 149(k) of the Federal-Aid Highway Act of 1987 is amended by adding at the end thereof the following new subparagraph:

"(V) United States Route 23 and the Charlotte Outer Loop in North Carolina.—The Secretary is authorized to carry out highway projects in the State of North Carolina—

"(i) from the interchange of Interstate Routes 26, 40, and 240 in Asheville, North Carolina to the border of the State of Tennessee, and

"(ii) from Interstate Route 77S east to Interstate Route 85N of the Charlotte Outer Loop.".

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Lehman of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 152 and concur therein with an amendment, as follows: In lieu of the section number "348" insert "353".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 153: Page 58, after line 8, insert:

Sec. 349. From funds appropriated to the Department of Transportation by this Act, the Secretary of Transportation is authorized, notwithstanding any other provision of this Act, to make available, not to exceed $500,000, to assist local interests in developing planning studies for the relocation of railroad tracks on college compuses to eliminate hazardous, unsafe, and adverse environmental conditions.

MOTION OFFERED BY MR. LEHMAN OF FLORIDA

Mr. LEHMAN of Florida. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. LEHMAN of Florida moves that the House recede from its disagreement to the amendment of the Senate numbered 153 and concur therein with an amendment, as follows: In lieu of the section number "349" insert "354".

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

REQUEST TO MAKE IN ORDER TOMORROW, OR ON ANY DAY THEREAFTER, CONSIDERATION OF CONFERENCE REPORT AND AMENDMENTS IN DISAGREEMENT ON SUNDRY APPROPRIATION BILLS

Mr. FOLEY. Mr. Speaker, notwithstanding the provisions of clause 2 of rule 28, I ask unanimous consent that it shall be in order at any time tomorrow, or any day thereafter, to consider the conference report and amendments in disagreement on the bills:

H.R. 4781, Department of Defense appropriations;

H.R. 4784, Rural Development and Agriculture appropriations;

H.R. 4776, District of Columbia appropriations;

H.R. 4587, legislative branch appropriations; and

That the conference reports and the amendments reported in disagreement be considered as having been read when called up for consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Washington?

Mr. WALKER. Mr. Speaker, reserving the right to object, do I understand that the action is aimed at bringing up appropriation conference reports by unanimous consent?

Mr. FOLEY. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Washington.

Mr. FOLEY. Mr. Speaker, the request is to bring up appropriation bills not by unanimous consent, but for consideration by the House.

Mr. WALKER. The gentleman from Washington is asking unanimous consent that they be brought up without going through the rules process?

Mr. FOLEY. To waive the 3-day rule.

Mr. WALKER. Further reserving the right to object, I think it is extremely important that this House focus on the matter of acid rain before we leave here. As I said yesterday, it seems to me we ought to proceed under the regular business with all legislation and not allow unanimous-consent requests if we are not going to get to the acid rain bill.

Since these bills can be brought up with a rule, and that would be the more appropriate way to go rather than doing this by unanimous consent, I object.

The SPEAKER pro tempore. Objection is heard.

CONFERENCE REPORT ON H.R. 4782, DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 1989

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 545 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 545

Resolved, That upon the adoption of this resolution it shall be in order to consider at any time the conference report on the bill (H.R. 4782) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary and Related Agencies for the fiscal year ending September 30, 1989, and for other purposes, and all points of order against consideration of the conference report for failure to comply with the provisions of clause 2 of rule XXVIII are hereby waived. The conference report and amendments in disagreement shall be considered as having been read when called up for consideration.

□ 1400

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Tennessee [Mr. QUILLEN] and pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 545 simply waives clause 2 of rule XXVIII, which requires a 3-day layover of conference reports prior to consideration, in order to allow consideration today of the conference report H.R. 4782, the Commerce, Justice, and State, the Judiciary and Related Agencies Appropriation Act for fiscal year 1989.

Because this conference report was not filed until this past Sunday night, a point of order could be made against its consideration today. However, in light of the tremendous effort that is being made to enact individual appropriation bills prior to the start of the fiscal year this coming Saturday, it would make no sense to delay consideration of this conference report.

The Appropriations Committee, with the full support of the leadership, has worked diligently to avoid a continuing resolution for fiscal year 1989. Everyone who truly shares the goal of enacting individual appropriation bills on time should support this resolution.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, our fiscal year ends Friday night. It is important that we get the appropriation bills passed and sent to the President because he has said that he would veto any continuing resolution. Therefore, we should get down to business today, and pass this rule and the appropriation bill after it is fully debated. If there is any question about the Legal Services provision, iron it out, but get it to the President without delay.

Mr. Speaker, I urge adoption of the rule.

Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I would like to urge support for this rule. This rule is aimed at waiving the 3-day rule for the appropriations conference report. I do not have a particular problem with that, but I think the House should understand why I think we ought to proceed along the regular basis rather than doing things by unanimous consent.

It appears likely as we move into the last few days of the Congress that we are going to get a whole series of bills brought to the floor, whether they be appropriation bills or other bills of other matters, under unanimous-consent requests. I think it is extremely important for this Congress to act on the subject of acid rain. The reason why I say that is that 6 months ago this House made a very clear decision that we wanted to deal with the clean air issue before this Congress ended. And I think we said clearly at that time that this was an intention of the House. And what we find now is that we are coming up to the end of the session, there is nothing scheduled on this subject and we may do nothing on the subject.

I think that it would be a tragedy for us to go home without doing so.

So the one way that we have of maybe assuring that there is a little bit of attention paid to this issue is to say that we are not going to allow bills of lesser stature to come to the floor by unanimous consent and instead deal with the acid rain issue face up, and then take up other bills that may come before us.

With regard to the appropriation bills, it is obvious that the leadership will go get a rule and bring it out. That is what they have done in this case. I think that is what they will do in other cases as well, so we continue to move the process forward.

But there is a whole series of bills around here that I doubt are as important to this Nation and to the American people as dealing with the acid rain issue.

So therefore it seems to me that we ought to be very, very judicious in what we allow to happen under the processes here.

So it is may intention to continue the pattern here of trying to deal with the schedule in a way that might ultimately get us some action on the acid rain.

Mr. OXLEY. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I would be very glad to yield to the gentleman from Ohio [Mr. OXLEY].

Mr. OXLEY. I thank the gentleman for yielding.

I would ask that the gentleman reconsider. I just simply ask the gentleman to reconsider as we get closer to adjournment, the legislative process is working, indeed, on the issue that the gentleman has a great deal of concern about. I suspect there are probably 435 of us who have separate issues of great importance to them. I think in terms of comity and trying to get this House's work completed, that the gentleman would be judicious in the use of that objection.

Mr. WALKER. I understand the gentleman's point.

Mr. Speaker, I would say to the gentleman that what we have is we have a comity that operates around here which says that we pass a whole bunch of legislation that we have not looked at very carefully, and we do it by unanimous consent at the end of the session.

All I am saying to the gentleman is I do not think that is an appropriate process to use if in fact what we are attempting to do is to deal with a few major matters that are before the Nation. I happen to think that a major matter before the Nation is acid rain. Other people may have other opinions.

They may want to adopt a similar tactic. But the fact is there is a lot of legislation that does not have to be passed that goes through here by unanimous consent at the end of the session. I think we ought to begin to focus on some of the legislation that needs to be passed like acid rain.

Mr. QUILLEN. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. OXLEY].

Mr. OXLEY. I thank the gentleman for yielding.

Mr. Speaker, I would simply point out to my friend from Pennsylvania [Mr. WALKER] I could be in the same position of objecting to everything if in fact an acid rain bill were to be brought to the floor. I do not think that is the way we ought to do business around here. I think it is unfair to both sides of the aisle. It is certainly unfair to our committee of jurisdiction, Energy and Commerce, which has dealt long and hard with the very contentious issue of clean air and acid rain. I just think that we ought to carefully consider what we do around here for the next couple of weeks. Otherwise, we are going to be tied up here for a long, long time and obviously Members will be wanting to get back to their home districts.

Mr. QUILLEN. I yield myself such time as I may consume.

Mr. Speaker, I know the gentleman from Pennsylvania is very sincere. On the other hand, I do not want this House to be in a box and, come the end of Friday of this week, be caught without having passed the appropriation bills.

Neither do I want it understood that he might be responsible for not letting the appropriation bills go forward. I know he does not want that, but I do not want the impression left that that might be his objective.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. QUILLEN. I would be glad to yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

Mr. Speaker, if the gentleman had listened, I did stand up in favor of this rule for exactly that reason, I do want it to go forth. I think that is the right way to do. I just do not think we ought to bring up major appropriation bills by unanimous consent. If they come to your rules committee and get an appropriate rule, I am willing to support that rule as I have just done here. But I just do not think we ought to be doing these things by unanimous consent.

Mr. QUILLEN. I thank the gentleman and I think that that corrects any mistaken impression that might be left.

Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

Mr. DERRICK. Mr. Speaker, I wish to congratulate the gentleman from Pennsylvania [Mr. WALKER] on his support of this rule, and I thank him.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. MURTHA). The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. SMITH of Iowa. Mr. Speaker, pursuant to House Resolution 545 just agreed to, I call up the conference report on the bill (H.R. 4782) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary and related agencies for the fiscal year ending September 30, 1989, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Pursuant to House Resolution 545, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of September 5, 1988.)

The SPEAKER pro tempore. The gentleman from Iowa [Mr. SMITH] will be recognized for 30 minutes and the gentleman from Kentucky [Mr. ROGERS] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Iowa [Mr. SMITH].

GENERAL LEAVE

Mr. SMITH of Iowa. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report under consideration, and that I may include tabular and extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. SMITH of Iowa. Mr. Speaker, we bring to you a conference report which is, and I believe I speak for all the members of the committee, not very satisfactory in many instances because there is not enough room available under the summit agreement and the budget resolution to permit us to properly fund most of the agencies in the bill.

We have done the best we can within the limits that are set on our ceilings established under the budget resolution. We have many independent agencies that will be held to a freeze level, which means they will not be able to fill vacancies and may even not be able to operate within the funds available without a reduction in force [RIF]. That is not a very satisfactory situation.

We assume that in those cases it may be possible for the next administration, whoever that may be, to send up a reprogramming, a transfer, or even a supplemental to take care of these emergency situations.

I also want to point out to the Members of the House that this bill does not include the money that is necessary to increase the war on drugs. We assume, as the Senate assumed, that there will be a follow-on bill that will provide for the increases necessary to some 33 agencies now fighting the war on drugs.

I heard it said here on the House floor several times last week that the omnibus drug bill provided millions of dollars for the war on drugs. The fact of the matter is it did not provide any money. What it did provide was the program authorizations that money could be spent for if it were available. But the money is not available; it has to be appropriated. There are already dozens of ways that more money could be spent on the war on drugs if it were available, but it is not available in this bill. The some 33 agencies that are involved in the war on drugs could use additional resources, and we would provide them if we had the funds. We are assuming that those additional funds will come in another bill, hopefully within a week or so, so that there can be an increase in the effort that is being made in this very important area. I think the conference report is, generally speaking, self-explanatory and Members have a copy of the printed report before them setting forth all the details.

At this point, I would like to insert into the RECORD a table which shows the fiscal year 1988 enacted amounts, the fiscal year 1989 requests, the amounts in the House passed bill, the amounts in the Senate-passed bill, the conference agreement and the conference agreement compared with the fiscal year 1988 enacted amounts.

	FY 1988 Enacted	FY 1989 Estimate	House	Senate	Conference	Conference compared with enacted
TITLE I - DEPARTMENT OF COMMERCE						
General Administration						
Salaries and expenses	39,204,000	41,303,000	39,204,000	41,000,000	40,404,000	+1,200,000
Rescission	-1,541,000					+1,541,000
Total, General Administration	37,663,000	41,303,000	39,204,000	41,000,000	40,404,000	+2,741,000
Bureau of the Census						
Salaries and expenses	94,835,000	103,970,000	94,835,000	96,995,000	96,035,000	+1,200,000
Periodic censuses and programs	346,444,000	567,211,000	527,304,000	535,399,000	517,304,000	+170,860,000
Total, Bureau of the Census	441,279,000	671,181,000	622,139,000	632,394,000	613,339,000	+172,060,000
Economic and Statistical Analysis						
Salaries and expenses	32,079,000	32,539,000	29,667,000	33,000,000	32,899,000	+820,000
Economic Development Administration						
Economic development assistance programs	182,028,000			183,500,000	182,028,000	
(Limitation on loan guarantees)	(150,000,000)			(150,000,000)	(150,000,000)	
Salaries and expenses	24,742,000	40,000,000		24,989,000	24,742,000	
Total, Economic Development Administration (net)	206,770,000	40,000,000		208,489,000	206,770,000	
International Trade Administration						
Operations and administration	161,432,000	169,337,000	161,432,000	178,917,000	167,502,000	+6,070,000
Export Administration						
Operations and administration	37,465,000	39,313,000	37,465,000	40,481,000	40,106,000	+2,641,000
Minority Business Development Agency						
Minority business development	39,705,000			40,102,000	39,705,000	
United States Travel and Tourism Administration						
Salaries and expenses	11,724,000	11,000,000		13,800,000	13,800,000	+2,076,000
National Oceanic and Atmospheric Administration						
Operations, research, and facilities	1,110,015,000	1,064,371,000	1,181,858,000	1,265,854,000	1,211,652,000	+101,637,000
Aviation weather services program (Airport and Airways Trust Fund)	28,291,000	30,000,000		30,000,000	28,717,000	+426,000
(By transfer from Promote and Develop Fund)	(44,397,000)	(56,300,000)		(45,600,000)	(45,600,000)	(+1,203,000)
(By transfer from Coastal Energy Impact Fund)	(15,248,000)	(6,500,000)		(6,500,000)	(6,500,000)	(-8,748,000)
Fishing vessel and gear damage fund		500,000				
Fishermen's contingency fund	719,000	750,000	719,000	726,000	719,000	
Foreign fishing observer fund	1,919,000	2,000,000	1,919,000	1,938,000	1,919,000	
Total, National Oceanic and Atmospheric Administration	1,140,944,000	1,097,621,000	1,184,496,000	1,298,518,000	1,243,007,000	+102,063,000
Patent and Trademark Office						
Salaries and expenses	120,000,000	122,504,000		110,529,000	109,000,000	-11,000,000
National Institute of Standards and Technology						
Scientific and technical research and services	144,783,000	158,039,000		151,231,000	159,000,000	+14,217,000
National Telecommunications and Information Administration						
Salaries and expenses	13,814,000	13,630,000		13,630,000	13,630,000	-184,000
Public telecommunications facilities, planning and construction	21,290,000			21,590,000	20,000,000	-1,290,000
Total, National Telecommunications and Information Administration	35,104,000	13,630,000		35,220,000	33,630,000	-1,474,000
Total, title I, Department of Commerce:						
New budget (obligational) authority (net)	2,408,948,000	2,396,467,000	2,074,403,000	2,783,681,000	2,699,162,000	+290,214,000
Appropriations	(2,410,489,000)	(2,396,467,000)	(2,074,403,000)	(2,783,681,000)	(2,699,162,000)	(+288,673,000)
Rescission	(-1,541,000)					(+1,541,000)
(By transfer)	(59,645,000)	(62,800,000)		(52,100,000)	(52,100,000)	(-7,545,000)
(Limitation on loan guarantees)	(150,000,000)			(150,000,000)	(150,000,000)	
TITLE II - DEPARTMENT OF JUSTICE						
General Administration						
Salaries and expenses	88,360,000	100,802,000		89,244,000	88,360,000	
United States Parole Commission						
Salaries and expenses	11,665,000	10,893,000		10,893,000	10,893,000	-772,000
Legal Activities						
Salaries and expenses, general legal activities	237,209,000	270,186,000		240,591,000	242,994,000	+5,785,000
Salaries and expenses, Antitrust Division	44,937,000	47,021,000		45,386,000	44,937,000	
Salaries and expenses, United States Attorneys	380,339,000	424,418,000		391,212,000	391,212,000	+10,873,000
United States Trustees System Fund	29,370,000					-29,370,000
Fees available	18,000,000	59,493,000		47,784,000	47,370,000	+29,370,000
Total, United States Trustee System Fund	47,370,000	59,493,000		47,784,000	47,370,000	

	FY 1988 Enacted	FY 1989 Estimate	House	Senate	Conference	Conference compared with enacted
Salaries and expenses, Foreign Claims Settlement Commission	500,000	472,000		472,000	472,000	-28,000
Salaries and expenses, United States Marshals Service	183,168,000	207,582,000		185,000,000	190,000,000	+6,832,000
(By transfer)	(3,500,000)					(-3,500,000)
Support of United States prisoners	88,746,000	118,265,000		87,649,000	93,700,000	+4,954,000
(By transfer)	(8,300,000)					(-8,300,000)
Fees and expenses of witnesses	53,015,000	51,569,000		51,569,000	52,203,000	-812,000
Salaries and expenses, Community Relations Service	33,858,000	28,815,000		28,137,000	27,858,000	-6,000,000
Assets forfeiture fund, indefinite	86,500,000	200,000,000	200,000,000	147,056,000	75,000,000	-11,500,000
Total, legal activities	1,155,642,000	1,407,821,000	200,000,000	1,224,856,000	1,165,746,000	+10,104,000
Federal Bureau of Investigation						
Salaries and expenses	1,388,492,000	1,503,307,000		1,409,877,000	1,409,000,000	+20,508,000
INF Activities		15,100,000		15,100,000	15,100,000	+15,100,000
Total, Federal Bureau of Investigation	1,388,492,000	1,518,407,000		1,424,977,000	1,424,100,000	+35,608,000
Drug Enforcement Administration						
Salaries and expenses	494,076,000	538,072,000		503,219,000	505,000,000	+10,924,000
Immigration and Naturalization Service						
Salaries and expenses	741,114,000	859,276,000		804,323,000	800,000,000	+58,886,000
Federal Prison System						
Salaries and expenses	762,423,000	970,195,000		963,012,000	953,012,000	+190,589,000
National Institute of Corrections	9,590,000	9,821,000		9,686,000	9,590,000	
Buildings and facilities	201,676,000	525,213,000		203,693,000	203,693,000	+2,017,000
Federal Prison Industries, Incorporated: (Limitation on borrowing authority)					(20,000,000)	(+20,000,000)
Federal Prison Industries, Incorporated: (Limitation on administrative and vocational training expenses)	(9,918,000)	(10,051,000)		(10,051,000)	(7,051,000)	(-2,867,000)
Total, Federal prison system	973,689,000	1,505,229,000		1,176,391,000	1,166,295,000	+192,606,000
Office of Justice Programs						
Justice Assistance	229,075,000	78,017,000	75,000,000	229,075,000	229,075,000	
Total, title II, Department of Justice:						
New budget (obligational) authority	5,082,113,000	6,018,517,000	275,000,000	5,462,978,000	5,389,469,000	+307,356,000
(Limitation of borrowing authority)					(20,000,000)	(+20,000,000)
(Limitation on expenses)	(9,918,000)	(10,051,000)		(10,051,000)	(7,051,000)	(-2,867,000)
TITLE III - DEPARTMENT OF STATE						
Administration of Foreign Affairs						
Salaries and expenses	1,694,000,000	1,799,250,000	1,793,750,000	1,792,250,000	1,784,250,000	+90,250,000
Representation allowances	4,500,000	4,590,000	4,590,000	4,590,000	4,590,000	+90,000
Protection of foreign missions and officials	9,000,000	9,100,000	9,100,000	9,100,000	9,100,000	+100,000
Acquisition and maintenance of buildings abroad	313,100,000	240,021,000	240,021,000	240,021,000	240,021,000	-73,079,000
Emergencies in the diplomatic and consular service	4,000,000	4,500,000	4,500,000	4,500,000	4,500,000	+500,000
Payment to the American Institute in Taiwan	11,000,000	10,890,000	10,890,000	10,890,000	10,890,000	-110,000
Payment to the Foreign Service Retirement and Disability Fund	86,000,000	107,684,000	107,684,000	107,684,000	107,684,000	+21,684,000
Total, administration of foreign affairs	2,121,600,000	2,176,035,000	2,170,535,000	2,169,035,000	2,161,035,000	+39,435,000
International Organizations and Conferences						
Contributions to international organizations	480,000,000	489,906,000	485,940,000	489,906,000	485,940,000	+5,940,000
Contributions for international peacekeeping activities	29,400,000	29,000,000	29,000,000	29,000,000	29,000,000	-400,000
International conferences and contingencies	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	
Total, international organizations and conferences	515,400,000	524,906,000	520,940,000	524,906,000	520,940,000	+5,540,000
International Commissions						
International Boundary and Water Commission, United States and Mexico:						
Salaries and expenses	10,261,000	10,466,000	10,261,000	10,364,000	10,261,000	
Construction	3,166,000	5,800,000	3,166,000	3,198,000	3,166,000	
American sections, international commissions	4,316,000	4,400,000	4,316,000	4,359,000	4,316,000	
International fisheries commissions	10,548,000	10,760,000	10,548,000	10,653,000	10,548,000	
Total, international commissions	28,291,000	31,426,000	28,291,000	28,574,000	28,291,000	
Other						
United States Bilateral Science and Technology Agreements	1,900,000	2,000,000	1,900,000	2,000,000	2,000,000	+100,000
Payment to the Asia Foundation	13,700,000	8,000,000	13,700,000	15,000,000	13,700,000	
Soviet-East European research and training	4,600,000	5,000,000	4,600,000	5,000,000	4,600,000	
Fishermen's guaranty fund	1,725,000	1,800,000		1,742,000	1,725,000	
Fishermen's protective fund	959,000					-959,000
General Provisions						
Expenses of participation in U.S. - E.C. Interparliamentary Group				50,000	50,000	+50,000
Total, title III, Department of State: New budget (obligational) authority	2,688,175,000	2,749,167,000	2,739,966,000	2,746,307,000	2,732,341,000	+44,166,000

	FY 1988 Enacted	FY 1989 Estimate	House	Senate	Conference	Conference compared with enacted
TITLE IV - THE JUDICIARY						
Supreme Court of the United States						
Salaries and expenses:						
Salaries of justices	1,052,000	1,055,000	1,055,000	1,116,000	1,116,000	+64,000
Other salaries and expenses	14,195,000	15,393,000	14,785,000	14,337,000	14,785,000	+590,000
Total, salaries and expenses	15,247,000	16,448,000	15,840,000	15,453,000	15,901,000	+654,000
Care of the building and grounds	2,110,000	2,384,000	2,200,000	2,131,000	2,131,000	+21,000
Total, Supreme Court of the United States	17,357,000	18,832,000	18,040,000	17,584,000	18,032,000	+675,000
United States Court of Appeals for the Federal Circuit						
Salaries and expenses:						
Salaries of judges	1,213,000	1,214,000	1,214,000	1,287,000	1,287,000	+74,000
Other salaries and expenses	6,217,000	7,486,000	7,013,000	6,279,000	7,013,000	+796,000
Total, salaries and expenses	7,430,000	8,700,000	8,227,000	7,566,000	8,300,000	+870,000
United States Court of International Trade						
Salaries and expenses:						
Salaries of judges	857,000	858,000	858,000	909,000	909,000	+52,000
Other salaries and expenses	6,911,000	7,306,000	7,301,000	6,980,000	7,091,000	+180,000
Total, salaries and expenses	7,768,000	8,164,000	8,159,000	7,889,000	8,000,000	+232,000
Courts of Appeals, District Courts, and Other Judicial Services						
Salaries and expenses:						
Salaries of judges	97,858,000	99,736,000	99,736,000	105,235,000	105,235,000	+7,377,000
Other salaries and expenses	983,589,000	1,285,777,000	1,078,600,000	1,001,533,000	1,029,765,000	+46,176,000
Total, salaries and expenses	1,081,447,000	1,385,513,000	1,178,336,000	1,106,768,000	1,135,000,000	+53,553,000
Defender services	85,100,000	137,815,000	109,900,000	86,478,000	95,100,000	+10,000,000
Fees of jurors and commissioners	43,135,000	46,500,000	44,193,000	43,600,000	43,135,000	
Court security	40,853,000	56,980,000		41,423,000	41,423,000	+570,000
Total, courts of appeals, district courts, and other judicial services	1,250,535,000	1,626,808,000	1,332,429,000	1,278,269,000	1,314,658,000	+64,123,000
Administrative Office of the United States Courts						
Salaries and expenses	31,167,000	41,970,000	34,228,000	33,087,000	33,600,000	+2,433,000
Federal Judicial Center						
Salaries and expenses	10,548,000	12,109,000	11,581,000	10,669,000	11,200,000	+652,000
United States Sentencing Commission						
Salaries and expenses	5,129,000	5,350,000	5,129,000	5,183,000	5,183,000	+54,000
Total, title IV, the Judiciary: New budget (obligational) authority	1,329,934,000	1,721,933,000	1,417,793,000	1,360,247,000	1,398,973,000	+69,039,000
TITLE V - RELATED AGENCIES						
DEPARTMENT OF TRANSPORTATION						
Maritime Administration						
Ready reserve force [1]	126,689,000	110,751,000		110,751,000	110,751,000	-15,938,000
Operating-differential subsidies (portion applied liquidation of contract authority)	(250,300,000)	(248,900,000)		(248,900,000)	(248,900,000)	(-1,400,000)
(Balance withdrawn)	(-37,000,000)					(+37,000,000)
Total, Operating-differential subsidies	(213,300,000)	(248,900,000)		(248,900,000)	(248,900,000)	(+35,600,000)
Ocean freight differential	78,455,000					-78,455,000
Portion applied to debt reduction	-77,513,000					+77,513,000
Operations and training	75,521,000	74,100,000		66,250,000	66,250,000	-9,271,000
Total, Department of Transportation	203,152,000	184,851,000		177,001,000	177,001,000	-26,151,000
Arms Control and Disarmament Agency						
Arms control and disarmament activities	30,100,000	32,000,000	30,830,000	32,000,000	31,030,000	+930,000
Board for International Broadcasting						
Grants and expenses	185,000,000	192,100,000	194,900,000	192,100,000	194,900,000	+9,900,000
Israel Radio Station	34,000,000	35,000,000		35,000,000	33,000,000	-1,000,000
Total, Board for International Broadcasting	219,000,000	227,100,000	194,900,000	227,100,000	227,900,000	+8,900,000

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[1] Enacted Budget Authority was appropriated to Navy-"Operations & Maintenance" and "Ship Construction" accounts.

	FY 1988 Enacted	FY 1989 Estimate	House	Senate	Conference	Conference compared with enacted
Christopher Columbus Quincentenary Jubilee Commission						
Salaries and expenses	212,000	220,000	212,000	212,000	212,000	
Commission on Agricultural Workers						
Salaries and expenses			600,000		500,000	+500,000
Commission on the Bicentennial of the United States Constitution						
Salaries and expenses	21,000,000	11,436,000	11,436,000	11,436,000	6,936,000	-14,064,000
Commission on Civil Rights						
Salaries and expenses	5,707,000	13,376,000	5,707,000	5,841,000	5,707,000	
Commission on Security and Cooperation in Europe						
Salaries and expenses	701,000	780,000	701,000	780,000	741,000	+40,000
Commission for the Study of International Migration and Cooperative Economic Development						
Salaries and expenses	870,000	890,000	1,690,000	890,000	1,290,000	+420,000
Equal Employment Opportunity Commission						
Salaries and expenses	179,812,000	194,624,000	179,812,000	181,758,000	180,712,000	+900,000
Federal Communications Commission						
Salaries and expenses	99,613,000	104,700,000		100,660,000	100,355,000	+742,000
Federal Maritime Commission						
Salaries and expenses	13,585,000	15,150,000	13,585,000	13,737,000	13,585,000	
Federal Trade Commission						
Salaries and expenses	66,243,000	67,503,000		66,918,000	66,243,000	
International Trade Commission						
Salaries and expenses	34,750,000	37,069,000		37,069,000	35,958,000	+1,208,000
Japan - United States Friendship Commission						
Japan - United States Friendship Trust Fund	1,200,000	1,415,000	1,415,000	1,415,000	1,415,000	+215,000
(Foreign currency appropriation)	(1,700,000)	(1,700,000)	(1,700,000)	(1,700,000)	(1,700,000)	
Legal Services Corporation						
Payment to the Legal Services Corporation [2]	305,500,000	250,000,000		308,555,000	308,555,000	+3,055,000
Marine Mammal Commission						
Salaries and expenses	953,000	933,000		962,000	953,000	
Office of the United States Trade Representative						
Salaries and expenses	15,229,000	15,393,000		15,383,000	15,229,000	
Securities and Exchange Commission						
Salaries and expenses	135,221,000	160,925,000	135,221,000	150,000,000	142,640,000	+7,419,000
Small Business Administration						
Salaries and expenses	215,832,000	249,080,000		237,148,000	228,490,000	+12,658,000
(By transfer)	(98,528,000)	(88,228,000)		(89,110,000)	(88,669,000)	(-9,859,000)
Business loan and investment fund	176,000,000	130,000,000		169,000,000	167,500,000	-8,500,000
Surety bond guarantees revolving fund	9,497,000	11,000,000		9,497,000	9,497,000	
Pollution control equipment contract guarantee revolving fund	13,656,000	14,000,000		13,656,000	13,656,000	
Total, Small Business Administration	414,985,000	404,080,000		429,301,000	419,143,000	+4,158,000
State Justice Institute						
Salaries and expenses	10,980,000	15,000,000		11,130,000	10,980,000	
United States Information Agency						
Salaries and expenses	620,347,000	622,400,000	620,347,000	619,032,000	620,347,000	
Educational and cultural exchange programs	150,040,000	146,100,000	150,040,000	150,040,000	150,040,000	
Radio construction		65,000,000	65,000,000	65,000,000	65,000,000	+65,000,000
Radio broadcasting to Cuba	12,759,000	11,175,000	11,175,000	11,175,000	11,175,000	-1,584,000
East-West Center	20,000,000	20,000,000	20,000,000	20,000,000	20,000,000	
National endowment for democracy	16,875,000	15,800,000	16,875,000	15,800,000	15,800,000	-1,075,000
Total, United States Information Agency	820,021,000	880,475,000	883,437,000	881,047,000	882,362,000	+62,341,000
Total, title V, Related agencies:						
New budget (obligational) authority	2,578,834,000	2,617,920,000	1,459,546,000	2,653,195,000	2,629,447,000	+50,613,000
Appropriations	(2,656,347,000)	(2,617,920,000)	(1,459,546,000)	(2,653,195,000)	(2,629,447,000)	(-26,900,000)
Rescission	(-1,541,000)					(+1,541,000)
Appropriations for debt reduction	(-77,513,000)					(+77,513,000)
(By transfer)	(98,528,000)	(88,228,000)		(89,110,000)	(88,669,000)	(-9,859,000)
(Liquidation of contract authority)	(213,300,000)	(248,900,000)		(248,900,000)	(248,900,000)	(+35,600,000)

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[2] This BA Request was submitted directly to the Congress, as provided by P.L. 93-355. The estimate was submitted in the President's budget as $250,000,000.

	FY 1988 Enacted	FY 1989 Estimate	House	Senate	Conference	Conference compared with enacted
(Foreign currency appropriation)	(1,700,000)	(1,700,000)	(1,700,000)	(1,700,000)	(1,700,000)	
RECAPITULATION						
Grand total:						
New budget (obligational) authority (net)	14,088,004,000	15,504,004,000	7,966,708,000	15,006,408,000	14,849,392,000	+761,388,000
Appropriations	(14,168,599,000)	(15,504,004,000)	(7,966,708,000)	(15,006,408,000)	(14,849,392,000)	(+680,793,000)
Appropriations for debt reduction	(-77,513,000)					(+77,513,000)
Rescission	(-1,541,000)					(+1,541,000)
(Limitation of borrowing authority)					(20,000,000)	(+20,000,000)
(Limitation on expenses)	(9,918,000)	(10,051,000)		(10,051,000)	(7,051,000)	(-2,867,000)
(By transfer)	(169,973,000)	(151,028,000)		(141,210,000)	(140,769,000)	(-29,204,000)
(Limitation on guaranteed loans)	(150,000,000)			(150,000,000)	(150,000,000)	
Memoranda:						
(Appropriations to liquidate contract authorizations)	(213,300,000)	(248,900,000)		(248,900,000)	(248,900,000)	(+35,600,000)
Total appropriations, including appropriations to liquidate contract authorizations	(14,301,304,000)	(15,752,904,000)	(7,966,708,000)	(15,255,308,000)	(15,098,292,000)	(+796,988,000)
Department of Commerce	2,408,948,000	2,396,467,000	2,074,403,000	2,783,681,000	2,699,162,000	+290,214,000
Department of Justice	5,082,113,000	6,018,517,000	275,000,000	5,462,978,000	5,389,469,000	+307,356,000
Department of State	2,688,175,000	2,749,167,000	2,739,966,000	2,746,307,000	2,732,341,000	+44,166,000
The Judiciary	1,329,934,000	1,721,933,000	1,417,793,000	1,360,247,000	1,398,973,000	+69,039,000
Related Agencies:						
Arms Control and Disarmament Agency	30,100,000	32,000,000	30,830,000	32,000,000	31,030,000	+930,000
Board for International Broadcasting	219,000,000	227,100,000	194,900,000	227,100,000	227,900,000	+8,900,000
Christopher Columbus Quincentenary Jubilee Commission	212,000	220,000	212,000	212,000	212,000	
Commission of Agricultural Workers			600,000		500,000	+500,000
Commission on the Bicentennial of the United States Constitution	21,000,000	11,436,000	11,436,000	11,436,000	6,936,000	-14,064,000
Commission on Civil Rights	5,707,000	13,376,000	5,707,000	5,841,000	5,707,000	
Commission on Security and Cooperation in Europe	701,000	780,000	701,000	780,000	741,000	+40,000
Commission for the Study of International Migration and Cooperative Economic Development	870,000	890,000	1,690,000	890,000	1,290,000	+420,000
Equal Employment Opportunity Commission	179,812,000	194,624,000	179,812,000	181,758,000	180,712,000	+900,000
Federal Communications Commission	99,613,000	104,700,000		100,660,000	100,355,000	+742,000
Federal Maritime Commission	13,585,000	15,150,000	13,585,000	13,737,000	13,585,000	
Federal Trade Commission	66,243,000	67,503,000		66,918,000	66,243,000	
International Trade Commission	34,750,000	37,069,000		37,069,000	35,958,000	+1,208,000
Japan - United States Friendship Commission	1,200,000	1,415,000	1,415,000	1,415,000	1,415,000	+215,000
Legal Services Corporation	305,500,000	250,000,000		308,555,000	308,555,000	+3,055,000
Marine Mammal Commission	953,000	933,000		962,000	953,000	
Maritime Administration	203,152,000	184,851,000		177,001,000	177,001,000	-26,151,000
Office of the United States Trade Representative	15,229,000	15,393,000		15,383,000	15,229,000	
Securities and Exchange Commission	135,221,000	160.925,000	135,221,000	150,000,000	142,640,000	+7,419,000
Small Business Administration	414,985,000	404,080,000		429,301,000	419,143,000	+4,158,000
State Justice Institute	10,980,000	15,000,000		11,130,000	10,980,000	
United States Information Agency	820,021,000	880,475,000	883,437,000	881,047,000	882,362,000	+62,341,000
Total, related agencies	2,578,834,000	2,617,920,000	1,459,546,000	2,653,195,000	2,629,447,000	+50,613,000
Grand total	14,088,004,000	15,504,004,000	7,966,708,000	15,006,408,000	14,849,392,000	+761,388,000

Unless there are further questions, I reserve the balance of my time.

Mr. ROGERS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Speaker, let me commend our chairman, Mr. SMITH, and other members of the subcommittee on the House side as well as the Senate side for a lot of hard work on an almost impossible task because we simply did not have enough budget authority to do what practically all of us I think wanted to do. But the conferees have agreed on a conference report which I support and I think deserves the support of the House. It does not provide everything that I would certainly have liked, but we were forced to live with an extremely tight budgetary allocation and we had no room to maneuver at all.

I regret, for example, that we were unable to provide any real program increases for the war on drugs, without question I think the national priority, and a priority that we all talk about in this body and yet we are unwilling to put the money out for it. We are all talk and no action.

But we hope that by leaving the war on drugs to the war on drugs special legislation that is making its way through this body that we have protected a whole host of other areas, very, very important, without cutting into the bone of any of them and we protected those agencies by leaving the war on drugs money for a separate piece of legislation.

The conference agreement, as we present it, holds dozens of activities at their fiscal 1988 levels or below. We had to make some difficult choices.

Now let me make it clear, one provision that I do not agree with in the conference report, and would support any efforts to improve that provision, is the restrictions on Legal Services Corporation. I will have a word to say about that a little bit later on.

But given the limitations that we are working under in this report, I am, by and large, pleased with the final product in spite of the shortcomings which I have already alluded to.

There are two basic reasons why I think we need to support the conference report: One, it is fiscally responsible. It conforms to the limitations imposed by the budget summit. It is within our revised 302(b) allocation. It comes to you $120 million below the budget authority allocation and is just below our allocation in outlays.

The bill totals $14.9 billion, which is $761 million over fiscal 1988, but it is $655 million below the request by the administration.

By virture of this restraint, we have had to settle for much less than our programs need to do the jobs that are required, particularly in the drug related areas and in overall law enforcement. But the fair, if not hard-nosed, choices are reflective of the concerted efforts of our chairman and subcommittee members, and they deserve the support of the rest of us.

The second reason that I support the bill, it is fiscally responsible and also it provide increases in a number of important programs for all of us.

Let me cover a couple of them. International Trade Administration, $6 million over the fiscal 1988 level; it provides the requested increase to fill vacancies and offset currency exchange losses by our personnel in the foreign commercial service. It is essential to promote American exports abroad at a very critical time.

The Census Bureau: Of course, the 1990 census is coming up very shortly and we had to increase the funding for the Census. It provides an increase of $172 million. It will allow the Census to proceed with the 1990 count as required by our Constitution. They did not get all they wanted, not as much as the request, but certainly a large increase.

The National Institute of Standards and Technology, better known as the National Bureau of Standards, $159 million, an amount permitting increases for a number of competitiveness initiatives, including $2 million for superconductivity, a major Presidential priorty.

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NOAA provides additional funds for the GOES satellites and the polar orbiting spacecraft, and it provide much of the President's requested increase for Nexrad Doppler radar systems. Both of these programs are desperately needed to maintain and improve accuracy of weather forecasting.

For the Federal Bureau of Prisons, which is, I think one of the most efficiently run Federal agencies we have, the agreement provides $953 million, a $190 million increase over the fiscal year 1988 level.

Our prison system currently faces a 60-percent overcrowding rate. We have built new prisons to alleviate this condition, and they must have funds to be opened and activated. It would be a real crime to construct facilities that cannot be operated due to funding shortage. We have included funds which will reduce that overcrowding by up to 15 percent, through the activation of 6,520 additional beds. We have also provided funds to enhance health and safety through 1,600 new correctional officers for our prison system.

For the Board for International Broadcasting, we provide $194.9 million. These funds are needed to help offset currency fluctuations, but more importantly, to continue moderization efforts. The Board for International Broadcasting provides for Radio Free Europe and Radio Liberty programs whose successes might best be judged by the Soviet efforts to jam their signals, and those efforts are extensive. The modernization of these facilities will boost their signal power, permitting both of these facilities to penetrate Soviet jamming.

For the U.S. Information Agency, there is a $62 million increase over fiscal year 1988 to continue the ever-essential war of words and ideas. The conference report maintains the careful balance of the House-passed bill among key USIA programs—Worldnet, Exchanges, and the tried and true Voice of America.

Let me in closing state this about the Legal Services Corporation. I feel it is my responsibility to address this additional issue in connection with this agreement. A very substantial number of Members of this body on both sides of the aisle desire some very material reform of Legal Services Corporation, including a competitive awarding of grants and awards on a regular basis, as well as complete rethinking of the efficacy of the national and State support centers. These reforms were requested by the President and demanded by a number of Members of this body and backed up by a letter from the White House threatening a veto of this bill if the reforms were not forthcoming in the conference report.

I regret to report that these reforms are tantalizingly dangled before us in the report, but they are offered conditionally and could prove hopelessly out of reach, in my judgment, even if this bill should be enacted.

The conference report maintains three of the four major reforms, but only if and when a complete new Legal Services Board of Directors is appointed by the new President and confirmed by the Senate. That effectively gives the other body the veto power over these reforms coming into fruition by blocking the appointment of a new board or by a filibuster of the confirmation of the new board. That is wrong, it is unfair, and it is unacceptable.

I reported to the conferees numerous times that the offer by the Senate on this language would not be supported by those in this body who are demanding a further reform of Legal Services.

So, Mr. Speaker, with all due respect to the best efforts of my chairman of the subcommittee in this matter, I support those who seek broader and truer reforms than those that appear in this conference report relating to the Legal Services Corporation.

Mr. Speaker, I reserve the balance of my time.

Mr. SMITH of Iowa. Mr. Speaker, I have no further requests at this time.

Mr. ROGERS. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio [Mr. REGULA].

Mr. REGULA. Mr. Speaker, I thank the gentleman for yielding time to me. I urge my colleagues to support this bill.

I do want to highlight one section. The conference report provides $3 million for youth and student exchanges between the United States, the Soviet Union and the Eastern-bloc countries. Of the $3 million, $1 million is earmarked for Eastern Europe exchanges and $2 million for Soviet exchanges. The conferees direct that the exchanges be equally divided between youth and undergraduate categories, and that this program would be called the Samantha Smith Memorial Exchange Program.

I think this is a great innovation and step forward in getting a better understanding between our country and the Eastern-bloc nations. The Members will recall that in his State of the Union Address in 1985, President Reagan said, and I quote: "Enduring peace requires openness, honest communications, and opportunities for our people to get to know one another directly."

During the President's address to the students at Moscow University in May of this year, he said, and I quote as follows: "I am proposing an increased exchange program of high school students between our two countries. General Secretary Gorbachev mentioned on Sunday a wonderful phrase you have in Russian for this: 'Better to see something once than to hear about it a hundred times.'

The President continued, "Mr. Gorbachev and I first began working on this in 1985. In our discussion today we agreed on working up to several thousand exchanges a year from each country in the near future."

President Reagan went on to say to the students: "Nothing would please us more than for the Soviet people to get to know us better and to understand our way of life, and as important as these official people-to-people exchanges are, nothing would please me more"—and this is quoting President Reagan—"nothing would please me more than for them student exchanges to become unnecessary, to see travel between East and West become so routine that university students in the Soviet Union could take a month off in the summer and, just like students in the West do now, put packs on their backs and travel from country to country in Europe with barely a passport check in between."

I think this bill does provide a first beginning in setting up these exchange programs. We all remember that dramatic moment on June 12, 1987, when President Reagan stood before the Brandenburg Gate in West Berlin and said, "General Secretary, if you seek peace, if you seek prosperity for the Soviet Union and Eastern Europe, if you seek liberalization; Come here to this gate! Mr. Gorbachev, Open this gate! Mr. Gorbachev, Tear down this wall!"

Perhaps one of the first steps in bringing the barrier down between Eastern and Western Europe will be better understanding of each other as achieved by student exchange programs.

The committee has taken an important step to bringing these barriers down by providing $3 million for a beginning in student exchanges.

Mr. Speaker, I hope this program will grow into something that causes the wall to come down.

Mr. SMITH of Iowa. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. STENHOLM].

Mr. STENHOLM. Mr. Speaker, it is with some great reluctance, if you please, that I am here to oppose this bill, for one reason, and one reason only, and that is this: That the Legal Services funding remains a big question to a large number of us Members who have for years now wanted to reform the Legal Services Corporation in order that it might deliver to our constituents in America in each of our districts who cannot afford legal help that help which the Legal Services Corporation was designed in its origination to provide.

We have had difficulty in this body and in our deliberations with the other body in having an authorization bill in which we can come before the Members and deliberate the issues. In fact, there has been no authorization bill since 1980, and it is for that reason that some 180 Members on both sides of the aisle wrote the President and said:

> Mr. President, if reforms of Legal Services are not present in this appropriation, we ask you to veto the bill in order that the will of the Congress might be worked.

It is for that reason that I have joined my colleagues, the gentleman from Florida [Mr. MCCOLLUM] and the gentleman from Texas [Mr. HALL], in today notifying each of the Members who signed that letter and saying that this is our shot, this is our opportunity, and in saying to the President that if we truly want to have reform and if we truly want to become legislators and deal with the issues, as we should deal with them in an authorization bill, this is our opportunity.

This may be the only shot we are going to have in the foreseeable future, but if Members believe, as I believe, that there is a role for Legal Services, and that role is to provide legal assistance and not all of the multitude of other services that they and some of those who have utilized this system provide for their own personal legislative agenda, this is one of those votes that is really going to count.

If Members really and truly are for Legal Services reform, we ask them to vote no on this appropriation, and we ask that for one reason only. I commend the chairman of the subcommittee, and I would be remiss in my comments if I did not acknowledge that I have no personal problems, nor do any of the 180 other Members I have mentioned have any problems, with the work of the gentleman from Iowa. It is one of those issues in which we have worked ourselves into a box, and the only way we can get out of the box is by hopefully showing that there are enough Members that feel that Legal Services truly can be provided, not the back door attempt that probably will never occur unless we get those votes today.

So, Mr. Speaker, I encourage all 180 Members to join me today. In fact, I would like to see us avoid the veto. Let us just send this back to conference with 218 votes of the House right now and say that this is an issue whose time has come.

Mr. ROGERS. Mr. Speaker, I yield 5 minutes to the gentleman from Arizona [Mr. KOLBE], a member of the committee.

Mr. KOLBE. Mr. Speaker, I want to begin by commending both the chairman and ranking member of this subcommittee for the excellent work they have done on this appropriation bill. The chairman of the subcommittee, even during major surgery, hardly missed a glitch or missed a meeting. Without missing a single bit of time, he continued the work of this subcommittee, and I think he is to be commended, and his staff is to be commended as well, for the excellent work that has been done on this matter.

As the chairman of the subcommittee pointed out, our subcommittee began with an almost impossible task because of the 302(b) allocation given to us, which was entirely insufficient to do the work of various departments that come under this appropriation bill. I would mention only the Justice Department in that connection. As we, even in this body, for the last 3 weeks have been considering a very tough piece of drug legislation that increases penalties for drug use, that increases the responsibilities that Federal agencies have in this war on drugs, we have, with no small sense of irony, I think, failed to fund that war on drugs. We failed in this legislation, because of our lack of a sufficient 302(b) allocation.

If we are truly serious about this war on drugs, we are going to have to come to terms with it. We are going to have to decide how we are going to fund that war on drugs. I believe in balancing the budget and in the reduction of our deficit, but that means establishing some priorities and making some tough choices. Unfortunately, this year, with our 302(b) allocation, we did not make those choices to conform with what we established as our priorities.

I am also concerned in this legislation about the fact that we passed over, too lightly I think, the ongoing problems of the Equal Employment Opportunity Commission. We continue to deny it the ability to do its work, to do the studies which are badly needed in the area of proving or demonstrating discrimination where it exists and having the data base that we need for this Commission to attack discrimination in the workplace.

We have heard the gentleman from Texas [Mr. STENHOLM] and my colleague, the gentleman from Kentucky [Mr. ROGERS], talk about the need for reforming the Legal Services Commission. I joined with the ranking member, the gentleman from Kentucky [Mr. ROGERS], in disagreeing with those particular amendments when I signed this conference report. We will shortly be discussing that in greater detail, and I will have some more to say about that subject at that time.

As has been pointed out, this legislation, however, is $129 million below budget authority. In that sense, I think we met the commitment that we as a subcommittee of the Appropriations Committee should make to our colleagues on the committee and our colleagues in the body as a whole to be responsible in meeting our overall spending targets.

I am particularly pleased with some language that has been included for the State Department, urging that they look at the problem that they have where other agencies occupy State Department-owned facilities overseas.

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Time and again in our hearings we have heard this question raised about the large numbers of staff overseas, staff that does not come under the jurisdiction of the Department of State. Yet, the Department of State provides all of the overhead costs, the support for them and for their facilities, and provides the actual facilities that they occupy.

Mr. Speaker, I believe the time has come for us to allocate those costs to the agencies that are in our overseas embassies, that come under our Department of State, I think it is appropriate that we do that so we can get a true handle on what these other agencies are costing us as part of our umbrella of diplomatic and commercial services that we provide at our embassies abroad.

Finally, let me say that there are some very positive things in this appropriation bill. I think the language in the provisions dealing with NOAA, a very critical agency, are good. Under our new trade bill the U.S. Trade Representative is going to have increased responsibility, and we have met those responsibilities in this appropriation. Certainly, the Bureau of Prisons has very important responsibilities, and we have managed to meet those funding requirements.

Last, as Mr. ROGERS suggested, we are now coming up on the decennial census in 1990, and we began to meet the Census Bureau's increased funding requirements in this bill.

Mr. Speaker, I urge my colleagues to support this legislation, but to consider the major reforms to Legal Services that will be considered separately.

Mr. ROGERS. Mr. Speaker, I yield 5 minutes to the gentleman from Florida [Mr. McCOLLUM].

Mr. McCOLLUM. Mr. Speaker, I have been a longtime supporter of Legal Services Corporation. I happen to think that the objective of that Corporation that Congress created to provide legal services to the poor is a noble objective, a correct objective, and one which this Government should support.

Since I have been in this body now for nearly 8 years, we have yet to see an authorization bill, a reauthorization bill, come through Congress on this subject. In 1982, this body, or maybe it was 1981, one of those years, this body did pass the bill, but the other body did not. Fortunately some of the provisions from that effort by this body have been put into the appropriations bill, the State, Justice, Commerce appropriations bill, each year in an effort to reform Legal Services to make the corporation work right, to address a lot of the problems that had been existing out there in the past with the fact that some of the grantees have strayed from the path and, instead of providing services to the poor, they were spending a lot of their time lobbying for major social goals, and lobbying Congress and other legislative bodies, and doing quite a few things that most of the Members of Congress did not believe they should.

However, over the years there have been restrictions in the appropriations process that have limited the hands of the Corporation Board of Directors to maintain some of those ideas that we had put into the original bill that came here back in 1981, 1982, and because of that and because the support centers and the grantees themselves are not competitively bid, a number of us got together, as the gentleman from Texas [Mr. STENHOLM], a few minutes ago said and thought we could maybe come up with some ideas to press our case to get these changes rounded out in this appropriations process, and the gentleman from Iowa [Mr. SMITH] and the gentleman from Kentucky [Mr. ROGERS] I commend. They did an excellent job of working out some of these things and coming up with ideas that would indeed cause this Corporation to work a lot better, and the end result would be much preferable.

Unfortunately, in the negotiations in the conference on this subject there was not an agreement that could be reached that put these into pure form, and instead there is the conditionality mentioned here a couple of times, a contingency that says that before any of these changes could take place on lobbying questions and on grant competitive grant bids for the grantees, and the support centers and so on, that there would have to be an entire new Board of Directors of the Corporation appointed by the next President and confirmed by the Senate. Unfortunately this is an appropriations bill, and the way the Senate operates, the other body operates, it could be well past the next fiscal year, September 30, before any confirmation ever occurred, and so the enemies of these reforms could easily thwart this measure, and for that reason I do not believe we are passing anything here that is meaningful, as much as it would be nice to think so, except everybody involved would like to see the changes ultimately. The question is: When?

In order to be successful the time is now to have the President send this bill back to conference if we do not. I hope, as the gentleman from Texas said, that we would send it back, that we would get 218 votes today to say no to the bill today so it can go back to conference, and just take that one provision out, that one contingency out, to let these reforms take place within a foreseeable, reasonable time period in the immediate future rather than never never land.

But barring that, Mr. Speaker, I hope enough of my colleagues vote against the State-Justice appropriations bill today, vote no to send a message to the White House that a veto could be sustained just to do this one thing. These are things the President requested, so it is reasonable to expect, and he has threatened the veto. It is reasonable to expect with the proper support this can be achieved. Nobody has any desire to play mischief with this bill. We have a desire to see a stronger Legal Services Corporation.

Mr. Speaker, there is not going to be an opportunity, there is not going to be a better chance to do this. The issue is volatile. The subject matter is too important if we want to see Legal Services Corporation reform.

I urge my colleagues to address it right now today by voting against this appropriations bill for the simple purpose of sending the message.

Mr. ROGERS. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. COMBEST].

Mr. COMBEST. Mr. Speaker, I appreciate the gentleman from Kentucky [Mr. ROGERS] yielding.

Let me first say that I commend the work of the chairman and of the ranking member, and I took to the floor on June 15 when this bill came up, as it first came through the House, and mentioned the fact that I did in fact commend the subcommittee and the committee for its activity in not funding those agencies that were not authorized.

One of my concerns, however, expressed at that time was that due to the fact that there were no authorizations in the bill, which I again agree should not be funded, was that we were not going to have any opportunity to make a substantive change in any of the areas under the appropriations bill that we might otherwise.

I am sure that my colleagues are aware that for the last 2 years I have made an effort to make some changes in the Legal Services Corporation. As the House-passed bill and the Justice title II came through, there was $275 million in the bill, and the conference agreement is $5,389 million, an increase of 1,859 percent over the House-passed bill because we did not have in that those appropriations. There were efforts, and I think very legitimate efforts and efforts which were taken with all seriousness by the subcommittee and the conferees on trying to work out some major objections that the President had requested in making changes within the Legal Services Corporation. I do think those were legitimate efforts. I do not think, however, they will solve the problem because of the fact that, No. 1, they are on an appropriation bill; and, No. 2, they are tied to the fact that this has got to be under a new appointment of a Board confirmed by the Senate.

Mr. Speaker, history shows us that the Board which currently sits took some 5 years for the Senate to confirm. All of that period of time that it was operating under a temporary board. I simply do not believe that the efforts in making changes in the Legal Services Corporation, as was done by the subcommittee, will be sufficient enough to deal with the problem.

Mr. Speaker, I join with my colleague, the gentleman from Florida [Mr. McCOLLUM] in stressing that the House vote in opposition to the bill, and in doing so, if in fact it does pass, I will be very involved in trying to get those 147 Members of Congress that signed a letter to the President urging a veto and saying that we would help to sustain and uphold that veto. Once again we will contact the White House with that effort just in an effort to go back to the conference trying to work out this problem and making it meaningful rather than only superficial.

Mr. Speaker, I appreciate the gentleman from Kentucky [Mr. ROGERS] for yielding to me, and I would encourage my colleagues to vote against the bill.

Mr. SMITH of Iowa. Mr. Speaker, I yield 5 minutes to the gentleman from Connecticut [Mr. MORRISON].

Mr. MORRISON of Connecticut. Mr. Speaker, I thank the chairman of the subcommittee, the gentleman from Iowa [Mr. SMITH] for yielding me this time, and I rise in support of this appropriation bill.

I would like to address a little bit the issue that has been raised with respect to the Legal Services Corporation. First of all, let me say that I find it shocking indeed that a large number of Members of this House are saying they are going to ask the President of the United States to veto the funding for the Department of Justice, the funding for the Federal prisons, the funding for the FBI, over what comes down to being a rather technical debate over the specific structuring of the Legal Services program.

The fact is that that will be a strange action by the President of the United States, to undercut support for our fundamental law enforcement agencies and for the Department of Justice in the name of the dispute that, I think, is very much being overblown in the debate here on the floor.

Mr. Speaker, I am a member of the subcommittee of the Committee on the Judiciary that has jurisdiction over the Legal Services Program, and let me say that I look forward to the day that we can bring to the floor of the House for debate an authorization bill without the threat from the President of the United States that, no matter what that bill says, it is going to be vetoed. It seems to me that we have lived for 8 years under a situation where the President of the United States was not open to discussions of differing points of views in the authorization, and that is what has brought us year in and year out to a decision on this bill in the appropriation process.

But also in our oversight capacity we have had the opportunity to hear from the President of the Legal Services Corporation regularly over the last several years. All that I am hearing on the floor here is just fundamentally inaccurate, and I would like to cite from the most recent testimony of President Bayley when he testified before us and I asked him a very specific question.

"You've been monitoring, and how have you done on monitoring? Have you monitored all of the programs in the last few years?"

The answer: "Yes."

"And, Mr. Bayley, is there a single Legal Services Program in the United States today which, on the basis of your monitoring, you believe should be defunded and that you are in some way being prevented from defunding because of rules that have been imposed on you by the Congress?"

Answer from Mr. Bayley: "No."

Now what is this debate about? This debate is about some cases brought by some programs that seem to disturb some Members of Congress, but the fact is that the President of the Legal Services Corporation is appointed by a board appointed by the President of the United States, President Reagan, who has had the last 8 years to review this program, and he says that there is not one program currently in existence in the United States that ought to be defunded.

So what is this debate about?

The fact is that the subcommittees of the Committee on Appropriations on both sides of Capitol Hill have done their job of redressing the fundamental complaints there have been over the years about Legal Services. This legislation has restrictions. It fundamentally has the restrictions that the House adopted on the floor in 1981, and the Committee on Appropriations has carried it forward in each of the subsequent appropriations. The restriction that exists on the restrictions that is apparently objectionable to some Members is just saying that before we make more changes beyond these restrictions, we think there ought to be time for the next President to put his stamp on this corporation. That is whether or not it is President Dukakis or President Bush.

Mr. Speaker, that seems to be eminently reasonable, and to those who would cut the amount of funding, there is no support out there around the country in bar associations to cutting the funding, and even the representatives of the Reagan board have been very clear that the funding is not too much, but fundamentally too little to do the job that is assigned.

The fundamental question here is after all these years of supporting this program and following the lead of the Committee on Appropriations, which has been judicious and effective in keeping the program funded with appropriate restrictions: Why are we now attacking the job they have been doing? They have done an effective job. The restrictions make sense. It has had broad-based support out in the community from the American Bar Association, from grassroots groups, and it deserves the support of the House now today for passage of this appropriation bill.

Mr. Speaker, I hope that the House will overwhelmingly pass this bill not only because of Legal Services, but because this bill has the basic law enforcement activities of the Government in it as well.

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Mr. ROGERS. Mr. Speaker, I yield the balance of my time to the distinguished ranking member of the full Committee on Appropriations, the gentleman from Massachusetts [Mr. CONTE].

Mr. CONTE. Mr. Speaker, I rise in support of this conference report on the fiscal 1989 appropriation bill for the Departments of Commerce, Justice and State, the Judiciary, and related agencies.

I commend the subcommittee chairman, the gentleman from Iowa [Mr. SMITH], and the ranking member, the gentleman from Kentucky [Mr. ROGERS], and all of the conferees for bringing back a conference report that is within the stringent 302(b) budget allocations for this bill. It was not a pleasant task, because there are a lot of programs and agencies which will receive inadequate funding.

I direct your attention to pages 5 and 6 of the statement of the managers which describe the dilemma facing these conferees. Under the subcommittee's 302(b) allocation, only a handful of high priority programs will receive any increase over fiscal 1988, such as the Justice Department, the Judiciary, Export Promotion, Weather Satellites, and the 1990 Decennial Census. All other agencies and programs are cut or held to a freeze level.

The conference agreement will allow those agencies which are critical to the war on drugs to maintain their current level of operations, but there is no room for growth. There is no room under the budget summit or the budget resolution to pay for that massive drug bill we passed last week. Someone is going to have to wave a magic wand to find room for that bill.

But we are providing modest increases over fiscal 1988 for the critical agencies in the war on drugs: for the FBI, the DEA, U.S. attorneys and for prisons. It is not much, but it is all we can do under the circumstances.

In conclusion, I would like to point out that the conferees have responded to the instructions of this House in regard to two Senate amendments. When we sent this bill to conference, I offered a motion to instruct in regard to an amendment requiring all agencies to absorb pay raises, an action which will save us $124 million in outlays. My motion was amended by the gentleman from California [Mr. DANNEMEYER] to instruct the conferees on a Senate amendment requiring the FCC to implement, on a 24-hour-a-day basis, a ban on the broadcasting of obscene material. The House adopted my motion as amended.

I am happy to report that our House conferees receded to both of these Senate amendments. How is that for responsiveness?

I urge your support for this conference report.

Mr. SMITH of Iowa. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. STENHOLM].

Mr. STENHOLM. Mr. Speaker, I thank the gentleman for again yielding time to me.

Mr. Speaker, I had not intended to speak again, but my good friend, the gentleman from Connecticut, in the remarks he made once again tends to muddy the waters for us as to what the true issue is.

I certainly do not quarrel with any of the dollar figures in this bill. I have commended the chairman and the ranking minority member for the work they have done. It is within the budget.

To those who suggest that any vote against this bill is a slap at any of the decisions that have been made is misrepresenting what we have been talking about. What we are talking about is that there are some Members of this body who would like to reform the Legal Services Corporation. That is true. We have been unable to have that even discussed for 8 years in the forum in which we would like to see it discussed.

Unfortunately today we are faced with the lesser of two evils. The amendments that we will get to vote on if we prevail on that makes it even worse than it would be in any other shape, form, or fashion.

So basically what we are saying today is this is an opportunity to bring about Legal Services reform. There are some people out there who would like to see some cutting in spending. We believe that we can in this case save $50 million and deliver better service to those in fact who benefit from the Legal Services Corporation. That is what the issue is about, and let us not muddy the waters by false accusations against the intentions of other Members.

Mr. SMITH of Iowa. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin [Mr. KASTENMEIER].

Mr. KASTENMEIER. Mr. Speaker, I take this time to reflect on the Legal Services issue which has been raised.

Yes, we have not had an authorization for some years, and the reason is quite obvious. It should be obvious to everybody. The President of the United States wanted the program zero funded. There is no way we could have produced an authorization to the President for money, that the President would have accepted until nearly this year. That is why we have not had authorizations. They had no way of surviving the White House or a White House veto.

I would say, too, that what changes have been made largely have been made as the result of the appropriations, with for the most part appropriate waivers, putting such language in the appropriations bill itself over the last 6 or 8 years.

One thing I will say, and that is that early next year in the 101st Congress we will have a President who had not been committed to zero funding for the Legal Services Corporation, and we will have a chance to retain the Legal Services Corporation.

Now, many of the people here who want those changes are basically opposed to the Legal Services Corporation. Let us well understand that.

I must say, whether it is the gentleman from Texas, I do not speak for him personally, I do not know what his personal view is, but I do know over the years that a number of Members, just as the President did, do not want a Legal Services Corporation. They do not want to reform it. They want to eliminate it; so that is at the heart of much of the opposition.

I will also say that many are driven to look for some changes in this Corporation.

Remember, the leadership of this Corporation is selected by the Reagan administration, not only the President, but the Board itself, for 8 years; so let us not misunderstand who is running this Corporation.

In any event, I will say that this Corporation has had problems because of its intrinsic nature. It occasionally sues people and entities. You have constituents who do not like that. You will be asked to oppose the Corporation as a result of that, but that is what it is supposed to do. Occasionally it will be unpopular, but I hope that we have not lost sight of the purpose of it and lost sight of the fact that we are going to need it and that it is going to exist into the future; but in any event, we will have a chance early next year, I think, to make the appropriate changes.

I think the committee should be supported in what it has brought before us today and I hope it will be by an overwhelming vote of the membership.

Mr. STENHOLM. Mr. Speaker, will the gentleman yield?

Mr. KASTENMEIER. I yield to the gentleman from Texas.

Mr. STENHOLM. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, I wish to point out today that those of us who do not want to abolish the Legal Services Corporation, which this Member from Texas does not wish to see done, have got the President to agree to a $250 million appropriation for the Legal Services Corporation.

The SPEAKER pro tempore. The time of the gentleman from Wisconsin has expired.

Mr. SMITH of Iowa. Mr. Speaker, I yield 1 additional minute to the gentleman from Wisconsin.

Mr. STENHOLM. Mr. Speaker, will the gentleman yield further?

Mr. KASTENMEIER. I yield to the gentleman from Texas.

Mr. STENHOLM. Mr. Speaker, my suggestion is that those on both sides are winning, and from my perspective while we are here, we agree that a Legal Services Corporation should be appropriated and appropriately funded at $250 million, not wiped out.

Mr. KASTENMEIER. Well, I question whether $250 million represents an appropriate funding; but I appreciate what the gentleman has said.

Mr. SMITH of Iowa. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. HALL].

Mr. HALL of Texas. Mr. Speaker, I rise not opposed to the bill, but opposed to some of the provisions in it.

I have no criticism of the conferees. I simply disagree with the fact that they failed to include reforms that had been worked out.

As the gentleman from Texas stated, the President has agreed to a $250 million funding and that is at least a step in the right direction.

And yes, they do sue people, They sued mom-and-pop laundries. They have even sued one Member of this body when he was a district attorney for arraigning a defendant in his stocking feet. That has gone too far. I think it is high time that we have some reforms.

I believe very strongly in legal services for the poor. I think a tax credit would work much better, but at least we ought to have some shot at reforms.

Mr. SMITH of Iowa. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I just want to point out, as some of the other gentlemen have, what a difficult time we have in this subcommittee dealing with the Legal Services Corporation. It has not been authorized since 1980. We have done our best to comply with the majority of the complaints in the House, whenever we found them to be legitimate.

There was an authorization that passed the House in 1981, and we have based our language in the appropriations bill each year on that. In effect, we have been both authorizing and appropriating in this bill every year, and that is not an easy situation. What we have done for the past few years is to assume that the authorization that was previously passed and subsequently amended by the McCollum amendment a couple years later, was the basic law. We incorporate that into the appropriation bill and say that is the authorization, except for a long list of limitations which we place in the bill. We have tried to comply with any legitimate complaints that we have heard.

In this conference report we made some more changes, three out of four that were requested by several Members of the House.

Now, it is true that these reforms do not become operative until we have a new Legal Services Corporation Board, but the alternative is that the changes would trigger in under this Board, because the basic law under which we are operating is that the Board continues until another one is confirmed.

The problem is this Board, and I believe most Members agree that we have to change Boards. Any type of reform has got to be triggered on the basis of a new board being in place.

There is no reason why the new President, no matter who he may be, cannot submit the names of a board shortly after January 20 and get them confirmed early next year. At least the incentive is there, because those who want changes will say, "We will vote to confirm as early as possible in order to get these changes made."

I believe we did the best that we possibly could in this bill. I am really somewhat complimented that almost all the arguments against the conference agreements are on the Legal Services Corporation. There are 300 or 400 items in his bill. I could pick out some others and I could complain about, but I think we have really done the best we can on Legal Services.

I want to commend all the members of the subcommittee, each and every one of them, and thank them for all they have done to make this bill as acceptable as it is.

Mr. SMITH of Iowa. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. KOLBE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 269, nays 141, not voting 21, as follows:

[Roll No. 349]

YEAS—269

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Baker
Bateman
Bates
Beilenson
Bennett
Berman
Bevill
Bilbray
Boehlert
Boggs
Boland
Bonior
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clay
Clement
Clinger
Coelho
Coleman (TX)
Collins
Conte
Cooper
Costello
Coughlin
Courter
Coyne
Crockett
Darden
Davis (IL)
Davis (MI)
de la Garza
DeFazio
Dellums
Dicks
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Erdreich
Evans
Fascell
Fazio
Feighan
Fish
Flake
Florio
Foglietta
Foley
Ford (MI)
Frank
Frost
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Gonzalez
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Hall (OH)
Hamilton
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Henry
Hiler
Hochbrueckner
Horton
Houghton
Hoyer
Hughes
Jeffords
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
LaFalce
Lagomarsino
Lancaster
Lantos
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Livingston
Lloyd
Lowery (CA)
Lowry (WA)
Lujan
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Mollohan
Moody
Morella
Morrison (CT)
Mrazek
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Panetta
Parris
Payne
Pease
Pelosi
Perkins
Pickett
Porter
Price
Pursell
Rahall
Rangel
Regula
Richardson
Ridge
Rinaldo
Rodino
Roe
Rogers
Rose
Rostenkowski
Roukema
Rowland (CT)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Scheuer
Schneider
Schroeder
Schuette
Schumer
Sharp
Shaw
Shays
Sikorski
Sisisky
Skaggs
Skeen
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Denny (OR)
Snowe
Solarz
Spratt
St Germain
Staggers
Stark
Stokes
Stratton
Studds
Swift
Synar
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Watkins
Waxman
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NAYS—141

Archer
Armey
Badham
Ballenger
Barnard
Bartlett
Barton
Bentley
Bereuter
Bilirakis
Bliley
Brown (CO)
Buechner
Bunning
Burton
Byron
Chandler
Cheney
Coats
Coble
Coleman (MO)
Combest
Craig
Crane
Dannemeyer
Daub
DeLay
Derrick
DeWine
Dickinson
Dornan (CA)
Dreier
Dyson
Edwards (OK)
Emerson
English
Fawell
Fields
Flippo
Frenzel
Gallegly
Gallo
Gekas
Gingrich
Goodling
Gregg
Gunderson
Hall (TX)
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hefley
Herger
Hertel
Holloway
Hopkins
Hubbard
Huckaby
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jenkins
Kasich
Konnyu
Kyl
Leath (TX)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lott
Luken, Thomas
Lungren
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCollum
McCrery
McGrath
Molinari
Montgomery
Moorhead
Morrison (WA)
Murphy
Nichols
Nielson
Owens (UT)
Oxley
Packard
Pashayan
Patterson
Penny
Petri
Pickle
Quillen
Ravenel
Ray
Rhodes
Ritter
Roberts
Robinson
Roth
Rowland (GA)
Saxton
Schaefer
Schulze
Sensenbrenner
Shumway
Shuster
Skelton
Slattery
Slaughter (VA)
Smith (TX)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Spence
Stallings
Stangeland
Stenholm
Stump
Sundquist
Sweeney
Swindall
Tallon
Tauke
Taylor
Thomas (CA)
Upton
Vander Jagt
Walker
Weber
Wolf
Young (AK)
Young (FL)

NOT VOTING—21

Bonker
Boulter
Broomfield
Callahan
Conyers
Dingell
Dowdy
Espy
Ford (TN)
Glickman
Guarini
Kemp
Latta
Lukens, Donald
Mack
MacKay
McCandless
McEwen
Pepper
Wortley
Wylie

□ 1517

The Clerk announced the following pair:

On this vote:

Mr. Guarini for, with Mr. Boulter against.

Messrs. LUJAN, PORTER, GRANDY, BATEMAN, and PARRIS, Mrs. LLOYD, and Mr. DAVIS of Michigan changed their vote from "nay" to "yea."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AMENDMENTS IN DISAGREEMENT

The SPEAKER pro tempore. Pursuant to House Resolution 545, the amendments in disagreement are considered as having been read.

The Clerk will designate the first amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 1: Page 2, line 6, strike out "$39,204,000" and insert "including not to exceed $2,000 for official entertainment, $41,000,000".

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 1 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "including not to exceed $2,000 for official entertainment, $40,404,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Mr. SMITH of Iowa. Mr. Speaker, I ask unanimous consent that Senate amendments numbered 2, 11, 15, 19, 22, 23, 24, 30, 35, 45, 52, 53, 54, 55, 56, 57, 58, 59, 61, 63, 64, 65, 66, 68, 71, 73, 77, 86, 94, 102, 110, 124, 124, 125, 126, 127, 128, 134, 144, 148, 150, 152, 153, 155, and 167 be considered en bloc and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The texts of the various Senate amendments referred to in the unanimous-consent request are as follows:

Senate amendment No. 2: Page 2, line 6, after "$39,204,000" insert ": *Provided*, That $250,000 shall be available for the Clearinghouse for State and Local Initiatives on Productivity, Technology and Innovation".

Senate amendment No. 11: Page 3, after line 9, insert:

UNITED STATES TRAVEL AND TOURISM ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the United States Travel and Tourism Administration including travel and tourism promotional activities abroad for travel to the United States and its possessions without regard to the provisions of law set forth in 44 U.S.C. 3702 and 3703; and including employment of American citizens and aliens by contract for services abroad; rental of space abroad for periods not exceeding five years, and expenses of alteration, repair, or improvement; purchase or construction of temporary demountable exhibition structures for use abroad; advance of funds under contracts abroad; payment of tort claims in the manner authorized in the first paragraph of 28 U.S.C. 2672, when such claims arise in foreign countries; and not to exceed $12,000 for representation expenses abroad; $13,800,000.

Senate amendment No. 15: Page 3, line 23, after "Act" insert ", to remain available until expended".

Senate amendment No. 19: Page 4, after line 6, insert:

NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION

Senate amendment No. 22: Page 4, line 13, after "Act" insert ", and, notwithstanding 31 U.S.C. 3324, may be used for advanced payments not otherwise authorized only upon the certification of officials designated by the Secretary that such payments are in the public interest".

Senate amendment No. 23: Page 4, after line 20, insert:

SEC. 103. No funds in this title shall be used to sell to private interests, except with the consent of the borrower, or contract with private interests to sell or administer, any loans made under the Public Works and Economic Development Act of 1965 or any loans made under section 254 of the Trade Act of 1974.

Senate amendment No. 24: Page 4, after line 20, insert:

SEC. 104. During the current fiscal year, the National Bureau of Standards is authorized to accept contributions of funds, to remain available until expended, from any public or private source to construct a facility for cold neutron research on materials, nothwithstanding the limitations contained in 15 U.S.C. 278d.

Senate amendment No. 30: Page 5, after line 1, insert:

UNITED STATES PAROLE COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the United States Parole Commission, as authorized by law, $10,893,000.

Senate amendment No. 35: Page 5, after line 2 insert:

SALARIES AND EXPENSES, FOREIGN CLAIMS SETTLEMENT COMMISSION

For expenses necessary to carry out the activities of the Foreign Claims Settlement Commission, including services as authorized by 5 U.S.C. 3109; allowances and benefits similar to those allowed under the Foreign Service Act of 1980 as determined by the Commission; expenses of packing, shipping, and storing personal effects of personnel assigned abroad; rental or lease, for such periods as may be necessary, of office space and living quarters of personnel assigned abroad; maintenance, improvement, and repair of properties rented or leased abroad, and furnishing fuel, water, and utilities for such properties; insuance on official motor vehicles abroad; advances of funds abroad; advances or reimbursements to other Government agencies for use of their facilities and services in carrying out the functions of the Commission; hire of motor vehicles for field use only; and employment of aliens; $472,000.

Senate amendment No. 45: Page 5, after line 8 insert:

FEDERAL PRISON SYSTEM

Senate amendment No. 52: Page 5, after line 17 insert:

GENERAL PROVISIONS—DEPARTMENT OF JUSTICE

Senate amendment No. 53: Page 5, after line 17 insert:

SEC. 201. A total of not to exceed $75,000 from funds appropriated to the Department of Justice in this title shall be available for official reception and representation expenses in accordance with distributions, procedures, and regulations established by the Attorney General.

Senate amendment No. 54: Page 5, after line 17 insert:

SEC. 202. Notwithstanding any other provision of law, materials produced by convict labor may be used in the construction of any highways or portion of highways located on Federal-aid system, as described in section 103 of title 23, United States Code.

Senate amendment No. 55: Page 5, after line 17 insert:

SEC. 203. Appropriations for "Salaries and expenses, General Administration", "Salaries and expenses, United States Marshals Service", "Salaries and expenses, Federal Bureau of Investigation", "Salaries and expenses, Drug Enforcement Administration", "Salaries and expenses, Immigration and Naturalization Service", and "Salaries and expenses, Federal Prison System", shall be available for uniforms and allowances therefor as authorized by law (5 U.S.C. 5901-5902).

Senate amendment No. 56: Page 5, after line 17, insert:

SEC. 204. (a) Subject to subsection (b) of this section, authorities contained in Public Law 96-132, "The Department of Justice Appropriation Authorization Act, Fiscal Year 1980", shall remain in effect until the termination date of this Act or until the effective date of a Department of Justice Appropriation Authorization Act, whichever is earlier.

(b)(1) With respect to any undercover investigative operation of the Federal Bureau of Investigation or the Drug Enforcement Administration which is necessary for the detection and prosecution of crimes against the United States or for the collection of foreign intelligence or counterintelligence—

(A) sums authorized to be appropriated for the Federal Bureau of Investigation and for the Drug Enforcement Administration, for fiscal year 1989, may be used for purchasing property, buildings, and other facilities, and for leasing space, within the United States, the District of Columbia, and the territories and possessions of the United States, without regard to section 1341 of title 31 of the United States Code, section 3732(a) of the Revised Statutes (41 U.S.C. 11(a)), section 305 of the Act of June 30, 1949 (63 Stat. 396; 41 U.S.C. 255), the third undesignated paragraph under the heading "Miscellaneous" of the Act of March 3, 1877 (19 Stat. 370; 40 U.S.C. 34), section 3324 of title 31 of the United States Code, section 3741 of the Revised Statutes (41 U.S.C. 22), and subsections (a) and (c) of section 304 of the Federal Property and Administrative Service Act of 1949 (63 Stat. 395; 41 U.S.C. 254(a) and (c)),

(B) sums authorized to be appropriated for the Federal Bureau of Investigation and for the Drug Enforcement Administration, for fiscal year 1989, may be used to establish or to acquire proprietary corporations or business entities as part of an undercover investigative operation, and to operate such corporations or business entities on a commercial basis, without regard to section 9102 of title 31 of the United States Code,

(C) sums authorized to be appropriated for the Federal Bureau of Investigation and for Drug Enforcement Administration, for fiscal year 1989, and the proceeds from such undercover operation, may be deposited in banks or other financial institutions, without regard to section 648 of title 18 of the United States Code and section 3302 of title 31 of the United States Code, and

(D) proceeds from such undercover operation may be used to offset necessary and reasonable expenses incurred in such operation, without regard to section 3302 of title 31 of the United States Code,

only, in operations designed to detect and prosecute crimes against the United States, upon the written certification of the Director of the Federal Bureau of Investigation (or, if designated by the Director, a member of the Undercover Operations Review Committee established by the Attorney General in the Attorney General's Guidelines on Federal Bureau of Investigation Undercover Operations, as in effect on July 1, 1983) or the Administrator of the Drug Enforcement Administration, as the case may be, and the Attorney General (or, with respect to Federal Bureau of Investigation undercover operations, if designated by the Attorney General, a member of such Review Committee), that any action authorized by subparagraph (A), (B), (C), or (D) is necessary for the conduct of such undercover operation. If the undercover operation is designed to collect foreign intelligence or counterintelligence, the certification that any action authorized by subparagraph (A), (B), (C), or (D) is necessary for the conduct of such undercover operation shall be by the Director of the Federal Bureau of Investigation (or, if designated by the Director, the Assistant Director, Intelligence Division) and the Attorney General (or, if designated by the Attorney General, the Counsel for Intelligence Policy). Such certification shall continue in effect for the duration of such undercover operation, without regard to fiscal years.

(2) As soon as the proceeds from an undercover investigative operation with respect to which an action is authorized and carried out under subparagraphs (C) and (D) of subsection (a) are no longer necessary for the conduct of such operation, such proceeds or the balance of such proceeds remaining at the time shall be deposited in the Treasury of the United States as miscellaneous receipts.

(3) If a corporation or business entity established or acquired as part of an undercover operation under subparagraph (B) of paragraph (1) with a net value of over $50,000 is to be liquidated, sold, or otherwise disposed of, the Federal Bureau of Investigation or the Drug Enforcement Administration, as much in advance as the Director or the Administrator, or the designee of the Director or the Administrator, determines is practicable, shall report the circumstances to the Attorney General and the Comptroller General. The proceeds of the liquidation, sale, or other disposition, after obligations are met, shall be deposited in the Treasury of the United States as miscellaneous receipts.

(4)(A) The Federal Bureau of Investigation or the Drug Enforcement Administration, as the case may be, shall conduct a detailed financial audit of each undercover investigative operation which is closed in fiscal year 1989—

(i) submit the results of such audit in writing to the Attorney General, and

(ii) not later than 180 days after such undercover operation is closed, submit a report to the Congress concerning such audit.

(B) The Federal Bureau of Investigation and the Drug Enforcement Administration shall each also submit a report annually to the Congress specifying as to their respective undercover investigative operations—

(i) the number, by programs, of undercover investigative operations pending as of the end of the one-year period for which such report is submitted,

(ii) the number, by programs, of undercover investigative operations commenced in the one-year period preceding the period for which such report is submitted, and

(iii) the number, by programs, of undercover investigative operations closed in the one-year period preceding the period for which such report is submitted and, with respect to each such closed undercover operations, the results obtained. With respect to each such closed undercover operation which involves any of the sensitive circumstances specified in the Attorney General's Guidelines on Federal Bureau of Investigation Undercover Operations, such report shall contain a detailed description of the operation and related matters, including information pertaining to—

(I) the results,

(II) any civil claims, and

(III) identification of such sensitive circumstances involved, that arose at any time during the course of such undercover operation.

(5) For purposes of paragraph (4)—

(A) the term "closed" refers to the earliest point in time which—

(i) all criminal proceedings (other than appeals) are conducted, or

(ii) covert activities are concluded, whichever, occurs later,

(B) the term "employees" means employees, as defined in section 2105 of title 5 of the United States Code, of the Federal Bureau of Investigation, and

(C) the terms "undercover investigative operations" and "undercover operation" means any undercover investigative operations of the Federal Bureau of Invesitgation or the Drug Enforcement Administration (other than a foreign counterintelligence undercover investigative operation)—

(i) in which—

(I) the gross receipts (excluding interest earned) exceed $50,000, or

(II) expenditures (other than expenditures for salaries of employees) exceed $150,000, and

(ii) which is exempt from section 3302 or 9102 of title 31 of the United States Code,

except that clauses (i) and (ii) shall not apply with respect to the report required under subparagraph (B) of such paragraph.

Senate amendment No. 57: Page 5, after line 17, insert:

SEC. 205. None of the funds appropriated by this title shall be available to pay for an abortion, except where the life of the mother would be endangered if the fetus were carried to term or in the case of rape: *Provided*, That should this prohibition be declared unconstitutional by a court of competent jurisdiction, this section shall be null and void.

Senate amendment No. 58: Page 5, after line 17, insert:

SEC. 206. None of the funds appropriated under this title shall be used to require any person to perform, or facilitate in any way the performance of, any abortion.

Senate amendment No. 59: Page 5, after line 17, insert:

SEC. 207. Nothing in the preceding section shall remove the obligation of the director of the Bureau of Prisons to provide escort services necessary for a female inmate to receive such service outside the Federal facility: *Provided*, That nothing in this section in any way diminishes the effect of section 206 intended to address the philosophical beliefs of individual employees of the Bureau of Prisons.

Senate amendment No. 61: Page 5, after line 17, insert:

SEC. 209. (a) Title 8 United States Code, section 1356 is amended by adding the following new subsections:

"(m) Notwithstanding any other provisions of law, all adjudication fees as are designated by the Attorney General in regulations shall be deposited into a separate account entitled 'Immigration Examinations Fee Account' in the Treasury of the United States, whether collected directly by the Attorney General or through clerks of courts: *Provided, however*, That all fees received by the Attorney General from applicants residing in the Virgin Islands of the United States, and in Guam, under this subsection shall be paid over to the treasury of the Virgin Islands and to the treasury of Guam.

"(n) All deposits into the 'Immigration Examinations Fee Account' in excess of fifty million dollars shall remain available until expended to the Attorney General to reimburse any appropriation the amount paid out of such appropriation for expenses in providing immigration adjudication and naturalization services and the collection, safeguarding and accounting for fees deposited in and funds reimbursed from the 'Immigration Examinations Fee Account'. At least annually, deposits in the amount of fifty million dollars shall be tranferred from the 'Immigration Examinations Fee Account' to the General Fund of the Treasury of the United States.

"(o) The Attorney General will prepare and submit annually to Congress statements of financial condition of the 'Immigration Examinations Fee Account', including beginning account balance, revenues, withdrawals, and ending account balance and projections for the ensuing fiscal year.

"(p) The provisions set forth in subsections (m), (n), and (o) of this section apply to adjudication and naturalization services performed and to related fees collected on or after October 1, 1988."; and

(b) Title 8 United States Code, section 1455(g) is amended by inserting after "Treasury of the United States" the following: "except that all fees collected by the Attorney General on or after October 1, 1988, under the provisions of this subchapter, shall be deposited in the 'Immigration Examinations Fee Account' in the Treasury of the United States established pursuant to the provisions of section 286 (m), (n), (o), and (p)".

Senate amendment No. 63: Page 5, after line 17, insert:

SEC. 211. None of the funds appropriated or made available by this Act shall be used prior to October 1, 1989, to issue or implement any final rule in the rulemaking proceeding commenced August 8, 1986 (51 Fed. Reg. 28576-28589).

Senate amendment No. 64: Page 5, line 23, strike out "For" and insert "Notwithstanding section 110 of Public Law 100-204, for".

Senate amendment No. 65: Page 5, line 25, after "treaties," insert "International agreements, and binational contracts (including obligations assumed in Germany on or after June 5, 1945)".

Senate amendment No. 66: Page 6, line 4, after "2669);" insert "telecommunications; expenses necessary to provide maximum physical security in Government-owned and leased properties and vehicles abroad;".

Senate amendment No. 68: Page 6, line 6, after "Senate," insert "conventions,".

Senate amendment No. 71: Page 8, line 3, strike out "For" and insert "Notwithstanding section 102(a) (1) through (11) of Public Law 100-204, for".

Senate amendment No. 73: Page 8, line 6, after "Senate," insert "conventions".

Senate amendment No. 77: Page 9, line 7, after "Senate," insert "conventions".

Senate amendment No. 86: Page 11, after line 6, insert:

SEC. 302. The Secretary of State shall report to the appropriate committees of the Congress on the obligation of funds provided for diplomatic security and related expenses every month.

Senate amendment No. 94: Page 11, line 23, strike out "$2,200,000" insert "including improvements, maintenance, repairs, equipment, supplies, materials, and appurtenance; special clothing for workmen; and personal and other services (including temporary labor without regard to the Classification and Retirement Acts, as amended), and for snow removal by hire of men and equipment or under contract, without compliance with section 3709 of the Revised Statutes, as amended (41 U.S.C. 5) $2,131,000, of which $75,000 shall remain available until expended".

Senate amendment No. 102: Page 13, line 10, after "the" insert "compensation (in accordance with Criminal Justice Act maximums) and reimbursement of expenses of attorneys appointed to assist the court in criminal cases where the defendant has waived representation by counsel, and the".

Senate amendment No. 110: Page 13, after line 21, insert:

COURT SECURITY

For necessary expenses, not otherwise provided for, incident to the procurement, installation, and maintenance of security equipment and protective services for the United States Courts in courtrooms and adjacent areas, including building ingress-egress control, inspection of packages, directed security patrols, and other similar activities; $41,423,000, to be expended directly or transferred to the United States Marshals Service which shall be responsible for administering elements of the Judicial Security Program consistent with standards or guidelines agreed to by the Director of the Administrative Office of the United States Courts and the Attorney General.

Senate amendment No. 123: Page 14, after line 19, insert:

DEPARTMENT OF TRANSPORTATION

Senate amendment No. 124: Page 14, after line 19, insert:

MARITIME ADMINISTRATION

Senate amendment No. 125: Page 14, after line 19, insert:

READY RESERVE FORCE

For necessary expenses to acquire and maintain a surge shipping capability in the National Defense Reserve Fleet in an advanced state of readiness and related programs, $110,751,000, to remain available until expended, of which $3,000,000 shall be available for maintenance and related expenses of the National Defense Reserve Fleet: *Provided*, That reimbursement may be made to the Operations and Training appropriation for expenses related to this program.

Senate amendment No. 126: Page 14, after line 19, insert:

OPERATING-DIFFERENTIAL SUBSIDIES (LIQUIDATION OF CONTRACT AUTHORITY)

For the payment of obligations incurred for operating-differential subsidies as authorized by the Merchant Marine Act, 1936, as amended, $248,900,000, to remain available until expended.

Senate amendment No. 127: Page 14, after line 19, insert:

OPERATIONS AND TRAINING

For necessary expenses of operations and training activities authorized by law, $66,250,000, to remain available until expended: *Provided*, That reimbursements may be made to this appropriation from receipts to the "Federal Ship Financing Fund" for administrative expenses in support of that program in addition to any amount heretofore appropriated.

Senate amendment No. 128: Page 14, after line 19, insert:

ADMINISTRATIVE PROVISIONS—MARITIME ADMINISTRATION

Notwithstanding any other provision of this Act, the Maritime Administration is authorized to furnish utilities and services and make necessary repairs in connection with any lease, contract, or occupancy involving Government property under control of the Maritime Administration and payments received by the Maritime Administration for utilities, services, and repairs so furnished or made shall be credited to the appropriation charged with the cost thereof: *Provided*, That rental payments under any such lease, contract, or occupancy on account of items other than such utilities, services or repairs shall be covered into the Treasury as miscellaneous receipts.

No obligations shall be incurred during the current fiscal year from the construction fund established by the Merchant Marine Act, 1936, or otherwise, in excess of the appropriations and limitations contained in this Act, or in any prior appropriation Act and all receipts which otherwise would be deposited to the credit of said fund shall be covered into the Treasury as miscellaneous receipts.

Senate amendment No. 134: Page 16, line 15, strike out "$2,008,000" and insert "$4,508,000".

Senate amendment No. 144: Page 19, after line 4, insert:

LEGAL SERVICES CORPORATION

PAYMENT TO THE LEGAL SERVICES CORPORATIONS

For payment to the Legal Services Corporation to carry out the purposes of the Legal Services Corporation Act of 1974, as amended, $308,555,000 of which $264,349,000 is for basic field programs, $7,022,000 is for Native American programs, $9,698,000 is for migrant programs, $1,100,000 is for law school clinics, $1,000,000 is for supplemental field programs, $624,000 is for regional training centers, $7,228,000 is for national support, $7,843,000 is for State support, $865,000 is for the Clearinghouse, $510,000 is for computer assisted legal research regional centers, and $8,316,000 is for Corporation management and administration.

Senate amendment No. 148: Page 19, after line 9, insert:

SMALL BUSINESS ADMINISTRATION

Senate amendment No. 150: Page 19, after line 9, insert:

REVOLVING FUNDS

The Small Business Administration is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to its revolving funds, and in accord with the law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carring out the programs set forth in the budget for the current fiscal year for the "Disaster Loan Fund", the "Business Loan and Investment Fund", the "Lease Guarantees Revolving Fund", the "Pollution Control Equipment Contract Guarantees Revolving Fund", and the "Surety Bond Guarantees Revolving Fund".

Senate amendment No. 152: Page 19, after line 9, insert:

SURETY BOND GUARANTEES REVOLVING FUND

For additional capital for the "Surety Bond Guarantees Revolving Fund", authorized by the Small Business Investment Act, as amended, $9,497,000, to remain available without fiscal year limitation.

Senate amendment No. 153: Page 19, after line 9, insert:

POLLUTION CONTROL EQUIPMENT CONTRACT GUARANTEE REVOLVING FUND

For additional capital for the "Pollution control equipment contract guarantee revolving fund" authorized by the Small Business Investment Act, as amended, $13,656,000, to remain available without fiscal year limitation.

Senate amendment No. 155: Page 19, after line 18, after "activities;" insert "and to carry out related activities authorized by law".

Senate amendment No. 167: Page 23, after line 9, insert:

SEC. 604. If any provision of this Act or the application of such provision to any person or circumstances shall be held invalid, the remainder of the Act and the application of such provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendments of the Senate numbered 2, 11, 15, 19, 22, 23, 24, 30, 35, 45, 52, 53, 54, 55, 56, 57, 58, 59, 61, 63, 64, 65, 66, 68, 71, 73, 77, 86, 94, 102, 110, 123, 124, 125, 126, 127, 128, 134, 144, 148, 150, 152, 153, 155, and 167 and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 4: Page 2, after line 15, strike out "$527,304,000" and insert "$535,399,000, to remain available until expended".

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 4 and concur therein with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment insert: "$517,304,000, to remain available until expended".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 7: Page 2, after line 20, insert:

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

For economic development assistance as provided by the Public Works and Economic Development Act of 1965, as amended, and Public Law 91-304, and such laws that were in effect immediately before September 30, 1982, $183,500,000, of which (a) $1,400,000 is for a grant to the Crownpoint Institute of Technology in the State of New Mexico to assist in the rehabilitation and reconstruction of facilities, including site stabilization and drainage repairs; (b) $2,000,000 is for a grant to the Philadelphia Port Corporation in Philadelphia, Pennsylvania, for the Fruit Shed Expansion project at Tioga Marine Terminal I and Piers 82 and 84 to assist in the expansion of storage and handling facilities; (3) $4,500,000 is for a grant to the University of Kentucky in Lexington, Kentucky, to assist in the construction of the Advanced Science and Technology Commercialization Center; and (4) $250,000 shall be obligated for the Center for International Trade Development at Oklahoma State University: *Provided,* That during fiscal year 1988 total commitments to guarantee loans shall not exceed $150,000,000 of contingent liability for loan principal: *Provided further,* That none of the funds appropriated or otherwise made available under this heading may be used directly or indirectly for attorneys' consultants' fees in connection with securing grants and contracts made by the Economic Development Administration.

SALARIES AND EXPENSES

For necessary expenses of administering the economic development assistance programs as provided for by law, $24,989,000: *Provided,* That the number of Deputy Assistant Secretary positions shall not be greater than four: *Provided further,* That these funds may be used to monitor projects approved pursuant to title I of the Public Works Employment Act of 1976, as amended, title II of the Trade Act of 1974, as amended, and the Community Emergency Drought Relief Act of 1977. Notwithstanding any other provision of this Act or any other law, funds appropriated in this paragraph shall be used to fill and maintain forty-nine permanent positions designated as Economic Development Representatives out of the total number of permanent positions funded in the Salaries and Expenses account of the Economic Development Administration for fiscal year 1989, and such positions shall be maintained in the various States within the approved organizational structure in place on December 1, 1987, and where possible, with those employees who filled those positions on that date.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 7 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

For economic development assistance as provided by the Public Works and Economic Development Act of 1965, as amended, and Public Law 91-304, and such laws that were in effect immediately before September 30, 1982, $182,028,000, of which (a) $1,400,000 is for a grant to the Crownpoint Institute of Technology in the State of New Mexico to assist in the rehabilitation and reconstruction of facilities, including site stabilization and drainage repairs; (b) $2,000,000 is for a grant to the Philadelphia Port Corporation in Philadelphia, Pennsylvania, for the Fruit Shed Expansion project at Tioga Marine Terminal I and Piers 82 and 84 to assist in the expansion of storage and handling facilities; (c) $4,500,000 is for a grant to the University of Kentucky in Lexington, Kentucky, to assist in the construction of the Advanced Science and Technology Commercialization Center; (d) $250,000 shall be obligated for the Center for International Trade Development at Oklahoma State University; (e) $600,000 is for a grant to Crittenden County, Arkansas, for use in replacing a health center; (f) $125,000 is for a grant to Arkansas State University, Jonesboro, Arkansas, for the establishment and first year operation of a university center under the provisions of the Public Works and Economic Development Act of 1965, as amended; (g) $1,700,000 is for a grant to the revolving loan fund established under the provisions of Title XI of the Public Works and Economic Development Act of 1965, as amended, and administered by the East Arkansas Planning and Development District, Jonesboro, Arkansas, except that notwithstanding any other provision of law or regulation, no requirement for provision of matching funds shall be imposed as a condition for making this grant; (h) $2,400,000 is for a grant to the City of Beaumont, Texas, for the Spindletop Regional Development Project; (i) $200,000 is for a grant to Marshall University, Huntington, West Virginia, for the Marshall University Flexibility Manufacturing Proposal; (j) $200,000 is for a grant to Wheeling Jesuit College, Wheeling, West Virginia, for planning and technical assistance activities for establishment of a Software Development Center; (k) $2,250,000 is for grants for Projects A and B of the Special Impact Area Overall Economic Development Program for Polk County and the Cities of Des Moines and Ankeny, Iowa; and (l) $600,000 is for a grant to the Southeastern Area Technology Development Center, Inc., New London, Connecticut, for a demonstration project on the ability of a small business incubator to help diversify the economy of a defense-dependent region: *Provided,* That the Secretary of Commerce shall thoroughly review and evaluate each of the projects listed in subsections (a) through (l) of this paragraph and shall submit a report to the House and Senate Committees on Appropriations in March 1989 concerning the details and evaluation of each such project: *Provided further,* That the funds designated in subsections (a) through (l) of this paragraph shall be available for the national economic development assistance programs of the Economic Development Administration unless the House and Senate Appropriations Committees send letters to the Secretary of Commerce within 60 days of the submission of the report or June 1, 1989, whichever is later, on the projects listed in subsections (a) through (l) of this paragraph interposing no objection to the commencement of these projects: *Provided further,* That any sum in excess of the sum needed to comply with the House and Senate Appropriations Committees' letters for any of the projects listed in subsections (a) through (l) shall be available for the national economic development assistance programs of the Economic Development Administration: *Provided further,* That the Secretary of Commerce or his designees shall not promulgate or enforce any rule, regulation, or grant agreement provision affecting programs authorized by the Public Works and Economic Development Act of 1965, as amended, unless such rule, regulation, or provision is either required by statute or expressed as the explicit intent of the Congress or is in substantial conformity with those rules, regulations and provisions in effect prior to December 22, 1987: *Provided further,* That during fiscal year 1989 total commitments to guarantee loans shall not exceed $150,000,000 of contingent liability for loan principal: *Provided further,* That none of the funds appropriated or otherwise made available under this heading may be used directly or indirectly for attorneys' or consultants' fees in connection with securing grants and contracts made by the Economic Development Administration.

SALARIES AND EXPENSES

For necessary expenses of administering the economic development assistance programs as provided for by law, $24,742,000: *Provided,* That the number of Deputy Assistant Secretary positions shall not be greater than four: *Provided further,* That these funds may be used to monitor projects approved pursuant to title I of the Public Works Employment Act of 1976, as amended, title II of the Trade Act of 1974, as amended, and the Community Emergency Drought Relief Act of 1977. Notwithstanding any other provisions of this Act or any other law, funds appropriated in this paragraph shall be used to fill and maintain forty-nine permanent positions designated as Economic Development Representatives out of the total number of permanent positions funded in the Salaries and Expenses account of the Economic Development Administration for fiscal year 1989, and such positions shall be maintained in the various States within the approved organizational structure in place on December 1, 1987, and where possible, with those employees who filled those positions on that date.

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 8: Page 2, strike out lines 23, 24, and 25, and insert:

For necessary expenses for international trade activities of the Department of Commerce, including trade promotional activities abroad without regard to the provisions of law set forth in 44 U.S.C. 3702 and 3703; full medical coverage for dependent members of immediate families of employees stationed overseas; employment of Americans and aliens by contract for services abroad; rental of space abroad for periods not exceeding ten years, and expenses of alteration, repair, or improvement; purchase or construction of temporary demountable exhibition structures for use abroad; payment of tort claims, in the manner authorized in the first paragraph of 28 U.S.C. 2672 when such claims arise in foreign countries; not to exceed $300,000 for official representation expenses abroad; and purchase of passenger motor vehicles for official use abroad; $178,917,000, to remain available until expended, of which $7,060,000 is for the Office of Textiles and Apparels, including $3,360,000 for a grant to the Tailored Clothing Technology Corporation: *Provided*, That the provisions of the first sentence of section 105(f) and all of section 108(c) of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2455(f) and 2458(c)) shall apply in carrying out these activities. Notwithstanding any other provision of law, upon the request of the Secretary of Commerce, the Secretary of State shall accord the diplomatic title of Minister-Counselor to the senior Commercial Officer assigned to any United States mission abroad: *Provided further*, That the number of Commercial Service officers accorded such diplomatic title at any time shall not exceed eight.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 8 and concur therein with an amendment, as follows: In lieu of "$178,917,000, to remain available until expended," in said amendment, insert "$167,502,000, to remain available until expended, of which $3,300,000 is for support costs for a new materials center in Ames, Iowa, and".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 9: Page 3, strike out lines 3 to 9, and insert:

For necessary expenses for export administration and national security activities of the Department of Commerce, including costs associated with the performance of export administration field activities both domestically and abroad; full medical coverage for dependent members of immediate families of employees stationed overseas; employment of Americans and aliens by contract for services abroad; rental of space abroad for periods not exceeding ten years, and expenses of alteration, repair, or improvement; payment of tort claims, in the manner authorized in the first paragraph of 28 U.S.C. 2672 when such claims arise in foreign countries; not to exceed $5,000 for official representation expenses abroad; awards of compensation to informers under the Export Administration Act of 1979, and as authorized by 22 U.S.C. 401(b); purchase of passenger motor vehicles for official use and motor vehicles for law enforcement use with special requirement vehicles eligible for purchase without regard to any price limitation otherwise established by law; $40,481,000, to remain available until expended: *Provided*, That the provisions of the first sentence of section 105(f) and all of section 108(c) of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2455(f) and 2458(c)) shall apply in carrying out these activities.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 9 and concur therein with an amendment, as follows: In lieu of the sum "$40,481,000", named in said amendment, insert "$40,106,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 10: Page 3, after line 9, insert:

MINORITY BUSINESS DEVELOPMENT AGENCY

MINORITY BUSINESS DEVELOPMENT

For necessary expenses of the Department of Commerce in fostering, promoting, and developing minority business enterprise, including expenses of grants, contracts, and other agreements with public or private organizations, $40,102,000, of which $25,718,000 shall remain available until expended: *Provided*, That not to exceed $14,384,000 shall be available for program management for fiscal year 1988: *Provided further*, That none of the funds appropriated in this paragraph or in this title for the Department of Commerce shall be available to reimburse the fund established by 15 U.S.C. 1521 on account of the performance of a program, project, or activity, nor shall such fund be available for the performance of a program, project, or activity, which had not been performed as a central service pursuant to 15 U.S.C. 1521 before July 1, 1982, unless the Appropriations Committees of both Houses of Congress are notified fifteen days in advance of such action in accordance with the Committees' reprogramming procedures.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 10 and concur therein with an amendment, as follows: In lieu of the sum "$40,102,000" named in said amendment, insert "$39,705,000" and in lieu of the sum "$25,718,000" named in said amendment, insert $25,321,000".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 12: Page 3, strike out lines 12 to 19, and insert:

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of activities authorized by law for the National Oceanic and Atmospheric Adminstration, including acquisition, maintenance, operation, and hire of aircraft; 439 commissioned officers on the active list; construction of facilities, including initial equipment; alteration, modernization, and relocation of facilities; and acquisition of land for facilities; $1,265,854,000, to remain available until expended; of which $4,000,000 shall be available for the EROS Data Center in South Dakota pursuant to section 602 of Public Law 98-365; and of which $1,941,500, including $941,500 previously appropriated, shall be available only for construction and renovation of facilities at the Stuttgart Fish Farming Experimental Station, Stuttgart, Arkansas; and of which $1,700,000 is for the St. Paul Pribilof Island Trust: and in addition, $30,000,000 shall be derived from the Airport and Airways Trust Fund; and in addition, $45,600,000 shall be derived by transfer from the Fund entitled "Promote and Develop Fishery Products and Research Pertaining to American Fisheries"; and in addition, $6,500,000 shall be derived by transfer from the Coastal Energy Impact Fund: *Provided*, That grants to States pursuant to section 306 and 306(a) of the Coastal Zone Management Act, as amended, shall not exceed $2,000,000 and shall not be less than $450,000: *Provided further*, That the funds made available in this paragraph shall be obligated in accordance with the report accompanying the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1989, as filed in the Senate as if such report were enacted into law.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 12 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of activities authorized by law for the National Oceanic and Atmospheric Administration, including acquisition, maintenace, operation, and hire of aircraft; 439 commissioned officers on the active list; construction of facilities, including initial equipment; alteration, modernization, and relocation of facilities; and acquisition of land for facilities; $1,211,652,000, to remain available until expended; of which $3,000,000 shall be available for the EROS Data Center in South Dakota pursuant to section 602 of Public Law 98-365; and of which $1,941,500, including $941,500 previously appropriated, shall be available only for construction and renovation of facilities at the Stuttgart Fish Farming Experimental Station, Stuttgart, Arkansas; and of which $377,000 shall be available only for a semitropical research facility located at Key Largo, Florida; and of which $1,700,000 is for the St. Paul Pribilof Island Trust; and in addition, $28,717,000 shall be derived from the Ariport and Airways Trust Fund; and in addition, $45,600,000 shall be derived by transfer from the Fund entitled "Promote and Develop Fishery Products and Research Pertaining to American Fisheries"; and in addition, $6,500,000 shall be derived by transfer from the Coastal Energy Impact Fund: *Provided*, That grants to States pursuant to section 306 and 306(a) of the Coastal Zone Management Act, as amended, shall not exceed $2,000,000 and shall be less than $450,000.

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 13: Page 3, after line 19, insert:

FISHERIES PROMOTIONAL FUND

Of the funds deposited in the Fisheries Promotional Fund pursuant to section 209 of the Fish and Seafood Promotion Act of 1986, $3,000,000 shall be made available as authorized by said Act, to remain available until expended.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 13 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

FISHERIES PROMOTIONAL FUND

Of the funds deposited in the Fisheries Promotional Fund pursuant to section 209 of the Fish and Seafood Promotion Act of 1986, $3,000,000, to remain available until expended, shall be made available as authorized by said Act: *Provided*, That $135,000 of this amount shall be available only for a grant to the Seafood Consumer Research and Education Center, Astoria, Oregon.

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 16: Page 4, line 6, strike out "$1,919,000" and insert "$1,938,000, to remain available until expended".

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 16 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "$1,919,000, to remain available until expended".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 17: Page 4, after line 6, insert:

PATENT AND TRADEMARK OFFICE

SALARIES AND EXPENSES

For necessary expenses of the Patent and Trademark Office, including defense of suits instituted against the Commissioner of Patents and Trademarks, $110,529,000 and, in addition, such fees as shall be collected pursuant to 15 U.S.C. 1113 and 35 U.S.C. 41 and 376, to remain available until expended.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 17 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment, insert the following: "$109,000,000".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 18: Page 4, after line 6, insert:

NATIONAL BUREAU OF STANDARDS

SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES

For necessary expenses of the National Bureau of Standards, $151,231,000, to remain available until expended, of which $250,000 shall be available for a grant to the Southwest Radiation Calibration Center at the University of Arkansas, and of which not to exceed $6,050,000 may be transferred to the "Working Capital Fund".

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 18 and concur therein with an amendment, as follows: In lieu of the matter proposed in said amendment, insert the following:

NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY

SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES

For necessary expenses of the National Institute of Standards and Technology, $159,000,000, to remain available until expended, of which $250,000 shall be available for a grant to the Southwest Radiation Calibration Center at the University of Arkansas; and of which not to exceed $6,050,000 may be transferred to the "Working Capital Fund"; and of which $7,500,000 shall be for Regional Centers for Transfer of Manufacturing Technology; and of which $7,500,000 shall be used to develop and fund for the period January 1, 1989 through December 31, 1991 a cooperative agreement, with a non-Federal partner, for the establishment of a Center for Integrated Design, Non-Destructive Evaluation and Manufacturing. Of the funding provided for the Center for Integrated Design, Non-Destructive Evaluation and Manufacturing, 50 percent will be used for program operations and 50 percent for facilities development and equipment. The Institute will report to the House and Senate Committees on Appropriations on the status of the cooperative agreement with the Center for Integrated Design, Non-Destructive Evaluation and Manufacturing not later than February 1, 1989.

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

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The SPEAKER pro tempore (Mr. GRAY of Illinois). The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 20: Page 4, after line 6, insert:

SALARIES AND EXPENSES

For necessary expenses, as provided for by law, of the National Telecommunications and Information Administration, $13,630,000.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 20 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

SALARIES AND EXPENSES

For necessary expenses, as provided for by law, of the National Telecommunications and Information Administration, $13,630,000 of which $700,000 shall remain available until expended.

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment number 21: Page 4, after line 6, insert:

PUBLIC TELECOMMUNICATIONS FACILITIES, PLANNING AND CONSTRUCTION

For grants authorized by section 392 of the Communications Act of 1934, as amended, $21,590,000, to remain available until expended: *Provided*, That not to exceed $1,500,000 shall be available for program management as authorized by section 391 of the Communications Act of 1934, as amended: *Provided further*, That notwithstanding the provisions of section 391 of the Communications Act of 1934, as amended, the prior year unobligated balances may be made available for grants for projects for which applications have been submitted and approved during any fiscal year: *Provided further*, That notwithstanding sections 391 and 392 of the Communications Act, as amended, up to $1,700,000 shall be available for the establishment and administration of the Pan-Pacific Educational and Cultural Experiments by Satellite program (PEACESAT).

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 21 and concur therein with an amendment, as follows: In lieu of the sum "$21,590,000" named in said amendment, insert "$20,000,000" and in lieu of the sum "$1,700,000" named in said amendment, insert "$200,000 appropriated in this paragraph".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 29: Page 5, after line 1, insert:

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

For expenses necessary for the administration of the Department of Justice, $89,244,000.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 29 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert the following:

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

For expenses necessary for the administration of the Department of Justice, $88,360,000: *Provided*, That balances previously made available for Federal Justice Research activities may be used for other activities of this account.

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment number 31: Page 5, after line 2, insert:

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

For expenses necessary for the legal activities of the Department of Justice, not otherwise provided for, including not to exceed $20,000 for expenses of collecting evidence, to be expended under the direction of the Attorney General and accounted for solely on his certificate; and rent of private or Government-owned space in the District of Columbia; $240,591,000, of which not to exceed $6,000,000 for litigation support contracts shall remain available until September 30, 1990: *Provided*, That of the funds available in this appropriation, not to exceed $5,000,000 shall be available for office automation systems for the legal divisions covered by this appropriation, and for the United States Attorneys, the Antitrust Division, and offices funded through Salaries and expenses, General Administration, to remain available until expended: *Provided further*, That the Chief, United States National Central Bureau, INTERPOL, may establish and collect fees to process name checks and background records for noncriminal employment, licensing, and humanitarian purposes and, notwithstanding the provisions of 31 U.S.C. 3302, credit not more than $150,000 of such fees to this appropriation to be used for salaries and other expenses incurred in providing these services.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 31 and concur therein with an amendment, as follows: In lieu of the sum "$240,591,000" named in said amendment insert "$242,994,000".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment number 32: Page 5, after line 2, insert:

SALARIES AND EXPENSES, ANTITRUST DIVISION

For expenses necessary for the enforcement of antitrust and kindred laws, $45,386,000.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 32 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "$44,937,000".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent

that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 33: Page 5, after line 2, insert:

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

For necessary expenses of the Offices of the United States Attorneys, $391,212,000: *Provided,* That out of any increases appropriated during fiscal year 1989 for the Office of United States Attorneys, sufficient funds shall be allocated to the United States Attorneys Office of the Southern District of Florida to maintain such office's authorized level of 112 permanent full-time attorneys.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 33 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert the following:

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

For necessary expenses of the Offices of the United States Attorneys, $391,212,000.

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 34: Page 5, after line 2, insert:

UNITED STATES TRUSTEE SYSTEM FUND

For the necessary expenses of the United States Trustee Program, $47,784,000, to remain available until expended and to be derived from the Fund, for activities authorized by section 115 of the Bankruptcy Judges, United States Trustees, and Family Farmer Bankruptcy Act of 1986 (Public Law 99-554): *Provided,* That deposits to the Fund are available in such amounts as may be necessary to pay refunds due depositors: *Provided further,* That obligated balances remaining in the appropriation "Salaries and expenses, oversight of bankruptcy cases" as of September 30, 1988, be merged with the "United States Trustee System Fund".

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 34 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "$47,370,000".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 36: Page 5, after line 2, insert:

SALARIES AND EXPENSES, UNITED STATES MARSHALS SERVICE

For necessary expenses of the United States Marshals Service; including acquisition, lease, maintenance, and operation of vehicles and aircraft; $185,000,000: *Provided,* That notwithstanding the provisions of title 31 U.S.C. 3302, the Director of the United States Marshals Service may collect fees and expenses for the service of civil process, including: complaints, summonses, subpoenas and similar process; and seizures, levies, and sales associated with judicial orders of execution; and credit not to exceed $1,000,000 of such fees to this appropriation to be used for salaries and other expenses incurred in providing these services.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 36 and concur therein with an amendment, as follows: In lieu of the sum "$185,000,000" named in said amendment insert "$190,000,000".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment number 37: Page 5, after line 2, insert:

SUPPORT OF UNITED STATES PRISONERS

For support of United States prisoners in non-Federal institutions, $87,649,000, which shall remain available until expended; of which not to exceed $5,000,000 shall be available under the Cooperative Agreement Program for the purposes of renovating, constructing, and equipping State and local correctional facilities: *Provided,* That amounts made available for constructing any local correctional facility shall not exceed the cost of constructing space for the average Federal prisoner population to be housed in the facility, or in other facilities in the same correctional system, as projected by the Attorney General: *Provided further,* That following agreement on or completion of any federally assisted correctional facility construction, the availability of the space acquired for Federal prisoners with these Federal funds shall be assured and the per diem rate charged for housing Federal prisoners in the assured space shall not exceed operating costs for the period of time specified in the cooperative agreement.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 37 and concur therein with an amendment, as follows: In lieu of the sum "$87,649,000" named in said amendment insert "$93,700,000".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 38: Page 5, after line 2, insert:

FEES AND EXPENSES OF WITNESSES

For expenses, mileage, compensation, and per diems of witnesses and for per diems in lieu of subsistence, as authorized by law, including advances; $51,569,000, to remain available until expended, of which not to exceed $1,350,000 may be made available for planning, construction, renovation, maintenance, remodeling, and repair of buildings and the purchase of equipment incident thereto for protected witness safesites.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 38 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert the following:

FEES AND EXPENSES OF WITNESSES

For expenses, mileage, compensation, and per diems of witnesses, for private counsel expenses, and for per diems in lieu of subsistence, as authorized by law, including advances; $52,203,000, to remain available until expended, of which not to exeed $1,350,000 may be made available for planning, construction, renovation, maintenance, remodeling, and repair of buildings and the purchase of equipment incident thereto for protected witness safesities: *Provided*, That the Attorney General may enter into reimbursable agreements with other Federal Government agencies or components within the Department of Justice to pay expenses of private counsel to defend Federal Government employees sued for actions while performing their official duties.

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 39: Page 5, after line 2, insert:

SALARIES AND EXPENSES, COMMUNITY RELATIONS SERVICE

For necessary expenses of the Community Relations Service, established by title X of the Civil Rights Act of 1964, $28,137,000, of which not to exceed $20,873,000 shall remain available until expended to make payments in advance for grants, contracts and reimbursable agreements and other expenses necessary under section 501(c) of the Refugee Education Assistance Act of 1980 (Public Law 96-422; 94 Stat. 1809) for the processing, care, maintenance, security, transportation and reception and placement in the United States of Cuban and Haitian entrants: *Provided*, That notwithstanding section 501(e)(B) of the Refugee Education Assistance Act of 1980 (Public Law 96-422; 94 Stat. 1810), funds may be expended for assistance with respect to Cuban and Haitian entrants as authorized under section 501(c) of such Act.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 39 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert the following:

SALARIES AND EXPENSES, COMMUNITY RELATIONS SERVICE

For necessary expenses of the Community Relations Service, established by title X of the Civil Rights Act of 1964, $27,858,000, of which not to exceed $20,667,000 shall remain available until expended to make payments in advance for grants, contracts and reimbursable agreements and other expenses necessary under section 501(c) of the Refugee Education Assistance Act of 1980 (Public Law 96-422; 94 Stat., 1809) for the processing, care, maintenance, security, transportation and reception and placement in the United States of Cuban and Haitian entrants: *Provided*, That notwithstanding section 501(e)(2)(B) of the Refugee Education Assistance Act of 1980 (Public Law 96-422; 94 Stat. 1810), funds may be expended for assistance with respect to Cuban and Haitian entrants as authorized under section 501(c) of such Act.

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 42: Page 5, after line 8, insert:

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

For expenses necessary for detection, investigation, and prosecution of crimes against the United States; including purchase for police-type use of not to exceed 2,600 passenger motor vehicles of which 1,850 will be for replacement only, without regard to the general purchase price limitation for the current fiscal year, and hire of passenger motor vehicles; acquisition, lease, maintenance and operation of aircraft; and not to exceed $70,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General, and to be accounted for solely on his certificate; $1,424,977,000, of which not to exceed $15,100,000 for INF treaty activities shall remain available until expended; of which not to exceed $10,000,000 for automated data processing and telecommunications and $1,000,000 for undercover operations shall remain available until September 30, 1990; of which not to exceed $3,000,000 for research related to investigate activities shall remain available until expended; and of which not to exceed $500,000 is authorized to be made available for making payments or advances for expenses arising out of contractual or reimbursable agreements with State and local law enforcement agencies while engaged in cooperative activities related to terrorism: *Provided*, That the Director of the Federal Bureau of Investigation may establish and collect fees to process fingerprint identification records for non-criminal employment and licensing purposes, and notwithstanding the provisions of 31 U.S.C. 3302, credit such fees to this appropriation to be used for salaries and other expenses incurred in providing these services: *Provided further*, That not to exceed $45,000 shall be available for official reception and representation expenses: *Provided further*, That not to exceed $11,358,000 for a language translation system shall remain available until expended.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 42 and concur therein with an amendment, as follows: In lieu of the sum "$1,424,977,000" named in said amendment insert "$1,424,100,000" and in lieu of the sum "$10,000,000" named in said amendment insert "$25,000,000".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 43: Page 5, after line 8, insert:

DRUG ENFORCEMENT ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Drug Enforcement Administration, including not to exceed $70,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General, and to be accounted for solely on his certificate; purchase of not to exceed 549 passenger motor vehicles of which 489 are for replacement only for police-type use without regard to the general purchase price limitation for the current fiscal year; and acquisition, lease, maintenance, and operation of aircraft; $503,219,000, of which not to exceed $1,200,000 for research shall remain available until expended; and of which not to exceed $1,700,000 for purchase of evidence and payments for information, not to exceed $4,000,000 for contracting for ADP and telecommunications equipment, and not to exceed $2,000,000 for technical equipment shall remain available until September 30,1990.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 43 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert the following:

DRUG ENFORCEMENT ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Drug Enforcement Adminsitration, including not to exceed $70,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General, and to be accounted for solely on his certificate; purchase of not to exceed 549 passenger motor vehicles of which 489 are for replacement only for police-type use without regard to the general purchase price limitation for the current fiscal year; and acquisition, lease, maintenance, and operation of aircraft; $505,000,000, of which not to exceed $1,200,000 for research shall remain available until expended; and of which not to exceed $1,700,000 for purchase of evidence and payments for information, not to exceed $4,000,000 for contracting for ADP and telecommunications equipment, not to exceed $2,000,000 for technical equipment, and not to exceed $15,150,000 for aircraft and equipment shall remain available until September 30, 1990.

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 44: Page 5, after line 8, insert:

IMMIGRATION AND NATURALIZATION SERVICE

SALARIES AND EXPENSES

For expenses, not otherwise provided for, necessary for the administration and enforcement of the laws relating to immigration, naturalization, and alien registration, including not to exceed $50,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General and account for solely on his certificate; purchase for police-type use (not to exceed 525, of which 512 shall be for replacement only) without regard to the general purchase price limitation for the current fiscal year, and hire of passenger motor vehicles; acquisition, lease, maintenance and operation of aircraft; and research related to immigration enforcement; $804,323,000, of which not to exceed $400,000 for research shall remain available until expended: *Provided*, That none of the funds available to the Immigration and Naturalization Service shall be available for administrative expenses to pay any employee overtime pay in an amount in excess of $25,000 except in such instances when the Commission makes a determination that this restriction is impossible to implement: *Provided further*, That uniforms may be purchased without regard to the general purchase price limitation for the current fiscal year: *Provided further*, That capital assets acquired by the Immigration Legalization account may be made available for the general use of the Immigration and Naturalization Service after they are no longer needed for immigration legalization purposes.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 44 and concur therein with an amendment, as follows: In lieu of the sum "$804,323,000" named in said amendment insert "$800,000,000".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senater amendment No. 46: Page 5, after line 8, inserts:

SALARIES AND EXPENSES

For expenses necessary for the administration, operation, and maintenance of Federal penal and correctional institutions, including purchase (not to exceed 159 of which 109 are for replacement only) and hire of law enforcement and passenger motor vehicles; $963,012,000: *Provided*, That there may be transferred to the Health Resources and Services Administration such amounts as may be necessary, in the discretion of the Attorney General, for direct expenditures by that Administration for medical relief for inmates of Federal penal and correctional institutions: *Provided further*, That uniforms may be purchased without regard to the general purchase price limitation for the current fiscal year: *Provided further*, That of the amount appropriated under this heading, $4,204,000 shall be for "Federal Prison Industries" to replace equipment destroyed during the Mariel Cuban disturbances.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 46 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert the following:

SALARIES AND EXPENSES

For expenses necessary for the administration, operation, and maintenance of Federal penal and correctional institutions, including purchase (not to exceed 159 of which 109 are for replacement only) and hire of law enforcement and passenger motor vehicles; $953,012,000: *Provided*, That there may be transferred to the Health Resources and Services Administration such amounts as may be necessary, in the discretion of the Attorney General, for direct expenditures by that Administration for medical relief for inmates of Federal penal and correctional institutions: *Provided further*, That uniforms may be purchased without regard to the general purchase price limitation for the current fiscal year: *Provided further*, That of the amount appropriated under this heading, not to exceed $4,204,000 shall be for "Federal Prison Industries" to replace equipment destroyed during the Mariel Cuban disturbances.

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 47: Page 5, after line 8, insert:

NATIONAL INSTITUTE OF CORRECTIONS

For carrying out the provisions of sections 4351-4353 of title 18, United States Code, which established a National Institute of Corrections, $9,686,000, to remain available until expended.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 47 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "$9,590,000".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 48: Page 5, after line 8, insert:

BUILDINGS AND FACILITIES

For planning, acquisition of sites and construction of new facilities; purchase and acquisition of facilities and remodeling and equipping of such facilities for penal and correctional use, including all necessary expenses incident thereto, by contract or force account; and constructing, remodeling, and equipping necessary buildings and facilities at existing penal and correctional institutions, including all necessary expenses incident thereto, by contract or force account, $203,693,000 to remain available until expended: *Provided*, That labor of United States prisoners may be used for work performed under this appropriation: *Provided further*, that not to exceed 20 percentum of the funds appropriated to "Buildings and Facilities" in this Act or any other Act may be transferred to "Salaries and Expenses," Federal Prison System upon notification by the Attorney General to the Committees on Appropriations of the House of Representatives and the Senate in compliance with provisions set forth in section 607 of this Act.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 48 and concur therein with an amendment, as follows: In lieu of the percentum "20" named in said amendment insert and in lieu of the section number "607" named in said amendment insert "606".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 49: Page 5, after line 8, insert:

FEDERAL PRISON INDUSTRIES, INCORPORATED

The Federal Prison Industries, Incorporated, is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available, and in accord with the law, and to make such contracts and commitments, without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the program set forth in the budget for the current fiscal year for such corporation, including purchase of (not to exceed five for replacement only) and hire of passenger motor vehicles.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 49 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert the following:

FEDERAL PRISON INDUSTRIES, INCORPORATED

The Federal Prison Industries, Incorporated, is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available, and in accord with the law, including not to exceed $20,000,000 in borrowing authority in fiscal year 1989 from the Secretary of the Treasury as authorized in legislation enacted subsequent to this Act, and to make such contracts and commitments, without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the program set forth in the budget for the current fiscal year for such corporation, including purchase of (not to exceed five for replacement only) and hire of passenger motor vehicles.

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 50: Page 5, after line 8, insert:

LIMITATION ON ADMINISTRATIVE AND VOCATIONAL EXPENSES, FEDERAL PRISON INDUSTRIES, INCORPORATED

Not to exceed $2,374,000 of the funds of the corporation shall be available for its administrative expenses, and not to exceed $7,677,000 for the expenses of vocational training of prisoners, both amounts to be available for services as authorized by 5 U.S.C. 3109, and to be computed on an accrual basis to be determined in accordance with the corporation's prescribed accounting system in effect on July 1, 1946, and such amounts shall be exclusive of depreciation, payment of claims, and expenditures which the said accounting system requires to be capitalized or charged to cost of commodities acquired or produced, including selling and shipping expenses, and expenses in connection with acquisition, construction, operation, maintenance, improvement, protection, or disposition of facilities and other property belonging to the corporation or in which it has an interest.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 50 and concur therein with an amendment, as follows: In lieu of the sum "7,677,000" named in said amendment insert "$4,677,000".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 51: Page 5, strike out lines 11 to 17, and insert:

For grants, contracts, cooperative agreements, and other assistance authorized by the Justice Assistance Act of 1984, Runaway Youth and Missing Children Act Amendments of 1984, and the Missing Children Assistance Act including salaries and expenses in connection therewith, $87,383,000, to remain available until expended, of which $3,300,000 is provided under part E of the Justice Assistance Act of 1984, notwithstanding the provisions of section 407 of such Act to provide a grant to the National Crime Prevention Council for the purpose of continuing and expanding the National Citizens Crime Prevention Campaign: *Provided*, That of the unobligated funds previously appropriated for the Juvenile Justice and Delinquency Prevention Act which are subject to provisions of sections 222(b), 223(d), and 228(e) of title II of such Act, $2,000,000 to remain available until expended, shall be made available for salaries and expenses in connection with the Justice Assistance Act of 1984. In addition, for grants as authorized by the State and Local Law Enforcement Assistance Act of 1986 (Public Law 99-570, 100 Stat. 3207-42 to 3207-48), including salaries and expenses in connection therewith, $70,000,000 to remain available until expended: *Provided further*, That the Director, Bureau of Justice Assistance may increase the limitations, not to exceed 20 per centum, on administrative costs pursuant to 42 U.S.C. 3796n upon notification to the Director by States unable to comply with the limitation. In addition, for grants, contracts, cooperative agreements, and other assistance authorized by title II of the Juvenile Justice and Delinquency Prevention Act of 1974, as amended, including salaries and expenses in connection therewith, $66,692,000, to remain available until expended, of which not less than $3,000,000 shall be allotted under subpart II of part B of the Act to assist those States deemed not in substantial compliance with the jail removal mandate found in section 224(a)(14) of the Act. In addition, $5,000,000 for the purpose of making grants to States for their expenses by reason of Mariel Cubans having to be incarcerated in State facilities for terms requiring incarceration for the full period October 1, 1988 through September 30, 1989, following their conviction of a felony committed after having been paroled into the United States by the Attorney General: *Provided further*, That within thirty days of enactment of this Act the Attorney General shall announce in the Federal Register that this appropriation will be made available to the States whose Governors certify by February 1, 1989, a listing of names of such Mariel Cubans incarcerated in their respective facilities: *Provided further*, That the Attorney General, not later than April 1, 1989, will complete his review of the certified listings of such incarcerated Mariel Cubans, and make grants to the States on the basis that the certified number of such incarcerated persons in a State bears to the total certified number of such incarcerated persons: *Provided further*, That the amount of reimbursements per prisoner per annum shall not exceed $12,000.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 51 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment insert the following:

For grants, contracts, cooperative agreements, and other assistance authorized by the Justice Assistance Act of 1984, Runaway Youth and Missing Children Act Amendments of 1984, and the Missing Children Assistance Act, including salaries and expenses in connection therewith, $89,383,000, to remain available until expended, of which $3,497,000 is provided for programs authorized under part E of the Justice Assistance Act of 1984, notwithstanding the provisions of section 407 of such Act, including $2,300,000 for the National Crime Prevention Campaign and $1,000,000 for Operational Information Systems Support.

In addition, for grants as authorized by the State and Local Law Enforcement Assistance Act of 1986 (Public Law 99-570, 100 Stat. 3207-42 to 3207-48), including salaries and expenses in connection therewith, $70,000,000, to remain available until expended, of which not less than $1,500,000 shall be made available for drug abuse demand reduction programs authorized under 42 U.S.C. 3761.

In addition, for grants, contracts, cooperative agreements, and other assistance authorized by title II of the Juvenile Justice and Delinquency Prevention Act of 1974, as amended, including salaries and expenses in connection therewith, $64,692,000, to remain available until expended, and in addition, $2,000,000, to remain available until expended, to be derived from deobligated funds previously awarded under title II, part B, subpart I and II of the Juvenile Justice and Delinquency Prevention Act.

In addition, $5,000,000 for the purpose of making grants to States for their expenses by reason of Mariel Cubans having to be incarcerated in State facilities for terms requiring incarceration for the full period October 1, 1988 through September 30, 1989, following their conviction of a felony committed after having been paroled into the United States by the Attorney General: *Provided further,* That within 30 days of enactment of this Act the Attorney General shall announce in the Federal Register that this appropriation will be made available to the States whose Governors certify by February 1, 1989, a listing of names of such Mariel Cubans incarcerated in their respective facilities: *Provided further,* That the Attorney General, not later than April 1, 1989, will complete his review of the certified listings of such incarcerated Mariel Cubans, and make grants to the States on the basis that the certified number of such incarcerated persons in a State bears to the total certified number of such incarcerated persons: *Provided further,* That the amount of reimbursements per prisoner per annum shall not exceed $12,000.

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 60: Page 5, after line 17, insert:

SEC. 208. Notwithstanding subsections (c) and (d) of section 223 of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5633), the Administrator of the Office of Juvenile Justice and Delinquency Prevention may not—

(1) terminate any State's eligibility for funding under subpart I of part B of title II of such Act, or

(2) determine that the State's plan fails to meet the requirements of such section, for fiscal year 1989 because of the failure of such State to comply with the requirements of section 223(a)(14) of such Act before such fiscal year.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 60 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

SEC. 208. (a) Notwithstanding subsections (c) and (d) of section 223 of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5633), failure to achieve compliance with the requirements of subsection (a)(14) of such section within the five-year time limitation specified in such subsection (a)(14) shall terminate any State's eligibility for funding for fiscal year 1989 under subpart I of part B of title II of such Act unless the Administrator of the Office of Juvenile Justice and Delinquency Prevention—

(1) determines, in the discretion of the Administrator, that such State has—

(A)(i) removed not less than 75 percent of juveniles from jails and lockups for adults; or

(ii) achieved substantial compliance with such subsection (a)(14); and

(B) made, through appropriate executive or legislative action, an unequivocal commitment to achieving full compliance within a reasonable time, not to exceed three additional years; or

(2) waives the termination of the State's eligibility on the condition that the State agrees to expend all of the funds to be received under such subpart for such fiscal year by the State (excluding funds required to be expended to comply with subsections (c) and (d) of section 222) of such Act, only to achieve compliance with such subsection (a)(14).

(b) Except as provided in subsection (a) of this section, failure to achieve compliance with the requirements of subsection (a)(14) of section 223 of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5633) after December 8, 1985, shall terminate any State's eligibility for funding for fiscal year 1989 under subpart I of part B of title II of such Act unless the Administrator waives the termination of the State's eligibility on the condition that the State agrees to expend all of the funds to be received for such fiscal year under such subpart by the State (excluding funds required to be expended to comply with subsections (c) and (d) of section 222) of such Act, only to achieve compliance with section 223(a)(14) of such Act.

(c) For purposes of subsection (a)(1)(A)(ii) of this section, a State may demonstrate that it is in substantial compliance with section 223(a)(14) of the Juvenile Justice and Delinquency Prevention Act of 1974 (42 U.S.C. 5633(a)(14)) by showing that it has—

(1) removed all juvenile status offenders and nonoffenders from jails and lockups for adults;

(2) made meaningful progress in removing other juveniles from jails and lockups for adults;

(3) diligently carried out the State's plan to comply with such section 223(a)(14); and

(4) historically expended, and continues to expend, to comply with such section 223(a)(14) an appropriate and significant share of the funds received by the State under subpart I of part B of title II of such Act.

(d) Authorities contained in this Section shall remain in effect until the termination date of this Act or until the effective date of an Act to authorize appropriations for fiscal year 1989 for Juvenile Justice and Delinquency Prevention programs, whichever is earlier.

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 62: Page 5, after line 17, insert:

TREATMENT OF FATHERS OF ILLEGITIMATE CHILDREN IN INTERNATIONAL ADOPTION CASES

SEC. 210. (a) IN GENERAL.—Section 101(b)(2) of the Immigration and Nationality Act (8 U.S.C. 1101(b)(2)) is amended by inserting before the period at the end the following: ", except that, for purposes of paragraph (1)(F) in the case of an illegitimate child described in paragraph (1)(D) (and not described in paragraph (1)(C), the term 'parent' does not include the natural father of the child".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the enactment of section 315 of the Immigration Reform and Control Act of 1986.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 62 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert the following:

SEC. 210. (a) IN GENERAL.—Section 101(b)(2) of the Immigration and Nationality Act (8 U.S.C. 1101(b)(2)) is amended by inserting before the period at the end the following: ", except that, for purposes of paragraph (1)(F) in the case of an illegitimate child described in paragraph (1)(D) (and not described in paragraph (1)(C)), the term 'parent' does not include the natural father of the child if the father has disappeared or abandoned or deserted the child or if the father has in writing irrevocably released the child for emigration and adoption".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the enactment of section 315 of the Immigration Reform and Control Act of 1986 and shall expire on October 1, 1989.

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. Smith].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 69: Page 6, line 13, strike out "$1,793,500,000" and insert "$1,792,000,000".

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Smith of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 69 and concur therein with an amendment, as follows: In lieu of the sum stricken and inserted by said amendment, insert the following "$1,784,000,000".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. Smith].

The motion was agreed to.

□ 1530

The SPEAKER pro tempore (Mr. Gray of Illinois). The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 78: Page 9, line 17, strike out "$10,261,000" and insert "including preliminary surveys, operations and maintenance of the interceptor system to be constructed to intercept sewage flows from Tijuana and from selected canyon areas as currently planned, and the operation and maintenance upon completion of the proposed Environmental Protection Agency and Corps of Engineers pipeline and plant project to capture Tijuana sewage flows in the event of a major breakdown in Mexico's conveyance system, $10,364,000: *Provided*, That expenditures for the Rio Grande bank protection project shall be subject to the provisions and conditions contained in the appropriation for said project as provided by the Act approved April 25, 1945 (59 Stat. 89)".

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Smith of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 78 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert: "including preliminary surveys, operations and maintenance of the interceptor system to be constructed to intercept sewage flows from Tijuana and from selected canyon areas as currently planned, and the operation and maintenance upon completion of the proposed Environmental Protection Agency and Corps of Engineers pipeline and plant project to capture Tijuana sewage flows in the event of a major breakdown in Mexico's conveyance system, $10,261,000: *Provided*, That expenditures for the Rio Grande bank protection project shall be subject to the provisions and conditions contained in the appropriation for said project as provided by the Act approved April 25, 1945 (59 Stat. 89)".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. Smith].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 85: Page 10, after line 24, insert:

FISHERMEN'S GUARANTY FUND

For expenses necessary to carry out the provisions of section 7 of the Fishermen's Protective Act of 1967, as amended, $1,742,000, of which $900,000 is to be derived from the receipts collected pursuant to that Act, to remain available until expended.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Smith of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 85 and concur therein with an amendment, as follows: In lieu of the sum "$1,742,000" named in said amendment, insert "$1,725,000".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. Smith].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 87: Page 11, after line 6, insert:

Sec. 303. Section 303 of the Department of State Appropriations Act, 1988 (as contained in section 101(a) of Public Law 100-202), is amended in the first sentence—

(1) by striking out "$290,000" and inserting in lieu thereof "$340,000";

(2) by striking out "and"; and

(3) by inserting after "Public Law 86-420" the following: ", and section 109(c) of the Department of State Authorization Act, Fiscal Years 1984 and 1985".

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Smith of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 87 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

Sec. 303. (a) Section 303 of the Department of State Appropriations Act, 1988 (as contained in section 101(a) of Public Law 100-202), is amended in the first sentence—

(1) by striking out "$290,000" and inserting in lieu thereof "$340,000";

(2) by striking out "and"; and

(3) by inserting after "Public Law 86-420" the following: ", and section 109(c) of the Department of State Authorization Act, Fiscal Years 1984 and 1985.".

(b) Section 109(c) of the Department of State Authorization Act, Fiscal Years 1984 and 1985, is amended—

(1) by striking out "Of the amounts" and inserting in lieu thereof "There are";

(2) by striking out "for 'International Organizations and Conferences' "; and

(3) by striking out "may be used".

(c) The amendments made by this section shall take effect on October 1, 1988.

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. Smith].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 88: Page 11, after line 6, insert:

Sec. 304. None of the funds provided in this or any other Act may be used to provide housing benefits or tax relief of any kind for individuals serving at the United States Mission to the United Nations other than the Permanent Representative of the United States and the senior Deputy Permanent Representative, except as needed to cover expenses associated with terminating the existing housing program and no unique financial compensation to individuals serving at the Mission may be provided without specific legislative authority. Furthermore, the Department of State will submit to the appropriate Committees of Congress by October 9, 1988, a program to meet the unique personnel needs of the United States Mission to the United Nations.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Smith of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 88 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

SEC. 304. (a) Section 8 of the United Nations Participation Act of 1945 is amended as follows:

(1) by adding the words "serving abroad" after the words "in section 2 of this Act";

(2) by adding the word "abroad" after the words "such living quarters"; and

(3) by deleting the last sentence of that section.

(b) Section 9 of the United Nations Participation Act of 1945 is amended as follows:

(1) by deleting all but subsection (2);

(2) by renumbering subsection (2) as (3) and deleting the word "President" therein and inserting the word "Secretary" in lieu thereof; and

(3) by inserting the following:

"SEC. 9. The Secretary of State may, under such regulations as he shall prescribe, and notwithstanding section 3648 of the Revised Statutes (31 U.S.C. 3324) and section 5536 of title 5, United States Code—

"(1) make available to the Representative of the United States to the United Nations and the Deputy Permanent Representative of the United States to the United Nations living quarters leased or rented by the United States (for periods not exceeding ten years) and allowances for unusual expenses incident to the operation and maintenance of such living quarters similar to those and to be considered for all purposes as authorized by section 22 of the Administrative Expenses Act of 1946, as amended by section 311 of the Overseas Differentials and Allowances Act.

"(2) make available in New York to no more than 18 foreign service employees of the staff of the United States Mission to the United Nations, other representatives, and no more than two employees who serve at the pleasure of the Representative, living quarters leased or rented by the United States (for periods not exceeding ten years). The number of employees to which such quarters will be made available shall be determined by the Secretary and shall reflect a significant reduction over the number of persons eligible for housing benefits as of the date of enactment of this provision. No employee may occupy a unit under this provision if the unit is owned by the employee. The Secretary shall require that each employee occupying housing under this subsection contribute to the Department of State a percentage of his or her base salary, in an amount to be determined by the Secretary of State, toward the cost of such housing. The Secretary may reduce such payments to the extent of income taxes paid on the value of the leased or rented quarters. Any payments made by employees to the Department of State for occupancy by them living quarters leased or rented under this section shall be credited to the appropriation, fund, or account utilized by the Secretary of State for such lease or rental or to the appropriation, fund, or account currently available for such purpose.

* * * * *

"(4) The Inspector General shall review the program established by this section no later than December 1989 and periodically thereafter with a view to increasing cost savings and making other appropriate recommendations."

(c) Transition provisions:

(1) provisions set forth in this section shall be effective July 1, 1989.

(2) in the event that taxes paid by an employee on the benefit provided under subsection (2) of section 9 exceed the contribution amount computed as a percentage of base salary under that subsection, the Department of State may reimburse the employee up to the amount of such differential for the period from the date of enactment of this Act through July 1, 1989.

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 91: Page 11, after line 6, insert:

SEC. 307. Notwithstanding section 130 of the Foreign Relations Authorization Act, Fiscal Years 1988-89 and section 414 of the Diplomatic Security Act and any other provisions of law, such funds as are authorized, or that may be authorized, under the Diplomatic Security Act or any other statute, and appropriated to the Department of State under this or any other Act, may be hereafter obligated or expended for site acquisition, development, and construction of two new diplomatic facilities in Israel, Jerusalem, or the West Bank, provided that each facility (A) equally preserves the ability of the United States to locate its Ambassador or its Consul General at that site, consistent with United States policy; (B) shall not be denominated as the United States Embassy or Consulate until after construction of both facilities has begun, and construction of one facility has been completed, or is near completion; and (C) unless security considerations require otherwise, commences operation simultaneously.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 91 and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "305".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 92: Page 11, after line 6, insert:

SEC. 308. (a) FINDINGS.—The Congress finds that—

(1) The Senate in Public Law 99-399 and S. Res. 31 has twice called on the Secretary of State to review United States policy with respect to the continued recognition of the Soviet puppet regime in Afghanistan and continued United States diplomatic presence in Kabul to determine whether such recognition and presence is in the interest of the United States and the people of Afghanistan;

(2) The majority and minority leaders of the United States Senate in a letter dated June 15, 1988, called for the appointment of an Ambassador at Large on Afghanistan to coordinate United States policies and programs with the Afghan Resistance;

(3) The Under Secretary of State for Political Affairs, appearing before the Senate Foreign Relations Committee on June 23, 1988, acknowledged that the dangers to the security of American personnel in Kabul, Afghanistan would be expected to grow in the months ahead;

(4) After more than eight years of warfare, the Resistance continues to control eighty percent of the territory of Afghanistan and has been instrumental in delivering social services and humanitarian resources inside Afghanistan;

(5) The administration has never responded in a comprehensive manner to the requests enumerated in paragraphs (1) and (2).

(b) IT IS THE SENSE OF THE CONGRESS THAT.—

(1) The Administration should intensify its political dialogue with the Afghan Resistance and interact positively with their political and economic institutions;

(2) The United States should actively seek firsthand information on military and political developments in Afghanistan from the Afghan Resistance and should not rely solely on other countries for such information; and

(3) The President should confer diplomatic recognition at an appropriate time on an Afghan Government constituted by the Afghan Resistance that is broad based and genuinely representative of the Afghan people or a government that is directly elected by the Afghan people in a free and fair election.

(c)(1) There is established in the Department of State the position of special envoy to the Afghan Resistance who shall be appointed by the President.

(2) The special envoy shall hold the personal rank of Ambassador, shall be qualified in the languages necessary to work closely with the Afghan Resistance and shall coordinate United States policies and programs with the Afghan Resistance.

(3) It is the sense of the Congress that not later than 30 days after the date of enactment of this Act, the President should exercise the authority under section 302(a)(2)(B) of the Foreign Service Act of 1980 to confer the rank of Ambassador on an individual who shall serve as the special envoy to the Afghan Resistance.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 92 and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "306" and in lieu of the matter proposed in subsection (c)(2) of said amendment, insert the following:

(2) The special envoy shall hold the personal rank of Ambassador and shall coordinate United States policies and programs with the Afghan Resistance.

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 93: Page 11, lines 17 and 18, strike out "as authorized by 31 U.S.C. 1343 and 1344; $15,840,000" and insert "; not to exceed $10,000 for official reception and representation expenses; and for miscellaneous expenses, to be expended as the Chief Justice may approve; $15,453,000".

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 93 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment insert the following: "as authorized by 31 U.S.C. 1343 and 1344; not to exceed $10,000 for official reception and representation expenses; and for miscellaneous expenses, to be expended as the Chief Justice may approve; $15,901,000".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There is no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 96: Page 12, lines 5 and 6, strike out "as authorized by law, $8,227,000" and insert "$7,566,000".

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 96 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment insert the following: "as authorized by law, $8,300,000".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There is no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 99: Page 12, line 22, strike out "as authorized by law, $1,178,336,000" and insert "including the purchase of firearms and ammunition, $1,106,768,000: *Provided* That of the total amount appropriated, $500,000 is to remain available until expended for acquisition of books, periodicals, and newspapers, and all other legal reference materials, including subscriptions: *Provided further,* That the number of staff attorneys to be appointed in each of the courts of appeals shall not exceed the ratio of one attorney for each authorized judgeship, exclusive of the seven attorneys assigned preargument conference duties

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 99 and concur therein with an amendment, as follows: in lieu of the matter stricken and inserted by said amendment insert the following: "as authorized by law, including the purchase of firearms and ammunition, $1,135,000,000: *Provided,* That of the total amount appropriated, $500,000 is to remain available until expended for acquisition of books, periodicals, and newspapers, and all other legal reference materials, including subscriptions: *Provided further,* That the number of staff attorneys to be appointed in each of the courts of appeals shall not exceed the ratio of one attorney for each authorized judgeship, exclusive of the seven attorneys assigned preargument conference duties: *Provided further,* That, notwithstanding any other provision of law, not to exceed $1,500,000 for expenses of the Claims Court associated with processing cases under the National Childhood Vaccine Injury Act of 1986 shall be reimbursed from the special fund established to pay judgments awarded under the Act: *Provided further,* That any funds hereafter collected by the Judiciary as a charge for services rendered in administering accounts kept in a court's registry shall be deposited into a separate account entitled "Registry Administration Account" in the Treasury of the United States. Such funds shall remain available to the Judiciary until expended to reimburse any appropriation for the amount paid out of such appropriation for expenses of the Courts of Appeals, District Courts and Other Judicial Services and the Administrative Office of the United States Courts".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 107: Page 13, lines 16 and 17, strike out "as authorized by 18 U.S.C. 1871 and 1876".

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 107 and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment insert the following: "as authorized by 28 U.S.C. 1871 and 1876; refreshments of jurors".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 109: Page 13, lines 20 and 21, strike out "28 U.S.C. Appendix Rule 71A(h)); $44,193,000" and insert "; $43,600,000, to remain available until expended: *Provided,* That the compensation of land commissioners shall not exceed the daily equivalent of the highest rate payable under section 5332 of title 5, United States Code".

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 109 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment insert the following: "(28 U.S.C. Appendix Rule 71A(h)); $43,135,000, to remain available until expended: *Provided,* That the compensation of land commissioners shall not exceed the daily equivalent of the highest rate payable under section 5332 of title 5, United States Code.".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent

that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 112: Page 14, line 2, strike out all after "vehicle" down to and including "$34,228,000" in line 3 and insert ", and rent in the District of Columbia and elsewhere, $33,087,000, of which an amount not to exceed $5,000 is authorized for official reception and representation expenses".

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 112 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment insert the following: "as authorized by 31 U.S.C. 1343(b), advertising and rent in the District of Columbia and elsewhere, $33,600,000, of which an amount not to exceed $5,000 is authorized for official reception and representation expenses".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 116: Page 14, after line 16, insert:

SEC. 403. Appropriations made in this title shall be available for salaries and expenses of the Temporary Emergency Court of Appeals authorized by Public Law 92-210 and the Special Court established under the Regional Rail Reorganization Act of 1973, Public Law 93-236.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 116 and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert: "402".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 117: Page 14, after line 16, insert:

SEC. 404. The position of Trustee Coordinator in the Bankruptcy Courts of the United States shall not be limited to persons with formal legal training.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 117 and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "403".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 118: Page 14, after line 16, insert:

SEC. 405. Notwithstanding any other provision of law, the Administrative Office of the United States Courts, or any other agency or instrumentality of the United States, is prohibited from restricting solely to staff of the Clerks of the United States Bankruptcy Courts the issuance of notice to creditors and other interested parties. The Administrative Office shall permit and encourage the preparation and mailing of such notices to be performed by or at the expense of the debtors, trustees or such other interested parties as the Court may directed and approve. The Director of the Administrative Office of the United States Courts shall make appropriate provisions for the use of and accounting for any postage required pursuant to such directives. The provisions of this paragraph shall terminate on October 1, 1989.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 118 and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "404".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 119: Page 14, after line 16, insert:

SEC. 406. Such fees as shall be collected for the preparation and mailing of notices in bankruptcy cases as prescribed by the Judicial Conference of the United States pursuant to 28 U.S.C. 1930(b) shall be deposited to the "Courts of Appeals, District Courts, and Other Judicial Services, Salaries and Expenses" appropriation to be used for salaries and other expenses incurred in providing these services.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 119 and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "405".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 120: Page 14, after line 16, insert:

SEC. 407. Section 603 of title 28, United States Code, is amended by striking "three" and inserting in lieu thereof "six".

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 120 and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "406".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent

that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. Smith].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 121: Page 14, after line 16, insert:

Sec. 408. The second paragraph of section 332(f) of title 28, United States Code, is amended by striking "level V" and inserting in lieu thereof, "level IV".

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Smith of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 121 and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "407".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. Smith].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 131: Page 15, after line 13, insert:

ISRAEL RELAY STATION

For an additional amount for the Board for International Broadcasting for the purpose of making and overseeing grants to Radio Free Europe/Radio Liberty, Incorporated, and its subsidiaries and of making payments as necessary in order to implement the agreement signed on June 18, 1987, between the United States Government and the Government of Israel to establish and operate a radio relay station in Isarel for use by Radio Free Europe/Radio Liberty and the Voice of America, $35,000,000, to remain available until expended.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Smith of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 131 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "$33,000,000".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. Smith].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 133: Page 16, lines 11 and 12, strike out "of which $5,000,000" and insert "to remain available until expended, of which $7,500,000".

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Smith of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 133 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment insert the following: "To remain available until expended, of which $4,500,000 is to be derived from unobligated balances made available under this heading in previous appropriations Act, and of which $7,500,000".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. Smith].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 136: Page 16, strike out all after line 19 over to and including line 8 on page 17, and insert:

For necessary expenses of the Commission on Civil Rights, including hire of passenger motor vehicles, $5,841,000, of which $2,000,000 is for regional offices and $700,000 is for civil rights monitoring activities: *Provided*, That not to exceed $20,000 may be used to employ consultants: *Provided further*, That not to exceed $185,000 may be used to employ temporary or special needs appointees: *Provided further*, That none of the funds shall be used to employ in excess of four full-time individuals under Schedule C of the Excepted Service, exclusive of one special assistant for each Commissioner whose compensation shall not exceed the equivalent of 150 billable days at the daily rate of a level 11 salary under the General Schedule: *Provided further*, That not to exceed $40,000 shall be available for new, continuing or modifications of contracts for performance of mission-related external services: *Provided further*, That none of the funds shall be used to reimburse Commissioners for more than 75 billable days, with the exception of the Chairman who is permitted 125 billable days: *Provided further*, That the General Accounting Office shall perform a mid-year audit of the Commission to determine compliance with this section and shall report its findings to the Appropriations Committees of the Senate and House of Representatives by June 1, 1989.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Smith of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 136 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert:

For necessary expenses of the Commission on Civil Rights, including hire of passenger motor vehicles, $5,707,000 of which $2,000,000 is for regional offices and $700,000 is for civil rights monitoring activities: *Provided*, That not to exceed $20,000 may be used to employ consultants: *Provided further*, That not to exceed $185,000 may be used to employ temporary or special needs appointees: *Provided further*, That none of the funds shall be used to employ in excess of four full-time individuals under Schedule C of the Excepted Service, exclusive of one special assistant for each Commissioner whose compensation shall not exceed the equivalent of 150 billable days at the daily rate of a level 11 salary under the General Schedule: *Provided further*, That not to exceed $40,000 shall be available for new, continuing or modifications of contracts for performance of mission-related external services: *Provided further*, That none of the funds shall be used to reimburse Commissioners for more than 75 billable days, with the exception of the Chairman who is permitted 125 billable days: *Provided further*, That the General Accounting Office shall audit the Commission's use of this appropriation under such terms and conditions as deemed appropriate by the Comptroller General and shall report its findings to the Appropriations Committees of the Senate and House of Representatives.

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. Smith].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 139: Page 18, line 11, strike out "$179,812,000" and insert "$181,758,000, of which $1,200,000 shall be used to conduct a study in cooperation with the National Academy of Sciences to analyze the potential consequences of the elimination of mandatory retirement on institutions of higher education, as authorized by Public Law 99-592 (100 Stat. 3344): *Provided*, That the final rule regarding unsupervised waivers under the Age Discrimination in Employment Act, issued by the Commission on August 27, 1987 (29 CFR sections 1627.16(c)(1)-(3)), shall not have effect during fiscal year 1989: *Provided further*, That none of the funds may be obligated or expended by the Commission to give effect to any policy or practice pertaining to unsupervised waivers under the Age Discrimination in Employment Act, except that this proviso shall not preclude the Commission from investigating or processing claims of age discrimination, and pursuing appropriate relief in federal court, regardless or whether an unsupervised waiver of rights has been sought or signed".

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 139 and concur therein with an amendment, as follows: In lieu of the sum "$181,758,000" named in said amendment insert "$180,712,000" and in lieu of the sum "$1,200,000" named in said amendment insert "$900,000".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 140: Page 18, after line 11, insert:

FEDERAL COMMUNICATIONS COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Communications Commission, as authorized by law, including uniforms and allowances therefor, as authorized by law (5 U.S.C. 5901-02); not to exceed $300,000 for land and structures; not to exceed $300,000 for improvement and care of grounds and repair to buildings; not to exceed $4,000 for official reception and representation expenses; purchase (not to exceed ten) and hire of motor vehicles; special counsel fees; and services as authorized by 5 U.S.C. 3109; $100,660,000, of which not to exceed $300,000 of the foregoing amount shall remain available until September 30, 1990, for research and policy studies: *Provided*, That none of the funds appropriated by ths Act shall be used to repeal, to retroactively apply changes in, or to continue a reexamination of, the policies of the Federal Communications Commission with respect to comparative licensing, distress sales and tax certificates granted under 26 U.S.C. 1071, to expand minority and women ownership of broadcasting licenses, including those established in the Statement of Policy on Minority Ownership of Broadcasting Facilities, 68 F.C.C. 2d 979 and 69 F.C.C. 2d 1591, as amended 52 R.R. 2d 1313 (1982) and Mid-Florida Television Corp., 60 F.C.C. 2d 607 Rev. Bid. (1978), which were effective prior to September 12, 1986, other than to close MM Docket No. 86-484 with a reinstatement of prior policy and a lifting of suspension of any sales, licenses, applications, or proceedings, which were suspended pending the conclusion of the inquiry: *Provided further*, That none of the funds appropriated to the Federal Communications Commission by ths Act may be used to diminish the number of VHF channel assignments reserved for noncommercial educational television stations in the Television Table of Assignments (section 73.606 of title 47, Code of Federal Regulations): *Provided further*, That none of the funds appropriated by this Act may be used to repeal, to retroactively apply changes in, or to begin or continue a reexamination of the rules and the policies established to administer such rules of the Federal Communications Commission a set forth at section 73.3555(c) of title 47 of the Code of Federal Regulations.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 140 and concur therein with an amendment, as follows: In lieu of the sum "$100,660,000" named in said amendment, insert "$99,613,000" and following the phrase "Code of Federal Regulations" at the end of said amendment, insert ": *Provided further*, That the authority under the Supplemental Appropriations Act, 1985 (Public Law 99-88) with respect to the relocation of the Fort Lauderdale Monitoring Station shall extend through fiscal year 1989 and under the same terms and conditions of Public Law 99-88".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 141: Page 18, line 20, strike out "$13,585,000" and insert "$13,737,000: *Provided*, That not to exceed $1,500 shall be available for official exception and representation expenses".

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 141 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "$13,585,000: *Provided*, That not to exceed $1,500 shall be available for official reception and representation expenses".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?'

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 142: Page 18, after line 20, insert:

FEDERAL TRADE COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Trade Commission, including uniforms or allowances therefor, as authorized by 5 U.S.C. 5901-5902; services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; and not to exceed $2,000 for official reception and representation expenses; $66,918,000: *Provided*, That the funds appropriated in this paragraph are subject to the limitations and provisions of sections 10(a) and 10(c) (notwithstanding section 10(e)), 11(b), 18, and 20 of the Federal Trade Commission Improvements Act of 1980 (Public Law 96-252; 94 Stat. 374); *Provided further*, That the Federal Trade Commission shall immediately provide any necessary or requested assistance to appropriate State agencies which are investigating possible unfair or deceptive practices in the distribution, offering for sale and sale of drought insurance during calendar year 1988; the Commission shall report the results of any assistance provided to any State agency which requests such assistance and to the Congress.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 142 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert:

FEDERAL TRADE COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Trade Commission, including uniforms or allowances therefor, as authorized by 5 U.S.C. 5901-5902; services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; and not to exceed $2,000 for official reception and representation expenses; $66,243,000: *Provided*, That the funds appropriated in this paragraph are subject to the limitations and provisions of sections 10(a) and 10(c) (notwithstanding section 10(e)), 11(b), 18, and 20 of the Federal Trade Commission Improvements Act of 1980 (Public Law 96-252; 94 Stat. 374).

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?'

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 143: Page 18, after line 20, insert:

INTERNATIONAL TRADE COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the International Trade Commission, including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, and not to exceed $2,500 for official reception and representation expenses, $37,069,000.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 143 and concur therein with an amendment, as follows: In lieu of the sum "$37,069,000" named in said amendment insert "$35,958,000".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 145: Page 19, after line 4, insert:

MARINE MAMMAL COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Marine Mammal Commission as authorized by title II of Public Law 92-522, as amended, $962,000.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 145 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "$953,000".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 146: Page 19, after line 4, insert:

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

SALARIES AND EXPENSES

For necessary expenses of the Office of the United States Trade Representative, including the hire of passenger motor vehicles and the employment of experts and consultants as authorized by 5 U.S.C. 3109, $15,383,000, of which $1,000,000 shall remain available until expended: *Provided*, That not to exceed $69,000 shall be available for official reception and representation expenses.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 146 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert:

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

SALARIES AND EXPENSES

For necessary expenses of the Office of the United States Trade Representative, including the hire of passenger motor vehicles and the employment of experts and consultants as authorized by 5 U.S.C. 3109, $15,229,000, of which $1,000,000 shall remain available until expended: *Provided*, That not to exceed $69,000 shall be available for official reception and representation expenses.

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 147: Page 19, line 9, strike out "$135,221,000" and insert "and not to exceed $9,000 for official reception and representation expenses, $150,000,000, of which not to exceed $10,000 may be used toward funding a permanent secretariat for the International Association of Securities Commissioners".

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 147 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment insert the following: "and not to exceed $3,000 for official reception and representation expenses, $142,640,000, of which not to exceed $10,000 may be used toward funding a permanent secretariat for the International Association of Securities Commissioners".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 149: Page 19, after line 9, insert:

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses, not otherwise provided for, of the Small Business Administration, including hire of passenger motor vehicles and not to exceed $2,500 for official reception and representation expenses, $237,148,000, of which $40,000,000 shall be available for grants for performance in fiscal year 1989 or fiscal year 1990 for Small Business Development Centers as authorized by section 21(a) of the Small Business Act, as amended: *Provided*, That none of the funds appropriated for the Small Business Administration under this Act may be used to impose any new or increased loan guaranty fee or debenture guaranty fee unless specifically permitted by subsequently enacted authorizing legislation: *Provided further*, That none of the funds appropriated for the Small Business Administration under this Act may be used to impose any new or increased user fee or management assistance fee unless the Administration notifies the Appropriations Committees of the Senate and the House of Representatives and the Committees on Small Business of the Senate and the House of Representatives at least 30 days prior to the imposition of such fee. In addition, $89,110,000 for disaster loan-making activities, including loan servicing, shall be transferred to this appropriation from the "Disaster Loan Fund".

MOTION OFFERED BY SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 149 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses, not otherwise provided for, of the Small Business Administration, including hire of passenger motor vehicles and not to exceed $2,500 for official reception and representation expenses, $228,490,000, of which $45,000,000 shall be available for grants for performance in fiscal year 1989 or fiscal year 1990 for Small Business Development Centers as authorized by section 21(a) of the Small Business Act, as amended: *Provided*, That not more than $350,000 of this amount shall be made available to pay the expenses of the National Small Business Development Center Advisory Board and to reimburse centers for participating in evaluations as provided in section 20(a) of such Act, and to maintain a clearinghouse as provided in section 21(g)(2) of such Act: *Provided further*, That none of the funds appropriated or made available by this Act or otherwise appropriated or made available to the Small Business Administration shall be used to adopt, implement, or enforce any rule or regulation with respect to the Small Business Development Center program authorized by section 21 of the Small Business Act, as amended (15 U.S.C. 648) nor may any of such funds be used to impose any restrictions, conditions or limitations on such program whether by standard operating procedure, audit guidelines or otherwise, unless such restrictions, conditions or limitations were in effect on October 1, 1987, unless specifically approved by the Committees on Appropriations under reprogramming procedures except that this provision shall not apply to uniform common rules applicable to multiple Federal departments and agencies including the Small Business Administration; nor may any of such funds be used to restrict in any way the right of association of participants in such program: *Provided further*, That none of the funds appropriated for the Small Business Administration under this Act may be used to impose any new or increased loan guaranty fee or debenture guaranty fee unless specifically permitted by subsequently enacted authorizing legislation: *Provided further*, That none of the funds appropriated for the Small Business Administration under this Act may be used to impose any new or increased user fee or management assistance fee unless the Administration notifies the Appropriations Committees of the Senate and the House of Representatives and the Committees on Small Business of the Senate and the House of Representatives at least 30 days prior to the imposition of such fee. In addition, such sums as may be necessary for disaster loanmaking activities, including loan servicing, shall be transferred to this appropriation from the "Disaster Loan Fund".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. Smith].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 151: Page 19, after line 9, insert:

BUSINESS LOAN AND INVESTMENT FUND

For additional capital for the "Business Loan and Investment Fund", $169,000,000 to remain available without fiscal year limitation: *Provided*, That no funds appropriated under this Act may be used to sell direct loans which are held by the Small Business Administration or any loan guaranty or debenture guaranty made by the Small Business Administration under the authority contained in the Small Business Investment Act of 1958, and which was held by the Federal Financing Bank on September 30, 1987.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Smith of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 151 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

BUSINESS LOAN AND INVESTMENT FUND

For additional capital for the "Business Loan and Investment Fund", $85,500,000, to remain available without fiscal year limitation; and for additional capital for new direct loan obligations to be incurred by the "Business Loan and Investment Fund", $82,000,000, to remain available without fiscal year limitation: *Provided*, That no funds appropriated under this Act may be used to sell direct loans which are held by the Small Business Administration or any loan guaranty or debenture guaranty made by the Small Business Administration under the authority contained in the Small Business Investment Act of 1958, and which was held by the Federal Financing Bank on September 29, 1987: *Provided further*, That up to $5,000,000 of the unobligated balances available in the "Business Loan and Investment Fund" may be transferred to "Salaries and Expenses", Small Business Administration upon notification by the Administrator to the Committees on Appropriations of the House and Senate in compliance with provisions set forth in section 606 of this Act.

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. Smith].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 154: Page 19, after line 9, insert:

State Justice Institute

SALARIES AND EXPENSES

For necessary expenses of the State Justice Institute, as authorized by Public Law 98-620, $11,130,000, to remain available until expended: *Provided*, That authorities contained in Public Law 98-620, The State Justice Institute Act of 1984, shall remain in effect until the termination date of this Act or until the effective date of a State Justice Institute Authorization Act, whichever is earlier.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Smith of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 154 and concur therein with an amendment, as follows: In lieu of the sume named by said amendment insert the following: "$10,980,000".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. Smith].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 156: Page 20, line 3, strike out "$620,347,000" and insert "$619,032,000, none of which shall be restricted from use for the purposes appropriated herein and of which $38,500,000 shall be available for the Television and Film Service".

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Smith of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 156 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "$620,347,000, none of which shall be restricted from use for the purposes appropriated herein and of which $38,500,000 shall be available for the Television and Film Service:".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. Smith].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 158: Page 20, line 21, after "amended" insert ": *Provided further*, That the funds appropriated by this paragraph shall be available notwithstanding section 201(2) of Public Law 100-204 and notwithstanding section 701 of the United States Information and Educational Exchange Act of 1948, as amended".

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 158 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following: ": *Provided further,* That the funds appropriated by this paragraph shall be available notwithstanding section 201(2) and 301(a)(6) of Public Law 100-204 and notwithstanding section 701 of the United States Information and Educational Exchange Act of 1948, as amended: *Provided further,* That the funds appropriated in this paragraph shall be available as authorized by Reorganization Plan No. 2 of 1977 (91 Stat. 1636)".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 160: Page 21, strike out lines 1 to 4 and insert "$150,040,000, of which $10,290,000 is for Private Sector programs including $3,000,000, to remain available until expended, for the Eisenhower Exchange Fellowship Program.".

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 160 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment insert the following: "Reorganization Plan No. 2 of 1977 (91 Stat. 1636) $150,040,000, of which $9,290,000 is for Private Sector programs including up to $1,500,000, to remain available until expended, for the Eisenhower Exchange Fellowship Program".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 163: Page 21, line 11, after "1477b(a)" insert ": *Provided,* That not to exceed $7,500,000 of these funds may be available for the purchase, rent, construction, improvement and equipping of facilities for and startup operations of television broadcasting to Cuba: *Provided further,* That all such television broadcasting activities shall be conducted for the same purposes and, to the extent feasible, under the same conditions, direction and controls as the radio broadcasting activities authorized by the Radio Broadcasting to Cuba Act: *Provided further,* That notwithstanding the preceding proviso, section 7 of the Radio Broadcasting to Cuba Act shall not apply to television broadcasting station licensees".

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 163 and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert the following:

": *Provided,* That not to exceed $7,500,000 of these funds may be available for the purchase, rent, construction, improvement and equipping of facilities for and startup operations including a test of television broadcasting to Cuba: *Provided further,* That in conducting such startup operations the

Florida, if feasible and subject to reimbursement, for both the United States Customs Service's drug interdiction efforts and the U.S. Information Agency's test of television broadcasting to Cuba: *Provided further,* That the Department of Defense shall provide the necessary military support required to support this effort to the maximum extent possible: *Provided further,* That all such television broadcasting activities shall be conducted for the same purposes and, to the extent feasible, under the same conditions, direction and controls as the radio broadcasting activities authorized by the Radio Broadcasting to Cuba Act: *Provided further,* That notwithstanding the preceding proviso, section 7 of the Radio Broadcasting to Cuba Act shall not apply to television broadcasting station licensees

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 164: Page 21, line 26, strike out all after "$20,000,000" over to and including "amended" in line 5 on page 22.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 164 and concur therein with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows: ": *Provided,* That none of the funds appropriated herein shall be used to pay any salary, or to enter into any contract providing for the payment thereof, in excess of the rate authorized for GS-18 of the Classification Act of 1949, as amended, exclusive of any cap on such rate".

Mr ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 168: Page 23, after line 9, insert:

SEC. 605. Funds appropriated to the Legal Services Corporation and distributed to each grantee funded in fiscal year 1989 pursuant to the number of poor people determined by the Bureau of the Census to be within its geographical area shall be distributed in the following order:

(1) grants from the Legal Services Corporation and contracts entered into with the Legal Services Corporation under section 1006(a)(1) shall be maintained in fiscal year 1989 at not less than $8.75 per poor person within the geographical area of such grantee or contractor under the 1980 census or 2 cents per poor person more than the annual per-poor-person level at which each grantee and contractor was funded in fiscal year 1988, whichever is greater; and

(2) each such grantee shall be increased by an equal percentage of the amount by which such grantee's funding, including the increase under (1) above, falls below $15.75 per poor person within its geographical area under the 1980 census: *Provided,* That none of the funds appropriated in this Act for the Legal Services Corporation shall be used to bring a class action suit against the Federal Government or any State or local government unless—

(1) the project director of a recipient has expressly approved the filing of such an action in accordance with policies established by the governing body of such recipient;

(2) the class relief which is the subject of such an action is sought for the primary benefit of individuals who are eligible for legal assistance; and

(3) that prior to filing such an action, the recipient project director has determined that the government entity is not likely to change the policy or practice in question, that the policy or practice will continue to adversely affect eligible clients, that the recipient has given notice of its intention to seek class relief and that responsible efforts to resolve without litigation the adverse effects of the policy or practice have not been successful or would be adverse to the interest of the clients:

except that this proviso may be superseded by regulations governing the bringing of class action suits promulgated by a majority of the Board of Directors of the Corporation who have been confirmed in accordance with section 1004(a) of the Legal Services Corporation Act: *Provided further,* That none of the funds appropriated in this Act made available by the Legal Services Corporation may be used—

(1) to pay for any publicity or propaganda intended or designed to support or defeat legislation pending before Congress or State or local legislative bodies or intended or designed to influence any decision by a Federal, State, or local agency;

(2) to pay for any personal service, advertisement, telegram, telephone communication, letter, printed or written matter, or other device, intended or designed to influence any decision by a Federal, State, or local agency, except when legal assistance is provided by an employee of a recipient to an eligible client on a particular application, claim, or case, which directly involves the client's legal rights or responsibilities;

(3) to pay for any personal service, advertisement, telegram, telephone communication, letter, printed or written matter, or any other device intended or designed to influence any Member of Congress or any other Federal, State, or local elected official—

(A) to favor or oppose any referendum, initiative, constitutional amendment, or any similar procedure of the Congress, any State legislature, any local council or any similar governing body acting in a legislative capacity,

(B) to favor or oppose an authorization or appropriation, directly affecting the authority, function, or funding of the recipient or the Corporation, or

(C) to influence the conduct of oversight proceedings of the recipient or the Corporation;

(4) to pay for any personal service, advertisement, telegram, telephone communication, letter, printed or written matter, or any other device intended or designed to influence any Member of Congress or any other Federal, State, or local elected official to favor or oppose any Act, bill, resolution, or similar legislation, except that this proviso shall not preclude funds from being used to provide communication directly to a Federal, State, or local elected official on a specific and distinct matter where the purpose of such communication is to bring the matter to the official's attention if—

(A) the project director of a recipient has expressly approved in writing the undertaking of such communication to be made on behalf of a client or class of clients in accordance with policy established by the governing body of the recipient; and

(B) the project director of a recipient has determined prior to the undertaking of such communication, that—

(i) the client and each client is in need of relief which can be provided by the legislative body involved;

(ii) appropriate judicial and administrative relief have been exhausted; and

(iii) documentation has been secured from each eligible client that includes a statement of the specific legal interests of the client, except that such communication may not be the result of participation in a coordinated effort to provide such communications under this proviso; and

(C) the project director of a recipient maintains documentation of the expense and time spent under this proviso as part of the records of the recipient; or

(D) the project director of a recipient has approved the submission of a communication to a legislator requesting introduction of a private relief bill:

except that nothing in this proviso shall prohibit communications made in response to a request from a Federal, State, or local official: *Provided further,* That none of the funds appropriated in this Act made available by the Legal Services Corporation may be used to pay for any administrative or related costs associated with an activity prohibited in clause (1), (2), (3), or (4) of the previous proviso: *Provided further,* That none of the funds appropriated under this Act for the Legal Services Corporation will be expended to provide legal assistance for or on behalf of any alien unless the alien is present in the United States and is—

(1) an alien lawfully admitted for permanent residence as defined in section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20));

(2) an alien who is either married to a United States citizen or is a parent or an unmarried child under the age of twenty-one years of such a citizen and who has filed an application for adjustment of status to permanent resident under the Immigration and Nationality Act, and such application has not been rejected:

(3) an alien who is lawfully present in the United States pursuant to an admission under section 207 of the Immigration and Nationality Act (8 U.S.C. 1157, relating to refugee admissions) or who has been granted asylum by the Attorney General under such Act; or

(4) an alien who is lawfully present in the United States as a result of the Attorney General's withholding of deportation pursuant to section 243(h) of the Immigration and Nationality Act (8 U.S.C. 1253(h)):

Provided further, That an alien who is lawfully present in the United States as a result of being granted conditional entry pursuant to section 203(a)(7) of the Immigration and Nationality Act (8 U.S.C. 1153(a)(7)) before April 1, 1980, because of persecution or fear of persecution on account of race, religion, or political opinion or because of being uprooted by catastrophic natural calamity shall be deemed, for purposes of the previous proviso, to be an alien described in clause (3) of the previous proviso: *Provided further,* That none of the funds appropriated for the Legal Services Corporation may be used to support or conduct training programs for the purpose of advocating particular public policies or encouraging political activities, labor or antilabor activities, boycotts, picketing, strikes, and demonstrations, including the dissemination of information about such policies or activities, except that this provision shall not be construed to prohibit the training of attorneys or paralegal personnel necessary to prepare them to provide adequate legal assistance to eligible clients or to advise any eligible client as to the nature of the legislative process or inform any eligible client of his rights under statute, order, or regulation: *Provided further,* That none of the funds appropriated in this Act for the Legal Services Corporation may be used to carry out the procedures established pursuant to section 1011(2) of the Legal Services Corporation Act unless the Corporation prescribes procedures to insure that financial assistance under this Act shall not be terminated, and a suspension of financed assistance shall not be continued for more than thirty days, unless the grantee, contractor, or person or entity receiving financial assistance under this Act has been afforded reasonable notice and opportunity for a timely, full, and fair hearing and, when requested, such hearing shall be conducted by an independent hearing examiner, subject to the following conditions—

(1) such request for a hearing shall be made to the Corporation within thirty days after receipt of notice to terminate financial assistance, deny an application for refunding, or suspend financial assistance and such hearing shall be conducted within thirty days of receipt of such request for a hearing;

(2) the Corporation shall make such final decision within thirty days after completion of such hearing; and

(3) hearing examiners shall be appointed by the Corporation in accordance with procedures established in regulations promulgated by the Corporation:

Provided further, That none of the funds appropriated in this Act for the Legal Services Corporation may be used to carry out the procedures established pursuant to section 1011(2) of the Legal Services Corporation Act unless the Corporation prescribes procedures to ensure that an application for refunding shall not be denied unless the grantee, contractor, or person or entity receiving assistance under this Act has been afforded reasonable notice and opportunity for a timely, full, and fair hearing to show cause why such action shall not be taken and subject to all other conditions of the previous proviso: *Provided further,* That none of the funds appropriated in this Act for the Legal Services Corporation shall be used by the Corporation in making grants or entering into contracts for legal assistance unless the Corporation insures that the recipient is either (1) a private attorney or attorneys (for the sole purpose of furnishing legal assistance to eligible clients) or (2) a qualified nonprofit organization chartered under the laws of one of the States, a purpose of which is furnishing legal assistance to eligible clients, the majority of the board of directors or other governing body of which organization is comprised of attorneys who are admitted to practice in one of the States and who are appointed to terms of office on such board or body by the governing bodies of State, county, or municipal bar associations the membership of which represents a majority of the attorneys practicing law in the locality in which the organization is to provide legal assistance: *Provided further,* That none of the funds appropriated in this Act for the Corporation shall be used, directly or indirectly, by the Corporation to promulgate new regulations or to enforce, implement, or operate in accordance with regulations effective after April 27, 1984 unless the Appropriations Committees of both Houses of Congress have been notified fifteen days prior to such use of funds as provided for in section 607 of this Act: *Provided further,* That none of the funds appropriated to the Legal Services Corporation for fiscal years prior to fiscal year 1986 and carried over into fiscal year 1989, either by the Corporation itself or by any recipient of such funds, may be expended, unless such funds are expended in accordance with the preceding restrictions and provisos, except that such funds may be expended for the continued representation of aliens prohibited by said provisos where such representation commenced prior to January 1, 1983, or as approved by the Corporation: *Provided further,* That if a Presidential Order pursuant to Public Law 100-119, the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987, is issued for fiscal year 1989, funds provided to each grantee of the Legal Services Corporation shall be reduced by the percentage specified in the Presidential Order: *Provided further,* That if funds become available to the Legal Services Corporation because a national support center has been defunded or denied refunding pursuant to section 1011(2) of the Legal Services Corporation Act, as amended by this Act, such funds may be transferred to basic field programs to be distributed in the manner specified by this Act: *Provided further,* That none of the funds appropriated by this Act or prior Acts or any other funds available to the Corporation or a recipient may be used by an officer, board member, employee or consultant of the Corporation or by any recipient to implement or enforce the 1984 and 1986 regulations on legislative and administrative advocacy (Part 1612) or to implement, enforce or keep in effect provisions in the regulation regarding legislative and administrative advocacy and training (Part 1612, 52 FR 28434 (July 29, 1987)) which impose restrictions on private funds except to the extent that such restrictions are explicity set forth in sections 1007 (a)(5, (b)(6), (b)(7), and 1010(c) of the Legal Services Corporation Act, as amended: *Provided further,* That the Corporation shall not impose requirements on governing bodies of the recipients that are additional to, or more restrictive than, the provisions of this Act and section 1007(c) of the Legal Services Corporation Act, as amended, including, but not limited to (1) the procedures of appointment, including the political affiliation and the length of terms of board members and (2) the size, quorum requirements and committee operations of such governing bodies: *Provided further,* That none of the funds appropriated under this Act to the Legal Services Corporation may be used by the Corporation or any recipient to participate in any litigation with respect to abortion: *Provided further,* That the Corporation shall utilize the same formula for distribution of fiscal year 1989 migrant funds as was used in fiscal year 1988.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 168 and concur therein with an amendment, as follows: In lieu of the sum, "$8.75" named in said amendment, insert "$8.58" and in lieu of the section number "607" named in said amendment, insert "606" at the end of the amendment after the phrase "fiscal year", insert ": *Provided further,* That the fourteenth and fifteenth provisos of this section (relating to Parts 1607 and 1612 of the Corporation's regulations) shall expire upon action by the United States Senate confirming a Board of Directors of the Legal Services Corporation composed of individuals who are nominated by the President after January 20, 1989: *Provided further,* That a Board of Directors of the Legal Services Corporation, composed of individuals nominated by the President after January 20, 1989, and subsequently confirmed by the United States Senate, shall develop and implement a system for the competitive award of all grants and contracts, including support centers, to take effect after September 30, 1989".

The SPEAKER pro tempore. The Chair would ask the distinguished gentleman from Iowa [Mr. SMITH] if he cares to take time on this motion?

If so, the gentleman is recognized for 30 minutes.

Mr. SMITH of Iowa. Mr. Speaker, I do not wish to take the time at this point, and I reserve my time.

Mr. STENHOLM. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Iowa. Yes, I yield to the gentleman from Texas.

Mr. STENHOLM. I thank the gentleman for yielding.

Mr. Speaker, we do request that the gentleman from Iowa would accept some time in order that we might discuss this proposed amendment with the possibility of offering an amendment.

Mr. SMITH of Iowa. Mr. Speaker, how much time does the gentleman desire?

Mr. STENHOLM. Thirty minutes.

Mr. SMITH of Iowa. I have 30 minutes. Does the gentleman want me to yield to him?

The SPEAKER pro tempore. The Chair would state that the gentleman from Iowa under the rule would be entitled to 30 minutes and the gentleman from Kentucky [Mr. ROGERS] will be entitled to 30 minutes.

Mr. SMITH of Iowa. Mr. Speaker, does the gentleman wish me to yield a couple of minutes to him?

Mr. STENHOLM. I would appreciate it, Mr. Speaker.

The SPEAKER pro tempore. The gentleman from Iowa [Mr. SMITH] will be recognized for 30 minutes, and the gentleman from Kentucky [Mr. ROGERS] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Iowa [Mr. SMITH].

Mr. SMITH of Iowa. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. STENHOLM.]

Mr. STENHOLM. Mr. Speaker, I ask for this time in order that we might further discuss the issue concerning the Legal Services, the proposed amendment.

The concern that I have with the proposed wording which the chairman has offered concerns the practicality of making changes in the Legal Services Corporation contingent upon the appointment of a new board and then contingent upon they, in fact, then agreeing or disagreeing with the proposed changes that are involved in the proposed amendment. It seems to me since the fiscal year which we are appropriating for begins on October 1, which is just a few hours from today, I have some real questions as to just exactly what we are accomplishing by these amendments and whether or not we might, in fact, should consider some changes in possibly the dates or in some other aspects of the wording of this amendment in order that we might in fact achieve some method of reform and hopefully, possibly, avoid a veto.

So that is my purpose in asking for this time. I think we should have a little further discussion regarding it. I believe the gentlemen from Florida [Mr. MCCOLLUM] might possibly have a proposed amendment in disagreement to this amendment that this Member certainly would be interested in also.

So with that, I would yield back the balance of my time.

Mr. ROGERS. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida [Mr. MCCOLLUM].

Mr. MCCOLLUM. The issue at hand, Mr. Speaker, is what do we do with the Legal Services Corporation over the next year? And whether or not we can achieve in this Congress any major changes, or at least start the ball rolling to make sure that they occur.

The problems that we have with the Legal Services Corporation today are not the same as they were 8 or 10 years ago. Thank goodness there has been some change over the process in the last few years through the appropriations bills that have come out here. The gentleman from Iowa, the gentleman from Kentucky have been involved with tagging on some efforts we made back in 1981, 1982 of an authorization nature that never made it. But the problems are still very grave.

We still have Legal Services Corporation attorneys going about business that really is not serving the interests of the poor; it really is not involved in the question of helping somebody with their landlord-tenant problems or somebody with their domestic relations problems or somebody with their bad debt problems or their problems which might arise in whatever context they may individually be.

□ 1545

We still have too many of the same old tried and true Legal Service grantees—those are the local boards out there in the community—that are interested in the big picture. They are more interested in seeing legislative changes up here and somehow reforming the world than they are in delivering those services to the individual.

I know about this because I served on a Legal Aid board for the Orange County, FL Legal Aid Society for several years. I was present when the Legal Services Corporation began down there and attempted to come into our area. What I wanted more than anything else was to see our local lawyers become a party to this. Why should we have two competing organizations doing the same thing? I asked.

Actually the law did not prohibit that. But the problem was that those in power said to me—and I remember one bluntly in Atlanta telling me this—"That simply isn't the way we want to do business, Mr. McCOLLUM. We are not interested in the same things you are. We know that if the local lawyers and the local bar control things around here, then you will be interested in landlord problems and domestic relations and all those everyday things. We are interested in the big picture. We want to change social issues. We want to see poverty alleviated in this country, and so on."

Those may be noble purposes, but that is not what that Corporation was created to do. Those restrictions that we have put into place have done some changing of the orientation over the years of the Corporation and their grantees, but unfortunately there is one glaring area that remains, and that is the area of the grantees themselves being the same ones who, from the very existence of the Corporation, are still out there receiving the funds. We have never allowed competitive bidding for grantees. Because of the problems of the major corporations, as perceived up here, and because of some fights over the National Board of Directors, we have never allowed there to be any replacement of those boards. Therefore, we have had a lot of inefficiencies in the field. We have no chance for new blood to come in and be involved. We have no opportunity to change the bad when there are actually some bad operatives out in the field. As a result of all this, too, we have created problems. I think, that are much greater for this Corporation than would otherwise have been created.

There are plenty of those who say that the real problem is with the Corporation Board. I am sympathetic with the wars that have gone on over the last 8 years over that board. It took 5 years to get the present board confirmed. It took 5 long years.

What we are attempting to do, or what is being addressed in this whole process today and over the last few weeks—and I think most Members are in concurrence with this—is to change the way things are going on out there in this regard, to give competition once again in the field, to give the Legal Services Corporation Board the power to have competitive bidding for the grantees, and also for the national support centers, and to give them the power to restrict the areas of lobbying, which they have not been allowed to regulate, even though our legislative efforts have been to restrict that. Lobbying Congressmen and people in the State legislative capitals is not the business of these corporation lawyers. That is not delivering legal services to the poor. The objective is to give the Corporation Board the power to regulate the functioning of the local boards, those grantees' own boards, to comply with the laws we changed, to provide for the opportunities to set the quorums that have to be called in conformity with the same standards we set for the National Board. It is no different there. That is so they cannot play hanky-panky and get around the laws that exist now.

We are not asking for a lot. There is generally agreement on this. The problem is that what is in the bill today is contingent. It is a conditional agreement to make some changes, to allow certain reforms like this, contingent upon there being an entirely new Legal Services Board appointed by the new President and contingent upon that new 11-member Board being confirmed by the Senate.

What will be Labor Committee over in the other body do when they get hold of the confirmation process after the new Board is appointed? How long will they take? They took 5 years before to confirm. The life of this bill is only 1 year.

Do we want to put competition into the grant process? Do we want to make some changes? I think we do. I think it is in the best interest of serving the poor of this country for us to have competition in the support center and in the grantee process of the Legal Services Corporation.

Everybody seems to be aboard the concept, but no one is really putting it into the law in this bill today to make sure that is going to happen, because of the fear of the existing Board. I would suggest that the way to go about this is simply to not do what we are doing but to, rather, proceed on the basis of saying, "Look, there is going to be a new President next year. We know that. If we could have an authorization bill, that would be great, but we are not assured that will be the case. But what we can do right now is to pass in this appropriations process a provision which allows all these changes to take place but allow them to take place sooner than simply confirmation, preferably right now, if not immediately, certainly upon the appointment of the new Board when the new President takes office."

None of those compromise suggestions have been accepted. Even a date certain, like June 20 of next year, was not acceptable in the conference committee to trigger this happening. But we should put something in this legislation that says indeed there will be a happening sometime during the life of this bill, this 1-year appropriation, when the changes that are written here will become effective regardless of whether there is actual confirmation of a new Board.

Again, because confirmation could be held up, as it was the last time for literally years, that could nullify or make meaningless the effort to change anything in this proposal today.

So, Mr. Speaker, I urge my colleagues to defeat the amendment, No. 168, that we are on now. I urge my colleagues to vote it down so we can have an opportunity later to urge the committee to go back to conference and adopt an amendment which is in conformity with most of our wishes, one that does not have this conditionality and that makes sure we get the changes we want in place, rather than one that leaves it up to a confirmation process that can be used by opponents to completely defeat the whole reform concept of the Legal Services Corporation.

Mr. Speaker, I urge a "no" vote, a vote against the motion offered in this case to recede and concur with the amendment that has been offered. I urge a "no" vote because of that conditionality.

Mr. SMITH of Iowa. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me review where we are. In this conference agreement we provide an appropriation for the Legal Services Corporation. In addition, we have incorporated in this appropriation bill, because there is no authorizing legislation, a long list of limitations upon the actions of the Board of the Legal Services Corporation. Now, those limitations have been in effect for the past several years.

Also in this conference agreement, in order to try to accommodate some of the complaints Members have made, we have added three more items to reform the Corporation. Now, the question is: When should these reforms go into effect? I believe, and I believe the majority agrees, that they should go into effect when a new Board is confirmed. I do not want them to go into effect with the present Board.

The problem is that under the law the present Board continues until a new one is confirmed. So just saying that the reforms will go into effect when a new Board is nominated means the present Board would be putting them into effect.

We want the reforms to go into effect when a new Board is confirmed. There is no reason in the world why a new Board cannot be confirmed early next year. These reforms should provide an incentive on the part of those who are opposed to the Legal Services to not hold up the confirmation because they will be getting the reforms whenever the new Board is confirmed. I believe that the conference agreement will result in an earlier vote to confirm the new Board rather than a delay.

Voting down this means that Members are not for these reforms. It is said that if we vote this motion down, these reforms will begin almost immediately under the present Board. Well, I do not believe the majority is going to vote for that. This is the best we can do under the circumstances, and I am asking the Members to confirm what we did and agree to the motion I offered.

Mr. MORRISON of Connecticut. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from Connecticut.

Mr. MORRISON of Connecticut. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I would like to underscore what the gentleman from Iowa said. There are 12 pages of restrictions on the activities of the Legal Services Corporation. These are not adopted by the House. They were adopted in the Senate, and they were accepted in the Congress with the modifications that have been discussed by the chairman of the subcommittee, the gentleman from Iowa.

The motion the gentleman has made is that the House agree to these 12 pages of restrictions on the activities of the Legal Services Corporation, which is in the nature of an authorization with restrictions which has grown out of action of this House in prior years to restrict the activities of the Legal Services Corporation.

An "aye" vote is to continue the restrictions on the activities of the Legal Services Corporation. A "no" vote is to sustain the prior House position, which is no restriction whatsoever.

Mr. Speaker, I would hope that the motion offered by the gentleman from Iowa would be adopted, because it is the one that in fact contains the restrictions that have been the consensus of this House for the past 7 years.

Mr. SMITH of Iowa, Mr. Speaker, I will close by saying that the No. 1 objective, I think, of all the Members I have talked to, including those who are speaking in opposition to the Legal Services Corporation, is to get a new Board and get it confirmed. Until that is done, we are not going to have a solution to some of the problems we have. I believe the best way to do that is to approve the motion I have offered, get us past this year, and then next year we will have a new Board to work with.

Mr. ROGERS. Mr. Speaker, I yield 3 minutes to the gentleman from Arizona [Mr. KOLBE], a member of the committee.

Mr. KOLBE. Mr. Speaker, I urge that we defeat the motion that is before us, which is to recede and concur with the Senate amendments. That will then allow us to have a separate and new motion that might be offered by the gentleman from Florida [Mr. MCCOLLUM]. That would be a new amendment.

I say this not in disagreement with my chairman but really, in support of the position that the House took when we went into this conference committee, and that was to allow this new Board which we have taken all these years to get into place to go ahead and start to implement reforms. If we pass a conference report without conditions or reforms, this Board that is finally in place will be able to begin to implement these reforms which are badly needed.

Let there be no mistake about it, what we are talking about here is delaying the implementation of these reforms until a new President comes in or a new Board comes into place. And we saw what it took the last time to get a new Board into place. We could be talking about delaying any new reforms for as long as 5 years.

Clearly, as the gentleman from Florida [Mr. MCCOLLUM] has outlined, the Legal Services Corporation needs to have these kinds of reforms. The Legal Services Corporation has gotten beyond what I think is its mandate, and I am quoting here from the President's request on this: "Provision of basic dispute resolution services to eligible clients, local grant recipients whose purpose is to provide direct relief assistance to eligible clients is paramount in these reforms."

Who in this body can disagree with that language, that that is what the Legal Services Corporation ought to be about, providing legal services to poor people, to those who cannot afford legal services, getting away from the kind of foundations and think tanks we have seen and spending money on changing the political process, which the Legal Services Corporation has gotten into.

The reforms we are talking about involve having the Legal Services Corporation make sure that 96 percent of the Federal funds the taxpayers provide goes directly to legal services for poor people, providing for competitive bidding for legal services. Why should we not want to have competitive bidding for these kinds of legal services? We ought to. But the Senate was very clever in the amendment they got the House Conference Committee to agree to. Yes, they accept these reforms, but they do not go into effect until a new Board has been confirmed.

The fact of the matter is, of course, that we have no idea when that new Board might be confirmed. It could be early on, it could be 6 months, it could be 5 years, as it was with the current Board, before we have a new Board that has been confirmed. So we could be talking about having no reforms now or in the foreseeable future.

That is what this issue is all about. Are we going to have reforms of the Legal Services Corporation now, or are we going to wait until sometime in the future and hope that a Board will be there that will not want to have reforms of the Legal Services Corporation?

Mr. Speaker, I say that the time has come to have the reforms of the Legal Services Corporation. The time has come to have them now, and I urge my colleagues to vote to defeat this motion and allow us to offer a separate amendment.

Mr. ROGERS. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I have great respect for the chairman of the subcommittee, the gentleman from Iowa [Mr. SMITH], but I think that the motion offered by the subcommittee chairman should be defeated for this simple reason: competition. We have competition in defense procurement. If we have a corporation that will build a better aircraft for a lower price or if we can get a better component, it has been the will of this House to force our Department of Defense and other departments throughout the array of government services to compete. Here we are talking about not affording that same competition which ultimately would accrue to the benefit of the people who do not have a lot of money and who need legal services throughout this Nation.

□ 1600

Competition is going to give them more effective service, and, as a person who practiced law in the barrio of San Diego, I knew very many good Legal Services attorneys, but they needed competition just like the general profession needs competition to remain excellent, to make sure that they have people who will give that constituent or that client that does not have a lot of money and is not able to go across the street the best bang for their buck, the most representation for the moneys and that the Government is giving. Now I understand that you can cut off competition or you can allow competition if one of these agencies that already has the contracts is found to be a wrongdoer, but we do not say that we are going to allow Boeing aircraft to build all the aircraft of a particular line from where the Sun now stands unless we can prove that they broke the law.

Mr. Speaker, we have competition not to keep the people in compliance with the law, but to build more effective equipment, and we gain more effective legal representation by having competition among the legal profession for these contracts.

Mr. ROGERS. Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. MCCOLLUM], our final speaker.

Mr. MCCOLLUM. Mr. Speaker, the problem with this whole thing today is fairly simple.

We have a situation where we can get a meaningful correction of some deficiencies in the Legal Services Corporation only if we vote this process down, send this matter back to conference to get the change made, and, if we do not do that, we are facing never never land because the existing provision in this conference report makes everything contingent upon the Senate confirming a whole new Board.

My colleagues and I know that that is not likely to happen because a lot of people over there do not like these reforms, and, when the time comes, we will not win, and the bottom line is that this bill has only 1 year of life.

As a consequence, this is a meaningless provisional change in here, and I urge my colleagues to vote against the motion to recede and concur. Let us have the opportunity to get something really meaningful in this legislation. Let us not be fooled by what this appears to be.

My colleagues, let us not buy a pig in a poke. Let us do something meaningful in the process and vote "no" on the motion to recede and concur.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. McCOLLUM. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, do I understand correctly that basically what the amendment of the gentleman would end up doing is providing some competition out in local areas with regard to who provides legal services for poor people? Is that really the bottom line?

Mr. McCOLLUM. Reclaiming my time, Mr. Speaker, that is what I would like to see done. That is what we would do, if we did not have the conditionality here in this motion in the provision in the conference report, and, if I were given the opportunity, I would certainly write it that way, but unfortunately that will not take place if this board issues and continues the way it has.

Mr. WALKER. Mr. Speaker, will the gentleman yield further?

Mr. McCOLLUM. I am glad to yield to the gentleman from Pennsylvania.

Mr. WALKER. So the issue here, Mr. Speaker, is how do we get quality services to the poor. It seems to me the other side is arguing that the quality services can be delivered by a monopoly that has no real interest because they are already locked in.

Mr. Speaker, it is the gentleman's argument that we ought to give the kind of process to the poor that would allow a selection of those who are offering the best kinds of services. In other words, competition would take place that would allow a better delivery system in places where the delivery system has not been as good.

Mr. McCOLLUM. Mr. Speaker, reclaiming my time, the gentleman from Pennsylvania [Mr. WALKER] is exactly right.

Right now we have the same local boards we have had receiving the Federal moneys to do this job since I was elected to office. This same group of boards is out there doing this, and the provisions in our laws do not allow the defunding of those groups by the currently existing National Corporate Board, so these same fellows are doing the same stuff with no competition.

Mr. Speaker, that is the biggest single problem.

Mr. WALKER. Mr. Speaker, will the gentleman yield further?

Mr. McCOLLUM. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, some of them are evidently afraid of competition. That is the reason why we end up with these kinds of actions in the Congress that protect those people so that they do not have to be in competition.

Mr. McCOLLUM. The gentleman from Pennsylvania [Mr. WALKER] is exactly right. A lot of them are afraid of competition, afraid somebody will disrupt the way they do business and that a better delivery system might come into place that does it differently than the National Board might award.

Mr. Speaker, again I urge a no vote on the motion to recede and concur that is about to come up, and let us give ourselves an opportunity to put some meaningful reform for Legal Services Corporation into this 1-year appropriation bill and then hopefully get an authorization bill one of these days. We have not had one though in 8 years, so a no vote on the motion to recede and concur.

Mr. SMITH of Iowa. Mr. Speaker, I yield myself 1 minute just to conclude.

Mr. Speaker, this item about competition; I like competition, and that is one thing we provide for in my motion. It provides that there will be competition, but after we get a new Board because we do not trust the present Board.

Remember: It was the current Board that let a contract to someone down in Virginia just because he was a friend. We do not trust this Board; that is the problem.

Mr. Speaker, we have to have a new Board before we will permit them to set up a competitive process for awarding of grants. We do provide that when we get a new Board confirmed by the Senate, a competitive system for awarding of grants must be established and implemented.

Mr. BERMAN. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from California.

Mr. BERMAN. Mr. Speaker, would it be fair to say the argument was made earlier that the Senate will not confirm a new Board and, therefore, all the good reforms that are being praised by the opponents of this motion cannot go into effect? But is it not correct that part of the problem that the Senate and many people have had with different kinds of reforms is a lack of trust in this Board and that there is nothing that this Senate would rather do than operate quickly to appoint a new Board of people who are committed to this legislation and to what the original——

Mr. SMITH of Iowa. Mr. Speaker, the conferees thought the provision in my motion would provide an incentive to secure confirmation of a new Board of Directors as soon as possible.

Mr. ROGERS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SMITH of Iowa. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the motion.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. KOBLE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 231, nays 175, not voting 25, as follows:

[Roll No. 350]

YEAS—231

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Applegate
Aspin
Atkins
AuCoin
Bates
Beilenson
Bennett
Berman
Bevill
Bilbray
Boehlert
Boggs
Boland
Bonior
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Campbell
Cardin
Carper
Carr
Chappell
Clarke
Clay
Clement
Coelho
Coleman (TX)
Collins
Conte
Cooper
Costello
Coyne
Crockett
Darden
de la Garza
DeFazio
Dellums
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Erdreich
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Garcia
Gaydos
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hertel
Hochbrueckner
Hoyer
Hughes
Jacobs
Jeffords
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lowry (WA)
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McHugh
McMillen (MD)
Mfume

Mica
Miller (CA)
Mineta
Moakley
Mollohan
Moody
Morella
Morrison (CT)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Payne
Pease
Pelosi
Penny
Perkins
Pickett
Price
Rahall
Rangel
Regula
Richardson
Ridge
Rodino
Roe
Rose
Rostenkowski
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Scheuer
Schneider
Schroeder
Schumer
Sharp
Shays
Sikorski
Sisisky
Skaggs
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Snowe
Solarz
Spratt
St Germain
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whitten
Williams
Wise
Wolpe
Wyden
Yates
Yatron

NAYS—175

Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Brown (CO)
Buechner
Bunning
Burton
Byron
Chandler
Chapman
Clinger
Coats
Coble
Coleman (MO)
Combest
Coughlin
Courter
Craig
Crane
Dannemeyer
Daub
Davis (IL)
Davis (MI)
DeLay
Derrick
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Dyson
Edwards (OK)
Emerson
English
Fawell
Fields
Gallegly
Gallo
Gekas
Gingrich
Goodling
Gradison
Grandy
Gregg
Gunderson
Hall (TX)
Hammerschmidt
Hansen
Hastert
Hayes (LA)
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Horton
Houghton
Hubbard
Huckaby
Hunter
Hutto
Inhofe
Ireland
Johnson (CT)
Kasich
Kolbe
Konnyu
Kyl
Lagomarsino
Lancaster
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lloyd
Lott
Lowery (CA)
Lujan
Luken, Thomas
Lungren
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCollum
McCrery
McDade
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Montgomery
Moorhead
Morrison (WA)
Myers
Nichols
Nielson
Oxley
Packard
Parris
Pashayan
Patterson
Petri
Pickle
Porter
Pursell
Quillen
Ravenel
Ray
Rhodes
Rinaldo
Ritter
Roberts
Robinson
Rogers
Roth
Roukema
Rowland (CT)
Saxton
Schaefer
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Skeen
Skelton
Slaughter (VA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Spence
Staggers
Stallings
Stangeland
Stenholm
Stump
Sundquist
Sweeney
Swindall
Tauke
Tauzin
Taylor
Thomas (CA)
Upton
Valentine
Vander Jagt
Vucanovich
Walker
Weber
Weldon
Whittaker
Wilson
Wolf
Young (AK)
Young (FL)

NOT VOTING—25

Anthony
Barnard
Bonker
Boulter
Broomfield
Callahan
Cheney
Conyers
Dowdy
Espy
Gephardt
Hefner
Hyde
Jenkins
Kemp
Latta
Leath (TX)
Lukens, Donald
Mack
MacKay
McCandless
McEwen
Pepper
Wortley
Wylie

□ 1626

The Clerk announced the following pair:

On this vote:

Mr. Anthony for, with Mr. Boulter against.

Mr. SWINDALL and Mr. PORTER changed their votes from "yea" to "nay."

Mr. EDWARDS of California changed his vote from "nay" to "yea."

So the motion was agreed to.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 170: Page 23, after line 9, insert:

SEC. 607. (a) None of the funds provided under this Act shall be available for obligation or expenditure through a reprogramming of funds which: (1) creates new programs; (2) eliminates a program, project, or activity; (3) increases funds or personnel by any means for any project or activity for which funds have been denied or restricted; (4) relocates an office or employees; (5) reorganizes offices, programs, or activities; or (6) contracts out or privatizes any functions or activities presently performed by Federal employees; unless the Appropriations Committees of both Houses of Congress are notified fifteen days in advance of such reprogramming of funds.

(b) None of the funds provided under this Act shall be available for obligation or expenditure for activities, programs, or projects through a reprogramming of funds in excess of $250,000 or 10 per centum, whichever is less, that: (1) augments existing programs, projects, or activities; (2) reduces by 10 per centum funding for any existing program, project, or activity, or numbers of personnel by 10 per centum as approved by Congress; or (3) results from any general savings from a reduction in personnel which would result in a change in existing programs, activities, or projects as approved by Congress, unless the Appropriations Committees of both Houses of Congress are notified fifteen days in advance of such reprogramming of funds.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 170 and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "606".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 171: Page 23, after line 9, insert:

SEC. 608. Such sums as may be necessary for fiscal year 1989 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 171 and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "607".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 174: Page 23, after line 9, insert:

SEC. 611. By January 31, 1989, the Federal Communications Commission shall promulgate regulations in accordance with section 1464, title 18, United States Code, to enforce the provisions of such section on a 24 hour per day basis.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 174 and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "608".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 176: Page 23, after line 9, insert:

SEC. 613. No funds appropriated under this Act may be expended by the United States Civil Rights Commission, directly or indirectly, for the purpose of enforcing subpoenas issued in conjunction with any investigations by the Commission into implementation by Indian tribal governments of Title II of the Civil Rights Act of 1968, also known as the Indian Civil Rights Act (Act of April 11, 1968; 82 Stat. 77; 25 U.S.C. 1301, et seq.), until sixty days following the receipt by this Committee and the Select Committee on Indian Affairs of an opinion by the Comptroller General of the United States regarding the scope of authority and jurisdiction of the United States Civil Rights Commission over Indian tribal government officials pursuant to the Indian Civil Rights Act.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 176 and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "609".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the last amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 177: Page 23, after line 9, insert:

SEC. 614. Public Law 98-101 is amended by inserting at the end of section 5 the following subsections—

"(m) Amounts received under subsection (h) and subsection (j) of this section shall be available to the Commission for official reception and representation expenses.

"(n) An income account shall be available to the Commission without fiscal year limitation for printing, without regard to section 501 of title 44, and for distribution of Commission publications. The capital for the account shall consist of receipts from sales of Commission publications bearing the Bicentennial logo, including receipts received prior to the date of enactment of this subsection. Any unobligated and unexpended balance in the account which the Commission determines to be in excess of amounts needed for printing and distribution of publications, and any unobligated balance remaining in the account on December 31, 1991, shall be deposited in the Treasury of the United States.".

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 177 and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "610".

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. DAVIS of Michigan. Mr. Speaker, I want to take this opportunity to thank both the chairman and ranking minority member of the committee for their good and timely work on this legislation. In particular, I want to thank Mr. CARR and Mr. REGULA for ensuring that the Great Lakes are recognized as vital elements in the programs of the National Oceanic and Atmospheric Administration.

This conference report recommends that $100,000 be used by the National Oceanic and Atmospheric Administration to assist in the preparation of a Great Lakes mapping plan. This program, authorized last year as part of Public Law 100-220, is part of a four-point approach I took last year to help the Great Lakes States face erosion and flooding caused by high water levels. Fortunately, the lakes have dropped for the moment, but the type of information contained in these maps is exactly the information needed by the States, by Federal agencies, by local governments, and private citizens to combat future water level rises. Unfortunately, many of the shoreline maps for the areas are over 50 years old, and accurate, up-to-date information is critical to ensure proper response by shoreline citizens.

The maps are intended to save money and lives, aid commercial navigation, and promote safety. The charts will be especially helpful to the Federal Emergency Management Agency in its implementation of the new Jones-Upton amendment to the Federal Flood Insurance Act. NOAA and U.S. Geological Survey have already begun preliminary consultation, and this funding will enable them to develop a comprehensive plan to identify high risk erosion and flood areas and begin preparation of maps. I thank the committee once again for starting the ball rolling for this important program and for recognizing that Great Lakes water levels are not static and we must move ahead during this lull to protect ourselves and our property down the road.

Mr. KILDEE. Mr. Speaker, this November 9 will mark the 50th anniversary of a night in Nazi Germany called Kristallnacht, Night of Glass. I rise today to recount what happened that night, a brutal prelude to further horror, so that we may never forget that bloody chapter of history. We must not forget what happened to German Jews that night or the slaughter that was to follow—because it is only by remembering that we may remain vigilant to guard against its ever happening again.

On November 7, 1938, a 17-year-old Polish Jew named Hershl Grynszpan, whose father had been among the 10,000 Jews deported to Poland in boxcars, shot and fatally wounded the third secretary of the German Embassy in Paris in an act of revenge. The Nazis seized upon the shooting as an excuse to unleash their fury, and any remaining veneer of humanity or civility was stripped away from the Third Reich.

On the night of the 9th, Nazi Germany took an irrevocable step toward the systematic torture and execution of 6 million human beings. Under the guidance of Adolf Hitler and the lieutenants of the Third Reich, tens of thousands of Jewish homes, shops, and synagogues were burned, looted, and destroyed throughout Germany. At least 35 Jews were killed, and others were raped, defiled, and arrested. The glass from broken windows that was to give the pogrom its name glittered on the streets across Germany, and gutted houses of now homeless Jews burned into the next day.

What followed immediately were new laws banning Jews from public places, setting curfews, imposing fines and barring Jews from participation in the German economy. What followed that, as all the world knows, were the hells named Dachau, Buchenwald, Bergen-Belsen, Auschwitz and others. Six million Jews—families, old people, children and adults—faced slow death in concentration camps or the ghastly fate of the gas chambers. Just as the individuals who survived, their loved ones and descendants will never again be the same, so our Nation and our world will never again be the same.

Men and women still walk among us who carry the Nazis' tattooed numbers on their bodies, forever marked with the hatred and inhumanity that took over a nation. When they are gone, and their children and grandchildren are gone, our world cannot let the memory of Kristallnacht or the Holocaust die with them. We cannot afford to forget the Nazis' crimes against Jews. We cannot afford to, with a shudder, turn our backs on the darkest days of history and relegate them to the distant past, sure that today's Germany, or any other nation, would never stand for a repeat of those horrors. If we do that, we lose our best defense against another Hitler or another Third Reich.

So as we approach the 50th anniversary of Kristallnacht and are reminded not only of that dreadful night, but the blood-filled years to follow, let us not turn our eyes from those pages of history, but study them. Mr. Speaker, I urge all of my colleagues in the U.S. House of Representatives to join with me now in taking a moment to remember that night of November 9, 1938, in Nazi Germany. And as we do remember, let us renew our vow of vigilance. Let us recommit ourselves to the determination that never again will a Kristallnacht or a Holocaust be visited against a people or any single human being.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

□ 1630

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. (Mr. GRAY of Illinois). Pursuant to clause 5, rule I, the Chair will now put the question on each motion on which further proceedings were postponed on Monday, September 26, 1988, in the order in which that motion was entertained.

Votes will be taken in the following order: S. 555, by the yeas and nays; H.R. 547 by the yeas and nays; and H.R. 5337 by the yeas and nays.

The Chair will reduce to 5 minutes the time for any electronic votes after the first such vote in this series.

INDIAN GAMING REGULATORY ACT

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the Senate bill (S. 555).

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arizona [Mr. UDALL] that the House suspend the rules and pass the Senate bill (S. 555) on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 323, nays 84, not voting 24, as follows:

[Roll No. 351]

YEAS—323

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Applegate
Archer
Armey
Aspin
Atkins
Badham
Baker
Ballenger
Bartlett
Barton
Bateman
Bates
Beilenson
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonior
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CO)
Bruce
Bryant
Buechner
Burton
Bustamante
Byron
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Cheney
Clarke
Clay
Clement
Clinger
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Cooper
Costello
Coughlin
Courter
Coyne
Craig
Crane
Crockett
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeFazio
DeLay
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Downey
Durbin
Dwyer
Dyson
Eckart
Edwards (CA)
Edwards (OK)
English
Erdreich
Fawell
Fazio
Feighan
Fish
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frost
Gallegly
Gallo
Gaydos
Gekas
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Grant
Gray (IL)
Gray (PA)
Gregg
Hall (OH)
Hall (TX)
Hamilton
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hertel
Hiler
Hochbrueckner
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hunter
Hutto
Hyde
Inhofe
Ireland
Jeffords
Johnson (CT)
Jones (NC)
Jones (TN)
Kanjorski
Kaptur
Kasich
Kastenmeier
Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kostmayer
Kyl
Lancaster
Lantos
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Luken, Thomas
Lungren
Madigan
Manton
Markey
Martin (IL)
Martin (NY)
Martinez
Matsui
Mazzoli
McCloskey
McCollum
McCrery
McCurdy
McDade
McGrath
McHugh
McMillan (NC)
Meyers
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Montgomery
Moody
Morella
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Payne
Pease
Pelosi
Perkins
Petri
Pickett
Pickle
Porter
Price
Pursell
Rangel
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roe
Rogers
Rose
Rostenkowski
Roth
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Shuster
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Snowe
Solarz
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stenholm
Stokes
Stratton
Studds
Sundquist
Sweeney
Swindall
Synar
Tallon
Tauke
Tauzin
Thomas (GA)
Torres
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weldon
Wheat
Whittaker
Whitten
Wilson
Wise
Wolpe
Wyden
Yatron
Young (AK)
Young (FL)

NAYS—84

AuCoin
Bennett
Brown (CA)
Bunning
Campbell
Coats
Dannemeyer
Dellums
Dorgan (ND)
Dornan (CA)
Dreier
Dymally
Early
Emerson
Evans
Fascell
Fields
Flake
Frank
Frenzel
Garcia
Gejdenson
Gradison
Grandy
Green
Guarini
Gunderson
Hammerschmidt
Hansen
Hefley
Henry
Herger
Holloway
Hopkins
Hughes
Jacobs
Johnson (SD)
Jontz
Kennedy
Kennelly
LaFalce
Lagomarsino
Leach (IA)
Lewis (FL)
Lujan
Marlenee
Mavroules
McMillen (MD)
Mfume
Mica
Michel
Mollohan
Moorhead
Morrison (CT)
Morrison (WA)
Nagle
Owens (NY)
Penny
Quillen
Rahall
Rodino
Roukema
Schaefer
Sensenbrenner
Sharp
Shaw
Shays
Shumway
Sikorski
Skeen
Smith, Robert (OR)
Solomon
Stark
Stump
Swift
Taylor
Thomas (CA)
Torricelli
Towns
Weber
Weiss
Williams
Wolf
Yates

NOT VOTING—24

Anthony
Barnard
Bonker
Boulter
Broomfield
Callahan
Conyers
Dowdy
Espy
Flippo
Gephardt
Hefner
Jenkins
Kemp
Latta
Leath (TX)
Lukens, Donald
Mack
MacKay
McCandless
McEwen
Pepper
Wortley
Wylie

□ 1649

Messrs. TORRICELLI, MICA, RAHALL, MAVROULES, SOLOMON, SHAW, LEWIS of Florida, WEBER, HERGER, LEACH of Iowa, and GARCIA changed their votes from "yea" to "nay."

Mr. GRAY of Pennsylvania changed his vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. SMITH of Florida. Mr. Speaker, on rollcall 351, on the Senate bill (S. 555), the Indian Gaming Regulatory Act, I inadvertently pushed the wrong button. I should have been recorded as voting "no."

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on all the additional motions to suspend the rules on which the Chair has postponed further proceedings.

CONCURRING IN SENATE AMENDMENTS TO NATIONAL SCIENCE FOUNDATION AUTHORIZATION ACT OF 1988

The SPEAKER pro tempore (Mr. GRAY of Illinois). The unfinished business is the question of suspending the rules and agreeing to the resolution (H. Res. 547).

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New Jersey [Mr. ROE] that the House suspend the rules and agree to the resolution (H. Res. 547) on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 402, nays 2, not voting 27, as follows:

[Roll No. 352]

YEAS—402

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Badham
Baker
Ballenger
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Bonior
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Cheney
Clarke
Clay
Clement
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Cooper
Costello
Coughlin
Courter
Coyne
Craig
Crane
Crockett
Dannemeyer
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeFazio
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lungren
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCrery
McCurdy
McDade
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Payne
Pease
Pelosi
Penny
Perkins
Petri
Pickett
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shays
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Yates
Yatron
Young (AK)

NAYS—2

Skelton
Stump

NOT VOTING—27

Anthony
Barnard
Boland
Bonker
Boulter
Broomfield
Callahan
Conyers
Dowdy
Espy
Flippo
Gephardt
Hefner
Hunter
Jenkins
Kemp
Latta
Leath (TX)
Lukens, Donald
Mack
MacKay
McCandless
McEwen
Pepper
Wortley
Wylie
Young (FL)

□ 1658

So (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

SANCTIONS AGAINST IRAQI CHEMICAL WEAPONS USE ACT

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill, H.R. 5337, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. FASCELL] that the House suspend the rules and pass the bill, H.R. 5337, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 388, nays 16, not voting 27, as follows:

[Roll No. 353]

YEAS—388

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Badham
Baker
Ballenger
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonior
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Cheney
Clarke
Clay
Clement
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Cooper
Costello
Courter
Coyne
Craig
Crane
Crockett
Dannemeyer
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dornan (CA)
Downey
Dreier
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
Erdreich
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grant
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Henry
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Holloway
Hopkins
Horton
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Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Johnson (CT)
Jones (NC)
Jones (TN)
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
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Kostmayer
Kyl
LaFalce
Lagomarsino
Lantos
Leach (IA)
Lehman (CA)
Lehman (FL)
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Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lungren
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCrery
McCurdy
McDade
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris

Pashayan
Patterson
Payne
Pease
Pelosi
Perkins
Petri
Pickett
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sharp
Shaw
Shays
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Wilson
Wise
Wolf
Wolpe
Wyden
Yates
Yatron
Young (AK)

NAYS—16

Combest
DeLay
Dorgan (ND)
English
Frenzel
Grandy
Johnson (SD)
Jontz
Lancaster
Nagle
Nielson
Penny
Roth
Sensenbrenner
Stump
Williams

NOT VOTING—27

Anthony
Barnard
Bonker
Boulter
Broomfield
Callahan
Conyers
Coughlin
Dowdy
Espy
Flippo
Gephardt
Hastert
Hefner
Jenkins
Kemp
Latta
Leath (TX)
Lukens, Donald
Mack
MacKay
McCandless
McEwen
Pepper
Wortley
Wylie
Young (FL)

☐ 1706

Mr. PENNY changed his vote from "yea" to "nay."

So (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON THE JUDICIARY TO SIT ON TOMORROW DURING THE 5-MINUTE RULE

Mr. FRANK. Mr. Speaker, this request has been cleared with the minority. I ask for permission for the Judiciary Committee to sit tomorrow morning during the 5-minute rule to complete the agenda that it began today.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from Massachusetts?

Mr. QUILLEN. Mr. Speaker, reserving the right to object, I simply want to state that I shall not object and there is no objection on this side.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER AGAINST CERTAIN CONFERENCE REPORTS ON GENERAL APPROPRIATION BILLS FOR FISCAL YEAR 1989, AND PROVIDING FOR CONSIDERATION OF A JOINT RESOLUTION

Mr. FROST, from the Committee on Rules, submitted a privileged report (Rept. No. 100-984) on the resolution (H. Res. 548) waiving certain points of order against certain conference reports on general appropriation bills for fiscal year 1989, and providing for the consideration of a joint resolution, and for other purposes, which was referred to the House Calendar and ordered to be printed.

FEDERAL EQUITABLE PAY PRACTICES ACT OF 1988

Mr. FROST. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 537 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 537

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 387) to promote equitable pay practices and to eliminate discrimination with the Federal civil service and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and which shall not exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Post Office and Civil Service, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Post Office and Civil Service now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, each section shall be considered as having been read, and all points of order against said substitute for failure to comply with the provisions of clause 5(a) of rule XXI are hereby waived. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The gentleman from Texas [Mr. FROST] is recognized for 1 hour.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 30 minutes to the gentleman from Tennessee [Mr. QUILLEN]; pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 537 is a simple open rule providing for the consideration of H.R. 387, the Federal Equitable Pay Practices Act of 1988. The rule provides for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Post Office and Civil Service.

The rule also provides that when the bill is considered for amendment under the 5-minute rule, it shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Post Office and Civil Service which is now printed in the bill as an original bill for the purpose of amendment and provides that each section of the substitute shall be considered as having been read. Because House Resolution 537 is an open rule, any germane amendment to the substitute is in order during the amendment process.

Mr. Speaker, the rule also waives the provisions of clause 5(a) of rule XXI against the substitute. Clause 5(a) of rule XXI prohibits the consideration of appropriations in a legislative bill, and H.R. 387 makes available to the commission established in the bill money from those funds appropriated to the Office of Personnel Management for general operating expenses, thus necessitating the waiver. The Committee on Rules recommends this waiver in order that the study may commence at the earliest possible date after enactment of this legislation.

Finally, House Resolution 537 provides that at the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee on the Whole to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Mr. Speaker, the primary purpose of H.R. 387 is to conduct an indepth economic analysis of Federal pay and classification systems to determine whether, or to what extent, those systems are affected by sex, race, or ethnicity. The bill establishes an 11-member "Commission on Equitable Pay Practices" which will be responsible for hiring a consultant to conduct the study and overseeing the work and resulting report of the consultant. Upon completion of the study, the commission will submit to the President and the Congress its findings, conclusions and recommendations.

Mr. Speaker, while similar legislation was passed by the House in the 99th Congress, the bill was not considered by the Senate. In the 100th Congress, the need for this kind of a study still exists and for that reason, the Committee on Post Office and Civil Service has again recommended this legislation for enactment. This bill does not mandate any changes in the Federal pay and classifications systems; rather, it mandates that our current system be examined to determine if there is any need for change to bring about equitability and equality in the pay and promotion practices of the Federal Government. Mr. Speaker, House Resolution 537 is an open rule and H.R. 387 is a meritorious legislative proposal and I urge adoption of both.

Mr. Speaker, I reserve the balance of my time.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is another exampl of what should not be going on in this House of Representatives at this late hour.

□ 1715

This bill has passed two successive Congresses in the House, but the Senate did not take it up. To me, with the closing date now projected to be October 8 or October 15, to bring this bill to the House floor is, I would say, not in good keeping with good judgment.

Mr. Speaker, I urge the Members of this body to reject the rule even though it is an open rule. Certainly, if the rule is agreed to, I will ask the Members to think seriously before they vote for the measure on final passage. I think the Members should vote against it, as I did the last time it was before us. Certainly, Members should not vote for it.

Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, I am personally sorry that we are dealing with this rule and with this issue of comparable worth again in this Congress. I thought that perhaps we had seen the end of this issue in the 99th Congress, back in 1985.

Mr. Speaker, I rise in opposition to this rule, and, of course, I will subsequently be in opposition to the bill.

First of all, I would like to make the point that there is no need for this bill. All of us in this body and in this Nation are committed to fairness. During the debate we will hear a great deal of talk about fairness. In fact, it is fair, and, unfortunately, it has been necessary to make it the law of the land that everybody in this country have an equal opportunity to find jobs in the occupation of their choice, with everybody else, without consideration of the extraneous factors, to their ability to do that job. And it is the law of this land that in the performance of that job they should be given equal pay for equal work, just compensation along with their coworkers, and equal opportunity for advancement in that job. And if that law is not sufficiently enforced, we are to give every American equal protection under the law, as I am afraid it may not be, then I think we should be here looking for some manner in which we could enforce that law. But what we are trying to do here with this bill is to extend the law. We are trying to write a law that does not, as the laws we have earlier written, allow every American an equal opportunity to fulfill their dream and to live out their ambition. But we are trying to write here a law which allows Americans to live out their fantasies.

Mr. LELAND. Mr. Speaker, will the gentleman yield?

Mr. ARMEY. I yield very quickly to the gentleman from Texas.

Mr. LELAND. Mr. Speaker, I was just wondering, was it accurately reported that the gentleman had labeled the legislation as "sexist and racist socialism"?

Mr. ARMEY. No, the gentleman is incorrect. Let me finish my statement.

It is accurately reported that I did label the legislation "sexist socialism." At that time I did put that label on this legislation. I was in the well of this body, and I explained both why I used the word, "sexist," and why I used the word, "socialism." I go back to the famous debate between Oscar Lange and Ludwig von Mises in 1936 in which Von Mises tried to establish that you have have scientific socialism if you did have the Government administer the wages and the prices of the economy.

Mr. LELAND. Mr. Speaker, I thank the gentleman for his learned colloquy.

Mr. ARMEY. Mr. Speaker, as I said before, what this bill does is allow Americans to live out their fantasies.

I have had intimate relationships with the world of work since I was 14 years, and I have never been on a job where my coworkers on that job were not convinced that they were working too hard and being paid too little by comparison with somebody in another job.

When I worked on construction out in the field, doing heavy lifting, in the cold winter and during the rainy fall season, the fellows out on construction with their blue collars said, "Those people in the offices are being paid too much and are being asked to do too little work."

When I had subsequently moved into the office and suffered those long, hard hours in the office, I was told by my coworkers, "Those people out in the field are doing too little work and being paid too much."

We have always wanted to have the pay of the other job but not the requirements of the other job. Never before, though, have we offered legislation that would allow the Federal Government to mandate that fantasy fulfillment for a select interest group.

Members will tell us in debating this bill that it is only a study. Let me tell the Members that there are 15 instances where States or municipalities have accepted only a study and have found themselves subsequently in the courts with class action suits and then countersuits, the most famous case being a case in Illinois where the women prison guards had a countersuit on behalf of the integrity of their union-negotiated contract which was set aside on behalf of the nurses.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The time of the gentleman from Texas [Mr. ARMEY] has expired.

Mr. ARMEY. Mr. Speaker, I will have more to say later, but for now I ask the Members to please vote down the rule so we do not have to trouble ourselves with this resolution.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentleman from Texas [Mr. LELAND].

Mr. LELAND. Mr. Speaker, I am here today as an original cosponsor and to secure passage of H.R. 387, the Federal Equitable Pay Practices Act. The study of equitable treatment for our Nation's workers and the determination of how we pay our Federal workers has long been overlooked. Yes, there have been studies to ensure equitable compensation for different jobs based on the content of those jobs. However, there has never been a study to determine if other nonjob related factors such as sex, race, and ethnic origin affect Federal employees wages. Our duty, as Members of Congress, is to protect and oversee the public sector. We must guard the right to fair and comparable pay for women and minoirties in the Federal work force.

I commend my colleague, MARY ROSE OAKAR, for her effort and time she has spent on this very important piece of legislation. I urge the rest of my colleagues to join me in supporting H.R. 387.

Mr. QUILLEN. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. PURSELL].

Mr. PURSELL. Mr. Speaker, I rise in support of the Federal Equitable Pay Practices Act.

This legislation, which calls for a study of the Federal pay and classification system, is another important step toward insuring pay practices for governmental employees.

I am disappointed that this study will not incorporate an analysis of congressional pay practices and employment discrimination. However, I understand an amendment will be offerred by Mr. BARTLETT to include congressional staff.

Congress has held itself above the antidiscrimination laws such as the fair labor standards act which governs wages and hours. The result has been a significant wage and promotion differential between men and women.

Recent studies have shown that black and women congresssional employees tend to be concentrated in lower-paying jobs.

I strongly believe that while it is important to enact legislation studying the wage discrimination and salary differentials in other sectors, Congress must set an example in fair treatment of its employees.

It is high time that we as lawmakers hold ourselves to the same standards that we impose on the rest of the Federal Government and the private sector.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 3 minutes to the gentleman from New Mexico [Mr. RICHARDSON].

Mr. RICHARDSON. Mr. Speaker, I rise in strong support of H.R. 387, the Federal pay equity study.

H.R. 387 authorizes an independent consultant to study the Federal Government's pay and job classification systems for adherence to Federal laws prohibiting discrimination based on sex, race, or ethnicity.

In addition, a bipartisan committee will make recommendations to the President and Congress about the extent to which any wage differentials that may be found are inconsistent with Federal law as well as advisory comments about ways to rectify the situation if it is found to be inequitable.

I would point out that H.R. 387 prohibits the Commission from recommending any pay cuts for our Federal employees.

As a member of the Hispanic community, I am greatly concerned about statistical evidence indicating Hispanic women only earn 55 cents for every dollar earned by white males while Hispanic men only earn 65 cents for every dollar earned by white males.

In addition, full-time women workers only earn 64 cents for every dollar earned by white males while black men and black women earn 71 and 60 cents on the dollar respectively.

These statistics may very well explain why one in three female-headed households is poor and why the number of Hispanics living in poverty rose by 500,000 over the past 3 years. Specifically, 27.3 percent of all Hispanics are now living in poverty.

More importantly, it is believed that the number of poor families would be reduced by half if women were paid equitable wages.

As the Representative of New Mexico, I am proud the State of New Mexico is one of only 20 States to have studied pay equity and to have made an actual pay equity adjustment. Over 40 States have taken action of some sort on pay equity.

In addition, I would like to point out that wages in the Federal Government are based on a job evaluation study completed over 65 years ago. In the intervening years, our Nation has advanced in its social principles and concepts. More importantly, we have passed landmark legislation prohibiting discrimination based on sex, race, or ethnicity.

Should the Federal pay equity study point out inequities in our Federal wage scale that cannot be explained by job content or economic analysis, H.R. 387 simply gives the Federal Government the opportunity to voluntarily correct the situation, thus avoiding the possibility of long and expensive litigation.

It is my belief that the Federal Government has an obligation to the working men, women, and children who are affected on a daily basis by unfair wage scales, not only in the Federal Government but across our Nation.

As the standard bearer for democracy and excellence in our Nation, the Federal Government must and should lead the way in upholding our Nation's antidiscrimination laws.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Speaker, I intend to use more time during the debate so as not to deter the Members now, but I cannot resist just saying a few words about the bill, since some of the Members who want to debate the bill have also used this time.

First of all, this is a study. It only applies to Federal employees over whom we have oversight. We have a responsibility to deal with the classification system.

Mr. Speaker, as a member of the Committee on Post Office and Civil Service and a member of the Subcommittee on Compensation and Employee Benefits, I can tell the Members that over the years we have seen a classification system that has not been researched properly since 1923. At that time we had less than 5 percent of the work force who were women and minorities. This study does not deal only with women and minorities; it deals with anyone of any national ethnic origin.

□ 1730

I do want to make one point though, that I find it totally outrageous, and I was not going to get into this kind of tone, but I think it is important to call Members who write articles for certain newspapers who call this kind of a study, use absolutely insulting language, and call this kind of study sexist socialism. During the last session it was racist socialism. I think these red-flag words—no, I will not yield, but I will in the general debate because I do not want to hold these Members up—but I think these red-flag words are outrageous and, frankly, sickening, and I think that the individuals who care to use that kind of language ought to go tell the nurse who works at NIH in the cancer unit who finds her wages capped at a level, and she could work 40 years for the Federal Government and never have those wages change after they are capped; I think these individuals who care to use sexist and racist language ought to go out and ask the nurses of this country if they feel their wages ought to be capped or that they are not valued employees. Now they had to close down the cancer unit, 60 beds, at NIH because a nurse who was making $18,000 from the Federal Government could go down the street to St. Elizabeths Hospital and make $30,000.

Mr. Speaker, that is what we are talking about, and to misrepresent what this does in those red-flag kinds of language I think is outrageous, and women of America, and minorities and men of America ought to be appalled.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 3 minutes to the gentleman from Illinois [Mr. HAYES].

Mr. HAYES of Illinois. Mr. Speaker, I rise in support of this legislation. The initiative we discuss today reflects the hard work of many of my colleagues to resolve the problems that the Reagan administration has with treating American working men and women with fundamental fairness.

I do not want the men and women that work for the Federal Government to be victims of discriminatory wage practices. The Federal wage and classification systems have not been examined since they were created in 1923.

Forty-three States have taken some type of action on pay equity, either through litigation, collective bargaining, or a study. Twenty-two States and the District of Columbia have conducted or are conducting job evaluation or pay equity studies on wage classifications.

A 1985 General Accounting Office [GAO] report concluded that a study using both economic and job content analysis "would provide Congress with a comprehensive analysis of the pay equity issue." The study also found that the majority of female Federal employees were clustered in the lower civil service grades, 1 through 8.

A 1987 Office of Personnel Management [OPM] study, found that women in Federal Government earned an average of $9,500 less than their male counterparts or about 69 percent of male Federal workers.

This bill establishes an 11-member Commission of Equitable Pay Practices. The Comptroller General submits a list of at least five independent consultants to the Commission. The Commission selects a consultant to conduct the pay equity study. The study must be submitted to the President and the Congress within 18 months after establishment of the Commission. The study must include economic analysis which examines factors such as education level, seniority, locality, and merit, and job content analysis, which examines factors such as skill, effort, responsibility, and working conditions to measure the value of a job.

The bill simply authorizes a study of the Federal Government's pay and job classification systems to determine whether they are operated and administered in a manner consistent with current law. The job classification systems should not conflict with Federal laws that prohibit discrimination on the basis of sex, race, and ethnicity.

It is time for the Congress to examine how we pay our Federal workers. I urge my colleagues on both sides of the isle to vote for, H.R. 387.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the objection I have to this measure is bringing it up at this late hour. In the closing days of this session when we have our appropriations bills to complete is the wrong time to consider this. This bill has passed the House in two previous Congresses, but has not passed the Senate. It will not go anywhere in my opinion in this Congress. So, taking the membership's time on this measure now is not productive. When we talk about equal pay, I agree with that. I think that anyone working should receive equal pay for the same job.

Mr. Speaker, if my colleagues wish they can look at Members of the House of Representatives who perform work equal to corporate presidents who receive $350,000 to $500,000 in pay. I mean if my colleagues want to bring it down to a local level that we can understand, this is it. Federal employees should have equal pay, but a commission is absolutely out of line at this late hour.

Mr. Speaker, I urge the rule be defeated.

Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. Burton].

Mr. BURTON of Indiana. Mr. Speaker, I yield to the gentleman from Texas [Mr. Armey].

Mr. ARMEY. Mr. Speaker, I thank the gentleman from Indiana [Mr. Burton] for yielding, and I will not take much time now wishing to be frivolous and dilatorious.

Mr. Speaker, I do wish to make the point that I have at no time used the expression with respect to this bill "racist socialism."

I explained earlier the use of the word "socialism." The use of the word "sexist" is derived from the fact that this bill would have set up a commission to study on a sex-based formula the relative compensation of workers in our Federal work force.

Mr. BURTON of Indiana. Mr. Speaker, the law already mandates equal pay for equal work. In 1963, Congress approved the Equal Pay Act. And the next year we approved title VII of the Civil Rights Act. Equal pay for equal work is the only objective standard that can fairly be enforced by Congress and the courts.

In addition, three Government agencies have already conducted over 30 studies, 30 individual studies, examining any pay inequities that may exist between comparable jobs within the Government and between the Government and the private sector, and tomorrow I will bring all of those studies to the floor for my colleagues' perusal.

I would just like to ask two questions regarding equity. First of all, we are talking about the rule right now. As I understand the rule, the gentlewoman from Ohio [Ms. Oakar] is going to get 30 minutes as a proponent of the legislation, and the gentlewoman from Maryland [Mrs. Morella] is going to get 30 minutes, and she is going to give me half of that. That means that the proponents of the bill are going to have 45 minutes and the opponents of the bill are going to have 15 minutes.

Now, Mr. Speaker, we are talking about equity here. Does that sound like equity to you? It sure does not to me.

The other thing I would like to ask is: If we are talking about equity and really doing a study of this, why did we not include congressional staffs in this study?

My colleagues know that we talk about equity in the Federal work force, in the Federal Government work force, and yet every time we have some kind of a study we talk about something outside the purview of Congress. We do not include our staffs in this, and I would like to ask the gentlewoman from Ohio [Ms. Oakar] right now, "Why didn't you include congressional staffs in this study?"

Ms. OAKAR. Because, if the gentleman from Indiana [Mr. Burton] would attend committee meetings, he would know the bill passed 16 to 0, and he was not present, but I do want to answer the question because he was not there and he does not come very often to meetings of the Committee on Post Office and Civil Service.

Let me just say—well, that is true. That is the truth. And it passed 16 to 0, and the gentlewoman from Maryland [Mrs. Morella] who does attend is, I guess, floor managing the bill.

But let me just say this. As my colleagues know, the Committee on Post Office and Civil Service does not have jurisdiction over the issue the gentleman from Indiana [Mr. Burton] raised. It has jurisdiction over the classification system, and that is what we are talking about.

Mr. BURTON of Indiana. Reclaiming my time——

Ms. OAKAR. House Administration——

Mr. BURTON of Indiana. If I can reclaim my time——

Ms. OAKAR. Well, the gentleman from Indiana [Mr. Burton] wanted the answer.

All right.

Mr. BURTON of Indiana. Let me just say that this is a study, and I do believe that the committee could have requested the Congress study not only Federal employees, but congressional staffs as well, and I think the gentlewoman from Ohio [Ms. Oakar] is just glossing over this issue.

Now regarding my attendance at the committee meetings, as the gentlewoman from Ohio [Ms. Oakar] well knows, we have multiple committee assignments. I serve on the Committee on Foreign Affairs and two subcommittees, I serve on the Committee on Veterans' Affairs and two subcommittees, and I serve on the Committee on Post Office and Civil Service, too, and I have to prioritize my time, and listening to the gentlewoman from Ohio [Ms. Oakar] at these meetings is not one of my top priorities.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. BURTON of Indiana. Mr. Speaker, I yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, I would just like to say to the gentleman that I would like to invite anybody out there to step outside.

The SPEAKER pro tempore (Mr. Gray of Illinois). The House will be in order.

Mr. SOLOMON. Mr. Speaker, as the ranking Republican on the Committee on Veterans' Affairs—Mr. Speaker, am I recognized or not?

The SPEAKER pro tempore. The gentleman from Indiana [Mr. Burton] has the time.

Mr. BURTON of Indiana. Mr. Speaker, I have yielded to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, I just want to tell some people in this House that as the ranking Republican on the Committee on Veterans' Affairs and also as a ranking member on the Committee on Foreign Affairs, the gentleman from Indiana [Mr. Burton] having served on both of those committees, I cannot think of anybody in this House of Representatives that attends more meetings.

If the gentlewoman from Ohio [Ms. Oakar] wants to make some smart-aleck remarks like that again, maybe we will just have a little record of who attends what meetings where. There would be some embarrassed faces around here.

Mr. FROST. Mr. Speaker, for purposes of debate only, I yield 1 minute to the gentlewoman from Tennessee [Mrs. Lloyd].

Mrs. LLOYD. Mr. Speaker, I rise in strong support of the Federal Equitable Pay Practices Act of 1988 to establish a bipartisan Commission to study the wage-setting practices of the Federal Government.

A study of this nature is long overdue. Since its inception in 1923, the Federal wage-setting system has never been examined for race or sex bias. Our Federal workers deserve to have their work force examined to make sure they are paid fairly and not based on discriminatory factors.

Women are making long strides in politics, in business and in the professions, but despite the enactment of antidiscrimination legislation, and the growing presence, by economic necessity, of women in the work force. The male-female wage gap has persisted.

It is simply not acceptable that women who are working to put food on the table and clothes on their children's back earn just 64 cents for every dollar earned by men; or that women from minority groups earn even less.

I believe the Federal Government should take a leadership role in the elimination of discrimination from the wage-setting process. Passage of this legislation is a step in the right direction. I urge my colleagues to join me in supporting the Federal Equitable Pay Practices Act.

Mr. Speaker, I think it is time to cool tempers and look at the issues, and let us make up our minds, if we really are serious about lack of discrimination, that we do want to see Federal pay practices be equitable.

Mr. QUILLEN. Mr. Speaker, I yield back the balance of my time.

Mr. FROST. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. ARMEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 297, nays 101, not voting 33, as follows:

[Roll No. 354]

YEAS—297

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Applegate
Aspin
Atkins
AuCoin
Bates
Beilenson
Bennett
Bentley
Berman
Bevill
Bilbray
Bilirakis
Boehlert
Boggs
Boland
Bonior
Borski
Bosco
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clay
Clement
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Cooper
Costello
Coughlin
Coyne
Crockett
Darden
Davis (IL)
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
English
Erdreich
Evans
Fascell
Fawell
Fazio
Feighan
Fish
Flake
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Gaydos
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Henry
Hertel
Hiler
Hochbrueckner
Horton
Hoyer
Hubbard
Hughes
Hutto
Jacobs
Jeffords
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
LaFalce
Lagomarsino
Lancaster
Lantos
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Lott
Lowry (WA)
Lujan
Luken, Thomas
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McGrath
McHugh
McMillen (MD)
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Parris
Pashayan
Patterson
Payne
Pease
Pelosi
Penny
Perkins
Pickett
Pickle
Porter
Price
Pursell
Rahall
Rangel
Ravenel
Ray
Regula
Richardson
Ridge
Rinaldo
Roberts
Robinson
Rodino
Roe
Rostenkowski
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Schaefer
Scheuer
Schneider
Schroeder
Schumer
Sharp
Shays
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Snowe
Solarz
Spence
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Yates
Yatron
Young (AK)

NAYS—101

Archer
Armey
Baker
Ballenger
Bartlett
Barton
Bateman
Bereuter
Bliley
Brown (CO)
Buechner
Bunning
Burton
Chandler
Coble
Combest
Courter
Craig
Crane
Dannemeyer
Daub
DeLay
DeWine
Dornan (CA)
Dreier
Edwards (OK)
Emerson
Fields
Gallegly
Gallo
Gekas
Gingrich
Goodling
Gregg
Hammerschmidt
Hansen
Hastert
Hefley
Herger
Holloway
Hopkins
Houghton
Huckaby
Hunter
Hyde
Inhofe
Ireland
Kasich
Kolbe
Konnyu
Kyl
Latta
Leach (IA)
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lowery (CA)
Lungren
Madigan
Marlenee
Martin (IL)
McCollum
McCrery
Molinari
Moorhead
Nielson
Oxley
Packard
Petri
Quillen
Rhodes
Ritter
Rogers
Rose
Roth
Saxton
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Slaughter (VA)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Stangeland
Stump
Sundquist
Sweeney
Swindall
Tauke
Taylor
Thomas (CA)
Upton
Vucanovich
Walker
Weber

NOT VOTING—33

Anthony
Badham
Barnard
Bonker
Boucher
Boulter
Broomfield
Callahan
Cheney
Conyers
Dowdy
Espy
Flippo
Garcia
Gephardt
Gradison
Hefner
Jenkins
Kemp
Kostmayer
Leath (TX)
Lukens, Donald
Mack
MacKay
McCandless
McEwen
McMillan (NC)
Mica
Murtha
Pepper
Wortley
Wylie
Young (FL)

□ 1805

The Clerk announced the following pair:

On this vote:

Mr. Anthony for, with Mr. Boulter against.

Mr. LOWERY of California changed his vote from "yea" to "nay."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

APOLOGY ACCEPTED

(Mr. DYMALLY asked and was given permission to address the House for 1 minute.)

Mr. DYMALLY. Mr. Speaker, it has come to my attention that in the recent debate on the rule just preceding the vote that the gentleman from New York [Mr. SOLOMON] used some very abusive language to one of the Members of this House, the gentlewoman from Ohio [Ms. OAKAR]. I am disturbed about it. I think the gentlewoman from Ohio deserves an apology from the gentleman from New York [Mr. SOLOMON], and if there is any courtesy left in the gentleman, he will come to the floor here and ask that those words be stricken from the RECORD.

Ms. OAKAR. Mr. Speaker, will the gentleman yield?

Mr. DYMALLY. I yield to the gentleman from Ohio.

Ms. OAKAR. Mr. Speaker, I think this issue, related to fairness, sometimes brings out hotter emotions, and I do want the gentleman to know that I appreciate the gesture, but the gentleman from New York [Mr. SOLOMON] did apologize.

Mr. DYMALLY. He should do so publicly.

The SPEAKER pro tempore. Pursuant to House Resolution 537 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 387.

The Chair designates the gentleman from Michigan [Mr. KILDEE] as Chairman of the Committee of the Whole, and requests the gentleman from Mississippi [Mr. MONTGOMERY] to assume the chair temporarily.

□ 1809

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 387) to promote equitable pay practices and to eliminate discrimination within the Federal civil service with Mr. MONTGOMERY (Chairman pro tempore.) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from New York [Mr. ACKERMAN] will be recognized for 30 minutes and the gentlewoman from Maryland [Mrs. MORELLA] will be recognized for 30 minutes.

The Chair recognizes the gentleman from New York [Mr. ACKERMAN].

Mr. ACKERMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, H.R. 387 establishes an 11-member Commission on Equitable Pay Practices consisting of representatives of the administration, Congress, Federal employee unions, and women's and civil rights organizations.

The Commission will be responsible for hiring a consultant and overseeing its work in conducting a job-content analysis and an economic analysis of the Federal pay and classification systems. The study will also include information on the Federal Government's appointment and promotion practices and whether they are administered in a manner consistent with appropriate provisions of law.

Upon completion of the study, the Commission will submit the consultant's study to the President and the Congress, along with its findings, conclusions, comments, and recommendations regarding any necessary legislative or administrative changes.

Mr. Chairman, H.R. 387 is similar to H.R. 3008 which passed the House during the 99th Congress.

The Committee on Post Office and Civil Service has made some minor changes in the bill. First, the Committee has removed the Comptroller General of the General Accounting Office as a member of the Commission established by the bill and added a third Federal employee union, so as to maintain the number of Commission members at 11.

This amendment will answer concerns that the Comptroller General may face a conflict of interest if he were to serve as a member of the Commission and GAO is later asked to review the Commission's report.

Second, the committee has amended the bill to make clear that the contract authority provided in the bill is effective for any fiscal year only to the extent or in such amounts as are provided in appropriation acts. This amendment is intended to ensure that the bill complies with the Budget Act.

Mr. Chairman, women working for the Federal Government make only 69 cents for every dollar made by male employees. In addition, women make up almost half of the Federal work force, yet 71 percent are found in the lowest eight grades.

The purpose of the study is to learn and understand the circumstances that led to the statistics I just cited. If they resulted from systemic bias, then Congress may want to remedy the situation.

Mr. Chairman, I want to clarify for the Members that this bill makes no assumptions about discrimination. It simply establishes a commission to conduct a study of the Federal pay and classification systems.

Mr. Chairman, I urge my colleagues to support the bill.

Mr. Chairman, I reserve the balance of my time.

Mrs. MORELLA. Mr. Chairman, of my 30 minutes, I ask unanimous consent that I be allowed to give 15 minutes of that time to the gentleman from Texas [Mr. ARMEY] who will manage that 15 minutes.

The CHAIRMAN pro tempore. Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

Mrs. MORELLA. Mr. Chairman, I yield myself such time as I may consume.

Mrs. MORELLA. Mr. Chairman, I am pleased to rise in support of H.R. 387, the Federal Equitable Pay Practices Act of 1988 which, as Members have heard, would initiate a study of the wage and classification system of the Federal Government.

I commend the gentlewoman from Ohio who has been indefatigable in her efforts for pay equity over a number of years, and I am really, as a freshman, surprised that a study has not been approved by Congress.

I want to point out that this is a bipartisan bill. Indeed, I think my presence and that of others indicates that it is to help all of our people in the Federal work force, and it is supported by both sides of the aisle.

A study of the pay practices of the Federal Government has not been conducted since 1923, a time when minorities and women totaled only 5 percent of the Federal work force. Currently women account for 40 percent of the Federal work force, and minority workers account for 25 percent of all Federal employees. And yet, the Government is still operating with a pay and classification system that was established 65 years ago.

A study is long overdue. I find it difficult to understand why anyone would oppose it. Forty-three States have either completed or are in the process of completing pay equity studies. The Federal Government is lagging far behind the States in determining whether discrimination exists in its own wage system.

There is evidence that a significant wage gap exists in the Federal Government. According to a 1985 General Accounting Office study, white women earn 63 percent of men's salaries, and black women earn 62 percent of men's salaries. In State and local government, white women earn 72 percent, black women earn 65 percent, Hispanic women earn 62.9 percent of men's wages.

Three-quarters of the women in the Federal work force are concentrated in lower paid jobs, grades 1 through 6, mainly in administrative and clerical positions. Men are primarily employed in the management positions, grades 9 through 15.

This bill, H.R. 387, establishes a bipartisan commission to select a private consultant to conduct a job evaluation study of the Federal wage and classification systems. This Commission would then report its findings to the President and to each House of Congress regarding the differentials in rates of basic pay between or among occupations, and they will be compared not only on the basis of sex but also race and ethnicity.

□ 1815

The bill follows the recommendations of the General Accounting Office by including jobs consent analysis and economic analysis. I want to stress that this study is advisory in nature only. It is limited to the Federal Government and it has no connection with the private sector. As a matter of fact, the private sector, as we know, pays 24 percent higher wages than the Federal Government does and was approved overwhelmingly by the Committee on Post Office and Civil Service, which has jurisdiction over Federal employee benefits and compensation, and it is important to stress that the study has nothing to do with the private sector nor does the study attempt to dictate wage scales, despite what some may contend or believe.

I believe that this Congress should do as it has in the past, realize that the study is necessary and that it should take place now.

Mr. Chairman, I yield 15 minutes of my 30 minutes to the gentleman from Texas [Mr. ARMEY], for the purpose of yielding time to other Members.

The CHAIRMAN pro tempore (Mr. MONTGOMERY). Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

The gentleman from Texas [Mr. ARMEY] is recognized for 15 minutes.

Mr. ARMEY. Mr. Chairman, I yield 4 minutes to the gentleman from Illinois [Mr. FAWELL].

Mr. FAWELL. Mr. Chairman, I rise in opposition to H.R. 387, the so-called equitable pay practices bill. I do not oppose a study if it does not have the effect of altering basic civil rights laws or equal pay laws, hence vitally affecting the private sector.

The most troublesome feature of this legislation is that Congress authorizes the Commission to find unlawful discrimination under title VII of the Civil Rights Act of 1964 and section 6(d) of the Fair Labor Standards Act by using the so-called comparable worth, or equivalent in totality concept.

The bill states that when there are occupations which are admittedly not alike, but which the Commission finds to be "equivalent in totality," the Commission can construe a violation of title VII of the Civil Rights Act of 1964 and section 6(d) of the Fair Labor Standards Act. This is done if the commission further finds differentials in rates of basic pay between these unlike occupations to the extent that all or any portion of any such differential in pay cannot be accounted for by application of a "job content and economic analyses" of these unlike occupations.

Putting aside the subjective imponderables involved in determining when two unlike occupations are "equivalent in totality," or how differentials in pay between these two occupations can be wholly or partially explained by an equally subjective "job content and economic analyses," the important point is that Congress will have gone on recrod that it is precisely these subjective evaluations—and not fundamental economic principles—which will have a significant part in determining if an employer runs afoul of title VII of the Civil Rights Act or section 6(d) of the FLSA.

Indeed, by passing this bill, Congress is saying that these subjective standards are the factual issues which determine if title VII or section 6(d) has been breached.

This appears to counter the findings in the most publicized comparable worth court case: American Federation of State, County, and Municipal Employees versus State of Washington. In that case, the Court of Appeals for the Ninth Circuit reversed a U.S. district court decision. The Court of Appeals found that there was:

> Nothing in the language of title VII or its legislative history to indicate Congress intended to abrogate fundamental economic principles such as the laws of supply and demand or to prevent employers from competing in the labor market.
>
> While the Washington legislature may have the discretion to enact a comparable worth plan if it chooses to do so, title VII does not obligate it to eliminate an economic inequality which it did not create.

I must emphasize that I am referring to the procedure being used in H.R. 387, which rather clearly has Congress condoning comparable worth or equivalent in totality concepts as acceptable procedures to prove violations of title VIII of the Civil Rights Act of 1964 and section 6(d) of the Fair Labor Standards Act. If H.R. 387 should become law, the courts will assume that Congrss has condoned such procedures, resulting in the filing of cases in Federal courts seeking to prove violations of title VII of the Civil Rights Act of 1964 on the same basis and same procedures that are seemingly authorized by Congress in this bill.

This outcome may not be the intent of the sponsors of this bill. I would hope that they would make it clear if this is not their intent. I am aware that the findings of the commission are supposed to be advisory in nature only. I trust this will be the way the courts will the matter. I would assume so. But procedurally speaking, Congress is approving the comparable worth method to determine if the Civil Rights Act of 1964 or section 6(d) of the Fair Labor Standards Act may be violated. With that precedent established, Federal courts may be hard pressed not to accept the same procedures to test all of the private sector's differentials in pay scale of unlike occupations. This is my major concern with the bill.

Mr. ACKERMAN. Mr. Chairman, I yield 3 minutes to the gentlewoman from Louisiana [Mrs. BOGGS].

Mrs. BOGGS. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in support of H.R. 387, and I am in good company when I do so. This bill passed out of committee by a vote of 16 to 0. Similar legislation has been passed by the House during the 98th Congress and the 99th Congress. At least 45 States, including my own State of Louisiana, have undertaken studies similar to the study required by this bill.

Those who know most intimately about the need for its passage, the Federally Employed Women, an international, bipartisan membership organization that represents the concerns of over 800,000 women employed by the Federal Government have urged its passage, saying that "A wage differential between male and female workers exists in the Federal work force". Federally employed women can expect to earn about 60 percent of wages paid to all federally employed men. A large portion of this wage gap can be directly attributed to the occupational segregation within the Federal workplace.

Although women comprise nearly half of the workers of the general schedule classification system, 73 percent of all women are in GS grades 1 through 8, and about 86 percent of all women employed by the Federal Government are concentrated in 8 percent of the occupations.

This occupational segregation directly results in lower wages for women. The average salary for Federal women workers in the GS system is about $19,000 per year as compared to about $30,000 for men.

The General Accounting Office [GAO] report, "Options for Conducting a Pay Equity Study of Federal Pay and Classification Systems," issued on March 1, 1985, is very useful to the committee in illustrating how the Federal classification system can be studied for sex-biased wage discrimination. The Federal Equitable Pay Practices Act of 1988 (H.R. 387) would utilize the suggestions contained in the GAO report by providing for a study of the Federal wage and classification systems to determine if they are affected by discrimination based on sex, race, or ethnic origin.

The study would evaluate the Federal jobs using both job content and economic analysis and would be conducted by a private consultant hired by a bipartisan commission with the aim of ensuring that our civil service wage and classification systems are free of bias.

This is simple, straightforward and just and I urge the passage of H.R. 387.

Mrs. MORELLA. Mr. Chairman, I yield myself such time as I may consume.

Before I yield to the gentleman from New York I want to point out a couple of things in answer to a concern that the gentleman from Virginia had, and that is in terms of classification. The General Accounting Office report on how to conduct a study recommends that both the job content and economic analysis methods of job evaluation be made.

I also want to point out where he talked about AFSCME versus State of Washington case, that the ninth circuit court pointed out that pay equity study did not have to bind a State to the results, so we are talking about an advisory study that does not have attached to it a mandate that something must be fulfilled.

Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Chairman, I thank the gentlewoman for yielding time to me.

Mr. Chairman, I am pleased to rise in support of H.R. 387, the Federal Equitable Pay Practices Act.

The Federal Government has a special obligation to eliminate any vestiges of discrimination against women and minorities in its employment practices. More than 20 years after the enactment of the Equal Pay Act and the Civil Rights Act of 1964, the majority of women and minorities employed by the Federal Government are still concentrated in a small number of low paying jobs. Although women make up nearly half of the white collar Federal work force, they constitute less than 10 percent of the employees in higher grade levels—general schedule 13-15. Conversely, 70 percent of the employees in grades 4 to 7 are women. As a result, the average salary for federally employed women is $11,000 less than the average salary for federally employed men. Salaries are even lower for black and Hispanic women. I have been informed that women earn 63 cents for every dollar earned by men.

This bill would require that a study be conducted to determine whether the Federal pay and classification system discriminates against women and minorities: the first such study since 1923. I ask my colleagues to bear in mind that no changes in Federal pay or classifications could be implemented without subsequent legislative and executive approval. Moreover this federal study legislation will have no effect on any State or local goverment and no effect on any private corporation.

Accordingly, I urge my colleagues to support H.R. 387.

Mr. ARMEY. Mr. Chairman, I yield 2 minutes to the gentlewoman from Nevada [Mrs. VUCANOVICH].

Mrs. VUCANOVICH. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I rise today to oppose the Federal Equitable Pay Practices Act 1988. Unquestionably, I support equal pay for equal work. As a small-business owner, I understand first hand what is at stake here. Freedom. The freedom of the employer to raise an employee's salary based on work performed as well as the freedom of an employee to excel on his or her own and to receive compensation for that excellence based on performance and not a formula. No objective standard can quantify every reason why one employee receives a pay raise and another one doesn't.

Furthermore, this bill is unnecessary. Both the Equal Pay Act and title VII of the Civil Rights Act already prohibit discrimination based on gender.

I also take issue with the so-called objective standards used in the study that would analyze pay rates and wage differentials. These analyses that make up the study concern me. Similar economic studies have shown that one-quarter to three-quarters of the female/male earnings gap can be explained by such quantifiable factors as education, experience, and seniority. The unexplained gap cannot be labeled discrimination—it is simply a measure of our inability to identify and measure all factors.

I urge my colleagues to vote against this bill, and, in doing so, vote for individual excellence that knows no gender, race, or ethnic background.

Mr. ACKERMAN. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. DYMALLY].

□ 1830

Mr. DYMALLY. Mr. Chairman, it is my pleasure, as chairman of the Congressional Black Caucus, to rise in support of this legislation. It is my belief that there is a moral imperative that wage discrimination, based on sex, be brought to an end.

The continued existence of wage gaps in the Federal work force between men and women is an indictment of the entire system and indeed demonstrative of our failure to bring leadership to this critical issue. Our action today will bring us closer to the parity which is unquestionably deserved.

As a father and grandfather, I vote today for the future of my own. As a Member of Congress I vote for decency and integrity that are represented by this legislation. Justice demands that we support pay equity for the millions who are mothers and sisters and daughters for whom there is no question of comparable worth. In the ultimate quest for equality, I ask that you join me in a vote for equity, parity, and principle.

Equally important, I want to commend the sponsors of this critical legislation for including in their pay-equity study Federal jobs which are held predominantly by blacks and other minorities, to determine if pay scales are unfairly depressed due to racial discrimination.

All discriminatory factors contributing to wage gaps must be identified and rooted out if we are to realize the dream of equal opportunity in the workplace for all.

Mrs. MORELLA. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I also point out with regard to another comment that had been made by the gentlewoman from Nevada that the fact that there are laws that prohibit discrimination does not mean that there is no discrimination. That is one of the things this study would uncover.

Mr. Chairman, I yield 1 minute to the gentlewoman from Hawaii [Mrs. SAIKI].

Mrs. SAIKI. Mr. Chairman, I rise in support of the Federal Equitable Pay Practices Act or H.R. 387. To date, there has not been a comprehensive, large scale study conducted on fair wages for Federal employees. A look at the pay practices of the Federal Government, America's largest employer, is long overdue.

The most recent figures from the Department of Labor show that women earn 70 cents for every dollar earned by men. In 1979, a woman earned only 61 cents for every dollar a man earned. Although this trend is proof that we are finally on the right track, I strongly believe that we must improve our base of information from which to make Federal pay decisions.

Most States are already making a concerted effort to wipe out this old-fashioned problem of salary discrimination. Despite the fact that 43 States practice pay equity in some form, a wage gap continues to exist. There are no solid facts on where this inequity comes from. The study proposed in H.R. 387 would simply provide Members of Congress with the information needed to identify to what extent there is pay inequity in Federal employment and to make recommendations on how to remedy any discrimination which may exist.

I ask that my colleagues join me and support this measure.

The CHAIRMAN. The gentleman from New York [Mr. ACKERMAN] has 21 minutes remaining, the gentlewoman from Maryland [Mrs. MORELLA] has 7 minutes remaining, and the gentleman from Texas [Mr. ARMEY] has 9 minutes remaining.

Mrs. MORELLA. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. Mr. Chairman, as a past supporter of this legislation, I will vote for it again this year.

This is merely a study of the Federal Government's pay practices. While I can understand that this is controversial to many who fear that it will set a precedent for the private sector, I believe it is simply a long-overdue study of our Federal salary practices.

The last study was done in 1923. We ought to review periodically so we have a current picture as to whether Federal employees are paid fairly according to their skills and responsibilities, and whether there is discrimination based on sex, race, or ethnic origin.

There are allegations that women are paid lower salaries than men in comparable positions. A comprehensive study will help us confirm or deny these allegations. If they are confirmed, a study will indicate how pervasive inequities have become, as well as suggestions for improvements in the system.

This bill does not affect the private sector. It solely relates to the Federal pay system.

I urge its adoption by my colleagues.

Mr. ACKERMAN. Mr. Chairman, I yield 3 minutes to the gentlewoman from Connecticut, [Mrs. JOHNSON].

Mrs. JOHNSON of Connecticut. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of this bill which will create greater equity in our Federal pay system. The kind of study proposed in this bill was completed in Connecticut and its recommendations informed our collective-bargaining process and allowed the correction of inequities that were built into our pay structure as a result of historic patterns of hiring and compensation.

Historic patterns of hiring and compensation resulted from the very responsible functioning of the market many years ago. The market was simply constrained. Women were only allowed to apply for certain jobs and so many applied and the salaries were low.

Thereafter increases were granted across the board and there was no way to look back and correct for a market that functioned correctly, but on the wrong assumptions and under a constrained—in a constrained age.

So when you look at the current situation—in Connecticut when we looked at that situation we found out that women in jobs that required a high school diploma, typing skills, and other things were entering at lower wages than men who were accepting jobs in Maintainer 1 where they only had the hand tools to that level of description; and that differential in pay where there were clear skill differences and responsibility differences were really the result of these historic patterns of hiring and compensation.

Our study in Connecticut identified those problems. The results of the study informed the collective-bargaining process and gave those at the table the information they needed to correct the inequities. Thereafter, instead of pay increases being given across the board, 4 percent for everyone, 2 percent was given, and the other 2 percent was set aside in an equity fund. That equity fund was distributed according to the results of the study and the inequities were corrected. In other words, in Connecticut this kind of study truly informed the collective-bargaining process and did have the effect in people's lives of correcting longstanding inequities in a way that without the information and without the commitment the collective-bargaining process could not have done.

So I think this is an important bill. Equity in our hiring and compensation system is enormously important. I urge my colleagues to support it.

I thank the gentleman for yielding.

Mrs. MORELLA. Mr. Chairman, I thank the gentlewoman from Connecticut for her sage remarks about what has happened in Connecticut.

Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. BOEHLERT].

Mr. BOEHLERT. I thank the gentlewoman for yielding.

Mr. Chairman, one thing I would like to make absolutely clear from the outset: this is a bipartisan effort. I have been pleased to be among those Republicans who have been very early and very strong in support of pay equity.

Quite frankly, I just cannot understand why the opposition. I read the committee report and it is very clear:

> The purposes of this legislation are to conduct a study of the Federal pay and classification systems to determine whether they are designed and administered in a manner consistent with the general policy of the Civil Rights Act of 1964 and the Fair Labor Standards Act of 1938, that sex, race and ethnicity should not be among the factors considered in determining the rate of pay payable to any individual or for any position and to determine whether the federal government's appointment and promotion practices are generally consistent with the applicable provisions of law prohibiting discrimination on the basis of sex, race or national origin.

I mean, that is perfectly clear: A study.

Second, I would like to call to my colleague's attention a "Dear Colleague" letter we have had signed by a number of colleagues on both sides of the aisle. It says:

> Women and minorities who work for the Federal government are overwhelmingly concentrated in low-status, low-advancement and low-paying jobs. While we know a wage gap exists, we don't know why. Now is the time to find out.

What is wrong with that?

We have not had a study of the Federal pay and classification system for over 60 years. This is a town where we have a study every 5 minutes for every imaginable subject. Why not something as important as this?

I think pay equity is something that is extremely important, it should be woven into the American fabric. At the risk of sounding over dramatic, I would say opponents of this pay equity legislation have nothing to fear but fear itself.

Mr. ARMEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I think the thing I find most unfortunate about this bill is that once again we will risk diverting the time, the energies, and the authority of the Federal Government to doing an impossible task while leaving what must be done undone. If there is discrimination in the work force for reasons of race, sex, national origin, or age, it should be eliminated and it should be eliminated by full enforcement of those laws already on the books that prohibit that.

Now the sponsors of this bill say they just want a study. They also say there have been no studies. Well, the fact of the matter is there have been numerous studies.

Mr. ACKERMAN. Mr. Chairman, will the gentleman yield on that point?

Mr. ARMEY. I yield very quickly. My time is limited.

Mr. ACKERMAN. We will make amends for that if need be.

I thank the gentleman for yielding.

The gentleman just stated that if there is discrimination under the law and it needs to be remedied under existing statutes that we would and should do that. How would you make the determination whether there is discrimination under the law unless you take a study?

Mr. ARMEY. If the gentleman will allow me, there is nothing about the methodology of comparable-worth studies that allows you to do anything but conclude that the residual not explained by a very, very bad model is discrimination.

Now if in fact somebody has a complaint about discrimination they ought to take their case to the courts.

This is class action stuff we are looking at here; we are not looking at the business of the rights of American individual citizens. If I can continue my point, which was that we have had over 30 studies. And the supporters of these bills say these studies do not count because, as one proponent said in 1985, those studies do not achieve the pay-equity objective. That is like saying "heads, I win and tails, you lose."

Comparable-worth supporters cannot get the answers they want from an objective study so they have to resort to rigging a study that would show what they want.

Why will this study not be objective? Well, to begin with, the Commission is biased. No matter how you cut the Commission, even with a Republican, and even with a conservative Republican administration it guarantees that at least six to five or possibly more likely seven to four of the Members will be in favor of the comparable-worth plan.

What are the supporters afraid of? It looks to me like they are trying to load the deck.

I will offer an amendment to correct that inequity in the construction of the Commission.

It also, and more importantly, uses a flawed methodology. By using the comparable-worth methodology in dissimilar jobs, the result would be purely subjective but highly biased in favor of the white-collar jobs.

For example, in four different State comparable-worth studies nurses were rated as follows: In Minnesota 79, in Washington 108, in Wisconsin 150, in Iowa 124.

□ 1845

In these studies, two of the States placed nurses higher than electricians; two placed nurses below them. Comparable worth will always be a highly subjective process.

In Wisconsin, entry level typists were rated the same as experienced airline pilots. What does that say about the subjectivity of these kinds of studies?

Mr. Chairman, this study will be and has been in 15 documented cases a precursor to judicial implementation. In almost all of the States where studies have been done lawsuits have followed. Passage of this bill is the first step in a multimillion-dollar legal extravaganza that may end up requiring the Government to implement this flawed concept. This happened in Washington until it was overruled.

My colleagues, look at the individual situation, and this is very important to me as a husband and a father of a young professional woman. What will be done by implementing this kind of a bogus concept is that we will be denying the women the incentive to break the traditional job barriers that they have been pursuing since we opened up with the passage of earlier civil rights legislation. Nobody leaves a comfortable office to go to a nontraditional job unless there is a wage incentive. If we take that away, people will quit making that kind of movement.

We would further betray the best of the modern feminist woman's cry for equal pay for equal work by implementing a bogus concept of equal pay for unequal work.

Finally, the cost of this kind of program will be prohibitive. CBO admits it has just conducted a study. The cost will be close to $2 million. By using comparable percentages based on the Washington State case the proposal will cost the Federal Government $3.3 billion for increased payroll costs. Once this plan goes to the private sector, the costs will be astronomical, and make no mistake about it. That is the ultimate objective, as we have had ample testimony.

Now my summary is very simple. The bill is not needed. We could do better for people who suffer discrimination with current law. We do not need a highly subjective study conducted by a biased commission where the results are preordained. The study is a backdoor attempt to implement the plan judicially. The cost would be prohibitive.

Mr. Chairman, I understand the objective. I understand the care, and I understand the concern. What I do not understand is the dogged attachment to an idea that is so badly flawed that, if the average freshman in a college economics course were to offer that to his professor, he would be given an F. The thing is counterproductive, it is not workable, and the notion is an anathema to the whole concept of the American private free-market system.

Mr. Chairman, that is where my contentiousness comes from, and, yes, I have used harsh language to describe it because, not only is it intellectually a nightmare, but its ultimate impact on the working men and women of America, particularly the working women of America, is going to be disastrous.

This bill will hurt my young daughter and my grandchildren yet to be born. I feel that with all my heart, and I believe it with my entire mind and all my training. This bill, if passed into law, will hurt my children, and for that reason I am here to oppose it, not out of any personal attitude with respect to any of its sponsors, but out of a commitment to some kind of intellectual honesty in the process, some kind of equity and fairness in the staffing of the Commission and out of some very dedicated allegiance to the rights of my children to have what this Nation has always promised, fair and equitable and full opportunity to fulfill their dreams by virtue of their own merit, their own ability without discrimination, prejudice, and bias.

Mr. Chairman, what this bill says is that the Government will impose a plan of prejudice against all our children, and that is a far, far more risky thing than using existent law that guarantees the rights of our children and enforcing that law to its fullest.

Mr. ACKERMAN. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. FORD], the distinguished chairman of the full committee.

Mr. FORD of Michigan. Mr. Chairman, I rise in full support of H.R. 387, the Federal Equitable Pay Practices Act of 1988, as an initial step toward promotion of equitable pay practices and the elimination of discrimination in Federal Government employment.

The subject matter of this bill is not new to the House. This body has passed similar measures in the 98th and 99th Congresses only to have them die in the Senate. The House has a consistent record of support of this legislation. On August 10, 1988, the Committee on Post Office and Civil Service voted unanimously to favorably report H.R. 387 to the House. And this year, for the first time, the authorizing committee in the other body has reported companion legislation.

In all honesty, I cannot see how anyone can object to the terms of this measure unless, of course, there is something to hide.

There are misconceptions about what H.R. 387 will do. What H.R. 387 does is to initiate an investigation into the Federal Government's pay and classification system to make sure they are not affected by discrimination on the basis of sex, race or ethnicity, a principle reinforced in civil rights laws enacted close to a quarter century ago.

The investigation required by this bill will be directed by an 11-member, bipartisan Commission. The Commission will contract with a qualified consultant to conduct a detailed study. This study will consider all factors which may influence wage discrepancies. At the conclusion of the analysis and report to Congress and the President, the Commission will disband and exercise no further authority.

The bill will not encourage lawsuits. On the contrary, the bill seeks to avoid litigation by demonstrating the Federal Government to be a responsible employer willing to examine its personnel policies for discrimination. Such self-examination will prevent, not promote, law suits.

The Commission will have no authority to act on its own findings. H.R. 387 mandates no action beyond the detailed study.

Opponents contend that such a study is infeasible. Inquiries by the Committee on Post Office and Civil Service and State experiences in this very area have demonstrated that such a study is feasible. Pay equity studies of the character directed by H.R. 387 have been and continue to be done to correct injustices in personnel systems.

If factors other than discrimination inherent in the Federal Civil Service System are the cause of wage discrepancies, these too will be a part of the analysis. The bill simply allows the Federal Government to know where it stands on this issue.

If, as opponents believe, the Federal Government does not, through its classification and pay system, discriminate based on race, gender, or ethnicity, we will be able to say proudly, based on valid facts that the Federal Government does not discriminate. However, if the study shows that discrimination is built into the system, what hope do our employees have to overcome such a handicap without our assistance? H.R. 387 would provide us with a hard, cold look at what is going on so that we, as legislators, can determine if we want to make any changes in Federal employment laws.

To oppose this measure is to deny even a professional look into pay practices—to deny an enlightened examination of how we as a government determine whether we are treating people fairly when it comes to how we pay them.

Mr. Chairman, we have nothing to lose and everything to gain by knowing where the Federal Government stands in this critical area of employment practices. This is what H.R. 387 can and will accomplish if we allow it to happen.

I urge a vote in favor of the bill.

Mrs. MORELLA. Mr. Chairman, I just want to say that I know that passage of this bill will ultimately help my six daughters and my four granddaughters, and it is not comparable worth. It is a pay equity study.

Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Chairman, I rise in support of H.R. 387, the Federal Equitable Pay Practices Act. H.R. 387 calls for a study of the Federal wage and classification systems to determine whether they are affected by discrimination based on sex, race, or ethnic origin. That is all this bill would do. Nothing is being imposed on anybody.

Women and minorities working for the Federal Government are at a severe disadvantage when it comes to their classification and pay. The majority of women working for the Federal Government are segregated into low-paying jobs, classified in grades 1 through 6. Their male colleagues generally work in supervisory positions that are classified in grades 9 through 15. The General Accounting Office estimated in 1985 that there was an $11,000 wage gap between the average earnings of women and men working for the Federal Government.

A pay equity study is conducted simply to make sure that workers are being paid based on the skill and responsibility required to perform the job, not based on their sex, race, or ethnic origin. The methods to be used for this study were outlined by the General Accounting Office. They are neither radical nor untried.

Mr. Chairman, job comparisons and evaluations have been used by employers to set wages for many years. Two-thirds of all workers are now paid based on some type of job comparison and evaluation. In fact, wages for the Federal work force have been set according to a job evaluation study completed in 1923 that compared dissimilar jobs using the same numerical scale. The problem, however, is that in the 65 years since we set up this classification system, we have never looked to see whether it accurately reflects the work force it was established to protect.

It has been 65 years since the Federal wage and classification systems were first created. And it has also been that long since we examined how we pay women and minorities who work for the Federal Government. Sixty-five years is too long for the women and minorities in the Federal civil service to wait. We owe it to our Federal employees to pass this important bill. I urge my colleagues to vote in favor of H.R. 387.

Mr. ACKERMAN. Mr. Chairman, I yield 8 minutes to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Chairman, I want to, first of all, thank the distinguished chairman of the full committee, the gentleman from Michigan [Mr. FORD], who has sat through hearings for the last 6 years and seen the bill pass unanimously this year, and the majority in other years, out of committee. I also want to thank the gentleman from New York [Mr. ACKERMAN], the distinguished subcommittee chairman, for expeditiously dealing with the legislation. I want to thank the members of the minority who support the legislation. This is bipartisan. We are delighted about that. We do not want to make this a partisan issue because the issue at hand is really too important.

Mr. Chairman, we really are talking about dedicated civil servants who since 1923 have really not seen the study done on how they are classified with respect to gender, race, or ethnic origin. The fact is that in 1923 there were less than 5 percent of the work force who happened to be minorities and women. Today there is almost half.

The fact remains, Mr. Chairman, that under a GAO study, and I really do have some confidence in those kinds of studies; we find some loopholes in OPM studies all the time, but the GAO study really said very specifically that women and minorities are in the bottom six rungs of an 18-level classification system. The question is why. Why?

Mr. Chairman, what we are doing is not changing any laws. As a matter of fact, I would like to see the entire bill be printed in the RECORD because I want the Members who may not have had a chance to read it carefully to take a look at it because, if they are not on the committee, sometimes they miss some of the fine points, and I think there is tremendous erroneous information about this bill.

Are we changing any laws? Absolutely not. The laws are already on the books. The Civil Rights Act title VII forbids discrimination of any kind. The Equal Pay Act forbids discrimination with respect to compensation for equal work.

It is true, as some have said who even oppose the bill, that a problem can be remedied, if someone feels they are being discriminated against, in court. But how many people, how many people who are at the bottom levels of the areas of public service have the wherewithal, have the finances, if they feel they are being discriminated against, to go to court? That is the least desirable way. The laws protect an individual, and an individual, if he or she feels discriminated against, can go to court. So, if someone feels discriminated against, they can go to court. That is one way.

Mr. Chairman, they can also collectively bargain in terms of their salary to correct compensation errors. That is another way. But Federal employee unions do not have collective bargaining rights. That is a fact, and so they cannot collectively bargain with respect to their wages.

Or, Mr. Chairman, they can do what 46 States have done with their State and local civil servants and what countless corporations do every day. They study a situation, and, if that study proves a rational guide, they try to implement in part or in some manifestation whatever the problems are.

We do not say that there is a deliberate attempt to be malicious or to discriminate, but what we do say is that we need to study how we treat classified; underline "classified," Federal employees, which is the jurisdiction of our committee.

□ 1900

H.R. 387 bases its analysis on the content of the job and the economic analysis, which certainly could include the marketplace.

This study in no way affects any other entity, other than classified Federal employees. It does not affect the private sector in any way, shape, or form.

But have corporations done studies on how they treat their employees? Of course, they have.

ATT, United States Steel, and department store chains in the South and countless other corporations have done studies on how they treat their employees, and indeed they are to be commended because in many cases they have implemented the study. So the study is a guide, no more, no less.

Why then should we do this study? Are people paid fairly? That is really the question. Economic security, which frankly if you want to get into women's issue, is the number one, two or three issue for women in this country. It is a survival issue. It is an issue that families care about, and indeed husbands, fathers, and brothers, care about their family members as well.

What about the OPM and their countless studies? Let me tell you what they tried to do. I had the pleasure of chairing this very, very important subcommittee for a number of years, and I am delighted to serve under the leadership of my friend, the gentleman from New York, who does such a fine job. But I know what the OPM does. They come in, as my distinguished full committee chairman said, piecemeal. Let me give you an example. They changed the salaries of some employees who worked in Washington, DC, who were in the bottom rungs of those various categories. Why did they not change the salaries of people doing the same work in my city of Cleveland, OH, or New York City, or Los Angeles, or Dallas, TX, or Miami, FL, or some of our rural areas?

Why do they pit Federal employees against each other? That I think is wrong. It is not comprehensive and it is not fair.

I want to give you an example of what we are talking about. I do not use the term "comparable worth" at all. It has been blatantly misused by the Civil Rights Commission a number of times.

No one is talking about malicious, unfair treatment here. What we are talking about is some categories.

Let me give you an example. Are you aware of the fact that the Veterans' Administration has a shortage of 1,601 registered nurses who could work for the Federal Government, and there is a shortage of 1,285 licensed practical nurses at the VA as well? They have had a vacancy rate in critical health care areas across the board as high as 60 percent during the past 3 years, as I mentioned that earlier, at NIH, closing down temporarily a cancer unit where we do such important research.

Why can we not get nurses to work for the Federal Government? I would like to study that question and do it systematically, but I know why and you know why. It is because we do not pay those nurses fairly. That is the answer, and everybody knows it. Why should a nurse work for the NIH when she can go across a couple blocks farther down and work for a hospital and work for double the amount? It just does not make sense.

Now, I want to make one other point, and that is that in female-dominated jobs, and indeed in minority-dominated jobs, wages are capped arbitrarily. This has nothing to do with comparable worth. You do not even compare it.

Why should a secretary, and I heard one of my friends mentioned those easy offices or whatever the terminology is, I think the kind of statement is degrading. I think it is very, very important to consider the value of someone who does what is the core of one's office.

What we are seeing here, Mr. Chairman, is the fact that certain classifications are capped so that individuals depend on what their manager makes to get a raise. Now, that is wrong, and that is why certain secretaries can work 40 years for the Federal Government and not make more than $18,000 a year; so we know that in female-dominated professions, according to the GAO, they are in the bottom levels.

The President has just signed into law a 4.1-percent raise for Federal employees. I personally think all Federal employees are undervalued, because we know accordingly to studies signed by the President they are underpaid by 26 percent. But let us talk about this 4.1-percent raise. A GS-1 level, paying $9,811, a person who is at that level is going to get a $402 raise. Big deal. A person at the GS-16 level will get a $3,000 raise.

Mr. Chairman, the issue is simple fairness. Let us take the conservative approach, study the issue and have a guide so that we deal with the fairness issue comprehensively.

Mrs. MORELLA. Mr. Chairman, I yield myself whatever time I have remaining.

The CHAIRMAN. The gentlewoman from Maryland has 2 minutes remaining.

Mrs. MORELLA. Mr. Chairman, I am pleased to rise in support of H.R. 387, the Federal Equitable Pay Practices Act of 1988, which would initiate a bipartisan study of the wage and classification system of the Federal Government. I commend the gentlewoman of Ohio for her tireless efforts for pay equity over a number of years, and I must say that I am shocked that this study has not yet been approved by Congress.

A study of the pay practices of the Federal Government has not been conducted since 1923—a time when minorities and women totaled only 5 percent of the Federal work force. Currently, women account for 40 percent of the Federal work force and minority workers account for 25 percent of all Federal employees. And yet, the Government is still operating with a pay and classification system established 65 years ago. A study is long overdue, and I find it difficult to understand why anyone would oppose it. Forty-three States have either completed or are in the process of completing pay equity studies—the Federal Government is lagging far behind the States in determining whether discrimination exists in its own wage system.

There is evidence that a significant wage gap exists in the Federal Government. According to a 1985 General Accounting Office study, white women earn 63 percent of men's salaries and black women earn 62 percent of men's salaries. In State and local government, white women earn 72 percent, black women earn 65 percent, and Hispanic women earn 62.9 percent of men's wages.

Three quarters of the women in the Federal work force are concentrated in the lower paid jobs, grades one through six, mainly in administrative and clerical positions; men are primarily employed in the management positions, grades nine through 15.

H.R. 387 establishes a bipartisan commission to select a private consultant to conduct a job evaluation study of the Federal wage and classification systems. The commission would then report its findings to the President and to each House of Congress regarding the differentials in rates of basic pay between or among occupations compared on the basis of sex, race, and ethnicity. The bill follows the recommendations of the General Accounting Office by including a job-content analysis and economic analysis.

This study is advisory in nature only, and it is limited to the Federal Government. It was approved overwhelmingly by the Committee on Post Office and Civil Service, which has jurisdiction over Federal employee benefits and compensation. It is important to stress that the study has nothing to do with the private sector nor does this study attempt to dictate wage scales, despite what some opponents may contend.

In testimony presented last spring, when the Subcommittee on Compensation and Employee Benefits held hearings on H.R. 387, we were told by the administration that the bill was not needed because significant advances were being made among young workers—that women were going into nontraditional jobs—and that through equal employment opportunity, progress has been made in bridging the gender wage gap in the Federal sector. Unfortunately, the statistics do not demonstrate that any significant progress has been made toward eliminating the differences in wages. But, this bill addresses more than just the wage gap between men and women; it would also study discrimination based on race and ethnicity.

Mr. Chairman, I have heard constituent complaints about many kinds of discrimination in the Federal Government. As you know, I represent a district which is home to many Federal employees. I have been told of situations, not only from women, but from other Federal employees of different races and ethnic origin, where discrimination has occurred. What is unclear is whether there is a pattern of discrimination within particular departments, agencies, or the actual structure of the pay system. This study would go a long way toward answering these questions.

I do recognize that progress has been made in some areas of pay equity during the last decade; however, we are still operating with a job evaluation study which was instituted 65 years ago. Some of the discrimination which existed in the Federal workforce then, prior to the enactment of title VII of the Civil Rights Act of 1964, has been perpetuated today because of this obsolete job evaluation study.

This bill was approved in both the 98th and 99th Congress. I urge my colleagues to join me in supporting this study and ensuring that it is signed into law before the end of the session. It is time for the largest employer in the country to examine its own pay structure.

I again thank the gentlewoman from Ohio for her efforts to address this critical issue for Federal employees.

ORGANIZATIONS THAT SUPPORT H.R. 387

AFL-CIO.
American Association of University Women.
American Civil Liberties Union.
American Federation of State, County and Municipal Employees.
American Library Association.
American Nurses' Association.
Amercians for Democratic Action.
Asian Pacific American Bar Association.
B'nai B'rith Women.
Catholic Charities, Women's Division.
Coalition of Labor Union Women.
Equal Rights Advocates.
Federally Employed Women.
Industrial Union Department, AFL-CIO.
International Union of Electronic, Electrical, Technical, Salaried and Machine Workers.
National Association of Commissions for Women.
National Association of Social Workers.
National Commission on Working Women of Wider Opportunities for Women.
National Conference of Black Lawyers.
National Conference of Puerto Rican Women.
National Council of Jewish Women.
National Education Association.
National Federation of Business and Professional Women's Clubs, Inc.
National Federation of Federal Employees.
National Treasury Employees Union.
National Women's Political Caucus.
NETWORK: A Catholic Social Justice Lobby.
9 to 5, National Association of Working Women.
NOW Legal Defense and Education Fund.
Office and Professional Employees International Union.
Organization of Pan Asian American Women.
Service Employees International Union.
Women Employed.
Women for Economic Justice.
Women in Communications, Inc.
Women in Nursing.
Women's Equity Action League.
Women's Legal Defense Fund.

Mr. ARMEY. Mr. Chairman, I yield myself whatever time I have remaining.

The CHAIRMAN. The gentleman from Texas has 1½ minutes remaining.

Mr. ARMEY. Mr. Chairman, I would like to take a moment to thank my colleague, the gentleman from Illinois [Mr. FAWELL] who spoke earlier. I think he has really put his finger on the nub of our concerns with respect to this bill and how it is drafted. If any Members of the body did not have an opportunity to hear his excellent statement, I hope they will read it in the RECORD tomorrow and I hope Members will be back as he will be back as he offers an amendment to correct that problem and tell us again very precisely what it is.

Also, I keep hearing and I continue to hear that everybody wants a nonpartisan objective commission. Tomorrow or whenever we bring this up, I will offer an amendment by which we can assure many people, at least myself and many of the people who share my concerns, that if the amendment is passed we will have a nonpartisan objective commission.

In addition to that, many of us are concerned that we would want consultants who do not have a preordained concept of what is a study in which they ought to develop. If in fact we are all committed to a professional objective consultant, we will be offering an amendment on that tomorrow as well as perhaps even with the passage of those two amendments, along with the amendment of the gentleman from Illinois [Mr. FAWELL], we can have some of our fears concerning the more long-run impact of this misguided legislation on our children being somewhat assuaged by the passage of those amendments.

Mr. ACKERMAN. Mr. Chairman, I yield 2 minutes to the gentlewoman from Connecticut [Mrs. KENNELLY].

Mrs. KENNELLY. Mr. Chairman, I rise in strong support of H.R. 387, the Federal Equitable Pay Practices Act.

Mr. Chairman, it has been said that a little knowledge is a dangerous thing—and certainly that would be one's impression listening to the opponents of the Federal Equitable Pay Practice Act.

To hear them talk, you would think that a little knowledge about Federal wage differentials and pay practices would whip up the winds of universal economic disaster, if not cause the immediate collapse of Western civilization. It just is not so.

We do not often have to spend so much time saying what a bill does not do, but let me reiterate just two of the things this one does not do.

First, it does not send out an army of Federal bureaucrats to impose a standardized wage scale or mandatory pay increases on private American businesses. In fact, the bill applies only to the Federal work force, and it does not even impose any sort of pay system on them. The bill provides for a study which would investigate whether sex or race are factors used in setting pay. It requires that there be an investigation of all the ingredients which are used in setting pay, including seniority, merit, job content and market forces.

Second, the Federal Equitable Pay Practices Act does not set up an irresponsible or biased Commission to oversee this study. If the Commission is stacked, it is in favor of the Office of Personnel Management: 5 of the 11 members of the Commission are either the Director of OPM or OPM employees.

The Federal pay and employment classification system now in place has not been reviewed in a comprehensive manner since it was first established over 60 years ago. It has been said that" what you don't know won't hurt you." Perhaps Members of Congress will not be hurt by self-imposed ignorance on the subject of equitable pay practices. But the women and minorities who work for the Federal Government might be hurt with every paycheck if we refuse to accept our responsibility to know why inequities exist in Federal pay practices.

It is very nice in this presidential year to hear about both parties' support for women's issues, but let's put all this talk aside and take votes on these issues. During the last two legislative sessions my colleague from Ohio has introduced this legislation, and it has passed overwhelmingly both times. I urge my colleagues once again to pass this legislation. But it is a shame in a year when the candidate of the other party is claiming to support women's issues, that we do not vote on issues like day care, parental leave, and minimum wage. Let us find out where we stand on women's issues.

Ms. PELOSI. Mr. Chairman, today I rise in support of H.R. 387, the Federal Equitable Pay Practices Act.

This bill, which would study the Federal wage and classification systems, is long overdue. Sixty-five years have passed since the last study was conducted. It is only fair to our Federal workers that we begin a new study to ensure that Federal employees are paid on the basis of their levels of responsibility, skills, and duties rather than on their race or sex. This bill would not create a new wage setting system or put into place a national pay policy for the Federal Government—it would merely create a bipartisan commission to study our Federal wage and classification system.

Economic inequality has arisen from the historical stereotyping of women in jobs which have been valued less than jobs typically filled by men, yet requiring similar skill levels and training. Sixty-five years ago, this gender stereotyping in jobs affected a minority of the female population. It was wrong then. Today, inequality has a major impact on the labor force. Now 56 percent of women work full time and 61 percent of these women have dependent children.

Economic inequality affects the majority of women and children in our country. Inequality is even more important when we consider the rising number of women single headed households. We need to know if this inequality is being manifested at the Federal level.

Mr. Chairman, I believe Congress has a responsibility to see that all Federal workers are compensated fairly for their work. I urge my colleagues to support H.R. 387 and commit themselves to the principles of fairness and equality.

Ms. SNOWE. Mr. Chairman, I want to rise in strong support of H.R. 387, the Federal Pay Practices Act.

This legislation simply would require a long overdue study of pay practices in the Federal work force. I use the word "overdue" quite deliberately. The last time a study was undertaken was way back in 1923. It has to be the only thing the Government has not studied in the past 65 years. Someone who was born when the last study was taken is ready for retirement now, it's been so long. The time is long past for the Federal Government, the Nation's largest employer, to undergo such a study.

The premise of this bill is both straightforward and fair. It looks at the pay scales, hiring and promotion practices among Federal employees, to see if they are affected by sex, race, or ethnic origin. Such examination is necessary to determine if compensation standards are fair. It is no longer a matter of just equal pay for equal work, but rather of equitable pay for equitable work.

I can't see why this creates such a dilemma for opponents of the bill. Are they satisfied with letting possible discrimination lurk undetected in the Federal workplace? Do they support a see no evil personnel policy? I suggest such an approach would be counterproductive at best, and more likely inherently unfair.

Mr. Chairman, full-time women workers earn, on average, only 70 cents for every dollar earned by men. This amounts to an $8,430 gap between the median annual earnings of men and women.

Explanations for this disparity cannot be limited to factors such as education or work experience. Though these conditions do affect wage rates for women, the disparate segregation of women in lower-paying jobs suggests the existence of an institutionalized discrimination based largely on long-accepted traditions.

The concept of pay equity recognizes that discrimination exists not only when people are paid differently for the same work, but when they are paid differently for work of equal value—requiring similar skill, effort, responsibility, and working conditions.

Note that we are not suggesting that pay reforms be immediately instituted. The evidence we have now suggests discrimination exists, but is not conclusive. This legislation is essential in determining whether or not that is the case.

Conducting a study on pay equity is hardly a novel idea. Employers have routinely used such studies to set wages for their work force. At present, 43 States have taken action toward pay equity, either in the form of studies, litigation, or collective bargaining. Indeed, 20 States have actually made pay equity adjustments.

For the Federal Government to lag so far behind in squarely facing issues of discrimination is embarrassing. We should not quake in fear of discovering that inequitable practices exist; we should instead proceed vigorously to root them out if they do exist.

I have long been a supporter of efforts to establish fair and equitable pay practices in the Federal Government, having introduced legislation to study this in the legislative branch. Passage of H.R. 387 is long overdue, and I urge my colleagues to support this bill.

Mr. BRENNAN. Mr. Chairman, today I rise in strong support of H.R. 387, the Federal Equitable Pay Practices Act. This is an important measure which will help determine whether the Federal Government is meeting its responsibilities to end discrimination in the Federal workplace.

Discrimination is not only morally repugnant to this Nation it has serious economic consequences to those who are its victims. Women, blacks, and others who are relegated to low-status, low-paying jobs are subject to an economic injustice. And this injustice affects the well-being of the entire Nation.

For example, more and more women are entering into the work force out of economic necessity. In many instances the woman's job does not simply provide a second income, often it is the only income. The rise in female-headed households clearly indicates that we cannot afford to ignore the economic impact of discrimination, particularly when children bear the brunt of an impoverished household.

There is cause for concern and action at the Federal level. First, Federal wage and classification systems have not been examined since they were first established in 1923. Second, women and minorities are disproportionately found in the low paying, low grades of the Federal sector. Statistics show that women in the Government workplace are earning only 63 cents to every dollar earned by men. That statistic alone indicates the serious need to review the Federal pay and classification system.

H.R. 387 would simply conduct a study to ensure that Federal workers are justly paid for the services which they perform regardless of their sex, race, or national origin. I urge my colleagues to support this measure.

Mr. HOUGHTON. Mr. Chairman, I rise in opposition to H.R. 387. It is surely no secret that I totally support the concept of equal pay for equal work. That issue is not in question. There should be no pay discrimination, period. The bill though that we have before us does not deal with that. Instead, it works itself into a highly complicated set of personal, subjective judgments—which makes for equal pay for comparable work.

Now we're searching for a system to judge fairly over 1 million Federal employees. During hearings held over the years on this bill, authorities in the fields of personnel management and administration testified that job evaluations reflect, to some degree, the bias of their creators. For instance, according to a recent GAO report, various job evaluators rated a nurse's worth as 150 points in Wisconsin, 124 in Iowa, 108 points in Washington, and 79 points in Minnesota. What does it all mean?

There will be amendments offered to the bill to help make job evaluation processes a bit more fair, but I really think the idealistic goal envisioned by this particular bill is extraordinarily difficult to pull down into practice—fairly.

What we should be doing is developing recommendations to achieve equality of opportunity in Federal employment—much like we did when I served as CEO of Corning Glass Works. I'd be willing to help with that task.

Miss SCHNEIDER. Mr. Chairman, I rise today in strong support of H.R. 387, the Federal Equitable Pay Practices. I believe this legislation is badly needed and long overdue. In 1985, three out of four women were in nonprofessional occupations, such as clerical, sales, service, or factory jobs. Women in general are paid only 63 cents for every dollar earned by men. Black women are only paid 58 cents and Hispanic women only 53 cents for every dollar earned by men. In 1986, the median wage was $9,000 more for men than for women in the private sector. In contrast, the Office of Personnel Management reports that in the Federal Government women earn, on the average, $11,000 less per year than men. Clearly, these wage discrepancies suggest the problem of wage discrimination goes beyond the private sector. The Federal Government has a responsibility to discover why this gap exists.

In my eyes, the Federal wage and classification system, designed in 1923, is an unacceptable standard by which to measure today's job responsibilities. The work force of today is drastically different from that of 65 years ago and thus should be reevaluated in light of the demographics of the 1980's. Sixty-five years is far too long a wait.

As most of you already know, this is not new legislation that we are voting on today. During both the 98th and 99th Congresses, the House overwhelmingly approved legislation introduced by my colleague from Ohio. As in the past, this legislation merely calls for an analysis to determine whether wage discrimination on the basis of sex, race, or ethnicity exists in the Federal Civil Service.

Make no mistake: Pay equity is a national movement—not a pet project of a few interest groups. States are far ahead of the Federal Government in acknowledging the need to study how employees are classified and paid. My own State of Rhode Island, for example, has taken the necessary steps to make actual pay equity adjustments. Joining my home State in this effort are 19 other States including Connecticut, Maine, and California. Another 23 States have completed or are conducting some form of pay equity research, study, or implementation. All together well over 100 State and local governments have developed pay equity policies.

This bill is not radical, nor will it adversely affect the wage scales of any present Federal employees. The bill will require a study of present wage setting practices to determine if they are in fact discriminatory. If not, then its opponents have nothing to worry about. If discrimination does exist in the Federal wage classification system, I am certain that every one of my colleagues will join me in supporting a nondiscriminatory pay system.

Mr. Chairman, I congratulate my colleague from Ohio, Ms. OAKAR, for her initiative in developing this very significant legislation. I urge each Member to support the fair and necessary bill.

Mrs. SCHROEDER. Mr. Chairman, I rise in strong support of H.R. 387, the Federal Equitable Pay Practices Act of 1988.

When MARY ROSE OAKAR, Gerry Ferraro, and I held joint hearings in 1982, pay equity was a new and controversial idea. Today, 43 States have taken steps to eliminate pay discrimination in their wage-setting practices.

Hawaii, one of the States to have implemented pay equity for its employees, wasn't even a State when the Federal job classification system was established back in 1923. This system has been in place for 65 years, and it is ready for a thorough study.

Last fall, the Office of Personnel Management issued its report on comparable worth in the Federal Government. OPM said we don't need a pay equity bill because increasing numbers of high-salaried women professionals are coming to work for the Government. But OPM ignored the job segregation and low pay for women in the jobs that women have traditionally held.

Despite the increase in the numbers of women working in professional and administrative positions, women continue to be concentrated in a few, low-paying occupational categories. The largest occupational category in the Federal Government is secretary; 99 percent of secretaries are women and the average pay is $18,000. The next largest category is clerk-typist. It is 93 percent women and the average pay is $13,000. At grades GS-1 through GS-5—salary range $9,811 to $19,654—women hold 75 percent of the jobs, while at grades GS-13 through GS-15—salary range $39,501 to $71,377—men hold 87 percent of the positions.

We need to find out what in the Government's classification and pay-setting system results in the huge pay gap between men and women. It may be because of discrimination, or it may not. But we won't know until we do the type of independent, objective study required by H.R. 387.

In yesterday's Wall Street Journal, Representative DICK ARMEY tackled the pay equity issue by asserting that the free market, and not a Government panel, should set wages. Representative ARMEY ignores that fact that a Government body—the Office of Personnel Management—already sets the wages for Federal employees. But that aside, it is interesting to note that the market, and not a pay equity scheme, has recently forced the Federal Government to reevaluate the "worth" of clerical jobs. For the second year in a row, the Office of Personnel Management has had to significantly raise pay for clericals in major urban areas.

H.R. 387 is a rather modest bill. It requires an independent study of the Federal Government's classification and pay practices to determine if any elements discriminate on the basis of race, sex, or ethnic origin. It does not presume that the wage gap is due to discrimination, but it does acknowledge that discrimination against women and minorities was not outlawed until the Federal classification system had been in place more than 40 years.

The bill establishes a biapartisan commission to hire a private consultant to do the study. The study must include both a job content and economic analysis, as recommended by the General Accounting Office in its March 1985 report "Options for Conducting a Pay Equity Study of Federal Pay and Classification Systems". Finally, although the commission may recommend solutions to the pay gap, none of its recommendations are binding on the Congress. We will have the opportunity to thoroughly review the commission's work and then consider what action, if any, to take.

I urge my colleagues to support this legislation.

Mr. TRAFICANT. Mr. Chairman, today we will take up H.R. 387, the Federal pay equity study. The bill establishes an 11-member bipartisan Commission on Equitable Pay Practices which will examine the wage and classification systems of the Federal Government. I would like to make clear to my colleagues that a study of the Federal Government's wage and classification systems has not been conducted in over 60 years.

The analysis would consider several basic factors that justify salary differences between male, female, and other minority workers. In addition, H.R. 387 would include a job content and economic analysis which means workers would be evaluated based on factors including seniority, education, work history, and residence. This job content and economic analysis will help distinguish between the objective and subjective valuations of each employee. There is no question that such a study will help establish fair employee hiring under antidiscrimination laws.

I would also like to emphasize that this pay equity study would be conducted only for the Federal employee wage and classification system, not for the private sector. The rumors that such a study will soon be "mandated" in the private business simply are untrue. I believe that if the Government is going to set up pay scales such as it does now for its employees, then the employees should be guaranteed justice under those scales. Congress should study why employees are assigned specific GS ratings and whether or not they deserve the compensation they receive.

In addition, while the study could determine wage discrimination, no wage mandates would be made prior to Congress' scrutiny of the findings. As the country's largest employee force, I think it is time that we look at just how and why we award Federal Government workers the salaries they earn. Let's vote today to restore fairness to our Federal wage system. I urge my colleagues to vote for H.R. 387.

Mr. LELAND. Mr. Chairman, I am here today as an original cosponsor and to secure passage of H.R. 387, the Federal Equitable Pay Practices Act. The study of equitable treatment for our Nation's workers and the determination of how we pay our Federal workers has long been overlooked. Yes; there have been studies to ensure equitable compensation for different jobs based on the content of those jobs. However, there has never been a study to determine if other non-job-related factors such as sex, race, and ethnic origin affect Federal employees wages. Our duty, as Members of Congress, is to protect and oversee the public sector. We must guard the right to fair and comparable pay for women and minorities in the Federal work force.

I commend my colleague, MARY ROSE OAKAR, for her effort and time she has spent on this very important piece of legislation. I urge the rest of my colleagues to join me in supporting H.R. 387.

Mr. SENSENBRENNER. Mr. Chairman, H.R. 387 is a comparable worth vehicle. As such, it calls for an economic analysis to explain the nondiscriminatory factors that affect differentials in pay between supposedly comparable jobs. We all know that the proponents of this bill will attribute to discrimination any differences left unexplained by this analysis.

Actually, virtually every expert in the field acknowledges that there is no economic analysis so sophisticated that it can explain all of the nondiscriminatory factors that affect pay. One point often overlooked is that factors like effort and motivation, while very hard if not impossible to measure, can be very important factors in determining differences in pay.

Because economic analysis cannot account for all the nondiscriminatory variables that affect pay differences, no matter how many of these analyses you do you cannot show discrimination. The whole comparable worth apparatus exemplified by H.R. 387 is made useless.

Mr. Chairman, we have good sound laws already in place, laws like the Equal Pay Act and title VII of the Civl Rights Act, with which to combat any pay discrimination that may exist. We don't need the discredited theory of comparable worth, as reflected in H.R. 387, to carry out this task.

Mrs. BOXER. Mr. Chairman, equality is an important value in this country. We pride ourselves on this ideal and we aspire toward fairness for every member of our society. It is the responsibility of the Federal Government to set an example and ensure that it furthers this ideal in the treatment of the individuals it employs.

But the facts show that currently the Federal Government is neglecting this responsibility.

There is no equality when jobs traditionally held by women are paid at a lower rate than those held by men.

There is no equality when white women who work for the Federal Government make only 63 cents for every dollar men make. And there is no equality in the fact that black women in the Federal Government earn only

57 percent of the salary earned by white men and Hispanic women make only 53 percent.

There is no equality in the $11,000 wage gap between the average annual earnings of women and men in the Federal sector.

And there is no equality in the fact that of the top 10 female-dominated jobs, only 1 pays more than $14,000 a year; and only one of the top 10 jobs predominantly held by men pays less than $14,000 per year.

There is a simple way for us to clearly identify where these inequalities in the Federal job wage and classification system exist. The Federal Equitable Pay Practices Act will establish a committee to study the hiring and promotion practices of the Federal Government as well as examine the Federal wage and classification system. The committee will provide recommendations for rectifying any inequities that currently exist. The study will apply only to the Federal work force and not to any private business or local government.

The system presently used by the Federal Government was established in 1923. We all know that the demographics of the work force has changed tremendously in the last 65 years and so has the value of the dollar. Clearly, a study to determine if the Federal Government is providing equal opportunities for all—without discriminating against sex, race or ethnic origin—is long overdue.

In fact, the House recognized this need twice before, in the 98th and 99th Congresses, and passed this legislation overwhelmingly.

Let us send a clear message to the country that we are committed to equality in the Federal work force and that Congress is serious about this important legislation.

Mr. MARKEY. Mr. Chairman, today we have an opportunity to take a small step which is actually a giant step in the direction of bringing employment practices up to speed with the changing work force, and into line with America's tradition of equal opportunity for all. The small step is passing H.R. 387, the Pay Equity Act. This piece of legislation sets up guidelines and provides funding for a comprehensive study of the hiring and promotion practices of the Federal Government to determine whether our Federal workers suffer from institutionalized discrimination on the basis of sex, race, or ethnic origin.

It is obvious that the face of our Federal work force is a different one today than it was in 1923 when the current system of wage and job classification was established; 65 years ago, women and minorities combined made up only 5 percent of the Federal work force. Today, women alone comprise 48 percent of all Federal workers, yet there is a gap of $11,000 between the average annual earnings of women and men. I don't think I need to tell you who is on which end of that stick.

That there has not been an evaluation of our Federal wage system since its inception should be reason enough to commission this study. But the fact is that there are gaps in pay. The fact is also that women are overwhelmingly concentrated in the lower civil service grades and most male workers are found in supervisory positions. These realities shut the door on any lingering doubts that such a study is necessary.

Support for H.R. 387 will show the people of America three things: First, that we in Congress are not blind to the changing labor force; and second that we will not turn a deaf ear to those existing discrepancies in pay and opportunity; third and, finally, that we will speak out to ensure that those who choose to serve their Nation's Government receive a fair day's pay for a fair day's work.

Mrs. MORELLA. Mr. Chairman, I yield back the balance of my time.

Mr. ACKERMAN. Mr. Chairman, I yield back the balance of my time, and I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mrs. KENNELLY] having assumed the chair, Mr. KILDEE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 387) to promote equitable pay practices and to eliminate discrimination within the Federal civil service, had come to no resolution thereon.

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GENERAL LEAVE

Mr. ACKERMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 387.

The SPEAKER pro tempore (Mr. KILDEE). Is there objection to the request of the gentleman from New York?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed a concurrent resolution of the following title, in which the concurrence of the House is requested:

S. Con. Res. 144. Concurrent resolution correcting the enrollment of S.J. Res. 317.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

Pursuant to the provisions of clause 5 of rule 1, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas or nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken on Wednesday, September 28, 1988.

INCLUDING FEDERAL PERSONNEL STATIONED OVERSEAS IN DECENNIAL CENSUSES

Mr. DYMALLY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4720), to amend title 13, United States Code, to provide for the inclusion of members of the uniformed services and civilian employees of the Government assigned to posts of duty outside the United States, and their dependents in censuses of population for purposes of the apportionment of Representatives in Congress.

The Clerk read as follows:

H.R. 4720

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INCLUSION OF CIVILIAN AND MILITARY PERSONNEL STATIONED ABROAD.

Section 141 of title 13, United States Code, is amended by redesignating subsections (c) through (g) as subsections (d) through (h), respectively, and by inserting after subsection (b) the following:

"(c)(1) As used in this subsection—

"(A) 'uniformed services' has the meaning given that term by section 2101(3) of title 5;

"(B) 'civilian employee of the United States' means any individual appointed to a position in the civil service;

"(C) 'civil service' has the meaning given that term by section 2101(1) of title 5;

"(D) 'dependent', as used with respect to an individual, means the spouse or a child of such individual;

"(E) 'child' shall have the meaning given that term under regulations which shall be prescribed by the Secretary consistent with section 8341(a)(4) of title 5;

"(F) 'place of general abode', as used with respect to an individual, means such individual's principal dwelling place in fact, without regard to intent; and

"(G) 'United States', when used in a geographical sense, includes only the States and the District of Columbia.

"(2) Effective beginning with the 1990 decennial census of population, in tabulating the total population by States for purposes of the apportionment of Representatives in Congress among the several States, the Secretary shall take appropriate measures to provide for the inclusion of—

"(A) any member of any of the uniformed services who is absent from the United States as a result of having been assigned to a post of duty outside the United States, and any dependent of any such member who has left the United States in order to reside at or near such post; and

"(B) any civilian employee of the United States who is absent from the United States as a result of having been assigned to a post of duty outside the United States, and any dependent of any such employee who has left the United States in order to reside at or near such post.

"(3) For the purposes described in paragraph (2) of this subsection, the place of residence within the United States of any individual included in a census because of such paragraph shall be considered to be the individual's last place of general abode within the United States for a period of 6 consecutive months or longer.".

SEC. 2. TECHNICAL AND CONFORMING AMENDMENTS.

Section 141 of title 13, United States Code, is amended—

(1) in subsection (e), as so redesignated by section 1, by striking "(a), (b), and (c)" and inserting "(a), (b), and (d)"; and

(2) in subsection (g), as so redesignated by section 1, by striking "(a) or (d)" and inserting "(a) or (e)".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from California [Mr. DYMALLY] will be recognized for 20 minutes and the gentleman from Pennsylvania [Mr. RIDGE] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. DYMALLY].

Mr. DYMALLY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I introduced H.R. 4720 with the distinguished ranking minority member of the Subcommittee on Census and Population, Mrs. MORELLA, following a hearing on census residency rules in Rockville, MD, last April.

H.R. 4720 provides for the inclusion of members of the Armed Forces, civilian government personnel, and their dependents, who are stationed outside of the United States during the census. They will be included in the State population totals used to reapportion the House of Representatives.

The subcommittee was prompted to look at the treatment of overseas military and Government personnel during the census by several of our colleagues, who questioned the fairness of constructively denying these Americans representation in Congress by not including them in the stateside census counts.

In particular, Mr. RIDGE of Pennsylvania and the gentleman from North Carolina [Mr. VALENTINE] in testimony before the Subcommittee on Census and Population, stressed the importance of this issue.

Mr. Speaker, let me briefly explain the key provisions of the legislation before us.

First, H.R. 4720 covers not only military personnel, but also includes civilian employees of the Department of Defense and all other civilian government employees stationed at overseas posts of duty during the census, such as Foreign Service employees.

Second, and most importantly, H.R. 4720 sets forth criteria for determining the home State of an individual stationed overseas during the census.

H.R. 4720 provides that, for purposes of reapportionment only, individuals stationed abroad shall be counted at their usual place of residence in the United States, which we have defined as the last place an individual lived in the United States for a period of 6 consecutive months or longer.

Mr. Speaker, the definition of "home State" in H.R. 4720 is very important, and I urge my colleagues to listen carefully to my explanation, so that it will be clear that we have chosen a definition which is the most objective and the most consistent with the way the census itself is taken.

Reapportionment is a political procedure and it would be improper to leave to the Census Bureau or Department of Commerce the task of determining the stateside residence of personnel stationed overseas.

Depending on the criteria chosen, the results could come out many different ways. So Congress must make the decision, and live with the results.

We decided upon a definition which best, and most fairly, captures the idea of where a person would most likely be living if he or she were in the United States on Census Day, April 1, 1990.

We based the definition of "place of usual residence" on where a person last was, which everyone can answer, as opposed to where they might be when they return to the United States, to avoid legal problems created by trying to determine a person's future intent.

Mr. Speaker, this definition is completely consistent with how we count military personnel stationed in the United States, which is where they are stationed and living at the time of the census, and not in the State they want to be home.

For example, if a Marine is stationed in Quantico on April 1, 1990, he or she will be counted as a resident of Virginia, regardless of how much she likes living in Virginia, or whether her family and friends all live in Nebraska, or whether she grew up and went to school in Pennsylvania.

Some have suggested that overseas military personnel be counted at their home of record. Unfortunately, this standard is not only completely inconsistent with how everyone else is counted, the Department of Defense actually recommended to the subcommittee that we not use "home of record" as the definition.

The reason is clear. "Home of record" is a technical military term meaning where an individual entered into the service. Obviously, this could have been 10 or 15 years ago and would have no connection to where the individual has lived recently.

The purpose of the census, on the other hand, is to count where people are actually living, not where they lived 10 years ago! The definition in H.R. 4720, "the last place a person lived in the United States," comes the closest to this purpose.

The simple fact is, the census counts people where they usually live, and not where they might consider home in their heart. Mr. Speaker, I am a legal resident of California, and I love California. But I suspect if someone asked me where my home is, I'm liable to slip and say Washington. Fortunately for California, the Census Bureau will count me in California anyway.

Mr. Speaker, one very important final point for my colleagues.

First, the Department of Justice has not found this legislation to be unconstitutional, as it has with other legislation.

In fact, when Chief Justice William Rehnquist was Solicitor General, he wrote a memorandum for the Justice Department, stating that it did not violate the reapportionment clause of the Constitution to include military personnel temporarily stationed overseas.

In summary, Mr. Speaker, it seems unfair to exclude from the reapportionment counts, persons who are not residing in the United States on Census Day solely by virtue of the fact that they have chosen to serve their Government and their country, and their Government needs them overseas at that particular time.

For the first time ever, census forms will be administered on overseas military basis in 1990. Let's use this opportunity to ensure that our military and Government employees count—and are counted.

I urge my colleagues to support this important bill and I reserve the balance of my time.

Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I believe the time has come for a bill such as this. Additionally, I compliment the chairman of the Subcommittee on Census and Population for taking the initiative to sponsor this legislation.

Members of the Armed Forces, civilian government personnel, and their dependents, who are stationed overseas during the next census should be counted in their State of residence for the purposes of apportionment of the House of Representatives.

These are people who are serving the interest of their country abroad; for the most part, these are people who vote—either in person if they have returned to country or by absentee ballot if their tenure abroad is not complete.

I believe it is inappropriate to exclude individuals who are not in this country on census day because they are stationed abroad in the interest of our country. Mr. Speaker, this bill will certainly give a lot of our Federal and military employees a sense of belonging and participation as they work for our Government abroad. They need to know that they count and that they will be represented in Congress. During my tenure in this great body, I have had several people in the U.S. military service and Federal Government service write to me about various issues of concern to them.

The DOD not only supports a reinstitution of this enumeration of our population overseas at the same time as the decennial census but also an expansion and an improvement of the enumerative effort, which has very often relied on administrative records rather than the usual methods relied upon by the census, which we all respect for its accuracy and completeness.

Mr. Speaker, I encourage our colleagues to vote favorably on H.R. 4720.

Mr. RIDGE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we have several colleagues who are troubled not by the intent or the design of the legislation. We certainly commend the chairman for trying to include servicemen, but some of us do disagree as to the appropriate and most effective and fairest way to include them. We regret that there is an exclusion of a provision that we were very interested in when it comes to illegal aliens.

Mr. Speaker, we do have several speakers who would like to urge our fellow colleagues to vote in opposition to this when it comes up.

Mr. Speaker, I yield 3 minutes to my friend and colleague, the gentleman from Pennsylvania [Mr. GOODLING].

Mr. GOODLING. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise in reluctant opposition to H.R. 4720 which would require the Census Bureau to include members of the Armed Forces and Government civilian employees and their dependents in the census for purposes of congressional apportionment.

I do not have any problem with the legislation. I have been one who has been fighting for a long time to say that it is totally incorrect to be counting illegal aliens and at the same time not counting our military. However, I have serious reservations about the manner in which we are doing this. If we talk about them being counted where they were the last 6 months when they were in the United States before they went overseas, we have to understand, contrary to what I think the chairman said, and I was not sure whether he said they would be most likely or they would most like, to live. I do not think they want to do either in many instances. They would not most likely come back and live where they were the last 6 months, nor would they most like to live in those areas in many instances, as a matter of fact.

Mr. Speaker, they should be counted back home where they came from. Keep in mind when we talk about the military, we are talking about 49 percent, or 900,000 men and women, who, as a matter of fact, are serving their first hitch. It may be their last hitch. Why in the world would we ever count them where they happened to be stationed before they were sent overseas? They may never stay in the armed services.

There are 900,000 of those, or 49 percent, serving their very first hitch in the military, and I think that we really have to defeat this and come back with a program where, as a matter of fact, we do count them, but we count them from their residence. We count them from where their record indicates their home was.

Let me tell the Members another reason why. Not only are they serving their first hitch. Who do they call when they have a problem no matter where they are?

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They do not call the Congressperson where they happen to be stationed right before they are shipped out, which happens to be on most of the coasts, of course. They call the person back home. I get at least one call each week and I imagine Members do the very same, where there are people overseas, people in the military who are calling.

The last speaker on our side indicated they should be counted at home, that is where they send their absentee ballots. This does not allow them to do that, but has been counted where they happened to be stationed the last 6 months. As I said, there are 900,000 in the military who may never stay in the military but are there for a brief period of time. For some reason they are going to become citizens of somebody's district who happens to have a base that sends people overseas.

We have to do two things. We also have to get after this business of counting illegal aliens. That is the real travesty of justice, and we should do something about it. I hope we can defeat this and come up with a bill to fairly make this determination.

Mr. DYMALLY. Mr. Speaker, I yield 3 minutes to the gentleman from North Carolina [Mr. VALENTINE].

Mr. VALENTINE. Mr. Speaker, I want to express my appreciation to the gentleman for yielding this time to me and I rise in support of this bill which is before us.

I have some of the same concerns that have been expressed on the other side of the aisle. I regard this as half a loaf, but I suggest to my colleagues that it is better than no loaf at all. At least under this legislation the service people who are overseas in the service of the country will be counted. Whether they should be counted in some other way, then, has been devised by this legislation, is a matter which I recognize as subject to debate.

Before this measure came before the body there was nothing to correct what I think is a terrible problem, a situation sanctioned by this administration, where the error was made by the Census Bureau almost 10 years ago and is to be repeated. that is, for the purposes of reapportionment of this body, men and women who have taken the oath of office and were serving overseas in the service of the country would not be counted and, on the other hand, those people who in complete disregard for the laws of this Nation are in here in the country illegally would be counted.

I do not believe that a significant number of Americans realize the fact that that is what the Census Bureau did to us last time and what they propose to do to us again. This legislation would correct the proposition insofar as servicemen are concerned that it leaves unaddressed, Mr. Speaker, the problem, the ridiculous situation that the Congress will not face up to, and that is the prospect that the Census Bureau under this administration will proceed in making a determination how the next Congress will be constituted and will count for that purpose, a large number of people who are in this country illegally, so I compliment the gentleman from California, my esteemed colleague, for his initiative in bringing this legislation forward, and I ask him and implore him and beg him to proceed and give us a chance at the other portion of the loaf.

Mr. DYMALLY. Mr. Speaker, I yield myself such time as I may consume.

Let me say this, that the committee had two issues before it, the question of counted military personnel and the question of the undocumented resident.

The Census Bureau stated they have an opinion from the Department of Justice that it would be unconstitutional not to count the undocumented residents. As a result of that, my friends went to court. This issue of undocumented residents is not before the House now. That issue is before the courts. We are not debating the undocumented resident here today. We are talking about our Armed Forces. We are talking about our Foreign Service officers, Department of Defense personnel overseas.

Now the Members have some problems of terminology. That is a matter that could be decided in conference committee. I have no serious feet in concrete about technological problems raised. But to oppose this bill because they are unhappy with the committee on the question of the undocumented resident is, in my judgment, unfair and it does not represent the merits of this bill.

We are talking here about our Armed Forces and our civilian employees overseas, not talking about undocumented workers. They had two hearings, Mr. Speaker, one in Michigan and one in Washington, DC.

The Census Bureau this morning, Mr. Speaker, the Census Bureau Director was before the Subcommittee on Census and the Population and I said to him that this issue would come on the floor today and asked him what was his position. He said that we have to continue to oppose it because the Department of Justice ruled to exclude the undocumented. It would be unconstitutional. This is not something I am advocating. My own personal philosophy is any Member who introduces a piece of legislation, and this is out of my experience in California, deserves a hearing and if he or she has the votes they deserve to put the bill in committee. This is unlike the position many committee chairmen take. Sometimes we have the merits and votes and cannot get the bill out of committee, but they do not have the votes in the subcommittee or full committee to get the bill out. If they want to discharge, they ought to proceed on that basis but not try to kill this piece of legislation because they are unhappy about some other issues.

I am not the one holding back that piece of legislation. Talk to the Department of Justice. They did, and the Department of Justice said that no, we are not with them, and they went to court and that measure is before the court. Let us find out what the court says. If they say they need to hear this, pull it out of committee. I will abide by the court decision, but this is not something of my making and we ought not to prevent our men and women of the armed services and civilian employees overseas the right to representation.

The technical stuff they raise about home of record or residence here, these are matters that could be easily cleared up in the conference committee. It has nothing to do with the real thrust of the bill. The thrust of the bill is to give our men and women in the services in the civilian community overseas an opportunity to be represented in Congress.

Mr. RIDGE. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Connecticut [Mrs. KENNELLY].

First I might add it was almost a year ago that the gentlewoman from Connecticut [Mrs. KENNELLY] and I appeared before the Rules Committee to try to persuade them to give us the opportunity on this floor, to give the Chamber the opportunity to vote on whether or not illegal aliens should be included in the census count.

There is a long history of legislative activity as well as court opinion that says that the legislative branch of the Government certainly has the authority and the jurisdiction to discuss and vote on these measures, notwithstanding whatever opinion we get from the Department of Justice, and it is with a great deal of pleasure I introduce my colleague joining me for the last year and a half in this effort.

Mrs. KENNELLY. Mr. Speaker, I reluctantly rise in opposition to H.R. 4720, a bill to provide for the inclusion of overseas Federal military and civilian personnel in the census for purposes of apportionment.

Representative RIDGE of Pennsylvania and I introduced legislation last year which would help prevent errors in the census by excluding illegal aliens and including military personnel stationed overseas. These changes would have assured a more accurate census count.

While H.R. 4720 does propose counting overseas Government personnel, the manner in which it proposes to do so is unacceptable. This bill would introduce politics for the first time as this bill would count overseas personnel as residents of the last U.S. residence of at least 6 months. While this language seems innocuous enough, in reality it would drastially skew the census toward those few States with a large number of military bases. California, the State with the most, has 104 bases from which personnel would be shipped out and therefore counted for census purposes. This seemingly innocuous change could mean the difference between a congressional seat or two.

As a former Secretary of State, I find this troubling. But this issue should be viewed as a constitutional one, not a political one. Yes, we should count overseas personnel as I have long advocated. However, we should count them as residents of their homes of record—the permanent address they list when joining the military and perhaps most importantly the address from which they vote. Such a change would be far more equitable.

There, I would respectfully urge my colleagues to defeat H.R. 4720 on suspension so the full House may have the opportunity to debate a perfecting amendment.

Mr. DYMALLY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in the military now, if you are stationed in California, that is where they count you. That is the present practice that exists now, not where you think you will be, so that 104 bases, which my friend from Connecticut, the gentlewoman cites in California under the present system, they are counted there but under that advocacy they would be at a disadvantage because everybody leaves San Diego, so if we count a home base of record, California would be at a disadvantage, although I did not sit down in a dark room and try to figure out whether we get more representation for California. In fact, a reporter for the New York Times asked why I was advocating the cause of New York, and I said because California has their full share, and we want to be fair.

We have as much as we can handle in California. I am not trying to scheme to get another seat for California. I want to see that everybody gets fair representation. Of course that is after I get mine, but this is not some scheme, but under their system they would suffer a disadvantage, Mr. Speaker, because everybody going overseas leaves out of California or Virginia. So it does not help their system at all, but let me repeat, under the present system the Army and the Census Bureau count these people where they are stationed.

Mr. Speaker, let me say this, we ought not confuse these two issues. We are not talking about undocumented workers, which is the grievance, and my friend was most eloquent in making his case. We are talking about our civilian Government employees, men and women in the service.

In closing, Mr. Speaker, I frankly am disappointed that my colleagues are urging Members of the House to vote against, including our military personnel and Government employees in congressional representation. Clearly, in my judgment, this is not the right thing to do by opposing this bill. I hope that the Members who are going to vote on this tomorrow will understand the significance of this piece of legislation.

Mr. RIDGE. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Kansas [Mrs. MEYERS].

Mrs. MEYERS of Kansas. Mr. Speaker, I rise in reluctant opposition to H.R. 4720. I support counting members of the military and other Federal employees who serve overseas in the national census. Although they should be counted at their home. I oppose the bill today because the House will not be offered a chance to decide whether illegal aliens should also be counted. I am a coplaintiff in a lawsuit against the Census Bureau and a cosponsor of H.R. 3814; both of which would prevent the counting of illegal aliens in the census for the purposes of congressional apportionment. The number of Representatives allotted to a State should be determined by the number of legal, permanent residents. To ignore this principle means that representation in Congress and the electoral vote for President will be determined by people who are not citizens, can never become citizens, and are violating the law.

The decision to count illegal aliens in the census should not be made by anonymous bureaucrats deep in the Census Bureau. Nor should it really be made by a court. This issue, which will determine the makeup of the House of Representatives and the electoral college in the 1990's, should be decided by the elected lawmakers of this country. I ask the leadership of the Post Office and Civil Service Committee to bring H.R. 3814 to the floor, or allow amendments to be offered to H.R. 4720, so as to let the House work its will.

This is not a parochial issue. This will have a lasting effect on our very national identity. Georgie Anne Geyer has written a thought-provoking column that shows a possible future, should we not change the trends of the present. I commend this column to my colleagues as emphasis that this is more than just a question of a couple of seats in the House.

The column follows:

[From the Washington Times, Feb. 25, 1988]

DECIDING WHO "WE" ARE

(By Georgie Anne Geyer)

In the great American election of 1996, even after ther election results were counted, the big question was not so much whether Bruce Babbitt or Pete du Pont had won the presidency. The stunner was the fact that the decisive votes for the next president of the United States in the 21st century had been cast by people who were not citizens of the United States.

Traditional "Americans" looked around in stunned amazement. "How could this happen?" they asked. "Voting and congressional representation are privileges of citizens of the nation."

"Illegal aliens do not vote," others insisted—but somehow the confidence has gone out of their voices.

It was at this point that political scientists, journalists and all those analytical folk who don't seem to fall on an issue until it is too late began to get down to business. After some weeks of digging, they traced this watershed change in "American" politics back to the great election contest of 1988.

1988. Remember? That was the year Ronald Reagan and his era retired. "American" was strong again, or so Mr. Reagan assured us. But behind the turbulent political campaign themes, something unprecedented in the life of any democracy was occurring.

The "nation" was facing a census, in 1990, and it was going to count the rising numbers of illegal aliens in its reapportionment of congressional seats. The results would determine, on the basis of population, how many of the 435 seats in the House of Representatives each state would receive for the entire 1990s.

Actually, there were many warnings, but a self-indulgent "country" riddled with special-interest groups and an entitlement obsession that embraced even non-citizens refused to focus on any issue for much more than the 30-second TV campaign spots that dominated the electoral month.

In the 1980 census, for instance, Georgia and Indiana had each lost a congressional seat, to California and Texas, because 2 million illegal aliens were counted. But that was too complicated for most people to worry about.

There were also people who saw the dangers—who saw them not demagogically or without compassion for others, but realistically; people who knew a nation of justice and equity had to have a compact between government and citizen.

That was why in 1988, when something still could have been done, 40 members of Congress joined with the citizens' group Federation for American Immigration Reform, the states of Pennsylvania and Kansas and others in a suit to block the Census Bureau of counting illegal aliens in the 1990 census for the purpose of reapportioning House of Representatives seats.

And some of the country's best thinkers already were wondering what was going to happen as the American "melting pot" became a "multiracial stew." The ultimate worry of sophisticated Americans, as Northwestern University President Arnold Weber put it, was "how to permit the richness and degree of diversity associated with ethnic cultures while at the same time trying to understand those elements that hold us all together as a people."

But America at the time was an easily converted group of people living on the same land mass, not really a nation. Power already had shifted enormously from the heartland to the coasts to the port cities such as Los Angeles and New York, which more and more resembled Third World cities with all their problems, such as immigration, violence and unanswerable needs. What virtually no one seemed aware of was the fact that those shifts had occurred not because of domestic migration, as in earlier years, but because of international migration, most of it legal and therefore acceptable—but much of it illegal.

The states that were to benefit from the counting of illegal aliens in the reapportionment—and they would benefit not only from illegals voting but from many federal benefit programs—fought the suit. New York, California . . . the case of 1988 was lost.

And the finding that really shocked the 1996 researchers was the curious fact that in the end it was the Census Bureau—yes, the bureaucrats of the mild-mannered Census Bureau—who decided without benefit of Constitution or law but simply by bureaucratic fiat who "We, the People" of the United States were!

Illegal aliens or non-citizens were never supposed to vote at all, of course. In most states, it had long been a felony. No democracy has ever permitted such a thing. But by 1988, illegals easily got false Social Security cards or voting cards without IDs. The substantive number of voting illegals thus came together at the same historical moment with congressional reapportionment, which doubled the political power of non-citizens in America.

As of this writing, on Dec. 10, 1996, it is hard to say what this series of events will mean to the "nation." But it is suddenly dawning upon people that a watershed has been reached in the country. One thing I have noticed: Editorial writers have quietly begun putting the word "American" in quotes.

□ 1945

Mr. RIDGE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Constitution in article I, section 2 provides for a census to be taken every 10 years. It is something we have done since that grand document was formulated.

In recent decades in addition to enumerating individuals we have also expanded its purpose to identify and to provide different agencies within the Government some demographic information. So the census does a lot of things, but its primary purpose and its constitutional purpose is to allocate or enumerate individuals living in States and communities within States so not only the House of Representatives, not only a representation in the House of Representatives can be allocated fairly and accurately, but let us not forget the allocation of seats within individual State legislatures. I think everyone in the Congress of the United States desires as complete and as accurate a census as possible. But I am afraid that the 1990 census is not going to be complete, it is not going to be accurate, it is not going to be comprehensive without certain changes. One of the changes is being discussed in this particular piece of legislation, H.R. 4720. It was clear that in 1980 when they chose to include illegal aliens and to exclude servicemen—and there is a horrible irony in all of that—that a fundamental mistake was made.

So I again commend the chairman for trying to rectify the mistake dealing with the absence, the exclusion of servicemen. But I am afraid the bill highlights both of these flaws.

I just would like to take a few minutes to share some thoughts with you about them. The flaws are these: with regard to particular servicemen the way the bill is written, there is a possibility that a serviceman would send his absentee ballot back home and yet for apportionment purposes be considered as residing in an area that he does not consider home, residing in a place that is not his home of record.

I would like to just call on some of my own experiences if I might. I spent probably enough time at Fort Benning, GA—if the period of time is 6 months—that had the census been taken in 1968 I may have been considered a resident of Fort Benning, GA.

I certainly did not plan on going back to it and was not desirous of making that my home. It certainly was not my home of record. When I was drafted I had to go up to Buffalo, NY. It is suggested that the place you enter the service is your home.

I assure you on my DD-214 or my Army records, Buffalo, NY, is not my home of record. So neither the place you enter the service nor the place you may have served necessarily reflects your domicile, where you emotionally and physically have or want to live. This is basically all we are saying when we object to the whole concept of including servicemen based on a 6-month stay in a particular place. It just so happens that the benefit of this might enure considerably to the State of California because they happen to have 104 bases, twice as many as any other State in the Union. But we are just saying to my colleagues H.R. 4720 is a good idea, it is a magnificent idea, we should include servicemen but they should not be allocated or enumerated in States where these men and women reside for 6 months before going overseas. It is not their home of record.

The armed services retain these records. We know where their home of record is and where it would be.

Mr. DYMALLY. Mr. Speaker, would the gentleman yield?

Mr. RIDGE. I am pleased to yield to the gentleman from California.

Mr. DYMALLY. I thank the gentleman for yielding.

Mr. Speaker, what if I agreed to go into conference and work out some criteria which the gentleman and his colleagues are in agreement, would he support the bill?

Mr. RIDGE. Would I support a home of record designation?

Mr. DYMALLY. Whatever, port of record, home of record, whatever, what if we agreed that we will go into conference and work out the differences, given my compromising nature?

Mr. RIDGE. I appreciate the gentleman's offer to compromise. If it was indeed the home of record as designated by the servicemen, not by the service in terms of his port of entry or port of embarkation, but where he physically and emotionally resides, his home of record as embodied on those sheets, I think we could agree to something.

Mr. DYMALLY. A compromise is give and take, you cannot have it all your way and neither can I. So I cannot commit to just what the gentleman is asking. I can commit to sitting down as colleagues willing to reconcile differences.

Mr. RIDGE. Well, that only takes care of one of the problems, however, with that. I still think the gentleman's good intentions and his willingness to include the home of record of servicemen, if his good intentions also include dealing with illegal aliens I would be happy to do that as well, because that is my second objection to 4720.

Mr. DYMALLY. But that is not the issue before us today.

Mr. RIDGE. I think it is. I respectfully suggest to my colleague that yesterday on the Suspension Calendar we dealt with two other very important issues. The committee sought some additional demographic information about a particular ethnic group; it is fine, it was there. The House had an opportunity to vote on it. The committee thought it was important to have additional information with regard to housing. It was brought up on the Suspension Calender. The House had an opportunity to vote on it. The gentleman thinks it is important that the House make a decision with regard to the inclusion or exclusion of servicemen, and the House is going to vote on it. We have to go one step further if we are interested in the full and complete and comprehensive census and that is giving the House an opportunity to vote up or down. And I have to live with that decision and so does everybody else on the question of whether or not illegal aliens are to be included in or excluded from the census.

So offering me the olive branch is a thoughtful gesture on the part of the gentleman from California, but I am afraid unless it includes an up or down vote on illegal aliens, I am afraid it is half a loaf, according to my colleague, our friend from North Carolina, but it is stale and I would rather have a fresh one that includes both halves.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. RIDGE. I am pleased to yield to the gentleman from New York.

Mr. GILMAN. I thank the gentleman for yielding.

Mr. Speaker, I think if there is going to be any discussion about home of record or last residence you may want to refer back to the testimony of David Armor, Deputy Assistant Secretary of Defense, Force Management and Personnel, when he appeared before the Subcommittee on Census and Population in April of 1988 in which he stated that "home of record is not what you would want to use. Now what you might want to use is where they last resided in the United States. I mean if you wanted a simple definition that is probably the simplest one you could arrive at. But home of record would not be what you would want to use because it really relates to where you entered the service and that could have been some 15 years ago and it has no relationship to where you recently lived."

Mr. RIDGE. I appreciate the gentleman's reciting that testimony, but again, what they have offered to you and to the committee is just not acceptable to some of us who want to include servicemen, acceptable to some of us who want to include servicemen, who want them enumerated in their communities and in the congressional districts in which they reside. I cannot imagine there are any colleagues in their Chamber who do not receive on an annual basis a couple of hundred, at least, several phone calls at least weekly from constituents located out on the coast or in these Army bases, Marine bases, anywhere around this country who do not call home when they have a problem. That is the point. That is all we are saying, that this kind of designation of 6 months does not accurately reflect the home of record and we think the legislation should be changed to accommodate it.

The second flaw that I am afraid is highlighted by H.R. 4720 is the failure to give this Chamber an up or down vote on the entire question of including or excluding illegal aliens.

We all recognize the reasons that most of these people are here. They are here because of desperate economic, social or political conditions. Many of them are certainly life threatening. We all understand that, we all recognize that.

But the fact of the matter is that they are citizens of other countries, they cannot vote here, they cannot be legally employed here, they are here without the consent of the governed, and for the life of me I cannot understand the persistence of those who insist that they must be counted in the census.

They are not here with the consent of the governed and I think this goes to the very, very heart of representative democracy. We are not trying to take away any of the fifth or sixth amendment protections and privileges that they have been afforded them and allotted and protected, not only by this Chamber, but by the Supreme Court of the United States, we are not trying to take away any economic benefits this Chamber has allocated to them, any educational benefits. All we are saying to the committee and to the leadership in this House is give us a vote, let the 435 men and women who comprise this Chamber of the House of Representatives, based on a history of being able to determine what rights illegal aliens have in our political system, give us the opportunity to vote up or down on whether or not when they take the census in 1990 they should be included.

I would like to read a couple of things to my colleagues and then I would certainly conclude.

The Supreme Court in 1982 recognized the distinction between the economic rights that these men and women here because of desperate situations have and their political rights. And it said in the Cabell, "Self-government, whether direct or through representatives, begins by defining the scope of the community of the governed and thus of the Governors as well. Aliens are by definition those outside of this community." We are not trying to deprive them of benefits, we are not trying to do anything that would injure them socially or economically. All we are saying, and not only for ourselves but also for State legislators around the country, "If you are here as an undocumented alien, unable to vote, unable to work legally, you are here and you are citizens of another country, you should not be included for apportionment purposes in the 1990 census."

I know my friend and colleague from New York wants to say something and I would be happy to yield to him at this time.

Mr. GREEN. I thank the gentleman from Pennsylvania for yielding to me.

Mr. Speaker, I share his concern on the question of where members of the military are to be allocated. Frankly I think the bill is defective in that respect and I think it would unfairly favor those areas where there are large numbers of military personnel by reason of the location of military bases as opposed to places these people consider home.

I disagree with the gentleman however on the question of defeating this bill because of the illegal alien question. I think that is a very complicated one. Some of them are, in fact, entitled to be employed under the grandfather provisions of the Simpson-Mazzoli Act. That is another question for another day. I do not think this bill should suffer because of that.

Mr. RIDGE. I appreciate the gentleman's support even if it is with regard to the aspect of the counting of the servicemen.

Mr. Speaker, I would finally conclude, my colleagues, that the whole concept of one man, one vote is not just the words of historians. They represent a concept that has been fought for and protected by millions of men and women in this country for over 200 years.

James Wilson of the Constitutional Convention first stated, "All elections ought to be equal. Elections are equal when a given number of citizens in one part of the State elect as many representatives as are chosen by the same number of citizens in any other part of the state." I would urge my colleagues to vote in opposition to 4720.

The SPEAKER pro tempore (Mr. Kildee). The gentleman from California [Mr. Dymally] has 1 minute remaining.

Mr. DYMALLY. Would my friend yield to a question on my time? Does the gentleman understand and recognize that we are not dealing with the undocumented resident in this bill?

Mr. RIDGE. Mr. Speaker, will the gentleman yield?

Mr. DYMALLY. I yield to the gentleman from Pennsylvania.

Mr. RIDGE. I thank the gentleman for yielding.

Mr. Speaker, yes, that omission is one of the reasons I am here. We dealt with including a question on the census form with regard to housing on the suspension calendar, we dealt with the question of identifying particular ethnic groups as a part of the census question. We are dealing with the servicemen question.

I regret we are not dealing with the illegal aliens and I think that should be included. The omission is the flaw that partially drives my opposition to 4720.

Mr. DYMALLY. Does the gentleman concede that we explored the committee process?

Mr. RIDGE. I am very pleased to concede to the gentleman that I was given a full and ample opportunity to present these views before the subcommittee. Two of the members were in appearance.

But I have to say to my good friend, I thank him for scheduling those hearings, thank him for listening to me, but I think this is an issue, it is not a matter of public policy, we are not talking about a particular kind of program, but this issue goes to the heart of representation in this Chamber and one that I think all Members should have an opportunity to vote on.

Mr. PETRI. Mr. Speaker, I certainly favor counting all legitimate residents as accurately as possible in the census, including U.S. military and Federal personnel stationed abroad. I am also in favor of excluding illegal aliens from the census for apportionment of the House. House seats should not be allocated on the basis of the number of persons who would be deported if our laws were enforced.

These are two important issues on which there are many bills pending before Congress. We need an opportunity to consider them fully, and to offer amendments. For example, we should amend this legislation in respect to determining the home State of those persons who are stationed abroad. The home State should be the real State—the one an individual claims as his "home-of-record" in his military records. It should not be the "military base" State; that is, the one where he happened to be based prior to assignment abroad.

In any case, the issues of representation in the census are numerous. This bill addresses only one aspect.

We simply cannot dispose of an issue so important and controversial under a procedure that chokes off debate and the possibility of amendment. For this reason, I urge my colleagues to oppose passage of H.R. 4720 under suspension of the rules.

□ 2000

The SPEAKER pro tempore (Mr. Kildee). All time has expired.

The question is on the motion offered by the gentleman from California [Mr. Dymally] that the House suspend the rules and pass the bill, H.R. 4720.

The question was taken.

Mr. RIDGE. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

M.P. DANIEL AND THOMAS F. CALHOON, SENIOR, POST OFFICE BUILDING

Mr. DYMALLY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1472) to designate the post office building being constructed in West Liberty, TX, as the "M.P. Daniel and Thomas F. Calhoon, Senior, Post Office Building," as amended.

The Clerk read as follows:

H.R. 1472

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States Post Office Building located at 1515 Sam Houston Street in Liberty, Texas, is hereby designated as the "M.P. Daniel and Thomas F. Calhoon, Senior, Post Office Building". Any reference to such building in any law, map, regulation, document, or other paper of the United States shall be deemed to be a reference to the "M.P. Daniel and Thomas F. Calhoon, Senior, Post Office Building".

The SPEAKER pro tempore. Is a second demanded?

Mr. GILMAN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California [Mr. Dymally] will be recognized for 20 minutes and the gentleman from New York [Mr. Gilman] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. Dymally].

Mr. DYMALLY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I ask for an aye vote on H.R. 1472, a bill to designate the U.S. post office building in Liberty, TX, as the "M.P. Daniel and Thomas F. Calhoon, Senior, Post Office Building."

Mr. Speaker, not often is a community so blessed that it can look to two outstanding people as deserving namesakes for a public building. This is the case, however, in Liberty, TX, and I believe it is quite fitting to designate the Liberty Post Office as the M.P. Daniel and Thomas F. Calhoon, Sr., Post Office Building.

The late M.P. Daniel was a postmaster in Dayton, TX, and was an active supporter of the U.S. Postal Service throughout his life. It was due to his almost single-handed effort that the Liberty, TX, Post Office Building became a reality back in the 1930's.

Mr. Thomas F. Calhoon, Sr., was commissioned postmaster under President William McKinley in 1897. Mr. Calhoon died in 1937 at the age of 88 years and had worked as Liberty's postmaster for over 17 years. His service started a tradition in the Calhoon family. Three generations of Calhoons have contributed over 50 years to the community as postmasters.

Both men are remembered for their commitment to community service and dedication to progress in Liberty County. There is a great deal of support in Liberty for this building dedication, and I urge the support of my colleagues for this bill.

Mr. CLINGER. Mr. Speaker, I rise today in opposition to H.R. 4720, which is entitled "Uniformed and Foreign Duty in Census."

The goals of counting overseas military personnel and Federal employees who are assigned to foreign posts in the census for reapportioning the House of Representatives are needed. It is only fair that those who serve their country in foreign lands be counted and represented in the U.S. Congress.

While I support these broad goals, there are several problems with the way this legislation would achieve them. First, overseas individuals will be assigned to the State they resided 6 months prior to going abroad. This means that the majority of the individuals affected, military personnel, would be assigned to the State of their last posting. They would not be counted in their home State, but rather the last one where they served their Nation. Military personnel should be assigned to their "home of record."

Another problem with the legislation is that it does not address an equally disturbing issue: The counting of illegal aliens to reapportion the House of Representatives. Think of it, aliens who have broken our laws and are residing in this country illegally will be counted by the census as deserving representation. This issue should be addressed and H.R. 4720 is an ideal vehicle in which to do so.

I urge all of my colleagues to look carefully at this bill and vote "no."

Mr. SLATTERY. Mr. Speaker, I support H.R. 4720 and I believe it offers a reasonable means for counting military personnel and Federal employees stationed overseas for purposes of apportioning districts for the House of Representatives.

This legislation, however, does not address the major reason that the apportionment to be based on the 1990 census will not truly result in representation based upon the standard of one person, one vote. The House should also take up and approve H.R. 3814, legislation introduced by Representative Ridge of Pennsylvania that would require the exclusion of illegal aliens from the census for purposes of apportioning congressional seats.

The Census Bureau intends to count illegal aliens in the 1990 census and include them in the apportionment population base. As a result, Kansas, Pennsylvania and West Virginia likely will lose House seats to States with large illegal alien populations, such as California, Texas and New York. When this was done with the 1980 census, Georgia and Indiana lost House seats to New York and California.

I am a party to a pending lawsuit that seeks to order the Census Bureau to exclude illegal aliens from the census count for reapportionment purposes. Including illegal aliens in the reapportionment count is both unfair and unconstitutional. Giving illegal aliens congressional representation increases the weight and value of the votes of citizens in States like California, which have large illegal alien populations. Giving illegal aliens congressional representation decreases the weight and value of the votes of citizens in States like Kansas, which have few illegal aliens. The Census and Population Subcommittee should report H.R. 3814 so that the integrity of the reapportionment process can be restored and the Constitutional rights of American citizens can be protected.

Mr. GILMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to rise in support of this measure, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. Dymally] that the House suspend the rules and pass the bill, H.R. 1472, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to designate the U.S. Post Office Building located at 1515 Sam Houston Street in Liberty, TX, as the 'M.P. Daniel and Thomas F. Calhoon, Senior, Post Office Building'."

A motion to reconsider was laid on the table.

WILLIAM W. PARES, JR., POST OFFICE BUILDING

Mr. DYMALLY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3029) to designate the new post office building in Gretna, LA, as the "William W. Pares, Jr., Post Office Building," as amended.

The Clerk read as follows:

H.R. 3029

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

The Congress finds that—

(1) the United States Postal Service has constructed a new Post Office Building in Gretna, Louisiana;

(2) the late William W. Pares, Jr., a native of Gretna and its Postmaster for 19 years until his death in October 1984, was instrumental in choosing the site for this new Post Office; and

(3) it would be fitting and proper to honor William W. Pares, Jr., and his many years of dedication to the Postal Service by dedicating the new Gretna Post Office Building in his honor.

SEC. 2. DESIGNATION.

The United States Post Office Building located at 406 Gretna Boulevard, Gretna, Louisiana, shall be known and designated as the "William W. Pares, Jr., Post Office Building".

SEC. 3. LEGAL REFERENCE.

Any reference to such building in any law, map, document, record, or other paper of the United States shall be deemed to be a reference to the "William W. Pares, Jr., Post Office Building".

The SPEAKER pro tempore. Is a second demanded?

Mr. GILMAN. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from California [Mr. Dymally] will be recognized for 20 minutes and the gentleman from New York [Mr. Gilman] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. Dymally].

Mr. DYMALLY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I ask for an aye vote on H.R. 3029, the bill to name the post office located in Gretna, LA, as the "William W. Pares, Jr., Post Office Building."

Mr. Speaker, as the postmaster for the city of Gretna, LA, for 19 years, the late William W. Pares was a dedicated public servant and a shining example of the finest our civil service has to offer our country. Until his death in 1984, this Gretna native served his fellow citizens with distinction, perseverance, and respect, in the finest tradition of the Postal Service. During his tenure, he was instrumental in choosing the site for the new post office facility recently completed at 406 Gretna Boulevard.

Prior to being appointed postmaster in 1966, Mr. Pares served the Nation as a member of the U.S. Marine Corps during World War II. In addition to being a dedicated public servant, he was very active in community affairs as a member of the Optimist Club, Grela Carnival Club, the Knights of Columbus, and the Veterans of Foreign Wars.

For the above reasons, the board of aldermen of the city of Gretna unanimously voted for a resolution to dedicate the new post office in honor of Mr. Pares. They contacted their Representative, Bob Livingston, who was so impressed with Mr. Pares' record that he submitted the bill before us today, H.R. 3029. It is my understanding that Senator John Breaux will support a similar bill in the Senate.

The Committee agrees it is fitting and proper that the new post office building in Gretna, LA, should be named after such a fine representative of the Postal Service and I ask the Members for their support for H.R. 3029.

Mr. GILMAN. Mr. Speaker, I am pleased to yield such time as he may consume to the gentleman from Louisiana [Mr. Livingston].

Mr. LIVINGSTON. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I would like to take this opportunity to thank the subcommittee chairman, the gentleman from California [Mr. Dymally] and the ranking member, the gentleman from New York [Mr. Gilman], as well as the other members of the Committee on Post Office and Civil Service, for their efforts in bringing this legislation to the floor.

I would especially like to thank Frank Horton, Tom Dobbins of his staff, and Mitch King of the Postal Service for their help and advice.

I am pleased that this bill, naming the new post office in Gretna, LA, after its late Postmaster William W. Pares, Jr., has been brought before the House today. William Pares, a lifelong resident of Gretna, was the postmaster for 19 years and was instrumental in choosing the site of the recently completed post office. It is a fitting tribute to his memory that we name the new building in his honor.

Mr. Pares is survived by his wife Doris and his four children. Prior to entering the Postal Service, he served as a U.S. Marine in World War II and was honorably discharged in 1946. After entering the Postal Service, he rose within the ranks until he was named Gretna's postmaster in 1966. He served in that capacity until his death in 1984.

Mr. Pares was a dedicated family man and active in a number of community organizations. He was a member of the Knights of Columbus, the Veterans of Foreign Wars, the Grela Carnival Club, and the Optimist Club. At Christmas it was his habit to dress up like Santa and distribute gifts to needy children at the Optimist Club's Christmas party.

I am pleased that we now have the opportunity to honor this dedicated public servant and I urge my colleagues to vote for this important bill.

Mr. GILMAN. Mr. Speaker, I rise in support of this measure, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. Dymally] that the House suspend the rules and pass the bill, H.R. 3029, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

MARTIN LUTHER KING, JR., FEDERAL HOLIDAY COMMISSION EXTENSION ACT

Mr. DYMALLY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4443) to make permanent the Martin Luther King, Jr., Federal Holiday Commission, as amended.

The Clerk read as follows:

H.R. 4443

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Martin Luther King, Jr., Federal Holiday Commission Extension Act".

SEC. 2. REMOVAL OF TERMINATION.

(a) Removal.—Section 9 of Public Law 98-399 (98 Stat. 1475) is amended to read as follows:

"Sec. 9. The Commission shall continue in existence until terminated by law.".

(b) Conforming Amendments.—

(1) Findings.—Paragraph (3) of the first section of Public Law 98-399 (98 Stat. 1473) is amended by striking "first".

(2) Purposes.—Section 3(1) of Public Law 98-399 (98 Stat. 1473) is amended by striking "first occurs on January 20, 1986" and inserting "occurs on the third Monday in January each year".

SEC. 3. MEMBERSHIP.

(a) Terms in General.—Section 4(c) of Public Law 98-399 (98 Stat. 1474) is amended to read as follows:

"(c)(1) Except as provided in paragraphs (2) and (3), members of the Commission shall be appointed not later than June 1 of each year for terms of 1 year, and any vacancy in the Commission shall be filled in the manner in which the original appointment was made. Any vacancy in the Commission shall not affect its powers.

"(2) Coretta Scott King shall serve as a member for life. In the event of a vacancy, her position on the Commission shall be filled by a member of the family surviving Martin Luther King, Jr., not already a member of the Commission, who shall be appointed by the family and shall serve as a member of the Commission at the discretion of the family.

"(3) The 2 members of the Commission appointed as members of the family surviving Martin Luther King, Jr., shall serve as members of the Commission at the discretion of the family.".

(b) Continuation of Terms of Existing Members.—The individuals who are members of the Commission on the date of the enactment of this Act shall be considered to have been appointed members for a term ending on the first June 1 that occurs after the date of the enactment of this Act.

SEC. 4. REPORTS.

Section 8 of Public Law 98-399 (98 Stat. 1475) is amended by striking the period at the end and inserting the following: "with respect to the most recent observance of the Federal legal holiday honoring the birthday of Martin Luther King, Jr.".

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

(a) Authorization.—Section 7 of Public Law 98-399 (98 Stat. 1475) is amended to read as follows:

"Sec. 7. There is authorized to be appropriated to carry out this Act $500,000 for each fiscal year.".

(b) Conforming Amendments.—

(1) Expenses of members.—Section 4(d) of Public Law 98-399 (98 Stat. 1474) is amended by striking "subject to section 7" and inserting "subject to the availability of sufficient funds".

(2) Pay for staff.—Section 6(a) of Public Law 98-399 (98 Stat. 1474) is amended by striking "Subject to section 7" and inserting "Subject to the availability of sufficient funds".

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from California [Mr. Dymally] will be recognized for 20 minutes and the gentleman from New York [Mr. Gilman], will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. Dymally].

Mr. DYMALLY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 4443 would make permanent the Martin Luther King, Jr., Federal Holiday Commission, authorizing an annual appropriation of $500,000 for its operation.

Mr. Speaker, as chairman of the Subcommittee on Census and Population, I would like to commend Mr. Conyers, the sponsor of this bill, for introducing this important measure. H.R. 4443 would make permanent the Martin Luther King, Jr., Federal Holiday Commission and authorize an annual appropriation of $500,000 for its operations.

Mr. Speaker, in 1983, 15 years after Martin Luther King's death, legislation finally passed the Congress to designate Dr. King's birthday as a legal public holiday. The following year, Congress established the Martin Luther King, Jr., Federal Holiday Commission.

The Commission is composed of 40 members, with 4 members each to be appointed by the President, the Speaker of the House, and the President pro tempore of the Senate. Mrs. Coretta Scott King is presently a member of the Commission, along with two members of the family surviving Dr. King and two members representing the Martin Luther King, Jr., Center for Non-Violent Social Change.

H.R. 4443 appoints Mrs. Coretta Scott King as a member for life, with two other members of the family surviving Dr. King, serving as members of the Commission at the discretion of the family.

The Commission was given the mandate of encouraging appropriate nation-wide ceremonies relating to the observance of the holiday honoring Martin Luther King, Jr., and of sponsoring activities which educate the American people about Dr. King's values of racial equality and nonviolent social change.

In 1984, when President Reagan signed this legislation into law, very few States were willing to enforce its observance. Today, through the hard work of the Commission members and staff, all but six States now recognize the Federal holiday as a legal public holiday.

The Commission's successes have been accomplished only through the commitment and sacrifices of its staff and members. It has been an arduous task, given the limited funds available to the Commission. Under current law, the Commission is slated to close its doors in April 1989. This legislation is crucial, therefore, if the Commission is to continue its valuable work.

Mr. Speaker, the King holiday and its Commission are particularly important at this time. During recent years, we have seen an unfortunate resurgence of racially-motivated attacks and an accommodation of a climate tolerant of discrimination and injustice.

Dr. King's holiday is a reminder that our society could be better, if we learn to respect and work with each other, regardless of color, creed, or race.

H.R. 4443 authorizes an annual appropriation of $500,000 for the operations of the Commission. This is a small amount compared to appropriations for most Federal Commissions. Examples are the Commission on the Bicentennial of the United States Constitution, which received $13 million in fiscal year 1987, and the United States Holocaust Memorial Council, which received $2.1 million in the same year.

Mr. Speaker, three agencies supported this bill—Department of Housing and Urban Development; the Department of State and the U.S. Information Agency.

Mr. Speaker, I urge passage of H.R. 4443.

Mr. GILMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 4443 makes permanent the Martin Luther King, Jr., Federal Holiday Commission and authorizes appropriations for each fiscal year. Additionally, the bill states that payment of expenses for Commission members and staff salary are subject to the availability of funds. Without this bill, the authority of the Commission will expire in 1989.

Mr. Speaker, Martin Luther King left a legacy to this Nation; a legacy for all people regardless of color, race, ethnicity, age, or gender. His "I have a dream" speech galvanized millions in 1963. Twenty-five years later those words still give hope and comfort to millions.

I believe that Martin Luther King's dream must continue. He taught the lesson of love, understanding, and the power of persuasion through the civil rights movement. He said, "We must have the courage to refuse to fight back." "We must use the weapon of love." His life showed us that we must have fair laws and that everyone is as good as the other.

He said, "I have seen the promised land. I may not get there with you. But * * * we as a people will get to the promised land." We, the people, are all Americans.

The Martin Luther King, Jr., Holiday Commission has been given the monumental task to focus on those dreams; not just for 1 day each year but each day each year for, all our young people can learn from the lessons Martin Luther King, Jr., taught. Additionally, the Commission includes on its agenda teaching young people the perils and violence of drugs, the distress of dropping out of school, illiteracy, teenage pregnancy, and unemployment.

Mr. Speaker, in order for the Commission to meet the provisions of their mandate, there must be funds. The original legislation, in 1984, provided that the Commission should be funded by private donations. However, we know that these private funds are difficult to obtain.

When the Subcommittee on Census and Population conducted a hearing on H.R. 4443, we heard no opposition. The administration supports this bill and we heard from heads of various departments and agencies. Additionally we heard testimony from groups representing the whole tapestry of people making up the population of this great Nation.

The celebration of Martin Luther King Day is a day of reflection and remembrance of a great American. Making the Commission permanent will help to make this holiday a national holiday. Presently, 44 States have enacted legislation to make Martin Luther King Day a day of remembrance. There are more than 140 countries thoughout the world that observe Dr. King's birthday.

Mr. Speaker, I encourage all Members to support this bill which will have positive national and international impact.

Mr. REGULA. Mr. Speaker, will the gentleman yield?

Mr. GILMAN. I am pleased to yield to the gentleman from Ohio.

Mr. REGULA. Mr. Speaker, as one of the two minority appointments to the Martin Luther King, Jr., Federal Holiday Commission since 1984, and presently serving as vice chairman of the Commission, I would tell the Members that a lot of good work has been achieved. The private sector has contributed over $1 million in money, in cash, in support of this Commission, and in addition, we have received in-kind services from many different groups that would be valued at probably $1½ million if they would be purchased on the open market. I think that illustrates the depth of commitment to the work of the Commission.

This bill would extend the Commission on a permanent basis and provide a modest authorization to continue its work. As the gentleman from New York [Mr. GILMAN] has said very eloquently, the education program is vital so that young people can understand the significance of the teaching of Dr. King.

The Commission has done great work thus far, and there is yet much to do in building an education program that reaches out to students all across this Nation so they may understand the philosophy of nonviolent change.

As the gentleman from New York [Mr. GILMAN] pointed out, this reaches far beyond the borders of this Nation. We have dozens of visitors at the King Memorial in Atlanta from over 100 countries that come annually. Some 30,000 people from other countries have come to visit the memorial. They come there to seek the inspiration and the understanding of the message that Dr. King brought to America.

Mr. Speaker, I think that certainly this legislation will speak very clearly to the fact that this body supports that work and is strongly supportive of the continued education program to give the people of this Nation a better understanding of why we as a Congress, with the support of the President, declare the Martin Luther King, Jr., Federal holiday as one of our permanent national holidays.

Mr. GILMAN. Mr. Speaker, I thank the gentleman from Ohio [Mr. REGULA] for his supportive words. I want to commend both the Commission and the gentleman from Ohio for his work on the Commission in support of making the Martin Luther King holiday a significant one of our Nation.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. GILMAN. I am pleased to yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I certainly am in support of the legislation, but I am puzzled by one thing that I see in the report as well as in the bill. That is that the original sponsors of this bill felt that $300,000 was an appropriate sum of money for the authorization, but when we get to the bill, the $300,000 is crossed off and we put in "$500,000." There is absolutely nothing in the report to indicate why we raised the level of authorization beyond what the original sponsors wanted by $200,000.

That is a pretty significant increase, and I am just wondering why that took place, given the fact that the report indicates nothing at all as to why that was needed.

Mr. DYMALLY. Mr. Speaker, will the gentleman yield?

Mr. GILMAN. I am pleased to yield to the gentleman from California.

Mr. DYMALLY. Mr. Speaker, if I may respond to the gentleman from Pennsylvania [Mr. WALKER], in the course of hearing this bill in the committee, it was my recommendation, as a result of some study done by the staff, to increase the amount to $500,000, because when we looked at other commissions, the Bicentennial Commission and the Holocaust Commission, we found they had in excess of several million dollars, and we felt that this was an inadequate amount. We talked with the Commission staff, we talked with the Commission personnel, and this amount was changed after much deliberation in the committee.

Mr. WALKER. Mr. Speaker, will the gentleman yield further?

Mr. GILMAN. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I am still not getting a real explanation here. In other words, the original sponsors of the bill were wrong at $300,000, and in checking with the Commission, they found what they really needed was $500,000?

Mr. DYMALLY. That is correct.

Mr. WALKER. Is that what I am led to understand?

Mr. DYMALLY. That is correct.

Mr. WALKER. What did they base that additional $200,000 of need on? Was it the funding of more staff? Where is that additional $200,000 going to go?

Mr. DYMALLY. Mr. Speaker, will the gentleman yield further?

Mr. GILMAN. I yield to the gentleman from California.

Mr. DYMALLY. Mr. Speaker, when one looks at the amount of work they do and the amount of mail they have been receiving and the tremendous number of seminars they have been holding across the country, we felt that $300,000 was not adequate enough to cover the work of the Commission.

Mr. WALKER. Mr. Speaker, it just looks to me as though the original sponsors of the bill—and it is quite an impressive list, including the gentleman from California [Mr. DYMALLY]—thought that $300,000 was an adequate sum, and the committee does not give us very much of an explanation. However, I appreciate the dialog we have had, and hopefully that will be the amount of money then that will carry them forward. I see that is the authorization out through the year 1993 as well.

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Mr. DYMALLY. Mr. Speaker, will the gentleman yield?

Mr. GILMAN. I yield to the gentleman from California.

Mr. DYMALLY. Mr. Speaker, will the gentleman from Pennsylvania repeat the question?

Mr. WALKER. Mr. Speaker, that is the authorization that we intend for them to have through 1993; is that right?

Mr. DYMALLY. The gentleman from Pennsylvania is correct.

Mr. WALKER. They are not going to need any more between now and 1993?

Mr. DYMALLY. No.

Mr. CONYERS. Mr. Speaker, I rise today to urge the House to adopt my bill to extend indefinitely and provide modest funding for the Martin Luther King Federal Holiday Commission. This bill, which Senator NUNN has introduced in the Senate, is the logical conclusion of the King Federal holiday legislation which I first introduced on April 8, 1968, 4 days after Dr. King was assassinated.

H.R. 4443 focuses on the critical facilitating mechanism for that holiday that finally passed the Congress in 1983 with overwhelming bipartisan support. Without an indefinite extension of the Martin Luther King Holiday Commission, I do not believe that the holiday can function as I first, and Congress eventually, envisioned it.

Mr. Speaker, for us to understand the importance of the holiday's celebration, we need to look first at the current state of race relations in America. That will tell us some simple truths: that the gulf between black and white has not closed; that racism is a continuing vestige in American life; that there is a long road to travel before parity.

But Dr. King showed us that nonviolent resistance in the courts, in the voting booths, and if necessary in the streets, is the only moral way to defeat injustice in this country. Dr. King had deep faith in American democracy and in the American people; he rightly believed that with work and commitment this Nation could tackle the chronic problems of racial and economic injustice. He showed us that our system of Government can work, and that is a critical lesson for our youth in this era of growing public cynicism in the wake of widespread Government corruption.

Twenty years after Dr. King's tragic and untimely death, the Commission carries on his life's work. Consistent with the teachings of Dr. King, the Commission participates in projects addressing issues of national concern such as teen pregnancy, drug and alcohol abuse, illiteracy, urban economic development, child abuse, family violence, job placement and counseling, and voter registration. The Commission will also help prevent the further distortion and commercialization of Dr. King's message, and will help to spread his true legacy to the uninformed.

On the night before Dr. King was assassinated, he asked a crowd in Memphis to remember him neither for his celebrity nor for his countless awards, degrees and publications. He asked only that he be remembered for leading a committed life. Two decades after Dr. King made the ultimate sacrifice for the betterment of the Nation, we have the chance to offer something in return to this man who gave us all so much.

I urge all of my colleagues to show their support for the memory of Dr. King by voting in favor of this bill.

Mr. HOYER. Mr. Speaker, I would first like to thank Congressman JOHN CONYERS for his foresight and commitment in introducing H.R. 4443, the extension of the Martin Luther King Federal Holiday Commission.

The legislation helps ensure that Dr. King's legacy to the Nation and to the world remains intact by indefinitely extending the Commission's authorization.

We often hear repeated that the life of Dr. Martin Luther King, Jr., is an example for us all.

But the unfortunate fact is that even with the celebration of his life as a national holiday, the true meaning of his struggle could easily be lost on the generations that follow.

The King Holiday Commission participates in projects that do more than symbolize the civil rights struggle to which Dr. King gave up his life.

Its participation in programs to spur economic development in our inner cities, register new voters, and alleviate the pain of child, spouse, and substance abuse are all living examples of a commitment to humanity. These activities are a living memorial to the dream of equal opportunity and brotherhood that Dr. King shared with a generation that had grown weary of violence, hatred, and fear.

The Commission can help ensure that commercialization, and indeed, that time itself, does not diminish and cheapen one of the greatest legacies any individual has ever bequeathed to a nation.

Dr. King's was a life of commitment. The nonviolent struggle which he symbolizes challenged this Nation to abide by its creed, to live up to its promise, to be true to our best instincts instead of bowing down to our worst.

Like no other series of events this Nation has encountered in 200 years, the limited successes of the civil rights movement proved that the Constitution has genuine meaning. Dr. King and the Americans who participated in the civil rights movement proved as much as anyone, that Americans, regardless of race, creed, color, gender or social, and economic circumstance are guaranteed equality of opportunity.

When the Commission began its work in 1984, only 29 States observed the King holiday. Today, 43 States and 100 foreign countries representing peoples of many races, cultures, and political beliefs celebrate Dr. King's birthday.

Extending the King Holiday Commission is part of an effort to ensure that not only the monumental achievements of one man, but also a shared promise of freedom and brotherhood for all humanity is always understood and appreciated.

I am confident that the same sense of national growth and maturity that marked enactment of the King holiday will also be exhibited in passage of the King Holiday Commission extension today. Again, I want to congratulate Congressman JOHN CONYERS on bringing this bill to the floor, and I urge all of my colleagues to support H.R. 4443.

Mrs. COLLINS. Mr. Speaker, I rise to express my support, and urge the support of my distinguished colleagues, for H.R. 4443. This measure will make the Martin Luther King, Jr., Federal Holiday Commission permanent and authorize $500,000 annually for the activities and operations of the Commission.

As a black American and a cosponsor of this measure, I realize the importance and sanctity of this holiday. The King holiday is a day when we are supposed to honor a true American hero and reflect upon his life's work of urging peace, democracy, and equality.

There seems to be an American ritual, however, that when the word "holiday" is attached to a given day, we lose sight of the day's historical background, and why we as a nation have chosen to commemorate it. I do not want to see that happen in this case. It was Dr. King's diligence, guidance, and belief in a dream that has allowed our Nation to progress socially and politically. Dr. Martin Luther King's holiday is, therefore, more than just a day off work. It must never become just another excuse for a department store sale. We must preserve the original intent of this celebration and maintain the significance of his work and life.

The Martin Luther King, Jr., Federal Holiday Commission has an important role in this endeavor. If the measure before us is successful, the Commission will become permanent and receive funds annually to encourage appropriate nationwide ceremonies and activities relating to the observance of the day. The Commission has also broadened its scope so that it now focuses its attention on other social issues in line with Dr. King's beliefs. It reaches out into the community to help fight drug abuse, illiteracy, teenage pregnancy, child abuse, and so many other problems that plague our society.

Dr. King had a vision of equality, liberty, and justice. We as a nation must not forget the importance of these values and all Dr. King did to ensure that they apply to everyone. I call upon my colleagues to expedite consideration of this legislation so that we may all remember the true meaning of this holiday, now and always.

Mr. GILMAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DYMALLY. Mr. Speaker, in conclusion I simply want to underscore one point the gentleman from New York [Mr. GILMAN] made, and that is that three agencies, the Deparment of Housing and Urban Development, the Department of State, and the United States Information Agency, support this piece of legislation, and I want to commend the gentleman from Michigan [Mr. CONYERS] for introducing the legislation. I ask for an aye vote on H.R. 4443.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. KILDEE). The question is on the motion offered by the gentleman from California [Mr. DYMALLY] that the

House suspend the rules and pass the bill, H.R. 4443, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous matter, on the bills H.R. 4432, H.R. 4550, H.R. 4720, H.R. 1472, H.R. 3029, and H.R. 4443.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

NATIONAL SECURITY INFORMATION AND THE SPEAKER OF THE HOUSE

(Mr. LIVINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LIVINGSTON. Mr. Speaker, it appears from your statement in today's Washington Times that you see nothing wrong with divulging classified information. That is at least if the substance of which you speak differs from your perception of correct U.S. foreign policy.

Mr. Speaker, I want to commend you for standing by your guns. You are obviously a man of principle and apparently guided by a higher authority than many of us average folks.

But, Mr. Speaker, when you were sworn in to Congress and again into your current position, you swore to uphold the laws and the Constitution of the United States and the rules of this House. You yourself have defined the standard for failing to abide by those laws or rules.

On April 1, 1987, in open testimony before the Committee on Intelligence on the 48-hour bill you said on this very point, "I think Congress can keep confidences. If we cannot, we don't deserve to be here."

Mr. Speaker, you were right about that, so perhaps you should consider passing on the baton to someone who is not so troubled by his higher calling that he cannot obey the law.

MEDICARE CHRONIC-CARE ACT OF 1988

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. STARK] is recognized for 5 minutes.

Mr. STARK. Mr. Speaker, I am introducing today the Chronic-Care Medicare Long-Term Care Coverage Act of 1988.

The chronic-care bill will provide extended nursing home care under part A. It will also provide new home health, homemaker/personal care and adult day care benefits under part B. Aged and disabled beneficiaries who meet the eligibility criteria will qualify for these benefits. The legislation also includes sufficient revenues to fund the benefits.

The staff has estimated the benefits to cost approximately $46 billion a year when fully implemented in 1993 and has estimated the revenue package to support these benefits at $47 billion in 1993.

This is one of the most important bills I have ever introduced. It addresses the most serious problem facing seniors and their families: How to deal with the crippling costs of long-term home health and nursing home care.

The bill is also important because it makes clear—once and for all—how very expensive the solution to this problem is and what difficult and unpopular tax choices will have to be made.

I suspect that most will embrace the benefits—and most will flee from the tax proposals. But we can't have the one without the other. Clearly, it will be very difficult to forge a consensus on how to pay for such a huge undertaking.

But we are prepared to take the time to consult with everyone who is prepared to advise us. We are willing to make an effort equal to the importance of the project.

Between now and the start of the 101st Congress, I hope that all the interested parties will make suggestions on how the bill can be improved and how it can be most fairly funded. We will use the comments we receive to draft a new version of the bill for introduction at the start of the 101st Congress. That bill be the subject of detailed hearings. If the bill meets the political test, we will proceed to markup.

In the CONGRESSIONAL RECORD of August 4, 1988, I addressed the reasons why we desperately need national chronic care legislation. The need is clear. Almost everyday, every Member of Congress receives a heart-rendering letter or call from a constituent describing the fear and anguish of trying to help a family member meet the costs of long-term care.

In that RECORD speech, I also discussed some of the threshold questions that must be addressed in such legislation:

What type of services should be covered? Just home health as in Senator PEPPER's bill, or a spectrum of services, from home health to nursing home care?

My bill provides for a full spectrum of services.

Should the program be primarily a Federal social insurance plan, a mix of private and public initiatives, or totally private?

My bill builds on the Medicare model. Recent hearings and studies clearly show that most younger families and older citizens will be unable to afford private insurance policies or utilize tax incentives for increased retirement savings.

If we adopt a Medicare type of program—which is what I am proposing—what types of beneficiary cost-sharing should be required? How should eligibility be determined? How should quality be assured while costs are controlled?

My bill does require beneficiary cost sharing. The cost-sharing is much less than that provided by Senator MITCHELL's bill. Some will say it is still too much of a burden on the individual, but further reductions in beneficiary cost-sharing increase the bill's costs by hundreds of millions and even billions.

My bill finances the benefit package in several ways.

First, I propose some major reforms and increases in the estate and gift tax laws. Home health and nursing home protection legislation has an element of protecting estates for the sake of heirs. Rather than selling off land and houses to finance nursing home care, people will be insured and the land and assets will evolve to the next generation. It is appropriate, therefore, to finance a part of this new benefit through a more effective tax on larger estates.

Second, I raise the cap on earnings subject to the Medicare portions of the payroll tax. This is similar to suggestions in the Pepper home health care bill and does make the tax more progressive.

Third, I include all State and local government employees in the Medicare part of the payroll tax. This raises about $2 billion a year. It is also a needed reform, because statistics show that nearly 90 percent of these employees will end up receiving Medicare through a second job or on the basis of their spouse's entitlement. They should be contributing to it.

Fourth, the above changes do not raise the huge amount of money that is required. The only way that a large enough amount can be raised to fund this program is to increase the income tax or the Social Security payroll tax. My bill raises the hospital insurance [HI] portion of the payroll tax on workers and on employers. This is a major increase. But in many ways, the benefit provided by this bill helps younger workers by relieving them from financial burdens caused by their parents needing extensive, expensive long-term care. In many younger families, a family member has had to quit a paying job to take care of an ailing relative. In other families, it has been a choice between helping a child with college or a parent with Alzheimer's. My bill will protect younger families against these kinds of awful choices.

Fifth, the bill also raises several billion by another increase in the part B premium. I do not like this kind of regressive tax increase, and I would welcome other ways to raise the money. However, senior citizens should be asked to pay for a part of the benefit because it does remove the last great financial worry of older age, and because in many ways, their financial and health insurance status is equal to or better than many younger workers. It is difficult to increase a payroll tax on a younger family who may have no health insurance in order to provide another, more elaborate benefit for a retiree.

Mr. Speaker, fashioning a politically acceptable long-term care benefit package with adequate financing will be a very difficult and complex task. The bill I have introduced today is an attempt to furher the discussion and move the process closer to fruition.

We do not have the luxury of simply sitting idly by and doing nothing. Our current system is very imperfect and will only become more inadequate as our Nation's population grows older and more disabled.

I look forward to hearing from my colleagues and those interested in this issue in finding solutions to our long-term care needs.

A summary of the bill follows:

SUMMARY OF THE MEDICARE CHRONIC CARE ACT OF 1988

Long term care benefits under Medicare would be established to provide extended nursing home care under Part A and new home health, homemaker/personal care and adult day care services under Part B for chronically ill Medicare beneficiaries.

I. ELIGIBLE INDIVIDUALS

All Medicare beneficiaries unable to perform without assistance three or more activities of daily living (ADLs) (bathing, dressing, toileting, eating and transferring) or having cognitive impairment such that without supervision they would be unable to care for themselves or pose a danger to themselves, would be eligible for the nursing home benefit. Medicare beneficiaries with two or more ADLs or cognitive impairment would be eligible for the home health, homemaker/personal care and adult day care services.

II. ELIGIBILITY DETERMINATION AND PATIENT MANAGEMENT

The Secretary would contract with nonprofit state-wide agencies, who are not providers of care, for case management services. Case managers employed by an assessment and case management (ACT) agency would determine eligibility and provide case management services for the long term care benefits. Case managers would include registered professional nurses or qualified social workers. The ACT agency's case managers would: (1) assess initial and continued eligibility, (2) develop a written plan of care based on a comprehensive needs assessment, (3) make arrangement with or referral to approved providers, (4) provide on-going case management and (5) monitoring the quality, quantity, timeliness and effectiveness of care.

ACT agencies would be subject to review by the Secretary on annual basis to determine if they were providing appropriate case management services in a cost effective manner. The Secretary would be required to establish uniform instruments to determine eligibility and conduct comprehensive needs assessments to be used by case managers.

The Secretary would establish standards for the approval of training programs for case managers.

Beneficiaries would have the right to appeal denial of eligibility for benefits as under the current Medicare appeals process.

III. PROGRAMS BENEFITS.

1. *Nursing Home Benefits.*—Beneficiaries identified by the ACT agency's case managers as eligible for chronic nursing home services could receive long term nursing home benefits. These beneficiaries would not qualify for Medicare's regular skilled nursing facility (SNF) benefit. The regular SNF benefit would continue as under current law.

Cost Sharing.—Beneficiaries would pay the full cost for the first 90 consecutive days of care in the nursing facility. Medicare would then to pay 80 percent with beneficiaries paying the remaining 20 percent in coinsurance. No balance billing for covered services could be charged the beneficiary.

Low Income Protection.—Medicaid would be required to pay for all or part of the first 90 days of care and/or the coinsurance requirements, if the beneficiary had an income that was up to 150 percent of the Federal poverty level. Medicaid would also be required to pay 50 percent of the coinsurance for those whose income fell between 150 and 200 percent of the Federal poverty level.

Reimbursement.—Modified current skilled nursing facility payments would apply with adjustments made for case mix so that lower payments would be made for patients who required lower levels of care. But in no case could payments equal more than 85 percent of the Medicare skilled nursing facility mean per diem costs limits on routine service costs in a wage areas.

All payments for the long term nursing facility benefit would be paid out of the Part A trust fund.

2. *Home Health Benefits.*—Beneficiaries identified by the ACT agency's case managers as eligible for long term home care services could receive all current Medicare home health services plus homemaker/personal care services. These beneficiaries would also be eligible for all Medicare current law durable medical equipment.

Beneficiaries who elected the long term home health benefit would not be eligible for Medicare's regular home health benefit. These beneficiaries would also not be subject to the Medicare's current law "skilled", "Homebound" or "intermittent care" requirements.

Cost Sharing.—Beneficiaries would be required to pay 20 percent coinsurance for all long-term home health and homemaker/personal care benefits.

Reimbursement.—Payments for home health and adult day care would be limited to service needs so that: (1) for those receiving skilled nursing and rehabilitation care the limit would be equal to 100 percent of the Medicare nursing facility limit on routine services in a wage area on a monthly basis, (2) for those receiving home health and adult day care—75 percent and (3) for those receiving only home health care—65 percent.

The long-term home health benefits would be provided under Part B of Medicare.

3. *Adult Day Care Benefits.*—Beneficiaries identified by the ACT agency's case managers as eligible for home care services could receive adult day care benefits.

Adult day care benefits would include skilled nursing, personal care, physical, occupational and speech therapy, therapeutic social, physical and educational activities, nutritional services including at least one meal a day, transportation and other ancillary services provided by the adult day facility. Services could be provided for up to 5 days a week.

Cost Sharing.—Beneficiaries would be required to pay a 20 percent coinsurance charge for the adult day care services they received.

Reimbursement.—Three prospective payment rates would be established by the Secretary so that rates would be established for: (1) nonrehabilitation adult day care services, (2) these services plus rehabilitation services and (3) transportation to and from the adult day care center.

Total costs, together with home health benefits, per beneficiary, could not exceed 75 percent of the Medicare nursing facility limit on routine services in a wage area on a monthly basis.

IV. FINANCING OF BENEFITS

1. Part A benefits would be financed as follows:

(a) State and Locals Included in Medicare—Medicare coverage and the corresponding Hospital Insurance payroll tax would be mandatory for all state and local government employees not otherwise covered under present law, without regard to their dates of hire.

(b) Medicare Wage Cap—The limit on the amount of earnings ($45,000 in 1988) subject to the Hospital Insurance payroll tax would be raised to $100,000.

(c) Increase Payroll Tax—The Hospital Insurance portion of the FICA payroll tax would be increased by approximately 0.7 percent on each employer and employee without a wage cap.

2. Part B benefits would be financed as follows:

(a) Part B Premium Increase—The Part B premium would be increased by $5 a month and indexed.

(b) Estate and Gift Tax—The estate and gift tax would be revised to change the rate and exemption schedules. The exemption would be reduced to $300,000 from the current $600,000 and a new rate structure would be established beginning with a rate of 15 percent on estates and gifts of at least $300,000 and rising to 70 percent on estates of at least $5 million or more. The unified credit would be repealed. Life insurance benefits would be subject to the estate tax. Other current estate and gift tax changes would also be made.

V. DEMONSTRATION

The Secretary would be required to conduct a study of providing under the Medicare program home modifications for chronically ill beneficiaries. The Secretary would study the cost and benefit of providing the home modifications as a means of preventing institutionalizing these beneficiaries.

VI. STANDARDS FOR PRIVATE LONG TERM CARE INSURANCE

The provisions of Rep. Stark's bill H.R. 5085, to regulate private long-term care insurance, will be included in this legislation.

VII. MEDICAID REQUIREMENTS

Medicaid's costs for long-term care will be reduced by the enactment of this legislation. Medicaid would be required to use these savings, known as offsets, to cover the long-term care cost sharing of those beneficiaries whose income is up to 150 percent of the Federal poverty level. It would also be required to cover 50 percent of the nursing home coinsurance for beneficiaries' whose income is between 150 and 200 percent of the Federal poverty level.

In the Medicare Catastrophic legislation Medicaid was required to "buy-in" for all Medicare services for beneficiaries whose income is up to 100 percent of the Federal poverty level. This provision would extend the income level to up to 150 percent of the Federal poverty level so that both acute care and long-term Medicare cost-sharing would be required to be paid by the State Medicaid program. For those with incomes between 150 percent and 200 percent of poverty the state Medicaid program would cover 50 percent of the cost-sharing.

Any additional Medicaid offsets a state would receive, as a result of this legislation, would have to be used to extend the Catastrophic legislation coverage for the cost of maternal and child care to those with incomes up to 200 percent of the Federal poverty level.

NATIONAL SECURITY INFORMATION AND THE SPEAKER OF THE HOUSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. Walker] is recognized for 5 minutes.

Mr. WALKER. Mr. Speaker, on today's wire service, the Associated Press wire service, there is a very interesting article which appears with regard to Speaker Wright's contention that his release of secret CIA material somehow met the standards of this House. And it says in this particular article, and I quote, about the two committees that have been asked to investigate the matter, says, "They'll dismiss it. Surely it has no merit. It has no merit at all."

That is a very troubling statement to begin with. As the leading officer of the House of Representatives it sees to me the Speaker is basically telling us what the committees are expected to do. He is almost issuing orders to the committees that they are expected to find in his favor in these cases.

That is a very troubling kind of situation to have in this House of Representatives. It suggests that the power of the Speaker's chair is being used in ways to influence committees to do what he wants done in a case relating to him personally. This is very, very troubling.

But there is more troubling material in this particular article. There is this quote from the Speaker of the House. He says with regard to classified materials, "The fact that a matter is classified secret doesn't mean it's sacrosanct and immune from criticism."

I am not certain what that means. Does that mean that the Speaker is saying that, if he knows something which is secret that he is gleaning from material, from material released to this House, on a secret basis, that he can in fact release that and criticize it because it is not sacrosanct?

Well, that is not the basis on which that material is being sent to Capitol Hill. We are being entrusted with material that is very, very sensitive.

Now it seems to me that under that standard if a Speaker of the House knew about D-Day coming and decides that D-Day was something that he did not like, he would be capable of criticizing that and thereby releasing the information that D-Day existed.

I do not think anybody in this country regards America's secrets as being something that we can be that loose about.

But then there is an interesting dichotomy that comes up in this article. When the majority leader was asked about any possible participation he might have had in informing the Speaker about these matters, the majority leader declined to say what he had told Mr. Wright on the subject saying that his conversations with the Speaker were private.

Now wait a minute here, folks. In other words, we can take and give away America's secrets if we want to criticize them, but the conversations between the majority leader and the Speaker are secret. In other words, the conversations between the Speaker and the majority leader are more secret than the material that is being held by the CIA that affects this Nation's security. That is a pretty strange standard that we are developing based upon this article.

It also strikes me as being somewhat strange to have a party that suggested that Vice President Bush ought to be releasing his conversations with the President also suggesting here that the conversation between the majority leader and the Speaker are private while at the same time they suggest that the conversations between the President and the Vice President are not so private.

Now I am a little puzzled by all of this, and I think it does bear some investigation. I think these statements are most troubling, and it is high time that the Committee on Intelligence investigate the matter and the Committee on Standards of Official Conduct investigate the matter, and I think we ought to proceed ahead with it.

Mr. LIVINGSTON. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Louisiana.

Mr. LIVINGSTON. Mr. Speaker, I have to agree. I am troubled by these statements as well because it certainly appears that some people would release information with impunity while others cannot. But I think it is significant to put out the Speaker's own views about this particular activity; that is, the releasing of classified material.

On April 1, 1987, as I said in my special order, the Speaker testified on the 48-hour rule, the bill that has been before the House and has not yet come to the floor, but it has been through the committee process and is pending discussion by the full body, and there he was testifying in effect that there are no disclosures of classified information and that we should all be held accountable for the disclosure of such information.

Now, if we were to assure that Congress cannot be trusted with information, then the question betrays a lack of confidence in this fundamental system of ours. It rests upon the assumption that Congress can be trusted.

Mr. WALKER. Wait a minute.

Now the statement I have here from this article is the fact that the matter is classified secret does not mean it is sacrosanct or immune to criticism.

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania [Mr. Walker] has expired.

GAO STUDY OF COIN REDESIGN IMPACT ON GOVERNMENT AND PUBLIC REQUESTED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. Annunzio] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, 2 weeks ago the Consumer Affairs and Coinage Subcommittee held hearings on legislation to change the designs of our Nation's coins. Before Congress acts to change coin designs, we must know whether such a change might precipitate a coin shortage, cause hardship to the public, businesses and banks, strain the production capacity of the U.S. Mint, or increase the budget deficit. Since estimates of the effects have varied tremendously, I am today calling on the nonpartisan and impartial General Accounting Office to conduct a comprehensive study of the issues involved. It would be irresponsible to mandate the redesign of every U.S. coin in circulation without having all the facts at hand.

I include the text of my letter to the Comptroller General in the Record.

U.S. House of Representatives,
Subcommittee on Consumer Affairs and Coinage of the Committee on Banking, Finance and Urban Affairs,
Washington, DC, September 26, 1988.

Hon. Charles A. Bowsher,
Comptroller General of the United States, U.S. General Accounting Office, Washington, DC.

Dear Mr. Bowsher: The Congress is considering legislation to change the designs of our nation's circulating coinage. These proposals are contained in two bills, S. 1776 and H.R. 3314, which are before this Subcommittee. (Copies of the bills are enclosed.) The Subcommittee held hearings on this legislation on September 14.

At the hearings, a number of issues were raised relating to the effect that a change in the design of our coins would have on the demand for coins, the United States Mint's capacity to produce coins, and the Federal budget. The testimony at the hearings was unable to resolve these questions. I am, therefore, requesting that the General Accounting Office conduct a thorough study of the following issues and report to the Subcommittee on its findings.

(1) What effect would changes in coin designs have on demand for coins? Would a change in designs increase demand for coins, and if so, by how much? Would the effect be uniform over all denominations or would it vary by coin denomination? Would the effect be influenced by other factors, and if so what factors and what effect? Would the effect on demand be uniform over time or would there be differing effects at varying lengths of time from the implementation of a change?

(2) What effect would design changes have on the capacity of the United States Mint to produce circulating coins to meet demand? What effect would a change in designs have on the Mint's design and engraving work? How much time is required and at what costs to produce a new circulating coin design? What effect would the additional

work relating to changing circulating coin designs have on the Mint's designers' and engravers' ability to produce other coin and medal designs? Is it more efficient or less costly for new coin designs to be done solely by the Mint's staff of designers and engravers or by other outside artists? What is the cost for the Mint's engravers to translate a drawing by an outside artist into a trial die compared to the cost to do the same work from sketches prepared by Mint engravers? What effect would coin design changes have on the Mint's production capacity? How many coins can the Mint produce at current levels of staffing? At what point would the Mint have to hire additional employees to meet any increased coin demand that might result from a change in coin designs? At what level of production would the Mint need to add additional shifts to meet coin demand? Would an increase in coin demand have any effect on the Mint's equipment maintenance schedules?

(3) What effect would coin design changes have on the Mint's budget? Would additional appropriations be necessary as a result of changing coin designs, and if so, how much? What effect would a change in coin designs have on seigniorage? What is the proper method of accounting for seigniorage? Are current methods of accounting for seigniorage appropriate?

(4) What effect would a change in coin designs have on the American public? How has the American public viewed coin design changes in the past? What efforts would have to be made to inform the American public of coin design changes and at what cost? If coin designs were changed on an annual basis, would education efforts be required for each change? Should the Mint examine public acceptance of proposed changes before they are implemented? Are changes in coins likely to be more or less acceptable to the American public than changes in currency designs? What effect would coin design changes have on the banking industry? What effect would coin design changes have on the flow of coins from the Mint through the Federal Reserve and to banks? Would coin design changes have any impact on retailers who handle cash? Could changes in coin designs cause coin shortages? Is a change in design likely to lead to Americans taking the old designs out of circulation? What effect would a withdrawal of old designs from circulation have on commerce? What impact would a change in designs have on foreign visitors to America? What effect would coin designs have in countries where American coins freely circulate?

The foregoing list of questions are not meant to be all inclusive. The list is not meant to suggest the General Accounting Office provide a report in a question and answer format. These questions are meant merely to suggest some of the issues that have arisen during the debate over changing coin designs.

I look forward to receiving the General Accounting Office's report on this issue.

With every best wish,

Sincerely,

Frank Annunzio,
Chairman.

NATIONAL SECURITY INFORMATION AND THE SPEAKER OF THE HOUSE

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from Louisiana [Mr. Livingston] is recognized for 5 minutes.

Mr. **LIVINGSTON**. Mr. Speaker, just to carry on the dialog that I had with the gentleman from Pennsylvania [Mr. Walker], I would like to agree with what the gentleman just said. It seems that Speaker Wright is really in a dichotomy here because here on April 1, 1987, not only did he say what I just indicated, that, if we were to assume that Congress cannot be trusted with the information, then we betray a lack of confidence in this fundamental system of ours. It rests upon the assumption that Congress can be trusted.

Of course, now he is saying under certain circumstances that, if he disagrees with U.S. policy, he can divulge information even if it is classified.

There is a real contrast in thoughts there, but, worse yet, down at the bottom of his testimony on that one day, April 1, 1987, he says, "I think that Congress can keep confidences. If we cannot, we don't deserve to be here."

Now I do not know, but it would appear that these articles that have been written and have appeared in the Washington Times over the last few days, if they quote the Speaker correctly, he obviously has changed his mind since April 1987 because he no longer feels that it is important to maintain the secrecy of classified information because he says, and he is quoted in the Tuesday, September 27, edition; that is today, of the Washington Times:

> It's outrageous to suggest that the Speaker of the House or any other Member of Congress must get permission before he speaks for some appointed member of the bureaucracy relating to classified material.

Mr. **WALKER**. Mr. Speaker, will the gentleman yield?

Mr. **LIVINGSTON**. I yield to the gentleman from Pennysylvania.

Mr. **WALKER**. Well, the gentleman serves on that committee. Is it against the rules for him to leak information that is given to him in the course of the deliberations of that committee?

Mr. **LIVINGSTON**. Well, of course it is. It is against the rules for all Members to leak classified information which has come into their possession by virtue of their service in Congress or on that committee.

Now I pointed out that the Speaker, of course by some anomaly in the law, is not a member of that committee. The gentleman might recall that there are a number of Members on the Democrat and Republican side appointed to the committee and that the majority leader and the minority leader serve as ex officio members of the committee. But the Speaker for some reason is not a member of the Committee on Intelligence.

However, in his statement last week he indicated that he had classified CIA testimony which he proceeded to quote.

Mr. **WALKER**. Mr. Speaker, will the gentleman yield?

Mr. **LIVINGSTON**. I yield to the gentleman from Pennsylvania.

Mr. **WALKER**. In fact he says in the article I referred to earlier, he says, "There might have been times when we've discussed what goes on in the Intelligence Committee. I'm not going to discuss my private conversations with Members of Congress."

In other words, once again what he is saying is he may have discussed some of those things that go on in the Committee on Intelligence, but it is secret what he has discussed with the majority leader.

Mr. **LIVINGSTON**. The content of the conversation is secret, but the content of the classified information that he might have received apparently is not guarded, and I think that there is something lacking in that analysis.

I really hope that the Speaker returns to his feelings of April 1, 1987 because it appears he spelled it out clearly: "I think Congress can keep confidences. If we cannot, we don't deserve to be here."

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THE SPACE PROGRAM

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from California [Mr. Packard] is recognized for 5 minutes.

Mr. PACKARD. Mr. Speaker, in 1963 President Kennedy pledged to put a man on the Moon. In 1969, the world saw Neil Armstrong take those first, miraculous steps. Our space program made astounding progress until 2½ years ago when we suffered the loss of the space shuttle *Challenger*. However, I am fearful that our space program may suffer yet another tremendous loss.

With President Reagan's support, Congress authorized a $900 million budget for a manned station in space. Our next President though, may remove $515 million of this funding if he chooses. This could destroy our plans to develop a working space station; one similar to the space station the Soviets have had for years.

Therefore, I have introduced legislation to express the sense of Congress that both Presidential candidates should publicly support full funding for the 1989 space station program. We cannot allow this tragedy to happen, Mr. Speaker. I ask for the support of Congress to keep these funds intact.

A TRIBUTE TO L. STANLEY CRANE OF CONRAIL ON HIS RETIREMENT

The **SPEAKER** pro tempore (Mr. Kildee). Under a previous order of the House, the gentleman from Pennsylvania [Mr. Shuster] is recognized for 60 minutes.

GENERAL LEAVE

Mr. SHUSTER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on the subject of my special order tonight.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SHUSTER. Mr. Speaker, I rise this evening taking this special order to honor L. Stanley Crane, the chairman and chief executive officer of Conrail.

Mr. Crane will be retiring on December 31 after a most distinguished career, not only with Conrail, but in the railroad industry.

This Nation, Mr. Speaker, owes Stanley Crane a debt of gratitude. But for Mr. Crane, Conrail, the freight rail system serving the Northeast and Midwest regions of our country, might well not be in existence today.

Stanley Crane, through his leadership not only saved Conrail, but in so doing saved the rail freight system, a vital infrastructure for the Northeast and Midwest, and he did this in spite of enormous obstacles, both economic and political. Without his leadership, there could well be no Conrail today. The economic vitality of our regions of the country would be sapped. Over thousands of jobs would be lost in addition to the many which indeed were forfeited, sad to say, as a necessary result of the restructuring of the bankrupt rail system.

In addition, thousands of other jobs of industries depending upon the railroad could well have been lost. Communities throughout the Northeast and Midwest would be shriveled and the quality of life for thousands of families would be reduced. So saving Conrail was not simply a matter of saving a company, a corporation, but saving Conrail was a matter of saving the future for many, many more men, women, and children, in these regions of our country.

A little background is in order, Mr. Speaker. In 1977, railroads, including the Penn-Central, were in bankruptcy. They were in desperate shape. Their physical plants were in terrible condition. Their 35,000 miles of track were rundown, costly, impossible to maintain. Their fleets were in disrepair, and finally out of this chaos, out of this bankruptcy, on April 1, 1976, Conrail, the Consolidated Rail Corp., was created by bringing together these seven bankrupt railroads, and from 1976 to 1980 this amalgamation of failed rail systems lost over $1.5 billion. That is $1.5,000 million, and over this same period of time it took the Federal Government, the U.S. taxpayers, over $3.3 billion to keep this new gerrymandered system operating.

By 1980, most knowledgeable people threw up their hands in despair. Many said Conrail was a lost cause, it should be shut down. Some said, "Break it up, sell it off," and as this ferment was taking place, recognizing that the billions of dollars could not continue to be lost, a search for a new chairman was begun.

At that time I happened to have the privilege of being the chairman of the National Transportation Policy Study Commission. I talked with rail leaders around the country and with many other folks. We soon learned that the name Stanley Crane kept surfacing. After all, Stanley Crane was the highly successful chief executive officer of the Southern Railroad, one of the most successful railroads in America.

Financial World had already named him the outstanding railroad executive in America.

But of course, the question was why should a man with such a distinguished successful career take on what was looked upon as a lost cause, something that was doomed to failure in the eyes of so many people; but perhaps because the very challenge was so awesome, Stanley Crane finally did agree to become chairman of Conrail, and on January 1, 1981, he took over the responsibility. He made the tough management decisions, streamlining the railroad, making it more customer-oriented, working with both labor and management to turn the railroad around.

Congress had passed the Staggers Act giving him some of the tools he needed to provide not only Conrail, but the rest of the railroad industry, with more flexibility, both in terms of managing their cost and in terms of pricing.

Then in 1981 the Congress passed the Northeast Rail Act, thanks in large measure to the efforts and the persuasion of Stanley Crane, permitting Conrail to spin off its commuter lines and finally putting it in a position to embark on a program toward profitability. Under Stanley Crane, Conrail went in 1978 from a loss of $400 million in that year alone to profitability in 1981 and continued profitability every year thereafter.

In 1986, Conrail made $431 million. In 1987, $299 million, and for the first half of this year, $145 million.

So Mr. Speaker, profitability is only part of this story. In addition to turning the railroad around and saving it and saving jobs, there was also a major, major fight, over what the future structure of Conrail should be. Stanley Crane said it should be independently owned. He argued that Conrail could succeed on its own, and because the Northeast Rail Service Act specified that the Secretary of Transportation would indeed be required to sell the Government's ownership in Conrail, a mighty, a titanic struggle began.

Finally, by 1984 15 bids were made to buy the railroad. A bitter battle ensued. Some wanted to break up the railroad. Others wanted to make it a subsidiary of other railroads in other parts of the country. Stanley Crane argued that Conrail could succeed standing alone and that the stock should be sold publicly to the American people.

Many of us sided with Stanley Crane. He had supporters in this Congress who believed him, who believed in him and who believed that Conrail could indeed succeed independently; but as the battle dragged on, it became apparent to some of us that we thought we were going to lose. The forces arrayed against an independent Conrail were so powerful that it seemed that there was little chance that we could succeed, and when that became seemingly apparent, and I was one of those who sadly came to that conclusion, I got on an airplane and went to Pittsburgh and sat down privately with Stanley Crane and said, "Look, the battle is going to be a loss. Conrail is going to be broken up or sold off and the only hope we have left is for you to be part of that team, because without you there we have no chance of salvaging much, if anything, for our region."

He listened to me carefully and then he said that it would be wrong to break up Conrail or sell it off, that Conrail could succeed, and he concluded by saying that he would rather be defeated doing what he believed was right than giving in to what he knew was wrong; so he continued to fight the battle and we continued to support him, believing in him, and of course, history is clear, he was right. I was wrong. We were able to muster the support, and the success story of Conrail will go down in the annals of business history, one man, dedicated, provided inspired leadership and, of course, as part of that success story, the American taxpayers were repaid over $2 billion through that sale of Conrail.

Mr. Speaker, in 1936 in a book titled "The Hundred Years" which described the first hundred years of railroad history in America, the author wrote:

> The true history of the United States is the history of transportation in which the names of railroad presidents sometimes are even more significant than those of the Presidents of the United States.

Mr. Speaker, I do not believe it is an exaggeration to say that the contribution of Stanley Crane to this Nation through his saving Conrail, and with it the Northeast Midwest Rail System, not once, but twice, is an accomplishment that ranks with many of the outstanding deeds of our Nation's greatest statesmen. The people of America are in his debt.

And so as he looks forward to retirement, a word which I have difficulty associating with him, we not only wish him well, but more importantly, we extend to him the heartfelt thanks of a grateful Nation.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. SHUSTER. I am pleased to yield to my dear friend and colleague, the gentleman from New York.

Mr. GILMAN. Mr. Speaker, it is with great pleasure that I am able to join the Congressman from Pennsylvania, Mr. SHUSTER in paying tribute to an outstanding public servant. Conrail's chairman and Chief Executive Officer, L. Stanley Crane had a formidable task of saving our rail freight system thrust upon his shoulders. He performed this task admirably and with distinction. Many of us in Congress regret to see him go, but recognize that his retirement is well-earned.

Stan Crane's life has been intertwined with the history of our Nations rail transportation for the past half century. Excepting his 2 year stint in the mid-1960's as director for industrial engineering at the Pennsylvania Railroad Co., Stan Crane served in a number of capacities at the Southern Railway Co. continually from 1937 until 1980.

Chairman Crane's performance in these positions—in which he worked his way up from lab assistant to president, chief executive officer, and chairman of the board, earned him such a wide respect that he was considered a natural choice as the chairman and chief executive officer of Conrail. In this position, Stan earned an ever greater respect for his talents and for Conrail, turning it into a moneyemaking proposition, and bringing us back to the days of profitable railroad carriers.

If we were to list an of Stan Crane's awards, we would be here many more hours. Just a partial list includes: the Business Leader of the Year Award for 1987 from the Pennsylvania Chamber of Business and Industry; the American Railway Development Association "Distingushed Service Award" in 1984; Financial World magazine's "Chief Executive" award for 1979 and "CEO Silver Award" for 1987; and an honorary doctor of science degree from Susquehanna University.

A native of Cincinatti, OH, and a graduate of George Washington University, Stan Crane has been the type of executive officer that our younger business leaders would do well to emulate.

Mr. Speaker, it is a pleasure to pause this evening to pay tribute to this outstanding executive, and to wish him the best of luck, good health and happiness in all his future endeavors.

□ 2045

Mr. SHUSTER. Mr. Speaker, I thank my good friend and colleague, the gentleman from New York [Mr. GILMAN] for those remarks.

Mr. Speaker, a measure of the affection and request with which Stanley Crane is held by Members of this House, the extraordinary respect and affection is, indeed, indicated by the following, that we are able to put into the RECORD following our remarks tonight a statement praising Stanley Crane from the gentleman from Michigan [Mr. DINGELL] of the Committee on Interstate and Foreign Commerce, a statement from the gentleman from New York [Mr. LENT], senior member of that committee praising Stanley Crane, a floor statement by the gentleman from New Jersey [Mr. FLORIO], chairman of a major subcommittee of the Interstate and Foreign Commerce Committee, a statement by the gentleman from Pennsylvania [Mr. COUGHLIN] ranking member of the Transportation Subcommittee of the Committee on Appropriations, a statement by the gentleman from Ohio [Mr. OXLEY], of the Committee on Interstate and Foreign Commerce, a statement by the gentleman from Pennsylvania [Mr. RITTER] praising Stanely Crane, the gentleman from Pennsylvania [Mr. RITTER] being a member of the Interstate and Foreign Commerce Committee, and a statement by the gentleman from Pennsylvania [Mr. WALGREN], also of that committee, and a statement by our revered senior Member of the Congress, the gentleman from Massachusetts [Mr. BOLAND], praising Stanley Crane, a statement from the gentleman from Virginia [Mr. BLILEY] and in addition to these statements and others which I know we have taken leave to insert over the next 5 days, I have a letter from the U.S. Secretary of Transportation, James Burnley praising Stanley Crane, and I include it at this point in the RECORD:

THE SECRETARY OF TRANSPORTATION,
Washington DC, September 27, 1988.
Mr. L. STANLEY CRANE,
Chairman of the Board, Conrail, Philadelphia, PA.

DEAR STAN: I would like to add my sincere congratulations to the many you will be receiving on the occasion of your retirement this evening.

Your leadership in running Conrail and your astute knowledge of the rail industry played a key role in its return to profitability. This public is indebted to you, and your accomplishments and dedication have earned you high regard.

Best wishes to you for continued success in future years.

Sincerely yours,
JIM BURNLEY.

Mr. Speaker, I have a letter from Howard Yerusalim, Secretary of Transportation from Pennsylvania praising Stanley Crane, and I include that at this point in the RECORD:

COMMONWEALTH OF PENNSYLVANIA,
DEPARTMENT OF TRANSPORTATION,
Harrisburg, PA, September 26, 1988.
Mr. L. STANLEY CRANE,
Chairman, Consolidated Rail Corporation, Philadelphia, PA.

DEAR MR. CRANE: The Pennsylvania Department of Transporation would like to take this opportunity to acknowledge your years of outstanding service to the railroad industry. Your distinguished career has culminated at Conrail as the guiding force behind the remarkable turnabout of a railroad that went from being a subsidized ward of the federal government to an undisputed industry leader. The Conrail success story has shown what can be accomplished with strong, effective leadership.

Pennsylvania is especially appreciative of your efforts, since we rely heavily on the railroad industry to transport finished goods and raw materials. Your leadership at Conrail has helped Pennsylvania to continue its economic rebound. You have established a foundation at Conrail that will ensure that the current standard of excellence is continued. Conrail is now a model of excellence as a direct result of your foresight, vision, and steadfast belief that essential rail freight service in the northeast and midwest could be provided on a private, profitable basis.

Congratulations on your record of achievement, not only at Conrail, but throughout your railroad career. Thank you for your dedication to excellence and best wishes to you in all future endeavors.

Sincerely,
HOWARD YERUSALIM, P.E.,
Secretary of Transportation.

Mr. Speaker, I have a letter from Robert P. Casey, Governor of Pennsylvania, praising Stanley Crane, and I include that at this point in the RECORD:

COMMONWEALTH OF PENNSYLVANIA,
Harrisburg, PA, September 27, 1988.
Mr. L. STANLEY CRANE,
Consolidated Rail Corporation,
Philadelphia, PA.

DEAR MR. CRANE: On behalf of the citizens of the Commonwealth of Pennsylvania, I would like to express our sincere appreciation for your many years of service to the railroad industry and the economy of our state. Under your leadership, Conrail has made an unparelleled turnaround, rising to a deserved position of business leadership. By using innovative techniques, Conrail has proven that it can stand alone and operate on a profitable basis.

One of my goals as Governor has been to build an economic development partnership between government and the private sector. Conrail's continued record of excellence has helped us forge a solid partnership designed to generate economic opportunity for our people and revenues for the railroad. This has been due in no small part to your insight and leadership over the last eight years.

We owe you a debt of gratitude for your effort in preserving essential rail freight service in the Commonwealth. I am confident that Conrail will continue to build on your fine record in Pennsylvania and throughout the nation.

I thank you for your outstanding work and wish you good luck in your future endeavors.

Sincerely,
ROBERT P. CASEY,
Governor.

Mr. Speaker, I include at this point in the RECORD a letter from Senator JOHN GLENN praising Stanley Crane:

U.S. SENATE,
COMMITTEE ON GOVERNMENTAL AFFAIRS,
Washington, DC, September 27, 1988.
L. STANLEY CRANE,
c/o Bud Shuster, U.S. House of Representatives, Washington, DC.

DEAR MR. CRANE: As you approach retirement from your distinguished career in the railroad industry, I want to take this opportunity to commend you on your achievement in rescuing a group of bankrupt railroads and forging them into one of our nation's most profitable enterprises—Conrail.

I am very proud of that accomplishment, and of your leadership in this vital industry. One of the great strengths of this nation is the dedication of great people like you, who bring integrity, loyalty, professionalism and common sense to their work. On behalf of the people and businesses of this nation, I want to thank you for that dedication.

Annie joins me in thanking you for your service to our nation and in wishing you many happy and productive retirement years.

Best regards.

Sincerely,

JOHN GLENN,
U.S. Senator.

Also, Mr. Speaker, I include at this point in the RECORD a letter from Robert C. Jubelirer, Senator, 30th District Pennsylvania and the President pro tempore of the State Senate of the Commonwealth of Pennsylvania.

OFFICE OF THE PRESIDENT PRO TEMPORE,
SENATE OF PENNSYLVANIA,
Altoona, PA, September 27, 1988.
Greetings L. Stanley Crane:

Although I cannot be with you this evening due to my legislative duties in Harrisburg, I want to express my sincere best wishes to you.

Please accept my heartfelt congratulations on your many years of faithful and dedicated service as President and Chief Executive Officer of Conrail. Your career has been marked by outstanding dedication and achievement, earning the respect and admiration of your friends and colleagues alike. You can take great pride in the contributions you have made not only to the railroad industry, but to your country as well. Your successor will, indeed, have big shoes to fill.

I wish you many years of health and happiness in your retirement.

ROBERT C. JUBELIRER,
Senator, 30th District.

Mr. Speaker, these accolades, this enthusiastic willingness on the part of so many Members to be a part of tonight's effort to pay a little tribute to a man who deserves great respect and great tribute, indeed, is a measure of how highly Stanley Crane is regarded.

Mr. Speaker, I am thankful for the opportunity afforded us to hold this special order tonight, because Stanley Crane, indeed, is a great American.

Mr. BOLAND. Mr. Speaker, it gives me great pleasure to take part in this special order honoring L. Stanley Crane, who will soon retire as the chief executive officer of Conrail. The honors that are sure to come Mr. Crane's way are well-deserved.

Many of us here remember the dark days in the mid-1970's when the rail system in the Northeast was on the verge of collapse. Six major northeastern railroads were bankrupt and it looked as if this Nation would lose a vital piece of our transportation system forever. Into this chaos stepped L. Stanley Crane. He came from the Southern Railway Co. and he had the know-how needed to get the trains moving again. And he did just that.

Creating Conrail and saving the railroads was not an easy task. Hard choices were required. Stanley Crane was not afraid to make the tough decisions needed to keep America's freight moving. A lot of people thought Conrail would not work, but it has. Today Conrail is one of our most efficient and profitable companies. Business leaders know they can count on Conrail to deliver the goods.

Mr. Speaker, many men and women are responsible for the success of Conrail. However, it took leadership and vision to rebuild this huge rail system. It was Stanley Crane who provided that leadership and vision. All Americans should be thankful for his hard work at Conrail. There's an old song that says, "Nobody cares about the railroads anymore." Well, L. Stanley Crane did care and he rolled up his sleeves and went to work. I salute him on his fine career and wish him the best of everything in the years ahead.

Mr. WHITTAKER. Mr. Speaker, as the 100th Congress ends, an era is also drawing to a close in the railroad industry. I refer to the imminent retirement of L. Stanley Crane, the chief executive officer of Conrail. He is the man who, more than any other, must be credited with the successful transition of Conrail from Government control to private ownership.

My association with Mr. Crane has come about largely through my role as ranking Republican member of the Transportation Subcommittee of the Energy and Commerce Committee. I have dealt with Mr. Crane on a wide variety of policy issues, and I can attest to both his tenaciousness and his integrity. Those who became Conrail stockholders through the 1987 public offering are, from the perspective of effective management, getting more than their money's worth from Stanley Crane.

Stanley Crane took the helm at Conrail just as Congress was enacting the Staggers Rail Act of 1980. This deregulatory legislation removed a substantial part of the tedious and unproductive economic regulation that had helped bring the railroad industry to the brink of financial ruin. Indeed, in Conrail's case, the Northeast carriers whose properties became Conrail's had gone over that brink into actual bankruptcy.

Stanley Crane's broad knowledge of the railroad industry—gained from decades of operational experience on the Southern Railway—helped him to guide Conrail through this wrenching transition from regulation to deregulation in the early 1980's. Then, as Conrail achieved a sounder financial footing, he led it through the tortuous and hazard-laden change from public ownership to private sector stockholder control. In both of these efforts, Mr. Crane distinguished himself as a railroad executive of extraordinary perception and unquestioned integrity.

I wish Stanley Crane the best on his retirement, and I congratulate him on a job well done, not only for his company and its employees, but for the Nation.

Mr. DINGELL. Mr. Speaker, I want to commend my friend and colleague from Pennsylvania, BUD SHUSTER, for arranging this special order today in honor of Stan Crane.

I am pleased to join the gentleman from Pennsylvania in honoring and paying tribute to a man whom I have come to know over many years as a brilliant executive, a dedicated public servant, and a trusted friend.

Those of us who were here 15 years ago remember well the dark days of the Penn Central bankruptcy and the collapse of rail service in the Northeast. We remember the struggle to create the Consolidated Rail Corporation and Conrail's own struggles to survive. We remember the annual appropriations of billions of dollars and Conrail's inability to do anything but lose more money.

And we remember, too, how Stan Crane stepped out of retirement, took over the throttle, and turned Conrail into the envy of the railroad industry.

Few people in America could have performed in the many roles he has during the past 8 years, and done it so effectively. He was forced all at once to be a tough businessman, a shrewd politician, a skilled public relations agent, and a trustee of the taxpayers' money. He has been both an adversary and a conciliator to rail labor. And he never shied away from a tough battle.

The toughest of those battles, and one in which I was proud to have Stan Crane as an ally, was the effort to keep Conrail whole and to move it into the private sector as a viable, independent, profitable entity. Many said it couldn't be done, but Stan set out to prove otherwise—and he was right.

A great deal of revisionist history has been written about Conrail's privatization in the last few years, but at least once before Stanley Crane retires, the facts should be reported correctly.

This administration, in its earliest days, sought to break up Conrail into little pieces and to sell those little pieces off to whomever would pay for them. This proposal was one of their earliest budget-cutting initiatives.

Stanley Crane fought that effort and battled to keep Conrail whole, He persuaded Congress that Conrail could turn a profit if we would give the company the ability to shed its unprofitable lines, cut its work force, and obtain wage concessions from its employees. He persuaded labor that these moves were in their long-term interests, as well.

He was right. And within a matter of months after the passage of the Northeast Rail Service Act of 1981, Conrail was indeed turning a profit. Had we listened to the administration then, rather than to Stan, rail service in the Northeast would have been destroyed.

And then came privatization. Once again, the administration had a plan. Witness after witness, including the Secretary of Transportation, insisted that Conrail could never stand on its own; that a public offering of Conrail stock was impossible; in short, that no one would buy.

And once again, Stanley Crane challenged the administrtation and was proven right. For more than a year, he strived to show us that Conrail was viable as a stand-alone entity and that the taxpayer could recoup more from a public offering than from the privately arranged sale favored by the administration.

Let the record be clear. No matter who claims credit today for the very successful public offering that privatized Conrail, that credit belongs to only one man, and that man is Stanley Crane.

Stan and I haven't always agreed on everything when it comes to the railroad business. He has fiercely opposed some of the things in which I strongly believe, reform of the Staggers Act being among them. But I always know that Stan's positions are taken with careful thought, with devotion to the public interest, and with good grace.

For these attributes, Mr. Speaker, and for his dedication, his integrity, and his friendship, I thank him, I honor him, and I wish him all the best.

Mr. RITTER. Mr. Speaker, upon his retirement from the Southern Railway, Stan Crane accepted the position of chairman and chief executive officer of Conrail. I'm not sure he would have if he knew what he was in for through the next 7 years. He took the helm of this troubled company at a time when it was owned by the Federal Government and after posting 5 consecutive years of losses. Recognizing what had to be done to save the floundering railroad, he made and implemented many difficult decisions including steps necessary to reduce the work force and physical plant to more accurately fit the available traffic base.

Conrail is an important American railroad with a large presence in the Lehigh Valley of Pennsylvania, which I represent. For a while during the negotiations to return Conrail to the private sector, the future was hazy for its Allentown yards. Fortunately, since the public offering, the Allentown yards have become a model intermodel terminal with new equipment and technology which contributes to the health and well being of the Lehigh Valley, our part of Pennsylvania and the country.

Under Stan's effective leadership, Conrail began the way to recovery posting profits each year from 1981 to present. In 1987, the company was returned to the private sector in the largest initial public stock offering in Wall Street history. I cannot count the number of times I met with Stan and his people when the then Subcommittee on Commerce, Transportation, and Tourism was working on how to best return the company to the private sector. I believe we did the right thing since today, the company has a rebuilt physical plant and provides excellent transportation services to 14 States, the District of Columbia, and Canada.

Stan will be the first to tell you that there were many other factors in Conrail's renaissance—the sacrifices of employees and reduced regulations as a result of the Staggers Rail Act. However, no one can deny his strong leadership and managerial skills were essential to Conrail's success. Corporate America will miss him and so will the members of the Energy and Commerce Committee who dealt with him on almost a daily basis just a few years ago.

We know that although he's retiring from Conrail, he will continue to play a major role in the world of American transportation.

Mr. Speaker, at the end of the year, Stan Crane will retire as chairman and chief executive officer of Conrail.

Stan Crane is perhaps best known for getting Conrail off the "Dole," both literally and figuratively. And, I must say, he didn't beat around the "Bush" in doing so.

But more seriously, let us take a few minutes to reflect on Stan Crane's remarkable accomplishment in helping to turn Conrail around.

Twelve years ago, it would have been almost impossible to imagine Conrail becoming the success it is. Conrail was formed in 1976 out of the remnants of several bankrupt railroads, most notably the Penn Central. In its early days, Conrail was anything but a success. In many cases Conrail even lost track of its own rail cars.

Between 1976 and 1981, the Federal Government invested about $3.2 billion directly in Conrail. But, at the beginning of the 1980's, Conrail had shown little improvement. True, its track and equipment was in better shape thanks to the Federal investment, but Conrail was still a chronic money loser.

Indeed, by early 1981, things were so bleak that, when the Reagan administration took office, it argued there was no hope for Conrail. The administration proposed that Conrail should be broken up and its assets sold piecemeal. However, many of us in both parties in the House saw cause for hope. In 1980, Congress had passed the Staggers Rail Act, which removed much of the outmoded regulatory regime that had hampered the Nation's rail industry. The freedoms provided by the Staggers Act would allow Conrail to finally compete and survive in the transportation market place. Also, in early 1981, new leadership took over at Conrail. L. Stanley Crane, an experienced railroader who successfully ran the highly efficient Southern Railway, became Conrail's new chief executive officer.

As a result of these hopeful developments, and, I might add, the persistent persuasion of Stan Crane working in tandem with other Conrail stakeholders, such as its employees and shippers, Congress developed an alternative to the administration's approach. This alternative became the Northeast Rail Service Act [NERSA], which took as its premise that Conrail could become profitable and could be eventually returned to the private sector as an entity. NERSA required that all of Conrail's stakeholders would have to sacrifice to achieve this goal, but the sacrifices were far less than what would have occurred had Conrail been broken up. NERSA was enacted in August 1981.

Well, Stan Crane told us in 1981 that if we gave him the tools to turn Conrail around, he would do it. Those of us in Congress are used to hearing agency heads promise that with just a little more money, and a little more time, things would be different. Usually, these are just empty promises. But with Stan Crane, his promises turned to concrete results. Thanks to regulatory reform, NERSA, the sacrifice and cooperation of labor, and the management ability of Stan Crane, Conrail became profitable.

That Stan Crane was a man of results and not just promises stood him in good stead as 1985 rolled around. At that time, the administration was seeking to return Conrail to the private sector. Stan Crane suggested that a public offering was the best way to proceed. But his views were rejected by the Department of Transportation, which, in February 1985, recommended that Conrail be sold to Norfolk Southern. The administration argued that Conrail could not survive as a stand-alone entity and that a merger with a major competing railroad was necessary. Of course, those of us in Congress remembered similar doom and gloom stories from the administration back in 1981, when we were told Conrail could never been profitable.

Stan Crane, in 1985 and 1986 as in 1981, fought back. He argued that Conrail could survive as a stand-alone railroad and that a sale to Norfolk Southern was both anti-competitive and unnecessary. It seemed that he and Secretary Dole just could not agree on how to remove Conrail from the "Dole."

While Secretary Dole was a very persuasive advocate, Stan Crane had a track record running railroads and credibility with Congress. It became clear the administration proposal could never pass the House. After a year and a half legislative battle, Norfolk Southern withdrew. Finally, in the fall of 1986, Congress enacted legislation providing for a public offering of Conrail's stock.

And, on March 26, 1987, the Federal Government's stock in Conrail was sold, in the largest initial public stock offering in American history. Stan Crane had successfully presided over the turnaround and privatization of Conrail.

Stan Crane's stewardship of Conrail is an excellent case study of how to turn a money-losing company around. I wish Stan the best of luck in his well-deserved retirement.

Mr. LENT. Mr. Speaker, I rise to honor a gentleman who has literally reshaped the transportation system of the Northeastern United States during the last decade. I am referring of course to Mr. Stanley Crane, the chairman and chief executive officer of Conrail. As the 100th Congress draws to a close, so too, does the tenure of Stanley Crane as the chief executive officer of Conrail. He will retire from the railroad this year.

Those of us who live in the Northeast remember all too vividly the traumatic experience of having virtually all of our major railroads collapse into bankruptcy in the 1970's. Out of the remains of these carriers, the Government arranged the formation of Conrail. Beginning in 1976, Stanley Crane played a key role in getting Conrail on its feet as a productive rail carrier.

Mr. Crane came to Conrail to serve as its chief administrative officer. His prior record in the railroad industry was outstanding. He had served the Southern Railway for nearly 40 years, progressing from test engineer to chairman.

Bringing this nuts-and-bolts knowledge to Conrail, Mr. Crane soon established himself as an executive of extraordinary talent and vision. He not only oversaw the turnaround of

Conrail, but he proved himself extraordinarily astute as his railroad's highest spokesman on public policy issues.

As Conrail's chief executive officer since 1981, Stanley Crane guided Conrail through a fundamental change in the workings of the railroad industry—the enactment and implementation of the Staggers Rail Act of 1980. That legislation drastically reduced the deadweight of Government rate regulations that had helped bring the railroads to financial ruin. These new opportunities for businesslike private-sector initiative that were provided by the Staggers Act were fully exploited by Mr. Crane and his management team.

My own clearest recollection of Stanley Crane's key policy role comes from perhaps the greatest challenge on his Conrail career—the passage of legislation that enabled Conrail to make the transition from Government ownership to the private sector. That legislation, enacted in 1986, would not have been possible without an executive of Mr. Crane's talent and integrity, to whom the Congress could readily entrust this important task of transition to the private sector. The success of the transition, and the billions of dollars it brought to the Federal Treasury, are testimonials to the dynamic, no-nonsense management that became Mr. Crane's hallmark.

Mr. Speaker, it is rare that one man achieves the pinnacle of his profession in either the public or the private sector. In my view, Stanley Crane has accomplished this in both. As a strong manager, he has brought about the near miracle of Conrail's recovery and privatization. As a participant in key public-policy debates on transportation issues, he has established himself not only as a leading spokesman for his company and the industry, but also as a public-spirited businessman whose word is his bond. I cannot help but lament his departure from the transportation scene. On the other hand, I know that Stanley will always follow transportation issues with keen interest. I look forward to continuing my most enjoyable and enlightening exchange of views with him on the issues of the day after his retirement from Conrail. I know that I speak for my fellow members of the Energy and Commerce Committee as I bid Stanley a fond farewell, and wish him a healthy and rewarding retirement.

Mr. BLILEY. Mr. Speaker, today I would like to take a moment and salute Stan Crane who is retiring as chairman and chief executive officer of Conrail to go on to bigger and better things. Stan Crane's lifetime of accomplishment is a perfect example of the opportunities that hard work, common sense, and commitment can bring in America. Starting as a laboratory assistant for the Southern Railway Co. in 1937, Stan Crane worked his way to the top spot in that firm by 1980.

The year 1980 was a difficult time to be a railroad chief executive. The decline of this country's basic manufacturing industry combined with the strangulation of the railroad industry by excessive Government regulation had caused many railroads to declare bankruptcy. Those that did survive this period did so by putting off needed maintenance to the point that a new term entered the industry terminology—the standing derailment.

Faced with the possibility of the collapse of America's rail industry, Congress consolidated a number of bankrupt rail companies and created a Government-owned entity called Conrail. And in this troubled time, we called on Stan Crane to run it for us.

Aided by some regulatory relief, namely the Staggers Act, Stan Crane's vision of a lean, efficient railroad began to take shape. And it was not long before Crane had Conrail actually showing a profit.

In 1985, I had the opportunity and privilege to be the Republican sponsor on legislation designed to return Conrail to the private sector as an independent publicly owned company. As my colleagues know, the administration has proposed selling Conrail to one of its competitors. I can still very vividly recall the debate over whether Conrail could survive as an independent entity.

Those of us who favored an independent Conrail responded to those charges by pointing out Conrail's record of achievement under Stan Crane. I believe that our opponents' response says as much about the honor due Stan Crane as any words I can put together. Consistently the response came back, "That may be true, but how about time when Stan Crane is no longer running Conrail?" Fortunately, we are able to persuade a majority of Members that Stan Crane had done what every great leader in our free-enterprise system does. He built a company on the foundation of sound business practices whose success did not depend on his occupying the chief executive's chair.

Today, to Stan Crane, that champion of free enterprise, I send my warmest wishes for success and happiness in your future endeavors. Also, to Stan Crane, the tireless public servant, I sent my thanks for a tough job well done.

Mr. WALGREN. Mr. Speaker, I am pleased to participate today in this special order honoring one of our country's outstanding transportation executives, Stantly Crane, chairman and chief executive officer of Conrail. After a lifetime in the railroad business, and adminating in the battle between Conrail and CSX, Mr. Crane is retiring in December of this year.

Conrail now operates in 14 States, including my own State of Pennsylvania. For many communities, Conrail is their essential economic link with the rest of the country and the world. Mr. Crane deserves a large part of the credit for moving Conrail from literal bankruptcy to a successful, profitable railroad. In the process he has made an important, uncommon contribution to the economic future of many families across the Northeast and Midwest.

Mr. Crane started out in the railroad industry in 1937 as a laboratory assistant. In the course of his career he developed a solid political sense that was the key to securing Conrail's status as a stand-alone entity as the Government sold its interest that it has taken during the Penn Central bankruptcy. Were it not for Mr. Crane's political skills, Conrail would have clearly been sold to become part of a larger railroad, to the detriment of all who rely on the strength of the Nation's railroads.

As one Member of Congress who has worked to revive and sustain our Nation's railroad system, one of our most valuable transportation resources, I want to say we will miss his dedication and inspiration and wish him well in his retirement.

Mr. OXLEY. Mr. Speaker, I want to first of all thank my colleague from Pennsylvania, Mr. SHUSTER, for taking this special order tonight so that Members of the House can pay a small tribute to a fellow Ohioan, Mr. L. Stanley Crane, who is retiring at the end of this year as president and chief executive officer of Consolidated Rail Corp. commonly known as Conrail. I want to wish him a long and happy retirement, but I hope that he will often be back on the Hill to visit with and advise us on matters of importance to the railroad industry, of which he has been such an integral part.

When Stanley Crane took over control of Conrail in 1981, he accepted the challenge of his lifetime. We well remember the state of the railroad industry in general at that time, but we specifically remember that Conrail was failing fast. There was even talk of nationalizing our rail system. The fact that within 6 years the Federal Government was able to realize a healthy profit from the sale of Conrail is, in my opinion, a modern miracle. The man behind that miracle was Stanley Crane, who was able to convert the failing Conrail into what is today one of the most efficient and profitable companies in the Nation.

Prior to becoming chairman of Conrail, Stanley Crane served a long and impressive career in various positions within the railroad industry, including service as both president and chairman of Southern Railway Co. He is affiliated with over a dozen transportation, financial, business, and engineering associations and has received numerous awards and honors throughout his distinguished career.

Mr. Speaker, we will miss Stanley Crane from the Halls of Congress. We will miss the inspiration he exhibited during his tenure at Conrail. I hope that the rest of my colleagues will join me in wishing Stanley Crane a happy retirement and in extending an invitation to him to come back to visit us anytime. Good luck.

Mr. COUGHLIN. Mr. Speaker, I rise to join my colleagues in a tribute to L. Stanley Crane, president and chief executive officer of Conrail—the Consolidated Rail Corp.—who will retire on December 31, 1988.

Mr. Crane has enjoyed a long and illustrious career in the railroad industry beginning with the Southern Railway Co. in 1937, the year before he was graduated from George Washington University with a bachelor of science degree in engineering. Except for 2 years with the Pennsylvania Railroad Co. (1963-65), all of Mr. Crane's service up to 1980 was with the Southern. He served as president, and as chairman in the later years.

In 1981, Mr. Crane became chairman and chief executive officer of Conrail, although many people would say he is Conrail. Despite the fact that he would be the first one to share the credit, it is Stan Crane who turned Conrail around and took it from a money losing to a profit making status. Stan Crane believed in, and built, a stand-alone Conrail. He wanted Conrail sold as shares of stock instead of to another company. Although opposed by the administration, Mr. Crane got his way. The performance to date shows that he was right and that Conrail can stand alone.

A giant of the railroad industry, Stan Crane has left his mark on this important segment of our economy. I salute his many accomplishments and wish him well in retirement.

Mr. THOMAS A. LUKEN. Mr. Speaker, I rise today to offer a brief few words in honor of Stanley Crane, chairman and chief executive officer of Conrail, and, I am proud to say, a native of Cincinnati.

Mr. Speaker, Stan Crane is best known on Capitol Hill as the man who brought Conrail from the brink of disaster to financial success. That was not an easy task. When Stan took over as chairman of Conrail in 1981, he took over a government-owned railroad which was losing $1 million every day. Conrail had already received billions in Federal subsidies, and it looked like the need for Federal money would never end. Yet Stan resolved to turn the company around without further Government subsidies.

He kept his promise. By 1986 Conrail had not only been turned around, but was actually making a substantial profit. Suddenly, the idea of selling Conrail—getting the Federal Government out of the rail business—had become a real possibility.

But the process of returning Conrail to the private sector was almost as difficult as making it profitable. I am certain that many of my colleagues here today recall the difficult decisions Congress faced in considering whether to adopt the Secretary of Transportation's proposal to sell Conrail to the Norfolk Southern Railroad or whether to sell the railroad through a public stock offering. To make a long story short, we rejected the Secretary's proposal and mandated a public stock offering. The result was the Government received $600 million more for the company than it would have by selling it to Norfolk Southern.

Mr. Speaker, Stan Crane played a key role in helping Congress come to the right decision in the Conrail sale. As a member of the Energy and Commerce committee where the deliberations on Conrail took place, I must say we were all greatly impressed by the knowledge and expertise that Stan Crane was able to provide the committee in deciding Conrail's future. And when I say he provided assistance to our committee, I mean he provided it personally.

Mr. Speaker, Stan Crane's miracle turnaround of Conrail against all odds is the kind of business success story that will undoubtedly be cited in the case books of business schools across the country. But those same business school case books will never adequately reflect the contribution this man has made to the financial health and future of the rail industry in a career that has spanned more than 50 years. I am sure my colleagues will join me in congratulating Stan on his singular accomplishments with Conrail and in wishing him all the best in the coming years.

IN THE MEMORY OF KRISTALLNACHT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. Green] is recognized for 60 minutes.

GENERAL LEAVE

Mr. GREEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of this special order.

The SPEAKER pro tempore (Mr. Kildee). Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GREEN. Mr. Speaker, November 9 of this year marks the 50th anniversary of Kristallnacht.

While we almost certainly will not be in session on that day, I cannot let that momentous occasion pass unrecognized and, therefore, I have reserved one hour tonight for this special order on Kristallnacht.

Mr. Speaker, on November 7, 1938, in Paris a 17-year-old Jewish teenager, distraught over his family's deportation from Germany, fatally wounded the third Secretary of the German Embassy there, Ernst von Rath. This event was used as the excuse for 2 days of state-organized pogroms against the Jews of Germany and Austria.

On November 9 and 10, 1938, Nazi agents and their mobs tore through cities and towns. Old people, orphans, rabbis and ordinary Jewish citizens were dragged from their homes, orphanages and synagogues. Torahs, scrolls and books were burned, windows were smashed, and by the time it was over, nearly 100 Jews were dead, 7,500 Jewish businesses had been destroyed, 275 synagogues had been razed or burned, and 30,000 Jewish men had been sent to the concentration camps of Dachau, Sachsenhausen, and Buchenwald.

Kristallnacht, or the Night of Broken Glass, was the beginning of the end for the Jews of Germany and Austria. It was their threshold to hell, and did not happen behind closed doors. It happened as neighbors watched, as world newspapers reported.

I am especially fascinated by the headlines of the New York Times that November 11, 12, and 13. On November 11, the New York Times headline read, "Nazis smash, loot and burn Jewish shops and temples until Goebbels calls halt. All Vienna's synagogues attacked. Fires and bombs wreck 18 of 21." The next day the Times headline read on November 12: "Nazis warn foreign press 'lies' will hurt Reich Jews; arrests run to thousands. No regret voiced. Goebbels declares that that nation followed its 'healthy instincts.'" On November 13, again, the lead story in the New York Times read, "Reich bars Jews in trade; fines them billion marks," and showing that when one lets loose hatred and bigotry, there is no halt, "Cardinal's Palace stoned. Munich mob smashes windows in an outbreak against Catholics." In a November 12, 1938 editorial in the New York Times titled "Nazi days of terror a threat to all civilization," sounded a warning. Speaking of the fact that terror has been used again and again as an instrument of policy, the editorial included an ominous question: "But the dosage of terror not only has to be repeated, it has to be increased * * * or it does not work. * * * A day of punishment for the Jews was permitted immediately after Hitler came to power to satisfy the violence he has aroused among his followers, and it is noteworthy that the raids made then did not compare in extent or intensity with the present pogrom. Does that mean that the dissatisfaction among the disciples demands more and more outlet?"

Americans did react to the press reports with outrage. There were offers of humanitarian relief. There were pledges from churches and congregations, and there were calls for an economic and political boycott of Nazi Germany.

On November 15, President Franklin Roosevelt announced the recall of the United States Ambassador to Germany and issued a special press release expressing shock and dismay. President Roosevelt was so stirred by the events of Kristallnacht that in January 1939 he cabled to the Chairman of an International Conference on Refugees that, "The fact must be faced that there exists in Central and Eastern Europe a religious group of some 7 million persons for whom the economic and social future is exceedingly dark."

The fact is that the United States did not ease its immigration laws, and many can share the blame for that: President Roosevelt, the Congress, and bureaucracy. In fact, doors all over the world remained closed. Can there be any doubt that this lack of any worldwide repercussions or willingness to accept the Jewish refugees encouraged the Nazis to descend even further into the depths of hell?

Mr. Speaker, as we approach the 50th anniversary of Kristallnacht, I urge all Members of this House to encourage and take part in ceremonies marking this momentous event around the Nation. Even 50 years later, there is something we can do. We can insist on remembrance of the history of the holocaust so that the world can never deny or forget.

As one of the five House Members of the U.S. Holocaust Memorial Council, I am proud to acknowledge the Council's leadership in remembering this anniversary and in assisting others, Governors, mayors, churches, and synagogues, and their special proclamations and ceremonies in remembering this date.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. GREEN. I am happy to yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I thank our colleagues, the gentleman from Illinois [Mr. YATES] and the gentleman from New York [Mr. GREEN] for making this time available to us today to commemorate the 50 anniversary of Kristallnacht, the "Night of Broken Glass." I want to also extend my appreciation to three other House members of the U.S. Holocaust Memorial Council for their leadership, our colleagues Congressmen SOLARZ, GARCIA, and BILL LEHMAN.

The "Night of Broken Glass" is an event in Jewish history that will live in infamy. On November 9, 1938, the Jews of Germany and Austria, already subjected to the persecution brought about by Hitler's ascension 5 years earlier, were terrorized by the officially sponsored firebombing of synagogues and businesses, homes, and property. Any Jew found by Nazi agents was beaten or murdered.

The Night of Broken Glass, or Kristallnacht as it is known in Germany, is considered the one act of violence against the Jewish people which precipitated the wholesale deportation of European Jewry to the concentration camps and crematoria which later dotted the continent. In 1938, though, the results of Kristallnacht's violence yielded nearly 100 murdered Jews, the destruction of over 7,500 Jewish businesses, the utter obliteration of 275 synagogues, and the deportation of 30,000 Jewish men to the concentration camps of Dachau, Buchenwald, and Sachsenhausen.

The knowledge that the liquidation of the Jewish people in Europe had begun was acknowledged by the New York Times on November 13, 1938, when it stated, "Germany issued a new series of decrees yesterday to complete the liquidation of the Jews." Mr. Speaker, history has shown us that no one in the international community responded to this statement, which indeed was a horrifying prophecy. As a result of global silence, Hitler escalated his persecution of Jews wherever he could, and authorized the creation of the infamous "final solution."

By 1945, when the war was over, the truth was there for all the world to see. Over 6 million Jewish men, women, and children gone from this Earth, exterminated by the cruelest means ever devised. And the one date that burns in the collective Jewish memory is Kristallnacht, November 9, 1938, the "Night of Broken Glass."

It has been almost 50 years since that violent rampage. And while survivors, now aging, recollect that night and what was to come, we must add our voices to those who remember. The world must not be allowed to forget its recent past, for otherwise, we are condemned to repeat it. It is to the memory of those who died in Hitler's inferno that we participate in this special order, but we also hold up Kristallnacht as a warning to others. We must never be complacent in the face of bigotry and persecution. Let us only hope that by adding our voices to the many other commemorations of Kristallnacht that will take place in November, that together we can stem the tide of hatred that continues to plague our globe.

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Mr. GREEN. Mr. Speaker, I want to thank my colleague from New York for joining me this evening because I think he brings us an important lesson that if the world ignores events like Kristallnacht, yes, reporting them, but doing nothing about them, we are doomed to see suffering similar to that which occurred when Hitler thought he could get away with Kristallnacht and much worse, and I would like to thank all of my colleagues who have submitted statements for inclusion in the RECORD on this occasion, and I think that they, too, join us in bringing an important lesson to the American public and to the world.

Mr. YATES. Mr. Speaker, I am today joining with a number of my colleagues in remembering Kristallnacht or The Night of the Broken Glass. While this tragic and sickening event is very vivid for me, there are millions of Americans who are not familiar with this prelude to war and the Holocaust, and I think it is very important that we take this time to recount the events of 50 years ago.

The facts are brutal and beyond dispute—the Nazi government of Adolf Hitler organized and sanctioned the systematic destruction of Jewish temples, shops, and businesses throughout Germany and Austria. Beginning in the early morning hours of November 9, 1938, and continuing for several days these official Nazi riots resulted in the deaths of nearly 100 Jews and the loss of millions of dollars in property. In addition, some 30,000 Jews were arrested and sent to concentration camps at Dachau, Sachsenhausen, and Buchenwald.

The world was shocked. Newspapers in practically every country reported what was happening in Germany with major, front-page stories. Important newspapers, like the New York Times, carried strong editorials expressing outrage at the terror and horror of the Nazis. Leaders of both political parties in this country spoke out forcefully against the Nazi terrorists.

In short, Kristallnacht received wide publicity and broad condemnation by the world community. But economic, diplomatic, and military actions by the nations of the world did not follow the frightening warning that Kristallnacht provided. That was the true tragedy of this time. It led to World War II and the Holocaust, and those events darken and shape the world we live in today.

Mr. HUGHES. Mr. Speaker, I rise to join with my colleagues in solemn observance of the anniversary of one of the most unspeakable nights of terror in human memory. It was nearly 50 years ago that the Nazis unleashed the brutal forces of extermination against the Jews of Austria and Germany. The so-called Kristallnacht, or Night of Broken Glass, marked the clear emergence of racial hatred from an evil undercurrent of that society to an officially sanctioned government policy.

On that infamous night of November 9, 1938, the windows of over 7,500 Jewish businesses were shattered, and their inventories looted and destroyed. Hundreds of synagogues went up in flames, and tens of thousands of Jewish men were taken off to concentration camps. This was but the prelude to the Nazis' final solution to the Jewish question—the deportation, concentration, and extermination of an entire people.

Those who did not live during the time of the Kristallnacht, and the Holocaust which ensued, will find it difficult to imagine that such barbarity could have occurred. Those who experienced and survived the terror will never forget it. And we, as individuals and as a nation, must vow to remember the lessons of that iniquitous period of history, and to make sure that those lessons are passed on to our heirs.

This occasion also gives us cause to reflect that civilization is not necessarily a permanent condition of mankind. Rather, it is a continuing, fragile movement that depends for its survival on the active concern of men and women everywhere. The actions by the Nazis on Kristallnacht, and after, are sobering evidence that the values we cherish as a society can be stolen away in an instant if we fail to be vigilant in their defense.

Mr. Speaker, it falls upon us in particular, as legislators, to protect the rights of the American people as guaranteed under the Constitution and the Bill or Rights. And it is likewise our clear duty to speak out against violators of fundamental human rights, wherever in the world they occur. For if we should fail to heed the warning signs of some future Holocaust, history will record our shame, and no penance will suffice to salve our consciences.

Mr. PORTER. Mr. Speaker, 50 years ago 100 Jews died, 7,500 Jewish businesses were destroyed, 275 synagogues were razed or burned, and 30,000 Jewish men were arrested and sent to German concentration camps. This atrocity, known as Kristallnacht, Black Thursday, the Night of the Broken Glass, or the Night of Pogroms, must never be forgotten.

During the night of November 9, 1938, plainclothes SA and SS troopers smashed windows, demolished furniture, ransacked houses, torched synagogues, and arrested thousands of Jews in a coordinated attack against the Jewish community. The German Government then levied a 25-percent tax on all Jewish property and a $400 million fine on the Jewish community to compensate for the damages wrought by the Nazi thugs. The Jews were ruthlessly and tragically forced to pay for the annihilation of their own people.

After Kristallnacht, nearly one out of every three Jews fled Germany and Austria and went to Shanghai, British-controlled Palestine, South America, South Africa, and Australia. Strict immigration rules in the United States, Canada, France, Great Britain, and other countries prevented thousands of additional Jews from escaping. Approximately 379,000

Jews remained in the Reich and became the victims of Adolf Hitler's 5-year anti-Semitic program, better known as the Holocaust.

News of the horrors of Kristallnacht spread rapidly through the West. Front page reports and nearly 1,000 editorials filled the pages of American newspapers. Within days, Hugh Wilson, the United States Ambassador to Germany, was recalled, and offers of humanitarian relief poured into Washington from all over the country.

Despite public outcry, during the next 5 years much of the European Jewish community was systematically slaughtered, while the rest of the world sat idly by. Today, as the generation of Holocaust survivors reaches the twilight of their lives, we must continue speaking out and reminding ourselves of the horrible events which occurred during the 1930's and 1940's. Our children and grandchildren must learn to appreciate the violence which destroyed an entire generation of innocent people. The Holocaust is not merely an event of the past, but an important lesson for the future.

Today, human rights violations continue throughout the world. Millions of innocent citizens endure torture, imprisonment, arrest, and abuse at the hands of government officials. Although today's atrocities thankfully are not equitable with Hitler's genocide, we must not let that distinction in degree blur a fundamental fact—an abuse of any human right is an assault on freedom everywhere. The need for international resolve to respond to government-sponsored persecution anywhere in the world remains crucial.

The Congressional Human Rights Caucus, which I cochair with Representative Tom Lantos, continually identifies, monitors, and speaks out for victims of political, ethnic, cultural and racial persecution. The Human Rights Caucus provides a bipartisan forum for Members of Congress to express their human rights concerns to Congress, State Department, nongovernmental human rights organizations and the media. This public attention is essential to bring pressure to bear on those responsible for human rights abuses, wherever they may occur.

While public condemnation provides an important means to seek redress for these violations, quiet diplomacy also has its appropriate place as an effective reminder to government leaders that the U.S. Congress is aware of their actions and do not condone such abuse. The results of actions by members of the Human Rights Caucus have proven effective and productive. Had such active involvement and organization existed in the 1930's, perhaps Hitler's evil plan could have been stopped earlier.

Mr. Speaker, I want to conclude by commending Representatives Bill Green, Sid Yates, Bill Lehman, Robert Garcia, and Stephen Solarz for organizing today's special order to mark the anniversary of Kristallnacht. This year, coincidentally, also marks the 40th anniversary of the Universal Declaration of Human Rights. It is, therefore, an opportune time for the world to remember the commitments represented by that historic declaration, and gives us a chance to rededicate our efforts to protect and defend the citizens of the world from any violation, random or organized, of human rights.

Mr. WEISS. Mr. Speaker, I thank my colleague for yielding time to me this evening, and I want to commend all five House members of the United States Holocaust Memorial Council for their work on behalf of all Americans to keep the memory of the Holocaust alive.

Mr. Speaker, it was 50 years ago that the Holocaust began in a night of shocking violence and destruction, during which thousands of lives were taken or ruined. Unfortunately, that horror was only a small hint of what would follow. We here have heard and know the history—6 million Jews brutally murdered, countless others—the lucky ones—forced to flee as refugees after losing homes and jobs, thriving European Jewish communities reduced to rubble—but there are those who do not know and have not heard. It is because of them—because of our responsibility to remind the world of the dangers of racism, bigotry, and political tyranny—that it is so important that we speak here today.

The Holocaust represented anti-Semitism and indeed racism in its most brutal, truculant form, a from which has not been approached since. But we see a different type of anti-Semitism in the West today. It is the type represented by those who, incredibly, refuse to acknowledge the occurrence of the Holocaust. It is the type represented by Kurt Waldheim, who argues that the Holocaust should be forgotten. And it is the type represented by continued anti-Semitic vandalism in the United States. It is quieter, less noticeable, under the surface. And yet, it is just as dangerous.

The memory of Kristallnacht and what it represented can help to stem the atrocities of today and of tomorrow. We must keep this memory alive so that future generations will understand where racism unabated leads. The ultimate victim of genocide is not just the targeted group or race, but all of humanity.

The Holocaust left few survivors, but much responsibility.

I was one of those lucky enough to emigrate to the United States in 1938, just a few short months before Kristallnacht. It is now incumbent upon us to speak out when great evil silences others. We must all pledge to fight against bigotry and racism, no matter how insignificant our actions may appear to be.

Lest this seem too distant, let me mention two recent events which bring the Holocaust back into our consciousness. In the city of Coeur d'Alene, ID, an anti-Semitic group calling itself Aryan Nations set up a base from which to spread their message of hate. Heroically, the inhabitants of the town banded together in opposition to the terrorism of that group. And just last week, in a shattering reminder of Kristallnacht itself, two boys broke into a temple in Brooklyn, NY. Inside, they painted Swastikas on the walls, unrolled and desecrated six Torahs, and eventually set the scrolls and then the building on fire. And all this at the onset of the High Holy Days.

It is clear that neither anti-Semitism nor any other form of racism will ever disappear on its own. It becomes our responsibility to remember, and to work to eradicate, this curse. We can draw inspiration from people like Raoul Wallenberg, whose heroism during World War II saved the lives of thousands. It is truly fitting that we will dedicate the cornerstone of the Holocaust Memorial Museum here in Washington next week on the anniversary of the day that Wallenberg became an honorary American citizen. Let us never forget what Wallenberg stood for, and what he and all of us must fight against.

Mr. FASCELL. Mr. Speaker, I rise to join our colleagues in the solemn rememberance of Kristallnacht, the Night of the Broken Glass, a tragic event that devastated not only the Austrian-German Jewish community, but shook the world. This unforgettable night is recalled by people of all nationalities, religions, and races in recognition of the massive injustice perpetrated on one single religious group.

In the year 1934, Austrian-born Nazi leader Adolf Hitler assumed the title "Fuhrer" of the German Reich. With his title and power, Hitler began to aggravate and intensify the growth of anti-Semitism throughout Europe. This was the beginning of Hitler's widespread philosophy that Jews were not the chosen people and should be eliminated from all economic, social, and political life. Hitler implemented his beliefs by prohibiting any new development of Jewish-owned businesses, and excluded all Jews from the armed forces, civil representative occupations, social or cultural groups. Also, Jews were forced to wear a Star of David arm-band for race identification. Along with these sanctions, Hitler imposed substantial monetary fines on the Jewish community. After 4 years of oppressive policies, Hitler began his reign of terror which was launched on Kristallnacht.

On the evening of November 9, 1938, after the assassination of Ernest Von Rath, Third Secretary of the German Embassy in Paris by a Jew, Hitler's regime systematically terrorized Jewish society by burning and destroying 275 synagogues and 7,000 Jewish-owned businesses. In addition, the Nazi dictatorship subsequently arrested 30,000 Jewish males and created concentration camps, which were the sites for exterminating 6 million Jews. Kristallnacht was a night of shattered dreams for Jews who had hope for peace and security in the Third Reich.

The Night of the Broken Glass is a lesson in history which should not be forgotten and must not be repeated. It is a warning to all individuals that an anti-Semitic trend can allow a single person with hatred and prejudice to effectively acquire enough power to cause massive destruction to any one race. As we represent a diverse citizenship, it is our responsibility to recall this historic event and prevent history from repeating itself.

Mrs. COLLINS. Mr. Speaker, on November 9, 1938, things happened in Germany which should never have been allowed to happen anywhere in the world. And still, it was only the beginning. And it got a whole lot worse.

Few times in the history of the world have we seen anything that even remotely approximated what happened in Nazi Germany from 1938 through 1945. In few eras has there ever been a plague of hatred as fierce, as rampant, and as savagely manifested as in that instance. Oppression of a whole people is something that is never excusable and which must be routinely and uniformly repudiated wherever and whenever it occurs. Examples of such oppression are, regrettably, plentiful: in every age, on every continent, involving many peoples. But, magnifying oppression into extermination, what can be said of a systematic genocide of 10 million people, including 6 million Jews!

The crimes against humanity which became commonplace in that bloody snapshot of history are of unspeakable grotesqueness. Yet, they must be spoken of and continue to be discussed as a regular part of the teachings of history, alongside the Roman campaigns and the Civil War. From each of these events there are many lessons to be learned. In the case of the continued teaching of the Holocaust, the primary lesson to be learned is that nothing of any resemblance must ever be allowed to develop in the future. Additionally, the signposts of the Holocaust, such as the Kristallnacht of November 9, 1938, can remind us how such a calamity developed in stages, allowing many people to convince themselves that it was the right thing to do.

A well-seasoned adage asserts there is some element of good in everything, even in that which is truly bad. Well, the Holocaust may be the exception to this rule. But, at least, now that it has in fact occurred, let it serve all the world's peoples as a symbol of what must never happen again. Let it remind us of what can eventually happen when day-to-day respect for other people is allowed to wane. And let it remind us of the inalienable human and civil rights bestowed upon all people.

Mr. LAGOMARSINO. Mr. Speaker, I join my colleagues today in recalling the terrible events which took place 50 years ago on November 9, 1938. On that day, Nazi soldiers began the state-sponsored attempt to exterminate a whole race of people when they entered homes, private businesses, and even their synagogues to destroy property, arrest, savagely beat and murder Jews in Austria and Germany, solely because they were Jews.

History undeniably documents this event. While many of the eyewitnesses to this horrible night are dead, we recall the brutality of the past to remind us and future generations of the tragic, brutal historical event known as Kristallnacht. This night marked the beginning of mass genocide by Nazi Germany. The intentional slaughter of the Jewish people did not come without warning. Yet, the idea of such barbarity was dismissed by many people as too fantastic to believe. History clearly points out to us the stark reality that such cataclysms as the Holocaust are not beyond human capability. In fact, this systematic massacre of the Jewish people began on the bloody night we remember today, the night of the broken glass or Kristallnacht.

On this night, Nazis murdered rabbis, elderly people, and children who were Jewish. The Nazis sought not only to eliminate an entire race, but to debase it. Attacking their sacred places, destroying their holy books and holy men was intended to demoralize and humiliate Jews. As we remind ourselves of this stark tragedy of the past, we resolve that it must never happen again.

Mr. LANTOS. Mr. Speaker, in just a few short weeks we will commemorate the 50th anniversary of one of the most infamous dates in history—Kristallnacht, crystal night or the Night of Broken Glass. We are beginning that commemoration tonight with this special order.

Mr. Speaker, I would like to pay tribute to those who have played an important role in this commemoration. First, I would like to recognize the contribution of Ambassador Ronald S. Lauder, former American envoy in Austria, who is chairman of the Kristallnacht Committee. Under his leadership a distinguished committee has been established to develop an appropriate commemoration of this tragic anniversary which will take place during the week of November 4–10.

I would also like to thank my distinguished colleague from New York, BILL GREEN, who called this special order tonight to mark this important anniversary. I would also iike to pay tribute to the other distinguished congressional members of the U.S. Holocaust Memorial Council who joined BILL GREEN in calling for this special order—SID YATES, BILL LEHMAN, BOB GARCIA, and STEVE SOLARZ.

During the evening of November 9, 1938, at the direct orders of Nazi leaders, SS and Nazi party organizations were instructed to carry out anti-Semitic attacks throughout Germany and Austria. It was a night of terror throughout Germany. Official Nazi estimates of the damage reported that 116 synagogues were set on fire and 76 were completely destroyed, and some 7,500 Jewish shops were looted and destroyed. Over 20,000 Jews were arrested, thousands were beaten, and it was officially reported that 36 Jews were killed, though the number of murders is believed to have been several times that high. Jews who suffered losses were not allowed to collect insurance premiums; these were confiscated by the Government. After the horrors of Kristallnacht, Nazi attacks against Jews began in earnest and serious plans were initiated which ultimately led to the appalling tragedy of the Holocaust.

Perhaps the most shocking and disturbing fact of Kristallnacht was that there was no international response to that horrible atrocity! For Jews in Germany and Austria it was clear that they had no choice but to flee their homes and seek refuge in other countries, but there was no place for these people to go. No one cared. Even our great Nation closed its doors, and the Jews were not welcomed here during this great hour of need.

Mr. Speaker, as we approach the 50th anniversary of this tragic event—which was only the beginning of that horrible time—I urge my colleagues in the Congress and our fellow Americans throughout this great Nation to join in remembering this infamous anniversary. We must never forget.

Mr. FISH. Mr. Speaker, this November 9 will mark the 50th anniversary of the infamous Kristallnacht that took place in Nazi Germany.

On Kristallnacht, which means "Night of Broken Glass," Nazi stormtroopers burned 191 synagogues and smashed others. They also broke into tens of thousands of homes and shops, within 24 hours, 91 Jews had been killed and more than 30,000—or 1 of every 10 Jews who remained—were sent to concentration camps.

This dreadful night was a harbinger of the policy of genocide that was the Nazi's final solution for the Jews. In all, 6 million Jews were murdered and Jewish cultures that had thrived for generations in Eastern Europe were decimated if not totally destroyed.

As we reflect on this horrifying period in the recent history of our world, we are struck that such indescribably terrible actions could be carried out on such a massive scale by one of Europe's most advanced nations. Germany had a mighty industry and a proud culture. The Nazi regime brought all the tools of modern science and the modern state to bear on the destruction of the Jews.

The defeat of Nazi Germany came too late for millions of its victims—Jews, gypsies, homosexuals, and others. To honor the memory of these victims, we must remember.

We must also remember as a way to prevent genocide from being repeated. Here I would respectfully make two points. First, the Holocaust was a unique event. We must never trivialize it by using the words "Holocaust" or "Genocide" in contexts to which they do not apply. At the same time, however, we have a moral obligation to draw the world's attention to acts of murder still taking place. Victims of slaughter in the 20th century include Armenians and Kurds, Cambodians and citizens of Mozambique and Burundi.

Mr. LEHMAN of Florida. Mr. Speaker, I would like to commend my congressional colleagues who serve with me on the U.S. Holocaust Memorial Council and join with them today in commemorating this 50th year anniversary of Kristallnacht. Also called the Night of Broken Glass, the night of November 9, 1938 unleased modern day pogroms across Germany and Austria.

During the night of Wednesday, November 9 and early the following morning, SA and SS troopers acting as civilians vandalized hundreds of synagogues and thousands of Jewish owned businesses. People were attacked on the streets and in their homes. In the aftermath of this night, nearly 100 Jews were dead, 275 synagogues were burned, 7,500 Jewish businesses were destroyed and 30,000 Jewish men were sent to concentration camps. The final and devasting blow dealt by Kristallnacht came when the Jewish community was fined 1 billion Reichsmarks to compensate the Nazi perpetrators for the property damage that was done.

This vicious attack against the Jewish community began under the pretext of vindication for the murder of Ernst von Roth, the Third Secretary in the German Embassy in Paris. He was killed by a Polish Jew, Herschel Grynszpan, an immigrant to Germany who was protesting the Nazi Government's forced deportation of his family from Germany back to Poland as a part of it's anti-Jewish policy.

The events of November 9–10 were a signal of the beginning of the Holocaust. It was not the first time the Nazis revealed their violent anti-semitism, but it made obvious the reality of their plans. Two months following "Kristallnacht," Hitler promised the destruction of the Jewish people throughout Europe. Although the events of these 2 days were widely reported and condemned in the press, it was not enough to spark action by the United States. Perhaps if we had spoken out, the tragedy of the Holocaust could have been avoided. For this reason, we must stand strong now by attacking racism and human rights violations throughout the world.

The events of "Kristallnacht," finally made it clear to the Jews of Germany and Austria that their fate was determined. But by 1939, Jews were virtually trapped in these Nazi occupied areas. These refugees could no longer find refuge elsewhere. The U.S. Government protested by recalling our Ambassador a few days later, but our immigration rules were not changed to accept these ill-fated refugees.

Fifty years cannot erase the losses suffered by European Jews. The property and culture that were pillaged no longer exist in many places. To this day, synagogues are still boarded up. Jewish communities are tiny and unable to re-establish. By preserving the memory of this terrible sequence of events, we will renew our resolve to fight anti-Semitism and racism that sadly, still exist today. We must do our part to see that events such as these are never repeated.

Mrs. BOXER. Mr. Speaker, I rise today to join my colleagues in commemorating the 50th anniversary of Kristallnacht also known as the "Night of the Broken Glass."

On the night of November 9, 1938, and the following day, Nazi agents in Germany and Austria destroyed homes and businesses, torched synagogues, and beat and murdered rabbis, elderly people, orphans, and any other Jews they could find in their homes or on the street. Two days later, 100 Jews were dead, 7,500 Jewish businesses had been destroyed, 275 synagogues had been razed or burned, and 30,000 Jewish men had been arrested and sent to concentration camps.

Amidst the litter of broken glass on the streets, thousands lined up at West European and American consulates to plead for exit visas. Despite world condemnation of the Nazi action, most countries were willing to make only few exceptions to their strict immigration laws for the Jews—our own State Department included. Meanwhile, the Nazi regime decreed a 25-percent "flight" tax on all Jewish property being removed from German territory and a fine of one billion marks ($400 million) was levied on the Jewish community to compensate German citizens for damages wrought by the Nazi wave of destruction.

Later, when we helped to liberate the concentration camps at the end of World War II in Europe, we came to realize the full significance of Kristallnacht. It is with intense pain and sorrow that we remember the systematic brutality and criminal violence waged against the Jews during the Holocaust. The physical and emotional pain inflicted is incomprehensible. Today we reaffirm our commitment that never again will any people be treated this way.

And today we reaffirm our strong opposition to human rights abuses from the left or the right. There is nothing so precious as the human spirit and it must never be trampled on either officially by a government or unofficially by hoodlums or gangs.

I would also like to take this opportunity to commend my colleagues on the U.S. Holocaust Memorial Council for their tireless efforts on behalf of the U.S. Holocaust Memorial Museum. The U.S. Holocaust Museum will stand as a solid reminder to the American people about the important lessons of the Holocaust. We must never forget the Nazi crimes committed against the Jews, gypsies, and other groups singled out for unjust punishment by the Nazi regime. We must never ignore persecution of any minority wherever it occurs, because to do so only invites it to happen again.

Please join me in remembering Kristallnacht and in rededicating ourselves to the principles of tolerance and freedom which form the very foundation of our human society.

Mr. ACKERMAN. Mr. Speaker, I am very pleased to join in this special order marking the 50th anniversary of Kristallnacht, or "Night of the Broken Glass." We are all familiar with the list of casualities from that terrible night in 1938—almost 100 Jews were killed, over 7,000 Jewish businesses were destroyed, nearly 300 synagogues burned and 30,000 Jews sent to their deaths at Nazi concentration camps. Rather than repeat these gruesome statistics again and again, our mission today should be to prevent this tragic event from ever happening again.

I was reminded of how difficult this task is when I read a quote by Adolf Hitler reprinted in yesterday's New York Post. His words are so seemingly innocent yet haunting that I could not get their full sense across unless I repeat them word for word. In 1938, on the night before Kristallnacht, Hitler said:

> We are not interested in oppressing other peoples. Our foreign aims are not unlimited or unchangeable or determined by chance. Their sole purpose is to be of service to the German people, to safeguard their existence. Although Germany has now become strong and free, we feel no hatred of other nations. Only we object to international profiteers who stop at nothing to gain their ends.

I find it horribly ironic that Hitler uttered these words the night before hundreds of Jews were murdered, and thousands of businesses burned—literally on the eve of 6 million Jewish men, women and children losing their lives in Nazi concentration camps. The words sound so innocent and harmless, yet they are murderous to the core. Of course, the problem is how Hitler defined "the German people". We now know that he did not include Jews, blacks, Gypsies, Communists or anyone else who did not fit into his tightly defined "Aryan" race. Hitler promised to safeguard the existence of "the German people"; but he did not mean all German people, he meant only a select few.

I believe there is an important lesson here for all of us even today. Of course, there are oceans of difference between the world today and Nazi Germany of 1938. But to prevent the horrors of Kristallnacht and of the Holocaust from ever happening again, we must not repeat the mistake of that era—defining our Nation's people in such an exclusive way that most of the population is left out. The beauty of our country is that everyone is welcomed, everyone participates in democracy and everyone has the chance to enjoy economic opportunity. Many of the victims of that terrible night five decades ago, and of the Holocaust that followed, found a true refuge here in the United States. We must continue to uphold this great tradition of democracy, equality and inclusiveness so that Kristallnacht never, ever happens again.

Mr. GARCIA. Mr. Speaker, on November 7, 1938, in Paris, Herschel Grynszpan, a teenage immigrant Jew, shot Third Secretary Ernst von Rath in the German Embassy. Grynszpan was protesting the forced deportation of his family from Germany to Poland, part of the Nazi government's anti-Jewish policy. According to the Nazis this incident started the attacks that later became known as Kristallnacht or Night of the Pogroms.

Kristallnacht was not just a rash of isolated attacks against Jews vindicating the death of von Rath. Kristallnacht was just the beginning of a well orchestrated plan by Dr. Josef Goebbels. Late November 9, plainclothes SA and SS troopers assembled in pre-arranged meeting places and fanned out to selected targets in the Jewish communities within the Third Reich. A demolition derby ensued, windows were axed, furnishings were ripped apart, houses destroyed and synagogues desecrated. Thousands of Jews were arrested.

By Friday November 11, accounts of the extent of destruction and the lives lost appeared in North American newspapers. One hundred Jews had been killed; Jewish businesses numbering between 3,000 and 4,000 had been destroyed or torched; and 275 synagogues had been razed. 30,000 German Jews were on their way to Dachau, Sachsenhausen, and Buchenwald. The Holocaust had begun.

On November 15, President Franklin Roosevelt expressed his shock and dismay and recalled Hugh Wilson, the United States Ambassador to Germany. However, the United States did not ease the immigration laws. While the actions of the Nazis were protested, the outcry died out, and the Jews had to start a lonely fight against government sponsored terrorism.

November 9 will be the 50th anniversary of Kristallnacht. We should commemorate this day so that government sponsored persecution doesn't go unnoticed and untackled. By recalling the events of Kristallnacht we can each renew our efforts to make sure that nothing like that night happens here. Kristallnacht reminds us that the foundation of our country rests on tolerance and freedom to worship as we choose. It also reminds us that we have been elected to maintain and protect that foundation.

Mr. ANNUNZIO. Mr. Speaker, I rise to join with my colleagues in the House of Representatives in commemorating the 50th anniversary of Kristallnacht, the "Night of Broken Glass."

When the Nazis took power in 1933, they began a systematic effort to destroy the Jewish people. Using the framework of the vicious antisemitic program outlined in Hitler's "Mein Kampf," the Nazis dismissed Jews from the government and universities in April 1933. By September 1935, the Nurnberg Laws were in place forbidding marriages between Jews and persons of "German blood."

However it was on the night of November 9, 1938, that the Nazis demonstrated to the world the barbarity which would be their trademark. Under the command of the infamous SS, synagogues were destroyed, Jewish-owned stores were looted and burned, Jewish property was confiscated, and about 30,000 Jews were arrested and sent to concentration camps. This was the first step in a state-sponsored reign of terror, which would lead to the annihilation of over 6 million Jews.

Mr. Speaker, it is fitting that we in Congress take time to remember this tragic event and the crimes of the Nazis and the Holocaust which followed. Out of our efforts will come hope and renewal in our determination to prevent future genocides from occurring.

On the occasion of the 50th anniversary of Kristallnacht, I join with Jews all over the world in remembering this terrible incident, as we vow to continue to keep the lessons of this tragedy and the Holocaust alive for all generations.

Mr. SOLARZ. Mr. Speaker, it is an honor to participate in this very important special order. I would like to thank the gentleman from New York [Mr. GREEN] for arranging this session, and to commend my other House colleagues who serve together with me on the Holocaust Memorial Council—Mr. YATES, Mr. LEHMAN, and Mr. GARCIA—for their sponsorship.

Almost 44 years ago, the Allied armies crashed through Nazi Germany, bringing to an end the most cruel and coldblooded evil in the long history of man's inhumanity to man.

It is my belief that the Holocaust is the central existential fact in the history of human civilization.

The systematic slaughter of 6 million men, women, and children—for no other reason than that they were Jewish—is a shocking indication of the depths of depravity to which the human spirit can sink.

One of the most tragic aspects of the Holocaust was that it was not perpetrated without warning. For years, the world knew of the unspeakable atrocities that were being committed on the Jews of Europe—but the world stood silently by.

We meet this evening to commemorate the 50th anniversary of the event that clearly foretold the horrors that were about to unfold in Nazi Germany—Kristallnacht.

In the dead of night on November 9, 1938, and into the morning hours of November 10, the systematic legally constructed anti-Semitism of Hitler's early regime exploded in a fury of violence and death.

Acting on the Gestapo's instructions, mobs of SA and SS stormtroopers carved a swath of destruction throughout the Jewish communities of the Third Reich.

In his volume on the Holocaust, the noted historian Martin Gilbert described the scene as follows:

> Bonfires were lit in every neighborhood where Jews lived. On them were thrown prayer books, Torah scrolls, and countless volumes of philosophy, history and poetry. In thousands of streets, Jews were chased, reviled and beaten up.

The "People of the Book" saw their cherished books burned to ashes.

The vibrant Jewish community of Europe—millions of men, women and children so filled with life—saw firsthand the face of death.

The shattered glass of Kristallnacht shattered any connection that the Nazis held to decency and dignity.

The morning of Friday, November 11, revealed the terrible damage inflicted in this pogrom: 100 Jews had been murdered. 7,500 businesses and 275 synagogues were destroyed. And 30,000 Jewish men had been arrested and sent to the concentration camps of Dachau, Sachsenhausen, and Buchenwald.

Mr. Speaker, 50 years later there are some who say that we should not rake up old coals, that it is better to leave the events of history—even traumatic moments like Kristallnacht—buried in the past.

I could not disagree more.

Only by recalling evil can we better ensure that it never happens again.

There is nothing we can do to bring back to life those whose souls and spirits were snuffed out on Kristallnacht and the millions that followed on their tortured and terrible path.

But we can invest their sacrifice with a redeeming significance, if we resolve to do everything within our power to prevent such an evil from ever happening again.

And tragically, we are constantly reminded that we must be ever vigilant against outbursts of hatred and anti-Semitism.

Just 10 days ago—during the holiest week of the Jewish calendar—an Orthodox synagogue in Brooklyn was attacked by young vandals who painted swastikas on the walls, burned six Torah scrolls, and set the building on fire.

And 2 weeks ago, on national television, I debated Mr. Jerome Brentar, a man who actively works to promote the monstrous notion that the Holocaust never happened.

Fifty years after Kristallnacht, we must continue to fight the evils of anti-Semitism and intolerance, whether in Brooklyn, NY, Billings, MT, or anywhere else in the world.

Fifty years after Kristallnacht, we must preserve the memory and the dignity of those who perished in the Nazi inferno, and fight those who would trivialize these atrocities.

Fifty years after Kristallnacht, we must vow never to be silent, because from their final resting place, the 6 million call upon us never to forget.

And from our earthly abode, we have but one response:

Never again.

Ms. PELOSI. Mr. Speaker, November 9, 1988, will mark the 50th anniversary of Kristallnacht, the "Night of Broken Glass."

On that night gangs of Nazis engaged in an orgy of violence against the Jews of Germany and Austria. In one night of madness, close to 100 Jews were killed, 7,500 Jewish businesses were demolished and 275 synagogues were torched by roving bands of thugs. Countless numbers of Jews were beaten, robbed and brutalized. The Gestapo arrested 30,000 Jews throughout Germany and sent them to concentration camps.

Kristallnacht was the prelude to the Holocaust, the virtual destruction of European Jewry. However, it is significant for another reason. The Holocaust was executed by ordinary men who looked upon it as a job, a duty to perform for their country. Hannah Arendt termed this "the banality of evil." Kristallnacht represented the unleashing of the compressed hatred of a nation whipped into a frenzy by the exhortations of a Fascist dictator.

Mr. Speaker, although five decades have passed since the lives of Germany's Jews were shattered in the streets of the Third Reich, we are obligated to remember this seminal event and the horror that followed it. We must never forget.

Mr. SCHEUER. Mr. Speaker, I would like to take this opportunity to thank my colleagues for cosponsoring this special order.

November 9, 1938, is a tragic date in the course of human history. The Nazis called it Kristallnacht—the Night of Broken Glass; a term deliberately used to mock and demean the Jews.

In 15 hours, over 100 synagogues were burned down, 76 were demolished, and bands of Nazis systematically destroyed 7,500 Jewish-owned stores. In almost every Jewish neighborhood, bonfires were lit, and on to these were thrown the most sacred volumes of Jewish literature. Glass from the store fronts was smashed, and littered the city streets.

The Nazis did not stop at the desecration and destruction of Jewish property. Nazi agents murdered 91 Jews including rabbis, old people and orphans. In addition, over 30,000 Jews were arrested and sent to concentration camps.

Kristallnacht was just a foreshadow of the nightmare to come—the Holocaust. As we approach the 50th anniversary of this appalling event, we remember those who were persecuted at the hands of the Nazis while many observers remained silent to their plight.

In the words of Martin Niemoeller:

> In Germany they came for the Communists, and I did not speak out because I was not a Communist.
>
> Then they came for the Jews, and I did not speak out because I was not a Jew.
>
> Then they came for me, but by then there was no one left to speak out.

It is essential that we remember the tragedy of the Holocaust so that we will not hesitate for a moment to help those who suffer today because of their religious or political beliefs.

Mr. HORTON. Mr. Speaker, I want to thank the gentleman from New York, Mr. GREEN for holding this special order to commemorate the 50th anniversary of "Kristallnacht". This special order gives us the opportunity to remember a night that is only surpassed in its horror by the events which it foreshadowed.

On November 9, 1938, the so-called "Kristallnacht" or "Night of the Broken Glass," Nazi followers of Adolph Hitler went on a rampage and killed nearly 100 Jews throughout Germany and Austria and destroyed much of the property owned by these and other Jews. Some 150,000 Jews fled Germany and 6,000 left Austria after the events of this night.

Kristallnacht proved to be a precursor to the Holocaust. Speaking before the German Parliament, Adolph Hitler soon thereafter threatened the destruction of the European Jewish population should there be war.

Despite wide coverage in the world media of the events of November 9 and 10, world governments were slow in reacting to the news. Even after President Roosevelt expressed shock at reports of the violent attacks and recalled the U.S. Ambassador to Germany, the U.S. Department of State itself did not see fit to ease immigration laws to permit more German Jews into this country. Let us use this occasion to recommit ourselves to maintaining a compassionate immigration policy which is flexible enough to assist all persons undergoing persecution.

We must not forget the words of noted theologian Martin Neimoller who lamented that, "In Germany, the Nazis first came for the Communists and I didn't speak up because I was not a Communists. Then they came for the Jews, and I did not speak up because I was not a Jew. they they came for the Trade Unionists, and I didn't speak up because I wasn't a Trade Unionist. Then they came for the Catholics and I was a Protestant so I didn't speak up. Then they came for me . . . by that time there was no one to speak up for anyone." Mr. Speaker, by holding this special order on the 50th anniversary of "Kristallnacht", we are making a statement that, henceforth, we will not forget and we will speak up.

Mr. HOYER. Mr. Speaker, today we remember a most solemn day laden with bitterness and unbearable memories as we in this body commemorate the 50th anniversary of Kristallnacht, or "Night of the Broken Glass." During the night of November 9, 1938, troops from the German Third Reich fanned out in the Jewish communities of Austria and Germany where they axed windows, wrecked homes, ravaged merchandise, and demolished and torched synagogues, leaving a path of crushed glass and debris in their path. When the terror ended a few days later, it had been reported that more than 100 Jews were dead, 7,500 Jewish businesses had been destroyed, 275 synagogues had been razed or burned; and 30,000 Jewish men had received their death warrants by being sent to the German concentration camps of Dachau, Sachsenhausen, and Buchenwald.

While Kristallnacht was met with condemnation from the world community, it did not halt the near extermination of a people thereafter. Mr. Speaker, I am talking of the Holocaust. A Holocaust that ravaged the soul of a people, extinguished nearly all hope and trampled upon their dignity. A people's very survival hung in a precarious balance. The magnitude of this tragedy is without equal in history, but as we have seen in history, its poignancy and its underlying causes are not without parallel.

Today we see those parallels in Brooklyn, NY, where two boys broke into a synagogue, set fire to five Torahs and painted more than a dozen swastikas on the walls and ceilings throughout. Or we see similar acts of vandalism against synagogues in Montgomery County and cross burnings in Prince George's County, MD. Or we hear of the rise of the anti-Semitic group Pamyat in the Soviet Union, whose members call for "death to the Jews" as they vandalize Jewish cemeteries and openly vent their anti-Semitic policy.

But unlike the early days of the Holocaust, when the cries of the desperate went unheeded, today we remember. We remember not only the victims of Kristallnacht and the Holocaust, but we remember and we speak out today about the new threats against our citizenry. Today we pay homage to those men and women who perished during Kristallnacht and the Holocaust and thus reaffirm our commitment to the sanctity of life, the value of freedom and our human rights obligations.

Mr. TRAFICANT. Mr. Speaker, I would like to take a few moments in order to recognize the Jews of Austria and Germany who, almost 50 years ago on November 9, 1938, endured a night of terror known as "Kristallnacht," the Night of the Broken Glass.

Not only was glass broken that night, but also the lives of hundreds of Jews who were massacred by Nazi agents. Homes, businesses and synagogues were ransacked and demolished and thousands of people were dragged away to German concentration camps. Newspapers in the United States recorded the disaster in headlines, but no action was taken to stem the oncoming tide of obliteration. Indeed, Kristallnacht marked only the beginning of future disaster, a disaster which resulted in the killing of 6 million Jews and numerous others.

And the Holocaust still exists today. It exists in the memories of those who suffered and lived to tell the story, and it exists for those people who preach the inexistence of the Holocaust. I am talking about the racists who preach the inequity of Jews, blacks, and other non-Aryans, yet they refuse to acknowledge the most gruesome event in world history.

While we are all aware of the tragedies of World War II and shudder at the memories, it is crucial that we take time to recognize events such as Kristallnacht. We must continue to speak out against the horror of the Holocaust and always keep in mind those whose lives were taken. The chronicles of the Holocaust cannot stand alone; the leaders of this country must emphasize how such a tragedy can never occur again in any nation and to any group of people.

I would like to thank my colleagues who are also members of the U.S. Holocaust Memorial Council and have devoted efforts to this cause. I look forward to working with them, as well as the rest of the House, as we approach the 101st Congress.

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WHERE WAS GEORGE BUSH? BUSH'S ROLE IN NORIEGA AND THE WAR ON DRUGS

The SPEAKER pro tempore (Mr. Kildee). Under a previous order of the House, the gentleman from Michigan [Mr. Bonior] is recognized for 60 minutes.

KRISTALLNACHT

Mr. BONIOR. Mr. Speaker, before the gentleman from New York leaves the floor, let me commend him and my colleagues from New York, Mr. Green and Mr. Gilman, for their special order tonight. I just want them to know, as a student of European German history in my youth, one of the things that I remember most was the study of Kristallnacht and what eventually occurred after that throughout Europe. It was with great sadness that I read just the other day, last week, of attacks on synagogues throughout this country, and I want to commend my colleagues for raising this important anniversary to remind Americans and people throughout the world of the terrible things that can befall man when we do not remember our pasts, and I pay that tribute.

Mr. GREEN. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from New York.

Mr. GREEN. Mr. Speaker, I just want to thank the gentleman for his remarks and for joining in our expressions of concern.

Mr. BONIOR. Mr. Speaker, in the debate between George Bush and Mike Dukakis we heard a lot of talk about leadership.

But there is one candidate who talks leadership and one who demonstrates it.

George Bush likes to talk about leadership, but when the tough arguments needed to be made against trading arms with the Ayatollah or for standing up to drug-running Panamanian dictator Manuel Noriega, George Bush was nowhere to be found.

Mike Dukakis has made tough decisions as Governor, and he'll be able to make them as President.

Tonight we want to talk about George Bush's lack of leadership in the war on drugs.

Under George Bush's watch, Noreiga laundered drug money.

I'd like to take a few minutes tonight to remind the American people of just who Manuel Antonio Noreiga is.

Manuel Antonio Noriega made millions of selling drugs to this Nation's youth. Though his official monthly salary is about $2,000, he has managed to buy at least four residences—one worth at least $600,000. Like a parasite, Noriega feeds off our young people's drug addiction—while they die in the streets.

Manuel Antonio Noriega has made his entire country—its businesses, its miliary, its airstrips—available to Colombian drug smugglers shipping cocaine to the United States. Noriega permitted 4,400 pounds of cocaine to be shipped through Panama to the United States between 1981 and 1986. He has sold Panama to the highest bidder—whether it was the Colombian drug cartel, Cuba, or the CIA.

Manuel Antonio Noriega has crushed his internal opposition. In 1985 Hugo Spadafora, a prominent critic, was detained by soldiers and later decapitated by one of Noriega's military cronies. When President Nicolas Ardito-Barletta, a U.S.-backed civilian, insisted on investigating the murder, Noriega threatened his family and forced him to resign.

Manuel Antonio Noriega, after expanding his army from 10,000 to 16,000 in 4 years with U.S. military aid, now thumbs his nose at the United States. He brandishes his sword in the air and taunts the U.S. to come after him. Like the Ayatollah in Iran, he threatens to use our own weapons, given as an ally, against us.

Where was GEORGE BUSH when all this was going on? He was there and he did nothing.

He says he didn't know Noriega was involved in drugs until Noriega was indicted in Florida in February 1988.

Yet as early as 1972, the U.S. Government had intelligence information that Noriega was involved with drug trafficers, according to Justice Department files.

Reports about these 1972 allegations have been reported in several newspapers, including a front-page headline in the Miami Herald on August 3, 1984, entitled, "Scandals Hint a Panama Role in Drug Trade."

How can the Vice President say he didn't know anything about Noriega when the American people could read the evidence against him in their own newspapers?

Bush claims he didn't know what Noriega was up to even though he was CIA Director in 1976, headed the National Narcotics Border Interdiction Service from 1982 onward, and, according to his staff, sat in on "face-to-face" CIA briefings on Noriega's money laundering as long as 5 years ago.

In recent years intelligence materials circulated to top U.S. officials contained ample evidence about Noriega's link to drugs.

In testimony before the Senate, Norman Bailey, a former National Security Council aide, said references to meetings Noriega held with major Latin American drug traffickers appeared in 1983 and in 1985 in a daily summary of top secret U.S. intelligence known as the "NID," or National Intelligence Daily.

Bailey said:

> Available to me as an officer of the NSC and available to any authorized official of the U.S. Government, is a plethora of human intelligence, electronic intercepts, and satellite and overflight photography that taken together, constitute not just a smoking gun, but rather a 21-cannon barrage of evidence.

Bailey said the information was overlooked because Noriega was a "triple agent," working simultaneously for the CIA, for Cuba, and for the Sandinista government in Nicaragua.

Well, whoever Noriega was working for, it's clear he wasn't working in the best interests of the United States.

Noriega has been a paid CIA asset since the late 1960's including the period when Bush served as CIA Director.

According to a report in the Miami Herald on February 7, Noriega and former CIA Director William Casey conferred frequently both in Panama and in Washington, DC. According to a U.S. intelligence adviser, Casey was Noriega's virtual case officer," an intelligence term used to describe the control officer of a foreign agent.

Not only was Noriega up to his eyeballs in drugs, he also helped aid the Contras at a time when the U.S. Government was forbidden to assist them. In fact, it was the Contras who kept Noriega out of harm's way.

Francis McNeil, former Deputy Assistant Secretary of State of Intelligence and Research, testified before a Senate committee in April 1988 that high-ranking U.S. officials deliberately overlooked the drug connection because they wanted Noriega's help in aiding the Contras. "A decision was made to put Noriega on the shelf until Nicaragua was settled," McNeil said.

According to McNeil, Noriega met with CIA Director Casey on November 1, 1985. A Casey memo on the session "made clear that he let Noriega off the hook" on drugs. Noriega felt "if he could keep us happy on Nicaragua, he could do as he pleased," McNeil said.

Even the Drug Enforcement Agency had a close working relationship with Noriega. According to a February 7, 1988, article in the New York Times, DEA law enforcement officials said that the general was a valuable source of information on drug trafficking in the region for years and that his tips led to the seizure of major drug shipments.

That's hardly surprising given Noriega's own involvement in such shipments.

But Noriega's cozy relationship with the Reagan-Bush administration began to sour in 1985 with the assassination of Sapadafora. Only then did 13 years of evidence against Noriega begin to make a difference over at the White House.

When confronted with the overwhelming evidence against Noriega, all BUSH could say in defense of his administration's dealings was that sometimes policymakers had to work with "less than savory characters" who "don't pass the Sunday-school muster."

In fact, the overwhelming evidence suggests BUSH did know about Noriega's drug trafficking, but like the rest of the Reagan administration ignored it.

Daniel Murphy, former chief of staff to GEORGE BUSH, testified before a Senate subcommittee that Bush was apprised in "face-to-face" CIA briefings as long as 5 years ago that Noriega was suspected of laundering drug money.

In late 1985 BUSH ignored pleas for help from former Panamanian President Ardito Barletta after he was deposed by Noriega. Barletta was unable even to get an appointment with BUSH when he came to Washington. And he only received a "cursory" two-paragraph response to his letter to BUSH citing concern about the Panamanian military's growing power.

Just a short time later, on December 16, 1985, BUSH met with Edward Briggs, then U.S. Ambassador to Panama. According to a memorandum prepared by BUSH's staff for that meeting, "Of particular interest will be: political developments following the resignation of President Barletta—drug interdiction."

When information about this meeting was revealed, suggesting BUSH might have known about Noriega earlier than he had said, BUSH ran for political cover.

Craig Fuller, BUSH's chief of staff, backed off earlier claims that BUSH had no awareness of Noriega's activities, instead claiming that what the Vice President lacked was certain evidence.

In fact, the evidence was so overwhelming against Noriega that, 6 days before the meeting between Briggs and BUSH, John Poindexter, then the national security adviser, went to Panama and sharply warned Noriega about the country's official drug corruption. BUSH's staff denied any knowledge of the trip, even though the Vice President is one of four statutory members of the National Security Council.

The fact remains that with Noriega, as in the Iran-Contra affair, BUSH has run for political cover. He has changed his story to fit the prevailing facts.

That's not leadership, Mr. Vice President. That's not standing up and admitting you made a mistake when you know you were wrong.

In one of the more bizarre twists in the BUSH-Noriega story, top advisers to GEORGE BUSH have advised Noriega on how to improve his image in the United States. Stuart Spencer, campaign director for Quayle, was paid $350,000 by Noriega between 1985 and 1986 to advise Noriega, and to lobby Congress and the administration on his behalf.

Even more significantly, Daniel Murphy, BUSH's former chief of staff for more than a decade, traveled to Panama in November 1987 to discuss improving Noriega's image in the United States.

Noriega interpreted his meeting with Murphy as a channel to BUSH and the administration—an interpretation the State Department had to quash. The question still remains: Did BUSH know about this trip and what role, if any, did Murphy play as a negotiator between GEORGE BUSH and Noriega?

In addition to the clear conflict-of-interest problems raised by such a meeting, you have to wonder how GEORGE BUSH didn't know what Noriega was up to at a time when his former chief of staff was meeting with Noriega to help improve his image.

Where was GEORGE BUSH?

As Vice President, GEORGE BUSH was charged with leading the Nation's war on drugs, and he failed.

The Reagan-Bush administration has called on Americans to "just say 'no'" to drugs, but it was unable to say "no" to Noriega.

GEORGE BUSH had access to the most sensitive intelligence in the land, but he ignored the overwhelming evidence against Noriega. In fact, key Bush advisers have advised Noriega on how to improve his image in the United States.

GEORGE BUSH has failed to stop the flow of drugs coming into this country even though he was head of the National Narcotics Border Interdiction Service from 1982 onward. Under his watch, the quantity of cocaine entering this country has tripled since 1982 according to the House Select Committee on Narcotics.

GEORGE BUSH has failed to reduce dependence on drugs and to effectively educate the American public against their use. Under his watch, the number of cocaine-related deaths doubled between 1984 and 1986 alone according to the administration's own figures.

And perhaps most importantly, GEORGE BUSH has failed to set an example by cracking down on drug-running dictators like Panamanian strongman Manuel Noriega.

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I would submit to my colleagues this evening that that is not a record of leadership. I can think of three specific foreign policy responsibilities that GEORGE BUSH has been given in these 8 years. We talked about one tonight and I think the record speaks for itself.

A week ago I talked about his role in the Iran-Contra arms sale when he, against the advice of Secretary Shultz, against the advice of Cap Weinberger, stood solid with Poindexter in recommending selling arms for hostages while he was the head of a United States task force to combat terrorism.

That is two strikes, Mr. Vice President.

The third strike was when you visited the Philippines and hailed President Marcos as a Democrat and hailed his Democratic actions.

I think it important that the American people focus in on the judgments that the Vice President has made in these three important areas over his service to this country. We need to look at the whole record. GEORGE BUSH obviously has done some very good things for his country. But when the pressure was on and he had to make a tough decision, he failed. And I do not think that is what the American people are looking for in their next President.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. CALLAHAN (at the request of Mr. MICHEL) from 1 p.m. today through Wednesday, September 28 on account of a death in the family.

Mr. YOUNG of Florida (at the request of Mr. MICHEL) after 4:45 today on account of a family medical emergency.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. WALKER) to revise and extend their remarks and include extraneous material:)

Mr. CONTE, for 60 minutes, on October 3 and 4.

Mr. MCEWEN, for 5 minutes, on September 27.

Mr. BURTON of Indiana, for 60 minutes, today.

Mr. HUNTER, for 60 minutes, today.

Mr. PORTER, for 5 minutes, today.

Mr. GINGRICH, for 5 minutes, today.

Mr. GINGRICH, for 60 minutes, September 28 and 30.

Mr. WALKER, for 5 minutes, today.

Mr. LIVINGSTON, for 5 minutes, today.

Mr. PACKARD, for 5 minutes, today.

(The following Members (at the request of Mr. DYMALLY) to revise and extend their remarks and include extraneous material:)

Mr. STARK, for 5 minutes, today.

Mr. MFUME, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 60 minutes, on October 3, 6, and 7.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. WALKER) and to include extraneous matter:)

Mr. CRANE.
Mr. JEFFORDS.
Mr. FRENZEL.
Mr. LUJAN.
Mr. SOLOMON.
Mr. HORTON.
Mrs. ROUKEMA.
Mr. GUNDERSON.
Mr. LENT in two instances.
Mr. WHITTAKER in two instances.
Mr. SENSENBRENNER.
Mr. BARTLETT.
Mr. SCHUETTE.

(The following Members (at the request of Mr. DYMALLY) and to include extraneous matter:)

Mr. KANJORSKI.
Mr. DYMALLY.
Mr. NATCHER.
Mr. COLEMAN of Texas.
Mr. ROE.
Mrs. SCHROEDER.
Mr. FASCELL in two instances.
Mr. GARCIA.
Mr. MINETA.
Mr. KENNEDY in two instances.
Mr. CLAY.
Mr. LELAND.
Mr. DORGAN of North Dakota in two instances.
Mr. MATSUI.
Ms. PELOSI.
Mr. MAZZOLI.
Mr. WAXMAN.
Mr. ATKINS.
Mr. GUARINI.
Mr. JOHNSON of South Dakota.
Mr. MARKEY.
Mr. TALLON.
Mr. FROST.
Mr. AUCOIN
Mr. ECKART.

SENATE BILLS AND JOINT RESOLUTION REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1626. An act to keep secure the rights of intellectual property licensors and licensees which come under the protection of title 11 of the United States Code, the bankruptcy code; to the Committee on the Judiciary.

S. 2653. An act to establish a National Commission on the Thrift Industry; to the Committee on Banking, Finance and Urban Affairs.

S.J. Res. 369. Joint resolution to designate the period of September 17 through October 10, 1988, as "Coastweeks '88"; to the Committee on Post Office and Civil Service.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 2884. An act to assure uniformity in the exercise of regulatory jurisdiction pertaining to the transportation of natural gas and to clarify that the local transportation of natural gas by a distribution company is a matter within State jurisdiction and subject to regulation by State commissions, and for other purposes; and

H.J. Res. 580. Joint resolution to designate the month of September 1988 as "National Sewing Month".

ADJOURNMENT

Mr. BONIOR. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 23 minutes p.m.), the House adjourned until tomorrow, Wednesday, September 28, 1988, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table referred as follows:

4384. A letter from the President, Federal Home Loan Mortgage Corporation, transmitting a copy of the annual report of the Corporation's compliance with the Government in the Sunshine Act for 1987, pursuant to 5 U.S.C. 552b(j), to the Committee on Government Operations.

4385. A letter from the Deputy Associate Director for Collection and Disbursements, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affair.

4386. A letter from the Deputy Associate Director for Collection and Disbursements, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

4387. A letter from the Deputy Associate Director for Collection and Disbursements, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b), to the Committee on Interior and Insular Affairs.

4388. A letter from the Special Counsel, U.S. Merit Systems Protection Board, transmitting the findings and conclusions of the investigation by the Acting Administrator of the General Services Administration into allegations of violations of law and regulation in the use of deceptive practices by contractors and prospective contractors and the alleged failure of GSA management to take appropriate action in regard to these practices, pursuant to 5 U.S.C. 1206(b)(5)(A); to the Committee on Post Office and Civil Service.

4389. A letter from the Director, Office of Management and Budget, transmitting at the President's direction, the revised version of his draft of proposed legislation to ensure the proper budgetary treatment of credit transactions of Federal agencies and to improve management of Federal credit programs, the original of which was contained in Presidential Message 29, March 16, 1987; jointly, to the Committees on Banking, Finance and Urban Affairs, Education and Labor, Energy and Commerce, Government Operations, Rules, and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DINGELL: Committee on Energy and Commerce. H.R. 5094. A bill to strengthen the competitiveness and protect the safety and soundness of depository institutions, to provide additional benefits to and protections for consumers of financial services, to strengthen the enforcement authority of depository institutions regulatory agencies, and for other purposes; with amendments (Rept. 100-822, Pt. 2). Ordered to be printed.

Mr. RODINO: Committee on the Judiciary. H.R. 5094. A bill to strengthen the competitiveness and protect the safety and soundness of depository institutions, to provide additional benefits to and protections for consumers of financial services, to strengthen the enforcement authority of depository institutions regulatory agencies, and for other purposes; with amendments (Rept. 100-822, Pt. 3). Referred to the Committee of the Whole House on the State of the Union.

Mr. MOAKLEY: Committee on Rules. House Resolution 548. Resolution waiving certain points of order against certain conference reports on general appropriation bills for fiscal year 1989, and providing for the consideration of a joint resolution, and for other purposes; (Rept. 100-984). Referred to the House Calendar.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. HAWKINS. Committee on Education and Labor. H.R. 3660. A bill to provide for a Federal program for the improvement of child care, and for other purposes; with an amendment; referred to the Committee on Ways and Means for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(v), rule X (Rept. 100-985, Pt. 1). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARTLETT (for himself and Mr. Matsui):

H.R. 5391. A bill to amend title XVI of the Social Security Act to allow recipients of supplemental security income benefits to receive certain contributions without affecting their eligibility for such benefits, and for other purposes; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. BILBRAY (for himself and Mrs. Vucanovich):

H.R. 5392. A bill to provide for the transfer of a certain parcel of land located in Clark County, NV; to the Committee on Interior and Insular Affairs.

By Mr. STARK:

H.R. 5393. A bill to amend title XVIII of the Social Security Act to provide for coverage of long-term care, including nursing facility services, long-term home health care, and adult day care, under the Medicare Program, and for other purposes; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. DURBIN (for himself, Mr. Stark, Mr. Waxman, and Mr. Whittaker).

H.R. 5394. A bill to amend title XI of the Social Security Act to require hospitals participating in the Medicare or Medicaid Programs to implement no-smoking policies in order to remain eligible to participate in such programs, jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. FLIPPO (for himself and Mr. Nichols):

H.R. 5395. A bill to designate the Sipsey River as a component of the National Wild and Scenic Rivers System, to designate certain areas as additions to the Sipsey Wilderness, to designate certain areas as addditions to the Cheaha Wilderness, and to preserve over 30,000 acres of pristine natural treasures in the Bankhead National Forest for the aesthetic and recreational benefit of future generations of Alabamians, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Agriculture.

By Mr. HUNTER:

H.R. 5396. A bill to amend the Export Administration Act of 1979 to impose sanctions against firms involved in the transfer of chemical agents or their related production equipment or technical assistance to Iran, Iraq, Libya, and Syria, and for other purposes; jointly, to the Committtees on Foreign Affairs, Government Operations, and Ways and Means.

By Mr. JEFFORDS:

H.R. 5397. A bill to amend the Internal Revenue Code of 1986 to increase the amount of the credit for expenses with respect to child care for dependent children, to make such credit refundable, and for other purposes; to the Committee on Ways and Means.

By Mrs. LLOYD:

H.R. 5398. A bill to amend title XVIII of the Social Security Act and the Internal Revenue Code of 1986 to limit application of the benefits and premiums of the Medicare Catastrophic Coverage Act of 1988 to those voluntarily enrolled in part B of the Medicare Program; to the Committee on Ways and Means.

By Mr. MINETA:

H.R. 5399. A bill to amend the Federal Aviation Act of 1958 to provide for the establishment of limitations on the duty time for flight attendants; to the Committee on Public Works and Transportation.

By Mr. MURPHY:

H.R. 5400. A bill to regulate the disposal of certain medical equipment and for other purposes; to the Committee on Energy and Commerce.

H.R. 5401. A bill to provide for the establishment and operation of a national lottery to reduce the Federal deficit and to establish and finance a national competitive scholarship system and a program to provide merit pay bonuses to elementary and secondary teachers; jointly, to the Committees on Ways and Means, Education and Labor, and the Judiciary.

By Mr. ROTH (for himself and Mr. Petri):

H.R. 5402. A bill to repeal the minimum adjustments to prices of fluid milk under Federal marketing orders and to require the Secretary of Agriculture to submit a proposal to establish basing points in various geographical areas of the United States for purposes of determining prices to be paid to milk producers under such orders: to the Committee on Agriculture.

By Mr. SLATTERY:

H.R. 5403. A bill to amend title V of the Agricultural Act of 1949 with respect to the procedure for establishing farm program payment yields; to the Committee on Agriculture.

H.R. 5404. A bill to amend title V of the Agricultural Act of 1949 to allow producers to rotate program crop acreage bases to substitute crops; to the Committee on Agriculture.

By Mr. VOLKMER:

H.R. 5405. A bill to amend the Omnibus Trade and Competitiveness Act of 1988 to repeal certain requirements for the implementation of the metric system of measurements; to the Committe on Science, Space, and Technology.

By Mr. FLORIO (for himself and Mr. Conyers):

H. Con. Res. 375. Concurrent resolution to condemn the export of hazardous waste by the United States to foreign nations; jointly, to the Committees on Foreign Affairs and Energy and Commerce.

By Mr. JONES of North Carolina (for himself, Mr. Ackerman, Mr. Anderson, Mr. AuCoin, Mr. Badham, Mr. Bateman, Mr. Bennett, Mr. Boehlert, Mrs. Boggs, Mr. Borski, Mr. Bosco, Mrs. Boxer, Mr. Brennan, Mr. Callahan, Mr. Clarke, Mr. Davis of Michigan, Mr. DeFazio, Mr. Dellums, Mr. DioGuardi, Mr. Dyson, Mr. Fascell, Mr. Fields, Mr. Foglietta, Mr. Gaydos, Mr. Gilman, Mr. Gordon, Mr. Grant, Mr. Gray of Illinois, Mr. Hayes of Louisiana, Mr. Hefner, Mr. Herger, Mr. Hochbrueckner, Mr. Hubbard, Mr. Hutto, Mr. Kolter, Mr. Lent, Mr. Lewis of Florida, Mr. Lipinski, Mrs. Lloyd, Mr. Lowry of Washington, Mr. Manton, Mr. McCloskey, Mr. Moakley, Mr. Murphy, Mr. Nichols, Ms. Oakar, Mr. Obey, Mr. Ortiz, Ms. Pelosi, Mr. Pickett, Mr. Quillen, Mr. Rose, Mrs. Saiki, Miss Schneider, Mr. Shumway, Mr. Skaggs, Mr. Smith of New Jersey, Mr. Solomon, Mr. Staggers, Mr. Sweeney, Mr. Swift, Mr. Tallon, Mr. Tauzin, Mr. Traficant, Mr. Weldon, Mr. Wheat, Mr. Wilson, and Mr. Wise):

H. Con. Res. 376. Concurrent resolution to express strong support for the cabotage laws protecting the coastwise trade to vessels of American construction, crewing, and documentation, as well as other maritime promotional programs, and to urge the administration in the strongest possible terms that the opening of maritime transportation services not be proposed by the United States at the General Agreement on Tariffs and Trade [GATT] talks, and that the United States reject any such proposal by a foreign nation; jointly, to the Committees on Merchant Marine and Fisheries and Ways and Means.

By Mr. PEPPER:

H. Res. 549. Resolution to provide for a Second World Assembly on Aging; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII,

470. The SPEAKER presented a memorial of the Legislature of the State of California, relative to aviation; which was referred to the Committee on Public Works and Transportation.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. MOODY introduced a bill (H.R. 5406) for the relief of the vessel *Foxy Lady III* which was referred to the Committee on Merchant Marine and Fisheries.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

[Omitted from the Record of Monday, Sept. 26, 1988]

H.J. Res. 613: Mr. Burton of Indiana, Mr. Stratton, Mr. Early, Ms. Pelosi, Mr. Wolpe, Mr. Ballenger, Ms. Snowe, Mr. Alexander, Mr. Bilbray, Mr. Broomfield, Mr. Brown of Colorado, Mr. Bruce, Mr. Buechner, Mr. Wise, Mr. Weber, Mr. Whittaker, Mr. Carper, Mr. Cheney, Mr. Coats, Mr. Coble, Mr. Coughlin, Mr. Tauzin, Mr. Thomas of Georgia, Mr. de la Garza, Mr. Edwards of Oklahoma, Mr. Stump, Mr. Spence, Mrs. Smith of Nebraska, Mr. Robert F. Smith, Mr. Skeen, Mr. Shumway, Mr. Schuette, Mr. Saxton, Mrs. Saiki, Mr. Feighan, Mr. Flippo, Mr. Frank, Mr. Gingrich, Mr. Gonzalez, Mr. Grandy, Mr. Rhodes, Mr. Hastert, Mr. Hayes of Illinois, Mr. Hefley, Mr. Hochbrueckner, Mr. Hopkins, Mr. Houghton, Mr. Hunter, Mr. Porter, Mr. Inhofe, Mr. Oxley, Mr. Obey, Mr. Johnson of South Dakota, Mr. Jones of Tennessee, Mrs. Morella, Mr. Moorhead, Mr. Montgomery, Mr. McCrery, Mr. McCollum, Mr. Kastenmeier, Mr. Kemp, Mr. Lewis of California, Mr. Lightfoot, Mr. Lewis of Florida, Mr. Lent, Mr. Latta, Mr. Huckaby, Mr. Roth, and Mr. AuCoin.

[Submitted Sept. 27, 1988]

H.R. 1028: Mr. Durbin, Mr. Torres, Mr. Lowry of Washington, Mr. Costello, Mr. Richardson, Mr. Flake, Mr. Nagle, Mr. Glickman, Mr. AuCoin, Mr. Clay, Mr. Kanjorski, Mr. Mrazek, and Ms. Pelosi.

H.R. 1512: Mr. Lowry of Washington.

H.R. 2148: Mr. Boulter.

H.R. 2546: Mr. Wise and Mr. Derrick.

H.R. 2925: Mr. Torricelli.

H.R. 3010: Mr. Saxton and Mr. Borski.

H.R. 3174: Mr. Wolpe.

H.R. 3454: Mr. Costello.

H.R. 4017: Mr. Coats.

H.R. 4142: Mr. Hefley.

H.R. 4277: Mr. Bilirakis and Mr. Sikorski.

H.R. 4576: Ms. Kaptur.

H.R. 4635: Mr. Hiler.

H.R. 4695: Ms. Pelosi, Mr. Roybal, Mr. Fazio, Mr. Stark, Mr. Berman, and Mr. Hawkins.

H.R. 4738: Mr. Bonker, Mr. Atkins, Mr. Garcia, and Miss Schneider.

H.R. 4992: Mr. Rhodes, Mr. Coleman of Texas, Mr. Udall, Mr. Gray of Illinois, Mr. Slattery, Mr. Dowdy of Mississippi, Mr. Solarz, and Mr. Sikorski.

H.R. 5000: Mr. Edwards of California, Mr. Kennedy, and Mr. Neal.

H.R. 5009: Mr. Bryant and Mr. Weiss.

H.R. 5186: Mr. Weiss and Mr. Rowland of Georgia.

H.R. 5214: Mr. Fazio.

H.R. 5278: Mr. Buechner, Mr. Manton, and Mr. Rodino.

H.R. 5285: Mr. Lujan.

H.R. 5288: Mr. Fawell.

H.R. 5302: Mr. Schuette.

H.R. 5311: Mr. Roe, Mr. Atkins, Mrs. Boxer, Mr. Torres, Mr. Fascell, Mr. Wheat, Mr. Smith of Florida, Ms. Pelosi, and Mr. Oberstar.

H.R. 5338: Mr. Bryant, Mr. Davis of Illinois, Mr. Feighan, Mr. Grant, Ms. Kaptur, and Mr. Martinez.

H.R. 5375: Mr. Dannemeyer and Mr. Shumway.

H.R. 5376: Mr. Watkins, Mr. Durbin, Mr. Bruce, Mr. Schuette, Mr. Robert F. Smith, Mr. Stenholm, Mr. Combest, Mr. Gunderson, Mr. Craig, Mr. Traxler, Mr. Myers of Indiana, and Mr. Stallings.

H.J. Res. 438: Mr. Nagle, Mr. Dannemeyer, Mr. Tauke, Mr. Hall of Ohio, Mr. Hopkins, Mr. Stratton, Mr. Green, Mr. Gordon, Mr. Obey, Mr. Aspin, Mr. Vander Jagt, Mr. Hutto, Mr. Tauzin, Mr. Kemp, Mrs. Byron, Mr. Early, Mr. Burton of Indiana, and Mr. Oberstar.

H.J. Res 515: Mr. Applegate, Mr. Green, Mr. Sabo, Mr. Kennedy, Mr. Gordon, Mr. Schuette, Mr. Cardin, Mr. Hastert, Mr. Flake, Mr. DeWine, Mrs. Meyers of Kansas, Mr. Bliley, Mr. Gradison, Mr. Martin of New York, Mr. Anthony, Mr. Dowdy of Mississippi, Mr. Leland, Mr. Lewis of Florida, Mr. Scheuer, Mr. Markey, Mr. Davis of Michigan, Mr. Dorgan of North Dakota, Mr. Hunter, Mr. Owens of New York, Mr. McHugh, Mr. Lewis of California, Mr. Jones of North Carolina, Mr. Murphy, Mr. Hammerschmidt, Mr. Feighan, Mr. Goodling, Mr. Wilson, Mr. Chappell, Mr. Saxton, Mr. St Germain, Mr. Shaw, Mr. Mfume, Mr. Ford of Tennessee, Mr. Martinez, Mr. Kanjorski, Mr. Clinger, Mr. Mavroules, Mr. Evans, Mr. Roybal, Mr. Denny Smith, Mr. Leach of Iowa, Ms. Oakar, Mr. Pashayan, Mr. Conyers, Mr. Carper, Mr. Hyde, Mr. Dymally, Mr. Skelton, Mr. Stark, Mr. Boulter, Mr. Tallon, Mr. Wolpe, Mr. Wyden, Mr. Waxman, Mr. Ritter, Mr. Berman, Mr. Bryant, Mr. MacKay, Mr. Torricelli, Mr. Davis of Illinois, Mrs. Saiki, Mr. Savage, Mr. Robinson, Mr. Dellums, Mr. Atkins, Mr. Archer, Mr. Sisisky, Mr. Bosco, and Mr. Akaka.

H.J. Res. 537: Mr. Dreier of California.

H.J. Res. 557: Mr. Clarke, Mr. Bartlett, Mrs. Bentley, Mr. Jontz, Mr. Mack, Mrs. Fish, Mr. Craig, Mr. Dornan of California, Mr. Stallings, Mr. Rodino, Mr. Lowery of California, Mr. Petri, Mr. Packard, Mr. Levin of Michigan, Mr. Gregg, Mr. Dixon, Mr. Burton of Indiana, Mr. Martinez, Mr. Kleczka, and Mr. Costello.

H.J. Res. 570: Mr. Annunzio, Mr. De Lugo, Mr. Derrick, Mr. Fascell, Mr. Fuster, Mr. Gilman, Mr. Hayes of Illinois, Mr. Jenkins, Mr. Kastenmeier, Mr. Levine of California, Mr. Lowery of California, Mr. McHugh, Mr. Morrison of Connecticut, Mr. Perkins, Mr. Porter, Mr. Skelton, Mr. Stallings, Mr. Towns, Mr. Wilson, and Mr. Wise.

H.J. Res. 571: Mr. Vento, Mr. Wolpe, and Mr. Shaw.

H.J. Res. 573: Mr. Schaefer, Mr. Hefley, and Mr. Flake.

H.J. Res. 604: Mr. Annunzio, Mr. Martinez, Ms. Kaptur, Mr. Chappell, and Mr. LaFalce.

H.J. Res. 613: Mr. Michel, Mr. Ridge, Mr. Sundquist, Mr. Daub, Mr. Kolbe, Mr. Hamilton, Mr. Gallo, Mr. Livingston, Mr.

Moakley, Mr. Miller of Washington, Mr. McEwen, Mr. Bateman, Mr. Callahan, Mr. Craig, Mr. English, Mr. Dornan of California, Mr. DioGuardi, Mr. Derrick, Mr. DeLay, Mr. Darden, Mr. Davis of Illinois, Mr. Nielson of Utah, Mr. Olin, Mr. Packard, Mr. Petri, Mr. Yates, Mr. Traficant, Mr. Torres, Mr. Thomas of California, Mr. Taylor, Mr. Staggers, Mr. Smith of New Hampshire, and Mr. Smith of New Jersey.

H.J. Res. 649: Mr. Frenzel, Mr. Vento, Mr. Chappell, Mr. Richardson, Mr. Bryant, Mr. Lewis of Florida, Mr. Wilson, Mr. McEwen, Mr. Chapman, Mr. Bateman, Mr. Ballenger, Ms. Slaughter of New York, Mr. Murtha, Mr. Lancaster, Mr. Hansen, Mr. Bliley, Mr. Gilman, Mr. Tauzin, Mr. Spratt, Mr. Frost, Mr. Boulter, Mr. Solomon, Mr. Levin of Michigan, Mr. Evans, Mrs. Boxer, Mr. Pickle, Mr. Atkins, Mr. Smith of Florida, Mr. Hatcher, Mr. Torricelli, Mr. Gray of Illinois, Mr. Roe, and Mr. Buechner.

H.J. Res. 653: Mr. Lagomarsino, Ms. Pelosi, Mr. Martinez, Mr. Bennett, Mr. Fazio, Mr. Rodino, Mr. Levin of Michigan, Mr. Smith of Florida, Mr. Rahall, Mr. Jeffords, and Mr. Natcher.

H.J. Res. 661: Mr. Bateman, Mr. Berman, Mr. Blaz, Mrs. Boxer, Mr. Broomfield, Mr. Buechner, Mr. Cardin, Mr. Dellums, Mr. de Lugo, Mr. Donnelly, Mr. Dymally, Mr. Garcia, Mr. Gray of Illinois, Mr. Gunderson, Mr. Hochbrueckner, Mr. Inhofe, Mr. Jeffords, Mr. Kennedy, Mrs. Kennelly, Mr. Konnyu, Mr. Lent, Mr. Levine of California, Mr. Lowery of California, Mr. Owens of New York, Mr. Schumer, and Mr. Studds.

H.J. Res. 662: Mr. Traxler and Mr. Young of Florida.

H. Con. Res. 276: Mr. Glickman, Mr. Stark, Mr. Dannemeyer, Mr. Udall, Mr. Annunzio, Mr. Crockett, Mr. Darden, Mr. Sawyer, Mr. Hansen, Mr. Florio, Mr. Robert F. Smith, Mr. Vander Jagt, Mr. Parris, Mr. Shaw, Mr. Mica, Mr. Hutto, Mr. Carper, Mr. Rinaldo, and Mr. Campbell.

H. Con. Res. 365: Mr. Thomas of Georgia, Mrs. Schroeder, Mr. Grant, Mr. Wilson, Mr. Boucher, Mr. Harris, Ms. Kaptur, Mr. Hayes of Illinois, and Mr. Berman.

H. Con. Res. 371: Mr. Dorgan of North Dakota.

H. Res. 516: Mr. Lagomarsino.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 5247

By Mr. TORRICELLI:

—Page 61, after line 18, insert the following new section:

SEC. 31. DECLARATION OF NONNAVIGABILITY OF BODIES OF WATER IN RIDGEFIELD, NEW JERSEY.

The three bodies of water located at Block 4004, lots 1 and 2, in the Borough of Ridgefield, County of Bergen, New Jersey which have their mouths at the Hackensack River at 40 degrees 49 minutes 58 seconds North Latitude and 74 degrees 01 minute 46 seconds West Longitude, 40 degrees 49 minutes 46 seconds North Latitude and 74 degrees 01 minute 55 seconds west longitude, and 40 degrees 49 minutes 35 seconds North Latitude and 74 degrees 02 minutes 04 seconds West Longitude, respectively, and the body of water located at Block 4003, Lot 1, and Block 4006, Lot 1, in the Borough of Ridgefield, County of Bergen, New Jersey which has its mouth at the Hackensack River at 40 degrees 49 minutes 06 seconds North Latitude and 74 degrees 01 minute 46 seconds West Longitude, are declared to be nonnavigable waterways of the United States within the meaning of the Constitution and the laws of the United States, except for purposes of the Federal Water Pollution Control Act and section 10 of the Act of March 3, 1899 (30 Stat. 1151; 33 U.S.C. 403), commonly known as the River and Harbor Act of 1899.

Redesignate subsequent sections of the bill accordingly.

EXTENSIONS OF REMARKS

LEST WE FORGET

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. CLAY. Mr. Speaker, last week the House of Representatives overwhelmingly passed the ominous drug bill. A majority of the members of the Congressional Black Caucus voted against final passage of this bill. Our opposition was not based on a lack of concern for the pervasive problem of drugs but rather on a greater concern for the need to uphold the individual freedoms and constitutional protections of American citizens.

While we praise our colleague and fellow member of the Congressional Black Caucus, CHARLES RANGEL, for the leadership he provided in managing the bill on the floor of the House; the addition of the death penalty, the relaxation of the exclusionary rule, the decriminalization of the possession of narcotics, and other mischievous amendments opposed by Mr. RANGEL gravely damaged our constitutional freedoms.

Lest we forget, Mr. Speaker, it was black Members of this Congress under the leadership of CHARLES RANGEL who initially raised the issue of the dangers of drugs to our society. Seventeen years ago, in a White House meeting with President Richard M. Nixon on March 25, 1971, we presented the President with an indepth analysis of the drug problem and attempted to enlist his assistance in making the illegal trafficking of narcotics a priority item on our national agenda. The critical question is why was drug abuse not a national concern 17 years ago? Or should we ask, why is it of such grave concern today to those Members of Congress who totally ignored our admonitions for the last 17 years?

But, Mr. Speaker, lest we forget, I am submitting the statement drafted by Representative CHARLES RANGEL and presented by the Congressional Black Caucus in 1973 in our "True State of the Union Address." If my colleagues will take note, we in the Black Caucus have not changed our positions or waned in our concern about the drug problem in the last 17 years.

CRIME AND NARCOTICS ADDICTION

(By Congressman Charles B. Rangel)

President Nixon attempted to give the impression of significant progress in the drug and crime war by his May 1971 responses to the recommendations of the Congressional Black Caucus. But, the claims of tremendous efforts in law enforcement, drug rehabilitation, and education do not begin to paint an accurate picture.

During the first four years of the Nixon Administration, we have seen the narcotics addict population in this nation double in size; we have watched the spread of heroin and other harmful drugs to our elementary school children; we have seen the flow of illegal heroin into this nation jump from under 5 tons to around 10 tons; and we have experienced an increase of 60 percent in the number of violent crimes committed.

In the area of drug abuse and crime prevention, despite any claims to the contrary, the real state of the union after four years of the Nixon Administration is a sorry one at best.

During the last year of the Johnson Administration, 4,500,000 serious crimes were reported. In 1971, after three years of the Nixon Administration, 6 million serious crimes were reported; and this was to have been a "law and order" administration.

In two of the communities I represent, the Harlem and East Harlem sections of New York City, the ever-present crime is inextricably bound to the plague of drug addiction. As in communities across this nation, between 50 and 70 percent of crime in these two communities is drug-related.

In fact, the problems of these communities are but a small sample of the picture across the country. A recent Gallup poll of urban residents showed crime in the streets identified as the most important problem facing America today. One in three of these persons had been a victim of crimes against person or property, with one in five among all Americans being personally victimized.

An examination of the Harlem section of New York does present, however, some clear evidence of what the future holds and what the present is like for other areas.

According to an extensive survey of the Harlem community by the Small Business Chamber of Commerce of New York, 51.2 percent of those interviewed said they had been victims of criminal assault during 1970. Sixty-nine percent of those interviewed blamed the narcotics addict for the recent increase of crime in Harlem.

In a study conducted by the New York State Narcotic Addiction Control Commission, 11,762 of the 52,479 narcotic arrests in New York City for 1971, or one in four cases, occurred in Harlem.

Even more alarming than the stark statistics on drug addiction and crime is the effect of these forces on my District and the rest of the nation. The Fleischmann Commission study of New York's schools and the roving hearings held by the House Select Committee on Crime found evidence that between 40 and 50 percent of this nation's high school students have used or are using some form of mind-altering drug.

Reports from Miami to Seattle tell of 8-year-olds beginning to experiment with drugs and cases of heroin addicts who are this young are not uncommon in areas of high addiction concentration.

The National Institute of Mental Health reported that in 1971, for example, there were 18,000 addicts living in a 40-block area in Central Harlem. Of these, approximately 6,000 were between 16 and 21 years of age, and 2,000 were between 7 and 15 years old. There are an estimated 40,000 addicts in all of Harlem, about one in every 6 people.

DRUG EDUCATION A FAILURE

In the face of these kinds of staggering problems, the Nixon Administration launched a "drug education by horrification" program which, by the Government's own evaluation, is doing more harm than good. Particularly in the area of drug films, the Administration's use of overly simplistic approaches bolstered with twisted or inaccurate misinformation has succeeded mainly in convincing some formerly uninterested youths to try drugs out of curiosity.

I am sure the nation's pushers are extremely pleased with the state of the union when the Federal Government helps them sell their deadly goods.

U.S. AIDS ASIAN HEROIN TRADE

While this stream of daily death pours into every corner of our society, this Administration has seen fit to subsidize, with tax dollars, the Air American Company. This company, according to Congressional studies, aids in the transport of heroin from Southeast Asian poppy fields to nearby refineries. "Air Heroin", as Air America is sometimes called, travels its routes of death and destruction under the supervision of the corrupt generals and government officials in the totalitarian dictatorship of the Thieu regime in South Vietnam. This is happening at the same time the Administration has seen fit to refuse to provide money for adequate cemeteries to bury the thousands of Americans who died so that "democracy" might flourish in Vietnam.

ORGANIZED CRIME AND CORRUPTION FLOURISH

This is the real state of the union. In addition, only this year have the nation's criminal investigation agencies taken their heads out from under the nineteenth century to see the corrupting, cancerous criminal influence exerted by the Mafia and its followers.

The Knapp Commission report and other studies tell us that the New York City and other police departments are riddled with the kind of corruption that only the organized forces of international crime can generate. But this Administration's so-called Department of Justice spends its time filing suits to block the court and Congressionally-ordered integration of the nation's schools. This too, is the real state of the nation.

ANTIADDICTION EFFORT NOT INCLUDED IN ANNOUNCED "WAR ON CRIME"

The inevitable link between heroin addiction and the criminal justice system necessitates an increased commitment of Federal funds to permit the criminal justice system to respond to the special problems presented by narcotics addiction. In his response to the recommendations of the Congressional Black Caucus in 1971, President Nixon stated that the Law Enforcement Assistance Administration was providing the impetus for the development of new and effective programs to reduce crime. The record of the nineteen months which have passed since this Presidential response shows clearly that LEAA has not addressed the problem of drug-related crime.

While LEAA funds have been invested in bigger and better armaments, including police toys, such as tanks and armored helicopters, the severe problems of revolving door justice for narcotics addicts have gone largely untouched by LEAA. Narcotics ad-

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

dicts typically are arrested, let loose on bail and often are re-arrested before trial on the first offense because of their continued need to steal to support their habit. Even if the addict is tried and convicted, as soon as he is released he will be back on the street stealing to support his habit if nothing is done to treat his addiction while in jail. Unless the criminal justice system intervenes to provide treatment and rehabilitation of the narcotics addiction at some point in this cycle, nothing is being done to help the addict or to protect society from his criminal activity.

TREATMENT METHODS INADEQUATE

The implications for Black and poor communities go far beyond the problems of crime and fear of criminal activity by narcotic addicts. The willingness of this Administration to pour the heroin substitute methadone into these communities without providing counseling, job training or placement assistance threatens to permanently narcotize a significant portion of the young and poor.

Despite the Administration's mouthings that drug abuse treatment and prevention is one of its "top priorities", there is scanty evidence of an appropriate effort.

How many addicts are presently under treatment? Although it is difficult to obtain reliable information in this area, the Special Action Office for Drug Abuse Prevention estimates that at the end of October 1972 there were approximately 60,000 narcotics addicts in treatment and rehabilitation programs in the United States, with another 30,000 addicts desiring treatment but remaining on waiting lists because existing programs are filled to capacity.

It is estimated by most narcotics treatment experts that half the nation's 560,000 addicts would voluntarily seek treatment if treatment were available. Thus, although actual waiting lists may contain only 30,000 names, there are an estimated 190,000 addicts who would like to obtain treatment for their addiction but are unable to do so.

That such a large number of sick people remain untreated in a society which has more than enough resources to provide adequately for their medical needs would be a national scandal if these 190,000 addicts were untreated tuberculosis patients.

Our failure to provide adequate treatment opportunities for 90 percent of the addict population is proof of our failure to adequately address the drug abuse problem as a whole.

The Federal Government bears ultimate responsibility for every ounce of heroin that enters the lifeblood of our society. The opium poppy cannot be grown in commercial quantity in the United States; it therefore must be imported through our borders, whose integrity is the responsibility of the Federal Government. So long as the Federal Government is unwilling to prevent the smuggling of heroin into the United States, it has the moral responsibility to alleviate the consequences of its failure by providing for the care of those who have become addicted to heroin.

ADMINISTRATION COMMITMENT LACKING

The Administration's fiscal 1973 budget was a disappointment to those of us who expected tangible evidence of substantial effort to meet the national emergency of widespread drug addiction, as declared by the President's June 17, 1971 message to the Congress on the drug problem. The message gave hope of a substantial new effort against drug abuse—it called for new approaches to the rehabilitation of narcotic addicts, and more coordinated Federal responsibility for the drug problem and spoke of new initiatives by law enforcement agencies against drug pushers and smugglers.

The Administration's fiscal 1973 budget, however, failed to provide adequate funding for the commitment announced by the President. Although the budget for drug abuse programs totaled $365.2 billion, a substantial increase over previous years, an examination of this increase showed that most of the additional funding was scheduled for programs designed to meet the problem of drug abuse in the military.

For example, of the $230.2 million budgeted for the treatment and rehabilitation of narcotic addicts in fiscal 1973, $84.2 million was allocated to the Department of Defense and the Veterans Administration, leaving but $146 million for the treatment and rehabilitation of civilian narcotic addicts. This $146 million represented only $21 million more than was allocated for nonmilitary treatment and rehabilitation programs in the fiscal 1972 budget and fell short of the amount allocated by New York State alone for treatment and rehabilitation, which budgeted $161.5 million for drug abuse treatment programs during its 1971-72 fiscal year.

Thus the massive new Federal treatment and rehabilitation effort described by the Administration in the summer of 1971 withered in implementation to a program that is not even as large as that conducted by a single state, the State of New York.

As great as is the need to provide treatment and rehabilitation services for the returning addicted Vietnam veterans, the Federal Government cannot pretend to be waging a war against drug addiction if its increased spending for the treatment and rehabilitation of narcotic addicts is limited to the addicted veteran and provides no significant increases for programs for the treatment and rehabilitation of the large and growing civilian addict population.

There needs to be an immediate commitment by the Federal Government to provide treatment and rehabilitation to every narcotics addict in the country who desires it, beyond this there is the need to provide supportive services such as psychological counseling, education, and job training for rehabilitated addicts so that they may assume roles as productive members of society.

STEPS FOR CHANGE

The critical steps to bringing this about are:

1. The immediate enforcement of the Foreign Assistance Act provision I authored which provides that aid funds should be cut off when a country does not make every effort to stop the export of illegal drugs to the United States.

2. An immediate end to all methadone addiction control programs that do not offer supportive services, or the addition of these services to the programs. Also, the prohibiton of heroin maintenance.

3. An all-out Federal crash program to find an effective, non-addictive heroin antagonist.

4. The initiation of a Federal attack on organized crime at the highest level. The damage from this source is far greater than that from seasonal campus radicals or so-called ghetto revolutionaries. The F.B.I. and other agencies should put their efforts where the danger really exists.

5. At least a three-fold increase in the capacity of addiction treatment programs, remedial education, job training, placement and counseling services to meet the needs of our low income communities and the nation generally.

6. A revision of Law Enforcement Assistance Administration guidelines to mandate development of programs to combat drug-related crime.

7. Strict enforcement of drug laws at every level, with an emphasis on suppliers and major pushers.

8. A major tightening of our borders to prevent the heavy influx of illegal drugs.

9. An all-out Federal effort to clean up state and local law enforcement agencies where Federal laws are violated. I firmly believe the sagging confidence in our criminal justice system can be restored if we determine to root out corruption.

10. An immediate reform of drug education programs and drug treatment and rehabilitation programs to include greater input from members of affected communities and ex-addicts.

If this Administration can somehow be shown in the next four years that this nation will not survive under its present policies, these steps can be implemented before the cancers of crime and drug addiction destroy us.

INDOOR AIR QUALITY ACT OF 1988

HON. JOSEPH P. KENNEDY II

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. KENNEDY. Mr. Speaker, on September 23, I introduced legislation addressing a serious threat to the health of our Nation—the contamination of our indoor air.

Take a deep breath.

The air that you just inhaled probably passes through several hundred feet of dark, dusty ductwork before reaching you. Twenty-seven different species of fungus—including illness-causing fungi—have been growing in the dank recesses of ventilation systems all over the country. These airborne viruses and bacteria can cause flu, pneumonia, tuberculosis, and other respiratory ailments.

Beyond those living dangers, indoor air can also contain large doses of carbon dioxide, carbon monoxide, formaldehyde, asbestos, and other substances that can be dangerous to our health.

The right of Americans to breathe clean air does not end the moment they walk indoors. Ninety percent of Americans are exposed daily to indoor contaminants that both the EPA and Conservation Foundations identify as serious health risks.

Indoor air pollution is a pressing concern:

The Associated Press reports this week that seven people have died of Legionnaire's disease at UCLA Medical Center and a nearby nursing home. There are 45,000 cases of Legionnaire's disease in this country every year, caused by a virus that breeds in air ducts.

One hundred seventy workers have sued Lockheed Corp. because they are getting sick from working on the Stealth bomber. They are breathing dust from sanding and chemicals that they cannot even name. Lockheed refuses to admit they are building the Stealth bomber, let alone that is making their workers sick.

A recent Army study revealed that soldiers stationed in modern, air-conditioned barracks suffered 45 percent more respiratory ailments than those living in drafty, older barracks open to the air.

The EPA has recently announced that 22 percent of all American homes contain dangerous quantities of radon, and in some areas 60 percent of the homes face serious health risks.

Employees at the EPA building right here in our Nation's Capital recently protested on the street on behalf of employees who got sick from breathing the air inside.

The Indoor Air Quality Act of 1988 is intended to meet our responsibility to protect Americans from unseen dangers in the air they breathe every day. The bill addresses the problem of indoor air quality in nonindustrial workplaces, public and commercial buildings, and homes by establishing an Office of Indoor Air Quality within the EPA.

This legislation provides a program for research and development concerning the extent and effects of contamination, and includes an agenda for reducing those risks. In addition, the legislation promotes effective application of clean air technologies by Federal and State Governments and the private sector.

The bill includes a special section calling for the assessment of contaminants in sick buildings, or modern buildings that are chronically subject to indoor air pollution. There is a provision that deal specifically with air pollution problems in public schools and day care facilities. In particular for schools and day care providers, there is a program for testing and reduction of radon gas.

This legislation will also set up five regional training centers for State and local officials to learn about testing and remediation of radon gas concentration.

States have a role to play as well, and this proposal allocates $12 million for grants to State that develop their own response to deal with indoor air quality.

Mr. Speaker, the other body has already acted on this legislation, and it has been marked up in full committee. This version of the act incorporates the constructive work that has been done to improve the legislation since its original introduction late last year.

I invite my colleagues to join me in sponsoring this bill, and I hope that this House can act quickly and effectively to improve the quality of the air we breathe.

A PLAN TO REDUCE WORLD DEBT

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. GARCIA. Mr. Speaker, as you are aware, the IMF/World Bank meetings are taking place this week in West Berlin where the world's financial leaders are discussing important international economic issues including the Third World debt crisis. It is becoming increasingly clear that the debt crisis is not a problem limited to the financial world but one that affects many sectors of the economy. We must move forward with definite solutions to this problem which has been undermining not only the United States but the world economy.

The September 27, 1988, issue of the Journal of Commerce has an editorial written by our colleague, Representative JOHN J. LAFALCE, on his innovative and practical proposal to establish an international debt management facility. As Representative LAFALCE aptly points out, time has come to move beyond the Baker plan. He believes that "the time is right for the establishment of a special facility, affiliated with and jointly administered by the World Bank and the IMF, to implement the orderly reduction of Third World debt."

The concept of establishing an intenational debt management authority is in the omnibus trade legislation which we in Congress passed this year but in form of a study by the Treasury Secretary. And recently, the House Banking Subcommittee on International Finance, Trade and Monetary Policy, which I chair and of which Representative LAFALCE is a member, released a study by the Congressional Research Service which I believe will provide the basis for discussion on the role of such a facility in helping to resolve the debt crisis.

I submit Representative LAFALCE's editorial for my colleagues' perusal.

[From the Journal of Commerce, Sept. 27, 1988]

A PLAN TO REDUCE WORLD DEBT

(By John J. LaFalce)

As the world's financial leaders meet in West Berlin this week, the setting underscores the boldness and wisdom of a great undertaking of 40 years ago, the Marshall Plan.

It was the Marshall Plan that led to the economic resurgence and political stability of Western Europe after World War II, opening up an era of international growth for victors and vanquished alike.

In stark contrast to this legacy of past American leadership is the current effort to "muddle through" on the central issue facing this year's International Monetary Fund/World Bank meeting—the debt crisis.

After six years of no growth, declining investment, lost hope and an unsustainable $30 billion annual transfer of net resources from debtor to industrialized countries, time has run out on current policy.

It would be great if this week's meetings were to signal a break-through; instead, they will probably just mark time as the world waits for Washington to recognize reality and change policy.

The reality is that all parties, including the banks, are tired of the endless negotiations that serve only to push the mountain of debt forward. Most importantly, debtor countries no longer see any light at the end of the tunnel.

The Reagan administration will assert that there really is no support for anything but current policy, while it ignores, stalls or opposes alternatives that have been put forward by prominent public and private individuals. In fact, other industrialized countries such as Japan and France are no longer willing to follow the American recalcitrance and are putting forward debt plans of their own.

While official American policy still peddles the idea that the return of voluntary lending is possible if we jsut "stay the course," most U.S. banks are shedding their existing loans as quickly as possible. And now we have a rather direct statement from the Institute for International Finance on behalf of commercial banks that no new money will be forthcoming to debt or countries. Period.

What is now becoming apparent to everyone outside the Reagan administration is that the burden of existing debt must be substantially reduced before voluntary commercial bank lending will—or should—take place. In short, we must move beyond the Baker Plan if its principal objective of returning to voluntary lending is ever to be achieved.

Barber Conable is fond of saying that the World Bank is a development institution, not a debt institution. But until the existing debt is reduced, development will not be forthcoming in Latin America, Africa and the Philippines.

From the U.S. perspective, a strategy that requires debtor countries to defend policies perceived as favoring the profits of U.S. banks over the needs of their own people does great potential damage both to the political stability of those countries and the political standing of the United States.

I believe that the elements for a comprehensive breakthrough on the debt crisis exist, except for one missing piece—the United States.

In fact, I believe the time is now right for the establishment of a special facility, affiliated with and jointly administered by the World Bank and the IMF, to implement the orderly reduction of Third World debt.

The primary tasks of the facility would be as follows:

First, to help negotiate on a voluntary, country-by-country basis the transformation of current debt into long-term bonds, freeing countries and creditors alike from the endless cycle of short-term negotiation and reschedulings.

Second, in exchange for agreeing to sell existing loans at a discount, banks would receive a guarantee of both principal and some portion of the interest on the new debt instrument. The extent of the guarantee would be negotiable, perhaps depending upon the size of the discount.

Third, debtor counties would be required to adhere to appropriate conditionality programs. They would have to implement economic policy reforms similar to those currently required for World Bank and IMF loans.

Fourth, the facility would be encouraged to explore other innovative debt reduction mechanisms, such as debt-for-equity swaps.

Fifth, funding for the facility would come primarily from countries with sizable trade surpluses. Presumably, most of the money required for the guarantee would take the form of contingent liabilities, given that debt reduction would actually enhance the resources and creditworthiness of debtor countries.

In my opinion, such a facility would be of enormous value in helping to stabilize the political and economic systems of developing countries and promoting more balanced international trading relationships. A separate facility would also accomplish two important goals. First it would not affect the credit ratings of the multilaterial institutions and, second, it would allow the World Bank and the IMF to get back to their original mandate—fostering development.

I hope that informal meetings in Berlin and a change in U.S. policy after November

will lay the groundwork for this specific proposal to be discussed at the Interim Committee meeting next spring in Washington.

To be blunt, it is probably too late for our present administration to exert real political leadership on this issue; but at the very least, they should get out of the way and let the process move forward.

WHY DOES BUSH OPPOSE THE ADVANCED STRATEGIC MISSILE SYSTEMS PROJECT?

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. BENNETT. Mr. Speaker, before President Reagan gave his famous star wars speech, Secretary of Defense Caspar Weinberger said that if the Soviets deployed any kind of defense we would respond by building more ICBM's to overwhelm them. After the speech, Mr. Weinberger dropped that line.

On Sunday night George Bush said he would cancel the Minuteman 3 penetration systems. Why? Is Mr. Bush afraid that this program would show that star wars could be overwhelmed with simple decoys and chaff?

This program was endorsed by the Democratic task force on SDI, in our May 1988 report. Our report quotes Deputy Under Secretary of Defense Lawrence Woodruff, who told Congress:

> The Soviets have been developing their Moscow defenses for over ten years at a cost of billions of dollars. For much less expense we believe we can still penetrate these defenses with a small number of Minuteman missiles equipped with highly effective chaff and decoys. And if the Soviets should deploy more advanced or proliferated defenses we have new penetration aids as counters under development. (3/10/87) (pp. 32-33)

Why does George Bush want to kill this program?

Canceling the penetration aid program would cripple our ability to defeat existing and future Soviet antiballistic missile systems, such as the one that now rings Moscow. This program is our best protection against a Soviet breakout from the ABM Treaty. It is a far more efficient and cost-effective method of guarding against a Soviet breakout than the SDI Program.

Mr. Bush is confused. His administration requested and the Congress approved $151 million in funding for this program called Advanced Strategic Missile Systems in fiscal year 1989.

Either Mr. Bush made a major gaffe, or he actually does want to cut this program. In either case, he has some explaining to do.

THE CONTINUING VIOLENCE IN NORTHERN IRELAND

HON. JOSEPH P. KENNEDY II

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. KENNEDY. Mr. Speaker, on March 6 of this year British Army commandos killed three IRA members in Gilbraltar. The IRA members were thought to be on terrorist duty, but they were unarmed and eyewitnesses report that they were killed without warning. The killings revived fears that the British Army has a shoot-to-kill policy with respect to suspected IRA terrorists. At the funeral for the slain IRA members in mid-March, a Protestant extremist, Michael Stone, fired shots and hurled handgrenades. He killed three mourners and injured 60. Catholics responded a few days later by wrestling two British soldiers from their car at the funeral for one of those killed by Stone. The soldiers were beaten and then shot to death.

Since then the IRA has gone on a rampage of killings and violence throughout Europe. On May 1, the IRA killed 3 and wounded three British soldiers in bomb and gun attacks in the Netherlands. Later in May, a British soldier was murdered near Belfast. An IRA bomb planted in an army truck in Lisburn, Northern Ireland, killed 6 soldiers and injured 10 civilians in mid-June. And on August 23, the IRA blew up an army bus killing 8 soldiers and injuring 28 others. All told, the IRA has killed 27 British soldiers, 20 of them off-duty, thus far in 1988—as compared to a total of 3 in all of 1987.

On August 30, British soldiers shot to death three IRA members near the site of the August 23 bus bombing. The nature of the action once again raises concern that the British Army has a shoot-to-kill policy with respect to suspected IRA terrorists.

And September has brought little reason for optimism. On September 7, a leading member of the UDA was killed in Belfast. The IRA launched two bomb attacks on September 12. The first ripped apart the home of Kenneth Bloomfield, the Chief of the Northern Ireland Civil Service. Luckily, he and his family were unharmed. The second tore apart downtown Belfast, injuring more than 12. It is cear that the IRA has the resources to continue their violence. British intelligence reported in mid-September indicate that the IRA has received close to 150 tons of weapons over the last 4 years—mostly from Libya. This includes surface-to-air and 2 tons of Semtex, the odorless, malleable and extremely lethal plastic explosive that is ideal for terrorist attacks, and surface-to-air missiles. The inquest into the March killings of three IRA terrorists in Gilbraltar by Britain's elite SAS force opened in mid-September and the inquiry, particularly the issue of whether or not Britain has a shoot-to-kill policy, is likely to fuel further unrest rather than to quiet tensions.

The IRA and Protestant extremist groups should be condemned for their wanton violence and murder, and the British Army should be condemned for its shoot-to-kill policy/propensity and human rights violations. But we must do more than condemn violence. We must ensure that the underlying causes of the violence—the poverty and the lack of opportunity for all citizens of Northern Ireland and especially the unfair treatment and the repression of the Catholics—are addressed. Killing more British soldiers will not solve the problem. Nor will tighter security, better intelligence, or even crippling the IRA by locking up or murdering all its members. In order to find a peaceful, political solution, inequities such as the fact that the unemployment rate for Catholics is two and one-half times the rate for Protestants must be rectified.

The United States must not be reluctant to use its influence to help rectify these inequities. We must make sure that United States defense contracts and other United States contracts do not go to Northern Ireland firms that practice discrimination. We must also encourage United States businesses to invest in Northern Ireland. The best approach to correct the discrepancy in unemployment rates is to create new jobs in Northern Ireland so there will be more jobs for everyone. Finally, the United States must use its foreign aid, through the International Fund for Ireland and through other vehicles, to improve the situation in Northern Ireland.

Over 2,600 people have died in 20 years of sectarian violence in Northern Ireland. And the situation is no better today than it was 20 years ago.

TRIBUTE TO ASSEMBLYMAN FRED PAROLA

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. LENT. Mr. Speaker, Long Island, NY, is one of the most beautiful places to live in America with miles of white, sandy beaches, coastal waterways, and lovely, tree-lined neighborhoods. Those of us who live there work very hard to preserve the special way of life we enjoy on Long Island.

Few people have done more for our neighbors and communities than my good friend, Assemblyman Fred Parola. Since he was first elected in 1978, Fred has represented the 14th Assembly District in the New York State Legislature in Albany. During those years, he has generously given countless hours of his time working for programs to enhance and improve our communities. At the same time, he's been a dedicated leader against unwanted, ill-conceived, or intrusive projects that would destroy the suburban beauty we on the island's south shore have worked so hard to maintain.

In recognition of Fred's hard work and commitment, the South Shore Planning Council is sponsoring a dinner in his honor on Saturday, September 24. And, in his usual selfless way, Fred has agreed to donate the proceeds from the dinner to the community's legal defense fund. There was a time when the town activists could join efforts and win against an unwanted project. But times have changed. And, today, these type cases are increasingly decided in the courts. The legal defense fund offers our community and its citizens a fighting chance. I think it's a great idea, and I commend Fred for his generous contribution to the fund.

On behalf of my constituents in the Fourth Congressional District, I'd like to extend my personal thanks to Assemblyman Fred Parola for his outstanding service to the betterment of our local communities and for his commitment to preserving our much loved way of life on Long Island.

PATRIOTISM AND THE LOW ROAD

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. DORGAN of North Dakota. Mr. Speaker, the measure of the two Presidential candidates can be taken from responses that each of them recently gave about the other.

When Michael Dukakis was asked about news stories that cast doubts on GEORGE BUSH's World War II record, he said "I don't think that kind of thing has any place in the campaign. You don't fly 58 combat missions without enormous courage and tremendous patriotism." Dukakis, when invited to, refused to question BUSH's patriotism.

GEORGE BUSH, on the other hand, said of Dukakis, "What is it about the Pledge of Allegiance that upsets him so much?" The implication in GEORGE BUSH's statement is clear; he's questioning Michael Dukakis' love of country and his patriotism. He wasn't responding to a question. He deliberately chose this line of attack.

The entire episode about the Pledge of Allegiance raised by GEORGE BUSH smacks of the 1950's all over again. Who loves their country more? Will you take a loyalty oath? Who is a real patriot?" I am disappointed both in those who peddle this sort of campaign and in those who buy it.

GEORGE BUSH ought to be ashamed of himself. This worm's eye view of politics is what disgusts voters, and what results in a turnout of less than half of the voters for Presidential elections. This is exactly the kind of thing that disgusts the American voters to the point of saying, "Why bother." Politicians then scratch their heads and wonder why citizens don't bother to vote.

Haynes Johnson, a columnist for the Washington Post, wrote a thoughtful piece on the subject of the campaign technique currently being employed by GEORGE BUSH. I wanted to share it with my colleagues because I think its a thoughtful and important contribution to the debate about these campaign techniques.

The article follows:

PATRIOTISM AND THE LOW ROAD

(By Haynes Johnson)

In 1952, during his presidential campaign, the eloquent Adlai E. Stevenson pledged to "talk sense" to the American people. He did so, memorably, but he lost overwhelmingly.

A two-time loser as the Democratic Party's nominee, Stevenson wasn't the first presidential candidate to misjudge the wisdom of the electorate. The all-time champ was William Jennings Bryan, who held similary misguided notions about the good sense of the voters.

"I assert that the people of the United States . . . have sufficient patriotism and sufficient intelligence to sit in judgment on every question which has arisen, no matter how long our government will endure," the great orator proclaimed. Three times, Bryan counted on voters applying their "sufficient intelligence" to his cause as Democratic presidential candidate. Three times, they listened to his message, then defeated him resoundingly.

Notwithstanding that record, a case can be made that, in those elections, voters were demonstrating excellent judgment. Dwight D. Eisenhower became one of the nation's best presidents; it's doubtful, with the advantage of hindsight, that Stevenson would have been so had he won. While William McKinley was hardly a model of presidential success after defeating Bryan twice, William Howard Taft bested Bryan and was a superior president.

No such case can be made this time. In 1988, no one can predict with certainty history's verdict on a George Bush or Michael Dukakis presidency.

Still, there can be no doubt about one critical element of this presidential campaign. The voters seem to be failing abysmally their collective political-intelligence test.

If the many polls are correct, voters are buying all of the lowest-common-denominator simplicities dished out by the political consultants and mouthed by the candidates. The boob-tube negative-campaign strategies are working. The campaign has degenerated into a battle of political attacks in "sound-bite scenarios," the cheaper and dirtier the better, with everything aimed at gaining the 15-second lead spot on the evening network newscasts.

Nonsense isn't even the word to describe what has emerged as the central nonissue issue: the false one of patriotism. Bush and running-mate Dan Quayle are asking the American people to believe that they represent true patriotism while Dukakis and the Democrats represent unpatriotic, un-American values.

Bush and Quayle demonstrate their perception of superior patriotism by waving the flag most vigorously and reciting the Pledge of Allegiance most loudly. They have made the pledge the symbolic centerpiece of their campaign.

On this, I share the feeling of disgust and outrage brilliantly expressed by Michael Kinsley this week in Time magazine. He commented:

"Nothing since I came of political age has depressed me so much about American democracy as the apparent success of Bush's pledge offensive. What, after all, is American patriotism about? It's not about purple mountain majesties—they have those in Switzerland. There was endless babble about 'freedom' at the Republican convention. But freedom doesn't mean reciting a loyalty oath on command. They have that kind of freedom in the U.S.S.R.

"American freedom means the right *not* to recite a loyalty oath if—for reasons of religion, politics or simple perversity—you don't want to. Bush may reject this vision of American freedom, although it is shared by the Supreme Court. That is his privilege: It's a free country. It is not his privilege to imply that anyone who disagrees with him is unpatriotic."

Bravo.

Perhaps I am naive and hopelessly optimistic, but I cling to the belief that, in the end, the American people will show that they understand that true patriotism has nothing to do with flag-waving and assaults on character. True patriotism means respect for diversity, tolerance for differing views, upholding the right to be wrong and to dissent. Most of all, it means a conviction that out of the clash of opposing ideas and beliefs will emerge a common national purpose that inspires citizens to work toward improving their society and leaving it better than they found it.

There's a simple way for voters to pass this test in democracy. Show those who make demagogic appeals to patriotism that such political tactics are resented and view them as an insult to voters' intelligence and a slur on the country.

AIRLINE FLIGHT ATTENDANTS' EXCESSIVE DUTY HOURS

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. MINETA. Mr. Speaker, today I am introducing legislation to deal with the continued failure of the Federal Aviation Administration and the Department of Transportation to establish rules prohibiting excessive duty hours for airline flight attendants.

Petitions for rulemaking urging FAA and DOT to deal with this problem were filed more than 3 years ago. On November 1, 1985, I and my colleagues, the late Congressman Howard, Congressmen OBERSTAR, LEHMAN, and EDWARDS, and Congresswoman SCHROEDER, wrote to the FAA Administrator urging him to initiate a rulemaking proceeding. No action was taken in response to our letter.

I wrote again in April 1988 renewing our request. On June 13, 1988, I received an answer from Administrator McArtor stating that over the past 2 years the FAA had conducted a thorough analysis of the pending petitions; that this rulemaking continued to have priority for the agency, although over the past 2 years other projects had been given higher priority due to their urgency or a mandate by Congress; and that a decision on whether to go forward with a rule "will be made shortly." No decision having been made to date, I find it necessary to deal with the problem by legislation.

Since there is no question that excessive fatigue can interfere with the performance of responsibilities affecting aviation safety, the Federal Aviation Administration has imposed limitations on work hours for airline pilots, flight engineers, flight navigators, mechanics, dispatchers, and air traffic control tower operators. I see no reason why the rationale for these limitations does not require adopting regulations to ensure that flight attendants are adequately rested so that they will be able to perform their important safety functions proficiently.

Flight attendants have important safety responsibilities in dealing with such problems as rapid depressurization, cabin fires, passenger illness or injuries, hijackings, and situations requiring evacuation of an aircraft. Flight attendants are also responsible for taking routine measures to ensure that an aircraft cabin is safe—ensuring that doors are closed, that baggage is safely stowed, and so forth. Attendants are also responsible for detecting conditions during a flight which may indicate a safety problem. I do not think that it can be seriously argued that excessive fatigue would not interfere with a flight attendant's ability to carry out these responsibilities.

Some collective-bargaining agreements may include limitations on duty hours which adequately protect against fatigue. However, not all attendants are covered by union contracts.

The matter of excessive duty hours is not a theoretical problem. FAA has advised us that they are aware of cases in which flight attendants have been required to work for as long as 24 consecutive hours. In the accident involving Galaxy Airlines in Reno, NV, in 1985, the NTSB investigation disclosed that at the time of the accident, two flight attendants had been on duty for over 18 hours and were scheduled to continue on duty for an additional 7 hours.

My personal preference, and the approach which has generally been followed by the Aviation Subcommittee in dealing with safety problems, is to have the necessary regulations developed by the Federal Aviation Administration rather than the Congress. FAA has the staff resources, the expertise, and the established procedures to gather the necessary information and develop regulations on complex technical problems. The legislation I have introduced is consistent with this approach. The legislation directs DOT and FAA to issue a notice of proposed rulemaking on flight attendant duty time by December 15, 1988, and to issue final rules by June 15, 1989.

However, in the event FAA fails to carry out these statutory directives, the legislation imposes regulations establishing duty hour limitations for flight attendants. The regulations would limit flight attendant duty time to a maximum of 14 to 20 hours—depending on the type of flight—and require prescribed periods of rest after each duty period. For any flight scheduled for 8 or more hours of flight time, the attendants must be given a rest break of at least 1 hour during the flight. The legislation also requires that flight attendants must be given a minimum of eight periods of rest of 24 consecutive hours at their domicile each calendar month, and at least one period of rest of 24 consecutive hours every 7 seven days.

I believe that these requirements are reasonable and will prevent excessive duty periods, while giving the airlines flexibility to use their work force efficiently. I recognize that this is a highly technical and complex area and I would welcome suggestions on how these regulations could be improved. As I have indicated, my preference would be for the Congress to not get into the business of adopting the regulations at all, but for the Federal Aviation Administration and the Department of Transportation to carry out their responsibilities to protect aviation safety by issuing regulations prohibiting excessive duty hours for airline flight attendants.

MARCH OF DIMES IS 50 YEARS OLD

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. WAXMAN. Mr. Speaker, I want to commemorate today the 50th anniversary of the March of Dimes Birth Defects Foundation. The March of Dimes was established to eradicate a crippling disease, polio, and then expanded its commitment to the health of America's children to prevent birth defects. It is appropriate that this outstanding organization be commended for its efforts toward reaching this goal.

When the March of Dimes was founded in 1938 by President Franklin D. Roosevelt to fight polio, millions of Americans joined the effort, committing their time and money to the cause. In 1955, when the polio vaccine developed by Dr. Jonas Salk and funded completely by the March of Dimes was declared "safe, potent and effective," a triumph in the history of medicine was achieved—a triumph that belonged to the American people.

Today, through research, education, advocacy and service, March of Dimes volunteers are working together to prevent birth defects. Spanning all socioeconomic and ethnic lines, birth defects strike 1 in 14 babies born in the United States and cause the death of tens of thousands of American adults every year. The many disorders known as birth defects account for a third of all pediatric hospital admissions and billions of dollars in annual health care costs. Each year, more than a quarter million American babies are born too small or too soon. Low-birthweight babies—weighing less than 5.5 pounds at birth—are much more likely to die or to face serious health problems.

Over the course of these past 50 years, the March of Dimes has supported research pioneers of preventive medicine, genetics, and prenatal and newborn health. Among its grantees are 26 Nobelists and many who have won other prestigious scientific awards. These scientists join millions of other Americans in a network of volunteers, health professionals, educators and members of the public, and private sectors in catalyzing action for maternal and newborn health at every level, from laboratory to community.

Mr. Speaker, while we want to look back and rejoice in the many babies born healthy in this country, we cannot forget that every 2 minutes a baby is born with a birth defect. We must look forward to what needs to be done in the future.

During this 50th anniversary year, the March of Dimes is expanding research in two areas: gene therapy and the prevention of premature labor. Both program efforts are vital to reducing the Nation's tragically high rate of infant mortality, preventing birth defects, and reducing the number of babies who are born critically ill.

The March of Dimes will conduct "State Capital Days" throughout the country this year. March of Dimes representatives and volunteers will meet with their State officials and legislators to discuss the kind of programs and legislation that can help reduce infant mortality. The March of Dimes also will raise money for vital programs to reduce infant mortality and to improve the health of mothers and babies in every State.

Years of effort in genetics and research and in preventing preterm delivery have laid the groundwork for the March of Dimes to focus on these vital areas for the future. On the occasion of its 50th anniversary, we should honor the March of Dimes and we all should commit ourselves to helping babies to be born healthy.

A TRIBUTE TO THE MASSAPEQUA LITTLE LEAGUE CHAMPIONS

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. LENT. Mr. Speaker, I'm sure many of my colleagues here today have known the joy and excitement of playing sandlot ball or Little League baseball when they were youngsters. You never forget hitting your first homerun or making that crucial catch to win the game for your team.

For all those who have known that thrill or aspired to it, I take great pride in paying tribute today to members of the Massapequa International Little League of my 4th Congressional District. The league had not one, but two, teams that recently captured baseball titles. The 15-year-olds won the New York State Championship, a title the team last captured in 1975. The 12-year-old major division won the district, Nassau County and Long Island Championships, a tremendous feat.

This is a wonderful victory for the players, and all those involved in their championship season. It is all the more significant because this is the first time in the 33-year history of the league that two championships were won in the same season, according to league officials.

The 15-year-olds demonstrated they were tough competitors by coming from behind in strategically important games to claim victory. They had what it takes to win. In the district finals, for example, they came out of the loser's bracket to defeat defending District Champions Massapequa Coast. In the Long Island playoffs, they snapped a 2-2 tie in the seventh inning to edge defending champion Sayville, 3-2, on Sayville's home turf. The big challenge came in the State playoffs. Here, they rallied from a 4-0 deficit after four innings to win 5-4 over defending champion Haverstraw.

Their division's dark horse, the 12-year-old team realized its own dream of victory. Called "a bunch of scrappy players" by their manager, Richie Scheehan, the team coasted through the district, County, and Long Island Championships going all the way to the State competition.

These young people represent the finest qualities of athletic competition: good sportsmanship, commitment, courage, and team spirit. They should be very proud of their outstanding accomplishments just as their parents, classmates, and communities are very proud of them. I'd like to offer my heartiest congratulations to the players, as well as to the coaches, managers and sponsors and all those who came out to support the teams.

At this time, I'd like to recognize the champions of Massapequa, the 12- and 15-year-old teams of the Massapequa International Little League:

15-YEAR-OLDS

First Base: Vinny Ambrosio and Jesse Kowalewski. Second Base: Joey Hilt and Jeff Mollic (who are both pitchers) and Steve Corvi. Shortstop: Scott Donnellan. Third Base: Jerry Bayreuther. Outfield: Jim Mooney, Jason DiBlasi, Danny Pearl and Victor Salembrier. Catcher: Joe Kenny and Curt Ziegler. Pinch Runner: Alex Tamborrino.

Manager: Bob Malandro. Coaches: Bob Pazcuzzi and John Hoehman. Team Sponsor: Dr. Frank DiBlasi. Team Mothers: Grace Hilt and Maria DiBlasi.

12-YEAR-OLDS

First Base: Christopher Battaglia. Second Base: Brian Bekiers. Shortstop: Kevin Haverbusch. Third Base: Sean Callery, Ryan Brown, and Tommy Hanias (who are also pitchers). Outfield: Jimmy Balducci, Brian Pette, Robert Burkhard, Kenney Knapp, Andrew Walter, Scott Burkhardt, and Chris Arma.

Manager: Richie Scheehan. Coaches: Ish Oliveras and Don Buckley. Team Sponsor: John Balducci. Team Mother: Elinore Balducci.

TRIBUTE TO LIEUTENANT GENERAL MELVIN F. CHUBB, JR.

HON. CHESTER G. ATKINS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. ATKINS. Mr. Speaker, I rise today to pay tribute to Lt. Gen. Melvin F. Chubb, Jr., U.S. Air Force on the occasion of his retirement after 34 years of distinguished service to his country. As commander of the Electronics Systems Division, Air Force Systems Command, at Hanscom Air Force Base in Massachusetts, General Chubb has been responsible for directing the development and delivery of command, control, and communications systems vital to the efficient and effective deployment of military resources for all branches of the Armed Forces. Under his leadership, the ESD has directed the efforts of civilian contractors across the United States and overseas to produce several key multimillion dollar projects crucial to our national security. His insistence on maintaining the highest standards has earned him respect and a reputation for excellence.

General Chubb has had an exemplary record of service to his country. He has held several key assignments during his military career. Prior to assuming his command at Hanscom, he was the Deputy Chief of Staff for Systems, Air Force Systems Command Headquarters, at Andrews Air Force Base. His other tours of duty have included program director of the AGM-65 Maverick System Program Office, Headquarters Aeronautical Systems Division at Wright Patterson Air Force Base, OH and chief of the Engineering Division, Defense Systems Application System Program Office, Space and Missile Systems Organization in Los Angeles.

General Chubb is a command pilot with more than 5,000 flying hours. He served a tour of duty in Vietnam, completing 500 combat missions with 1,000 combat hours. His military decorations and awards include the Distinguished Service Medal, the Legion of Merit with one oak leaf cluster, the Distinguished Flying Cross, Purple Heart, Meritorious Service Medal, Air Medal with 16 oak leaf clusters and Air Force Commendation Medal.

I have had the pleasure of working with General Chubb on several occasions over the past 4 years, and have admired his commitment to the people of Hanscom and the community at large. This commitment has been reflected in the construction of new facilities on base which have significantly improved the quality of life for the men and women who serve there. Projects such as the Patriot Village Housing Development and the Hanscom School. General Chubb was instrumental in making these projects happen. He has also expended considerable effort to foster greater cooperation and involvement between Hanscom and it's surrounding communities. His willingness to work with local, State, and Federal officials has been a hallmark of his leadership.

Mr. Speaker, General Chubb's dedication to his country, his professionalism and his commitment to others, are a shining example for others to follow. I also wish to acknowledge his wife Judi, and his three children, Kristy, Brandon, and Courtney. They exemplify the crucial role that military families fulfill. It is their sacrifice and support which provide the foundation for many a military career. Please join me in extending our gratitude and best wishes for the future.

CHRISTIC INSTITUTE RECORD EXPOSED

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. SOLOMON. Mr. Speaker, it's time we lift up the rock the Christic Institute has been hiding under and let the sunlight of truth shine on its vicious activities.

Christic Institute has smeared the reputation of Gen. John Singlaub, a great American, as well as the FBI and CIA, using our court system to harrass and defame its opponents with law suits of absolutely no legal substance. A district court judge gave Christic Institute 2 years to come up with even a shred of evidence to back its slanderous claims of drug dealing and murder, and then threw the case out of court.

Columnist Charley Reese tells the whole dirty story in a recent piece that appeared in the Glens Falls, NY, Post-Star, my hometown newspaper.

SINGLAUB VICTIM OF CHRISTIES

The Christic Institute, a bunch of leftwing legal hooligans who specialize in separating gullible Christians from their money, has had its fairy tale suit against Gen. John Singlaub and other loyal Americans dismissed.

U.S. District Judge James Lawrence King of Miami, after giving the Christies vigilantes two years to come up with even probable cause, dismissed the counts as groundless. Christies immediately began to slander him.

Thomas Spencer, General Singlaub's lawyer, described the Christic Institute well, when he said, "these are courthouse terrorists, elected by no one, responsible to no one, regulated by no agency. They call themselves private attorneys general. But they are in fact, vigilanties, riding the range of defamation and blasting away at the reputations and characters of honorable decent men."

They filed the lawsuit under the civil Racketeering Influenced Corrupt Organizations Act. They had to have some basis of injury. Tony Avirgan, a left-wing journalist, had been slightly injured in an assassination attempt against contra leader, Eden Pastora. The Christies claimed Singlaub and all the other defendants were behind the assassination.

From that jumping off point, they proceeded to build a fantasy story of a so-called secret team which dealt in drugs, murder, and manipulated American foreign policy. After two years, 1,169 docket entries in the court files in 56 volumes, after 115 depositions and statements, after tying up 40 percent of a federal judge's time for two years, the Christies were unable to produce one shred of evidence to prove their allegations.

Of course, they never intended to. The suit was just an excuse to fund raise, to tie up and defame private citizens like General Singlaub who were helping the Nicaraguan democrats oppose the communists in Nicaragua, to slander the FBI and the CIA, and the Reagan administration.

In this, they were successful. Many people were duped into believing their story. The defendants were nearly bankrupted defending themselves. Several million dollars rolled into the Christic coffers. The Big Lie got plenty of play.

The Christic Institute is a spin-off of the Quixote Center which in turn is a spin off of another organization set up by a Guatemalan Jesuit who, when he was booted out by the Vatican for his Marxist work, was given a job as a university professor in Managua.

Avigana was a full-time anti-war organizer in the Vietnam Era who, when the communists had won that one, moved with his wife, Martha Honey, to communist Tanzania. For 10 years, supposedly as freelance journalists, they found virtues in Tanzania and in Robert Mugabe, then a Marxist guerrilla leader in Zimbabwe.

Moving to Costa Rica, they have since concentrated on finding virtues in the Sandinistas and vice in American policy. During the course of the suit, the Christies paid them.

General Singlaub's attorney and those of the other innocent defendants are now trying to get the court to assess the Christic Institute for their legal fees. That will be a long battle.

In the meantime, Christians ought to raise you know what if these leftwingers drop in to put a hand in their collection plate. Internal Revenue ought to take a hard look at their tax-exempt certificate since last time I saw the law, it didn't authorize partisan and political activism. The appropriate congressional committees ought to look into the Christie's foreign ties.

When they held their big press conference to announce the suit, Fenton Communications, which represents the Sandinistas and the communist government of Angola, was there to manage it for them.

Americans had better wake up to the fact that there are more ways to cut their throats than with a knife.

THE DEATH OF THE HONORABLE JAMES P.S. DEVEREUX

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. HORTON. Mr. Speaker, I rise today to speak in memory of one of this body's heroic Members. As many of you know, former Maryland Representative James Devereux passed away on August 8, 1988. I would like to take a few moments to reflect upon his accomplishments in life.

Before coming to Congress, James Devereux was best known for his commanding of the heroic defenders of Wake Island in December 1941. Facing an overwhelming force, then-Major Devereux and his 400 marines repulsed the Japanese for over 2 weeks. During the 15-day battle, his forces sank three warships and damaged four more. The U.S. forces were finally overcome on December 23, 1941. Major Devereux served the rest of the war as a POW.

His two weeks of gallant action became legendary. His fortitude served as an inspiration to many soldiers, sailors, and marines throughout the war. For his bravery he was highly decorated.

James Devereux retired to a Maryland farm at the rank of brigadier general. He ran successfully for the House in 1950. During his 8 years as a Member of this body, he became known for his strong support for school desegregation. His refusal to renounce his position lead to his defeat in his run for the Maryland Statehouse.

He was, however, a man ahead of his time. If we look back on the achievements of the civil rights movement, we find many examples of courageous men like Congressman Devereux who stuck to their convictions. Whether it be as a soldier or as a statesman, James Devereux did not give up.

Mr. Speaker, although I was not a Member when James Devereux was, I considered it a privilege to serve in the same institution. He was a true American hero which we all can admire. Nancy and I offer our most heartfelt condolences to his wife Edna and his dozens of children and grandchildren.

IRAQI BEHAVIOR

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. DORGAN of North Dakota. Mr. Speaker, I am outraged by the use of chemical weapons against the Kurds and I condemn such actions.

This country ought to use its moral persuasion to convince the Iraqis to discontinue the use of chemical weapons.

However, H.R. 5337, which we are voting on today, falls into an old trap that we have been caught in before.

The bill calls for among other things the potential embargo of export of agricultural commodities.

We have experience with this kind of sanction and it has not worked. Moreover, we have in several different existing laws, provided that there shall be no grain embargoes and we shall not use food as a weapon. In the event that it is ever necessary to use food as an instrument of foreign policy, we are required to reimburse the agricultural producers. This resolution establishes the potential of using food as an instrument of foreign policy without complying with the requirements to reimburse those in agriculture who will be paying the cost.

It seems to me that this resolution expresses the proper sentiments about the Iraqi behavior, but imposes improper remedies. For that reason, I do not support it.

RECENT DEVELOPMENTS RELATING TO NICARAGUA

HON. F. JAMES SENSENBRENNER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. SENSENBRENNER. Mr. Speaker, you must know from your extensive and close contact with the Communist Sandinista regime in Nicaragua, the pursuit of genuine democracy in that country is, at best, very difficult. Every one of my colleagues here in the House knows that, and regardless of which side of the aisle we stand on, none of us can dispute the fact the Communist regimes do not tolerate dissent.

The peaceful protest in Nandiame, to which you recently made reference, is evidence of that intolerance. The Nicaraguan people have taken to the streets to express their anger at Comandante Ortega's noncompliance with the various agreements he has signed since 1979. Many—38 more at Nandiame—have gone to jail expressing their anger. With the media heavily censured and freedoms restricted, the streets are the only remaining outlet for political expression.

Just as we do in Chile, El Salvador, Poland, and South Africa, the United States Embassy should maintain contact with elements of the legitimate democratic opposition. Maintaining contact with, and even encouraging, the opposition is very different from "destabilizing internal politics." In fact, the Congress cut off aid to the Contras and specifically emphasized the democratic political process.

The suggestion that United States Embassy personnel in Managua were doing anything but observing a protest in Nandiame is counterproductive. To accuse members of legitimate democratic opposition parties of collaboration with the Central Intelligence Agency is to send them to jail. Sending leaders of the legitimate democratic opposition to jail is not the way to give democracy a chance.

Mr. Speaker, Comandante Ortega will be in the United States this week. He regularly visits his friends and maintains a broad spectrum of political contacts in this country. I doubt he would characterize his visits as collaboration with the United States. Likewise, the broadest possible spectrum of opposition political leaders in Nicaragua should be allowed regular contact with our Embassy in Managua without the stigma of supposed collaboration.

When some leaders of the United States Congress suggest that leaders of the Nicaraguan democratic political opposition—whether Christian Democrats, Independents, or Conservatives—are "collaborators," they do the cause of democracy a great disservice. We have encouraged these people to stand up and use the peaceful outlets for opposition available to them, and it is time we give them more of a chance than the Communist Sandinistas.

Mr. Speaker, I would respectfully commend the attached editorial from the September 23 Milwaukee Sentinel to the Members of this House. The Milwaukee Sentinel is a highly respected newspaper from my district and I think this editorial reflects the sense of the American people regarding recent developments relating to Nicaragua.

WRIGHT'S MOUTH DANGER TO PEACE

For a while now, House Speaker Jim Wright has had his own foreign policy and been his own secretary of state, specifically as it relates to Nicaragua.

It wasn't very long ago—last November, to be exact—that the Texas Democrat attempted to become mediator in the Central American peace process and assumed the mantle of American statesman trained in international relations.

Now, on the eve of Nicaraguan President Daniel Ortega's visit in the United States and with delicate peace talks resumed between the Sandinista government and contra rebels, Wright is at it again, but this time perhaps in violation of the rules of Congress.

If Wright truly believes in the peace process set in motion by Costa Rican President Oscar Arias, and endorsed by Ortega, what in heaven's name possessed him to publicly inflame matters by literally shouting out that Congress has received clear testimony that CIA agents are behind recent anti- government protests in Nicaragua?

There is a clearly delineated policy in Congress for the discussion of classified information. Developed in the main by Sen. David L. Boren (D.-Okla.) and his intelligence committee, there now exists a process for the discussion of sensitive matters in-house, so to speak, to avoid the type of leaks that have plagued Capitol Hill.

Policy be damned, said Wright the other day. He volunteered that the CIA had deliberately incited opposition demonstrations in Nicaragua, with those demonstrations designed to induce a repressive response from the Sandinista government.

They did, and today opponents of the Ortega regime languish in Sandinista prisons, the objects of appeals for release by various human rights groups.

Whether Wright believes it or not, the Sandinistas do not tolerate dissent. And the imprisonment of the opposition, even if the result of CIA plotting, demonstrates Sandinista intolerance.

Mind you, however, that Boren had concluded earlier that there was no U.S. involvement in the demonstrations.

So where is Wright getting his information? His own bias? His own delusion that he is the spokesman for the U.S. foreign policy community?

The Reagan White House has neither confirmed nor denied Wright's accusation. That is not the issue, however. It is whether the rules for disclosure of sensitive information should or should not be respected.

And, more than that, whether Wright has torpedoed the peace process by another untimely intrusion into foreign policy.

CHAMIZAL NATIONAL MEMORIAL IS GROWING INTO CULTURAL CENTER

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. COLEMAN of Texas. Mr. Speaker, the Chamizal National Monument in El Paso, TX, is a symbol of international cooperation and understanding between the United States and Mexico. Although it opened in 1973, it is only now starting to receive its fair share of Federal resources. Plans to make the site a major cultural center are underway, and I thought my colleagues would appreciate reading the attached column written by the able assistant editorial page editor of the El Paso Times, Carol Viescas.

The article is as follows:

CHAMIZAL NATIONAL MEMORIAL IS GROWING INTO CULTURAL CENTER

(By Carol Viescas)

Chamizal National Memorial, which opened in October 1973, may be one of the smallest national parks in the nation. But the 54.9 acres give El Pasoans and visitors a lot for each square foot.

The center, of course, is the 494-seat theater, which provides a wide range of entertainment, from local recitals to the now internationally famous Siglo de Oro Theater Festival. Local groups using the theater and its talented technical crew know they must book at least a year in advance to get choice weekend dates.

But pretty grounds don't just provide picnic space. There are folk and jazz festivals, *charreadas* (Mexican rodeos), symphony performances . . . the list is long. Every summer it is home to wide variety of music in the Music Under the Stars series sponsored by the city's Arts Resources Department. It averaged almost 7,000 people per concert this summer.

And soon, Chamizal will be able to provide even more.

For a long time, Chamizal officials have wanted to add more features to the park. Indeed, a special committee made sweeping plans that were approved locally in 1986. Now, if the president signs the bill, Congress will put up $1.5 million toward that plan. Credit for writing the Chamizal funding into the appropriations bill goes to Rep. Ron Coleman and his staff.

So what will Chamizal add?

Franklin Smith, superintendent of the park since its inception, sees the already large crowd—225,000 last year—growing even more. This money will pay for a new 7,000- to 8,000-square-foot wing to the theater. Then park offices can move to the park from offices near Downtown.

But best of all, the new addition will give the park much more exhibition space. The historical exhibit will be greatly improved and enlarged. There will be room for special films and meetings.

The 1988 federal budget approved $95,000 for the park. Final architectural plans are being drawn for a new outdoor stage with that money. The current stage was made for 2,500 viewers. At the largest ARD concert this summer, more than 14,000 attended. The new stage should give better sight-lines for these big crowds.

Local folks are adding their efforts, too. Seven local charro (Mexican cowboy) associations are working together to build a new *lienzo* charro, or rodeo site, in the park El Paso Community Foundation has set up a donation plan to get new landscaping and trees in the park. A nature walk is still planned, among plants indigenous to the Southwest. A sculpture is still in the works that likely will be the decided by a competition.

When all this work is complete, that little plot of land may be the biggest historical and cultural hot spot in El Paso.

DETERIORATING SCIENTIFIC RESEARCH FACILITIES

HON. MANUEL LUJAN, JR.

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. LUJAN. Mr. Speaker, as ranking Republican member of the Committee on Science, Space, and Technology, I was pleased to endorse the provisions in the legislation the House passed yesterday that addresses one of the great problems facing our Nation, the deterioration of our research infrastructure. I am speaking, of course, of the provisions that authorized the National Science Foundation to establish a program to replace or renovate the deteriorating scientific research facilities on the campuses of America's colleges and universities.

I would, however, caution the House on one point. That caution is this: The facilities revitalization program in the bill before the House is exceedingly small in relation to the need across the Nation.

Because this revitalization program is so modest, I see a continuing role for Congress. Not only do such projects stimulate economic development, broaden the Nation's research infrastructure, and strengthen institutions aspiring to excellence in scientific research, but they also help to make more equitable the distribution of Federal research funds across the country.

In the past, the distribution patterns for those funds have not been particularly equitable. Some regions have done well, and others, like my own, one of the great growth areas in the Nation, have not done well at all. These patterns must change, and I hope they will—in the very near future. But even then, in light of the enormous need I have already mentioned, Congress will continue to have the right, and indeed the responsibility, to supplement the limited research facilities program in the bill. Colleges and universities need that money to meet their challenge of keeping America preeminent in research.

THE TRUTH ON CONTRAS

HON. PETER A. DeFAZIO

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. DEFAZIO. Mr. Speaker, I recently received this letter from some constituents upon their returning from a Witness For Peace tour of Nicaragua. I think their letter describes the true situation in Nicaragua.

The letter follows:

I wrote you before we left on our Witness For Peace tour of Nicaragua, and I thought you might be interested in what we learned from this very intense, and extremely revealing experience.

In brief, we found a beautiful but poor country, their economy in shambles, war-torn, and still unrecovered from a devastating earthquake, but with strong, courageous citizens generous and friendly to us. Contrary to what our State Dept. and media say, we found a free and open society, and a democratic government dedicated to improving the life of its citizens through mixed economy and good relations with its neighbors. The best thing we could do would be to give them a chance by not interfering.

Two weeks ago we stood in the cemetery of the town of Yali, a small farming community in the mountainous northern province of Jinotega, near the Honduran border. This is an area of continued Contra activity. The incredible beauty of the lush green mountains with their patches of rain forest and cultivated clearings gave the place an air of peace, serenity and idyllic tranquillity, making it hard to believe that it is a region of deadly conflict and terror by night.

Most of the families had lost one or more members. One by one the women with us pointed out the graves of husbands, sons, and, in come cases even of daughters or children killed by the contras. Some had been horribly tortured and mutilated. The women were distressed that they had no money to buy proper headstones for the graves of their loved ones, mostly marked with simple wooden crosses.

In spite of their grief beyond tears, and the misery inflicted upon them by our government over the past several years, the people of Yali welcomed us warmly, and took us into their homes for three days. In fact, during our entire stay in Nicaragua, nowhere did we encounter even the slightest display of animosity towards us, as Americans.

We also visited the orphanage at Yali where about sixty children from five to twelve years of age, who had lost one or both parents and had no means of support are housed. After introductions of both groups we enjoyed a program of music, singing and dancing with them, and examined examples of the childrens art and poetry.

The people of Yali are forward-looking and optimistic in spite of everything. With a donation of $100.00 from a previous American group, they have obtained and furnished a small building for a one room library. They hope to expand this as soon as possible and have already obtained some building materials for the purpose. They say that even now, in spite of everything, they are better off than before the revolution, since now the peasants own and work plots of land for themselves, either individually or through cooperatives supported by the government.

Upon leaving Yali we went further north to the small farming cooperative of Las Colinas. This cooperative consists of three dozen families. It has been attacked and burned to the ground three times.

After the last attack, a government work brigade rebuilt the small houses and school with cement bricks, and there is a contingent of the Sandinista army helping the local men guard the cooperative. The people are still unable to work the more outlying fields where there can be little protection. Despite the ceasefire, there were still kidnappings in the region the week we were there and there was a large burned out army truck which had recently hit a mine, killing two and injuring other civilians.

Here again we were warmly welcomed by the people who did all they could to make our stay comfortable. Some of our group talked briefly with the colonel in charge of the army contingent helping guard the cooperative. He made the remark that there was no chance that the contras could win, no matter how much money the Reagan administration throws at them "because they have no music and poetry in their camps." Our departure was delayed over an hour while the army checked the road for mines before giving us the go ahead to return.

We talked freely and openly with leaders of groups of all shades of political opinion from strongly pro-Sandinista, to almost violently anti-Sandinista. The only organization which refused to see and talk with us was the American Embassy. This guarded fortress contrasted with the openness and freedom we experienced elsewhere in Nicaragua. At a public meeting we attended during the visit of Tanzanian President Nyere, we sat across the table from President Ortega and his ministers, with no security in evidence. At this open meeting, many Nicaraguans took the mike to recite poems, sing songs, in support of their country.

The contras never engage the Sandinista army if they can avoid it. They target outlying farm cooperatives, schools, teachers, water and electric installations, and terrorize the peasants to drive them from their land and disrupt the production and flow of food.

Nowhere did we find any support for contra aid. Even those groups which blame the Sandinista regime for Nicaraguas' current misery and difficulties said that Contra aid was futile and self defeating, and preventing them from working out their own solutions to their problems. What is our motive?—We began to see it's simply that the U.S. Government can't stand to see a little country successfully achieve freedom independent of our economic hold.

We left with a strong sense of the commitment of these people to their land, of their courage and optimism in spite of present poverty and misery.

It is sad beyond words that our Government, which makes such loud self-rightous outcry whenever there is an act of terrorism, particularly against our armed forces abroad, should itself support systematic terrorism in a small impoverished country struggling against great odds to get on its feet. Again, we implore you to help stop support of the Contras, and also to lift the trade embargo against Nicaragua.

Sincerely,

BAYARD & EVELYN MCCONNAUGHEY.

SALUTE TO THE REPUBLIC OF CHINA

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. CRANE. Mr. Speaker, I wish to extend warm greetings to President Lee Teng-hui of the Republic of China [ROC] on the occasion of ROC's 77th birthday. This country has been able to achieve many positive things such as their economic success and political liberalization. Their success is undeniable proof that human efforts can and do overcome all types of obstacles. Only 39 years ago, Taiwan was an impoverished island country without resources or money. Today Taiwan enjoys a per capita GNP of nearly $6,000. The Taiwanese people's industry has paid off. It is also a pleasure to learn that instead of spending money on frivolous projects, Taiwan's Government is considering granting low-interest loans to Third World countries needing financial and technical assistance.

The United States is proud of Taiwan's many achievements. We only hope that mainland China will also soon learn that private enterprise and hard work are the key to mankind's future and happiness.

Finally, I wish to extend a personal welcome to Taiwan's new representative in Washington, Minister Ding Mou-shih, who was the former ROC Ambassador to the Republic of Korea and ROC's foreign minister. I am certain Representative Ding will be a most important link between his government and ours. Welcome, Ambassador!

ST. JOSEPH'S CHURCH CELEBRATES CENTENNIAL

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. KANJORSKI. Mr. Speaker, I am pleased to announce the 100th anniversary of the St. Joseph Slovak Church of Nanticoke, PA. On September 4, 1988, Bishop James C. Timlin, the Bishop of the Diocese of Scranton, and Rev. Leo M. Gardzalla, the pastor of St. Joseph's, led the members of the parish in the observance of the centennial.

As the fourth oldest Slovak parish in the United States, St. Joseph's occupies an important role in the history of Nanticoke. The first Slovak immigrants came to the region in 1875. Most of the pioneers had been miners or farmers in Slovakia, and settled in northeastern Pennsylvania to continue their trade. By 1880, there were approximately 200 Slovak settlers in the town.

The desire for a Roman Catholic Church presided over by a pastor who spoke their own language bonded these pioneers together to erect their own house of worship. The Pennsylvania Slovak Catholic Union was formed to organize the construction of a church. In 1888, the cornerstone of the first church was laid.

In the next few decades, the region saw a significant increase in the number of Slovaks. Consequently, the existing church required expansion in order to meet the needs of the growing population. In 1917, the parish built a new church, and 14 years later, a parochial school was opened.

Today, the church plays an important role in the preservation of Slovak customs. By the efforts of the parish, their rich culture is evident throughout the community. The commitment of the parishoners to their heritage has made St. Joseph's one of the most flourishing parishes in the Scranton diocese.

Mr. Speaker, I am proud to join the members of the St. Joseph Slovak Church in celebrating their centennial. St. Joseph's represents the abiding strength of religious faith which has been so instrumental in the development of our American values.

PERSONAL EXPLANATION

HON. MIKE SYNAR

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. SYNAR. Mr. Speaker, due to unavoidable scheduling conflicts, I missed rollcall votes No. 345 and No. 346. Had I been present I would have voted as follows:

Rollcall No. 345, "'yea."

Rollcall No. 346, "no."

THE FOGARTY INTERNATIONAL CENTER

HON. WILLIAM H. NATCHER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. NATCHER. Mr. Speaker, I would like to take a moment today to call the attention of Congress to the 25th anniversary of an idea that has helped the cause of health throughout the world. A quarter century ago this week, my esteemed colleague, John Fogarty, made a speech to the Citizens Committee for the World Health Organization here in Washington. In that speech he proposed a plan to create and international center for scientific research—to use his words—"dedicated to international cooperation and collaboration in the interests of the health of mankind."

Congressman Fogarty envisioned such a center being associated with the great facilities of the National Institutes of Health in Bethesda, MD, as he put it, "representing the visible and tangible embodiment of this Nation's devotion to the use of science for peaceful purposes and the good of mankind."

John Forarty, who was chairman of the House Appropriations Subcommittee on Labor, Health and Human Services, and Education between 1948 and 1952 and again from 1955 to 1967, spent much of his 27 years in Congress promoting the concept of health for peace. By this he meant international collaboration in matters of health and scientific exchange among nations—because of their significance both for the solution of health problems and as a contribution to peace.

From the time of John Fogarty's proposal for such an international center in 1963 until his death in 1967, he worked for the creation of an organization at the NIH specifically focusing on international health research. He never was able to succeed during his lifetime, which was cut short at 54 years by his own health crisis—a heart attack. Fortunately, good ideas sometimes outlive their creators. John Fogarty's dream became reality after his dealth—when the Congress established in 1968 the international center at NIH that bears his name in living tribute to the man and his ideas. It is called the John E. Fogarty International Center for Advanced Study in the Health Sciences—which, coincidentally, is observing its 20th anniversary this year.

The Fogarty International Center promotes international collaboration in the biomedical and behavioral sciences in a number of ways through its Advanced Studies, Foreign Scientists Assistance, International Research and Awards, and International Coordination and Liaison Programs. It has become a key element in the NIH's relations with the biomedical community in the rest of the world.

The Fogarty International Center has accomplished much since its creation two decades ago. But its—and mankind's—opportunities and challenges continue.

Mr. Speaker, thank you for permiting me to take time today to commemorate one of our most esteemed members in the field of health, John Fogarty, on the anniversary of his idea for the international center that now bears his name.

CHILD CARE TAX INCENTIVE ACT OF 1988

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. JEFFORDS. Mr. Speaker, today I am introducing in the House a bill that would reform the dependent care tax credit to make it more responsible to the needs of low- and moderate-income families. This bill is identical to S. 2714, which was developed by Senator BOB PACKWOOD and introduced in the Senate on August 10.

Improving the quality and availability of child care for all families is one of the goals that we all share. We need to muster all the resources we can if we are to approach this goal.

So far Congress has proceeded with blinders on, refusing to consider some of the significant and serious proposals that have been made for improving child care. I am especially concerned that we have not welcomed proposals for including the business community in our efforts and for improving the dependent care tax credit.

Through the dependent care tax credit, the Federal Government subsidizes child care to the tune of $4 billion annually. This money goes directly to parents, who are free to choose the type of child care they feel is most appropriate.

The bill that Senator PACKWOOD and I have introduced would increase the size of the dependent care tax credit for all families. The bill would also make the credit refundable, thereby making it more available to low- and moderate-income families.

The bill would allow families with adjusted gross income [AGI] under $10,000 to deduct 40 percent of their child care, work-related expenses—these families can now deduct 30 percent of these expenses. The credit would also continue to be available to families with AGI's between $10,000 and $40,000 based on a sliding scale. Families with AGI over $40,000 would continue to be covered by current law.

The maximum amount of expenses that would be eligible for the tax credit would also be raised by this bill. Under current law, the maximum credit at the 30 percent rate is $720 for one child and $1,440 for two or more children. Under the bill, the maximum credit based on the 40 percent rate would be $960 for one child and $1,920 for more than one child. The credit would be refundable for families that pay little or no Federal income tax.

I believe this bill offers an important addition to the discussion of ways of improving the quality and availability of child care in our country.

A TRIBUTE TO MR. CLIFFORD HOLLIDAY OF GARDENA, CA

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. DYMALLY. Mr. Speaker, I rise before you today to pay special tribute to a very special constituent of mine who resides in Gardena, CA. I am happy to say that tomorrow Mr. Holliday will arrive in Washington, DC, to attend a series of meetings of the National Council of Senior Citizens. Remarkably, at age 90, Cliff still maintains a very active and fast-paced lifestyle—one he enjoys very much. He remains dedicated and committed to a number of senior citizen organizations and causes. His admirable record includes an 8-year career with the Gardena Valley Chamber of Commerce where he served on the board of directors of community for crime prevention. In addition, Cliff served on the Los Angeles Police Advisory Committee on Crime Prevention for 5 years. He is also a distinguished board member for the affiliated committee on aging. In 1975, Mr. Holliday was named the South Bay and Gardena Senior Citizen of the Year. He has been a member of the Toastmasters and the Kiwanis Club for 12 and 14 years respectively. In 1985, he received the coveted John Anson Ford Award. He served as president of the California Congress of Seniors and is presently an active board member. He has also served as the western regional representative of the National Council of Senior Citizens.

Perhaps his most extraordinary contribution and commitment has been volunteer work of 18 years, in which he has consistently devoted an average of 40 hours a week to community projects. Indeed, Cliff's commitment is extraordinary and truly an example for others to follow. Today, we commend you, Mr. Holliday for you are living proof of the truth in the famous adage which says that "one is never too old to learn, live, and love."

TRIBUTE TO CHARLES LEVINE

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mrs. SCHROEDER. Mr. Speaker, public servants lost an important advocate last Friday evening when Charles Levine died at age 49. Charles' death was completely unexpected.

Charles was working on the final report of the National Commission on Public Service at the time of his death. The Commission, chaired by Paul Volcker, was, in many ways, Charles' progeny. The origin of the Commission stems from a Brookings conference, organized by Charles, which aired concerns about the imminent deteriortation of the public service. At that conference, Charles coined the phrase "the quiet crisis." From the conference grew the Commission.

As Deputy Director, Charles led the Commission through hearings, papers, and briefings, all to culminate in a final report at the end of this year. The report of the Commission is intended to elevate the serious concerns about a pending decline in the civil service from the public service community to the larger political community. The report will help ameliorate the loss of pay and prestige of the public service. Charles believed, as do I, that we will not get quality Government service if we derogate and short-change Government workers.

Before creating and joining the Commission, Charles was a senior specialist at the Congressional Research Service. In that position, and since, Charles provided the Subcommittee on Civil Service, which I chair, with independent and incisive advice on the activities of OPM and other Government agencies.

I, and all who care about a quality public service, will sorely miss Charles Levine.

SMOKE-FREE HOSPITALS

HON. RICHARD J. DURBIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. DURBIN. Mr. Speaker, recently, Surgeon General Koop and the Administrator of the Health Care Financing Administration, Dr. Roper, sent a letter to the administrators of all Medicare participating hospitals encouraging them to adopt a no-smoking policy. I share their strong concerns about smoking in health care facilities, where patients are in many cases more susceptible than the general population to the ill effects of passive smoking.

Today I am introducing the Smoke-Free Hospitals Act. This legislation will require Medicare and Medicaid-participating hospitals to certify that they have prohibited the sale of tobacco products and implemented a no-smoking policy within the hospital and on the facility grounds as a condition for further Federal funding.

The health risks of smoking and exposure to smoke have been well-documented by reports of the Surgeon General. The 1986 report, "The Health Consequences of Involuntary Smoking," stated that involuntary smoking is a cause of disease in health nonsmokes. The study also reported that the separation of smokers and nonsmokers within the same air space may reduce, but does not eliminate the exposure of nonsmokers to environmental tobacco smoke.

While some hospitals have already adopted smoke-free policies, including the University of Chicago Hospitals and George Washington University Hospital in the District of Columbia, 92 percent of our Nation's health care facilities have not. I am pleased to report that the American Medical Association, the American Academy of Pediatrics, the American College of Physicians and the American Heart Association have all endorsed smoke-free hospitals.

I urge your support for the Smoke-Free Hospitals Act.

MR. FLORIO HONORS DORIS WRIGHT BRACY

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. FLORIO. Mr. Speaker, I'd like to bring to your attention an outstanding individual, Doris Wright Bracy.

Doris Wright Bracy has served as the executive director and president of the Southen New Jersey Visiting Nurse System for the past 14 years. In that capacity, and as the founder of the Home Health Agency Assembly of New Jersey, Doris has been instrumental in working to expand and improve the provision of home health care services to people of all ages. While home health care is finally being recognized as a more cost-effective method of providing health care, as well as a more comfortable alternative for the patient, it is instructive to note that Doris has been in the forefront of those seeking due recognition for the benefits of this mode of health care.

In all, Mrs. Bracy has been a nurse, and an active, effective advocate for nursing, for 43 years. There are a few people who have never served the health care profession as well as Doris Wright Bracy. On Friday, September 30, 1988, Doris Wright Bracy will retire as president of the Southern New Jersey Visiting Nurse System. For her outstanding achievement in the field, Mrs. Bracy will be honored by her many friends, family, and colleagues at the Woodbury Country Club.

Mr. Speaker, I am pleased to be joining with those who will be honoring Doris on September 30. It will be a particularly special occasion for me, as Doris has been very generous over the years in providing me with valuable information and counsel on this extremely important and effective component of the health care field. I offer my personal thanks and congratulate Doris on her many years of outstanding service to the southern New Jersey Visiting Nurse System and to nursing, and wish her a very enjoyable retirement.

THE ADMINISTRATION'S JOB SAFETY PROGRAM

HON. LANE EVANS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. EVANS. Mr. Speaker, one of the most important tasks of the Federal Government is to protect the safety and health of the Nation's work force. An effective job safety program can serve many purposes in a democratic society. Through such a program, we build confidence in working Americans that their government is protecting our work force as a national resource. Also, a sound safety program serves to level the playing field between those in industry who care about safety and those who don't.

During the past few weeks two reports have crossed my desk that warrant consideration by thoughtful Americans. The reports were published by the National Safe Workplace Institute, a nonpartisan, not-for-profit organization based in Chicago. The Institute, which was founded in 1987, has established a national reputation for its commitment to high standards and for its independence, forcefulness, and creativity. While NSWI is, in many ways, a classic "think-tank" it is much more. It has successfully challenged National, State, and local government policies.

Perhaps the most compelling function of NSWI is its commitment to holding Government accountable. In recent studies, NSWI has examined the record of the Occupational Safety and Health Administration [OSHA] and the Department of Justice in carrying out each agency's responsibilities under Federal law. What NSWI found should trouble all Members of Congress concerned with job safety and health issues.

The central theme of both NSWI reports is that the Federal Government is not enforcing our national laws. It is important to note that the NSWI has not called for more spending. Indeed, the NSWI has shown that OSHA is not spending its existing resources on its most important function, inspections. Specifically, NSWI reports that OSHA had $107,067.72 available for each inspector in fiscal year 1980. That amount grew to $165,071.97 for each inspector by fiscal year 1988. NSWI calculated these figures by subtracting State grants from OSHA's appropriation and by dividing the remaining amount by the number of inspectors.

During the Reagan administration, OSHA's per-inspector resources have grown 24 percent above the rate of inflation. Hence, the issue is not budget resources but the effective deployment or utilization of budget resources.

In its recent studies, NSWI reported:

An OSHA inspector in the last year of the Carter administration was three times more likely to issue a willful citation, OSHA's most serious, than under the Reagan administration.

OSHA has cut "sweetheart" deals with major corporations, with penalty reductions of 50 percent or more in many cases.

Since 1981, the Department of Justice has indicted just two companies for job safety crimes. During the same period, prosecutors in California filed criminal charges in 292 cases and won 112 convictions or plea agreements.

OSHA has done very little to shift its focus to the service sector. Since 1981, heavy industry and construction have lost a million jobs yet the service sector increased by 13 million jobs. Yet OSHA has failed to protect health care workers from hepatitus B and maintenance workers from asbestos. Indeed, OSHA has just produced two new health standards a year in the last 7 years.

While NSWI has gathered and published persuasive data, its most powerful story has been regarding victims. They tell how the victims of unsafe workplace become OSHA's victims. The theme that emerges from reading these accounts is that OSHA regards victims as a disinterested third party to its proceedings. Rather than reach-out to victims, OSHA requires victims to file Freedom-of-Information Act requests for documents such as citations and investigative reports. Then, to add insult to injury, victims are asked to pay Xeroxing and service fees.

NSWI believes that it is time that OSHA begin to uphold our laws. NSWI urges that the dealmaking stop and that the enforcement start. Moreover, NSWI recommends that victims be accorded the same rights and privileges as employers.

In concluding one of its recent reports, NSWI recommended that the next administration create a National Commission on Occupational Safety and Health. NSWI urges that the Commission include both industry and labor and be nonpartisan. The Commission should examine the need for changes in OSHA and in the OSH Act essential to make Government more effective and efficient.

In a very short period of time, the NSWI has attained considerable credibility with its thoughtful and creative reports and activities. I, for one, will continue to monitor the NSWI's work as I search for ways to make our Government work for the people of this great Nation. In shaping the agenda of the future, there can be no doubt that NSWI will play a key role.

TAIWAN'S NATIONAL DAY

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. LELAND. Mr. Speaker, I am greatly impressed by the economic and political miracle engineered over the last few decades by the Republic of China, and to that end want to call your attention to Taiwan's National Day, October 10, 1988—the 77th anniversary of the nation's founding in 1911. Today, Taiwan continues to prosper, to enjoy a high standard of living, and to implement democratic reforms. This country observes the efforts of President Lee Teng-hui and his countrymen with optimism and confidence, and welcome to Washington Taiwan's new Ambassador to the United States, Mr. Ding Mou-shih.

ESTABLISHING A COMMISSION ON RACIALLY MOTIVATED VIOLENCE

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. GUARINI. Mr. Speaker, I would like to take this opportunity to express my full support for H.R. 3914. This bill establishes a much needed Commission on Racially Motivated Violence.

The Commission will consist of 12 members. Six of these members are to be appointed by the President, three members are to be appointed by the Speaker of the House, and three members are to be appointed by the majority leader of the Senate. They will be required to investigate racially motivated violence and make recommendations to the Congress and the President on their findings.

This bill is of great relevance to my district in New Jersey where prejudices and racial violences have continued to plague the cities. We have witnessed an increase in this violence over the past year. The citizens of Hudson County want to put an end to this fighting, however, no apparent solution is available to them.

It is unfortunate that this Commission is needed in our country. But until we can put a stop to ethnic violence, we must fully utilize this Commission. Their investigations and recommendations will greatly enable the Federal, State, and local governments to deal with such violence.

The establishment of a Commission to investigate racially motivated violence is a step toward bringing peace and cooperation to the people in my district and to our country.

I urge my colleagues' full support for this legislation.

DURBIN'S SMOKE-FREE HOSPITALS ACT

HON. BOB WHITTAKER

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. WHITTAKER. Mr. Speaker, I am pleased to join my colleague, DICK DURBIN, in sponsoring the Smoke-Free Hospitals Act of 1988.

Many hospitals already have in place a "Smoke-Free" policy, where smoking is either prohibited or severely restricted. Yet it is ironic that the vast majority of hospitals, which are in the business of making sick people well, still allow the sale of cigarettes on the premises and allow smoking in various parts of the hospital.

This is in spite of the fact that both Surgeon General C. Everett Koop and HCFA Administrator Bill Roper have written to all hospitals that participate in Medicare, encouraging them to adopt a no-smoking policy.

It is time that these institutions, which are in the business of health, get serious with creating the most healthy environment in which to recuperate. A healthy environment must be a smoke-free environment.

The Smoke-Free Hospitals Act of 1988 would do just that. I encourage all Members of Congress to join with us in supporting this important legislation.

IN RECOGNITION OF PASSAIC HEART FOUNDATION HONOREES

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. ROE. Mr. Speaker, it is with great pride that I rise today to recognize three representatives of an outstanding organization in my Eighth Congressional District of New Jersey who have made tremendous contributions to the standard of health care in our community, State, and Nation. The organization to which I refer is the Passaic Heart Foundation, and the three exceptional individuals being honored by the organization are Jeffery Moll, Janice Buckalew, and Mary Ellen Rauner.

The American Heart Foundation has accomplished much to improve the quality of health for all of us, and the many achievements of the Passaic Heart Foundation will be celebrated during this year's dinner dance at the Cameo in Garfield, NJ. This gala evening is the perfect opportunity to salute the three deserving honorees for their personal dedication to caring for others. I am certain that, with the direction of the chairman of the Passaic Heart Foundation, Joseph R. Russo, and the esteemed members of the board, this special event will be a great success.

Mr. Speaker, I would like to take this opportunity to tell you and our distinguished colleagues a little about each of the Heart Foundation honorees, beginning with Jeffery Moll, the special guest for the evening. Mr. Moll is currently the executive director of Beth Israel Hospital in Passaic, NJ. He was appointed to this position in 1984 after 2 years as the associate director of the hospital. Prior to this, Mr. Moll served for 9 years as the assistant administrator at Holy Name Hospital in Teaneck.

Mr. Moll prepared himself for this important work by attending the State University of New York in Albany for a B.S. degree in business, and then the Graduate School of George Washington University here in Washington for a master's degree in hospital administration. Professionally, he is affiliated with the American College of Hospital Administrators, and he is a former trustee of the Mental Health Clinic of Passaic. He also served on the Health Commissioner's Task Force on Hospital Licensing and Survey Process, the Task Force of the Health Systems Agency, and the Committee on Allied Organizations of the New Jersey Hospital Association. There is no doubt that Mr. Moll has earned the tribute he will receive at the annual dinner dance, and I am confident that his wife, Barbara, and his two children, Jason and Rebecca, are most proud of his succesful career in this crucial part of health care.

Janice Buckalew is the coordinator of the intensive and coronary care units at St. Mary's Hospital in Passaic, NJ. Educated at St. John's Hospital School of Nursing in Springfield, IL, she has held a number of outstanding head nurse and coordinator positions around the country. Included among these is a 10-year stay at St. Mary's Hospital in Hoboken, NJ as the nursing care coordinator in charge of the nursing staff for over 40 intensive and critical care patients. She also served for 3 years as head nurse for the surgical intensive care unit at the John Peter Smith Hospital in Fort Worth, TX. Mrs. Buckalew is an accomplished manager and dedicated nurse, most deserving of this salute from the Passaic Heart Foundation.

Finally, Mary Ellen Rauner is the director of nursing at the intensive and coronary care units of the General Hospital Center of Passaic. She has held this position for 3 years and been at the hospital for a total of 5 years, prior to which she served as patient care manager in emergency services at Riverside Hospital in Boonton, NJ. Ms. Rauner is a graduate of both Felician College in Lodi, NJ, and Regents College, State University of New York. She has participated in a great many programs as a guest, organizer, and even lecturer on a wide variety of subjects related to care of the heart. Ms. Rauner is truly an expert health care professional, and it is fitting that she be honored at this year's foundation dinner-dance.

Mr. Speaker, each of these well-chosen honorees is an example to health care administrators everywhere. Without the excellent work of leaders such as these, great strides in medicine could not be made or used effectively. To these individuals, and all devoted health professionals, we owe our thanks for feelings of security and hope when we or someone we care about requires hospital care. I invite you, Mr. Speaker, and our colleagues to join me in congratulating Mr. Moll, Mrs. Buckalew, and Ms. Rauner for their years of commendable service and the honor they have earned from the Passaic Heart Foundation.

REFLECTIONS ON THE MARCH ON WASHINGTON

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Ms. PELOSI. Mr. Speaker, on August 25 of this year, over 55,000 people from all over the country gathered before the Lincoln Memorial to celebrate the anniversary of the greatest civil right's march in the Nation's history. Among the participants was a contingent of nearly 100 San Franciscans who had flown to Washington that morning aboard the Freedom Plane.

With them were four young people from Glide Memorial Church in San Francisco who wrote about their experiences and the importance of the march in any essay contest. The movement and the dream, which were born long before they were, became a reality for these youngsters as they followed the path of Dr. King's march.

The reflections of these four on the meaning of that August tribute to a 25-year-old dream are particularly moving and meaningful, Mr. Speaker, I would like to share them with my colleagues:

Why the Observance of the Washington March Led by Martin Luther King, Jr., Was Important To Me

(By Nancy Nguy, Age 11, August 9, 1988)

On August 28, 1963, 250,000 people marched to the Washington Monument. A sea of people of all races and religions marched hand in hand to the Lincoln Memorial. Many liberal whites had answered Martin Luther King's call for them to stand up and all blacks and whites stood together against a system that preached race supremacy.

Speakers stepped up and addressed the large crowd. The speakers all had one message; that was equal justice under the law for all Americans. At last, it was Martin Luther King's turn to deliver his speech. He had worked on it for a long time. The minute before he was introduced he changed his mind and spoke what he was feeling from his heart.

Martin Luther King spoke with all his mighty voice. He said, "I have a dream that all four of my children will one day live in a nation where they will not be judged by the color of their skin, but by the content of their character."

Every time he spoke ". . . I have a dream . . ." it gave all the people stronger hopes. Than as one, the people raised their voice in a roaring ovation and yelled, "Free at last, Free at last, Thank God Almighty, we are free at last!"

Because of Martin Luther King and all the people who were there to help and support him, he has encouraged everyone to keep on dreaming and let no one take that dream away. Then this dream will come in time.

I, too, have a dream. My dream, is to be a dancer. I dream of traveling to different places and expressing my feelings through art. With my family and friends to stand by me and support me my dream will one day come true just like Martin Luther King's dream. The March on Washington has inspired me to dream further. With love and support from my family and friends I too will make this dream come true.

The Great March on Washington

(by Johnniemae Faribanks, Age 14, August 8, 1988)

Dr. Martin Luther King, Jr. and other civil rights leaders (A. Phillip Randolph, Roy Wilkins, Dorothy Height, and Whitney Lewis) led 250,000 people on the March on Washington on August 29, 1963. They marched to show that Black people should have rights to sit on the front of the bus, to try on clothes in the stores, and to get good jobs and to vote without taking a literacy test.

Martin Luther King, Jr. met President Kennedy and Vice President Johnson. Martin Luther King, Jr. had a dream that all people should have their freedom. That children wouldn't be judged by their skin color. I wonder what Martin Luther King, Jr. would think if he were alive to see if his dream came true. There are people fighting each other, people selling drugs and taking drugs. Sometimes I think that some of his dream did not come true because some whites don't like giving black people jobs and some teachers are prejudice.

Even though we have a long way to go, many people who marched on the first March on Washington helped us realize some of the freedom we have today.

Why the March on Washington Is Important to Me

(By Matthew Dudley, Age 15, August 9, 1988)

The March on Washington is an important event. It is very important to the Civil Rights Movement. It affects everyone. If it wasn't for the March on Washington we would have it rough. Back in the early '60's it was bad. Black folks could not eat at the same restaurant as the white folks. Black folks couldn't even use the same bathroom as the white folks. I'm very grateful for the March on Washington because without it there's no telling how bad it will be in the future and in the present. Now you can find black people in all types of occupations. Thanks to King, the other black leaders, and the March on Washington I can continue on with my dream to be a Computer Programmer, and may I add the best Computer Programmer!

Thanks to the March on Washington I can have a friendship with any girl or should I say, any color girl I want. Back in the early '60's I would probably get killed. How would you feel if someone told you where to sit or where to get a drink of water. It used to be like that. Black people had to go to the back of the bus while white people sat in the front. Even elderly black women and men had to go to the back of the bus. If the back of the bus was full the black folks had to wait for the next bus or walk to their destination. There were separate drinking fountains for the blacks and the whites. If a black person got caught drinking out of the white folks fountain, or using the white folks bathroom they would be arrested on sight.

Thanks to the March on Washington we don't have to go through any of that. Another thing that was changed by the March on Washington was the school system. Before, the blacks couldn't attend a white school and the black children were lucky if they attended school at all. Now all is changed and all races can go to any school they want.

I'm so happy that there was a March on Washington and I would like to be a big part of it and help out as much as I can. I'd also like to thank Dr. Martin Luther King, Jr. and the other black leaders.

March on Washington

(By NaHeshaa Pritchett, Age 14, August 9, 1988)

The March on Washington was led by Dr. Martin Luther King, Jr. and other important people. The march took place on August 28, 1963 when 250,000 people marched for what they believed in. What these people believed in was freedom.

To me, freedom means that we are independent people. That we can make our own decisions. We have the ability to go anyplace we want to without people putting you down because of your skin color.

In my own experience, I felt that I was put down because of my skin color. I was in the 5th grade and I had a white teacher. She seemed very prejudice. She was projudiced toward all the blacks in the school.

I have to admit that the work I did in that class was very good work. Every assignment she gave to me I did it and it was turned in on time. I also turned in all my homework.

When report cards came out, my teacher gave me grades lower than I deserved. And I know I worked harder than that. She was not treating the blacks like she treated the other races in the class. She paid more attention to the others.

If she asked the whole class a question from our lesson, and I raised my hand, she never called on me. That made me really upset. That's how I found out she was not putting me down because of my work, but because of my skin color.

I think that teachers should treat all children of all races equal. This I why I think the March on Washington is Important to me.

INTRODUCTION OF THE RESOLUTION OPPOSING INCLUSION OF MARITIME TRANSPORTATION SERVICES IN GATT

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. JONES of North Carolina. Mr. Speaker, today I am—together with 67 of our colleagues on both sides of the aisle—introducing a resolution that would help preserve U.S. national security by urging that maritime transportation services be excluded from the upcoming General Agreement on Tariffs and Trade [GATT] round on services.

Last year, the administration proposed rolling back the cabotage laws to allow Canadian vessels into our domestic shipping trades. In response to that, more than 230 Members cosponsored House Concurrent Resolution 157, which called on the administration to stop bargaining away the U.S.-flag merchant marine. It worked, and the United States-Canada Free Trade Area Agreement was concluded without maritime as part of it.

Now, informal discussions have indicated that the same proposal may be made to the 90-plus member GATT in the ongoing services negotiations. This scenario is far worse than even the Canadian proposal. There is no room in the forthcoming discussions for consideration of proposals that would encourage entry by Third World and East bloc vessels into maritime trades now reserved, for security reasons, to vessels of the United States. Allowing such participation would ultimately and irrevocably spell the end of the U.S.-flag merchant marine.

It has been proved time and again that reliable U.S.-flag vessels are essential in time of conflict. It is important to remember that shipping lines compete head-to-head, yet operate under the laws of different nations, and that in order to overcome potentially devastating economic differentials, nearly all nations somehow support their fleets. In our case, the support is very lean, and to throw it away would be the most foolhardy thing we could do. Furthermore, the Congress just this year approved—and the President signed—legislation that creates a new framework for uncovering and treating unfair maritime practices, and that legislation—which promotes free trade—should not be dealt away in the name of "liberalization."

The maritime services industry can not be liberalized. As an essential element of national security, maritime transportation is not suspectible to those liberalizing factors that are contemplated when considering services that are traded.

Mr. Speaker, I think this bill sends the right message, not just to the administration, but to our friends in the GATT as well. Discussion of maritime transportation services is not proper in a trade agreement, and I hope that many more of my colleagues will join me and cosponsor this resolution.

NATIONAL FILIPINO-AMERICAN HISTORY WEEK

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. MATSUI. Mr. Speaker, I rise today to urge my colleagues to support House Joint Resolution 599, to designate the week beginning November 6, 1988, as "National Filipino-American History Week." This resolution recognizes the importance of Filipino-Americans within our society, and to pay long overdue tribute to the role they have played in shaping our culture.

Filipinos first came to this Nation not as free men, but as sailors in the galleons of the Spaniards who forced them into service. However, they were able to escape from this overlordship by jumping ship and settling in the swamps of Louisiana. It was in Louisiana that the earliest documented settlement of Filipino-Americans occurred, in 1763. From these beginnings the Filipino-Americans have become one of the largest ethnic groups from Asia or the Pacific in the United States, there now being more than 700,000 citizens and permanent residents of the United States of Philippine descent. Like so many other ethnic groups within the United States, the Filipino-Americans fought hard to overcome the difficulties of life in a new country, and to overcome the unfortunate bigotry and discrimination of some of their fellow Americans.

This determination to succeed has made the Filipino-Americans one of the most valued ethnic groupings within the Nation. They have gone to war for this country, they have made their mark in every sort of occupation and have made our Nation a stronger, better place to live.

As a long time supporter of the achievements and rights of Asian-Americans, I believe that it is our duty to honor the 225th anniversary of the Filipino community in the United States, and I urge the House to support this resolution.

THE INDEPENDENT LIVING TRUSTS AND CONTRIBUTION ACT OF 1988

HON. STEVE BARTLETT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. BARTLETT. Mr. Speaker, today Congressman MATSUI and I are introducing legislation which will allow parents and families to assist their disabled family member without jeopardizing that individual's eligibility for or amount of benefits under the Supplemental Security Income [SSI] Program.

I became aware of a problem in this area when parents in my congressional district told me of their concern to provide for their disabled child once they have passed away. Currently, a disabled individual can lose SSI benefits along with health insurance benefits if they inherit from their parents. The disabled individual must "spend down" his inheritance before he can again become eligible for SSI benefits. During this period, the SSI recipient loses Medicaid benefits which are essential to the individual. The result has been that many parents have no other choice but to disinherit their disabled child so that these basic benefits will not be lost.

In working out a solution to this problem, I also discovered that parents and family members cannot provide certain services, such as assistance in rent payments, while they are living without that assistance being deducted from the disabled individual's SSI benefit. For example, if a parent wants to give his disabled son or daughter $50 every month to help his child pay his rent at a group home, the Social Security Administration will deduct that $50 from the disabled individual's SSI benefit each month.

Many parents and families would like to assist their family members who have disabilities without that individual losing his eligibility for SSI benefits. These parents and families are only seeking to privately supplement SSI benefits; they are not seeking to obtain additional Federal dollars for their family member. Rather, these parents and families seek an opportunity to use their own funds to assist the disabled individual without risking that person's basis of support. These parents and families want a clearer, more understandable, and reliable set of criteria for long term planning. This bill will provide that understanding.

Under this legislation, contributions from family members or others would not be counted as income for purposes of eligibility or benefit computation when those contributions are made to provide services in these areas: social services, vocational rehabilitation, private medical coverage, educational services, personal assistance or attendant care services, clothing, or subsidies for housing such as rent or mortgage payments. In addition, a family can create a trust to provide these same services and that trust will not be counted as an asset or as income to the SSI recipient.

For housing assistance, a $7,200 yearly cap is placed on the amount that could be excluded from income in making eligibility or benefit level determinations. This amount is the total of amounts received by the person and used within 30 days for the purposes of paying the rent, the mortgage, property taxes, repair and maintenance bills, and other home-related costs or amounts placed into a home maintenance account. The home maintenance account must be established for the benefit of the individual at a financial institution. Any portion of the excluded funds which remain in the account at the end of the year will be counted as part of the total amount that the individual can have available in the next year.

Under this bill, a parent or family member can supplement his disabled family member's rent at a group home or apartment, provide an attendant to help the disabled individual get dressed or assist in hygiene care, or provide transportation services so the disabled individual can go to the grocery store. Allowing such services to be provided will assure the parent that is disabled family member will continue the same lifestyle as if the parent were alive or give the parent or family member the opportunity to provide such services during this lifetime.

Most importantly, this legislation does not add new benefits or expendmore tax dollars. This bill merely allows private dollars to be used by private citizens to assist their disabled family member.

This legislation will give parents and families a clearer understanding of those areas in which they can make contributions without adversely affecting the disabled individual's basic support system. It will allow more people with disabilities to live independently with private assistance from their families as well as the Federal benefits which form the basis of their support. I urge my colleagues to cosponsor this bill.

SECTION-BY-SECTION OF THE "INDEPENDENT LIVING TRUSTS AND CONTRIBUTIONS ACT OF 1988"

Section 1. Title.

Section 2. This section excludes from consideration as income in the SSI program certain contributions which individuals receive. The requirements which must be met to assure that the contributions are excluded from income are set forth in this section, described in sections 2(a) and (b).

Section 2(a). (1) Contributions which are received from any source and which are used within 30 days after receipt solely for the purchase of any of the following will not be counted as income:

(i) Any service which is designed to assist an individual with disabilities to function in society on a level comparable to that of an individual who does not have the disabilities. The service must be provided by a recognized social services or educational agency. The agency may be either governmental or private and profit or non-profit. The service can not be a medical service.

(ii) Private medical insurance coverage where the private insurer will be the first payor.

(iii) Educational services. This includes continuing adult education, postsecondary education, and vocational education.

(iv) Personal assistance or attendant care services.

(2) Contributions of clothing from any source will not be counted as income.

(3) Contributions from any source used solely to make a mortgage or rent payment due from the individual or to pay expenses which are incurred to maintain or repair the person's home (including the land that it appertains to) or are otherwise related to the ownership of the home (such as insurance and taxes) shall be excluded.

Section 2(b). (1) In order for a contribution to be excluded from income because it is used to make the mortgage or rent payments or to maintain the home, certain requirements must be satisfied:

The amount contributed may not exceed $7200 annually. This amount is the total of amounts received by the person and used within 30 days [for purposes of paying the rent, the mortgage, repair and maintenance bills, and other home-related costs permitted under section 2(a)] and amounts which are paid into a "home maintenance account." The home maintenance account must be established for the benefit of the individual. Any portion of the excluded funds which remain in the account at the end of the calendar year will be counted as part of the total amount that the individual can have available in the next calendar year.

(2) The Secretary of Health and Human Services is required to issue regulations which require the person and the institutions which manage the home maintenance account to account annually for how the funds have been spent.

(3) To qualify as the "home maintenance account" the account must be established at a financial institution. The account must be kept separate from any other funds of the individual and the assets in the account must be used solely for the purposes described in section 2(a).

(4) To qualify as a financial institution where the account can be set up and be treated as an excluded resource, the institution must be certified as meeting the definition of one of the following: a bank insured by the Federal Deposit Insurance Act, an association (savings and loan) defined under the Home Owners' Loan Act of 1933, an institution (savings and loan, savings and loan holding company or a subsidiary thereof) insured by the Federal Savings and Loan Insurance Corporation, and a credit union insured by the National Credit Union Administration.

Section 2(c). The amount which the person is permitted to receive for home maintenance purposes will be adjusted annually by the same cost-of-living adjustment which is applied to the SSI benefit.

Section 3. This section provides that loans which are made by or repaid to an individual (and the spouse, if there is one) shall be excluded from income. This applies to oral and written agreements. The loan may have been in cash or in-kind.

Section 4. This section provides that where another person creates a trust which includes among its purposes one or more of the purposes set forth in section 2, above, the creation of the trust will not be counted as income to the SSI recipient. With regard to home maintenance contributions, the trust will only be permitted to make annual distributions to the SSI recipient of not more than the annual amount allowed to be retained in a home maintenance account.

Section 5. This section provides: (1) that the contributions which another person makes to a trust under the provisions of this Act shall not be counted as a resource to the SSI recipient, and (2) that the contributions which the SSI recipient receives which are not counted as income under this bill also will not be counted as a resource for a reasonable period of time, so that the person will be able to properly pay for the services or other permitted expenses. The Secretary shall, by regulation, establish rules regarding what is a reasonable period of time.

Section 6. This section provides that the funds permitted to be excluded from income under the earlier sections shall not affect the person's eligibility for Medicaid.

Section 7. The Secretary of Health and Human Services is required to provide SSI applicants and recipients with notice of the benefits provided under this legislation. The notice shall inform them that these provisions provide them with the opportunity to exercise a greater degree of independence and will explain how the amendments operate to the advantage of these individuals. The notice must be provided at the time of application and to all SSI recipients within 6 months of the date of enactment and annually after that.

Section 8. The Secretary shall issue proposed regulations implementing these provisions by August 1, 1989, and final regulations by November 1, 1989.

Section 9. The amendments would be effective for months beginning after December 31, 1989, without regard to whether regulations implementing the provisions have been issued.

CONGRATULATIONS JERRY ELLISON

HON. ROBIN TALLON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. TALLON. Mr. Speaker, the week of October 2 has been proclaimed Minority Enterprise Development Week by President Reagan. There are countless minority business success stories. I rise today to share one with you and to congratulate Mr. Jerry Ellison, first runner-up to the South Carolina Minority Small Business Person of the Year.

In just 6 years, Jerry Ellison has built a viable business that has impacted not only South Carolina and the Sixth Congressional District, but three other States as well. His story proves that hard work and determination are still vital ingredients in the formula for success. Jerry Ellison is only beginning to see the fruits of his labor and sacrifice. I believe the best is still yet to come for him and his company, JBE.

In October 1982, Jerry opened a commercial janitorial service in Hartsville. J&P Janitorial had three employees and sales of $12,000. By 1984, sales had more than doubled to $95,000 and so had the work force.

Also, in late 1984, Mr. Ellison saw an opportunity to enter the metal refinishing business. JBE, Inc., was formed in 1985 to provide management for the janitorial and metal refinishing businesses. Since JBE was formed in 1985, sales have increased almost five times and assets have more than doubled. During this same period, the company's net worth doubled.

Mr. Speaker, JBE clearly demonstrates what the American dream is all about. Despite the odds and against many obstacles, Jerry Ellison and JBE currently employ over 100 people, including subcontractors performing over 90 contracts for the U.S. Postal Service in South Carolina, North Carolina, Georgia, and Florida.

JBE's success is even sweeter when you consider that the company's rapid growth and expansion has been accomplished without any conventional bank financing and without any assistance from special programs. Jerry Ellison's nomination for the Minority Small Business Person of the Year paraphrased a popular quote—"JBE made money the old-fashioned way—they earned it."

JBE has done an outstanding job of providing employment opportunities for very special segments of people—senior citizens, vocational rehabilitation clients, the mentally retarded, and prisoners on work-release programs. They have not sacrificed quality either, as evidenced by their growing list of customers: Black & Decker, Scott Aviation, Lane Manufacturing, Anderson Brass, Brown Bouveri, Versch Lock, L-TEC, and the U.S. Postal Service.

JBE has been successful because Jerry Ellison is an astute businessman, but he is also a great manager. JBE's first five employees are still with the company and only one person has been fired in the company's 6-year history. These facts speak very well of Jerry Ellison as a businessman and as a person; he manages capably and compassionately.

Jerry Ellison is a very busy man, but he still finds time to make positive contributions to his community and church. He is active in the local chamber of commerce and merchants association. He serves as an adviser to the Vocational Rehabilitation Commission. Mr. Ellison is also active in his church, serving as a ministerial servant of the Jehovah's Witnesses.

Mr. Speaker, Jerry Ellison is a man of many talents and he is generous in sharing these talents and his time. He is helping to make life better, not just for himself and his own family, but he is helping to open the door of opportunity for many others as well. I am very proud to congratulate Jerry Ellison on being selected first runner-up to the Minority Small Business Person of the Year in South Carolina.

TRIBUTE TO MR. J.A. TIBERTI

HON. JAMES H. BILBRAY

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. BILBRAY. Mr. Speaker, I rise today to honor an outstanding citizen of Las Vegas, J.A. Tiberti. Mr. Tiberti will be honored this Saturday, October 1, at the Clark County Basque Festival. He is a citizen truly deserving of this honor.

J.A. Tiberti was born in Morley, CO, and attended the University of Southern California, Kalamazoo College, and Wayne University in Detroit. He came to Las Vegas in 1941, following service with the Army Corps of Engineers at Nellis Air Force Base. He remained with the corps until 1947, at which time the firm of Waale, Camplan & Tiberti Construction Co. was formed.

In January 1950, Mr. Tiberti went into business for himself as the J.A. Tiberti Construction Co. Since that time, Mr. Tiberti has been instrumental in contributing to the growth and prosperity of Las Vegas, building a number of banks, civic buildings, part of the Las Vegas Convention Center, hotels and the majority of schools in Las Vegas.

For 25 years Mr. Tiberti served on the Las Vegas City Planning Commission, including service as chairman and vice chairman of the commission. He has also been an active member of the Las Vegas Rotary Club for 37 years as well as being on the Board of Directors of Nevada Power Co.

Mr. Tiberti is a registered professional engineer in the State of Nevada and was named "Engineer of the Year" in 1972 by the Southern Nevada Society of Professional Engineers. He is a member of the President's Advisory

Committee for the School of Engineering at the University of Nevada and has been a very active member of the Associated General Contractors.

Mr. Speaker, Mr. Tiberti's contributions and endeavors have literally helped to create the community of Las Vegas as we know it today. Along with his family, he has been more than generous in giving his time and attention to many charitable organizations throughout the Las Vegas community. I urge my colleagues to join me in honoring this outstanding citizen of Las Vegas.

THE GREENHOUSE EFFECT AND GLOBAL WARMING

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. AuCOIN. Mr. Speaker, I introduced yesterday, with my colleague Mr. FAZIO, the "National Energy Policy Act of 1988," H.R. 5380. The bill establishes a national energy policy to address the problem of global warming in a comprehensive and effective way.

H.R. 5380 is identical to legislation introduced in the Senate in July by Senator TIM WIRTH and a bipartisan group of cosponsors.

Mr. Speaker, no environmental problem we face poses as great a potential threat to our well-being as the prospect of radical climate change resulting from the greenhouse effect—increased temperatures across the globe due to growing concentrations of trace gases in the atmosphere which trap the Sun's heat. Altered rainfall distribution, drought, desertification, rising sea levels, flooding, and catastrophic storms could result from even a few degrees warming across the globe. Human society may have only a generation or two to adapt to climate changes on a scale that in previous eras took thousands of years. Widespread social unheaval and tremendous suffering, especially in the developing world, could be far beyond anything we have ever experienced or can even imagine.

We do not have absolute scientific certainty about the greenhouse effect or about how much our efforts to stem the emissions of greenhouse gases will slow global warming. But based on what scientists now know, it appears that if we do nothing to change the growth of emissions of greenhouse gases, over the next 40 years we will see a global warming of approximately 3 to 9 degrees Fahrenheit. Even 3 degrees could be enough to trigger radical climate change.

Preventing global warming so far as we can, and adapting to it so far as we must, may prove to be the biggest challenges to science and technology that mankind has ever faced.

Clearly, Mr. Speaker, it is urgent that we act now only to increase our scientific undestanding of the greenhouse effect but also to reduce emissions of greenhouse gases. The bill I have introduced does both. We could wait decades for incontrovertible evidence that global warming is upon us, but by that time it will be too late.

H.R. 5380 calls for action to reduce Co_2 emissions by 20 percent by the year 2000. CO_2 is responsible for approximately half of the greenhouse effect, and increased emissions are the result of burning fossil fuels.

The bill also provides for the accelerated development of technologies for greater energy efficiency, energy conservation, cleaner fuels, renewable energy sources, and solar power.

Because the atmosphere is shared among all Earth's inhabitants, cooperation with other nations is critical to our ability to deal with global warming. This bill calls on the United States to take the lead in promoting an international convention to protect the atmosphere.

Finally, the bill inhances our efforts to help poorer nations of the world control their rapidly increasing populations, which are, in many cases, depleting forests and other resources in way that increase the greenhouse effect.

Mr. Speaker, I am aware that the problem of global warming has the attention of many of my colleagues. Several committees have held hearings on the subject. My colleagues Ms. SCHNEIDER and Mr. BROWN of California are putting together legislation which, like H.R. 5380, will provide a comprehensive approach to the problem, and which I plan to cosponsor. Because I am convinced that action by the House next year on this issue is an urgent need, my intent and my hope in introducing this bill is to accelerate the discussion and to contribute to the debate over policy options available to us. I look forward to working with my colleagues on this critical problem, and am confident that if we focus clearly on our goal the result of our efforts will be a synthesis of the best initiatives we can devise.

A TRIBUTE TO THE DEDICATION OF THE ONTARIO FIRE FIGHTERS MEMORIAL

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 27, 1988

Mr. SCHUETTE. Mr. Speaker, please join me today in paying tribute to the memorial of the Ontario Fire Fighters of Ontario, Canada. This monument is being dedicated October 2, 1988, on the grounds of the Ontario Fire College in the Ontario province.

Almost 30 years ago, a small but important cultural exchange was begun between the firefighters of Ontario and the firefighters of Michigan. It began back in 1875 when the Michigan State Firemen's Association was celebrating its centennial. The Michigan members of the association invited the Ontario Firefighters Association to send a representative to the event. This tradition grew, and every year since that time, each association has faithfully attended the other's annual conference. What has evolved from this exchange is a special friendship, based on the trust and mutual admiration which exists between the two firefighting organizations.

The monument will be dedicated on the grounds of the Ontario Fire College, located in Gravenhurst, Ontario, on the beautiful Meskoka Bay. The Ontario Fire College was established in 1958 and provides start-to-finish training for the men and women who serve in the Ontario Firefighter's Association. The Firefighters' Association is made up mainly of volunteers and part-time workers, clearly exemplifying the selfless nature of these men and women.

This memorial is important to our country because it honors the courage of firefighters throughout the world. The relationship between the Michigan State Firemen's Association and the Firefighters' Association of Ontario symbolizes that international admiration that firefighters of all nations share for one another.

Mr. Speaker, I hope you will join me in recognizing the courage of the Ontario Firefighters on the event of the dedication of their memorial. The State of Michigan and the Michigan State Firemen's Association are proud to be a part of this notable occasion. These brave men and women risk their own lives to save the lives and property of others. Their cause is truly a noble one and they deserve the recognition of everyone in the House of Representatives.

SENATE—*Wednesday, September 28, 1988*

(Legislative day of Monday, September 26, 1988)

The Senate met at 10:30 a.m., and was called to order by the Honorable TERRY SANFORD, a Senator from the State of North Carolina.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Render therefore to all their dues: tribute to whom tribute is due; custom to whom custom; fear to whom fear; honour to whom honour.—Romans 13:7.

Almighty God, sovereign Lord of history and Ruler of the nations, with profound gratitude we express appreciation for Your servant the Honorable WILLIAM PROXMIRE, Senator from Wisconsin. We thank You for the integrity, honesty, courage which has characterized his more than 30 years in the Senate. Like a bold prophet, he has warned his peers and the Nation of the dangers of careless fiscal policy in his daily speech to the Senate. We thank You for his perseverance through 19 years and 3,000 speeches urging ratification of the Genocide Treaty. We thank You for his unsurpassed voting record.

Gracious Father, we commend this uncommon public servant and his lovely lady as he enters private life, not to retire but to continue his leadership in speaking and writing. Grant him long life, good health, and even more effective service to the Nation in the future. We pray in Jesus' name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. STENNIS].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, September 28, 1988.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable TERRY SANFORD, a Senator from the State of North Carolina, to perform the duties of the Chair.

JOHN C. STENNIS,
President pro tempore.

Mr. SANFORD thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is recognized.

RESERVATION OF THE MAJORITY LEADER'S TIME

Mr. BYRD. Mr. President, I ask unanimous consent that I may reserve my time.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RECOGNITION OF THE REPUBLICAN LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the Republican leader is recognized.

BICENTENNIAL MINUTE

JANUARY 19, 1940: SENATOR WILLIAM BORAH DIES

Mr. DOLE. Mr. President, it was 48 years ago, on January 19, 1940, that Senator William Borah, "The Lion of Idaho," died here in Washington. Each day as I walk between the Republican leader's office and the Senate Chamber, I pass Senator Borah's statue, looking as resolute as he did during his entire 33 years in the Senate.

William Borah began his Senate career during the Presidency of Theodore Roosevelt, and died while Franklin Roosevelt was contemplating a third term. Because of his reputation as a successful prosecutor of labor radicals in Idaho, Borah was named chairman of the Senate Committee on Education and Labor during his freshman term. But those who expected him to take an anti-labor stance were sorely disappointed.

Senator Borah sponsored legislation to create the Department of Labor and the Children's Bureau. He led the fight for the 8-hour work day for projects done on Government contract. He encouraged an investigation of working conditions in the steel industry.

As a reformer, he also promoted establishment of the Federal income tax and of direct election of Senators.

In international affairs, Borah took a consistently nationalist approach. He only reluctantly supported American entry into the First World War, and was a leader of the Senate forces that defeated the Treaty of Versailles, which contained President Wilson's internationalist League of Nations.

In 1924, Borah became chairman of the Senate Foreign Relations Committee, where he resolutely opposed "entangling alliances" of any kind. Throughout the 1930's, he was the Senate's staunchest advocate of neutrality legislation aimed at keeping the United States out of the next World War. But one man cannot hold back world events. Borah died in 1940, the year after World War II erupted in Europe, and the year before Pearl Harbor.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business, not to extend beyond the hour of 11 a.m. with Senators permitted to speak therein.

The Senator from Wisconsin is recognized.

THE CHAPLAIN'S PRAYER

Mr. PROXMIRE. Mr. President, first I want to express my gratitude to the Chaplain for a wonderful prayer that I shall always treasure, always.

HOW TO REVISE OUR TROUBLED SPACE PROGRAM

Mr. PROXMIRE. Mr. President, NASA has spent $2.4 billion to repair its shuttle fleet. Today—September 28—as we approach launch date—September 29—the experts at the Johnson Space Center at Houston are reported to be tense and nervous. Two and a half years of repairing the shuttle and improving safety have certainly made the shuttle far safer than it has ever been.

But at this stage in the shuttle technology there is still a danger and there will be such a danger in every flight for years to come. This means that NASA will pay far greater attention to maintenance and repair than ever before. That cannot eliminate the risk. It can reduce it.

This will increase the cost of the shuttle program. Over the years, the $2.4 billion already spent to repair the shuttle fleet will increase several fold to maintain the present four shuttle vehicles. The time necessary to provide this maintenance and repair will also delay shuttle flights. So there will be fewer of them. NASA had initially promised that we could expect 48 to 50 shuttle flights per year. They have not indicated that the best they can do is about 12 to 14 per year. Within a few years, two-thirds to three-quarters of those shuttle flights will be necessary to deploy and then maintain the giant space station that will be the next great NASA project.

What does this do for America's space transportation system for which the shuttle is now the only game in town? Except for limited expendables available from private vendors in this country, the Nation's space transportation program is on hold indefinitely. Foreign nations and American corporations interested in space projects will have to turn to expendable space technologies elsewhere—to the Ariane in France and the Long March in China. The final deployment of the upcoming space station will not make the shuttle available once again for other space missions because the vast new space station will require shuttle servicing for maintenance and repair as well as for supplying the station with food, water, personnel and the necessary cargo for microgravity work which would be its prime purpose.

The administration and Congress have chosen an extraordinary risky and costly technology to advance space exploration. We could do this for far less cost, far less risk and with greater assurance of scientific progress. Here is how. Forget the giant space station. Settle for a much smaller station, like Skylab that performed nobly for this country more than a decade ago. That would save $30 billion. Second, limit the shuttle to the services it can safely perform now. Third, restore the expendable launch program that is favored by the great majority of space scientists. The expendables constitute a proven space technology. They cost far less than the shuttle. They deliver far bigger payloads more reliably. They are safer, simpler. The space program I propose would cost a great deal less. In fact, it would save tens of billions of dollars. It would accomplish more scientifically and commercially. It would enable us to prepare on a cooperative basis for a much bigger and more ambitious exploration of space over the next 50 years and to do so in cooperation with other advanced countries. Certainly this would include as full and paying partners, the United Kingdom, Canada, Japan, West Germany, and Italy. We should try hard to bring both China and the Soviet Union into this international exploration of space. Such an international collaboration could ease the hostility between the great superpowers. It could use the immense scientific talent that the Soviet Union and other countries can bring to the common effort. It could greatly reduce the cost burden on our country. With the scientific and economic resources the countries of the world could bring together we could substantially advance the exciting prospects of man in peace.

Mr. President, like everyone else I love to say: "I told you so." And today there's no way I can resist doing exactly that. Seven and a half years ago I wrote an article at the request of the Gannett News Service on why the shuttle was the wrong way to go. That article carried in Gannett papers on April 10, 1981, roundly criticizing what was then NASA's highly touted space technology of the future is still right on target.

I ask unanimous consent that this 1981 article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Rockford Register Star, Apr. 10, 1981]

THE SHUTTLE: PRO AND CON

(EDITOR'S NOTE.—U.S. Sen. William Proxmire, who has represented Wisconsin in the Senate since 1957 long has been one of the space program's staunchest critics. At the request of Gannett News Service, he agreed to set forth the case for opposing development of the space shuttle.)

(By William Proxmire)

Many, many years ago Hans Christian Anderson wrote a fairy tale about a vain emperor who hired two unscrupulous tailors to make him a marvelous suit of clothes. The tailors convinced the emperor's subjects that only those who were intelligent could see the clothes since they were woven from such a delicate fabric. Of course, the tailors made no suit at all, but sent the emperor out without a stitch. It was only when a small boy shouted "The emperor has no clothes!" that the townfolk realized what had happened.

Ten years ago, the National Aeronautics and Space Administration convinced the Congress it should appropriate funds for a marvelous new space shuttle that would cost less and do more than the expendable vehicles we used previously. Although I opposed the project from the beginning the Congress appropriated more and more money to make that dream come true—$11.4 billion, to be exact. And now we rapidly are discovering that the promised benefits of the country's new space shuttle may have about as little substance as the cloth used to weave the emperor's new clothes.

When NASA appears before the Senate Appropriations Committee in May to justify a request for another $2.3 billion for the continuation of the shuttle project, it will have to explain why the shuttle is more than three years late getting off the pad, why our decision to put all our eggs in the shuttle basket has ground the rest of our space program to a virtual halt and why the soaring costs and declining performance of the shuttle have made it one of the least cost-effective projects in the history of modern technology.

Of course, we can't stop now. Clothes or no clothes, the shuttle takes its first walk before the American people today, when it will be launched on an initial manned orbital flight. But let's look at what we've purchased with our tax dollars. What sort of a bird are we building the future of our space program around?

First, the shuttle is horrendously expensive. It will cost about $20 billion to put in place and a whopping $1 billion a year to operate. Shuttle development costs already have soared by 29 percent apart from inflation and further overruns are likely.

Those cost figures do not include the massive bills we've run up because of the impact the delay of the shuttle has had on the cost of other space projects. for example, the Tracking and Data Relay Satellite System, a sophisticated new space tracking network, was supposed to cost $786 million. Although it could have been launched atop an expendable Titan-Centaur vehicle, it was tailored specifically for use with the shuttle. Largely because of continual shuttle postponements, the cost of this one tracking system has jumped to $1.8 billion, and every month of delay costs the taxpayer $25 million.

Then there are the scientific costs associated with shuttle-induced delay. Project Galileo, a mission to the planet Jupiter, was supposed to be launched on the shuttle in the first quarter of 1982. Then it was discovered that the shuttle would not be ready in time, so the mission had to be split into two launches and postponed until the first quarter of 1984 at an added cost of $290 million. Now further complications have arisen and the launch has been delayed until 1985. Of course, there are many scientific missions that will never get off the ground because of the dollars drained off by the shuttle.

Second, the shuttle will not be as cost effective as expendable launch vehicles for many, many years. In fact, the shuttle in several ways is very much like an expendable launcher. The external tank has to be replaced on each shuttle flight at a cost of $9.6 million. Although the solid rocket boosters can be refurbished and reused, this will require an extra $6 million each time a shuttle mission is launched. Some shuttle missions will need an expendable thrust augmentation package, which will cost up to $350 million to develop. Forty percent of all shuttle flights for the foreseeable future will require expendable upper stages costing from $4.3 million to $22.4 million per payload. In these cases we are replacing expendables that are launched from the East Coast of the United States with expendables that are launched from a shuttle in low Earth orbit.

Third, the shuttle has fallen far short of meeting the performance goals set for it back in the early 1970s. As a result it will cost a great deal to operate. The shuttle was supposed to be repaired and ready for another flight two weeks after each mission ended. It will take far longer than that to replace broken tiles, refurbish other shuttle components and do all the further tasks associated with preparing the shuttle for reuse. The shuttle's main engines were supposed to last for 55 flights. NASA will be lucky if they last half that long. In short, the logistics of preparing for each shuttle flight are turning out to be more complicated and expensive than we initially were told.

Finally, there are increasing indications that the shuttle's primary use will be as a tool in our military arsenal and that the civilian space establishment will take a back seat. A study performed by the Aerospace Corporation has concluded that the current four shuttle orbiters will be sufficient for Department of Defense missions, but NASA would need at least two more orbiters at a cost of an additional $2 billion, plus additional facilities, to meet projected civilian requirements.

Will the shuttle finally be worth it all? Possibly. But we clearly have wasted billions of dollars in unnecessary costs, given the Soviet Union the undisputed manned possession of space over the past five years and sacrificed other vital space objectives by starting this ambitious project on an inadequate technological base. As usual, the biggest loser has been the American taxpayer, who has had to foot the bill for this high-technology extravaganza.

Mr. PROXMIRE. I yield the floor.

Mr. STAFFORD addressed the chair.

The ACTING PRESIDENT pro tempore. The Senator from Vermont is recognized.

ATMOSPHERIC CONTAMINATION—XII

Mr. STAFFORD. Mr. President, this will be the 12th in a series of some 16 short talks on atmospheric contamination that the Senator from Vermont is delivering daily.

Earlier this month, the number of acres consumed by forest fires in Yellowstone National Park passed the 1 million mark—and was still climbing.

Three days later, the U.S. Department of Agriculture announced corn and wheat production were off by nearly half and soybeans by nearly a third.

About the same time, massive monsoon flooding covered more than half of Bangladesh, leaving tens of millions homeless and facing the prospect of epidemics of cholera, typhoid, and other diseases.

To a Senator who has sat in virtually empty hearing rooms for nearly two decades listening to witnesses predict some of the consequences of global warming, the news reports of these events had a chilling effect.

For many years, those who warned of global climate change were too often regarded as radicals warning about the end of the world. Even those who took the warnings seriously thought of global climate change as a threat to generations—or even centuries—removed.

Perhaps one of those reactions is the truth.

But, it seems to this Senator that there are two possibilities:

First, 1988 is no fluke year of coincidences and natural variability, but it is actually the first year in which we have to realize the global warming trend has arrived.

Or, second, 1988 is just another hot year with just another one of the many droughts that periodically afflict the Nation.

In either case, in the judgment of this Senator, 1988 is a taste of things to come, and it isn't over yet. If 1988 is a product of global warming, then we have no time to waste.

If, on the other hand, events this year have been a series of coincidences, then it is our good fortune to have been granted a grace period—and there is no time to waste in that event, either.

For, if the scientists are correct, whenever the greenhouse event arrives, the good years will be like 1988 and the bad ones will be worse—much worse.

We have already experienced great reductions in soil moisture throughout the Great Plains of North America, Western Europe, Northern Canada, and Siberia. The fields are so parched it may take 3 of 4 years for conditions to return to normal—if they ever are to return to normal. And, last winter was warmer. Another sign.

In fact, everything that has happened in this decade has been consistent with the proposition that the greenhouse effect has arrived.

The decade of the 1980's has been the hottest on record. At the same time, the stratosphere has been cooling, just as models predict will happen when the Earth's surface warms up. There is also some evidence that deep ocean temperatures in the North Atlantic have increased—as they should when the Earth is warming.

There have been other indicators. More rain has fallen on areas near the Equator and less rain has fallen in the United States and in southern Europe. The number of days above 90 degrees and 100 degrees Fahrenheit have increased. More extreme weather has happened—more thunderstorms and monsoons.

Each of these conditions is what would be expected with the arrival of the greehnouse effect.

It is, of course, possible that we are experiencing an uncanny series of coincidental happenings.

But, this Senator was a prosecutor for a good many years before I came to the Congress, and I tried many cases.

This is one case I would be happy to take before any jury in Vermont with confidence.

The case may not be proven to the satisfaction of the polluters or the skeptics, but it is clear to this Senator that if the greenhouse effect hasn't already arrived, it is not far away. Clearly there is enough evidence before us to require prudent men and women to begin to take the kind of action needed to reduce—and then to end—the kind of air pollution that threatens the very existence of life as we know it on this planet.

It is my intention tomorrow to discuss a circumstance created by air pollution in which there is no longer any credible doubt—the impact of acid rain and the soup of low-level air pollution.

THE SITUATION IN BURMA

Mr. REID. Mr. President, recent events in Burma compel me to rise today to express my concern.

Over the past few weeks hundreds, perhaps thousands, of Burmese citizens have been ruthlessly slaughtered by the latest military strongman. Students and Buddhist monks have battled machineguns with slingshots in their attempts to oppose continued military domination of their country.

Fierce fighting continues daily in the streets of Rangoon and Mandalay. Government troops have even used mortars against the demonstrators in what has been described as, "like using a steamroller to kill ants."

According to Western diplomats Rangoon looks like a city under military occupation, and indeed that is what it is. The military junta that controls the government has chosen Gen. Saw Maung to be the Prime Minister. This is in addition to the roles he has taken as chief of staff of the armed forces, Foreign Minister, and Defense Minister.

He is, as reported in yesterday's Washington Post, only a part of the military that has so long controlled the country.

In the meantime, our State Department has meekly stood by considering the suspension of aid. It has reacted slowly and much too weakly to the military coup. This brutal suppression of the prodemocracy movement requires quick action. Humanitarian concerns alone demand a stronger response. Inaction will surely result in continued killing, and no doubt help the existing Communist insurgency.

Peaceful demonstrations for democracy began months ago, but the situation has deteriorated into near anarchy and chaos. It seems to be the standard operating procedure to neglect our foreign policy until anarchy and violence reign. The State Department continues to have a preoccupation with certain parts of the world to the apparent exclusion of all else. The tragic situation in Burma is the latest example of this.

We must say unequivocally to these Burmese warlords that the United States will not condone these murders. We must use all available means to end the killing and promote democracy. The people of Burma deserve our compassion and our support. If the State Department cannot deal adequately with this problem, Congress must step in.

UNITED STATES-JAPAN PATENTS ISSUES

Mr. ROCKEFELLER. Mr. President, on August 29 and 30, the first meeting of the United States-Japan Working Group on Intellectual Property Rights was held in Hawaii. This group, which is part of the United States/Japan Trade Committee, dealt with the full range of intellectual property rights issues, including patents, copyrights, trademarks, and trade secrets. Today, I will focus my remarks on the patent issues which this group will try to resolve.

I am very pleased that our two Governments have begun bilateral discussions about patents in the context of our trade relationship. In June, I chaired a hearing in my Foreign Commerce and Tourism Subcommittee on the problems American and other foreign companies face when they confront the Japanese patent process. In July, the Senate passed unanimously a sense-of-the-Congress resolution, in the form of an amendment to the Commerce, State, Justice appropriations bill, that listed a large number of these problems and called on the executive branch to urge that Japan make repairs to its patent system.

Mr. President, there are a number of multilateral arenas in which the United States discusses patent problems with the Japanese—the World Intellectual Property Organization, known as WIPO, the Uruguay round of multilateral trade negotiations, and trilateral patent harmonization talks that we hold with Japan and the Europeans. We have had good discussions in all these forums, and they should continue. However, given our $60 billion trade deficit with Japan last year and continuing trade conflicts, especially in high tech areas, bilateral discussion of these matters is important.

This first meeting on intellectual property protection, ably led by Michael Kirk, the Assistant Commissioner for External Affairs at the U.S. Patent and Trademark Office, was exploratory. Each side described the problems it saw with the other and explained in detail about its own system. The negotiators agreed to meet again in November for a week of more detailed talks devoted entirely to patent issues.

I am glad to see that the Japanese Government seems to be approaching this serious problem in a substantive way. I do not expect our patent problems with Japan to disappear overnight. But we cannot allow a situation to continue where American companies are faced with truly outrageous delays in receiving their patents, and are virtually forced, time and time again, to enter into cross-licensing arrangements that are not in their best interests.

Why is this such an important issue? Mr. President, Japan and the United States are moving to an ever greater state of competition for markets around the world and at home, and America's ability to hold its own depends very much on the health of our high tech industries. That health, in turn, depends very much on the ability of these critical industries to maintain control over their proprietary technology.

I believe that American science and technology is still the best in the world. Sure, there are problems, and we all know what they are—insufficient funding of science, a greater value given in our society to lawyers over engineers, still inadequate stress on science and math in our educational system, to name but a few. But, despite these difficulties, there is nothing anywhere else in the world that compares with our Government laboratories, the National Institute of Standards and Technology, our universities, research and development activities in laboratories in the private sector. However, research and development is not enough. A product must be brought to the market and must make a profit so that the company can recoup its development costs. If this doesn't happen, the next product won't be developed. And protection of patent rights is critical to the ability to sell high tech products. What worries me about Japan's patent system is that it simply does not provide American and other foreign companies the necessary protection for the technology they invent and develop.

Let me mention a few specific problems American companies have experienced with the patent system in Japan. This is by no means, a full catalog of the constraints Americans have faced in Japan, but it should serve as an illustration of the difficulties they face.

My first example relates to the narrowness of Japanese patent claim interpretations. Every patent in every country contains a one-sentence statement referred to as the patent claim. This statement defines the scope of the patent. To determine if a product, like a microscope, infringes on an existing patent, one compares the microscope defined by the patent claim with the microscope that allegedly infringes the patent. If the language of the patent claim describes the questionable microscope, it is an infringement. In Japan, this patent claim is interpreted in an exceedingly narrow way. In Japan, if a certain chemical composition requires 20 to 30 percent of a particular material, a composition that contains 31 percent of the material would not be covered by the patent, even though the chemical would work in the same way. This is called the law of equivalence, and Japan is one of the few advanced countries to ignore it.

A second example relates to the way in which Japanese patent examiners respond to errors in a patent application. They issue what is called an office action when they discover a problem, and it takes about 2 months for this action to be sent out and responded to. The office action seldom provides a detailed explanation about the problem, and the applicant must figure out whether it is a simple mistranslation or something far more substantive. Once the office action is returned to the patent office, the examination of the application continues. This process can be repeated any number of times—with each office action adding to the time required to process the patent. This may appear to be a minor matter, but, when combined with other aspects of the Japanese system that result in additional delays, it can take, in some cases, as long as a decade or more to obtain a patent in Japan. Especially in cutting edge technologies with short product life cycles, this can be devastating commercially.

A final illustrative example of the problems American companies have with the Japanese patent system relates to process patents. These are patents on processes or methods of doing something—like how to make a chemical—as compared to the chemical itself. If one company has been granted a process patent and suspects that another company is using the same process to make a product, generally the only way to prove it is to obtain information from the alleged infringer about how the product is being made. Although the United States and other countries—such as Canada and England—have a mechanism to find this information—known as discovery—Japan does not. The result is that process patents are, in many cases, unenforceable in Japan. And, of course, a patent is virtually worthless if it cannot be enforced.

I note, Mr. President, that the American side of the United States/Japan Business Council has formed a group of United States corporate patent attorneys to discuss these issues with their Japanese counterparts. I welcome this effort by the corporate community in the United States. It will help reinforce our Government's efforts to redress the patent problem in Japan.

Mr. President, I want to stress that my purpose in focusing on patent problems is not to be critical of Japan. The Japanese system did not develop with the purpose of preventing foreign products from entering that country. However, in practice, the Japanese patent system denies American and other foreign high technology companies adequate protection for their intellectual property. I have long been concerned about the ability of American industry to compete in the global marketplace. As we are beginning to regain our competitiveness, I will not sit idly by and watch as the Japanese patent system allows Japanese companies to take improper advantage of foreign technology. This simply cannot continue. I will be monitoring progress in the United States/Japan Working Group very closely.

I thank the Chair and yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Nebraska.

Mr. KARNES. Mr. President, how much time remains in morning business?

The ACTING PRESIDENT pro tempore. Three-and-a-half minutes remain in morning business.

EXTENSION OF MORNING BUSINESS

Mr. KARNES. Mr. President, I ask unanimous consent to have morning business continued for an additional 2 minutes so I will have a total of 5 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KARNES. I thank the Chair.

CHILD PORNOGRAPHY

Mr. KARNES. Mr. President, it has become unquestionably clear that throughout the country, including Nebraska, our children are being threatened by a social menace, the business of pornography.

As a father of four young daughters, I am especially concerned.

The statistics themselves are alarming. As many as 1 out of every 5 girls and 1 of every 11 boys will be sexually assaulted before reaching age 18. A child is sexually abused every 2 minutes in this country. On one day several years ago, more than 800,000 calls were made to a single Dial-a-Porn number in New York City.

Pornography is very big business in this country, grossing some $6 to $7 billion annually. This compares with the $6 billion profit reported in 1984 by IBM.

In 1987 alone, the U.S. Attorney's Office in Omaha, my home State of Nebraska, brought six separate indictments for cases dealing with child pornography.

In addition, in the approximately 3-year period beginning March 1, 1985, through March 1, 1988, the National Center for Missing and Exploited Children received 165 calls regarding sexual exploitation of children in my home State of Nebraska.

Today, Mr. President, we have an opportunity to address the laws relating to the regulation and distribution of illicit material on a broader scale. The Child Protection and Obscenity Enforcement Act before us today provides a comprehensive solution to the problems posed by the trafficking of obscene materials and the extent to which this leads to the exploitation of our children.

A group located in Lincoln, NE, known as Citizens Against Pornography of Lincoln, Inc. [CAP], has dedicated a great deal of time and effort to increasing the public awareness of the evil influences of pornography. CAP members serve as coordinators of a statewide network, known as Network for a Porn-Free Nebraska. Their aim is to protect the moral fabric of communities in our State through the bonds of the family and enforcing and making sure the laws are indeed enforced.

I salute their efforts and appreciate their contributions to stopping pornography in my State.

The Child Protection and Obscenity Enforcement Act will protect children from being exposed to illicit literature and from being exploited by their parents or guardians against their willl, or without even their knowledge, for the purposes of producing pornography that will be sold across State lines.

The findings of the Attorney General's Commission on Pornography point out the great need for refining our laws in this area, particularly regarding obscenity trafficking.

By outlawing the trafficking of such material across State lines, particularly by means of federally subsidized modes of transportation, this Thurmond amendment addresses a major enforcement problem.

This Thurmond amendment, Senator THURMOND's amendment before us today, addresses this problem. Any organization or individual that produces obscene material in one State but sells it in another would automatically create a rebuttable presumption that the law has been violated. This provision would apply to the use of Federal roads, interstate railroads, motor vehicles, boats, airplanes, or other methods for obscenity trafficking across State lines.

Taxpayers will benefit, also, because tax dollars are used to subsidize these Federal transportation systems and we should not allow these systems to be manipulated. Most taxpayers would be happy to know that their tax dollars are not being used to subsidize interstate transportation of pornography and other obscene materials.

I am cosponsoring this amendment because I believe we need to provide an equal footing for Federal prosecutors to be able to enforce the laws which punish these individuals who are making billions of dollars from this pornography industry and who, at the same time, are exploiting the children of our country.

I wish to thank my distinguished colleague, Senator THURMOND from South Carolina, for offering this comprehensive piece of legislation as an amendment to S. 2488 in order to protect our society and especially our children. After all, the future of our country is indeed our children, and they must be protected.

PROHIBITION ON ISSUING REGULATIONS RECLASSIFYING ANHYDROUS AMMONIA UNDER THE HAZARDOUS MATERIALS TRANSPORTATION ACT

Mr. KARNES. Mr. President, I ask unanimous consent to add Senators BOSCHWITZ and MCCLURE as cosponsors of a bill I introduced yesterday, S. 2841.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KARNES. Mr. President, I also wish to advise my colleagues that I have introduced this bill, S. 2841, which deals with the reclassification of anhydrous ammonia by the Department of Transportation as a poisonous gas. I know many of my colleagues are interested in this particular effort by the Department of Transportation and believe it is ill-advised. Thus, it was important for me, in joining with my colleagues Senators DOLE, HARKIN, HELMS, BOND, GRAHAM, COCHRAN, NICKLES, DIXON, and SIMON to introduce this piece of legislation to make sure the Department of Transportation recognizes that this proposed regulation is inappropriate and ill-advised. I ask all of my colleagues who are interested in this bill to join in this legislation.

Mr. President, I yield the floor.

RETIREMENT OF WILLIAM WELSH, DEPUTY LIBRARIAN OF CONGRESS

Mr. PELL. Mr. President, as chairman of the Joint Committee on the Library, it gives me pleasure to pay special tribute to William J. Welsh, Deputy Librarian of Congress, who will be retiring from the Library of Congress on October 3 after 41 years of Library of Congress service and 47 years of Federal service. Bill Welsh's contributions to the Library of Congress and to the national library community are too numerous to enumerate—his friends and colleagues have been vocal in their praise of this service in behalf of libraries. Bill Welsh has also been a strong supporter of quality reference and research service to the Congress of the United States and has taken an active role in the support of the Congressional Research Service in its service to the Congress of the United States.

One of my special interests has been in paper preservation—our library collections are literally disintegrating before our eyes because of the poor quality of paper produced since the 1850's. This is an issue which has received widespread publicity and more recently Congress has taken actions to address this issue. As a member of the National Commission on Preservation and Access, Mr. Welsh has been one of the leading voices in calling for a national cooperative effort to save the contents of brittle books through microfilming. In addition, Bill Welsh has worked closely with the Library's Preservation Office in encouraging scientific investigation of solutions to deacidify books and other library materials. The Library has a patented process using diethyl zinc which holds great promise for the future of our Nation's library collections. Bill Welsh has also forwarded the Library's efforts at adapting other new technologies for preservation and service purposes, namely the optical disk pilot project at the Library of Congress.

A recipient of the Library of Congress' Distinguished Service Award, Mr. Welsh has also received the American Library Association's Melvil Dewey Award, honorary membership in the alumni society of the University of Michigan School of Information and Library Science and in the Special Libraries Association, and an honorary degree of doctor of laws from his alma mater, the University of Notre Dame.

On behalf of members of the Joint Committee on the Library, I want to thank Bill Welsh for his dedicated service to the Library of Congress, to the Congress of the United States, and to the world of libraries.

I ask unanimous consent that a special announcement by the Librarian of Congress concerning Mr. Welsh's retirement by printed in the Record.

There being no objection, the announcement was ordered to be printed in the Record, as follows:

SPECIAL ANNOUNCEMENT—THE RETIREMENT OF DEPUTY LIBRARIAN WILLIAM J. WELSH

Deputy Librarian of Congress William J. Welsh has announced that he will retire from the Library of Congress on October 3. Mr. Welsh, who has served in the Library's second-ranking post since February 1976, will have completed almost 47 years of Federal service at the time of his retirement. His service at the Library, which began in 1947, spans nearly a quarter of the Library's history. He has worked under four Librarians of Congress and has witnessed, participated in, and initiated innumerable events and programs within the institution and the library profession.

Although the statistics in the Library's Annual Report have varied in definition over the years, one may garner a sense of the incredible growth and evolution of the institution in these four decades by making a few basic comparisons. The collections of the Library encompassed roughly 23 million items in 1947; current holdings number more than 87 million. Congressional appropriations for the Library have more than doubled in the past dozen years; the Library's budget request for fiscal year 1989 is $261,164,000, a quantum leap from the Library of Congress appropriation in 1947 of $5,310,481. In 1947, the annual salary for chief of a Library division was cited as $7,175, senior reference assistants received $3,640, and deck attendants were paid $1,704.

Programs that were initiated under Mr. Welsh's aegis as Deputy Librarian include the optical disk pilot project and the division chiefs' luncheons (a forum for managers to exchange information on professional concerns). Other initiatives with which Mr. Welsh was closely associated are Executive Session, the automation and filming of the Library's catalogs, and the Library's Intern Program. Mr. Welsh vigorously pursued the Library's development of the diethyl zinc deacidification process and has been a leading force nationally and internationally in bringing to the attention of the world the grave preservation crisis facing all libraries and other repositories of human knowledge.

Throughout his career, Mr. Welsh has been a prime supporter of automation within the Library of Congress and a leading advocate of bibliographic control internationally. As Deputy Librarian, he has served as the Library's representative in national and international library circles and in other areas of interest related to the Library.

In his earlier positions within the former Processing Department, Mr. Welsh was responsible for the development of the initial budget for the National Program for Acquisitions and Cataloging (NPAC), creation of the Technical Processes Research Office, oversight of completion of the publication of the Pre-1956 National Union Catalog, and establishment of the first human relations committee in the Library of Congress. He was likewise involved in the launching of the Cataloging-in-Publication effort and the development of a labor-management program at the Library of Congress. Together with Larry Livingston of the Council on Library Resources, Inc., Mr. Welsh brought the CONSER (CONversion of SERials) program into being. While working in the former Administrative Department, he played a major role in the 1962 renovation of the Jefferson Building. Later, as Deputy Librarian, he helped Librarian of Congress Daniel J. Boorstin launch the project to renovate and restore the Library's Jefferson and Adams buildings.

A remarkable gift for remembering people's names and faces, coupled with a sincere interest in the welfare of each and every employee, has added a unique dimension to his career. Perhaps no one who travels the halls of this august institution knows as many of its occupants as Bill Welsh. Illustrative of his concerns for the staff and his efforts to improve staff morale and human relations were his initiatives to establish an annual Christmas program for Library of Congress retirees and the creation of the Library's length-of-service pins and medallions, as well as revision of the incentive awards ceremony. This collegiality also finds expression in the annual golf tournament for staff members that the Deputy Librarian helped inaugurate and in which he is an avid participant.

A knowledge of the German language helped Mr. Welsh obtain a temporary position at the Library of Congress in March of 1947 as a searcher in a postwar project for cooperative acquisitions. In a steady rise to more responsible positions, he subsequently served as head of the Order Unit and Order Section of the Order Division, head of the East European Accessions Index project, executive officer of the Processing Department, associate director of the Administrative Department, and associate director of the Processing Department. In May 1968, Mr. Welsh was named director of the Processing Department, the largest of the Library's departments. His work in that capacity earned him in 1971 the American Library Association's Melvil Dewey Award, which cited his imaginative leadership of the department and his active and wide-ranging contributions to libraries.

A multitude of other honors and awards have been bestowed upon Mr. Welsh during his distinguished career. In 1983, he was presented the Library's Distinguished Service Award, its highest honor, in recognition of more than three decades of courageous and imaginative leadership in the library world. The University of Notre Dame similarly recognized this alumnus as an innovative leader in libraries by conferring an honorary degree of Doctor of Laws upon him in 1984. At this year's annual conference of the Special Libraries Association, Mr. Welsh was presented with honorary membership in that organization. The alumni society of the University of Michigan's School of Information and Library Studies made him a honorary member in 1988 as well.

The cover story of the December 1984 issue of American Libraries posed the question, "Can Bill Welsh conquer time and space for libraries?" and featured a lengthy interview with "the leading force in 20 years of national bibliographic, cooperative, and preservation programs." International Librarianship Today and Tomorrow: A Festschrift for William J. Welsh was presented to him at a special reception hosted by K. G. Saur, Inc., during the 51st Council and General Conference of the International Federation of Library Associations and Institutions (IFLA) in 1985. A tribute to Mr. Welsh published in the May 21, 1984, Congressional Record lauded his deep dedication to the Library of Congress and to service to Congress and the nation.

Mr. Welsh is a member of the American Library Association, the Commission on Preservation and Access, and the Foundations Group Library Committee. He has served as the Library's representative to the Association of Research Libraries, on the National Commission on Libraries and Information Science, and on the Board of Regents of the National Library of Medicine. Mr. Welsh has chaired the American Library Association's John Ames Humphry/Forest Press Award jury for the past two years, as well as earlier service as an ALA Councillor. As a Library representative to the International Federation of Library Associations and Institutions, he has served as chair of the Conference of Directors of National Libraries since 1984. In 1979, he headed the first official delegation of American librarians to China following the resumption of official diplomatic exchanges.

A native of Weatherly, Pa., Mr. Welsh earned his undergraduate degree in philosophy from the University of Notre Dame in 1940. While pursuing studies in that university's law school the following year, Mr. Welsh served as a library assistant in the Law School Library and thereby began his career in librarianship. From 1941 to 1947 he served with the U.S. Air Force, including a stint as librarian for the Alaskan Division Headquarters of the Air Transport Command. He was discharged from the armed forces in January 1947 with the rank of major.

Mr. Welsh and his wife, Winifred, will continue to make their home in Bethesda, Md. They have two sons, Douglas and James. Douglas and his wife Maureen are the parents of the Welshes' one granddaughter, Christine. Mr. Welsh's post-retirement activities will include spending more time enjoying his 17-acre country retreat near Antietam, Md.

REFUGEE ADMISSIONS FOR 1989

Mr. KENNEDY. Mr. President, as required by the Refugee Act of 1980, the members of the Committee on the Judiciary have consulted with the President's representative, Secretary of State Shultz, on the number of refugees to be admitted over the coming fiscal year.

As required by the law, I will be inserting into the CONGRESSIONAL RECORD at the end of my remarks the text of the President's proposal and Secretary Shultz's testimony outlining the administration's refugee program for 1989. I will also include the letter from the committee concluding the consultations and concurring in the President's request.

For the coming year, the President seeks to admit 94,000 refugees, 90,000 of whom would be funded and allocated in the following regions: 2,000 for Africa; 28,000 for East Asia/First Asylum; 25,000 for East Asia/Orderly Departure; 3,500 for Latin America; and 7,000 for Near East and South Asia.

Mr. President, few issues are more deserving of our response than the needs of the millions of men, women, and children around the world who have displaced from their homes and their countries by war, violence, and repression.

The United States has a proud tradition of welcoming the homeless, and the proposal we have agreed to for 1989 continues that tradition. We have a critical role to plan in many different areas of the world. Literally millions of lives are at risk and the leadership of the United States has never been more essential in marshalling the resources of the world community to help our fellow human beings in so many distant lands.

Mr. President, I ask unanimous consent that the text of the President's proposal, Secretary of State Shultz's testimony, and the Judiciary Committee's letter to the President be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON THE JUDICIARY,
Washington, DC, September 23, 1988.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: Members of the Committee on the Judiciary have now consulted with your representatives on the proposed refugee admissions for fiscal year 1989, as required by Section 207 of The Refugee Act of 1980 (P.L. 96-212). We hereby concur in your proposal, with the following recommendations and requirements.

While we continue to share your commitment, and that of our Nation, to a generous program of refugee assistance around the world—particularly in meeting emergency protection and resettlement needs—we are nonetheless concerned over the level and allocation of refugee admissions proposed for the coming year, especially in Southeast Asia. We voiced these concerns last year, and they have only grown over the year since so little progress has been achieved in dealing with them.

Last year the Committee specifically outlined these concerns in its letter to you on September 29, 1987. We noted that:

"The proposed numbers for this year have been increased, even as concerns over the policy directions of our refugee program have deepened—particularly in Southeast Asia. Regrettably, we believe that if some of the Committee's policy recommendations of past years—especially the need to pursue options other than just third country resettlement for Indochinese refugees—had seriously been approached, there might not be the need today for high levels of refugee admissions. For the sake of the refugees we seek to assist, we must give more than lip service to the often quoted admonition that third country resettlement is the least preferred durable solution, compared to repatriation and local settlement."

In one fashion or another, under both Republican and Democratic majorities, this Committee has repeatedly raised this issue over the past seven years. But as our policy in Southeast Asia has stalled on the treadmill of third country resettlement—with few other alternatives being successfully pursued—impatience with the program has inevitably grown. We have repeatedly been assured during recent consultations that the Administration was developing more comprehensive "initiatives" to deal with the continuing flow of Southeast Asian refugees—especially voluntary repatriation, the screening-out of non-refugees, and local settlement. But when the end of the day comes, we see little or no evidence of a sustained effort to achieve these goals, much less evidence of actual progress.

We can only state again, that there is a need for new policy initiatives on many different fronts in Southeast Asia. Otherwise we are likely to see an inhumane end to what has been an extraordinarily humane program. Evidence of this became apparent this year with renewed boat "push-offs" and drownings and new policies of not-so-humane deterrence. And to pursue resettlement alone will doom future refugees to even more severe actions.

Therefore, we take this opportunity to make the following recommendations and observations:

1. The Committee wants careful monitoring of the allocation of first asylum resettlement numbers in Southeast Asia, so that their use will be for priority cases only and so that any unused numbers can be allocated to other regions short-changed by this year's proposed ceilings.

2. The Committee strongly supports the additional numbers for the Orderly Departure Program and for the effort to secure the release and departure of former "political reeducation camp" inmates. They clearly have the highest priority on our attention and concern. We agree with earmarking increased numbers at this time, even though there is no assurance they will depart this year, because we wish to join you in sending a clear and strong signal to the Government of Vietnam that the United States is prepared now to facilitate the departure of these political prisoners.

3. The Committee remains concerned over refugee assistance and protection needs among the Khmer along the Thai-Cambodian border. In our letter last year we raised a number of specific issues, few of which have been fully addressed over the year. Although recommendations have been repeatedly made for improving conditions and providing better protection for these refugees, little progress has been achieved in the field. Until a peace settlement is reached in Cambodia, we strongly urge new efforts to improve camp conditions and to facilitate the processing of Khmer refugees who have family or other ties to the United States.

4. The Committee supports, with reservations, the numbers proposed for the Soviet Union and Eastern Europe. Our reservations are those alluded to by Secretary of State Shultz in his testimony regarding the nature and low of Armenians, and whether some new category of immigration—a "humanitarian immigrant" visa—should be established to accommodate persons who are not refugees, but whose resettlement is in the foreign policy or humanitarian interests of the United States. We are willing to join the Administration in developing such a program, and urge you to move forward. In the meantime, we support efforts to establish in the Soviet Union a more normal immigration screening process for those—both Armenians and some Soviet Jews—who can enter the U.S. under normal immigration quotas and not be charged as refugees when they are not. The Committee wants to be kept fully informed on the numbers of Armenians processed and under what conditions and when.

5. Finally, the Committee is concerned over the decreases made in the ceilings of other regions, particularly in the Near East/South Asia and African regions, where resettlement needs remain high. We understand current budgetary constraints, but to many it appears we have short-changed these areas in order to double the numbers for Southeast Asia and the Soviet Union at their expense.

The United States and the international community face many challenges around the globe in responding to the needs of refugees, and we pledge to support your Administration's effort to respond. We do urge, however, that new initiative be undertaken, particularly in Southeast Asia, to find better ways to cope with the refugee flow than relying primarily on third country resettlement. We have tended to forget that local settlement and repatriation are the preferred options of the UNHCR, in achieving durable solutions for refugees. Third country resettlement is the least preferred, as well as the most costly option.

During this time of budget limitations, there is an increasing tendency to take funds from overseas refugee assistance programs that help millions of refugees, in order to sustain refugee resettlement numbers for a few thousand. We must be certain our resettlement program does not prevent our responding to the life-threatening refugee assistance crises overseas, which will likely increase in the course of the coming year.

With these observations and recommendations, the Committee concurs in the refugee admissions ceilings you have proposed. Many thanks for your consideration, and best wishes.

Sincerely,

JOSEPH R. BIDEN,
Chairman.
EDWARD M. KENNEDY,
Chairman Subcommittee on Immigration and Refugee Affairs.

THE WHITE HOUSE,
Washington, DC, September 12, 1988.

Memorandum for Hon. George P. Shultz, Secretary of State, and Hon. Jonathan Moore, U.S. Coordinator for Refugee Affairs.

Subject: FY 1989 Refugee Admissions Consultations.

In accordance with Section 207(b) of the Immigration and Nationality Act (INA), you are authorized to consult with the appropriate committees of the Congress concerning refugee admissions and related matters as follows:

The authorization of up to 94,000 refugee and Amerasian immigrant admissions during FY 1989. Of this ceiling, 90,000 admissions would be funded, in whole or in part, with federal funding and would be allocated by specific regions as follows: 2,000 for Africa; 28,000 for East Asia/First Asylum; 25,000 for East Asia/Orderly Departure Program; 24,500 for Eastern Europe and the Soviet Union; 3,500 for Latin America and the Caribbean; and 7,000 for the Near East and South Asia. The remaining 4,000 admissions numbers would be authorized to be used in any region to the extent that private funding was available and no additional federal costs would be generated.

The utilization of the 90,000 federally funded admissions numbers shall be limited by such public and private funds as shall be available to the Department of State and the Department of Health and Human Services for refugee and Amerasian admissions in FY 1989. Within the total federally funded ceiling of 90,000, up to 84,000 would be fully funded and up to 6,000 would be funded partially by the government and partially by the private sector. The Committees will be advised by the United States Coordinator for Refugee Affairs, after appropriate interagency review, of how admissions will be managed within the approved ceiling and regional allocations once FY 1989 appropriations of the Department of State and the Department of Health and Human Services have been enacted.

The authorization of an additional 5,000 refugee admissions numbers to be made available for the adjustment to permanent resident status of refugees who have been granted asylum in the United States.

The designation, pursuant to Section 101(a)(42) of the INA, of the following as persons who, if they otherwise qualify for admission as refugees, may be considered refugees under the INA even though they are still within their country of nationality or habitual residence:

Persons in Vietnam and Laos with past or present ties to the United States, persons who have been or currently are in reeducation camps in Vietnam or seminar camps in Laos, and their accompanying family members;

Present and former political prisoners, persons in imminent danger of loss of life, and their accompanying family members in countries of Latin America and the Caribbean; and

Persons in the Soviet Union.

Statement of George P. Shultz, Secretary of State, on the President's Proposed Refugee Admissions for Fiscal Year 1989

Thank you Mr. Chairman and members of the Senate Committee on the Judiciary. I am pleased to be here this morning once more to present the President's proposal for refugee admissions for Fiscal Year 1989. During my tenure as Secretary, I have taken particular pride in testifying before this committee about one of the most satisfying foreign policy and humanitarian endeavors the U.S. undertakes—our assistance to refugees.

It is customary to discuss U.S. aid to refugees in the context of the humanitarian purposes of our foreign policy. Indeed, humanitarianism is the principal motive behind our programs on refugee issues. Yet it is woth emphasizing at the outset of these remarks, Mr. Chairman, that we have benefitted greatly as a nation by opening our doors to the displaced and politically oppressed. We know from generations of experience that every wave of refugees that has come to our shores has made enormous contributions to all sectors of our society. Just look at those who fled from Nazi Germany, from the Soviet Union, from Indochina, and from Cuba. The contributions to this nation from the refugees who have sought sanctuary here are incalculable. Thus, U.S. refugee policy is an area where our ideals, our humanitarian instincts and our interests coincide.

I would like to discuss the principles underlying our refugee assistance and admissions policies and the accomplishments of this Administration in refugee affairs. I will review briefly the major refugee issues we face today. I will summarize the situation which prompted the Emergency Consultation in April to increase the admissions ceiling for Eastern Europe and the Soviet Union. Finally, I will present the President's proposal for refugee admissions in Fiscal Year 1989.

I would like to draw your attention to the *World Refugee Report*, which was submitted by the Department of State. It contains substantial information on the situation of refugees around the world. In addition, you will find the detailed justification for the President's proposals in the document *Proposed Refugee Admissions for FY 1989*, submitted by the U.S. Coordinator for Refugee Affairs.

RESOURCES

Before I address specific refugee issues, I would like to say a word about resources. There are limited resources available for the foreign affairs budget of the United States. At the same time, there are increased refugee needs both for assistance and admissions overseas. Final action has not yet been taken on the FY 1989 foreign assistance appropriations for the refugee program. The conference on that bill will occur shortly. I urge the conferees to remove the earmarks in both the House and Senate bills. If all of these earmarks at the President's requested bottom line funding level became law, over half of the MRA appropriations would be earmarked—and the unearmarked programs, which provide lifesaving support to refugees in camps in Africa, Latin America, the Near East, and Southeast Asia, would have to be cut by 25% across the board to absorb the increase outside the request level. We need to drop the earmarks on both accounts.

REFUGEE ASSISTANCE POLICY

About two-thirds of refugee funds spent overseas helps provide the most basic food, shelter, medical care, education or training, and protection for people in camps who have fled human rights abuses, famine, civil war, or invasions. Today the vast majority of the nearly 13 million refugees are found in Asia and in Africa. Third world nations have for the most part provided first asylum generously and without preconditions. International refugee assistance bolsters their resolve to continue to welcome asylum-seekers. The United States has a longstanding tradition of providing diplomatic leadership and substantial financial resources to ensure protection and care and maintenance programs for refugees in camps overseas.

As political conditions permit, this assistance enables thousands of refugees to return to their countries of origin. This solution requires political conditions which, unfortunately, are not foreseeable in the near term for the majority of the world's refugees. Other durable solutions for many longstanding refugees populations, particularly in Africa, would include permanent integration into the host nation with benefits that equate to those of citizens so that the refugees could become truly self-sufficient.

An invisible yet, essential aspect of refugee assistance is refugee protection. The Universal Declaration of Human Rights affirms that "Everyone has the right to seek and to enjoy in other countries asylum from persecution," and the U.N. Convention and Protocol define who is to be protected as a refugee. The international community extends assistance beyond this definition to persons also fleeing war and other conflicts. The United Nations High Commissioner for Refugees (UNHCR) is charged with ensuring that refugees under his mandate receive protection. Refugee protection is intangible, but the impact of a deteriorating political situation on affected refugees can lead to serious abuses and senseless deaths of individuals, as well as further destabilization and political conflict.

Refugee assistance in first asylum nations makes maximum use of our foreign assistance dollar by combining it with the resources of other nations through international refugee assistance organizations such as the U.N. High Commissioner for Refugees (UNHCR), the U.N. Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), the International Committee of the Red Cross (ICRC), the Intergovernmental Committee for Migration (ICM), and the U.N. Border Relief Operation (UNBRO). We concentrate our refuge program resources on these international assistance programs, spending about twice as much on the 99 percent of refugees who remain overseas as we do to resettle the refugees admitted each year to the United States.

REFUGEE ADMISSIONS POLICY

Our refugee admissions policy reflects the oft quoted words of Emma Lazarus on the Statue of Liberty. We want to offer the opportunities of a new home in a new land to the masses of unfortunates who need and long for these privileges, as were given to our own forefathers. The Refugee Act of 1980 defines whom we may admit as refugees. Each year we must make choices concerning which refugees we will admit and in what numbers. These decisions follow naturally from our refugee admissions policy, which provides resettlement when repatriation or local resettlement is not possible or first asylum is not secure.

There are four significant objectives of our admissions policy. First, each year, in cooperation with the UNHCR, refugees who face perilous protection problems in their countries of first asylum are resettled quickly and quiety. Released political prisoners, as from Cuba, are resettled. We hope soon to begin resettling large numbers of Vietnamese reeducation center detainees as well—persons imprisoned for their association with us or the government which we supported.

Second, our willingness to resettle refugees encourages other nations to maintain responsible policies of first asylum. This applies not only in Southeast Asia, but also in Western Europe, which has a long tradition of offering asylum.

Third, we have a special, ongoing commitment to offer resettlement to refugees overseas who have family in the United States or other close ties here through employment or education. Whenever possible, we save refugee admissions numbers by channeling family reunion cases through regular immigration channels. The long waiting periods of immigrant visas and the difficult circumstances under which refugees exist overseas, however, do not allow for easy switching of refugees onto an immigrant track.

The fourth objective of our admissions policy is to deter refugees from jeopardizing their safety by allowing for an orderly flow of refugees who are of interest to the United States through special negotiated direct departure programs. Such programs also ensure that persons who will not qualify for refugee admissions are not stranded in a third country. We have for some time had such programs for refugees from Cuba and Vietnam.

REAGAN ERA ACCOMPLISHMENTS IN REFUGEE AFFAIRS

When President Reagan took office, the Refugee Act was not yet a year old. The successful implementation of this legislation, which weighs the individual's claim to persecution more heavily that any other factor in refugee determinations, is a significant accomplishment of the Reagan years.

Southeast Asia

Worldwide, our overriding program in the 1980's has been assistance to and resettlement of Indochinese refugees. We began by processing refugees on beaches as they stepped off boats or swam to shore from sinking crafts. Working closely with our voluntary agency partners, since FY 1981 we have processed and admitted to the United States over 400,000 Indochinese refugees—37,000 Highland Lao, 60,000 Lowland Lao, 116,000 Cambodians, and 200,000 Vietnamese. Recognizing that the promise of resettlement drew many people from Vietnam, Laos, and Cambodia, since 1982 we have limited the people we would resettle to only those with ties to the United States. This year, however, we are admitting several thousand refugees without ties to the United States to help relieve the burden on Thailand and Malaysia caused by the large number of boat arrivals.

Comprehensive Strategy. Resolution of the core problem in Southeast Asia—the continuing flow of refugees from Vietnam, Laos, and Cambodia—requires more than simply continuing measures which have been in place since the exodus of 1979-80. We recently proposed a comprehensive package of measures designed to dissuade people from the dangers of clandestine departure while preserving the principle of first asylum.

The Vietnamese government must be pressed to address the internal political, social, and economic conditions which cause its citizens to flee. A concerted effort of all the Southeast Asian nations, Hong Kong, and the resettlements nations is required to urge the government of Vietnam to expand further the safe and legal orderly departure program. If Vietnam continues to increase its cooperation in making this program more effective, we believe that dangerous, clandestine departures will decline.

Despite improved opportunities to emigrate legally from Vietnam, however, there will continue to be clandestine emigration from Vietnam, Laos, and Cambodia by people who fear persecution as well as by many who are not bona fide refugees. A comprehensive solution to reduce this flow depends in part on the effective operation of legitimate national screening of asylum seekers, monitored by the UNHCR. Such programs must ensure that bona fide refugees are recognized and given first asylum. Refugees should have the opportunity to apply for resettlement, and those determined not to be refugees should be cared for until they can return safely to their homes.

Just as we depend on the countries to which refugees flee to offer temporary asylum, they and the refugees themselves depend on the resettlement countries to continue to offer hope for a new life to these victims of persecution through resettlement programs. The United States has by far the strongest resettlement commitment to Indochinese refugees. We have maintained that steady commitment since 1975, and will continue to do so in the future.

Our hope is that this comprehensive approach will bolster first asylum in the region until changes in regional security and stability take place which will permit a natural reduction in outflows and repatriation of those who, by internationally accepted standards, are determined to be nonrefugees.

In July, I met with the Foreign Ministers of the Southeast Asian nations during the ASEAN ministerial meetings in Bangkok. We discussed the elements of this strategy, and agreed that our common search for a solution to the region's refugee problems would be advanced if we formed a working group composed of first asylum and resettlement countries. This group, which will also assess the prospects for an international conference on Indochinese refugees, will meet regularly in the months ahead. We hope that it will result in a unified approach to preserve first asylum and treat humanely those who continue to flee.

Orderly Departure Program. The Orderly Departure Program gives people the hope for a new life without their having to resort to dangerous and clandestine departures. This international effort has permitted over 137,000 Vietnamese to emigrate to date, with more than 63,000 of them destined for the United States. Although the ODP was unilaterally suspended by the Vietnamese for 20 months in FY 86-87, it is again fully operational. Cooperation with the Vietnamese authorities is improving and we expect to admit 9,000 Vietnamese under this program this year, 2,000 of whom will come as immigrants.

Before this Committee in 1984, I had the honor to announce President Reagan's humanitarian initiative for the resettlement in the United States of Amerasians and the reeducation center prisoners. Since then, Vietnam has allowed nearly 8,000 Amerasians, their mothers and close family relations, but only around 1,600 former reeducation prisoners and their relatives, to leave Vietnam for resettlement in the United States.

In 1986 we reached a bilateral agreement with Vietnam to expedite resettlement of Amerasian children. The program resumed on a bilateral basis, and the Vietnamese authorities appear to be making a genuine effort to enable Amerasians to depart. This has been a bipartisan policy in which there has been excellent cooperation between the Administration and Congress. Since last October, we have interviewed and approved over 7,000 Amerasians and close relatives. Most of these have been processed under legislation authorizing the admission of Amerasians as immigrants, which took effect in March.

Since 1984 progress on the resettlement of reeducation center detainees has been disappointingly slow. In July 1988 we had very encouraging bilateral talks in Hanoi. At that time, both sides committed themselves to an early second meeting in Hanoi with the goal to begin processing within several months. It appeared that the U.S. and Vietnam had successfully separated their political differences on Cambodia from what has become our shared interest in expanding humanitarian cooperation between our countries.

For reasons not satisfactorily explained, the Vietnamese decided to take exception to recent Administration testimony which reaffirmed longstanding U.S. policy on the conditions for the normalization of diplomatic relations with Vietnam and announced, in their words, a "temporary suspension" of cooperation with us on the POW/MIA issue and on the resettlement of reeducation center detainees. We were pleased that on August 30 they lifted the suspension on POW/MIA cooperation. But we remain deeply disappointed on the continued suspension of progress on the resettlement of the detainees.

In my address at the ASEAN post-ministerial meeting in Bangkok in July, I stated that the United States holds no hostile feelings toward Vietnam as a result of the war in Indochina. In fact, we look forward to the time when we will be able to enter into normal diplomatic and commercial relations with Vietnam. We have consistently stated that we are prepared to establish such relations in the context of a Cambodian settlement which provides for the withdrawal of all Vietnamese troops from Cambodia.

Today, we call upon Vietnam to help heal one of the most painful or wounds remaining from the war—by responding favorably to the wish of thousands of reeducation center detainees to be allowed to be reunited with their families in the United States or to come with their families to our country.

We recently reaffirmed our readiness to have our delegation return to Hanoi for the planned second meeting and, we hope, complete an agreement. We hope Vietnam will lift its "temporary" suspension of cooperation with us on this compelling humanitarian issue.

Thai-Cambodian Border. In the wake of the fall of the Pol Pot regime, hundreds of thousands of fearful Cambodians fled toward Thailand for food and medical care. Once there, hundreds died from exhaustion due to severe malnutrition or disease. American officials and private citizens provided emergency care to help these people. And the United States has continued since then to provide assistance through the U.N. Border Relief Operation (UNBRO). We support UNBRO and ICRC initiatives across the board to improve protection and education for these 300,000 Cambodians. These displaced people have waited nearly a decade for Vietnamese withdrawal from their homeland and the establishment of a government under which they may return in peace to their homes. The recent Vietnamese announcement of its intention to withdraw 50,000 troops by the end of the year and the discussions of the Cambodian factions with the governments of Vietnam, Laos, and the ASEAN nations are encouraging signs of progress towards a Cambodian settlement.

English Language and Cultural Orientation. One successful refugee program is the special program of English language and cultural orientation offered in the Philippines and Thailand to Indochinese refugees being resettled in the United States. Through an intensive five month course, refugees—many of whom have never attended school at all—are trained in basic English and skills required for their resettlement in the United States. Vietnamese and Highland Lao students in the United States are at the top of their classes in schools across the country. A large measure of credit for their success must be attributed to the boost these children receive from refugee training programs which are targeted at preparing students for American schools.

Latin America and the Caribbean

Mariel Migration Agreement. A major accomplishment of recent years is the Migration Agreement of 1984 with Cuba, which finally put an end to the history of the 1980 Mariel boatlift by encompassing a return of excludable Cubans to Cuba. Under the resumed migration agreement, we expect to resettle approximately 3,000 Cuban political prisoners and family members annually through the refugee program and the Attorney General's parole authority. We will continue to consider for admission all of the potential prisoners who wish to apply.

Salvadoran Refugee Repatriations. During the past year the Central American refugee situation has been alleviated somewhat by the voluntary repatriation of more than 6,700 Salvadoran refugees from camps in Honduras, through arrangements monitored by the UNHCR. The latest group returned to El Salvador in mid-August, and there are indications that further repatriations may occur in the future.

Africa

By far the largest refugee emergencies involving life and death have been in Africa. In the past eight years, the Reagan administration has taken the lead in the multilateral responses to crises involving millions of refugees from 19 different African nations. A prime example of active U.S. leadership was our response to the massive influx of drought and conflict victims into Sudan from Ethiopia in 1984. The United States coordinated international efforts to resolve that crisis, and American refugee officers in Sudan worked out an effective emergency response.

We participated in the first and second International Conference on Assistance to Refugees in Africa, as well as the Conference on the Plight of Refugees, Returnees and Displaced Persons in Southern Africa, which took place just four weeks ago in Oslo. Many thousands of African refugees have returned home—two of the largest and most successful repatriations have been to Zimbabwe after independence, and to Uganda after the overthrow of the Obote government.

The United States have provided hundreds of millions of dollars of assistance for African refugees. But there is no diminution in the outpouring of African refugees. This year alone, we have used $10.5 million dollars from the Emergency Refugee and Migration Assistance Fund for refugee population levels in Africa that we could not have predicted last year. We continue to face strong challenges just to keep people alive. We are determined to meet these challenges.

Ethiopia. Currently, we are concerned at the refugee problems which threaten war-torn and famine-stricken Ethiopia—for many years a country better known for the large number of its own refugees in other countries. Over 300,000 refugees from the civil war in southern Sudan have poured into Ethiopia. The UNHCR has issued a special appeal to care for them, but is now faced with another influx of refugees. Over 400,000 refugees have fled armed conflict between government forces and rebels in northern Somalia. They are in an inhospitable desert where provision of food and water is extremely difficult. We are working with the U.N. agencies and other donors to avoid a major humanitarian disaster.

Mozambique. I commend to you the Department's report on the situation of Mozambican refugees in Southern Africa. As a thorough study of the causes of a particular refugee flow, it underlines the necessity for us to pay heed to refugee populations as we consider our policy alternatives in any region of the world. The tiny country of Malawi, which juts like a thumb into Mozambique, has been overwhelmed by over 600,000 refugees. The people of Malawi and President Banda have established their solid humanitarian reputation by accepting the presence of this enormous burden. Mozambique itself requires our ongoing support to help it gain control of and to establish peace within its borders, so that these refugees and those displaced within Mozambique may return home.

Angola. As a hopeful sign amidst the evidence of distress in Southern Africa, another round of talks among the governments of Angola, Cuba, and South Africa has begun, with the mediation of the United States. Independence for Namibia may soon become reality. Indpendence in Namibia will create other challenges about how to facilitate repatriation, reintegration, and reconciliation. These are challenges which we will meet.

Burundi. In Burundi, which is one of the poorest and smallest nations of Africa, bitter internecine feuds have resulted in at least 5,000 deaths and over 50,000 refugees seeking shelter in neighboring Rwanda. A special UNHCR appeal to care for the refuges is imminent. This violence has prolonged the process of establishing mutual trust between the rival ethnic groups to enable them to live in peace together in both Rwanda and Burundi.

The Near East and South Asia

The United States has contributed generously to Afghan refugee relief programs and to assist war-affected Afghans inside their own country. There are more than 3 million Afghan refugees in Pakistan—the largest refugee population in the world. Since 1979, we have provided over $600 million in refugee assistance, including over $370 million dollars worth of food. The U.S. government has helped fund programs of American private voluntary agencies, which have sent represenatives to the harsh environments of Baluchistan and the Northwest Frontier Province to supplement the UNHRC's, the ICRC's and the Government of Pakistan's medical and educational programs for refugees.

The late President Zia Ul-Haq and the people of Pakistan have offered their land and their hospitality to Afghan refugees for nearly a decade. Now, these refugees appear to have the possibility to return to their homes in the near future. There are obstacles to that repatriation—including the critical danger of land mines strewn throughout Afghanistan by Soviet military forces—but we hope that a large number of the Afghan refugees will be able to return home in the coming year. This massive repatriation effort will be coordinated by the Secretary General's Special Coordinator for Afghanistan, Sadruddin Aga Khan, with the UNHCR, other U.N. agencies, and the help of the many non-governmental organizations and governments who have supported their exile in Pakistan. The costs of these programs on a per capita basis represent a relatively inexpensive solution for a refugee problem of immense proportions.

The oldest continuing refugee population involves the Palestinian refugees in the Near East. The U.N. Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) continues to provide basic educational, medical and relief services to Palestinian refugees in Lebanon, Syria, Jordan, the West Bank, and Gaza. No imperative is greater today than for UNRWA to be able to continue providing services, especially in the West Bank and Gaza. I salute the dedicated staff of UNRWA and, especially, Robert Dillon, the American Deputy Director-General who is leaving that organization after four years of energetic and compassionate service.

Our accomplishments in refugee resettlement worldwide have depended in large measure on the dedication and hard work of many partners, domestically and internationally. The premier organization which has assisted in a highly competent and cost-effective way to arrange for processing, transport, medical screening and training programs for refugees being resettled worldwide is the Intergovernmental Committee for Migration (ICM). ICM's leadership passes this year between two distinguished American public servants—from James Carlin to James Purcell. I want to recognize here Jim Carlin's ten years of service to ICM and to wish Jim Purcell well as he takes up the reins.

EMERGENCY CONSULTATIONS IN FISCAL YEAR 1988

Before I summarize the causes and effects of the partial liberalization of Soviet emigration policy on our own immigration and refugee programs, I would like to address the core of the debate on this issue. We have taken a clear and strong stand in our bilateral human rights discussions with the Soviets, at the Vienna follow-up meeting of the Conference on Security and Cooperation in Europe and at the U.N. Human Rights Commission (UNHRC) on the issue of free movement. Article 13 of the Universal Declaration of Human Rights, which was incorporated by reference into the Helsinki Final Act, states, "Everyone has the right to leave any country, including his own, and to return to his country."

Throughout the Reagan Administration, and consistently since World War II, the United States has vigorously championed the cause of freedom of emigration from the Soviet Union. In the past year, after an eight year period of only minimal and unacceptable emigration, the Soviet Union has granted exit permits to some tens of thousands of persons—primarily Jews, Armenians, ethnic Germans, and some Pentecostalists. All other Soviet citizens, however, have virtually no opportunity to emigrate.

We applaud the reforms in emigration policy in the Soviet Union, but we urge that the Soviet government comply fully with the emigration provisions of the Helsinki Final Act. International human rights standards recognize the right to emigrate and to return to one's country, but not to immigrate into any country of one's choosing. Standards and limits to immigration are determined by national decision and legislation. The United States recognizes its moral obligation in this field and has responded generously, but we, too, have limits set by the immigration and refugee laws relating both to eligibility criteria and to the numbers we can absorb.

In April 1987, there began an increase in the number of exit permits granted to Soviet Jews, and we included estimates of this increased flow in our refugee admissions ceiling of 15,000 for Eastern Europe and the Soviet Union for FY 1988 during these Consultations one year ago. However, the increase in permits granted to other Soviet citizens to emigrate to the United States (principally Armenians) did not become apparent until later in the year, and were, therefore, not included into the original FY 1988 ceiling. Additional admissions numbers and matching resources were required in order for us to admit these people under our refugee program. Admissions numbers in other regions were needed and could not be reallocated.

In a joint meeting on April 26 with House and Senate Judiciary consultative members, I presented the President's proposal to raise the regional ceiling by 15,000 (estimating 12,000 for Armenians, 2,000 for Soviet Jews, and 1,000 for Eastern Europeans) for a total of 30,000. I committed the Administration to funding the increased admissions insofar as possible within existing funds, in accordance with the parameters of the Budget Summit Agreement with Congress.

The Bureau of Refugee Programs applied cost-avoidance measures and cut back services to secure sufficient funding for the costs of resettling approximately 10,000 of the 15,000 numbers. However, because we could not identify funding outside the regular MRA appropriation to continue the emergency program, we had to suspend processing of Soviet citizens in Moscow after July 1. This action caused difficulty for some 400 applicants whose interviews at the Embassy had been scheduled during the week of July 5-8. There were an additional 3,000 Soviet citizens who had scheduled interviews after July 9 through September 30.

In response to this situation, the Administration designed a two part plan to carry through the final three months of this fiscal year without seeking additional appropriations. First, the first 400 cases were moved to Rome for immediate processing using funding from other areas of the admissions program. Second, to accommodate any of the 3,000 who faced an urgent need to depart the Soviet Union prior to the new fiscal year, we established a private sponsorship program. We contacted the families in the U.S., Embassy Moscow staff monitored the applicants' situations, and INS officers went to Moscow to interview the 3,000 cases, so that, once private funding was obtained, they could travel directly to the U.S. from Moscow. As of the end of last week, some 500 persons had indicated their intention to take advantage of these procedures to enter the United States this fiscal year.

In addition to this Administration plan, Congress also acted. Congress passed and the President signed the Dire Emergency Supplemental bill (P.L. 100-393) which provides an additional $6 million to the Emergency Refugee and Migration Assistance Fund (ERMA) for Eastern European and Soviet refugee admissions. We are drawing this fund down now to benefit cases in Moscow as well as Eastern Europeans in Western Europe.

Two fundamental issues have emerged from this experience with Soviet resettlement. One is budgetary—in a time of severely constrained budgets, how do we ensure that we will have adequate resources to support an unexpected outflow of emigrants from the Soviet Union without damaging other critical foreign policy programs? The second is legal—can all Soviet emigrants be admitted under the refugee provisions of the Immigration and Nationality Act (INA)? With the commencement of INS processing in Moscow, INS has confirmed that not all potential emigrants meet the statutory definition of refugee under the INA. We must, therefore, seek alternate immigration channels for those who do not meet the statutory definition in order to offer realistic options to such persons.

One essential precept that has emerged from our reexamination of the Armenian flow is that the integrity of the refugee definition must be protected. In the past, our program for processing applicants in Rome included an implicit commitment to Italy that all such persons would be admitted to the U.S. These circumstances, once the applicants were outside their country of origin, guided INS officers' decisions relative to refugee status. As the Attorney General has stated, however, INS officers must apply uniformly the requirements of existing statutes regulating immigration process. In that context, the Attorney General decided to have INS interview applicants in Moscow, and in August, INS officers were dispatched on temporary duty to Moscow. The Attorney General has stated that he will not close the door on any of the 3,000 who were led to expect entry to the United States, and will be generous in the use of humanitarian parole for persons determined not to have an individual claim to persecution in the Soviet Union.

We learned this year that there are occasions when our foreign policy goals—encouragement of liberalized emigration policy, for one—dictate a need for flexibility which is not currently available in immigration law to admit a group of people who do not immediately or nearly fit into current immigration or refugee categories. We see this as a national need and as a foreign policy and humanitarian need, which we would like to address, together with Congress, over the coming months. One possibility would be a new category of special immigrant visa.

PROPOSED REFUGEE ADMISSIONS FOR FISCAL YEAR 1989

Mr. Chairman, we are here this morning to address the President's proposed ceilings for refugee admissions for fiscal year 1989.

The Refugee Act of 1980, which established this consultative process, states, "the President shall report to the Committees on the Judiciary of the House of Representatives and of the Senate regarding the foreseeable number of refugees who will be in need of resettlement during the fiscal year and the anticipated allocation of refugee admissions during the fiscal year."

Last year, during both the regular and the emergency consultations, we set refugee admissions numbers that were higher than the funds available for the admissions program. This led to confusion and disappointment as the year went on and the money ran out. I am, therefore, very reluctant to begin the fiscal year with an admissions program ceiling higher than that for which funds will be available.

Unfortunately, we do not yet know what funds we will have available for FY 1989. Neither the appropriations for HHS nor for the State Department has been enacted. The HHS FY 1989 appropriations bill provides funding to support up to 90,000 refugee and Amerasian admissions for 24 months.

In the current fiscal year the State Department had $338,450,000 available for refugee programs funded out of the Migration and Refugee Assistance account, including refugee admissions and assistance programs. The President's budget request for refugees for FY 1989—constrained as it is by Gramm-Rudman-Hollings and the Bipartisan Budget Agreement—is $340,000,000. The bill adopted by the House provides $361,950,000, but requires that $23,500,000 be transferred to HHS, leaving a net amount of $338,450,000. The Senate bill provides the same $361,950,000. The Senate bill does not require a transfer to HHS but does earmark $140,000,000 for refugee and Amerasian immigrant admissions. The conference on the two bills is scheduled to begin next week.

If the final bill provides the State Department $338,450,000, the same amount as last year, we will have new funds to bring in only 68,500 persons. If the final bill provides $361,950,000, including the $140,000,000 earmark for admissions, we will have new funds to bring in 82,000 refugees and Amerasian immigrants. In addition, we estimate that carry-over funds from the fiscal year 1988 dire emergency supplemental will be available to fund an additional 2,000 refugee admissions. Therefore, the potential fully-funded admissions level is between 70,500 and 84,000 depending on the final appropriation. With regard to fully funded admissions, at no time will we operate at a rate higher than that for which funds are available in the MRA account.

Establishing the ceiling requires balancing our humanitarian and foreign policy goals, refugee eligibility requirements, domestic resettlement capacity, and estimated costs. For FY 1989, therefore, despite my misgivings and my desire to be absolutely clear to the Congress and not to mislead anyone about actual admissions levels, we are proposing an aggregate, worldwide ceiling for refugee and Amerasian immigrant admissions of 94,000. It is comprised of three elements: up to 84,000 fully-funded admissions; up to 6,000 which could be partially funded by the government and partially by the private sector and up to 4,000 reserved for the separate, private sector program. The 6,000 partially-funded numbers will cover a group of persons, some of whose domestic resettlement could be funded out of the available HHS/ORR money and some who could be admitted without any federal funding whatsoever. Therefore, we are not seeking additional federal funds to finance these 6,000 admissions. In addition, we propose to continue the current allocation of 4,000 numbers for the fully privately-funded admissions initiative. This private sector initiative has already benefited hundreds of Cuban refugees in fiscal year 1988.

Once the final appropriations for FY 1989 are enacted, we will advise Congress of our operational plan by region that is consistent with the actual funding available. If the final appropriations level for the Department of State budget would fund 70,500 admissions in FY 89, then we will commence the year at an operational level of 70,500.

If the final appropriations for FY 89 fully funds 84,000 admissions in the State Department budget and 90,000 admissions in the HHS budget, we would commence the fiscal year with an operational plan for 90,000. This plan would include the partially-funded category of 6,000 persons who would receive HHS funding only.

The proposed regional ceilings for the 90,000 level are shown below. Also included is a possible allocation by region which could result at the 70,500 level.

Region	Proposed ceilings (assuming adequate funding)	Minimum fully funded level
East Asia:		
First asylum	28,000	22,000
ODP (includes Amerasian immigrants)	25,000	17,000
Eastern Europe/Soviet Union	24,500	21,000
Near East/South Asia	7,000	6,000
Latin American/Caribbean	3,500	3,000
Africa	2,000	1,500
Total	90,000	70,500
Unallocated (private sector)	4,000	4,000
Grand total	94,000	74,500

A thorough explanation and justification for each of these proposed regional levels is found in the document entitled, *Proposed Refugee Admissions for FY 1989.* Its companion, the *World Refugee Report,* provides a description of the nature of the world refugee situation today. I would like to say something about the importance of each of the regional admissions levels, however.

East Asia—First Asylum. The level of 28,000 in the President's request responds to the currently high number of Vietnamese boat people in camps (including new arrivals since January 1988) and puts us in a position to admit some additional longstayers (which is part of the new comprehensive strategy for Southeast Asia) should we wish to do so. In a period when first asylum in Southeast Asia has significantly eroded, this level is needed to encourage the ASEAN countries to continue humane reception and treatment of refugees.

East Asia—Orderly Departure Program. The proposed level of 25,000, which includes 13,000 refugees and 12,000 Amerasian immigrants, exceeds the FY 1988 admissions ceiling by 16,500. An expanding ODP is vital as an alternative to boat departures, and is a vital part of our strategy for that region. The level also provides for several thousand former reeducation camp detainees and their accompanying relatives, to whom, after six years of negotiations, we hope to start gaining access in the coming fiscal year.

Eastern Europe and the Soviet Union. We have determined that within the overall total that we are recommending for inclusion in the refugee program, a total of 24,500 be allocated to the Eastern Europe and Soviet Union. We recognize that the number of eligible applicants with exit permission is unpredictable, and may be higher, but under the relevant circumstances, consider this a reasonable level.

Near East and South Asia. The suggested level of 7,000 will allow for a continuation, albeit at a reduced level from FY 1988, of our program to resettle Afghan, Iranian, Iraqi, and some few other Near Eastern refugees, including a large number of religious minorities. We expect to need fewer numbers because conditions are beginning to stabilize in Afghanistan, making it possible for many Afghans to return to their homeland. Although the hope for an end to the eight year long Iran-Iraq conflict may lead to fewer applicants, persecution of religious minorities in Iran continues, including Bahai's, Christians, and Jews.

Western Hemisphere. We are committed to admitting 3,000 former political prisoners from Cuba under the Mariel Migration agreement, and have a humanitarian interest in providing resettlement to certain refugees in Central America for whom repatriation is not an option. The ceiling also provides for the resettlement of political prisoners in Central America.

Africa. The level of 2,000 admissions for Africa supports our priority for Ethiopian and southern African refugees, for whom protection in their countries of asylum is often tenuous. The fact that 2,000 is, admittedly, a relatively low figure reflects the practical reality that we have difficulty arranging for efficient movements of approved Ethiopian refugees from the Sudan. With an INS officer in Nairobi, now, we expect that our access to cases where protection is a problem will improve.

Mr. Chairman, I have provided a brief justification of the levels which we would like to see established as the ceilings. I acknowledge fully that at present we are unable to admit refugees at these regional levels because of the limits on funding contained within the Budget Summit Agreement. As the stewards of our refugee policy, however, the Administration is responsible for ensuring that our highest humanitarian and foreign policy objectives are reflected in our refugee programs. Let me pledge to you that we will carry out this responsibility to the best of our ability. With the continued bipartisan support of Congress, we will continue in our traditional humanitarian spirit to provide for the needs of refugees around the world. Thank you.

REFUGEE ADMISSIONS

[Actual numbers]

	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	Projected 1988
Asia (mostly Indochina)	135,000	15,000	7,000	20,574	76,521	163,799	131,139	73,522	39,408	51,960	49,970	45,454	40,112	38,000
Eastern Europe	1,947	1,756	1,755	2,245	3,393	5,025	6,704	10,780	12,083	10,285	9,350	8,713	8,606	15,000
Soviet Union	6,211	7,450	8,191	10,688	24,449	28,444	13,444	2,756	1,409	715	640	787	3,694	
Latin America	3,000	3,000	3,000	3,000	7,000	6,662	2,017	602	668	160	138	173	315	3,500
Africa	0	0	0	0	0	955	2,119	3,326	2,648	2,747	1,953	1,315	1,994	3,000
Near East/South Asia	0	0	0	0	0	2,231	3,829	6,369	5,465	5,246	5,994	5,998	10,107	9,000
Totals	146,158	27,206	19,946	36,507	111,363	207,116	159,252	97,355	61,681	71,113	68,045	62,440	64,828	[1] 68,500

[1] Plus 15,000 emergency 83,500.

SENATOR RICHARD G. LUGAR

Mr. LEAHY. Mr. President, I have served most of my time in the U.S. Senate with the distinguished senior Senator from Indiana, Senator LUGAR.

DICK LUGAR is a close friend, and I hope he will not be upset to have this Democrat refer to him as a "Senator's Senator." DICK's expertise in the area of agriculture and domestic policy is well known in this body, and his expertise in foreign policy, so well honed while chairman of the Foreign Relations Committee, is known worldwide.

Today's New York Times had an interesting profile of Senator LUGAR. While I feel the article's conclusion that he will never be either the President or Vice President nominee of the Republican Party is far too premature, I was impressed with the obvious respect the author had for Senator LUGAR, a respect I share.

I ask unanimous consent to have the article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Sept. 28, 1988]

FOR LUGAR OF INDIANA, THE TORCH PASSES TO A NEW GENERATION

(By Dirk Johnson)

WASHINGTON, Sept. 26.—Senator Richard G. Lugar sat in a rocking chair in his Capitol Hill office, sipping coffee and recalling the times he was not chosen as a Vice-Presidential nominee.

It was October 1973, Spiro T. Agnew had just resigned as Vice President, and President Nixon was looking for a replacement.

"We were coming through Pittsburgh, and the reporters and cameras were all following, saying that I was the one," recalled Mr. Lugar, then the 41-year-old Mayor of Indianapolis. "But that night in Sharon, Pa., by watching television, I learned Gerald Ford was picked."

ON REAGAN'S "SHORT LIST"

Seven years later, the Republicans were gathering in Detroit to nominate Ronald Reagan as President, and Mr. Lugar, then 48 and serving his first term as a United States Senator from Indiana, had been advised to gather his tax and medical records from the previous 10 years. He had made the "short list" of Mr. Reagan's possible running mates.

"It was a very exciting situation," Mr. Lugar said. "The crowds of people—cordons of reporters following myself and my wife, Char."

Again, Mr. Lugar was passed over, but not for the last time.

Dan Quayle, 41, is the junior Senator from Indiana. Mr. Lugar, now 56, is the senior Senator. After Vice President Bush selected Mr. Quayle as his running mate, he telephoned Senator Lugar to explain his choice.

"The Vice President told me he wanted somebody of a distinctly different generation," Mr. Lugar said. "It was obvious he felt that was more important than some other considerations. I certainly understand that."

THE POLITICS OF AGE

For Republican politicians of Mr. Lugar's generation, this election marks something of a turning point and, possibly the end of a dream. A Bush victory in November will probably be followed by a re-election bid in 1992, and some of today's leading politicians may be out of the chase by then. And, if the selection of Mr. Quayle attracts more Republican votes from the postwar generation, as Mr. Bush has gambled, the politics of age could become even more important.

Mr. Lugar, who never made a secret of his ambition to run on a national ticket, now acknowledges that those prospects have probably passed by him. "I accept that I will not be President or Vice President," said the Senator, who is campaigning for re-election against John Wickes, a 41-year-old lawyer who often reminds Indiana voters that he is the same age as Mr. Quayle.

"But I believe I have an improtant role to play in agricultural and foreign policy," Senator Lugar added. "Maybe mine will be a career that spans several President's trying to be helpful to each."

Among the disappointments that have marred Mr. Lugar's generally sparkling career, none were any more wounding than his ouster from the chairmanship of the Foreign Relations Committee after the Democrats regained control of the Senate in 1986.

Not only did Mr. Lugar lose the chairmanship, a post that fortified his reputation on Capitol Hill as a brilliant and independent leader, but he also subsequently lost to Senator Jesse Helms of North Carolina in the contest to be the ranking Republican on the committee. Since then Mr. Lugar's perspectives on foreign policy have been framed in his new book, "Letters to the Next President."

NIXON'S FAVORITE MAYOR

The Senator's salt-and-pepper hair has noticeably more salt now than it had when he was known as Mr. Nixon's favorite Mayor in the early 1970's. But Mr. Lugar still jogs nearly 20 miles a week, and his aides say he has not lost a step.

"My own pursuits can be done just as well today," he said, "as when I was 46 or when I came to the Senate 12 years ago."

Mr. Lugar was not even on the short list for the second spot on the ticket this year. But earlier in this campaign season he could scarcely have been deemed a longer shot for the post than Mr. Quayle, who told Indiana voters in his first Senate campaign that he wanted to become a Senator in the mold of Mr. Lugar.

Indeed, Marl Helmke, a former Lugar aide, issued a paper earlier this year outlining, "Twelve reasons why Dick Lugar would be a good V.P. pick." Mr. Helmke, now a political consultant with Robinsion, Lake, Lerer & Montgomery, says Senator Lugar, a former Rhodes scholar, is an accomplished, intellectual politician who is not rich, enjoys high regard throughout the Middle West, polls well among women and members of minority groups and has a personal background that projects a "clean, Boy Scout image."

FAVORABLE RATING OF 77 PERCENT

In polls taken for the Republicans by Robert Teeter earlier this month, Mr. Lugar received a favorable rating from 77 percent of the voters, the highest mark for any Indiana politician.

If the Senator is embittered by the fading possibilities for a spot on the national ticket or by the Vice-Presidential nomination of his younger colleague from Indiana, he does not betray such feelings.

At the Republican National Convention in New Orleans last month, Senator Lugar seconded Mr. Quayle's nomination in a speech lauding his colleague as "an outspoken champion of Republican Party ideas and achievements."

And, when the newly minted Bush-Quayle ticket visited Indiana last month, basking in the glow of television cameras and the din of thunderous roars of approval, Mr. Lugar stood in the background as a loyal cheerleader.

Andrew J. Fisher, Mr. Lugar's press secretary, said many loyalists have praised him for his ungrudging support of Mr. Quayle. "When this occurred, a lot of people anticipated that Senator Lugar might be angry, might be upset," Mr. Fisher said. "So many people in Indiana came up and said, 'What a class person.' It was clear that when Senator Lugar could have been immature, sniveling, he was very supportive of Quayle."

AN UNUSUAL ARRANGEMENT

Senators who represent the same state do not always have harmonious relations, and the same holds true for their staffs. The potential for rivalry and jealousy is often worse when the Senators belong to the same party. Any tensions can be exacerbated when one politician makes a huge leap into the limelight, as with a Vice-Presidential nomination.

But the Lugar and Quayle camps say they are unusually agreeable. The Senators have often issued joint press releases. Moreover, they share an office budget and staff members at five offices in Indiana, which is believed to be the only such arrangement in the Senate. Alternating by the month, the staff members answer the phones with the greeting, "Senators Lugar and Quayle," or "Senators Quayle and Lugar."

The nomination of Mr. Quayle, however, has tipped the volume of calls to the younger Senator. When one caller to the Indianapolis Senate offices recently requested the telephone number for the Lugar office in Washington, the answer had become reflexive: "The Bush-Quayle headquarters number is. . . ."

Until recently, Senator Lugar was far better known than Senator Quayle outside Washington. But Mr. Quayle's aides contend that even before the Vice-Presidential nomination, the younger Senator had been making in-roads in the national consciousness.

"There's a natural but good-natured kind of competition for equal billing," said Brose McVey, a spokesman for Mr. Quayle. "It's made Quayle staffers work a little harder, produce a little harder to get a unique identity. We didn't want there to be the sense that we were 'living in the shadow of Dick Lugar.' "

Another staff member said: "We used to be 'the other Senator from Indiana.' Not anymore."

A RICHLY DESERVED AWARD FOR A DISTINGUISHED CHARLESTONIAN

Mr. HOLLINGS. Mr. President, it is a tradition for Senators to stand before the Senate and pay tribute to outstanding Americans. We note the achievements or extraordinary civic contributions of these special people, and, in the process, we offer them as role models for other Americans to emulate.

William Saunders of John's Island, SC, is just such an American; a man who has worked all his adult life to make Charleston a better and a more humane place to live. In his workaday professional life, Bill Saunders is the energetic president and general manager of WPAL radio in Charleston. But, for more than two decades, he has held down a second full-time job serving on countless volunteer boards, community projects, and charities. He has been a dynamo—I should say, a locomotive—in organizations ranging from the greater Charleston Chamber of Commerce to the USO to the Charleston County Democratic Party.

Knowing the many behind-the-scenes, volunteer labors of Bill Saunders, I was gratified to hear last week that he has been awarded Charleston's prestigious Haven Award for 1988. In presenting the award, the Trident Foundation recognized Bill as the "most tireless, most unselfish, most involved and most underrecognized of our community leaders." I couldn't agree more, though I would add that this award is also a measure of the respect he has earned in the Charleston business community and in the eyes of thousands of Charlestonians whose lives he has touched.

Mr. President, Bill Saunders is a man who has made a difference, and who continues to make a difference. I salute him for the richly deserved, long-overdue recognition of the Haven Award.

Mr. President, I ask unanimous consent that an article on William Saunders from the September 23 Charleston News and Courier be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Charleston (SC) News and Courier, Sept. 23, 1988]

WILLIAM SAUNDERS' WORK HONORED BY TRIDENT COMMUNITY FOUNDATION

(By Thomas W. Haywood)

Black community leader William Saunders was given the 1988 Malcolm D. Haven Award during a surprise presentation Thursday after the annual meeting of the Trident Community foundation.

Saunders, a past member of the foundation's board of directors from 1971-85, was lured to the elegant reception in the Long Room Club on Unity Alley unaware of his receiving the award and seemed genuinely touched by the gesture.

"This really, indeed, is an honor. I keep promising my family and everybody who likes me a little that I'm going to cut back, but it's a hard thing to do," Saunders said.

In making the presentation, Trident Foundation President J. Edwin Schachte Jr. said Saunders was among 15 nominees considered for this year's Haven Award and was chosen for being the "most tireless, most unselfish, most involved and most underrecognized of our community leaders."

Saunders, president and general manager of WPAL radio in Charleston, has involved himself in dozens of community ventures over the years, including serving on 22 boards in the past and 17 boards currently. His present board memberships include those of Crimestoppers, the USO, the South Carolina and National Broadcasters associations, the S.C. Crime Victims' Advisory Commission and the Private Industry Council of the Trident Chamber of Commerce.

Saunders, a lifelong John's Island resident, also is a past chairman of the Charleston County Democratic Party and Democratic candidate for the state Senate.

The Haven Award is given annually for "unselfish contribution and accomplishments for the betterment of the Trident community." With the award comes the honor of allowing the recipient to name a non-profit community agency to receive an unrestricted grant of $1,000 from the foundation.

When told of the grant, Saunders said without hesitation it would go to the Committee for Better Racial Assurance, which he founded in 1970. COBRA undertakes a variety of causes, including programs to combat sickle cell anemia and other community health problems and efforts to repair the homes of the elderly.

Past winners of the Haven Award have been Malcolm D. Haven, Margot S. Freudenberg, Jean C. Voegeli, Henry J. Lee and Joseph P. Griffith.

The Trident Community Foundation ended the year with assets of $2.6 million, representing a $1.2 million growth over the past year.

Foundation Executive Director' Ruth H. Heffron said seven new funds were created last year, the largest being a $1 million fund donated by Ralph Ketner and Anne Ketner.

Also during the past year, a $50,000 scholarship fund was established for Summerville High School graduates by Mr. and Mrs. Gary C. Banks Jr. and Mr. and Mrs. Lloyd Williams.

The foundation also received a $120,000 challenge grant from the National Endowment for the Arts. The grant requires $240,000 in matching funds be raised over four years. Ms. Heffron said that about $40,000 of this year's $60,000 goal has been raised so far.

New foundation officers elected Thursday are president Henry B. Smythe Jr., Vice President George J. Bullwinkel Jr., Secretary Louise J. Maybank and Treasurer J. Conrad Zimmerman, Jr.

New board members are Gary C. Banks Jr., Joseph P. Griffith, June J. Bradham, Thomas P. Anderson and Edwin S. Pearlstine Jr.

RECLASSIFYING ANHYDROUS AMMONIA

Mr. KARNES. Mr. President, I introduced a bill yesterday to prevent the Department of Transportation from making a mountain out of a mole hill. This measure is a companion bill to H.R. 5376, which Representative VIRGINIA SMITH, my colleague from Nebraska, introduced in the House last Friday. I have been working closely with Mrs. SMITH to resolve this issue, and I commend her for taking action to correct a big problem for our Nebraska farmers across our country.

The U.S. Department of Transportation [DOT] is considering reclassifying anhydrous ammonia as a poisonous gas. The DOT has indicated, to date, that anhydrous ammonia should be reclassified and relabeled a poisonous gas, and it is proceeding with a proposed rule to do that.

Mr. President, my bill provides "that the Secretary of Transportation may not issue regulations under the Hazardous Materials Transportation Act that reclassify or relabel anhydrous ammonia, or classify anhydrous ammonia as a poisonous gas, for purposes of such act."

Mr. President, a number of my colleagues have joined me in cosponsoring this bill because they share my concerns about the negative impact that a reclassification of anhydrous ammonia will have on Nebraska farmers. Anhydrous ammonia is an important source of nitrogen fertilizer for American farmers, especially corn producers.

The United States is the largest producer and exporter of corn worldwide, and corn farmers rely on anhydrous ammonia to produce this nitrogen—intensive crop. Nebraska is one of the largest producers of corn in America. In fact, anhydrous ammonia was the most highly used of all single—nutrient nitrogen fertilizers used by farmers in Nebraska in 1987, with nearly 600,000 tons consumed. In the 1987 crop year, Nebraska produced nearly 800 million bushels of corn, one-tenth the total of U.S. domestic corn production in 1987.

The U.S. Department of Transportation now classifies anhydrous ammonia a nonflammable gas and is certainly considered by farmers now to be a special substance to be handled with special care. The proposed reclassification by the DOT would not change the way Nebraska farmers handle anhydrous ammonia and would only present more obstacles for farmers in transporting it.

This proposed standard, while intended to conform with international standards is impractical for interstate commerce in our country. The impact on our U.S. farmers of changing a standard to meet international guidelines must be carefully considered.

Nebraska producers cannot afford the cost and uncertainties that would be created by a poisonous classification of anhydrous ammonia.

Mr. President, it is far more important to me and our corn growers, and far more practical, to maintain a classification for anhydrous ammonia which has helped boost our corn production and our opportunities for increased international trade. Another problem in classifying anhydrous ammonia as a poisonous gas, and labeling the ammonia containers accordingly, is the adverse impact this will have on our country's strong trade relationship with Canada—our largest source of imported anhydrous ammonia.

With nearly 1 million tons per year coming into our country from Canada, we cannot afford to change the classification simply to achieve a uniform international standard.

If this proposal is adopted, Nebraska's farmers, and farmers across the United States, will be sacrificed on the altar of international diplomacy. It is time to stand up for our farmers, not place added burdens on them in the name of looking good in the eyes of other nations.

Mr. President, I have been working with the Secretary of Transportation and with other members of that Department to emphasize the negative impact this change in the regulations will have on our country's farm operations, the interstate transportation of this substance, and our already strong trade relations with international users and producers of anhydrous ammonia. My distinguished colleagues from Iowa and Arkansas, Senator HARKIN and Senator BUMPERS, have also gone to great lengths as well to impress these facts upon officials at the DOT indeed, through the diligence of Senator HARKIN in the Senate and my colleague, Mrs. SMITH in the House, we have report language in the House and Senate versions of the fiscal year 1989 Transportation appropriations bill which urges the Secretary of Transportation to withhold its reclassification of anhydrous ammonia.

Mr. President, along with this report language, I have three separate letters that have been witten to Secretary Burnley over the course of this year, in which I and 24 of my colleagues, including the distinguished minority leader, have expressed our strong concerns about the Department continuing its rulemaking as originally intended.

Mr. President, it is evident that many in Congress do not agree with this proposed rulemaking. It is evident as well that American farmers understand the potential dangers of anhydrous ammonia if it is not handled properly, and that is why its classification as a nonflammable gas has stood our farmers well in past years, and why it would be inadvisable and impractical for the Secretary of Transportation to reclassify and relabel anhydrous ammonia as a poisonous gas.

I urge my colleagues to join in cosponsorship of this legislation and in opposition to this proposed rulemaking by the U.S. Department of Transportation.

RECLASSIFICATION OF ANHYDROUS AMMONIA

Mr. DOLE. Mr. President, I am pleased to be an original cosponsor of Senator DAVID KARNES's bill that would prohibit the Secretary of Transportation from issuing regulations reclassifying anhydrous ammonia as a poisonous gas under the Hazardous Materials Transportation Act.

For several months many of us who represent agricultural States have been concerned that DOT favors reclassifying anhydrous ammonia as a poisonous gas. It appears that this proposal was intended to make the classification of this important fertilizer conform to United Nations standards. However, I am concerned that the far-reaching negative effects outweigh any benefits.

DAVID KARNES is right on target with this bill. The DOT plan to reclassify anhydrous ammonia as a poisonous gas will have a major economic impact on agribusiness. Those people whose livelihoods depend on agriculture including, wheat, corn, poultry producers, and food processors, have a lot to lose if this is implemented.

Several of my Republican colleagues including Senators KARNES, HELMS, BOSCHWITZ, BOND, COCHRAN, NICKLES, MCCONNELL, KASSEBAUM, MCCLURE, PRESSLER, GRAMM, and I, have written Secretary of Transportation Jim Burnley urging DOT to drop this plan. It appears that the Department is pressing on.

Secretary of Agriculture Dick Lyng is on record as opposing this proposal. I understand that over 1,000 public comments have been sent to DOT in opposition. In addition, major farm groups and representatives of agribusiness interests are united in opposition to this idea.

Mr. President, DAVID KARNES is right. American farmers simply can't compete with Washington on their backs. We need to work to improve our ability to bring back our farm economy and rural America. The Karnes bill does this and I am happy to support it.

RECLASSIFICATION OF ANHYDROUS AMMONIA

Mr. DIXON. Mr. President, as an original cosponsor of S. 2841, I rise today to address a serious problem confronting American farmers. The Department of Transportation's proposal to reclassify anhydrous ammonia has generated numerous concerns and problems. Months have gone by, and these concerns and problems remain unanswered and unsolved. With this bill, the reclassification of anhydrous ammonia will be resolved, once and for all.

Anhydrous ammonia is an essential chemical for agriculture. The uncertainty surrounding the actual hazard presented by anhydrous ammonia is important in light of its economic importance to our struggling agricultural industry. Approximately 45 percent of all nitrogen fertilizer used by American farmers is applied as anhydrous ammonia. It is used widely because it is inexpensive. Spreading nitrogen with anhydrous ammonia is 50 percent cheaper than performing the same activity with other compounds.

The Department of Transportation's proposal to reclassify this compound as a poison is misguided and reckless, and disregards the consequences that it would inflict on American agriculture. Such a reclassification will drastically increase the cost of nitrogen fertilizer for the American farmer. Insurance costs for transporting the chemical would be prohibitive and it is also conceivable that, in some cases, insurance would become unavailable.

In addition, there is some question as to how anhydrous ammonia, if classified as a poison, could be transported to American farms. Furthermore, many foreign markets, which our farmers are already struggling to recapture, would be closed because of legal restrictions on foods treated with poisonous chemicals.

The reasoning behind the reclassification of anhydrous ammonia is to alert its users of the possible dangers inherent in the use of this product. That being the case, a more appropriate reclassification would be that of a corrosive product, rather than a poison.

Mr. President, our largest trading partner in anhydrous ammonia—Canada—identifies it in this manner. This type of classification serves to alert users of potential dangers while avoiding the negative economic impact that would result on our American farmers.

Since the Department of Transportation has been unable to resolve this serious problem, this bill provides the solution. I urge my colleagues to support this important bill.

POSSIBILITY OF A FREE TRADE AGREEMENT WITH JAPAN, KOREA, AND TAIWAN

Mr. DASCHLE. Mr. President, the Finance Committee recently passed resolutions requesting the International Trade Commission [ITC] to study the impact of a free trade area with Japan, Korea, and Taiwan.

Current law includes a provision which allows the Senate Finance or House Ways and Means Committees to request the ITC to analyze trade arrangements with other countries.

I believe it is prudent to perform these studies now, especially when our trading partners are becoming comparatively large—Japan, Taiwan, and Korea accounted for 51 percent—or approximately $80 billion—of the United States trade deficit in 1987.

The ITC has already released its first report on a free trade area with Japan. It summarizes the views of American trade experts as having reservations about the economic gains for the United States under such an agreement. Nevertheless, ITC studies can provide Congress with an objective summary of views from recognized authorities on United States relations with Japan, Korea, and Taiwan on the pros and cons of entering into negotiations with these respective countries to explore the possibility of establishing a free trade area.

I strongly believe that trade policy must reflect the reality of our highly complex international economy. World trade is an imperfect institution that cannot be overhauled by a single act of diplomacy or power. Trade negotiations need to be consultative not confrontational. Trade negotiations need to proceed with cultural, financial, and political interests included.

The United States is watching with great interest as Europe moves closer to creating a free trade market by 1992. The European Community plans to remove technical, regulatory, fiscal, and physical barriers to commerce. This development along with the successful economic growth of the Pacific rim countries leads many trade experts to agree that a major restructuring of the global trading system is occurring.

United States competitiveness requires better understanding of trade policies of other nations or blocks of nations and a strategic response to those policies. We need an activist role for the Government in managing trade.

We need to improve upon the product-by-product retail trade approach the current administration is using to force open markets in places like Japan, Taiwan, and Korea. A wholesale approach to negotiating trade differences is a concept preferred by most trade experts in Congress and in the administration. This implies cooperation, not confrontation and is clearly the best approach.

Under the current product-by-product approach, hoards of Federal lawyers and negotiators tackle a seemingly endless series of minute problems involving specific goods or services. Some recent examples include beef, citrus, and construction in Japan, beef, insurance, and cigarettes in Korea and soybeans, cooking oil, and pasta in Europe.

Each issue is eventually settled, after long, exhausting talks with a compromise that usually leaves some trade barriers in place. Then a new dispute emerges and is negotiated in the same manner.

This approach leaves in place fundamental policies and market practices which block out United States goods. It makes only tiny inroads into each country's markets and encourages protectionism by focusing intense public attention on narrow economic sectors.

Hence, it would be a good policy move to establish an environment for continued, comprehensive discussion and negotiation rather than piecemeal, individual attacks on specific trade practices. This comprehensive, wholesale approach would look across industries versus the legal/administrative view of today which requires the establishment of a good and bad guy. This wholesale approach would establish a less confrontational forum where negotiations, be they bilateral or multilateral, do not center on specific items that might lead to thousands of individual agreements. Instead, we need to step back and develop a world view that will carry us into the next century.

A comprehensive trade policy also needs to recognize that progress in free and fair trade can take many approaches. Strategic employment of bilateral agreements can support the multilateral General Agreement on Tariffs and Trade [GATT] environment and are even sanctioned within the GATT.

While it appears that there is much to be done to move forward on more comprehensive approaches, some recent undertakings deserve mention.

A framework for an agreement on rules for trade in services, foreign investment and intellectual property rights is being discussed with the GATT.

The recently negotiated free trade agreement with Canada is another example of a more wholesale approach to trade issues.

A free trade area [FTA] with Japan, Korea, and Taiwan would, of course, need to go beyond what United States-Canada FTA covered. Such an agreement would need to do more than reduce visible, tariff barriers.

It seems to me that one promising approach to the retail, product by product methodology is the negotiation of bilateral trade agreements which have the capability of removing a number of tariffs and barriers at once. The United States-Canada FTA does not establish fully free trade, but it does commit each country to market opening measures across many sectors. It also depoliticizes trade disputes by referring them to nonadministration arbitrators working under tight deadlines, rather than leaving the arguments to Presidents, Prime Ministers, and Cabinet members.

As a result of my recent trip to Japan and Korea, I am personally convinced that continued discussions, as opposed to confrontations on specific products, will provide our two countries with the best possible outcome on trade matters.

I have talked many times on this floor about the twin towers of deficit—budget and trade—that we need to tackle. The United States-Canada Free Trade Agreement is one attempt to effect positive changes to the trade deficit. The Finance Committee and its distinguished chairman, Senator LLOYD BENTSEN, are continuously working on other trade opening mechanisms.

Hence, our requests to the ITC to study a free trade area with Japan, Korea, and Taiwan. Congress is demanding a more activist trade policy from the President. And we are facing the reality that the United States must work in collaboration with other governments to understand their complex economies and develop effective trading mechanisms. It may be that a free trade area is not the correct trade mechanism for opening markets with our partners in Japan, Korea, and Taiwan. But it is clear that the United States must develop a more comprehensive and sensitive methodology for working with these countries.

Never has there been as great a need for international cooperation as there is today. I applaud this effort and look forward to the outcome of all three of these studies.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. FOWLER). Morning business is closed.

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, FISCAL YEAR 1989 — CONFERENCE REPORT

Mr. BYRD. Mr. President, I submit a report of the committee of conference on H.R. 4794 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4794) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1989, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of September 22, 1988.)

Mr. LAUTENBERG. Mr. President, we had 154 amendments in conference. The conferees have agreed to a resolution of all but two. The result is a package that I believe preserves a balanced transportation program for the Nation, despite our severe funding constraints.

The conference agreement contains a total of $10.8 billion in new budget authority and $14.930 billion in obligation limitations. This provides an aggregate transportation program level which is an increase of $556.6 million or 2 percent over the current year. The amounts agreed to are within the subcommittee's 302(b) allocation and are consistent with the budget summit agreement.

The major increases are for the Federal Aviation Administration and the Coast Guard. The agreement provides a total program of $6.290 billion for FAA. This represents an increase of $588.9 million over the current level. The agreement funds the continued rebuilding of the controller, safety inspector and maintenance technician work forces. It also includes the funding necessary to move the NAS plan forward.

For the Coast Guard, the conference agreement provides a total program of $3.09 billion. This represents an increase of $278 million, or 10 percent, over the enacted level for this fiscal year. Of this amount, $250.3 million will be derived from the Department of Defense in support of the Coast Guard's defense-related missions. On that point, I want to say a special word of thanks to my friends Chairman STENNIS of the Defense Subcommittee and Senator STEVENS, the ranking member, and to Chairman JIM SASSER of the Military Construction Subcommittee and Senator ARLEN SPECTER, the ranking minority member, for their cooperation and assistance in this regard.

Other major highlights of the conference agreement include: First, $12.24 billion for the Federal Highway Program; second, $224.7 million for the National Highway Traffic Safety Administration; third, $3.15 billion for the Urban Mass Transportation Administration; and fourth, $666.2 million for the Federal Railroad Administration, including $584 million for Amtrak.

Mr. President, I believe this accurately and fairly summarizes the overall contents of our agreement.

Mr. President, Senator D'AMATO, the ranking member from New York, has been very helpful in getting this bill through the committee, the floor, and the conference with the House. We expect that he will be here shortly, but I just wanted to make note of that. Given the funding and other problems we faced, it was very hard to develop a balanced transportation program. Without the assistance of Senator D'AMATO and his cooperation, it would have been impossible.

I also want to pay tribute to my House counterpart, Chairman Bill Lehman and his ranking member, Larry Coughlin. They and their colleagues worked hard to produce a good, solid transportation program and were unfailingly courteous and cooperative in working out a reasonable accommodation between the two Houses.

I am also indebted to my friends who serve with me on the Transportation Subcommittee. Senators Stennis, Byrd, Chiles, Harkin, Cochran, Kasten, and Weicker, as well as Senator Hatfield, who serves ex officio, have been a constant source of sensible counsel and steadfast support.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHILES. Mr. President, in the report on the Department of Transportation and related agencies appropriations bill, 1989, H.R. 4794, the Senate Appropriations Committee included language regarding airport gross receipts fees. Since that language was included, certain questions have been raised regarding its meaning. To me, the primary sponsor of the language, the intent is clear on its face. "The Committee believes that these fees should be reasonable, should not discourage competition in the private sector, and should be consistent with the statutory obligations of the airports to meet their financial obligations." With this as a stated standard, the committee has directed that a study be done to determine if gross receipts fees meet that standard.

When I developed the report language in cooperation with others on the subcommittee, I did so with two purposes in mind. First, I wanted the Members to make a statement regarding the kind of fees that we believe are acceptable and fair. I have used the term "reasonable" in legislation that I previously introduced because it has specific meaning under the law, and is used in current Federal aviation statutes. I believe that the same definition would apply here. In regard to the recent court decisions on gross receipts fees, I do not think that they stand for the proposition that the fees are reasonable and not anticompetitive. In fact, the court cases defer to the legislative body to assess and make such decisions where a State-created body, such as an airport, is involved. For example, in 1972, the Supreme Court, in the case of Evansville-Vanderburgh Airport Authority versus Delta Airlines, Inc., held that the airports could charge head taxes. However, in 1973, Congress passed legislation, which is still in effect, prohibiting such fees because they are considered to be a burden on interstate commerce. In fact, the Senate Commerce Committee report accompanying the 1973 legislation stated that "the Court decision does not provide adequate safeguards to prevent undue or discriminatory taxation." It may be that Congress will reach the same conclusion in regard to the decisions on gross receipts fees.

Second, I wanted a study to help determine if gross receipts fees are anticompetitive, in order to help Congress decide if corrective legislation, similar to that which prohibited head taxes, is necessary. It is my firm belief that this study must include an assessment as to whether the fees are reasonable and not unjustly discriminatory since these are both important aspects of competition. In addition, the study must look at all fees in order to determine if those charged rental car companies are anticompetitive. This is necessary because we must understand the total fee structure before attempting to assess if one part of it is anticompetitive.

Mr. D'AMATO. Mr. President, I rise in support of the conference report on H.R. 4794, the fiscal year 1989 appropriations bill for the Department of Transportation and related agencies.

This conference report has won the President's support, as well as the support of the Secretary of Transportation and OMB. Tough negotiations and compromise by all parties led to the resolution of over 150 amendments. I strongly commend Chairman Lautenberg for his able leadership. House Chairman Lehman, ranking subcommittee member Mr. Coughlin, and ranking committee member Mr. Conte also deserve credit for their hard work.

The conference report reflects the Nation's top transportation priorities: FAA is funded at a total of $6.3 billion—an overall increase of 10 percent over fiscal year 1988 or $589 million. This includes an 8.2-percent increase for FAA operations $263 million; Coast Guard is funded at a total of $3.09 billion—an overall increase of 10 percent $278 million. This includes a 7.4-percent increase for Coast Guard operations $146 million.

FAA is provided with funds to reach a total air traffic controller work force level of 16,900, including 10,832 full performance level controllers, by September 30, 1989. FAA also will be able to add 500 aviation standards positions including: 50 aviation security positions, 23 aircraft certification positions, 300 operations and maintenance positions, 100 support staff, 13 air safety staff, and 12 air medicine personnel.

FAA's capital program will be funded with nearly $1.4 billion—an increase of $280 million. Despite the many delays in implementing the National Airspace System [NAS] plan—delays of 1 to 8 years in all 11 major NAS plan projects—the $1.4 billion funding level will enable FAA to go forward with its approved program.

This bill allows the Coast Guard to reopen nine search and rescue stations, reactivate river patrols, and continue all drug and environmental activities. We will not repeat the sorry situation of fiscal year 1988 when the budget summit agreement, and unexpected new expenses, resulted in a $103 million shortfall in Coast Guard operations, a 50-percent cut in drug patrols, and the closure of many facilities.

Coast Guard drug interdiction is funded at $492 million—a 15-percent increase, $63 million. Environmental protection and enforcement is funded at $147 million. Out of the total $2.1 billion for operations, $200 million is to be provided in the fiscal year 1989 Defense appropriations bill. We are relying on the Defense conferees to hold fast to that commitment, just as the military construction conferees provided us with $509 million for Coast Guard capital needs.

Other key programs in the Transportation bill include: $584 million for Amtrak—an increase of $3.2 million over fiscal year 1988; a freeze in transit operations aid at $805 million; continued funding of transit capital grants at $1.6 billion, and discretionary grants at $1.14 billion; and a $12-billion limit on obligations for Federal-aid highway projects—an increase of $220 million.

Mr. President, we have worked hard to produce a signable Transportation appropriations bill. For the first time since fiscal year 1984, we have the opportunity to have a stand-alone Transportation appropriations bill become law. I urge my distinguished colleagues to vote for this conference report.

ASSET SALES

Mr. CHILES. Mr. President, as chairman of the Budget Committee, I rise today to establish legislative history about a proviso contained in the conference report on H.R. 4794, the 1989 transportation appropriations bill. This proviso directs that all amounts derived from sales of rail preference shares by the Department of Transportation from 1989 onward shall not be considered as "asset sales" or "loan prepayments" as defined under section 257(12) of the Balanced Budget and Emergency Deficit Control Act of 1985. Instead, the asset sale proceeds are to be considered current year domestic discretionary outlay offsets.

In simple English, what this proviso does is wave a magic wand and declare that asset sales are not asset sales. This proviso defies common sense and says day is night and night is day. There is no disputing the fact that the transaction required by this proviso is an asset sale. In fact, I would like to include in the record a letter from the Congressional Budget Office from last year which says, very simply, that these are assets and they are being sold; therefore, the transaction is an asset sale.

Now, I have a long history on the general issue of asset sales. The administration, as part of its privatization initiatives, strongly pushed asset sales to divest the Government of its loan portfolios. As part of that effort, the administration also tried to claim that these asset sales reduce the deficit.

In fact, many of these loans have to be sold at a relatively deep discount, which can lose the Government money on the principal value. In addition, these sales simply represent an upfront recovery of repayments, which are then lost in subsequent years. It is very clear that asset sales are only one-time infusions of cash to the budget, and, in fact, increase the deficit in future years.

Therefore, I have long held that these asset sales should not be used as an offset for new spending initiatives. It is simply irresponsible to say that we are paying for new spending that stretches out into future years with an offset which ultimately loses money. And fortunately, Congress has agreed with me. As part of Gramm-Rudman, we prohibited counting proceeds of asset sales and loan prepayments toward meeting the deficit targets. And in addition, the budget resolutions for the past 2 years have contained provisions which disallow counting asset sales and loan prepayments as offsets for new discretionary spending.

This provision does not, in my view as chairman of the Senate Budget Committee, override the clear intent of Congress established in Gramm-Rudman. I understand that this is a provision inserted at the insistence of the other body, and I do not wish to delay the expeditious passage of any appropriation bill. However, I must make it clear that this proviso will not result in savings being credited to appropriations, nor should this proviso be viewed as setting any precedent concerning Gramm-Rudman or congressional scorekeeping.

Mr. HEINZ. Mr. President, I rise to briefly comment on the conference agreement on H.R. 4794, fiscal year 1989 DOT appropriations and related agencies. I commend the leadership for producing a bill that is within the overall budget summit amounts agreed to last December.

I am generally supportive of the conference agreement and the modest increases in funding it would provide for aviation. Amtrak, Federal highway programs and to the Coast Guard. FAA programs will enjoy a $600 million increase over last year's funding, providing much needed funding for the operation and modernization of our airports and their traffic control systems. Amtrak will continue to resolve Federal funds, although at slightly less than current levels.

I am, however, concerned over funding for mass transit programs. While the conference agreement reduces overall transit funding by 2 percent, there is wide variation in the way different elements of the program were treated. In particular, the section 9 formula capital program, the program benefiting more cities than any other transit capital program, is being out by over 14 percent.

This is, of course, significantly above the 2-percent overall cut and continues the significant cuts made last year to this program. Many cities' abilities to replace their aging fleets of buses and deteriorating facilities will be further jeopardized. For example, in my own State of Pennsylvania, the city of Pittsburgh, a city which has recently witnessed the completion of several transit projects made possible by Federal investments, must now bear the 14-percent formula capital cut on top of a 21-percent cut absorbed last year.

Mr. President, our Nation's cities and rural areas which depend on transit for the daily mobility of their citizens and for their economic development are ill served by cuts of this magnitude.

I recognize that tough choices had to be made. Perhaps in the near future, the Banking, Housing, and Urban Affairs Committee, of which I am a member and which authorizes mass transit funds, will soon be able to review UMTA programs and priorities to ensure a sound public transportation program for this Nation.

Mr. HOLLINGS. Mr. President, the amendment in discussion here today was originally put in the Transportation Appropriations bill at my request. It deletes a provision in the House bill that transfers the decommissioned Coast Guard cutter *Ingham* to the Intrepid Museum in New York.

I first became aware that the *Ingham* was being considered for decommissioning back in 1985. At that time, I contacted Admiral Gracey about the cutter. I stated that when the vessel was retired, I was interested in having it displayed at the Patriots Point Naval and Maritime Museum in Charleston.

The *Ingham* was commissioned on September 17, 1936, and went on to see considerable action in World War II. In fact the *Ingham* was credited with sinking U-626 on December 15, 1942. Since the war, the *Ingham* has been active in performing a variety of Coast Guard missions, such as search and rescue, fishery enforcement, and drug interdiction. At the time of its decommissioning on May 27, 1988, the *Ingham* was the Coast Guard's last operating Secretary-class cutter.

Earlier this year, when I learned that the *Ingham* was about to be decommissioned, I joined with Senator THURMOND to introduce S. 2408 which would transfer the cutter to the Patriots Point Museum. Currently, four ships are displayed at Patriots Point, the U.S.S. *Yorktown*, an aircraft carrier, the U.S.S. *Laffey*, a destroyer, the U.S.S. *Clamagore*, a submarine, and the NS *Savannah*, a nuclear merchant ship. Addition of the Coast Guard vessel, *Ingham*, to the museum, would complete their display. I would like to add that while Patriots Point Museum is a State agency, no State or Federal funds will be used this year to support their activities. It is entirely self-supporting.

On August 9, I chaired a hearing of the Senate Commerce Committee to review S. 2408. Representatives from the Patriots Point Naval and Maritime Museum, the Intrepid Museum, the Ingham Association, and the Destroyer Escort Sailors Association provided testimony. In their testimony, the Destroyer Escort Sailors Association strongly supported moving the *Ingham* to Patriots Point. The Ingham Association stated that in an unofficial poll, 61 of the 68 Members contacted believed that Patriots Point was the most appropriate site for the *Ingham*. Last Tuesday, in executive session, the Commerce Committee ordered S. 2408 reported.

I appreciate the managers of the bill maintaining the Senate position which deletes the House language that would move the *Ingham* to the Intrepid Museum in New York. I have spoken with the distinguished Junior Senator from New York, Mr. D'AMATO, and have indicated to him my support for having another ship made available to the Intrepid Museum. Accordingly, I would urge the House managers of the bill to recede to the Senate amendment and send this legislation on to the President.

Mr. LAUTENBERG. Mr. President, we have had the statement of the distinguished Senator from New York, the ranking member.

With that, I know of no further statements at this point, and I move that the Senate adopt the conference report on H.R. 4794.

The PRESIDING OFFICER. The question now occurs on agreeing to the motion of the Senator from New Jersey.

The motion was agreed to.

Mr. LAUTENBERG. I move to reconsider the vote by which the motion was agreed to.

Mr. COCHRAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LAUTENBERG. Mr. President, I ask the Chair to lay before the Senate the amendments in disagreement.

The PRESIDING OFFICER. Is the Senator asking that the first amendment be laid before the Senate or is it an en bloc request?

Mr. LAUTENBERG. I ask unanimous consent that the Senate adopt en bloc the technical amendments in disagreement.

Mr. President, for clarification, we have a couple of amendments in true disagreement which will be discussed at a later point. At this juncture we are talking about adoption of the technical amendments en bloc, and I ask unanimous consent that these be adopted.

Mr. COCHRAN. Mr. President, there is no objection on this side.

The PRESIDING OFFICER. I say to the Senator from New Jersey, to help the Chair, the Chair does not know which are the technical amendments and which are the ones in true disagreement.

Will the Senator from New Jersey state which amendments he would like to have considered?

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the Senate concur en bloc in the amendments of the House to the amendments of the Senate.

The PRESIDING OFFICER. Is there objection to that request?

Mr. COCHRAN. There is no objection on this side of the aisle.

The PRESIDING OFFICER. Without objection, the amendments are agreed to.

The amendments of the House to the amendments of the Senate in disagreement were agreed to as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 20 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum inserted by said amendment, insert: $2,100,616,000 is authorized to be appropriated, derived by transfer, or otherwise provided in "in kind" commodities and services for Coast Guard operating expenses in fiscal year 1989; of which $1,896,116,000 is hereby appropriated

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 22 to the foresaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

Provided further, That, of the funds provided in this Act for "Acquisition, Construction, and Improvements", $4,500,000 shall be transferred to this head to reopen and maintain the Coast Guard search and rescue stations located at Shark River, New Jersey; East Port, Maine; Block Island, Rhode Island; Ashtabula, Ohio; North Superior, Minnesota; Lake Tahoe, California; Kennewick, Washington; Kauai, Hawaii; and Mare Island, California; and to reactivate the Coquille and Rogue River Patrols in Oregon: *Provided further,* That, within available funds, the Coast Guard shall maintain the Coast Guard search and rescue station located at Bayfield, Wisconsin on a year-round basis

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 38 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment insert:

: *Provided further,* That no grants-in-aid the commitments for which are subject to a limitation contained in this paragraph shall be made to the Massachusetts Port Authority subsequent to a determination by the Department of Transportation that the landing fee structure adopted by the Massachusetts Port Authority on March 16, 1988, for Logan International Airport, is inconsistent with the Federal Aviation Act of 1958, 49 U.S.C. app. 1301 et seq., or the Airport and Airway Improvement Act of 1982, as amended, 49 U.S.C. app. 2201 et seq., or with national transportation policy, if such fee structure remains in effect more than seven days after such determination is made: *Provided further,* That the Department of Transportation shall make a determination on the consistency of the landing fee structure prior to December 17, 1988

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 48 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum inserted by said amendment, insert: *$27,000,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 50 to the aforesaid bill, and concur therein with an amendment as follows:

Strike out the matter stricken by said amendment, and insert:

$1,291,000 for necessary expenses of certain access highway projects, as authorized by section 155, title 23, United States Code, to remain available until expended

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 76 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum named in said amendment, insert: *$2,000,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 77 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

RESERVATION ROAD

For the purpose of carrying out a demonstration of economic growth and development benefits on approximately twenty-nine miles of Federal-aid secondary road connecting Interstate 10 and State Route 84, there is hereby appropriated $3,500,000 for the acquisition of rights-of-way, construction, and other costs incurred in the reconstruction of that portion of the road on the Gila Indian Reservation and the Maricopa Ak Chin Indian Reservation: *Provided,* That no Federal assistance shall be made available to carry out the project until: (1) an agreement is reached with the Indian Communities for the purchase of the required rights-of-way on the two reservations, (2) the road is accepted on the State Highway System, (3) not less than seventy-five percent of the rights-of-way needed for that portion of the road outside the reservation boundaries is donated by the landowners, and (4) Maricopa County and Pinal County agree to participate financially in the reconstruction of the road.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 87 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

: *Provided,* That, as part of the Washington Union Station transaction, the Secretary shall assume the first deed of trust on the property and, where the Union Station Redevelopment Corporation or any successor is obligated to make payments on such deed of trust on the Secretary's behalf, including payments on and after September 30, 1988, the Secretary is authorized to receive such payments directly from the Union Station Redevelopment Corporation, credit them to the appropriation charged for the first deed of trust, and make payments on the first deed of trust with those funds: *Provided further,* That an additional amount of $10,000,000, of which $4,000,000 shall be derived from unobligated balances of "Grants to the National Railroad Passenger Corporation", is hereby made available only for the purpose of purchasing title to Washington Union Station as authorized by the Union Station Redevelopment Act of 1981

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 100 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

: *Provided further,* That, notwithstanding any other provision of law, before apportionment of these funds, $18,000,000 shall be made available for the purposes of section 18 of the Urban Mass Transportation Act of 1964, as amended

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 104 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum inserted by said amendment, insert: *$2,000,000*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 122 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section number inserted by said amendment, insert: *329, This section shall expire on December 31, 1990*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 126 to the aforesaid bill, and concur therein with an amendment as follows:

Strike out the matter stricken by said amendment, and insert:

SEC. 330. (a) UMTA CHARTER SERVICE RULE.—Notwithstanding any other provision of law or regulation, the Urban Mass Transportation Administration charter service rule (49 CFR Part 604—charter service) and any subsequent Federal regulations governing charter service shall not apply to the

Long Beach Public Transportation Company.

(b) ALABAMA FEASIBILITY STUDY.—For expenses necessary to carry out the Alabama Feasibility Study as authorized by section 350 of the Department of Transportation and Related Agencies Appropriations Act, 1988, Public Law 100-202, as amended, $675,000, to remain available until expended: *Provided*, That section 350(b) of such Act is amended by adding the following new sentence: "Such study shall include environmental assessment, economic analysis, and engineering.": *Provided further*, That section 350(d) of such Act is amended by striking out "1 year" and inserting in lieu thereof "2 years".

(c) EXPRESSWAY SAFETY IMPROVEMENT DEMONSTRATION PROJECT.—For 80 percent of the expenses necessary to carry out preliminary engineering, environmental studies, and right-of-way acquisition to improve an interstate highway between Lake Success and Medford, New York, that demonstrates methods of enhancing safety and reducing motor vehicle congestion through widening, $2,600,000, to remain available until expended.

(d) MASS TRANSIT CAPITAL FUND (LIQUIDATION OF CONTRACT AUTHORIZATION) (HIGHWAY TRUST FUND).—Fund appropriated under this heading in the Department of Transportation and Related Agencies Appropriations Act, 1988, shall be available for payment of obligations incurred in carrying out section 317(b) of the Surface Transportation and Uniform Relocation Assistance Act of 1987.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 127 to the aforesaid bill, and concur therein with an amendment as follows:

Strike out the matter stricken by said amendment, and insert:

SEC. 331. (a) Of the funds made available under "Discretionary Grants" for fiscal year 1989 the Secretary of Transportation shall, on or before January 1, 1989, transfer $7,000,000 from the Urban Mass Transportation Administration to the Federal Highway Administration to cover the cost of the federal share of the transit element of the Acosta Bridge replacement project in Jacksonville, Florida: *Provided*, That none of these funds shall be obligated until the Jacksonville Transportation Authority commits to the Secretary in writing that it will repay to the Urban Mass Transportation Administration the amount of Federal funds transferred by this section if the Automated Skyway Express project is not extended across the Acosta Bridge for reasons other than the availability of sufficient Federal discretionary grants: *Provided further*, That the Jacksonville Transportation Authority's obligation to repay these funds shall not require any compensatory adjustment to previous or future apportionments made available to Jacksonville under "Formula Grants".

(b) The Secretary of Transportation shall enter into negotiations with the Jacksonville Transportation Authority to revise the existing full funding contract to provide for the expeditious release of $1,800,000 made available from "Discretionary Grants" for the Automated Skyway Express project in fiscal year 1985 (House Report 98-1159) and $4,000,000 made available from "Discretionary Grants" for such project in fiscal year 1988 (House Report 100-498) with no compensatory adjustment to previous or future apportionments made available to Jacksonville under "Formula Grants": *Provided*, That the revised contract will provide for the completion of the 2.5 mile Automated Skyway Express project and will cover full project costs for completion of the project including Federal financial participation consisting of "Discretionary Grants" as made available by Congress: Provided further, That the Secretary shall commence negotiations with the Jacksonville Transportation Authority to enter into such revised contract no later than 30 days after enactment and shall conclude such negotiations no later than 90 days after enactment of this section.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 130 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section designation in said amendment, insert: *332*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 131 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section designation in said amendment, insert: *333*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 132 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 334. The authority conferred by section 513(d) of the Airport and Airway Improvement Act of 1982, as amended, to issue letters of intent shall remain in effect subsequent to September 30, 1992. Letters of intent may be issued under such subsection to applicants determined to be qualified under such Act: *Provided*, That, notwithstanding any other provision of law, all such letters of intent in excess of $10,000,000 shall be submitted for approval to the Committees on Appropriations of the Senate and House of Representatives; the Committee on Commerce, Science, and Transportation of the Senate; and the Committee on Public Works and Transportation of the House of Representatives.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 133 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section designation in said amendment, insert: *135*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 134 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 336. Section 501(c) of the Rail Passenger Service Act (45 U.S.C. 581(c)) is amended by adding at the end thereof the following new paragraph: "(5) Notwithstanding any other provision of law, any commuter authority that could have contracted with Amtrak Commuter for the provision of commuter service but which elected to operate directly its own commuter service as of January 1, 1983, shall be exempt from the payment of any taxes or other fees to the same extent as the Corporation is exempt. Such exemption shall be effective as of October 1, 1981.".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 135 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section designation in said amendment, insert: *337*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 136 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section designation in said amendment, insert: *338*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 137 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section designation in said amendment, insert: *339*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 138 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section designation in said amendment, insert: *340*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 139 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 341. The Secretary of Transportation is authorized to transfer appropriated funds under "Office of the Secretary, Salaries and expenses": Provided, That no appropriation shall be increased or decreased by more than 2 per centum by all such transfers: *Provided further*, That any such transfer shall be submitted for approval to the House and Senate Committees on Appropriations.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 140 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section designation in said amendment, insert: *342*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 141 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section designation in said amendment, insert: *343*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 143 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 344. For the purpose of making grants under section 3 of the Urban Mass Transportation Act of 1964, as amended, the requirements of section 3(a)(2)(A)(ii) shall not apply to the Caltrain project specified in House Report 100-691, and the Urban Mass Transportation Administration shall release the amounts for that project.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 144 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 345. (a) WISCONSIN RAIL SERVICE.—There is hereby appropriated $6,000,000 for a grant by the Secretary of Transportation to the Soo Line Railroad Company to be available only for construction, rehabilitation, renewal, replacement, or other improvements to maintain railroad passenger service between La Crosse and Milwaukee, Wisconsin: *Provided,* That the Soo Line Railroad Company match on a dollar for dollar basis the monies hereby appropriated with funds not already planned to be committed relative to the 1989 construction season: *Provided further,* That the monies hereby appropriated shall be made available within 30 days of the presentation to the Secretary by the Soo Line Railroad Company of sufficient evidence of the availability of matching funds that are beyond those planned to be spent relative to the 1989 construction season: *Provided further,* That these federal funds shall be made available on a monthly basis that is as close to conformance to a dollar for dollar matching arrangement as is possible.

(b) SAN JOAQUIN VALLEY RAIL SERVICE.—(1) Within 15 days of receiving adequate assurance that all necessary capital funding will be provided from a non-Amtrak source, the National Railroad Passenger Corporation shall submit an application to the Secretary of Transportation under the authority of section 402(g) of the Rail Passenger Service Act (45 U.S.C. 562) to order the operation of rail passenger service between Fresno and Stockton, California, over the rail lines of the Southern Pacific Railroad or its successors. Such application shall provide for rail service that is operated at the maximum legally permissible passenger train speeds in accordance with Federal Railroad Administration track safety standards based on the existing physical condition of the rail line.

(2) Notwithstanding any other provision of law, the Secretary of Transportation shall approve such application within 30 days of its receipt, and is authorized to amend the terms and conditions proposed in such application only for reasons of public safety.

(3) Notwithstanding any other provision of law, in the event the Interstate Commerce Commission receives an application to affix appropriate terms and conditions for the provision of this rail service under the authority of section 402(a) of the Rail Passenger Service Act, the Commission shall make a final determination on such application within 30 days of its receipt.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 145 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section designation in said amendment, insert: *346*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 146 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 347. (a) Notwithstanding any other provision of this Act, no department, agency, or instrumentality of the United States Government receiving appropriated funds under this Act for fiscal year 1989, shall, during fiscal year 1989, obligate and expend funds for non safety-related consulting services involving management and professional services; special studies and analyses; technical assistance; and management review of program funded organizations; in excess of an amount equal to 85 percent of the amount obligated and expended by such department, agency, or instrumentality for such services during fiscal year 1987.

(b) The Director of the Office of Management and Budget shall take such action as may be necessary, through budget instructions or otherwise, to direct each department, agency, and instrumentality of the United States Government receiving funds under this Act to comply with the provisions of section 1114 of title 31, United States Code.

(c) Notwithstanding any other provision of this Act, the aggregate amount of funds appropriated by this Act to any such department, agency, or instrumentality for fiscal year 1989 is reduced by an amount equal to 15 percent of the amount expended by such department, agency, or instrumentality during fiscal year 1987 for purposes described under subsection (a).

(d) As used in this section, the term "consulting services" includes any service within the definition of "Advisory and Assistance Services" in Office of Management and Budget Circular A-120, dated January 4, 1988.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 147 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section designation in said amendment, insert: *348*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 148 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section designation in said amendment, insert: *349*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 149 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section designation in said amendment, insert: *350*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 150 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 351. Notwithstanding sections 141(a) and 154 of title 23, United States Code, none of the funds in this or any previous or subsequent Act shall be used for the purpose of reducing or reserving any portion of a State's apportionment of Federal-aid highway funds as required by section 154(f) of title 23, United States Code, for reason of non-compliance with the criteria of that subsection during fiscal years 1986, 1987, and 1988. The Secretary shall promptly restore any apportionments which, prior to enactment of this Act, were reduced or reserved from obligation for reason of non-compliance under section 154(f) during said fiscal years.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 151 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section designation in said amendment, insert: *352*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 152 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section designation in said amendment, insert: *353*

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 153 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the section designation in said amendment, insert: *354*

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

Mr. COCHRAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LAUTENBERG. Mr. President, the pending business now as I understand it is the technical amendments in true disagreement.

The PRESIDING OFFICER. The pending question before the body is the amendment in disagreement No. 12.

Mr. LAUTENBERG. There are two true amendments in true disagreement, one relating to the Secretary's request for regional representation. That is amendment No. 12, and amendment No. 121 relating to the disposition of the Coast Guard cutter *Ingram.* I would like to take those up separately, Mr. President, and ask if that is an inappropriate order at this time.

AMENDMENT NO. 12 IN DISAGREEMENT

The PRESIDING OFFICER. The clerk will report amendment No. 12.

The legislative clerk read as follows:

Resolved, That the House insist upon its amendment in disagreement to the amendment of the Senate numbered 12.

Mr. LAUTENBERG. Mr. President, I move that the Senate recede on amendment No. 12.

Mr. CHILES. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The Chair must advise the Senator from Florida that his amendment would not be in order since there is no House language to amend.

Mr. CHILES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. WIRTH). Without objection, it is so ordered.

The Senator from New Jersey is recognized.

Mr. LAUTENBERG. Mr. President, I yield to my colleague from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. KARNES. Mr. President, I ask the floor manager if he would agree to engage in a colloquy on an issue of great interest to the people of the State of Nebraska dealing with anhydrous ammonia which also is a subject of the Senate report language that is a part of this bill.

Mr. LAUTENBERG. Mr. President, I agree with the Senator from Nebraska on the colloquy.

Mr. KARNES. Mr. President, I would like to enter into a short colloquy with the managers of the transportation appropriations bill about an issue of critical importance to me, that is anhydrous ammonia.

Mr. President, the managers of this bill have included report language in both the House and Senate versions that urges the Department of Transportation to retain the present classification of anhydrous ammonia.

Mr. LAUTENBERG. It is.

Mr. KARNES. Mr. President, I am encouraged by the concurrence of the floor managers with regard to the clear intent of the report language. It is my firm hope that it will be sufficient to prompt the Department of Transportation to promulgate its regulations accordingly.

If, however, DOT takes the position that report language is not mandatory and for that reason does not comport with the intent of the report language, I would note that I have introduced a bill, S. 2841, which would make the same requirements in legislative language. I will commit to reintroducing this bill in the 101st Congress if necessary to achieve this purpose.

Mr. President, I thank the floor managers and yield the floor.

Mr. LAUTENBERG. Mr. President, just to be certain, I ask what the pending business is.

The PRESIDING OFFICER. The business before the Senate is amendment No. 12. The motion to recede is pending.

Mr. LAUTENBERG. Mr. President, on amendment No. 12 of the Senate I move that the Senate recede on that amendment.

The PRESIDING OFFICER. The question occurs on the motion of the Senator from New Jersey.

The motion was agreed to.

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. COCHRAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LAUTENBERG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. Mr. President, I rise in support of the conference report on H.R. 4794, the Transportation Appropriations bill for fiscal year 1989.

The conference agreement, as adjusted, provides $10.8 billion in budget authority and $26.9 billion in outlays for Department of Transportation programs of the Federal Aviation Administration, Federal-aid Highways, and the Coast Guard, as well as the Interstate Commerce Commission and the National Transportation Safety Board.

The conference agreement is under the subcommittee's 302(b) allocation by less than $50 million in both budget authority and outlays. I am pleased to note that this bill is also consistent with the bipartisan budget agreement.

I want to commend the distinguished chairman and ranking member of the Transportation Subcommittee, and the conferees for producing a bill that is within their 302(b) allocation and that is acceptable to the administration.

Mr. President, I also want to register my disappointment that this conference agreement retains House-passed language that attempts to stipulate the scoring of certain asset sales.

Specifically, the language provides that amounts realized from the sale of railroad rehabilitation loans—better known as redeemable preference shares—shall be considered domestic discretionary outlay offsets and not as asset sales or loan prepayments.

During the full Appropriations Committee markup of this bill, the managers agreed to drop the provision from the Senate bill.

I believe the conferees on this bill should have stuck with the Senate position for two reasons. First, this language does not make any difference in the scoring of the bill. Both CBO and Budget Committee scoring procedures do not provide any additional offsets for this provision.

Second, this language sets a bad precedent for the overall budget process. If each committee decides how much its bills will cost, the result would be chaos.

Mr. President, I would urge that this ineffective and unnecessary attempt to instruct the Budget Committee be avoided in the future.

Mr. COCHRAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 121 IN DISAGREEMENT

Mr. LAUTENBERG. Mr. President, debate took place here for some time on a matter of the disposition of the Coast Guard Cutter *Ingham* in terms of its place in one of the Navy-type museums that we have around the country. There was quite a discussion. It was determined by the managers that the Senate insist upon its position. This, therefore, will leave this matter open.

Senator HOLLINGS is someone with whom we had considerable discussion on this matter. His recommendations are that the matter be left open.

Once again, we debated this at length and that is the recommendation that the managers come with: That the Senate insist on its position.

I move at this point that the Senate insist on amendment No. 121.

The PRESIDING OFFICER. If the Senator would suspend briefly on that motion, the clerk will first report amendment No. 121.

The assistant legislative clerk read as follows:

The House insist upon its disagreement to Senate Amendment No. 121.

The PRESIDING OFFICER. The Senator from New Jersey having made a motion that the Senate insist on its position on amendment No. 121, the question is on agreeing to the Senator's motion to insist on his amendment.

The motion was agreed to.

Mr. KASTEN. Mr. President, I move to reconsider the vote by which the Senate insists upon its position.

Mr. LAUTENBERG. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LAUTENBERG. Mr. President, we now have considered the conference report. That has been agreed to. The amendments in technical disagreement have been agreed to. We leave one matter open and we sent it back to the House with this matter open.

This concludes the action on the transportation appropriations bill, Mr. President. Unless my colleague has any statement to make, I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess until 1:30 p.m. today.

Thereupon, at 12:23 p.m., the Senate recessed until 1:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. SIMON].

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess for 15 minutes.

Thereupon, at 1:31 p.m., the Senate recessed until 1:44 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. SIMON].

Mr. DODD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PARENTAL AND TEMPORARY MEDICAL LEAVE

The PRESIDING OFFICER. The clerk will report the bill.

The legislative clerk read as follows:

A bill (S. 2488) to grant employees parental and temporary medical leave under certain circumstances and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Thurmond Amendment No. 3293 (to committee amendment No. 2), to amend current laws with regard to child pornography and obscenity.

Mr. DECONCINI. Mr. President, I rise today to join my distinguished friends and colleagues, Senator BIDEN and Senator THURMOND, in support of offering the Child Protection and Obscenity Enforcement Act of 1988, S. 2033, as an amendment to the parental leave bill. This amendment is the result of many long hours of labor by Senator THURMOND and myself, with Senator BIDEN, the Department of Justice, and the various Senators' staffs. It is because of this bipartisan effort, and the contributions of the Justice Department, that we have legislation which will greatly assist prosecutors in fighting child pornography and obscenity. This amendment is substantially the same as S. 2033 as introduced by Senator THURMOND and myself last February. I believe our amendment is one of the most important pieces of legislation ever to be considered by this great body.

Pornography in America is a multimillion dollar business. The Justice Department estimates that pornography sales total nearly $4 billion annually. A major part of the pornography network is child pornography and its trappings. Child pornography has become a highly organized industry preying on the youth of our country who are either unable to protect themselves or are induced into participating by those they trust.

The sexual exploitation of any human being, especially those who are young, impressionable and vulnerable, is reprehensible. It is an affront to every individual and to every community that strives to maintain a decent society and to protect its citizens and their fundamental rights. If we are to deal effectively with the problem of pornography, it is essential that we recognize that it victimizes all members of society, regardless of sex, age, race, religion, or social status.

Perhaps the most degrading and revolting aspect of the increased pornography trade that is engulfing decency is child pornography. It is beyond the comprehension of this Senator that men and women would sexually exploit young children. Many of the victims are runaways who have fallen into criminal hands. But studies indicate that a large percentage of the children under the age of 8 who are involved are provided to the pornographers by their parents or guardians.

In June of this year I chaired a hearing on S. 2033 before the Judiciary Committee. Opponents of the legislation contended then, and have repeated the assertion, that this legislation is nothing more than a vaguely disguised attempt to censor constitutionally protected speech. It is further suggested that supporters of the bill are extremists who would ban publication of such magazine as Cosmopolitan and Sports Illustrated. Nothing could be further from the truth. Give me a break. We are not talking about that kind of publication. Almost half of the Senate are cosponsors of this bill. A bipartisan group of Senators has been engaged in efforts to move this bill in the Judiciary Committee.

The Senator from South Carolina has taken a tremendous leadership role and worked with Democrats and Republicans to find a solution. And now he has taken the bold step of offering this bill as an amendment to the pending legislation. The efforts of this group, which has involved Members from the entire political spectrum, have not borne fruit because of the ongoing and unresolved dispute in the committee over an unrelated matter, I am sorry to say. We have had some disagreement that related to pornography of this legislation but dealing with other matters. This dispute has necessitated the present procedure of offering this vital legislation as an amendment to an unrelated bill, that the Senator from South Carolina has availed himself of, and I am glad to join him in this very important effort.

In addition, many religious organizations support the legislation. During the Judiciary Committee hearing last June, I asked Dr. Jerry Kirk, chairman of the Religious Alliance Against Pornography, to describe the makeup of his organization. Dr. Kirk explained that his organization represents over 150 million Americans; 150 million. Catholics, Jews, Protestants, Mormons, and many other faiths. These are not people who are out of the mainstream. These are not "moral vigilante groups" trying to take away constitutional rights. These people are citizens wanting to ensure a good life for their families and their children's families that is not going to be permeated by this type of enterprise: pornography.

The use of children in the production of pornographic materials is extremely harmful to the physiological, emotional and psychological health of a child. The scars of being forced to engage in such activity remain forever etched in the youthful victim's mind. Many times the trauma of having to perform in these exploits is never overcome, endlessly tormenting the helpless victims the rest of their life.

Participation in the production of pornographic material is not the only form of harm which can come to a child. In today's world kids are bombarded daily by pornographic publications at the local drug store, or by transmittal of pornography over cable television networks, or by obscene materials distributed through the mails and found in the nearby movie theaters. The values of a moral society have taken a back seat to the money-hungry, illegal and immoral sex industry of this Nation.

Mr. President, for years now I have worked to have this area of social concern addressed. I joined as cosponsor in the successful effort to pass the Child Protection Act of 1984. In addition, I played an instrumental role in the passage of two missing Children Assistance Acts, and strongly supported reauthorization of the Runaway and Homeless Youth Act. For years I have found myself aligned with the distinguished South Carolina Senator, supporting legislation of this kind. In 1982 Senator THURMOND and I introduced S. 2136 to make illegal the transmission, either over broadcast television or cable television, of obscene, indecent or profane language or material. Today, it is once again heartening to see the distinguished Senator from South Carolina continue his relentless effort to do something about curtailing this type of abuse.

Mr. President, our children's future depends on the actions taken by this Congress. In recent history, the social problem of sexual exploitation has run rampant. The sordid elements of society have capitalized on the perversions of the weak and abused the rights of the moral fiber of this Nation. Most disturbing of all, those who prey on the weak have continually exploited the children of this country of ours. The unknowing and unaware have become victims of the unscrupulous and demented, in my judgment.

The amendment offered by Senator Thurmond is a needed weapon in the prosecutors' arsenal against child pornography and obscenity. I have worked very hard over the last year to gain passage of S. 2033 and urge my colleagues to take advantage of this opportunity to greatly strengthen our criminal laws in this area.

We have a chance to do twofold here: Provide leave for parents when they are expecting a child or have ill children, which I think is a very important family issue, a very important issue in society and something that we are addressing. Likewise, we have an opportunity, at the same time, due to the leadership of the senior Senator from South Carolina, to move aggressively on the pornographers in this country and maybe turn this whole Nation around as to what is happening to our greatest resource today, and that is our children.

Mr. THURMOND. Will the distinguished Senator yield?

Mr. DeCONCINI. I will be glad to yield to my friend from South Carolina.

Mr. THURMOND. I want to take this opportunity to commend the able and distinguished Senator from Arizona, Senator DeConcini, for joining as a cosponsor of this amendment and the great service he has rendered in connection with it. He and I introduced the original bill in February of this year.

The Senator from Arizona has shown a special interest in this effort to wipe out child pornography and has been very helpful in moving this proposal forward. I just want to take the opportunity to thank him for all he has done in connection with it. I look forward to his continued efforts to have this legislation enacted into law.

AMENDMENT NO. 3293, AS MODIFIED, TO SECOND COMMITTEE AMENDMENT

Mr. THURMOND. Mr. President, I send to the desk a modification of my amendment.

The PRESIDING OFFICER. The Senator has a right to modify his own amendment.

The amendment, as modified, is as follows:

At the end of the committee amendment, add the following new title:

TITLE V—CHILD PORNOGRAPHY AND OBSCENITY

SEC. 501. SHORT TITLE.

This title may be cited as the "Child Protection and Obscenity Enforcement Act of 1988".

Subtitle A—Child Pornography

SEC. 511. AMENDMENTS TO EXISTING OFFENSES.

(a) Sexual Exploitation of Children.—Paragraph (2) of subsection 2251(c) of title 18, United States Code, is amended by inserting "by any means including by computer" after "interstate or foreign commerce" both places it appears.

(b) Material Involving Sexual Exploitation of Children.—Subsection 2252(a) of title 18, United States Code, is amended by inserting "by any means including by computer" after "interstate or foreign commerce" each place it appears.

(c) Definition.—Section 2256 of title 18, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (4);

(2) by striking out the period at the end of paragraph (5) and inserting in lieu thereof: "; and"; and

(3) by adding at the end the following:

"(6) 'computer' has the meaning given that term in section 1030 of this title.".

SEC. 512. SELLING OR BUYING OF CHILDREN.

(a) In General.—Chapter 110 of title 18, United States Code, is amended by inserting after section 2251 the following:

"§ 2251A. Selling or buying of children

"(a) Any parent, legal guardian, or other person having custody or control of a minor who sells or otherwise transfers custody or control of such minor, or offers to sell or otherwise transfer custody of such minor either—

"(1) with knowledge that, as a consequence of the sale or transfer, the minor will be portrayed in a visual depiction engaging in, or assisting another person to engage in, sexually explicit conduct; or

"(2) with intent to promote either—

"(A) the engaging in of sexually explicit conduct by such minor for the purpose of producing any visual depiction of such conduct; or

"(B) the rendering of assistance by the minor to any other person to engage in sexually explicit conduct for the purpose of producing any visual depiction of such conduct;

shall be punished by imprisonment for not less than 20 years or for life and by a fine under this title, if any of the circumstances described in subsection (c) of this section exist.

"(b) Whoever purchases or otherwise obtains custody or control of a minor, or offers to purchase or otherwise obtain custody or control of a minor either—

"(1) with knowledge that, as a consequence of the purchase or obtaining of custody, the minor will be portrayed in a visual depiction engaging in, or assisting another person to engage in, sexually explicit conduct; or

"(2) with intent to promote either—

"(A) the engaging in of sexually explicit conduct by such minor for the purpose of producing any visual depiction of such conduct; or

"(B) the rendering of assistance by the minor to any other person to engage in sexually explicit conduct for the purpose of producing any visual depiction of such conduct;

shall be punished by imprisonment for not less than 20 years or for life and by a fine under this title, if any of the circumstances described in subsection (c) of this section exist.

"(c) The circumstances referred to in subsections (a) and (b) are that—

"(1) in the course of the conduct described in such subsections the minor or the actor traveled in or was transported in interstate or foreign commerce;

"(2) any offer described in such subsections was communicated or transported in interstate or foreign commerce by any means including by computer or mail; or

"(3) the conduct described in such subsections took place in any territory or possession of the United States.".

(b) Definition.—Section 2256 of title 18, United States Code, as amended by section 201 of this Act, is further amended—

(1) by striking out "and" at the end of paragraph (5);

(2) by striking out the period at the end of paragraph (6) and inserting "; and" in lieu thereof; and

(3) by adding at the end the following:

"(7) 'custody or control' includes temporary supervision over or responsibility for a minor whether legally or illegally obtained.".

(c) Clerical Amendment.—The table of sections at the beginning of chapter 110 of title 18, United States Code, is amended by inserting after the item relating to section 2251 the following:

"2251A. Selling or buying of children.".

SEC. 513. RECORD KEEPING REQUIREMENTS.

(a) In General.—Chapter 110 of title 18, United States Code, is amended by adding at the end thereof the following:

"§ 2257. Record keeping requirements

"(a) Whoever produces any book, magazine, periodical, film, videotape, or other matter which—

"(1) contains one or more visual depictions made after February 6, 1978 of actual sexually explicit conduct; and

"(2) is produced in whole or in part with materials which have been shipped in interstate or foreign commerce, or is shipped or transported or is intended for shipment or transportation in interstate or foreign commerce;

shall create and maintain individually identifiable records pertaining to every performer portrayed in such a visual depiction.

"(b) Any person to whom subsection (a) applies shall, with respect to every performer portrayed in a visual depiction of actual sexually explicit conduct—

"(1) ascertain, by examination of an identification document containing such information, the performer's name and date of birth, and require the performer to provide such other indicia of his or her identity as may be prescribed by regulations;

"(2) ascertain any name, other than the performer's present and correct name, ever used by the performer including maiden name, alias, nickname, stage, or professional name; and

"(3) record in the records required by subsection (a) the information required by paragraphs (1) and (2) of this subsection and such other identifying information as may be prescribed by regulation.

"(c) Any person to whom subsection (a) applies shall maintain the records required by this section at his business premises, or at such other place as the Attorney General may by regulation prescribe and shall make such records available to the Attorney General for inspection at all reasonable times.

"(d)(1) No information or evidence obtained from records required to be created or maintained by this section shall, except as provided in paragraphs (2) and (3), be used, directly or indirectly, as evidence against any person with respect to any violation of law.

"(2) Paragraph (1) of this subsection shall not preclude the use of such information or evidence in a prosecution or other action for a violation of any applicable provision of law with respect to the furnishing of false information.

"(3) In a prosecution of any person to whom subsection (a) applies for an offense in violation of subsection 2251(a) of this title which has as an element the production of a visual depiction of a minor engaging in or assisting another person to engage in sexually explicit conduct and in which that element is sought to be established by showing that a performer within the meaning of this section is a minor—

"(A) proof that the person failed to comply with the provisions of subsection (a) or (b) of this section concerning the creation and maintenance of records, or a regulation issued pursuant thereto, shall raise a rebuttable presumption that such performer was a minor; and

"(B) proof that the person failed to comply with the provisions of subsection (e) of this section concerning the statement required by that subsection shall raise the rebuttable presumption that every performer in the matter was a minor.

"(e)(1) Any person to whom subsection (a) applies shall cause to be affixed to every copy of any matter described in paragraph (1) of subsection (a) of this section, in such manner and in such form as the Attorney General shall by regulations prescribe, a statement describing where the records required by this section with respect to all performers depicted in that copy of the matter may be located.

"(2) If the person to whom subsection (a) of this section applies is an organization the statement required by this subsection shall include the name, title, and business address of the individual employed by such organization responsible for maintaining the records required by this section.

"(3) In any prosecution of a person for an offense in violation of section 2252 of this title which has as an element the transporting, mailing, or distribution of a visual depiction involving the use of a minor engaging in sexually explicit conduct, and in which that element is sought to be established by a showing that a performer within the meaning of this section is a minor, proof that the matter in which the visual depiction is contained did not contain the statement required by this section shall raise a rebuttable presumption that such performer was a minor.

"(f) The Attorney General shall issue appropriate regulations to carry out this section.

"(g) As used in this section—

"(1) the term 'actual sexually explicit conduct' means actual but not simulated conduct as defined in subparagraphs (A) through (E) of paragraph (2) of section 2256 of this title;

"(2) 'identification document' has the meaning given that term in subsection 1028(d) of this title;

"(3) the term 'produces' means to produce, manufacture, or publish and includes the duplication, reproduction, or reissuing of any material; and

"(4) the term 'performer' includes any person portrayed in a visual depiction engaging in, or assisting another person to engage in, actual sexually explicit conduct.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 110 of title 18, United States Code, is amended by adding after the item relating to section 2256 the following:

"2257. Record keeping requirements.".

(c) EFFECTIVE DATE.—Section 2257 of title 18, United States Code, as added by this section shall take effect 180 days after the date of the enactment of this Act except—

(1) the Attorney General shall prepare the initial set of regulations required or authorized by section 2257 within 90 days of the date of the enactment of this Act; and

(2) subsection (e) of section 2257 of this title and of any regulation issued pursuant thereto shall take effect 270 days after the date of the enactment of this Act.

SEC. 514. R.I.C.O. AMENDMENT.

Subsection 1961(1)(B) of title 18, United States Code, is amended by inserting after "section 1957 (relating to engaging in monetary transactions in property derived from specified unlawful activity)" the following: "sections 2251 through 2252 (relating to sexual exploitation of children),".

Subtitle B—Obscenity

SEC. 521. RECEIPT OR POSSESSION FOR SALE; PRESUMPTIONS FOR CHAPTER 71.

(a) RECEIPT OR POSSESSION FOR SALE.—Chapter 71 of title 18, United States Code, is amended by inserting after section 1465 the following:

"§ 1466. Receipt or possession of obscene matter for sale or distribution

"(a) Whoever is engaged in the business of selling or transferring books, magazines, pictures, papers, films, videotapes, or phonograph or other audio recordings, and knowingly receives or possesses with intent to distribute any obscene book, magazine, picture, paper, film, videotape, or phonograph or other audio recording, which has been shipped or transported in interstate or foreign commerce, shall be punished by imprisonment for not more than 5 years or by a fine under this title, or both.

"(b) As used in this subsection, the term 'engaged in the business' means that the person who sells or transfers or offers to sell or transfer books, magazines, pictures, papers, films, videotapes, or phonograph or other audio recordings, devotes time, attention, or labor to such activities, as a regular course of trade or business, with the objective of earning a profit, although it is not necessary that the person make a profit or that the selling or transferring or offering to sell or transfer such material be the person's sole or principal business or source of income. The offering for sale of or to transfer, at one time, two or more copies of any obscene publication, or two or more of any obscene article, or a combined total of five or more such publications and articles, shall create a rebuttable presumption that the person so offering them is 'engaged in the business' as defined in subsection (b).

"(c) In a prosecution for a violation of this section, it shall be an affirmative defense, on which the defendant has the burden of persuasion by a preponderance of the evidence, that the person—

"(1) ordered or received the obscene matter without examining the matter in advance;

"(2) did not in fact offer the matter for sale, or transfer or offer to transfer it to another person other than the sender; and

"(3) possessed the material less than 21 days.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 71 of title 18, United States Code, is amended by adding after the item relating to section 1465 the following:

"1466. Receipt or possession of obscene matter for sale or distribution.
"1467. Criminal forfeiture.".

(c) USE OF FACILITY OF COMMERCE.—The first paragraph of section 1465 of title 18, United States Code, is amended by inserting after the word distribution: ", or knowingly travels in interstate commerce, or uses a facility or means of commerce for the purpose of interstate or foreign sale or distribution of,".

(d) DISTRIBUTION OF PROCEEDS.—Section 1465 of title 18, United States Code, is amended by inserting "or the proceeds from the sale thereof" after "character,".

(e) PRESUMPTIONS.—Chapter 71 of title 18, United States Code, as amended by subsection (a) of this section and by section 302, is further amended by adding at the end the following:

"§ 1469. Presumptions

"(a) In any prosecution under this chapter in which an element of the offense is that the matter in question was transported, shipped, or carried in interstate commerce, proof, by either circumstantial or direct evidence, that such matter was produced or manufactured in one State and is subsequently located in another State shall raise a rebuttable presumption that such matter was transported, shipped, or carried in interstate commerce.

"(b) In any prosecution under this chapter in which an element of the offense is that the matter in question was transported, shipped, or carried in foreign commerce, proof, by either circumstantial or direct evidence, that such matter was produced or manufactured outside of the United States and is subsequently located in the United States shall raise a rebuttable presumption that such matter was transported, shipped, or carried in foreign commerce.".

(f) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 71 of title 18, United States Code, is amended by adding after the item relating to section 1468 the following:

"1469. Presumptions.".

SEC. 522. FORFEITURE IN OBSCENITY CASES.

(a) IN GENERAL.—Chapter 71 of title 18, United States Code, is amended by adding at the end the following:

"§ 1467. Criminal forfeiture

"(a) PROPERTY SUBJECT TO CRIMINAL FORFEITURE.—A person who is convicted of an offense involving obscene material under this chapter shall forfeit to the United States such person's interest in—

"(1) any obscene material produced, transported, mailed, shipped or received in violation of this chapter;

"(2) any property, real or personal, constituting or traceable to gross profits or other proceeds obtained from such offense; and

"(3) any property, real or personal, used or intended to be used to commit or to promote the commission of such offense. A forfeiture under this subparagraph shall be authorized only by the Attorney General, the Deputy Attorney General, the Associate Attorney General, or the Assistant Attorney General or the Acting Assistant Attorney General in the Criminal Division.

"(b) Third Party Transfers.—All right, title, and interest in property described in subsection (a) of this section vests in the United States upon the commission of the act giving rise to forfeiture under this section. Any such property that is subsequently transferred to a person other than the defendant may be the subject of a special verdict of forfeiture and thereafter shall be ordered forfeited to the United States, unless the transferee establishes in a hearing pursuant to subsection (m) of this section that he is a bona fide purchaser for value of such property who at the time of purchase was reasonably without cause to believe that the property was subject to forfeiture under this section.

"(c) Protective Orders.—(1) Upon application of the United States, the court may enter a restraining order or injunction, require the execution of a satisfactory performance bond, or take any other action to preserve the availability of property described in subsection (a) of this section for forfeiture under this section—

"(A) upon the filing of an indictment or information charging a violation of this chapter for which criminal forfeiture may be ordered under this section and alleging that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section; or

"(B) prior to the filing of such an indictment or information, if, after notice to persons appearing to have an interest in the property and opportunity for a hearing, the court determines that—

"(i) there is a substantial probability that the United States will prevail on the issue of forfeiture and that failure to enter the order will result in the property being destroyed, removed from the jurisdiction of the court, or otherwise made unavailable for forfeiture; and

"(ii) the need to preserve the availability of the property through the entry of the requested order outweighs the hardship on any party against whom the order is to be entered;

except that an order entered under subparagraph (B) shall be effective for not more than 90 days, unless extended by the court for good cause shown or unless an indictment or information described in subparagraph (A) has been filed.

"(2) A temporary restraining order under this subsection may be entered upon application of the United States without notice or opportunity for a hearing when an information or indictment has not yet been filed with respect to the property, if the United States demonstrates that there is probable cause to believe that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section and that provision of notice will jeopardize the availability of the property for forfeiture. Such a temporary order shall expire not more than 10 days after the date on which it is entered, unless extended for good cause shown or unless the party against whom it is entered consents to an extension for a longer period. A hearing requested concerning an order entered under this paragraph shall be held at the earliest possible time and prior to the expiration of the temporary order.

"(3) The court may receive and consider, at a hearing held pursuant to this subsection, evidence and information that would be inadmissible under the Federal Rules of Evidence.

"(d) Warrant of Seizure.—The Government may request the issuance of a warrant authorizing the seizure of property subject to forfeiture under this section in the same manner as provided for a search warrant. If the court determines that there is probable cause to believe that the property to be seized would, in the event of conviction, be subject to forfeiture and that an order under subsection (c) of this section may not be sufficient to assure the availability of the property for forfeiture, the court shall issue a warrant authorizing the seizure of such property.

"(e) Order of Forfeiture.—The court shall order forfeiture of property referred to in subsection (a) if the trier of fact determines, beyond a reasonable doubt, that such property is subject to forfeiture.

"(f) Execution.—Upon entry of an order of forfeiture under this section, the court shall authorize the Attorney General to seize all property ordered forfeited upon such terms and conditions as the court shall deem proper. Following entry of an order declaring the property forfeited, the court may, upon application of the United States, enter such appropriate restraining orders or injunctions, require the execution of satisfactory performance bonds, appoint receivers, conservators, appraisers, accountants, or trustees, or take any other action to protect the interest of the United States in the property ordered forfeited. Any income accruing to or derived from property ordered forfeited under this section may be used to offset ordinary and necessary expenses to the property which are required by law, or which are necessary to protect the interests of the United States or third parties.

"(g) Disposition of Property.—Following the seizure of property ordered forfeited under this section, the Attorney General shall destroy or retain for official use any property described in paragraph (1) of subsection (a) and shall direct the disposition of any property described in paragraph (2) of subsection (a) by sale or any other commercially feasible means, making due provision for the rights of any innocent persons. Any property right or interest not exercisable by, or transferable for value to, the United States shall expire and shall not revert to the defendant, nor shall the defendant or any person acting in concert with him or on his behalf be eligible to purchase forfeited property at any sale held by the United States. Upon application of a person, other than the defendant or person acting in concert with him or on his behalf, the court may restrain or stay the sale or disposition of the property pending the conclusion of any appeal of the criminal case giving rise to the forfeiture, if the applicant demonstrates that proceeding with the sale or disposition of the property will result in irreparable injury, harm, or loss to him.

"(h) Authority of Attorney General.—With respect to property ordered forfeited under this section, the Attorney General is authorized to—

"(1) grant petitions for mitigation or remission of forfeiture, restore forfeited property to victims of a violation of this chapter, or take any other action to protect the rights of innocent persons which is in the interest of justice and which is not inconsistent with the provisions of this section;

"(2) comprise claims arising under this section;

"(3) award compensation to persons providing information resulting in a forfeiture under this section;

"(4) direct the disposition by the United States, in accordance with the provisions of section 1616, title 19, United States Code, of all property ordered forfeited under this section by public sale or any other commercially feasible means, making due provision for the rights of innocent persons; and

"(5) take appropriate measures necessary to safeguard and maintain property ordered forfeited under this section pending its disposition.

"(i) Applicability of Civil Forfeiture Provisions.—Except to the extent that they are inconsistent with the provisions of this section, the provisions of section 1468(d) of this title (18 U.S.C. 1468(d)) shall apply to a criminal forfeiture under this section.

"(j) Bar on Intervention.—Except as provided in subsection (m) of this section, no party claiming an interest in property subject to forfeiture under this section may—

"(1) intervene in a trial or appeal of a criminal case involving the forfeiture of such property under this section; or

"(2) commence an action at law or equity against the United States concerning the validity of his alleged interest in the property subsequent to the filing of an indictment or information alleging that the property is subject to forfeiture under this section.

"(k) Jurisdiction To Enter Orders.—The district courts of the United States shall have jurisdiction to enter orders as provided in this section without regard to the location of any property which may be subject to forfeiture under this section or which has been ordered forfeited under this section.

"(l) Depositions.—In order to facilitate the identification and location of property declared forfeited and to facilitate the disposition of petitions for remission or mitigation of forfeiture, after the entry of an order declaring property forfeited to the United States, the court may, upon application of the United States, order that the testimony of any witness relating to the property forfeited be taken by deposition and that any designated book, paper, document, record, recording, or other material not privileged be produced at the same time and place, in the same manner as provided for the taking of depositions under Rule 15 of the Federal Rules of Criminal Procedure.

"(m) Third Party Interests.—(1) Following the entry of an order of forfeiture under this section, the United States shall publish notice of the order and of its intent to dispose of the property in such manner as the Attorney General may direct. The Government may also, to the extent practicable, provide direct written notice to any person known to have alleged an interest in the property that is the subject of the order of forfeiture as a substitute for published notice as to those persons so notified.

"(2) Any person, other than the defendant, asserting a legal interest in property which has been ordered forfeited to the United States pursuant to this section may, within 30 days of the final publication of notice or his receipt of notice under paragraph (1), whichever is earlier, petition the court for a hearing to adjudicate the validity of his alleged interest in the property. The hearing shall be held before the court alone, without a jury.

"(3) The petition shall be signed by the petitioner under penalty of perjury and shall set forth the nature and extent of the petitioner's right, title, or interest in the property, the time and circumstances of the petitioner's acquisition of the right, title, or interest in the property, any additional facts supporting the petitioner's claim, and the relief sought.

"(4) The hearing on the petition shall, to the extent practicable and consistent with the interests of justice, be held within 30 days of the filing of the petition. The court may consolidate the hearing on the petition with a hearing on any other petition filed by a person other than the defendant under this subsection.

"(5) At the hearing, the petitioner may testify and present evidence and witnesses on his own behalf, and cross-examine witnesses who appear at the hearing. The United States may present evidence and witnesses in rebuttal and in defense of its claim to the property and cross-examine witnesses who appear at the hearing. In addition to testimony and evidence presented at the hearing, the court shall consider the relevant portions of the record of the criminal case which resulted in the order of forfeiture.

"(6) If, after the hearing, the court determines that the petitioner has established by a preponderance of the evidence that—

"(A) the petitioner has a legal right, title, or interest in the property, and such right, title, or interest renders the order of forfeiture invalid in whole or in part because the right, title, or interest was vested in the petitioner rather than the defendant or was superior to any right, title, or interest of the defendant at the time of the commission of the acts which gave rise to the forfeiture of the property under this section; or

"(B) the petitioner is a bona fide purchaser for value of the right, title, or interest in the property and was at the time of purchase reasonably without cause to believe that the property was subject to forfeiture under this section;

the court shall amend the order of forfeiture in accordance with its determination.

"(7) Following the court's disposition of all petitions filed under this subsection, or if no such petitions are filed following the expiration of the period provided in paragraph (2) for the filing of such petitions, the United States shall have clear title to property that is the subject of the order of forfeiture and may warrant good title to any subsequent purchaser or transferee.

"(n) CONSTRUCTION.—The provisions of this section shall be liberally construed to effectuate its remedial purposes.

"(o) SUBSTITUTE ASSETS.—If any of the property described in subsection (a), as a result of any act or omission of the defendant—

"(1) cannot be located upon the exercise of due diligence;

"(2) has been transferred or sold to, or deposited with, a third party;

"(3) has been placed beyond the jurisdiction of the court;

"(4) has been substantially diminished in value; or

"(5) has been commingled with other property which cannot be divided without difficulty;

the court shall order the forfeiture of any other property of the defendant up to the value of any property described in paragraphs (1) through (5).".

(b) REPEAL.—The last paragraph of section 1465 of title 18, United States Code, is repealed.

(c) SEXUAL ABUSE OF CHILDREN.—Sections 2253 through 2254 of title 18, United States Code, are amended to read as follows:

"§ 2253. Criminal forfeiture

"(a) PROPERTY SUBJECT TO CRIMINAL FORFEITURE.—A person who is convicted of an offense under this chapter involving a visual depiction described in sections 2251, 2251A, or 2252 of this chapter shall forfeit to the United States such person's interest in—

"(1) any visual depiction described in sections 2251, 2251A, or 2252 of this chapter, or any book, magazine, periodical, film, videotape, or other matter which contains any such visual depiction, which was produced, transported, mailed, shipped or received in violation of this chapter;

"(2) any property, real or personal, constituting or traceable to gross profits or other proceeds obtained from such offense; and

"(3) any property, real or personal, used or intended to be used to commit or to promote the commission of such offense.

"(b) THIRD PARTY TRANSFERS.—All right, title, and interest in property described in subsection (a) of this section vests in the United States upon the commission of the act giving rise to forfeiture under this section. Any such property that is subsequently transferred to a person other than the defendant may be the subject of a special verdict of forfeiture and thereafter shall be ordered forfeited to the United States, unless the transferee establishes in a hearing pursuant to subsection (m) of this section that he is a bona fide purchaser for value of such property who at the time of purchase was reasonably without cause to believe that the property was subject to forfeiture under this section.

"(c) PROTECTIVE ORDERS.—(1) Upon application of the United States, the court may enter a restraining order or injunction, require the execution of a satisfactory performance bond, or take any other action to preserve the availability of property described in subsection (a) of this section for forfeiture under this section—

"(A) upon the filing of an indictment or information charging a violation of this chapter for which criminal forfeiture may be ordered under this section and alleging that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section; or

"(B) prior to the filing of such an indictment or information, if, after notice to persons appearing to have an interest in the property and opportunity for a hearing, the court determines that—

(i) there is a substantial probability that the United States will prevail on the issue of forfeiture and that failure to enter the order will result in the property being destroyed, removed from the jurisdiction of the court, or otherwise made unavailable for forfeiture; and

(ii) the need to preserve the availability of the property through the entry of the requested order outweighs the hardship on any party against whom the order is to be entered;

except that an order entered pursuant to subparagraph (B) shall be effective for not more than 90 days, unless extended by the court for good cause shown or unless an indictment or information described in subparagraph (A) has been filed.

"(2) A temporary restraining order under this subsection may be entered upon application of the United States without notice or opportunity for a hearing when an information or indictment has not yet been filed with respect to the property, if the United States demonstrates that there is probable cause to believe that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section and that provision of notice will jeopardize the availability of the property for forfeiture. Such a temporary order shall expire not more than 10 days after the date on which it is entered, unless extended for good cause shown or unless the party against whom it is entered consents to an extension for a longer period. A hearing requested concerning an order entered under this paragraph shall be held at the earliest possible time and prior to the expiration of the temporary order.

"(3) The court may receive and consider, at a hearing held pursuant to this subsection, evidence and information that would be inadmissible under the Federal Rules of Evidence.

"(d) WARRANT OF SEIZURE.—The Government may request the issuance of a warrant authorizing the seizure of property subject to forfeiture under this section in the same manner as provided for a search warrant. If the court determines that there is probable cause to believe that the property to be seized would, in the event of conviction, be subject to forfeiture and that an order under subsection (c) of this section may not be sufficient to assure the availability of the property for forfeiture, the court shall issue a warrant authorizing the seizure of such property.

"(e) ORDER OF FORFEITURE.—The court shall order forfeiture of property referred to in subsection (a) if the trier of fact determines, beyond a reasonable doubt, that such property is subject to forfeiture.

"(f) EXECUTION.—Upon entry of an order of forfeiture under this section, the court shall authorize the Attorney General to seize all property ordered forfeited upon such terms and conditions as the court shall deem proper. Following entry of an order declaring the property forfeited, the court may, upon application of the United States, enter such appropriate restraining orders or injunctions, require the execution of satisfactory performance bonds, appoint receivers, conservators, appraisers, accountants, or trustees, or take any other action to protect the interest of the United States in the property ordered forfeited. Any income accruing to or derived from property ordered forfeited under this section may be used to offset ordinary and necessary expenses to the property which are required by law, or which are necessary to protect the interests of the United States or third parties.

"(g) DISPOSITION OF PROPERTY.—Following the seizure of property ordered forfeited under this section, the Attorney General shall destroy or retain for official use any article described in paragraph (1) of subsection (a), and shall retain for official use or direct the disposition of any property described in paragraph (2) or (3) of subsection (a) by sale or any other commercially feasible means, making due provision for the rights of any innocent persons. Any property right or interest not exercisable by, or transferable for value to, the United States shall expire and shall not revert to the defendant, nor shall the defendant or any person acting in concert with him or on his behalf be eligible to purchase forfeited property at any sale held by the United States. Upon application of a person, other than the defendant or person acting in concert with him or on his behalf, the court may restrain or stay the sale or disposition of the property pending the conclusion of any appeal of the criminal case giving rise to the forfeiture, if the applicant demonstrates that proceeding with the sale or disposition of the property will result in irreparable injury, harm, or loss to him.

"(h) Authority of Attorney General.—With respect to property ordered forfeited under this section, the Attorney General is authorized to—

"(1) grant petitions for mitigation or remission of forfeiture, restore forfeited property to victims of a violation of this chapter, or take any other action to protect the rights of innocent persons which is in the interest of justice and which is not inconsistent with the provisions of this section;

"(2) compromise claims arising under this section;

"(3) award compensation to persons providing information resulting in a forfeiture under this section;

"(4) direct the disposition by the United States, in accordance with the provisions of section 1616, title 19, United States Code, of all property ordered forfeited under this section by public sale or any other commercially feasible means, making due provision for the rights of innocent persons; and

"(5) take appropriate measures necessary to safeguard and maintain property ordered forfeited under this section pending its disposition.

"(i) Applicability of Civil Forfeiture Provisions.—Except to the extent that they are inconsistent with the provisions of this section, the provisions of section 2254(d) of this title (18 U.S.C. 2254(d)) shall apply to a criminal forfeiture under this section.

"(j) Bar on Intervention.—Except as provided in subsection (m) of this section, no party claiming an interest in property subject to forfeiture under this section may—

"(1) intervene in a trial or appeal of a criminal case involving the forfeiture of such property under this section; or

"(2) commence an action at law or equity against the United States concerning the validity of his alleged interest in the property subsequent to the filing of an indictment or information alleging that the property is subject to forfeiture under this section.

"(k) Jurisdiction to Enter Orders.—The district courts of the United States shall have jurisdiction to enter orders as provided in this section without regard to the location of any property which may be subject to forfeiture under this section or which has been ordered forfeited under this section.

"(l) Depositions.—In order to facilitate the identification and location of property declared forfeited and to facilitate the disposition of petitions for remission or mitigation of forfeiture, after the entry of an order declaring property forfeited to the United States, the court may, upon application of the United States, order that the testimony of any witness relating to the property forfeited be taken by deposition and that any designated book, paper, document, record, recording, or other material not privileged be produced at the same time and place, in the same manner as provided for the taking of depositions under rule 15 of the Federal Ruled of Criminal Procedure.

"(m) Third Party Interests.—(1) Following the entry of an order of forfeiture under this section, the United States shall publish notice of the order and of its intent to dispose of the property in such manner as the Attorney General may direct. The Government may also, to the extent practicable, provide direct written notice to any person known to have alleged an interest in the property that is the subject of the order of forfeiture as a substitute for published notice as to those person so notified.

"(2) Any person, other than the defendant, asserting a legal interest in property which has been ordered forfeited to the United States pursuant to this section may, within 30 days of the final publication of notice or his receipt of notice under paragraph (1), whichever is earlier, petition the court for a hearing to adjudicate the validity of his alleged interest in the property. The hearing shall be held before the court alone, without a jury.

"(3) The petition shall be signed by the petitioner under penalty of perjury and shall set forth the nature and extent of the petitioner's right, title, or interest in the property, the time and circumstances of the petitioner's acquisition of the right, title, or interest in the property, any additional facts supporting the petitioner's claim, and the relief sought.

"(4) The hearing on the petition shall, to the extent practicable and consistent with the interests of justice, be held within 30 days of the filing of the petition. The court may consolidate the hearing on the petition with a hearing on any other petition filed by a person other than the defendant under this subsection.

"(5) At the hearing, the petitioner may testify and present evidence and witnesses on his own behalf, and cross-examine witnesses who appear at the hearing. The United States may present evidence and witnesses in rebuttal and in defense of its claim to the property and cross-examine witnesses who appear at the hearing. In addition to testimony and evidence presented at the hearing, the court shall consider the relevant portions of the record of the criminal case which resulted in the order of forfeiture.

"(6) If, after the hearing, the court determines that the petitioner has established by a preponderance of the evidence that—

"(A) the petitioner has a legal right, title, or interest in the property, and such right, title, or interest renders the order of forfeiture invalid in whole or in part because the right, title, or interest was vested in the petitioner rather than the defendant or was superior to any right, title, or interest of the defendant at the time of the commission of the acts which gave rise to the forfeiture of the property under this section; or

"(B) the petitioner is a bona fide purchaser for value of the right, title, or interest in the property and was at the time of purchase reasonably without cause to believe that the property was subject to forfeiture under this section;

the court shall amend the order of forfeiture in accordance with its determination.

"(7) Following the court's disposition of all petitions filed under this subsection, or if no such petitions are filed following the expiration of the period provided in paragraph (2) for the filing of such petitions, the United States shall have clear title to property that is the subject of the order of forfeiture and may warrant good title to any subsequent purchaser or transferee.

"(n) Construction.—The provisions of this section shall be liberally construed to effectuate its remedial purposes.

"(o) Substitute Assets.—If any of the property described in subsection (a), as a result of any act or omission of the defendant—

"(1) cannot be located upon the exercise of due diligence;

"(2) has been transferred or sold to, or deposited with, a third party;

"(3) has been placed beyond the jurisdiction of the court;

"(4) has been substantially diminished in value; or

"(5) has been commingled with other property which cannot be divided without difficulty;

the court shall order the forfeiture of any other property of the defendant up to the value of any property described in paragraphs (1) through (5).

"§ 2254. Civil forfeiture

"(a) Property Subject to Civil Forfeiture.—The following property shall be subject to forfeiture by the United States:

"(1) Any visual depiction described in sections 2251, 2251A, or 2252 of this chapter, or any book, magazine, periodical, film, videotape or other matter which contains any such visual depiction, which was produced, transported, mailed, shipped, or received in violation of this chapter.

"(2) Any property, real or personal, used or intended to be used to commit or to promote the commission of an offense under this chapter involving a visual depiction described in sections 2251, 2251A, or 2252 of this chapter, except that no property shall be forfeited under this paragraph, to the extent of the interest of an owner, by reason of any act or omission established by that owner to have been committed or omitted without the knowledge or consent of that owner.

"(3) Any property, real or personal, constituting or traceable to gross profits or other proceeds obtained from a violation of this chapter involving a visual depiction described in sections 2251, 2251A, or 2252 of this chapter, except that no property shall be forfeited under this paragraph, to the extent of the interest of an owner, by reason of any act or omission established by that owner to have been committed or omitted without the knowledge or consent of that owner.

"(b) Seizure Pursuant to Supplemental Rules for Certain Admiralty and Maritime Claims.—Any property subject to forfeiture to the United States under this section may be seized by the Attorney General upon process issued pursuant to the Supplemental Rules for Certain Admiralty and Maritime Claims by any district court of the United States having jurisdiction over the property, except that seizure without such process may be made when the seizure is pursuant to a search under a search warrant. The Government may request the issuance of a warrant authorizing the seizure of property subject to forfeiture under this section in the same manner as provided for a search warrant under the Federal Rules of Criminal Procedure.

"(c) Custody of Attorney General.—Property taken or detained under this section shall not be repleviable, but shall be deemed to be in the custody of the Attorney General, subject only to the orders and decrees of the court or the official having jurisdiction thereof. Whenever property is seized under any of the provisions of this subchapter, the Attorney General may—

"(1) place the property under seal;

"(2) remove the property to a place designated by him; or

"(3) require that the General Services Administration take custody of the property and remove it, if practicable, to an appropriate location for disposition in accordance with law.

"(d) Other Laws and Proceedings Applicable.—All provisions of the customs laws relating to the seizure, summary and judicial forfeiture, and condemnation of property for violation of the customs laws, the disposition of such property or the proceeds from the sale thereof, the remission or mitigation of such forfeitures, and the compromise of claims, shall apply to seizures and forfeitures incurred, or alleged to have been incurred, under this section, insofar as applicable and not inconsistent with the provisions of this section, except that such duties as are imposed upon the customs officer or any other person with respect to the seizure and forfeiture of property under the customs laws shall be performed with respect to seizures and forfeitures of property under this section by such officers, agents, or other persons as may be authorized or designated for that purpose by the Attorney General or the Postal Service, except to the extent that such duties arise from seizures and forfeitures affected by any customs officer.

"(e) Sections 1606, 1607, 1608, 1609, 1613, 1614, 1617, and 1618 of title 19, United States Code, shall not apply with respect to any visual depiction or any matter containing a visual depiction subject to forfeiture under subsection (a)(1) of this section.

"(f) Disposition of Forfeited Property.—Whenever property is forfeited under this section the Attorney General shall destroy or retain for official use any property described in paragraph (1) of subsection (a) and, with respect to property described in paragraph (2) or (3) of subsection (a), may—

"(1) retain the property for official use or transfer the custody or ownership of any forfeited property to a Federal, State, or local agency pursuant to section 1616 of title 19;

"(2) sell any forfeited property which is not required to be destroyed by law and which is not harmful to the public; or

"(3) require that the General Services Administration take custody of the property and dispose of it in accordance with law.

The Attorney General shall ensure the equitable transfer pursuant to paragraph (1) of any forfeited property to the appropriate State or local law enforcement agency so as to reflect generally the contribution of any such agency participating directly in any of the acts which led to the seizure or forfeiture of such property. A decision by the Attorney General pursuant to paragraph (1) shall not be subject to judicial review. The Attorney General shall forward to the Treasurer of the United States for deposit in accordance with section 524(c) of title 28 the proceeds from any sale under paragraph (2) and any moneys forfeited under this subchapter.

"(g) Title to Property.—All right, title, and interest in property described in subsection (a) of this section shall vest in the United States upon commission of the act giving rise to forfeiture under this section.

"(h) Stay of Proceedings.—The filing of an indictment or information alleging a violation of this chapter which is also related to a civil forfeiture proceeding under this section shall, upon motion of the United States and for good cause shown, stay the civil forfeiture proceeding.

"(i) Venue.—In addition to the venue provided for in section 1395 of title 28 or any other provision of law, in the case of property of a defendant charged with a violation that is the basis for forfeiture of the property under this section, a proceeding for forfeiture under this section may be brought in the judicial district in which the defendant owning such property is found or in the judicial district in which the criminal prosecution is brought.".

(e) Tariff Act Amendment.—Section 305 of the Tariff Act of 1930 (19 U.S.C. 1305), is amended by adding at the end the following:

"(b) Coordination of Forfeiture Proceedings with Criminal Proceedings.—(1) Notwithstanding subsection (a), whenever the Customs Service is of the opinion that criminal prosecution would be appropriate or that further criminal investigation is warranted in connection with allegedly obscene material seized at the time of entry, the appropriate customs officer shall immediately transmit information concerning such seizure to the United States Attorney of the district of the addressee's residence. No notice to the addressee or consignee concerning the seizure is required at the time of such transmittal.

"(2) Upon receipt of such information, such United States attorney shall promptly determine whether in such attorney's opinion the referral of the matter for forfeiture under this section would materially affect the Government's ability to conduct a criminal investigation with respect to such seizure.

"(3) If the United States attorney is of the opinion that no prejudice to such investigation will result from such referral, such attorney shall immediately so notify the Customs Service in writing. The appropriate customs officer shall immediately notify in writing the addressee or consignee of the seizure and shall transmit information concerning such seizure to the United States attorney of the district in which is situated the office at which such seizure has taken place. The actions described in paragraphs (1) through (3) of this subsection shall take place within sufficient time to allow for the filing of a forfeiture complaint within 14 days of the seizure unless the United States attorney of the district of the addressee's residence certifies in writing and includes specific, articulable facts demonstrating that the determination required in paragraph (2) of this subsection could not be made in sufficient time to comply with this deadline. In such cases, the actions described in paragraphs (1) through (3) of this subsection shall take place within sufficient time to allow for the filing of a forfeiture complaint within 21 days of seizure.

"(4) If the United States attorney for the district of the addressee's residence concludes that material prejudice to such investigation will result from such referral, such United States attorney shall place on file, within 14 days of the date of seizure, a dated certification stating that it is the United States attorney's judgment that referral of the matter for forfeiture under this section would materially affect the Government's ability to conduct a criminal investigation with respect to the seizure. The certification shall set forth specific, articulable facts demonstrating that withholding referral for forfeiture is necessary.

"(5)(A) As soon as the circumstances change so that withholding of referral for forfeiture is no longer necessary for purposes of the criminal investigation, the United States attorney shall immediately so notify the Customs Service in writing and shall furnish a copy of the certification described in paragraph (4) above to the Customs Service.

"(B) In any matter referred to a United States attorney for possible criminal prosecution wherein subparagraph (5)(A) does not apply, the United States attorney shall immediately notify the Customs Service in writing concerning the disposition of the matter, whether by institution of a prosecution or a letter of declination, and shall also furnish a copy of the certification described in paragraph (4) of this subsection to the Customs Service.

"(C) Upon receipt of the notification described in subparagraph (A) or (B) of this paragraph, the appropriate customs officer shall immediately notify the addressee or consignee of the seizure and shall transmit information concerning the seizure, including a copy of the certification described in paragraph (4) above and a copy of the notification described in subparagraph (A) or (B) of this paragraph, to the United States attorney of the district in which is situated the office at which such seizure has taken place, who shall institute forfeiture proceedings in accordance with subsection (a) hereof within 14 days of the date of the notification described in subparagraph (A) or (B) above. A copy of the certification described in paragraph (4) above and a copy of the notification described in subparagraph (A) or (B) of this paragraph shall be affixed to the complaint for forfeiture.

"(c) Stay on Motion.—Upon motion of the United States, a court, for good cause shown, shall stay civil forfeiture proceedings commenced under this section pending the completion of any related criminal matter whether in the same or in a different district.".

SEC. 523. CABLE TELEVISION OBSCENITY.

(a) New Offense.—Chapter 71 of title 18, United States Code, is amended by inserting at the end, the following new section:

"§ 1468. Distributing obscene material by cable or subscription television

"(a) Whoever knowingly utters any obscene language or distributes any obscene matter by means of cable television or subscription services on television, shall be punished by imprisonment for not more than 2 years or by a fine in accordance with this title, or both.

"(b) As used in this section, the term 'distribute' means to send, transmit, retransmit, telecast, broadcast, or cablecast, including by wire, microwave, or satellite, or to produce or provide material for such distribution.

"(c) Nothing in this chapter, or the Cable Communications Policy Act of 1984, or any other provision of Federal law, is intended to interfere with or preempt the power of the States, including political subdivisions thereof, to regulate the uttering of language that is obscene or otherwise unprotected by the Constitution or the distribution of matter that is obscene or otherwise unprotected by the Constitution, of any sort, by means of cable television or subscription services on television.".

(b) Clerical Amendment.—The table of sections at the beginning of chapter 71 of title 18, United States Code, is amended by adding at the end the following:

"1468. Distributing obscene material by cable or subscription television.".

SEC. 524. COMMUNICATIONS ACT AMENDMENT.

Section 223(b) of the Communications Act of 1934 (47 U.S.C. 223(b)) is amended to read as follows:

"(b)(1)(A) Whoever knowingly—

"(i) in the District of Columbia or in interstate or foreign communication, by means of telephone, makes (directly or by recording device) any obscene communication for commercial purposes to any person, regardless of whether the maker of such communication placed the call; or "(ii) permits any telephone facility under such person's control to be used for an activity prohibited by clause (i);

shall be fined in accordance with title 18 of the United States Code, or imprisoned not more than two years, or both.

"(2)(A) Whoever knowingly—

"(i) in the District of Columbia or in interstate or foreign communication, by means of telephone, makes (directly or by recording device) any indecent communication for commercial purposes to any person, regardless of whether the maker of such communication placed the call; or

"(ii) permits any telephone facility under such person's control to be used for an activity prohibited by clause (i),

shall be fined not more than $50,000 or imprisoned not more than six months, or both.".

SEC. 525. ELECTRONIC SURVEILLANCE.

Subsection (1) of section 2516 of title 18, United States Code, is amended by redesignating paragraphs (i) and (j) as (j) and (k), respectively, and by adding a new paragraph (i) as follows:

"(i) any felony violation of chapter 71 (relating to obscenity) of this title;".

SEC. 526. POSSESSION AND SALE OF OBSCENE MATTERS IN FEDERAL JURISDICTION OR ON FEDERAL PROPERTY.

(a) In General.—Chapter 71 of title 18, United States Code, is amended by inserting before section 1461 the following:

"§ 1460. Possession and sale of obscene matter on Federal property

"(a) Whoever, either—

"(1) in the special maritime and territorial jurisdiction of the United States, or on any land or building owned by, leased to, or otherwise used by or under the control of the Government of the United States; or

"(2) in the Indian country as defined in section 1151 of this title,

knowingly sells or possesses with intent to sell an obscene visual depiction or a visual depiction of a minor engaging in or assisting another person to engage in sexually explicit conduct, shall be punished by a fine in accordance with the provisions of this title or imprisoned for not more than 2 years, or both.

"(b) Except as provided in subsection (c), whoever, in an area described in subparagraph (1) or (2) of subsection (a) knowingly possesses an obscene visual depiction or a visual depiction of a minor engaging in or assisting another person to engage in sexually explicit conduct shall be punished by imprisonment for not more than 6 months or a fine of not more than $5,000 for an individual or $10,000 for a person other than an individual, or both.

"(c) Subsection (b) shall not apply in the case of a person who possesses an obscene visual depiction in any place where such person lives or resides.

"(d) For the purposes of this section—

"(1) the term 'visual depiction' includes undeveloped film and videotape but does not include mere words; and

"(2) the terms 'minor' and 'sexually explicit conduct' have the meaning given those terms in chapter 110 of this title.

"(e) In a prosecution for a violation of this section involving an obscene visual depiction, it shall be an affirmative defense, on which the defendant has the burden of persuasion by a preponderance of the evidence, that the person—

"(1) ordered or received the obscene matter without examining the matter in advance;

"(2) did not in fact offer the matter for sale, or transfer or offer to transfer it to another person other than the sender; and

"(3) possessed the material less than 21 days.".

(b) Clerical Amendment.—The table of sections at the beginning of chapter 71 of title 18, United States Code, is amended by adding before the item relating to section 1461 the following:

"1460. Possession and sale of obscene matter on Federal property.".

SEC. 527. CIVIL FORFEITURE.

(a) In General.—Chapter 71 of title 18, United States Code, is amended by adding the following new section at the end thereof:

"§ 1470. Civil forfeiture

"(a) Property Subject to Civil Forfeiture.—The following property shall be subject to forfeiture by the United States:

"(1) Any material that has been adjudged obscene in any criminal case, Federal or State, that is produced, transported, mailed, shipped, or received in violation of this chapter.

"(2) Any property, real or personal, constituting or traceable to gross profits or other proceeds obtained from a violation of this chapter involving material that has been adjudged obscene in any criminal case, State or Federal, except that no property shall be forfeited under this paragraph, to the extent of the interest of an owner, by reason of any act or omission established by that owner to have been committed or omitted without the knowledge or consent of that owner.

"(b) Seizure Pursuant to Supplemental Rules for Certain Admiralty and Maritime Claims.—Any property subject to forfeiture to the United States under this section may be seized by the Attorney General upon process issued pursuant to the Supplemental Rules for Certain Admiralty and Maritime Claims by any district court of the United States having jurisdiction over the property, except that seizure without such process may be made when the seizure is pursuant to a search under a search warrant. The government may request the issuance of a warrant authorizing the seizure of property subject to forfeiture under this section in the same manner as provided for a search warrant under the Federal Rules of Criminal Procedure.

"(c) Custody of Attorney General.—Property taken or detained under this section shall not be repleviable, but shall be deemed to be in the custody of the Attorney General, subject only to the orders and decrees of the court or the official having jurisdiction thereof. Whenever property is seized under any of the provisions of this subchapter, the Attorney General may—

"(1) place the property under seal;

"(2) remove the property to a place designated by him; or

"(3) require that the General Services Administration take custody of the property and remove it, if practicable, to an appropriate location for disposition in accordance with law.

"(d) Other Laws and Proceedings Applicable.—All provisions of the customs laws relating to the seizure, summary and judicial forfeiture, and condemnation of property for violation of the customs laws, the disposition of such property or the proceeds from the sale thereof, the remission or mitigation of such forfeitures, and the compromise of claims, shall apply to seizures and forfeitures incurred, or alleged to have been incurred, under this section, insofar as applicable and not inconsistent with the provisions of this section, except that such duties as are imposed upon the customs officer or any other person with respect to the seizure and forfeiture of property under the customs laws shall be performed with respect to seizures and forfeitures of property under this section by such officers, agents, or other persons as may be authorized or designated for that purpose by the Attorney General or the Postal Service, except to the extent that such duties arise from seizures and forfeitures effected by any customs officer.

"(e) Applicability of Certain Sections.—Sections 1606, 1607, 1608, 1609, 1613, 1614, 1617, and 1618 of title 19 shall not apply with respect to obscene material subject to forfeiture under subsection (a)(1) of this section.

"(f) Disposition of Forfeited Property.—Whenever property is forfeited under this section the Attorney General shall destroy or retain for official use any article described in paragraph (1) of subsection (a), and with respect to property described in paragraphs (2) and (3) of subsection (a) may—

"(1) retain the property for official use or transfer the custody or ownership of any forfeited property to a Federal, State, or local agency pursuant to section 1616 of title 19;

"(2) sell any forfeited property which is not required to be destroyed by law and which is not harmful to the public; or

"(3) require that the General Services Administration take custody of the property and dispose of it in accordance with law.

The Attorney General shall ensure the equitable transfer pursuant to paragraph (1) of any forfeited property to the appropriate State or local law enforcement agency so as to reflect generally the contribution of any such agency participating directly in any of the acts which led to the seizure or forfeiture of such property. A decision by the Attorney General pursuant to paragraph (1) shall not be subject to judicial review. The Attorney General shall forward to the Treasurer of the United States for deposit in accordance with section 524(c) of title 28 the proceeds from any sale under paragraph (2) and any moneys forfeited under this subchapter.

"(g) Title to Property.—All right, title, and interest in property described in subsection (a) of this section shall vest in the United States upon commission of the act giving rise to forfeiture under this section.

"(h) Stay of Proceedings.—The filing of an indictment or information alleging a violation of this chapter which is also related to a civil forfeiture proceeding under this section shall, upon motion of the United States and for good cause shown, stay the civil forfeiture proceeding.

"(i) Venue.—In addition to the venue provided for in section 1395 of title 28 or any other provision of law, in the case of property of a defendant charged with a violation that is the basis for forfeiture of the property under this section, a proceeding for forfeiture under this section may be brought in the judicial district in which the defendant owning such property is found or in the judicial district in which the criminal prosecution is brought.".

(b) Clerical Amendments.—The table of sections at the beginning of chapter 71 of title 18, United States Code, is amended by inserting after the item relating to section 1469 the following:

"1470. Civil forfeiture.".

(c) REPEAL.—The last paragraph of section 1465 of title 18, United States Code, is repealed.

SEC. 528. CIVIL FINES.

Chapter 71 of title 18, United States Code, is amended by inserting at the end the following new section:

"Section 1471. Civil fines.

"(a) Whoever produces, transports, mails, ships or receives any article that has been adjudged obscene in any state or federal criminal case shall be subject to a civil penalty of—

"(1) for a first violation, not more than $10,000;

"(2) for a second violation, not more than $50,000; and

"(3) for a third or subsequent violation, not more than $250,000 in the case of an individual, or $500,000 in the case of an organization.

"(b) An action to recover a fine imposable under subsection (a) shall be brought in the name of the United States. The Attorney General may commence such a civil action in the district court in any district where the violation occurs. Such an action must be commenced within 5 years of the violation. The Attorney General may compromise, modify, or remit with or without condition any civil penalty imposed under this section.

"(c) In any civil action under this section, the defendant shall have a right to a trial by jury, and the government shall have the burden of proof, by a preponderance of the evidence, that the article is obscene under the standards of the community in which the trial takes place."

SEC. 529. SEVERABILITY.

If any of the provisions of this Act are found invalid, such finding shall not affect the validity or effect of the remaining provisions thereof.

Mr. DODD. Mr. President, will the Senator yield?

Mr. THURMOND. Yes, I will be pleased to yield.

Mr. DODD. For the purpose of clarity, as I understood the unanimous-consent agreement last evening, these modifications were to be cleared by the chairman of the Judiciary Committee and the ranking minority member.

Mr. THURMOND. They have already been cleared by the chairman of the Judiciary Committee and the Justice Department. The chairman of the Judiciary Committee wanted a few modifications, and so I was glad to accommodate, if we could. So we got the Justice Department and they have all agreed to it.

Mr. DODD. If the Senator will yield further, these modifications pertain exclusively to the pornography bill——

Mr. THURMOND. The pornography bill.

Mr. DODD [continuing]. And only pertains to that legislation?

Mr. THURMOND. Correct.

Mr. DODD. I thank the Senator for yielding.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, yesterday I offered an amendment regarding child pornography and obscenity to S. 2488, parental leave legislation, being considered by the Senate. I rise today to modify that amendment.

This modified amendment is a result of bipartisan negotiations with changes recommended by members on both sides of the aisle. Senator BIDEN, chairman of the Senate Judiciary Committee, concurs in them. The Department of Justice agrees that these changes will not limit their ability to fully prosecute child pornography and obscenity offenses and recommends that these modifications be adopted.

I would like to briefly discuss the changes that have been made to my original amendment.

The section dealing with the receipt and possession with intent to distribute obscenity has been amended to apply to persons "engaged in the business" of selling books, magazines, pictures, films, or videotapes. The purpose of this change is to enable law enforcement officials to focus their efforts on those who distribute obscene material for profit. Further, an affirmative defense has been added to this section. To assert this defense, a person would have to show that the obscene material was ordered or received without examination in advance, was not offered for sale or transferred to another person, and was possessed less than 21 days.

The criminal forfeiture section allows forfeiture of the real or personal property used or intended to be used to violate the obscenity laws. This section has been amended to require approval by the Attorney General, Deputy Attorney General, Associate Attorney General, or the Assistant Attorney General or the Acting Assistant Attorney General in the Criminal Division before a forfeiture action to confiscate such property may be commenced. Further, under the criminal forfeiture section, a store that sells obscene material may be forfeited; however, an entire chain of stores would not be forfeited unless it is shown that each store was involved in a violation of the obscenity laws. Additionally, material that is protected by the first amendment could not be confiscated unless it is shown that the gross profits from the obscene material were used to buy that material.

With regard to civil forfeiture, the scope has been limited to the obscene material and the gross profits, which is virtually identical to the provision proposed in my original amendment. However, this provision was amended additionally to require that before obscene material may be forfeited in a civil proceeding, there must be a finding in a Federal or State criminal proceeding that the material is obscene. Once such a finding of obscenity is made, that determination could be used in a civil forfeiture proceeding instituted anywhere in the United States with regard to the same material.

With regard to amending the Travel Act, the original provision has been deleted in favor of accomplishing the same objective by strengthening current law with regard to the transportation of obscenity.

Another modification, included in my original amendment with regard to cable porn, clarifies that States may regulate obscenity or matter that is not otherwise constitutionally protected. The adoption of this provision dealing with cable porn is premised on the following considerations:

First, cable television programming is routinely transmitted from transmitting facilities in one State to locations in other States and in foreign countries;

Second, cable and subscription television programs are routinely relayed in interstate or foreign commerce via satellites;

Third, operators of cable and subscription television services routinely make available to their subscribers movies and other programs that have been produced in a manner that involves interstate or foreign commerce and have been shipped or transported in interstate or foreign commerce;

Fourth, the equipment necessary to provide cable and subscription television service to consumers and television sets capable of receiving cable transmissions and subscription television programming are all routinely shipped and transported in interstate commerce and foreign commerce;

Fifth, a national market exists for all types of programming available via cable and subscription television, and this market involves the use of the channels of interstate and foreign commerce;

Sixth, production and distribution of cable and subscription television programming that is entirely within a single State has an impact on the national market for such programming;

Seventh, the proliferation of cable and subscription television outlets requires a more effective safeguards against obscene cable and subscription programming; and

Eighth, the harm caused by obscene television programming combined with the interstate nature of such programming requires that the Federal Government must assist the States in their efforts to combat it.

Additionally, the Dial-a-Porn section has been amended, as I originally proposed, to delete the provision banning obscene Dial-a-Porn because a similar provision has been enacted into law. This amendment does retain the provision to strengthen the penalty for obscene Dial-a-Porn making it a felony mandating up to 2 years imprisonment or a fine of up to $250,000, or both.

Last, the recordkeeping provision for sexually explicit material is amended to require that records indicating the age of the person must be kept for all material produced since February 6, 1978. This date was chosen because it is the date on which the Congress enacted the Protection of Children Against Sexual Exploitation Act which created Federal offenses for selling and distributing child pornography.

In closing, the modifications made by this amendment do not limit the ability of law enforcement officials and prosecutors to attack child pornography and obscenity. Instead, this amendment provides the additional tools necessary for the vigorous enforcement of our laws in order to rid our Nation of the obscenity and child pornography that has become so pervasive. We must take every reasonable step necessary to ensure the protection of our children and society as a whole. I strongly urge my colleagues to support this vital amendment.

Mr. President, I yield the floor.

Mr. DODD. Mr. President, I note the absence of a quorum.

The PRESIDING OFFICER (Mr. PELL). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BIDEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIDEN. Mr. President, I will take only a few moments of the Senate's time. We have an important piece of legislation to consider, that deals with the problem of child pornography.

Mr. President, there is not a single Member in this body who would argue with the proposition that child pornography is a heinous crime. It is a scourge that must be dealt with, and we must have the capability of dealing with it more effectively than we have in the past.

Ten years ago we passed the first Federal statute to protect children against sexual exploitation. We amended and strengthened that law in each of the last two Congresses, and we do so again today.

This amendment, the child pornography bill, contains some very good provisions. It prohibits the buying and selling of children for the purpose of producing child pornography. It prohibits the use of the computer to distribute or advertise child pornography. It conforms the child pornography forfeiture statutes to similar laws that have proven very useful in drug and money laundering cases.

As I read off these things, many American citizens probably are saying, "You mean there are not already laws against that at this point?" The fact of the matter is these are new provisions.

This bill also makes some changes in the Federal law regarding adult obscenity. This is not merely a child pornography bill. It is important to understand that this bill does not change the standard by which material is judged to be obscene. That standard was established by the Supreme Court in the Miller case, and it remains the law today.

What this bill does is to make changes in the Federal role in prosecuting obscenity by enlarging the scope of the Federal Government's jurisdiction over these offenses, and by creating new offenses that apply only to Federal lands. It also increases the penalties and other sanctions that can be imposed.

I hope in our effort to combat obscenity—by the way distinguishable from child pornography—and I hope in our efforts to battle obscenity in this fashion we have not gone too far in enlarging the Federal role. Whether or not something is obscene is determined, according to the Supreme Court, by reference to local community standards. And I think we have to be very careful in creating and enlarging Federal obscenity offenses—again distinguishable from child pornography offenses—not inadvertently to bring the power of the Federal criminal process to bear on a person who innocently believes that his conduct is appropriate in his or her community.

I have also some concerns about the constitutionality of the scope of the civil and criminal sanctions. So I think we have to look carefully at the provisions of this bill as it moves along. I hope further improvements in the measure can be made, but I want to compliment my good friend from South Carolina, Senator THURMOND, and my friend from Arizona, Senator DECONCINI, for their efforts in bringing this amendment to the floor.

The amendment they offer today improves their original bill. Although I continue to have some concerns about the provisions, on balance, I believe the bill as amended is worthy of support. I am also delighted that this bill is now before us and we are going to vote on it because I must acknowledge in my 7 months absence from the Senate, and my Senate duties, because of being hospitalized, I got behind the curve on some of the legislation that had been moving through the process. And upon my return I found, placed upon my desk as chairman of the Judiciary Committee as it should be, a number of very important and somewhat controversial bills. These range from the bill that is now before us, to the drug legislation coming out of the House, to a number of other provisions not the least of which is the controversy over Federal judges.

I am most pleased to have this matter resolved on the Senate floor, in no small part quite frankly so Senator HOWARD METZENBAUM will get off my back. He has been pushing me to pursue this matter and make sure to get it up for a committee vote and get it on the floor since the day I returned.

I hope all of my colleagues will find this legislation somewhat improved with the amendments agreed to by the Senator from South Carolina.

I want to make one other comment, and I will not take any more of the Senate's time. The Senator from South Carolina is a man who feels extremely strongly about this legislation. And, quite frankly, he probably could have passed his bill without any changes. When I tried to convince him that some of the changes would be worthwhile and would make the bill stronger, he did not have to listen; he did not have to talk to me about it. Quite frankly he had the votes and he could have just moved along, because this is not the season in which anyone on the floor is anxious to stand up and say, "I object to a child pornography bill," even though this goes beyond child pornography.

I personally thank my colleague on the Judiciary Committee for giving me time to become acquainted with the details of the bill, taking the time to discuss the provisions with me, and being open to suggestions that I believe will strengthen the bill. He did not accept all of those suggestions, as might be expected, but he accepted many of them.

I sincerely believe they will make the bill stronger.

Now as we move ahead with important legislation to strengthen the Government's ability to combat child pornography, it is important that the legislative history explain some of the sections of this amendment.

CRIMINAL FORFEITURE

The criminal forfeiture provision relating to obscenity allows the Government to seize from a person convicted of any Federal obscenity offense, the obscene material, the profits he derived from selling that material, and any property he used to promote the commission of the offense.

Under this provision, forfeiture of the "property used to promote" would be limited to the property associated with the store or stores where the distribution of the obscene material actually took place. It would not be proper for the Government to seek forfeiture under this provision of unrelated assets, such as other stores operated by the same defendant that were not implicated in the obscenity offense.

Furthermore, the forfeiture under this provision would not include the defendant's other inventory of constitutionally protected material. The

Government could not use this provision, in other words, to seize books, movies, records, or other materials that are protected by the first amendment.

Finally, this forfeiture provision could not be used without the express approval of senior officials of the Department of Justice. This administrative review, which is similar to the review required when the Government seeks to use other powerful statutes such as RICO, would ensure that a prosecutor does not attempt to use the forefeiture statute to impose a disproportionate punishment on a retailer whose distribution of obscene material represented a small fraction of an otherwise legitimate business.

CIVIL FORFEITURE

The bill also contains a civil forfeiture provision. Any civil forfeiture provision in Federal law is a cause for concern because it would mean that a person could be made to forfeit his property even though he had never been convicted of an offense. In a civil case involving obscenity, it would be sufficient for the Government to obtain forfeiture of property if it proved that an item was probably obscene.

Senator THURMOND's amendment addresses this concern in several ways. First, in a civil forfeiture case, only the obscene material itself and the profits derived therefrom would be forfeitable. The rest of the defendant's business would not be at risk unless there was a criminal conviction.

Second, the material in question would have to have been adjudged obscene in at least one criminal case. This is to ensure that civil forfeiture, which is an in rem proceeding, is aimed at property that a jury has found obscene beyond a reasonable doubt on at least one prior occasion—that is property that the seller was on notice that he shouldn't be offering for sale.

CIVIL FINES

There is still concern about the last part of the amendment that deals with civil fines. Fines are very different from forfeitures: they are not aimed at confiscating contraband property; their purpose instead is punitive—to punish a wrongdoer personally. The Supreme Court has made very clear that when the Government seeks to punish someone personally for his actions, that person is entitled to all the rights guaranteed by the Constitution to a criminal defendant: The right to trial by jury, the presumption of innocence until proven guilty beyond a reasonable doubt, to the appointment of counsel, the confrontation of witnesses, and so forth. Many of these rights do not apply in a civil proceeding, and we cannot take them away merely by putting the civil label on what we clearly intend to be a punitive measure. See *Kennedy* v. *Mendoza-Martinez,* 372 U.S. 442 (1963). The constitutionality of this provision will be examined closely at the time we meet with the House of Representatives to work out a final version of this bill.

COMMERCIAL PURPOSE

Another change in Senator THURMOND's amendment that is worth mentioning concerns the new offense to be codified at section 1466 of title 18 of the United States Code, dealing with receipt of obscene material that has been shipped in interstate commerce. The amendment makes clear that this offense applies only to businesses that distribute pornography, not to individuals who do not regularly sell books and magazines and other items for profit. The amendment also contains an affirmative defense that would protect the legitimate bookseller who ordered a book by title not realizing it was obscene, never offered the book for sale, and returned it within 21 days.

The PRESIDING OFFICER. What is the will of the Senate?

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quroum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I rise to support the amendment offered by the distinguished Senator from South Carolina, as the ranking member of the Judiciary Committee, dealing with child pornography. Earlier this year, I joined as a cosponsor of S. 2033 on which this amendment is based.

Sadly, the sexual exploitation of children in America is a booming business. While there are some Federal laws on the books to protect our children from this kind of abuse, unfortunately, loopholes and new technologies exist that crimp prosecutors' efforts to eliminate these unsavory activities. We have a compelling and legitimate interest in protecting our children from the horror of sexual abuse and exploitation.

Incredibly, current law does not prohibit a parent from selling his child's services for use in pornographic materials. To allow such abuse of one's child is inconceivable, and we must certainly do all we can to penalize a parent or guardian for allowing such harm.

Child pornography is a highly organized multimillion-dollar industry, with child molesters, pedophiles, and collectors of child pornography having developed a complex, computerized, nationwide network to traffic in child pornography. This amendment would clarify existing statutes to prohibit the use of computers to traffic in such material.

Federal prosecutors across the country are working to stem the flow of pornographic and obscene materials, but they need the weapons with which to win this battle. There is nothing more important than protecting our children.

I support the amendment and I hope that it can be adopted to the bill and I hope that the bill can be passed and sent to the other body.

This needs to be done in the effort to shut down this despicable industry.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. THURMOND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BIDEN). Without objection, it is so ordered.

Mr. THURMOND. Mr. President, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. I thank the Chair.

Mr. President, I believe that it is important to modify Federal law to strengthen the provisions to protect children in our society. I say this based upon my work as chairman of the Juvenile Justice Subcommittee during the 97th, 98th, and 99th Congresses, during which terms we had extensive hearings on the problems of children who were subjected to situations where they were photographed or they were encouraged to engage in conduct which was both pornographic and obscene, many hearings which demonstrated that very conclusively.

Senator DODD and I held additional hearings on the Children's Caucus, which related to this subject, in addition to the first hearings on latchkey children many years ago, setting the stage for later congressional activity on day care and on parental leave, the bill which I have cosponsored with Senator DODD at the beginning of the 100th Congress, before the substitute measure was introduced.

But there have been very extensive hearings documenting the need for protecting children in our society and the necessity for additional Federal legislation.

Toward that end, Mr. President, I have introduced in the 100th Congress Senate bill 703, which is designed to protect children and also adults under certain coercive circumstances. That is a successor bill to Senate bill 3063, which I introduced in the 98th Congress, and Senate bill 1187, in the 99th Congress.

The legislation, which has been introduced by Senator THURMOND as Senate bill 2033, I believe contains many important provisions. The provision with respect to use of computers is an important one. The provision which deals with the so-called buying and selling of children is very important, where parents or guardians subject their children to conduct in pornographic situations. The provisions regarding recordkeeping I think are important, although I have some doubts as to the retroactive application there. If this legislation is enacted I think it will set standards which will be very important for the future. So I think this legislation is very important.

As the bill has been considered, there are, however, very serious constitutional considerations, which have been substantially improved by the negotiations which were carried out yesterday, Mr. President.

On that line, I compliment the distinguished Senator from South Carolina, the ranking member of the Judiciary Committee, and you, Mr. President, Senator BIDEN, who now occupies the chair, the chairman of the Judiciary Committee, for the laborious efforts which you undertook yesterday with others to try to work out some of these constitutional issues.

I have reviewed the matter as best I could in the course of several hours this morning to find out precisely where we stand. I had discussed very briefly with Senator THURMOND that I had these concerns, not going into any of the details. I know the Miller versus California case stands for the proposition that obscenity is not within the purview of constitutional protection, and that there is a standard where children are entitled to greater protection, so that, even if it is not obscenity, if it is pornography, our constitutional standards give that additional protection to children.

The issue, then arises, Mr. President, as to what is the circumstance with respect to some of the provisions which are currently in the legislation as it has been modified.

(Mr. SHELBY assumed the chair.)

Mr. SPECTER. Along this line, Mr. President, it is troublesome that there has not been a markup in the Judiciary Committee, and that is not anybody's fault. The distinguished Senator from South Carolina, of course, has every right to bring this bill up as an amendment to the pending legislation. But that creates the situation where we have a very complex bill with complex constitutional overtones which require a great deal of analysis.

Then you have added to that, modifications which were made yesterday which admittedly are an improvement but which are really not well known, really hardly known at all to the overwhelming majority of the Members of this body, and we are going to be called upon to vote upon this measure probably in a very short period of time.

One concern which I have relates to the provision as to possession on Federal land where there is no intent to sell the materials which are obscene. There is a decision by the Supreme Court of the United States, Stanley versus Georgia, where it has been determined that simple possession is not a violation of law under the constitutional protection.

Now you have a situation where we have the proposal, as I understand it, to make it illegal to have possession on Federal land even where the possessor does not have an intent to sell.

There is an exclusion in the statute as to the home, which, of course, would fall under the square holding of Stanley versus Georgia, but Federal lands—and, again, this is as I understand it, because we have not had an opportunity to really analyze the bill in any depth.

And I would be interested in any comments which either the distinguished Senator from South Carolina may wish to make or the Senator from Delaware, the chairman of our committee, who has risen.

Mr. BIDEN. Will the Senator yield?

Mr. SPECTER. Yes.

Mr. BIDEN. I expressed a similar concern. I think you have interpreted the statute exactly correctly. I have grave doubt that it meets constitutional muster. But I also, quite frankly, to be very blunt about it, did not have the votes to get it changed.

I too am concerned about that provision, but the Senator from South Carolina can obviously speak much better for himself than I could for him. But able to reach a compromise on this issue.

But I agree with the Senator's reading of the legislation, as amended, and I agree that the concern he raised about its remaining in the legislation is a legitimate concern.

Mr. SPECTER. Well, as I understand the distinguished chairman of our committee, the good points outweigh the problems, and I am inclined to agree with Senator BIDEN as he has, in effect, articulated that.

But one issue which we face now is whether we might improve this bill even further and there may be some Senators who have questions about the overall value of the bill with this kind of a provision in it. But I think it is important to discuss and to understand what the bill provides.

Again, I would call upon those who were in the negotiations to detail it if further explanation is required.

But, as it has been related to me, when you talk about Federal lands, we are talking about the entire Virgin Islands, we are talking about the entire Indian territory, we are talking about national parks, we are talking about all military bases. So that if you have a question perhaps of a mobile home—well, that is probably covered with the home exception.

Mr. BIDEN. And all Federal buildings.

Mr. SPECTER. And all Federal buildings. Perhaps the U.S. Senate Chamber, as well, where we might look at some of these materials to decide what we want to include or exclude.

It reminds me of when I was a young assistant district attorney and I was assigned to make speeches and would take these magazines out to show the men's club what a terrible thing was going on in the community, take 100 magazines and only find three or four to return to the office. So, sometimes you have to see it to understand what you are dealing with.

But the breadth of the Federal land provision is a very troubling one. If you have someone who has it in his car or her car, if you have someone who has it in their possession, as I read Stanley versus Georgia, the interpretation of that case may well include this sort of a situation. And this kind of a provision, it seems to me, does not really go to the heart as to what this legislation seeks to achieve, and that is to protect children.

We are really not trying, in the final days of this Congress, to reach a soldier who has an obscene book in his car. Where the standards are very different from what adults may have, and the Supreme Court has said you cannot reach it in the home, why should this provision be in this bill at this time? If we pass this bill, as I hope we move forward and do, it is going to go to conference and we do not have a whole lot of time. I think we might be much better off if we eliminate this kind of a troublesome area.

There is another complex question relating to the civil fine in the amount of $10,000. This involves the complex issue as to whether you are dealing with a regulatory matter or whether you are dealing with a punitive matter.

If you are dealing with a regulatory matter, you do not have to have the protections for a criminal defendant; where you deal with a punitive matter, you do have to have those protections.

On its face, this would appear to be a punitive matter which does not afford the traditional defendant's rights. The standard of proof is different. You do not have proof beyond a reasonable doubt, as required in the criminal case. You have the preponderance of the evidence. You have the complex question as to the fact that there has to have been a prior determination that the material is obscene in the criminal prosecution, which has the higher standard of proof beyond a reasonable doubt, but the defendant, on the civil fine proceeding, was not the party there. And there is a provision that there will be a jury trial in the locale where this defendant is being prosecuted for a $10,000 fine—or maybe sued for a $10,000 fine, I do not want to load up the terminology—so that you can determine it by local standards. Because the first prosecution may have been in Utah where there might be a different standard, the contemporary community standard. It is extremely complicated and many people, most people, do not understand that there is no national standard for obscenity. It is the community standard that may be different in Utah than it is in Pennsylvania. Then the criminal standard in the criminal case required by the statute would have been realized in Utah, to satisfy that requirement, but there is a different standard in Pennsylvania where someone may be sued for $10,000.

Mr. BIDEN. If the Senator will yield on that point so I can enlighten him on how that phrase ended up the way it did, the Senator from Delaware, in raising that issue with Senator THURMOND, representing himself and others, and with the Justice Department raised the very question you have raised. There was again, no consensus on eliminating what I believe to be clearly a penalty, not a regulatory action.

The best, quite frankly, the Senator from Delaware could do, which has not solved the problem, is what you pointed out, and that is insist that there be a criminal finding somewhere in America. It does not solve the problem. It just makes it slightly harder to deal with what is a punitive action, not a regulatory action than it otherwise would have been.

But the Senator is absolutely correct. It arguably has the effect of nationalizing the lowest common denominator—or the highest, however you view it—standard of obscenity, by in fact applying the standard of obscenity in southern Delaware to San Francisco or to New York, or applying the standard in Utah to New Orleans. I do not mean in any way to cast aspersions or credit, but there are different standards around the country.

I do think it is a problem and I think there is a real question whether or not it would be upheld in court when challenged. But we got to where we were because the attempt to deal with it was not, from this Senator's perspective, fully successfully; nor, I suspect was it fully successful from Senator THURMOND's position, because he would rather have not modified the provision at all.

Mr. SPECTER. Given the fact that there are criminal provisions, I take it, Senator BIDEN, the criminal provisions still remain in the statute, criminal sanctions which have been in initially?

Mr. BIDEN. That is correct.

Mr. SPECTER. The question that arises in this Senator's mind is why have the civil fine?

Mr. BIDEN. I say to my colleague, I think that question will be much better answered by the Senator from South Carolina because neither this Senator nor the Justice Department, to the best of my knowledge, thought it necessary. But the Senator from South Carolina, representing himself and others, felt very strongly about the issue, and it could not be resolved by way of a compromise.

Mr. SPECTER. There are fines provided under the criminal statute.

Mr. BIDEN. Correct.

Mr. SPECTER. They could aggregate very easily more than $10,000, so if you are looking for a fine, it is present. And the reality may be that in practical litigation, if you have enough evidence to satisfy the civil fine, with preponderance of the evidence, you most probably have it for the criminal statute—and from a legislative point of view the question exists in the context of where we are, why invite an additional problem?

Mr. BIDEN. Again, the argument against the position taken by the Senator from Pennsylvania and the Senator from Delaware is that they were not willing to yield on the easier standard of proof, preponderance as opposed to beyond a reasonable doubt. That was the rationale offered. I think it creates difficulty and trouble rather than solve the problem. But I am attempting to respond to the question of the Senator as best my recollection serves me.

Mr. SPECTER. Another matter that concerns me as we start to go through these constitutional issues is how the statute will be viewed on appeal. It may well be that the severability clause will save the statute. But where we have these very important provisions relating to the protection of children, we could lose them if you have so much of the statute which is viewed as unconstitutional.

It is one thing if you have 20 sections of a bill, 20 sections of an act, and you have one which is unconstitutional, it may be severed.

Where you have the substance of the woof and weave of the bill, with all of these constitutional problems, perhaps being viewed as unconstitutional by the Supreme Court, as to whether the entire statute is not going to fall, which would eliminate the very important provisions as they relate to children.

There is this civil forfeiture provision, which is, again, a complex one. I speak about it on the basis of information received without having had an opportunity to review the text. I do not know that this has even been reduced to writing.

But as represented to me, there is an in rem proceeding for forfeiture. An in rem proceeding, for those who do not know, the theory is proceeding against the object itself. Rem is the Latin word for object. And the question arises as to whether there is a right to a jury trial at all under the Federal Constitution, on the in rem proceeding, because it is against a thing as opposed to litigation against a person. And it will not surprise anyone to know that I have not had a chance to research the issue in the intervening minutes and hours, and I do not know what case law there is on the subject. But as a matter of legal judgment, I believe that there is a right to a jury trial because, if you take away a thing, a "rem," if you take it away from a person and it is property, and you cannot deny someone property without due process of law, there would be the rights to a jury trial.

Then, as the standards have been written here, again, there is the standard that the forfeiture would be applicable only if there was a previous adjudication that the material was obscene in another criminal trial. But there is no opportuity on this matter to have a jury trial in the other locale. So there would have had to have been a previous determination of obscenity in the criminal prosecution—again on the example in Utah, this time if the defendant is in Pennsylvania, the "rem" is in Pennsylvania and the owner is in Pennsylvania, there is no opportunity for a jury trial in Pennsylvania to see if the standard is satisfied if there is a determination of obscenity in accordance with contemporary community standards in Pennsylvania.

Then, Mr. President, you have the juxtaposition of civil proceeding for a $10,000 fine with a civil forfeiture proceeding where they are inconsistent, where there is no common thread which runs between them as a matter of statutory interpretation which is another problem which we have here.

Mr. President, these are three matters which I think warrant some analysis and some consideration. It would be the hope of this Senator that we might have some revisions of the proposal in its present form. If that is not possible, then I think it is important that we focus on these issues, that they may be taken up in conference and these problems may be eliminated.

I say that in the context, again, of congratulating the distinguished Senator from South Carolina, our former chairman of the committee who has been such a leader in this field and also in line with my concerns, and the legislation which this Senator has introduced. There are enormously important provisions here which relate to the protection of children. In order to be sure that the children are protected and that the entire statute is not invalidated and to protect the constitutional rights of others on these provisions, it would be my hope that we might improve the bill before a vote is taken.

Mr. BIDEN. Mr. President, will the Senator yield?

Mr. SPECTER. I yield.

The PRESIDING OFFICER (Mr. LEAHY). The Senator from Delaware.

Mr. BIDEN. Mr. President, I believe that the Senator has outlined three potential questions that remain in the bill in this Senator's judgment. And I believe the safest course of action would have been to remedy them prior to passage of this legislation.

As the Senator knows, it takes two to remedy in this body. The Senator from South Carolina negotiated in good faith throughout in this matter, but he and his advisers have concluded that there are not constitutional impediments. I believe that the first two that you mentioned are constitutional impediments and the third one may be. I do not know. My staff and I are looking into the third question; that is whether there is a right to a jury trial in an *in rem* proceeding. I do not know the answer to that question. I do not think there is any case law on all fours that would answer that for us.

But it is still a question. But the first two that you raised I think are fairly clear and I think we would be strengthening the bill by dealing with all three of the provisions the Senator has raised. But as I said in a statement I inserted, that may have to come at a later date in this process. The process is not over. We still have to pass it here and go to conference—pass it in the House and go to conference if there are any differences. But I wish I could give the Senator more comfort as to the constitutionality of the issues he raised. I cannot.

Possibly the Senator from South Carolina, or possibly the Senator from Utah, a distinguished lawyer himself, might wish to comment on the three points the Senator has raised. On balance, notwithstanding these provisions, I think this is a strong bill, but it could be made stronger by dealing with the three issues the Senator raised.

Mr. SPECTER. There are these three issues, Mr. President, which I have specified. I am concerned about other provisions which will have to await a careful analysis.

Mr. BIDEN. If the Senator will yield for a moment, I want to be clear. There are other issues. We all would write this bill slightly differently if we were left to our own devices. I would make other changes in the bill.

My point was, to the best of this Senator's knowledge, the only three potential constitutional issues—constitutional issues—that remain in this legislation are the three the Senator raised.

There are other issues that deal with the question of equity, the severity of the penalties, and the ways in which the penalties are enforced, but they do not, to this Senator's knowledge, have a constitutional dimension to them.

My only point was that the Senator has raised the three difficult constitutional issues that remain in the legislation.

Mr. SPECTER. Mr. President, there is another issue which is of concern to this Senator and that is the provisions which relate to the term "indecent," which is different from the term "obscene" as relates to the dial-a-porn matter. We passed legislation fairly recently dealing with dial-a-porn. There has been a challenge on constitutional grounds.

Earlier today, I had an opportunity to get an unpublished opinion in the case of Sable Communications of California versus the Federal Communications Commission, a case decided just a little more than 2 months ago, July 19, 1988, by the U.S. District Court of the Central District of California where there was a preliminary injunction issued relating to the enforcement of section 223(b) as to any communication alleged to be indecent which is a different standard than obscene.

Mr. BIDEN. If the Senator will yield on that point, I can provide an explanation, but not an answer. Quite frankly, the reason why the Senator from Delaware did not argue the point as related to dial-a-porn was that we have already passed dial-a-porn legislation out of here that has "indecent" as the operative word and, quite frankly, if it is unconstitutional, it will be declared unconstitutional. It is in the statute already.

Essentially, the dial-a-porn provision was, to use the slang, a done deal. We had already passed that.

The Senator from Delaware raised this issue in the context of another provision of the bill, cable television, where as originally drafted we used the word "indecent." We compromised and eliminated the word "indecent" and added in its place "not otherwise protected by the Constitution".

In a sense, in one case, the horse is out of the barn. In the other case, it will be cutting a new furrow. I proposed dealing with the latter and not the former as a means of compromise.

Mr. SPECTER. I understand why the Senator handled it that way, and I do not find fault with it except to say we are really buying a new farm today and I am concerned about what we have learned since we passed the dial-a-porn law. That amendment was added on without very extensive consideration.

People may not understand that amendments can be offered at any time; they come up without notice; without being printed in the RECORD. Frequently, we are called upon to vote having just a few minutes' notice, sometimes coming in here with a minute or two left to vote trying to understand a complex issue.

Since we passed the dial-a-porn matter, there have been interpretations by the courts on the subject. There have been a number of them. We now have the benefit of this judgment with the Federal court which bears on what "indecent" means. I have a concern about adding on to that legislative history without rethinking and perhaps correcting what we had done in the past.

On the dial-a-porn subject, I think it appropriate to add that it is a horrendous practice which is widespread in this country. I might briefly share with my colleagues the experience I had. My wife called up one day and said—I was in Philadelphia at the time—"They are passing out numbers to call dial-a-porn." I said, "What did it say?" She said, "I am not going to call that number." I said, "I will."

I called the number and was just really astonished with what came over the telephone. I used my Government WATS line, and we had to pay for it. I was really amazed at what was going on and held some hearings around the State, one in Scranton and one in Lancaster, and played a recording of dial-a-porn. Everybody was mortified in the hearing room, but I thought it important the people really know what was going on.

When we use the term "Dial-a-Porn," it does not mean very much as we stand here, but it is more than lewd, it is more than lascivious, it is more than indecent, as hard as those words are to define. Really sordid. If somebody chose to hear it and they are adults, the courts have already ruled so be it.

So, we are dealing with really very objectionable subject matter as it relates to children. We really ought to deal with it. But I am concerned that if we continue with the word "indecent" here, we are just inviting a constitutional challenge which is virtually certain to be upheld based upon some of the decisions which have already come down. I have not had a chance to read the second circuit decision yet today.

Mr. BIDEN. If the Senator will yield, I was unaware that a decision had come out at this point dealing with or interpreting the word "indecent" and making judgment on it. I must acknowledge, I am unaware of it.

Mr. SPECTER. It is a complex question. There are a lot of involved constitutional issues. It is hard for us to keep track of all the cases that come down. That is another term which is present in this legislation which is of concern to this Senator.

I share the judgment that the distinguished chairman has made that on balance this bill is better, notwithstanding its infirmities and moving the legislative process along. We do have the opportunity to correct these items. I raised only a few that have come to my attention at this moment. I reserve the right, not that I have to reserve the right, to raise more later as we have a chance to study it further. We are all going to do that, but to the extent we can improve the legislation today, I think it is important to do so.

I thank the Senator from Delaware for the discussion. I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I want to say that this bill provides that obscene material on Federal lands is not constitutionally protected. The Stanley versus Georgia case, that is the one I believe the Senator referred to, only protected the presence of obscene material in the home. I want to make that point clear. Stanley versus Georgia only protected the presence of obscene material in the home.

So I would disagree with the analysis of the Stanley case by the Senator from Pennsylvania.

I know of no constitutional protection for possession of obscenity outside the home.

I want to say as to the civil fines under this bill, before a civil fine can be imposed, an individual has a right to a jury trial. Also, there must be a prior conviction before a civil action can be brought. We put civil fines in because the scope of civil forfeiture was limited to only the obscene material and the gross profits. The entire business could not be forfeited. Fines could be imposed instead.

I want to say further, it is clear under the Supreme Court case, Miller versus California, that obscenity may be banned.

Mr. President, that is what we are trying to do. We are trying to ban obscenity. If you want to protect the children of this country, you have to take a stand. You talk about it may be unconstitutional. To everything we pass, somebody alleges unconstitutionality. It is all right to allege it. You have your opinion. Other people have their opinion. The judges are the final arbiters.

We feel as does the Justice Department, it is constitutional. They went along with this bill. We have gone into it carefully. We have considered every angle of it. I met with Senator BIDEN and he has agreed to this bill. There are some differences we had and we have yielded in most cases to him.

Mr. BIDEN. Will the Senator yield for just a second?

Mr. THURMOND. I am pleased to yield.

Mr. BIDEN. I want to make it clear that we did compromise.

Mr. THURMOND. That is correct.

Mr. BIDEN. I have fully concurred. I was answering the Senator's questions about what my main concerns were and they are my remaining concerns as I expressed them, but they in no way indicate that I am not committed to this compromise and to the passage of the bill.

Mr. THURMOND. And I understand the Senator is going to support this bill.

Mr. BIDEN. That is exactly right.

Mr. THURMOND. I thank the Senator.

Mr. BIDEN. I speak for the bill as it is, but in response to the questions raised, I was expressing my concerns.

Mr. THURMOND. The Senator is a man of good judgment.

Mr. President, in conclusion, something has to be done about these people who take little girls and strip them nude and take films and pictures of them. Something has to be done about these people who produce filthy, dirty material that you do not want your children to see.

We have put it off long enough. The present laws are not adequate and therefore we feel we have to take more strenuous action. That is the purpose of this bill. If the Supreme Court finds any provision unconstitutional, we must abide by any decision. However, I hope they will not find the bill unconstitutional. The Justice Department feels this bill is necessary. I feel it is necessary. I believe the Senate will feel it is necessary. I hope the benefit to the children of this country.

Mr. SPECTER. Mr. President, I agree with the distinguished Senator from South Carolina completely when he asserts the importance of protecting the children of this country, and nobody in the course of the past four Congresses, in the past 8 years, has worked harder on this subject than has this Senator, especially in my capacity as chairman of the Juvenile Justice Subcommittee for some 6 years. But my concern arises not on provisions which relate to protecting children. My concern involves those provisions which are unrelated to the protection of children, provisions which may have exactly the opposite effect on this bill and that is leading to this statute being declared unconstitutional and invalidating important provisions which are designed to protect children.

The issue is raised about the provision with respect to all Federal lands, which is extremely broad. It covers any possession of a book which may be deemed obscene by an adult in the Virgin Islands, any military base, national park, except where it is in someone's home. The reason that "home" was specifically excepted was because of a decision by the Supreme Court of the United States in Stanley versus Georgia which was decided, Mr. President, without dissent. Every one of the Supreme Court Justices agreed with that decision, including the broad spectrum of those who may have been in the center and those who may have been liberal and those who may have been conservative. The Court's reasoning in this decision is set forth on page 394 of United States Reports, page 565,

> These are the rights that appellant is asserting in the case before us. He is asserting the right to read or observe what he pleases, the right to satisfy his intellectual and emotional needs in the privacy of his own home.

Now, that rationale is applicable in somebody's car, if he is taking a walk outside of his home, if he is in somebody else's home. It does not involve children. Why jeopardize this important bill on this kind of a provision.

On the other matters, we are talking about burden of proof, jury trial, in rem proceedings, and you are talking about the language of indecency, all of which have enormous problems.

Why jeopardize this bill, which is so important for the young people of America? These are not in any way related to the protection of children, let that be unmistakable, and that is why this Senator raises the concerns.

I have already complimented my distinguished colleague from South Carolina, and I have already said I intend to vote for this matter because, on balance, it is preferable than not having the bill. But we would strengthen the bill enormously if we would address these issues which would not weaken the bill on substance and what we intend to achieve in the protection of the children and in fact would strengthen that important effort.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I have paid intensive attention to this debate. I am personally pleased that this legislation is going to pass today. I feel particularly bad that it has been brought up on the parental leave bill because I felt that this legislation should stand in and of itself and should have been brought up as a freestanding bill so everybody could vote on it and send it to the House and have everybody vote on it over there. I think the reason it was not brought up as a freestanding bill is because this is the only way that the distinguished Senator from South Carolina could get the bill to the floor, because there were holds on it in our committee. Frankly, we tried everything we could to have the committee consider it and, of course, it was held there.

So I personally apologize that it has to be brought up on this particular bill. Nevertheless, it is so important that it has to be brought up and it has to be voted upon, and I believe it will pass today. It ought to pass immediately by acclamation. Of my reluctant colleagues I ask, whose side are we on? Child pornography is nothing less than the rape of real children for the gratification of dangerous deviates. No one in this Chamber can deny its horrifying effects. Innocent children are abused and molested to create child porn and innocent children are abused and molested as a result of child porn. Meanwhile, the profits mount for big business in this country, and it is controlled to a large degree by the Mafia.

Whose side are we on? The viewing of hardcore porn incites the limitation of hardcore porn. No one in this Chamber can deny that. John Rabun, the Deputy Director of the National Center for Missing and Exploited Children, reports that a study in Louisville, KY, showed that out of 1,400 child exploitation cases reported between July 1980 and February 1984, adult pornography was found in exactly 1,400 cases—not in half of the cases, not in three-quarters of the cases, not in nine-tenths, but in every single case. And child pornography was also found in a significant number of other instances as well.

Are we to dismiss such statistics as mere coincidence? I hope not.

Lives are at stake. Child pornography and obscenity too often serve as how-to manuals for sexual and violent crimes. Police officials have reported that 77 percent of the molesters of young boys and 87 percent of the molesters of young girls admitted imitating sexual behavior they had seen in pornographic literature and movies. For every profit-hungry producer there are countless victims.

Exploitation and violence spread outwardly as naturally and inevitably as waves from a rock dropped in a pond. Dr. Abel and his colleagues reported in a 1986 study that homosexual child molesters average 30.6 child victims before being caught—30.6 for each one of the homosexual child molesters. Heterosexual molesters average almost double that—60.4 victims for every one of them.

Catching the abuser unfortunately does not halt the abuse; child molesters will, on the average, sexually abuse 380 children in their lifetime whether they are heterosexual or homosexual. If statistics hold true, many of the 380 abused children will in turn become abusers of another 380 children. And on it goes. Do we want to break this cycle, or do we not? Whose side are we on?

Fighting for the smut-lords are the best hired guns money can buy, who formulate elegant and sophisticated legal arguments, but ignore the plight of the victims. They warn of burdensome paperwork and chilling effects. Enacting this amendment will not chill protected speech. But failing to enact this amendment will most certainly chill something else: the small bodies of young victims. Forgive me for speaking so bluntly, but I am not indulging in hyberbole; I mean that literally. Several leading "male entertainment" magazines not only depict sexual perversions, but justify and glorify sexual violence, including rape, torture, and even murder. Talk about a chilling effect.

I am chilled by innocent suffering. I am chilled by Arthur Gary Bishop's words, written in an open letter from prison: "I am a homosexual pedophile convicted of murder, and pornography was a determining factor in my downfall."

This young man killed a number of young boys, and he attributes much of what he did to the pornography that affected his life and affected his mind.

I am chilled by the prospect of giving free rein to producers of the sort of material he imitated in his molestation of young boys—virtual how—to manuals for child abuse, molestation, exploitation, rape, torture, and even—as the industry jargon so quaintly phrases it—"snuffing."

Plenty of people speak for the publishers, the producers, the profiteers. But who is going to speak for the families who will suffer the rest of their lives because of Arthur Gary Bishop? Who is going to speak for the families of those young victims? Who is going to speak for future victims? Who will speak for the runaways, the outcasts, the orphans, the abandoned ones, and the children from good homes who are seduced or deceived into participation? Whose side are we on in these matters?

It seems to me this is important stuff.

I acknowledge, of course, that the Constitution cannot protect our liberties without also protecting the liberties of those whose values we may consider repugnant. No matter how offensive I personally found a particular kind of protected speech, I would never support unconstitutional legislation to proscribe it. But I hasten to remind my colleagues that obscenity is not constitutionally protected speech. We have case after case stating that. Child pornography, even if not legally obscene, is also outside the bounds of expression protected by the first amendment. The Child Pornography and Obscenity Enforcement Act does not penalize protected speech. But it does appropriately penalize those who exploit the innocent for their own profit.

Again I ask my good colleagues, Whose side are we on? I urge prompt passage of this important and reasonable legislation.

Mr. President, it is critical to note that those who would oppose the obscenity portions of this legislation disagree with the decades-old Supreme Court holding that obscene material is not protected by the first amendment.

Specifically, during their testimony during congressional hearings on this legislation, the ACLU has reiterated its position that obscenity should not be viewed as an exception to the protections of the first amendment. In short, they hold a position that is contrary to the holdings of the Supreme Court of the United States.

In the leading case of *Miller* v. *California*, 413 U.S. 15, reh. den., 414 U.S. 881 (1973), the Court reaffirmed its holding that obscene material is not protected by the first amendment, and it set out a new test for determining obscenity.

Writing for the majority in the Miller case, Chief Justice Burger, outlined the test as follows:

> The basic guidelines for the trier of fact must be: (A) whether "the average person, applying contemporary community standards" would find that the work, taken as a whole, appeals to the prurient interest . . . ; (b) whether the work depicts or describes, in a patently offensive way, sexual conduct specifically defined by the applicable state law; and (c) whether the work, taken as a whole, lacks serious literary, artistic, political, or scientific value. . . . If a state law that regulates obscene material is thus limited, as written or construed, the First Amendment values applicable to the States through the Fourteenth Amendment are adequately protected by the ultimate power of appellate courts to conduct an independent review of constitutional claims when necessary. Id. at 23-25.

It is significant that the Supreme Court in Miller not only reaffirmed the 1957 holding of *Roth* v. *United States*, 354 U.S. 476 (1957) that "obscenity is not within the area of constitutionally protected speech or press," but it also abandoned the *Memoirs* v. *Massachusetts*, 383 U.S. 413 (1966), test which, required that an allegedly obscene work be found to be "utterly without redeeming social value."

The constitutional question has been muddled with respect to the civil forfeiture section of the legislation. Opponents of this section attempt to argue that while the criminal forfeiture section passes constitutional muster, that the civil forfeiture section is suspect. In fact, my colleagues who espouse this view are mistaken. Whether or not the accused is being tried under the civil or criminal forfeiture section of the bill, the Miller test outlined above will apply. In either the civil or the criminal case, whether the pictures or written matter involved in the case constitutes obscenity under the Miller test is a fact to be determined by the jury, a finding that is separate from whether the accused violated the civil or criminal law using the appropriate standard.

In other words, whether the material involved in the case is obscenity is a factual question for the jury. Then, the jury must decide whether the defendant is guilty of the crime beyond a reasonable doubt in the criminal context or that there is a preponderance of the evidence that he violated the civil statute. In short, the first amendment question will be asked in the same way regardless of whether a criminal or civil penalty is sought.

Of course, apart from the constitutional question, opponents may question whether, as a policy matter, it is appropriate to provide significant civil penalties for this sort of crime. That is a different question. As to that concern, proponents of the bill can point to equally strong civil penalties imposed with respect to other egregious activity, such as in drug trafficking and organized crime. Frankly, child porn and obscenity are serious problems in this country and it is appropriate for the penalties, civil as well as criminal, to be strong and effective.

Constitutionally this bill is a good bill, and I believe it will pass muster.

As I understand it, the agreement that has been worked out with the distinguished ranking member of the Judiciary Committee, Senator THURMOND, and the distinguished chairman, Senator BIDEN, basically modifies the language to include only those who distributes for profit. I would prefer it to be broader than that. I would prefer it to be broader than that, and I am disappointed that we are modifying it that way.

Under section 202, when an obscene offense has occurred the bill provides for criminal forfeiture of first, any obscene material; second, any property traceable as profits from the crime; and third, any property used in the commission of the crime.

In other words, they could seize everything in the store under this provision.

This bill also provides for civil forfeiture of first, any obscene material; and second, any property constituting traceable profits from the violation of the obscenity laws.

That means that they cannot seize constitutionally protected materials when the conviction is not obtained.

The bill also provides for civil penalties of $10,000 for the first offense and $50,000 for the second offense. This section would be modified to require prior criminal findings somewhere in the United States before civil forfeiture and penalties could be applied.

Again, I would prefer not to make this modification.

Section 103 requires producers of any visual depiction of actual sexually explicit conduct which is shipped or produced from materials that have traveled in interstate commerce to maintain records pertaining to the identity and age of every performer in visual depiction. This requirement applies to all materials produced within 25 years prior to and following the enactment of this legislation.

That would be modified to 10 years. I would prefer the 25 years.

So I have to say that I am not real happy with the modification, but I will support it as an appropriate compromise in order to bring more people on board. But again it points out the difficulties that we have had in getting this bill even to come through committee.

Our side wanted the bill brought up, we wanted to debate it. It would have been better to have debated it in committee. It would have been better to hassle these things out there than to just have a final modification in the last throes of presenting it here on the floor.

But we have no choice. The only way we could possibly get this bill out of committee because of the holds that were placed upon it in committee, the only way it possibly could have happened was for us to bring it to the floor in the form of an amendment in this case to this bill.

The Senator from South Carolina wanted to amend the Minimum Wage Act but he was forbidden and foreclosed from doing that by the way the parliamentary tree was locked up.

So this is the first time he could bring it to the floor. It is the only way he could bring it to the floor; otherwise it would be still languishing in the Judiciary Committee, and I ask all of my colleagues to take that into consideration when the issue comes up as to why we are bringing it to the floor in this way. It is the only way we could get it to the floor. Like I say, there were holds on it, and there were people who did not want it to come up.

That aside, it is on the floor and I believe it will pass today. I want everything in this body to know that I believe it is constitutionally sound and although the modification bill is not as strong as the original bill, and the original bill was constitutional, I will support the modifications in the interest of resolving this matter and hopefully getting a unanimous vote on this particular bill.

The point I am making is if we do have a unanimous vote on this bill, as clear cut as it is and as clear cut as this problem really is in this society today, with the difficulties to our children and the increasing growth of the filth industry in this country, then I think those who vote against this ought to do so at their own peril. I do not care who they are. I think it is time for the U.S. Senate to set the standard in this area the way it should be set, for us to send up and do what we should do. And I hope that everybody in this body recognizes this filth problem, this terrible problem in America that literally is causing heartache and problems all over our country, and vote accordingly for this bill.

Finally, I would like to just praise the distinguished Senator from South Carolina for his work on this bill. He deserves an awful lot of praise for the years and years and years that he has worked for decent legislation in this body. He is truly one of the greatest people in this country, and I admire him for forcing this issue on the floor at this time and I admire him for so many other things as well.

I hope that when the vote is cast that I will admire every one of my colleagues for the votes that they cast because this is a bill that deserves the support of everybody. It has been watered down somewhat, but it still will be effective and more effective than current law. I think we better support it. I hope everybody will. I will do everything in my power to see that it not only passes through this body but through the other body as well and becomes signed into law as one of the great steps toward resolving some of the serious and significant problems that have been debilitating our society.

With that I yield the floor.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. Mr. President, let me commend the distinguished Senator from Utah for the statement he has just made because certainly while he was free in making his commendations of the distinguished Senator from South Carolina for bringing this bill to the floor and those commendations were deserved, I think it is also fair to say that there is no one who has fought harder and more diligently in the years that he has been in the Senate than has the distinguished Senator from Utah in trying to maintain some air of decency in the public materials that are available in the public, and I am honored to be following the distinguished Senator from Utah in speaking on this matter on the floor.

Mr. President, I rise in support of the amendment offered by Senator THURMOND dealing with child pornography.

Let us turn the discussion for a moment away from the legal technicalities and look for a moment at what it is we are trying to do here. That is to protect the children of this country. I think it is particularly fitting that the distinguished Senator from South Carolina who has certainly been diligent in his efforts in the Judiciary Committee in a whole range of such subjects should also be the author and the mover of legislation to protect young children. As a father of young children, he certainly knows exactly what kind of threats they face today in our society and I suspect if the answer were simply a strong family and strong parental guidance, he would not have to worry about his own children, but he recognizes that in our society today that our children are subject to forces outside of our home and that our homes and parents alone cannot cope with all those forces in every instance.

Each day the violent abuse of men, women, and children continues to escalate. The degrading humiliation of pornography involves acts of bestiality, incest, homosexuality and even the widespread abuse of children down to preschool age.

And let us not forget as we are looking at the constitutional questions that are involved and legitimately involved here that the overriding concern is the protection of young people, young children who are at vulnerable stages in their life and incapable of making judgments on their own at that stage in their life.

Films featuring the sexual abuse of children are rampant in current commercial and privately traded materials. A 5-year Justice Department study of rapists revealed that 57 percent of the sex offenders directly admitted using pornography to initiate their crimes against children. Approximately 600,000 juvenile prostitutes are on the streets of America, a large portion of which are involved in pornography. Sex rings of pedophiles are operating in every major city across the country. Many of our missing children are suspected by the authorities of having been abducted for sexual purposes. Actual pictures of small children are transmitted via computer along with their telephone numbers and addresses.

Mr. President, those are the facts that we must deal with in our society today. In order to avoid this dialog on the floor today simply centering on the legal technicalities that are involved, let us look for a moment at some of the actual cases.

I think my colleagues should hear just a few excerpts from testimony presented before the Attorney General's Commission on Pornography several years ago. The passages I'm about to relate and are certainly not—and I repeat, they are not—the most graphic ones. Indeed, they are mild compared to some of the horrific testimony that was presented to the Commission. I am somewhat reluctant to recite even these, let alone the ones that are the most dramatic and most repulsive, but they will give the Senate some idea of what pornography does to people.

A woman named Bonnie related the following tale involving her second husband and her daughters by a previous marriage:

> The molestation of my daughters occurred whenever I was out of the house. It was about one month after we were married that he started physically abusing Debbie and Michelle. At that time he also started "tickling" Michelle on or near her genitals. To Debbie he would make crude remarks about her body parts. The molestation of the girls occurred in the bathroom, bedroom, or car normally, but Paul was bold enough to molest them in church. I feel that the bathroom molestation can be linked to some of the child pornography that Paul possessed which depicted young nude females in bathtubs in sexually provocative poses. My daughters told me that Paul asked them if they wanted to pose like the girls in the magazines and to be photographed. Also the girls told me that Paul sometimes played a game with them in which their feet were tied up tightly with a rope.
>
> Paul was obsessed with pornography and violence. His magazines ranged from the kinky, violent pornography to the child pornography that was periodically shown to my daughters.

To think that some people in this body and perhaps even on the Judiciary Committee could ignore that kind of testimony and obstruct the passage of the bill really does stretch my imagination as to what could be in their minds that leads them to raise issues and questions to block the passage of legislation rather than deal with the problem such as dramatically expressed by this woman named Bonnie.

William Dworin, a policeman from Los Angeles related this testimony about the activities of a local pedophile:

> Once the children began visting Duncan in his residence, Duncan had magazines available for them, magazines such as Nudist Angels, Nudist Moppets * * *. This material was not forced upon the child, but was just laid out for the children to pick up at their own leisure. The pedophile realizes that children are curious. They will see something that catches their eye; they will look at it. This is what the children did.
>
> These magazines depict children in the act of sexual molestation, oral copulation, sexual intercourse, sodomy, fondling, masturbation.
>
> The primary use of child pornography is to lower the inhibitions of the child, to show the children that other children are engaging in this type of activity, that it's a normal practice, that children should be photographed this way, that there is nothing wrong with it.

Still there can be people who obstruct the passage of this legislation to prevent it from emerging from the Judiciary Committee.

Andrea Dworkin testified:

> Pornography is a civil rights issue for women, because pornography sexualizes an inequality, because it turns women into subhuman creatures. Pornography is a civil rights issue for women because it is a systematic exploitation of a group of people because of a condition of birth. Pornography creates bigotry, hostility, and aggressions towards all women, targets all women, without exception.

In spite of testimony such as this, the distinguished Senator from South Carolina was unable to get this legislation considered in the Judiciary Committee.

It makes absolutely no sense to me to have people say that pornography does not affect people's behavior. It makes perfect sense to me that pornography does affect people's behavior, as this testimony illustrates. It is disgusting and no one should oppose attempts to tighten up on the scum who traffic in this area. Because, Mr. President, that is what they are—scum.

I know that a great many people in this country try to balance, and carefully balance—and we should try to balance—individual rights guaranteed under the Constitution against the antisocial behavior of individuals who claim the right on the basis of individual freedom and individual expression to take part in acts of this nature.

Mr. President, I think thinking men and women in this country realize that there is a danger that society can indeed impose their will upon individuals and destroy the freedom of an individual, but what freedom is it that we are talking about here? The freedom to purvey pornography; the freedom to use pornography in the way that has been testified to before the Commission repeatedly; the freedom to use the most base instincts of human beings to pervert young children into practices that are abnormal and harmful to that child and to the society in which that child lives?

I hope not. I hope that we realize, as we struggle always to balance rights, that we never forget the obligation that our society has to protect society and to protect the most vulnerable people in our society—the young people who are still forming their attitudes about life and their practices within life.

Mr. President, like the Senator from Utah, I am sorry that it was necessary for the Senator from South Carolina to soften some of the provisions in order to get broader support. I commend the Senator from South Carolina for having taken the initiative once again in this body to force an issue which was being obstructed by a few in the Judiciary Committee and to bring it to the floor in this manner, the only way in which he could bring it to the floor, for consideration on the floor.

Mr. President, Senator THURMOND has taken a commonsense approach to this awful problem. I urge every one of my colleagues to vote in favor of it.

Mr. President, I yield the floor.

Mr. THURMOND. Mr. President, I wish to express my appreciation to the able Senator from Idaho for his kind remarks and commend him for his excellent statement.

Mr. HOLLINGS. Mr. President, the prompt enactment and aggressive implementation of the Child Pornography and Obscenity Enforcement Act is a matter of utmost national importance. It is a matter of simple decency.

This bill puts teeth into existing law by shutting down legal loopholes that allow child pornographers to ply their trade; outlawing the buying or selling of children for purposes of producing pornography; simplifying the prosecution of interstate pornography syndicates; and significantly toughening the penalties that can be imposed on convicted traffickers.

Mr. President, the constitutional objections that have been raised do not stand the tests of common sense, common decency or simple justice. It is grotesque and misguided to characterize child pornography as a so-called victimless crime or harmless activity. Child pornography victimizes the children who are exploited to produce it; it corrupts and degrades the people who consume it; and it enriches the criminal elements who produce and market it. On each score, our society is harmed and poisoned. This form of pornography is repugnant, reprehensible and immoral. It must be stopped. We have stood by passively for too long.

Mr. President, I am proud to cosponsor the Child Pornography and Obscenity Enforcement Act, and I commend my senior colleague from South Carolina, Senator THURMOND, for his leadership role in bringing this issue before the Senate. I urge all Senators to vote for this long overdue bill.

Mr. HEINZ. Mr. President, I rise today in strong support of the child protection and obscenity enforcement amendment.

All across Pennsylvania people are angry over the extent to which pornography has permeated American society. What most concerns them is the sexual exploitation of our children.

Parents have little means with which to police their telephones. I have received a large volume of mail, in the thousands, regarding pornography, especially dial-a-porn, from concerned citizens. Marilyn Habel of North Versailles wrote, "Please pass this legislation and help stop the exploitation of children in our society." R.J. Miller of Elkins Park wrote, "I urge you to support legislation prohibiting commercial indecent and obscene phone messages. This 'service' is a violation of my home; a violation over which I have no control. Annette Steele of Shippenville wrote, "please do all you can to see that this bill is brought to a vote very soon."

Mr. President, that time is now.

Children do not have to participate in pornography to be exposed to its harmful physical and psychological effects. Business cards are left on automobile windshields across the country advertising dial-a-porn numbers. Unsolicited sexually explicit mail is being mailed to homes, advertising dial-a-porn numbers and pornographic merchandise. Carrol Ballard of Swarthmore has written me expressing her deep concern over this:

> I certainly don't dispute people's right to have pornography or join the Nazi party or any number of obnoxious activities. I just don't want pornographers randomly soliciting my support or business in my home. Pornography is an incendiary topic with me and it is hard to separate my emotions from the issue and cull out the real infractions of my right to privacy.

The receipt of unsolicited, sexually explicit mail must be stopped. Karen Anne Capie of Bensalem wrote, "As the mother of two young children, I find this form of unsolicited adult material very offensive. Who is going to see to it that only 18-year-olds will read the mail before their parents come in from work?"

The ministers of many communities like McDonald, Midway, Hickory, and Cecil, like hundreds of others, have written to express their concerns over this issue. They wrote,

> We are extremely outraged and concerned over the implications associated with the distribution of sexually oriented materials to the families of our communities. The very labeling of the envelopes themselves, "For Adults Only" seem more like an enticement to younger children than a warning or precaution.

Mr. President, there are Federal statutory provisions which authorize people who do not wish to receive pandering advertisements through the mail to request that such mailings be stopped from being delivered to their homes. The problem with this is twofold: first, too few are aware of this service, and; second, one must first receive the unwanted mail in order for the post office to know which company it should issue a prohibitive order.

What we must do is stop this mail at its source. By abolishing Dial-a-Porn, there will be no "service" to pander. By strengthening current obscenity laws, there will be no material to advertise.

That is what the Child Protection and Obscenity Enforcement Act would do. This bill would strengthen existing laws, and ensure that the criminals who abuse and victimize children and spread pornography in our communities can be brought to justice.

This amendment is a comprehensive legislative package which strengthens existing Federal laws dealing with obscenity. Under this bill, child pornography would be made an offense under RICO, the Racketeer Influenced Corrupt Organization Act. Among other things, this proposed new law would increase the ability of the Justice Department to attack the interstate traffic of pornography and obscenity. Our legislation also takes into account new technologies by, for example, banning the use of computers to advertise, distribute, or receive child pornography and other obscene material.

The bill would make it a Federal offense to establish the receipt or possession of obscene material. The bill also contains forfeiture provisions which have demonstrated success in the drug and racketeer enforcement areas. Under this legislation, the Government will be permitted to order wiretaps for felony obscenity offenses.

In the communications area, the bill deals with the Dial-a-Porn issue in an effective and constitutionally acceptable manner. Recognizing the first amendment problems in this area, S. 2033 bans the use of obscene language over the telephone while requiring indecent material be put beyond the reach of minors. Thus, the Child Protection and Enforcement Act balances free speech concerns with the public's legitimate concerns over our children's exposure to pornography via the telephone.

Mr. President, a recent Federal sting operation in Illinois uncovered a cache of 1,000 child-porn magazines. This enforcement effort, known as "Operation Borderline," is an ambitious project of the U.S. Customs Service. Borderline alone is expected to yield 100 pedophile guilty pleas or convictions.

This Federal assault on the most despicable of crimes illustrates the need for further congressional action. That is why I strongly support efforts to close loopholes in existing laws dealing with obscenity and child sexual abuse and why I strongly support the Child Protection and Obscenity Enforcement Amendment."

AMENDMENT NO. 3293 AS FURTHER MODIFIED

Mr. THURMOND. Mr. President, I send to the desk a further modification to my amendment and ask for its immedite consideration.

The PRESIDING OFFICER. Is there objection to the Senator modifying his amendment?

Mr. DODD. Mr. President, reserving the right to object.

Mr. THURMOND. I believe it has been cleared on both sides.

Mr. DODD. As I understand it, this is a modification that is needed because of a typographical error. It has been cleared by the chairman of the Judiciary Committee; is that correct?

Mr. THURMOND. My understanding is that it has been cleared by the chairman of the Judiciary Committee.

Mr. DODD. And it pertains solely to the amendment pending before the Senate?

Mr. THURMOND. That is correct.

Mr. DODD. I have no objection.

Mr. THURMOND. Mr. President, I ask unanimous consent to make a further modification to my pending amendment notwithstanding the yeas and nays have already been ordered.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

Mr. DODD. Mr. President, reserving the right to object.

The PRESIDING OFFICER. There was an original request which was made by the Senator. Does the Senator from Connecticut still reserve the right to object?

Mr. DODD. Mr. President, I reserve the right to object only because I want to make sure that Senator BIDEN has cleared this. I understood the Senator from South Caroilina saying it was his understanding that he has.

Mr. THURMOND. My staff tells me he has cleared it.

Mr. DODD. I am now informed that, in fact, he has cleared it. I apologize to my colleague from South Carolina.

The PRESIDING OFFICER. Is there objection? Without objection, the modification is so ordered as stated by the Senator from South Carolina and agreed to by the Senator from Connecticut.

The amendment No. 3293 as further modified, reads as follows:

SEC. 524. COMMUNICATIONS ACT AMENDMENT.

Section 223(b) of the Communications Act of 1934 (47 U.S.C. 223(b)) is amended to read as follows:

"(b)(1)(A) Whoever knowingly—

"(i) in the District of Columbia or in interstate or foreign communication, by means of telephone, makes (directly or by recording device) any obscene communication for commercial purposes to any person regardless of whether the maker of such communication placed the call; or

"(ii) permits any telephone facility under such person's control to be used for an activity prohibited by clause (i);

shall be fined in accordance with title 18 of the United States Code, or imprisoned not more than two years, or both.

"(2)(A) Whoever knowingly—

"(i) in the District of Columbia or in interstate or foreign communication, by means of telephone, makes (directly or by recording device) any indecent communication for commercial purposes to any person regardless of whether the maker of such communication placed the call; or

"(ii) permits any telephone facility under such person's control to be used for an activity prohibited by clause (i),

shall be fined not more than $50,000 or imprisoned not more than six months, or both.".

Mr. THURMOND. I wish to thank the able manager of the bill.

Mr. DODD. Mr. President, there is a possibility of other of our colleagues coming to the floor.

Let me, for my own purposes, suggest that, first of all, Senator THURMOND and Senator BIDEN deserve a great deal of credit for spending time yesterday to try and resolve some of the outstanding issues.

I did not take the opportunity, Mr. President, when our colleague from Delaware returned after several months of absence in this body, to express publicly how strongly this Senator felt about his return. But I think all of us can deeply appreciate the significance of his return, given his participation yesterday in the negotiations.

I am indebted to him, as I know our other colleagues are, for his immediate involvement at such an active level after coming off the illness which we are all aware of.

So I commend my colleague from Delaware. He has done an excellent job. He has hit the ground running proved once again how invaluable his services are to this body.

I am not sure, I say to the majority leader, what we would have accomplished yesterday had JOE BIDEN not been with us. So I am deeply indebted to him, as I know the leader is and others are and as Senator THURMOND I know is.

Let me also say to my colleague from South Carolina that I appreciate his willingness yesterday to meet with Senator BIDEN and staff and the Justice Department to work on modifications of his amendment.

While I am not knowledgeable in this particular area, I understand from my colleagues who were involved in those negotiations, Senator DECONCINI as well, that this amendment has been substantially improved and I have listened this afternoon to the comments of some of our colleagues raising some questions, and I have listened to my colleague from South Carolina respond. There are always questions, I guess, that come up from time to time about the constitutionality of various provisions.

But I think they have done a pretty good job here with this amendment. I intend to support it, Mr. President. It is an issue that does trouble people.

Senator SPECTER, who has been a strong ally on the issue of children in this country—and let me say that not only is he a cosponsor of the parental leave bill, the Senator from Pennsylvania, but was a cosponsor of the child care bill and he and I were the cochairs of the Senate children's caucus some 6½ years ago. The very first hearings we held were about latchkey children and the abuses of children and the issues of child pornography and what is happening to them. Obviously there are some outstanding legal questions that I am sure, as we all know here, the courts will probably raise, someone is going to challenge provisions here. But my view is, Mr. President, with the adoption of this amendment we strengthen the underlying bill. There were those who argued that this kind of a piece of legislation had no business on a parental leave bill. I can make a case that it does.

We are talking here about children who have problems in families and this amendment, while it does not relate directly to parental leave, does affect children and their families. And my hope would be that while I know there are some who have some concerns about the parental leave bill, that with the adoption of this amendment, the Thurmond amendment, that they will now see fit to support the underlying bill so we can actually do something about child pornography that the Senator from South Carolina has been so interested in for so long.

I do not know how many more amendments I have. I have a book here full of them on parental leave. I would inform my colleagues that I personally do not know of any amendments on my side.

That does not mean that there may not be amendments in the second degree if amendments were offered over here but there are no amendments pending on my side.

I have 25 or 30 that I have told may occur. I occasionally watch the television channel, I think it is channel 26; our good friends on the other side of the aisle here have a channel on television. If you tune in, you can get a list of amendments that may occur on pending legislation. So I carefully wrote down all the amendments. Yesterday when I watched my television screen on channel 26 and I have a book here that has about 25 or so. Maybe a little less, but in that range, anyway.

My hope would be with the adoption of the Thurmond amendment that we could sit down and try and resolve some of these issues and possibly get an agreement to vote on this bill. The leaders will have to discuss that.

But if we adopt the Thurmond amendment as I am confident we will and we have parental leave tied together, the House wants to deal with the parental leave policy, I think we can do a great deal on both these issues in the remaining days of Congress.

So my hope would be that that would be the case. I hope we are not going to be faced here with amendment after amendment after amendment on parental leave and run the risk of losing, in effect, the Thurmond amendment. That is the danger we face.

So, I hope we will be able to move on this other legislation but I do want to commend my colleague from South Carolina, my colleague from Delaware, and the colleague from Arizona. They did great work in improving this proposition and I am confident that the membership will support that amendment.

I also want to commend, as I said a moment ago, the distinguished Senator from Pennsylvania, Senator SPECTER. He has been a tireless worker on behalf of children in this country. As I mentioned earlier he was my cochair of the first Senate children's caucus where we examined the issues like this some 6 or 7 years ago. He brings a great knowledge base to that issue, and, of course, his legal expertise and knowledge are deeply appreciated by all the Members of this body, and the questions he raises are legitimate ones that undoubtedly will be in our courts if this legislation, the underlying bill, the parental leave bill with its amendment, is adopted.

So, Mr. President, what I would do at this point, because I am not sure there are not Members who still want to comment on this amendment—the minority leader is indicating there are none on his side. I would note the absence of a quorum and run a check on our side.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE LAUNCH OF THE DISCOVERY

Mr. DOLE. Mr. President, I send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The legislative clerk read as follows:

A resolution (S. Res. 481) relative to the launch of the *Discovery.*

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. DOLE. Mr. President, today I am pleased to join the majority leader and Senators GARN and GLENN—our own space heroes—in submitting a resolution congratulating all the men and women of the U.S. Space Program for all of their hard work preparing for tomorrow's launch of the *Discovery,* and wishing good luck and Godspeed to Commander Hauck and the rest of the *Discovery* crew.

The crew especially deserves credit for their dedication and intense training over the past several months. I understand that the shuttle and crew have undergone an unprecedented number of practices, rehearsals, and safety tests in preparation for tomorrow.

Ever since the tragic loss of the *Challenger* on January 28, 1986, our space program has been under intense scrutiny. Tomorrow will be no different. As the Nation and world watches, I feel confident that our space program will rise up to the challenge. The successful launch of the *Discovery* will be the beginning of a new era in America's exploration in space.

Mr. President, I know I can speak for all Senators in this Chamber—and indeed all Americans—in wishing our men Godspeed, good luck and a safe return home.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 481) was agreed.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 481

Whereas the eyes of the nation and world will be on Cape Canaveral tomorrow, for the launch of the Space Shuttle Discovery.

Whereas this will be the first shuttle launch since January 28, 1986.

Whereas a shuttle launch is the product of the technological prowess of the nation, and reflects the spirit and courage of the crew.

Whereas the Discovery crew has undergone rigorous and intensive training and rehearsals in preparation for tomorrow's launch.

Whereas all Americans look forward to the safe return of the Discovery and its crew upon completion of their mission.

Resolved, that the Senate of the United States:

Congratulates the men and women of the U.S. space program, for their diligent efforts to plan and implement this launch, with maximum regard for the safety of the crew and the scientific and technical goals of the mission and the space program.

Offer best wishes and Godspeed to the crew fo the Discovery:

Captain Frederick H. Hauck, Commander.

Colonel Richard O. Covey, Pilot.

Lieutenant Colonel John M. Lounge, Mission Specialist.

George D. Nelson, Mission Specialist.

Lieutenant Colonel David C. Hilmers, Mission Specialist.

Mr. DOLE. Mr. President, the record will reflect that this is a leadership resolution, sponsored by Senator BYRD and myself, along with Senator GLENN and Senator GARN, two of our own space heroes who serve in the Senate, and Senator HOLLINGS.

Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PARENTAL AND TEMPORARY MEDICAL LEAVE

The Senate continued with the consideration of the bill.

Mr. BYRD. Mr. President, I expect the Senate to vote soon. I am waiting on the manager on this side. I expect the Senate to vote soon on the amendment by Mr. THURMOND.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNITED STATES GRAIN STANDARDS ACT AMENDMENTS OF 1988

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar Order No. 871, the Federal Grain Inspection Service user fees bill.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2337) to amend the United States Grain Standards Act to extend through September 30, 1993, the authority contained in section 155 of the Omnibus Reconciliation Act of 1981 and Public Law 98-469 to charge and collect inspection and weighing fees, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Agriculture, Nutrition, and Forestry, with an amendment to strike all after the enacting clause and insert in lieu thereof, the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "United States Grain Standards Act Amendments of 1988".

SEC. 2. GRAIN STANDARDS ACT.

Effective for the period October 1, 1988, through September 30, 1993, inclusive, the United States Grain Standards Act is amended—

(1) in subsection (j) of section 7 (7 U.S.C. 79(j)) to read as follows:

"(j)(1) The Administrator shall, under such regulations as the Administrator may prescribe, charge and collect reasonable inspection fees to cover the estimated cost to the Service incident to the performance of official inspection except when the official inspection is performed by a designated official agency or by a State under a delegation of authority. The fees authorized by this subsection shall, as nearly as practicable and after taking into consideration any proceeds from the sale of samples, cover the costs of the Service incident to its performance of official inspection services in the United States and on United States grain in Canadian ports, including administrative and supervisory costs related to such official inspection of grain. Such fees, and the proceeds from the sale of samples obtained for purposes of official inspection which become the property of the United States, shall be deposited into a fund which shall be available without fiscal year limitation for the expenses of the Service incident to providing services under this Act.

"(2) Each designated official agency and each State agency to which authority has been delegated under subsection (e) of this

section shall pay to the Administrator fees in such amount as the Administrator determines fair and reasonable and as will cover the estimated costs incurred by the Service relating to supervision of official agency personnel and supervision by Service personnel of its field office personnel, except costs incurred under paragraph (3) of subsection (g) of this section and sections 9, 10, and 14 of this Act. The fees shall be payable after the services are performed at such times as specified by the Administrator and shall be deposited in the fund created in paragraph (1) of this subsection. Failure to pay the fee within thirty days after it is due shall result in automatic termination of the delegation or designation, which shall be reinstated upon payment, within such period as specified by the Administrator, of the fee currently due plus interest and any further expenses incurred by the Service because of such termination. The interest rate on overdue fees shall be as prescribed by the Secretary, but not less than the current average market yield on outstanding marketable obligations of the United States of comparable maturity, plus an additional charge of not to exceed 1 per centum per annum as determined by the Secretary and adjusted to the nearest one-eighth of 1 per centum.

"(3) Any sums collected or received by the Administrator under this Act and deposited to the fund created in paragraph (1) of this subsection and any late payment penalties collected by the Administrator and credited to such fund may be invested by the Secretary in insured or fully collateralized, interest-bearing accounts or, at the discretion of the Secretary, by the Secretary of the Treasury in United States Government debt instruments. The interest earned on such sums and any late payment penalties collected by the Administrator shall be credited to the fund and shall be available without fiscal year limitation for the expenses of the Service incident to providing services under this Act.";

(2) in subsection (l) of section 7A (7 U.S.C. 79a(l)) to read as follows:

"(l)(1) The Administrator shall, under such regulations as the Administrator may prescribe, charge and collect reasonable fees to cover the estimated costs to the Service incident to the performance of the functions provided for under this section except as otherwise provided in paragraph (2) of this subsection. The fees authorized by this paragraph shall, as nearly as practicable, cover the costs of the Service incident to performance of its functions related to weighing, including administrative and supervisory costs directly related thereto. Such fees shall be deposited into the fund created in section 7(j) of this Act.

"(2) Each agency to which authority has been delegated under this section and each agency or other person which has been designated to perform functions related to weighing under this section shall pay to the Administrator fees in such amount as the Administrator determines fair and reasonable and as will cover the costs incurred by the Service relating to supervision of the agency personnel and supervision by Service personnel of its field office personnel incurred as a result of the functions performed by such agencies, except costs incurred under sections 7(g)(3), 9, 10, and 14 of this Act. The fees shall be payable after the services are performed at such times as specified by the Administrator and shall be deposited in the fund created in section 7(j) of this Act. Failure to pay the fee within thirty days after it is due shall result in automatic termination of the delegation or designation, which shall be reinstated upon payment, within such period as specified by the Administrator, of the fee currently due plus interest and any further expenses incurred by the Service because of such termination. The interest rate on overdue fees shall be as prescribed by the Secretary, but not less than the current average market yield on outstanding marketable obligations of the United States of comparable maturity, plus an additional charge of not to exceed 1 per centum per annum as determined by the Secretary, and adjusted to the nearest one-eighth of 1 per centum.";

(3) by adding after section 7C (7 U.S.C. 79c) the following new section:

"LIMITATION ON ADMINISTRATIVE AND SUPERVISORY COSTS

"SEC. 7D. The total administrative and supervisory costs which may be incurred under this Act for inspection and weighing (excluding standardization, compliance, and foreign monitoring activities) for each of the fiscal years 1989 through 1993 shall not exceed 40 per centum of the total costs for such activities carried out by the Service for such year.";

(4) in section 19 (7 U.S.C. 87h) to read as follows:

"APPROPRIATIONS

"SEC. 19. There are hereby authorized to be appropriated such sums as are necessary for standardization and compliance activities, monitoring in foreign ports grain officially inspected and weighed under this Act, and any other expenses necessary to carry out the provisions of this Act for each of the fiscal years during the period beginning October 1, 1988, and ending September 30, 1993, to the extent that financing is not obtained from fees and sales of samples as provided for in sections 7, 7A, and 17A of this Act."; and

(5) by adding at the end thereof the following new section:

"ADVISORY COMMITTEE

"SEC. 21. (a)(1) Not later than 90 days after the date of enactment of this section of the United States Grain Standards Act Amendments of 1988, the Secretary shall establish an advisory committee to provide advice to the Administrator with respect to implementation of this Act consistent with the declarations of policy in section 2 of this Act. The advisory committee shall consist of 15 members, appointed by the Secretary, who represent the interests of all segments of the grain producing, processing, storing, merchandising, consuming, and exporting industries, including grain inspection and weighing agencies and scientists with expertise in research related to the policies established in section 2 of this Act. Members of the advisory committee shall be appointed to 3-year terms, except that of the initial 15 members of the advisory committee first appointed following the enactment of this section, five shall be appointed for terms of 1 year and five shall be appointed for terms of 2 years. No member of the advisory committee may serve successive terms.

"(2) To ensure a smooth transition, the advisory committee established under section 20 (as in effect prior to the enactment of the United States Grain Standards Act Amendments of 1988), shall continue in existence until all members of the advisory committee established under this section are appointed. The Secretary may appoint members of the advisory committee established under section 20 (as in effect prior to the enactment of the United States Grain Standards Act Amendments of 1988) to serve on the advisory committee established under this section, without regard to the time of service of such members on the initial advisory committee.

"(b) The advisory committee shall be governed by the provisions of the Federal Advisory Committee Act (5 U.S.C. App. 2).

"(c) The Administrator shall provide the advisory committee with necessary clerical assistance and staff personnel.

"(d) Members of the advisory committee shall serve without compensation, if not otherwise officers or employees of the United States, except that members shall, while away from their homes or regular places of business in the performance of services under this Act, be allowed travel expenses, including per diem in lieu of subsistence, as authorized under section 5703 of title 5, United States Code.".

SEC. 3. PILOT PROJECT ON CLEAN GRAIN PREMIUMS.

(a) STUDY OF PREMIUMS AND DISCOUNTS.—

(1) AUTHORITY.—The Secretary of Agriculture (hereinafter in this section referred to as the "Secretary") shall conduct a study of the schedule of premiums and discounts applied to loans made in accordance with the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.) in order to determine how premiums and discounts can be used to encourage the production, marketing, and exporting of high quality, clean grain.

(2) REPORT BY SECRETARY.—Not later than May 1, 1989, the Secretary shall prepare and submit, to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, a report on the results of the study conducted under paragraph (1).

(3) RECOMMENDATIONS.—The Secretary shall include recommendations with respect to a schedule of premiums and discounts in the report prepared under paragraph (2).

(b) PILOT PROJECT.—

(1) ESTABLISHMENT BY SECRETARY.—The Secretary shall establish a pilot project for the 1989 crops of wheat, soybeans, and feed grains to test the effectiveness of the recommendations contained in the report prepared under subsection (a) in encouraging the production, marketing, and exporting of high quality, clean grain.

(2) SIX MULTI-COUNTY AREAS.—The pilot project established under paragraph (1) shall be conducted in no less than six multi-county areas, of which—

(A) two shall be areas that are predominantly wheat producing areas;

(B) two shall be areas that are predominantly corn producing areas; and

(C) two shall be areas that are predominantly soybean producing areas.

(3) CONSULTATION.—The Secretary shall, prior to the implementation of the pilot project, consult with the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

(c) REVIEW OF PILOT PROJECT.—Not later than 180 days after the end of the 1989 marketing year for feed grains, the Secretary shall conduct a review of the pilot project established under subsection (b) and prepare and submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the results of the project. The report shall include recommendations for further encouraging the production, marketing, and exporting of high quality, clean grain.

(d) ASSISTANCE.—The Secretary shall carry out the studies, reviews, and reports required by this section with the assistance of the National Research Council of the Na-

tional Academy of Sciences, through its Board on Agriculture.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to enable the National Academy of Sciences to assist the Secretary in carrying out the provisions of this section, but in no case shall such amount exceed $200,000.

SEC. 4. HAYING AND GRAZING OF CONSERVATION USE ACREAGE.

(a) WHEAT.—Effective only with respect to the 1988 through 1990 crops of wheat, section 107D(f)(4)(C)(iii) of the Agricultural Act of 1949 (7 U.S.C. 1445b-3(f)(4)(C)(iii)) is amended—

(1) by striking out "Secretary" and inserting in lieu thereof "State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State"; and

(2) by inserting "in that State" before the period at the end thereof.

(b) FEED GRAINS.—Effective only with respect to the 1988 through 1990 crops of feed grains, section 105C(f)(4)(C)(iii) of the Agricultural Act of 1949 (7 U.S.C. 1444e(f)(4)(C)(iii)) is amended—

(1) by striking out "Secretary" and inserting in lieu thereof "State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State"; and

(2) by inserting "in that State" before the period at the end thereof.

(c) UPLAND COTTON.—Effective only with respect to the 1988 through 1990 crops of upland cotton, section 103A(f)(3)(C)(iii) of the Agricultural Act of 1949 (7 U.S.C. 1444-1(f)(3)(C)(iii)) is amended—

(1) by striking out "Secretary" and inserting in lieu thereof "State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State"; and

(2) by inserting "in that State" before the period at the end thereof.

(d) RICE.—Effective only with respect to the 1988 through 1990 crops of rice, section 101A(f)(3)(C)(iii) of the Agricultural Act of 1949 (7 U.S.C. 1441-1(f)(3)(C)(iii)) is amended—

(1) by striking out "Secretary" and inserting in lieu thereof "State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State"; and

(2) by inserting "in that State" before the period at the end thereof.

SEC. 5. COTTON STANDARDS.

Subsection (a) of section 5 of the United States Cotton Standards Act (7 U.S.C. 55(a)) is amended—

(1) by striking out the second sentence; and

(2) by adding at the end thereof the following new sentences: "Any fees, late payment penalties, or proceeds from the sales of samples collected under this subsection, and any interest earned through the investment of such funds shall be credited to the current appropriation account that incurs the costs of the services provided under this Act, and shall remain available without fiscal year limitation to pay the expenses of the Secretary incident to providing services and standards under this Act and the United States Cotton Futures Act (7 U.S.C. 15b). Such funds may be invested by the Secretary in insured or fully collateralized, interest-bearing accounts or, at the discretion of the Secretary, by the Secretary of the Treasury in United States Government debt instruments.".

Mr. LEAHY. Mr. President, I rise today to urge the passage of S. 2337. S. 2337 will extend the authorization of the Federal Grain Inspection Service [FGIS] to collect fees to cover the cost of weighing and inspecting U.S. grain.

Mr. President, it is very important that we get this bill passed into law. The Service's authority to collect fees expires on September 30, 1988.

The United States faces tough competition in world grain markets. Some of our competitors have focused on the quality of our grains and oilseeds as one reason for not purchasing U.S. product.

I recently spent some time in China and talked with Chinese agricultural officials and with United States grain export promotion groups responsible for sales in the Far East. I believe that the countries in the Pacific basin represent some of our greatest opportunities in the future for agricultural sales.

But Mr. President, nearly every importer of U.S. grain that I spoke with said something about the quality of our product. Marketing, whether it's grains or cars depends on a quality product at a fair price.

U.S. grain exports have faced some severe marketing problems in the past. In 1985 the world was awash in grain. U.S. grain exports were falling, and our competitors were capturing larger and larger shares of our markets. One of the reasons was the perception that the United States was delivering an inferior product. Another was that through subsidies and other trade practices we were facing very stiff price competition.

Congress took several actions to solve the problem. The Food Security Act of 1985 is one example. Under that act we became price competitive in world markets.

But as I said before, there is more to marketing a product than just changing its price.

In 1986 Congress passed the Grain Quality Improvement Act. That act required some broad adjustments in our grain standards and gave FGIS strong signals to work harder at improving the quality of the product we deliver overseas. Some provisions of that act were put into regulation as late as April of this year.

I think it is critical that we look at the results. FGIS received 59 complaints relating to grain quality from foreign buyers in fiscal year 1987. By the middle of fiscal year 1988, the first year when the act was fully implemented, they had only received 15. I might point out that during that same timeframe, U.S. wheat exports were up nearly 60 percent. Fewer complaints on more grain tells me that something is beginning to work.

I do not want to mislead my colleagues, we still have a long way to go. As I said earlier, on my trip to the Far East, grain quality came up several times. Many of our importers still think we have a problem.

You know, you can ruin a reputation with only one or two bad lots of grain. It takes many times that amount to regain your reputation. And right now we face an uphill struggle to regain that high quality reputation.

I must also admit that FGIS is not without its critics. There are those who feel that FGIS should be doing more to guarantee grain quality. But let us not forget that FGIS is just what its name implies, an inspection service. It is not a police organization. They are a neutral third party that will provide objective, consistent measurements as to the quality of a specific lot of grain. I think that's what we should expect from them.

Kirk Miller, the Administrator of FGIS strongly believes in the neutrality of his organization. I would like to also add that he has done a good job in cooperating with Members on and off the committee as we have formulated this bill. He has always been available to answer questions and to explain service actions. But we all realize that he and all of us have much work to do in keeping our quality standards high.

Mr. President, let me briefly review what this bill does.

First, this bill will extend through September 30, 1993, the authority of the FGIS to charge fees to cover the cost of inspecting and weighing grain shipped from the United States. The authority to charge fees was originally granted to FGIS in 1981 under the Omnibus Budget Reconciliation Act of 1981. This bill continues that authorization as well as maintaining the historical limits on the amount of those charges.

The bill will also modify the structure of the advisory committee to FGIS. Currently there are 12 members on the committee, this bill will expand membership to 15. Further, the bill recommends that the Secretary of Agriculture include more farmers and scientists on the advisory committee.

The bill requires the Secretary to conduct a study, in conjunction with the National Academy of Sciences on how our commodity loan program may be affecting the quality of our grain production.

The bill as it was reported out of committee modified the ability of producers to hay and graze their conserving use acreage for 7 months of the year.

Finally, the bill will amend the U.S. Cotton Standards Act so that the Secretary will be allowed to invest fees collected in grading cotton.

There are two amendments to the committee-reported bill which I support.

First, Senator **Exon** has included an amendment to initiate a study on dockage in grain. His study will require the Inspection Service to report on the effects of having chaff and other dockage considered in a different way than it is now when grading a sample of wheat.

The second amendment relates to haying and grazing.

Senator **Boren** and Senator **Symms**, working together with Senator **Harkin** and others have found a compromise on this issue. The bill as it was reported out of committee would have placed the authority to preclude haying and grazing on set-aside lands within the hands of the State ASCS committees. This provision was not acceptable to the administration, nor to those who produce roughage as a cash crop.

The amendment to the committee bill, which is sponsored by Senators **Boren** and **Bentsen**, will leave the discretion with the Secretary of Agriculture. However, if the Secretary has not determined that allowing haying and grazing would have an adverse economic impact by the first of January of the year the crop is to be harvested in, the Secretary of Agriculture would be required to allow haying and grazing on conserving use acreage.

Senator **Boren** and is staff worked hard to find this compromise. I'm glad they were able to find this middle ground. What we have now is a provision the administration, as well as both sides of the aisle here in the Senate, can live with.

Finally Mr. President, this bill came up through the Agricultural Research and General Legislation Subcommittee of the full committee. That subcommittee is chaired by Senator **Conrad**, my colleague from North Dakota. Mr. President, Senator **Conrad** did a fine job in pulling this bill together, in conducting hearings and numerous meetings to lay out the issues and get the bill moving. I'd also like to compliment him on the actions of his subcommittee staff, Suzy Dittrich. She along with Bob Young and Bill Gillon of the full committee staff have worked very hard to get us to this point.

Mr. President, I hope that we can move swiftly with our House counterparts to get this bill to the President for his signature as soon as possible.

Mr. LUGAR. Mr. President, I am pleased to join with the chairman of the Committee on Agriculture, Nutrition, and Forestry in support of the immediate consideration and passage of S. 2337, a bill to amend the Federal Grain Standards Act to extend the authority to charge and collect inspection and weighing fees. This bill was reported by the Agriculture Committee on August 5, 1988, and is widely supported by the members of the committee.

When the bill was considered by the committee, a provision was added to modify the authority of the Secretary of Agriculture concerning the haying and grazing of program crops. In its original form this amendment presented some problems from the perspective of the Secretary and several Members of the Senate. Let me say that the sponsor of the amendment, Senator **Boren**, has been very flexible in considering modifications to his amendment, and that late last week we reached an agreement that seems to have satisfied everyone involved. Under that agreement, the haying and grazing section of the bill will be modified to require that any decision by the Secretary to disallow haying and grazing under certain circumstances must be made by January 1 of each year. This compromise preserves the discretionary authority of the Secretary to disallow haying and grazing if permitting it will have adverse economic effects while it assures farmers that they will know early in the year what the haying and grazing provision will be.

Mr. President, I support the modification to the bill and urge my colleagues to do the same. The second amendment being made to the bill will require the Secretary to study the effects of including dockage with foreign material as a grading factor for wheat. The purpose of this amendment is to have the agency look into alternative ways to consider dockage in the grading of wheat. I join the chairman in supporting this amendment.

In conclusion, let me point out that this bill is essential to the continued operation of a very important inspection program for grain farmers. It is not controversial and will basically allow the Secretary to continue carrying out these inspections activities at minimal cost to the taxpayers of this Nation. I support the adoption of this measure, as amended, and hope that the bill will be promptly approved.

Mr. CONRAD. Mr. President, I am pleased to support S. 2337, a bill to reauthorize the Federal Grain Inspection Service.

FGIS is the Government agency responsible for the official inspection, weighing and certification of grain for domestic and export sales. Its mission is to improve the production and facilitate the marketing of high quality grain.

This is a very important responsibility. FGIS's inspection and certification of the condition and quality of grain helps ensure that farmers are paid for the quality of grain they deliver, and that grain buyers get what they paid for. FGIS's activities have a direct impact on the satisfaction of our foreign grain buyers, which is a primary factor in ensuring future grain purchases.

The quality of our grain has improved over the years due to advances in technology, such as improved seed varieties, and improved harvesting, storage and handling techniques. Because FGIS plays a major role in assessing the quality of our grain, I am very interested in working with the agency to update our standards to reflect this improvement.

In addition, I look forward to expanding FGIS's role in providing information which individual buyers want to know for their particular use of the grain, including end use value tests and storability. I plan to continue working with the Administrator of FGIS and members of the grain industry to upgrade our grain standards and increase our ability to objectively test grain quality factors.

S. 2337 will reauthorize FGIS through September 30, 1993. In addition, it extends FGIS's authority added in 1981 and 1984 to collect user fees for administrative and supervisory costs relating to official grain inspection and weighing, and it caps the administrative costs for these services to 40 percent of total costs. It will authorize FGIS to continue to expend funds for standardization, compliance and foreign monitoring activities and maintain an advisory committee.

This bill also revises the composition and purpose of FGIS's Advisory Committee. It expands the membership of the Advisory Committee from 12 to 15 members, and requires the representation of all segments of the grain producing, processing, storing, merchandising, consuming, and exporting industries, including grain inspection and weighing agencies and scientists.

Currently, the purpose of the Advisory Committee is simply to provide advice to the Administrator of FGIS on the efficient and economic implementation of the U.S. Grain Standards Act. This bill will expand the Committee's advisory role to include all issues listed in the U.S. Grain Standard Act's declaration of policy, including grain quality issues.

S. 2337 will require the Secretary, assisted by the National Academy of Sciences, to conduct a study on the past use of clean grain premiums and discounts to improve grain quality, and recommend a schedule to be applied to the current Commodity Loan Program. The Secretary shall conduct a pilot project based on those recommendations in six multicounty areas, including wheat, corn and soybean producing areas, to encourage the production, marketing and exporting of high-quality, clean grain. It is my hope that this pilot project will provide a real test of the possibility of using premiums and discounts to improve grain quality.

This bill will also allow FGIS to invest sums collected from its Cotton

Inspection Services in interest bearing accounts. This investment is currently allowed for fees collected from its grain inspection activities.

FGIS is vital to the successful marketing of our agricultural commodities and I strongly support its reauthorization. I want to thank Chairman LEAHY for his guidance as this bill has moved through the committee. I also want to thank Senator JAMES EXON, former Congressman Cooper Evans, and the other witnesses who participated in my subcommittee hearing on this bill, and the staff of the Senate Agriculture Committee.

I urge the adoption of S. 2337.

AMENDMENT NO. 3295

(Purpose: To revise the provisions governing the haying and grazing of conservation use acreage)

Mr. BYRD. Mr. President, on behalf of Senators BOREN and BENTSEN, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from West Virginia [Mr. BYRD], for Mr. BOREN (for himself and Mr. BENTSEN) proposes an amendment numbered 3295.

Mr. BYRD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

(a) On page 17—

(1) on lines 10 and 11, strike out "1988 through" and insert in lieu thereof "1989 and"; and

(2) strike out lines 13 through 19 and insert in lieu thereof the following:

"3(f)(4)(C)(iii)) is amended by striking out 'Haying and grazing shall not be permitted for any crop under clause (i) if the Secretary determines that' and inserting in lieu thereof 'Except as provided in clause (ii), haying and grazing shall not be permitted for any crop under clause (i) if the Secretary, prior to January 1 of the year during which the crop is harvested, determines that'.";

(b) On page 17, line 21, strike out "1988 through" and insert in lieu thereof "1989 and";

(c) Beginning on page 17, strike out lines 23 through line 4 on page 18 and insert in lieu thereof the following:

"1444e(f)(4)(C)(iii)) is amended by striking out 'Haying and grazing shall not be permitted for any crop under clause (i) if the Secretary determines that' and inserting in lieu thereof 'Except as provided in clause (ii), haying and grazing shall not be permitted for any crop under clause (i) if the Secretary, prior to January 1 of the year during which the crop is harvested, determines that'.";

(d) On page 18—

(1) on line 6, strike out "1988 through" and insert in lieu thereof "1989 and"; and

(2) strike out lines 8 through 14, and insert in lieu thereof the following:

"1444-1(f)(3)(C)(iii)) is amended by striking out 'Haying and grazing shall not be permitted for any crop under clause (i) if the Secretary determines that' and inserting in lieu thereof 'Except as provided in clause (ii), haying and grazing shall not be permitted for any crop under clause (i) if the Secretary, prior to January 1 of the year during which the crop is harvested, determines that'."; and

(e) On page 18—

(1) on lines 15 and 16 strike out "1988 through" and insert in lieu thereof "1989 and"; and

(2) strike out lines 18 through 24 and insert in lieu thereof the following: "amended by striking out 'Haying and grazing shall not be permitted for any crop under clause (i) if the Secretary determines that' and inserting in lieu thereof 'Except as provided in clause (ii), haying and grazing shall not be pemitted for any crop under clause (i) if the Secretary, prior to January 1 of the year during which the crop is harvested, determines that'.".

Mr. BOREN. Mr. President, this amendment will modify the Secretary of Agriculture's authority to limit haying and grazing on conservation use acreage. The amendment does retain the Secretary's ability to restrict haying and grazing on conservation use acreage, however, before the Secretary can prohibit haying and grazing he must, prior to January 1 of the year during which the crop is harvested, make a determination that haying and grazing would have an adverse economic impact. With respect to the 1989 wheat crop which farmers are currently planting, this amendment means that haying and grazing will be permitted unless the Secretary, prior to January 1, 1989, determines that haying and grazing will have an adverse economic impact.

Earlier this year, Senator BENTSEN and I introduced a bill which would have corrected a technical error that had been made in the Budget Reconciliation Act. Our bill would have removed a clause inadvertently added to the haying and grazing provisions of the Wheat Program. That clause strengthened the Secretary of Agriculture's discretion over allowing haying and grazing, the exact opposite of what the agreement in reconciliation was intended to accomplish.

During consideration of the 1985 farm bill, a compromise was worked out on grazing. Under the 1985 farm bill, each year farmers are permitted to graze acreage idled as part of the Wheat Program for that year. However, haying was not resolved at that time for the 1987 through 1990 crops and each year the Secretary was required to decide whether to allow haying of idled acreage. Because of the Secretary's discretion with respect to haying, farmers could not properly plan their crops because the decision was usually made late in the year. We all recognized that this resulted in an unnecessary hardship on our agricultural producers and developed a compromise which would remove the necessity for a secretarial decision each year.

This compromise was incorporated into the Senate's version of the omnibus reconciliation bill this past fall. Under the Senate's provision, haying and grazing would be permitted during a specified period, provided the producer was haying or grazing the crop for which the producer had a program base. This compromise eliminated secretarial discretion with regard to haying and eliminated the uncertainty of program provisions due to such discretion.

The conference committee also agreed to inclusion of the Senate's version on haying and grazing in the conference report on reconciliation. Regretfully, however, the specific statutory language included in the reconciliation bill does not reflect in any way the compromise that was agreed to and actually takes a step backward from where we were last year. Under the provisions of reconciliation, the Secretary now has the authority to prohibit grazing as well as haying each year.

Consequently, once again, wheat producers in my home State of Oklahoma will not know whether they will be permitted to graze or hay acreage idled under future wheat programs until long after they must make their planting decisions.

The bill Senator BENTSEN and I introduced earlier this year would have removed the Secretary's discretion with respect to haying and grazing of acreage idled under the Wheat Program. Regretfully, we were unable to obtain agreement by all parties on our bill.

For the past several months, we have been working with Senators SYMMS, HARKIN, and HEFLIN to reach a compromise. The amendment we are offering today reflects our compromise.

While the compromise does not remove all elements of uncertainty from the current statutory language, it will at least let producers know by January 1 whether they will be able to hay and graze conservation use acreage. I regret that we were unable to obtain an earlier date because winter wheat producers will not know the status of haying and grazing until after they have planted their crop. However, I do believe this is at least a step in the right direction.

I urge my colleagues to support this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3295) was agreed to.

The PRESIDING OFFICER. Are there further amendments?

AMENDMENT NO. 3296

(Purpose: To require the Secretary of Agriculture to conduct a study of the effects of including dockage with foreign material as a grading factor for wheat)

Mr. BYRD. Mr. President, on behalf of Mr. EXON, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from West Virginia [Mr. BYRD], for Mr. EXON, proposes an amendment numbered 3296.

Mr. BYRD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . STUDY OF EFFECTS OF INCLUDING DOCKAGE WITH FOREIGN MATERIAL AS A GRADING FACTOR FOR WHEAT.

Not later than June 1, 1989, the Secretary of Agriculture, through the Federal Grain Inspection Service, shall—

(1) conduct a study of the effects of including dockage with foreign material as a grading factor for wheat; and

(2) submit a report on the results of such study to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

Mr. EXON. Mr. President, the amendment I am offering would require the USDA to study the effects of including dockage as a grading factor for wheat.

By way of background, let me explain that wheat dockage consists of chaff and other items which can be removed from wheat by an initial screening with a dockage tester. The percentage of dockage in a sample of wheat does not currently affect the numerical grade it receives from the Federal Grain Inspection Service [FGIS].

Under our current procedures, dockage is simply discounted so that buyers do not have to pay for it. While a buyer does not have to pay for dockage, we would be fooling ourselves to think it does not enter into a customer's buying decision.

Earlier this year, I introduced legislation which would have made dockage a grading factor. This would have been accomplished by including dockage with foreign material for grading purposes. I still believe this is the right course of action. However, before doing so I think it would be worthwhile for the Department of Agriculture to take an in-depth look at this topic. Once we have their results of this study, we can move forward with a concrete legislative change quickly.

My confidence in the results of the USDA's study is based on the dockage situation from last year. The amount of dockage in the 1987 crop of hard red winter wheat we exported averaged about 0.6 percent. Foreign material averaged 0.3 percent. Even after combining those two figures, the total is still below the allowable level for total foreign material permitted in U.S. No. 2 wheat. While those numbers do not tell the whole story, they certainly suggest that a change of this nature would not "upset the apple cart" as I suspect those who oppose tightening our grain standards would have us believe.

Mr. President, I would also like to point out that the chairman of the subcommittee with jurisdiction in this area, Senator CONRAD, supports the concept of including dockage as a grading factor.

I do not want to see us "drop the ball" on this opportunity to improve grain quality and simply urge my colleagues to approve this amendment.

Before doing so, however, I want to acknowledge this invaluable assistance provided to me by Erv Friehe and Dan McQuire of the Nebraska Wheat Board, who have been prime movers in this area for years.

The PRESIDING OFFICER. The question is on agreeing to the amendment?

The amendment (No. 3296) was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be discharged from further consideration of H.R. 4345), the House companion bill, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 4345) to amend the United States Grain Standards Act to extend through September 30, 1993, and so forth, and for other purposes.

The PRESIDING OFFICER. Without objection, the Senate will proceed immediately to the consideration of the bill.

Mr. BYRD. Mr. President, I move that all after the enacting clause be stricken and that the text of S. 2337, as amended, be inserted in lieu thereof.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 4345), as amended, was passed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I ask unanimous consent that S. 2337, the Senate companion bill, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

ROBERT T. STAFFORD UNITED STATES COURTHOUSE AND POST OFFICE

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar Order No. 1008, S. 2835.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2835) to designate the United States Post Office and Courthouse located at 151 West Street in Rutland, VT, as the "Robert T. Stafford United States Courthouse and Post Office."

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. LEAHY. Mr. President, several days ago the Environment and Public Works Committee introduced and unanimously reported a bill to name the Federal courthouse and post office building in Rutland, VT, as the Robert T. Stafford United States Courthouse and Post Office.

I am pleased and honored to support this legislation. In the 13 years I have served in this body, Senator ROBERT STAFFORD has been my closest friend. I have looked to him for his wisdom, his guidance, and his unique common sense.

ROBERT STAFFORD is a native of Rutland, VT. In his decades of service to the people of our State, he has touched the lives of thousands of people, as a Governor, a Congressman, and a Senator. All Vermonters, regardless of political party, are grateful to Senator STAFFORD for his years of service. Whether the small farmer or the company president, they have always known that they would have a patient ear and a helping hand in ROBERT STAFFORD. They are also proud to have had as their elected representative a man who has become known throughout this Nation for his integrity, his independence of mind, and his strong leadership on issues of the utmost importance to all Americans.

In an age when the greenhouse effect and ozone depletion are front page news, Senator STAFFORD has given all of us cause to breathe a little easier about the future, through his tireless efforts to call attention to the urgent need to protect the environment and improve the quality of education for our children.

Mr. President, the bill we are considering this evening is not only a tribute from the committee but from every Member of the Senate. When the final gavel of the 100th Congress sounds, this body will be losing one of its finest members. Senator ROBERT STAFFORD will be missed by every one of us.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 2835

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the United States Post Office and Courthouse located at 151 West Street in Rutland, Vermont, shall be known and designated as the "Robert T. Stafford United States Courthouse and Post Office."

SEC. 2. LEGAL REFERENCES BUILDING.—Any reference in any law, regulation, document, record, map, or other paper of the United States to the building referred to in section 1 is deemed to be a reference to the "Robert T. Stafford United States Courthouse and Post Office".

SEC. 3. EFFECTIVE DATE.—The provisions of this Act shall be effective on January 4, 1989.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DOLE. I move to lay that motion on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The motion to lay on the table was agreed to.

MINING AND MINERAL RESOURCES RESEARCH INSTITUTE ACT AUTHORIZATION

Mr. BYRD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 3977.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House agree to the amendment of the Senate to the bill (H.R. 3977) entitled "An Act to authorize appropriations for the Mining and Mineral Resources Research Institute Act for fiscal years 1990 through 1993", with the following amendment:

In lieu of the matter inserted by said amendment, insert:

SECTION 1. REFERENCES.

Any reference in this Act to the "Mining and Mineral Resources Research Institute Act of 1984" is a reference to the Act of August 29, 1984, entitled "To establish a State Mining and Mineral Resources Research Institute program, and for other purposes" (30 U.S.C. 1221 through 1230).

SEC. 2. ALLOTMENT GRANTS AUTHORIZATION PERIOD; LIMITATION.

Section 1(a)(1) of the Mining and Mineral Resources Research Institute Act of 1984 (30 U.S.C. 1221(a)(1)) is amended by striking "$300,000 for the fiscal year ending September 30, 1985, and $400,000 to each participating State for each fiscal year thereafter for a total of five years" and inserting in lieu thereof the following: "$400,000 for each of the fiscal years ending September 30, 1990 through September 30, 1994".

SEC. 3. MATCHING FUNDS REQUIREMENT.

Section 1(a)(2)(A) of the Mining and Mineral Resources Research Institute Act of 1984 (30 U.S.C. 1221(a)(2)(A)) is amended to read as follows:

"(A) Funds appropriated under this section shall be made available for grants to be matched on a basis of no less than 2 non-Federal dollars for each Federal dollar.".

SEC. 4. RESEARCH SUBJECT.

The second sentence of section 1(b) of the Mining and Mineral Resources Research Institute Act of 1984 (30 U.S.C. 1221(b)) is amended by inserting "fuel and nonfuel" immediately after "production of".

SEC. 5. RESEARCH GRANTS AUTHORIZATION PERIOD.

Section 2(a) of the Mining and Mineral Resources Research Institute Act of 1984 (30 U.S.C. 1222(a)) is amended as follows:

(1) The first sentence is amended to read as follows: "There is authorized to be appropriated to the Secretary not more than $15,000,000 for each of the fiscal years ending September 30, 1990 through September 30, 1994, which shall remain available until expended.".

(2) The second sentence is deleted.

(3) In the third sentence, strike "institutes" and insert "an institute or to institutes participating in a generic mineral technology center".

SEC. 6. ADMINISTRATION.

The first sentence of section 4(a) of the Mining and Mineral Resources Research Institute Act of 1984 (30 U.S.C. 1224(a)) is amended by inserting ", acting through the Director of the Bureau of Mines," immediately after "The Secretary".

SEC. 7. ADMINISTRATIVE EXPENSES.

Section 6(d) of the Mining and Mineral Resources Research Institute Act of 1984 (30 U.S.C. 1226(d)) is amended to read as follows:

"(d)(1) There is authorized to be appropriated to the Secretary $450,000 for each of the fiscal years ending September 30, 1990 through September 30, 1994, to administer this Act. No funds may be withheld by the Secretary for administrative expenses from those authorized to be appropriated by sections 1 and 2 of this Act.

"(2) There are authorized to be appropriated to the Secretary such sums as are necessary for the printing and publishing of the results of activities carried out by institutes and generic mineral technology centers under this Act, but such appropriations shall not exceed $550,000 in any single fiscal year.".

SEC. 8. ADVISORY COMMITTEE.

Section 9(a)(7) of the Mining and Mineral Resources Research Institute Act of 1984 (30 U.S.C. 1229(a)(7)) is amended by striking "six" in the first and last sentences and inserting in lieu thereof "7", and by striking "section 301 of the Surface Mining Control and Reclamation Act of 1977, two" and inserting in lieu thereof "this Act, 3".

SEC. 9. PLAN UPDATE.

Section 9(e) of the Mining and Mineral Resources Research Institute Act of 1984 (30 U.S.C. 1229(e)) is amended by striking "update the plan annually thereafter" in the second sentence and inserting in lieu thereof "submit an annual update of such plan by January 15 of each calendar year".

SEC. 10. ELIGIBILITY.

Section 10(b) of the Mining and Mineral Resources Research Institute Act of 1984 (30 U.S.C. 1230(b)) is amended to read as follows:

"(b)(1) Notwithstanding the provisions of subsection (a), those colleges or universities which, on the date of enactment of the Mining and Mineral Resources Research Institute Amendments of 1988, have a mining or mineral resources research institute program which has been found to be eligible pursuant to this Act shall continue to be eligible subject to review at least once during the period authorized by the Mining and Mineral Resources Research Institute Amendments of 1988, under the provisions of subsection (a). The results of such review shall be submitted by January 15, 1992, pursuant to section 11(a)(2) of the Mining and Mineral Resources Research Institute Amendments of 1988.

"(2) Generic mineral technology centers established by the Secretary under this Act are to be composed of institutes eligible pursuant to subsection (a). Existing generic mineral technology centers shall continue to be eligible under this Act subject to at least one review prior to January 15, 1992, pursuant to section 11(a)(3) of the Mining and Mineral Resources Research Institute Amendments of 1988.".

SEC. 11. REPORTS.

(a) REPORT ON PROGRAMS.—The Committee on Mining and Mineral Resources Research established under section 9 of the Mining and Mineral Resources Research Institute Act of 1984 (30 U.S.C. 1229) shall submit a report by January 15, 1992, to the Committee on Interior and Insular Affairs of the United States House of Representatives and the Committee on Energy and Natural Resources of the United States Senate on the programs established under that Act. Such report may be submitted in conjunction with the annual plan update required by section 9(e) of such Act (30 U.S.C. 1229(e)) and shall include, but not necessarily be limited to, each of the following:

(1) A review of the activities of the institutes and generic mineral technology centers established under the Mining and Mineral Resources Research Institute Act of 1984.

(2) A review of each institute's eligibility pursuant to section 10 of the Mining and

Mineral Resources Research Institute Act of 1984 (30 U.S.C. 1230).

(3) A review of each generic mineral technology center's eligibility. In conducting such review the committee shall consider the following criteria:

(A) Relevance and effectiveness of the research conducted.

(B) Need for further research in the generic area.

(4) Recommendations on establishing a mechanism by which new generic mineral technology centers can be established and existing centers can be phased-out or consolidated upon the completion of their mission.

(b) REPORT ON PROPOSAL FOR CENTER.—The committee shall submit a proposal to establish a Generic Mineral Technology Center on Strategic and Critical Minerals to the Committee on Interior and Insular Affairs of the United States House of Representatives and the Committee on Energy and Natural Resources of the United States Senate by January 15, 1990.

SEC. 12. SHORT TITLE OF ACT.

Mining and Mineral Resources Research Institute Act of 1984 is amended by inserting the following new section after section 10:

"SEC. 11. SHORT TITLE OF ACT.

"This Act may be cited as the Mining and Mineral Resources Research Institute Act of 1984.".

SEC. 13. SHORT TITLE OF AMENDMENTS.

This Act may be cited as the Mining and Mineral Resources Research Institute Amendments of 1988.

Mr. **BYRD.** Mr. President, I move that the Senate concur in the House amendment.

The **PRESIDING OFFICER.** The question is on agreeing to the motion.

The motion was agreed to.

Mr. **BYRD.** Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. **DOLE.** I move to lay that motion on the table.

The motion to lay on the table was agreed to.

FEDERAL INSECTICIDE, FUNGICIDE, AND RODENTICIDE ACT AMENDMENTS

Mr. **BYRD.** Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 659.

The **PRESIDING OFFICER** laid before the Senate the following message from the House of Representatives.

Resolved, That the bill from the Senate (S. 659) entitled "An Act to establish agricultural aid and trade missions to assist foreign countries to participate in United States agricultural aid and trade programs, and for other purposes", do pass with the following amendments:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Federal Insecticide, Fungicide, and Rodenticide Act Amendments of 1988".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title and table of contents.
Sec. 2. References to the Federal Insecticide, Fungicide, and Rodenticide Act.

TITLE I—REGISTRATION

Sec. 101. Definition of outstanding data requirement.
Sec. 102. Reregistration of registered pesticides.
Sec. 103. Expedited registration of similar applications.

TITLE II—REVIEW AND CANCELLATION

Sec. 201. Administrative changes.

TITLE III—RECORDS AND INSPECTIONS

Sec. 301. Records.
Sec. 302. Inspections.

TITLE IV—DISPOSAL AND TRANSPORTATION

Sec. 401. Storage, disposal, transportation, and recall.
Sec. 402. Containers, rinsates, and other materials.
Sec. 403. Pesticide containers.
Sec. 404. Notice for stored pesticides with canceled or suspended registrations.

TITLE V—INDEMNITIES

Sec. 501. Indemnities.

TITLE VI—GENERAL

Sec. 601. Definitions.
Sec. 602. Scientific Advisory Panel.
Sec. 603. Unlawful acts.
Sec. 604. Penalties.
Sec. 605. Congressional review.

TITLE VII—AUTHORIZATION FOR APPROPRIATIONS

Sec. 701. Authorization for appropriations.

TITLE VIII—TECHNICAL AMENDMENTS

Sec. 801. Technical amendments.
Sec. 802. Table of contents amendments.

TITLE IX—EFFECTIVE DATE

Sec. 901. Effective date.

SEC. 2. REFERENCES TO THE FEDERAL INSECTICIDE, FUNGICIDE, AND RODENTICIDE ACT.

Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136 et seq.).

TITLE I—REGISTRATION

SEC. 101. DEFINITION OF OUTSTANDING DATA REQUIREMENT.

Section 2 (7 U.S.C. 136) is amended by adding at the end thereof the following new subsection:

"(ff) OUTSTANDING DATA REQUIREMENT.—

"(1) IN GENERAL.—The term 'outstanding data requirement' means a requirement for any study, information, or data that is necessary to make a determination under section 3(c)(5) and which study, information, or data—

"(A) has not been submitted to the Administrator; or

"(B) if submitted to the Administrator, the Administrator has determined it must be resubmitted because it is not valid, complete, or adequate to make a determination under section 3(c)(5) and the regulations and guidelines issued under such section.

"(2) FACTORS.—In making a determination under paragraph (1)(B) respecting a study, the Administrator shall examine, at a minimum, relevant protocols, documentation of the conduct and analysis of the study, and the results of the study to determine whether the study and the results of the study fulfill the data requirement for which the study was submitted to the Administrator.".

SEC. 102. REREGISTRATION OF REGISTERED PESTICIDES.

(a) AMENDMENT.—The Act is amended by inserting after section 3 (7 U.S.C. 136a) the following new section:

"SEC. 3A. REREGISTRATION OF REGISTERED PESTICIDES.

"(a) GENERAL RULE.—The Administrator shall reregister, in accordance with this section, each registered pesticide containing any active ingredient contained in any pesticide first registered before November 1, 1984, except for any pesticide as to which the Administrator has determined, after November 1, 1984, and before the effective date of this section, that—

"(1) there are no outstanding data requirements; and

"(2) the requirements of section 3(c)(5) have been satisfied.

"(b) REREGISTRATION PHASES.—Reregistrations of pesticides under this section shall be carried out in the following phases:

"(1) The first phase shall include the listing under subsection (c) of the active ingredients of the pesticides that will be reregistered.

"(2) The second phase shall include the submission to the Administrator under subsection (d) of notices by registrants respecting their intention to seek reregistration, identification by registrants of missing and inadequate data for such pesticides, and commitments by registrants to replace such missing or inadequate data within the applicable time period.

"(3) The third phase shall include submission to the Administrator by registrants of the information required under subsection (e).

"(4) The fourth phase shall include an independent, initial review by the Administrator under subsection (f) of submissions under phases two and three, identification of outstanding data requirements, and the issuance, as necessary, of requests for additional data.

"(5) The fifth phase shall include the review by the Administrator under subsection (g) of data submitted for reregistration and appropriate regulatory action by the Administrator.

"(c) PHASE ONE.—

"(1) PRIORITY FOR REREGISTRATION.—For purposes of the reregistration of the pesticides described in subsection (a), the Administrator shall list the active ingredients of pesticides and shall give priority to, among others, active ingredients (other than active ingredients for which registration standards have been issued before the effective date of this section) that—

"(A) are in use on or in food or feed and may result in postharvest residues;

"(B) may result in residues of potential toxicological concern in potable ground water, edible fish, or shellfish;

"(C) have been determined by the Administrator before the effective date of this section to have significant outstanding data requirements; or

"(D) are used on crops, including in greenhouses and nurseries, where worker exposure is most likely to occur.

"(2) REREGISTRATION LISTS.—For purposes of reregistration under this section, the Administrator shall by order—

"(A) not later than 70 days after the effective date of this section, list pesticide active ingredients for which registration standards have been issued before such date;

"(B) not later than 4 months after such effective date, list the first 150 pesticide active ingredients, as determined under paragraph (1);

"(C) not later than 7 months after such effective date, list the second 150 pesticide active ingredients, as determined under paragraph (1); and

"(D) not later than 10 months after such effective date, list the remainder of the pesticide active ingredients, as determined under paragraph (1).

Each list shall be published in the Federal Register.

"(3) Judicial Review.—The content of a list issued by the Administrator under paragraph (2) shall not be subject to judicial review.

"(4) Notice to Registrants.—On the publication of a list of pesticide active ingredients under paragraph (2), the Administrator shall send by certified mail to the registrants of the pesticides containing such active ingredients a notice of the time by which the registrants are to notify the Administrator under subsection (d) whether the registrants intend to seek or not to seek reregistration of such pesticides.

"(d) Phase Two.—

"(1) In General.—The registrant of a pesticide that contains an active ingredient listed under subparagraph (B), (C), or (D) of subsection (c)(2) shall submit to the Administrator, within the time period prescribed by paragraph (4), the notice described in paragraph (2) and any information, commitment, or offer described in paragraph (3).

"(2) Notice of Intent to Seek or Not to Seek Reregistration.—

"(A) The registrant of a pesticide containing an active ingredient listed under subparagraph (B), (C), or (D) of subsection (c)(2) shall notify the Administrator by certified mail whether the registrant intends to seek or does not intend to seek reregistration of the pesticide.

"(B) If a registrant submits a notice under subparagraph (A) of an intention not to seek reregistration of a pesticide, the Administrator shall publish a notice in the Federal Register stating that such a notice has been submitted.

"(3) Missing or Inadequate Data.—Each registrant of a pesticide that contains an active ingredient listed under subparagraph (B), (C), or (D) of subsection (c)(2) and for which the registrant submitted a notice under paragraph (2) of an intention to seek reregistration of such pesticide shall submit to the Administrator—

"(A) in accordance with regulations issued by the Administrator under section 3, an identification of—

"(i) all data that are required by regulation to support the registration of the pesticide with respect to such active ingredient;

"(ii) data that were submitted by the registrant previously in support of the registration of the pesticide that are inadequate to meet such regulations; and

"(iii) data identified under clause (i) that have not been submitted to the Administrator; and

"(B) either—

"(i) a commitment to replace the data identified under subparagraph (A)(ii) and submit the data identified under subparagraph (A)(iii) within the applicable time period prescribed by paragraph (4)(B); or

"(ii) an offer to share in the cost to be incurred by a person who has made a commitment under clause (i) to replace or submit the data and an offer to submit to arbitration as described by section 3(c)(2)(B) with regard to such cost sharing.

For purposes of a submission by a registrant under subparagraph (A)(ii), data are inadequate if the data are derived from a study with respect to which the registrant is unable to make the certification prescribed by subsection (e)(1)(G) that the registrant possesses or has access to the raw data used in or generated by such study. For purposes of a submission by a registrant under such subparagraph, data shall be considered to be inadequate if the data are derived from a study submitted before January 1, 1970, unless it is demonstrated to the satisfaction of the Administrator that such data should be considered to support the registration of the pesticide that is to be reregistered.

"(4) Time Periods.—

"(A) A submission under paragraph (2) or (3) shall be made—

"(i) in the case of a pesticide containing an active ingredient listed under subsection (c)(2)(B), not later than 3 months after the date of publication of the listing of such active ingredient;

"(ii) in the case of a pesticide containing an active ingredient listed under subsection (c)(2)(C), not later than 3 months after the date of publication of the listing of such active ingredient; and

"(iii) in the case of a pesticide containing an active ingredient listed under subsection (c)(2)(D), not later than 3 months after the date of publication of the listing of such active ingredient.

On application, the Administrator may extend a time period prescribed by this subparagraph if the Administrator determines that factors beyond the control of the registrant prevent the registrant from complying with such period.

"(B) A registrant shall submit data in accordance with a commitment entered into under paragraph (3)(B) within a reasonable period of time, as determined by the Administrator, but not more than 48 months after the date the registrant submitted the commitment. The Administrator, on application of a registrant, may extend the period prescribed by the preceding sentence by no more than 2 years if extraordinary circumstances beyond the control of the registrant prevent the registrant from submitting data within such prescribed period.

"(5) Cancellation and Removal.—

"(A) If the registrant of a pesticide does not submit a notice under paragraph (2) or (3) within the time prescribed by paragraph (4)(A), the Administrator shall issue a notice of intent to cancel the registration of such registrant for such pesticide and shall publish the notice in the Federal Register and allow 60 days for the submission of comments on the notice. On expiration of such 60 days, the Administrator, by order and without a hearing, may cancel the registration or take such other action, including extension of applicable time periods, as may be necessary to enable reregistration of such pesticide by another person.

"(B)(i) If—

"(I) no registrant of a pesticide containing an active ingredient listed under subsection (c)(2) notifies the Administrator under paragraph (2) that the registrant intends to seek reregistration of any pesticide containing that active ingredient;

"(II) no such registrant complies with paragraph (3)(A); or

"(III) no such registrant makes a commitment under paragraph (3)(B) to replace or submit all data described in clauses (ii) and (iii) of paragraph (3)(A);

the Administrator shall publish in the Federal Register a notice of intent to remove the active ingredient from the list established under subsection (c)(2) and a notice of intent to cancel the registrations of all pesticides containing such active ingredient and shall provide 60 days for comment on such notice.

"(ii) After the 60-day period has expired, the Administrator, by order, may cancel any such registration without hearing, except that the Administrator shall not cancel a registration under this subparagraph if—

"(I) during the comment period a person acquires the rights of the registrant in that registration;

"(II) during the comment period that person furnishes a notice of intent to reregister the pesticide in accordance with paragraph (2); and

"(III) not later than 120 days after the publication of the notice under this subparagraph, that person has complied with paragraph (3) and the fee prescribed by subsection (i)(1) has been paid.

"(6) Suspensions and Penalties.—The Administrator shall issue a notice of intent to suspend the registration of a pesticide in accordance with the procedures prescribed by section 3(c)(2)(B)(iv) if the Administrator determines that (A) progress is insufficient to ensure the submission of the data required for such pesticide under a commitment made under paragraph (3)(B) within the time period prescribed by paragraph (4)(B) or (B) the registrant has not submitted such data to the Administrator within such time period.

"(e) Phase Three.—

"(1) Information About Studies.—Each registrant of a pesticide that contains an active ingredient listed under subparagraph (B), (C), or (D) of subsection (c)(2) who has submitted a notice under subsection (d)(2) of an intent to seek the reregistration of such pesticide shall submit, in accordance with the guidelines issued under paragraph (4), to the Administrator—

"(A) a summary of each study concerning the active ingredient previously submitted by the registrant in support of the registration of a pesticide containing such active ingredient and considered by the registrant to be adequate to meet the requirements of section 3 and the regulations issued under such section;

"(B) a summary of each study concerning the active ingredient previously submitted by the registrant in support of the registration of a pesticide containing such active ingredient that may not comply with the requirements of section 3 and the regulations issued under such section but which the registrant asserts should be deemed to comply with such requirements and regulations;

"(C) a reformat of the data from each study summarized under subparagraph (A) or (B) by the registrant concerning chronic dosing, oncogenicity, reproductive effects, mutagenicity, neurotoxicity, teratogenicity, or residue chemistry of the active ingredient that were submitted to the Administrator before January 1, 1982;

"(D) where data described in subparagraph (C) are not required for the active ingredient by regulations issued under section 3, a reformat of acute and subchronic dosing data submitted by the registrant to the Administrator before January 1, 1982, that the registrant considers to be adequate to meet the requirements of section 3 and the regulations issued under such section;

"(E) an identification of data that are required to be submitted to the Administrator

under section 6(a)(2) indicating an adverse effect of the pesticide;

"(F) an identification of any other information available that in the view of the registrant supports the registration;

"(G) a certification that the registrant or the Administrator possesses or has access to the raw data used in or generated by the studies that the registrant summarized under subparagraph (A) or (B);

"(H) either—

"(i) a commitment to submit data to fill each outstanding data requirement identified by the registrant; or

"(ii) an offer to share in the cost of developing such data to be incurred by a person who has made a commitment under clause (i) to submit such data, and an offer to submit to arbitration as described by section 3(c)(2)(B) with regard to such cost sharing; and

"(I) evidence of compliance with section 3(c)(1)(D)(ii) and regulations issued thereunder with regard to previously submitted data as if the registrant were now seeking the original registration of the pesticide.

A registrant who submits a certification under subparagraph (G) that is false shall be considered to have violated this Act and shall be subject to the penalties prescribed by section 14.

"(2) TIME PERIODS.—

"(A) The information required by paragraph (1) shall be submitted to the Administrator—

"(i) in the case of a pesticide containing an active ingredient listed under subsection (c)(2)(B), not later than 12 months after the date of publication of the listing of such active ingredient;

"(ii) in the case of a pesticide containing an active ingredient listed under subsection (c)(2)(C), not later than 12 months after the date of publication of the listing of such active ingredient; and

"(iii) in the case of a pesticide containing an active ingredient listed under subsection (c)(2)(D), not later than 12 months after the date of publication of the listing of such active ingredient.

"(B) A registrant shall submit data in accordance with a commitment entered into under paragraph (1)(H) within a reasonable period of time, as determined by the Administrator, but not more than 48 months after the date the registrant submitted the commitment under such paragraph. The Administrator, on application of a registrant, may extend the period prescribed by the preceding sentence by no more than 2 years if extraordinary circumstances beyond the control of the registrant prevent the registrant from submitting data within such prescribed period.

"(3) CANCELLATION.—

"(A) If the registrant of a pesticide fails to submit the information required by paragraph (1) within the time prescribed by paragraph (2), the Administrator, by order and without hearing, shall cancel the registration of such pesticide.

"(B)(i) If the registrant of a pesticide submits the information required by paragraph (1) within the time prescribed by paragraph (2) and such information does not conform to the guidelines for submissions established by the Administrator, the Administrator shall determine whether the registrant made a good faith attempt to conform its submission to such guidelines.

"(ii) If the Administrator determines that the registrant made a good faith attempt to conform its submission to such guidelines, the Administrator shall provide the registrant a reasonable period of time to make any necessary changes or corrections.

"(iii)(I) If the Administrator determines that the registrant did not make a good faith attempt to conform its submission to such guidelines, the Administrator may issue a notice of intent to cancel the registration. Such a notice shall be sent to the registrant by certified mail.

"(II) The registration shall be canceled without a hearing or further notice at the end of 30 days after receipt by the registrant of the notice unless during that time a request for a hearing is made by the registrant.

"(III) If a hearing is requested, a hearing shall be conducted under section 6(d), except that the only matter for resolution at the hearing shall be whether the registrant made a good faith attempt to conform its submission to such guidelines. The hearing shall be held and a determination made within 75 days after receipt of a request for hearing.

"(4) GUIDELINES.—

"(A) Not later than 1 year after the effective date of this section, the Administrator, by order, shall issue guidelines to be followed by registrants in—

"(i) summarizing studies;

"(ii) reformatting studies;

"(iii) identifying adverse information; and

"(iv) identifying studies that have been submitted previously that may not meet the requirements of section 3 or regulations issued under such section,

under paragraph (1).

"(B) Guidelines issued under subparagraph (A) shall not be subject to judicial review.

"(5) MONITORING.—The Administrator shall monitor the progress of registrants in acquiring and submitting the data required under paragraph (1).

"(f) PHASE FOUR.—

"(1) INDEPENDENT REVIEW AND IDENTIFICATION OF OUTSTANDING DATA REQUIREMENTS.—

"(A) The Administrator shall review the submissions of all registrants of pesticides containing a particular active ingredient under subsections (d)(3) and (f)(1) to determine if such submissions identified all the data that are missing or inadequate for such active ingredient. To assist the review of the Administrator under this subparagraph, the Administrator may require a registrant seeking reregistration to submit complete copies of studies summarized under subsection (e)(1).

"(B) The Administrator shall independently identify and publish in the Federal Register the outstanding data requirements for each active ingredient that is listed under subparagraph (B), (C), or (D) of subsection (c)(2) and that is contained in a pesticide to be reregistered under this section. The Administrator, at the same time, shall issue a notice under section 3(c)(2)(B) for the submission of the additional data that are required to meet such requirements.

"(2) TIME PERIODS.—

"(A) The Administrator shall take the action required by paragraph (1)—

"(i) in the case of a pesticide containing an active ingredient listed under subsection (c)(2)(B), not later than 18 months after the date of the listing of such active ingredient;

"(ii) in the case of a pesticide containing an active ingredient listed under subsection (c)(2)(C), not later than 24 months after the date of the listing of such active ingredient; and

"(iii) in the case of a pesticide containing an active ingredient listed under subsection (c)(2)(D), not later than 33 months after the date of the listing of such active ingredient.

"(B) If the Administrator issues a notice to a registrant under paragraph (1)(B) for the submission of additional data, the registrant shall submit such data within a reasonable period of time, as determined by the Administrator, but not to exceed 48 months after the issuance of such notice. The Administrator, on application of a registrant, may extend the period prescribed by the preceding sentence by no more than 2 years if extraordinary circumstances beyond the control of the registrant prevent the registrant from submitting data within such prescribed period.

"(3) SUSPENSIONS AND PENALTIES.—The Administrator shall issue a notice of intent to suspend the registration of a pesticide in accordance with the procedures prescribed by section 3(c)(2)(B)(iv) if the Administrator determines that (A) tests necessary to fill an outstanding data requirement for such pesticide have not been initiated within 1 year after the issuance of a notice under paragraph (1)(B), or (B) progress is insufficient to ensure submission of the data referred to in clause (A) within the time period prescribed by paragraph (2)(B) or the required data have not been submitted to the Administrator within such time period.

"(g) PHASE FIVE.—

"(1) DATA REVIEW.—The Administrator shall conduct a thorough examination of all data submitted under this section concerning an active ingredient listed under subsection (c)(2) and of all other available data found by the Administrator to be relevant.

"(2) REREGISTRATION AND OTHER ACTIONS.—

"(A) Within 1 year after the submission of all data concerning an active ingredient of a pesticide under subsection (f), the Administrator shall determine whether pesticides containing such active ingredient are eligible for reregistration. For extraordinary circumstances, the Administrator may extend such period for not more than 1 additional year.

"(B) Before reregistering a pesticide, the Administrator shall obtain any needed product-specific data regarding the pesticide by use of section 3(c)(2)(B) and shall review such data within 90 days after its submission. The Administrator shall require that data under this subparagraph be submitted to the Administrator not later than 8 months after a determination of eligibility under subparagraph (A) has been made for each active ingredient of the pesticide, unless the Administrator determines that a longer period is required for the generation of the data.

"(C) After conducting the review required by paragraph (1) for each active ingredient of a pesticide and the review required by subparagraph (B) of this paragraph, the Administrator shall determine whether to reregister a pesticide by determining whether such pesticide meets the requirements of section 3(c)(5). If the Administrator determines that a pesticide is eligible to be reregistered, the Administrator shall reregister such pesticide within 6 months after the submission of the data concerning such pesticide under subparagraph (B).

"(D) If after conducting a review under paragraph (1) or subparagraph (B) of this paragraph the Administrator determines that a pesticide should not be reregistered, the Administrator shall take appropriate regulatory action.

"(h) COMPENSATION OF DATA SUBMITTER.—If data that are submitted by a registrant under subsection (d), (e), (f), or (g) are used

to support the application of another person under section 3, the registrant who submitted such data shall be entitled to compensation for the use of such data as prescribed by section 3(c)(1)(D). In determining the amount of such compensation, the fees paid by the registrant under this section shall be taken into account.

"(i) FEES.—

"(1) INITIAL FEE FOR FOOD OR FEED USE PESTICIDE ACTIVE INGREDIENTS.—The registrants of pesticides that contain an active ingredient that is listed under subparagraph (B), (C), or (D) of subsection (c)(2) and that is an active ingredient of any pesticide registered for a major food or feed use shall collectively pay a fee of $50,000 on submission of information under paragraphs (2) and (3) of subsection (d) for such ingredient.

"(2) FINAL FEE FOR FOOD OR FEED USE PESTICIDE ACTIVE INGREDIENTS.—

"(A) The registrants of pesticides that contain an active ingredient that is listed under subparagraph (B), (C), or (D) of subsection (c)(2) and that is an active ingredient of any pesticide registered for a major food or feed use shall collectively pay a fee of $100,000—

"(i) on submission of information for such ingredient under subsection (e)(1) if data are reformatted under subsection (e)(1)(C); or

"(ii) on submission of data for such ingredient under subsection (e)(2)(B) if data are not reformatted under subsection (e)(1)(C).

"(B) The registrants of pesticides that contain an active ingredient that is listed under subsection (c)(2)(A) and that is an active ingredient of any pesticide registered for a major food or feed use shall collectively pay a fee of $150,000 at such time as the Administrator shall prescribe.

"(3) FEES FOR OTHER PESTICIDE ACTIVE INGREDIENTS.—

"(A) The registrants of pesticides that contain an active ingredient that is listed under subparagraph (B), (C), or (D) of subsection (c)(2) and that is not an active ingredient of any pesticide registered for a major food or feed use shall collectively pay fees in amounts determined by the Administrator. Such fees may not be less than one-half of, nor greater than, the fees required by paragraphs (1) and (2). A registrant shall pay such fees at the times corresponding to the times fees prescribed by paragraphs (1) and (2) are to be paid.

"(B) The registrants of pesticides that contain an active ingredient that is listed under subsection (c)(2)(A) and that is not an active ingredient of any pesticide that is registered for a major food or feed use shall collectively pay a fee of not more than $100,000 and not less than $50,000 at such time as the Administrator shall prescribe.

"(4) REDUCTION OR WAIVER OF FEES FOR MINOR USE AND OTHER PESTICIDES.—

"(A) An active ingredient that is contained only in pesticides that are registered solely for agricultural or nonagricultural minor uses, or a pesticide the value or volume of use of which is small, shall be exempt from the fees prescribed by paragraph (3).

"(B) An antimicrobial active ingredient, the production level of which does not exceed 1,000,000 pounds per year, shall be exempt from the fees prescribed by paragraph (3). For purposes of this subparagraph, the term 'antimicrobial active ingredient' means any active ingredient that is contained only in pesticides that are not registered for any food or feed use and that are—

"(i) sanitizers intended to reduce the number of living bacteria or viable virus particles on inanimate surface or in water or air;

"(ii) bacteriostats intended to inhibit the growth of bacteria in the presence of moisture;

"(iii) disinfectants intended to destroy or irreversibly inactivate bacteria, fungi, or viruses on surfaces or inanimate objects;

"(iv) sterilizers intended to destroy viruses and all living bacteria, fungi, and their spores on inanimate surfaces; or

"(v) fungicides or fungistats.

"(C)(i) Notwithstanding any other provision of this subsection, in the case of a small business registrant of a pesticide, the registrant shall pay a fee for the reregistration of each active ingredient of the pesticide that does not exceed an amount determined in accordance with this subparagraph.

"(ii) If during the 3-year period prior to reregistration the average annual gross revenue of the registrant from pesticides containing such active ingredient is—

"(I) less than $5,000,000, the registrant shall pay 0.5 percent of such revenue;

"(II) $5,000,000 or more but less than $10,000,000, the registrant shall pay 1 percent of such revenue; or

"(III) $10,000,000 or more, the registrant shall pay 1.5 percent of such revenue, but not more than $150,000.

"(iii) For the purpose of this subparagraph, a small business registrant is a corporation, partnership, or unincorporated business that—

"(I) has 150 or fewer employees; and

"(II) during the 3-year period prior to reregistration, had an average annual gross revenue from chemicals that did not exceed $40,000,000.

"(5) MAINTENANCE FEE.—

"(A) Subject to other provisions of this paragraph, each registrant of a pesticide shall pay an annual fee by March 1 of each year of—

"(i) in the case of a registrant holding not more than 50 pesticide registrations, $425 for each registration; and

"(ii) in the case of a registrant holding more than 50 pesticide registrations—

"(I) $425 for each registration up to 50 registrations; and

"(II) $100 for each registration over 50 registrations, except that no fee shall be charged for more than 200 registrations held by any registrant.

"(B) The amount of each fee prescribed under subparagraph (A) shall be adjusted by the Administrator to a level that will result in the collection under this paragraph of, to the extent practicable, an aggregate amount of $14,000,000 each fiscal year.

"(C)(i) The maximum annual fee payable by a registrant under clause (i) of subparagraph (A) (as adjusted under subparagraph (B)) shall be $20,000.

"(ii) The maximum annual fee payable by a registrant under clause (ii) of subparagraph (A) (as adjusted under subparagraph (B)) shall be $35,000.

"(D) If any fee prescribed by this paragraph with respect to the registration of a pesticide is not paid by a registrant by the time prescribed, the Administrator, by order and without hearing, may cancel the registration.

"(E) The authority provided under this paragraph shall terminate on September 30, 1997.

"(6) OTHER FEES.—During the period beginning on the date of enactment of this section and ending on September 30, 1997, the Administrator may not levy any other fees for the registration of a pesticide under this Act except as provided in paragraphs (1) through (5).

"(7) APPORTIONMENT.—

"(A) If two or more registrants are required to pay any fee prescribed by paragraph (1), (2), or (3) with respect to a particular active ingredient, the fees for such active ingredient shall be apportioned among such registrants on the basis of the market share in United States sales of the active ingredient for the 3 calendar years preceding the date of payment of such fee, except that—

"(i) small business registrants that produce the active ingredient shall pay fees in accordance with paragraph (4)(C); and

"(ii) registrants who have no market share but who choose to reregister a pesticide containing such active ingredient shall pay the lesser of—

"(I) 15 percent of the reregistration fee; or

"(II) a proportionate amount of such fee based on the lowest percentage market share held by any registrant active in the marketplace.

In no event shall registrants who have no market share but who choose to reregister a pesticide containing such active ingredient collectively pay more than 25 percent of the total active ingredient reregistration fee.

"(B) The Administrator, by order, may require any registrant to submit such reports as the Administrator determines to be necessary to allow the Administrator to determine and apportion fees under this subsection or to determine the registrant's eligibility for a reduction or waiver of a fee.

"(C) If any such report is not submitted by a registrant after receiving notice of such report requirement, or if any fee prescribed by this subsection (other than paragraph (5)) for an active ingredient is not paid by a registrant to the Administrator by the time prescribed under this subsection, the Administrator, by order and without hearing, may cancel each registration held by such registrant of a pesticide containing the active ingredient with respect to which the fee is imposed. The Administrator shall reapportion the fee among the remaining registrants and notify the registrants that the registrants are required to pay to the Administrator any unpaid balance of the fee within 30 days after receipt of such notice.

"(j) EXEMPTION OF CERTAIN REGISTRANTS.—The requirements of subsections (d), (e), (f), and (i) (other than subsection (i)(5)) regarding data concerning an active ingredient and fees for review of such data shall not apply to any person who is the registrant of a pesticide to the extent that, under section 3(c)(2)(D), the person would not be required to submit or cite such data to obtain an initial registration of such pesticide.

"(k) REREGISTRATION AND EXPEDITED PROCESSING FUND.—

"(1) ESTABLISHMENT.—There shall be established in the Treasury of the United States a reregistration and expedited processing fund.

"(2) SOURCE AND USE.—All fees collected by the Administrator under subsection (i) shall be deposited into the fund and shall be available to the Administrator, without fiscal year limitation, to carry out reregistration and expedited processing of similar applications.

"(3) EXPEDITED PROCESSING OF SIMILAR APPLICATIONS.—

"(A) The Administrator shall use each fiscal year not more than $2,000,000 of the amounts in the fund to obtain sufficient *personnel and resources to assure the expedited processing and review of any application that—*

"(i) proposes the initial or amended registration of an end-use pesticide that, if registered as proposed, would be identical or substantially similar in composition and labeling to a currently-registered pesticide identified in the application, or that would differ in composition and labeling from any such currently-registered pesticide only in ways that would not significantly increase the risk of unreasonable adverse effects on the environment; or

"(ii) proposes an amendment to the registration of a registered pesticide that does not require scientific review of data.

"(B) Any amounts made available under subparagraph (A) shall be used to obtain sufficient personnel and resources to carry out the activities described in such subparagraph that are in addition to the personnel and resources available to carry out such activities on the date of enactment of this section.

"(4) UNUSED FUNDS.—Money in the fund not currently needed to carry out this section shall be—

"(A) maintained on hand or on deposit;

"(B) invested in obligations of the United States or guaranteed thereby; or

"(C) invested in obligations, participations, or other instruments that are lawful investments for fiduciary, trust, or public funds.

"(5) ACCOUNTING.—The Administrator shall—

"(A) provide an annual accounting of the fees collected and disbursed from the fund; and

"(B) take all steps necessary to ensure that expenditures of such funds are used only to carry out this section.

"(l) JUDICIAL REVIEW.—Any failure of the Administrator to take any action required by this section shall be subject to judicial review under the procedures prescribed by section 16(b).".

(b) CONFORMING AMENDMENT.—

(1) Section 3(c)(2)(B) (7 U.S.C. 136a(c)(2)(B)) is amended by adding at the end of clauses (ii) and (iii) the following: "The Administrator shall issue a notice of intent to suspend the registration of a pesticide in accordance with the procedures prescribed by clause (iv) if a registrant fails to comply with this clause.".

(2) Section 3(c)(2)(D) (7 U.S.C. 136a(c)(2)(D)) is amended—

(A) in the matter preceding clause (i), by striking out "an end use product" and inserting in lieu thereof "the pesticide that is the subject of the application"; and

(B) in clause (i), by striking out "the safety of".

SEC. 103. EXPEDITED REGISTRATION OF SIMILAR APPLICATIONS.

Section 3(c)(3) (7 U.S.C. 136a(c)(3)) is amended—

(1) by striking out "APPLICATION.—The Administrator" and inserting in lieu thereof "APPLICATION.—

"(A) The Administrator"; and

(2) by adding at the end thereof the following new subparagraph:

"(B)(i) The Administrator shall, as expeditiously as possible, review and act on any application received by the Administrator that—

"(I) proposes the initial or amended registration of an end-use pesticide that, if registered as proposed, would be identical or substantially similar in composition and labeling to a currently-registered pesticide identified in the application, or that would differ in composition and labeling from such currently-registered pesticide only in ways that would not significantly increase the risk of unreasonable adverse effects on the environment; or

"(II) proposes an amendment to the registration of a registered pesticide that does not require scientific review of data.

"(ii) In expediting the review of an application for an action described in clause (i), the Administrator shall—

"(I) within 45 days after receiving the application, notify the registrant whether or not the application is complete and, if the application is found to be incomplete, reject the application;

"(II) within 90 days after receiving a complete application, notify the registrant if the application has been granted or denied; and

"(III) if the application is denied, notify the registrant in writing of the specific reasons for the denial of the application.".

TITLE II—REVIEW AND CANCELLATION

SEC. 201. ADMINISTRATIVE CHANGES.

Section 6 (7 U.S.C. 136d) is amended by redesignating subsection (f) as subsection (h) and by inserting after subsection (e) the following new subsection:

"(f) GENERAL PROVISIONS.—

"(1) VOLUNTARY CANCELLATION.—A registrant at any time may request that any of its pesticide registrations be canceled or be amended to delete one or more uses. Before acting on such request, the Administrator shall publish in the Federal Register a notice of the receipt of the request. Thereafter, the Administrator may approve such a request.

"(2) PUBLICATION OF NOTICE.—A notice of denial of registration, intent to cancel, suspension, or intent to suspend issued under this Act or a notice issued under subsection (d)(4) or (e)(5)(A) of section 3A shall be published in the Federal Register and shall be sent by certified mail, return receipt requested, to the registrant's or applicant's address of record on file with the Administrator. If the mailed notice is returned to the Administrator as undeliverable at that address, if delivery is refused, or if the Administrator otherwise is unable to accomplish delivery of the notice to the registrant or applicant after making reasonable efforts to do so, the notice shall be deemed to have been received by the registrant or applicant on the date the notice was published in the Federal Register.".

TITLE III—RECORDS AND INSPECTIONS

SEC. 301. RECORDS.

Section 8(a) (7 U.S.C. 136f(a)) is amended—

(1) by inserting after "requiring producers" the following: ", registrants, and applicants for registration"; and

(2) by inserting before the period in the first sentence the following: "and to make the records available for inspection and copying in the same manner as provided in subsection (b)".

SEC. 302. INSPECTIONS.

(a) IN GENERAL.—The first sentence of section 9(a) (7 U.S.C. 136g(a)) is amended—

(1) by inserting after "employees" the following: "of the Environmental Protection Agency or of any State",

(2) by striking out "at reasonable times," and inserting in lieu thereof the following: "at reasonable times (i)" and by inserting before the period at the end the following: ", or (ii) any place where there is being held any pesticide the registration of which has been suspended or canceled for the purpose determining compliance with section 19".

(b) WARRANTS.—Section 9(b) (7 U.S.C. 136g(b)) is amended by amending paragraph (1) to read as follows:

"(1) entry, inspection, and copying of records for purposes of this section or section 8;".

TITLE IV—DISPOSAL AND TRANSPORTATION

SEC. 401. STORAGE, DISPOSAL, TRANSPORTATION, AND RECALL.

Section 19 (7 U.S.C. 136q) is amended to read as follows:

"SEC. 19. STORAGE, DISPOSAL, TRANSPORTATION, AND RECALL.

"(a) STORAGE, DISPOSAL, AND TRANSPORTATION.—

"(1) DATA REQUIREMENTS AND REGISTRATION OF PESTICIDES.—The Administrator may require under section 3 or 6 that—

"(A) the registrant or applicant for registration of a pesticide submit or cite data or information regarding methods for the safe storage and disposal of excess quantities of the pesticide to support the registration or continued registration of a pesticide;

"(B) the labeling of a pesticide contain requirements and procedures for the transportation, storage, and disposal of the pesticide, any container of the pesticide, any rinsate containing the pesticide, or any other material used to contain or collect excess or spilled quantities of the pesticide; and

"(C) the registrant of a pesticide provide evidence of sufficient financial and other resources to carry out a recall plan under subsection (b), and provide for the disposition of the pesticide, in the event of suspension and cancellation of the pesticide.

"(2) PESTICIDES.—The Administrator may by regulation, or as part of an order issued under section 6 or an amendment to such an order—

"(A) issue requirements and procedures to be followed by any person who stores or transports a pesticide the registration of which has been suspended or canceled;

"(B) issue requirements and procedures to be followed by any person who disposes of stocks of a pesticide the registration of which has been suspended; and

"(C) issue requirements and procedures for the disposal of any pesticide the registration of which has been canceled.

"(b) RECALLS.—

"(1) IN GENERAL.—If the registration of a pesticide has been suspended and canceled under section 6, and if the Administrator finds that recall of the pesticide is necessary to protect health or the environment, the Administrator shall order a recall of the pesticide in accordance with this subsection.

"(2) VOLUNTARY RECALL.—If, after determining under paragraph (1) that a recall is necessary, the Administrator finds that voluntary recall by the registrant and others in the chain of distribution may be as safe and effective as a mandatory recall, the Administrator shall request the registrant of the pesticide to submit, within 60 days of the request, a plan for the voluntary recall of the pesticide. If such a plan is requested and submitted, the Administrator shall approve the plan and order the registrant to conduct the recall in accordance with the plan unless the Administrator determines, after an informal hearing, that the plan is inadequate to protect health or the environment.

"(3) MANDATORY RECALL.—If, after determining under paragraph (1) that a recall is necessary, the Administrator does not request the submission of a plan under paragraph (2) or finds such a plan to be inadequate, the Administrator shall issue a regulation that prescribes a plan for the recall of

the pesticide. A regulation issued under this paragraph may apply to any person who is or was a registrant, distributor, or seller of the pesticide, or any successor in interest to such a person.

"(4) RECALL PROCEDURE.—A regulation issued under this subsection may require any person that is subject to the regulation to—

"(A) arrange to make available one or more storage facilities to receive and store the pesticide to which the recall program applies, and inform the Administrator of the location of each such facility;

"(B) accept and store at such a facility those existing stocks of such pesticide that are tendered by any other person who obtained the pesticide directly or indirectly from the person that is subject to such regulation;

"(C) on the request of a person making such a tender, provide for proper transportation of the pesticide to a storage facility; and

"(D) take such reasonable steps as the regulation may prescribe to inform persons who may be holders of the pesticide of the terms of the recall regulation and how those persons may tender the pesticide and arrange for transportation of the pesticide to a storage facility.

"(5) CONTENTS OF RECALL PLAN.—A recall plan established under this subsection shall include—

"(A) the level in the distribution chain to which the recall is to extend, and a schedule for recall; and

"(B) the means to be used to verify the effectiveness of the recall.

"(6) REQUIREMENTS OR PROCEDURES.—No requirement or procedure imposed in accordance with paragraph (2) of subsection (a) may require the recall of existing stocks of the pesticide except as provided by this subsection.

"(c) STORAGE COSTS.—

"(1) SUBMISSION OF PLAN.—A registrant who wishes to become eligible for reimbursement of storage costs incurred as a result of a recall prescribed under subsection (b) for a pesticide whose registration has been suspended and canceled shall, as soon as practicable after the suspension of the registration of the pesticide, submit to the Administrator a plan for the storage and disposal of the pesticide that meets criteria established by the Administrator by regulation.

"(2) REIMBURSEMENT.—Within a reasonable period of time after such storage costs are incurred and paid by the registrant, the Administrator shall reimburse the registrant, on request, for—

"(A) none of the costs incurred by the registrant before the date of submission of the plan referred to in paragraph (1) to the Administrator;

"(B) 100 percent of the costs incurred by the registrant after the date of submission of the plan to the Administrator or the date of cancellation of the registration of the pesticide, whichever is later, but before the approval of the plan by the Administrator;

"(C) 50 percent of the costs incurred by the registrant during the 1-year period beginning on the date of the approval of the plan by the Administrator or the date of cancellation of the registration of the pesticide, whichever is later;

"(D) none of the costs incurred by the registrant during the 3-year period beginning on the 366th day following approval of the plan by the Administrator or the date of cancellation of the registration of the pesticide, whichever is later; and

"(E) 25 percent of the costs incurred by the registrant during the period beginning on the first day of the 5th year following the date of the approval of the plan by the Administrator or the date of cancellation of the registration of the pesticide, whichever is later, and ending on the date that a disposal permit for the pesticide is issued by a State or an alternative plan for disposal of the pesticide in accordance with applicable law has been developed.

"(d) ADMINISTRATION OF STORAGE, DISPOSAL, TRANSPORTATION, AND RECALL PROGRAMS.—

"(1) VOLUNTARY AGREEMENTS.—Nothing in this section shall be construed as preventing or making unlawful any agreement between a seller and a buyer of any pesticide or other substance regarding the ultimate allocation of the costs of storage, transportation, or disposal of a pesticide.

"(2) RULE AND REGULATION REVIEW.—Section 25(a)(4) shall not apply to any regulation issued under subsection (a)(2) or (b).

"(3) LIMITATIONS.—No registrant shall be responsible under this section for a pesticide the registration of which is held by another person. No distributor or seller shall be responsible under this section for a pesticide that the distributor or seller did not hold or sell.

"(4) SEIZURE AND PENALTIES.—If the Administrator finds that a person who is subject to a regulation or order under subsection (a)(2) or (b) has failed substantially to comply with that regulation or order, the Administrator may take action under section 13 or 14 or obtain injunctive relief under section 16(c) against such person or any successor in interest of any such person.".

SEC. 402. CONTAINERS, RINSATES, AND OTHER MATERIALS.

Section 19(a) (7 U.S.C. 136q(a)) (as amended by section 401 of this Act) is further amended by adding at the end thereof the following new paragraph:

"(3) CONTAINERS, RINSATES, AND OTHER MATERIALS.—The Administrator may by regulation, or as part of an order issued under section 6 or an amendment to such an order—

"(A) issue requirements and procedures to be followed by any person who stores or transports any container of a pesticide the registration of which has been suspended or canceled, any rinsate containing the pesticide, or any other material used to contain or collect excess or spilled quantities of the pesticide;

"(B) issue requirements and procedures to be followed by any person who disposes of stocks of any container of a pesticide the registration of which has been suspended, any rinsate containing the pesticide, or any other material used to contain or collect excess or spilled quantities of the pesticide; and

"(C) issue requirements and procedures for the disposal of any container of a pesticide the registration of which has been canceled, any rinsate containing the pesticide, or any other material used to contain or collect excess or spilled quantities of the pesticide.".

SEC. 403. PESTICIDE CONTAINERS.

Section 19 (7 U.S.C. 136q) (as amended by section 401 of this Act) is further amended by adding at the end thereof the following new subsections:

"(e) CONTAINER DESIGN.—

"(1) PROCEDURES.—

"(A) Not later than 3 years after the effective date of this subsection, the Administrator shall, in consultation with the heads of other interested Federal agencies, promulgate regulations for the design of pesticide containers that will promote the safe storage and disposal of pesticides.

"(B) The regulations shall ensure, to the fullest extent practicable, that the containers—

"(i) accommodate procedures used for the removal of pesticides from the containers and the rinsing of the containers;

"(ii) facilitate the safe use of the containers, including elimination of splash and leakage of pesticides from the containers;

"(iii) facilitate the safe disposal of the containers; and

"(iv) facilitate the safe refill and reuse of the containers.

"(2) COMPLIANCE.—The Administrator shall require compliance with the regulations referred to in paragraph (1) not later than 5 years after the effective date of this subsection.

"(f) PESTICIDE RESIDUE REMOVAL.—

"(1) PROCEDURES.—

"(A) Not later than 3 years after the effective date of this subsection, the Administrator shall, in consultation with the heads of other interested Federal agencies, promulgate regulations prescribing procedures and standards for the removal of pesticides from containers prior to disposal.

"(B) The regulations may—

"(i) specify, for each major type of pesticide container, procedures and standards providing for, at a minimum, triple rinsing or the equivalent degree of pesticide removal;

"(ii) specify procedures that can be implemented promptly and easily in various circumstances and conditions;

"(iii) provide for reuse, whenever practicable, or disposal of rinse water and residue; and

"(iv) be coordinated with requirements for the rinsing of containers imposed under the Resource Conservation and Recovery Act of 1976 (42 U.S.C. 6901 et seq.).

"(C) The Administrator may, at the discretion of the Administrator, exempt products intended solely for household use from the requirements of this subsection.

"(2) COMPLIANCE.—Effective beginning 5 years after the effective date of this subsection, a State may not exercise primary enforcement responsibility under section 26, or certify an applicator under section 4, unless the Administrator determines that the State is carrying out an adequate program to ensure compliance with this subsection.

"(3) SOLID WASTE DISPOSAL ACT.—Nothing in this subsection shall affect the authorities or requirements concerning pesticide containers under the Solid Waste Disposal Act (42 U.S.C. 6901).

"(g) PESTICIDE CONTAINER STUDY.—

"(1) STUDY.—

"(A) The Administrator shall conduct a study of options to encourage or require—

"(i) the return, refill, and reuse of pesticide containers;

"(ii) the development and use of pesticide formulations that facilitate the removal of pesticide residues from containers; and

"(iii) the use of bulk storage facilities to reduce the number of pesticide containers requiring disposal.

"(B) In conducting the study, the Administrator shall—

"(i) consult with the heads of other interested Federal agencies, State agencies, industry groups, and environmental organizations; and

"(ii) assess the feasibility, costs, and environmental benefits of encouraging or requiring various measures or actions.

"(2) REPORT.—Not later than 2 years after the effective date of this subsection, the Administrator shall submit to Congress a report describing the results of the study required under paragraph (1).

"(h) RELATIONSHIP TO SOLID WASTE DISPOSAL ACT.—Nothing in this section shall diminish the authorities or requirements of the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.).".

SEC. 404. NOTICE FOR STORED PESTICIDES WITH CANCELED OR SUSPENDED REGISTRATIONS.

Section 6 (7 U.S.C. 136d) (as amended by section 201(a) of this Act) is amended by adding after subsection (f) the following:

"(g) NOTICE FOR STORED PESTICIDES WITH CANCELED OR SUSPENDED REGISTRATIONS.—

"(1) IN GENERAL.—Any producer or exporter of pesticides, registrant of a pesticide, applicant for registration of a pesticide, applicant for or holder of an experimental use permit, commercial applicator, or any person who distributes or sells any pesticide, who possesses any pesticide which has had its registration canceled or suspended under this section shall notify the Administrator and appropriate State and local officials of—

"(A) such possession,

"(B) the quantity of such pesticide such person possesses, and

"(C) the place at which such pesticide is stored.

"(2) COPIES.—The Administrator shall transmit a copy of each notice submitted under this subsection to the regional office of the Environmental Protection Agency which has jurisdiction over the place of pesticide storage identified in the notice.".

TITLE V—INDEMNITIES

SEC. 501. INDEMNITIES.

(a) IN GENERAL.—Effective 180 days after the date of enactment of this Act, section 15 (7 U.S.C. 136m) is amended to read as follows:

"SEC. 15. INDEMNITIES.

"(a) GENERAL INDEMNIFICATION.—

"(1) IN GENERAL.—Except as otherwise provided in this section, if—

"(A) the Administrator notifies a registrant under section 6(c)(1) that the Administrator intends to suspend a registration or that an emergency order of suspension of a registration under section 6(c)(3) has been issued;

"(B) the registration in question is suspended under section 6(c), and thereafter is canceled under section 6(b), 6(d), or 6(f); and

"(C) any person who owned any quantity of the pesticide immediately before the notice to the registrant under subparagraph (A) suffered losses by reason of suspension or cancellation of the registration;

the Administrator shall make an indemnity payment to the person.

"(2) EXCEPTION.—Paragraph (1) shall not apply if the Administrator finds that the person—

"(A) had knowledge of facts that, in themselves, would have shown that the pesticide did not meet the requirements of section 3(c)(5) for registration; and

"(B) continued thereafter to produce the pesticide without giving timely notice of such facts to the Administrator.

"(3) REPORT.—If the Administrator takes an action under paragraph (1) that requires the payment of indemnification, the Administrator shall report to the Committee on Agriculture of the House of Representatives, the Committee on Agriculture, Nutrition, and Forestry of the Senate, and the Committees on Appropriations of the House of Representatives and the Senate on—

"(A) the action taken that requires the payment of indemnification;

"(B) the reasons for taking the action;

"(C) the estimated cost of the payment; and

"(D) a request for the appropriation of funds for the payment.

"(4) APPROPRIATION.—The Administrator may not make a payment of indemnification under paragraph (1) unless a specific line item appropriation of funds has been made in advance for the payment.

"(b) INDEMNIFICATION OF END USERS, DEALERS, AND DISTRIBUTORS.—

"(1) END USERS.—If—

"(A) the Administrator notifies a registrant under section 6(c)(1) that the Administrator intends to suspend a registration or that an emergency order of suspension of a registration under section 6(c)(3) has been issued;

"(B) the registration in question is suspended under section 6(c), and thereafter is canceled under section 6(b), 6(d), or 6(f); and

"(C) any person who, immediately before the notice to the registrant under subparagraph (A), owned any quantity of the pesticide for purposes of applying or using the pesticide as an end user, rather than for purposes of distributing or selling it or further processing it for distribution or sale, suffered a loss by reason of the suspension or cancellation of the pesticide;

the person shall be entitled to an indemnity payment under this subsection for such quantity of the pesticide.

"(2) DEALERS AND DISTRIBUTORS.—

"(A) Any registrant, wholesaler, dealer, or other distributor (hereinafter in this paragraph referred to as a 'seller') of a registered pesticide who distributes or sells the pesticide directly to any person not described as an end user in paragraph (1)(C) shall, with respect to any quantity of the pesticide that such person cannot use or resell as a result of the suspension or cancellation of the pesticide, reimburse such person for the cost of first acquiring the pesticide from the seller (other than the cost of transportation, if any), unless the seller provided to the person at the time of distribution or sale a notice, in writing, that the pesticide is not subject to reimbursement by the seller.

"(B) If—

"(i) the Administrator notifies a registrant under section 6(c)(1) that the Administrator intends to suspend a registration or that an emergency order of suspension of a registration under section 6(c)(3) has been issued;

"(ii) the registration in question is suspended under section 6(c), and thereafter is canceled under section 6(b), 6(d), or 6(f);

"(iii) any person who, immediately before the notice to the registrant under clause (i)—

"(I) had not been notified in writing by the seller, as provided under subparagraph (A), that any quantity of the pesticide owned by such person is not subject to reimbursement by the seller in the event of suspension or cancellation of the pesticide; and

"(II) owned any quantity of the pesticide for purposes of—

"(aa) distributing or selling it; or

"(bb) further processing it for distribution or sale directly to an end user;

suffered a loss by reason of the suspension or cancellation of the pesticide; and

"(iv) the Administrator determines on the basis of a claim of loss submitted to the Administrator by the person, that the seller—

"(I) did not provide the notice specified in subparagraph (A) to such person; and

"(II) is and will continue to be unable to provide reimbursement to such person, as provided under subparagraph (A), for the loss referred to in clause (iii), as a result of the insolvency or bankruptcy of the seller and the seller's resulting inability to provide such reimbursement;

the person shall be entitled to an indemnity payment under this subsection for such quantity of the pesticide.

"(C) If an indemnity payment is made by the United States under this paragraph, the United States shall be subrogated to any right that would otherwise be held under this paragraph by a seller who is unable to make a reimbursement in accordance with this paragraph with regard to reimbursements that otherwise would have been made by the seller.

"(3) SOURCE.—Any payment required to be made under paragraph (1) or (2) shall be made from the appropriation provided under section 1304 of title 31, United States Code.

"(4) ADMINISTRATIVE SETTLEMENT.—An administrative settlement of a claim for such indemnity may be made in accordance with the third paragraph of section 2414 of title 28, United States Code, and shall be regarded as if it were made under that section for purposes of section 1304 of title 31, United States Code.

"(c) AMOUNT OF PAYMENT.—

"(1) IN GENERAL.—The amount of an indemnity payment under subsection (a) or (b) to any person shall be determined on the basis of the cost of the pesticide owned by the person (other than the cost of transportation, if any) immediately before the issuance of the notice to the registrant referred to in subsection (a)(1)(A), (b)(1)(A), or (b)(2)(B)(i), except that in no event shall an indemnity payment to any person exceed the fair market value of the pesticide owned by the person immediately before the issuance of the notice.

"(2) SPECIAL RULE.—Notwithstanding any other provision of this Act, the Administrator may provide a reasonable time for use or other disposal of the pesticide. In determining the quantity of any pesticide for which indemnity shall be paid under this section, proper adjustment shall be made for any pesticide used or otherwise disposed of by the owner.".

(b) INTERIM PAYMENTS.—

(1) SOURCE.—Any obligation of the Administrator to pay an indemnity arising under section 15, as it existed prior to the effective date of the amendment made by this section, shall be made from the appropriation provided under section 1304 of title 31, United States Code.

(2) ADMINISTRATIVE SETTLEMENT.—An administrative settlement of a claim for such indemnity may be made in accordance with the third paragraph of section 2414 of title 28, United States Code, and shall be regarded as if it were made under that section for purposes of section 1304 of title 31, United States Code.

TITLE VI—GENERAL

SEC. 601. DEFINITIONS.

(a) IN GENERAL.—

(1) TO USE ANY REGISTERED PESTICIDE IN A MANNER INCONSISTENT WITH ITS LABELING.—The first proviso of section 2(ee) (7 U.S.C. 136(ee)) is amended—

(A) in clause (1), by inserting before the comma at the end thereof the following: "unless the labeling specifically prohibits deviation from the specified dosage, concentration, or frequency"; and

(B) in clause (3), by inserting before the comma at the end thereof the following: "unless the labeling specifically states that the product may be applied only by the methods specified on the labeling".

(2) TO DISTRIBUTE OR SELL.—Section 2 (as amended by section 101 of this Act) is further amended by adding at the end thereof the following new subsection:

"(gg) TO DISTRIBUTE OR SELL.—The term 'to distribute or sell' means to distribute, sell, offer for sale, hold for distribution, hold for sale, hold for shipment, ship, deliver for shipment, release for shipment, or receive and (having so received) deliver or offer to deliver. The term does not include the holding or application of registered pesticides or use dilutions thereof by any applicator who provides a service of controlling pests without delivering any unapplied pesticide to any person so served.".

(b) CONFORMING AMENDMENTS.—

(1) REGISTRATION OF PESTICIDES.—Subsection (a) of section 3 (7 U.S.C. 136a(a)) is amended to read as follows:

"(a) REQUIREMENT OF REGISTRATION.—Except as provided by this Act, no person in any State may distribute or sell to any person any pesticide that is not registered under this Act. To the extent necessary to prevent unreasonable adverse effects on the environment, the Administrator may by regulation limit the distribution, sale, or use in any State of any pesticide that is not registered under this Act and that is not the subject of an experimental use permit under section 5 or an emergency exemption under section 18.".

(2) UNLAWFUL ACTS.—Section 12(a) (7 U.S.C. 136j(a)) is amended—

(A) in paragraph (1), by striking out "distribute, sell, offer for sale, hold for sale, ship, deliver for shipment, or receive and (having so received) deliver or offer to deliver, to any person—" and inserting in lieu thereof "distribute or sell to any person—"; and

(B) in paragraph (2)(F), by striking out "to make" and inserting in lieu thereof "to distribute or sell, or to make".

SEC. 602. SCIENTIFIC ADVISORY PANEL.

The sentence beginning "The advisory panel established" in section 25(d) (7 U.S.C. 136w(d)) is amended to read as follows: "The advisory panel established under this section shall be permanent.".

SEC. 603. UNLAWFUL ACTS.

Section 12(a) (7 U.S.C. 136j(a)) (as amended by section 601(b)(2) of this Act) is further amended—

(1) in paragraph (1), by striking out subparagraph (A) and inserting in lieu thereof the following new subparagraph:

"(A) any pesticide that is not registered under section 3 or whose registration has been canceled or suspended, except to the extent that distribution or sale otherwise has been authorized by the Administrator under this Act;"; and

(2) in paragraph (2)—

(A) by striking out subparagraph (B) and inserting in lieu thereof the following new subparagraph:

"(B) to refuse to—

"(i) prepare, maintain, or submit any records required by or under section 4, 5, 7, 8, or 19;

"(ii) submit any reports required by or under section 4, 5, 6, 7, 8, or 19; or

"(iii) allow any entry, inspection, copying of records, or sampling authorized by this Act;";

(B) by striking out subparagraphs (J) and (K) and inserting in lieu thereof the following new subparagraphs:

"(J) to violate any suspension order issued under section 3(c)(2)(B), 3A, or 6;

"(K) to violate any cancellation order issued under this Act or to fail to submit a notice in accordance with section 6(g);";

(C) in subparagraph (M), by striking out "section 8" and inserting in lieu thereof "this Act"; and

(D) by adding at the end thereof the following new subparagraphs:

"(Q) to falsify all or part of any information relating to the testing of any pesticide (or any ingredient, metabolite, or degradation product thereof), including the nature of any protocol, procedure, substance, organism, or equipment used, observation made, or conclusion or opinion formed, submitted to the Administrator, or that the person knows will be furnished to the Administrator or will become a part of any records required to be maintained by this Act;

"(R) to submit to the Administrator data known to be false in support of a registration; or

"(S) to violate any regulation issued under section 3(a) or 19.".

SEC. 604. PENALTIES.

Paragraph (1) of section 14(b) (7 U.S.C. 136l(b)) is amended to read as follows:

"(1) IN GENERAL.—

"(A) Any registrant, applicant for a registration, or producer that knowingly violates any provision of this Act shall be fined not more than $50,000 or imprisoned for not more than 1 year, or both.

"(B) Any commercial applicator of a restricted use pesticide, or any other person not described in subparagraph (A) who distributes or sells pesticides or devices, that knowingly violates any provision of this Act shall be fined not more than $25,000 or imprisoned for not more than 1 year, or both.".

SEC. 605. CONGRESSIONAL REVIEW.

Paragraph (4) of section 25(a) (7 U.S.C. 136w(a)(4)) is amended to read as follows:

"(4) CONGRESSIONAL REVIEW OF REGULATIONS.—Simultaneously with the promulgation of any rule or regulation under this Act, the Administrator shall transmit a copy thereof to the Secretary of the Senate and the Clerk of the House of Representatives. The rule or regulation shall not become effective until the passage of 60 calendar days after the rule or regulation is so transmitted.".

TITLE VII—AUTHORIZATION FOR APPROPRIATIONS

SEC. 701. AUTHORIZATION FOR APPROPRIATIONS.

Effective October 1, 1988, section 31 (7 U.S.C. 136y) is amended to read as follows:

"SEC. 31. AUTHORIZATION FOR APPROPRIATIONS.

"There is authorized to be appropriated to carry out this Act (other than sections 23(a))—

"(1) $83,000,000 for fiscal year 1989, of which not more than $13,735,500 shall be available for research under this Act;

"(2) $95,000,000 for fiscal year 1990, of which not more than $14,343,600 shall be available for research under this Act; and

"(3) $95,000,000 for fiscal year 1991, of which not more than $14,978,200 shall be available for research under this Act.".

TITLE VIII—TECHNICAL AMENDMENTS

SEC. 801. TECHNICAL AMENDMENTS.

(a) SECTION 2.—Section 2 (7 U.S.C. 136) is amended—

(1) in subsection (c), by striking out "if:" and inserting in lieu thereof "if—";

(2) in subsection (p)(2), by striking out "Health, Education, and Welfare" and inserting in lieu thereof "Health and Human Services";

(3) in subsection (q)(2)(A), by striking out "if:" and inserting in lieu thereof "if—";

(4) in subsection (q)(2)(C)(iii), by striking out ": Provided, That" and inserting in lieu thereof ", except that";

(5) in subsection (u)—

(A) by striking out ": Provided, That" and inserting in lieu thereof ", except that";

(B) by striking out "(1)(a)";

(C) by striking out "or (b)";

(D) by striking out "Health, Education, and Welfare" and inserting in lieu thereof "Health and Human Services";

(E) by striking out "(2) that" and inserting in lieu thereof "that"; and

(F) by striking out "an article covered by clause (1) of this proviso" and inserting in lieu thereof "a new animal drug"; and

(6) in subsection (ee)—

(A) by striking out ": Provided, That the term" and inserting in lieu thereof ", except that the term";

(B) by striking out "or" before clause (4);

(C) by striking out ": Provided further, That the term also shall not include" and inserting in lieu thereof ", (5)";

(D) by striking out "or any use" and inserting in lieu thereof "or (6) any use"; and

(E) by striking out ": And provided further, That after" and inserting in lieu thereof a period and "After".

(b) SECTION 3.—Section 3 (7 U.S.C. 136a) is amended—

(1) in subsection (c)(1)(D), by striking out "subsection (c)(2)(D) of this section" and inserting in lieu thereof "paragraph (2)(D)";

(2) in subsection (c)(1)(D)(i)—

(A) by striking out ": Provided, That such" and inserting in lieu thereof a period and "Such"; and

(B) by striking out the semicolon at the end thereof and inserting in lieu thereof a period;

(3) in subsection (c)(1)(D)(ii)—

(A) by striking out "except as" and inserting in lieu thereof "Except as";

(B) by striking out "subparagraph (D)(i) of this paragraph" and inserting in lieu thereof "clause (i)"; and

(C) by striking out the semicolon at the end thereof and inserting in lieu thereof a period;

(4) in subsection (c)(1)(D)(iii)—

(A) by striking out "after expiration" and inserting in lieu thereof "After expiration";

(B) by striking out "subparagraphs (D)(i) and (D)(ii) of this paragraph" and inserting in lieu thereof "clauses (i) and (ii)"; and

(C) by striking out the semicolon at the end thereof and inserting in lieu thereof a period;

(5) in subsection (c)(2)—

(A) by striking out "(2)(A) DATA IN SUPPORT OF REGISTRATION.—The" and inserting in lieu thereof the following:

"(2) DATA IN SUPPORT OF REGISTRATION.—

"(A) The";

(B) by indenting all of subparagraph (A) (as amended by the preceding provisions of this Act) two ems, so as to align its left margin with the margin of subparagraph (A) of section 3(d)(1);

(C) in subparagraph (B), by striking out "(B)" and all that follows through "(i) If" and inserting in lieu thereof the following:

"(B)(i) If";

(D) by realigning clauses (ii), (iii), (iv), and (v) of subparagraph (B) (as amended by the preceding provisions of this Act) two ems to the left, so as to align the left margin of each clause with the margin of subparagraph (A) (as amended by subparagraph (B) of this paragraph);

(E) in the fourth sentence of subparagraph (B)(iv), by striking out ": Provided, That the" and inserting in lieu thereof a period and "The";

(F) in the first sentence of subparagraph (B)(v), by striking out "subsection (c)(1)(D) of this section" and inserting in lieu thereof "paragraph (1)(D)";

(G) in subparagraph (C), by striking out "SIMPLIFIED PROCEDURES.—"; and

(H) by indenting all of subparagraph (C) two ems, so as to align its left margin with the margin of subparagraph (A) (as amended by subparagraph (B) of this paragraph);

(6) in subsection (c)(7)—

(A) by striking out "subsection (c)(5) of this section" each place it appears and inserting in lieu thereof "paragraph (5)";

(B) in the second sentence of subparagraph (A), by striking out ": Provided, That, if" and inserting in lieu thereof a period and "If";

(C) in subparagraph (B), by striking out ": Provided, That, if" and inserting in lieu thereof a period and "If"; and

(D) in subparagraph (C), by striking out ": Provided That a" and inserting in lieu thereof a period and "A";

(8) in subsection (d)(1)(A)—

(A) in the first sentence, by striking out ", provided that if" and inserting in lieu thereof a period and "If";

(B) in the last sentence, by striking out ": Provided, however, That the" and inserting in lieu thereof a period and "The";

(9) in subsection (f)(2), by striking out ": Provided, That as" and inserting in lieu thereof a period and "As"; and

(10) by striking out subsection (g).

(c) SECTION 4.—Section 4(a)(1) (7 U.S.C. 136b(a)(1)) is amended—

(1) by striking out ": Provided, That such" and inserting in lieu thereof a period and "Such"; and

(2) by striking out ": Provided, however, That the" and inserting in lieu thereof a period and "The".

(d) SECTION 5.—The last sentence of section 5(g) (7 U.S.C. 136c(g)) is amended by striking out ": Provided, That such" and inserting in lieu thereof a period and "Such".

(e) SECTION 6.—Section 6 (7 U.S.C. 136d) is amended—

(1) in subsection (a), by striking out ": Provided, That the" and inserting in lieu thereof a period and "The";

(2) in subsection (c), by striking out "Agency" each place it appears and inserting in lieu thereof "Administrator";

(3) in subsection (c)(1), by running into the second sentence the undesignated paragraph in that subsection;

(4) in the second sentence of subsection (c)(3)—

(A) by striking out "(i)" and inserting in lieu thereof "(A)"; and

(B) by striking out "(ii)" and inserting in lieu thereof "(B)";

(5) in subsection (e)(1), by striking out ": Provided, That the" and inserting in lieu thereof a period and "The"; and

(6) in the second sentence of subsection (e)(2), by striking out ": Provided, That the" and inserting in lieu thereof a period and "The".

(f) SECTION 10.—Section 10(d) (7 U.S.C. 136h(d)) is amended—

(1) in paragraph (1)—

(A) by striking out ": Provided, That the" and inserting in lieu thereof a period and "The"; and

(B) by striking out ": Provided further, That this" and inserting in lieu thereof a period and "This"; and

(2) in the second sentence of paragraph (3), by striking out ": Provided, That where" and inserting in lieu thereof a period and "Where".

(g) SECTION 12.—Section 12(a)(2)(F) (7 U.S.C. 136j(a)(2)(F)) is amended by striking out ": Provided, That it" and inserting in lieu thereof a period and "It".

(h) SECTION 13.—Section 13 (7 U.S.C. 136k) is amended—

(1) in subsection (b), by moving the last sentence in paragraph (3) after such paragraph as a full measure sentence; and

(2) in the first sentence of subsection (c), by striking out ": Provided, That upon" and inserting in lieu thereof a period and "On".

(i) SECTION 16.—Subsection (a) of section 16 (7 U.S.C. 136n) is amended to read as follows:

"(a) DISTRICT COURT REVIEW.—Except as otherwise provided in this Act, the refusal of the Administrator to cancel or suspend a registration or to change a classification not following a hearing and other final actions of the Administrator not committed to the discretion of the Administrator by law are judicially reviewable by the district courts of the United States.".

(j) SECTION 17.—Section 17(c) (7 U.S.C. 136o(c)) is amended—

(1) by striking out ": Provided, That the" and inserting in lieu thereof a period and "The"; and

(2) by striking out ": And provided further, That all" and inserting in lieu thereof a period and "All".

(k) SECTION 18.—Section 18 (7 U.S.C. 136p) is amended—

(1) in the heading, by inserting "and state" after "federal"; and

(2) by running in the second sentence after the first sentence.

(l) SECTION 21.—Section 21 (7 U.S.C. 136s) is amended—

(1) in subsection (a), by inserting "SECRETARY OF AGRICULTURE.—" after the subsection designation;

(2) in subsection (b), by inserting "VIEWS.—" after the subsection designation; and

(3) in subsection (c), by inserting "NOTICE.—" after the subsection designation.

(m) SECTION 24.—Section 24 (7 U.S.C. 136v) is amended—

(1) in subsection (a), by inserting "IN GENERAL.—" after the subsection designation;

(2) in subsection (b), by inserting "UNIFORMITY.—" after the subsection designation; and

(3) in subsection (c)—

(A) by striking out "(c)(1) A" and inserting in lieu thereof the following:

"(c) ADDITIONAL USES.—

"(1) A"; and

(B) by indenting each paragraph two ems, so as to align the left margin of each paragraph with the margin of paragraph (1) of section 25(c).

(n) SECTION 25.—Section 25 (7 U.S.C. 136w) is amended—

(1) in subsection (a)—

(A) by striking out "(a)(1) REGULATIONS.—The" and inserting in lieu thereof the following:

"(a) IN GENERAL.—

"(1) REGULATIONS.—The";

(B) by indenting paragraphs (1), (2), and (3) two ems, so as to align the left margin of each paragraph with the margin of paragraph (1) of section 25(c) and by indenting each subparagraph of paragraph (2) two ems; and

(C) in paragraph (3), by striking out "Committee on Agriculture and Forestry" and inserting in lieu thereof "Committee on Agriculture, Nutrition, and Forestry"; and

(2) in the second sentence of subsection (e), by striking out ": Provided, That whenever" and inserting in lieu thereof a period and "Whenever".

(o) SECTION 26.—Section 26 (7 U.S.C. 136w-1) is amended—

(1) in subsection (a), by inserting "IN GENERAL.—" after the subsection designation;

(2) in subsection (a)(1), by striking out "; Provided, That the" and inserting in lieu thereof ", except that the";

(3) in subsection (b), by inserting "SPECIAL RULES.—" after the subsection designation; and

(4) in subsection (c), by inserting "ADMINISTRATOR.—" after the subsection designation.

(p) SECTION 27.—Section 27 (7 U.S.C. 136w-2) is amended—

(1) in subsection (a), by inserting "REFERRAL.—" after the subsection designation;

(2) in subsection (b), by inserting "NOTICE.—" after the subsection designation; and

(3) in subsection (c), by inserting "CONSTRUCTION.—" after the subsection designation.

(q) REDESIGNATION OF SECTIONS 3A AND 4.—

(1) SECTION 4 INTO SECTION 11.—

(A) Subsections (a), (b), and (c) of section 4 (7 U.S.C. 136b) are transferred to section 11 and inserted at the beginning and subsections (a) and (b) of section 11 (7 U.S.C. 136i) are redesignated as subsections (d) and (e), respectively.

(B) Section 4 is amended by striking out

"SEC. 4. USE OF RESTRICTED USE PESTICIDES; CERTIFIED APPLICATORS.".

(C) The section heading for section 11 is amended to read as follows: "use of restricted use pesticides; applicators.".

(B) CONFORMING AMENDMENTS.—Sections 5(f), 19(f)(2) (as added by section 401 of this Act), and 26(b) are each amended by striking out "section 4" and inserting in lieu thereof "section 11".

(2) REDESIGNATION OF SECTION 3A AS SECTION 4.—

(A) IN GENERAL.—Section 3A (as added by section 102 of this Act) is redesignated as section 4.

(B) CONFORMING AMENDMENTS.—Sections 6(f)(2) (as added by section 201 of this Act) and 12(a)(2)(J) (as amended by section 603 of this Act) are each amended by striking out "3A" and inserting in lieu thereof "4".

SEC. 802. TABLE OF CONTENTS AMENDMENT.

Subsection (b) of section 1 (7 U.S.C. prec. 121) is amended to read as follows:

"(b) TABLE OF CONTENTS.—

"Section 1. Short title and table of contents.
  "(a) Short title.
  "(b) Table of contents.
"Sec. 2. Definitions.
  "(a) Active ingredient.
  "(b) Administrator.
  "(c) Adulterated.
  "(d) Animal.
  "(e) Certified applicator, etc.
    "(1) Certified applicator.
    "(2) Private applicator.
    "(3) Commercial applicator.
    "(4) Under the direct supervision of a certified applicator.
  "(f) Defoliant.
  "(g) Desiccant.

"(h) Device.
"(i) District court.
"(j) Environment.
"(k) Fungus.
"(l) Imminent hazard.
"(m) Inert ingredient.
"(n) Ingredient statement.
"(o) Insect.
"(p) Label and labeling.
  "(1) Label.
  "(2) Labeling.
"(q) Misbranded.
"(r) Nematode.
"(s) Person.
"(t) Pest.
"(u) Pesticide.
"(v) Plant regulator.
"(w) Producer and produce.
"(x) Protect health and the environment.
"(y) Registrant.
"(z) Registration.
"(aa) State.
"(bb) Unreasonable adverse effects on the environment.
"(cc) Weed.
"(dd) Establishment.
"(ee) To use any registered pesticide in a manner inconsistent with its labeling.
"(ff) Outstanding data requirement.
"(gg) To distribute or sell.
"Sec. 3. Registration of pesticides.
"(a) Requirement of registration.
"(b) Exemptions.
"(c) Procedure for registration.
  "(1) Statement required.
  "(2) Data in support of registration.
  "(3) Time for acting with respect to application.
  "(4) Notice of application.
  "(5) Approval of registration.
  "(6) Denial of registration.
  "(7) Registration under special circumstances.
  "(8) Interim administrative review.
"(d) Classification of pesticides.
  "(1) Classification for general use, restricted use, or both.
  "(2) Change in classification.
  "(3) Change in classification from restricted use to general use.
"(e) Products with same formulation and claims.
"(f) Miscellaneous.
  "(1) Effect of change of labeling or formulation.
  "(2) Registration not a defense.
  "(3) Authority to consult other Federal agencies.
"Sec. 4. Reregistration of registered pesticides.
"(a) General rule.
"(b) Reregistration phases.
"(c) Phase one.
  "(1) Priority for reregistration.
  "(2) Reregistration lists.
  "(3) Judicial review.
  "(4) Notice to registrants.
"(d) Phase two.
  "(1) In general.
  "(2) Notice of intent to seek or not to seek reregistration.
  "(3) Missing or inadequate data.
  "(4) Time periods.
  "(5) Cancellation and removal.
  "(6) Suspensions and penalties.
"(e) Phase three.
  "(1) Information about studies.
  "(2) Time periods.
  "(3) Cancellation.
  "(4) Guidelines.
  "(5) Monitoring.
"(f) Phase four.
  "(1) Independent review and identification of outstanding data requirements.
  "(2) Time periods.
  "(3) Suspensions and penalties.
"(g) Phase five.
  "(1) Data review.
  "(2) Reregistration and other actions.
"(h) Compensation of data submitter.
"(i) Fees.
  "(1) Initial fee for food or feed use pesticide active ingredients.
  "(2) Final fee for food or feed use pesticide active ingredients.
  "(3) Fees for other pesticide active ingredients.
  "(4) Reduction or waiver of fees for minor use and other pesticides.
  "(5) Maintenance fee.
  "(6) Other fees.
  "(7) Apportionment.
"(j) Exemption of certain registrants.
"(k) Reregistration and expedited processing fund.
  "(1) Establishment.
  "(2) Source and use.
  "(3) Expedited processing of similar applications.
  "(4) Unused funds.
  "(5) Accounting.
"(l) Judicial review.
"Sec. 5. Experimental use permits.
"(a) Issuance.
"(b) Temporary tolerance level.
"(c) Use under permit.
"(d) Studies.
"(e) Revocation.
"(f) State issuance of permits.
"(g) Exemption for agricultural research agencies.
"Sec. 6. Administrative review; suspension.
"(a) Cancellation after five years.
  "(1) Procedure.
  "(2) Information.
"(b) Cancellation and change in classification or labels.
"(c) Suspension.
  "(1) Order.
  "(2) Expedite hearing.
  "(3) Emergency order.
  "(4) Judicial review.
"(d) Public hearings and scientific review.
"(e) Conditional registration.
"(f) General provisions.
  "(1) Voluntary cancellation.
  "(2) Publication of notice.
  "(3) Existing stocks.
  "(4) Additional information.
"(g) Notice for stored pesticides with canceled or suspended registrations.
  "(1) In general.
  "(2) Copies.
"(h) Judicial review.
"Sec. 7. Registration of establishments.
"(a) Requirements.
"(b) Registration.
"(c) Information required.
"(d) Confidential records and information.
"Sec. 8. Records.
"(a) Requirement.
"(b) Inspection.
"Sec. 9. Inspection of establishments, etc.
"(a) In general.
"(b) Warrants.
"(c) Enforcement.
  "(1) Certification of facts to Attorney General.
  "(2) Notice not required.
  "(3) Warning notices.
"Sec. 10. Protection of trade secrets and other information.
"(a) In general.
"(b) Disclosure.
"(c) Disputes.
"(d) Limitations.
"(e) Disclosure to contractors.
"(f) Penalty for disclosure by Federal employees.
"(g) Disclosure to foreign and multinational pesticide producers.
"Sec. 11. Use of restricted use pesticides; applicators.
"(a) Certification procedure.
  "(1) Federal certification.
  "(2) State certification.
"(b) State plans.
"(c) Instruction in integrated pest management techniques.
"(d) In general.
"(e) Separate standards.
"Sec. 12. Unlawful acts.
"(a) In general.
"(b) Exemptions.
"Sec. 13. Stop sale, use, removal, and seizure.
"(a) Stop sale, etc., orders.
"(b) Seizure.
"(c) Disposition after condemnation.
"(d) Court costs, etc.
"Sec. 14. Penalties.
"(a) Civil penalties.
  "(1) In general.
  "(2) Private applicator.
  "(3) Hearing.
  "(4) Determination of penalty.
  "(5) References to Attorney General.
"(b) Criminal penalties.
  "(1) In general.
  "(2) Private applicator.
  "(3) Disclosure of information.
  "(4) Acts of officers, agents, etc.
"Sec. 15. Indemnities.
"(a) General indemnification.
  "(1) In general.
  "(2) Exception.
  "(3) Report.
  "(4) Appropriation.
"(b) Indemnification of end users, dealers, and distributors.
  "(1) End users.
  "(2) Dealers and distributors.
  "(3) Source.
  "(4) Administrative settlement.
"(c) Amount of payment.
  "(1) In general.
  "(2) Special rule.
"Sec. 16. Administrative procedure; judicial review.
"(a) District court review.
"(b) Review by Court of Appeals.
"(c) Jurisdiction of district courts.
"(d) Notice of judgments.
"Sec. 17. Imports and exports.
"(a) Pesticides and devices intended for export.
"(b) Cancellation notices furnished to foreign governments.
"(c) Importation of pesticides and devices.
"(d) Cooperation in international efforts.
"(e) Regulations.
"Sec. 18. Exemption of Federal agencies.
"Sec. 19. Storage, disposal, transportation, and recall.
"(a) Storage, disposal, and transportation.
  "(1) Data requirements and registration of pesticides.
  "(2) Pesticides.
  "(3) Containers, rinsates, and other materials.
"(b) Recalls.
  "(1) In general.

"(2) Voluntary recall.
"(3) Mandatory recall.
"(4) Recall procedure.
"(5) Contents of recall plan.
"(6) Requirements or procedures.
"(c) Storage costs.
"(1) Submission of plan.
"(2) Reimbursement.
"(d) Administration of storage, disposal, transportation, and recall programs.
"(1) Voluntary agreements.
"(2) Rule and regulation review.
"(3) Limitations.
"(4) Seizure and penalties.
"(e) Container design.
"(1) Procedures.
"(2) Compliance.
"(f) Pesticide residue removal.
"(1) Procedures.
"(2) Compliance.
"(g) Pesticide container study.
"(h) Relationship to Solid Waste Disposal Act.
"(1) Study.
"(2) Report.
"Sec. 20. Research and monitoring.
"(a) Research.
"(b) National monitoring plan.
"(c) Monitoring.
"Sec. 21. Solicitation of comments; notice of public hearings.
"Sec. 22. Delegation and cooperation.
"(a) Delegation.
"(b) Cooperation.
"Sec. 23. State cooperation, aid, and training.
"(a) Cooperative agreements.
"(b) Contracts for training.
"(c) Information and education.
"Sec. 24. Authority of States.
"Sec. 25. Authority of Administrator.
"(a) In General.
"(1) Regulations.
"(2) Procedure.
"(3) Congressional committees.
"(4) Congressional review of regulations.
"(b) Exemption of pesticides.
"(c) Other authority.
"(d) Scientific advisory panel.
"Sec. 26. State primary enforcement responsibility.
"Sec. 27. Failure by the State to assure enforcement of State pesticide use regulations.
"Sec. 28. Identification of pests; cooperation with Department of Agriculture's program.
"Sec. 29. Annual report.
"Sec. 30. Severability.
"Sec. 31. Authorization for appropriations.".

TITLE IX—EFFECTIVE DATE

SEC. 901. EFFECTIVE DATE.

Except as otherwise provided in this Act, the amendments made by this Act shall take effect on the expiration of 60 days after the date of enactment of this Act.

Amend the title so as to read: "An Act to amend the Federal Insecticide, Fungicide, and Rodenticide Act, and for other purposes.".

Mr. LEAHY. Mr. President, I rise today in support of S. 659, a bill to amend the Federal Insecticide, Fungicide and Rodenticide Act [FIFRA]. We have finally cut through the Gordian knot of FIFRA. Next we need to tie together our environmental goals, with our farm programs, to develop a ground water program that will protect the health of the American people.

S. 659 was passed by the Senate last year to establish agricultural aid and trade missions to assist foreign countries to participate in U.S. agricultural aid and trade programs. The contents were incorporated into the Senate-passed version of the omnibus trade bill.

S. 659 was amended with the FIFRA provisions and passed unanimously by the House September 20, 1988. It includes provisions that would provide for: First, reregistration, or reexamination, of hundreds of older pesticide products; second, industry-generated fees to pay for the work; and third, transfer of the financial responsibility for storage and disposal of suspended and canceled pesticides and for reimbursement of pesticide manufacturers from EPA and the taxpayers to pesticide manufacturers. I ask that the RECORD include a brief summary of the FIFRA amendments.

Mr. President, my colleague, the ranking minority member of the Senate Agriculture Committee, DICK LUGAR, and I have been pressing for enactment of this legislation. We know that there are a number of issues that are not addressed by S. 659. We also know that a number of Senators wished to have amendments considered in this FIFRA reauthorization legislation.

The Senator from Indiana and I understand fully that this bill does not solve all our pesticide problems. Indeed, we all would have preferred to see more comprehensive legislation. But S. 659 represents an important step in a long walk toward pesticide reform. It is clear that this year, however, it is simply not possible to enact the kind of omnibus legislation many of us would like. On that basis, we have respectfully asked our colleagues to withhold amendments so that we might pass these most basic reforms.

As every Member of this body knows, sometimes we have to proceed in less than ideal circumstances. The good news is that the bill we seek to pass today does not include any of those provisions that troubled this body when FIFRA legislation passed the Senate in 1986—and which ultimately prevented its enactment. For example, this bill does not include any form of State preemption, regarding uniformity of tolerances or State testing requirements. Nor does it contain special liability exemptions from environmental statutes, such as Superfund.

Mr. President, the reregistration and fee provisions of S. 659 were part of the bill passed by the Senate in 1986. I ask for unanimous consent that our debate today incorporate the debate conducted by the Senate in 1986 on the reregistration of older pesticides for purposes of legislative history.

I would also like to point out that section 102 of S. 659 requires the registrant of a pesticide product to notify EPA whether or not he intends to provide data to meet the requirements of reregistration. The committee intends that a registrant who fails to notify EPA of his commitment to seek reregistration and a registrant who notifies EPA that he does not intend to seek reregistration be treated exactly the same way. That is, in both cases, the committee intends that the EPA Administrator proceed to cancel the registration of the product.

Two very important sections of S. 659 significantly lift EPA's current regulatory burden regarding suspended and canceled pesticides. Section 501 insures that neither EPA nor the taxpayer will be saddled with the expense of reimbursing, or indemnifying, pesticide manufacturers for the value of suspended and canceled pesticides. Certain end users, such as farmers, would be eligible for reimbursement from the judgment fund for pesticides they own at the time of cancellation.

Manufacturers and commercial applicators would not be eligible for any kind of reimbursement. Certain pesticide dealers and distributors could be reimbursed if they obtain a pesticide from a manufacturer: First, who had not notified the dealer or distributor in advance that he would not assume economic responsibility for a canceled or suspended product and; second, who had gone bankrupt.

Section 401 of S. 659 provides for the orderly storage and disposal of pesticides that have been suspended and canceled by the pesticide manufacturer. Under current law this economic and technical burden falls upon EPA. The cost for storage and disposal of just three pesticides has already cost $16.1 million. For fiscal year 1989, Congress appropriated $46.3 million for the costs for just two chemicals, dinoseb and 2,4,5,-T/Silvex. Costs for dinoseb and 2,4,5,-T/Silvex in fiscal year 1990 and beyond are expected to exceed $134 million.

The committee intends that the provisions of S. 659 relating to indemnification and storage and disposal do not apply to any existing obligation of the EPA under section 19 of current law for pesticides that have been suspended and canceled. Furthermore, the committee intends that the disposal of pesticides include the preparation processes required for safe disposal such processes as packaging, repackaging, recycling, and decanning of pesticide ingredients.

Mr. President, I would like to explain to my colleagues how this legislation was developed. First of all, every provision in the bill was unanimously approved by the Agriculture Committee this past April as part of S. 1516, a much more comprehensive bill. It became clear as the process moved along that we would not be able to enact a bill this year that successfully resolved a number of controversial issues.

The Senator from Indiana and I developed the provisions included in S. 659 as a core bill that we hoped to include in the HUD appropriations bill this year. As part of that process which was unsuccessful, we shared our core bill with the House Agriculture Committee. Ultimately, the House Agriculture Committee and the full House passed these provisions unanimously.

Unfortunately, S. 659 does not include a ground water regulatory scheme for pesticide contamination. I feel a personal regret that we were unable to resolve this issue and pass legislation. It is a subject about which I feel strongly. I look forward to working with the Senator from Minnesota, DAVID DURENBURGER, whom I commend for his work on this important subject.

The Senator gave cogent and forthright testimony before the Agriculture Committee and in many ways has demonstrated his dedication to ground water safety. I was pleased to cosponsor S. 1419, a bill that he introduced last year to respond to pesticide contamination in ground water. I hope that this is an issue we can work together on in the future. This is a subject over which the Agriculture Committee shares jurisdiction with the Environment and Public Works Committee. I wish to thank the Senator from Minnesota, a member of the Environment Committee, for his cooperation, as well as the other members of the committee.

I am also grateful to the senior Senator from North Dakota, chairman of the Environment Committee, QUENTIN BURDICK, and the ranking minority member, BOB STAFFORD, senior Senator and my esteemed colleague from Vermont, for their cooperation and assistance in this process.

I also wish to pay tribute to the strong support of the Senator from Wisconsin, BILL PROXMIRE, who has pressed for pesticide reform for many years and has made a major contribution to this effort. The assistance of his staff has also been valuable to this process. I say to the Senator that these reforms enacted this year are a tribute to his work in the Senate.

Mr. President, I appreciate the support of every member of the Agriculture Committee who cooperated to the fullest in our efforts to report S. 1517 last April and who are supporting this effort to enact S. 659 today. I especially thank the Senator from Alabama, HOWELL HEFLIN, for his support and assistance.

And, last, I both thank and commend the senior Senator from Indiana, DICK LUGAR. So often we find ourselves standing united before this body in an attempt to pass farm legislation. His commitment to FIFRA reform goes far beyond the call of duty. Without his support and determination, I would not be standing here today. Chuck Conner, Tom Clark, and Greg Thies also have my thanks for their help.

My staff—especially Carolyn Brickey, and Jim Cubie, and Kathleen Merrigan—deserve credit for their hard work. Mary Dunbar, former staff assistant, and John Podesta, former Chief Counsel to the committee and a valued friend, also worked long and hard on this effort and share this moment of success with us.

Mr. President, there are many others to thank. Jim Aidala of the Congressional Research Service contributed to our analysis of this legislation. Jack Moore, now Deputy Administrator at EPA, and his staff, and many environmental, consumer, and farm groups have cooperated and supported our efforts. I look forward to working with all of these folks when we resume our work on FIFRA.

I ask unanimous consent that a letter from environmental organizations in support of this legislation be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

The letter follows:

SUPPORT "CORE" PESTICIDE AMENDMENTS—ADOPT S. 659

September 21, 1988.

DEAR SENATOR: We, the undersigned organizations, are dedicated to reforming the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA). FIFRA reauthorization is vitally needed. EPA has not adequately protected the nation's health and environment from dangerous pesticides, largely due to deficiencies of current law.

Controversy has long surrounded many of the FIFRA issues and continues to threaten comprehensive reauthorization efforts. Because time is running out in the 100th Congress, it may be impossible to enact major reform legislation this year.

We are optimistic, however, that a streamlined bill which addresses four critical FIFRA issues could be adopted by the Congress and signed by the President this year, achieving a vital first step in pesticide reform. On September 20th, the House of Representatives adopted a "core" bill, S. 659, which provides for:

1. Accelerated testing and reevaluation of pesticides which lack full health and safety data,
2. Fees imposed on pesticide manufacturers ("registrants") to adequately fund reregistration,
3. Elimination of the government's obligation to indemnify chemical companies for stocks of pesticides which EPA bans, and
4. Transfer of responsibilities for storage and disposal of banned pesticides from EPA to pesticides registrants.

We urge the Senate to rapidly bring S. 659 to the Senate floor for consideration. We urge you to support S. 659, the FIFRA "core" bill, without amendments.

We would oppose the inclusion of any weakening amendments, including preemption of state authorities to require pesticide testing (e.g., the "CSMA synchronization amendment") and preemption of state authority to set food tolerances. Even the inclusion of strong provisions to control pesticides which we otherwise would vigorously support would engender heated controversy. Because we believe any amendment would destroy the chance to enact FIFRA legislation this year, we will oppose all amendments to S. 659.

We respectfully request you to support S. 659, a core FIFRA package which will substantially improve the nation's pesticide law. We pledge to provide any possible assistance in the effort to ensure that Congress adopts the core FIFRA amendments before adjournment.

Sincerely,

Janet S. Hathaway, Natural Resources Defense Council; Ellen Haas, Public Voice for Food and Health Policy; Gene Kimmelman, Consumer Federation of America; David Sente, American Agriculture Movement; A. Blakeman Early, Sierra Club; Maureen K. Hinkle, National Audubon Society; Joe Goffman, Environmental Defense Fund; Michelle Meier, Consumers Union; Laura Kelsey Rhodes, Public Citizen's Congress Watch; Dixon Terry, League of Rural Voters; Bruce Silverglade, Center for Science in the Public Interest; Alan G. Kraut, American Psychological Association; Joan Claybrook, Public Citizen; and Cheryl L. Cook, National Farmers Union.

Mr. PROXMIRE. Mr. President, I am pleased to join Senators PATRICK LEAHY and RICHARD LUGAR in supporting S. 659. This pesticide reform bill is at least the fifth effort on the subject that we have offered in the last 5 years. It follows a line of earlier bills starting with S. 1774 in 1983 and contains much of the legislation passed unanimously by the Senate in 1986.

Like those previous efforts, the bill targets the biggest problem for pesticide regulation—inadequate health and safety data on pesticides currently in use. It's outrageous that 16 years after the passage of the Federal Insecticide, Fungicide, and Rodenticide Act amendments, the vast percentage of all active ingredients still lack vital tests for cancer, mutations, and birth defects. Unfortunately, our current pesticide law gives only the appearance of safety without the reality.

While this bill does not include all of the worthy sections of its predecessors, it still represents a significant step toward safe, effective pesticide regulation. But even in its stripped down form it deals with the single most pesticide important issue—protecting public health from the dangers of untested products.

Under existing law EPA has no deadline for requiring health and environmental data from pesticide producers and for reregistering products using up-to-date science. As a result, a 1984 House committee report found that 85 percent of all pesticides on the market had been inadequately tested. In 1986, a GAO report confirmed the House finding and the lack of progress since the original report, a condition which continues today.

Even worse, without this bill EPA lacks effective measures for dealing with pesticides whose active ingredients were registered for use with fraudulent or invalid data, for requiring records and inspections of facilities and for imposing fines large enough to deter knowing violations of the act. But S. 659 corrects these glaring defects.

In addition, the bill provides that the Environmental Protection Agency will no longer indemnify manufacturers of pesticides taken off the market unless Congress specifically appropriates funds for that purpose. When EPA officials came before my Appropriations Subcommittee in March 1987, they stated for the record that indemnification for several of the pesticides under special review would cost more than their entire pesticides budget. Thus, under current law, there is a temptation not to regulate particular ingredients requiring expensive indemnification.

Even more important, the bill includes a new proposal requiring fees from producers to cover the cost of the reregistration process and makes manufacturers responsible for disposal and storage of unsafe products. These two improvements remove burdens which impede effective EPA regulation. No longer can administrative costs take precedence over health and safety needs. And for the first time, the groups which benefit most from EPA certifications, the pesticide producers, will pay the bill for the program.

S. 659 is very close to the consensus draft which enjoyed broad support from both industry and citizen's groups in the last Congress. It enjoys the support of a broad coalition of environmental, consumer, labor and church groups as well as pesticide producers and deserves our support as well. I commend Senator LEAHY and Senator LUGAR and their staff members for their handiwork and urge speedy passage by the Senate.

FIFRA CORE PACKAGE

Mr. DOLE. Mr. President, I want to make just a few comments on passage of the FIFRA core package, which my House colleague from the First District in Kansas has termed FIFRA lite. I understand this is the same bill the House has passed.

SUMMARY

The three basic components, speeding up reregistration of older pesticide compounds, relaxing EPA's indemnification requirements and addressing storage and disposal concerns are all important items that will help meet FIFRA's objective of determining which chemicals are economically beneficial within the context of ensuring a safe environment.

UNFINISHED BUSINESS REMAINS

There are many who have wrestled with this issue for a long time, and if we are going to take any action in the short time remaining this year, then this bill will be the extent of it. However, I am also aware that there are other important concerns that need to be addressed. Ground water, uniform marketing, and farmer liability, to name just a few, are all important issues to the agriculture community. It is my understanding that Members will continue to look at these types of issues next year.

SUMMARY

So I would hope we can act on this bill today and follow up with a more indepth effort on the remaining issues beginning next year.

Mr. LUGAR. Mr. President, I rise in support of S. 659, the Federal Insecticide, Fungicide and Rodenticide Reauthorization Act of 1988. This important legislation contains the key aspects of a considerably larger pesticide reform package (S. 1516) which the Agriculture Committee favorably reported earlier this year. While it is unfortunate that the more comprehensive reform embodied in S. 1516 could not be acted upon in the 100th Congress, I believe that the provisions of S. 659 are an excellent combination of good government, good environmental policy and good fiscal policy.

S. 659 has the wholehearted support of the agrichemical industry, environmental groups the U.S. Environmental Protection Agency, and farm and labor groups. It is truly a bipartisan effort which was created out of a deep concern for the ability of the Agency to successfully carry out its mandated regulatory duties under FIFRA.

Congress has struggled for 8 years to produce sensible reforms to FIFRA. The Environmental Protection Agency must have a reform package that goes beyond the temporary, 1 year reauthorizations of the past. Our purpose must be to enhance existing programs within the Agency's Office of Pesticide Programs and provide the necessary funding to carry out the mission successfully.

The bill Senator LEAHY and I offer today will do precisely that by making major changes to four key provisions of FIFRA. These provisions are reregistration, fees, indemnification, and storage and disposal.

The most important provision is the long overdue reregistration of 600 major pesticide active ingredients. Under FIFRA, the regulation of pesticides is achieved through the "registration" of individuals pesticide products. The applicant for registration is responsible for developing and submitting health and environmental data to establish the product's safety. These requirements are extensive, often involving a development and review process that costs millions of dollars. Estimates of the cost and length of this process vary, but are generally considered to be about $6 to $10 million requiring 4 to 6 years to complete.

The data required for registration and reregistration cover a wide spectrum of health and environmental data, such as environmental fate, carcinogenicity, product chemistry, and aquatic toxicity, to name a few. Data requirements have been repeatedly modified over the years by the Agency to reflect changes in our understanding of pesticides and their potential health and environmental effects. When a product is already registered and the data requirements change, the product remains in use while EPA determines what new data should be generated.

The 1972 FIFRA amendments required the reregistration of then-registered products to reassess the safety of their continued use. The 1972 FIFRA amendments required EPA to complete this process by 1975. The Congress and the Environmental Protection Agency grossly underestimated the task of reregistration. The Agency simply did not have the resources to complete the task within these bounds. Congress eventually removed the time deadline for reregistration. According to the General Accounting Office, the task will not be completed until the year 2024—some 50 years after the process began.

Over the course of the last 15 years fewer than 2 percent of the more than 600 active ingredients have been reregistered. The remainder of these products continue to be used on American farms and in our homes without the full knowledge of their potential harm. The reregistration provision of S. 659 will address this situation by mandating reregistration of all 600 active ingredients within 9 years. Once reregistration is completed, all older compounds will meet the highest standards of testing and safety.

Unlike past efforts at reregistration, S. 659 calls for reregistration fees that assess the industry approximately $160 million to help the Environmental Protection Agency meet the mandatory time deadlines established by the bill. Funds will be generated through basic, one-time fees and annual maintenance fees. The fundamental concept behind this approach is that it spreads the cost of operating the entire program across the broadest base of clients requiring Agency services. Fees are kept low and are not expected to significantly affect the ability of manufacturers to produce their products.

As part of the reregistration effort, the Agency will also be required to eliminate the current backlog of "me-too" registrations and to process all new applications under this program in a more expeditious manner. The net effect will be not only better service to the regulated community, but also a more diverse selection of safer pesticide products for the American marketplace.

It is important to note that the reregistration fees will generate all the funds necessary to complete the reregistration program within the prescribed 9 years period, eradicate the backlog of "me-too" registration requests, and maintain timely processing of applications.

The fee provision of S. 659 also places a prohibition on the collection of additional fees, other than those for reregistration and maintenance, for the entire 9 year reregistration period. This will, in effect, eliminate the Agency's current proposal to collect fees under the Independent Offices Appropriation Act for new registration activities.

The remaining provisions of this bill, those dealing with indemnification and storage and disposal, will protect the Agency's budget from financial liabilities created by existing law which effectively divert already modest resources away from the truly important work of reregistration.

An important aspect of completing reregistration is ensuring that adequate resources remain available to fund the program. In 1987 alone the Agency had additional liabilities in excess of $50 million from indemnification payments and storage and disposal costs.

Current law requires the Agency to buy all existing stocks of a canceled and suspended pesticide at full retail price. This is a very unique provision when compared to the statutes governing similar agencies such as the Food and Drug Administration and the U.S. Department of Agriculture.

Likewise, current law requires that the Agency pay all costs associated with storage and disposal of canceled and suspended pesticides. This too, is unprecedented in the operation of similar Government agencies.

The logic in the past has been that if the Agency gives a license to market pesticides, then it should be responsible for the costs incurred when the license is revoked. If such provisions are left unchanged, the potential outlays could be in the hundreds of millions of dollars over the next 10 years. Mr. President, we can no longer afford such a fiscal policy which in essence guarantees a market for canceled pesticide products at the taxpayers' expense.

S. 659 addresses these issues by severely limiting such indemnification payments. Indemnity payments to pesticide manufacturers are prohibited unless such payments are approved by Congress in a specific line-item expenditure. Indemnity payments to end users such as farmers are retained as under current law but payments come from the Federal Government's judgment fund, thereby insulating the EPA's budget form the loss.

Regarding eligibility for indemnification payments, the intent of the Senate Agriculture Committee was to sharply limit those eligible for payments. Our intent is best explained by the following excerpt from the committee report on S. 1516, the origin of the indemnification provision:

> The committee intends to authorize indemnification for a person who owned the pesticide only for the purpose of applying or using it, and does not intend to authorize indemnification for a person who owned the pesticide for the purpose of selling and applying it. Quantities of pesticides that are owned for purposes of distribution, sale, or for further processing will not qualify for indemnification. The committee intends to exclude persons who sell the service of applying pesticides from indemnification under this subsection.

It is noteworthy, however, to point out that commercial applicators are protected against unforeseen losses in a suspension and cancellation case by their ability to only purchase products with recall and refund provisions in the sales contract. This is the same protection granted to wholesalers and others in the marketing chain leading back to the registrant.

In summary, the indemnification provision will remove much of the burden from the Agency while providing an adequate mechanism for removal of canceled pesticide products from the field of distribution.

The storage and disposal provision will also reduce potential outlays as a result of cancellation actions by transferring the bulk of these costs to the manufacturers of such products. The cornerstone of this provision is a cost-sharing plan for storage of suspended and canceled pesticides. In the past, the Agency was responsible for the entire cost of storage and disposal. Such costs have risen well into the millions of dollars. Under S. 659, the Agency will be responsible only for a small percentage of the costs strictly associated with storage. Disposal costs including but not limited to reprocessing, decanning, repackaging, and recycling are strictly the responsibility of the registrant.

The plan is engineered to provide incentives to both manufacturers and the Agency to ensure that the disposal of suspended and canceled pesticides occurs in the most expeditious manner possible. In addition, this provision is expected to generally improve the storage and disposal of pesticides by requiring the Agency to develop minimum standards for acceptable disposal plans and design standards for pesticide containers.

Mr. President, the provisions of this bill represent a significant step forward in the protection of public health and the environment. Nevertheless, in proceeding with the Federal Insecticide, Fungicide and Rodenticide Reauthorization Act of 1988, the Senate Agriculture Committee fully recognizes several important issues are not addressed by this legislation. Debate over many of these provisions continues to be charged with controversy, and a resolution of the differences is simply not possible in these closing days of the 100th Congress. By urging our colleagues to adopt the bill before us, however, we do not mean to abandon our interest in continuing to seek resolution on these controversial issues in the future.

Principal among the controversial items is ground water contamination. Our committee recognized the potential risks posed by the detection of pesticides in ground water and the need to thoroughly examine their consequences. Our knowledge of the extent and potential environmental and health risks posed by pesticide contamination is being greatly enhanced by the ongoing EPA pesticide survey, and by similar efforts being conducted by the Department of Agriculture and various State agencies.

It is clear from the evidence already examined by our committee that we must also find ways to effectively prevent pesticide contamination of our ground waters. Ground water supplies over 50 percent of the Nation's population with drinking water. For this reason, our committee has begun to address approaches to prevention and regulation of pesticides in ground water and we fully intend to play an important role in development of a national ground water policy in the years to come.

Even without specific ground water provisions, the bill before us today will help alleviate the risks to the environment posed by pesticides. Specifically, the process of accelerating the reregistration of some 600 pesticides will help identify those chemicals which may pose an unreasonable risk to our Nation's drinking water supply. We fully anticipate that as the Agency's reregistration process proceeds, we will begin to see significant adjustments in the patterns of use of pesticides already on the market, with salutary benefits for our Nation's precious supply of drinking water.

In closing, I would like to commend Senator LEAHY for his efforts and those of his staff in working to develop the scaled-down approach embodied in S. 659. I urge my colleagues to support our efforts.

Mr. President, I ask unanimous consent a list of supporters of S. 659 be included in the RECORD:

There being no objection, the material was ordered to be printed in the RECORD, as follows:

American Farm Bureau Federation.
National Cattlemens Association.
National Cotton Council.

United Fresh Fruit and Vegetable Association.
National Association of Wheat Growers.
Chemical Manufacturers Association.
National Agricultural Chemicals Association.
American Federation of Labor and Congress of Industrial Organizations.
Natural Resources Defense Council.
Consumers Union.
Public Voice for Food and Health Policy.
Public Citizen's Congress Watch.
Consumer Federation of America.
League of Rural Voters.
American Agriculture Movement.
Center for Science in the Public Interest.
Sierra Club.
American Psychological Association.
National Audubon Society.
Public Citizen.
Environmental Defense Fund.
National Farmers Union.

Mr. WILSON. Mr. President, I rise in strong support for the historic legislation before the Senate today reauthorizing and reforming the Federal law regulating the sale and use of pesticides known as the Federal Insecticide, Fungicide, and Rodenticide Act, or what is commonly called FIFRA.

It has been 10 long years since FIFRA was successfully amended. In recent years, many of us have become increasingly concerned about the adequacy of the statute and interested in improving its regulatory framework.

This interest and concern is obviously not confined to Members of the Senate. Indeed, many interested parties, including environmental, farm, consumer, and labor organizations, have attempted to address and resolve some of the most difficult and contentious issues regarding this law, such as pesticide reregistration. I believe that these groups should be commended for their efforts.

The bill before us now represents a carefully crafted compromise among these groups that will make major improvements to the existing statute.

Without question, the most significant aspect of the legislation is the reregistration of older pesticides. For the edification of my colleagues, reregistration involves the review of contemporary data to reassess the health and environmental effects of pesticides registered by the Environmental Protection Agency.

Prior to the creation of the EPA in the early 1970's, pesticides were regulated by the Department of Agriculture using standards that were far less stringent than today's requirements for registration.

The Congress has twice mandated the review and registration of some 600 active ingredients, one in 1972 and another in 1978.

The bill before us today establishes strict deadlines for the reregistration of these pesticides. The process will require about 9 years to complete action on all 600 active ingredients. This compares to an expected completion date of beyond the year 2024 under current procedures.

By 1997, every food use chemical will have been retested and its health and safety data reevaluated by EPA to ensure the safety of pesticides.

The legislation also contemplates how to pay for this expedited reregistration program. It improves upon previous reregistration mandates because it authorizes EPA to require registrants to pay a user fee for each reregistered active ingredient.

The cost of accelerating the reregistration process is estimated to be $260 million. Approximately $150 million would be paid by pesticide registrants through a onetime reregistration fee, and a modest annual registration maintenance fee that would be charged for 9 years. The remaining $110 million would be covered by formal appropriations.

The bill takes special care to ensure small businesses will not be adversely affected by this fee. They are required to pay a proportionately lower fee based on historical sales revenue of the active ingredients.

The bill also authorizes EPA to reduce the fee for minor-use pesticides that do not have enough sales volume to justify such a fee.

This is important to California growers where many of the fruits and vegetables harvested there represent minor uses for the pesticides produced by chemical manufacturers.

This legislation is of particular importance to me and the growers and consumers in my State. Because California is the Nation's largest agricultural-producing State—commercially producing more than 250 different commodities.

It is also a major user of registered pesticides. By some estimates, California uses as much as 20 percent of our Nation's pesticides.

Mr. President, I believe that we must provide foodstuffs in a fashion that makes them both plentiful and wholesome.

Part of the productivity of our agriculture has been brought about by the use of pesticides.

But clearly, that factor, as laudable as it is, and as directly as it bears upon the price of food for the consumer, must yield to the necessity of safety to protect public health.

It is a difficult balance to strike, but we must strike it in favor of public health.

In fact, the trade bill which was recently signed into law by President Reagan contains provisions which I had put forth called the Safe Food Imports Act. The provisions seek equity for American growers but, more importantly, protection for American consumers.

Under the Safe Food Imports Act the Food and Drug Administration is required to develop, and present to the Congress, the kind of plan and monitoring summary that will provide FDA with a comprehensive data base so their future sampling and inspection of imported foodstuffs will be more than anecdotal.

I hope that we will act favorably on the important legislation to reauthorize and improve FIFRA and expeditiously send this bill to the President.

I would strongly encourage President Reagan to sign this bill into law so that we can continue to ensure the productivity and wholesomeness of our country's food supply.

Thank you, Mr. President.

Mr. HARKIN, Mr. President, I rise in support of the enactment of this legislation to reauthorize the Federal Insecticide, Fungicide, and Rodenticide Act. During the 14 years that I have served in the Congress, I have been involved in countless meetings and debates over the course that our Nation's pesticide laws should follow. And while the legislation before us today falls short of the scope of S. 1516 as approved by the Senate Committee on Agriculture, it represents an important step forward towards ensuring the protection of the health and safety of all Americans, and much needed protection of our natural environment.

The growth in the use of pesticides since World War II has been phenomenal. Unfortunately, the laws which regulate pesticide production, use, and disposal have not kept pace. We know that many pesticide products pose some level of risk to the environment and human health. However, our knowledge of the extent and nature of that risk is far less than needed.

The accelerated timetable for reregistration of pesticides in this legislation will help immeasureably. There are approximately 600 active pesticide ingredients currently in use which have not fully tested for their environmental and health effects. At the current pace, it will take the Environmental Protection Agency over 30 years to complete the needed additional testing. Under this legislation before us today, that testing will be accelerated and completed within 9 years. This testing program will give EPA the information it needs to make informed decisions about pesticide use and regulation.

The committee also worked very hard to resolve the long-standing debate over indemnification and the very difficult issues of storage and disposal. By ending automatic indemnification for all but end-users, this legislation frees EPA of an intolerable financial burden while protecting our farmers from unjust financial loss. And the arrangement to have registrants and EPA share the cost and responsibility for storage and disposal of canceled and suspended pesticides will encourage all parties to work together to obtain a safe, cost-effective solution.

Despite all the good features of this legislation, I am disappointed that the other body was unable to adopt broader legislation of the types approved by the Senate Agriculture Committee. There are many other issues related to FIFRA which need to be dealt with promptly, and this Senator will do what he can to make sure the next Congress addresses those issues in a timely manner.

Most important among these issues is ground water. My State of Iowa has taken the national lead in enacting a tough, innovative ground water protection law. The experience of Iowa showed that farmers accept the need for strong ground water protection programs. Indeed, as the rural population is particularly dependent on ground water for drinking supplies, some of the strongest support for the Iowa law came from farm families.

Another issue which needs to be addressed is pesticide labeling reform. We must ensure that consumers of pesticides know the risks the product carries so they can make an informed decision about its use. Additionally, it is time that FIFRA come into line with every other environmental statute in allowing citizens and citizen groups to force agency compliance with the law through the courts. Finally, we need to look carefully at the role of pesticides in international trade. For both moral and practical reasons, we ought to end the exporting of banned and canceled pesticides while we ban the importation of foodstuffs treated with pesticides prohibited for use in this country.

As we all know, however, no piece of legislation is perfect. And despite the limited nature of this bill, it is clear that the time has come for FIFRA reform. I urge my colleagues to support this legislation.

Mr. BYRD. Mr. President, I move that the Senate concur in the House amendments.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NOMINATION OF LEW W. CRAMER

Mr. BYRD. Madam President, as in executive session, I ask unanimous consent that the nomination of Lew W. Cramer, of California, to be Assistant Secretary of Commerce and Director General of the United States and Foreign Commercial Service, received by the Senate on September 26, be referred jointly to the Committee on Commerce, Science, and Transportation, and the Committee on Banking, Housing, and Urban Affairs.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATE RESOLUTION 482—RELATIVE TO PRINTING OF CERTAIN DOCUMENTS

MR. BYRD. Mr. President, on behalf of Senators PELL and HELMS, I send to the desk a resolution authorizing the printing of certain documents, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 482) authorizing the printing of certain documents.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to the immediate consideration of the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to, as follows:

Resolved, That (a) there shall be printed as a Senate document during the bicentennial year 1989 the Declaration of the Rights of Man and of the Citizen, and the Bill of Rights, with accompanying historical notes.

(b) Such document shall be in such style, form, manner, and binding as directed by the Joint Committee on Printing after consultation with the Committee on Foreign Relations.

(c) In addition to the usual number of copies, there shall be printed—

(1) bound volumes suitable for presentation to the President of the French Republic, the President of the Senate of France, and the President of the National Assembly of France; and

(2) extra copies for the Committee on Foreign Relations of the Senate in the amount of $1,200.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MEMORIAL TO MAHATMA GANDHI

Mr. BYRD. Mr. President, several Senators on my side of the aisle have asked me to try to obtain action on H.R. 3455, a bill to authorize a memorial to Mahatma Gandhi by seeking consent to hold this bill at the desk.

I ask unanimous consent that the bill be held at the desk.

The PRESIDING OFFICER (Ms. MIKULSKI). Is there objection?

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. DOLE. Madam President, for the RECORD, I have no objection to that. I am advised that one of my colleagues on this side—in fact, he asked me to object. He would prefer the matter be referred to committee.

The PRESIDING OFFICER. Objection is heard.

The matter will be referred to the committee.

NATIONAL VISITING NURSE ASSOCIATION WEEK

Mr. BYRD. Madam President, I ask unanimous consent that the action by which the Senate indefinitely postponed House Joint Resolution 576, designating February 19 through February 25, 1989, as "National Visiting Nurse Associations Week," be vitiated, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 576) designating February 19 through February 25, 1989, as "National Visiting Nurse Associations Week."

The PRESIDING OFFICER. Is there objection to the immediate consideration of the joint resolution?

There being no objection, the Senate proceeded to the consideration of the joint resolution.

The PRESIDING OFFICER. The joint resolution is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the joint resolution.

The joint resolution (H.J. Res. 576) was ordered to a third reading, was read the third time, and passed.

Mr. BYRD. Madam President, I move to reconsider the vote by which the joint resolution was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

BILLS PLACED ON THE CALENDAR

Mr. BYRD. Madam President, I ask unanimous consent that the following bills be placed on the calendar when they are received from the House:

H.R. 4189. A bill to authorize appropriations to carry out the Marine Mammal Protection Act for fiscal years 1989 through 1993;

H.R. 4919. A bill to approve the governing international fishery agreement between the United States and the U.S.S.R.; and

H.R. 4557. A bill to direct the Coast Guard to require alerting and locating equipment on U.S. uninspected vessels.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR PRINTING OF A HISTORY OF THE COMMITTEE ON WAYS AND MEANS

Mr. BYRD. Madam President, I ask unanimous consent that the Committee on Rules be discharged from further consideration of House Concurrent Resolution 350, a resolution authorizing the printing of a history of the Committee on Ways and Means, and that the Senate proceed to the immediate consideration of House Concurrent Resolution 350.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

Concurrent resolution (H. Con. Res. 350), authorizing the printing of a history of the Committee on Ways and Means.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to the consideration of the concurrent resolution.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 350) was agreed to.

PREGNANCY AND INFANT LOSS AWARENESS MONTH

Mr. BYRD. Madam President, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of Senate Joint Resolution 314, designated October 1988 as "Pregnancy and Infant Loss Awareness Month," and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 314) designating October 1988 as "Pregnancy And Infant Loss Awareness Month".

The PRESIDING OFFICER. Is there objection to the immediate consideration of the joint resolution?

There being no objection, the Senate proceeded to the consideration of the joint resolution.

The joint resolution (S.J. Res. 314) was considered, ordered to a third reading, read the third time, and passed, as follows:

S.J. Res. 314

Whereas every year thousands of parents lose children to miscarriage, stillbirth, or infant death;

Whereas an increase in the public's awareness of pregnancy loss and infant death will expand the opportunities for parents who suffer the tragedy of infant loss to share their grief and constructively deal with their feelings of stress and loneliness;

Whereas while many groups have been formed at the local level to address the problems these parents face, a greater national effort must be made to provide comfort and assistance to parents who suffer the tragedy of pregnancy loss or infant death; and

Whereas the designation of a special month will bring much-needed attention to the devastating emotional effects of pregnancy loss and infant death: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 1988 is designated as "Pregnancy and Infant Loss Awareness Month", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe this month with appropriate ceremonies and activities.

Mr. BYRD. Madam President, I move to reconsider the vote by which the joint resolution was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

WATER RIGHTS CLAIMS OF THE SALT RIVER PIMA-MARICOPA INDIAN COMMUNITY IN MARICOPA COUNTY, AZ

Mr. BYRD. Madam President, I ask unanimous consent that the Select Committee on Indian Affairs be discharged from further consideration of H.R. 4102, a bill to provide for the settlement of the water rights claims of the Salt River Pima-Maricopa Indian community in Maricopa County, AZ, and that the bill be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

OUR FLAG

Mr. BYRD. Madam President, I ask unanimous consent that the Senate proceed to the immediate consideration of House Concurrent Resolution 361, a concurrent resolution to provide for the printing of additional copies of the booklet, "Our Flag."

The PRESIDING OFFICER. The clerk will state the resolution by title.

The assistant legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 361) authorizing the printing of the booklet entitled "Our Flag."

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 361) was agreed to.

Mr. BYRD. Madam President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER VITIATING ACTION ON SENATE JOINT RESOLUTION 192

Mr. DOLE. Madam President, I ask unanimous consent that the previous action taken on Calendar No. 351, National AIDS Awareness and Prevention Month (S.J. Res. 192) be vitiated and it be placed on the Calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

FOOD STAMP ACT AMENDMENTS

Mr. BYRD. Madam President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be discharged from further consideration of H.R. 4998, to amend the Food Stamp Act of 1977 to make technical corrections in the Family Independence Demonstration Project and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 4998) to amend the Food Stamp Act of 1977 to make technical corrections in the Family Independence Demonstration Project.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the bill.

The bill (H.R. 4998) was ordered to a third reading, was read the third time, and passed.

Mr. BYRD. Madam President, I move to reconsider the vote by which the bill was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

REQUEST FOR DISCLOSURE OF RECORDS OF THE PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mr. BYRD. Madam President, on behalf of myself and the distinguished Republican leader, Mr. DOLE, I send to the desk a resolution to authorize the disclosure of documents by the Permanent Subcommittee on Investigations, and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 483) to authorize production of documents by the Senate Permanent Subcommittee on Investigations in the case of Tarlow v. Doubleday and Company.

The **PRESIDING OFFICER**. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. **BYRD**. Madam President, on January 12, 1977, the Permanent Subcommittee on Investigations held a public hearing on illegal traffic in weapons and narcotics across the border between the United States and Mexico. On January 12 and 13, 1977, the subcommittee also held closed hearings as part of its investigation.

Doubleday & Co. and author James Mills, defendants in a defamation action about statements in a book entitled "The Underground Empire," have requested access to transcripts of the closed hearings, which, they believe, are relevant to an important issue in the defamation action, the credibility of one of the author's principal sources.

In connection with related requests by Doubleday & Mills to the Drug Enforcement Administration, the U.S. District Court for the District of Columbia has permitted DEA to disclose confidential information to the parties in the defamation action, under the terms of an order entered pursuant to the Privacy Act. Because the subcommittee's reasons for conducting closed hearings 11 years ago related to matters of concern at that time to Federal law enforcement officials, the subcommittee is prepared to coordinate its response with the Drug Enforcement Administration.

Accordingly, this resolution will authorize the subcommittee to provide the transcripts of closed hearings held on January 12 and 13, 1977, to the Drug Enforcement Administration for redaction, if necessary, by executive officials of particularly sensitive material, and disclosure to counsel for both sides in the litigation under the terms of the district court's protective order.

The **PRESIDING OFFICER**. The question is on agreeing to the resolution.

The resolution (S. Res. 483) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, read as follows:

S. Res. 483

Whereas, in 1977, the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs investigated allegations about illegal traffic in weapons and narcotics across the United States and Mexican border;

Whereas, defendants in the case of *Tarlow* v. *Doubleday and Company*, No. CV 87-3036 RMT, pending in the United States District Court for the Central District of California, have requested access to transcripts of closed hearings of the Subcommittee held on January 12 and 13, 1977, as part of its investigation;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that documents, papers, and records under the control or in the possession of the Senate are needful for the promotion of justice, the Senate will take such action as will promote the ends of justice consistent with the privileges of the Senate: Now, therefore, be it

Resolved, That the Chairman and Ranking Minority Member of the Permanent Subcommittee on Investigations, acting jointly, are authorized to provide to the Drug Enforcement Administration transcripts of the Subcommittee's closed hearings on January 12 and 13, 1977, for disclosure by the Drug Enforcement Administration to the parties in *Tarlow* v. *Doubleday and Company*, in accordance with protective procedures.

Mr. **BYRD**. Madam President, I suggest the absence of a quorum.

The **PRESIDING OFFICER**. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. **BYRD**. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

PARENTAL AND TEMPORARY MEDICAL LEAVE

The Senate continued with the consideration of the bill.

Mr. **HEFLIN**. Madam President, today I rise in support of Senator THURMOND's amendment to the parental leave bill concerning the Child Protection and Obscenity Enforcement Act.

I am a cosponsor of the original bill S. 2033, the Child Protection and Obscenity Act. I, along with 43 other Members of this body, gave my support to that bill and I welcome the opportunity to reassert my position in favor of this legislation.

Pornography is not an issue that knows political boundaries. It is an issue that touches the lives of all Americans: Democrats and Republicans, Conservatives and Liberals. The people of this Nation have spoken, and we have a responsibility to listen. The American people are saying that the travesty of pornography must end, and must end now.

Pornography's deadly and pervasive effects can be seen running rampant through our society. Testimony presented before the full Judiciary Committee both shocked and saddened me. Time after time horror stories of rape, incest, mutilation, and murder were brought to the attention of the committee. These crimes are too often directly traceable to the disturbed world of pornography. The most vile elements of our society are being allowed to shape the course of our destiny. We cannot allow this to happen.

By choosing inaction, we would be sending out a dangerous signal. We would be saying that we are willing to tolerate a decadence that threatens the sheer existence and survival of our Nation. We would be saying that we don't care about the moral fiber of this Nation. And worst of all, we would be saying that we don't care about our children, and that we are willing to sacrifice their young minds and bodies to the evils of pornography.

We, as members of this body, must unite in returning to the values upon which this country was founded. We have a duty to our children, our grandchildren, and all future generations: a duty to eradicate this menace currently destroying our Nation. This legislation makes a statement that we will not tolerate the exploitation of our youth for immoral purposes and that we will not allow those trading in pornography and obscenity to profit at the expense of our youth. This legislation goes a long way in giving our law enforcement officers the necessary tools to combat the evils of pornography.

Subtitle I of the amendment specifically focuses on child pornography. It prohibits the buying and selling of children for purposes of pornography. It prohibits the interstate use of computers in advertising sexually explicit material. It requires those who produce sexually explicit matter to verify the ages of the actors, and thereby significantly deter the illegal use of minors in such pornography. Finally, this title recognizes organized crime's role in the pornography business, and elevates child pornography offenses as predicate offenses under the RICO statute.

Subtitle II of the amendment takes aim at the dark world of obscenity. This legislation makes the sale, or possession with intent to sell obscenity a criminal offense. I am not speaking of validly protected speech under the first amendment, but of the materials which, taken as a whole, lack serious literary, artistic, political, or scientific value. Further, this subtitle provides strong penalties and strong tools to be used in the effort to eliminate obscenity in our society. This legislation also addresses the distribution of obscene material by cable television. As every concerned parent knows, the TV has become a fixture in American homes, and we must protect our families from potential exposure to obscene material over the cable television wires. These and other protections provide an important means to combat the evils of obscenity.

In closing, I would like to thank those Members of this body who have brought this legislation to the attention of the full Senate. I am glad that the chairman and ranking member of the Judiciary Committee were able to come to an agreement on this legislation. I will be voting for this amendment, and I urge my colleagues to join with me in the battle against forces which would lead our Nation down a path to ruin.

Mr. McCONNELL. Madam President, I rise today to speak in support of the pending second-degree amendment and ask to be added as a cosponsor. This measure of course is based on S. 2033, the Child Protection and Obscenity Enforcement Act, of which I am an original cosponsor, together with 39 Senators from both sides of the aisle.

This legislation, unlike many other bills which come before the Senate, transcends the regional and partisan differences that often divide this body. The broad, bipartisan support for this measure is due to the fact that it protects a common interest, a truly national resource: our children. Child exploitation and abuse do not discriminate along social, economic, or geographic lines. We see glimpses of this tragedy in every State and nearly every community. And although it is not the dark secret it once was, child abuse and exploitation still are poorly understood and inadequately dealt with.

In my State of Kentucky, we are still looking for Ann Gotlib, the young daughter of immigrants to this country who just disappeared one day at a local shopping mall. Her story is all too familiar.

The positive side of this tragedy is that government can make a difference if it makes a commitment to protect children. When I was judge-executive of Jefferson County, we achieved better child protection through tougher laws, rigorous enforcement, and new social services. We created a special unit called the Kentucky Taskforce on Exploited and Missing Children to fight this threat. It became a model for the Nation—a model of commitment at every level of government and every sector of the community.

I am very pleased to be a part of that continuing crusade on the national level. We are pursuing, and need to continue to pursue, a four-point plan to stop child abuse and exploitation:

First, deterrence, through tougher penalties for child abuse;

Second, prevention, with better child abuse education;

Third, treatment, with leadership by the government in research and new treatment techniques; and

Fourth, total eradication of the child pornography industry.

Congress has made tremendous strides in child protection over the last several years, reauthorizing the landmark Child Abuse and Prevention Treatment Act of 1974, enacting the Anti-Drug Abuse Act of 1986, and fully funding programs for missing children and juvenile justice.

We still have far to go on all four points I mentioned, but the amendment before this body today, the child protection and obscenity enforcement bill, is a necessary step forward, and I urge my colleagues to give it their full support.

To conclude, I think it is past time to move ahead on this vital issue. During the course of the recent debate on this bill, we have heard eloquent speeches on this floor about the plight of children and the hardships they face in modern society. Now it is time to put our votes where our mouths have been, and act decisively in defense of America's children.

Thank you, and I yield the floor.

Mr. D'AMATO. Mr. President, as an original cosponsor of this measure I rise in support of its adoption and urge my colleagues to do the same.

It is clear that this body is of one mind when it comes to the exploitation of children for pornography. As a civilized society, we must draw the line against the child pornographers and halt the further descent into ever more degenerate depths.

Over the last 2 days I have listened in disgust to the graphic stories and anecdotes shared by our colleagues. Indeed, I commend Senators for having the gumption to relate the sordid details of the practices perpetrated upon our Nation's youth. The record we have established demonstrates our indignation and resolve to wash down the drain once and for all a despicable practice. I believe this amendment, by giving to law enforcement the necessary weapons, will go a long way in stamping out this problem.

Some Members have voiced certain concerns about the obscenity section of this measure. I have confidence that the compromise worked out will pass constitutional muster and not infringe upon our first and fifth amendment rights. I can assure my colleagues that the sponsors, in drafting the act, were keenly sensitive to free speech concerns. Every effort was made to make sure terms such as obscenity had been sufficiently defined so as to avoid ambiguity.

I commend my friend from South Carolina Senator THURMOND, for his efforts to shepherd this measure through Congress, and I am pleased to have been able to play a part. I urge adoption of the amendment.

Mr. DOLE. Mr. President, I rise in strong support of the Thurmond amendment. Today, pornography is estimated to be a $4 billion industry. Although that figure is disheartening enough, it is also estimated that the highly organized child pornography industry involves millions of dollars each year.

The Congress has previously acted to establish tough laws to prosecute the use of children in obscene material, as well as to prevent the disbursement of obscene material to children. Unfortunately, pornographers have taken advantage of changing technology to avoid prosecution, while victimizing our children.

This amendment has been languishing as a freestanding bill in the Senate Judiciary Committee for months, blocked—for reasons no one seems to want to discuss—by a Senator or two, while these children have continued to be victimized. So, action on this matter is long overdue.

By allowing prosecutors to use the Rico statutes to crack down on pornography, as well as civil forfeiture proceedings, this added protection for our children will be another tool toward putting these smut peddlers out of business and into jail if they continue to prey upon the most vulnerable—our children.

Mr. President, I urge my colleagues to overwhelmingly adopt the Thurmond amendment, as I stated, an action which is long overdue.

Mr. BYRD. Madam President, I believe all Senators are ready to vote on the pending Thurmond amendment.

The PRESIDING OFFICER. Is there further debate on the Thurmond amendment?

Mr. BYRD. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there further debate on the amendment? If not, the question is on agreeing to the amendment, as further modified.

The clerk will call the roll.

The bill clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Texas [Mr. BENTSEN], and the Senator from Hawaii [Mr. MATSUNAGA] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Indiana [Mr. QUAYLE] is necessarily absent.

The PRESIDING OFFICER (Mr. ROCKEFELLER). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 97, nays 0, as follows:

[Rollcall Vote No. 339 Leg.]

YEAS—97

Adams
Armstrong
Baucus
Biden
Bingaman
Bond

Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Garn
Glenn
Gore
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Inouye
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
McCain
McClure
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Reid
Riegle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Wirth

NAYS—0

NOT VOTING—3

Bentsen
Matsunaga
Quayle

So the amendment (No. 3293), as further modified, was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the amendment was agreed to, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order. Senators will take their conversations to the Cloakroom. The Chair will wait until the Senate is silent.

The majority leader.

TIME LIMITATION AGREEMENT—H.R. 4481

Mr. BYRD. Mr. President, I will shortly ask that the Chair lay before the Senate the conference report on the DOD authorization bill, H.R. 4481. Before I do that, I ask unanimous consent that there be a 40-minute time limitation on that conference report—I have discussed this with Mr. Dole earlier—and that the time be equally divided between Mr. Warner and Mr. Nunn.

Mr. WARNER. Mr. President, the majority leader is correct. The Republican leader has cleared on this side the 40-minute total time request, 20 minutes to a side.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL DEFENSE AUTHORIZATION ACT, FISCAL YEAR 1989—CONFERENCE REPORT

Mr. BYRD. Mr. President, I submit a report of the committee of conference on H.R. 4481 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4481) to provide for the closing and realigning of certain military installations during a certain period, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report will be printed in the House proceedings of the Record.)

Mr. BYRD. Mr. President, I am advised that there will be a rollcall vote on this. Will Mr. Nunn indicate whether or not that is so? If that is so, would he want to get the yeas and nays ordered now?

Mr. NUNN. I thank the majority leader.

Mr. President, there will be a rollcall vote on this. We anticipate that it will take no longer than 15 or 20 minutes on each side. My best estimate is that we could have the rollcall vote before 6 o'clock.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Who yields time?

Mr. NUNN. I yield myself such time as I may require.

Mr. NUNN. Mr. President, I am pleased that we have laid before the Senate for the second time the conference report on the fiscal year 1989 defense authorization bill.

As all our colleagues know, the first version of this conference report was vetoed by President Reagan on August 3. I was disappointed in the President's action, because that bill had strong bipartisan support in the Congress, and the principal national security advisers to the President recommended against a veto.

But the veto is behind us. The agreement we reached between Congress and the administration on this version of fiscal year 1988——

Mr. STENNIS. Mr. President, will the Senator yield to me for the purpose of a request? Mr. President, this is a highly important matter, as you know. May we have quiet?

The PRESIDING OFFICER. The distinguished Senator from Mississippi is correct. We need it as quiet as possible. Senators should stop their conversations when the Presiding Officer asks them to stop their conversations. This is a very simple matter. If conversations must be continued, they can be taken to the Cloakroom. The Chair will wait until there is absolute silence in the Senate before we proceed. There is a conversation in the back of the room which I hope will cease.

The Senator from Georgia may proceed.

Mr. NUNN. I thank the Senator from Mississippi for that courtesy.

Mr. President, the veto is behind us. The agreement we reached between Congress and the administration on this version of the fiscal year 1989 defense authorization bill is good for our national defense, good for our strategic and arms control policies, and good for restoring bipartisanship in the conduct of our national security policy.

I have been assured by Secretary Carlucci that this bill will be signed by President Reagan. I hope that can occur in the immediate future, as early as perhaps tomorrow night, depending on when we can get the conference report down to him as an enrolled bill.

I commend Secretary Carlucci for working diligently with us to put humpty dumpty back together again after the veto. And I congratulate President Reagan for giving the Secretary of Defense the clear authority that he needed in order to negotiate on behalf of the administration, and also the authority that we had to be assured of in order to be able to know that we were in fact dealing with a duly authorized representative of the President.

I also want to thank my colleague, Senator Warner, for all of his diligent work on this bill, and for his patience and his tenacity in assuring us that we now have a bill before us. We would not have had a bill without his very diligent work, and his skilled leadership.

The same can be said for Congressman Aspin who has worked long and hard on this.

I also congratulate and thank Congressman Dickinson for his cooperation and hard work in working through the problems raised by the President's veto.

This conference report changes the original, vetoed conference report in only six substantive areas. Three of these areas—SDI fences, ICBM modernization, and depressed trajectory testing—were issues mentioned in the President's veto message. What we have essentially done in these three areas is to find ways to preserve the spirit of the disputed provisions in the vetoed conference report while making them less onerous in the eyes of the White House. In the case of a fourth area interim restraint, the conferees made no substantive change but did add some technical language to facilitate the Navy's handling of the subs while they await deactivation.

The conferees also changed two other areas of the original conference report—the provision relating to the award of DOD research and development grants and contracts to colleges and universities, and the staffing of auditing functions in the DOD inspector general's office and the Defense Contract Audit Agency.

This conference report also makes some technical corrections to the original vetoed version, which is standard.

Other than these changes, Mr. President, this conference report is identical to the version originally passed by the Congress and vetoed by the President. I want to take a few moments to outline in more detail the changes that the conferees made in this conference report.

SDI

We removed all earmarkings in the original conference report which had been intended to insure that SDI programs of particular interest to our committees—such as the free electron laser, the ground-based interceptors, and the advanced launch system—would receive adequate funding. However, we took this step only after receiving a letter from the Secretary of Defense providing assurances that in restructuring the SDI Program to reflect the congressional reduction from the requested level, none of the programs highlighted by Congress would suffer disproportionate cuts.

In other words, since we had reduced the total SDI funding, it was only natural that the amounts within the total and various important categories would also come down. The Secretary of Defense has assured us that those would not come down in a disproportionate fashion.

I ask unanimous consent that the letter from Secretary Carlucci be printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit No. 1.)

Mr. NUNN. We also removed the previous restriction on the Space-Based Interceptor [SBI] Program, but only after receiving assurances from the Secretary that this troubled program was being restructured. We have directed in law that the Secretary submit a detailed report prior to the adjournment of Congress on the restructured SBI Program. The Armed Services Committee will be conducting a joint hearing next week with the House Committee on Armed Services on the restructured SDI Program and will review the details of the changes in the program.

That is the Space-Based Interceptor Program which is a part of the overall SDI Program.

Overall, strategic defense initiative funding remains where it was in the vetoed bill, that is $4.083 billion. That includes the Department of Defense, the Department of Energy and the military construction portions.

That is a reduction of 18 percent from the budget request but a slight increase over last year's appropriated amount. This is the same level that was authorized in the vetoed conference report.

ICBM MODERNIZATION

In the area of ICBM modernization, the Midgetman missile will receive $250 million, which is the same as the original conference report. From the beginning of the fiscal year through next February 15, the Rail-Garrison MX will receive $250 million.

Unless the next President disagrees, which is his privilege, the Rail-Garrison MX Program will receive an additional $350 million after February 15, for an overall total of $600 million in fiscal year 1989. However, if the next President so chooses, he could, after February 15, request that this additional $350 million be reprogrammed to the Midgetman Program or any other defense program if he believed that these funds are more needed elsewhere.

So we really have the same agreement that we had before the bill was vetoed, in essence, but we have added $100 million to the overall sum which goes into the MX Program if the next President chooses that program for that funding.

In short, this arrangement is really not that much different to what we had in the vetoed bill. In both cases, both the Midgetman and the Rail-Garrison MX will be kept in development with the next President deciding whether either—or both—should be terminated. The main difference is that we raised the total pot of funds available for the Rail-Garrison MX next year by $100 million—from $500 million to $600 million.

However, if the next President is determined to terminate this program, it is unlikely that Rail-Garrison MX would receive the full $600 million. It could be shifted around, as I said.

DEPRESSED TRAJECTORY

We agreed to delete the moratorium on flight testing of any United States depressed trajectory ballistic missile in fiscal year 1989 that would have been established under the vetoed conference report, but only after receiving a letter from the Secretary of Defense providing Congress assurances that the Defense Department has no plans to conduct such flight testing in fiscal year 1989.

I ask unanimous consent that this letter be printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. NUNN. Mr. President, the revised bill retains the previous reporting requirement on the definition of depressed trajectory and United States capabilities to monitor and verify Soviet testing of such systems.

The advantage of this approach is that we will avoid legislating a moratorium before we have all the facts at hand as to the practicality of such a restriction. However, we will still send an important signal to the Soviet Union that the United States intends to exercise restraint in this area and we expect them to do the same.

I think this is a very important area and it deserves a great deal of attention. In next year's hearings, we can review the administration's report and consider again whether a legislated moratorium is wise.

INTERIM RESTRAINT

This conference report takes another important step for mutual restraint. The congressionally directed deactivation of two Poseidon submarines remains the same as the original conference report, but technical changes have been incorporated to facilitate the Navy's handling of the submarines while they await dismantling.

We also retained the general policy statement by the Congress on the importance of maintaining United States and Soviet interim restraint while START is pursued. Let me be clear on this: We are not legislating the SALT II Treaty and we are not bringing U.S. strategic forces down to the levels of the central SALT II sublimits. What we are doing is first, saving some money on some 23-year-old submarines that are about to be retired anyway; and second, holding the level of U.S. strategic forces at roughly the same level that existed at the time last year's defense authorization bill was enacted. It is our intention to maintain this policy as long as the Soviet Union continues its practice of early retirements of older strategic systems and as long as progesss is being made in the START negotiations.

OTHER CHANGES

In addition to working out solutions in these disputed areas, the conferees took two additional actions in this version of the conference report. First, the conferees agreed to delay by one year the effective date of the provision in the conference report requiring that all DOD awards of grants and contracts to colleges and universities for the performance of research and development be made using competitive procedures.

We kept that provision in the bill but we delayed it for 1 year in implementation.

Second, the conferees directed a substantial increase in the number of defense auditors who monitor industry contracts for possible fraud. This is an important first step in responding to the recent revelations of major fraud in the Pentagon's weapons procurement process.

The amended fiscal year 1989 budget request had cut the number of audit and support personnel proposed to be employed under the assistant inspector general [IG] by over 100 from the original fiscal years 1988-89 budget. These proposed reductions would have resulted in a 50-percent decrease in the inspector general's coverage of contract administration programs and a 20-percent decrease in his coverage of contract audit issues. Similar reductions were proposed by the administration in the Defense Contract Audit Agency [DCAA].

I must say in fairness to the administration on this one that some of these cuts were driven by the Goldwater-Nickles reduction, but we are now saying to the administration we feel that the priority here when we have all this procurement business raging around us is to not cut auditors at this time. I think that is the message that we are sending.

The amended fiscal year 1989 budget request had also cut the number of DCAA auditors by 568 from the original request. The conferees directed that the Department of Defense maintain IG and DCAA auditors at the levels originally proposed in the fiscal year 1989 budget request—an increase of 675 above the level in the amended request.

The conferees felt that at a time when serious questions surround the integrity of the defense acquisition process, cutting back on contract auditing personnel sends the wrong message about our willingness and dedication to rebuild public confidence in the military contracting system.

CONCLUSION

Mr. President, this completes the discussion of all of the changes from the original vetoed conference, other than the minor technical corrections to errors made in the drafting and printing of the original version.

Let me briefly outline the parliamentary situation as I understand it. In addition to passing this conference report as a freestanding measure, we are including it by reference in the fiscal year 1989 Defense Appropriations Act. When this freestanding measure is signed into law, and hopefully it will be some time tomorrow night or on Friday, it will override or supersede the incorporation by reference in the fiscal year 1989 Defense Appropriations Act. This conference report does not include any base closure legislation.

We hope to get that conference going next week, and we hope to make rapid progress on this and bring a separate conference report on that subject to the Senate sometime before adjournment. It was not possible for us to do that conference at the same time we were working out this conference.

Again, Mr. President, I want to express my appreciation to those who have helped us put Humpty-Dumpty back together again. We would not be here today without the strong support and assistance of leaders of both the Senate and the House—Senator BYRD, Speaker WRIGHT, and I also want to pay tribute to Congressman FOLEY. They have all been very helpful at every stage of the process. And of course Chairman ASPIN and Congressman DICKINSON of the House Armed Services Committee.

And again I thank my colleague profoundly, Senator WARNER, who not only has been patient himself but urged patience on the rest of us for a period of time when patience was not always likely to ensue, and I thank him very much for that. He has borne a great deal of the brunt of this and he has been as usual a stalwart Senator putting national security above any partisan consideration.

I also would like to thank Arnold Punaro of my staff, Carl Smith on the minority staff, and all of their key people who have done so much hard work in putting this bill back together.

I pay special tribute to Hugh Evans of the Senate Legislative Counsel and Bob Cover of the House Legislative Counsel, who continued to provide us with their customary outstanding support.

Mr. President, again I ask unanimous consent that the various letters be put in the RECORD at this point and I would defer to my colleague.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXHIBIT NO. 1

THE SECRETARY OF DEFENSE,
Washington, September 26, 1988.

Hon. SAM NUNN,
Chairman, Committee on Armed Services, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: During Congressional review of the FY 1989 Strategic Defense Initiative (SDI) program, Members of Congress expressed their interest and support for various projects within the overall SDI program. The Department also supports these projects, as reflected by the fact that they were each contained in our original budget request for the SDI program. While reductions in the overall SDI program will require that adjustments be made in all aspects of the program, rest assured that the Department will not make disproportionate reductions to those projects of particular interest to the Congress.

Sincerely,

FRANK CARLUCCI.

EXHIBIT 2

THE SECRETARY OF DEFENSE,
Washington, September 27, 1988.

Hon. SAM NUNN,
Chairman, Committee on Armed Services, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: In response to Section 219 of the FY 1989 Department of Defense Authorization bill, the Department has agreed to provide the Congress with a report on depressed trajectory missile testing not later than April 1, 1989. This report will include a discussion of monitoring and verifying depressed trajectory missile testing, as well as provide a definition for such testing developed in coordination with the Director of Central Intelligence.

The Department has no plans to conduct depressed trajectory missile tests in FY 1989. It is the position of the Department that acquisition by the Soviet Union of a depressed trajectory capability for its ballistic missiles would constitute an adverse and destabilizing development since it would pose a serious threat to U.S. strategic systems whose survivability depends on timely receipt of adequate warning of attack.

Sincerely,

FRANK CARLUCCI.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, on August 3, President Reagan vetoed H.R. 4264, the earlier version of the defense authorization bill for fiscal year 1989, because he believed that bill unduly restricted our strategic modernization programs and dangerously limited his flexibility and that of the succeeding President in arms control negotiations. While some disagreed with the wisdom of that veto, there should be no doubt about the sincerity of the President's convictions underlying that action. At the same time, it should be remembered that the President had expressed his satisfaction with the Senate-passed version of that same bill.

Mr. President, at this time I should certainly want to acknowledge not only on behalf of myself but my colleagues the leadership that Senator NUNN has given as chairman of the Senate Armed Services Committee and as the leading spokesman in the conference that we have just completed with the Secretary of Defense because he brought us back in many respects to the Senate bill, that bill which the President all along indicated unequivocally met his goals for this Nation's national defense.

And, therefore, I now rise in support of this conference report and wish to commend Chairman NUNN for his leadership, perseverance, and total commitment to our national defense in bringing this conference report to the Senate today.

I believe President Reagan must be given also a great deal of credit for his willingness to work with the Congress to fashion a bill that meets congressional concerns while at the same time ensuring that the best interests of this Nation are preserved.

I think all who have been involved in the negotiations leading to this compromise bill will agree that the President and his representatives have sought nothing more than to satisfy the very few, but very important, concerns raised in the veto message. The result of the President's veto in this case is the bill now before us, a bill which I can say without hesitation will contribute more to our national security than would the earlier version of the bill.

Mr. President, following the veto, had the chairman of the Senate Armed Services Committee been a man with less commitment to our national security it would have been easy to mire ourselves in what we now know is purely partisan bickering over why the bill was vetoed, all to the detriment of our national defense.

But Chairman Nunn would not allow that to happen. He indicated his willingness to work with the President of the United States and the Secretary of Defense, myself and others to resolve the President's concerns to the bill and to bring back to the Senate a conference report that the President would sign. He has quite properly indicated and I corroborate that the President will sign this bill subject to the Senate's vote today. The conference report now before us is such a bill.

Working closely with the Secretary of Defense, Frank Carlucci, who tenaciously and fairly represented the President and the interests of this Nation we reached compromises on the principal issues which were the basis for the veto.

Mr. President, this conference report removes serious restrictions and limitations on funding within the SDI program, while retaining the same overall funding level provided in the earlier bill; it increases the funding for Rail Garrison MX by $100 million, while retaining flexibility for the next President to restructure our ICBM modernization program; and it deletes the earlier bill's statutory prohibition on depressed trajectory missile testing, a precedent which would have been detrimental to the long-term interest of this President and succeeding Presidents in arms control negotiations.

These changes are important for they reflect our continued commitment to an ICBM modernization and they permit the President's negotiators in Geneva to continue negotiations without the handicap of unilateral constraints imposed by Congress.

Mr. President, in short, I commend President Reagan and Chairman Nunn for their cooperation and perseverance in seeking a bipartisan common ground for these most important national security matters.

We were joined in that venture by our House colleagues, Chairman Aspen and Representative Dickinson, the ranking member of the House Armed Services Committee. Indeed, we owe a debt of gratitude to our respective staff, led by Mr. Punaro and Mr. Smith.

I urge each of our colleagues to continue this spirit of compromise by supporting this conference report.

Mr. President, I ask unanimous consent the President's veto message, dated August 3, 1988, and a letter from President Reagan be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

The White House,
Office of the Press Secretary,
August 3, 1988.

To the House of Representatives:

I am returning without my approval H.R. 4264, the National Defense Authorization Act, Fiscal Year 1989.

The bill's provisions on strategic defense and arms control undercut the very foundation of our Nation's security and our successful arms reduction efforts—to negotiate with the Soviets, we must do so from strength. On the basis of strength alone, we concluded the historic INF Treaty to eliminate an entire class of U.S. and Soviet nuclear missiles. Only on the basis of strength can we continue to pursue our negotiations in Geneva for further arms reductions, including deep cuts in strategic forces.

This bill would drastically curtail our Strategic Defense Initiative (SDI) program, make unilateral concessions on arms control, limit our strategic forces and their modernization, and sacrifice national defense requirements to the demands of parochial interests. It would needlessly concede military advantage to the Soviets, whose military programs are not similarly restricted. The bill would signal a basic change in the future direction of our national defense—away from strength and proven success and back toward weakness and accommodation. It would reward the Soviets for their words and not their deeds. This I shall not do.

The bill would restrict, reorient, and limit funding for our Strategic Defense Initiative. Together, these restrictions and funding cuts would cripple our ability to fulfill the promise of effective strategic defense. The bill would hand the Soviet Union restrictions on our Strategic Defense Initiative program they have long sought. It would limit critical funding for the space-based interceptor program, altering long-established priorities for the SDI and delaying unacceptably the development of technology to defend against missiles in the boost-phase, where defensive leverage is greatest. The Strategic Defense Initiative challenges our best scientists to find a way to deter war and protect what we value while threatening no one. The use of advanced technologies to defend—rather than destroy—offers the brightest hope for a more secure future. Most importantly, we owe our children an alternative to the current policy of deterrence based solely on the threat of nuclear retaliation.

The Congress must fully fund our vital Strategic Defense Initiative program without restricting research into promising technologies.

The bill would return us to the practice of rushing to give away our negotiating leverage without receiving a single thing in return from the Soviets.

Two such actions in this bill:

Depressed Trajectory Missile Testing—The bill would prohibit depressed trajectory missile testing. Yet, the Congress admits that depressed trajectory testing is something it cannot define. So, the bill asks the Department of Defense to define the action, after which the Department will be banned from conducting such tests unless such tests are undertaken by the Soviet Union. This hastily written provision usurps the President's treaty negotiating authority and erodes the Senate's treaty ratification responsibility.

POSEIDON retirements—The bill would require the United States to remove two of our POSEIDON ballistic missile submarines from active duty earlier than we had planned. The action is a vestige of thinly disguised congressional efforts to force the United States to comply unilaterally with numerical limits in the fatally flawed and unratified SALT II treaty. In its current form, it would arbitrarily restrict U.S. strategic force levels by prematurely retiring POSEIDON submarines. There is no similar requirement for the Soviet Union. This would undermine both our strategic deterrent and our position in the START negotiations.

The bill would cut 25 percent of the funds requested to continue modernization of our strategic forces at the same time we are pursuing strategic arms reductions. It does not assure our rail-mobile PEACEKEEPER program—a program critical to ensuring the continued effectiveness of the land-based leg of the triad of forces we have relied upon for several decades. The Soviet Union continues, without letup, its own strategic modernization program which includes both new rail- and road-mobile ICBM's.

Part of the success we have experienced in the last several years rests squarely upon the modernization of our strategic forces, which had witnessed a decade of neglect during the 1970's.

Our negotiations in Geneva have told us that the Strategic Defense Initiative and the strategic modernization program brought the Soviets back to the table in 1985. This helped us attain the first real cuts and began to move even further toward more historic 50-percent reductions in Soviet and American strategic nuclear forces. Bolder agreements and deeper, stabilizing cuts are only possible if we maintain our resolve. The Congress must fully fund the modernization of our strategic forces. The Congress must stop tying the hands of our negotiations in Geneva.

Finally, the bill would authorize a number of procurements that are clearly in the special interest of a few. Although the bill is within the overall levels of defense spending outlined in the birpartisan budget agreement, the Congress stayed within the agreement only by reducing vital programs and inserting billions of dollars for items not needed to defend our Nation. In short, the bill trades vitally needed defense muscle for the parochial interests of those in the Congress.

There are a number of desirable provisions in this bill. In fact, the version passed by the Senate was one of the better defense bills in several years. The provisions for the readiness and modernization of our forces needed for a strong conventional deterrent, the authorized personnel levels, the needed pay raise for our men and women in uniform, the support for multi-year procurement, and the responsible involvement of the Department of Defense in our war on drugs are all positive aspects of the bill. Unfortunately, the House version contained many unacceptable provisions, and the conference agreed on a bill more like the House version than the Senate version.

In conclusion, I cannot accept H.R. 4264 because it would undercut current U.S. arms control and negotiating efforts and redirect funds from critical defense programs. I look forward to receiving from the Congress a responsible defense bill.

Ronald Reagan,
The White House, August 3, 1988.

THE WHITE HOUSE,
Washington, September 23, 1988.
Hon. JOHN W. WARNER,
U.S. Senate, Washington, DC.

DEAR JOHN: I know you and others are endeavoring to develop a responsible defense authorization bill. In that regard, I want to make sure you and your colleagues have seen my recent public statement reaffirming that Secretary Carlucci is prepared, as always, to work with the Congress to secure defense legislation which merits my approval and keeps our defenses strong.

You and your colleagues need to understand, however, that I will not sign legislation that reverses or undercuts the national security policies of the past 7½ years.

Sincerely,
RONALD REAGAN.

Mr. STEVENS. Mr. President, will the Senator from Virginia yield?

Mr. WARNER. Mr. President, how much time does my colleague wish?

Mr. STEVENS. Just a minute or two for a colloquy with the Senator from Georgia.

Mr. WARNER. Mr. President, I yield to the Senator from Alaska.

Mr. STEVENS. Mr. President, I commend the Senator from Georgia and the Senator from Virginia for moving so quickly to restore the authorization process for defense. We are indebted to Secretary Carlucci for his endeavors and his consultations with those of us involved in defense to bring about this result.

I would like to ask the Senator from Georgia a question. I heard his statement that this is the same bill, subject to technical corrections, that was embodied in the conference version of the first authorization bill. But, subject to the items that the Senator from Georgia has mentioned concerning the items that were in dispute with the President in negotiations with Secretary Carlucci, it is my understanding that the account numbers and the authorizations in this bill are identical to those that we have been working on in the appropriations conference. That is important to us because our conference is about ready, as you know, to approve the final version of our bill.

I wanted to be assured that these account levels and the allocations between accounts is the same as the original version. Is that the case?

Mr. NUNN. Mr. President, I thank my friend from Alaska, and I also thank him for his cooperation. We have had a very difficult time in trying to negotiate and interrelate both the appropriations process and the authorization process because of the delay in the normal order of things.

I would say to my friend, if I understand his question, he is asking us if there is anything in this bill that we have before us that would change the original conference report that was vetoed by the President in terms of the account levels. And the answer is, with the exception of $100 million that has been put on the MX rail mobile which has been taken out of the Air Force R & D account, that is the only monetary change that I know of.

Mr. STEVENS. I am grateful to the Senator.

Mr. NUNN. I understand from staff that the appropriation account, as we have seen it so far, is below our account in that area. So we have had a shift. We have not had a net increase in overall funding of the bill, but we took $100 million from one account to another.

Mr. STEVENS. Mr. President, I thank the Senator from Georgia. I am hopeful that we can now move ahead with our appropriations bill. As I said, the conference committee on that bill is meeting at the present time. There were some items in the original version that our committee disagreed with and I assume they are in there, too, is that correct?

Mr. NUNN. We have a number of disagreements between our bill and your bill and that will await another day. But we will work those out as best we can.

I would say to my friend from Alaska that tomorrow morning our committee will be meeting and discussing the information we have from the appropriators and we will be trying to get back with you tomorrow to let you know of any problems we might have, not in an effort to hold up your bill in any way but simply as a matter of communication, since some of those matters could come up on the floor.

Mr. STEVENS. I thank the Senator, Mr. President, because we are very close to the end of the fiscal year. I think it would be nice if we could deliver the 13th appropriations bill, being the defense appropriation bill, to the President before the close of the fiscal year and with due respect to our chairman, Senator STENNIS, who will present his last bill to the President this year.

Mr. NUNN. Mr. President, I certainly share the goal of the Senator from Alaska on that. I believe, by passing this authorization bill today, this will help facilitate that goal.

Mr. WARNER. Mr. President, how much time does the Senator from Virginia have remaining?

The PRESIDING OFFICER. Ten minutes and 50 seconds.

Mr. WARNER. How much time does the Senator from California desire?

Mr. WILSON. Four minutes.

Mr. WARNER. Mr. President, I yield such time as the distinguished Senator from California may desire.

Mr. WILSON. Mr. President, I thank my distinguished friend from Virginia.

Mr. President, as my colleagues will recall, I was one of those who urged the President to veto this authorization bill. I did so for what I believed to be important reasons. Stated simply and quickly, the bill that left the Senate I think was a tribute to Chairman NUNN and to the Members of the Senate. It was a good bill. The bill that came back in the conference report was a very different bill. The House had added provisions—provisions that I think seriously weakened our national security.

I commend my colleagues from Georgia and Virginia because I think that what we have now is setting things right. We have essentially returned to pretty much the bill that left the Senate—a good bill, a very solid bill, one unburdened by the kind of arms control provisions which the House has insisted each year, in recent years, in adding to the authorization bill, not only, in my judgment, doing serious damage to the security of the United States in terms of undermining our bargaining power in Geneva, but also doing serious damage, in my judgment, to the Constitution, specifically to the constitutional prerogatives of the Executive.

President Reagan, I believe, indicated that he had enough; that if this kind of thing were to occur, it would result in his veto. And he has made good on that. I believe President BUSH will similarly exercise a concern not just for his personal prerogatives but for the concerns that dictated the veto by President Reagan. I hope that the House will be instructed by that.

But this conference report is one that I can very conscientiously and even enthusiastically urge my colleagues to support because the changes that should have been made have been made. There is not quite as much money for the strategic defense initiative as in the Senate version, but close to it. And we have dispensed with the micromanagement by the Congress. All the fences are down. Roughly the same thing is true in the important areas of strategic modernization. The new President will have the opportunity to spend the kind of money necessary for a rail garrison MX that will, in fact, give us mobility at an affordable cost.

So I say, Mr. President, that this is a conference report that I was able to sign, that I will be able to vote for, and I urge my colleagues to do so, as well.

I thank the Chair and I yield the floor.

Mr. WARNER. Mr. President, the Senator from Virginia yields the distinguished Senator from Texas such time as he may require within the limits.

Mr. GRAMM. Mr. President, I thank the distinguished Senator for yielding.

I wish to join my other colleagues in thanking our distinguished chairman from Georgia and our distinguished ranking member from Virginia for helping us produce a bill that does, I believe, respond to the concerns the President expressed. He vetoed the bill in order to continue the process that we have used over the years of authorizing before we appropriate. I believe every Member of the Senate and the people of the country should be grateful to our two distinguished leaders.

When the President vetoed this bill, he set out some basic problems with it. Not all of those problems have been dealt with, and I think it is fair to say that the President has been more than reasonable in compromising.

But three of those problems have been addressed, Mr. President. One is that we have defenced SDI, which allows us to have a greater degree of flexibility and, therefore, effectiveness in spending the taxpayers' money to develop a system to defend Americans against Soviet missile attack.

We have reallocated funds to give us the amount of money that represents the absolute minimum to keep the rail garrison version of MX on track. Finally, we have eliminated a unilateral moratorium on the use of modern technology in depressed trajectory missiles, by developing a compromise that to me represents a great improvement over the other bill.

So I think the net result of the President's veto and the strong leadership that we have had from our two colleagues and from others has given us a better bill. I think we can all be proud of that fact. I want to personally thank our two distinguished colleagues, greater southerners, who I think of in the same terms of Stonewall Jackson and Robert E. Lee. I just want to say to them that I appreciate their leadership. All their colleagues hold them in the same high esteem.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, we express our appreciation to our colleague, and member of the committee, from Texas. I think his tenacity went a long way toward encouraging the President to veto the bill. Indeed together with Mr. Wilson of California they spoke out very strongly for the veto course of action which has resulted in this bill which I concur is far superior to the prior bill and I express my appreciation to the Senator and the Senator from California.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. NUNN. Mr. President, I want to thank the Senator from Texas for his stalwart work on the Armed Services Committee and the contribution he makes to the committee, which he does make. He makes a great contribution.

I thank him particularly for his remarks and particularly for the comparison with heroes of the past. I just wonder if that comparison with Robert E. Lee and Stonewall Jackson could be used by Senator Warner and myself in our 30-seconds ads in our next campaigns if we can capture it off the video. I will ask the Senator if we can do that.

Mr. GRAMM. Please feel free.

Mr. NUNN. I am delighted that we are here today with a bill that we hope will pass. I see on the floor Senator Exon from Nebraska. I want to thank him for his tremendous work on this bill. He has been the head of our Strategic Subcommittee. Not because he is there—in spite of his presence—this is where the area of great controversy usually lies, both in our committee, on the floor of the Senate and between the House and the Senate in the conference and with the White House. These are the areas of great controversy. I sometimes think we spend too much time on strategic debates and not nearly enough on conventional. But whatever strategic debates we have, the Senator from Nebraska is right at the head of them. He has done a tremendous job, first of all in putting the agreement together.

It was very difficult to put together to begin with and, second, his splendid cooperation in restructuring this program in a way that can facilitate its passage into law. Not only that, but also being signed into law by the President. So I thank the Senator from Nebraska.

Mr. WARNER. Mr. President, if the Senator would yield I would like to join expressing my appreciation also to the chairman of the Subcommittee on Strategic Forces. I once had that position. As a matter of fact, the Senator from Nebraska succeeded me. We all recognize the endless hours he puts in on this difficult subject and because of the fact that so many are interested in it, he gets a lot of free advice. But in the end he was a material partner in restructuring the agreement we are about to vote on.

Mr. EXON. Could I be yielded 2 minutes?

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. I would like to thank my two friends, the managers of the bill, for the outstanding job they have done and the nice things they have had to say about whatever efforts I have put forth on national defense.

I also want to compliment them for their key roles in working out the compromise. I am enthusiastic about the compromise. In fact, I happen to feel it is a little bit better balanced, from my viewpoint, than the earlier things that we had worked out.

But there are no major or significant changes in the bill and I am pleased to see that the bill has the strong support of the Armed Services Committee.

Once again, we work very hard on these things and I think under the leadership of the chairman of the committee, the distinguished Senator from Georgia, and the ranking member, the Senator from Virginia, we have done a very, very good job. And I salute their leadership. Mr. President, I yield the floor.

Mr. NUNN. Mr. President, in 1986 under the outstanding leadership of Senator Cohen, the Committee on Armed Services formulated an initiative to reorganize and reform special operations and low intensity conflict capabilities, policies, and programs. A key feature of this initiative, which was enacted as section 1311 of the National Defense Authorization Act for Fiscal Year 1987, was the creation of the U.S. Special Operations Command, a unified combatant command with the principal function of preparing Special Operations Forces for assigned missions.

Section 712 of the conference report currently under consideration, Mr. President, clarifies the responsibility and authority prescribed in 1986 for the Commander of the Special Operations Command. Elements of the Department of Defense have indicated that the legislative intent of the portion of section 712 dealing with the budget preparation and execution responsibilities of the commander of the Special Operations Command is not sufficiently clear. In light of the apparent confusion in the Department of Defense, Mr. President, I will explain in more detail my understanding of the legislative intent of section 712, based upon the decisions and deliberations of the conference committee.

In part, section 712 would specify that the commander of the Special Operations Command would be responsible for preparing and submitting to the Secretary of Defense program recommendations and budget proposals for all forces assigned to his command and for Special Operations Forces assigned to other unified combatant commands. In addition, Mr. President, section 712 would specify that the Commander of the Special Operations Command would exercise authority, direction, and control over the expenditure of funds for all forces assigned to his command and for Special Operations Forces assigned to other unified combatant commands with respect to the development and acquisition of special operations-peculiar equipment and the acquisition of special operations-peculiar material, supplies, and services and with respect to other matters as directed by the Secretary of Defense.

The responsibilities for budget preparation and execution that would be assigned to the commander of the Special Operations Command by section 712, Mr. President, represent major changes from current practice and procedures in the Department of Defense. The conferees fully intend that the commander of the Special Operations Command would have sole responsibility for preparation of the

Program Objectives Memorandum for all Special Operations Forces and for other forces assigned to his command. Clearly, Mr. President, the commander will need the advice and assistance of the military departments in formulating his recommendations and proposals, but the contents of his program objectives memorandum are to be at his discretion, subject to guidance from the Secretary of Defense and oversight by the Assistant Secretary of Defense for Special Operations and Low Intensity Conflict and the Chairman of the Joint Chiefs of Staff.

The program objectives memorandum submitted by the commander of the Special Operations Command, Mr. President, would follow the same process as for the program objectives memoranda submitted by the Services. Other unified combatant commanders would submit Integrated Priority Lists of their requirements that would be addressed by the commander of the Special Operations Command during preparation of his program objectives memorandum. The commander of the Special Operations Command would justify his submission; issue papers would be prepared; and the Defense Resources Board would review his recommendations and proposals. The conferees agreed, Mr. President, that this process offered the greatest opportunity to ensure an integrated, balanced special operations capability.

With respect to budget execution, Mr. President, changes would be equally significant. The commander of the Special Operations Command would have full execution authority. The conferees do not necessarily expect that the commander would directly execute the expenditure of all funds. The commander may want to enter into executive agreements with the military departments or other components of the Department of Defense for the execution of various budget elements. The key, Mr. President, is that the commander of the Special Operations Command would retain authority, direction, and control over budget execution.

Mr. President, the conferees carefully formulated section 712 and expect the Department of Defense to fully and effectively implement these congressionally mandated changes.

Mr. COHEN. Mr. President, I completely agree that the comprehensive explanation provided by the distinguished chairman of the Committee on Armed Services represents the legislative intent of the conference committee concerning section 712 of this conference report. The conferees fully intend that the commander of the Special Operations Command would have principal responsibility for preparing the budget for all Special Operations Forces and for all other forces assigned to his command and for executing the budget for his command and for Special Operations Forces assigned to other commands to the extent specified.

There has been some confusion as to the meaning of "program recommendations and budget proposals" which the commander of the Special Operations Command is directed to prepare and submit to the Secretary of Defense. The conferees intend these words to mean "Program Objectives Memorandum." As Senator NUNN has stated, the conferees intend that the commander of the Special Operations Command would have sole responsibility for preparation and submission of the program objectives memorandum for all Special Operations Forces and for all other forces assigned to his command.

There is one other point, Mr. President, that is worthy of further clarification. The conferees intend that the commander of the Special Operations Command assume these budget preparation and execution responsibilities as soon as possible, but not later than for the budget for fiscal year 1992. In this regard, the Secretary of Defense, the Assistant Secretary of Defense for Special Operations and Low Intensity Conflict, and the Chairman of the Joint Chiefs of Staff have a special responsibility to ensure that the Special Operations Command is properly organized and staffed with sufficient personnel with the right skills to carry out these budget responsibilities.

Mr. President, given the more detailed explanations of section 712 that have been offered, the legislative intent is clear. The conferees intend to carefully and continuously oversee implementation of section 712 by the Department of Defense.

Clearly, implementation of the law will entail substantial changes in the status quo. The members of the committee, however, felt that such changes were fully warranted. Some examples of the problems that led to this conclusion have included the following:

First, erratic funding for Special Operations Forces. After the Vietnam War, for example, the Services cut funding for Special Operations Forces by over 90 percent after having dramatically increased their budgets in the 1960's. We believe that more consistent funding will produce increased efficiency and more effective capabilities.

Second, there have been serious deficiencies in coordinating the budgets of the different services on Special Operations Forces issues. This has clearly been evident in the lack of Air Force support for the Special Operations Forces units that the Army and Navy have added to their force structure. As was evident from the *Achille Lauro* and Desert 1 episodes, such units are of little value if you can't reliably transport them to their targets. Yet, Air Force support for Special Operations Forces aviation has been a persistent problem.

Third, we have seen in the past that the low priority accorded to Special Operations Forces procurement, combined with the relatively small number of items purchased for these forces, has often resulted in considerable delays and inefficiencies. To cite one example, it took 17 years to produce a new radio for Special Operations Forces and by the time that radio reached the units in the field it was already obsolete. That fact, however, did not prevent conventional units, which have a higher priority in the Pentagon, from taking delivery of the first communications units that finally became available after 17 years.

Fourth, there has been considerable Pentagon resistance to implementing the legislation which established the Special Operations Command and the Office of the Assistant Secretary of Defense for Special Operations and Low Intensity Conflict. This has reinforced the conclusion that additional clarification of the original intent was necessary.

In closing Mr. President, I would like to point out that the Logistics Management Institute, which does considerable work for the Pentagon, recently completed an independent review of the budgetary issues surrounding the new unified combatant command for Special Operations Forces. Their recommendations have turned out to be broadly consistent with the changes mandated by Congress—providing further evidence that changes in the status quo are warranted. I would ask that the executive summary of that report be included in the RECORD.

The summary is as follows:

THE NEXT STEP FOR SPECIAL OPERATIONS: GETTING THE RESOURCES TO DO THE JOB

Attempts by DoD to organize, train, equip, and use special operations forces have often been unsuccessful. As a consequence, Congress legislated new organizations and unique management responsibilities for special operations: an Assistant Secretary of Defense (Special Operations and Low-Intensity Conflict) [ASD(SO/LIC)], a U.S. Special Operations Command (USSOCOM), and a separate major force program for special operations (MFP-11).

DoD has put into place the new organizations and MFP-11. However, the organizations do not have sufficient authority to control the development of MFP-11 or the allocation of resources to special operations forces. The roles of the ASD(SO/LIC) and USSOCOM must be aligned with their unique responsibilities. Thus, we recommend that the ASD(SO/LIC) develop policies and guidance for issuance by the Secretary of Defense giving USSOCOM authority:

To plan all requirements necessary for a balanced, integrated special operations capability and prepare and justify to the Office of the Secretary of Defense (OSD) a Program Objective Memorandum (POM) for MFP-11.

To prepare and control execution of a budget for research, development, and acquisition of special-operations-peculiar equipment, material, supplies, and services.

To create an acquisition organization within USSOCOM for controlling acquisition by the Services, Defense agencies, and USSOCOM of special-operations-peculiar equipment, material, supplies, and services. That organization should be headed by a Special Operations Acquisition Executive who will work with the Defense and Service Acquisition Executives in coordinating management of special operations acquisition programs.

The ASD(SO/LIC)'s role should be to supervise these activities and serve as an advocate for the special operations community, in particular, as a member of the Defense Resources Board. He must take the lead in working with other OSD officials and with the DoD Components to revise policies and procedures as necessary to permit the recommended actions. Specific coordination is required with the Under Secretary of Defense (Policy) to ensure that special operations forces are appropriately resourced in the Defense Guidance; with the Assistant Secretary of Defense (Program Analysis and Evaluation) to accommodate a USSOCOM POM; with the Assistant Secretary of Defense (Comptroller) to establish a process to coordinate budget formulation and execution activities among USSOCOM, the Services, and the Defense agencies; and with the Chairman, Joint Chiefs of Staff, to reorganize USSOCOM and staff it with sufficient personnel with the right skills to accomplish the Command's mission.

We believe that these actions are essential in aligning the roles of special operations principals with their legislative and assigned responsibilities. It must be expected, however, that implementation will require considerable time, initiative, and persistence by the Assistant Secretary and his staff.

Mr. DOLE. Mr. President, I want to take this opportunity to congratulate the managers, Senators Nunn and Warner, on their dogged persistence in achieving this defense authorization conference report. Earlier this year we applauded their work on the Senate-passed bill and I would be remiss if I didn't point out that our bill was also quite acceptable to the White House. The committee's seriousness in providing the necessary defense authorization recommendations while preventing unnecessarily binding limitations on the President was commendable.

We've made every effort in the Senate to continue attempts at completing action on this legislation. President Reagan appropriately vetoed the original conference report because it represented the culmination of several years of congressional efforts to unilaterally restrain the President on key national security issues. He saw several provisions that had been added in conference as further restrictions to his flexibility in his very sensitive negotiations with the Soviets. And he was absolutely right.

This revised conference report represents compromises that have been worked out with the administration, but I would only add that several troublesome concepts remain. I hope that the continued micromanagement of our existing strategic forces represented by the early deactivation of two survivable Poseidon submarines doesn't continue. Additionally, the report still required on nuclear testing should not become the roadmap for future congressional limitations on such testing.

Let's allow the President the flexibility to decide what is best relative to these issues for the purposes of his negotiations with the Soviets. The responsibility is his to get the best agreements humanly possible and we should attempt to strengthen his hand and not weaken it. It's clear that the administration is always willing to work with the Congress on these extremely important issues relative to our Nation's security needs and this bill clearly reflects that willingness.

Mr. WARNER. In the July 14, 1988, Congressional Record there appeared a colloquy between Mr. Aspin, chairman of the House Armed Services Committee, and Mr. Markey, on the Nuclear Test Ban Readiness Program established in the conference report on the fiscal year 1983, defense authorization bill. I believe this colloquy contains an inaccurate description of the Readiness Program as it was agreed to by the conferees.

The colloquy reads:

> Mr. Markey. Would the gentleman agree that the program is not intended to support the modernization of nuclear warheads or bombs to meet future changes in military requirements?
>
> Mr. Aspin. The gentleman is absolutely correct. . . . This provision has nothing to do with modernization or alteration of nuclear warheads and bombs.

I ask my distinguished colleague, the chairman of the Subcommittee on Strategic Forces and Nuclear Deterrence, who negotiated the terms of the Test Ban Readiness Program in the authorization conference, if this description conforms to the agreement reached in conference.

Mr. EXON. No, it does not. In the section of the law that describes the purposes of the program, it is clearly stated that the program must:

> assure that a vigorous program of research in areas related to nuclear weapons science and engineering is supported so that, if a low-threshold or comprehensive test ban agreement is entered into, the United States is able to maintain a base of technical knowledge about nuclear weapons design and nuclear weapons effects.

In order that there would be no misunderstanding on this point, the conferees reiterated in the accompanying report that, "The program shall also assure the continued deterrent effect of nuclear weapons through a vigorous program of research in areas related to nuclear weapons science and engineering."

Mr. WARNER. I thank my colleague. He and I are in accord in our understanding of this provision and the agreement reached by the conferees. It clearly protects the continued deterrent effect of our nuclear stockpile now and in the future. I would like to ask the distinguished chairman of the Armed Services Committee if our description of the Nuclear Test Ban Readiness Program conforms to his understanding of the program as it was agreed to by the conferees.

Mr. NUNN. Yes, it is entirely consistent.

Mr. WARNER. I thank the chairman. I would also like to ask him about the issue of depressed trajectory missiles. The letter you received from Secretary Carlucci on this subject, dated September 27, 1988, includes the following sentence: "The Department has no plans to conduct depressed trajectory missile tests in fiscal year 1989." I know that the wording of this assurance was the subject of discussion between you and the Secretary. I would ask the chairman if he could confirm my understanding that this sentence in no way is intended to bind the Department or to imply that there are no circumstances under which DOD plans with regard to U.S. flight testing of a depressed trajectory ballistic missile might change?

Mr. NUNN. The distinguished ranking minority member is absolutely correct. The Secretary informed me that while the Department has no present plan to conduct such testing, one obviously could not rule out circumstances which might possibly arise in the course of the next fiscal year which might require a reassessment of that plan. For example, the Soviet Union might conduct flight testing of depressed trajectory ballistic missiles or there conceivably could be a Soviet breakout of the ABM Treaty. I am not suggesting that either of those developments is likely or that U.S. flight testing of a depressed trajectory ballistic missile would necessarily be the appropriate U.S. response, but based on my conversations with Secretary Carlucci about the text of this letter, I know that he did not intend that it be read to rule out the option of reconsidering current DOD plans in this area should future circumstances so warrant.

Mr. WARNER. I thank the chairman.

Mr. CHILES. Mr. President, I rise today to share my views with my colleagues on both S. 2355, the National Defense Authorization Act for fiscal year 1989 and also the work in general of the Armed Services Committee which has been so ably led by my friend Senator Nunn.

This particular bill as well as the other work performed by the committee reflects careful deliberation and a deep awareness both of our defense needs and the fiscal realities confronting this country today. Much like last year's defense authorization bill, this bill is the product of many difficult decisions that balanced defense needs with resources. Overall, I believe this is a good bill, totally in keeping with the Armed Services Committee's desire to focus on strategy and policy issues rather than micromanagement of the Pentagon's programs. A number of positive features stand out in the work of the Armed Services Committee this year and in the previous years.

In the last 2 years, the committee has demonstrated an ability to look beyond the details of specific line items in the defense budget and start their examination by asking fundamental questions about U.S. policy and strategy. As a result of extensive hearings, the committee has provided the Senate with a framework for evaluating defense programs in a larger context.

Under Senator NUNN's leadership, the Armed Services Committee has made considerable effort to take full advantage of economic rates of production. In response to the stretchouts proposed by the administration the past several years, the committee has increased a number of programs in order to maximize per unit production cost savings.

The committee during Senator NUNN's tenure as chairman has made every effort to maintain and upgrade the vital areas of readiness, sustainability, and support of our combat personnel and equipment. While these elements are often overlooked because they are not as glamorous as ICBM's, bombers, or aircraft carriers, it is not an understatement to say that our deterrent would be ineffective without them. As noted in the hearings held by the committee, the low level of readiness of the ground combat support and combat service support units was one of our military's major readiness and sustainability problems. Without these types of units our ground forces cannot sustain themselves in combat for any period of time. The committee has highlighted this problem and in this bill has begun to take some measures to correct for this deficiency.

None of this could have been accomplished without the knowledge, skill, and insight of a truly superb staff led by Arnold Punaro and, until his recent departure, Jeffrey H. Smith. The exceptional team of David Lyles, John Hamre, Colleen Getz, Kent Bankus, Bill Hoehn, Fred Pang, Jim Locher, Bob Bayer, Bob Bell, and Mike McCord to name but a few has served our country and the Senate exceptionally well. I am grateful for their dedication and thankful for their talent. They have made my job much more rewarding and as I prepare to leave the Senate I want them to know how much this Senator has appreciated the job they have done for us all.

Finally, on a personal note, I would like to commend my long and dear friend, the distinguished chairman of the Armed Services Committee, whom it has been my privilege to work with during our time together in this body. Since he was first elected to the Senate in 1972, I have observed Senator NUNN on many different occasions and settings and in all of them he has displayed extraordinary dignity, integrity and intellect. Among his long list of accomplishments, Senator NUNN has played a crucial role in the burden-sharing debate, reorganizing the Defense Department, providing insight into the ICBM modernization issue, and protecting the traditional interpretation on the ABM Treaty. For these reasons and many more, it can be safely stated that Senator NUNN is the U.S. Senate's foremost spokesman on national security affairs. In so doing, he succeeds a number of distinguished Senators who since World War II have provided this body with the same type of leadership. This list includes truly great men as Senators Vandenberg, Russell, and Jackson. The senior Senator from Georgia has my respect and admiration and I wish him well in the years ahead.

Mr. CONRAD. Mr. President, I will vote against the conference report on the fiscal year 1989 authorization bill for the Department of Defense because I believe that it authorizes more spending for defense than this country can afford.

Since the beginning of the current administration over 7 years ago, our national debt has more than doubled and our trade deficit has reached unprecedented levels. Our overall level of defense spending has increased also. Even though this particular defense authorization of $299.5 billion represents a slight reduction from last year after inflation, the fiscal 1989 level of defense spending is 41 percent higher than fiscal 1981 after adjusting for inflation. I realize that this figure was agreed upon last December, and consequently is no surprise, but I believe that more can and must be done to contain defense spending.

The United States currently spends over 6 percent of its gross national product on defense, including our Alliance obligations. Our European allies spend on average about half this amount, or about 3.4 percent, while Japan spends about 1 percent. I believe this disparity in defense spending shows that the United States spends more than its fair share to support these alliances. I have been a vocal proponent of greater Allied burden-sharing. It is apparent that congressional efforts to pursue a more equitable distribution of the cost of defending our alliances are now being taken seriously. I will continue to press for actions to insist our allies assume a more fair share of the common defense burden, and hope that the next administration will move quickly to advance these efforts.

I support a strong national defense. However, I believe that we can have a strong defense, and reduce defense costs, if we begin to prioritize. I believe that efforts to improve the efficiency of our overall defense must continue. We will also face tough choices over selection of future weapons systems and how to deploy the weapons systems we have. These choices will only become more difficult in the future. We must accept the fact that we simply cannot afford to build and deploy all the weapons systems we would like. We must use our resources in the most efficient and effective manner so that we match our defense needs with our ability to pay for them.

Two programs illustrate my point. First, this bill authorizes funding for two mobile ICMB systems: rail MX and the small ICBM. We cannot afford both systems. It is clear that we cannot afford both systems. I believe a choice must be made but the continued funding for both systems demonstrates that we are failing to make this choice.

The second program is the strategic defense initiative. Although I believe that continued research in this area has provided important bargaining leverage with the Soviets during arms control negotiations, I believe a realistic assessment is in order to scale back funding for many aspects of SDI. The Office of Technology Assessment has significant doubts about the effectiveness of SDI as it is now envisioned. The OTA has suggested that the system will be so complex that the chances of a catastrophic failure during wartime are virtually guaranteed. I believe this mandates a reduction in funding of SDI and a continued assessment of its feasibility prior to approval of funding increases.

I am concerned not only about SDI and Missile Program funding, but also our ability to fund future programs. This concern is focused upon the tremendous growth in the Federal deficit. The on-budget deficit has grown from $79 billion in fiscal year 1981 to the CBO estimate of $155 billion for fiscal 1988. The total Federal debt for fiscal 1989 is estimated by CBO to be $2.8 trillion. The interest we must pay to finance this debt will total about $151 billion for this fiscal year. I am sure every Senator can think of something more beneficial to the country than paying such amounts on interest to service the debt. All of our programs suffer because of the inability to make serious progress in reducing the deficit.

I know that a great deal of effort has gone into this bill to make tough choices and force establishment of priorities at the Pentagon. I am encouraged by and support these efforts. In my judgment, however, we must do more in view of the staggering Federal budget deficit. Accordingly, I will oppose H.R. 4264.

The PRESIDING OFFICER. Who yields time?

Mr. NUNN. Mr. President, how much time do we have remaining?

The PRESIDING OFFICER. To the Senator from Georgia, 2½ minutes; to the Senator from Virginia, 4½ minutes.

Mr. NUNN. Mr. President, I am prepared to yield back the balance of my time unless someone else wants to be heard on this side.

Mr. WARNER. Mr. President, I likewise am prepared to yield back the time. I know there are some Senators anxious to vote so they can make certain other arrangements for the evening.

Mr. NUNN. Mr. President, I yield such time as the Senator desires.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DIXON. Mr. President, for the very brief time while we are checking with the majority leader to see whether it is appropriate to go to the rollcall vote, I want to express on behalf of all of the members of the committee our profound appreciation for the outstanding work done by the chairman of the committee, the distinguished Senator from Georgia, and the ranking member, the distinguished Senator from Virginia, who have worked assiduously, Mr. President, over the last few days, day and night, both with the administration, Secretary Carlucci, and the leaders on the House side to achieve, I think, this very fine modification of the original bill we passed that is reflected in this conference report that we have the assurance the President will sign.

I know I speak for all members of the committee on both sides when I say this is work well done, Mr. President.

Mr. NUNN. Mr. President, I have been informed the majority leader would prefer to wait just a couple of minutes, so I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

WELFARE REFORM—H.R. 1720

Mr. BYRD. Mr. President, I ask unanimous consent that the conference report and managers' statements to accompany H.R. 1720, the welfare reform legislation, be printed in the RECORD.

There being no objection, the conference report and manager's statements were ordered to be printed in the RECORD.

[The text of the conference report appears in the House proceedings of today's RECORD.]

Mr. BYRD. Mr. President, I suggest the absence of a quorum. I ask that the time not be charged.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. NUNN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL DEFENSE AUTHORIZATION ACT FISCAL YEAR 1989—CONFERENCE REPORT

The Senate continued with the consideration of the conference report.

Mr. NUNN. I believe I am authorized by Senator WARNER to yield back all time on both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question occurs on agreeing to the conference report.

The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Texas [Mr. BENTSEN] and the Senator from Hawaii [Mr. MATSUNAGA] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Arizona [Mr. MCCAIN], and the Senator from Indiana [Mr. QUAYLE] are necessarily absent.

I further announce that, if present and voting, the Senator from Arizona [Mr. MCCAIN] would vote "yea."

The PRESIDING OFFICER (Mr. BREAUX). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 91, nays 4, as follows:

[Rollcall Vote No. 340 Leg.]

YEAS—91

Adams
Armstrong
Baucus
Biden
Bingaman
Bond
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Garn
Glenn
Gore
Graham
Gramm
Grassley
Hatch
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Inouye
Johnston
Karnes
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
McClure
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Riegle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Wirth

NAYS—4

Conrad
Harkin
Hatfield
Proxmire

NOT VOTING—5

Bentsen
Kassebaum
Matsunaga
McCain
Quayle

The conference report was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PARENTAL AND TEMPORARY MEDICAL LEAVE

The Senate continued with the consideration of the bill.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senate will please be in order.

The majority leader is recognized.

The Senate will please be in order. Those Senators engaged in conversations will please cease their audible conversations.

The majority leader.

Mr. BYRD. Mr. President, if I might have the attention of Senators, I ask unanimous consent that the committee amendment, as amended, be agreed to.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The second committee amendment, as amended, was agreed to.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, how many committee amendments remain?

The PRESIDING OFFICER. The Chair will respond that there are two more committee amendments remaining.

Mr. BYRD. I thank the Chair.

I wonder if I might ask the distinguished Republican leader if we could get unanimous consent that these two remaining committee amendments be agreed to en bloc.

Mr. DOLE. If the majority leader will yield, I might be able to—I have discussed the committee amendment No. 3 with the distinguished Senator from Connecticut, and he would very much appreciate not amending that amendment. It happens to be his. If we could, I would have no objection. I will leave it to my colleagues on the committee as to amendment No. 3, but as to committee amendment No. 4, Senator ARMSTRONG is here, and prepared to offer an amendment to either 3 or 4. But it would be up to him whether he would defer on 3 and offer it on 4.

THIRD COMMITTEE AMENDMENT

Mr. BYRD. Mr. President, as I understand it, the amendment by Mr. WEICKER is committee amendment No. 3.

I ask unanimous consent that the committee amendment No. 3 be agreed to.

The PRESIDING OFFICER. Is there objection to the request?

Mr. NICKLES. Reserving the right to object, which committee amendment is No. 3? Can we outline that amendment?

Mr. WEICKER. Mr. President, committee amendment No. 3 is identical to another committee amendment that has been adopted, except that it applies to those in the civil service being able to come under the purview of the bill, for the purpose of taking care of their disabled children of 18 years of age.

Mr. NICKLES. I have no objection.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The third committee amendment reads as follows:

On page 32, strike lines 17 through 19 and insert the following:

"(3) 'son or daughter' means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a de facto parent, who is—

"(A) under 18 years of age; or

"(B) 18 years of age or older and incapable of self-care because of a mental or physical disability.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I understand that there may be an objection to committee amendment No. 4. Would there be?

Mr. DOLE. There would be an objection.

Mr. BYRD. All right. I will not make that request at the moment.

Let me inquire of the distinguished Republican leader as to whether it would be possible to get an agreement to pass this bill, as amended, with a time limit we could vote on tomorrow morning sometime without further amendment.

Mr. DOLE. If the majority leader will yield.

Mr. BYRD. Yes.

Mr. DOLE. I say to the majority leader we had sort of a subcommittee meeting that afternoon with three members on my side. I cannot give that consent.

I would say to the majority leader we have a conference scheduled for 10:15 in the morning where this will be the first order of business discussed. And I would be in a better position at that time. I do not want to hold out. I do not know. I guess that is the honest answer to the majority leader.

We have a number of germane, legitimate amendments that would qualify, in any event. I think the Senator from Colorado has an amendment that is not quite germane, but it is somehow relevant or somewhat relevant.

Mr. ARMSTRONG. If the Senator will yield, there is no requirement that the amendment be germane at this point.

Mr. DOLE. I understand that.

Mr. ARMSTRONG. My amendment, may I say since the issue arises, is pertinent to the subject, bears on the subject, and whether it is technically germane, I do not know. It certainly bears on this issue.

Mr. DOLE. I understand. It does not make any difference. The majority leader asked if we could agree to that. At this point, I say we could not.

Mr. BYRD. Mr. President, I understand now the able Republican leader wishes to have a conference and plans to have a conference with his colleagues tomorrow morning at which time he will explore the possibility of giving agreement on this bill.

I would respectfully request that he also explore the possibility of, if we cannot get an agreement to vote on the bill as amended without further amendment, if he would explore the possibility of limiting further amendments to only those amendments which are germane and relevant to the substance of the parental leave bill. If we could get an agreement limiting amendments of that nature, and enumerate those amendments, whether we have 10 or 15 or whatever, perhaps then we could get an agreement that would let us proceed with those amendments, and then have a vote on the bill sometime tomorrow or Friday—if the distinguished Republican leader would include that in his inquiries, with his colleagues.

Mr. DOLE. I would be happy to explore that in our conference tomorrow morning with the Members. I have an interest. As I have indicated, there are a number of, I think, amendments that may be acceptable.

There are some amendments that I think could be offered. The Senator from Colorado is prepared this evening to lay down an amendment to committee amendment No. 4.

Mr. BYRD. I would prefer, if we cannot get an agreement this evening, that we leave the situation as in status quo at the moment and go to a couple of other matters which I think are unanimous-consent items.

At what time would the distinguished Republican leader expect to complete his conference tomorrow?

Mr. DOLE. It starts at 10:15; and if everybody is there on time, we could probably finish by 11. I doubt that everybody will be there on time, so I should say about 11:15 we will complete it.

Mr. BYRD. The Senate will come in at an hour accordingly, which will accommodate the Republican leader. We will come in at 10 o'clock and we will accommodate the distinguished Republican leader by a recess at 10:30 and there will be no business until 11:30, or until such time as he has completed his conference.

It would be my hope that we could make that arrangement, so that we could pass the parental leave bill as amended—it has already been amended—and that would include the child pornography amendment, which has already been agreed to and which we are supportive of.

Then we could move perhaps to the tax technical amendments, if we could dispose of this bill tomorrow.

Mr. DOLE. I guess I will know that when I come back at 11:15.

Also, I advise the majority leader that we hope to discuss drug legislation and see if there is a possibility on this side to limit total Republican amendments to five, and maybe a time agreement on each of those. We have a subgroup working on that, headed by Senator RUDMAN; also Senator WILSON, Senator GRAMM, and Senator D'AMATO. They think it may be possible.

If we would work that out on this side and we had a similar agreement on the other side, we might be able to dispose of the drug bill—in other words, take the core bill and each side has five amendments, or whatever, and we might complete action soon.

On the tax technical amendments, we have been engaged in the process, as has the majority leader, and I understand the staff is still meeting on tax. There have been about 80 amendments under review, and some of those come from the distinguished Senator from Colorado and other Members.

So the answer is that I can report to the majority leader after our meeting.

Mr. BYRD. Could the Republican leader, if at all possible, enumerate the amendments on his side—if he could list those amendments, I would do the same here—to both the tax technical amendment bill and the drug bill?

On the drug bill, that is a bipartisan bill, and it has been developed by Republicans and Democrats, under the very careful and able leadership of Mr. RUDMAN, I believe, and on our side by Mr. NUNN and Mr. MOYNIHAN.

So it would seem to me that, that bill being bipartisan and having been worked out, and it is a good bill, we might pass that bill without amendments, or certainly reduce the number to a very minimum. If we could know what amendments the Republicans are going to insist on, I could try to do the same on this side, to see what amendments the Democrats would insist on, so that we could have a clearer picture tomorrow of where we are on the drug bill.

Also, if we could enumerate the amendments on the tax technical corrections, we would know what kind of undertaking that is going to be.

Let me stress at the close of my remarks that we try to reduce to the barest minimum amendments to the parental leave bill, hoping to limit those to amendments that are germane and relevant to the substance of the bill.

I thank the distinguished Republican leader.

I am going to go now to another matter, because I do not want the pending amendment to be amended. If any Senator wishes to speak, without having an amendment, I will have no problem with that, except that I would like to do the homeless bill by unanimous consent, and there is another bill that I think is ready.

Mr. ARMSTRONG. Mr. President, I think the two leaders have resolved my question.

For reasons I do not understand, I gather that it is not the desire of the leadership to go to this tonight. My thought was that I could call up amendment No. 3290 and discuss it. It is an amendment that will not require a huge amount of discussion but will require some. If we did that tonight, we would be in a position to be that much further down the road tomorrow.

Of course, whatever the leadership decides is fine with me.

Mr. BYRD. Amendment No. 3290?

Mr. ARMSTRONG. That is an amendment that has to do with homework.

Mr. BYRD. Mr. President, I say to my friend from Colorado that after discussing the matter with Mr. Dodd, we could lay that amendment down tomorrow. Let us wait until we see the list. That will be an amendment on the list, obviously. I would prefer not having an amendment offered to the committee amendment tonight.

Mr. ARMSTRONG. I thank the majority leader.

Mr. BYRD. I thank the Senator.

Mr. President, there will be no more rollcall votes today.

MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that there be a period for morning business, not to extend beyond 7 p.m. today, and that Senators may speak therein for not to exceed 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMERICAN TASK FORCE FOR LEBANON

Mr. DOLE. Mr. President, this afternoon I had the pleasure of speaking before a distinguished group of Lebanese-Americans at the first meeting of the Lebanese task force. Senators George Mitchell, Claiborne Pell, and former Senator Charles Percy also addressed the group.

Lebanon is a critical player in the Middle East. And the fact that this bipartisan group of Senators participated in the meeting is telling evidence that America's concern for the fate of Lebanon is not Republican or Democrat, but is truly nonpartisan.

I would like to include in the Record the text of my remarks to the task force.

No nation has endured greater tragedy in this century than Labanon. Wracked by communal hatred, beset by aggression and intervention, struggling against war and terrorism—a once prosperous and progressive nation is fighting for its very existence.

The outcome—whether Lebanon survives as an independent and stable nation, or fragments into battling fiefdoms—the outcome matters to America.

For many of you here, the tragedy in Lebanon is a personal one. Those who are fighting, and struggling, and dying—they are not just Lebanese, or Shi'ite, or Maronite Christian; they are family, and friends, and associates. Your personal stake in what happens in Lebanon, and to Lebanon, is enormous.

But the stakes are high for all Americans, regardless of whether or not they have special ties to Lebanon. Because we shall never have true peace in the Middle East—until Lebanon is again at peace. We shall never get a firm handle on the scourge of international terrorism—until Lebanon is again at peace.

And because the stakes are so high, Lebanon must remain a high priority of American foreign policy.

The fundamental goal of our policy should be the preservation of the unity of the nation of Lebanon. If Lebanon disintegrates, it will be a major blow to any hopes of establishing peace and stability in the Middle East. I know that everyone in this room, and the overwhelming majority of all Americans, are committed to the unity of Lebanon. More important, the overwhelming majority of the citizens of Lebanon are, too.

The failure to achieve an effective transition to a post-Gemayel government is a major setback to the hopes of restoring true Lebanese sovereignty and independence. The longer this political stalemate endures, the greater the risk that communal war will again engulf the country.

The political leaders of every major faction in Lebanon better wake up before it is too late. Unless they begin to place a higher priority on the preservation of the nation than on their narrow parochial interests, Lebanon will not survive. It is that simple.

And the political leaders of neighboring states must act responsibly to give Lebanon's Government the breathing room to act; Lebanon's constitutional process the chance to work.

The bottom line is: True peace will be restored to Lebanon only when all foreign forces are withdrawn; and only when Christian and Muslim militias lay down their arms, in favor of a national force representing all major groups.

Stability will be restored only with the creation of a constitutional process, within a democratic framework, in which the interests of the nation enjoy the highest priority; with the interests of all major groups taken into appropriate account, and the rights of all minorities protected.

That kind of outcome can happen in Lebanon. It is a nation with a strong, democratic tradition. It is a nation whose people want peace and democracy. It can happen.

It is up to us to help.

One final point. It is up to us to help, too, to meet the pressing human needs of the Lebanese people. Last year, I urged the administration to increase food assistance to Lebanon, and to channel part of it through the national government—in order to strengthen its position. If a truly effective national government can be established, I will again urge prompt action, in the form of food aid, to bolster its credentials, and help the people of Lebanon.

As we move to the future, we must also consider additional funds for disaster relief, refugee assistance and reconstruction.

Helping Lebanon get back on its feet is not only the right thing to do—but an excellent investment in a more stable Middle East.

Ladies and gentlemen: What happens in Lebanon is important to you; to all of us; and to our country. I comment the task force for reminding us of that, and I thank you for the opportunity of meeting with you today.

Mr. WIRTH. Mr. President' in April, I had the opportunity to travel to the Soviet Union with 10 of my Senate colleagues. During our visit, we met with individuals in Leningrad, Kiev, and Moscow and other cities who have been continually denied permission by the Soviet Government to emigrate. We also learned about citizens who are reportedly imprisoned because of their religious beliefs. Sadly, these stories are similar to ones we have heard time and again.

During that trip, we gave the Soviet authorities a list of more than 70 individuals about whom we were especially concerned. We asked that these cases be expeditiously reviewed and that favorable decisions be rendered. While some have been released, nearly 6 months later, we have received no information about the status of more than half of these cases. I remained deeply concerned about the continued violations of the human rights of the Soviet citizens.

The Soviet Union has pledged to uphold and respect the Helsinki accords, which guarantee the rights of religious and ethnic groups and forbid government interference in an individual's right to emigrate. That country's disregard for these internationally accepted provisions is an obstacle to improved relations between our two countries and places a tremendous burden on those wishing to exercise their rights.

Despite repeated pleas from our Government, international human rights organizations and concerned individuals, the Soviets remain obstinate about upholding and adhering to the Helsinki accords. For this reason, those who attended the April trip to the Soviet Union are writing General Secretary Gorbachev to once again inquire about the status of these individuals' emigration requests and the location of other dissidents. In addition, in an effort to diminish the number of violations occurring in the Soviet Union, we hope to soon meet with Ambassador Dubinin to further discuss the Soviet Government's intent to provide for the human rights they have pledged to uphold.

My fervent hope is that the Soviet Union will begin to act out the spirit of glasnost and honor the commitments it made as a signatory to the Helsinki accords.

THE NEED TO ENHANCE U.S. WEATHER FORECASTING ABILITY

Mr. WIRTH. Mr. President, last night the Senate overwhelmingly approved the conference report which makes appropriations for fiscal year 1989 to the National Meteorological Center. If I could take a moment of the distinguished Senator for South Carolina's time, I would like to discuss a matter pertaining to next year's appropriations process.

I have recently learned about an issue that greatly concerns me. According to meteorologists, several of which have testified before Congress, the United States weather forecasting ability lags significantly behind our European counterparts. Today the European Centre for Medium-Range Weather Forecasts [ECMWF], located in Reading, England, is recognized as the international leader in the length and accuracy of their forecasts. While the U.S. National Meteorological Center [NWC] at the National Oceanic and Atmospheric Administration [NOAA], in Washington, is making progress in improving its forecasting products, it is still in danger of falling further behind the other weather centers of the world.

The crucial difference between our weather forecasting abilities and those of our neighbors across the Atlantic lies in the power of the respective country's supercomputers. Although the United States has the lead in the design and manufacture of supercomputers of remarkable high quality, our American forecasters have to depend on supercomputer technology that is at least 5 to 6 years old—making it increasingly obsolete in this rapidly developing technology. We upgraded our computer most recently in 1983. The Europeans leaped ahead in 1985 with the purchase of a more advanced supercomputer, the Cray X-MP/48 model. This is a machine at least twice as powerful as the present supercomputer used by the U.S. National Meteorological Center. Now, however, an even more powerful supercomputer has arrived on the scene—the Cray Y-MP model, which surpasses the capabilities of the X-MP with greater power through the use of new technology and design innovations.

Mr. HOLLINGS. Apart from matters of national pride and scientific prestige, what are the benefits of more powerful supercomputers for the NMC?

Mr. WIRTH. The benefits of more accurate forecasts are numerous. A perfect example has been illustrated by the recent events involving Hurricane Gilbert. Having a clear and accurate long-range forecast could have diminished the tragedies that recently occurred in Jamaica and Mexico.

Mr. President, over the last several decades, our coastlines have experienced a steady increase in population and property values. Those low-lying areas are subject to the flooding that frequently accompanies storms such as Gilbert. Evacuation of such areas is a complex and expensive business; obviously, the greater the area to be evacuated, the greater the complexity and the expense. In many cases, costs can be minimized by an accurate prediction of the place and time of landfall of the hurricane, as well as the overall strength of the storm. It is estimated that an error in the 24-hour landfall forecast for 50 miles of coastline can cost as much as $100 million in unnecessary evacuation expenses. Improving our forecasting skills by as little as 10 percent could result in public savings of $25 million for a single storm.

Th flying public would be another prime beneficiary of a more accurate forecasting ability. A representative from the Airline Pilots Association testified at a congressional hearing that more than 50 percent of all fatal aviation accidents are associated with weather. It is reasonable to ask why the hazards associated with weather have not been reduced. The answer lies in the science of meteorology and the ability of pilots to obtain instant access to greater volumes of weather data. This problem again can be alleviated by the use of advanced computers which can be used to give the pilots greater reliability and accuracy of forecasts. At the present time, many U.S. pilots rely on the ECMWF's forecasts because of its reputation as being more accurate than the forecasts they receive from our own National Meteorological Center.

Mr. HOLLINGS. Why has the NMC fallen so far behind the technology curve in terms of its ability to procure new generations of supercomputers?

Mr. WIRTH. NOAA requested money in the administration's fiscal year 1989 budget to upgrade its supercomputers as part of a modernization program. Unfortunately, this money was eliminated during the budget review conducted by the Office of Management and Budget [OMB].

That leads me to my purpose in initiating this discussion. The supercomputer has given the U.S. researcher the ability to an experiment within a numerical laboratory. Private industry's task is to maintain the U.S. lead in providing the supercomputer power necessary to support advances in environmental forecasting. However, it is the NOAA's task to properly balance the timely investment in all of these areas to ensure a well-coordinated advance in the ability to forecast the weather.

To date, supercomputers have been very cost-effective and, in fact, provide the simplest means of improving forecasting ability by increasing model resolution. A well-balanced program of support for NOAA should include providing the best solutions and tools which our technology can provide to conduct research and forecast environmental changes. One such critical tool is the cost-effective supercomputer. I urge the committee to next year include funding in NOAA's fiscal year 1990 budget so they can acquire the state-of-the-art equipment necessary to improve their forecasting ability.

Mr. HOLLINGS. Certainly the National Weather Service needs a new generation of supercomputers. Unfortunately we find ourselves at a critical junction when the NOAA, the parent agency of the NWS, is in a period of improving its technology in almost every area, while we are leveling off the agencies toward our goal of balancing the budget.

For instance, in the conference we had to arbitrially reduce the requested funding for NEXRAD, the next generation of weather radars by $12,500,000. We had some honest slippage in the new Polar satellites but that will come back to haunt us next year. Worse yet, there are rumors, that Senator RUDMAN and I have the General Accounting Office reviewing that we are facing a $200,000,000 overrun in the geostationary satellite program.

As the chairman of the Committee on Commerce, Science, and Transportation, I want to concur with the Senator from Colorado. However, as chairman of the Subcommittee on Commerce, Justice, State, the Judiciary and related agencies appropriations, I must be mindful of those other additional costs that I just outlined. Undoubtedly, the NWC could significantly improve its forecasting ability with the provision of adequate funding for the acquisition of new generation supercomputers. Clearly, the rapid advancement of this new science has surpassed the capability of the NWC's current equipment.

Next year, the Subcommittee on Commerce, Justice, State, the Judiciary and related agencies will carefully consider this issue and I am sure will want to provide, if possible, the resources in fiscal year 1990 to purchase supercomputers which can provide the resources necessary to improve our weather forecasting ability.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

ANNUAL REPORT OF THE REHABILITATION SERVICES ADMINISTRATION—MESSAGE FROM THE PRESIDENT—PM 159

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Labor and Human Resources:

To the Congress of the United States:

In accordance with Section 13 of the Rehabilitation Act of 1973, as amended, I am pleased to transmit the annual report of the Rehabilitation Services Administration. The report, prepared by the Department of Education, covers activities supported under the Act in Fiscal Year 1987.

RONALD REAGAN.

THE WHITE HOUSE, *September 28, 1988.*

MESSAGES FROM THE HOUSE

At 12:22 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House disagrees to the amendments of the Senate to the bill (H.R. 4481) to provide for the closing and realigning of certain military installations during a certain period; it agrees to the conference as led by the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. ASPIN, Mr. FOLEY, and Mr. DICKINSON as managers of the conference on the part of the House.

The message also announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 144. Concurrent resolution correcting the enrollment of S.J. Res. 317.

The message further announced that the House has passed the following joint resolution, in which it requests the concurrence of the Senate:

H.J. Res. 665. Joint resolution authorizing the hand enrollment of appropriations bills for fiscal year 1989 and authorizing the subsequent, post-enactment preparation of printed enrollments of those bills.

ENROLLED BILLS SIGNED

The message also announced that the Speaker has signed the following enrolled bills, in which it requests the concurrence of the Senate:

S. 1518. An act to amend the Motor Vehicle Information and Cost Savings Act to provide for the appropriate treatment of methanol and ethanol, and for other purposes; and

H.R. 2858. An act to provide for refunds pursuant to rate decreases under the Federal Power Act.

At 4:42 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the bill (S. 1220) to amend the Public Health Service Act to provide for a comprehensive program of education, information, risk reduction, training, prevention, treatment, care, and research concerning acquired immunodeficiency syndrome, with amendments; it insists upon its amendments to the bill, asks a conference with the Senate on the disagreeing votes of the two Houses thereon, and appoints the following as managers of the conference on the part of the House:

From the Committee on Energy and Commerce, for consideration of the Senate bill, and the House amendments, and modifications committed to conference: Mr. DINGELL, Mr. WAXMAN, Mr. WYDEN, Mr. LENT, and Mr. MADIGAN.

From the Committee on Veterans' Affairs, for consideration of title III of the House amendments, and modifications committed to conference: Mr. MONTGOMERY, Mr. EDWARDS of California, Mr. ROWLAND of Georgia, Mr. SOLOMON, and Mr. HAMMERSCHMIDT.

The message also announced that the House recedes from its disagreement to the amendment of the Senate numbered 112 to the bill (H.R. 4794) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1989, and for other purposes, and concurs therein.

The message further announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4481) to provide for the closing and realigning of certain military installations during a certain period.

At 5:29 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 1596. An act to amend title 28, United States Code, to create two divisions in the Judicial District of Maryland.

ENROLLED BILLS SIGNED

The message also announced that the Speaker has signed the following enrolled bills:

S. 1934. An act pursuant to the report ordered by Public Law 99-229 which directed the Architect of the Capitol and the Secretary of Transportation to undertake a study of the needs of the Federal judiciary for additional Federal office space, to authorize the Architect of the Capitol to contract for the design and construction of a building adjacent to Union Station in the District of Columbia to house agency offices in the judicial branch of the United States, and for other purposes; and

H.R. 1467. An act to authorize appropriations to carry out the Endangered Species Act of 1973 during fiscal year 1988, 1989, 1990, 1991, and 1992, and for other purposes.

MEASURES REFERRED

The following bill, previously received from the House of Representatives, was read the first and second times by unanimous consent and referred as indicated:

H.R. 3455. An act to authorize the Indian American Forum for Political Education to establish a memorial on Federal land in the District of Columbia or its environs to honor Mahatma Gandhi; to the Committee on Energy and Natural Resources.

MEASURES PLACED ON THE CALENDAR

The Select Committee on Indian Affairs was discharged from the further consideration of the following bill which was placed on the calendar:

H.R. 4102. An act to provide for the settlement of water rights claims of the Salt River Pima-Maricopa Indian Community in Maricopa County, Arizona, and for other purposes.

The previous action of the Senate on the following joint resolution was vitiated, and the joint resolution was placed on the calendar:

S.J. Res. 192. Joint resolution to designate the month of October 1987 as "National AIDS Awareness and Prevention Month".

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3885. A communication from the Chairman of the Farm Credit Administration, transmitting, pursuant to law, the annual report of the Administration for the calendar year 1987; to the Committee on Agriculture, Nutrition and Forestry.

EC-3886. A communication from the Acting Deputy Assistant Secretary of the Air Force (Logistics), transmitting, pursuant to law, a study on converting the military family housing maintenance function at Mather Air Force Base, California to performance by contract; to the Committee on Armed Services.

EC-3887. A communication from the Director of the Office of Dependents Schools, Department of Defense, transmitting, pursuant to law, the annual test report for the school year 1987-88 for the overseas dependents' schools administered by the Department of Defense; to the Committee on Armed Services.

EC-3888. A communication from the Secretary of the Navy, transmitting, pursuant to law, a draft of proposed legislation to authorize the lease of a naval repair ship to the Government of Pakistan; to the Committee on Armed Services.

EC-3889. A communication from the Director of Selective Service, transmitting, pursuant to law, a copy of the Service's semiannual report for the period October 1, 1987 through March 31, 1988; to the Committee on Armed Services.

EC-3890. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a proposed letter of offer to Korea for defense articles estimated to cost $50 million or more; to the Committee on Armed Services.

EC-3891. A communication from the Principal Deputy Assistant Secretary of Defense (Comptroller), transmitting, pursuant to law, a report on supplemental contract awards for the period September 1, 1988 to October 31, 1988; to the Committee on Armed Services.

EC-3892. A communication from the President of the United States, transmitting, pursuant to law, a report on the relationship between progress in other areas of arms control and more stringent limitations on nuclear testing; to the Committee on Armed Services.

EC-3893. A communication from the Under Secretary of the Army, transmitting, pursuant to law, the value of property, supplies and commodities provided by the Berlin Magistrate for the quarter March 1, 1988, through June 30, 1988; to the Committee on Armed Services.

EC-3894. A communication from the General Counsel of the Department of Defense, transmitting, pursuant to law, a draft of proposed legislation to amend chapter 141 of title 10, United States Code, with respect to the procurement of communications support and related supplies and services; to the Committee on Armed Services.

EC-3895. A communication from the Director of Administration and Management, Office of the Secretary of Defense, transmitting, pursuant to law, notice that the Department of the Navy intends to exclude the clause concerning examination of records by the Comptroller General; to the Committee on Armed Services.

EC-3896. A communication from the Comptroller General of the United States, transmitting, pursuant to law, the claim of a citizen to be relieved of certain liability for repayment of expenses; to the Committee on Armed Services.

EC-3897. A communication from the Principal Deputy Assistant Secretary of the Navy (Shipbuilding and Logistics), transmitting, pursuant to law, a report on Navy functions which will be subject to cost studies under the Commercial Activities Program; to the Committee on Armed Services.

EC-3898. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a cumulative report on rescissions and deferrals; pursuant to the order of January 30, 1975, as amended by the order of April 11, 1986 referred jointly to the Committee on the Budget and the Committee on Appropriations.

EC-3899. A communication from the General Counsel of the Export-Import Bank of the United States, transmitting, pursuant to law, a statement with respect to a transaction involving United States exports to Venezuela; to the Committee on Banking, Housing and Urban Affairs.

EC-3900. A communication from the Chairman of the Securities and Exchange Commission, transmitting, pursuant to law, the annual report of the Commission covering the fiscal year ended September 30, 1987; to the Committee on Banking, Housing and Urban Affairs.

EC-3901. A communication from the Secretary of Transportation, transmitting, pursuant to law, the annual report of the Department of Transportation on the status of United States' public ports for the fiscal years 1986 and 1987; to the Committee on Commerce, Science, and Transportation.

EC-3902. A communication from the Acting Chairman of the National Transportation Safety Board, transmitting, pursuant to law, two copies of the Board's 1990 budget submission; to the Committee on Commerce, Science and Transportation.

EC-3903. A communication from the Secretary of Commerce, transmitting, pursuant to law, the annual report of the Department of Commerce for the fiscal year ending September 30, 1987; to the Committee on Commerce, Science and Transportation.

EC-3904. A communication from the Administrator of the Federal Aviation Administration, transmitting, pursuant to law, a progress report covering the months January through May, 1988; to the Committee on Commerce, Science, and Transportation.

EC-3905. A communication from the Deputy Assistant Secretary of the Air Force (Logistics), transmitting, pursuant to law, notice of a study has been conducted with regard to converting the grounds maintenance function at Patrick Air Force Base, Florida to performance by contract; to the Committee on Armed Services.

EC-3906. A communication from the Commandant of the United States Coast Guard, transmission, pursuant to law, an interim progress report concerning the use of vessel tonnage; to the Committee on Commerce, Science, and Transportation.

EC-3907. A communication from the Secretary of Transportation, transmitting, pursuant to law, a report on Air Carrier Inspection and Maintenance; to the Committee on Commerce, Science and Transportation.

EC-3908. A communication from the Administrator of the National Aeronautics and Space Administration, transmitting, pursuant to law, notice of the waiver of the requirement set down under the Stevenson-Wydler Technology Innovation Act; to the Committee on Commerce, Science, and Transportation.

EC-3909. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3910. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3911. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3912. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3913. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3914. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3915. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain overpayments of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3916. A communication from the Vice Chairman of the Advisory Council on Historic Preservation, transmitting, pursuant to law, a report regarding the demolition of the American Can Co. in Baltimore, MD; to the Committee on Energy and Natural Resources.

EC-3917. A communication from the Administrator of the General Services Administration, transmitting, pursuant to law, copies of prospectuses for the Internal Revenue Service and the Census Bureau in Jeffersonville, IN; to the Committee on Environment and Public Works.

EC-3918. A communication from the Administrator of the General Services Administration, transmitting, pursuant to law, informational copies of lease prospectuses; to the Committee on Environment and Public Works.

EC-3919. A communication from the Chairman of the Charles Stewart Mott Foundation, transmitting, pursuant to law, copies of the Foundation's 1987 annual report; to the Committee on Environment and Public Works.

EC-3920. A communication from the General Counsel of the Department of the Treasury, transmitting pursuant to law, a draft of proposed legislation to amend the Internal Revenue Code of 1986 to authorize the payment of taxes by credit cards or other means; to the Committee on Finance.

EC-3921. A communication from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the 60 day period prior to September 15, 1988; to the Committee on Foreign Relations.

EC-3922 A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on a financial audit of the Inter-American Foundation's financial statements for fiscal year 1987; to the Committee on Foreign Relations.

EC-3923. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, notice of authorization to furnish up to $6 million in assistance from the Emergency Refugee and Migration Assistance Fund for admission needs of the Soviet and East European refugees; to the Committee on Foreign Relations.

EC-3924. A communication from the Secretary of the Treasury, transmitting, pursuant to law, the annual report of the National Advisory Council on International Monetary and Financial Policies for the fiscal year 1987; to the Committee on Foreign Relations.

EC-3925. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, notice that the President made the required determinations for payment of the outstanding fiscal year 1988 funds toward the calendar 1987 budget of the United Nations; to the Committee on Foreign Relations.

EC-3926. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a list of reports issued in August 1988; to the Committee on Governmental Affairs.

EC-3927. A communication from the Director of the Office of Personnel Management, transmitting, pursuant to law, a draft of proposed legislation to amend title 5, United States Code, to allow degree training for Federal employees in critical skills occupations; to the Committee on Governmental Affairs.

EC-3928. A communication from the Special Counsel of the U.S. Merit Systems Protection Board, transmitting, pursuant to law, a report on the investigations involving the organization and funding of antismuggling functions in the Houston District Office, Southwest Region, Immigration and Naturalization Service; to the Committee on Governmental Affairs.

EC-3929. A communication from the Chairman of the Consumer Product Safety Commission, transmitting, pursuant to law, a report on the Commission's activities for the calendar year 1987 in accordance with the Government in the Sunshine Act; to the Committee on Governmental Affairs.

EC-3930. A communication from the President and Chief Executive Officer of the Federal Home Loan Mortgage Corporation, transmitting, pursuant to law, the annual report outlining Freddie Mac's compliance in 1987 with the Government in the Sunshine Act; to the Committee on Governmental Affairs.

EC-3931. A communication from the Administrator of the Health Care Financing Administration, Department of Health and Human Services, transmitting, pursuant to law, copies of a report of a proposed Privacy Act; to the Committee on Governmental Services.

EC-3932. A communication from the Chief Justice of the Supreme Court of the United States, transmitting, pursuant to law, notice that the Court will open the October 1988 Term on October 3, 1988 at 10 a.m.; to the Committee on the Judiciary.

EC-3933. A communication from the Director of the Administrative Office of the U.S. Courts, transmitting, pursuant to law, a report on the court's requests for fees and expenses; to the Committee on the Judiciary.

EC-3934. A communication from the auditors of the National Council on Radiation Protection and Measurements, transmitting, pursuant to law, the annual audit report of the council for 1987; to the Committee on the Judiciary.

EC-3935. A communication from the Acting Assistant Attorney General (Office of Legislative Affairs), transmitting, pursuant to law, a report regarding activities initiated pursuant to the Civil Rights of Institutionalized Persons Act during fiscal year 1987; to the Committee on the Judiciary.

EC-3936. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the annual report for the fiscal year 1987 of the activities under the Administration on Developmental Disabilities, Office of Human Development Services, and the Alcohol, Drug Abuse and Mental Health Administration, Public Health Service; to the Committee on Labor and Human Resources.

EC-3937. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a draft of proposed legislation to amend the Public Health Service Act to improve emergency medical services and trauma care; to the Committee on Labor and Human Resources.

EC-3938. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report on the State dependent care development grant program; to the Committee on Labor and Human Resources.

EC-3939. A communication from the Chairman of the Advisory Committee on Student Financial Assistance, transmitting, pursuant to law, a report on recommendations on multiple data entry processors; to the Committee on Labor and Human Resources.

EC-3940. A communication from the Secretary of Education, transmitting, pursuant to law, a document entitled "Final Amendments for the Vocational Education Program"; to the Committee on Labor and Human Resources.

EC-3941. A communication from the president of the U.S. Capitol Historical Society, transmitting, pursuant to law, the annual report of the society for the year ending January 31, 1988; to the Committee on Rules and Administration.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. INOUYE, from the Select Committee on Indian Affairs and the Committee on Energy and Natural Resources, jointly, with amendments:

S. 1415. A bill to facilitate and implement the settlement of Colorado Ute Indian reserved water rights claims in southwest Colorado, and for other purposes (Rept. No. 100-555).

By Mr. BIDEN, from the Committee on the Judiciary, with amendments and an amendment to the title:

S. 1515. A bill to prohibit injunctive relief, or an award of damages, against a judicial officer for action taken in an official capacity (Rept. No. 100-556).

By Mr. BURDICK, from the Committee on Environment and Public Works, with an amendment in the nature of a substitute:

S. 2246. A bill to establish the Lower Mississippi Delta Development Commission (Rept. No. 100-557).

By Mr. BURDICK, from the Committee on Environment and Public Works, with an amendment:

S. 2384. A bill to authorize appropriations to carry out the Atlantic Striped Bass Conservation Act for fiscal years 1989 through 1991, and for other purposes (Rept. No. 100-558); referred to the Committee on Governmental Affairs.

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

H.R. 1975: A bill to protect caves resources on Federal lands, and for other purposes (Rept. No. 100-559).

By Mr. INOUYE, from the Select Committee on Indian Affairs, without amendment and with a preamble:

S.J. Res. 379: Joint resolution to establish as the policy of the United States the preservation, protection, and promotion of the rights of indigenous Americans to use, practice, and develop Native American languages, and for other purposes (Rept. No. 100-560).

INTRODUCTION OF BILLS AND JOINT RESOLUTION

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. BOSCHWITZ:

S. 2842. A bill to amend the Small Business Act to make nonprofit organizations eligible for disaster loans at the same rate of interest as for profit entities; to the Committee on Small Business.

By Mr. HATCH (for himself and Mr. KENNEDY):

S. 2843. A bill to amend the Federal Food, Drug, and Cosmetic Act to authorize abbreviated new animal drug applications and to amend title 35, United States Code, to authorize the extension of the patents for animal drug products; placed on the calendar by unanimous consent.

By Mr. SIMON (for himself, Mrs. KASSEBAUM and Mr. DURENBERGER):

S.J. Res. 387. Joint resolution to express the sense of the Senate with respect to continuing reductions in the Medicare Program; to the Committee on Finance.

By Mr. GORE:

S.J. Res. 388. Joint resolution designating October 15, 1988, as "National Fire Fighters Day"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DOLE (for himself, Mr. BYRD, Mr. GLENN, Mr. GARN, Mr. HOLLINGS, and Mr. BOREN):

S. Res. 481. A resolution relative to the launch of the Discovery; considered and agreed to.

By Mr. BYRD (for Mr. HELMS (for himself and Mr. PELL)):

S. Res. 482. A resolution authorizing the printing of certain documents; considered and agreed to.

By Mr. BYRD (for himself and Mr. DOLE):

S. Res. 483. A resolution to authorize production of documents by the Senate Permanent Subcommittee on Investigations in the case of Tarlow versus Doubleday and Co.; considered and agreed to.

By Mr. MITCHELL (for himself, Mr. BOSCHWITZ, and Mr. PELL):

S. Con. Res. 145. A concurrent resolution expressing the sense of the Congress regarding the state of affairs in Lebanon and urging all parties in Lebanon to work together to resolve the constitutional crisis; to the Committee on Foreign Relations.

By Mr. BYRD:

S. Con. Res. 146. A concurrent resolution to authorize the printing of Senator Bob Dole's series of "Senate Bicentennial Minutes"; considered and agreed to.

By Mr. GRAHAM (for himself, Mr. KERRY, Mr. KENNEDY, Mr. MCCAIN, Mr. D'AMATO, Mr. SIMON, Mr. SANFORD, Mr. CHILES, Mr. BRADLEY, Mr. DIXON, Mr. FOWLER, Mr. DURENBERGER, Mr. MOYNIHAN, Mr. LUGAR, Mr. DECONCINI, Mr. CRANSTON, Mr. BOREN, and Mrs. KASSEBAUM):

S. Con. Res. 147. A concurrent resolution expressing the sense of the Congress regarding the restoration of democracy to Haiti and on conditions for the resumption of United States assistance to that country; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HATCH (for himself and Mr. KENNEDY):

S. 2843. A bill to amend the Federal Food, Drug, and Cosmetic Act to authorize abbreviated new animal drug applications and to amend title 35, United States Code, to authorize the extension of the patents for animal drug products; placed on the calendar by unanimous consent.

ANIMAL DRUG AMENDMENTS AND PATENT TERM RESTORATION ACT

Mr. HATCH. Mr. President, I am pleased to introduce today the Animal Drug Amendments and Patent Term Restoration Act of 1988. I am pleased that Senator KENNEDY has joined in cosponsoring this bill. This bill picks up where we left off after the adoption of the Drug Price Competition and Patent Term Restoration Act of 1984. Just as its human drug counterpart did, this bill will promote generic competition and stimulate research and development into animal drugs. By establishing an approval mechanism for generic versions of post-1962 animal drugs, the bill will make more low-cost generic drugs available. As with the human drug law, developers of new animal drugs will be able to recoup more of their research and development cost by the extension of the patent lives of new animal drugs to reflect the time needed to receive Federal agency marketing approval. Both of these important goals would be achieved without any lessening of public health protection.

Essentially, this bill will track FDA's existing policies and procedures for the approval of generic versions of animal drugs approved before 1962, while providing enough flexibility to make case-by-case scientific judgments regarding the data needed to support abbreviated applications. Under this bill, a generic animal drug product must be bioequivalent to a pioneer, or listed, animal drug product; however, duplicative safety and effectiveness data need not be submitted. Drugs used in food animals will need to satisfy requirements for human food safety. Moreover, because animal drugs may be used in more than one animal species, testing in one or more of the approved species may be required.

I am pleased that this bill has the support of many of the animal drug manufacturers, the generic animal drug manufacturers, and the Food and Drug Administration, who worked together to achieve consensus on this important matter. It has evolved from this original compromise, and the provisions of this bill will not become effective until January 1, 1991.

Unlike human drugs, animal drugs must be shown to be safe and effective in animals and in human food. Therefore, this compromise bill also permits a new animal drug manufacturer to waive its 5-year exclusivity entitlement when a drug is first approved for use in nonfood producing animals so the period can be applied when the drug is approved for use in food-producing animals. In this way, the idiosyncrasies of animal drug development are recognized.

The Drug Price Competition and Patent Term Restoration Act of 1984 has been a significant factor in stimulating competition in the human drug market. The time has come for us to recognize that the same goals should be accomplished in the animal drug industry. Moreover, I believe this legislation is the best mechanism to achieve this goal. I hope all Members of the Senate will join me in supporting it.

Mr. KENNEDY. Mr. President, I am pleased to cosponsor S. 2843 the Generic Animal Drug and Patent Term Restoration Act. I am pleased to join my colleague Senator HATCH in the introduction of this legislation, which represents the culmination of many years of exhaustive bipartisan effort in both Houses of Congress. This legislation is identical in principal to the legislation enacted by Congress in 1984, the Drug Price Competition and Patent Term Restoration Act, Public Law 98-417. If enacted, the legislation will do for pet owners, the agriculture community, and the veterinary pharmaceutical industry what the Drug Price Competition and Patent Term Restoration Act of 1984 did for consumers and the human pharmaceutical industry in this country.

First, it will reduce prices to consumers by establishing a procedure that will facilitate approval of applications for generic versions of pioneer new animal drugs by the Food and Drug Administration ["FDA"]. This benefit is balanced by the patent term restoration provision of the bill that will add time to patents for new chemical entities that has been lost in the meticulous FDA review process for new animal drug applications.

The positive results of the 1984 legislation have been staggering as we all know. The opportunity for consumers to purchase lower cost drugs has been vastly expanded, and pharmaceutical prices have been significantly reduced in many areas.

Additionally, the demand for new chemical entities is at an all-time high, and this demand has stimulated ever more research for such products. I believe the same benefits will accrue to everyone in the veterinary pharmaceutical industry and those affected by it.

To ensure that the dual benefits occur, several improvements have been made in the legislation as it has moved through the legislative process in the House under the able guidance of Congressmen WAXMAN, TAUKE, and KASTENMEIER. These changes in the previous version of the legislation that Senator HATCH and I developed in 1986 have yielded an impressive consensus of support. The consensus consists of almost every voice that will be affected by the legislation.

The legislation is supported by major farm groups such as the Farm Bureau and the Grange; the major animal support groups such as the Humane Society; the creative, productive pioneer veterinary pharmaceutical firms, such as Lilly, Pfizer, and Merck; the Committee For a Just Animal Drug Law, which is an ad hoc group of generic animal drug firms and even more pioneer animal drug manufacturers who seek a fair balance in the law; the Generic Pharmaceutical Industry of America, which is the trade association of the human generic manufacturers; the American Veterinary Medical Association; and the Food and Drug Administration.

The amendments added recently to the legislation in the House have produced a truly balanced bill that alleviates the concerns of all fair-minded parties. Because there are some differences between the human and the veterinary pharmaceutical markets, there are some differences between this legislation and the 1984 legislation to ensure that complementing benefits achieved by the human pharamceutical industry and the public are achieved here. The same basic formula, however, has been used again. Nevertheless, to permit flexibility, a firm developing a new animal drug may elect its patent term restoration for a single use, either a human or veterinary. FDA can begin accepting applications for the generic products immediately, and it can begin approving them on January 1, 1991, under this legislation. This approach will ensure that FDA has the additional personnel on hand and received procedures in place to maintain its exacting standards of safety and effectiveness for all new animal drugs and of safety for food derived from animals administered new animal drugs approved under this proposed legislation.

The proposed legislation also contains a provision of codifying FDA's authority to restrict the distribution of animal drugs to the authority of licensed veterinarians in the course of their professional practices. FDA has exerted this authority for many years, and it has been upheld by the courts. Therefore, this provision merely codifies existing law.

Finally, to ensure that the fledgling veterinary biotechnology industry is not unduly biased, veterinary pharmaceuticals produced by biotechnology are not covered by this legislation. Questions have been raised about the patentiability of certain biotechnology products. Nevertheless, numerous companies have already significantly invested in the development of two products in the veterinary area under the current statutory scheme, and the current structure will ensure that price competition occurs for these products. The issues raised concerning the biotechnology products have a broad impact in other areas, and that impact will be explored in the future to ensure that fair balance is achieved, in the regulation of all biotechnology products. The current situation for veterinary pharmaceuticals products by biotechnology will yield the competition necessary; therefore, this provision is useful as a interim measure. The Industrial Biotechnology Association supports the proposed legislation with this amendment.

In conclusion, it is important to recognize the significance of this proposed legislation. Without its enactment, it is unlikely that FDA can administratively establish a viable generic animal drug procedure for at least 7 years. The proposed legislation will quickly provide the public with the benefits of such a policy, and it also provides incentives to the industry to produce the new products that are necessary for the agricultural sector. Therefore, I urge passage of this important, fair legislation, which is supported by such a broad consensus.

By Mr. SIMON (for himself, Mrs. KASSEBAUM, and Mr. DURENBERGER):

S.J. Res. 387. Joint resolution to express the sense of the Senate with respect to continuing reductions in the Medicare Program; to the Committee on Finance.

CONTINUING REDUCTIONS IN THE MEDICARE PROGRAM

Mr. SIMON. Mr. President, I am introducing a joint resolution cosponsored by Senator KASSEBAUM and Senator DURENBERGER which simply calls for freezing Medicare at this level, not lowering it in the next budget resolution. What is happening is we have been putting the squeeze, lowering assistance to hospitals, and the net result is a lot of small and rural hospitals are closing. In the State of Illinois we have had 14 hospitals close in the last 2 years. So far this year we have had 93 hospitals around the Nation close.

What happens when a hospital in Whitehall, IL, or, Cairo, IL, or St. Anne's Hospital in Chicago closes? People then have to go further to get hospital services. And they are generally one of the more expensive hospitals. So while we may appear to be temporarily saving money by putting the squeeze on hospitals in the long run we are costing money.

The 1-year freeze gives us a chance to take a whole look at the question with respect to payment. I am not sure what the right answer is. Our friends in the Finance Committee can take a good, hard look at this. I think there are some ideas out there that are well worth examining carefully. I hope we will do that.

I want to thank my colleagues, Senator KASSEBAUM and Senator DURENBERGER for joining me in this resolution and any of my colleagues who would care to join us as cosponsors, we would be pleased to have them.

Mr. President, this joint resolution addresses the health and welfare of 33 million elderly and disabled citizens of our Nation who are participating Medicare recipients.

Over the last several years, this administration has sent down budget request after budget request proposing Medicare cuts. Those cuts have come from several places, but mostly they have come through Medicare cost containment and changed reimbursement rates to hospitals. Today we see new evidence that those cuts are coming home to roost, and in ways that are hurting our communities.

In my great State of Illinois, 25 hospitals have closed in the past 8 years. Of that number, 14 hospitals have closed in the last 2 years. Proportionally, twice as many hospitals have closed in Illinois as in the Nation during that period. It has come to my attention that over the past few weeks two other community hospitals have closed in Illinois. Whitehall and St. Anne's Hospitals have had to make the difficult decision to close their doors for the last time. But Illinois is not alone. States like Louisiana, Oklahoma, and Texas have also experienced a significant increase in hospital closings, too. For the many communities affected by these hospital closings, it is a loss in access to quality care. It is also a loss of jobs. For many communities, the hospital is the largest employer and often is the only employer in the community it serves.

It is time to remove hospitals from the front lines of the budget battle in order to assess the long-term effect of the restraints we have already made on the delivery of services to the 33 million elderly and disabled citizens who rely on the Medicare Program.

What is happening? In recent years, those hospitals that serve a large number of publicly paid patients (those on Medicare and Medicaid) have struggled to maintain an operating margin that is in the black. To give you an idea of what this means, in Illinois, Medicare pays approximately 89 cents on the dollar for the cost of treating our elderly; Medicaid pays even less. In Illinois, Medicaid pays only 72 cents on the dollar of what it costs to care for the poor among us. In the past, hospitals typically have helped make up much of that difference by charging private patients more for their services. However, in today's rural and inner city hospitals there is a higher level of indigent care provided. Uncompensated care is an increasing burden for health care providers. The trends are frightening:

An audit report from the Office of the Inspector General indicates that hospital Medicare profits have decreased under PPS. There has been a $4.9 billion decrease (27 percent) from last year.

According to the Catholic Hospital Association [CHA] study findings, in the first year of PPS only 9 percent of the participating hospitals were operating with a negative margin; however, in 1987, 6 years later, 72 percent of participating PPS hospitals were operating with losses. This figure is also very close to the American Hospital Association's estimates.

Reports have stated projections that 600 to 1,000 additional hospitals will close in the Nation by 1990. Most of those hospitals will be in inner city and rural areas that need medical services and care most.

Most inner city and rural hospitals have a large majority of public aid and indigent patients that cannot afford decent medical care. Many studies have found that hospitals with such a patient load—patients without private insurance—is highly correlated with a hospital's risk of closure.

The irony of operating under such a system is that the more business you do, the more money you lose.

According to a July 1988 GAO report, there is still question as to whether this administration's cost containment policies actually saved us some money.

For the Medicare enrollee, costs have also gone up. According to GAO, the average out-of-pocket cost per Medicare enrollee for Medicare covered services increased between 1980 and 1986 by 73 percent for part A services. In addition, out-of-pocket expenditures for part B increased by 36 percent. This means that while Medicare program costs were kept down by Congress, the average citizen was paying 73 percent more for the same services, he or she paid for in 1980.

Medicare was designed as a commitment, a social insurance plan to those who have contributed to our country's well being. Instead of fulfilling that commitment, we have increased the out-of-pocket expenses of our elderly and disabled. At the same time we have reduced the options that our Nation's hospitals need to provide access to quality care to those elderly and disabled beneficiaries.

This proposed joint resolution does not jeopardize the long-term health of the Hospital Insurance Fund, which in combination with beneficiary cost-sharing, finances Medicare part A benefits. Trust fund income will exceed outgo in each year through 1997, with the buildup of revenues going to finance benefits into the 21st century.

We must act now to assure those 33 million Americans that they will not have to pay more for medical care than they already are forced to pay.

In addressing the pressures on the Federal Medicare Program, we must do several things:

We must provide a fairer reimbursement rate that allows health care providers to at least be reimbursed for their minimum essential costs. Providers ought not to be encouraged to deny services to the weakest and poorest among us.

We must resist further Medicare cuts. Those cuts, as the administration has proposed them, are illusory; ultimately consumers pay the price for this shortsighted policy.

By keeping funding at their current law levels and not reducing we are helping to assure those 33 million elderly and disabled Americans that they will indeed be able to receive high quality health care. We will give ourselves time to reevaluate the PPS system and to perhaps avoid unnecessary hospital closures. We have a responsibility to keep our promise to beneficiary and provider alike.

I ask unanimous consent to have printed in the RECORD a table on hospital closures in Illinois.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

HOSPITAL CLOSURES IN ILLINOIS

Hospital and city	Year closed	Beds	Percent and occupancy	Full-time equivalent employees	Percent and Medicaid revenue	Percent and Medicare revenue
Southern Medical Center, Cairo	1986	44	65.9	84	9	43
Woodlawn, Chicago	1986	145	44.8	291	35	42
Chicago, Center, Chicago	1986	144	61.8	459	25	45
Henrotin, Chicago	1986	201	35.8	403	12	41
Beardstown Health Care Complex, Beardstown	1986	50	46.5	79	10	40
Paxton Community, Paxton	1987	29	41.4	62	9	43
Saunders, Avon	1987	20	45.0	28	8	40
Provident Medical Center, Chicago	1987	180	54.7	455	27	39
Walther Memorial, Chicago	1987	119	53.5	361	45	31
Frank Cueno Memorial, Chicago	1987	100	74.2	274	18	51
Hospital of Englewood, Chicago	1988	121	62.9	333	54	39
Mary Thompson, Chicago	1988	203	48.8	372	39	30
St. Anne's Hospital, Chicago	1988	239	68.6	724	32	30
White Hall Hospital, White Hall	1988	30	30.0	59	9	43
Total (14)		1,644	50.0	4,053	23	40

Mrs. KASSEBAUM. Mr. President, I am pleased to join Senator SIMON today in introducing a joint resolution expressing the sense of the Congress that, in fiscal year 1990, Medicare part A payments to hospitals should not be subject to budget reductions beyond those already enacted.

Our purpose in introducing this resolution is simply to help assure that payments to hospitals are adequate to maintain the promise of the Medicare Program to offer quality health services to the 33 million elderly and disabled persons who depend upon it. For a number of reasons, the ability of hospitals to deliver on this promise is being seriously challenged.

The Medicare hospital prospective payment system was initiated in 1983. Among other things, the new prospective payment system [PPS] was intended to encourage greater productivity and efficiency in hospital operations. Hospitals have responded to this challenge. However, payments to hospitals under PPS have never been fully adjusted to reflect cost increases in the so-called hospital "market basket" of goods and services. Each year, Congress has cut back the market basket adjustment, and these reductions have begun to take their toll.

The General Accounting Office recently estimated that, during the period from 1981 to 1986, expenditures for Medicare part A have been reduced by about $17 billion below the level they would have reached had previous growth trends continued. Last year, savings in the Medicare Program comprised about 36 percent of our total budget reduction efforts, even though Medicare outlays account for less than 10 percent of the budget.

As a consequence, we are seeing growing numbers of hospitals placed in precarious financial situations. Earlier this year, the Prospective Payment Assessment Commission estimated that—on average—it will cost hospitals more to care for Medicare patients than Medicare will pay next year.

It seems to me we need to call a "time-out" and pull our Nation's hospitals off the front lines of the budget battle. Our resolution proposes exactly that—a 1-year period in which hospitals could be assured that payment updates would fully reflect increases in the cost of the goods and services they must purchase.

By putting aside our pursuit of hospital budget savings, we will not only provide needed relief from financial pressures but will also be able to better focus our attention on other issues raised by the prospective payment system. Coming from the State of Kansas, I have been particularly concerned that rural hospitals have not fared well under prospective payment. Small rural hospitals have been the most severely affected.

In my State, the overwhelming, majority of hospitals are small and rural. Of the 142 Kansas community hosptials, 85 percent are located in rural areas and nearly 60 percent have fewer than 50 beds. About 20 percent have between 50 and 100 licensed beds, while another 11 percent have bed sizes between 100 and 200. Fewer than 10 percent of Kansas hospitals have more than 200 licensed beds.

I have had the opportunity to discuss the Medicare situation with a number of hospital administrators, physicians, and Kansans of all ages. Medicare accounts for 53 percent of rural hospital revenues and for 43 percent of the revenues of urban hospitals, and there is a lot of concern out in the State about what continued cutbacks will mean for local hospitals and local communities.

Community support for local hospitals is exceptionally strong, and it is due in large part to this support that none of last year's 79 U.S. hospital closings occurred in Kansas. Nearly half of all Kansas hospitals are State or local government hospitals, whereas—nationally—27 percent of hospitals are owned by State or local governments. The willingness of Kansas citizens to support higher mill levies and other additional taxes to keep their hospitals going attests to the central role which they see hospitals playing in the life of their communities.

Congress has begun to address the question of equitable treatment of rural hospitals, but much more remains to be done. I would emphasize that nothing in this resolution precludes the continuation of efforts to address the equity and related questions which have been raised about prospective payment. Rather, by assuring that an adequate pool of funding is available for hospitals, our resolution should help this process by allowing us to concentrate on finetuning the system rather than on putting out budget brush fires.

I welcome this opportunity to highlight both the needs and the contributions of hospitals in providing outstanding health care services to our Nation's elderly and disabled. I hope that all our Senate colleagues will join us in endorsing this resolution.

By Mr. GORE:

S.J. Res. 388. Joint resolution designating October 15, 1988, as "National Fire Fighters Day"; to the Committee on the Judiciary.

NATIONAL FIRE FIGHTERS DAY

Mr. GORE. Mr. President, today I am introducing a joint resolution designating October 15, 1988, as National Fire Fighters Day. In October, we will be observing National Fire Prevention Week, and it is most fitting that a day be set aside during that week to recognize the men and women who protect the lives and property of others.

As co-chairman of the Congressional Fire Services Caucus, I am well aware of the sacrifices that our firefighting forces make every day. We became all to familiar with the hazards and loss that fire presents during our especially dry summer season this year. Each day, millions of professional and volunteer firefighters put their own lives at risk to be of service to their communities. We have become so accustomed to having this resource available to us that I fear we may take them for granted.

The resolution that I am introducing today will ensure that firefighters receive the recognition and commendation that they deserve, and I invite my colleagues to join me in support of this measure.

ADDITIONAL COSPONSORS

S. 129

At the request of Mr. DASCHLE, his name was added as a cosponsor of S. 129, a bill to authorize and amend the Indian Health Care Improvement Act, and for other purposes.

S. 1489

At the request of Mr. MOYNIHAN, the names of the Senator from Illinois [Mr. SIMON] and the Senator from Nevada [Mr. HECHT] were added as cosponsors of S. 1489, a bill to amend section 67 of the Internal Revenue Code of 1986 to exempt certain publicly offered regulated investment companies from the disallowance of indirect deductions through passthrough entities.

S. 1868

At the request of Mr. MOYNIHAN, the name of the Senator from Kentucky [Mr. MCCONNELL] was added as a cosponsor of S. 1868, a bill to promote nondiscrimination in State medical licensure and medical reciprocity standards, and to amend title XIX of the Social Security Act.

S. 2345

At the request of Mr. WEICKER, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of S. 2345, a bill to establish a clear and comprehensive prohibition of discrimination on the basis of handicap.

S. 2601

At the request of Mr. HEFLIN, the name of the Senator from Georgia [Mr. NUNN] was added as a cosponsor of S. 2601, a bill to amend section 371 of title 28, United States Code, to allow a Federal judge who is at least 60 years of age and has completed 20 years of service to retire from regular active service.

S. 2698

At the request of Mr. DODD, the names of the Senator from Maryland [Mr. SARBANES], the Senator from Arkansas [Mr. PRYOR], and the Senator from Oklahoma [Mr. BOREN] were added as cosponsors of S. 2698, a bill to provide Federal assistance to the National Board for Professional Teaching Standards.

S. 2759

At the request of Mr. SYMMS, the names of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of S. 2759, a bill to amend title XVIII of the Social Security Act to eliminate the reimbursement differential between hospitals in different areas.

S. 2809

At the request of Mr. WALLOP, the names of the Senator from Utah [Mr. HATCH], the Senator from Nevada [Mr. HECHT], the Senator from Idaho [Mr. MCCLURE], and the Senator from Arizona [Mr. DECONCINI] were added as cosponsors of S. 2809, a bill to amend section 3 of the Act of June 14, 1926, as amended (43 U.S.C. 869-2), to authorize the issuance of patents with a limited reverter provision for lands devoted to solid waste disposal, and for other purposes.

S. 2815

At the request of Mr. BOREN, the names of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 2815, a bill to establish a National Foundation for Excellence for outstanding students who are committed to careers in teaching in public education and for other purposes.

S. 2841

At the request of Mr. KARNES, the names of the Senator from Minnesota [Mr. BOSCHWITZ], and the Senator from Idaho [Mr. MCCLURE] were added as cosponsors of S. 2841, a bill to provide that the Secretary of Transportation may not issue regulations reclassifying anhydrous ammonia under the Hazardous Materials Transportation Act.

SENATE JOINT RESOLUTION 376

At the request of Mr. D'AMATO, the names of the Senator from Alabama [Mr. HEFLIN], the Senator from Alabama [Mr. SHELBY], the Senator from California [Mr. WILSON], the Senator from Tennessee [Mr. GORE], the Senator from Idaho [Mr. MCCLURE], the Senator from South Carolina [Mr. THURMOND], the Senator from Nevada [Mr. HECHT], and the Senator from North Dakota [Mr. CONRAD] were added as cosponsors of Senate Joint Resolution 376, a joint resolution designating September 13, 1989, as "Uncle Sam Day."

SENATE JOINT RESOLUTION 382

At the request of Mrs. KASSEBAUM, the names of the Senator from Alaska [Mr. STEVENS], the Senator from

North Dakota [Mr. CONRAD], and the Senator from Nebraska [Mr. KARNES] were added as cosponsors of Senate Joint Resolution 382, a joint resolution to establish a national aviation policy for the United States.

SENATE CONCURRENT RESOLUTION 55

At the request of Mr. MOYNIHAN, the names of the Senator from Kansas [Mr. DOLE], the Senator from Utah [Mr. HATCH], the Senator from Nevada [Mr. HECHT], the Senator from Arizona [Mr. MCCAIN], the Senator from Idaho [Mr. MCCLURE], the Senator from North Dakota [Mr. CONRAD], the Senator from Alabama [Mr. SHELBY], the Senator from Pennsylvania [Mr. SPECTER], the Senator from Vermont [Mr. STAFFORD], the Senator from California [Mr. WILSON], the Senator from South Carolina [Mr. THURMOND], and the Senator from Arkansas [Mr. BUMPERS] were added as cosponsors of Senate Concurrent Resolution 55, a concurrent resolution providing for participation by delegations of Members of both Houses of Congress in ceremonies to be held in April 1989 in New York City marking the 200th anniversaries of the implementation of the Constitution as the form of government of the United States, the inauguration of President George Washington, and the proposal of the Bill of Rights as the first 10 amendments to the Constitution.

SENATE RESOLUTION 475

At the request of Mr. DODD, the names of the Senator from Arizona [Mr. DECONCINI], and the Senator from Connecticut [Mr. WEICKER] were added as cosponsors of Senate Resolution 475, a resolution urging the Polish Government to recognize the independent trade union Solidarity as a legal entity.

AMENDMENT NO. 3293

At the request of Mr. THURMOND, the names of the Senator from Arizona [Mr. DECONCINI], and the Senator from West Virginia [Mr. ROCKEFELLER] were added as cosponsors of amendment No. 3293 proposed to S. 2488, a bill to grant employees parental and temporary medical leave under certain circumstances, and for other purposes.

SENATE CONCURRENT RESOLUTION 145—RELATIVE TO THE SITUATION IN LEBANON

Mr. MITCHELL (for himself and Mr. BOSCHWITZ) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 145

Whereas until 1975, Lebanon, whose capital of Beirut was called the Paris of the Middle East, was renowned for its role as the Middle East's financial and trade center and was known as a haven for Moslems, Christians, and Jews; and

Whereas Lebanon's unique social and economic structure, in addition to the quality of life and high standards of achievement that produced what was the "Lebanese miracle," made Lebanon a model of coexistance; and

Whereas a democratic government is essential to preserving Lebanon's freedom, sovereignty, unity and independence: Now therefore be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the United States should—

(1) encourage all parties in Lebanon to support the constitutional mandate to elect a new President without delay;

(2) reinforce its commitment to national sovereignty for Lebanon; and

(3) support actions which promote the unity of Lebanon.

Mr. MITCHELL. The concurrent resolution that Senator BOSCHWITZ and I are submitting today conveys strong support for Lebanon in its time of constitutional crisis. Senate Concurrent Resolution 145 expresses the Congress' belief that the United States should work to help ensure a successful Presidential election and to promote Lebanon's unity and sovereignty.

The failure to elect a new President before the expiration of former President Gemayel's term on September 23 was a great disappointment to the people of Lebanon and to Lebanon's friends throughout the world.

The current situation—in which two governments claim legitimacy—is clearly untenable.

The ominous character of this split—rival Christian and Moslem cabinets—is the antithesis of Lebanon's historical character. Such separatism has no place in a country once known as a haven of coexistence, a land in which Christians, Moselms, and Jews transformed Beirut into the financial and commercial hub of the entire Middle East.

Because separatism is a foundation for partition, this political crisis poses a grave challenge to the very future of Lebanon.

The current situation, exacerbated for foreign powers seeking to control Lebanon's future, only serves the aims of those who would destroy Lebanon. Syria's historical interest in establishing hegemony in the region cannot be forgotten; its 35,000 troops in Lebanon cannot be ignored. Yet political and military interference by outside forces is facilitated by the country's constitutional stalemate.

It is, therefore, crucial that the two "transitional" governments uphold their commitment to work first and foremost toward an election.

Lebanon must choose a President. It must restore its central government. It must reinstate a cabinet representative of all Lebanese. A democratic framework must be restored.

Lebanon's freedom and independence depend upon the success of this effort. Now is the time for the United States to express its commitment to helping the Lebanese attain this goal and to work to facilitate a resolution to the current impasse.

Lebanon's destiny must be guided by the Lebanese themselves. No outside nation can successfully steer Lebanon's course.

In working to restore its unity and sovereignty, Lebanon has a friend in the United States. Senate Concurrent Resolution 145 is a reaffirmation of that fact.

SENATE CONCURRENT RESOLUTION 146—AUTHORIZING THE PRINTING OF SENATOR BOB DOLE'S SERIES OF "SENATE BICENTENNIAL MINUTES"

Mr. BYRD submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 146

Whereas the Senate of the United States in 1989 will commemorate its two hundredth anniversary; and

Whereas the Senate has determined that the series of "Senate Bicentennial Minutes", which Senator Bob Dole began on January 6, 1987, is worthy of separate publication and wide distribution: Now therefore, be it

Resolved by the Senate (the House of Representatives concurring), That there be printed as a Senate document "The United States Senate Historical Almanac" by Senator Bob Dole to be published under the supervision of the Secretary of the Senate with the editorial assistance of the Senate Historical Office.

SEC. 2. Such document shall include illustrations, and shall be in such style, form, manner, and binding as directed by the Joint Committee on Printing after consultation with the Secretary of the Senate.

SEC. 3. In addition to the usual number of copies, there shall be printed with suitable binding, 5,000 additional copies, for use by the Secretary of the Senate.

SENATE CONCURRENT RESOLUTION 147—REGARDING THE RESTORATION OF DEMOCRACY TO HAITI

Mr. GRAHAM (for himself, Mr. KERRY, Mr. KENNEDY, Mr. MCCAIN, Mr. D'AMATO, Mr. SIMON, Mr. SANFORD, Mr. CHILES, Mr. BRADLEY, Mr. DIXON, Mr. FOWLER, Mr. DURENBERGER, Mr. MOYNIHAN, Mr. LUGAR, Mr. DECONCINI, Mr. CRANSTON, Mr. BOREN, and Mrs. KASSEBAUM) submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 147

Whereas 29 years of repressive Duvalier rule came to end on February 7, 1986, when the Haitian people sent President-For-Life Jean-Claude Duvalier into exile;

Whereas a National Governing Council, a military-dominated provisional junta appointed by Duvalier prior to his departure and headed by General Henri Namphy, was named to govern the country and announced a plan to form a Constituent Assembly to draft a new constitution;

Whereas on March 29, 1987, an overwhelming majority of Haitian voters (98.99 percent) approved the new constitution calling for the creation of a Provisional Electoral Council to draft an Electoral Law and oversee presidential and municipal elections;

Whereas on November 29, 1987, the first Haitian presidential election in thirty years was violently disrupted and ultimately postponed when Duvalierists and elements of the army massacred at least 34 voters and wounded 75 as Haitians peacefully assembled at polling booths to cast their ballots;

Whereas the ruling National Governing Council took no action to protect voters and stop the violence and, further, dissolved the Provisional Electoral Council and abrogated the Electoral Law;

Whereas the United States responded by suspending all military and economic aid except for humanitarian assistance;

Whereas the Congress, with the exception of those programs such as assistance for refugees and disaster relief assistance that serve the interests of the United States, prohibited any further aid to Haiti not passing through private, non-governmental organizations until the Haitian government holds elections in accordance with the 1987 Haitian Constitution;

Whereas the National Governing Council held an election on January 17, 1988, widely recognized as fraudulent, and the army-backed candidate, Leslie Manigat, was selected as president in balloting in which no more than 4 to 6 percent of the three million eligible Haitian voters participated and where many who did vote were paid to do so;

Whereas Leslie Manigat was overthrown on June 19, 1988, and General Henri Namphy assumed power and, with the support of remnants of Duvalier's private army, the Tonton Macoutes, began terrorizing the Haitian people.

Whereas as this campaign of terror against the Haitian people culminated on September 11, 1988, in the murder of 13 Haitians when elements of the Tonton Macoutes viciously attacked worshippers attending a Sunday morning mass at St. Jean Bosco Roman Catholic Church in Port-au-Prince and subsequently attacks were carried out against political party headquarters and radio stations and two other churches were burned;

Whereas noncommissioned officers in the Haitian military, upset by increasing human rights abuses perpetrated by a military government including Duvalierists and Tonton Macoutes, overthrew the Namphy regime and installed Lt. Gen. Prosper Avril as Haiti's new president on September 17;

Whereas Lt. Gen. Avril has said that the final objective of his military government will be to implement democracy;

Whereas, upon taking power General Avril proclaimed "We dream of a Haiti where liberty will flourish, where human rights will be guaranteed and dialogue will be honored for the sake of national reconciliation, and where the economic stagnation in which the country is floundering will disappear for the greatest good of the greatest number"; and

Whereas the continuing popular unrest in Haiti since the exile of President-For-Life Jean-Claude Duvalier is a clear indication that the people of Haiti will continue to risk their lives for the opportunity to select their own leaders through free, fair and open elections: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the resumption of economic or any other assistance by the United States to the Government of Haiti should be clearly linked to tangible actions by the Government of Haiti to—

(1) embark upon a credible transition to democracy that will include restoring the 1987 Constitution, appointing a genuinely independent electoral commission to oversee elections, and most important, announcing a date certain for elections that will lead to a democratic government led by civilians;

(2) strictly observe human and civil rights and in so doing take immediate steps to disarm and restrain the remnants of Duvalier's private army, the Tonton Macoutes, and to institute a judicial process whereby human rights violations will be vigorously investigated and violators will be brought to justice;

(3) reform a corrupt bureaucracy;

(4) promote economic development that will benefit the Haitian people by providing the security and freedom of association necessary for bottom-up, grass-roots development;

(5) improve cooperation between the United States and Haiti in dealing with the growing problem of narcotics trafficking through Haiti and to take meaningful steps to halt the involvement of the Haitian military in the transshipment of illicit drugs; and

(6) demonstrate the willingness of the Haitian armed forces to submit to legally constituted civilian authority and to fully respect and abide by the Constitution of Haiti.

SEC. 2. It is further the sense of the Congress that—

(1) there will be no resumption of regularized and sustained government-to-government assistance, as part of a normalization of relations with the Government of Haiti, until the election of a civilian government pursuant to free, fair and open elections held in accordance with the provisions set forth in section 1; and

(2) the appropriate Executive branch officials should consult fully and completely with the Congress before assistance of any kind is made available by the United States to the Government of Haiti.

SEC. 3. The Congress further declares its support for the people of Haiti and their desire for democratic government and economic development by directing that the appropriate committees of the Congress conduct hearings to determine what legislative actions may be appropriate and necessary to promote free, fair and open elections leading to civilian government in Haiti, including increased economic aid should the government take the steps outlined in section 1, or, in the event of its failure to do so, the feasibility of additional sanctions as outlined in legislation now pending before the Congress.

SEC. 4. The appropriate Executive branch officials should examine ways that the United States can work with its friends and allies and appropriate international organizations and institutions to develop a multilateral policy toward Haiti that is consistent and sustainable.

Mr. GRAHAM. Mr. President, I am submitting a concurrent resolution today that signals support for the people of Haiti in their continuing struggle for democracy and the right to choose their government.

I am joined in this bipartisan effort by Senators KERRY, MCCAIN, KENNEDY, D'AMATO, SIMON, SANFORD, CHILES, BRADLEY, DIXON, DURENBERGER, FOWLER, MOYNIHAN, LUGAR, DECONCINI, CRANSTON, BOREN, and KASSEBAUM.

We have worked closely with Chairman DANTE FASCELL and Congressman WALTER FAUNTROY who plan to introduce this same resolution in the House. The administration has also offered its full support.

We speak out at a critical time for Haiti. With the overthrow of the repressive regime of General Henri Namphy 11 days ago, we have a unique opportunity—indeed an obligation to the Haitian people—to spell out clearly our support for their efforts to secure a freely elected civilian democratic government.

This resolution does define that support. More important, by tying a resumption of U.S. Government-to-government aid to Haiti to specific reform—including the election of a civilian government—we provide Haitian democrats some bargaining power as they negotiate the terms of a democratic transition with the military officers who have taken power.

Mr. President, this is a time in which the United States and other members of the international community can come to the assistance of the Haitian people. The government, as a result of a cut-off of international support following last year's election-day massacre of voters, is in a fiscal crisis.

Although we have joined other donors in continuing to provide humanitarian assistance and other assistance to the people of Haiti, we no longer provide sustained and normal government-to-government assistance. And we should not. We cannot resume that aid until the current military regime in Haiti calls an election and a civilian government is installed.

The United States presently retains the necessary flexibility to react positively to any tangible actions by the Haitian Government to move toward democracy.

We have reason to be cautiously optimistic that the Avril government is committed to a transition to democracy. Since taking the reins of power, General Avril has made some encouraging statements. He says he favors "national reconciliation." And he has stated that democracy "is the ultimate goal of the military."

The noncommissioned officers who appear to hold the real power, have expressed their disgust at the human rights abuses of the Namphy regime and at that regime's vicious and arbitrary rule.

Perhaps Avril means what he says. Certainly those in the lower ranks of the military have acted as if they are committed to democratic values.

But I remind my colleagues that we have been down this road before. We have seen the blood of too many innocent Haitians shed to take any expression of support for democracy at face value.

We heard these same words when President-for-life Jean Claude Duvalier was sent into exile 2½ years ago. Indeed, we kept hearing similar comforting statements right up until the eve of last year's election massacre in which at least 35 Haitians were cut down in cold blood as they lined up to cast ballots.

We need—the Haitian people need—more than words. We need action. If this government is serious about reform and democracy, if it is truly interested in helping and respecting the Haitian people, as it claims, there are some very clear steps it can take to underscore those commitments.

Get rid of the remnants of Duvalier's dreaded Tonton Macoutes. Not just the foot soldiers but the demented leadership of the operations.

Stop trampling on the civil and human rights of their own people.

Reinstitute the 1987 constitution which was approved by the overwhelmingly majority of Haitian voters.

Reform the corrupt-ridden bureaucracy that spends more time serving its own interests than those of the people.

Join the United States in stopping narcotics trafficking. Specifically, and immediately, take meaningful steps to halt the involvement of the Haitian military in the transshipment of illicit drugs.

Most important—set a firm date for elections. Not 2½ years from today. Not 2 years from today. But within a reasonable time. The democractic opposition has suggested 6 to 12 months. That is reasonable.

Haitians want a democratically elected civilian government. We need to do all we can to help them get one. I can assure my colleagues that there will be no peace in Haiti until there is one.

I appreciate the continuing cooperation of the Foreign Relations Committee members and staff in focusing attention on this important issue. I hope the Senate can vote on this resolution before we adjourn. The time is right; the message is right. I ask my colleagues for their support.

Mr. President, I ask unanimous consent that several articles be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Christian Science Monitor, Sept. 27, 1988]

Haiti's Opposition Speaks Out: Wants Elections and More Purges

(By Mark Kuriansky)

Port au Prince, Haiti.—A little more than a week after Haiti's coup, the country's democratic opposition has broken its silence and made demands on the new government. It wants:

Presidential elections within six months.

A return to the liberal democratic constitution written in 1987.

An electoral commission independent of all government control.

A complete purging of all those who abused their power under past regimes.

These demands were spelled out by Jean-Claude Bajeaux, a human rights activist who was in exile in Puerto Rico until his return late last week. He issued the demands after meeting with other opposition figures.

Haiti's new President, Lt. Gen. Prosper Avril has not responded to these demands, although he has said that he expects to take 2½ years to organize an election.

But many in the opposition say that is too long to wait, and the purges of the military since the coup began have not gone far enough. Fifty-seven key officers have been ousted.

"The mistake we made with [ousted leader Lt. Gen. Henri] Namphy was giving him too much time," said Mr. Bajeaux. "We should put some pressure on for trials, at least of known murderers."

Louis Dejoie, another opposition leader and presidential candidate in last November's aborted election, complained that the new government was only purging the "small fry."

A similiar message was put out by the Roman Catholic Church. Sunday morning sermons across this deeply religious, largely Catholic country told people that the nation must continue to purge itself.

For the first time since the coup, Haiti's 10 bishops issued a statement Sunday demanding the "disarming of all Tonton Macoutes and their exclusion from public office."

"We insist on justice to break the infernal cycle of hate and vengeance," the bishops statement read.

The Macoutes are former members of the paramilitary force created by Francois Duvalier in the 1960s. The infamous group was officially disbanded after Duvalier's son, Jean-Claude, was overthrown in February 1986. But many of these brutal, armed men were allowed to continue acts of terror under the regime of Lt. Gen. Henri Namphy.

Even after last week's purges, during which noncommissioned officers ousted senior officers, important, well-armed Macoute leaders remained untouched.

On Sunday, for the first time since the coup, there was also a demonstration. A group of nearly 2,000 marched across the capital and demanded to see Father Jean-Bertrand Aristide, an outspoken critic of the Namphy regime. He had not been seen since unidentified thugs killed 13 people and wounded 77 in his church on Sept. 11.

Fr. Aristide is still visibly shaken. This priest who is Haiti's most riveting public speaker spoke for only two minutes. He, too, called for the purge to continue. "The time will come when we can go forward together."

[Reuters reported yesterday that only minor disturbances occurred Monday. Radio Soleil reported shooting Sunday night in the northwestern town of Port de-Paix where a rebellion of young soldiers against unpopular officers appeared still to be under way.]

[From the Washington Post, Sept. 27, 1988]

Haitian Leader Seeks Renewal of U.S. Aid—Avril Says Washington's Goals Are Those of His Government

(By Julia Preston)

Port-Au-Prince, Haiti, Sept. 26.—Haiti's new president, Lt. Gen. Prosper Avril, made a case today for resumption of the suspended $100 million U.S. aid program, saying his governmental goals coincide with Washington's calls for change.

The United States cut off direct aid to the Haitian government after widespread violence in polling places left more than 30 people dead and halted U.S.-backed elections last November. Since then, the Reagan administration has said it wants to see progress on economic development, human rights, a return to civilian rule and prosecution of drug traffickers before resuming its aid.

"Those are not only the goals of the American government" Avril said in a brief interview.

Avril said he would act "according to the mandate of the people who carried out the Sept. 17 coup," that ousted Lt. Gen. Henri Namphy. He said their program was to restore the 1987 Haitian constitution, set aside by Namphy, and "to improve the condition of the masses" and the soldiers of the armed forces.

"These are my goals and if they weren't, I wouldn't be here," Avril said. The 1987 constitution, which was approved by a popular referendum, set up a procedure for civilian elections.

This year, the United States has channeled $37 million in food and economic aid to Haiti, the hemisphere's most destitute nation, through private international humanitarian groups. Namphy said he was indifferent to the cutoff of direct U.S. aid to his government and styled himself as a nationalist who was resisting foreign pressure.

In another conciliatory gesture, Avril went to Port-Au-Prince's general hospital yesterday to visit wounded survivors of a Sept. 11 massacre in a Catholic church in the capital. It was carried out by paramilitary gunmen encouraged by Namphy.

Avril was accompanied yesterday by Sgt. Joseph Heubreux, the leader of noncommissioned officers who carried out the palace coup. But today, a relaxed and smiling Avril was alone in the windowless presidential office. In his first week in power, Avril has enjoyed a honeymoon with opposition politicians, who praised him in spite of his long service to the Duvalier dynasty and later to Namphy.

"Man is perfectable," said politician Louis Dejoie, explaining his current attitude toward an officer the opposition once painted as a Duvalierist reactionary.

The noncommissioned officers from the National Palace, who led the charge against Namphy, said they chose Avril for president because he served his entire military career with them in the Presidential Guard.

Diplomats described Avril as a thinking man and a survivor who seeks a nonpolitical role for the armed forces.

[From the New York Times, Sept. 27, 1988]

Haitians Pressing for New Elections—Political Leaders Also Urging Military Government to Reinstate Constitution

(By Joseph B. Treaster)

Port-au-Prince, Haiti.—With a little calm prevailing in Haiti, political leaders have begun presenting proposals to the new military Government for reinstatement of the Constitution and the scheduling of elections.

Most of the leaders, who favor democracy for Haiti, urge immediate reinstatement of the Constitution, but recommendations on when to hold elections range from six to eight months.

Nine days after a coup in which Lieut. Gen. Henri Namphy was deposed and Lieut. Gen. Prosper Avril was installed as president. But strikes calling for management changes resumed at the state-run telephone company and flour mill, and for a few hours post office employees refused to work.

Bishops of the Roman Catholic Church called on Sunday for changes in the justice system, and in what some political leaders interpreted as a response to that demand, the Government this morning announced the dismissal of the state prosecutor.

NEW MAYOR GOES TO OFFICE

The new mayor of Port-au-Prince, Carmen Christophe, went to her office for the first time this morning. Mrs. Christophe, who is said to have become wealthy through gambling operations and small, high-interest loans, replaced Franck Romain.

Mr. Romain was accused of directing an attack by thugs on a Roman Catholic Church earlier this month in which 13 people were killed and 77 wounded. He has taken refuge in the Dominican Republic Embassy here.

One former presidential candidate, Sylvia Claude, said General Avril told him it might be possible to hold elections in two to two and a half years.

But the leaders say they are not taking that as definitive and are pressing for a public statement that would clarify the Government's position on the Constitution and on elections.

The leaders say they believe that General Avril, and the noncommissioned officers who have taken credit for installing him in office, are sincere when they say they want democracy for Haiti. But they say they are concerned that the Government has given no details.

BRIEF ACCESS TO PRESIDENT

No government officials have been available for interviews since the coup. But some reporters spoke briefly today with General Avril at the presidential palace when photographers were permitted to move close to the President.

The political leaders say it is still not clear how decisions are being made in the Government and how much authority is in the hands of the lower officers.

Some find it incredible that General Avril, a 50-year-old lawyer with a reputation as a prince of palace intrigue, could be sharing power with the largely uneducated and generally much younger sergeants. Nevertheless, Sgt. Joseph Hebreux, a 27-year-old army medic, is sharing an office with the President and accompanies General Avril nearly everywhere.

Mark Lazan, an economist and one of the leading presidential candidates in the elections that were halted by a massacre last November, says he gets along with the general.

But Louis Dejois, another leading presidential candidate who was scheduled to see General Avril today, said he had requested that Sergeant Hebreux be present.

"The sergeants have said publicly that they are the ones who made General Avril president," Mr. Dejois said. "So it is only sensible that the political leader asks to see the head of the revolt, the sergeant."

Mr. Dejois said he and Mr. Claude wanted elections in six months but would settle for having them within a year. "We don't want the military to settle in for a long stay," Mr. Dejois said.

Mr. Bazin said he was not asking the Government to set a date for elections, but merely to announce that it would hand over power in 18 months.

Louis Roy, one of the principal authors of the Constitution, said that the instability in Haiti makes it unreasonable to demand a date for elections from the Government, but that a formal statement of principle is essential.

[From the New York Times Sept. 26, 1988]

THROW OUT THE OLD, HAITI, BISHOPS SAY

(By Joseph B. Treaster)

PORT-AU-PRINCE, HAITI.—The bishops of the Roman Catholic Church in Haiti today urged the new military Government to conduct a sweeping purge of loyalists from the Duvalier dictatorships, and they urgently appealed for an increase in international economic aid.

In their first response to the coup eight days ago in which a group of noncommissioned officers declared that they were installing Lieut. Gen. Prosper Avril as President, the bishops called for the disarming and prosecution of the hundreds if not thousands of thugs known as the Tontons Macoute.

They also appealed for "the exclusion from the public administration of all those who, at whatever title, actively contributed to the consolidation and perpetuation of the dictatorial system during these last 30 years."

NO WORD ON AVRIL

The church leaders neither praised nor criticized the new Government. But they appeared to accept the presidency of General Avril, even though he was a trusted advisor to the Duvalier family. The bishops also called for a "plan of national salvation" to "pull out of misery a people adrift on the economic and social plain."

While the church demands on the Tontons Macoute and other Duvalier loyalists may seem to be a tall order in the confusion and disarray of Haiti, the new Government could at least try to curtail the influence of these groups.

Since the fall of President Jean-Claude Duvalier in February 1986, successive Governments have tolerated or encouraged the Tontons Macoute and Duvalier loyalists, either out of sympathy or because the Governments lacked the power to counter them.

The strength of the new Government is still not clear. It has presided over the dismissal of scores of reportedly corrupt army officers and of executives of state-run companies. But at least 2 of the 12 members of the new Cabinet are former Duvalier officials.

AN OUTWARD CALM

Haiti has been outwardly calm for the last three days, after a week of lynchings, strikes and uprising in military units against commanders accused of corruption and cruelty. But political leaders say that the country remains very unstable, particularly in the countryside, and that the quiet is less a reflection of Government control than of an absence of disruptions.

General Avril and Sgt. Joseph Hebreux, who are sharing an office in the presidential palace, paid a visit today to the survivors of the Tontons Macoute massacre on Sept. 11 at the Jean Bosco Church, in which 13 people were killed and 77 were wounded.

Hospital employees said the general and the sergeant arrived unannounced in a motorcade of limousines and made their way through a ward. Sergeant Hebreux is said to be serving as a representative of the noncommissioned officers who led the coup, but the extent of his influence on decisions is not clear.

Haitians have held Lieut. Gen. Henri Namphy and Frank Romain, the former Mayor of Port-au-Prince, responsible for ordering the attack on the church. The killings appear to have been a factor in the Sept. 17 coup in which General Namphy was deposed.

THOUSANDS CHEER PASTOR

Earlier today, several thousand people quietly marched about seven miles from a midtown church to a Roman Catholic school in the suburb of Petionville, where the pastor of Jean Bosco, the Rev. Jean-Bertrand Aristide, has taken refuge. With the crowd thundering his name, Father Aristide stepped hesitantly onto a balcony.

Witnesses said the priest, who is said to be suffering from depression because of the deaths of his parishioners, looked drawn and unsteady.

"The operation of cleaning up the country has just begun," he said in a barely audible voice before returning to his quarters. "Don't be discouraged. Someday we will walk together, hand in hand."

In the bishops' message to the nation, broadcast repeatedly today over the Roman Catholic station, Radio Soleil, the prelates implored international donors to continue the flow of aid to Haiti and "to intensity this assistance for the development of our people."

The United States suspended $70 million in economic aid after Haiti's first attempt at free elections in 30 years ended in a massacre last November.

But the United States is still providing about $27 million to Haiti, through private organizations rather than the Government, for such things as health, education and reforestation.

Mr. PELL. Mr. President, I congratulate Senator GRAHAM for introducing this resolution which I believe sends a most appropriate message to Gen. Prosper Avril, Haiti's latest President, installed on September 17. This sense of the Senate resolution clearly links U.S. economic assistance, which is absolutely essential, to substantive moves on the part of the Haitian Government toward a credible transition to democracy. This must include the restoration of the 1987 Constitution, the appointment of an independent electoral commission, and a specific date for elections leading to a civilian-led democratic government. Other changes would have to take place such as disarming, I would say disbanding once and for all, the Duvalierist Ton-Tons Macoute thugs, bringing to justice human rights violators, ending corruption, and subordinating the armed forces to a legally constituted civilian government.

The Haitian people have yet to taste the fruit of democracy that was supposed to come with the ouster of Jean

Claude Duvalier in February 1986. The government led by Gen. Henri Namphy brought nothing but more corruption, violence, human rights abuse, a fraudulent election, and more terror to the people of Haiti. The violent attack upon the worshippers at the Sunday morning mass at St. Jean Bosco Roman Catholic Church on September 11, resulting in the murder of 13 people, was the spark that ignited a coup of noncommissioned officers against Duvalierists and General Namphy.

I hope that this time, the real transition to democracy in Haiti will begin. This resolution will let the Haitian people know that the U.S. Senate shares their aspiration and longing for a fair and responsive government and a brighter future for their children.

SENATE RESOLUTION 481—RELATIVE TO THE LAUNCH OF THE "DISCOVERY"

Mr. DOLE (for himself, Mr. Byrd, Mr. Glenn, Mr. Garn, Mr. Hollings, and Mr. Boren) submitted the following resolution; which was considered and agreed to:

S. Res. 481

Whereas the eyes of the nation and world will be on Cape Canaveral tomorrow, for the launch of the Space Shuttle *Discovery*.

Whereas this will be the first shuttle launch since January 28, 1986.

Whereas a shuttle launch is the product of the technological prowess of the nation, and reflects the spirit and courage of the crew.

Whereas the *Discovery* crew has undergone rigorous and intensive training and rehearsals in preparation for tomorrow's launch.

Whereas all Americans look forward to the safe return of the *Discovery* and its crew upon completion of their mission.

Resolved, That the Senate of the United States: Congratulates the men and women of the U.S. space program, for their diligent efforts to plan and implement this launch, with maximum regard for the safety of the crew and the scientific and technical goals of the mission and the space program.

Offer best wishes and God-speed to the crew of the *Discovery*: Captain Frederick H. Hauck, Commander; Colonel Richard O. Covey, Pilot; Lieutenant Colonel John M. Lounge, Mission Specialist; George D. Nelson, Mission Specialist; and Lieutenant Colonel David C. Hilmers, Mission Specialist.

SENATE RESOLUTION 482—RELATIVE TO THE PRINTING OF CERTAIN DOCUMENTS

Mr. BYRD (for Mr. Pell, for himself, and Mr. Helms) submitted the following resolution; which was considered and agreed to:

S. Res. 482

Resolved, That (a) there shall be printed as a Senate document during the bicentennial year 1989 the Declaration of the Rights of Man and of the Citizen, and the Bill of Rights, with accompanying historical notes.

(b) Such document shall be in such style, form, manner, and binding as directed by the Joint Committee on Printing after consultation with the Committee on Foreign Relations.

(c) In addition to the usual number of copies, there shall be printed—

(1) bound volumes suitable for presentation to the President of the French Republic, the President of the Senate of France, and the President of the National Assembly of France; and

(2) extra copies for the Committee on Foreign Relations of the Senate in the amount of $1,200.

SENATE RESOLUTION 483—RELATIVE TO THE PRODUCTION OF CERTAIN DOCUMENTS BY THE SENATE PERMANENT SUBCOMMITTEE ON INVESTIGATIONS

Mr. BYRD (for himself and Mr. Dole) submitted the following resolution; which was considered and agreed to:

S. Res. 483

Whereas, in 1977, the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs investigated allegations about illegal traffic in weapons and narcotics across the United States and Mexican border;

Whereas, defendants in the case of *Tarlow* v. *Doubleday and Company*, No. CV 87-3036 RMT, pending in the United States District Court for the Central District of California, have requested access to transcripts of closed hearings of the Subcommittee held on January 12 and 13, 1977, as part of its investigation;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that documents, papers, and records under the control or in the possession of the Senate are needful for the promotion of justice, the Senate will take such action as will promote the ends of justice consistent with the privileges of the Senate: Now, therefore, be it

Resolved, That the Chairman and Ranking Minority Member of the Permanent Subcommittee on Investigations, acting jointly, are authorized to provide to the Drug Enforcement Administration transcripts of the Subcommittee's closed hearings on January 12 and 13, 1977, for disclosure by the Drug Enforcement Administration to the parties in *Tarlow* v. *Doubleday and Company*, in accordance with protective procedures.

AMENDMENTS SUBMITTED

UNITED STATES GRAIN STANDARDS ACT AMENDMENTS

BOREN (AND BENTSEN) AMENDMENT NO. 3295

Mr. BYRD (for Mr. Boren, for himself and Mr. Bentsen) proposed an amendment to the bill (S. 2337) to amend the U.S. Grain Standards Act to extend through September 30, 1993, the authority contained in section 155 of the Omnibus Budget Reconciliation Act of 1981 and Public Law 98-469 to charge and collect inspection and weighing fees, and for other purposes, as follows:

(a) On page 17—

(1) on lines 10 and 11, strike out "1988 through" and insert in lieu thereof "1989 and"; and

(2) strike out lines 13 through 19 and insert in lieu thereof the following:

"3(f)(4)(C)(iii) is amended by striking out 'Haying and grazing shall not be permitted for any crop under clause (i) if the Secretary determines that' and inserting in lieu thereof 'Except as provided in clause (ii), haying and grazing shall not be permitted for any crop under clause (i) if the Secretary, prior to January 1 of the year during which the crop is harvested, determines that'.";

(b) On page 17, line 21, strike out "1988 through" and insert in lieu thereof "1989 and";

(c) Beginning on page 17, strike out lines 23 through line 4 on page 18 and insert in lieu thereof the following:

"1444e(f)(4)(C)(iii)) is amended by striking out 'Haying and grazing shall not be permitted for any crop under clause (i) if the Secretary determines that' and inserting in lieu thereof 'Except as provided in clause (ii), haying and grazing shall not be permitted for any crop under clause (i) if the Secretary, prior to January 1 of the year during which the crop is harvested, determines that'.";

(d) On page 18—

(1) on line 6, strike out "1988 through" and insert in lieu thereof "1989 and"; and

(2) strike out lines 8 through 14, and insert in lieu thereof the following:

"1444-1(f)(3)(C)(iii)) is amended by striking out 'Haying and grazing shall not be permitted for any crop under clause (i) if the Secretary determines that' and inserting in lieu thereof 'Except as provided in clause (ii), haying and grazing shall not be permitted for any crop under clause (i) if the Secretary, prior to January 1 of the year during which the crop is harvested, determines that'."; and

(e) On page 18—

(1) on lines 15 and 16, strike out "1988 through" and insert in lieu thereof "1989 and"; and

(2) strike out lines 18 through 24 and insert in lieu thereof the following: "amended by striking out 'Haying and grazing shall not be permitted for any crop under clause (i) if the Secretary determines that' and inserting in lieu thereof 'Except as provided in clause (ii), haying and grazing shall not be permitted for any crop under clause (i) if the Secretary, prior to January 1 of the year during which the crop is harvested, determines that'.".

EXON AMENDMENT NO. 3296

Mr. BYRD (for Mr. Exon) proposed an amendment to the bill S. 2337, supra; as follows:

At the appropriate place, insert the following new section:

SEC. . STUDY OF EFFECTS OF INCLUDING DOCKAGE WITH FOREIGN MATERIAL AS A GRADING FACTOR FOR WHEAT.

Not later than June 1, 1989, the Secretary of Agriculture, through the Federal Grain Inspection Service, shall—

(1) conduct a study of the effects of including dockage with foreign material as a grading factor for wheat; and

(2) submit a report on the results of such study to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

OMNIBUS McKINNEY HOMELESS ASSISTANCE ACT

BYRD AMENDMENT NO. 3297

Mr. BYRD proposed an amendment to the bill (H.R. 4352) to amend the Stewart B. McKinney Homeless Assistance Act to extend programs providing urgently needed assistance for the homeless, and for other purposes; as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION. 1. SHORT TITLE.

This Act may be cited as the "Stewart B. McKinney Homeless Assistance Amendments of 1988".

SEC. 2. TABLE OF CONTENTS.

The contents of this Act are as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.

TITLE I—INTERAGENCY COUNCIL FOR THE HOMELESS: EMERGENCY FOOD AND SHELTER PROGRAM: PUBLIC BUILDINGS

Sec. 101. Audits of housing and shelter programs by Comptroller.
Sec. 102. Duties of the Interagency Council on the Homeless.
Sec. 103. Authorization of appropriations.
Sec. 104. Extension of Interagency Council.
Sec. 105. State Interagency Councils on the Homeless.
Sec. 106. Federal emergency management food and shelter program.
Sec. 107. Identification and use of underutilized public buildings and property.
Sec. 108. Report on emergency food and shelter grant program.

TITLE II—HOUSING ASSISTANCE

Subtitle A—Authorizations

Sec. 201. Emergency shelter grants program.
Sec. 202. Supportive housing demonstration program.
Sec. 203. Supplemental assistance for facilities to assist the homeless.
Sec. 204. Section 8 assistance for single room occupancy dwellings.

Subtitle B—Administrative Provisions

Sec. 211. Comprehensive plan sharing.
Sec. 212. Annual submission of revised comprehensive plan.
Sec. 213. Drug-free homeless assistance.
Sec. 214. Coordination.
Sec. 215. Sunshine provision.

Subtitle C—Emergency Shelter Grants

Sec. 221. Environmental impact and historic preservation.
Sec. 222. Direct contracting with nonprofit organizations.
Sec. 223. Essential services.
Sec. 224. Homelessness prevention as an eligible activity.
Sec. 225. Responsibilities of recipients.

Subtitle D—Supportive Housing

Sec. 231. Project sponsor.
Sec. 232. Definition of permanent housing.
Sec. 233. Limit on advances.
Sec. 234. Site control.
Sec. 235. Letter of participation.
Sec. 236. Matching requirement.
Sec. 237. Eligible activities.
Sec. 238. Reallocations.

Subtitle E—Miscellaneous Provisions

Sec. 241. Rehabilitation of efficiency units.
Sec. 242. Fire and safety improvements.
Sec. 243. Report on allocation formulae.
Sec. 244. Rent control study.

Subtitle F—Technical Amendments

Sec. 251. Tweemill House.
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TITLE III—SOCIAL SERVICES

Subtitle A—Health Services

Sec. 301. References to the Public Health Service Act.
Sec. 302. Increase in required amount of matching funds and modification in eligibility for waiver with respect to matching funds.
Sec. 303. Temporary continued provision of services to certain former homeless individuals.
Sec. 304. Clarification of certain provisions.
Sec. 305. Authorizations of appropriations.
Sec. 306. National Institute on Alcohol Abuse and Alcoholism.
Sec. 307. National Institute of Mental Health.
Sec. 308. Study of eligibility processes under child support supplement, Medicaid, and food stamp programs.

Subtitle B—Education Programs

Sec. 311. Adult education for the homeless.
Sec. 312. Education for homeless children and youth.

Subtitle C—Job Training

Sec. 321. Program reauthorized.

Subtitle D—Community Services

Sec. 331. Emergency community services homeless grant program.

Subtitle E—Job Training and Partnership Act.

Sec. 341. Short title.
Sec. 342. Incentive bonus entitlement for employable dependent individuals.
Sec. 343. Provisions for improving assistance to hard-to-serve individuals and welfare recipients.
Sec. 344. AFDC/SSI and summer youth program.
Sec. 345. Conforming amendments.

Subtitle F—Transitional Living Grants

Sec. 351. Authorization of transitional living projects.

TITLE IV—VETERANS PROGRAMS

Sec. 401. Medical programs.

TITLE I—INTERAGENCY COUNCIL FOR THE HOMELESS: EMERGENCY FOOD AND SHELTER PROGRAM: PUBLIC BUILDINGS

SEC. 101. AUDITS OF HOUSING AND SHELTER PROGRAMS BY COMPTROLLER GENERAL.

Section 105 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11304) is amended—

(1) by inserting "annually" after "shall"; and

(2) by striking out "a report to Congress setting forth the findings of such evaluation, upon the expiration of the 4-month and 12-month periods beginning on the date of the enactment of this Act" and insert in lieu thereof "an annual summary of the status of each program authorized under this Act to Congress".

SEC. 102. DUTIES OF THE INTERAGENCY COUNCIL ON THE HOMELESS.

(a) IN GENERAL.—Section 203(a) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11313(a)) is amended—

(1) in paragraph (4)—

(A) by striking out "through personnel employed by the Council in each of the 10 standard Federal regions", and inserting in lieu thereof "by at least 2, but in no case more than 5, regional coordinators employed by the Council, each having responsibility for interaction and coordination of the Federal Council's activities within the 10 standard Federal regions,";

(B) in paragraph (4) by striking out subparagraphs (A) and (B) and inserting in lieu thereof the following:

"(A) interpret regulations and assist in the application process for Federal assistance, including grants;

"(B) provide assistance on the ways in which Federal programs, other than those authorized under this Act, may best be coordinated to complement the objectives of this Act;

"(C) develop recommendations and program ideas based on regional specific issues in serving the homeless population; and

"(D) establish a schedule for biennial regional workshops to be held by the Council in each of the 10 standard Federal regions to further carry out and provide the assistance described under subparagraphs (A), (B), and (C) and other appropriate assistance as necessary, of which—

"(i) not less than 5 such workshops shall be held by September 30, 1989; and

"(ii) at least 1 such workshop shall be held in each of the 10 Federal regions every 2 years, beginning on September 30, 1988;"

(2) in paragraph (5) by striking out "and" at the end thereof;

(3) in paragraph (6) by striking out the period at the end thereof and inserting in lieu thereof a semicolon and "and"; and

(4) by adding at the end thereof the following new paragraph:

"(7) prepare and distribute a bimonthly bulletin that describes the Federal resources available to assist the homeless, including information regarding application deadlines and appropriate persons on the Federal Council and in each Federal agency providing such resources, to all—

"(A) State Interagency Councils established pursuant to section 210(a);

"(B) State Coordinators designated pursuant to section 210(g); and

"(C) State agencies designated pursuant to section 210.".

(b) Program Timelines.—Section 203 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11313) is further amended by—

(1) redesignating subsection (c) as subsection (d);

(2) redesignating subsection (d) as subsection (e); and

(3) inserting after subsection (b) the following new subsection:

"(c) Program Timelines.—No later than 90 days after the date of the enactment of the Stewart B. McKinney Homeless Assistance Amendments of 1988, the head of each Federal agency who is a member of the Council and responsible for administering a program under this Act shall provide to the Council a timeline regarding program funding availability and application deadlines. The Council shall furnish such information to each State Interagency Council, State agency, and State Coordinator established or designated under section 210.".

SEC. 103. AUTHORIZATION OF APPROPRIATIONS.

Section 208 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11318) is amended to read as follows:

"SEC. 208. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this title $1,200,000 for each of the fiscal years 1989 and 1990.".

SEC. 104. EXTENSION OF INTERAGENCY COUNCIL.

Section 209 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11319) is amended by striking out "upon the expiration of the 3-year period beginning on the date of the enactment of this Act" and inserting in lieu thereof "on October 1, 1990".

SEC. 105. STATE INTERAGENCY COUNCILS ON THE HOMELESS.

(a) In General.—Title II of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11311 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 210. STATE INTERAGENCY COUNCILS.

"(a) Establishment.—Each State is encouraged to establish a State Interagency Council on the Homeless.

"(b) Membership.—The State Council shall be composed of representatives from—

"(1) each State agency with jurisdiction over programs authorized under this Act;

"(2) the State municipal league;

"(3) the county association; and

"(4) other appropriate members as designated by the State Council.

"(c) Functions of the State Interagency Council.—

"(1) Each State Council established under subsection (a) shall provide information on programs authorized under this Act, including—

"(A) procedures to apply for assistance under this section, including program application deadlines;

"(B) an inventory of entities in the State which have applied for and received Federal assistance; and

"(C) information on other State and Federal sources for homeless assistance.

"(2) Each such State Council shall—

"(A) improve methods of coordination and development of homeless assistance programs throughout the State; and

"(B) develop innovative methods and programs to achieve a more effective use of Federal homeless assistance funds.

"(d) Meetings.—For the purpose of carrying out this section, the State Interagency Council may hold such meetings as appropriate.

"(e) State Coordinator.—Each Governor may designate a qualified individual within one of the appropriate agencies to serve as the State Coordinator of the Stewart B. McKinney Homeless Assistance Act. The State Coordinator shall—

"(1) coordinate the work of the State Interagency Council of the Homeless;

"(2) coordinate and interact with the Federal Interagency Council on the Homeless and other Federal agencies as necessary;

"(3) assist in disseminating information on Federal homeless assistance programs throughout the State;

"(4) provide technical assistance to entities applying for Federal assistance under the programs authorized by this Act; and

"(5) distribute the bimonthly bulletin received from the Federal Council, as described under section 203(a)(7), to appropriate State agencies, units of local government, and other public and private nonprofit organizations throughout the State.

"(f) Incentives for Establishing a State Coordinator.—

"(1) In order to encourage States to establish a State Coordinator to carry out the functions under this section, and to best coordinate and maximize available Federal assistance, the Federal Interagency Council on the Homeless may award to any State designating a State Coordinator, a grant to supplement the compensation by the State to the individual serving as State Coordinator.

"(2) Within 90 days after the date of the enactment of the Stewart B. McKinney Homeless Assistance Amendments of 1988, a State designating a State Coordinator may apply to the Federal Council for a grant described under paragraph (1).

"(3) The Chairperson of the Federal Council, in consultation with the Vice Chairperson, other members of the Council, and the Executive Director of the Council may approve an application of a State based upon the—

"(A) most current 12-month unemployment rates of the State;

"(B) total number of unemployed within the State;

"(C) total number of individuals below the poverty level within the State; and

"(D) total population of the State.

"(4) No more than 15 percent of all funds made available to the Federal Council annually may be awarded to States through grants under this subsection.

"(5) Any such grant to a State may not exceed 20 percent of the salary paid by such State to the State Coordinator.

"(g) State Lead Agencies.—Any State not establishing a State Interagency Council on the Homeless under subsection (a) or a State Coordinator under subsection (e) shall designate a lead agency within the State government to assume primary responsibility for interacting and coordinating with the Federal Interagency Council on the Homeless and other Federal and State agencies as necessary.".

(b) Conforming Amendment.—The table of sections of the Stewart B. McKinney Homeless Assistance Act is amended by inserting after the item relating to section 209 the following:

"Sec. 210. State Interagency Councils.".

SEC. 106. FEDERAL EMERGENCY MANAGEMENT FOOD AND SHELTER PROGRAM.

Section 322 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11352) is amended to read as follows:

"SEC. 322. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this title $129,000,000 for fiscal year 1989 and $134,000,000 for fiscal year 1990.".

SEC. 107. IDENTIFICATION AND USE OF UNDERUTILIZED PUBLIC BUILDINGS AND PROPERTY.

Section 501 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411) is amended—

(1) in subsection (a) by inserting before "shall identify" a comma and "within 2 months after collecting such information,"; and

(2) in subsection (b)—

(A) in paragraph (1) by striking out "declare the property excess to the agency's need" and inserting in lieu thereof "make the property available, on an interim basis, for use by the homeless"; and

(B) in paragraph (2) by striking out "be declared excess" and inserting in lieu thereof "made available on an interim basis"; and

(3) in subsection (d)(2) by striking out "surplus Federal buildings" and inserting in lieu thereof "underutilized Federal buildings.".

SEC. 108. REPORT ON EMERGENCY FOOD AND SHELTER GRANT PROGRAM.

No later than 6 months after the date of the enactment of this Act, the Director of the Federal Emergency Management Agency shall submit a report to the appropriate committees of the Congress on the emergency food and shelter grant program administered under Title III of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11341 et seq.) which shall include—

(1) proposed legislation for a minimum of two alternative statutory formulas incorporating the criteria on which the distribution and disbursement of such grants is based; and

(2) supporting evidence for each alternative formula and criteria that explains how each formula would be effective in targeting such grants to the areas in the Nation that have the greatest need.

TITLE II—HOUSING ASSISTANCE

Subtitle A—Authorizations

SEC. 201. EMERGENCY SHELTER GRANTS PROGRAM.

Section 417 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11377) is amended to read as follows:

"SEC. 417. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this subtitle $120,000,000 for fiscal year 1989 and $120,000,000 for fiscal year 1990.".

SEC. 202. SUPPORTIVE HOUSING DEMONSTRATION PROGRAM.

Section 428(a) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11388(a)) is amended to read as follows:

"(a) In General.—There are authorized to be appropriated to carry out this subtitle $100,000,000 for fiscal year 1989 and $100,000,000 for fiscal year 1990.".

SEC. 203. SUPPLEMENTAL ASSISTANCE FOR FACILITIES TO ASSIST THE HOMELESS.

The first sentence of section 434 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11394) is amended to read as follows: "There are authorized to be appropriated to carry out this subtitle $10,000,000 for fiscal year 1989 and $10,000,000 for fiscal year 1990.".

SEC. 204. SECTION 8 ASSISTANCE FOR SINGLE ROOM OCCUPANCY DWELLINGS.

Section 441(a) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11401(a)) is amended to read as follows:

"(a) Increase in Budget Authority.—The budget authority available under section 5(c) of the United States Housing Act of 1937 for assistance under section 8(e)(2) of such Act is authorized to be increased by $50,000,000 on or after October 1, 1988, and by $50,000,000 on or after October 1, 1989.".

Subtitle B—Administrative Provisions

SEC. 211. COMPREHENSIVE PLAN SHARING.

Section 401(a) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11361(a)) is amended by adding at the end the following: "Each State shall transmit an information copy of its plan to each metropolitan city and urban county in that State, and each metropolitan city and urban county in that State shall transmit an information copy of its plan to that State.".

SEC. 212. ANNUAL SUBMISSION OF REVISED COMPREHENSIVE PLAN.

(a) Annual Submission.—Section 401(a)(1) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11361(a)(1)) is amended by inserting "annually" after "submits".

(b) Response to Secretary's Recommendations.—Section 401(d)(3) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11361(d)(3)) is amended by inserting "or to respond to recommendations made in accordance with paragraph (2) that are received at least 60 days prior to the beginning of the fiscal year" before the period.

SEC. 213. DRUG-FREE HOMELESS ASSISTANCE.

Section 401(b) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11361(b)) is amended—

(1) by striking "and" at the end of paragraph (3);

(2) by striking the period at the end of paragraph (4) and inserting "; and"; and

(3) by adding at the end the following:

"(5) a certification that each recipient and project sponsor shall take all necessary actions to ensure that the facilities receiving housing assistance under this title are free of illegal drug use and alcohol abuse, and that beneficiaries of this assistance shall have the right to be served in a drug-free and alcohol-free environment.".

SEC. 214. COORDINATION.

Section 401 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11361) is amended by adding at the end the following:

"(g) Coordination.—If the comprehensive homeless assistance plan submitted by a State contains a designation of a State agency to coordinate homeless assistance efforts in that State, each agency that provides assistance under this Act shall provide to that designated agency such information as may be appropriate to facilitate such coordination.".

SEC. 215. SUNSHINE PROVISION.

Section 304(b) of the Stewart B. McKinney Homeless Assistance Act is amended by inserting before the final period ", and such books, documents, papers, and records shall be available for public inspection and copying".

Subtitle C—Emergency Shelter Grants

SEC. 221. ENVIRONMENTAL IMPACT AND HISTORIC PRESERVATION.

Section 415 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11375) is amended by adding at the end thereof the following:

"(d) Environmental Policy and Historic Preservation.—The provisions of, and the regulations and procedures applicable under, section 104(f) and section 121 of the Housing and Community Development Act of 1974 shall apply to grants under this subtitle.".

SEC. 222. DIRECT CONTRACTING WITH NONPROFIT ORGANIZATIONS.

Section 413 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11373(c)) is amended by adding at the end the following: "A State may directly distribute assistance under this subtitle to such an organization upon certification by the local government that it supports the organization's project.".

SEC. 223. ESSENTIAL SERVICES.

(a) Amount Permitted.—Section 414 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11374) is amended—

(1) in subsection (a)(2)(B) and in subsection (b), by striking "15" and inserting "25"; and

(2) in subsection (a)(2)(B), by striking "the amount of any assistance to a" and inserting "the aggregate amount of all assistance to a State or".

(b) Supplemental Use of Assistance.—Section 414(a)(2)(A) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11374(a)(2)(A)) is amended by inserting before the semicolon the following: ", or the use of assistance under this subtitle would complement those services".

SEC. 224. HOMELESSNESS PREVENTION AS AN ELIGIBLE ACTIVITY.

(a) In General.—Section 414(a) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11374(a)) is amended by adding at the end the following:

"(4) Efforts to prevent homelessness such as financial assistance to families who have received eviction notices or notices of termination of utility services if—

"(A) the inability of the family to make the required payments is due to a sudden reduction in income;

"(B) the assistance is necessary to avoid the eviction or termination of services; and

"(C) there is a reasonable prospect that the family will be able to resume payments within a reasonable period of time.".

(b) Certification Required.—Section 415(c) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11375(c)) is amended—

(1) by striking "and" at the end of paragraph (2);

(2) by striking the period at the end of paragraph (3) and inserting "; and"; and

(3) by adding at the end the following:

"(4) in the case of assistance under paragraph (4) of section 414(a), that such assistance—

"(A) has a demonstrable link to the prevention of imminent homelessness;

"(B) constitutes the most effective use of all or part of the funds available under this subtitle; and

"(C) does not supplant funding for any pre-existing homelessness prevention activities.".

(c) Reporting Requirement.—Section 416 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11376) is amended by adding at the end thereof the following:

"(c) Report.—The Secretary shall report to the Congress not later than 1 year after the date of enactment of this subsection on various programs to prevent homelessness implemented by grantees, with particular focus on the different methods employed by grantees to determine eligibility for homelessness prevention assistance.".

SEC. 225. RESPONSIBILITIES OF RECIPIENTS.

Section 415(c)(1) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11375(c)(1)) is amended—

(1) by striking "a 3-year period or for not less than a 10-year period" and inserting "the period specified in the contract or grant agreement, or"; and

(2) by inserting before the semicolon at the end the following: ", for not less than a 5-year period (or such longer period as the Secretary may specify where the value of the rehabilitation justifies such action)".

Subtitle D—Supportive Housing

SEC. 231. PROJECT SPONSOR.

Section 422(8) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11382(8)) is amended by inserting before the period at the end thereof the following: "or a public housing agency".

SEC. 232. DEFINITION OF PERMANENT HOUSING.

Section 422(12)(B) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11382(12)(B)) is amended by inserting after the first sentence the following: "The Secretary may waive the limitation contained in the preceding sentence if the applicant demonstrates that—

"(i) local market conditions and economies of scale dictate the development of a larger project; and

"(ii) such development will achieve the neighborhood integration objectives of the program within the context of the affected community.

In any case where a project involves the addition of units to an existing facility, the existing units will not be taken into account for the purpose of the 8-person limitation if the facility meets the neighborhood integration objectives.".

SEC. 233. LIMIT ON ADVANCES.

Section 423(a)(1) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11383(a)(1)) is amended by adding at the end the following: "The Secretary may increase the limit contained in the preceding sentence to $400,000 in areas which the Secretary finds have high acquisition and rehabilitation costs.".

SEC. 234. SITE CONTROL.

Section 424 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11384) is amended—

(1) by adding at the end of subsection (a) the following:

"(3) The Secretary shall not require that applications demonstrate that the applicant owns or has control of the site for the project proposed."; and

(2) in subsection (b)(7), by inserting before the period the following: ", including the applicant's ownership of or other control of a site for the proposed project".

SEC. 235. LETTER OF PARTICIPATION.

Sections 422(8) and 424(a)(2)(F)(i) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11382(8) and 11384(a)(2)(F)(i)) are amended by striking "the Governor or other chief executive official of".

SEC. 236. MATCHING REQUIREMENT.

Section 425 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11385) is amended to read as follows:

"SEC. 425. MATCHING FUNDS REQUIREMENTS.

"(a) In General.—Each recipient shall be required to supplement the amount of assistance provided under paragraphs (1) and (2) of section 423(a) with an equal amount of funds from non-Federal sources. Each State submitting an application for permanent housing for handicapped homeless persons shall certify that it will supplement the amount of assistance provided under paragraphs (1) and (2) of section 423(a) with an equal amount of funds from non-Federal sources.

"(b) Non-Federal Funds.—For the purpose of this section, the term 'funds from non-Federal sources' includes State or local agency funds, the non-Federal share of funds under other Federal programs which may be available for the purpose of this subtitle, and the value of any donated material or building and the value of any lease on a building.".

SEC. 237. ELIGIBLE ACTIVITIES.

Section 423(a) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11383(a)) is amended—

(1) in paragraph (3), by inserting before the period at the end the following: ", and for operating costs for permanent housing for handicapped homeless persons, not to exceed 50 percent of the annual operating costs of such housing for the first year of operation, and not to exceed 25 percent of such costs for the second year of operation"; and

(2) by adding at the end the following: "A recipient may receive assistance under both paragraphs (1) and (2).".

SEC. 238. REALLOCATIONS.

Section 428 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11388) is amended by adding at the end the following:

"(d) Reallocations.—Following the receipt of all applications for assistance under this subtitle for any fiscal year, if any amount that was set aside for assistance pursuant to subsection (b)(1), (b)(2), or (c) will not be required to fund the approveable applications submitted for such assistance, the Secretary shall reallocate such amount for assistance pursuant to this subtitle or subtitle (E).".

Subtitle E—Miscellaneous Provisions

SEC. 241. REHABILITATION OF EFFICIENCY UNITS.

Section 441(b) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11401(b)) is amended by inserting before the period at the end thereof the following: ", except that amounts made available under this section may be used in connection with the moderate rehabilitation of efficiency units if the public housing agency agrees to pay the additional cost of rehabilitating and operating such units.".

SEC. 242. FIRE AND SAFETY IMPROVEMENTS.

Section 441(d) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11401(d)) is amended by adding at the end thereof the following: "For the purpose of the preceding sentence, the term 'major spaces' means hallways, and large common areas, and other areas specified in local fire, building, or safety codes.".

SEC. 243. REPORT ON ALLOCATION FORMULAE.

The Secretary of Housing and Urban Development shall—

(1) examine whether an alternative system of distributing funds under title IV of the Stewart B. McKinney Homeless Assistance Act would be feasible if based on data pertaining to the homeless population; and

(2) not later than March 1, 1989, transmit to the Congress a report on such examination.

SEC. 244. RENT CONTROL STUDY.

(a) In General.—The Secretary of Housing and Urban Development shall conduct a study of the impact of local housing rent controls and rent regulations on the development, supply, availability, and affordability of housing in localities where such controls or regulations exist, including an assessment of the direct and indirect effects of such controls on the development, supply, availability, and affordability of housing for low-income families. Not later than 6 months after the date of enactment of this Act, the Secretary shall transmit a report on such study to the Congress.

(b) Contents of Report.—Such report should include—

(1) a listing of localities which have such controls or regulations, the nature and extent of such controls or regulations, and an assessment of the variance of such controls or regulations among localities;

(2) an evaluation of the impact of such controls or regulations on the development, supply, and growth of affordable rental housing for low-income families, including an accounting of any increase or decrease in the supply of rental units which has occurred during the period of such controls;

(3) an evaluation of the benefits and effectiveness of such controls or regulations in assuring affordable rents for low-income families;

(4) an evaluation of the relationship between the existence of such controls or regulations and Federal subsidized housing assistance in the locality, including whether such controls or regulations necessitate more or less Federal housing aid;

(5) an evaluation of the impact on the resident population of removing such controls or regulations, including an assessment of potential rent increases on low-income residents, the options available to localities to mitigate any such increases, the potential increased demand for Federal subsidized housing assistance, and the impact on fair market rents in the locality;

(6) an evaluation of the effect of such controls or regulations on commercial and nonrental housing development in the locality;

(7) a demographic review of the income levels of the population in controlled or regulated units;

(8) an evaluation of the effect of such controls or regulations on the quality of controlled or regulated units;

(9) an evaluation of compliance with such controls or regulations by owners, management, and residents of controlled or regulated units;

(10) an evaluation of the administration and enforcement of such controls or regulations by local officials;

(11) an evaluation of the impact of factors other than rent controls or regulations which effect the development of affordable housing in the locality;

(12) a comparison to other localities which have not instituted rent controls or regulations on the supply, development, availability, and affordability of rental housing; and

(13) any other related issue the Secretary deems of interest or significance.

Subtitle F—Technical Amendments

SEC. 251. TWEEMILL HOUSE.

The Secretary of Housing and Urban Development shall process the application under section 202 of the Housing Act of 1959 for project 012-EH347 (Tweemill House) without regard to the cost limits that would otherwise be imposed pursuant to 24 C.F.R. § 885.410(a)(1), and the assistance to such project under section 8 of the United States Housing Act of 1937 may exceed the fair market rents established under section 8(c)(1) of such Act.

SEC. 252. RURAL HOUSING PREPAYMENT.

(a) Selection of Purchasers.—Section 502(c)(5)(B) of the Housing Act of 1949 is amended by adding at the end the following:

"(iii) Selection of qualified purchaser.—The Secretary shall promulgate regulations which establish criteria for selecting a qualified nonprofit organization or public agency to purchase housing and related facilities when more than one such organization or agency has made a bona fide offer. Such regulations shall give a priority to those organizations or agencies with the greatest experience in developing or managing low income housing or community development projects and with the longest record of service to the community.".

(b) Nonprofit Organization.—Section 502(c)(5)(I) of the Housing Act of 1949 is amended—

(1) by redesignating clauses (i) and (ii) as subclauses (I) and (II);

(2) by striking "and" at the end of subclause (I);

(3) by striking the period at the end of subclause (II) and inserting "; and"; and

(4) by adding at the end thereof the following:

"(III) does not have among its officers or directorate persons or parties with a material interest (or persons or parties related to any person or party with such an interest) in loans financed under section 515 which have been prepaid; and".

(c) Local Nonprofit Organization.—Section 502(c)(5)(I) of the Housing Act of 1949 is amended—

(1) by striking "paragraph, the term" and inserting "paragraph—

"(i) the term"; and

(2) by adding at the end thereof the following:

"(ii) the term 'local nonprofit organization' means a nonprofit organization—

"(I) which has a broad based board reflecting various interests in the community or trade area; and

"(II) which is a not-for-profit charitable organization whose principal purposes include developing or managing low income housing or community development projects.".

SEC. 253. IMPLEMENTATION OF PROGRAM FOR PROJECT-BASED SECTION 8 ASSISTANCE.

To implement the amendment made by section 148 of the Housing and Community Development Act of 1987, the Secretary of Housing and Urban Development shall issue regulations that take effect not later than 30 days after the date of enactment of this Act. Until the effective date of the regulations, the Secretary of Housing and Urban Development shall consider applications from public housing agencies to attach a contract for assistance payment to a structure, in accordance with the amendment to section 8(d)(2) of the United States Housing Act of 1937 made by such section 148. The Secretary of Housing and Urban Development shall promptly approve each application that the Secretary determines meets the requirements of section 8(d)(2).

SEC. 254. RENTAL REHABILITATION VOUCHERS.

Section 8(u) of the United States Housing Act of 1937 is amended—

(1) by striking "and" at the end of paragraph (1);

(2) by striking the period at the end and inserting "; and"; and

(3) by adding at the end the following:

"(3) the Secretary shall make such allocation of assistance under subsection (b) and subsection (o) to ensure that sufficient resources are available to address physical or economic displacement or potential economic displacement of existing tenants pursuant to paragraphs (1) and (2) of this subsection.".

SEC. 255. RENTAL REHABILITATION ADMINISTRATIVE EXPENSES.

Section 17(h) of the United States Housing Act of 1937 is amended to read as follows:

"(h) ADMINISTRATIVE EXPENSES.—(1) Except as provided in paragraph (2), grantees receiving assistance under this section may not deduct therefrom any amounts to cover administrative expenses in carrying out their responsibilities under this section.

"(2) A grantee may use not more than 10 per centum of its initial rental rehabilitation grant under subsection (c) for each year to cover administrative expenses in carrying out its responsibilities under this section. Any State shall share the amount provided pursuant to the preceding sentence with units of general local government administering the program with the State.".

SEC. 256. PLAN OF ACTION.

Section 223(a) of the Housing and Community Development Act of 1987 is amended by inserting before the period at the end of the first sentence the following: ", and any relevant market area and demographic information that the Secretary has custody of and that the owner may use in preparing the plan".

SEC. 257. CONTENTS OF PLAN OF ACTION.

Section 223 of the Housing and Community Development Act of 1987 is amended by adding at the end thereof the following:

"(d) AUTHORITY TO LIMIT CONTENTS OF PLAN.—The Secretary shall limit the amount of appraisal, market area, and demographic information required under this section in the case of a plan of action requesting incentives.".

SEC. 258. CRITERIA FOR APPROVAL OF PLAN OF ACTION INVOLVING PREPAYMENT.

Section 225(a)(1) of the Housing and Community Development Act of 1987 is amended by inserting before the semicolon at the end thereof the following: ", determined without regard to the availability of Federal housing assistance that would address any such hardship or involuntary displacement".

SEC. 259. RURAL RENTAL REHABILITATION PROGRAM.

Section 311(b) of the Housing and Community Development Act of 1987 is amended—

"(1) by striking "provided to" and inserting "provided in"; and

"(2) by inserting before the period at the end thereof the following: ", including areas located in States where the Secretary administers the rental rehabilitation grant program".

SEC. 260. LEAD-BASED PAINT POISONING PREVENTION.

(a) INSPECTION.—Section 302(d)(1) of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4822(d)(1)) is amended—

(1) by striking the paragraph caption and inserting "TRANSITIONAL TESTING AND ABATEMENT IN PUBLIC HOUSING RECEIVING CIAP ASSISTANCE.—";

(2) by striking "section 9" in the first sentence and inserting "section 14";

(3) by striking subparagraphs (A), (B), and (C) in the first sentence and inserting the following:

"(A) a random sample of the typical leaded surfaces of dwellings and common areas in all public housing projects assisted under such section; and

"(B) each dwelling in any public housing project in which there is a dwelling determined under subparagraph (A) to have lead-based paint hazards, except that the Secretary shall not require the inspection of each dwelling if the Secretary requires the abatement of the lead-based paint hazards for the surfaces of each dwelling in the public housing project that correspond to the surfaces in the sample determined to have such hazards under subparagraph (A).";

(4) by striking the second and third sentences and inserting the following: "The Secretary shall require the inspection of all housing subject to this paragraph in accordance with the modernization schedule. A public housing agency may elect to test and abate lead-based paint and dust containing lead under standards more stringent than that in subsection (c), including the abatement of lead-based paint and dust which exceeds the standard of lead permitted in paints by the Consumer Product Safety Commission under this Act, and such abatement shall qualify for assistance under section 14 of the Housing Act of 1937."; and

(5) by inserting before the period at the end of the last sentence the following: ", industrial hygienist or local public health official".

(b) ABATEMENT DEMONSTRATION.—Section 302(d)(2) of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4822(d)(2)) is amended—

(1) by striking the paragraph caption and inserting "ABATEMENT DEMONSTRATION PROGRAM.—";

(2) in subparagraph (A), by inserting after "Urban Development" the following: "and public housing"; and

(3) in subparagraph (B), by inserting after the first sentence the following: "Based on the demonstration, the Secretary shall prepare and include in the report a comprehensive and workable plan for the cost-effective inspection and abatement of public housing in accordance with paragraph (3).".

(c) REPORTS.—Section 302(d)(2)(B) of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4822(d)(2)(B)) is amended—

(1) in clause (i), by inserting ", including XRF and atomic absorption spectroscopy" before the semicolon;

(2) in clause (ii), by inserting ", including removal, containment, or encapsulation of the contaminated components, procedures which minimize the generation of dust (including the high efficiency vacuum removal of leaded dust), and procedures that provide for offsite disposal of the removed components, in compliance with all applicable regulatory standards and procedures" before the semicolon; and

(3) in clause (iii), by inserting ", abatement, and worker protection" before the semicolon.

(d) PUBLIC HOUSING INSPECTION.—Section 302(d) of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4822(d)) is amended—

(1) by redesignating paragraph (3) as paragraph (4); and

(2) by inserting after paragraph (2) the following:

"(3) TESTING AND ABATEMENT OF OTHER PUBLIC HOUSING.—The Secretary shall require the inspection described in subsection (c) for—

"(A) a random sample of typical leaded surfaces of all dwellings and common areas in public housing that is not subject to paragraph (1); and

"(B) each dwelling in any public housing project in which there is a dwelling determined under subparagraph (A) to have lead-based paint hazards, except that the Secretary shall not require the inspection of each dwelling if the Secretary requires the abatement of the lead-based paint hazards for the surfaces of each dwelling in the public housing project that correspond to the surfaces in the sample determined to have such hazards under subparagraph (A).

The Secretary shall require the inspection of all housing subject to this paragraph prior to the expiration of 5 years after the report is required to be transmitted under paragraph (2)(B). The Secretary may prioritize, within such 5-year period, inspections on the basis of vacancy, age of housing, or projected modernization or rehabilitation. The Secretary shall require abatement and final inspection and certification of such housing in accordance with the last two sentences of paragraph (1).".

(e) FUNDING.—Section 302(f) of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4822(f)) is amended by adding at the end the following new sentence: "The Secretary shall submit annually to the Congress an estimate of the funds required to carry out the provisions of this section with the reports required by paragraphs (2)(B) and (4).".

(f) DETECTION AND ABATEMENT PROCEDURES FOR PUBLIC HOUSING.—Section 302 of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4822) is amended by adding at the end the following new subsection:

"(g) INTERIM DETECTION AND ABATEMENT PROCEDURES FOR PUBLIC HOUSING UNDERGOING MODERNIZATION.—Not later than 30 days after the effective date of this subsection, the Secretary shall issue interim and temporary procedures for the safe and effective detection, abatement, and disposal of lead-based paint poisoning hazards in public housing assisted under section 14 of the United States Housing Act of 1937 in accordance with paragraph (1).".

(g) DETECTION TECHNIQUE.—Section 302(c) of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4822(c)) is amended—

(1) in the first sentence, by inserting after "florescence analyzer" the following: ", atomic absorption spectroscopy,"; and

(2) in the second sentence, by inserting after "A qualified inspector" the following: "or laboratory".

(h) CONSULTATION.—Section 566(b) of the Housing and Community Development Act of 1987 is amended—

(1) in the caption, by inserting "AND CONSULTATION" after "REGULATIONS"; and

(2) in paragraph (3)—

(A) by striking "under this subsection" and inserting "and in preparing reports under this section"; and

(B) in subparagraph (A), by inserting after "Building Sciences" the following: ", the Environmental Protection Agency, the National Institute of Environmental Health Sciences, the Centers for Disease Control, the Consumer Product Safety Commission, major public housing organizations, other major housing organizations,".

SEC. 261. APPLICABILITY OF SECTION 20 OF THE UNITED STATES HOUSING ACT OF 1937.

Any management contract between a public housing agency and a resident management corporation that is entered into after the date of enactment of this Act shall be subject to the provisions of section 20 of the United States Housing Act of 1937 and the regulations promulgated thereunder.

SEC. 262. PREVENTING FRAUD AND ABUSE IN HOUSING AND URBAN DEVELOPMENT PROGRAMS.

(a) In General.—As a condition of initial or continuing eligibility for participation in any program of the Department of Housing and Urban Development involving loans, grants, interest or rental assistance of any kind, or mortgage or loan insurance, and to assure that the level of benefits provided under these programs is correct, the Secretary may require that an applicant or participant (including members of an applicant's or participant's household) disclose his or her social security number or employer identification number to the Secretary.

(b) Applicant and Participant Consent.—As a condition of initial or continuing eligibility for participation in any program of the Department of Housing and Urban Development involving initial and periodic review of an applicant's or participant's income, and to assure that the level of benefits provided under the program is correct, the Secretary may require that an applicant or participant (including members of an applicant's or participant's household) sign a consent form approved by the Secretary authorizing the Secretary, or the public housing agency or owner responsible for determining eligibility or level of benefits to request current or previous employers to verify salary and wage information pertinent to the applicant's or participant's eligibility or level of benefits. This consent form shall not be used to request taxpayer return information protected by section 6103 of the Internal Revenue Code of 1986.

(c) Definitions.—As used in this section:

(1) The term "Secretary" means the Secretary of Housing and Urban Development.

(2) The terms "applicant" and "participant" shall have such meanings as the Secretary by regulation shall prescribe. Such terms shall not include persons whose involvement is only in their official capacity, such as State or local government officials and officers of lending institutions.

(3) The term "public housing agency" means any agency described in section 3(b)(6) of the United States Housing Act of 1937.

(d) Access to State Employment Records.—

(1) Amendment to social security act.—Section 303 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"(h)(1) The State agency charged with the administration of the State law—

"(A) shall disclose, upon request and on a reimbursable basis, to officers and employees of the Department of Housing and Urban Development any of the following information contained in the records of such State agency with respect to individuals applying for or participating in any housing assistance program administered by the Department—

"(i) wage information, and

"(ii) whether an individual is receiving, has received, or has made application for, unemployment compensation, and the amount of any such compensation being received (or to be received) by such individual, and

"(B) shall establish such safeguards as are necessary (as determined by the Secretary of Labor in regulations) to insure that information disclosed under subparagraph (A) is used only for purposes of determining an individual's eligibility for benefits, or the amount of benefits, under a housing assistance program of the Department of Housing and Urban Development.

"(2) Whenever the Secretary of Labor, after reasonable notice and opportunity for hearing to the State agency charged with the administration of the State law, finds that there is a failure to comply substantially with the requirements of paragraph (1), the Secretary of Labor shall notify such State agency that further payments will not be made to the State until he or she is satisfied that there is no longer any such failure. Until the Secretary of Labor is so satisfied, he or she shall make no future certification to the Secretary of the Treasury with respect to such State.".

(2) Applicant and participant protections.—(A) In order to protect applicants for, and recipients of, benefits under the programs of the Department of Housing and Urban Development from the improper use of information obtained pursuant to the requirements of section 303(h) of the Social Security Act from the State agency charged with the administration of the State unemployment compensation law, no Federal, State, or local agency, or public housing agency, or owner responsible for determining eligibility or level of benefits receiving such information may terminate, deny, suspend, or reduce any benefits of an individual until such agency or owner has taken appropriate steps to independently verify information relating to—

(i) the amount of the wages or unemployment compensation involved,

(ii) whether such individual actually has (or had) access to such wages or benefits for his or her own use, and

(iii) the period or periods when, or with respect to which, the individual actually received such wages or benefits.

(B) Such individual shall be informed by the agency or owner of the findings made by the agency or owner on the basis of such verified information, and shall be given an opportunity to contest such findings, in the same manner as applies to other information and findings relating to eligibility factors under the program.

(3) Penalty.—(A) Any person who knowingly and willfully requests or obtains any information concerning an individual pursuant to the authority contained in section 303(h) of the Social Security Act under false pretenses, or any person who knowingly and willfully discloses any such information in any manner to any individual not entitled under any law to receive it, shall be guilty of a misdemeanor and fined not more than $5,000. The term "person" as used in this paragraph shall include an officer or employee of the Department of Housing and Urban Development, an officer or employee of any public housing agency, and any owner (or employee thereof).

(B) Any individual affected by (i) a negligent or knowing disclosure of information referred to in this section or in section 303(h) of the Social Security Act about such person by an officer or employee of any public housing agency or owner (or employee thereof), which disclosure is not authorized by this section, section 303(h), or any implementing regulation, or (ii) any other negligent or knowing action that in inconsistent with this section, section 303(h), or any implementing regulation may bring a civil action for damages and such other relief as may be appropriate against any officer or employee of any public housing agency or owner (or employee thereof) responsible for any such unauthorized action. The district court of the United States in the district in which the affected individual resides, or in which such unauthorized action occurred, or in which the individual alleged to be responsible for any such unauthorized action resides, shall have jurisdiction in such matters. Appropriate relief that may be ordered by such district courts shall include reasonable attorney's fees and other litigation costs.

(4) Effective dates.—(A) The amendment made by subsection (d)(1) shall take effect on September 30, 1988, except that at the initiative of a State or an agency of the State, and with the approval of the Secretary of Labor, the amendment may be made effective in such State on any date before September 30, 1988, which is more than 90 days after the date of enactment of this section.

(B) The effective date of subsections (d)(2) and (d)(3) shall be 90 days after the date of enactment of this section.

SEC. 263. AMENDMENT TO PUBLIC HOUSING TRANSITION DEMONSTRATION.

Section 126(c)(5)(A) of the Housing and Community Development Act of 1987 is amended by adding at the end thereof the following: "This subparagraph shall apply to the portion of the demonstration program carried out with respect to public housing administered by the Housing Authority of the City of Charlotte, the State of North Carolina, and, at the discretion of the Federal agency responsible for administering such other Federal law, may apply with respect to other public housing under the demonstration.".

SEC. 264. FLOOD INSURANCE DETERMINATION.

Prior to the expiration of one year after the date on which the Secretary of the Army submits to the Congress the report on the feasibility study on Northern California Streams, American River Watershed, but not later than 3 years after the date of enactment of this Act, the provisions of the National Flood Insurance Act of 1968 and the Flood Disaster Protection Act of 1973 shall apply to the metropolitan area of Sacramento, California, on the basis of flood elevation determinations made by the Director of the Federal Emergency Management Agency in effect as of the date of enactment of this Act.

TITLE III—SOCIAL SERVICES

Subtitle A—Health Services

SEC. 301. REFERENCES TO THE PUBLIC HEALTH SERVICE ACT.

Except as otherwise specifically provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act (42 U.S.C. 201n et seq.).

SEC. 302. INCREASE IN REQUIRED AMOUNT OF MATCHING FUNDS AND MODIFICATION IN ELIGIBILITY FOR WAIVER WITH RESPECT TO MATCHING FUNDS.

(a) Increase in Required Amount.—Section 340(e)(1)(A)(ii) (42 U.S.C. 256(e)(1)(A)(ii)) is amended by striking out "Federal funds provided in such grant" and inserting in lieu thereof the following: "Federal funds provided for the first fiscal year of payments under the grant and not less than $1 (in cash or in kind under such subparagraph) for each $3 of Federal funds provided for any subsequent fiscal year of payments under the grant".

(b) EFFECTIVE DATE FOR INCREASE.—The amendments made by subsection (a) shall take effect October 1, 1989.

(c) MODIFICATION IN ELIGIBILITY FOR WAIVER.—Section 340(e)(2) (42 U.S.C. 256(e)(2)) is amended to read as follows:

"(2) The Secretary may waive the requirement established in paragraph (1)(A) if the applicant involved is a nonprofit private entity and the Secretary determines that it is not feasible for the applicant to comply with such requirement.".

SEC. 303. TEMPORARY CONTINUED PROVISION OF SERVICES TO CERTAIN FORMER HOMELESS INDIVIDUALS.

(a) IN GENERAL.—Section 340 (42 U.S.C. 256) is amended—

(1) by redesignating subsections (h) through (q) as subsections (i) through (r), respectively; and

(2) by adding after subsection (g) the following new subsection:

"(h) TEMPORARY CONTINUED PROVISION OF SERVICES TO CERTAIN FORMER HOMELESS INDIVIDUALS.—If any grantee under subsection (a) has provided services described in subsection (f) or (g) to a homeless individual, any such grantee may, notwithstanding that the individual is no longer homeless as a result of becoming a resident in permanent housing, expend the grant to continue to provide such services to the individual for not more than 12 months.".

(b) CONFORMING AMENDMENTS.—

(1) Section 340(d)(1) (42 U.S.C. 256(d)(1)) is amended—

(A) in subparagraph (C), by striking out "(h)" and inserting in lieu thereof "(i)";

(B) in subparagraph (D), by striking out "(i)" and inserting in lieu thereof "(j)";

(C) in subparagraph (E), by striking out "(j)" and inserting in lieu thereof "(k)"; and

(D) in subparagraph (F), by striking out "(k)" and inserting in lieu thereof "(l)".

(2) Section 332(a)(3) (42 U.S.C. 254e(a)(3)) is amended by striking out "340(q)(2)" and inserting in lieu thereof "340(r)".

(3) Section 536(1) (42 U.S.C. 290cc-36(1)) is amended by striking out "340(q)(2)" and inserting in lieu thereof "340(r)".

SEC. 304. CLARIFICATION OF CERTAIN PROVISIONS.

(a) PROVISION OF TECHNICAL ASSISTANCE.—Section 340(o)(2) (as redesignated in section 103(a)(1) of this Act) is amended by striking out "(p)(1)," and inserting in lieu thereof "(q)(1) for a fiscal year,".

(b) DEFINITION OF HOMELESS INDIVIDUAL.—Section 340(r)(2) (as redesignated in section 103(a)(1) of this Act) is amended by striking out "living accommodations." and inserting in lieu thereof "living accommodations and an individual who is a resident in transitional housing.".

SEC. 305. AUTHORIZATIONS OF APPROPRIATIONS.

Paragraph (1) of section 340(q) (as redesignated in section 103(a)(1) of this Act) is amended to read as follows:

"(q)(1) There are authorized to be appropriated to carry out this section $61,200,000 for fiscal year 1989, $63,600,000 for fiscal year 1990, and $66,200,000 for fiscal year 1991.".

SEC. 306. NATIONAL INSTITUTE ON ALCOHOL ABUSE AND ALCOHOLISM.

Section 513 (42 U.S.C. 290bb-1b) is amended in subsection (b), by adding at the end thereof the following new sentence: "There are authorized to be appropriated $20,000,000 in fiscal year 1989, $25,000,000 in fiscal year 1990, and such sums as are necessary in fiscal year 1991, to carry out section 512(c).".

SEC. 307. NATIONAL INSTITUTE OF MENTAL HEALTH.

(a) MENTAL HEALTH SERVICES DEMONSTRATION PROJECT.—Section 504(f)(3) (42 U.S.C. 290aa-3(f)(3)) is amended to read as follows:

"(3) In order to provide grants for the homeless mentally ill under paragraphs (1) and (2), there is authorized to be appropriated, in addition to any other amounts appropriated pursuant to this subsection to be available for the provision of community based mental health services for homeless individuals who are seriously mentally ill—

"(A) $11,000,000 for fiscal year 1989;

"(B) $11,500,000 for fiscal year 1990; and

"(C) such sums as are necessary in fiscal year 1991.".

(b) MENTAL HEALTH SERVICES FOR THE HOMELESS.—Part C of title V is amended—

(1) in section 521(a) (42 U.S.C. 290cc-21(a)), by striking out "1987 and 1988" and inserting in lieu thereof "1987 through 1991"; and

(2) in section 535 (42 U.S.C. 290cc-35), by striking out "for fiscal year 1988" and inserting in lieu thereof "for each of the fiscal years 1988 through 1991".

SEC. 308. STUDY OF ELIGIBILITY PROCESSES UNDER CHILD SUPPORT SUPPLEMENT, MEDICAID, AND FOOD STAMP PROGRAMS.

(a) IN GENERAL.—The Secretary of Health and Human Services (in this section referred to as the "Secretary"), in consultation with the Secretary of Agriculture, shall conduct a study of the eligibility processes under the Aid to Families with Dependent Children program under title IV of the Social Security Act, the program under title XIX of the Social Security Act, and the program authorized under the Food Stamp Act of 1977 to determine the reasons for denials and withdrawals of applications made under such programs.

(b) MANNER OF STUDY.—

(1) CONTRACTING REQUIREMENT.—To carry out the provisions of subsection (a), the Secretary shall enter into a contract with the University of South Carolina College of Social Work (in this section referred to as the "College") upon its submitting an application to the Secretary within 60 days of the date of enactment of this Act.

(2) TERMS OF CONTRACT.—Under the contract entered into under paragraph (1)—

(A) the College shall conduct the study described in subsection (a) within such region or regions of the State of South Carolina as the College shall designate in its application under paragraph (1);

(B) the Secretary shall make payments to the College to assist the College in conducting such study; and

(C) the College shall provide the Secretary with such data and information as the Secretary may require to complete the report described in subsection (c).

(c) REPORT TO CONGRESS.—Not later than two years after the date of enactment of this Act, the Secretary, in consultation with the Secretary of Agriculture, shall submit a report to the Congress containing the results of the study conducted under this section and such recommendations as the Secretary determines are appropriate.

(d) AVAILABILITY OF FUNDS.—The Secretary shall from funds appropriated and otherwise available to the Health Care Financing Administration for fiscal year 1988, finance the study provided for in this section. The amounts made available to fund such study shall not exceed $400,000.

Subtitle B—Education Programs

SEC. 311. ADULT EDUCATION FOR THE HOMELESS.

(a) GENERAL AUTHORITY.—(1) Section 702(a) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11421(a)) is amended by striking out "to develop a plan and implement a program" and inserting in lieu thereof "to implement, either directly or through contracts and grants, a program".

(2)(A) The heading of section 702 is amended to read as follows:

"SEC. 702. STATE LITERACY INITIATIVES.".

(B) Item "Sec. 702." in the table of contents of such Act is amended to read as follows:

"Sec. 702. State literacy initiatives.".

(b) REAUTHORIZATION.—Section 702(c)(1) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11421(c)(1)) is amended to read as follows:

"(1) There is authorized to be appropriated $10,000,000 for each of the fiscal years 1989 and 1990 for the adult literacy and basic skills remediation programs authorized by this section.".

SEC. 312. EDUCATION FOR HOMELESS CHILDREN AND YOUTH.

(a) GRANTS FOR STATE ACTIVITIES.—

(1) DATA GATHERING.—Section 722(d)(1) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11432(d)(1)) is amended by inserting "annually" before "gather".

(2) REPORTS.—Section 722(d)(3) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11432(d)(3)) is amended to read as follows:

"(3) prepare and submit to the Secretary not later than December 31 of each year a report on the data gathered pursuant to paragraph (1).".

(3) AUTHORIZATION OF APPROPRIATIONS.—Section 722(g)(1) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11432(g)(1)) is amended to read as follows:

"(1) There is authorized to be appropriated to carry out this section $5,000,000 for each of the fiscal years 1989 and 1990.".

(b) EXEMPLARY GRANTS AND DISSEMINATION OF INFORMATION.—Section 723(f) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11433(f)) is amended to read as follows:

"(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $2,500,000 for each of the fiscal years 1989 and 1990.".

Subtitle C—Job Training

SEC. 321. PROGRAM REAUTHORIZED.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 739(a)(1) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11449(a)(1)) is amended to read as follows:

"(1) There is authorized to be appropriated to carry out this subtitle $12,000,000 for each of the fiscal years 1989 and 1990, of which amount $2,000,000 for each fiscal year shall be available only to carry out section 738.".

(b) RATABLE REDUCTIONS.—Section 739(a)(2) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11449(a)(2)) is amended—

(1) by striking "in fiscal year 1988" and inserting "for any fiscal year"; and

(2) by striking "$12,000,000" and inserting "the amount authorized in paragraph (1)".

Subtitle D—Community Services

SEC. 331. EMERGENCY COMMUNITY SERVICES HOMELESS GRANT PROGRAM.

(a) PROGRAM REQUIREMENTS.—

(1) ADDITIONAL ELIGIBLE USE OF FUNDS.—Section 753(c) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11463(c)) is amended by adding at the end the following new paragraph:

"(4) Provision of assistance to any individual who has received a notice of foreclosure, eviction, or termination of utility services, if—

"(A) the inability of the individual to make mortgage, rental, or utility payments is due to a sudden reduction in income;

"(B) the assistance is necessary to avoid the foreclosure, eviction, or termination of utility services; and

"(C) there is a reasonable prospect that the individual will be able to resume the payments within a reasonable period of time.".

(2) MAXIMUM AMOUNT AVAILABLE FOR ADDITIONAL ELIGIBLE USE.—Section 753(b) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11463(b)) is amended—

(A) by striking "and" at the end of paragraph (2);

(B) by striking the period at the end of paragraph (3) and inserting "; and"; and

(C) by adding at the end the following new paragraph:

"(4) not more than 25 percent of the amounts received will be used for the purpose described in subsection (c)(4).".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 754 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11464) is amended to read as follows:

"SEC. 754. AUTHORIZATION OF APPROPRIATIONS.

"There is authorized to be appropriated to carry out this subtitle $40,000,000 for each of the fiscal years 1989 and 1990.".

Subtitle E—Job Training and Partnership Act

SEC. 341. SHORT TITLE.

This subtitle may be cited as the "Jobs for Employable Dependent Individuals Act".

SEC. 342. INCENTIVE BONUS ENTITLEMENT FOR EMPLOYABLE DEPENDENT INDIVIDUALS.

The Job Training Partnership Act (29 U.S.C. 1501 et seq.) (hereafter in this title referred to as the "Act") is amended—

(1) by redesignating title V and all references thereto as title VI,

(2) by redesignating sections 501, 502, 503, and 504 as sections 601, 602, 603, and 604, respectively, and

(3) by inserting after title IV the following new title:

"TITLE V—JOBS FOR EMPLOYABLE DEPENDENT INDIVIDUALS INCENTIVE BONUS PROGRAM

"SEC. 501. STATEMENT OF PURPOSE.

"It is the purpose of this title to entitle each State to the payment of a bonus for the successful job placement of certain employable dependent individuals.

"SEC. 502. ELIGIBILITY BASIS FOR INCENTIVE BONUS ENTITLEMENT.

"(a) GENERAL RULE.—An individual who is the head of a household shall be eligible to be counted for the purpose of a payment of an incentive bonus under this title if the individual—

"(1)(A) has received benefits continuously under—

"(i) a State plan approved under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), relating to the aid to families with dependent children program, or

"(ii) section 412(e) of the Immigration and Nationality Act, relating to cash assistance and medical assistance to refugees,

for at least 2 years prior to participation in education, training, and supportive services designed to provide jobs for such individuals; and

"(B) has no work experience for the year preceding the year for which the determination of eligibility is made; or

"(2)(A) receives benefits at the time the determination of eligibility under this title is made under a State plan under part A of title IV of the Social Security Act, relating to the aid to families with dependent children program, or section 412(e) of the Immigration and Nationality Act, relating to cash assistance and medical assistance to refugees, and

"(B) has—

"(i) not attained 22 years of age,

"(ii) not completed secondary school or its equivalent, and

"(iii) no work experience for the year preceding the year for which the determination of eligibility under this title is made; and

"(3) meets the requirements of subsection (c).

"(b) BLIND AND DISABLED INDIVIDUALS.—An individual who is blind or disabled shall be eligible to be counted for the purpose of a payment of an incentive bonus under this title if the individual—

"(1)(A) has received benefits continuously under title XVI of the Social Security Act (42 U.S.C. 1381note) relating to supplemental security income program for at least 2 years prior to participation in education, training, and support services designed to provide jobs for such individuals; and

"(B) has no work experience for the year preceding the year for which the determination of eligibility is made; or

"(2)(A) receives benefits at the time the determination of eligibility under this title is made under title XVI of the Social Security Act relating to supplemental security income, and

"(B) has—

"(i) not attained 22 years of age,

"(ii) no work experience for the year preceding the year for which the determination of eligibility under this title is made; and

"(3) meets the requirements of subsection (d).

"(c) REQUIREMENTS FOR PURPOSES OF SUBSECTION (a).—An individual meets the requirements of paragraph (3) of subsection (a) if the individual—

"(1) participates in education, training, and supportive services designed to provide jobs for such individuals;

"(2) is placed in nonsubsidized employment for at least 1 year after such participation;

"(3) receives from the employment described in paragraph (2) income equal to or greater than the amount of cash benefits which the family received in the preceding year under part A of title IV of the Social Security Act, relating to the aid to families with dependent children program, or section 412(e) of the Immigration and Nationality Act, relating to cash assistance and medical assistance to refugees; and

"(4) no longer qualifies for benefits described in paragraph (3).

"(d) REQUIREMENTS FOR PURPOSES OF SUBSECTION (b).—An individual meets the requirements of paragraph (3) of subsection (b) if the individual—

"(1) participates in education, training, and support services designed to provide jobs for such individuals;

"(2) is placed in employment or supported employment (as such term is defined in section 7(18) of the Rehabilitation Act of 1973) for at least 1 year after such participation;

"(3) receives from the employment described in paragraph (2) income equal to or greater than the amount of cash benefits which the individual received under title XVI of the Social Security Act relating to supplemental security income; and

"(4) no longer qualifies for benefits described in paragraph (3).

"(e) PLACEMENT BY STATE.—Each State shall, subject to the availability of funds appropriated for this purpose, be entitled to receive an incentive bonus payment for the placement in accordance with the provisions of this title of individuals who are eligible under this section.

"(f) LIMITATION.—

"(1) IN GENERAL.—An individual shall not be considered to meet the requirements of subsection (c)(1) or (d)(1) if the individual participates in employment-related services and activities in a program established under the Social Security Act (42 U.S.C. 301 et seq.).

"(2) EXCEPTION.—An individual's receipt of medical services under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) or registration for manpower services, training, employment, and other employment-related activities pursuant to the Social Security Act shall not be treated as participation in employment-related services and activities in a program established under the Social Security Act.

"SEC. 503. AMOUNT OF INCENTIVE BONUS.

"(a) GENERAL RULE.—The amount of the incentive bonus paid to each State under this title shall be equal to—

"(1) 75 percent of the placement bonus base for each successful placement of an individual described in section 502;

"(2) 50 percent of the placement bonus base for the second continuous year of such employment; and

"(3) 25 percent of the placement bonus base for the third continuous year of such employment,

in excess of the number of such placements made in fiscal year 1987 or such other base period as provided by agreement between the Governor and the Secretary.

"(b) PLACEMENT BONUS BASE FOR PURPOSES OF SECTION 502(a).—For the purpose of this section, the placement bonus base—

"(1) for an individual who qualifies under section 502(a)(1) is equal to the sum of the Federal contribution to amounts received by the individual and the family of such individual under a State plan approved under part A of title IV of the Social Security Act, relating to aid to families with dependent children, or under section 412(e) of the Immigration and Nationality Act, relating to cash assistance and medical assistance to refugees, or both, for the 2 fiscal years prior to the determination made under section 502 divided by 2; and

"(2) for an individual who qualifies under section 502(a)(2) shall be the annual amount to which such individual would have been entitled for one year at the time of the determination of eligibility of the individual, if such individual has not received the benefits described in section 502(a)(2) for the prior year, under part A of title IV of the Social Security Act, relating to the aid to families with dependent children program, or section 412(e) of the Immigration and Nationality Act relating to cash assistance and medical assistance to refugees.

"(c) PLACEMENT BONUS BASE FOR PURPOSES OF SECTION 502(b).—For the purpose of this section, the placement bonus base—

"(1) for an individual who qualifies under section 502(b)(1) is equal to the sum of the Federal contribution to amounts received by the individual under title XVI of the Social Security Act relating to supplemental security income for the two fiscal years prior to the determination made under section 502 divided by 2; and

"(2) for an individual who qualifies under section 502(b)(2) shall be the annual amount to which such individual would have been entitled for one year at the time of the determination of eligibility of the individual, if such individual has not received the benefits described in section 502(b)(2) for the prior year under title XVI of the Social Security Act relating to supplemental security income.

"SEC. 504. APPLICATIONS AND VERIFICATION REQUIRED.

"(a) Application.—Each State providing training to individuals qualifying for the incentive bonus under this title shall submit to the Secretary an application at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require. Each such application shall—

"(1) set forth the bonus base for the placement of individuals qualifying under this title in the State;

"(2) set forth the nonsubsidized employment or supported employment (as such term is defined in section 7(18) of the Rehabilitation Act of 1973) for each such individual and the annual amount earned;

"(3) set forth the amount of cash benefits under part A of title IV of the Social Security Act, relating to the aid to families with dependent children program, or section 412(e) of the Immigration and Nationality Act, relating to cash assistance and medical assistance to refugees, received by each individual placed pursuant to paragraph (1) and the amount of cash benefits under title XVI of the Social Security Act relating to benefits for disabled individuals under the supplemental security income program received by each individual placed pursuant to paragraph (1);

"(4) describe the arrangements for carrying out sections 502(c)(1) and 502(d)(1) relating to the provision of education, training, and supportive services; and

"(5) set forth such additional information as the Secretary determines to be necessary.

"(b) Verification.—The Secretary may not approve an application under this section without adequate verification of the placements described in the application of the State made under subsection (a).

"SEC. 505. PAYMENTS.

"The Secretary shall, subject to the availability of funds for this purpose, pay to each State the amount to which the State is entitled by reason of an application approved under section 504.

"SEC. 506. RESERVATION OF INCENTIVE BONUS; USE OF FUNDS.

"(a) Reservation.—The Governor shall reserve an amount that is equal to the amount the State receives for incentive bonuses under section 505 and shall distribute such incentive bonus amounts in accordance with subsection (b).

"(b) Set Aside for Operation Costs.—

"(1) In general.—The Governor shall, from the amount reserved under subsection (a), set aside an amount, not to exceed 15 percent of the amount so reserved in each fiscal year, for distribution to participating State agencies to support the costs of establishing and maintaining systems necessary for the operation of the program under this title, including technical assistance, management information systems, postprogram followup activities, and research and evaluation activities.

"(2) Remainder.—The Governor shall distribute the remainder of the amount so reserved in each fiscal year to participating agencies, private industry councils in service delivery areas, and service providers, including community-based organizations, who contribute to the program authorized by this title.

"(c) Use of Funds.—Funds distributed pursuant to paragraph (2) of subsection (b) may be used only for outreach, basic and remedial education, including language training for limited English proficient individuals, training and supportive services, including child care and transportation, designed to prepare participants for, or place individuals in, jobs.

"SEC. 507. EVALUATION OF PROGRAM.

"(a) In General.—The Secretary shall, directly or by contract or other arrangement, conduct a thorough evaluation of the program authorized by this title.

"(b) Report.—Not later than 3 years after the date of enactment of this title, the Secretary shall prepare and submit, to the appropriate Committees of Congress, a report on the evaluation activities conducted under subsection (a) and the results of such activities, together with an analysis on the costs of the program authorized by this title and the savings in payments under part A of title IV of the Social Security Act, relating to the aid to families with dependent children program, under section 412(e) of the Immigration and Nationality Act, relating to cash assistance and medical assistance to refugees, or under title XVI of the Social Security Act relating to supplemental security income program.".

SEC. 343. PROVISIONS FOR IMPROVING ASSISTANCE TO HARD-TO-SERVE INDIVIDUALS AND WELFARE RECIPIENTS.

(a) Training Services.—Section 201 of the Act (29 U.S.C. 1601) is amended by adding at the end thereof the following new subsection:

"(c)(1) For program years beginning July 1, 1988, and thereafter, the allotment from funds appropriated for such program year of a State shall be reduced by the amount that the unexpended balance at the end of the program year prior to the program year for which the determination under this subsection is made exceeds 20 percent of the State's allocation for that fiscal year and the unexpended balance from the program year prior to that program year.

"(2) Amounts available pursuant to paragraph (1) of this subsection shall be reallotted to States by the Secretary in accordance with States' need for and ability to use the funds for the purposes of this title.".

(b) Minimum Allotment.—The first sentence of section 202(b)(3)(B) of the Act (29 U.S.C. 1602(b)(3)(B)) is amended by striking out ", including incentives for serving hard-to-serve individuals" and inserting in lieu thereof "and incentives for serving increased numbers of hard-to-serve individuals, particularly long-term welfare recipients, including title IV of the Social Security Act relating to aid to families with dependent children and title XVI relating to supplementary security income".

(c) Performance Standards.—Section 106(e) of the Act (29 U.S.C. 1516) is amended—

(1) by inserting "(1)" after the subsection designation; and

(2) by adding at the end thereof the following new paragraph:

"(2) The Secretary shall—

"(A) provide improved information and technical assistance on performance standards adjustment approaches;

"(B) collect data that better specifies hard-to-serve individuals and long-term welfare dependency; and

"(C) provide guidance on setting performance goals at the service provider level that encourages increased service to the hard-to-serve, particularly long-term welfare recipients, including title IV of the Social Security Act relating to aid to families with dependent children and title XVI relating to supplementary security income.

The Secretary shall also reexamine performance standards to ensure that such standards provide maximum flexibility in serving the hard-to-serve, particularly long-term welfare recipients, including title IV of the Social Security Act relating to aid to families with dependent children and title XVI relating to supplementary security income.".

(d) Performance Standards for Adult Education Programs.—Section 106 of the Act (29 U.S.C. 1516) is amended by adding at the end thereof the following new subsection:

"(i)(1) The basic measure of performance for adult education programs under section 204 shall be the attainment of educational competence in reading, writing, and computation, including, where appropriate, acquisition of the graduate equivalency degree in order to reduce welfare dependency by increasing individual employability. In order to determine whether the basic measures are achieved, the Secretary shall prescribe standards on the basis of appropriate factors which should include: (A) satisfactory progress toward mastering the basic academic competencies, (B) measured progress through each grade level, (C) retention in the program and placement, if possible, in employment, and (D) satisfactory completion of the graduate equivalency degree.

"(2) Nothing in this subsection shall be construed to modify the performance standard prescribed in subsection (b) of this section.".

SEC. 344. AFDC/SSI AND SUMMER YOUTH PROGRAM.

(a) Short Title.—This section may be cited as the "AFDC/SSI and Summer Youth Employment and Training Amendments of 1988".

(b) Contents of Job Training Plan.—Section 104(b) of the Act (29 U.S.C. 1514(b)) is amended—

(1) by striking out "and" at the end of paragraph (9);

(2) by striking out the period at the end of paragraph (10) and inserting in lieu thereof "; and"; and

(3) by inserting at the end thereof the following new paragraph:

"(11) for service delivery areas intending to operate or operating a program under section 254, a comprehensive plan of service in accordance with the requirements of section 254(c)(1).".

(c) Approval of Job Training Plan.—Section 105(b)(1) of the Act (29 U.S.C. 1515(b)(1)) is amended—

(1) by striking out "or" at the end of subparagraph (D),

(2) by striking out the period at the end of subparagraph (E) and inserting in lieu thereof "; or", and

(3) by inserting at the end thereof the following new subparagraph:

"(F) for service delivery areas intending to operate or operating a program under section 254, the plan (or modification) does not include the required comprehensive plan of service (in accordance with the requirements of section 254(c)(1)).".

(d) Performance Criteria for Youth Training Program.—Section 106(b) of the Act is amended—

(1) by striking out "also" in paragraph (2) of such subsection,

(2) by inserting in paragraph (2) of such subsection after "programs" the first time it appears the following: "under part A of title II",

(3) by redesignating paragraph (3) of such subsection as paragraph (4), and

(4) by inserting after paragraph (2) of such subsection the following new paragraph (3):

"(3) The Secretary shall, at such time as the Secretary deems appropriate, prescribe standards for evaluating the performance of the AFDC youth and SSI youth employment and training program under section 254. In prescribing such standards, the Secretary shall designate factors which, in addition to appropriate utilization of the factors described in paragraphs (1) and (2), may include, to the extent practicable, measures of basic education gains and reduced welfare dependency.".

(e) Training Services Technical Amendment.—Section 202(b)(3)(B) of the Act (29 U.S.C. 1602(b)(3)(B)) is amended by inserting "under this title" after "programs" where it first appears.

(f) Summer and AFDC/SSI Youth Employment and Training Programs.—

(1) In general.—Part B of title II of the Act (29 U.S.C. 1630 et seq.) is amended to read as follows:

"Part B—Summer and AFDC/SSI Youth Employment and Training Programs

"SEC. 251. PURPOSE.

"(a) General Purpose.—The purpose of programs assisted under section 253 is to—

"(1) enhance the basic educational skills of youth;

"(2) encourage school completion, or enrollment in supplementary or alternative school programs; and

"(3) provide eligible youth with exposure to the world of work.

"(b) Additional Purposes.—In addition to the purposes described above, the programs assisted under section 254 are intended to—

"(1) provide AFDC and SSI youth with the skills necessary for entering the labor force;

"(2) assist AFDC and SSI youth in addressing problems which prevent them from becoming productive members of society; and

"(3) reduce welfare dependency by targeting resources to help these AFDC and SSI youth, including young mothers receiving AFDC or SSI, who face multiple barriers to employment.

"SEC. 252. AUTHORIZATION OF APPROPRIATIONS; ALLOTMENT AND ALLOCATION.

"(a) Authorization of Appropriations.—From the funds appropriated under section 3(b), the Secretary shall first allocate to Guam, the Virgin Islands, American Samoa, the Freely Associated States (Republic of the Marshall Islands and the Federated States of Micronesia), the Republic of Palau, the Northern Mariana Islands, and entities eligible under section 401 the same percentage of funds as were available to such areas and entities for the programs under this part in the fiscal year preceding the fiscal year for which the determination is made.

"(b) Remainder.—The remainder of sums appropriated pursuant to section 3(b) shall be allotted among States in accordance with section 201(b) and allocated among service delivery areas within States in accordance with section 202(a) (2), (3), and (4).

"SEC. 253. SUMMER YOUTH EMPLOYMENT AND TRAINING PROGRAM.

"(a) Use of Funds.—

"(1) In general.—Funds available under this part may be used for—

"(A) basic and remedial education, institutional and on-the-job training, work experience programs, employment counseling, occupational training, preparation for work, outreach and enrollment activities, employability assessment, job referral and placement, job search and job club activities, and any other employment or job training activity designed to give employment to eligible individuals or prepare them for, and place them in, employment; and

"(B) supportive services necessary to enable such individuals to participate in the program.

"(2) Assessment of skills.—A service delivery area shall assess the reading, writing, and mathematics skill levels of eligible participants in programs funded by this part and shall expend funds (from this Act or otherwise available to the service delivery area, or both) for basic and remedial education as described in the job training plan under section 104.

"(b) Time for Programs; Eligible Individuals.—

"(1) Time for programs.—Programs under this section shall be conducted during the summer months, except that a service delivery area may—

"(A) within the jurisdiction of any local educational agency that operates its schools on a year-round full-time basis, offer the programs under this section to participants during a vacation period treated as the equivalent of a summer vacation; or

"(B) use all or part of the funds under this part for conducting year round exemplary youth programs authorized under section 205 of this Act.

"(2) Eligible individuals.—Except as provided in paragraph (3), individuals eligible under this section shall be economically disadvantaged youth consistent with section 4(8) of this Act.

"(3) Exception.—Eligible individuals aged 14 or 15 shall, if appropriate and set forth in the job training plan, be eligible for summer youth programs under this section.

"(c) Administration of Funds and Goals.—

"(1) Administration of funds.—Private industry councils established under title I, chief elected officials, State job coordinating councils, and Governors shall have the same authority, duties, and responsibilities with respect to planning and administration of funds available under this section as private industry councils, chief elected officials, State job training coordinating councils, and Governors have for funds available under part A of title II.

"(2) Program goals.—In accordance with the provisions of paragraph (1), each service delivery area shall establish written program goals and objectives that shall be used for evaluating the effectiveness of programs conducted under this section. Such goals and objectives may include—

"(A) improvement in school retention and completion;

"(B) improvement in academic performance, including reading, writing, and mathematics comprehension;

"(C) improvement in employability skills; and

"(D) demonstrated coordination with other community service organizations such as local educational agencies, law enforcement agencies, and drug and alcohol prevention and treatment programs.

"SEC. 254. AFDC/SSI YOUTH EMPLOYMENT AND TRAINING PROGRAM.

"(a) In General.—In addition to or in lieu of the services for youth available in accordance with section 253, each service delivery area may elect to use funds available to it under this part for the program described in this section.

"(b) Time and eligibility.—

"(1) Year-round program.—The program under this section may be conducted on a year-round basis.

"(2) Eligible individuals.—An individual shall be eligible to participate in the program under this section only if—

"(A) such individual is aged 16 through 21, or if appropriate and set forth in the job training plan, such individual is aged 14 through 21,

"(B) such individual is receiving payments, or such individual is an individual whose needs are considered in determining payments, made under the program of aid to families with dependent children under a State plan approved under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) or title XVI of the Social Security Act (42 U.S.C. 1381 note) relating to supplemental security income, and

"(C) such individual is at risk of becoming a long-term welfare recipient or long-term unemployed.

"(c) Requirements.—A service delivery area electing to operate a program under this section shall—

"(1) describe in its job training plan a comprehensive plan of service containing—

"(A) the process for assessing the needs of each participant (including educational, training, employment, and social service needs);

"(B) the services (including supportive services necessary to enable such individuals to participate in the program) and activities to be provided, including the agencies that will provide such services, and an estimate of the length of time service will be provided to the participant; and

"(C) goals to be attained, including the intermediate success points to be pursued during the course of participation; and

"(2) provide the necessary services, where the assessment of the participant pursuant to subsection (c)(1)(A) indicates a need, including where appropriate—

"(A) basic and remedial education;

"(B) drug and alcohol abuse counseling;

"(C) child care classes; and

"(D) life skills planning classes.

"(d) Use of Funds.—Funds available for the program under this section may be used to provide, in addition to the services required under subsection (c), the following services:

"(1) Classroom training, on-the-job training, work experience, job search assistance, employment counseling, world-of-work orientation, any of the activities described under section 205 of this Act, and any other educational, employment, or job training activity designed to prepare participants for, or place individuals in, employment.

"(2) Other supportive services for such individuals.

"(e) Planning and Administration.—Private industry councils established under title I, chief elected officials, State job training coordinating councils, and Governors shall have the same authority, duties, and responsibilities with respect to planning and administration of funds available under this section as private industry councils, chief elected officials, State job training coordinating councils, and Governors have for funds available under part A of title II, except that private industry councils shall have the additional responsibility under this section of ensuring that the job training plan provide for coordination of service delivery areas, local welfare agencies, and local educational agencies in the planning, program design, and the provision of services to participants.

"(f) Regulations.—The Secretary and the Secretary of Health and Human Services shall issue regulations jointly relating to the safeguarding and sharing, between service delivery areas and agencies administering a plan under part A of title IV of the Social Security Act, of information concerning programs under this part that is necessary for carrying out the purposes of such programs, and of the State plans approved under part A of title IV of the Social Security Act.".

(2) Table of contents.—The table of contents of the Act relating to part B of title II is amended to read as follows:

"Part B—Summer and AFDC/SSI Youth Employment and Training Programs

"Sec. 251. Purposes.
"Sec. 252. Authorization of appropriation; allotment and allocation.
"Sec. 253. Summer youth employment and training program.
"Sec. 254. AFDC/SSI youth employment and training program.".

(g) Effective Date.—The amendments made by this section shall take effect on October 1, 1988.

SEC. 345. CONFORMING AMENDMENTS.

(a) Contents of Job Training Plan.—Section 104(b) of the Act (29 U.S.C. 1514(b)) (as amended by subsection (b)) is further amended—

(1) by redesignating paragraphs (7), (8), (9), (10), and (11) as paragraphs (8), (9), (10), (11), and (12), respectively; and

(2) by adding after paragraph (6) the following new paragraph:

"(7) a description of the procedures and methods of carrying out the provisions of title V, relating to incentive bonus payments for employable dependent individuals;".

(b) Performance Standards.—Section 106(b) of the Act (29 U.S.C. 1516(b)) is amended by adding at the end thereof the following new paragraph:

"(5) In prescribing performance standards under this section for programs authorized by section 109 and title V, relating to the placement of certain employable dependent individuals, the Secretary shall weight the placement of such individuals in accordance with the average cost of successful placement of such individuals compared to the average cost of successful placement of individuals eligible for services under part A of title II of this Act.".

(c) Plan Coordination.—Section 121(b) of the Act (29 U.S.C. 1531(b)) is amended—

(1) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5), respectively; and

(2) by adding after paragraph (2) the following new paragraph:

"(3) The State plan shall include a description of the manner in which the State will encourage the successful carrying out of—

"(A) training activities for employable dependent individuals whose placement is the basis for the payment to the State of the incentive bonus authorized by title V; and

"(B) the training services, outreach activities, and preemployment supportive services furnished to such individuals.".

(d) Fiscal Controls; Sanctions.—Section 164 of the Act (29 U.S.C. 1574) is amended by striking out "titles II and III" and inserting in lieu thereof "titles II, III, and V" each place such appears.

(e) Authorization of Appropriations.—Section 3 of the Act (29 U.S.C. 1502) is amended—

(1) by redesignating subsection (e) as subsection (f); and

(2) by inserting after subsection (d) the following new subsection:

"(e) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of title V of this Act.".

(f) Construction.—

(1) Part D of title I of the Act (29 U.S.C. 1571 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 172. CONSTRUCTION.

"(a) Eligibility.—Nothing in this Act shall be construed in any way to limit the right of persons to remain eligible for assistance under title XIX of the Social Security Act relating to Medicaid pursuant to section 1619(b) of such Act.

"(b) Use of Funds.—Nothing in this Act shall be construed to authorize the use of funds under this Act for the ongoing support services provided to handicapped individuals placed in supported employment, as such term is defined in section 7(18) of the Rehabilitation Act of 1973.".

(2) The table of contents of the Act is amended by inserting after item "Sec. 171." the following new item:

"Sec. 172. Construction.".

Subtitle F—Transitional Living Grants

SEC. 351. AUTHORIZATION OF TRANSITIONAL LIVING PROJECTS.

(a) Assistance to Potential Grantees.—Section 315 of the Runaway and Homeless Youth Act (42 U.S.C. 5714a) is amended—

(1) by inserting "and transitional living youth projects" after "homeless youth centers",

(2) in paragraph (1) by inserting "or transitional living youth project" after "homeless youth center",

(3) by inserting "or such project" after "such center" each place it appears, and

(4) in paragraph (3) by inserting "and homeless" after "runaway".

(b) Lease of Surplus Federal Facilities.—Section 316 of the Runaway and Homeless Youth Act (42 U.S.C. 5714b) is amended—

(1) in the heading of such section by inserting "OR AS TRANSITIONAL LIVING YOUTH SHELTER FACILITIES" after "HOMELESS YOUTH CENTERS", and

(2) in subsection (a)—

(A) by inserting "or as transitional living youth shelter facilities" after "homeless youth centers", and

(B) in paragraph (1) by inserting "or transitional living youth project, as the case may be, under this title" after "homeless youth center".

(c) Reports.—Section 317 of the Runaway and Homeless Youth Act (42 U.S.C. 5715) is amended—

(1) by inserting "(a)" after "Sec. 317.",

(2) by striking "this part" and inserting "part A", and

(3) by adding at the end thereof the following:

"(b) The Secretary shall annually report to the Congress on the status and accomplishments of the transitional living youth projects which are funded under part B, with particular attention to—

"(1) the number and characteristics of homeless youth served by such projects;

"(2) describing the types of activities carried out under such projects;

"(3) the effectiveness of such projects in alleviating the immediate problems of homeless youth;

"(4) the effectiveness of such projects in preparing homeless youth for self sufficiency;

"(5) the effectiveness of such projects in helping youth decide upon future education, employment, and independent living; and

"(6) the ability of such projects to strengthen family relationships, and encourage the resolution of intra-family problems through counseling and the development of self-sufficient living skills.".

(d) Authorization of Appropriations.—Section 331 of the Runaway and Homeless Youth Act (42 U.S.C. 5751) is amended—

(1) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively, and

(2) by inserting after subsection (a) the following:

"(b)(1) Subject to paragraph (2), to carry out the purposes of part B of this title, there are authorized to be appropriated $5,000,000 for fiscal year 1989 and such sums as may be necessary for each of the fiscal years 1990, 1991, and 1992.

"(2) No funds may be appropriated to carry out part B of this title for a fiscal year unless the aggregate amount appropriated for such fiscal year to carry out part A of this title exceeds $26,100,000.".

(e) Technical Amendments.—The Runaway and Homeless Youth Act (42 U.S.C. 5701-5751) is amended—

(1) by inserting before the heading for section 315 the following:

"Part C—General Provisions";

(2) by striking out the part heading before section 321;

(3) by striking out the part heading before section 331; and

(4) by redesignating sections 315, 316, 317, 318, 321, and 331, and all references to such sections, as sections 341, 342, 361, 362, 363, and 366, respectively.

(f) Grants for Transitional Living Youth Projects.—The Runaway and Homeless Youth Act (42 U.S.C. 5701-5751) is amended by inserting between section 314 and section 341, as redesignated herein, the following:

"Part B—Transitional Living Grant Program

"PURPOSE AND AUTHORITY FOR PROGRAM

"Sec. 321. (a) The Secretary is authorized to make grants and to provide technical assistance to public and nonprofit private entities to establish and operate transitional living youth projects for homeless youth.

"(b) For purposes of this part—

"(1) the term 'homeless youth' means any individual—

"(A) who is not less than 16 years of age and not more than 21 years of age;

"(B) for whom it is not possible to live in a safe environment with a relative; and

"(C) who has no other safe alternative living arrangement; and

"(2) the term 'transitional living youth project' means a project that provides shelter and services designed to promote a transition to self-sufficient living and to prevent long-term dependency on social services.

"ELIGIBILITY

"SEC. 322. (a) To be eligible for assistance under this part, an applicant shall propose to establish, strengthen, or fund a transitional living youth project for homeless youth and shall submit to the Secretary a plan in which such applicant agrees, as part of such project—

"(1) to provide, directly or indirectly, shelter (such as group homes, host family homes, and supervised apartments) and services (including information and counseling services in basic life skills, interpersonal skill building, educational advancement, job attainment skills, and mental and physical health care) to homeless youth;

"(2) to provide such shelter and such services to individual homeless youth throughout a continuous period not to exceed 540 days;

"(3) to provide, directly or indirectly, onsite supervision at each shelter facility that is not a family home;

"(4) that such shelter facility used to carry out such project shall have the capacity to accommodate not more than 20 individuals (excluding staff);

"(5) to provide a number of staff sufficient to ensure that all homeless youth participating in such project receive adequate supervision and services;

"(6) to provide a written transitional living plan to each youth based on an assessment of such youth's needs, designed to help the transition from supervised participation in such project to independent living or another appropriate living arrangement;

"(7) to develop an adequate plan to ensure proper referral of homeless youth to social service, law enforcement, educational, vocational, training, welfare, legal service, and health care programs and to help integrate and coordinate such services for youths;

"(8) to provide for the establishment of outreach programs designed to attract individuals who are eligible to participate in the project;

"(9) to submit to the Secretary an annual report that includes information regarding the activities carried out with funds under this part, the achievements of the project under this part carried out by the applicant and statistical summaries describing the number and the characteristics of the homeless youth who participate in such project in the year for which the report is submitted;

"(10) to implement such accounting procedures and fiscal control devices as the Secretary may require;

"(11) to submit to the Secretary an annual budget that estimates the itemized costs to be incurred in the year for which the applicant requests a grant under this part;

"(12) to keep adequate statistical records profiling homeless youth which it serves and not to disclose the identity of individual homeless youth in reports or other documents based on such statistical records;

"(13) not to disclose records maintained on individual homeless youth without the consent of the individual youth and parent or legal guardian to anyone other than an agency compiling statistical records or a government agency involved in the disposition of criminal charges against youth; and

"(14) to provide to the Secretary such other information as the Secretary may reasonably require.

"(b) In selecting eligible applicants to receive grants under this part, the Secretary shall give priority to entities that have experience in providing to homeless youth shelter and services of the types described in subsection (a)(1).".

TITLE IV—VETERANS PROGRAMS

SEC. 401. MEDICAL PROGRAMS.

(a) AUTHORIZATION OF APPROPRIATIONS.—There is hereby authorized to be appropriated to the Veterans' Administration for each of fiscal years 1989 and 1990, in addition to any funds appropriated pursuant to any other authorization (whether definite or indefinite) of appropriations for those fiscal years, the sum of $30,000,000 for the medical care of veterans by the Veterans' Administration.

(b) DOMICILIARY CARE.—Of the amount appropriated pursuant to subsection (a), 40 percent shall be available for—

(1) converting to domiciliary care beds the underused space located in facilities under the jurisdiction of the Administrator of Veterans' Affairs in urban areas in which there are significant numbers of homeless veterans; and

(2) furnishing domiciliary care in such beds to eligible veterans (primarily homeless veterans) who are in need of such care.

(c) CHRONICALLY MENTALLY ILL HOMELESS VETERANS.—Of the amount appropriated pursuant to subsection (a), 60 percent shall be available for furnishing care and treatment and rehabilitative services under section 115 of the Veterans Benefits and Services Act of 1988 (Public Law 100-322; 102 Stat. 501) to homeless veterans who have a chronic mental illness disability. Not more than $500,000 of the amount available under the preceding sentence shall be used for the purpose of monitoring the furnishing of such care and services and, in furtherance of such purpose, maintaining an additional 10 full-time-employee equivalent personnel.

(d) LIMITATION.—Nothing in this section shall result in the diminution of the conversion of hospital-care beds to nursing-home-care beds by the Veterans' Administration.

INDIAN HEALTH CARE IMPROVEMENT ACT AMENDMENTS

INOUYE AMENDMENT NO. 3298

Mr. BYRD (for Mr. INOUYE) proposed an amendment to the bill (H.R. 5261) to reauthorize and amend the Indian Health Care Improvement Act, and for other purposes; as follows:

Strike out all after the enacting clause and insert the following:

SHORT TITLE

SECTION 1. This Act may be cited as the "Indian Health Care Amendments of 1988".

SEC. 2.

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Sec. 901. Severability.

REFERENCES

SEC. 3. Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Indian Health Care Improvement Act (25 U.S.C. 1601, et seq.).

TITLE I—INDIAN HEALTH MANPOWER

HEALTH PROFESSIONS RECRUITMENT PROGRAM FOR INDIANS

SEC. 101. Subsection (c) of section 102 (25 U.S.C. 1612 (c)) is amended to read as follows:

"(c) There are authorized to be appropriated for the purpose of carrying out the provisions of this section—

"(1) $550,000 for fiscal year 1989,

"(2) $600,000 for fiscal year 1990,

"(3) $650,000 for fiscal year 1991, and

"(4) $700,000 for fiscal year 1992.".

HEALTH PROFESSIONS PREPARATORY SCHOLARSHIP PROGRAM

SEC. 102. (a) Section 103 (25 U.S.C. 1613) is amended by striking out subsection (d) and inserting in lieu thereof the following:

"(d) The Secretary shall not deny scholarship assistance to an eligible applicant under this section solely on the basis of the applicant's scholastic achievement if such applicant has been admitted to, or maintained good standing at, an accredited institution.

"(e) There are authorized to be appropriated for the purpose of carrying out the provisions of this section—

"(1) $3,000,000 for fiscal year 1989,

"(2) $3,700,000 for fiscal year 1990,

"(3) $4,400,000 for fiscal year 1991, and

"(4) $5,100,000 for fiscal year 1992.".

(b) Subsection (c) of section 103 is amended by striking out "expenses" and inserting in lieu thereof "expenses of a grantee while attending school full time".

INDIAN HEALTH SERVICE EXTERN PROGRAMS

SEC. 103. Subsection (d) of section 105 (25 U.S.C. 1614) is amended to read as follows:

"(d) There are authorized to be appropriated for the purpose of carrying out the provisions of this section—

"(1) $300,000 for fiscal year 1989,

"(2) $350,000 for fiscal year 1990,

"(3) $400,000 for fiscal year 1991, and

"(4) $450,000 for fiscal year 1992.".

INDIAN HEALTH PROFESSIONS SCHOLARSHIP PROGRAM

SEC. 104. (a) Section 104 is amended to read as follows:

"INDIAN HEALTH PROFESSIONS SCHOLARSHIPS

"SEC. 104. (a) In order to provide health professionals to Indian communities, the Secretary, acting through the Service and in accordance with this section, shall make scholarship grants to Indians who are enrolled full time in schools of medicine, osteopathy, podiatry, psychology, dentistry, veterinary medicine, nursing, optometry, public health, allied health professions, and social work. Such scholarships shall be designated Indian Health Scholarships and shall be made in accordance with section 338A of the Public Health Service Act (42 U.S.C. 2541), except as provided in subsection (b) of this section.

"(b)(1) The Secretary, acting through the Service, shall determine who shall receive scholarships under subsection (a) and shall determine the distribution of such scholarships among such health professions on the basis of the relative needs of Indians for additional service in such health professions.

"(2) An individual shall be eligible for a scholarship under subsection (a) in any year in which such individual is enrolled full time in a health profession school referred to in subsection (a).

"(3) The active duty service obligation prescribed under section 338B of the Public Health Service Act (42 U.S.C. 254m) shall be met by a recipient of an Indian Health Scholarship by service—

"(A) in the Indian Health Service;

"(B) in a program conducted under a contract entered into under the Indian Self-Determination and Education Assistance Act;

"(C) in a program assisted under title V of this Act; or

"(D) in the private practice of the applicable profession if, as determined by the Secretary, in accordance with guidelines promulgated by the Secretary, such practice is situated in a physician or other health professional shortage area and addresses the health care needs of a substantial number of Indians.

"(c) For the purpose of this section, the term 'Indian' has the same meaning given that term by subsection (c) of section 4 of this Act, including all individuals described in clauses (1) through (4) of that subsection.

"(d) There are authorized to be appropriated for the purpose of carrying out the provisions of this section—

"(1) $5,100,000 for fiscal year 1989,

"(2) $6,000,000 for fiscal year 1990,

"(3) $7,100,000 for fiscal year 1991, and

"(4) $8,234,000 for fiscal year 1992.".

(b) Section 338G of the Public Health Service Act (42 U.S.C. 254r) is repealed.

CONTINUING EDUCATION ALLOWANCES

SEC. 105. Subsection (b) of section 106 (25 U.S.C. 1615(b)) is amended to read as follows:

"(b) There are authorized to be appropriated for the purpose of carrying out the provisions of this section—

"(1) $500,000 for fiscal year 1989,

"(2) $526,300 for fiscal year 1990,

"(3) $553,800 for fiscal year 1991, and

"(4) $582,500 for fiscal year 1992.".

NATIVE HAWAIIAN HEALTH PROFESSIONS SCHOLARSHIP PROGRAM

SEC. 106. The Public Health Service Act (42 U.S.C. 201, et seq.) is amended by inserting after section 338G the following new section:

"SEC. 338H. NATIVE HAWAIIAN HEALTH SCHOLARSHIPS.

"(a) Subject to the availability of funds appropriated under the authority of subsection (d), the Secretary shall provide scholarship assistance to students who—

"(1) meet the requirements of section 338A(b), and

"(2) are Native Hawaiians.

"(b) The scholarship assistance provided under subsection (a) shall be provided under the same terms and subject to the same conditions, regulations, and rules that apply to scholarship assistance provided under section 338A.

"(c) For purposes of this section, the term 'Native Hawaiian' means any individual who is—

"(1) a citizen of the United States,

"(2) a resident of the State of Hawaii, and

"(3) a decendant of the aboriginal people, who prior to 1778, occupied and exercised sovereignty in the area that now constitutes the State of Hawaii, as evidenced by—

"(A) genealogical records,

"(B) Kupuna (elders) or Kama'aina (long-term community residents) verification, or

"(C) birth records of the State of Hawaii.

"(d) There are authorized to be appropriated $1,800,000 for fiscal year 1989, and for each fiscal year thereafter, for the purpose of funding the scholarship assistance provided under subsection (a).".

COMMUNITY HEALTH REPRESENTATIVES

SEC. 107. Title I is amended by adding at the end thereof the following new section:

"COMMUNITY HEALTH REPRESENTATIVE PROGRAM

"SEC. 107. (a) Under the authority of the Act of November 2, 1921 (25 U.S.C. 13), popularly known as the Snyder Act, the Secretary shall maintain a Community Health Representative Program under which the Service—

"(1) provides for the training of Indians as health paraprofessionals, and

"(2) uses such paraprofessionals in the provision of health care to Indian communities.

"(b) The Secretary, acting through the Community Health Representative Program of the Service, shall—

"(1) provide a high standard of paraprofessional training to Community Health Representatives to ensure that the Community Health Representatives provide quality health care to the Indian communities served by such Program,

"(2) in order to provide such training, develop a curriculum that—

"(A) combines education in the theory of health care with supervised practical experience in the provision of health care,

"(B) provides instruction and practical experience in health promotion and disease prevention activities, particularly—

"(i) nutrition,

"(ii) physical fitness,

"(iii) weight control,

"(iv) cessation of tobacco smoking,

"(v) stress management,

"(vi) control of alcohol and drug abuse (including prevention of fetal alcohol syndrome),

"(vii) control of high blood pressure,

"(viii) prevention of lifestyle-related accidents,

"(ix) prevention and management of hearing and vision problems, and

"(x) prevention of diabetes, and

"(C) provides instruction in the latest and most effective social, educational, and behavioral approaches to the establishment and maintenance of good health habits,

"(3) develop a system which identifies the needs of Community Health Representatives for continuing education in health care, health promotion, and disease prevention and develop programs that meet the needs for such continuing education,

"(4) develop and maintain a system that provides close supervision of Community Health Representatives,

"(5) develop a system under which the work of Community Health Representatives is reviewed and evaluated, and

"(6) ensure that the provision of health care, health promotion, and disease prevention activities are consistent with the traditional health care practices and cultural values of the Indian tribes served by such Program.".

NURSING PROGRAM

SEC. 108. Title I, as amended by section 107 of this Act, is further amended by adding at the end thereof the following new section:

"NURSING PROGRAM

"SEC. 108. (a) The Secretary shall provide grants to—

"(1) public or private schools of nursing,

"(2) tribally controlled community colleges, and

"(3) nurse midwife programs, and nurse practitioner programs, that are provided by any public or private institution,

for the purpose of increasing the number of nurses, nurse midwifes, and nurse practitioners who deliver health care services to Indians.

“(b)(1) Grants provided under subsection (a) may be used to—

“(A) recruit individuals for programs which train individuals to be nurses, nurse midwifes, or nurse practitioners,

“(B) provide scholarships to individuals enrolled in such programs that may pay the tuition charged for such program and other expenses incurred in connection with such program, including books, fees, room and board, and stipends for living expenses,

“(C) provide a program that encourages nurses, nurse midwifes, and nurse practitioners to provide, or continue to provide, health care services to Indians,

“(D) provide a program that increases the skills of, and provides continuing education to, nurses, nurse midwifes, and nurse practitioners, or

“(E) provide any program that is designed to achieve the purpose described in subsection (a).

“(2) Institutions or programs that receive grants under subsection (a) may allow individuals who are receiving training, or advanced skill training, in nursing or nurse midwifery to participate in joint programs that allow the individual to obtain degrees in other academic disciplines.

“(c) Each application for a grant under subsection (a) shall include such information as the Secretary may require to establish the connection between the program of the applicant and a health care facility that primarily serves Indians.

“(d) In providing grants under subsection (a), the Secretary shall extend a preference to—

“(1) programs that provide a preference to Indians,

“(2) programs that train nurse midwifes or nurse practitioners,

“(3) programs that are interdisciplinary, and

“(4) programs that are conducted in cooperation with a center for gifted and talented Indian students established under section 5324(a) of the Indian Education Act of 1988.

“(e)(1) There are authorized to be appropriated for each of the fiscal years 1989, 1990, 1991, and 1992, $5,000,000 for the purpose of carrying out the provisions of this section.

“(2) Of the amounts appropriated under the authority of paragraph (1) for each fiscal year, the Secretary shall use at least $1,000,000 to provide grants under subsection (a) for the training of nurse midwifes.”.

INCENTIVE SPECIAL PAY FOR PUBLIC HEALTH SERVICE NURSES

SEC. 109. Subsection (a) of section 208 of the Public Health Service Act (42 U.S.C. 210(a)) is amended by adding at the end thereof the following new paragraph:

“(3) Commissioned nurse officers in the Regular and Reserve Corps shall, while in active duty, be paid incentive special pay in the same amounts as, and under the same terms and conditions which apply to, the incentive special pay now or hereafter paid to commissioned nurse officers of the Armed Forces under chapter 5 of title 37, United States Code.”.

TITLE II—HEALTH SERVICES

IMPROVEMENT OF INDIAN HEALTH STATUS

SEC. 201. (a) Section 201 (25 U.S.C. 1621) is amended to read as follows:

“IMPROVEMENT OF INDIAN HEALTH STATUS

“SEC. 201. (a) The Secretary is authorized to expend funds which are appropriated pursuant to subsection (j), through the Service, for the purposes of—

“(1) raising the health status of Indians to zero deficiency,

“(2) eliminating backlogs in the provision of health care services to Indians,

“(3) meeting the health needs of Indians in an efficient and equitable manner, and

“(4) augmenting the ability of the Service to meet the following health service responsibilities:

“(A) clinical care (direct and indirect) including clinical eye and vision care;

“(B) preventive health;

“(C) dental care (direct and indirect);

“(D) mental health, including community mental health services, inpatient mental health services, dormitory mental health services, therapeutic and residential treatment centers, and training of traditional Indian practitioners;

“(E) emergency medical services;

“(F) treatment and control of, and rehabilitative care related to, alcoholism and drug abuse (including fetal alcohol syndrome) among Indians;

“(G) home health care;

“(H) community health representatives; and

“(I) maintenance and repair.

“(b)(1) Any funds appropriated pursuant to subsection (j) shall not be used to offset or limit any appropriations made to the Service under the Act of November 2, 1921 (25 U.S.C. 13), popularly known as the Snyder Act, or any other provision of law.

“(2) Funds which are appropriated pursuant to subsection (j) may be allocated to, or used for the benefit of, any Indian tribe which has a health resources deficiency level at level I or II only if a sufficient amount of funds have been appropriated pursuant to subsection (j) to raise all Indian tribes to health resources deficiency level II.

“(3)(A) Funds appropriated pursuant to subsection (j) may be allocated on a service unit basis but such allocation shall be made in a manner which ensures that the requirement of paragraph (2) is met. The funds allocated to each service unit under this subparagraph shall be used by the service unit (in accordance with paragraph (2)) to raise the deficiency level of each tribe served by such service unit.

“(B) The apportionment of funds allocated to a service unit under subparagraph (A) among the health service responsibilities described in subsection (a)(4) shall be determined by the Service in consultation with the affected Indian tribes.

“(c) For purposes of this section—

“(1) The health resources deficiency levels of an Indian tribe are as follows:

“(A) level I—0 to 20 percent health resources deficiency;

“(B) level II—21 to 40 percent health resources deficiency;

“(C) level III—41 to 60 percent health resources deficiency;

“(D) level IV—61 to 80 percent health resources deficiency; and

“(E) level V—81 to 100 percent health resources deficiency.

“(2) The term ‘health resources deficiency’ means a percentage determined by dividing—

“(A) the excess, if any, of—

“(i) the value of the health resources that the Indian tribe needs, over

“(ii) the value of the health resources available to the Indian tribe, by

“(B) the value of the health resources that the Indian tribe needs.

“(3) The health resources available to an Indian tribe include health resources provided by the Service as well as health resources used by the Indian tribe, including services and financing systems provided by any Federal programs, private insurance, and programs of State or local governments.

“(4) Under regulations, the Secretary shall establish procedures which allow any Indian tribe to petition the Secretary for a review of any determination of the health resources deficiency level of such tribe.

“(d)(1) Programs administered by any Indian tribe or tribal organization under the authority of the Indian Self-Determination and Education Assistance Act shall be eligible for funds appropriated pursuant to subsection (j) on an equal basis with programs that are administered directly by the Service.

“(2) If any funds allocated to a tribe or service unit under the authority of this section are used for a contract entered into under the Indian Self-Determination and Education Assistance Act, a reasonable portion of such funds may be used for health planning, training, technical assistance, and other administrative support functions.

“(e) The Secretary, acting through the Service, shall expend directly or by contract not less than 1 percent of the funds appropriated pursuant to subsection (j) for research in the areas of health service responsibilities set out in subparagraphs (A) through (H) of subsection (a)(4). Indian tribes and tribal organizations contracting with the Service under the authority of the Indian Self-Determination and Education Assistance Act shall be given an equal opportunity to compete for, and receive, such research funds.

“(f) By no later than the date that is 60 days after the date of enactment of the Indian Health Care Amendments of 1988, the Secretary shall submit to the Congress the current health services priority system report of the Service for each Indian tribe or service unit, including newly recognized or acknowledged tribes. Such report shall set out—

“(1) the methodology then in use by the Service for determining tribal health resources deficiencies, as well as the most recent application of that methodology;

“(2) the level of health resources deficiency for each Indian tribe served by the Service;

“(3) the amount of funds necessary to raise all Indian tribes served by the Service below health resources deficiency level II to health resources deficiency level II;

“(4) the amount of funds necessary to raise all tribes served by the Service below health resources deficiency level I to health resources deficiency level I;

“(5) the amount of funds necessary to raise all tribes served by the Service to zero health resources deficiency; and

“(6) an estimate of—

“(A) the amount of health service funds appropriated under the authority of this Act, or any other Act, including the amount of any funds transferred to the Service, for the preceding fiscal year which is allocated to each service unit, Indian tribe, or comparable entity;

“(B) the number of Indians eligible for health services in each service unit or Indian tribe; and

“(C) the number of Indians using the Service resources made available to each service unit or Indian tribe.

“(g) The Secretary shall submit to Congress an annual report on the health services priority system of the Service by no later than 60 days after the date the President submits to the Congress the budget required under section 1105 of title 31, United States Code, for any fiscal year beginning after fiscal year 1989.

"(h)(1) The President shall include with the budget submitted under section 1105 of title 31, United States Code, for each fiscal year a separate statement which—

"(A) specifies the amount of funds requested to carry out the provisions of this section for such fiscal year, and

"(B) specifies the total amount obligated or expended in the most recently completed fiscal year to carry out subsection (g) and to carry out each of the subparagraphs of subsection (a)(4).

"(2) Funds appropriated under authority of this section for any fiscal year shall be included in the base budget of the Service for the purpose of determining appropriations under this section in subsequent fiscal years.

"(i) Nothing in this section is intended to diminish the primary responsibility of the Service to eliminate existing backlogs in unmet health care needs, nor are the provisions of this section intended to discourage the Service from undertaking additional efforts to achieve parity among Indian tribes.

"(j) There are authorized to be appropriated for the purpose of carrying out the provisions of this section—

"(1) $18,000,000 for fiscal year 1989,

"(2) $19,000,000 for fiscal year 1990,

"(3) $19,000,000 for fiscal year 1991, and

"(4) $20,000,000 for fiscal year 1992.

Any funds appropriated under the authority of this subsection shall be designated as the 'Indian Health Care Improvement Fund'.".

(b) Section 4 (25 U.S.C. 1603) is amended by striking out subsections (i), (j), and (k), and by inserting in lieu thereof the following new subsections:

"(i) 'Area office' means an administrative entity including a program office, within the Indian Health Service through which services and funds are provided to the service units within a defined geographic area.

"(j) 'Service unit' means—

"(1) an administrative entity within the Indian Health Service, or

"(2) a tribe or tribal organization operating health care programs or facilities with funds from the Service under the Indian Self-Determination and Education Assistance Act,

through which services are provided, directly or by contract, to the eligible Indian population within a defined geographic area.".

CATASTROPHIC HEALTH PROGRAM

SEC. 202. Title II is amended by adding at the end thereof the following new section:

"CATASTROPHIC HEALTH EMERGENCY FUND

"SEC. 202. (a)(1) There is hereby established an Indian Catastrophic Health Emergency Fund (hereafter in this section referred to as the 'Fund') consisting of—

"(A) the amounts deposited under subsection (d), and

"(B) the amounts appropriated under subsection (e).

"(2) The Fund shall be administered by the Secretary, acting through the central office of the Service, solely for the purpose of meeting the extraordinary medical costs associated with the treatment of victims of disasters or catastrophic illnesses who are within the responsibility of the Service.

"(3) The Fund shall not be allocated, apportioned, or delegated on a service unit, area office, or any other basis.

"(4) No part of the Fund or its administration shall be subject to contract or grant under any law, including the Indian Self-Determination and Education Assistance Act.

"(b) The Secretary shall, through the promulgation of regulations consistent with the provisions of this section—

"(1) establish a definition of disasters and catastrophic illnesses for which the cost of treatment provided under contract would qualify for payment from the Fund;

"(2) provide that a service unit shall not be eligible for reimbursement for the cost of treatment from the Fund until its cost of treating any victim of such catastrophic illness or disaster has reached a certain threshold cost which the Secretary shall establish at not less than $10,000 or not more than $20,000;

"(3) establish a procedure for the reimbursement of the portion of the costs incurred by—

"(A) service units or facilities of the Service, or

"(B) whenever otherwise authorized by the Service, non-Service facilities or providers,

in rendering treatment that exceeds such threshold cost;

"(4) establish a procedure for payment from the Fund in cases in which the exigencies of the medical circumstances warrant treatment prior to the authorization of such treatment by the Service; and

"(5) establish a procedure that will ensure that no payment shall be made from the Fund to any provider of treatment to the extent that such provider is eligible to receive payment for the treatment from any other Federal, State, local, or private source of reimbursement for which the patient is eligible.

"(c) Funds appropriated under subsection (e) shall not be used to offset or limit appropriations made to the Service under authority of the Act of November 2, 1921 (25 U.S.C. 13), popularly known as the Snyder Act, or any other law.

"(d) There shall be deposited into the Fund—

"(1) all reimbursements to which the Service is entitled from any Federal, State, local, or private source (including third party insurance) by reason of treatment rendered to any victim of a disaster or catastrophic illness who is within the responsibility of the Service, and

"(2) all funds recovered under the authority of Public Law 87-693 (42 U.S.C. 2651, et seq.), popularly known as the Medical Care Recovery Act, by reason of such treatment.

"(e) There are authorized to be appropriated for the purpose of carrying out the provisions of this section—

"(1) $10,000,000 for fiscal year 1989, and

"(2) for each of the fiscal years 1990, 1991, and 1992, such sums may be necessary to restore the Fund to a level of $10,000,000 for such fiscal year.

Funds appropriated under the authority of this subsection shall remain available until expended.".

HEALTH PROMOTION AND DISEASE PREVENTION

SEC. 203. (a) The Congress finds that—

(1) health promotion and disease prevention activities will—

(A) improve the health and well-being of Indians, and

(B) reduce the expenses for medical care of Indians,

(2) health promotion and disease prevention activities should be undertaken by the coordinated efforts of Federal, State, local, and tribal governments, and

(3) in addition to the provision of primary health care, the Indian Health Service should provide health promotion and disease prevention services to Indians.

(b) Section 4 (25 U.S.C. 1603), as amended by section 201(b) of this Act, is further amended by adding at the end thereof the following new subsections:

"(k) 'Health promotion' includes—

"(1) cessation of tobacco smoking,

"(2) reduction in the misuse of alcohol and drugs,

"(3) improvement of nutrition,

"(4) improvement in physical fitness,

"(5) family planning,

"(6) control of stress, and

"(7) pregnancy and infant care (including prevention of fetal alcohol syndrome).

"(l) 'Disease prevention' includes—

"(1) immunizations,

"(2) control of high blood pressure,

"(3) control of sexually transmittable diseases,

"(4) prevention and control of diabetes,

"(5) control of toxic agents,

"(6) occupational safety and health,

"(7) accident prevention,

"(8) fluoridation of water, and

"(9) control of infectious agents.".

(c) Title II (25 U.S.C. 1621, et seq.), as amended by section 202 of this Act, is further amended by adding at the end thereof the following new section:

"HEALTH PROMOTION AND DISEASE PREVENTION SERVICES

"SEC. 203. (a) The Secretary, acting through the Service, shall provide health promotion and disease prevention services to Indians.

"(b) The Secretary shall include in each report which is required under section 201(g) an evaluation of—

"(1) the health promotion and disease prevention needs of Indians,

"(2) the health promotion and disease prevention activities which would best meet such needs,

"(3) the internal capacity of the Service to meet such needs, and

"(4) the resources which would be required to enable the Service to undertake the health promotion and disease prevention activities necessary to meet such needs.

"(c) Under regulations, the Secretary shall require that each Indian tribe submit to the Secretary a comprehensive plan developed by such tribe for health promotion and disease prevention among members of such tribe.

"(d) By no later than the date that is 1 year after the date of enactment of the Indian Health Care Amendments of 1988, the Secretary, acting through the Service, shall—

"(1) develop a comprehensive plan for the provision by the Service of health promotion and disease prevention services to Indians, and

"(2) establish a schedule for the provision of health promotion and disease prevention services by the Service.

"(e)(1) The Secretary shall establish at least 1 demonstration project (but no more than 4 demonstration projects) to determine the most effective and cost-efficient means of—

"(A) providing health promotion and disease prevention services,

"(B) encouraging Indians to adopt good health habits,

"(C) reducing health risks to Indians, particularly the risks of heart disease, cancer, stroke, diabetes, anxiety, depression, and lifestyle-related accidents,

"(D) reducing medical expenses of Indians through health promotion and disease prevention activities,

"(E) establishing a program—

"(i) which trains Indians in the provision of health promotion and disease prevention services to members of their tribe, and

"(ii) under which such Indians are available on a contract basis to provide such services to other tribes, and

"(F) providing training and continuing education to employees of the Service, and to paraprofessionals participating in the Community Health Representative Program, in the delivery of health promotion and disease prevention services.

"(2) The demonstration project described in paragraph (1) shall include an analysis of the cost effectiveness of organizational structures and of social and educational programs that may be useful in achieving the objectives described in paragraph (1).

"(3)(A) The demonstration project described in paragraph (1) shall be conducted in association with at least one—

"(i) health profession school,

"(ii) allied health profession or nurse training institution, or

"(iii) public or private entity that provides health care.

"(B) The Secretary is authorized to enter into contracts with, or make grants to, any school of medicine or school of osteopathy for the purpose of carrying out the demonstration project described in paragraph (1).

"(C) For purposes of this paragraph, the term 'school of medicine' and 'school of osteopathy' have the respective meaning given to such terms by section 701(4) of the Public Health Service Act (42 U.S.C. 292a(4)).

"(4) The Secretary shall submit to Congress a final report on the demonstration project described in paragraph (1) within 60 days after the termination of such project.

"(5) The demonstration project described in paragraph (1) shall be established by no later than the date that is 12 months after the date of enactment of the Indian Health Care Amendments of 1988 and shall terminate on the date that is 30 months after the date of enactment of such Amendments.

"(6) There are authorized to be appropriated $500,000 for the purpose of carrying out the provisions of this subsection, such sum to remain available without fiscal year limitation.

"(f)(1)(A) The Secretary shall, acting through the Public Health Service, establish in the State of Hawaii, as a demonstration project, a Native Hawaiian Program for Health Promotion and Disease Prevention for the purpose of exploring ways to meet the unique health care needs of Native Hawaiians.

"(B) The demonstration program that is to be established under subparagraph (A) shall—

"(i) provide necessary preventive-oriented health services, including health education and mental health care,

"(ii) develop innovative training and research projects,

"(iii) establish cooperative relationships with the leadership of the Native Hawaiian community,

"(iv) ensure that a continuous effort is made to establish programs which can be of direct benefit to other Native American people, and

"(v) assure a comprehensive effort to reduce the incidence of diabetes among Native Hawaiians.

"(C) The Secretary is authorized to enter into contracts with Native Hawaiian organizations for the purpose of assisting the Secretary in meeting the objectives of the demonstration program that is to be established under subparagraph (A).

"(2)(A) In fulfillment of the objective set forth in paragraph (1)(B)(v), the Secretary shall enter into a contract with a Native Hawaiian organization to conduct a study to determine—

"(i) the incidence of diabetes among Native Hawaiians;

"(ii) activities which should be undertaken—

"(I) to reduce the incidence of diabetes among Native Hawaiians,

"(II) to provide Native Hawaiians with guidance in the prevention, treatment, and control of diabetes,

"(III) to provide early diagnosis of diabetes among Native Hawaiians, and

"(IV) to ensure that proper continuing health care is provided to Native Hawaiians who are diagnosed as diabetic.

"(B) The Secretary shall enter into a contract with a Native Hawaiian organization for the purposes of preparing an inventory of all health care programs (public and private) within the State of Hawaii that are available for the treatment, prevention, or control of diabetes among Native Hawaiians.

"(C) By no later than the date that is 2 years after the date of enactment of this Act, the Native Hawaiian organization with whom the Secretary has entered into a contract, shall prepare and transmit to the Secretary a report describing the determinations made under subparagraph (A), containing the inventory prepared under subparagraph (B), and describing the research activities conducted under this subsection. The Secretary shall submit the report to the Congress and the President.

"(3)(A) By no later than the date that is 3 years after the date of enactment of this Act, the Secretary shall enter into a contract with a Native Hawaiian organization for the purpose of implementing a program designed—

"(i) to establish a diabetes control program;

"(ii) to screen those Native Hawaiian individuals that have been identified as having a high risk of becoming diabetic;

"(iii) to effectively treat—

"(I) newly diagnosed diabetics in order to reduce further complications from diabetes,

"(II) individuals who have a high risk of becoming diabetic in order to reduce the incidence of diabetes, and

"(III) short-term and long-term complications of diabetes;

"(iv) to conduct for Federal, State, and other Native Hawaiian health care providers (including Native Hawaiian community health outreach workers), training programs concerning current methods of prevention, diagnosis, and treatment of diabetes and related complications among Native Hawaiians;

"(v) to determine the appropriate delivery to Native Hawaiians of health care services relating to diabetes;

"(vi) to develop and present health education information to Native Hawaiian communities and schools concerning the prevention, treatment, and control of diabetes; and

"(vii) to ensure that proper continuing health care is provided to Native Hawaiians who are diagnosed as being diabetic.

"(B) The Secretary shall enter into a contract with a Native Hawaiian organization for the purpose of—

"(i) promoting coordination and cooperation between all health care providers in the delivery of diabetes related services to Native Hawaiians; and

"(ii) encouraging and funding joint projects between Federal programs, State health care facilities, community health centers, and Native Hawaiian communities for the prevention and treatment of diabetes.

"(C)(i) The Secretary shall enter into a contract with a Native Hawaiian organization for the purpose of establishing a model diabetes program to serve Native Hawaiians in the State of Hawaii.

"(ii) The Secretary shall enter into a contract with a Native Hawaiian organization for the purpose of developing and implementing an outreach program to ensure that the achievements and benefits derived from the activities of the model diabetes program established under clause (i) are applied in Native Hawaiian communities to assure the diagnosis, prevention, and treatment of diabetes among Native Hawaiians.

"(D) The Secretary shall submit to the Congress an annual report outlining the activities, achievements, needs, and goals of the Native Hawaiian diabetes care program established under this paragraph.

"(4) The Secretary shall enter into a contract with a Native Hawaiian organization, for the purpose of developing a standardized system to collect, analyze, and report data regarding diabetes and related complications among Native Hawaiians. Such system shall be designed to facilitate dissemination of the best available information on diabetes to Native Hawaiian communities and health care professionals.

"(5) The Secretary shall enter into a contract with a Native Hawaiian organization for the purpose of—

"(A) conducting research concerning the causes, diagnosis, treatment, and prevention of diabetes and related complications among Native Hawaiians, and

"(B) coordinating such research with all other relevant agencies and units of the government of the State of Hawaii and the Department of Health and Human Services which conduct research relating to diabetes and related complications.

"(6) The Secretary shall submit to the Congress an annual report on the status and accomplishments of the projects established under this subsection during each of the fiscal years 1990, 1991, and 1992.

"(7)(A) The Secretary shall include in any contract which the Secretary enters into with any Native Hawaiian organization under this subsection such conditions as the Secretary considers necessary to ensure that the objectives of such contract are achieved.

"(B) The Secretary shall develop procedures to evaluate compliance with, and performance of, contracts entered into by Native Hawaiian organizations under this subsection.

"(C) The Secretary shall conduct an annual onsite evaluation of each Native Hawaiian organization which has entered into a contract under this subsection for purposes of determining the compliance of such organization with, and evaluating the performance of such organization under, such contract.

"(D) If, as a result of the evaluations conducted under subparagraph (C), the Secretary determines that a Native Hawaiian organization has not complied with or satisfactorily performed a contract entered into under this subsection, the Secretary shall, prior to renewing such contract, attempt to resolve the areas of noncompliance or unsatisfactory performance and modify such contract to prevent future occurrences of such noncompliance or unsatisfactory performance. If the Secretary determines that such noncompliance or unsatisfactory performance cannot be resolved and prevented in the future, the Secretary shall not renew such contract with such organization and is authorized to enter into a contract under this subsection with another Native Hawaiian organization that serves the same population of Native Hawaiians which is served by the Native Hawaiian organization whose contract is not renewed by reason of this subparagraph.

"(E) In determining whether to renew a contract entered into with a Native Hawaiian organization under this subsection, the Secretary shall—

"(i) review the records of the Native Hawaiian organization, and

"(ii) shall consider the results of the onsite evaluations conducted under subparagraph (C).

"(F) All contracts entered into by the Secretary under this subsection shall be in accordance with all Federal contracting laws and regulations except that, in the discretion of the Secretary, such contracts may be negotiated without advertising and need not conform to the provision of the Act of August 24, 1935 (40 U.S.C. 270a, et seq.).

"(G) Payments made under any contract entered into under this subsection may be made in advance, by means of reimbursement, or in installments and shall be made on such conditions as the Secretary deems necessary to carry out the purposes of this subsection.

"(H) Notwithstanding any other provision of law, the Secretary may, at the request or consent of a Native Hawaiian organization, revise or amend any contract entered into by the Secretary with such organization under this subsection as necessary to carry out the purposes of this subsection, except that whenever such organization requests retrocession of any contract entered into under this subsection, such retrocession shall become effective upon a date specified by the Secretary that is not more than 120 days after the date of the request by such organization or at such later date as may be mutually agreed to by the Secretary and such organization.

"(I)(i) For each fiscal year during which a Native Hawaiian organization receives or expends funds pursuant to a contract entered into under this subsection, such organization shall submit to the Secretary a quarterly report on—

"(I) activities conducted by the organization under the contract,

"(II) the amounts and purposes for which Federal funds were expended, and

"(III) such other information as the Secretary may request.

"(ii) The reports and records of any Native Hawaiian organization which concern any contract entered into under this subsection shall be subject to audit by the Secretary and the Comptroller General of the United States.

"(J) The Secretary shall allow as a cost of any contract entered into under this subsection the cost of an annual private audit conducted by a certified public accountant.

"(K) The authority of the Secretary to enter into contracts under this subsection shall be to the extent, and in amounts, provided for in appropriation Acts.

"(8) For purposes of this subsection—

"(A) The term 'Native Hawaiian' means any individual who—

"(i) is a citizen of the United States,

"(ii) is a resident of the State of Hawaii, and

"(iii) is a descendant of the aboriginal people who, prior to 1778, occupied and exercised sovereignty in the area that now constitutes the State of Hawaii, as evidenced by—

"(I) genealogical records,

"(II) Kupuna (elders) or Kama'aina (long-term community residents) verification, or

"(III) birth records of the State of Hawaii.

"(B) The term 'Native Hawaiian organization' means any organization—

"(i) which serves and represents the interests of Native Hawaiians,

"(ii) which is recognized by the Department of Health of the State of Hawaii, the Office of Hawaiian Affairs of the State of Hawaii, and E Ola Mau for the purpose of planning, conducting, or administering programs (or portion of programs) authorized under this Act for Native Hawaiians, and

"(iii) in which Native Hawaiian health professionals significantly participate in the planning, management, monitoring, and evaluation of health services.

"(9) There are authorized to be appropriated $750,000 for each of the fiscal years 1990, 1991, 1992, and 1993, for the purpose of carrying out the provisions of this subsection.".

REIMBURSEMENT OF CERTAIN EXPENSES

SEC. 204. Title II, as amended by section 203(c), is further amended by adding at the end thereof the following new sections:

"REIMBURSEMENT FROM CERTAIN THIRD PARTIES OF COSTS OF HEALTH SERVICES

"SEC. 204. (a) The United States shall have the right to recover the reasonable expenses incurred by the Secretary in providing health services, through the Service, to any individual to the same extent that such individual, or any nongovernmental provider of such services, would be eligible to receive reimbursement or indemnification for such expenses if—

"(1) such services had been provided by a nongovernmental provider, and

"(2) such individual had been required to pay such expenses and did pay such expenses.

"(b) Subsection (a) shall provide a right of recovery against any State, or any political subdivision of a State, only if the injury, illness, or disability for which health services were provided is covered under—

"(1) workers' compensation laws, or

"(2) a no-fault automobile accident insurance plan or program.

"(c) No law of any State, or of any political subdivision of a State, and no provision of any contract entered into or renewed after the date of enactment of the Indian Health Care Amendments of 1988, shall prevent or hinder the right of recovery of the United States under subsection (a).

"(d) No action taken by the United States to enforce the right of recovery provided under subsection (a) shall affect the right of any person to any damages (other than damages for the cost of health services provided by the Secretary through the Service).

"(e) The United States may enforce the right of recovery provided under subsection (a) by—

"(1) intervening or joining in any civil action or proceeding brought—

"(A) by the individual for whom health services were provided by the Secretary, or

"(B) by any representative or heirs of such individual, or

"(2) instituting a separate civil action, after providing to such individual, or to the representative or heirs of such individual, notice of the intention of the United States to institute a separate civil action.

"CREDITING OF REIMBURSEMENTS

"SEC. 205. (a) Notwithstanding any provision of law other than this section, all funds received into the Treasury of the United States by reason of the provision of health services by the Service, including—

"(1) amounts paid under section 713(b)(2)(B), and

"(2) recoveries made under—

"(A) section 204, or

"(B) Public Law 87-693 (42 U.S.C. 2651, et seq.), popularly known as the Medical Care Recovery Act,

shall be credited to the reimbursable account of the Indian Health Service in the Treasury of the United States and shall remain available until expended.

"(b) Subsection (a) shall not apply to any amounts described in section 202(d).".

TITLE III—HEALTH FACILITIES

CONSULTATION; CLOSURE OF FACILITIES; REPORTS

SEC. 301. Section 301 (25 U.S.C. 1631) is amended to read as follows:

"CONSULTATION; CLOSURE OF FACILITIES; REPORTS

"SEC. 301. (a) Prior to the expenditure of, or the making of any firm commitment to expend, any funds appropriated for the planning, design, construction, or renovation of facilities pursuant to the Act of November 2, 1921 (25 U.S.C. 13), popularly known as the Snyder Act, the Secretary, acting through the Service, shall—

"(1) consult with any Indian tribe that would be significantly affected by such expenditure for the purpose of determining and, whenever practicable, honoring tribal preferences concerning size, location, type, and other characteristics of any facility on which such expenditure is to be made, and

"(2) ensure, whenever practicable, that such facility meets the standards of the Joint Commission on Accreditation of Hospitals by not later than 1 year after the date on which the construction or renovation of such facility is completed.

"(b)(1) Notwithstanding any provision of law other than this subsection, no Service hospital or other outpatient health care facility of the Service, or any portion of such a hospital or facility, may be closed if the Secretary has not submitted to the Congress at least 1 year prior to the date such hospital or facility (or portion thereof) is proposed to be closed an evaluation of the impact of such proposed closure which specifies, in addition to other considerations—

"(A) the accessibility of alternative health care resources for the population served by such hospital or facility;

"(B) the cost effectiveness of such closure;

"(C) the quality of health care to be provided to the population served by such hospital or facility after such closure;

"(D) the availability of contract health care funds to maintain existing levels of service; and

"(E) the views of the Indian tribes served by such hospital or facility concerning such closure.

"(2) Paragraph (1) shall not apply to any temporary closure of a facility or of any portion of a facility if such closure is necessary for medical, environmental, or safety reasons.

"(c) The President shall include with the budget submitted under section 1105 of title

31, United States Code, for each of the fiscal years 1990, 1991, and 1992, program information documents for the construction of 10 Indian health facilities which—

"(1) comply with applicable construction standards, and

"(2) have been approved by the Secretary.

"(d)(1) The Secretary shall submit to the Congress an annual report which sets forth—

"(A) the current health facility priority system of the Service,

"(B) the planning, design, construction, and renovation needs for the 10 top-priority inpatient care facilities and the 10 top-priority ambulatory care facilities (together with required staff quarters),

"(C) the justification for such order of priority,

"(D) the projected cost of such projects, and

"(E) the methodology adopted by the Service in establishing priorities under its health facility priority system.

"(2) The first report required under paragraph (1) shall be submitted by no later than the date that is 180 days after the date of enactment of the Indian Health Care Amendments of 1988 and, beginning in 1990, each subsequent annual report shall be submitted by the date that is 60 days after the date on which the President submits the budget to the Congress under section 1105 of title 31, United States Code.

"(3) In preparing each report required under paragraph (1) (other than the initial report), the Secretary shall—

"(A) consult with Indian tribes and tribal organizations including those tribes or tribal organizations operating health programs or facilities under any contract entered into with the Service under the Indian Self-Determination and Education Assistance Act, and

"(B) review the needs of such tribes and tribal organizations for inpatient and outpatient facilities, including their needs for renovation and expansion of existing facilities.

"(4) For purposes of this subsection, the Secretary shall, in evaluating the needs of facilities operated under any contract entered into with the Service under the Indian Self-Determination and Education Assistance Act, use the same criteria that the Secretary uses in evaluating the needs of facilities operated directly by the Service.

"(5) The Secretary shall ensure that the planning, design, construction, and renovation needs of Service and non-Service facilities which are the subject of a contract for health services entered into with the Service under the Indian Self-Determination and Education Assistance Act are fully and equitably integrated into the development of the health facility priority system.

"(e) All funds appropriated under the Act of November 2, 1921 (25 U.S.C. 13), for the planning, design, construction, or renovation of health facilities for the benefit of an Indian tribe or tribes shall be subject to the provisions of sections 103 and 104(b) of the Indian Self-Determination Act.".

SAFE WATER AND SANITARY WASTE DISPOSAL FACILITIES

SEC. 302. Section 302 (25 U.S.C. 1632) is amended to read as follows:

"SAFE WATER AND SANITARY WASTE DISPOSAL FACILITIES

"SEC. 302. (a) The Congress hereby finds and declares that—

"(1) the provision of safe water supply systems and sanitary sewage and solid waste disposal systems is primarily a health consideration and function;

"(2) Indian people suffer an inordinately high incidence of disease, injury, and illness directly attributable to the absence or inadequacy of such systems;

"(3) the long-term cost to the United States of treating and curing such disease, injury, and illness is substantially greater than the short-term cost of providing such systems and other preventive health measures;

"(4) many Indian homes and communities still lack safe water supply systems and sanitary sewage and solid waste disposal systems; and

"(5) it is in the interest of the United States, and it is the policy of the United States, that all Indian communities and Indian homes, new and existing, be provided with safe and adequate water supply systems and sanitary sewage waste disposal systems as soon as possible.

"(b)(1) In furtherance of the findings and declarations made in subsection (a), Congress reaffirms the primary responsibility and authority of the Service to provide the necessary sanitation facilities and services as provided in section 7 of the Act of August 5, 1954 (42 U.S.C. 2004a).

"(2) The Secretary, acting through the Service, is authorized to provide under section 7 of the Act of August 5, 1954 (42 U.S.C. 2004a)—

"(A) financial and technical assistance to Indian tribes and communities in the establishment, training, and equipping of utility organizations to operate and maintain Indian sanitation facilities;

"(B) ongoing technical assistance and training in the management of utility organizations which operate and maintain sanitation facilities; and

"(C) operation and maintenance assistance for, and emergency repairs to, tribal sanitation facilities when necessary to avoid a health hazard or to protect the Federal investment in sanitation facilities.

"(3) Notwithstanding any other provision of law—

"(A) the Secretary of Housing and Urban Affairs is authorized to transfer funds appropriated under the Housing and Community Development Act of 1974 (42 U.S.C. 5301, et seq.) to the Secretary of Health and Human Services, and

"(B) the Secretary of Health and Human Services is authorized to accept and use such funds for the purpose of providing sanitation facilities and services for Indians under section 7 of the Act of August 5, 1954 (42 U.S.C. 2004a).

"(c) Beginning in fiscal year 1990, the Secretary, acting through the Service, shall develop and begin implementation of a 10-year plan to provide safe water supply and sanitation sewage and solid waste disposal facilities to existing Indian homes and communities and to new and renovated Indian homes.

"(d) The financial and technical capability of an Indian tribe or community to safely operate and maintain a sanitation facility shall not be a prerequisite to the provision or construction of sanitation facilities by the Secretary.

"(e) The provisions of this section shall not diminish the primary responsibility of the Indian family, community, or tribe to establish, collect, and utilize reasonable user fees, or otherwise set aside funding, for the purpose of operating and maintaining sanitation facilities.

"(f) Programs administered by Indian tribes or tribal organizations under the authority of the Indian Self-Determination and Education Assistance Act shall be eligible for—

"(1) any funds appropriated pursuant to subsection (h), and

"(2) any funds appropriated for the purpose of providing water supply or sewage disposal services,

on an equal basis with programs that are administered directly by the Service.

"(g)(1) The Secretary shall submit to the Congress an annual report which sets forth—

"(A) the current Indian sanitation facility priority system of the Service;

"(B) the methodology for determining sanitation deficiencies;

"(C) the level of sanitation deficiency for each sanitation facilities project of each Indian tribe or community;

"(D) the amount of funds necessary to raise all Indian tribes and communities to a level I sanitation deficiency; and

"(E) the amount of funds necessary to raise all Indian tribes and communities to zero sanitation deficiency.

"(2) The first report required under paragraph (1) shall be submitted by no later than the date that is 180 days after the date of enactment of the Indian Health Care Amendments of 1988 and, beginning in 1990, each subsequent annual report shall be submitted by the date that is 60 days after the date on which the President submits the budget to the Congress under section 1105 of title 31, United States Code.

"(3) In preparing each report required under paragraph (1) (other than the initial report), the Secretary shall consult with Indian tribes and tribal organizations (including those tribes or tribal organizations operating health care programs or facilities under any contract entered into with the Service under the Indian Self-Determination and Education Assistance Act) to determine the sanitation needs of each tribe.

"(4) The methodology used by the Secretary in determining sanitation deficiencies for purposes of paragraph (1) shall be applied uniformly to all Indian tribes and communities.

"(5) For purposes of this subsection, the sanitation deficiency levels for an Indian tribe or community are as follows:

"(A) level I is an Indian tribe or community with a sanitation system—

"(i) which complies with all applicable water supply and pollution control laws, and

"(ii) in which the deficiencies relate to routine replacement, repair, or maintenance needs;

"(B) level II is an Indian tribe or community with a sanitation system—

"(i) which complies with all applicable water supply and pollution control laws, and

"(ii) in which the deficiencies relate to capital improvements that are necessary to improve the facilities in order to meet the needs of such tribe or community for domestic sanitation facilities;

"(C) level III is an Indian tribe or community with a sanitation system which—

"(i) has an inadequate or partial water supply and a sewage disposal facility that does not comply with applicable water supply and pollution control laws, or

"(ii) has no solid waste disposal facility;

"(D) level IV is an Indian tribe or community with a sanitation system which lacks either a safe water supply system or a sewage disposal system; and

"(E) level V is an Indian tribe or community that lacks a safe water supply and a sewage disposal system.

"(6) For purposes of this subsection, any Indian tribe or community that lacks the operation and maintenance capability to enable its sanitation system to meet pollution control laws may not be treated as having a level I or II sanitation deficiency.

"(h)(1) There are authorized to be appropriated for each of the fiscal years 1990, 1991, and 1992, $3,000,000 for the purpose of providing funds necessary to implement the responsibilities of the Service described in subsection (b)(2).

"(2) In addition to the amount authorized under paragraph (1), there are authorized to be appropriated for each of the fiscal years 1990, 1991, and 1992, $850,000 for the purpose of providing 30 new full-time equivalents for the Service which shall be used to carry out the responsibilities of the Service described in subsection (b)(2).".

USE OF NON-SERVICE FUNDS FOR RENOVATION

SEC. 303. (a) Section 305 (25 U.S.C. 1634) is amended to read as follows:

"EXPENDITURE OF NON-SERVICE FUNDS FOR RENOVATION

"SEC. 305. (a) Notwithstanding any other provision of law, the Secretary is authorized to accept any major renovation or modernization by any Indian tribe of any Service facility, or of any other Indian health facility operated pursuant to a contract entered into under the Indian Self-Determination and Education Assistance Act, including—

"(1) any plans or designs for such renovation or modernization, and

"(2) any renovation or modernization for which funds appropriated under any Federal law were lawfully expended,

but only if the requirements of subsection (b) are met.

"(b) The requirements of this subsection are met with respect to any renovation or modernization if the renovation or modernization—

"(1) does not require or obligate the Secretary to provide any additional employees or equipment,

"(2) is approved by the appropriate area director of the Service, and

"(3) is administered by the Indian tribe in accordance with the rules and regulations prescribed by the Secretary with respect to construction or renovation of Service facilities.

"(c) A renovation or modernization shall not be authorized by this section if such renovation or modernization would require the diversion of funds appropriated to the Service from any project which has a higher priority under the health facility priority system of the Service.

"(d) If any Service facility which has been renovated or modernized by an Indian tribe under this section ceases to be used as a Service facility during the 20-year period beginning on the date such renovation or modernization is completed, such Indian tribe shall be entitled, subject to the availability of funds provided by Appropriations Acts, to recover from the United States an amount which bears the same ratio to the value of such facility at the time of such cessation as the value of such renovation or modernization (less the total amount of any funds provided specifically for such facility under any Federal program that were expended for such renovation or modernization) bore to the value of such facility at the time of the completion of such renovation or modernization.".

(b) The paragraph relating to administrative provisions of the Health Services Administration under the heading "Department of Health and Human Services" in title II of the matter contained in section 101(c) of Public Law 98-473 (98 Stat. 1864) is amended by striking out the sixth proviso.

BETHEL, ALASKA, HOSPITAL

SEC. 304. Title III is amended by adding at the end thereof the following new section:

"BETHEL, ALASKA, HOSPITAL

"SEC. 306. (a) If a final administrative ruling by the Department of the Interior holds that the Bethel Native Corporation is entitled to conveyance under the Alaska Native Claims Settlement Act of the title to the real property described in subsection (d)(1), such ruling shall be subject to judicial review.

"(b) The Secretary is authorized to enter into an agreement with Bethel Native Corporation for an exchange of the real property described in subsection (d)(1) for—

"(1) the lands described in subsection (d)(2), or

"(2) any other Federal property which Bethel Native Corporation would have been able to select under the Alaska Native Claims Settlement Act.

"(c) If an agreement for the exchange of land is not entered into under subsection (b) before the date that is 90 days after the date on which a ruling described in subsection (a) becomes final and is no longer appealable, the Secretary shall, subject to the availability of funds provided by Appropriations Acts, purchase the lands described in subsection (d)(1) at fair market value.

"(d)(1) The real property referred to in subsection (a) is United States Survey Numbered 4000, other than the lands described in paragraph (2).

"(2) The lands referred to in subsection (b)(1) are the lands identified as tracts A and B in the determination AA-18959 of the Bureau of Land Management issued on September 30, 1983, pursuant to the Alaska Native Claims Settlement Act.".

TITLE IV—ACCESS TO HEALTH SERVICES

GRANTS AND CONTRACTS WITH TRIBAL ORGANIZATIONS

SEC. 401. (a) Section 404 (25 U.S.C. 1622) is amended—

(1) by striking out "and" at the end of subsection (a)(2) and inserting in lieu thereof "or", and

(2) by striking out "shall include, but are not limited to," in subsection (b) and inserting in lieu thereof "may include, as appropriate,", and

(3) by adding "or" at the end of subsection (b)(3).

(b) Subsection (c) of section 404 (25 U.S.C. 1622(c)) is amended to read as follows:

"(c) There are authorized to be appropriated for the purpose of carrying out the provisions of this section—

"(1) $2,000,000 for fiscal year 1990,

"(2) $500,000 for fiscal year 1991, and

"(3) $500,000 for fiscal year 1992.".

MEDICARE PROVISIONS

SEC. 402. (a) Section 1880 of the Social Security Act is amended—

(1) in subsection (a), by striking out "A hospital or skilled nursing facility" and inserting in lieu thereof "A provider of services (as defined in section 1861(u)) or a rural health clinic (as defined in section 1861(aa)(2))";

(2) in subsection (a), by striking out "hospitals or skilled nursing facilities (as the case may be)" and inserting in lieu thereof "facilities of that type";

(3) in subsection (b), by striking out "a hospital or skilled nursing facility" and inserting in lieu thereof "a provider of services or a rural health clinic";

(4) in subsection (b), by striking out "hospitals or skilled nursing facilities (as the case may be)" and inserting in lieu thereof "facilities of that type";

(5) in subsection (c), by striking out "any hospital or skilled nursing facility" and inserting in lieu thereof "any provider of services or rural health clinic";

(6) in subsection (c), by striking out "hospitals and skilled nursing facilities" each place it appears and inserting in lieu thereof in each instance "providers of services and rural health clinics"; and

(7) in subsection (d), by striking out "hospitals and skilled nursing facilities" and "hospitals and facilities", and inserting in lieu thereof in each instance "providers of services (as defined in section 1861(u)) and rural health clinics (as defined in section 1861(aa)(2))".

(b) Section 1880(c) of the Social Security Act is further amended—

(1) by inserting after the first sentence the following: "In making payments from such fund, the Secretary shall ensure that each service unit of the Indian Health Service receives at least 50 percent of the amounts to which the providers and rural health clinics of the Indian Health Service, for which such service unit makes collections, are entitled by reason of this section, if such amount is necessary for the purpose of making improvements in such providers and rural health clinics in order to achieve compliance with the conditions and requirements of this title."; and

(2) by striking out "The preceding sentence" and inserting in lieu thereof "This subsection".

(c) The amendments made by this section shall apply to services performed on or after the date of the enactment of this Act.

MEDICAID PROVISIONS

SEC. 403. (a) Section 1911 of the Social Security Act is amended by striking out "or skilled nursing facility" each place it appears and inserting in lieu thereof in each instance "skilled nursing facility, or any other type of facility which provides services of a type otherwise covered under the State plan".

(b) Section 1911 of the Social Security Act is amended by adding at the end thereof the following new subsections:

"(c) The Secretary is authorized to enter into agreements with the State agency for the purpose of reimbursing such agency for health care and services provided in Service facilities to Indians who are eligible for medical assistance under the State plan.

"(d) Notwithstanding any other provision of law, payments to which any facility of the Indian Health Service (including a hospital, intermediate care facility, skilled nursing facility, or any other type of facility which provides services of a type otherwise covered under the State plan) is entitled under a State plan approved under this title by reason of this section shall be placed in a special fund to be held by the Secretary and used by him (to such extent or in such amounts as are provided in appropriation Acts) exclusively for the purpose of making any improvements in the facilities of such Service which may be necessary to achieve compliance with the applicable conditions and requirements of this title. In making payments from such fund, the Secretary shall ensure that each service unit of the

Indian Health Service receives at least 50 percent of the amounts to which the facilities of the Indian Health Service, for which such service unit makes collections, are entitled by reason of this section, if such amount is necessary for the purpose of making improvements in such facilities in order to achieve compliance with the conditions and requirements of this title. This subsection shall cease to apply when the Secretary determines and certifies that substantially all of the health facilities of such Service in the United States are in compliance with such conditions and requirements.".

(c) Subsections (b) and (c) of section 402 (42 U.S.C. 1396j, note) are repealed.

(d) The amendments made by this section shall apply to services performed on or after the date of the enactment of this Act.

DEMONSTRATION PROGRAM

SEC. 404. Title IV is amended by adding at the end thereof the following new section:

"DEMONSTRATION PROGRAM FOR DIRECT BILLING OF MEDICARE, MEDICAID, AND OTHER THIRD PARTY PAYORS

"SEC. 405. (a) The Secretary shall establish a demonstration program under which Indian tribes, tribal organizations, and Alaska Native health organizations, which are contracting the entire operation of an entire hospital or clinic of the Service under the authority of the Indian Self-Determination and Education Assistance Act, shall directly bill for, and receive payment for, health care services provided by such hospital or clinic for which payment is made under title XVIII of the Social Security Act (medicare), under a State plan for medical assistance approved under title XIX of the Social Security Act (medicaid), or from any other third-party payor. The Federal medical assistance percentage under the medicaid program shall continue to be 100 percent for purposes of the demonstration program.

"(b)(1) Each hospital or clinic participating in the demonstration program described in subsection (a) shall be reimbursed directly under the medicare and medicaid programs for services furnished, without regard to the provisions of sections 1880(c) and 1911(d) of the Social Security Act and section 713(b)(2)(A) of this Act, but all funds so reimbursed shall first be used by the hospital or clinic for the purpose of making any improvements in the hospital or clinic that may be necessary to achieve or maintain compliance with the conditions and requirements applicable generally to facilities of such type under the medicare or medicaid program. Any funds so reimbursed which are in excess of the amount necessary to achieve or maintain such conditions or requirements shall be used—

"(A) solely for improving the health resources deficiency level of the Indian tribe, and

"(B) in accordance with the regulations of the Service applicable to funds provided by the Service under any contract entered into under the Indian Self-Determination and Education Assistance Act.

"(2) The amounts paid to the hospitals and clinics participating in the demonstration program described in subsection (a) shall be subject to all auditing requirements applicable to programs administered directly by the Service and to facilities participating in the medicare and medicaid programs.

"(3) The Secretary shall monitor the performance of hospitals and clinics participating in the demonstration program described in subsection (a), and shall require such hospitals and clinics to submit reports on the program to the Secretary on a quarterly basis (or more frequently if the Secretary deems it to be necessary).

"(4) Notwithstanding sections 1880(c) and 1911(d) of the Social Security Act, no payment may be made out of the special fund described in sections 1880(c) or 1911(d) of the Social Security Act for the benefit of any hospital or clinic participating in the demonstration program described in subsection (a) during the period of such participation.

"(c)(1) In order to be considered for participation in the demonstration program described in subsection (a), a hospital or clinic must submit an application to the Secretary which establishes to the satisfaction of the Secretary that—

"(A) the Indian tribe or Alaska Native health organization contracts the entire operation of the Service facility;

"(B) the facility is eligible to participate in the medicare and medicaid programs under sections 1880 and 1911 of the Social Security Act;

"(C) the facility meets any requirements which apply to programs operated directly by the Service; and

"(D) the facility is accredited by the Joint Commission on Accreditation of Hospitals, or has submitted a plan, which has been approved by the Secretary, for achieving such accreditation prior to October 1, 1990.

"(2) From among the qualified applicants, the Secretary shall, prior to October 1, 1989, select no more than 4 facilities to participate in the demonstration program described in subsection (a). The demonstration program described in subsection (a) shall begin by no later than October 1, 1991, and end on September 30, 1995.

"(d)(1) Upon the enactment of the Indian Health Care Amendments of 1988, the Secretary, acting through the Service, shall commence an examination of—

"(A) any administrative changes which may be necessary to allow direct billing and reimbursement under the demonstration program described in subsection (a), including any agreements with States which may be necessary to provide for such direct billing under the medicaid program; and

"(B) any changes which may be necessary to enable participants in such demonstration program to provide to the Service medical records information on patients served under such demonstration program which is consistent with the medical records information system of the Service.

"(2) Prior to the commencement of the demonstration program described in subsection (a), the Secretary shall implement all changes required as a result of the examinations conducted under paragraph (1).

"(3) Prior to October 1, 1990, the Secretary shall determine any accounting information which a participant in the demonstration program described in subsection (a) would be required to report.

"(e) The Secretary shall submit a final report at the end of fiscal year 1995, on the activities carried out under the demonstration program described in subsection (a) which shall include an evaluation of whether such activities have fulfilled the objectives of such program. In such report the Secretary shall provide a recommendation, based upon the results of such demonstration program, as to whether direct billing of, and reimbursement by, the medicare and medicaid programs and other third-party payors should be authorized for all Indian tribes and Alaska Native health organizations which are contracting the entire operation of a facility of the Service.

"(f) The Secretary shall provide for the retrocession of any contract entered into between a participant in the demonstration program described in subsection (a) and the Service under the authority of the Indian Self-Determination and Education Assistance Act. All cost accounting and billing authority shall be retroceded to the Secretary upon the Secretary's acceptance of a retroceded contract.".

TITLE V—URBAN INDIAN HEALTH SERVICES

REVISION OF PROGRAM

SEC. 501. Title V (25 U.S.C. 1651, et seq.) is amended to read as follows:

"TITLE V—HEALTH SERVICES FOR URBAN INDIANS

"PURPOSE

"SEC. 501. The purpose of this title is to encourage the establishment of programs in urban centers to make health services more accessible to urban Indians.

"CONTRACTS WITH URBAN INDIAN ORGANIZATIONS

"SEC. 502. Under authority of the Act of November 2, 1921 (25 U.S.C. 13), popularly known as the Snyder Act, the Secretary, through the Service, shall enter into contracts with urban Indian organizations to assist such organizations in the establishment and administration, within the urban centers in which such organizations are situated, of programs which meet the requirements set forth in this title. The Secretary, through the Service, shall include such conditions as the Secretary considers necessary to effect the purpose of this title in any contract which the Secretary enters into with any urban Indian organization pursuant to this title.

"CONTRACTS FOR THE PROVISION OF HEALTH CARE OR REFERRAL SERVICES

"SEC. 503. (a) Under authority of the Act of November 2, 1921 (25 U.S.C. 13), popularly known as the Snyder Act, the Secretary, through the Service, shall enter into contracts with urban Indian organizations for the provision of health care or referral services for urban Indians residing in the urban centers in which such organizations are situated. Any such contract shall include requirements that the urban Indian organization successfully undertake to—

"(1) determine the population of urban Indians residing in the urban center in which such organization is situated who are or could be recipients of health care or referral services;

"(2) determine the current health status of urban Indians residing in such urban center;

"(3) determine the current health care needs of urban Indians residing in such urban center;

"(4) identify all public and private health services resources within such urban center which are or may be available to urban Indians;

"(5) determine the use of public and private health services resources by the urban Indians residing in such urban center;

"(6) assist such health services resources in providing services to urban Indians;

"(7) assist urban Indians in becoming familiar with and utilizing such health services resources;

"(8) provide basic health education, including health promotion and disease prevention education, to urban Indians;

"(9) establish and implement manpower training programs to accomplish the referral and education tasks set forth in clauses (6) through (8) of this subsection;

"(10) identify gaps between unmet health needs of urban Indians and the resources available to meet such needs;

"(11) make recommendations to the Secretary and Federal, State, local, and other resource agencies on methods of improving health service programs to meet the needs of urban Indians; and

"(12) where necessary, provide, or enter into contracts for the provision of, health care services for urban Indians.

"(b) The Secretary, through the Service, shall by regulation prescribe the criteria for selecting urban Indian organizations to enter into contracts under this section. Such criteria shall, among other factors, include—

"(1) the extent of unmet health care needs of urban Indians in the urban center involved;

"(2) the size of the urban Indian population in the urban center involved;

"(3) the accessibility to, and utilization of, health care services (other than services provided under this title) by urban Indians in the urban center involved;

"(4) the extent, if any, to which the activities set forth in subsection (a) would duplicate—

"(A) any previous or current public or private health services project in an urban center that was or is funded in a manner other than pursuant to this title; or

"(B) any project funded under this title;

"(5) the capability of an urban Indian organization to perform the activities set forth in subsection (a) and to enter into a contract with the Secretary under this section;

"(6) the satisfactory performance and successful completion by an urban Indian organization of other contracts with the Secretary under this title;

"(7) the appropriateness and likely effectiveness of conducting the activities set forth in subsection (a) in an urban center; and

"(8) the extent of existing or likely future participation in the activities set forth in subsection (a) by appropriate health and health-related Federal, State, local, and other agencies.

"CONTRACTS FOR THE DETERMINATION OF UNMET HEALTH CARE NEEDS

"SEC. 504. (a) Under authority of the Act of November 2, 1921 (25 U.S.C. 13), popularly known as the Snyder Act, the Secretary, through the Service, may enter into contracts with urban Indian organizations situated in urban centers for which contracts have not been entered into under section 503. The purpose of a contract under this section shall be the determination of the matters described in subsection (b)(1) in order to assist the Secretary in assessing the health status and health care needs of urban Indians in the urban center involved and determining whether the Secretary should enter into a contract under section 503 with the urban Indian organization with which the Secretary has entered into a contract under this section.

"(b) Any contract entered into by the Secretary under this section shall include requirements that—

"(1) the urban Indian organization successfully undertake to—

"(A) document the health care status and unmet health care needs of urban Indians in the urban center involved; and

"(B) with respect to urban Indians in the urban center involved, determine the matters described in clauses (2), (3), (4), and (8) of section 503(b); and

"(2) the urban Indian organization complete performance of the contract within one year after the date on which the Secretary and such organization enter into such contract.

"(c) The Secretary may not renew any contract entered into under this section.

"EVALUATIONS; CONTRACT RENEWALS

"SEC. 505. (a) The Secretary, through the Service, shall develop procedures to evaluate compliance with, and performance of, contracts entered into by urban Indian organizations under this title. Such procedures shall include provisions for carrying out the requirements of this section.

"(b) The Secretary, through the Service, shall conduct an annual onsite evaluation of each urban Indian organization which has entered into a contract under section 503 for purposes of determining the compliance of such organization with, and evaluating the performance of such organization under, such contract.

"(c) If, as a result of the evaluations conducted under this section, the Secretary determines that an urban Indian organization has not complied with or satisfactorily performed a contract under section 503, the Secretary shall, prior to renewing such contract, attempt to resolve with such organization the areas of noncompliance or unsatisfactory performance and modify such contract to prevent future occurrences of such noncompliance or unsatisfactory performance. If the Secretary determines that such noncompliance or unsatisfactory performance cannot be resolved and prevented in the future, the Secretary shall not renew such contract with such organization and is authorized to enter into a contract under section 503 with another urban Indian organization which is situated in the same urban center as the urban Indian organization whose contract is not renewed under this section.

"(d) In determining whether to renew a contract with an urban Indian organization under section 503, or whether to enter into a contract with an urban Indian organization under section 503 which has completed performance of a contract under section 504, the Secretary shall review the records of the urban Indian organization, the reports submitted under section 507, and, in the case of a renewal of a contract under section 503, shall consider the results of the on-site evaluations conducted under subsection (b).

"OTHER CONTRACT REQUIREMENTS

"SEC. 506. (a) Contracts with urban Indian organizations entered into pursuant to this title shall be in accordance with all Federal contracting laws and regulations except that, in the discretion of the Secretary, such contracts may be negotiated without advertising and need not conform to the provisions of the Act of August 24, 1935.

"(b) Payments under any contracts pursuant to this title may be made in advance or by way of reimbursement and in such installments and on such conditions as the Secretary deems necessary to carry out the purposes of this title.

"(c) Notwithstanding any provision of law to the contrary, the Secretary may, at the request or consent of an urban Indian organization, revise or amend any contract entered into by the Secretary with such organization under this title as necessary to carry out the purposes of this title, except that whenever an urban Indian organization requests retrocession of the Secretary for any contract entered into pursuant to this title, such retrocession shall become effective upon a date specified by the Secretary not more than one hundred and twenty days from the date of the request by the organization or at such later date as may be mutually agreed to by the Secretary and the organization.

"(d) In connection with any contract entered into pursuant to this title, the Secretary may permit an urban Indian organization to utilize, in carrying out such contract, existing facilities owned by the Federal Government within the Secretary's jurisdiction under such terms and conditions as may be agreed upon for the use and maintenance of such facilities.

"(e) Contracts with urban Indian organizations and regulations adopted pursuant to this title shall include provisions to assure the fair and uniform provision to urban Indians of services and assistance under such contracts by such organizations.

"REPORTS AND RECORDS

"SEC. 507. (a) For each fiscal year during which an urban Indian organization receives or expends funds pursuant to a contract entered into pursuant to this title, such organization shall submit to the Secretary a quarterly report including—

"(1) in the case of a contract under section 503, information gathered pursuant to clauses (10) and (11) of subsection (a) of such section;

"(2) information on activities conducted by the organization pursuant to the contract;

"(3) an accounting of the amounts and purposes for which Federal funds were expended; and

"(4) such other information as the Secretary may request.

"(b) The reports and records of the urban Indian organization with respect to a contract under this title shall be subject to audit by the Secretary and the Comptroller General of the United States.

"(c) The Secretary shall allow as a cost of any contract entered into under section 503 the cost of an annual private audit conducted by a certified public accountant.

"LIMITATION ON CONTRACT AUTHORITY

"SEC. 508. The authority of the Secretary to enter into contracts under this title shall be to the extent, and in an amount, provided for in appropriation Acts.".

URBAN INDIAN ORGANIZATION

SEC. 502. Subsection (h) of section 4 (25 U.S.C. 1603(h)) is amended by inserting "urban" after "governed by an".

TITLE VI—ORGANIZATIONAL IMPROVEMENTS

MANAGEMENT INFORMATION SYSTEM

SEC. 601. (a) Title VI is amended to read as follows:

"TITLE VI—INDIAN HEALTH SERVICE

"MANAGEMENT INFORMATION SYSTEM; ACCESS TO PATIENT'S RECORDS

"SEC. 601. (a)(1) The Secretary shall establish an automated management information system for the Service.

"(2) The information system established under paragraph (1) shall include—

"(A) a financial management system,

"(B) a patient care information system for each area served by the Service,

"(C) a privacy component that protects the privacy of patient information held by, or on behalf of, the Service, and

"(D) a services-based cost accounting component that provides estimates of the costs associated with the provision of specific medical treatments or services in each area office of the Service.

"(3) By no later than September 30, 1989, the Secretary shall submit a report to Congress setting forth—

"(A) the activities which have been undertaken to establish an automated management information system,

"(B) the activities, if any, which remain to be undertaken to complete the implementation of an automated management information system, and

"(C) the amount of funds which will be needed to complete the implementation of a management information system in the succeeding fiscal years.

"(b)(1) The Secretary shall provide each Indian tribe and tribal organization that provides health services under a contract entered into with the Service under the Indian Self-Determination Act automated management information systems which—

"(A) meet the management information needs of such Indian tribe or tribal organization with respect to the treatment by the Indian tribe or tribal organization of patients of the Service, and

"(B) meet the management information needs of the Service.

"(2) The Secretary shall reimburse each Indian tribe or tribal organization for the part of the cost of the operation of a system provided under paragraph (1) which is attributable to the treatment by such Indian tribe or tribal organization of patients of the Service.

"(3) The Secretary shall provide systems under paragraph (1) to Indian tribes and tribal organizations providing health services in California by no later than September 30, 1990.

"(c) Notwithstanding any other provision of law, each patient shall have reasonable access to the medical or health records of such patient which are held by, or on behalf of, the Service.".

(b) The amendment made by subsection (a) shall take effect on the date of enactment of this Act.

TITLE VII—MISCELLANEOUS PROVISIONS

LEASING AND OTHER CONTRACTS

SEC. 701. Section 704 (25 U.S.C. 1674) is amended—

(1) by striking out "Notwithstanding", and inserting in lieu thereof "(a) Notwithstanding", and

(2) by adding at the end thereof the following new subsection:

"(b) The Secretary may enter into leases, contracts, and other legal agreements with Indian tribes or tribal organizations which hold—

"(1) title to;

"(2) a leasehold interest in; or

"(3) a beneficial interest in (where title is held by the United States in trust for the benefit of a tribe);

facilities used for the administration and delivery of health services by the Service or by programs operated by Indian tribes or tribal organizations to compensate such Indian tribes or tribal organizations for costs associated with the use of such facilities for such purposes. Such costs include rent, depreciation based on the useful life of the building, principal and interest paid or accrued, operation and maintenance expenses, and other expenses determined by regulation to be allowable.".

HEALTH EDUCATION

SEC. 702. (a) Section 706 (25 U.S.C. 1676) is amended to read as follows:

"HEALTH EDUCATION

"SEC. 706. (a)(1) By no later than the date that is 1 year after the date of enactment of the Indian Health Care Amendments of 1988, the Secretary of the Interior and the Secretary of Health and Human Services shall enter into an agreement to coordinate the efforts of the Department of the Interior and the Department of Health and Human Services in health promotion, disease prevention, and health education among Indian youth.

"(2) The agreement required under paragraph (1) shall—

"(A) establish minimum health outcome objectives for schools operated by the Bureau of Indian Affairs and schools operated under contract with the Bureau of Indian Affairs,

"(B) provide for special emphasis on the identification and coordination of available resources and programs to combat alcohol and drug abuse among Indian youth through education, counseling, and referral services,

"(C) provide authority for personnel of the Service to conduct training seminars on health promotion, disease prevention, and health education for teachers in such schools,

"(D) recognize the role of tribally controlled community colleges, departments of health education at universities and colleges, and schools of the health professions in providing training on health promotion, disease prevention, and health education to teachers in such schools, and

"(E) provide for inclusion of tribal representatives in such training.

"(3) A memorandum of the agreement entered into under paragraph (1) shall be published in the Federal Register by no later than the date that is 30 days after the date on which such agreement is entered into by the Secretary of the Interior and the Secretary of Health and Human Services.

"(b)(1) The health outcome objectives that are required to be established under the agreement entered into under subsection (a)(1) shall serve as guidelines for the development of health education programs in schools operated by the Bureau of Indian Affairs and in schools operated under contract with the Bureau of Indian Affairs. Such health outcome objectives and guidelines shall prescribe the minimum objectives that such programs must achieve.

"(2) The Secretary of the Interior may establish critical job elements for personnel employed by the Department of the Interior which condition the continued employment of such personnel on achievement of specific objectives the Secretary of the Interior determines to be necessary to assure that health education programs designed to meet, at a minimum, the health outcome objectives established under the agreement entered into under subsection (a)(1) are incorporated into the curricula of schools operated by the Bureau of Indian Affairs and schools operated under contract with the Bureau of Indian Affairs.

"(c) The Secretary of Health and Human Services shall encourage the involvement of parents of Indian youth, and other interested members of Indian tribes, in training seminars on health promotion, disease prevention, and health education that are conducted by the Secretary of Health and Human Services pursuant to the agreement entered into under subsection (a)(1) by providing timely notice of such seminars to schools operated by the Bureau of Indian Affairs and to schools operated under contract with the Bureau of Indian Affairs.

"(d) The Secretary of Health and Human Services may elect to include in contracts the Secretary of Health and Human Services enters into with urban Indian health care programs a requirement that such programs provide health promotion, disease prevention, and health education to the Indian communities served by such programs.

"(e) The Secretary of Health and Human Services may elect to include in contracts the Secretary of Health and Human Services enters into with any tribal organization under the authority of the Indian Self-Determination and Education Assistance Act a requirement that the tribal organization provide health promotion, disease prevention, and health education to the communities served by the tribal organization.".

(b) Section 4 (25 U.S.C. 1603), as amended by section 203(b) of this Act, is further amended by adding at the end thereof the following:

"(m) 'Health education' includes, but is not limited to—

"(1) personal health,

"(2) mental and emotional health,

"(3) consumer health,

"(4) environmental health,

"(5) community health,

"(6) dental health, and

"(7) education in—

"(A) the cessation of smoking,

"(B) the hazards of smoking,

"(C) the hazards of alcohol and drug abuse,

"(D) nutrition,

"(E) safety and the prevention of accidents,

"(F) the prevention and control of disease, and

"(G) family life matters.".

ARIZONA AS A CONTRACT HEALTH SERVICE DELIVERY AREA

SEC. 703. (a) Subsection (a) of section 708 (25 U.S.C. 1678(a)) is amended—

(1) by striking out "1984" and inserting in lieu thereof "1990", and

(2) by striking out "Indians in such State" and inserting in lieu thereof "members of federally recognized Indian tribes of Arizona".

(b) Section 708 (25 U.S.C. 1678(c)) is amended by striking out subsection (c).

ELIGIBILITY OF CALIFORNIA INDIANS

SEC. 704. Section 709 (25 U.S.C. 1679) is amended to read as follows:

"ELIGIBILITY OF CALIFORNIA INDIANS

"SEC. 709. (a)(1) In order to provide the Congress with sufficient data to determine which Indians in the State of California should be eligible for health services provided by the Service, the Secretary shall, by no later than the date that is 3 years after the date of enactment of this Act, prepare and submit to the Congress a report which sets forth—

"(A) a determination by the Secretary of the number of Indians described in subsection (b)(2), and the number of Indians described in subsection (b)(3), who are not members of an Indian tribe recognized by the Federal Government,

"(B) the geographic location of such Indians,

"(C) the Indian tribes of which such Indians are members,

"(D) an assessment of the current health status, and health care needs, of such Indians, and

"(E) an assessment of the actual availability and accessibility of alternative resources for the health care of such Indians that such Indians would have to rely on if the Service did not provide for the health care of such Indians.

"(2) The report required under paragraph (1) shall be prepared by the Secretary—

"(A) in consultation with the Secretary of the Interior, and

"(B) with the assistance of the tribal health programs providing services to the Indians described in paragraph (2) or (3) of subsection (b) who are not members of any Indian tribe recognized by the Federal Government.

"(b) Until such time as any subsequent law may otherwise provide, the following California Indians shall be eligible for health services provided by the Service:

"(1) Any member of a federally recognized Indian tribe.

"(2) Any descendant of an Indian who was residing in California on June 1, 1852, but only if such descendant—

"(A) is living in California,

"(B) is a member of the Indian community served by a local program of the Service, and

"(C) is regarded as an Indian by the community in which such descendant lives.

"(3) Any Indian who holds trust interests in public domain, national forest, or Indian reservation allotments in California.

"(4) Any Indian in California who is listed on the plans for distribution of the assets of California rancherias and reservations under the Act of August 18, 1958 (72 Stat. 619), and any descendant of such an Indian.

"(c) Nothing in this section may be construed as expanding the eligibility of California Indians for health services provided by the Service beyond the scope of eligibility for such health services that applied on May 1, 1986.".

CALIFORNIA AS A CONTRACT HEALTH SERVICE DELIVERY AREA

SEC. 705. Section 710 (25 U.S.C. 1680) is amended to read as follows:

"CALIFORNIA AS A CONTRACT HEALTH SERVICE DELIVERY AREA

"SEC. 710. The State of California, excluding the counties of Alameda, Contra Costa, Los Angeles, Marin, Orange, Sacramento, San Francisco, San Mateo, Santa Clara, Kern, Merced, Monterey, Napa, San Benito, San Joaquin, San Luis Obispo, Santa Cruz, Solano, Stanislaus, and Ventura shall be designated as a contract health service delivery area by the Service for the purpose of providing contract health services to Indians in such State.".

CONTRACT HEALTH FACILITIES

SEC. 706. Title VII is amended by adding at the end thereof the following new section:

"CONTRACT HEALTH FACILITIES

"SEC. 711. The Service shall provide funds for health care programs and facilities operated by tribes and tribal organizations under contracts with the Service entered into under the Indian Self-Determination and Education Assistance Act—

"(1) for the maintenance and repair of clinics owned or leased by such tribes or tribal organizations,

"(2) for employee training,

"(3) for cost-of-living increases for employees, and

"(4) for any other expenses relating to the provision of health services,

on the same basis as such funds are provided to programs and facilities operated directly by the Service.".

NATIONAL HEALTH SERVICE CORPS

SEC. 707. Title VII, as amended by section 706 of this Act, is further amended by adding at the end thereof the following new section:

"NATIONAL HEALTH SERVICE CORPS

"SEC. 712. The Secretary of Health and Human Services may remove a member of the National Health Service Corps from a health facility operated by a tribe or tribal organization under a contract with the Service entered into under the Indian Self-Determination and Education Assistance Act only if the Secretary has provided written notice of such removal or withdrawal to such tribe or tribal organization at least 60 days before the date on which such contract is entered into or renewed.".

HEALTH SERVICES FOR INELIGIBLE PERSONS

SEC. 708. (a) Title VII, as amended by section 707 of this Act, is further amended by adding at the end thereof the following new section:

"HEALTH SERVICES FOR INELIGIBLE PERSONS

"SEC. 713. (a)(1) Any individual who—

"(A) has not attained 19 years of age,

"(B) is the natural or adopted child, stepchild, foster-child, legal ward, or orphan of an eligible Indian, and

"(C) is not otherwise eligible for the health services provided by the Service,

shall be eligible for all health services provided by the Service on the same basis and subject to the same rules that apply to eligible Indians until such individual attains 19 years of age. The existing and potential health needs of all such individuals shall be taken into consideration by the Service in determining the need for, or the allocation of, the health resources of the Service. If such an individual has been determined to be legally incompetent prior to attaining 19 years of age, such individual shall remain eligible for such services until one year after the date such disability has been removed.

"(2) Any spouse of an eligible Indian who is not an Indian, or who is of Indian descent but not otherwise eligible for the health services provided by the Service, shall be eligible for such health services if all of such spouses are made eligible, as a class, by an appropriate resolution of the governing body of the Indian tribe of the eligible Indian. The health needs of persons made eligible under this paragraph shall not be taken into consideration by the Service in determining the need for, or allocation of, its health resources.

"(b)(1)(A) The Secretary is authorized to provide health services under this subsection through health facilities operated directly by the Service to individuals who reside within the service area of a service unit and who are not eligible for such health services under any other subsection of this section or under any other provision of law if—

"(i) the Indian tribe (or, in the case of a multi-tribal service area, all the Indian tribes) served by such service unit requests such provision of health services to such individuals, and

"(ii) the Secretary and the Indian tribe or tribes have jointly determined that—

"(I) the provision of such health services will not result in a denial or diminution of health services to eligible Indians, and

"(II) there is no reasonable alternative health facility or services, within or without the service area of such service unit, available to meet the health needs of such individuals.

"(B) In the case of health facilities operated under a contract entered into under the Indian Self-Determination and Education Assistance Act, the governing body of the Indian tribe or tribal organization providing health services under such contract is authorized to determine whether health services should be provided under such contract to individuals who are not eligible for such health services under any other subsection of this section or under any other provision of law. In making such determinations, the governing body of the Indian tribe or tribal organization shall take into account the considerations described in subparagraph (A)(ii).

"(2)(A) Persons receiving health services provided by the Service by reason of this subsection shall be liable for payment of such health services under a fee schedule prescribed by the Secretary which, in the judgment of the Secretary, results in reimbursement in an amount not less than the actual cost of providing the health services. Notwithstanding section 1880(c) or 1911(d) of the Social Security Act or any other provision of law, fees collected under this subsection, including medicare or medicaid reimbursements under titles XVIII and XIX of the Social Security Act, shall be credited to the account of the facility providing the service and shall be used solely for the provision of health services within that facility. Fees collected under this subsection shall be available for expenditure within such facility for not to exceed one fiscal year after the fiscal year in which collected.

"(B) Health services may be provided by the Secretary through the Service under this subsection to an indigent person who would not be eligible for such health services but for the provisions of paragraph (1) only if an agreement has been entered into with a State or local government under which the State or local government agrees to reimburse the Service for the expenses incurred by the Service in providing such health services to such indigent person.

"(3)(A) In the case of a service area which serves only one Indian tribe, the authority of the Secretary to provide health services under paragraph (1)(A) shall terminate at the end of the fiscal year succeeding the fiscal year in which the governing body of the Indian tribe revokes its concurrence to the provision of such health services.

"(B) In the case of a multi-tribal service area, the authority of the Secretary to provide health services under paragraph (1)(A) shall terminate at the end of the fiscal year succeeding the fiscal year in which at least 51 percent of the number of Indian tribes in the service area revoke their concurrence to the provision of such health services.

"(c) The Service may provide health services under this subsection to individuals who are not eligible for health services provided by the Service under any other subsection of this section or under any other provision of law in order to—

"(1) achieve stability in a medical emergency, "(2) prevent the spread of a communicable disease or otherwise deal with a public health hazard,

"(3) provide care to non-Indian women pregnant with an eligible Indian's child for the duration of the pregnancy through post partum, or

"(4) provide care to immediate family members of an eligible person if such care is directly related to the treatment of the eligible person.

"(d) Hospital privileges in health facilities operated and maintained by the Service or operated under a contract entered into under the Indian Self-Determination and Education Assistance Act may be extended to non-Service health care practitioners who provide services to persons described in subsection (a) or (b). Such non-Service health care practitioners may be regarded as employees of the Federal Government for purposes of section 1346(b) and chapter 171 of title 28, United States Code (relating to Federal tort claims) only with respect to acts or omissions which occur in the course of providing services to eligible persons as a part of the conditions under which such hospital privileges are extended.

"(e) For purposes of this section, the term 'eligible Indian' means any Indian who is eligible for health services provided by the Service without regard to the provisions of this section.".

INFANT AND MATERNAL MORTALITY; FETAL ALCOHOL SYNDROME

SEC. 709. Title VII, as amended by section 708 of this Act, is further amended by adding at the end thereof the following new section:

"INFANT AND MATERNAL MORTALITY; FETAL ALCOHOL SYNDROME

"SEC. 714. (a) By no later than January 1, 1990, the Secretary shall develop and begin implementation of a plan to achieve the following objectives by January 1, 1994:

"(1) reduction of the rate of Indian infant mortality in each area office of the Service to the lower of—

"(A) twelve deaths per one thousand live births, or

"(B) the rate of infant mortality applicable to the United States population as a whole;

"(2) reduction of the rate of maternal mortality in each area office of the Service to the lower of—

"(A) five deaths per one hundred thousand live births, or

"(B) the rate of maternal mortality applicable to the United States population as a whole; and

"(3) reduction of the rate of fetal alcohol syndrome and fetal alcohol effect associated with maternal consumption of alcohol to the lower of—

"(A) one per one thousand live births, or

"(B) the rate of fetal alcohol syndrome and such fetal alcohol effect applicable to the United States population as a whole.

"(b) The President shall include with the budget submitted under section 1105 of title 31, United States Code, for each fiscal year a separate statement which specifies the total amount obligated or expended in the most recently completed fiscal year to achieve each of the objectives described in subsection (a).".

CONTRACT HEALTH SERVICES FOR THE TRENTON SERVICE AREA

SEC. 710. Title VII, as amended by section 709 of this Act, is further amended by adding at the end thereof the following new section:

"CONTRACT HEALTH SERVICES FOR THE TRENTON SERVICE AREA

"SEC. 715. (a) The Secretary, acting through the Service, is directed to provide contract health services to members of the Turtle Mountain Band of Chippewa Indians that reside in the Trenton Service Area of Divide, McKenzie, and Williams counties in the State of North Dakota and the adjoining counties of Richland, Roosevelt, and Sheridan in the State of Montana.

"(b) Nothing in this section may be construed as expanding the eligibility of members of the Turtle Mountain Band of Chippewa Indians for health services provided by the Service beyond the scope of eligibility for such health services that applied on May 1, 1986.".

INDIAN HEALTH SERVICE AND VETERANS' ADMINISTRATION HEALTH FACILITIES AND SERVICES SHARING

SEC. 711. Title VII, as amended by section 710 of this Act, is further amended by adding at the end thereof the following new section:

"INDIAN HEALTH SERVICE AND VETERANS' ADMINISTRATION HEALTH FACILITIES AND SERVICES SHARING

"SEC. 716. (a) The Secretary shall examine the feasibility of entering into an arrangement for the sharing of medical facilities and services between the Indian Health Service and the Veterans' Administration and shall, in accordance with subsection (b), prepare a report on the feasibility of such an arrangement and submit such report to the Congress by no later than September 30, 1991.

"(b) The Secretary shall not take any action under subchapter IV of part VI of title 38, United States Code, which would impair—

"(1) the priority access of any Indian to health care services provided through the Indian Health Service;

"(2) the quality of health care services provided to any Indian through the Indian Health Service;

"(3) the priority access of any veteran to health care services provided by the Veterans' Administration;

"(4) the quality of health care services provided to any veteran by the Veterans' Administration;

"(5) the eligibility of any Indian to receive health services through the Indian Health Service; or

"(6) the eligibility of any Indian who is a veteran to receive health services through the Veterans' Administration.

"(c) Nothing in this section may be construed as creating any right of a veteran to obtain health services from the Indian Health Service.".

REALLOCATION OF BASE RESOURCES

SEC. 712. (a) Notwithstanding any other provision of law, any allocation of the base resources of the Indian Health Service for fiscal year 1989 that—

(1) differs from the allocation of the base resources of the Indian Health Service that was made for fiscal year 1987, and

(2) affects more than 5 percent of the base resources of the Indian Health Service for fiscal year 1989,

may be implemented only after the Secretary of Health and Human Services has met the requirements of subsection (b) with respect to such reallocation.

(b) The Secretary of Health and Human Services meets the requirements of this subsection with respect to any reallocation of base resources described in subsection (a) when the Secretary of Health and Human Services has submitted to the Congress—

(1) a written statement certifying that the Secretary of Health and Human Services has held consultations regarding such reallocation of base resources with the Indian tribes and tribal organizations affected by such reallocation; and

(2) a report on the proposed change in allocation of base resources, including the reasons for the change and its likely effects.

PROVISION OF SERVICES IN MONTANA

SEC. 713. The Secretary of Health and Human Services, acting through the Indian Health Service, shall provide services and benefits for Indians in Montana in a manner consistent with the decision of the United States Court of Appeals for the Ninth Circuit in *McNabb for McNabb* v. *Bowen*, 829 F.2d 787 (9th Cir. 1987).

DEMONSTRATION PROJECTS FOR TRIBAL MANAGEMENT OF HEALTH CARE SERVICES

SEC. 714. Title VII, as amended by section 711 of this Act, is amended by adding at the end thereof the following new section:

"DEMONSTRATION PROJECTS FOR TRIBAL MANAGEMENT OF HEALTH CARE SERVICES

"SEC. 717. (a)(1) The Secretary, acting through the Service, shall make grants to Indian tribes to establish demonstration projects under which the Indian tribe will develop and test a phased approach to assumption by the Indian tribe of the health care delivery system of the Service for members of the Indian tribe living on or near the reservations of the Indian tribe through the use of Service, tribal, and private sector resources.

"(2) A grant may be awarded to an Indian tribe under paragraph (1) only if the Secretary determines that the Indian tribe has the administrative and financial capabilities necessary to conduct a demonstration project described in paragraph (1).

"(b) During the period in which a demonstration project established under subsection (a) is being conducted by an Indian tribe, the Secretary shall award all health care contracts, including community, behavioral, and preventive health care contracts, to the Indian tribe in the form of a single grant to which the regulations prescribed under part A of title XIX of the Public Health Service Act (as modified as necessary by any agreement entered into between the Secretary and the Indian tribe to achieve the purposes of the demonstration project established under subsection (a)) shall apply.

"(c) The Secretary may waive such provisions of Federal procurement law as are necessary to enable any Indian tribe to develop and test administrative systems under the demonstration project established under subsection (a), but only if such waiver does not diminish or endanger the delivery of health care services to Indians.

"(d)(1) The demonstration project established under subsection (a) shall terminate on September 30, 1992.

"(2) By no later than September 30, 1992, the Secretary shall evaluate the performance of each Indian tribe that has participated in a demonstration project established under subsection (a) and shall submit to the Congress a report on such evaluations and demonstration projects.

"(e) There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.".

HEALTH CARE FOR RURAL AND FRONTIER AREAS

SEC. 715. (a) The Secretary of Health and Human Services (hereafter referred to in this section as the "Secretary") is authorized to make grants to, or enter into contracts with, any eligible applicants to help such applicants fund authorized activities under an application submitted and approved under subsection (d).

(b)(1) Amounts provided under subsection (a) shall be used by the recipients to fund interdisciplinary training projects designed to—

(A) use new and innovative methods to train health care practitioners to provide services in rural and frontier areas;

(B) demonstrate and evaluate innovative interdisciplinary methods and models designed to provide access to cost-effective, comprehensive health care;

(C) deliver health care services to rural and frontier areas;

(D) enhance the amount of relevant research conducted concerning health care issues in rural and frontier areas; and

(E) design models to increase the recruitment and retention of selected health care providers in rural and frontier areas, and make rural and frontier practice a more attractive career choice for health care professionals.

(2) A recipient of funds under subsection (a) may use various methods in carrying out the projects described in paragraph (1), including—

(A) the distribution of stipends to students of eligible applicants;

(B) the establishment of a post-doctoral fellowships program;

(C) the enhancement and training of rural educators;

(D) the training of faculty in the economic and logistical problems confronting rural and frontier health care delivery systems; or

(E) the purchase or rental of transportation and telecommunication equipment.

(3)(A) An applicant shall not use more than 10 percent of the funds made available to such applicant under subsection (a) for administrative expenses.

(B) Not more than 10 percent of the individuals receiving training with funds made available to an applicant under subsection (a) shall be trained as allopathic and osteopathic physicians.

(c) Applicants eligible to obtain funds under subsection (a) shall include nonprofit organizations and public or nonprofit colleges, universities, or schools of, or programs that specialize in, nursing, psychology, social work, optometry, public health, dentistry, physicians assistants, pharmacy, podiatry, medicine, chiropractic, and allied health professionals if such applicants submit applications approved by the Secretary under subsection (d).

(d)(1) In order to receive a grant under subsection (a) an entity shall submit an application to the Secretary.

(2) An application submitted under this subsection shall be in such form, be submitted by such date, and contain such information as the Secretary shall require.

(3) Applications submitted under this subsection shall—

(A) be jointly submitted by at least two eligible applicants with the express purpose of assisting individuals in academic institutions in establishing long-term collaborative relationships with health care providers in rural and frontier areas;

(B) designate a rural and frontier health care agency or agencies for clinical treatment or training, including hospitals, community health centers, migrant health centers, rural and frontier health clinics, community mental health centers, long term care facilities, facilities operated by the Indian Health Service, or Native Hawaiian health centers; and

(C) provide any additional information required by the Secretary.

(4) The Secretary in awarding grants under this section shall give priority to entities submitting applications that have the highest proportion of health related programs participating in projects of the type authorized under this section.

(e)(1) The Secretary shall contract with a non-profit health care association with expertise in rural and frontier health care and membership representing the full range of health care professional and health care providers to conduct a study of manpower training needs in rural and frontier areas, with attention focused on the supply of health professionals and whether such supply is adequate to meet the demands for health care services in rural and frontier communities.

(2)(A) The study conducted under paragraph (1) shall include statistics and projections on—

(i) the supply of health care professionals in rural and frontier areas;

(ii) areas with demonstrated shortages of health care providers; and

(iii) suggested methods of improving access to health care services in rural and frontier areas.

The study shall pay particular attention to the needs of the rural and frontier elderly as well as the rural and frontier population that is not eligible for Medicare.

(B) The study conducted under paragraph (1) shall evaluate existing models for health care training and service delivery and propose innovative alternative models to enhance the quality and availability of health care services in rural and frontier areas and to increase retention of health professionals in rural and frontier settings.

(3) The Secretary shall evaluate the effectiveness of the health care training and service delivery models developed with funds made available under this section and compare such models with programs designed to increase the availability of health care providers in rural and frontier settings, including the National Health Service Corps program authorized by subpart II of part D of the Public Health Service Act (42 U.S.C. 254d et seq) and the area health education center program authorized under section 781 of such Act (42 U.S.C. 295g-1).

(4) By no later than 18 months after the date of the signing of the contract for the health care study under paragraph (1), the Secretary shall submit to the appropriate committees of the Congress a report that describes the results of the study conducted under paragraph (1).

(f)(1)There are authorized to be appropriated to carry out the provisions of this section other than subsection (e), $5,000,000 for each of the fiscal years 1989, 1990, 1991, and 1992.

(2) There are authorized to be appropriated $1,000,000 for fiscal year 1990 to carry out subsection (e).

TITLE VIII—DIABETES PREVENTION AND CONTROL

SEC. 801. The Indian Health Care Improvement Act is amended by adding at the end thereof the following new title:

"TITLE VIII—DIABETES PREVENTION AND CONTROL

"FINDINGS AND PURPOSE

"SEC. 801. (a) The Congress finds that—

"(1) the incidence of diabetes among Indians is significantly higher than in other population groups within the United States;

"(2) in several Indian tribes over 40 percent of the adults have diabetes compared with approximately 3 percent of the overall United States adult population;

"(3) diabetes has become the second leading reason for outpatient visits by Indians to Service facilities nationwide;

"(4) serious complications of diabetes, such as kidney failure, hypertension, amputation, and blindness, are increasing in frequency among Indians;

"(5) health care costs for treatment of diabetes and related complications among Indians will increase significantly in the long term unless the Department of Health and Human Services—

"(A) determines the cause of diabetes among Indians,

"(B) develops early diagnosis, treatment, and prevention programs to reduce the incidence of diabetes among Indians, and

"(C) trains, or provides for the training of, Federal and Indian health care providers in the diagnosis, treatment, and control of diabetes and related complications;

"(6) a Model Diabetes Control Program exists within the Service, consisting of seven project sites which serve only 10 percent of the Service patients; and

"(7) outreach services and the conveyance of effective treatment strategies from the model project sites need to be implemented.

"(b) The purposes of this title are—

"(1) to broaden the research program of the Department of Health and Human Services relating to diabetes and related complications among Indians;

"(2) to strengthen the efforts of the Service for the treatment of diabetes through the implementation of a program for the prevention and control of diabetes and related complications on each Indian Reservation and for each Alaskan Native Village; and

(3) to achieve a reduction in the incidence of diabetes among Indian populations to a rate comparable to that of the general United States population.

"STUDY ON DIABETES AMONG INDIANS

"SEC. 802. (a) The Secretary shall determine—

"(1) the incidence of diabetes among Indians;

"(2) activities the Service should take—

"(A) to reduce the incidence of diabetes among Indians,

"(B) to provide Indians with guidance in the prevention, treatment, and control of diabetes,

"(C) to provide early diagnosis of diabetes among Indians, and

"(D) to ensure that proper continuing health care is provided to Indians who are diagnosed as diabetic; and

"(3) the fiscal impact to the Federal Government of treating the long-term complications of diabetes based upon the existing prevalence and incidence of diabetes among Indians.

"(b) The Secretary shall prepare an inventory of all health care programs and resources (public and private) within the United States that are available for the treatment, prevention, or control of diabetes among Indians.

"(c) Within 18 months after the date of enactment of the Indian Health Care Amendments of 1988, the Secretary shall prepare and transmit to the President and the Congress a report describing the determinations made under subsection (a), containing the inventory prepared under subsection (b), and describing the research activities conducted under this title.

"DIABETES CARE PROGRAM

"Sec. 803. (a) Within 18 months after the date of enactment of the Indian Health Care Amendments of 1988, the Secretary shall implement a program designed—

"(1) to strengthen and expand the diabetes control program of the Service;

"(2) to screen each individual who receives services from the Service for diabetes and for conditions which indicate a high risk that the individual will become diabetic;

"(3) to enable all service units of the Service to treat effectively—

"(A) newly diagnosed diabetics in order to reduce future complications from diabetes,

"(B) individuals who have a high risk of becoming diabetic in order to reduce the incidence of diabetes, and

"(C) short-term and long-term complications of diabetes;

"(4) to conduct, for Federal, tribal, and other Indian health care providers (including community health representatives), training programs concerning current methods of prevention, diagnosis, and treatment of diabetes and related complications among Indians;

"(5) to determine the appropriate delivery to Indians of health care services relating to diabetes;

"(6) to develop and present health education information to Indian communities and schools concerning the prevention, treatment, and control of diabetes; and

"(7) to ensure that proper continuing health care is provided to Indians who are diagnosed as diabetic.

"(b) The Secretary shall—

"(1) promote coordination and cooperation between all health care providers in the delivery of diabetes related services; and

"(2) encourage and fund joint projects between Federal and tribal health care facilities and Indian communities for the prevention and treatment of diabetes.

"(c)(1) The Secretary shall continue to maintain each of the following model diabetes clinics which are in existence on the date of enactment of the Indian Health Care Amendments of 1988:

"(A) Claremore Indian Hospital in Oklahoma;

"(B) Fort Totten Health Center in North Dakota;

"(C) Sacaton Indian Hospital in Arizona;

"(D) Winnebago Indian Hospital in Nebraska;

"(E) Albuquerque Indian Hospital in New Mexico;

"(F) Terry, Princeton, and Old Town Health Centers in Maine; and

"(G) Bellingham Health Center in Washington.

"(2) Within 2 years after the date of enactment of the Indian Health Care Amendments of 1988, the Secretary shall establish and maintain a model diabetes clinic in each of the following locations:

"(A) the Navajo Reservation;

"(B) the Papago Reservation;

"(C) Montana;

"(D) Minnesota; and

"(E) Alaska.

"(3) The Secretary shall develop and implement an outreach program to ensure that the achievements and benefits derived from the activities of the model diabetes clinics maintained under this section are used by all service units of the Service in the diagnosis, prevention, and treatment of diabetes among Indians.

"(d)(1) The Secretary shall maintain appropriate personnel within the Service to develop and implement the provisions of this title and to manage and coordinate the diabetes care program of the Service.

"(2) The Secretary shall employ in each area office of the Service at least one diabetes control officer who shall coordinate and manage on a full-time basis the diabetes care program of the Service in the area served by such area office.

"(e) The Secretary shall submit to the Congress an annual report outlining the activities, achievements, needs, and future goals of the diabetes care program of the Service.

"DATA COLLECTION AND ANALYSIS

"Sec. 804. The Secretary shall develop and maintain a comprehensive standardized system within the Service to collect, analyze, and report data regarding diabetes and related complications among Indians. Such system shall be designed to facilitate dissemination of the best available information on diabetes to Indian communities and health care professionals. Such system shall be operational within 2 years after the date of enactment of the Indian Health Care Amendments of 1988.

"RESEARCH

"Sec. 805. The Secretary shall require each agency and unit of the Department of Health and Human Services which conducts research relating to diabetes—

"(1) to give special attention to research concerning the causes, diagnosis, treatment, and prevention of diabetes and related complications among Indians; and

"(2) to coordinate such research with all other agencies and units of the Department of Health and Human Services which conduct research relating to diabetes and related complications.

"REGULATIONS

"Sec. 806. The Secretary may prescribe such regulations as may be necessary to carry out the provisions of this title.

"AUTHORIZATION OF APPROPRIATIONS

"Sec. 807. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this title.".

TITLE IX—SEVERABILITY PROVISION

Sec. 901. If any provision of this Act, any amendment made by this Act, or the application of such provision or amendment to any person or circumstances is held to be invalid, the remainder of this Act, the remaining amendments made by this Act, and the application of such provision or amendment to persons or circumstances other than those to which it is held invalid, shall not be affected thereby.

MELCHER AMENDMENT NOS. 3299 THROUGH 3301

Mr. MELCHER proposed three amendments to amendment No. 3298 proposed by Mr. Byrd (for Mr. Inouye) to the bill H.R. 5261, supra; as follows:

Amendment No. 3299

At the end of the bill insert the following new section:

"Sec. . The final rule published in the Federal Register on September 16, 1987, by the Health Resources and Services Administration of the Public Health Service of the Department of Health and Human Services, to eligibility for the health care services of the Indian Health Service, shall not take effect before the day that is one year after the date of enactment of this Act, and no action may be taken before such day to implement or administer such rule or to prescribe any other rule or regulation that has a similar effect.

"Sec. . During the 1-year period described in section , the Indian health Service shall provide services pursuant to the criteria for eligibility for Indian Health Service in effect prior to September 15, 1987.

"Sec. . The Office of Technology Assessment, acting in consultation with the Indian Health Service, shall conduct a study to determine the impact of the final rule described in section and of any other proposed rules which would change the eligibility criteria for medical services provided by the Indian Health Service.

"(b) The study conducted under this section shall include

"(1) full participation and consultation with Indian and Alaskan Native tribal governments and representatives of urban Indian health care programs;

"(2) statistics for each of the service areas of the Indian Health Service on the number of Indians who are currently eligible for the services of the Indian Health Service.

"(3) statistics for each of the service areas of the Indian Health Service on the number of Indians who would be eligible for such services if the final rule described in section or any alternative rule changing eligibility were implemented;

"(4) consideration of the financial impact of such final rule or any other proposed rule on the contract health care budget and on the clinical services budget of the Indian Health Service;

"(5) consideration of the health status, cultural, social, and economic impact on Indian reservations and urban Indian populations of such final rule or any other rule changing the eligibility criteria;

"(b) consideration of the alternatives, if any, that would be available to those Indians who would not be eligible for such services by reason of any such final rule; and

"(7) consideration of the program changes that the Indian Health Service would be required to make if the eligibility requirements for such services that were in effect on September 15, 1987, were modified.

"(c) The Office of Technology Assessment shall submit to the Congress a report on the study required under section .

"(d) Before submitting to Congress the report on the study required under this section, the Office of Technology Assessment shall provide Indian tribes, Alaska Native villages and urban Indian health care programs an opportunity to comment on the report and shall incorporate the comments of such Indian groups into the report.

"Sec. . There are hereby authorized to be appropriated such sums as are necessary to carry out the purposes of this Act.".

Amendment No. 3300

At the end of title VII of the matter proposed to be inserted, add the following:

CHILD SEXUAL ABUSE TREATMENT PROGRAMS

SEC. 716. Title VII, as amended by section 714 of this Act, is amended by adding at the end thereof the following new section:

"CHILD SEXUAL ABUSE TREATMENT PROGRAMS

"SEC. 718. (a) The Secretary and the Secretary of the Interior shall, for each of the fiscal years 1989, 1990, and 1991, continue to provide through the Hopi Tribe and the Assiniboine and Sioux Tribes of the Fort Peck Reservation the demonstration programs involving treatment for child sexual abuse that were conducted during fiscal year 1988 through such Tribes.

"(b) There are authorized to be appropriated for each of the fiscal years 1989, 1990, and 1991 such sums as may be necessary to carry out the provisions of this section.".

AMENDMENT No. 3301

At the end of title VII of the matter proposed to be inserted, add the following:

TITLE —LOAN REPAYMENT PROGRAM

INDIAN HEALTH SERVICE LOAN REPAYMENT PROGRAM

SEC. . (A) The Secretary, acting through the Service, shall establish a program to be known as the Indian Health Service Loan Repayment Program (hereafter in this Act referred to as the "Loan Repayment Program") in order to assure an adequate supply of trained physicians, dentists, and nurses for the Service (and for health facilities and health programs maintained by any Indian tribe, tribal organization, or urban Indian organization under a contract entered into with the Secretary) and, if needed by the Service or by such Indian tribe, tribal organization, or urban Indian organization, podiatrists, optometrists, pharmacists, clinical and counseling psychologists, graduates of schools of public health, graduates of schools of social work, graduates of programs in health administration, graduates of programs for the training of physicians assistants, expanded function dental auxiliaries, nurse practitioner (within the meaning of section 822 of the Public Health Service Act (42 U.S.C. 296m)), and other health professionals.

(b) To be eligible to participate in the Loan Repayment Program, an individual must—

(1) be enrolled as a full-time student and in the final year of a course of study or program in an accredited (as determined by the Secretary) educational institution in a State which is approved by the Secretary pursuant to the provisions of this title; or

(2) in a graduate training program in a course of study approved by the Secretary pursuant to the provisions of this title;

(3) have a degree in medicine or other health profession which is approved by the Secretary pursuant to the provisions of this title; or

(4) be employed by the Service on a voluntary basis without a service obligation in a position which qualifies for the purpose of this title.

(c) An individual applying for the Loan Repayment Program must be eligible for, or hold, an appointment as a commissioned officer in the Regular or Reserve Corps of the Public Health Service or be eligible for selection for civilian employment by the Service.

(d) An applicant for the Loan Repayment Program must submit an application to participate in the Loan Repayment Program, and must sign and submit to the Secretary, at the time of the submission of such application, a written contact (described in subsection (h)) to accept repayment of educational loans and to serve (in accordance with this title) for the applicable period of obligated service in the Indian Health Service.

(e) In disseminating application forms and contract forms to individuals deserving to participate in the Loan Repayment Program, the Secretary shall include with such forms a fair summary of the rights and liabilities of an individual whose application is approved (and whose contract is accepted) by the Secretary, including in the summary a clear explanation of the damages to which the United States is entitled under section in the case of the individual's breach of the contract.

(f)(1) The Secretary shall only approve applications under the the Loan Repayment Program that are made by individuals whose training is in a health profession or specialty determined by the Secretary to be needed by the Service. In approving applications for the the Loan Repayment Program, the Secretary shall ensure that nurses and other non-physician applicants have equitable access to the loan repayment program.

(2) In determining which applications under the Loan Repayment Program to approve, the Secretary shall extend a preference to Indians.

(g)(1) An individual becomes a participant in the Loan Repayment Program only upon the Secretary's approval of the individual's application submitted under subsection (d) and the Secretary's approval of the contract submitted by the individual under subsection (d).

(2) The Secretary shall provide written notice to an individual promptly upon the Secretary's approving, under paragraph (1), of the individual's participation in the Loan Repayment Program.

(h) The written contract referred to in this title between the Secretary and an individual shall contain—

(1) an agreement under which—

(A) the Secretary agrees—

(i) to pay loans on behalf of the individual in accordance with the provisions of this title, and

(ii) to accept the individual into the Service; and

(B) the individual agrees—

(i) to accept loan payments;

(ii) in the case of an individual described in paragraph (1) or (2) of subsection (b)—

(I) to maintain enrollment in a course of study or training described in paragraph (1) or (2) of subsection (b) until the individual completes the course of study or training, and

(II) while enrolled in such course of study or training, to maintain an acceptable level of academic standing (as determined by the educational institution offering such course of study or training in accordance with regulations prescribed by the Secretary);

(iii) to provide certification to the Secretary of the degree or diploma awarded to the individual in the health profession; and

(iv) to serve for a time period (hereafter in this title referred to as the "period of obligated service") equal to 2 years or such longer period as the individual may agree to serve in a health program maintained by—

(I) the Service, or

(II) any Indian tribe, tribal organization, or urban Indian organization under a contract entered into with the Secretary,

to which the individual is assigned by the Secretary;

(2) a provision that any financial obligation of the United States arising out of a contract entered into under this title and any obligation of the individual which is conditioned thereon, is contingent upon funds being appropriated for loan repayments under this title and to carry out the purposes of this title;

(3) a statement of the damages to which the United States is entitled, under section for the individual's breach of the contract; and

(4) such other statements of the rights and liabilities of the Secretary and of the individual consistent with the provisions of this title as the Secretary considers appropriate to specify in the contract.

(i) No payment shall be made on behalf of an individual who has entered into a contract under the Loan Repayment Program unless or until such individual is a full-time employee of the Service.

(j)(1) A loan repayment provided for an individual under a written contract under the Loan Repayment Program shall consist of payment, in accordance with paragraph (2), on behalf of the individual of the principal, interest, and related expenses on government and commercial loans received by the individual for—

(A) tuition expenses;

(B) all other reasonable educational expenses, including fees, books, and laboratory expenses, incurred by the individual; or

(C) reasonable living expenses as determined by the Secretary.

(2) For each year of obligated service that an individual contracts under subsection (h) to serve, the Secretary may pay up to $25,000 on behalf of the individual for loans described in paragraph (1).

(k) Notwithstanding any other provision of law, individuals who have entered into written contracts with the Secretary under this section, while undergoing academic training, shall not be counted against any employment ceiling affecting the Department.

(l) The Secretary shall, by not later than March 1 of each year, submit to the Congress a report providing—

(1) the number, and type of health profession training, of individuals receiving loan payments under the Loan Repayment Program;

(2) the educational institution at which such individuals are receiving their training or have completed their training;

(3) the total number of applications filed under this section during the preceding year;

(4) the number of such applicants filed with respect to each type of health profession;

(5) the total number of contracts described in subsection (h) that are entered into during the preceding year;

(6) the number of such contracts entered into during the preceding year with respect to each type of health profession; and

(7) the amount of loan payments made in the preceding year.

RECRUITMENT

SEC. . (a) The Secretary may conduct at schools of medicine, osteopathy, dentistry, and, as appropriate, nursing and other schools of the health professions and at entities which train allied health personnel, recruiting programs for the Loan Repayment Program.

(d) Section 214 of the Public Health Service Act (42 U.S.C. 215) shall not apply to individuals during their period of obligated service under the Loan Repayment Program.

OBLIGATED SERVICE UNDER CONTRACT

SEC. . (a) Each individual who has entered into a written contract with the Secretary under section 101 shall provide service in the full-time clinical practice of such individual's profession in the Indian Health Service for the period of obligated service provided in such contract.

(b)(1) If an individual is required under subsection (a) of this section to provide obligated service, the Secretary shall, not later than 90 days before the date described in paragraph (4), determine if the individual shall provide such service as a commissioned officer in the Regular or Reserve Corps of the Public Health Service or as a civilian employee of the Indian Health Service, and shall notify such individual of such determination.

(2) If the Secretary determines that an individual shall provide obligated service to the Indian Health Service as a commissioned officer in the Regular or Reserve Corps of the Public Health Service or a civilian employee of the Indian Health Service, the Secretary shall, not later than 60 days before the date described in paragraph (4), provide such individual with sufficient information regarding the advantages and disadvantages of service as such a commissioned officer or civilian employee to enable the individual to make a decision on an informed basis. To be eligible to provide such obligated service as a commissioned officer in the Public Health Service, an individual shall notify the Secretary, not later than 30 days before the date described in paragraph (4), of the individual's desire to provide such service as such an officer. If an individual qualifies for an appointment as such as officer, the Secretary shall, as soon as possible after the date described in paragraph (4), appoint the individual as a commissioned officer in the Regular or Reserve Corps of the Public Health Service.

(3) If an individual provided notice by the Secretary under paragraph (2) does not qualify for appointment as a commissioned officer in the Public Health Service, the Secretary shall, as soon as possible after the date described in paragraph (4), appoint such individual as a civilian employee of the Indian Health Service.

(4)(A) With respect to an individual receiving a degree from a school of medicine, osteopathy, psychology, or dentistry and an individual who is completing advanced clinical education or training to specialize in nurse midwifery or community or public health nursing or as a nurse practitioner or clinical nurse specialist, the date referred to in paragraphs (1) through (3) shall be the date upon which the individual completes the training required for such degree, advanced clinical education or training, or certification in nursing, except that the Secretary shall, at the request of such individual, defer such date until the end of the period of time (not to exceed 3 years or such greater period as the Secretary, consistent with the needs of the Service, may authorize) required for the individual to complete an internship, residency, or other advanced clinical education or training. With respect to an individual receiving a degree from a school of optometry, podiatry, or pharmacy, the date referred to in paragraphs (1) through (3) shall be the date upon which the individual completes the training required for such degree, except that the Secretary shall, at the request of such individual, defer such date until the end of the period of time (not to exceed 1 year or such greater period as the Secretary, consistent with the needs of the Service, may authorize) required for the individual to complete an internship, residency, or other advanced clinical training. No period of internship, residency, or other advanced clinical training shall be counted toward satisfying a period of obligated service under this title.

(B) With respect to an individual receiving a degree from an institution other than a school referred to in subparagraph (A), the date referred to in paragraphs (1) through (3) shall be the date upon which the individual completes his academic training leading to such degree.

(C) With respect to an individual who has received a degree in medicine, osteopathy, psychology, dentistry, or other health profession and has completed graduate training, the date referred to in paragraphs (1) and (3) shall be the date on which the individual enters into a contract with the Secretary under section 101.

(c) An individual shall be considered to have begun serving the period of obligated service on the date such individual is appointed as an officer in a Regular or Reserve Corps of the Public Health Service under subsection (b)(2) or is appointed as a civilian employee of the Indian Health Service under subsection (b)(3).

BREACH OF CONTRACT

SEC. . (a) An individual who has entered into a written contract with the Secretary under section —— and who—

(1) is enrolled in the final year of a course of study and fails to maintain an acceptable level of academic standing in the educational institution in which the individual is enrolled (such level determined by the educational institution under regulations of the Secretary) or voluntarily terminates such enrollment or is dismissed from such educational institution before completion of such course of study, or

(B) is enrolled in a graduate training program, fails to complete such training program,

in lieu of any service obligation arising under such contract shall be liable to the United States for the amount which has been paid on his behalf under the contract.

(b) If (for any reason not specified in subsection (a)) an individual breaches his written contract under section ——

by failing either to begin such individual's period of obligated service in accordance with section —— or to complete such period of obligated service, the United States shall be entitled to recover from the individual an amount determined in accordance with the following formula:

$$A=2z\left(\frac{t-s}{t}\right)$$

in which 'A' is the amount the United States is entitled to recover, 'z' is the sum of the amounts paid under this title to, or on behalf of, the individual and the interest on such amounts which would be payable if at the time the amounts were paid they were loans bearing interest at the maximum legal prevailing rate, as determined by the Treasurer of the United States, 't' is the total number of months in the individual's period of obligated service, and 's' is the number of months of such period served by him in accordance with section —— of this title. Any amount of damages which the United States is entitled to recover under this subsection shall, within the 1-year period beginning on the date of the breach of the written contract (or such longer period beginning on such date as specified by the Secretary for good cause shown), be paid to the United States.

(c)(1) Any obligation of an individual under the Loan Repayment Program (or a contract thereunder) for service or payment of damages shall be canceled upon the death of the individual.

(2) The Secretary shall by regulation provide for the partial or total waiver or suspension of any obligation of service or payment by an individual under the Loan Repayment Program (or a contract thereunder) whenever compliance by the individual is impossible or would involve extreme hardship to the individual and if enforcement of such obligation with respect to any individual would be unconscionable.

(3) Any obligation of an individual under the Loan Repayment Program (or a contract thereunder) for payment of damages may be released by a discharge in bankruptcy only if such discharge is granted after the expiration of the 5-year period beginning on the first date that payment of such damages is required.

REPORTS

SEC. . The Secretary shall submit to the Congress on July 1 of 1988, and of each succeeding year, a report on the number of providers of health care who will be needed for the Indian Health Service during the 3 fiscal years beginning after the date the report is filed and—

(1) the number of scholarships, if any, the Secretary proposes to provide under the National Health Service Corps Scholarship Program during such 3 fiscal years, and

(2) the number of individuals for whom the Secretary proposes to make loan repayments under the Loan Repayment Program during such 3 fiscal years.

AUTHORIZATION FOR APPROPRIATIONS

SEC. . There are authorized to be appropriated for each fiscal year such sums as may be necessary to carry out the provisions of this title.

TITLE II—OTHER RECRUITMENT AND RETENTION PROVISIONS

TRAVEL EXPENSES FOR RECRUITMENT

SEC. . (a) The Secretary may reimburse health professionals seeking positions in the Service (including individuals consider=ing entering into a contract under section ——) and their spouses for actual and reasonable expenses incurred in traveling to and from their places of residence to an area in which they may be assigned for the purpose of evaluating such area with regard to being assigned in such area.

(b) There are authorized to be appropriated for each fiscal year $100,000 for the purpose of carrying out the provisions of this section.

TRIBAL DEMONSTRATION RECRUITMENT AND RETENTION PROGRAM

SEC. . (a) The Secretary, acting through the Service, shall award grants to Indian tribes and tribal organizations for the purpose of enabling the Indian tribes and tribal organizations to develop and test, in cooperation with the Service, innovative techniques to recruit, place, and retain health professionals.

(b) The Secretary shall prescribe such regulations as are necessary to carry out the provisions of this section.

(c) There are authorized to be appropriated for each fiscal year $600,000 for the purpose of carrying out the provisions of this section.

TRIBAL CULTURE AND HISTORY

Sec. . (a) The Secretary, acting through the Service, shall establish a program under which all employees of the Service who serve particular Indian tribes shall receive educational instruction in the history and culture of such tribes and in the history of the Service.

(b) To the extent feasible, the program established under subsection (a) shall—

(1) be carried out through tribally-controlled community colleges, and

(2) be developed in consulation with the affected tribal government, and

(3) include instruction in Native American studies.

(c) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

INMED PROGRAM

Sec. . (a) The Secretary is authorized to provide grants to colleges and universities for the purpose of maintaining and expanding the Native American health careers recruitment program known as the "Indian into Medicine Program" (hereinafter in this section referred to as "INMED") as a means of encouraging Indians to enter the health professions.

(b) In addition to maintaining the INMED program at the University of North Dakota, unless the Secretary makes a determination, based upon program reviews, that the program is not meeting the purposes of this section, the Secretary shall provide grants to at least two additional universities or colleges for the purpose of expanding the INMED program model.

(c) The Secretary shall develop regulations for the competitive awarding of the grants established in this section provided that the universities applying for such funds agree to provide a program which—

(1) provides outreach and recruitment for health professions to Native American communities including elementary, secondary and community colleges located on Indian reservations which will be served by the program,

(2) incorporates a program advisory board comprised of representatives from the tribes and communities which will be served by the program,

(3) provides summer preparatory programs for Native American students who need enrichment in the subjects of math and science in order to pursue training in the health professions.

(4) provides tutoring, counseling and support to students who are enrolled in a health career program of study at the respective college or university, and

(5) to the maximum extent feasible agree to employ qualified Native American staff for the program.

(d) By no later than the date that is 3 years after the date of enactment of this Act, the Secretary shall submit a report to Congress on the program including recommendations for expansion or changes to the program.

(e) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

HEALTH TRAINING PROGRAMS OF COMMUNITY COLLEGES

Sec. . (a)(1) The Secretary, acting through the Service, shall award grants to community colleges for the purpose of assisting the community college in the establishment of programs which provide education in a health profession leading to a degree or diploma in a health profession for individuals who desire to practice such profession on an Indian reservation or in a tribal clinic.

(2) The amount of any grant awarded to a community college under paragraph (1) for the first year in which such a grant is provided to the community college shall not exceed $100,000.

(b)(1) The Secretary, acting through the Service, shall award grants to community colleges that have established a program described in subsection (a)(1) for the purpose of maintaining the program and recruiting students for the program.

(2) Grants may only be made under this section to a community college which—

(A) is accredited,

(B) has access to a hospital facility, Service facility, or hospital that could provide training of nurses or health professionals,

(C) has entered into an agreement with an accredited college or university medical school, the terms of which—

(i) provide a program that enhances the transition and recruitment of students into advanced baccalaureate or graduate programs which train health professionals, and

(ii) stipulate sanctions or certifications necessary to approve internship and field placement opportunities at service unit facilities of the Service or at tribal health facilities,

(D) has a qualified staff which has the appropriate certifications, and

(E) is capable of obtaining State or regional accreditation of the program described in subsection (a)(1).

(c) The Secretary shall encourage community colleges described in subsection (b)(2) to establish and maintain programs described in subsection (a)(1) by—

(1) entering into agreements with such colleges for the provision of qualified personnel of the Service to teach courses of study in such programs, and

(2) providing technical assistance and support to such colleges.

(d) Any program receiving assistance under this section that is conducted with respect to a health profession shall also offer courses of study which provide advanced training for any health professional who—

(1) has already received a degree or diploma in such health profession, and

(2) provides clinical services on an Indian reservation, at a Service facility, or at a tribal clinic. Such courses of study may be offered in conjunction with the college or university with which the community college has entered into the agreement required under subsection (b)(2)(C).

(e) For purposes of this section—

(1) The term "community college" means—

(A) a tribally controlled community college, or

(B) a junior or community college.

(2) The term "tribally controlled community college" has the meaning given to such term by section 2(4) of the Tribally Controlled Community College Assistance Act of 1978 (25 U.S.C. 1801(4)).

(3) The term "junior or community college" has the meaning given to such term by section 312(e) of the Higher Education Act of 1965 (20 U.S.C. 1058(e)).

(f) There are authorized to be appropriated for each fiscal year such sums as may be necessary to carry out the provisions of this section.

ADVANCED TRAINING AND RESEARCH

Sec. . (a) The Secretary, acting through the Service, shall establish a program to enable health professionals who have worked for the Service for a substantial period of time to pursue advanced training or research at medical schools, or other professional schools or facilities,

(b) The Secretary shall prescribe such regulations as may be necessary to carry out the provisions of this section.

ADDITIONAL INCENTIVES FOR HEALTH PROFESSIONALS

Sec. . (a) The Secretary shall provide the incentive special pay authorized under section 302(b) of title 37, United States Code, by reason of section 208(a) of the Public Health Service Act (42 U.S.C. 210(a)), to—

(1) commissioned medical officers of the Regular and Reserve Corps of the Public Health Service who are assigned to positions for which recruitment or retention of personnel is difficult in the Indian Health Service, and

(2) civilian medical officers of the Service who are assigned to positions for which recruitment or retention of personnel is difficult.

(b)(1) The Secretary shall establish and update on an annual basis a list of positions (other than medical officers) of health care professionals employed by or assigned to the Service for which recruitment or retention is difficult.

(2)(A) The Secretary shall pay a bonus to any person who is employed in or assigned to, a position in the Service included in the list established by the Secretary under paragraph (1).

(B) The total amount of bonus payments made by the Secretary under this section to any employee during any 1-year period shall not exceed $2,000.

(c) The Secretary shall establish programs to allow the use of flexible work schedules, and compressed work schedules, in accordance with the provisions of subchapter II of chapter 61 of title 5, United States Code, for health professionals employed by, or assigned to, the Service.

(d) By no later than the date that is 6 months after the date of enactment of this Act, the Secretary shall submit a report to the Congress on the limitation imposed on amounts of premium pay for overtime to any individual employed by, or assigned to, the Service. The report shall include an explanation of existing overtime pay policy, an estimate of the budget impact of removing limitations on overtime pay, a summary of problems associated with overtime pay limitations, and recommendations for changes to the overtime pay policy.

RETENTION BONUS

Sec. . (a) The Secretary shall pay a retention bonus to medical officers employed by, or assigned to, the Service either as a civilian employee or as a commissioned officer in the Regular or Reserve Corps of the Public Health Service who—

(1) has—

(A) completed three years of employment with the Service, or

(B) completed any service obligation incurred as a result of—

(i) acceptance of any Federal scholarship program, or

(ii) any Federal education loan repayment program, and

(2) enters into an agreement with the Service for continued employment for a period of not less than 1 year.

(b) The Secretary shall establish specific rates for the retention bonus which shall provide for a higher annual rate for multi-year agreements than for single year agreements, but in no event shall the annual rate be less than $12,000 per annum nor shall the annual rate be more than $25,000 per annum.

(c) The retention bonus for the entire period covered by the agreement described in subsection (a)(2) shall be paid at the beginning of the agreed upon term of service.

(d) Any physician failing to complete the agreed upon term of service, except where such failure is through no fault of the individual, shall be obligated to refund to the government the full amount of the retention bonus for the period covered by the agreement plus interest as determinded by the Secretary after consultation with the Secretary of the Treasury.

FOREIGN MEDICAL GRADUATE DEMONSTRATION PROJECT

SEC. .(a) The Secretary shall establish a 3-year demonstration project in the Indian Health Service which utilizes foreign medical graduates to assist in the delivery of health care in hospital facilities of the Indian Health Service.

(b) The Secretary shall conduct the demonstration project at not less than 2 hospitals of the Indian Health Service which have the staff capability to provide orientation, training, and supervision to the foreign medical graduates selected to participate in the demonstration project.

(c) The Secretary shall develop a program which provides orientation, training, and supervision to the participants in the demonstration project which—

(1) assesses the abilities of each foreign medical graduate participating in the demonstration project,

(2) provides individualized orientation and training to each participant,

(3) provides individualized work assignments based upon the individual's training, experience and capabilities, and which are under the supervision of a medical officer of the Indian Health Service, and

(4) prepares each participant to obtain a license as a physician assistant.

(d) The Secretary shall select at least 10 individuals to participate in the demonstration project who—

(1) were licensed to practice medicine in their country of origin;

(2) practiced medicine in their country of origin for at least 5 continuous years;

(3) are proficient in the oral and written use of the English language;

(4) have obtaind citizenship or status of permanent residents of the United States; and

(5) originate from countries which are friendly with, or allied with, the United States.

(e) By the date that is no later than 3 years after enactment of this Act, the Secretary shall submit a report to Congress on the demonstration project which shall include recommendations for maintaining and expanding the demonstration project as a means of enabling the Service to more effectively deliver health care.

(f) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

REPORT ON RECRUITMENT AND RETENTION

SEC. . The Secretary shall establish an advisory panel composed of—

(1) 10 physicians or other health professionals who are employees of, or assigned to, the Indian Health Service, and

(2) 3 representatives of tribal health boards, and

(3) 1 representative of an urban health care organization.

(b) The advisory panel established under subsection (a) shall conduct an investigation of—

(1) the administrative policies and regulatory procedures which impede the recruitment or retention of physicians and other health professionals by the Indian Health Service, and

(2) the regulatory changes necessary to establish pay grades for health professionals employed by, or assigned to, the Service that correspond to the pay grades established for positions provided under section 4103 and 4104 of title 38, United States Code, and the costs associated with establishing such pay grades.

(c) By no later than the date that is 18 months after the date of enactment of this Act, the advisory panel established under subsection (a) shall submit to the Congress a report on the investigation conducted under subsection (b), together with any recommendations for administrative or legislative changes in existing law, practices, or procedures.

NICKLES (AND HELMS) AMENDMENT NO. 3302

Mr. DOLE (for Mr. Nickles, for himself and Mr. Helms) proposed an amendment to the bill H.R. 5261, supra; as follows:

After Sec. 901 at the end of the bill add a new section:

SEC. . LIMITATION ON USE OF FUNDS APPROPRIATED TO THE INDIAN HEALTH SERVICE.

Any limitation on the use of funds contained in an Act providing appropriations for the Department of Health and Human Services for a period with respect to the performance of abortions shall apply for that period with respect to the performance of abortions using funds contained in an Act providing appropriations for the Indian Health Service.

INOUYE AMENDMENT NO. 3303

Mr. BYRD (for Mr. Inouye) proposed an amendment to the bill H.R. 5261, supra; as follows:

Beginning on page 56, line 17, of the amendment in the nature of a substitute to H.R. 5261, strike "MEDICARE PROVISIONS" and all of section 402.

On page 107, line 25, of the amendment in the nature of a substitute to H.R. 5261, strike the word "Terry" and insert in lieu thereof the word "Perry".

BURDICK AMENDMENT NO. 3304

Mr. BYRD (for Mr. Burdick) proposed an amendment to the bill H.R. 5261, supra; as follows:

Section 715(c) of the bill is amended by inserting "osteopathy," after "dentistry,".

INOUYE AMENDMENT NO. 3305

Mr. BYRD (for Mr. Inouye) proposed an amendment to the bill H.R. 5261, supra; as follows:

On page 7, line 18, of the amendment in the nature of a substitute to H.R. 5261, following the word "assistance", insert a comma and the words "pursuant to a contract with the Kamehameha Schools Bishop Estate,"

McKINNEY HOMELESS ASSISTANCE ACT

LAUTENBERG (AND HEINZ) AMENDMENT NO. 3306

(Ordered to lie on the table.)

Mr. LAUTENBERG (for himself and Mr. Heinz) submitted an amendment intended to be proposed by them to the bill (S. 2554) to reauthorize the housing programs contained in the McKinney Homeless Assistance Act; as follows:

At the end of the bill, add the following new title:

TITLE —RADON TESTING

SEC. —01. SHORT TITLE.

This title may be cited as the "Department of Housing and Urban Development Radon Policy Act".

SEC. —02. FINDINGS.

The Congress finds that—

(1) exposure to radon poses a serious threat to public health in certain areas of the country and is estimated to cause between 5,000 and 20,000 lung cancer deaths each year;

(2) Federal response to the health threat posed by radon is essential;

(3) the Environmental Protection Agency, which is the lead Federal agency for addressing radon, with the assistance of other Federal agencies, State and local governments, and the private sector, is developing radon testing and mitigation techniques and identifying areas with elevated radon levels;

(4) the Department of Housing and Urban Development is responsible for assisting in the production of housing of sound standards of design, construction and livability;

(5) the Department of Housing and Urban Development does not have a comprehensive radon policy and program;

(6) the Department of Housing and Urban Development must participate in the Federal radon effort; and

(7) the Department of Housing and Urban Development, in coordination with the Environmental Protection Agency, must establish a comprehensive radon policy and program.

SEC. —03. PURPOSE.

The purposes of this title are to—

(1) provide the Department of Housing and Urban Development with a mandate to establish a departmental radon policy and program;

(2) require the Department of Housing and Urban Development to use its programs to assist the Environmental Protection Agency address radon contamination; and

(3) require the Department of Housing and Urban Development, in coordination with the Envirnmental Protection Agency, to develop a radon assessment and mitigation program which utilizes Environmental Protection Agency recommended guidelines and standards to ensure that occupants of housing covered under this Act are not exposed to elevated levels of radon.

SEC. —04. DEFINITIONS.

As used in this title:

(1) The term "Administrator" means the Administrator of the Environmental Protection Agency.

(2) The term "Secretary" means the Secretary of Housing and Urban Development.

SEC. —05. PROGRAM.

(a) APPLICABILITY.—The housing covered by this title is—

(1) housing owned by the Department of Housing and Urban Development;

(2) public housing and Indian housing assisted under the United States Housing Act of 1937;

(3) housing receiving project-based assistance under section 8 of the United States Housing Act of 1937;

(4) housing assisted under section 236 of the National Housing Act; and

(5) housing assisted under section 221(d)(3) of the National Housing Act.

(b) IN GENERAL.—The Secretary, in coordination with the Administrator, shall develop a radon contamination program which provides programs for education research, testing, and mitigation measures.

(c) STANDARDS.—In developing and implementing the program, the Secretary shall utilize any guidelines, information, or standards by the Environmental Protection Agency for—

(1) testing residential and nonresidential structures for radon;

(2) identifying elevated radon levels;

(2) identifying when remedial actions should be taken; and

(4) identifying geographical areas which are likely to have elevated levels of radon.

(d) COORDINATION.—The Secretary shall coordinate the efforts of the Department of Housing and Urban Development to establish and implement the program with the Environmental Protection Agency, other Federal agencies, State and local governments, the housing industry, consumer groups, health organizations, academia, and appropriate professional organizations.

(e) TESTING.—The Secretary in consulation with the Administrator shall establish a schedule for and conduct testing of housing covered by this title. The Secretary shall work with the Administrator to establish priorities for such testing.

(f) REPORT.—The Secretary shall submit a report to Congress within 1 year after the date of enactment of this Act which describes the actions and plans the Department has taken and proposes to take to implement the program established under this Act including the memorandum of understanding established between the Secretary and the Administrator pursuant to section 07. The report also shall include an estamate of the housing covered by this title that is likely to have elevated levels of radon and the recommendations from the Department of Housing and Urban Development on remedial actions.

SEC. 06. INFORMATION.

The Secretary shall, in cooperation with the Administrator, assist in the dissemination of general radon information to the public.

SEC. 07. COOPERATION WITH ENVIRONMENTAL PROTECTION AGENCY.

(a) MEMORANDUM OF UNDERSTANDING.—Within 6 months after the date of enactment of this Act, the Secretary and the Administrator shall enter into a memorandum of understanding describing the Secretary's plan to assist the Administrator in carrying out the Environmental Protection Agency's authority to assess the extent of radon contamination in the United States and help develop measures to avoid and reduce radon contamination.

(b) CONTENTS.—The memorandum of understanding shall specify how the Secretary will assist the Administrator by using the Secretary's existing programs to incorporate radon mitigation techniques in a limited number of projects assisted by the Department and to evaluate the effectiveness of those techniques.

SEC. 08. AUTHORIZATION.

To carry out the purposes of this Act, the Secretary is authorized to use funds from the fiscal year 1989 budget of the Office of Community Planning and Development of the Department of Housing and Urban Development.

NOTICE OF HEARING

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. INOUYE. Mr. President, I would like to announce that the Select Committee on Indian Affairs will be holding a markup on Thursday, September 29, 1988, in Senate Russell 485, beginning at 2 p.m., on S. 187, the Native American Cultural Preservation Act (clarifying amendment); S. 2672, the Federal recognition of the Lumbee Tribe of North Carolina (clarifying amendment); S. 2723, Hoopa-Yurok Indian Reservation; S. 2752, Quinault boundaries; H.R. 3621, Southern California Indian Land Transfer Act; Confirmation of Presidential Appointments to the Board of Regents of the Institute of American Indian and Alaska Native Culture and Arts Development (additions); S. 136, Health Status of Native Hawaiians; and for other purposes.

Those wishing additional information should contact the Indian Affairs Committee at 224-2251.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Wednesday, September 28, for a hearing on the subject of alcoholism prevention.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Wednesday, September 28 in closed session to discuss and approve the revised conference report on the DOD authorization bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Wednesday, September 28, 1988, to consider the nominations of John R. Dahl, Derryl J. McLaren, Gordon C. Southern, and Edward C. Williamson, Jr., to be members of the Board of Directors of the Federal Agricultural Mortgage Corporation; S. 2571, a bill to designate certain National Forest System lands in the State of Oklahoma for inclusion in the National Wilderness Preservation System, create the Winding Stair Mountain National Recreation and Wilderness area; Sipsey Wild and Scenic River and Alabama Wilderness Addition Act of 1988; S. 2437, a bill to direct the Secretary of Agriculture to release a reversionary interest of the United States in certain land located in Oktibbaha County, MS; and H.R. 2835, a bill to direct the Secretary of Agriculture to release certain restrictions on a parcel of land located in Henderson, TN.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. BYRD. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, September 28, 1988 to hold a hearing on Intelligence Matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONSUMER SUBCOMMITTEE

Mr. BYRD. Mr. President, I ask unanimous consent that the Consumer Subcommittee, of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on September 28, 1988, to hold a hearing on S. 2347, a bill regarding certain activities of soft drink manufacturers.

The PRESIDING OFFICER. Without objection, it is so ordered.

MERCHANT MARINE SUBCOMMITTEE

Mr. BYRD. Mr. President, I ask unanimous consent that the Merchant Marine Subcommittee, of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on September 28, 1988, to hold a hearing on S. 2728, a bill to permit coal to be transported in foreign-flag vessels between Alaska and Hawaii, and S. 2729, a bill to allow certain foreign-flag vessels to carry passengers among ports in Alaska and between points in Alaska and Hawaii.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON HOUSING AND URBAN AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Housing and Urban Affairs of the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate Wednesday, September 28, 1988, to conduct hearings on the staff concept papers regarding the National Affordable Housing Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PRIVATE RETIREMENT PLANS AND THE OVERSIGHT OF THE INTERNAL REVENUE SERVICE

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Private Retirement Plans and Oversight of the Internal Revenue Service of the Committee on Finance be authorized to meet during the session of the Senate on September 28, 1988, to hold a hearing to examine the Internal Revenue Code penalty structure.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON THE DEFENSE INDUSTRY AND TECHNOLOGY

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Defense Industry and Technology of the Senate Committee on Armed Services be authorized to meet on Wednesday, September 28, in open session to review Department of Defense acquisition policy initiatives.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INTERNATIONAL ECONOMIC POLICY

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on International Economic Policy, Trade, Oceans and Environment of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, September 28, to hold a hearing on United States-Japan Services Trade.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON WATER RESOURCES, TRANSPORTATION, AND THE INFRASTRUCTURE

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Water Resources, Transportation, and Infrastructure, Committee on Environment and Public Works, be authorized to meet during the session of the Senate on Wednesday, September 28, to conduct a hearing on the use of Federal highway rights of way for development of magnetic levitation transportation systems.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. BYRD. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be authorized to meet during the session of the Senate on Thursday, September 29, to conduct a markup of pending business.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

COMMEMORATION OF THE "WAR OF THE WORLDS" BROADCAST

● Mr. BRADLEY. Mr. President, 50 years ago, Europe was on the edge of war. Germany had recently annexed Austria, and the fate of Europe was uncertain. It was in this atmosphere of fear that Orson Wells made his famous broadcast of the "War of the Worlds," which presented an account of a Martian invasion of Earth. Approximately 12 million people across the country heard the broadcast, and according to a study by Princeton University, as many as a million people believed that the Martians had landed. For a few hours, the fear of war on Earth was replaced by an even greater fear—and all mankind was threatened equally.

The first site of the fictitious invasion was Grover's Mill, NJ. West Windsor Township, which includes Grover's Mill, is planning 4 days of activities to commemorate the 50th anniversary of the broadcast. This commemoration will include social, cultural, and athletic events which will focus attention on the historical importance of the broadcast, and the problems which engender fear in today's society.

While the "War of the Worlds" broadcast highlighted the tension of the times, it also emphasized a fear of the unknown. Today, we also live with a threat that confronts all mankind—the threat of nuclear war. In this age of superpower rivalry, we must find ways to reduce both the tension and the fear. While substantial differences exist between the United States and the Soviet Union, greater understanding can grow out of increased human contact between our two nations. I hope exchanges such as the recently announced United States-Soviet Union school exchange program, will help bring together young people from both nations. Through greater understanding of each others culture, we would fight the ignorance that breeds fear. In addition to exchanges, we could also initiate a joint exploration of space, or we should join our efforts to solve the environmental problems of our world.

Mr. President, I wish the participants well as they mark the anniversary of the "War of the Worlds" broadcast, and I commend them for using this event to encourage dialog between the United States and the Soviet Union.●

NEW MEXICO BUSINESS INNOVATION CENTER

● Mr. BINGAMAN. Recently, the New Mexico Business Innovation Center was recognized as one of the most successful economic development programs in the country by the U.S. Economic Development Administration and the National Council for Urban Economic Development. The innovation center is the business incubator in Albuquerque, which promotes the startup and successful growth of new firms by offering an entrepreneurial environment, affordable office, warehouse and manufacturing space, and shared business services.

Business incubators are one of the most important tools in the startup and development of small businesses. Nationally, they successfully enable two new firms to survive and move out of the incubator for every one that fails. Normally, only one new firm is successful for every four that fail.

While it is just beginning its fourth year of operation, the New Mexico Business Innovation Center has already proven its worth. I have visited the center a number of times and have personally seen the entrepreneurial excitement and activity generated there.

Currently, nine firms, employing 50 people, are housed at the center. They range from semiconductor industry suppliers and other advanced technology firms to low-tech food companies and barber suppliers. As of last July, the center has graduated two successful companies, employing 60 people. These 11 companies had combined spending of over $6.6 million and tax payments to the city of over $300,000—economic activity and tax receipts that would not have been there except for the work of the business innovation center.

I congratulate the staff of the New Mexico Business Innovation Center, and its executive director, Jeffrey Nathanson, for this national recognition. I know they will continue their fine work in the future.●

THE CONGRESSIONAL BUDGET OFFICE COST ESTIMATE—H.R. 2596

● Mr. JOHNSTON. Mr. President, on September 22, 1988, the Committee on Energy and Natural Resources filed the report to accompany H.R. 2596, the Admiralty Island National Monument Land Management Act of 1987.

At the time the report was filed, the Congressional Budget Office had not submitted its budget estimate regarding this measure. The committee has since received this communication from the Congressional Budget Office, and I ask that it be printed in the RECORD in full at this point.

The estimate follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, September 23, 1988.
Hon. J. BENNETT JOHNSTON, Jr.,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has reviewed H.R. 2596, the Admiralty Island National Monument Land Management Act of 1987, as ordered reported by the Senate Committee on Energy and Natural Resources, September 14, 1988. We estimate that enactment of this bill would result in a cost of less than $0.1 million to the federal government over fiscal years 1989 and 1990, assuming appropriation of the necessary funds.

H.R. 2596 authorizes and directs the Secretary of Agriculture to enter into cooperative agreements and agreements for land acquisitions with the Native Village Corporation, Kootznoowoo, Incorporated (Kootznoowoo) as determined by the Secretary to be necessary to improve the management of federal lands on Admiralty Island, Alaska. The bill requires the Secretary to attempt to complete such agreements and to report to the Congress within 18 months after the bill's enactment. The Secretary is also required, contingent upon Kootznoowoo's dismissing certain pending litigation, to adjust the boundaries of the Angoon Administrative Site and to convey the remaining portion of the present site to Kootznoowoo. The bill would also deem the conveyance date of Kootznoowoo lands to be January 9, 1981, and would change the name of Admiralty Island National Monument Wilderness to Kootznoowoo Wilderness.

Based on information provided by the U.S. Department of Agriculture, we estimate that enactment of this bill would result in costs to the federal government of less than $0.1 million over fiscal years 1989 and 1990. About $30,000 in costs would be incurred in attempting to bring about the agreements with Kootznoowoo, including preparing studies, developing proposals, and conducting negotiations. If an agreement to transfer lands is reached, there would most likely be no net cost to the federal government for the transfer, since such transfers would generally be based on an equal value exchange. The costs of adjusting the boundaries of the Angoon Administrative Site and changing the name of the wilderness area are estimated to be about $50,000.

CBO estimates that no costs would be incurred by state or local governments as a result of enactment of this bill.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Carol Cohen, who can be reached at 226-2860.

Sincerely,

JAMES L. BLUM,
Acting Director.●

THE CONGRESSIONAL BUDGET OFFICE COST ESTIMATE—H.R. 4375

● Mr. JOHNSTON. Mr. President, on September 22, 1988, the Committee on Energy and Natural Resources filed the report to accompany H.R. 4375, the Michigan Public Lands Improvement Act of 1988.

At the time the report was filed, the Congressional Budget Office had not submitted its budget estimate regarding this measure. The committee has since received this communication from the Congressional Budget Office, and I ask that it be printed in the RECORD in full at this point.

The estimate follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, September 21, 1988.
Hon. J. BENNETT JOHNSTON, Jr.,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC

DEAR MR. CHAIRMAN: The Congressional Budget Office has reviewed H.R. 4375, the Michigan Public Lands Improvement Act of 1988, as ordered reported by the Senate Committee on Energy and Natural Resources, September 14, 1988. We estimate that enactment of H.R. 4375 would result in a small savings to the federal government by expediting the existing land conveyance process in Michigan. These savings are expected to total less than $100,000 annually over the next five years.

H.R. 4375 would authorize the Secretary of the Interior to convey to the State of Michigan the surface rights to certain federal lands in the state. The Secretary would also be authorized to sell other specified public lands which were subject to private claims as of January 1, 1988. Any tracts not purchased by claimants within 10 years of the act's enactment would be deemed to have been granted to the state. Any lands that were subject to prior leases or patents to the state or to local governments in Michigan would be deemed vested to the state as well.

The act would authorize the sale of other public lands in Michigan under certain circumstances and at prices calculated in accordance with provisions in the act. The mineral rights to all lands conveyed under this act would be reserved to the United States. The use and transfer of lands affected by this act would be limited and any violations of these use provisions would result in reversion of the lands to the United States.

Information from the Bureau of Land Management (BLM) indicates that about 1,500 acres of federal land in Michigan would be affected by this act. Under current law, BLM and the State of Michigan are already working on conveying these lands to the state and other claimants, but the current process is time-consuming and cumbersome. Enactment of H.R. 4375 would allow these conveyances to be expedited and would allow BLM to resolve any existing land title disputes in a more efficient manner. We estimate that these new conveyance procedures are likely to result in administrative cost savings to the federal government totaling less than $100,000 annually over the next five years. CBO also expects enactment of this act to result in some additional receipts to the federal government in the next few years from the land sales authorized in the act; these amounts are not likely to be significant.

We do not expect enactment of H.R. 4375 to result in any other costs or savings to the federal government or to state or local governments.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contract is Theresa Gullo, who can be reached at 226-2860.

Sincerely,

JAMES L. BLUM,
Acting Director.●

THE CONGRESSIONAL BUDGET OFFICE COST ESTIMATE—H.R. 2952

● Mr. JOHNSTON. Mr. President, on September 22, 1988, the Committee on Energy and Natural Resources filed the report to accompany H.R. 2952, an act to increase the amount authorized to be appropriated for acquisition at the Women's Rights National Historical Park.

At the time the report was filed, the Congressional Budget Office had not submitted its budget estimate regarding this measure. The committee has since received this communication from the Congressional Budget Office, and I ask that it be printed in the RECORD in full at this point.

The estimate follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, September 22, 1988.
Hon. J. BENNETT JOHNSTON, Jr.,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has reviewed H.R. 2952, an act to increase the amount authorized to be appropriated for acquisition at the Women's Rights National Historical Park, as ordered reported by the Senate Committee on Energy and Natural Resources, September 14, 1988. CBO estimates that enactment of this act would have no impact on the federal budget.

H.R. 2952 would increase the authorization ceiling of the Women's Rights National Historical Park from $490,000 to $700,000. The new authority would be used to allow already appropriated or reprogrammed funds of about $40,000 to be spent to acquire property adjacent to the park. Because all of this amount has either been spent or would have been spent on the other projects, no incremental cost would be incurred as a result of this act. It is unlikely that additional appropriations would be requested for this purpose.

No costs would be incurred by state or local governments as a result of enactment of this legislation.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Theresa Gullo, who can be reached at 226-2860.

Sincerely,

JAMES L. BLUM,
Acting Director.●

THE CONGRESSIONAL BUDGET OFFICE COST ESTIMATE—H.R. 3559

● Mr. JOHNSTON. Mr. President, on September 22, 1988, the Committee on Energy and Natural Resources filed the report to accompany H.R. 3559, an act to authorize and direct the acquisition of lands for Canaveral National Seashore, and for other purposes.

At the time the report was filed, the Congressional Budget Office had not submitted its budget estimate regarding this measure. The committee has since received this communication from the Congressional Budget Office, and I ask that it be printed in the RECORD in full at this point.

The estimate follows:

CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

1. Bill Number: H.R. 3559.

2. Bill Title: An act to authorize and direct the acquisition of lands for Canaveral National Seashore, and for other purposes.

3. Bill Status: As ordered reported by the Senate Committee on Energy and Natural Resources, September 14, 1988.

4. Bill Purpose: H.R. 3559 would direct the Secretary of the Interior to acquire two parcels of land for an addition to the Canaveral National Seashore. A 25-acre tract known as Seminole Rest would be purchased for its archeological resources, and a 10-acre piece known as Stuckey's would be used for an administrative and visitor center. The act would authorize the appropriation of such sums as may be necessary for the acquisition of the two parcels and an additional $2.6 million for related development.

5. Estimated cost to the Federal Government:

[By fiscal year, in millions of dollars]

	1989	1990	1991	1992	1993
Estimated authorization level	3				
Estimated outlays	1	1	1		

The costs of this act fall within budget function 300.

Basis of Estimate: For the purposes of this estimate, it is assumed that approximately $450,000 for land acquisition and the full amounts authorized for development will be appropriated for fiscal year 1989. CBO estimates that these amounts would be spent over the 1989-1991 period for the purchase of the two parcels and the construction of a visitor center and other facilities on the addition. The authorization level for land acquisition has been estimated on the basis of information obtained from the National Park Service. Outlays have been estimated on the basis of historical spending patterns for similar projects.

6. Estimated cost to State and local governments: None.

7. Estimate comparison: None.

8. Previous CBO estimate: None.

9. Estimate prepared by: Deb Reis (226-2860).

10. Estimate approved by: C.G. Nuckals, for James L. Blum, Assistance Director for Budget Analysis.●

THE CONGRESSIONAL BUDGET OFFICE COST ESTIMATE—H.R. 4212

● Mr. JOHNSTON. Mr. President, on September 22, 1988, the Committee on Energy and Natural Resources filed the report to accompany H.R. 4212, an act to amend the joint resolution of April 27, 1962, to permit the Secretary of the Interior to establish the former home of Alexander Hamilton as a national memorial at its present location in New York, NY.

At the time the report was filed, the Congressional Budget Office had not submitted its budget estimate regarding this measure. The committee has since received this communication from the Congressional Budget Office, and I ask that it be printed in the RECORD in full at this point.

The estimate follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, September 21, 1988.

Hon. J. BENNETT JOHNSTON, Jr.,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has reviewed H.R. 4212, an act to amend the Joint Resolution of April 27, 1962, to permit the Secretary of the Interior to establish the former home of Alexander Hamilton as a national memorial at its present location in New York, New York. This act was ordered reported by the Senate Committee on Energy and Natural Resources, September 14, 1988. CBO estimates that enactment of H.R. 4212 would cost the federal government about $2.3 million over the 1989-1992 period, assuming appropriation of the necessary funds.

H.R. 4212 would establish the Hamilton Grange National Memorial in the State of New York. The act would authorize the Secretary of the Interior to acquire lands within the memorial's boundary by donation and to reimburse the donor for up to $15,000 in transfer costs. The Secretary would also be authorized to acquire by purchase, donation or exchange any related personal property. Within three years, the Secretary would be required to submit a management plan identifying needed interpretive facilities. CBO estimates that the National Park Service would spend about $100,000 in 1989 for the management plan required under Section 4. The agency would spend an additional $15,000 in that year for estimated transfer costs and about $2.2 million for renovation and development through 1992.

No costs would be incurred by state or local governments as a result of enactment of this legislation.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Deborah Reis, who can be reached at 226-2860.

Sincerely,

JAMES L. BLUM,
Acting Director.●

THE CONGRESSIONAL BUDGET OFFICE COST ESTIMATE—S. 2565

● Mr. JOHNSTON. Mr. President, on September 22, 1988, the Committee on Energy and Natural Resources filed the report to accompany S. 2565, a bill to remove certain restrictions on land acquisitions for Antietam National Battlefield.

At the time the report was filed, the Congressional Budget Office had not submitted its budget estimate regarding this measure. The committee has since received this communication from the Congressional Budget Office, and I ask that it be printed in the RECORD in full at this point.

The estimate follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC., September 21, 1988.

Hon. J. BENNETT JOHNSTON, Jr.,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has reviewed S. 2565, a bill to remove certain restrictions on land acquisitions for Antietam National Battlefield, as ordered reported by the Senate Committee on Energy and Natural Resources, September 14, 1988. We estimate that enactment of this bill would result in no significant cost to the federal government or to state or local governments.

S. 2565 would delete provisions in existing law that prohibit the National Park Service (NPS) from purchasing fee title to any more than 600 acres of land within the Antietam National Battlefield. This change would enable the agency to purchase title to the approximately 2,400 acres currently owned by private parties. The NPS now owns scenic easements on about 1,300 acres of this land and would probably find it unnecessary to acquire greater interest in those parcels. If found to be advantageous, the NPS would be able to purchase title to the other 1,100 acres of nonfederal land, which is presently restricted to scenic easement acquisition.

The conference agreement for H.R. 4867, making appropriations for the Department of the Interior and related agencies, includes $10 million for land acquisition at Antietam. It is possible that additional funds will be requested in the future, but enactment of this bill is not likely to significantly affect the amounts of additional spending.

If you wish further details on this estimate, we would be pleased to provide them. The CBO staff contact is Deborah Reis, who can be reached at 226-2860.

Sincerely,

JAMES L. BLUM,
Acting Director.●

THE CONGRESSIONAL BUDGET OFFICE COST ESTIMATE—S. 1704

● Mr. JOHNSTON. Mr. President, on September 22, 1988, the Committee on Energy and Natural Resources filed the report to accompany S. 1704, a bill to authorize the establishment of the Lewis and Clark National Historic Trail Interpretive Center in the State of Montana, and for other purposes.

At the time the report was filed, the Congressional Budget Office had not submitted its budget estimate regarding this measure. The committee has since received this communication from the Congressional Budget Office, and I ask that it be printed in the RECORD in full at this point.

The estimate follows:

CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

1. Bill Number: S. 1704.

2. Bill Title: A bill to authorize the establishment of the Lewis and Clark National Historic Trail Interpretive Center in the State of Montana, and for other purposes.

3. Bill Status: As ordered reported by the Senate Committee on Energy and Natural Resources, September 15, 1988.

4. Bill Purpose: S. 1704 would authorize the Secretary of Agriculture to establish an interpretive center along the Lewis and Clark National Historic Trail in Montana. The Secretary would be required to complete plans for the center within two years. The bill would authorize the appropriation of whatever sums are necessary for planning, design and site preparation and up to $3.5 million for construction.

5. Estimated cost to the Federal Government:

[By fiscal year, in millions of dollars]

	1989	1990	1991	1992	1993
Estimated authorization level	4			([1])	([1])
Estimated outlays	1	2	1	([1])	([1])

[1] Less than $500,000.

The costs of this bill fall within budget function 300.

Basis of Estimate: For purposes of this estimate, it is assumed that the full amounts authorized or estimated to be necessary will be appropriated for fiscal year 1989. In addition to the $3.5 million specified for construction of the interpretive center, the estimated authorization level includes an additional $750,000 for up-front design and site preparation costs. Beginning in 1992, the Department of Agriculture would also incur additional operating and maintenance costs of about $300,000 a year.

Collections from donations under Section 2(c) or profits from Lewis and Clark Heritage Foundation sales under Section 2(e) are not expected to be significant.

Outlays have been estimated on the basis of historical spending patterns for similar activities and on information obtained from the National Forest Service.

6. Estimated cost to State and local governments: None.

7. Estimate comparison: None.

8. Previous CBO estimate: On July 26, 1988, CBO prepared a cost estimate for H.R. 1982, a bill to authorize the establishment of the Lewis and Clark National Historic Trail Interpretive Center in the State of Montana, and for other purposes, as ordered reported by the House Committee on Interior and Insular Affairs on July 13, 1988. This submission is identical to that earlier version.

9. Estimate prepared by: Deborah Reis (226-2860)

10. Estimate Approved by: C.G. Nuckols, James L. Blum, Assistant Director for Budget Analysis.●

THE CONGRESSIONAL BUDGET OFFICE COST ESTIMATE—H.R. 4519

● **Mr. JOHNSTON.** Mr. President, on September 22, 1988, the Committee on Energy and Natural Resources filed the report to accompany H.R. 4519, the Arizona-Florida Land Exchange Act of 1988.

At the time the report was filed, the Congressional Budget Office had not submitted its budget estimate regarding this measure. The committee has since received this communication from the Congressional Budget Office, and I ask that it be printed in the RECORD in full at this point.

The estimate follows:

CONGRESSIONAL BUDGET OFFICE

COST ESTIMATE

1. Bill Number: H.R. 4519.

2. Bill Title: Arizona-Florida Land Exchange Act of 1988.

3. Bill Status: As ordered reported by the Senate Committee on Energy and Natural Resources, September 15, 1988.

4. Bill Purpose: H.R. 4519 would authorize the Secretary of the Interior to dispose of approximately 111 acres of federal land ("Phoenix school property") in the State of Arizona. The Secretary would be directed to offer part of the school property to the city of Phoenix (20 acres plus rights-of-way of about 3.5 acres). An additional 16 acres would be transferred to the Veterans Administration, 4.5 acres of which may later be conveyed to the State of Arizona for a veterans nursing facility.

The act would also ratify an agreement executed by the Department of the Interior (DOI) and three Florida companies (collectively referred to as "Collier") to pursue an exchange of the remaining 71.4 acres ("exchange agreement would create an irrevocable offer by the United States to convey the 68.4 acres (plus related rights-of-way of about 3 acres) at a specified price of $80 million. Under the agreement, payment for the exchange property would be satisfied by a lump-sum cash payment of $34.9 million and the conveyance of surface rights in the Florida lands at a specified price of $45.1 million. (Collier would retain all subsurface rights as well as related easements and rights-of-way.)

Under the agreement, Collier would have three years in which to accept the U.S. offer, during which time it would be involved in public planning and zoning negotiations with the city of Phoenix. Collier's acceptance at the end of this process must be preceded by a non-binding notice of intent. Upon receipt of such notice, DOI would set into motion a process by which it would consider bids by other prospective buyers.

Under the provisions of Section 101(h), bidders would have 90 days to respond to the DOI in the form of an irrevocable offer to purchase the exchange property for an amount exceeding the minimum price set by the Secretary. Collier would be permitted 30 days to examine and meet the terms of the best qualifying offer. The review and acceptance process would be exempted from judicial review and from the public hearing provisions of the Administrative Procedure Act. If no qualifying offer is identified by the DOI and Collier accepts the government's offer, the exchange transaction would be completed under the terms of the agreement.

Title II of the act would direct the Secretary to close the Phoenix Indian High School before September 1, 1991, and transfer administrative jurisdiction of the property to the National Park Service (NPS). Section 201 would require the DOI to develop and implement individual education plans for each student affected by the closing. Section 202 would create the Arizona InterTribal Trust Fund (AITF) and the Navajo Trust Fund (NTF), which would receive 95 percent and 5 percent respectively of all monetary proceeds from the disposition of the Phoenix property. Proceeds would be received in a lump-sum cash payment or 30 annual installments, as determined by the Secretary upon review of all bids. Any lump-sum payment would be invested in long-term federal securities, the income from which would be available under Section 202 for grants, subject to appropriation. In the case of installments, each annual payment would be made available for the same purposes. Grants provided under this section would fund Indian education and child welfare programs.

5. Estimated cost to the Federal Government: If the Phoenix exchange property is conveyed under the terms of H.R. 4519, the federal budget impact would be two-fold: 1) an increase in offsetting receipts upon conveyance, and 2) increased spending (subject to appropriation) for Indian education and child welfare programs. The magnitude of both effects depends on the market value of the school property, as affected by future decisions and actions of various federal, state, and local agencies.

The minimum value of the Phoenix property is set under the provisions of Title I: If no other buyer is able to meet the requirements and restrictions imposed by the DOI and the city of Phoenix, disposition of the land via exchange would result in federal offsetting receipts of $34.9 million. The investment of this amount (assuming a lump-sum payment) would provide about $3.1 million per year for grants under the provisions of Title II.

The budget impact under these assumptions would appear as follows:

[By fiscal year, in millions of dollars]

Minimum Value Case	1989	1990	1991	1992	1993
Direct spending:					
Offsetting receipts					
Estimated budget authority			−35		
Estiamted outlays			−35		
Requiring appropriation action:					
Grants from Trust Funds					
Estimated authorization level			2	3	3
Estimated outlays			1	3	3
Net Budget Impact:					
Estimated Budget authority/Authorization level			−33	3	3
Estimated outlays			−34	3	3

Under this act, if a potential buyer other than Collier bids on the Phoenix exchange property, it could be sold for more than the specified minimum. However, the possible sale price is difficult to estimate because the land's value is highly dependent on future planning and zoning decisions by the city. If all potential buyers have equal bargaining status, siting flexibility, and access to information, it is possible that the federal government could receive $240 million or more for the property. If the sale is for $240 million, approximately $193 million would be invested, after purchase of the Florida lands and related expenses, and would produce about $17 million per year available for appropriation for Indian grant programs. The budget impact under these assumptions would be as follows:

[By fiscal year, in millions of dollars]

Market value case	1989	1990	1991	1992	1993
Direct spending effects: Offsetting receipts:					
Estimated budget authority			−240		
Estimated outlays			−240		
Direct spending (mostly for Florida land purchase):					
Estimated budget authority			47		
Estimated outlays			47		
Total direct spending:					
Estimated budget authority			−193		
Estimated outlays			−193		
Requiring Appropriation Action: Grants from trust funds:					
Estimated authorization level			10	17	17
Estimated outlays			8	16	17

[By fiscal year, in millions of dollars]

Market value case	1989	1990	1991	1992	1993
Net budget impact:					
Estimated budget authority/authorization level			−183	17	17
Estimated outlays			−185	16	17

Basis of Estimate: For both scenarios, CBO has assumed that H.R. 4519 will be enacted early in fiscal year 1989 and that preliminary notice of intent to accept the U.S. offer is transmitted by Collier by September 1990. Also, it is assumed that all subsequent activities occur on each of the deadlines set by Section 101 and that lump sum payments are received in the second quarter of fiscal year 1991. It is further assumed that such payments will be invested in long-term Treasury securities and that all resulting interest income is appropriated in the year earned. (Trust fund interest earnings are the result of intragovernment transfers and as such would have no net impact on the unified federal budget.) DOI administrative costs to implement the act or manage the Florida lands are not expected to be significant. Outlays for grants have been estimated on the basis of spending patterns for similar programs.

Details specific to each case are explained below.

Minimum Value Case. This estimate is based on the assumption that all public parties receive and use the total number of acres authorized to be conveyed to them, regardless of subsequent exchanges. If any part of the 4.5 acres held for the state by the Veterans Administration is sold instead to Collier, the federal government would receive an additional $1.2 million per acre.

Under CBO interest rate assumptions, the investment of the $34.9 million payment would yield about $1.8 million in fiscal year 1991 and about $3.1 million a year thereafter. Assuming appropriation of these amounts, outlays in 1991 would be about $1.4 million, growing to $3.1 million per year by 1993. If the DOI permits installment payments (assuming that this option is found to apply under the provisions of the exchange agreement), the federal government would instead receive a payment of $3.1 million in fiscal year 1991 and a like amount in each of the following 28 years. The final installment of about $38 million would include a principal payment of $34.9 million.

Market Value Case. The value of the Phoenix school property is highly dependent on the plans of the developer and on the decisions of local authorities. The results of the appraisals that have been performed are therefore very speculative. Based on the information currently available, CBO estimates that if the undivided school property were made available now under favorable zoning conditions, its fair market value could be at least $175 million and possibly over $220 million. Using a point estimate of $200 million and assuming land appreciation of 10 percent annually, the projected value of the school property would be approximately $240 million at the time it would be made available to prospective purchasers. The federal government may receive less than this amount if transfers of parcels to the city and the Veterans Administration reduce the value of the site to potential developers. However, it is impossible to determine the precise impact of any acreage exclusions at this time. Moreover, the flexibility permitted by the act could mitigate this impact. For example, up to 4.5 acres of the subdivided land eventually could be made available to the purchaser, and most of the subdivided land may be exchanged for private land on an acre-for-acre basis.

Assuming that the bidding process produces this higher transaction value, sale to a purchaser other than Collier would result in a lump-sum payment of up to $240 million in fiscal year 1991. In that year, the Secretary of the Interior would be directed to purchase the Florida lands and reimburse the Colliers for expenses related to planning negotiations with Phoenix officials. The act would create direct spending authority of $45.1 million (plus an estimated $2 million for reimbursement) for these purposes, resulting in additional outlays in 1991 of that amount.

Investment of the remaining $193 million would produce approximately $10 million in interest income in 1991 and about $17 million a year thereafter. Assuming these amounts are appropriated for each fiscal year, federal outlays would be about $8 million in 1991, rising to $17 million per year by 1993. If instead the DOI elects to receive installments, the federal government would receive 29 annual payments of about $17 million beginning in 1991. The final installment of $210 million would include a principal payment of $193 million.

If conveyance at this higher transaction value is to Collier, the federal government would receive net proceeds of $195 million plus the Florida lands (rather than the $193 million shown in the table).

The above estimates have been developed on the basis of information obtained from the DOI and from the General Accounting Office's report to the Chairman of the Committee on Interior and Insular Affairs entitled "Land Exchange, New Appraisals of Interior's Collier Proposal Would Not Resolve Issues," May, 1988 (GAO/GGD-88-85).

6. Estimated cost to State and local governments: None.

7. Estimate Comparison: None.

8. Previous CBO estimate: On June 13, 1988 and June 30, 1988, the Congressional Budget Office prepared estimates for H.R. 4519 as ordered reported by the House Committee on Interior and Insular Affairs (May 18, 1988) and the Committee on Veterans Affairs (June 28, 1988). We estimate that all three versions of the bill would have the same budget impact.

9. Estimate prepared by: Deborah Reis (226-2860).

10. Estimate approved by: C.G. Nuckols, for James L. Blum, Assistant Director for Budget Analysis.●

THE CONGRESSIONAL BUDGET OFFICE COST ESTIMATE—S. 252

● Mr. JOHNSTON. Mr. President, on September 22, 1988, the Committee on Energy and Natural Resources filed the report to accompany S. 252, a bill to establish the San Pedro Riparian National Conservation Area.

At the time the report was filed, the Congressional Budget Office had not submitted its budget estimate regarding this measure. The committee has since received this communication from the Congressional Budget Office, and I ask that it be printed in the RECORD in full at this point.

The estimate follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, September 22, 1988.

Hon. J. BENNETT JOHNSTON, Jr.,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has reviewed S. 252, a bill to establish the San Pedro Riparian National Conservation Area, as ordered reported by the Senate Committee on Energy and Natural Resources, September 15, 1988.

S. 252 would authorize the establishment of a national conservation area comprising approximately 56,400 acres and require the Secretary of the Interior to prepare a management plan, establish a seven-member advisory committee, and provide periodic reports to the Congress. The bill would enable the Secretary to authorize research on the conservation area and to enter into cooperative agreements with state and local agencies to implement the plan. S. 252 would authorize the appropriation of such sums as may be necessary to carry out its provisions.

Based on information obtained from the Bureau of Land Management (BLM), CBO expects the federal government would not incur significant additional costs if this bill were enacted. BLM has already acquired the land through existing exchange authorities and prepared a management plan for the area. CBO estimates that the costs of establishing the advisory committee, preparing the reports to the Congress, and authorizing research projects would not be significant.

Enactment of this bill would not affect the budgets of state or local governments.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Theresa Gullo, who can be reached at 226-2860.

Sincerely,

JAMES L. BLUM,
Acting Director.●

THE CONGRESSIONAL BUDGET OFFICE COST ESTIMATE—S. 2586

● Mr. JOHNSTON. Mr. President, on September 22, 1988, the Committee on Energy and Natural Resources filed the report to accompany S. 2586, a bill to quiet title and possession with respect to a certain private land claim in Sumter County, AL.

At the time the report was filed, the Congressional Budget Office had not submitted its budget estimate regarding this measure. The committee has since received this communication from the Congressional Budget Office, and I ask that it be printed in the RECORD in full at this point.

The estimate follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, September 22, 1988.

Hon. J. BENNETT JOHNSTON, Jr.,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has reviewed S. 2586, a bill to quiet title and possession with respect to a certain private land claim in Sumter County, Alabama. The bill was ordered reported by the Senate Committee on Energy and Natural Resources, September 14, 1988.

In the 1830s, approximately 263 acres of land were conveyed out of federal ownership without the proper documentation. The Bureau of Land Management (BLM) is unable to issue the proper documentation because its authority for such action under the Color-of-Title Act is limited to tracts of land of 160 acres or less. S. 2586 would waive the 160-acre limit for the parcel of land in Sumter County and allow BLM to issue the proper conveyance documents. Based on information from BLM, CBO does not expect enactment of S. 2586 to result in significant additional costs to the federal government.

Enactment of S. 2586 is also not expected to affect the budgets of state or local governments.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Theresa Gullo, who can be reached at 226-2860.

Sincerely,

James L. Blum,
Acting Director.●

THE CONGRESSIONAL BUDGET OFFICE COST ESTIMATE—H.R. 2839

● Mr. JOHNSTON. Mr. President, on September 22, 1988, the Committee on Energy and Natural Resources filed the report to accompany H.R. 2839, an act to correct historical and geographical oversights in the establishment and development of the Utah component of the confederated tribes of the Goshute Reservation, to unify the land base of the Goshute Reservation, to simplify the boundaries of the Goshute Reservation, and for other purposes.

At the time the report was filed, the Congressional Budget Office had not submitted its budget estimate regarding this measure. The committee has since received this communication from the Congressional Budget Office, and I ask that it be printed in the Record in full at this point.

The estimate follows:

U.S. Congress,
Congressional Budget Office,
Washington, DC., September 21, 1988.

Hon. J. Bennett Johnston, Jr.,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

Dear Mr. Chairman: The Congressional Budget Office has reviewed H.R. 2839, an act to correct historical and geographical oversights in the establishment and development of the Utah component of the Confederated Tribes of the Goshute Reservation, to unify the land base of the Goshute Reservation, to simplify the boundaries of the Goshute Reservation, and for other purposes, as ordered reported by the Senate Committee on Energy and Natural Resources, September 14, 1988.

Based on information provided by the Bureau of Land Management (BLM), CBO estimates that enacting this legislation would result in no significant cost to the federal government. H.R. 2839 would transfer roughly 7,000 acres of land currently owned by the federal government to the Confederated Tribes of the Goshute Reservation in Utah. These lands lie within or adjact to the current boundaries of the reservation, and are currently managed by the BLM.

Enacting this legislation would not affect the budgets of state or local governments.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Carol Cohen, who can be reached at 226-2860.

Sincerely,

James L. Blum,
Acting Director.●

THE CONGRESSIONAL BUDGET OFFICE COST ESTIMATE—S. 2457

● Mr. JOHNSTON. Mr. President, on September 22, 1988, the Committee on Energy and Natural Resources filed the report to accompany S. 2457, a bill to transfer certain lands in the State of Montana and to relieve the town of Neihart, MT, of any obligation to pay consideration for lands conveyed to it under authority of the Small Tracts Act.

At the time the report was filed, the Congressional Budget Office has not submitted its budget estimate regarding this measure. The committee has since received this communication from the Congressional Budget Office, and I ask that it be printed in the Record in full at this point.

The estimate follows:

U.S. Congress,
Congressional Budget Office,
Washington, DC, September 22, 1988.

Hon. Bennett Johnston, Jr.,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

Dear Mr. Chairman: The Congressional Budget Office has reviewed S. 2457, a bill to transfer certain lands in the State of Montana and to relieve the town of Neihart, Montana, of any obligation to pay consideration for lands conveyed to it under authority of the Small Tracts Act. The bill was ordered reported by the Senate Committee on Energy and Natural Resources, September 14, 1988. We estimate that enactment of this bill would not result in significant costs or savings to the federal government.

S. 2457 would convey approximately three acres of federal land to the town of Neihart. The land is currently being used as a cemetery by the town. Title to the land would revert to the federal government under certain circumstances. Based on information from the Forest Service, we do not expect this conveyance to result in additional costs to the federal government.

The bill would also relieve the town of Neihart of obligation to pay the federal government for land conveyed to the town in 1986. Information from the Forest Service indicates that the payment would have totaled approximately $1,500.

Other than the payment forgiveness for the town of Neihart, enactment of S. 2457 is not expected to result in additional costs or savings to the federal government or to state or local governments.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Thereas Gullo, who can be reached at 226-2860.

Sincerely,

James L. Blum,
Acting Director.●

THE CONGRESSIONAL BUDGET OFFICE COST ESTIMATE—S. 1849

● Mr. JOHNSTON. Mr. President, on September 22, 1988, the Committee on Energy and Natural Resources filed the report to accompany S. 1849, a bill for the relief of Mr. Conwell F. Robinson and Mr. Gerald R. Robinson.

At the time the report was filed, the Congressional Budget Office had not submitted its budget estimate regarding this measure. The committee has since received this communication from the Congressional Budget Office, and I ask that it be printed in the Record in full at this point.

The estimate follows:

U.S. Congress,
Congressional Budget Office,
Washington, DC, September 22, 1988.

Hon. J. Bennett Johnston, Jr.,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

Dear Mr. Chairman: The Congressional Budget Office has reviewed S. 1849, a bill for the relief of Mr. Conwell F. Robinson and Mr. Gerald R. Robinson, as ordered reported by the Senate Committee on Energy and Natural Resources, September 15, 1988.

S. 1849 would extend a special use permit to allow Conwell F. and Gerald R. Robinson to continue to use a parcel of land in Glacier National Park for the rest of their lives. We do not expect enactment of this bill to result in additional costs to the federal government.

Enactment of S. 1849 is also not expected to affect the budgets of state or local governments.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Theresa Gullo, who can be reached at 226-2860.

Sincerely,

James L. Blum,
Acting Director.●

THE CONGRESSIONAL BUDGET OFFICE COST ESTIMATE—H.R. 3313

● Mr. JOHNSTON. Mr. President, on September 22, 1988, the Committee on Energy and Natural Resources filed the report to accompany H.R. 3313, an act to establish in the Department of the Interior the Southwestern Pennsylvania Heritage Preservation Commission, and for other purposes.

At the time the report was filed, the Congressional Budget Office had not submitted its budget estimate regarding this measure. The committee has since received this communication from the Congressional Budget Office, and I ask that it be printed in the Record in full at this point.

The estimate follows:

U.S. Congress,
Congressional Budget Office,
Washington, DC, September 22, 1988.

Hon. J. Bennett Johnston, Jr.,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

Dear Mr. Chairman: The Congressional Budget Office has reviewed H.R. 3313, an act to establish in the Department of the Interior the Southwestern Pennsylvania Heritage Preservation Commission, and for other purposes. The act was ordered reported by the Senate Committee on Energy and Natural Resources, September 14, 1988.

CBO estimates that enactment of H.R. 3313 would result in additional federal expenditures totaling approximately $450,000 in 1989 to establish the natural heritage trail and for operating the commission. Subsequent annual costs until the commission expires are expected to total about $300,000. These costs are subject to appropriation action.

The act would authorize the appropriation of a total of $3 million for ten years to establish the Southwestern Pennsylvania Heritage Preservation Commission. The commission would be composed of 21 members and would assist state and local governments through grants, loans, and technical assistance in preserving the industrial heritage of Southwestern Pennsylvania. Federal funds would be available to the commission only if nonfederal sources match these funds with equivalent amounts.

H.R. 3313 would also authorize the appropriation of $150,000 to assist in the development of a national heritage trail along specified public roads in Southwestern Pennsylvania.

We assume that this act will be enacted by early fiscal year 1989 and that the full amounts will be appropriated beginning that year. Outlays were estimated based on information from the National Park Service and on historical spending patterns for similar commissions.

We do not expect enactment of H.R. 3313 to affect the budgets of state or local governments.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Theresa Gullo, who can be reached at 226-2860.

Sincerely,

James L. Blum,
Acting Director.●

THE CONGRESSIONAL BUDGET OFFICE COST ESTIMATE—H.R. 4457

● **Mr. JOHNSTON.** Mr. President, on September 22, 1988, the Committee on Energy and Natural Resources filed the report to accompany H.R. 4457, an act to create a national park at Natchez, MS.

At the time the report was filed, the Congressional Budget Office had not submitted its budget estimate regarding this measure. The committee has since received this communication from the Congressional Budget Office, and I ask that it be printed in the Record in full at this point.

The estimate follows:

Congressional Budget Office Cost Estimate

1. Bill number: H.R. 4457.

2. Bill title: An act to create a national park at Natchez, MS.

3. Bill status: As ordered reported by the Senate Committee on Energy and Natural Resources, September 14, 1988.

4. Bill purpose: H.R. 4457 would establish the Natchez National Historical Park in Mississippi and would authorize the Secretary of the Interior to acquire lands and other property within its boundaries. The act would require the Secretary to prepare a study of historic properties in Natchez and to establish appropriate historic districts based on its results. A general management plan would also be required for the park, as well as a feasibility study on extending the Natchez Trace within the city. For these purposes, the act would authorize the appropriation of $12 million.

5. Estimated cost to the Federal Government:

[By fiscal year, in millions of dollars]

	1989	1990	1991	1992	1993
Authorization level	12				
Estimated outlays	5	4	2	1	

The costs of this act fall within budget function 300.

Basis of estimate: For the purposes of this estimate, it is assumed that the full amount authorized would be appropriated during fiscal year 1989. The authorization level is as specified in the act. Beginning in fiscal year 1992, additional spending of about $200,000 would be incurred for ongoing operating and maintenance activities. Outlays have been estimated on the basis of information obtained from the National Park Service and on historical spending patterns for similar activities.

Section 4 of the act would permit the Secretary of the Interior to accept and spend donations of funds in addition to the amounts authorized to be appropriated. These amounts are not expected to be significant.

6. Estimated cost to state and local governments: None.

7. Estimate comparison: None.

8. Previous CBO estimate: None.

9. Estimate prepared by: Deborah Reis (226-2860).

10. Estimate approved by: C.G. Nuckols for James L. Blum, Assistant Director for Budget Analysis.●

RAYMOND J. HOSKING WEEK

● **Mr. LEVIN.** Mr. President, the week of October 2-October 8 is being observed as Raymond J. Hosking Week in Houghton County, MI. Ray is retiring after 49 years of service to the county and its people.

Since 1940, Ray has served in a number of key positions. He has been supervisor of Ward II, city of Hancock; county clerk; and county clerk/registrar of deeds.

In addition to his service to the city of Hancock and the county of Houghton, he devoted much time and energy to the Masons, the Copper County Shriners, the Eagles, Suomi College, Little Bros., Friends of the Elderly, the Houghton County Democratic Party, the Houghton and Keweenaw County Historical Society, and the Michigan State Association of County Clerks.

Ray and his wife, Lempi, have played a great part in the lives of the community and are known as friends to all. I salute them both on the occasion of Ray's retirement and wish them the best in years to come.●

NATIONAL SECURITY AND EXPORT CONTROLS

● **Mr. DURENBERGER.** Mr. President, one of the most difficult challenges facing Congress today is how to balance our national security interests with our desire to expand and advance international trade. Earlier in the summer, the Brookings Institute addressed these issues in a forum on national security and export controls. The keynote speaker of the forum was Mr. Michael Bosignore, president of Honeywell International.

In his remarks, Mr. Bosignore draws upon his practical experiences with Honeywell in the areas of technology and export controls to outline realistic steps that can be taken to block the transfer of critical military technology without undermining our competitive position in the international marketplace. The recommendations he has made should be of great interest to my colleagues, and I encourage them all to read this speech.

Mr. President, I ask that a copy of Mr. Bosignore's remarks entitled, "Balancing Competitiveness and National Security Issues," be printed in the Record at this time.

The remarks follow:

Balancing Competitiveness and National Security Interests

Good afternoon, ladies and gentlemen. It's a pleasure to be here today, participating in this debate on an issue I consider pivotal to the long-term economic success of the United States.

At this midpoint in today's program, it is hardly startling to anyone here that the topic we are exploring is both rapidly changing and complex. You have heard Pat Choate describe the changing environment of international trade, and you have heard a distinguished panel of appointed and elected government experts talk about technology transfer from the vantage point of their own expertise, interests and convictions. It's my responsibility not to represent American business with my remarks, and to tackle the next logical subject in this timely discussion: balance. More specifically, the vitally important, challenging task all of us face in finding a workable, sound and pragmatic balance between American competitiveness and America's national security interests. One is a function of the other. We cannot have a strong defense without a vibrant economy to provide it.

It would be impossible for me to represent the diverse interests of U.S. business in this or any other debate. And Honeywell as a corporation is not representative in every way. But I believe that Honeywell's experience and involvement in the continuing trade-off between national security and international competitiveness is certainly relevant for today's discussion.

My own perspective on this subject comes from my current responsibility for Honeywell's business outside the United States, and also from the five years I spent previously in Brussels, as head of our company's European operations.

Honeywell's business is control. We market advanced control technology in 90 countries across the globe. Our applications range from automatic process controls for refineries and petrochemical plants, to flight management and inertial navigation subsystems in commercial jetliners, to electronic autofocus chips for 35-millimeter cameras. Our corporate revenues are just under $7 billion, and fully one-third of our sales come from international operations. We are both a significant force on the commercial side and a major defense contractor. Thus we are intimately familiar with the issue of national security and the need for a strong defense.

We are a heavy, routine user of the export control system, and in many of our businesses, a large percentage of exported products require special or individually validated licenses.

Perhaps most important, Honeywell typifies many American companies that are confronted with the rapidly changing international business environment and its implications for the future. The emergence of Japan as a strong and creative global competitor, the initiative currently underway in Brussels to consolidate the European Common Market, and the growth of the newly industrialized Pacific rim countries all argue for the better dialogue between the public and private sectors in this country, so that American security interests and economic objectives are both well served.

We are dealing with some difficult and complex realities on both sides of today's argument. On the one hand, it is increasingly costly and difficult for the United States to safeguard our national security by maintaining a technological lead over adversaries with numerically superior forces. This difficulty is sometimes compounded by inconsistent application and interpretation of export control policy by our allies and trading partners. In addition, we have all witnessed examples of technology leakage or illegal business practices that demonstrate how quickly this nation's technological advantage can be compromised.

On the other side of the debate is an increasing concern by U.S. business that our collective ability to compete in the emerging global marketplace will be unnecessarily restrained by outdated trade and export control policy. America no longer enjoys a clear-cut competitive advantage in many markets and technologies, and our international competitors are only too willing to step in and take our place, whether we falter because of corporate incompetence or because of unnecessary bureaucratic and regulatory constraints.

Many of us in the American business community believe that an era of new international trading alliances and partnerships is essential if we are to maintain our appropriate place in the global market formation. One illustration of this is the joint venture we recently formed in the Soviet Union. This partnership covers the application and installation of process control systems in Soviet fertilizer plants.

In preparing for today's presentation, I thought of our joint venture with the Soviets because of the unusual nature of this business deal and the apparent contradiction it presents for our company to manage. We are a defense contractor and also a market leader globally in process control. Soviet perestroika has enabled us to implement a joint venture with acceptable terms to Honeywell and under general export license jurisdiction. Nevertheless, there are naturally many questions about the pros and cons of our upgrading an important Soviet industry. Honeywell management has analyzed this opportunity from an economic risk and reward point of view, and to ensure its compatibility with our ethical and moral values. We also gave careful consideration to the Defense Department customer's reaction to our Soviet deal, and as a result have been diligent in keeping the cognizant U.S. government officials aware of our joint venture progress. I know that Dr. Bryen and Undersecretary Freedenberg have been briefed. Many opinions remain, however, inside and outside our company on the advisability of a U.S.-Soviet joint venture of this nature. There are no guarantees of success, particularly when the history of mercurial U.S. and Soviet relations is considered. Hopefully, we are on the verge of improved trade and economic relations with the U.S.S.R. We are certainly being encouraged by the Commerce Department in this regard, and it is not surprising that Defense is less enthusiastic. Only time will tell how successful our joint venture is, but to ignore the opportunity would have been shortsighted.

The theme of my presentation today is balance, and now that I have tried to define each end of the discussion spectrum, let me attempt to position the American business argument for a better balance.

I feel confident in stating that no responsible American business executive would argue with the need for a strong defense, and for the export controls necessary to maintain our national security. Of course we need these controls. It is a myth that business executives think export controls are unwarranted government intrusions. I also believe that a very small percentage of American business people willfully violate export control laws, and I endorse strong criminal penalties for those who do.

So business has no problems with the need for control. The question we face is whether the technologies subject to export control are appropriate in today's international business environment, and whether these controls are being administered consistently and fairly among the COCOM partners. We in business are also concerned about extraterritoriality as it relates to our ability to form global alliances and partnerships, and I feel that extraterritorial controls within the COCOM countries is one of the most contentious and divisive issues facing U.S. firms overseas. We are equally concerned about the application of trade and economic sanctions to gain political leverage. Let me give you examples of how these last two issues work against the global competitiveness of the United States.

Honeywell is a market leader in electronics for commercial aircraft, a technology which is highly mobile both literally and figuratively. Our customers are airframe manufacturers and the airlines. As Airbus Industries, Dassault, Canadair and other foreign manufacturers invest in their product lines to compete with U.S. aircraft offerings, Honeywell would like to have our avionics packages aboard these foreign aircraft. But the threat of extraterritorial actions by the U.S. to control avionics technology could make Honeywell a poor supplier and partner if U.S. policy ultimately determines which international airline can buy a French or Canadian aircraft, and to whom that airliner can be resold. In my opinion, by making our customers nervous about extraterritoriality issues, we are only creating opportunities for foreign competitors. The trend is clear. To my knowledge, Honeywell is the only U.S. avionics supplier left on the new Airbus A320.

My example of opportunistic use of export policy for political gain strikes close to home. In the late '70's, a Finnish shipyard awarded us a large contract for drilling rig positioning. The end customer was the Soviet Ministry of Oil and Gas, and we obtained the necessary export licenses for the Honeywell equipment. Shortly after the contract began, the Soviets invaded Afghanistan and the Carter Administration pulled all outstanding export licenses with the Soviets for review. The Finnish shipyard panicked, feeling there was little chance that our license would be validated, and they cancelled our contract. We had competed originally against American, French, British and Norwegian companies, and one of these European competitors moved in quickly to take our place on the job. After several months our export license was revalidated and we were able to recover a portion of our costs through an international arbitration hearing in the Hague. But we lost a valuable business opportunity, reinforced our competitors' position, and reconfirmed the Finnish shipyard's fears about U.S. industry's vulnerability to inconsistent export administration. I certainly can't argue that the United States should have taken a very strong position against the Soviet invasion of Afghanistan. I simply question the vehicle we selected in this instance, and whether the nation or American business were any better off as a result of the action. The cost to the government of imposing these sanctions may appear to be zero, but I fear that ultimately, the economy will bear a heavy burden.

Now that I've peered back into history a bit, let me assess where we currently stand on this issue of balance. I'm happy to say that, overall, I feel the situation has greatly improved, particularly during the past few years. Not long ago, U.S. companies regularly encountered significant delays in receiving export license approvals. In fact, it was not uncommon for applications to be lost. With automation and better management techniques, the Bureau of Export Administration is now processing license approvals to COCOM members in five to seven days, versus about a month in 1986. Processing time of applications destined for other free world locations has been reduced to 20 to 25 days from approximately two months in 1986. PRC green zone cases—that is, cases that can be processed without COCOM review—are routinely approved within 30 days. In 1986 these cases could have taken as long as three months.

A computerized voice-answering service has been installed to provide exporters with status updates on export license applications. This has virtually eliminated the problem exporters had prior to 1987, when it was impossible to determine the status of their paperwork. In January 1988, Commerce introduced an export license electronic submission program, which enables exporters to send applications via personal computers. This has made it possible to receive approvals on most routine cases in as little as four days. By expanding the use of general licenses, Commerce eliminated the need for approximately 20,000 export license applications in 1987. I want to compliment Undersecretary Freedenberg and the staff at Commerce on this dramatic turnaround. The cooperation between the Congress and the Commerce Department is obvious.

We hope that some of the experience and automation techniques that have been implemented at Commerce and the Defense Technology Security Administration (DTSA) can also be instituted at the Office of Munition Control. It is also essential that the ITAR list only control what it is intended to control, that is, defense articles and technical data directly related to defense articles. When it is necessary to control the export of dual-use items, it should be done under the Export Administrative Act. I recognize that as commercial electronics become more capable, the use of dual-use as it regards the national security will become more important. In the interest of balance, however, I hope that increased scrutiny of dual-use technologies will not unnecessarily inhibit U.S. industry's competitiveness abroad.

Finally, I should applaud the current administration for narrowing the range of products subject to control and for working more closely with COCOM to promote solidarity among the COCOM partners. I heartily endorse the sensible advice given last fall by Commerce Secretary Verity. He said, and I quote, "We need to build higher fences around fewer technologies. Shortening the international list of controlled items is one of the best ways to strengthen COCOM and to build our credibility with our allies and the international business community." One of the positive provisions of the Omnibus Trade Bill would eliminate approximately 35,000 licenses. These are lower-end technology items destined for countries such as France and the United Kingdom, and there is really no reason not to let this low technology go. Doing so will free up staff time that can then be applied to our true national defense interest, such as keeping a closer eye on listed items that might be bound for COCOM-controlled destination countries.

To sum up this report card, then, I would say that our government is becoming much better attuned to balancing the need to safeguard our national defense with the need to make American business more competitive in increasingly global markets. But there is still considerable room for improvement—and that's going to require hard work on the part of both government and the business community.

So where do we go from here in our efforts to improve the balance between national security and our capacity to compete globally? Certainly part of the answer to this question depends on the fate of the Omnibus Trade Bill, as we have already noted.

The change has to take place in other arenas as well. Drawing on my experience with this issue and discussions with business colleagues and government officials in the United States and overseas, I recommend the following agenda for action:

1. The Department of Commerce, with cooperation from Defense and State, needs to follow through in establishing clear guidelines on which products are militarily critical and need to be protected.

2. At the low-tech end of the scale, Commerce needs to reduce the number of items needing special treatment, and must coordinate this effort on a multilateral basis with our allies and COCOM.

3. All COCOM members need to improve cooperation and enforcement. I would offer for consideration the idea of eliminating export licenses between COCOM partners who show adequate export control and compliance discipline. Conversely, I would opt for tougher, more consistent penalties for violators. These improvements could be accomplished if COCOM were to be strengthened and its budget increased through greater contributions from member countries.

4. COCOM needs to establish more specific technical parameters and language in its control lists. This will make possible more uniform application of export controls by all COCOM members.

5. While I'm on the topic of clear technical language, I would also suggest that the COCOM list be published in its entirety by all member countries. Currently the United States doe not publish some important technical notes that are published in other countries. For an effective control system, consistent information has to be disseminated throughout the COCOM organization.

6. I would also suggest that the whole body of U.S. export control law needs a major overhaul before it comes up for renewal. This law was created in 1964, and amended in 1979 and again in 1985. In essence, it is a law that has been patched together over the course of two decades. The move to overhaul U.S. export control is being taken up by the Business Roundtable and other trade associations. I hope this happens, because export policy will become more and more critical to the success of U.S. business in the next decade and beyond, as global market forces powerfully reshape our traditional modus operandi.

For its part, American business must do more than simply sit on the sidelines and prod the government. Specifically, here are the kind of actions we business people need to take on our own:

1. U.S. industry must ensure that adequate priority and investment are directed toward efficient, up-to-date internal export compliance programs. These programs would include orientation training throughout business operating units, identification of export control officers in divisions doing business overseas, and adequate corporate representation in Washington to ensure a smooth working relationship between the companies and the relevant government departments. Our experience has shown that progress is achieved through day-to-day cooperation and communication with our government counterparts, as well as through frequent use of the advisory opinion channel and a good working knowledge of how the paperwork gets processed. Export control problems between business and government are not solved by having planeloads of executives fly into Washington in time of crisis, stomp around the halls of Commerce and Defense, and then fly out again.

2. I also feel that companies who already have sophisticated export control mechanics in place should make their expertise available to other companies who require it. At a recent meeting of the U.S./Japan Business Council, Honeywell offered to assist Japanese firms in developing corporate compliance programs for export controls. In the future, seminars and workshops organized by the roundtable and chambers for the international business community would go a long way toward improving compliance with rapidly changing export control policy.

3. Finally, the corporate sector should establish working groups to develop specific recommendations for improving COCOM export controls. I applaud the Brookings Institution for assembling public and private sector interests today on this important interrelationship between national security and international competitiveness.

The issue I have addressed today is not new. Throughout recorded history, global commerce, foreign affairs and national defense have always been closely intertwined. The difference today, of course, is that the stakes are higher for national security, and for global security. In the realm of global economic competition, the situation with respect to all these concerns is certainly more urgent than ever before. Furthermore, as the speakers at this morning's session noted, the pace of change in this complex interplay of foreign policy and foreign trade has become a dizzying one.

The key is indeed balance. Balance made possible through close cooperation among American business people, American government officials and our allies and COCOM partners. Balance achieved and maintained through pragmatism and through constant re-examination of the interrelationship, and indeed the interdependence, of our nation's agenda for security and our gloal economic interests.

Thank you very much.●

IN RECOGNITION OF LESLIE COUNTY, KY, VOLUNTEER LITERACY TUTORS

● Mr. McCONNELL. Mr. President, I rise today in recognition of the dedicated people of Leslie County, KY, who have volunteered their time and effort to help someone read. I also urge my colleagues to join me in recognizing the 16 new volunteers who qualified on August 24, 1988, to become adult literacy tutors under the Laubach method of literacy tutoring. The Leslie County literacy volunteers, under the exceptional leadership of Ms. Joyce Osborne, now total nearly 100.

The Laubach method pairs each tutor with someone who wishes to learn how to read. This one-on-one teaching method has been proven effective in teaching adult nonreaders to read. I commend these public-spirited volunteers for sharing their time with their fellow Leslie Countians who wish to read.

The names of the 16 new volunteers are as follows: Shirley Asher, Geraldine Sizemore, Jodi Wenger, Cari Michaels, Keith Stewart, Chairity Moore, Esther Lawson, Shirley Crouse, Louise Bowling, Mariam Deyo, David Lee, Fernan Barter, Ward Barter, Bonnie Howard, Gracie Jones, and Ranae Osborne. I am very proud of these dedicated Kentuckians.

I particularly wish to commend Ms. Joyce Osborne and the Leslie County Public Library. Ms. Osborne has devoted many long hours to the adult literacy fight, and has had to struggle for the necessary funds to support her work. The Leslie County Public Library has provided Ms. Osborne with support vital to continuing her literacy program. Both deserve our hearty approval and thanks.

The degree of community involvement seen here is not only encouraging for Leslie County, but also for Kentucky as well. I have long been convinced that through concerted and sustained effort, by volunteer and parent organizations, business, and by government at all levels, we can eliminate illiteracy in the United States. Mr. President, these Leslie County literacy volunteers represent a substantial step toward that goal.●

WYOMING'S POW/MIA RECOGNITION DAY

● Mr. WALLOP. Mr. President, it gives me great pleasure to submit to the Senate a proclamation recently signed by Wyoming's Governor, Mike Sullivan, designating September 16, 1988, as POW/MIA Recognition Day in the State of Wyoming.

As my colleagues may recall, both the House and Senate recently adopted a similar resolution, Senate Concurrent Resolution 9, which not only recognizes September 16, 1988 as National POW/MIA Recognition Day, but also authorizes the National League of Families to display a flag in the Capitol rotunda until there is a satisfactory accounting of all Vietnam POW's and MIA's. Mr. President, it is fitting that we honor the Americans still unaccounted for in Southeast Asia with both this proclamation and resolution. I hope these symbols will serve as a reminder to all of us that we as a Nation remain conscious of this tragic occurrence and that we must continue our concerted efforts to obtain any and all information on the possible whereabouts of those brave Americans still missing in action. MIA's are one of the most poignant legacies of any war, but in particular, Vietnam.

Mr. President, I believe that our Government is sparing no end to determine some factual circumstance where it is known that Americans are either captive or living in Vietnam voluntarily. It is encouraging that President Reagan's special Emissary, General Vessey, the Department of State and the Department of Defense are working diligently with the Vietnamese Government to find those who have not returned home from Indochina. We cannot and should not forget our obligation to those who served America during one of the most difficult times in our history. I salute them, their families and their friends who have been keeping the vigil for them throughout our struggle to resolve this matter of great national concern. I hope my colleagues will join me in lending support to Wyoming's proclamation as evidence of our deep commitment to the Armed Forces of our country who risked their lives in defense of the freedoms that all Americans cherish today.

Mr. President, I ask that the full text of the proclamation be printed in the RECORD at this point.

The proclamation follows:

PROCLAMATION

Whereas, by Presidential proclamation, bill number 98-262 designates September 16, 1988, as POW/MIA Recognition Day; and

Whereas, public awareness is vital to the successful return of our missing and to return the remains of those who died; and

Whereas, this day is to recognize the extraordinary contributions of POW/MIAs and their families for all Americans to enjoy life, liberty, and the pursuit of happiness;

Now therefore, I, Mike Sullivan, Governor of the State of Wyoming, do hereby recognize the contributions of POW/MIAs and designate September 16, 1988, as "POW/MIA Recognition Day" in the State of Wyoming, and urge all citizens to honor our POWs and the families of MIAs on this day as evidence of our deep commitment to the military of our country that have risked their lives in defense of the freedoms which we continue to enjoy as American citizens.●

AMERICAN INDIAN HERITAGE WEEK

● Mr. SIMON. Mr. President, this week is "American Indian Heritage Week." Native Americans have a rich variety of distinct cultural traditions stretching back many centuries on this continent, and I am pleased to commemorate this occasion.

Every schoolchild knows the story of Thanksgiving. The American Indians extended their help to our first settlers, and allowed them to survive in a new and sometimes harsh environment. There are many other examples of native Americans extending the hand of friendship and assistance. The history of conflict that followed is also well known, and is not as pleasant a story, but nevertheless this week all Americans can agree that American Indians have contributed much to all walks of American life.

We can also commemorate this week with a renewed commitment to improving the lot of American Indians wherever they live. There are unresolved problems out there: problems of health, education, jobs, discrimination and basic opportunity. We can accomplish much, if we in Congress and those in the executive branch work together with native American leaders, local communities, and others to come up with fair solutions.

Mr. President, I commend American Indians during "American Indian Heritage Week," and I am grateful to those in Congress who worked to bring this commemoration about.●

FATHER ALFRED ABRAMOWICZ: A PATRIOT OF RELIGIOUS FREEDOM

● Mr. SIMON. Mr. President, I rise today to honor an inspirational man—one who has led thousands of churchgoing Catholics in Chicago for nearly half a century.

The Reverend Alfred Leo Abramowicz has fought for the welfare of Polish Christians throughout the world. He headed the outreach effort sponsored by the Chicago diocese aimed at helping the victims of the Chernobyl catastrophe. During his 45 years in the priesthood, Father Abramowicz has been a pillar of strength and leadership for all Poles in Chicago, serving as a leader for the largest Polish community in the world outside Warsaw. And he has been a respected leader in the daily life of the great city of Chicago.

One remarkable element of Father Abramowicz' leadership is his unrelenting desire to Christianize Poland. He has been battling the atheistic state of Poland ever since the first days of Soviet occupation.

Father Abramowicz has guided the Polish Congress of America to national prominence. When John Paul II, the first non-Italian pope in over 400 years and a Pole himself, celebrated his only mass during his October 1979, visit to Chicago, he went to the house of worship of his old friend, Father Abramowicz, the Five Holy Martyrs parish.

Compassionate, thoughtful, willful and courageous—Father Alfred Abramowicz is a patriot of religious freedom.●

DRUG TESTING

Mr. DANFORTH. Mr. President, I am sure that by now every Member of the Congress has heard that Canadian sprinter Ben Johnson has been stripped of his gold medal because he tested positive for drugs. Ironically, before the news broke, a member of the Canadian Parliament had praised Johnson's victory as an example of how to succeed without using drugs.

The news about Ben Johnson is viewed by many as a tragedy—a tragedy for Ben Johnson, for Canada and for those who looked up to Ben Johnson. I agree. It is a tragedy. This morning a number of commentators were calling for random drug testing of athletes to ensure the integrity of athletic competition. I will ask that an article from the Washington Post calling for random drug testing of athletes be included in the RECORD at the conclusion of my statement. The article recognizes that random testing is the only sure method of stopping drug use by athletes.

Mr. President, I am sure every Member of Congress understands the concern created by the Ben Johnson incident and the calls for action. It is a serious issue. All this furor and concern is understandable, but this issue pales by comparison with the use of drugs by airline pilots, railroad engineers, and truck and bus drivers. When drugs are used by people who are entrusted with the safety of the traveling public it is not just a matter of damaging the integrity of an athletic competition—it means the loss of human life.

Over the last 20 months, there has been, on average, a major rail accident involving drugs or alcohol every 10 days. Within that same timeframe, one or more employees has tested positive in 54 rail accidents that have killed 33 people and injured over 355.

There are problems in the trucking industry. A 1986 Insurance Institute for Highway Safety study conducted at a Tennessee truck stop found that 30 percent of a random sample of 300 truck drivers tested positive for drugs with the potential for abuse. A 1987 California investigation of truck stops resulted in drug arrests of 130 people, including 26 drivers of the 80,000 pound trucks that share our highways. On May 19, a truck driver rammed more than two dozen vehicles on a L.A. freeway, but miraculously caused only minor injuries. Police found drug paraphernalia, a partly smoked "joint," and other narcotics in his cab. The 1986 Motor Carrier Safety Survey of commercial truck and bus drivers revealed that 40 percent of them believe at least half of their colleagues sometimes drive under the influence of drugs.

There are also problems in aviation. To date, the Federal Aviation Administration has removed 70 of its air safety employees from duty after they have tested positive for illegal drugs. A January airline crash in Durango, CO, killed nine people; the pilot tested positive for cocaine.

Mr. President, we should not be more concerned about a foot race than the human race. In October of last year, on an amendment to the Air Passenger Protection Act, H.R. 3051, the Senate voted 83 to 7 in favor of random drug and alcohol testing of airline crews, train crews, truck drivers, and bus drivers. In June, the U.S. House of Representatives passed by a vote of 377 to 27 a nonbinding resolutin urging their conferees on H.R. 3051 to concur with the Senate drug testing provision. Months passed without House action. Finally, last week the House took a small step in the right direction. It passed a bill providing for drug testing of rail workers. That is a good first step, but it is not enough. The protection of our citizens requires drug testing of airline pilots, bus drivers and truck drivers as well.

In the remaining weeks of the Congress Senator HOLLINGS and I will continue to pursue this issue, which is critical to public safety. I urge my colleagues to continue their support for these important protections. I also urge the House to work with us to provide these protections.

I ask that the article to which I referred be printed in the RECORD.

The article follows:

[From the Washington Post, Sept. 28, 1988]

RANDOM TESTS SEND MESSAGE

(By Ken Denlinger)

Ben Johnson is more about values than drugs. It's impossible to elevate sport to Olympian heights and expect all athletes not to cheat; it's also naive to believe that anything short of out-of-competition testing will catch them.

How will young and impressionable athletes react to Johnson's being caught using anabolic steroids? I'm just skeptical enough to believe that as many will gravitate toward using them as will be frightened away.

For Johnson, the punishment is humiliation beyond belief. These were his Games in glory; they are his in shame. Still, he was the fastest man on earth—and that's a powerful lure.

"I think that some will simply say that he made a mistake" in not being able to flush the steroids from his system in time," said Dr. Arnold Beckett of Britain, a member of International Olympic Committee's medical commission. "They just might say: 'Without that mistake . . .' I just don't know which way it will go."

It can go in a positive direction if countries, including the United States, decide to stop making it fairly easy to cheat. By the rules that exist now, all we're saying is: "Take your shot. Be smart enough not to get caught."

The U.S. Olympic Committee and the governing bodies for sports announce when their testing will take place. That's because we find it offensive to intrude on privacy very often. Many Americans consider the act of drug testing itself wrong.

"If you're going to solve the problem of anabolic steroids, out-of-competition testing is absolutely essential," said Beckett. "It may be offensive to some, but it's a way to protect sport. And if you do that, you're also protecting society because there are so many role models in sports."

Without some sort of firm and reasonable detection policy, the innocent get lumped with the guilty. Usually, said Jack Scott, who shook most of sport in the '60s, "a good pair of eyes is all the testing you need."

By that he means simply noticing dramatic increases in performance and drastic differences in body definition. Scott is part of the Carl Lewis therapy team and said he worked briefly with Johnson after his leg injuries earlier in the year.

Scott said that "Johnson's physician, Dr. George Mario [Jamie] Astaphan, claimed he was the reason for Ben's success." Scott added: "There is a sadness about this wonderful person getting trapped by very ambitious people."

The increase in money available to elite athletes in recent years has been explosive. Scott estimates that winning the 200-meter dash in the 1968 Games was worth about $20,000 to Tommie Smith; he said Johnson's people estimated that beating Lewis for the 100-meter title here would be worth $10 million over the next five years.

No world-class athlete was startled by Johnson being caught. The surprise and, to the clean ones, elation was that somebody significant in Olympic sport finally took a tough and correct stand.

"There are a couple of [other] people we've been watching over the circuit," said a member of the U.S. 1,600-meter relay team, Kevin Robinzine of Fort Worth. "But you never can tell 'till they're caught."

Robinzine is for out-of-competition testing. So are Edwin Moses and athletes from 37 other countries who pushed for it not long after Johnson's detection was announced.

It simply makes sense. If you tell all athletes when they are going to be tested, you are giving the cheaters most of the information they need to work their steroid magic. If you pop up at a workout, without prior notice, it also serves as a powerful deterrent to using drugs at all.

Sweden does exactly that.

"We can come to the venues at any time," said Dr. Bengt Eriksson, a member of the Swedish doping commission. "All athletes, regardless of what level, are tested."

Eriksson said "up to 100" positives were discovered in the last three years and that one was the country's 173rd-rated weightlifter. If the athlete refuses to be tested, he said, it's regarded as a positive.

"It costs about $1 million for a year, or about $150 per athlete," he said. "One problem is that so many Swedes study in the U.S. But we also go over there and test. We want to be clean, you know."

Some sort of international testing in out-of-competition situations would be ideal, Eriksson said, "except you have to deal in visas with some countries." He mainly meant East Germany, the Soviet Union and Bulgaria. But some U.S. athletes are getting a Soviet Bloc look about them.

Clean athletes and officials are the ones pushing hardest for reform. Near the quiet practice track not far from the athletes village, a coach from Ghana, Kofi Aryeetey, was saying: "If athletics is not natural, we must rethink about doing sport."

Nearby, the Canadian decathlon coach, Andy Higgins, was both angry and philosophical.

"Yes, I'm shocked," he said. "No, I'm not. The problem with track and field is that you do fairly well, get on television and get to thinking you're important. I've known Ben since high school. He's a great kid.

"If you live in a society where values are not talked about, it comes down to your values. And the only real value of sport is what happens to the athlete. Nothing else is of any consequence."

The IOC action against Johnson ought to force the sports federations into stronger action. Track and field often has been criticized for ducking the drug issue.

It's plausible that Johnson and other stars not yet caught might have figured: one, they would escape the detection system and, two, they are above the law, anyway.

"Most know that the only ones usually knocked off [by the federations and IOC] are Outer Mongolians who test positive for the javelin," said Scott. "Now, it's more the exception who doesn't [use banned drugs]."

Countries ought to be considering such basics as: How do we want to be thought of in international sport? What is winning worth? Drugs were blamed for the death last year of West Germany's top heptathlete, Birgit Dressel.

In yet another trackside interview about Johnson, Dutch coach Willem Verhoorn told reporters: "Don't kill him, boys. He wanted to be the best in the world. That's his hardship at the moment."●

NATIONAL GEOGRAPHY AWARENESS WEEK

● Mr. ARMSTRONG. Mr. President, I rise today to commend my colleagues for passing legislation which recognizes one of our Nation's most fundamental academic disciplines: the study of geography. I am proud to have joined my colleagues in cosponsoring this commemorative legislation which designates a week in November as "National Geography Awareness Week." National Geography Awareness Week is intended to encourage parents and educators to stress the importance of understanding and learning world geography. I agreed to do so in part because of results attained from the recent National Geographic Society survey, conducted by the Gallup Organization, Inc.

This study concludes that Americans rank among the bottom third in an international test of geographic knowledge. Those aged 18 to 24 came in last. In light of heavy United States involvement in the Persian Gulf and Central America, 75 percent of adult Americans surveyed could not find the gulf, and 45 percent did not know where Central America is. Only one-third located Vietnam. Fewer than half of the Americans were able to identify the United Kingdom, France, South Africa, and Japan. No more than half of adult Americans knew that the Sandinistas and Contras are fighting in Nicaragua. Many put the conflict in Honduras, Iran, or Lebanon. Only 52 percent were aware that the Soviet Union's war with rebel forces was in Afghanistan. When asked to identify States from a map of North America, only 39 percent of Americans were able to correctly identify the State of Massachusetts. Just 42 percent correctly identified New Jersey.

Mr. President, I am concerned. I am concerned that the people of this Nation do not possess a well developed and clearly focused world perspective. To remain competitive in our ever-changing world, it is imperative that we understand the global events which shape our lives. Therefore, it is clear that we must strengthen our foundation of knowledge through a better understanding of geography. I believe this legislation is a monumental step in attaining this goal, and at the same time, encourages parents and educators to teach young people the importance of geography and the substantial role it plays in their lives.

Mr. President, I would like to conclude by commending the National Geographic Society for its efforts to enlighten the American people on the significance of understanding world geography. Its work is admirable, indeed, vital.●

RETIREMENT OF GENE TAYLOR, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MISSOURI

● Mr. BOND. Mr. President, tonight I will be joining many of my colleagues at a reception honoring Congressman GENE TAYLOR as he prepares to end his distinguished career in the U.S. House of Representatives. GENE is a man who has done much to serve the people of his district, his home State of Missouri and his country.

In the 16 years since GENE was first elected Congressman from the Seventh District, he has accomplished a great deal. The dedication and hard work which he has devoted to serving his constituents is nearly unmatched in Congress. GENE taught me the importance of constituent service. He works hard to assure that every constituent needing help with a Federal agency receives it. This has been one of his top priorities throughout his years in office, and it is evident from his close relationship with his constituents. However, GENE's efforts on behalf of his district go beyond his work for individual Missourians. He also had great success for winning approval for projects which benefit his entire district. For example, he brought a new post office to Springfield; he helped obtain funding to air public television in his district; and last year he helped assure funding for the critical project of widening U.S. 71.

Beyond his legislative accomplishments, GENE has been an inspiring leader of the Missouri Republican Party. His contributions have been invaluable in building the party to its current position of strength and leadership.

As the senior Republican Congressman from Missouri, GENE holds strong committee positions in the House. Not only is he the ranking Republican on the House Committee on Post Office and Civil Service, he also holds a seat on the powerful Rules Committee. Through his work on the Rules Committee, GENE has demonstrated his ability to work effectively with leaders of both parties. He has earned the trust and respect of his colleagues with his dedication, fairness and good nature.

Over the past 20 years, I have come to GENE for advice numerous times. Not only is he a wonderful friend, but he has also been a political mentor to me. GENE has always been there when I needed him, demonstrating the loyalty which is so typical of him. Whether it was advice of a serious nature or just a story or joke of his to use on the campaign trail, GENE was always there.

GENE will indeed be missed by his colleagues, his friends and his constituents. I wish him all the best for the future.●

WILL WE END THE COLD WAR? THE NEXT PRESIDENT'S HISTORIC OPPORTUNITY

● Mr. PELL. Mr. President, I have just received the text of an article in the new issue of the Nation which strikes me as exceptionally important for all of us, particularly for GEORGE BUSH and Michael Dukakis in their Presidential campaigns. As summarized in its opening paragraph, the article states:

> The next American President will have both a historic opportunity and an obligation to end the decades-long cold war between the United States and the Soviet Union. The opportunity already awaits him in Moscow—in the anti-cold war thinking and foreign policy reforms adopted by Mikhail Gorbachev since he was chosen Soviet leader in 1985. If the President lacks the vision and courage to seize the opportunity, he will be neglecting the best interests of the United States.

The author is Stephen F. Cohen, professor of politics and director of Russian studies at Princeton University, who has written extensively on Soviet affairs. The ideas he presents in this article deserve the most careful consideration. We need to think clearly about the ways that our own policies and actions can contribute to the process of ending the cold war and thereby to helping the world take advantage of what Professor Cohen rightly calls this "historic opportunity."

I ask that the text of Professor Cohen's article be printed in the RECORD at this point.

WILL WE END THE COLD WAR? THE NEXT PRESIDENT'S HISTORIC OPPORTUNITY

(By Stephen F. Cohen)

The next American President will have both a historic opportunity and an obligation to end the decades-long cold war between the United States and the Soviet Union. The opportunity already awaits him in Moscow—in the anti-cold war thinking and foreign policy reforms adopted by Makhail Gorbachev since he was chosen Soviet leader in 1985. If the President lacks the vision and courage to seize the opportunity, he will be neglecting the best interests of the United States.

That is because the cold war, with the U.S.-Soviet arms race as its most characteristic expression, has become the greatest threat to America's national interests in two profound ways. Above all, it threatens our national survival. As Carl Sagan has aptly said, since 1945 "the United States and the Soviet Union have booby-trapped the planet with almost 60,000 nuclear weapons," far more than enough to destroy every city on earth and "probably enough to destroy the global civilization." The United States exists today only because no one in Moscow and no accident anywhere have sprung the trap. Nor is there any infallible system, computerized or otherwise, to protect us against such a mishap. That is the lesson of Korean Air Lines Flight 007, Challenger, Chernobyl and Iran Air Flight 655, disasters resulting from human and "high-tech" fallibility and auguring much worse.

The cold war is also sapping America's economic health, which is as important for real national security as are weapons. In present-day dollars, according to Sagan's calculations, the United States has spent roughly $10 trillion on the cold war during the past four decades. Imagine all the economic, educational, medical, cultural and scientific sacrifices that has meant. Today, as U.S. defense spending approaches $300 billion a year, most of it directed against a perceived Soviet threat, the problem has become starkly evident in the decline of many of our nonmilitary industries, the largest budget and trade deficits in our history and the number of our fellow citizens who live in poverty.

Nor is the cold war over, contrary to euphoric reports in the media inspired by four Reagan-Gorbachev summit meetings since 1985. The nuclear and conventional arms race goes on, its fast-paced technology speeding far ahead of the political half-measures taken to constrain it. The ratified intermediate-range nuclear forces (I.N.F.) treaty, which promises to remove and destroy American and Soviet medium-range missiles in Europe, is important as a first symbolic act of nuclear abolitionism. But the two sides have given themselves three full years to abolish missiles capable of carrying, at most, only 4 percent of their stockpiled nuclear warheads. Discussions now focus on a so-called START agreement that would eliminate 30 to 50 percent of the strategic arsenals. By the time it is negotiated, ratified, verified and fully implemented, technological geniuses on both sides are likely to have invented new nuclear weapons that formally comply with the treaty but are even more deadly than those to be abolished. Meanwhile, both sides contemplate a "modernization" of conventional weapons, and a full range of underlying cold war conflicts—ideological, political and regional—continue to rage around the world.

In reality, three years of mostly inconclusive negotiations and media atmospherics could not possibly end a historical phenomenon of the magnitude of the cold war, whose ideological origins date back seventy years to the Bolshevik Revolution; whose modern-day embodiment in the arms race has been under way since 1945; and whose dynamics are sustained on both sides by a powerful array of institutions, elites and popular attitudes formed over those decades. Despite episodes of détente going back to the 1930s, and even a U.S.-Soviet military alliance during World War II, virtually all of us—American and Soviet citizens alike—are children of the twentieth century's cold war. Not surprisingly, many officials and citizens have come to accept it as the only possible relationship, even as a virtuous one.

To go beyond this mountainous legacy of cold war to a valley of safer U.S.-Soviet relations therefore will require a long march and bold leadership on both sides. Events since 1985 tell us that the journey is now possible if the next American President meets Gorbachev halfway. President Reagan, to his lasting credit, went farther in that direction than most people thought possible. But it has not been nearly enough, and not only because the cold war goes dangerously, needlessly on. Even the modest progress in arms control achieved since 1985 has been due largely to a long series of concessions by Gorbachev. No national leader can safely persist in such one-sided compromises to a foreign adversary, least of all Gorbachev, who is deeply embattled in a struggle with powerful opposition to his far-reaching domestic reforms, or perestroika, and to his conciliatory policies toward the West. It is time for comparable U.S. initiatives and compromises. After all, it was the Soviet leadership, not democratic America, that responded to the growing perils of cold war with "new thinking," boldness and flexibility. To do no less is the real challenge, and historic opportunity, that awaits the next President.

And yet, a great many influential Americans in both major political parties are sternly warning the next Commander in Chief against any such policy. Some of them are theological cold warriors for whom there can never be an alternative U.S.-Soviet relationship, no matter how great the necessity or possibility. But the majority of these influential advisers belong to the self-described "bipartisan center"—a large company that includes many of yesterday's officials and policy intellectuals whose worn concepts obscure today's historic changes and opportunities. They speak of policy toward Gorbachev's Soviet Union in abstract jargon and empty clichés about "toughness" and "negotiating from strength," as though everyone else advocates dealing from weakness. In effect, by insisting that U.S. policy never deviate from "bipartisanship" and the center, they reflexively oppose the new anti-cold war thinking and measures that America so urgently needs.

While there are significant differences between our wildeyed cold warriors and statesmanlike centrists, they are united by their opposition to a fundamentally new course in U.S.-Soviet relations. Their recommendations vary, from a policy of escalated cold war and arms race to one of indifference or business as usual toward Gorbachev's leadership. Given the influence they exercise in policy circles, their essential arguments need to be examined.

A shrinking but still vocal group of "experts" even maintains that Gorbachev's reforms in Soviet foreign policy are not really changes but a propaganda trick, or that they remain merely words, not deeds. The facts tell us otherwise. The revisionist ideas Gorbachev calls "the new thinking" in foreign policy have been circulating for many years at lower levels of Soviet officialdom. In 1985, along with many of their longtime proponents, they came to power with Gorbachev. Though not uncontested in the Soviet national security elite, those ideas reflect new Soviet perspectives on the world order and international relations. In practice, they comprise an anti-cold war orientation toward the West that is the only foreign policy compatible with Gorbachev's equally historic political and economic reforms at home. That is why, for more than three years, and at risk to his own position as leader, Gorbachev has been arguing strongly against Soviet cold war dogmas about national security and East-West relations, some of which date back not only to the Brezhnev era but to Stalin and even Lenin.

Despite protests even among Politburo colleagues, Gorbachev has insisted, for example, that "the nuclear threat" and other "common human concerns" take precedence over traditional Marxist-Leninist concepts; that national security for the Soviet Union can derive only from "mutual security" for the United States; that such security for both countries can be achieved only through political negotiations and military build-downs, not buildups; that, accordingly, "reasonable sufficiency" should replace superiority and possibly even parity as a guideline for defense spending in Soviet strategic and conventional doctrine; and that conflicts in the Third World and elsewhere must be avoided or resolved so as not to jeopardize this necessary process of demilitarizing East-West relations. Most fundamentally, perhaps, he has rejected the original Soviet dogma that cold war is inevitable because of the nature of the American capitalist system. (Our cold warriors insist, of course, that it is inevitable because of the nature of the Soviet communist system.)

And in fact, Gorbachev's words have already been translated into some important deeds. People associated with "the new thinking" have replaced officials of the Brezhnev "stagnation era" throughout the foreign policy establishment, from the Central Committee Secretariat to the Foreign Ministry. Meanwhile, new thinking has been expressed in a actual foreign policy, from Gorbachev's concessions to U.S. negotiating positions on nuclear weapons and his offer to eliminate perceived Soviet advantages in European conventional forces to his withdrawal of Soviet troops from Afghanistan. Considering that great-power policy-making is almost always deeply conservative and exceeding slow to change, what more evidence do we need that fundamental shifts are under way in the Soviet leadership's thinking and behavior,

Even worse, many American analysts who do acknowledge the authenticity of Gorbachev's reform efforts in domestic and foreign policy nonetheless still oppose a fresh U.S. response. The cold warriors among them see in Gorbachev's reforms and concessions only signs of Soviet weakness to be exploited by an unrelenting hard-line policy of military buildup and political ultimatums—a chance as last to "win" the cold war, whatever that might mean. Such proposals are illusory and fraught with danger. No Russian government, however, encumbered with problems, will capitulate to the United States. As Andrei Sakharov has argued, "All historical experience indicates the opposite." The result of such a U.S. policy would be a deeper, more perilous cold war, including an uncontrollable nuclear weapons race both on earth and in space. In the process, it would gravely, probably mortally, wound Gorbachev's leadership, depriving his reform programs of the economic resources and political coalitions they need to survive at home.

This prospect raises a question rarely asked by Americans: What is the political alternative in the Soviet Union if Gorbachev fails? In the short term, a post-Gorbachev leadership is likely to attempt a more moderate kind of reform—less radical enconomic changes without the Gorbachevian "excesses" (as they are derisively called by his opponents) of radical anti-Stalinism, glasnost and demokratizatsiya. Given the country's enormous economic and social problems, such a leadership would almost certainly fail. The logical contender would then be the party's counterreformist, neo-Stalinist wing, which already is clamoring for revival of despotic state power, including pogrom-like repressions; for a reimposition of social order; for an end to Gorbachev's "Americanization" of Soviet life; for an end to liberalization in Eastern Europe; and for a cold war, Iron Curtain face to the West. Any American who really cares about human rights and international security in the nuclear age should be deeply concerned about this possibility. Apparently, our cold warriors do not care.

Our "bipartisan center," on the other hand, probably does care but seems to want to do more or less nothing in response to the historic opportunity represented by Gorbachev. These influential advisers propose a kind of aloof, wait-and-see policy, as though the United States plays no role at all in the cold war or the arms race—as though Gorbachev should or could end them alone, without an active American partner. As President Reagan once remarked, "It takes two to tango."

Recoiling from any new anti-cold war approaches, centrists offer various rationalization. U.S. policy, they warn, must be based on America's national interests, not on Gorbachev. Furthermore, Gorbachev is an aberrant or eccentric Soviet leader who is likely to fail or be overthrown, and the United States has no real influence over the political struggle raging in the Soviet Union. And if his economic and political reforms were to succeed, might not the Soviet Union emerge as a more formidable and thus more dangerous adversary to the United States? These are serious questions that deserve answers.

It is certainly true that U.S. policy must be based on American national interests, but it is also true that Gorbachev's domestic and foreign policies are in America's interest. Indeed, they correspond to much of what we have long demanded and hoped for from the Soviet government. Unlike any imaginable alternative, Gorbachev's policies hold out the possibility of a Soviet nation engrossed for decades to come in almost Herculean internal reforms; the possibility of a considerably better economic and political life for the great majority of Soviet citizens, from factory workers and peasants to intellectuals, from Baltic peoples and Ukrainians to Russian Jews; and above all, the possibility of an end to the apocalyptic dangers and corrosive military expenditures of the forty-year arms race. If nothing else, is not the possibility of billions of dollars freed to restructure our own economic life and help our own people in America's national interest?

It is also true that Gorbachev's domestic reforms fact enormous political opposition and structural obstacles, and that eventually he may be deposed. But it is not true that he is an eccentric or isolated leader without broad support. He did not come to power in 1985 accidentally or alone, as many American commentators seem to think, but at the head of a resurgent reform movement that had existed inside the Communist Party since the early 1960s. During its more than three years in power, Gorbachev's "perestroika party," as some of its adherents term it, has found many supporters among officials and citizens in all walks of life, as well as many opponents. No one can predict the outcome of this fateful struggle, but it is nonsense to say that Gorbachev and his reforms are already doomed.

And though the struggle is essentially an internal Soviet one, it is both untrue and irresponsible to deny that the United States will play an important role in its outcome, for better or worse. Gorbachev has wagered much of his personal authority on the hope that eventually the United States will meet him halfway in new thinking and bilateral compromises. If it does not, his position as leader in both foreign and domestic policy will be greatly weakened. More generally, if we rudely rebuff or simply remain aloof from his calls to reduce cold war tensions and end the arms race, Gorbachev will never be able to persuade recalcitrant Soviet elites to reallocate large resources from the military to the civilian economy, or to undertake the risks inherent in his program to decentralize and liberalize the political system. We may not hold Gorbachev's fate in our hands, and yet it is hardly independent of what we do.

But do we want him to succeed? Should we fear a reformed Soviet system as a greater threat to the United States? Such a perspective offends common sense and America's professed ideals. Gorbachev's advisers frankly admit that their large-scale reforms will take several decades. During that long historical period, America also will have a chance to become stronger by turning inward to its own economic problems and neglected citizens. Moreover, where is the potential danger if Gorbachev's reforms transfer huge quantities of rubles and scarce technology from the Soviet military-industrial complex to consumer goods, services and welfare; give citizens more freedom, a larger role in decision-making and more access to the West; and persuade this and subsequent generations of Soviet officials to seek their legitimate destiny in reform at home rather than in expanded power abroad? Let us heed Sakharov, who struggled and suffered for the changes finally under way: "The West and the entire world also have an interest in the success of reforms in the U.S.S.R."

To argue otherwise is to betray what our own government has professed ever since the beginning of its militarized cold war with Stalin's Soviet Union: that America awaits and would welcome a different Soviet Union, one with a more open society and political process, with more private enterprise and human rights, with less repression and fewer barriers to Western influence—because such a Soviet Union would be a more acceptable and less dangerous member of the world community. That prospect now stands before us, beckoning us to meet it halfway. If the United States rejects it, if we in effect ally ourselves not with the forces of Soviet reform but of counterreform, we will be sending a profound, probably irreversible message to future Soviet generations and leaders—and to ourselves. We will be saying that no matter how great the opportunity for an alternative, America prefers the cold war and the nuclear arms race forever.

That historic decision will be made, through action or inaction, by the American President inaugurated on January 20, 1989. If he has the wisdom and resolve to join Gorbachev in an all-out effort to end the cold war, he will no doubt be traduced by our cold war lobbies and gravely reproached by the "bipartisan center." But he has nothing to fear politically from the American people. Recent opinion polls show that the public is weary of cold war tensions and military buildups, fearful of nuclear weapons, open-minded about Gorbachev's overtures and deeply alarmed by America's economic and social problems.

From the beginning of his Administration, the President need only speak candidly to the people. He must say that Gorbachev's proposals represents a long-awaited possibility, though not yet a certainty, of ending the cold war, and that he is determined, for the sake of America's best interests, to begin his presidency by testing Gorbachev's sincerity rather than new weapons. He should emphasize that the long journey to a post-cold war relationship is certain to include temporary setbacks and disappointments, and that the realistic destination is not likely to be a U.S.-Soviet friendship or alliance. Very different historical experiences, dissimilar political systems and real conflicts have made our two nations natural rivals for the foreseeable future.

The President must explain that the joint quest, based on a U.S.-Soviet partnership in survival, is for a relationship in which cooperation and tolerance displace the most dangerous conflicts, and in which the residual rivalry can be expressed primarily in nonmilitary ways. If the United States and the Soviet Union must compete, let us do so not in an arms race that threatens everyone and benefits no one but in a compassion race to improve the lives of our respective peoples and those of less developed countries. Let us compete to demonstrate in deeds, rather than in provocative ideological assertions, which is the more caring system, American democratic captialism or the Soviet socialism with a human face of which Gorbachev speaks. And let that competition go on indefinitely.

For this to happen requires a new American thinking about the Soviet Union and about the real national security in a changing world, in order to overcome decades of our own cold war dogmas and reflexes. Only the President from his "bully pulpit" can provide this kind of leadership. He alone has the authority and the nation's constant attention. And he more than anyone else can shift the politically acceptable mainstream of media discourse, which has featured a dialogue between cold warriors and chilly warriors during the Reagan years, to a national discussion about how to achieve a new U.S.-Soviet relationship.

As the leader of this discussion, the forty-first President should introduce two important principles. First, while Americans dislike many aspects of its behavior, the Soviet Union is a legitimate great power with rightful interests in world affairs. Recognizing this principle of political parity, the United States is prepared to join the Soviet Union in an expanded process of negotiations to end the cold war through mutual concessions that safeguard the reasonable interests of both countries. (The President might add that it no longer matters which nation bears the greater responsibility for the history of the cold war, only that both sides agree it must stop.) Clinging to a specious analogy, cold warriors will cry "Appeasement!" but the President will reply that there is no one-way street to mutual security or to the end of the cold war.

Second, the President must take the leading role in demilitarizing American thinking about the Soviet Union by fully rehabilitating the principles and practices of political diplomacy and accord. All of our underlying conflicts with the Soviet Union are political ones. This does not mean that the United States should disarm unilaterally or be militarily weak. It does mean that it must stop seeking solutions to political conflict, by inventing new weapons systems, as both sides have done for so many years. The goal is to replace that overwhelmingly military relationship with a diplomatic one. It also means that no arms control agreements will ever be stable without larger political accords to protect them against the underlying conflicts, as we learned with SALT II and the A.B.M. treaty and as will be true of I.N.F., START and any other treaties to come.

If the next President wants to provide such anti-cold war leadership, he will have to translate it very quickly into bold U.S. actions and proposals. The pace of the arms race, growing conflicts around the world and Gorbachev's embattled position at home leave no time for the prolonged ritual of muscle-flexing by a new incumbent. Ten steps are particularly important:

1. The President should, preferably in his inaugural address, assure Gorbachev that the United States is now ready for open-minded and good-faith negotiations on every disputed U.S.-Soviet issue, without exception. To initiate this expanded process of negotiations as quickly as possible, he should send one or two of his closest person-

al associates to Moscow to convey his own preferred agenda of discussions and to learn Gorbachev's.

2. In his inaugural speech, the President also should accept Gorbachev's longstanding offer of an immediate U.S.-Soviet moratorium on the testing of all nuclear weapons and devices, including space-based antimissile systems. Such a moratorium, which can be reliably verified, is crucial. It will stop the ongoing nuclear arms race, because weapons that cannot be tested will not be deployed, and thus are unlikely to be funded. It will thereby give the snail's pace process of arms limitations talks much-needed time to catch up with the torrid pace of weapons technology. And it will be a dramatic indication of U.S.-Soviet determination to end the nuclear arms race forever.

3. No less important, the President must not compensate by rushing into a buildup (or "modernization," as it is euphemistically called) of conventional weapons. These armaments and the requisite troops account for almost 80 percent of U.S. defense spending. If they continue to grow, no substantial budgetary funds will ever be liberated for non-military purposes, and another dimension of the cold war will go on, perhaps even intensify. Instead, the President should explore fully Gorbachev's extraordinary offer to reduce Soviet and U.S. conventional forces in Europe in "asymmetrical" ways that will eliminate the perceived Soviet superiority in various categories. Having always wished for fewer Soviet troops in central and Eastern Europe, how can we not prefer this alternative to yet another costly buildup?

4. What may be the Soviet Union's changing role in both Eastern and Western Europe also requires a farsighted response by the President. The Brezhnev doctrine, formulated to justify the Soviet invasion of Czechoslovakia in 1968, seems to have been officially repudiated under Gorbachev. According to the recently declared "Gorbachev doctrine," as a Soviet newspaper termed it, Moscow now acknowledges that every ruling Communist Party in Eastern Europe is "fully autonomous in its actions" and thus no longer subject to the threat of Soviet military intervention. If so, the President should respond positively to this development by fully normalizing U.S. political and economic relations with all of those governments. He also should encourage growing political and economic relations between our Western European allies and Moscow. Since the Soviet Union is in significant respects a European nation, such relations ought to be viewed as part of a healthy normalization of European politics, not as a threat to U.S. interests. If the Atlantic alliances is really based on the shared democratic values of its members, why the constant alarm that Moscow may somehow deceive or "decouple" America's NATO allies?

5. Aware that even the most determined measures to end the arms race will fail without equal efforts to diminish U.S.-Soviet political conflicts everywhere, the President should propose substantive and symbolic acts of cooperatoin in the Third World, the scene of so many present and potential superpower collisions. Above all, as the largest suppliers of arms to those regions, which serve only to increase the murderous nature of indigenous civil wars, the United States and the Soviet Union must agree to replace military aid with economic assistance. They must also negotiate a code of mutual restraint banning direct or covert use of superpower forces, proxies and even military advisers in those regional conflicts. In addition, as a potent symbol of a post-cold war era of cooperation, the President could propose the creation of an American-Soviet Youth Corps that will send to Third World countries not weapons and soldiers but young doctors, teachers, agronomists and engineers, who together can heal, teach, cultivate, and build. When they return home, these young people may become future leaders of a post-cold war world.

6. In the same spirit, the President should propose the formation of a special U.S.-Soviet task force, composed of visionary thinkers from both countries, to design other forms of cooperation; for example, strengthening the United Nation's peacekeeping capabilities, halting nuclear proliferation, devising antiterrorism measures, fighting worldwide diseases and hunger, seeking safe sources of energy, protecting the earth's environment, exploring outer space and resolving regional conflicts already under way. The task force would not replace foreign policy bureaucracies in either country, but it must be far more creative than they have proved to be over the years.

7. One exceedingly dangerous regional conflict requires the President's urgent attention. Acknowledging that both superpowers have vested interests in the Middle East and that no lasting peace settlement there is possible without the support of both, he must ask the Soviet Union to rejoin multilateral negotiations, from which it has been excluded since 1978. In return, the President will expect the Soviet Union to restore full diplomatic relations with Israel, which it broke off in 1967, and to persuade Syria and the P.L.O. to recognize irrevocably Israel's right to a secure existence.

8. In addition the President should respond positively to some promising improvements under Gorbachev affecting Soviet Jews who wish to emigrate and those who do not. The Jackson-Vanik and Stevenson amendments, passed by Congress in 1974, severely limited U.S.-Soviet trade by linking it to Jewish emigration from the Soviet Union. In light of recent developments, the President should promise to seek ways to expand the economic relationship between the two countries.

9. It is also important for the President to acknowledge publicly that the Soviet Union, like the United States, is understandably alarmed by perceived threats in neighboring countries. In particular, perhaps as much as 15 to 18 percent of Soviet defense spending, and a quarter of the country's troops, are directed against China, with whom it shares a 4,500-mile border. With this in mind, the President should renounce any intention of a Washington-Beijing alliance against Moscow, the so-called China card, and announce that his Administration will not supply any kind of weapons to China. The United States seeks a flourishing political and economic relationship with Beijing, not a military one. Indeed, the President could add that he applauds the growing signs of a détente in Sino-Soviet relations.

10. Finally, so that all these initiatives can be pursued vigorously and consistently, and without the internecine conflicts that characterized previous U.S. Administrations, the President should appoint to all the relevant foreign policy positions only people deeply committed to his anti-cold war effort.

Some people will say that such proposals to end the cold war reflect a naiveté about Soviet intentions and about harsh political constraints on American presidential leadership. But more than three years of Gorbachev's policies give us ample reason to believe that he will respond with still more initiatives and concessions of his own. As for presidential leadership, perhaps we have forgotten what it ought to be—not political recipes cunningly prepared to appeal to the greatest number of bipartisan tastes but an understanding of the nation's real interests and the courage to pursue them. Nor should we forget that the remarkably bold Gorbachev emerged out of the far harsher and more constructive political world of the Soviet Communist Party apparatus. Are we to believe that American democracy cannot produce a comparable leader to meet him halfway?

When Gorbachev's radical proposals to solve his country's problems were opposed by his own centrists, he replied defiantly: "If not now, when? If not us, who?" Given a historic opportunity to end the cold war, we can rightfully ask: If not now, when? If not the next President, who?●

MEDICAL CARE'S NEXT REVOLUTION

● Mr. **DURENBERGER.** Mr. President, I rise to bring attention to an article in this week's Fortune magazine entitled "Medical Care's Next Revolution." It is the single best article on some of the critical issues we face in health care that I have seen in several years. Edmund Faltermayer, the author, does an outstanding job of describing and summarizing what is happening in health care and what we must all begin to face. As Faltermayer said: "Doctors increasingly toil in the murky areas of chronic ailments: arthritis, angina chest pain, impaired vision. Here the question of which treatment is best can only be settled with data." Inevitably, the decision has to be the patient's since the patient is in the best position to judge the costs and benefits of alternative treatments. The patient must choose among less than perfect options. The article provides an illustration of what many patients face every day. Often patients are not aware fully of the seriousness of the consequences of medical treatment. They may have outcomes they do not want, often even doctors are making decisions on limited information and hunch, not firm answers about efficacy or long-term effects of treatment alternatives.

The valuable work of medical leaders like Paul Ellwood, M.D., Chairman of the Board of Interstudy, one of the nation's top think tanks, and Jack Wennberg, M.D., Dartmouth Medical School, is discussed as well as their emphasis on outcomes research and medical care variations. They and others, including Dr. Fred Nobrega of the Mayo Clinic and Dr. Phil Caper, also of Dartmouth, have been working for years to document the importance of understanding how much variability in medical care there is around the country and why we must fund health services research. We must understand what we are buying when we purchase health care. We must also know the benefits of changing our behavior and lifestyles to get more health out of our investment in health care.

We spend roughly $500 billion on health care in this country yet know shockingly little about what is effective and what will make a difference either in saving lives or improving the quality of lives. Moreover, as we have seen with radical mastectomy there is an unfortunate lag between the time we know about important changes in treatment and their diffusion throughout the country.

Articles such as this one that will reach leaders in the private sector will expand our understanding of the importance of outcomes research, and the value of consumer information. An informed consumer is the lynchpin of real reform in health care and the fastest way to get quality health care at an affordable cost. Private sector leaders and policymakers in Congress and the executive branch will benefit enormously by emphasizing and adopting ideas such as those cited here. We can save billions of dollars and have resources to meet our many unmet needs by eliminating inappropriate and less than appropriate medical care. Outcomes and effectiveness research and knowledgeable consumers are essential.

Mr. President, I ask that the article be printed in the RECORD.

The article follows:

MEDICAL CARE'S NEXT REVOLUTION

(By Edmund Faltermayer)

Consider what doctors, to say nothing of patients, don't know about the value of just one procedure. Each year about 80,000 Americans get a carotid endarterectomy, a kind of Roto-Rooter job on clogged neck arteries. Typically costing $9,000, counting the bill for a hospital stay, the operation is designed to prevent strokes. Another triumph of modern medicine? Or an overly risky, overdone alternative to cheaper drug therapy? Incredibly, no one knows for sure, and no one is tracking the patients on a systematic basis to find out.

The same holds true for scores of other medical ministrations. Food companies know the impact of a redesigned ketchup bottle on sales. But the virtuosos performing hysterectomies, installing pacemakers, and bypassing diseased coronary arteries have only patchy information about the real payoffs. "Half of what the medical profession does is of unverified effectiveness," asserts Dr. Paul M. Ellwood Jr. of Minneapolis, in a phalanx of physicians who want to cut down on the guesswork.

Half of something as stupendous as the U.S. health bill—now 11.4% of GNP, or nearly twice what the military gets—implies a huge ore body that could be mined for savings. That should be of special interest to business, which picks up the biggest chunk of medical expenditures. Health insurance premiums have jumped anew in 1988, following several years in which companies successfully slowed the rise.

Abetting the persistent upward trend is what one consultant calls "MD-ification." Corporations, for all their new cost-containment mechanisms, don't know enough to go eyeball to eyeball when professionals are determined to do an operation. Yet business executives would be shocked if they knew of the doctors' own uncertainties. The problem is rare in the cut-and-dried matter of treating acute afflictions—prescribing penicillin for pneumonia or setting a broken bone. But doctors increasingly toil in the murky area of chronic ailments: arthritis, angina chest pain, impaired vision. Here the question of which treatment is best can be settled only with data.

The need for much more of it has never been so urgent. The new law liberalizing Medicare payments for catastrophic illness promises to boost demand for health services still further. So could the extension of health insurance to the uninsured (Fortune, September 26). A rollback of ignorance would bring huge benefits. With better data, business could effectively challenge proposed treatments. Many doctors might enjoy better protection against malpractice suits. Patients could be the biggest gainers. If the pros and cons of alternative treatments were better known and conveyed in lay language—a rarity now—patients could have a real say in how they are scanned and sliced.

The growth of health maintenance organizations, whose membership has tripled to 31 million in the past six years, was supposed to supply much of the missing knowledge. Operating on a fixed "subscription" payment set annually for their members, HMOs have strong reasons to study their centralized patient files for ways to weed out wasteful procedures. Alas, such studies have not been extensive. Until recently, HMOs have managed to save plenty of money just by cutting down on hospital stays.

That's particularly disappointing to Ellwood, 62, a witty, searingly insightful visionary who heads a medical think tank called InterStudy. He led the proselytizers when the concept of prepaid care was barely known in the early 1970s, and the very term HMO is his. But the rates at which HMO doctors perform various procedures, it turns out, are not so different than elsewhere. Caesareans and other debatable operations, moreover, are way up, just as they are in the country at large. "What HMOs haven't done, which I had hoped, is manage the content of medical care," Ellwood says. Why not? "HMO doctors are ignorant, just like all doctors."

Having shaken up the medical system once, Ellwood seeks to do it again. He wants the records of millions of encounters between doctor and patient, whether in HMOs or in the traditional fee-for-service system, recorded in computers and the results of treatment routinely monitored through follow-up questionnairs to patients. "When we're spending a half trillion dollars a year on health care," Ellwood says, "we ought to know what works." Dr. Arnold S. Relman, editor of the influential New England Journal of Medicine, says that "assessments" and the general concern about quality are "the third revolution in medical care," the first being the spread of health insurance and the second the revolt of the payers. Physicians must be in charge of the third revolution, Relman says, for only they have the training.

Though better information could put an end to some fat fees, doctors are starting to rally behind the idea. Many fear a loathsome alternative: another round of heavy-handed cost controls imposed by nondoctors. Dr. William L. Roper, a pediatrician who runs the federal government's Medicare and Medicaid programs, adds that "those on the firing line want better information so they can do a better job for their patients."

Medical research is hardly in short supply. Teams of doctors report all the time on the success of this new operation or that diagnostic device. But the studies often leave important questions unanswered because the number of patients is small, the scope of inquiry narrow, or the methodology faulty.

Take the controversy on how to treat hardening of the leg arteries, which can turn walking to agony and lead to amputation. Doctors have four main alternatives: Do nothing, prescribe physical therapy and exercise, perform bypass surgery, or use a newer procedure called percutaneous transluminal angioplasty, or PTA—inserting a balloon and inflating it to clear the arteries. During a 1987 visit to Duke University's Center for Health Policy Research and Education, Dr Raphael Adar, a prominent Israeli surgeon, pored over 39 papers on the use of PTA for the leg. As disclosed in a recent issue of Health Affairs magazine, Adar found all the studies deficient. Not even the better ones reported on the outcome of greatest concern to patients: the relief of pain and the continued ability to walk.

"For people who read this kind of information, it's very frustrating," says Dr. David Eddy, a professor of health policy at Duke and a critic of much medical research. Meaningful numbers on the cost effectiveness of tests can also be hard to come by. When left in the dark, Eddy says, panels of doctors charged with evaluating the tests' usefulness fall back on their own best clinical impressions. One panel was asked to estimate the effect of a particular testing regimen—annual sigmoidoscopy and stool specimens—in reducing cancers of the colon and rectum, which annually take the lives of about 60,000 Americans. The answers ranged all the way from a 5% reduction in deaths to 95%.

Elsewhere, shafts of knowledge have begun to pierce the darkness. Financed primarily by foundation funds, Rand Corp., a research organization in Santa Monica, California, has looked into those carotid endarterectomies. First the researchers studies the literature and listed the hundreds of situations in which the treatment might help. Then they asked a panel of nine doctors to rate its appropriateness in each situation and reviewed the records of 1,302 Medicare patients in three areas who got the operation in 1981.

The conclusion, published earlier this year: Just over a third of the carotid endarterectomies were appropriate, while 32% were borderline. The other 32% should not have been performed, mainly because the symptoms did not seem serious enough to warrant the considerable risks. During the hospital stay, 3.4% of all the patients who got carotid endarterectomies died because of complications from the operation. Another 6.4% had strokes—just what they had hoped to avoid. The researchers recommended that the operation be curtailed.

Three other procedures have come under Rand's scrutiny. As the table on page 127 shows, the researchers found two diagnostic tests much in vogue to be overdone, though not as greatly as some critics assert. But Rand recently came down hard on coronary artery bypass surgery.

More than 230,000 Americans had coronary bypass operations last year, twice as many as in 1980. Few are life-and-death affairs performed on patients who have just had heart attacks. The aim generally is to relieve chest pain. Two alternatives—drugs and clearing the coronary arteries with an inserted balloon—are less costly and sometimes just as effective. Reviewing 386 bypass operations done in three hospitals in 1979, 1980, and 1982, Rand concluded that only 56% were clearly appropriate.

"Appropriateness" studies are a giant step forward, but they have limitations. They are based on what committees of specialists believe is the right time to test or operate. To know what works requires surveys of how patients made out later on—typically at least a year later. Contact with patients often ends when they walk out of the hospital or the doctor's office. Dr. John E. Wennberg, an epidemiologist at Dartmouth Medical School, made some fascinating discoveries in a follow-up study of men who underwent prostate operations.

Wennberg, 54, has a quietly earnest manner that befits one with a sense of mission. Because doctors don't know the probable outcomes of one treatment vs. another, he says, medicine is in an "intellectual crisis." When studying health care patterns in rural New England in the 1970s, Wennberg was struck by significant variations in the rate at which doctors performed tonsillectomies, hysterectomies, and other operations. Later he found sharp differences in medical spending in Boston and New Haven, Connecticut. Though the health characteristics of both cities' populations are similar, Boston was spending the equivalent of 16% of GNP on medical care to New Haven's 9%.

Prostate operations, which varied from place to place by a factor of four in the earlier New England study, provided an opportunity for Wennberg and his colleagues to pioneer. Few are performed to save a man's life; even cancer of the prostate is rarely fatal. But many physicians have long advised preventive surgery to avoid a greater risk when the man is older. More than 300,000 operations on benignly enlarged prostates were performed in the U.S. last year at a cost of about $3,500 each.

Two-thirds of Maine's practicing urologists agreed to participate in Wennberg's survey of patients getting prostatectomy operations, starting in mid-1983. Most of the patients were 65 and older. An initial interview detailing each man's symptoms was followed by another three months after surgery and telephone interviews after six and 12 months. The findings, based on 263 men who completed all three postoperative interviews, were published last spring in the Journal of the American Medical Association. The researchers found that the "preventive" argument for surgery is wrong, for the operation caused a slight decrease in life expectancy. It is justified solely, they concluded, for what physicians call quality-of-life reasons: The patient is having problems urinating.

For most of the men, the quality of life improved over a year: 78% reported mild or no symptoms and 16% moderate problems, leaving only 6% with serious symptoms. The results of the survey have been incorporated into a videodisc that will be tested before focus groups of doctors and patients this fall. Running 28 minutes, not counting additional information the viewer can select at the press of a button, the disc is a breakthrough in medical consumer information.

To background music, the title comes on screen: CHOOSING—Prostatectomy or Watchful Waiting. Dr. Charles Culver, a psychiatrist who serves as narrator, says the operation brings "improvement at a price. We'll tell you the harms and benefits, but then you must decide." Four patients appear. One of two who agreed to the operation can scarcely contain his enthusiasm: "Now I can put my initial in the snow!" One who chose "watchful waiting" is asked whether his condition interferes with daily activities. His mildly jovial reply: "All tickets at the theater or the airlines had better be on the aisle."

While pointing out the advantages of the operation, the narrator cautions that the negatives must not be overlooked. Within three months of the operation, 8% of the men were back in the hospital with serious complications. Others encountered new difficulties: 4% of those who never had the problem became incontinent to some degree, and 5% of those who previously had erections became impotent. If the videodisc were generally available, many men would probably turn down the operation, particularly those who don't have severe problems.

Not too many years hence, Wennberg hopes, a typical doctor's office will have perhaps a score of videodiscs covering as many illnesses. To those accustomed to the dictatorial style of medicine, it might seem utopian to expect doctors to furnish information enabling patients to argue with them. But many doctors, particularly family physicians, might welcome the chance to help patients make up their minds. It's a safe bet, too, that payers would encourage the practice.

Wennberg favors a big increase in funding for a little-known federal agency called the National Center for Health Services Research and Health Care Technology Assessment. Despite the impressive name, its budget has declined since the 1970s, to $47 million. Wennberg and others want the figure boosted to at least $200 million. That would finance more studies like the one on prostatectomies. Says Wennberg, who notes that the drug industry spends billions evaluating its products: "The fundamental assessments of whether procedure A or B works better just haven't been done."

Ellwood has something far more ambitious in mind, which he calls "outcomes management." The health system would keep track of all patients and their progress after treatment. Initially the goal would be to track chronic illnesses whose treatment is of uncertain value. Doctors would constantly adjust their procedures in response to feedback on what works best, much as a retail chain adjusts its buying according to on-line data that show what is selling.

The beginnings of such a system can already be discerned. Medicare boss Roper's outfit, the Health Care Financing Administration, has agreed to pay for pilot studies of outcomes management at ten Midwestern HMOs. Quality Quest, a subsidiary of Ellwood's InterStudy, will be in charge. One of the first tasks is to select a short, standardized "quality of life" questionnaire in which patients would describe their condition before treatment and later on. Such questionnaires, developed in the past few years by Boston psychometrician John E. Ware and others, include general queries on the patient's well-being and ability to function as well as some related to his specific illness. Sample question for a victim of heart disease: "Do you need to sleep sitting up at night?"

Ten other organizations are interested in financing pilot studies, among them the state of Massachusetts and the Blue Cross and Blue Shield Association in Chicago. When asked what he thinks of Ellwood's idea, the association's president, Bernard R. Tresnowski, responds, "Right on!"

"The health care system," Ellwood declares, "has become an organism desperately in need of a central nervous system that can help it cope with the complexities of modern medicine." Until a single national databank can be created, he would settle for a sharing of information among the institutions and health organizations.

One of the biggest databanks is Health Information Servicing Co., set up three years ago by nine of the largest Blue Cross and Blue Shield units and the national association to analyze payment and utilization trends among 15 million members. Another is the federal government, which has years of claims data covering 32 million Medicare recipients. In neither case are patients surveyed later on to gauge the effectiveness of treatments, though the Blues and Medicare are both interested in the idea. Data on patient's fates are already gathered, however, for some major illnesses. For example, the National Cancer Institute has access to data on more than a million patients, and a pool of data banks called Aramis tracks 28,000 arthritis victims. Some of the findings are available to the public.

Doctors' offices, which long ago turned to computers for billing, are still paper holdouts when it comes to maintaining patients' medical records. Many hospitals and health care organizations, on the other hand, have gone heavily electronic. Inter-mountain Health Care of Salt Lake City, which in 1975 took over hospitals formerly owned by the Mormon church, has created what may be the best computerized clinical database in the U.S. At some bedsides, doctors can call up a patient's history on terminals, including past test results and even recommended procedures. Dr. Brent James, who is director of medical research at Intermountain, plans to add follow-up surveys of discharged patients.

Computers already influence what doctors do. At Wishard Memorial Hospital in Indiana University's Indianapolis medical center, at least 400 doctors have access to computerized patient records. In an experiment at reducing blood tests in the mid-1980s, terminals began flashing information on the odds that each of eight common tests would reveal a suspected abnormality. Result: Billing for the eight tests dropped 9%.

United HealthCare, a Minneapolis firm that owns seven HMOs and provides contractual services to 16 others, maintains prescriptions records for two million people. About 500,000 live in the Twin Cities area, where pharmacies are tied into a computer network. When the computers spotted excessive use of diet pills a few years ago, the HMOs stopped paying for them and doctors cut down on prescribing them.

The next medical revolution will quickly sputter if it merely amasses information that doctors ignore. It's unlikely insurers will let that happen. Willis Goldbeck, president of the Washington Business Group on Health, a national organization of large companies with employee medical plans, says that "physicians will change their behavior if the new knowledge it tied to reimbursement."

Such ties are already being forged. Citing Rand Corp.'s studies, California Blue Shield has decided to require a second opinion on carotid endarfterectomies. One of Rand's senior researchers on the medical studies. Dr. Mark Chassin, has become senior vice president of a new company called Value Health Sciences, which is turning the Rand findings into a computer software program that insurers will be able to use as a cheaper alternative to a second doctor's opinion.

Thus the payers are using doctor-generated information to control what doctors receive. The implications cause a few shivers among physicians. Will medicine become a "cookbook" affair, with the treatment for each set of symptoms limited to what shows up on a computer screen? No two patients are alike, after all, and doctoring has always been a subtle blend of feel and fact. Roper, for one, doubts that cold science will eliminate the need for healing art. Airline pilots are required to follow all sorts of standard checkout procedures, he says, but flying the big ship still calls for experience. By putting as much uncertainty as possible behind them, doctors should find their calling more satisfying than ever.●

OMNIBUS McKINNEY HOMELESS ASSISTANCE ACT OF 1988

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be discharged from further consideration of H.R. 4352, the homeless bill, passed by the House, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 3297

Mr. BYRD. Mr. President, I call up a substitute amendment at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from West Virginia (Mr. BYRD) proposes an amendment numbered 3297.

Mr. BYRD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment appears in today's RECORD under Amendments Submitted.)

The PRESIDING OFFICER. The question is on agreeing to the substitute amendment.

The substitute amendment (No. 3297) was agreed to.

Mr. BYRD. Mr. President, today the Senate is considering a bill to reauthorize the Steward B. McKinney Homeless Assistance Act. Year by year, the numbers of the homeless have grown. Families with children have become the latest wave of Americans seeking shelter and sustenance and not finding it.

Indeed, in my own State of West Virginia, more than one-third of the homeless individuals are members of homeless family units. Nearly one third of the State's homeless once owned their own homes. Forty percent of the West Virginia homeless have completed the 12th grade.

West Virginia's growing number of homeless is a symptom of a much deeper problem. This administration's economic policies have not helped rural States like West Virginia. Many of our industries have closed, leaving thousands without jobs and little chance of obtaining jobs without some retraining.

West Virginia emphasizes how much the problem of the homeless varies from one State to another. In many States, a third or more of the homeless come from mental health facilities. In others, the homeless population may have fled hard times in another part of the country. That is not the case in West Virginia. Our homeless are looking for jobs. And their average length of residency in West Virginia is 20 years. Mr. President, it is clear that the highly touted economic recovery is raising only some boats. It is swamping others.

These sad facts are repeated in the mail and meetings of all our colleagues to one degree or another, because this is an American problem, Mr. President, and we have, accordingly, crafted a bipartisan measure. Three committees—Governmental Affairs, Banking, Housing and Urban Affairs, and Labor and Human Resources—have worked on different parts of the homeless bill. Dozens of my colleagues collaborated in crafting a thorough and thoughtful approach to bringing help to the homeless, especially Senators CRANSTON, KENNEDY, and GLENN.

Mr. President, we do not seem able to house the homeless, but we cannot hide from them either. The problem has become so widespread that homeless shelters can be found everywhere from small-town Oregon to the big cities of the East. We find it here, Mr. President, on the doorstep of the White House. Washington, DC, prosperous and powerful, is home to thousands of the homeless. Even the smug and self-satisfied can not ignore the homeless sleeping on the subway grates or begging warmth from burning trash in a discarded barrel.

There was a time, Mr. President, when we romanticized the homeless. We thought in terms of a runaway Huck Finn or a turn of the century hobo riding the rails, seeing the country, drinking deep of a uniquely American freedom.

Whatever yesterday's truth, it has little to do with today's homeless. Some have drifted away from mental hospitals, others are victims of drugs or dependence on alcohol, and still others have looked for work but cannot find it. Some, Mr. President, are working but do not earn enough to put a roof over their heads. An old definition of the American dream, Mr. President, was summed up as "a car in every garage and two chickens in every pot." For too many Americans, there is no house, let alone a garage, and little more than a McNothing for dinner. The American dream of owning your own home has been downsized to a downsized American car.

What is most striking, Mr. President, is the growing number of families; the growing number of children that have joined the ranks of the homeless. The lack of sanitation, poor food, cold streets or a cramped car for a bed—we are putting these children at risk. And the worst risk is not just poverty. In America, with the basics of education, an inner discipline, and hope that comes with opportunity, a young American can pursue virtually any dream. I know, Mr. President. I have walked that steep hill myself with little more than pockets filled with determination and dreams. What I fear, Mr. President, is that homelessness may impoverish the spirit of the young and leave us all a little poorer.

No one has a clear count of the homeless. What we do know is that the number is large, it is getting larger and our attempts to deal with the problem fall far short of the need. Just as the West Virginia Department of Human Services advises that the number of homeless has increased dramatically in my State and is continuing to increase, on an national level we learn that:

The Department of Housing and Urban Development reports that the number of homeless increased 10 percent annually between 1980 and 1983;

The National Bureau of Economic Research reports a 23- to 30-percent increase in the number of homeless between 1983 and 1985;

The National Coalition for the Homeless reports an average national increase of 15 percent;

In their latest report, the National Conference of Mayors found that applications for homeless programs vastly outdistance the available funds. They found that 17 of 26 cities had to turn away the homeless from emergency shelters.

The legislation we are introducing today recognizes the complexity and the urgency of the problem. It continues our effort to meet the very different needs of different kinds of homeless Americans.

It authorizes funding of about $645.9 million for fiscal year 1989 and $659.8 million for fiscal year 1990. I am sure that there will be those who find this level to be less than they would prefer, and there well may be others who find that it is more than they believe we can afford, given the enormous deficits facing our Nation. But I am persuaded that we have struck a good balance in this bipartisan bill.

This is an important bill. And I am pleased that the Senate can act on it today. I thank all Members on both sides of the aisle, and their staffs, for their efforts in crafting this bill.

Mr. CRANSTON. Mr. President, I am pleased that the Senate is about to act on amendments to the Stewart B. McKinney Homeless Assistance Act of 1987. This legislation will extend assistance to homeless Americans and make that assistance more effective.

I deeply appreciate the strong leadership provided on this issue by Senate majority leader, Senator BYRD. Many other Senators of both parties, including Senators KENNEDY, GLENN, and DOMENICI, have worked long and hard to shape the bill now before us. They all deserve credit for a job well done.

Mr. President, 1 year ago, Congress enacted the Stewart B. McKinney Homeless Assistance Act, which was the first comprehensive legislative effort to address the rising number of homeless individuals and families in this Nation. Since then, many States, localities, and private organizations have been able to help homeless people with funds authorized under the McKinney Act. They have established emergency shelters. They have created supportive housing facilities that help individuals and families make the transition to independent living. They have provided health care, job training and adult literacy services to improve the quality of the lives of homeless individuals and help them to achieve self-sufficiency.

Passage of the McKinney Act marked only the beginning of the Federal response to homelessness. The first year of program operation shows that much progress has been made, but we still have a long way to go.

Demand greatly exceeds the funds authorized for the homeless housing programs, and appropriations were far below the authorization levels for both fiscal years 1987 and 1988. In that time, HUD was able to fund only 19 of 141 applications received for the Section 8 Single Room Occupancy Program, and only 39 of the 250 applications received for the Supplemental Assistance Program.

This funding shortfall occurs at a time when key indicators show that need is increasing. Last December, the U.S. Conference of Mayors reported that 65 percent of 26 cities surveyed are routinely turning away homeless people from emergency shelter programs because of a lack of beds or space. Demand for emergency shelter has increased by an average of 21 percent, with an increase up to 40 percent in some cities.

Clearly homelessness, like the absence of affordable housing in general, is a national problem demanding a sustained Federal response. This bill to reauthorize the McKinney Act is a vital step in that response. It concentrates on delivering assistance to needy people as quickly as possible. Let me briefly outline the bill.

First, the bill would reauthorize the Interagency Council for the Homeless and specify the council's duties in detail. Coordinators would be assigned to the 10 standard Federal regions to interpret regulations, assist States and homeless providers in the application process for Federal assistance, and organize regional workshops.

Second, the bill would reauthorize the Emergency Food and Shelter Program administered by FEMA.

Third, the bill would encourage States to establish State Interagency Councils on the Homeless.

Fourth, the bill would encourage Federal agencies to identify "underutilized" Federal facilities that can be used to shelter the homeless on a temporary basis.

Fifth, the bill would reauthorize and streamline the four McKinney homeless housing programs: the Emergency Shelter Grant Program, the Supporting Housing Program, the Supplemental Assistance for Facilities to Assist the Homeless Program, and the section 8 Single Room Occupancy Program. The refinements would make the programs more flexible and effective at the local level.

Sixth, the bill would make several technical amendments to the Housing and Community Development Act of 1987. These are explained further in an exhibit which follows my remarks.

Seventh, the bill would reauthorize programs that provide primary health care and mental health services to the homeless.

Eighth, the bill would reauthorize demonstration programs which provide alcoholism and substance abuse treatment services for homeless individuals.

Ninth, the bill would reauthorize a variety of programs which provide literacy training and education to homeless adults and children.

Tenth, the bill would reauthorize programs which provide job training for homeless youth, and allow States to target job training funds to the welfare youth population.

Eleventh, the bill would reauthorize a community services program to provide emergency management for homeless individuals, making homelessness prevention an eligible use under the program.

Twelfth, the bill would authorize the Jobs for Employable Dependent Individuals program, known as JEDI, to enhance the provision of Job Training Partnership Act services to long-term recipients of AFDC and SSI by paying bonuses to States that succeed in training and employing this population.

Thirteenth, the bill would authorize transitional living grants under the Juvenile Justice and Delinquency Prevention Act of 1974 to provide shelter and teach independent living skills to homeless youth between the ages of 16 and 21.

Finally, I am delighted, as chairman of the Committee on Veterans' Affairs, that the bill includes provisions that would reauthorize two programs that provide medical care to veterans. These programs would convert underused space in VA facilities to domiciliary care beds and furnish medical care, treatment, and rehabilitative services to homeless veterans who are chronically mentally ill. The programs are explained further in an exhibit which follows my remarks.

Mr. President, the fact that this bill is moving by unanimous consent shows our commitment to the plight of the homeless in this country, and I urge my colleagues to follow through on this commitment.

I ask unanimous consent that descriptions of the housing and veterans sections of the bill be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection it is so ordered.

(See Exhibit 1.)

Mr. CRANSTON. Mr. President, it is with great pleasure that, as chairman of the Committee on Veterans' Affairs, I note that the bill as it is before the Senate includes a two-part provision that I proposed along with the committee's ranking minority member [Mr. MURKOWSKI] authorizing an appropriation of $30 million in each of fiscal years 1989 and 1990 to provide aid to homeless veterans. The first part would authorize the VA to use up to 40 percent of the funds appropriated under this authorization to convert to domiciliary beds underused space located in facilities under the jurisdiction of the VA in urban areas in which there are significant numbers of homeless veterans. The second part would authorize the VA to use up to 60 percent of the funds for furnishing care, treatment, and rehabilitative services to homeless veterans who have chronic mental illness disabilities.

The conversion of underused space to domiciliary beds was first authorized in S. 533, the Senate-passed version of the first McKinney Homeless Assistance Act. Although this provision did not survive the conference with the House, $15 million was appropriated for the program in 1987 and it was fully authorized in Public Law 100-322, the Veterans' Benefits and Services Act of 1988. Such a provision is in H.R. 4352, the House-passed version of the new McKinney Act. The creation of these domiciliary beds from underused space not only provides a place off of the street for these homeless veterans to sleep but also provides the opportunity for the veterans to receive much needed medical and mental health assessments and appropriate care and rehabilitative services to meet their needs. According to VA statistics, in utilizing these provisions the VA, through September 1, 1988, has converted underused space in 10 new domiciliary facilities to accommodate 509 beds, with an additional 25 beds planned, and in 10 existing domiciliaries the VA has added 306 beds, for a total of 815 domiciliary beds now operating for homeless veterans. Over 2,800 veterans have used this program, and preliminary reports indicate it has been a great success. Currently, there is a waiting list of almost 200 veterans which is sure to grow with the coming of winter.

For fiscal year 1988, approximately $4.5 million has been expended for conversions and $10.4 million for operation of the converted beds.

The program for chronically mentally ill [CMI] veterans was first authorized in 1987 under Public Law 100-6 and in 1988 was authorized as a 2-year pilot program under Public Law 100-322. Preliminary reports on the program, which is a community-based program combining aggressive outreach to veterans with intensive case management and time-limited care in non-VA residential treatment centers, have been very encouraging. In the first 14 months of the program, over 13,500 homeless veterans were contacted through programs operated at 43 VA sites—5 in California. Of those contacted, an estimated 10,500 received formal intake assessments. The assessments clearly show that the program is reaching those it was intended to reach: Profoundly homeless (over 50 percent had spent 2 or more years homeless), extremely poor (average total income for the 30 days prior to assessment was $207), chronically mentally ill (86 percent had symptoms of mental illness, 9.4 percent had combated-related post-traumatic stress disorder, 20 percent reported psychotic symptoms, and 3.8 percent reported suicide attempts during the 30 days before being contacted) veterans. Of those veterans assessed, approximately 1,350 have been placed in psychiatric residential treatment.

For fiscal year 1987, $5 million was appropriated for the CMI program, with an additional $5 million appropriated in 1987 to be available for expenditure through fiscal year 1988. In fiscal year 1988, it is estimated that the VA will spend approximately $12.5 million for this program. For fiscal year 1989, $13.25 million has been appropriated.

Both the creation of VA domiciliary beds and the program of care for chronically mentally ill veterans are important pieces in our Nation's struggle to aid the tremendous number of homeless veterans and other Americans.

VETERAN'S PROVISIONS

Authorizes appropriations (a total of $30 million) for two purposes: Conversion of underutilized space in VA facilities to domiciliary care beds, primarily for use by homeless veterans (40 percent of the $30M) and to provide for care for chronically mentally ill [CMI] homeless veterans (60 percent of the $30M). These funds would be in addition to any funds appropriated pursuant to other authorizations.

EXHIBIT 1

EXPLANATION OF THE TECHNICAL CORRECTIONS TO THE HOUSING AND CD ACT OF 1987

On May 24, 1988, the Committee on Banking, Housing and Urban Affairs reported favorably S. 2554, which would reauthorize the housing programs contained in the McKinney Homeless Assistance Act. Descriptions of the housing provisions in that Act are provided in Committee Report No. 100-393. Sections 205 and 603 of S. 2554, concerning religious providers and a New York HODAG project, have been elininated from the final bill.

Several technical amendments to the Housing and Community Development Act of 1987 were incorporated after the markup of the original bill. Those technical amendments would:

Direct the Secretary to issue regulations which implement the program for Project-Based Section 8 Assistance, as authorized in the Housing and Community Development Act of 1987. That provision requires HUD to permit public housing authorities contracts to an existing structure where the owner agrees to rehabilitate the structure. PHAs could use no more than 15 percent of their rental assistance in this way.

Direct the Secretary to make such allocation of certificates and vouchers as is necessary to ensure that sufficient resources are available to address physical or economic displacement of tenants of rental rehabilitation projects. The 1987 Act mandated that certificates or vouchers be used to assist tenants who are physically displaced from such projects. The Act also gave local administering agencies the discretion to use certificates or vouchers to assist economically displaced tenants—that is, tenants "who would have to pay more than 30 percent of their adjusted income for rent after rehabilitation whether they choose to remain in, or move from, the project." The amendment reflects the Committee's concern that some localities do not receive a sufficient number of certificates and vouchers under HUD's current method of allocation to carry out their statutory responsibilities.

Amend section 17(h) of the 1937 Act to permit all grantees in the Rental Rehabilitation Program to use up to 10 percent of their initial grant obligations to cover administrative expenses. The 1987 Act mistakenly omitted reference to units of local government in states that choose not to administer the program.

Amend Sec. 223 of the 1987 Act to clarify that HUD must provide an owner with information necessary to prepare a plan of action, including information within the Department's possession that relates to local market conditions. HUD's regulations and other internal memoranda require that an owner's plan of action include extensive market area and demographic information. Those regulatory requirements are more burdensome and costly to owners than Congress intended.

Amend Sec. 223 of the 1987 Act to clarify that different levels of detail are required depending on whether a plan of action proposes termination of low income affordability restrictions or requests incentives to continue that affordability. The Conference Report clearly envisioned that HUD would require different levels of detail. HUD's regulations and internal memoranda require the same level of detailed information irrespective of what administrative action an owner seeks.

Amend Sec. 225 of the 1987 Act to clarify that the Secretary may not use the availability of vouchers or certificates as a reason for finding that a plan of action does not create a hardship for tenants. Under Section 225, the Secretary may approve such a plan of action only if the plan will not "materially increase the economic hardship of low-income tenants or involuntarily displace current tenants . . . where comparable and affordable housing is not available." Congressional intent was that the Secretary could not claim that current tenants would not be harmed so long as they were given a voucher or certificate.

Amend Sec. 311 of the 1987 Act to permit units of local government that receive rent rehab grants directly from HUD to use rent rehab grants in rural areas. HUD provides grants directly to localities in states that elect not to participate in the Rent Rehab Program. The 1987 Act inadvertently omitted reference to HUD-administered states.

Make a series of amendments to Sec. 566 of the 1987 Act, the provision establishing guidelines and schedules for the detection and abatement of lead-based paint in public housing, to ensure that detection and abatement proceed in accordance with the most reliable, safe, and effective techniques currently available.

Amend Sec. 122 of the 1987 Act, a provision that established a program of resident management of public housing projects. The amendment would ensure that any management contract between a public housing authority and a resident management corporation that is entered into after the date of enactment of this Act shall be subject to the provisions of Sec. 20 of the 1937 Act and any regulations promulgated thereunder.

Attach S. 1994, legislation addressing fraud and abuse in HUD programs that was passed separately by the Senate on December 21, 1987 as part of the final agreement on the Housing and Community Development Act of 1987. The provision would allow HUD to obtain the Social Security number or employer identification number and a signed consent form from program participants to determine their eligibility. This information would permit HUD to verify current wage and benefit information and avoid fraud and abuse.

Amend Sec. 126 of the 1987 Act, a provision that established a 7-year demonstration program to demonstrate the effectiveness of providing comprehensive services to public housing tenants to ensure their transition to private housing. The section required that any increase in income resulting from participation in the program not be considered as income for purpose of determining initial or continued eligibility for other federal benefits. This amendment would ensure that this requirement apply to the portion of the demonstration program being carried out by the public housing authority in Charlotte, North Carolina; for the remainder of the demonstration program, a federal agency would have discretion over how to count increases in income when determining eligibility for benefits under the particular agency's jurisdiction.

Extend flood insurance coverage for Sacramento, California for up to three years. The extension will allow the completion of a feasibility study on new flood control provisions and the implementation of new flood control measures.

Mr. KENNEDY. Mr. President, I support the Stewart B. McKinney Homeless Assistance Reauthorization Act. The tragedy of homelessness in America is among the most serious challenges facing our Nation. I am pleased that both sides of the aisle in the Senate have been able to work together to craft a bipartisan reauthorization package and I urge all of my colleagues to support the bill before us.

I want to take a moment to commend my colleagues for their tireless work on this legislation. We are all grateful to Senator BYRD for his leadership in bringing this bill to the floor. In addition, Senators CRANSTON and GLENN have also provided invaluable leadership in drafting this legislation. Finally, my Republican colleagues, Senators HATCH, WEICKER, and DOMENICI have also worked hard to bring this bill before the Senate.

Almost 80 years ago, the White House Conference on Children declared that a "home life is the brightest and finest product of civilization." It is a national tragedy and disgrace that so many of our fellow citizens are homeless today. Estimates of their numbers are as high as 2,000,000. Moreover, the number of Americans with no place to call home is increasing at an alarming rate, and the homeless population is changing significantly—with children under 18 representing the fastest growing subpopulation among the homeless.

Last year, the Congress passed, and President Reagan signed, a landmark bill: the Stewart B. McKinney Homeless Assistance Act, which provides needed housing, health care, education and job training services to the homeless. The bill before us reauthorizes those critical programs.

The Senate Committee on Labor and Human Resources has contributed important measures to this package, including primary health care grants to community-based organizations, a demonstration project for treating homeless individuals for drug or alcohol abuse, a community-based mental health services demonstration project, comprehensive mental health services, adult and youth educational assistance grants, a job training demonstration project, and emergency community services grants for case management.

In addition, the committee made a number of improvements in the original bill. The first change adds the so-called JEDI bill, which passed the Senate by a vote of 99 to 0 in April 1987, and which can be effective in providing increased job-training services to the long-term poor. The addition of JEDI to this bill was unanimously approved by the Labor and Human Resources Committee.

In addition, the Labor Committee approved an amendment by Senator SIMON to create "Transitional Living Centers" for homeless youth.

On Monday, September 12, I had the opportunity to visit the Shattuck Shelter in the Jamaica Plain area of Boston, MA, where I saw firsthand the important work being done to care for the homeless. Each one of the dedicated staff and volunteers at the Shattuck Shelter has helped to make the lives of homeless men and women a little less difficult, a little less lonely, and a great deal more healthy.

Men and women with health problems ranging from influenza to AIDS are given treatment at the Shattuck Respite Care facility. During the past several years, hundreds of homeless men, women, and children with serious health problems have been saved from the streets and from a future of life-threatening health problems—I am very proud of the Shattuck Shelter, and of the tireless efforts of the men and women who work there.

The important work at the Shattuck Respite Care Program and hundreds of other creative programs cannot continue without the full support of the Homeless Assistance Act. Homelessness is a tragic reality for far too many Americans today, and Congress must respond. To refuse to act in the face of this tragic situation would be tantamount to negligence or even complicity. I urge my colleagues to support the measure before us.

Mr. GLENN. Mr. President, I rise in support of the Omnibus Stewart B. McKinney Homeless Assistance Amendments of 1988. This legislation reauthorizes the homeless assistance programs established by the Stewart B. McKinney Homeless Assistance Act of 1987.

By enacting the McKinney Act last year, Congress crafted the Federal Government's first comprehensive policy directed toward the homeless. That measure provided vitally needed emergency relief to the growing numbers of homeless through grants for shelter and housing, health care, and community services and education programs.

The bill we are considering today reauthorizes McKinney programs for fiscal years 1989 and 1990. It embellishes and refines certain provisions of the act. As we consider this legislation, we must remember that neither the severity nor the magnitude of the problem has disappeared. We still see homeless people sleeping in the parks, seeking shelter from the elements in subway stations, and lining up at soup kitchens with palms outstretched.

The McKinney Act, it must be remembered, was neither devised to attack the underlying causes of homelessness in America nor to eliminate this scourge in one fell swoop. Its objectives were more narrow: to address the acute and immediate needs of the homeless. And the programs, by and large, have been successful in meeting these focused goals.

I am proud and pleased to note that the Committee on Governmental Affairs, which I chair, contributed to this omnibus package with three important programs. Specifically, the committee created the Interagency Council on the Homeless, authorized the Federal Emergency Management Agency's [FEMA] Emergency Food and Shelter Program, and facilitated the transfer of underutilized Federal property to homeless service providers.

Title I of this year's omnibus McKinney homeless assistance amendments represents the efforts of the Governmental Affairs Committee. The committee extends the Interagency Council through fiscal year 1990, reauthorizes FEMA's Emergency Food and Shelter Program, and makes technical changes in the categorization of property available for distribution to service providers.

In addition, the committee makes some changes to the structure and organization of the Federal Interagency Council. These modifications are intended to ensure that the Council fulfills its mission of coordinating homeless activities on the Federal and intergovernmental levels.

Presently, State agencies and local providers lack necessary information about McKinney Act programs, application procedures, and deadlines. These crucial links in our assistance chain are confused, if not overwhelmed, by the maze of Federal regulations for each McKinney Act program. In fact, some State officials and local providers do not even know where to turn on the Federal level for answers to these questions. Moreover, many States agencies have expressed an interest in learning about innovative programs developed in other parts of the country. Yet, there is no established channel of communication to exchange these ideas and insights.

The Interagency Council on the Homeless must adopt mechanisms to meet these needs. Our proposed changes should lay a foundation which addresses these problems.

For example, the committee requires the Council to designate regional coordinators to be responsible for the provision of technical assistance. In this manner, State agencies and local organizations will receive the assistance they need to interpret Federal regulations, understand application procedures, and track the deadlines of the panoply of Federal homeless programs available.

The committee attempts to increase the Council's effectiveness not only by mandating specific duties, but also through enhanced State initiative and activity. Specifically, the committee encourages States to establish their own interagency councils on the homeless. Just as many States are unsure of which Federal official to contact, the Interagency Council as well as local providers are frequently unaware of whom to turn to on the State level to answer their questions. A central statewide entity would fulfill this function. Moreover, these State interagency councils will be responsible for distributing the bimonthly bulletin, prepared by the Federal Interagency Council, which will contain timelines for all Federal homeless assistance programs.

The objective of these new wrinkles is to provide that whatever resources we make available to assist the homeless, will, in fact, be effectively used. Because of the aforementioned problems of communication and coordination on the intergovernmental levels, the full potential of the McKinney Act programs has not been realized. Instead, some programs and services have fallen through cracks in the bureaucratic chain. The committee's emphasis on mechanisms of coordination and communication should ensure that such mishaps are minimized and that Federal assistance effectively reaches those who need it most.

While the McKinney Act programs are an admirable start, it is imperative that we also begin to consider and create long-term plans to combat this social blight. Shaping this effort requires a solid familiarity with the nature, extent, and causes of homelessness in the United States. Until recently, this data has not been available. Now, for the first time, we are beginning to receive answers to these questions from the General Accounting Office's [GAO] report on FEMA's Emergency Food and Shelter Program.

This report, mandated by the Governmental Affairs Committee in last year's McKinney Act, surveyed organizations which received FEMA emergency food and shelter grants in fiscal year 1987 about the populations they serve and the programs they operate. The preliminary results provide insight into the types of homeless and needy people receiving assistance from these programs. For example, over half of the service providers responding to the survey consider unemployment as an "extremely important" factor in causing homelessness in their city or town. Almost half of the service providers also rate a decrease in subsidized housing, the general increase in housing costs, and low wages as "extremely important" elements.

When considering the particular populations their programs serve, about 40 percent of the providers report that the inability to find work and loss of a job are "major contributors to homelessness" for most of their clients.

If the perceptions of the providers are correct, it means that contrary to many assumptions, economic and social factors have contributed substantially to the rapid increase in our homeless population. We can no longer "brush off" the homeless merely as byproducts of ill-advised deinstitutionalization programs, or as people who voluntarily choose to live on the streets. Many are homeless because of a combination of circumstances beyond their control. These results suggest that we need to examine the direction and acclaimed success of Fedeal social and economic policies in this decade.

Although these numbers only reflect the best estimates of service providers, it must be remembered that gathering objective data about the homeless is an inherently difficult—and almost impossible—task. These findings will help in sketching an accurate picture of the types of individuals being assisted by FEMA-supported agencies across this Nation. This glimpse, in turn, should help us gain a broader and more general understanding of homelessness in our country.

This knowledge should not be left only to the academicians, but instead should be used to achieve the goal of eradicating the causes of homelessness. When this goal is achieved, we will no longer need to apply such an extensive program like the McKinney Act to a problem that scars individuals, families and society. But until we develop these long-term solutions, it behooves us to offer as much short-term assistance to the homeless as we can.

Finally, I would like to acknowledge and thank the efforts of my distinguished colleagues on the committee, Senators **ROTH**, **HEINZ**, **LEVIN**, **NUNN**, **PRYOR**, and **SASSER** who have cosponsored the committee's substitute to S. 2607, ultimately incorporated into the Omnibus McKinney Act as title I.

Mr. President, I urge the adoption of this bill, and urge all my colleagues to join me.

HELP FOR THE HOMELESS—A REDEDICATION

Mr. RIEGLE. Mr. President, I rise today to express my support for the homeless package now before us.

Mr. President, we are faced today with an ever-mounting crisis of homelessness in our country. Despite the current economic expansion, the number of homeless men, women, and children is increasing in cities across America.

Most surveys suggest that the homeless population can be broken into three groups: the mentally ill, poor families, and single men. However, no matter which group you consider, the statistics are alarming.

One-third of all homeless are reported in fair or poor health. A recent survey of major cities states that 16 to 28 percent of the homeless have health problems that keep them from working. Unless something is done to improve the health of the homeless, the crisis will continue.

Families with children constitute the most alarming rise in the homeless population. A 1986 survey of 25 major cities by the U.S. Conference of Mayors showed 80 percent of the cities reporting an increase in the number of homeless families with children seeking emergency shelter. In addition, a Los Angeles study shows that 130,000 households in that city commit more than 50 percent of their income to housing. These families are a paycheck away from joining the ranks of the homeless. Unemployment and rising housing costs are conspiring to fill the streets with more homeless. Unless something is done to provide shelter for these families, the crisis will continue to grow.

Mr. President, a year ago we passed the Stewart B. McKinney Homeless Assistance Act to begin to address the needs of the homeless. With that act the Congress authorized more than $1 billion in funds over 2 years for programs which would provide health care, food, and shelter to these people who so desperately need our help. We sent a meassage to the people in the streets that we were going to fight to get them back on their feet and to provide them with a decent place to live. Now that promise is about to expire.

I believe that a reauthorization of the McKinney Act funds is imperative. This reauthorization together with proposed amendments to help those not covered by the original act will send a message of renewed faith back into the streets of America. While it does not provide for a permanent end to this crisis, the act will help ease the misery of our friends on the street. Then we can all work together to eliminate this national crisis. With the plight of hundreds of thousands of Americans in mind, I strongly urge my colleagues to give their support to this legislation.

Mr. SIMON. Mr. President, I commend the Senate today on its passage of the Stewart B. McKinney Homeless Assistance Act. By passing this important legislation, the Senate is reaffirming its commitment to meet the growing homeless problem. I wish to extend particular thanks to the chairman of the Labor and Human Resources Committee, Senator KENNEDY, and his staff, who assisted in my efforts to address the specific problems of homeless youths.

The high level of homelessness in America is a national disgrace. For one of the richest nations in the world, this is an unacceptable situation. I am encouraged, however, by the passage of this legislation. Past Congresses responded to the problem of homelessness with quick fixes. The reauthorization of the McKinney Act shows our Government's desire to work for long term solutions. The McKinney Act accomplishes this through its provisions for emergency services, housing assistance, medical services, and, most importantly, education and job training.

Through the McKinney Act attempts to be comprehensive, it became evident that the needs of homeless youth were not being met. Homeless youth between the ages of 16 and 21 face special problems. They are in a legal no-man's land. They are not old enough to live independently, and often lack education or vocational skills which would enable them to get off the street. They are too young for adult shelters, but too old for the foster care system.

The goal of the homeless youth transitional living provision, which passed the Senate today as part of the Stewart McKinney Act, is to fill this void and create a safety net for homeless youth between the ages of 16 and 21. The provisions allocates $5 million in grants for community-based programs which have previously been successful in providing services and training to enable homeless youth to become independent adults. Through this new grant programs, community groups will provide not only shelter but a variety of services such as remedial education, vocational counseling, and job training, as well as training in basic life skills such as balancing a checkbook. Programs funded under the provisions will give homeless youth an alternative to the street by teaching them the basic skills they need to survive on their own.

Without successful intervention, youth who do not get help may become mentally ill, part of the adult criminal network, dependents of our public welfare system, or may become involved in drugs. The programs provided by this legislation will help homeless youth make the transition to self-sufficient adulthood so that they can live productive lives.

Several years ago when we first passed the Stewart B. McKinney Act, we addressed the most visible and immediate problems of the homeless. Since that time, we have had the commitment and flexibility to broaden and change the provisions of our homeless programs as needs changed. I am pleased that the Senate recognizes the unique and immediate need of all of our homeless citizens and, in this legislation, particularly the needs of homeless youth.

Mr. CONRAD. Mr. President, I rise today in strong support of the Omnibus McKinney Homeless Act. This legislation reauthorizes a variety of programs to deal with the critical problem of homelessness in the United States. I have a deep concern for the problem of homelessness, Mr. President. It is a national tragedy that a land with surplus housing and a surplus of food cannot provide all of its people with these essentials.

The bill before us today, Mr. President, provides $645.9 million in budget authority for fiscal year 1989 and $659.8 million in budget authority in fiscal year 1990. It is a 2-year reauthorization of homeless assistance programs, and also contains several refinements to existing law to make homeless housing programs more flexible and effective at the local level. The money is authorized for a wide array of programs including emergency shelter and food, medical and mental health care, housing, educational programs for adults and children, job training and other community services for homeless and those "at risk" of being homeless.

Mr. President, this emergency funding only begins to chip away at the awesome problem of homelessness in America. Obviously, emergency programs are not an answer to the underlying reason for homelessness: the lack of affordable housing for all Americans. But we must authorize emergency relief as a matter of survival for those without any homes—those who, tonight, Mr. President, will have to depend on emergency shelters.

While many who focus on the problem of homelessness evoke the specter of urban blight, homelessness in rural areas like my own State of North Dakota is a critical and growing problem. A recent Newsweek article has highlighted the escalating problem of rural poverty: 9.7 million rural Americans are impoverished—nearly one-fifth of all rural residents. The Population Reference Bureau has estimated that one in four rural children live in poverty. So you can see, Mr. President, that poverty and homelessness are not issues which only touch the lives of urban dwellers.

In the year since the original McKinney legislation was passed, many States, localities, and private organizations have been able to help homeless people with funds authorized under this law. My State has received $1.3 million under the McKinney Act, enabling a wide variety of organizations and local efforts to comfort those who are homeless. Places like the New Life Center in Fargo, which provides meals and shelter for up to 102 people, and the YWCA, which shelters women and their children who are in need, are prime examples of the resourcefulness of North Dakotans who are dealing with the problem of homelessness.

Demand for this money, however, has far exceeded available funds. Mr. President, we must do more. The McKinney Act is important because it is a signal of Federal commitment to improving the housing situation in this country and because it infuses much-needed funds to emergency programs. It is, however, not a solution to the housing crisis our country is facing. We must craft a new, broad-based housing act which will begin to compensate for the last 8 years, in which we have witnessed a virtual dismantling of Federal housing programs. In 1979 this country spent enough money to build over 300,000 units of affordable housing, and last year we built some 11,000 units. Over this period of time, we have lost some 2½ million units of affordable housing. That is roughly the number of homeless people in America. Supporting this legislation, then, is a step—a critical one—but only a step in dealing with the entire housing problem.

I realize that the House and Senate Banking Committee's are currently in the process of drafting comprehensive housing legislation. I commend my distinguished colleagues for their work, and I look forward to the introduction of this legislation.

Mr. President, I strongly support this legislation. We must take action now to help alleviate the plight of homeless Americans. I urge my colleagues to act quickly to pass the Omnibus McKinney Homeless Act of 1988.

Mr. DASCHLE. Mr. President, I rise today to express my continued support for the provisions of the Stewart B. McKinney Homeless Assistance Act. The broad range of assistance to the homeless provided by this bill includes programs for shelter, food, education, and jobs training.

Last year I offered, and the Senate adopted, an amendment which provided a 1.5-percent set-aside of all program funds appropriated for the McKinney Homeless Assistance Act to Indian tribes. Last years' conference committee retained the 1.5-percent set-aside for Native American in title VII of the bill which provides assistance to homeless individuals for education, training, and community services programs. While the set-aside was dropped from remaining portions of the bill, the conferees made Indian tribes eligible recipients in the Supportive Housing Demonstration Program and the Supplemental Assistance Program. In addition, the Stewart B. McKinney Act incorporated Native Americans among those population groups; that should be targeted for assistance.

The conferees specifically intended "that homeless Native Americans be eligible for and served by all the programs established and authorized by this act."

Since passage of the homeless assistance bill, I have monitored the implementation of the bill to make certain that the interests of Native Americans are addressed through the programs authorized. Happily, it appears that the set-asides and attempts to incorporate Native populations in programs has been successful.

It heartens me to see that provision recognizing the relationship between the Federal Government and Indian tribes have been retained in the reauthorization. Past history unfortunately reminds us that unless Congress specifically provides for participation of Indian tribes they will probably not be included.

It also pleases me to see that Federal agencies like the Federal Emergency Management Agency [FEMA] are taking action to include Native Americans in their programs. FEMA has circulated among its funded organizations, a memo which encourages recipients on or near Indian reservations to directly serve Native American populations. Specifically, FEMA has encouraged its participants to: [and I quote]

> First, assess the needs of Native Americans in your counties, along with other demonstrable needs that can be addressed by the EFSP [Emergency Food and Shelter Program], prior to making allocations;
>
> Second, assess the composition of your local board to provide where possible for the inclusion of Indian representation;
>
> Third, advertise the availability of your countries' award via Indian newsletters or papers; and
>
> Fourth, if reservations are in remote, hard-to-access geographic areas, then consider funding service agencies on the reservation.

I thank the Senator and staffs of the Housing, Labor and Governmental Affairs Committees for their continued commitment to the pressing needs of homelessness through urban and rural America, as well as into the Indian reservations. I urge the adoption of this important reauthorization legislation.

I ask unanimous consent that the entire text of the FEMA directive be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

EMERGENCY FOOD AND SHELTER NATIONAL BOARD PROGRAM

Memorandum for: All Emergency Food and Shelter Program (EFSP) Funded Counties Residing on or Near Reservations.
From: EFSP National Board.
Subject: Native American Representation and Service.

The purpose of this memorandum is to talk with you about Native American representation in the EFSP.

This past year, staff of the National Board researched the degree of funding made available to Native Americans living on reservations. A survey of approximately 155 local EFSP boards in 26 states and a meeting with Congressional staff members and representatives from a variety of national Indian organizations showed minimal involvement of Native American tribes in the EFSP.

In addition to the concern of the National Board in addressing the special needs of Native Americans, Congress as well has encouraged special sensitivity under Title I, Section 102(b)3, of the 1987 Stewart B. McKinney Homeless Assistance Act. "It is the purpose of this Act to provide funds for programs to assist the homeless, with special emphasis on elderly persons, handicapped persons, families with children, Native Americans, and veterans."

In an attempt to increase the participation of tribal groups on reservations in the EFSP, the National Board would like to suggest a few ideas to local boards to bring about positive change and growth in the direction of the EFSP.

The National Board therefore encourages local boards to:

(1) Assess the needs of Native Americans in your counties, along with other demonstrable needs that can be addressed by the EFSP, prior to making allocations;

(2) Assess the composition of your local board to provide where possible for the inclusion of Indian representation;

(3) Advertise the availability of your counties' award via Indian newsletters or papers; and

(4) If reservations are in remote, hard-to-access geographic areas, then consider funding service agencies on the reservation.

The findings of the National Board's research has prompted these suggestions in the hope that local communities would have some success in addressing the needs of special groups eligible to receive EFSP services. The National Board in its own attempts to provide outreach has advertised the EFSP via the Housing Assistance Council and National Congress of American Indians newsletters. This avenue generated calls from Alaska, Arizona, Idaho, Michigan, Montana, New York, and Virginia. We are certainly pleased with this response and are confident that local advertising efforts and local participation will bring about greater results. This is not to say that we have not recognized the efforts and contributions of some localities already addressing this issue. To the contrary, we are delighted that EFSP local boards have shown some initiative and energy in their individual outreach efforts.

Should your local board have any information, suggestions, or comments, please call us at (202) 646-3883, or drop us a few lines. We are anxious to hear your thoughts on this and all program matters.

Thank you.

Mr. BIDEN. Mr. President, lead-based paints pose one of the most serious health threats facing the children of our Nation. Hundreds of thousands of American children have dangerously high levels of lead in their blood, and most experts agree that lead paint in housing is the single greatest source of lead exposure. Lead poisoning can cause brain damage and even death, and elevated lead levels short of lead poisoning can lead to learning disabilities and other health damage.

The Congress took an important step toward eliminating this hazard in the 1987 amendments to the Lead-Based Paint Poisoning Prevention Act of 1971. The 1987 amendments were necessary because the Department of Housing and Urban Development had interpreted the 1971 Act in a callous and inhumane way. Under HUD's so-called health approach, public housing authorities were only expected to abate lead paint in a given unit if a child living in that unit became ill due to elevated lead blood levels.

The 1987 amendments prohibited HUD from continuing to use this health approach, and instead required HUD to test all public housing units over a 5-year period and abate any lead paint discovered. The 1987 amendments also ordered HUD to conduct a demonstration program, to investigate new techniques and technologies for lead paint testing and abatement. After the demonstration program is completed, the 1987 amendments require HUD to develop a comprehensive plan for abating lead paint in nonpublic housing as well.

Since the 1987 amendments were passed, however, important new evidence has come to light indicating that some traditional methods of abating lead paint are actually counterproductive. One study found that traditional methods of abatement actually increased lead dust levels 10 to 20 fold immediately after abatement. As a result, the study found, a large number of children living in abated units suffered elevated lead counts in their blood—as many as 40 percent of these children. Our national experience with asbestos removal should teach us that good intentions without well-conceived solutions can produce disastrous results.

It is important to note that these studies did not say that it was impossible to safely test and abate lead paint. They merely found that certain methods of abatement actually made the situation worse. In fact, several other studies have demonstrated that successful and cost-effective testing and abatement is possible, when the right techniques are used and when the workers are properly trained. The Environmental Protection Agency's Baltimore Integrated Environmental Management Project report on reducing the hazards from abatement of lead paint is a good example of such a study.

In short, we can identify lead paint in housing units and get rid of it if we put into place comprehensive, understandable and workable standards which ensure that the best abatement technologies are used and that workers are adequately trained. A timely, well-conceived response can avoid much preventable illness and suffering. If abatement is poorly done, however, then we will do more than just waste money. We will actually threaten the health of more children than if we did not act at all.

Unfortunately, HUD promulgated rules that were unrealistic and unreasonable last June. Instead of taking advantage of the flexibility built into the 1987 amendments, HUD ordered Public Housing Authorities to immediately test and abate on a massive scale. Unfortunately, HUD did not give PHA's any guidelines or standards for testing and abatement. As a result, many PHA's, acting without the benefit of the best information or technologies, would probably rely on outdated and counterproductive approaches.

The 1988 appropriations bill for HUD and independent agencies contained an additional amendment to the Lead Paint Poisoning Prevention Act. This amendment served to stop these HUD regulations by providing that no funds may be used to implement or enforce the HUD regulations until the Department developed comprehensive technical guidelines on testing and abatement. The amendment also required the Department to spend $1.2 million on lead paint studies.

The amendment contained in the appropriations bill was necessary to keep HUD from implementing the act in a harmful way, but it threatens to go too far the other way. While the conference report blasted HUD for its inexcusable delays, the language of the amendment in the appropriations bill did not specify any deadline or time period in which the Department was required to act. It also required no interim testing or abatement while final standards are being completed.

In most cases, it would seem natural to trust the Department to develop standards in a timely manner. In the case of lead paint, however, HUD has a long history of delay and foot-dragging. In the 1971 Lead-Based Paint Poisoning Prevention Act, Congress declared that it was a violation of the sanitary code for there to be lead paint in housing units with children younger than 6 years old. HUD has done frighteningly little since that time, however, and in 1988 we have yet to get started on a large scale. In light of this history, we must go beyond the amendment to the appropriations bill and require action within a definite timetable.

The lead paint provisions in this bill help correct some of the shortcomings of the lead paint amendment in the appropriations bill. At the least, this bill would ensure that HUD is not idle while it waits for the end of the demonstration program. Under this bill, HUD would be required to proceed with testing and abatement (under interim guidelines and standards) in public housing units undergoing comprehensive modification under the Comprehensive Improvement Assistance Program. At the same time, units not undergoing comprehensive modification will not be inspected or abated until after the demonstration program is completed.

I am concerned that we break through these delays and get on with the job of testing and abatement, but I am also concerned that we do so effectively. This bill represents a careful compromise, and attempts to balance these two concerns. On the one hand, the bill should produce a more effective policy than the HUD regulations by ensuring that abatement and testing of all units only take place after standards have been carefully considered and adopted. On the other hand, the bill ensures that HUD not remain idle indefinitely, requiring that testing and abatement proceed in units undergoing comprehensive modification.

By testing and abating first in those units undergoing comprehensive modification, the bill spends our limited resources where they can do the most good. First, public housing authorities usually begin comprehensive modification on their oldest units first, and lead paint is more likely to be present in older units. Second, it is more efficient to test and abate a large number of units at one time, which can be done during comprehensive modification. Third, many if not most units undergoing comprehensive modification are vacant during the repairs, so tenants do not face any health risks created by dislodged and aerosolized lead dust.

While I support the bill's commitment to pausing and thinking before rushing ahead with testing and abatement, I am not sure that we need to pause for a full 18 months. Instead of delaying all testing and abatement in public housing—with the exception of those units undergoing comprehensive modification—until after the completion of the demonstration program, I would have preferred to adopt a shorter deadline. I would suggest that a better target date might be the release of the study recently begun by the National Institute of Building Standards and called for by this Congress. The NIBS study should produce useful technical guidelines for testing and abating lead paint, and will be completed next February. As the conferees work on this bill, I hope they will carefully consider advancing the starting date for public housing units not undergoing comprehensive modification from the end of the demonstration project to the end of the NIBS study.

If the conferees decline to advance the start-up date for testing and abatement in these units, however, the bill gives HUD plenty of leeway to speed up the pace of testing and abatement if they choose. When the NIBS study comes out, I hope that the Department will carefully evaluate its conclusions and consider if it is really necessary to wait an additional 9 months to move ahead in most units.

In sum, this bill attempts to steer a course between a forced and rushed policy, on the one hand, and continued bureaucratic footdragging on the other. While I believe the bill can be improved, and I urge the Conferees to do so, I think it does a better job of balancing the needs for speed and effectiveness than the current statutory structure.

Mr. CHILES. Mr. President, on August 30, the U.S. District Court for the District of Columbia issued a nationwide temporary restraining order which prevented the Department of Housing and Urban Development from making contracts to sell single family properties from its inventory, except for the benefit of the homeless and low income persons.

With the FHA inventory currently at all-time highs, any such action which causes the FHA fund to lose capital represents a severe threat to both the Federal budget and to the integrity of FHA programs. The temporary restraining order has recently been lifted, but I wanted to make my views clear as we consider extending the authorization for the various homeless programs.

As chairman of the Senate Budget Committee, I am very concerned about any actions which could have the effect of increasing costs or decreasing income to the FHA fund. In a very immediate sense, any legislative action seeking to impose new restrictions on FHA could have this effect in 1989. Costs associated with this action would be scored and would increase the Gramm-Rudman deficit. Since we barely have enough room to complete anticipated legislation, any such unanticipated cost could very well trigger sequestration. With current 1989 estimates projecting around $3 billion in offsetting collections from sale of FHA properties, affecting even a minor portion of the inventory could have major and disastrous budgetary consequences.

Even if legislative action is not taken, the threat to the FHA fund presented by this case is very real. Requiring the entire FHA inventory to the subject to potential diversion from its intended use is a major policy shift in a very successful program. I am supportive of doing all we can to adequately fund programs for the homeless. However, I think it is utterly irresponsible to allow a major change in FHA to occur through a court case premised on an intent which Congress never had. Not only would this completely abdicate congressional responsibility for making policy; such a change could have far-reaching consequences for the stability and health of the FHA insurance fund.

The Mutual Mortgage Insurance Fund, the main target of the court suit, is supported solely by its assets and premium income. The MMI Fund is not authorized by law to receive congressional appropriations or to use Treasury borrowing authority, as are the other three FHA funds. These funds must comply with congressionally imposed mandates which do not allow the funds to completely recover costs. Therefore, Congress provides Treasury borrowing authority and, ultimately, an appropriations for the three funds' past losses. In contrast, the MMI Fund is intended to recover its costs through premium income from borrowers and proper management of its assets.

Allowing such a major policy change in the purpose of FHA would begin a potentially serious drain on the MMI Fund's resources, which are currently in reasonably healthy condition. Turning the FHA MMI Fund into a homeless program would result in one of two possible outcomes. Congress would have to start appropriating funds to replace lost fund income, or the fund's financial condition would start to deteriorate, necessitating a premium increase. The latter alternative has been a regular administration budget proposal which Congress has consistently rejected.

The temporary restraining order has just recently been lifted, and there is every indication that the judge will rule expenditously on the merits of the lawsuit. I continue to believe that a correct reading of congressional intent and existing law will resolve this case correctly. I therefore see no need at this junctive to seek resolution to this issue, particularly given the possibility of legislative mischief with serious spending consequences. However, should the ruling be unfavorable, I will pursue a legislative remedy ensuring the integrity of the FHA fund.

Mr. DOLE. Mr. President, last year as subfreezing temperatures and snow swept across this country, I joined the distinguished majority leader and many colleagues on both sides of the aisle in introducing the Urgent Relief for the Homeless Act to provide additional shelters and housing along with needed social services for the homeless.

NEED FOR REAUTHORIZATION

The first chill of fall reminds us that another winter is not far away and time is running out on the Stewart McKinney Homeless Assistance Act. That act authorized a package of programs to provide emergency food, shelter, basic health and mental health services, education and job training assistance to the homeless population of our cities and rural areas.

The crisis of homelessness in America is a tragedy but it is also a challenge. I believe we will rise to this challenge as we have in the past to problems confronting our Nation.

The central issue of homelessness is not numbers, whether there are 300,000 or 3 million without homes. We all know, or should know, that there is a problem and something needs to be done about it.

A measure of the quality of a society is how it takes care of its less fortunate members. The Homeless Assistance Act of 1987 did not do all that is necessary or all that many of us would like to do to provide long-term solutions to the problem of homelessness, but it was a good start. The job is not done. The challenge is still before us.

In the long run, we would like to have decent homes for all Americans. This bill does not achieve that objective, nor does the Housing Act of 1987, which the Senate passed last December. But significant progress is being made and we need to build on that progress and continue to pursue the best ways of helping those among us who are least fortunate.

FHA ASSET SALES

I would like to thank Congressman DeLay of Texas and others for calling to our attention the confusion surrounding the issue of whether title V of the McKinney Act requires HUD to use its inventory of FHA properties to house the homeless. While a request for preliminary injunction to prevent HUD from selling foreclosed FHA properties has been denied in U.S. district court, HUD should nevertheless strive in concert with others to find suitable properties that could be made available to the homeless.

A CLEAN BILL

I know that special efforts were made to keep this bill as clean and straightforward as possible. Accordingly, I would like to express my sincere appreciation to the Senators and staff of the Committees on Governmental Affairs, Banking, Housing, and Urban Affairs, Labor and Human Resources, and Veterans Affairs for preparing a clean reauthorization bill with support from both sides of the aisle. Their efforts have enabled the Senate to get on with this urgent business without delay. I commend them for a job well done.

CONCLUSION

George Bernard Shaw said that, "The worst sin toward our fellow creatures is not to hate them, but to be indifferent to them: that's the essence of inhumanity."

In reauthorizing homeless assistance legislation, we are acknowledging that the problem of homelessness has not gone away, that continued diligence is necessary to deal with this challenge to our society and our humanity.

Mr. GARN. Mr. President, I rise at this time, while we are discussing the reauthorization of the McKinney Homeless Assistance Act, to address an issue of critical importance: The sale of foreclosed FHA single-family homes.

Some people are currently claiming that these foreclosed FHA properties are to be considered "Federal public buildings" under McKinney, and instead of being sold, they should be opened to the homeless. To give the Department of Housing and Urban Development their due, HUD has given over many vacant properties for use of the homeless nationwide, for as little as $1 annually. Other properties have been made available by HUD to local public housing authorities and other governmental entities through the supportive Housing Demonstration Program. While the problem of homelessness still persists, using single family FHA properties that would otherwise be sold is clearly not the answer.

HUD's sale of these properties is expected to bring in around $3.2 billion in fiscal 1989. The proceeds from the FHA sales finances HUD's insurance operations. Right now, the insurance fund functions in an actuarily sound manner, as was the intent of Congress. If the FHA properties are not sold off promptly and cost-effectively, the solvency of the Mutual Mortgage Insurance Fund will be in jeopardy. A complete halt to single family sales is estimated to deplete all fund reserves by 1990. This fund cannot borrow from Treasury and has no authorization for congressional appropriations.

If the Mutual Mortgage Insurance Fund became insolvent, it would have to have funds appropriated to it. If the FHA single family auctions are halted, fewer moderate- and low-income families will be able to purchase homes; (70 percent of the auctioned homes are sold to first-time homebuyers at a price of between $40,000 and $50,000).

The homeless then would be the ultimate losers. If funds have to be appropriated to the Mortgage Insurance Fund, there are proportionately fewer moneys to aid other programs. If affordable homes for first-time homebuyers are no longer available as in the FHA sales, these buyers would be frozen out of the market, rents would go higher, and more homeless people would be out on our Nation's streets.

There are those who contend that the intent of Congress when crafting the McKinney bill was to include the defaulted FHA mortgaged properties as "Federal public buildings." That is just not true. Any donation of those FHA properties to any group would have been scored as direct spending and would have raised a point of order against the budget act. Second, staff and legislative counsel are very able, and it is rare that a bill doesn't say what it is meant to say.

Mr. President, the chairman of the Housing Subcommittee made it clear to Senator GLENN in their colloquy that "the Housing Subcommittee never discussed whether the term [underutilized] Federal public buildings and other Federal properties included HUD's inventory of foreclosed FHA properties."

I commend the Housing Subcommittee for working with the administration and the housing industry in making changes to the McKinney Act which will simplify procedures and provide more local flexibility in homeless housing programs. However, I am disturbed, as I was early last year when we first considered the McKinney Act, that over the years we've spent a great deal of money and still have not solved the problem of homelessness. The McKinney Act authorized another $475 million for specific housing programs for fiscal years 1987 and 1988. This reauthorization allocates another $560 million for fiscal years 1989 and 1990. We are no closer to solving this problem at the end of fiscal year 1988 and I doubt we will be at the end of 1990. Authorizing more funds simply to provide more units through these particularly expensive housing programs is not a compassionate or permanent way of solving this problem. Again, only when we look at the real reasons for homelessness and deal with them realistically will there be any real solutions.

Mr. HEINZ. Mr. President, I rise in strong support of the Stewart B. McKinney Homeless Assistance Amendments of 1988. This bill addresses a pressing need in our Nation—assisting the homeless. The bill before the Senate today reauthorizes programs to provide a variety of services to the homeless, including emergency food and shelter, housing assistance, health care, mental health care, job training, and education.

Since the President signed the McKinney Act into law last July, it has become clear that, although the programs are operating well, homelessness continues to be a very serious problem in this Nation. Indeed, the staggering number of applications filed by local and State governments and nonprofit organizations for the Federal homeless money—large percentage of which HUD found meritorious but simply did not have the budget authority to fund—is a testament to how grave our homeless problem is.

The bill before us extends the McKinney Act housing programs for an additional 2 years, and makes certain rather technical program changes that have arisen during the first year of the programs. For example, based on feedback from providers of homeless services at the local level, the Housing Subcommittee increased the flexibility for administering homeless programs. In particular, this bill amends the Emergency Shelter Grant Program to allow complementary funding for social services provided at emergency shelters. This amendment will allow facilities such as the Whale's Tail and the Light of Life Mission, both successful mixed-use facilities in Pittsburgh, PA, to use emergency shelter grants to provide bridge housing and alcohol abuse and employment counseling, as well as other social services aimed at breaking the vicious cycle of shelter living.

This bill also increases the authorization for the section 8 Single Room Occupancy [SRO] Program. The section 8 SRO Program has proven to be an effective and popular means by which to provide permanent housing to homeless people. During the first year, applications outnumbered awards by a factor of more than 10. HUD awarded 19 grants for approximately 1,000 units for the $35 million in budget authority, from among 141 applications totaling $419 million in budget authority to rehabilitate 11,500 units.

The programs authorized by the McKinney Homeless Assistance Act are badly needed. Funding for the programs is extended at the level authorized for this fiscal year, and I understand both the Senate and House budget resolutions can accommodate these spending levels.

In addition to the provisions reported by the Senate Banking, Housing, and Urban Affairs Committee, I am pleased to have worked with my colleagues on the Governmental Affairs Committee to reauthorize programs in their jurisdiction. The committee's provisions provide for small but needed increases in the Emergency Food and Shelter Program, and enhance the process by which Federal surplus property is provided to the homeless.

Overall, the committee's provisions will strengthen existing programs, and enhance the range of services, and the quality of services, available to the homeless. To be specific, the committee would enhance cooperation among State agencies and local service providers through designated lead agencies, and through coordination of Federal, State, and local programs. The proposal would require Federal agencies to identify Federal facilities that can be used to temporarily shelter the homeless. The Interagency Council on the Homeless, which I have in the past referred to as the "home" for homeless assistance programs, is reauthorized for an additional 2 years.

I am particularly pleased that the committee has included an amendment which Senator GLENN and I developed to improve the administration of the Emergency Food and Shelter Program, operated by the Federal Emergency Management Agency. At present, FEMA uses unemployment rates to distribute food and shelter grants. This formula is not statutory, and could be changed through administrative action at almost any time. Moreover, we are well aware that the number of unemployment insurance beneficiaries is not an adequate indicator of need. Those who are on unemployment insurance are generally not the category of individuals we seek to assist through this program. Rather, it is those who are uninsured, or who have exhausted all eligibility for unemployment assistance, who are most in need of FEMA's help. Sadly, these individuals are not accounted for in the formula now in use.

The committee provisions require FEMA to propose alternative means of creating, in statute, a formula which will effectively target those in need. The shortcomings of the existing formula are all too apparent. Countless communities across the Nation, with varying degrees of homelessness, find their ability to respond rising or falling with fluctuations in their unemployment rate. Our amendment will help to provide assistance where it is most needed.

Mr. SANFORD. Mr. President, as a member of the Senate Banking Committee, I am pleased to join my distinguished colleagues in a bipartisan effort to attack the deepening crisis of homelessness. The American Government cannot stand by idly while millions of Americans are denied the basic necessities of life. With the passage of the McKinney Homeless Assistance Amendments of 1988, the Senate will take a crucial step toward meeting the housing needs of the less fortunate.

The Senate took the first step in that direction in 1987, by enacting the Stewart B. McKinney Homeless Assistance Act. This legislation served as the first comprehensive legislative effort to attack the problems of the homeless. It established emergency shelters and support facilities while providing money for housing rehabilitation. The McKinney Amendments of 1988 expand and improve upon this act, but do not provide an overall solution for the growing problem of homelessness.

THE SCOPE OF THE PROBLEM

The ever increasing, heterogeneous population of the homeless is difficult to quantify. I have heard population estimates ranging from 250,000 people to 3 million. A variety of factors have contributed to the spiraling numbers of the homeless, including the breakdown of the American family, the displacement of the urban poor, the deinstitutionalization of the mentally ill, the rampant spread of drug abuse, and the loss of manufacturing jobs.

Because of these complex factors, families, children, and employed workers are quickly joining the mentally ill, the alcoholics, and the drug abusers on the streets. I am deeply distressed by the recent statistics showing that families are the fastest growing segment of the homeless population. Over one-quarter of the Nation's homeless are families with children. Another 20 percent of the homeless work in jobs which cannot support decent shelter.

This highly diverse class of unsheltered people exist in cardboard boxes and abandoned freight cars—anything they can get their hands on. One man in my home State of North Carolina was discovered sleeping in an abandoned refrigerator.

And this is not just an inner-city problem. As I drive through the streets of Washinton or walk the avenues of a small town in North Carolina, I am continually confronted by the failure of this great nation to provide the fundamental need of shelter to its citizens. This state of affairs must be drastically altered.

ADMINISTRATION RECORD

While America possesses the material and mental resources to help the homeless, it lacks the leadership initiative to deal with the problem. The administration dealt with the growing numbers of homeless by cutting Federal Housing Program budgets by 75 percent over the last 8 years. These cuts, combined with massive reductions to other support programs, have forced the poverty-stricken out into the streets.

I first support the McKinney Amendments of 1988 because they take one small but significant step toward reaffirming the Federal commitment to the homeless.

AMENDMENT PROVISIONS

Of course, Federal solutions to the problem must intelligently and efficiently deal with the complex roots of homelessness. The McKinney amendments accomplish this task by providing both housing and support systems to get people back on their feet and into permanent shelter. Besides providing material support to the homeless, the amendments authorize mental health care, job training, and education. Short term support goes hand in hand with long-term training to get people off the streets.

The amendments also seek to improve the efficiency of the housing programs in several ways. They reauthorize the Interagency Council for the homeless which coordinates Federal homeless efforts. They mandate the annual submission of a comprehensive plan from each program and allow for plan sharing. They incorporate greater flexibility into the local programs by allowing for the involvement of nonprofit groups. And the amendments also seek to limit fraud and to ensure that all housing programs are free from alcohol and drug use.

CHARLOTTE DEMONSTRATION PROGRAM

Finally, the amendments support an important demonstration project in Charlotte, NC, which provides transitional aid to homeless and low-income individuals. After a period of remediation, which includes education, job training, substance abuse treatment and counseling, along with training in parenting and money management, this program requires full-time employment. However, it continues to provide low-cost housing and counseling while the resident gains economic self-sufficiency.

I regret that the Senate will be adopting language in the amendments which incorporates needs-testing into similar demonstration projects. These tests would effectively destroy the transition phase which is crucial to the success of the projects. Fortunately, the Charlotte program was spared from this language and can continue to provide a successful example of comprehensive, transitional public housing.

FHA SALES

I would also like to address an issue that has serious implications for the solvency of the Federal Housing Administration Mutual Mortgage Insurance Fund. In late August, a temporary restraining order was issued in Federal District Court barring HUD from selling any homes unless those homes were sold for the benefit of the homeless or low-income individuals or families. In that suit, the plaintiffs alleged that HUD must review each home that has been foreclosed upon and is awaiting disposition in order to determine whether the property is underutilized and suitable for use to shelter the homeless. On September 21, the plaintiffs motion for a preliminary injunction was denied, but I am afraid the issue remains unsettled.

I am concerned about the implications of this lawsuit. We simply cannot tolerate any threat to the FHA's Mutual Mortgage Insurance Fund. The FHA Homeownership Program has been a fiscally sound program, where premiums paid by users of the program—home borrowers—have covered the administrative expenses of operating the program as well as any losses that have occurred as a result of defaults. Through responsible administration of this program and strong efforts by the Congress to support the FHA, the FHA Fund has remained in good fiscal condition for 50 years.

Now however, HUD must do all it can to avoid any delays in the sale of FHA properties. HUD cannot be allowed to shirk its responsibilities under the McKinney Act. HUD can and should put in place procedures for notifying homeless agencies at the State and local level of the availability and price of FHA properties. If the properties are priced affordably and are suitable properties, they would be ideal for acquisition by homeless providers.

Unless FHA can dispose of it properties, however, the Mutual Mortgage Insurance Fund will face an immediate and potentially disastrous decrease in revenues. The Fund is already facing a difficult year because of increased claims in areas of the country experiencing economic distress. At this time, income from property sales is the No. 1 cash flow item for FHA. Revenues from upfront mortgage insurance premiums are down because new mortgage origination business has leveled off. Before the restraining order was issued, HUD was receiving $2 in income from asset sales for every $1 it received in premium income. In fiscal year 1988, HUD received approximately $3 billion in income from sales, while mortgage insurance premiums brought in $1.5 billion and the reserves accumulated $500 million in interest. There is the potential for significant losses if this issue cannot be resolved. FHA must be authorized to dispose of these properties in a businesslike, responsible fashion and HUD must do all it can to avoid any further delays.

I appreciate the efforts of my colleagues, Senator CRANSTON and Senator GLENN and others to seek a solution to this problem. I strongly urge the conferees to find a responsible solution as quickly as possible.

CONCLUSION

The McKinney Amendments of 1988 are an important step forward, but only a single step. The Congress must build upon this effort by developing a comprehensive plan for the homeless. We must work to inspire State and local efforts to abate the general housing shortage. We must encourage the involvement of the private and nonprofit sectors in the eradication of homelessness.

In our hands rests the responsibility to shelter all homeless Americans. I hope that we live up to that responsibility.

Mr. MITCHELL. Mr. President, I rise in support of this legislation to reauthorize the programs under the McKinney Act.

It has been over 1 year since we enacted the Stewart B. McKinney homeless assistance bill. That legislation, a carefully crafted bipartisan measure, enacted 18 programs to reach the homeless.

The legislation we are considering today would reauthorize those programs, provide some much needed fine tuning, and in some areas, enhance our ability to address our Nation's homeless.

Throughout the country, the demand for emergency food and shelter is steadily increasing. In many cases, people are turned away as existing shelters are overcrowded and the food supply is inadequate. Despite enactment of McKinney last year, in a survey of 26 major cities, the U.S. Conference of Mayors found that demand for emergency shelter increased during 1987 by an average of 21 percent.

More troublesome, the U.S. Conference of Mayors found that 96 percent of the cities cited families with children as the fastest growing group among the homeless.

While on average families with children comprised 33 percent of the homeless, in some cities, the number of homeless families with children was simply astounding. In Providence, 65 percent of the homeless are families with children, in New York City, 63 percent; in Portsmouth and Trenton more than 50 percent; in Kansas City 43 percent; in Chicago and Detroit, 40 percent.

Estimates of the total number of homeless people nationwide vary tremendously—from 250,000 to 3 million. Although experts disagree on the number of homeless people, there is almost universal agreement that it is rising.

And, unlike the familiar anecdote, the problem of homelessness is not confined to inner cities. The number of homeless people in the suburbs and rural areas is rising dramatically. In the suburbs, the homeless are often part of the "new poor," including families whose primary breadwinner recently has become unemployed and who cannot find or maintain affordable housing.

Since 1979, the number of families in poverty has grown and the income of poor families has dropped. The Census Bureau estimated in 1979 that 11.7 percent of the population fell below the official poverty line for that year—$7,386 for a family of four. Three weeks ago, the Commerce Department estimated that 13.5 percent of the population—32.5 million Americans—fell below the poverty line of $11,611 for a family of four. These and other poor families are routinely forced to choose between paying for food and shelter, clothing and heat, or medical care, and electricity.

In my own home State, a task force was appointed by the Governor in 1985 to study the extent of homelessness in Maine and to make recommendations on appropriate methods of assistance. The task force found that on any given night, between 250 and 350 people in Maine are in need of shelter. Over the course of a year, some 3,500 individuals actually experience at least a night of homelessness. While these numbers may not seem as critical as the homeless population in New York City, for a State the size of Maine homelessness has become a serious problem.

Increasingly, many working families in Maine are among the ranks of the homeless. Maine census data indicates that 13 percent of the population, or 141,000 individuals are below the poverty level. Of these, 52,000 households—118,000 people—may be considered to be "at risk" of homelessness.

Four-fifths of these households pay more than one-half of their total income for rent or mortgage or heat. One-fifth of the at-risk group live in substandard or overcrowded housing and have poverty level incomes.

For people who are homeless, emergency shelter is the most basic and critical need. And, yet there are many communities in Maine without shelters, and many of the existing shelters are completely full.

Whether its Main Street in Portland, ME or Pennsylvania Avenue right here in DC, the homeless all have at least one attribute in common: they don't have housing.

And, while others may disagree, I believe there is a strong correlation between the increase in homelessness and the reductions this administration has made in low-income housing during this decade.

It doesn't take someone from Wharton's School of Economics to figure the statistical significance of an 80-percent reduction in Federal funds for low-income housing and an ever rising rate of people without homes.

Yes, some of the homeless have other problems which lead to homelessness possibly without regard to the availability of housing. According to the U.S. Conference of Mayors, 23 percent of the homeless are mentally ill and 35 percent are alcoholics or drug addicts or both.

But, the fact remains that homeless people are people without housing.

The gap between rich and poor families in 1987 hit its widest point since the Census Bureau first began collecting data in 1947. The significance of this gap becomes particularly apparent with housing issues.

We have a situation where, despite 5 years of economic recovery, the income growth of the Nation's renters continues to lag substantially behind the income growth of the Nation's homeowners.

And, as increasing rents comprise a larger and larger share of the income of renter households, saving for a mortgage downpayment becomes an impossibility for all but a few.

With homeownership such a distant possibility, the portion of low-and moderate-income households competing for a limited supply of low-cost housing has several deleterious effects. First, it raises the cost of rental housing, making the transition from renter to owner even more difficult. Second, it restricts the availability of rental housing because fewer units are vacated by individuals becoming new howeowners. And, third, it nearly ensures that those renters at the bottom of the scale will be paying ever larger portions of their incomes for rent, if they can find a place to rent.

The availability of affordable housing becomes even more serious when viewed in the context of the wholesale dismantling of programs run by the Department of Housing and Urban Development during the last 8 years.

HUD programs have been slashed by nearly 80 percent. Millions of low-income units have been removed from the low-income housing stock through demolitions, defaults, structural conversions, and repayment. Waiting list for low-income housing average 2½ years, which as I understand it, must be an understatement of time since many of these lists are closed.

Therefore, since 1980, on one end of the scale, we are left with a situation in which the rate of homeownership, despite a hefty decline in interest rates, is at its lowest point in 15 years. And, on the other end of the scale, we have lost substantial amounts of low-income housing and have dramatically cut back on existing programs.

The facts are that we have a serious shortage of rental housing for our poorest of families. And, as one result, we have an ever increasing population of homeless people.

During Sunday evening's debate, I heard the Vice President endorse the McKinney Act. While glad to hear of his support, I wish we had it last year as we began drafting the original McKinney bill. As one of the initial coauthors of the Senate measure and a conferee, I remember only too well the administration's obstinance at each step of the way.

And, it was only a few short months ago when the administration sent up its new budget for next year which recommended a 32-percent reduction in homeless program funding levels.

While I was also glad to hear of his support for homeownership and affordable rental housing, I wish he had voiced that support during the last 8 years as the administration sent up budget after budget decimating housing programs.

I support the McKinney Act. But, the necessity of this act did not occur in isolation. It is a direct result of this administration's policies toward housing programs.

And within that context, reauthorization of the McKinney Act itself is not enough. I hope that during the next administration we can enact a comprehensive measure that will address the long-term policy this country should implement concerning the availability of affordable housing. Only by looking at housing policy in general, can we really address those who are homeless.

Mr. HATFIELD. Mr. President, I rise in strong support of the Stewart B. McKinney Homeless Assistance Reauthorization Act. Last year Congress initiated emergency relief measures to address the needs of thousands—and possibly millions—of homeless Americans. We now have before us a bill to reaffirm our commitment to these programs. The homeless crisis is still here, some 16 months after we first took action to lessen it, and I urge all of my colleagues to continue support for these programs.

I am very pleased by the bipartisan spirit in which this legislation was drafted. The cooperation and hard work exhibited are credits to the Senate and underscores the seriousness of the issue we are addressing. The leadership of Senators DOLE and BYRD should be recognized for their diligent work to bring the legislation to the floor. In addition, Senators DOMENICI, HATCH, WEICKER, D'AMATO, CRANSTON, and KENNEDY were all invaluable because they led the drafting efforts.

Again I am compelled to express my concern that Congress is not fully committing itself to this effort because it has not provided adequate appropriations for these programs. For example, appropriations for the housing and community service portions of this legislation fall far short of the House and Senate authorizations. Attempts in both the House and Senate to add homeless appropriations have failed miserably. I have said it before: to authorize these programs but refuse to adequately fund them is a cruel hoax played upon a group of people in desperate need of help. If there is any way to provide additional appropriations, we must do it.

It has been said, "There is no place like home." For as many as 3 million Americans that phrase is ironic. For America's homeless men, women, and children there really is "no place like home." The reauthorization of the Homeless Assistance Act will insure that urgently needed shelter, health care, education, job training, and case management will continue. Homelessness is a national problem and we must not allow the needs of these people to be forgotten as our collective attention turns to other problems. I hope that the Senate responds favorably by giving its overwhelming support to this bill.

Mr. SARBANES. Mr. President, I rise to indicate my strong support for the pending legislation to extend the Steward B. McKinney Homeless Assistance Act.

In 1987, the McKinney Act was enacted as the first comprehensive legislative effort to address the serious problems of the rising number of homeless in our country. That act has provided vital assistance that has been used by State and local governments and private organizations to establish emergency shelters, as well as supportive housing facilities and services. It also provides support for a variety of services for the homeless including food programs, health services, job training, education, and other activities that are needed to address in a very comprehensive way the devastating problem of homelessness that has faced many of our citizens and families in recent years.

Many of the programs established by the McKinney Act are only authorized through this fiscal year, and enactment of the legislation before us today is needed to extend these essential programs. The McKinney Homeless Assistance Amendments of 1988 combines legislation reported from four Senate committees: Governmental Affairs, Labor, Banking, and Veterans. It would extend McKinney Act programs for 2 years. The Senate Banking Committee, of which I am a member, reported out legislation last summer to extend the homeless assistance portions of the McKinney Act and to refine these programs so that they can be more flexible and effective. These provisions are included as title II of the comprehensive bill before us.

Mr. President, I was pleased to hear the Vice President, during the candidate debate, indicate he supports fully funding the McKinney Act programs. As welcome as his support is, however, we should not forget that the Reagan-Bush administration has had an opportunity to address the homeless problems and has fallen far short. The administration has never submitted proposals to Congress to deal with the homeless problem and the President, according to press reports, only reluctantly signed the McKinney Act last year. When it came time to fund the McKinney Act programs for fiscal year 1989, the President's budget proposed cuts of over 60 percent for the housing portion of the McKinney Act programs and cuts of over 50 percent for all McKinney Act programs, according to the Senate Budget Committee. This is not even close to the full funding the Vice President says he now favors.

There are many causes of homelessness, but I can't help noting the devastating impact resulting from severe cuts in Federal housing programs that assist low- and moderate-income families. Since 1980 the Federal budget for low and moderate housing has been cut by over 80 percent.

Reauthorization of the McKinney Act is an essential step to address the national homeless problem, but Congress and the next administration will need to develop comprehensive housing legislation to provide decent, affordable housing for all Americans—so as to give full meaning to the national housing goals established in the National Housing Act of 1949.

Mr. DOMENICI. Mr. President, a little more than 14 months ago, on July 22, 1987, President Reagan signed the Stewart B. McKinney Homeless Assistance Act of 1987. This act authorized important housing and social assistance programs for America's most needy population—the homeless. Today, I rise in support of extending this important Federal policy for the homeless people of America. Extension of this act will give us the framework we need to channel Federal assistance to the homeless people of America.

Since the passage of this new Federal Assistance Act, more than $700 million in new Federal funding has gone to provide more emergency and transitional housing, food and shelter, health and mental health services, literacy and job training, and other local efforts to help the homeless. With local matching of 25 and 50 percent for various service and housing programs, a total of more than $900 million in Federal, State, and local program efforts have been targeted to the homeless as a result of the McKinney Act.

In the first nationally televised Presidential debate this year, Vice President GEORGE BUSH clearly stated his support for the McKinney Homeless Assistance Act. He stated that, if elected, he would "fully fund" the McKinney Act.

I have been working hard toward this goal, Mr. President. I have personally sponsored amendments to the two appropriations bills that funded the housing programs for the homeless. In the first year, I was successful in adding $190 million for housing for the homeless in the Senate bill. The conference settled on $180 million in the fiscal year 1987 supplemental appropriations bill.

In the fiscal year 1988 appropriations bill, neither the House nor the Senate had any funding for housing the homeless. My amendment added $65 million, and the conference agreed to keep that full amount.

As I will explain in more detail later in my statement, the fiscal year 1989 appropriations for the homeless are seriously deficient in health and mental health services particularly. We stand to lose over three-quarters of all health services and over two-thirds of all mental health services now funded through the McKinney Act.

As I told my colleagues on the Senate floor in late July, when we debated the fiscal year 1989 Labor/HHS appropriations bill, it is important that we do our best to continue these vital health and mental health programs at least at their current levels. These programs will require about $50 million more for health and $20 million more for mental health.

A little historical perspective might be helpful for my colleagues while we are on the topic of funding the McKinney Act. Even though there were only 2 months remaining in fiscal year 1987 when we passed this act, we authorized $422.7 million for fiscal year 1987 and $601 million for fiscal year 1988 or $1.024 billion total. Our total appropriations for these two fiscal years were about $720 million—$355 million in fiscal year 1987 and $365 million in fiscal year 1988.

The bill before us would increase the authorization levels for a full 2 years of funding. By providing $645.9 million in fiscal year 1989 and $659.8 million in fiscal year 1990, the total authorization before the Senate is $1.306 billion.

I believe, Mr. President, that this $282 million increase in authorization for the homeless is justified for several reasons. The primary reason to continue the McKinney Act is the reported increase in homelessness we are hearing about from several sources including the U.S. Conference of Mayors. There is also more demand than available Federal assistance to improve and enhance local assistance programs for the homeless. An articulated Federal policy also gives us a national focus for monitoring our national progress as we strive to eliminate homelessness in America.

If this act were fully funded, we in the Congress, with the support of the administration would have to raise our appropriations for McKinney Act programs by more then $500 million over the next 2 years.

In spite of our growing national role in helping the homeless, I remind my colleagues that the Federal Government is not the biggest financial player in funding homeless programs in America. In fact, our first 2 years of Federal funding were exceeded by the combined efforts of the States of California and New York.

The most important reason for continuing our Federal support is that we are addressing these areas where nonprofits, churches, and State and local government have the most difficult time raising local resources and funds—housing and related services.

Local efforts since the early 1980's have succeeded in making shelter and emergency food supplies available to many homeless people. These valiant efforts on the part of local providers, however, did not stretch to include important housing, health, mental health, drug and alcohol abuse, education, and job training services.

The McKinney Act became our national policy on homelessness. The Federal Government, for the first time, acknowledged a responsibility for a new leadership role in expanding and improving existing service networks for the homeless.

Yet, at the same time, the McKinney Act relies heavily on existing local networks for providing hope and real assistance to the homeless. I believe this is the right kind of marriage. Federal assistance improves the quality and quantity of needed local services for the homeless.

A CONFUSING SYSTEM OF GRANTS FOR THE HOMELESS

While I have some reservations about the odd mix of block grants, categorical grants, and pilot programs in the McKinney Act, I believe it is more important to continue the basic Federal policy of strengthening the local homeless networks with needed Federal assistance. I also hesitate to promote major changes at this juncture because many local providers have struggled to master the grantsmanship necessary to make McKinney work at the local level. To reshuffle this mix of programs at this time could add confusion to the existing maze now in place under the McKinney Act.

The fundamental problem for a local nonprofit homeless shelter seeking Federal assistance is to master the sources of McKinney Act funds. Some of these funds go to Governors, some to mayors, and yet other funds are only available directly from Federal agencies.

If a shelter, for example, is hoping to provide some mental health outreach services along with some transitional housing, there are two distinct sources for funding. The mental health block grant funds go directly from the National Institute for Mental Health in the U.S. Department of Health and Human Services to the 50 Governors. Most Governors assign this responsibility to their mental health authority.

The needed transitional housing, on the other hand, is available only in a national competition run by the U.S. Department of Housing and Urban Development. There is, therefore, a lot of uncertainty for a local shelter operator about whether both grants will come through to create an expansion of local mental health services based in transitional housing.

Similar examples apply to providers of health, drug and alcohol abuse, emergency food and shelter, and other housing programs.

The mix of block grants, categorical grants, and demonstration programs is confusing to local providers and Federal administrators alike. My hope is that we will be able to greatly simplify the grant process for local providers. This simplification will make more sense after we have more data to document the successes and weaknesses under the current system of McKinney Act funding programs.

THE MENTALLY ILL HOMELESS

During the debate on our first McKinney Act, Mr. President, I focused my attention on the homeless who are mentally ill. The Washington Post published my article on this subject, "Street People Who Are Mentally Ill" on March 26, 1987.

The focus of my concern and my bill was to enact a five-point program for this very difficult to reach and difficult to treat target group. My legislation was incorporated into the McKinney thanks to the many concerned supporters in the House and in the Senate. The McKinney Act now authorizes a block grant to States for helping this very needy group, and I believe it is important to continue this block grant. The major services in need of reauthorization for the homeless mentally ill are:

OUTREACH

There is a great need to seek out the mentally ill homeless in parks, bus stations, and alleys. We need to go to them. We cannot expect them to come to us.

SHELTER

The need to stabilize this population in some form of transitional housing has been well-documented. If we do not do so, nothing else we do will make much difference in their lives. The housing provisions of the McKinney Act are in a separate section, but this reauthorization bill is careful to include the coordination of services and housing wherever possible.

TREATMENT

The many advances in diagnosis and treatment for the mentally ill must be made available to the homeless who suffer from schizophrenia, manic depression, psychosis, and other forms of serious mental illness. This bill would continue to provide funds for such treatment.

CASE MANAGEMENT

Once the process of recovery begins, the need to oversee the daily lives of this population is important. Case managers are friends who can help to budget, find sources of support, and keep the psychiatric treatment going.

STAFF TRAINING

Volunteers and other individuals who work directly with the homeless are often our first contact them. Those who work in shelters, mental health clinics, and other sites where the homeless receive services need to be trained to recognize the symptoms of serious mental illnesses. Only then can proper referrals be made for available treatment. As with the other key services, this reauthorization bill would continue to provide funds—with a 25-percent local match required—to help the homeless who are mentally ill.

The Rand Corp. in February 1988, published a "Review of California's Program for the Homeless Mentally Disabled." I have reviewed this study and found it to be very relevant to New Mexico and other States.

Chapter IV of the Executive Summary clearly points out the continuing need for outreach, housing, case management, treatment, and staff training. There is also a richness of detail in this chapter about many of the characteristics of the mental health treatment system for the homeless.

Chapter V points out some of the reasons leading to the lack of service for the homeless mentally disabled [HMD]. More than two out of three have a history of drug or alcohol abuse, and California legislation for the HMD "prohibits using funds for serving substance abusers unless the diagnosis is secondary, and does not provide funding for treatment of substance abuse." Further, "Substance abuse may exacerbate a psychiatric disorder, making the individual more resistant to treatment."

In other words, the confusion continues. Mental health programs generally do not or cannot take substance abusers and substance abuse programs do not provide mental health treatment. While the overlap of mental illness and substance abuse is an every day reality for many homeless mentally ill persons, their very poor state of health and mind gets them rejected from both kinds of programs rather than helped by either.

In the interviews with the HMD, the Rand study found that:

> Only about one out of five has had any outpatient visits for mental health or substance abuse reasons or has used medications for mental health problems in the past six months. Fewer than one in ten were hospitalized for mental health problems in the past year.

In describing the "gaps in continuity of care," this Rand study reports that county officials and service providers emphasized several reasons for the gaps. The first major concern in California is the limited ability of existing programs to respond to the homeless due to "capacity restraints." Lack of housing, difficulty in maintaining entitlement benefits, and the limited effectiveness of case managers are also cited.

As we learn more about the problems of helping the homeless, our ability to improve our national policies will increase. I was impressed with the insights of the Rand study, and I hope my colleagues who are concerned about the homeless mentally ill will find the time to review it. For the convenience of my colleagues, Mr. President, I ask unanimous consent that chapters IV and V of the Rand study Executive Summary be printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

NEW MEXICO AND THE MCKINNEY ACT

Mr. DOMENICI. Mr. President, new Federal funds to New Mexico under the McKinney Act have so far totaled slightly more than $2.5 million. The McKinney Act programs active in New Mexico are:

Emergency food and shelter	$1,001,780
Emergency shelter grants	189,000
Transitional housing for Barrett House	208,258
Primary health care for St. Joseph's Alliance	225,000
Mental health block grant	275,000
Emergency community services	275,000
Homeless youth education	50,000
Homeless adult education	150,000
Homeless job training at St. Martin's Center	152,764
Total	2,526,802

The local matching funds required for several of these programs total about $400,000. Thus, the Federal McKinney Act funds plus local matching funds bring the New Mexico McKinney activity up to about $2.9 million to date. If we add in money for the food stamp changes we made in the McKinney Act, the total to New Mexico's homeless service providers and homeless people would be just over $3 million as a direct result of this act.

FUNDING FOR PRIMARY HEALTH CARE AND MENTAL HEALTH CARE

In conclusion, Mr. President, I would simply like to alert my colleagues to the importance of continuing the funding for McKinney Act programs in fiscal year 1989. Our appropriations efforts in general are fairly good, with a couple of important exceptions. If we include $60 million for the food stamp changes in the McKinney Act—an estimate for the U.S. Department of Agriculture—then our total Senate effort for next fiscal year is $430 million.

As I explained to my colleagues on July 27, 1988, the total of $430 million still leaves a serious shortfall for the primary health care and mental health care programs in the McKinney Act. In fiscal year 1987 we allocated $46 million for primary health care. In fiscal year 1988, however, we only added $14.3 million. My statement in July explains this situation in detail. In summary, we were reluctant to add much in fiscal year 1988 because the fiscal year 1987 money had not yet been allocated through the competitive grant mechanism. Having recently appropriated $46 million, we hesitated to add more before the first round of funding reached the intended providers.

The problem remains, however, that we will face serious shortfalls in this important McKinney Act program this winter unless we significantly add to the available pool of funds. If we fail to do so, about three-quarters of the McKinney Act primary health care grants will run out of funds in the middle of winter.

A similar situation exists for the mental health block grant. In fiscal year 1987 we appropriated $32.2 million; in fiscal year 1988 the amount we allocated was $11.5 million. Unless we add to these programs before winter comes, the hope of our McKinney Act policies will be seriously impaired.

By reauthorizing the Stewart B. McKinney Homeless Assistance Act, Mr. President, we will be continuing an important new Federal policy for the homeless people of America. We will also be providing an important mechanism for channeling Federal dollars to the local service providers who are doing the most good.

Without this bill, Mr. President, it will be nearly impossible for the Federal Government to fully fund most direct assistance programs for the homeless. I want to give Vice President George Bush a solid opportunity to keep his promise of full funding for the McKinney Act, and I want the homeless people of America to reap every possible benefit from the act.

I thank my colleagues for this attention, and I urge approval of the McKinney reauthorization bill before us today.

EXHIBIT 1

REVIEW OF CALIFORNIA'S PROGRAM FOR THE HOMELESS MENTALLY DISABLED

(EXECUTIVE SUMMARY)

(Georges Vernez, M. Audrey Burnam, Elizabeth A. McGlynn, Sally Trude, Brian S. Mittman)

IV. SELECTED RESEARCH RESULTS

This study was not designed to determine which of the service delivery strategies and institutional arrangements are most effective. Answering this question would require following a sample of individual HMD over time in a number of counties that vary in service delivery and case management practices. However, we did seek to determine the extent that the counties' programs, in the aggregate, were successful in providing engaged clients with (1) subsistence services—i.e., food, clothing, and shelter; (2) entitlement benefits; (3) mental health treatment services; and (4) assisted or independent permanent housing arrangements. Data limitations hampered our efforts: Some counties do not keep the necessary data, others cannot easily retrieve them. When data are available, they are often not readily comparable across agencies or counties. Thus, our assessment should be viewed as preliminary.

Service use

Subsistence Services

County programs appeared to be most effective at providing basic necessities including food, clothing, and shelter. Overall, 60 to 70 percent of the units of service provided to the HMD were for subsistence services, reflecting the priority that nearly all counties placed on them. Of the surveyed HMD who reported receiving some help from any service staff, more than 80 percent said that the help had been with subsistence services.

Entitlements

Outreach workers and case managers assigned high priority to helping the HMD obtain General Assistance or Supplemental Security Income (SSI) because a steady income is often a prerequisite for obtaining some form of permanent housing and because a majority of the HMD do not receive any of these benefits. Nearly all our service staff respondents noted how time-consuming the application process is for both SSI and General Assistance, how high the rejection rate is for first-time applications, and how high the likelihood is that clients might not be able to secure continuing benefits because of periodic verification requirements. For clients unable to manage on their own, inadequate funding for or unavailability of representative payees presents additional barriers to entitlements. Staff told us that dual diagnosed clients are particularly susceptible to this constraint because of their history of "mismanaging" funds through excessive expenditure on drugs and/or alcohol. To alleviate this problem, a number of counties have developed a modest capacity for managing money and/or functioning as representative payee.

Mental Health Services

Although counties are authorized to use HMD funds to provide certain mental health treatment services—including day, outpatient, and specific 24-hour services[2]—very few used HMD funds to provide mental health services to the HMD.

Table 5 shows the number of mental health service units provided with HMD funds during a one-week period in March and another in June 1987. Los Angeles County accounts for the majority of services. It provided about 80 percent of the HMD-funded medication and 50 percent of the 24-hour care units. A handful of counties accounts for the remainder. For day services, primarily socialization services, the next five largest counties account for most of the remaining service units. For mental health outpatient services, the main counties using HMD funds were Santa Clara and San Francisco. For 24-hour care, they were Sacramento and San Mateo.

TABLE 5.—HMD-FUNDED MENTAL HEALTH SERVICE UNITS BY SIZE OF COUNTIES, MARCH AND JUNE 1987

Population of counties (number of counties)	Medication		Day services [1]		Outpatient services [2]		24-hour care [3]		Involuntary hospitalization	
	March	June	March	June	March	June	March	June	March	June
3+ million (1)	672	622	606	866	222	256	222	153	24	12
1 to 3 million (5)	60	24	603	387	65	28	6	59	3	3
0.5 to 1 million (7)	67	69	7	6	87	13	110	45	3	4
All others (43)	82	60	117	65	79	22	56	14	33	1
Total	881	775	1333	1324	453	319	394	271	63	20

[1] Day services consist primarily of socialization services, but may also include vocational services and day care intentive and rehabilitatve services.
[2] Includes assessment and crisis intervention. Excludes individual and group therapy.
[3] Excludes hospitals, pyschiatric health faiclites, SNF intensive services, and jail inpatient services.

Note.—Figures in this table are or the weeks of March 23–29, 1987, and June 22–28, 1987. The counties—representing $600,000 in HMD funds—did not file a report in March, whereas 22 counties—representing $4,000,000 in HMD funds—failed to report in June. Thus comparisons over time should not be made.

Source: Counties' reports to the State Department of Mental Health.

The county departments of mental health could provide little or no information regarding the extent to which they used other funds (including Medi-Cal, Medicare, or Short-Doyle[1]) to provide mental health services to clients referred to them through HMD program activities. Nearly all counties indicated some capacity constraints in their mental health system, stressing that more beds were needed for inpatient, crisis, and transitional residential facilities. The estimated number of inpatient beds needed ranged from three in the smaller counties to 300 in the larger counties; the estimates for transtional beds ranged from two in smaller counties to 400 in larger counties.

Long-Term Housing

Permanent placement of the HMD in assisted or independent living arrangements is the state's ultimate program goal. Counties reported one placement in board and care for every 50 persons served during a given week, but they could provide neither actual figures nor estimates of placements in independent or other types of housing. Most indicated that few of these placements were made. Reasons given were the lack of low-income housing, particularly in the larger counties, and the need for additional long-term beds, from 20 in smaller counties to 500 in larger counties.

Engaging the HMD

For the HMD, outreach is often the door to services. Fifteen of the 17 counties surveyed engage in some form of outreach to the HMD and allocate 10 to 70 percent of their HMD funds for that activity. The major outreach activities, in roughly decreasing order of importance, are:

Responses to referrals from service agencies, entitlement program eligibility workers, discharge planners at jails, hospitals, mental health residential facilities, board-and-care operators, and the community.

Active agency outreach—approaching an individual at facilities providing unconditional services to the homeless.

Active street outreach—engaging individuals in public or accessible areas. The approach is made without knowing the individual's living arrangements or mental health status.

Outstationing at offices, primarily SSI and General Assistance, to help mentally disabled clients complete forms and to link them to other services.

Crisis intervention—responding to calls about crisis situations from service agencies or individuals. This approach may be closely linked with the involuntary hospitalization process.

All of the counties providing outreach services employ some combination of street outreach, agency referrals, and self-referral. With few exceptions, street, outreach constitutes from 10 to 25 percent of the outreach contacts made. The remainder of the outreach effort consists of seeking HMD individuals at other service providers or through referrals from other agencies. Nearly half of the counties operate their outreach efforts from drop-in centers.

The process of engaging HMD was described in similar terms by many of the outreach workers interviewed. A typical scenario:

"I might encounter someone on the streets in a doorway, or in the line of a soup kitchen. If he/she seems receptive I try and build rapport, first trying to find out what his/her situation is. I give them something they might need, such as some food or toiletries. Sometimes, we might go someplace together to eat so we can be alone to talk. If they're still receptive, and depending on their needs, I might transport them to a drop-in center, clinic, or shelter and work out shelter arrangements. If an individual is not receptive, it might be a matter of just saying "hi" and bringing them something (I'll try different things), until I become familiar. What services I provide depends on what they want or need. After regular contact is established, the next step might be getting them on General Assistance, and into some kind of housing arrangement. They almost always will accept food and shelter, but are less willing to accept mental health services."

A typical outreach contact involves engaging the client, offering a range of services without requiring acceptance of mental health services, and working with the client until the living situation is stabilized. All of the counties use their outreach effort to link the HMD to a range of providers. After engaging an individual, these outreach teams help him/her to obtain basic services such as food, clothing, and shelter. Many transport the individual directly to other service providers; other furnish bus tokens. The outreach team also helps the individual to obtain General Assistance and Social Security benefits.

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[1] The State of California Short-Doyle Act was passed in 1957. It and its subsequent amendments define the mental health services that qualify for state reimbursement, the matching formula for reimbursement, and the administrative requirements for county delivery of mental health services. The Act emphasizes early, close-to-home, nonhospital treatment services and provides the means for prevention of psychiatric disorder through education and consultation to caregiving agencies in the community.

[2] The following services are not fundable by the HMD program: state and local hospitals, psychiatric health facilities, skilled nursing facility (SNF) intensive services, jail inpatient services, collateral services, and individual and group therapy. Most of these services focus on inpatient treatment. All other mental health services are fundable by the HMD program.

County officials and outreach staff identified a variety of factors that contribute to successful outreach and continuity of service. In general, they attributed success to the outreach worker's ability to "beat" the streets and to build trust and rapport with clients by being aggressive but not threatening, sensitive yet assertive. The factors cited by our respondents include:

Staffing:

Personal experience with street life and/or homelessness

Strong clinical skills

Training i.e., in engagement techniques and how to respond to hostility

Education of staff in other agencies

Dedicated and resourceful personalities

Experience with drug or alcohol abuse counseling and/or treatment

Supportive supervisory staff

Approach:

Nonthreatening, low profile

Minimizing association with involuntary commitment process

Minimizing reporting requirements

Service availability:

Access/availability of drop-in/socialization center

Access to transportation

Proximity of service providers

Ability to assist in obtaining General Assistance or SSI benefits

All of the counties minimize the use of involuntary commitment. Evidence suggests that most HMD can be engaged effectively by outreach activities, and that a majority will voluntarily accept services. However, an estimated few to 30 percent of the HMD refuse services even after repeated attempts to engage them.[3] Factors associated with the hard-to-reach include severity of mental illness, substance abuse, length of homelessness, transience, and types of services being offered—especially mental health services.

Targeting the HMD

County programs focus primarily on the currently homeless, rather than on the at-risk population. A majority of the mentally disabled served are also substance abusers, that is, dual diagnosed (see Table 6).

TABLE 6.—CHARACTERISTICS OF POPULATION SERVED BY HMD PROGRAMS, BY TYPE OF SERVICE

Characteristics of population served	Services			
	Outreach	Drop-in	Shelter	Transitional Residential
Percent homeless:				
Average	86	82	95	64
Range	75–100	80–90	90–100	25–100
Percent severly mentally disabled:				
Average	84	45	42	90
Range	30–100	10–70	15–80	75–100
Percent dual diagnosed:				
Average	54	57	55	70
Range	15–95	30–70	10–85	45–100

Outreach services focus on the severely mentally disabled. In contrast, less than half of those receiving shelter and drop-in services are described as severely mentally disabled. This may reflect in part the higher level of functioning of the moderately mentally disabled, who may access these services more readily on their own. It may also reflect the difficulties that shelter and drop-in operators say they have in serving a concentration of severely mentally disabled, some of whom have unusual behavior and may be disruptive.

Shelter, drop-in, and outreach services assist fewer of the dual diagnosed (about 50 percent) than is found among the HMD population (70 percent). Service providers, most particularly those with a social services background, indicate that they find it extremely difficult to serve this subgroup because they lack experience in dealing with substance abuse and because rehabilitation services are difficult for this population to access.

Service coordination and linkages

The state HMD funding has improved coordination among counties and among service providers. For example, the Homeless Fairs held across the state provide informal occasions for representatives of mental health facilities, homeless programs, private agencies, and homeless activist organizations to exchange information. Workshops and seminars have also helped county representatives meet and exchange information on specific programs and approaches. Within counties, the activities of the Homeless Coordinator, regular meetings of the providers with the Homeless Coordinator, and case referrals among providers have improved interagency coordination. However, the state program has generally not encouraged the development of new ways to serve this population. Rather, it has expanded existing services and helped the HMD to access them.

DISCUSSION

Overall, we found that the HMD-funded programs implemented by the counties meet the intent of the State Legislature by providing new or expanded services to the homeless mentally disabled. Each county uses the flexibility provided by the legislation to set service priorities and to implement service delivery systems that best fit its own circumstances—in particular, its level of funding, its pre-existing service network, and its basic philosophy about how much help the HMD need to access services. Although the mix of services varies across the counties, the programs emphasize the provision of subsistence services (e.g., food, clothing, shelter), drop-in or socialization services, and assistance in obtaining entitlement benefits.

Despite these achievements, significant gaps remain in the amount and types of services available to the HMD:

The most severely mentally disabled and the mentally disabled who are currently abusing alcohol or drugs are underserved.

The hard-to-reach HMD and the mentally disabled at risk of homelessness are underserved.

A complete continuum of services is not available; the most important gap is the lack of appropriate alternative housing arrangements.

Underserved groups of HMD

Severely Mentally Disabled HMD

Table 7, drawn from our three-county survey of homeless individuals, shows that the gap between needs and service use is substantial for the severely mentally disordered homeless.

More than one in three of the severely mentally disordered say that they usually or sometimes do not get enough to eat on a daily basis.

More than half have had to sleep outdoors at least once in the past month, and almost half have no one to go to for help in obtaining services.

More than two out of three have a history of drug or alcohol abuse.

TABLE 7.—GAPS BETWEEN NEEDS AND SERVICES FOR SEVERELY MENTALLY DISORDERED HOMELESS

Service category	SMD (percent)
Needs as indicated by:	
Trouble getting enough to eat usually/sometimes	39
Fair or poor health	48
Abuse of substances	73
Sleeping outdoors in the past month	62
No one to go to for help in obtaining services	47
Entitlements, benefits:	
SSI/SSDI	12
General assistance/welfare	25
Veterans' benefits	3
Medi-Cal/Medicare	22
Occurred in last 6 mo:	
Mental health visit	20
Mental health medication use	15
Substance abuse visit	18
Mental health hospitalization in last 12 mo	7

Nearly half rate themselves to be in only fair or poor health.

About one out of eight receives SSI and one out of four receives state welfare income.

Only about one out of five currently participates in Medi-Cal or Medicare programs.

Only about one out of five has had any outpatient visits for mental health or substance abuse reasons or has used medications for mental health problems in the past six months.

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[3] Generally, outreach staff defined "refusal" to mean their own inability, after several attempts, to convince an individual to accept a managed appoach to service delivery. Under this definition, refusal does not imply that the hard-to-reach refuse all services. As one outreach worker noted. "Almost no one refuses a sandwich." Nor does it imply that the HMD might not use soup kitchens or shelter services on their own.

Fewer than one in ten were hospitalized for mental health problems in the past year.

This gap between needs and services does not appear to be the result of ineffective service targeting. HMD service providers in the counties we surveyed do target and serve the HMD and those "at risk." On average, from 64 to 85 percent of the clients served are homeless, and from 67 to 100 percent (depending on the service) are mentally disabled. Clearly, services are being provided to the intended population.

It appears that many HMD are not being served because needs exceed capacity. Numerous services providers, especially in the larger counties, reported that they were currently operating at or near capacity. Outreach workers estimated that they could not reach from 5 to 60 percent of the HMD because of constraints in outreach capacity. From 40 to 45 percent of the HMD we surveyed reported that they had no contact with any outreach activities and/or had received no help from service delivery staff, either for subsistence services or for entitlements. A somewhat larger proportion, 60 to 70 percent, of the homeless who were not mentally disabled had also received no such help.

Dual Diagnosed HMD

A majority of the severely mentally disabled are also substance abusers. Program staff gave four reasons why they are unable to serve this population.

The HMD program legislation prohibits using funds for serving substance abusers unless the diagnosis is secondary, and does not provide funding for treatment of substance abuse.

The dual diagnosed HMD Have limited access to county mental health and substance abuse treatment services because these providers have limited capacity and weak interagency relationships.

Substance abuse may exacerbate a psychiatric disorder, making the individual more resistant to treatment.

Neither substance abuse nor mental health treatment programs are currently designed to provide the special treatment needed by the dual diagnosed.

In view of the importance of this issue, we suggest that the state establish a task force to review the problem and recommend ways to address it.

Hard-to-Reach HMD

A third subpopulation not being served is the small group of HMD who will not accept a managed approach to service delivery. These individuals were often characterized as the "most severely mentally disabled" and those who had been homeless for long periods.

We asked program staff what should be done to engage this resistant subgroup. Some respondents expressed the belief that with patience and repeated contacts over an extended period—six months or more—even these individuals could be convinced to accept services voluntarily. Others indicated that the HMD who resist placement in the generally restricted residential settings offered by mental health and board-and-care homes might be more responsive to placement in less restricted residential accommodations.

Most program staff, often reluctantly, suggested that making involuntary commitment easier is both desirable and necessary. They cautioned, however, that such a measure must be accompanied (1) by an extension of the initial maximum period of commitment to allow for full stabilization of the individual before release and (2) by an increase in the available number of hospital, crisis, or transitional beds. In addition, staff also noted the need to establish or expand the temporary conservatorship program to help individuals discharged from hospitals or transitional facilities manage their affairs while in the community.

The At-Risk

A fourth underserved group consists of the mentally disabled at risk of homelessness. With few exceptions, HMD-funded programs have focused their resources on serving the currently homeless. In part, this de-emphasis on prevention derives from the difficulties in identifying and tracking the at-risk population. Large and diversified, this population includes:

Individuals living with relatives, who may eventually expend their reserve of tolerance;

Those living in board-and-care homes who may be on the verge of eviction for not paying the rent or for being disruptive, or who may simply yearn for the sense of mastery that accompanies living independently;

Those living independently, but vulnerable to the sometimes demanding recertification or other administrative requirements for SSI, General Assistance, and Medi-Cal; and

Those about to be discharged from jails; state, county, or private hospitals; or crisis or transitional residential facilities.

The Los Angeles Skid Row data suggest that approximately 70 percent of the homeless are *episodically* homeless. Thus, the formerly homeless are an important subgroup of the at-risk population that can be targeted to break the cycle of homelessness. But identification of and ongoing case management for this at-risk population are expensive because they require regular contact with the clients and those surrounding them, whether or not there is a current problem.

Computer technology may help case managers monitor the status of those at risk and coordinate the services a client receives from different agencies. On-line exchanges of information about a client's service needs, level of functioning, medications, social and financial resources, and living arrangements could enable a case manager to track that client; if circumstances or requirements appeared to threaten financial resources or the stability of a living situation, the case manager could intervene appropriately to prevent a crisis that might result in homelessness. With appropriate procedures to protect privacy, counties could experiment with information technology to evaluate its feasibility and costs and to assess its potential usefulness.

Gaps in continuity of care

Most of the severely mentally disabled require a lifetime of wide-ranging treatment and supportive services. County officials and service providers identified four basic reasons why the counties cannot provide individual HMD with the continuum of services they need.

Limited ability of programs to link the HMD with ongoing mental health services because of capacity constraints.

Lack of appropriate alternative housing arrangements.

Ongoing difficulties in obtaining and maintaining entitlement benefits, which are critical for supporting a permanent residence in the community.

Limited ability of case managers to follow cases.

Mental Health Services: Capacity constraints limit the ability of programs to link the HMD with ongoing mental health services. In response, counties have either implemented HMD programs parallel to the existing mental health system, or they have tried to integrate the two systems. In the former case, providers in the two systems interact only in a crisis—for example, a suicide attempt. In the latter, staff are increasingly aware that they must make a trade-off between the numbers of clients served and the level of service provided and/or among differently diagnosed groups of the mentally disabled.

Alternative Housing Arrangements: The counties lack appropriate alternative housing arrangements. The nature of chronic mental illness limits the ability of those afflicts to live completely independently. Also, their housing needs may change, and board-and-care facilities that are acceptable during some periods of their lives may become unacceptable at other times. The available residential alternatives offer a stark choice between entirely independent living and group residential facilities that typically require abiding by many rules. Staff in many counties suggested a need for additional housing arrangements—in most cases, independent apartment-style living with a built-in support system designed to provide assistance in times of crisis. Although still largely untested, these residential arrangements may offer greater capacity for self-reliance and privacy as well as more intensive support than board-and-care facilities do.

Entitlement Benefits. The severely mentally ill homeless find it difficult to obtain and maintain the entitlement benefits they need to support a permanent residence in the community. Our study shows that of all the SMD:

Only 12 percent were receiving SSI or SSDI,

25 percent were receiving General Assistance benefits,

3 percent were receiving Veterans' Administration benefits,

22 percent were receiving Medicare or Medi-Cal.

Obtaining eligibility for most of the programs is both complex and time-consuming, and maintaining it requires frequent recertification. Several of the counties have used innovative approaches to help individuals obtain and maintain entitlement benefits—for example, educating agency staff to identify and work with the mentally disabled, funding advocacy groups to help individuals navigate the complex application process, and providing money management.

Case Management: The amount and type of assistance that individuals with chronic and severe disorders may require will vary and will depend on the severity of the disorder, the history of treatment, and the adaption of the individual to the disorder. Most persons will require more intensive services during crisis periods, which can be stimulated either by the disorder itself (e.g., an acute psychotic episode) or by problems in daily living (e.g., recertification hearing by SSI, threatened eviction.) These crises may precipitate an episode of homelessness unless the individual is linked with a support system that can mediate the crisis.

At best, the county HMD programs provided limited continuity in case management because of the difficulties inherent in serving a mobile, unstable, and chronically ill population, and because of resource constraints. County staff indicated that if additional funds were available, expanding case management would have priority second only to housing. We believe that expanding case management might have limited impact if several complementary issues are not simultaneously addressed: the low pay and high attrition rate for outreach/case management staff; limited training and experience of the staff; and the need to develop better techniques for client tracking and follow-up.

Improving service delivery

Perhaps the most important step in improving delivery of services to the HMD is to clarify the program's goals and redefine the reporting requirements that derive from them. In addition, we suggest some changes to program activities in the areas of outreach, training, and community education and involvement.

Clarifying Program Goals: Common goals are essential for evaluating program outcomes. If state and county officials do not reach consensus about program goals, they will eventually see the HMD program judged a failure when in fact it successfully achieved a variety of disparate goals, none of which was given priority.

Common goals are also essential for designing appropriate reporting requirements, because reporting is most useful to management when it derives logically from the goals. Current requirements emphasizes subsistence and mental health services provided with HMD funds. The absence of other measures—for example, engagement rates by outreach teams or obtaining and maintaining entitlement benefits for HMD clients—may suggest to provider staff that these services are not important to the program.

In thinking about revising its reporting requirements while keeping them at a minimum, the state should (1) focus the indicators on measures of outcomes related to *individuals* rather than on *units of service*, many of which may have been provided to the same individuals, and (2) clearly link the requirements to the goals of the program.

Reporting needs to be continuous—possibly monthly—rather than quarterly for a one-week period. One week is so short that it leads to broad data variations that may not accurately represent the continuing level of program activity.

Outreach: Some of the HMD not now in programs might be engaged if outreach efforts were more responsive to their routines and patterns.

Street outreach represents a relatively small proportion of most counties' total outreach efforts, in part because street outreach is more time-consuming—and thus more expensive—than referrals or the outstationing of workers at facilities where the HMD congregate. This raises issues of whether the more independent HMD and the more severely mentally disabled are being reached.

A related issue is outreach schedule flexibility. Many outreach programs operate only during business hours, although some have an on-call system for emergencies. Counties should be encouraged to experiment with service hours, perhaps rotating times and days to ensure access.

Agency-to-agency outreach is the most important source of referrals for many of the HMD-funded programs. This includes various mechanisms by which the agency staff who are likely to come in contact with the HMD are sensitized to the special needs of that population, made aware of the programs available to them, and trained in effective referral techniques.

In many counties physical health clinics do not appear to have been involved in the agency-to-agency referral network. Our survey showed that more than half of the HMD had visited such providers in the previous six months. We recommend including such providers in the referral networks that counties are building.

Training: Neither the state nor, generally, the counties or their contractors offer training to the HMD program staff. However, the need for training has been identified in provider meetings called by Homeless Coordinators, some of whom have moved to fill the gap by means of information-sharing or newsletters. Areas identified for training include:

Dual diagnosed clients,

Aggressive and potentially violent clients,

Eligibility requirements and applications for entitlement benefits,

Behavioral issues (e.g., schizophrenia),

Assessment of client needs.

Community Education and Involvement: The counties' ability to serve the homeless continues to be limited by difficulties in obtaining local approval for property licensing. Indeed, the siting problem is the single most important reason why funds allocated to the counties were not fully spent in the last fiscal year. Staff reported that the counties' MHD-funded programs had a positive effect on the community at large, and that elected officials were now more aware of the homeless problem and more supportive of programs that serve this population. However, these activities have had little effect thus far in overcoming the strong community/neighborhood feelings of "yes, but not in my backyard."

There is no ready solution to this problem. Continuing public education in understanding the special problems and nature of mental illness may help in the long run. In the meantime, comprehensive county planning efforts that emphasize community participation and equitable distribution of facilities might help to refocus the debate on the broader issues and lessen the concerns of individual communities.

Issues for further research

This evaluation of the current HMD program raises important programmatic and organizational issues that can only be addressed by conducting further detailed research. The research should focus on four areas, each of which has potential for resolving these issues.

Allocation of HMD Funds Across Counties

In their program applications to the state, counties provided number estimates of their HMD, which were not based on thorough enumerations of the homeless populations. Consequently, to allocate the HMD funds to the counties, the State Department of Mental Health used a formula based on five factors:

Population in households with income at or below 125 percent of poverty,

Number of disabled SSI/State Supplementary Payment recipients, excluding the blind and elderly,

Number of General Assistance recipients,

Number of unemployed,

County population.

We can perform a limited test of the reasonableness of this formula by comparing the funds actually allocated with our study's estimates of the number of HMD in Alameda, Orange, and Yolo counties. The allocation of HMD funds to these counties, 4.9, 5.0, and 0.5 percent, respectively, is roughly proportional to our estimates of the number of HMD in these counties.

However, this finding does not imply that the remaining allocations would also be proportional to the number of HMD in the remaining counties. To fully test the validity of the formula, it would be necessary (1) to systematically enumerate the HMD in a larger sample of counties, using methods and definitions similar to those used in this study, and (2) to examine the correlation of the funds allocated to the sizes of the HMD populations found. We believe that the enumeration method used in this study could be used in other counties, at a reasonable cost (approximately $7,000 to $15,000 per county).

Effectiveness of Alternative Service Organizations

Our study was not designed to determine which of these or any other service delivery strategies and institutional arrangements are most effective in engaging, stabilizing, and maintaining the HMD in the community. Answering this question would require explicitly defining the desired program outcomes and following selected HMD over time in counties that vary in institutional arrangements and service delivery and in outreach and case management practices. Such studies could help us (1) assess which outreach and case management practices, or which combinations of social and mental health services, are most effective; (2) determine whether different subgroups of the mentally disabled (e.g., schizophrenics, dual diagnosed, severely depressed) respond differently to similar intervention strategies; (3) develop appropriate intervention strategies for the hard-to-reach mentally disabled; and (4) fully identify the gaps and limitations of the service approaches developed by the current HMD-funded programs.

Fluidity and Growth of Homelessness

Our study has raised some important questions about both the fluidity and the potential growth of the homeless population.

One of the striking findings from our enumeration study is that persons who become homeless at some time during a year may outnumber by something like 9 to 1 those who are continuously homeless during that year. We suspect that most of those who become homeless during that time have been homeless before. It appears that the barrier between the homeless and those at risk of homelessness is very permeable—many individuals experience repeated cycles of being "permanently housed," then homeless.

But is the total homeless population growing? We do not really know. It is possible that the number of "first-time" homeless is growing, thus leading generally to an expanding need for services.

We need studies, focused on fluidity and growth, to answer the following kinds of questions:

Is the number of mentally disabled individuals who are becoming homeless for the first time increasing over time? And if so, what factors are driving the increase?

Can preventive programs be designed to reduce first episodes of homelessness?

What percentage of the HMD population is episodically homeless, and what can programs do to break this cycle?

Answering these and related questions will require complex study designs: multiple cross-sectional surveys of homeless populations over time, as well as longitudinal studies of a single group of homeless individuals.

Family Involvement with HMD-Funded Programs

Our study found that service providers seldom involved families in service plans. Providers noted that many HMD had no family contacts and that those who did were presumably reluctant to involve relatives. However, our survey of the homeless found that two out of three of the mentally disordered reported ongoing contact with relatives, and 30 percent reported having stayed with a friend or relative in the past month.

Families can potentially play an important role in the treatment of the HMD. For example, one approach to treating schizophrenia is to involve the family in therapy designed (1) to help them with the difficulties they face in coping with a mentally ill family member and (2) to reduce stress for the individual with schizophrenia. Further research on the family's role should address the following questions: How can families contribute to the care provided to the HMD? How can the burden and stress of having a mentally disabled family member be alleviated for these families? How can HMD-funded programs more effectively involve family members in managing and treating their clients?

Mr. GLENN. Mr. President, I want to take this opportunity to engage the distinguished chairman of the Housing Subcommittee, Senator CRANSTON, in a colloquy on the question of the McKinney Act's Title V—Identification and Use of Underutilized Public Buildings and Property.

Mr. CRANSTON. I would be happy to discuss this matter with my good friend from Ohio.

Mr. GLENN. I was concerned to learn that a potentially serious problem for FHA has been created by a recent lawsuit challenging HUD's implementation of title V of the McKinney Act. The lawsuit is Lee versus Pierce.

Mr. CRANSTON. The Senator is correct and I share his concern.

We cannot tolerate any threat to the soundness of the FHA fund. The effective operation of FHA is simply too important to American homeowners and home buyers. A responsible solution must be found before any damage is done.

On August 30, 1988, the Federal District Court in Washington. DC issued a temporary restraining order [TRO] blocking all HUD sales of single family foreclosed homes unless the sales would benefit the homeless or low-income people. On September 21, 1988, the District Court denied the plaintiff's motion for preliminary injunction, enabling HUD to resume sales of FHA foreclosed properties. The court must eventually rule on the merits of the case.

The plaintiffs are homeless persons and organizations working on behalf of the homeless. They allege that the FHA sales would violate section 501 of the McKinney Homeless Assistance Act. That provision directs HUD to orchestrate a Federal effort to identify "underutilized" properties held by Federal agencies that "are suitable for use for facilities to assist the homeless." The plaintiffs claim that HUD has violated the McKinney Act by failing to survey its single-family inventory and identify which homes could serve the homeless.

Mr. GLENN. As Chairman of the Senate Committee on Governmental Affairs, I have a special interest in section 501 of the McKinney Act, since that provision originated in my committee.

I want to make it clear that our primary objective in crafting section 501 of the McKinney Act was to require Federal agencies to survey their buildings and real property to determine which were underutilized and might be made available for the temporary shelter of homeless persons. Since the enactment of the McKinney Act last year, only four Federal properties have been identified and used to assist the homeless, none of which is owned by HUD. Clearly, the Federal Government can improve on that performance.

Regarding the issues raised in the Lee v. Pierce litigation, neither the Senate Committee on Governmental Affairs nor the conference committee ever discussed whether the term "[underutilized] Federal public buildings and other Federal real properties" included HUD's inventory of foreclosed FHA properties.

Mr. CRANSTON. I might add that the Subcommittee on Housing and Urban Affairs never discussed whether the term "[underutilized] Federal public buildings and other Federal real properties" included HUD's inventory of foreclosed FHA properties. Am I correct that section 501 of the McKinney Act does not require any Federal agency to use a portion of their inventory for the homeless?

Mr. GLENN. That is correct. Section 501 requires each Federal agency, including HUD, to survey its buildings and other real properties to determine which are underutilized. The Secretary of HUD is then directed to collect information about those "Federal public buildings and other Federal real properties" and to identify which of those buildings and properties are suitable for use as facilities to assist the homeless. Each agency is then required to transmit either a statement of its intention to declare that the property is excess to the agency's need or a statement of reasons for not doing so.

Mr. CRANSTON. It appears, then, that HUD would have complied with title V of the McKinney Act if the Department had surveyed its FHA inventory and determined which properties were suitable for use by the homeless.

Mr. GLENN. That is correct. Again, I want to emphasize that our original intent was that the utilization surveys would specifically examine properties on the basis of their suitability for use as homeless shelters.

Mr. CRANSTON. As you know, HUD vehemently opposed the court's imposition of a temporary restraining order, arguing that a permanent injunction on future sales would mean the loss of $3 billion in sales receipts annually. From our discussion, it would appear that the threat to the FHA fund is caused primarily by the

Department's own failure to act in a reasonable and orderly manner to carry out these provisions.

Mr. GLENN. I would have to concur in that assessment.

Mr. CRANSTON. HUD also asserts that it has a number of programs that make foreclosed properties available for the homeless. HUD reports that it has provided 362 homes to homeless providers nationwide since 1985. Of course, 362 homes over a 3-year period is not much when compared to an inventory substantially in excess of 100,000 units. HUD can and should do better—regardless of how Lee versus Pierce is decided.

Congress has had to fight continually in recent years to keep FHA strong to serve the needs of American home buyers.

For 7 years, the administration has tried repeatedly to weaken FHA, to sell it off, and to impose debilitating fees on its activities. Congress firmly rejected each of these hostile proposals. The administration stood idly by while FHA mortgage insurance expired over and over again—for an outrageous total of six times in 1986. Tens of thousands of home buyers were hurt. A shining achievement of last year's House Act was to eliminate that problem once and for all by providing permanent authorityfor FHA insurance.

Now, once again, this administration—through its action and inaction—is jeopardizing FHA. FHA is under pressure because the administration failed to perform a reasonable survey of its foreclosed single-family inventory and to identify properties that are suitable for temporary use by the homeless.

The time has come to find a responsible solution.

If a legislative solution is possible, I believe we should address it in the conference on the McKinney homeless assistance amendments, the bill which is now before us. Unfortunately, our options are limited. HUD has proposed an amendment that would simply vitiate the lawsuit. It is generally recognized that Senate adoption of that amendment would spark such intense controversy this late in the legislative year that enactment is out of the question. Furthermore, budget analysts tell me that any legislation including a compromise solution would be subject to a point of order under the Budget Act if it involves even one dollar of direct spending.

I am convinced that a fair and reasonable solution to this problem can be found. Conferees on the McKinney Act amendments should work to ensure that the solution is reached very soon. All interested parties will have to be involved, and HUD will have to cooperate.

Noncompliance with section 501 of the McKinney Act is only one concern that has been raised about the administration's practices in disposing of foreclosed property. One objection is that HUD's actions have been undercutting home values in Texas, Colorado, Oklahoma and other areas severely hit by the downturn in the oil industry. The administration has been trying single mindedly to unload tens of thousands of foreclosed homes in these areas as quickly as possible and at fire-sale prices. Those who know the housing markets in these areas say the administration practices have tended to increase foreclosures and have inflicted harm on homeowners and businesses engaged in building, selling and financing new homes.

Another concern is that HUD has made little effort to make sure that its foreclosed properties are sold to moderate income families who would own and occupy the homes. Too many homes have been sold to speculators and others who are out to make a quick buck rather than to families who badly need affordable housing.

FHA has a vitally important service to provide. And not enough is being done to make sure FHA is strong and working in the best interests of American homebuyers. This administration still has 4 months remaining. That is too long to delay action to strengthen FHA.

Mr. GLENN. I will assist my distinguished colleague from California in any way I can.

Mr. CRANSTON. I thank my distinguished colleague. We will need his help.

Mr. HEINZ. Mr. President, I rise today to express my deep concern over the interpretation of the McKinney Act that would threaten to bankrupt the Federal Home Administration's Insurance Program. While I agree that the homeless need to be provided for, and I support the programs to do so, I do not believe that additional shelter for the homeless should be provided at the expense of the successful 40-year old program that has provided the opportunity of homeownership to millions of low- and middle-income families. A freeze on the sale of FHA-insured property would end the cash flow into HUD's primary single-family insurance fund, the mutual mortgage insurance fund and, thereby, place the fund into jeopardy of bankruptcy or dependence on appropriations. Programs to provide shelter to the homeless must be and should be funded directly.

Mr. LAUTENBERG. Mr. President, I have a brief question for the distinguished Chairman of the Housing Subcommittee. According to information I received recently, the Department of Housing and Urban Development has issued threshold eligibility criteria for the Supportive Housing Demonstration Program which prohibit award of any funds to projects located within the so-called 100-year floodplain.

HUD's apparent intent in issuing this regulation was to discourage localities from locating such facilities in undesirable or unsafe areas, rather than concerns about flooding per se. The requirement is a much stiffer standard than is currently applied to other HUD housing and community development programs, such as CDBG, UDAG and the Rental Rehabilitation Program.

It seems that rigid application of the 100 year floodplain standard to the Supportive Housing Demonstration Program may seriously hamper a community's ability to locate suitable sites for housing for the homeless. In Jersey City, NJ, for example, almost 45 percent of the city's land, and over 80 percent of the city's downtown section, is located within a 100-year floodplain. Unless the restriction on use of funds can be waived, the city's efforts to provide adequate housing for the homeless could be seriously hampered.

I wonder if the Senator from California would be willing to look into this situation.

Mr. CRANSTON. I would be glad to look into the matter raised by the Senator from New Jersey. It may well be that HUD's regulations in this area need more flexibility. If so, I would be happy to consider seeking inclusion of appropriate language in the conference report to direct HUD to make any necessary changes.

Mr. LAUTENBERG. I thank the Senator.

Mr. HEINZ. Mr. President, I strongly support the Emergency Community Services Homeless Grant Program, established by the McKinney Act. This program allows existing community action agencies and programs to provide critically needed assistance to homeless individuals and families. Funds under this program support comprehensive services to the homeless to provide followup and long-term services that enable them to make the transition out of poverty.

In allocating the fiscal year 1988 funds, the Office of Community Services advised all States that Emergency Homeless Grant Program [EHP] funds could not be used to prevent homelessness. The legislation before us, reauthorizing the McKinney Act, allows up to 25 percent of EHP grants to support homeless prevention. The Office of Community Services takes the position that this provision will only apply to grants made in fiscal years 1989 and 1990—and those grants will not be available to grantees until months or even years from now.

Worthy programs and policies, which might prevent Americans from ever becoming homeless, will not be undertaken until some time far in the future. The cost to return these individuals to independent living could be far higher than would otherwise be in the case. Moreover, the cost in terms of human suffering should not be tolerated.

I want to ask the manager of the pending measure whether he intends to delay the effective date of the homeless prevention provisions until fiscal year 1989 grants are made, or whether these provisions will govern all EHP activities undertaken in fiscal years 1989 and 1990, regardless of whether the funds were appropriated in fiscal year 1988 or fiscal year 1989?

Mr. KENNEDY. The Senator is quite right to raise this concern. It is our intention that not more than 25 percent of EHP grants be used by grantees for homeless prevention programs during fiscal years 1989 and 1990. This requirement is effective on October 1 and will govern all EHP activities undertaken in those fiscal years. Homeless prevention should be encouraged and all EHP activities undertaken in fiscal year 1989 can take advantage of the 25-percent provision. The fiscal year in which the appropriation was enacted is not relevant.

The intent of the legislation is to permit a specific level of homeless prevention activities in fiscal year 1989. It is not our intent to put homeless prevention on hold until the fiscal year 1989 grants are awarded.

Mr. HEINZ. I am very grateful for my colleague's assurance. I have discussed this question with Senators HATFIELD and DOMENICI, who were instrumental in the enactment of the EHP Program, and they also share my concern for homeless prevention. I look forward to working with them, and with Senator KENNEDY, to prevent homelessness whenever possible.

Mr. BAUCUS. Mr. President, I want to take this opportunity to engage the chairman of the Subcommittee on Housing and Urban Affairs, Senator CRANSTON, in a colloquy concerning HUD's administration of the section 8 Loan Management Set Aside Program.

Mr. CRANSTON. I would be happy to discuss this matter with my distinguished colleague from Montana.

Mr. BAUCUS. Under the LMSA Program, HUD provides additional section 8 rental assistance to financially troubled FHA projects. LMSA increases the project's rent stream and avoids a default.

HUD has refused to extend LMSA assistance to three financially troubled projects located in my State on the grounds that a new OMB policy gives first priority for LMSA use to subsidized projects. Two of the projects—the Elkhorn located in Anaconda and the Tower Hill located in Helena—were developed under the section 221(d)(4) program. One project—the Pintler in Anaconda—was developed under the section 220 program. Since the section 221(d)(4) and 220 programs only provided mortgage insurance to project developers, all three Montana projects are considered unsubsidized projects under HUD terminology.

I believe the OMB policy is inappropriate. First, OMB policy will result in increased costs to taxpayers. Denial of LMSA will cause FHA insured projects to default, which would lead to greater Federal intervention, not less. A default would require HUD to pay off the insurance claim, creating a loss on the FHA Insurance Fund.

If the default leads eventually to a foreclosure or property disposition sale, the costs could be even greater. For foreclosures or sales involving formerly unsubsidized projects, HUD is required to attach rental assistance to any vacant units as well as any units currently occupied by low-income and moderate-income tenants. The question posed by this situation, therefore, is whether HUD pays a little now or a lot later.

Mr. CRANSTON. The Senator's description of the requirements governing HUD's disposition of troubled multifamily projects is entirely correct. The requirements originated in the Housing and Community Development Act of 1987 and are critical to the preservation of the Nation's low and moderate income housing stock.

Mr. BAUCUS. I thank the Senator from California for that confirmation. Mr. President, the second problem with OMB's policy is that it simplistically identifies projects as subsidized or unsubsidized based on the section of the National Housing Act under which they are insured rather than on the degree of low-income assistance they now receive. Despite their status as unsubsidized projects, all three of the Montana projects receive substantial section 8 assistance—30 percent of the apartments in the Elkhorn and Pintler and over 70 percent of the apartments in Tower Hill. These Montana projects reveal the fact that substantial section 8 assistance has traditionally been provided to unsubsidized projects.

The third problem with OMB's policy is that it is inconsistent with existing law. HUD regulations define projects eligible for LMSA assistance as including "an existing * * * unsubsidized multifamily residential project which is subject to a mortgage insured pursuant to any section of the National Housing Act" 24 CFR. 886.101(a). Yet OMB's policy of giving blanket priority to subsidized projects, regardless of the facts of a particular application, would essentially make unsubsidized projects ineligible for LMSA assistance given the limited amount of assistance available.

Finally, OMB has a flawed rationale for its policy. OMB staff opposes the use of 15-year contracts for LMSA which were required by the Housing and Community Development Act of 1987. OMB, apparently wants to use 15-year assistance only for projects already receiving long-term subsidies. However, the only LMSA assistance now available is in the form of shorter term, 5-year contracts. OMB's concern, therefore, about transforming LMSA into a long-term subsidy—a concern which this Senator does not share—is moot for the upcoming fiscal year.

I have been unable to resolve this problem through correspondence with OMB. I request that the Senator examine this issue thoroughly in conference with the House and, if justified, take legislative action to amend OMB policy.

Mr. CRANSTON. I thank the Senator from Montana for his thoughtful analysis of the administration of LMSA funds. To the best of my knowledge, the OMB policy was developed without consultation with congressional authorization committees. I can assure him that I will ask the administration to give a full accounting of this policy as soon as possible and keep the Senator informed of any negotiations with the administration as conference on the McKinney bill progresses.

Mr. BRADLEY. Mr. President, earlier this week my colleague from New Jersey, Senator LAUTENBERG, and I learned of a serious problem confronting the city of Newark's homeless housing grant.

Newark applied, through its health and human services office, for an award for transitional housing through HUD for fiscal year 1988 funds. The Newark application was approved and city officials were notified a few months ago. The total award was for an amount just over $800,000. It included plans and a site location for a new transitional homeless housing project, and for expansion of other emergency networking efforts.

At the time of submission, a site for the project was selected. The HUD competition required that a site be specifically selected and that a specific construction plan be included—all to help ensure that there would be expeditious implementation of projects once funds were awarded. Mr. President, serious problems have now developed with that particular site. The city of Newark has been forced to submit an alternative site to HUD.

HUD has indicated that it will not consider any substitution of the site, and insists that unless the original site is implemented, Newark will lose its funding.

The main criterion on which the competition was based was a demonstration of need, and a cogent plan to alleviate the problem. Newark scored high and well in both these cases. The individual sites were not rated, ranked, or scored in that sense. HUD's general counsel apparently took a narrow interpretation of this requirement in the regulations, and determined that a change of site altered the nature of the competition, and he refuses to allow HUD program officials to accept any change of site.

I realize, Mr. President, that it is too late to seek an amendment in the Senate version of the bill to fix this problem. But we need to help Newark in any way that is possible. I would urge the conferees to explore ways to enable Newark to move forward on an alternative site. I would like to hear whether the Senator from California, Mr. CRANSTON, would be able to speak on this issue.

Mr. LAUTENBERG. Mr. President, I want to identify myself with the comments of my colleague from New Jersey, Mr. BRADLEY, and underline the seriousness of this situation.

Mr. President, the problem of homelessness in Newark has reached crisis proportions. According to a recent survey of homeless service providers, there are an estimated 12,500 homeless individuals in the city. Homelessness reportedly is increasing at the rate of 10 percent per year.

The development of a transitional housing program is an important component of Newark's efforts to address the problem. Transitional housing will enable the city to meet the needs of many homeless people who, with appropriate assistance, are capable of independent living. In addition to providing temporary housing, such a program would include much-needed services, such as medical care, counseling, day care services and employment and training.

Given the severity of the need, I would hope we could prevent the loss of this funding for Newark. Although I appreciate the lateness of the hour, I would join with my colleague from New Jersey in asking the Senator from California, Mr. CRANSTON, whether the problem might be addressed in conference or through any other mechanism.

Mr. CRANSTON. The Senators from New Jersey have raised some very legitimate questions about this matter and I appreciate the seriousness of their concern. I want to assure them that I will do everything I can to resolve this problem in conference.

Mr. BIDEN. Mr. President, I would like to take this opportunity to engage the distinguished chairman of the Housing Subcommittee, Senator CRANSTON, in a colloquy concerning the lead-based paint provision in the McKinney Homeless Assistance Amendments of 1988.

Mr. CRANSTON. I would be happy to discuss this matter with my good friend from Delaware.

Mr. BIDEN. The lead-based paint provision of this bill amends, in part, section 302(d)(2) of the Lead-Based Paint Poisoning Prevention Act. That section, originated in the Housing and Community Development Act of 1987, requires the Secretary to carry out an 18-month abatement demonstration program to develop the most practical and cost-effective procedures for the testing and abatement of lead-based paint. The 1987 act specified that the 18-month period was to start from the effective date of the HUD regulations. While HUD promulgated regulations on June 6, 1988, a subsequent act of Congress prevented HUD from expending any funds under those regulations. For the purposes of this bill, what is the effective date of the HUD regulations, from which the 18-month period begins to toll?

Mr. CRANSTON. For the purposes of this bill, the effective date of the HUD regulations is June 6, 1988. The Secretary is, thereby, mandated to transmit the report detailing and recommendations of the abatement demonstration program by December 6, 1989.

Mr. BIDEN. Thank you very much, Senator CRANSTON. I appreciate the Senator clarifying this important point in the bill.

Mr. WIRTH. Mr. President, I would first like to commend the chairman and his staff for pulling together this important legislation to allow the continuation and strengthening of Federal efforts to provide shelter and related services to our Nation's homeless population. This measure will also improve and expand our Nation's sorely depleted stock of low-income housing. Both of these objectives are critical pieces of our national housing policy.

A third component of our housing strategy, related to single family home ownership, has been relatively neglected in recent years and, as a result, is reaching crisis proportions in some sections of the country—notably in Energy Belt States like Colorado and Texas.

In areas such as these where the local economy has suffered significant setbacks, many newly and first-time unemployed individuals have fallen behind on their mortgages and have ended up sacrificing their homes. Lending institutions have been forced to pursue costly and damaging foreclosure procedures. The FHA single family insurance program, which is responsible for putting more families into homes than any other private or government program, will lose money this year for the first time in its history. And HUD, forced to take over the title to thousands of vacant homes across the country, has been hit with ongoing maintenance and disposition costs that drains resources from other more productive programs.

In Colorado, which has seen one of the highest foreclosure rates in the country, HUD has been left holding more than 10,000 family homes in the past year. The aggressive sales program that HUD subsequently embarked upon as a means of reducing its maintenance costs and replenishing the FHA insurance fund—which included auctions, deep discounts and $500 down payments—has had a ripple effect across all aspects of the private real estate market.

Families who have struggled valiantly to meet their mortgage payments each month have watched as the value of their equity sinks with each neighbor's foreclosure. Homeowners have found themselves unable to sell their property for a price even close to their initial investment. The demand for new homes has dropped off the scale completely, leading to layoffs and bankruptcies in the home construction and related industries.

While this unwieldy set of circumstances has stubbornly defied resolution or improvement for months, one promising proposal has been developed that, I believe, deserves our enthusiastic support. This provision, which has also been included in the House version of this bill, addresses the issue of mounting foreclosures and burgeoning HUD inventories at the front end by allowing the preforeclosure sale of properties in default and by providing for the partial payment of FHA claims to lenders.

As a result, foreclosure and damage to credit ratings are avoided, HUD eludes any maintenance or disposition costs—currently estimated by HUD to be in excess of $5,000 per home per year—and FHA is out only the amount needed to make up the difference between the sale price and the balance owed on the mortgage.

Mr. President, this proposal deserves to be included in the final version of this important legislation. While I do not wish to delay approval of the Senate version by moving to amend it in this fashion, I would appreciate your assistance to ensure that the Senate will embrace this provision from the House measure during the conference. It is by no means a panacea for the complicated economic conditions that have flattened the real estate industry in States like Colorado and turned so many thousands of previously stable homeowners out into the streets. But, it does represent one very powerful tool that HUD and the FHA insurance program may employ to slow the erosion in home ownership that threatens to further swell the ranks of this Nation's homeless families and individuals.

Mr. CRANSTON. I thank the Senator from Colorado for his suggestion. Serious questions have been raised about the administration's property disposition practices in those States severely hit by the downturn in the oil industry. The House provision supported by the Senator could provide a cost-effective and productive approach to this critical problem.

Mr. President, I can assure the Senator from Colorado that I will give serious consideration to this provision when it comes before the Senate conferees and I will keep him informed of negotiation on the provision as the conference progresses.

Mr. SHELBY. Mr. President, the section 515 program has been vital to the development of low-income housing in rural areas. This program, which allows owners to borrow money at an effective interest rate of 1 percent and pass through these savings to the tenant, has sponsored the construction of more than 400,000 units of low-income housing.

In order to maintain low rents, section 515 projects operate on very tight budgets. A provision added to the section 515 program by the Housing and Urban-Rural Recovery Act of 1983 requires that rent increases in section 515 rural rental housing projects be no greater than the lesser of actual costs incurred or actual costs incurred by comparable projects.

This provision went into effect in October 1986. Since that time, it has caused substantial difficulty for developers and managers. Tight budgets often mean that section 515 projects must incur operating deficits before a rent increase can be requested of the Farmers Home Administration. FmHA may only approve higher rents to the extent they reflect actual cost increases. Consequently, any losses realized between the time costs were incurred and the rent increase is approved are unlikey to be recouped.

The Department of Agriculture has stated of this regulation that, "The imposition of the new requirements has only added a new burden to the borrower with no factual justification." Managers and developers of section 515 projects have cooperated fully with FmHA in measures of cost control. Current FmHA regulations include tested rent change procedures which provide a fair and legitimate process to approve rent increases.

Mr. President, I would like to incorporate a provision in the Stewart B. McKinney Homeless Assistance Act that would amend the Housing Act of 1949 (42 U.S.C. 1471), by repealing subsection (h) of section 515. This change is supported by both administrators of the program and the program participants. The Office of Management and Budget also supports the repeal of this provision.

Mr. CRANSTON. The House of Representatives has included this same provision in its version of the Stewart B. McKinney Homeless Assistance Act. I share the Senator's belief that this provision should be repealed and I will recommend to my fellow conferees that the Senate recede to the House in this matter.

Mr. SHELBY. I thank the distinguished Senator from California for his assistance and commend him for his leadership in this legislation.

Mr. DIXON. Mr. President, I respect the request from the chairman of the Subcommittee on Housing and Urban Affairs, Senator CRANSTON, for unanimous-consent agreement that no amendments be offered to this bill. Therefore, I will not offer my amendment. Instead, I would like to enter into a colloquy with the Senator from California.

As we know, during consideration of H.R. 4352, the Omnibus Steward B. McKinney Homeless Assistance Act, Congressman PHILIP CRANE, of Illinois, offered an amendment which was agree to in the House. The amendment provides grants under the Supportive Demonstration Program to nonprofit organizations, local, and State governments for the development of employment for residents of transitional housing.

Additionally, the amendment provides financial assistance to these organizations for the costs of transporting residents to places of employment. It also allows the organizations to use each dollar spent on employing the homeless as a credit toward receiving matching funds from the Federal Government.

I would like to request that during the House-Senate conference negotiations on the McKinney homeless bill, the Senator from California gives serious consideration to the Crane amendment.

Mr. CRANSTON. Mr. President, I can assure the Senator from Illinois that I will give serious consideration to his request, and that I will share it with the conferees at the appropriate time. Senator DIXON has shown great leadership in our attempt to alleviate the problems of homelessness and hunger, and he deserves great credit for it.

Mr. LAUTENBERG. Mr. President, as many of us are aware, radon contamination in American homes has become a national crisis. The Environmental Protection Agency and the Surgeon General have recommended that every house in the United States be tested for radon. I believe that if a Government agency is telling Americans to test for radon in their private homes, then the Government should test for radon in HUD-owned and HUD-assisted housing including public housing, Indian housing, elderly housing, multifamily housing and handicapped housing. After all why should those living in HUD-owned and HUD-assisted properties be exposed to higher levels of radon and be subjected to higher rates of lung cancer?

Earlier this year, the GAO released a report I requested on the efforts of the Department of Housing and Urban Development to address radon. The GAO concluded that: First, HUD does not have a radon policy; second, HUD has not asked for any funding for radon; third, HUD has not implemented the existing authority to provide safe housing, housing which is safe from the threats of radon; and fourth, HUD is not likely to act to address radon without a congressional mandate. These conclusions were confirmed in a hearing that the Superfund and Environmental Oversight Subcommittee, which I chair, held on May 18.

I had planned to offer an amendment to the McKinney bill which would implement a recommendation from the GAO of providing HUD with the mandate to address the radon crisis. It would require HUD to work with EPA to develop and implement programs for radon testing, mitigation, education and research. In view of the importance of the McKinney bill, I am willing to withhold my amendment provided I have the assurance of the subcommittee chairman that he will make every effort to see that this amendment is included in the conference report on the McKinney bill.

Mr. CRANSTON. The problem of radon contamination of which the Senator from New Jersey speaks of is indeed quite serious. Federal studies have sampled the air in more than 20,000 houses in 17 States. Over one-quarter of those sample houses have been found to have radon levels hazardous enough that corrective action probably needs to be taken. Unfortunately, at this point we do not know what percentage of HUD-owned and HUD-assisted properties contain hazardous levels of radon. I agree that HUD must adopt a radon program which includes testing its own properties to determine if residents are being exposed to radon. I appreciate the Senator's willingness not to offer his amendment and I pledge that I will make every attempt to have the amendment included in the conference agreement.

Mr. HEINZ. EPA and the Surgeon General alerted the American public to test their homes for radon contamination. The amendment that Senator LAUTENBERG and I intended to introduce gives HUD the same alert. This amendment is a mandate for HUD to take the first step toward determining the extent of and remedying the problem of radon contamination in public housing. I believe that the Congress must give HUD further direction on how to address radon in public housing and must provide sufficient resources to assess and mitigate the radon problem.

The PRESIDING OFFICER. The question is on the engrossment of the committee amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

So the bill (H.R. 4352), as amended, was passed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill, as amended, was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CALENDAR ORDERS NOS. 904, 895, AND 752 INDEFINITELY POSTPONED

Mr. BYRD. Mr. President, I ask unanimous consent that Calendar Orders No. 904, 895, and 752 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I yield the floor.

The PRESIDING OFFICER. The majority leader yields the floor.

The Senator from Kansas.

POSITION ON VOTE

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent to be recorded that if I had been able to be here on the vote on the defense authorization bill conference report I would be recorded as voting "aye" in favor of that authorization measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

INDIAN HEALTH CARE IMPROVEMENT ACT AMENDMENTS

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar Order No. 947, H.R. 5261, a bill amending the Indian Health Care Improvement Act.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 5261) to reauthorize and amend the Indian Health Care Improvement Act, and or other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 3298

Mr. BYRD. Mr. President, I send a substitute amendment to the desk on behalf of Mr. INOUYE.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from West Virginia [Mr. BYRD], for Mr. INOUYE proposes an amendment numbered 3298.

Mr. BYRD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment appears in today's RECORD under Amendments Submitted.)

Mr. INOUYE. Mr. President, I offer an amendment in the nature of a substitute to H.R. 5261, which generally consists of the provisions of S. 129, the Senate companion to H.R. 5261, and amendments to S. 129 by my colleague on the committee, Senator BURDICK, and by my colleague from Alaska, Senator STEVENS. The committee report on S. 129 was filed on September 14, 1988.

Mr. President, as you know, this bill which is so critical to the health status of this country's native people, has been pending in the Congress for nearly 6 years, having been vetoed by the President following the adjournment of the 98th Congress, and having failed to achieve final passage in the House on the last day of the 99th session of the Congress.

American Indian and Alaska Native people suffer the lowest health status of all Americans, with alarmingly high rates of postneonatal mortality, diabetes, hypertension, renal disease, alcoholism, and suicide. This bill, which reauthorizes the programs that were first initiated in the Indian Health Care Improvement Act of 1976, is vital to the ongoing efforts of the Indian Health Service and the Indian community to reduce these shocking rates of disease and death.

I urge my colleagues to support the committee substitute.

AMENDMENT NO. 3299

(Purpose: To delay the implementation of an IHS regulation relating to eligibility for the health care service, provide for a study of the impact of such rule, and for other purposes)

Mr. MELCHER. Mr. President, I have an amendment at the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Montana [Mr. MELCHER] proposes an amendment numbered 3299.

Mr. MELCHER. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill insert the following new section:

"SEC.   . The final rule published in the Federal Register on September 16, 1987, by the Health Resources and Services Administration of the Public Health Service of the Department of Health and Human Services, to eligibility for the health care services of the Indian Health Service, shall not take effect before the day that is one year after the date of enactment of this Act, and no action may be taken before such day to implement or administer such rule or to prescribe any other rule or regulation that has a similar effect.

SEC.   . During the 1-year period described in sec.   , the Indian Health Service shall provide services pursuant to the criteria for eligibility for Indian Health Service in effect prior to September 15, 1987.

SEC.   . The Office of Technology Assessment, acting in consultation with the Indian Health Service, shall conduct a study to determine the impact of the final rule described in sec.   and of any other proposed rules which would change the eligibility criteria for medical services provided by the Indian Health Service.

(b) The study conducted under this section shall include:

(1) full participation and consultation with Indian and Alaskan Native tribal governments and representatives of urban Indian health care programs;

(2) statistic for each of the service areas of the Indian Health Service on the number of Indians who are currently eligible for the services of the Indian Health Service.

(3) statistics for each of the service areas of the Indian Health Service on the number of Indians who would be eligible for such services if the final rule described in section or any alternative rule changing eligibility were implemented;

(4) consideration of the financial impact of such final rule or any other proposed rule on the contract health care budget and on the clinical services budget of the Indian Health Service;

(5) consideration of the health status, cultural, social, and economic impact on Indian reservations and urban Indian populations of such final rule or any other rule changing the eligibility criteria;

(6) consideration of the alternatives, if any, that would be available to those Indians who would not be eligible for such services by reason of any such final rule; and

(7) consideration of the program changes that the Indian Health Service would be required to make if the eligibility requirements for such services that were in effect on September 15, 1987, were modified.

(c) The Office of Technology Assessment shall submit to the Congress a report on the study required under sec.   .

(d) Before submitting to Congress the report on the study required under this section, the Office of Technology Assessment shall provide Indian tribes, Alaska Native villages and urban Indian health care programs an opportunity to comment on the report and shall incorporate the comments of such Indian groups into the report.

SEC.   . There are hereby authorized to be appropriated such sums as are necessary to carry out the purposes of this Act."

Mr. MELCHER. Mr. President, I am offering an amendment to H.R. 5261 which will require the Office of Technology Assessment to conduct a study on the effects of a proposed change in eligibility criteria for IHS medical care. My amendment would also prevent IHS from implementing the proposed regulatory change for 1 year following enactment of the Indian Health Care Improvement Act, a provision also contained in the Interior appropriations bill for fiscal year 1989.

Mr. President, the amendment is almost identical to S. 2382 which passed the Senate unanimously on September 9, 1988. I have made one modification in that the amendment calls for a 1-year moratorium on any change in eligibility criteria while S. 2382 required a 3-year moratorium.

During hearings which the Select Committee on Indian Affairs conducted on S. 2382, the Indian Health Service acknowledged that the regulation was prepared without the benefit of any study or analysis of the impacts. In addition there was little, if any, consultation with the tribes.

IHS estimates that 125,000 Indians could be cut off from IHS care as a result of the proposed regulation change. Tribes across the country are gravely concerned that many of their members would lose eligibility for IHS medical care. The hospital associations and State governments have also expressed concern because of many of the Indians who would be cut off from service in all probability would have no other means of obtaining health care.

Therefore, I believe it absolutely essential that the proposed regulatory change be completely studied and the effects of any change fully evaluated before the rules are changed. Any changes made in IHS eligibility criteria should be initiated by Congress. At a bare minimum Congress must approve of any change in IHS eligibility—a challenging task which gets right to the heart of the question of who is an Indian for the purposes of Federal services. Congress has already expressed its dissatisfaction with the proposal developed by IHS and determined that more time is necessary to study the issue. The information which will result from the study proposed in my amendment will aid Congress in wrestling with this issue.

I would hope that the study can be completed in a timely fashion. However, the committees will also need time to digest the study, develop legislation on eligibility, hold hearings and so forth. The 1-year delay I have agreed to in the amendment probably will not be adequate. Therefore I would like to clarify if an additional time is needed, it is my intent to seek additional delays in the implementation of the proposed IHS rule.

On September 9, 1988 the Director of the Indian Health Service notified all of the IHS area directors of the 1-year delay which has been imposed by Congress. He also noted that "we do not believe that the committees oppose the substance of the eligibility regulations but rather the manner in which they were being implemented." The memorandum directs agency staff to continue planning to implement the regulation in fiscal year 1990.

This is inaccurate. The Select Committee on Indian Affairs is very concerned about the substance of the proposed regulation as well as the lack of consultation with the affected tribes. Although the committee has been reluctant to wrestle with this issue, I believe that any change made in eligibility for Federal services must originate with legislation handled by the authorizing committees rather than leaving this up to the agency.

I understand that the amendment has been accepted by both sides. However, I would like to inquire as to the views of the chairman of the committee on the IHS eligibility issue.

Mr. INOUYE. Mr. President, during the past year the Select Committee on Indian Affairs held extensive hearings on the issue of eligibility for medical care provided by the Indian Health Service. Tribes across the country have advised the committee that the proposed change in the regulation governing eligibility for IHS services is of urgent concern to them.

I believe that the committee concurs with the observations which Senator MELCHER has raised about the eligibility issue. The study proposed in the amendment will be most helpful to the committee as we develop legislation to resolve the question of who is an Indian for purposes of IHS services. I believe that this fundamental issue should be handled by the authorizing committee as opposed to a regulatory change. The Senator from Montana can be assured that I will support further delays in the implementation of the proposed regulation until such time as the committee has had adequate opportunity to consider this issue.

Congress is committed to raising the health status of the American Indian, who currently suffer one of the lowest health care status of any ethnic group in the country. The health status of the native American people is directly linked to the issue of who is eligible for services. I believe that the fundamental question of who is eligible to receive services will require the deliberation of the committee and the identified in the study proposed by Senator MELCHER will be very helpful.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Montana.

The amendment (No. 3299) was agreed to.

AMENDMENT NO. 3300

(Purpose: To ensure certain demonstration projects involving the treatment of child sexual abuse are continued)

Mr. MELCHER. Mr. President, I have a second amendment at the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Montana [Mr. MELCHER] proposes an amendment numbered 3300.

Mr. MELCHER. Mr. President, I ask unanimous cosnent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of title VII of the matter proposed to be inserted, add the following:

CHILD SEXUAL ABUSE TREATMENT PROGRAMS

SEC. 716. Title VII, as amended by section 714 of this Act, is amended by adding at the end thereof the following new section:

"CHILD SEXUAL ABUSE TREATMENT PROGRAMS

SEC. 718. (a) the Secretary and the Secretary of the Interior shall, for each of the fiscal years 1989, 1990 and 1991, continue to provide through the Hopi Tribe and the Assiniboine and Sioux Tribes of the Fort Peck Reservation the demonstration programs involving treatment for child sexual abuse that were conducted during fiscal year 1988 through such Tribes.

"(b) There are authorized to be appropriated for each of the fiscal years 1989, 1990, and 1991 sums as may be necessary to carry out the provisions of this section.".

Mr. MELCHER. Mr. President, I am proposing an amendment to H.R. 5261 on behalf of myself, to direct the Secretary of Health and Human Services, and the Secretary of the Interior, working through the Indian Health Service, to provide funding to the Fort Peck Tribe in Montana and the Hopi Tribe in Arizona to continue a demonstration project started in fiscal year 1988 to combat and treat child sexual abuse.

It is a terrible tradegy that many children in both of these tribes have been victimized by sexual abuse over the past few years. Assistance must be provided to the victims. The tribes are working to develop strategies or working with offenders to try and break the vicious cycle of sexual abuse.

Last year, HHS provided $100,000 grants to each tribe to develop demonstration projects on how to combat this terrible problem and assist the victims. These two demonstration projects were to be used as models which could be duplicated by other tribes.

The funding was provided to the tribes via a memorandum of understanding with the Bureau of Indian Affairs. The tribes were lead to believe that the projects would be funded for 3 years. Unfortunately, both tribes were recently informed that no additional funding will be provided in fiscal year 89 which means that the projects would discontinued. It does not make sense to fund a demonstration project for 1 year because that is simply not enough time for the tribes to develop and test their programs. The bottom line is that these projects are critical to the children who are victimized by the henious crime of sexual abuse and I fully support the tribal efforts to develop effective assistance.

My amendment authorizes these two projects to be continued for 3 years. Unfortunately, this problem did not surface in time to earmark funds for the projects in the fiscal year 1989 Interior Appropriations Act, and that shall have to wait until next year.

I understand that the amendment is cleared and I thank the committee for accepting the amendment.

Mr. McCAIN. Mr. President, I rise in strong support of the amendment offered by Senator MELCHER which would continue two demonstration projects on the treatment of child sexual abuse on the Hopi and Ft. Peck Indian reservations.

Mr. President, this amendment is a small but important step in assisting these two tribes in providing treatment to those victims of this most reprehensible crime. In the case of the Hopi tribe located in Arizona, one teacher was responsbile for molesting over 43 school aged children. The devastating impact on the victims, their families and the tribe could not adequately be addressed in 1 year demonstration project previously authorized. I am hopeful that the additional 3 years provided in this amendment will assist in the treatment and care of those involved in this matter.

Obviously, more than just these two reservations have been affected by the problem of child abuse. And more than developing treatment programs for past abuses is needed. A comprehensive review must take place on the issues of prevention, treatment, and prosecution. Toward this end, I have requested, and Senator INOUYE has agreed, to schedule an oversight hearing of the Select Committee on Indian Affairs in Arizona on the problem of sexual abuse of Indian children. The hearing is scheduled for November 22. A time and location will be announced in the near future.

Mr. President, I thank the Senator from Montana for offering this important amendment, and I urge its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Montana.

The amendment (No. 3300) was agreed to.

AMENDMENT NO. 3301

(Purpose: To establish an effective clinical staffing recruitment and retention program, and for other purposes)

Mr. MELCHER. Mr. President, I have a third amendment at the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Montana (Mr. MELCHER) proposes an amemndment numbered 3301.

Mr. MELCHER. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amemdent is as follows:

AMENDMENT NO. 3301

At the end of title VII of the matter proposed to be inserted, add the following:

TITLE —LOAN REPAYMENT PROGRAM

INDIAN HEALTH SERVICE LOAN REPAYMENT PROGRAM

SEC. . (A) The Secretary, acting through the Service, shall establish a program to be known as the Indian Health Service Loan Repayment Program (hereafter in this Act referred to as the "Loan Repayment Program") in order to assure an adequate supply of trained physicians, dentists, and nurses for the Service (and for health facilities and health programs maintained by any Indian tribe, tribal organization, or urban Indian organization under a contract entered into with the Secretary) and, if needed by the Service or by such Indian tribe, tribal organization, or urban Indian organization, podiatrists, optometrists, pharmacists, clinical and counseling psychologists, graduates of schools of public health, graduates of schools of social work, graduates of programs in health administration, graduates of programs for the training of physicians assistants, expanded function dental auxiliaries, nurse practitioner (within the meaning of section 822 of the Public Health Service Act (42 U.S.C. 296m)), and other health professionals.

(b) To be eligible to participate in the Loan Repayment Program, an individual must—

(1) be enrolled as a full-time student and in the final year of a course of study or program in an accredited (as determined by the Secretary) educational institution in a State which is approved by the Secretary pursuant to the provisions of this title; or

(2) in a graduate training program in a course of study approved by the Secretary pursuant to the provisions of this title;

(3) have a degree in medicine or other health profession which is approved by the Secretary pursuant to the provisions of this title; or

(4) be employed by the Service on a voluntary basis without a service obligation in a position which qualifies for the purpose of this title.

(c) An individual applying for the Loan Repayment Program must be eligible for, or hold, an appointment as a commissioned officer in the Regular or Reserve Corps of the Public Health Service or be eligible for selection for civilian employment by the Service.

(d) An applicant for the Loan Repayment Program must submit an application to participate in the Loan Repayment Program, and must sign and submit to the Secretary, at the time of the submission of such application, a written contact (described in subsection (h)) to accept repayment of educational loans and to serve (in accordance with this title) for the applicable period of obligated service in the Indian Health Service.

(e) In disseminating application forms and contract forms to individuals deserving to participate in the Loan Repayment Program, the Secretary shall include with such forms a fair summary of the rights and liabilities of an individual whose application is approved (and whose contract is accepted) by the Secretary, including in the summary a clear explanation of the damages to which the United States is entitled under section in the case of the individual's breach of the contract.

(f)(1) The Secretary shall only approve applications under the the Loan Repayment Program that are made by individuals whose training is in a health profession or specialty determined by the Secretary to be needed by the Service. In approving applications for the the Loan Repayment Program, the Secretary shall ensure that nurses and other non-physician applicants have equitable access to the loan repayment program.

(2) In determining which applications under the Loan Repayment Program to approve, the Secretary shall extend a preference to Indians.

(g)(1) An individual becomes a participant in the Loan Repayment Program only upon the Secretary's approval of the individual's application submitted under subsection (d) and the Secretary's approval of the contract submitted by the individual under subsection (d).

(2) The Secretary shall provide written notice to an individual promptly upon the Secretary's approving, under paragraph (1), of the individual's participation in the Loan Repayment Program.

(h) The written contract referred to in this title between the Secretary and an individual shall contain—

(1) an agreement under which—

(A) the Secretary agrees—

(i) to pay loans on behalf of the individual in accordance with the provisions of this title, and

(ii) to accept the individual into the Service; and

(B) the individual agrees—

(i) to accept loan payments;

(ii) in the case of an individual described in paragrpah (1) or (2) of subsection (b)—

(I) to maintain enrollment in a course of study or training described in paragraph (1) or (2) of subsection (b) until the individual completes the course of study or training, and

(II) while enrolled in such course of study or training, to maintain an acceptable level of academic standing (as determined by the educational institution offering such course of study or training in accordance with regulations prescribed by the Secretary);

(iii) to provide certification to the Secretary of the degree or diploma awarded to the individual in the health profession; and

(iv) to serve for a time period (hereafter in this title referred to as the "period of obligated service") equal to 2 years or such longer period as the individual may agree to serve in a health program maintained by—

(I) the Service, or

(II) any Indian tribe, tribal organization, or urban Indian organization under a contract entered into with the Secretary,

to which the individual is assigned by the Secretary;

(2) a provision that any financial obligation of the United States arising out of a contract entered into under this title and any obligation of the individual which is conditioned thereon, is contingent upon funds being appropriated for loan repayments under this title and to carry out the purposes of this title;

(3) a statement of the damages to which the United States is entitled, under section for the individual's breach of the contract; and

(4) such other statements of the rights and liabilities of the Secretary and of the individual consistent with the provisions of this title as the Secretary considers appropriate to specify in the contract.

(i) No payment shall be made on behalf of an individual who has entered into a contract under the Loan Repayment Program unless or until such individual is a full-time employee of the Service.

(j)(1) A loan repayment provided for an individual under a written contract under the Loan Repayment Program shall consist of payment, in accordance with paragraph (2), on behalf of the individual of the principal, interest, and related expenses on government and commercial loans received by the individual for—

(A) tuition expenses;

(B) all other reasonable educational expenses, including fees, books, and laboratory expenses, incurred by the individual; or

(C) reasonable living expenses as determined by the Secretary.

(2) For each year of obligated service that an individual contracts under subsection (h) to serve, the Secretary may pay up to $25,000 on behalf of the individual for loans described in paragraph (1).

(k) Notwithstanding any other provision of law, individuals who have entered into written contracts with the Secretary under this section, while undergoing academic training, shall not be counted against any employment ceiling affecting the Department.

(l) The Secretary shall, by not later than March 1 of each year, submit to the Congress a report providing—

(1) the number, and type of health profession training, of individuals receiving loan payments under the Loan Repayment Program;

(2) the educational institution at which such individuals are receiving their training or have completed their training;

(3) the total number of applications filed under this section during the preceding year;

(4) the number of such applicants filed with respect to each type of health profession;

(5) the total number of contracts described in subsection (h) that are entered into during the preceding year;

(6) the number of such contracts entered into during the preceding year with respect to each type of health profession; and

(7) the amount of loan payments made in the preceding year.

RECRUITMENT

SEC. . (a) The Secretary may conduct at schools of medicine, osteopathy, dentistry, and, as appropriate, nursing and other schools of the health professions and at entities which train allied health personnel, recruiting programs for the Loan Repayment Program.

(d) Section 214 of the Public Health Service Act (42 U.S.C. 215) shall not apply to individuals during their period of obligated service under the Loan Repayment Program.

OBLIGATED SERVICE UNDER CONTRACT

SEC. . (a) Each individual who has entered into a written contract with the Secretary under section 101 shall provide service in the full-time clinical practice of such individual's profession in the Indian Health Service for the period of obligated service provided in such contract.

(b)(1) If an individual is required under subsection (a) of this section to provide obligated service, the Secretary shall, not later than 90 days before the date described in paragraph (4), determine if the individual shall provide such service as a commissioned officer in the Regular or Reserve Corps of the Public Health Service or as a civilian employee of the Indian Health Service, and shall notify such individual of such determination.

(2) If the Secretary determines that an individual shall provide obligated service to the Indian Health Service as a commissioned officer in the Regular or Reserve Corps of the Public Health Service or a civilian employee of the Indian Health Service, the Secretary shall, not later than 60 days before the date described in paragraph (4), provide such individual with sufficient information regarding the advantages and disadvantages of service as such a commissioned officer or civilian employee to enable the individual to make a decision on an informed basis. To be eligible to provide such obligated service as a commissioned officer in the Public Health Service, an individual shall notify the Secretary, not later than 30 days before the date described in paragraph (4), of the individual's desire to provide such service as such an officer. If an individual qualifies for an appointment as such as officer, the Secretary shall, as soon as possible after the date described in paragraph (4), appoint the individual as a commissioned officer in the Regular or Reserve Corps of the Public Health Service.

(3) If an individual provided notice by the Secretary under paragraph (2) does not qualify for appointment as a commissioned officer in the Public Health Service, the Secretary shall, as soon as possible after the date described in paragraph (4), appoint such individual as a civilian employee of the Indian Health Service.

(4)(A) With respect to an individual receiving a degree from a school of medicine, osteopathy, psychology, or dentistry and an individual who is completing advanced clinical education or training to specialize in nurse midwifery or community or public health nursing or as a nurse practitioner or clinical nurse specialist, the date referred to in paragraphs (1) through (3) shall be the date upon which the individual completes the training required for such degree, advanced clinical education or training, or certification in nursing, except that the Secretary shall, at the request of such individual, defer such date until the end of the period of time (not to exceed 3 years or such greater period as the Secretary, consistent with the needs of the Service, may authorize) required for the individual to complete an internship, residency, or other advanced clinical education or training. With respect to an individual receiving a degree from a school of optometry, podiatry, or pharmacy, the date referred to in paragraphs (1) through (3) shall be the date upon which the individual completes the training required for such degree, except that the Secretary shall, at the request of such individual, defer such date until the end of the period of time (not to exceed 1 year or such greater period as the Secretary, consistent with the needs of the Service, may authorize) required for the individual to complete an internship, residency, or other advanced clinical training. No period of internship, residency, or other advanced clinical training shall be counted toward satisfying a period of obligated service under this title.

(B) With respect to an individual receiving a degree from an institution other than a school referred to in subparagraph (A), the date referred to in paragraphs (1) through (3) shall be the date upon which the individual completes his academic training leading to such degree.

(C) With respect to an individual who has received a degree in medicine, osteopathy, psychology, dentistry, or other health profession and has completed graduate training, the date referred to in paragraphs (1) and (3) shall be the date on which the individual enters into a contract with the Secretary under section 101.

(c) An individual shall be considered to have begun serving the period of obligated service on the date such individual is appointed as an officer in a Regular or Reserve Corps of the Public Health Service under subsection (b)(2) or is appointed as a civilian employee of the Indian Health Service under subsection (b)(3).

BREACH OF CONTRACT

SEC. . (a) An individual who has entered into a written contract with the Secretary under section —— and who—

(1) is enrolled in the final year of a course of study and fails to maintain an acceptable level of academic standing in the educational institution in which the individual is enrolled (such level determined by the educational institution under regulations of the Secretary) or voluntarily terminates such enrollment or is dismissed from such educational institution before completion of such course of study, or

(B) is enrolled in a graduate training program, fails to complete such training program,

in lieu of any service obligation arising under such contract shall be liable to the United States for the amount which has been paid on his behalf under the contract.

(b) If (for any reason not specified in subsection (a)) an individual breaches his written contract under section —— by failing either to begin such individual's period of obligated service in accordance with section —— or to complete such period of obligated service, the United States shall be entitled to recover from the individual an amount determined in accordance with the following formula:

$$A=2z\left(\frac{t-s}{t}\right)$$

in which 'A' is the amount the United States is entitled to recover, 'z' is the sum of the amounts paid under this title to, or on behalf of, the individual and the interest on such amounts which would be payable if at the time the amounts were paid they were loans bearing interest at the maximum legal prevailing rate, as determined by the Treasurer of the United States, 't' is the total number of months in the individual's period of obligated service, and 's' is the number of months of such period served by him in accordance with section ——— of this title. Any amount of damages which the United States is entitled to recover under this subsection shall, within the 1-year period beginning on the date of the breach of the written contract (or such longer period beginning on such date as specified by the Secretary for good cause shown), be paid to the United States.

(c)(1) Any obligation of an individual under the Loan Repayment Program (or a contract thereunder) for service or payment of damages shall be canceled upon the death of the individual.

(2) The Secretary shall by regulation provide for the partial or total waiver or suspension of any obligation of service or payment by an individual under the Loan Repayment Program (or a contract thereunder) whenever compliance by the individual is impossible or would involve extreme hardship to the individual and if enforcement of such obligation with respect to any individual would be unconscionable.

(3) Any obligation of an individual under the Loan Repayment Program (or a contract thereunder) for payment of damages may be released by a discharge in bankruptcy only if such discharge is granted after the expiration of the 5-year period beginning on the first date that payment of such damages is required.

REPORTS

SEC. . The Secretary shall submit to the Congress on July 1 of 1988, and of each succeeding year, a report on the number of providers of health care who will be needed for the Indian Health Service during the 3 fiscal years beginning after the date the report is filed and—

(1) the number of scholarships, if any, the Secretary proposes to provide under the National Health Service Corps Scholarship Program during such 3 fiscal years, and

(2) the number of individuals for whom the Secretary proposes to make loan repayments under the Loan Repayment Program during such 3 fiscal years.

AUTHORIZATION FOR APPROPRIATIONS

SEC. . There are authorized to be appropriated for each fiscal year such sums as may be necessary to carry out the provisions of this title.

TITLE II—OTHER RECRUITMENT AND RETENTION PROVISIONS

TRAVEL EXPENSES FOR RECRUITMENT

SEC. . (a) The Secretary may reimburse health professionals seeking positions in the Service (including individuals considering entering into a contract under section ———) and their spouses for actual and reasonable expenses incurred in traveling to and from their places of residence to an area in which they may be assigned for the purpose of evaluating such area with regard to being assigned in such area.

(b) There are authorized to be appropriated for each fiscal year $100,000 for the purpose of carrying out the provisions of this section.

TRIBAL DEMONSTRATION RECRUITMENT AND RETENTION PROGRAM

SEC. . (a) The Secretary, acting through the Service, shall award grants to Indian tribes and tribal organizations for the purpose of enabling the Indian tribes and tribal organizations to develop and test, in cooperation with the Service, innovative techniques to recruit, place, and retain health professionals.

(b) The Secretary shall prescribe such regulations as are necessary to carry out the provisions of this section.

(c) There are authorized to be appropriated for each fiscal year $600,000 for the purpose of carrying out the provisions of this section.

TRIBAL CULTURE AND HISTORY

SEC. . (a) The Secretary, acting through the Service, shall establish a program under which all employees of the Service who serve particular Indian tribes shall receive educational instruction in the history and culture of such tribes and in the history of the Service.

(b) To the extent feasible, the program established under subsection (a) shall—

(1) be carried out through tribally-controlled community colleges, and

(2) be developed in consulation with the affected tribal government, and

(3) include instruction in Native American studies.

(c) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

INMED PROGRAM

SEC. . (a) The Secretary is authorized to provide grants to colleges and universities for the purpose of maintaining and expanding the Native American health careers recruitment program known as the "Indian into Medicine Program" (hereinafter in this section referred to as "INMED") as a means of encouraging Indians to enter the health professions.

(b) In addition to maintaining the INMED program at the University of North Dakota, unless the Secretary makes a determination, based upon program reviews, that the program is not meeting the purposes of this section, the Secretary shall provide grants to at least two additional universities or colleges for the purpose of expanding the INMED program model.

(c) The Secretary shall develop regulations for the competitive awarding of the grants established in this section provided that the universities applying for such funds agree to provide a program which—

(1) provides outreach and recruitment for health professions to Native American communities including elementary, secondary and community colleges located on Indian reservations which will be served by the program,

(2) incorporates a program advisory board comprised of representatives from the tribes and communities which will be served by the program,

(3) provides summer preparatory programs for Native American students who need enrichment in the subjects of math and science in order to pursue training in the health professions,

(4) provides tutoring, counseling and support to students who are enrolled in a health career program of study at the respective college or university, and

(5) to the maximum extent feasible agree to employ qualified Native American staff for the program.

(d) By no later than the date that is 3 years after the date of enactment of this Act, the Secretary shall submit a report to Congress on the program including recommendations for expansion or changes to the program.

(e) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

HEALTH TRAINING PROGRAMS OF COMMUNITY COLLEGES

SEC. . (a)(1) The Secretary, acting through the Service, shall award grants to community colleges for the purpose of assisting the community college in the establishment of programs which provide education in a health profession leading to a degree or diploma in a health profession for individuals who desire to practice such profession on an Indian reservation or in a tribal clinic.

(2) The amount of any grant awarded to a community college under paragraph (1) for the first year in which such a grant is provided to the community college shall not exceed $100,000.

(b)(1) The Secretary, acting through the Service, shall award grants to community colleges that have established a program described in subsection (a)(1) for the purpose of maintaining the program and recruiting students for the program.

(2) Grants may only be made under this section to a community college which—

(A) is accredited,

(B) has access to a hospital facility, Service facility, or hospital that could provide training of nurses or health professionals,

(C) has entered into an agreement with an accredited college or university medical school, the terms of which—

(i) provide a program that enhances the transition and recruitment of students into advanced baccalaureate or graduate programs which train health professionals, and

(ii) stipulate sanctions or certifications necessary to approve internship and field placement opportunities at service unit facilities of the Service or at tribal health facilities,

(D) has a qualified staff which has the appropriate certifications, and

(E) is capable of obtaining State or regional accreditation of the program described in subsection (a)(1).

(c) The Secretary shall encourage community colleges described in subsection (b)(2) to establish and maintain programs described in subsection (a)(1) by—

(1) entering into agreements with such colleges for the provision of qualified personnel of the Service to teach courses of study in such programs, and

(2) providing technical assistance and support to such colleges.

(d) Any program receiving assistance under this section that is conducted with respect to a health profession shall also offer courses of study which provide advanced training for any health professional who—

(1) has already received a degree or diploma in such health profession, and

(2) provides clinical services on an Indian reservation, at a Service facility, or at a tribal clinic. Such courses of study may be offered in conjunction with the college or university with which the community college has entered into the agreement required under subsection (b)(2)(C).

(e) For purposes of this section—

(1) The term "community college" means—

(A) a tribally controlled community college, or

(B) a junior or community college.

(2) The term "tribally controlled community college" has the meaning given to such term by section 2(4) of the Tribally Controlled Community College Assistance Act of 1978 (25 U.S.C. 1801(4)).

(3) The term "junior or community college" has the meaning given to such term by

section 312(e) of the Higher Education Act of 1965 (20 U.S.C. 1058(e)).

(f) There are authorized to be appropriated for each fiscal year such sums as may be necessary to carry out the provisions of this section.

ADVANCED TRAINING AND RESEARCH

Sec. . (a) The Secretary, acting through the Service, shall establish a program to enable health professionals who have worked for the Service for a substantial period of time to pursue advanced training or research at medical schools, or other professional schools or facilities.

(b) The Secretary shall prescribe such regulations as may be necessary to carry out the provisions of this section.

ADDITIONAL INCENTIVES FOR HEALTH PROFESSIONALS

Sec. . (a) The Secretary shall provide the incentive special pay authorized under section 302(b) of title 37, United States Code, by reason of section 208(a) of the Public Health Service Act (42 U.S.C. 210(a)), to—

(1) commissioned medical officers of the Regular and Reserve Corps of the Public Health Service who are assigned to positions for which recruitment or retention of personnel is difficult in the Indian Health Service, and

(2) civilian medical officers of the Service who are assigned to positions for which recruitment or retention of personnel is difficult.

(b)(1) The Secretary shall establish and update on an annual basis a list of positions (other than medical officers) of health care professionals employed by or assigned to the Service for which recruitment or retention is difficult.

(2)(A) The Secretary shall pay a bonus to any person who is employed in or assigned to, a position in the Service included in the list established by the Secretary under paragraph (1).

(B) The total amount of bonus payments made by the Secretary under this section to any employee during any 1-year period shall not exceed $2,000.

(c) The Secretary shall establish programs to allow the use of flexible work schedules, and compressed work schedules, in accordance with the provisions of subchapter II of chapter 61 of title 5, United States Code, for health professionals employed by, or assigned to, the Service.

(d) By no later than the date that is 6 months after the date of enactment of this Act, the Secretary shall submit a report to the Congress on the limitation imposed on amounts of premium pay for overtime to any individual employed by, or assigned to, the Service. The report shall include an explanation of existing overtime pay policy, an estimate of the budget impact of removing limitations on overtime pay, a summary of problems associated with overtime pay limitations, and recommendations for changes to the overtime pay policy.

RETENTION BONUS

Sec. . (a) The Secretary shall pay a retention bonus to medical officers employed by, or assigned to, the Service either as a civilian employee or as a commissioned officer in the Regular or Reserve Corps of the Public Health Service who—

(1) has—

(A) completed three years of employment with the Service, or

(B) completed any service obligation incurred as a result of—

(i) acceptance of any Federal scholarship program, or

(ii) any Federal education loan repayment program, and

(2) enters into an agreement with the Service for continued employment for a period of not less than 1 year.

(b) The Secretary shall establish specific rates for the retention bonus which shall provide for a higher annual rate for multiyear agreements than for single year agreements, but in no event shall the annual rate be less than $12,000 per annum nor shall the annual rate be more than $25,000 per annum.

(c) The retention bonus for the entire period covered by the agreement described in subsection (a)(2) shall be paid at the beginning of the agreed upon term of service.

(d) Any physician failing to complete the agreed upon term of service, except where such failure is through no fault of the individual, shall be obligated to refund to the government the full amount of the retention bonus for the period covered by the agreement plus interest as determinded by the Secretary after consultation with the Secretary of the Treasury.

FOREIGN MEDICAL GRADUATE DEMONSTRATION PROJECT

Sec. . (a) The Secretary shall establish a 3-year demonstration project in the Indian Health Service which utilizes foreign medical graduates to assist in the delivery of health care in hospital facilities of the Indian Health Service.

(b) The Secretary shall conduct the demonstration project at not less than 2 hospitals of the Indian Health Service which have the staff capability to provide orientation, training, and supervision to the foreign medical graduates selected to participate in the demonstration project.

(c) The Secretary shall develop a program which provides orientation, training, and supervision to the participants in the demonstration project which—

(1) assesses the abilities of each foreign medical graduate participating in the demonstration project,

(2) provides individualized orientation and training to each participant,

(3) provides individualized work assignments based upon the individual's training, experience and capabilities, and which are under the supervision of a medical officer of the Indian Health Service, and

(4) prepares each participant to obtain a license as a physician assistant.

(d) The Secretary shall select at least 10 individuals to participate in the demonstration project who—

(1) were licensed to practice medicine in their country of origin;

(2) practiced medicine in their country of origin for at least 5 continuous years;

(3) are proficient in the oral and written use of the English language;

(4) have obtaind citizenship or status of permanent residents of the United States; and

(5) originate from countries which are friendly with, or allied with, the United States.

(e) By the date that is no later than 3 years after enactment of this Act, the Secretary shall submit a report to Congress on the demonstration project which shall include recommendations for maintaining and expanding the demonstration project as a means of enabling the Service to more effectively deliver health care.

(f) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

REPORT ON RECRUITMENT AND RETENTION

Sec. . The Secretary shall establish an advisory panel composed of—

(1) 10 physicians or other health professionals who are employees of, or assigned to, the Indian Health Service, and

(2) 3 representatives of tribal health boards, and

(3) 1 representative of an urban health care organization.

(b) The advisory panel established under subsection (a) shall conduct an investigation of—

(1) the administrative policies and regulatory procedures which impede the recruitment or retention of physicians and other health professionals by the Indian Health Service, and

(2) the regulatory changes necessary to establish pay grades for health professionals employed by, or assigned to, the Service that correspond to the pay grades established for positions provided under section 4103 and 4104 of title 38, United States Code, and the costs associated with establishing such pay grades.

(c) By no later than the date that is 18 months after the date of enactment of this Act, the advisory panel established under subsection (a) shall submit to the Congress a report on the investigation conducted under subsection (b), together with any recommendations for administrative or legislative changes in existing law, practices, or procedures.

Mr. MELCHER. Mr. President, I am offering an amendment to H.R. 5261 which will add a new title on Indian Health Service clinical staffing recruitment and retention. The amendment is identical to S. 1475 which passed the Senate by unanimous consent on November 18, 1987, except that I have dropped the provision on Federal tort claims, an issue since resolved in other legislation. S. 1475 was introduced in the House as an amendment to the Indian Health Care Improvement Act, but during committee consideration, several key provisions, which are critical to the tribes and IHS health care professionals, were dropped.

The Indian Health Service is plagued by clinical staffing problems because of low pay, rural isolation, and inadequate facilities. Because of these factors, the agency finds it difficult to recruit and retain clinical staff, particularly on those reservations which are the most isolated. The situation is so critical in some areas that the ability of Indian Health Service to effectively deliver medical care services is being adversely affected. The provisions of S. 1475 will address these problems by improving salaries and other areas which are critical if the IHS is to effectively recruit and retain clinical staff.

My amendment simply adds S. 1475 as a separate title to H.R. 5261 so that the Senate conferees can conference this portion of the bill on even footing with the House conferees. I understand that this is acceptable to the committee and since the bill passed the Senate by unanimous consent earlier this year, I trust that the amendment will be acceptable to the full Senate.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Montana.

The amendment (No. 3301) was agreed to.

AMENDMENT NO. 3302

(Purpose: To limit use of funds appropriated to the Indian Health Service)

Mr. DOLE. Mr. President, I send an amendment to the desk to the substitute on behalf of Senator NICKLES and Senator HELMS.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from Kansas [Mr. DOLE], for Mr. NICKLES (for himself and Mr. HELMS) proposes an amendment numbered 3302.

Mr. DOLE. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

After Sec. 901 at the end of the bill add a new section:

SEC. . LIMITATION ON USE OF FUNDS APPROPRIATED TO THE INDIAN HEALTH SERVICE.

Any limitation on the use of funds contained in an Act providing appropriations for the Department of Health and Human Services for a period with respect to the performance of abortions shall apply for that period with respect to the performance of abortions using funds contained in an Act providing appropriations for the Indian Health Service.

Mr. NICKLES. Mr. President, this bill is essential to the health care of our Nation's native American citizens. It has taken far too long to have this measure passed, and I am pleased that this measure will become law in the very near future.

I am offering an important amendment that will clarify the intent of the legislation as it relates to the use of Federal funds for abortion. The Indian Health Service, unlike other Federal agencies, it not subject to provisions limiting the use of Federal funds for abortion. My amendment would simply subject the Indian Health Service to the same limitations on the use of funds for abortion as the Department of Health and Human Services is restricted.

On behalf of my native American constituents in Oklahoma and myself, I thank the chairman, Mr. INOUYE, and the other members of the Senate Select Committee on Indian Affairs for all their hard work on this important legislation. Hopefully, we can move forward from here to help ensure that the quality of the health care available to our Indian citizenry is at least equal to that available to the rest of the populace.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3302) was agreed to.

AMENDMENT NO. 3303

(Purpose: To strike an amendment to the Medicare provisions of the Social Security Act to assure that spending limits for programs under the jurisdiction of the Finance Committee under section 302 of the Budget Act are not exceeded, and for other purposes)

Mr. BYRD. Mr. President, I send an amendment to the committee substitute amendment to the desk on behalf of Mr. INOUYE.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from West Virginia (Mr. BYRD), for Mr. INOUYE, proposes an amendment numbered 3303.

Mr. BYRD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Beginning on page 56, line 17, of the amendment in the nature of a substitute to H.R. 5261, strike "MEDICARE PROVISIONS" and all of section 402.

On page 107, line 25, of the amendment in the nature of a substitute to H.R. 5261, strike the word "Terry" and insert in lieu thereof the word "Perry".

Mr. INOUYE. Mr. President, I am offering a modification to the committee amendment. This modification would delete section 402 of the committee reported amendment. Section 402 expands the types of health care facilities of the Indian Health Service that will be eligible for reimbursement under the Medicare Program. The Congressional Budget Office has estimated that this section will cost $0.8 million per year from the Medicare trust funds. Any increase in Medicare expenditures enacted at this time would exceed the spending limits for programs under the jurisdiction of the Finance Committee under section 302 of the Budget Act, and would make the bill subject to a point of order. While I support the policy of section 402, I offer the modification because of this budget problem. I hope that the Committee on Finance will consider the issue of expanding the types of Indian Health Service facilities eligible for Medicare reimbursement in the next Congress.

Mr. BENTSEN. I thank the chairman of the Committee on Indian Affairs, and I assure him that the Committee on Finance will consider this issue next year in the context of a Medicare bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3303) was agreed to.

AMENDMENT NO. 3304

(Purpose: To make technical corrections)

Mr. BYRD. Mr. President, I send an amendment to the committee substitute to the desk on behalf of Mr. BURDICK.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from West Virginia [Mr. BYRD] for Mr. BURDICK proposes an amendment numbered 3304.

Mr. BYRD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Section 715(c) of the bill is amended by inserting "osteopathy," after "dentistry,".

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3304) was agreed to.

AMENDMENT NO 3305

(Purpose: To provide for the designation of an administrative entity to administer the scholarship program for Native Hawaiians).

Mr. BYRD. Mr. President, on behalf of Mr. INOUYE, I sent an amendment to the committee substitute to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from West Virginia [Mr. BYRD] for Mr. INOUYE proposes an amendment numbered 3305.

Mr. BYRD. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 7 line 18 of the amendment in the nature of a substitute to H.R. 5261, following the word "assistance", insert a comma and the words "pursuant to a contract with the Kamehameha Schools Bishop Estate,"

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3305) was agreed to.

Mr. BURDICK. Mr. President, I urge my colleagues to support this important health initiative.

The substitute amendment before us includes a rural health provision authored by the distinguished chairman of the Indian Affairs Committee, along with myself and the Senator from Iowa, Mr. GRASSLEY.

The provision authorizes $5 million a year through fiscal year 1991 for grants to demonstrate and evaluate innovative interdisciplinary methods and models designed to provide access to cost-effective, comprehensive health care in rural areas. All health professions training programs—not just medical schools, as under the AHEC Programs—would be eligible for grants.

As cochairman of the Senate Rural Health Caucus, I know that there are severe and growing shortages of health professionals. The nursing shortage has been documented in numerous newspaper articles and in graphic accounts from hospital administrators and other health care providers. In addition, we also have the physician shortage, and critical shortages of health professionals such as psychologists, physical therapists, and physician assistants in rural areas. In my home State of North Dakota, and rural areas across the country, the shortages of health professionals are threatening access to health care.

This provision offers two sure-fire methods to address rural areas' shortages of health professionals: first, it promotes "team" training by requiring two or more training programs to work together. This novel approach promotes training of health professionals as part of a team—students trained under this interdisciplinary approach will be best equipped to meet the needs of rural areas. Health professionals trained through this program will be able to be part of a team, and not have to practice in isolation. This will help keep them practicing in rural areas, where retention of professionals is as much of a problem as recruitment.

Equally important, the training program requires that students get clinical experience in a rural health setting—a hospital, rural health clinic, community or migrant health center, a site operated by the Indian Health Service, or others. Giving students a clinical experience in a rural setting has been shown to be a most effective method of persuading those students to return to a rural setting when they have finished school.

Mr. President, the interdisciplinary training program contained in this substitute amendment before us has been endorsed by the National Rural Health Association. It contains a unique combination of team training and rural clinical experience. These methods work. The need for action is clear, and I urge my colleagues to support this effective action plan.

In addition, Mr. President, the substitute amendment also authorizes special grants for recruiting and training nurses, nurse midwives, and nurse practitioners to deliver health care services to Indians. Grants may be made to schools of nursing, tribally controlled community colleges, or nurse-midwife or nurse-practitioner programs. Preference is given to programs that provide a preference to Indians.

The grants authorized by this part of the substitute amendment are designed to increase the number of these nurses, and to enhance the ability of facilities to recruit and retain nurses to provide health care to Indians.

The national nursing shortage has become so acute that some hospitals have been forced to turn patients away for lack of nurses to staff the beds. Betty Maher, the executive director of the North Dakota State Nurses' Association, has spoken to me many times about the nursing shortage in North Dakota. She has identified clearly the need to address the growing problem of shortages of professional nurses on Indian reservations and in other rural areas.

Mr. SIMON. Mr. President, I rise to recognize the concerted and dedicated efforts of my distinguished colleagues from Hawaii and North Dakota for their interdisciplinary training grant amendment. As chairman of the Senate Rural Health Caucus, Senator BURDICK's leadership in rural health care has been critical in focusing our attention on the serious challenges facing us in rural health care delivery. Declining access to quality medical care is becoming commonplace as more and more rural hospitals close, fewer nurses are being recruited and less physicians are practicing in rural areas. With his leadership, we have taken some sound steps in the right direction and I thank him for that leadership.

I also would like to commend Senators INOUYE, GRASSLEY, and BAUCUS for their support of this worthwhile amendment. All have recognized the severe problems that plague that 25 percent of our population living in rural America. By accepting this amendment, this body can address the great need for young talented physicians and nurses to practice in rural areas.

In my great State of Illinois we are suffering from hospital closures and certain health professions shortages. Over the past 2 years, 15 hospitals have closed removing 1,600 beds from patient access and also eliminating 4,000 full-time jobs. Unfortunately, the situation is becoming worse.

Northwestern University has made the decision to close its nursing school as the enrollment drops too low for it to continue. I receive more and more letters from small rural hospitals telling me of their inability to keep up with expenses, compete for nurses and maintain existing services. This should not be happening in America. The technology we have should be serving all of our population and should not be limited by geographic location.

I am proud to support the Interdisciplinary Training Grant Program because it provides the incentives needed to promote practicing in rural and frontier areas where quality health care and medical expertise is needed and not provided. This grant provides training and education to health care providers and an opportunity to practice in rural areas. Through this grant program we are offering the chance to work in settings that one normally wouldn't opt for and in turn we are increasing the opportunity for many health care professionals to practice and serve the rural areas in our country.

I encourage my colleagues to join me in supporting this program. It will help alleviate the growing health care crisis in rural America and provide the necessary tools to improve the training and educational needs of qualified physicians and nurses to practice in rural areas.

Mr. CRANSTON. Mr. President, I rise in strong support of H.R. 5261, the "Indian Health Care Amendments of 1988." As a cosponsor of this measure, I am very pleased that the Senate is about to vote on this important legislation.

The Indian Health Care Improvement Act was first enacted in 1976 in order to bring the health status of American Indians and Alaska Natives to a level equal to that of the general population in the United States. Although there has been improvement in the last 10 years, an April 1986 Office of Technology Assessment [OTA] report found that Indians still suffer from mortality rates that are higher than the national average.

Mr. President, of particular interest to me, the OTA found that information about the health status of Indians in California is practically nonexistent, primarily because of the loss of reservation lands as a consequence of the changing and diverse Federal policies applied to California Indians and the difficulty in identifying Indians in California.

The California Indian population is unique in this country and must be understood in historical context. In the 1850's, Congress failed to ratify treaties that the Federal Government had entered into with Indian tribes in California. Thus, although they were eventually recognized in Federal law as individual "Indians of California," many California Indians are not members of federally recognized tribes. Since, under current policies, Indian Health Services [IHS] eligibility is based primarily on tribal membership, fairness required the development of policies—that are currently in force—providing specifically for California Indians' eligibility for IHS care. Today, of California's 210,000 Indians, about 75,000 are currently eligible for IHS care. More than 70 percent of those who are currently eligible—53,000—are not members of federally recognized tribes.

Thus, Mr. President, I am particularly pleased that the pending legislation includes a provision that would preserve the eligibility of California Indians for IHS care. When the Select Committee on Indian Affairs considered this legislation last year, the Senator from Arizona, Senator McCAIN, raised some concerns about section 704 of S. 129 as introduced, which specified four categories of California Indians as being expressly eligible for health services. This provision was consistent with current practice and policy.

As a result of lengthy discussions between our staffs, Senator McCAIN and I agreed to a modified provision that addresses those concerns, and I believe that H.R. 5261 represents a very reasonable compromise. First, as in S. 129, the Senate companion as introduced, section 704 of the reported bill would codify current Indian Health Service practice and policy with regard to determining California Indian eligibility for IHS services. Thus, the following categories would expressly be eligible for IHS-provided care: members of federally recognized tribes; descendents of Indians who lived in California on June 1, 1852, who are members of the Indian community now served by the IHS and who are regarded as Indians by their communities; Indians holding certain trust interests; and Indians listed on certain plans for distribution of California rancherias and reservations and their dependents.

This provision would ensure that all California Indians who are currently eligible would continue to receive IHS health services and would not expand eligibility for California Indians.

Second, in order to gather important information regarding the health of California Indians—information which is currently lacking according to the OTA—section 704 would require the Secretary of Health and Human Services, in consultation with the Secretary of the Interior and with the assistance of tribal health programs or their designees providing health services to California Indians, to conduct a study in order to determine the number of Indians who are not members of federally recognized tribes, the names of the nonfederally recognized tribes of which the Indians are members, and the general localities of where the Indians live. The study would also include an assessment of the current health status of those Indians and an assessment of the actual availability and accessibility of alternative resources of health care on which those Indians would have to rely if IHS did not provide for their health care. I believe that this study could be very helpful as future decisions about Indian health care are made.

Mr. President, H.R. 5261 is a much-needed bill. I congratulate the chairman of the Indian Affairs Committee, the Senator from Hawaii [Mr. INOUYE], for bringing this legislation before the Senate. I thank him for his support for the California Indian provisions, and I urge all of my colleagues to support the bill as reported.

Mr. BINGAMAN. Mr. President, I rise today to commend my good friend and colleagues, the chairman of the Senate Select Committee on Indian Affairs, Mr. INOUYE, and his staff for their diligent efforts in bringing this vital piece of legislation to the Senate floor. I urge my colleagues to support the Indian Health Care Improvement Act.

The act before us today is similar to that offered in the last Congress, which was reported by the Senate Select Committee on Indian Affairs, but never fully considered or voted on in its final form by the Senate. Companion legislation was passed by the House and the Senate with amendments. Unfortunately, the two Houses never resolved their differences and, as a result, the Indian Health Care Amendments Act did not become law.

I believe one of the most important goals we as national leaders can work toward is to help all Americans lead healthier lives. Improvement in the health care of our Indian population is particularly critical. It is time we make a serious effort to improve the quality of health care it receives. I sincerely hope this legislation becomes law quickly.

I am happy to report that a bill I introduced in the last Congress, and again in this Congress, is in line with that goal, and, I hope, will complement broader Federal health promotion and disease prevention strategies. I am pleased that provisions of my legislation, the Indian Health Promotion and Disease Prevention Act, have been incorporated into S. 129. I would like to say a few words about my legislation, which focuses on an obvious but neglected aspect of health care: Preventive services.

My provisions will realize many objectives. They will create new health promotion and disease prevention services for Indians within the Department of Health and Human Services' Indian Health Service [IHS]. They will establish at least one demonstration project to find the most effective and cost-efficient means of promoting good health programs for Indians. They will continue and improve the Community Health Representative Program as a means for implementing our health promotion activities. They will require the Secretaries of the Interior and Health and Human Services to establish health education programs for Indian youths. And, most importantly, they will create a health promotion and disease prevention policy for Native Americans.

The need for these kinds of provisions became apparent to me during a field hearing held in Gallup, NM, a few years ago by the Select Committee on Indian Affairs and chaired by my colleague from Arizona Mr. [DECONCINI]. At the hearing, Indian leaders, health care professionals, health educators, and local and State providers discussed the critical need for better health care and voiced their strong support for preventive action to combat contagious and chronic, degenerative diseases.

Many of our most serious health problems have been found to be directly related to unhealthy activity—smoking, overeating, lack of exercise, and abuse of alcohol and drugs. The U.S. Surgeon General, in his 1979 report entitled "Healthy People", called for a national commitment to disease prevention and health promotion. Eight years later many of the problems remain, and the Surgeon General is once again urging a national commitment to better health—this time in his landmark "Report on Nutrition and Health". It is time for a renewed commitment to better health.

An important part of that commitment is community intervention through local outreach. Community health representatives, health educators and health promoters perform this vital function and H.R. 5261 continues and expands the program of quality training and rigorous curriculum for these paraprofessionals. I believe the community health representative's role in health promotion and disease prevention will be reinforced by passage of this legislation.

The legislation also establishes a community-wide health promotion project to determine the most effective and cost-efficient means of providing health promotion services. According to IHS, the leading causes of hospital admissions among Indians are injuries and poisonings, digestive and respiratory system diseases, and pregnancy complications. It is my hope that this project will be a model that will be replicated in other Indian communities as a way to promote community health.

The establishment of a health promotion and disease prevention service within the Indian Health Service would require IHS to develop a comprehensive plan outlining how and when these goals will be reached. Such a plan would be extremely useful as a benchmark for measuring IHS progress.

Finally, this bill provides for prevention and control of diabetes, so chronic among Native Americans. Indeed, we are facing a diabetes epidemic in our Indian communities. Studies indicate that one Indian in every four will develop diabetes, compared with 1 in 20 in the U.S. population at large. Treatment of diabetes is the second leading reason for outpatient visits by Indians to health service facilities nationwide. These distressing statistics emphasize the urgent need to strengthen our attack against this problem.

I am pleased that, with this legislation, our efforts will be significantly expanded. The act requires the Secretary of Health and Human Resources to undertake a study of the diabetes problem and, within 18 months of enactment, establish a program to strengthen and expand the IHS' existing programs and services. The existing IHS model diabetes control program would continue and be expanded to four new clinics. Currently, the program's seven project sites serve only approximately 10 percent of the IHS patient population in need.

This legislation is long overdue. I urge my colleagues to vote in favor of its passage.

Thank you, Mr. President.

Mr. INOUYE. Mr. President, I am most pleased to accept the amendment offered by my colleague, Senator BURDICK, which would provide $5 million to initiate a series of innovative nurse training programs targeted toward the truly pressing health care needs of American Indians and Alaskan Natives. This amendment is modeled after the impressive accomplishments of Dr. Clay Simpson, Administrator of the Health Careers Opportunity Program [HCOP] of the Health Services and Resources Administration, in recruiting minorities into the various health professions.

The funds provided will be able to be used for a wide range of nurse recruitment and training initiatives, including providing necessary scholarships as well as allowing nurses to upgrade their clinical and administrative skills. I feel that an especially important aspect of this program will be the requirement that those nursing programs which decide to apply for support already have established a close collaborative relationship with a health delivery system that possesses a track record in serving American Indians and/or Alaskan Natives.

I would further point out that my colleague has also proposed that priority be given to those applications which actively recruit these Native Americans into their programs which provide interdisciplinary training experiences, and which work with the newly established American Indian Gifted and Talented Centers we authorized earlier this congressional session.

Finally, I was especially pleased that my colleague has recommended that of the funds authorized, that at least $1 million shall be targeted for nurse midwifery programs.

Mr. STEVENS. Mr. President, this is an amendment to authorize the payment of incentive special pay for nurses in the Commissioned Corps of the U.S. Public Health Service.

Presently, medical and dental officers, veterinarians, and optometrists in the Armed Services and the Public Health Service Commissioned Corps receive various forms of incentive pay in recognition of the fact that their services are in short supply and that Federal salaries for these positions are not competitive with what they would receive in the private sector.

Outside of the uniformed services, nurses under the General Schedule of the Civil Service were accorded special pay rates in January 1988 which have raised their pay from $2,400 to $6,000 per year above pay for other comparable positions in the General Schedule. Also, Civil Service nurses at the Clinical Center of the National Institutes of Health are now paid in accordance with the VA nurse pay system set up under section 4107 of title 38, United States Code, which is slightly higher than the pay of nurses paid under title 5.

The Defense authorization bill for fiscal year 1989 provided a 4.1-percent raise for military personnel, and increased incentive pays for military physicians and other health professionals. Furthermore, under title VI, section 613, the Secretary will be able to approve special pay of up to $10,000 per year for critically short wartime health specialists including nurses. If passed again and signed by the President this will leave the nurses in the PHS Commissioned Corps, including those in the Indian Health Service, as the only Federal nurse group not receiving any form of special pay. The Public Health Service Commissioned Corps, of course, is having the same problems recruiting nurses as the rest of the Government, and is just as affected as the rest of the country by the nursing shortage.

This amendment is necessary as a matter of pure equity. It simply says that commissioned nurse officers in the Public Health Service shall be paid incentive special pay in the same amounts as, and under the same terms and conditions as, nurses in the Armed Forces. A similar provision was passed earlier this year by the Senate as part of another bill, S. 2530, which is unlikely to be considered by the House this session. Mr. President, I urge the adoption of this amendment.

Mr. GRASSLEY. Mr. President, I am pleased to see that S. 2597, of which I am an original cosponsor, will be included today in H.R. 5261, "A Bill To Reauthorize, and Amend, the Indian Health Care Act."

I believe that S. 2597 will make a contribution to alleviating the shortage of health and allied health professionals in rural areas. I am under no illusion that this bill provides a definitive solution to this problem. Obviously, many things contribute to this problem, not all of which are remediable through Federal legislation. Nevertheless, we must make progress as best we can, and I think the program this bill will authorize will help.

When this bill was introduced on June 29, I discussed it at some length. Among other things, I tried to provide some perspective on the health personnel situation as it manifests itself in Iowa. I will not repeat myself here.

Suffice it to say that the bill we are passing today is the same in virtually all respects as the bill we introduced on June 29. A few changes have been made in order to clarify certain provisions of the bill. I think the most important of these deserve some comment.

The provision which permitted funds to be used for "the enhancement of the faculty of an eligible applicant;" has been struck and replaced with provisions which would allow funds to be used for "the enhancement and training of rural educators" and "the training of faculty in the economic and logistical problems confronting rural and frontier health care delivery systems." This change was made because it was felt that the original provision was too vague and needed to be stated so as to assure us that more direct benefits would flow to rural areas. We wished to avoid a situation in which money goes into universities with no discernible and relatively direct payoff for rural communities.

A second change has been to include a provision stating that "not more than 10 percent of the individuals receiving training with funds made available to an applicant under this section shall be trained as allopathic and osteopathic physicians." Inclusion of this provision should not be construed to mean that the bill's sponsors think physician distribution is not a problem, or that physicians do not make an absolutely vital contribution to rural health care. This is most assuredly not the case, as I noted in my earlier statement on this bill. But there are already programs designed to help with this problem. Furthermore, and this is the most important point, we are mindful of the fact that rural areas face serious problems in recruiting all health and allied health professions, and we wish to avoid a situation in which the resources made available by this legislation focus mainly on physicians.

Finally, we have included a provision stipulating that the Secretary shall give priority to applications that "have the highest proportion of health related programs participating in projects of the type authorized under this act." With this provision we wish to insure that we end up with truly interdisciplinary projects.

I need to make one additional point. Since S. 2597 was introduced in June, I have had some calls from nurses in Iowa, concerned that the bill is designed to, or will lead to, support for the training and placement in rural areas of registered care technologists. Registered care technologists are a new type of health care worker that the American Medical Society proposes be developed to help alleviate the shortage of nurses.

I can remember no mention of this concept during any of the discussions we have had on this legislation. Furthermore, I can say for this Senator that I do not wish to use the program established by this bill to support development of this new category of health care worker. In my view, more discussion of this concept is needed across the country before we in the Congress contemplate any support for it.

In conclusion, Mr. President, I think that passage of this legislation will represent a small, but very useful, step forward toward the solution of the shortage of health care workers in rural areas.

Mr. STEVENS. Will the distinguished floor manager yield for a question concerning the use of funds authorized under this bill for Public Health Service construction in Alaska?

Mr. INOUYE. I am happy to yield.

Mr. STEVENS. In Alaska, most of the land on which Public Health Service facilities are built is owned by Alaska Native corporations created pursuant to the Alaska Native Claims Settlement Act [ANCSA]. Under ANCSA, the ownership of the surface estate and the subsurface estate is divided. Typically, lcoal "village corporations" own the surface while larger "regional corporations" hold title to the subsurface including sand, gravel, and silt. The Ninth Circuit Court of Appeals in Chugach Natives, Inc. versus Doyon Ltd. confirmed that the subsurface estate is a real property interest subject to the rights relating to real property. 588 F.2d 723 (9th Cir. 1978).

During a meeting with Native leaders during the August recess, I was informed that the Public Health Service is requiring Bristol Bay Native Corp. and other regional Native corporations to permit the use of their subsurface resources without payment as a condition of construction of public health facilities in rural Alaska.

In Bristol Bay's case, an easement to lay the building foundation in the subsurface has been donated to the Public Health Service as part of the local contribution to the project. However, the Service is insisting that it should be permitted to use 12,000 dollars' worth of excavated sand, gravel, and silt from the construction site without paying the corporation for it. In fact, the agency specifically prohibited the Egegik village corporation from using Federal funds budgeted for a joint State-Federal sewage treatment system to purchase these building materials from the Bristol Bay regional corporation.

The Public Health Service has the authority to acquire land and materials for use in facility construction. Under 42 U.S.C. 2004a "the Surgeon General is authorized to acquire land, or rights or interests therein * * *." He may not acquire land or interests therein from an "Indian tribe, band, group, community, or individual other than by gift or for nominal consideration if the facility for which such lands or rights therein are acquired is for the exclusive benefit of such tribe, band, group, community, or individual respecitvely." However, this exception does not apply to Alaska Native corporations for two reasons.

First, an Alaska Native corporation is not an "Indian tribe, band, group, community or individual." And second, PHS facilities constructed in Alaska villages are not for "the exclusive benefit" of the corporations. Many persons who are not shareholders—both Native and non-Native—regularly utilize PHS facilities in rural Alaska. Therefore, there is no statutory bar prohibiting PHS to purchase sand and gravel from Alaska Native corporations.

With regard to the subsurface estate owned by Alaska Native regional corporations, under 42 U.S.C. 2004a the Public Health Service should be required to purchase the sand, gravel, and silt for construction purposes. It is unreasonable to require a Native corporation to give away thousands of dollars in building materials as a condition to receiving public health care, particularly when its members are not the only ones which will benefit from a PHS project.

On December 21, 1987, the House and Senate concurred in amendments to the Alaska Native Claims Settlement Act which the President signed into law on February 3, 1988. These amendments make two points which are relevant to this matter. First, Congress provided protections for Native lands conveyed under ANCSA so that land and resources could not be taken by private or governmental action unless the owners voluntarily place the land or resources contractually or otherwise at risk.

Second, section 9070(e) of the amendments specifically deal with condemnation as follows:

> Condemnation of * * * land and interests in land, conveyed * * * pursuant to the Alaska Native Claims Settlement Act to a * * * Native corporation * * * shall be subject to condemnation for public purposes * * *."

This provision makes clear that a federal agency cannot utilize privately owned Native corporation land or resources without first initiating condemnation proceedings including payment of fair market value, or reaching some other arrangement with the corporation for the use of its land or resources by paying fair market value for whatever interest it acquires, fee or otherwise. In other words, the Government cannot simply demand the use of Native corporation property or resources, including the subsurface estate, without proper payment to the corporations.

I again point out that the local village corporation has acquired at no expense to the Government all necessary easements and land required for the project from the Bristol Bay regional corporation. I have no dispute that the local sponsor for a project should acquire the property rights and easements for general use. But the corporations should be compensated for the use of their sand, gravel, an silt, and Federal funds should be available for that purpose.

Does the distinguished chairman agree that the Public Health Service should be required to compensate Alaska regional corporations for the use of their sand, gravel, and silt which it uses for construction of public health facilities in Alaska?

Mr. INOUYE. Yes, I agree with the analysis of the senior Senator from Alaska. The Public Health Service should not require Alaska Native corporations to give away their resources without compensation as a condition of construction of public health facilities. It should not discriminate against Alaska Natives by imposing such a policy as a condition to receiving vital public health facilities in rural areas where they are so desperately needed. The subsurface owner's property rights to sand, gravel, and silt must be respected and acquired for fair market value in Alaska.

Mr. MURKOWSKI. Mr. President, I have an inquiry of the committee chairman regarding reimbursement for health care services provided to Alaska Natives and Indians by the IHS. It is my understanding that the intent of section 204(b) is to limit such reimbursement from States and State political subdivisions to services provided for injury or illness covered by workers' compensation or no-fault insurance programs and not to seek reimbursement of IHS medical expenses for injury or illness when the State or political subdivision otherwise insures the individual receiving the care.

Mr. INOUYE. That is correct. Subsection (b) of section 204 of the bill limits the authority of the IHS to recover from a State or any political subdivision thereof only medical expenses incurred by Alaska Natives and Indians which are covered by no-fault auto insurance and workers' compensation programs. The Federal Government cannot otherwise seek reimbursement if that individual receives IHS medical care. Thus, if a State or political subdivision of a State self-insures its employees for health care, the Federal Government is not authorized under this bill to seek reimbursement for the services rendered.

Mr. MURKOWSKI. I thank the chairman for his succinct explanation of the intent of section 204(b) of the Indian health care amendments.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the committee amendment, as amended, and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

So the bill (H.R. 5261), as amended, was passed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill, as amended, was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I move that the Senate insist on its amendments, request a conference with the House on the disagreeing votes of the two Houses, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. INOUYE, Mr. MELCHER, Mr. DECONCINI, Mr. BURDICK, Mr. DASCHLE, Mr. EVANS, Mr. MURKOWSKI, and Mr. MCCAIN conferees on the part of the Senate.

Mr. BYRD. Mr. President, I ask unanimous consent that Calendar Order No. 937, S. 129, be indefinitely postponed. That is the Senate companion bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO PLACE S. 2843 ON THE CALENDAR

Mr. BYRD. Mr. President, I ask unanimous consent that S. 2843, introduced today by Senators HATCH and KENNEDY, dealing with animal drugs be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROVIDING FOR THE HAND ENROLLMENT OF APPROPRIATIONS BILLS FOR FISCAL YEAR 1989

Mr. BYRD. Mr. President, I send to the desk a House joint resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 665) authorizing the hand enrollment of appropriations bills for fiscal year 1989 and authorizing the subsequent, postenactment preparation of printed enrollments of those bills.

The PRESIDING OFFICER. Is there an objection to the request of the Senator from West Virginia?

There being no objection, the Senate proceeded to considered the joint resolution.

The PRESIDING OFFICER. The joint resolution is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the joint resolution.

The joint resolution (H.J. Res. 665) was ordered to a third reading, was read the third time, and passed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE CALENDAR

Mr. BYRD. Mr. President, I inquire of the able Republican leader as to whether or not the following calendar orders on the Calendar of Business are ready to be taken up and acted upon: Calendar orders numbered 943, 962, 966, and 967.

Mr. DOLE. If the majority leader will yield, each of those have been cleared on this side.

Mr. BYRD. Mr. Speaker, I thank my friend.

I ask unanimous consent that the Senate proceed to the consideration of the aforegoing measures seriatim.

The PRESIDING OFFICER. Without objection, it is so ordered.

TARGHEE NATIONAL FOREST LANDS EXCHANGE

The Senate proceeded to consider the bill (H.R. 4028) to authorize the Secretary of Agriculture to exchange certain National Forest System lands in the Targhee National Forest, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and insert in lieu thereof, the following:

EXCHANGE AUTHORITY

SECTION 1. Notwithstanding the requirements contained in section 1 of the Act of March 20, 1922, and that portion of section 206(b) of the Act of October 21, 1976, which provides that when the Secretary of Agriculture exchanges lands, the lands exchanged must be located in the same State, and must be included within the exterior boundaries of a National Forest—

(a) The Secretary of Agriculture (hereinafter referred to as "the Secretary") is authorized to exchange those federally owned lands within the Targhee National Forest depicted on the map entitled "Targhee Exchange, Wyoming—Proposed", dated April 15, 1988, comprising approximately two hundred and seventy acres, for nonfederally owned lands within, adjacent, or in close proximity to the Targhee National Forest, including lands outside the exterior boundary of the forest;

(b) the values of lands exchanged by the Secretary under this Act shall be equal, or if they are not equal, the values shall be equalized by the payment of money to the grantor or to the Secretary as the circumstances require so long as payment does not exceed 25 per centum of the total values of the lands or interests transferred out of Federal ownership. The Secretary shall try to reduce the amount of payment of money to as small an amount as possible;

(c) the map described in subsection (a) and a legal description of such lands depicted therein, shall be on file and available for public inspection in the office of the Chief of the Forest Service, Department of Agriculture, Washington, District of Columbia. Such map and legal description shall have the same force and effect as if included in this Act: *Provided*, That actual acreage and boundaries may be adjusted to equalize values and the correction of clerical and typographical errors in such legal description may be made by the Secretary; and

(d) any lands acquired by the Secretary under this Act shall become part of the Targhee National Forest and the exterior boundary of the Targhee National Forest shall be revised to include such lands.

SAVINGS CLAUSE

SEC. 2. Except as specified in section 1, this Act shall not be construed as modifying any other requirements of existing law or regulations.

TIME LIMIT

SEC. 3. As soon as practicable, but not later than nine months after the date of enactment of this Act, the Secretary shall carry out the exchange authorized by section 1.

The amendment was agreed to.

The amendment was ordered to be engrossed, the bill was read the third time, and passed.

RELIEF OF CONWELL F. AND GERALD R. ROBINSON

The Senate proceeded to consider the bill (S. 1849) for the relief of Mr. Conwell F. Robinson and Mr. Gerald R. Robinson.

Mr. MELCHER. Mr. President, a number of landowners in Montana owned property within the boundaries of land that became Glacier National Park.

For the two Robinson brothers in Great Falls, MT, passage of this bill brings for them fairness and equity in a regrettable happening affecting their former property within the boundaries of Glacier National Park.

This land was homesteaded by their grandparents and later became part of Glacier Park. The land and the buildings was later condemned and acquired by the United States. Contrary to most arrangements, and obviously against the Robinson's will, they were denied life occupancy of the cabin and a few acres of their former property.

To correct this inequity this bill will give them the right of life occupancy. They have reached threescore years and ten.

They deserve this consideration as so many others have had where their land was acquired within Glacier National Park.

I believe that the Senate is justified in passage of this bill, and I regret the long delay in granting this consideration to the Robinsons.

Mr. BAUCUS. Mr. President, I rise in support of S. 1849, legislation to allow Conwell F. Robinson and Gerald R. Robinson to live on their family's homestead for the remaining years of their life.

This legislation will solve an unfair Federal action against a private citizen once and for all. Senator MELCHER and I agree that it is necessary to legislate. I don't often see reason enough to take action by private relief legislation, but the facts are plain enough. The Robinson brothers have been unfairly treated. The Park Service will not act. I am convinced that Congress must act.

Let me highlight what has happened here. During 1965, an assistant park superintendent began a series of steps to condemn the Robinson, or more correctly, the McCarthy homestead. The Robinsons had requested life use of the property. Life use was denied them in 1967.

Just 1 year later, it became official policy of Glacier National Park that inholders would not be pushed off their land. Retention of life estates became official policy of the park. Condemnation is used only in extreme cases. Specifically, the policy states:

> No condemnation of privately owned land (would be allowed) except where the property is needed for development of public use facilities or where the owners proposed to change the use of their property in a manner that is incompatible with the purposes for which the park was established.

In the more than 20 years that has elapsed, the Park Service hasn't developed a public use facility on Mr. Robinson's property. No change in the property's use has been planned by Park Service or Mr. Robinson. Yet, the Park Service has refused life tenancy.

I believe the actions of the Park Service are a contravention of park policy. Over-zealous management pursuing the old policy of ridding Glacier National Park of inholdings allowed Mr. Robinson's interests to be trampled.

Reducing inholdings in the park over time is a correct policy and I support it. More people visit Glacier Park every year than live in all of Montana. People come from all over the Nation and around the world to enjoy the majestic peaks, the splendid vistas and the abundant wildlife of Glacier National Park. Montanans are proud to share this jewel of the big sky country with visitors from around the globe.

But Glacier was not carved out of pure wilderness. By the time its beauty was recognized, homesteading and development around its edges had already begun. In fact, the first oil exploration in Montana occurred a short distance from the site of the Robinson homestead, in what today is considered pristine parkland. Our early settlers worked this land. They invested themselves in it.

I think life tenancy is a modest thing to ask of our country in exchange for condemnation.

The enabling legislation creating Glacier Park and current policy provides a basis for the Park Service to address this wrong without legislation, but the park won't act. Those who argue that allowing Mr. Robinson to have life tenancy would set a bad precedent are ignoring equity and fairness. The real bad precedent is the Park Service's unwillingness to grant a reasonable request to let these people live in their historic home for the duration of their lives.

I am pleased that the Senate has the chance to set this straight today. I urge my colleagues to support S. 1849.

The PRESIDING OFFICER. The question is on the engrossment and the third reading of the bill.

The bill (S. 1849) was ordered to be engrossed for a third reading, was read the third time, and passed as follows:

S. 1849

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a)(1) the Secretary of the Interior shall grant a life estate special use permit to Mr. Conwell F. Robinson and Mr. Gerald R. Robinson to use the property in Glacier National Park described in paragraph (2)

(2) The property referred to in paragraph (1) is Tract 3998 which is property formerly owned by the Robinson brothers. The property was originally homesteaded by maternal grandparents of the Robinson brothers prior to the creation, of Glacier National Park and was deeded to their grandmother, Margaret McCarthy, by President Woodrow Wilson on April 23, 1915. Tract 398 was taken from the Robinson brothers by condemnation through an eminent domain action brought by the United States Government in 1967.

(b)(1) The special use permit granted by this Act shall be extended for a period coincident with the lives of Conwell F. Robinson and Gerald R. Robinson.

(2) The special use permit granted by this Act shall grant to Conwell F. Robinson and Gerald R. Robinson reasonable use of the property.

(c) Any fee collected for the special use permit required by this Act shall be fair and reasonable and in an amount necessary to cover the administrative costs associated with granting the permit, except that in no event shall the fee collected exceed $10 per annum.

(d) The Secretary shall promulgate such regulations as the Secretary deems are necessary to insure that the life estate special use permit granted by this Act does not unreasonably diminish the scenic, historic, and other values for which the Glacier National Park was established.

MANAGEMENT OF CERTAIN FEDERAL LANDS IN ALASKA

The Senate proceeded to consider the bill (H.R. 2596) to improve Federal management of lands on Admiralty Island, AK, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and insert in lieu thereof, the following:

SECTION 1. SHORT TITLE AND PURPOSE.

(a) SHORT TITLE.—This Act may be cited as the "Admiralty Island National Monument Land Management Act of 1988".

(b) PURPOSE.—The purpose of this Act is to improve Federal management of lands on Admiralty Island, Alaska, as provided herein.

SEC. 2. FINDINGS.

The Congress hereby finds that—

(a) Admiralty Island National Monument, Alaska, is an area of unparalleled natural beauty containing multiple values including, but not limited to, fish, wildlife, forestry, recreational, subsistence, educational, wilderness, historical, cultural, and scenic values of enduring benefit to the Nation and the Native peoples residing therein; and

(b) land management and Federal administration of Admiralty Island National Monument may be enhanced by Federal land acquisitions, through land exchanges or otherwise, and by cooperative agreements between the Federal Government and the indigenous residents of the Island, the people of the City of Angoon and the Native Village Corporation, Kootznoowoo, Incorporated.

SEC. 3. LAND ACQUISITION AND EXCHANGE.

(a) Section 506(a) of the Alaska National Interest Lands Conservation Act (Public Law 96-487, as amended) is hereby amended by adding at the end thereof the following new paragraph:

"(9)(A) The Secretary is authorized and directed to: Enter into such cooperative agreements and agreements for land acquisition, through exchange or otherwise, with Kootznoowoo as are deemed necessary by the Secretary to carry out the purposes specified in sections 101 and 503 of this Act and to improve the management of Federal lands on Admiralty Island.

"(B) The Secretary shall make every effort to complete agreements within eighteen months of the date of enactment of this paragraph.

"(C) The Secretary shall report to Congress before the end of such eighteen-month period on the status and results of negotiations with Kootznoowoo. The report shall include, but not be limited to, any Kootznoowoo properties proposed to be acquired by the United States, any Federal lands or other compensation to be offered in exchange, and the text of any proposed or executed agreements.

"(D) Any lands on Admiralty Island acquired by the United States pursuant to this paragraph shall be added to and incorporated within the Admiralty Island National Monument.

"(E) The inability of the Secretary and Kootznoowoo to reach agreement shall not preclude subsequent negotiations at any time for the purposes of land exchanges or other matters.

"(F) Enactment of this paragraph shall not create any right or cause of action by Kootznoowoo, Incorporated, or any other party against the United States.".

SEC. 4. LAND SELECTION CONSOLIDATION.

(a) Section 506(a)(5) of the Alaska National Interest Lands Conservation Act (Public Law 96-487, as amended) is hereby amended by adding at the end thereof the following new subparagraphs:

"(C) In order to consolidate Federal land ownership and improve management of land and timber resources in the area, lands within the sale area and lands between such sale area and lands lying to the east of such sale area which have been or may be conveyed to Kootznoowoo pursuant to this paragraph (5), and not otherwise committed by contract, shall be specifically considered by the Secretary for exchange with Kootznoowoo, Incorporated. Nothing in this section shall affect valid land selections which the State of Alaska has filed with the Federal Government under Public Law 85-508.

"(D) The Secretary of Agriculture may require as a condition precedent to any exchange of lands with Kootznoowoo, Incorporated, pursuant to this Act that any party (other than the United States) owning the subsurface estate in lands proposed to be transferred to the United States by Kootznoowoo, Incorporated, in furtherance of such exchange agree to transfer such subsurface estate to the United States in exchange for the subsurface estate in the lands proposed to be transferred to Kootznoowoo, Incorporated, in furtherance of such exchange.

"(E) Any transfer pursuant to subparagraphs (C) and (D) of this paragraph shall be subject to valid existing rights.

"Nothing in subparagraphs (C) and (D) shall create a right or cause of action by Kootznoowoo, Incorporated, or any other party against the United States.".

SEC. 6. ADMINISTRATIVE PROVISIONS.

(a) Section 703(a)(1) of the Act is amended by deleting the words "Admiralty Island National Monument Wilderness" and inserting in lieu thereof "Kootznoowoo Wilderness".

(b) Lands transferred, exchanged, or granted pursuant to provisions of section 506(a) of the Act shall be deemed to have been transferred, exchanged, or granted as of January 9, 1981: *Provided,* That this effective date not be construed in any way so as to obligate any payments by the United States, or as to require the escrow of any funds which may have been generated on such lands prior to December 2, 1980.

(c)(1) All rights, title, and interests to that portion of the approximately 17.34 acres comprising the Angoon Administrative Site which, pursuant to paragraph (c)(2) of this section, the Secretary dictates for uses related to the administration of the Tongass National Forest, are hereby confirmed in the United States, said parcel being a valid existing Federal administrative site as referred in section 506(a)(3)(A) of the Alaska National Interest Lands Conservation Act (Public Law 96-487, as amended). Said administrative site is located on Admiralty Island in township 50 south, range 68 east, section 31, Copper River Meridian and township 50 south, range 67 east, section 36, Copper River Meridian.

(2) Within one year of enactment of this paragraph, the Secretary of Agriculture shall adjust, and resurvey as necessary, the boundaries of the Angoon Administrative Site to include only that portion of the site described as follows:

(A) those lands which lie within the following described boundaries, comprising 4.68 acres more or less:

Beginning at corner 1, also corner 9 of United States survey number 3756;

Thence north 45 degrees 30 minutes west 540.79 feet to corner 2,

Thence north 45 degrees 00 minutes east 376.60 feet to corner 3,

Thence south 45 degrees 30 minutes east 540.79 feet to corner 4,

Thence south 45 degrees 00 minutes west 376.60 feet to corner 1, also corner 9 of United States survey number 3756, the point of beginning.

(B) those lands which lie within that area adjoining the northeastern boundary of the 4.68 acre tract and the mean high tide line of Kootznahoo Inlet, subject to a perpetual public easement for the existing Angoon-Killisnoo Road; and

(C) an easement for road and utility access to the 4.68 acre tract from the western or southern boundary of the 17.34 acre site. To the maximum extent feasible, the Secretary shall locate said easement to connect to and follow the existing right of way for Relay Road, which lies between lots 1 and 6 of the Samuel G. Johnson subdivision. Said easement shall be at a precise location and of dimensions which the Secretary determines is reasonably necessary for present and projected Federal uses of the site related to administration of Tongass National Forest. Said easement shall be subject to any valid existing rights except those of Kootznoowoo, Incorporated: *Provided,* That the easement shall not be located on any lands conveyed by Kootznoowoo, Incorporated to a third party prior to June 1, 1988, without the express consent of such party: *Provided further,* That the Secretary shall exclude from the lands so retained those lands which were occupied on June 1, 1988, by structures and improvements that were not contructed by or for the United States including easements related thereto, or which were constructed by or for the United States but which the Secretary determines are not reasonably necessary for present or projected Federal uses related to the administration of the Tongass National Forest: *And provided further,* that the Secretary shall not exclude from the 4.68 acre tract any lands occupied by existing power utility lines or poles, and the lands so occupied shall be subject to an easement to allow for their continued use, maintenance, and repair.

(3) Title to all lands within the 17.34 acre administrative site which are not included by the Secretary in the adjusted area provided by paragraph (c)(2) shall be conveyed by the Secretary of Agriculture by quitclaim deed to Kootznoowoo, Incorporated.

(4) The provisions of paragraphs (c)(2) and (c)(3) are subject to the condition precedent that Kootznoowoo, Incorporated executes an appropriate written agreement acceptable to the United States Attorney for the District of Alaska to dismiss, with prejudice, the pending litigation entitled Kootznoowoo, Inc. v. United States Department of Agriculture, Forest Service, Civil number A84-575, in the United States District Court for the District of Alaska, and agrees therein that Kootznoowoo, Incorporated and the United States shall each bear their own costs of said litigation, including attorney's fees.

The **PRESIDING OFFICER.** The question is on agreeing to the committee substitute.

The committee substitute was agreed to.

Mr. **MURKOWSKI.** Mr. President, H.R. 2596 is a bill to improve the Federal management of Admiralty Island National Monument in Alaska. This monument is an important part of the Tongass National Forest, an area of more than 17 million acres that contains some of the most spectacular scenery and natural resource values in the world. Admiralty Island is the ancestral home of the Tlingit Indians who reside in Angoon, the only permanent settlement on the island. The monument also is the home of abundant wildlife populations, including the densest populations of brown bears and bald eagles in North America. Much of the monument has been designated as wilderness, and the valuable resources of the island are vital to the people of Angoon for subsistence purposes.

Admiralty Island signifies, in many respects, the management issues that confront the Tongass National Forest itself. Both contain superlative scenic, wildlife and subsistence values. Both provide a resource base that is essential to the residents who live within, or close by, their boundaries. And both are the subject of difficult questions involving how to best use, manage and protect their valuable resources in a manner that is consistent with the purposes for which the monument and the national forest were established. The bill before us, Mr. President, would address one aspect of these management concerns by fostering a constructive long-term working relationship between the U.S. Forest Service, the Federal land manager of the monument and Kootznoowoo, Inc., the Alaska Native Village Corporation for Angoon.

H.R. 2596 is intended to put the management of the national monument on a track where the land use issues and concerns that have arisen between the Forest Service and Kootznoowoo can be resolved in a spirit of cooperation. It authorizes and directs the Secretary of Agriculture to negotiate with Kootznoowoo, pursuant to existing authority, for voluntary land acquisitions and management agreements that would consolidate the corporation's inholdings and incorporate into the monument some of Kootznoowoo's private lands that have high natural resource value.

Every reasonable effort should be made to complete these agreements within 18 months. Once finalized, the agreements should assist the corporation in making better use of its resources and help the Forest Service manage and protect monument values more effectively. While the nature of such agreements is not specified in this act, nor is any agreement made mandatory, the intent and desire of the Congress that agreements be reached is indicated by the requirement of a report to Congress on the results of these negotiations. In the meantime, Kootznoowoo should receive its conveyances under the Alaska Native Claims Settlement Act expeditiously.

Mr. President, the bill also provides for the consolidation of some of Kootznoowoo's land holdings and selections on Prince of Wales Island. The area involved is now subject to a Federal timber sale, and nothing in this legislation is intended to interfere with that legal obligation or the operations thereunder. Instead, H.R. 2596 requires the Secretary to consider for exchange with Kootznoowoo lands on Prince of Wales Island that are not committed by contract. Kootznoowoo already holds timberlands in this area; by acquiring nearby lands through exchange the corporation will be able to make the most efficient use of existing roads and log transfer facilities. Such a result not only assists Kootznoowoo, but should result in better management of Tongass timber resources.

Mr. President, section 5 of H.R. 2596 contains miscellaneous provisions that are of considerable importance to the people of Angoon. For example, it provides a legislative settlement to litigation between Kootznoowoo and the Forest Service over the ownership of the Angoon administrative site. It confirms U.S. ownership of a 4.68-acre parcel to be used by the Forest Service as an administrative site for the monument, with the remainder of the disputed 17.34-acre parcel to be conveyed to Kootznoowoo after its lawsuit has been withdrawn.

In addition, Mr. President, it changes the name of the "Admiralty Island National Monument Wilderness" to the "Kootznoowoo Wilderness." This change signifies the long history of the Tlingits on Admiralty Island. In Tlingit, "Kootznoowoo" means "fortress of the bears." By making this change, we will recognize both the remarkable population of brown bears found on Admiralty Island and the traditional heritage of the ancestral home of the people of Angoon.

I am pleased that this bill, related to the interests of Kootznoowoo and Angoon, will be passed by this Congress. Many of us have hoped to resolve more comprehensively the land tenure and resource development issues on Admiralty Island, and perhaps acquire other surface and subsurface interests there. These issues remain on the agenda for the future.

The PRESIDING OFFICER. The question is on the engrossment of the committee amendment and third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

So the bill (H.R. 2596) was passed.

ACQUISITIONS AT THE WOMEN'S RIGHTS NATIONAL HISTORICAL PARK

The bill (H.R. 2952) to increase the amount authorized to be appropriated for acquisition at the Women's Rights National Historical Park, was considered, ordered to a third reading, read the third time, and passed.

Mr. BYRD. Mr. President, I ask unanimous consent that the motion to reconsider en bloc be laid on the table with reference to the aforementioned calendar orders.

The PRESIDING OFFICER. Without objection, it is so ordered.

APPOINTMENT OF CAMPAIGN FINANCE TASK FORCE

Mr. DOLE. Mr. President, as my colleagues are only too aware, the issue of campaign finance reform was before this body for a great deal of time earlier this year. Unfortunately, while there was interest on the part of a great many in putting into place some long overdue changes in our current system, we were unable to reach any consensus.

In large part, this lack of agreement is not difficult to understand given the tremendous difference of opinion between the two parties. One of those areas where this disagreement was evident was in the treatment of individual and PAC contributions. Republicans were and still are willing to try to bring campaign spending under control. But in opposing the aggregate spending caps proposed, we believe we lean in the direction of increasing the role of the individual contributor and decreasing the importance of PAC's.

Some suggested that in opposing aggregate spending limits, Republicans were acting as obstructionists—but thats not truth in advertising. Look at the record—S. 1672, introduced last year by the Senator from Kansas and 11 of his colleagues is an indication of our seriousness. In doing so, we presented our plan for real reform—not incumbent protection.

And that is really what this is all about Mr. President. Those in the majority have proposed so-called reform measures that will keep them here. Let us face facts and look at the numbers: The Democrats enjoy a majority in both the Senate and the House. It follows that an incumbent protection bill favors the Democrats.

This is one Republican who insists on a two-party system. I have worked to help broaden the party, the Republican Party. But the fact is, that we are out numbered in many parts of the country. In the South, for example, registered Democrats out number Republicans by a 4-to-1 margin, or more.

I ask my colleagues, how in the world are we supposed to compete—or even hope to get our message out—if we are not allowed to wage an aggressive, fair and square fight? I would ask to have included in the RECORD an article which appeared in last Sunday's New York Times. The article which is entitled "It's a House of the Same Representatives."

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DOLE. Mr. President, the article describes in some detail the uphill fight Republicans have to wage—which is made that much worse by our current campaign financing laws.

However, we are not going to be able to resolve this issue this year. So, I have asked six of my colleagues, five of whom have served as chairman of the Republican Senatorial Campaign Committee, to work together as a task force and put together a suggested package of reforms that we can consider next year.

Senators STEVENS, PACKWOOD, LUGAR, HEINZ, BOSCHWITZ, have been chairmen or are chairmen, Senator BOSCHWITZ, chairman of the Senatorial Committee, and I have asked Senator MCCONNELL, who has been the leader on this side on campaign finance reform if he would chair this working group.

So I would say to my colleagues on both sides who are concerned about campaign finance reform, we are, too. We are willing to work with our colleagues maybe it can be bipartisan, nonpartisan, but reform is long overdue. And we believe that we can come to grips with this issue next year.

I yield for a comment to the Senator from Kentucky.

EXHIBIT 1

IT'S A HOUSE OF THE SAME REPRESENTATIVES—THE INCUMBENTS ALMOST ALWAYS WIN

(By David E. Rosenbaum)

WASHINGTON.—The Founding Fathers intended the House of Representatives to be the part of the Federal Government closest to the electorate and thus most responsive to shifts in political winds. Describing the function of the House under the Constitution, Alexander Hamilton declared: "Here, sir, the people govern. Here they act by their immediate representatives."

In the early years of the Republic, that was the case. But in the last generation, the House has become almost immune to change despite political upheavals elsewhere, through liberal and conservative Presidents, Democratic and Republican Senates.

This year, not only is the Presidency up for grabs, but possibly a dozen or more of the 33 Senate seats at stake in the November election will change hands. Twenty-seven Senators are running for re-election, and a half dozen are in very close races. Six Senators are retiring and a seventh seat will be vacated by the next Vice President. Yet in the House the Democrats are sure to stay in control, as they have been for the last 34 years, and the chamber's membership, its leadership and its committees will remain almost identical to what they are this year.

All but 24 of the 432 representatives (there are three vacancies) are running again, leaving even fewer open seats than the 40 or so that have been the rule in recent elections. About 70 incumbents are unopposed, and most of the rest are not threatened. Republicans and Democrats alike say they will be surprised if as many as a dozen incumbents lose in November.

A PERMANENT MINORITY

That will merely continue the trend of the last several decades. In 1986, 90 percent of the incumbents won. In more than seven-eighths of all House races in 1984 and 1986, the victor received more than 55 percent of the vote, the dividing line between what politicians consider competitive and one-sided elections.

"With so little turnover, you end up having a permanent majority party and a permanent minority party," said Thomas E. Mann, director of governmental studies at the Brookings Institution. "It would be healthy if periodically national political tides could sweep through the House and change party control."

Fred Wertheimer, president of Common Cause, a public affairs lobby, added: "When you eliminate competitive elections, you eliminate accountability from our representative system."

This year, some incumbents who might be expected to be vulnerable seem likely to win anyway. They include Representatives Roy P. Dyson of Maryland and Bill Chappell Jr. of Florida, both Democrats, whose dealings with military contractors are being examined in the Federal investigation of Pentagon procurement practices. They have weak, underfinanced opponents.

Even Representative Pat Swindall, a Georgia Republican, is an even bet for re-election, despite his embarrassing acknowledgment that he had negotiated an $850,000 personal loan after having been warned that the loan was part of a scheme to launder drug dealers' money.

The few other incumbent representatives who are in serious trouble this year mostly come from rare swing districts and have not been in Congress very long. An example is James McClure Clarke, a Democrat, whose district in western North Carolina has changed hands in every election in this decade.

Why does the Senate normally have much more turnover? Senators tend to be older and a larger proportion of them retire every two years when a third of the 100 seats are at stake. Candidates in statewide races get more free coverage and thus incumbency does not carry as big an advantage as in the House. Twenty-one incumbents and 13 freshmen were elected to the Senate in 1986, about average for the last 40 years. Six of the new senators filled seats of those who had retired; seven had defeated incumbents.

But House members are protected from competition in large part because, as the Dyson and Chappel cases illustrate, neither party is able to field top-notch candidates regularly to run against long odds and challenge incumbents. "Money is the first, second and third reason you have such lousy challengers," said Norman J. Ornstein, a specialist on Congress at the American Enterprise Institute.

Through last June, challengers running in this year's election had raised a total of $20 million; incumbents, $109 million. "They are able to get money because they are unlikely to lose, and they are unlikely to lose because they have so much money," David R. Mayhew, a professor of government at Yale, said of the incumbents.

In addition, many represenatives spend more time and resources acting as ombudsmen for their constituents than they spend on legislation, and that makes them popular at home. Lawmakers are generally in a favorable position, regardless of their voting records, if they have strong records of winning Federal contracts for their districts and intervening for constituents who have problems with Federal agencies.

The emphasis House members are placing on serving constituents can be seen in the way they organize their staffs. As recently as 15 years ago, fewer than one-quarter of representatives' staff members were based in their district offices. Today, more than 40 percent are, and many congressmen have larger staffs at home than they do in Washington.

The representatives are also taking greater advantage of their postage privileges. The cost to the Government of mail from the House of Representatives rose to $96 million in 1986 from $11 million in 1971. "I see challengers who spend months planning their direct-mail campaigns and raising the money for it," said Rich Galen, a spokesman for the National Republican Congressional Committee. "Congressmen have whole staffs that put out thousands of pieces of mail free every year."

ATTRACTIVE ALTERNATIVES

Robert D. McClure, a political scientists at Syracuse University who has recently completed a book, "Political Ambition," on why people do and do not run for Congress, said the problem of finding worthy challengers was heightened by the fact that state legislatures, as they become more professional operations, are not the farm system for Congress they once were.

The legislatures are no longer backwaters, he noted, and politicians can reach positions of authority in them rather quickly. The issues may not be of the magnitude of those in the Capitol, but lawmakers with a modest amount of seniority in the New York legislature can have more influence on policy than a backbencher in the House, where only a few senior members have real influence on matters like arms control and taxation.

"It requires a person of extraordinary foresight and enormous ambition to mount a challenge for a seat in Congress," Mr. McClure said. "Few people are like that."

Mr. McCONNELL. I thank the Republican leader. Just a couple of brief observations. There are a number of things that could and should be done that would benefit either side. We could lower the cost of television, and I have a bill to do that. Senator INOUYE had hearings on that subject. It is bipartisan support for that.

I think a lot of us think we ought to limit the influence, if not eliminate altogether the influence of political action committees. We could do that.

We ought to do something about the millionaire problem in politics and we ought to do something about the Presidential election system which has certainly been the disgrace out there in the country.

So I thank the leader for his expression of confidence and will look forward to reporting back to you prior to next year with the kind of package that, hopefully, both sides can agree to because we do not want to try to write the rules in a way that benefit the Republicans or Democrats. We need some real campaign finance reform that is across the board and will endeavor to do that, I think.

Mr. DOLE. I thank the Senator from Kentucky. One thing, from personal experience, we might want to review the operations of the Federal Elections Commission.

On a personal note, when I was a Presidential candidate, I dropped out in March and they are still working on my campaign and will be at work for another year. We are supposed to staff it and keep our campaign alive even though it died in the spring. It costs money to do that. Maybe we can even look into the FEC as to how we can streamline that.

Mr. McCONNELL. I might say, the Republican leader is lucky. I am not certain, but as of a couple months ago, Walter Mondale's campaign was not concluded.

Mr. DOLE. Maybe it is necessary. I do not want to quarrel about it since it involves this Senator. The Senator is right. Former Senator Mondale is still being reviewed by the FEC and others who have been out of the race for years.

My view is there ought to be some way they can bring this in because of the costs. In any event, that is another area we can get into.

RECONSIDERING MINIMUM WAGE

Mr. DOLE. Mr. President, I told the majority leader on yesterday that I intended to enter a motion to reconsider the cloture vote on minimum wage which the Senate held last Friday. The majority leader made the decision to recess indicating that it was not his wish to return to consideration of the minimum wage bill, having discussed that bill last week. It is the belief of this Senator that an opportunity to achieve a compromise on the minimum wage was lost by that action. We were open to proposals to modify the bill so we might achieve real bipartisan agreement but we were told that changes were out of the question.

The Senate never got to vote on the issue of a training wage. The Senate never got to vote on the modest raise in the minimum wage that could have achieved true bipartisan support.

As I indicated in my comments yesterday, I had hoped that we might at least maintain the ability to return to this issue by reconsidering the cloture vote.

The PRESIDING OFFICER. The Senator from Florida, Senator GRAHAM.

Mr. BYRD. Mr. President, will the distinguished Senator yield?

"SENATE BICENTENNIAL MINUTES"

Mr. BYRD. Mr. President, I send to the desk a concurrent resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 146) to authorize the printing of Senator BOB DOLE's series of "Senate Bicentennial Minutes."

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

The PRESIDING OFFICER. If there be no further debate, the question is on agreement to the concurrent resolution.

The concurrent resolution (S. Con. Res. 146) was agreed to, as follows:

Whereas the Senate of the United States in 1989 will commemorate its two hundredth anniversary; and

Whereas the Senate has determined that the series of "Senate Bicentennial Minutes", which Senator Bob Dole began on January 6, 1987, is worthy of separate publication and wide distribution: Now therefore, be it

Resolved by the Senate (the House of Representatives concurring), That there be printed as a Senate document "The United States Senate Historical Almanac" by Senator Bob Dole to be published under the supervision of the Secretary of the Senate with the editorial assistance of the Senate Historical Office.

SEC. 2. Such document shall include illustrations, and shall be in such style, form, manner, and binding as directed by the Joint Committee on Printing after consultation with the Secretary of the Senate.

SEC. 3. In addition to the usual number of copies, there shall be printed with suitable binding 5,000 additional copies, for use by the Secretary of the Senate.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. I thank the distinguished Senator.

Mr. DOLE. I thank the majority leader.

The PRESIDING OFFICER. The Senator from Florida.

(The remarks of Mr. GRAHAM pertaining to the introduction of legislation appear in today's RECORD under Statements on Introduced Bills and Joint Resolutions.)

The PRESIDING OFFICER. The Senator from Alaska.

GIRL SCOUTS OF AMERICA "FIGHT DRUGS" INITIATIVE

Mr. STEVENS. Mr. President, today Senators KASSEBAUM and MIKULSKI joined me for a luncheon meeting with the Girl Scouts of America to learn about its new "Fight Drugs" initiative. Today the Girl Scouts kicked off this program which is targeted at girls 5 to 11 years old and is designed to prevent substance abuse.

I might say that there is a copy of this program in the office of every Member of Congress tonight and each Governor of the 50 States and it has been sent to the leader of every one of the Brownie Scout troops in the country.

Girl Scouts of the USA, with more than 3 million members, is in a unique position to mobilize American young people in the war on drugs. Because one in four girls ages 6 to 8 is currently a Girl Scout, "Fight Drugs" is expected to have a nationwide impact.

"Fight Drugs" activities will help girls establish a support network of peers and adults. Each time a girl completes a "Fight Drugs" learning activity, she will receive a "Fight Drugs" sticker. Each time she shares what she has learned with a family member or friend, she will give that person two stickers—one to keep and one to share. I have one on me today. This learning network, symbolized by "Fight Drugs" stickers, is central to the Girl Scouts' war on drug abuse.

The campaign was initiated by Girl Scout National President Betty F. Pilsbury, who served as a 1988 Presidential appointee to the White House Conference for a Drug Free America. I want to commend Mrs. Pilsbury and the Girl Scouts for their efforts to fight what I believe is one of the most critical problems facing our Nation today. Mr. John Coleman has worked with Mrs. Pilsbury on this initiative.

Although the Federal Government must play an active role in the war against drugs, Government action alone will not achieve our goal of a drug-free America. It will only be through a partnership of Federal, State, and local government in unison with the private sector and the nonprofit institutions of this country that can win this war.

The Girl Scouts began substance abuse education activities in 1985 with the publication "Tune Into Well-Being, Say 'No' to Drugs." They really started the "Say no" concept, I think. Since then Girl Scout Councils have implemented successful drug education projects designed to build self-esteem, decisionmaking skills, and teach the facts about drug abuse. Today they begin yet another initiative. As a father of three girls, one of whom is just about Brownie age, I am delighted to join my colleagues in commending this effort.

Mr. President, I ask unanimous consent that the press release announcing this new program be printed in the RECORD. I also ask unanimous consent that the Girl Scout Promise and the Girl Scout Law be printed in the RECORD as a reminder of the traditional values upon which this Nation was built. As Senator MIKULSKI, a former Scout, said today, "If the Girl Scout Promise and the Girl Scout Law were good enough for me as a Girl Scout, then they are good enough for me as a United States Senator."

There being no objection, the material was ordered to be printed in the RECORD, as follows:

GIRL SCOUTS TAKE THE LEAD IN FIGHTING DRUGS

More than three million Girl Scouts nationwide are joining forces in a campaign to fight drugs. The Fight Drugs campaign was initiated by Girl Scout National President Betty F. Pilsbury who was a Presidential appointee to the White House Conference for a Drug Free America. Fight Drugs focuses on mobilizing Daisy and Brownie Girl Scouts, ages 5 to 8, to take the lead among their peers in the war against drugs.

"One of the best ways to learn something is to teach someone else. When girls, even as young as Daisy and Brownie Girl Scouts, announce that they are going to participate in "Fight Drugs" and they ask their friends to join them, they become effective warriors in the battle," says Mrs. Pilsbury.

Girl Scouts began drug education activities in 1985 with the publication of Tune Into Well-Being, Say "No" to Drugs. Since then, Girl Scout councils have successfully implemented drug education projects designed to build self-esteem, develop decision-making skills and teach the facts about drug use.

"We Girl Scouts have earned high recognition and fine credibility. Who is better equipped to spread an anti-drug warning? Now we will mobilize all our members to fight drugs in the broader community," says Mrs. Pilsbury.

Fight Drugs is expected to have a widespread impact on children nationwide, since one of every four girls ages 6 to 8 is a Brownie Girl Scout. Daisy and Brownie Girl Scouts will be talking with their friends, schoolmates and neighbors about the dangers of drugs. Children who join the Girl Scouts in Fight Drugs will receive an official Fight Drugs sticker from their Girl Scout friends.

On September 28, Mrs. Pilsbury will kick-off the Fight Drugs initiative at a luncheon in Washington, DC. Senator Ted Stevens (R-AK) is hosting the luncheon for members of the United States House and Senate. That same day, Girl Scouts will deliver Fight Drugs messages to every United States Representative and Senator.

GSUSA is the world's largest voluntary organization for girls. Headquarters are in New York City.

THE GIRL SCOUT PROMISE

On my honor, I will try:
To serve God and my country,
To help people at all times,
And to live by the Girl Scout Law.

THE GIRL SCOUT LAW

I will do my best:
to be honest
to be fair
to help where I am needed
to be cheerful
to be friendly and considerate
to be a sister to every Girl Scout
to respect authority
to use resources wisely
to protect and improve the world around me
to show respect for myself and others through my words and actions.

ORDERS FOR THURSDAY

RECESS UNTIL 11 A.M.

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 11 a.m. tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders have been recognized under the standing order, there be a period for morning business not to extend beyond the hour of 11:30 a.m. and that Senators may speak during that period for not to exceed 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 11 A.M. TOMORROW

Mr. BYRD. Mr. President, if there be no further business to come before the Senate, I move in accordance with the order previously entered that the Senate stand in recess until the hour of 11 o'clock a.m. tomorrow.

The motion was agreed to, and the Senate, at 7:02 p.m., recessed until Thursday, September 29, 1988, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate September 28, 1988:

IN THE COAST GUARD

THE FOLLOWING REGULAR OFFICERS OF THE U.S. COAST GUARD FOR PROMOTION TO THE GRADE OF CAPTAIN:

LAWRENCE F. COX, JR.
FRANCIS J. AUBE
RICHARD J. ASARO
ARTHUR W. MCGRATH, JR.
ALEXANDER T. POLASKY
JOHN A. BASTEK
LEIGHTON T. ANDERSON
JOHN R. TAYLOR
DENNIS L. BRYANT
JAMES T. PASKEWICH
WILLIAM R. JOHANEK
THEODORE J. SAMPSON
RONALD S. MATTHEW
EDMUND I. KILEY
JAMES T. DOHERTY, JR.
JOHN F. STUMPFF
JAMES L. HESTED
EDWARD C. KARNIS
GEORGE H. MERCIER
JAMES A. SMITH
JUAN T. SALAS
THOMAS E. THOMPSON
RONALD L. EDMISTON
RICHARD R. CLARK
ARTHUR F. SHIRES
KEVIN V. FEENEY
WILLIAM J. THEROUX
ROBERT E. GRONBERG
ROGER D. MOWERY
JACK W. SCARBOROUGH
RICHARD L. CASHDOLLAR
HAROLD B. DICKEY
BRUCE E. WEULE
JOHN W. MCBRIDE
WAYNE K. SIX
JAY A. CREECH
WILLIAM F. HOLT
JOHN R. HRUSKA
ROBERT K. JONES
OLAV R. HANEBERG
THOMAS J. BURNAW
CHARLES R. LELAND
RICHARD R. BUHL
FREDERICK H. EDWARDS III
ROBERT E. LUCHUN
MICHAEL R. PERKINS
FRANCIS P. HOPKINS
DENNIS M. MAJERSKI
THOMAS D. BRENNAN
THOMAS J. BARRETT
FREDERICK N. WILDER
TIMOTHY W. JOSIAH

THE FOLLOWING RESERVE OFFICERS OF THE UNITED STATES COAST GUARD TO BE PERMANENT COMMISSIONED OFFICERS IN THE GRADES INDICATED:

To be lieutenant

DAVID CALVERT
ERIC P. IMHOF

To be lieutenant (junior grade)

CYNTHIA AXELL
HENRY P. LEEPER
NEIL L. NICKERSON
JOHN G. STANLEY

To be chief warrant officer, W3

DAVID P. HARTLEY

THE FOLLOWING REGULAR OFFICER TO BE A MEMBER OF THE PERMANENT COMMISSIONED TEACHING STAFF OF THE COAST GUARD ACADEMY AS AN INSTRUCTOR IN THE GRADE OF LIEUTENANT:

ROBERT R. ALBRIGHT

IN THE COAST GUARD

THE FOLLOWING REGULAR OFFICERS OF THE U.S. COAST GUARD FOR PROMOTION TO THE GRADE OF COMMANDER:

JAMES W. MEYER
CHARLES A. FARNSWORTH
ROBERT W. BRACH
JAMES E. KOEHLER
BRUCE A. TERRELL
CARL V. MOSEBACH
MICHAEL G. FAY
DAVID B. CRAWFORD
BERNARD J. ROAN
JOHN E. VEENTJER
THOMAS J. ALLARD
JOHN R. SPROUSE
BRIAN J. CLARK
GEORGE T. GUNTHER
DAVID R. NICHOLSON
JOSEPH E. BLANCHARD
JOHN D. COOK
BYRON D. WARD, JR.
THOMAS J. DONLON
RAY W. CLARK, JR.
DAVID W. SMITH
THOMAS J. COLLINS III
TAJR HULL
JOHN V. O'SHEA
GARY S. STEINFORT
GRANT E. LEBER
MICHAEL J. PIERCE
ROBERT E. YOUNG
STEVEN J. BELLONA
DENNIS H. SCHENCK
ROBERT W. BRUCE, JR.
FREDRICK A. ADAMS
ROBERT G. ROSS
DONALD S. LEWIS
ROBERT F. O'HARA
DOUGLAS I. BOYLES
STANLEY T. FUGER, JR.
EDWARD P. BOYLE
ROBERT L. SKEWES
DAVID W. BEACH
DAVID M. RICE
PETER A. POPKO
RODNEY B. BOWLES
DAVID A. ANDERSEN
KEITH CODDINGTON
DALE L. THOMPSON
MICHAEL M. ROSECRANS
MICHAEL M. ASHDOWN
JAMES R. LOEW
DANTE J. GRASSO, JR.
MICHAEL F. BREEN
GEORGE F. WRIGHT
ROBIN E. GUTRIDGE
ROBIN E. CRUSSE
KENNETH N. KNUTSON, JR.
MICHAEL A. ROBINETT
FREDDY L. MONTOYA
HARRY K. FOOTE
ROBERT F. PETKO
LARRY L. HERETH
JIMMIE L. SETHER
DANIEL J. SCHERER
ROBERT E. DODGE, JR.
ROBERT G. BLYTHE
DAVID R. INNIS
JAMES M. COLLIN
ROBERT F. RZEMIENIEWSKI
ROBERT C. JOHNSON
JAMES L. CONVERSE
STEPHEN L. JOHNSON
MICHAEL W. BROWN
PETER J. BOYD
THOMAS D. MEYER
JOHN S. CLAY
GREGORY L. RAHL
DAVID W. MOORE
GUY H. BUCKELEW
RANDAL K. CORRIGAN
GARY R. MANSI
WARREN G. SCHNEEWEIS
LOUIS J. ORSINI
PATRICK L. SHUCK
ALBERT A. HOFFMAN
JOSEPH F. DUNCAN
THOMAS W. HATHAWAY
RICHARD J. ARMSTRONG
WILLIAM M. DUNCAN
MARGARET R. RILEY
FRANK L. WHIPPLE
DWIGHT H. MEEKINS
MICHAEL K. PARMELEE
MICHAEL R. BOWEN
BRADLEY N. BALCH
JEFFREY M. GARRETT
JEFFREY J. HATHAWAY
GERALD M. DAVIS

THE FOLLOWING REGULAR OFFICERS OF THE U.S. COAST GUARD OF THE PERMANENT COMMISSIONED TEACHING STAFF OF THE COAST GUARD ACADEMY FOR PROMOTION TO THE GRADES INDICATED:

To be commander

THOMAS J. HAAS

To be lieutenant commander

BRUCE R. MUSTAIN

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICERS FOR PERMANENT PROMOTION IN THE U.S. AIR FORCE, UNDER THE PROVISIONS OF SECTION 628, TITLE 10, UNITED STATES CODE, AS AMENDED, WITH DATES OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE.

To be lieutenant colonel

DANIEL W. ABRAMS, [redacted]
PAUL L. BAILEY, [redacted]
GREGORY K. CAMBLIN, [redacted]
GREGORY J. CARLSON, [redacted]
RONALD W. DIEDRICHS, [redacted]
JOSEPH A. FAHNER, [redacted]
ROGER D. GEER, [redacted]
JAMES B. HENKLE, [redacted]
DAVID J. JIRELE, [redacted]
THOMAS K. TOLTZIEN, [redacted]
BRUCE E. ULRICH, [redacted]

To be major

BRUCE L. BETTS, [redacted]
WILLIAM S. CROOKSHANKS, [redacted]
KATHLEEN J. FOSTER, [redacted]
WILLIAM P. MURRAY, IV, [redacted]

IN THE AIR FORCE

THE FOLLOWING OFFICERS FOR APPOINTMENT IN THE REGULAR AIR FORCE UNDER THE PROVISIONS OF SECTION 531, TITLE 10, UNITED STATES CODE, WITH A VIEW TO DESIGNATION UNDER THE PROVISIONS OF SECTION 8067, TITLE 10, UNITED STATES CODE, TO PERFORM DUTIES INDICATED WITH GRADE AND DATE OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE PROVIDED THAT IN NO CASE SHALL THE FOLLOWING OFFICERS BE APPOINTED IN A HIGHER GRADE THAN THAT INDICATED.

MEDICAL CORPS

To be lieutenant colonel

ROY M. KRING, [redacted]
KRIS M. SHEKITA, [redacted]

To be major

GREGORY C. BAGGERLY, [redacted]
ROBERT L. BECKER, [redacted]
JOHN A. MARSHALL, [redacted]
JOSEPH M. PALMA, [redacted]
LAWRENCE W. WILSON, [redacted]

To be captain

DAVID R. HARNISCH, [redacted]

DENTAL CORPS

To be lietenant colonel

BENEDICT CONNAUGHTON, [redacted]
FRANK S. DRONGOWSKI, [redacted]

To be major

DOUGLAS A. CLARKE, [redacted]
DAVID E. DAVIS, [redacted]
STEVEN A. FORSYTHE, [redacted]
CLIFFORD B. STARR, [redacted]

To be captain

WAYNE H. DUDLEY, [redacted]
ROBERT H. HALLER, [redacted]

THE FOLLOWING INDIVIDUAL FOR APPOINTMENT AS RESERVE OF THE AIR FORCE, IN THE GRADE OF LIEUTENANT COLONEL, UNDER THE PROVISIONS OF SECTION 593, TITLE 10, UNITED STATES CODE, WITH A VIEW TO DESIGNATION UNDER THE PROVISIONS OF SECTION 8067, TITLE 10, UNITED STATES CODE, TO PERFORM THE DUTIES INDICATED.

MEDICAL CORPS

To be lieutenant colonel

ANTHONY L. PICONE, [redacted]

THE FOLLOWING AIR FORCE OFFICER FOR APPOINTMENT AS PERMANENT PROFESSOR, U.S. AIR FORCE ACADEMY, UNDER THE PROVISIONS OF SECTION 9333(B), TITLE 10, UNITED STATES CODE.

WILLIAM E. RICHARDSON, [redacted]

IN THE ARMY

THE FOLLOWING-NAMED OFFICERS, ON THE ACTIVE LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE U.S. ARMY IN ACCORDANCE WITH SECTIONS 624 AND 628, TITLE 10, UNITED STATES CODE. THE OFFICERS INDICATED WITH AN ASTERISK ARE ALSO NOMINATED FOR APPOINTMENT IN THE REGULAR ARMY IN ACCORDANCE WITH SECTION 531, TITLE 10, UNITED STATES CODE:

ARMY

To be lieutenant colonel

CHESTER L. CUPP, [redacted]

MEDICAL CORPS

To be colonel

ROBERT N. LONGFIELD, [redacted]

To be lietuenant colonel

*ROBERT C. FLOREK, [redacted]
*THOMAS A. WOODWARD, [redacted]

To be major

*RONALD K. POROPATICH, [redacted]

DENTAL CORPS

To be major

*EDWARD J. MISTAK, [redacted]

IN THE ARMY

THE FOLLOWING-NAMED OFFICERS, ON THE ACTIVE LIST, FOR PROMOTION TO THE GRADE INDICATED IN THE U.S. ARMY IN ACCORDANCE WITH SECTIONS 624 AND 628, TITLE 10, UNITED STATES CODE. THE OFFICERS INDICATED WITH AN ASTERISK ARE ALSO NOMINATED FOR APPOINTMENT IN THE REGULAR ARMY IN ACCORDANCE WITH SECTION 531, TITLE 10, UNITED STATES CODE:

ARMY NURSE CORPS

To be lieutenant colonel

*THOMAS M. AMON, [redacted]

ARMY

To be major

MARK A. CIANCHETTI, [redacted]
*YSAIAS FELIZ, [redacted]
*THOMAS E. LUND, [redacted]
*FRANK R. MANN IV, [redacted]
*MARTIN N. STANTON, [redacted]
*JAY D. WELLS, [redacted]

IN THE NAVY

THE FOLLOWING-NAMED NAVAL RESERVE OFFICERS TRAINING CORPS CANDIDATES TO BE APPOINTED PERMANENT ENSIGN IN THE LINE OR STAFF CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

PATRICK J. BRUSCIA
STEVEN H. EARLEY
MARK M. JAREK

THE FOLLOWING NAVY ENLISTED COMMISSIONING PROGRAM CANDIDATE TO BE APPOINTED PERMANENT ENSIGN IN THE LINE OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531.

PETER S. RENSHAW

THE FOLLOWING U.S. NAVAL OFFICER TO BE APPOINTED PERMANENT COMMANDER IN THE MEDICAL SERVICE CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTIONS 531 AND 5582:

MICHAEL L. FERIS

THE FOLLOWING-NAMED NAVAL RESERVE OFFICERS TO BE APPOINTED PERMANENT ENSIGN IN THE LINE OR STAFF CORPS OF THE U.S. NAVY, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 531:

BILLIE G. DUNLAP
KEITH R. GALLAGHER
JOHN P. GORMLEY
SCOTT D. JONES
JOHN P. NOVOTNY
TIMOTHY L. WELTING
JAMES A. WHITE

THE FOLLOWING U.S. NAVY OFFICER BE APPOINTED PERMANENT CAPTAIN IN THE MEDICAL CORPS OF THE U.S. NAVAL RESERVE, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 593:

JOHN E. SEIBEL, JR.

THE FOLLOWING-NAMED U.S. NAVY OFFICERS TO BE APPOINTED PERMANENT COMMANDER IN THE MEDICAL CORPS OF THE U.S. NAVAL RESERVE, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 593:

JOHN A. CELLA
LEE R. MANDEL

THE FOLLOWING U.S. NAVY OFFICER TO BE APPOINTED PERMANENT COMMANDER IN THE DENTAL CORPS OF THE U.S. NAVAL RESERVE, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 593:

STANLEY D. MOSS

THE FOLLOWING U.S. NAVY OFFICER TO BE APPOINTED PERMANENT COMMANDER IN THE MEDICAL SERVICE CORPS OF THE U.S. NAVAL RESERVE, PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 593:

JOHN R. AITKEN

HOUSE OF REPRESENTATIVES—*Wednesday, September 28, 1988*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Help us to be worthy, O God, of the heritage given to us, for the marks of history and liberty for which we are custodians. May we be rightful survivors of those whose vision and noble purpose gave us the good opportunities in this new land. We pray, O God, that we will be so filled with the works of justice in our time and place that every person who follows will enjoy the fruits of our diligence and faithfulness. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Michigan [Mr. PURSELL] be kind enough to lead us in the Pledge of Allegiance to the Flag.

Mr. PURSELL. Let us stand and face the flag.

Mr. PURSELL led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation, under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate has passed without amendment a bill and a concurrent resolution of the House of the following titles:

H.R. 4457. An act to create a national park at Natchez, MS; and

H. Con. Res. 357. Concurrent resolution expressing the sense of the Congress that the historic restoration and commercial development of a self sustaining Union Station will provide enormous historic and social benefit to the District of Columbia and to all the Nation as a great transportation center, a grand and magnificent monument to American architecture, and a model commercial development.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4782) "An act making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1989, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 1, 4, 7, 8, 9, 10, 12, 13, 16, 17, 18, 20, 21, 29, 31, 32, 33, 34, 36, 38, 39, 42, 43, 44, 46, 47, 48, 49, 50, 51, 60, 62, 69, 78, 85, 87, 88, 91, 92, 93, 96, 99, 107, 109, 112, 116, 117, 118, 119, 120, 121, 131, 133, 136, 139, 140, 141, 142, 143, 145, 146, 147, 149, 151, 154, 156, 158, 160, 163, 164, 168, 170, 171, 174, 176, and 177 to the above-entitled bill.

MILITARY EDUCATION

(Mr. SKELTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SKELTON. Mr. Speaker, since last November the House Armed Services Committee panel on military education has been reviewing, for the first time in the history of the Congress, how the services and Department of Defense educate professional military officers. Late last year I outlined in five speeches on the floor of this House my concern for the lack of competent military strategists and proposed that we study this issue and formulate solutions. The panel has that charge.

We also undertook a review of how the education provisions of the Goldwater-Nichols Act are being implemented to develop officers competent in the employment of joint military forces.

The panel is nearing completion of its study. We have held 28 hearings both here in Washington and at each of the 10 war colleges and command and staff colleges throughout the United States. Forty-eight current and retired military leaders and civilian officials of the Defense Department and well-known educators and defense experts have testified. The panel, as well, conducted nearly 100 interviews.

Panel members visited professional military educational facilities comparable to our own in Great Britain, France, and West Germany. We came away with many new ideas and concerns that have been very helpful.

Mr. Speaker, on November 18 our panel will release the findings and recommendations concerning the professional military education for our armed services.

DEFENSE DOLLARS COULD BE BETTER SPENT

(Mr. BEVILL asked and was given permission to address the House for 1 minute and to revise and extend his remark.)

Mr. BEVILL. Mr. Speaker, during the debate Sunday night, I was very surprised to hear GEROGE BUSH say that he would save defense dollars by canceling three weapon systems which, in fact, have all been canceled for quite some time.

He named the A-6F Navy attack aircraft, the Divad air defense system and the penetration aids for Minuteman missiles.

I would like to point out that Congress had to pressure the Reagan-Bush administration to cancel the Divad after the administration wasted $4 billion on it.

The Divad was a tracking gun which was supposed to search out enemy helicopters.

To my knowledge, the only thing the Divad spotted on the test range was the exhaust fan on an outhouse.

It seems to me that our defense dollars could be better spent. For one thing, the Pentagon could improve health care for our military personnel. National public radio recently reported that the military is losing more and more doctors because of inadequate facilities.

Instead of wasting the taxpayer's money on fraudulent defense contractors who jack up their prices and deliver weapon systems that don't work, the White House ought to put a priority on the people who have to defend our Nation. They need adequate facilities, adequate health care and weapons that will work.

I believe Governor Dukakis and LLOYD BENTSEN will give the taxpayers a full return on their investment in America's defense.

DAN QUAYLE DOES NOT SHARE CONCERNS OF WOMEN IN AMERICA

(Mr. FAZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FAZIO. Mr. Speaker, when GEORGE BUSH picked DAN QUAYLE to be his running mate, it was widely speculated that Senator QUAYLE was chosen to attract the women's vote, which for good reason has alluded GEORGE BUSH.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

But anyone who looks at Dan Quayle's record knows that he does not share the concerns of the majority of women in America. Throughout his congressional career Dan Quayle has not been a friend to women; he has consistently voted against their interests.

Dan Quayle has repeatedly voted to deny women the right to choose whether or not to have an abortion. He wants to take a decision which is very personal and private and make a Federal case out of it.

Dan Quayle voted against setting up a program for victims of domestic violence. He apparently does not think victims of domestic violence need assistance.

Dan Quayle opposed the Civil Rights Restoration Act which we enacted after the Grove City decision. Does he not believe women deserve equal protection under the law?

Dan Quayle also voted against funding for services to rape victims. If a rape victim is not deserving of special attention, who is?

We need a President who understands that there is a severe shortage of adequate child care services and that women still earn significantly less than men performing similar jobs. We need a strong President and Vice President who will work for the interests of women and not against them. Clearly the Bush-Quayle ticket does not measure up.

AUTHORIZING SECRETARY OF THE SENATE TO MAKE CORRECTION IN ENROLLEMENT OF SENATE JOINT RESOLUTION 317 COMMEMORATING BICENTENNIAL OF THE FRENCH REVOLUTION

Mr. FASCELL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate concurrent resolution (S. Con. Res. 144) authorizing the Secretary of the Senate to make corrections in the enrollment of the Senate joint resolution (S.J. Res. 317) commemorating the bicentennial of the French Revolution and the Declaration of the Rights of Man and of the Citizen, and ask for its immediate consideration.

The Clerk read the title of the Senate concurrent resolution.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

Mr. WALKER. Reserving the right to object, Mr. Speaker, I would like to find out just what it is we are doing here. As the gentleman well knows, this gentleman is vitally concerned about the fact that there is certain major legislation that evidently we cannot get scheduled on this floor, and yet it seems as though we can bring items up by unanimous consent and move them through on things that are of lesser importance than, for instance, doing something about clean air.

I would like to understand what the gentleman is attempting to achieve here.

Mr. FASCELL. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Florida.

Mr. FASCELL. Evidently, Mr. Speaker, there was an error in the enrollment on this matter with regard to the French Revolution Declaration that the Senate had some problems with; so they passed a technical correction resolution and we are just trying to extend the comity to make the correction.

Mr. WALKER. Can the gentleman tell me what the effect of the resolution asking for the technical correction will be?

Mr. FASCELL. It will allow us to go forward with the commemorative ceremony that is scheduled for tomorrow by a high distinguished visitor from our friend who is French, and it allows us to go forward with the printing of the commemorative program. Otherwise, we would look rather foolish.

Mr. WALKER. I certainly understand what the gentleman is trying to achieve.

Mr. FASCELL. We are not taking much time with this.

Mr. WALKER. I want to be reasonable about this. If I understand correctly, there is no real legislative movement here.

Mr. FASCELL. None.

Mr. WALKER. All we are doing is simply making a technical correction. We are not getting any kind of legislative agenda moved forward as a result of this action?

Mr. FASCELL. The gentleman is absolutely correct.

Mr. WALKER. Mr. Speaker, my intent here is to make certain that we do not move legislation on this floor until we move on clean air.

Therefore, Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Florida [Mr. Fascell]?

There was no objection.

The Clerk read the Senate concurrent resolution, as follows:

S. Con. Res. 144

Resolved by the Senate (the House of Representatives concurring), That in the enrollment of the joint resolution (S.J. Res. 317) commemorating the bicentennial of the French Revolution and the Declaration of the Rights of Man and of the Citizen, the Secretary of the Senate shall make the following correction:

Strike out subsection (c) and insert in lieu thereof:

"(c)(1) There shall be printed as a Senate document during the bicentennial year 1989 the Declaration of the Rights of Man and of the Citizen, and the Bill of Rights, with accompanying historical notes.

"(2) Bound volumes suitable for presentation to the President of the French Republic, the President of the Senate of France, and the President of the National Assembly of France.".

The SPEAKER. The question is on the Senate concurrent resolution.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 4781, DEPARTMENT OF DEFENSE APPROPRIATIONS, 1989

Mr. FAZIO. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight, September 28, 1988, to file a conference report on the bill (H.R. 4781) making appropriations for the Department of Defense for the fiscal year ending September 30, 1989.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. WALKER. Reserving the right to object, Mr. Speaker, let me understand what the gentleman is doing. I yield to the gentleman from California for an explanation.

Mr. FAZIO. We are simply attempting, Mr. Speaker, to get unanimous consent so we can file a conference report for the defense appropriations bill.

Mr. WALKER. By midnight tonight?

Mr. FAZIO. That is correct.

Mr. WALKER. If this were objected to, what would the result be?

Mr. FAZIO. It would simply slow our process down and make it more difficult for us all to gain that goal we have been seeking, which is to get all our appropriation bills to the President by the end of the fiscal year.

Mr. WALKER. The gentleman could get a rule, however, for this particular action, rather than a midnight filing, is that right?

Mr. FAZIO. We certainly would not want to reduce the availability of the report to Members. This certainly is a service to those Members who wish to review what is a very extensive report.

Mr. WALKER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from California [Mr. Fazio]?

There was no objection.

INTRODUCTION OF THE CIVIL RIGHTS ENFORCEMENT ACT OF 1988

(Mr. COURTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COURTER. Mr. Speaker, this week I introduced the Civil Rights Enforcement Act of 1988. This is one of the most important civil rights measures Congress has been asked to consider in years.

It has always been surprising to me to realize that despite the antidiscrimination laws we have passed in modern times, individuals who were victims of racial discrimination never had a right in positive law to sue for damages. It took the Supreme Court to create such a right, 13 years ago in a case called Runyon versus McCrary. The legislative history supporting the Court's decision unfortunately was never very persuasive, and judges expressed doubts about Congress' intention. And so the new Court majority has announced that it is reconsidering that decision. They may even reverse it.

The Civil Rights Enforcement Act seeks to fill the gap in our system of civil rights protection by guaranteeing that individuals who have been the victims of wilful discrimination on racial grounds have the right to collect damages in education, in employment, in every area of our society involving the making of contracts. It is time for Congress to give the Supreme Court guidance in this area before the Court decides to overturn an essential guarantee against race discrimination, and I urge my colleagues to contact my office and cosponsor this bill.

PROBLEMS OF FINANCING NEW SEWER TREATMENT CENTER IN SAN DIEGO, CA

(Mr. BATES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BATES. Mr. Speaker, San Diego, like other major cities in this country, faces many problems, but one that may cost San Diegoans $1.5 billion to $2.4 billion is the financing of a new sewer treatment center and upgrading to secondary treatment.

The Clean Water Act is mandating this compliance, and while it took San Diego 7 years to get an answer on a waiver from the EPA, they now are in a position where they must move forward. They have agreed to do that, but I think the Congress should assist while the grants are being phased out.

I think a 55-percent Federal support would be fair in helping San Diego meet this requirement. I urge my colleagues to support this legislation.

REPUBLICANS OUT OF TOUCH ON MINIMUM WAGE

(Mr. WILLIAMS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILLIAMS. Mr. Speaker, 80 percent of the American people believe that this Congress, this administration, should raise the minimum wage. We had a bill to give 40 cents, four dimes of increase, in the minimum wage to current workers and to those who would be taking a job at minimum wage. Republicans have defeated that bill.

GEORGE BUSH and DAN QUAYLE are against that raise in the minimum wage, even though 80 percent of the American people see the value in it.

A father with two children going to work everyday, never missing a shift, but working at the minimum wage, now makes less than a third of the poverty level; yet the Republicans have killed an increase in the minimum wage bill, and GEORGE BUSH and DAN QUAYLE are also against it.

Today the minimum wage has slipped to less than 40 percent of the average hourly wage in this country. That is the worst it has been since Harry Truman was President, yet the Republicans have killed the minimum wage bill, and GEORGE BUSH and DAN QUAYLE applauded the killing of the minimum wage bill.

Millions of working Americans, working every day, make the minimum wage and they are still in poverty. By increasing the minimum wage just four dimes, just 40 cents, we can pull hundreds of thousands of Americans out of poverty. The Republicans are against it, and so is GEORGE BUSH and so is DAN QUAYLE, and now the bill has been defeated.

□ 1015

DEFEAT OF THE MINIMUM WAGE BILL

(Mrs. COLLINS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. COLLINS. Mr. Speaker, one thing is almost as certain as death and taxes: that the cost of almost everything will gradually rise. Many workers are fortunate enough to have jobs that include regular salary adjustments to help compensate for the rising costs of food, housing, clothing, and most other consumer goods. However, one segment of the American work force does not have this cushion: I speak, of course, of persons who work for the minimum wage. Today, a person who works full-time at the minimum wage, 52 weeks a year—without a vacation—cannot even keep a family of two above the poverty line.

The chances for addressing this economic injustice in the 100th Congress were effectively killed when the Senate failed on two attempts to close off debate and call for a vote on a minimum wage proposal that would have gone a long way toward helping these workers keep pace with the rising cost of living. Don't these Americans deserve our help as much as persons in El Salvador and Pakistan? Shouldn't their plight be as much of a priority as funding an illusory space defense system? I think so. It is a sad indictment of this Congress that too many of our Republican colleagues have no understanding and even less compassion for the plight of those who are working desperately to sustain themselves and their families on meager incomes.

The events in the Senate are even more distressing because the Vice President, in his quest for the White House, had expressed something only approximating support for an increase in the minimum wage. I was hopeful that this less-than-lukewarm endorsement would be the impetus necessary to carry the proposal forward. This issue will not go away; with the passage of each legislative session, minimum-wage earners are falling farther and farther behind in their quest to keep pace with rising costs.

I hope my colleagues will pledge their support for an increase in the minimum wage in the 101st Congress.

MOTION TO DISCHARGE COMMITTEE ON ARMED SERVICES FROM FURTHER CONSIDERATION OF H.R. 4264, NATIONAL DEFENSE AUTHORIZATION ACT, FISCAL YEAR 1989

Mr. WALKER. Mr. Speaker, I offer a privileged motion.

The SPEAKER. The Clerk will report the motion.

The Clerk read as follows:

Mr. WALKER moves to discharge the Committee on Armed Services from further consideration of H.R. 4264.

MOTION TO TABLE OFFERED BY MR. MOAKLEY

Mr. MOAKLEY. Mr. Speaker, I offer a motion.

The SPEAKER. The Clerk will report the motion.

The Clerk read as follows:

Mr. MOAKLEY moves to lay on the table the motion to discharge.

The SPEAKER. The question is on the motion offered by the gentleman from Massachusetts [Mr. MOAKLEY] to lay on the table the motion offered by the gentleman from Pennsylvania [Mr. WALKER].

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 237, nays 168, not voting 26, as follows:

[Roll No. 355]

YEAS—237

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Bates
Beilenson
Bennett
Berman
Bevill
Bilbray
Boggs
Boland
Bonior
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Bruce
Bryant
Bustamante
Byron
Campbell
Cardin
Carr
Chapman
Chappell
Clarke
Clay
Clement
Coelho
Coleman (TX)
Collins
Conyers
Cooper
Coyne
Crockett
Darden
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
Donnelly
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Frank
Frost
Garcia
Gaydos
Gejdenson
Gephardt
Glickman
Gonzalez
Gordon
Grant
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jacobs
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Lowry (WA)
Luken, Thomas
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McHugh
McMillen (MD)
Mfume
Miller (CA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Nagle
Natcher
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (UT)
Panetta
Patterson
Payne
Pease
Pelosi
Penny
Perkins
Pickett
Pickle
Price
Rahall
Rangel
Ray
Richardson
Robinson
Rodino
Roe
Rose
Rostenkowski
Rowland (GA)
Roybal
Russo
Sabo
Sawyer
Scheuer
Schroeder
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NAYS—168

Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bateman
Bereuter
Bilirakis
Bliley
Boehlert
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Chandler
Cheney
Clinger
Coats
Coble
Coleman (MO)
Combest
Conte
Coughlin
Courter
Craig
Crane
Dannemeyer
Daub
Davis (IL)
Davis (MI)
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Edwards (OK)
Emerson
Fawell
Fields
Fish
Frenzel
Gallegly
Gallo
Gekas
Gilman
Gingrich
Goodling
Gradison
Grandy
Green
Gregg
Gunderson
Hammerschmidt
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Horton
Houghton
Hunter
Hyde
Inhofe
Ireland
Jeffords
Johnson (CT)
Kasich
Kolbe
Kyl
Lagomarsino
Latta
Leach (IA)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Marlenee
Martin (IL)
Martin (NY)
McCollum
McCrery
McDade
McEwen
McGrath
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Morrison (WA)
Myers
Nielson
Oxley
Packard
Parris
Pashayan
Petri
Porter
Pursell
Quillen
Ravenel
Regula
Rhodes
Ridge
Rinaldo
Ritter
Roberts
Rogers
Roth
Roukema
Rowland (CT)
Saiki
Saxton
Schaefer
Schneider
Schuette
Schulze
Sensenbrenner
Shaw
Shays
Shumway
Shuster
Skeen
Slaughter (VA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Stangeland
Stump
Sundquist
Sweeney
Swindall
Tauke
Taylor
Thomas (CA)
Upton
Vander Jagt
Vucanovich
Walker
Weber
Weldon
Whittaker
Wolf
Wortley
Wylie
Young (AK)
Young (FL)

NOT VOTING—26

Bentley
Bonker
Boulter
Brown (CA)
Callahan
Carper
Costello
Dixon
Dowdy
Ford (TN)
Gibbons
Gray (IL)
Gray (PA)
Guarini
Kemp
Konnyu
Mack
MacKay
Madigan
McCandless
McMillan (NC)
Mica
Neal
Owens (NY)
Pepper
Savage

□ 1036

Mr. COBLE and Mrs. JOHNSON of Connecticut changed their vote from "yea" to "nay."

So the motion to lay the motion on the table was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce that we will postpone 1-minute speeches until we have transacted some business.

APPOINTMENT OF CONFEREES ON H.R. 4481, DEFENSE SAVINGS ACT OF 1988

Mr. ASPIN. Mr. Speaker, pursuant to clause 1 of rule XX, and by direction of the Committee on Armed Services, I move to take from the Speaker's table the bill (H.R. 4481) to provide for the closing and realigning of certain military installations during a certain period with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

Mr. SPEAKER. The question is on the motion offered by the gentleman from Wisconsin [Mr. ASPIN].

The motion was agreed to.

The SPEAKER. The Chair appoints the following conferees; Messrs. ASPIN, FOLEY, and DICKINSON.

WAIVING CERTAIN POINTS OF ORDER AGAINST CERTAIN CONFERENCE REPORTS ON GENERAL APPROPRIATION BILLS FOR FISCAL YEAR 1989 AND PROVIDING FOR CONSIDERATION OF A JOINT RESOLUTION

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 548 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 548

Resolved, That upon the adoption of this resolution it shall be in order to consider at any time conference reports on general appropriation bills for fiscal year 1989, and all points of order against consideration of the conference reports for failure to comply with the provisions of clause 2 of rule XXVIII are hereby waived, subject to the two hour availability requirements of that clause. The conference reports and amendments in disagreement shall be considered as having been read when called up for consideration.

SEC. 2. Upon adoption of this resolution it shall be in order to consider in the House a joint resolution consisting of the text printed in the report of the Committee on Rules accompanying this resolution, if offered by the Majority Leader, or his designee. The joint resolution shall be debatable for not to exceed one hour, to be equally divided and controlled by the proponent and a Member opposed thereto, and the previous question shall be considered as ordered to final passage without intervening motion except one motion to commit.

SEC. 3. H. Res. 314, 316, 333, 342, and 523 are hereby laid on the table.

The SPEAKER. The gentleman from Massachusetts [Mr. MOAKLEY] is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Missouri [Mr. TAYLOR], pending which I yield myself such time as I may use.

Mr. Speaker, House Resolution 548 waives clause 2 of rule 28 against the consideration of the remaining conference reports on general appropriations bills for fiscal year 1989, subject to the 2-hour availability requirements of that clause. Clause 2 of rule 28 Mr. Speaker, is the rule that requires that all conference reports and accompanying statements are to be printed in the

CONGRESSIONAL RECORD for at least 3 days prior to their consideration.

The rule further provides that the conference reports and any amendments in disagreement are to be considered as having been read when called up for consideration.

The rule also provides for the consideration of a joint resolution printed in the report accompanying this rule if offered by the majority leader or his designee. This joint resolution would allow for the hand enrollment of the appropriations bills in order for the House to finish action on all remaining appropriations bills before the October 1 deadline. The joint resolution will be debatable for 1 hour with 30 minutes to the proponent and 30 minutes to a Member opposed thereto. The rule provides for one motion to recommit the joint resolution.

Finally, Mr. Speaker, the rule provides that several rules that were previously reported from the Rules Committee are to be laid on the table. These rules are for legislation that the House is not anticipated to take any action on for the remaining time that is left in the session. For my colleagues information the rules are House Resolutions 314, 316, 333, 342, and 523.

Mr. Speaker, all of us are aware that the beginning of the new fiscal year is almost upon us. This resolution allows for the House to expedite the remaining appropriation bills in order that we may hopefully avoid the need for a continuing resolution. I urge my colleagues to support the resolution.

Mr. TAYLOR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 548 is a rule which will enable the House to meet its obligation by sending all 13 appropriation bills to the President by October 1.

I strongly support this rule because it sets the stage for historic change in the way the Congress has operated since 1948. It has been 40 years since Congress enacted the individual appropriation bills into law before the fiscal year began.

Mr. Speaker, this rule waives the provisions of clause 2, rule XXVIII against consideration of conference reports on the four remaining appropriation bills. Clause 2 of rule XXVIII requires conference reports to be printed in the RECORD and to be available to Members for 3 days prior to consideration in the House.

The provisions of this rule apply to the four conference reports and amendments in disagreement on the four bills. The four bills are:

H.R. 4781, Department of Defense appropriations;

H.R. 4784, Rural Development and Agriculture appropriations;

H.R. 4776, District of Columbia appropriations; and

H.R. 4587, legislative branch appropriations.

In addition, the rule provides that the four conference reports and the amendments reported in disagreement will be considered as having been read when called up for consideration.

Because of the time constraints involved in enrollment after the bill's passage by the House and Senate, this rule provides an enrollment for these reports rather than the customary printed enrollment.

Mr. Speaker, under the provisions of this rule the four conference reports will be subject to the 2-hour availability requirements of rule XXVIII. This rule guarantees that Members will have an ample amount of time to review the conference reports when they are filed before we take final action in the House.

Some may argue that the 3-day layover requirements should be adhered to religiously because we are appropriating huge sums of taxpayers funds and because we cannot change a conference agreement. Some honestly believe we should delay final consideration until the past possible minute.

□ 1045

The major problem with that line of reasoning in my opinion is the calendar and the President's often stated pledge to veto any resolution that continues appropriations until fiscal year 1989.

We all remember the President's State of the Union Address last January. Most of us applauded his pledge to veto an omnibus appropriations bill. This is the week we find out if we have the ability and the courage to do our job.

Mr. Speaker, the new fiscal year begins at midnight Friday. There is simply not enough time for the Committee on Appropriations conferees to reach agreement with the Senate on the four remaining bills, file conference agreements, wait the required days and still send them to the President's desk by October 1.

After 16 years as a Representative from Missouri, my service in the Congress is drawing to a close. In each and every 1 of those 16 years, the budget and appropriation process has prevented us from being able to consider and vote on each of the individual appropriations conference reports.

For 8 years President Reagan has been trying to get Congress to produce all 13 regular appropriation bills on time rather than lump them into a single measure.

During my 16 years and during my 8 years as a member of the Committee on Rules I have often seen the distinguished gentleman from Mississippi [Mr. WHITTEN], the chairman of the Committee on Appropriations, and the ranking member, the gentleman from Massachusetts [Mr. CONTE], work together to produce appropriations bill in a timely fashion.

They both have been steadfast in their loyalty to the House, they both have been good shephreds of funds they appropriate, they both have been supportive of following the Rules of the House and for proper process being followed in the House.

Unfortunately, the gentleman from Mississippi and the gentleman from Massachusetts are not always able to control every single event that surrounds the appropriations process. Unfortuntely, the two gentlemen do not always have enough impact on the Senate, the various executive agencies, as well as Members who use the regular appropriations bills for other purposes.

The gentleman from Mississippi [Mr. WHITTEN], deserves a large measure of credit for the way in which he managed his committee during the past year. The chairman's efforts along with those of the Republican leadership have brought us to this stage. After 8 years of exercising his authority, President Reagan is about to receive something the country deserves and that is the 13 separate individual appropriation bills.

The President's leadership in helping Congress understand the need for proper procedure will be one of his lasting contributions to our Government.

Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. CONTE], the ranking member of the Committee on Appropriations.

Mr. CONTE. Mr. Speaker, I rise in support of this rule.

I'm supporting this rule because we are at the end of a long marathon—a marathon that began with 30 days of negotiations last fall and that produced the budget summit agreement. Since then, we passed the regular appropriation bills in record time. Five bills are already law. Another will be signed today. Three more are on the way to the President's desk, and the rest are near the end of the process.

This rule will help expedite that process, and for that reason I support it.

But I also appreciate the underlying motivation for presenting this rule in the first place. Earlier this week, the gentleman from Pennsylvania made an important statement about a pressing environmental problem that remains on the back burner of the House legislative calendar. Congressman WALKER has expressed what I have been advocating for years: we need acid rain control program—now. The damage is mounting every day we wait. Our lakes and streams are dying and dead; our forests are severely damaged, and human health is threatened by this silent killer.

Acid rain is hitting my region, and it's hitting hard. In Massachusetts over 200 lakes and streams are already dead. They're gone, with no aquatic life left. In the Quabbin Reservoir, for example, the water is so acidic the fish stocking was halted, and the city of Boston is forced to spend $1 million a year to make the water drinkable. And the reason is clear. A recent study documented that the rain falling in Massachusetts was the most acidic in the Nation. It's a disgrace, and this Congress has an obligation to take some positive action.

Over the years, it's been an uphill fight to convince Members of Congress, the administration, and others that acid rain is a problem. But the endless studies and visible damage have documented a problem which demands a strong national solution. And we've seen some progress. Several independent acknowledgments of the problem are encouraged and should not be dismissed.

The Governor of Ohio—the largest polluting State and the Governor of New York—the largest receptor State agree that acid rain must be controlled. That's encouráging.

The President, an opponent of controls for many years, is negotiating an emissions reduction treaty with Canada, and that's encouraging.

This week, Senate leaders on this issue have reached a tentative agreement on a control program, and that's certainly encouraging.

But I'm discouraged—as many Members of this House are—that no significant action has taken place in this body to address the problem of acid rain.

The Energy and Commerce Committee is a graveyard for clean air legislation, and it's time that the House is given an opportunity to address this issue. Just give us a vote, that's all we're asking.

The foot dragging must stop. The excuses are old, and we owe it to the Nation, to the next generation to deal with this scourge before it's too late. I sincerely hope that the House is given a chance to consider acid rain legislation in this Congress.

Again, Mr. Speaker, I support this rule, but I urge the leadership to make time for consideration of acid rain bill.

We can't afford the delay. The price is just too high.

Mr. GREGG. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I yield to my good friend, the Governor of New Hampshire.

Mr. GREGG. I am still working on it.

I thank my good friend from Massachusetts for yielding.

Mr. Speaker, I want to congratulate the gentleman on his statement which is appropriate and timely. The fact is that the Senate has begun to move on the issue of acid rain legislation. It is only the House of Representatives which stands in the way of this critical environmental concern. We know, we know now beyond any doubt that acid rain is not only having a massive negative impact on New England and New York, but it is significantly impacting our ozone layer and impacting and affecting and causing a greenhouse effect, which may in the long term not be reversible.

This is not an issue upon which we can any longer dilly-dally. We have to take action.

The fact that the gentleman from Massachusetts [Mr. CONTE] has spoken so eloquently on this is to be congratulated and I certainly hope his words will be listened to by the committees of jurisdiction.

Mr. CONTE. I think the gentleman from New Hampshire will make a darned good Governor with that kind of a stand.

Mr. GREGG. I thank the gentleman.

Mr. TAYLOR. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. I thank the gentleman for yielding.

Let me begin by thanking the gentleman from Massachusetts for his statement and for his support of the effort here on the floor to make certain we get acid rain legislation out here for consideration.

I think he made the points most eloquently of why that has to be done and why there are a number of things that would otherwise be done by unanimous consent that should be delayed until we are assured we are going to get acid rain out here on the floor for a vote. There is no need for this House to be proceeding on lesser items while we are refusing to act on important items like acid rain.

What we now know is that we can move ahead with important items.

The rule we now have before us in an indication that instead of proceeding by unanimous consent we can go to the Rules Committee, we can get a rule, we can bring it down here and we can take up matters of importance. That is how we ought to proceed.

We ought not be doing things by unanimous consent here in the latter days of the session, particularly if we are not going to act on the acid rain legislation.

So I happen to support this rule. But the one thing I do want to check with the gentleman from Missouri [Mr. TAYLOR] or the gentleman from Massachusetts [Mr. MOAKLEY] about: As I understand it, the only thing we are waiving in this rule with regard to points of order is on the 3-day rule, is that correct?

Mr. TAYLOR. That is true.

Mr. MOAKLEY. We are waiving that and we are waiving the hand enrollment by the Speaker or his designee and five rules that are inoperable. We still have the 2-hour rule before the——

Mr. WALKER. With regard to the appropriation bills that will come before us, we would have hand enrollment by the Speaker instead of parchment?

Mr. MOAKLEY. That is correct.

Mr. WALKER. But in terms of points of order that can be raised on those bills, the only thing we are waiving is the 3-day rule?

Mr. MOAKLEY. The gentleman is correct.

Mr. WALKER. It seems to me that is exactly the way that we ought to proceed in the last days of the session.

Again, I say to the gentleman from Massachusetts I appreciate what he said, because he eloquently summed up the need for this Congress to act on acid rain before we leave here. If we have not acted on acid rain, we have not done our job.

Mr. TAYLOR. Mr. Speaker, behold how good and how pleasant it is for brethren to dwell together in unity.

Mr. Speaker, I would just like once again to express my appreciation to you and to your leadership in moving these appropriations bills along. The Members on our side have been working toward this day for as long as I can remember, and I am grateful that the Speaker has been able to exercise his powers of persuasion.

The gentleman from Mississippi [Mr. WHITTEN], chairman of the Committee on Appropriations, and the gentleman from Massachusetts [Mr. CONTE], also deserve our congratulations for working together to bring about a breakthrough in something that has needed to be done for a long time, and that is the complete evaluation of our process, and by moving 13 of these appropriations bills individually to the President.

I think it is a great day for the Congress. I want to congratulate the leadership on both sides of the aisle, both the committee and you, Mr. Speaker, and our minority leader for the leadership that you have shown in bringing about this new day.

Thank you very much.

Mr. Speaker, I strongly support this rule and hope that we can unanimously approve it.

Mr. MOAKLEY. Mr. Speaker, I have no further requests for time, and I move the question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING HAND ENROLLMENT OF GENERAL APPROPRIATIONS BILLS FOR FISCAL YEAR 1989 AND SUBSEQUENT PREPARATION AND CERTIFICATION OF PRINTED ENROLLMENTS OF SAME

Mr. FOLEY. Mr. Speaker, pursuant to House Resolution 548, I call up the joint resolution (H.J. Res. 665) authorizing the hand enrollment of appropriations bills for fiscal year 1989 and authorizing the subsequent postenactment preparation for printed enrollments of those bills.

The Clerk read the joint resolution, as follows:

H.J. Res. 665

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. HAND ENROLLMENT AUTHORIZED FOR GENERAL APPROPRIATIONS BILLS.

(a) Waiver of Certain Laws With Respect to Printing of Enrolled Bills.—During the remainder of the second session of the One Hundred Congress, the provisions of sections 106 and 107 of title 1, United States Code, are waived with respect to the printing (on parchment or otherwise) of the enrollment of any general appropriations bill making appropriations for the fiscal year ending September 30, 1989.

(b) Certification by Committee on House Administration.—The enrollment of any such bill shall be in such form as the Committee on House Administration of the House of Representatives certifies to be a true enrollment.

SEC. 2. SUBSEQUENT PREPARATION AND CERTIFICATION OF PRINTED ENROLLMENTS.

(a) Preparation.—

(1) In general.—Upon the enactment of a bill following presentment of such bill to the President in the form of a hand enrollment pursuant to the authority of section 1 of this resolution, the Clerk of the House of Representatives shall prepare a printed enrollment of that bill as in the case of a bill to which sections 106 and 107 of title 1, United States Code, apply.

(2) Limited stylistic corrections.—A printed enrollment prepared pursuant to paragraph (1) may, in order to conform to customary style for printed laws, include corrections in spelling, punctuation, indentation, type face, and type size and other necessary stylistic corrections to the hand enrollment. Such a printed enrollment shall include notations (in the margins or as otherwise appropriate) of all such corrections.

(b) Transmittal to President.—A printed enrollment prepared pursuant to subsection (a) shall be signed by the presiding officer of each House of Congress as a correct printing of the hand enrollment and shall be transmitted to the President.

(c) Certification by President; Legal Effect.—Upon certification by the President that a printed enrollment transmitted pursuant to subsection (b) is a correct printing of the hand enrollment, such printed enrollment shall be considered for all purposes as the original enrollment of the bill concerned and as valid evidence of the enactment of that bill.

(d) Archives.—A printed enrollment certified by the President under subsection (c) shall be transmitted to the Archivist of the United States, who shall preserve it with the hand enrollment. In preparing the bill concerned for publication in slip form and in the United States Statutes at Large pursuant to section 112 of title 1, United States Code, the Archivist of the United States shall use the printed enrollment certified by the President under subsection (c) in lieu of the hand enrollment.

(e) Hand Enrollment Defined.—As used in this section, the term "hand enrollment" means the enrollment, as authorized by section 1, of a bill for presentment to the President in a form other than the printed form required by sections 106 and 107 of title 1, United States Code.

The SPEAKER. The gentleman from Washington [Mr. Foley] is recognized for 1 hour.

Mr. FOLEY. Mr. Speaker, I yield myself such time as I may consume. Mr. Speaker, this resolution authorizes hand enrollment and otherwise sets aside the statutory requirement for parchment printing of general appropriations bills and it will facilitate the meeting of our schedule of completing appropriations legislation, referring them to the President for his review prior to the end of the fiscal year.

My Speaker, I yield back the balance of my time.

The SPEAKER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. Pursuant to section 3 of House Resolution 548, House Resolutions 314, 316, 333, 342, and 523 are laid on the table.

CONFERENCE REPORT ON H.R. 4637, FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1989

Mr. OBEY. Mr. Speaker, pursuant to the provisions of House Resolution 548, I call up the conference report on the bill (H.R. 4637) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1989, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Pursuant to the order of the House of Tuesday, September 27, 1988, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of September 26, 1988.)

The SPEAKER. The gentleman from Wisconsin [Mr. Obey] will be recognized for 30 minutes and the gentleman from Oklahoma [Mr. Edwards] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. Obey].

GENERAL LEAVE

Mr. OBEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report, and that I may include tabular and extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

□ 1100

Mr. OBEY. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, the conference report which the committee brings to the House today is approximately $14,290,000,000. It continues the pattern of holding down spending in the area of foreign aid which we have seen for quite sometime.

I think I ought to give the House some history. Four years ago we were spending about $18.1 billion on foreign aid. Two years ago the administration asked for a $15 billion appropriation. We cut their appropriation request by $1.6 billion. We cut last year's appropriation request by $2.3 billion. On both of those occasions those cuts represented the largest percentage cuts made by any committee on Capitol Hill. The administration on both of those occasions threatened a veto because in its judgment we did not spend enough money.

This year, as everyone understands, the summit agreement reached between the White House and the leadership of both parties set the overall limit of spending. This bill is about $17 million below that request. It is below both the House bill and the Senate bill as the bills left their respective Chambers.

Members should not be deceived, however, into thinking that because of that small difference in numbers, there were not major dollar differences involved in the two bills as we went into conference. There were. I think the major difference in the two bills was in the area of military assistance.

This country has a military assistance program which is a combination of grant assistance and loan assistance. This loan assistance has traditionally been carried in the foreign military sales part of the bill. The history of that program has been that it started out as loans to Third World countries at market rates. Through the years it was then changed to a combination of loans at market rates and loans at concession rates. Later it was changed to virtually all concessional. Later it was changed again so that we had a combination of loans and grants, and finally this year the administration sought to make all remaining loans in fact grants. That would have meant we would have provided $562 million in additional foreign military gifts around the world.

There are two problems with that. No. 1, when we remove the loan component from our military aid program, we remove all remaining restraints on the appetites of Third World countries for arms, because if a defense minister can go to the President of that country and say, "Look, let's ask for these weapons, because we are never going to have to pay any of the cost back," there is no restraining influence on that country.

We do not believe we ought to provide those kinds of incentives for Third World countries purchasing military weapons which they then never have to pay back.

The second problem, if we convert to an all grant program, is that the taxpayer gets socked with the result. In this instance the taxpayer would have been socked with an additional $553 million which he would have had to pay out of his own pocket because we would not have received the return on the principal. We also would not have received the interest on that principal. So that means that on an annual basis the taxpayer would have been hit with about an extra billion and a half dollars. That is not going to happen under this bill because we insisted that $410 million of those loans remain loans rather than being converted to grants. We did that in the context of a miliary aid proposal which is $188 million lower than the amount provided in the administration's request.

Second, the Senate had proposed that we in effect eliminate Pentagon oversight on all contracts between U.S. military suppliers and Third World countries. The Justice Department, to its credit, indicated that were we to do that, it would be an open invitation to fraud and abuse and theft. So we resisted that proposal and we did not provide for that in this conference report.

The third item which I think Members would be interested in is the question of fair pricing. We were asked to approve a proposal in the Senate bill which would have transferred an additional $280 million in costs from military aid recipients to U.S. taxpayers. We declined to do that. We did provide for the adjustments in cases which we thought were specifically justified, such as in the case of Israel because of its cancellation of the Lavi. We tried to respond to that, recognizing that they would have additional strains and costs.

We also provided a similar relief for Egypt which I personally did not think was justified, but the committee's judgment was otherwise.

On the economic side, we reached a compromise on the general capital increase at the World Bank. For children's programs, we provided high priority funding. We provided $100 million for child survival, $60.4 million for UNICEF, in contrast to the administration's request to cut that program 40 percent.

We have a new program in the bill to provide assistance to street children and orphans. We provide $695 million in export assistance to the Export-Import Bank. We provide $40 million to attack the international problems associated with AIDS. Twenty-five million dollars of that will go to the World Health Organization. We provide $2 million for Solidarity.

The bill is in full compliance with Gramm-Rudman and our 302 allocations.

Mr. Speaker, that is all I would like to say at this time on the bill, except to note that we have on the floor a member of the subcommittee who will no longer be with us at the end of this session. The gentleman from New York, Mr. Jack Kemp, came to Congress 18 years ago. He came to the Appropriations Committee. I remember the first day he walked into the committee, and I remember the first amendment to the committee rules that he and I cooperated on.

We, believe it or not, on occasion have agreed with each other on an occasional issue. I think it is frank to say that we have primarily disagreed.

He is leaving to go to the Heritage Foundation, where I assume he will be pushing a few "bad" ideas over there and, I hope, an occasional good one. We have, as I said, disagreed strongly through the years, but I do think it is fair to say that he has served this country with imagination, with vigor, and with conviction. I also think it is fair to say that if every citizen cared as much about the direction in which this country moved, we would not today see a Presidential campaign reduced to 30-second sound bites on the network news. I think we would really see a dialog in which conflicting ideas and approaches were fairly and roundly debated.

Mr. Speaker, I simply want to pay tribute to the gentleman from New York and thank him for his service on this committee and for his service on the subcommittee on which he formerly served as ranking Republican, and I wish him well.

Mr. EDWARDS of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Oklahoma.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I thank my friend, the gentleman from Wisconsin, for yielding, and I would like to join him in the comments he has made about the gentleman from New York, Mr. Jack Kemp.

The gentleman from New York and I have sat side by side and served together on this Foreign Operations Subcommittee for the last 8 years. I have had an opportunity in working with him, first while he was the vice chairman of the subcommittee and then when I succeeded him in that position, to watch Jack's leadership and his commitment to what a foreign assistance program must really do to help promote democracy throughout the world.

I would say the only place where I disagree with my friend, the gentleman from Wisconsin, is that I wish that my friend, Jack Kemp, instead of going to the Heritage Foundation, was going to the White House. But I remain supremely confident that that will someday happen.

Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I yield myself such time as I may consume.

Mr. KEMP. Mr. Speaker, will the gentleman yield?

Mr. EDWARDS of Oklahoma. I yield to the gentleman from New York.

Mr. KEMP. Mr. Speaker, I want to rise and thank my colleague, my good friend from Oklahoma for his very generous comments and my colleague, and friend, the gentleman from Wisconsin [Mr. Obey], for his very generous thoughts and comments and for his contributions to the many fine debates we have had in this Chamber over the years on this and so many issues.

I wish that all the committees of the Congress could enjoy the bipartisan exchange we have experienced in the Foreign Operations Subcommittee. It is not without passion or dissent, and it is not without raucous debate at times. But nonetheless I think this committee has come to the floor with a bill representing a bipartisan consensus with regard to the necessity of this country operating in the world economy, especially in those parts of the world in which this Nation has a vital security interest.

I am very proud to have worked on the committee with both the gentleman from Wisconsin [Mr. Obey], and the gentleman from Oklahoma [Mr. Edwards], and all my colleagues, including the gentleman from New York [Mr. McHugh], and the gentleman from Massachusetts [Mr. Conte], as well as Jerry Lewis of California and John Porter of Illinois, and Bill Gray of Pennsylvania, who have contributed in our attempt to bring to the floor bipartisan bills that are in the interest of this country's foreign policy. In my opinion, foreign aid must be viewed as a contribution to our defense and security as well as economic and humanitarian efforts.

I have enjoyed the many debates with the gentleman from Wisconsin [Mr. Obey], and I am very proud of my colleague, the gentleman from Oklahoma [Mr. Edwards], for taking over the ranking position on the subcommittee. While foreign aid has been opposed by many on the right, I think in the last few years we have begun to recognize that the biggest mistake in history was made in the 1930's when this country turned its back on the rest of the world and became isolated, neutral, and passive. Today, as we recognize the 50th anniversary of the Munich Conference, I would just say that I believe with all my heart that the mistakes of the 1930's were not just in appeasement of Hitler, but also in isolationism, the Neutrality Act, and the protectionism of the Congress in the late 1920's and early 1930's. I would like to think that if I have contributed anything to this committee or to the House, it is the idea that we live in an integrated world economy.

As columnist Warren Brookes has very astutely pointed out, we live in a global economy in which information and capital transcend national boundaries at blinding speed. I agree with Mr. Brookes when he states that Congress cannot control this uncontrollable.

In his speech at Moscow University last May, President Reagan talked about an information revolution in which "there are no bounds on human imagination, and the freedom to create is the most precious natural resource." President Reagan went on to envision a world in which man creates his own destiny.

In my opinion, both Mr. Brookes and the President are talking about a crucial point. With the telecommunications revolution pushing us toward universal markets, democracy and freedom are vital to survival. Information is synonymous with wealth, and, as Warren Brookes stated, the key to economic growth is economic and political freedom, including the freedom to trade.

Of course, this idea is not new to any of us. Adam Smith in "The Wealth of Nations" argued that a nation's wealth is the combination of the wealth-creating activity of individuals. The freer individuals are, the greater the wealth of their country. This revolutionary idea helped turn Britain and America into the world's greatest economic powers and is working today in Asia, Africa, and Latin America to create prosperity in Third World nations.

We need open markets and open trade as well as sound money and low tax policies, but we also need foreign assistance to help in bilateral relationships with other nations and allies. And, we desperately need to help boost economic growth in the Third World. We must reach out and provide help to countries like Jamaica, Haiti, or Bangladesh, the African Sahel, and other Third World nations that come to us for assistance under very desperate conditions of poverty, disease, and tragedies of natural disaster.

So, Mr. Speaker, I thank the gentleman from Wisconsin [Mr. OBEY] and the gentleman from Oklahoma [Mr. EDWARDS] for their friendship and kind words. While I do not support every element of the bill, I think it is a consensus bill.

Specifically, Mr. Speaker, I am opposed to the general capital increase for the World Bank. After years of talking about mending its ways, the World Bank is still in disarray. It still does not have an effective strategy for encouraging growth in debtor nations. Until it devises such a strategy and stops merely adding to the debt burden, the World Bank should not get another increase. I am also disappointed by the statements of World Bank President Barber Conable regarding population control. Mr. Speaker, as Julian Simon has said, "The ultimate resource is people—skillful, spirited, and hopeful people." People are not a drain on developing economies—they are their ultimate resource.

But, overall, it is a bipartisan bill, and it represents the best compromise that we could develop to help ameliorate economic problems and promote crucial security programs that are in the vital interests of the United States of America from Israel and Egypt to the Philippines and from Africa to Central America. So again I thank the gentlemen for their very generous comments and say what a pleasure it's been to work with this dedicated committee, despite our differences and disagreements.

I'm certainly glad Mr. EDWARDS is carrying on the fight with Senator KASTEN to bring further reforms to our foreign assistance programs.

Mr. EDWARDS of Oklahoma. Mr. Chairman, I rise, along with my colleague and my good friend, the gentleman from Wisconsin [Mr. OBEY], to urge support for this conference report.

In my 12 years in the Congress, as most of the Members know, I have only very rarely voted for a foreign aid appropriation. Voting for foreign aid is usually not easy, but this bill is in our clear national interest, and I believe it deserves our support.

I think that we have shown during this past year that it is even possible to reach a bipartisan consensus on an issue as contentious as foreign aid. We have deliberately tried to avoid disagreement by not putting into this bill any major policy changes or any new commitments of U.S. resources. We have paid careful attention to budget authority, outlay, and credit limitations.

This conference agreement is nearly $10 million under the House-passed bill, and it fully complies with the budget agreement.

We have had to make many tough choices in this bill, and what we have come up with is a conference report that is supported by every Democrat on the subcommittee and by every Republican on the subcommittee. And it is very strongly supported by the administration. This bill strikes a balance between our economic and military assistance programs around the world. It meets the most important security need of our best friends and allies.

□ 1115

We are a global power, and what that means is that we must be willing to put up the resources to maintain our commitments throughout the world. We cannot hide from our responsibilities. Our economy, our national security, are increasingly affected by what goes on outside this country. We should make sure we are there to protect America's interests.

The Foreign Assistance Program is an important part of our overall global policy. It helps promote peace in the Middle East through our support for Israel and Egypt. It helps our best friends and allies defend themselves—friends and allies like Greece, Turkey, Portugal, Pakistan, and the Philippines, who often provide America's first line of defense.

Our foreign assistance programs help us secure the interests of the United States. They help us to support fragile new democracies in Central America, democracies that face threats from both the left and the right, and which depend on our support to fight both.

What is more, this bill sends a clear message to countries like Nicaragua and Poland that we are prepared to lend our financial and moral support to those individuals who are struggling for freedom and democracy inside their countries.

U.S. foreign assistance is the basic tool we have to help interdict and slow the flow of drugs entering this country. It helps us deal with enormous refugee problems in Africa and Asia.

Foreign aid programs, Mr. Speaker, used correctly, responsibly, can do much to further the interests of the United States, and this is a responsible foreign aid bill. It does not commit us to new programs that we cannot afford or cannot justify. It helps us to pursue our economic and military interests in base rights countries and military access countries. It helps us promote democracy by moving our allies away from dependence on Communist insurgencies.

This bill is the first bill in many years that moves us toward a better set of foreign aid priorities. By passing this conference report, under-budget, outside any continuing resolution, and in the spirit of bipartisan and executive-legislative cooperation, we will be sending a very strong bipartisan signal about America's commitment to freedom throughout the world, and I urge all Members to support it.

Mr. OBEY. Mr. Speaker, I ask unanimous consent for permission to insert in the Record at this point a number of corrections and omissions that were made in the "Statement of Managers" accompanying the conference report on H.R. 4637.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

CORRECTIONS AND ADDITIONS TO STATEMENT OF MANAGERS ACCOMPANYING CONFERENCE REPORT ON H.R. 4637

The following report language concerning amendment No. 135 relating to relatively least developed countries was inadvertently left out of the joint explanatory statement:

At any time after September 30, 1989, if certain conditions are met, section 572 would permit the President to allow relatively least developed countries and countries in sub-Saharan Africa to repay in local currencies the aggregate of outstanding principal and interest owed on loans made under chapter 1 of Part I and chapter 4 of Part II of the Foreign Assistance Act of 1961 or any predecessor legislation. This authority may be used in any fiscal year beginning with fiscal year 1990 for loan arrearages or payments owed in such fiscal year, or for any payments that may be owed in future fiscal years. The provision also permits the President to forgo the repayment of aggregate outstanding principal and interest entirely in some cases. The committees expect to be kept informed regarding plans to implement this provision.

The following statement on the Cooperative Development Project was printed in the joint explanatory statement, but several words were deleted in the printing. The correct statement follows:

The conferees strongly support the Cooperative Development Project and urge consideration of significant increases in funding for this program undertaken by U.S. cooperatives from the additional resources made available for the direct PVO Program on the West Bank and Gaza.

Under the environmental concerns provision, amendment No. 108, the printed text refers to the Governor of Brazil, and it should say the Government of Brazil.

Mr. OBEY. Mr. Speaker, I yield 1 minute to the gentleman from New Mexico [Mr. Richardson].

Mr. RICHARDSON. Mr. Speaker, I would just like to ask the chairman of the subcommittee a question. The action the conference committee took on Kenya, my understanding is that the Senate had higher figures for economic support funds and military assistance. If there was a reduction, I would like the gentleman to explain the reasoning the conference committee took for such a reduction.

Mr. OBEY. Mr. Speaker, will the gentleman yield?

Mr. RICHARDSON. I yield to the gentleman from Wisconsin.

Mr. OBEY. Let me simply say, Mr. Speaker, that the Senate provided $10 million earmarked for ESF. It provided $20 million earmarked for military.

It was my personal position that there should be no funds earmarked whatsoever for Kenya. Let me explain my personal view. I had been asked early in the year to insert in the Record language indicating that we were pleased with the fact that Kenya was making some progress in terms of human rights and in terms of opening up their political system. I did that and after that happened we then had the Kenyan Parliament taking action which in essence eliminated the independence of the courts and gave the executive additional authority to toss people in jail without any charge for a period up to 15 days.

It was my view that we should not reward that kind of conduct by an earmark of any kind. In the end I was outvoted by the subcommittee. If I had my way, there would have been zero earmarked for Kenya, but I think this exchange is good. We argued about it a long time in conference. This ought to send a clear message to Kenya that we do not expect them to continue down the road which they appeared to be going down when the Parliament passed that legislation earlier in the year. If they would like to meet with continued favor on the part of the Congress, I think they need, frankly, to clean up their act.

Mr. RICHARDSON. I recognize the gentleman's concern for human rights and the very strong record the subcommittee has on it.

I just want to stress the fact that there are positive sides to the relationship. Kenya is a strategic friend. It has been a good friend over the years. President Moi has been a long-standing ally.

I would hope that naturally the situation on human rights will improve, but that it be recognized that we are talking about a friend.

I just wanted to make that point with my colleague.

Mr. OBEY. I think that is correct, but sometimes you have to send messages, even to your friends.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts [Mr. Conte].

Mr. CONTE. Mr. Speaker, I rise in support of the conference report on the foreign assistance and export financing appropriations bill for fiscal year 1989.

Before I get on with my remarks here, I want to join the chairman, the gentleman from Wisconsin [Mr. Obey], and our ranking minority member, the gentleman from Oklahoma [Mr. Edwards], in commending and bidding farewell to our good friend, the gentleman from New York [Mr. Kemp]. It was my honor as the ranking member of the Appropriations Committee to name the Members on our side to their subcommittees. It was my privilege to name the gentleman from New York [Mr. Kemp] to the Foreign Operations Subcommittee, and I never regretted it. He did a great job as a member of that subcommittee and later as the ranking member of that committee. He always showed great leadership. He stuck by his convictions. You had to admire him, whether you agreed with him or not on an issue, because he was a man of great tenacity. He would never give up when he believed in a certain cause or a certain issue. He is a man of impeccable integrity. We are going to miss him on the committee and we are going to miss him here in the Congress.

I want to take this opportunity to commend our subcommittee chairman, the gentleman, the gentleman from Wisconsin [Mr. Obey], and the ranking minority member, the gentleman from Oklahoma [Mr. Edwards], and all of the conferees for bringing us a conference report that is not only below the budget request and both the House and Senate bills, but one that enjoys the rare but strong support of the administration and both sides of the aisle.

Mr. Speaker, this is a historic day.

No, it is not Pearl Harbor Day—again, but it is historic because this is the first free-standing foreign aid appropriations bill that will become law since 1981, and I commend again my good friends, the gentleman from Wisconsin [Mr. Obey] and the gentleman from Oklahoma [Mr. Edwards] for doing this.

Some of us were afraid that we might never see one again, but here it is today.

First, credit must be given to the budget summit agreement of last year which set both a ceiling and a floor for International Affairs funding, including foreign aid. We should keep that in mind as we look at the whole budget process in the next Congress.

And then credit must be paid to our heroic subcommittee, the members of which have battled foreign aid friends and foes alike over the years. They went to conference last Thursday at 3 p.m. and kept at it until they finished at 5 a.m. Friday morning.

The people out there, the taxpayers who see the Congress at work, do not see that kind of loyalty, that kind of hard work and dedication.

They labored hard, and they labored well. They have brought back a conference report that all of us here in the House can support.

This bill provides funding for our troubled friends in the Middle East. It includes funding for base rights and base access countries which are important to our national interests. Basic humanitarian, disaster and refugee assistance is continued through a variety of agencies. The bill will bring us up to date on several debts that we owe as members of international financial institutions. We are finally getting on board along with all of the responsible nations of the free world with an initial contribution to the general capital increase of the World Bank, where we only have to pay in 3 percent of our total commitment.

There are funds in here to continue our strong support of the Child Survival Program and the worldwide battle against AIDS. United States support will also continue for the embattled but surviving American University of Beirut. There is important economic support for the democracies of Central America and the Caribbean, as well as emergency assistance for Jamaica, which was just ravaged by Hurricane Gilbert.

I urge all of you to support this conference report. It is within the subcommittee's 302(b) allocations for budget authority and new outlays. It is below the President's request. It is below the House bill and the Senate bill.

Most important, the bill provides our next President with critical foreign policy resources in both security and humanitarian areas. It warrants your support.

Again, I want to commend the gentleman from Wisconsin [Mr. OBEY] and my friend, the gentleman from Oklahoma [Mr. EDWARDS] for the leadership and the great job they did here, together with the other committee members.

Mr. OBEY. Mr. Speaker, I yield 4 minutes to the gentleman from New York [Mr. McHUGH], who as I have said many times, really serves almost as an unofficial vice chairman of this committee. He devotes a great deal of his time to it, very constructively.

Mr. McHUGH. Mr. Speaker, I thank my friend, the gentleman from Wisconsin, for yielding me this time and for his very kind remarks.

Mr. Speaker, I rise in support of the conference report and urge its adoption by the House. As others have said, this is the first time in 7 years that we have brought a freestanding foreign aid appropriations conference report to the floor. It is the product of many months of hard work, it enjoys bipartisan support, including the support of the President, and I hope our colleagues will join us in endorsing this effort.

I also want to take a moment to join with my colleagues in commending my friend and colleague, the gentleman from New York [Mr. KEMP] for his contributions to this committee. We have not always agreed on issues or priorities on foreign aid or elsewhere, but we have always worked closely together. We have had respect for one another's views, and it has been a pleasure for me to see how JACK KEMP has put the interests of our country always in the forefront in dealing with the issues before our committee and the House. We will miss him for many reasons, and we certainly wish him well in the future.

I want to join with others as well in commending the chairman of the Foreign Operations Subcommittee, the gentleman from Wisconsin [Mr. OBEY], for shepherding this bill through conference, through the initial stages of the legislative process, including passage on the House floor. We had many difficult issues to be resolved and it would not have been possible without the very special qualities of leadership that he always shows.

I also want to commend the gentleman from Oklahoma [Mr. EDWARDS], the ranking minority member of our subcommittee. He has played a very constructive role in helping to move this bill through all stages of the legislative process.

The bill itself contains $14.3 billion in new budget authority, including $980 million in mandatory spending. If one excludes those items that are mandatory, the bill provides for a modest 2-percent increase over last year in discretionary foreign assistance funding. This increase was agreed to in the budget summit agreement negotiated last December between Congress and the administration, and I believe it is important that we honor that commitment.

We should also note that this modest increase follows substantial reductions that were made in foreign aid in the previous 3 years.

In fiscal year 1985, for example, the United States spent approximately $20.9 billion on the various programs and activities funded in this bill, as compared to a total of $14.3 billion that we are recommending here. If this conference report is approved, therefore, we will have cut foreign aid by more than 30 percent since fiscal year 1985. Indeed, using comparable accounting methods, we are spending less on foreign assistance today than we did in fiscal year 1981, the last year of the Carter administration.

Of the $262 million in discretionary spending increases recommended in the conference report, $109 million is for U.S. contributions to the multilateral development banks. Even if this increase is approved, however, the United States will still remain more than $400 million in arrears on prior commitments to those institutions.

The conference report also increases development assistance by $36 million over last year. Those funds are largely set aside to provide assistance for relief, reconstruction, and rehabilitation in Jamaica, which suffered such devastation in the recent hurricane.

Refugee assistance will increase by approximately $50 million under the conference report. Those additional funds are needed to meet a variety of emergency problems that have arisen in recent months in such places as Afghanistan.

The Economic Support Fund will also increase by about $58 million, while the remaining small increases are in accounts that have broad bipartisan support, such as the Peace Corps and the African and Inter-American Development Foundations.

In short, Mr. Speaker, most of the discretionary spending increases recommended in this bill are for important development and humanitarian aid programs. For that reason, I feel very comfortable in advising my colleagues that this is a good bill, one that they can and should support.

Finally, Mr. Speaker, I have been informed by staff that the statement of managers accompanying the conference report inadvertently left out the joint explanatory statement of the managers regarding Amendment No. 135 relating to relatively least developed countries. As the author of that provision, I am therefore inserting the text of the statement agreed to by the managers at this point in the RECORD:

RELATIVELY LEAST DEVELOPED COUNTRIES

At any time after September 30, 1989, if certain conditions are met, section 572 would permit the President to allow relatively least developed countries and countries in sub-Saharan Africa to repay in local currencies the aggregate of outstanding principal and interest owed on loans made under chapter 1 of Part I and chapter 4 of Part II of the Foreign Assistance Act of 1961 or any predecessor legislation. This authority may be used in any fiscal year beginning with fiscal year 1990 for loan arrearages or payments owed in such fiscal year, or for any payments that may be owed in future fiscal years. The provision also permits the President to forego the repayment of aggregate outstanding principal and interest entirely in some cases. The committees expect to be kept informed regarding plans to implement this provision.

□ 1130

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois [Mr. PORTER].

Mr. PORTER. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in strong support of the foreign operations conference report for fiscal year 1989.

This conference report is the product of an unprecedented amount of bipartisan cooperation. The House version of the bill passed last May by a vote of 328 to 90 and the conference report deserves an even better vote.

This report is also the product of the excellent work of a number of members and staff, especially our chairman, Mr. OBEY, our vice chairman, Mr. EDWARDS and all the hard-working staff, but especially Terry Peel, Bill Schuerch, and Jeff Pierson.

The bill provides funding for a number of foreign policy priorities that deserve our special attention. Most importantly, we provide funding for a number of allies and democracies in key locations including aid to Israel and Egypt, Turkey, Greece, El Salvador, and the Philippines.

I regret that we were not able to strengthen the private sector through the IFC this year. I was happy to have the help of the committee in moving toward a solution to the IFC's funding problem, in the future.

I also regret not fully committing ourselves to family planning in Africa. Africa has the fastest growing population in the world and at some point we will have to respond more effectively. This of course will also have to include revisiting the issue of funding the UNFPA, once they reorder their program in China.

We did dramatically increase our funding for programs in response to the spread of AIDS. I was pleased to see that we made the WHO Program under our own Dr. Jonathan Mann the lead program in this area.

Mr. Speaker, let me, before I close, commend our extremely able colleague, the gentleman from New York [Mr. KEMP], always a leader, always strong for the things he believes in, always hard working and caring and committed. We will miss the gentleman from New York [Mr. KEMP] in the Congress, and we wish him well in all that he undertakes in the future.

In all, this is a good bill and deserves all Members' support. Is it not amazing when we want to we can work together, produce a reasonably good bill and garner support from a broad coalition of the Congress? Let us do it again next year and the year after that and every year. Once every 7 years simply is not good enough. Let us make this year's work the model for our work in the future.

Mr. Speaker, I commend the subcommittee for its hard work and urge the conference report's adoption.

Mr. OBEY. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. DYMALLY].

Mr. DYMALLY. Mr. Speaker, would the gentleman from Wisconsin engage in a colloquy?

Mr. OBEY. Mr. Speaker, I am happy to engage in a colloquy with the gentleman from California.

Mr. DYMALLY. Mr. Speaker, as the gentleman knew, I visited Jamaica last week. The one issue which the Prime Minister, the opposition leader, the Governor-General, the Ambassador asked is: Is this money which we have so generously put into the budget in the Operations Subcommittee earmarked for Jamaica?

Mr. OBEY. Mr. Speaker, if the gentleman will yield, yes, there is $35 million earmarked for Jamaica in addition to which Jamaica will receive a significant amount of funding from other sources which were already planned before the hurricane hit.

Mr. DYMALLY. These funds will go directly to Jamaica for the disaster which they have just experienced?

Mr. OBEY. Mr. Speaker, that is correct.

Mr. DYMALLY. Mr. Speaker, I will be putting my entire statement into the RECORD.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. OBEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me simply say that we have letters in support of this bill from both the Secretary of the Treasury and the Secretary of State which I would like to enter into the RECORD at this time.

THE SECRETARY OF STATE,
Washington, September 28, 1988.

Hon. DAVID R. OBEY,
Chairman, Subcommittee on Foreign Operations, Export Financing, and Related Programs, Committee on Appropriations, House of Representatives.

DEAR MR. CHAIRMAN: I want to state my strong support for the Conference Report to H.R. 4637, Foreign Operations, Export Financing and Related Programs Appropriations Act, 1989. It is the first conference on a free-standing Foreign Operations bill since 1981, and is the result of a great deal of bipartisan, Executive—Congressional cooperation.

The Conference Report provides the Administration with the resources necessary to address our national security concerns as well as to capitalize on opportunities for peace, economic development and export promotion at a time when U.S. leadership is more critical then ever. It does not provide all that the Administration sought, and I remain concerned with the lack of resource flexibility in the management of our foreign policy programs. Nevertheless, it is essential that this Conference Report be adopted by the Congress and signed by the President.

I congratulate you on your leadership in managing this legislation.

Sincerely yours,

GEORGE P. SHULTZ.

THE SECRETARY OF THE TREASURY,
Washington, September 28, 1988.

Hon. THOMAS S. FOLEY,
Majority Leader, House of Representatives, Washington, DC.

DEAR TOM: The Foreign Operations Appropriations Conference Report is scheduled to come before the House as early as today. Included in the Conference Report is funding for the World Bank General Capital Increase (GCI). As you are aware from the President's letter of June 10 (enclosed), this is an important Administration priority.

The World Bank and the regional development banks play an important role in helping finance viable economic development in the world's less developed countries. They also encourage the pursuit of sound economic policy, promoting greater stability, and higher rates of growth over the longer term. U.S. support for multilateral development bank lending is a vital element of our foreign economic policy, and we will benefit through increases in trade with less developed countries and greater growth in our economy.

Out of the 151 member countries of the World Bank, the only remaining members who have not yet ratified the GCI are the U.S., Kampuchea, Libya, Romania, Rwanda, United Arab Emirates, Vietnam, and Yemen PDR. Certainly, this is not the kind of company we should be keeping. Failure to pass the GCI would damage our national economic interests and cause us to lose substantial leadership on the priority of World Bank policy objectives in its lending program, including environmental issues and greater reliance on market incentives.

I urge your support for the GCI and for swift passage of the Foreign Operations Appropriations Conference Report.

Sincerely,

NICK BRADY.

THE WHITE HOUSE,
Washington, June 10, 1988.

Hon. THOMAS S. FOLEY,
Majority Leader, House of Representatives, Washington, DC.

DEAR MR. FOLEY: As you are aware, the Administration in February of this year reached agreement on a General Capital Increase (GCI) for the World Bank. This would require an annual paid-in appropriation of $70.1 million for the 6-year period 1989–1994, substantially less than the appropriation required for the previous capital increase. Recently the Department of the Treasury submitted legislation to the Congress authorizing U.S. participation in the GCI.

The General Capital Increase is in our national economic and strategic interests. The World Bank remains the single largest source of development assistance. The Bank commits the vast majority of its funds in support of specific investment projects in the middle income developing nations. These are mostly nations (such as the Philippines, Egypt, Pakistan, Turkey, Morocco, Tunisia, Mexico, Argentina, Indonesia, and Brazil) that are strategically and economically important to the United States.

The Bank's General Capital Increase will provide new development funding for these countries at a level far beyond that which we could accomplish bilaterally. This is because in the World Bank the cost of assisting these nations is shared with the other major non-communist industrial nations, and the Bank raises most of its funds by borrowing in the international capital markets.

The U.S. contribution of $70.1 million annually (plus repayment reflows from earlier loans) will make available an average of $18.8 billion in new annual World Bank loan commitments over the next 6 years, a multiple 268 times the U.S appropriation.

The substantial increase in the Bank's resources will enable it to expand its vital role in promoting structural adjustment and market-oriented economic reforms. The Bank plays a key role in the major Latin American debtor nations that are pursuing significant economic reforms. Such reforms often include privatization, freezing prices from official controls, and reducing trade barriers, which would benefit U.S exports. Turkey is an example of a major ally that has successfully implemented structural adjustment, in conjunction with active World Bank involvement.

World Bank project and sector lending will benefit U.S. business. American exports of equipment, agricultural products, and consulting services will increase from the growth in developing nations promoted by World Bank lending. Many U.S. firms profit directly from export sales financed by World Bank loans. United States companies received $1.6 billion (or 22 percent) of World Bank disbursements for foreign procurement in World Bank fiscal year 1987. American firms also received additional sums from World Bank project-related procurement contracts that are financed by borrowing countries.

United States participation in the GCI will also accomplish other important foreign economic policy goals. The GCI commits the Bank to increase its support for the private sector in developing countries. The GCI resolution also calls on the Bank to take specific steps to make environmental protection a higher priority. Finally, our humanitarian goals are served by the Bank's emphasis upon alleviating mass poverty.

I ask you to support quick and unencumbered passage of authorizing legislation for the GCI. It is in everyone's interest to ensure that this significant legislation is passed without distorting amendments. I urge you to support this important effort.

Sincerely,

RONALD REAGAN.

I would simply say that the bill is $17 million below the President's request. It is 20 percent below 1985. It is supported by the President. It defends our national interest, and it protects the taxpayers from the additional $500 millon whammy they would have gotten had we not resisted the provision in the bill of the other body.

Mr. Speaker, I would urge its adoption.

Mrs. KENNELLY. Mr. Speaker, I rise in support of the foreign operations appropriations bill, and applaud the conference committee on this bill for including $35 million in emergency aid to Jamaica.

It will take years for the people of Jamaica to recover from the death and destruction the island suffered from Hurricane Gilbert; and many people will never recover from their personal and financial losses.

Jamaica was hit by the brunt of Hurricane Gilbert. Hours of heavy winds caused years of damage. Twenty-nine people lost their lives, half a million people were left homeless, crops were severly damaged, water supplies were contaminated and electrical and telephone wires were downed. This island which depends on tourism as its main source of income, has become an extremely hard place to live, let alone visit.

Jamaica needs our support. By providing this aid package, we will begin to make Jamaica a safe place to live and visit again. There are many local efforts to get supplies and goods to the island, including a number of efforts in my hometown of Hartford, CT, which has the second highest Jamaican population in the country.

We in Congress need to do our part also in order to ease the pain and suffering of the people in Jamaica, and their relatives in the United States. I urge you to support this measure.

Mr. DORGAN of North Dakota. Mr. Speaker, I rise in support of the conference report on H.R. 4637, foreign aid appropriations for fiscal year 1989. I commend Chairman OBEY for his diligence and leadership in hammering out this conference agreement with the Senate.

When the House considered this bill, I was constrained to vote against it. One of my objections was the increased funding level in the bill compared with fiscal year 1988. I am pleased to see that the conferees have trimmed a modest amount from total spending in the bill.

I was also troubled by the continuing trend toward dramatic increase in security aid, which have come at the expense of development aid and food aid. Since 1980, the ratio of security aid to development aid has jumped from 1:1 to 2:1, while food aid actually declined by 1.7 percent. Therefore, I applaud the conference decision to reduce security aid by $36 million.

Particularly troublesome in recent years has been the soaring growth of the Military Assistance Program [MAP]. Virtually phased out in 1980, MAP has enjoyed a 700-percent increase in the last 8 years. The conference report reduces MAP by over $400 million, which leaves it a level of $467 million—about where it should be. Although this reduction is offset somewhat by hefty increases in grant military financing in the new Foreign Military Financing Program, the net result still moves us in the right direction.

Given these improvements, I am prepared to support the conference report, which contains several vital foreign aid programs already included in the House bill.

I speak of aid to friends in the Middle East, Israel, and Egypt, who have taken painful and necessary steps to build a durable peace in the region. The conference agreement adopts the House levels of $3 billion for Israel and $2.1 billion for Egypt.

The conference report also retains sturdy funding for UNICEF and child survival programs. These two programs have pioneered innovative ways to reduce child mortality in half in developing countries with health interventions which may cost as little as a few pennies per treatment. For this reason I support language directing the administration to make a timely payment for UNICEF next year. In general, the report increases development aid by $21 million.

In a word, the conference report realigns foreign aid priorities in favor of human resources and away from security aid. Seeking the right balance between these two necessary parts of foreign aid is precisely the improvement which this agreement makes. And that is why I intend to vote in favor of the conference report.

Mr. WILSON. Mr. Speaker, the drug war is being fought on many fronts in this country and abroad. But nowhere is the battle more fierce than in the jungles and high mountain plains of South America. In Bolivia, for instance, narco traffickers have had virtually free rein. But things are changing.

Under President Paz Estonsorro, Bolivia has decided to put an end to the cocaine trade operating within the country.

Consider these facts:

The United States and Bolivia in 1987 formed a partnership to combat the narco traffickers. Earlier this year Bolivia enacted a tough new comprehensive antidrug law that carries stiff civil and criminal penalties for producing or trafficking in illicit narcotics. Earlier this summer one of the world's drug kingpins, Robert Suarez, was arrested and sentenced to jail.

It is evident that Bolivia is striking at the very heart of the drug cartel—and will continue to do so until their country is rid of the narco traffickers.

Sustaining this effort requires the political support and financial assistance of our Government. The Bolivians simply do not have the resources to go it alone.

That is why I am pleased to note that the conference report on H.R. 4637 contains funding for Bolivia's war on drugs. I also note that Bolivia may receive up to $25 million in ESF and $5 million in MAP funds which are in addition to the $15 million INM funds earmarked for Bolivia in the bill.

Mr. Speaker, there is no question that Bolivia is making progress.

The funds provided in this legislation will ensure that the antinarcotics program in Bolivia will continue.

Mr. DYMALLY. Mr. Speaker, I rise today before this distinguished body to discuss the very pressing issue of assistance to Jamaica to help that country recover from the devastation wrought by Hurricane Gilbert. I am pleased to say that my dear colleague, the Honorable DAVID OBEY, chairman of the Subcommittee on Foreign Operations, has given me his assurance that the conference report on appropriations earmarks not less than $35 million for relief, rehabilitation, and reconstruction assistance for Jamaica.

The report specifies that this earmarked assistance is to be in addition to development assistance funds otherwise made available to that country. Chairman OBEY has also informed me that these specified funds should be used to restore power distribution and communication, to distribute food and other needed supplies, to provide materials for temporary shelters, to contribute to the process of redevelopment, and for other emergency needs. It is also my understanding that more than $23 million in relief, rehabilitation and food will be obligated for Jamaica by the end of this week that would constitute fiscal year 1988 funds.

For fiscal year 1989, in addition to the $35 million Foreign Operations has earmarked, Jamaica is scheduled to receive $17.6 million in regular development assistance, and $30 million in Public Law 480, which is already signed up. In addition, I am informed that $10 million in new Public Law 480 is in the works to provide needed lumber for the reconstruction effort. Jamaica will also receive $15 million in Housing Investment Guarantees. And finally, Jamaica is eligible to receive up to $25 million in ESF to support narcotics control activities in that country. According to Chairman OBEY, there is also authority, subject to the discretion of the administration, to provide funds from the regular disaster assistance accounts and from the special de-ob re-ob authority we provide for Jamaica and Bangladesh for any additional relief and reconstruction needs that may arise.

I would like to commend my colleague from Wisconsin for the crucial role he has played to provide sufficient funding to the relief and reconstruction activities in Jamaica and to assure that United States assistance is sufficient to meet the extraordinary needs that country will be facing. I would like to take this time to thank Congressman OBEY for his time, effort, and assurances on this issue and look forward to working with him and other members of the Subcommittee on Foreign Operations, as well as with the chairman and members of the Committee on Foreign Affairs on this effort to assist our good and close neighbor.

Mr. KYL. Mr. Speaker, today, I reluctantly cast my vote for the motion by the gentleman from Wisconsin, [Mr. OBEY], under which the House recedes from its disagreement and concurs with the Senate amendments to waive the standard requirements for authorization of foreign aid programs and to enact, as part of the bill, authorizing legislation for the World Bank, the African Development Fund, and the Overseas Private Investment Corporation.

I reluctantly support this motion because I support a foreign aid program that furthers the interests of the United States. For example, if our military aid helps a country in its fight against communism, or other threats, then we have also helped in the defense of our country, without having to commit our forces. Similarly, if our economic aid helps the economies of our friends in other parts of the world, and, in the process, provides stability to that country, we have then made a good investment in our political and economic well-being.

On whole, H.R. 4637 is a foreign aid bill consistent with our interests. This measure increases economic and military assistance targeted to our best friends and allies. Of particular interest, the bill provides economic aid at or above fiscal year 1989 requested levels for the Central American democracies, provides $2 million to the National Endowment for Democracy for use in Nicaragua to help the internal democratic opposition to the Communist Sandinista regime, and provides important aid to critical friends like Israel and others.

However, there is one provision of the bill to which I strongly object, providing $50 million for the general capital increase [GCI] for the World Bank. If there is one area where the United States acts in ways contrary to its interests, it is in the area of U.S. loans, through international lending institutions, to countries which support anti-American interests and policies. Over the past years, the World Bank has provided loans, over U.S. objections, to countries that violate human rights, support terrorism, and default on debt payments. What's more, loans have been provided to Communist countries, which, in effect, subsidizes communism with American taxpayer dollars. This is an intolerable situation and must be changed.

An effort has been made to split out the authorization of funds for the World Bank from H.R. 4637, and I supported this effort, specifically by voting against the rule for consideration of the bill, a rule which waived all points of order. However, this effort has failed and I feel compelled to vote for the authorization of foreign aid progrms because of the overall benefit of H.R. 4637 to our foreign policy interests. This is not an easy vote. We must stop the unjustifiable provision of loans to countries which do not share our values and do not act in ways consistent with our foreignpolicy interests. It is most unfortunate when the leadership of the Democratic Party has so little confidence in its positions—like funding for the World Bank—that it can't allow the measure to stand or fall on its own merits.

Mr. OBEY. Mr. Speaker, I have no further requests for time, and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were— yeas 327, nays 92, answered "present" 1, not voting 11, as follows:

[Roll No. 356]

YEAS—327

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Armey
Aspin
Atkins
AuCoin
Baker
Ballenger
Bartlett
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bliley
Boehlert
Boggs
Boland
Bonior
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Cheney
Clarke
Clay
Clement
Clinger
Coble
Coelho
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Costello
Coughlin
Courter
Coyne
Crockett
Darden
Daub
Davis (IL)
de la Garza
Dellums
Derrick
DeWine
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Gallegly
Gallo
Garcia
Gejdenson
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Henry
Hertel
Hiler
Hochbrueckner
Horton
Houghton
Hoyer
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Jeffords
Johnson (CT)
Johnson (SD)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kemp
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Konnyu
Kostmayer
Kyl
Lagomarsino
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lowery (CA)
Lowry (WA)
Luken, Thomas
Lungren
Manton
Markey
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCrery
McCurdy
McDade
McEwen
McGrath
McHugh
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murtha
Myers
Nagle
Natcher
Nelson
Nowak
Oakar
Oberstar
Obey
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Payne
Pelosi
Pepper
Pickett
Pickle
Porter
Price
Pursell
Rangel
Ravenel
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Robinson
Rodino
Roe
Rose
Rostenkowski
Roukema
Rowland (CT)
Rowland (GA)
Sabo
Saiki
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sharp
Shaw
Shays
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (TX)
Snowe
Solarz
Spratt
St Germain
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Sundquist
Sweeney
Swift
Synar
Tallon
Tauzin
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traxler
Udall
Upton
Vander Jagt
Vento
Visclosky
Vucanovich
Walgren
Waxman
Weber
Weiss
Weldon
Wheat
Whitten
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)

NAYS—92

Applegate
Archer
Badham
Barnard
Barton
Bilirakis
Brown (CO)
Byron
Coats
Coleman (MO)
Craig
Crane
Dannemeyer
Davis (MI)
DeFazio
DeLay
Dickinson
Dreier
Emerson
English
Fawell
Fields
Flippo
Gaydos
Gekas
Gregg
Hammerschmidt
Hansen
Hefner
Herger
Holloway
Hopkins
Hubbard
Ireland
Jacobs
Jenkins
Jones (TN)
Kolter
Latta
Leach (IA)
Lloyd
Lott
Lujan
Lukens, Donald
Marlenee
Mollohan
Montgomery
Moody
Moorhead
Murphy
Neal
Nichols
Nielson
Olin
Patterson
Penny
Perkins
Petri
Quillen
Rahall
Ray
Roberts
Rogers
Roth
Roybal
Russo
Savage
Sensenbrenner
Shumway
Shuster
Slattery
Slaughter (VA)
Smith (NE)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Spence
Staggers
Stallings
Stump
Swindall
Tauke
Taylor
Traficant
Valentine
Volkmer
Walker
Watkins
Whittaker
Williams
Young (FL)

ANSWERED "PRESENT"—1

Gonzalez

NOT VOTING—11

Bonker
Boulter
Callahan
Dowdy
LaFalce
Mack
MacKay
Madigan
McCandless
McMillan (NC)
Pease

□ 1211

The Clerk announced the following pair:

On this vote:

Mr. Lafalce for, with Mr. Boulter against.

Mr. VOLKMER and Mr. KOLTER changed their vote from "yea" to "nay".

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2642, COLORADO UTE INDIAN WATER RIGHTS SETTLEMENT ACT OF 1988

Mr. PEPPER, from the Committee on Rules, submitted a privileged report (Rept. No. 100-986) on the resolution (H. Res. 550) providing for the consideration of the bill (H.R. 2642) to facilitate and implement the settlement of Colorado Ute Indian reserved water rights claims in southwest Colorado, and for other purposes, which was referred to the House Calendar and ordered to be printed.

WAIVING CERTAIN POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 4481, DEFENSE SAVINGS ACT OF 1988, AND AGAINST CONSIDERATION OF SUCH CONFERENCE REPORT

Mr. PEPPER, from the Committee on Rules, submitted a privileged report (Rept. No. 100-987) on the resolution (H.R. 551) waiving certain points of order against the conference report on the bill (H.R. 4481) to provide for the closing and realigning of certain military installations during a certain period, and against consideration of such conference report, which was referred to the House Calendar and ordered to be printed.

CONFERENCE REPORT H. REPT. 100-990

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4784) "making appropriations for the Rural Development, Agriculture, and Related Agencies programs for the fiscal year ending September 30, 1989, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective House as follows:

That the Senate recede from its amendments numbered 6, 11, 13, 15, 16, 17, 18, 24, 29, 33, 35, 36, 47, 48, 49, 50, 52, 53, 54, 57, 58, 59, 62, 63, 64, 69, 72, 73, 76, 79, 80, 81, 83, 85, 98, 103, 104 108, 111, 112, 123, 132, 133, 135, 136, 137, 138, 139, 143, 144, 145, and 146.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 4, 7, 37, 40, 51, 65, 66, 67, 70, 77, 84, 88, 92, 93, 95, 96, 97, 101, 105, 106, 107, 124, and 125, and agree to the same.

Amendment numbered 5:

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$7,883,000*; and the Senate agree to the same.

Amendment numbered 8:

That the House recede from its disagreement to the amendment of the Senate numbered 8 and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$50,491,000*; and the Senate agree to the same.

Amendment numbered 9:

That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$20,836,000*; and the Senate agree to the same.

Amendment numbered 10:

That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$63,588,000*; and the Senate agree to the same.

Amendment numbered 14:

That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment insert: *: Provided further,* That the foregoing limitations on purchase of land shall not apply to the purchase of land at the Grand Forks Human Nutrition Center, Grand Forks, North Dakota; and the Senate agree to the same.

Amendment numbered 19:

That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$28,350,000*; and the Senate agree to the same.

Amendment numbered 21:

That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$17,500,000*; and the Senate agree to the same.

Amendment numbered 23:

That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$39,716,000*; and the Senate agree to the same.

Amendment numbered 25:

That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$1,025,000*; and the Senate agree to the same.

Amendment numbered 26:

That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$3,668,000*; and the Senate agree to the same.

Amendment numbered 27:

That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$3,000,000*; and the Senate agree to the same.

Amendment numbered 28:

That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$3,152,000*; and the Senate agree to the same.

Amendment numbered 30:

That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$4,450,000*; and the Senate agree to the same.

Amendment numbered 31:

That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$6,377,000*; and the Senate agree to the same.

Amendment numbered 32:

That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$315,107,000*; and the Senate agree to the same.

Amendment numbered 34:

That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment amended to read as follows: *; payments for the urban gardening program under section 3(d) of the Act, $3,500,000*; and the Senate agree to the same.

Amendment numbered 38:

That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$953,000*; and the Senate agree to the same.

Amendment numbered 39:

That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$1,500,000*; and the Senate agree to the same.

Amendment numbered 41:

That the House recede from its disagreement to the amendment of the Senate numbered 41, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert: *payments for carrying out the provisions of the Renewable Resource Extension Act of 1978 under 3(d) of the Act, $2,765,000*; and the Senate agree to the same.

Amendment numbered 42:

That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$352,287,000*; and the Senate agree to the same.

Amendment numbered 44:

That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$14,268,000*; and the Senate agree to the same.

Amendment numbered 45:

That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$370,000*; and the Senate agree to the same.

Amendment numbered 55:

That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$201,992,000*; and the Senate agree to the same.

Amendment numbered 61:

That the House recede from its disagreement to the amendment of the Senate numbered 61, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$474,000,000*; and the Senate agree to the same.

Amendment numbered 74:

That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$2,868,000*; and the Senate agree to the same.

Amendment numbered 86:

That the House recede from its disagreement to the amendment of the Senate numbered 86, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$12,446,000*; and the Senate agree to the same.

Amendment numbered 87:

That the House recede from its disagreement to the amendment of the Senate numbered 87, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$9,000,000*; and the Senate agree to the same.

Amendment numbered 89:

That the House recede from its disagreement to the amendment of the Senate numbered 89, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$5,452,000*; and the Senate agree to the same.

Amendment numbered 94:

That the House recede from its disagreement to the amendment of the Senate numbered 94, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and the matter inserted by said amendment insert the following: *, $1,929,362,000, to remain available through September 30, 1990, of which $2,000,000 may be used to carry out the farmers' market coupon demonstration project*; and the Senate agree to the same.

Amendment numbered 99:

That the House recede from its disagreement to the amendment of the Senate numbered 99, and agree to the same with an amendment, as follows:

In lieu of the sum named in said amendment insert *$120,000,000*; and the Senate agree to the same.

Amendment numbered 100:

That the House recede from its disagreement to the amendment of the Senate numbered 100, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$89,223,000*; and the Senate agree to the same.

Amendment numbered 102:

That the House recede from its disagreement to the amendment of the Senate numbered 102, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$95,017,000*; and the Senate agree to the same.

Amendment numbered 113:

That the House recede from its disagreement to the amendment of the Senate numbered 113, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$2,000,000*; and the Senate agree to the same.

Amendment numbered 114:

That the House recede from its disagreement to the amendment of the Senate numbered 114, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$34,723,000*; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 12, 20, 22, 43, 46, 56, 60, 68, 71, 75, 78, 82, 90, 91, 109, 110, 115, 116, 117, 118, 119, 120, 121, 122, 126, 127, 128, 129, 130, 131, 134, 140, 141, and 142.

Jamie L. Whitten,
Bob Traxler,
Matthew F. McHugh,
William H. Natcher,
Daniel K. Akaka,
Wes Watkins,
Richard J. Durbin,
Neal Smith,
Mrs. Virginia Smith,
John T. Myers,
Joe Skeen,
Vin Weber,
Silvio O. Conte,
Managers on the Part of the House.

Quentin N. Burdick,
John C. Stennis,
Lawton Chiles,
Jim Sasser,
Dale Bumpers,
Tom Harkin,
Daniel K. Inouye,
Thad Cochran,
James A. McClure,
Bob Kasten,
Arlen Specter,
Chuck Grassley,
Mark O. Hatfield,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4784) making appropriations for Rural Development, Agriculture, and Related Agencies programs for the fiscal year ending September 30, 1989, and for other purposes, submit the following joint statement to the House and Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

Congressional Directives

The conferees agree that Executive Branch wishes cannot substitute for Congress' own statements as to the best evidence of congressional intentions—that is, the official reports of the Congress. The conferees further point our that funds in this Act must be used for the purposes for which appropriated as required by section 1301 of title 31 of the United States Code which provides: "Appropriations shall be applied only to the objects for which the appropriations were made except as otherwise provided by law."

Report language included by the House which is not changed by the report of the Senate, and Senate report language which is not changed by the conference are approved by the committee of conference. The statement of the managers, while repeating some report language for emphasis, does not intend to negate the language referred to above unless expressly provided herein.

TITLE I—AGRICULTURAL PROGRAMS

Production, Processing and Marketing

OFFICE OF THE SECRETARY

The conferees agree that in procuring energy systems, the Secretary shall procure systems that use solar energy or other renewable forms of energy whenever the Secretary determines that such procurement is possible and will be cost effective, reliable, and otherwise suited to supplying the energy needs of the Department.

The conferees expect that not less than $3,000,000 of the total resources available to the Department will be used for research, management, control, and eradication of leafy spurge and spotted knapweed on both private and public lands.

From within funds available, the Animal and Plant Health Inspection Service, the Agricultural Marketing Service, and the Food and Drug Administration should cooperate in solving the problem *salmonella enteritidis,* which endangers human as well as the egg industry. The conferees are particularly concerned about the apparent inaction of the Department of Agriculture in addressing this crisis in the egg industry. Existing law is clear. It provides the Department of Argiculture with the primary authority and responsibility of insuring animal health and safety through APHIS and the Agriculture Marketing Service, and it provides the Food and Drug Administration with the primary authority and responsibility of insuring human health and safety. The conferees expect the agencies to investigate, identify and eradicate the problem in poultry intended for egg production. Where an outbreak of *salmonella enteritidis* exists or when an outbreak occurs, the conferees expect the agencies to utilize all appropriate methods, such as mandatory testing and inspection where such methods are deemed appropriate, to resolve this problem and prevent it in the future.

OFFICE OF THE ASSISTANT TO THE SECRETARY FOR SPECIAL SERVICES

Amendment No. 1: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows:

OFFICE OF THE ASSISTANT TO THE SECRETARY FOR SPECIAL SERVICES

For necessary salaries and expenses to continue the Office of the Assistant to the Secretary for purposes of providing special services to the Department, $150,000: Provided, That none of these funds shall be available for the supervision or management of Natural Resources and Environmental activities, the Soil Conservation Services, or the Forest Service, or any other activities or functions associated therewith.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement restores House language providing for an Office of the Assistant Secretary for Special Services, and amends the language to make the office an assistant to the Secretary. The conference agreement further provides that the office shall not be involved in the supervision of Natural Resources and Environmental activities, the Soil Conservation Service, or the Forest Service, or any other activities or functions associated therewith. Supervision or management of the Soil Conversation Service and Forest Service is provided for under the Assistant to the Secretary for Natural Resources and Environment.

DEPARTMENTAL ADMINISTRATION

Amendment No. 2: Provides $21,271,000 for Personnel, Finance and Management, Operations, Information Resources Management, Advocacy and Enterprise, and Administrative Law Judges and Judicial Officer as proposed by the Senate instead of $21,211,000 as proposed by the House.

Amendment No. 3: Appropriates $25,922,000 for Departmental Administration as proposed by the Senate instead of $25,862,000 as proposed by the House.

WORKING CAPITAL FUND

Amendment No. 4: Appropriates $4,708,000 for the Working Capital Fund as proposed by the Senate instead of $5,708,000 as proposed by the House.

PUBLIC AFFAIRS

Amendment No. 5: Appropriates $7,883,000 for public affairs instead of $7,826,000 as proposed by the House and $7,940,000 as proposed by the Senate.

CONGRESSIONAL RELATIONS

Amendment No. 6: Appropriates $497,000 for congressional relations as proposed by the House instead of $500,000 as proposed by the Senate.

INTERGOVERNMENTAL AFFAIRS

Amendment No. 7: Appropriates $479,000 for intergovernmental affairs as proposed by the Senate instead of $476,000 as proposed by the House.

OFFICE OF THE INSPECTOR GENERAL

Amendment No. 8: Appropriates $50,491,000 for the Office of the Inspector General instead of $49,541,000 as proposed by the House and $51,442,000 as proposed by the Senate. Because of the limited resources available, the conferees expect the Office of the Inspector General to concentrate its efforts in those areas that offer the greatest payback to the government.

OFFICE OF THE GENERAL COUNSEL

Amendment No. 9: Appropriates $20,836,000 for the Office of the General Counsel instead of $20,594,000 as proposed by the House and $21,079,000 as proposed by the Senate.

NATIONAL AGRICULTURAL STATISTICS SERVICE

Amendment No. 10: Appropriates $63,588,000 for the National Agricultural Statistics Service instead of $63,091,000 as proposed by the House and $64,086,000 as proposed by the Senate.

The conferees expect the National Agricultural Statistics Service to continue the compilation for and the production of its current publications, including the "Catfish Processors and Growers Survey," the "Aquaculture Situation Outlook" report, the barley stocks and productions reports, the dry pea and lentil annual crop report and the annual report on white wheat.

WORLD AGRICULTURAL OUTLOOK BOARD

Amendment No. 11: Appropriates $1,820,000 for the World Agricultural Outlook Board as proposed by the House instead of $1,836,000 as proposed by the Senate.

AGRICULTURAL RESEARCH SERVICE

Amendment No. 12: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: *"$561,581,000"*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $561,581,000 for the Agricultural Research Service instead of $555,755,000 as proposed by the House and $551,657,000 as proposed by the Senate.

The conference agreement is based on the following changes to the budget request:

	House bill	Senate bill	Conference agreement
1. Human Nutrition Research:			
Tufts (MA)	$500,000		$500,000
Baylor (TX)	1,500,000		1,500,000
2. Low-imput research at Morris (MN)	50,000		50,000
3. Agriculture film (NY)	50,000		(¹)
4. Meat Animal Research Center at Clay Center (NE)	335,000		335,000
5. Renovation at Woodward (OK)	300,000		300,000
6. Renovation at Beltsville (MD)	5,000,000	5,000,000	5,000,000
7. National Arboretum (MD)	750,000		750,000
8. Beltsville Security (MD)		110,000	110,000
9. Sugarcane research (HI)	218,000		218,000
10. Renovation at Cornell (NY)	200,000		200,000
11. Medfly/fruit fly (HI)	350,000		350,000
12. National Soil Tilth Center (IA)	1,000,000	1,750,000	1,375,000
13. Blueberry/cranberry (NJ)	250,000	500,000	375,000
14. Kenaf (MS)	75,000	75,000	75,000
15. Tropical and Subtropical (FL) (HI)		500,000	(²)
16. Formosan termite (HI)	143,000	143,000	143,000
17. Institute for Technical Development application of satellite data (MS)		450,000	300,000
18. National Sedimentation Lab (MS) Center for Computational Hydroscience (Univ. of MS)		1,500,000	1,000,000
19. Peach research, Appalachian		400,000	400,000
20. Appalachian Soil and Water Lab, Beckley, WV		400,000	400,000
21. U.S. Sheep Experiment Station Dubois, ID		135,000	135,000
22. Barley research:			
Aberdeen, ID		150,000	150,000
Fargo, ND		150,000	150,000
23. Grasshopper research at ND State University		−69,000	−69,000
24. Potato research:			
Marketing		500,000	250,000
Aphids		250,000	200,000
Beetles		250,000	200,000
25. Pea and lentil research Washington State Univ		150,000	150,000
26. Water quality research	−2,000,000	1,000,000	
27. General reductions	−12,123,000	−20,844,000	−12,123,000
Change to request	−3,402,000	−7,500,000	+2,424,000

¹ Funded under Federal Administration, Extension Service.
² Funded under Special Grants, Cooperative State Research Service.

Dry peas and lentils. The conference agreement provides an increase of $150,000 to expand ongoing research at Washington State University. The additional funds will allow ARS to maintain a full-time geneticist at Washington State University who will continue the critical genetic mapping on dry peas and lentils in conjunction with industry guidance.

National Sedimentation Laboratory. The conference agreement provides an increase of $1,000,000 for the National Sedimentation Laboratory for work in association with the Center for Computational Hydroscience and Engineering at the University of Mississippi in support of the Soil Conservation Service and the Corps of Engineers erosion control demonstration program with state-of-the-art methodology of numerical-empirical modeling.

Water quality. The conferees understand that the state agricultural experiment stations and the Cooperative Extension Services within the land-grant colleges have developed a water quality and quantity strategy entitled "Groundwater Quality and Management: A Plan for Action." ARS is expected to use this plan for action in its strategic plan for reducing water contamination. The conferees will expect a report of water quality progress by September 30, 1989.

Included in the total for water quality research is $654,000 for the second year of groundwater research at the Spring and Groundwater Institute in West Virginia.

Develop a Beltsville Honor Roll. The conferees agree it would be well for the Beltsville Agricultural Research Center to establish and display an honor roll of those American scientists who have contributed so much to the human race through their research efforts on food and fiber plants such as corn, wheat, cotton and others.

On such a list, the name of Henry A. Wallace ranks high.

Henry Wallace will be long remembered as a great scientist for his contribution to the people of the world in his development and promotion of hybrid corn—which he made available to the world. This act will rank along with the greatest achievements of history. His works bring to mind what was best set forth by Jonathan Swift:

"And he gave it as his opinion that whoever could make two ears of corn or two blades of grass to grow upon a spot of ground where only one grew before, would deserve better of mankind and do more essential service to his country than the whole race of politicians put together."

"It is not known where he who invented the plough was born or where he died, yet he has affected more the happiness of the world than the whole race of heroes and conquerors who have drenched it with tears and manured it with blood."

This year, which marks the 100th anniversary of the birth of Henry A. Wallace of Iowa, would be a fitting time to begin such an honor roll by honoring this great researcher and promoter of use of his discovery.

Amendment No. 13: Deletes Senate language which earmarked funds for a feasibility study of a plant growth center at Montana State University. This feasibility study has been funded under Agricultural Research Service, Buildings and Facilities.

Amendment No. 14: Amends language proposed by the Senate, which exempts the Grand Forks Human Nutrition Research Center from the limitations on the purchase of land, to clarify that the exemption applies only to limitations in this Act.

Amendment No. 15: Deletes Senate language which earmarked not less than $15,000,000 for research on non-food uses of agricultural commodities. The conferees expect the Department to submit, before

December 31, 1989, a full report to the appropriate committees of Congress detailing the amounts spent on research on non-food uses of agricultural commodities.

Amendment No. 16: Deletes Senate language earmarking $300,000 for a water management research grant. This grant has been addressed under Special Research Grants, Cooperative State Research Service.

Amendment No. 17: Deletes Senate language earmarking $2,500,000 for the Israel-United States Binational Agricultural Research and Development Fund.

Amendment No. 18: Deletes Senate language which directed the Secretary of Agriculture to follow directives in the Senate report regarding research.

BUILDINGS AND FACILITIES

Amendment No. 19: Appropriates $28,350,000 for Buildings and Facilities of the Agricultural Research Service instead of $11,000,000 as proposed by the House and $57,385,000 as proposed by the Senate. The following table reflects the conference agreement:

	House bill	Senate bill	Conference agreement
1. Montana State University Bioscience Center (feasibility)	$50,000	(1)	$50,000
2. Center for Tropical and Subtropical (HI) (feasibility)	50,000	$50,000	50,000
3. Virginia and Maryland Regional College of Veterinary Medicine (feasibility)	50,000		50,000
4. University of Nebraska Center for Advanced Technology (feasibility)		50,000	
(preliminary planning)	250,000		250,000
5. University of Wisconsin, Agriculture biotechnology and genetics building (feasibility)		50,000	50,000
6. Plant Science Center at Kansas State University (preliminary planning)	125,000		
(construction)		1,350,000	1,350,000
7. University of Texas Southwestern Bio-Medical Center (preliminary planning)	950,000		950,000
8. Iowa State University Nutrition Research Center (preliminary planning)	290,000	290,000	290,000
9. Texas A&M (Houston) Institute of Bioscience and Technology (preliminary planning)	625,000		
(construction)		6,275,000	1,250,000
10. Center for Molecular Biology, Rutgers U. (preliminary planning)	250,000	250,000	250,000
11. South Central Agriculture Research Center, Lane, Oklahoma: (feasibility)		50,000	
(preliminary planning)	140,000		140,000
12. Agriculture Biotech Facility at Virginia Tech (preliminary planning)	100,000		100,000
13. National Soybean Lab at Univ. of Illinois (feasibility)		50,000	
(preliminary planning)	250,000		250,000
14. Food Toxicology Center at Michigan State (preliminary planning)	1,250,000		1,250,000
15. University of Arkansas, poultry and isolation facility (construction)		400,000	200,000
16. University of Vermont, Stafford-Aiken Center for Microbiology (construction)		3,800,000	1,400,000
17. University of Vermont, Maple Research Lab (construction)		500,000	
(feasibility)			50,000
18. University of Georgia, Biocontainment Facility (construction)		3,250,000	467,000
19. University of Mississippi Natural Products (planning)		1,600,000	400,000
20. Washington State University Food and Human Nutrition Center (under construction)	2,270,000	5,540,000	3,405,000
21. Gonzaga University Center for Information and Technology Transfer (under construction)	1,250,000	2,500,000	1,875,000
22. National Center for Food and Industrial Agriculture Products (IA) (under construction)	1,000,000	2,800,000	1,700,000
23. U.S. Fruit and Vegetable Lab at Yakima, Washington (construction)	900,000	900,000	900,000
24. U.S. Salinity Lab at Riverside, California (construction)	900,000		900,000
25. Poultry Research Center at West Virginia University (construction)	300,000	3,475,000	1,888,000
26. Plant Gene Expression Center, Albany, CA (greenhouse)		1,000,000	700,000
27. University of Florida Biotech Institute (planning and construction)		6,000,000	600,000
28. South Dakota State University, Northern Plains Biostress Lab: (feasibility and planning)			100,000
(planning and construction)		630,000	
29. University of North Dakota, Earth Systems Science (planning & construction)		8,400,000	4,200,000
30. North Dakota State University Industrial Agriculture and Communications Center: (feasibility and planning)			535,000
(planning and construction)		2,675,000	
31. National Seed Storage Lab (CO) (construction)		5,500,000	2,750,000
	11,000,000	57,385,000	28,350,000

[1] Senate funded under ARS as Amendment No. 13.

U.S. Vegetable Laboratory (SC). The conferees will expect the Department to use funds appropriated for this facility in fiscal year 1988 to develop preliminary design criteria and the estimated cost for planning and construction of a replacement facility.

National Soil Tilth Laboratory (IA). The conferees will expect the Department to use unobligated balances of construction funds at the National Soil Tilth Laboratory, Ames, Iowa, for purchase of moveable equipment.

Center for the Development of Natural Products (MS). The conference agreement provides $400,000 for the Center for the Development of Natural Products at the University of Mississippi instead of $1,600,000 as proposed by the Senate for the development of a program under existing law.

Plant Gene Expression Center (CA). The conferees will expect the Department to use available funds to construct a headhouse for the greenhouses.

Amendment No. 20: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides that funds recovered in satisfaction of judgment at Plum Island Animal Disease Center shall be available for use at the Center and the Beltsville Agricultural Research Center.

COOPERATIVE STATE RESEARCH SERVICE

Amendment No. 21: Provides $17,500,000 for grants for cooperative forestry research instead of $12,975,000 as proposed by the House and $20,000,000 as proposed by the Senate.

Amendment No. 22: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *$41,886,000 for contracts and grants for agricultural research under the Act of August 4, 1965, as amended (7 U.S.C. 450i)*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $41,886,000 for special research grants instead of $30,937,000 as proposed by the House and $32,506,000 as proposed by the Senate and deletes Senate language earmarking four specific special research grants. The following table reflects the conference agreement:

[In thousands of dollars]

	House bill	Senate bill	Conference agreement
Special Research Grants (P.L. 89-106):			
Acid precipitation	661	661	661
Agricultural diversification (HI)	156	156	156
Agriculture Policy Institute (IA and MO)	425	500	463
Agricultural trade (ND)		600	600
Agriculture utilization research (MN)	200		200
Alternative cropping systems (Southeast)	285	285	285
Alternative to dinoseb (OR)	150		150
Animal health	5,705		5,705
Apple quality research (MI)	95		95
Aquaculture (general)	660	200	520
Aquaculture (Stoneville)	500	675	588
Asparagus yield decline (MI)	95		95
Bean and beet (MI)	190		190
Belgian endive (MA)	60		60
Biomass from dairy processing waste (MO)		285	
Blueberry shoestring virus (MI)	92		92
Broom snakeweed (NM)		100	100
Celery fusarium (MI)	40		40
Cranberry/blueberry disease and breeding (NJ)	260	260	260
Dairy and beef photoperiod (MI)	33		33
Dark end syndrome (ID, OR, WA)	150	150	150
Delta rural revitalization (MS)	100	250	175
Dried bean (ND)		75	75
EDB replacement (HI)	285	285	285
Expanded wheat pasture (OK)		400	400
Floriculture (HI)	150	450	300
Food marketing policy center (CT)	150	420	285
Food processing research (MS)	150	195	173
Food systems research group (WI)	148	148	148
Grasshopper biocontrol (ND)		69	69
Human nutrition research (NY)	450		450
Integrated pest management	2,940	2,940	2,940
Integrated production systems (OK)	188	188	188
Integrated reproduction management (NE)	75		75
International livestock program (KS) [1]			95
Livestock and dairy policy (NY and TX)	450		450
Low-input agriculture (MN)	100		100
Maple research (VT)		100	100
Milk consumption (PA)		285	285
Milkweed research (NE) [2]		75	68
Minor use animal drugs (IR-4)	229	229	229
Mosquito research (AR, CA, LA, MS, TX)	456		456
Multi-cropping strategies for aquaculture (HI)	152	152	152
National biological impact assessment	125	125	125
New uses for agricultural products (OH)	133		133
Peach tree short life (SC)	183	200	192
Pesticide clearance	1,369	1,369	1,369
Pesticide impact assessment	2,218	2,218	2,218
Plastic from cornstarch (NE)	40		40
Potato research	997	1,357	1,177
Preservation and processing research (OK)	267	267	267
Prime farm land reclamation (IL, KY)	450		450
Remote sensing (KS)	191		
Rural development centers	475	500	500
Russian wheat aphid (WA, OR and ID)	100		100
Sandhills grazing management practices (NE)	100		100
Satellite assessment of drought (OK) [3]			300
Seedstocks enhancement (ND)		200	200
Southwest consortium for plant genetics and water resources	385	385	385
Soybean cyst nematode (MO)	285	285	285
STEEP—soil erosion in Northwest	591	591	591
Stone fruit decline (MI)	285		285
Stored grain insects (KS)	285		285
Sunflower insects (ND, SD) [4]		190	190
TCK smut (wheat)	193	193	193
Tropical and subtropical [5]	3,091	3,091	3.341
Water management (AL) [6]			300
Wheat genetic research (KS)	100		100
Wood utilization research	2,852	2,852	2,852
Wool research (TX)	142		142
World food systems (IN and OH)	300	300	300
Animal sci. food safety consortium (AR, KS, IA)		2,000	1,400
Midwest biotechnology consortium [7]		2,500	1,750
Alternative pest control (AR)		2,000	1,400
Iowa biotechnology consortium		1,750	1,225
Michigan institute [7]			1,750
Total, Special Research Grants	30,937	32,506	41,886

[1] Senate provided $100,000 to be transferred from the Working Capital Fund (Amendment No. 146).

[2] House provided $50,000 under alternative crops.

[3] Senate provided $500,000 under SCS.

[4] House report specifies to be continued at FY 1988 level.

[5] Senate provided increase of $500,000 under ARS.

[6] Senate provided $300,000 under ARS (Amendment No. 16).

[7] House provided $2,500,000 under competitive grants.

Aquaculture (general). For the aquaculture (general) account the conferees provide a total of $520,000, which includes $175,000 for hybrid striped bass and $200,000 to continue the research at Louisiana State University on the development of commercial crawfish and redfish production.

Livestock and dairy policy research. The conference agreement provides $450,000 for the livestock and dairy policy research project. This program will encourage cooperation on research and extension education projects and will seek to establish working relationships with researchers at other institutions, including other academic institutions (for example, the University of Wisconsin), industry groups and government agencies.

Milk consumption research. The conferees agree that the $285,000 available for a milk consumption study (PA) is to be limited to research and not to be used for promotional purposes.

Potato research. The conference agreement increases the special grant for potato research by $180,000. Of this increase, $100,000 is for the Tri-State Potato Breeding Program in Oregon, Washington, and Idaho, and an $80,000 increase is provided for the Maine program.

Amendment No. 23: Provides $39,716,000 for competitive research grants instead of $29,428,000 as proposed by the House and $41,842,000 as proposed by the Senate. The following table reflects the conference agreement:

[In thousands of dollars]

	House bill	Senate bill	Conference agreement
Competitive research grants:			
Plant Science	1,007	12,126	8,000
Soybean research	(493)	(493)	(493)
Alcohol fuels	(514)	(514)	(514)
Plant science centers		(3,358)	
Animal Science	2,852	6,000	6,000
Brucellosis	(475)	(475)	(475)
Reproductive efficiency	(2,377)		
Pest Science	2,853		2,000
Gypsy moths	(951)		
Boll weevil/Bollworm	(951)		
Pine bark beetle	(951)		
Human Nutrition		2,000	1,000
Biotechnology	19,016	19,016	19,016
Michigan institute [1]	(2,500)		
Midwest consortium [1]	(2,500)	(2,500)	
Stratospheric ozone	3,700	3,700	3,700
Unassigned reduction		−1,000	
Total, competitive research grants	29,428	41,842	39,716

[1] Funded under special research grants.

Pest science. The conference agreement deletes the House earmarking of specific amounts for specific pests. The conferees expect these funds to be devoted to research on the gypsy moth, boll weevil/bollworm and pine bark beetle, but have provided flexibility to shift funds between these pests.

Amendment No. 24: Deletes Senate language earmarking $2,000,000 of competitive research grants for human nutrition research. Funding for this program is provided under Amendment No. 23.

Amendment No. 25: Provides $1,025,000 for research on supplemental and alternative crops and products instead of $641,000 as proposed by the House and $1,050,000 as proposed by the Senate. The following table reflects the conference agreement:

ALTERNATIVE CROPS

	House bill	Senate bill	Conference agreement
Crambe/Winter rapeseed	$200,000	$450,000	$325,000
Mesquite research (TX)	100,000		100,000
Oil from jojoba (NM)	100,000	100,000	100,000
Oilseed (ND)		500,000	500,000
Hybrid striped bass (MD)	191,000		(1)
Milkweed reserach (NE)	50,000		(1)
Total	641,000	1,050,000	1,025,000

[1] Funded under Special Research Grants, Cooperative State Research Service.

Amendment No. 26: Provides $3,668,000 for research under the Critical Agricultural Materials Act instead of $2,168,000 as proposed by the House and $6,368,000 as proposed by the Senate. The conference agreement includes $668,000 for research on guayule and $500,000 for the National Center for Physical Acoustics. For additional funding at the Polymer Institute at the University of Southern Mississippi the conference agreement provides $2,500,000 instead of $1,000,000 as proposed by the House and $5,200,000 as proposed by the Senate.

Amendment No. 27: Provides $3,000,000 for groundwater quality research instead of $2,000,000 as proposed by the House and $4,000,000 as proposed by the Senate. The conference agreement earmarks $168,000 of these funds for a grant to Iowa State University and $1,000,000 for a grant to the University of North Dakota.

Amendment No. 28: Provides $3,152,000 for the establishment and operation of international trade development centers instead of $2,050,000 as proposed by the House and $3,412,000 as proposed by the Senate. The conference agreement includes $1,000,000 for CINTRAFOR and IMPACT in the State of Washington; $1,000,000 for the Center at Iowa State University; $50,000 for the Idaho Trade Center; $227,000 for the University of Kentucky; $575,000 for West Virginia University; and $300,000 for the Wheat Marketing Center in Oregon.

Amendment No. 29: Deletes Senate language earmarking $2,500,000 appropriated in 1988 for the Mid-America World Trade Center. The conferees have been advised that the Department is funding this project.

Amendment No. 30: Provides $4,450,000 for low-input agricultural research instead of $3,900,000 as proposed by the House and $5,000,000 as proposed by the Senate.

Amendment No. 31: Provides $6,377,000 for Federal Administration of the Cooperative State Research Service instead of $5,844,000 as proposed by the House and $6,909,000 as proposed by the Senate. For the shrimp aquaculture research project the conference agreement includes $2,736,000 instead of $2,236,000 as proposed by the House and $3,236,000 as proposed by the Senate. The conference agreement includes funds for initiating shrimp research in Arizona. For the Ag in the Classroom project the agreement includes, $87,000 instead of $174,000 as proposed by the House. For the Office of Grants the agreement includes $529,000 instead of $659,000 as proposed by the House and 398,000 as proposed by the Senate. For peer panels the agreement includes $200,000 instead of $400,000 as proposed by the Senate. For the Iowa Center for Food and Agricultural Products the agreement includes $950,000 instead of $900,000 as proposed by the House and $1,000,000 as proposed by the Senate.

The conference agreement also includes the following amounts as proposed by the House and by the Senate: support for the U.S. Trade Representative at the Iowa Center (750,000); curriculum development at Mississippi Valley State University ($625,000); Office of Biotechnology ($250,000); and for increased pay costs ($250,000).

Amendment No. 32: Appropriates a total of $315,107,000 to the Cooperative State Research Service instead of $284,276,000 as proposed by the House and $315,420,000 as proposed by the Senate.

Amendment No. 33: Deletes Senate language which provided that earmarkings for competitive grants in the Senate report are not binding.

EXTENSION SERVICE

Amendment No. 34: Deletes House language which provided for the transfer of $39,627,000 from the food stamp program to EFNEP and restores House language providing $3,500,000 for the urban gardening program. The conferees agree to a direct appropriation for EFNEP because of a concern that the budget request for food stamps may be underestimated. The conferees expect the Department to provide a report on the successes of the urban gardening program.

Amendment No. 35: Restores House language providing $970,000 for the farm sefety program.

Amendment No. 36: Restores House language providing $47,000 for the integrated reproductive management program.

Amendment No. 37: Provides $950,000 for the rural development centers as proposed by the Senate instead of $903,00 as proposed by the House.

Amendment No. 38: Provides $953,000 for extension work in the District of Columbia instead of $935,000 as proposed by the House and $970,000 as proposed by the Senate.

Amendment No. 39: Provides $1,500,000 for a groundwater quality program instead of $1,000,000 as proposed by the House and $2,000,000 as proposed by the Senate.

Amendment No. 40: Deletes House language referencing a section number. For grants for financially stressed farmers and dislocated farmers the conference agreement includes $3,350,000. These grants are available for pilot programs now underway in the States of Nebraska, Iowa, Missouri, North Dakota, Kansas, Oklahoma, Mississippi, and Vermont.

Amendment No. 41: Amends Senate language providing $7,733,000 for a number of specific projects, to provide $2,765,000 for renewable resources extension work. The other projects have been considered under Federal Administration.

Amendment No. 42: Appropriates $352,287,000 for the Extension Service, excluding Federal Administration, instead of $348,957,000 as proposed by the House and $353,255,000 as proposed by the Senate.

Amendment No. 43: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: *"$9,083,000"*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement appropriates $9,083,000 for Federal Administration of the Extension Service instead of $7,550,000 as proposed by the House and $5,757,000 as proposed by the Senate.

The following table reflects the conference agreement for Federal Administration and recommends not to exceed the following amounts:

	House bill	Senate bill	Conference agreement
General administration	$4,866,000	$4,991,000	$4,866,000
Pilot tech. transfer (OK, MS)	333,000	(1)	333,000
Rural development (NE)	190,000		190,000
Rural development (OK)	433,000		433,000
ATTRA (TN)	750,000	(2)	900,000
Crambe/rapeseed (NE)	65,000		65,000
Ag. development Pacific	650,000	650,000	650,000
Pay costs	58,000	116,000	116,000
New England vertebrate (MA)	80,000		80,000
Interpretive center (WI)	50,000		50,000
Project future (MN)	75,000		75,000
Rural rehabilitation (GA)		(3)	129,000
Agricultural film (NY)		(4)	175,000
Plant materials center (AR)		(5)	
Pilot tech. transfer (FL)		(6)	167,000
Rural education pilot (ND)		(7)	854,000
Total	7,550,000	5,757,000	9,083,000

[1] Senate provided $330,000 as a 3(d) grant.
[2] Senate provided $1,500,000 as a 3(d) grant.
[3] Senate provided $258,000 as a 3(d) grant.
[4] Senate provided $250,000 as a 3(d) grant.
[5] Senate provided $100,000 as a 3(d) grant.
[6] Senate provided $250,000 as a 3(d) grant.
[7] Senate provided $1,138,000 as a 3(d) grant.

Agricultural Film. The conferees provide funds for a film on agriculture in order that the public will have a true picture of American agriculture.

Plant Materials Center. The conferees expect the Extension Service to provide assistance in disseminating research information in connection with the ARS Small Farms Research Center and the Plant Materials Center at Booneville, Arkansas.

NATIONAL AGRICULTURAL LIBRARY

Amendment No. 44: Appropriates $14,268,000 for the National Agricultural Library instead of $13,446,000 as proposed by the House and $14,682,000 as proposed by the Senate.

Animal Welfare. The conference agreement provides funding for the information service in conjunction with the Animal Welfare Act.

Amendment No. 45: Provides $370,000 for the National Center for Agricultural Law Research and Information at the Leflar School of Law in Fayetteville, Arkansas, instead of $583,000 as proposed by the Senate. The House had no similar provision. The conferees direct that no more than 10 percent of these funds will be retained by the National Agricultural Library for administrative expenses.

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

SALARIES AND EXPENSES

Amendment No. 46: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: *"$331,207,000"*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement appropriates $331,207,000 for Salaries and Expenses of the Animal and Plant Health Inspection Service instead of $329,273,000 as proposed by the House and $328,170,000 as proposed by the Senate.

The following table sets forth the conference agreement by program:

[In thousands of dollars]

	House bill	Senate bill	Conference agreement
1. Plant disease and pest control:			
(a) Plant protection programs:			
(1) Africanized bee	1,950	1,950	1,950
(2) Bio control	3,318	4,318	4,318
(3) Boll weevil	9,600	9,677	9,600
(4) Golden nematode	1,018	950	950
(5) Grasshopper and Mormon cricket	3,850	3,850	3,850
Reserve fund	5,000	5,000	5,000
(6) Gypsy moth	5,442	5,442	5,442
(7) Imported fire ant	5,000	5,000	5,000
(8) International programs	2,526	2,110	2,318
(9) Mediterranean fruit fly	9,706	10,006	9,856
(10) Mexican fruit fly	1,553	1,553	1,553
(11) Miscellaneous plant pests	1,124	1,124	1,124
(12) Noxious weeds	443	590	597
(13) Pest detection	4,466	3,928	4,197
(14) Pink bollworm	1,700	1,087	1,700
(15) Witchweed	5,281	5,281	5,281
Total, Plant protection	61,977	61,866	62,736
(b) Agricultural quarantine inspection	66,468	66,468	66,468
Total, Plant disease and pest control	128,445	128,334	129,204
2. Animal disease and pest control:			
(a) Animal health programs:			
(1) Animal welfare	6,197	6,197	6,197
(2) Brucellosis erdication	55,841	55,841	55,841
(3) Cattle ticks	6,258	6,258	6,258
(4) Animal disease detection	4,800	3,052	4,800
(5) Foot-and-mouth disease (Darien Gap)	3,053	3,053	3,053
(6) Horse protection	161	161	161
(7) Import-export inspection	8,604	8,604	8,604
(8) International programs	2,330	2,034	2,034
(9) Animal health compliance and enforcement	14,694	14,694	14,694
(10) National poultry improvement plan	219	219	219
(11) Poultry disease	643	643	643
(12) Pseudorabies	2,400	2,944	2,672
(13) Screwworm	32,045	32,045	32,045
(14) Swine health protection	3,265	3,265	3,265
(15) Tuberculosis eradication	3,889	3,889	3,889
(16) Veterinary diagnostics	12,371	10,867	12,371
(17) Miscellaneous animal diseases	1,998	1,998	1,998
Total, Animal health	158,768	155,764	158,744
(b) Veterinary biologics	8,641	8,641	8,641
(c) Animal damage control	24,419	26,431	25,618
Total, Animal disease and pest control	191,828	190,836	193,003
3. Biotechnology	4,500	4,500	4,500
4. Contingencies:			
(a) Plant disease and pest control	2,250	2,250	2,250
(b) Animal disease and pest control	2,250	2,250	2,250
Total, Contingencies	4,500	4,500	4,500
Total, Salaries and expenses	329,273	328,170	331,207

The conferees agree that reductions made in the brucellosis program shall not result in reduced funding for the six high-incidence states.

For the Mediterranean fruit fly program the conference agreement provides $9,856,000 instead of $9,706,000 as proposed by the House and $10,006,000 as proposed by the Senate. The amount includes funds for the Caribbean Fruit Fly Protocol.

For the noxious weeds program the conference agreement provides $597,000 instead of $443,000 as proposed by the House and $590,000 as proposed by the Senate. Included in the conference agreement are $150,000 for common crupina in Idaho; $51,000 for hydrilla work in Florida; $100,000 for hydrilla control in the Imperial Valley, California; $175,000 for control of goatsrue in Utah; and $121,000 for weed identification work.

The conferees are concerned by reports that 15 percent of the 1988 funds for pseudorabies were used for administrative overhead and direct that not more than 5.15 percent of this account be deducted for administrative support.

For the animal damage control program the conference agreement provides $25,618,000 instead of $24,419,000 as proposed by the House and $26,431,000 as proposed by the Senate.

In addition to the programs shown on the following table, the conference agreement provides for all programs operated in 1988 at the 1988 level, as well as a $385,000 increase for equipment needs related to the nationwide program and a $500,000 increase to restore predator control in the West to not less than the fiscal year 1987 program level.

Taste aversion (AZ, CA, NV, TX)	$100,000
Grackle control (TX)	300,000
Rat control (HI)	240,000
Guarding dog (OR, WA, WY, ID, MN, MT)	250,000
Maple sap pipelines (VT)	52,000
Beaver damage (WI)	100,000
Mountain beaver (Western States)	100,000
Delta States (MS, AR, LA)	275,000
Deer damage to seedlings (Northeast)	150,000
Blackbird-resistant sunflower research (ND)	200,000
Arkansas program	207,000
Blackbird control (ND, SD)	368,000

The conferees are aware of increased problems relating to animal damage in the Eastern States and expect APHIS to provide additional technical assistance to the area.

The conferees are concerned about the possible effect that the Animal and Plant Health Inspection Service's planned reorganization may have on program delivery units of the animal welfare program. The conferees expect APHIS to continue to consult with animal welfare groups during and after the implementation of the reorganization to ensure that a more effective animal care program is established. The conferees will expect not only an improvement in the quality of the animal welfare inspections, but an increase in the frequency of those inspections.

Also, the conferees are extremely concerned about the length of time involved in issuing parts I and II of the final regulations of the Animal Welfare Act, as amended by the Food Security Act of 1985, and direct the Department to issue the final regulations without delay.

BUILDINGS AND FACILITIES

Amendment No. 47: Appropriates $2,546,000 for Buildings and Facilities of the Animal and Plant Health Inspection Service as proposed by the House instead of $2,847,000 as proposed by the Senate.

FOOD SAFETY AND INSPECTION SERVICE

Amendment No. 48: Appropriates $404,954,000 for the Food Safety and Inspection Service as proposed by the House instead of $405,680,000 as proposed by the Senate.

FEDERAL GRAIN INSPECTION SERVICE

Amendment No. 49: Appropriates $8,115,000 for the Federal Grain Inspection Service as proposed by the House instead of $8,255,000 as proposed by the Senate.

AGRICULTURAL MARKETING SERVICE

MARKETING SERVICES

Amendment No. 50: Appropriates $33,373,000 for the Agricultural Marketing Service, Marketing Services, as proposed by the House instead of $33,541,000 as proposed by the Senate. The amount provided restores funding for the Federal Seed Act and Wholesale Market Development Program.

On August 22, 1988, USDA announced it would pay storage charges under certain market conditions in order to stimulate increased sales of U.S. cotton at competitive prices and followed with an administrative decision which adversely affects warehousemen. The conferees believe the effect of this policy is unfair to warehousemen and should be reviewed and corrected.

LIMITATION ON ADMINISTRATIVE EXPENSES

Amendment No. 51: Provides $34,000,000 for administrative expenses as proposed by the Senate instead of $31,701,000 as proposed by the House.

Amendment No. 52: Deletes Senate language that allowed the Agricultural Marketing Service to exceed the limitation on administrative expenses by 10 percent if the crop size is understated and/or other uncontrollable factors occur.

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY (SECTION 32)

Amendment No. 53: Provides $7,811,000 for the Strengthening Markets, Income, and Supply account as proposed by the House instead of $7,911,000 as proposed by the Senate.

OFFICE OF TRANSPORTATION

Amendment No. 54: Appropriates $2,397,000 for the Office of Transportation as proposed by the House instead of $2,419,000 as proposed by the Senate.

FEDERAL CROP INSURANCE CORPORATION

ADMINISTRATIVE AND OPERATING EXPENSES

Amendment No. 55: Appropriates $201,992,000 for administrative and operating expenses of the Federal Crop Insurance Corporation instead of $200,426,000 as proposed by the House and $203,571,000 as proposed by the Senate.

COMMODITY CREDIT CORPORATION

REIMBURSEMENT FOR NET REALIZED LOSSES

Amendment No. 56: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows: *but not to exceed $8,828,286,000,*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides not to exceed $8,828,286,000 for reimbursement for net realized losses of the Commodity Credit Corporation instead of not to exceed $6,828,286,000 as proposed by the House and an indefinite amount (estimated to be $9,828,286,000) as proposed by the Senate.

GENERAL SALES MANAGER

Amendment No. 57: Provides $7,200,000 for the Office of the General Sales Manager as proposed by the House instead of $7,268,000 as proposed by the Senate.

TITLE II—RURAL DEVELOPMENT PROGRAMS

RURAL DEVELOPMENT ASSISTANCE

FARMERS HOME ADMINISTRATION

RURAL HOUSING INSURANCE FUND

Amendment No. 58: Provides $1,844,990,000 for loans from the Rural Housing Insurance Fund as proposed by the House instead of $1,694,424,000 as proposed by the Senate. The conference agreement includes the following loan levels:

Low-income housing (502)	$1,266,710,000
Site development (524)	570,000
Rental housing (515)	554,900,000
Housing repair (504)	11,330,000
Farm labor (514)	11,480,000
Total	1,844,990,000

Amendment No. 59: Provides that $1,794,420,000 of the loans from the Rural Housing Insurance Fund shall be for subsidized interest loans to low-income borrowers as proposed by the House instead of $1,643,854,000 as proposed by the Senate.

Amendment No. 60: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides for the continuance of rural housing programs in Lincoln, North Dakota. The conference agreement continues a proviso in the 1988 Act which is amended to be permanent law.

AGRICULTURAL CREDIT INSURANCE FUND

Amendment No. 61: Provides $95,000,000 for direct and insured farm ownership loans and $474,000,000 for guaranteed farm ownership loans instead of $115,000,000 and $454,000,000, respectively, as proposed by the House and $75,000,000 and $494,000,000, respectively, as proposed by the Senate.

Amendment No. 62: Provides $14,000,000 for water development, use, and conservation loans as proposed by the House instead of $9,000,000 as proposed by the Senate.

Amendments No. 63 and 64: Provide $900,000,000 for direct and insured operating loans, the same level as proposed by both the House and Senate. The agreement provides $2,300,000,000 for guaranteed operating loans as proposed by the House instead of $3,100,000,000 as proposed by the Senate. The House level for guaranteed loans is the maximum allowable under the credit allocation for new guarantee commitments. In total, direct and guaranteed operating loans are $3,200,000,000 as proposed by the House instead of $4,000,000,000 as proposed by the Senate. The conferees agree that should demand for guaranteed operating loans exceed $2,300,000,000, Congress will review the situation during fiscal year 1989.

Amendments No. 65 and 66: Provide $3,000,000 for matching grants for a state mediation program as proposed by the Senate. The House bill contained no similar provision. The conferees will expect the Department to keep the appropriate committees of Congress advised of the accomplishments of this program.

RURAL DEVELOPMENT LOAN FUND

(INCLUDING TRANSFERS OF FUNDS)

Amendment No. 67: Provides for total direct loans from the Rural Development Loan Fund of $14,000,000 as proposed by the Senate instead of $6,500,000 as proposed by the House.

Amendment No. 68: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *$3,000,000 and from funds transferred from the Rural Development Insurance Fund, $11,000,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement transfers $11,000,000 to the Rural Development Loan Fund from the Rural Development Insurance Fund as proposed by the Senate. The House bill contained no similar provision. The conference agreement deletes Senate language requiring that the funds be made available within six months of enactment.

RURAL WATER AND WASTE DISPOSAL GRANTS

The conferees request that the Farmers Home Administration fund the high-priority Kimzey Regional Water District proposal with the unused rural water and sewer grant and loan funds returned from other states into the national pool.

COMPENSATION FOR CONSTRUCTION DEFECTS

Amendment No. 69: Appropriates $500,000 for compensation for construction defects as proposed by the House instead of $713,000 as proposed by the Senate.

RURAL DEVELOPMENT GRANTS

Amendment No. 70: Appropriates $6,500,000 for rural development grants as proposed by the Senate instead of $540,000 as proposed by the House. Within the funds available are $90,000 for planning of industrial development strategies in Bryan and Hughes Counties, Oklahoma; $300,000 for preliminary planning associated with the University of Kentucky's Somerset Community College program; $150,000 for planning the East Central Agriplex in Ada, Oklahoma; $100,000 for sheep production enterprises in North Dakota; and $400,000 for planning the Advanced Technology Center at Indian Hills Community College, Iowa.

The conferees expect the Farmers Home Administration to review and consider the proposal for a grant to further develop the horticulture demonstration project at the Pee Dee Farmer's Market Center in Florence, South Carolina.

Amendment No. 71: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which has the effect of earmarking $500,000 for grants to qualified nonprofit organizations to provide technical assistance for rural communities for improving transportation systems and facilities.

OFFICE OF THE ADMINISTRATOR

Amendment No. 72: Restores House language establishing a separate account for the Office of the Administrator of the Farmers Home Administration and appropriates $600,000 for that office. The Senate proposed to fund this office under FmHA salaries and expenses.

The conferees will expect the Administrator of the Farmers Home Administration to submit monthly reports on vacant positions and lending activity of the agency to the appropriate committees of Congress.

SALARIES AND EXPENSES

Amendment No. 73: Provides $414,734,000 for salaries and expenses for the Farmers Home Administration as proposed by the House instead of $415,334,000 as proposed by the Senate.

Amendment No. 74: Earmarks $2,868,000 for the circuit rider program instead of $2,675,000 as proposed by the House and $3,000,000 as proposed by the Senate.

Amendment No. 75: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following: *: Provided further, That notwithstanding any other provision of law, $2,000,000 of this appropriation shall be available solely to carry out H.R. 5378 and S. 2836, the Lower Missis-*

sippi Delta Development Act, as introduced in the House of Representatives on September 26, 1988, and in the Senate on September 27, 1988, and the provisions of such bills are hereby incorporated by reference and made a part of this Act

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $2,000,000 to fund the Lower Mississippi Delta Development Commission as proposed by the Senate. The agreement amends Senate language so as to reference H.R. 5378 and S. 2836 rather than S. 2246 since these bills represent a compromise position developed by the appropriate legislative committees.

The conferees agree that any action beyond the development of the required plan will be referred to the appropriate legislative committees for any further action. No action will be taken to fund any aspect of any plan or portion thereof until the appropriate authorizing legislation has been enacted into law.

RURAL ELECTRIFICATION ADMINISTRATION

RURAL ELECTRIFICATION AND TELEPHONE REVOLVING FUND LOAN AUTHORIZATIONS

Amendment No. 76: Deletes Senate language requiring REA to make full use, during fiscal year 1989, of funds which were made available during previous years but were not expended. Such funds were to be made available without regard to quotas or other restrictions imposed within the Executive Branch.

REIMBURSEMENT TO THE RURAL ELECTRIFICATION AND TELEPHONE REVOLVING FUND

Amendment No. 77: Appropriates $341,000,000 for reimbursement to the Rural Electrification and Telephone Revolving Fund as proposed by the Senate instead of $327,675,000 as proposed by the House.

RURAL ECONOMIC DEVELOPMENT SUBACCOUNT

Amendment No. 78: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which appropriates $540,000 for grants and loans under the Rural Economic Development Subaccount.

OFFICE OF THE ADMINISTRATOR

Amendment No. 79: restores House language establishing a separate account for the Office of the Administrator, Rural Electrification Administration and appropriates $160,000 for that office. The Senate proposed to fund this office under the salaries and expenses account for REA.

The conferees agree that the Administrator of the Rural Electrification Administration shall submit monthly reports on vacant positions and lending activity of the agency to the appropriate committees of Congress.

The Rural Electrification Administration, in view of its expanded authority and new activities, is expected to report to the appropriate committees of Congress on its overall operations each year in order to assure that its primary obligation of providing electric and telephone service, including area coverage to rural people at reasonable rates, is not being limited or endangered.

The conferees are concerned that REA has failed to implement section 313 of the Rural Electrification Act of 1936, which was established by the Reconciliation Act of December 1987 (P.L. 99-203). REA has not issued regulations or disbursed any of the funds from the Rural Economic Development Subaccount as directed by the law. The conferees direct REA to publish such regulations immediately and to implement section 313 and other sections of the legislation that would enhance economic and job creation in rural areas.

SALARIES AND EXPENSES

Amendment No. 80: Appropriates $31,124,000 for salaries and expenses of the Rural Electrification Administration as proposed by the House instead of $31,284,000 as proposed by the Senate.

Amendment No. 81: Deletes Senate language which provided that not less than two percent of the full-time employees of REA shall be used to establish a rural economic development unit.

The conferees will expect the Rural Electrification Administration to establish such a unit within REA to provide professional economic development assistance to rural electric and telephone systems on specific economic and community development projects and activities.

CONSERVATION

OFFICE OF THE ASSISTANT TO THE SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT

Amendment No. 82: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

CONSERVATION

OFFICE OF THE ASSISTANT TO THE SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT

For necessary salaries and expenses of the Office of the Assistant to the Secretary for Natural Resources and Environment to administer the laws enacted by the Congress for the Forest Service and the Soil Conservation Service, $266,000: Provided, That the position of the Assistant to the Secretary for Natural Resources and Environment, for maximum results, should be filled by an experienced employee of the Soil Conservation Service or the Forest Service.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement includes Senate language regarding an Office of the Assistant Secretary for Natural Resources and Environment, and amends the language to make the office an assistant to the Secretary. The conference agreement further provides that the position of the Assistant to the Secretary, for maximum results, should be filled by an experienced employee of the Soil Conservation Service or the Forest Service.

SOIL CONSERVATION SERVICE

CONSERVATION OPERATIONS

Amendment No. 83: Appropriates $403,262,000 for conservation operations of the Soil Conservation Service as proposed by the House instead of $406,846,000 as proposed by the Senate. Within the amount provided, the conference agreement includes $250,000 for development of a multipurpose cadastre or land information system in cooperation with the City of Northport, Alabama; $250,000 to continue the Michigan sub-irrigation project; $176,000 for a joint effort by Alcorn State University and SCS to conduct a study of alternative conservation practices on small farms where traditional measures are not practicable; and $429,000 for a tree windbreak project in North Dakota, to be carried out in cooperation with the North Dakota Extension Service.

The conference agreement also includes $250,000 for the third and final year of the lands records information project at the University of Wisconsin.

The conferees are pleased with the progress being made on the Chesapeake Bay cleanup project and direct that in fiscal year 1989 the Department support this effort at a level of not less than 41 SCS staff positions.

The conferees are aware of the heavy sedimentation that is occurring at Red Rock Reservoir in Iowa and expect SCS to make available $100,000 to continue to work towards a solution to the problem.

The conference agreement includes $150,000 for start-up costs to establish a Soil Conservation Service plant materials center at Golden Meadow, LA and $150,000 for the East Texas plant materials center currently operated by the local conservation districts.

The conferees direct the SCS to continue to provide $150,000 in technical assistance to soil conservation districts in Idaho, for measures under the agricultural abatement plan which was completed in 1979 in response to the Clean Water Act (P.L. 92-500).

Amendment No. 84: Deletes House language which provided that the Chief of the Soil Conservation Service shall report directly to the Secretary of Agriculture.

Amendment No. 85: Deletes Senate language earmarking $500,000 for a grant to the University of Oklahoma for drought and weather assessment. This grant was addressed under the special grants program of the Cooperative State Research Service.

WATERSHED AND FLOOD PREVENTION OPERATIONS

The conference agreement deletes an earmark in the Senate report for emergency watershed protection measures in Arkansas. Funds for that purpose were provided in the Dire Emergency Supplemental Appropriations Act for fiscal year 1988 (P.L. 100-393). Also, the conference agreement deletes the earmark for North Deer Creek, Oklahoma, and the conferees expect SCS to support this ongoing project.

The conferees recommend up to $2,000,000 to complete repair work on the Soak Creek watershed project in Sophia, West Virginia, and up to $3,500,000 to complete repair work resulting from the 1983 storm in the Jackson, Mississippi, area.

The conference agreement also includes $466,000 which is to be combined with any funds remaining from the amount provided in fiscal year 1988, to complete work on the "Smokey" or north section of Charleston, Mississippi, including part of the Town Creek watershed project.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

FORESTRY INCENTIVES PROGRAM

Amendment No. 86: Appropriates $12,446,000 for the forestry incentives program instead of $11,891,000 as proposed by the House and $13,000,000 as proposed by the Senate.

WATER BANK PROGRAM

Amendment No. 87: Appropriates $9,000,000 for the water bank program instead of $5,000,000 as proposed by the House and $12,000,000 as proposed by the Senate.

EMERGENCY CONSERVATION PROGRAM

Amendment No. 88: Appropriates $5,000,000 for the emergency conservation program as proposed by the Senate instead of $3,000,000 as proposed by the House. The conferees expect ASCS to make emergency conservation program funds available to farmers experiencing drought conditions in areas where irrigation of crops is a normal farming practice. Measures included will be the extension and drilling of wells, the use of temporary watering systems and other temporary measures necessary to avoid drought losses of commercially produced agricultural crops. Drought will be measured by snowpack, precipitation history and reservoir capacity.

COLORADO RIVER BASIN SALINITY CONTROL PROGRAM

Amendment No. 89: Appropriates $5,452,000 for the Colorado River Basin salinity control program instead of $4,904,000 as proposed by the House and $6,000,000 as proposed by the Senate.

CONSERVATION RESERVE PROGRAM

Amendment No. 90: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *, but not to exceed $61,461,000, shall be available for payment to technicians of the Soil Conservation Service for services*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement restores House language but amends the limitation to $61,461,000. The House bill provided that four percent of the Conservation Reserve Program funds, not to exceed $48,362,000, would be available for payment of SCS technicians. The Senate amendment struck the House language and provided for a transfer of four percent of CRP funds to SCS for payment of its technicians.

Amendment No. 91: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows: *: Provided further, That not to exceed $385,000,000 of the funds in this Act, or otherwise made available by this Act, shall be available to provide cost share assistance on crop year 1989 acreage during fiscal year 1989; for the purposes of section 202 of the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (Public Law 100-119, September 29, 1987), to the extent that this proviso has the effect of transferring an outlay of the United States from one fiscal year to an adjacent fiscal year, such transfer is a necessary (but secondary) result of a significant policy change*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement restores House language and adds a tehnical amendment related to budget procedures.

TITLE III—DOMESTIC FOOD PROGRAMS

FOOD AND NUTRITION SERVICE

CHILD NUTRITION PROGRAMS

Amendments No. 92 and 93: Provide a total of $4,590,816,000 for the child nutrition programs as proposed by the Senate instead of $4,624,127,000 as proposed by the House. Within this total, the agreement provides for an appropriation of $497,544,000 as proposed by the Senate instead of $530,855,000 as proposed by the House.

The conference agreement provides up to $5,200,000 to develop a system for independent verification of school food service claims. The Food and Nutrition Service recently disclosed a major change in the operation of this system from the presentation of the original budget request. The Committees on Appropriations expect to be notified of any changes from the budget justification.

The conferees direct that $2,600,000 of the funds provided for the independent verification system be used to conduct training programs for state and local school food service authorities in the implementation of new accurate meal counting and claim procedures. The conferees further direct the Department to select and coordinate school food service operations for review in cooperation with the states to avoid duplication within the state agency review cycle; to conduct its reviews consistent with new uniform standards for state-conducted reviews; and to share the results with the states. In conducting the pilot verification project the Department should use statistically representative samples of school food service operations. The conferees expect the Food and Nutrition Service to provide a report to the appropriate committees of Congress on its plans for the independent verification system. No additional funds will be provided until the appropriate committees of Congress have evaluated the effectiveness of the project.

The conferees agree to provide $50,000 to continue to study the Mississippi School Food Service Institute.

SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANTS AND CHILDREN (WIC)

Amendment No. 94: Appropriates $1,929,362,000 for the special supplemental food program for women, infants and children (WIC) as proposed by the Senate instead of $1,927,362,000 as proposed by the House. The conference agreement amends Senate language which required $2,000,000 for the farmers' market coupon demonstration project. The agreement provides that $2,000,000 may be used for the farmers' market coupon demonstration project.

COMMODITY SUPPLEMENTAL FOOD PROGRAM

Amendment No. 95: Appropriates $50,000,000 for the commodity supplemental food program as proposed by the Senate instead of $53,500,000 as proposed by the House.

FOOD STAMP PROGRAM

Amendment No. 96: Appropriates $13,598,955,000 for the food stamp program as proposed by the Senate instead of $13,427,955,000 as proposed by the House. The total includes funding for the provisions of the Hunger Prevention Act of 1988.

FOOD DONATIONS PROGRAMS FOR SELECTED GROUPS

Amendment No. 97: Appropriates $40,000,000 for the purchase of additional commodities for soup kitchens and food banks as authorized by the Hunger Prevention Act of 1988 as proposed by the Senate. The House had no similar provision. The conference agreement provides a total of $239,147,000 for food donations programs for selected groups as proposed by the Senate instead of $199,147,000 as proposed by the House. The amount includes $141,293,000 for the elderly feeding program and $57,854,000 for the needy family program.

TEMPORARY EMERGENCY FOOD ASSISTANCE PROGRAM

Amendment No. 98: Appropriates $50,000,000 for the temporary emergency food assistance program as proposed by the House instead of $47,280,000 as proposed by the Senate. The conference agreement deletes Senate language regarding the allocation of TEFAP funding.

Amendment No. 99: Appropriates $120,000,000 for the purchase of commodities as authorized by section 104 of the Hunger Prevention Act of 1988 instead of $145,000,000 as proposed by the Senate. The House bill contained no similar provision.

FOOD PROGRAM ADMINISTRATION

Amendment No. 100: Appropriates $89,223,000 for food program administration instead of $86,494,000 as proposed by the House and $91,952,000 as proposed by the Senate.

HUMAN NUTRITION INFORMATION SERVICE

Amendment No. 101: Appropriates $8,823,000 for the Human Nutrition Information Service as proposed by the Senate instead of $9,013,000 as proposed by the House.

The conferees agree and reaffirm that there shall be no change in the respective roles of the USDA and the Department of Health and Human Services with respect to nutrition information services and research. These roles are based on current law (Public Law 95-113, as amended) which indicates that the USDA is the lead agency for human nutrition research and dissemination except for biomedical aspects of human nutrition concerned with diagnosis or treatment of disease.

TITLE IV—INTERNATIONAL PROGRAMS

FOREIGN AGRICULTURAL SERVICE

Amendment No. 102: Appropriates $95,017,000 for the Foreign Agricultural Service instead of $92,017,000 as proposed by the House and $100,900,000 as proposed by the Senate.

Amendment No. 103: Deletes Senate language earmarking $900,000 for agricultural aid and trade missions.

AGRICULTURAL TRADE MISSIONS

Amendment No. 104: Restores House language appropriating $400,000 for agricultural aid and trade missions.

PUBLIC LAW 480

Amendment No. 105 and 106: Provide $851,900,000 for the titles I and III programs of Public Law 480 as proposed by the Senate instead of $817,000,000 as proposed by the House. Within the above total, the conference agreement appropriates $468,100,000 as proposed by the Senate instead of $428,200,000 as proposed by the House. Considering the reduced level of supplies on hand and higher commodity prices, the conferees have agreed to higher levels as proposed by the Senate.

Recognizing the recent urgent demands for food assistance in various regions throughout the world, the conferees direct the Department to meet statutory requirements and minimum tonnage levels under P.L. 480 through flexible administration and timely use of discretionary authority. In addition, the conferees recommend that section 416(b) commodities be made available for emergencies and to maintain ongoing projects in the Third World.

OFFICE OF INTERNATIONAL COOPERATION AND DEVELOPMENT

Amendment No. 107: Appropriates $5,319,000 for the Office of International Cooperation and Development as proposed by the Senate instead of $3,827,000 as proposed by the House.

SCIENTIFIC ACTIVITIES OVERSEAS

(FOREIGN CURRENCY PROGRAM)

Amendment No. 108: Appropriates $1,000,000 for scientific activities overseas as proposed by the House instead of $1,500,000 as proposed by the Senate.

TITLE V—RELATED AGENCIES

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FOOD AND DRUG ADMINISTRATION

SALARIES AND EXPENSES

Amendment No. 109: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following: *without regard to chapter 51 and subchapter III of chapter 53, and section 2105(a) of chapter 21 of title 5, United States Code.*

For purposes of establishing and implementing a demonstration project that authorizes the Secretary to use the facilities of any public or private cooperative, with the permission of any such cooperative, up to $3,000,000 may be made available.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides the FDA with authority to allow temporary clerical and technical employees to be hired by contract. This authority is similar to that which is provided to other agencies in the bill and is not intended to be used to hire full-time professional or scientific assistants.

The conference agreement also provides that up to $3,000,000 may be made available to establish and implement a biotechnology demonstration project at the National Center for Toxicological Research. The conferees will expect the Department to keep the appropriate committees of Congress fully informed as to this project.

The conference agreement deletes, without prejudice, Senate statutory language concerning scientific peer review groups.

The conference agreement deletes Senate statutory language providing up to $4,000,000 be made available to carry out the provisions of section 10 of the Medical Device Amendments of 1976. Within the funds available, the conferees direct FDA to provide up to $4,000,000 to assist small manufacturers of devices in complying with FDA regulations provided no ongoing program is adversely affected.

The conference agreeement deletes, without prejudice, Senate statutory language for training grants and contracts in the field of regulatory review medicine. The conferees expect the FDA to provide a report to the appropriate committees of Congress by January 15, 1989, on the difficulties it is having in recruiting medical officers and other scientists with skills necessary in the FDA review process and make recommendations to assist recruitment and training efforts.

From within funds available, the Animal and Plant Health Inspection Service, the Agricultural Marketing Service, and the Food and Drug Administration should cooperate in solving the problem *salmonella enterititis,* which endangers humans as well as the egg industry. The conferees are particularly concerned about the apparent inaction of the Department of Agriculture in addressing this crisis in the egg industry. Existing law is clear. It provides the Department of Agriculture with the primary authority and responsibility of insuring animal health and safety through APHIS and the Agricultural Marketing Service, and it provides the Food and Drug Administration with the primary authority and responsibility of insuring human health and safety. The conferees expect the agencies to investigate, identify and eradicate the problem in poultry intended for egg production. Where an outbreak of *salmonella enterititis* exists or when an outbreak occurs, the conferees expect the agencies to utilize all appropriate methods, such as mandatory testing and inspection where such methods are deemed appropriate, to resolve this problem and prevent it in the future.

No funds are included in this Act for the Food and Drug Administration to promulgate rules and regulations that require changes in fruit juice labeling.

Amendment No. 110: Reported in true disagreement.

Amendment No. 111: Deletes Senate language which provided additional funds for orphan drug work by transferring such funds from other programs. Within the amount provided for the Food and Drug Administration, the conference agreement includes $7,000,000 for orphan drug work, of which not less than $4,900,000 shall be available only for orphan products grants and contracts.

BUILDINGS AND FACILITIES

Amendment No. 112: Appropriates $23,950,000 for Buildings and Facilities of the Food And Drug Administration as proposed by the House instead of $26,450,000 as proposed by the Senate. The conference agreement provides full funding for the AIDs building, since $2,500,000 of prior-year unobligated balances will be used to begin work on the planning and design of this building. The conferees expect FDA to retain full title to the building.

DEPARTMENT OF THE TREASURY

PAYMENTS TO THE FARM CREDIT SYSTEM FINANCIAL ASSISTANCE CORPORATION

Amendment No. 113: Limits funds available to the Farm Credit System Assistance Board to $2,000,000 instead of $1,352,000 as proposed by the House and $2,235,000 as proposed by the Senate.

The conferees are disappointed in the actions and operation of the Farm Credit System Financial Assistance Corporation. The conferees expect the Corporation to be more efficient in the operation of its day-to-day activities and more cognizant of the impact of the timeliness of its decisions on the farmer and the Farm Credit System institutions. The conferees expect the Corporation to keep the appropriate committees of Congress advised as to its operation and its expenditures.

INDEPENDENT AGENCIES

COMMODITY FUTURES TRADING COMMISSION

Amendment No. 114: Appropriates $34,723,000 for the Commodity Futures Trading Commission instead of $33,898,000 as proposed by the House and $35,547,000 as proposed by the Senate.

FARM CREDIT ADMINISTRATION

LIMITATION ON REVOLVING FUND FOR ADMINISTRATIVE EXPENSES

Amendment No. 115: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which has the effect of making the limitation on expenses include both expenses incurred in the course of regulating the banks and associations of the Farm Credit System and those incurred in the regulation of the new Federal Agricultural Mortgage Corporation.

TITLE VI—GENERAL PROVISIONS

Amendment No. 116: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides that the limitation in Sec. 621 on reimbursement to the General Services Administration shall also apply to user fee and other nonappropriated accounts.

Amendment No. 117: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which adds language to Sec. 626 which has the effect of setting a minimum employment ceiling of 7,350 for the Food and Drug Administration.

Amendments Nos. 118 and 119: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendments of the Senate which make the provision regarding normalized prices permanent law and extend the provision to apply to any other Act.

Amendment No. 120: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following: *Also, none of the funds in this Act, or otherwise made available by this Act, shall be used to sell or offer for borrower prepayment more loans from the Rural Development Insurance Fund than needed to realize net proceeds of $584,000,000, the total level authorized by the Omnibus Reconciliation Act of 1986, Public Law 99-509, and the Continuing Appropriations Act of 1987, Public Law 99-591. Further, Rural Development Insurance Fund loans offered for sale in fiscal year 1989 shall be first offered to the borrowers for prepayment. Borrowers who rejected prepayment offers in fiscal year 1988 shall remain eligible for prepayment in fiscal year 1989.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 121: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows:

SEC. 634. (a) Effective beginning with the 1989 crop year for honey, section 405 of the Agricultural Act of 1949 (7 U.S.C. 1425) is amended, in the text of subsection (a) (as to designated by section 1004(1) of the Food Security Act of 1985 effective for the 1986 through 1990 crops), by striking out "No producer" and inserting in lieu thereof "Except as otherwise provided in section 405A, no producer".

(b) The Agricultural Act of 1949 is amended by inserting after section 405 the following new section:

"SEC. 405A. (a) A producer of honey may satisfy the producer's obligation to repay a loan, or a portion of a loan, made to the pro-

ducer under section 201(b) of this Act by forfeiting the collateral for the loan, or portion of the loan, only if the value of the collateral forfeited, when taken together with the value of the collateral forfeited on any other loan or loans of the producer for such crop of honey under section 201(b), does not exceed $250,000: Provided, however, that the loan forfeiture limitation by this section shall not be applicable for any crop year for which the Secretary does not permit producers of honey to repay the price support loans at a level determined under section 201(b)(2)(B).

"(b) The producer of honey shall be personally liable for the repayment of a loan or loans made to the producer under the program for the crop of honey involved, with respect to that portion of the loan or loans for which satisfaction of the loan by forfeiture, as provided in subsection (a), is prohibited.

"(c) The loan contracts of the Commodity Corporation entered into with producers of honey shall clearly indicate the extent to which a producer of honey may be personally liable for repayment of a loan under this section.

"(d) The Commodity Credit Corporation may issue such regulations as the Corporation deems to carry out this section.".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement amends House language on the honey program to incorporate language developed in cooperation with the legislative committee. The agreement would establish a limit on the amount of forfeitures a producer could make with respect to loans made to the producer on a crop of honey. The forfeiture limit would be $250,000 per crop of honey. The producer would be personally liable for complete repayment of the loans once the forfeiture cap is reached. The language would replace House language which placed a cap of $250,000 on honey loans.

Amendment No. 122: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows:

SEC. 635. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries of personnel who carry out a targeted export assistance program under section 1124 of the Food Security Act of 1985 if the aggregate amount of funds and/or commodities under such program exceeds $200,000,000: Provided, That $30,000 shall be held in reserve to be released by the Secretary of Agriculture only if required.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement limits the targeted export assistance program to $200,000,000 instead of $110,000,000 as proposed by the House and no limit as proposed by the Senate. In addition, the agreement places $30,000,000 in reserve to be released by the Secretary only if required.

Amendment No. 123: Restores House language limiting the export enhancement program in fiscal year 1989 to $770,000,000. The Senate amendment deleted the House language. The conferees expect the Department to initiate and carry out exports of U.S. barley using the export enhancement program, if necessary to remain competitive.

Amendment No. 124: Deletes House language requiring a one-percent reduction in certain accounts in the bill.

Amendment No. 125: Deletes House language stricken by the Senate dealing with the funding of a workplace free of illegal controlled substances. This issue has been addressed on a government-wide basis in the fiscal year 1989 Treasury, Postal Service, and General Government Appropriations Act.

Amendment No. 126: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the first section number named in said amendment, insert: *"637"*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement adds language proposed by the Senate which specifies the amount of loan prepayments to be applied to the electric and telephone programs, respectively. The agreement also changes the section number.

The conferees expect that the new rules governing prepayments which must be adopted in connection with this section will not require refinancing by the borrower and a transfer of the Federal guarantee. The law requires only that "private capital" be utilized in making such prepayments and assures that the Federal guarantee if fully transferable or assignable, but does not require a transfer or assignment.

Amendment No. 127: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

SEC. 638. None of the funds in this Act, or otherwise made available by this Act, shall be used to regulate the order or sequence of advances of funds to a borrower under any combination of approved telephone loans from the Rural Electrification Administration, the Rural Telephone Bank or the Federal Financing Bank.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement amends Senate language to retain language prohibiting the use of funds to regulate the order or sequence of advances of funds to a borrower, and deletes Senate language concerning a Rural Telephone Bank borrower's ability to rescind the unadvanced portion of approved loans.

Amendment No. 128: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

SEC. 639. In fiscal years 1989 and 1990, $20,000,000 of section 32 funds shall be used to purchase sunflower and cottonseed oil, as authorized by law, such purchases to facilitate additional sales of such oils in world markets at competitive prices, so as to compete with other countries: Provided, That these funds shall be in addition to funds made available for this purpose by the Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988 (Public Law 100-202).

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement amends language proposed by the Senate providing for a sunflower oil export program of not less than $10,000,000 nor more than $20,000,000. The agreement expands the language to provide for a $20,000,000 program for sunflower and cottonseed oil, as authorized by law.

Amendment No. 129: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the first section number named in said amendment, insert: *"640"*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement adds language proposed by the Senate which provides for a sugar re-export program. The agreement also changes the section number.

Amendment No. 130: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the first section number named in said amendment, insert: *"641"*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement clarifies congressional intent with respect to the Older Americans Act Amendments of 1987. The conferees expect the Department to publish proposed regulations for public comment within 60 days of enactment of this bill. The provision was added at the request of the legislative committees.

Amendment No. 131: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the section number named in said amendment, insert: *"642"*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement adds language proposed by the Senate dealing with the funding of any fiscal year 1989 pay raise.

Amendment No. 132: Deletes Senate language requiring the Director of the Office of Management and Budget and the head of each agency covered by the Act to comply with provisions of the joint statement of the managers. The conferees have addressed this matter in the beginning of the statement of the managers.

Amendment No. 133: Deletes Senate language regarding the Senate's intention to enact drought assistance. This provision is superseded by the enactment of the Drought Assistance Act of 1988 (P.L. 100-387).

Amendment No. 134: Reported in true disagreement.

Amendment No. 135: Deletes Senate language providing for a two-percent reduction in certain accounts.

Amendment No. 136: Deletes Senate language providing limits on the funds that may be expended in fiscal year 1989 for consulting services. The conferees are supportive of the concept set forth in the amendment but feel that further review is required. The conferees agree to address the subject during the hearings on the fiscal year 1990 appropriations bill.

Amendment No. 137: Deletes Senate language providing for the establishment of an escrow account for the proceeds from the sale of land in Orlando, Florida, owned by the Agricultural Research Service. The conferees have deleted this amendment without prejudice and agree that this matter should be considered by the Department and the appropriate committees of Congress to determine whether this transaction should occur. If the sale and use of the assets is determined to be advisable, and if there is no authority to implement the change, Congress will revisit the issue.

Amendment No. 138: Deletes Senate language regarding the increased inspection of blood banks. Funds for this purpose were provided in the Dire Emergency Supplemental Appropriations Act (P.L. 100-393).

Amendment No. 139: Deletes Senate language transferring clear title to two parcels of land in Alaska to the University of Alaska.

Amendment No. 140: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the section number named in said amendment, insert: *"644"*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement adds language proposed by the Senate which requires grantees of Federal funds to disclose the percentage of the total project cost that is Federally funded and the amount of Federal funds involved. The agreement also changes the section number.

Amendment No. 141: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

SEC. 645. Effective August 30, 1989, none of the funds available in this Act for the Special Supplemental Food Program for Women, Infants, and Children (WIC) may be used by a state if that state has not examined the feasibility of implementing cost containment procedures described in section 3 of the Commodity Distribution Reform Act and WIC Amendments of 1988 (7 U.S.C. 612c note) (including infant formula rebates) for acquiring infant formula and, where practicable, other foods that are necessary to carry out such program, and if the state has determined that such a procedure would lower costs and enable more eligible persons to be served (without interference with the delivery of nutritious foods to recipients) and has not initiated action to implement such procedures. The Secretary may extend the effective date of implementation on a case-by-case basis where necessary.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement deletes Senate language adding funds for the WIC program and providing a 0.7 percent reduction in a number of discretionary accounts in the bill.

The conference agreement amends Senate language to provide for a limitation on the use of funds rather than a change in the basic law with respect to implementing cost-containment procedures for acquiring WIC foods. Such changes could result in annual savings to the WIC program of up to $300,000,000.

The agreement also changes the section number.

Amendment No. 142: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

SEC. 646. Effective October 1, 1989, section 6.29 of the Farm Credit Act of 1971 (12 U.S.C. 2278b-9) is amended by—

(1) subsection (a)(1), striking out "Except as provided in paragraph (2)," and inserting in lieu thereof "Except as provided in paragraphs (2) and (3),",

(2) adding at the end of subsection (a) the following new paragraph:

"(3) PERIODIC PURCHASES.—(A) Notwithstanding any other provision of this section, the Financial Assistance Corporation shall establish a program under which System institutions shall purchase, as debt obligations are issued under section 6.26(a), stock of the Corporation in amounts described in this paragraph.

"(B) The program shall provide, with respect to each issuance of debt obligations under section 6.26(a), that each System institution originally required to purchase stock under paragraph (1), or the successor thereto, shall purchase Corporation stock in an amount determined by multiplying the amount of stock such institution was originally required to purchase under that paragraph by a percentage equal to the percentage which the amount of the issuance bears to $4,000,000,000.

"(C) The Financial Assistance Corporation shall promptly rescind purchases of stock of the Corporation made under paragraph (1) or (2) by System institutions and refund to such institutions, or their successors, the purchase price for the stock, except that, with respect to each issuance of debt obligations that occurs before October 1, 1988, the Corporation shall deduct from any refund due any System institution, and retain, the amount payable by such institution.

(3) in subsection (c)—

(a) striking out "Within" and inserting in lieu thereof "(1) Within",

(b) striking out "(1) the" and inserting in lieu thereof "(A) the", and

(c) striking out "(2) in the case" and inserting in lieu thereof "(B) in the case", and

(4) adding at the end thereof the following new paragraph:

"(2) Not later than 15 days before each issuance of debt obligations under section 6.26(a) occurring after September 30, 1988, the Financial Assistance Corporation shall notify each System institution required to purchase Corporation stock under subsection (a)(3) of the amount of the stock it is required to purchase.".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees are concerned that the trust fund assessment procedure provided for in the Agricultural Credit Act of 1987 placed an unintended burden on many Production Credit Associations and Federal Land Bank Association sin eight Farm Credit Districts across the country, threatening the viability of several once-healthy institutions. The conferees accept the Senate bill language and establish the implementation date as October 1, 1989.

Amendment No. 143: Deletes Senate language which required the Secretary to issue regulations regarding how states manage vendor participation in the WIC program and prohibiting the use of WIC funds in states not complying with the regulations.

The conferees agree that efforts should be undertaken to improve the performance of states in the management of vendor participation in the Special Supplemental Food Program for Women, Infants, and Children (WIC). The conferees expect the Department to issue regulations on management improvements during fiscal year 1989.

Amendment No. 144: Deletes Senate language which provided that none of the funds in the Act shall be used to implement the sugar quota increase announced by the Secretary on July 22, 1988, until the Secretary certifies that such action will not result in forfeiture of domestically produced sugar to CCC.

The conferees agree to delete the Senate language because the law requires the Secretary to operate the program in such a manner that will not result in forfeiture of domestically produced sugar to CCC.

Amendment No. 145: Deletes Senate language which authorized the making of grants for the establishment and operation of international trade development centers and provided that such grants may be made to accredited private sector world trade centers organized on a regional basis.

Amendment No. 146: Deletes Senate language which provided for the transfer of $100,000 from the Working Capital Fund to support the International Livestock Program at Kansas State University. The conference agreement addresses this amendment under Special Research Grants, Cooperative State Research Service.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1989 recommended by the Committee of Conference, with comparisons to the fiscal year 1988 amount, the 1989 budget estimates, and the House and Senate bills for 1989 follow:

New budget (obligational) authority, fiscal year 1988	$52,361,202,000
Budget estimates of new (obligational) authority, fiscal year 1989	42,539,915,000
House bill, fiscal year 1989	40,038,072,000
Senate bill, fiscal year 1989	43,605,071,000
Conference agreement, fiscal year 1989	42,512,839,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1988	−9,848,363,000
Budget estimates of new (obligational) authority, fiscal year 1989	−27,076,000
House bill, fiscal year 1989	+2,474,767,000
Senate bill, fiscal year 1989	−1,092,232,000

JAMIE L. WHITTEN,
BOB TRAXLER,
MATTHEW F. MCHUGH,
WILLIAM H. NATCHER,
DANIEL K. AKAKA,
WES WATKINS,
RICHARD J. DURBIN,
NEAL SMITH,
VIRGINIA SMITH,
JOHN T. MYERS,
JOE SKEEN,
VIN WEBER,
SILVIO O. CONTE,
Managers on the Part of the House.

QUENTIN N. BURDICK,
JOHN C. STENNIS,
LAWTON CHILES,
JIM SASSER,
DALE BUMPERS,
TOM HARKIN,

DANIEL K. INOUYE,
THAD COCHRAN,
JAMES A. MCCLURE,
BOB KASTEN,
ARLEN SPECTER,
CHARLES E. GRASSLEY,
MARK O. HATFIELD,
Managers on the Part of the Senate.

CONFERENCE REPORT (H. REPT. 100-1000)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4587) "making appropriations for the Legislative Branch for the fiscal year ending September 30, 1989, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 6, 7, 15, 16, 17, 18, 19, 22, and 25.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 10, 11, 13, 14, and 23, and agree to the same.

Amendment numbered 3:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert:

SEC. 7. Section 117 of Public Law 97-51 (2 U.S.C. 61f-8) is amended by striking out "from the contingent fund of the Senate an amount not to exceed $210,000 for:" and inserting in lieu thereof "from the account for the Sergeant at Arms and Doorkeeper of the Senate, within the contingent fund of the Senate, an amount not to exceed $300,000:".

SEC. 8. (a) Section 506(a)(9) of the Supplemental Appropriations Act, 1973 (2 U.S.C. 58(a)(9)) is amended by striking out "necessary" and all that follows, and inserting in lieu thereof "necessary.".

(b) The amendment made by subsection (a) shall be effective only in the case of expenses incurred on or after October 1, 1988.

SEC. 9. Section 101 of the Supplemental Appropriations Act, 1977 (2 U.S.C. 61h-6) is amended—

(1) in the first sentence thereof, by striking out "Minority Leader", and

(2) by inserting immediately after the first sentence thereof the following new sentence: "The Minority Leader of the Senate is authorized to appoint and fix the compensation of not more than four individual consultants, on a temporary or intermittent basis, at a daily rate of compensation not in excess of that specified in the preceding sentence.".

SEC. 10. (a) The Sergeant at Arms and Doorkeeper of the Senate is authorized to employ, and fix the compensation of such employees as he determines necessary to operate the Senate Beauty Shop.

(b)(1) Section 106(a) of the Legislative Branch Appropriations Act, 1977 (2 U.S.C. 121a) is amended by deleting "Senate Barber Shops Revolving Fund" and inserting in lieu thereof "Senate Barber and Beauty Shops Revolving Fund".

(2) Section 106(b) of the Legislative Branch Appropriations Act, 1977 (2 U.S.C. 121a) is amended to read as follows:

"(b) All moneys received by the Senate Barber Shop and the Senate Beauty Shop from fees for services or from any other source shall be deposited to the credit of the revolving fund. Moneys in the revolving fund shall be available without fiscal year limitation for disbursement by the Secretary of the Senate for necessary equipment supplies, and expenses of the Senate Barber and Beauty Shops.".

(c) Any individual who, on the date of the enactment of this section, is an employee of the Senate Building Beauty Shop and who, after having been employed by the Sergeant at Arms and Doorkeeper pursuant to subsection (a) of this section, attains 5 years of civilian service creditable under section 8411 of title 5, United States Code, other than service credited pursuant to subsection (d) of this section, may be credited under such section for any service as an employee of the Senate Building Beauty Shop prior to such date of enactment if such employee makes a payment of the amount, determined by the Office of Personnel Management, that would have been deducted and withheld from the basic pay of such employee under section 8422 of title 5, United States Code, for such period so credited, together with interest thereon.

(d) Notwithstanding any other provision of this section, any service performed by an individual in the Senate Building Beauty Shop prior to the date of the enactment of this section is deemed to be civilian service creditable under section 8411 of title 5, United States Code, for purposes of qualifying for survivor annuities and disability benefits under subchapters IV and V of chapter 84 of title 5, United States Code, if such individual—

(1) on the date of the enactment of this Act, is an employee of the Senate Building Beauty Shop;

(2) on or after the date of such enactment is employed by the Sergeant at Arms and Doorkeeper pursuant to subsection (a) of this section; and

(3) payment is made of an amount, determined by the Office of Personnel Management, which would have been deducted and withheld from the basic pay of such employee under section 8422 of title 5, United States Code, for such period so credited together with interest thereon.

(e) The Office of Personnel Management shall accept the certification of the Secretary of the Senate concerning creditable service for the purpose of this section.

(f) The foregoing provisions of this section shall take effect on October 1, 1988.

SEC. 11. Of the funds available under the head "Contingent Expenses of the Senate" for the Sergeant at Arms and Doorkeeper of the Senate, for fiscal year 1988, $3,600,000 shall remain available until September 30, 1989.

SEC. 12. No part of the funds appropriated in this Act shall be used for the maintenance or care of private vehicles, except for emergency assistance and cleaning as may be provided under regulations relating to paring facilities for the Senate issued by the Committee on Rules and Administration.

SEC. 13. Section 506(a)(3) of the Supplemental Appropriations Act, 1973, (2 U.S.C. 58(a)(3)) is amended by inserting "postage on, and fees and charges in connection with, mail matter sent through the mail under the franking privilege in excess of amounts provided from the appropriation for official mail costs, upon certification by the Senate Sergeant at Arms and subject to such regulations as may be promulgated by the Committee on Rules and Administration of the Senate, and" before "reimbursement".

SEC. 14. (a) Section 506(a)(9) of the Supplemental Appropriations Act, 1973 (2 U.S.C. 58(a)(9)) is amended by striking out "necessary" and all that follows, and inserting in lieu thereof "necessary.".

(b) The amendment made by subsection (a) shall be effective only in the case of expenses incurred on or after October 1, 1988.; and the Senate agree to the same.

Amendment numbered 4:

That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows:

In lieu of the sum named by said amendment insert *$775,000*; and the Senate agree to the same.

Amendment numbered 5:

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert the following: *$52,922,000, of which $25,673,000 is appropriated to the Sergeant at Arms of the House of Representatives, to be disbursed by the Clerk of the House, and $27,249,000 is appropriated to the Sergeant at Arms and Doorkeeper of the Senate, to be disbursed by the Secretary of the Senate, the remainder*; and the Senate agree to the same.

Amendment numbered 8:

That the House recede from its disagreement to the amendment of the Senate numberd 8, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$17,937,000*; and the Senate agree the same.

Amendment numbered 9:

That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows:

In lieu of the matter proposed by said amendment insert:

BIOMEDICAL ETHICS BOARD

SALARIES AND EXPENSES

For the Biomedical Ethics Board and the Biomedical Ethics Advisory Committee, subject to reauthorization of section 381 of the Public Health Service Act (Public Law 99-158) or similar legislation, the amounts appropriated under this head in the Legislature Branch Appropriations Act, 1988 (as enacted by Public Law 100-202), shall remain available for obligation until September 30, 1989: Provided, That effective October 1, 1988, the Disbursing Officer of the Library of Congress is authorized to—

(1) disburse funds appropriated for the Biomedical Ethics Board;

(2) compute and disburse the basic pay of all personnel of the Biomedical Ethics Board; and

(3) provide financial management services and support to the Biomedical Ethics Board,

in the same manner as provided with respect to the Office of Technology Assessment under section 101(c) of Public Law 97-51 (2 U.S.C. 142f). ; and the Senate agree to the same.

Amendment numbered 12:

That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows:

In lieu of the sum named in Section 121 of said amendment insert *$7,500,000;* and the Senate agree to the same.

Amendment numbered 21:

That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows:

In lieu of the matter stricken by said amendment, insert the following:

Sec. 307. Notwithstanding any other provision of this Act, the including the joint item for the Capitol Police Board in the undesignated paragraph under the subheading "GENERAL EXPENSES", amounts for general expenses of the Capitol Police shall be disbursed by the Clerk of the House of Representatives.

Sec. 307A. For payment to Ruby M. Daniel, widow of Dan Daniel, late a Representative from the State of Virginia, $89,500. For payment to Marlene V. Howard, widow of James J. Howard, late a Representative from the State of New Jersey, $89,500. For payment to Geraldine M. Price, widow of Charles Melvin Price, late a Representative from the State of Illinois, $89,500. For payment to Lois S. Duncan, widow of John J. Duncan, late a Representative from the State of Tennessee, $89,500.

Sec. 307B. (a) Notwithstanding the applicable statutes described in subsection (b), an agency of the legislative branch to which those statutes apply is authorized to use telecommunications systems and services provided by the Architect of the Capitol or the House of Representatives or the Senate under the approved plan required by section 305 of Public Law 100-202 (101 Stat. 1329-308) if such systems and services—

(1) have been acquired competitively; and

(2) have been determined by the Architect of the Capitol to be at least equal in quality to, and not greater in cost than, the systems and services available under the procurement conducted by the Administrator of General Services known as "FTS2000".

(b) The applicable statutes described in this subsection are—

(1) section 111 of the Federal Property and Administrative Services Act of 1949; and

(2) section 627 of the Treasury, Postal Service and General Government Appropriations Act of 1989.

(c) As used in this section, the term "agency of the legislative branch" means the office of the Architect of the Capitol, the Botanic Garden, the General Accounting Office, the Government Printing Office, the Library of Congress, the Office of Technology Assessment, and the Congressional Budget Office.

Sec. 307C. There is established in the office of the Attending Physician one additional position of technical assistant to be appointed by the Attending Physician, subject to the approval of the Speaker of the House of Representatives.

Sec. 307D. For an additional amount for "Expenses, Presidential Transition, General Services Administration", not to exceed $2,000,000: Provided, That the availability of these funds shall be in accordance with sections 3(b) and 4 of the Presidential Transition Act of 1963, as amended (3 U.S.C. 102, note).

Sec. 307E. The Architect of the Capitol, subject to the direction of the Joint Committee on the Library, is authorized to—

(1) construct a National Garden demonstrating the diversity of plants, including the rose, our national flower, to be located between Maryland and Independence Avenues, SW., and extending from the United States Botanic Garden Conservatory to Third Street, S.W., in the District of Columbia; and

(2) accept gifts, including money, plants, volunteer time, planning, construction and installation expenses, assistance and implements, and garden structures, on behalf of the United States Botanic Garden for the purpose of constructing the National Garden described in paragraph (1). ; and the Senate agree to the same.

Amendment numbered 20:

That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$347,339,000*; and the Senate agree to the same.

Amendment numbered 24:

That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows:

In lieu of the matter stricken by said amendment insert:

Sec. 311. None of the funds appropriated or otherwise made available by this Act shall be used by the Congressional Budget Office to add to, delete, or alter any information such Office has provided to any Member or committee of the House of Representatives or the Senate or any joint committee of the Congress, except to correct errors or to provide new or updated information. ; and the Senate agree to the same.

Amendment numbered 26:

That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert:

Sec. 312. Section 202(i)(1) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i)(1)) is amended by inserting immediately before the period the following: "or with respect to the administration of the affairs of the committee".

Sec. 313. Such sums as may be necessary for fiscal year 1989 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act. ; and the Senate agree to the same.

Vic Fazio,
David Obey,
Bill Alexander,
John P. Murtha,
Bob Traxler,
Lindy Boggs,
Jamie Whitten,
Jerry Lewis,
Silvio O. Conte,
John T. Myers,
John Edward Porter,
Managers on the Part of the House.

Dale Bumpers,
Barbara A. Mikulski,
Harry Reid,
Charles Grassley,
Mark O. Hatfield,
Ted Stevens,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4587) making appropriations for the Legislative Branch for the fiscal year ending September 30, 1989, and for other purposes, submit the following joint statement to the House and Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

TITLE I—CONGRESSIONAL OPERATIONS

SENATE

Amendment Nos. 1-2: Appropriate funds and authorize housekeeping provisions as provided in the Senate bill. Inasmuch as these amendments relate solely to the Senate and in accord with long practice under which each body determines its own housekeeping requirements and the other concurs without intervention, the managers on the part of the House will move to concur in Senate amendments 1 and 2.

Amendment No. 3: Provides authority as contained in the Senate bill, as this amendment relates solely to the Senate. In accord with a request from the managers on the part of the Senate, several additional provisions have been added concerning Senators' office allowances, the hire of consultants, the Senate Beauty Shop, the Senate Computer Center, care and maintenance of vehicles, and Senate mail regulations.

JOINT ITEMS

JOINT COMMITTEE ON INAUGURAL CEREMONIES OF 1989

Amendment No. 4: Provides $775,000 for the Joint Committee on Inaugural Ceremonies instead of $700,000 as provided by the Senate. The amendment is necessary because of a recent reestimate of the funding necessary for the construction of the platform and stands and other expenses of conducting the inaugural ceremonies of the President and Vice President on January 20, 1989.

CAPITOL POLICE BOARD

CAPITOL POLICE

Salaries

Amendment No. 5: The conferees have agreed to appropriate $25,673,000 to the Sergeant at Arms of the House, to be disbursed by the Clerk of the House, and $27,249,000 to the Sergeant at Arms and Doorkeeper of the Senate, to be disbursed by the Secretary of the Senate, for salaries, overtime, and employer contributions to employee benefits of officers, members, and employees of the Capitol Police, instead of $25,673,000 as proposed by the House and $52,922,000 as proposed by the Senate. Funds disbursed by the Clerk of the House will continue to be subject to routine oversight and review by the appropriate committees, and the traditional procedures will apply in the Senate as well. However, the police salary budget henceforth will be a joint item account and the Capitol Police Board and the Capitol Police are directed to present the budget and their budget request for the entire force to the Appropriations Committees beginning with the fiscal year 1990 budget.

TECHNICAL SECURITY COUNTERMEASURES OFFICE

Amendment No. 6: Deletes language proposed by the Senate establishing a separate technical security countermeasures office.

The conferees are extremely concerned about the ability of the legislative branch to protect against the electronic interception of highly classified information. A similar concern has been expressed by the intelligence community. Currently, responsibility for these activities rests with the U.S. Capitol Police and the Architect of the Capitol for (1) installation and operation of the Within Building Emitter Detection System (WBEDS); (2) physical inspection of Congressional offices for the presence of electronic surveillance devices; (3) using portable equipment to monitor certain rooms not covered by WBEDS; and (4) contract negotiation for the procurement of hardware, software and services related to technical security. Until recently this function had no permanent staff. The conferees understand that there are now two full-time operator-technicians within the Capitol Police force and other support is provided by part-time operators on an as needed basis. There is a question as to whether or not this is an adequate commitment. The conferees direct that a proposal for the establishment of an office to direct technical security countermeasures be included in the Capitol Police Board's plan for consolidation of the Capitol Police salary accounts, to be submitted to the appropriate committees of the Senate and the House of Representatives no later than January 1, 1989. This proposal when implemented is designed to provide consolidated direction, adequate staffing with qualified professionals, a central point where the Congress can concentrate its resources for this function, and an entity that can be held accountable.

OFFICIAL MAIL COSTS

Amendment No. 7: Appropriates $53,926,000 for official mail costs as proposed by the House instead of $26,000,000 as proposed by the Senate. The Conferees urge the committees with jurisdiction in this matter to determine the feasibility of providing separate allocations for the official mail costs of each body.

OFFICE OF TECHNOLOGY ASSESSMENT

Amendment No. 8: Appropriates $17,937,000 for salaries and expenses, Office of Technology Assessment, instead of $17,505,000 as proposed by the House and $18,203,000 as proposed by the Senate. The additional funds over the House bill include $100,000 for ongoing work on health and adolescent behavior and $332,000 for work on climate modification.

BIOMEDICAL ETHICS BOARD

SALARIES AND EXPENSES

Amendment No. 9: Provides that amounts appropriated to the Biomedical Ethics Board for fiscal year 1988 shall remain available until September 30, 1989, as proposed by the Senate, amended to make the authority subject to reauthorization and to provide authority to the Library of Congress to perform financial management services for the Board.

ARCHITECT OF THE CAPITOL

SENATE OFFICE BUILDINGS

Amendment No. 10: Provides funds for the operation of Senate office buildings as proposed by the Senate.

CAPITOL POWER PLANT

The conferees agree that emission measuring devices should be installed at the Capitol Power Plant, within available resources.

ADMINISTRATIVE PROVISIONS

Amendment No. 11: Adds the Russell and Dirksen Senate office buildings to the priority list for the installation of alarm systems as proposed by the Senate.

JOHN C. STENNIS CENTER FOR PUBLIC SERVICE TRAINING AND DEVELOPMENT

Amendment No. 12: Provides $7,500,000 for a public service training center instead of $10,000,000 as proposed by the Senate.

TITLE II—OTHER AGENCIES

LIBRARY OF CONGRESS

SALARIES AND EXPENSES

Amendment No. 13: Makes a technical correction to the title of a program as proposed by the Senate.

Amendment No. 14: Provides $153,042,000 as proposed by the Senate for salaries and expenses, Library of Congress, instead of $152,647,000 as proposed by the House. The additional funds over the House bill are for five positions and expenses associated with the accelerated microfilming project. The Library of Congress is directed to consult with the House and Senate Bicentennial Commissions concerning the proposal for an "Encyclopedia of Congress" in connection with the bicentennial anniversary of the establishment of Congress under the Constitution. The Committees on Appropriations will consider a suitable reprogramming request if other sources are not able to undertake the project.

ADMINISTRATIVE PROVISIONS

Amendment No. 15: Deletes language proposed by the Senate regarding a retirement benefit option.

GOVERNMENT PRINTING OFFICE

REVOLVING FUND

Amendment No. 16: Provides a limitation of 5,117 workyears as proposed by the House for full-time equivalent employment at the Government Printing Office instead of 5,177 as proposed by the Senate.

Amendment No. 17: Deletes language proposed by the Senate that amends section 6121(1) and 6133(c) of Title 5, United States Code. The Committees on Appropriations have reservations concerning the impact on the congressional printing workload and the policy with respect to senior managers in GPO administrative positions.

ADMINISTRATIVE PROVISIONS

Amendment Nos. 18-19: Restore section numbers as proposed by the House.

GENERAL ACCOUNTING OFFICE

SALARIES AND EXPENSES

Amendment No. 20: Appropriates $347,339,000 for the General Accounting Office instead of $346,339,000 as proposed by the House and $348,139,000 as proposed by the Senate. The $1,000,000 above the House bill is for travel expenses. The $800,000 for microcomputers is not provided, and GAO is reminded that a comprehensive ADP plan, including schedules, costs, usage, and workload impact has not been presented to the Committees. This material should allow a straightforward crosswalk to be made to budget requirements and the budget documents. Generalized requirements are not sufficient. After such plan is received, the Committees on Appropriations will consider a reprogramming request from GAO for microcomputers. The comparison between adding staff and contracting out for evaluation work, as directed in the House bill, should be made within available resources.

TITLE III—GENERAL PROVISIONS

Amendment No. 21: Amends House language stricken by the Senate to restore the status quo in regard to the disbursement of funds for police expenses.

The conferees agree that the police salaries and expense budgets will be treated as joint items. For fiscal year 1989, the general expenses expenditures will continue to be disbursed by the Clerk of the House, the historical arrangement, and subject to the customary oversight and controls over those disbursements. The conferees have also added several additional provisions. One provides the traditional death gratuities to the widows of recently deceased members of the House of Representatives; the second clarifies the intent of Congress in directing the development of a telecommunications system for the legislative branch that will be subject to the approval of the appropriate committees of Congress; the third establishes a position in the office of the Attending Physician; the fourth provides an additional $2,000,000 for the presidential transition; and finally, authority is provided for the establishment of a national garden at the Botanic Garden.

Amendment No. 22: Deletes language proposed by the Senate establishing and amending the jurisdiction and procedures of the Capitol Police Board and the Capitol Police. The conferees agree that a consolidation of this authority, together with appropriate oversight by the Committees of Congress with jurisdiction in this matter, is desirable. Since this proposal is complex and far reaching, however, the conferees believe that this matter deserves proper deliberation by the authorizing committees. Consequently, the Committee of Conference directs the Capitol Police Board to refer this proposal together with necessary and sufficient background material and justifications to the authorizing committees as soon as practicable, but in no event later than January 1, 1989, with a request that hearings be held for the purpose of developing a suitable legislative proposal that may be considered by the House and Senate.

Amendment No. 23: Deletes language proposed by the House and stricken by the Senate regarding a drug free workplace. The conferees strongly agree with the intent of the provision included by the House. However, this issue has been satisfactorily dealt with in section 628 of the Treasury, Postal Service, and General Government Appropriations Act, 1989 (H.R. 4775; conference report 100-881). Section 628 of that Act covers all Federal entities, including the House of Representatives, the Senate, and all other legislative branch agencies.

Amendment No. 24:

Section 311 was added on the House floor for the evident purpose of protecting CBO from pressure and intimidation respecting the content of its reports. The managers fully support this purpose but wish to make clear that the section is not intended to, and does not, change or in any way affect any of the duties and responsibilities imposed on CBO by the Congressional Budget Act of 1974, as amended.

Furthermore, Section 311 is limited in its reach to those cases in which a bipartisan request of a committee or a Member has specifically requested information from CBO, and on receiving that information there is a one-party request for CBO to add to, delete, or alter it, except to correct errors or provide new or updated information. In those circumstances, Section 311 prohibits CBO funds from being used to comply with the later request.

Finally, Section 311 does not change CBO's present authority to correct any error or to revise or update any information previously furnished.

Amendment No. 25: Deletes language proposed by the Senate amending the Federal Salary Act of 1967.

Amendment No. 26: Makes two technical corrections in the Senate language and adds a provision to require absorption of pay raises within levels appropriated.

PROGRAMS, PROJECTS AND ACTIVITIES

Under the principle established in section 306 of the Legislative Branch Appropriations Act for 1988, for purposes of the definition required by section 252 (a) (1) (B) (i) of the Balanced Budget and Emergency Deficit Control Act of 1985 (P. L. 99-177, as amended), the conferees agree that the accounts under the general heading "House of Representatives" shall be considered one combined appropriation account and the accounts under the general heading "Senate" shall be considered one combined appropriation account, and the term "program, project, and activity" shall apply to each combined account.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1989 recommended by the Committee of Conference, with comparisons to the fiscal year 1988 amount, the 1989 budget estimates, and the House and Senate bills for 1989 follow:

New budget (obligational) authority, fiscal year 1988	$1,745,501,500
Budget estimates of new (obligational) authority fiscal year 1989	1,966,329,200
House bill, fiscal year 1989	1,400,152,000
Senate bill, fiscal year 1989	1,778,331,200
Conference agreement, fiscal year 1989	1,804,624,200
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1988	+59,122,700
Budget estimates of new (obligational) authority, fiscal year 1989	−161,705,000
House bill, fiscal year 1989	+404,472,200
Senate bill, fiscal year 1989	+26,293,000

VIC FAZIO,
DAVID R. OBEY,
BILL ALEXANDER,
JOHN P. MURTHA,
BOB TRAXLER,
LINDY BOGGS,
JAMIE WHITTEN,
JERRY LEWIS,
SILVIO O. CONTE,
JOHN T. MYERS,
JOHN EDWARD PORTER,
Managers on the Part of the House.

DALE BUMPERS,
BARBARA A. MIKULSKI,
HARRY REID,
CHARLES GRASSLEY,
MARK O. HATFIELD,
TED STEVENS,
Managers on the Part of the Senate.

CONFERENCE REPORT ON H.R. 4781

Mr. CHAPPELL submitted the following conference report and statement on the bill (H.R., 4781) making appropriations for the Department of Defense for the fiscal year ending September 30, 1989, and for other purposes:

CONFERENCE REPORT (H. REPT. 100-1002)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4781) making appropriations for the Department of Defense for the fiscal year ending September 30, 1989, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 16, 17, 20, 24, 26, 27, 30, 32, 33, 39, 59, 68, 74, 76, 82, 86, 101, 109, 110, 111, 114, 115, 116, 117, 118, 121, 122, 123, 124, 125, 126, 127, 130, 132, 133, 134, 135, 136, 137, 174, 175, 176, 215, 224, 231, 246, 251, 255, 262, 265, 266, 267, and 268.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 4, 5, 7, 8, 9, 10, 11, 12, 13, 15, 18, 28, 29, 31, 34, 41, 43, 46, 47, 48, 51, 52, 54, 56, 62, 64, 66, 70, 75, 79, 94, 95, 96, 97, 98, 99, 100, 107, 120, 129, 140, 145, 165, 200, 201, 202, 204, 216, 222, and 226, and agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$18,962,456,000*; and the Senate agree to the same.

Amendment numbered 6:

That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$36,200,000*; and the Senate agree to the same.

Amendment numbered 14:

That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows:

In lieu of the sum deleted by said amendment insert *$22,083,496,000*; and the Senate agree to the same.

Amendment numbered 22:

That the House recede from its disagreement to the amendment of the Senate numbered 22, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment insert *$1,817,000,000*; and the Senate agree to the same.

Amendment numbered 25:

That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$7,635,973,000*; and the Senate agree to the same.

Amendment numbered 37:

That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$2,830,921,000*; and the Senate agree to the same.

Amendment numbered 38:

That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$2,012,970,000*; and the Senate agree to the same.

Amendment numbered 40:

That the House recede from its disagreement to the amendment of the Senate numbered 40, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment insert *$4,568,011,000*; and the Senate agree to the same.

Amendment numbered 53:

That the House recede from its disagreement to the amendment of the Senate numbered 53, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$9,055,543,000*; and the Senate agree to the same.

Amendment numbered 55:

That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment insert *; $4,813,969,000*; and the Senate agree to the same.

Amendment numbered 57:

That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$1,297,265,000*; and the Senate agree to the same.

Amendment numbered 58:

That the House recede from its disagreement to the amendment of the Senate numbered 58, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$15,922,499,000*; and the Senate agree to the same.

Amendment numbered 63:

That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment insert *; $1,138,900,000*; and the Senate agree to the same.

Amendment numbered 65:

That the House recede from its disagreement to the amendment of the Senate numbered 65, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$1,186,100,000*; and the Senate agree to the same.

Amendment numbered 67:

That the House recede from its disagreement to the amendment of the Senate numbered 67, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$33,500,000*; and the Senate agree to the same.

Amendment numbered 69:

That the House recede from its disagreement to the amendment of the Senate numbered 69, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment amended to change $12,000,000 as follows *$6,000,000*; and the Senate agree to the same.

Amendment numbered 90:

That the House recede from its disagreement to the amendment of the Senate numbered 90, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$149,900,000*; and the Senate agree to the same.

Amendment numbered 91:

That the House recede from its disagreement to the amendment of the Senate numbered 91, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$71,234,000*; and the Senate agree to the same.

Amendment numbered 92:

That the House recede from its disagreement to the amendment of the Senate numbered 92, and agree to the same with an amendment, as follows:

In lieu of the the matter stricken and inserted by said amendment insert *$291,900,000*; and the Senate agree to the same.

Amendment numbered 119:

That the House recede from its disagreement to the amendment of the Senate numbered 119, and agree to the same with an amendment, as follows:

In lieu of the number proposed by said amendment insert *6,113*; and the Senate agree to the same.

Amendment numbered 139:

That the House recede from its disagreement to the amendment of the Senate numbered 139, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment amended to change subsection (b) to read as follows:

(b) During fiscal year 1989, the civilian personnel of the Department of Defense may not be managed on the basis of any end-strength, and the management of such personnel during that fiscal year shall not be subject to any constraint or limitation (known as an end-strength) on the number of such personnel who may be employed on the last day of such fiscal year.

And the Senate agree to the same.

Amendment numbered 141:

That the House recede from its disagreement to the amendment of the Senate numbered 141, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8040*; and the Senate agree to the same.

Amendment numbered 142:

That the House recede from its disagreement to the amendment of the Senate numbered 142, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8041*; and the Senate agree to the same.

Amendment numbered 143:

That the House recede from its disagreement to the amendment of the Senate numbered 143, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8042*; and the Senate agree to the same.

Amendment numbered 144:

That the House recede from its disagreement to the amendment of the Senate numbered 144, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8043*; and the Senate agree to the same.

Amendment numbered 146:

That the House recede from its disagreement to the amendment of the Senate numbered 146, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8044*; and the Senate agree to the same.

Amendment numbered 147:

That the House recede from its disagreement to the amendment of the Senate numbered 147, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8045*; and the Senate agree to the same.

Amendment numbered 148:

That the House recede from its disagreement to the amendment of the Senate numbered 148, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8046*; and the Senate agree to the same.

Amendment numbered 149:

That the House recede from its disagreement to the amendment of the Senate numbered 149, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8047*; and the Senate agree to the same.

Amendment numbered 150:

That the House recede from its disagreement to the amendment of the Senate numbered 150, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8048*; and the Senate agree to the same.

Amendment numbered 151:

That the House recede from its disagreement to the amendment of the Senate numbered 151, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8049*; and the Senate agree to the same.

Amendment numbered 152:

That the House recede from its disagreement to the amendment of the Senate numbered 152, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8050*; and the Senate agree to the same.

Amendment numbered 153:

That the House recede from its disagreement to the amendment of the Senate numbered 153, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8051*; and the Senate agree to the same.

Amendment numbered 154:

That the House recede from its disagreement to the amendment of the Senate numbered 154, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8052*; and the Senate agree to the same.

Amendment numbered 155:

That the House recede from its disagreement to the amendment of the Senate numbered 155, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8053*; and the Senate agree to the same.

Amendment numbered 156:

That the House recede from its disagreement to the amendment of the Senate numbered 156, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8054*; and the Senate agree to the same.

Amendment numbered 157:

That the House recede from its disagreement to the amendment of the Senate numbered 157, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8055*; and the Senate agree to the same.

Amendment numbered 158:

That the House recede from its disagreement to the amendment of the Senate numbered 158, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8056*; and the Senate agree to the same.

Amendment numbered 159:

That the House recede from its disagreement to the amendment of the Senate numbered 159, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8057*; and the Senate agree to the same.

Amendment numbered 160:

That the House recede from its disagreement to the amendment of the Senate numbered 160, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8058*; and the Senate agree to the same.

Amendment numbered 161:

That the House recede from its disagreement to the amendment of the Senate numbered 161, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8059*; and the Senate agree to the same.

Amendment numbered 162:

That the House recede from its disagreement to the amendment of the Senate numbered 162, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8060*; and the Senate agree to the same.

Amendment numbered 163:

That the House recede from its disagreement to the amendment of the Senate numbered 163, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8061*; and the Senate agree to the same.

Amendment numbered 164:

That the House recede from its disagreement to the amendment of the Senate numbered 164, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8062*; and the Senate agree to the same.

Amendment numbered 166:

That the House recede from its disagreement to the amendment of the Senate numbered 166, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8063*; and the Senate agree to the same.

Amendment numbered 167:

That the House recede from its disagreement to the amendment of the Senate numbered 167, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8064*; and the Senate agree to the same.

Amendment numbered 168:

That the House recede from its disagreement to the amendment of the Senate numbered 168, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8065*; and the Senate agree to the same.

Amendment numbered 169:

That the House recede from its disagreement to the amendment of the Senate numbered 169, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8066*; and the Senate agree to the same.

Amendment numbered 170:

That the House recede from its disagreement to the amendment of the Senate numbered 170, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8067*; and the Senate agree to the same.

Amendment numbered 172:

That the House recede from its disagreement to the amendment of the Senate numbered 172, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment amended to change section number as follows *8068*; and the Senate agree to the same.

Amendment numbered 173:

That the House recede from its disagreement to the amendment of the Senate numbered 173, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8069*; and the Senate agree to the same.

Amendment numbered 177:

That the House recede from its disagreement to the amendment of the Senate numbered 177, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8070*; and the Senate agree to the same.

Amendment numbered 178:

That the House recede from its disagreement to the amendment of the Senate numbered 178, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8071*; and the Senate agree to the same.

Amendment numbered 180:

That the House recede from its disagreement to the amendment of the Senate numbered 180, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8073*; and the Senate agreed to the same.

Amendment numbered 181:

That the House recede from its disagreement to the amendment of the Senate numbered 181, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8074*; and the Senate agree to the same.

Amendment numbered 182:

That the House recede from its disagreement to the amendment of the Senate numbered 182, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8075*; and the Senate agree to the same.

Amendment numbered 183:

That the House recede from its disagreement to the amendment of the Senate numbered 183, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8076*; and the Senate agree to the same.

Amendment numbered 184:

That the House recede from its disagreement to the amendment of the Senate numbered 184, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8077*; and the Senate agree to the same.

Amendment numbered 185:

That the House recede from its disagreement to the amendment of the Senate numbered 185, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8078*; and the Senate agree to the same.

Amendment numbered 188:

That the House recede from its disagreement to the amendment of the Senate numbered 188, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8079*; and the Senate agree to the same.

Amendment numbered 189:

That the House recede from its disagreement to the amendment of the Senate numbered 189, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8080*; and the Senate agree to the same.

Amendment numbered 190:

That the House recede from its disagreement to the amendment of the Senate numbered 190, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8081*; and the Senate agree to the same.

Amendment numbered 191:

That the House recede from its disagreement to the amendment of the Senate numbered 191, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8082*; and the Senate agree to the same.

Amendment numbered 193:

That the House recede from its disagreement to the amendment of the Senate numbered 193, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8083*; and the Senate agree to the same.

Amendment numbered 194:

That the House recede from its disagreement to the amendment of the Senate numbered 194, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8084*; and the Senate agree to the same.

Amendment numbered 196:

That the House recede from its disagreement to the amendment of the Senate numbered 196, and agree to the same with an amendment, as follows:

Restore the matter strickened by said amendment amended to change section number as follows *8085*; and the Senate agree to the same.

Amendment numbered 197:

That the House recede from its disagreement to the amendment of the Senate numbered 197, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8086*; and the Senate agree to the same.

Amendment numbered 198:

That the House recede from its disagreement to the amendment of the Senate numbered 198, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8087*; and the Senate agree to the same.

Amendment numbered 199:

That the House recede from its disagreement to the amendment of the Senate numbered 199, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8088*; and the Senate agree to the same.

Amendment numbered 203:

That the House recede from its disagreement to the amendment of the Senate numbered 203, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8089*; and the Senate agree to the same.

Amendment numbered 205:

That the House recede from its disagreement to the amendment of the Senate numbered 205, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8090*; and the Senate agree to the same.

Amendment numbered 207:

That the House recede from its disagreement to the amendment of the Senate numbered 207, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8091*; and the Senate agree to the same.

Amendment numbered 211:

That the House recede from its disagreement to the amendment of the Senate numbered 211, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment amended to change section number as follows: *8094*; and the Senate agree to the same.

Amendment numbered 212:

That the House recede from its disagreement to the amendment of the Senate numbered 212, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8095*; and the Senate agree to the same.

Amendment numbered 213:

That the House recede from its disagreement to the amendment of the Senate numbered 213, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment amended to change section number as follows *8096*; and the Senate agree to the same.

Amendment numbered 214:

That the House recede from its disagreement to the amendment of the Senate numbered 214, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8097*; and the Senate agree to the same.

Amendment numbered 217:

That the House recede from its disagreement to the amendment of the Senate numbered 217, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8098*; and the Senate agree to the same.

Amendment numbered 218:

That the House recede from its disagreement to the amendment of the Senate numbered 218, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8099*; and the Senate agree to the same.

Amendment numbered 219:

That the House recede from its disagreement to the amendment of the Senate numbered 219, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment amended to change section number as follows *8100*; and the Senate agree to the same.

Amendment numbered 221:

That the House recede from its disagreement to the amendment of the Senate numbered 221, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8102*; and the Senate agree to the same.

Amendment numbered 223:

That the House recede from its disagreement to the amendment of the Senate numbered 223, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8103*; and the Senate agree to the same.

Amendment numbered 225:

That the House recede from its disagreement to the amendment of the Senate numbered 225, and agree to the same with an amendment, as follows:

In lieu of the section number proposed by said amendment insert *8104*; and the Senate agree to the same.

Amendment numbered 276:

That the House recede from its disagreement to the amendment of the Senate numbered 276, and agree to the same with an amendment, as follows:

In lieu of Section 9014(b) of said amendment, insert the following:

(b) Congressional Oversight.—Oversight within the House of Representatives and the Senate with respect to activities under this title shall be—

(1) with respect to nonlethal assistance, within the jurisdiction of the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate;

(2) with respect to lethal assistance, the Permanent Select Committee on Intelligence of the House of Representatives and the Select Committee on Intelligence of the Senate; and

(3) with respect to both lethal and nonlethal assistance, the Committees on Appropriations of the House and Senate.

And the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 19, 21, 23, 35, 36, 42, 44, 45, 49, 50, 60, 61, 71, 72, 73, 77, 78, 80, 81, 83, 84, 85, 87, 88, 89, 93, 102, 103, 104, 105, 106, 108, 112, 113, 128, 131, 138, 171, 179, 186, 187, 192, 195, 206, 208, 209, 210, 220, 227, 228, 229, 230, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 247, 248, 249, 250, 252, 253, 254, 256, 257, 258, 259, 260, 261, 263, 264, 269, 270, 271, 272, 273, 274, 275, and 277.

For all Senate amendments, except Senate Amendment No. 276, and modifications thereto committed to conference:

Bill Chappell,
John P. Murtha,
Norman D. Dicks,
Charles Wilson,
W.G. Bill Hefner,
Les AuCoin,
Martin Olav Sabo,
Jamie L. Whitten,

As exclusive conferees only for consideration of Senate Amendment No. 276 and modifications thereto committed to conference:

David R. Obey,
Charles Wilson,
Jamie L. Whitten,
Mickey Edwards,
Managers on the Part of the House.

John C. Stennis,
Bill Proxmire,
Daniel K. Inouye,
Ernest F. Hollings,
Lawton Chiles,
J. Bennett Johnston,
Robert C. Byrd,
Patrick Leahy,
Jim Sasser,
Dennis DeConcini,
Lowell P. Weicker, Jr.,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4781), making appropriations for the Department of Defense for the fiscal year ending September 30, 1989, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

The conference agreement on the Department of Defense Appropriations Act, 1989 incorporates some of the provisions of both the House and Senate versions of the bill. The language and allocations set forth in House Report 100-681 and Senate Report 100-402 should be complied with unless specifically addressed in the accompanying bill and statement of the managers to the contrary.

TITLE I—MILITARY PERSONNEL

FISCAL YEAR 1989 PAY RAISE

The conferees agree to provide for a military pay raise of 4.1% for basic pay and basic allowance for subsistence and 7% for basic allowance for quarters.

AVIATION CONTINUATION PAY (ACP)

The House provided $54,000,000 to fund the Air Force ACP program and $34,000,000 for the Navy ACP program. The House further fenced these funds until a report is submitted to the Committees on Appropriations of the House of Representatives and the Senate setting forth a Department of Defense plan to implement a service integrated pilot retention program. The Senate provided $30,000,000 for the Air Force and directed the Navy to absorb additional costs above the $17,130,000 submitted in its budget.

The conferees have agreed to provide $36,200,000 to the Air Force ACP program and expect the Navy to absorb the additional costs to fund its ACP program. Furthermore, the conferees agree not to fence the funds, though the Secretary of Defense is still required to submit a report by December 1, 1988, as proposed by the House.

VARIABLE HOUSING ALLOWANCE (VHA)

The conferees are distressed over the way the Department of Defense (DoD) has managed the VHA program. Thousands of servicemen and women were threatened with the loss of VHA payments in fiscal year 1988 because of DoD's poor administration of the progam and inability to project VHA requirements adequately.

The conferees agee that budget discipline in managing the VHA program must be maintained and have continued the policy of capping VHA payments. The $1,220,000,000 cap agreed to is $105,000,000 above the fiscal year 1988 level and $73,000,000 above the budget request. The conferees further agree that, in the event the DoD again fails to manage its budgetary resources appropriately, priority shall be given to VHA payments for enlisted personnel.

The conferees further agree that the VHA accounts shall not be used as a source for reprogrammings.

MILITARY PERSONNEL, ARMY

Amendment No. 1: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: ***$24,484,745,000***

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement on items addressed by either the House or Senate is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Pay raise	679,901	632,466	679,901	679,901
Enlisted pay and allowances		+100,000	+75,000	+100,000
Officer reduction		0	−20,383	−20,583
Combat field feeding system		0	−10,000	−10,000
Permanent change of station travel		−3,172	−3,172	−3,172
All other items	23,378,599	23,732,255	23,671,089	23,672,276
Total, military personnel, Army	24,418,500	24,467,893	24,459,745	24,484,745

MILITARY PERSONNEL, NAVY

Amendment No. 2: Appropriates $18,962,456,000 instead of $18,909,103,000 as proposed by the House and $18,965,300,000 as proposed by the Senate.

Amendment No. 3: Deletes House language fencing $34,000,000 for Aviation Continuation Pay until a report on Aviation Continuation Pay is submitted to the Congress.

The conference agreement on items addressed by either the House or Senate is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Pay raise	519,200	482,977	519,200	513,200
Reenlistment bonus		−2,844	0	−2,844
Aviation continuation pay	17,130	34,000	17,130	17,130
All other items	18,428,970	18,423,282	18,428,970	18,423,282
Total, military personnel, Navy	18,965,300	18,943,103	18,965,300	18,962,456

MILITARY PERSONNEL, MARINE CORPS

Amendment No. 4: Appropriates $5,716,200,000 as proposed by the Senate instead of $5,704,953,000 as proposed by the House.

The conference agreement on the item addressed by either the House or Senate is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Pay raise	161,200	149,953	161,200	161,200
All other items	5,555,000	5,555,000	5,555,000	5,555,000
Total, military personnel, Marine Corps	5,716,200	5,704,953	5,716,200	5,716,200

MILITARY PERSONNEL, AIR FORCE

Amendment No. 5: Appropriates $20,066,403,000 as proposed by the Senate instead of $20,038,052,000 as proposed by the House.

Amendment No. 6: Appropriates $36,200,000 instead of $54,000,000 as proposed by the House and $30,000,000 as proposed by the Senate for Aviation Continuation Pay.

Amendment No. 7: Deletes House language fencing funds for Aviation Continuation Pay until a report on Aviation Continuation Pay is submitted to the Congress.

The conference agreement on items addressed by either the House or Senate is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Pay raise	573,900	533,860	573,900	573,900
Officer reduction		0	−11,689	−11,689
Permanent change of station travel		−16,108	−16,108	−16,108
Aviation continuation pay		54,000	30,000	36,200
All other items	19,520,300	19,488,084	19,464,706	19,464,706
Total, military personnel, air force	20,094,200	20,092,052	20,096,403	20,102,603

National Guard and Reserve Forces

FORCE STRUCTURE AND PERSONNEL

The conferees agree to provide $9,223,950,000 in Reserve personnel appropriations, $6,657,700,000 in Operation and maintenance appropriations, and $180,000,000 in cash from fuel savings in section 8115 for the National Guard and Reserves. These funds support a Selected Reserve strength of 1,172,900, an AGR ceiling of 71,900, and a Technician floor of 70,325, broken out as follows:

	Budget	Conference	Conference versus Budget
Selected Reserve:			
Army Reserve	320,600	320,600	0
Navy Reserve	152,600	152,600	0
Marine Corps Reserve	43,600	43,600	0
Air Force Reserve	83,600	83,600	0
Army National Guard	457,300	457,300	0
Air National Guard	115,200	115,200	0
Total	1,172,900	1,172,900	0
Full-time support:			
Army Reserve	13,329	13,344	15
Navy Reserve	21,991	21,991	0
Marine Corps Reserve	1,945	1,945	0
Air Force Reserve	657	672	15
Army National Guard	25,725	25,914	189
Air National Guard	7,948	8,034	86
Total	71,595	71,900	305
Technicians:			
Army Reserve	8,032	8,429	397
Air Force Reserve	10,004	10,090	86
Army National Guard	28,120	28,120	0
Air National Guard	23,613	23,686	73
Total	69,769	70,325	556

The conferees support the increased funding and positions for the force structure restoration for the Air Force Reserve and Air National Guard, the overseas equipment maintenance center for the Army Reserve and Army National Guard, and the full-time support for the Army National Guard and Air National Guard, as addressed by the House and Senate Committees.

The conferees have increased the AGR and technician strength over the budget request to support the above missions of the Army and Air Force components. The increased AGR levels are in no way to be construed as a lessening of Congressional support for the technician program. The conferees expect the Reserve components to honor the floor provided in section 8038. A detailed explanation should be submitted to the Committee on Appropriations if any of the Army and Air Force components do not meet this requirement. In addition, the conferees are adamant that the Army and Air Force components do not use the increased AGR level to convert existing technician spaces.

HURRICANE RECONNAISSANCE

The conferees agree with House language that supports the weather and hurricane reconnaissance missions of the 815th Reserve Squadron and the 53rd Active Squadron. The conferees further agree that these units, the only remaining squadrons with this capability, are critical to the protection of Defense installations and the entire population living in the east and Gulf coast areas of the United States. The conferees commend the dedication and expertise of these squadrons during this year's intense hurricane season in the Gulf of Mexico and the Atlantic.

Since the Improved Weather Reconnaissance System (IWRS) has been programmed for the four weather reconnaissance aircraft and the integration of both tactical and weather reconnaissance missions into the 815th Reserve Squadron appears to be progressing well, the conferees direct the Air Force to fully man both the Reserve and Active squadrons.

The conferees regard the weather and hurricane reconnaissance missions of these two squadrons as a matter of special Congressional interest. The conferees direct that the Committees on Appropriations be notified immediately of any future decisions to change, decrease, or eliminate the mission capabilities of these squadrons. In addition, the conferees expect the Air Force and the Defense Department to budget the full amount required to preserve this vital mission in its fiscal year 1990 request.

C-130 AIRCRAFT

The conferees agree with House language which directs the Air Force to assign one C-130 aircraft, scheduled to fall out of the Air National Guard inventory due to the fiscal year 1988 dedicated buy of 8 C-130H aircraft, to replace an old C-131 for operational support aircraft to Louisiana.

INDIAN SPRINGS AAF

The conferees direct the Air Force to undertake a feasibility study to determine the cost of modifying Indian Springs AAf, Nevada, into a suitable base for a ground support or transportation unit of the Air National Guard. The Air Force should submit its findings to the Committees on Appropriations by February 15, 1989.

Reserve Personnel, Army

Amendment No. 8: Appropriates $2,261,200,000 as proposed by the Senate instead of $2,255,870,000 as proposed by the House.

The conference agreement on items addressed by either the House or Senate is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Pay raise	59,200	55,070	59,200	59,200
IRR screen/training		17,000		
Full-time support (AGR) personnel	17,000		17,000	17,000
Overseas maintenance center			1,200	1,200
All other items	2,183,800	2,183,800	2,183,800	2,183,800
Total	2,260,000	2,225,870	2,261,200	2,261,200

Reserve Personnel, Navy

Amendment No. 9: Appropriates $1,621,400,000 as proposed by the Senate instead of $1,617,185,000 as proposed by the House.

The conference agreement on items addressed by either the House or Senate is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Pay raise	42,100	39,163	42,100	42,100
Training	14,139	12,861	14,139	14,139
All other items	1,565,161	1,565,161	1,565,161	1,565,161
Total	1,621,400	1,617,185	1,621,400	1,621,400

Reserve Personnel, Marine Corps

Amendment No. 10: Appropriates $315,700,000 as proposed by the Senate instead of $315,149,000 as proposed by the House.

The conference agreement on items addressed by either the House or Senate is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Pay raise	7,900	7,349	7,900	7,900
All other items	307,800	307,800	307,800	307,800
Total	315,700	315,149	315,700	315,700

Reserve Personnel, Air Force

Amendment No. 11: Appropriates $657,964,000 as proposed by the Senate instead of $656,771,000 as proposed by the House.

The conference agreement on items addressed by either the House or Senate is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Pay raise	17,100	15,907	17,100	17,100
Force structure		2,664	2,664	2,664
All other items	638,200	638,200	638,200	638,200
Total	655,300	656,771	657,964	657,964

National Guard Personnel, Army

Amendment No. 12: Appropriates $3,334,000,000 as proposed by the Senate instead of $3,319,049,000 as proposed by the House.

The conference agreement on items addressed by either the House or Senate is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Pay raise	89,600	83,349	89,600	89,600
Full-time support personnel (AGR)			7,000	7,000
Overseas maintenance Center			1,700	1,700
All other items	3,235,700	3,235,700	3,235,700	3,235,700
Total	3,325,300	3,319,049	3,334,000	3,334,000

National Guard Personnel, Air Force

Amendment No. 13: Appropriates $1,033,686,000 as proposed by the Senate instead of $1,027,497,000 as proposed by the House.

The conference agreement on items addressed by either the House or Senate is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Pay raise	28,367	26,387	28,367	28,367
Force structure		2,077	3,286	3,286
Full-time support (AGR) personnel			3,000	3,000
All other items	999,033	999,033	999,033	99,033
Total	1,027,400	1,027,400	1,033,686	1,033,686

TITLE II—OPERATION AND MAINTENANCE

OPERATION AND MAINTENANCE, ARMY

Amendment No. 14: Appropriates $22,083,496,000 instead of $22,094,277,000 as proposed by the House.

Amendment No. 15: Deletes House language which directed that $18,998,000 could not be obligated or expended until authorized.

Amendment No. 16: Restores House language which makes available $900,000 for the 1989 World Ski Championships.

Amendment No. 17: Deletes Senate language which appropriated $22,065,900,000 and directed that $2,228,079,000 could not be obligated until July 1, 1989.

The conference agreement on items addressed by either the House or Senate is as follows:

[In thousands of dollars]

	House	Senate	Conference
Budget request	22,085,200	22,085,200	22,085,200
General purpose forces/real property maintenance	−47,000		−47,000
Communications		−5,000	−5,000
Central Supply	+117,561	−15,325	+96,361
a. Balance with depot maintenance	(+120,000)		(+120,000)
b. Industrial preparedness	(+5,865)	(+8,465)	(+8,465)
c. Asset capitalization		(−25,000)	(−25,000)
d. Supply operations	(−8,304)		(−8,304)
e. DSACS		(+1,200)	(+1,200)
Depot maintenance	−40,000		
Training and other general personnel activities	−24,952		−15,626
a. Prof. development education	(−1,040)		(−520)
b. Training support	(−16,977)		(−8,489)
c. Advertising	(−6,300)		(−6,300)
d. Base operations	(−635)		(−317)
Medical programs	+141,000	+128,200	+128,200
a. Medical programs	(+141,000)	(+141,000)	(+141,000)
b. CHAMPUS		(−12,800)	(−12,800)
Administration and associated activities	−75,940	−10,000	−42,868
a. Administration	(−53,072		(−10,000)
b. Claims		(−10,000)	(−10,000)
c. Real property maintenance	(−19,226)		(−19,226)
d. Base operations	(−3,642)		(−3,642)
Foreign National Pay		−34,401	−17,200
MWR	−6,000	−6,000	−6,000
Base operations		−10,000	
Classified programs	−10,292	−30,000	−542
ADP systems	−24,300	−12,300	−18,000
Flying hours	−26,000		−20,000
Drug interdiction	+2,000		
ADEA	+2,000		+1,500
LTACFIRE	+1,000		+1,000
Goldwater-Nichols savings		−14,902	−7,451
Fuel savings		−5,600	−5,600
A–76 reviews		−56,784	−25,000
Command management/IG study		−3,700	
Japanese defense contributions		−33,000	−33,000
Contractor support services		−4,478	−4,478
Ground OPTEMPO		+50,000	
Equipment fielding		−6,000	−6,000
Training center		+50,000	+25,000
Total reduction	9,077	−19,300	−1,704
Total appropriated	22,094,277	22,065,900	22,083,496

ARMY ADP

The conferees agree to a general reduction of $18,000,000 in automatic data processing resources. The Army may finance the Computer Aided Logistics System (CALS) from within available funds to the extent authorized by the Defense Department's Major Automated Information Systems Review Council (MAISRC). The conferees are also pleased with the Army's recent decision to restructure the Military Pay Redesign Project in favor of the existing Air Force military pay system.

EXTENDED COLD WEATHER CLOTHING SYSTEM (ECWCS)

The Senate report language required the Defense Stock Fund to acquire $90,000,000 in ECWCS stocks and directed the Army to procure not less than $50,000,000 of ECWCS in 1989 from the Defense Logistics Agency (DLA). The conferees agree that the Army should procure not less than $50,000,000 of ECWCS stocks in fiscal year 1989. However, the conferees agree to require the Defense Stock Fund to acquire only $40,000,000 in ECWCS stocks in fiscal year 1950 since DLA has already procured $50,000,000 of ECWCS for delivery in fiscal year 1989. Additionally, the conferees direct the Army to procure $40,000,000 of ECWCS stocks in fiscal year 1990.

CRITICAL LANGUAGES

The conferees are concerned about the status of our national pool of linguists with proficiency in such important language and cultural areas as Chinese, Japanese, Korean, Arabic, and Russian. Several studies have shown that the United States is far below an acceptable level in this important area. Therefore the conferees direct the Department to evaluate the feasibility of funding a program to conduct planning and feasibility studies by the Critical Languages and Areas Studies Consortium. These studies should include examination of a plan to bring the recipients of these critical language skills into the military education system both at the Defense Language Institute and in the Department of Defense education system.

OPERATION AND MAINTENANCE, NAVY

Amendment No. 18: Deletes House title providing for transfer of funds.

Amendment No. 19: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *$24,852,100,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment appropriates $24,852,100,000 instead of the $24,992,800,000 as proposed by the House and $24,916,901,000 as proposed by the Senate, deletes House language which directed a transfer of $60,000,000 to the Coast Guard and deletes Senate language which directed that $1,915,171,000 could not be obligated until July 1, 1989.

The conference agreement on items addressed by either the House or Senate is as follows:

[In thousands of dollars]

	House	Senate	Conference
Budget request	24,945,800	24,945,800	24,945,800
Strategic Forces	−1,254	−1,254	−1,254
a. U.S.S. "Pennsylvania"	(−500)	(−500)	(−500)
b. Emergent ship repair	(−754)	(−754)	(−754)
General Purpose Forces	−48,800	−10,500	−9,200
a. Ship operations	(−10,500)	(−10,500)	(−10,500)
b. Fleet air training	(−38,700)		
c. Fleet satellite comm	(−2,400)		(−1,500)
d. FEWGS	(+2,800)		(+2,800)
Ship maint/modernization	+23,207	+223,207	+223,207
a. Emergent ship repair	(−16,793)	(−16,793)	(−16,793)
b. NTU/Fleet modernization	(+40,000)	(+240,000)	(+240,000)
Communications		−5,000	−5,000
Central supply	−282,743	−131,900	−131,900
a. Field operations/NAVAIR	(−123,600)	(−73,500)	(−73,500)
b. Underutilized plant capacity	(100,543)		
c. Shipyard subsidy	(−5,400)		
d. Asset capitalization	(−53,200)	(−80,000)	(−80,000)
e. Inventory management		(−41,400)	(−41,400)
f. Depot maintenance		(+63,000)	(+63,000)
Medical programs	+87,500	+56,200	+71,200
a. Medical programs	(+87,500)	(+72,500)	(+87,500)
b. CHAMPUS		(−16,300)	(−16,300)
Naval audit service		−2,000	−2,000
MWR	−7,000	−7,000	−7,000
Gulfport	−9,000		
ADP Systems	−141,800	−38,800	−93,060
Persian Gulf operations	+60,000	+120,000	+60,000
U.S.S. "Samuel B. Roberts"	+96,500	+96,500	+96,500
Drug interdiction	+120,000		
Foreign currency	+152,831		
Classified programs	−2,441	−300	−1,648
Goldwater-Nichols savings		−2,759	−1,380
Fuel savings		−31,000	−31,000
A–76 reviews		−58,128	−25,000
Command management/IG study		−4,100	−4,100
Japanese defense contribution		−15,200	−15,200
Contractor support services		−2,465	−2,465
AVDLR		+150,000	+150,000
Outfitting		−336,400	−336,400
Seal facility maintenance		+2,000	+2,000
Total reductions	+47,000	−28,899	−93,700
Total appropriated	24,992,800	24,916,901	24,852,100

Amendment No. 20: Restores House language which directs that facilities, activities and personnel levels at the Memphis Naval Complex in Millington, Tennessee, be maintained at fiscal year 1984 levels.

Amendment No. 21: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert: *: Provided further,* That of the amount appropriated, $40,000,000 shall be available after August 15, 1989, for repair of blister modification of the USS MIDWAY: Provided further, That blister modification of the USS MIDWAY may be accomplished at a shipyard in Japan only if such costs are assumed by the Government of Japan, or if the Government of Japan agrees to increase its share of U.S. labor costs or operational costs in the Japanese fiscal year by an amount equal to or greater than $40,000,000, and that such increase will be in addition to any increase already agreed to by the Governments of the United States and Japan at the time of enactment of this Act: Provided further, Notwithstanding section 2805 of title 10, of the funds appropriated herein, $3,500,000 shall be available for a grant to the Naval Undersea Museum Foundation for the completion of the Naval Undersea Museum at Keyport, Washington. These funds shall be available solely for project costs and none of the funds are for remuneration of any entity or individual associated with fund raising for the project: Provided further, That of the funds appropriated herein, not to exceed $980,000 shall be available to pay Ukpeavic Inupiat Corporation for expenses related to the conveyance of the Navy Arctic Research

Laboratory: Provided further, That, notwithstanding any other provision of law, the lease of the U.S. Navy repair ship HECTOR is hereby authorized in accordance with Chapter 6 of the Arms Export Control Act and subject to the reporting requirements of Section 62 of the Arms Export Control Act, as provided for in Executive Communication 4362, subject to a separate authorization bill being enacted on or after October 18, 1988, whichever comes first

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

E-2C MAINTENANCE

The conferees agree that of the $63,000,000 added for Navy aircraft rework and maintenance, the Navy should allocate $25,400,000 for E-2C wing modification installations, and move expeditiously to complete these urgent repairs.

FLEET MODERNIZATION AND MAINTENANCE/NEW THREAT UPGRADE

The House increased funding for ship modernization and maintenance by $40,000,000 for the New Threat Upgrade (NTU) program. The Senate increased the funding by $240,000,000 for the NTU program and for other modernization and maintenance activities. Furthermore, the Senate directed that $155,000,000 of the $240,000,000 addition, was for East Coast fleet modernization and repair, including installation of two Vertical Launch System (VLS) packages and four selected restricted availabilities.

The conferees agree to increase funding for ship modernization and maintenance by $240,000,000, to be shared equally between Atlantic and Pacific fleets. Priority should be given to initiating the VLS upgrades referenced in the Senate report, if feasible, on the East Coast and $60,000,000 shall be made available for the NTU Program on the West Coast. Any remaining West Coast funding should be used to the greatest extent practicable, for enhancements of current work packages.

Due to funding shortfalls, the Navy was required to change scheduled NTU projects on the USS WORDEN (CG 18) and the USS HORNE (CG 30), from fiscal year 1988 to fiscal year 1989. The conferees agree that the Navy should complete these two NTU overhauls at the originally scheduled shipyards. The remaining four NTU overhauls shall be competed between public and private yards. Finally, while ship deployment schedules require all fiscal year 1989 NTU overhauls to be performed on Pacific Fleet vessels, the conferees expect that future NTU workload should take into account Atlantic Fleet ships.

The conferees concur with the Senate report language which requests the General Accounting Office to provide the committees with quarterly reports on the Navy ship maintenance, repair, and modernization schedules. It is not necessary to obtain agency comments on these reports.

AIR COMBAT FLYING HOURS

The conferees concur with the House report language which directs the Navy to submit a report by June 1, 1989, concerning the flying hour program for TACAIR/ASW.

PERSIAN GULF OPERATIONS

The conferees agree to provide a total of $60,000,000 for operations in the Persian Gulf. The fact that the conferees did not provide the $120,000,000 as recommended by the Senate should not reflect on the commitment of the conferees to the actions of the United States in the Persian Gulf. The $60,000,000 which the conferees have provided in this bill, is the best estimate of costs at this time.

To the extent that this total funding level is not required to meet the operational needs in the Persian Gulf, the Navy should use remaining funds for real property maintenance requirements, especially those of the Navy Training Command and aviation rework.

MEMPHIS NAVAL AIR STATION

The conferees concur with the House report language concerning the importance of the Memphis Naval Air Station and the necessity of maintaining fiscal year 1984 funding and staffing levels.

O&M SUBSIDIES FOR PLANTS AND SHIPYARDS

The conferees agree that in the future, industrial fund rates for shipyards and plants should accurately reflect all costs, including wartime mobilization requirement costs. The mobilization costs may however, be excluded when comparing public to private competitive bids.

NAVY ADP

The conferees agree to a general reduction of $93,100,000 in automatic data processing resources which may be distributed between the categories of management issues: uneconomically leased ADP, contract maintenance audit findings, or SPAR installation costs as discussed in the House report. The Secretary of the Navy should report to the Appropriations Committees as required by the House within six months of receipt of the final Surveys and Investigations staff report. The Navy may proceed with the Bases and Stations Information System (BASIS) project to the extent authorized by the Defense Department's Major Automated Information Systems Review Council (MAISRC) as long as its use at all installations is mandatory as recommended by the Naval Audit Service. The conferees also agree that the Navy should implement a standardized financial accounting system that conforms to GAO/Joint Financial Management Improvement Program (JFMIP) requirements throughout the Navy's industrial facilities. The Navy should proceed with the deployment of the Standard Financial Accounting System (STAFS) after successful completion of the MAISRC by the Office of the Secretary of Defense and should report to the Appropriations Committees within ninety days thereafter on its plan for successful and cost-effective deployment. The report should address the specific actions taken to remove those barriers that would otherwise prevent a more rapid deployment of the system throughout the Navy Industrial Fund, as well as an explanation of how issues raised in GAO report IMTEC 88-47 have been resolved.

ASSET CAPITALIZATION

The conferees agree to a reduction of $80,000,000 of which $53,200,000 is to be applied to acquisition of computer aided design/computer aided manufacturing equipment as discussed in the House report.

MOLDED CASE CIRCUIT BREAKERS

The conferees agree that the Navy should review the requirement for molded case circuit breakers and submit a plan for addressing any requirement within the fiscal year 1990 budget request.

NAVAL UNDERSEA MUSEUM

The conferees are aware that the Naval Undersea Museum Foundation is constructing a museum to show the public pertinent facts about undersea warfare. The planned Naval Undersea Museum in Keyport, Washington, will exhibit undersea naval weapons, sensors and platforms that represent the innovation, development, growth and historic heritage of undersea technology.

The Naval Undersea Museum Foundation has raised $3,300,000 thus far, with another $300,000 anticipated by January 1, 1989. The conferees have agreed to provide $3,500,000 in funds appropriated for Operation and maintenance, Navy to complete the facility.

NAVY ARCTIC RESEARCH LABORATORY

The conferees understand that several years ago, the Navy elected to close the Navy Arctic Research Laboratory and transfer the property to an Alaska native interest—the Ukpeavic Inupiat Corporation.

During the preparations for this transfer, the Navy conducted environmental clean up operations and removal of equipment. The Ukpeavic Inupiat Corporation was retained for security and caretaker services. Not that the transfer is complete, the Navy has no contractual mechanism to reimburse the Ukpeavic Inupiat Corporation for the costs of the security and caretaker services.

Therefore, the conferees have included language which provides $980,000 to pay the Ukpeavic Inupiat Corporation for security and caretaker expenses incurred as part of the conveyance of the Navy Arctic Research Laboratory.

OPERATION AND MAINTENANCE, MARINE CORPS

Amendment No. 22: Appropriates $1,817,000,000 instead of $1,842,000,000 as proposed by the House and $1,799,600,000 as proposed by the Senate and deletes Senate language which directed that $154,317,000 could not be obligated until July 1, 1989.

The conference agreement on items addressed by either the House or Senate is as follows:

[In thousands of dollars]

	House	Senate	Conference
Budget request	1,792,000	1,792,000	1,792,000
Foreign currency	+50,000		
Japanese defense contribution		−17,400	
Readiness items		+25,000	+25,000
Total reduction	+50,000	+7,600	+25,000
Total appropriated	1,842,000	1,799,600	1,817,000

OPERATION AND MAINTENANCE, AIR FORCE

Amendment No. 23: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *$21,721,673,000 of which $1,500,000 shall be available only for repair and maintenance of Decker Field, Utah: Provided, That $26,000,000 shall be available only for the operation of the SR-71 Base in the Pacific area and, notwithstanding any other provision of law, these funds shall be available for obligation and expenditure for this purpose: Provided further, That none of the funds appropriated in this or any other Act may be obligated or expended for the purpose of disestablishing or reducing the Air Force SR-71 survivable airborne reconnaissance capability for the Far East and Middle East Theatres from the level of such capability available on October 1, 1987*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement on items addressed by either the House or Senate is as follows:

[In thousands of dollars]

	House	Senate	Conference
Budget request	21,950,000	21,950,000	21,950,000
Strategic Forces	−10,905		−10,905
a. Spacetrack	(−900)		(−900)
b. Base operations	(−10,005)		(−10,005)
General Purpose Forces, Base operations	−62,034		−62,034
Communications		−20,000	−20,000
Airlift/base operations	−11,974		−11,974
Training and other general purpose activities	−33,645		−16,822
a. Other training	(−7,742)		(−3,871)
b. Training support	(−2,270)		(−1,135)
c. Base operations	(−23,633)		(11,816)
Medical programs		−8,600	−8,600
a. CHAMPUS		(−10,800)	(−10,800)
b. Academy hospital		(+2,200)	(+2,200)
Supply operations		−30,000	−30,000
a. Asset capitalization		(−25,000)	(−25,000)
b. Transportation		(−5,000)	(−5,000)
Depot maintenance		+63,800	+63,800
Administration and associated activities	+1,700	−11,300	−11,300
a. Civil air patrol	(+1,700)	(+1,700)	(+1,700)
b. Administration	(........)	(−13,000)	(−13,000)
Inventory management		−27,500	−27,500
Foreign national pay		−23,796	−11,898
Flight jackets		−5,200	−5,200
MWR	−15,000	−15,000	−15,000
Classified programs	+1,700		+200
Other classified programs	−85,000	+6,000	−14,000
SR–71 maintenance and test facility	+20,491	+20,491	+20,491
ADP systems	−30,000		−15,000
Flying hours	−43,300		
Foreign currency	+208,367		
Goldwater-Nichols savings		−9,935	−4,968
Fuel savings		−43,000	−43,000
A–76 reviews		−44,016	−20,000
Command management/IG study		−3,700	−3,700
Japanese defense contribution		−43,600	−43,600
Contractor support services		−10,517	−10,517
Retirement counseling		−800	−800
C–23A savings		−2,000	−2,000
Readiness items		+69,000	+69,000
Search and rescue		+7,000	+7,000
Total reduction	−59,600	−132,673	−228,327
Total appropriated	21,890,400	21,817,327	21,721,673

JAPANESE BEETLE SUPPRESSION

The conferees agree that within the total funding provided for Operation and maintenance, Air Force, $1,000,000 shall be used by the Air Force to suppress a Japanese bettle infestation on Terceira Island in the Azores.

READINESS ISSUES

The Senate included $69,000,000 for a civilian pay reserve. The conferees agree that this funding could better be utilized on readiness items rather than a reserve for civilian pay costs. The conferees direct the Air Force to use $69,000,000 for repair of damage caused by Hurricane Gilbert, medical programs designed to increase productivity, and increased claims costs.

HAMILTON AIR FORCE BASE

The conferees concur with the House report language describing the manner in which the Air Force shall expeditiously pursue the cleanup of uncontrolled hazardous waste contamination in the landfill at the former Hamilton Air Force Base, Novato, California. The conferees emphasize that the Administrator of General Services shall not abrogate or permit the assignment of the contract of sale entitled "Invitation for Bids: No. GSA-09-D(R)-85-1, Bid and Acceptance for Sale of U.S. Government Property" without the consent of the buyer.

AIR FORCE ADP

The conferees agree to a reduction of $15,000,000 for uneconomically leased ADP. No change should be made in the management or accounting for funds under the Logistics Management System (LMS) as suggested by the House report. Instead, the Comptroller of the Defense Department should provide alternatives for managing the costs of logistics upgrades that are unique to the Air Force Logistics Command which have evolved after the LMS baseline was established.

MILITARY FAMILY SERVICES

The conferees agree that the Department of Defense should address the need to enhance the utilization and effectiveness of programs designed to train individuals involved with counseling military members, their families, and retirees for substance abuse, family violence and stress-related factors which threaten their careers and health. The conferees believe that a Department-wide program to deal with these problems offers much promise. The conferees direct the Air Force, as the lead Service, to use $2,000,000 to conduct a study and further address the need for a Department-wide training program for personnel who specialize in counseling and referral for treatment of individuals and families affected by these conditions.

The conferees agree that the Air Force, in conducting the study, should focus on the use of an academic institution which offers an existing base for such a training program, with entry through graduate level programs in social work and counseling, nursing, and health administration. The training program should provide interdisciplinary approaches to community and family health services and counseling.

The Department should report to the Appropiations Committees by June 1, 1989, on the study described above and provide a timetable to establish a training program during fiscal year 1989.

DECKER FIELD, UTAH

In fiscal year 1988, the conferees on the Department of Defense Appropriations Act, provided an additional $500,000 in operation and maintenance funds for the Air Force to repair facilities and the runway at Decker Field in Wendover, Utah.

The conferees understand that the Air Force unilaterally made a decision to withhold these funds from obligation in fiscal year 1988. This is in direct contradiction to the direction of the fiscal year 1988 conferees. Therefore, the conferees have little choice but to legislatively require the Air Force to spend $1,500,000 to repair and maintain Decker Field, Utah.

OPERATION AND MAINTENANCE, DEFENSE AGENCIES

Amendment No. 24: Deletes Senate language which earmarks not to exceed $11,691,000 for emergencies and extraordinary expenses.

Amendment No. 25: Appropriates $7,635,973,000 instead of $7,721,100,000 as proposed by the House and $7,547,463,000 as proposed by the Senate.

The conference agreement on items addressed by either the House or Senate is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
DIS	152,219	162,219	152,219	162,219
DLA	2,073,939	2,060,399	2,073,939	2,062,939
DLSA	7,365	6,589	7,365	7,365
DMA	515,544	515,344	515,544	515,544
DNA	67,338	66,778	52,338	67,058
DODDE	994,848	1,029,688	994,848	994,848
DTSA	5,901	5,637	5,901	5,769
OEA	19,207	19,207	19,707	19,707
OSD	149,733	129,733	150,733	144,733
WHS	129,193	124,193	120,793	124,193
Classified		+11,100	−6,300	+12,800
CASET study			3,000	
Communications			−10,000	−10,000
Contractor support services			−13,087	−6,540
Reorganization Act savings			−109,750	−54,875
All other items	3,595,313	3,590,213	3,590,213	3,590,213
Total	7,710,600	7,721,100	7,547,463	7,635,973

DEFENSE LOGISTICS AGENCY (DLA)

The conferees agree to reduce the Automatic Data Processing program by $11,000,000 based on "ADP baseline growth."

OFFICE, SECRETARY OF DEFENSE (OSD)

The conferees agree to a general reduction of $5,000,000, consistent with authorization. The conferees also agree to the Senate position that OSD must develop the capacity to accurately track force structure and the impact on the balance of payments of stationing troops overseas.

CASE STUDY

This program is addressed within amendment no. 79.

MEALS, READY-TO-EAT

The conferees agree to the Senate language which requires the Department of Defense to conduct a test program of the actual procuring of Meals, Ready-to-Eat (MREs) under the total system acquisition approach process. In its report on the findings of this test program, the Department should not only address cost, but also the potential impact of this approach on small business concerns. The Department should report the results of this procurement test by April 1, 1990.

ENVIRONMENTAL PROGRAMS

The conferees understand that environmental contamination and restoration information was not provided by the Department of Defense, to Army and Navy communities surrounding both the New Cumberland Army Depot, and the Navy Ship Parts Control Center in Mechanicsburg, Pennsylvania.

The conferees believe that as a matter of policy the Secretary of Defense should ensure that all information relating to environmental contamination and restoration activities at Department of Defense facilities should be provided to appropriate State and local authorities as well as to regional offices of the U.S. Environmental Protection Agency.

Further, the Secretary should ensure that all the environmental restoration activities conducted at New Cumberland and Mechanicsburg depots are carried out under the review of EPA and the Pennsylvania Department of Environmental Restoration. This clean-up effort should be taken promptly and should take no longer to complete than a comparable EPA restoration project. Finally, the Secretary of Defense should ensure that systems are promptly installed at these two depots to monitor air, surface water, and ground water affected by the contamination from hazardous waste.

The conferees are aware that the Department of Energy (DOE) is conducting an environmental review and analysis of sites in New York State in the Formerly Utilized Sites Remedial Action Program (FUSRAP). The conferees agree that the DOE should not move or study the move of any FUSRAP waste within the State of New York to the town of Tonawanda, New York.

Amendment No. 26: Restores House language which earmarks not to exceed $11,691,000 for emergencies and extraordinary expenses.

Amendment No. 27: Deletes Senate language which withholds $843,966,000 from obligation until July 1, 1989.

Amendment No. 28: Earmarks $1,400,000 to the Office of Economic Adjustment for making community planning assistance grants pursuant to 10 USC 2391 as proposed by the Senate instead of $900,000 as proposed by the House.

OPERATION AND MAINTENANCE, ARMY RESERVE

The conferees agree to restore 397 technicians as proposed by the House and agree to an offsetting reduction in the Operation and Maintenance, Army Reserve appropriation to stay within the authorized level.

OPERATION AND MAINTENANCE, NAVY RESERVE

Amendment No. 29: Appropriates $979,200,000 as proposed by the Senate instead of $977,548,000 as proposed by the House. The conferees agree to restore the $1,652,000 reduced by the House based on the delievery delays of the MCM ships. The conferees understand that these funds will be required to extend the current MSO operations until the MCM ships are delivered.

OPERATION AND MAINTENANCE, AIR FORCE RESERVE

Amendment No. 30: Appropriates $1,033,900,000 as proposed by the House instead of $1,028,500,000 as proposed by the Senate. The conferees agree to restore the fuel savings reduction proposed by the Senate.

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

Amendment No. 31: Appropriates $1,801,200,000 as proposed by the Senate instead of $1,797,000,000 as proposed by the House. The conferees agree to provide $4,200,000 for additional flying hours required to support Army National Guard missions.

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

Amendment No. 32: Appropriates $1,971,000,000 as proposed by the House instead of $1,965,400,000 as proposed by the Senate. The conferees agree to restore the fuel savings reduction made by the Senate.

GOODWILL GAMES

Amendment No. 33: Appropriates $5,000,000 and restores the appropriation paragraph for the Goodwill Games as proposed by the House and deleted by the Senate.

OPERATION AND MAINTENANCE ISSUES

CIVILIAN PAY RESERVE/FURLOUGHS

The Senate proposed bill language in Army, Navy, Marine Corps, Air Force, and Defense Agencies operation and maintenance accounts to withhold 25 percent of civilian pay obligations until the fourth quarter of fiscal year 1989. The Senate proposal was intended to prevent a repeat of Department of Defense proposals to furlough civilian employees because of over-obligation of budgetary resources in the first quarter. The House did not include any similar restriction on civilian pay.

The conferees agree to the House position and have not included the Senate proposed language. The conferees agree that taking such action to pervent furloughs would be unduly restrictive and may prevent legitimate downward adjustments in civilian end strength through normal attrition or workforce management.

The conferees, however, concur with the Senate position regarding civilian furloughs in fiscal year 1988. The announced proposal to furlough 84,000 Air Force civilian employees was premature and proved unnecessary. This proposal had a negative impact on morale and productivity of the workforce. The Department's first choice to meet funding shortfalls in operation and maintenance should not be to intentionally shortchange its civilian payroll. The conferees agree that if the Department of Defense proposes similar furlough action in fiscal year 1989 without first exhausting all other alternatives, the House and Senate may be required to revisit restrictions on civilian pay, which may ultimately result in less flexibility in the use of operation and maintenance resources.

DEPOT MAINTENANCE/SUPPLY OPERATIONS

The House identified depot maintenance, modernization, and supply operations as special interest items, and required that these budgetary resources be shown as such in the Base for Reprogramming Action (DD Form 1414). The Senate did not address this issue.

In fiscal year 1988, the conferees agreed that depot maintenance should be a Congressional interest item. However, during execution of the 1988 budget, the Services significantly reduced depot maintenance from the levels appropriated, prior to submission of the DD 1414. The conferees reaffirm their support for depot maintenance and note its importance to maintaining readiness. Without modification to the process described in last year's conference report, the conferees have little confidence that the increases provided for fiscal year 1989 will actually be expended for depot maintenance.

Therefore, the conferees agree, that the following amounts shall constitute the depot maintenance 1414 Base for Reprogramming:

Army	$1,709,200,000
Navy	4,523,207,000
Marine Corps	80,000,000
Air Force	2,914,931,000
Total	9,227,338,000

The conferees reiterate that this process will establish better discipline in executing the depot maintenance program approved by Congress. This process allows for changing priorities and circumstances by allowing reprogramming into and out of the depot maintenance program, but assures that the appropriate congressional committees concur with such changes.

The conferees concur with the Senate report language concerning reporting and certification requirements on depot maintenance backlogs. The conferees agree that the reports on depot maintenance backlogs should include data beginning in the late 1970's.

MEDICAL PROGRAMS

Funding

The conferees have included the following funding levels for Department of Defense medical programs. These funding levels are consistent with the medical requirements for fiscal year 1989 and should not be reprogrammed for other than high priority uses. The conferees acknowledge the Department's responsibility to reduce funding, on a fair and equitable basis, for nonprogrammatic reductions which specifically affect medical programs such as any general reduction to ADP systems.

Additionally, the conferees agree that the Department of Defense should fully fund CHAMPUS and DEPMEDS requirements in the fiscal year 1990 and 1991 budget requests.

[In thousands of dollars]

	Request	House	Senate	Conference
Army:				
Direct care	1,592,309	1,733,309	1,733,309	1,733,309
CHAMPUS	826,600	826,600	813,800	813,800
Total	2,418,909	2,559,909	2,547,109	2,547,109
Navy:				
Direct care	792,940	880,440	865,440	880,440
CHAMPUS	1,002,400	1,002,400	986,100	986,100
Total	1,795,340	1,882,840	1,851,540	1,866,540
Air Force:				
Direct care	1,057,701	1,057,701	1,059,901	1,057,701
CHAMPUS	681,287	681,287	670,487	670,487
Total	1,738,988	1,738,988	1,730,388	1,730,388
Total:				
Direct care	3,442,950	3,671,450	3,658,650	3,673,650
CHAMPUS	2,510,287	2,510,287	2,470,387	2,470,387

As noted in the Operation and Maintenance, Air Force, section of this statement, an additional $25,000,000 shall be available for Air Force medical programs and projects which provide more effective and cost efficient operations. Of the $25,000,000 in additional funding, $2,000,000 is for the study and implementation of the military family services project as described in the Operation and Maintenance, Air Force, section of this statement.

Use of CHAMPUS funds

The House included report language limiting 10 percent of CHAMPUS funds for demonstration projects. The Senate included report language limiting 25 percent. The conferees agree that each service may use up to $50,000,000 of the funding designed for CHAMPUS claims for demonstration projects, excluding Catchment Area Demonstration Projects, designed to produce more cost effective medical care.

The conferees concur with the House report language concerning the development and management of these projects.

Mental health benefits

The House included report language supporting a prospective payment system for mental health. The Senate included report language supporting hospital-specific payments and geographical cost factors. The conferees agree with the Senate position.

Additionally, the conferees concur with the Senate report language which directs the Department to utilize its demonstration authority to establish a major managed care mental health initiative.

Philadelphia Naval Hospital

The Senate included report language urging quick action on the Navy's study of hospital alternatives in Philadelphia and the maintenance of staffing and hospital services at the March 1987 level. The House did not address this issue. The conferees agree with the Senate position.

VA/DOD sharing agreements

The House included report language requiring the establishment of criteria before implementation of the House Armed Services Committee direction on this subject. The Senate included report language opposing the House position. The conferees agree that the Department should not implement any new VA/DoD sharing agreements until 45 legislative days after a report is submitted to the committees resolving the House concerns.

CHAMPUS Reform Initiative

The House included report language prohibiting contractual arrangements in California and Hawaii without contractor approval and establishing guidance for resource sharing agreements. The Senate did not address this issue. The conferees agree that the CRI contractor should provide consultation to the Services concerning health care contractual arrangements made in California and Hawaii. Additionally, the conferees agree that resource sharing is an important aspect of CRI and encourage the Department and the CRI contractor to resolve this issue.

Non-Physician Health Care Providers

The Senate included report language encouraging greater utilization of clinical and administrative expertise of non-physician health care providers. The House did not address this issue. The conferees agree with the Senate position that the Department should more aggressively utilize the clinical and administrative expertise of non-physician health care providers. The conferees further agree that the Department should expand the development of administratively separate psychology departments/services to include those treatment facilities in each of the Services providing psychology training programs. Similarly, each military service should establish a separate service of optometry, similar to that established by the Army last year. Given the importance of addresssing "battle fatigue," the conferees agree that the Department should establish a demonstration pilot training program under which military psychologists may be trained and authorized to issue appropriate psychotropic medications under certain circumstances. The conferees also agree that CHAMPUS should begin a physicians assistant direct reimbursement demonstration project.

Peer Review

The Senate included report language addressing the Department's peer review organization (PRO). The House did not address this issue. The conferees agree that as part of the PRO implementation, the Department should issue directives/regulations governing cases in which the PRO determines that medically unnecessary or inappropriate care has been provided. In these cases, the Department should provide a waiver of liability, especially for beneficiaries, similar to that provided under the Medicare program.

LACKAWANNA PENNSYLVANIA RIVER SYSTEM

The conferees are aware of the serious threat of flooding in the Lackawanna Pennsylvania River system, and therefore urge the Corps of Engineers, within available funds, to utilize existing authority to alleviate this threat through emergency control action.

TITLE III—PROCUREMENT

General Conference Issues

REPROGRAMMING PROCEDURES

The House report expressed dissatisfaction with current reprogramming procedures and directed that no more than one below-threshold reprogramming decrease may be made for any procurement or RDT&E program at the R-1/P-1 level in a single fiscal year. The Senate report did not address this issue. The conferees agree on the following:

1. The conferees wish to reaffirm the status of "special interest" programs. The conferees agree that the Department of Defense shall consult with the Committees before issuing the Form 1414 "Base for Reprogramming," so that there is common agreement on items of special interest. All reprogramming into or out of these special interest lines, including footnoted projects within RDT&E program elements, shall be subject to prior approval reprogramming actions. In no case shall the Department transfer funds from "Items of Special Interest" through the below-threshold process.

2. Reprogramming threshold amounts for reductions to investment accounts are set at 20 percent of the appropriated level of the P-1/R-1 line, or $10.0 million for procurement or $4.0 milion for RDT&E, whichever is greater. These thresholds may not be exceeded, within a single fiscal year, without submission of a notification reprogramming (Form 1415).

3. The House and Senate Committees on Appropriations shall be notified of any program termination which results in the elimination of P-1 or R-1 line, or a subprogram or project $10.0 million or greater within such a line item, prior to any reprogramming action.

4. Established policies concerning below threshold new starts, including those in modification lines, shall remain in force. These policies require advance notification to the House and Senate Appropriations Committees on below threshold reprogrammings for new programs or line items not otherwise requiring prior approval or notification action. For new starts in modification programs, advance notification is also required where the program costs exceed $10 million over three years.

ACCOUNT LEVEL APPROPRIATIONS

The conferees have agreed to the Senate position of appropriating funds for procurement at the account level, with the exception of Shipbuilding and Construction, Navy and Weapons Procurement, Navy. The above statement of the procedures for reprogramming addresses some of the concerns which caused the House to appropriate at the budget activity level. The conferees remain concerned over the management of funds within appropriation accounts by the Department of Defense. The Committees will closely monitor compliance by the Department with above guidelines, and will direct the General Accounting Office, in the course of its annual review of procurement programs, to evaluate the impact of these changes. The Committee will not hesitate in the future to revert to appropriation by budget activity if this initiative is abused by the Department.

AIRCRAFT PROCUREMENT, ARMY

Amendment No. 34: Appropriates $2,883,700,000 for Aircraft Procurement, Army as proposed by the Senate instead of $2,828,379,000 as proposed by the House.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Aircraft Procurement, Army				
AH-64 Attack Helicopter (Apache)	773,076	795,076	834,476	863,476
UH-60 Blackhawk (MYP)	251,568	221,568	236,068	231,568
OV-1 Surveillance Airplane (MOHAWK)	12,212		12,212	6,212
CH-47 Cargo Helicopter (MODS)	171,887	166,587	161,887	161,887
SOF Aircraft	82,909	57,100	82,909	70,509
SOF Aircraft (AP-CY)	56,100	50,000	56,100	50,000
Avionics Support Equipment	22,230	60,230	22,230	22,230

AH-64 APACHE ATTACK HELICOPTER

The conference agreement of $863,476,000 includes $841,476,000 to procure 72 aircraft in fiscal year 1989 and $22,000,000 to procure one combat mission simulator. If additional funds are required to carry out this program, a prior approval reprogramming shall be submitted to the Committee on Appropriations.

The conference agreement permits a multiyear contract for procurement of the AH-64 beginning in fiscal year 1990 without specifying a production rate.

UH-60 BLACK HAWK HELICOPTER

The conference agreement of $231,568,000 provides for procurement of 72 aircraft without breaking the current multiyear contract.

The conferees agree with Senate report language concerning protection of the UH-60 from electromagnetic interference.

OV-1 AIRCRAFT MODIFICATIONS

The conference agreement provides $6,212,000 for OV-1 aircraft modifications, the authorization amount. It is the intention of the conferees that this amount be used to carry out the budgeted program in fiscal year 1989. In order to accomplish this, the conferees direct only two sets of long lead components be procured with the remaining advance procurement funding in fiscal year 1988. In addition, activities programmed in procurement for flight data recorder evaluation and testing, engine evolution and testing, and all other testing and evaluation activities, be funded within available resources in the research, development, test, and evaluation appropriation. The conferees expect that the funding provided will procure one aircraft modification along with all publications, training, and provisioning. The Army is directed to reprogram additional funds into this line if the above cannot be accomplished.

The conferees direct that future budget submissions for this program be fully funded, with no advance procurement, and that this program receive the high priority in funding that it has with the users in the field.

CH-47 HELICOPTER MODIFICATIONS

The conference agreement provides $161,887,000 for CH-47 helicopter modifications, the authorized amount and the amount proposed by the Senate. It is the intention of the conferees that this funding level will not result in a break in the current multiyear contract. The Army is directed to reprogram additional funds to this line, if required, rather than break the multiyear contract.

SPECIAL OPERATIONS FORCES AIRCRAFT MODIFICATIONS

The conference agreement provides $70,509,000 for special opeations forces aircraft modifications instead of $57,100,000 as proposed by the House and $82,909,000 as proposed by the Senate. The conference agreement also provides $50,000,000 for advance procurement as proposed by the House instead of $56,100,000 as proposed by the Senate.

The conferees fully expect that tough negotiations by the government and contract savings will allow the budgeted program to be executed within the amounts provided. The conferees reiterate House report language directing the Army to keep the Committees on Appropriations informed on the progress of negotiations and updated program costs.

The conferees expect that five MH-47E aircraft will be modified in fiscal year 1989 as proposed in the budget.

MISSILE PROCUREMENT, ARMY

Amendment No. 35: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert *$2,602,800,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree to the following for Missile Procurement, Army:

[In thousands of dollars]

	Budget	House	Senate	Conference
Missile Procurement, Army				
Chaparral	57,907	57,907	49,407	56,907
ADS Hvy Msl System	85,000	85,000		85,000
Laser Hellfire System	180,502	215,502	205,502	205,502
Multiple Launch Rocket System (MYP)	369,441	351,441	406,541	388,541
MLRS Binary Warhead	16,600		16,600	
MLRS Grenades				13,000
Army Tactical Missile SYS (ATACMS)	76,300	68,700	62,700	66,900
Spares and Repair Parts	254,302	225,202	254,302	225,202

CHAPARRAL

The conferees have included $56,907,000 for the Chaparral program, a reduction of $1,000,000 from the budget estimate. The reduction is directed to management support. Management support costs increased from $4,326,000 in 1988 to $6,718,000 in the 1989 budget estimate. The conferees felt that even with the program restructuring this was an excessive increase and consequently have recommended the reduction.

The Chaparral program has experienced great instability recently with several changes in acquisition strategy. As a consequence, the Army advised the Congress this spring that the 1988/1989 program which was supposed to support the purchase of 490 new Rosette Scan Seeker missiles and 126 RSS retrofitted missiles, would only support 117 new missiles and 56 retrofits. A subsequent program restructuring utilizing available prior year funds, denied by Congress as sources for reprogramming, should result in the purchase of 214 new RSS missiles and 106 retrofits. This assumes a facilitization rate of 35 missiles per month for the second source, which the conferees support. The conferees support this program level and urge the Army to procure as many missiles as possible with the funding available. The conferees designate the Chaparral RSS a program of Congressional special interest.

TOW 2 MISSILE

The conference report on the 1988 appropriations act provided multiyear procurement authority for TOW 2 missiles conditioned upon certification by the Secretary of Defense that multiyear procurement would be more economical than second source acquisition. In March 1988, the Department of the Army submitted its economic analysis, which supported a multiyear procurement strategy, to the Office of the Secretary of Defense. The OSD analysis, which had been expected to take two to four weeks, dragged on for nearly five months. In early August 1988 OSD advised the Congress that a second source strategy was most economical. OSD also determined that while a second source was being developed, a multiyear contract with the prime was more economical than annual buys.

Thus, the current OSD directed acquisition strategy calls for (1) a multiyear contract with the prime during second source development, (2) development of the second source beginning in 1989 with an educational buy of 300 missiles followed by a directed buy of 3,000 missiles in 1990 and (3) head to head competition beginning in 1991.

The OSD directed strategy incorporates the following features and assumptions:

(1) Product development testing by the second source is not completed before the directed buy of 3,000 missiles.

(2) The fiscal year 1991 competitive buy occurs before the start of educational buy deliveries and TOW 2B product development testing.

(3) The second source producer can ramp up production from 300 missiles in 1989 to 3,000 in 1990.

(4) Second source delivery times will equal those of the prime, who has produced TOW missiles for fifteen years and has proprietary relationships with many suppliers.

While the conferees support the decision to develop a second source producer as quickly as possible, they believe this high risk acquisition stratgey is fraught with danger. The conferees are especially skeptical of the second source ability to ramp up production to 3,000 missiles by 1990 and be ready for head to head competition in 1991. In addition, the delays in getting 1988 funds on contract caused by the time consuming OSD review has made a 1988–1990 multiyear contract with the prime impossible.

Therefore, the conferees have included language in section 8031 of the Act permitting multiyear procurement for the TOW 2 program beginning in fiscal year 1989. Although significant savings would result from a multiyear contract, it is unlikely they would exceed 12 percent. For this reason, language has only been included which waives the 12 percent multiyear procurement savings requirement.

ARMY TACTICAL MISSILE SYSTEM

The conference agreement provides $66,900,000 for the Army Tactical Missile System, instead of $68,700,000 as proposed by the House and $62,700,000 as proposed by the Senate. The conferees recognize that the lower funding level assumes that the Army will be able to attain savings resulting from a one time buyout of the fuzes required for the 1,000 total missiles in this program. The conferees expect that these efficiencies can be achieved through administrative action or, failing that, by legislative relief proposed to the next Congress.

Amendment No. 36: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows: *: Provided, That funds may be obligated and expended for procurement and advance procurement of the Forward Area Air Defense System, Line-of-Sight Forward-Heavy system without regard to the restrictions contained in section 111(d) of the National Defense Authorization Act for fiscal years 1988 and 1989 (Public Law 100-180): Provided further, That notwithstanding sections 138 and 2366 of title 10 U.S.C., the Secretary of the Army may obligate advance procurement funds provided for the Forward Area Air Defense System, Line-of-Sight Forward-Heavy system*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

Amendment No. 37: Appropriates $2,830,921,000 for Procurement of Weapons and Tracked Combat Vehicles, Army instead of $2,812,521,000 as proposed by the House and $2,886,700,000 as proposed by the Senate.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Procurement of W&TCV, Army				
Bradley Fighting Vehicles (MYP)	682,200	644,050	653,600	644,050
Bradley Fighting Vehicles (MYP)	31,800	30,000	31,800	30,000
Abrams Tank Series Roll (MYP)	1,131,600	1,105,000	1,131,600	1,126,600
Abrams Tank Series Roll (MYP)	212,100	252,100	256,200	252,100
Carrier, MOD	38,500	32,700	38,500	32,700
BFVS Series (MOO)	62,900	33,800	62,900	45,000
Howitzer, MED SP FT 155mm M109 SER(MOD)	30,000	25,500	30,000	25,500
Spares and repair parts	400,500	367,500	340,500	340,500
Production base support (TCV–WTCV)	40,829	28,700	40,829	28,700
Squad Automatic Weapon (SAW) 5.56mm	11,500		11,500	11,500
120mm Mortar		5,000		5,000
VEH Rabid Fire WPN Syst-Bushmaster (MYP)	29,500	28,400	29,500	29,500

BRADLEY FIGHTING VEHICLE

The conference agreement provides $644,050,000 as proposed by the House instead of $653,600,000 as proposed by the Senate. The conferees expect that the amount provided will fund at least the 581 vehicles budgeted and authorized. The conferees direct the Army to procure as many vehicles as possible rather than reprogram funds from this line to other purposes. The amount provided in the conference agreement recognizes savings resulting from a revised acquisition strategy for reactive armor tiles and from lower overhead rates because of additional procurement of M-113 vehicles and MLRS launchers.

M-TANK

The conference agreement provides the Department of the Army $1,126,600,000 for the procurement of 545 tanks for fiscal year 1989 and $252,200,000 for advance procurement for fiscal year 1990 and beyond. Further, the conferees agree to provide the Marine Corps $140,000,000 for the procurement of 66 tanks in fiscal year 1989 and $15,900,000 for advance procurement for fiscal year 1990 and beyond. Finally, the conferees agree to provide $115,000,000 for the procurement of 58 tanks for the Army National Guard for fiscal year 1989.

The conferees' recommendations are based upon their understanding of the current direction of the Army's armor/antiarmor master plan being developed at this time for approval by the Department of Defense. The conferees fully support the Army's decision to continue producing M-1 tanks beyond the current multiyear and have provided advanced funding and approval for the Army to enter into a follow-on multiyear contract for the production of tank chassis.

The conferees further agree with the Senate position on providing M-1A1 tanks to the Army National Guard. The conferees direct that the Army develop a distribution plan which will place at least 58 M-1A1 tanks, without the enhanced armor package, into the National Guard inventory prior to the end of fiscal year 1991.

Finally, the conferees express their very serious reservations with the Army's decision to terminate the M-60 modification program and begin a proposed program to up-gun the current 105mm fleet of M1 tanks. Affordability has been a driving force in this decision and yet the Congress has still not received any analysis showing the up-gun program is more cost effective than expending the same amounts of funds for new production tanks. The conferees direct that this analysis be completed as part of the armor/anti-armor master plan and further direct that no funds may be obligated by the Department of Defense for facilitization, long-lead, or procurement for the up-gun program until the analysis is complete and the armor-anti-armor plan is approved by the committees. The conferees also agree that the up-gun program, if approved, should be fully competed. The Department of the Army may use funds appropriated in fiscal year 1988 and prior to complete this anlaysis and any preliminary design requirements necessary to formulate the proposed competitive acquisition strategy.

In last year's conferees report, the conferees directed that the Army use available funding in the fiscal year 1987 M-1 tank procurement line to buy additional tanks. Since the Army has failed to follow this direction, the conference agreement transfers $26,600,000 of fiscal year 1987 M-1 tank funds and $41,500,000 in fiscal year 1988 M-1 tank funds. These transfers are included in the General Provisions section of the bill.

PROCUREMENT OF AMMUNITION, ARMY

Amendment No. 38: Appropriates $2,012,970,000 for Procurement of Ammunition, Army instead of $2,026,163,000 as proposed by the House and $1,951,549,000 as proposed by the Senate.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Procurement of ammunition, Army				
CTG, 5.55mm, all types	57,139	78,239	57,139	78,239
CTG, 7.62mm all types	37,325	51,825	29,400	51,825
CTG, 4.2 in M3 M329 HE w/fuze pd	20,000		20,000	15,000
CTG, 4.2 in mortar illuminating	37,435		37,435	18,700
CTG, 120mm mortar HE w/pd fuze		17,800		17,800
CTG, 120mm mortar, illum		15,700		15,700
CTG, 105mm APFSD–T (XM900E1)			30,906	30,906
M42/M46 grenade parts for M483		13,000		
Proj, 155mm WP Smoke XM761/M825	19,459	4,459	19,459	4,459
Proj, 155mm chem GB–2	65,957	25,000	45,900	45,857
Rocket, mtr MK22 F/MICLIC USMC M58A1	7,833	6,683	7,833	7,833
Demolition munitions & other	22,422	22,422	12,742	22,422
General reduction			−29,105	
Unallocated increase		176,575		
Provision of industrial facilities	172,831	147,431	172,831	164,900
RDX facility			80,000	72,300

XM900 105 MM AMMUNITION

The conferees agree to $30,906,000 for initial production of the improved 105 mm tank round. The conferees further agree with the direction provided in the Senate report, as opposed to the House report. Additionally, the conferees request that the General Accounting Office, as part of its annual review of ammunition procurement, closely examine the testing program, results of tests, and the data supporting the type classification evaluation of this round.

XM762 ELECTRONIC TIME FUZE

The conferees concur with the Senate language that delays obligation of the funds until the Army reports the results of the current test program. The General Accounting Office, as part of its annual review of ammunition procurement, should specifically evaluate the Army's test results for this fuze, and conduct a cost-benefit analysis of the electronic fuze compared to existing mechanical time fuzes. If production of electronic fuzes is delayed, the Army may utilize such funds as are necessary to procure mechanical fuzes to support munitions production.

PROVISION OF INDUSTRIAL FACILITIES

The conference agreement of $164,900,000 for provision of industrial facilities includes $21,900,000 for engineering and design, $13,000,000 for the Musal HMX project, and no funds for sensor fuzed weapon facilities. The conferees agree that, within available funds, $5,900,000 be made available for mobilization work at the Badger Army Ammunition plant. No funding is required for establishment of a second source for M829E1 metal parts.

RDX PRODUCTION FACILITY

The conferees continue to support the construction of an RDX manufacturing facility at the Louisiana Army Ammunition Plant, for which $262,700,000 was appropriated last year. however, concern remains over controlling the costs of this facility. The conference agreement provides $72,300,000, which is last year's estimate of the cost to complete this facility.

The conferees note that there is currently a disagreement between the ammunition community and the Corps of Engineers on the cost of this facility. As a result, prospective contractors are being asked to provide separate cost proposals for essential components of this plant such as a finishing line, acid plant, steam plant, C-4 line, and Comp B line. These separate proposals are being requested because of concern that the above items cannot be funded within the previous total cost estimate. In providing the $335,000,000 estimated for the RDX facility, the conferees expect the Army to carry out its original program within its original program cost projection. There should not be a repeat of recent experience of cost overruns, entailing substantial re-work, at other ammunition facilities. The conferees expect the Army closely to monitor and control costs and to report to the Committees as firm proposals are received and cost estimates are updated.

The current Army acquisition strategy for this facility requires prospective contractors to bid on a turn-key basis with a firm fixed price contract. The conferees believe the Army should consider other contracting mechanisms, including fixed price incentive contracts, allowing the government and the contractor to share the risk of this project, which could lower total project costs.

Amendment No. 39: Deletes language proposed by the Senate which prohibited obligation of appropriations until previously appropriated funds for an RDX facility were made available for obligation.

OTHER PROCUREMENT, ARMY

Amendment No. 40: Deletes House language providing the appropriation at the budget activity level, and appropriates $4,568,011,000 instead of $4,655,837,000 as proposed by the House, and $4,434,696,000 as proposed by the Senate.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Other procurement, Army				
Small unit support vehicle (SUSV)	8,794		8,794	8,794
Heavy equipment transporter	46,489	46,489		
Sincgars family	267,177	267,177	222,877	237,877
Vehicle Intercom system (VIS)		10,000		10,000
Single channel object tact term (Scott)	55,100	41,500	36,500	36,500
Commanders tactical termial	22,980	5,500	9,000	9,000
Tac elec surv sys	4,693		4,693	4,693
Intel data handling sys (IDHS)	16,305	31,068	16,305	21,345
Items less than $2 M (GDIP-C-E)	1,300		1,300	
Ltacfire		13,200		
Supercomputers				27,400
Reserve component automation systems (RCAS)	34,700	34,700	12,500	34,700
Tact Army CMBT SY (TACCS)	1,349	1,349	23,549	23,549
Spares and repair parts (comm & elec)	344,403	330,365	325,000	325,000
Special programs	73,534	73,534	63,534	59,534
Mask, protective, NBC	5,700	5,700	4,500	4,500
Chemical agent monitor	9,779	9,779		
Modular field kitchen	1,978	1,978		
OSD productivity investment funding	23,379	23,379	3,379	10,000
General reduction			−57,354	
Non-centrally managed items	39,530	39,530	19,530	19,530
Simulation network (SIMNET)			20,000	15,000

HEAVY EQUIPMENT TRANSPORTER

The conference agreement denies the $46,489,000 budgeted for the Heavy Equipment Transporter. The denial is based on the existence of $48,300,000 unobligated balances from prior years and the $13,600,000 available under the Host Nation Support program in the accompanying bill. If additional funds are required to execute the HET contract, the Army is directed to submit a reprogramming for the amount required.

SINCGARS FAMILY

The conferees agree to provide $237,877,000 to ensure that options three and four of the current SINCGARS contract will not require renegotiation. This funding level assumes a $29,300,000 procurement of SINCGARS radios by the Navy, as stipulated in the Act accompanying this report, and it adjusts for $15,000,000 in prior year savings that will not be available in fiscal year 1989, because the relevant prior year accounts have expired. The conferees remain concerned about the joint service interoperability of SINCGARS. All services should participate on a permanent basis in the SINCGARS Configuration Control Board. Funding for future Navy, Air Force, and Marine Corps radio procurements will depend on maintaining interoperability with the established SINCGARS standards.

VEHICLE INTERCOMMUNICATIONS SYSTEM

The conferees agree to provide $10,000,000 for the Vehicle Intercommunications System (VIS), as proposed by the House, agree to House language, and direct the Army to report to the Committees on Appropriations by February 15, 1989 a plan for the fielding and procurement of VIS by fiscal year and by appropriation account.

SINGLE CHANNEL OBJECTIVE TACTICAL TERMINAL (SCOTT)

The conferees agree to provide $36,500,000 for SCOTT terminals, and agree that the Army should reprogram, if necessary, to acquire up to 15 new terminals to ensure an adequate number for use with the satellite constellation. The conferees also agree to House language requiring the Army to report to the Committees on Appropriations the results of operational testing prior to obligation of fiscal year 1989 funds.

ARMY COMMAND AND CONTROL SYSTEM

LTACFIRE.—The conferees agree to provide not less than $13,200,000 for LTACFIRE. The conferees understand that the Army has delayed procurement of the Forward Entry Device, and directs the Army to provide fiscal year 1989 LTACFIRE funding from the Forward Entry Device appropriation included in this act.

ACCS-CHS.—The conferees agree with House report direction regarding the Army Command and Control System—Common Hardware Software (ACCS-CHS) program, and further concur that the Army should request future funding for the ACCS-CHS program under research, development, test, and evaluation appropriations until successful completion of established milestones for the programs using this equipment warrants funding under procurement appropriations.

The conferees agree that the program limit for ACCS-CHS procurement in fiscal year 1989 should be $20,000,000, rather than $30,000,000 as proposed by the House.

STARNET/VIABLE

While both the House and Senate agree to a reduction of $7,000,000 for expansion of the Starnet/VIABLE system, the conferees do not object to upgrades of the existing computer network from within available funds.

MANEUVER CONTROL SYSTEM

The conferees agree that the Maneuver Control System is a program of special interest, and that notification to the Committees on Appropriations is required prior to any reductions for any purpose in fiscal year 1989 or prior year appropriations.

SIMULATION NETWORK (SIMNET)

The conferees agree to provide $15,000,000 and further agree that the Army may reprogram an additional $5,000,000 for a program level of $20,000,000 in fiscal year 1989. The conferees also agree with Senate language requiring the Army to consolidate funding for the SIMNET program into one line. The conferees direct the Army to provide an acquisition plan for SIMNET prior to obligation of fiscal year 1989 funds.

HOST NATION SUPPORT

From within the funds provided for Host Nation Support, $1,600,000 will only be available to procure equipment for construction projects funded in the Republic of Korea under the CDIP program. The conferees strongly support the CDIP effort and expect the Army and the Air Force to budget for CDIP unique procurement items in future years.

Amendment No. 41: Deletes the House proviso which would have provided that $413,019,000 could not be obligated until authorized by law.

AIRCRAFT PROCUREMENT, NAVY

Amendment No. 42: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert *$9,415,311,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Aircraft Procurement, Navy				
EA-6B (electronic warfare) Prowler	473,557	399,116	467,557	467,557
EA-6B (electronic warfare) Prowler (AP-CY)	18,331	18,331	24,331	24,331
AV-8B (V/STOL) Harrier (MYP)	479,241	479,241	455,241	479,241
F/A-18 (fighter) Hornet	2,147,304	2,197,304	2,354,304	2,354,304
CH/MH-53E (HELO) Super Stallion (MYP) (AP-/CY)		46,000		46,000
V-22 Osprey	335,332	335,332	280,332	335,332
AH-1W (helicopter) Sea Cobra		55,000		55,000
HH-60H	15,593		15,593	15,593
SH-60 series	501	4,501	501	4,501
P-3 series	131,932	140,647	131,932	131,932
Spares and repair parts	1,162,606	1,287,600	1,162,606	1,162,606
Aircraft industrial facilities	27,605	27,605	77,605	77,605
Special support equipment	36,420	93,169	26,420	36,420

Amendment No. 43: Deletes language proposed by the House which provided that the funds appropriated shall not be obligated or expended until authorized by law.

Amendment No. 44: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides that the provisions in Public Laws 100-180 and 100-202 which provide that funds are available in specific dollar amounts only for specific programs, projects, or activities funded by the appropriation "Aircraft Procurement, Navy" shall have no force or effect which would limit the application of a proportionate share of the general reduction of $250,000,000 allocated within the appropriation account against these specific programs, projects or activities as proposed.

A-6G PROGRAM

The confeees agree that in order to expand on the number of candidate aircraft for remanufacture into the A-6G configuration, both KA-6D and EA-6A inventories be considered in addition to A-6Es. The conferees believe that this makes sense in that the forward fuselage structure, which is retained in the remanufacture process, is the same as in the A-6E.

The conferees believe that this approach will add at least fifty-four candidate aircraft (thirty-four KA-6Ds and twenty EA-6As) for conversion to the A-6G, plus some portion of the other thirty-four KA-6Ds.

EA-6B ELECTRONIC WARFARE AIRCRAFT

The conferees agree to provide $467,557,000 to procure 12 EA-6B aircraft instead of $399,116,000 for 9 EA-6B aircraft as proposed by the House. The conferees also agree that the Navy should continue to maintain its current schedule for the Advance Capability program within available funds.

CH/MH-53E HEAVY-LIFT HELICOPTER (ADVANCE PROCUREMENT)

The conferees agree to provide $46,000,000 for CH/MH-53E helicopter advance procurement as proposed by the House instead of no funding as proposed by the Senate. The conferees are concerned that during the course of Department of the Navy internal budget deliberations the out year quantities of CH/MH-53E varied considerably. The conferees agree to provide sufficient advance procurement funding to support the continuation of the current multiyear if the CH/MH-53 helicopter is to be procured in the future. If the Department intends to continue procurement under a multiyear contract formal approval should be requested as part of the fiscal year 1990 budget request.

AH-1W COBRA

The conferees agree to provide $55,000,000 as proposed by the House to be used to complete the procurement of 34 AH-1W aircraft and associated support which was begun in fiscal year 1988.

V-22 OSPREY

The conferees agree to provide $335,332,000 for V-22 advance procurement, as proposed by the House instead of $280,332,000 as proposed by the Senate. The conferees, however, are very concerned that in light of the reduction in the total quantities of V-22's being procured, budgetary constraints, and the current unrealistic five year procurement profile, the Department is continuing to proceed with a questionable procurement strategy which includes head-to-head competition in the early stages of V-22 procurement. Under the original plans, which called for a much larger quantity of V-22's to be procured, the Department's procurement strategy was attractive and cost effective. As the program evolved over the past few years, many changes have taken place. The conferees believe, that this gives cause to reevaluate all aspects of the V-22 procurement strategy, including annual procurement rates and the decision to tool-up both contractors to give them the capability of building the entire V-22 aircraft.

The conferees expect the Department to submit, as part of its fiscal year 1990 five year plan, a realistic and executable procurement ramp-up in fiscal year 1990. The conferees also direct the Under Secretary of Defense for Acquisition to reevaluate the Department of the Navy V-22 competitive procurement strategy, particularly as it relates to requiring both contractors to be capable of building the entire V-22 aircraft, and determine whether more attractive, efficient and economical alternatives are available. The conferees expect a full report on OSD's findings no later than December 31, 1988.

E2-C MULTIYEAR PROCUREMENT

Last year the House Appropriations Committee directed the Department of the Navy to study the savings associated with multiyear procurement of several aircraft. On August 15, 1988 the Navy submitted its report on the multiyear procurement of E-2C aircraft. The Navy study determined that the procurement of E-2C aircraft, using established multiyear criteria, is a viable multiyear candidate. It was estimated that an unnegotiated savings of $383 million, or 15.4 percent could be achieved under a multiyear procurement strategy. Based on the results of the Navy study the conferees strongly encourage the Office of the Secretary of Defense to include the E-2C aircraft program as part of its 1990 multiyear procurement budget submission.

MODIFICATION OF AIRCRAFT S-3 MODIFICATIONS

The conferees agree that the Navy should explore the cost benefits of buying out the ARR-78 Advanced Sonobuoy Communications Link and report its findings to the Committee by December 31, 1988. If it appears that significant savings will accrue by accelerating the purchase of ARR-78 systems, the Committee believes the Navy should proceed to purchase an economical rate beginning in fiscal year 1990.

COMMON ECM EQUIPMENT

The conferees agree to provide $85,335,000 for purchase of common electronic countermeasures equipment. The conferees expect that $35,000,000 of the amount provided is to be used only for ALQ-126B purchases. In addition, the conferees expect that of the remaining funds, at least $25 million are to be used for the purchase of ALR-67 systems.

Weapons Procurement, Navy

Amendment No. 45: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *as follows:*

Ballistic Missile Programs, $1,872,538,000;
Other Missile Programs, $3,245,154,000;
Mark-48 ADCAP Torpedo, $485,000,000;
Mark-50 Torpedo, $198,547,000;
Vertical Launched ASROC, $105,000,000;
Modification of Torpedoes, $3,289,000;
Torpedo Support Programs, $48,652,000;
Other Weapons, $108,440,000;
Spares and Repair Parts, $87,412,000;
In all: $6,154,032,000

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 46: Deletes language proposed by the House which provided that the funds appropriated shall not be obligated or expended until authorized by law.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Weapons Procurement, Navy				
BGM-109 Tomahawk	635,517	635,517	587,003	635,517
AIM/IRIM-7 F/M Sparrow		75,000	40,000	57,500
AMRAAM	59,798	42,768	34,998	34,998
AIM-54A/C (Phoenix)	465,283	325,802	397,700	397,700
Penguin (AP-CY)	3,518		3,518	3,518
Tacit Rainbow	89,965		89,965	89,965
Weapons industrial facilities	10,750	10,750	13,750	13,750
Ordnance support equipment	351,707	240,907	230,000	236,507
Torpedo MK-48 ADCAP	431,014	541,800	431,014	485,000
ADV lightweight torpedo	162,047	210,547	162,047	162,047
Vertical launched ASROC	17,552	17,552		105,000

MK-48 ADCAP TORPEDO

The Conferees agree to provide $485,000,000 to procure 320 MK-48 torpedoes instead of $541,800,000 for 350 torpedoes as proposed by the House and $431,014,000 for 261 torpedoes as proposed by the Senate. The Conferees have been advised that outyear quantities of MK-48 ADCAP torpedoes has been substantially reduced below the Department's fiscal year 1989 five year plan. The quantities being proposed neither adequately support a dual-sourcing procurement strategy nor foster proven cost-efficient competition. It is believed that the Department of the Navy's shortsighted proposal will result in significant unit cost premiums amounting to 15 and 20 percent. Accordingly the conferees direct that the Office of the Secretary of Defense ensure that future budget requests contain quantities that support a dual sourcing MK-48 ADCAP procurement strategy which the conferees have been advised is 320 torpedoes per year.

MK-50 TORPEDO PROGRAM

For the past several years the MK-46 torpedo has been scheduled to be replaced by the MK-50 which will be the Navy's next generation lightweight torpedo which will provide increased range, speed and lethality. As such, it is critical to the Navy's antisubmarine efforts to counter the emerging Soviet submarine threat. The conferees are greatly concerned that the progress on this program has not met expectations; specifically, the poor performance of the prime contractor during the full scale engineering development phase of the program. In view of this concern, the conferees suggest that the Navy take immediate corrective action. The Navy should consider greater involvement of the second source contractor in the full scale engineering development of the torpedo at the earliest possible time. Such involvements should include monitoring developmental and operational tests and participation of the second source in effective design improvements which will favorably impact the critical areas of producibility, reliability, and maintainability of components and systems.

Additionally, prior to both the start of TECHEVAL and the obligation of any procurement funds other than long lead material funding to the prime contractor, the Secretary of Defense must certify that the FSED criteria has been fully and successfully met.

VERTICAL LAUNCHED ASROC (VLA)

The conferees agree to provide $105,000,000 to be used solely for the procurement of 300 VLA missiles instead of $17,552,000 for 90 VLA missiles as proposed by the House and no funding proposed by the Senate. The conferees also direct that all unobligated 1987 VLA funds be used to offset the procurement of the 300 VLA missiles. The conferees express very strong support of the Departments effort to proceed with the development and future deployment of a common ASW standoff weapon. However, it is believed that an interim shipboard ASW defensive capability is an absolute necessity and therefore directs the Department to procure 300 VLA missiles. These missiles should be produced and delivered in a manner that efficiently supports an interim ASW standoff capability. The conferees intend that this appropriation be a one-time buy to solve the interim shipboard ASW shortfall.

Shipbuilding and Conversion, Navy

Amendment No. 47: Appropriates $1,365,100,000 for the SSN-688 attack submarine program as proposed by the Senate instead of $1,417,800,000 as proposed by the House.

Amendment No. 48: Appropriates $62,743,000 for the CV-SLEP program as proposed by the Senate instead of $243,400,000 as proposed by the House.

Amendment No. 49: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment insert: *$2,062,200,000;*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 50: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment insert: *$689,900,000: Provided, That the Navy shall first execute the remaining options for the low bidder's current contract: Provided further, That the remaining funds may not be obligated or expended until the Secretary of the Navy conducts an independent assessment of the shipbuilding mobilization base and determines whether or not the remaining three T-AO fleet oilers should be awarded to a second source shipyard and submits for approval to the Committees on Appropriations its T-AO fleet oiler procurement strategy.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 51: Appropriates Deletes "craft," as proposed by the Senate.

Amendment No. 52: Appropriates $276,800,000 for outfitting and post delivery programs as proposed by the Senate instead of $311,800,000 as proposed by the House.

Amendment No. 53: Appropriates $9,055,543,000 for Shipbuilding and Conversion, Navy instead of $9,396,100,000 as proposed by the House and $9,013,443,000 as proposed by the Senate.

Amendment No. 54: Deletes language proposed by the House which provided that the funds appropriated shall not be obligated or expended until authorized by law.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Shipbuilding and conversion, Navy				
SSN-688 class submarine (nuclear) (AP-CY)	304,300	228,500	175,800	175,800
CV SLEP (AP-CY)	135,400	243,400	62,743	62,743
DDG-51 (MYP)	2,128,900	2,128,900	2,128,900	2,050,900
DDG-51 (MYP) (AP-CY)	78,400	5,500	11,300	11,300
TAO fleet oiler	284,900	689,900	569,800	689,900
Outfitting	214,700	209,700	174,700	174,700

FRIGATE MODERNIZATION

The fiscal year 1988 conference agreement included a discussion of the conferees concerns with the lack of current plans for modernization of Navy frigates. The conferees directed the Navy to review options for frigate modernization and report to the House and Senate Appropriations Committees no later than March 31, 1989. Nonetheless, the report has yet to be received by the Committees. The conferees remain concerned about this issue and the apparent inability of the Navy to address it. Thus, the Navy is directed to provide the requested report in an expeditious manner. Failure to do so will force the Congress to consider its own actions next year without any recommendation from the Navy.

MINE COUNTERMEASURES (MCM) SHIPS

The conferees were advised of the lack of full and final settlements of Requests for Equitable Adjustments from the two shipyards constructing MCMs. It appears that the Navy has been unyielding in an effort to punish the follow-on yard. The conferees do not support any agreement which would cause the shipyard to cease as a going concern.

The conferees are interested in each of the subject shipbuilders emerging from current and future negotiations as a going concern. This would include the ability to enter bids to the RFP issued for three MCMs with options for an additional three.

The Secretary of the Navy is directed to ensure that the two shipyards are treated in a fair and equitable manner during the negotiations on their Requests for Equitable Adjustment and that the conclusion of negotiations is expedited on a priority basis.

YPC-683 MINE COUNTERMEASURE CONVERSION PROGRAM

Last year the conferees directed the Navy to use available FY 1986 funds to outfit a YP-683 class yard craft with a lightweight, off the shelf mine countermeasure system for use in a national emergency. The proposed system includes a forward looking mine detection and classification sonar and other electronics that support the mine detection, classification, and neutralization missions. The conferees are advised that although preliminary steps were taken to comply with this directive, the Navy indicated its intention of proceeding no further.

The conferees repeat their direction of last year and direct that action be taken without further delay. Moreover, the Secretary of Defense shall report in writing not later than December 31, 1988 concerning the progress achieved to comply with this directive.

AO (JUMBO) PROGRAM

The conferees agree that $8,000,000 is to be transferred from available prior fiscal year 1987 shipbuilding and conversion funds for the ammunition variant configuration of the fiscal year 1987 AO (Jumbo) lead ship. The conferees agree that this would increase the ammunition replenishment capability of the fleet, and would improve future logistics supportability by standardizing all five AO-177 class ships on the ammunition variant configuration instead of maintaining two configurations within this class.

SERVICE CRAFT

The conferees agree that since Congress has funded procurement of three of the required four YTT/Torpedo Test Craft the Navy should expeditiously fund its requirement for one additional YTT to end the fleet's operational problems with its existing WWII vintage test craft. The conferees further agree that the Navy transfer $13,500,000 from available prior fiscal year 1987 shipbuilding and conversion funds for this purpose.

VALVE PROCUREMENT

The conferees encourage more U.S. based manufacturing of valves used in government shipbuilding. In acquiring these valves there often exists an inappropriate emphasis on pricing. This results in a lack of quality and reliability provided by foreign manufacturers. The conferees understand the need to protect the United States production base for these valves.

OTHER PROCUREMENT, NAVY

Amendment No. 55: Deletes House language providing the appropriation at the budget activity and specifying a line item amount, and appropriates $4,813,969,000 instead of $4,693,329,000 as proposed by the House, and $4,909,597,000 as proposed by the Senate.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Other procurement, Navy				
Firefighting equipment	14,372	13,790	14,372	13,790
Strategic platform support equipment	56,488	55,588	49,988	49,988
Sealift support equipment	21,779	41,779	21,779	41,779
Revised ship overhaul schedule (ship support)		−19,000		
Inflated cost estimates (ship support)		−3,800		−3,800
AN/SQQ-89 surface ASW combat system	218,359	218,359	218,359	233,359
AN/SQR-17A acoustic processor		10,000		
AN/SQR-18 towed array sonar	320	14,220	320	14,220
Over the horizon radar	163,564	91,064	163,564	163,564
Large screen display		2,000		2,000
Revised ship overhaul schedule (communication and electrical)		−78,800		
Inflated cost estimates (communication and electrical)		−15,200		−15,200
AN/SSQ-53 (DIFAR)	47,695	47,695	47,695	70,195
AN/SSQ-57 (special purpose)	2,835	2,835	2,835	10,335
General increase, sonobouys		56,700	30,000	
General purpose bombs	31,264	96,664	56,264	56,264
Rockeye	914	16,914	914	16,914
Practice bombs	43,024	45,124	53,024	45,124
Cartridges plus cartridge actuated devices	1,927	28,127	1,927	1,927
Bigeye chemical weapon	9,900		5,000	5,000
Inflated cost estimates (aviation support)		−1,900		−1,900
MK-92 cort		78,000		50,100
Revised ship overhaul schedule (ordnance support)		−50,000		
Inflated cost estimates (ordnance support)		−8,900		−8,900
Unallocated increase—ammunition		25,000		
Trucks	29,405	29,405	18,991	18,991
Inflated cost estimates (civil engineer)		−1,000		−1,000
Inflated cost estimates (supply support)		−1,000		−1,000
Intelligence support equipment	58,375	34,979	58,375	53,629
Oceanographic support equipment	19,525	14,525	19,525	19,525
Inflated cost estimates (pers)		−4,700		−4,700
Spares and repair parts	227,196	227,196	200,000	200,000
Revised ship overhaul schedule (spares)		−6,800		
Inflated cost estimates (spares)		−2,200		−2,200
Outfitting equipment			360,000	249,300
Ship outfitting (PY transfer)				(110,700)
Ship overhaul reduction			−150,000	−200,000

PRACTICE BOMBS

In providing $45,124,000 for practice bombs, the conferees direct that none of the funds be used for procurement of laser guided training rounds or practice Rockeye.

MK 92 CORT

The conferees agree to provide the authorized level of $50,100,000 for the MK 92 CORT upgrade to the MK 92 fire control system for surface combatants. The conferees agree that procurement of the MK 92 CORT must be conducted through full and open competition. The conferees further agree that the Navy should evaluate requirements, fielding and procurement plans, and acquisition strategies, including the potential benefits from development of a second source, for the MK 92 CORT upgrade program, and report the results of this evaluation to the Committees on Appropriations prior to obligation of funds but not later than March 15, 1989.

AMPHIBIOUS EQUIPMENT

The conferees agree with language as proposed by the House, rather than language as proposed by the Senate, concerning the Offshore Petroleum Discharge System.

OUTFITTING EQUIPMENT

The conferees agree with the proposal of the Senate to move $360,000,000 from the Operation and Maintenance, Navy appropriation to the Other Procurement, Navy Appropriation for procurement of outfitting equipment related to ship modernization. The conferees further agree to offset partially the new budget authority required to maintain this program level, with a transfer of $110,700,000 in prior year appropriations to the Other Procurement, Navy appropriation.

REVISED SHIP OVERHAULS

The conferees agree on a reduction of $200,000,000 to reflect revised ship overhaul schedules, and agree that the report to the Committees on Appropriations on the impact of revised ship overhauls, as directed by both the House and the Senate, should be submitted by January 15, 1989.

SEALIFT SUPPORT EQUIPMENT

The conferees agree to $41,779,000 as proposed by the House and affirm the House language. The conferees received information from the Navy indicating that the $20,000,000 provided by the conferees above the budget request is necessary to buy out the remaining Sea Shed requirement to complete the inventory as proposed in the budget request. The conferees understand the amount provided for sea sheds supports continued economic order production from two producers, which is expected to achieve lower unit costs through improved efficiencies.

The conferees understand there is a major ongoing review of mobility and sealift requirements which may result in changes in previous inventory acquisition objectives for various types of sealift support equipment, and direct the Navy to report the status and findings of that review to the Committees on Appropriations by February 15, 1989. The conferees reiterate their support for increased efforts to improve mobility capabilities, particularly in light of testimony from field commanders expressing serious concerns about the continuing shortfalls in these areas. The conferees establish this program as an item of interest.

SMALL BOATS

The conferees agree not to earmark $500,000 as proposed by the Senate. The Navy has procured fifteen Septar Target Boats under an existing contract, and can acquire an additional seven Septar Target Boats and Interim Support Items under a remaining option on the existing contract. To take advantage of the prices available under the option on the existing contract, the conferees direct the Navy to reprogram $3,500,000 from funds available in the Other Procurement, Navy appropriation.

SPS-48E RADAR REPLACEMENT

The Navy has developed the SPS-48E as part of the New Threat Upgrade program. The Navy should consider providing this substantial increase in capability compared to the older, less advanced SPS-48C radar, to aircraft carriers as part of their overhaul cycle. This upgrade to the SPS-48E would enhance aircraft control, tactical battle management, and air defense for the carrier.

AN/SQQ-89 SURFACE ASW COMBAT SYSTEM

The conferees agree to provide $244,359,000 for the AN/SQQ-89 Surface ASW Combat System. The conferees understand that lower program risk and significant savings will result from immediate modification of the SQQ-89 system to accept the Acoustic Video Processor (AVP), and from procurement of the AVP in fiscal year 1990 according to the Navy's original schedule. The Navy has estimated the cost of this modification to be $15,000,000. To achieve these savings and lowered risk, and to maintain the integrity of the SQQ-89 schedule, the conferees have provided an additional $15,000,000 to permit the Navy to initiate immediately the required modification to the SQQ-89 system.

The conferees are concerned that a possible production break, or procurement at a very low rate for the Enhanced Modular Signal Processor (EMSP) could result in very significant unnecessary costs. A shut down and re-start of the line alone could cost up to $50,000,000. For fiscal year 1989 the conferees understand the Navy plans to deal with this situation by acquiring major system components, and the conferees concur with this approach for fiscal year 1990 the conferees urge the Navy to support, at least, a minimum economic order buy. For future years the conferees direct the Navy to report to the Committees on Appropriations by March 1, 1989 on unit costs that could be achieved through various procurement strategies, including, at least, a minimum and optimum economic rate on an annual basis, and a multiyear procurement approach.

SIDEKICK

The conferees strongly endorse the Navy's initiative to upgrade the missile defense systems for surface combatants through installation of the "SIDEKICK" upgrade to the AN/SLQ-32 system. Experience gained by the Navy in the Persian Gulf has demonstrated the value of this program, and the Navy has proceeded to initiate the production of these systems. The conferees encourage the Navy to reprogram up to $21,000,000 in fiscal year 1989 to sustain uninterrupted production and installation of the upgrade kits. The Navy should notify the Committee on Appropriations of this action 30 days prior to the transfer of funds. Accompanying this notification, the Navy should also provide a detailed acquisition plan for the program.

OVER THE HORIZON RADAR

The conferees agree to provide $163,564,000 for the Over the Horizon Radar program, and agree with House language requiring the Navy to report to the Committees on Appropriations the results of operational tests prior to obligation of fiscal year 1989 funds.

SONOBUOYS

The conference agreement provides an additional $30,000,000 above the budget for sonobuoy procurement, as provided in authorization and proposed in the Senate bill. The conference agreement has allocated this increase to two specific sonobuoy procurement lines as shown in the above table. This allocation is in accordance with Navy priorities.

ROCKEYE

The Senate recedes to the House funding level for the Rockeye Improvement program. The conferees are concerned over the total cost of this upgrade effort, and prior to the obligation of these funds, the Navy should report to the House and Senate Committees on Appropriations the acquisition strategy for this program and planned future procurements.

COASTAL DEFENSE AUGMENTATION

Amendment No. 56: Provides no funding for Coastal Defense Augmentation as proposed by the Senate instead of $350,000,000 as proposed by the House.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Coastal defense augmentation				
E-2C		120,000		
Patrol boats		70,000		
HH-60 helicopters		90,000		
Secure, command, control, and communications equipment		25,000		
Air surveillance equipment		45,000		

PROCUREMENT, MARINE CORPS

Amendment No. 57: Appropriates $1,297,265,000 for Procuement, Marine Corps instead of $1,311,322,000 as proposed by the House and $1,280,967,000 as proposed by the Senate.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Procurement, Marine Corps				
120MM heat MP-T M830	5,373	10,373	5,373	10,373
120MM TP-T M831	1,400	3,400	1,400	3,400
Unallocated increase—ammunition		131,000		34,788
M-1 A1 main battle tank (MYP) (AP-CY)			15,900	15,900
MK-19 40MM machine gun			4,970	4,970
Hawk (MYP) (AP-CY)	34,205		34,205	34,205
Dragon				20,000
AN/PSG(#) digital comm terminal	23,001		23,001	
Test calib and maint spt	1,448		1,448	448
Modification kits (TEL)	8,247		8,247	
Items less than $2M (TEL)	577		577	
Test calib and maint spt (non-TEL)	1,448		1,448	1,448
Modification kits (non-TEL)	8,720		8,720	
Logistics vehicle system (MYP)	5,798	25,798		5,798
Modification kits	2,294		2,294	
Field bath shower unit	3,517		3,517	3,517
Garrison mobile engr equip	5,369		5,369	2,500
Training devices (simulators)	9,467	4,887	9,467	4,887
Shelter family	19,167		19,167	19,167

DRAGON

The conferees agree to provide $20,000,000 to acquire and refurbish Dragon missiles currently in storage and retrofit them to the Dragon II configuration as appropriate in order to help alleviate the training missile inventory shortfall. The Marine Corps should budget sufficient funds in fiscal year 1990 and subsequent budgets to complete the refurbishment of all available assets.

AIRCRAFT PROCUREMENT, AIR FORCE

Amendment No. 58: Appropriates $15,922,499,000 instead of $15,915,397,000 as proposed by the House and $16,093,500,000 as proposed by the Senate.

The conferees agree to the following amounts for Aircraft Procurement, Air Force.

[In thousands of dollars]

	Budget	House	Senate	Conference
Aircraft procurement, Air Force				
F-15 D/E	1,291,605	1,424,505	1,291,605	1,291,605
F-15 D/E (AP-CY)	100,709	123,909	100,709	100,709
F-16 C/D (MYP)	2,853,028	2,466,028	2,685,078	2,685,078
F-16 C/D (MYP) (AP-CY)	588,738	588,738	438,738	380,938
Tanker, transport, trainer system	9,563		9,563	9,563
MH-60G	50,736	50,736	50,736	75,736
B-52	215,900	215,900	200,800	215,900
F-15	191,600	163,600	191,600	174,249
F-16	84,600	84,600	71,200	71,200
C-5	105,800	102,950	105,800	102,950
C-141	26,800	20,100	26,800	20,100
VC-25A				1,000
KC-10A (ATCA)	26,200	26,000	26,200	26,000
C-130	123,125	121,375	123,125	121,375
C-135	604,300	777,300	667,300	784,800
E-4	49,900	49,000	49,900	49,000
Other aircraft	80,400	80,400	59,900	59,900
Spares and repair parts	3,138,491	2,799,974	3,102,441	2,934,091
Common ground equipment	249,155	221,195	235,155	221,195
War Consumables	40,540	40,540	20,540	20,540
Other production charges	1,105,971	1,057,621	1,085,371	1,075,644
Classified programs	3,287,790	3,100,577	3,150,590	3,100,577

TANKER, TRANSPORT, TRAINER SYSTEM

The conferees have included the budget request of $9,563,000 for the new tanker, transport, trainer system with the understanding that the funds may not be obligated until the Committees on Appropriations of the House of Representatives and Senate have received and reviewed an independent assessment of the United States Air Force Trainer Master Plan to be conducted by the General Accounting Office. Accordingly, the conferees request the GAO to conduct such an assessment as expeditiously as possible and submit a report to the Committees no later than December 15, 1988. The assessment should address the options considered by the Air Force, the validity of the cost comparison data and the soundness of the recommendations.

MH-60G HELICOPTERS

The committee of conference has recommended $75,736,000 for the procurement of nine MH-60G helicopters. The conferees urge the Air Force to locate three of these helicopters with the 67th Aerospace Rescue and Recovery Squadron, to replace their existing aging HH-3 helicopters.

C-135 AIRCRAFT

Included in the total of $784,800,000 for C-135 modifications is $7,500,000 for the EC-135 PACCS and WWABNCP modification program.

The conferees concur in the Senate report language regarding multiyear procurement and the House report language requesting the Air Force to examine all C-135 type aircraft for potential reengining and submit a report by March 1, 1989. The report should include an assessment of whether or not RC-135 aircraft should be given as high or higher priority than KC-135 aircraft in the Department's reengining plans.

OTHER PRODUCTION CHANGES

The conferees have included $1,075,644,000 for other production charges, reflecting the following changes from the budget estimate:

Classified program	−$20,600,000
Classified program	+273,000
NAVSTAR GPS	−10,000,000

SPARES

The committee of conference recommends a total of $2,934,091,000 for aircraft procurement spares and repair parts, reflecting the following changes from the budget estimate:

Classified program	−$2,600,000
Classified program	−11,900,000
ASPJ	−30,100,000
Replenishment	−159,800,000

REVERSE ENGINEERING

The House report accompanying the fiscal year 1985 Appropriations Act directed the Department of Defense to develop a pilot program for reverse engineering replenishment spare parts on a contract basis and submit a report on the results of the program.

The report of the pilot program has been received, and the results are impressive. During the 36 months of the pilot effort, contracts for reverse engineering 494 replenishment spare parts were awarded at a cost of $26 million with projected five-year savings of $378 million, representing an average return on investment of 14 to 1.

Based on the results of the pilot program, the Department of Defense is recommending that reverse engineering replenishment spare parts become a permanent program. The conferees commend the Department for the manner in which the pilot program was conducted and applaud the results and recommendation to make reverse engineering a permanent effort. The Department is requested to maintain statistics on future activity in the reverse engineering program and submit annual status reports to the Committees on Appropriations of the Senate and House of Representatives.

Amendment No. 59: Restores provision maintaining the $20.5 billion cost cap on the B-1B bomber program as proposed by the House.

MISSILE PROCUREMENT, AIR FORCE

Amendment No. 60: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: **$7,219,683,000**

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree to the following amounts for Missile Procurement, Air Force:

[In thousand of dollars]

	Budget	House	Senate	Conference
Missile Procurement, Air Force				
Peacekeeper	806,980	806,980	731,980	806,980
Tacit Rainbow	71,967	11,967	71,967	71,967
Have Nap	8,347	8,347		8,347
AIM–7F/M Sparrow	56,129	56,129	54,000	54,000
AMRAM	825,297	825,297	798,730	798,730
Seek Spinner		15,000		
Shrike (G-BIAS MOD)			15,000	15,000
AIM–9 (Guidance MOD)		100,000		50,000
Spares and Repair Parts	254,314	239,614	254,314	234,614
Gobal Positioning (MYP)	75,644	61,217	75,644	75,644
Space Shuttle Operations	23,620	14,720	6,620	6,620
DEF Meteorological SAT PROG (MYP)	90,013		90,013	90,013
DEF Meteorological SAT PROG (MYP) (AP–CY)	69,300		69,300	69,300
DRF Meteorological SAT PROG (ANNUAL BUY)		153,400		
Space Boosters (MYP)	246,206	246,206	214,306	213,506
Medium Launch Vehicle	255,055	255,055	230,755	242,555
Medium Launch Vehicle (AP–CY)	20,200	20,200	16,400	16,400
Forest Green	273		273	
Special Programs	2,849,100	2,874,100	2,824,300	2,829,100
Classified Programs	892,642	322,642	586,442	27,194

PEACEKEEPER MISSILE-MX

The conference agreement provides for $806,980,000 for the procurement of 12 Peacekeeper missiles (MX) in fiscal year 1989. The conferees further agree to the transfer of $75,000,000 in excess fiscal year 1987 funds.

The conferees concur with the Senate's observations of inadequate and late budget justification by the Air Force for the MX missile program. Budget justification backup material routinely submitted for procurement hardware programs provides the detailed information necessary for the Congress to evaluate the services' requests properly. The conferees note that the detail provided by the MX justification material is unusually late and wholly insufficient. In order to ensure Congress receives the data it needs to properly evaluate the Peacekeeper program, the conferees direct the Department of the Air Force to include the following information, starting in fiscal year 1990, within the Congressional backup document, P-12, (a) display of hardware flyaway costs at subcomponent levels, including at a minumum the stage I-IV propulsion, flight termination ordnance system and ordnance initiation sets, missile guidance and control sets, inertial measurement units, specific force integration receivers, third generation gyros, MK21 RV's nosetips, and fuzes, (b) display of command and launch equipment by subsections and quantities, and (c) addition of procurement support/recurring and nonrecurring sections and standard subsections as they appear in Air Force Regulation 172-1, volume V.

The conferees agree to provide $798,730,000 for the procurement of AMRAAM missiles. The conferees acknowledge reports from the Department of Defense of problems encountered by the AMRAAM missile in performance testing. The Director of Operational Test and Evaluation has refused permission for the Air Force to enter into full rate AMRAAM production in fiscal year 1989, which will necessitate a full review by the Air Force and DoD on the fiscal year 1989 funding requirements. Initial indications from the Department are that the production level for AMRAAM in fiscal year 1989 will be lowered from the original projections and, therefore, the funding requirements for fiscal year 1989 may have to be reduced.

The conferees considered further reducing the recommended levels from the amounts in conference, but felt that it would be premature to make an estimated funding decision prior to having the revised fiscal year 1989 funding plan from DoD. The conferees, however, are seriously concerned with the continued problems with this highly important missile program, and what impact these recent testing problems will have on the mandated program cost cap.

In light of the problems being encountered, the conferees direct that no production funds appropriated for fiscal year 1989 for the AMRAAM missile may be obligated until the Committees on Appropriations have received the revised fiscal year 1989 acquisition plan for AMRAAM, certification by the Under Secretary of Defense for Acquisition that the plan has been agreed to by the Director of Operational Test and Evaluation, and an analysis of the impact the revised plan will have on the total program cost.

The conferees are disturbed by a trend in the AMRAAM program toward increasing unit prices. The 1988/1989 biennial budget estimated $875 million for 1750 missiles, for a unit cost of $500,000. The amended 1989 budget contained $825.3 million for 1470 missiles, or $561,000 each. Subsequently, the Air Force advised the Committees on Appropriations that the revised budget request would only procure 1240 missiles at a unit cost of $665,500. It now appears that the budget estimates will not buy many more than 900 missiles in 1989. The unit cost of an AMRAAM missile in 1989 will be nearly $900,000. This trend is unsatisfactory and must be reversed in order to achieve the inventory objective without shattering the cost cap. The conferees therefore, direct the Air Force to take necessary steps to lower the unit cost of AMRAAM missiles in 1989, and the outyears

OTHER PROCUREMENT, AIR FORCE

Amendment No. 61: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert: ***; $8,188,638,000***

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Other Procurement, Air Force				
30 MM Training	67,164	59,444	67,164	63,000
Timer Actuator Fin Fuze	3,334		3,334	
Bomb Hard Target 2,000 lb	31,877	51,377	31,877	31,877
MK–84 Bomb-Empty		14,700		
MK–84 Bomb-HE		31,500		
Bigeye	89,487		10,000	10,000
Mobile Arm Recon Vehicle	18,200		18,200	
Traffic Control/Landing	740	30,740	740	20,740
Tactical Air Control Sys Improve	137,349	137,349	119,998	119,998
OTH–B–Radar	161,038		161,038	161,038
Automatic Data Processing Equip	82,716	54,716	67,716	67,716
MAC Command and Control Support	24,708	20,408	24,708	20,408
Weapons Storage/Security	36,847	18,400	32,847	32,847
Range Improvements	134,952	119,952	109,952	119,952
CMD Center Processing/Display Sys	23,553		23,553	23,553
Milstar	73,394	73,394	65,994	73,394
Spares and Repair Parts (Comm and Elec)	215,722	204,045	200,000	200,000
Chemical/Biological Def Prog	95,766	95,766	75,766	88,466
Medical/Dental Equipment	116,207	116,207	100,000	110,000
General Reduction			−4,522	
Intelligence Production Activity	92,363	87,863	88,363	92,363
Selected Activities	4,636,700	4,657,201	4,603,100	4,619,801
Special Update Program	139,168	121,468	139,168	130,968
Misc Equipment	16,664	16,664	8,400	16,664

MOBILE ARMORED RECONNAISSANCE VEHICLE

The conferees deny without prejudice initial procurement funding for the Mobile Armored Reconnaissance Vehicle (MARV). The conferees have the following concerns about this program:

1. Affordability. Initial procurement unit costs for the MARV are close to $1 million. Even if unit costs decrease in future procurements, the total program cost for MARV will likely be in excess of $200 million to procure the stated Air Force requirement of 283 vehicles. The concern about affordability is evidenced by the current procurement profile which funds only a fraction of the requirement at very low annual procurement rates.

2. Explosive Ordnance Disposal Personnel Shortfalls. The Air Force has a significant shortfall of EOD technician and augmentee personnel. Unless this shortfall is corrected, it makes little sense to procure equipment which they are to use.

3. Concurrency. Testing of prototype vehicles is not scheduled to begin until the middle of next year and a production decision is not scheduled until fiscal year 1990.

4. Alternatives. The Air Force is looking at alternative guns to the .50 cal. machine guns included on the prototype vehicles.

The conferees note that the research and development requirements for this program are fully funded. If the concerns raised are satisfactorily addressed and resolved, the Committees will consider a reprogramming to initiate procurement funding.

COMBINED EFFECTS MUNITION (CEM)

The conferees note that dual-sourcing on the Combined Effects Munition (CEM) program has reduced its unit cost from roughly $120,000 in 1982 to about $15,000 today. The result has made the CEM one of the most cost-effective munitions programs within the DoD. The conferees are concerned that a revision in this competition policy for the fiscal year 1989 procurement, particularly in light of an incoming Administration and the need for a reevaluation of overall munitions and ammunition requirements, could harm the industrial mobilization base and increase costs based upon dated fiscal year 1990-94 procurement plans. Therefore, the conferees direct the Air Force to maintain the dual-source competitive procurement of CEM in 1989 and present and justify any future plan to competitively down-select to one manufacturer when presenting the fiscal year 1990 budget before the Congress.

TRAFFIC CONTROL/LANDING

The conferees agree to provide $20,740,000 for Traffic Control Landing, of which $20,000,000 is for initial Air Force procurement of the New Mobile Radar. This action provides the Air Force radar equipment common to the Marine Corps and permits acquisition under advantageous prices under an existing contract option.

MAC COMMAND AND CONTROL

The conferees agree to provide $20,408,000 for MAC Command and Control, as proposed by the House. This funding level supports a low rate of initial production for the Automatic Computer Processor (ACP), which is consistent with timely implementation of the new interoperability standards. The conferees direct the Department of Defense to report to the Committees on Appropriations by March 1, 1989 on the status of the interoperability standard implementation.

DISTANT EARLY WARNING/NORTH WARNING

The conferees agree to provide $203,173,000 for Distant Early Warning/North Warning. The conferees generally agree with the House requirement for the Air Force to report the results of operational tests prior to obligation of fiscal year 1989 appropriations. If, however, after completion of the DT&E phase of acquisition, the Air Force determines that procurement of long lead time items is necessary to achieve the two year completion date incorporated in the MOU and the existing contract, then the Air Force should submit such a request to the Committees on Appropriations.

RANGE IMPROVEMENTS

The conferees agree to provide $119,952,000 for Range Improvements. The conferees agree that the Air Force should proceed with the Crow Valley ACMI program up to a level of $13,500,000 for fiscal year 1989, in addition to available prior year appropriations, and establish this program as an item of interest. No funds shall be available for the NATO ACMI upgrade, and the Air Force should proceed to negotiate a cost sharing arrangement for this initiative with NATO allies that utilize this facility. The Conferees support this upgrade and will consider funding upon presentation of a cost-sharing agreement. Of the funds provided, $13,000,000 will be available only for the Air National Guard air-to-ground training range described in the Senate report. The conferees concur with House language directing the Air Force to report by December 1, 1988 on its acquisition plan for two Ground Jammer Units.

MILSTAR

The conferees agree to provide $73,394,000 for MILSTAR, and agree to House language requiring a report to the Appropriations Committees on the results of operational tests prior to obligation of fiscal year 1989 funds. The conferees recognize the importance of developing and deploying the Milstar Communications System, including Space and Mission Control Segments, and Joint Service terminal programs, and establish this Joint Program involving RDT&E and procurement as a congressional item of interest.

MEDICAL/DENTAL EQUIPMENT

The conferees agree to provide $110,000,000 for Medical/Dental Equipment. The conferees encourage the Air Force to maintain effective obligation rates for the Survivable Collective Protective Systems—Medical (SCPS-M) program, and direct the Air Force to submit to the Committee on Appropriations by February 15, 1989 a plan for fielding and procurement of the SCPS-M equipment.

Amendment No. 62: Deletes the House provision which would have provided that $32,623,000 could not be obligated until authorized by law.

NATIONAL GUARD AND RESERVE EQUIPMENT

Amendment No. 63: Appropriates $1,138,900,000 intead of $1,174,500,000 as proposed by the House and $843,500,000 as proposed by the Senate and deletes earmarking of appropriation by guard and reserve component as proposed by the House and stricken by the Senate.

The conferees agree to the following amounts for National Guard and Reserve Equipment:

[In thousands of dollars]

	Budget	House	Senate	Conference
National Guard and Reserve Equipment, Defense				
Army Reserve				
Miscellaneous equipment		40,000	30,000	30,000
Trucks, commo, and other support equipment		200,000		
Navy Reserve				
Missecllaneous equipment			10,000	20,000
SH-2 block upgrade		62,200		45,000
Seabee equipment			20,000	20,000
P-3 mods		55,000		55,000
SH-3H mods		4,600		4,600
Airborne mine countermeasures		8,000		
Marine Corps Reserve				
Miscellaneous equipment			10,000	10,000
KC-130T aircraft		40,000	45,000	45,000
Tactical air oper module (TAOM)		26,800		26,800
Air Force Reserve				
Miscellaneous equipment			10,000	10,000
C-130 aircraft		163,000		122,000
MH-60G helicopter		72,000	42,000	74,000
H-60 supply equip		6,900		
KC-135 modifications			21,000	21,000
Army National Guard				
Miscellaneous equipment		33,000	50,000	25,000
FIST-V				33,000
5-ton trucks		50,000		
Trucks, commo, and other support equipment		150,000		
M1A1 tank			130,000	115,000
Training devices		25,000		
Small unit support vehicles (SUSV)			8,000	8,000
Air National Guard				
Miscellaneous equipment			20,000	20,000
C-130 aircraft		163,000	326,000	285,000
KC-135				63,000
F-15 A/B MSIP			30,000	15,000
ACMI tier fighter training PH II			16,500	16,500

MISCELLANEOUS EQUIPMENT

The conferees agree to provide $20,000,000 for Naval Reserve Miscellaneous Equipment. Within this amount, the conferees agree to provide $10,000,000 for antisubmarine warfare equipment for the Mobile Inshore Undersea Warfare (MIUW) units of the naval reserve.

P-3 MODERNIZATION PROGRAM

The House provided $55,000,000 to the Navy Reserve to modify P-3A and P-3B aircraft with the Improved Processor and Display System (IPADS). The conferees agree to provide $55,000,000 to modify P-3A and P-3B aircraft to upgrade antisubmarine warfare capability. The conferees did not specify which system should be used to provide the enhanced capability. That decision is left to the discretion of the Navy Reserve.

C-130 TRAINING FACILITIES

The conferees understand that the Air National Guard and Air Force Reserve need to replace their outdated C-130 training simulators with modern facilities. The conferees agree with the need for these facilities on a priority basis. The Air National Guard intends to establish two regional training centers, one east and one west of the Mississippi River. The two site arrangement is designed to make training facilities more accessible, reduce operation and maintenance costs and minimize travel time and costs for Guard and Reserve personnel.

With these criteria in mind, the conferees believe the Department should consult with the Air Force Reserve and Adjutants General of States in which Guard or Reserve C-130's are deployed concerning the best locations for the training simulators. The conferees agree that one site shall be located east and one west of the Mississippi River.

MH-60G HELICOPTERS

The conferees have included $74,000,000 for nine MH-60G helicopters. It is the conferees understanding that six helicopters will be assigned to the 30th Aerospace Rescue and Recovery Squadron and three will be assigned to the 301st Aerospace Rescue and Recovery Squadron.

Amendment No. 64: Deletes provision making certain funds available only after enactment of authorizing legislation as proposed by the House and stricken by the Senate.

PROCUREMENT, DEFENSE AGENCIES

Amendment No. 65: Appropriates $1,186,100,000 instead of $1,207,550,000 as proposed by the House and $1,130,000,000 as proposed by the Senate.

The conferees agree to provide $549,689,000 for classified programs.

UNMANNED AERIAL VEHICLES (UAV)

The conferees also agree that $50,600,000 will be available for procurement of Joint Remotely Piloted Vehicles (Unmanned Aerial Vehicles). The conferees address UAV policy issues in the RDT&E, Defense Agencies section. $14,900,000 will be available only for support equipment for the PIONEER UAV funded in fiscal year 1988. The Joint UAV Program Office has submitted a revised request to initiate procurement of the objective joint service Short Range UAV in fiscal year 1989. The conferees support this objective, and the remaining $35,700,000 shall only be available for this effort.

INF TREATY VERIFICATION SUPPORT

The conferees understand that the Department of Defense faces an urgent requirement for vehicles to support the INF Treaty Verification team in the Soviet Union. The conferees strongly endorse this requirement, and expect the Department of Defense to provide sufficient vehicles to support this mission from within this appropriation.

Amendment No. 66: Deletes language as proposed by the House which prohibited the obligation of funds until authorized by law.

DEFENSE PRODUCTION ACT PURCHASES

Amendment No. 67: Appropriates $33,500,000 for the Defense Production Act, instead of $39,500,000 as proposed by the House and $13,000,000 as proposed by the Senate.

Amendment No. 68: Provides that $27,500,000 shall remain available for obligation until September 30, 1991, as proposed by the House.

Amendment No. 69: Provides $6,000,000 for a project to develop titanium ore from ilemenite to remain available until September 30, 1993, instead of $12,000,000 as proposed by the House and zero as proposed by the Senate.

SPACE AND RELATED ACTIVITIES AUGMENTATION, DEFENSE

Amendment No. 70: Deletes House language proposing the appropriation of $637,000,000 for construction, procurement, and modification of missiles, spacecraft, specialized ground facilities, and associated equipment and services.

TITLE IV—RESEARCH, DEVELOPMENT, TEST AND EVALUATION

JOINT AVIONICS

The conferees do not agree do the bill language proposed in two general provisions (House section 8103 and 8105) concerning joint avionics. The conferees do agree that the Army LHX helicopter, the Navy Advanced Tactical Aircraft, the Air Force Advanced Tractical Fighter, and any variants of these aircraft must incorporate Joint Integrated Avionics Working Group (JIAWG) standard avionics specifications no later than 1998. This has been included in a general provision. The conferees agree with the House report language that these aircraft and their variants must all eventually share a single, highly common avionics architecture as jointly determined by the JIAWG.

While deciding not to earmark funds specifically in bill language, the conferees agree to provide the authorized funding level for the Services' joint avionics projects. Concerning the $34,700,000 provided to the Air Force, the conferees agree to the allocation contained in the authorization conferees report; $5,700,000 for JIAWG avionics; $26,000,000 for integrated communications, navigation, and identification avionics; and $3,000,000 for Army aircraft. Funds provided for integrated communications, navigation, and identification avionics may only be used to develop avionics which conform to JIAWG specifications.

Finally, the conferees agree with the House report language requiring that an individual be appointed in the Office of the Secretary of Defense, who can be held accountable to the Department and to the Congress, to ensure that the joint avionics objectives discussed above are achieved. A revised joint avionics master plan should be submitted to the Congress by March 1, 1989. Additional details are discussed in a classified letter accompanying this report.

AIR-TO-AIR MISSILE TECHNOLOGY

The conferees agree to provide funds for air-to-air missile (AAM) technology programs in Navy and Air Force accounts at the budget request level as proposed by the Senate instead of in a consolidated program at an increased funding level as proposed by the House.

The conferees are concerned about the lack of true progress in coordinating AAM development to minimize duplication. Although some progress has been made, much more remains to be done, and the conferees are not willing to wait another full year to witness adequate coordination. Therefore, the conferees direct that no more than fifty percent of the funds provided for the Navy's Advanced Air-to-Air Missile and for the five Air Force Advanced AAM projects reduced by the House and described on page 174 of House Report 100-681 may be obligated until thirty days after receipt by the Congress of an Air-to-Air Missile Technology Master Plan, which is to be submitted by March 1, 1989. This plan must include a full description of all AAM RDT&E activities funded by each service in budget categories 6.2, 6.3, and 6.4, and must address the issue of compatibility with the Advanced Tactical Fighter. The conferees direct the Air Force and Navy to establish a joint program office for co-development of the AAAM and P^{3}I AMRAAM programs, as required in the Fiscal Year 1989 Defense Authorization Act. Funds for the Air Force Advanced Missile Technology Integration (AMTI) project are specifically denied.

FIBER OPTIC TECHNOLOGY

The conferees are concerned that the "one-of-a-kind" high technology small businesses with proven research and development, engineering and manufacturing expertise are not able to compete with the larger firms for Defense fiber optic production contracts. The domestic fiber optics industry is a critical component of the U.S. defense industrial base. In order to protect the small business segment of the industry and to preserve competition and innovative R&D at the small business level, the Department of Defense is urged to ensure equitable participation by qualified one-of-a-kind fiber optic small business bidders in DoD procurements involving procurement of fiber optic products, devices and technology—i.e., in situations where there is only one fiber optic small business bidder. In addition, the conferees direct the Department of Defense to review this issue and report back to the Committees on Appropriations by 1 March 1989 on what can be done to preserve competition and innovative R&D at the small business level. This report should address, but not be limited to, possible business set-asides for the one-of-a-kind fiber optic small business bidder, a 10 percent preference for a one-of-a-kind fiber optic small business bidder and special consideration in the evaluation of bids by prime contract bidders who include in their proposals plans to subcontract to a fiber optic small business.

ELECTRONIC SURVEILLANCE SYSTEM

Congress has previously provided funds for the Electronic Surveillance System program. The conferees direct that this program proceed in accordance with Congressional direction and funding provided in previous years.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY

Amendment No. 71: Reported in technical disagreement. The managers of the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert; *$5,130,166,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Research Development Test and Eval Army				
Materials technology	12,963	12,963	11,038	11,038
Electronic survivability and fuzing technology	40,895	40,895	37,398	37,398
Missile technology	25,741	25,741	21,828	21,828
Night vision technology	22,825	22,825	25,325	25,325
Military engineering technology	46,975	40,000	46,975	40,000
Manpower/personnel/training technology	17,865	17,865	16,018	17,865
Logistics technology	42,064	38,000	42,064	40,000
Weapons and munitions advanced technology	39,440	39,440	59,440	59,440
Human factors/personnel/training advanced technology	30,544	30,544	29,544	29,544
Acquired immune deficiency syndrome (AIDS) research	8,823	8,823	27,000	27,000
Army Development and Employment Agency	1,988	4,988		4,988
Landmine warfare and barrier advanced technology	9,079	11,579	9,079	9,079
Army battlefield technology integration	9,601	9,601	7,434	8,601
Electonic warfare adv tech dev			4,000	4,000
Electronic warfare—eng dev			2,000	2,000
Battery technology		1,144		1,144
Common integrated electronic warfare system		2,000		1,000
Classified programs	80,108	77,108	70,108	70,108
Antitactical missile system	31,514	20,704	31,514	31,514
Advanced antitank weapons system	21,763	11,013	51,763	17,000
Hypervelocity missile		40,000		30,000
Evolutionary surface-to-air missiles—adv dev	3,053	3,053		
Armored family of vehicles—advanced development	997	997		
Physical security	2,794		2,794	
Forward area air defense (FAAD) system	164,212	194,212	184,212	194,212
Follow-on lance—acv. dev	14,962	4,962	7,481	7,481
Army tactical missile system (Army TACMS)	84,437	81,437	55,737	76,400
Army tactical missile system block II upgrade			10,000	10,000
M1A1 development program			30,000	30,000
Night vision systems—eng dev	16,588	19,588	16,588	17,588
Physical security	3,755		3,755	
Air Defense Command, Control and Intell/eng dev	98,291	93,000	98,291	93,000
JT surveillance/target attack radarsystem	19,182	19,182	23,782	22,782
Weapons and munitions—eng dev	132,595	157,595	132,595	157,595
Chemical systems—eng dev	37,649	30,000	37,649	34,000
Adv field artillery tactical data system	17,717	17,717	12,717	15,717
Combat vehicle improvement programs	82,837	97,837	96,737	96,737
Air defense C21 mods	8,661		8,661	8,661
Aircraft modifications/product improvement programs	135,460	40,897	94,563	90,697
Weapons and munitions equipment upgrade program	4,833	19,833	2,424	19,833
ITV Hellfire modernization		6,000		3,000
TACJAM		11,000		11,000
Close air support		10,000		
Dragon III				5,480
Classified programs	726,289	712,389	726,289	731,389
Classified programs	5,288	4,092	5,288	5,288
Kwajalein missile range	164,855	156,000	158,855	156,000
Army user test instrumentation and threat simulators	63,936	103,736	43,936	43,936
International cooperative research and development	1,136	1,136	136	1,093
Real property maintenance—RDT&E	161,974	161,974	146,974	161,974
Management headquarters (R&D)	13,616	10,600	9,936	9,936
RDT&E—minor construction undistributed reduction			−15,529	
Guard Reserve unique R&D		5,000		2,000
Maxi cube cargo handling system				10,000

MILITARY ENGINEERING AND LOGISTICS TECHNOLOGY PROGRAMS

The conferees agree to reductions due to fiscal constraints from the amounts requested in the budget, while allowing moderate growth over fiscal year 1988 funding levels. The conferees expect that no reductions in force be undertaken to achieve the necessary savings. Adverse effects on small and disadvantaged businesses should be minimized. The conferees invite the Army to submit a reprogramming request, if necessary, if it can better justify the need for higher funding levels in fiscal year 1989.

ARMY DEVELOPMENT AND EMPLOYMENT AGENCY (ADEA)

The conferees agree to the House funding and report language on ADEA. The report to be submitted by April 1, 1989 should specifically address the roles, missions, clients, and funding for ADEA in order to assist the Appropriations Committees next year in evaluating its effectiveness and utility to the CINCs. The report should demonstrate that there is no duplication of activities between ADEA and other Army organizations.

MEDICAL IMMUNOLOGICAL RESEARCH

The conferees recommend $2,000,000 for the purpose of expanding the capabilities of medical research in both basic and clinical immunology, in order to improve diagnosis and treatment of a variety of disease states. These funds are to be used to continue the development (including the development of a clinical research immunodiagnostic laboratory and reserch unit) of a medical research institute dedicated to both basic and clinical research in immunology as part of a public 501-3C medical research organization.

ARMY CONCEPTS ANALYSIS AGENCY

The conferees are advised that the Army intends to move the Concepts Analysis Agency from its present site. Relocation of this critical operation should maximize the value of existing Department of Defense and academic computer and training resources. Recognizing the Department of Defense Ada computer language education capabilities and the artificial intelligence laboratory at West Virginia University, the proximity of the Defense Software Engineering Institute, along with the relocation of the U.S. Coast Guard computer operations center, the conferees direct the Army to consider and evaluate potential sites for this evaluation to the Committees on Appropriations prior to any determination of relocation and not later than January 31, 1989.

ROBOTICS

The conferees agree that the Services' robotics programs appear to be fragmented, uncoordinated, and possible too sophisticated in view of the lack of definitive requirements from those organizations which would employ such capabilities in the future in combat. The Deputy Secretary of Defense for Tactical Warfare Programs shoud assume the role of focusing these technology efforts. A master plan should be submitted to the Appropriations Committees by May 1, 1989 which addresses the management structure for robotics technology, a description of each technology base or advanced development robotics project which is funded in the budget along with its five year funding profile, the mission requirements that each project is expected to meet, and the Department's initiatives to advance joint robotics programs or joint developmental efforts. The Committees are most interested in the utility of such projects to the ultimate using commands, the integration of such technology with combat tactics, the coordination and sharing of robotics research between the Services, and the elimination of unnecessary duplication among projects. Due to this enhanced management attention, the conferees expect that at least one current advanced development robotics project will be terminated. The conferees further agree to a general reduction of $1,000,000 in the Army Battlefield Technology Integration program.

EVOLUTIONARY SURFACE-TO-AIR MISSILE

The conferees agree to the Senate language on the Army's Evolutionary Surface-to-Air Missile (ESAM) about pursuing a joint program with NATO allies under an equitable cost sharing arrangement. While providing no new funds, the conferees agree that the program may be financed from within available funds in fiscal year 1989 only for the purpose of advanced planning and not as part of a separate program.

ANTITACTICAL MISSILE

The conferees agree to provide the full budget request of $31,514,000 and expect that a master plan will be submitted as required by the House. The conferees further agree that the coordination and duplication issues between the Army and SDI as discussed in the Senate report. However, the conferees do not agree to obligation restrictions on these programs.

ADVANCED ANTITANK WEAPON SYSTEM—MEDIUM INTERLOCK DEVICE

The conferees are concerned that AAWS-M missiles could at some point be obtained and used by terrorists for purposes counter to the security interests of the United States. Evidence suggests that it may be possible to incorporate an electronic enabling capability, which would prevent unauthorized use of the missile, into AAWS-M at little or no increase in unit flyaway cost if it is included in the original design. The conferees therefore urge the Army, after downselection has occurred, to require AAWS-M to include such a capability unless it would result in substantial program cost increase or delay.

ANTI-ARMOR INITIATIVES

The conferees do not agree to the Senate language which restricts obligation of certain anti-armor funds until submission of information required by the fiscal year 1988 appropriations conference report. However, the conferees are dissatisfied with the justification for the Advanced Anti-Tank Weapon System—Heavy (AAWS-H), the lack of a coherent acquisition strategy for the program, and the tardiness of submission of the required information to the Congress. Therefore, none of the funds appropriated for AAWS-H beyond administrative program management costs may be obligated until the Army has submitted the AAWS-H Operational and Organizational plan described in the Senate's report as well as a business plan describing the Army's proposed acquisition strategy.

M1A1 DEVELOPMENT PROGRAM

The conferees have provided $30,000,000 for design of the block III upgrade to the M1A1 tank. While noting the intentions by the Senate Armed Services and Appropriations Committees in their fiscal year 1989 reports for providing these funds, the conferees agree that the Army should be responsible for defining the exact requirements of the block III design. A report should be submitted to the Armed Services and Appropriations Committees of Congress by March 31, 1989 which describes how these funds will be used, the requirements for block III, a program plan, and an acquisition strategy.

WEAPONS AND MUNITIONS ENGINEERING DEVELOPMENT

The conferees agree to the House language and funding for SADARM and the 120mm mortar. Further, in its action on fiscal year 1986 appropriations, the Committee of Conference imposed certain conditions on SADARM development. These included a demonstration program of well instrumented gun firings of modified advanced development hardware to be conducted simultaneously with engineering development, but to be completed before the final phase of engineering development which is system qualification in development test/operational test II. The intended purpose of this demonstration was, and remains, the gathering of information which will reduce technical risks associated with the remainder of development, and which will help to demonstrate the proof of principle. Such a demonstration need not be tied to a specific number of firings or to a specific hit/miss criterion; such specifics are the subject of system qualification. Consequently, the specific content and conduct of the demonstration firing program are left to the discretion of the Army's program manager for SADARM, who is in the best position to judge the amount and type of data required to accomplish the original intended purpose, with review and approval by his cognizant Program Executive Officer.

AIRCRAFT MODIFICATIONS

The conferees agree to provide $90,697,000 which consists of $45,000,000 for the AH-64, $40,897,000 for the UH-60, and $4,800,000 for a classified program. The conferees share the concerns of the Senate that better justification is necessary for the UH-60 upgrade which more fully examines all available alternatives. Of particular concern is the cost effectiveness of the composite rotor component of the multi-staged improvement program and the methods of lowering overall total program cost. These issues will be scrutinized during Appropriations Committee hearings next year.

IMPROVED TOW VEHICLE—HELLFIRE

The conferees agree to provide $3,000,000 for studies, advanced planning, and proof of principle work on integrating the Hellfire missile into the Improved Tow Vehicle.

DRAGON III

The conferees agree to provide $5,480,000 for Army participation in the Dragon III development program, as explained in the RDT&E, Navy section of this report.

MILAN II/BOFORS BILL

The conferees do not agree to the House report language since this issue will be resolved in the authorization conference.

Amendment No. 72: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert: *: Provided, That $7,300,000 shall be available only for type classification and operational testing of the 120 millimeter mortar system and development of a family of enhanced 120 millimeter ammunition: Provided further, That $2,500,000 shall be available only for the vehicular intercommunications system: Provided further, That $5,000,000 shall be available only for development of fluidtronics technology for use in ground combat or support vehicles: Provided further, That $2,000,000 shall be made available until ex-*

pended, as a grant, only for continued development of a medical research institute directed at basic and clinical research in immunology, for associated facilities, and for related purposes

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY

Amendment No. 73: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: *$9,382,312,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 74: Restores language proposed by the House and stricken by the Senate which provides $1,000,000 as a grant for the National Center for Physical Acoustics.

Amendment No. 75: Deletes House language which provided a limitation on funds for the SSN-688 Class Vertical Launch System and the AN/BSY-1 Submarine Combat System.

The conferees note that, after a significant delay, the studies required by the House limitation have been submitted to the Congress. The shipbuilders involved are to be commended for producing candid and useful appraisals of possible improvements to SSN-688 class submarines. The Navy is encouraged to consider these improvements on a case-by-case basis as the threat evolves and as future shipbuilding plans change. The Navy is also reminded to advise the Congress prior to the issuance of amplifying instructions which go beyond the scope of Congressional bill or report language directions.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Research Development Test and Eval Navy				
In-house independent laboratory research	23,763	23,763	21,386	23,763
Defense research sciences	332,989	332,989	330,968	332,989
Aircraft technology	22,468	22,468	21,636	21,636
Marine Corps Landing Force technology	15,223	15,223	15,623	15,623
Mission support technology	29,055	29,055	31,155	31,155
Systems support technology	57,474	60,474	57,874	60,874
ASW technology	92,041	102,041	92,041	102,041
Ship propulsion system	14,842	12,000	14,842	14,842
Medical development	18,608	21,108	18,608	21,108
Manpower and personnel systems	3,976	3,230	3,976	3,230
Generic logistics R&D technology demonstrations	19,865	15,665	26,865	22,665
Education and training	6,153	5,380	6,153	5,380
Marine Corps advanced manpower/training systems	5,106	4,106	3,106	3,106
ARIADNE	11,541	11,541	11,541	
Advanced technology transition	57,170	60,170	57,170	57,170
Trident II	580,889	560,889	580,889	575,000
Fleet ballistic missile system	38,733	31,420	38,733	31,420
Skipper enhancements	1,190	15,990	11,190	15,990
V-22A		5,000		5,000
Advanced A/L air-to-surface missile system	22,581	38,481	22,581	22,581
Advanced air-to-air missile (AAAM)	30,374		30,374	30,374
Surface ship point defense integration			4,000	3,000
Retract Juniper	37,722	41,722	37,722	41,722
Surface ASW	72,750	72,750	55,569	72,750
Ship development	10,886	10,886	5,086	5,086
Attack submarine development	13,640		13,640	13,640
Physical security	6,345		7,145	
Joint advanced systems	236,620	209,020	252,020	252,020
Tactical nuclear development	10,405	6,035	10,405	10,405
Marine Corps ground combat/support system	6,658	4,131	6,658	6,658
MK-48 ADCAP (ADV)		27,682		
ASW signal processing	13,536	13,536	15,636	15,636
Advanced marine biological system	5,819	6,300	5,819	6,300
Command and control systems	27,504	37,504	27,504	37,504
Facilities improvement	4,037	4,037	7,737	7,737
Satellite laser communications	5,269	15,000	25,269	25,269
Retract MAPLE	81,697	81,697	111,697	121,697
Warfare systems architecture and engineering	11,225	10,172	10,124	10,124
Standard avionics development	12,122	17,122	12,822	13,822
IFF system development	25,234	16,026	25,026	21,026
Support equipment	68,979	68,979	70,779	70,779
P-3 modernization program	204,820	199,720	204,820	202,270
Electronic warfare simulator development	38,751	38,751	18,751	18,751
EW Development	189,814	189,814	189,614	189,614
SEA Lance	50,000	65,000	80,287	80,287
Vertical launch ASROC	30,287	30,287		30,287
Air control	18,028	18,028	19,428	19,428
Radar surveillance equipment	6,124	10,124	6,124	7,124
SSN-21 developments	195,080	190,000	189,800	190,000
Physical security (engineering)	12,086		12,686	
Ship subsystem development land/based test site	58,667	58,667	57,367	58,667
Standard embedded computer resources	13,193	7,829	13,193	7,829
Unguided conventional air-launched weapons	2,019		2,019	2,019
Marine Corps assault vehicles	20,025	30,025	20,025	20,025
MK 48 ADCAP (engineering)	27,682		27,682	27,682
Initial trainer acquisition	56,749		61,649	61,649
Marine Corps combat services support	22,390	22,390	22,790	22,790
JT interoperability of tactical commands control sys	265		265	
Fleet telecommunications (tactical)	2,533	5,533	2,533	4,833
Navy cover and deception program		1,000		
F-14 upgrade	151,904	134,000	154,504	154,504
Marine Corps ground combat/supporting arms systems	43,851	32,890	38,371	38,371
Force enhancement—active	19,731	29,131	19,731	29,131
ATF—adv tactical fighter		15,000	65,000	65,000
Navy oceanography program			3,000	3,000
Oceanographic and meteor instrumentation			2,000	2,000
Warfare support system	33,285	23,285	33,285	28,285
Classified programs	571,595	608,984	570,095	597,134
Environmental protection	5,814	5,814	6,214	6,214
International RDT&E	3,693	3,693	1,248	3,248
RDT&E instrumentation and materiel support	29,915	29,915	8,896	29,915
Test and evaluation support	325,365	325,365	320,100	325,365
Industrial preparedness	43,482	43,482	43,682	43,682
General reduction				−22,000

MK-48 ADCAP (ENGINEERING)

The conferees agree to provide $27,682,000 for MK-48 ADCAP. Since the work to be conducted is more appropriately budgeted under advanced development, the conferees direct the Navy to re-designate this program element as "MK-48 ADCAP (Advanced)".

ADVANCED TECHNOLOGY TRANSITION

The conferees agree to provide $57,170,000 for Advanced Technology Transition. Within the amount appropriated, $3,000,000 is provided only for the MK-50 Follow-Through Warhead project.

STANDARD AVIONICS DEVELOPMENT

The conferees agree to provide $13,822,000 for Standard Avionics Development. Of the amount appropriated, $4,000,000 is provided only for the AYK-14 project.

IFF SYSTEM DEVELOPMENT

The conferees agree to provide $21,026,000 for IFF System Development. The amount provided above the House recommendation is only for the OSD-sponsored program to develop a noncooperative identification technique with the potential to positively identify hostile and civil aircraft. Further discussion is included in the classified annex to this statement. No funds may be obligated for this project until a report is submitted to the Congress which describes the project's objectives, schedules, and costs. In addition, no funds are provided for the ARTIS project.

WARFARE SUPPORT SYSTEM

The conferees agree to provide $28,285,000 for Warfare Support System. The reduction is based upon significant delays in the Relocatable Over-the-Horizon Radar (ROTHR) project. The conferees do not believe, and do not intend, that this reduction would delay deployment of the initial ROTHR system to Amchitka, Alaska.

CATAPULTS

The conferees agree with language of the Senate that within the amount appropriated for Catapults, $3,500,000 is provided only for development of the Electromagnetic (EM) Catapult. Furthermore, the conferees oppose the reprogramming or reallocation of any of the fiscal year 1988 funds provided for the EM Catapult, and find unacceptable the current Plan of Action and Milestones for this effort. The conferees agree not to restrict obligations for this program as proposed by the Senate, since the required report has been submitted. However, the Navy is strongly encouraged to move out more aggressively on this program and to revise the Plan of Action and Milestones in accord with Congressional intent and directions.

INTERNATIONAL RDT&E

The conferees agree to provide $3,248,000 for International RDT&E. Within the amount appropriated, the budget request level of $1,248,000 is provided only for the SACLANT ASW Research Center.

NAVY INDUSTRIALLY FUNDED ACTIVITY ADJUSTMENTS

The conferees agree to the Navy Industrially Funded Activity Adjustments as proposed by the Senate. These minor adjustments are reflected in the conference agreement for each of the fifteen program elements described on pages 246-247 of Senate Report 100-402.

MARINE CORPS GROUND COMBAT/SUPPORTING ARMS SYSTEMS

The conferees agree to provide $38,371,000 of which $5,481,000 is for development of the Dragon III anti-tank system. The conferees also agree to provide $5,480,000 in RDT&E Army for the same purpose. The sum of these amounts, $10,961,000, is the amount originally requested and authorized for Dragon III. The conferees agree that Dragon III is to be managed jointly by the Marine Corps and the Army, with the Marine Corps as executive agent. Dragon III development funds are not to be used for facilitization, long lead, low rate production, or to otherwise begin production activities. A possible decision in the future to enter into production for Dragon III could only be made with the prior approval of the Congress, and only if the Army's Advanced Antitank Weapon System-Medium (AAWS-M) system encounters excessive cost growth or severe technical difficulties. In allowing Dragon III development to proceed, the conferees note that Congressional support for the Army's AAWS-M program is in no way diminished by this action.

DEFENSE RESEARCH SCIENCE—NAVY

The conferees agree to provide $332,989,000 for Defense Research Sciences-Navy. The conferees direct that, within the amount appropriated, oceanographic research projects are to be allocated funding at the budget request level.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE

Amendment No. 76: Deletes Senate heading entitled "(Including Transfer of Funds)".

Amendment No. 77: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the sum proposed by said amendment, insert: ***$14,502,347,000***

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Research, development, test, and evaluation AF				
In-house laboratory independent research	10,223	15,223	2,249	7,000
Aerospace flight dynamics	69,207	69,269	69,207	69,269
Human systems technology	49,801	49,801	49,739	49,801
Aerospace propulsion	64,531	64,531	64,056	64,531
Aerospace avionics	66,467	64,467	66,017	64,467
Rocket propulsion	39,152	36,632	34,515	34,515
Command control and communications	85,181	81,181	85,181	83,181
Logistics systems technology	16,436	13,436	16,436	15,000
Advanced avionics for aerospace vehicles	30,114	25,114	28,310	25,114
Aerospace propulsion and power technology	32,666	29,066	32,666	32,666
Personnel, training and simulation technology	8,038	8,038	7,463	8,038
Crew systems and personnel protection technology	22,259	22,259	20,459	20,459
Lincoln Laboratory	25,132	23,132	25,132	23,132
Advanced avionics integration	14,028	14,028	2,895	11,000
National aero space plane technology program	244,767	244,767	189,405	230,767
Space and missile rocket propulsion	8,995	6,895	8,995	8,995
Very high speed integrated circuits	44,086	54,086	44,086	44,086
Conventional weapons	25,301	12,301	23,501	25,301
Advanced weapons technology	74,494	74,494	74,494	89,494
Advanced computer technology	10,239	7,239	10,239	7,239
Advanced strategic missile systems	151,836	151,836	143,836	143,836
Short range attack missile II (SRAM II)	231,467	216,467	201,467	201,467
B-IB integration activities			15,000	
Common strategic rotary launcher	946		946	
ICBM modernization	1,032,891	732,891	790,000	890,000
Peacekeeper	(40,000)	(32,891)	(40,000)	(40,000)
Small ICBM	(200,000)	(600,000)	(50,000)	(250,000)
Rail mobile MX	(792,891)	(100,000)	(686,900)	(600,000)
Unallocated			(13,100)	
Strategic conventional standoff capability (SCSC)	10,000	10,000		10,000
Space defense system		−16,000		
PACCS and WWABNCP system EC-135 class V mods	1,210	1,210	8,710	1,210
War planning automated data processing (ADP)—SAC	20,298	10,298	20,298	15,300
NCMC—TW/AA systems	70,616	23,216	70,616	70,616
Spacetrack	9,357	8,357	12,357	12,357
Defense support program	84,132	119,132	84,132	101,632
Command center processing and display system	26,939	24,700	26,939	26,939
Advanced tactical fighter	702,283	702,283	682,483	692,283
DOD physical security equipment—exterior	936		936	
Engine model derivative program (EMDP)	957		557	957
C-17 program	961,067	941,067	936,337	941,067
Tanker, transport, bomber training system	4,500		4,500	4,500
Infrared search and track system	4,872	3,872	4,872	4,872
Variable stability in-flight simulator test aircraft	11,869		11,869	8,000
Joint integrated avionics (including ICNIA)		50,000		34,700
Modular automatic test equipment	13,289	9,289	13,289	11,300
EW development	127,178	117,178	93,188	98,000
Advanced short range air-to-air missile (ASRAAM)	4,171	4,171	1,000	1,000
Chemical/biological defense equipment	17,661	14,661	17,661	19,000
Air base operability	17,018	14,018	17,018	14,018
DOD physical security equipment—exterior	5,144		5,144	
Combat identification systems	107,196	85,196	107,196	85,196
Surface defense suppression	39,787	39,787	36,087	39,787
Joint tactical information distribution system (JTIDS)	64,710	40,410	64,710	50,410
F-111 squadrons	21,541	15,541	21,541	21,541
F-4G wild weasel squadrons	21,287	18,287	8,387	8,387
TR-1 squadron	102,208	92,208	102,208	102,208
TACIT rainbow	39,323	15,000	39,323	39,323
Airborne warning and control system (AWACS)	174,774	144,774	80,374	119,000
Seek spinner		50,000		20,000
Classified programs	731,013	727,013	753,013	760,013
Defense satellite communications system	38,061	35,661	38,061	35,661
Traffic control, approach, and landing system (TRACALS)	25,114	30,114	25,114	30,114
NAVSTAR global positioning system (user equipment)	50,150	43,250	50,150	47,700
NAVSTAR global positioning system (space and controls)	53,232	15,332	48,232	48,232
Undistributed reduction (GPS, DSCS, DMSP, DSP)			−10,000	
Classified programs	1,845,762	1,868,512	2,006,862	1,902,362
Satellite system survivability	3,784	9,084	3,784	5,300
Flight simulator development	72,800	60,800	72,800	66,800
R&M maturation/technology insertion	20,760	18,760	20,760	18,760
Range improvement	40,065	66,265	20,065	20,065
Improved capability for development test and evaluation	50,708	50,708	50,406	50,708
Project Air Force	21,992	18,992	21,992	21,992
Test and evaluation support	298,087	298,087	295,590	298,087
Advanced systems engineering/planning	14,431	13,431	13,271	13,271
RDT&E aircraft support	57,826	52,826	57,826	52,826
Real property maintenance—RDT&E	81,881	75,000	81,881	79,000
Base operations—RDT&E	61,543	58,543	61,543	60,000
RDT&E minor construction (undistributed reduction)			−9,443	
Edwards AFB MSC uninterruptable power supply			−150	
Satellite control facility	100,803	91,903	100,803	89,303
Space boosters	488,785	473,185	503,085	483,485
Consolidated Space Operations Center	44,085	29,085	44,085	35,745
Defense meteorological satellite program (DMSP)	53,364	93,564	53,364	53,364
Productivity, reliability, availability, maintain, pro	16,398	15,398	16,398	15,398
International activities	3,737	3,737	2,737	3,123
Leased equipment		−30,000		−30,000

ADVANCED AVIONICS INTEGRATION

The conferees agree to provide $11,000,000. No reduction was made in the Ultra-Reliable Radar and Concealed Relocatable Target Detection Radar System projects.

B-1B INTEGRATION ACTIVITIES

The conferees agree to provide no funds in fiscal year 1989 to begin an upgrade to the B-1B bomber electronic warfare system. This action is taken because no funds were requested by the Air Force, there are significant unobligated balances remaining in the B-1 development program, and justification to the Congress for a proposed solution and its ultimate cost would first be required. The conferees understand that the Defense Department is currently conducting an evaluation of possible alternatives and should be able to provide recommendations to the Congress as part of the fiscal year 1990 budget. A plan should be submitted to the Armed Services and Appropriations Committees of Congress to accompany the budget submission which provides a detailed analysis of each existing system (e.g. ALQ-135, ALQ-161, ALQ-165, ALQ-172) considered, to include capabilities and costs, and to support any proposed recommendations. The plan should also address how unobligated funds from the ALQ-161 development and testing program, which are now excess due to recent decisions to forgo continued block development upgrades, would be utilized under the Department's proposal.

EC-135 MODIFICATIONS

The conferees agree to provide an additional $7,500,000 as proposed by the Senate as discussed in the Aircraft Procurement, Air Force section of this report.

CHEYENNE MOUNTAIN UPGRADES

The conferees are concerned with the Department of Defense's lack of management attention to computer upgrades at Cheyenne Mountain, which is the nation's primary facility for assessment of a nuclear attack on the United States. The General Accounting Office has recently indicated that the five concurrent computer upgrades, some of which individually will cost in the hundreds of millions of dollars, are not well coordinated. For example, different workload assumptions for determining the speed and size of computers were used in contracts even though the systems are interrelated; standards and protocols between the systems are not common although they must be in order to share information; and wiring standards within the complex are not in place. In addition, the Air Force continues to award new work to contractors on a fixed cost incentive basis even though those contractors have not met contract specifications for existing work. The conferees note that by fragmenting the computer upgrades into separate projects funded in separate line items, the Defense Department has avoided subjecting these important systems to the cost and management discipline inherent in a review from the Defense Acquisition Board. In spite of the very serious problems raised by the GAO, the conferees have decided to make no funding reductions as the House had proposed in the NCMC-TW/AA or CCPDS programs. Instead, the programs may proceed only with the understanding that the Defense Acquisition Board will consolidate the individual upgrades into a single integrated program, consolidate all funding into a single line item for each affected appropriation, conduct a management review of the integrated program in fiscal year 1989, and report the results to the Congress.

A-7 STRIKEFIGHTER

Upon submission of the fiscal year 1990 budget, the Secretary of Defense must certify to the Armed Services and Appropriations Committees of Congress that sufficient production funds are contained in the five year defense plan in a separate funding line to support a production decision. The conferees understand that a production decision would only be made if the development program proves to be successful. The certification should also explain the Air Force's competition and funding strategies that will be used to execute the program.

ELECTRONIC WARFARE DEVELOPMENT

The conferees agree to provide $98,000,000 for electronic warfare development. No reduction was made to the Area Reprogramming Capability (ARC) project. The conferees agree with the other Senate reductions.

TRAFFIC CONTROL AND LANDING SYSTEM (TRACALS)

The conferees agree with House language directing the Air Force to select not more than two of the four competitive prototype development contractors for a competitive procurement of the Tower Restoral Vehicle/Surveillance Restoral Vehicle (SRV/TRV) and establishing this program as an item of special interest.

LIFE SUPPORT SYSTEMS

The House report addressed the Tactical Life Support System (TLSS), which has concentrated on developing new protection equipment for tactical fighter aircrews, especially from the risk posed by "g-induced" unconsciousness or greyout resulting from air combat maneuvers. The conferees are advised that the Air Force has recently approved an expedited program to field enhanced anti-g protection for F-15 and F-16 aircrews, using technologies derived from the TLSS program. This effort, called Combat Edge, is geared towards initial fielding of improved capability by fiscal year 1990. The conferees endorse the Air Force's effort to deal rapidly with this problem.

The $3,700,000 cited in the House report for TLSS should be applied instead to Combat Edge. The conferees are aware these funds will not fully fund fiscal year 1989 requirements, and have been advised that the Air Force is currently examining alternative funding sources in order to execute the planned development, procurement of equipment, and aircraft modifications associated with fielding of Combat Edge technology. The conferees expect that the Air Force will realign resources as necessary to implement the current Combat Edge acquisition strategy on schedule. The conferees further expect the fiscal year 1990 budget will adequately fund Combat Edge. A report should be provided to the Committees on Appropriations to accompany the fiscal years 1990 budget request which describes the fiscal years 1989 to 1991 funding plan.

AEROSPACE CORPORATION

The House recedes from its proposal to require a work plan and financial breakdown for the Aerospace Corporation in fiscal year 1989, since adequate information has recently been provided by the Air Force.

ADVANCED WEAPONS TECHNOLOGY

The conferees agree to provide $89,494,000 for Advanced Weapons Technology instead of $74,494,000 as proposed by both the House and the Senate. The increase involves the transfer of $15,000,000 for the Single-Pulse Excimer Laser, which had been recommended at that funding level by the Senate, but in the Strategic Technology program element of the Defense Advanced Research Projects Agency. The conferees agree that this effort would be more appropriately carried out by the Air Force in conjunction with other related laser programs. Within the amount appropriated, $15,000,000 is provided only for the Single-Pulse Excimer Laser project.

DEFENSE SUPPORT PROGRAM

The conferees agree to provide $101,632,000 for the Defense Support Program instead of $119,132,000 as proposed by the House and $84,132,000 as proposed by the Senate. Within the amount appropriated, $20,000,000 is provided only for DSP Upgrades, as described in the classified annex to this report.

In approving funds for DSP upgrades, the conferees emphasize they are making no commitment to pursue the proposed DSP-Evolved Program and direct the Air Force to take no action which would contractually obligate the department for work beyond the specific activities for which the additional fiscal year 1989 funds are provided.

SATELLITE CONTROL FACILITY

The conferees agree to provide $89,303,000 for Satellite Control Facility instead of $91,903,000 as proposed by the House and $100,803,000 as proposed by the Senate. The appropriation provides a reduction of $7,500,000 for Command and Control Sustaining Engineering (CCSE), which allows funding at the fiscal year 1988 level, and a reduction of $4,000,000 in engineering services and other support. The conferees agree that the CCSE project is more appropriately an Operation and Maintenance activity, and direct that future funding for this effort be budgeted in the O&M, Air Force account.

SPACE BOOSTERS

The conferees agree to provide $483,485,000 for Space Boosters instead of $473,185,000 as proposed by the House and $503,085,000 as proposed by the Senate. The amount provided includes authorized funding of $472,785,000 plus a transfer of $10,700,000 from the Missile Procurement, Air Force account to more properly align costs for the Titan IV Solid Rocket Upgrade (SMRU). The conferees understand and agree that future budget requests for SRMU development will be included in RDT&E appropriations accounts and not missile procurement. With this understanding, the House recedes from its certification requirement regarding the SRMU project.

The conferees also agreed to modify the Senate's restriction on the use of funds in this program until the program until the President submits the National Space Plan requested in the Joint Explanatory Statement of the Conference on the Department of Defense Appropriations Act, 1988. The conferees agree that the obligation and expenditure of more than fifity percent of the fiscal year 1989 funds for the Space Boosters program shall be prohibited until the President submits the previously-requested plan or until the Secretary of Defense submits a Department of Defense plan addressing the same subjects, along with an explanation as to why issues could not be resolved satisfactorily within the Executive Branch to permit submission of the originally-requested document.

Amendment No. 78: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

Restore the matter stricken by said amendment to read as follows: *: Provided, That $2,000,000 shall be available only for development of high thermal stability and/or endothermic jet fuels, including studies on coal based fuels: provided further, That of the funds appropriated in this paragraph, $890,000,000 shall be available for ICBM modernization programs as follows:*

(1) $40,000,000 shall be available for continued development and flight testing of the MX missile;

(2) $250,000,000 shall be available for the Small ICBM program; and

(3) $600,000,000 shall be available for the MX Rail Garrison program and of the $600,000,000 available for the MX Rail Garrison program, the amoung obligated before February 15, 1989, may not exceed $250,000,000: Provided further, That during the period beginning on January 21, 1989, and ending on Febrauary 15, 1989, the President shall submit to the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives a report on—

(1) anticipated obligations for the remainder of fiscal year 1989 for the small ICBM program, the MX Rail-Garrison program, and other ICBM modernization programs; and

(2) the purposes those obligations are intended to accomplish

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree to fund continued development and flight testing of the MX missile at the requested amount, to appropriate $250 million for the small ICBM program, and to appropriate $600 million for the Rail-Garrison MX program. The conferees also agree to restrict the amount that could be obligated before February 15, 1989 for the Rail-Garrison MX program to no more than $250 million. Finally, the conferees ask the President to submit a report to the Committees on Armed Services and Appropriations between January 21, 1989 and February 15, 1989 on how funds for ICBM modernization will be obligated for the remainder of fiscal year 1989.

In the event the President does not choose to spend the balance of unobligated funds for the Rail-Garrison MX program, the conferees will consider a request for reprogramming.

The conferees direct the Secretary of Defense not to terminate either program prior to January 21, 1989. Within these funding limitations, the conferees direct the Secretary to exercise his best management efforts to keep the contractor base for each program as intact as possible, and to continue studies and analyses of other ICBM basing and operational modes. Within the funding limits for the small ICBM program, the conferees also direct the Air Force to carry out the schedule of activities it has planned under the amended budget request, plus any additional activities to facilitate transition to a more rapidly paced program, should the President choose that course.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE AGENCIES

Amendment No. 79: Includes a hearing for the transfer of funds as proposed by the Senate.

Amendment No. 80: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: *$8,427,908,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

Research Development Test & Eval Def AG				
Defense research sciences	89,492	84,240	89,492	86,900
In-house laboratory independent research	2,070	2,633	2,070	2,070
Strategic technology	227,640	252,361	352,140	311,490
Nuclear monitoring	22,600	37,600	22,600	37,600
Defense nuclear agency	346,848	314,289	321,885	317,000
Environmental hazard research			16,500	16,500
Caset				3,000
Adv submarine tech		114,000		95,000
Adv ASW tech		40,000		15,000
Tech exploitation		4,000		2,000
Classsified program		54,000		40,000
Physical security (EXP)		10,000		
Physical security (ADV)		13,000		
Physical security		17,000		35,000
Lighter than air technology (DARPA)		30,000		30,000
Strategic defense initiative (SDI)	4,521,121	3,183,000	3,967,000	3,717,000
Joint DOD-DOE munitions technology development	7,716		20,000	17,000
Experimental evaluation of major innovative tech	225,046	234,800	162,046	238,896
Balanced technology initiative	238,000	100,000	301,100	238,000
Cooperative DOD/VA medical research		20,000		17,000
Consolidated DOD software initiatives	37,120	64,315	45,320	61,642
Adv special operations research, develop and ACQ	8,852	18,862	8,862	13,862
Air defense initiative	213,574	173,574	153,574	158,574
Joint standoff weapons program	15,900		72,804	33,900
Joint remotely piloted vehicles program	34,766	34,766		40,916
Joint AAM technology development		60,000		
Classified programs	1,178,121	1,180,258	1,168,121	1,183,992
Semiconductor manufacturing technology	44,785	100,000	44,785	100,000
NATO research and development	200,598	100,000	200,598	154,000
Technical support to USD(A)	18,467	18,467	17,567	17,567
General support for PA&E	2,353	2,353	2,213	2,213
General support for policy	5,747	5,747	5,556	5,556
General support for net assessment	3,812	3,812	3,570	3,812
General support for FM&P	1,631	1,631	1,555	1,555
Technical support to USD(A)—critical technology	3,968	3,353	3,224	3,224
General support to C3I	2,568	2,568	2,391	2,391
General support for P&L	2,865	2,865	2,598	2,598
Critical technology analysis	4,400	4,400	29,100	23,250
Defense technical information center	23,824	23,824	21,000	22,412
Management headquarters (SDI)	24,790		21,000	21,000
Management headquarters (R&D)	15,497	13,420	15,497	14,458
Infrared focal plane array	23,589	23,589	5,000	9,000
Threat simulator development			60,000	60,000
Optoelectronic materials			14,500	12,500
National security-related space activities			100,000	100,000
Research projects				46,000
General reduction				−6,000

Amendment No. 81: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

Restore the matter stricken by said amendment amended to read as follows: *: Provided, That $95,000,000 shall be made available only for the Advanced Submarine Technology Program as described in section 241 of the National Defense Authorization Act for Fiscal Year 1989 (H.R. 4264), as provided in the conference agreement included in House Report 100-753: Provided further, That the Secretary of Defense shall award the funds made available in this Act for the University Research Initiative Program on the basis of competition; and, that none of the funds may be obligated or expended until the Appropriations and Armed Services Committees of the House and Senate approve a plan submitted by the Secretary of Defense to provide for broader geographic distribution of funds under such program in comparison to the distribution of such funds during fiscal year 1986 and 1987; and sets aside a portion of the funds available for such program for fiscal year 1989 to implement such a plan: Provided further, That section 215(c) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180) is repealed*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 82: Deletes language proposed by the Senate which provides for the transfer and merger of funds for advanced research.

Amendment No. 83: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert: *: Provided further, That of funds made available for the Experimental Evaluation of Major Innovative Technologies Program, $34,000,000 is available only for the purposes of research, development, launch, and on-orbit functional demonstrations with military forces of LIGHTSAT systems and their required low-cost transportable space launch vehicles*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 84: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides for a transfer of $96,500,000 to the National Aeronautics and Space Administration for the Advanced Launch System program, provides obligational restrictions on that program, and provides $16,500,000 for bioenvironmental hazards research.

Amendment No. 85: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides for transfer of an additional $100,000,000 to the National Aeronautics and Space Administration.

Amendment No. 86: Deletes language proposed by the Senate which provided for the transfer of funds for Strategic Defense Initiative Antitactical Ballistic Missile programs to the Army.

Amendment No. 87: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: *: Provided further, That of the total amount available for obligation for the Strategic Technology Program, $20,000,000 shall be made available only for the Defense Advanced Research Projects Agency Initiative in Concurrent Engineering*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 88: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and

concur in the amendment of the Senate which provides $3,500,000 for the National Defense Stockpile Transaction Fund for a grant to the South Carolina Research Authority to construct and equip a strategic materials research facility.

Amendment No. 89: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert: *Provided further, That of the amount available for obligation, $20,000,000 is available only for the X-Ray Lithography Program: Provided further, That of the amount available for obligation, $3,000,000 is available only for the Center for the Advancement of Scientists, Engineers, and Technologists to complete the study that was initiated by the Department of Defense in 1985 for the purpose of determining and testing the factors that increase the supply of minority and women scientists, engineers, and technologists needed by defense industries and the Department of Defense to fulfull the national defense mission: Provided further, That of the amount available for obligation, $12,500,000 is available only for the Optoelectronics materials research and development program: Provided further, That of the amount available for obligation, $7,500,000 is available only for the Lehigh University National Center for Industrial Innovation: Provided further, That of the amount available for obligation, $10,000,000 is available only for establishment of the Auburn University Center for the Management of Technology: Provided further, That of the amount available for obligation, $10,000,000 is available only for construction costs of a new academic facility on a university campus in the District of Columbia, where there will be established an Institute for Intercultural Security Studies: Provided further, That of the amount available for obligation, $7,000,000 is available only for the Minnesota Supercomputer Center, Incorporated, which is affiliated with the University of Minnesota, to be matched by local funds for the acquisition, design, testing, integration and advancement of a new supercomputer: Provided further, That of the amount available for obligation, $10,000,000 shall be made available until expended, as a grant, only for a program begun in fiscal year 1988 to develop an engineering sciences and technology complex to promote defense industry involvement in manpower training and education, for associated facilities, and for related purposes: Provided further, That of the amount available for obligation, $1,500,000 is available only for advanced ceramic material fabrication, development, testing and related research at the U.S. Department of Energy's Component Development and Integration Facility.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

STRATEGIC DEFENSE INITIATIVE

The conferees do not agree to bill and report language direction proposed by the Senate which would allocate and govern the use of funds for specific SDI technologies, with the exception of two provisions regarding the Advanced Launch System.

PHYSICAL SECURITY

The conferees agree to provide $35,000,000 in a single program element for development of improved physical security systems, instead of $40,000,000 in three programs as proposed by the House and $36,060,000 in seven programs as proposed by the Senate. The conferees agree to require the Physical Security RDT&E Master Plan as proposed by the House and allow the flexibility to allocate the appropriated amount into separate, OSO-managed program elements for exploratory, advanced, and full-scale development consistent with this plan. All of the appropriated amount is to be under the control of the Assistant Deputy Undersecretary of Defense for Tactical Warfare Programs, in his capacity as Chairman, Physical Security Equipment Action Group. The consolidation is not intended as a prejudicial comment on existing work of the services or the Defense Nuclear Agency; on the contrary, after coordination, prioritization, and review, much of this work may be selected for continuation by OSD. However, the conferees do intend that the consolidated program prioritize and more aggressively pursue both off-the-shelf and advanced development to address validated security requirements.

ADVANCED SUBMARINE TECHNOLOGY PROGRAM

The conferees do not agree to restrictions on the Advanced Submarine Technology Program as proposed by the House in report language.

LIGHTER THAN AIR TECHNOLOGY

The conferees agree to provide $30,000,000 for Lighter Than Air Technology. Of the amount provided, $4,000,000 may be utilized by DARPA for assessment of Lighter Than Air/hybrid technologies.

ADVANCED SATELLITE TECHNOLOGY PROGRAM

The conferees continue to be favorably impressed with the potential of DARPA's Advanced Satellite Technology Program (ASTP) initiative to provide our armed services with new capabilities for research and operational space systems.

The conferees are also impressed with the opportunities afforded by the ASTP initiative to simultaneously offer encouragement to the private sector space commercialization industry. It is therefore recommended that DARPA continue with this program as previously briefed to the Congress and to accentuate involvement of the emerging commercial space industry, in particular private sector launch firms. In that regard, the conferees direct that not less than $13,000,000 be allocated for SSLV.

EXPERIMENTAL EVALUATION OF MAJOR INNOVATIVE TECHNOLOGIES (EEMIT)

The conferees agree to provide $238,896,000 for Experimental Evaluation of Major Innovative Technologies (EEMIT) instead of $234,800,000 as proposed by the House and $162,046,000 as proposed by the Senate. The following Senate changes to the budget request are agreed to: (A) X-29, −$2,000,000; (B) Tactical Airborne Laser Communications, +$25,000,000; (C) Project EE-29, −$2,550,000; (D) unallocated, −$6,600,000. The conferees agree that the services may internally reprogram funds for X-29 testing, but not DARPA, since DARPA's objectives in this effort have been accomplished. Concerning Teal Ruby, the conferees do not agree to language of the House which forbids any reprogramming into the project. Instead, it is agreed that no funds may be obligated for Teal Ruby except through prior approval reprogramming. If such reprogramming request is submitted, it must be accompanied by a certification from the Secretary of Defense that sufficient funds are included in the current five year defense plan to complete the Teal Ruby experiment, to include costs for storage, activation launch on-orbit support, and data analysis. Concerning TALC, it is directed that $25,000,000 be allocated to this project. Further discussion of TALC is included in the classified annex to this statement.

STRATEGIC TECHNOLOGY

The conferees agree to provide $311,490,000 for Strategic Technology instead of $252,361,000 as proposed by the House and $352,140,000 as proposed by the State. The following changes to the budget request are agreed to: (A) gallium arsenide, +$18,000,000; (B) broad area search, −$2,650,000; (C) DARPA Initiative in Concurrent Engineering, +$20,000,000; (D) High Temperature Superconductivity, +$16,000,000; (E) "Smart Skins", +$4,000,000; (F) Advanced Semiconductor Materials, +$20,000,000; (G) Plasma arc/ferrochromium technology, +$3,500,000; and (H) Simulation and Training Technology Transfer, +$5,000,000; The conferees express support for the gallium arsenic project, and in particular the technical insertion activities. It is understood that SDIO will contribute at least $15,000,000 to this project in fiscal year 1989.

The conferees direct that, within the amount appropriated, $20,000,000 shall be provided for a continuing program in advanced microelectronics, superconductivity, optoelectronics, and advanced materials research. The conferees further direct that of the funds provided for this program, $5,000,000 be allocated only for continuation of simulating and training technology transfer activities through the involvement of a university system with a strong base of experience in training and simulation technology transfer that can be quickly mobilized to meet the technology transfer needs of the Defense Department. Such an organization also should be receiving support for training and simulation technology activities from a state and from industry sources and should have facilities, training, and simulation technology research equipment and a full-time, multi-disciplinary staff that includes scientists, engineers, and experts in other appropriate technical and professional disciplines.

CONSOLIDATED DOD SOFTWARE INITIATIVE

The conferees agree to provide $61,642,000 for Consolidated DoD Software Initiatives instead of $64,315,000 as proposed by the House and $45,320,000 as proposed by the Senate. Within the amount appropriated, the following allocations are provided: Ada Technical Insertion Program, $25,000,000, to include $10,000,000 for the Ada Language System—Navy project; Software Engineering Institute, $18,929,000; and STARS $17,713,000.

BALANCED TECHNOLOGY INITIATIVE

The conferees agree to approve reprogramming request FY88-24N, which concerns additional funding of $100,000,000 for the Balanced Technology Initiative out of fiscal year 1988 funds, subject to acceptability of the suggested sources.

SEMICONDUCTOR MANUFACTURING TECHNOLOGY

The conferees agree to provide $100,000,000 for Semiconductor Manufacturing Technology as proposed by the House instead of $44,785,000 as proposed by the Senate. Of the amount appropriated, no more than $25,000,000 may be obligated until a 1989 operating plan for SEMATECH has been submitted by the Defense Advanced Research Projects Agency (DARPA) to the House and Senate Committees on Appropriations, along with DARPA's assessment and approval of the operating plan.

CRITICAL TECHNOLOGY ANALYSIS

The conferees agree to provide $23,250,000 for Critical Technology Analysis instead of $4,400,000 as proposed by the House and $29,100,00 as proposed by the Senate. Changes to the budget request include X-Ray Lithography, + $20,000,000 and Defense Technology Analysis Office, − $1,150,000.

SHORT WAVELENGTH REPETITIVE-PULSE EXCIMER LASER

The Strategic Defense Initiative research program has yielded abundant information about several innovative technologies and their potential applicability to identified military functions. Among these technologies is the short wavelength, repetitive-pulse, excimer laser. Accordingly, the conferees believe that if the Department of Defense is committed to realizing the goal of demonstrating the feasibility and effectiveness of this laser program, it should consider the appropriate exercise of prior approval, discretionary reprogramming authority, if necessary, in FY 1989.

ADVANCED TACTICAL PATRIOT

In view of the possible contributions of the Advanced Tactical Patriot system to implement the evolving Army anti tactical ballistic missile (ATBM) strategy, the conferees would be willing to consider a reprogramming to fund research and development on such a system in fiscal year 1989 once the Army submits its ATBM Master Plan and demonstrates there is no duplication with SDI ATBM activities. Any fiscal year 1989 funding for Advanced Tactical Patriot will be considered subject to a prior approval reprogramming request from the Office of the Secretary of Defense and as long as the ATP program does not interfere with SDI's ATBM program.

DSTAR (INFRARED FOCAL PLANE ARRAY PROGRAM)

Due to funding restrictions and program uncertainties, the Conferees were unable to appropriate the full funding request for the Infrared Focal Plane Array (IRFPA) program in the Defense Advanced Research Projects Agency (DARPA). In view of these uncertainties, the Conferees agree with the language in the Senate Report. In reaching this agreement, however, the Conferees fully support DARPA's actions to develop a viable program to enhance the national capability to manufacture infrared focal plane arrays with military applications. Such a program also could maintain and enhance U.S. competitiveness in this critical technology area. The Conferees strongly encourage DARPA to support fully the IRFPA program in fiscal 1989 with the funds provided, and expect to receive a budget request for fiscal year 1990 for the DSTAR program which resolves the present uncertainties and demonstrates DARPA's firm commitment to carrying out this important initiative.

MEDICAL TECHNOLOGIES

The conferees urge that funds be allocated for medical excimer laser technology activities and available for a laser research program developed, in part, out of collaboration between a government-funded jet propulsion laboratory concentrating on defense projects and a major urban medical center with an already-established, substantial medical excimer laser technology research program using a long-pulse magnetically switched excimer laser. Further, the conferees urge a continuation of proton accelerator research and medical free electron laser research.

BIOENVIRONMENTAL HAZARDS RESEARCH

The conferees agree to provide $16.5 million for bioenvironmental hazards research (sec. 205(d) of PL 100-180)) to complete a project begun last year at Tulane and Xavier Universities.

NATO COOPERATIVE RESEARCH AND DEVELOPMENT

F-16 AGILE FALCON

F/A-18 UPGRADE

The conferees agree that a more complete justification is needed of the proposed F/A-18 upgrade and the F-16 Agile Falcon cooperative programs. They also agree with the concerns expressed in the Senate report regarding the relationship of these programs to other U.S. tactical aircraft developments, their affordability and military-cost effectiveness and the extent to which allied nations will pay significant cost shares, and further agree to examine these issues in the coming year. However the conferees do not wish to slow the entire programs while the assessments are under way. Therefore, the conferees agree with the reporting requirements as proposed by the Senate, and agree that no more than $30 million may be obligated for the F/A-18 Upgrade before March 15, 1989. The $30,000,000 is available only for the proposed radar upgrade for the F/A-18.

Concerning the F-16 Agile Falcon, no funds exceeding $5,000,000 may be obligated before March 15, 1989. In approving funds for the Agile Falcon predevelopment program upgrades, the conferees emphasize they are making no commitment to pursue this program into full scale development. The Air Force is directed to take no action during fiscal year 1989 which would obligate the department for any work beyond the Agile Falcon predevelopment phase. The conferees further direct that of the funds provided for NATO Cooperative Research and Development, $14,300,000 is available only for the Multifunction Information Distribution System.

JOINT STANDOFF WEAPONS

The conferees agree to provide $33,900,000 for the Joint Standoff Weapons program which is composed of $15,900,000 for the Advanced Interdiction Weapon System (AIWS)/Modular Stand Off Weapon (MSOW) and $18,000,000 for the Long Range Conventional Cruise Missile. The conferees are pleased with the quality of the Joint Standoff Weapon Master Plan which the Department submitted in response to the fiscal year 1988 Appropriations conference report. The master plan should be submitted annually and must include all technology base projects that could contribute to fielding standoff weapons. The conferees intend that the Office of the Secretary of Defense take aggressive action to eliminate duplication and foster cooperation between the Services in the technology base.

The conferees are concerned about the Long Range Conventional Cruise Missile (LRCCM) budget request and the need to provide Congress with a formal requirement for the weapon, an acquisition strategy, a program schedule, an estimate of quantities, and a firm estimate of development and procurement costs. The conferees agree to provide limited funding in order to address these issues and to continue technology development including improved cruise missile propulsion and guidance technolgies. The conferees expect that enhanced management attention through the master plan process will eliminate apparently redundant cruise missile technology base projects outside of the LRCCM program as discussed in the Senate report. The conferees further agree with the Senate language concerning obligation of funds.

JOINT REMOTELY PILOTED VEHICLES PROGRAM

(UNMANNED AERIAL VEHICLES

The fiscal year 1988 Defense Appropriations Act merged all Department of Defense non-lethal unmanned aerial vehicle (UAV) efforts into one joint program. At the time of reporting the fiscal year 1989 bill, neither the House or the Senate had received the DoD UAV Masterplan.

The Committees later reviewed the masterplan and subsequent realignment of the budget request for procurement and research and development for fiscal year 1989.

The masterplan presented by DoD partially responds to the direction provided by the Congress for fiscal year 1988. The department has made a good faith effort to create a management structure to avoid redundant development and procurement programs. The Committees recognize the separation of lethal and non-lethal UAV programs, but believe that there remains a significant potential for common air vehicles, guidance systems, data links, and other parameters outlined in the direction last year and incorporated in the DoD masterplan for non-lethal systems. The General Accounting Office, at the request of the Committees, has preliminarily reviewed these efforts, and has also raised issues of duplication between lethal and non-lethal development efforts. The Committees do not accept that the distinction between lethal and non-lethal UAV's precludes utilization of common components and systems.

With respect to the issue of duplication, the Conferees expect that all research and development and procurement efforts for lethal and non-lethal unmanned aerial vehicles will be jointly reviewed by the UAV EXCOM and the Joint Requirements Oversight Council for Stand-off Weapons. These two groups will jointly report their evaluations of all programs, specifically addressing the potential for utilization of common components and systems, to the Secretary of Defense prior to the obligation of not more than fifty percent of any funds for either new or on-going programs included in this act. The composition of these two Committees provides an ideal form for this consolidated review, incorporating representatives of each of of the services, the Joint Chiefs of Staff, and OSD. This review of all programs should monitor and consider cooperative efforts with either NATO or other allies, to further preclude any duplicative development programs.

As part of the annual updates of the UAV and Stand-off Weapons Masterplans, the Secretary of Defense should report on the status of all non-lethal and lethal UAV programs to the House and Senate Committees on Appropriations not later than March 15, 1989. Each report should include a detailed discussion of how duplication among the various components of lethal and non-lethal UAV's has been eliminated for the particular systems addressed in each report. The Committees intend to utilize this comprehensive evaluation in their review of the fiscal year 1990 budget request.

DEVELOPMENTAL TEST AND EVALUATION, DEFENSE

Amendment No. 90: Appropriates $149,900,000 for Developmental Test and Evaluation, Defense instead of $155,900,000 as proposed by the House and $146,587,000 as proposed by the Senate.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Director of Test and Eval Defense				
Space system test capabilities	2,000	2,000	1,500	1,500
Foreign weapons evaluation	12,864	17,864	12,864	15,364
NATO cooperative development testing	42,813	42,813	39,000	39,813

OPERATIONAL TEST AND EVALUATION, DEFENSE

Amendment No. 91: Appropriates $71,234,000 for Operational Test and Evaluation, Defense instead of $12,234,000 as proposed by the House and $143,400,000 as proposed by the Senate.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Director of Operational Test and Evaluation				
OT&E capability improvement	121,166		121,166	59,000
SDS OT&E organization	10,000		10,000	

OT&E CAPABILITY IMPROVEMENT

The conferees agree to provide $59,000,000 for OT&E Capability Improvement instead of no funds as proposed by the House and $121,166,000 as proposed by the Senate. The conferees direct that none of the appropriated amount may be obligated or expended until all of the following occur: (A) 30 days elapse after the Secretary of Defense submits a detailed description of the items to be procured or development with these funds and a certification that similar capability is not currently in use or in development by any component of the Department of Defense; and (B) the Comptroller General of the United States conducts a review of the jurisdiction and mission of the Office of the Director, Operational Test and Evaluation, including a review of the legislative intent for this office, and certifies to the House and Senate Committees on Appropriations that the OT&E Capability Improvement program either is within the scope of that mission or would be more appropriately conducted by another organization within the Department of Defense.

TITLE V—REVOLVING AND MANAGEMENT FUND

ARMY STOCK FUND

Amendment No. 92: Appropriates $291,900,000 instead of $321,900,000 as proposed by the House and $271,900,000 as proposed by the Senate and deletes House language withholding $15,000,000 from obligation until authorized by law.

Amendment No. 93: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which earmarks $20,000,000 to pay administrative expenses associated with studies to increase the use of coal by United States Department of Defense facilities in the United States.

NAVY STOCK FUND

Amendment No. 94: Appropriates $184,700,000 as proposed by the Senate instead of $204,700,000 as proposed by the House.

AIR FORCE STOCK FUND

Amendment No. 95: Appropriates $186,900,000 as proposed by the Senate instead of $206,900,000 as proposed by the House.

DEFENSE STOCK FUND

Amendment No. 96: Appropriates $25,000,000 as proposed by the Senate instead of $30,000,000 as proposed by the House and deletes House language which directed that $5,000,000 could not be obligated or expended until authorized.

FOREIGN CURRENCY FLUCTUATION, DEFENSE

Amendment No. 97: Deletes the House provision on the Foreign Currency Fluctuation, Defense account.

TITLE VI—CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, DEFENSE

Amendment No. 98: Appropriates a total of $179,500,000 for Chemical Agents and Munitions Destruction, Defense as proposed by the Senate instead of $375,400,000 as proposed by the House.

Amendment No. 99: Appropriates $44,300,000 for procurement as proposed by the Senate instead of $127,400,000 as proposed by the House.

Amendment No. 100: Deletes House language making an appropriation for construction and requiring prior authorization for a portion of the total appropriation.

The conference agreement on items in conference is as follows:

[In thousands of dollars]

	Budget	House	Senate	Conference
Chem agents and munitions destruction, def				
Procurement	74,000	127,400	44,300	44,300
Construction		112,800		

Amendment No. : Appropriates

The conferees agree to the Senate position for continuation of the chemical munitions disposal program for fiscal year 1989. The conferees note the provision of construction funds for the baseline facility to Tooele Army Depot and the strong endorsement of a full scale cryofracture facility at Tooele Army Depot in the Military Construction Appropriations conference report.

The conferees reaffirm the support included in both the House and Senate reports for a full scale prototype cryofracture facility to be included as part of the Army's budget request for FY 1990. The conferees believe that the investment made in this effort provides a crucial insurance policy for the safe and expeditious disposal of the aging stockpile of unity chemical munitions. The cryofracture technology could provide the important additional dividend of demonstrating a technique for the disposal of conventional munitions a requirement facing the Army.

Operational verification testing is a critical requirement to ensure safe operation of the disposal facilities. Both the baseline and the cryofracture must meet the most stringent testing standards set by the Army and other federal agencies. Funding for the other munitions disposal centers will be predicated on successful test results and operations of the initial baseline site on Johnston Island, as well as continued testing of both the baseline technology and cryofracture at Tooele. The Committees, in the future, will not hesitate to delay funding for additional disposal facilities if the Department has not vigorously pursued the cryofracture program or if the results of tests and/or operations justify such a delay. The conferees expect the Department to continue evaluation of cryofracture as an alternative technology so that both safety and cost effectiveness are served in this effort.

TITLE VII—RELATED AGENCIES

INTELLIGENCE COMMUNITY STAFF

Amendment No. 101: Appropriates $23,645,000 for the Intelligence Community Staff as proposed by the House instead of $23,745,000 as proposed by the Senate.

DRUG INTERDICTION, DEFENSE

Amendment No. 102: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

DRUG INTERDICTION, DEFENSE

(INCLUDING TRANSFER OF FUNDS)

For the Department of Defense, $210,000,000 and by transfer from Aircraft Procurement, Navy, 1987/89, $90,000,000 for transfer to "Military Personnel" and "Operation and Maintenance" appropriations for operating costs of the Department of Defense related to the detection and monitoring of aerial and maritime transit of illegal drugs into the United States. Not less than $40,000,000 of such amount shall be available only for drug interdiction activities of the Army National Guard and the Air National Guard. Funds appropriated by this paragraph in excess of $30,000,000 may not be obligated or expended until—

(1) the Secretary submits to the Committees on Armed Services and on Appropriations of the Senate and the House of Representatives a report on how the funds are proposed to be used; and

(2) a period of 30 days has elapsed after the date on which the report is received by such committees.

Such report shall be submitted not later than 60 days after the date of the enactment of this Act and should set forth in detail the plans of the Secretary for the obligation of such funds, including a statement of the following:

(A) The appropriation account or accounts to which the funds are proposed to be transferred.

(B) The activities proposed to be undertaken using those funds.

(C) The relationship between those activities and the drug interdiction strategy of the United States.

Funds appropriated by this paragraph shall be available for obligation for the same period, and for the same purpose, as the appropriation to which transferred. The transfer authority provided in this paragraph is in addition to any transfer authority contained elsewhere in this Act. The restrictions contained in the third sentence of this paragraph shall not apply to the obligation of any amount not in excess of $30,000,000 which is obligated for drug interdiction activities.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

DRUG INTERDICTION EFFORTS

The conferees agree to provide $300,000,000 ($210,000,000 in new obligational authority, $90,000,000 by transfer from fiscal year 1987/89 appropriations) for operational costs of Department of Defense drug interdiction efforts. The conferees agree to the establishment of a new Drug Interdiction Defense appropriation account as proposed by the Senate for aerial and maritime surveillance operational costs. The conferees further agree that the $40,000,000 set aside for Guard and Reserve component drug interdiction activities is a minimum level and the Department of Defense is encouraged to consider increasing the allocation for Guard and Reserve forces as part of its drug interdiction plan.

Although the conferees have not earmarked specific drug interdiction assets to be used by the Department in carrying out its new surveillance mission, the conferees concur with the conferees on the Department of Defense authorization bill that aerostat radar surveillance systems are a viable option for providing low-flying detection and surveillance of airborne and seaborne drug smugglers. The conferees also concur with the assessment that a significant radar surveillance "gap" exists from Brownsville, Texas to the West Coast of Florida—a gap that must be closed through the deployment of effective and proven surveillance systems, such as aerostats. Therefore, the conferees strongly recommend that the Secretary of Defense consider accelerating the deployment of aerostat radar surveillance systems along the southern border of the United States along the coast of the Gulf of Mexico. The conferees believe that sufficient funds provided within this conference agreement should be considered to be used to address this important drug interdiction problem.

SPECIAL OPERATIONS FORCES FUND

Amendment No. 103: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

SPECIAL OPERATIONS FORCES FUND

(INCLUDING TRANSFER OF FUNDS)

For expenses, not otherwise provided for, necessary for equipping and operating Special Operations Forces; $286,000,000, of which $108,000,000 shall be transferred to and merged with Other Procurement, Army; $35,000,000 shall be transferred to and merged with Operation and Maintenance, Navy; $100,000,000 shall be transferred to and merged with Shipbuilding and Conversion, Navy; $25,000,000 shall be transferred to and merged with Other Procurement, Navy; and $18,000,000 shall be transferred to and merged with Operation and Maintenance, Army.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree with the concern expressed by the Senate over the inadequate funding included in the fiscal year 1989 budget request for the Special Operations Forces. Consequently, the conferees agree to provide additional funds as follows:

[In millions of dollars]

	House	Senate	Conference
Army communications procurement	0	150.0	108
Navy operations	0	35.0	35
MH-47E helicopters	0	100.6	0
MC-130H aircraft	0	101.0	0
Navy patrol boats	0	100.0	100
Miscellaneous Navy equipment	0	100.0	25
Army operations	0	40.0	18
AC-130U aircraft	0	242.5	0
Total	0	868.5	286

The conferees agree that the Department should notify the House and Senate Committees on Appropriations of the specific items of equipment being acquired with the above funds prior to obligation of the funds.

Additional conference guidance is contained in the classified annex to this statement of the managers.

INCREASED RESOURCES OR INTELLIGENCE ACTIVITIES

The Senate bill added certain resources above the budget request to meet current and projected future needs to monitor Soviet strategic weapons development and deployment. The House bill did not add these resources.

After careful consideration, the conferees approved some elements of the Senate proposal, reduced funding for other elements, and deferred until certain conditions are met any authority to obligate and expend some funds that were provided.

Details of the conference action are highly classified and are included in the Classified Annex to this Conference Report.

TITLE VIII—GENERAL PROVISIONS

Amendment No. 104: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows: *That except as provided in 10 U.S.C. 2690, the foregoing authority shall not be available for the conversion of heating plants from coal to oil or coal to natural gas at defense facilities in Europe: Provided further,*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 105: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which treats the State of Israel the same as our NATO allies for certain procurement areas within this general provision.

The conferees stipulate, however, that this new language is not intended to disrupt in any way the fragile United States industrial base that this provision is designed to maintain. It is not the intent of the conferees to grant, now or in the future, any country the approval to become a part of the American industrial base or to displace United States companies that constitute that base.

Amendment No. 106: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

No appropriation contained in this Act may be used to pay for the cost of legislative liaison activities of the Department of Defense in excess of $15,000,000: Provided, That costs for military retired pay accrual shall be included within this limitation.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree that at least $180,000 should be used to increase the funding for the Navy Comptroller liaison office.

Amendment No. 107: Provides $3,000,000,000 as proposed by the Senate instead of $2,500,000,000 as proposed by the House as the amount of transfer authority provided for in this Act.

Amendment No. 108: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

SEC. 8016. Except as provided in 10 U.S.C. 2690, none of the funds available to the Department of Defense in this Act shall be utilized for the conversion of heating plants from coal to oil or coal to natural gas at defense facilities in Europe.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendments Nos. 109 to 111: Retains section numbers.

Amendment No. 112: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which states that reimbursement to providers should be the lower of the 80th percentile of customary charges.

Amendment No. 113: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires increases to reimbursement rates for physicians to be justified by the Medicare Economic Index.

Amendments Nos. 114 to 118: Retains section numbers.

Amendment No. 119: Places a ceiling of 6,113 full-time personnel in Morale, Welfare and Recreation activities instead of 9,901 as proposed by the House and 6,040 as proposed by the Senate.

Amendment No. 120: Places a ceiling of 1,570 part-time personnel in Morale, Welfare and Recreation activities as proposed by the Senate instead of 2,603 as proposed by the House.

Amendment No. 121: Restores House language which states that all obligations incurred in anticipation of appropriations and authority provided in this Act are hereby ratified and confirmed if otherwise in accordance with the provisions of this Act.

Amendments Nos. 122 to 127: Retains section numbers.

Amendment No. 128: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

UHF follow-on satellite system;
Defense Meteorological Satellite;

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 129: Provides multiyear procurement authority for the AH-64 helicopter program without specifying the duration as proposed by the Senate instead of four years duration as proposed by the House.

Amendment No. 130: Retains punctuation as proposed by the House and deleted by the Senate.

Amendment No. 131: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

Restore the matter stricken by said amendment, amended to read as follows: *TOW 2 Missile: Provided, That any requirement that a multiyear contract may not be entered into unless the anticipated cost over the period of the contract is not more than 88 percent of the average cost incurred for the same system procured under an annual contract shall not apply to multiyear contracts for TOW 2.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendments Nos. 132 to 137: Retains section numbers.

Amendment No. 138: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

Restore the matter stricken by said amendment, amended to change "46,622" as follows: *47,292.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section places a floor of 70,325 on (civilian) military technicians and a ceiling of 47,292 on personnel in active Guard or Reserve status (AGR) for certain Reserve and Guard components.

Amendment No. 139: Restores and amends House language which prohibits the management of civilian personnel on the basis of any end-strength. Regarding the Navy Manage to Payroll system, the conferees are concerned with the application of payroll allocation methodologies at industrially funded activities. Problems have been identified, particularly with the Navy's Manage to Payroll system at naval shipyards and engineering stations. As noted in a memorandum dated September 19, 1988 from the Comptroller of the Navy, "It has become apparent that for Industrial Fund activities, which experience considerable fluctuation in funded workload levels based on customer requirements, the procedure for justifying additional payroll requirements has not always been utilized and when utilized, has sometimes been perceived as insufficiently responsive." For instance, requests for adjustments to reflect actual workload took a full six months and forced managers either to risk major layoffs if not approved, or defer funded workload.

In order to provide additional flexibility in the operation of industrially funded activities, the conferees direct the services to provide such major claimants with authority to exceed their assigned payroll allocation figure by up to 5 percent without prior outside approval. Activities would be required to provide justification to the service comptoller for such adjustments within two weeks of their implementation. Any adjustment beyond the 5 percent figure would require outside approval as under current operations.

The conferees intend to oversee the application of this direction closely to determine if additional modifications are required to provide both needed flexibility in management and incentives to limit employment to funded workload levels.

Amendment No. 140: Deletes language proposed by the House which provides for the transfer of appropriations into research, development, test, and evaluation accounts to the extent necessary to meet increased pay costs authorized by law.

Amendments Nos. 141 to 144: Changes section numbers.

Amendment No. 145: Provides a ceiling on commissaries in the contiguous United States of 245 as proposed by the Senate instead of 247 as proposed by the House.

Amendments Nos. 146 to 156: Changes section numbers.

Amendment No. 157: Amends sections number and restores House language which prohibits funds to contract out any activity currently performed by the Defense Personnel Support Center in Philadelphia, Pennsylvania, until the Committees on Appropriations are notified of the results of the cost analysis of contracting out any such activity.

Amendments Nos. 158 to 164: Changes section numbers.

Amendment No. 165: Deletes House language which provides $22,300,000 to the Army for procurement of Tactical Army Combat Service Support Computer Systems from unobligated balances in the Automatic Data Processing Equipment Management Fund.

Amendments Nos. 166 to 170: Changes section numbers.

Amendment No. 171: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which allows the Department of Defense to grant civilian employees time off in lieu of pay when they are participating in productivity-based incentive award programs.

Amendment No. 172: Amends section number and restores House language which sets civilian personnel strengths at Army communications and electronic depots.

Amendment No. 173: Changes section number.

Amendments Nos. 174 to 176: Restores three classes of machine tools which are to be purchased in the United States or Canada as proposed by the House.

Amendments Nos. 177 to 178: Changes section numbers.

Amendment No. 179: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

SEC. 8072. Except where specifically increased or decreased elsewhere in this Act, the restrictions contained within appropriations, or provisions affecting appropriations or other funds, available during fiscal year 1989, limiting the amount which may be expended for personnel services, and including pay and allowances of military personnel and civilian employees, or for purposes involving personal services are hereby increased to the extent necessary to meet increased pay costs authorized by or pursuant to law.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendments Nos. 180 to 185: Changes section numbers.

Amendment No. 186: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

(a) None of the funds in this Act may be used to execute a contract for the civilian Health and Medical Program of the Uniformed Services (CHAMPUS) Reform Initiative that exceeds the total fiscal year 1987 costs for CHAMPUS care provided in California and Hawaii, plus normal and reasonable adjustments for price and program growth.

(b) Notwithstanding section 725 of Public Law 100-180, the preemption provisions of title 10, United States Code, chapter 55, section 1103, shall not be limited to contractual provisions relating to coverage of benefits, but shall apply to any and all contracts entered into pursuant to Solicitation Number MDA-903-87-R-0047 and shall preempt any and all State and local laws or regulations which relate to health insurance or to prepaid health care plans

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment limits the funds available to execute the CHAMPUS Reform Initiative contract and provides preemption of laws and regulations relating to health insurance and health care plans.

Amendment No. 187: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which exempts the CHAMPUS Reform Initiative contracts and subcontracts from Hawaii state or local taxes.

Amendments Nos. 188 to 191: Changes section numbers.

Amendment No. 192: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert: *: Provided further,* That of the funds appropriated for "Other Procurement, Army" for fiscal year 1988, those funds provided for a supercomputer may only be obligated to purchase a system to be installed at a competitively selected independent academic institution: *Provided further,* That of the funds appropriated for "Other Procurement, Army" in fiscal year 1989, $27,400,000 shall be obligated to purchase a supercomputer system to be installed at the United States Army Engineer Waterways Experiment Station.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees accept the Senate language which reaffirmed the intent of the Congress in fiscal year 1988 to provide a supercomputer system for the Army at a competitively selected academic institution. The conferees have worked closely with the Army on this issue, and have reviewed an initial draft of a plan to provide advanced supercomputing capability to meet critical Army research requirements utilizing state of the art systems and components. The conferees urge the Army to proceed with development and execution of this revised strategy. The systems procured with the funds provided will work in concert with the network of supercomputers located on Army installations, maximizing the benefits and talents of the academic research center. The proposed research center will be responsible for critical evaluation of emerging computer technologies to satisfy the present and future supercomputing needs of the Army. The Center will manage installation, conduct research, develop training programs and undertake special application projects (in collaboration with industry when required) on a continuing basis. The Army should submit its final acquisition, competition, and installation plan for this project to the Committees on Appropriations not later than 30 days prior to any obligation of the funds provided in fiscal year 1988 for supercomputer procurement.

The conferees further agree to provide funds for the Army to procure a supercomputer at its Corps of Engineers Waterways Experiment Station. It will vastly increase the Army's ability to perform numerical investigations necessary for classification research, development, test, and evaluation studies in the Army's military engineering program. This capability will allow the Army to conduct simulations, modeling, analyses and designs in areas such as M1 tank development, missile structure development, projectile penetrations, ground shocks, blast effects, underwater mine effects, and chemical agent movements in water. The additional capability will also save about $4,700,000 in funds now spent by the Corps during the first year of operation and over $50,000,000 over the life of the computer.

Amendments Nos. 193 to 194: Changes section numbers.

Amendment No. 195: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

(c) None of the funds appropriated in this Act are available for procurement of mini- and micro-computers for the Army Reserve Component which duplicates functions to be included in the RCAS contract.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree to modify the general provision on the Reserve Component Automation System (RCAS) to allow limited procurement of critical mini and micro computers that are needed for Reserve Component functions which do not partially or fully duplicate the capability which is to be provided by the RCAS contract once it is awarded. Under no circumstances is the authority provided by the general provision to be used to network or expand existing or future information systems between the Army Forces Command and the Reserve Components or within the Reserve Components, including electronic mail. Under all circumstances, written notification to the Appropriations Committees of Congress is required prior to obligation of funds.

Amendment No. 196: Restores language proposed by the House and stricken by the Senate but changes the section number. This provision restricts the obligations of funds for fixed-price type development contracts until a written determination is made regarding program risk, prohibits the delegation of this responsibility below the level of Assistant Secretary of Defense, and provides for Congressional notification prior to the issuance of said detemination.

Amendments Nos. 197 to 199: Changes section numbers.

Amendments Nos. 200 to 201: Changes the name of certain Navy facilities from Naval Air Rework Facilities to Naval Aviation Depots, as proposed by the Senate.

Amendment No. 202: Deletes House language which prohibited funds to procure either directly or indirectly any goods or services from Toshiba Corporation, from Kongsberg Vapenfabrik, or from any of their subsidiaries.

Amendment No. 203: Changes section number.

Amendment No. 204: Specifies the size of welded shipboard anchor and mooring chain to be purchased in the United States at 4 inches in diameter and under as proposed by the Senate instead of 4¼ inches as proposed by the House.

Amendment No. 205: Changes section number.

Amendment No. 206: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert:

(a) None of the funds available to the Department of Defense shall be used to enter into any agreement or contract to convert a heating facilitiy at military installations in Europe to district heat, direct natural gas, or other sources of fuel until ninety days after a study by the United States Departments of Defense, State, and Commerce on the economic benefits of using United States coal at defense installations in Europe is completed and forwarded to Members of Congress: Provided, That this study should determine the extent of, and justification for, the economic benefits accruing to the Soviet Union from all prior and anticipated conversions of United States military installations in Europe to district heat and direct natural gas systems which utilize Soviet-supplied natural gas: Provided further, That this study should also address the issues raised by the economic analysis prepared by the Ambassador at Large on burdensharing negotiations to be appointed by the President as delineated by subsection (c) of section 8125 of this Act: Provided further, That the study also include a reveiw of the modernization plan for the needed updating of the heating systems in the Kaiserslautern military community and the usage of United States produced coal: Provided further, That this study should be completed no later than July 1, 1989.

(b) Notwithstanding subsection (a) funds available to the Department of Defense may be used to enter into an agreement or contract to convert a heating facility at military installations in Europe to district heat, direct natural gas, or other sources of fuel if the Secretary of Defense certifies in writing and provides a copy to the Committees on Appropriations of the House and Senate that such conversion is in the best interest of the Nation.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree to the Senate language requesting the Departments of Defense, State, and Commerce to study the implications of economic benefits to the Soviet Union from all prior and anticipated conversions to district heating using Soviet Union natural gas. The conferees also request that this study address the economic implications of German coal being used in district heating systems, displacing American anthracite. An April 1988 economic analysis prepared by the American Embassy, Bonn, reported that German coal used in district heating systems, because of direct subsidies provided to its own coal and imposed tariffs on imported coal, costs more than American anthracite even after factoring in transport costs to Germany. The American Embassy, Bonn analysis and the report prepared by the Ambassador at Large on burdensharing as addressed in section 8125 should be addressed in the requested joint study.

The conferees agree that subsection (b) should not be used to request blanket authority but to address individual conversion contracts, citing the installations involved in each contract.

Amendment No. 207: Changes section number.

Amendment No. 208: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following: *The Department of Defense may include the hospital and neonatal services identified in subsections (a) and (b) in diagnosis related group regulations during fiscal year 1989 when the Department of Defense has adopted special measures to assure equitable and adequate payment for such services, such special measures including: (1) a "children's hospital differential" adjustment for each discharge of a CHAMPUS patient from a children's hospital that will assure that had the regulations been in effect for fiscal year 1988 they would have resulted in estimated aggregate CHAMPUS payments to children's hospitals not less than estimated aggregate CHAMPUS payments to such hospitals for discharges occurring during that fiscal year under the regulations in effect during fiscal year 1988 (recognizing that payments in subsequent years will vary based on volume, case mix intensity, and other factors); for a transitional period of three years the children's hospital differential will be computed on a hospital specific basis for children's hospitals with 50 or more CHAMPUS discharges in fiscal year 1988 and will be computed in aggregate for children's hospitals with less than 50 discharges in a year; (2) a children's hospital differential hold harmless provision, providing for retrospective and prospective corrections; (3) a special outlier policy for children's hospitals and neonatal services that combines the thresholds in effect under CHAMPUS DRG regulations for fiscal year 1988 with the higher marginal cost factors proposed by 53 Fed. Reg. 20580 (June 3, 1988); (4) a refinement to the DRGs for neonatal services to account for birthweight, surgery, and the presence of multiple, major, and other neonatal problems; (5) incorporation of annual updates to the classification features included in the regulation for neonatal services; (6) a provision for making interim payments for cases that are especially lengthy or expensive; and, (7) a commitment to examine possible further uses of Pediatric Modified DRGs in the future*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment allows the use of DRGs for certain hospital and neonatal services when the Department of Defense has adopted special measures to assure equitable and adequate payment for such services.

Amendment No. 209: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

SEC. 8092. PROHIBITION ON PURCHASE OF TOSHIBA PRODUCTS FOR RESALE IN MILITARY EXCHANGE STORES.

(a) PROHIBITION.—During the three-year period beginning on the date of the enactment of this Act, no product manufactured or assembled by Toshiba America, Incorporated, or Toshiba Corporation (or any of its affiliates or subsidiaries) may be purchased by the Department of Defense for the purpose of resale of such product in a military exchange store or in any other morale, welfare, recreation, or resale activity operated by the Department of Defense (either directly or by concessionaire).

(b) EXCEPTION.—The prohibition in subsection (a) shall not apply to microwave ovens manufactured or assembled in the United States.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 210: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

SEC. 8093. Notwithstanding any other provision of law, the Secretary of the Air Force shall, from existing prior year funds, make available $18,000,000 for the next generation trainer (F-109) engine over the next three year period: Provided, That none of the funds may be obligated or expended until the Secretary of the Air Force submits a certification to the Committees on Appropriations which identifies a specific United States military requirement for the F-109 engine or which demonstrates that these funds can be fully recouped under a contractual arrangement with the manufacturer through commercial sales of the engine.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 211: Restores "Transfer of funds" heading as proposed by the House, amends section number, and restores House language which allows transfer of prior year unobligated balances to O&M appropriations of the reserve components to provide military technician pay exemption from sequestration.

Amendment No. 212: Changes section number.

Amendment No. 213: Amends section number and restores House language which directs that naval vessels must be overhauled, repaired and maintained in the United States, except for voyage repairs.

Amendment No. 214: Changes section number.

Amendment No. 215: Restores House language which cites section 104 of the Intelligence Authorization Act, Fiscal Year 1989, dealing with a prohibition on assistance to the Nicaraguan democratic resistance.

Amendment No. 216: Deletes House language which specified the bill number of the Intelligence Authorization Act, Fiscal Year 1989.

Amendment Nos. 217 to 218: Changes section numbers.

Amendment No. 219: Amends section number and restores House language which prohibits the use of funds for product improvements to the M30 (4.2 inch) mortar.

Amendment No. 220: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

SEC. 8101. The designs of the Army LHX helicopter, the Navy Advanced Tactical Aircraft, the Air Force Advanced Tactical Fighter, and any variants of these aircraft, must incorporate Joint Integrated Avionics Working Group standard avionics specifications no later than 1998.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 221: Changes section number.

Amendment No. 222: Deletes House language which earmarks funds for engineering development of Joint Integrated Avionics Working Group standard avionics modules and supporting advanced avionics architecture elements.

Amendment No. 223: Changes section number.

Amendment No. 224: Deletes Senate language which required that exchange agreements be among United States refiners.

Amendment No. 225: Changes section number.

Amendment No. 226: Deletes House language stricken by the Senate dealing with the funding for a workplace that is not free of illegal controlled substances.

The conferees strongly agree with the intent of the provision included by the House. However, the conferees have agreed to strike this language since this issue was addressed on a government-wide basis in Section 628 of the conference report for the Treasury-Postal Service-General Government Appropriations Act for 1989 (H. Rept. 100-881).

Amendment No. 227: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 8105. ALLOWABILITY OF COSTS TO PROMOTE THE EXPORT OF DEFENSE PRODUCTS.

(a) IN GENERAL.—Section 2324(f) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(5) The regulations shall provide that costs to promote the export of products of the United States defense industry, including costs of exhibiting or demonstrating products, shall be allowable to the extent that such costs—

"(A) are allocable, reasonable, and not otherwise unallowable;

"(B) with respect to the activities of the business segment to which such costs are being allocated, are determined by the Secretary of Defense to be likely to result in future cost advantages to the United States; and

"(C) with respect to a business segment which allocates to Department of Defense contracts $2,500,000 or more of such costs in any fiscal year of such business segment, are not in excess of the amount equal to 110 percent of such costs incurred by such business segment in the previous fiscal year.".

(b) REGULATIONS.—The Secretary of Defense shall prescribe final regulations under paragraph (5) of section 2334(f) of title 10, United States Code (as added by subsection (a)), not later than 90 days after the date of the enactment of this Act. Such regulations shall apply with respect to costs referred to in such paragraph that are incurred by a Department of Defense contractor (or a subcontractor of such a contractor) on or after the first day of the contractor's (or subcontractor's) first fiscal year that begins on or after the date on which such final regulations are prescribed.

(c) REPORT.—Not later than two years after the date of the enactment of this Act, the Comptroller General of the United States and the Inspector General of the Department of Defense shall each submit to the Committees on Armed Services and Appropriations of the Senate and House of Representatives a report that includes the following:

(1) An assessment of whether the regulations required by section 2324(f)(5) of title 10, United States Code (as added by subsection (a)), provide the appropriate incentives to stimulate exports by the United States defense industry and provide cost savings to the United States.

(2) An assessment of whether such regulations provide appropriate criteria to ensure that costs allowed are reasonably likely to provide future cost savings to the United States.

(d) TERMINATION.—Section 2324(f)(5) of title 10, United States Code (as added by subsection (a)), shall cease to be effective three years after the date of the enactment of this Act.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 228: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 8106. (a) Such sums as may be necessary for fiscal year 1989 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

(b) Sums appropriated in Title I of this act, Military Personnel are reduced by $150,000,000 which will be realized by absorbing a portion of the pay raise requirements.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This provision requires that the costs of the fiscal year 1989 pay raise be absorbed within funds provided in this Act. Additionally, the provision requires the Defense Department to absorb $150,000,000 of the military pay raise requirements.

Amendment No. 229: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of section number 8093 named in said amendment, insert: *8107*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The section requires that reimbursement for care to active duty military by civilian providers must be in accordance with CHAMPUS reimbursement rates.

Amendment No. 230: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the section number named in said amendment, insert: *8108*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section provides funds for payment of bonuses for nurse anesthetists.

Amendment No. 231: Deletes Senate language which prohibits the Japanese Yen from coverage by the Foreign Currency Fluctuation, Defense fund.

Amendment No. 232: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the section number named in said amendment, insert: *8109*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section prohibits the use of funds to convert Naval Industrial Fund activities to appropriated fund activities.

Amendment No. 233: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert:

(TRANSFER OF FUNDS)

SEC. 8110. Notwithstanding any other provision of law during fiscal year 1989, the Secretary of Defense shall make available to the United States Coast Guard without reimbursement not less than $140,000,000 in supplies, fuel, training, assistance, medical support, and other operations support, exclusive of administrative costs; and from funds made available in this Act, $60,000,000 shall be transferred to Coast Guard "Operating Expenses".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment provides $140,000,000 of in-kind assistance and $60,000,000 for operating expenses.

The conferees agree this is the final year that the Department of Defense appropriations should fund Coast Guard requirements. In the future, the appropriate committees should ensure adequate funding of the Coast Guard.

The fiscal year 1988 Department of Defense (DoD) ensure adequate funding of the Coast Guard.

The fiscal year 1988 Department of Defense (DoD) Appropriations Act provided $5,000,000 for development of a lightweight, portable sonar for the Coast Guard from within funds provided by DoD. Due to program start-up delays, these funds could not be obligated in fiscal year 1988. The conferees strongly support the Navy/Coast Guard plan to identify and evaluate a suitable lightweight portable sonar, and direct that not less than $5,000,000 of the funds provided by this provision be available to support this initiative.

Amendment No. 234: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 18111. Of the funds appropriated by this Act, not more than $1,163,200,000 may be obligated for morale, welfare, and recreation activities: Provided, That nonappropriated funds may be used to reimburse appropriated funds for expenses of civilian employees employed on January 1, 1987, by revenue-generating recreation activities and such reimbursed expenses shall not be included in the dollar limitation of this section.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 235: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the section number named in said amendment, insert: *8112*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section places a ceiling on overseas workyears.

Amendment No. 236: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of section number 8100 named in said amendment, insert: *8113*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section requires the Secretary of Defense to evaluate the Deputy Inspector General's report entitled "Review of Unified and Specified Command Headquarters" and report back to the House and Senate Appropriations Committees by December 1, 1988.

Amendment No. 237: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 8111. Of the funds appropriated by this Act, not more thatn $1,163,2000 may be obligated for marale, welfare, and recreation activities; *Provided*, That nonappropriated funds may be used to reimburse appropriated funds for expenses of civilian employees employed on January 1, 1987, by revenue-generating receation activities and such reimbursed expenses shall not be included in the dollar limitation of this section

The managers on the part of the Senate willmove to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 235: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the section number named in said amendment, insert: *8112*

The managers on the part of the senate willmove to concur in the amendment of the House to the amendment of the Senate.

This section places a ceiling on overseas workyears.

Amendment No. 236: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of section number 8100 named in said amendment, insert: *8113*

The managers on the part of the Senate willmove to concur in the amendment of the House to the amendment of the Senate.

This section requires the Secretary of Defense to evaluate the Deputy Inspector General's report entitled "Review of Unified and Specified Command Headquarters" nd report back to the House and Senate Appropriations Committees by December 1, 1988.

Amendment No. 237: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 8114. During the current fiscal year and thereafter, the Secretary of Defense shall notify the House and Senate Committees on Appropriations when salary increases granted to direct and indirect hire foreign national employees are at a rate in excess of the percentage pay increase authorized by law for civilian employees of the Department of Defense whose pay is computed under the provisions of section 5332 of title 5, United States Code or at a rate in excess of the percentage increase provided to National Government employees of the host nation, whichever is higher.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees believe that the Senate proposal to hold foreign national pay raises to the rates provided U.S. citizen employees of the Department of Defense would be difficult to implement, and, in some instances would conflict with existing Status of Forces agreements. The conferees agree, however, that foreign national pay costs need to be closely monitored to ensure that any increases provided above the rates provided to U.S. citizen employees are fully justified. Accordingly, the conferees have amended the Senate bill language to require the Secretary of Defense to notify the House and Senate Committees on Appropriations when foreign national pay raises exceed the level given to either U.S. civilians or by the host nation to its own employees.

Amendment No. 238: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the section number named in said amendment, insert: *8115*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section transfers funds from the Defense Stock Fund and Navy Industrial Fund into certain operation and maintenance accounts.

The conferees agree that the Air Force Reserve and Air National Guard should obligate sufficient funds to support the KC-135E re-engining program. Any remaining funds should then be directed toward readiness items, such as flying hours, depot maintenance, training, and technician pay.

The conferees further agree to Senate language which requires the Department of Defense to annualize these cash refunds in the 1990 Guard and Reserve budget requests as though they were appropriations.

Amendment No. 239: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

SEC. 8116. During the current fiscal year, the Secretary of Defense may exempt a patient from paying an amount required by section 1079(b)(1) or 1086(b)(3) of title 10, United States Code, if the hospital to which the patient is admitted does not impose a legal obligation on any of its patients to pay for inpatient care: Provided, That the Secretary of Defense may, upon request, make payments under section 1079 or 1086 of title 10, United States Code, for a charge for services (which shall not exceed the average amount paid for comparable services in the *geographic area in which the hospital is located, or if no comparable services are available in that area, in an area similar to the area in which the hospital is located) for which a claim is submitted under a plan contracted for under section 1079(a) or 1086(a) of title 10, United States Code, to a hospital that does not impose a legal obligation on any of its patients to pay for such services: Provided further, That the Secretary of Defense shall periodically review the billing practices of each hospital the Secretary approves for payment under this section, to ensure that the hospital's practice of not billing patients for payment does not result in increased costs to the Government and the Secretary may require each hospital approved for payment under this section to provide evidence that it has sources of revenue to cover un-billed costs.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment exempts CHAMPUS beneficiaries from paying CHAMPUS cost shares if treated at hospitals which do not impose a legal obligation on any of its patients to pay for inpatient care.

Amendment No. 240: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the section number named in said amendment, insert: *8117*

The managers on the part of the Senate will move to concur in the amendment of the Senate.

The amendment prohibits funds to carry out the Navy's Electromagnetic Pulse Radiation Environment Simulator for Ships in the Chesapeake Bay area until certain certifications are made concerning the program's military capability and economic, environmental, and social costs.

Amendment No. 241: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 8118. Funds provided by this Act for the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) may be used by the Office of CHAMPUS to conduct a pilot project to provide program modifications and efficiencies by amending up to two existing fiscal intermediary contracts: Provided, That the Secretary of Defense conducts a separate health care demonstration project, if it is in the best interests of the Government, in the New Orleans, Louisiana area (the area described in Solicitation Number MDA 903-87-R-0047) that uses a managed health care network, including health care enrollment (as provided for in section 1099, title 10, United States Code): Provided further, That the Secretary shall implement this demonstration project no later than September 30, 1989.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment allows the Department to conduct a CHAMPUS pilot project by amending up to two fiscal intermediary contracts and a demonstration project in New Orleans, Louisiana by September 30, 1989.

Amendment No. 242: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of section number 8106 named in said amendment, insert: *8119*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section prohibits changes to the command structure of military forces in Alaska.

Amendment No. 243 Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the section number named in said amendment, insert: *8120*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section requires local hiring under government contracts in noncontiguous states.

Amendment No. 244: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 8121. No more than $183,179,000 of the funds appropriated by this Act shall be available for the payment of unemployment compensation benefits.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment limits the payment of unemployment compensation benefits paid by the Department of Defense.

Amendment No. 245: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the section number named in said amendment, insert: *8122*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section requires local procurement of alcoholic beverages for Department of Defense activities in noncontiguous states.

Amendment No. 246: Deletes Senate language which requested a quarterly report on cumulative reprogrammings for procurement and research and development which exceed a certain threshold.

Amendment No. 247: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the section number named in said amendment, insert: *8123*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Seante.

This Senate expresses the sense of Congress with respect to the composition and direction of the Strategic Defense Initiative program.

Amendment No. 248: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 8124. (a) If a reduction in variable housing allowance (VHA) rates was required subsequent to January 1, 1988, to comply with section 8047 of the Department of Defense Appropriations Act, 1988, a member of the uniformed services who received reduced rates and who, on the effective date of this Act, is still a member of the uniformed services, shall be paid the difference between the VHA rate as reduced subsequent to January 1, 1988, and the VHA rate to which the member would have been entitled under the rates established on January 1, 1988: Provided, That such payments shall be made from appropriations provided by this Act.

(b) None of the funds appropriated to the Department of Defense by this or any other Act for fiscal year 1989 shall be available to pay the variable housing allowance authorized members of the uniformed services under section 403a of title 37, United States Code, and the payments authorized by subsection (a) of this section, in a total amount in excess of $1,220,000,000: Provided, That any reduction in the rates of the variable housing allowance necessitated by the foregoing limitation shall be made as provided in section 403a of title 37, United States Code.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 249: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 8125. (a)(1) Not later than March 1, 1989, the Secretary of Defense shall submit to Congress a report on the assignment of military missions among the member countries of North Atlantic Treaty Organization (NATO) and on the prospects for the more effective assignment of such missions among such countries.

(2) The report shall include a discussion of the following:

(A) The current assignment of military missions among the member countries of NATO.

(B) Military missions for which there is duplication of capability or for which there is inadequate capability within the current assignment of military missions within NATO.

(C) Alternatives to the current assignment of military missions that would maximize the military contributions of the member countries of NATO.

(D) Any efforts that are underway within NATO or between individual member countries of NATO at the time the report is submitted that are intended to result in a more effective assignment of military missions within NATO.

(b) The Secretary of Defense and the Secretary of State shall (1) conduct a review of the long-term strategic interests of the United States overseas and the future requirements for the assignment of members of the Armed Forces of the United States to permanent duty ashore outside the United States, and (2) determine specific actions that, if taken, would result in a more balanced sharing of defense and foreign assistance spending burdens by the United States and its allies. Not later than August 1, 1989, the Secretary of Defense and the Secretary of State shall transmit to Congress a report containing the findings resulting from the review and their determinations.

(c) The President shall appoint an Ambassador at Large responsible to the President who shall have the responsibility for ensuring a more balanced sharing of defense costs by the NATO members, Japan, the Republic of Korea, and other countries allied to the United States. Such responsibilities shall include negotiations for burdensharing including increased in-kind and financial

support by such countries for Department of Defense military units and personnel assigned to permanent duty ashore outside the United States in support of the security of such countries, and multi-lateral foreign assistance costs: Provided, That the Ambassador at Large should review (1) trade restrictions that require German utilities to purchase German-produced coal to the exclusion of foreign coal, including United States coal, and (2) the extent to which the tax on electricity used to subsidize German coal producers is borne by American military installations, American military dependents, or American civilians who support our military installations. The Ambassador at Large should prepare an economic analysis on the comparison of using German versus United States coal at defense facilities in Europe. This analysis should address the issues of all direct subsidies provided on German coal and restrictions imposed on imported coal and should be submitted to the Departments of Defense, State, and Commerce for use in their study on the economic benefits of using coal at defense facilities in Europe.

(d) The President shall specify (separately by appropriation account) in the Department of Defense items included in the budgets submitted to Congress under section 1105 of title 31, United States Code, for fiscal years after fiscal year 1989 the amounts necessary for payment of all personnel, operations, maintenance, facilities, and support costs for Department of Defense overseas military units, and the costs for all dependents who accompany Department of Defense personnel outside the United States.

(e) Not later than May 1, 1989, the Secretary of Defense shall submit to the Committees on Armed Services and on Appropriations of the Senate and the House of Representatives a report that sets forth the total costs required to support the dependents who accompany Department of Defense personnel assigned to permanent duty overseas.

(f) As of September 30 of each fiscal year after fiscal year 1989, the number of members of the Armed Forces on active duty assigned to permanent duty ashore in Japan and the Republic of Korea may not exceed 94,450 (the number of members of the Armed Forces on active duty assigned to permanent duty ashore in Japan and the Republic of Korea on September 30, 1987). The limitation provided for the preceding sentence may be increased if and when a major reduction of United States forces in the Republic of the Philippines is required because of a loss of basing rights in that nation, and the President determines and certifies to Congress that, as a consequence of such loss, an increase in United States forces stationed in Japan and the Republic of Korea is necessary.

(g)(1) After fiscal year 1990, Department of Defense budget submissions to Congress under section 1105 of title 31, United States Code, shall identify funds requested for Department of Defense personnel and units in permanent duty stations ashore outside the United States that exceed the amount of such costs incurred in fiscal year 1989, and shall detail: (A) a description of the types of expenditures increased, by appropriation account, activity and program; and (B) specific efforts to obtain allied host nations' financing for these cost increases.

(2) The Secretary of Defense shall notify in advance the Committees on Appropriations and Armed Services of the House and Senate through existing notification procedures, when costs of maintaining Department of Defense personnel and units in permanent duty stations ashore will exceed the amounts as defined in the Department of Defense budget as enacted for that fiscal year. Such notification shall describe: (A) the type of expenditures that increased; and (B) the source of funds (including prior year unobligated balances) by appropriation account, activity and program, proposed to finance these costs.

(3) In computing the costs incurred for maintaining Department of Defense personnel and forces in permanent duty stations ashore outside the United States compared with the amount of such costs incurred in fiscal year 1980, the Secretary shall—

(A) exclude increased costs resulting from increases in the rates of pay provided for members of the Armed Forces and civilian employees of the United States Government and exclude any cost increases in supplies and services resulting from inflation; and

(B) include (i) the costs of operation and maintenance and of facilities for the support of Department of Defense overseas personnel, and (ii) increased costs resulting from any decline in the foreign exchange rate of the United States dollar.

(h) The provisions of subsections (f) and (g) shall not apply in time of war or during a national emergency declared by the President or Congress.

(i) In this section—

(1) the term "personnel" means members of the Armed Forces of the United States and civilian employees of the Department of Defense;

(2) the term "Department of Defense overseas personnel" means those Department of Defense personnel who are assigned to permanent duty ashore outside the United States; and

(3) the term "United States" includes the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Senate proposed several actions to accomplish a more balanced sharing of defense costs by U.S. allies. The conferees agree that action must be taken to redress the current imbalance in defense spending by the United States and its allies, and specifically tht more needs to be done by NATO members, Japan and South Korea to offset the cost of permanently stationing U.S. troops in these nations.

The conferees agree to several initiatves in the Senate bill: (1) a revies by the Secretry of Defense and State of long-term interests overseas and requirements to station U.S. forces ashore overseas; (2) submission of budget justifications, after the fiscal year 1990 budget, that detail militry personnel, operation and maintenance, and militry construction requested to support forces permanently stationed overseas; (3) a report on the total costs to support dependents of Defense personnel sttioned overseas; (4) an end strength cap on U.S. active duty forces permanently stationed in Japan and South Korea.

The conferees agree that the NATO roles and missions study called for by the Senate should be performed instead by the Secretary of Defense. With respect to the requirement for a chief burdensharing representtive, the conferees have agreed to have an ambassador at large appointed by the President and responsible to the President.

The Senate also proposed establishment of an oversaeas cost cap after fiscal year 1989, with increases allowed only for normal inflation and pay raises; any additional costs would have to come from either increased allied burdensharing payments or from funds available for Defense personnel and forces overseas. The House did not address this issue.

The conferees agree that the cost cap proposed in the Senate bill would be overly restrictive and difficult to implement. The conferees believe that since action must be taken to address the current imbalance in defense spending among allied nations and to control Defense Department costs overseas, the policy of reportin on costs above current overseas expenditures is a good one. Accordingly, the conferees agree that costrs for overseas personnel and units above the level incurred in fiscal year 1989 9except for pay raises and normal inflation) shall be clearly described in budget submissions beginning with the FY 1991 submission. Further, to the extent that overseas costs exceed the level enacted, such increases shall be subject to reprogramming procedures.

Amendment No. 250: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 8126. The Secretary of Defense shall take such action as may be necessary to implement at the earliest practicable date and with funds provided for such purpose under the heading "Army Stock Fund" in title V of this Act, the program proposed by the Department of Defense in a letter, dated August 30, 1985, from the Assistant Secretry of Defense for Acquisition and Logistics to rehabilitate and convert current steam generating plants at defense facilities in order to achieve a coal consumption target of 1,600 short tons of coal per year (including at least 300,000 short tons of anthracite coal) above current consumptin levels at Department of Defense facilities in the United States by fiscal year 1994: Provided, That such actin shall be subject to use of only the most cost-effective fuel system in the construction of new plants or the conversion of existing plants; however, this cost-effectiveness requirement is not applicable to a comparison between bituminous and anthracite coal: Provided further, That the requirement to purchase 300,000 short tons of anthracite coal expressed in the Department of Defense Appropriations Act, 1988, section 8113, must be complied with: Provided further, That, if the Department does not execute contracts to purchase the anthracite coal mandated in the fiscal year 1988 Defense Appropriations Act by September 30, 1988, it shall use such funds as are necessary from appropriations made available in this Act to complete this purchase.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 251: Deletes language proposed by the Senate concerning completion of a study regarding the supply of minority and women scientists, engineers, and technologists. Similar language has instead been included in the conference agreement in amendment number 89.

Amendment No. 252: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 8127. Not more than $3,000,000 of the funds appropriated in this Act may be used to carry out the provisions of section 430 of title 37, United States code.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 253: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the section number named in said amendment, insert: *8128*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section directs that $5,500,000 be used to transfer the smokejumper facility at Fort Wainwright, Alaska, to the Bureau of Land Management.

Amendment No. 254: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

(TRANSFER OF FUNDS)

SEC. 8129. Upon enactment of this Act, the Secretary of Defense shall make the following transfer of funds: Provided, That the amounts transferred shall be available for the same purposes as the appropriations to which transferred, but shall be available only for the time period of the appropriation from which transferred: Provided further, That funds shall be transferred between the following appropriations in the amounts specified:

(1) From: Under the heading, "Shipbuilding and Conversion, Navy, 1985/89":

Trident submarine program, $89,200,000;

T-ACS auxiliary crane ship program, $500,000; and

Outfitting and Post Delivery programs, $7,200,000;

Aircraft Procurement, Navy 1987/89, $28,000,000;

Research, Development, Test, and Evaluation, Navy, 1988/89, $40,000,000; and

Research, Development, Test and Evaluation, Air Force, 1988/89, $31,000,000;

To: Under the heading, "Shipbuilding and Conversion, Navy 1985/89":

T-AO fleet oiler ship program, $54,400,000;

MCM mine countermeasures ship program, $30,500,000;

DDG-51 guided missile destroyer program, $105,000,000; and

T-AGS ocean survey ship program, $6,000,000;

(2) Under the heading, "Shipbuilding and Conversion, Navy, 1986/90":

From: TRIDENT ballistic missile submarine program, $8,900,000;

To: Mine countermeasures ship program, $8,900,000; and

(3) From:

Aircraft Procurement, Army, 1987/89, $14,800,000;

Missile Procurement, Army, 1987/89, $75,200,000;

Weapons and Tracked Combat Vehicles, Army, 1987/89, $77,600,000;

Other Procurement, Army, 1987/89, $43,100,000;

Weapons Procurement, Navy, 1987/89, $71,900,000;

Other Procurement, Navy, 1987/89, $99,900,000;

Other Procurement, Navy, 1988/90, $10,000,000;

Coastal Defense Augmentation, 1988, $20,000,000;

Aircraft Procurement, Air Force, 1987/89, $110,500,000;

Missile Procurement, Air Force, 1987/89, $103,000,000;

Other Procurement, Air Force, 1987/89, $32,500,000;

National Guard and Reserve Equipment, 1988/90, $82,300,000;

Research, Development, Test, and Evaluation, Army, 1988/89, $10,000,000;

Research, Development, Test, and Evaluation, Air Force, 1988/89, $5,300,000;

To: Under the heading, "Shipbuilding and Conversion, Navy, 1987/91":

DDG-51 destroyer program, $666,000,000;

SSN-668 Attack submarine program, $68,600,000;

AO program, $8,000,000;

For craft outfitting and post delivery, $13,500,000; and

(4) From:

National Guard and Reserve Equipment, 1988/90, $110,700,000;

To:

Other Procurement, Navy 1989/91, $110,700,000.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree with the Senate provision to transfer funds from available prior year procurement and research and development appropriations. Adjustments have been made to various source identified in the Senate report to reflect program changes and obligations that occurred since passage of the Senate bill. The conferees also utilized funds addressed in Sec. 903 of the National Defense Authorization Act Conference Report for fiscal year 1989.

The Conferees suggest these transfers to finance miscellaneous adjustments in the fiscal years 1985, 1986, and 1987 Shipbuilding accounts. In fiscal year 1987, Congress authorized three DDG-51, Aegis destroyers, but only appropriated funds for two. This recommendation transfers $666,600,000 of funds appropriated in fiscal year 1987 to purchase the remaining authorized DDG-51 destroyer. Additionally, $110,700,000 is transferred to the Other Procurement, Navy account for 1989 to offset part of the consolidation of ship outfitting equipment in the procurement account.

The Conferees approve the following adjustments:

Appropriation and line item

[In thousands of dollars]

Appropriation and line item	Recommended transfer
Shipbuilding and conversion, Navy, 1985:	
Trident submarine program	−89,200
T-ACS auxiliary crane ship program	−500
Outfitting and post delivery	−7,200
Total	−96,900
Aircraft procurement, Navy, 1987:	
ASW Helo Seahawk	−1,000
P-3C Orion	−2,000
E-2C Hawkeye	−2,000
S-3 Mods	−3,000
Common ground equipment	−2,000
F-18	−13,000
H-46 mods	−5,000
Total	−28,000
RDT&E, Navy, 1988: NROSS	−40,000
Total	−40,000
RDT&E, Air Force, 1988:	
ALQ-99E update	−7,000
F-4G Wild Weasel	−8,000
Space defense (F-15 ASAT)	−16,000
Total	−31,000
Total	−195,900
Shipbuilding and conversion, Navy, 1985:	
T-AO fleet oiler ship program	+54,400
MCM mine countermeasures ship program	+30,500
DDG-51 guided missile destroyer program	+105,000
T-AGS ocean survey ship program	+6,000
Total	+195,900
Shipbuilding and conversion, Navy, 1986: Trident submarine	−8,900
Total	−8,900
Shipbuilding and conversion, Navy, 1986: Mine countermeasures ship program	+8,900
Total	+8,900
Aircraft procurement, Army, 1987:	
UH-60 Black Hawk MYP (AP)	−1,300
Spares and repair parts	−11,700
Avionic support equipment	−1,800
Total	−14,800
Missile procurement, Army, 1987:	
Patriot	−40,000
Stinger	−27,600
Hawk mods	−2,600
Pershing	−5,000
Total	−75,200
Weapons and tracked combat vehicles, Army, 1987:	
M-1 tank	−26,600
Bradley	−24,400
Field artillery ammo vehicle	−2,600
Spares and repair parts	−14,000
Production base support #1	−5,000
Bradley mods	−5,000
Total	−77,600
Other procurement, Army, 1987:	
Semitrail tank 7500G	−2,000
Trailer/cargo	−1,000
Trailer/heavy expanded	−1,000
Mobile subscriber eq	−3,000
Optical longhaul trailer	−1,600
Product base support	−2,000
Causeway systems	−5,500
Generators	−10,000
Tracked forklift	−2,000
Spares and repair parts	−1,000
Non-system training devices	−4,000

	transfer
Program adjustment	−10,000
Total	−43,100
Weapons procurement, Navy, 1987:	
Harpoon	−3,000
SM-2MR	−25,000
SM-ER	−10,000
Aerial targets	−5,000
Other missile support	−3,000
Mod missile AIM 9 Sidewinder	−2,000
Torpedo MK-46 mods	−5,000
Fleet satellite comm	−18,900
Total	−71,900
Other procurement, Navy, 1987:	
High pressure compressor	−1,000
Surface sonar support equipment	−1,000
Sub adv. combat system	−2,000
Offboard deception devices	−5,000
Sub communication devices	−3,000
Elec eng maintenance NAVSEA	−1,000
5″ guided projectile	−35,500
Submarine ASW support	−1,000
Physical security equipment	−5,000
Quickstrike	−5,000
AN/SQR-19 tactical towed sonar	−2,000
Strategic platform support equipment	−38,400
Total	−99,900
Other procurement, Navy, 1988: AN/SQR-17A	−10,000
Total	−10,000
Coastal defense augmentation, 1988: Program	−20,000
Total	−20,000
Aircraft procurement, Air Force, 1987:	
F-15	−40,000
Air defense fighter	−15,500
F/RF-4	−10,000
C-135	−10,000
Spares	−25,000
Ground support equipment	−10,000
Total	−110,500
Missile procurement, Air Force, 1987:	
Peacekeeper	−75,000
AMRAAM	−25,000
DSCS	−3,000
Total	−103,000
Other procurement, Air Force, 1987:	
MAC command and control	−2,000
Projectile-EMP hardening	−5,200
Equipment tactical C-E equipment	−1,100
Com—Elec. mods	−2,000
Tactical shelter	−5,000
Mobility equipment	−2,000
AF Tech Application Center	−3,000
Radio equipment	−1,200
Mobile generators	−2,000
Flood lights	−1,000
OTH-B radar	−3,000
Program adjustment	−5,000
Total	−32,500
National Guard and Reserve equipment, 1988: P-3	−82,300
Total	−82,300
Research, development, test, and evaluation, Army, 1988: Maxicube	−10,000
Total	−10,000
Research, development, test, and evaluation, Air Force, 1988: Satellite system survivability	−5,300
Total	−5,300
Shipbuilding and conversion, Navy, 1987:	
DDG-51 destroyer	+666,000
SSN-688 Submarine	+68,600
AO Jumbo	+8,000
YTT	+13,500
Total	+756,100
National Guard and Reserve equipment, 1988: P-3	−110,700
Total	−110,700
Other procurement, Navy 1989: Ship outfitting	+110,700
Total	+110,700

The Conferees have estimated available funds for transfer from these programs with the understanding that the Department of Defense may, based on more recent obligation actions and emergent requirements require the substitution of other resources, with prior approval of the Committees on Appropriations, within the level specified, for the individual accounts.

The Secretary of Defense is requested to report to the House and Senate Committee on Appropriations actual transfers by P-1, R-1 line item no later than December 1, 1988.

Amendment No. 255: Deletes Senate language which rescinds proviously appropriated funds in the Seek Spinner program.

Amendment No. 256: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

(INCLUDING TRANSFER OF FUNDS)

SEC. 8130. In addition to the amounts appropriated or otherwise made available in this Act, $438,800,000 is appropriated for the DDG-51 destroyer program, and in addition, $349,200,000 shall be available by transfer for this program from the following appropriations: Aircraft Procurement, Army, 1988/90, $30,000,000; Missile Procurement, Army, 1988/90, $3,800,000; Weapons and Tracked Combat Vehicles, Army, 1988/90, $71,500,000; Aircraft Procurement, Navy, 1988/90, $61,700,000; Shipbuilding and Conversion, Navy, 1988/92, $126,300,000; Other Procurement, Navy, 1988/90, $53,900,000; and Other Procurement, Air Force, 1988/90, $2,000,000: Provided, That the amounts transferred shall remain available for obligation only for the time period provided when originally appropriated.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree to appropriate $438,800,000 for the 1989 DDG-51 program. In addition, the conferees agree to transfer $349,200,000 from prior year procurement programs to be merged with funds provided in the fiscal year 1989 Shipbuilding and Conversion, Navy account for the DDG-51 program.

The conferees approve the following transfers:

[Dollars in thousands]

Aircraft procurement, Army, 1988: AH-64 Apache	−30,000
Total	−30,000
Missile procurement, Army, 1988: Pershing	−3,800
Total	−3,800
Weapons and tracked combat vehicles, Army, 1988:	
Bradley	−30,000
M-1 Tanks	−41,500
Total	−71,500
Aircraft procurement, Navy, 1988:	
EA-6B	−2,500
F-14	−31,800
E-2C	−27,400
Total	−61,700
Shipbuilding and conversion, Navy, 1988:	
Aircraft carrier	−100,000
CG-47	−26,300
Total	−126,300
Other procurement, Navy 1988: Strategic platform support equipment	−53,900
Total	−53,900
Other procurement, Air Force, 1988: OTH-B radar	−2,000
Total	−2,000
Shipbuilding and conversion, Navy, 1989: DDG-51 guided missile destroyer	+349,200

Amendment No. 257: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 8131. (a) Of the funds made available in this Act to the Department of the Navy $6,000,000 shall only be available for dredging and emplacement of a portion of dredge material at the critical zone Sandy Hook, New Jersey.

(b) Under the heading entitled "Construction, general", in the Energy and Water Development Appropriations Act of 1988, title I (Public Law 100-202; 101 Stat. 1329, 1329-108), amend the paragraph that begins "The Secretary of the Army" and deals with Saxon Harbor, Wisconsin, by deleting the words "wood cribs as".

(c) Section 628 of "An Act Making Appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President and Certain Independent Agencies, for the Fiscal Year ending September 30, 1989, and for Other Purposes," is hereby amended to add the follow-

ing at the end thereof: "(c) This section shall be effective on January 16, 1989."

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 258: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 8132. In applying any rule of statutory construction, the provisions of Title I through IX of this Act shall be deemed to have been enacted after the provisions of the Department of Defense Authorization Act, Fiscal Year 1989 as set forth in Title X of this Act or as set forth in H.R. 4481 (regardless of the actual dates of enactment concerned).

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 259: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the section number named in said amendment, insert: *8133*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree to Senate language which establishes minimum levels of procurement of polyacrylonitrile (PAN) from domestic sources by year through 1992.

Amendment No. 260: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the section number named in said amendment, insert: *8134*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section reduces funds available to the Department of Defense by $30,000,000 and directs the Secretary to allocate the reduction to reflect savings resulting from the increased use of discount air fares.

Amendment No. 261: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 8135. None of the funds made available to the Department of Defense in this Act may be used to plan, design, or procure more than one type of Air Force trainer aircraft.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Senate provision prohibited the obligation of funds for the tanker, transport, trainer system unless requirements for bomber pilot training were also included.

The House did not address this provision.

Amendment No. 262: Deletes Senate language which expresses sense of the Senate that the Congress should pass legislation to provide a military pay raise of 4.1 percent for basic pay and basic allowance for subsistence and 7 percent for basic allowance for housing.

Amendment No. 263: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the section number named in said amendment, insert: *8136*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section requires that statements, press releases, requests for proposals, bid solicitations, and other documents clearly state the dollar amount and the percentage of the total cost of the program or project with Federal funds.

Amendment No. 264: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 8137. The total amount appropriated to or for the use of the Department of Defense by this Act is reduced by $150,000,000 to reflect savings resulting from the decreased use of consulting services by the Department of Defense. The Secretary of Defense shall allocate the amount reduced in the preceding sentence and not later than March 1, 1989, report to the Senate and House Committees on Appropriations how this reduction was allocated among the Services and Defense Agencies.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Consulting and Advisory Services.—The conferees agree with the intent of the Senate reduction for consulting and advisory services, however, are unable to determine what impact a cut of 15 percent below fiscal year 1987 levels would have on military readiness.

Whereas extensive hearings have been conducted by other congressional committees, to date none have been held by the Appropriations Committees. The conferees do, however, agree with the Senate's position that the Department of Defense is spending far too much for outside consulting services and that the Department must reduce the over $2,500,000,000 it spends annually on these services. The conferees further agree that they must act now to encourage the Department to reduce these expenditures and begin prioritizing their requirements. The conferees have agreed to a general provision which reduces the total funds appropriated by the Act for the Department of Defense by $150,000,000 and directs the Secretary of Defense to allocate this reduction among the services for consulting and advisory services.

Acquisition Personnel.—The conferees agree with the stated position of the Department of Defense regarding "Bid to Performance"—or the use of performance specifications. This approach seems to offer substantial opportunities for significant savings of time and money in defense acquisition programs by reducing detailed specifications and enabling industry to exercise initiative in developing creative solutions to technical problems. This approach also allows the Department to reduce the number of both military and civilian personnel involved with the acquisition of defense systems. The Department has developed guidelines which identify the personnel involved with the determination of requirements and development of specifications for weapon systems. The Department should achieve savings by reductions in the number of acquisition personnel.

Amendment No. 265: Deletes Senate language which would have transferred funds from several procurement accounts to support the Wartime Host Nation Support agreement between the United States and the Federal Republic of Germany.

Amendment No. 266: Deletes Senate language which provided discretionary authority for the Agency for International Development (AID) to use excess DoD foreign currencies.

The Secretary of State and Administrator of the Agency for International Development (AID) are urged to consider how excess United States-owned foreign currencies could be used to support the education of American dependents abroad. Such use should be addressed in the report requested by the fiscal year 1989 Foreign Operations Appropriation report regarding this issue.

Amendment No. 267: Deletes language proposed by the Senate which provides a cap on Independent Research and Development/Bid and Proposal (IR&D/B&P) costs. However, the Department of Defense is requested to submit to the House and Senate Committees on Appropriations a report on the IR&D/B&P program including long-range objectives and recommendations for IR&D/B&P funding.

Amendment No. 268: Deletes Senate language on close air support. The House and Senate Appropriations Committees will address the issue of close air support aircraft as part of hearings on the fiscal year 1990 budget request next year.

Amendment No. 269: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of section number 8133 named in said amendment, insert: *8138*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section allows the Department to recoup expenses paid on behalf of the Soviet Union in execution of the INF Treaty.

Amendment No. 270: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 8139. Section 3554 of title 31, United States Code, is amended in subsection (a)(1), by striking out "unless the Comptroller General determines and states in writing the reasons that the specific circumstances of the protest require a longer period."

The managers on the part of the Senate will offer a motion to concur in the amendment of the House to the amendment of the Senate.

The conferees agree to Senate language which limits the length of time the Comptroller General can stay a procurement under bid protest to 90 days.

The conferees also agree to delete Senate language which addressed the payment of legal fees, bid preparation cost, and agency notification of non-implementation of payment of costs recommendations since these matters are under the jurisdiction of other committees of the House and Senate.

Amendment No. 271: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of section number 8135 named in said amendment, insert: *8140*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section amends section 2345 of the Military Construction Authorization Act, 1988/89 concerning the use of sewage facilities at Fort Chaffee, Arkansas.

Amendment No. 272: The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert the following:

Sec. 8141. (a) Not later than 90 days after the date of enactment of this Act, the Administrator of the Office of Federal Procurement Policy shall issue a policy, and not later than 180 days thereafter government-wide regulations shall be issued under the Office of Federal Procurement Policy Act which set forth:

(1) conflict of interest standards for persons who provide consulting services described in subsection (b); and

(2) procedures, including such registration, certification, and enforcement requirements as may be appropriate, to promote compliance with such standards.

(b) The regulations required by subsection (a) shall apply to the following types of consulting services:

(1) advisory and assistance services provided to the government to the extent necessary to identify and evaluate the potential for conflicts of interest that could be prejudicial to the interests of the United States;

(2) services related to support of the preparation or submission of bids and proposals for federal contracts to the extent that inclusion of such services in such regulations is necessary to identify and evaluate the potential for conflicts of interest that could be prejudicial to the interests of the United States; and

(3) such other services related to federal contracts as may be specified in the regulations prescribed under subsection (a) to the extent necessary to identify and evaluate the potential for conflicts of interest that could be prejudicial to the interests of the United States.

(c) The Comptroller General shall report to Congress not later than one year after the date of enactment of this Act his assessment of the effectiveness of the regulations prescribed under this section.

(d) Intelligence activities as defined in section 3.4(e) of Executive Order 12333 or a comparable definitional section in any successor order may be exempt from the regulations required by subsection (a): Provided, That the Director of Central Intelligence shall report to the Intelligence and Appropriations Committees of the Congress no later than January 1, 1990, and annually thereafter delineating those activities and organizations which have been exempted from the regulations required by subsection (a) in accordance with the provisions of this subsection.

(e) The President shall, before issuance of the regulations required by subsection (a), determine if the promulgation of such regulations would have a significantly adverse effect on the accomplishment of the mission of the Department of Defense or other federal government agencies: Provided, That if the President determines that the regulations required by subsection (a) would have such an adverse effect, the President shall so report to the appropriate committees of the Senate and the House of Representatives, stating in full the reasons for such a determination: Provided further, That in the event of submission of a report to the committees containing an adverse effect determination, the requirement for the regulations prescribed by subsection (a) shall be null and void.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees support the intent of the Senate provision which requires the Department of Defense to determine conflict of interest, registration, and appropriate enforcement requirements for and/or companies providing consulting services by contract to the U.S. Government or to contractors doing business with the U.S. Government. The conferees, however, are not prepared, without appropriate hearings and input from the Department of Defense, to enact regulations composed by Congress.

The conferees do, however, feel that regulations should be developed by the appropriate authorities to address these key issues. Because of the unique and complex issues involved, the conferees believe the Administrator of the Office of Federal Procurement Policy (OFPP) should use his authority to issue government-wide policy. From this policy the conferees direct that government-wide regulations shall be issued under the Office of Federal Procurement Policy Act.

Further, the conferees intend that client information and all proprietary information be exempt from the provisions of the Freedom of Information Act. In addition, due to the sensitive nature of their mission, language has been included permitting the exemption of intelligence activities from the regulations required by the conference agreement.

Finally, the conferees have also included a proviso which will negate this section if the President reports to the Congress that the promulgation of such regulations would have a significantly adverse impact on the accomplishment of the mission of federal agencies.

Amendment No. 273: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

Sec. 8142. (a) Of the amounts available to the Department of Defense for fiscal year 1989, not less than $10,000,000 shall be available for National Defense Science and Engineering graduate Fellowships to be awarded on a competitive basis by the Secretary of Defense to United States citizens or nationals pursuing advanced degrees in fields of primary concern and interest to the Department.

(b) Fellowships awarded pursuant to subsection (a) above shall not be restricted on the basis of the geographical locations in the United States of the institutions at which the recipients are pursuing the aforementioned advanced degrees.

(c) Not less than fifty percentum of the funds necessary to carry out this section shall be derived from the amounts available for the University Research Initiative Program in "Research, Development, Test, and Evaluation, Defense Agencies", and the balance necessary shall be derived from amounts available for Defense Research Sciences under title IV of this Act.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree that the Department of Defense should expand its efforts to encourage the training of greater numbers of scientists and engineers to strengthen our nation's capacity to develop the technology necessary to assure our continued security. The Department is urged to closely coordinate its effort with that of the National Science Foundation's similar fellowship program to select, on a nationwide competitive basis, the most promising candidates for this defense fellowship program, and if feasible, to initiate a consolidated application and review process.

The conferees also direct the Department to consider steps in the implementation of this program to promote the award of fellowships to members of minority groups underrepresented in science and technology. In addition, the conferees urge that awardees be encouraged to seek placement in institutions and programs currently participating in the University Research Initiative program to complement that effort.

Amendment No. 274: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the section number named in said amendment, insert: *8143*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section earmarks funds for testing and evaluation of low profile antenna systems for ground level communications.

Amendment No. 275: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the section number named in said amendment, insert: *8144*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This section expresses the sense of the Congress that three foreign correspondents should posthumously be awarded the Presidential Medal of Freedom in honor of their brave efforts to document the Afghan struggle for freedom.

TITLE IX—ASSISTANCE FOR THE NICARAGUAN RESISTANCE

Amendment No. 276: The conferees have agreed to provide assistance to the Nicaraguan Resistance as proposed by the Senate, and to include the Appropriations Committees of the House and Senate, along with the Foreign Affairs and Intelligence Committees in the section on congressional oversight. The House had no similar provision.

Amendment No. 277: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert:

TITLE X—NATIONAL DEFENSE AUTHORIZATIONS

SEC. 10001. ENACTMENT OF FISCAL YEAR 1989 DEFENSE AUTHORIZATION BILL.

The provisions of the bill H.R. 4481 of the One Hundredth Congress, as contained in the conference report filed in the House of Representatives on September 28, 1988, are hereby enacted into law.

SEC. 10002. STATUTORY CONSTRUCTION.

(a) ORDER OF ENACTMENT.—In applying any rule of statutory construction, the provisions of titles I through IX of this Act

shall be deemed to have been enacted after the provisions of this title.

(b) PERMANENCE OF AUTHORIZATION PROVISIONS.—*For the purposes of the application of any rule of statutory construction relating to the permanence (or futurity) of provisions of law enacted in appropriations Acts, the provisions of law enacted by section 10001 shall be treated as having been enacted by a regular authorization Act, rather than an appropriation Act, and shall be construed on their own terms without regard to any such rule of construction.*

SEC. 10003. TERMINATION OF PROVISIONS UPON ENACTMENT OF AUTHORIZATION BILL.

Section 10001 shall not take effect if the bill H.R. 4481 of the One Hundredth Congress is enacted before this Act. If that bill is enacted after this Act, the provisions of section 10001 shall cease to be effective upon the enactment of that bill.

SEC. 10004. LIMITATION ON OBLIGATIONS.

Of the funds appropriated under this Act for the total appropriations accounts entitled:

Aircraft Procurement, Navy
Weapons Procurement, Navy
National Guard and Reserve Equipment

any additional funds may not be obligated or expended which are in excess of the corresponding levels for such accounts set forth in the Department of Defense Authorization Act, Fiscal Year 1989 (H.R. 4481), unless subsequently authorized.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree to a provision that would incorporate by reference the provisions of H.R. 4481 of the One Hundredth Congress (the fiscal year 1989 Department of Defense authorization bill) as contained in the conference report filed in the House of Representatives on September 28, 1988. The conferees further agree to incorporate by reference into this joint statement the Joint Statement of Managers accompanying such conference report.

The conferees further agree that the provisions of Section 10004 limiting obligations and expenditures are uniquely related to the incorporation by reference of the Fiscal Year 1989 National Defense Authorization Bill in this Act and therefore shall not be considered a precedent or a guide for the future. Further, such limitation in this Act shall only apply to the total funds in the aggregate appropriations accounts specified and shall not apply to any subdivisions thereof.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1989 recommended by the Committee of Conference, with comparisons to the fiscal year 1988 amount, the 1989 budget estimates, and the House and Senate bills for 1989 follow:

New budget (obligational) authority, fiscal year 1988	$278,982,848,000
Budget estimates of new (obligational) authority, fiscal year 1989	283,159,445,000
House bill, fiscal year 1989	282,602,828,000
Senate bill, fiscal year 1989	282,572,013,000
Conference agreement, fiscal year 1989	282,412,350,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1988	+3,429,502,000
Budget estimates of new (obligational) authority, fiscal year 1989	−747,095,000
House bill, fiscal year 1989	−190,478,000
Senate bill, fiscal year 1989	−159,663,000

For all Senate amendments, except Senate Amendment No. 276, and modifications thereto committed to conference:

Bill Chappell,
John P. Murtha,
Norman D. Dicks,
Charles Wilson,
W.G. Bill Hefner,
Les AuCoin,
Martin Olav Sabo,
Jamie L. Whitten,

As exclusive conferees only for consideration of Senate Amendment No. 276 and modifications thereto committed to conference:

David R. Obey,
Charles Wilson,
Jamie L. Whitten,
Mickey Edwards,
Managers on the Part of the House.

John C. Stennis,
Bill Proxmire,
Daniel K. Inouye,
Ernest F. Hollings,
Lawton Chiles,
J. Bennett Johnston,
Robert C. Byrd,
Patrick Leahy,
Jim Sasser,
Dennis DeConcini,
Lowell P. Weicker, Jr.,
Managers on the Part of the Senate.

CONFERENCE REPORT ON H.R. 4637, FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1989

AMENDMENTS IN DISAGREEMENT

The SPEAKER pro tempore (Mr. Gray of Illinois). Pursuant to the order of the House of Tuesday, September 27, 1988, the amendments in disagreement are considered as having been read.

The Clerk will designate the first amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 1: Page 2, strike out all after line 4 over to and including line 21 on page 3 and insert:

CONTRIBUTION TO THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

For payment to the International Bank for Reconstruction and Development by the Secretary of the Treasury, for the United States share of the paid-in share portion of the increases in capital stock, for the General Capital Increase, $70,915,283 to remain available until expended: *Provided,* That no such payment may be made while the United States Executive Director to the Bank is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while the alternate United States Executive Director to the Bank is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code, *Provided further,* That none of these funds shall be made available until S. 2524 or another Act authorizing the appropriation of such funds is enacted into law.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the International Bank for Reconstruction and Development may subscribe without fiscal year limitation to the callable capital portion of the United States share of increases in capital stock in an amount not to exceed $2,292,972,540.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Obey moves that the House recede from its disagreement to the amendment of the Senate numbered 1 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following:

CONTRIBUTIONS FOR ARREARAGES

CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

For payment to the International Development Association by the Secretary of the Treasury, $43,333,334, for the United States contribution to the replenishments, to remain available until expended: *Provided,* That no such payment may be made while the United States Executive Director to the International Bank for Reconstruction and Development is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while the alternate United States Executive Director to the Bank is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

CONTRIBUTION TO THE INTERNATIONAL FINANCE CORPORATION

For payment to the International Finance Corporation by the Secretary of the Treasury, $4,891,528 for the United States share of the increase in subscriptions to capital stock, to remain available until expended.

CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND

For the United States contribution by the Secretary of the Treasury to the increases in resources of the Asian Development Fund, as authorized by the Asian Development Bank Act, as amended (Public Law 89-369), $100,000,000, to remain available until expended: *Provided,* That no such payment may be made while the United States Director of the Bank is compensated by the Bank at a rate which, together with whatever compensation such Director receives from the United States, is in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while any alternate United States Director to the Bank is compensated by the Bank in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

ANNUAL CONTRIBUTIONS TO INTERNATIONAL FINANCIAL INSTITUTIONS

CONTRIBUTION TO THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM•NT

For payment to the International Bank for Reconstruction and Development by the Secretary of the Treasury, for the United States share of the paid-in share portion of the increases in capital stock, for the General Capital Increase, $50,000,795, to remain available until expended: *Provided*, That no such payment may be made while the United States Executive Director to the Bank is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level IV of the Executive Schedule under section 5315 of title 5, United States Code, or while the alternate United States Executive Director to the Bank is compensated by the Bank at a rate in excess of the rate provided for an individual occupying a position at level V of the Executive Schedule under section 5316 of title 5, United States Code.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the International Bank for Reconstruction and Development may subscribe without fiscal year limitation to the callable capital portion of the United States share of increases in capital stock in an amount not to exceed $2,292,972,540.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 5: Page 5, line 7, strike out all after "expended" down to and including "authorized" in line 9 and insert ": *Provided*, That none of these funds shall be made available until S. 2524 or another Act authorizing the appropriation of such funds is enacted into law".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 5 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert: ".".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 7: Page 6, line 10, strike out "$214,958,666" and insert "$218,219,666".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 7 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "$226,115,000, of which $2,650,334 shall be made available for the Organization of American States which amount shall be in addition to funds earmarked elsewhere under this heading for that organization".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

The was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 10: Page 6, line 16, after "Fund" insert "of which $3,000,000 shall be made available to UNICEF as funds in trust for the activities of Childhope".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 10 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "of which $3,000,000 shall be made available to UNICEF as funds in trust for the activities of Childhope or similar organizations to help homeless or street children".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 11: Page 6, line 20, strike out all after "Act:" down to and including "Treasury;" in line 26.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 11 and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment, insert the following: "*Provided further*, That if the previous proviso has not been complied with, none of the funds appropriated by this Act remaining unobligated or unexpended at that time shall be obligated or expended until funds appropriated under this heading are made available to UNICEF (less amounts withheld pursuant to the previous proviso);".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

Mr. OBEY. Mr. Speaker, I ask unanimous consent that Senate amendments No. 14, 28, 29, 32, 36, 37, 38, 40, 42, 61, 75, 78, 79, 80, 83, 106, 107, 108, 118, 120, 123, 125, 127, 128, 129, 130, 132, 136, 143, 155, 156, 157, 160, 163, and 166 be considered en bloc and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The texts of the various Senate amendment referred to in the unanimous-consent request are as follows:

Senate amendment No. 14: Page 7, line 3, after "Women;" insert "$200,000 for the United National International Research and Training Institute for the Advancement of Women;".

Senate amendment No. 28: Page 10, line 9, strike out "made available" and insert "providing directly".

Senate amendment No. 29: Page 10, line 10, strike out "to finance" and insert "for its use financing".

Senate amendment No. 32: Page 10, line 21, after "Institute" insert ": *Provided further*, That not less than $15,000,000 of the funds appropriated under this heading shall be made available for the International Student Exchange Program".

Senate amendment No. 36: Page 16, after line 11, insert:

ASSISTANCE FOR VICTIMS OF WAR

Of the aggregate of the funds appropriated by this Act to carry out part I and chapter 4 of part II of the Foreign Assistance Act of 1961, up to $5,000,000 may be made available, notwithstanding any other provision of law, for assistance for the provision of prostheses for civilians who have been injured as a result of civil strife and warfare.

Senate amendment No. 37: Page 17, after line 3, after "1961" insert ", in addition to funds otherwise available for such purposes,".

Senate amendment No. 38: Page 17, line 5, after "countries" insert ", of which not less than $3,000,000 shall be made available as matching funds to support the activities of the Agency for International Development's field missions to integrate women into their programs, *Provided*, That the Agency for International Development shall seek to ensure that country strategies, projects, and programs are designed so that the percentage of women participants will be demonstrably increased".

Senate amendment No. 40: Page 18, line 2, after "conjunction" insert ", where possible,".

Senate amendment No. 42: Page 19, line 6, after "$25,000,000" insert "of contingent liability for loan principal".

Senate amendment No. 61: Page 23, line 16, after "Honduras" insert ": *Provided further*, That of the funds provided under this heading for Central American countries, not less than $5,000,000 shall be available only to develop energy self-sufficiency, to identify and utilize indigenous resources to improve economic development, and to reduce reliance on imported energy".

Senate amendment No. 75: Page 27, line 22, after "provision" insert ": *Provided further*, That section 505(a)(1) of the International Security and Development Cooperation Act of 1980 is amended by inserting "(including public international organizations)" after "public group".".

Senate amendment No. 78: Page 29, line 23, after "$101,000,000" insert ": *Provided further*, That not less than $15,000,000 of the funds appropriated under this heading shall be available for narcotics interdiction and control programs for Bolivia".

Senate amendment No. 79: Page 29, line 23, after "$101,000,000" insert ": *Provided further*, That in addition to amounts made available pursuant to the previous proviso, not less than $7,000,000 of the funds appropriated under this heading shall be available for Latin America regional programs".

Senate amendment No. 80: Page 29, line 23, after "$101,000,000" insert ": *Provided further*, That in carrying out the provisions of section 481, increased emphasis should be placed on (1) further intensifying United States efforts in the eradication and interdiction of illicit narcotics, and (2) seeking international cooperation on narcotics enforcement matters such as in the areas of extradition treaties, mutual legal assistance to combat money laundering, sharing of evidence, and other initiatives for cooperative narcotics enforcement efforts".

Senate amendment No. 83: Page 30, line 22, after "Hemisphere" insert ": *Provided further*, That of the funds appropriated under this heading not less than $140,000,000 shall be made available for the refugee admissions program, including AIDS screening, of which (1) not less than, $46,000,000 shall be made available for first asylum refugees from East Asia and, (2) not less than $15,000,000 shall be available for costs of the expedited resettlement of Vietnamese Amerasians and their family members eligible for refugee benefits: *Provided further*, That of the funds appropriated under this heading not less than $20,000,000 shall be made available to the United Nations High Commissioner for Refugees for assistance for Afghan refugees: *Provided further*, That of the funds appropriated under this heading not less than $1,500,000 shall be made available for a Thailand-Cambodia border refugee protection program: *Provided further*, That of the funds appropriated under this heading not less than $1,500,000 shall be made available for the anti-piracy program, none of which funds may be used by any government to deny asylum to individuals seeking asylum: *Provided further*, That of the funds appropriated under this heading not less than $1,500,000 shall be made available for a Thailand border refugee education program".

Senate amendment No. 106: Page 53, line 25, strike out "be in the identical format as" and insert "continue to include the same type of information as is contained in".

Senate amendment No. 107: Page 54, line 3, after "1986" insert shall be in a format to be developed in consultation with the appropriate congressional committees: *Provided further*, That any such changes are approved by legislation".

Senate amendment No. 108: Page 58, after line 14, insert:

(b) The Secretary of the Treasury and the Secretary of State, in cooperation with the Administrator of the Agency for International Development, shall conduct bilateral and multilateral discussions with other members of the MDB's to further strengthen the environmental performance of each bank. These discussions shall include, but not be limited to organizational, administrative and procedural arrangements to remove impediments to the efficient and effective management of assistance programs necessary to protect and ensure the sustainable use of natural resources and to carry out such assistance programs in consultation with affected local communities.

Senate amendment No. 118: Page 72, line 15, after "situation" insert "; and

"(G) satisfying Liberia's undisputed debts to United States citizens".

Senate amendment No. 120. Page 76, line 9, strike out all after "That" down to and including "Scholarships" " in line 16, and insert; "the provisos contained in section 564 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988, are hereby repealed"

Senate amendment No. 123: Page 77, line 26, after "1987" insert "or, (3) countries for which repayment, in whole or in part, of foreign military credits provided in fiscal year 1988 is forgiven".

Senate amendment No. 125: Page 78, line 8, after "Appropriations" insert "; *Provided further*, That assistance that is reprogrammed pursuant to this section shall be made available under the same terms and conditions as originally provided".

Senate amendment No. 127: Page 79, line 15, strike out "Act." and insert "Act;".

Senate amendment No. 128: Page 79, after line 15, insert:

(9) assistance under title IV, chapter 2 of part I of the Foreign Assistance Act of 1961 (relating to the Overseas Private Investment Corporation); or

(10) assistance under the Peace Corps Act.

Senate amendment No. 129: Page 79, after line 25, insert:

(d) EFFECT ON FISCAL YEAR 1988 PROGRAMS.—Assistance may be provided for Haiti during fiscal year 1988 under title IV, chapter 2 of part I of the Foreign Assistance Act of 1961, or under the Peace Corps Act notwithstanding section 569 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988.

Senate amendment No. 130: Page 80, line 4, after "(1)" insert "the Government of Panama has demonstrated".

Senate amendment No. 132: Page 80, line 16, after "are" insert "being".

Senate amendment No. 136: Page 89, line 8, after "country" insert; or

"(3) a structural adjustment facility or enhanced structural adjustment facility with the International Monetary Fund is in effect with respect to that country".

Senate amendment No. 143: Page 90, line 22, strike out "3(d)(2)(A)" and insert "3(d)".

Senate amendment No. 155: Page 94, line 17, after "481(h)(2)(A)(ii)" insert "of the Foreign Assistance Act of 1961".

Senate amendment No. 156: Page 95, line 22, after "481(h)(2)(A)(i)(I)" insert "of the Foreign Assistance Act of 1961".

Senate amendment No. 157: Page 96, after line 10, insert:

(i) Section 481(h)(2)(B) of the Foreign Assistance Act of 1961 is amended by striking out "clause (A)(ii)" and inserting in lieu thereof "subparagraph (A)(i)(II)".

Senate amendment No. 160: Page 97, line 2, after "Egypt" insert "and NATO and major non-NATO allies".

Senate amendment No. 163: Page 97, line 14, after "forces," insert "not to exceed $5,000,000 may be made available for such purpose, and".

Senate amendment No. 166: Page 97, line 23, strike out all after "582." over to and including line 19 on page 98 and insert: It is the sense of the Congress that—

(1) the United Nations, the United Nations Human Rights Commission, and the Chairman of the Commission are to be commended for Decision 1988/106 as interpreted by the Chairman which establishes a working group on Cuba to conduct an onsite investigation on Cuban human rights conditions and prepare a report for consideration under agenda item 12(h) at the 45th session of the Commission in 1989;

(2) the President, the Secretary of State, the Permanent Representative of the United States to the United Nations, and the Representative of the United States to the United Nations Human Rights Commission are to be commended for their efforts to place Cuba on the agenda of the Commission and are strongly encouraged to continue to support and assist the Commission in its implementation of Decision 1988/106;

(3) the following countries are to be commended for their courageous support for an independent investigation of the human rights situation in Cuba under the auspices of the United Nations and consideration of Cuba under agenda item 12 at the 45th session of the Commission: Bangladesh, Belgium, Costa Rica, France, the Gambia, Federal Republic of Germany, Ireland, Japan, Mozambique, Norway, the Philippines, Sao Tome and Principe, Portugal, Senegal, Somalia, Togo, the United Kingdom, and Venezuela.

(4) the following countries, despite overwhelming evidence of serious human rights abuses in Cuba, failed to support the efforts of the United States to establish an inde-

pendent working group on Cuba and to provide for consideration of the report of this group under agenda item 12, a nonconfidential procedure reserved for countries with records of serious human rights violations: Algeria, Argentina, Botswana, Bulgaria, People's Republic of China, Colombia, Cyprus, Ethiopia, German Democratic Republic, India, Iraq, Mexico, Nicaragua, Nigeria, Pakistan, Peru, Rwanda, Spain, Sri Lanka, Union of Soviet Socialist Republics, and Yugoslavia;

(5) in accordance with section 574 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988, the United States should continue to take into account whether countries support an independent investigation of human rights violations in Cuba under the auspices of the United Nations and consideration of Cuba under agenda item 12 at the 45th session of the Commission when considering bilateral assistance and the financial contribution to the United Nations;

(6) the Congress strongly objects to the election of Cuba and Panama to the Commission and strongly urges the Secretary General and Chairman, and the other members of the Commission to insure that Cuba and Panama do not in any way interfere with the independence of the pending investigation, the preparation of the resulting report, or the consideration of this report under agenda item 12(h) at the commission's 45th session.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendments of the Senate numbered 14, 28, 29, 32, 36, 37, 38, 40, 42, 61, 75, 78, 79, 80, 83, 106, 107, 108, 118, 120, 123, 125, 127, 128, 129, 130, 132, 136, 143, 155, 156, 157, 160, 163, 166, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 23: Page 7, line 20, after "Development" insert ": *Provided further,* That of the funds appropriated under this heading for the United Nations Environment Program, $3,500,000 shall be used only for activities to control the global emissions of chlorfluorocarbons (CFC's) through the implementation of the Montreal Protocol and through the development of additional international restraints on the atmospheric release of CFC's; $2,000,000 shall be used only to initiate activities to establish an international agreement limiting the emission of greenhouse gases; $2,000,000 shall be used only to support the Regional Seas Program; and $2,500,000 shall be used only to operate the International Registry of Potential Toxic Chemicals, provide technical assistance to developing countries on the use and treatment of hazardous materials, implement the Cairo Plan, and assist developing countries to develop resource management strategies".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 23 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: ": *Provided further,* That the Department of State shall provide a report to the Committees on Appropriations, not later than June 1, 1989, analyzing the effectiveness of the United Nations Environment Program (UNEP) and detailing how UNEP has spent or intends to spend the funds appropriated under this heading. The State Department shall make this report immediately available to the Appropriations Committees".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 31: Page 10, line 21, after "Institute" insert ": *Provided further,* That not less than $67,270,000 of the funds appropriated under this heading and under the heading "Sub-Saharan Africa, Development Assistance" shall be available only for programs in basic primary and secondary education: *Provided further,* That in each of fiscal years 1989, 1990 and 1991, the Agency for International Development shall initiate three new bilateral projects in basic primary and secondary education, at least two of which in each fiscal year shall be initiated in countries in Sub-Saharan Africa".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 31 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following ": *Provided further,* That not less than $64,770,500 of the funds appropriated under this heading and under the heading "Sub-Saharan Africa, Development Assistance" shall be available only for programs in basic primary and secondary education: *Provided further,* That in fiscal year 1989, the Agency for International Development shall initiate two new bilateral projects in basic primary and secondary education, at least one of which shall be initiated in countries in Sub-Saharan Africa: *Provided further,* That in each of fiscal years 1990 and 1991, such agency shall initiate three new bilateral projects in basic primary and secondary education, at least two of which in each fiscal year shall be initiated in Sub-Saharan Africa".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 33: Page 10, line 21, after "Institute" insert ": *Provided further,* That not less than $1,200,000 of the funds appropriated under this heading shall be made available for the Center for Inter-American Leadership".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 33 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: ": *Provided further,* That not less than $1,200,000 of the funds appropriated under this heading shall be made available for the Leadership Center for the Americas program".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 35: Page 16, strike out lines 4 to 11.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 35 and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment, insert the following:

ASSISTANCE FOR JAMAICA

Of the aggregate of the funds appropriated by this Act to carry out part I of the Foreign Assistance Act of 1961, not less than $35,000,000 shall be made available, notwithstanding any other provision of law, for relief, rehabilitation and reconstruction assistance, which amount shall be in addition to funds otherwise made available for Jamaica to carry out the provisions of part I of such Act.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. Obey].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 44: Page 19, line 13, strike out all after "ed" down to and including "Africa" in line 15.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Obey moves that the House recede from its disagreement to the amendment of the Senate numbered 44 and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment, insert the following: ": *Provided*, That not less than $500,000 of funds appropriated under this heading may be made available for assistance for children who have become orphans as a result of natural disasters".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. Obey].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 47: Page 20, line 26, after "law" insert ": *Provided*, That up to three percent of the amount made available under the heading "Operating Expenses of the Agency for International Development" may be transferred to and merged and consolidated with amounts made available under this heading: *Provided further*, That except as may be required by an emergency evacuation affecting the United States diplomatic missions of which they are a component element, none of the funds in this Act, or any other Act, may be used to relocate the overseas Regional Offices of the Inspector General to a location within the United States without the express approval of the Inspector General: *Provided further*, That the total number of positions authorized for the Office of the Inspector General in Washington and overseas shall be not less than 240 at September 30, 1989, of which not less than 93 auditor and investigator positions shall be established in the overseas regional offices of the Inspector General of the Agency for International Development as follows: for the Regional Office of the Inspector General for Latin and Central America and the Caribbean not less than 21; for the Regional Office of the Inspector General for West Africa not less than 16; for the Regional Office of the Inspector General for East Africa, not less than 18; for the Regional Office of the Inspector General for Southeast Asia not less than 11; for the Regional Office of the Inspector General for Southwest Asia not less than 14; and for the Regional Office of the Inspector General for Egypt in Cairo, not less than 13: *Provided further*, That none of the positions established in overseas regional offices of the Inspector General shall be established by reducing other overseas positions of the Agency for International Development".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 47 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: ": *Provided*, That up to three percent of the amount made available under the heading "Operating Expenses of the Agency for International Development" may be transferred to and merged and consolidated with amounts made available under this heading: *Provided further*, That except as may be required by an emergency evacuation affecting the United States diplomatic missions of which they are a component element, none of the funds in this Act, or any other Act, may be used to relocate the overseas Regional Offices of the Inspector General to a location within the United States without the express approval of the Inspector General: *Provided further*, That the total number of positions authorized for the Office of Inspector General in Washington and overseas shall be not less than 240 at September 30, 1989: *Provided further*, That section 103(b) of the Omnibus Diplomatic Security and Antiterrorism Act of 1986 is amended by (1) striking out subsection (b)(3); (2) inserting, in subsection (b)(2), 'or regional inspector general offices under the jurisdiction of the Inspector General, Agency for International Development' after 'commander'; and (3) striking out '; and' at the end of subsection (b)(2) and inserting in lieu thereof a period".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. Obey].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 53: Page 22, line 15, after "Philippines" insert ": *Provided further*, That not less than $5,000,000 of the funds appropriated under this heading shall be available for Thailand".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Obey moves that the House recede from its disagreement to the amendment of the Senate numbered 53 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, inserting the following: ": *Provided further*, That not less than $2,500,000 of the funds appropriated under this heading shall be available for Thailand".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. Obey].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 55: Page 22, line 20, after "sia" insert ": *Provided further*, That not less than $70,000,000 of the funds appropriated under this heading shall be available for Turkey".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Obey moves that the House recede from its disagreement to the amendment of the Senate numbered 55 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: ": *Provided further*, That not less than $60,000,000 of the funds appropriated under this heading shall be available for Turkey."

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. Obey].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 62: Page 23, line 16, strike out "$34,000,000" and insert "$40,000,000".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 62 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "$15,000,000".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 64: Page 23, line 21, strike out all after "Gaza" down to and including "program" in line 24.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 64 and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment: Strike out all of the House engrossed bill language beginning on page 23, line 19 following the word "Jordan" through page 23, line 24 ending with the words "regional program", and insert in lieu thereof the following: ": *Provided further,* That not less than $15,000,000 of the funds appropriated under this heading shall be made available for the West Bank and Gaza Program through the Asia and Near East regional program."

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

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The SPEAKER pro tempore (Mr. GRAY of Illinois). The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 70: Page 27, line 5, after "Agreement" insert ": *Provided further,* That $2,000,000 of the funds appropriated under this heading shall be made available, notwithstanding any other provision of law, for the provision of medical supplies and hospital equipment for Poland through private and voluntary organizations, including for the expenses of purchasing, transporting, and distributing such supplies and equipment".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 70 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following: ": *Provided further,* That $1,000,000 of the funds appropriated under this heading shall be made available, notwithstanding any other provision of law, for the provision of medical supplies and hospital equipment for Poland through private and voluntary organizations, including the expenses of purchasing, transporting, and distributing such supplies and equipment".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 84: Page 30, line 22, strike out all after "Hemisphere" over to and including "benefits" in line 1 on page 31.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 84 and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment, insert the following: ": *Provided further,* That the provisions of subsection (c) of section 584 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988, as contained in section 101(e) of Public Law 100-202, shall apply to an individual who (1) departs from Vietnam after the date of the enactment of this Act and before the end of the two-year period described in subsection (a)(1)(B) of such section, and (2) is described in subsection (b) of such section, but who is issued an immigrant visa under section 201(b) or 203(a) of the Immigration and Nationality Act (rather than under subsection (a) of such section), or would be described in subsection (b) of such section if such section also applied to principal aliens who were citizens of the United States (rather than merely to aliens)".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 86: Page 31, line 11, after "expended" insert ": *Provided,* That all of the funds appropriated under this heading shall be made available only for Afghan refugees: *Provided further,* That the funds made available under this heading are appropriated notwithstanding the provisions contained in section 2(c)(2) of the Migration and Refugee Assistance Act of 1962 which would limit the amount of funds which could be appropriated for this purpose: *Provided further,* That funds appropriated under this heading shall be available for obligation and expenditure for Afghan refugees only after funds appropriated or otherwise earmarked for assistance for the Afghan people under section 537 of this Act and under the heading 'Migration and Refugee Assistance' have been obligated".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 86 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: ": *Provided,* That of the funds appropriated under this heading not less than $23,000,000 shall be made available only for Afghan refugees to be administered by the cross-border humanitarian assistance program: *Provided further,* That the funds made available under this heading are appropriated notwithstanding the provisions contained in section 2(c)(2) of the Migration and Refugee Assistance Act of 1962 which would limit the amount of funds which could be appropriated for this purpose: *Provided further,* That funds appropriated under this heading shall be available for obligation and expenditure for Afghan refugees only after funds appropriated or otherwise earmarked for assistance for the Afghan people under section 537 of this Act and under the heading 'Migration and Refugee Assistance' have been obligated".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 87: Page 31, strike out all after line 17 over to and including line 21 on page 33.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 87 and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment, insert the following:

MILITARY ASSISTANCE

For necessary expenses to carry out the provisions of section 503 of the Foreign Assistance Act of 1961, including administrative expenses and purchase of passenger motor vehicles for replacement only for use outside of the United States, $467,000,000: *Provided*, That of the funds appropriated under this heading not less than $125,000,000 shall be made available only for the Philippines: *Provided further*, That not less than $9,000,000 shall be available for non-lethal military assistance for Guatemala, of which not less than $2,000,000 shall be available only for civic action programs and for the construction of military barracks: *Provided further*, That not less than $15,000,000 shall be available for Kenya: *Provided further*, that if any of the funds appropriated under this heading are made available for Turkey, then not less that $30,000,000 of such funds shall be available for Greece: *Provided further*, That of the funds appropriated under this heading not more than $40,000,000 shall be used for general costs of administering the Military Assistance program: *Provided further*, That any material assistance provided with funds appropriated under this heading for Haiti shall be limited to non-lethal items such as transportation and communications equipment and uniforms: *Provided further*, That funds made available under this heading for Haiti shall be made available only through the regular notification procedures of the Committees on Appropriations: *Provided further*, That funds appropriated under this heading shall be expended at the minimum rate necessary to make timely payment for defense articles and services: *Provided further*, That the proviso under this heading in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988, prohibiting the use of military assistance funds after September 30, 1989, for the purposes of section 503(a)(3) of the Foreign Assistance Act of 1961, is repealed: *Provided further*, That any military assistance funds appropriated by this Act that have not been committed for the payment of any sale under the Arms Export Control Act during the period ending at the end of the second fiscal year after the fiscal year for which such funds were appropriated shall not be committed for such purpose thereafter unless the Committees on Apprpriations are given a fifteen day prior notification of the amount of funds involved, the reasons why no commitment was made thereof, and the proposed sales to be financed with such funds: *Provided further*, That military assistance funds appropriated by this or any other Act that have expended into the account designated in section 503(a)(3) of the Foreign Assistance Act of 1961 to finance particular sales shall be available, subject to all applicable reprogramming provisions, to finance other sales in the event of sales cancellations, reductions, excess funds at case closeout, or other reasons relating to the implementation of sales programs: *Provided further*, That the Committees on Appropriations shall be furnished on March 1 of each year a complete report of the status of military assistance funds appropriated by this or any future Act committed for the payment of any sales under the Arms Export Control Act as regards the individual sale, item description, and estimated sales price.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 89: Page 33, line 24, after "$51,254,750" insert ": *Provided*, That none of the funds appropriated under this heading shall be made available for grant financed military education and training for any country whose annual per capita GNP exceeds $2,349".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 89 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: ": *Provided*, That none of the funds appropriated under this heading shall be made available for grant financed military education and training for any country whose annual per capita GNP exceeds $2,349 unless that country agrees to fund from its own resources the transportation cost and living allowances of its students".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 90: Page 34, line 4, strike out "$3,893,000,000" and insert "$4,779,260,000".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 90 and concur therein with an amendment, as follows: Strike out all of the Senate engrossed amendment that follows: "page 34," and insert in lieu thereof the following: strike out line 1 and all that follows through line 18 on page 35, and insert in lieu thereof the following:

FOREIGN MILITARY FINANCING PROGRAM

For expenses necessary for grants to enable the President to carry out the provisions of section 23 of the Arms Export Control Act, $3,862,750,000: *Provided*, That of the funds appropriated by this paragraph not less than $1,800,000,000 shall be available for grants only for Israel, not less than $1,300,000,000 shall be available for grants only for Egypt, not less than $230,000,000 shall be available for grants only for Pakistan, not less than $52,000,000 shall be available for grants only for Morocco, and not less than $30,000,000 shall be available for grants only for Tunisia: *Provided further*, That to the extent that the Government of Israel requests that funds be used for such purposes, grants made available for Israel by this paragraph shall, as agreed by Israel and the United States, be available for advanced fighter aircraft programs or for other advanced weapons systems, as follows: (1) up to $150,000,000 shall be available for research and development in the United States: and (2) not less than $400,000,000 shall be available for the procurement in Israel of defense articles and defense services, including research and development: *Provided further*, That grants shall be provided with the funds appropriated by this paragraph notwithstanding any requirement in section 23 of the Arms Export Control Act for repayment and shall be implemented by grant documents which do not include a requirement to repay the United States Government with respect to any funds provided under this paragraph.

For expenses necessary for loans to enable the President to carry out the provisions of section 23 of the Arms Export Control Act, $410,000,000: *Provided*, That any funds made available by this paragraph except as otherwise specified, may be made available at concessional rates of interest: *Provided further*, That the concessional rate of interest on foreign military credit sales loans shall be not less than 5 percent per year: *Provided further*, That all country and funding level changes in requested concessional financing allocations shall be submitted through the regular notification procedures of the Committees on Appropriations: *Provided further*, That during fiscal year 1989, gross obligations for the principal amount of direct loans under this heading, exclusive of loan guarantee defaults, shall not exceed $410,000,000.

Of the funds appropriated under both the "Military Assistance" heading and this heading $500,000,000 only shall be available for Turkey and $350,000,000 only shall be available for Greece: *Provided*, That funds previously obligated for the Philippines under the heading "Foreign Military Credit Sales" but uncommitted on the date of enactment of this Act shall be used only to finance sales made under the Arms Export Control Act: *Provided further*, That of the funds appropriated under this heading, not less than $409,750,000 shall be available only for use in financing the procurement of defense articles, defense services, or design and construction services that are sold by the United States Government under the Arms Export Control Act to countries other than Israel and Egypt: *Provided further*, That funds appropriated under this heading shall be expended at the minimum rate necessary to make timely payment for defense articles and services: *Provided further*, That the Department of Defense shall conduct during the current fiscal year nonreimbursable audits of private firms whose contracts are made directly with foreign governments and are financed with funds made available under this heading (as well as subcontractors thereunder) as requested by the Defense Security Assistance Agency: *Provided further*, That any reference in Title V of this Act to "Foreign Military Credit Sales" shall be deemed to be a reference to grants and loans pursuant to the Foreign Military Finance Program under this heading.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 101: Page 41, line 12, after "Program" insert ": *Provided*, That of this amount up to $5,000,000 may be used for joint financing with individual State trade promotion organizations of activities directed at the expansion of trade with developing and middle income countries, including such activities as trade fairs, seminars, targeting and feasibility studies, and activities directed at enhancing the use of exports from the United States in bilateral and multilateral projects".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 101 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: ": *Provided*, That notwithstanding any other provision of law, any funds contained in any previously enacted Act appropriating funds for foreign operations, export financing, and related programs which are transferred or otherwise made available to carry out the purposes of section 661 of the Foreign Assistance Act of 1961 may be deobligated and thereafter reobligated for the purposes for which such funds were originally appropriated: *Provided further*, That of the amounts appropriated under this heading up to $5,000,000 may be used for joint financing with individual State trade promotion organizations of activities directed at the expansion of trade with developing and middle income countries, including such activities as trade fairs, seminars, targeting and feasibility studies, and activities directed at enhancing the use of exports from the United States in bilateral and multilateral projects".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 103: Page 47, line 4, after "funds" insert ": *Provided further*, That the authority of this section shall not be available to reobligate more than $4,000,000 of funds previously obligated to carry out the provisions of sections 103 through 106 of the Foreign Assistance Act of 1961".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 103 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: ": *Provided further*, That the authority of this section may be used to continue the availability of any of the funds deobligated under any of such headings in order to provide relief, rehabilitation, and reconstruction assistance for Jamaica and Bangladesh: *Provided further*, That any such funds reobligated for Jamaica and Bangladesh shall be made available in accordance with the general authorities contained in section 491 of the Foreign Assistance Act of 1961: *Provided further*, That the authority of this section may not be exercised to deobligate and reobligate funds previously obligated for the "Economic Support Fund" ".

Mr. EDWARDS of Oklakoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no obligation.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 111: Page 66, line 8, after "SOMALIA," and insert "GABON,"

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 111 and concur therein with an amendment, as follows: in lieu of the matter inserted by said amendment, insert the following: "BURUNDI, LIBERIA, UGANDA,".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 112: Page 66, line 11, after "Sudan," insert "Gabon,".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 112 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "Burundi, Liberia, Uganda,".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 115: Page 69, line 5, strike out "None" and insert "Except as otherwise specified in this Act, none".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Obey moves that the House recede from its disagreement to the amendment of the Senate numbered 115 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "Except for programs under section 534(b)(4) or (6) of the Foreign Assistance Act of 1961 to support the efforts of private groups and individuals seeking to develop a national consensus on the importance of an independent judiciary and the administration of justice generally in a democratic society, assistance for which programs may be made available notwithstanding section 726 of the International Security and Development Cooperation Act of 1981, none".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. Obey].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 119: Page 74, line 2, strike out all after "555." down to and including "enacted" in line 4 and insert "Except as otherwise specified in this Act, funds appropriated by this Act may be obligated and expended notwithstanding section 10 of Public Law 91-672 and section 15 of the State Department Basic Authorities Act of 1956".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Obey moves that the House recede from its disagreement to the amendment of the Senate numbered 119 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "Funds appropriatged by this Act may be obligated and expended notwithstanding section 10 of Public Law 91-672 and section 15 of the State Department Basic Authorities Act of 1956: *Provided,* That section 514 of the Foreign Assistance Act of 1961 is amended by amending subsection (b)(2) to read as follows: "(2) The value of such additions to stockpiles in foreign countries shall not exceed $77,000,000 for fiscal year 1989.": *Provided further,* That H.R. 4645 as reported on September 22, 1988 by the Committee on Banking, Finance and Urban Affairs of the House of Representatives is hereby enacted into law: *Provided further,* That title I of H.R. 5263 as passed by the House of Representatives on September 20, 1988 is hereby enacted into law: *Provided further,* That purchases, investments or other acquisitions of equity by the fund created by section 104 of H.R. 5263 as hereby enacted are limited to such amounts as may provided in advance in appropriations Acts".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

POINT OF ORDER

The SPEAKER pro tempore. Without objection, the motion is agreed to.

Mr. BUNNING. Mr. Speaker, I object, and I rise to a point of information. I raise a point of order.

The SPEAKER pro tempore. Does the Chair understand that the gentleman from Kentucky raises a point of order against the motion?

Mr. BUNNING. I do, Mr. Speaker. I make the point of order that the proposed amendment violates rule XVI, clause 17, of the Rules of the House of Representatives, and that the material contained in the proposed amendment to the Senate amendment, including the material authorizing H.R. 4645, as reported by the House Committee on Banking, Finance and Urban Affairs, is not germane to the Senate amendment.

The SPEAKER pro tempore. Does the gentleman from Wisconsin [Mr. Obey] desire to be heard on the gentleman's point of order?

Mr. OBEY. Yes, I do, Mr. Speaker.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Wisconsin for that purpose.

Mr. OBEY. Mr. Speaker, let me simply say in an effort to explain the situation we are in that the House bill contains language which made clear that this appropriation was subject to authorization. The Senate waived authorization. The effort of the committee has been to accommodate the interest of the administration and the interest of the Congress.

If this point of order is upheld, the practical result will be that there will be no authorizations for a good many of the programs that Members assumed they would be supporting today.

I do not assert the parliamentary incorrectness of the gentleman's motion, but I do think it needs to be understood that if that motion is made and if it in fact is upheld, there will be no authorization for virtually every program in this bill.

Mr. MORRISON of Connecticut. Mr. Speaker, will the gentleman from Wisconsin yield?

The SPEAKER pro tempore. Does the gentleman from Connecticut [Mr. Morrison] desire to be heard on the gentleman's point of order? If so, the Chair will hear the gentleman.

Mr. MORRISON of Connecticut. Mr. Speaker, I had an inquiry for the gentleman from Wisconsin, if he would yield, or I could take my own time to ask it.

The SPEAKER pro tempore. The Chair controls the debate, and the Chair would be delighted to hear the gentleman from Connecticut if he desires to be heard for the point of order.

Mr. MORRISON of Connecticut. Mr. Speaker, I want to make an inquiry of the chairman of the subcommittee. As I understand the matter that is objected to, it includes a variety of programs, including the basic foreign assistance programs that are not authorized and several other programs, including the general capital increase of the World Bank, and I was going to inquire of the gentleman from Kentucky, first, whether his objection to this provision is directed at the general capital increase or whether it is directed at some other matter in this amendment.

Mr. BUNNING. Mr. Speaker, I would be glad to respond.

The SPEAKER pro tempore. The Chair will hear the gentleman from Kentucky in a further response.

Mr. BUNNING. Yes, it is directed at the general capital increase. As my vote on the bill prior to this objection shows, I am for all of the authorizations, but I am against the general capital increase for the World Bank.

Mr. Speaker, I would like to say this, if the gentleman from Wisconsin would yield.

Mr. OBEY. Mr. Speaker, I do not have any time to yield. The Chair controls the time.

The SPEAKER pro tempore. The gentleman from Kentucky is being heard on his point of order, and if he has concluded, the Chair would next recognize the gentleman from Wisconsin.

Mr. BUNNING. Mr. Speaker, let me just say, then, that I generally object to the language that authorizes the general capital increase for the World Bank for 6 years. That is my point of order, and that is why I made the point of order.

The SPEAKER pro tempore. Does the gentleman from Wisconsin [Mr. Obey] desire to be heard further?

Mr. OBEY. Yes, I do, Mr. Speaker. Mr. Speaker, I simply say that that may be all the gentleman says he is objecting to, but the fact is if he insists on his motion, he is eliminating all the ability of this House to provide appropriations for a good many items in this bill. All funding for Central America and all funding for the Middle East will come to a halt. If that is what the gentleman desires, he can insist on his motion.

The SPEAKER pro tempore. Does the gentleman from Connecticut [Mr. Morrison] desire to be heard further?

Mr. MORRISON of Connecticut. I do, Mr. Speaker.

As I understand the parliamentary situation, under an amendment that has already been adopted, the House has appropriated $50 million as a contribution for this year to the general capital increase of the World Bank. I certainly support the majority of the material that is in the amendment that is under consideration that would be removed by the gentleman's point of order if the point of order were to be sustained, and I would just inquire of the gentleman from Wisconsin whether there is any possibility of excising the portion that the gentleman from Kentucky has identified as objectionable to him in order to facilitate the passage of the overwhelming majority of these items, including the passage of $50 million in contributions as well as callable capital to reflect that amount for the general capital increase. it would be only the authorizing language that would be affected by it, it would seem to me, that would facilitate the business of the House and would avoid a confrontation that in that could be avoided.

The SPEAKER pro tempore. Is there any other Member who desires to be heard on the point of order?

Mr. BEREUTER. Mr. Speaker, I would like to be heard on the point of order and in the process propound a question.

The SPEAKER pro tempore. The Chair will hear the gentleman.

Mr. BEREUTER. Mr. Speaker, the gentleman from Connecticut, Mr. Morrison, has just indicated that in fact the appropriation for the first year of the general capital increase for the World Bank is provided in another part of the legislation. I would like to have a confirmation of that point in order to know whether to proceed with my statement in respect to the point of order that has been raised, and I would like to yield to the gentleman from Wisconsin and ask if he would address the statement of the gentleman from Connecticut regarding the appropriation of the GCI, the $50 million.

Will the gentleman indicate whether the gentleman's understanding is correct?

The SPEAKER pro tempore. The Chair will be lenient and recognize the gentleman from Wisconsin for a response.

Mr. OBEY. Mr. Speaker, I would simply say that the funding for the amendment was already approved in amendment No. 1, so at this point the House has already approved the funding for the amendment in question.

Let me also say, Mr. Speaker, that this gentleman finds himself in a peculiar position because substantively I agree with the Members making the objection. I have not favored the recapitalization of the World Bank under existing circumstances, but it is my responsibility as chairman of the subcommittee to try to put together a compromise between the administration and both Houses of Congress so we can get a bill.

If this motion were to carry and if the gentleman's intention were in the end to be followed by the House and we were to wind up with no GCI increase, which I personally would be happy about, the fact is that would leave us in a position where we would have no bill because the White House would not accept a bill without that provision. At least that is my understanding, and that means that we would be backing the Congress right into a continuing resolution, which we have all indicated we oppose.

Mr. BEREUTER. Mr. Speaker, I thank the gentleman for his statement. I realize the dilemma the gentleman is in.

Mr. Speaker, I appreciate being recognized on this point of order, and I will not proceed further.

The SPEAKER pro tempore. Does any other Member wish to be heard on the point of order?

Mr. DREIER of California. Mr. Speaker, I desire to be heard.

The SPEAKER pro tempore. The Chair will hear the gentleman.

Mr. DREIER of California. Mr. Speaker, I would like to support the gentleman's point of order and say that it seems to me it is very difficult to believe that if this one particular item in this entire bill were to be excised, the President would not sign it if he is as committed to it as has been said. I would like to add further that just last Thursday, by a vote of 32 to 16, the House Banking Committee reported out this increase, and to have it moved from the Banking Committee directly into this conference report seems to me to be a real miscarriage of justice and a mistake.

Mr. Speaker, I hope very much that if the President does decide to sign this bill, he will sign it without the inclusion of the general capital increase.

□ 1230

The SPEAKER pro tempore (Mr. Gray of Illinois). Are there other Members desiring to be heard on the point of order?

If not, the Chair is ready to rule.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I would only make this comment, and I thank the Speaker for his leniency.

Mr. Speaker, I realize it is a point of order and, therefore, the ruling is going to be based on the correctness of that point of order. But I would not want to leave the impression—I would have to disagree with my chairman on one matter.

I have not had any indication from the administration that they would veto the bill if it did not have this provision in it. They very much want money for the general capital increase. I do not. They do. But they like the rest of the bill, and I do not have any reason to believe they would veto it if this were knocked out.

Mr. MORRISON of Connecticut. Mr. Speaker, could I be heard further?

The SPEAKER pro tempore. The Chair will recognize the gentleman from Connecticut for his comments.

Mr. MORRISON of Connecticut. Mr. Speaker, I would like to make one further suggestion because my objective here is certainly to facilitate the major business of the subcommittee and the passage of the bulk of this legislation and not to allow this point of order, which we have not yet had a ruling on, but to allow the point of order to obviate a whole lot of material for which there is support in favor of one controversial item.

And I make one more suggestion to the gentleman from Wisconsin [Mr. Obey], if we would be willing to consider it, and that is that we could perhaps reach an agreement with the gentleman to structure this so that there would be a vote on the provision, not the rest of the amendment No. 119, but the authorizing language in 119, which could be separated and voted on as an amendment if the gentleman from Wisconsin were willing to agree to that.

Mr. Speaker, that would be another way in which the gentleman from Kentucky could make his point without doing damage to other issues that he does not wish to do damage to.

I realize that would be a departure from the usual procedure, but it is a way out of our particular position we are currently in, and I would just commend that to the gentleman's attention as a possibility to be considered.

Mr. OBEY. Mr. Speaker, I would simply point out that, if there are Members of this House who are opposed to the GCI, if they want to deal with that without bringing down the entire bill, their proper course of action would simply be to oppose the motion which I am making. If they can beat it on the floor, then they have an opportunity to make a motion of their own.

The SPEAKER pro tempore. The Chair is ready to rule.

Mr. DREIER of California. Mr. Speaker, I just would like to take a moment to underscore the fact that nearly every Member who stood, including the chairman and the ranking minority member, are in opposition to the GCI. I think that is a point that the Record should show clearly.

The SPEAKER pro tempore (Mr. Gray of Illinois). Are there additional Members desiring to be heard on the point of order?

If not, the Chair is ready to rule.

The gentleman from Kentucky [Mr. Bunning] has raised a point of order against the motion made by the gentleman from Wisconsin [Mr. OBEY].

The Chair has listened to the arguments advanced on both sides and tried to be liberal with Members espousing their particular cause, and for the reasons advanced by the gentleman from Kentucky [Mr. BUNNING] it is clear that the motion offered by the gentleman from Wisconsin [Mr. OBEY] is not germane to the Senate amendment.

Therefore, under the rules, the Chair must sustain the point of order of the gentleman from Kentucky [Mr. BUNNING].

Mr. OBEY. Mr. Speaker, I ask unanimous consent that amendment No. 119 be passed over and that we proceed to the next amendment in disagreement, amendment No. 124.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 124: Page 78, line 6, after "Act" insert "or if the President determines that the recipient for which funds are earmarked has significantly reduced its military or economic cooperation with the United States since enactment of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 124 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "or, with respect to a country with which the United States has an agreement providing the United States with base rights or base access in that country, if the President determines that the recipient for which funds are earmarked has significantly reduced its military or economic cooperation with the United States since enactment of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988; however, before exercising the authority of this section with regard to a base rights or base access country which has significantly reduced its military or economic cooperation with the United States, the President shall consult with, and shall provide a written policy justification to the Committees on Appropriations."

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 133: Page 80, line 20, strike out all after "for" down to and including "regime" in line 22 and insert "Panama."

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 133 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "programs, projects, or activities which assist or lend support for the Noriega regime, ministries of government under the control of the Noriega regime, or any successor regime that does not meet the criteria specified in subsection (a) of this section".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 134: Page 85, after line 20, insert:

(d) ILLEGAL ACQUISITION.—Before issuing any letter of offer to sell any defense article or defense service to Qatar, Qatar shall have returned all Stinger antiaircraft missiles illegally acquired or purchased. The President shall notify the Committees on appropriations and the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate when all such missiles have been returned.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 134 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

(d) ILLEGAL ACQUISITION.—Effective April 1, 1989, before issuing any letter of offer to sell any defense article or defense service to Qatar, Qatar shall have returned all Stinger antiaircraft missiles illegally acquired or purchased. The President shall notify the Committees on Appropriations and the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate when all such missiles have been returned.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there any objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 135: Page 89, line 1, strike out all after "determine," down to and including "if" in line 2 and insert: "with respect to a country eligible for an International Monetary Fund Structural Adjustment Facility or Enhanced Structural Adjustment Facility, notwithstanding the limitation of section 124(c)(1) to relatively least developed countries, if".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 135 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "or at any time after September 30, 1989, the President may, if he determines it is in the national interest to do so, use the authority of those paragraphs with respect to such aggregate amounts of outstanding principal and interest payable at any time after that date as the President may determine. The authority provided in this section may be exercised with respect to any country described in the last sentence of this section and may be exercised notwithstanding section 124(c)(2) of that Act. In exercising the authority provided in this section, the President may waive the requirement that equivalent amounts of local currencies be deposited into local currency accounts in accordance with paragraph (A) of section 124(c)(1) of that Act, to the extent that the President determines that sufficient local currencies are otherwise available to achieve development objectives. This section applies with respect to any relatively least developed country, or any country in Sub-Saharan Africa (without regard to whether that country is a relatively least developed country within the meaning of section 124(a) of that Act), if".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 141: Page 90, strike out lines 13 to 20.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 141 and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment, insert the following:

SOUTH AFRICA—SCHOLARSHIPS

SEC. 576. Of the funds made available by this Act under the heading "Economic Support Fund", not less than $10,000,000 shall be made available for scholarships for disadvantaged South Africans: *Provided*, That these funds shall be in addition to funds earmarked under such heading for Sub-Saharan Africa.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 144: Page 90, line 23, strike out all after "amended" down to and including "Act" " in line 25 and insert: —

(1) in paragraph (2)(A), by striking out "law" and inserting in lieu thereof "joint resolution, as provided for in sections 36(b)(2) and 36(b)(3) of this Act"; and

(2) in paragraph (3), by adding at the end thereof "Such consent shall become effective then only if the Congress does not enact, within the 30-day period after the President has given such consent, a joint resolution, as provided for in section 36(c)(2) and 36(c)(3) of this Act prohibiting the proposed transfer.".

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 144 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment insert the following:

(1) in paragraph (2)(A), by striking out "law" and inserting in lieu thereof "joint resolution, as provided for in sections 36(b)(2) and 36(b)(3) of this Act"; and

(2) in paragraph (3), by adding at the end thereof "Such consent shall become effective then only if the Congress does not enact, within a 30-day period, a joint resolution, as provided for in sections 36(c)(2) and 36(c)(3) of this Act prohibiting the proposed transfer."

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 169: Page 99, after line, 7, insert:

ASSISTANCE FOR POLAND

SEC. 580. Up to the equivalent of $500,000 of the nonconvertible and convertible Polish currencies (after satisfaction of preexisting commitments to use such currencies for other purposes specified by law) held by the United States which have been generated by the sale to Poland of United States agricultural products may be made available for the reconstruction, renovation, and maintenance of the Research Center of Jewish History and Culture of the Jagiellonian University of Krakow, Poland, established for the study of events related to the Holocaust in Poland: *Provided*, That such currencies shall be made available notwithstanding 31 U.S.C. 1306.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 169 and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "583".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 170: Page 99, after line 7, insert:

COMPETITIVE INSURANCE

SEC. 581. All Agency for International Development contracts and solicitations, and subcontracts entered into under such contracts, shall include a clause requiring that United States marine insurance companies have a fair opportunity to bid for marine insurance when such insurance is necessary or appropriate.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 170 and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "584".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 171: Page 99, after line 7, insert:

PAY RAISES

SEC. 582. Such sums as may be necessary for fiscal year 1989 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 171 and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "585".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 172: Page 99, after line 7, insert:

FAIR PRICING

SEC. 583. (a) The last sentence of paragraph (3) of section 503(a) of the Foreign Assistance Act of 1961 is amended by inserting immediately after the phrase "under paragraph (3)" the phrase "or from funds made available on a nonrepayable basis under section 23 of the Arms Export Control Act", and by inserting after "Armed Forces of the United States" the phrase "(other than the Coast Guard)".

(b) Section 515(d) of the Foreign Assistance Act of 1961 is amended by striking out "October 1, 1982" and inserting in lieu thereof "October 1, 1989" and by striking out "including" and inserting in lieu thereof "excluding".

(c) Section 43(b) of the Arms Export Control Act is amended by striking out "and" at the end of paragraph (1), by striking out the period at the end of paragraph (2) and by inserting a semicolon in lieu thereof, and (30 by adding the following paragraphs at the end of the subsection:

"(3) such expenses are incurred by offices, activities, or other organizational elements of the Department of Defense dedicated solely to carrying out functions under this Act, or are actual out-of-pocket expenses (other than pay and allowances) of personnel temporarily detailed to carry out such functions incurred while so detailed; and

"(4) such expenses are not salaries of members of the Armed Forces of the United States.".

(d) Section 21(e) of the Arms Export Control Act is amended—

(1) by inserting immediately before the semicolon at the end of paragraph (1)(A) "as specified in section 43(b) and section 43(c) of this Act";

(2) by inserting immediately before the semicolon at the end of paragraph (1)(C) "(except for equipment wholly paid for from funds transferred under section 503(a)(3) of the Foreign Assistance Act of 1961 or from funds made available on a nonrepayable basis under section 23 of this Act)";

(3) by repealing paragraph (1)(B) and relettering paragraphs (1)(C) and (1)(D) as paragraphs (1)(B) and (1)(C), respectively; and

(4) by striking out "paragraphs (1)(B) and (1)(C)" in subsection (e)(2) and inserting in lieu thereof "paragraph (1)(B)".

(e) Paragraph (1) of section 21(h) of the Arms Export Control Act is amended by striking out "or" at the end of subparagraph (A), by striking out the period at the end of subparagraph (B) and inserting in lieu thereof "; or", and by adding the following subparagraph at the end of the paragraph:

"(C) in connection with sales of defense articles of a type that are also procured by the Department of Defense for its own use.".

(f) This section shall be effective on or after October 1, 1989.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 172 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

FAIR PRICING

SEC. 586. (a) The last sentence of paragraph (3) of section 503(a) of the Foreign Assistance Act of 1961 is amended by inserting immediately after the phrase "under paragraph (3)" the phrase "or from funds made available on a non-repayable basis under section 23 of the Arms Export Control Act", and by inserting after "Armed Forces of the United States" the phrase "(other than the Coast Guard)".

(b) The Secretary of Defense shall waive collection of the following amounts of surcharges otherwise due on the letter of offer and acceptance (without amendment) for the sale to Israel of aircraft known as Peace Marble III and on the letter of offer and acceptance (without amendment) for the sale to Egypt of aircraft known as Peace Vector III:

(1) $20,000,000 of administrative surcharges under section 21(e)(1)(A) of the Arms Export Control Act for the letter of the offer and acceptance with Israel and $11,700,000 of administrative surcharges under that section for the letter of offer and acceptance with Egypt: *Provided*, That the Secretary shall reimburse the fund established to carry out section 43(b) of the Arms Export Control Act in the amount of the surcharges waived pursuant to this paragraph from any funds available to the Department of Defense, as he determines; and

(2) $70,000,000 of nonrecurring cost recoupment surcharges under section 21(e)(1)(C) of the Arms Export Control Act for the letter of offer and acceptance with Israel and $38,000,000 of nonrecurring cost recoupment surcharges under that section for the letter of offer and acceptance with Egypt.

(c) This section shall be effective on October 1, 1989.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 173: Page 99, after line 7, insert:

IRELAND

SEC. 584. It is the sense of the Congress that of the funds appropriated or otherwise made available for the International Fund for Ireland, the Board of the International Fund for Ireland should give the greatest weight in the allocation of such funds to projects which will create permanent, full time jobs in the areas that have suffered most severely from the consequences of the instability of recent years. Areas that have suffered most severely from the consequences of the instability of recent years shall be defined as areas that have the highest rates of unemployment.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 173 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

IRELAND

SEC. 587. It is the sense of the Congress that of the funds appropriated or otherwise made available for the International Fund for Ireland, the Board of the International Fund for Ireland should give great weight in the allocation of such funds to projects which will create permanent, full time jobs in the areas that have suffered most severely from the consequences of the instability of recent years. Areas that have suffered most severely from the consequences of the instability of recent years shall be defined as areas that have high rates of unemployment.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 175: Page 99, after line 7, insert:

NOTICE TO CONGRESS REGARDING POSSIBLE MISSILES SALES

SEC. 586. (a) PRICE AND AVAILABILITY REPORTS.—Section 28 of the Arms Export Control Act is amended—

(1) in the first sentence of subsection (a)—

(A) by striking out "or" after "$7,000,000 or more" and inserting in lieu thereof a comma, and

(B) by inserting ", or any missile, rockets, or associated launchers or any artillery projectiles (without regard to the amount of the possible sale)" after "$25,000,000 or more"; and

(2) in clause (2) of subsection (b)—

(A) by striking out "or" after "$7,000,000 or more" and inserting in lieu thereof a comma, and

(B) by inserting ", or of any missiles, rockets, or associated launchers or any artillery projectiles (without regard to the amount of the proposed sale)" after "$25,000,000 or more".

(b) NOTIFICATIONS IN THE ABSENCE OF RECENT PRICE AND AVAILABILITY REPORT LISTING.—

(1) SALES SUBJECTED TO NOTIFICATION REQUIREMENT.—Paragraph (2) of this subsection applies with respect to any letter or offer to sell any missiles, rockets, or associated launchers or any artillery projectiles (without regard to the amount of the sale) if, within the preceding 6 months, a listing

has not been transmittted to the Congress pursuant to section 28 of the Arms Export Control Act with respect to that sale and if section 36(b) of that Act does not apply.

(2) REQUIREMENT FOR NOTIFICATION.—Before issuing any letter of offer described in paragraph (1), the President shall notify the Speaker of the House of Representatives and the chairman of the Committee on Foreign Relations of the Senate. Any such notification shall contain the information required in a certification under section 36(b) of the Arms Export Control Act.

(3) TIME FOR NOTIFICATION.—The notification required by paragraph (2) shall be submitted not less than 30 days before the letter of offer is issued, unless the President states in the notification that an emergency exists which requires the proposed sale in the national security interests of the United States. If the President states that such an emergency exists, he shall include a detailed justification for his determination, including a description of the emergency circumstances which necessitate the immediate issuance of the letter of offer and a discussion of the national security issues involved.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 175 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

NOTICE TO CONGRESS REGARDING POSSIBLE MISSILES SALES

SEC. 588. (a) PRICE AND AVAILABILITY REPORTS.—Section 28 of the Arms Export Control Act is amended—

(1) in the first sentence of subsection (a)—

(A) by striking out "or" after "$7,000,000 or more" and inserting in lieu thereof a comma, and

(B) by inserting ", or of any Air-to-Ground or Ground-to-Air missiles, or associated launchers (without regard to the amount of the possible sale)," after "$25,000,000 or more"; and

(2) in clause (2) of subsection (b)—

(A) by striking out "or" after "$7,000,000 or more" and inserting in lieu thereof a comma, and

(B) by inserting ", or of any Air-to-Ground or Ground-to-Air missiles or associated launchers (without regard to the amount of the proposed sale)," after "$25,000,000 or more".

(b) NOTIFICATIONS IN THE ABSENCE OF RECENT PRICE AND AVAILABILITY REPORT LISTING.—

(1) SALES SUBJECT TO NOTIFICATION REQUIREMENT.—Paragraph (2) of this subsection applies with respect to any letter or offer to sell any Air-to-Ground or Ground-to-Air missiles, or associated launchers (without regard to the amount of the sale) if, within the preceding 6 months, a listing has not been transmitted to the Congress pursuant to section 28 of the Arms Export Control Act with respect to that sale and if section 36(b) of that Act does not apply.

(2) REQUIREMENT FOR NOTIFICATION.—Before issuing any letter of offer described in paragraph (1), the President shall notify the Speaker of the House of Representatives and the Chairman of the Committee on Foreign Relations of the Senate. Any such notification shall contain the information required in a certification under section 36(b) of the Arms Export Control Act.

(3) TIME FOR NOTIFICATION.—The notification required by paragraph (2) shall be submitted not less than 30 days before the letter of offer is issued, unless the President states in the notification that an emergency exists which requires the proposed sale in the national security interests of the United States. If the President states that such an emergency exists, he shall include a detailed justification for his determination, including a description of the emergency circumstances which necessitate the immediate issuance of the letter of offer and a discussion of the national security issues involved.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 176: Page 99, after line 7, insert:

FUNDING ADJUSTMENTS

SEC. 587. Notwithstanding any other provision of this Act, the following amounts are hereby appropriated in lieu of amounts contained previously herein: for payment to the International Development Association, $952,876,717; for "International Organizations and Programs", $217,219,666, of which not more than $13,500,000 shall be made available for the International Atomic Energy Agency; for administrative expenses of the Export-Import Bank of the United States, not to exceed $20,490,000: *Provided*, That, notwithstanding any other provision of this Act, no funds shall be appropriated or otherwise made available by this Act for payment to the International Finance Corporation or for payment to the African Development Bank: *Provided further*, That the authority contained in section 515 of this Act may not be exercised to reobligate and reobligate funds previously obligated for the "Economic Support Fund", notwithstanding the provisions of that section.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 176 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment insert the following:

FUNDING ADJUSTMENTS

SEC. 589. Notwithstanding any other provision of this Act, the following amount is hereby appropriated in lieu of the amount contained previously herein for payment to the African Development Bank, $7,345,371: *Provided*, That notwithstanding any other provision of this Act, during fiscal year 1989, total commitments by Overseas Private Investment Corporation to guarantee loans shall not exceed $175,000,000 of contingent liability for loan principal: *Provided further*, That section 514 of this Act is amended to read as follows:

TRANSFERS BETWEEN ACCOUNTS

SEC. 514. None of the funds made available by this Act may be obligated under an appropriation account to which they were not appropriated.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 177: Page 99, after line 7, insert:

OLD EXECUTIVE OFFICE BUILDING

SEC. 588. (a) ACCEPTANCE OF GIFTS OF MONEY AND PROPERTY.—The Director of the Office of Administration is authorized to—

(1) accept hold, administer, utilize and sell gifts and bequests of property, both real and personal, and loans of personal property other than money; and

(2) accept and utilize voluntary and uncompensated services;

for the purpose of aiding, benefiting, or facilitating the work of preservation, restoration, renovation, rehabilitation, or historic furnishing of Old Executive Office Building and the grounds thereof.

(b) ESTABLISHMENT OF FUND.—There is established in the Treasury a fund for use in accordance with the provisions of this section. Amounts of money and proceeds from the sale of property accepted under subsection (a) shall be deposited in the fund, which shall be available to the Director of the Office of Administration. Such funds shall be held in trust by the Secretary of the Treasury.

(c) USE OF FUND.—Property accepted pursuant to this section or the proceeds from the sale thereof, shall be used as nearly as possible in accordance with the terms of the gift or bequest. The Director of the Office of Administration shall not accept any gift under this section that is expressly conditioned on any expenditure not to be met from the gift itself unless such expenditure has been approved by an Act of Congress.

(d) TAXES.—For the purpose of the Federal income, estate, and gift tax laws, property accepted under this section shall be considered as a gift, bequest, or devise to the United States.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. OBEY moves that the House recede from its disagreement to the amendment of the Senate numbered 177 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

OLD EXECUTIVE OFFICE BUILDING

Sec. 590. (a) Acceptance of Gifts of Money and Property.—The Director of the Office of Administration is authorized to—

(1) accept, hold, administer, utilize and sell gifts and bequests of property, both real and personal, and loans of personal property other than money; and

(2) accept and utilize voluntary and uncompensated services;

for the purpose of aiding, benefiting, or facilitating the work of preservation, restoration, renovation, rehabilitation, or historic furnishing of the Old Executive Office Building and the grounds thereof.

(b) Establishment of Fund.—There is established in the Treasury a fund for use in accordance with the provisions of this section. Amounts of money and proceeds from the sale of property accepted under subsection (a) shall be deposited in the fund, which shall be available to the Director of the Office of Administration. Such funds shall be held in trust by the Secretary of the Treasury.

(c) Use of Fund.— Property accepted pursuant to this section or the proceeds from the sale thereof, shall be used as nearly as possible in accordance with the terms of the gift or bequest. Any use or sale of property accepted pursuant to this section, and any use of proceeds from such sale, shall be subject to the disapproval of the Administrator of General Services within 30 days after the Administrator receives notice of such use or sale. The Director of the Office of Administration shall not accept any gift under this section that is expressly conditioned on any expenditure not to be met from the gift itself unless such expenditure has been approved by an Act of Congress.

(d) Taxes.—For the purpose of the Federal income, estate, and gift tax laws, property accepted under this section shall be considered as a gift, bequest, or devise to the United States.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. Obey].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 179: Page 99, after line 7, insert:

EL SALVADOR ECONOMIC SUPPORT FUNDS

Sec. 590. Not less than 25 percent of the Economic Support Funds made available for El Salvador by this Act shall be used for projects and activities in accordance with the provisions applicable to assistance under chapter 1 of part I of the Foreign Assistance Act of 1961.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Obey moves that the House recede from its disagreement to the amendment of the Senate numbered 179 and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "591".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. Obey].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 180: Page 99, after line 7, insert:

ASSISTANCE TO AFGHANISTAN

Sec. 591. Fund appropriated by this Act may not be made available, directly or through any programs funded under the heading International Organizations and Programs, for assistance to be provided inside Afghanistan if that assistance would be provided through the Soviet-backed Government of Afghanistan.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Obey moves that the House recede from its disagreement to the amendment of the Senate numbered 180 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

ASSISTANCE TO AFGHANISTAN

Sec. 592. Funds appropriated by this Act may not be made available, directly or for the United States proportionate share of programs funded under the heading "International Organizations and Programs", for assistance to be provided inside Afghanistan if that assistance would be provided through the Soviet-controlled government of Afghanistan. This section shall not be construed as limiting the United States contributions to international organizations for humanitarian assistance.

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. Obey].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the last amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 182: Page 99, after line 7, insert:

COSTA RICA ECONOMIC SUPPORT FUNDS

Sec. 593. Of the funds specified in this Act for Costa Rica under the heading Economic Support Fund, $20,000,000 shall be obligated, but shall not be expended, except as provided by the second and fourth provisos of this section, until the Government of Costa Rica and an American citizen, whose property and businesses in the vicinity of Limon Province, Costa Rica were affected by actions of the Government of Costa Rica (Junta de Administracion Portuaria y de Desarrollo Economico de la Vertiete Atlantica, or JAPDEVA, an agency of the Government of Costa Rica) reach a settlement concerning compensation: *Provided*, That in order to facilitate such a settlement the Department of State shall, upon enactment of this Act, request that both parties submit the disagreement to binding international arbitration in accordance with the rules of procedure of the Inter-American Commercial Arbitration Commission. The Commission shall select the arbitrators, and may appoint such experts as it finds necessary in order to establish a base of factual and financial information for the case: *Provided further*, That, if, within 60 days after the enactment of this Act the Government of Costa Rica has agreed to binding international arbitration, then the $20,000,000 shall be made available for expenditure to the Government of Costa Rica: *Provided further*, That, if, within 60 days after enactment of this Act, the Government of Costa Rica has not agreed to binding international arbitration, then the $20,000,000 shall be deobligated and immediately returned to the Treasury of the United States: *Provided further*, That if within 60 days after enactment of this Act, the United States citizen has not agreed to binding international arbitration and has not agreed that the award resulting from the arbitration will constitute a full and final settlement of any and all claims, liabilities and demands, including those which may be directed at the United States, its officers, agents and employees, then the $20,000,000 shall be made available for expenditures to the Government of Costa Rica: *Provided further*, That arbitrators shall consider maintenance costs, interest costs, professional fee costs, land, business and asset valuations and all other matters they deem appropriate: *Provided further*, That nothing in this provision shall prevent the two parties prior to a final arbitration award from reaching a binding full and final written agreement outside the arbitration proceedings; *Provided further*, That funds previously appropriated for the Economic Support Fund shall be used to pay for the reasonable costs of arbitration.

MOTION OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. Obey moves that the House recede from its disagreement to the amendment of the Senate numbered 182 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

COSTA RICA

Sec. 594. The Department of State shall select an independent factfinder to investigate the legal and financial issues related to the case involving the Government of Costa Rica and an American citizen concerning property and businesses in the vicinity of Limon Province, Costa Rica. The Department of State shall report, no later than March 1, 1989, the findings made by the factfinder to the parties involved and to the Committees on Appropriations and the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate. The costs of the factfinder shall be paid from unearmarked funds provided under the heading "Economic Support Fund".

Mr. EDWARDS of Oklahoma (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Wisconsin [Mr. Obey].

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

CONFERENCE REPORT ON H.R. 4776, DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 1989

Mr. OBEY submitted the following conference report and statement on the bill (H.R. 4776) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1989, and for other purposes:

[Conference report will appear in a subsequent issue of the Record.]

Conference Report (H. Rept. No. 100-988)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4776) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1989, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 5, 8, 10, 11, 13, 14, 18, and 20.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 4, 9, 16, and 17, and agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$32,040,000*; and the Senate agree to the same.

Amendment numbered 7:

That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$623,924,000*; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 3, 6, 12, 15, 19, 21, 22, 23, 24, 25, 26, 27, 28, and 29.

Julian C. Dixon,
William H. Natcher
(with exception of amendment No. 15),
Louis Stokes,
Les AuCoin,
Wes Watkins,
Steny H. Hoyer,
Jamie L. Whitten,
Lawrence Coughlin,
Bill Green
(with exception with respect to amendment No. 26),
Ralph Regula,
Silvio O. Conte,
Managers on the Part of the House.

Tom Harkin,
Frank R. Lautenberg,
Harry Reid,
John C. Stennis,
Don Nickles,
Chuck Grassley,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4776) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1989, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the actions agreed upon by the managers and recommended in the accompanying conference report.

TITLE I—FISCAL YEAR 1989 APPROPRIATIONS

Amendment No. 1: Inserts title and fiscal year heading to separate fiscal year 1989 appropriations from supplemental appropriations for fiscal year 1988.

Federal Payment for Water and Sewer Services

Amendment No. 2: Appropriates $32,040,000 instead of $36,726,000 as proposed by the House and $27,130,000 as proposed by the Senate. The amount agreed to by the conferees is based on revised estimates submitted by District officials. The conferees note that the President's budget had proposed that the District bill the individual Federal agencies for these services. In denying that request and providing the lump sum payment, the conferees do not express unequivocal opposition to the proposal. However, in an April 1987 letter, the General Accounting Office stated that the proposal was contrary to existing law, and that the District has no statutory authority to bill or to accept payments from agencies. The conferees would encourage the relevant committees to consider the proposed request to change the statute. If such legislation is enacted during the fical year, the Committees on Appropriations will consider a request to adjust the amount provided.

Criminal Justice Initiative

Amendment No. 3: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the matter proposed by said amendment, insert the following: *Provided*, That construction may not commence unless access and parking for construction vehicles are provided solely at a location other than city streets: *Provided further*, That District officials meet monthly with neighborhood representatives to inform them of current plans and discuss problems: *Provided further*, That the District of Columbia shall operate and maintain a free, 24-hour telephone information service whereby residents of the area surrounding the new prison, can promptly obtain information from District officials on all disturbances at the prison, including escapes, fires, riots, and similar incidents: *Provided further*, That the District of Columbia shall also take steps to publicize the availability of that service among the residents of the area surrounding the new prison.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The language agreed to by the conferees requires the District government to take certain steps to mitigate the impact of the proposed new prison on the surrounding neighborhood in Southeast Washington. The conferees have deleted the proviso requiring access and egress on other than 19th Street, Southeast, and the proviso that required a portion of the old D.C. jail site to become a neighborhood shopping center.

Public Safety and Justice

Amendment No. 4: Appropriates $734,207,000 as proposed by the Senate instead of $735,528,000 as proposed by the House.

Metroplitan Police Department—The conference action appropriates $207,157,000 as proposed by the House instead of $207,407,000 as proposed by the Senate. The conferees have not approved the increase of $250,000 proposed by the Senate. These funds would have been used in cooperation with Federal authorities to mount a drug interdiction initiative at the District's Lorton Correctional Complex. This matter is discussed under amendment number 5.

Superior Court—The conference action provides $54,646,000 and 1,173 positions as proposed by the Senate instead of $52,680,000 and 1,137 positions as proposed by the House. The increase of $1,966,000 and 36 positions above the House allowance will fund mandatory pay increases and provide needed staff and resources for various divisions in the Superior Court.

Court System—The conference action provides $20,080,000 and 80 positions as proposed by the Senate instead of $19,875,000 and 75 positions as proposed by the House. The increase of $205,000 consists of $47,000 to fund two exisitng positions in the Equal Employment Opportunity program, $94,000 and five positions for a pilot test of a court-manned security force and $64,000 for liability insurance for the District's judicial officers.

SECURITY AND MAINTENANCE OF COURT BUILDINGS

The increase of $94,000 will fund five positions and will permit the court system to pilot test a court-manned supplemental security force. Court official have testified that they continue to experience severe security problems which they have reported for several years, and instead of improving, the situation has deteriorated. Court officials further reported that the security and maintenance services provided by the District's Department of Administrative Services have not been satisfactory.

Because of these problems, court officials have repeatedly requested the transfer of these responsibilities and the applicable funding to the court. For whatever reasons, this has not been accomplished.

Testimony from court officials indicates that the Department of Administrative Services' responsibility for these services, if properly performed, would be acceptable to the courts. However, in light of the continued dissatisfaction with the obviously less than satisfactory service, the conferees recommend funding a small supplemental security force and evaluating the courts' ability to accomplish improved security in the buildings it occupies.

JUDICIAL INDEMNITY INSURANCE

An increase of $64,000 is provided for professional liability insurance. This increase is unnecessary except for the fact that the Council of the District of Columbia has not yet completed action on legislation amending the D.C. Code to ensure appropriate liability coverage for judicial employees comparable to that provided for medical employees under D.C. Code, sec. 1-1215(b). The need for this legislation results from the liability exposure created by the Supreme Court decision in the case of *Pulliam* v. *Allen* (1984) 104 S. Ct. 1970. This issue was first called to the attention of District officials in House Report 99-223 dated July 24, 1985. The report stated that "* * * the Committee urges the Mayor and Council to pursue the expedited passage of legislation amending the D.C. Code to ensure appropriate coverage for judicial employees thereby eliminating the need for funds to cover insurance premiums in fiscal year 1986."

That was over three years ago. The conferees are deeply concerned with what appears to be inaction on a seemingly innocuous bill that is simply good government as well as cost effective.

Department of Corrections—The conference action provides $193,855,000 instead of $197,347,000 as proposed by the House and $193,605,000 as proposed by the Senate. The reduction of $3,492,000 below the House allowance will provide $29,496,000 for the Federal Bureau of Prisons payment instead of $32,988,000 as proposed by the House and $29,246,000 as proposed by the Senate.

DRUG INTERDICTION TASK FORCE

Amendment No. 5: Deletes language proposed by the Senate concerning the use of funds proposed under amendment number 4 for the drug interdiction task force at the Lorton, Virginia prison complex. The conferees have agreed to delete the $250,000 proposed by the Senate under amendment number 4 for use by the Metropolitan Police Department to establish a drug interdiction task force at the Lorton, Virginia prison complex.

The conferees are concerned, however, that the flow of illicit drugs into the Lorton complex remains a serious problem and may contribute to instability and disturbances at the prison. The conferees direct the District of Columbia government to focus increased resources and effort on drug enforcement activities at Lorton.

The conferees further direct the District of Columbia government to proceed with the establishment of a drug interdiction task force. The District of Columbia Government should seek funding, as appropriate, from other Federal programs such as those being established as part of the omnibus drug legislation presently being considered by the Congress and/or use available funds to pay for police salaries, transportation, communications, drug testing services and equipment, and related expenses necessary to establish and operate a task force at Lorton and throughout the District of Columbia prison system.

The conferees believe that such a task force could greatly reduce the flow of drugs into Lorton and thus help prevent more serious problems. Therefore, the conferees direct the District of Columbia government to report to the Committees on Appropriations of the House and Senate, not later than January 15, 1989, on the effort being made to establish the task force, obtain funding, and on the severity of the drug problem at Lorton and throughout the prison system.

Amendment No. 6: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides that the staffing levels of two-piece engine companies within the Fire Department shall be maintained in accordance with the Fire Department's Rules and Regulations until final adjudication by the relevant courts.

PUBLIC EDUCATION SYSTEM

Amendment No. 7: Appropriates $623,924,000 instead of $623,424,000 as proposed by the House and $623,981,000 as proposed by the Senate. The increase of $500,000 above the House allowance is for the Very Special Arts Program founded in 1974 as an educational affiliate of the John F. Kennedy Center for the Performing Arts. The program is dedicated to enriching the lives of people with disabilities through the arts, music, dance, drama, creative writing and the visual arts. These funds will be used to provide interpreters, ramps, needed medical coverage, accessible transportation equipment and signage services in support of the International Very Special Arts Festival scheduled to be held in Washington, D.C. in June 1989.

The conferees have not approved $57,000 proposed by the Senate for the Civil Air Patrol. This matter is discussed under amendment number 8.

Amendment No. 8: Allocates $452,403,000 for the public schools of the District of Columbia as proposed by the House instead of $452,460,000 as proposed by the Senate. The reduction of $57,000 below the Senate allocation reflects the deletion of funds intended for the establishment of a Civil Air Patrol Cadet Program within the District of Columbia Public Schools. This is done without prejudice to the program, and the conferees hope that the Board of Educaiton will seriously consider any proposal from the Civil Air Patrol to establish this program in the D.C. school system.

The Cadet Program is an activity for young men and women between the ages of 13 and 21 years old. The basic program includes training in leadership, aerospace education, moral leadership, and physical fitness. Under the leadership of CAP senior members, cadets progress through a series of structured achievements earning military type promotions in grade. The Cadet Program provides its participants a forum in which they are challenged to perform and rewarded when they do.

Programs such as the Civil Air Patrol Cadet Program are of great value in providing worthwhile activities for youth during the hours after school as a method of combating the temptation of drug abuse.

Public Schools—The conferees are concerned about what the Mayor has described as a crisis of values particularly among school-age children in the District of Columbia. This crisis manifests itself in the apparent insensitivity of youth to the specter of violence and drug use and where being victimized is viewed simply as part of growing up. In response to this type of crisis the Board of Education has established a Values Commission that is to report to the Board on a program that could be implemented in all schools and all grades.

This Commission is a fine first step in recognizing a fundamental problem in our current culture. However, the job will not be completed when the report is received and the program implemented. The conferees hope that the School Board will examine its own operations to ensure that they are sending the proper message to students through their own actions and deeds.

In addition, the conferees hope that the Commission will take into consideration the message that is received by students when the D.C. Public School system ranks last in teacher salaries in the region and by the deteriorated condition of the schools themselves. The conferees are aware that these are not easy questions to address, nor will they be inexpensive to correct, but students will judge our commitment to these goals by our adherence to the principles we establish.

Supplemental budget needs—The conferees are aware of the financial needs of the District of Columbias Public Schools and the possible shortfall of $13,000,000 in the proposed fiscal year 1989 budget. The new Superintendent testified that he hopes that the Mayor will propose and the District Council will enact a supplemental budget that will fully fund the needs of the public schools. The conferees direct that the Board of Education transmit to the Committee on Appropriations of the Senate and House of Representatives its estimate of needed supplemental funding at the same time this request is transmitted to the Mayor.

This request is made so that the Committees can be kept apprised of the budgetary situation in the D.C. Public Schools and not as a promise to fund all amounts requested. The Board of Education should continue to be mindful of possible administrative savings and is requested to detail in its transmittal the steps it has taken that could mitigate the final amount needed.

Amendment No. 9: Allocates $4,192,000 for the Commission on the Arts and Humanities as proposed by the Senate instead of $3,692,000 as proposed by the House. The increase of $500,000 above the House allowance is for the Very Special Arts Program discussed under amendment number 7.

HUMAN SUPPORT SERVICES

Amendment No. 10: Appropriates $744,901,000 as proposed by the House instead of $745,665,000 as proposed by the Senate.

Department of Human Services—The conference action provides $616,555,000 as proposed by the House instead of $617,319,000 as proposed by the Senate. The conferees have deleted the $264,000 proposed by the Senate for a pilot project which would have provided housing and supportive services for mentally disabled mothers. The conferees do so without prejudice to the merits of such a program and encourage the Commission on Mental Health to assess the magnitude of the need in the District of Columbia and report to the Committees on Appropriations of the Senate and House of Representatives not later than December 31, 1988. This report should include the number of such mothers in the District as well as information on how these mothers and infants are currently cared for in the District.

The Committees will consider a supplemental or reprogramming request as early in fiscal year 1989 as the Commission on Mental Health and District government deem appropriate. The conferees have not approved the additional $500,000 proposed by the Senate for Project Volta. An appropriation of $990,000 was included in the District's fiscal year 1988 appropriations act for this project. The conferees have included bill language under "Human Support Services" in amendment number 29 making the $990,000 available solely for Project Volta and extending the availability of those funds until expended.

The conferees are concerned about cuts in the Handicapped Infant Intervention Project (HIIP). This is a program, similar to Project Volta in approach, which provides for early intervention for handicapped infants and toddlers up to age three. This is done through screening of high risk newborn infants for early recognition of mental retardation, minimal brain damage, and overall delay in development skills. The conferees share the concern expressed by others that without this program, deafness in many infants might go undetected and intervention might not occur. The conferees hope that ways can be found to minimize the impact of reductions on this program.

The conferees direct that $36,000 be disbursed within 15 days of the enactment of this Act to the Samaritans of Washington, a nonprofit, nonsectarian largely volunteer tax-exempt organization which operates a round-the-clock hotline to serve persons who are in despair or contemplating suicide. Since the Samaritans' hotline became operational in February 1986 the number of calls has increased from 300 a month to as many as 2,500 a month. The Samaritans' phones are staffed by 45 trained volunteers who are on duty approximately 1,500 hours each month. The cost effectiveness of this program is obvious.

Amendment No. 11: Deletes language proposed by the Senate concerning the payment of funds under amendment number 10 to Project Volta. The conferees did not approve the additional $500,000 proposed by the Senate for this project under amendment number 10.

PUBLIC WORKS

Amendment No. 12: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, amended to read as follows:

In lieu of the matter proposed by said amendment insert the following: *: Provided further, That the Taxicab Commission shall report to the Committees on Appropriations of the Senate and House of Representatives by January 15, 1989 on a plan as outlined in Senate Report 100-162 to issue and implement regulations including but not limited to the age of vehicles, frequency of inspection, and cleanliness of vehicles*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees remain concerned about the pace of progress of the Taxicab Commission in reaching the goals set out in last year's conference report (House Report 100-498). At that time the conferees requested the submission of a report and stated:

"This report should include a timetable for consideration of a fair, equitable, nondiscriminatory fare structure based on time and mileage; consideration of taxicab vintage; a review of driver standards; a review of methods to provide better monitoring of the industry including the possibility of monthly insurance stickers; and a policy on the types of permitted radio operations."

The conferees are aware of the report of September 1, 1988 by the Taxicab Commission to the Committees which outlines plans for many of the items mentioned in last year's conference report. The conferees are pleased to note that some progress is being made, and continue to strongly believe that all of the information that the Commission should require ought to be available at this time. The conferees also strongly believe that the Commission, after receiving public comment, should take final action not later than January 1, 1989 on a vintage standard as well as on the other matters contained in the September 1, 1988 report, and report the results of that action to the Committees by January 15, 1989. In addition, the Commission is requested to include in its report a schedule for consideration of the other items mentioned in the above directive, including the frequency of taxicab inspections, the age of vehicles used as cabs, the condition of heating and air-conditioning systems, and the cleanliness of vehicles.

The conferees are also aware that the Commission intends to contract for a wide-ranging study of the taxicab industry in the Nation's capital. The conferees support this effort; however, the conferees are concerned about the length of time the study is proposed to take. One of the stated purposes of the study is another information about the economics of the industry to aid in setting rates. It does not seem that this data would be required to make a determination to whether or not the current zone fare system should be replaced by a system of meters. This is an important first step in progressing to a regional uniform taxicab system where fares are uniform and trip origin and destination barriers are removed.

MOTOR TRUCK SAFETY

The conferees note with concern that the District has not become a member of the Motor Carrier Safety Assistance Program (MCSAP). Currently, over 50 of 56 eligible jurisdictions are involved in this program which provides grants to jurisdictions which adopt the Federal Motor Carrier Safety Regulations and Hazardous Materials Regulations and provide their police with sufficient authority to enforce these regulations.

Currently, the District does not have the capacity to enforce regulations governing truck safety and the transportation of hazardous materials. The conferees note that the MCSAP program has been extremely successful in other jurisdictions, increasing annual roadside inspections of trucks from 30,000 in 1984 to over one million this year, and an expected 1.5 million in fiscal year 1989.

The MCSAP program provides Federal funds for training and hiring personnel and would be a direct benefit to the motoring public. By becoming a member of the MCSAP program, the District would greatly enhance the regional effort to ensure that trucks operating in the Washington Metropolitan Region are operating safely.

Accordingly, the conferees strongly encourage the District to join the MCSAP program and adopt local regulations and laws necessary to enforce the program. The conferees direct the District to report back to the House and Senate Committees on Appropriations no later than March 1, 1989, on the status of the District's efforts.

INAUGURAL EXPENSES

The conferees direct that $80,000 of the $2,300,000 appropriated for expenses that the District government expects in connection with the upcoming Presidential inauguration be allocated to the D.C. National Guard for expenses that it incurs in connection with the inauguration activities.

CAPITAL OUTLAY

Amendment No. 13: Appropriates $138,336,000 as proposed by the House instead of $148,336,000 as proposed by the Senate. The conferees have not approved the increase of $10,000,000 proposed by the Senate to finance the construction of the Federal City Communications Center on the campus of Catholic University.

Amendment No. 14: Deletes language proposed by the Senate concerning the availability of funds under amendment number 13 for the Federal City Communications Center. The conferees did not approve the funds proposed by the Senate under amendment number 13.

GENERAL PROVISIONS

Amendment No. 15: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which prohibits the use of Federal funds for abortions except to save the life of the mother or such medical procedures necessary for the victims of rape or incest which has been reported promptly to a law enforcement agency or public health service. The Senate amendment agreed to by the conferees also allows use of Federal funds for drugs and devices necessary to prevent implantation of the fertilized ovum and medical procedures necessary for the termination of an ectopic pregnancy. The House language prohibited the use of both local and Federal funds for abortions and allowed no exceptions. The Senate amendment is identical to language that has been carried in District of Columbia Appropriations Acts annually since fiscal year 1980.

Amendment No. 16: Deletes language proposed by the House and stricken by the Senate concerning the expenditure of funds in any workplace that is not free of illegal use or possession of controlled substances. The conferees strongly agree with the intent of the provision included by the House. However, the conferees have agreed to strike this language since this issue was addressed on a government-wide basis in Section 628 of the conference report for the Treasury-Postal Service and General Government Appropriations Act, 1989 (H.R. 4775; H. Rept. 100-881, pp. 33-34). Section 628 of that Act (Public Law 100-440) covers the District of Columbia as well as all Federal entities.

Amendment No. 17: Deletes language proposed by the House and stricken by the Senate concerning the District's residency requirement for employees. This matter is addressed under amendment number 24.

Amendment No. 18: Deletes language proposed by the Senate which would have provided a Federal loan guarantee in an amount not to exceed $20,000,000 to the Washington Center, a nonprofit corporation, for the construction of an educational housing facility.

Amendment No. 19: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

SEC. 135. (a) Section 11-1563(d), D.C. Code is amended—

(A) by inserting "or while receiving retirement salary under this subchapter but before having recouped all contributions," before "the lump-sum credit for retirement"; and

(B) by inserting "or the balance after deduction of retirement salary paid prior to death, if applicable," before "shall be paid,".

(b) The Mayor within 30 days after the enactment of this Act, shall engage an enrolled actuary, to be paid by the District of Columbia Retirement Board, and shall comply fully with the requirements of section 142(d) and section 144(d) of the District of Columbia Retirement Reform Act of 1979 (Public Law 96-122, D.C. Code, secs. 1-722(d) and 1-724(d)).

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Senate amendment agreed to by the conferees changes the section number and makes a technical correction to D.C. Code, sec. 11-1563(d) concerning the refund of retirement withholdings to judges of the District of Columbia courts. Currently, if a judge who has not elected to participate in the Survivor Annuity Program dies while in active service, the contributions made by the judge to the retirement system are returned to the named beneficiary or the judge's estate. In those cases where a retired judge has not yet recouped the contributions prior to death, there is no provision for a named beneficiary or the estate to recoup the remaining portion of the contributions. The language in Senate amendment number 19 corrects this inequity. The language also requires the Mayor to enagage an enrolled actuary to determine the financial effects of this change on the retirement fund and to comply fully with sections 142(d) and 144(d) of Public Law 96-122.

Amendment No. 20: Deletes language proposed by the Senate concerning the qualification requirements for retirement benefits for persons serving in the position of Executive Officer of the District of Columbia Courts. The proposed language sought to clarify the treatment for the Executive Officer of the District of Columbia Courts under circumstances where the Officer is involuntarily removed from office. Section 11-1703(c) of the District of Columbia Code states that "The Executive Officer shall receive the same compensation as an associate judge of the Superior Court."

The conferees ask that the courts bring back this proposal with a fuller explanation of the need for such clarification.

Amendment No. 21: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, amended to read as follows:

In lieu of the matter proposed by said amendment, insert the following:

SEC. 136. (a) Within 30 days after the date of enactment of this Act, the United States, acting through a duly authorized official, shall convey to the District of Columbia without consideration, all right, title, and interest of the United States, in the real property described in subsection (b) (and any improvements thereon).

(b) The real property referred to in subsection (a) is that property (commonly known as the District of Columbia Employment Security Building at 500 C Street, Northwest) located in the District of Columbia in Square 491 described in a deed from the District of Columbia to the United States dated April 20, 1961, and recorded on April 26, 1961, as instrument number 11232 in liber 11589, folio 135 of the District of Columbia.

(c) If for any reason the District of Columbia should dispose of the real property described in subsection (b) (and any improvements thereon), such disposition shall be in accordance with procedures established by the Federal Department of Labor as are applicable to any of the 50 states.

SEC. 137. Section 147 of the Surface Transportation and Uniform Reallocation Assistance Act of 1987 (Public Law 100-17, approved April 2, 1987) is repealed.

SEC. 138. Notwithstanding Section 110 of this Act, appropriations in this Act shall not be available, during the fiscal year ending September 30, 1989, for the compensaiton of any person appointed to a permanent position in the District of Columbia government during any month in which the number of employees exceeds 38,512, the number of positions authorized by this Act.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference action inserts language to transfer title of the District's Employment Security Building located at 500 C Street, NW, to the District government. The General Accounting Office, in response to a request from the House and Senate Committees on Appropriations as to how ownership of title to the District's Employment Security Building might equitably be handled if the District were treated as if it were a state under the employment security program, has sent the Committees a letter dated September 14, 1988 stating that the building was paid for from appropriations for employment security grants, and that this use of the grants was consistent with the use of such grants by other states. The letter from the General Accounting Office further states that an official of the Federal Department of Labor told them that the District's Employment Security Building is the only instance they were aware of wherein a state did not hold legal title to similar employment services program property.

The site was originally titled to the District of Columbia and was transferred to the Federal government in April 1961 at no cost. It should be noted that before the District received Home Rule in 1973, the Federal government provided a myriad of municipal services to the District. In a letter dated January 29, 1959 from Robert E. McLaughlin, President of the Board of Commissioners of the District of Columbia, to James E. Dodson, Administrative Assistant Secretary of the Federal Department of Labor, Mr. McLaughlin, in outlining the conditions of the site transfer, stated "... it is hoped that this structure will ultimately become District property ..." (see letter submitted for the record in hearings on the District's fiscal year 1989 budget held on May 10, 1988, before the House Subcommittee on District of Columbia Appropriations, part 1, pp. 410-411).

The conferees have also included language in subsection (c) to ensure that the District abides by procedures established by the Federal Department of Labor in the event the District disposes of the property. These procedures were developed by the Federal Department of Labor for the disposal of facilities used in the various States' Employment Security Agencies Program (SESA). It is the express intent of the conferees that the District of Columbia be treated in the same manner as any of the 50 states.

The conferees have also approved a new section 127 which repeals Section 147 of Public Law 100-17, the Surface Transportation and Uniform Reallocation Assistance Act of 1987. Section 147 was included by the House as part of Public Law 100-17 when the Commonwealth Transportation Board, Commonwealth of Virginia refused to make certain adjustments in the High Occupancy Vehicle (HOV) restrictions on the I-95/I-395 facilities (the Shirley Highway express lanes)—adjustments which would have improved the ingress/egress of the high volume of traffic moving in and out of Washington, D.C. The conferees have been advised that an agreement has since been reached with the Commonwealth Transportation Board whereby in return for repeal of Sec. 147, the state will lower HOV requirements from four persons per vehicle to three persons per vehicle; will keep open to all traffic the Pentagon HOV-lanes access ramp (Ramp G) for as long as is practical; will maintain the current 6:00 p.m. time at which the express lanes are open to all traffic; and will institute certain improvements in HOV-restriction enforcement procedures and programs. These changes will go into effect in January 1989. The language agreed to by the conferees has been cleared with the chairman and ranking member of the Subcommittee on Surface Transportation of the House Committee on Public Works and Transportation .

The conferees have also approved a new section 138 which increases the employment ceiling in section 110 from 38,471 to 38,512. The increase of 41 reflects the changes for the D.C. Superior Court and the Court System agreed to by the conferees.

Amendment No. 22: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the matter proposed by said amendment, insert the following:

SEC. 139. (a) Up to 118 officers or members of the Metropolitan Police Department who were hired before February 14, 1980, and who retire on disability before the end of calendar year 1989 shall be excluded from the computation of the rate of disability retirement under subsection 145(a) of the District of Columbia Retirement Reform Act, as amended, approved September 30, 1983 (97 Stat. 727; D.C. Code, sec. 1-725(a)), for purposes of reducing the authorized Federal payment to the District of Columbia Police Officers and Fire Fighters' Retirement Fund pursuant to subsection 145(c) of the District of Columbia Retirement Reform Act.

(b) The Mayor, within 30 days after the enactment of this Act, shall engage an enrolled actuary, to be paid by the District of Columbia Retirement Board, and shall comply with the requirements of section 142(d) and section 144(d) of the District of Columbia Retirement Reform Act of 1979 (Public Law 96-122, D.C. Code, secs. 1-722(d) and 1-724(d)).

(c) If any of the 118 light duty positions that may become vacant under subsection (a) are filled, a civilian employee shall be hired to fill that position.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference action allows for the retirement of not to exceed 118 police officers and states that their retirements are to be excluded from the computation of the rate of disability retirement under subsection 145(a) of the District of Columbia Retirement Reform Act of 1979 (Public Law 96-122). This rate of disability retirements is used to determine whether to reduce the authorized Federal payment to the Police Officers and Firefighters' Retirement Fund. Testimony from the Mayor and the Chief of Police indicated that a number of officers are in a limited or light duty status or on extended sick leave. The police chief stated that it is important to replace these individuals with able-bodied police officers who can perform on the street.

Prior to the enactment of subsection 145(a) of Public Law 96-122, there was concern that the District's retirement system was being abused with excessive disability retirements. In some years, disability retirements accounted for 99 percent of all police and fire retirements. In order to address the situation, the Congress approved subsection 145(a) as part of the District's Retirement Reform Act to provide some incentive to District managers to reduce the percentage of disability retirements. The conferees believe the District has responded favorably and has included this language which will allow these individuals to retire without reducing the authorized Federal payment to the retirement funds and will permit the Metropolitan Police Department to hire police officers to fill the vacated positions. The conferees direct that these retirements, while exempt from the computation of the rate of disability retirements, be subject to all of the rules and regulations of the District's Board of Surgeons as well as the Policemen and Firemen's Retirement and Relief Board and meet all of the criteria for retirement.

The language agreed to by the conferees requires the Mayor to engage an enrolled actuary to determine the financial effects of this change on the retirement fund and to comply fully with sections 142(d) and 144(d) of Public Law 96-122. The language also requires that if any of the 118 positions that may become vacant because of retirements under subsection (a) are filled, a civilian employee shall be hired to fill that position. The objective of this section is to ensure that the objectives of the Mayor and the Metropolitan Police Chief to hire more able bodied officers for street duty are carried out.

Amendment No. 23: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which allows for the operation of a home for the dying poor, including those with AIDS. The conference action is consistent with a unanimous ruling by the District's five-member Board of Zoning Adjustment on September 7, 1988, which granted the home a zoning exemption so that it can operate as a community residential facility. This action by the conferees will ensure the continued operation of this much-needed facility for homeless AIDS patients at no cost to District taxpayers.

Amendment No. 24: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the matter proposed by said amendment, insert the following:

Sec. 141. (a) If by May 1, 1989, the District of Columbia government has not adopted, and implemented no later than September 30, 1989, a preference system that does not preclude the hiring of noncity residents, none of the funds provided or otherwise made available by this Act may be used to pay the salary or expenses of any officer, employee, or agent who is engaged in implementing, administering, or enforcing a District of Columbia residency requirement with respect to employees of the Government of the District of Columbia.

(b) After the date of enactment of this section, the District shall not dismiss any employees currently facing adverse job action for failure to comply with the residency requirement.

The managers on the part of the Senate will offer a motion to concur in the amendment of the House to the amendment of the Senate.

The conference action requires the District to adopt by May 1, 1989, and to implement by September 30, 1989, a hiring preference system that allows for the hiring of non-city residents as proposed by the Senate. The conferees have also agreed to prohibit the use of any funds, rather than just Federal funds as proposed by the Senate, to implement, administer or enforce the residency law if either the date for adoption or the date for implementation is not met. The conferees have also agreed to language which prohibits the District from dismissing any employees for failure to comply with the residency requirement.

Amendment No. 25: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate requiring that all fiscal year 1989 pay raises be absorbed within the levels appropriated in this Act. With the adoption of this language, there will not be any additional Federal funds appropriated to finance any pay raises that the District government may provide to employees during fiscal year 1989. This provision applies only to Federal funds and does not apply to local District funds which are not included in the Federal scorekeeping process.

Amendment No. 26: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the matter proposed by said amendment, insert the following:

Sec. 143. None of the Federal funds appropriated by this Act shall be obligated or expended after December 31, 1988, if on that date the District of Columbia has not repealed District of Columbia Law 6-170, the Prohibition of Discrimination in the Provision of Insurance Act of 1986 (D.C. Law 6-170), or amended the law to allow testing for the human immunodeficiency virus as a condition for acquiring all health, life and disability insurance without regard to the face value of such policies. Eligibility for coverage and premium costs shall be determined in accordance with ordinary practices.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The language agreed to by the conferees prohibits the use of Federal funds by the District government after December 31, 1988, if the District has not repealed D.C. Law 6-170, the Prohibition of Discrimination in the Provision of Insurance Act of 1986, or adopted amendments to the Act to allow the testing of individuals as a basis for purchasing all health, life and disability insurance without regard to the face value of the policy. It also provides that eligibility for coverage and premium costs will be determined in accordance with ordinary practices.

Amendment No. 27: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires the mandatory reporting of individual abortions for statistical purposes.

Amendment No. 28: Reported in disagreement.

TITLE II—FISCAL YEAR 1988 SUPPLEMENTAL APPROPRIATIONS

DISTRICT OF COLUMBIA FUNDS

Amendment No. 29: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the matter proposed by said amendment, insert the following:

TITLE II—FISCAL YEAR 1988

SUPPLEMENTAL APPROPRIATIONS

DISTRICT OF COLUMBIA FUNDS

GOVERNMENTAL DIRECTION AND SUPPORT

(INCLUDING RESCISSION)

For an additional amount for "Governmental direction and support", $2,168,000: Provided, That of the funds appropriated under this heading for fiscal year 1988 in the District of Columbia Appropriations Act, 1988, approved December 22, 1987 (Public Law 100-202, sec. 101(c); 101 Stat. 1329-91 to 1329-92), $3,525,000 are rescinded.

ECONOMIC DEVELOPMENT AND REGULATION

(INCLUDING RESCISSION)

For an additional amount for "Economic development and regulations", $143,000: Provided, That of the funds appropriated under this heading for fiscal year 1988 in the District of Columbia Appropriations Act, 1988, approved December 22, 1987 (Public Law 100-202, sec. 101(c); 101 Stat. 1329-92), $15,779,000 are rescinded.

PUBLIC SAFETY AND JUSTICE

(INCLUDING RESCISSION)

For an additional amount for "Public safety and justice", $33,253,000: Provided, That of the funds appropriated under this heading for fiscal year 1988 in the District of Columbia Appropriations Act, 1988, approved December 22, 1987 (Public Law 100-202, sec. 101(c); 101 Stat. 1329-92 to 1329-93), $2,000 are rescinded.

PUBLIC EDUCATION SYSTEM

(INCLUDING RESCISSION)

For an additional amount for "Public education system", $13,900,000 which shall be allocated for the public schools of the District of Columbia: Provided, That of the funds appropriated under this heading for fiscal year 1988 in the District of Columbia Appropriations Act, 1988, approved December 22, 1987 (Public Law 100-202, sec. 101(c); 101 Stat. 1329-93 to 1329-94), $210,000 for the District of Columbia School of Law, $549,000 for the Public Library, and $355,000 for the Commission on the Arts and Humanities are rescinded.

HUMAN SUPPORT SERVICES

(INCLUDING RESCISSION)

For an additional amount for "Human support services", $24,467,000: Provided, That of the funds appropriated under this heading for fiscal year 1988 in the District of Columbia Appropriations Act, 1988, approved December 22, 1987 (Public Law 100-

202, sec. 101(c); 101 Stat. 1329-94), $8,578,000 are rescinded: Provided further, That an additional $2,545,000, to remain available until expended, shall be available solely for the District of Columbia employees' disability compensation: Provided further, That the $990,000 appropriated in the District of Columbia Appropriations Act, 1988, approved December 22, 1987 (Public Law 100-202, sec. 101(c)) shall be solely for Project Volta and shall remain available until expended: Provided further, That $746,054 in funds made available to the District of Columbia pursuant to the Employment Security Administrative Financing Act of 1954, approved August 5, 1954 (68 Stat. 668; 42 U.S.C. 1103), shall be appropriated for the purpose of providing $39,210 toward the purchase of an optical character reader and $706,844 to pay unemployment insurance staff salaries and benefits: Provided further, That the $746,054 referred to in the preceding proviso shall be withdrawn and expenses incurred after the enactment date of this Act and shall not be available for obligation after the close of a 12-month period which begins on the date of the enactment of this Act.

PUBLIC WORKS

(INCLUDING RESCISSION)

For an additional amount of "Public works", $2,783,000: Provided, That of the funds appropriated under this heading for fiscal year 1988 in the District of Columbia Appropriations Act, 1988, approved December 22, 1987 (Public Law 100-202, sec. 101(c); 101 Stat. 1329-94), $2,625,000, including $241,000 from the school transit subsidy are rescinded.

REPAYMENT OF LOANS AND INTEREST

(RESCISSION)

Of the funds appropriated under this heading for fiscal year 1988 in the District of Columbia Appropriations Act, 1988, approved December 22, 1987 (Public Law 100-202, sec. 101(c); 101 Stat. 1329-95), $1,005,000 are rescinded.

REPAYMENT OF GENERAL FUND DEFICIT

For an additional amount for "Repayment of general fund deficit", $118,000.

OPTICAL AND DENTAL BENEFITS

For an additional amount for "Optical and dental benefits", $1,080,000.

PERSONAL SERVICES

For "Personal services", for pay increases and related costs, to be transferred by the Mayor of the District of Columbia to the various appropriation titles for fiscal year 1988 from which employees are properly payable, $34,150,000, which includes a 12 percent pay absorption to be apportioned among the various appropriations titles by the Mayor.

ADJUSTMENTS

Of the funds appropriated under the various appropriation titles in the District of Columbia Appropriations Act, 1988, approved December 22, 1987 (Public Law 100-202, sec. 101(c); 101 Stat. 1329-90 to 1329-104), $911,000, as determined by the Mayor, are rescinded.

CAPITAL OUTLAY

For an additional amount for "Capital outlay", $6,340,000, to remain available until expended.

WATER AND SEWER ENTERPRISE FUND

For an additional amount for "Water and sewer enterprise fund", $39,750,000, of which $8,385,000 shall be apportioned and payable to the debt service fund for repayment of loans and interest incurred for capital improvement projects and $31,365,000 shall be for pay-as-you-go capital projects, of which $10,500,000 shall be for new capital project authority for fiscal year 1988 and $20,865,000 shall be for prior-year capital project authority.

For an additional amount for construction projects, $10,500,000, as authorized by an Act authorizing the laying of water mains and service sewers in the District of Columbia, the levying of assessments therefor, and for other purposes, approved April 22, 1904 (33 Stat. 244; Public Law 58-140; D.C. Code, sec. 43-1512 et seq.).

LOTTERY AND CHARITABLE GAMES ENTERPRISE FUND

For an additional amount for "Lottery and charitable games enterprise fund", $764,000.

GENERAL PROVISIONS

SEC. 201. Nothwithstanding any other provision of law, appropriations made and authority granted pursuant to this title shall be deemed to be available for the fiscal year ending September 30, 1988.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference action inserts a new "Title II" and heading for fiscal year 1988 supplemental appropriations as proposed by the Senate and appropriates $135,877,000 instead of $103,938,000 as proposed by the Senate. There are no Federal funds involved in this supplemental; it is funded entirely with increases in local revenue collections above the level projected at the time the District's regular appropriations bill for fiscal year 1988 was considered and approved by the Congress. The District government submitted three separate supplemental requests; none of which was submitted in time to be considered by the House and only one was submitted in time to be considered by the Senate. The three supplemental requests total $180,877,000 and consist of a net increase of $103,938,000 submitted in House Document 100-188, a net increase of $31,939,000 submitted in House Document 100-223, and $45,000,000 in capital budget authority also submitted in House Document 100-223. The increase of $31,939,000 recommended by the conferees above the Senate allowance reflects the second supplemental request. The conferees have denied without prejudice $45,000,000 in additional capital budget authority submitted as the District's third supplemental request. This item is discussed later in this report under the heading "capital outlay".

GOVERNMENTAL DIRECTION AND SUPPORT

The conference action recommends the appropriation of an additional $2,168,000 and rescinds $3,525,000 for a net decrease of $1,357,000 as proposed by the Senate for the appropriation account "Governmental direction and support". A brief description of the conferees' recommendations by office follows:

Office of the Secretary—The conference action provides an additional $117,000 consisting of $27,000 to provide staff for the newly-established controller's unit, and $150,000 to cover the cost of automating the records of the Office of Public Records.

Office of Communications—The conference action provides an additional $32,000 for contractual services and printing costs for publishing and disseminating general information to the public and $7,000 for computer equipment to upgrade and enhance the office's computer system.

Office of Intergovernmental Relations—The conference action provides an additional $559,000 including increases of $162,000 for underfunded positions, $29,000 for office supplies, $22,000 for communications costs, $188,000 for other services and charges, and $158,000 for computer equipment.

Office of Personnel—The conference action rescinds $1,043,000 consisting of $789,000 in personal services due to attrition, position vacancy management, termination of term appointments and curtailment of paid overtime and $254,000 due to reducing the publication and mailings of job bulletins, shared computer usage and executive recruitment costs.

Department of Administrative Services—The conference action provides a net increase of $1,194,000 consisting of an increase of $2,000,000 for increased space rental costs for leased facilities, a rescission of $688,000 in personal services due to underspending resulting from maintaining vacant positions and restructuring positions downward to the entry level as they become vacant and a rescission of $118,000 due to an across-the-board reduction in contractual services.

Deputy Mayor for Finance—The conference action rescinds $52,000 due to savings from positions remaining vacant.

Office of the Budget—The conference action rescinds $139,000 due to position vacancy management and $44,000 due to printing fewer budgets and a reduction in office supplies.

Office of Financial Management—The conference action rescinds $1,700,000 consisting of $700,000 due to a delay in purchasing a laser printer and upgrading the hardware and software for the Share Computer Center and $1,000,000 due to a decrease in contractual services for upgrading various programs.

Department of Finance and Revenue—The conference action rescinds $537,000 consisting of $427,000 due to delays in filling vacant positions and $110,000 due to delays in the purchasing of equipment.

Office of Campaign Finance—The conference action provides an additional $189,000 consisting of $150,000 to provide full funding for current on-board staff and $39,000 to cover the cost of upgrading the computer system.

Office of Employee Appeals—The conference action provides an additional $10,000 for board members' compensation due to an increase in the number of board meetings in order to reduce the backlog in the number of appeals.

Commission on Baseball—The conference action rescinds $10,000 in other services and charges for the promotion of baseball in the District.

ECONOMIC DEVELOPMENT AND REGULATION

The conference action recommends the appropriation of an additional $143,000 and rescinds $15,779,000 for a net decrease of $15,636,000 instead of an additional $143,000 and rescissions of $11,279,000 for a net decrease of $11,136,000 as proposed by the Senate. A brief description by office follows:

Office of the Deputy Mayor for Economic Development—The conference action rescinds $178,000 due to a delay in filling vacant positions in the Office of Banking.

Office of Planning—The conference action rescinds $193,000 due to a delay in filling vacant positions.

Department of Housing and Community Development—The conference action rescinds $3,150,000 as follows: $150,000 in the Mortgage Default Prevention Program,

$2,300,000 in the Citywide Home Purchase Assistance Program, and $700,000 in the Ward 8 Purchase Assistance Program. These rescissions are being made because carryover funds are available for these programs from fiscal year 1987. The conference action also recommends rescissions of $4,500,000 requested in the second supplemental due to certificate holders in the Tenant Assistance Program not being able to find housing during fiscal year 1988.

Department of Employment Services—The conference action rescinds $2,441,000 as follows: $900,000 due to revised projections in the number of participants in the Adults-With-Dependents Program, $681,000 due to revised projections in the number of participants in the Training/Retraining Program, and $860,000 due to the postponed implementation of the Teen PREP Program until fiscal year 1989.

Office of Business and Economic Development—The conference action provides an additional $83,000 for the Commercial Development Assistance Program for loans to start up businesses along the commercial corridors in Ward 8 and rescinds $1,312,000 consisting of $54,000 in personal services due to savings through attrition and delays in hiring, $1,000,000 in the Business Purchase Assistance Program due to the availability of carryover funds from previous fiscal years, $200,000 in the Economic Development Finance Corporation due to the level of private investment in the corporation and $58,000 from positions no longer needed which were created to help implement the Economic Development Finance Corporation.

Minority Business Opportunity Commission—The conference action rescinds $69,000 due to lower than anticipated personal services costs and $68,000 due to the deferral of the preparation of audio/visual displays for community outreach efforts and the purchase and maintenance of equipment.

Housing Finance Agency—The conference action rescinds $69,000 due to positions remaining vacant longer than anticipated and $400,000 due to delays in implementing the Mortgage Loan Guarantee Program which is still in the development stage.

Board of Appeals and Review—The conference action rescinds $10,000 due to personal services costs being less than originally budgeted.

Board of Equalization and Review—The conference action rescinds $35,000 in personal services due to a delay in upgrading staff positions.

Department of Consumer and Regulatory Affairs—The conference action provides an additional $160,000 and 12 positions and rescinds $3,572,000 for a net decrease of $3,412,000. Additional funds are provided for the implementation of the Alcoholic Beverage Control Amendment Act, D.C. Law 6-217, which requires a comprehensive overhaul of the regulation of alcoholic beverage control licensing in the District. Rescissions of $1,357,000 due to delays in filling vacant positions and $2,215,000 due to a reduction in spending for the Abatement of Nuisances Program, the ADP program and equipment purchases.

Public Service Commission—The conference action rescinds $25,000 due to delays in filling positions in the securities regulation area.

Office of the People's Counsel—The conference action provides an additional $39,000 to fully fund on-board staff and $104,000 for space rental costs and legal analysis expenses.

PUBLIC SAFETY AND JUSTICE

The conference action recommends the appropriation of an additional $33,253,000 and rescinds $2,000 for a net increase of $33,251,000 for the appropriation account "Public safety and justice" as proposed by the Senate. A brief description of the conferees recommendations follows:

Metropolitan Police Department—The conference action provides an additional $9,468,000 consisting of $7,080,000 for the increased costs of night differential, terminal leave, holiday pay, and longevity pay, $388,000 for 38 additional police officers and associated overtime for anti-drug enforcement efforts and $2,000,000 for software development and licensing and maintenance contracts for both computer software hardware.

Fire Department—The conference action provides an additional $9,117,000 which includes $5,665,000 for additional overtime; $565,000 for employee health benefits; $406,000 for self-contained underwater breathing apparatus and training; $440,000 to upgrade 11 units to advance life-support ambulances; $204,000 for paramedic physical examinations; and $150,000 for the paramedic recruitment program. Other increases approved by the conferees include $250,000 and 32 paramedic positions to convert the Emergency Ambulance Service to advanced life support service; $436,000 for ambulance and first aid supplies; $504,000 for development of promotional and entrance examinations; $90,000 for outside medical costs; $352,000 for communications equipment and maintenance vehicles; $30,000 for a medical physician position; and $25,000 for personal computers for the recently established Emergency Ambulance Bureau.

Court of Appeals—The conference action provides an additional $120,000 for the judicial pay raise and the senior judges' pay differential in accordance with Public Law 99-190.

Superior Court—The conference action provides an additional $510,000 for the judicial pay raise and the senior judges' pay differential in accordance with Public Law 99-190.

D.C. Court System—The conference action provides an additional $8,000 for the Executive Officer's pay adjustment and $1,265,000 for Criminal Justice Act Program fees. The conferees have also approved three positions for the Equal Employment Opportunity Office. The cost of these positions will be absorbed by the Court System.

Office of the Corporation Counsel—The conference action provides an additional $1,061,000 and 26 positions and rescinds $100,000. The increases include $344,000 for the new Contract Appeals Board, $148,000 for new term full-time positions for the Civil Division to reduce the backlog in cases, $178,000 for support of St. Elizabeths Hospital functions, $135,000 for asbestos litigation, $166,000 for the Juvenile Diversion Program and $90,000 for expert witnesses, depositions, transcripts, terminal leave, library books, and the Citizens' Complaint Center.

Settlements and Judgments—The conference action provides an additional $3,060,000 consisting of $1,530,000 for out-of-court settlements of claims and suits and $1,530,000 for payment of judgments.

Public Defender Service—The conference action provides an additional $25,000 for an improved telephone system, $24,000 for staff support to the Superior Court Single Representation Program, and $9,000 for litigation services in support of the Civil Legal Services Program.

Pretrial Services Agency—The conference action provides an additional $142,000 for the Juvenile Drug Testing Program.

Department of Corrections—The conference action provides an additional $8,012,000 consisting of $2,500,000 for unfunded care factor costs, $2,511,000 for D.C. Code violators housed in other facilities, $1,301,000 for the medical contract at the several detention facilities, $525,000 for the Drug Abatement Program, and $1,175,000 for management of the increasing prison population.

Board of Parole—The conference action provides an additional $115,000 and two positions for expansion of the Board from three to five members and $47,000 for increased office security.

Office of Emergency Preparedness—The conference action provides an additional $300,000 and 11 positions to cover costs in the Executive Command and Communications Center previously funded by intra-District agreements with various District agencies.

Commission on Judicial Disabilities and Tenure—The conference action rescinds $2,000 due to the deferral of the purchase of a computer software package.

Law Revision Commission—The conference action provides an additional $18,000 for underfunded commissioners' stipends.

Office of Criminal Justice Plans and Analysis—The conference action provides a net increase of $52,000 including an increase of $160,000 and rescissions of $108,000. The increase of $160,000 is for use by the Civilian Complaint Review Board to eliminate the backlog of cases. The rescission of $108,000 is due to the delay in filling vacant positions.

PUBLIC EDUCATION SYSTEM

The conference action recommends the appropriation of an additional $13,900,000 and rescinds $1,114,000 for a net increase of $12,786,000 for the appropriation account "Public education system" instead of an additional $10,000,000 and rescission of $1,114,000 for a net increase of $8,886,000 as proposed by the Senate. A brief description of the amount recommended by agency follows:

Board of Education (Public Schools)—The conference action provides an additional $10,000,000 to support the fiscal year 1988 increase for teachers' salary adjustments. The conference action also provides an additional $3,900,000 requested in the District's second supplemental request for other regular pay purposes.

District of Columbia Law School—The conference action rescinds $210,000 due to lower than anticipated costs for personal services and contractual services.

Public Library—The conference action rescinds $579,000 and deletes four positions and provides an additional $30,000 for four security guards at branch libraries. The recissions consist of $290,000 due to projected savings in energy $115,000 due to deferring carpet and vehicle purchases, $95,000 due to a delay in the opening of the new Shephard Park Branch Library, and $79,000 due to various miscellaneous cost-saving measures.

Commission on the Arts and Humanities—The conference action rescinds $355,000 consisting of $20,000 due to a decrease in the funding level for the Capital Children's Museum, $190,000 due to a slow-down in program expansion, $30,000 due to a reduction in cultural arts research and assessment, and $115,000 due to a decrease in program maintenance and delays in implementing new programs.

HUMAN SUPPORT SERVICES

The conference action recommends an additional appropriation of $24,467,000 rescinds $8,578,000 for a net increase of $15,889,000 for the appropriation account "Human support services" instead of an additional $2,550,000 and rescissions of $18,361,000 for a net increase of $15,811,000 as proposed by the Senate. A brief summary by agency follows:

Department of Human Services—The conference action provides an additional $37,072,000 and rescinds $49,355,000 for a net decrease of $12,283,000. The increase of $37,072,000 includes the following: $4,000,000 to cover unbudgeted costs in rent, communications, and energy, $4,782,000 to implement the Comprehensive Homeless Plan, $8,000,000 for the Foster Care Program, $5,600,000 for the implementation of the Jerry M. Consent Decree requirements, $2,000,000 for the Day Care Program, $2,000,000 for the Emergency Assistance Program, $1,200,000 for PCP Clinics, $150,000 to increase the hourly rate of homemaker and chore aides, $1,800,000 for specialized home care and respite services, $900,000 for the Randolph-Sheppard Vending Program, $1,000,000 to reinstate the three percent reimbursement increase for hospitals, and $2,550,000 for drug abuse prevention and treatment services. The conferees also recommend increases of $1,024,000 to implement the Nursing Assignment Act of 1987, $656,000 for the Cancer and Teenage Pregnancy Prevention Program, and $1,410,000 for compliance with the State Medicaid Plan and replacement of equipment. The rescission of $49,355,000 consists of the following: $14,478,000 from administrative savings, $6,322,000 because of a limitation on new hires to fill non-critical positions, $10,041,000 as a result of program adjustments and resizing measures, $12,800,000 as a result of increased revenue collections enhancements, $4,558,000 due to delays in filling vacant positions, $500,000 in the Youth Services Administration due to lower than anticipated inflationary cost estimates, and $656,000 in rental costs of the Preventive Health Services Administration due to lower actual costs.

The conference action also provides an additional $34,200,000 requested in the second supplemental request (H. Doc. 100-223) as follows: (1) $7,606,000 for personal services to fill critical and essential vacant positions, (2) $50,000 for regulatory and legislative services, (3) $659,000 for necessary funding for personal services contracts, (4) $49,000 for the required 100% match for the State Student Incentive Grant Program, (5) $500,000 to upgrade the Office of Information Systems computer capability, (6) $426,000 for relocation costs of the Office of Information Systems to make room for the Department of Corrections Treatment Facility, (7) $19,000 for additional court reporter services to provide legally mandated verbatim transcripts of hearings, (8) $70,000 to purchase computer equipment, (9) $100,000 for administrative support costs in the Office of Inspection and Compliance, (10) $4,088,000 to cover increased costs of emergency shelter for families and other homeless persons, (11) $6,212,000 for the foster care program, (12) $4,978,000 for increases in the costs of settlements of prior years' services, (13) $3,765,000 for increased inpatient and outpatient services at D.C. General Hospital, increased home health care services, and day treatment programs for the mentally retarded and frail elderly, (14) $2,157,000 for increases in mandated and uncontrollable costs of services, and (15) $3,521,000 for increases in contractual services in the Commission on Mental Health.

The conferees have deleted, without prejudice, language allocating $400,000 in fiscal year 1988 and $264,000 in each of the fiscal years ending September 30, 1989, September 30, 1990, and September 30, 1991, for the operation of a residential facility for mentally-disabled mothers and their infants. The subject is addressed earlier in this report under amendment number 10 under the side heading "Department of Human Services".

The conferees have included bill language providing that the $990,000 appropriated in the District's fiscal year 1988 appropriations act be solely for Project Volta and remain available until expended. Project Volta is a joint project of the District and the Alexander Graham Bell Association for the Deaf for early detection and intervention of hearing impaired children in the District of Columbia.

Department of Recreation—The conference action rescinds $1,077,000 consisting of $399,000 due to a reduction in the use of school custodians, $72,000 due to a reduction in the hours of operation for recreation centers and playgrounds, $514,000 due to a reduction in funding for various programs, and $92,000 due to a reduction in nonpersonnel services, terminal leave and leaving two positions vacant.

Office on Aging—The conference action rescinds $1,239,000 consisting oif $1,086,000 due to a delay in the construction of the multi-purpose senior centers, $125,000 due to a delay in the implementation of the Later Life Learning Resouce Center, and $28,000 due to a delay in filling new positions authorized in fiscal year 1988.

D.C. General Hospital—The conference action rescinds $3,500,000 due to management improvements that have increased operational efficiency and improved the hospital's ability to more accurately estimate revenue and to bill and collect that revenue. The conference action also rescinds an additional $21,500,000 contained in the second supplemental request (H. Doc. 100-223) due to improved revenue generation and the transfer of equipment repair and purchase authority from the operating budget to the capital improvements program.

Disability Compensation Fund—The conference action provides an additional $2,545,000 consisting of $2,200,000 for benefit payments due to a cost of living adjustment of 4.2 percent and $345,000 for medical services due to an increase in medical billings.

Office of Human Rights—The conference action rescinds $98,000 and deletes two positions due to a decrease in personal services resulting from positions remaining vacant and $30,000 due to the deferral of the purchase of furniture, equipment and consultant services.

Office on Latino Affairs—The conference action rescinds $13,000 due to a decrease in the purchase of office supplies and equipment and $121,000 due to savings in the Latino Initiative Program due to the lengthy recruitment efforts required to find qualified bilingual personnel.

Energy Office—The conference action provides an additional $5,000 to support the Gasoline Advisory Board established by the Retail Service Station Act of 1976.

PUBLIC WORKS

The Committee recommends an additional appropriation of $2,783,000 and rescinds $2,625,000 for a net increase of $158,000 for the appropriations account "Public works" instead of rescissions of $6,293,000 as proposed by the Senate. A brief summary by agency follows:

Department of Public Works—The conference action provides an increase of $2,098,000 and rescinds $4,650,000 for a net decrease of $2,552,000. The increases approved by the conferees are as follows: $15,000 for the Eastern Market renovation project, $35,000 for the Hazardous Material Study Commission, $30,000 for training programs for blue-collar workers, $676,000 for department-wide rental costs, $125,000 to establish the Office of the Litter and Solid Waste Reduction Commission, $30,000 for the Roadway and City Gateway Beautification Program, $183,000 for electrical energy, $50,000 to establish the Bureau of Recycling and Resource Recovery, and $954,000 for the Residential Parking Permit Program. The rescission of $4,650,000 consists of $1,640,000 due to reduction in personal services cost resulting from leaving positions vacant, $100,000 due to delaying the study to consolidate and link the existing independent data bases for motor vehicle registrations, motor vehicle operator permits, insurance, and traffic tickets, $690,000 due to a department-wide reduction in overtime costs, $100,000 due to a reduction in streetlight and traffic signal electrical energy due to lower fuel costs, $960,000 due to a reduction in streetlight operations and maintenance due to postponing the conversion of streetlights to sodium vapor, $200,000 due to a reduction in contractual park maintenance, and $308,000 due to a reduction in building maintenance. The conferees also recommend rescissions of $127,000 due to a reduction in the mechanical alley cleaning program, $100,000 due to a reduction in underpass electrical testing, $225,000 due to a reduction in the purchase of supplies, vehicle inspection stickers, and contractual services, and $200,000 due to a reduction in the gateway beautification project, public space maintenance and the delay in purchasing a new filing system for the Adjudication Processing Division.

The conference action provides an additional $4,935,000 contained in the second supplemental request (H. Doc. 100-223) consisting of $1,455,000 for snow removal and $3,480,000 for increased dump fee costs at the Lorton landfill.

Department of Public Works (Pay-As-You-Go Capital)—The conference action rescinds $2,384,000 as requested in the second supplemental (H. Doc. 100-233) due to postponement until fiscal year 1989 of the purchase of selected large items of equipment such as packers, sweepers, and dump trucks.

Washington Metropolitan Area Transit Authority—The conference action rescinds $3,500,000 due to a credit resulting from the fiscal year 1987 audit which will be used to offset the District's fiscal year 1988 operating subsidy. The conference action recommends the rescission of $3,254,000 requested in the second supplemental (H. Doc. 100-223) due to increased revenues from ridership growth. The conference action provides an increase of $7,154,000 requested in the second supplemental consisting of $6,644,000 for Metrobus Operations due to increased bus costs, lower audit adjustment credits, and reduced Federal operating grants, and $510,000 for rail construction management due to accelerated rail construction on the Green, Red, and Yellow lines.

School Transit Subsidy—The conference action rescinds $241,000 due to lower-than-anticipated student ridership.

REPAYMENT OF LOANS AND INTEREST

The conference action recommends an additional $3,469,000 as proposed by the Senate for debt service on the District's outstanding long-term capital debt which is higher than previously estimated. As a result, the District will be required to borrow capital funds in mid-spring rather than early summer as planned, and thus incur additional debt service costs.

The conference action rescinds $4,474,000 contained in the second supplemental request due to lower than anticipated interest costs on the new capital funds bond issue.

REPAYMENT OF GENERAL FUND DEFICIT

The conference action appropriates an additional $118,000 as proposed by the Senate for repayment of the District's accumulated general fund deficit.

OPTICAL AND DENTAL BENEFITS

The conference action appropriates an additional $1,080,000 as proposed by the Senate for optical and dental payments for District employees based on the increase in the number of claims.

PERSONAL SERVICES

The conference action appropriates an additional $34,150,000 for the estimated costs of employee pay raises instead of $34,377,000 as proposed by the Senate. These raises represent an increase of approximately 4 percent for police officers, an average increase of 9.66 percent for registered nurses and a 3 percent or $1,000 base increase, whichever is higher, for most other employees.

ADJUSTMENTS

The conference action recommends approval of an unallocated rescission of $911,000 requested in the second supplemental (H. Doc. 100-223) to be taken from various appropriation titles as determined by the Mayor.

CAPITAL OUTLAY

The conference action recommends an additional appropriation of $6,340,000 as proposed by the Senate for the "Capital Outlay" appropriation account. The conference allowance consists of $540,000 for the purchase of a structure to house a halfway house for women, and $5,800,000 to purchase equipment and make renovations at D.C. General Hospital. The conferees have deferred, without prejudice, the additional capital borrowing authority of $45,000,000 for an 800-bed Correctional Housing Development project at Lorton, Virginia, requested in the District's third supplemental request submitted in H. Doc. 100-223.

The proposed additional capacity continues the District's efforts to expand prison capacity to catch-up with rapidly increasing prison population. Since 1974, the year before Home Rule, the District has expanded jail capacity by more than 104 percent and Lorton capacity by approximately 97 percent, yet facilities are more overcrowded than they were a decade ago. The District is also faced with court orders that limit the number of inmates at the jail to 1,694, which is 22 percent above its original design capacity. Courts have also placed a population limitation on the Central Facility at the Lorton Complex.

The District has responded by proposing an 800 bed Correctional Treatment Facility (CTF) in Southeast Washington; 230 halfway house beds in the District; and the proposed 800 bed expansion at Lorton. As responsive as these plans are, there needs to be a more coordinated and comprehensive review of the District's prison capacity needs. In Senate Report 99-367, dated August 5, 1986, the following suggestion was included:

"The department of Corrections should begin to undertake a department-wide analysis of its current prison space. More than one-half of the capacity at the Lorton complex is contained in buildings that are 60 years old or older. During testimony March 26, 1986, the Council Chairman suggested a comprehensive public safety plan. Realistic long-range analysis is overdue and should be undertaken as soon as possible."

That need still exists. The conferees direct that the District undertake such a review and analysis and submit a plan and program addressing capacity issues for the remainder of this century. This report should be submitted to the Council and the Committees on Appropriations of the Senate and House of Representatives not later than April 15, 1989.

The plan should address issues such as the need to replace various current facilities; expected cost savings of new buildings compared to high maintenance cost of antiquated facilities. Also addressed should be the location of any replacement buildings. It should be noted that the total acreage at the District's Lorton Correctional complex is 3,000 acres. However, according to a report of the District in March 1985, actual prison facilities encompass only 201.51 acres. The consolidation of facilities should be examined with an eye toward freeing some of the acreage for non-District, noncorrectional uses. The conferees would expect that the District would address the latter issue of consolidation prior to undertaking any final siting decision on the proposed expansion now requested.

WATER AND SEWER ENTERPRISE FUND

The conference action recommends an additional appropriation of $39,750,000 as proposed by the Senate for "Water and Sewer enterprise fund" appropriation account to pay deferred principal and interest on Potomac Interceptor "C" borrowings and for pay-as-you-go capital projects.

The conference action recommends an additional appropriation of $10,500,000 as proposed by the Senate for capital outlay and includes $5,000,000 for facility rehabilitation, $3,000,000 for major equipment acquisitions, and $2,500,000 for water meter replacements.

LOTTERY AND CHARITABLE GAMES ENTERPRISE FUND

The conference action recommends an additional appropriation of $760,000 as proposed by the Senate for the "Lottery and Charitable Games Enterprise Fund" as follows: $207,000 for the estimated fiscal year 1988 pay adjustment, $120,000 to fund authorized marketing positions, $171,000 for personnel functions and public relations, $40,000 for agency realignments, and $226,000 for automated information services.

GENERAL PROVISIONS

The conference action adds language to the bill which deems the appropriations made in Title II to be available for the fiscal year ending September 30, 1988. This language in effect ratifies all obligations and expenditures made in anticipation of the enactment of the District's fiscal year 1988 supplemental request as approved in Title II of this Act.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1989 recommended by the Committee of Conference, with comparisons to the fiscal year 1988 amount, the 1989 budget estimates, and the House and Senate bills for 1989 follow:

FEDERAL FUNDS

New budget (obligational) authority, fiscal year 1988	$550,000,000
Budget estimates of new (obligational) authority, fiscal year 1989	541,596,000
House bill, fiscal year 1989	541,596,000
Senate bill, fiscal year 1989	532,000,000
Conference agreement, fiscal year 1989	536,910,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1988	−13,090,000
Budget estimates of new (obligational) authority, fiscal year 1989	−4,686,000
House bill, fiscal year 1989	−4,686,000
Senate bill, fiscal year 1989	+4,910,000

DISTRICT OF COLUMBIA FUNDS

FISCAL YEAR 1989

New budget (obligational) authority, fiscal year 1988	$3,077,347,000
Budget estimates of new (obligational) authority, fiscal year 1989	3,206,916,000
House bill, fiscal year 1989	3,206,916,000
Senate bill, fiscal year 1989	3,216,916,000
Conference agreement, fiscal year 1989	3,206,095,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1988	+128,748,000
Budget estimates of new (obligational) authority, fiscal year 1989	−821,000
House bill, fiscal year 1989	−821,000
Senate bill, fiscal year 1989	−10,821,000

DISTRICT OF COLUMBIA FUNDS

FISCAL YEAR 1988 SUPPLEMENTAL

Budget estimates of new (obligational) authority, fiscal year 1988 supplemental	$180,877,000
House bill, fiscal year 1988 supplemental	
Senate bill, fiscal year 1988 supplemental	103,938,000
Conference agreement, fiscal year 1988 supplemental	135,877,000
Conference agreement compared with:	
Budget estimates of new (obligational) authority, fiscal year 1988 supplemental	−45,000,000
House bill, fiscal year 1988 supplemental	+135,877,000
Senate bill, fiscal year 1988 supplemental	+31,939,000

Julian C. Dixon,
William H. Natcher
(with exception of amendment No. 15),
Louis Stokes,
Les AuCoin,
Wes Watkins,
Steny H. Hoyer,
Jamie L. Whitten,
Lawrence Coughlin,
Bill Green
(with exception with respect to amendment No. 26),
Ralph Regula,
Silvio O. Conte,
Managers on the Part of the House.
Tom Harkin,
Frank R. Lautenberg,
Harry Reid,
John C. Stennis,
Don Nickles,
Chuck Grassley,
Managers on the Part of the Senate.

PROVIDING AMOUNTS FROM CONTINGENT FUND OF THE HOUSE FOR FURTHER EXPENSES OF COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT IN SECOND SESSION OF 100TH CONGRESS

Mr. GAYDOS. Mr. Speaker, by direction of the Committee on House Administration, I call up a privileged resolution (H. Res. 531) providing amounts from the contingent fund of the House for further expenses of investigations and studies by the Committee on Standards of Official Conduct in the second session of the 100th Congress, and ask for its immediate consideration in the House.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read the resolution, as follows:

H. Res. 531

Resolved, That for further expenses of investigations and studies by the Committee on Standards of Official Conduct (hereinafter in this resolution referred to as the "committee"), there shall be paid out of the contingent fund of the House not more than $550,000, any of which may be used for procurement of consultant services under section 202(i) of the Legislative Reorganization Act of 1946.

Sec. 2. Payments under this resolution shall be made on vouchers authorized by the committee, signed by the chairman of the committee, and approved by the Committee on House Administration.

Sec. 3. Amounts shall be available under this resolution for investigations and studies carried out during the period beginning on the date on which this resolution is agreed to and ending immediately before noon on January 3, 1989.

Sec. 4. Amounts made available under this resolution shall be expended in accordance with regulations prescribed by the Committee on House Administration.

Sec. 5. The Committee on House Administration shall have authority to make adjustments in amounts for investigations and studies under the first section of this resolution, if necessary to comply with an order of the President issues under section 252(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 or to conform to any reduction in appropriations for the purposes of such section.

Mr. GAYDOS (during the reading). Mr. Speaker, I ask unanimous consent that the resolution be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The SPEAKER pro tempore. The gentleman from Pennsylvania [Mr. Gaydos] is recognized for 1 hour.

Mr. GAYDOS. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Minnesota [Mr. Frenzel], the ranking minority member of the full committee, for purposes of debate only, pending which I yield myself such time as I may consume with the understanding that any additional time which I may yield will be subject to the specific limitation for debate purposes only.

The resolution provides $550,000 for further expenses of investigations and studies by the Committee on Standards of Official Conduct in the second session of the 100th Congress. Any of this amount may be used for the procurement of consultant services under section 202(i) of the Legislative Reorganization Act of 1946. These additional funds would be available to the Committee on Standards of Official Conduct for the Period beginning on the date on which this resolution is agreed to and ending immediately before noon on January 3, 1989. It should be noted that House Resolution 531 was approved by the Committee on House Administration by unanimous voice vote at its meeting on September 22.

The total amount of additional funds ($550,000) to be provided by this resolution, will be used for the purpose of assuring that the Committee on Standards of Official Conduct has adequate funds to use in discharging its responsibilities during the remainder of this session of Congress. The need for additional funds was unforeseen when that committee submitted its original primary expense resolution and its first supplemental expense resolution for consideration by the Committee on House Administration. Due to the inherent nature of the Committee on Standards of Official Conduct, its workload is not subject to either predictability or its own control. Specifically, the need for the additional $550,000 is based on an analysis by the Committee on Standards of Official Conduct of all expenditures and obligations which it has incurred from January 3, 1988, through August 31, 1988, and its projected costs for the remainder of this session, including the costs of professional services under the committee's contract with the law firm of Phelan, Pope and John, Ltd., the special outside counsel assigned to assist the committee.

Finally, it is imperative for the House to have the necessary resources to police itself and, accordingly, the Committee on Standards of Official Conduct should be authorized sufficient funds to enable it to discharge its important institutional responsibilities without delay or interruption.

Therefore, I urge my colleagues to vote in favor of the resolution.

Mr. Speaker, I yield the customary 30 minutes, one-half of the time, to the minority member, the gentleman from Minnesota [Mr. Frenzel].

However, Mr. Speaker, at this point I would like to spread on the record the fact that the gentleman from Minnesota [Mr. Frenzel] has been very attentive and helpful in this matter. He himself, on behalf of the minority, has been very specific in his inquiries for this extra amount, that it be properly expended and that it be justified, and I feel very confident, and I believe he does, too, that the money is needed.

Mr. FRENZEL. Mr. Speaker, I yield 5 minutes to the gentleman from Georgia [Mr. Gingrich], a distinguished member of the committee.

Mr. GINGRICH. Mr. Speaker, I rise in support of the committee's request. I think that it is a very appropriate request. I think it is a sign of the intensity and the diligence with which they are pursuing this particular investigation, and I commend the committee for taking the time to do that.

But I did want to take this opportunity, since the committee is not often on the floor, to make several observations about how this particular investigation seems to be proceeding.

I found it very strange recently that apparently the Speaker, who is the subject of the investigation, asked to be allowed to come and testify, held what was described in the press as a photo opportunity to show the various things he is bringing to testify, testified various things he is bringing to testify, testified and answered questions for several hours apparently, and then he talked with the press about his version of his testimony. It does seem to me that the committee has a longstanding problem in that the provision for secrecy may now be obsolete, that the problems of the ethics in the House may be powerful enough that there ought to be a standard closer to that held by the Iran-Contra Committee which had, after all, televised hearings and was quite willing to risk embarrassing America's allies and was quite willing to risk leaking America's secrets in order to make sure the public had access to the truth. I think it was strange on the one hand being willing to put the country's problems on television nationally in televised hearings, but we seem to be dramatically more willing to have secret meetings and secret processes when it comes to politicians' secrets and politicians' allies.

Furthermore, I think in this case the secrecy was one-sided about the person who is under investigation, the Speaker, has in effect been able to use the secrecy to project his side of the story and that in a very real sense by holding a photo opportunity and by talking to the press about his testimony he set the stage for people to ask the committee to at a minimum release the transcript of the Speaker's testimony and the Speaker's questions and answers.

□ 1245

Now, I mention that as background because I think there are several other problems here. As I understand it, a formal request has been made to the committee to investigate a question of whether or not the Speaker was involved in leaking secrets. Because of the committee's procedures, which as I understand it involves secrecy about dialog and in the absence of a recorded vote secrecy about whether or not the committee is in fact investigating, I am not sure that Members of the House know today whether or not the Intelligence and the Ethics Committees are in fact investigating the allegations made by the gentleman from Illinois [Mr. MICHEL] and the gentleman from Wyoming [Mr. CHENEY] that secrets have been leaked. I think the Members deserve some system that is more appropriate and more open to understand what is going on inside the Ethics Committee.

Finally, I have mentioned on several occasions that there are several other areas in which we may file charges involving the Speaker, including the question of gemstones, how they were bought and sold and what was involved in the buying and selling of gemstones, including the purchase of a computer system in Fort Worth without approval of House Administration, including the relationship between the Texas savings and loan problems and the Texas savings and loan millionaires who are now indicted, one of whom was the Democratic Congressional Campaign Committee fundraising chairman.

Frankly, if the committee would simply assure, if there were a way for the committee to assure that all of the leads which would normally be followed by an investigator, the leads which in an independent counsel case or in the case of the executive branch would clearly be followed, the leads which in the Iran Contra Committee case would have been followed, that all of those leads would automatically be followed, then it would not be necessary for this Member or any other Member to continue to file charges. One could relax knowing that an investigation has begun and that in fact that investigation will go on at a legitimate pace.

I am going to support the committee today. I do think within the traditions of that committee that it is doing a very diligent job in this case.

I do think, however, when you look at the number of allegations and charges and investigations currently involving Members of the House, when you look at the two convicted felons who have now resigned from the House, when you look at the indictments which involve a Member of the House, when you look at the testimony under oath in a criminal trial involving a Member of the House, clearly we need to think through the standards we are applying and we need to think through how the Ethics Committee in the future is going to follow down the path of cleaning up the House.

Let me close by making this point.

The **SPEAKER** pro tempore. The time of the gentleman from Georgia has expired.

Mr. FRENZEL. Mr. Speaker, I yield 3 additional minutes to the distinguished gentleman from Georgia.

Mr. GINGRICH. The Ethics Committee is a relatively recent innovation of the House. It has been growing and evolving and I think under its chairman and its ranking member it is breaking new ground in the most difficult investigation I suspect that the committee has ever been asked to be involved in; but we have to face the reality that if we are in a House of Representatives in which 98.4 percent of the incombents were reelected last time, if we are in which a House of Representatives in which district lines have been gerrymandered to favor the incumbents of both parties, if we are in a House of Representatives in which Members get $1,200,000 in taxpayer campaign funds, including junk mailings and a whole variety of staff and travel and other values, if we are in a House in which because they are so powerful, incumbents can in effect threaten and blackmail and coerce money out of political action committees, so that in one case a freshman incumbent and a Democrat has raised more PAC money than all the Republican challengers combined, then the burden on the Ethics Committee is going to be vastly, vastly harder, because if the public cannot purge the House of those who have serious ethics problems, then either the Ethics Committee has to very seriously become the policeman of the House, or we run the very, very real danger of corruption becoming a cancer which weaken the entire institution.

I do urge support for this request. I do think it is money that is needed. I do think the Ethics Committee in this case is doing its job, but I think in the long run we are going to need much tougher rules, much more open rules and much more accountable procedures in the Ethics Committee if we are to ever have a House that we can go back home to with a sense of pride and say that we know it is investigating the serious problems it has.

Mr. FRENZEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I invite the attention of the members to the committee report which contains a letter from the chairman of the Standards of Official Conduct Committee and its ranking member to the Honorable FRANK ANNUNZIO chairman of the House Administration Committee.

The first sentence of the second paragraph states:

> The additional $550,000 is necessary to provide sufficient resources for professional services associated with the Preliminary Inquiry undertaken in connection with the certain assertions raised against the Speaker of the House.

The gentleman from Pennsylvania has described the need for the fund. The gentleman from Georgia has indicated his approval of the need for those funds. The minority believes it is important that the Standards of Official Conduct Committee go foward with its examination. We are grateful to the committee for processing the appeal for special funds promptly.

Mr. Speaker, we have no guarantee that other cases are not going to come before the Standards Committee. That has been a committee that is far more active than it would have chosen to be. Unfortunately it has not had its choice in any of these circumstances.

Members should be aware that if we are to police ourselves with any kind of credibility, it is going to take some time and some money. That is one of the unfortunate aspects of undertaking this kind of work.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. GAYDOS. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The **SPEAKER** pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FRENZEL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The **SPEAKER** pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 412, nays 2, not voting 17, as follows:

[Roll No. 357]

YEAS—412

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonior
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Cheney
Clarke
Clay
Clement
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Costello
Coughlin
Courter
Craig
Crane
Crockett
Dannemeyer
Darden
Daub
Davis (IL)
de la Garza
DeFazio
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kemp
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lukens, Donald
Lungren
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCrery
McCurdy
McDade
McEwen
McGrath
McHugh
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Payne
Pease
Pelosi
Penny
Pepper
Petri
Pickett
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shays
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NAYS—2

Gonzalez
Perkins

NOT VOTING—17

Bonker
Boulter
Callahan
Coyne
Davis (MI)
Dowdy
Emerson
Gregg
Jones (TN)
Mack
MacKay
Madigan
McCandless
McMillan (NC)
Schaefer
Spence
Wilson

□ 1311

Mr. BADHAM changed his vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GAYDOS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Resolution 531, the resolution just agreed to.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4794) "An act making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1989, and for other purposes."

The message also announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 20, 22, 38, 48, 50, 76, 77, 87, 100, 104, 122, 126, 127, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, and 153, to the above-entitled bill.

The message also announced that the Senate further insists on its amendment No. 121, to the above-entitled bill.

The message also announced that the Senate recede from its amendment numbered 12, to the above-entitled bill.

CONCURRING IN SENATE AMENDMENT 121 TO DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 1989

Mr. LEHMAN of Florida. Mr. Speaker, I move to take from the Speaker's table the bill (H.R. 4794) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1989, and for other purposes, with Senate Amendment No. 121 thereto, and recede from disagreement and concur in the Senate amendment.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. LEHMAN].

The motion was agreed to.

A motion to reconsider was laid on the table.

FEDERAL EQUITABLE PAY PRACTICES ACT OF 1988

The SPEAKER pro tempore (Mr. GRAY of Illinois). Pursuant to House Resolution 537, and rule XXIII, the Chair declares the House in the Committee of the Whole House on the Stae of the Union for the further consideration of the bill, H.R. 537.

□ 1315

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 387) to promote equitable pay practices and to eliminate discrimination within the Federal civil service, with Mr. MONTGOMERY [chairman pro tempore] in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole rose on Tuesday, September 27, 1988, all time for general debate had expired.

Pursuant to the rule, the committee amendment in the nature of a substitute now printed in the reported bill is considered as an original bill for the purpose of amendment, and each section is considered as having been read.

The clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Equitable Pay Practices Act of 1988".

The CHAIRMAN pro tempore. Are there any amendments to section 1?

If not, the Clerk will designate section 2.

The text of section 2 is as follows:

SEC. 2. STATEMENT OF PURPOSE.

(a) Purpose.—It is the purpose of this Act to determine (1) whether the Government's position-classification system under chapter 51 of title 5, United States Code, and prevailing-rate system under subchapter IV of chapter 53 of such title, are designed and administered in a manner consistent with the general policy, as expressed in title VII of the Civil Rights Act of 1964 and section 6(d) of the Fair Labor Standards Act of 1938, that sex, race, and ethnicity should not be among the factors considered in determining the rate of pay payable to any individual or for any position; and (2) whether the Government's appointment and promotion practices with respect to individuals applying for or occupying positions covered by either of the systems referred to in paragraph (1) are generally consistent with applicable provisions of law prohibiting discrimination on the basis of sex, race, or national origin.

(b) Linkage With General Schedule.—In the performance of any comparisons or analyses pursuant to this Act, subchapter III of chapter 53 of title 5, United States Code, under which General Schedule pay rates are established, shall be considered to be part of the position-classification system referred to in subsection (a)(1).

The CHAIRMAN pro tempore. Are there any amendments to section 2?

PARLIAMENTARY INQUIRY

Mr. BURTON of Indiana. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state it.

Mr. BURTON of Indiana. Mr. Chairman, because of confusion in the Chamber, we had a number of amendments to section 1 and the Chair went by so fast that we could not hear because of the confusion.

The CHAIRMAN pro tempore. Is the gentleman sure that his amendments are to section 1? That is the short title of the bill.

Mr. BURTON of Indiana. Mr. Chairman, we had a couple of amendments to that.

Mr. Chairman, I ask unanimous consent to return to section 1 for the purposes of offering those amendments.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Indiana?

Mr. ACKERMAN, Mr. Chairman, I object.

The CHAIRMAN pro tempore. Objection is heard.

Are there other amendments to section 2?

If not, the Clerk will designate section 3.

The text of section 3 is as follows:

SEC. 3. COMMISSION.

(a) Establishment.—There shall be established a commission to be known as the Commission on Equitable Pay Practices.

(b) Composition.—The Commission shall be composed of—

(1) the Director of the Office of Personnel Management;

(2) 5 members appointed by the President, of whom—

(A) 2 shall be appointed upon the recommendation of the Speaker of the House of Representatives in consultation with the minority leader of the House of Representatives, and

(B) 2 shall be appointed upon the recommendation of the majority leader of the Senate in consultation with the minority leader of the Senate; and

(3) 5 members appointed by the Director of the Office of Personnel Management of whom—

(A) 3 shall be appointed to represent the respectic labor organizations representing (as exclusive representatives) the first, second, and third largest numbers of individuals in Government service;

(B) 1 shall be appointed to represent employee organizations having as a purpose promoting the interest of women in Government service and composed primarily of women holding positions covered by either of the systems referred to in section 2(a)(1); and

(C) 1 shall be appointed to represent employee organizations having as a purpose promoting the civil rights of individuals in Government service and composed primarily of minority group members holding position covered by either of the systems referred to in section 2(a)(1).

To the extent practicable, appointments under this section shall be made with a view towards maintaining a fair balance in the interest represented and the functions to be performed by the Commission.

(c) Conditions for Membership.—(1)(A) Members of the Commission appointed under paragraph (2) or (3) of subsection (b) shall not be officers or employees of the United States.

(B) If any member of the Commission referred to in subparagraph (A) becomes an officer or employee of the United States, that individual may continue as such a member for not longer than the 15-day period beginning on the date that such individual becomes such as officer or employee.

(2)(A) A member of the Commission appointed under subsection (b)(3) shall be the highest elected official (other than an officer or employee of the United States)—

(i) of the organization (or 1 of the organizations, if that individual represents 2 or more organizations) which that individual represents;

(ii) who agrees to serve.

(B) If any member of the Commission referred to in subparagraph (A) ceases to be the highest elected official from an organization who is eligible to serve on the Commission, that individual may continue as such a member for not longer than the 15-day period beginning on the first day that such individual ceases to be so eligible.

(3) An individual on leave without pay from the Government shall not, for purposes of this subsection, be considered an officer or employee of the United States.

(d) Compensation.—(1) Members of the Commission shall receive no pay on account of their service on the Commission (except as provided in paragraph (2)), but while away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service under section 5703 of title 5, United States Code.

(2)(A) Subject to subparagraph (B), a member of the Commission appointed under subsection (b)(2) may be paid at a rate not to exceed the daily equivalent of the rate of basic pay payable for level IV of the Executive Schedule for each day (including travel time) the member is engaged in the performance of services for the Commission.

(B) A member of the Commission appointed under subsection (b)(2) shall receive no additional pay by reason of service on the Commission for any period during which that individual continues to serve after becoming an officer or employee of the United States.

(e) Timing of Appointments; Qualifications.—All appointments under paragraphs (2) and (3) of subsection (b) shall be made within 20 days after the effective date of this Act and shall be made from among individuals who are especially qualified to serve on the Commission by virtue of their expertise and experience.

(f) Vacancies.—A vacancy in the Commission shall be filled in the manner in which the original appointment was made and shall be subject to any conditions which applied with respect to the original appointment.

(g) Chair and Vice Chair.—The Chair and Vice Chair of the Commission shall be elected by the members of the Commission.

(h) Quorum.—Six members of the Commission shall constitute a quorum.

(i) Meetings.—The Commission shall meet at the call of the Chair or a majority of its members, but at least once every 2 months.

(j) Nonapplicability of Limitation.—Appointments under this section shall not be considered for purposes of section 5311(b) of title 5, United States Code.

(k) Termination of Commission.—The Commission shall cease to exist 90 days after completing the applicable requirements of section 7.

AMENDMENT OFFERED BY MR. ARMEY

Mr. ARMEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Armey: Page 4, strike line 10.

Page 5, line 4, strike the period and insert in lieu thereof "; and".

Page 5, after line 4, insert the following new paragraph:

(4) 5 members appointed by the Director of the Office of Personnel Management from among individuals with Federal personnel management experience, of whom—

(A) 1 shall be appointed upon the recommendation of the Secretary of Defense;

(B) 1 shall be appointed upon the recommendation of the Secretary of Health and Human Services;

(C) 1 shall be appointed upon the recommendation of the Secretary of the Treasury;

(D) 1 shall be appointed upon the recommendation of the Secretary of Agriculture; and

(E) 1 shall be appointed upon the recommendation of the Secretary of the Interior.

Page 7, line 7, strike "(2) and (3)" and insert in lieu thereof "(2) through (4)".

Page 7, line 19, strike "Six" and insert in lieu thereof "Nine".

Mr. ARMEY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. ARMEY. Mr. Chairman, a great deal of the credibility for the case for this bill rests on the proposition we are herein establishing a bipartisan or not partisan objective commission to study the question, and that it is indeed only a study. I have, and several of my colleagues, have concerns about the manner in which the commission is constituted in the bill itself as it is brought before us.

The Commission would be constituted by five members appointed by the President of whom two are on recommendation of the Speaker, and in consultation with the minority leader of the House; two on the recommendation of the Senate majority leader, again consulting with the minority leader of the Senate; and five members appointed by the Director of OPM of whom three are appointed to represent the first, second, third, and largest labor unions in Government service; one appointed to represent employee organizations promoting the interest of women; one appointed to represent the interests of minorities.

Mr. Chairman, as I look at that, recognizing that of course in every market we have both a supply and a demand side, the supply side of this market is more than fairly represented in this Commission. Therefore, I offer this agreement which would accept that formula already in the bill and add an additional five members, five members appointed by the director of the Office of Personnel Management from among the individuals with Federal personnel management experience, of whom one shall be appointed upon recommendation of the Secretary of Defense, one from the Secretary of Health and Human Services, one from the Secretary of Treasury, one from the Secretary of Agriculture, and one from the Secretary of Interior.

Obviously, in this interest of trying to evaluate the work of different employees in different jobs, those people charged with the responsibility of hiring those employees and supervising them in their job would have peculiar information regarding the value of the work and the wages that ought to be paid, and they should be represented in any commission that would be charged with the responsibility of examining the salary structures of those workers.

As a consequence of that and the obvious oversight of this demand of the market by the bill itself, I felt constrained to come to the body and increase the size of the Commission from 11 members to 16 members, represent more fully the demand side, the supervisory side of this market, and therefore hopefully extend the objectivity of the Commission.

Mr. ACKERMAN. Mr. Chairman, I move to strike the last word. Mr. Chairman, the bill authorizes the President to appoint five members to the Commission. Two of those shall be appointed on the recommendations of the Speaker in consultation with the minority leader of the House, and two shall be appointed on the recommendation of the majority and minority leaders of the Senate.

The committee believes that since the leadership of Congress must consult on appointments through the Commission, the resulting recommendations would be fair-minded and objective individuals. As for the gentleman's additions to the Commission, the committee specifically appointed the head of OPM in recognition of that role, that OPM performs in administering personnel policies and programs for civilian employees of the Federal Government.

The bill also allows the Commission to appoint up to five technical experts to serve as a source of technical advise for the Commission.

Because of these reasons and because of the extraneous additional costs that the gentleman's amendments would have in appointing five additional members, we must oppose the amendment.

I believe that it is unnecessary and I urge my colleagues to oppose it.

Mr. DELAY. Mr. Chairman, I move to strike the last word, and I rise in support of the amendment.

Mr. Chairman, you know, I guess when you have been in the majority for so long you lose even the smallest attempt to appear objective and fair in dealing with issues of the day. In the past method of operation as I have given in my speeches back in my district, the method of operation by the liberals of this Congress have always been first you start with a study and then you make sure the study—the conclusion of the study—is written before the study is even started, so that you make sure that the conclusion comes out the way you want it to so that the next step would be to call for a pilot program, just try it in a certain section of the country and make sure the pilot program is successful and then you come back for the whole piece of the pie and the whole program.

Even back then and over a period of time the studies have tried to appear to be objective. They at least have a semblance of equality in the votes on some of these boards. But let us take a look at this bill. They are so blatant as to think that Members of Congress do not have the intelligence to understand what is going on here. The Commission, by H.R. 387 is made up first, and listed in the bill is the Director of Office of Personnel Management. I guess that is the only one that the President is going to get on this Commission; although he gets one more out of five appointed by the President, two will be appointed from suggestions by the Speaker of the House. Now he does consult with the minority leader. Now that is objectivity that is reaching out.

The second, the other two of those five old be appointed on the recommendation of the majority leader of the Senate. Now, he does consult with the minority leader of the Senate, and then the next five are appointed by the Director of the Office of Personnel Management but they are listed and qualified so that those people will be in support of the conclusion of the study that obviously is going to be written before they even attempt to make the study.

It is unbelievable to me, them coming together, in the vote they are going to elect their own Chairman and the Vice Chairman from overweighted numbers of this Commission. At least, Members, at least appear to be objective. At least pass the Armey amendment so that we can go home, so that we go home and look like we are trying to get an objective study done and an objective conclusion to this issue of pay equity, because we are not going to get if the Commission is so overweighted.

We do not even get six and five; we are getting complete overweighted votes on this Commission. At least, at least appear to the American people that we are going to be objective and pass the Armey amendment.

Mr. GONZALEZ. Mr. Chairman, will the gentleman yield?

Mr. DELAY. I yield to the gentleman from Texas.

Mr. GONZALEZ. Mr. Chairman, is the gentleman telling us that he is pessimistic that neither the Senate nor the House will have the chance of becoming the majority body controlled by the gentleman's party after November?

Mr. DELAY. What does that have to do with this bill?

Mr. GONZALEZ. The gentleman is accusing this side of loading the Commission by giving the appointment recommendations to the majority leader in the Senate, the Speaker of the House. What the gentleman is telling Members is that he does not think the Republicans are about to control.

Mr. DELAY. I guess the gentleman from Texas is again trying to cloud the issue because we all know that if there was any semblance of an idea that this side, that the Republican Party would take over a majority of either House, we would not see a bill like this. That is exactly the point that I opened with. They understand, or they are certainly counting on history that they still will control both Houses of this body. They still will abuse any sort of semblance of objectivity, and this study is not objective. It will not be objective; the end result will not be objective. We all know, so do not come out here and say it is just a study. How can Members be against a study?

The CHAIRMAN pro tempore. The time of the gentleman from Texas has expired.

Mr. DELAY. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

(By unanimous consent, Mr. DELAY was allowed to proceed for 2 additional minutes.)

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. DELAY. I am happy to yield to the gentleman from Texas.

Mr. ARMEY. Mr. Chairman, it is my understanding that the bill should pass both bodies and get to the President for his signature before the Congress adjourns; the appointments of the Commission will be made before the next Congress convenes, and even under those circumstances our newfound majority in one or both bodies would not be relevant to the implementation of the act.

Mr. DELAY. Mr. Chairman, the gentleman brings up a very good point, that this Commission would be formed before there is any chance of Members taking over the majority next year, and I appreciate the gentleman bringing it up.

Mr. GONZALEZ. Mr. Chairman, will the gentleman yield?

Mr. DELAY. I yield to the gentleman from Texas.

Mr. GONZALEZ. Mr. Chairman, obviously I am serious about this. I can recall at least five commissions or committees during the 1960's, and then in the 1970's at least another four, and in the 1980's at least two, where the composition of these committees were very similar in format to what is suggested in this bill, as far as I can remember.

□ 1330

Mr. DELAY. The gentleman is right. He makes my point. I have said in my whole point that this is exactly the type of process that we go through where we load up commissions and make sure that the conclusion is already written. Well, if you are going to write the conclusion before we even appoint the Commission, why go through the expense in giving a commission subpoena power and all these other things if we already know what the conclusion is going to be? We will concede what the conclusion is to that side of the aisle and just let us get on with it and save the taxpayers a bunch of money.

Ms. OAKAR. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I simply want to say that the composition of the Commission was agreed upon in the last Congress, unanimously agreed upon through the committee process. It was a bipartisan agreement on both sides of the aisle.

As a matter of fact, it waits for, in many ways, the Commission appointments to OPM, the Office of Personnel Management.

So this is an objective Commission, and no one is assuming anything about the results. We hope that this amendment will be soundly defeated.

Mr. ACKERMAN. Mr. Chairman, will the gentleman from Ohio yield?

Ms. OAKAR. I yield to the gentleman from New York.

Mr. ACKERMAN. I thank the gentlewoman for yielding.

I just want to make two quick points about the gentleman who spoke prior to the gentlewoman from Ohio's comments. It seems to me that his sense of justice is exceeded only by his sense of math.

The way I read this, it is not a 6-to-5 split here. It seems to me that the only person individually mandated to be on the Commission is the Director of OPM himself or herself. That individual, as I understand it, is also appointed by the President. So those five appointees, if you want to reduce this to the unfortunate partisanship that the gentleman seems to be heading in the direction of, would basically be appointees of the appointee of the President. So if you want to do it again, either using the old math over new math, I think that you would see a completely different ratio of totals. But that is not really the point. Rather than us quibbling over which administration it would be that makes the appointment, I think that the House and the American people would be better served if we basically stick to the issue and discuss the merits of the legislation rather than whether or not some future President is going to be partisan or not or who is going to be in control of either one of the two Houses.

The second quick point that I want to make, just to set the record straight: Today's Legislative Digest put out by the House Republican Conference—and I am sure that this was an error, because I know that the gentleman from Texas is very admirable in all of the dealings certainly that we have had—but I believe that there is a typographical error or mistake that might lead some of us Members who are interested in saving the taxpayer money.

The first amendment that is listed here, which is the one that we are discussing now, states that this amendment by the gentleman from Texas would replace the five commission members appointed by OPM with these five others. In fact it does not.

I am sure that was a typographical error. Indeed what this amendment would do is increase the size of the Commission from 11 commissioners to 16 commissioners which would be too much of a financial hit for even those of us on this side of the aisle to accept.

Mrs. SCHROEDER. Mr. Chairman, will the gentlewomen yield?

Ms. OAKAR. I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. I thank the gentlewoman for yielding.

Mr. Chairman, one of the things I have found interesting about the gentleman that spoke before the gentlewoman is that he said he knew what the conclusion was. Now, if he knows what the conclusion is, I wish he would tell us what it was because maybe he should just offer that as an amendment and we would move forward. But let me go just a little further. If the gentleman is assuming that there is discrimination against women, then I am very sorry he is not down here helping us move forward. All of the women on the gentleman's side have joined us on this issue. They seem to feel that.

Let me say that the next thing that I think is terribly important is one of the reasons we need the study is while we suspect there may be—and I know of no conclusion that has been written—I would love to see your conclusion if you think it has been written—we think there may be some discrimination in the system setup in the twenties that has not been looked at since. We think there might be. There might not be.

But even if there is some we do not know exactly how to do it in the whole GS scale and how you put that together. That is fairly sophisticated. But if the gentleman knows, if the gentleman can tell us exactly how much sex discrimination and race discrimination there is in each GS scale, offer that. We would be more than happy to help. But we have not seen a conclusion.

We just have a suspicion. And the way I look at that there are going to be more Republicans on the panel than Democrats.

The CHAIRMAN pro tempore (Mr. MONTGOMERY). The time of the gentlewoman from Ohio [Ms. OAKAR] has expired.

(By unanimous consent, Ms. OAKAR was allowed to proceed for 1 additional minute.)

Mr. DELAY. Mr. Chairman, will the gentlewoman yield?

Ms. OAKAR. I yield to the gentleman from Texas.

Mr. DeLAY. I thank the gentlewoman for yielding.

Mr. Chairman, the gentleman from Indiana [Mr. BURTON] is going to show you the number of studies that have already been done if you need the conclusions. But the conclusions are obviously in all the "Dear Colleagues" sent out by the proponents of this issue. That is the conclusion. Just read the "Dear Colleagues".

Ms. OAKAR. If I may reclaim my time, if the gentleman objects to the bill then that is one thing. You know, just vote against it.

But if you are just calling attention to the Commission for the purpose of discussing the gentleman's view, he should have been here for the debate last night. I think that that was where we were in terms of comprehensively discussing the bill.

Mr. DeLAY. I am just discussing the amendment offered by the gentleman from Texas that directly deals with the Commission.

Mrs. MORELLA. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment that was offered to expand the Commission by five members to be appointed by the secretaries of a number of departments.

I do not understand why, if they are talking about expanding it, that these particular departments were chosen.

I mean, why is the Secretary of Education not allowed to appoint someone? How about the Secretary of Housing and Urban Development? Why is the Postmaster General not allowed an appointment?

So I do not see any rhyme nor reason to take this and to end up really making it a partisan panel by putting the weight on the extra appointees.

When the subcommittee in the 99th Congress determined the makeup of the Commission, they tried to make it be a balanced group. As was mentioned, five members appointed by the Director of the Office of Personnel Management; and to pick people who had some expertise and interest in the subject. This indeed is the most efficient way of doing it so that it ends up being a very balanced Commission. The amendment appears ostensibly to be one to destroy a bill which is a good study.

So I certainly would urge a vote against the amendment.

Mr. ARMEY. Mr. Chairman, will the gentlewoman yield?

Mrs. MORELLA. I yield to the gentleman from Texas.

Mr. ARMEY. I thank the gentlewoman for yielding?

Mr. Chairman, with the gentlewoman's permission, I would like to remind the Member that her point is well taken. The Commission ought to be comprised of people who are well informed about the subject under consideration.

The bill's commission has a preponderance of people on the supply side of the market. What this is trying to do is to represent the other side of the market, the buyers. These are experts, they are informed, they do have information.

Any kind of a market transaction that brings to it an imbalance of information from either the supply or the demand side is going to be a market transaction that has within it a bias, especially insofar as the transaction is going to be a negotiated sort of thing.

In this case we are extending this even more into the intellectual realm of the process since we are here talking about doing a study.

Now if I am only a buyer and I want a study that will represent my point of view and you put me on a commission and not somebody from the selling side, I very likely will not ask for information from the other side of the market. Why should I want to have my point of view confused?

To say, for example, the first, second, and third largest labor unions in Government service, if you can tell me that any one of those three labor unions are not at this time already committed to the principles of comparable worth, I would feel somewhat assured. But I also am aware of the fact that you cannot tell me that they are not committed to it. You cannot tell me they are not on your list of outside patrons of the concept.

The bias is there already. To say one appointed to represent an employee organization promoting the interest of women tells me you have already got a person committed to the process.

What I want to say if we are going to be intellectually objective about this is let us let the bias, the demand side, the people who represent the expenditure of the taxpayers side of the money; put their information, their insight, their knowledge, their experience into the process.

It seems to me you only get more of what it is you say you ask for, more complete and totally objective, at least a balanced exchange of information.

Mrs. MORELLA. These appointees that would come from the Cabinet heads, who knows whether they care about the issue? Whether they are willing to make the commitment of time? Whether they come with any knowledge of the situation?

To have these people representing their groups, they are responsible to the entire market, males, females, minorities, ethnics; and they come with an expertise and a desire to make the study be successful.

The gentleman keeps using the term "comparable worth." I really have to, as a former teacher of English, tell you that there is a distinct difference between comparable worth and pay equity and this is simply a study of pay equity.

Mr. ARMEY. If the gentlewoman would yield further, of course I am far more concerned with substance than semantics. The substance is comparable worth.

Let me point out the appointees I am suggesting, it says very clearly, shall be people of personnel management experience. I think the gentlewoman has just acknowledged that yes, in fact, the people on the committee bill's side of this process, already privileged to be on this Commission, do have clearly, as she has indicated, an expressed interest in and commitment to the people from the unions.

The people whom I suggest we add to this Commission are people who are hired and have a commitment to the taxpayers of the United States which is a far broader and more diversified, and I should say, acutely interested group to whom an allegiance ought to be owed.

Mrs. MORELLA. If they are not elected by any particular group.

So when you say they have a commitment to the taxpayers, I do not see why that comes into effect, nor do I have any guarantee that the people who would be appointed would have any interest in doing it.

Mr. ARMEY. I am sure that as a member of this committee so involved with this over the entire process the gentlewomen is not going to suggest that employees of the agencies of Government are not committed to the people whom they are charged to serve.

The CHAIRMAN. The time of the gentlewoman from Maryland [Mrs. MORELLA] has expired.

(By unanimous consent Mrs. MORELLA was allowed to proceed for 1 additional minute.)

Mrs. MORELLA. Mr. Chairman, in terms of the commitment, we are talking about a commitment to a particular goal. They may be committed to their work, but this may not be a prime part of their work. So it depends on the responsibility.

Again, you are making it lean in a partisan fashion; you are expanding and there is no need to. You have left out agencies also.

You have a balanced group that has been arrived at in a very responsible manner for the Commission.

Mr. ARMEY. Then the substance of the gentlewoman's point is that she wants the committee to continue having the Commission staffed only by people who already have a commitment to a particular goal. That is the point we have been trying to make.

Mrs. MORELLA. Someone who is very interested and who has some knowledge to bring to it and the dedication to bring to a study—to a study.

Mr. BURTON of Indiana. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have no objection to the American Federation of Government Employees being on the Commission, members of the National Federation of Federal Employees being on the Commission, the National Treasury Employees representative being on the Commission, a women's group member on the Commission or a civil rights member being on the Commission as long as there is a balance.

Now the gentleman who is sponsoring the amendment, the gentleman from Texas [Mr. Armey] is trying to bring about that balance so there will be some objectivity.

The fact of the matter is the authors of this legislation want the Commission to be biased and the way it is made up it will be biased.

Now one of the issues that has been raised in this debate is that we need this study so we will know where we are going.

□ 1345

We will need this study so we will know what needs to be done, we are told.

Mr. Chairman, the law already mandates equal pay for equal work. In 1963 Congress approved the Equal Pay Act, and the next year we approved title VII of the Civil Rights Act. Equal pay for equal work is the only objective standard that can be fairly enforced by the Congress and the courts.

In addition, three Government agencies have already conducted over 30 individual studies, examining any pay inequities that may exist as to comparable jobs within the Government and between the Government and the private sector.

I said yesterday that I would bring these studies to the floor. I was going to carry them down to the well, but I was afraid I would get a hernia because they weigh so much. We have here 30 studies that have been conducted on this subject, and yet the proponents of this legislation want to spend another $2.5 million of the taxpayers' money conducting yet another study. Study after study after study has been done, and yet they want to spend another $2.5 million to do more.

Let me just read some of the studies.

Ms. OAKAR. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I will be happy to yield in a few moments, but first I want to read some of the studies that have already been conducted at the taxpayers' expense, many of them, and yet Members want to spend another $2.5 million for another study.

Here is one done by the U.S. Office of Personnel Management. This is "Comparable Worth for Federal Jobs." That study was conducted in September of 1987.

Here we have "Federal White Collar Employees, Their Pay and Fringe Benefits," which is another study done in January 1979.

Here we have the "Federal Government's Pay System, Adjustment Procedures and Impacts of Proposed Changes," February 1977.

Here we have "Alternative Approaches to Adjusting Compensation for Federal Blue Collar Employees," November 1988. This is the "Budgetary Treatment of Federal Civilian Agency Pay Raises, a Technical Analysis, a Special Study," January, 1983.

Mr. ACKERMAN. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I have to go through all 30 of these studies first, and then I will be happy to yield.

Next we have this: "Reducing Grades of the General Schedule Work Force," September 1984. That is another study.

"Federal Pay-Setting Service Could Be Performed More Efficiently." This is done by the Comptroller General. This was done June 23, 1981.

Here is another one by the Comptroller General of the United States: "A Proposal to Lower the Federal Compensation Comparability Standard Has Not Been Substantiated." This was January 26, 1982.

This is another study by the Comptroller General: "Problems in Developing and Implementing a Total Compensation Plan for Federal Employees," December 5, 1980.

"Wages for Federal Blue Collar Employees Are Being Determined According to the Law, But Improvements Are Needed."

Mr. ACKERMAN. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I will yield after I have finished reading all 30 of these studies.

That one was on October 29, 1979.

Mr. Chairman, I think it is important to get these into the Record.

Mr. ACKERMAN. Mr. Chairman, why does the gentleman not just submit them into the Record rather than subjecting the entire House to this waste of time?

Mr. BURTON of Indiana. I must submit them for the Record, and I have the time.

Do I have the time, Mr. Chairman? I did not yield any of my time to anybody.

Mr. ACKERMAN. Mr. Chairman, how much time does the gentleman from Indiana have left?

The CHAIRMAN. The gentleman from Indiana [Mr. Burton] has 30 seconds remaining.

Mr. ACKERMAN. Then he has got to read fast.

Mr. BURTON of Indiana. Mr. Chairman, if the gentleman objects, we are going to have to object to every one of his Members who choose to ask for extensions of time.

Mr. ACKERMAN. I will consider that suggestion of objecting to each and every one of our Members who abuse their time.

Mr. BURTON of Indiana. Do I have the time, Mr. Chairman? The gentleman has used up a minute of my time by interrupting.

The CHAIRMAN. The Chair will state that the gentleman from Indiana [Mr. Burton] has the time. The gentleman may proceed.

Mr. BURTON of Indiana. Mr. Chairman, the reason I am reading these studies is so every Member of this body who is paying attention to the debate will know what these 30 studies are. If I just submit them for the Record, then Members will not know what they are because they may not read the Record, but if I state them publicly for the Record, every Member of Congress who is paying attention to the debate will know that there have been 30 studies conducted, most of them at the expense of the taxpayers of this country, and yet these folks want us to have another study that is going to cost $2.5 million when we have already had 30 of them.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. Burton] has expired.

Mr. BURTON of Indiana. Mr. Chairman, I ask unanimous consent that I be allowed to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

Mr. ACKERMAN. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. BARTLETT. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I am taking this time because I do think it is important that our colleagues and the public hear in some detail the results of the 30 studies that the gentleman from Indiana [Mr. Burton] was attempting to set forth for the Record. So I yield to the gentleman from Indiana so he may continue.

Mr. ACKERMAN. Mr. Chairman, will the gentleman yield to me first for 30 seconds?

Mr. BARTLETT. Not at this time. At the conclusion of the gentleman's presentation of the studies, I will yield.

Mr. ACKERMAN. Mr. Chairman, will the gentleman from Indiana yield?

Mr. BURTON of Indiana. The gentleman from Texas has control of the time.

Mr. ACKERMAN. Will the gentleman from Texas yield to me? Will the gentleman from Indiana yield to me?

Mr. DeLAY. Regular order, Mr. Chairman.

The CHAIRMAN. The gentleman from Texas [Mr. BARTLETT] has yielded to the gentleman from Indiana [Mr. BURTON], and the gentleman from Indiana may proceed.

Mr. BURTON of Indiana. Mr. Chairman, we have here a report to the Congress of the United States from the Comptroller General, "A Study of Federal Compensation Comparability, Need for Congressional Action," July 21, 1978.

"Need for a Comparability Policy for Both Pay and Benefits of Federal Civilian Employees, Report to the Congress," July 11, 1975.

"Reducing Grades of the General Schedule Work Force," November 30, 1984.

All of these studies bear on the issue at hand that we are talking about today.

These are studies of the Federal white collar compensation. There is a summary report here.

"Studies of Federal White Collar Compensation, Redesigning the General Schedule, Locality Pay Study, Rewarding Quality Performance." This was done in October of 1975, and as the Members can see, it is a pretty voluminous study.

Here we have "A Comparison of the Civil Service Classification System and the Hay Method of Job Evaluation." This is another voluminous study. Those studies cost the taxpayers a lot of money.

This is a study of "Total Compensation in the Federal, State, and Private Sectors." This was done by the Committee on Post Office and Civil Service back on December 13, 1984. It was prepared by Hay-Huggins Co. and Hay Management Consultants. We already had a study in 1984 on this same subject.

This is "A Conceptual Framework for Total Compensation Comparability," 1979, U.S. Office of Personnel Management. This is a "Report on Study of Position Classification Accuracy and Executive Branch Occupation Under the General Schedule." This was prepared by the U.S. Civil Service Commission, December 6, 1978.

This is a report on "Study of Position Classification Accuracy in the Executive Branch Occupations Under the General Schedule," December 6, 1978.

"A Report to the Congress, Improving the Pay Determination Process for Federal Blue Collar Employees." This was done by the Civil Service Commission, the Department of Defense, and the Veterans' Administration, and it was completed by the Comptroller General of the United States, June 3, 1975.

Mr. BARTLETT. Mr. Chairman, reclaiming my time briefly, and then I will yield further to the gentleman, I would inquire of the Chair, how much time do I have remaining?

The CHAIRMAN. The gentleman from Texas [Mr. BARTLETT] has 2 minutes remaining.

Mr. BARTLETT. Mr. Chairman, I would ask this of the gentleman as he goes through the studies: I have been listening carefully to the titles of the studies. Does the gentleman know whether any of these 30 studies have studied employment practices with regard to sex discrimination by Congress or the legislative branch as an employer? Have any of these studies addressed discrimination in that regard?

Mr. BURTON of Indiana. Mr. Chairman, if the gentleman will yield, I do not believe any of them have addressed discrimination as to congressional Members' offices, and that is one of the issues we raised last night. The proponents of this bill decided not to include congressional staffs and offices in the study, and we could not understand that as well.

Mr. BARTLETT. From my reading of the bill, it is my understanding that the legislative branch as an employer is not included in the study that is proposed here. It is the gentleman's conclusion from reviewing the other 30 studies that have been done that that is the one agency of the Federal Government apparently that has never been studied or tested with regard to the existing rules of sex discrimination, as I understand it.

If the gentleman would like me to yield, I could yield to him now, but first I would say to the gentleman from New York [Mr. ACKERMAN] that I would pose this question in yielding to him: Does this bill apply to Congress as an employer?

Mr. ACKERMAN. Mr. Chairman, the point I was trying to make when I asked for the time from the gentleman was the fact that with the exception of one out of the 30, which means it is not applicable to the other 29, none of these studies refer to the topic of equitable pay that we are discussing.

But what I wanted to ask, when the gentleman yielded to the gentleman from Indiana, was this: The gentleman stated he wanted to know from him the results of all these studies. What he did was read the titles of all these studies, and I am very impressed, although I have been more impressed by the guy from American Federal Express, who reads a lot faster. I am impressed with the reading of the titles, but I would like to know if the gentleman, in addition to reading to the entire House of Representatives all those titles into the CONGRESSIONAL RECORD, has read any of those studies, and if the gentleman has read any of the 30 studies, what did he do after he became incensed as to what is happening to the Federal work force?

Mr. BARTLETT. Mr. Chairman, I am happy to yield to the gentleman from Indiana for an answer.

Mr. BURTON of Indiana. First of all, Mr. Chairman, I was not incensed. I think rightful indignation is justifiable if one has a reason for it. I have seen some discrimination in congressional offices, but we are not studying that.

The CHAIRMAN. The time of the gentleman from Texas [Mr. BARTLETT] has expired.

Mr. BUNNING. Mr. Chairman, I move to strike the last requisite number of words, and I rise in support of the amendment.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. BUNNING. I yield to my good friend, the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, let me just say in conclusion that studies have, I think, concluded that there is a modicum or more than a modicum of fairness in the Federal work force. Nevertheless, we have conducted 30 studies, and they want to spend another $2.5 million for another study. But this time they want to make sure there is a bias to the study. The bias is that you are having proponents of this particular position stacked on this commission, and that will guarantee that the recommendations of the commission will be in favor of your position. I think that is something that is intolerable.

Let me get back to this and read the rest of these studies because I think it is important to have them in the RECORD.

Here we have a study, "Federal Employees' Compensation Reform." This is a message from the President of the United States that was transmitted back on June 14, 1979. This is a result of a study.

Here we have "Total Compensation Comparability Program, a report in Fiscal Year 1977, Activities." This was done by the U.S. Civil Service Commission.

Here we have one called "The Budgetary Treatment of Federal Civilian Pay Raises, a Technical Analysis." This was done in January 1983.

This is "Total Compensation Comparability Background Method, Preliminary Results." This was done by the Office of Personnel Management in July 1981.

Here we have the "Federal Pay Reform, Questions and Answers," a study done by the Office of Personnel Management in 1979.

This is a "Study of Approaches to Federal Pay," done by the U.S. Office of Personnel Management in December 1982.

"Federal White Collar Position Classification Accuracy," done in March 1983. The Advisory Committee on Federal Pay did this study in June of 1981.

"The Federal Government Pay Systems." This was done by the Congress of the United States, the Congressional Budget Office.

"Adjustments, Procedures, and Impacts of Proposed Changes," done in March 1977.

"Federal White Collar Employees, Their Pay and Fringed Benefits, Trying To Make Sure There Was Equity in the Work Force," done in January 1979.

"Alternative Approaches To Adjusting Compensation for Federal Blue Collar Employees," another study to make sure there was fairness in pay equity, November 1980.

"Compensation Reform for Federal White Collar Employees, the Administration's Proposal on Budgetary Processes in 1981." That was done in May of 1980.

"Adjustments in Federal White Collar Pay, a Technical Review of the Past Proposals in the Economy for October 1983." This was done in March 1983.

This is a report to Congress, "Improving the Pay Determination Process for Federal Blue Collar Employees." This was done in June 1975.

Mr. ACKERMAN. Mr. Chairman, what year was that?

Mr. BURTON of Indiana. June 3, 1975.

Mr. ACKERMAN. That is 14 years ago.

Mr. BURTON of Indiana. Well, if the gentleman had been listening, there have been some all the way up to 1985.

Mr. ACKERMAN. All right. Could the gentleman tell us what any one of them has to do with?

Mr. DELAY. Regular order, Mr. Chairman.

Mr. BURTON of Indiana. Mr. Chairman, do we have control of the time?

The CHAIRMAN. The gentleman from Kentucky [Mr. BUNNING] controls the time.

Mr. BURTON of Indiana. Mr. Chairman, if I may continue, this is "Federal White Collar Pay Systems and the Need for Fundamental Changes." This is in October 1975, and I understand it was acted upon. There were some positive changes made.

"Determining Federal Compensation, Changes Needed To Make the Process More Equitable and Credible." This was done in November 1979.

"Federal White Collar Special Rate Program," March 30, 1984.

"A Description of Selected Systems for Classifying Federal Civilian Positions and Personnel," July 1984.

□ 1400

And then there is a report from the General Accounting Office, "Distribution of Male and Female Employees and Four Federal Classification Systems," done in November 1984; 30 studies, and they want to spend another $2.5 million doing it again, only this time with a biased board? This does not make sense.

Mr. Chairman, I thank the gentleman for yielding.

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. BUNNING. I yield to the gentleman from Texas.

Mr. ARMEY. Mr. Chairman, I appreciate the gentleman from Indiana [Mr. BURTON] bringing these studies to the floor and reading the titles because the point is made repeatedly, repeatedly, that no studies have been done.

Now, that is just simply not the case from what I have seen here. I have a list here, and I am perfectly willing, if it is necessary, to read my list of studies that have been done, many of which, at least some of which, were ordered up by the committee itself.

But the fact is that the studies have been done.

The CHAIRMAN. The time of the gentleman from Kentucky [Mr. BUNNING] has expired.

Mr. EDWARDS of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. EDWARDS of California. Mr. Chairman, I rise in strong support of H.R. 387, the Federal Equitable Pay Practices Act. I compliment our distinguished colleague from Ohio, MARY ROSE OAKAR, for her leadership in bringing this legislation before us today.

Mr. Chairman, this legislation would mandate a study of the Federal wage and classification systems. The study provided for in this sound piece of legislation will allow us to answer two critical questions:

Are women and minorities hired fairly by the Federal Government?

Are women and minorities paid fairly for the work they do in the Federal Government?

Since its inception in 1923, there has never been a comprehensive examination of the Federal employment system for race or gender discrimination. Obviously, there have been significant changes in the Federal work force since the 1920's, and we need to understand how the system is working. The study proposed by Congresswoman OAKAR is long overdue, and we should welcome it and its findings.

There is significant evidence that such a study is needed. For example, the General Accounting Office has found extreme occupational segregation in the Federal Civil Service with regard to men and women and minorities.

Pay equity studies done at State levels have proven invaluable in identifying gender and minority based wage discrimination. The highly valued principles of fairness and justice should compel us to move promptly and seriously toward this kind of study for our large and diverse Federal work force.

I strongly urge my colleagues to support the passage of this legislation before us today.

Mr. ACKERMAN. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from New York.

Mr. ACKERMAN. Mr. Chairman, I thank the gentleman from California [Mr. EDWARDS] very much for yielding to me.

Mr. Chairman, I listened pretty carefully; I would not say very carefully, to the long litany of studies that the gentleman from Indiana [Mr. BURTON] has cited, and I must say that despite the fact that he was able to research the obvious fact that studies do get done around here, I would like to find out from him what any one of these studies had to do with equitable pay. Has the gentleman read any one of the studies, and could he tell us what they have to do with equitable pay?

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, I do not intend to try to go through this litany of studies that have been completed.

Mr. ACKERMAN. Just one; I did not ask the gentleman to go through the litany. He has already abused the time of the Members by going through the litany of the list in order to eat up time, which the gentleman threatened to do yesterday, and I must say that I am impressed with the fact that the gentleman found 30 studies.

Being that the gentleman is being assisted, could he find two? How about citing two?

Mr. BURTON of Indiana. Mr. Chairman, I would be happy to——

Mr. ACKERMAN. OK; find one.

Mr. BURTON of Indiana. Time to go through and pick out the studies that I would like to comment on. We have looked at them, but the one that he just handed me was the most recent one.

Mr. Chairman, this was completed in September 1987.

Mr. ACKERMAN. Which one was that?

Mr. BURTON of Indiana. It is entitled "Comparable Work for Federal Jobs, a Wrong Turn Off the Road for Pay Equity and Women's Career Advancement."

Mr. ACKERMAN. Mr. Chairman, was that a study?

Mr. BURTON of Indiana. The gentleman from New York is correct. It is a study——

Mr. EDWARDS of California. Mr. Chairman, I reclaim my time.

Ms. OAKAR. Mr. Chairman, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentlewoman from Ohio.

Ms. OAKAR. Mr. Chairman, that was done by OPM who has never really attempted to correct the system in the last 8 years.

As a matter of fact, we have seen a regression, and basically what they have done in this incredible faulty study was to pick out the careers of those few women that are in the levels that are very, very high and say that because we have seen some small progression in the upper echelon of Federal employment that that was a sign that women were going into nontraditional jobs.

Basically what it is saying is that we do not need secretaries; we want all the women to be managers. We do not need nurses; we want everybody to be a doctor. We do not need clerks, we do not need any of the kinds of service employees that unfortunately are undervalued, are in the bottom rungs of the classification system.

Mr. Chairman, that is the old argument that, if women go into the field of law, for example, that we do not need to pay nurses, and secretaries and others fairly, and so it was an incredibly faulty study.

If that is the kind of study that the gentleman from Indiana [Mr. BURTON] wants to use, that is his prerogative. But the women who are in minorities who are clustered in the bottom rungs of the classification system did not get truly investigated in terms of whether or not they were being treated fairly, and we have not done a comprehensive study since 1923.

I thank the gentleman from California [Mr. EDWARDS] for yielding.

Mr. EDWARDS of California. Mr. Chairman, I would also point out that the subcommittee of the Committee on the Judiciary that I chair held hearings on women in nontraditional jobs, not in government jobs, and we found that the discrimination in nontraditional jobs, in the general populace of the United States is widespread. Of the women who are able to surmount the obstacles and get a position in a nontraditional job, say as a carpenter or as a laborer, and I might say almost automatically tripling their wages, a third are forced to drop out after a very few weeks of work because of the harassment and the discrimination they experience.

Mr. Chairman, we do not know about the extent of such discrimination in the federal system except the horror stories that we read in the newspaper, and it is in there almost daily. I think the study this bill provides is very, very much needed.

Mr. BALLENGER. Mr. Chairman, I move to strike the requisite number of words, and I rise in favor of the amendment.

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. BALLENGER. I yield to the gentleman from Texas.

Mr. BARTLETT. Mr. Chairman, I thank the gentleman for yielding because I think a discussion of the studies has been helpful.

I do want to observe that I listened very carefully to the gentlewoman from Ohio [Ms. OAKAR], and it can be said that we are getting closer to agreement on what the bill does because, if I can paraphrase what she has done and about these other studies is that this is a new kind of a study. This is a study that is a study based on a whole new concept of job classification based on, and I quote from page 11 of the bill, "shall be applied with respect to a representative sample of occupations in which either sex is numerically predominant," and so I think the gentlewoman is correct.

Mr. Chairman, this would be the first time that a comparable worth kind of study, a job content analysis kind of study, would be done as opposed to what we all traditionally think of, equal pay for equal work, and I do think it is a brandnew concept.

Leaving that aside, I would then reinquire of either the gentlewoman from Ohio [Ms. OAKAR], the sponsor of the bill, or the gentleman from New York [Mr. ACKERMAN], my brief question which was: If none of these studies have studied discrimination based on sex by Congress as an employer and if there is some real evidence that that is a very real problem in this body, then I would inquire as to whether they have included Congress as an employer in this legislation for studying discrimination, and if not, why not, and would they be prepared to accept an amendment that would do so?

Mr. ACKERMAN. Mr. Chairman, will the gentleman yield?

Mr. BALLENGER. I yield to the gentleman from New York.

Mr. ACKERMAN. Mr. Chairman, I thank the gentleman for yielding.

This legislation, as the gentleman well knows, does not include the legislative branch because that legislation would not come through this committee, and, if the gentleman on his own would care to submit such legislation, we would be very happy to take a careful look at that, but this is not the proper vehicle for it.

In addition to that, in answer to the question which was raised before, we have a letter from the General Accounting Office, which we will gladly provide a copy of, which says that OPM does not provide any data or analysis to show that the Government's position, classification system in operation, is a system based solely on the objective evaluation of job characteristics. Without proper job content analysis, the extent to which there are pay differentials that could be the results of discrimination——

Mr. BALLENGER. Reclaiming my time, Mr. Chairman——

Mr. ACKERMAN. Will not be known. The studies which the gentleman cites have nothing to do with this topic.

Mr. BALLENGER. Reclaiming my time, Mr. Chairman, I yield again to the gentleman from Texas [Mr. BARTLETT].

Mr. BARTLETT. Mr. Chairman, I thank the gentleman from North Carolina [Mr. BALLENGER] for yielding.

Mr. Chairman, I am trying to understand the answer on why we do not include Congress in this study, and the answer is because, as I heard the gentleman from New York, because it did not come through his committee, but the gentleman or the gentlewoman who is the sponsor could have included it in the bill, as I understand, and had it sequentially referred, as other legislation is routinely done.

Indeed I personally have raised this question on every similar piece of legislation since 1983, when I arrived. It is not the first time I ave asked the question. I asked it the last time this particular bill came up.

I am just curious as to why it is not included. Does the gentleman not believe that discrimination exists in Congress, or does he believe that that discrimination is all right and that we should not try to eradicate it?

Mr. DELAY. Mr. Chairman, will the gentleman yield?

Mr. BALLENGER. I yield to the gentleman from Texas.

Mr. DELAY. Mr. Chairman, I just want to bring us back to the amendment at hand. I mean we are talking about the bill. We are trying to pass an amendment here to bring fairness to this study, and we need to get back to it, and we understand why this study was, and the commission was, designed the way it was.

And, by the way, to the gentleman from New York [Mr. ACKERMAN]: It is a 10-to-1 vote, not a 6-to-5, if the gentleman will read it. It is a 10-to-1 vote in favor of the proponents of this issue.

It was said by the gentlewoman from Maryland and the gentlewoman from Ohio that all of these studies are faulty studies, that they do not have the bias written in that this study has written into it and does not have the conclusion that they want. That is why it is a faulty study. It does not reach the, quote, commitment to the goal of making sure that this study's conclusion comes out the way that they want it to come out, but they have got their goal in the makeup of this commission.

Mr. Chairman, their goal is 10-to-1 vote for their side on whatever they write as the conclusion to this study.

The amendment of the gentleman from Texas [Mr. ARMEY] just brings a little fairness, a little objectivity, and I just ask those cosponsors of this bill that is different from the one they cosponsored: Do they want to appear subjective? Do they want to go back to their constituents and support a study that obviously falls very short of objectivity?

The CHAIRMAN. The time of the gentleman from North Carolina [Mr. BALLENGER] has expired.

For what purpose does the gentleman from Pennsylvania rise?

Mr. WALKER. Mr. Chairman, I move to strike the penultimate word.

Mr. Chairman, the first observation I would like to make is that it is interesting what the House in the waning hours of the session decides that we ought to prioritize and spend time on. Instead of dealing with acid rain, which is a subject matter that the vast majority of the Members of this Congress have indicated that they want to deal with, we are dealing with this subject with a number of controversial amendments, and we will probably be on it for hours so that we do not have the time to get to dealing with the real issues, like acid rain, that many Members feel needs to be addressed out here. I just think that is interesting.

Second, I would point out to the gentleman from California who spoke briefly about all the press reports we have seen on these things. The press reports that I have seen most recently indicating substantive discrimination taking place in pay have been right here in the Congress. The most glaring headlines that we have had in my district have been about how we in Congress discriminate on pay against the women of this country. And yet I heard a couple of minutes ago an explanation that we cannot possibly take that issue up in this bill because, gee, it is not before our committee.

Mr. Chairman, how often do we have to hear that before we understand that that is a true phony? We have set up processes around here that every time we want to include Congress under the laws that we pass we are told we cannot do it because it does not come before our committee.

Mr. Chairman, we know that there is such a thing as joint referral around here. We know that this bill with Congress included could have been sent to the Committee on House Administration and brought to the floor with Congress included, but there was a choice made not to do that.

We also know that we could raise an amendment here, and, if nobody raises a point of order against the amendment, it could, in fact, be included on the floor.

But I suspect when that amendment is raised that there will be someone get up and make a point of order against including the Congress, and then we will know for certain what we want to really do in this bill, that we want to wipe Congress out, but yet we know that we have the major discrimination that has been reported in recent weeks. It has taken place right here in the Congress of the United States.

Mr. ACKERMAN. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from New York.

Mr. ACKERMAN. Mr. Chairman, to allay the concerns of the gentleman from Pennsylvania [Mr. WALKER], I understand that there is a bill that will be coming up next week from the committee of the gentleman from California [Mr. PANETTA] which would do what the gentleman is asking it do.

Mr. WALKER. Mr. Chairman, I thank the gentleman from New York [Mr. ACKERMAN] for that, but here we are out debating that. Do we have any assurance that that piece of legislation is going to get passed? Do we have any assurances that it is going to clear anywhere other than a couple of places in the South?

Mr. BARTLETT. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Texas.

Mr. BARTLETT. Mr. Chairman, that is an interesting piece of legislation. It is a good piece of legislation which I hope will pass, and it ought to, but it does not relate to this study.

The difficulty is that the Committee on Post Office and Civil Service is offering a bill which studies the executive branch of Congress based on discrimination of certain type and refuses to study the legislative branch.

So the bill of the gentleman from California [Mr. PANETTA] which I hope comes up next week would apply EEOC-like laws to the legislative branch for the first time, but it is a different subject.

□ 1415

That bill will help to solve an old problem. The bill that is before us will add to the problem.

I am just inquiring of the sponsors as to why they would not just go ahead and include Congress as an employer in this study.

Mr. WALKER. Mr. Speaker, I think the gentleman makes a good point and I am glad the gentleman clarified that issue, because what I am concerned about is the legislative hypocrisy that we so constantly engage in on the House floor, legislative hypocrisy that always puts the burden on the executive branch or puts the burden on business or puts the burden on somebody else out in society, but it consigns to ourselves the ability to continue to operate our feudal system around here as though we have no need whatsoever to obey the laws that we require of other people. We are little lords and viceroys around here who do not seem to think that Congress should have to live with the things they require of the other sectors of society. That just does not make any sense to this gentleman and I think it is making less and less sense to the country as a whole.

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from Texas.

Mr. ARMEY. Mr. Speaker, may I ask the gentleman, the gentleman is on the Government Operations Committee, is that correct?

Mr. WALKER. I certainly am.

Mr. ARMEY. Is it a responsibility of the Government Operations Committee to take into consideration concerns that are raised about the performance of the various agencies of the United States?

Mr. WALKER. It sure is.

Mr. ARMEY. As we have discussed these 30 studies that were done under the circumstances it was alleged that no studies were done, we have then been told that even though the studies were done that they were done by agencies or on behalf of agencies that were not performing their duties properly, and consequently conducted studies that gave the wrong results, that is to say, they did not fulfill that target object for which the studies were directed.

To the gentleman's knowledge, have any questions been raised regarding the performance——

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. WALKER. Mr. Chairman, I ask unanimous consent that I be allowed to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. ACKERMAN. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. WALKER. A parliamentary inquiry, Mr. Chairman. Is this something that we are going to continue?

The CHAIRMAN. That is not a parliamentary inquiry.

Mr. WALKER. We will proceed that way, then.

Mr. FORD of Michigan. Mr. Chairman, I move to strike the requisite number of words.

I have encouraged our people to ignore this nonsense that has been going on here, until the gentleman from Pennsylvania I think went just a little bit far when he used the term "legislative hypocrisy." That suggests that the gentleman believes that my committee, led by me, is engaging in an act of hypocrisy.

If that is the case, then I am constructively by his definition a hypocrite. I suppose being called something by an expert in the field carries with it some kind of weight.

I would like to suggest the answer to the gentleman's question, will we get to the other legislation? Not if the gentleman keeps wasting the time of the House with nonsense that is not on the floor.

Why does this committee not deal with Members' pay, or the pay Members give to their staffs?

If the gentleman wants to get the rules changed to give my committee that kind of power, all power to the gentleman, but I would not want to serve as the chairman of a committee that substituted his judgment and that of his committee for the 435 Members of this House.

If the gentleman wants to look for problems in Members' offices, look to your colleagues on your right and your left, because what we do is trust that you are mature enough—unfortunately, there are some who demonstrate from time to time they are not—to decide for your district and the interests that you represent how many employees you will have, what kind of employees you will have, whether you will hire them from your own state or from elsewhere, and what you will pay them.

We do not, however, on this committee let Federal agencies pay their employees whatever they want.

The responsibility of this committee is to tell the federal agencies exactly what they shall pay people. Therefore, it is our responsibility if they are paying women or minorities less and a pattern has emerged to correct that. We do not have the power to correct that, if indeed it exists in the gentleman's office, I say to the gentleman from Pennsylvania [Mr. Walker]. We have to trust the gentleman to do it, and I am willing to trust the gentleman to do it and the other 434 of my colleagues as well. We do not want that jurisdiction, but the point is that we do not have it.

Do not come to this floor and call me or any members of my committee who reported this out unanimously "legislative hypocrites" for bringing a serious issue to this floor.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. FORD of Michigan. No, I do not yield. I do not want to hear anymore nonsense.

Mr. WALKER. The gentleman makes personal attacks without yielding.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. Armey].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. ARMEY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 159, noes 257, not voting 15, as follows:

[Roll No. 358]

AYES—159

Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Byron
Chandler
Cheney
Clinger
Coats
Coble
Coleman (MO)
Combest
Coughlin
Courter
Craig
Crane
Dannemeyer
Daub
Davis (IL)
Davis (MI)
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Edwards (OK)
Emerson
Fawell
Fields
Frenzel
Gallegly
Gallo
Gekas
Gingrich
Goodling
Gradison
Grandy
Gregg
Hall (TX)
Hammerschmidt
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Houghton
Huckaby
Hunter
Hutto
Hyde
Inhofe
Ireland
Johnson (CT)
Kasich
Kemp
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Leach (IA)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lott
Lowery (CA)
Lujan
Luken, Thomas
Lukens, Donald
Lungren
Marlenee
Martin (IL)
Martin (NY)
McCollum
McCrery
McDade
McEwen
McGrath
Meyers
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morrison (WA)
Myers
Nielson
Oxley
Packard
Parris
Pashayan
Petri
Porter
Pursell
Quillen
Regula
Rhodes
Ridge
Ritter
Roberts
Rogers
Roth
Saxton
Schaefer
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Skeen
Slaughter (VA)
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Spence
Stangeland
Stenholm
Stump
Sundquist
Swindall
Tauke
Tauzin
Taylor
Thomas (CA)
Upton
Vander Jagt
Vucanovich
Walker
Weber
Weldon
Whittaker
Wilson
Wolf
Wortley
Wylie
Young (AK)
Young (FL)

NOES—257

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Bates
Beilenson
Bennett
Berman
Bevill
Bilbray
Boehlert
Boggs
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clay
Clement
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Costello
Coyne
Crockett
Darden
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frost
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Horton
Hoyer
Hubbard
Hughes
Jacobs
Jeffords
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Lowry (WA)
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McHugh
McMillen (MD)
Mfume
Mica
Miller (CA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Patterson
Payne
Pease
Pelosi
Penny
Pepper
Perkins
Pickett
Pickle
Price
Rahall
Rangel
Ravenel
Ray
Richardson
Rinaldo
Robinson
Rodino
Roe
Rose
Rostenkowski
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Scheuer
Schneider
Schumer
Sharp
Shays
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Snowe
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whitten
Williams
Wise
Wolpe
Wyden
Yates
Yatron

NOT VOTING—15

Boland
Bonior
Bonker
Boulter
Callahan
Dowdy
Frank
Mack
MacKay
Madigan
McCandless
McMillan (NC)
Michel
Schroeder
Sweeney

☐ 1446

The Clerk announced the following pair:

On this vote:

Mr. Boulter for, with Mr. Bonior against.

Messrs. COYNE, LEHMAN of California, and SAVAGE changed their vote from "aye" to "no."

Messrs. YOUNG of Alaska, HALL of Texas, HUTTO, RITTER, and PURSELL changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. TORRES. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise today in support of the Federal Equitable Pay Practices Act. H.R. 387 would require a study of the Federal wage and classification system to determine whether discrimination based on sex, race, or ethnic origin is present in the Federal workforce. Statistics indicate that women and minorities are underrepresented in management and supervisory positions in the Federal Government.

In fact, a wage gap of nearly $11,000 exists between men and women in Government service. In the private sector minorities are faced with a staggering wage differential. Hispanic men earn 65 cents for every dollar earned by Caucasian men.

Hispanic women are the ones who fare the worst—they earn only 55 cents for every dollar earned by Caucasian males. These figures are appalling and unacceptable. Given the inequities in the private sector, it is very likely a similar problem exists in the public sector.

However, the magnitude of the problem is unknown because a study has not been conducted. That is why the passage of H.R. 387 is so important. We must determine the extent of a wage gap in order to remedy it.

The Federal Equitable Pay Practices Act gives us the opportunity to rectify a terrible injustice experienced by many of our constituents. The Federal Government should be the leader in equitable wage and opportunity policies. In Congress, we often consider legislation to improve opportunities for women and minorities.

How can we espouse policies of nondiscrimination when the Federal Government is not beyond reproach in this area? The answer is quite simple, we cannot. The passage of H.R. 387 is a crucial step in the recognition and correction of a wage gap in the public sector.

I urge my colleagues to vote in favor of this important and much needed legislation.

Mr. GARCIA. Mr. Chairman, I rise today in support of H.R. 387, the Federal pay equity study, and I commend Chairman Ford and Representative Oakar on their efforts to move this bill to the floor.

H.R. 387 is a much needed bill to help eliminate wage discrimination based on race or sex. The goal of pay equity is to insure that women and minority groups are paid equally according to the worth of their jobs. The facts show that this is not the case at this time.

For instance, in 1987, full-time women workers earned, on average, only 64 cents compared to every $1 dollar earned by men. In 1986, the median annual wage for men was $25,256 and $16,232 for women. These types of inequities can no longer be tolerated.

We are experiencing a changing work force, and it is becoming clear that women will constitute a greater share of the Nation's work force and of the income earners in the future. Right now, the average working wife contributes 28 percent of her family's annual income. One in six families is headed by a woman and one in three of these female-headed families is poor. The number of poor families would be cut in half if women were paid at the same rates as men in the same positions.

For minorities, the situation is even worse. On average, black women earn only 57 percent of the salary earned by white men, and Hispanic women make only 53 percent.

Some opponents of this bill will argue that these differences can be explained by factors such as education and work experience. However, the Census Bureau found that 35 to 40 percent of the gap in earnings could not be explained by these factors.

It is time that women and minorities move out of the low-paying, low-responsibility jobs that they have been concentrated in. Women deserve an equal opportunity to work in sectors other than clerical, sales, service, and factory jobs, of which they made up 77 percent of the work force in 1985.

This bill is a step in the right direction to solving these inequities. It establishes a commission to determine whether the Federal pay system is discriminatory in any way, and to make recommendations on its improvement. It does not adjust private sector pay scales or implement a national pay scale. Rather, it would study the existing wage gaps and recommend what can be done in the Federal Government to alleviate such inequities in the future. I urge my colleagues to support this bill.

□ 1445

Mr. ACKERMAN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. Gray of Illinois] having assumed the chair, Mr. Kildee, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 387) to promote equitable pay practices and to eliminate discrimination within the Federal civil service, had come to no resolution thereon.

GENERAL LEAVE

Mr. ACKERMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matter on H.R. 387, the bill just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Kalbaugh, one of his secretaries.

WAIVING CERTAIN POINTS OF ORDER AGAINST THE CONFERENCE REPORT ON H.R. 4481, DEFENSE SAVINGS ACT OF 1988, AND AGAINST CONSIDERATION OF SUCH CONFERENCE REPORT

Mr. WHEAT, from the Committee on Rules, reported the following privileged resolution (H. Res. 551, Rept. No. 100-987), which was referred to the House Calendar and ordered to be printed:

H. Res. 551

Resolved, That upon the adoption of this resolution it shall be in order to consider the conference report on the bill (H.R. 4481) to provide for closing and realigning of certain military installations during a certain period, and all points of order against the conference report and against its consideration are hereby waived. The conference report shall be considered as having been read when called up for consideration.

Mr. WHEAT. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 551 and ask for its immediate consideration.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read the resolution.

The SPEAKER pro tempore. The question is, Will the House now consider House Resolution 551?

The question was taken; and (two-thirds having voted in favor thereof) the House agreed to consider House Resolution 551.

The SPEAKER pro tempore. The gentleman from Missouri [Mr. Wheat] is recognized for 1 hour.

Mr. WHEAT. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Ohio [Mr. Latta] pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 551 provides for consideration of the conference report on H.R. 4481 to provide for the closing and realigning of certain military installations. The rule waives all points of order against the conference report and against its consideration. The conference report shall be considered as having been read when called up for consideration.

Mr. Speaker, this bill is the vehicle to return the defense authorization bill to the President. An agreement has been reached which represents the compromise by Members of both parties in both Houses which is thought sufficient to avoid a second veto.

Mr. Speaker, the legislation before us is a matter of concern to all of us. I urge that we adopt the rule so that we may proceed to consideration of the conference report.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Rules Committee met at 11:15 this morning in emergency session to report this rule. The ranking Republican member of the Armed Services Committee, the gentleman from Alabama [Mr. DICKINSON], and the gentleman from Mississippi [Mr. MONTGOMERY], representing the majority side of the Committee on Armed Services, both appeared to request this rule, and express strong support for it.

Since the Rules Committee meeting I have had my staff check with the White House, and they have confirmed that the administration supports this approach.

Mr. Speaker, this rule waives all points of order so that the House may proceed with the consideration of this new defense authorization package which will take the place of the previous Defense authorization bill vetoed by the President. According to testimony in the Rules Committee, the goal is to move this package quickly through the House and the Senate and to the President's desk. Once this is completed there would be an authorization bill in place, and then the defense appropriation legislation can proceed without the complication caused by the lack of an authorization bill.

Mr. Speaker, I will not attempt to get into all the differences between this package and the version vetoed by the President.

However, I would like to note that according to the information I have received, all fences and floors on the funding for the strategic defense initiative have been removed. However, the top-line amount has not been changed.

One other change I would like to note, Mr. Speaker, is that the requirement for a moratorium on the testing of depressed trajectory missiles has been removed.

Mr. Speaker, in the Rules Committee, the gentleman from Alabama [Mr. DICKINSON] explained that the total dollar amount in this bill is the same as the one which was vetoed. What has changed is the ways in which the money can be used.

Based on the assurances of the administration and the support by the gentleman from Alabama, I will support this rule. Mr. Speaker, so that the House may proceed promptly to move this new Defense authorization legislation.

Mr. Speaker, I yield 4 minutes to the gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, if I might have the attention of the distinguished chairman of the Armed Services Committee, Mr. ASPIN, there are many Members of the body that are of course concerned about the base closing legislation, and I am constantly being asked about its status. Perhaps if the gentleman from Wisconsin could clarify, as I understand, that we have taken H.R. 4481, we have struck the base-closing language that it contained, and substituted this DOD conference report which is what we are dealing with now?

Mr. ASPIN. Mr. Speaker, will the gentleman yield?

Mr. ARMEY. I yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Speaker, that is correct.

Mr. ARMEY. Mr. Speaker, I further understand from my conversations with Mr. ASPIN, Mr. NUNN, and others that an agreement has been reached between the chairman and the ranking members of the Senate and House Armed Services Committee and also agreed to by the Speaker, that next week we will bring a separate base closings bill to the floor for a vote, is that correct?

Mr. ASPIN. Mr. Speaker, the question is tentatively correct. Of course what we are dealing with here is a situation under which we would have been dealt the base closing legislation long ago had not the President vetoed the authorization bill. The plan of the House was to pass the authorization bill early and then turn our attention to the conference report on the important base closing bill which the gentleman is so interested in, and I am interested in and the committee on the other side of the House is interested in. We were ready to go on the base closing conference long ago but of course the President vetoed the authorization bill and sidetracked the whole base closing effort.

So between then and now we have been just doing the issue of the authorization conference report, trying to find some way to get a conference report that the President will sign, because we are dealing with 300 billion dollars' worth of spending next year, base closing is important, but compared to the whole DOD bill, what are you going to do.

So we decided we would do this. So our attention is to of course turn our attention next week to the base closing provision but of course if the President should for some reason veto this bill again, we would have to turn our attention back to this bill and in other words, it is sort of out of our hands. Our job is first of all to get a defense bill through this Congress.

If our relations with the White House are such that it takes the whole time we are here to get a conference report acceptable, that is all we will be able to do. If we have some time and we can settle the issues with the White House we certainly want to turn our attention to the base closing legislation.

Mr. ARMEY. If the gentleman would just let me continue for a moment, do I understand correctly that if we now complete the work on DOD through a successful passage of both Houses, signed by the President, we will then take up a bill from the Senate, here in the body, and add the base closing language which was passed in this body to that bill. That will then be turned to conference with an anticipation of a quick turnaround to complete the issue on the floor?

Mr. ASPIN. We do not anticipate any difficulty in the conference, and if that is the case, the gentleman's scenario is correct.

□ 1500

The point is that first of all we have to make sure that the authorization bill is done and that the President signs it and everything is all right with the authorization bill.

If that is the case we will then turn our attention to the base closing legislation and it is my intention, if the President signs the bill, to turn around and appoint conferees on the base closing bill early next week. I have not had a chance to study in depth the material on the base closing, but the staff tells me that the two sides, the House and Senate, are not all that far apart. If everybody cooperates and people work together I think we can probably get a bill in enough time to get it out and get it passed in a conference form before we adjourn.

Of course, that depends on the cooperation of a lot of Members, over which I have no control.

Mr. WHEAT. Mr. Speaker, I yield 2 minutes to the gentleman from Indiana [Mr. SHARP].

Mr. SHARP. I appreciate the remarks of the chairman of the Committee on Armed Services, the gentleman from Wisconsin [Mr. ASPIN]. My concern that I want to followup on is that of Mr. ARMEY's, the gentleman from Texas. That is, it would be a shame if we lose something that has been an uphill battle for years in this Congress in order to make real savings in tax dollars over the next decade or two decades. While the authorization bill obviously had critical importance, and I am certainly supporting the efforts here to get that accomplished, I hope that we will do nothing that jeopardizes, and I hope the White House will do nothing that jeopardizes completion of the base closing legislation, because we have obsolete bases out there. We all know they can be closed. The reality is that politics has always worked against doing that. We have finally reached a point where there may be some real accomplishment. I hope in the closing days here we will not lose that.

Mr. ASPIN. Mr. Speaker, will the gentleman yield?

Mr. SHARP. I yield to the gentleman from Wisconsin.

Mr. ASPIN. I thank the gentleman for yielding.

Mr. Speaker, I agree and I think one of the tragedies of the President vetoing the authorization bill the first time around was the jeopardy that it caused to the base closing bill. Let us face it, if we are going to pass a base closing bill, we are going to need a lot of bipartisan cooperation to get that to happen. Injecting politics into the process by a rather political veto of the defense authorization bill did not help things substantively. The second way it jeopardized it is that it took up a lot of time. The time that would have otherwise been devoted to working a conference on the base closing bill has been taken up in reworking the conference on the authorization bill.

So I agree exactly with the sentiments of the gentleman in the well. I wish the President had not put this bill into jeopardy be vetoing the authorization bill. But there it is, and we hope for the best.

Mr. LATTA. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. I thank the gentleman for yielding.

Mr. Speaker, I do not wish to delay this debate.

Again, I want to thank the gentleman from Wisconsin for his leadership.

I think it is safe to say that base closing has been one of the most exemplary bipartisan efforts we have had in this body and in this Congress. We have had a good deal of cooperation from everybody and we continue to.

Just last week we had 175 Members from both sides of the aisle sign a letter to the chairman expressing again our commitment to passage of this measure.

I personally remain committed to passage of the legislation.

I certainly understand the problems of dealing with the authorizing bill which have been very complicated. I would not want to interfere with the progress that has been made there. Nevertheless, my commitment to base closing is such that I will resist any effort to go sine die without completing that work.

I will ask the Republican conference to commit to that proposition and I will be asking, again, my 175 or so Members who are committed to this proposition to again commit to that proposition.

That is not in any way meant or construed to be a threat that we would obstruct the matter, but rather as an expression of our commitment to completing this task which in the view of most of us can only be completed at this time as we change administrations.

So it is very firmly believed by both the proponents and opponents alike that if we do not do it now we will not soon again have this opportunity. And we have a commitment to do that before we go sine die.

So let us hope that the package sent to the White House is a package fully agreed upon so the President can act quickly and we can move swiftly on base closing next week and we can all go home to be with our families as soon as possible.

Mr. LATTA. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. WHEAT. Mr. Speaker, I have no further requests for time.

In order to move expeditiously to consideration of the Department of Defense authorization, I now move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. (Mr. GRAY of Illinois). The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON H.R. 4481, DEFENSE SAVINGS ACT OF 1988

Mr. ASPIN submitted the following conference report and statement on the bill (H.R. 4481) to provide for the closing and realigning of certain military installations during a certain period.

CONFERENCE REPORT (H. Rept. 100-989)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4481) to provide for the closing and realigning of certain military installations during a certain period, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

SECTION 1. SHORT TITLE

This Act may be cited as the "National Defense Authorization Act, Fiscal Year 1989".

SEC. 2. ORGANIZATION OF ACT INTO DIVISIONS

This Act is organized into two divisions as follows:

(1) Division A—Department of Defense and other National Defense Authorizations.

(2) Division B—Military Construction Authorizations.

SEC. 3. TABLE OF CONTENTS

The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Organization of Act into divisions.
Sec. 3. Table of contents.
Sec. 4. Statutory construction.

DIVISION A—DEPARTMENT OF DEFENSE AND OTHER NATIONAL DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

PART A—FUNDING AUTHORIZATIONS

Sec. 101. Army.
Sec. 102. Navy and Marine Corps.
Sec. 103. Air Force.
Sec. 104. Defense Agencies.
Sec. 105. Chemical demilitarization program.
Sec. 106. Reserve components.
Sec. 107. Authorized multiyear contracts.

PART B—PROGRAM REQUIREMENTS, RESTRICTIONS, AND LIMITATIONS

Sec. 111. Army programs.
Sec. 112. Navy programs.
Sec. 113. Air Force programs.
Sec. 114. Interim infantry anti-tank weapon.
Sec. 115. Source selection authority for the palletized loading system.
Sec. 116. BIGEYE binary chemical bomb.
Sec. 117. Management of certain defense procurement programs.
Sec. 118. Modifications in chemical demilitarization program.
Sec. 119. Report on Navy aircraft requirements.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

PART A—AUTHORIZATIONS AND FUNDING FOR SPECIFIC PROGRAMS

Sec. 201. Authorization of appropriations.
Sec. 202. Funding for ICBM modernization programs.
Sec. 203. DARPA nuclear monitoring program.
Sec. 204. Grant for semiconductor cooperative research program.
Sec. 205. Airship program.
Sec. 206. Extended air defense.
Sec. 207. Product evaluation activity.
Sec. 208. Chemical weapons convention compliance monitoring program.
Sec. 209. Optoelectronics Materials Center.

PART B—PROGRAM REQUIREMENTS, RESTRICTIONS, AND LIMITATIONS

Sec. 211. Trident II missile program.
Sec. 212. Balanced Technology Initiative.
Sec. 213. Advanced Tactical Aircraft and Advanced Tactical Fighter programs.
Sec. 214. Air-to-air missile project office.
Sec. 215. Training in advanced manufacturing technologies.
Sec. 216. Prohibition on obligation of funds for cancelled antisatellite weapon program.
Sec. 217. Long-range conventional cruise missile.
Sec. 218. Seek Spinner Missile program.
Sec. 219. Depressed-trajectory ballistic missiles.
Sec. 220. Requirement of competition for award of grants and contracts to colleges and universities for certain purposes.

PART C—STRATEGIC DEFENSE INITIATIVE

Sec. 221. Funding for the Strategic Defense Initiative for fiscal year 1989.
Sec. 222. Report on allocation of SDI funding for fiscal year 1989.
Sec. 223. Development and testing of anti-ballistic missile systems or components.
Sec. 224. Accidental launch protection.

PART D—STRATEGIC PROGRAMS

Sec. 231. B-1B Bomber program.
Sec. 232. Advanced Technology B-2 Bomber program.
Sec. 233. Sense of Congress on strategic missile modernization programs.

PART E—OTHER PROGRAMS

Sec. 241. Advanced Submarine Technology Program.

Sec. 242. Prohibition on testing electromagnetic pulse in Chesapeake Bay.

Sec. 243. Report on space control capabilities.

Sec. 244. Report on competition for development of Advanced Tactical Reconaissance System.

TITLE III—OPERATION AND MAINTENANCE

PART A—AUTHORIZATIONS OF APPROPRIATIONS

Sec. 301. Operation and maintenance funding.

Sec. 302. Working capital funds.

Sec. 303. Humanitarian assistance.

Sec. 304. Tripler Army Medical Center.

Sec. 305. Assistance to the 1990 Goodwill Games.

Sec. 306. Inauguration assistance.

Sec. 307. Enhancement of capability to combat fraud, waste, and abuse.

PART B—LIMITATIONS

Sec. 311. Prohibition on financing certain activities by direct appropriations.

Sec. 312. Prohibition on joint use of Dobbins Air Force Base with civil aviation.

Sec. 313. Prohibition on purchase of Toshiba products for resale in military exchange stores.

Sec. 314. Limitation on funding for United States Southern Command airlift.

Sec. 315. One-year extension of limitation on Army depot maintenance funding.

Sec. 316. Operation of SR-71 depot rework facility.

Sec. 317. Management of civilian personnel during fiscal years 1989 and 1990.

Sec. 318. Limitation on operation of existing Poseidon class submarines U.S.S. James Monroe and U.S.S. Henry Clay.

PART C—PERMANENT LAW CHANGES

Sec. 321. Limitation on private operation of commissary stores.

Sec. 322. Allowable costs with respect to certain service contracts performed overseas.

Sec. 323. Authority to continue support of scouting activities overseas.

Sec. 324. Transfers and exchanges of certain documents, historical artifacts, and condemned and obsolete combat materiel.

Sec. 325. Qualifications for head of auditing function in military departments.

Sec. 326. Prohibition on certain depot maintenance workload competitions.

Sec. 327. Report on manpower, mobility, sustainability, and equipment.

Sec. 328. Lease of aircraft for Fleet Electronic Warfare Support Group activities.

PART D—CONTRACTING OUT

Sec. 331. Requirements for certain circular A-76 procedures.

Sec. 332. Performance of firefighting and security guard functions at Amchitka, Alaska.

PART E—DEFENSE SUPPLIES SECURITY AND CONTROL

Sec. 341. Defense supply management studies and modernization plan.

Sec. 342. Supply security and control improvements.

Sec. 343. Inventory investigations.

Sec. 344. Reports to the Secretary of the Treasury of losses of munitions.

PART F—STUDIES AND REPORTS

Sec. 351. Study of Department of Defense safety standards for transportation of hazardous materials.

Sec. 352. Report on the use of degradable plastic items by Department of Defense.

Sec. 353. Navy participation in feasibility study of Sunset Harbor Project, California.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

PART A—ACTIVE FORCES

Sec. 401. End strengths for active forces.

Sec. 402. Repeal of mandatory reductions in strength of active duty officer corps.

Sec. 403. Temporary reduction in number of Air Force colonels.

PART B—RESERVE FORCES

Sec. 411. End strengths for Selected Reserve.

Sec. 412. End strengths for Reserves on active duty in support of the Reserves.

Sec. 413. Clarification of applicability of prior amendments relating to number of members in certain grades authorized to be on active duty in support of the Reserves.

PART C—MILITARY TRAINING

Sec. 421. Authorization of training student loads.

PART D—AUTHORIZATION OF APPROPRIATIONS

Sec. 431. Authorization of appropriations for military personnel for fiscal year 1989.

TITLE V—MILITARY PERSONNEL POLICY

PART A—OFFICER PERSONNEL POLICY

Sec. 501. Selection boards.

Sec. 502. Removal from promotion list.

Sec. 503. Selective early retirement for certain pre-DOPMA Navy and Marine Corps officers.

Sec. 504. Technical revision of section 638 of title 10, United States Code.

PART B—JOINT OFFICER PERSONNEL POLICY

Sec. 511. Waiver authority with respect to selection of officers for the joint specialty.

Sec. 512. Joint specialty officers in critical joint duty assignments.

Sec. 513. Promotion policy objectives for officers with the joint specialty.

Sec. 514. Length of joint duty assignments.

Sec. 515. Additional transition provisions for implementation of prerequisite for promotion to initial flag and general officer grade.

Sec. 516. Extension of transition to joint duty assignment staffing requirements.

Sec. 517. Counting of officers with critical occupational specialty involving combat operations for purposes of joint duty assignment staffing and tour lengths.

Sec. 518. Service by captains and Navy lieutenants in joint duty assignment to be counted for all officer personnel laws concerning such service.

Sec. 519. Technical amendments.

PART C—MISCELLANEOUS

Sec. 521. Testing of new entrants for drug and alcohol abuse.

Sec. 522. Requirement to accept persons enlisting in the Air Force on gender-free basis.

Sec. 523. Military education for Army National Guard civilian technicians.

Sec. 524. Expansion of military spouse employment preference.

Sec. 525. Manpower estimates for major defense acquisition programs.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

PART A—PAY AND ALLOWANCES

Sec. 601. Military pay raise for fiscal year 1989.

Sec. 602. Allowance for transportation of household goods.

PART B—SPECIAL PAY FOR CRITICAL PERSONNEL

Sec. 611. Aviator retention bonus.

Sec. 612. Medical officer retention bonus.

Sec. 613. Special pay for critically short wartime health specialists in the Selected Reserve.

PART C—OTHER PERSONNEL BENEFITS

Sec. 621. Housing lease indemnity program.

Sec. 622. Retired pay inversions resulting from court-martial punishment.

Sec. 623. Travel and transportation allowances for emergency travel.

Sec. 624. Travel and transportation allowances incident to voluntary extension of overseas tours of duty.

Sec. 625. Civilian clothing allowance.

PART D—BENEFITS RELATING TO INCAPACITATION OF CERTAIN RESERVE MEMBERS IN LINE OF DUTY

Sec. 631. Compensation for certain Reserve members.

Sec. 632. Travel for dependents of certain members.

Sec. 633. Injury, disability, and death compensation coverage for ROTC cadets during military training activities.

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SEC. 4. STATUTORY CONSTRUCTION

(a) ORDER OF ENACTMENT WITH APPROPRIATIONS ACT.—In applying any rule of statutory construction, the provisions of this Act shall be deemed to have been enacted before the provisions of the Department of Defense Appropriations Act, 1989, (regardless of the actual dates of enactment concerned).

(b) TERMINATION OF REFERENCED AUTHORIZATION PROVISION.—If this Act is enacted after the Department of Defense Appropriations Act, 1989—

(1) section 10001 of that Act shall cease to be effective upon the enactment of this Act; and

(2) subject to subsection (a), this Act shall be deemed for all purposes to have been enacted on the date of the enactment of such Act.

DIVISION A—DEPARTMENT OF DEFENSE AND OTHER NATIONAL DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

PART A—FUNDING AUTHORIZATIONS

SEC. 101. ARMY

Funds are hereby authorized to be appropriated for fiscal year 1989 for procurement for the Army as follows:

(1) For aircraft, $2,883,700,000.

(2) For missiles, $2,605,200,000.

(3) For weapons and tracked combat vehicles, $2,915,100,000.

(4) For ammunition, $2,064,036,000.

(5) For other procurement, $4,580,346,000, of which—

(A) $872,671,000 is for tactical and support vehicles;

(B) $2,811,727,000 is for communications and electronics equipment; and

(C) $895,948,000 is for other support equipment.

SEC. 102. NAVY AND MARINE CORPS

(a) AIRCRAFT.—Funds are hereby authorized to be appropriated for fiscal year 1989 for procurement of aircraft for the Navy in the amount of $9,259,253,000.

(b) WEAPONS.—Funds are hereby authorized to be appropriated for fiscal year 1989 for procurement of weapons (including missiles and torpedoes) for the Navy in the amount of $5,972,181,000. Amounts authorized under the preceding sentence are available as follows:

(1) For ballistic missile programs, $1,872,538,000.

(2) For other missile programs, $3,203,737,000.

(3) For torpedo programs, $700,054,000 as follows:

For the MK-48 torpedo program, $431,014,000.

For the MK-50 torpedo program, $198,547,000.

For the Vertical Launched ASROC program, $17,552,000.

For the modification of torpedoes and related equipment, $3,289,000.

For the torpedo support equipment program, $25,988,000.

For the antisubmarine warfare range support program, $22,664,000.

(4) For other weapons, $108,440,000, of which—

(A) $19,449,000 is for the MK-15 close-in weapon system; and

(B) $54,557,000 is for the close-in weapon system modification program.

(5) For spares and repair parts, $87,412,000.

(c) SHIPBUILDING AND CONVERSION.—Funds are hereby authorized to be appropriated for fiscal year 1989 for shipbuilding and conversion for the Navy in the amount of $9,056,100,000. Amounts authorized under the preceding sentence are available as follows:

For the Trident submarine program, $1,368,100,000.

For the SSN-688 nuclear attack submarine program, $1,493,600,000.

For the SSN-21 nuclear attack submarine program, $1,488,000,000.

For the aircraft carrier service life extension program (SLEP), $135,400,000.

For the DDG-51 guided missile destroyer program, $2,207,300,000.

For the LHD-1 amphibious assault ship program, $737,500,000.

For the MHC coastal minehunter program, $197,200,000.

For the TAO-187 fleet oiler program, $284,900,000.

For the AO (Jumbo) conversion program, $84,900,000.

For the TAGOS ocean surveillance ship program, $159,600,000.

For the AOE fast combat support ship program, $363,900,000.

For the landing craft, air cushion (LCAC) program, $192,600,000.

For outfitting and post delivery, $343,100,000.

(d) OTHER PROCUREMENT, NAVY.—Funds are hereby authorized to be appropriated for fiscal year 1989 for other procurement for the Navy in the amount of $4,817,750,000. Amounts authorized under the preceding sentence are available as follows:

(1) For the ship support equipment program, $649,740,000.

(2) For the communications and electronics equipment program, $1,548,164,000.

(3) For aviation support equipment, $550,692,000.

(4) For the ordnance support equipment program, $1,135,671,000.

(5) For civil engineering support equipment, $109,061,000.

(6) For supply support equipment, $126,495,000.

(7) For personnel and command support equipment, $470,731,000.

(8) For spares and repair parts, $227,196,000.

(e) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 1989 for procurement for the Marine Corps in the amount of $1,297,265,000.

SEC. 103. AIR FORCE

Funds are hereby authorized to be appropriated for fiscal year 1989 for procurement for the Air Force as follows:

(1) For aircraft, $16,125,024,000.

(2) For missiles, $7,716,533,000.

(3) For other procurement, $8,196,782,000, of which—

(A) $605,087,000 is for munitions and associated support equipment;

(B) $279,768,000 is for vehicular equipment;

(C) $1,893,245,000 is for electronics and telecommunications equipment; and

(D) $5,418,682,000 is for other base maintenance and support equipment.

SEC. 104. DEFENSE AGENCIES

Funds are hereby authorized to be appropriated for fiscal year 1989 for procurement for the Defense Agencies in the amount of $1,205,100,000.

SEC. 105. CHEMICAL DEMILITARIZATION PROGRAM

Funds are hereby authorized to be appropriated for fiscal year 1989 for the chemical demilitarization program under section 1412 of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521) in the amount of $179,500,000, of which—

(1) $44,300,000 is for procurement;

(2) $17,900,000 is for research, development, test, and evaluation; and

(3) $117,300,000 is for operation and maintenance.

SEC. 106. RESERVE COMPONENTS

Funds are hereby authorized to be appropriated for fiscal year 1989 for procurement of aircraft, vehicles, communications equipment, and other miscellaneous equipment for the reserve components of the Armed Forces as follows:

For the Army National Guard, $240,000,000.

For the Air National Guard, $216,500,000.

For the Army Reserve, $30,000,000.

For the Naval Reserve, $75,000,000.

For the Air Force Reserve, $232,000,000.

For the Marine Corps Reserve, $50,000,000.

SEC. 107. AUTHORIZED MULTIYEAR CONTRACTS

(a) ARMY.—Subject to subsections (d) and (e), the Secretary of the Army may enter into multiyear contracts in accordance with section 2306(h) of title 10, United States Code, for procurement of the following:

(1) CH-47D helicopter modification.

(2) Multiple Launch Rocket System (MLRS).

(3) T-700 helicopter engine.

(4) AH-64 Apache helicopters.

(5) M1 Abrams tanks for 3,000 tanks.

(b) NAVY AND MARINE CORPS.—Subject to subsections (d) and (e), the Secretary of the Navy may enter into multiyear contracts in accordance with section 2306(h) of title 10, United States Code, for procurement of the following:

(1) AV-8B aircraft.

(2) UHF Follow-On Satellite System.

(c) AIR FORCE.—Subject to subsections (d) and (e), the Secretary of the Air Force may enter into multiyear contracts in accordance with section 2306(h) of title 10, United States Code, for procurement of the following:

(1) F-16 aircraft.

(2) Defense Meteorological Satellite Program (DMSP).

(d) CONDITIONS.—A multiyear contract authorized by this section may not be entered into unless each of the following conditions is satisfied:

(1) The Secretary of Defense certifies to Congress that the current five-year defense program fully funds the support costs associated with the multiyear program.

(2) The proposed multiyear contract provides for production at not less than minimum economic rates given the existing tooling and facilities.

(3) The proposed multiyear contract—

(A) achieves a 10 percent savings as compared to the cost of current negotiated contracts, adjusted for changes in quantity and for inflation; or

(B) achieves a 12 percent savings as compared to annual contracts if no recent contract experience exists.

(e) NEGOTIATED PRICED OPTIONS.—The Secretary of Defense may instruct the Secretary of the military department concerned to incorporate into a proposed multiyear contract under this section negotiated priced options for varying the quantities of end items to be procured over the period of the contract.

PART B—PROGRAM REQUIREMENTS, RESTRICTIONS, AND LIMITATIONS

SEC. 111. ARMY PROGRAMS

(a) ADATS AIR DEFENSE WEAPON.—(1) The Secretary of the Army may obligate funds appropriated for fiscal year 1989 for procurement of the ADATS Air Defense Weapon system in the amount of $85,000,000 for production of five fire units and 60 missiles to be used specifically for production qualification testing and operational testing. Funds may be obligated for such purpose only after the Director of Operational Test and Evaluation of the Department of Defense certifies to the Committees on Armed Services of the Senate and House of Representatives that he has approved the plan for the qualification testing and operational testing for such system.

(2) The Secretary of the Army may obligate funds for procurement and advanced procurement for such system for any fiscal year after fiscal year 1989 only after—

(A) the operational tests for such system are completed;

(B) the Secretary of Defense certifies to the Committees on Armed Services of the Senate and House of Representatives that the system meets or exceeds the operational performance criteria of the Army;

(C) the Director of Operational Test and Evaluation of the Department of Defense provides to those Committees his evaluation of the performance of the system; and

(D) the Comptroller General of the United States provides to those Committees his evaluation of the performance of the system.

(b) MORTARS.—The Secretary of the Army may not obligate funds appropriated for fiscal year 1989 for procurement of 120-millimeter mortars or 4.2-inch mortars (or for procurement of ammunition for either such mortar) until the Secretary does each of the following:

(1) Submits to Congress a new master plan for Army mortars, including a description of the status of 4.2-inch mortars (and the ammunition for such mortars) and the status of any proposed upgrade of such mortar or ammunition.

(2) Certifies to Congress that the current Five-Year Defense Program provides for funding for the initiatives set forth in such master plan.

(3) Completes the analysis (referred to as an "Arsenal Act analysis") of the cost-effectiveness of using domestic sources (as provided under section 4532 of title 10, United States Code) for manufacture of 120-milli-

meter mortars that was specified in section 122(a)(2) of Public Law 99-661.

(c) 155-MILLIMETER BASE BURN ASSEMBLY UNITS.—(1) If the contractor for low-rate initial production of base burn assembly units for the 155-millimeter M864 artillery projectile certifies to the Secretary of the Army that the contractor is willing to finance the expenses of preparing facilities and equipment at (and otherwise "facilitizing") a Government-owned contractor-operated Army ammunition plant for production of such base burn assembly units, the Secretary shall contract with that contractor for production of not less than 96,000 of such units with funds appropriated for such program for each of fiscal years 1989 and 1990 (for a production rate of not less than 8,000 units per month under the program for those fiscal years).

(2) In carrying out the program for production of such base burn assembly units, the Secretary of the Army, through the use of competitive procedures, shall select a second source producer for such base burn assembly units during fiscal year 1989.

SEC. 112. NAVY PROGRAMS

(a) AH-1W GROUND SUPPORT EQUIPMENT.—Of the amount appropriated pursuant to section 102 for the Navy for procurement, $55,000,000 may be obligated only for the procurement of AH-1W ground support equipment.

(b) TRIDENT II MISSILE PROGRAM.—(1) Of the amounts appropriated pursuant to section 102 for the Navy for the procurement of missiles for fiscal year 1989, $1,865,609,000 may be obligated only for the Trident II missile program.

(2) In achieving any undistributed reduction required to be made in programs, projects, or activities for which funds have been appropriated to the Department of Defense for fiscal year 1989, no reduction may be made in the amount of funds available for the Trident II missile program.

(c) DDG-51 DESTROYER PROGRAM COMPETITION.—Notwithstanding the proviso to the item relating to the DDG-51 destroyer program in the paragraph under the heading "SHIPBUILDING AND CONVERSION, NAVY" in title III of the Department of Defense Appropriations Act, 1988 (as contained in section 101(b) of Public Law 100-202), the Secretary of the Navy may limit competition for the shipbuilding portion of the DDG-51 destroyer program for any fiscal year to the two shipyard contractors to which such competition was limited on December 21, 1987 (the day before the date of the enactment of Public Law 100-202), if the Secretary certifies to the Committees on Armed Services of the Senate and House of Representatives that the limitation of such competition to those contractors either—

(1) would likely result in a lower total cost to the United States for the fiscal year 1989 program than would result from including other shipyard contractors in the competition; or

(2) is necessary to meet the cost, schedule, or performance requirements of the Navy or such other requirements of the Navy as may be determined by the Secretary.

(d) USE OF PRIOR YEAR FUNDS FOR DDG-51 DESTROYER PROGRAM.—(1) There are hereby authorized to be transferred to the shipbuilding and conversion program for the Navy for fiscal year 1988, to the extent provided in appropriation Acts, amounts that were appropriated for the Department of Defense for fiscal year 1988 or any prior fiscal year that remain available for obligation and that are no longer required for the purpose for which originally appropriated. The total amount transferred pursuant to the authority of this section may not exceed $730,000,000. Amounts transferred pursuant to this section shall be used for the procurement of one DDG-51 class guided missile destroyer.

(2) The authority to transfer amounts under this subsection is in addition to any other authority to transfer amounts provided in this or any other Act.

(3) A transfer pursuant to the authority provided by this section shall not extend the period of availability for obligation of the amounts so transferred.

(e) MARINE CORPS TACTICAL RADIOS.—Amounts previously appropriated to the Navy for procurement of TSEC/KY-67 (Bancroft) radios and that are available for obligation may be obligated only for procurement of SINCGARS radios.

(f) 5-INCH SEMIACTIVE LASER-GUIDED PROJECTILE PROGRAM.—Of the funds appropriated or otherwise made available for other procurement for the Navy for fiscal year 1989, the Secretary of the Navy shall make available such funds as necessary for the 5-inch semiactive laser-guided projectile program in order to complete production qualification of 150 of such projectiles, with 50 such projectiles to be produced by each of the three established competitive sources.

SEC. 113. AIR FORCE PROGRAMS

(a) AIR NATIONAL GUARD USE OF CERTAIN AIRCRAFT.—The Secretary of the Air Force may authorize the Air National Guard to use the eight C-130 aircraft (and support equipment related to such aircraft) that are in long-term storage at Air Force plant #6, Marietta, Georgia. Of funds appropriated for the Air Force for fiscal year 1989 for modification of C-130 aircraft, $17,500,000 shall be available only to refurbish such aircraft for full operational use.

(b) AIR FORCE LAUNCH FACILITY.—Funds appropriated or otherwise made available to the Air Force for fiscal year 1989 may not be obligated or expended in connection with the launch facility at Vandenberg Air Force Base, California (designed for the launch of Titan IV expendable launch vehicles), identified as the SLC-7 Launch Facility.

SEC. 114. INTERIM INFANTRY ANTI-TANK WEAPON

(a) DETERMINATION OF INTERIM INFANTRY ANTI-TANK WEAPON.—The Secretary of the Army shall select an interim infantry anti-tank weapon from among the Milan II weapon, the Bofors Bill weapon, Dragon Generation II weapon, and the Marine Corps Dragon Generation III weapon. The selection shall be based on the Secretary's determination of which of such weapons is the most effective weapon on the basis of all of the operational testing and evaluation of those weapons conducted as of June 1, 1989. The Secretary shall manage the program for the weapon selected so that such weapon is ready to enter into low-rate initial production during fiscal year 1990.

(b) OT&E ASSESSMENT.—The Director of Operational Test and Evaluation of the Department of Defense shall conduct an independent assessment of the operational tests and evaluations referred to in subsection (a). The Director shall submit a report on such assessment to the Committees on Armed Services of the Senate and House of Representatives not later than June 1, 1989.

SEC. 115. SOURCE SELECTION AUTHORITY FOR THE PALLETIZED LOADING SYSTEM

Section 259(b) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1068) is amended by striking out "The Under Secretary of Defense for Acquisition" at the beginning of the second sentence and inserting in lieu thereof "The Acquisition Executive for the Department of the Navy".

SEC. 116. BIGEYE BINARY CHEMICAL BOMB

(a) AUTHORIZED PROCUREMENT FOR TESTING.—(1) Except as provided in paragraph (2), funds appropriated or otherwise made available to the Department of Defense for fiscal years before fiscal year 1989 for procurement under the BIGEYE binary chemical bomb program may be obligated or expended in connection with such program only for procurement of production-configured bombs. Any bombs procured under the preceding sentence may be used only in conducting required follow-on operational testing scheduled to be performed during fiscal years 1989 and 1990.

(2) Any such funds not obligated for the purpose described in paragraph (1) may be used for the purpose of maintaining program continuity for the BIGEYE bomb program.

(3) None of the funds referred to in paragraphs (1) and (2) may be used for low-rate initial production.

(b) CONDITIONS FOR OBLIGATION OF FUNDS FOR PROCUREMENT.—Except as provided in subsection (f), funds appropriated or otherwise made available to the Department of Defense after the date of the enactment of this Act may not be obligated or expended for procurement of the BIGEYE binary chemical bomb, or for any component of such bomb or the assembly of such bomb, until the reports required by subsections (c) and (d) have been submitted in accordance with those subsections and only then if neither of those reports includes a certification that one or more of the production certification conditions has not been met.

(c) CERTIFICATION BY DIRECTOR, OT&E.—Upon the completion of operational and developmental tests conducted in connection with the BIGEYE binary chemical bomb program, the Director of Operational Test and Evaluation of the Department of Defense shall submit to Congress a report certifying, with respect to each of the production certification conditions, whether or not, in the judgment of the Director, such condition has been met.

(d) CERTIFICATION BY COMPTROLLER GENERAL.—Upon the submission of the report under subsection (c), the Comptroller General of the United States shall submit to Congress a report certifying, with respect to each of the production certification conditions, whether or not, in the judgment of the Comptroller General, such condition has been met.

(e) PRODUCTION CERTIFICATION CONDITIONS.—For purposes of this section, the term "production certification conditions" means, with respect to the operational and developmental tests of the BIGEYE bomb, each of the following:

(1) That the operational and developmental tests conducted in connection with such program after the date of the enactment of this Act were realistic and adequate.

(2) That the plan and objectives for those tests were clear, well defined, and properly quantifiable.

(3) That the design of those tests supports a valid statistical analysis of data.

(4) That the criteria for a no-test were adequately defined in the plan for those tests.

(5) That the performance of such bomb in those tests met or exceeded the standards established for the tests.

(6) That the BIGEYE bomb program is otherwise ready to proceed into full-scale production.

(f) Fiscal Year 1989 Authorized Activities.—Of amounts appropriated or otherwise made available to the Department of Defense for fiscal year 1989, $15,000,000 may be obligated or expended for procurement for the BIGEYE program without regard to the limitations contained elsewhere in this section, but only for the purposes of maintaining program continuity, maintaining the subcontractor base, and procuring piece parts and components. Such funds may not be obligated or expended for low-rate initial production or for final assembly.

SEC. 117. MANAGEMENT OF CERTAIN DEFENSE PROCUREMENT PROGRAMS

(a) Stretchout Impact Statement.—The Secretary of Defense shall submit to Congress, at the same time the budget for any fiscal year is submitted to Congress under section 1105 of title 31, United States Code, a statement of what the effect would be during the fiscal year for which the budget is submitted of the stretchout of a major defense acquisition program if either of the following applies with respect to that program:

(1) The final year of procurement scheduled for the program at the time the statement is submitted is more than two years later than the final year of procurement for the program as specified in the most recent annual Selected Acquisition Report for that program.

(2) The proposed procurement quantity for that fiscal year is less than 90 percent of the procurement quantity proposed for the same fiscal year in the most recent annual Selected Acquisition Report for that program.

(b) Changes in Certain Costs To Be Included.—A statement under subsection (a) with respect to a major defense acquisition program shall contain an estimate of the projected increase in unit cost and the projected increase in total program cost for the system being procured under the program compared to the program specified in the most recent annual Selected Acquisition Report for that program.

(c) Identification of Stretched Out Programs.—The Secretary shall include in a er subsection (a) identification of all major acquisition programs for which the proposed procurement quantity for that fiscal year is less than 80 percent of the baseline production rate for that fiscal year, as defined by section 2432(c)(3)(C)(i) of title 10, United States Code, and an explanatory statement for the lower procurement rate for each program.

(d) Limitations.—(1) Subsection (a) shall apply only for major defense acquisition programs for which procurement is proposed at a rate of six or more units per year.

(2) Subsection (a) shall not apply if the total procurement quantity has been increased, compared to the program specified in the most recent annual Selection Acquisition Report for that program, and subsection (a)(2) does not apply.

(e) Report on Establishing Maximum Production Rates.—Not later than March 15, 1989, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the feasibility and effect of establishing maximum production rates by December 1990 for certain major defense acquisition programs. The report shall identify and discuss ten programs, of which seven shall be programs for the procurement of conventional, tactical, or dual-capable systems.

(f) Definition.—For purposes of this section, the term "major defense acquisition program" has the meaning given that term in section 2430 of title 10, United States Code.

SEC. 118. MODIFICATIONS IN CHEMICAL DEMILITARIZATION PROGRAM

(a) Extension of Deadline for Completion of Program.—Subsection (b) of section 1412 of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1512(b)) is amended—

(1) by striking out "September 30, 1994" in paragraphs (1) and (3)(A) and inserting in lieu thereof "the stockpile elimination deadline";

(2) in paragraph (3)(B), by striking out "within 30 days" and all that follows in that paragraph and inserting in lieu thereof "not later than the earlier of (A) 30 days after the date on which the decision to defer is made, or (B) 30 days before the stockpile elimination deadline."; and

(3) by adding at the end the following new paragraphs:

"(4) If the Secretary determines at any time that there will be a delay in meeting the requirement in paragraph (1) for the completion of the destruction of chemical weapons by the stockpile elimination deadline, the Secretary shall immediately notify the Committees on Armed Services of the Senate and House of Representatives of that projected delay.

"(5) For purposes of this section, the term 'stockpile elimination deadline' means April 30, 1997.".

(b) Requirement for Successful Completion of Operational Verification.—Such section is further amended by striking out subsection (k) and inserting in lieu thereof the following:

"(k) Operational Verification.—(1) Until the Secretary of the Army successfully completes (through the prove-out work to be conducted at Johnston Atoll) operational verification of the technology to be used for the destruction of live chemical agents and munitions under this section, the Secretary may not conduct any activity for equipment prove out and systems test before live chemical agents are introduced at a facility (other than the Johnston Atoll facility) at which the destruction of chemical agent and munitions weapons is to take place under this section. The limitation in the preceding sentence shall not apply with respect to the Chemical Agent Munition Disposal System in Tooele, Utah.

"(2) Upon the successful completion of the prove out of the equipment and facility at Johnston Atoll, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report certifying that the prove out is completed.

"(3) If the Secretary determines at any time that there will be a delay in meeting the deadline of December 31, 1990, scheduled by the Department of Defense for completion of the operational verification at Johnston Atoll referred to in paragraph (1), the Secretary shall immediately notify the Committees of that projected delay.".

SEC. 119. REPORT ON NAVY AIRCRAFT REQUIREMENTS

Not later than December 1, 1988, the Secretary of Defense shall submit to Congress a detailed report on the current and projected requirements of the Navy for aircraft. The Secretary shall include in such report the following information:

(1) The plans of the Department of Defense to alleviate existing shortfalls of Navy aircraft.

(2) The plans of the Department of Defense to maintain or reduce the current average age of Navy combat aircraft.

(3) The plans of the Department of Defense to modify Navy aircraft to make such aircraft effective against current and projected threats.

(4) The level of funding required to carry out the plans referred to in paragraphs (1), (2), and (3) during fiscal years 1990 through 1994.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Part A—Authorizations and Funding for Specific Programs

SEC. 201. AUTHORIZATION OF APPROPRIATIONS

Funds are hereby authorized to be appropriated for fiscal year 1989 for the use of the Armed Forces for research, development, test, and evaluation, in amounts as follows:

For the Army, $5,198,444,000.

For the Navy (including the Marine Corps), $9,383,162,000.

For the Air Force, $14,680,825,000.

For the Defense Agencies, $8,707,727,000, of which—

(1) $155,900,000 is authorized for the activities of the Deputy Under Secretary of Defense, Test and Evaluation; and

(2) $123,400,000 is authorized for the Director of Operational Test and Evaluation.

SEC. 202. FUNDING FOR ICBM MODERNIZATION PROGRAMS

(a) Program Funds.—Of the funds appropriated pursuant to section 201 for the Air Force, the amount of $890,000,000 shall be available for ICBM modernization programs.

(b) Allocation.—Of the amounts specified in subsection (a)—

(1) $40,000,000 shall be available for continued development and flight testing of the MX missile;

(2) $250,000,000 shall be available for the small ICBM program; and

(3) $600,000,000 shall be available for the MX Rail-Garrison program.

(c) Limitation on Obligation.—Of the amount specified in subsection (b)(3), the amount obligated before February 15, 1989, may not exceed $250,000,000.

(d) Presidential Report.—During the period beginning on January 21, 1989, and ending on February 15, 1989, the President shall submit to the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives a report on—

(1) anticipated obligations for the remainder of fiscal year 1989 for the small ICBM program, the MX Rail-Garrison program, and other ICBM modernization programs; and

(2) the purposes those obligations are intended to accomplish.

SEC. 203. DARPA NUCLEAR MONITORING PROGRAM

Of the amount appropriated pursuant to section 201 for Defense Agencies, $37,600,000 shall be available only to the Defense Advanced Research Projects Agency for the nuclear monitoring program.

SEC. 204. GRANT FOR SEMICONDUCTOR COOPERATIVE RESEARCH PROGRAM

Of the amount appropriated pursuant to section 201 for Defense Agencies, $100,000,000 shall be available only to make grants under section 272 of Public Law 100-180.

SEC. 205. AIRSHIP PROGRAM

Of the amounts appropriated pursuant to section 201, the Secretary of Defense may make available an amount not to exceed $25,000,000 for the Airship Program.

SEC. 206. EXTENDED AIR DEFENSE

Of the amount appropriated pursuant to section 201 for Defense Agencies, $25,000,000 may be obligated only upon approval of the Director of Defense Research and Engineering for the purpose of research and development in connection with antitactical missile systems. If any such funds are made available to a firm in an allied country, those funds may not be obligated until the Secretary of Defense enters into a cooperative program with that country for that purpose.

SEC. 207. PRODUCT EVALUATION ACTIVITY

Of the amounts appropriated pursuant to section 201, $17,500,000 shall be available only for the product evaluation activity provided for under section 2369 of title 10, United States Code, as added by section 842 of this Act.

SEC. 208. CHEMICAL WEAPONS CONVENTION COMPLIANCE MONITORING PROGRAM

Of the amounts appropriated pursuant to section 201, $6,800,000 shall be available only to conduct a program to develop and demonstrate compliance monitoring capabilities in support of the Convention on the Prohibition of Chemical Weapons proposed by the United States in the Conference on Disarmament.

SEC. 209. OPTOELECTRONICS MATERIALS CENTER

Of the amounts appropriated pursuant to section 201 for Defense Agencies, $14,500,000 shall be available only for the establishment of an Optoelectronics Materials Center at a university in the United States and for the acquisition of associated facilities.

PART B—PROGRAM REQUIREMENTS, RESTRICTIONS, AND LIMITATIONS

SEC. 211. TRIDENT II MISSILE PROGRAM

(a) TRIDENT II MISSILE.—Of the amount appropriated pursuant to section 201 for the Navy, $580,889,000 may be obligated only for the Trident II missile program.

(b) UNDISTRIBUTED REDUCTION.—In achieving any undistributed reduction required to be made in programs, projects, or activities for which funds have been appropriated to the Department of Defense for fiscal year 1989, no reduction may be made in the amount of funds available for the Trident II missile program.

SEC. 212. BALANCED TECHNOLOGY INITIATIVE

(a) AMOUNTS AUTHORIZED.—Of the amounts appropriated pursuant to section 201—

(1) $263,000,000 may be obligated only for research and development in connection with those programs, projects, and activities initiated pursuant to section 222 of the Department of Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661; 100 Stat. 3845) or section 215 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 100 Stat. 1050); and

(2) $50,000,000 may be obligated only for research and development under the Balanced Technology Initiative and only for new and innovative programs, projects, and activities that have not been designated for funding under a provision of law referred to in clause (1).

(b) DETERMINATION OF SOURCE OF FUNDS.—The Director of Defense Research and Engineering shall determine the amount of the funds appropriated to the Army, Navy, Air Force, and Defense Agencies pursuant to section 201 that are to be allocated (as provided in subsection (a)) for the Balanced Technology Initiative. The Director shall make such determination on the merits of the programs, projects, and activities referred to in section 215(b) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 that are carried out by the Army, Navy, Air Force, and Defense Agencies, taking into consideration ongoing technology research and exploitation opportunities.

(c) PROHIBITION REGARDING UNDISTRIBUTED REDUCTIONS.—No portion of any undistributed reduction may be applied against the funds allocated under subsection (a) or against any funds made available for the Balanced Technology Initiative that are in addition to the funds specified in subsection (a).

(d) PROHIBITION ON USE OF FUNDS FOR SDI.—None of the funds allocated under subsection (a) may be used in connection with any program, project, or activity in support of the Strategic Defense Initiative.

(e) REPORT.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives a report on the implementation of this section. The report shall include the following:

(1) The amount allocated under subsection (a) for each program, project, or activity and the identification of the source of such amount.

(2) Identification of other ongoing research and development projects not provided for under this section that should be included in the Balanced Technology Initiative in order to improve conventional defense capabilities.

(3) For each program, project, or activity for which funds have been allocated under subsection (a) or which is identified under paragraph (2), a five-year funding plan that is sufficient to maintain significant progress in research and development under such program, project, or activity, including a description of the major milestones for each such program, project, or activity and the projected dates for achieving those milestones.

SEC. 213. ADVANCED TACTICAL AIRCRAFT AND ADVANCED TACTICAL FIGHTER PROGRAMS

(a) ADVANCED TACTICAL AIRCRAFT, NAVY.—Of the amounts made available to the Department of Defense pursuant to section 201 for the Advanced Tactical Aircraft program of the Navy, not more than 50 percent of such amounts may be obligated or expended unless the Secretary of Defense certifies to Congress that the Navy has budgeted sufficient funds for fiscal years 1990 through 1994 to participate in the demonstration and validation program (including source selection) for the Advanced Tactical Fighter of the Air Force.

(b) ADVANCED TACTICAL FIGHTER, AIR FORCE.—Of the amounts appropriated pursuant to section 201, not more than $350,000,000 may be obligated or expended for the Advanced Tactical Fighter program of the Air Force unless the Secretary of Defense certifies to Congress that the Air Force has budgeted sufficient funds for fiscal years 1990 through 1994 to participate in the full scale development of the Advanced Tactical Aircraft of the Navy.

SEC. 214. AIR-TO-AIR MISSILE PROJECT OFFICE

(a) LIMITATION.—Subject to subsection (b), amounts appropriated pursuant to section 201—

(1) may not be obligated in excess of $20,000,000 for the Advanced Air-to-Air Missile (AAAM) program; and

(2) may not be obligated in excess of $10,000,000 for the Advanced Medium-Range Air-to-Air Missile (AMRAAM) program.

(b) JOINT PROGRAM OFFICE.—Subsection (a) shall cease to apply upon the establishment by the Secretary of the Navy and the Secretary of the Air Force of a joint program office, to operate under the guidance of the Office of the Secretary of Defense, for codevelopment of the Advanced Air-to-Air Missile and the product improved Advanced Medium-Range Air-to-Air Missile.

SEC. 215. TRAINING IN ADVANCED MANUFACTURING TECHNOLOGIES

(a) FUNDS FOR PURCHASE AND INSTALLATION OF EQUIPMENT.—Of the amounts appropriated pursuant to section 201, not more than $15,000,000 may be obligated for the purchase of high technology manufacturing equipment and the installation of such equipment in a private, nonprofit center for advanced technologies for the purpose of training, in a production facility, machine tool operators in skills critical to the defense technology base to build, operate, and maintain such equipment.

(b) REQUIREMENTS.—Funds may not be obligated for the purpose described in subsection (a) until—

(1) the Secretary of Defense, the Secretary of Commerce, the Secretary of Labor, and the Secretary of Education enter into a memorandum of understanding concerning the participation of their respective departments in a project to demonstrate the training of machine technicians in a production facility;

(2) the Secretary of Defense approves the obligation of such funds for such purpose; and

(3) a period of 60 days elapses after the Secretary of Defense submits to the Committees on Armed Services of the Senate and House of Representatives a report that sets forth—

(A) a detailed explanation of proposed Federal expenditures,

(B) a description of the cost-sharing arrangements between the Government agencies concerned and the private sector, and

(C) a description of how the proposed program furthers the industrial and technological goals of the Department of Defense.

(c) CONFORMING AMENDMENT.—Section 219(b) of Public Law 100-180 is repealed.

SEC. 216. PROHIBITION ON OBLIGATION OF FUNDS FOR CANCELLED ANTISATELLITE WEAPON PROGRAM

(a) PROHIBITION.—Residual fiscal year 1988 ASAT funds may not be obligated for the ASAT program.

(b) RESIDUAL FISCAL YEAR 1988 ASAT FUNDS DEFINED.—For purposes of this section, the term "residual fiscal year 1988 ASAT funds" means funds in the amount of $16,000,000 which were appropriated to the Department of Defense for fiscal year 1988 for research, development, test, and evaluation for the Air Force which—

(1) were originally made available for the ASAT program; and

(2) which remain available for obligation following cancellation of that program by the Secretary of Defense.

(c) ASAT PROGRAM DEFINED.—For purposes of subsections (a) and (b), the term "ASAT program" means the program of the Air Force to develop an F-15 launched miniature homing vehicle antisatellite weapon.

SEC. 217. LONG-RANGE CONVENTIONAL CRUISE MISSILE

(a) REPORT.—Not later than December 31, 1988, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the plans and projected expenditures for the Long-Range Conventional Cruise Missile program of the Department of Defense.

(b) CONTENT OF REPORT.—The Secretary shall include in such report the following:

(1) The 5-year funding plan for the program.

(2) A discussion of how the program might be carried out under a joint entity of the military services.

(3) A discussion of the military missions that a long-range conventional cruise missile would be designed to fulfill.

(4) A list of the validated military requirements prescribed for a long-range conventional cruise missile.

(5) An estimate of when a long-range conventional cruise missile system incorporating the most recent advances in guidance, propulsion, mission planning, and munitions technologies would be ready for full-scale engineering development and testing of initial operating capability.

SEC. 218. SEEK SPINNER MISSILE PROGRAM

Funds appropriated or otherwise made available to the Department of Defense pursuant to this Act or any Act enacted after the date of the enactment of this Act may not be obligated or expended for the Seek Spinner Missile program in any configuration.

SEC. 219. DEPRESSED-TRAJECTORY BALLISTIC MISSILES

(a) ESTABLISHMENT OF DEFINITION.—Not later than April 1, 1989, the Secretary of Defense shall prescribe a definition of what constitutes a depressed trajectory for a strategic ballistic missile. The definition shall be prescribed in coordination with the Director of Central Intelligence. The Secretary shall prescribe such definition in specific quantitative terms so as to clearly distinguish ballistic missile trajectories which are depressed from other ballistic missile trajectories, including minimum-energy ballistic missile trajectories, so that if the United States and the Soviet Union mutually observe a policy of non-flight testing of depressed-trajectory strategic ballistic missiles, the observance of that policy—

(1) would, to the maximum possible degree, reduce the potential for a short-time-of-flight attack on strategic aircraft or other strategic assets the survivability or effectiveness of which depends on timely receipt of adequate warning of attack, but

(2) would not significantly affect present or planned practices of the United States for the testing of ballistic missiles that are not intended for development of a depressed-trajectory capability.

(b) REPORT.—Not later than April 1, 1989, the Secretary of Defense shall submit to Congress a report on depressed-trajectory strategic ballistic missiles (as defined under subsection (a)), which shall be prepared in coordination with the Director of Central Intelligence. The report shall set forth the definition prescribed under subsection (a) and shall include each of the following:

(1) An evaluation of the ability of the United States to monitor flight tests by the Soviet Union of depressed-trajectory strategic ballistic missiles (as defined under subsection (a)) on dedicated or nondedicated test ranges.

(2) A description of any past flight test of a ballistic missile by the United States or by the Soviet Union that would qualify as a test of a depressed-trajectory strategic ballistic missile as defined under subsection (a).

(3) An evaluation of the possibility that the Soviet Union could deploy depressed-trajectory ballistic missiles (as defined under subsection (a)) with sufficient confidence in the reliability of those missiles for use in an attack on the United States without further flight testing.

SEC. 220. REQUIREMENT OF COMPETITION FOR AWARD OF GRANTS AND CONTRACTS TO COLLEGES AND UNIVERSITIES FOR CERTAIN PURPOSES

(a) REQUIREMENT OF COMPETITION.—Chapter 139 of title 10, United States Code, is amended by inserting after section 2360 the following new section:

"§ 2361. Award of grants and contracts to colleges and universities: requirement of competition

"(a) The Secretary of Defense may not make a grant or award a contract to a college or university for the performance of research and development, or for the construction of any research or other facility, unless the grant or contract is made or awarded using competitive procedures.

"(b) A provision of law enacted after the date of the enactment of this section may not be construed as modifying or superseding the provisions of subsection (a) unless that provision of law specifically refers to this section and specifically states that such provision of law modifies or supersedes the provisions of this section.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2360 the following new item:

"2361. Award of grants and contracts to colleges and universities: requirement of competition.".

(c) EFFECTIVE DATE.—The limitation specified in section 2361(a) of title 10, United States Code (as added by subsection (a)), on the authority of the Secretary of Defense to make grants and award contracts shall take effect on October 1, 1989.

PART C—STRATEGIC DEFENSE INITIATIVE

SEC. 221. FUNDING FOR THE STRATEGIC DEFENSE INITIATIVE FOR FISCAL YEAR 1989

(a) AMOUNTS AUTHORIZED.—Of the amounts appropriated pursuant to section 201 or otherwise made available to the Department of Defense for research, development, test and evaluation for fiscal year 1989, not more than $3,738,000,000 may be obligated for the Strategic Defense Initiative.

(b) RESTRICTION ON USE OF FUNDS.—Amounts appropriated to or for the use of the Department of Defense for fiscal year 1989 may not be used to establish a Strategic Defense System Operational Test and Evaluation activity.

(c) REPORT BY SECRETARY OF DEFENSE.—Before the adjournment sine die of the second session of the One-Hundredth Congress, the Secretary of Defense shall submit to the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives a report on the Space-Based Interceptor (SBI) program of the Strategic Defense Initiative. The report shall include a discussion of the following matters with respect to the SBI program:

(1) Role of SBI in the Phase One architecture.

(2) SBI performance in the current system concept.

(3) SBI cost projections.

(4) Technology progress and plans.

(5) Launch requirements.

(6) Other programmatic details.

SEC. 222. REPORT ON ALLOCATION OF SDI FUNDING FOR FISCAL YEAR 1989

(a) REPORT.—The Secretary of Defense shall submit to the Committees on Armed Services and the Committees on Appropriations of the Senate and the House of Representatives a report on the allocation of funds appropriated or otherwise made available for the Strategic Defense Initiative for fiscal year 1989. The report shall specify the amount of such funds allocated for each program, project, or activity of the Strategic Defense Initiative within each appropriation account.

(b) DEADLINE FOR REPORT.—The report required by subsection (a) shall be submitted not later than 90 days after the date of the enactment of this Act.

SEC. 223. DEVELOPMENT AND TESTING OF ANTI-BALLISTIC MISSILE SYSTEMS OR COMPONENTS

(a) USE OF FUNDS.—(1) Funds appropriated to the Department of Defense for fiscal year 1989, or otherwise made available to the Department of Defense from any funds appropriated for fiscal year 1989 or for any fiscal year before 1989, shall be subject to the limitations prescribed in paragraph (2).

(2) The funds described in paragraph (1) may not be obligated or expended—

(A) for any development or testing of antiballistic missile systems or components except for development and testing consistent with the development and testing described in the March 1988 SDIO Report; or

(B) for the acquisition of any material or equipment (including any long lead materials, components, piece parts, test equipment, or any modified space launch vehicle) required or to be used for the development or testing of antiballistic missile systems or components, except for material or equipment required for development or testing consistent with the development and testing described in the March 1988 SDIO Report.

(3) The limitation under paragraph (2) shall not apply to funds transferred to or for the use of the Strategic Defense Initiative for fiscal year 1989 if the transfer is made in accordance with section 1201 of this Act.

(b) DEFINITION.—As used in this section, the term "March 1988 SDIO Report" means the report entitled, "Report to Congress on the Strategic Defense Initiative", dated March 23, 1988, prepared by the Strategic Defense Initiative Organization and submitted to certain committees of the Senate and House of Representatives pursuant to section 1102 of the Department of Defense Authorization Act, 1985 (Public Law 98-525; 10 U.S.C. 2431 note).

SEC. 224. ACCIDENTAL LAUNCH PROTECTION

(a) FINDINGS.—Congress makes the following findings:

(1) The United States is a signatory to the 1972 Anti-Ballistic Missile Treaty.

(2) The Soviet Union has deployed approximately 1,400 land-based intercontinental ballistic missiles and approximately 900 sea-based ballistic missiles.

(3) There have been several accidents involving ballistic missiles, including the loss of a submarine of the Soviet Union due to inadvertent missile ignition and the inad-

vertent landing in China of a test missile of the Soviet Union.

(4) Proliferation of ballistic missile technology, such as the action of the People's Republic of China in providing ballistic missiles to Saudi Arabia, raises the possibility of future nuclear threats.

(b) SENSE OF CONGRESS.—It is the sense of Congress—

(1) that the Secretary of Defense should direct the Strategic Defense Initiative Organization to give priority to development of technologies and systems for a system capable of protecting the United States from the accidental launch of a strategic ballistic missile against the continental United States; and

(2) that such development of an accidental launch protection system should be carried out with an objective of ensuring that such system is in compliance with the 1972 Anti-Ballistic Missile Treaty.

(c) REPORT.—Not later than March 1, 1989, the Secretary of Defense shall submit to Congress a report on the status of planning for development of a deployment option for such an accidental launch protection system.

PART D—STRATEGIC PROGRAMS

SEC. 231. B-1B BOMBER PROGRAM

(a) CONDITION ON OBLIGATION OF FUNDS.—The Secretary of Defense may not obligate funds appropriated for fiscal year 1989 for enhancements or mission-specific equipment or modifications for the B-1B aircraft until the Secretary submits to the Committees on Armed Services of the Senate and House of Representatives the report required by section 243(e)(3) of Public Law 100-180 (101 Stat. 1064). After that report is submitted, funds may be obligated for such purposes only as specifically authorized by law.

(b) REPORT ON ENHANCEMENT PROGRAM.—(1) The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report setting forth—

(A) the total cost—

(i) of fixing any discrepancies in the baseline; and

(ii) of the enhancements planned or programmed for the B-1B aircraft; and

(B) a description of each type of such fix or enhancement.

(2) Such report shall be submitted in conjunction with the submission of the President's budget for fiscal year 1990 pursuant to section 1105 of title 31, United States Code.

(c) EXPLORATION OF ALTERNATIVE ELECTRONIC WARFARE SYSTEMS.—Of the amounts appropriated to the Air Force pursuant to section 201, the sum of $15,000,000 shall be available only for the purpose of conducting a preliminary evaluation of whether existing electronic warfare systems could be used to replace portions of the ALQ-161 system of the B-1B aircraft in the event that the current plan of the Air Force for recovery of that system fails to achieve the desired results.

SEC. 232. ADVANCED TECHNOLOGY B-2 BOMBER PROGRAM

(a) PROGRAM MANAGEMENT INITIATIVE.—The Secretary of Defense shall require that the cost, performance, and management initiative for the Advanced Technology B-2 Bomber program established pursuant to section 121 of Public Law 100-180 (101 Stat. 1040) include the creation of a full performance matrix.

(b) GAO COST REVIEW.—(1) The Comptroller General of the United States shall review the costs of the Advanced Technology Bomber program. In reviewing such costs, the Comptroller General shall act independently of the Department of Defense.

(2)(A) The Secretary of Defense shall ensure that the Comptroller General is given direct, full, and timely access to all information and materials specified in subparagraph (B) in order for the Comptroller General to carry out the cost review required by paragraph (1).

(B) Information and materials referred to in subparagraph (A) are information and materials that are held by, or otherwise available to, the Department of Defense (including the Department of the Air Force) or any contractor for the Advanced Technology Bomber program (including any subcontractor) and that are required by the Secretary of the Air Force for the purpose of performing the required Independent Cost Analysis of the Advanced Technology Bomber program and by the Secretary of Defense for the purpose of performing the Cost Analysis Improvement Group review of that program.

(3) The Comptroller General shall submit a report on the program cost review under this subsection to the Armed Services Committees not later than March 1, 1989.

(c) REPORT ON TOTAL PROGRAM COST.—The Secretary of Defense shall submit to Congress a report setting forth the total program cost, in constant and in current dollars, of the Advanced Technology B-2 Bomber program. Such report shall be submitted not later than March 1, 1989.

(d) COST MONITORING AND TRACKING.—The Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, shall conduct an evaluation of the current system for monitoring and tracking costs for the Advanced Technology Bomber program and shall prepare an assessment of that system. Not later than March 1, 1989, the Secretary shall submit to the Armed Services Committees a report setting forth the Secretary's findings, based upon such evaluation and assessment, with respect to that system and any recommendations of the Secretary for improving that system.

(e) DEFINITION.—For purposes of this section, the term "Armed Services Committees" means the Committees on Armed Services of the Senate and House of Representatives.

SEC. 233. SENSE OF CONGRESS ON STRATEGIC MISSILE MODERNIZATION PROGRAMS

It is the sense of Congress that the authorization of funds in this Act for research and development for both the small intercontinental ballistic missile system (the so-called Midgetman system) and for the rail-garrison MX system does not constitute a commitment or express an intent by Congress to provide funds to procure and deploy the Midgetman missile or to deploy any MX missiles in a rail-garrison basing mode or both.

PART E—OTHER PROGRAMS

SEC. 241. ADVANCED SUBMARINE TECHNOLOGY PROGRAM

(a) FISCAL YEAR 1989 FUNDING.—(1) Of the amount appropriated pursuant to section 201 for Defense Agencies, the Secretary of Defense shall make $65,000,000 available only for the purpose of continuing the Advanced Submarine Technology Program initiated in section 211 of Public Law 100-180 (101 Stat. 1048). Amounts appropriated for such purpose for fiscal year 1989 may be used only for that program.

(2) The Secretary of Defense may use funds appropriated for fiscal year 1989 for such program only—

(A) for submarine hull, mechanical, and electrical technologies; and

(B) for nonnuclear propulsion technologies.

(3) Funds appropriated for fiscal year 1989 for such program may be used for research relating to the effect on submarine design of weapons, sensors, or communications equipment, but may not be used for research on weapons, sensors, or communications equipment.

(4) Funds appropriated for fiscal year 1989 for such program may be used only for exploratory development, advanced technology development, and (as necessary) basic research to support the overall objectives of the program.

(b) PURPOSE OF PROGRAM.—(1) Congress established the Advanced Submarine Technology Program in light of the large amount of activity by the Soviet Union in the area of naval submarines and the declining advantage of the United States in submarine technology.

(2) The purpose of the Advanced Submarine Technology Program is to explore innovative state-of-the-art technologies for advanced submarines and to augment the existing United States submarine technology base in order to establish a sound and increasing submarine technology base.

(3) Congress recognizes that research and development activities with respect to submarine weapons and sensors and high density innovative and advanced nuclear plant systems are necessary and important. However, in light of the purpose of the program to augment the submarine technology base, Congress has in this section provided separate authorization for funding to augment the technology base for submarine hull, mechanical, and electrical systems.

(4) Section 211(a) of Public Law 100-180 is amended—

(A) by striking out the second and third sentences of paragraph (1); and

(B) by striking out paragraph (2).

(c) MANAGEMENT OF PROGRAM BY DARPA.—In carrying out the provisions of section 211(a) of Public Law 100-180 that the Advanced Submarine Technology Program be carried out through the Director, Defense Advanced Research Projects Agencies (DARPA), the Secretary of Defense shall provide that the overall management of the execution of such program, including the administration of funds appropriated for the program, be vested in the Director. In managing such program, the Director shall take into consideration the advice of the advisory board established pursuant to congressional direction as part of the fiscal year 1988 budget process.

(d) FIVE-YEAR PLAN.—(1) Not later than October 31, 1988, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report setting forth a detailed five-year plan for the Advanced Submarine Technology Program. The plan shall update the report submitted pursuant to section 211(b)(1) of Public Law 100-180.

(2) The report under paragraph (1) shall include the following:

(A) Identification of each of the technologies to be studied or developed under the program.

(B) With respect to each of the technologies to be developed—

(i) identification of responsibility for the execution of the program and the management of the program; and

(ii) milestones for obligating funds under the program and for major program reviews under the program.

(3) Section 211(b)(2) of Public Law 100-180 is repealed.

(e) Annual Reports.—Not later than December 1 of each of the years 1989 through 1994, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the Advanced Submarine Technology Program. Each report shall describe—

(1) the activities carried out under the program during the preceding fiscal year;

(2) the obligation of funds for the program during that fiscal year;

(3) activities accomplished under the program during that fiscal year;

(4) ongoing activities under the program; and

(5) major decisions made by the Director of the Defense Advanced Research Projects Agency that were not supported by the advice of the advisory board referred to in subsection (c) and the reasons why the decisions were so made.

Each such report shall also describe how the matters set forth in paragraphs (1) through (4) meet the criteria established in the five-year plan for the program set out in the report under subsection (d).

(f) Program Duration.—In providing funds under this section for the Advanced Submarine Technology Program for fiscal year 1989, Congress expects that the program will be continued in the five-year defense plan of the Secretary of Defense and that the management of the program will continue to be executed through the Defense Advanced Research Projects Agency for an additional three-to-five years.

(g) Prohibition on Contractor Management.—The Director, Defense Advanced Research Projects Agency, may not carry out the Advanced Submarine Technology Program through obligation of all funding to a single contractor or through the use of management by a single public or private shipyard. The Director, in allocating funds under the program and in light of the purposes of the program, shall seek to obligate funds to a wide variety of recipients.

SEC. 242. PROHIBITION ON TESTING ELECTROMAGNETIC PULSE IN CHESAPEAKE BAY

The Secretary of the Navy may not carry out an electromagnetic pulse program in the Chesapeake Bay area in connection with the Electromagnetic Pulse Radiation Environment Simulator Program for Ships (EMPRESS II).

SEC. 243. REPORT ON SPACE CONTROL CAPABILITIES

(a) Report.—Not later than the date on which the President submits the budget for fiscal year 1990 to Congress under section 1105 of title 31, United States Code, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a comprehensive report on space control capabilities of the Armed Forces.

(b) Content of Report.—The report shall include the following matters:

(1) A description of requirements for space control capabilities related to deterrence and warfighting objectives, including space surveillance and anti-satellite capabilities, that have been validated by the Chairman of the Joint Chiefs of Staff and transmitted to the commander of the United States Space Command.

(2) A net assessment of the space control capabilities of the United States and the Soviet Union.

(3) An assessment of current deficiencies in United States space control capabilities and recommendations for overcoming those deficiencies.

(4) A 5-year plan for improving ground- and space-based surveillance systems and their associated command, control, and communications systems and the cost and schedule for implementing the plan.

SEC. 244. REPORT ON COMPETITION FOR DEVELOPMENT OF ADVANCED TACTICAL RECONNAISSANCE SYSTEM

Not later than 90 days after the date of the enactment of this Act, the Secretary of the Air Force shall submit to Congress a report outlining the plans of the Secretary for establishing, to the maximum extent practicable, competition in the development and production of components for the Advanced Tactical Reconnaissance System.

TITLE III—OPERATION AND MAINTENANCE

Part A—Authorizations of Appropriations

SEC. 301. OPERATION AND MAINTENANCE FUNDING

(a) In General.—Funds are hereby authorized to be appropriated for fiscal year 1989 for the use of the Armed Forces and other activities and agencies of the Department of Defense for expenses, not otherwise provided for, for operation and maintenance in amounts as follows:

For the Army, $22,103,900,000.

For the Navy, $24,852,100,000.

For the Marine Corps, $1,817,000,000.

For the Air Force, $21,855,600,000.

For the Defense Agencies, $7,685,400,000.

For the Army Reserve, $794,900,000.

For the Naval Reserve, $979,200,000.

For the Marine Corps Reserve, $77,500,000.

For the Air Force Reserve, $1,033,900,000.

For the Army National Guard, $1,801,200,000.

For the Air National Guard, $1,971,000,000.

For the National Board for the Promotion of Rifle Practice, $4,300,000.

For the Court of Military Appeals, $3,500,000.

For Environmental Restoration, Defense, $500,000,000.

For Humanitarian Assistance, $13,000,000.

(b) General Authorization for Contingencies.—There are authorized to be appropriated for fiscal year 1989, in addition to the amounts authorized to be appropriated in subsection (a), such sums as may be necessary—

(1) for unbudgeted increases in fuel costs; and

(2) for unbudgeted increases as the result of inflation in the cost of activities authorized by subsection (a).

SEC. 302. WORKING CAPITAL FUNDS

Funds are hereby authorized to be appropriated for fiscal year 1989 for the use of the Armed Forces and other activities and agencies of the Department of Defense for providing capital for working-capital funds in amounts as follows:

For the Army Stock Fund, $291,900,000.

For the Navy Stock Fund, $184,700,000.

For the Air Force Stock Fund, $186,900,000.

For the Defense Stock Fund, $25,000,000.

SEC. 303. HUMANITARIAN ASSISTANCE

(a) Purpose.—The amount authorized in section 301 for humanitarian assistance shall be used for the purpose of providing transportation for humanitarian relief for persons displaced or who are refugees because of the invasion of Afghanistan by the Soviet Union. Of the amount authorized in such section for such purpose, not more than $3,000,000 may be used for distribution of humanitarian relief supplies to the non-Communist resistance organization at or near the border between Thailand and Cambodia.

(b) Authority To Transfer Funds.—The Secretary of Defense may transfer to the Secretary of State not more than $3,000,000 of the funds appropriated pursuant to the authorization in section 301 for humanitarian assistance to provide for (1) paying for administrative costs of providing the transportation described in subsection (a), and (2) the purchase or other acquisition of transportation assets for the distribution of relief supplies in the country of destination.

(c) Transportation Under Direction of the Secretary of State.—Transportation provided with funds appropriated pursuant to the authorization in section 301 for humanitarian assistance shall be under the direction of the Secretary of State.

(d) Means of Transportation To Be Used.—Transportation for humanitarian relief provided with funds appropriated pursuant to the authorization in section 301 for humanitarian assistance shall be by the most economical commercial or military means available, unless the Secretary of State determines that it is in the national interest of the United States to use means other than the most economical means available. Such means may include the use of aircraft and personnel of the reserve components of the Armed Forces.

(e) Availability of Funds.—Amounts appropriated pursuant to the authorization in section 301 for humanitarian assistance shall remain available until expended, to the extent provided in appropriation Acts.

(f) Reports.—The Secretary of Defense shall submit to the Committees on Armed Services and Foreign Relations of the Senate and the Committees on Armed Services and Foreign Affairs of the House of Representatives a report not later than 60 days after the date of the enactment of this Act. The Secretary shall also submit a report to those committees not later than June 1, 1989, and not later than June 1 of each year thereafter, until all funds available under this section have been obligated. Each such report shall contain (as of the date on which the report is submitted) the following information:

(A) The total amount of funds obligated for humanitarian relief under the humanitarian relief laws specified in paragraph (2).

(B) The number of scheduled and completed flights for purposes of providing humanitarian relief under the humanitarian relief laws specified in paragraph (2).

(C) A description of any transfer (including to whom the transfer is made) of excess nonlethal supplies of the Department of Defense made available for humanitarian relief purposes under section 2547 of title 10, United States Code.

(2) The humanitarian relief laws referred to in paragraph (1) are the following:

(A) This section.

(B) Section 331 of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661; 100 Stat. 3856).

(C) Section 331 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1078).

SEC. 304. TRIPLER ARMY MEDICAL CENTER

The Secretary of the Army shall establish, during fiscal year 1989, a video teleconferencing center at the Tripler Army Medical Center, Hawaii.

SEC. 305. ASSISTANCE TO THE 1990 GOODWILL GAMES

(a) AUTHORITY TO PROVIDE ASSISTANCE.—The Secretary of Defense may provide logistical support and personnel services to Federal, State, and local governmental entities in connection with the 1990 Goodwill Games to be held at Seattle, Washington. Except as provided in subsection (b), such support and services shall be provided by the Secretary on a reimbursable basis.

(b) REIMBURSEMENT WAIVER.—(1) The Secretary may waive the requirement for reimbursement for logistical support and personnel services provided under this section to ensure the security of persons and property in connection with such games if—

(A) the Attorney General of the United States certifies to the Secretary that there are significant potential threats to the security of persons or property, or both, at such games and that other Federal entities and the State and local entities concerned do not have the capability to deal adequately with such potential threats; and

(B) the Attorney General recommends that the requirement for reimbursement for assistance under this section be waived because—

(i) such assistance is necessary to provide the degree of security that is essential in the national interest; and

(ii) unusual circumstances for such assistance make it impractical for other Federal entities or the State or local entities concerned to reimburse the Secretary for such assistance.

(2) Waivers under paragraph (1) shall be made by the Secretary on a case-by-case basis.

(c) AUTHORIZATION.—There is authorized to be appropriated for fiscal year 1989 the amount of $5,000,000 for the purpose of carrying out this section.

(d) RESTRICTION ON FUNDS.—Funds made available to or for the use of the Department of Defense may not be used to provide logistical support or personnel services in connection with the Goodwill Games referred to in subsection (a) unless such funds have been specifically appropriated for such purpose.

(e) COMPUTATION OF AMOUNTS.—In computing the amount that has been expended in carrying out the provisions of this section, the Secretary shall include the pay and allowances of members of reserve components of the Armed Forces called or ordered to active duty (including active duty for training) to provide support for the Goodwill Games referred to in subsection (a), but shall exclude the pay and nontravel related allowances of other members of the Armed Forces serving on active duty.

SEC. 306. INAUGURATION ASSISTANCE

(a) FURNISHING OF MATERIALS, SUPPLIES, AND SERVICES.—During fiscal year 1989, the Secretary of Defense may, as the Secretary determines to be appropriate and under such conditions as the Secretary may prescribe, lend materials or supplies and provide materials, supplies, or services of personnel to the Inaugural Committee established under the first section of the Presidential Inaugural Ceremonies Act (36 U.S.C. 721 et seq.) or to the joint committee described in section 9 of that Act.

(b) ADDITIONAL AUTHORITY.—The authority provided by subsection (a) is in addition to the authority provided by section 2543 of title 10, United States Code.

SEC. 307. ENHANCEMENT OF CAPABILITY TO COMBAT FRAUD, WASTE, AND ABUSE

In order to enhance the capability of the Department of Defense to combat fraud, waste, and abuse and to assist in restoring public confidence in the defense acquisition process, the Secretary of Defense, not later than September 30, 1989, shall—

(1) increase the number of audit and support personnel assigned within the Office of the Inspector General of the Department of Defense to the Assistant Inspector General for Audit from 550 personnel (as assumed in the President's amended budget request for fiscal year 1989) to not less than 657; and

(2) increase the number of audit and support personnel assigned to the Defense Contract Audit Agency from 6,439 (as assumed in the President's amended budget request for fiscal year 1989) to not less than 7,007.

PART B—LIMITATIONS

SEC. 311. PROHIBITION ON FINANCING CERTAIN ACTIVITIES BY DIRECT APPROPRIATIONS

(a) PROHIBITION.—During fiscal year 1989, the Secretary of the Navy may not take any action with respect to converting or planning the conversion of the operation of an activity specified in subsection (b) from operation as an activity financed by the Naval Industrial Fund (as authorized by section 2208 of title 10, United States Code) to operation as an activity financed by direct appropriations.

(b) ACTIVITIES COVERED.—An activity referred to in subsection (a) is any of the following:

(1) Naval Avionics Center, Indianapolis, Indiana.

(2) Naval Civil Engineering Laboratory, Port Hueneme, California.

(3) Naval Air Engineering Center, Lakehurst, New Jersey.

SEC. 312. PROHIBITION ON JOINT USE OF DOBBINS AIR FORCE BASE WITH CIVIL AVIATION

The Secretary of the Air Force may not enter into an agreement that would provide for or permit the joint use of Dobbins Air Force Base, Marietta, Georgia, by the Air Force and civil aircraft.

SEC. 313. PROHIBITION ON PURCHASE OF TOSHIBA PRODUCTS FOR RESALE IN MILITARY EXCHANGE STORES

(a) PROHIBITION.—During the three-year period beginning on the date of the enactment of this Act, no product manufactured or assembled by Toshiba America, Incorporated, or Toshiba Corporation (or any of its affiliates or subsidiaries) may be purchased by the Department of Defense for the purpose of resale of such product in a military exchange store or in any other morale, welfare, recreation, or resale activity operated by the Department of Defense (either directly or by concessionaire).

(b) EXCEPTION.—The prohibition in subsection (a) shall not apply to microwave ovens manufactured or assembled in the United States.

SEC. 314. LIMITATION ON FUNDING FOR UNITED STATES SOUTHERN COMMAND AIRLIFT

Funds appropriated for operation and maintenance for the Air Force for fiscal year 1989 may not be obligated or expended in connection with any contract for aircraft with short takeoff and landing capability until—

(1) the Secretary of Defense approves a requirements document and an acquisition plan, including costs and schedule information, for an aircraft with short takeoff and landing capability for the United States Southern Command; and

(2) the Secretary of Defense submits both the document and the plan to the Committees on Armed Services of the Senate and the House of Representatives.

SEC. 315. ONE-YEAR EXTENSION OF LIMITATION ON ARMY DEPOT MAINTENANCE FUNDING

(a) ONE-YEAR EXTENSION.—Section 314 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1074) is amended—

(1) in subsection (a), by striking out "fiscal year 1988" and inserting in lieu thereof "fiscal year 1989"; and

(2) in subsection (b)(1)(C), by striking out "fiscal year 1989" and inserting in lieu thereof "fiscal year 1990".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 1988.

SEC. 316. OPERATION OF SR-71 DEPOT REWORK FACILITY

The Secretary of the Air Force shall ensure that the facility used for depot support and rework for the SR-71 fleet of aircraft at Palmdale, California, shall remain operational through September 30, 1989.

SEC. 317. MANAGEMENT OF CIVILIAN PERSONNEL DURING FISCAL YEARS 1989 AND 1990

(a) PROHIBITION ON MANAGEMENT BY END-STRENGTH.—During fiscal years 1989 and 1990, the civilian personnel of the Department of Defense may not be managed on the basis of any end-strength or any similar or related methodology, and the management of such personnel during that fiscal year shall not be subject to any constraint or limitation (known as an "end-strength") on the number of such personnel who may be employed on the last day of such fiscal year.

(b) WAIVER OF CIVILIAN PERSONNEL CEILINGS.—Section 115(b)(2) of title 10, United States Code, shall not apply with respect to fiscal years 1989 and 1990 or with respect to the appropriation of funds for that year.

(c) SEMIANNUAL REPORTS.—The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives semiannual reports on the obligation of funds appropriated for civilian personnel of the Department of Defense for fiscal years 1989 and 1990. Each report shall include—

(1) for each appropriation account, the amounts authorized and appropriated for such personnel for fiscal years 1989 and 1990; and

(2) for each appropriation account and for the entire Department—

(A) the actual number of such personnel employed, and the amount of funds obligated for such personnel, as of the end of each six-month period described in the report; and

(B) the projected number of such personnel to be employed, and amount of funds that will be obligated for such personnel, as of the end of each of fiscal years 1989 and 1990.

SEC. 318. LIMITATION ON OPERATION OF EXISTING POSEIDON CLASS SUBMARINES U.S.S. JAMES MONROE AND U.S.S. HENRY CLAY

Effective as of September 1, 1989, no funds appropriated to the Department of Defense for fiscal year 1989 or a prior year may be obligated or expended—

(1) to overhaul, operate, or deploy the U.S.S. Henry Clay (SSBN 625), except that such funds may be obligated or expended after such date for the operation of such vessel (A) for crew training in port, and (B) for a short underway trial before such vessel proceeds to the inactivating port; or

(2) to overhaul, operate, maintain, or deploy the U.S.S. James Monroe (SSBN 622).

PART C—PERMANENT LAW CHANGES

SEC. 321. LIMITATION ON PRIVATE OPERATION OF COMMISSARY STORES

Section 2482 of title 10, United States Code, is amended by adding at the end the following new sentences: "A contract with a private person for the operation of any commissary store may not require or permit the contractor to carry out functions for the procurement of products to be sold in the store or to engage in functions relating to the overall management of a commissary system or the management of any such store. Such functions shall be carried out by personnel of the Department of Defense under regulations approved by the Secretary of Defense.".

SEC. 322. ALLOWABLE COSTS WITH RESPECT TO CERTAIN SERVICE CONTRACTS PERFORMED OVERSEAS

(a) CERTAIN SEVERANCE PAY COSTS NOT ALLOWABLE.—Section 2324(e)(1) of title 10, United States Code, is amended by adding at the end the following new subparagraph:

"(M) Costs of severance pay paid by the contractor to foreign nationals employed by the contractor under a service contract performed outside the United States, to the extent that the amount of severance pay paid in any case exceeds the amount paid in the industry involved under the customary or prevailing practice for firms in that industry providing similar services in the United States, as determined under regulations prescribed by the Secretary of Defense.".

(b) EFFECTIVE DATE.—Subparagraph (M) of section 2324(e)(1) of title 10, United States Code, as added by subsection (a), shall apply with respect to any contract entered into after the end of the 180-day period beginning on the date of the enactment of this Act.

SEC. 323. AUTHORITY TO CONTINUE SUPPORT OF SCOUTING ACTIVITIES OVERSEAS

(a) AUTHORITY.—Chapter 155 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2606. Scouting: cooperation and assistance in foreign areas

"(a) Subject to subsection (b), the Secretary concerned may cooperate with and assist qualified scouting organizations in establishing and providing facilities and services for members of the armed forces and their dependents, and civilian employees of the Department of Defense and their dependents, at locations outside the United States.

"(b) Cooperation and assistance under subsection (a) shall be provided under regulations prescribed by the Secretary of Defense and may be provided only if the President determines that such cooperation and assistance is necessary in the interest of the morale, welfare, and recreation of members of the armed forces.

"(c) Personnel of a qualified scouting organization, including officials certified by that organization as representing that organization, who are performing duties in connection with cooperation and assistance provided under subsection (a) may be furnished—

"(1) transportation at the expense of the United States while traveling to and from, and while performing, such duties in the same manner as civilian employees of the United States; and

"(2) available office space (including space for recreational activities for Boy Scouts and Girl Scouts), warehousing, utilities, and a means of communication, without charge.

"(d) Supplies of a qualified scouting organization may be transported at the expense of the United States if the Secretary concerned determines, under regulations prescribed under subsection (b), that the supplies are necessary to the cooperation and assistance provided under this section.

"(e) The Secretary concerned may reimburse a qualified scouting organization for all or part of the pay of an employee of that organization for any period during which the employee was performing services under subsection (a). Any such reimbursement may not be made from appropriated funds and shall be made under regulations prescribed under subsection (b).

"(f) For the purposes of this section, employees of a qualified scouting organization performing services under subsection (a) may not be considered to be employees of the United States.

"(g) In this section, the term 'qualified scouting organization' means the Girl Scouts of the United States of America and the Boy Scouts of America.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2606. Scouting: cooperation and assistance in foreign areas.".

SEC. 324. TRANSFERS AND EXCHANGES OF CERTAIN DOCUMENTS, HISTORICAL ARTIFACTS, AND CONDEMNED AND OBSOLETE COMBAT MATERIEL

(a) AUTHORITY.—Section 2572 of title 10, United States Code, is amended to read as follows:

"§ 2572. Documents, historical artifacts, and condemned or obsolete combat materiel: loan, gift, or exchange

"(a) The Secretary concerned may lend or give items described in subsection (c) that are not needed by the military department concerned (or by the Coast Guard, in the case of the Secretary of Transportation), to any of the following:

"(1) A municipal corporation.

"(2) A soldiers' monument association.

"(3) A museum, historical society, or historical institution of a State or a foreign nation.

"(4) An incorporated museum that is operated and maintained for educational purposes only and the charter of which denies it the right to operate for profit.

"(5) A post of the Veterans of Foreign Wars of the United States or of the American Legion or a unit of any other recognized war veterans' association.

"(6) A local or national unit of any war veterans' association of a foreign nation which is recognized by the national government of that nation (or by the government of one of the principal political subdivisions of that nation).

"(7) A post of the Sons of Veterans Reserve.

"(b)(1) Subject to paragraph (2), the Secretary concerned may exchange items described in subsection (c) that are not needed by the armed forces for similar items held by any individual, organization, institution, agency, or nation.

"(2) The Secretary concerned may not make an exchange under paragraph (1) unless the monetary value of property transferred to the United States under the exchange is not less than the value of the property transferred by the United States. The Secretary concerned may waive the limitation in the preceding sentence in any case in which the Secretary determines that the item to be received by the United States in the exchange will significantly enhance the historical collection of the property administered by the Secretary.

"(c) This section applies to the following types of property held by a military department or the Coast Guard: books, manuscripts, works of art, historical artifacts, drawings, plans, models, and condemned or obsolete combat materiel.

"(d)(1) A loan or gift made under this section shall be subject to regulations prescribed by the Secretary concerned and to regulations under section 205 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 486).

"(2) The United States may not incur any expense in connection with a loan or gift under subsection (a).".

(b) CLERICAL AMENDMENT.—The item relating to such section in the table of sections at the beginning of chapter 153 of such title is amended to read as follows:

"2572. Documents, historical artifacts, and condemned or obsolete combat materiel: loan, gift, or exchange.".

SEC. 325. QUALIFICATIONS FOR HEAD OF AUDITING FUNCTION IN MILITARY DEPARTMENTS

(a) DEPARTMENT OF THE ARMY.—Section 3014(c) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(5) The head of the office or other entity established or designated by the Secretary to conduct the auditing function shall have at least five years of professional experience in accounting or auditing. The position shall be considered to be a career reserved position as defined in section 3132(a)(8) of title 5.".

(b) DEPARTMENT OF THE NAVY.—Section 5014(c) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(5)(A) The head of the office or other entity established or designated by the Secretary to conduct the auditing function shall have at least five years of professional experience in accounting or auditing. The position shall be considered to be a career reserved position as defined in section 3132(a)(8) of title 5.

"(B) The position of regional director within such office or entity, and any other position within such office or entity the primary responsibilities of which are to carry out supervisory functions, may not be held by a member of the armed forces on active duty.".

(c) DEPARTMENT OF THE AIR FORCE.—Section 8014(c) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(5) The head of the office or other entity established or designated by the Secretary to conduct the auditing function shall have at least five years of professional experience in accounting or auditing. The position shall be considered to be a career reserved position as defined in section 3132(a)(8) of title 5.".

(d) EFFECTIVE DATES.—(1) The requirements of sections 3014(c)(5), 5014(c)(5)(A), and 8014(c)(5) of title 10, United States Code (as added by subsections (a), (b), and (c), respectively), shall apply with respect to any person appointed on or after the date of the enactment of this Act as the head of the office or other entity designated for conducting the auditing function in a military department.

(2) Subparagraph (B) of section 5014(c)(5) of title 10, United States Code (as added by

subsection (b)), shall take effect at the end of the one-year period beginning on the date of the enactment of this Act.

SEC. 326. PROHIBITION ON CERTAIN DEPOT MAINTENANCE WORKLOAD COMPETITIONS

(a) In General.—Chapter 146 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2466. Prohibition on certain depot maintenance workload competitions

"The Secretary of Defense may not require the Secretary of the Army or the Secretary of the Air Force, in selecting an entity to perform any depot maintenance workload, to carry out a competition for such selection—

"(1) between or among maintenance activities of the Department of the Army and the Department of the Air Force; or

"(2) between a maintenance activity of either such department and a private contractor.".

(b) Clerical Amendment.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2466. Prohibition on certain depot maintenance workload competitions.".

SEC. 327. REPORT ON MANPOWER, MOBILITY, SUSTAINABILITY, AND EQUIPMENT

(a) Report Requirement.—The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a comprehensive report on the readiness of the Armed Forces, in terms of manpower, mobility, sustainability, and equipment, to perform their assigned missions. The report shall be based on the manpower and other resources planned for the Armed Forces in the 1990-1991 biennial budget for the Department of Defense.

(b) Matters To Be Included in Report.—The Secretary shall include the following in the report required by subsection (a):

(1) A detailed analysis of trends in readiness and sustainability of the military forces of the United States over the five-year period 1985 to 1989 and, based on the current Five-Year Defense Program or other planning document approved by the Secretary, a projection of such trends over the succeeding five-year period.

(2) A detailed evaluation of the readiness and sustainability of the unified combatant commands and the specified combatant commands of the Armed Forces.

(3) A discussion of—

(A) the readiness and sustainability of the military forces of the United States in terms of the standards approved by the Secretary of Defense;

(B) the readiness and sustainability of allied forces of the United States; and

(C) the readiness and sustainability of potential enemy forces.

(4) A list of all improvements that need to be made in the readiness and sustainability of the manpower, mobility, and equipment of the Armed Forces to correct major shortfalls of the unified combatant commands and the specified combatant commands, the relative priority of each such improvement, and the estimated cost of each such improvement.

(5) Such other information regarding the readiness of the Armed Forces, in terms of manpower, mobility, sustainability, and equipment, as the Secretary considers appropriate.

(c) Priority for Improvements.—The relative priority of the improvements referred to in subsection (b)(4) shall be determined by the Secretary on the basis of the improvements necessary to ensure the ability of the Armed Forces to perform their assigned missions and the ability of the United States to meet its military commitments.

(d) Report Deadline.—The Secretary shall submit the report required by subsection (a), together with such comments and recommendations as the Secretary considers appropriate, not later then February 15, 1989.

SEC. 328. LEASE OF AIRCRAFT FOR FLEET ELECTRONIC WARFARE SUPPORT GROUP ACTIVITIES

The Secretary of the Navy may lease aircraft for Fleet Electronic Warfare Support Group activities in accordance with section 2401 of title 10, United States Code, if the cost of such a lease is less than the cost of operating and maintaining the same number of existing aircraft of the Navy for that purpose.

Part D—Contracting Out

SEC. 331. REQUIREMENTS FOR CERTAIN CIRCULAR A-76 PROCEDURES

(a) In General.—Chapter 146 of title 10, United States Code, as amended by section 326, is further amended by adding at the end the following new section:

"§ 2467. Cost comparisons: requirements with respect to retirement costs and consultation with employees

"(a) Requirement To Include Retirement Costs.—(1) In any comparison conducted by the Department of Defense under Office of Management and Budget Circular A-76 (or any successor administrative regulation or policy) of the cost of performing commercial activities by Department of Defense personnel and the cost of performing such activities by contractor personnel, the Secretary of Defense shall include retirement system costs (as described in paragraphs (2) and (3)) of both the Department of Defense and the contractor.

"(2) The retirement system costs of the Department of Defense shall include (to the extent applicable) the following:

"(A) The cost of the Federal Employees' Retirement System, valued by using the normal-cost percentage (as defined by section 8401(23) of title 5, United States Code).

"(B) The cost of the Civil Service Retirement System under subchapter III of chapter 83 of such title 5.

"(C) The cost of the thrift savings plan under subchapter III of chapter 84 of such title 5.

"(D) The cost of the old age, survivors, and disability insurance taxes imposed under section 3111(a) of the Internal Revenue Code of 1986.

"(3) The retirement system costs of the contractor shall include the cost of the old age, survivors, and disability insurance taxes imposed under section 3111(a) of the Internal Revenue Code of 1986, the cost of thrift or other retirement savings plans, and other relevant retirement costs.

"(b) Requirement To Consult DOD Employees.—(1) Each officer or employee of the Department of Defense responsible for determining under Office of Management and Budget Circular A-76 whether to convert to contractor performance any commercial activity of the Department—

"(A) shall, at least monthly during the development and preparation of the performance work statement and the management efficiency study used in making that determination, consult with civilian employees who will be affected by that determination and consider the views of such employees on the development and preparation of that statement and that study; and

"(B) may consult with such employees on other matters relating to that determination.

"(2)(A) In the case of employees represented by a labor organization accorded exclusive recognition under section 7111 of title 5, United States Code, consultation with representatives of that labor organization shall satisfy the consultation requirement in paragraph (1).

"(B) In the case of employees other than employees referred to in subparagraph (A), consultation with appropriate representatives of those employees shall satisfy the consultation requirement in paragraph (1).

"(3) The Secretary of Defense shall prescribe regulations to carry out this subsection. The regulations shall include provisions for the selection or designation of appropriate representatives of employees referred to in paragraph (2)(B) for purposes of consultation required by paragraph (1).".

(b) Clerical Amendment.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2467. Cost comparisons: requirements with respect to retirement costs and consultation with employees.".

SEC. 332. PERFORMANCE OF FIREFIGHTING AND SECURITY GUARD FUNCTIONS AT AMCHITKA, ALASKA

(a) Authority To Contract.—The Secretary of the Navy may contract for the performance of firefighting and security guard functions required by the Navy at the over-the-horizon radar site at Amchitka, Alaska.

(b) Inapplicability of Limitation on Use of Funds.—Section 2693 of title 10, United States Code, shall not apply with respect to the authority provided in subsection (a).

Part E—Defense Supplies Security and Control

SEC. 341. DEFENSE SUPPLY MANAGEMENT STUDIES AND MODERNIZATION PLAN

(a) Defense Inventory Security and Control Enhancement Study.—(1) The Secretary of Defense shall carry out a study to determine the effectiveness of Department of Defense procedures for ensuring security and control of supplies at Department of Defense depots.

(2)(A) Not later than 18 months after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the results of the study. The Secretary may submit the report in both classified and unclassified forms if the Secretary considers it necessary to do so in the interest of national security.

(B) The Secretary of Defense, at the same time as the Secretary submits the report to Congress under subparagraph (A), shall transmit a copy of the report to the Comptroller General of the United States.

(3) The Comptroller General shall—

(A) review the report transmitted by the Secretary of Defense under paragraph (2)(B); and

(B) submit to the Committees on Armed Services of the Senate and the House of Representatives, within 90 days after the date on which the Comptroller General receives such report, any findings and recommendations on procedures for ensuring the security and control of supplies at Department of Defense depots that the Comptroller General considers appropriate.

(b) Analysis of Sales of Surplus Munitions.—The Secretary of Defense shall—

(1) conduct a cost-benefit analysis of the practice of selling surplus Department of

Defense munitions to the public and to licensed dealers; and

(2) submit to the Committees on Armed Services of the Senate and the House of Representatives, not later than 180 days after the date of the enactment of this Act, a report containing a description and discussion of each such practice.

(c) SUPPLY TRACEABILITY ENHANCEMENT.—The Secretary of Defense shall—

(1) develop improved methods for the identification of and accounting for individual items of ammunition, explosives, and other Department of Defense supplies that are susceptible to pilferage; and

(2) submit to the Committees on Armed Services of the Senate and the House of Representatives, not later than one year after the date of the enactment of this Act, a report containing a description and discussion of each such method.

(d) SUPPLY SYSTEM MODERNIZATION PLAN.—The Secretary of Defense shall—

(1) prepare a plan for the modernization of the supply facilities and supply distribution procedures of each of the military departments and Defense Agencies of the Department of Defense; and

(2) not later than one year after the date of the enactment of this Act, transmit a copy of such plan to the Committees on Armed Services of the Senate and the House of Representatives.

SEC. 342. SUPPLY SECURITY AND CONTROL IMPROVEMENTS

(a) SECURITY AND CONTROL OF SUPPLIES: REPORTS, FUNDING, PROCEDURES.—(1) Part IV of subtitle A of title 10, United States Code, is amended by adding at the end the following new chapter:

"CHAPTER 171—SECURITY AND CONTROL OF SUPPLIES

"Sec.
"2891. Security and control of supplies: annual report.
"2892. Miscellaneous procedures.

"§ 2891. Security and control of supplies: annual report

"(a) The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report for each of fiscal years 1989, 1990, and 1991 on security and control of Department of Defense supplies. Each such report shall be submitted not later than four months after the end of the fiscal year for which the report is submitted.

"(b) Each report shall include the following:

"(1) A summary of each of the physical inventory program plans of the Department of Defense, the Defense Logistics Agency, and the military departments for the fiscal year in which the report is submitted.

"(2) A discussion of the deficiencies, if any, in the security and control of Department of Defense supplies in the fiscal year preceding the year in which the report is submitted and a discussion of the extent to which such deficiencies have been corrected.

"(3) A discussion of—

"(A) research and development projects carried out by the Department of Defense in such preceding fiscal year for the improvement of the inventory and recordkeeping capabilities of the Department;

"(B) any proposals for expeditious application of any new technology resulting from such projects; and

"(C) the budget needs for research and development for such purpose in the fiscal year in which the report is submitted and any subsequent fiscal year for which the budget needs have been determined.

"(4) The budget authority made available to the Department of Defense for inventory control functions in the fiscal year in which the report is submitted and in each of the five fiscal years preceding such fiscal year.

"(5) The budget authority proposed for such purpose in the budget submitted to Congress under section 1105 of title 31 for the fiscal year following the fiscal year in which the report is submitted.

"(6) The budget authority needed for such purpose in each of the five fiscal years following the fiscal year for which such budget is submitted.

"(7) An evaluation of the effectiveness of supply inventory control in the fiscal year preceding the fiscal year in which the report is submitted, the criteria used by the Secretary to make such evaluation, and the information considered by the Department in making the evaluation, including the value of supplies lost or stolen or for which accountability has otherwise been lost.

"(8) The aggregate statistics for all incidents of theft, fraud, or breach of security involving Department of Defense supplies that were investigated by military or civilian law enforcement agencies during the fiscal year preceding the fiscal year in which the report is submitted (including incidents involving munitions), a summary description of all such incidents (including the circumstances under which the incidents occurred), and the lessons learned by the Department of Defense from such incidents.

"§ 2892. Miscellaneous procedures

"(a) The Secretary of Defense shall require an investigation of each discrepancy in an accounting for supplies of the Department of Defense involving an amount exceeding the amount determined under procedures prescribed by the Secretary. The Secretary shall prescribe procedures that provide for random investigation of physical inventory discrepancies, regardless of the value of the property involved in the discrepancy.

"(b) The Secretary shall, to the extent feasible, require that the job function of supply ordering and the job function of supply receiving be performed by different offices and individuals.

"(c) The Secretary shall ensure—

"(1) that the employees of the Department of Defense and members of the armed forces assigned to manage Department of Defense supplies are skilled in the management of such supplies; and

"(2) that no employee of the Department of Defense and no member of the armed forces is assigned to perform such function for disciplinary reasons.".

(2) The tables of chapters at the beginning of such part and such subtitle are each amended by adding at the end the following new item:

"171. Security and Control of Supplies .... 2891".

(b) REPORT EXCEPTION.—The Secretary of Defense may omit in the report for any fiscal year under section 2891 of title 10, United States Code, as added by subsection (a), the information relating to any of fiscal years 1983 through 1988, described in subsection (b)(4) of such section, for which the Secretary determines that there are inadequate records.

SEC. 343. INVENTORY INVESTIGATIONS

(a) UNDERCOVER INVESTIGATIONS.—(1) Congress finds that the use of undercover investigative techniques by the Department of Defense enhances the ability of the Department of Defense to detect and investigate theft of Government property (including munitions) from the Department of Defense supply system.

(2) The Secretary of Defense is urged to continue to conduct undercover investigations to detect and investigate thefts referred to in paragraph (1).

(b) INVENTORY SECURITY INCIDENT REPOSITORY.—The Secretary of Defense shall establish and maintain a centralized computer system for recording and organizing information on theft, fraud, and breach of security and incidents involving the loss of Department of Defense supplies (including munitions).

SEC. 344. REPORTS TO THE SECRETARY OF THE TREASURY OF LOSSES OF MUNITIONS

(a) IN GENERAL.—Chapter 161 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2722. Theft or loss of ammunition, destructive devices, and explosives: report to Secretary of the Treasury

"(a) IN GENERAL.—The Secretary of Defense shall report the theft or other loss of any ammunition, destructive device, or explosive material from the stocks of the Department of Defense to the Secretary of the Treasury within 72 hours, if possible, after the discovery of such theft or loss.

"(b) EXCLUSION FOR CERTAIN ITEMS.—The Secretary of Defense may exclude from the reporting requirement under subsection (a) any item referred to in that subsection if—

"(1) the Secretary determines that the item represents a low risk of danger to the public and would be of minimal utility to any person who may illegally receive such item; and

"(2) the exclusion of such item is specified as being excluded from the reporting requirement in a memorandum of agreement between the Secretary of Defense and the Secretary of the Treasury.

"(c) DEFINITIONS.—In this section:

"(1) The term 'explosive material' means explosives, blasting agents, and detonators.

"(2) The terms 'destructive device' and 'ammunition' have the meanings given those terms by paragraphs (4) and (17), respectively, of section 921 of title 18.".

(b) CLERICAL AMENDMENTS.—(1) Chapter 161 of such title is further amended—

(A) by striking out the chapter heading at the beginning and inserting in lieu thereof the following:

"CHAPTER 161—PROPERTY RECORDS AND REPORT OF THEFT OR LOSS OF CERTAIN PROPERTY"

and

(B) by adding at the end of the table of sections at the beginning of such chapter the following new item:

"2722. Theft or loss of ammunition, destructive devices, and explosives: report to Secretary of the Treasury.".

(2) The tables of chapters at the beginning of part A, and at the beginning of part IV of part A, of such title are each amended by striking out the item relating to chapter 161 and inserting in lieu thereof the following:

"161. Property Records and Report of Theft or Loss of Certain Property........ 2721".

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect with respect to thefts and losses discovered more than 180 days after the date of the enactment of this Act.

Part F—Studies and Reports

SEC. 351. STUDY OF DEPARTMENT OF DEFENSE SAFETY STANDARDS FOR TRANSPORTATION OF HAZARDOUS MATERIALS

Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the adequacy of Department of Defense safety standards for the transportation of hazardous materials.

SEC. 352. REPORT ON THE USE OF DEGRADABLE PLASTIC ITEMS BY DEPARTMENT OF DEFENSE

(a) Study.—The Secretary of Defense shall conduct a study of the use of disposable plastic items by the Department of Defense during fiscal year 1989 in order to identify the types of such items used by the Department of Defense and to determine the approximate quantity of those items used annually by the Department of Defense and to identify which of those items are degradable and which are not degradable.

(b) Report.—Not later than March 1, 1990, the Secretary shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the results of the study required by subsection (a). The report shall include—

(1) recommendations of the Secretary concerning the feasibility of substituting degradable plastic items for nondegradable plastic items identified in the study that are needed by the Department of Defense; and

(2) a description of—

(A) the availability of degradable plastic items that are suitable substitutes for the nondegradable plastic items identified; and

(B) any additional cost to the United States that would result from conversion to the use of such degradable plastic items over the cost of continued use of the nondegradable plastic items.

SEC. 353. NAVY PARTICIPATION IN FEASIBILITY STUDY OF SUNSET HARBOR PROJECT, CALIFORNIA

(a) Required Funding.—The Secretary of the Navy shall obligate not less than $100,000 as the contribution by the Department of the Navy to the feasibility study by the Army Corps of Engineers of the Sunset Harbor Project, California, which was authorized by Public Law 99-662.

(b) Source of Funds.—For the purpose described in subsection (a), the Secretary of the Navy may use operation and maintenance funds appropriated to or for the use of the Department of the Navy for fiscal year 1989.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Part A—Active Forces

SEC. 401. END STRENGTHS FOR ACTIVE FORCES

The Armed Forces are authorized end strengths for active duty personnel as of September 30, 1989, as follows:

(1) The Army, 771,800, of which not more than 106,927 may be officers.

(2) The Navy, 593,200, of which not more than 72,610 may be officers.

(3) The Marine Corps, 197,200, of which not more than 20,120 may be officers.

(4) The Air Force, 575,100, of which not more than 105,038 may be officers.

SEC. 402. REPEAL OF MANDATORY REDUCTIONS IN STRENGTH OF ACTIVE DUTY OFFICER CORPS

(a) Public Law 99-661.—Section 403 of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661; 100 Stat. 3859) is amended by striking out the last line (relating to September 30, 1989) in the table in subsection (a).

(b) Public Law 100-180.—Section 402(c) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1081) is repealed.

(c) Limitations for Fiscal Year 1990.—(1) The number of officers serving on active duty (excluding officers in categories specified in paragraph (2)) as of September 30, 1990, may not exceed—

(A) in the case of the Army, 106,427; and

(B) in the case of the Air Force, 102,438.

(2) Officers in the categories described in section 403(b) of the National Defense Authorization Act for Fiscal Year 1987 shall be excluded in counting officers under this subsection.

SEC. 403. TEMPORARY REDUCTION IN NUMBER OF AIR FORCE COLONELS

The number of officers that (but for this section) would be authorized under section 523 of title 10, United States Code, and other applicable provisions of law to be serving on active duty in the Air Force in the grade of colonel during fiscal year 1989 is hereby reduced by 125, and the number of such officers that (but for this section) would be so authorized to be serving on active duty during fiscal year 1990 is hereby reduced by 250.

Part B—Reserve Forces

SEC. 411. END STRENGTHS FOR SELECTED RESERVE

(a) Authorization.—The Armed Forces are authorized strengths for Selected Reserve personnel of the reserve components as of September 30, 1989, as follows:

(1) The Army National Guard of the United States, 457,300.

(2) The Army Reserve, 320,600.

(3) The Naval Reserve, 152,600.

(4) The Marine Corps Reserve, 43,600.

(5) The Air National Guard of the United States, 115,200.

(6) The Air Force Reserve, 83,600.

(7) The Coast Guard Reserve, 13,000.

(b) Conforming Amendments.—(1) Section 411(c) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1082) is amended by striking out "or subsection (b)" and inserting in lieu thereof "or section 411(a) of the National Defense Authorization Act, Fiscal Year 1989".

(2) Section 411(d) of such Act is amended by striking out "subsections (a) and (b)" and inserting in lieu thereof "subsection (a) and by section 411(a) of the National Defense Authorization Act, Fiscal Year 1989".

SEC. 412. END STRENGTHS FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF THE RESERVES

Within the strengths prescribed in section 411, the reserve components of the Armed Forces are authorized, as of September 30, 1989, the following number of Reserves to be serving on full-time active duty or, in the case of members of the National Guard, full-time National Guard duty for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 25,725.

(2) The Army Reserve, 13,329.

(3) The Naval Reserve, 21,991.

(4) The Marine Corps Reserve, 1,945.

(5) The Air National Guard of the United States, 7,948.

(6) The Air Force Reserve, 657.

SEC. 413. CLARIFICATION OF APPLICABILITY OF PRIOR AMENDMENTS RELATING TO NUMBER OF MEMBERS IN CERTAIN GRADES AUTHORIZED TO BE ON ACTIVE DUTY IN SUPPORT OF THE RESERVES

The provisions of section 5 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1020) may not be construed as applying to the amendments made by subsections (a)(2) and (b)(2) of section 413 of such Act.

Part C—Military Training

SEC. 421. AUTHORIZATION OF TRAINING STUDENT LOADS

(a) In General.—For fiscal year 1989, the components of the Armed Forces are authorized average military training student loads as follows:

(1) The Army, 80,281.

(2) The Navy, 65,925.

(3) The Marine Corps, 18,064.

(4) The Air Force, 36,857.

(5) The Army National Guard of the United States, 19,561.

(6) The Army Reserve, 17,190.

(7) The Naval Reserve, 3,136.

(8) The Marine Corps Reserve, 3,459.

(9) The Air National Guard of the United States, 2,868.

(10) The Air Force Reserve, 1,827.

(b) Adjustments.—The average military student loads authorized in subsection (a) shall be adjusted consistent with the end strengths authorized in parts A and B. The Secretary of Defense shall prescribe the manner in which such adjustment shall be apportioned.

Part D—Authorization of Appropriations

SEC. 431. AUTHORIZATION OF APPROPRIATIONS FOR MILITARY PERSONNEL FOR FISCAL YEAR 1989

There is hereby authorized to be appropriated to the Secretary of Defense for military personnel for fiscal year 1989 a total of $78,461,000,000. The authorization in the preceding sentence supersedes any other authorization of appropriations (definite or indefinite) for such purpose for fiscal year 1989.

TITLE V—MILITARY PERSONNEL POLICY

Part A—Officer Personnel Policy

SEC. 501. SELECTION BOARDS

(a) Information Furnished to Boards.—Section 615 of title 10, United States Code, is amended—

(1) in subsection (a), by striking out clause (4) and inserting in lieu thereof the following:

"(4) information or guidelines relating to the needs of the armed force concerned for officers having particular skills, including guidelines or information relating to the need for either a minimum number or a maximum number of officers with particular skills within a competitive category;"; and

(2) by adding at the end the following new subsection:

"(c) Information or guidelines furnished to a selection board under subsection (a) may not be modified, withdrawn, or supplemented after the board submits the report to the Secretary of the military department concerned pursuant to section 617(a) of this title, except that, in the case of a report returned to a board pursuant to section 618(a)(2) of this title for further proceedings because of a determination by the Secretary of the military department concerned that the board acted contrary to law, regulation, or guidelines, the Secretary may modify, withdraw, or supplement such information or guidelines as part of a written explanation to the board as provided in that section.".

(b) RECOMMENDATIONS FOR PROMOTION.—Section 616(a) of such title is amended by inserting "(as noted in the guidelines or information furnished the board under section 615(a) of this title)" after "particular skills".

(c) REPORTS OF SELECTION BOARD.—Section 617(a)(2) of such title is amended by inserting "(as noted in the guidelines or information furnished the board under section 615(a) of this title)" after "concerned".

(d) ACTION ON REPORTS.—(1) Subsection (a) of section 618 of such title is amended to read as follows:

"(a)(1) Upon receipt of the report of a selection board submitted to him under section 617(a) of this title, the Secretary of the military department concerned shall review the report to determine whether the board has acted contrary to law or regulation or to guidelines furnished the board under section 615(a) of this title. Following such review, unless the Secretary concerned makes a determination as described in paragraph (2), the Secretary shall submit the report as required by subsection (b) or (c), as appropriate.

"(2) If, on the basis of a review of the report under paragraph (1), the Secretary of the military department concerned determines that the board acted contrary to law or regulation or to guidelines furnished the board under section 615(a) of this title, the Secretary shall return the report, together with a written explanation of the basis for such determination, to the board for further proceedings. Upon receipt of a report returned by the Secretary concerned under this paragraph, the selection board (or a subsequent selection board convened under section 611(a) of this title for the same grade and competitive category) shall conduct such proceedings as may be necessary in order to revise the report to be consistent with law, regulation, and such guidelines and shall resubmit the report, as revised, to the Secretary in accordance with section 617 of this title.".

(2) Subsection (c)(1) of such section is amended—

(A) by striking out ", modification,"; and

(B) by adding at the end the following: "If the authority of the President under this paragraph to approve or disapprove the report of a selection board is delegated to the Secretary of Defense, it may not be redelegated except to an official in the Office of the Secretary of Defense.".

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect 60 days after the date of the enactment of this Act and shall apply with respect to selection boards convened under section 611(a) of title 10, United States Code, on or after that effective date.

SEC. 502. REMOVAL FROM PROMOTION LIST

(a) AUTHORITY TO REMOVE.—The first sentence of section 5905(a) of title 10, United States Code, is amended to read as follows: "The President may remove the name of any reserve officer from a promotion list established under this chapter.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to removal actions taken by the President on or after the date of the enactment of this Act.

SEC. 503. SELECTIVE EARLY RETIREMENT FOR CERTAIN PRE-DOPMA NAVY AND MARINE CORPS OFFICERS

(a) CONFORMANCE TO ARMY AND AIR FORCE PROVISIONS.—Subsection (a)(2) of section 613 of the Defense Officer Personnel Management Act (Public Law 96-513; 10 U.S.C. 611 note) is amended—

(1) by striking out "or" at the end of clause (B);

(2) by striking out the period at the end of clause (C) and inserting in lieu thereof "; or"; and

(3) by adding at the end the following new clause:

"(D) selected for early retirement under section 638 of title 10, United States Code.".

(b) TECHNICAL AMENDMENTS.—Such section is further amended—

(1) by striking out "on the effective date of this Act" in the matter in subsection (a)(1) preceding clause (A) and inserting in lieu thereof "on September 15, 1981"; and

(2) by striking out "on the day before the effective date of this Act" each place it appears in such section and inserting in lieu thereof "on September 14, 1981".

SEC. 504. TECHNICAL REVISION OF SECTION 638 OF TITLE 10, UNITED STATES CODE

Subsection (a) of section 638 of title 10, United States Code, is amended to read as follows:

"(a)(1) A regular officer on the active-duty list of the Army, Navy, Air Force, or Marine Corps may be considered for selective early retirement by a selection board convened under section 611(b) of this title if the officer is described in any of subparagraphs (A) through (D) as follows:

"(A) An officer holding the regular grade of lieutenant colonel or commander who has failed of selection for promotion to the grade of colonel or, in the case of an officer of the Navy, captain two or more times and whose name is not on a list of officers recommended for promotion.

"(B) An officer holding the regular grade of colonel or, in the case of an officer of the Navy, captain who has served at least four years of active duty in that grade and whose name is not on a list of officers recommended for promotion.

"(C) An officer holding the regular grade of brigadier general or rear admiral (lower half) who has served at least three and one-half years of active duty in that grade and whose name is not on a list of officers recommended for promotion.

"(D) An officer holding the regular grade of major general or rear admiral who has served at least three and one-half years of active duty in that grade.

"(2) The Secretary of the military department concerned shall specify the number of officers described in paragraphs (1)(A) and (1)(B) which a selection board convened under section 611(b) of this title may recommend for early retirement. Such number may not be more than 30 percent of the number of officers considered in each grade in each competitive category.".

PART B—JOINT OFFICER PERSONNEL POLICY

SEC. 511. WAIVER AUTHORITY WITH RESPECT TO SELECTION OF OFFICERS FOR THE JOINT SPECIALTY

The last sentence of section 661(c)(3)(D) of title 10, United States Code, is amended—

(1) by inserting "for officers in the same pay grade" after "under this paragraph";

(2) by striking out "5 percent" and inserting in lieu thereof "10 percent"; and

(3) by inserting "in that pay grade" after "number of officers".

SEC. 512. JOINT SPECIALTY OFFICERS IN CRITICAL JOINT DUTY ASSIGNMENTS

(a) FLEXIBILITY FOR CRITICAL JOINT DUTY ASSIGNMENT POSITIONS.—Section 661(d)(2) of title 10, United States Code, is amended—

(1) by inserting "(A)" after "(2)";

(2) by striking out the last sentence; and

(3) by adding at the end the following:

"(B) Until January 1, 1994, at least 80 percent of the positions designated by the Secretary under subparagraph (A) shall be held at all times by officers who have the joint specialty. On and after January 1, 1994, each position so designated may (subject to subparagraph (C)) be held only by an officer who has the joint specialty.

"(C) The Secretary of Defense may, on a case-by-case basis, waive the requirement in the second sentence of subparagraph (B) with respect to a particular assignment of an officer to a position designated as a critical joint duty assignment position. The authority of the Secretary to make such a waiver may be delegated only to the Chairman of the Joint Chiefs of Staff.

"(D) During the period beginning on October 1, 1992, and ending on January 1, 1993, the Secretary of Defense shall submit to Congress a report on the operation, to the date of the report, of the first sentence of subparagraph (B) and on the Secretary's projection for the use of the waiver authority provided under subparagraph (C), including the Secretary's estimate of the average annual number of waivers to be provided under subparagraph (C).".

(b) REVISION OF ANNUAL REPORT.—Section 667 of such title is amended—

(1) by redesignating paragraph (16) as paragraph (17); and

(2) inserting after paragraph (15) the following new paragraph:

"(16) During the period of the applicability of the first sentence of subparagraph (B) of section 661(d)(2) of this title, information on critical positions not filled by officers with the joint specialty, including—

"(A) a listing by organization of the joint duty assignment positions which were not filled by officers with the joint specialty;

"(B) an explanation of the reasons such positions were not filled by officers with the joint specialty, described by the categories of such reasons; and

"(C) the percentage of critical joint duty assignment positions held by officers who have the joint specialty.".

SEC. 513. PROMOTION POLICY OBJECTIVES FOR OFFICERS WITH THE JOINT SPECIALTY

Section 662(a) of title 10, United States Code, is amended by inserting "to the next higher grade" in paragraphs (1) and (3) after "promoted".

SEC. 514. LENGTH OF JOINT DUTY ASSIGNMENTS

Section 664 of title 10, United States Code, is amended as follows:

(1) Subsection (a) is amended—

(A) by striking out "three years" in paragraph (1) and inserting in lieu thereof "two years"; and

(B) by striking out "three and one-half years" in paragraph (2) and inserting in lieu thereof "three years".

(2) Subsection (c)(1) is amended—

(A) by striking out "has been" and inserting in lieu thereof "is"; and

(B) by striking out "before such assignment begins".

(3) Subsection (d)(2) is amended by inserting "which is less than the applicable standard prescribed in subsection (a)" after "Hawaii".

(4) Subsection (f) is amended—

(A) by striking out "or" at the end of paragraph (2);

(B) by striking out the period at the end of paragraph (3) and inserting in lieu a semicolon; and

(C) by adding at the end the following new paragraphs:

"(4) a joint duty assignment outside the United States or in Alaska or Hawaii for which the normal accompanied-by-dependents tour of duty is prescribed by regulation to be at least two years in length, if the officer served in the assignment for a period equivalent to the accompanied-by-dependents tour length (except that not more than 6 percent of all joint duty assignments may be considered to be under this paragraph at any time); or

"(5) a joint duty assignment with respect to which the Secretary of Defense has granted a waiver under subsection (b), but only in a case in which the Secretary determines that the service completed by that officer in that duty assignment shall be considered to be a full tour of duty in a joint duty assignment.".

(5) Subsection (g)(3) is amended by striking out "shall be excluded—" and all that follows in that subsection and inserting in lieu thereof "shall be excluded if the officer served less than 10 months in that assignment.".

(6) Such section is further amended by adding at the end the following new subsection:

"(h) CONSTRUCTIVE CREDIT.—(1) The Secretary of Defense may accord constructive credit in the case of an officer (other than a general or flag officer) who, for reasons of military necessity, is reassigned from a joint duty assignment within 60 days of meeting the tour length criteria prescribed in subsection (f)(1), (f)(2), (f)(4), or (g)(2). The amount of constructive service that may be credited to such officer shall be the amount sufficient for the completion of the applicable tour of duty requirement, but in no case more than 60 days.

"(2) For the purpose of computing under subsection (e) the average length of joint duty assignments during a fiscal year, the amount of any constructive service credited under this subsection with respect to a joint duty assignment to be counted in that computation shall be excluded.

"(3) This subsection shall not apply in the case of an officer who serves less than 10 months in the joint duty assignment.".

SEC. 515. ADDITIONAL TRANSITION PROVISIONS FOR IMPLEMENTATION OF PREREQUISITE FOR PROMOTION TO INITIAL FLAG AND GENERAL OFFICER GRADE

(a) NAVY NUCLEAR PROPULSION OFFICERS.—(1) Section 619(e) of title 10, United States Code, is amended—

(A) by striking out "January 1, 1992" in the second sentence of paragraph (1) and inserting in lieu thereof "January 1, 1994"; and

(B) by adding at the end the following new paragraph:

"(5) Not later than March 1 of each year from 1989 through 1994, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the implementation during the preceding calendar year of the transition plan developed by the Secretary pursuant to section 1305(b) of Public Law 100-180 (101 Stat. 1173) with respect to service by qualified nuclear propulsion officers in joint duty assignments.".

(2) Section 1305(b) of Public Law 100-180 is amended by striking out "January 1, 1992" each place it appears and inserting in lieu thereof "January 1, 1994".

(3) The Secretary of Defense, after consultation with the Chairman of the Joint Chiefs of Staff, shall revise the transition plan developed pursuant to section 1305(b) of Public Law 100-180 to take account of the amendments made by paragraphs (1) and (2). The Secretary shall include with the first report of the Secretary under section 619(e)(5) of title 10, United States Code, as added by paragraph (1)(B), a report on the actions of the Secretary in revising such transition plan.

(b) WAIVER AUTHORITY.—(1) Paragraph (2) of section 619(e) of title 10, United States Code, is amended—

(A) by striking out "and" at the end of subparagraph (C); and

(B) by striking out subparagraph (D) and inserting in lieu thereof the following:

"(D) in the case of an officer who served in a joint duty assignment that began before January 1, 1987, if the officer served in that assignment for a period of sufficient duration (which may not be less than 12 months) for his service to have been considered a full tour of duty under the policies and regulations in effect on September 30, 1986; and

"(E) until January 1, 1994, in the case of an officer who—

"(i) served in an assignment (other than a joint duty assignment) that began before October 1, 1986, and that involved significant experience in joint matters (as determined by the Secretary) if the officer served in that assignment for a period of sufficient duration (which may not be less than 12 months) for his service to have been considered a full tour of duty under the policies and regulations in effect on September 30, 1986; or

"(ii) served in a joint duty assignment for not less than two years during which the officer is selected for promotion to the grade of brigadier general or rear admiral (lower half).".

(2) Paragraph (3)(C) of such section is amended by striking out "paragraph (2)(B), (2)(C), or (2)(D)" and inserting in lieu thereof "paragraph (2) (other than under subparagraph (A) of that paragraph)".

SEC. 516. EXTENSION OF TRANSITION TO JOINT DUTY ASSIGNMENT STAFFING REQUIREMENTS

(a) GENERAL EXTENSION.—Subsection (a) of section 406 of the Goldwater-Nichols Department of Defense Reorganization Act of 1986 (Public Law 99-433; 100 Stat. 1033) is amended to read as follows:

"(a) JOINT DUTY ASSIGNMENTS.—(1) Section 661(d) of title 10, United States Code, shall be implemented as rapidly as possible and (except as provided under paragraph (2)) not later than October 1, 1989.

"(2) The first sentence of section 661(d)(2)(B) of such title shall apply with respect to positions designated under the first sentence of section 661(d)(2)(A) of that title as critical joint duty assignment positions which become vacant after January 1, 1989.".

(b) TRANSITION.—Subsection (b)(1)(B) of such section is amended by striking out clauses (ii) and (iii) and inserting in lieu thereof the following:

"(ii) waive the requirement for the length of a joint duty assignment in the case of a joint duty assignment begun by an officer before January 1, 1987, if the officer served in that assignment for a period of sufficient duration (which may not be less than 12 months) to have been considered a full tour of duty under the policies and regulations in effect on September 30, 1986; or

"(iii) consider as a joint duty assignment any tour of duty begun by an officer before October 1, 1986, that involved significant experience in joint matters (as determined by the Secretary) if the officer served in that assignment for a period of sufficient duration (which may not be less than 12 months) for his service to have been considered a full tour of duty under the policies and regulations in effect on September 30, 1986.".

(c) DEADLINE FOR INITIAL SELECTION OF OFFICERS FOR THE JOINT SPECIALTY.—Subsection (b)(3) of such section is amended by striking out "two years after the date of the enactment of this Act" and inserting in lieu thereof "on October 1, 1989".

SEC. 517. COUNTING OF OFFICERS WITH CRITICAL OCCUPATIONAL SPECIALTY INVOLVING COMBAT OPERATIONS FOR PURPOSES OF JOINT DUTY ASSIGNMENT STAFFING AND TOUR LENGTHS

(a) STAFFING.—Section 661(d)(4) of title 10, United States Code, is amended by striking out "one-third" and inserting in lieu thereof "25 percent".

(b) TOUR LENGTHS.—Section 664(e)(2) of such title is amended by striking out "10 percent" and inserting in lieu thereof "12½ percent".

SEC. 518. SERVICE BY CAPTAINS AND NAVY LIEUTENANTS IN JOINT DUTY ASSIGNMENT TO BE COUNTED FOR ALL OFFICER PERSONNEL LAWS CONCERNING SUCH SERVICE

Section 661 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(f) TREATMENT OF CERTAIN SERVICE.—Any service by an officer in the grade of captain or, in the case of the Navy, lieutenant in a joint duty assignment shall be considered to be service in a joint duty assignment for purposes of all laws (including section 619(e)(1) of this title) establishing a requirement or condition with respect to an officer's service in a joint duty assignment.".

SEC. 519. TECHNICAL AMENDMENTS

(a) AMENDMENTS RELATING TO JOINT DUTY ASSIGNMENTS.—(1) Section 154(b)(1)(B) of title 10, United States Code, is amended by striking out "served in at least one joint duty assignment (as defined under section 668(b) of this title)" and inserting in lieu thereof "completed a full tour of duty in a joint duty assignment (as defined in section 664(f) of this title)".

(2) Section 164(a)(1)(B) of such title is amended by striking out "served in at least one joint duty assignment (as defined under section 668(b) of this title)" and inserting in lieu thereof "completed a full tour of duty in a joint duty assignment (as defined in section 664(f) of this title)".

(3) Sections 3033(a)(2)(B), 5033(a)(2)(B), 5043(a)(2)(B), and 8033(a)(2)(B) of such title are amended by striking out "joint duty assignment" and inserting in lieu thereof "full tour of duty in a joint duty assignment (as defined in section 664(f) of this title)".

(b) CORRECTION OF ERRONEOUS SUBSECTION DESIGNATION.—Section 668 of such title is amended by redesignating subsection (f) as subsection (c).

PART C—MISCELLANEOUS

SEC. 521. TESTING OF NEW ENTRANTS FOR DRUG AND ALCOHOL ABUSE

(a) REVISION OF MANDATORY TESTING PROGRAM.—(1) Section 978 of title 10, United States Code, is amended to read as follows:

"§ 978. Drug and alcohol abuse and dependency: testing of new entrants

"(a)(1) Except as provided in paragraph (2), the Secretary concerned shall require each member of the armed forces under the Secretary's jurisdiction, within 72 hours after the member's initial entry on active duty after enlistment or appointment, to—

"(A) undergo testing (by practicable, scientifically supported means) for drug and alcohol use; and

"(B) be evaluated for drug and alcohol dependency.

"(2) The Secretary concerned shall require an applicant for appointment as a cadet or midshipman to undergo the testing and evaluation described in paragraph (1) during the physical examination given the applicant before such appointment. The Secretary concerned shall require a person to whom a commission is offered under section 2106 of this title following completion of the program of advanced training under the Reserve Officers' Training Corps program to undergo such testing and evaluation during the precommissioning physical examination given such person.

"(b) A person who refuses to consent to testing and evaluation required by subsection (a) may not be retained in the armed forces, and any original appointment of such person as an officer shall be terminated, unless that person consents to such testing and evaluation.

"(c)(1) The enlistment or appointment of a person who is determined, as a result of an evaluation conducted under subsection (a)(1)(B), to be dependent on drugs or alcohol at the time of such enlistment or appointment shall be void.

"(2) A person whose enlistment or appointment is voided under paragraph (1) shall be referred to a civilian treatment facility.

"(d) The testing and evaluation required by subsection (a) shall be carried out under regulations prescribed by the Secretary of Defense in consultation with the Secretary of Transportation. Those regulations shall apply uniformly throughout the armed forces.

"(e) In time of war, or time of emergency declared by Congress or the President, the President may suspend the provisions of subsection (a).".

(2) The item relating to that section in the table of sections at the beginning of chapter 49 of such title is amended to read as follows:

"978. Drug and alcohol abuse and dependency: testing of new entrants.".

(b) REGULATIONS.—The Secretary of Defense shall prescribe regulations for the implementation of section 978 of title 10, United States Code, as amended by subsection (a), not later than 60 days after the date of the enactment of this Act.

(c) EFFECTIVE DATE.—The testing and evaluation program prescribed by that section shall be implemented not later than October 1, 1989.

(d) CONFORMING AMENDMENT.—Section 513(b)(2) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1091) is repealed.

SEC. 522. REQUIREMENT TO ACCEPT PERSONS ENLISTING IN THE AIR FORCE ON GENDER-FREE BASIS

(a) REQUIREMENT.—(1) Chapter 833 of title 10, United States Code, is amended by inserting after section 8251 the following new section:

"§ 8252. Regular Air Force: gender-free basis for acceptance of original enlistments

"(a) Except as provided in subsection (b), in accepting persons for original enlistment in the Regular Air Force, the Secretary of the Air Force may not—

"(1) set a minimum or maximum percentage of persons who may be accepted for such an enlistment according to gender for skill categories or jobs; or

"(2) in any other way base the acceptance of a person for such an enlistment on gender.

"(b) Subsection (a) shall not apply with respect to an enlistment specified as being for training leading to designation in a skill category involving duty assignments to which, under section 8549 of this title, female members of the Air Force may not be assigned.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 8251 the following new item:

"8252. Regular Air Force: gender-free basis for acceptance of original enlistments.".

(b) IMPLEMENTATION.—The Secretary of the Air Force shall develop a methodology for implementing section 8252 of title 10, United States Code, as added by subsection (a), not later than October 1, 1989.

(c) EFFECTIVE DATE.—Such section shall apply with respect to persons accepted for original enlistment in the Regular Air Force after September 30, 1989.

(d) REPEAL OF FY 89 REQUIREMENT FOR SPECIFIED PERCENTAGE OF AIR FORCE ENLISTEES TO BE WOMEN.—Section 551(a) of the Department of Defense Authorization Act, 1985 (10 U.S.C. 8251 note), is repealed.

SEC. 523. MILITARY EDUCATION FOR ARMY NATIONAL GUARD CIVILIAN TECHNICIANS

(a) PHASE-OUT OF PROGRAM REQUIRING OUT-OF-STATE TRAINING.—A civilian technician of the Army National Guard whose military occupational specialty has been approved by the Secretary of the Army in accordance with subsection (b) for training under the Reserve Component Noncommissioned Officers Education Program by an appropriate National Guard school (as defined in subsection (f)) shall, if such technician is not already qualified in that military occupational specialty, receive military training in that military occupational specialty through that school rather than through the Military Education Program.

(b) APPROVAL OF STATE COURSES.—(1) Each National Guard school which receives from the Department of the Army a training program for National Guard training for a military occupational specialty as part of the Reserve Component Noncommissioned Officers Education Program shall implement that training program by the end of the 45-day period beginning on the receipt of such program by the school or as soon thereafter as feasible. The Secretary of the Army shall, not later than 45 days after any such school notifies the Secretary that it has implemented such a training program, determine whether or not such school has properly implemented such program. Upon the approval by the Secretary of the implementation of such program by such school, subsection (a) shall apply with respect to military education of civilian technicians of the Army National Guard of that State in the applicable military occupational specialty.

(2) In the case of a National Guard school for which a program has not been approved under paragraph (1) with respect to a military occupational specialty, the Secretary of the Army may, subject to subsection (d), require a civilian technician of the Army National Guard in that State with that military occupational specialty to receive training through the Military Education Program.

(c) SPECIAL RULE FOR LEADERSHIP TRAINING.—A civilian technician of the Army National Guard who is required by the National Guard Bureau to receive leadership training through courses known as Primary Leadership Development courses shall receive such training through the appropriate State National Guard school.

(d) TRANSITION.—In the case of a civilian technician of the Army National Guard for whose military occupational specialty there is not, as of the date of the enactment of this Act, a program of training approved under subsection (b) for an appropriate National Guard school, the technician shall, at his request, be given the Skill Qualification Test appropriate for his military occupational specialty and skill level. If the technician passes the test and, if necessary for his military occupational specialty, successfully completes the Army National Guard Battle Skills Course for the appropriate grade, the Secretary of the Army may not require the technician to receive training through the existing Military Education Program and may not reduce the technician in military grade, or deny the technician a military promotion, by reason of failure to receive training through the Military Education Program.

(e) REPORT.—The Secretary of the Army shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the implementation of the Reserve Component Noncommissioned Officers Education Program. The report shall discuss the implementation of such program at each State National Guard school and shall explain, in any case in which the implementation of a training program has not been approved under subsection (b), the reasons for the withholding of such approval. Such report shall be submitted not later than December 31, 1988.

(f) DEFINITIONS.—For purposes of this section:

(1) The term "National Guard school", with respect to a civilian technician, means a National Guard school of that technician's State, or (2) a regional National Guard school designated by the Secretary of the Army for the region including that technician's State.

(2) The term "State" includes the District of Columbia and any commonwealth, territory, or possession of the United States.

SEC. 524. EXPANSION OF MILITARY SPOUSE EMPLOYMENT PREFERENCE

Section 806(b)(2) of the Military Family Act of 1985 (10 U.S.C. 113 note) is amended—

(1) by striking out "hiring" the first place it appears;

(2) by inserting "civilian" before "position" the first place it appears; and

(3) by striking out "above Grade GS-1 (or its equivalent)".

SEC. 525. MANPOWER ESTIMATES FOR MAJOR DEFENSE ACQUISITION PROGRAMS

Section 2434 of title 10, United States Code, is amended—

(1) in subsection (a)(2), by striking out "90 days" and inserting in lieu thereof "30 days";

(2) by redesignating subsection (b) as subsection (c) and in paragraph (3)(A) of that subsection striking out "both in total personnel and" and inserting in lieu thereof "in total personnel or in"; and

(3) by inserting after subsection (a) the following new subsection (b):

"(b) EXCEPTIONS.—(1) Subsection (a)(2) shall not apply during time of war or during a national emergency declared by Congress or the President.

"(2) The 30-day period specified in subsection (a)(2) shall be reduced to 10 days in the case of a major defense acquisition program if the manpower estimate submitted by the Secretary of Defense under subsection (a)(2) with respect to that program indicates that no increase in military or civilian personnel end strengths described in subsection (c)(3)(B) will be required.".

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

PART A—PAY AND ALLOWANCES

SEC. 601. MILITARY PAY RAISE FOR FISCAL YEAR 1989

(a) WAIVER OF SECTION 1009 ADJUSTMENT.—Any adjustment required by section 1009 of title 37, United States Code, in elements of compensation of members of the uniformed services to become effective during fiscal year 1989 shall not be made.

(b) INCREASE IN BASIC PAY AND BAS.—The rates of basic pay and basic allowance for subsistence of members of the uniformed services are increased by 4.1 percent effective on January 1, 1989.

(c) INCREASE IN BAQ.—(1) The rates of basic allowance for quarters for members of the uniformed services are increased by 7 percent effective on January 1, 1989.

(2) The President may allocate the increase in the rates of basic allowance for quarters provided in paragraph (1) among pay grades and dependency categories so that the resulting rates of basic allowance for quarters, expressed in the case of each such rate as a percentage determined under paragraph (3), are as nearly as practicable the same.

(3) The percentage of the rate of basic allowance for quarters for any pay grade and dependency status to be applied for the purpose of paragraph (2) is the percentage that results from dividing such rate by the national median cost of housing (as determined by the Secretary of Defense) for members of that pay grade and dependency status.

(4) An allocation under paragraph (2) may not reduce the rate of basic allowance for quarters for members in any pay grade and dependency status below the rate in effect with respect to such members on December 31, 1988.

(5) The Secretary of Defense may establish separate rates of basic allowance for quarters for commissioned officers credited with over four years of active service as enlisted members or warrant officers.

(d) INCREASE IN CADET AND MIDSHIPMAN PAY.—Effective January 1, 1989, section 203(c)(1) of title 37, United States Code, is amended by striking out "$504.30" and inserting in lieu thereof "$525".

SEC. 602. ALLOWANCE FOR TRANSPORTATION OF HOUSEHOLD GOODS

(a) ALLOWANCE.—Section 406(b)(1) of title 37, United States Code, is amended—

(1) by striking out "within such weight allowances prescribed by the Secretaries concerned" in subparagraph (A) and inserting in lieu thereof "within the weight allowances listed in subparagraph (C)"; and

(2) by adding at the end the following new subparagraph:

"(C) Under regulations prescribed by the Secretary of Defense, the weight allowance to which a member is entitled under subparagraph (A) is determined in accordance with the following table:

"Pay Grade	*Without Dependents*	*With Dependents*
O-10 to O-6.	*18,000*	*18,000*
O-5	*16,000*	*17,500*
O-4	*14,000*	*17,000*
O-3	*13,000*	*14,500*
O-2	*12,500*	*13,500*
O-1	*10,000*	*12,000*
W-4........	*14,000*	*17,000*
W-3........	*13,000*	*14,500*
W-2........	*12,500*	*13,500*
W-1........	*10,000*	*12,000*
E-9..........	*12,000*	*14,500*
E-8..........	*11,000*	*13,500*
E-7..........	*10,500*	*12,500*
E-6..........	*8,000*	*11,000*
E-5..........	*7,000*	*9,000*
E-4[1]	*7,000*	*8,000*
E-4[2]	*3,500*	*7,000*
E-3..........	*2,000*	*5,000*
E-2..........	*1,500*	*5,000*
E-1..........	*1,500*	*5,000*

[1] Member with more than two years of service computed under section 205 of this title.

[2] Member with less than two years of service computed under section 205 of this title".

(b) EFFECTIVE DATE.—The weight allowances in section 406(b)(1)(C) of title 37, United States Code (as added by subsection (a)), shall apply with respect to transportation of baggage and household effects occurring after June 30, 1989.

PART B—SPECIAL PAY FOR CRITICAL PERSONNEL

SEC. 611. AVIATOR RETENTION BONUS

(a) BONUS AUTHORIZED.—(1) An aviation officer described in subsection (b) who, during the period beginning on January 1, 1989, and ending on September 30, 1989, executes a written agreement to remain on active duty in aviation service for at least one year may, upon the acceptance of the written agreement by the Secretary concerned, be paid a retention bonus as provided in this section.

(2) The amount of such bonus shall be not more than—

(A) $12,000 for each year covered by the agreement, if the officer agrees to remain on active duty to complete 14 years of commissioned service; or

(B) $6,000 for each year covered by the agreement, if the officer agrees to remain on active duty for one or two years.

(3) The term of the agreement and the amount of payment may be prorated as long as an agreement under this section does not extend beyond the date on which the officer would complete 14 years of commissioned service.

(4) Upon the officer's acceptance of the agreement, the total amount payable becomes fixed and may be paid in either a lump sum or in installments.

(b) COVERED OFFICERS.—(1) This section applies to an officer of a uniformed service who—

(A) is entitled to aviation career incentive pay under section 301a of title 37, United States Code;

(B) is in a pay grade below pay grade O-6;

(C) is qualified to perform operational flying duty;

(D) has completed at least six but less than 13 years of active duty;

(E) has completed any active duty service commitment incurred for undergraduate aviator training; and

(F) is in an aviation specialty designated by the Secretary concerned, and approved by the Secretary of Defense or by the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, as critical.

(2) For purposes of paragraph (1)(F), an aviation specialty shall be considered subject to designation as critical when there exists a current shortage of officers in that specialty.

(c) ADDITIONAL PAY.—A retention bonus under this section is in addition to any other pay and allowances to which an officer is entitled.

(d) REFUNDS.—(1) Refunds shall be required, on a pro rata basis, of sums paid under this section if the officer who has received the payment fails to complete the total period of active duty specified in the agreement, as conditions and circumstances warrant.

(2) An obligation to reimburse the United States imposed under paragraph (1) is for all purposes a debt owed to the United States.

(3) A discharge in bankruptcy under title 11, United States Code, that is entered less than 5 years after the termination of an agreement under this section does not discharge the member signing such agreement from a debt arising under such agreement or under paragraph (1). This paragraph applies to any case commenced under title 11, United States Code, after January 1, 1989.

(e) CERTAIN PAY AGREEMENTS PROHIBITED.—An agreement for special pay under section 301b of title 37, United States Code, may not be accepted by the Secretary of Defense after December 31, 1988.

(f) REGULATIONS.—This section shall be administered under regulations prescribed by the Secretaries concerned and approved by the Secretary of Defense or the Secretary of Transportation, as appropriate.

(g) DEFINITIONS.—In this section:

(1) The term "aviation service" means the service performed by an officer holding an aeronautical rating or designation (except a flight surgeon or other medical officer).

(2) The term "aviation specialty" means a community of pilots or other designated aeronautical officers identified by type of aircraft or weapon system.

(3) The term "operational flying duty" has the meaning given such term by clause (6) of section 301a(a) of title 37, United States Code.

(4) The terms "grade", "member", "pay", "Secretary concerned", and "uniformed services" have the meanings given those terms by section 101 of title 37, United States Code.

(h) REPORTS.—(1) Not later than November 15, 1988, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report describing the manner in which the authority provided in this section is to be used. The report shall include a description of the relative level of payments between officers with various amounts of aviation service by aviation specialty.

(2) Not later than December 1, 1988, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a comprehensive report on the retention of aviators in the Armed Forces. The report shall include, at a minimum, the following:

(A) An analysis of aviator requirements and inventories (current and projected) of the Armed Forces by grade and years of service, including a list of those aviators who

are assigned to duty other than operational flying duty and a justification for such assignments.

(B) An analysis of current and projected aviator retention rates in the Armed Forces and of those current and projected retention rates actually needed to meet the requirements of the Armed Forces.

(C) Such recommendations as the Secretary considers appropriate regarding—

(i) the initial active duty service commitment of aviators;

(ii) the integration of the aviator career incentive pay under section 301a of title 37, United States Code, and the retention bonus under this section into a structure that more efficiently supports the retention requirements for aviators in the Armed Forces; and

(iii) changes in the aviator management policies of the Armed Forces that would eliminate the disincentives cited by aviators as retention detractors.

(D) Specific proposals for such legislation as the Secretary considers necessary to retain on active duty the aviators required to meet the needs of the Armed Forces.

(i) LIMITATION ON OBLIGATIONS.—The total amount of payments made to officers of the Air Force during fiscal year 1989 under this section may not exceed $36,200,000.

(j) TERMINATION OF AUTHORITY.—If both reports required by paragraphs (1) and (2) of subsection (h) are not received by the committees named in such paragraphs by the respective dates specified in such paragraphs, the authority to make payments under this section shall terminate effective December 2, 1988.

SEC. 612. MEDICAL OFFICER RETENTION BONUS

(a) BONUS AUTHORIZED.—(1) A medical officer described in subsection (b) who, during the period beginning on January 1, 1989, and ending on September 30, 1989, executes a written agreement to remain on active duty for at least two years after completion of any other active-duty service commitment may, upon acceptance of the written agreement by the Secretary concerned, be paid a retention bonus as provided in this section.

(2) The amount of such retention bonus shall be not more than $20,000 for each year covered by the agreement.

(b) COVERED OFFICERS.—This section applies to an officer of a uniformed service who—

(1) is an officer of the Medical Corps of the Army or the Navy or an officer of the Air Force designated as a medical officer;

(2) is in a pay grade below pay grade 0-7;

(3) has at least eight years of creditable service (computed as described in section 302(g) of title 37, United States Code); and

(4) has completed any active-duty service commitment incurred for medical education and training (or will have completed any such commitment before October 1, 1991).

(c) LIMITATION ON TOTAL COMPENSATION.—The Secretary of Defense shall ensure that no officer receives pay under this section which, when added to all other pay and allowances such officer receives pursuant to titles 10 and 37, United States Code, results in such officer receiving total compensation in an amount that exceeds the total compensation paid to comparable physicians (considering age, education, experience, certification, training, and other appropriate criteria), as determined by the Secretary, who are civilian physicians employed in the private sector in employment other than self-employment. The Secretary shall target payments under this section to officers in categories in which the most severe shortages exist in the Department of Defense.

(d) ADMINISTRATION AND IMPLEMENTATION.—The provisions of subsections (a) and (b) of section 303a of title 37, United States Code, shall apply to the administration of this section as if a reference to this section were included in the list of sections referred to in such subsections.

(e) REFUNDS.—(1) Refunds shall be required, on a pro rata basis, of sums paid under this section if the officer who has received the payment fails to complete the total period of active duty specified in the agreement, as conditions and circumstances warrant.

(2) An obligation to reimburse the United States imposed under paragraph (1) is for all purposes a debt owed to the United States.

(3) A discharge in bankruptcy under title 11, United States Code, that is entered less than 5 years after the termination of an agreement under this section does not discharge the member signing such agreement from a debt arising under such agreement or under paragraph (1). This paragraph applies to any case commenced under title 11, United States Code, after January 1, 1989.

(f) DEFINITIONS.—In this section, the terms "grade", "member", "pay", "Secretary concerned", and "uniformed services" have the meanings given those terms by section 101 of title 37, United States Code.

(g) REPORTS.—(1) Not later than November 15, 1988, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report describing the manner in which the authority provided in this section is to be used. The report shall include a description of the relative level of payments between officers in various categories.

(2)(A) Not later than December 1, 1988, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report containing the following:

(i) An analysis of current and projected requirements of the Armed Forces for health professionals by speciality and years of service, including a list of requirements for physicians who are assigned to duties other than duties consisting primarily of providing patient care and a justification for those requirements.

(ii) The Secretary's assessment of the adequacy of the existing compensation system for such health care professionals.

(iii) Such recommendations for legislation as the Secretary considers necessary to attract and retain on active duty the health care professionals needed to meet the needs of the Armed Forces.

(B) The Secretary shall include in his report a draft of legislation which, if enacted, would establish either—

(i) a compensation system which provides total compensation that is competitive with the compensation paid comparable health care professionals (considering age, education, experience, certification, training, and other appropriate criteria) who are health care professionals employed in the private sector in employment other than self-employment; or

(ii) a single military health care professional incentive compensation program (in lieu of special pay provided under chapter 5 of title 37, United States Code) which provides incentive compensation in sufficient amounts to ensure that the total amount of such compensation to which such health care professionals are entitled under the provisions of titles 10 and 37, United States Code, is competitive with the compensation paid comparable health care professionals (considering age, education, experience, certification, training, and other appropriate criteria) who are health care professionals employed in the private sector in employment other than self-employment.

(h) LIMITATION ON OBLIGATIONS.—The total amount of payments made during fiscal year 1989 under this section may not exceed $30,000,000.

(i) TERMINATION OF AUTHORITY.—If both reports required by paragraphs (1) and (2) of subsection (g) are not received by the committees named in such paragraphs by the respective dates specified in such paragraphs, the authority to make payments under this section shall terminate effective December 2, 1988.

SEC. 613. SPECIAL PAY FOR CRITICALLY SHORT WARTIME HEALTH SPECIALISTS IN THE SELECTED RESERVE

(a) IN GENERAL.—(1) An officer of a reserve component of the Armed Forces described in paragraph (2) who executes a written agreement under which the officer agrees to serve in the Selected Reserve of an armed force for a period of not less than one year nor more than three years, beginning on the date the officer accepts the award of special pay under this section, may be paid special pay at an annual rate not to exceed $10,000.

(2) An officer referred to in paragraph (1) is an officer in a health care profession who is qualified in a specialty designated by regulations as a critically short wartime specialty.

(3) Special pay under this section shall be paid annually at the beginning of each twelve-month period for which the officer has agreed to serve.

(b) REFUND REQUIREMENT.—An officer who voluntarily terminates service in the Selected Reserve of an armed force before the end of the period for which a payment was made to such officer under this section shall refund to the United States the full amount of the payment made for the period on which the payment was based.

(c) INAPPLICABILITY OF DISCHARGE IN BANKRUPTCY.—A discharge in bankruptcy under title 11, United States Code, that is entered less than 5 years after the termination of an agreement under this section does not discharge the person receiving such special pay from the debt arising under the agreement.

(d) TERMINATION OF AGREEMENT AUTHORITY.—No agreement under this section may be entered into after September 30, 1990.

(e) PURPOSE OF PROGRAM.—The authority provided under this section shall be used only for the purpose of establishing and conducting a pilot test program to determine the effect that the program provided for in this section has on the retention of officers who are qualified in specialties designated by regulation as critically short wartime specialties.

(f) REGULATIONS.—(1) This section shall be administered under regulations prescribed by the Secretary concerned and approved by the Secretary of Defense.

(2) As used in paragraph (1), the term "Secretary concerned" has the same meaning as provided in section 101(5) of title 37, United States Code.

(g) LIMITATIONS ON OBLIGATIONS.—The total amount of payments made during fiscal year 1989 as the result of agreements entered into under this section may not exceed $4,000,000.

(h) REPORT.—(1) Not later than September 1, 1988, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a *report containing a description of the manner in which the pilot test program provided for in this section is to be structured, including the minimum periods of service to be required for various levels of special pay under this section.*

(2) Not later than February 1, 1990, the Secretary also shall submit to such committees an evaluation of the effectiveness of the program and recommendations for its continuation or modification.

(i) EFFECTIVE DATE.—The authority to enter into agreements under this section shall take effect 30 days after the date on which the committees referred to in subsection (h)(1) receive the report required by such subsection.

PART C—OTHER PERSONNEL BENEFITS

SEC. 621. HOUSING LEASE INDEMNITY PROGRAM

(a) IN GENERAL.—(1) Chapter 53 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 1055. Waiver of security deposits for members renting private housing; authority to indemnify landlord

"(a) The Secretary of Defense may carry out a program under which the Secretary of a military department agrees to indemnify a landlord who leases a rental unit to a member of the armed forces against a breach of the lease by the member or for damage to the rental unit caused by the member. In exchange for agreement for such indemnification by the Secretary, the landlord shall be required to waive any requirement for payment by the member of a security deposit that the landlord would otherwise require.

"(b)(1) For purposes of carrying out a program authorized by subsection (a), the Secretary of a military department, to the extent funds are provided in advance in appropriation Acts, may enter into an agreement with any landlord who agrees to waive the requirement for a security deposit in connection with the lease of a rental unit to a member of the armed forces under the jurisdiction of the Secretary. An agreement under this paragraph shall provide that—

"(A) the term of the agreement shall remain in effect during the term of the member's lease and during any lease renewal periods with the lessor;

"(B) the member shall not pay a security deposit;

"(C) the Secretary (except as provided in subparagraphs (D) and (E)) shall compensate the landlord for breach of the lease by the member and for damage to the rental unit caused by the member or by a guest or dependent of the member;

"(D) the total liability of the Secretary for a breach of the lease or for damage described in subparagraph (C) may not exceed an amount equal to the amount that the Secretary determines would have been required by the landlord as a security deposit in the absence of an agreement authorized in this paragraph;

"(E) the Secretary may not compensate the landlord for any claim for breach of the lease or for damage described in subparagraph (C) until the landlord exhausts any remedies available to the landlord (including submission to binding arbitration by a panel composed of military personnel and persons from the private sector) against the member for the breach or damage; and

"(F) the Secretary shall be subrogated to the rights of the landlord in any case in which the Secretary compensates the landlord for breach of the lease or for damage described in subparagraph (C).

"(2) Any authority of the Secretary of a military department under this section shall be exercised under regulations prescribed by the Secretary of Defense.

"(c)(1) The Secretary of a military department who compensates a landlord under subsection (b) for a breach of a lease or for damage described in subsection (b)(1)(C) may issue a special order under section 1007 of title 37 to authorize the withholding from the pay of the member of an amount equal to the amount paid by the Secretary to the landlord as compensation for the breach or damage.

"(2) Before the Secretary of a military department issues a special order under section 1007 of title 37 to authorize the withholding of any amount from the pay of a member for a breach or damage referred to in paragraph (1), the Secretary concerned shall provide the member with the same notice and opportunity for hearing and record inspection as provided an individual under section 5514(a)(2) of title 5. The Secretary concerned shall prescribe regulations, subject to the approval of the President, to carry out this paragraph. Such regulations shall be as uniform for the military departments as practicable.

"(d) In this section, the term 'landlord' means a person who leases a rental unit to a member of the armed forces.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"1055. Waiver of security deposits for members renting private housing; authority to indemnify landlord.".

(b) EFFECTIVE DATE.—Section 1055 of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 1988.

SEC. 622. RETIRED PAY INVERSIONS RESULTING FROM COURT-MARTIAL PUNISHMENT

(a) IN GENERAL.—Section 1401a(f) of title 10, United States Code, is amended by inserting after the second sentence the following: "However, in the case of a member who, after initially becoming eligible for retired pay, is reduced in grade pursuant to a sentence of a court-martial, such computation may not be based on a grade higher than the grade in which the member is retired.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the first day of the first month that begins after the date of the enactment of this Act and shall apply to the computation of the retired or retainer pay of members who initially become entitled to such pay on or after such effective date.

SEC. 623. TRAVEL AND TRANSPORTATION ALLOWANCES FOR EMERGENCY TRAVEL

(a) IN GENERAL.—Section 411e(a) of title 37, United States Code, is amended by striking out "incident to the serious illness or injury or the death of a dependent of the member" and inserting in lieu thereof "incident to a personal emergency of the member".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to travel performed after September 30, 1988.

SEC. 624. TRAVEL AND TRANSPORTATION ALLOWANCES INCIDENT TO VOLUNTARY EXTENSION OF OVERSEAS TOURS OF DUTY

(a) CHANGE FROM MANDATORY TO PERMISSIVE.—Section 411g(a) of title 37, United States Code, is amended by striking out "is entitled" and inserting in lieu thereof "may be paid".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to agreements to extend overseas tours of duty made on and after the date of the enactment of this Act.

SEC. 625. CIVILIAN CLOTHING ALLOWANCE

Section 419 of title 37, United States Code, is amended—

(1) by striking out "member" each place it appears and inserting in lieu thereof "officer";

(2) by striking out "is entitled" and inserting in lieu thereof "may be paid"; and

(3) by striking out "member's" and inserting in lieu thereof "officer's".

PART D—BENEFITS RELATING TO INCAPACITATION OF CERTAIN RESERVE MEMBERS IN LINE OF DUTY

SEC. 631. COMPENSATION FOR CERTAIN RESERVE MEMBERS

(a) AUTHORIZATION OF COMPENSATION.—Subsections (g) and (h) of section 204 of title 37, United States Code, are amended to read as follows:

"(g)(1) A member of a reserve component of a uniformed service is entitled to the pay and allowances provided by law or regulation for a member of a regular component of a uniformed service of corresponding grade and length of service whenever such member is physically disabled as the result of an injury, illness, or disease incurred or aggravated—

"(A) in line of duty while performing active duty;

"(B) in line of duty while performing inactive-duty training (other than work or study in connection with a correspondence course of an armed force or attendance in an inactive status at an educational institution under the sponsorship of an armed force or the Public Health Service); or

"(C) while traveling directly to or from such duty or training.

"(2) In the case of a member who receives earned income from nonmilitary employment or self-employment performed in any month in which the member is otherwise entitled to pay and allowances under paragraph (1), the total pay and allowances shall be reduced by the amount of such income. In calculating earned income for the purpose of the preceding sentence, income from an income protection plan, vacation pay, or sick leave which the member elects to receive shall be considered.

"(h)(1) A member of a reserve component of a uniformed service who is physically able to perform his military duties, is entitled, upon request, to a portion of the monthly pay and allowances provided by law or regulation for a member of a regular component of a uniformed service of corresponding grade and length of service for each month for which the member demonstrates a loss of earned income from nonmilitary employment or self-employment as a result of an injury, illness, or disease incurred or aggravated—

"(A) in line of duty while performing active duty;

"(B) in line of duty while performing inactive-duty training (other than work or study in connection with a correspondence course of an armed force or attendance in an inactive status at an educational institution under the sponsorship of an armed force or the Public Health Service); or

"(C) while traveling directly to or from such duty or training.

"(2) The monthly entitlement may not exceed the member's demonstrated loss of earned income from nonmilitary or self-employment. In calculating such loss of income, income from an income protection plan, vacation pay, or sick leave which the

member elects to receive shall be considered.".

(b) LIMIT ON TOTAL COMPENSATION.—Such section is further amended by redesignating subsection (i) as subsection (j) and by inserting after subsection (h) the following new subsection (i):

"(i)(1) The total amount of pay and allowances paid under subsections (g) and (h) and compensation paid under section 206(a) of this title for any period may not exceed the amount of pay and allowances provided by law or regulation for a member of a regular component of a uniformed service of corresponding grade and length of service for that period.

"(2) Pay and allowances may not be paid under subsection (g) or (h) for a period of more than six months. The Secretary concerned may extend such period in any case if the Secretary determines that it is in the interests of fairness and equity to do so.

"(3) A member is not entitled to benefits under subsection (g) or (h) if the injury, illness, disease, or aggravation of an injury, illness, or disease is the result of the gross negligence or misconduct of the member.

"(4) Regulations with respect to procedures for paying pay and allowances under subsections (g) and (h) shall be prescribed—

"(A) by the Secretary of Defense for the armed forces under the jurisdiction of the Secretary; and

"(B) by the Secretary of Transportation for the Coast Guard when the Coast Guard is not operating as a service in the Navy.".

(c) CONFORMING AMENDMENT FOR INACTIVE-DUTY TRAINING.—Section 206(a) of such title is amended by striking out "for a period of 30 days or less" in paragraph (3)(A)(i).

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to persons who, after the date of enactment of this Act, incur or aggravate an injury, illness, or disease, or who die as the result of incurring or aggravating an injury, illness, or disease.

SEC. 632. TRAVEL FOR DEPENDENTS OF CERTAIN MEMBERS

(a) TRAVEL AUTHORIZED.—Paragraph (2) of section 411h(a) of title 37, United States Code, is amended to read as follows:

"(2) A member referred to in paragraph (1) is a member of the uniformed services who—

"(A) is serving on active duty or is entitled to pay and allowances under section 204(g) of this title (or would be so entitled were it not for offsetting earned income described in that section);

"(B) is seriously ill or seriously injured; and

"(C) is hospitalized in a medical facility in or outside the United States.".

(b) TRAVEL TO BURIAL CEREMONIES.—Section 411f(a) of such title is amended by striking out "for a period of 30 days or more in order to" and inserting in lieu thereof "or inactive duty in order that such dependents may".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1988.

SEC. 633. INJURY, DISABILITY, AND DEATH COMPENSATION COVERAGE FOR ROTC CADETS DURING MILITARY TRAINING ACTIVITIES

(a) AUTHORITY TO PRESCRIBE TRAINING.—(1) Subsection (a) of section 2109 of title 10, United States Code, is amended to read as follows:

"(a) For the further practical instruction of members of, and designated applicants for membership in, the program, the Secretary of the military department concerned may prescribe and conduct practical military training, in addition to field training and practice cruises prescribed under section 2104(b)(6) of this title. The Secretary concerned may require that some or all of the training prescribed under this subsection must be completed by a member before the member is commissioned.".

(2) Subsection (b) of such section is amended—

(A) by striking out "may—" and inserting in lieu thereof ", with respect to practical military training prescribed under this section and field training and practice cruises prescribed under section 2104(b)(6) of this title, may—"; and

(B) by striking out "field training" each place it appears and inserting in lieu thereof "such training".

(3)(A) The heading of such section is amended to read as follows:

"§ 2109. Practical military training".

(B) The item relating to such section in the table of sections at the beginning of chapter 103 of such title is amended to read as follows:

"2109. Practical military training.".

(b) COVERAGE FOR INJURY, DISABILITY, AND DEATH.—Section 8140 of title 5, United States Code, is amended—

(1) in subsection (a)—

(A) by striking out "disability or death from an injury" and inserting in lieu thereof "an injury, disability, or death"; and

(B) by striking out "field" before "training";

(2) in subsection (f), by striking out "while attending field training or a practice cruise under chapter 103 of title 10" and inserting in lieu thereof "by a military department in a facility of a military department"; and

(3) by adding at the end thereof the following new subsection:

"(g) For purposes of this section, the term 'applicant for membership' includes a student enrolled, during a semester or other enrollment term, in a course which is part of Reserve Officers' Training Corps instruction at an educational institution.".

(c) TRAINING INCLUDED WITHIN CERTAIN DEFINITIONS.—(1) Paragraph (22)(D) of section 101 of title 38, United States Code, is amended—

(A) by striking out "field"; and

(B) by inserting "for a period of not less than four weeks and which must be completed by the member before the member is commissioned" after "title 10".

(2) Paragraph (23) of such section is amended—

(A) by striking out "and" at the end of clause (A);

(B) by striking out the period at the end of clause (B) and inserting in lieu thereof "; and"; and

(C) by inserting after clause (B) the following new clause:

"(C) training (other than active duty for training) by a member of, or applicant for membership (as defined in section 8140(g) of title 5) in, the Senior Reserve Officers' Training Corps prescribed under chapter 103 of title 10.".

(d) PAY STATUS WHILE IN CERTAIN TRAINING.—Section 209(c) of title 37, United States Code, is amended by striking out "field training or practice cruises under section 2109 of title 10" and inserting in lieu thereof "training or practice cruises under chapter 103 of title 10 if the training or cruise is of at least four weeks duration and must be completed before the cadet or midshipman is commissioned.".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply only with respect to training performed after September 30, 1988.

PART E—HEALTH CARE MANAGEMENT PROVISIONS

SEC. 641. REQUIREMENT TO SUBMIT END STRENGTHS AND MANPOWER REPORT FOR MEDICAL PERSONNEL

(a) END STRENGTH REQUIREMENT.—Section 115(b)(1) of title 10, United States Code, is amended by adding at the end the following new subparagraph:

"(D) At the same time the President submits the budget for any fiscal year to Congress pursuant to section 1105 of title 31, the Secretary of Defense shall submit to Congress recommendations for the end strength levels for medical personnel for each component of the armed forces as of the end of that fiscal year. For purposes of this subparagraph, the term 'medical personnel' includes—

"(i) in the Army, members of the Medical Corps, Dental Corps, Nurse Corps, Medical Service Corps, Veterinary Corps, and Army Medical Specialist Corps;

"(ii) in the Air Force, members designated as medical officers, dental officers, Air Force nurses, medical service officers, and biomedical science officers;

"(iii) in the Navy, members of the Medical Corps, Dental Corps, Nurse Corps, and Medical Service Corps;

"(iv) enlisted personnel engaged in or supporting medically-related activities; and

"(v) such other personnel as the Secretary considers appropriate.".

(b) MANPOWER REPORT REQUIREMENT.—Section 115(b)(3)(B) of such title is amended—

(1) by striking out "and" at the end of clause (ii);

(2) by striking out the period at the end of clause (iii) and inserting in lieu thereof "; and"; and

(3) by adding at the end the following new clause:

"(iv) the manpower required to perform the medical missions of the armed forces and the Department of Defense.".

SEC. 642. REQUIREMENTS WITH RESPECT TO CERTAIN NAVY MEDICAL PERSONNEL

Of the amount appropriated for operation and maintenance for the Navy for fiscal year 1989, $15,000,000 shall be available only for the pay and allowances of those civilian employees of the Navy—

(1) hired after September 30, 1988, to perform duties in support of Navy medical treatment facilities; and

(2) only to the extent that the number of such employees hired after that date results in a greater number of such employees performing those duties for the Navy than were performing those duties for the Navy on September 30, 1988.

SEC. 643. PROVISIONS RELATING TO NAVY HEALTH PROFESSION PERSONNEL

(a) REPEAL.—Section 723 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1116) is repealed.

(b) MINIMUM REQUIREMENTS.—(1) Of the total number of officers authorized to be serving on active duty in the Navy as of September 30, 1989, under section 401(2), 11,940 shall be available only for assignment to duties in health profession specialties.

(2) Of the total number of officers authorized to be serving on active duty in the Navy as of September 30, 1990, 12,240 shall be available only for assignment to duties in health profession specialties.

(3) Of the total number of officers authorized to be serving on active duty in the Navy as of September 30, 1991, 12,510 shall be available only for assignment to duties in health profession specialties.

SEC. 644. SHARING OF HEALTH-CARE RESOURCES BETWEEN THE DEPARTMENT OF DEFENSE AND THE VETERANS' ADMINISTRATION

Of the total amount appropriated for operation and maintenance for the Department of Defense for fiscal year 1989, $20,000,000 shall be available only for sharing health-care resources between the Department of Defense and the Veterans' Administration under section 5011 of title 38, United States Code, or under section 1535 of title 31, United States Code.

SEC. 645. EXTENSION OF TERMINATION DATE FOR FORMER PUBLIC HEALTH SERVICE HOSPITALS AND REQUIREMENT THAT SUCH HOSPITALS BE COST EFFECTIVE

Section 1252(e) of the Department of Defense Authorization Act, 1984 (42 U.S.C. 248d(e)), is amended—

(1) by striking out "1988" in the first sentence and inserting in lieu thereof "1990";

(2) by striking out "which identifies" in the second sentence and all that follows through the end of that sentence and inserting in lieu thereof the following: "which (1) identifies the facility whose status is being terminated, (2) specifies the date on which such status is being terminated, and (3) certifies that more cost-effective medical and dental care for members and former members of the uniformed services or their dependents is available elsewhere in the same geographic area."; and

(3) by inserting after the third sentence the following: "Each such copy of the order shall include a copy of the certification required in clause (3) of the second sentence of this subsection and shall contain cost data substantiating the termination decision and identifying how more cost-effective care could be provided to the affected individuals.".

SEC. 646. ELIGIBILITY OF CERTAIN INSTITUTIONS TO RECEIVE REIMBURSEMENT UNDER CHAMPUS

(a) ACTIVE-DUTY DEPENDENTS.—(1) Section 1079(b) of title 10, United States Code, is amended by adding at the end of paragraph (1) the following: "The Secretary of Defense may exempt a patient from paying such amount if the hospital to which the patient is admitted does not impose a legal obligation on any of its patients to pay for inpatient care.".

(2) Section 1079 of such title is further amended by adding at the end the following new subsection:

"(m)(1) Subject to paragraph (2), the Secretary of Defense may, upon request, make payments under this section for a charge for services for which a claim is submitted under a plan contracted for under subsection (a) to a hospital that does not impose a legal obligation on any of its patients to pay for such services.

"(2) A payment under paragraph (1) may not exceed the average amount paid for comparable services in the geographic area in which the hospital is located or, if no comparable services are available in that area, in an area similar to the area in which the hospital is located.

"(3) The Secretary of Defense shall periodically review the billing practices of each hospital the Secretary approves for payment under this subsection to ensure that the hospital's practices of not billing patients for payment are not resulting in increased costs to the Government.

"(4) The Secretary of Defense may require each hospital the Secretary approves for payment under this subsection to provide evidence that it has sources of revenue to cover unbilled costs.".

(b) RETIREES AND THEIR DEPENDENTS.—(1) Section 1086(b) of title 10, United States Code, is amended in paragraph (3) by adding at the end the following: "The Secretary of Defense may exempt a patient from paying such charges if the hospital to which the patient is admitted does not impose a legal obligation on any of its patients to pay for inpatient care.".

(2) Section 1086 of such title is further amended by adding at the end the following new subsection:

"(h)(1) Subject to paragraph (2), the Secretary of Defense may, upon request, make payments under this section for a charge for services for which a claim is submitted under a plan contracted for under subsection (a) to a hospital that does not impose a legal obligation on any of its patients to pay for such services.

"(2) A payment under paragraph (1) may not exceed the average amount paid for comparable services in the geographic area in which the hospital is located or, if no comparable services are available in that area, in an area similar to the area in which the hospital is located.

"(3) The Secretary of Defense shall periodically review the billing practices of each hospital the Secretary approves for payment under this subsection to ensure that the hospital's practices of not billing patients for payment are not resulting in increased costs to the Government.

"(4) The Secretary of Defense may require each hospital the Secretary approves for payment under this subsection to provide evidence that it has sources of revenue to cover unbilled costs.".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply with respect to medical care received after September 30, 1988.

PART F—MISCELLANEOUS

SEC. 651. LIMITED EXTENSION OF CERTAIN MEDICAL BENEFITS FOR FORMER SPOUSES

(a) MEDICAL COVERAGE.—Section 1076 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(f)(1) A person described in paragraph (2) shall be considered a dependent for purposes of this section for a period of one year after the date of the person's final decree of divorce, dissolution, or annulment. In addition, if such a person purchases a conversion health policy within the one-year period referred to in the preceding sentence, such person shall be entitled, upon request, to medical and dental care prescribed by section 1077 of this title for a period of one year after the purchase of the policy for any condition of the person that existed on the date on which coverage under the policy begins and for which care is not provided under that policy.

"(2) A person referred to in paragraph (1) is a person who would qualify as a dependent under section 1072(2)(G) but for the fact that the person's final decree of divorce, dissolution, or annulment is dated on or after April 1, 1985.

"(3) In this subsection, the term 'conversion health policy' means a health insurance plan with a private insurer, developed through negotiations between the Secretary of Defense and a private insurer, that is available for purchase by or for the use of persons described in paragraph (2).".

(b) CONFORMING AMENDMENT.—Section 645(c) of the Department of Defense Authorization Act, 1985 (10 U.S.C. 1072 note) is repealed effective as of the effective date of section 1076(f) of title 10, United States Code (as added by subsection (a)).

(c) TRANSITION.—Any person who qualified as a dependent under section 645(c) of the Department of Defense Authorization Act, 1985, as in effect before its repeal by subsection (b), shall remain qualified as a dependent as specified in that section and shall become eligible for benefits in accordance with section 1076(f) of title 10, United States Code (as added by subsection (a)), when no longer qualified as a dependent pursuant to such section 645(c).

(d) EFFECTIVE DATE.—Section 1076(f) of title 10, United States Code, as added by subsection (a), shall take effect on the date of enactment of this Act or 30 days after the Secretary of Defense first makes available a conversion health policy (as defined in such section), whichever is later. Such section shall apply to persons whose decree of divorce, dissolution, or annulment becomes final after the date of the enactment of this Act.

SEC. 652. TECHNICAL CORRECTION TO SURVIVOR BENEFIT PLAN COVERAGE OF FORMER SPOUSES

(a) INCLUSION OF FORMER SPOUSES IN SAVINGS PROVISION.—Section 1451(e)(1) of title 10, United States Code, is amended—

(1) by striking out "widow or widower" in subparagraph (A) and inserting in lieu thereof "widow, widower, or former spouse"; and

(2) by inserting "or former spouse" in subparagraph (B) after "A spouse".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to payments under the Survivor Benefit Plan established under subchapter II of chapter 73 of title 10, United States Code, for periods after February 28, 1986.

SEC. 653. ANNUITY FOR CERTAIN SURVIVING SPOUSES

(a) ANNUITY.—(1) The Secretary concerned shall pay an annuity to the qualified surviving spouse of each member of the uniformed services who—

(A) died before November 1, 1953; and

(B) was entitled to retired or retainer pay on the date of death.

(2) A qualified surviving spouse for purposes of this section is a surviving spouse who has not remarried and who is eligible for an annuity under section 4 of Public Law 92-425 (10 U.S.C. 1448 note).

(b) AMOUNT OF ANNUITY.—(1) An annuity payable under this section shall be paid at the rate of $165 per month, as adjusted from time to time under subsection (c).

(2) An annuity paid to a surviving spouse under this section shall be reduced by the amount of dependency and indemnity compensation (DIC) to which the surviving spouse is entitled under section 411(a) of title 38, United States Code.

(c) COST-OF-LIVING INCREASES.—Whenever retired or retainer pay is increased under section 1401a(b)(2) of title 10, United States Code, each annuity that is payable under this section shall be increased at the same time and by the same total percent. The amount of the increase shall be based on the monthly annuity payable before any reduction under this section.

(d) RELATIONSHIP TO OTHER PROGRAMS.—An annuity paid to a surviving spouse under this section is in addition to any pension to which the surviving spouse is entitled under

subchapter III of chapter 15 of title 38, United States Code, or section 306 of the Veterans' and Survivors' Pension Improvement Act of 1978 (38 U.S.C. 521 note), and any payment made under the provisions of section 4 of Public Law 92-425. An annuity paid under this section shall not be considered as income for the purposes of eligibility for any such pension.

(e) DEFINITIONS.—For purposes of this section:

(1) The terms "uniformed services" and "Secretary concerned" have the meanings given those terms in section 101 of title 37, United States Code.

(2) The term "surviving spouse" has the meaning given the terms "widow" and "widower" in paragraphs (3) and (4), respectively, of section 1447 of title 10, United States Code.

(f) EFFECTIVE DATE.—Annuities under this section shall be paid for months beginning after the month in which this Act is enacted. No benefit shall accrue to any person by reason of the enactment of this section for any period before the first month referred to in the preceding sentence. No benefit shall be paid to any person under this section unless an application for such benefit has been filed with the Secretary concerned by or on behalf of such person.

SEC. 654. REPORT ON DEFINITION OF DEPENDENT FOR CERTAIN PURPOSES

(a) REPORT.—The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the desirability of providing in law a more uniform and consistent definition of the term "dependent" for the purpose of determining the eligibility of a person, based upon the relationship of such person to a member or former member of the uniformed services, for various rights and benefits provided by law, including the following:

(1) Pay and allowances under title 37, United States Code.

(2) Rights and benefits (including eligibility for travel and commissary store privileges) under chapters 53 and 54 of title 10, United States Code.

(3) Medical and dental care under chapter 55 of title 10, United States Code.

(b) DEADLINE FOR REPORT.—The Secretary shall submit the report required by subsection (a) not later than March 15, 1989, together with such comments and recommendations for legislation as he considers appropriate.

TITLE VII—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

PART A—ORGANIZATION

SEC. 701. AUTHORITY TO ESTABLISH POSITION OF ASSISTANT SECRETARY OF DEFENSE FOR INTELLIGENCE

Paragraph (3) of section 136(b) of title 10, United States Code, is amended to read as follows:

"(3)(A) One of the Assistant Secretaries shall be the Assistant Secretary of Defense for Command, Control, Communications, and Intelligence. He shall have as his principal duty the overall supervision of command, control, communications, and intelligence affairs of the Department of Defense.

"(B) Notwithstanding subparagraph (A), one of the Assistant Secretaries established by the Secretary of Defense may be an Assistant Secretary of Defense for Intelligence, who shall have as his principal duty the overall supervision of intelligence affairs of the Department of Defense.

"(C) If the Secretary of Defense establishes an Assistant Secretary of Defense for Intelligence, the Assistant Secretary provided for under subparagraph (A) shall be the Assistant Secretary of Defense for Command, Control, and Communications and shall have as his principal duty the overall supervision of command, control, and communications affairs of the Department of Defense.".

SEC. 702. DESIGNATION IN EACH MILITARY DEPARTMENT OF ASSISTANT SECRETARY WITH RESPONSIBILITY FOR FINANCIAL MANAGEMENT

(a) DEPARTMENT OF THE ARMY.—(1) Section 3016(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(4) One of the Assistant Secretaries shall be the Assistant Secretary of the Army for Financial Management. The Assistant Secretary shall have as his principal responsibility the exercise of the comptroller functions of the Department of the Army, including financial management functions. The Assistant Secretary shall be responsible for all financial management activities and operations of the Department of the Army and shall advise the Secretary of the Army on financial management.".

(2) Chapter 303 of such title is amended by adding at the end the following new section:

"§ 3022. Financial management

"(a) The Secretary of the Army shall provide that the Assistant Secretary of the Army for Financial Management shall direct and manage financial management activities and operations of the Department of the Army, including ensuring that financial management systems of the Department of the Army comply with subsection (b). The authority of the Assistant Secretary for such direction and management shall include the authority to—

"(1) supervise and direct the preparation of budget estimates of the Department of the Army and otherwise carry out, with respect to the Department of the Army, the functions specified for the Comptroller of the Department of Defense in section 137(c) of this title;

"(2) approve and supervise any project to design or enhance a financial management system for the Department of the Army; and

"(3) approve the establishment and supervise the operation of any asset management system of the Department of the Army, including—

"(A) systems for cash management, credit management, and debt collection; and

"(B) systems for the accounting for the quantity, location, and cost of property and inventory.

"(b)(1) Financial management systems of the Department of the Army (including accounting systems, internal control systems, and financial reporting systems) shall be established and maintained in conformance with—

"(A) the accounting and financial reporting principles, standards, and requirements established by the Comptroller General under section 3511 of title 31; and

"(B) the internal control standards established by the Comptroller General under section 3512 of title 31.

"(2) Such systems shall provide for—

"(A) complete, reliable, consistent, and timely information which is prepared on a uniform basis and which is responsive to the financial information needs of department management;

"(B) the development and reporting of cost information;

"(C) the integration of accounting and budgeting information; and

"(D) the systematic measurement of performance.

"(c) The Assistant Secretary shall maintain a five-year plan describing the activities the Department of the Army proposes to conduct over the next five fiscal years to improve financial management. Such plan shall be revised annually.

"(d) The Assistant Secretary of the Army for Financial Management shall transmit to the Secretary of the Army a report each year on the activities of the Assistant Secretary during the preceding year. Each such report shall include a description and analysis of the status of Department of the Army financial management.".

(3) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"3022. Financial management.".

(b) DEPARTMENT OF THE NAVY.—Section 5016(b) of such title is amended by adding at the end the following new paragraph:

"(3) One of the Assistant Secretaries shall be the Assistant Secretary of the Navy for Financial Management. The Assistant Secretary shall have as his principal responsibility the exercise of the comptroller functions of the Department of the Navy, including financial management functions. The Assistant Secretary shall be responsible for all financial management activities and operations of the Department of the Navy and shall advise the Secretary of the Navy on financial management.".

(2) Chapter 503 of such title is amended by adding at the end the following new section:

"§ 5025. Financial management

"(a) The Secretary of the Navy shall provide that the Assistant Secretary of the Navy for Financial Management shall direct and manage financial management activities and operations of the Department of the Navy, including ensuring that financial management systems of the Department of the Navy comply with subsection (b). The authority of the Assistant Secretary for such direction and management shall include the authority to—

"(1) supervise and direct the preparation of budget estimates of the Department of the Navy and otherwise carry out, with respect to the Department of the Navy, the functions specified for the Comptroller of the Department of Defense in section 137(c) of this title;

"(2) approve and supervise any project to design or enhance a financial management system for the Department of the Navy; and

"(3) approve the establishment and supervise the operation of any asset management system of the Department of the Navy, including—

"(A) systems for cash management, credit management, and debt collection; and

"(B) systems for the accounting for the quantity, location, and cost of property and inventory.

"(b)(1) Financial management systems of the Department of the Navy (including accounting systems, internal control systems, and financial reporting systems) shall be established and maintained in conformance with—

"(A) the accounting and financial reporting principles, standards, and requirements established by the Comptroller General under section 3511 of title 31; and

"(B) the internal control standards established by the Comptroller General under section 3512 of title 31.

"(2) Such systems shall provide for—

"(A) complete, reliable, consistent, and timely information which is prepared on a uniform basis and which is responsive to the financial information needs of department management;

"(B) the development and reporting of cost information;

"(C) the integration of accounting and budgeting information; and

"(D) the systematic measurement of performance.

"(c) The Assistant Secretary shall maintain a five-year plan describing the activities the Department of the Navy proposes to conduct over the next five fiscal years to improve financial management. Such plan shall be revised annually.

"(d) The Assistant Secretary of the Navy for Financial Management shall transmit to the Secretary of the Navy a report each year on the activities of the Assistant Secretary during the preceding year. Each such report shall include a description and analysis of the status of Department of the Navy financial management.".

(3) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"5025. Financial management.".

(c) DEPARTMENT OF THE AIR FORCE.—Section 8016(b) of such title is amended by adding at the end the following new paragraph:

"(3) One of the Assistant Secretaries shall be the Assistant Secretary of the Air Force for Financial Management. The Assistant Secretary shall have as his principal responsibility the exercise of the comptroller functions of the Department of the Air Force, including financial management functions. The Assistant Secretary shall be responsible for all financial management activities and operations of the Department of the Air Force and shall advise the Secretary of the Air Force on financial management.".

(2) Chapter 803 of such title is amended by adding at the end the following new section:

"§ 8022. Financial management

"(a) The Secretary of the Air Force shall provide that the Assistant Secretary of the Air Force for Financial Management shall direct and manage financial management activities and operations of the Department of the Air Force, including ensuring that financial management systems of the Department of the Air Force comply with subsection (b). The authority of the Assistant Secretary for such direction and management shall include the authority to—

"(1) supervise and direct the preparation of budget estimates of the Department of the Air Force and otherwise carry out, with respect to the Department of the Air Force, the functions specified for the Comptroller of the Department of Defense in section 137(c) of this title;

"(2) approve and supervise any project to design or enhance a financial management system for the Department of the Air Force; and

"(3) approve the establishment and supervise the operation of any asset management system of the Department of the Air Force, including—

"(A) systems for cash management, credit management, and debt collection; and

"(B) systems for the accounting for the quantity, location, and cost of property and inventory.

"(b)(1) Financial management systems of the Department of the Air Force (including accounting systems, internal control systems, and financial reporting systems) shall be established and maintained in conformance with—

"(A) the accounting and financial reporting principles, standards, and requirements established by the Comptroller General under section 3511 of title 31; and

"(B) the internal control standards established by the Comptroller General under section 3512 of title 31.

"(2) Such systems shall provide for—

"(A) complete, reliable, consistent, and timely information which is prepared on a uniform basis and which is responsive to the financial information needs of department management;

"(B) the development and reporting of cost information;

"(C) the integration of accounting and budgeting information; and

"(D) the systematic measurement of performance.

"(c) The Assistant Secretary shall maintain a five-year plan describing the activities the Department of the Air Force proposes to conduct over the next five fiscal years to improve financial management. Such plan shall be revised annually.

"(d) The Assistant Secretary of the Air Force for Financial Management shall transmit to the Secretary of the Air Force a report each year on the activities of the Assistant Secretary during the preceding year. Each such report shall include a description and analysis of the status of Department of the Air Force financial management.".

(3) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"8022. Financial management.".

(d) NUMBER OF ASSISTANT SECRETARIES IN THE DEPARTMENT OF THE AIR FORCE.—Section 8016(a) of such title is amended by striking out "three" and inserting in lieu thereof "four".

(e) EFFECTIVE DATES.—(1) The amendments made by subsections (a) and (b) shall take effect on January 20, 1989.

(2) The amendments made by subsections (c) and (d) shall take effect on July 1, 1989, except that such amendments shall take effect on such earlier date, but not before January 21, 1989, as may be prescribed by the President in advance by Executive order.

SEC. 703. GENERAL COUNSELS OF MILITARY DEPARTMENTS

(a) REQUIREMENT FOR ADVICE AND CONSENT OF SENATE.—Sections 3019, 5019, and 8019 of title 10, United States Code, are each amended by inserting ", by and with the advice and consent of the Senate" after "President".

(b) PAY GRADE.—Notwithstanding section 5316 of title 5, United States Code, the General Counsel of each of the military departments shall be paid at the highest rate of basic pay payable under section 5382 of title 5, United States Code, to a member of the Senior Executive Service.

(c) APPLICABILITY.—The amendments made by this section shall apply to appointments made under sections 3019, 5019, and 8019, respectively, of title 10, United States Code, on and after the date of the enactment of this Act.

SEC. 704. DEFERRAL OF RETIREMENT DATE FOR CHAIRMAN OF THE JOINT CHIEFS OF STAFF

Notwithstanding the limitation contained in the first sentence of subsection (b) of section 1251 of title 10, United States Code, the President may defer until October 1, 1989, the retirement of the officer serving as Chairman of the Joint Chiefs of Staff for the term which began on October 1, 1987.

PART B—FORCE STRUCTURE

SEC. 711. ASSIGNMENT OF COMBATANT FORCES

Section 162(a) of title 10, United States Code, is amended—

(1) in paragraph (1), by inserting "or to the United States element of the North American Air Defense Command" in the first sentence after "combatant commands";

(2) in paragraph (2), by inserting "or to the United States element of the North American Air Defense Command" after "combatant commands"; and

(3) in paragraph (3), by inserting "or to the United States element of the North American Air Defense Command" after "combatant command".

SEC. 712. RESPONSIBILITY AND AUTHORITY OF COMMANDER OF SPECIAL OPERATIONS COMMAND

Section 167(e) of title 10, United States Code, is amended—

(1) by striking out "activities, including the following functions:" and inserting in lieu thereof "activities.

"(2) The commander of such command shall be responsible for, and shall have the authority to conduct, the following functions relating to special operations activities (whether or not relating to the special operations command):";

(2) by striking out subparagraphs (F) and (G);

(3) by redesignating subparagraphs (B) through (E) as subparagraphs (D) through (G), respectively;

(4) by inserting after subparagraph (A) the following new subparagraphs:

"(B) Preparing and submitting to the Secretary of Defense program recommendations and budget proposals for special operations forces and for other forces assigned to the special operations command.

"(C) Exercising authority, direction, and control over the expenditure of funds—

"(i) for forces assigned to the special operations command; and

"(ii) for special operations forces assigned to unified combatant commands other than the special operations command, with respect to all matters covered by paragraph (4) and, with respect to a matter not covered by paragraph (4), to the extent directed by the Secretary of Defense.";

(5) by striking out paragraph (2) (as in effect immediately before the enactment of this Act) and inserting in lieu thereof the following:

"(3) The commander of the special operations command shall be responsible for—

"(A) ensuring the combat readiness of forces assigned to the special operations command; and

"(B) monitoring the preparedness to carry out assigned missions of special operations forces assigned to unified combatant commands other than the special operations command.

"(4)(A) The commander of the special operations command shall be responsible for, and shall have the authority to conduct, the following:

"(i) Development and acquisition of special operations- peculiar equipment.

"(ii) Acquisition of special operations-peculiar material, supplies, and services.";

(6) by striking out "(3) Subject to" and inserting in lieu thereof "(B) Subject to";

(7) by striking out "paragraph (1)(G)" and inserting in lieu thereof "subparagraph (A)"; and

(8) by designating the sentence beginning "The staff of the commander" as subparagraph (C).

SEC. 713. STRATEGIC AIR DEFENSE ALERT MISSION

(a) LIMITATION.—Except as provided in subsection (b)(2), the Secretary of the Air Force may not make any change in the alert *status of any Air National Guard unit in the strategic air defense mission in the northern portion of the United States, or in the deployment of units assigned to that mission, from that status and deployment as in effect on April 10, 1988.*

(b) Report.—(1) After the North Warning System and the Over-the-Horizon Backscatter Radar System are deployed and in operation as replacements for the Distant Early Warning (DEW line) system, the Secretary of Defense, acting through the Chairman of the Joint Chiefs of Staff, shall submit to Congress a report on those systems. The report shall—

(A) describe the implementation of those systems and their operational capability and effectiveness as demonstrated up to the time of the report;

(B) describe plans, in light of those new systems, for the forward deployment of the interceptor aircraft from United States bases during periods of heightened international tension; and

(C) clarify the alert status in the strategic air defense mission, under those new systems, of elements of the Air Force (including elements of the reserve components) at Air Force bases in the northern portions of the United States.

(2) The limitation in subsection (a) shall cease to apply 180 days after the date on which Congress receives the report required by paragraph (1).

(c) Interim Report.—Not later than February 1, 1989, the Secretary of Defense, acting through the Chairman of the Joint Chiefs of Staff, shall submit to Congress a report setting forth in detail each of the following:

(1) A description of the radar surveillance system and the alert and non-alert interceptor aircraft which will be available during each of fiscal years 1989, 1990, and 1991 along the northern border of the United States to carry out the strategic air defense mission.

(2) A description of the specific contributions to the strategic air defense mission expected to be made by the units identified in subsection (a) during each of those fiscal years.

(3) A specific recommendation as to whether the limitation in subsection (b) should be renewed and made permanent after fiscal year 1989.

SEC. 714. REPORTS ON BUDGETS FOR UNIFIED AND SPECIFIED COMMANDS

(a) Reports by Commanders of Combatant Commands.—(1) The commander of each of the unified and specified commands shall, not later than April 1, 1989, prepare an independent report on the implementation of the resource allocation provisions of title 10, United States Code, enacted by the Goldwater-Nichols Department of Defense Reorganization Act of 1986 (Public Law 99-433) that are specified in paragraph (2) and any other resource allocation provision enacted by that Act which the commander concerned considers appropriate.

(2) The sections of title 10, United States Code, referred to in paragraph (1) are the following:

(A) Section 153(a)(4) (A), (B), (C), and (D), relating to advice on requirements, programs, and budget.

(B) Section 163(b)(2), relating to the role of the Chairman as spokesman for the commanders of the unified and specified combatant commands.

(C) Section 166, relating to budget proposals for such commands.

(b) Matters To Be Included.—Each report required by subsection (a) shall address the following matters:

(1) The status of implementation of each of the provisions referred to in subsection (a)(2) and any other related resource allocation provisions.

(2) For any provision referred to in subsection (a)(2) that is not fully implemented and for which the commander is responsible or shares responsibility, the date estimated by the commander concerned for final implementation of such provisions.

(3) An evaluation of the effect that each provision referred to in subsection (a)(2) has had or will have on (A) improving decisions within the Department of Defense with respect to the allocation of resources, and (B) improving the implementation of such decisions.

(4) With respect to section 166 of title 10, United States Code, the assessment by the commander, supported by actual examples, of what the effect would be of a small budget (in an annual amount of not more than $50,000,000) that would be managed by the Chairman of the Joint Chiefs of Staff but which would be controlled for execution by the commander and that would be available for activities to which the commander assigns a high priority, such as—

(A) JCS/non-JCS exercises (including foreign country participation);

(B) on-going contingencies;

(C) command and control;

(D) training; and

(E) selected operations.

(5) The views of the commander on the optimum role of the unified and specified commands in resource allocation decisionmaking and execution within the Department of Defense.

(6) The assessment of the commander concerning the degree to which that optimum role is played, as of the time of the preparation of the report, by his command.

(7) The assessment of the commander of whether current law, regulations, policies, and procedures provide the latitude for his command to play that optimum role.

(c) Report by Chairman of Joint Chiefs of Staff.—(1) The Chairman of the Joint Chiefs of Staff shall, not later than April 1, 1989, prepare a report on the implementation of the resource allocation provisions of title 10, United States Code, enacted by the Goldwater-Nichols Department of Defense Reorganization Act of 1986 (Public Law 99-433) that are specified in paragraph (2) and any other resource allocation provision enacted by that Act which the Chairman considers appropriate.

(2) The sections of title 10, United States Code, referred to in paragraph (1) are the following:

(A) Section 113(g), relating to annual guidance by the Secretary of Defense to the heads of Department of Defense components.

(B) Section 153(a)(2)(A), relating to the preparation of strategic plans.

(C) Section 153(a)(3)(C), relating to the preparation and review of contingency plans.

(D) Section 153(a)(4), relating to advice by the Chairman to the Secretary of Defense concerning the requirements, programs, and budget of the Department of Defense.

(E) Section 163(b)(2), relating to the role of the Chairman as spokesman for the commanders of the unified and specified combatant commands.

(F) Section 166, relating to budget proposals for such commands.

(d) Matters To Be Included.—The report required by subsection (c) shall address the following matters:

(1) The status of implementation of each of the provisions referred to in subsection (c)(2) and any other related resource allocation provisions.

(2) For any provision referred to in subsection (c)(2) that is not fully implemented, the date estimated by the Chairman for final implementation of such provisions.

(3) An evaluation of the effect that each provision referred to in subsection (c)(2) has had or will have on (A) improving decisions within the Department of Defense with respect to the allocation of resources, and (B) improving the implementation of such decisions.

(4) The views of the Chairman on the optimum role of the unified and specified commands, the Joint Staff, and the Chairman in resource allocation decisionmaking and execution within the Department of Defense .

(5) The assessment of the Chairman concerning the degree to which those optimum roles are played, as of the time of the preparation of the report, by the unified and specified commands, the Joint Staff, and the Chairman.

(6) The assessment of the Chairman of whether current law, regulations, policies, and procedures provide the latitude for the unified and specified commands, the Joint Staff, and the Chairman to play those optimum roles.

(e) Submission of Reports.—The commanders of the unified and specified commands shall each submit the report required by subsection (a) to the Secretary of Defense. The Chairman of the Joint Chiefs of Staff shall submit the report required by subsection (c) to the Secretary. The Secretary shall transmit those reports, without change, to the Committees on Armed Services of the Senate and House of Representatives not later than April 1, 1989, together with such comments on the reports and such recommendations as the Secretary considers appropriate.

SEC. 715. REPORT ON INITIAL REVIEW OF UNIFIED COMMAND PLAN AND INITIAL REVIEW OF SERVICE ROLES AND MISSIONS

(a) Report Requirement.—Not later than April 1, 1989, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the implementation of sections 153(b) and 161(b) of title 10, United States Code.

(b) Initial Review of Service Roles and Missions.—With respect to the initial report of the Chairman of the Joint Chiefs of Staff to the Secretary of Defense under such section 153(b) (relating to the assignment of functions (or roles and missions) to the Armed Forces), the report under subsection (a) shall particularly describe how such report addressed each of the matters that the Chairman was required (under the second sentence of such section) to consider in preparing the report.

(c) Initial Review of the Unified Command Plan.—With respect to the initial review of the Chairman under such section 161(b) (relating to the missions, responsibilities, and force structures of the unified and specified combatant commands), the report under subsection (a) shall particularly describe how such review took into consideration each of the matters specified in paragraphs (1) through (10) of section 212(a) of the Goldwater-Nichols Department of Defense Reorganization Act of 1986 (Public Law 99-433; 100 Stat. 1017).

(d) Matters To Be Included.—The report under subsection (a) shall describe, with respect to the reports referred to in subsections (b) and (c)—

(1) the Secretary's evaluation of each of the findings and conclusions of the Chairman in each such report;

(2) how the Secretary has implemented (or proposes to implement) each of the recommendations in each such report; and

(3) such recommendations for further legislative and administrative action as the Secretary considers appropriate based on his review of the reports.

PART C—PERSONNEL-RELATED PROVISIONS

SEC. 721. REGULATIONS FOR DELIVERY OF MILITARY PERSONNEL TO CIVIL AUTHORITIES WHEN CHARGED WITH CERTAIN OFFENSES

(a) Not later than 90 days after the date of enactment of this Act, the Secretary of Defense shall ensure that the Secretaries of the military departments have issued uniform regulations pursuant to section 814 of title 10, United States Code, to provide for the delivery of members of the Armed Forces to civilian authority when such members have been accused of offenses against civil authority. Such regulations shall specifically provide for the delivery of such members to civilian authority, in appropriate cases, when such members are accused of parental kidnapping and other similar offenses, including criminal contempt arising from such offenses and from child custody matters, and shall specifically address the special needs for the exercise of the authority contained in section 814 of title 10, United States Code, when members of the Armed Forces assigned overseas are accused of offenses by civilian authorities.

(b) Not later than 120 days after the enactment of this Act, the Secretary of Defense shall transmit to the Committees on Armed Services of the Senate and House of Representatives a copy of all regulations promulgated under section 814 of title 10, United States Code, as a result of this section and any recommendations that the Secretary may have concerning the need for additional legislation related to the amenability of members of the Armed Forces to civil authority.

SEC. 722. ANNUITIES FOR JUDGES OF UNITED STATES COURT OF MILITARY APPEALS

(a) IN GENERAL.—Section 867 of title 10, United States Code (article 67 of the Uniform Code of Military Justice), is amended by adding at the end the following new subsection:

"(i)(1) A judge of the United States Court of Military Appeals who is separated from civilian service in the Federal Government after completing the term of service for which he was appointed as a judge of the court is eligible for an annuity under this subsection. An individual who is a former judge of the court who is separated from civilian service in the Federal Government and who completed the term of service on the court for which he was appointed is eligible for an annuity under this subsection. A judge or former judge who is eligible for an annuity under this subsection shall be paid that annuity if he elects, at the time he becomes eligible to receive that annuity, to receive that annuity in lieu of any other annuity for which he may be eligible at the time of such election (whether an immediate or a deferred annuity) under subchapter III of chapter 83 or chapter 84 of title 5 or any other retirement system for civilian employees of the Federal Government. Such an election may not be revoked.

"(2) The annuity of a judge or former judge under this subsection is 80 percent of the rate of pay for a judge in active service on the United States Court of Military Appeals as of the date on which the judge or former judge is separated from civilian service.

"(3) Nothing in this subsection affects any right of a judge or former judge to participate in the thrift savings plan under subchapter III of chapter 84 of title 5.

"(4) The Secretary of Defense shall prescribe by regulation a program to provide annuities for survivors and former spouses of judges and former judges who receive an annuity under this subsection. That program shall, to the maximum extent practicable, provide benefits and establish terms and conditions that are similar to those provided under survivor and former spouse annuity programs under retirement systems for civilian employees of the Federal Government. The program may include provisions for the reduction in the annuity paid the judge or former judge as a condition for the annuity. An election by a judge or former judge to receive an annuity under this subsection terminates any right or interest which any individual may have to an annuity under any other retirement system for civilian employees of the Federal Government based on the service of the judge or former judge.

"(5) The Secretary of Defense shall periodically increase annuities and survivor annuities paid under this subsection in order to take account of changes in the cost of living. The Secretary shall prescribe by regulation procedures for increases in annuities under this subsection. Such system shall, to the maximum extent appropriate, provide cost-of-living adjustments that are similar to those that are provided under other retirement systems for civilian employees of the Federal Government.

"(6) A retired judge or former judge of the court who is receiving an annuity under this subsection and who is appointed to a position in the Federal Government shall, during the period of such retired judge's or former judge's service in such position, be entitled to receive only the annuity under this subsection or the pay for that position, whichever is paid at the higher rate.

"(7) A retired judge or former judge who is entitled to an annuity under this subsection and who later is appointed as a justice or judge of the United States to hold office during good behavior and who retires from that office, or from regular active service in that office, shall be paid either (A) the annuity under this subsection, or (B) the annuity or salary to which he is entitled by reason of his service as such a justice or judge of the United States, as determined by an election by the judge or former judge at the time of such retirement from the office, or from regular active service in the office, of justice or judge of the United States. Such an election may not be revoked.

"(8) Annuities and survivor annuities paid under this subsection shall be paid out of the Department of Defense Military Retirement Fund.".

(b) DEADLINE FOR ESTABLISHMENT OF SURVIVOR PROGRAM.—The Secretary of Defense shall establish the program required by paragraph (4) of section 867(i) of title 10, United States Code, as added by subsection (a), not later than one year after the date of the enactment of this Act.

(c) TECHNICAL AMENDMENT.—Section 867(a)(4) of title 10, United States Code, is amended by inserting "or an annuity under subsection (i) or subchapter III of chapter 83 or chapter 84 of title 5" after "retired pay" both places it appears.

(d) EFFECTIVE DATE.—Subsection (i) of section 867 of title 10, United States Code, as added by subsection (a), shall apply with respect to judges of the United States Court of Military Appeals whose term of service on such court ends on or after the date of the enactment of this Act and to the survivors of such judges.

PART D—OTHER

SEC. 731. ANNUAL NET ASSESSMENTS

Section 113(j) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(j)";

(2) by striking out the second sentence; and

(3) by adding at the end the following:

"(2) Each such report shall—

"(A) include a comparison of the defense capabilities and programs of the armed forces of the United States and its allies with the armed forces of potential adversaries of the United States and allies of the United States;

"(B) include an examination of the trends experienced in those capabilities and programs during the five years immediately preceding the year in which the report is transmitted and an examination of the expected trends in those capabilities and programs during the five years covered by the Five-Year Defense Program submitted to Congress during that year pursuant to section 114(g) of this title;

"(C) reflect, in the overall assessment and in the strategic and regional assessments, the defense capabilities and programs of the armed forces of the United States specified in the budget submitted to Congress under section 1105 of title 31 in the year in which the report is submitted and in the five-year defense program submitted in such year; and

"(D) identify the deficiencies in the defense capabilities of the armed forces of the United States in such budget and such five-year defense program.

"(3) The Secretary shall transmit to Congress the report required for each year under paragraph (1) at the same time that the President submits the budget to Congress under section 1105 of title 31 in that year. Such report shall be transmitted in both classified and unclassified form.".

SEC. 732. LINKAGE OF NATIONAL MILITARY STRATEGY AND WEAPON ACQUISITION PROGRAMS

(a) FINDINGS.—Congress makes the following findings:

(1) The Final Report to the President by the President's Blue Ribbon Commission on Defense Management (the "Packard Commission"), the Defense Acquisition Study of the Center for Strategic and International Studies, and the Report of the Commission on Integrated Long-Term Strategy (referred to as "Discriminate Deterrence") have separately identified significant deficiencies in the integration of weapon acquisition programs of the Department of Defense with national military strategy.

(2) There is no established process involving the Office of the Secretary of Defense and the Joint Staff in which strategy, policy, operational concepts, and resource constraints are fully debated, coordinated, and translated into weapon acquisition programs. The dominant role of setting requirements for new weapon systems remains with the headquarters staffs of the military departments, and the requirements developed by those departments often do not appear to have been rigorously evaluated in terms of their overall contribution to national military strategy.

(3) The requirements and planning process of the Department of Defense is not constrained by realistic projections of future defense budgets. Consequently, the process is fiscally unrealistic and, therefore, largely ignored in the subsequent planning and budgeting process. This process often results in disparate plans that do not optimize the potential contribution of the acquisition programs of each military department to the objectives of national military strategy.

(b) Sense of Congress.—In light of the findings in subsection (a), it is the sense of Congress that—

(1) to ensure that the United States develops and acquires the proper mix of weapon systems to support national military strategy most effectively and efficiently, the Office of the Secretary of Defense and the Joint Staff should better define the links between national military strategy and specific acquisition programs;

(2) the Office of the Secretary of Defense, the Joint Staff, and the headquarters of the unified and specified combatant commands should more clearly define the necessary operational capabilities and concepts of operations as part of the requirements process and should explicitly consider alternative acquisition programs based on probable levels of resources likely to be approved by Congress and trade-offs among the acquisition programs of the military departments;

(3) the Secretary of Defense should ensure that resulting acquisition programs clearly reflect the objectives of national military strategy; and

(4) the Secretary of Defense should commission an independent study to assess the degree to which the development and acquisition of weapon systems is currently linked to and determined by the national military strategy and to recommend improvements where necessary or desirable.

SEC. 733. REPORT ON FUNDING FOR THE AMMUNITION PRODUCTION BASE

(a) Sense of Congress.—It is the sense of Congress—

(1) that the maintenance of the inactive portion of the Government-owned ammunition production base is critical to the defense of the United States; and

(2) that sufficient funding should be provided to maintain this base to meet surge requirements and mobilization requirements of the military departments.

(b) Study of Alternatives.—The Secretary of Defense shall study alternatives to the current method of providing funds for maintenance of the ammunition production base in order to determine if there are methods other than the current one which would better ensure that appropriate levels of funds are used for the maintenance of that production base.

(c) Report.—The Secretary shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the alternative methods considered by the Secretary under subsection (b) for providing funds for the ammunition production base. The Secretary shall include in the report such comments and recommendations with respect to such methods, including recommendations for legislation, as the Secretary considers appropriate. The report shall be submitted not later than December 1, 1988.

SEC. 734. SENSE OF CONGRESS CONCERNING DECLASSIFICATION OF CLASSIFIED INFORMATION

It is the sense of Congress that the Secretary of Defense should take all reasonable measures to declassify classified material under the control of the Department of Defense that the Secretary determines to be no longer required in the interest of national security to be protected from unauthorized disclosure.

SEC. 735. ADVANCE PAYMENTS OF ADMINISTRATIVE CLAIMS

(a) Increase in Maximum Payment.—Subsection (a) of section 2736 of title 10, United States Code, is amended to read as follows:

"(a)(1) In the case of a person who is injured or killed, or whose property is damaged or lost, under circumstances for which the Secretary of a military department is authorized by law to allow a claim, the Secretary of the military department concerned may make a payment to or for the person, or the legal representatives of the person, in advance of the submission of such a claim or, if such a claim is submitted, in advance of the final settlement of the claim. The amount of such a payment may not exceed $100,000.

"(2) Payments under this subsection are limited to payments which would otherwise be payable under section 2733 or 2734 of this title or section 715 of title 32.

"(3) The Secretary of a military department may delegate the authority to make payments under this subsection to the Judge Advocate General of an armed force under the jurisdiction of the Secretary. The Secretary may delegate such authority to any other officer or employee under the jurisdiction of the Secretary, but only with respect to the payment of amounts of $25,000 or less.

"(4) Payments under this subsection shall be made under regulations prescribed by the Secretary of the military department concerned.".

(b) Effective Date.—The amendment made by subsection (a) shall apply to any claim which would otherwise be payable under section 2733 or 2734 of title 10, United States Code, or under section 715 of title 32, United States Code, and which has not been finally settled on or before the date of the enactment of this Act.

SEC. 736. ENERGY EFFICIENCY INCENTIVE

(a) Energy Conservation Incentive.—In order to provide additional incentive for the Secretary of a military department to enter into contracts under title VIII of the National Energy Conservation Policy Act (42 U.S.C. 8287 et seq.), the Secretary may use the first-year energy cost savings (as defined in subsection (d)) realized under any such contract in the manner provided in subsection (b). The amount of savings available for use under subsection (b) shall be determined as provided in subsection (c) and shall remain available for obligation until expended.

(b) Authorized Uses of Savings.—First-year energy cost savings may be used as follows:

(1) One-half of the amount of such savings may be used for the acquisition of energy conserving measures at a military installation in addition to any such energy conserving measures provided for that installation under a contract entered into under title VIII of the National Conservation Energy Policy Act.

(2) One-half of the amount of such savings may be used for any morale, welfare, or recreation facility or service that is normally provided with appropriated funds, or for any minor military construction project (as defined in section 2805(a) of title 10, United States Code), that will enhance the quality of life of members of the Armed Forces at the military installation at which the energy cost savings were realized.

(c) Determination of Amount of Savings.—Not more than 90 days after the end of the first year during which energy savings measures have been in operation under a contract entered into by the Secretary of a military department under title VIII of the National Energy Conservation Policy Act, the Secretary of the military department concerned shall determine the amount of first-year energy cost savings realized under the terms of the contract during that year by the military department concerned by reason of the energy savings measures acquired and installed at that installation pursuant to that contract.

(d) Definition.—For purposes of this section, the term "first-year energy cost savings" means the savings realized by the United States during the first year of a contract entered into by the Secretary of a military department under title VIII of the National Energy Conservation Policy Act.

TITLE VIII—ACQUISITION POLICY AND MANAGEMENT

Part A—Acquisition Management

SEC. 801. INTEGRATED FINANCING POLICY

(a) In General.—(1) Chapter 137 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2330. Integrated financing policy

"(a) Plan.—(1) The Secretary of Defense shall develop and keep current a plan that ensures that Department of Defense policies referred to in paragraph (2) are structured to meet the long-term needs of the Department of Defense for industrial resources and technology innovation.

"(2) This section applies to the following policies applicable to Department of Defense contracts:

"(A) Policies relating to progress payments or other financing by the Department of Defense under such contracts.

"(B) Policies relating to the return on contractor investment under such contracts.

"(C) Policies relating to the allocation of contract risk between the Department of Defense and a contractor.

"(b) Matters To Take Into Consideration.—In developing the plan under subsection (a) and keeping such plan current, the Secretary shall take into consideration the following:

"(1) The Five-Year Defense Program submitted to Congress under section 114(g) of this title each year.

"(2) Department of Defense mobilization plans.

"(3) The different characteristics of separate segments and tiers of private industry.

"(4) The profitability of contracts negotiated by the Department of Defense in each fiscal year.

"(c) Review.—Each year the Secretary of Defense shall review the plan developed under subsection (a) and shall report the results of such review to the Committees on Armed Services of the Senate and the House of Representatives in conjunction with the submission of the Five-Year Defense Program in such year.

"(d) Use of Information on Profitability.—The Secretary of Defense, in negotiating any contract, shall use the most current information on profitability developed or obtained by the Secretary of Defense. The Secretary shall submit a report to Congress each year in conjunction with the submission of the Five-Year Defense Program on the extent to which contracts negotiated during the preceding fiscal year have prevented excessive contractor profits, deter-

mined on the basis of information obtained by the Secretary of Defense.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following:

"2330. Integrated financing policy.".

(b) ADVISORY COMMITTEE ON STUDY METHODOLOGY.—(1) The Secretary of Defense shall appoint, in accordance with paragraph (3), an advisory committee consisting of five members for the purpose of recommending to the Secretary a financial analysis methodology for any return on investment study conducted by the Secretary.

(2) In recommending a financial analysis methodology under paragraph (1), the advisory committee shall provide recommendations on the desirability of using separate calculations for—

(A) the return on assets;

(B) the return on sales;

(C) capital-to-labor ratios;

(D) asset turnover;

(E) total investment in research and development; and

(F) such other measures of rate of return on investment as the Secretary determines to be appropriate.

(3) Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall appoint the members of the committee, with representation from both the public and private sectors.

(4) The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the advisory committee appointed under this subsection.

(5) Not later than November 1, 1989, the advisory committee shall submit to the Secretary of Defense a report containing the financial analysis methodology recommended for use in the conduct of the study referred to in paragraph (1). The committee shall cease to exist 90 days after submission of its report.

(6) Not later than 90 days after receipt of the report from the advisory committee, the Secretary of Defense shall transmit the report to Congress, together with the Secretary's views on the committee's report.

SEC. 802. COMPETITIVE PROTOTYPE STRATEGIES

Section 2365 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(e) TERMINATION.—This section shall cease to be effective on September 30, 1991.".

SEC. 803. DELEGATION OF AUTHORITY TO APPROVE CERTAIN CONTRACT JUSTIFICATIONS

Section 2304(f) of title 10, United States Code, is amended—

(1) in paragraph (1)(B)(ii), by striking out "or a delegate" and all that follows through the semicolon and inserting in lieu thereof "(or the head of the procuring activity's delegate designated pursuant to paragraph (6)(A));";

(2) in paragraph (1)(B)(iii), by inserting "or in the case of the Under Secretary of Defense for Acquisition, acting in his capacity as the senior procurement executive for the Department of Defense, the Under Secretary's delegate designated pursuant to paragraph (6)(B)" after "(without further delegation)"; and

(3) by adding at the end the following:

"(6)(A) The authority of the head of a procuring activity under paragraph (1)(B)(ii) may be delegated only to an officer or employee who—

"(i) if a member of the armed forces, is a general or flag officer; or

"(ii) if a civilian, is serving in a position with a grade under the General Schedule (or any other schedule for civilian officers or employees) that is comparable to or higher than the grade of brigadier general or rear admiral (lower half).

"(B) The authority of the Under Secretary of Defense for Acquisition under paragraph (1)(B)(iii) may be delegated only to—

"(i) an Assistant Secretary of Defense; or

"(ii) with respect to the element of the Department of Defense (as specified in section 111(b) of this title), other than a military department, carrying out the procurement action concerned, an officer or employee serving in or assigned or detailed to that element who—

"(I) if a member of the armed forces, is serving in a grade above brigadier general or rear admiral (lower half); or

"(II) if a civilian, is serving in a position with a grade under the General Schedule (or any other schedule for civilian officers or employees) that is comparable to or higher than the grade of major general or rear admiral.".

SEC. 804. EVALUATION OF CONTRACTS FOR PROFESSIONAL AND TECHNICAL SERVICES

(a) ESTABLISHMENT OF CRITERIA.—Within 120 days after the date of the enactment of this Act, the Secretary of Defense shall establish criteria to ensure that proposals for contracts for professional and technical services are evaluated on a basis which does not encourage contractors to propose mandatory uncompensated overtime for professional and technical employees. In establishing such criteria, the Secretary shall consider the recommendations of the advisory committee established under subsection (b). The Secretary shall, before implementing such criteria, transmit to the Committees on Armed Services of the Senate and House of Representatives a report containing such criteria and the recommendations made by the advisory committee.

(b) ADVISORY COMMITTEE.—(1) Within 30 days after the date of the enactment of this Act, the Secretary of Defense shall establish an advisory committee to make recommendations on the criteria to be adopted by the Secretary. The advisory committee shall be composed, at a minimum, of such representatives as the Secretary considers appropriate from the Office of the Under Secretary of Defense for Acquisition, the Office of the Comptroller of the Department of Defense, the Acquisition Executives of the military departments, the Defense Contract Audit Agency, the Office of the Inspector General of the Department of Defense, and professional and technical services industries.

(2) In developing the recommendations, the advisory committee shall address the following issues:

(A) How the Department of Defense can best be assured that it receives the best quality services for the amounts expended and that the contractors supplying such services follow sound personnel management practices and observe established labor-management policies and regulations.

(B) Whether contract competitions should be structured in a manner that requires offerors to compete on the basis of factors other than the number of hours per week its professional and technical employees of similar annual salaries work.

(C) Whether the Department of Defense can allow contractors to maintain different accounting systems (for example, 40-hour work week, full time accounting) and still allow the Department to evaluate proposals on the basis of a work rate of 40 hours per week and 2,080 hours per year.

SEC. 805. PROCUREMENT OF CRITICAL AIRCRAFT AND SHIP SPARE PARTS

(a) IN GENERAL.—(1) Chapter 141 of title 10, United States Code, is amended by inserting after section 2382 the following:

"§ 2383. Procurement of critical aircraft and ship spare parts: quality control

"(a) In procuring any spare or repair part that is critical to the operation of an aircraft or ship, the Secretary of Defense shall require the contractor supplying such part to provide a part that meets all appropriate qualification and contractual quality requirements as may be specified and made available to prospective offerors. In establishing the appropriate qualification requirements, the Secretary of Defense shall utilize those requirements, if available, which were used to qualify the original production part, unless the Secretary of Defense determines in writing that any or all such requirements are unnecessary.

"(b) In this section, the term 'spare or repair part' has the meaning given such term by section 2323(f) of this title.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2382 the following new item:

"2383. Procurement of critical aircraft and ship spare parts: quality control.".

(b) EFFECTIVE DATE.—Section 2383 of title 10, United States Code, as added by subsection (a), shall apply with respect to contracts entered into after the end of the 180-day period beginning on the date of the enactment of this Act.

SEC. 806. INCENTIVES FOR INNOVATION

(a) IN GENERAL.—(1) Section 2305(d) of title 10, United States Code, is amended by adding at the end the following:

"(4)(A) Whenever the head of an agency requires that proposals described in paragraph (1)(B) or (2)(B) be submitted by an offeror in its offer, the offeror shall not be required to provide a proposal that enables the United States to acquire competitively in the future an identical item if the item was developed exclusively at private expense unless the head of the agency determines that—

"(i) the original supplier of such item will be unable to satisfy program schedule or delivery requirements; or

"(ii) proposals by the original supplier of such item to meet the mobilization requirements are insufficient to meet the agency's mobilization needs.

"(B) In considering offers in response to a solicitation requiring proposals described in paragraph (1)(B) or (2)(B), the head of an agency shall base any evaluation of items developed exclusively at private expense on an analysis of the total value, in terms of innovative design, life-cycle costs, and other pertinent factors, of incorporating such items in the system.".

(2) Section 2305(d)(3) of such title is amended by adding at the end the following: "Such objectives may not impair the rights of prospective contractors or subcontractors otherwise provided by law.".

(b) CLARIFYING AMENDMENT.—Paragraphs (1)(B) and (2)(B) of section 2305(d) of such title are each amended by striking out "The proposals" and all that follows through "contract are" and inserting in lieu thereof "Proposals referred to in the first sentence of subparagraph (A) are".

SEC. 807. REGULATIONS ON USE OF FIXED-PRICE DEVELOPMENT CONTRACTS

(a) IN GENERAL.—(1) Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall revise the Department of Defense regulations that provide for the use of fixed-price type contracts in a development program. The regulations shall provide that a fixed-price contract may be awarded in such a program only if—

(A) the level of program risk permits realistic pricing; and

(B) the use of a fixed-price contract permits an equitable and sensible allocation of program risk between the United States and the contractor.

(2)(A) The regulations also shall provide that if a contract for development of a major system is to be awarded in an amount greater than $10,000,000, the contract may not be a firm fixed-price contract.

(B) A waiver of the requirement prescribed in regulations under subparagraph (A) may be granted by the Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, but only if the Secretary determines and states in writing that the award is consistent with the criteria specified in clauses (A) and (B) of paragraph (1) and the regulations prescribed under such paragraph. The Secretary may delegate the authority in the preceding sentence only to a person who holds a position in the Office of the Secretary of Defense at or above the level of Assistant Secretary of Defense.

(b) DEFINITIONS.—In this section, the term "major system" has the meaning given such term by section 2302(5) of such title.

(c) EXPIRATION.—Paragraph (2) of subsection (a) shall cease to be effective two years after the date of the enactment of this Act.

SEC. 808. DEPARTMENT OF DEFENSE ADVISORY PANEL ON GOVERNMENT-INDUSTRY RELATIONS

(a) ESTABLISHMENT OF ADVISORY PANEL.—Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense shall establish an advisory panel to study and make recommendations to the Secretary on ways to enhance cooperation between the Department of Defense and industry regarding matters of mutual interest, including—

(1) procedures governing the debarment and suspension of contractors from doing business with the Department of Defense;

(2) the role of self-governing oversight programs established by defense contractors;

(3) expanded use of alternative dispute resolution procedures; and

(4) the desirability of establishing a permanent advisory panel on government-industry relations.

(b) MEMBERSHIP OF ADVISORY PANEL.—The Secretary of Defense shall appoint persons to the advisory panel who are especially qualified to serve on such panel by virtue of their education, training, and experience in defense acquisition matters. The Secretary shall include on the membership of such panel an appropriate balance of persons from government, private industry, and academia.

(c) REPORT DEADLINE.—(1) The Secretary shall require the advisory panel to submit its findings and recommendations to him not later than 180 days after the date on which the panel is appointed.

(2) The Secretary shall transmit a copy of the report of the advisory panel to Congress, together with such comments and recommendations thereon as the Secretary determines appropriate, within 30 days after the date on which the report is submitted to the Secretary.

SEC. 809. REPORT ON SIMPLIFICATION AND STREAMLINING OF ACQUISITION PROCEDURES

(a) REPORT ON ACQUISITION SIMPLIFICATION PROGRAMS.—The Under Secretary of Defense for Acquisition shall submit to Congress a report on the current programs of the Under Secretary regarding simplification of procedures governing the acquisition process of the Department of Defense. The report shall include an assessment of the results of those programs.

(b) MATTERS TO BE INCLUDED.—The report under subsection (a) shall include the following:

(1) A timetable to effectuate regulation reform measures based on the lessons learned from the conduct of the programs referred to in subsection (a).

(2) In the case of a program referred to in subsection (a) which has not been completed—

(A) the methodology to be used in evaluating such program; and

(B) a timetable for completing an assessment of the results of the program.

(3) A comprehensive analysis of the effects that existing laws, regulations, and guidelines applicable to procurement by the Department of Defense have on the capability of the Department of Defense efficiently and effectively to meet the national defense needs of the United States, including any recommendations for legislation that the Under Secretary considers appropriate to improve that capability.

(4) A description of the results of the studies undertaken by the Under Secretary in conjunction with the Inspector General of the Department of Defense and the Comptroller of the Department of Defense regarding the responsibilities of the Under Secretary under section 133(d) of title 10, United States Code, to prescribe policies for the prevention of duplicative audit and oversight of contractor activities by different elements of the Department of Defense.

(5) A discussion of the feasibility and desirability of each of the following:

(A) Structuring the audit and oversight of a contractor by the Department of Defense in a manner that reasonably relates to the extent of the risk assumed by the contractor in the type of contract that is subject to the audit and oversight.

(B) Granting authority to a senior official of the Department of Defense to receive and promptly resolve complaints of acquisition officials and contractors of the Department of Defense regarding allegations of duplicative oversight activities.

(C) Establishing a formal independent means within the Department of Defense to ensure quality, integrity, and professionalism in the performance of audit and oversight activities.

(D) Establishing and implementing a policy that prohibits an organization within the Department of Defense with responsibility for oversight of contractor activities from conducting an audit or review of an activity in the Department of Defense if another such oversight organization of the Department of Defense has conducted an audit or review of that activity within a fixed period of time preceding the proposed audit or review, unless the audit or review proposed to be conducted is substantially different in type and scope from the prior audit or review and there is a compelling reason not to rely on the prior audit or review.

(c) DEADLINE FOR REPORT.—The report required by subsection (a) shall be submitted not later than December 1, 1988.

(d) COORDINATION OF ANNUAL AUDIT PLANS BY AUDIT AND OVERSIGHT ELEMENTS OF DOD.—Section 133(d)(1) of title 10, United States Code, is amended by adding at the end the following new sentence: "Such policies shall provide for coordination of the annual plans developed by each such element for the conduct of audit and oversight functions within each contracting activity.".

PART B—DEFENSE INDUSTRIAL BASE

SEC. 821. MAINTENANCE AND IMPROVEMENT OF THE DEFENSE INDUSTRIAL BASE

(a) FINDINGS.—Congress finds the following:

(1) A strong defense industrial base in the United States is essential to the national security and significantly enhances the capability of United States manufacturers and producers—

(A) to develop technologically superior defense material rapidly and to produce such material efficiently in cost-effective quantities during peacetime; and

(B) to expand productive capacity rapidly to meet the demands of a national emergency.

(2) A strong and responsive defense industrial base is a basic deterrent to aggression and, thus, helps to preserve peace.

(3) Studies conducted over a 10-year period by Congress, the General Accounting Office, the Department of Defense, and others have consistently shown a steady, unchecked erosion of the defense industrial base in the United States.

(4) Despite the uniformly adverse findings contained in the reports on such studies, the United States still lacks a coherent industrial base policy that is directly linked to national security strategy.

(5) Reliable methods for assessing the weaknesses and strengths of the defense industrial base have not been utilized.

(6) The development and implementation of an effective program for the restoration and maintenance of the defense industrial base is unlikely to occur without improved centralized policy direction and management.

(7) Existing programs and authorities designed to restore and maintain the defense industrial base have received inconsistent and, frequently, inadequate allocations of resources and management attention from the military departments and the Defense Agencies because the Office of the Secretary of Defense has not exercised strong leadership in defense industrial base management.

(8) Procurement policies, regulations, and practices of the Department of Defense do not sufficiently encourage—

(A) investment in advanced manufacturing technology and modernization of manufacturing facilities and equipment;

(B) the entry of efficient commercial producers into the defense procurement market; and

(C) continued participation of efficient producers in defense procurement competitions.

(b) AMENDMENTS TO TITLE 10.—(1) Chapter 148 of title 10, United States Code, is amended—

(A) by redesignating sections 2501 and 2502 as sections 2506 and 2507, respectively; and

(B) by striking out the chapter heading and the table of sections and inserting in lieu thereof the following:

"CHAPTER 148—DEFENSE INDUSTRIAL BASE

"Sec.
"2501. Centralized guidance, analysis, and planning.
"2502. Policies relating to defense industrial base.
"2503. Defense industrial base office.
"2504. Defense memoranda of understanding.
"2505. Offset policy; notification.
"2506. Limitation on use of funds: procurement of goods which are other than American goods.
"2507. Miscellaneous procurement limitations.

"§ 2501. Centralized guidance, analysis, and planning

"The Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, shall—

"(1) provide overall policy guidance and direction to the military departments and the Defense Agencies on matters relating to the maintenance, expansion, and readiness of the defense industrial base of the United States;

"(2) analyze the capabilities of the defense industrial base of the United States to fulfill the requirements of national defense strategy in time of peace and the expanded requirements of national defense strategy in time of war or national emergency;

"(3) develop clear standards for assessing military mobilization requirements and the manner in which those requirements will be met;

"(4) develop and direct the implementation of plans, programs, and policies that promote the ability of the defense industrial base of the United States to fulfill the requirements of the Department of Defense; and

"(5) identify and plan for the procurement of items of supply that—

"(A) are suitable substitutes for military standard items of supply, or suitable substitutes for subsystems or components of military standard items of supply, that are anticipated to be unavailable from existing sources in quantities that are sufficient to meet planned requirements in time of war or national emergency; and

"(B) are commercially available from domestic sources.

"§ 2502. Policies relating to defense industrial base

"(a) ACQUISITION POLICIES.—The Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, shall establish and implement policies requiring—

"(1) for each major defense acquisition program, an analysis of the capabilities of the defense industrial base to develop, produce, maintain, and support such program;

"(2) the consideration of requirements for efficient manufacture during the design and production of the systems to be procured under the major defense acquisition program;

"(3) the use of advanced manufacturing technology, processes, and systems during the research and development and production phases of the acquisition of a weapon system under a major defense acquisition program;

"(4) to the maximum extent practicable for each major defense acquisition program, the development of an acquisition plan that provides for contract solicitations which encourage competing offerors to acquire, for use in the performance of the contract, modern technology, production equipment, and production systems (including hardware and software) that increase the productivity of the offerors and reduce life-cycle costs;

"(5) the encouragement of domestic source investment in advanced manufacturing technology production equipment and processes through—

"(A) recognition of the contractor's investment in advanced manufacturing technology production equipment and processes in the development of the contract objective; and

"(B) increased emphasis in source selections to the efficiency of production;

"(6) the expanded use of commercial manufacturing processes rather than processes specified by the Department of Defense;

"(7) elimination of barriers to, and facilitation of, the integrated manufacture of commercial items and items being produced under defense contracts; and

"(8) the expanded use of commercial products as set forth in section 2325 of this title.

"(b) ANALYSIS.—(1) In the conduct of any analysis required under subsection (a)(1), the following factors, as appropriate, may be considered:

"(A) The availability of essential raw materials, special alloys, and composite materials.

"(B) The availability of components, subsystems, production equipment, and facilities that are essential for—

"(i) the sustained production of a system that is fully capable of performing its purpose;

"(ii) the uninterrupted maintenance and repair of such system; and

"(iii) the sustained operation of such system.

"(C) The availability of required special tooling and production test equipment.

"(D) The identification of components or subsystems that are available solely from sources outside the United States.

"(E) Planned alternatives, if appropriate, for fulfilling requirements that during peacetime are fulfilled by sources outside the United States.

"(2) In the conduct of the analysis required under subsection (a)(1), the Under Secretary shall minimize the paperwork burden on the contractor, its subcontractors, and suppliers.

"(c) ASSESSMENTS.—(1) The Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, shall ensure that, for each major defense acquisition program—

"(A) the capability of the domestic defense industrial base to meet requirements for that program has been assessed by the military department or Defense Agency carrying out such program; and

"(B) the capability of the domestic defense industrial base to meet the aggregate requirements for all such programs has been assessed in the Office of the Secretary of Defense.

"(2) For purposes of this subsection, the term 'domestic defense industrial base' means firms engaged in production in the United States and Canada.

"§ 2503. Defense industrial base office

"The Under Secretary of Defense for Acquisition may establish within the Office of the Under Secretary of Defense for Acquisition a defense industrial base office to be the principal office in the Department of Defense for the development of policies and plans regarding the conduct of programs for the improvement of the defense industrial base of the United States. Such an office shall, at a minimum—

"(1) develop and propose plans and programs for the maintenance and fostering of defense industrial readiness in the United States;

"(2) develop and propose plans and programs to encourage the use by the defense industries of the United States of advanced manufacturing technology and processes and investment in improved productivity;

"(3) propose, consistent with existing law, the repeal or amendment of the regulations of the Department of Defense prescribed as part of the Federal Acquisition Regulation (the single system of Government-wide procurement regulation as defined in section 4(4) of the Office of Federal Procurement Policy Act) and such other regulations and policies as may be necessary to eliminate any adverse effect that the regulations and policies may have on investment in improved productivity; and

"(4) evaluate and propose for testing innovative ideas for improving defense industrial readiness in the United States, including ideas for improving—

"(A) manufacturing processes; and

"(B) the acquisition procedures of the Department of Defense.".

(2) The items relating to chapter 148 in the tables of chapters at the beginning of part IV of subtitle A of title 10, United States Code, and at the beginning of such subtitle, are each amended to read as follows:

"148. Defense Industrial Base .... 2501".

(c) ANALYSIS OF DEFENSE INDUSTRIAL BASE CAPABILITY.—(1) The Under Secretary of Defense for Acquisition shall require the Secretary of each military department to provide to the Under Secretary at least one analysis of the type described in section 2502(a)(1) of title 10, United States Code (as added by subsection (b)) for an acquisition program carried out by such department. The Under Secretary shall compile and analyze the data obtained from such analysis in order to ascertain whether the industrial base is capable of supporting each such program.

(2) A program may not be selected for an analysis under this subsection if production of the system to be acquired under such program has begun.

(3) All analyses required under this subsection shall be completed not later than September 30, 1990.

(4) Not later than February 1, 1991, the Under Secretary of Defense for Acquisition shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the analyses required under this subsection.

SEC. 822. SOURCE FOR PROCUREMENT OF CERTAIN VALVES AND MACHINE TOOLS

Section 2507 of title 10, United States Code, as redesignated by section 821, is amended by adding at the end the following new subsection:

"(d) VALVES AND MACHINE TOOLS.—(1) During fiscal years 1989, 1990, and 1991, funds appropriated or otherwise made available to the Department of Defense may not be used to enter into a contract for the procurement of items described in paragraph (2) that are not manufactured in the United States or Canada.

"(2) Items covered by paragraph (1) are the following:

"(A) Powered and non-powered valves in Federal Supply Classes 4810 and 4820 used in piping for naval surface ships and submarines.

"(B) Machine tools in the Federal Supply Classes for metal-working machinery numbered 3405, 3408, 3410 through 3419, 3426, *3433, 3438, 3441 through 3443, 3445, 3446, 3448, 3449, 3460, and 3461.*

"(3) The Secretary of Defense may waive the requirement of paragraph (1) with respect to the procurement of an item if the Secretary determines that any of the following apply with respect to that item:

"(A) The restriction would cause unreasonable costs or delays to be incurred.

"(B) United States producers of the item would not be jeopardized by competition from a foreign country and that country does not discriminate against defense items produced in the United States to a greater degree than the United States discriminates against defense items produced in that country.

"(C) Satisfactory quality items manufactured in the United States or Canada are not available.

"(D) The restriction would impede cooperative programs entered into between the Department of Defense and a foreign country and that country does not discriminate against defense items produced in the United States to a greater degree than the United States discriminates against defense items produced in that country.

"(E) The procurement is for an amount less than $25,000 and simplified small purchase procedures are being used.

"(F) The restriction would result in the existence of only one United States or Canadian source for the item.

"(4) The provisions of this section may be renewed with respect to any item by the Secretary of Defense at the end of fiscal year 1991 for an additional two fiscal years if the Secretary determines that a continued restriction on that item is in the national security interest.".

SEC. 823. CRITICAL TECHNOLOGIES PLAN

(a) In General.—(1) Chapter 139 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2368. Critical technologies plan

"(a) Annual Plan.—(1) Not later than March 15 of each year, the Under Secretary of Defense for Acquisition, in consultation with the Assistant Secretary of Energy for Defense Programs, shall submit to the Committees on Armed Services of the Senate and the House of Representatives a plan for developing the 20 technologies considered by the Secretary of Defense and the Secretary of Energy to be the technologies most essential to develop in order to ensure the long-term qualitative superiority of United States weapon systems.

"(2) In selecting the technologies to be included in the plan, the Secretary of Defense and the Secretary of Energy shall consider both product technologies and process technologies.

"(3) Such plan shall be submitted in both classified and unclassified form.

"(b) Content of Plan.—Each plan submitted under subsection (a) shall include, with respect to each technology included in the plan, the following matters:

"(1) The reasons for selecting such technology.

"(2) The milestone goals for the development of such technology.

"(3) The amounts contained in the budgets of the Department of Defense, the Department of Energy, and other departments and agencies for the support of the development of such technology for the fiscal year beginning in the year in which the plan is submitted.

"(4) A comparison of the positions of the United States and the Soviet Union in the development of such technology.

"(5) The potential contributions that the allies of the United States can make to meet the needs of the alliance for such technology.

"(6) With respect to the development of such technology, a comparison of the relative positions of the United States and other industrialized countries that are prominent in the development of such technology and the extent to which the United States should depend on other countries for the development of such technology.

"(7) The potential contributions that the private sector can be expected to make from its own resources in connection with development of civilian applications for such technology.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2368. Critical technologies plan.".

(b) First Report.—The first report under section 2368 of title 10, United States Code (as added by subsection (a)), shall be submitted in 1989.

SEC. 824. DEFENSE MEMORANDA OF UNDERSTANDING

Chapter 148 of title 10, United States Code, as amended by section 821, is further amended by inserting after section 2503 the following new section:

"§ 2504. Defense memoranda of understanding

"In the negotiation and renegotiation of each memorandum of understanding between the Secretary of Defense, acting on behalf of the United States, and one or more foreign countries (or any instrumentality of a foreign country) relating to research, development, or production of defense equipment, the Secretary of Defense shall—

"(1) consider the effect of such proposed memorandum of understanding on the defense industrial base of the United States; and

"(2) regularly solicit and consider information or recommendations from the Secretary of Commerce with respect to the effect on the United States industrial base of such memorandum of understanding.".

SEC. 825. DEPARTMENT OF DEFENSE OFFSET POLICY

(a) Findings.—Congress makes the following findings:

(1) Many contracts entered into by United States firms for the supply of weapon systems or defense-related items to foreign countries and foreign firms are subject to contractual arrangements under which United States firms must agree—

(A) to have a specified percentage of work under, or monetary amount of, the contract performed by one or more foreign firms;

(B) to purchase a specified amount or quantity of unrelated goods or services from domestic sources of such foreign countries; or

(C) to invest a specified amount in domestic businesses of such foreign countries.

Such contractual arrangements, known as "offsets", are a component of international trade and could have an impact on United States defense industry opportunities in domestic and foreign markets.

(2) Some United States contractors and subcontractors may be adversely affected by such contractual arrangements.

(3) Many contracts which provide for or are subject to offset arrangements require, in connection with such arrangements, the transfer of United States technology to foreign firms.

(4) The use of such transferred technology by foreign firms in conjunction with foreign trade practices permitted under the trade policies of the countries of such firms can give foreign firms a competitive advantage against United States firms in world markets for products using such technology.

(5) A purchase of defense equipment pursuant to an offset arrangement may increase the cost of the defense equipment to the purchasing country and may reduce the amount of defense equipment that a country may purchase.

(6) The exporting of defense equipment produced in the United States is important to maintain the defense industrial base of the United States, lower the unit cost of such equipment to the Department of Defense, and encourage the standardized utilization of United States equipment by the allies of the United States.

(b) Amendment to Title 10.—Chapter 148 of title 10, United States Code, as amended by sections 821 and 824, is further amended by inserting after section 2504 the following new section:

"§ 2505. Offset policy; notification

"(a) Establishment of Offset Policy.—The President shall establish, consistent with the requirements of this section, a comprehensive policy with respect to contractual offset arrangements in connection with the purchase of defense equipment or supplies which addresses the following:

"(1) Transfer of technology in connection with offset arrangements.

"(2) Application of offset arrangements, including cases in which United States funds are used to finance the purchase by a foreign government.

"(3) Effects of offset arrangements on specific subsectors of the industrial base of the United States and for preventing or ameliorating any serious adverse effects on such subsectors.

"(b) Technology Transfer.—(1) No official of the United States may enter into a memorandum of understanding or other agreement with a foreign government that would require the transfer of United States defense technology to a foreign country or a foreign firm in connection with a contract that is subject to an offset arrangement if the implementation of such memorandum or agreement would significantly and adversely affect the defense industrial base of the United States and would result in a substantial financial loss to a United States firm.

"(2) Paragraph (1) shall not apply in the case of a memorandum of understanding or agreement described in paragraph (1) if the Secretary of Defense, in consultation with the Secretary of Commerce and the Secretary of State, determines that a transfer of United States defense technology pursuant to such understanding or agreement will result in strengthening the national security of the United States and so certifies to Congress.

"(3) If a United States firm is required under the terms of a memorandum of understanding, or other agreement entered into by the United States with a foreign country, to transfer defense technology to a foreign country, the United States firm may protest the determination to the Secretary of Defense on the grounds that the transfer of such technology would adversely affect the defense industrial base of the United States and would result in substantial financial loss to the protesting firm. The Secretary of Defense, in consultation with the Secretary of Commerce and the Secretary of State, shall make the final determination of the validity of the protesting firm's claim.

"(c) Notification Regarding Offsets.—If at any time a United States firm enters into a contract for the sale of a weapon system or defense-related item to a foreign country or foreign firm and such contract is subject to an offset arrangement exceeding $50,000,000 in value, such firm shall notify the Secretary of Defense of the proposed sale. Notification shall be made under this subsection in accordance with regulations prescribed by the Secretary of Defense in consultation with the Secretary of Commerce.

"(d) Definitions.—In this section:

"(1) The term 'United States firm' means a business entity that performs substantially all of its manufacturing, production, and research and development activities in the United States.

"(2) The term 'foreign firm' means a business entity other than a United States firm.".

(c) Negotiations.—(1) The President shall enter into negotiations with foreign countries that have a policy of requiring an offset arrangement in connection with the purchase of defense equipment or supplies from the United States. The negotiations should be conducted with a view to achieving an agreement with the countries concerned that would limit the adverse effects that such arrangements have on the defense industrial base of each such country.

(2) Every effort shall be made to achieve such agreements within two years after the date of the enactment of this Act.

(d) Reports.—(1) Not later than November 15, 1988, the President shall submit to Congress a comprehensive report on contractual offset arrangements required of United States firms for the supply of weapon systems or defense-related items to foreign countries or foreign firms. Such report shall include, at a minimum, the following:

(A) An analysis of the amount and type of contractual offsets required of United States firms by the governments of foreign countries or by foreign firms.

(B) An assessment of the benefits for and costs to United States manufacturers of defense products at all tiers that result from requirements of foreign governments for contractual offset arrangements in the case of products procured from United States firms.

(C) An assessment of the benefits for and the costs to United States manufacturers of defense products at all tiers that would result from restriction of the ability of foreign governments or foreign firms to require contractual offsets in the case of defense products procured from United States firms.

(D) An assessment of the benefits and costs of a United States policy that requires reciprocal offsets in the procurement of defense products from those countries whose governments have a policy of requiring contractual offsets in the case of defense products procured from United States firms.

(E) An assessment of the impact that elimination of contractual offset requirements in international sales of defense products would have on the national security of the United States.

(F) Recommendations for a national policy with respect to contractual offset arrangements.

(G) A preliminary discussion of the actions referred to in paragraph (2).

(2) Not later than March 15, 1990, the President shall transmit to Congress a report containing a discussion of appropriate actions to be taken by the United States with respect to purchases from United States firms by a foreign country (or a firm of that country) when that country or firm requires an offset arrangement in connection with the purchase of defense equipment or supplies in favor of such country. The report shall include a discussion of the following possible actions:

(A) A requirement for an offset in favor of the United States or United States firms in any case in which the Department of Defense or any other department or agency of the United States purchases goods from such foreign country or a firm of such country.

(B) A demand for offset credits from such foreign country to be used, to the extent practicable, to meet offset obligations of United States firms to such foreign country or to a firm of such country.

(C) A reduction in assistance furnished such foreign country by the United States.

(D) A requirement for alternative equivalent advantages in the case of any such foreign country or a firm of such country if the United States does not purchase a sufficient volume of goods from such country or firm for a requirement described in subparagraph (A) to be effective.

(3) The President shall report to Congress at least once each year, for a period of 4 years, on the progress of the negotiations referred to in subsection (c). The first such report shall be submitted not later than one year after the date of the enactment of this Act.

(4) In this subsection, the terms "United States firm" and "foreign firm" have the same meanings as are provided in section 2505(d) of title 10, United States Code, as added by subsection (b).

SEC. 826. ALLOWABILITY OF COSTS TO PROMOTE THE EXPORT OF DEFENSE PRODUCTS

(a) In General.—Section 2324(f) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(5) The regulations shall provide that costs to promote the export of products of the United States defense industry, including costs of exhibiting or demonstrating products, shall be allowable to the extent that such costs—

"(A) are allocable, reasonable, and not otherwise unallowable;

"(B) with respect to the activities of the business segment to which such costs are being allocated, are determined by the Secretary of Defense to be likely to result in future cost advantages to the United States; and

"(C) with respect to a business segment which allocates to Department of Defense contracts $2,500,000 or more of such costs in any fiscal year of such business segment, are not in excess of the amount equal to 110 percent of such costs incurred by such business segment in the previous fiscal year.".

(b) Regulations.—The Secretary of Defense shall prescribe final regulations under paragraph (5) of section 2324(f) of title 10, United States Code (as added by subsection (a)), not later than 90 days after the date of the enactment of this Act. Such regulations shall apply with respect to costs referred to in such paragraph that are incurred by a Department of Defense contractor (or a subcontractor of such a contractor) on or after the first day of the contractor's (or subcontractor's) first fiscal year that begins on or after the date on which such final regulations are prescribed.

(c) Report.—Not later than two years after the date of the enactment of this Act, the Comptroller General of the United States and the Inspector General of the Department of Defense shall each submit to the Committees on Armed Services of the Senate and House of Representatives a report that includes the following:

(1) An assessment of whether the regulations required by section 2324(f)(5) of title 10, United States Code (as added by subsection (a)), provide the appropriate incentives to stimulate exports by the United States defense industry and provide cost savings to the United States.

(2) An assessment of whether such regulations provide appropriate criteria to ensure that costs allowed are reasonably likely to provide future cost savings to the United States.

(d) Termination.—Section 2324(f)(5) of title 10, United States Code (as added by subsection (a)), shall cease to be effective three years after the date of the enactment of this Act.

PART C—POLICIES RELATING TO DEFENSE CONTRACTORS

SEC. 831. ADDITIONAL PROHIBITIONS ON PERSONS CONVICTED OF FELONIES RELATED TO DEFENSE CONTRACTS

(a) In General.—Section 2408(a) of title 10, United States Code, is amended to read as follows:

"(a) Prohibition.—(1) An individual who is convicted of fraud or any other felony arising out of a contract with the Department of Defense shall be prohibited from each of the following:

"(A) Working in a management or supervisory capacity on any defense contract.

"(B) Serving on the board of directors of any defense contractor.

"(C) Serving as a consultant to any defense contractor.

"(D) Being involved in any other way, as determined under regulations prescribed by the Secretary of Defense, with a defense contract.

"(2) Except as provided in paragraph (3), the prohibition in paragraph (1) shall apply for a period, as determined by the Secretary of Defense, of not less than five years after the date of the conviction.

"(3) The prohibition in paragraph (1) may apply with respect to an individual for a period of less than five years if the Secretary determines that the five-year period should be waived in the interests of national security. If the five-year period is waived, the Secretary shall submit to Congress a report stating the reasons for the waiver.".

(b) Effective Date.—Section 2408(a) of title 10, United States Code, as amended by subsection (a), shall apply with respect to individuals convicted after the date of the enactment of this Act.

SEC. 832. LIMITATION ON ALLOWABILITY OF COSTS OF CONTRACTORS INCURRED IN CERTAIN PROCEEDINGS

(a) Limit on Costs.—Section 2324(e) of title 10, United States Code, is amended—

(1) by adding at the end of paragraph (1), as amended by section 322(a), the following:

"(N) Except as provided in paragraph (2), costs incurred in connection with any civil, criminal, or administrative action brought by the United States that results in a determination that a contractor has violated or failed to comply with any Federal law or regulation if the action results in any of the following:

"(i) In the case of a criminal action, a conviction (including a conviction pursuant to a plea of nolo contendere).

"(ii) In the case of a civil or administrative action, (I) a determination by the Secretary of Defense that the violation or failure to comply was knowing or willful, and (II) the imposition of a monetary penalty.

"(iii) A final decision by an appropriate official of the Department of Defense to debar or suspend the contractor or to rescind, void, or terminate a contract awarded to such contractor if such decision is based on a determination by the Secretary of Defense that the violation or failure to comply was knowing or willful.";

(2) by redesignating paragraph (2) as paragraph (3); and

(3) by inserting after paragraph (1) (as amended by paragraph (1)) the following:

"(2) If a civil, criminal, or administrative action referred to in paragraph (1)(N) is resolved by consent or compromise pursuant to an agreement entered into by a contractor and the United States, the contractor's costs that are otherwise not allowable under paragraph (1)(N) may be allowed to the extent provided in such agreement.".

(b) Regulations.—The Secretary of Defense shall prescribe regulations to implement section 2324(e)(1)(N) of title 10, United States Code, as added by subsection (a), not later than 90 days after the date of the enactment of this Act.

SEC. 833. AIR TRAVEL EXPENSES OF DEFENSE CONTRACTOR PERSONNEL

(a) Air Fare Discount Agreements.—The Administrator of General Services shall enter into negotiations with commercial air carriers with a view to achieving agreements that permit personnel of contractors who are traveling solely in the performance of covered contracts to be transported by such carriers at the same discount air passenger transportation rates as such carriers charge for travel by Federal Government employees traveling at Government expense.

(b) Allowable Costs.—Not later than 120 days after the first agreement goes into effect between the Administrator of General Services and a commercial air carrier under subsection (a), the Secretary of Defense shall prescribe regulations that provide that costs for travel by commercial air carrier by an employee of a defense contractor that exceed the air passenger transportation rates established under the agreement are not allowable costs under section 2324 of title 10, United States Code, under a covered contract if—

(1) the rate was available; and

(2) travel could have reasonably been performed under the conditions required by the air carrier to qualify for such rate.

(c) Covered Contract.—In this section, the term "covered contract" has the meaning given such term by section 2324(k) of title 10, United States Code.

(d) Expiration.—This section shall cease to be effective three years after the date of the enactment of this Act.

SEC. 834. STANDARDS FOR CONTRACTOR INVENTORY ACCOUNTING SYSTEMS

(a) In General.—(1) Chapter 141 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2410b. Contractor inventory accounting systems: standards

"The Secretary of Defense shall prescribe in regulations—

"(1) standards for inventory accounting systems used by contractors under contract with the Department of Defense; and

"(2) appropriate certification and enforcement requirements with respect to such standards.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2410b. Contractor inventory accounting systems: standards.".

(b) Regulations.—(1) The Secretary of Defense shall prescribe the regulations required by paragraph (1) of section 2410b of title 10, United States Code, as added by subsection (a), not later than 30 days after the date of the enactment of this Act.

(2) The Secretary of Defense shall prescribe the regulations required by paragraph (2) of section 2410b of title 10, United States Code, as added by subsection (a), not later than 180 days after the date of the enactment of this Act.

SEC. 835. EQUAL EMPLOYMENT OPPORTUNITIES RELATING TO AN ARMY CONTRACT

No funds appropriated pursuant to any authorization in this Act or in any previous Act may be expended or obligated for the performance of contract number DA AJ09-88-C-A093 by a contractor outside the United States unless the Secretary of the Army secures a commitment from the contractor that it will support equal employment opportunities for all individuals irrespective of race, color, religion, sex, or national origin in its employment practices.

Part D—Miscellaneous

SEC. 841. PROCUREMENT TECHNICAL ASSISTANCE COOPERATIVE AGREEMENT PROGRAM

(a) Limitation.—Section 2414 of title 10, United States Code, is amended to read as follows:

"§ 2414. Limitation

"(a) In General.—The value of the assistance furnished by the Secretary to any eligible entity to carry out a procurement technical assistance program under a cooperative agreement under this chapter during any fiscal year may not exceed—

"(1) in the case of a program operating on a Statewide basis, $300,000; or

"(2) in the case of a program operating on less than a Statewide basis, $150,000.

"(b) Determinations on Scope of Operations.—A determination of whether a procurement technical assistance program is operating on a Statewide basis or on less than a Statewide basis shall be made in accordance with regulations prescribed by the Secretary of Defense.".

(b) Procurement Technical Assistance for Indian Tribal Organizations.—(1) Section 807(a)(2) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1128) is amended by striking out "for fiscal year 1988," and inserting in lieu thereof "for fiscal years 1988 and 1989,".

(2) Section 2411(1)(D) of title 10, United States Code, is amended by striking out the period at the end and inserting in lieu thereof ", whether or not such economic enterprise is organized for-profit or nonprofit purposes.".

SEC. 842. PRODUCT EVALUATION

(a) In General.—Chapter 139 of title 10, United States Code, as amended by section 823, is further amended by adding at the end the following new section:

"§ 2369. Product evaluation activity

"(a) Establishment.—The Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, shall establish a program for the supervision and coordination of product evaluation activities within the Department of Defense.

"(b) Conduct of Product Evaluation.—(1) The Secretary of each military department and the head of each Defense Agency may, subject to supervision and coordination by the Under Secretary of Defense for Acquisition, establish and conduct appropriate product evaluation activities.

"(2) The purpose of each product evaluation activity established under paragraph (1) is to evaluate products developed by private industry independent of any contract or other arrangement with the United States in order to determine the utility of such products to the Department of Defense.

"(c) Cost Sharing.—As a condition to conducting an evaluation of any product under this section, the producer of the product shall be required to pay one half of the cost of conducting such evaluation. For product development proposed by a small business concern (within the meaning of section 3 of the Small Business Act (15 U.S.C. 632)), the Secretary of Defense may pay up to 85 percent of the cost of product evaluation if the small business concern agrees to a not-for-profit contract.".

(b) Clerical Amendment.—The table of sections at the beginning of such chapter, as amended by section 823, is further amended by adding at the end the following new item:

"2369. Product evaluation activity.".

SEC. 843. CONTRACT GOAL FOR MINORITIES IN PRINTING-RELATED SERVICES

(a) Test Program.—The Public Printer shall establish and, during fiscal years 1989 and 1990, carry out a test program for increasing its award of contracts to small and disadvantaged businesses for the printing, binding, and related services needed by the Department of Defense. The program shall have a goal of procuring in each such fiscal year from such businesses printing, binding, and related services equivalent to not more than 5 percent of the value of the printing, binding, and related services which were procured in the preceding fiscal year by the Government Printing Office from non-Government sources for the Department of Defense. The Public Printer may use such procurement procedures as he considers necessary to facilitate achievement of such goal.

(b) Covered Entities.—In this section, the term "small and disadvantaged businesses" means the small business concerns, historically Black colleges and universities, and minority institutions described in section 1207(a) of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661; 100 Stat. 3973).

(c) Enforcement.—Any person who, for the purpose of securing a contract under subsection (a), misrepresents the status of any concern or person as a small business concern referred to in subsection (b), is subject to the penalties set forth in section 1207(f) of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661; 100 Stat. 3974).

(d) Section 1207 Goals.—For the purpose of determining whether the Department of Defense has attained the goals set forth in section 1207 of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661; 100 Stat. 3973), the Secretary of Defense may count any procurements by the Public Printer in the program established under subsection (a).

SEC. 844. EXTENSION OF CONTRACT GOAL FOR SMALL AND DISADVANTAGED BUSINESSES

Section 1207 of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661; 100 Stat. 3973) is amended in subsections (a) and (h) by striking out "and 1989" and inserting in lieu thereof "1989, and 1990".

SEC. 845. DEADLINE FOR CERTAIN SMALL BUSINESS REGULATIONS

Section 3(a)(4)(C) of the Small Business Act (15 U.S.C. 632) is amended by inserting at the end the following: "Such regulations shall apply with respect to contracts entered into on or after October 1, 1988.".

SEC. 846. SAFEGUARDING OF MILITARY WHISTLEBLOWERS

(a) MILITARY WHISTLEBLOWER PROTECTION.—(1) Section 1034 of title 10, United States Code, is amended to read as follows:

"§ 1034. Communicating with a Member of Congress or Inspector General; prohibition of retaliatory personnel actions

"(a) RESTRICTING COMMUNICATIONS WITH MEMBERS OF CONGRESS AND INSPECTOR GENERAL PROHIBITED.—(1) No person may restrict a member of the armed forces in communicating with a Member of Congress or an Inspector General.

"(2) Paragraph (1) does not apply to a communication that is unlawful.

"(b) PROHIBITION OF RETALIATORY PERSONNEL ACTIONS.—No person may take (or threaten to take) an unfavorable personnel action, or withhold (or threaten to withhold) a favorable personnel action, as a reprisal against a member of the armed forces for making or preparing a communication to a Member of Congress or an Inspector General that (under subsection (a)) may not be restricted. Any action prohibited by the preceding sentence (including the threat to take any action and the withholding or threat to withhold any favorable action) shall be considered for the purposes of this section to be a personnel action prohibited by this subsection.

"(c) INSPECTOR GENERAL INVESTIGATION OF CERTAIN ALLEGATIONS.—(1) If a member of the armed forces submits to the Inspector General of the Department of Defense (or the Inspector General of the Department of Transportation, in the case of a member of the Coast Guard) an allegation that a personnel action prohibited by subsection (b) has been taken (or threatened) against the member with respect to a communication described in paragraph (2), the Inspector General shall expeditiously investigate the allegation.

"(2) A communication described in this paragraph is a communication to a Member of Congress or an Inspector General that (under subsection (a)) may not be restricted in which the member of the armed forces makes a complaint or discloses information that the member reasonably believes constitutes evidence of—

"(A) a violation of a law or regulation; or

"(B) mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety.

"(3) The Inspector General is not required to make an investigation under paragraph (1) in the case of an allegation made more than 60 days after the date on which the member becomes aware of the personnel action that is the subject of the allegation.

"(4) If the Inspector General has not already done so, the Inspector General shall commence a separate investigation of the information that the member believes evidences wrongdoing as described in subparagraph (A) or (B) of paragraph (2). The Inspector General is not required to make such an investigation if the information that the member believes evidences wrongdoing relates to actions which took place during combat.

"(5) Not later than 30 days after completion of an investigation under this subsection, the Inspector General shall submit a report on the results of the investigation to the Secretary of Defense and the member of the armed forces concerned. In the copy of the report submitted to the member, the Inspector General may exclude any information that would not otherwise be available to the member under section 552 of title 5.

"(6) If, in the course of an investigation of an allegation under this section, the Inspector General determines that it is not possible to submit the report required by paragraph (5) within 90 days after the date of receipt of the allegation being investigated, the Inspector General shall provide to the Secretary of Defense and to the member making the allegation a notice—

"(A) of that determination (including the reasons why the report may not be submitted within that time); and

"(B) of the time when the report will be submitted.

"(7) The report on the results of the investigation shall contain a thorough review of the facts and circumstances relevant to the allegation and the complaint or disclosure and shall include documents acquired during the course of the investigation, including summaries of interviews conducted. The report may include a recommendation as to the disposition of the complaint.

"(d) CORRECTION OF RECORDS WHEN PROHIBITED ACTION TAKEN.—(1) A board for the correction of military records acting under section 1552 of this title, in resolving an application for the correction of records made by a member or former member of the armed forces who has alleged a personnel action prohibited by subsection (b), on the request of the member or former member or otherwise, may review the matter.

"(2) In resolving an application described in paragraph (1), a correction board—

"(A) shall review the report of the Inspector General submitted under subsection (c)(5);

"(B) may request the Inspector General to gather further evidence; and

"(C) may receive oral argument, examine and cross-examine witnesses, take depositions, and, if appropriate, conduct an evidentiary hearing.

"(3) If the board elects to hold an administrative hearing, the member or former member who filed the application described in paragraph (1)—

"(A) may be provided with representation by a judge advocate if—

"(i) the Inspector General, in the report under subsection (c)(5), finds that there is probable cause to believe that a personnel action prohibited by subsection (b) has been taken (or threatened) against the member with respect to a communication described in subsection (c)(2);

"(ii) the Judge Advocate General concerned determines that the case is unusually complex or otherwise requires judge advocate assistance to ensure proper presentation of the legal issues in the case; and

"(iii) the member is not represented by outside counsel chosen by the member; and

"(B) may examine witnesses through deposition, serve interrogatories, and request the production of evidence, including evidence contained in the investigatory record of the Inspector General but not included in the report submitted under subsection (c)(5).

"(4) The Secretary concerned shall issue a final decision with respect to an application described in paragraph (1) within 180 days after the application is filed. If the Secretary fails to issue such a final decision within that time, the member or former member shall be deemed to have exhausted the member's or former member's administrative remedies under section 1552 of this title.

"(5) The Secretary concerned shall order such action, consistent with the limitations contained in sections 1552 and 1553 of this title, as is necessary to correct the record of a personnel action prohibited by subsection (b).

"(6) If the Board determines that a personnel action prohibited by subsection (b) has occurred, the Board may recommend to the Secretary concerned that the Secretary take appropriate disciplinary action against the individual who committed such personnel action.

"(e) REVIEW BY SECRETARY OF DEFENSE.—Upon the completion of all administrative review under subsection (d), the member or former member of the armed forces who made the allegation referred to in subsection (c)(1), if not satisfied with the disposition of the matter, may submit the matter to the Secretary of Defense. The Secretary shall make a decision to reverse or uphold the decision of the Secretary of the military department concerned in the matter within 90 days after receipt of such a submittal.

"(f) POST-DISPOSITION INTERVIEWS.—After disposition of any case under this section, the Inspector General shall, whenever possible, conduct an interview with the person making the allegation to determine the views of that person on the disposition of the matter.

"(g) REGULATIONS.—The Secretary of Defense, and the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, shall prescribe regulations to carry out this section.

"(h) DEFINITIONS.—In this section:

"(1) The term 'Member of Congress' includes any Delegate or Resident Commissioner to Congress.

"(2) The term 'Inspector General' means—

"(A) an Inspector General appointed under the Inspector General Act of 1978; and

"(B) an officer of the armed forces assigned or detailed under regulations of the Secretary concerned to serve as an Inspector General at any command level in one of the armed forces.".

(2) The item relating to such section in the table of sections at the beginning of chapter 53 of such title is amended to read as follows:

"1034. Communicating with a Member of Congress or Inspector General; prohibition of retaliatory personnel actions.".

(b) DEADLINE FOR REGULATIONS.—The Secretary of Defense and the Secretary of Transportation shall prescribe the regulations required by subsection (g) of section 1034 of title 10, United States Code, as amended by subsection (a), not later than 180 days after the date of the enactment of this Act.

(c) REPORT.—(1) The Inspector General of the Department of Defense (and the Inspector General of the Department of Transportation with respect to the Coast Guard) shall submit to Congress a report on the activities of the Inspector General under section 1034 of title 10, United States Code, as amended by subsection (a). The report shall include, in the case of each case handled by the Inspector General under that section, a description of—

(A) the nature of the allegation described in subsection (c) of that section;

(B) the evaluation and recommendation of the Inspector General with respect to the allegation;

(C) any action of the appropriate board for the correction of military records with respect to the allegation;

(D) if the allegation is determined to be meritorious, any corrective action taken; and

(E) the views of the member or former member of the armed forces making the allegation (determined on the basis of the interview under subsection (f) of that section) on the disposition of the case.

(2) The Inspector General shall include with the report under this subsection copies of the individual case reports for each such allegation.

(3) The report under this subsection shall be submitted not later than February 1, 1990.

(d) EFFECTIVE DATE.—The amendment to section 1034 of title 10, United States Code, made by subsection (a)(1), shall apply with respect to any personnel action taken (or threatened to be taken) on or after the date of the enactment of this Act as a reprisal prohibited by subsection (b) of that section.

TITLE IX—MATTERS RELATING TO ARMS CONTROL

SEC. 901. SENSE OF CONGRESS ON EXPANDING CONFIDENCE-BUILDING MEASURES

(a) FINDINGS.—Congress makes the following findings:

(1) Approximately two years have passed since the Conference on Confidence- and Security-Building Measures and Disarmament in Europe (CDE) adjourned in Stockholm following the adoption of measures designed to increase openness and predictability of military activities in Europe.

(2) To date, there have been seven formal observations and challenge inspections which have been conducted in accordance with the Stockholm agreements.

(3) The military leaders of the North Atlantic Treaty Organization have concluded that the Stockholm observations and inspections have positively contributed to an improved understanding of Warsaw Pact forces and capabilities.

(4) The Conventional Stability Talks (CST), which may begin before the end of 1988, will likely require careful and potentially prolonged negotiation.

(5) New negotiations will also begin under the auspices of the Conference on Security and Cooperation in Europe (CSCE) as a follow-on to the Stockholm conference.

(6) The confidence-building measures established at Stockholm could, if expanded, contribute significantly to the success of the CDE follow-on conference and also to the establishment of a procedural framework for verifying a future CST agreement.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the President should give high priority to developing, in coordination with the North Atlantic Treaty Organization allies of the United States, stabilizing and verifiable proposals for expanding the regime of confidence-building measures in conjunction with the follow-on to the Conference on Confidence- and Security-Building Measures and Disarmament in Europe (CDE) and the new Conventional Stability Talks (CST).

SEC. 902. SENSE OF CONGRESS ON START TALKS

It is the sense of Congress that any agreement negotiated by the President to achieve a reduction and limitation on strategic arms (through the strategic arms reduction talks in Geneva or otherwise)—

(1) should not prevent the United States from deploying a force structure under the agreement which emphasizes survivable strategic systems and, in particular, should not in any way compromise the security of the United States ballistic-missile carrying submarine force, and

(2) should not prohibit or limit the deployment of non-nuclear cruise missiles.

SEC. 903. SENSE OF CONGRESS CONCERNING ROLE OF CONGRESS IN ARMS CONTROL AND DEFENSE POLICIES

It is the sense of Congress—

(1) that Congress, in exercising its authority under the Constitution "to raise and support Armies" and "provide and maintain Navies" and, in the case of the Senate, to advise and consent to the ratification of treaties, has a role to play in formulating arms control and defense policies of the United States, but

(2) that Congress, in exercising that authority, should not usurp, undermine, or interfere with the authority of the President under the Constitution to negotiate and implement treaties, especially in the case of treaties which affect arms control and defense policies of the United States.

SEC. 904. SENSE OF CONGRESS ON THE FIVE-YEAR ABM TREATY REVIEW

(a) FINDINGS.—Congress makes the following findings:

(1) The Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Anti-Ballistic Missile Systems, With Associated Protocol (hereinafter in this section referred to as the "ABM Treaty" or the "Treaty") in Article XIV, Paragraph 2, reads as follows: "Five years after entry into force of this Treaty, and at five-year intervals thereafter, the Parties shall together conduct a review of this Treaty.".

(2) Such Treaty entered into force on October 3, 1972, and the third five-year anniversary date specified for the conduct of the review contemplated in the Treaty, therefore, was October 3, 1987.

(3) As a fundamental principle of the canons of legal construction, a specified number of years after a specific and determinable date means the specified anniversary of such date and therefore the third five-year review of the ABM Treaty should have begun on or about October 3, 1987.

(4) The Parties to the Treaty have not met as required by the Treaty because the United States refused to meet on the date specified in the Treaty for such meeting (October 3, 1987) and has refused since such date to propose a date for the meeting.

(b) SENSE OF CONGRESS.—In light of the findings in subsection (a), it is the sense of Congress that the President should, without any further delay, propose an early date to conduct the overdue five-year review of the ABM Treaty. The President shall inform Congress of the results of that review immediately after it takes place.

SEC. 905. REVISION OF ANNUAL REPORT ON SOVIET COMPLIANCE WITH ARMS CONTROL COMMITMENTS

(a) AMENDMENT TO PUBLIC LAW 99-145.—The text of section 1002 of the Department of Defense Authorization Act, 1986 (22 U.S.C. 2592a), is amended to read as follows:

"(a) ANNUAL REPORT.—Not later than December 1 of each year, the President shall submit to Congress a report containing the findings of the President with respect to the compliance of the Soviet Union with its arms control commitments and any additional information necessary to keep Congress currently informed.

"(b) MATTERS TO BE INCLUDED.—The President shall specifically include in each such report the following:

"(1) A summary of the current status of all arms control agreements in effect between the United States and the Soviet Union.

"(2) An assessment of all violations by the Soviet Union of such agreements and the risks such violations pose to the national security of the United States and its allies.

"(3) A net assessment of the aggregate military significance of all such violations.

"(4) A statement of the compliance policy of the United States with respect to violations by the Soviet Union of those agreements.

"(5) What actions, if any, the President has taken or proposes to take to bring the Soviet Union into compliance with its commitments under those agreements.

"(c) CONTINGENT ADDITIONAL INFORMATION.—If the President in any second consecutive report submitted to Congress under this section reports that the Soviet Union is not in full compliance with all arms control agreements between the United States and the Soviet Union, the President shall include in such report an assessment of what actions are necessary to compensate for such violations.

"(d) CLASSIFICATION OF REPORTS.—Each report under this section shall be submitted in both classified and unclassified versions.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect beginning with the report to be submitted under section 1002 of the Department of Defense Authorization Act, 1986, in 1990.

SEC. 906. ANNUAL REPORT ON ARMS CONTROL STRATEGY

(a) IN GENERAL.—The President shall submit to Congress each year, not later than December 1, a report containing a comprehensive discussion and analysis of the arms control strategy of the United States. The President shall include in each such report the following:

(1) A description of the nature and sequence of the future arms control efforts of the United States.

(2) A net assessment of the current effects of arms control agreements on the status of, and trends in, the military balance between the United States and the Soviet Union and between the North Atlantic Treaty Organization (NATO) and the Warsaw Pact.

(3) A comprehensive data base on the military balance of forces of the United States and the Soviet Union, and the balance of forces of NATO and the Warsaw Pact countries, that are affected by arms control agreements in existence as of the time of the report between the United States and the Soviet Union and between NATO and the Warsaw Pact, including an explanation of the methodology used to analyze the effects on such forces.

(4) A net assessment of the effect that proposed arms control agreements between the United States and the Soviet Union and between NATO and the Warsaw Pact would likely have on United States force plans and contingency plans, including an assessment of the effect that such proposed agreements would have on the risks and costs to the United States.

(5) An assessment of the effect that proposed treaty sub-ceilings, asymmetries, and other factors or qualifications affecting a treaty or arms control proposal would have on the military balance between the United States and the Soviet Union and between NATO and the Warsaw Pact, including an assessment of how such factors increase deterrence and reduce the risk and cost of war.

(6) A statement of the strategy the United States and NATO will use to verify and deter noncompliance with proposed arms control treaties between the United States and the

Soviet Union and between NATO and the Warsaw Pact.

(7) A discussion of the extent to which and the manner in which the United States intends to consult with its allies regarding proposed arms control agreements between the United States and the Soviet Union and between NATO and the Warsaw Pact.

(8) A discussion of how the United States proposes to tailor its defense structure in order to ensure that the national security can be preserved with or without arms control agreements.

(b) Explanation of Methodology.—In reporting on the current effect of arms control agreements on the status of, and trends in, the military balance of power between the United States and the Soviet Union and between NATO and the Warsaw Pact (required under paragraphs (2) and (3) of subsection (a)), the President shall—

(1) specify the methodology used in analyzing the military balance between the United States and the Soviet Union and express the results of such analyses in terms of (A) static comparisons, and (B) comparisons that include dynamic factors; and

(2) discuss all major scenarios, assumptions, and contingencies, including political confrontation, full-scale war, and serious confrontations not involving full-scale war.

(c) Form of Report.—The President shall submit such report in both classified and unclassified form.

SEC. 907. REPORT ON ANTIBALLISTIC MISSILE CAPABILITIES AND ACTIVITIES OF THE SOVIET UNION

(a) Study.—The President shall conduct a study regarding the antiballistic missile capability and activities of the Soviet Union. In conducting the study, the President shall assess each of the following:

(1) The military capabilities and significance of the extensive network of large-phased array radars of the Soviet Union.

(2) Whether the Soviet Union is developing or producing mobile or transportable engagement radars in violation of the 1972 Antiballistic Missile Treaty.

(3) The ability of the Soviet Union to develop an effective exoatmospheric antiballistic missile defense without using widespread deployments of traditional engagement radars.

(4) The ability of air defense interceptor missiles of the Soviet Union, now and in the future, to destroy warheads of ballistic missiles in flight.

(5) Whether silos or other hardened facilities of the Soviet Union located outside of the existing antiballistic missile site permitted near Moscow under the terms of the 1972 Antiballistic Missile Treaty are or could be associated with antiballistic missile defenses not permitted under that Treaty.

(6) Whether the Soviet Union is developing terminal antiballistic missile defenses.

(7) Whether the existing antiballistic missile site near Moscow that is permitted under the terms of that Treaty conceals or could conceal development, testing, or deployment by the Soviet Union of a widespread antiballistic missile system.

(8) Activities of the Soviet Union regarding boost-phase intercepts of ballistic missiles.

(9) The status of laser programs, particle-beam programs, and other advanced technology programs of the Soviet Union comparable to programs conducted by the United States under the Strategic Defense Initiative.

(10) The consequences for the United States of a successful effort by the Soviet Union to deploy an effective nationwide or limited antiballistic missile system.

(b) Assessment of Ability of United States To Counter a Soviet ABM System.—In conducting the study required by subsection (a), the President shall also assess the ability of the United States to counter effectively an effective antiballistic missile system deployed by the Soviet Union. Such assessment shall consider both the deployment by the Soviet Union of a nationwide, and of a limited, antiballistic missile system. In assessing the ability of the United States to counter effectively such a system, the President—

(1) shall consider the ability of the United States to modify (A) existing strategic offensive forces (including modifications involving the development of additional penetration aids), and (B) current strategic doctrine and tactics; and

(2) shall consider whether the actions of the United States described in paragraph (1) could be accomplished over the same period of time that the Soviet Union would require to deploy such an antiballistic missile system.

(c) Report.—Not later than January 1, 1989, the President shall submit to Congress a report, in both a classified and an unclassified version, specifying the results of the study conducted pursuant to this section. The report shall include such recommendations as the President considers appropriate, including recommendations with regard to maintaining the deterrent value of the strategic forces of the United States in light of the antiballistic missile capability and activities of the Soviet Union described in the report.

SEC. 908. ANALYSIS OF ALTERNATIVE STRATEGIC NUCLEAR FORCE POSTURES FOR THE UNITED STATES UNDER A POTENTIAL START TREATY

(a) Findings.—Congress makes the following findings:

(1) The United States and the Soviet Union are currently engaged in talks regarding the reduction of strategic nuclear arms.

(2) Such talks could result in a treaty requiring deep reductions in the strategic forces of the United States.

(3) Any such Strategic Arms Reduction Treaty (START) cannot be ratified without the advice and consent of the Senate.

(4) Any such START Treaty should result in a stable balance of strategic forces between the United States and the Soviet Union which enhances the security of the United States.

(5) Congress should provide funds for the forces permitted under such a treaty that are required to ensure the stability of the force balance under such a treaty.

(6) Congress faces critical resource choices for fiscal year 1989 and subsequent fiscal years, and the resource choices made by Congress for those years could substantially influence the strategic force posture of the United States in the period after such a treaty goes into effect.

(b) Presidential Report.—Before entering into any Strategic Arms Reduction Treaty or other agreement with the Soviet Union for the reduction of strategic arms, but not later than September 15, 1988, the President shall submit to Congress a comprehensive report on the implications such a treaty or agreement might have on the strategic force postures of the United States during the 1990s. The report shall include the following:

(1) A description of alternative force postures that might be permitted for the United States under such an arms reduction agreement, including the posture recommended by the President.

(2) The estimated costs, over at least a seven-year period, associated with each alternative force posture.

(3) The damage limitation capability, the survivability, and the retaliatory potential of such force posture, and the implications for strategic stability, assessed with regard to the likely force postures of the Soviet Union under such an agreement and the first-strike potential of such force postures.

(4) The likely effect of a breakout by the Soviet Union from such an arms control agreement on the survivability and of the force posture of the United States under such an agreement recommended by the President under paragraph (1).

(c) Form of Report.—The President shall submit the report under subsection (b) in both classified and unclassified form.

SEC. 909. ON-SITE INSPECTION AGENCY

(a) Report Requirements.—(1) Not later than six months after the date of the enactment of this Act, the officers named in paragraph (2) shall each submit to the Committee on Armed Services, the Committee on Foreign Affairs, and the Permanent Select Committee on Intelligence of the House of Representatives and the Committee on Armed Services, the Committee on Foreign Relations, and the Select Committee on Intelligence of the Senate an unclassified report, with classified annexes as necessary, on the responsibility of each such officer for the monitoring and verification of arms control agreements. Each such report—

(A) shall address specifically any responsibility the officer submitting the report has with respect to on-site inspections (whether inspections of facilities of the United States or inspections of facilities of another party to the agreement); and

(B) shall set forth the organizational elements of each department or agency over which the officer submitting the report has jurisdiction which have functions related to the monitoring or verification of arms control agreements.

(2) Officers referred to in paragraph (1) are the following:

(A) The Secretary of Defense.

(B) The Secretary of State.

(C) The Director of Central Intelligence.

(D) The Director of the United States Arms Control and Disarmament Agency.

(b) Matters To Be Included.—Each report under subsection (a) shall—

(1) describe in detail the monitoring and verification activities carried out with respect to the INF Treaty,

(2) evaluate the effectiveness with which these functions have been implemented, and

(3) include recommendations for any future organizational or policy changes that may be necessary in view of the experience of implementing the INF Treaty.

(c) INF Treaty Defined.—For purposes of subsection (b), the term "INF Treaty" means the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Elimination of Their Intermediate-Range and Shorter-Range Missiles (signed at Washington on December 9, 1987).

(d) Budget Requests.—Any request submitted to Congress by the Executive Branch for authorization of appropriations for the On-Site Inspection Agency for any fiscal year shall, as a separate activity, provide details of all funding and of all military and civilian personnel requested for that Agency for that fiscal year, including the number of

such personnel of the Department of Defense and other agencies that will be assigned to on-site inspection activities and to support such activities during that fiscal year.

SEC. 910. COORDINATION OF VERIFICATION POLICY AND RESEARCH AND DEVELOPMENT ACTIVITIES

(a) REPORT.—Not later than June 30, 1989, the President shall submit to Congress a report reviewing the relationship of arms control objectives of the United States with research and development of improved monitoring systems for arms control verification. The review shall include the participation of the Secretaries of Defense, State, and Energy, the Director of Central Intelligence, and the Director of the United States Arms Control and Disarmament Agency.

(b) FINDINGS AND RECOMMENDATIONS.—The report shall include the findings of the President, and such recommendations for improvements as the President considers appropriate, with respect to the following:

(1) The status of coordination among the officers named in subsection (a) in the formulation of the policy of the United States regarding arms control verification.

(2) The status of efforts to ensure that such policy is formulated in a manner which takes into account available monitoring technology.

(3) The status of efforts to ensure that research and development on monitoring technology evolves concurrently with such policy.

TITLE X—MATTERS RELATING TO NATO COUNTRIES AND OTHER ALLIES

SEC. 1001. INCREASE IN ANNUAL DOLLAR LIMITATION ON ACQUISITION AND CROSS-SERVICING AGREEMENTS WITH ALLIED COUNTRIES

Section 2347(a)(1) of title 10, United States Code, is amended by striking out "$100,000,000" and inserting in lieu thereof "$150,000,000".

SEC. 1002. AUTHORITY TO WAIVE SURCHARGES ON CERTAIN SALES TO NORTH ATLANTIC TREATY ORGANIZATION

Section 21(e) of the Arms Export Control Act (22 U.S.C. 2761(e)) is amended by adding at the end the following:

"(3)(A) The President may waive the charges for administrative services that would otherwise be required by paragraph (1)(A) in connection with any sale to the Maintenance and Supply Agency of the North Atlantic Treaty Organization in support of—

"(i) a weapon system partnership agreement; or

"(ii) a NATO/SHAPE project.

"(B) The Secretary of Defense may reimburse the fund established to carry out section 43(b) of this Act in the amount of the charges waived under subparagraph (A) of this paragraph. Any such reimbursement may be made from any funds available to the Department of Defense.

"(C) As used in this paragraph—

"(i) the term 'weapon system partnership agreement' means an agreement between two or more member countries of the Maintenance and Supply Agency of the North Atlantic Treaty Organization that—

"(I) is entered into pursuant to the terms of the charter of that organization; and

"(II) is for the common logistic support of a specific weapon system common to the participating countries; and

"(ii) the term 'NATO/SHAPE project' means a common-funded project supported by allocated credits from North Atlantic Treaty Organization bodies or by host nations with NATO Infrastructure funds.".

SEC. 1003. AUTHORITY OF MILITARY DEPARTMENTS TO LOAN AND BORROW FROM CERTAIN ALLIES MATERIALS, SUPPLIES, AND EQUIPMENT FOR RESEARCH AND DEVELOPMENT PURPOSES

(a) IN GENERAL.—Chapter 6 of the Arms Export Control Act (22 U.S.C. 2796c) is amended by adding at the end the following new section:

"SEC. 65. LOAN OF MATERIALS, SUPPLIES, AND EQUIPMENT FOR RESEARCH AND DEVELOPMENT PURPOSES.—(a)(1) Except as provided in subsection (c), the Secretary of Defense may loan to a country that is a NATO or major non-NATO ally materials, supplies, or equipment for the purpose of carrying out a program of cooperative research, development, testing, or evaluation. The Secretary may accept as a loan or a gift from a country that is a NATO or major non-NATO ally materials, supplies, or equipment for such purpose.

"(2) Each loan or gift transaction entered into by the Secretary under this section shall be provided for under the terms of a written agreement between the Secretary and the country concerned.

"(3) A program of testing or evaluation for which the Secretary may loan materials, supplies, or equipment under this section includes a program of testing or evaluation conducted solely for the purpose of standardization, interchangeability, or technical evaluation if the country to which the materials, supplies, or equipment are loaned agrees to provide the results of the testing or evaluation to the United States without charge.

"(b) The materials, supplies, or equipment loaned to a country under this section may be expended or otherwise consumed in connection with any testing or evaluation program without a requirement for reimbursement of the United States if the Secretary—

"(1) determines that the success of the research, development, test, or evaluation depends upon expending or otherwise consuming the materials, supplies, or equipment loaned to the country; and

"(2) approves of the expenditure or consumption of such materials, supplies, or equipment.

"(c) The Secretary of Defense may not loan to a country under this section any material if the material is a strategic and critical material and if, at the time the loan is to be made, the quantity of the material in the National Defense Stockpile (provided for under section 3 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98b)) is less than the quantity of such material to be stockpiled, as determined by the President under section 3(a) of such Act.

"(d) For purposes of this section, the term 'NATO or major non-NATO ally' means a member country of the North Atlantic Treaty Organization (other than the United States) or a foreign country other than a member nation of NATO designated as a major non-NATO ally under section 1105 of the National Defense Authorization Act for Fiscal Year 1987 (22 U.S.C. 2767a).".

(b) CLERICAL AMENDMENT.—The heading for such chapter is amended to read as follows:

"CHAPTER 6—LEASES OF DEFENSE ARTICLES AND LOAN AUTHORITY FOR COOPERATIVE RESEARCH AND DEVELOPMENT PURPOSES".

SEC. 1004. SENSE OF CONGRESS ON NEED FOR MODERNIZATION OF THEATER NUCLEAR CAPABILITIES OF NATO

(a) FINDINGS.—Congress makes the following findings:

(1) The security of the North Atlantic Treaty Organization (NATO) alliance will continue for the foreseeable future to rely on a modern and credible nuclear deterrent.

(2) NATO should make every effort to achieve the goal of raising the threshold for the use of nuclear weapons in the event of a conflict in Europe.

(3) While recognizing that there is a critical need for improvements in conventional forces, Congress also recognizes that the United States will have to devote defense resources in the future to the continuing modernization of the theater nuclear capabilities of NATO.

(4) The modernization of the theater nuclear capabilities of NATO is a continuing process and stems from the 1983 Montebello decision by NATO to reduce the stockpile of nuclear weapons in Europe while taking steps to ensure that the remaining nuclear weapons of the alliance are responsive, survivable, and effective.

(5) Programs to modernize theater nuclear forces, which had a high priority for NATO before the ratification of the Intermediate-range Nuclear Forces (INF) Treaty, are at least as important following the ratification of that treaty in May 1988.

(6) The NATO Nuclear Planning Group recently reaffirmed its endorsement of development by the United States of a new missile for delivery of theater nuclear weapons as a follow-on to the current Lance missile, with a view toward an eventual decision on deployment of such a follow-on missile.

(b) SENSE OF CONGRESS.—In light of the findings in subsection (a), it is the sense of Congress that—

(1) modernization of the theater nuclear capabilities of the North Atlantic Treaty Organization is essential to the deterrence strategy of the NATO alliance, particularly in light of the requirements of the Intermediate-range Nuclear Forces (INF) Treaty for the destruction of intermediate-range nuclear weapons;

(2) continued modernization by the United States of theater nuclear capabilities should be undertaken in close consultation with other NATO member nations; and

(3) the United States should proceed with ongoing activities to meet the identified requirement of the NATO alliance for development of a new missile for delivery of theater nuclear weapons as a follow-on to the Lance missile.

SEC. 1005. REPORT ON NATO DEFENSE PROGRAM FOR FISCAL YEAR 1990

(a) REPORT.—The Secretary of Defense shall submit to Congress a report setting forth in detail the programs of the Department of Defense in support of the North Atlantic Treaty Organization (referred to as the "NATO Defense Program") for fiscal year 1990. The report shall include—

(1) an identification of each such program by program element; and

(2) a description of each such program and the level of funding requested by the President for each such program in the budget for fiscal year 1990.

(b) SUBMISSION OF REPORT.—The report under subsection (a) shall be submitted in conjunction with the submission to Congress of the President's budget for fiscal year 1990 pursuant to section 1105 of title 31, United States Code.

SEC. 1006. IMPROVEMENT IN DEFENSE RESEARCH AND PROCUREMENT LIAISON WITH ISRAEL

The Secretary of Defense, in consultation with the Under Secretary of Defense for Acquisition, shall designate for duty in Israel an individual or individuals to serve as the primary liaison between the procurement and research and development activities of the United States Armed Forces and those of the State of Israel.

SEC. 1007. MODIFICATION OF REQUIREMENT CONCERNING DESIGNATION OF MAJOR NON-NATO ALLIES

Section 1105(f) of the National Defense Authorization Act for Fiscal Year 1987 (22 U.S.C. 2767a) is amended—

(1) by striking out "Not later than January 1 of each year, the Secretary" and inserting in lieu thereof "The Secretary";

(2) by inserting ", whenever they consider such action to be warranted," after "Secretary of State"; and

(3) by inserting "to be added to or deleted from the existing designation of countries" in paragraph (1) after "countries".

SEC. 1008. CALL FOR CONTINUED DEFENSE BURDEN-SHARING DISCUSSIONS WITH ALLIES

It is the sense of Congress that the President should continue the discussions (called for by Congress in section 1254(b)(1) of Public Law 100-204) with countries which participate in mutual defense alliances with the United States, especially the member nations of the North Atlantic Treaty Organization and Japan, for the purpose of reaching an agreement for a more equitable distribution of the burden of financial support for the alliances.

SEC. 1009. CONTRIBUTIONS BY JAPAN TO GLOBAL STABILITY

(a) FINDINGS.—The Congress makes the following findings:

(1) As noted by Congress in section 1012(a)(1) of Public Law 100-180 and in section 812(a)(1) of Public Law 99-93, the alliance of the United States and Japan is the foundation for the security of Japan and peace in the Far East and is a major contributing factor to the democratic freedoms and the economic prosperity enjoyed by both the United States and Japan.

(2) In keeping with the declaration made at the 1983 meeting in Williamsburg, Virginia, of the leaders of the leading industrialized democracies that "the security of our countries is indivisible and must be approached on a global basis", the Government of Japan, in actions welcomed by the United States—

(A) continues to fulfill the pledge made by the Prime Minister of Japan in May 1981 to develop the capabilities to defend the territory of Japan and the airspace and sealanes around Japan to a distance of 1,000 nautical miles by 1990,

(B) has increased the amount of assistance provided to other countries during fiscal year 1988 by 6.5 percent over the amount of such assistance provided during fiscal year 1987, and

(C) is, according to recent reports, actively involved in increasing its contributions to the stability of the Republic of the Philippines.

(3) Japan could, because of its recent history and economic status, best fulfill a politically acceptable and significant role in maintaining the security of the leading industrialized democracies by increasing spending for its Official Development Assistance program in the manner described by Congress in section 1012(b) of Public Law 100-180.

(4) The failure of the United States and Japan to agree on the appropriate level of the contribution by Japan to maintaining the security of the leading industrialized democracies could weaken the long-term vitality, effectiveness, and cohesion of the alliance between the United States and Japan.

(b) ANNUAL REPORT.—The Secretary of Defense shall include with the annual report submitted pursuant to section 1003 of Public Law 98-525 (22 U.S.C. 1928 note) a report on the Official Development Assistance program of the Government of Japan. Such report shall be prepared each year in coordination with the Secretary of State and the Administrator of the Agency for International Development and shall include a description of the amount and nature of spending under such program by recipient, including distinguishing between grant aid, loans, and credits.

(c) POLICY ON DISCUSSIONS WITH JAPAN.—It is the sense of Congress that in the discussions with Japan referred to in section 1008 for the purpose of reaching a more equitable distribution of the burden of financial support for the security of the leading industrialized democracies, the objective of such discussions should include the establishment of a schedule for increases in spending under Japan's Official Development Assistance program and its defense programs so that, by 1992, the level of spending on those programs (stated as a percentage of gross national product) will approximate the average of the levels of spending by the member nations of the North Atlantic Treaty Organization on official development assistance and defense programs (stated as a percentage of their respective gross national products).

(d) REPORT.—Not later than 180 days after the date of the enactment of this Act, the President shall submit to Congress a report on the progress of the discussions described in subsection (c) with respect to Japan.

(e) FURTHER CONGRESSIONAL ACTION.—It is the sense of Congress that if, in the judgment of Congress, the report of the President under subsection (d) does not reflect substantial progress toward a more equitable distribution of the burden of maintaining the security of the leading industrialized democracies, Congress should review the extent of the distribution of the mutual security burden between the United States and Japan and should consider whether additional legislation is appropriate.

TITLE XI—DRUG INTERDICTION AND LAW ENFORCEMENT SUPPORT

SEC. 1101. ANNUAL GUIDELINES TO THE MILITARY DEPARTMENTS

Section 113 of title 10, United States Code, is amended by adding to the end the following new subsection:

"(1) The Secretary of Defense, with the advice and assistance of the Chairman of the Joint Chiefs of Staff, shall provide annually to the Secretaries of the military departments and to the commanders of the combatant commands written guidelines to direct the effective detection and monitoring of all potential aerial and maritime threats to the national security of the United States. Those guidelines shall include guidance on the specific force levels and specific supporting resources to be made available for the period of time for which the guidelines are to be in effect.".

SEC. 1102. LEAD AGENCY FOR DETECTION

(a) DEPARTMENT OF DEFENSE TO SERVE AS LEAD AGENCY.—The Department of Defense shall serve as the single lead agency of the Federal Government for the detection and monitoring of aerial and maritime transit of illegal drugs into the United States.

(b) PRESIDENTIAL DETERMINATION.—Not later than 15 days after the date of the enactment of this Act, the President may designate an agency other than the Department of Defense as the single lead agency for the purpose stated in subsection (a). Before making such a designation, the President shall notify the Committees on Armed Services of the Senate and House of Representatives of the proposed designation and shall submit to those committees a detailed report setting forth the reasons for such designation.

SEC. 1103. COMMUNICATIONS NETWORK

(a) INTEGRATION OF C3I ASSETS.—(1) The President shall direct that command, control, communications, and technical intelligence assets of the United States that are dedicated to the interdiction of illegal drugs be integrated by the Secretary of Defense into an effective communications network.

(2) Not later than 90 days after the date of the enactment of this Act, the President shall submit to Congress a report setting forth the plan of the President for the integration of assets by the Secretary of Defense under paragraph (1).

(b) PLAN FOR RESPONSIBILITY FOR OPERATING C3I NETWORK.—Not later than 120 days after submission of the report required by subsection (a)(2), the President shall develop a plan for the assignment of responsibility for operating the communications network described in subsection (a)(1) and shall submit to Congress a report on such plan. The plan shall ensure that assignment of the responsibility for operating the communications network referred to in subsection (a)(1) is made not later than 60 days after the date on which the report required by this subsection is submitted to Congress.

SEC. 1104. ENHANCED DRUG INTERDICTION AND LAW ENFORCEMENT SUPPORT BY THE DEPARTMENT OF DEFENSE

(a) REVISION OF SUPPORT FOR CIVILIAN LAW ENFORCEMENT AGENCIES.—Chapter 18 of title 10, United States Code, is amended to read as follows:

"CHAPTER 8—MILITARY SUPPORT FOR CIVILIAN LAW ENFORCEMENT AGENCIES

"Sec.
"371. Use of information collected during military operations.
"372. Use of military equipment and facilities.
"373. Training and advising civilian law enforcement officials.
"374. Maintenance and operation of equipment.
"375. Restriction on direct participation by military personnel.
"376. Support not to affect adversely military preparedness.
"377. Reimbursement.
"378. Nonpreemption of other law.
"379. Assignment of Coast Guard personnel to naval vessels for law enforcement purposes.
"380. Enhancement of cooperation with civilian law enforcement officials.

"§ 371. Use of information collected during military operations

"(a) The Secretary of Defense may, in accordance with other applicable law, provide to Federal, State, or local civilian law enforcement officials any information collected during the normal course of military training or operations that may be relevant to a violation of any Federal or State law within the jurisdiction of such officials.

"(b) The needs of civilian law enforcement officials for information shall, to the maximum extent practicable, be taken into account in the planning and execution of military training or operations.

"(c) The Secretary of Defense shall ensure, to the extent consistent with national security, that intelligence information held by the Department of Defense and relevant to drug interdiction or other civilian law enforcement matters is provided promptly to appropriate civilian law enforcement officials.

"§ 372. Use of military equipment and facilities

"The Secretary of Defense may, in accordance with other applicable law, make available any equipment (including associated supplies or spare parts), base facility, or research facility of the Department of Defense to any Federal, State, or local civilian law enforcement official for law enforcement purposes.

"§ 373. Training and advising civilian law enforcement officials

"The Secretary of Defense may, in accordance with other applicable law, make Department of Defense personnel available—

"(1) to train Federal, State, and local civilian law enforcement officials in the operation and maintenance of equipment, including equipment made available under section 372 of this title; and

"(2) to provide such law enforcement officials with expert advice relevant to the purposes of this chapter.

"§ 374. Maintenance and operation of equipment

"(a) The Secretary of Defense may, in accordance with other applicable law, make Department of Defense personnel available for the maintenance of equipment for Federal, State, and local civilian law enforcement officials, including equipment made available under section 372 of this title.

"(b)(1) Subject to paragraph (2) and in accordance with other applicable law, the Secretary of Defense may, upon request from the head of a Federal law enforcement agency, make Department of Defense personnel available to operate equipment (including equipment made available under section 372 of this title) with respect to—

"(A) a criminal violation of a provision of law specified in paragraph (4)(A); or

"(B) assistance that such agency is authorized to furnish to a State, local, or foreign government which is involved in the enforcement of similar laws.

"(2) Department of Defense personnel made available to a civilian law enforcement agency under this subsection may operate equipment for the following purposes:

"(A) Detection, monitoring, and communication of the movement of air and sea traffic.

"(B) Aerial reconnaissance.

"(C) Interception of vessels or aircraft detected outside the land area of the United States for the purposes of communicating with such vessels and aircraft to direct such vessels and aircraft to go to a location designated by appropriate civilian officials.

"(D) Operation of equipment to facilitate communications in connection with law enforcement programs specified in paragraph (4)(A).

"(E) Subject to joint approval by the Secretary of Defense, the Attorney General, and the Secretary of State, in connection with a law enforcement operation outside the land area of the United States—

"(i) the transportation of civilian law enforcement personnel; and

"(ii) the operation of a base of operations for civilian law enforcement personnel.

"(3) Department of Defense personnel made available to operate equipment for the purpose stated in paragraph (2)(C) may continue to operate such equipment into the land area of the United States in cases involving the pursuit of vessels or aircraft where the detection began outside such land area.

"(4) In this subsection:

"(A) The term 'Federal law enforcement agency' means an agency with jurisdiction to enforce any of the following:

"(i) The Controlled Substances Act (21 U.S.C. 801 et seq.) or the Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.).

"(ii) Any of sections 274 through 278 of the Immigration and Nationality Act (8 U.S.C. 1324-1328).

"(iii) A law relating to the arrival or departure of merchandise (as defined in section 401 of the Tariff Act of 1930 (19 U.S.C. 1401) into or out of the customs territory of the United States (as defined in general headnote 2 of the Tariff Schedules of the United States) or any other territory or possession of the United States.

"(iv) The Maritime Drug Law Enforcement Act (46 U.S.C. App. 1901 et seq.).

"(B) The term 'land area of the United States' includes the land area of any territory, commonwealth, or possession of the United States.

"(c) The Secretary of Defense may, in accordance with other applicable law, make Department of Defense personnel available to any Federal, State, or local civilian law enforcement agency to operate equipment for purposes other than described in paragraph (2) only to the extent that such support does not involve direct participation by such personnel in a civilian law enforcement operation unless such direct participation is otherwise authorized by law.

"§ 375. Restriction on direct participation by military personnel

"The Secretary of Defense shall prescribe such regulations as may be necessary to ensure that the provision of any support (including the provision of any equipment or facility or the assignment or detail of any personnel) to any civilian law enforcement official under this chapter does not include or permit direct participation by a member of the Army, Navy, Air Force, or Marine Corps in a search and seizure, an arrest, or other similar activity unless participation in such activity by such member is otherwise authorized by law.

"§ 376. Support not to affect adversely military preparedness

"Support (including the provision of any equipment or facility or the assignment or detail of any personnel) may not be provided to any civilian law enforcement official under this chapter if the provision of such support will adversely affect the military preparedness of the United States. The Secretary of Defense shall prescribe such regulations as may be necessary to ensure that the provision of any such support does not adversely affect the military preparedness of the United States.

"§ 377. Reimbursement

"(a) To the extent otherwise required by section 1535 of title 31 (popularly known as the 'Economy Act') or other applicable law, the Secretary of Defense shall require a civilian law enforcement agency to which support is provided under this chapter to reimburse the Department of Defense for that support.

"(b) An agency to which support is provided under this chapter is not required to reimburse the Department of Defense for such support if such support—

"(1) is provided in the normal course of military training or operations; or

"(2) results in a benefit to the element of the Department of Defense providing the support that is substantially equivalent to that which would otherwise be obtained from military operations or training.

"§ 378. Nonpreemption of other law

"Nothing in this chapter shall be construed to limit the authority of the executive branch in the use of military personnel or equipment for civilian law enforcement purposes beyond that provided by law before December 1, 1981.

"§ 379. Assignment of Coast Guard personnel to naval vessels for law enforcement purposes

"(a) The Secretary of Defense and the Secretary of Transportation shall provide that there be assigned on board every appropriate surface naval vessel at sea in a drug-interdiction area members of the Coast Guard who are trained in law enforcement and have powers of the Coast Guard under title 14, including the power to make arrests and to carry out searches and seizures.

"(b) Members of the Coast Guard assigned to duty on board naval vessels under this section shall perform such law enforcement functions (including drug-interdiction functions)—

"(1) as may be agreed upon by the Secretary of Defense and the Secretary of Transportation; and

"(2) as are otherwise within the jurisdiction of the Coast Guard.

"(c) No fewer than 500 active duty personnel of the Coast Guard shall be assigned each fiscal year to duty under this section. However, if at any time the Secretary of Transportation, after consultation with the Secretary of Defense, determines that there are insufficient naval vessels available for purposes of this section, such personnel may be assigned other duty involving enforcement of laws listed in section 374(b)(4)(A) of this title.

"(d) In this section, the term 'drug-interdiction area' means an area outside the land area of the United States (as defined in section 374(b)(4)(B) of this title) in which the Secretary of Defense (in consultation with the Attorney General) determines that activities involving smuggling of drugs into the United States are ongoing.

"§ 380. Enhancement of cooperation with civilian law enforcement officials

"(a) The Secretary of Defense, in cooperation with the Attorney General, shall conduct an annual briefing of law enforcement personnel of each State (including law enforcement personnel of the political subdivisions of each State) regarding information, training, technical support, and equipment and facilities available to civilian law enforcement personnel from the Department of Defense.

"(b) Each briefing conducted under subsection (a) shall include the following:

"(1) An explanation of the procedures for civilian law enforcement officials—

"(A) to obtain information, equipment, training, expert advice, and other personnel support under this chapter; and

"(B) to obtain surplus military equipment.

"(2) A description of the types of information, equipment and facilities, and training and advice available to civilian law enforcement officials from the Department of Defense.

"(3) A current, comprehensive list of military equipment which is suitable for law enforcement officials from the Department of Defense or available as surplus property from the Administrator of General Services.

"(c) The Attorney General and the Administrator of General Services shall—

"(1) establish or designate an appropriate office or offices to maintain the list described in subsection (b)(3) and to furnish information to civilian law enforcement officials on the availability of surplus military equipment; and

"(2) make available to civilian law enforcement personnel nationwide, tollfree telephone communication with such office or offices.".

(b) Clerical Amendment.—The item relating to such chapter in the tables of chapters at the beginning of subtitle A, and at the beginning of part I of subtitle A, of title 10, United States Code, is amended to read as follows:

"18. Military Support for Civilian Law Enforcement Agencies .... 371".

SEC. 1105. ENHANCED DRUG INTERDICTION AND ENFORCEMENT ROLE FOR THE NATIONAL GUARD

(a) Funding Assistance.—(1) The Secretary of Defense may provide to the Governor of a State who submits a plan to the Secretary under paragraph (2) sufficient funds for the pay, allowances, clothing, subsistence, gratuities, travel, and related expenses of personnel of the National Guard of such State used—

(A) for the purpose of drug interdiction and enforcement operations; and

(B) for the operation and maintenance of the equipment and facilities of the National Guard of such State used for such purposes.

(2) The Secretary may provide funds under paragraph (1) to the Governor of a State who submits to the Secretary a plan specifying how personnel of the National Guard of that State are to be used in drug enforcement and interdiction operation by a National Guard of a State if—

(A) such operations are conducted at a time when personnel of the National Guard of the State are under the command and control of State authority and are not in Federal service; and

(B) participation by a National Guard personnel in such operations is service in addition to annual training required under section 502 of title 32, United States Code.

(3) Before funds are provided to the Governor of a State under this section, the Secretary of Defense shall consult with the Attorney General of the United States regarding the adequacy of the plan submitted by the Governor to the Secretary.

(4) Of the amounts appropriated pursuant to section 1106, the Secretary shall, for the purposes of paragraph (1), make available—

(A) not more than $30,000,000 for operations and maintenance for the National Guard, and

(B) not more than $30,000,000 for National Guard personnel.

(5) Nothing in this subsection shall be construed as a limitation on the authority of any unit of the National Guard of a State, when such unit is not in Federal service, to perform law enforcement functions authorized to be performed by the National Guard by the laws of the State concerned.

(b) Training Criteria.—The Secretary of Defense shall prescribe and enforce training criteria for the National Guard to enhance the capability of the National Guard to assist in drug abuse control activities.

(c) Presidential Report.—Not later than 120 days after the date of the enactment of this Act, the President shall submit to Congress a report on the past effectiveness of using members of the National Guard for drug interdiction efforts, consistent with applicable law, along the borders and at the ports of entry of the United States and on the potential for the effective use of such members for such purpose in the future.

SEC. 1106. FUNDING OF ACTIVITIES RELATED TO DRUG INTERDICTION

(a) Authorization of Appropriations.—(1) In addition to the amounts otherwise authorized to be appropriated by this Act, there is hereby authorized to be appropriated to the Department of Defense for fiscal year 1989 the sum of $210,000,000. Amounts appropriated pursuant to the preceding sentence shall be available only for transfer to other appropriations available to the Department of Defense and may be used only for the purposes stated in paragraph (2).

(2) Funds transferred under paragraph (1) may be used only for the mission of the Department of Defense set forth in section 113(1) of title 10, United States Code, as added by section 1101, for the activities of the Department of Defense under section 1103, and for National Guard drug interdiction activities described in section 1105. Such funds shall be available for obligation for the same period, and for the same purpose, as the appropriation to which transferred.

(b) Transfer of Fiscal Year 1987 Funds.—Of the amounts appropriated for the Navy for procurement of aircraft for fiscal year 1987, and which remain unobligated on the date of the enactment of this Act, the sum of $90,000,000 shall be available only for the purposes set forth in subsection (a)(2). Such amount may be transferred to any appropriation made for the Department of Defense for fiscal year 1989 and shall be merged with, and be available for the same purpose as, the appropriation to which transferred. The period of the availability for obligation of any amount so transferred shall not be extended as a result of such transfer.

(c) Notice to Congress.—(1) The Secretary of Defense may not transfer any funds appropriated pursuant to subsection (a) to another appropriation for obligation pursuant to this section and may not transfer or obligate any funds made available under subsection (b) until—

(A) the Secretary submits to the Committees on Armed Services of the Senate and the House of Representatives a report with respect to that transfer described in paragraph (2); and

(B) a period of 60 days elapses after the report is received by those committees.

(2) A report under paragraph (1) with respect to a transfer of funds shall set forth in detail the Secretary's proposal for the obligation of such funds, including a statement of the following:

(A) The appropriation account or accounts to which the funds are proposed to be transferred.

(B) The activities proposed to be undertaken using those funds.

(C) The relationship between those activities and the drug interdiction strategy of the United States.

SEC. 1107. REPORTS

(a) Proposals.—Not later than December 1, 1988, the President shall submit to Congress a report containing—

(1) legislative proposals to enhance the capability of the Department of Defense to perform the functions provided for in this title and in the amendments made by this title; and

(2) estimates of the amounts necessary to carry out such proposals.

(b) Radar Coverage and Southern Border.—(1) The President shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report assessing the potential effect on drug interdiction and on the drug abuse problem in the United States of—

(A) carrying out radar coverage along the southern border of the United States; and

(B) pursuing drug smugglers detected by such radar coverage with rotor-wing and fixed-wing aircraft of the Department of Defense and of civilian law enforcement agencies.

(2) The President shall include in such report an assessment of the relative effectiveness—

(A) of carrying out the operations described in clauses (A) and (B) of paragraph (1) on a full-time basis;

(B) of carrying out such operations only during the hours of darkness; and

(C) the feasibility and cost of carrying out such operations under each of the conditions specified in clauses (A) and (B).

(3) The report under paragraph (1) shall be submitted not later than 30 days after the date of the enactment of this Act.

(c) Pursuit by Aircraft.—(1) Not later than 15 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report containing the following information:

(A) The total number of times suspected drug smugglers flying aircraft into the United States have been pursued by aircraft operated by or with the support of personnel of the Department of Defense under the authority of section 374(c)(2)(B) of title 10, United States Code, as in effect on the day before the date of the enactment of this Act.

(B) The number of times civilian law enforcement officials were present at the location and at the time the suspected drug smugglers were forced to land their aircraft in the United States as a result of the pursuit of the aircraft operated by or with the support of Department of Defense personnel.

(C) The number of times such officials were not present at the location and at the time such suspected smugglers were forced to land their aircraft in the United States.

(2) Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to such committees a report containing the following information:

(A) The total number of times suspected drug smugglers described in paragraph (1) have been pursued into the United States by aircraft operated by or with the support of Department of Defense personnel under the authority of section 374(b)(2)(C) of title 10, as amended by section 1104.

(B) The number of times civilian law enforcement officials were present at the location and at the time the suspected drug smugglers were forced to land their aircraft in the United States as a result of the pursuit of the aircraft operated by or with the support of Department of Defense personnel.

(C) The number of times such officials were not present at the location and at the time such suspected smugglers were forced to land their aircraft in the United States as a result of the pursuit of the aircraft operated by or with the support of Department of Defense personnel.

(D) Such other information and such recommendations as the Secretary considers appropriate regarding the use of Department of Defense personnel for purposes authorized in section 374(b) of title 10, United States Code, as amended by section 1104.

TITLE XII—GENERAL PROVISIONS

PART A—FINANCIAL AND BUDGET MATTERS

SEC. 1201. TRANSFER AUTHORITY

(a) AUTHORITY TO TRANSFER AUTHORIZATIONS.—(1) Upon determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made available to the Department of Defense in title I, II, or III for any fiscal year between any such authorizations for that fiscal year (or any subdivisions thereof). Amounts of authorizations so transferred shall be merged with and be available for the same purposes as the authorization to which transferred.

(2) The total amount of authorizations for any fiscal year that the Secretary of Defense may transfer under the authority of this section may not exceed $3,000,000,000.

(b) LIMITATIONS.—The authority provided by this section to transfer authorizations—

(1) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(2) may not be used to provide authority for an item that has been denied authorization by Congress.

(c) NOTICE TO CONGRESS.—The Secretary of Defense shall promptly notify Congress of transfers made under the authority of this section.

SEC. 1202. INCREASE IN FISCAL YEAR 1988 DEFENSE FUNDS TRANSFER AUTHORIZATION

Section 1201 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1153) is amended—

(1) in subsection (a)—

(A) by inserting "of this Act or any prior defense authorization Act" in paragraph (1) before "for any fiscal year"; and

(B) by striking out "$2,000,000,000" in paragraph (2) and inserting in lieu thereof "$4,000,000,000"; and

(2) by striking out subsection (d) and inserting in lieu thereof the following:

"(d) SPECIFIED PURPOSES.—In determining the purposes for which the authority provided by subsection (a) will be used, the Secretary of Defense shall ensure that to the extent that the total dollar amount of transfers under such authority exceeds $2,000,000,000, an appropriate portion of that authority is used to transfer to military personnel accounts and operation and maintenance accounts of the Department of Defense for fiscal year 1988 (1) funds for depot maintenance activities in amounts sufficient to reduce service backlogs which would otherwise occur, (2) funds for pay of civilian personnel in amounts sufficient to reduce furloughs, reductions-in-force, or release of on-call employees into a nonpay status which would otherwise be required due to insufficient funding for civilian personnel of the Department of Defense for fiscal year 1988, and (3) funds for pay of military personnel.

"(e) NOTICE TO CONGRESS.—The Secretary of Defense shall submit to Congress notice of each transfer made under the authority of this section. After the total dollar amount of such transfers equals or exceeds $2,000,000,000, the notice required by the preceding sentence with respect to any transfer shall be submitted not less than 15 days before the transfer is made, and any such notice shall then include identification of specific actions that the Secretary is taking in order to ensure that the transfer is made in compliance with subsection (f).

"(f) CONTROL OF OUTLAYS.—In the case of any transfer under the authority of this section after the total dollar amount of such transfers equals or exceeds $2,000,000,000, the Secretary of Defense may carry out such transfer only to the extent that such transfer, and the expenditure of funds so transferred, do not result in an increase in outlays by the Department of Defense during fiscal year 1988.".

PART B—FISCAL YEAR 1988 UNAUTHORIZED APPROPRIATIONS

SEC. 1211. AUTHORITY FOR OBLIGATION OF CERTAIN UNAUTHORIZED FISCAL YEAR 1988 DEFENSE APPROPRIATIONS

(a) AUTHORITY.—The amounts described in subsection (b), totaling $10,624,600,000, may be obligated and expended for programs, projects, and activities of the Department of Defense in accordance with fiscal year 1988 defense appropriations except as otherwise provided in section 1212.

(b) COVERED AMOUNTS.—The amounts referred to in subsection (a) are the amounts provided for programs, projects, and activities of the Department of Defense in fiscal year 1988 defense appropriations that are in excess of the amounts provided for such programs, projects, and activities in fiscal year 1988 defense authorizations.

(c) DEFINITIONS.—For the purposes of this part:

(1) FISCAL YEAR 1988 DEFENSE APPROPRIATIONS.—The term "fiscal year 1988 defense appropriations" means amounts appropriated or otherwise made available to the Department of Defense for fiscal year 1988 in the Department of Defense Appropriations Act, 1988 (as contained in section 101(b) of Public Law 100-202).

(2) FISCAL YEAR 1988 DEFENSE AUTHORIZATIONS.—The term "fiscal year 1988 defense authorizations" means amounts authorized to be appropriated for the Department of Defense for fiscal year 1988 in the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180).

SEC. 1212. LIMITATION ON OBLIGATION FOR CERTAIN UNAUTHORIZED APPROPRIATIONS

(a) PROGRAMS NOT AVAILABLE FOR OBLIGATION.—Amounts described in section 1211(b) may not be obligated or expended for the following programs, projects, and activities of the Department of Defense (for which amounts were provided in fiscal year 1988 defense appropriations):

(1) Satellite Systems Survivability program under research, development, test, and evaluation for the Air Force in the amount of $5,300,000.

(2) Maxicube Cargo System under research, development, test, and evaluation for the Army in the amount of $10,000,000.

(3) Coastal Defense Augmentation in the amount of $20,000,000.

(4) Defense Meteorological Satellite program under research, development, test, and evaluation for the Navy in the amount of $40,000,000.

(5) P-3C aircraft under procurement of National Guard and Reserve equipment in the amount of $193,800,000.

(6) AN/SQR-17 Acoustic Processors for the Mobile Inshore Undersea Warfare group under procurement of National Guard and Reserve equipment in the amount of $10,000,000.

(b) LIMITATION ON CERTAIN PROGRAMS.—

(1) FORWARD AREA AIR DEFENSE HEAVY SYSTEM.—Funds appropriated or otherwise made available for the Army for procurement of missiles for fiscal year 1988 may not be obligated for advance procurement for the Forward Area Air Defense Line-of-Sight Forward-Heavy (LOS-F-H) system until—

(A) the Secretary of Defense certifies to the Committees on Armed Services of the Senate and House of Representatives that it is responsible to obligate funds for such purpose before operational testing of such system; and

(B) the Director of Operational Test and Evaluation of the Department of Defense certifies to those committees that he has approved the issues and criteria associated with the operational testing of such system.

(2) A-6 AIRCRAFT CONFIGURATION.—None of the funds appropriated for the procurement of aircraft for the Navy for fiscal year 1988 or 1989 may be obligated or expended for procurement of any A-6 aircraft configured in the F model configuration (as described in connection with the A-6E/A-6F aircraft program in the Selected Acquisition report submitted to Congress for the quarter ending December 31, 1986).

(3) TANK PROCUREMENT.—Funds appropriated for procurement of weapons and tracked combat vehicles for the Army for modification of M60 tanks in the amount of $90,000,000 may be used only for procurement or modification of M1 Abrams tanks, of which $30,000,000 shall be used for facilitization of Anniston Army Depot and initiation of the retrograde and modification programs for M1 tanks.

(c) PROGRAM LIMITATIONS.—All limitations and requirements set forth in division A of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180) shall apply to the obligation of funds authorized by section 1211(a) in the same manner as if the funds made available for obligation by such section had been authorized in that Act.

(d) TRANSFER AUTHORITY.—For the purposes of section 1201 of the National Defense Authorization Act for Fiscal Years 1988 and 1989, authorizations in section 1211(a) shall be deemed to have been made available to the Department of Defense in such Act.

(e) For purposes of section 1201 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1153), the amount of $279,100,000 (the sum of the amounts described in subsection (a) of this section) shall be deemed to have been authorized by such Act in equal amounts for the Army, Navy, and Air Force for the following purposes:

(1) Depot maintenance activities in amounts sufficient to reduce service backlogs which would otherwise occur.

(2) Pay of civilian personnel in amounts sufficient to reduce furloughs, reductions-in-force, or release of on-call employees into a nonpay status which would otherwise be required due to insufficient funding for civilian personnel of the Department of Defense for fiscal year 1988.

(3) Pay of military personnel in amounts sufficient to provide necessary costs of maintaining authorized end strengths.

SEC. 1213. REPEAL OF CERTAIN APPROPRIATIONS GENERAL PROVISIONS

Sections 8040, 8098, and 8122 of the Department of Defense Appropriations Act, 1988 (as contained in section 101(b) of Public Law 100-202), are repealed.

PART C—NAVAL VESSELS AND SHIPYARDS

SEC. 1221. NAMING OF TRIDENT SUBMARINE THE U.S.S. MELVIN PRICE

(a) FINDINGS.—The Congress finds that—

(1) the late Honorable Melvin Price served the people of the United States and the 21st Congressional District of Illinois as a

Member of the House of Representatives for 44 consecutive years with loyalty, dedication, and warm personal friendship until his death on April 22, 1988;

(2) Melvin Price served as a member of the Committee on Armed Services of the House of Representatives for 40 years and did so with total dedication to the goal of maintaining a strong national defense;

(3) in 1964, Melvin Price became the first chairman of the Research and Development Subcommittee of the Committee on Armed Services of the House of Representatives, and in 1975 became the first military veteran to serve as chairman of that committee, a position he held for 10 years;

(4) Melvin Price was a member of the Joint Committee on Atomic Energy from its establishment in 1946 until 1977 and served as the first chairman of that committee;

(5) Melvin Price played a major role in successfully advocating the peaceful use of nuclear energy and the military application of nuclear power for Navy ships and submarines; and

(6) Melvin Price has left an indelible mark on the history of the Nation as a result of his 44 years of unselfish efforts to maintain the strength and readiness of the Armed Forces.

(b) SENSE OF CONGRESS.—In light of the findings expressed in subsection (a), it is the sense of Congress that the Secretary of the Navy should name the next Trident ballistic missile submarine to be named after the enactment of this Act the U.S.S. Melvin Price.

SEC. 1222. NAMING A NAVY SHIP THE U.S.S. BOB HOPE

(a) FINDINGS.—The Congress finds that—

(1) Bob Hope has unselfishly dedicated his time and efforts for over 50 years to the morale and welfare of the men and women of the Armed Forces;

(2) Bob Hope has served his Nation in three wars by entertaining members of the Armed Forces aboard ships at sea and in combat zones ashore;

(3) Bob Hope has during peacetime entertained the men and women of the Armed Forces in all regions of the world and at every season of the year;

(4) Bob Hope has placed his own safety and convenience second to that of improving the morale of the members of the Armed Forces; and

(5) Bob Hope has earned the undying respect and fond esteem of all of his countrymen for his dedicated and patriotic endeavors.

(b) SENSE OF CONGRESS.—In light of the findings expressed in subsection (a), it is the sense of Congress that the Secretary of the Navy should name an appropriate ship of the United States Navy the U.S.S. Bob Hope.

SEC. 1223. RATE OF PROGRESS PAYMENTS ON NAVAL SHIP REPAIR CONTRACTS

Section 7312(a) of title 10, United States Code, is amended by inserting "not less than" after "shall be".

SEC. 1224. LIMITATION ON REPAIR OF NAVAL VESSELS IN FOREIGN SHIPYARDS

(a) IN GENERAL.—Section 7309 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(c)(1) A naval vessel (or any other vessel under the jurisdiction of the Secretary of the Navy) the homeport of which is in the United States may not be overhauled, repaired, or maintained in a shipyard outside the United States.

"(2) Paragraph (1) does not apply in the case of voyage repairs.".

(b) CLERICAL AMENDMENTS.—(1) The heading of that section is amended to read as follows:

"§ 7309. Restrictions on construction or repair of vessels in foreign shipyards".

(2) The item relating to such section in the table of sections at the beginning of chapter 633 of such title is amended to read as follows:

"7309. Restrictions on construction or repair of vessels in foreign shipyards.".

(c) EFFECTIVE DATE.—Subsection (c) of section 7309 of title 10, United States Code, as added by subsection (a), shall apply with respect to any contract for overhaul, repair, or maintenance of a vessel that is entered into after the end of the 30-day period beginning on the date of the enactment of this Act.

SEC. 1225. COMPETITION BETWEEN PUBLIC AND PRIVATE SHIPYARDS FOR OVERHAUL OF NAVAL VESSELS

(a) IN GENERAL.—(1) Chapter 633 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 7313. Overhaul of naval vessels: competition between public and private shipyards

"The Secretary of the Navy should ensure, in any case in which the Secretary awards a project for repair, alteration, overhaul, or conversion of a naval vessel following competition between public and private shipyards, that each of the following criteria is met:

"(1) The bid of any public shipyard for the award includes—

"(A) the full costs to the United States associated with future retirement benefits of civilian employees of that shipyard consistent with computation methodology established by Office of Management and Budget Circular A-76; and

"(B) in a case in which equal access to the Navy supply system is not allowed to public and private shipyards, a pro rata share of the costs of the Navy supply system.

"(2) Costs applicable to oversight of the contract by the appropriate Navy supervisor of shipbuilding, conversion, and repair are added to the bid of any private shipyard for the purpose of comparability analysis.

"(3) The award is made using the results of the comparability analysis.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"7313. Overhaul of naval vessels: competition between public and private shipyards.".

(b) EFFECTIVE DATE.—Section 7313 of title 10, United States Code, as added by subsection (a), applies to any award by the Secretary of the Navy made after the end of the 30-day period beginning on the date of the enactment of this Act for repair, alteration, overhaul, or conversion of a naval vessel following competition between public and private shipyards.

SEC. 1226. DEPOT-LEVEL MAINTENANCE OF SHIPS

(a) REQUIREMENT THAT CERTAIN WORK BE CARRIED OUT IN THE UNITED STATES.—The Secretary of the Navy shall require that, to the extent feasible and consistent with policies of the Navy regarding family separations, not less than one-half of the depot-level maintenance work described in subsection (b) (measured in cost) shall be carried out in the United States.

(b) WORK COVERED.—Depot-level maintenance work referred to in subsection (a) is depot-level maintenance work for naval vessels that is scheduled as of October 1, 1988, to be carried out in Japan during fiscal years 1989, 1990, and 1991.

SEC. 1227. REPORTS ON EFFECTS OF NAVAL SHIPBUILDING PLANS ON MARITIME INDUSTRIES

(a) ANNUAL REPORT.—The Secretary of Defense shall submit to Congress in 1989, 1990, and 1991 a report on how, under the current Five-Year Defense Program of the Department of Defense, programs for naval shipbuilding and conversion, for naval vessel repair, and for procurement of support equipment for naval vessels could be expected to affect the private-sector shipbuilding and ship repair industries of the United States in terms of the effectiveness and preparedness of those industries for mobilization in their role in the sealift component of the conventional deterrent of the United States.

(b) TIME FOR SUBMISSION.—The report under subsection (a) for any year shall be submitted to Congress at the same time that the Secretary submits his annual report to Congress for that year under section 113(c) of title 10, United States Code.

SEC. 1228. REPORT ON ENCOURAGEMENT OF CONSTRUCTION IN UNITED STATES SHIPYARDS OF COMBATANT VESSELS FOR ALLIES

(a) REPORT REQUIREMENT.—The Secretary of the Navy shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on—

(1) the manner in which the Secretary has complied, as of the date of the report, with the provisions of section 1455 of the Department of Defense Authorization Act, 1986 (Public Law 99-145; 99 Stat. 761); and

(2) plans of the Secretary for such compliance in the future.

(b) MATTERS TO BE INCLUDED.—The report shall include information regarding the following:

(1) Instances in which the Secretary has encouraged United States shipyards to construct combatant vessels for nations friendly to the United States.

(2) Steps taken by the Secretary to ensure that no effort has been made by any element of the Department of the Navy to inhibit, delay, or halt the provision of any United States naval system which has been approved for export to an allied nation.

(3) Instances in which the Secretary has encouraged United States firms to participate in construction programs outside of the United States in shipyards of allied nations.

(4) Future plans of the Secretary for complying with the requirements of each of subsections (a)(1) through (a)(3) of that section.

(c) SUBMISSION OF REPORT.—The report required by subsection (a) shall be submitted not later than 90 days after the date of the enactment of this Act.

SEC. 1229. REPORT ON SMALL PATROL BOATS OF NAVY

(a) REPORT REQUIREMENT.—The Secretary of the Navy shall submit to the Committees on Armed Services of the Senate and House of Representatives a report regarding the capability of the Navy to carry out missions requiring the use of small patrol boats. The Secretary shall include in the report—

(1) a discussion of the contingencies that would require the use of small patrol boats rather than larger warships;

(2) an evaluation of the existing capability of the Navy to carry out missions requiring the use of small patrol boats;

(3) a discussion of any plans the Navy has for eliminating the Navy's shortage of such boats; and

(4) such recommendations as the Secretary considers appropriate to strengthen the capabilities of the Navy to carry out effective-

ly missions that would require the use of such boats.

(b) Small Patrol Boat Defined.—For purposes of this section, a small patrol boat is a patrol boat that is less than 150 feet in length.

(c) Deadline for Submission of Report.—The report required by subsection (a) shall be submitted not later than 90 days after the date of the enactment of this Act.

Part D—Miscellaneous

SEC. 1231. REPORT ON SUSCEPTIBILITY OF DEFENSE COMPUTER ASSETS TO COMPUTER VIRUSES

The Secretary of Defense shall submit to Congress a report on the susceptibility of vital Department of Defense computer systems to so-called computer viruses and shall describe the steps which have been taken and are planned to be taken to protect the Department of Defense computer systems and records against computer viruses. Such report shall be submitted not later than March 1, 1989, in classified and unclassified form.

SEC. 1232. REASSESSMENT OF SOVIET ELECTRONIC ESPIONAGE CAPABILITY FROM MOUNT ALTO EMBASSY SITE

(a) Finding.—The Congress finds that the report submitted by the Secretary of Defense pursuant to section 1122 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180)—

(1) contains insufficient detail (even in the classified portion) for a review and assessment of the present and potential capabilities of the Government of the Soviet Union to intercept United States communications involving diplomatic, military, and intelligence matters from facilities on Mount Alto in the District of Columbia, as required by subsection (a) of that section; and

(2) does not contain a determination of the Secretary of Defense as to whether or not the present and proposed occupation of facilities on Mount Alto by the Soviet Union is consistent with the national security of the United States, as required by subsection (b) of that section.

(b) Submission of New Report.—Not later than 60 days after the date of the enactment of this Act, the President shall submit a report to Congress which meets the requirements of section 1122 of the National Defense Authorization Act for Fiscal Years 1988 and 1989.

SEC. 1233. TECHNICAL AND CLERICAL AMENDMENTS.

(a) Repeal of Obsolete Reference.—Section 1552 of title 10, United States Code, is amended—

(1) in subsection (b), by striking out "therefor before October 26, 1961, or within three years after he discovers the error or injustice, whichever is later" and inserting in lieu thereof "for the correction within three years after he discovers the error or injustice"; and

(2) in subsection (c), by striking out "The department concerned" and inserting in lieu thereof "The Secretary concerned".

(b) Date of Enactment References.—(1) Section 305a(d)(2) of title 37, United States Code, is amended by striking out "on or after the effective date specified in section 621(e)(1) of the National Defense Authorization Act for Fiscal Year 1988" and inserting in lieu thererof "after December 31, 1988,".

(2) Section 3(c)(1) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98b(c)(1)) is amended by striking out "the date of the enactment of the National Defense Stockpile Amendments of 1987" and inserting in lieu thereof "December 4, 1987".

(c) Correction of Misspelled Word.—The table in section 1406(b) of title 10, United States Code, is amended by striking out "satisfactory" in the matter in the second column relating to section 1331 and inserting in lieu thereof "satisfactorily".

(d) Repeal of Surplus Word.—Section 2343(b) of title 10, United States Code, is amended by striking out "section" before "2306a".

(e) Punctuation Corrections.—(1) Section 1101(c) of title 10, United States Code, is amended by striking out "(1)" after "Regulations.—".

(2) Paragraph (3) of section 7430(b) of such title is amended—

(A) by aligning the paragraph flush to the margin; and

(B) by striking out the comma at the end and inserting in lieu thereof a period.

(f) Capitalization Corrections.—(1) Section 801(1) of title 10, United States Code, is amended by striking out "judge" and inserting in lieu thereof "Judge".

(2) Section 101(5) of title 37, United States Code, is amended by striking out "secretary" and inserting in lieu thereof "Secretary".

(g) Cross-Reference Amendments.—(1) Section 401(c)(2) of title 10, United States Code, is amended by striking out "subsection (a)" and inserting in lieu thereof "paragraph (1)".

(2) Section 2133(b)(1) of title 10, United States Code, is amended by striking out "section 1431(e)" and inserting in lieu thereof "section 1431(f)".

(3) Section 7427 of title 10, United States Code, is amended by striking out "section 17(j)" and "30 U.S.C. 226(j)" and inserting in lieu thereof "section 17(m)" and "30 U.S.C. 226(m)", respectively.

(4) Section 1013 of title 37, United States Code, is amended by striking out "section 1051" and inserting in lieu thereof "section 1032".

(h) Repeal of Expired Reporting Requirement.—Section 179 of title 10, United States Code, is amended by striking out subsection (e).

(i) Section Headings.—(1)(A) The heading of section 3965 of title 10, United States Code, is amended to read as follows:

"§ 3965. Restoration to former grade: retired warrant officers and enlisted members".

(B) The item relating to that section in the table of sections at the beginning of chapter 369 of such title is amended to read as follows:

"3965. Restoration to former grade: retired warrant officers and enlisted members.".

(2)(A) The heading of section 8965 of title 10, United States Code, is amended to read as follows:

"§ 8965. Restoration to former grade: retired warrant officers and enlisted members".

(B) The item relating to that section in the table of sections at the beginning of chapter 869 of such title is amended to read as follows:

"8965. Restoration to former grade: retired warrant officers and enlisted members.".

(j) Subsection Heading.—Section 2329(d) of title 10, United States Code, is amended by inserting after "(d)" the following: "Treatment of Certain Costs as Direct Costs.—".

(k) Definitions.—(1) Section 2141(c) of title 10, United States Code, is amended by inserting "the term" after "In this chapter,".

(2) Section 9511(1) of such title is amended by striking out "The term" and inserting in lieu thereof "The terms".

(l) Amendments to Public Law 100-180.—(1) Section 623(a) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1101) is amended by inserting "in paragraphs (1) and (2)" before "and inserting".

(2) Section 717(c) of such Act (101 Stat. 1114) is amended by striking out "on" in the quoted matter in paragraph (2) and inserting in lieu thereof "upon".

(3) Paragraph (1) of section 802(a) of such Act (101 Stat. 1123) is amended by inserting end quotation marks and a period after "section." at the end.

(4) Section 803(a) of such Act (101 Stat. 1125) is amended by inserting "the first place it appears" before "and inserting".

(5) The amendments made by this subsection shall apply as if included in the enactment of Public Law 100-180.

SEC. 1234. REFERENCES TO THE CANAL ZONE.

(a) Title 10.—Title 10, United States Code, is amended as follows:

(1) Sections 101(3), 101(10), 101(12), 269(g), 281, 594(b), 672(d), 771a(c), 802(a)(11), 802(a)(12), 936(a), 1002(c), 3040(a), 3218, 3225, 3259, 3352(a), 3363(b), 3390(a), 3392, 3500 (first sentence), 3501(a), 3501(b), 3845, 3848(c)(1), 3851(a), 3851(d)(1), 3852(a), 4301(c), 8218, 8225, 8259, 8352(a), 8360(b), 8363(a), 8381(a), 8392, 8500 (first sentence), 8501(a), 8501(b), 8845, 8851(a), 8852(a), and 9301(c) are each amended by striking out "the Canal Zone," each place it appears.

(2) Sections 270(c) and 672(b) are each amended by striking out ", Puerto Rico, or the Canal Zone," and inserting in lieu thereof "or Puerto Rico".

(3) Sections 312(a)(2), 3500, and 8500 are each amended by striking out "Puerto Rico, and the Canal Zone" and inserting in lieu thereof "and Puerto Rico".

(4) Sections 3364(g) and 3364(j) are each amended by striking out ", Puerto Rico, the Canal Zone," and inserting in lieu thereof "or Puerto Rico".

(5) Section 3370(d) is amended by striking out "Puerto Rico, the Canal Zone" and inserting in lieu thereof "or Puerto Rico".

(6) Section 7308(a)(2) is amended by striking out "or the Canal Zone".

(b) Title 32.—Title 32, United States Code, is amended as follows:

(1) Sections 101(4), 101(6), 103, 104(c), 104(d), 107(b), 109, 304, 314(a), 314(d), 315(a), 315(b), 333, 501(b), 503(b), 504(b), 702(b), 702(c), 702(d), 703, 704, 708(d), 710, 711, and 712 are each amended by striking "the Canal Zone,".

(2) Section 104(a) is amended by striking out "Each State and Territory, Puerto Rico, and the Canal Zone" and inserting in lieu thereof "Each State or Territory and Puerto Rico".

(3) Section 331 is amended by striking out "the governor of the State or Territory, Puerto Rico, or the Canal Zone," and inserting in lieu thereof "the Governor of the State or territory or Puerto Rico,".

(4) Sections 327(a), 505(a), and 702(a) are each amended by striking out "Territory, Puerto Rico, or the Canal Zone," and inserting in lieu thereof "Territory or Puerto Rico".

(5) Section 314(b) is amended—

(A) by striking out ", the Canal Zone," in the first sentence; and

(B) by striking out "or the Canal Zone" in the second sentence.

(6) Sections 324(b) and 325(a) are each amended by striking out ", the Canal Zone,".

TITLE XIII—FOREIGN RELATIONS MATTERS

SEC. 1301. SENSE OF CONGRESS CONCERNING THE PANAMA CANAL AND THE UNITED STATES SOUTHERN COMMAND

(a) FINDINGS.—The Congress finds that—

(1) the security of, and the free flow of shipping through, the Panama Canal are vital interests of the United States; and

(2) the continued ability of the United States Southern Command (which currently has its headquarters in the Republic of Panama) to carry out assigned missions, especially the mission of defense of the Panama Canal, is essential to protecting and promoting the interests of the United States.

(b) SENSE OF CONGRESS.—In light of the findings in subsection (a), it is the sense of Congress that the President should take all steps necessary to ensure the continued ability of the United States Southern Command (or any successor command) to carry out assigned missions, especially the mission of defense of the Panama Canal.

SEC. 1302. LIMITATION ON ASSISTANCE TO PANAMANIAN DEFENSE FORCE

(a) LIMITATION.—The President may not use any funds appropriated to or for the use of any department, agency, or other entity of the United States for the purpose of providing assistance to the Panamanian Defense Force. The limitation in the preceding sentence shall cease to apply upon the submission by the President to Congress of a certification by the President—

(1) that no armed forces of the Soviet Union, the Republic of Cuba, or the Republic of Nicaragua are present in the Republic of Panama (other than military attachés accredited to the Republic of Panama); and

(2) that General Manuel Noriega has relinquished command of the Panamanian Defense Force and no longer holds any official position of leadership (either military or civilian) in the Republic of Panama.

(b) CLARIFICATION.—Subsection (a) does not prohibit the President from obligating or expending any funds necessary for—

(1) the defense of the Panama Canal,

(2) the collection of intelligence,

(3) the maintenance of United States Armed Forces in the Republic of Panama, or

(4) the protection of United States interests in the Republic of Panama.

(c) REPORT.—Not later than 30 days after the date of the enactment of this Act, the President shall submit to Congress a detailed report, in both classified and unclassified form, indicating—

(1) whether (and to what extent) military, paramilitary, or intelligence personnel of the Soviet Union, Cuba, or Nicaragua are present in the Republic of Panama; and

(2) whether (and to what extent) the Panamanian Defense Force has coordinated with, cooperated with, supported, or received support from, any such personnel.

SEC. 1303. SENSE OF CONGRESS CONCERNING INDICTMENT OF GENERAL NORIEGA OF PANAMA ON DRUG-RELATED CHARGES

(a) FINDINGS.—The Congress finds that—

(1) General Manuel Noriega, the commander of the Panamanian Defense Force, was indicted on February 5, 1988, in the United States District Courts for the Southern District and for the Middle District of Florida on a number of serious drug-related charges against the laws of the United States, including charges involving trafficking in illegal drugs, protecting and supporting drug traffickers, and laundering of drug-related money; and

(2) there have been reports in the news media and from other sources that discussions between officials of the United States and General Noriega may have occurred concerning arrangements under which General Noriega would give up political power and leave the Republic of Panama in exchange for which the United States would file a motion to dismiss the indictments referred to in paragraph (1).

(b) SENSE OF CONGRESS.—It is the sense of Congress—

(1) that the United States should not conduct or authorize any negotiations or discussions, and should not make any arrangements, with General Manuel Noriega which would involve any effort by the United States to dismiss the indictments referred to in subsection (a)(1); and

(2) that any such negotiation, discussion, or arrangement—

(A) would be incompatible with the high priority that the United States places on the war on drugs;

(B) would not further the prospects for restoring noncorrupt, democratic government to the Republic of Panama; and

(C) would not serve the interests of the United States.

SEC. 1304. SENSE OF CONGRESS ON INTRODUCTION OF ARMED FORCES INTO NICARAGUA FOR COMBAT

Congress hereby reaffirms the sense of Congress expressed in the first session of the 99th Congress (in section 1451 of the Department of Defense Authorization Act, 1986 (Public Law 99-145; 99 Stat. 760)), that United States Armed Forces should not be introduced into or over Nicaragua for combat. However, nothing in this section shall be construed as affecting the authority and responsibility of the President or Congress under the Constitution, statutes, or treaties of the United States in force.

SEC. 1305. HUMAN RIGHTS VIOLATIONS BY THE GOVERNMENT OF POLAND

(a) FINDINGS.—Congress makes the following findings:

(1) The government of Poland, headed by General Wojciech Jaruzelski, has violated internationally recognized human rights of the people of Poland, including the right to peaceably assemble, the right to strike, the right to freely associate, and the right to due process.

(2) The Jaruzelski government has retaliated against the justified, peaceful protests of workers at Nowa Huta, Poland, through the use of violence and force.

(3) The Jaruzelski government has prosecuted and imprisoned a number of persons for politically related offenses.

(4) The Jaruzelski government has to date refused to take steps which would guarantee the right of the people of Poland to participate in the management of the economy of Poland and has refused to accept the principle of pluralism in the national life of Poland.

(b) SENSE OF CONGRESS.—It is, therefore, the sense of Congress—

(1) that the use of force against the workers of Nowa Huta and intimidation against other strikers in Poland should be condemned; and

(2) that improvement in relations between the United States and Poland must be predicated on an improvement in internationally recognized human rights in Poland, including the release of political prisoners, steps toward trade union pluralism and the rights of independent trade unions to organize, and steps toward genuine national reconciliation and dialogue.

SEC. 1306. CONDITIONS FOR SALE OR OTHER TRANSFER OF F-15 AIRCRAFT TO SAUDI ARABIA

(a) Notwithstanding any other provision of law, any sale or other transfer to Saudi Arabia by the United States of F-15 aircraft shall be subject to the following conditions:

(1) Any such F-15 aircraft sold or otherwise transferred to Saudi Arabia shall be limited to models A, B, C, and D.

(2) The United States shall not sell or otherwise transfer to Saudi Arabia the F-15-E with a ground attack capability and shall not upgrade existing Saudi aircraft to that capability.

(3) Saudi Arabia shall not possess more than 60 F-15 aircraft at any time, except that additional replacement F-15 aircraft may be held in the United States, at the expense of Saudi Arabia, for shipment to Saudi Arabia only after the President notifies Congress that the existing inventory of F-15 aircraft held by Saudi Arabia is less than 60 and, then, only on a one-for-one replacement basis as each F-15 aircraft is totally removed from the inventory of Saudi Arabia.

(b) The President may waive subsection (a) if the President certifies to Congress that such action is in the national interest.

SEC. 1307. RESTRICTION ON SALE OF DEFENSE ARTICLES TO CERTAIN NATIONS

(a) RESTRICTION.—During fiscal year 1989, the United States may not make any sale of defense articles subject to section 36(b) of the Arms Export Control Act (22 U.S.C. 2776(b)) to any nation which has acquired intermediate-range ballistic missiles made by the People's Republic of China.

(b) PRESIDENTIAL CERTIFICATION.—(1) The restriction in subsection (a) shall cease to apply with respect to any nation which has acquired such missiles upon certification by the President to Congress that that nation does not have chemical, biological, or nuclear warheads for those missiles.

(2) If the President makes a certification under paragraph (1) in the case of any nation, the President shall notify Congress promptly of any evidence that, after the date of such certification, such nation has acquired chemical, biological, or nuclear warheads for those missiles.

SEC. 1308. UNITED STATES BASES IN THE REPUBLIC OF THE PHILIPPINES

(a) CONGRESSIONAL FINDINGS.—Congress makes the following findings:

(1) The United States has maintained military bases in the Philippines since 1947 pursuant to the United States-Philippine Military Bases Agreement and maintained military bases in the Philippines for many years before that under other arrangements.

(2) Clark Air Force Base, Subic Bay Naval Base, and the other United States military installations in the Philippines significantly promote the mutual interests of the United States and the Philippines and contribute to regional and global security.

(3) These installations are also important to the development of democratic institutions and to economic progress in the Western Pacific and Southeast Asia.

(4) The United States military installations in the Philippines employ a loyal and highly skilled cadre of Filipinos and make a substantial contribution to the Philippine economy.

(5) The Military Bases Agreement as currently in effect has a fixed term lasting until September 16, 1991, after which it continues in effect subject to termination by either party on one year's notice.

(6) Pursuant to a 1979 amendment to that agreement, the President of the United States pledged to the Government of the Republic of the Philippines to undertake "best efforts" to obtain security assistance for the Philippines, and such pledge was reiterated by the President of the United States in 1983 as part of a five-year review of the agreement.

(7) The United States and the Republic of the Philippines are currently engaged in a second five-year review of the Military Bases Agreement.

(8) Officials of the Government of the Republic of the Philippines have indicated to officials of the United States that the United States should significantly increase compensation for the use by the United States of military bases in the Philippines.

(9) The provision of multilateral economic assistance to the Republic of the Philippines should be considered separately from the provision of security assistance by the United States to the Republic of the Philippines in return for United States basing rights in the Philippines.

(b) REPORT ON FACILITIES.—(1) The Secretary of Defense shall submit to Congress a report on the existing United States military facilities in the Republic of the Philippines. The report shall include analysis of the following:

(A) The costs and benefits of maintaining those facilities, including the costs to the United States of the operation and maintenance of those facilities and any other costs associated with those facilities and the economic and social benefits and other benefits of those facilities to the Republic of the Philippines.

(B) Potential alternative locations for those facilities.

(C) The strategic value to the United States of having military facilities located in the Philippines and of having such facilities at the potential alternative locations considered.

(D) The costs and benefits of relocating those facilities to the potential alternative locations, including—

(i) the cost to the United States of operation and maintenance and other costs,

(ii) the economic, social, and other costs to the Philippines, and

(iii) the economic, social, and other benefits to the government and community at each alternative location.

(E) The availability of skilled indigenous personnel at the potential alternative locations and the cost of training such personnel to work at such installations.

(2) The report shall be prepared in consultation with the Secretary of State and shall be submitted to Congress not later than six months after the date of the enactment of this Act.

SEC. 1309. ANNUAL ASSESSMENT OF SECURITY AT UNITED STATES BASES IN THE PHILIPPINES

The Secretary of Defense shall submit to Congress an annual report assessing security at United States military facilities in the Republic of the Philippines. Each such report shall include an assessment of the cooperation provided by the Philippine Government, at both the national and local level, in improving such security. The report required by this subsection shall be submitted to Congress not later than May 1 each year.

SEC. 1310. ECONOMIC SANCTIONS AGAINST ETHIOPIA

(a) STATEMENTS OF POLICY.—The Congress—

(1) condemns the Government of Ethiopia for its blatant disregard for human life as demonstrated by its use of food as a weapon, its forced resettlement program, and its human rights record;

(2) in the strongest terms possible, urges the Government of Ethiopia to allow foreign relief personnel to return to the north and to allow the international relief campaign to resume operations at its own risk, while retaining full control over its assets and having access to adequate aircraft and fuel;

(3) in the strongest terms possible, urges rebel groups to cease attacks upon relief vehicles and relief distribution points and to respect the impartiality of the international relief campaign;

(4) urges the President and the Secretary of State (through direct representations to the Government of Ethiopia and certain rebel groups and through sustained multilateral initiatives involving other Western donors, the United Nations, and the Organization of African Unity) to focus world pressure and opinion upon the combatants in northern Ethiopia, to press for an "open roads/own risk" policy that will facilitate the resumption of international relief efforts in the north, to press the Government of Ethiopia and the rebel groups to reach a pragmatic, enduring political settlement, and to press the Government of Ethiopia to implement genuine and effective reform of its failed agricultural policies; and

(5) urges the President and the Secretary of State to engage in direct discussion with the Soviet Union in order that the peaceful resolution of the crisis in northern Ethiopia becomes a high priority of the Soviet Union and that the approach of the Soviet Union is consistent with that of the West.

(b) SANCTIONS.—(1) Notwithstanding any other provision of law, the President is authorized to, and is hereby strongly urged to, impose such economic sanctions upon Ethiopia as the President determines to be appropriate (subject to paragraphs (2) and (3)) if, at any time after the date of the enactment of this Act, the Government of Ethiopia engages in any of the following outrages:

(A) Forced resettlement.

(B) Forced confinement in any resettlement camp.

(C) Diversion of international relief to the military.

(D) Denial of international relief to any persons at risk because of famine.

(E) Seizure of international relief assets provided by the United States.

(F) Prohibition of end-use monitoring of food distribution by international relief personnel.

(2) In imposing sanctions pursuant to paragraph (1) on imports from Ethiopia, the President shall give priority consideration to those products which constitute major imports from Ethiopia, unless the President determines that sanctions against such products would have an adverse effect on economic interests of the United States.

(3) If a sanction imposed pursuant to paragraph (1) involves the prohibition or curtailment of exports to Ethiopia, that sanction may only be imposed under the authority and subject to the requirements of section 6 of the Export Administration Act of 1979.

(c) REPORTS TO CONGRESS.—Not more than 15 days after the date of the enactment of this Act and at the end of each 90-day period thereafter, the President shall submit to Congress a report stating whether or not, during the 90-day period preceding the date of the report, the Government of Ethiopia engaged in any conduct described in subsection (b). Each such report shall describe the response of the United States to any such conduct.

(d) REGULATION AUTHORITY.—The President shall issue such regulations, licenses, and orders as are necessary to implement any sanction imposed under this section.

(e) EXPIRATION.—The authority provided by subsection (b) shall expire on June 1, 1990.

TITLE XIV—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

PART A—NATIONAL SECURITY PROGRAMS AUTHORIZATIONS

SEC. 1401. OPERATING EXPENSES

Funds are authorized to be appropriated to the Department of Energy for fiscal year 1989 for operating expenses incurred in carrying out national security programs (including scientific research and development in support of the Armed Forces, strategic and critical materials necessary for the common defense, and military applications of nuclear energy and related management and support activities) as follows:

(1) For weapons activities, $3,567,629,000, to be allocated as follows:

(A) For research and development, $1,052,546,000.

(B) For weapons testing, $524,238,000.

(C) For production and surveillance, $1,909,445,000.

(D) For program direction, $81,400,000.

(2) For defense nuclear materials production, $1,556,772,000 to be allocated as follows:

(A) For uranium enrichment for naval reactors, $169,000,000.

(B) For production reactor operations, $587,976,000.

(C) For processing of defense nuclear materials, including naval reactors fuel, $511,717,000, of which $72,300,000 shall be used for special isotope separation.

(D) For supporting services, $259,679,000.

(E) For program direction, $28,400,000.

(3) For environmental restoration and management of defense waste and transportation, $739,624,000, to be allocated as follows:

(A) For environmental restoration, $170,925,000. Such funds may also be used for plant and capital equipment.

(B) For waste operation and projects, $532,042,000.

(C) For waste research and development, $58,460,000.

(D) For hazardous waste process planning, $8,377,000.

(E) For transportation management, $9,720,000.

(F) For program direction, $3,100,000.

(4) For verification and control technology, $146,200,000.

(5) For nuclear materials safeguards and security technology development program, $75,400,000.

(6) For security investigations, $40,000,000.

(7) For naval reactors development, $555,400,000.

SEC. 1402. PLANT AND CAPITAL EQUIPMENT

Funds are authorized to be appropriated to the Department of Energy for fiscal year 1989 for plant and capital equipment (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, land acquisition related thereto, and acquisition and fabrication of capital equipment not related to construction) necessary for national security programs as follows:

(1) For weapons activities:

Project 89-D-101, general plant projects, various locations, $26,500,000.

Project 89-D-121, general plant projects, various locations, $29,194,000.

Project 89-D-122, production waste storage facilities, Y-12 Plant, Oak Ridge, Tennessee, $2,000,000.

Project 89-D-125, plutonium recovery modification project, Rocky Flats Plant, Golden, Colorado, $4,000,000.

Project 89-D-126, environmental, safety, and health upgrade, Phase II, Mound Plant, Miamisburg, Ohio, $800,000.

Project 88-D-102, sanitary wastewater systems consolidation, Los Alamos National Laboratory, Los Alamos, New Mexico, $7,600,000.

Project 88-D-103, seismic upgrade, Building 111, Lawrence Livermore National Laboratory, Livermore, California, $5,400,000.

Project 88-D-104, safeguards and security upgrade, Phase II, Los Alamos National Laboratory, Los Alamos, New Mexico, $7,300,000.

Project 88-D-105, special nuclear materials research and development laboratory replacement, Los Alamos National Laboratory, Los Alamos, New Mexico, $22,000,000.

Project 88-D-106, nuclear weapons research, development, and testing facilities revitalization, Phase II, various locations, $72,352,000.

Project 88-D-122, facilities capability assurance program, various locations, $79,341,000.

Project 88-D-123, security enhancements, Pantex Plant, Amarillo, Texas, $7,500,000.

Project 88-D-124, fire protection upgrade, various locations, $6,500,000.

Project 88-D-125, high explosive machining facility, Pantex Plant, Amarillo, Texas, $13,000,000.

Project 88-D-126, personnel radiological monitoring laboratories, various locations, $5,000,000.

Project 87-D-104, safeguards and security enhancement, Phase II, Lawrence Livermore National Laboratory, Livermore, California, $8,500,000.

Project 87-D-122, short-range attack missile II (SRAM II) warhead production facilities, various locations, $26,000,000.

Project 86-D-103, decontamination and waste treatment facility, Lawrence Livermore National Laboratory, Livermore, California, $12,000,000.

Project 86-D-104, strategic defenses facility, Sandia National Laboratories, Albuquerque, New Mexico, $3,237,000.

Project 86-D-123, environmental hazards elimination, various locations, $5,203,000.

Project 86-D-130, tritium loading facility replacement, Savannah River Plant, Aiken, South Carolina, $31,800,000.

Project 85-D-102, nuclear weapons research, development, and testing facilities revitalization, Phase I, various locations, $6,800,000.

Project 85-D-105, combined device assembly facility, Nevada Test Site, Nevada, $12,200,000.

Project 85-D-112, enriched uranium recovery improvements, Y-12 Plant, Oak Ridge, Tennessee, $1,281,000.

Project 84-D-124, environmental improvements, Y-12 Plant, Oak Ridge, Tennessee, $4,775,000.

Project 84-D-211, safeguards and site security upgrading, Y-12 Plant, Oak Ridge, Tennessee, $2,775,000.

(2) For materials production:

Project 89-D-140, additional separations safeguards, Savannah River, South Carolina, $5,300,000.

Project 89-D-141, M-area waste disposal, Savannah River, South Carolina, $3,600,000.

Project 89-D-142, reactor effluent cooling water thermal mitigation, Savannah River, South Carolina, $1,000,000.

Project 89-D-146, general plant projects, various locations, $35,260,000.

Project 89-D-148, improved reactor confinement system, design only, Savannah River, South Carolina, $2,000,000.

Project 88-D-153, additional reactor safeguards, Savannah River, South Carolina, $5,700,000.

Project 88-D-154, new production reactor, design only, site to be determined, $35,000,000.

Project 87-D-152, environmental protection plantwide, Savannah River, South Carolina, $2,224,000.

Project 87-D-159, environmental, health, and safety improvements, Phases I, II, and III, Feed Materials Production Center, Fernald, Ohio, $50,000,000.

Project 86-D-148, special isotope separation project, Idaho Falls, Idaho, $28,000,000.

Project 86-D-149, productivity retention program, Phases I, II, III, and IV, various locations, $72,140,000.

Project 86-D-152, reactor electrical distribution system, Savannah River, South Carolina, $6,000,000.

Project 86-D-156, plantwide safeguards systems, Savannah River, South Carolina, $12,800,000.

Project 85-D-139, fuel processing restoration, Idaho Fuels Processing Facility, Idaho National Engineering Laboratory, Idaho, $65,000,000.

Project 84-D-134, safeguards and security improvements, plantwide, Savannah River, South Carolina, $11,584,000.

Project 82-D-124, restoration of production capabilities, Phases II, III, IV, and V, various locations, $5,879,000.

(3) For defense waste and environmental restoration:

Project 89-D-170, general plant projects, waste operations and projects, and waste research and development, various locations, $28,000,000.

Project 89-D-171, Idaho National Engineering Laboratory road renovation, Idaho, $4,000,000.

Project 89-D-172, Hanford environmental compliance, Richland, Washington, $12,000,000.

Project 89-D-173, tank farm ventilation upgrade, Richland, Washington, $1,800,000.

Project 89-D-174, replacement high level waste evaporator, Savannah River, South Carolina, $3,520,000.

Project 89-D-175, hazardous waste/mixed waste disposal facility, Savannah River, South Carolina, $3,500,000.

Project 88-D-173, Hanford waste vitrification plant, Richland, Washington, $22,500,000.

Project 87-D-173, 242-A evaporator crystallizer upgrade, Richland, Washington, $1,944,000.

Project 87-D-177, test reactor area liquid radioactive waste cleanup system, Phase III, Idaho National Engineering Laboratory, Idaho, $911,000.

Project 87-D-180, burial ground expansion, Savannah River, South Carolina, $2,068,000.

Project 87-D-181, diversion box and pump pit containment buildings, Savannah River, South Carolina, $6,371,000.

Project 86-D-175, Idaho National Engineering Laboratory security upgrade, Idaho, $2,084,000.

Project 83-D-148, nonradioactive hazardous waste management, Savannah River, South Carolina, $13,000,000.

Project 81-T-105, defense waste processing facility, Savannah River, South Carolina, $92,462,000.

(4) For naval reactors development:

Project 89-N-101, general plant projects, various locations, $7,000,000.

Project 89-N-102, heat transfer test facility, Knolls Atomic Power Laboratory, Niskayuna, New York, $2,800,000.

Project 89-N-103, advanced test reactor modifications, Test Reactor Area, Idaho National Engineering Laboratory, Idaho, $1,600,000.

Project 89-N-104, power system upgrade, Naval Reactors Facility, Idaho, $600,000.

Project 88-N-102, expended core facility receiving station, Naval Reactors Facility, Idaho, $5,900,000.

Project 88-N-103, material handling and storage modifications, Knolls Atomic Power Laboratory, Niskayuna, New York, $2,700,000.

Project 88-N-104, prototype availability facilities, Knolls Atomic Power Laboratory, Kesselring Site, West Milton, New York, $6,000,000.

(5) For capital equipment not related to construction:

(A) For weapons activities, $272,254,000, including $8,240,000 for the defense inertial confinement fusion program.

(B) For materials production, $102,500,000.

(C) For defense waste and environmental restoration, $52,716,000.

(D) For verification and control technology, $8,400,000.

(E) For nuclear safeguards and security, $4,800,000.

(F) For naval reactors development, $48,000,000.

SEC. 1403. FUNDING LIMITATIONS

(a) PROGRAMS, PROJECTS, AND ACTIVITIES OF THE DEPARTMENT OF ENERGY RELATING TO THE STRATEGIC DEFENSE INITIATIVE.—Of the funds appropriated to the Department of Energy for fiscal year 1989 for operating expenses and plant and capital equipment, not more than $262,000,000 may be obligated or expended for programs, projects, and activities of the Department of Energy relating to the Strategic Defense Initiative.

(b) INERTIAL CONFINEMENT FUSION.—Of the funds appropriated to the Department of Energy for fiscal year 1989 for operating expenses and plant and capital equipment, $163,770,000 shall be obligated or expended for the defense inertial confinement fusion program.

(c) SRAM II.—Funds appropriated to the Department of Energy for fiscal year 1989 for facilities for production of the warhead for the short-range attack missile II (SRAM II) (project 87-D-122) may be obligated only—

(1) for facilities which are suitable for production of a warhead compatible with both the SRAM-A and the SRAM II; and

(2) after the Nuclear Weapons Council certifies that the design of the warhead is compatible with both the SRAM-A and the SRAM II.

(d) SPECIAL ISOTOPE SEPARATION PROJECT.—Funds appropriated or otherwise made available to the Department of Energy for the special isotope separation project, Idaho Falls, Idaho, may not be obligated or expended for site preparation for such project before March 1, 1989.

(e) PLUTONIUM RECOVERY MODIFICATION PROJECT.—Funds appropriated or otherwise made available for the plutonium recovery modification project (project 89-D-125),

Rocky Flats Plant, Golden, Colorado, may not be obligated or expended until the later of—

(1) 60 days after the President submits the report (relating to modernization of the nuclear weapons complex) required by section 3132 of the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1988 (title I of division C of Public Law 100-180; 101 Stat. 1239); or

(2) February 15, 1989.

PART B—RECURRING GENERAL PROVISIONS

SEC. 1421. REPROGRAMMING

(a) NOTICE TO CONGRESS.—(1) Except as otherwise provided in this part—

(A) no amount appropriated pursuant to this title may be used for any program in excess of the lesser of—

(i) 105 percent of the amount authorized for that program by this title; or

(ii) $10,000,000 more than the amount authorized for that program by this title; and

(B) no amount appropriated pursuant to this title may be used for any program which has not been presented to, or requested of, the Congress.

(2) An action described in paragraph (1) may be taken after a period of 30 calendar days (not including any day on which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) has passed after receipt by the Committees on Armed Services and on Appropriations of the Senate and House of Representatives of notice from the Secretary of Energy containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action.

(b) LIMITATION ON AMOUNT OBLIGATED.—In no event may the total amount of funds obligated pursuant to this title exceed the total amount authorized to be appropriated by this title.

SEC. 1422. LIMITS ON GENERAL PLANT PROJECTS

(a) IN GENERAL.—The Secretary may carry out any construction project under the general plant projects provisions authorized by this title if the total estimated cost of the construction project does not exceed $1,200,000.

(b) REPORT TO CONGRESS.—If at any time during the construction of any general plant project authorized by this title, the estimated cost of the project is revised because of unforeseen cost variations and the revised cost of the project exceeds $1,200,000, the Secretary shall immediately furnish a complete report to the Committees on Armed Services and on Appropriations of the Senate and House of Representatives explaining the reasons for the cost variation.

SEC. 1423. LIMITS ON CONSTRUCTION PROJECTS

(a) IN GENERAL.—(1) Except as provided in paragraph (2), construction on a construction project may not be started or additional obligations incurred in connection with the project above the total estimated cost, whenever the current estimated cost of the construction project, which is authorized by section 1402 of this title, or which is in support of national security programs of the Department of Energy and was authorized by any previous Act, exceeds by more than 25 percent the higher of—

(A) the amount authorized for the project; or

(B) the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to Congress.

(2) An action described in paragraph (1) may be taken after a period of 30 calendar days (not including any day on which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) has passed after receipt by the Committees on Armed Services and on Appropriations of the Senate and House of Representatives of notice from the Secretary of Energy containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action.

(b) EXCEPTION.—Subsection (a) shall not apply to any construction project which has a current estimated cost of less than $5,000,000.

SEC. 1424. FUND TRANSFER AUTHORITY

(a) IN GENERAL.—Funds appropriated pursuant to this title may be transferred to other agencies of the Government for the performance of the work for which the funds were appropriated, and funds so transferred may be merged with the appropriations of the agency to which the funds are transferred.

(b) SPECIFIC TRANSFER.—The Secretary of Defense may transfer to the Secretary of Energy not more than $100,000,000 of the funds appropriated for fiscal year 1989 to the Department of Defense for research, development, test, and evaluation for the Defense Agencies for the performance of work on the Strategic Defense Initiative. Funds so transferred—

(1) may be used only for research, development, and testing for nuclear directed energy weapons, including plant and capital equipment related thereto;

(2) shall be merged with the appropriations of the Department of Energy; and

(3) may not be included in calculating the amount of funds obligated or expended for purposes of the funding limitation in section 1403(a).

SEC. 1425. AUTHORITY FOR CONSTRUCTION DESIGN

(a) IN GENERAL.—(1) Within the amounts authorized by this title for plant engineering and design, the Secretary may carry out advance planning and construction designs (including architectural and engineering services) in connection with any proposed construction project if the total estimated cost for such planning and design does not exceed $2,000,000.

(2) In any case in which the total estimated cost for such planning and design exceeds $300,000, the Secretary shall notify the Committees on Armed Services and on Appropriations of the Senate and House of Representatives in writing of the details of such project at least 30 days before any funds are obligated for design services for such project.

(b) SPECIFIC AUTHORITY REQUIRED.—In any case in which the total estimated cost for advance planning and construction design in connection with any construction project exceeds $2,000,000, funds for such design must be specifically authorized by law.

SEC. 1426. AUTHORITY FOR EMERGENCY CONSTRUCTION DESIGN

In addition to the advance planning and construction design authorized by section 1402, the Secretary may perform planning and design utilizing available funds for any Department of Energy defense activity construction project whenever the Secretary determines that the design must proceed expeditiously in order to meet the needs of national defense or to protect property or human life.

SEC. 1427. FUNDS AVAILABLE FOR ALL NATIONAL SECURITY PROGRAMS OF THE DEPARTMENT OF ENERGY

Subject to the provisions of appropriation Acts and section 1421, amounts appropriated pursuant to this title for management and support activities and for general plant projects are available for use, when necessary, in connection with all national security programs of the Department of Energy.

SEC. 1428. AVAILABILITY OF FUNDS

When so specified in an appropriation Act, amounts appropriated for operating expenses or for plant and capital equipment may remain available until expended.

PART C—MISCELLANEOUS PROVISIONS

SEC. 1431. REVIEW OF THE INERTIAL CONFINEMENT FUSION PROGRAM

(a) ESTABLISHMENT.—(1) Within 30 days after the date of the enactment of this Act, the Secretary of Energy shall establish a review body to be known as the Program Review Group on Inertial Confinement Fusion (hereafter in this section referred to as the "Review Group").

(2) It shall be the function of the Review Group to review thoroughly the accomplishments, management, goals, and anticipated contributions of the defense inertial confinement fusion program, for both the civilian and military sectors. Such review shall include—

(A) an assessment of the most promising technologies for continuation of the program; and

(B) an assessment of the potential contributions of the program under a prohibition of underground nuclear testing and under a limitation of underground nuclear testing to levels of 1 kiloton, 5 kilotons, and 10 kilotons.

(3) The Secretary of Energy shall appoint to serve on the Review Group only persons who, because of experience in the scientific disciplines associated with the development and testing of nuclear weapons, are most qualified to make findings of fact and recommendations to Congress and the Secretary concerning that program.

(b) REPORTS.—The Review Group shall submit to the Secretary and the Committees on Armed Services and on Appropriations of the Senate and House of Representatives an interim report and a final report containing the results of its review, together with such recommendations regarding priorities for future work in the inertial confinement fusion program as it determines appropriate. The interim report shall be submitted before January 15, 1990, and the final report shall be submitted before September 15, 1990.

(c) REVIEW AND COMMENT BY THE SECRETARY.—(1) The Secretary of Energy shall review both the interim and final reports of the Review Group and submit to the Committees on Armed Services and on Appropriations of the Senate and House of Representatives the following:

(A) An assessment of the budgetary priority, under current and anticipated budget restraints, that should be given to the inertial confinement fusion program of the Department of Energy in relation to the budgetary priority that should be given to core defense research and development programs of the Department to carry out the defense missions of the Department.

(B) Such additional comments regarding such reports as the Secretary considers appropriate.

(2) The Secretary shall submit his assessment and comments on each report referred

to in subsection (b) not later than 30 days after receiving such report.

(d) Termination.—Upon the submission of its final report, the Review Group shall cease to exist.

SEC. 1432. ASSISTANCE TO COMMUNITIES AFFECTED BY CLOSING OF N REACTOR

The Secretary of Defense may make grants, conclude cooperative agreements, and supplement funds made available under Federal programs administered by agencies other than the Department of Defense in order to assist the State of Washington and local communities near Hanford Reservation, Washington, in planning community adjustments required by the closure of the N Reactor.

SEC. 1433. REVIEW OF WASTE ISOLATION PILOT PLANT IN NEW MEXICO

(a) Contract Requirement.—The Secretary of Energy shall enter into a contract with the New Mexico Institute of Mining and Technology (hereafter in this section referred to as the "Institute") to conduct independent reviews and evaluations of the design, construction, and operations of the Waste Isolation Pilot Plant in New Mexico (hereafter in this section referred to as the "WIPP") as they relate to the protection of the public health and safety and the environment. The contract shall be for a period of one year, beginning on March 31, 1989, and shall be renewable for four additional one-year periods with the consent of the Institute and subject to the authorization and appropriation of funds for such purpose.

(b) Content of Contract.—A contract entered into under subsection (a) shall require the following:

(1) The President of the Institute shall appoint a Director and Deputy Director, who shall be scientists of national eminence in the field of nuclear waste disposal, shall be free from any biases related to the activities of the WIPP, and shall be widely known for their integrity and scientific expertise. The Director shall carry out the work under the contract through a group known as the Environmental Evaluation Group and shall report directly to the President of the Institute.

(2) The Director shall appoint staff. The professional staff shall consist of scientists and engineers of recognized integrity and scientific expertise who represent scientific and engineering disciplines needed for a thorough review of the WIPP, including such disciplines as geology, hydrology, health physics, environmental engineering, probability risk analysis, mining engineering, and radiation chemistry. The disciplines represented in the staff shall change as may be necessary to meet changed needs in carrying out the contract for expertise in any certain scientific or engineering discipline. Scientists employed under the contract shall have qualifications and experience equivalent to the qualifications and experience required for scientists employed by the Federal Government in grades GS-13 through GS-16.

(3) Scientists employed under the contract shall have an appropriate support staff.

(4) The Director and Deputy Director shall each be appointed for a term of 5 years, subject to contract renewal, and may be removed only for misconduct or incompetence. The staff shall be appointed for such terms as the Director considers appropriate.

(5) The rates of pay of professional staff and the procedures for increasing the rates of pay of professional staff shall be equivalent to those rates and procedures provided for the General Schedule pay system under chapter 53 of title 5, United States Code. The fringe benefits available to the professional staff of the Institute shall also be available to professional staff under the contract.

(6) To the maximum extent practicable, preference in the hiring of staff for the Environmental Evaluation Group shall be given to persons involved in the scientific evaluation group for WIPP immediately before the date of the enactment of this Act.

(7) Offices of the Environmental Evaluation Group shall be established in Carlsbad, New Mexico, and in Albuquerque, New Mexico, for carrying out the contract. The Director shall designate one of the offices as the administrative headquarters for carrying out the contract.

(8) The results of reviews and evaluations carried out under the contract shall be published.

(c) Administration.—The contract entered into under subsection (a) shall be administered under the direction of the President of the Institute. Such President shall establish general policies and guidelines to be used by the Director in carrying out the work under the contract. The Director shall be solely responsible for determining reviews and evaluations to be conducted by the Environmental Evaluation Group.

(d) Funding.—Funding for the contract shall be from amounts appropriated under section 1401. The amount of the initial one-year contract shall be not less than $1,060,000.

(e) Construction.—Nothing in this section shall be construed as affecting actions undertaken before the date of the enactment of this Act in furtherance of the requirements of this section.

SEC. 1434. AUTHORITY TO LOAN PERSONNEL AND FACILITIES TO COMMUNITY DEVELOPMENT ORGANIZATIONS NEAR HANFORD RESERVATION

(a) Authority to Loan Personnel.—(1) The Secretary of Energy shall allow each contractor and subcontractor of the Department of Energy carrying out operating, engineering, research and development, or construction management at the Hanford Reservation, Washington, to loan personnel in accordance with this section to the community development organization known as the Tri City Industrial Development Council serving Benton and Franklin counties, Washington. Any such loan shall be for the purpose of assisting in the diversification of the local economy by reducing reliance by local communities on national security programs at Hanford Reservation.

(2) A contractor shall continue to compensate any personnel loaned by the contractor under paragraph (1). Any such compensation shall be allowed as a cost for which the Department of Energy may reimburse the contractor under the contract.

(3) The Secretary of Energy may not obligate or expend more than $500,000 in each of fiscal years 1989 and 1990 for loans of personnel under this section. The amount of such obligations or expenditures shall be measured by the cost of compensation paid to such personnel by the contractor and reimbursed by the Department of Energy.

(b) Authority To Loan Facilities.—The Secretary of Energy may loan facilities of the Federal Government being used by contractors of the Department of Energy at Hanford Reservation, Washington, to any community-based organization. However, any loan of a facility under this subsection may be made only if use of the facility by such an organization would not adversely affect Department of Energy programs, as determined by the Secretary.

(c) Duration of Program.—The authority to loan personnel and facilities under this section, and the loan of any personnel or facilities pursuant to such authority, shall terminate on September 30, 1990.

SEC. 1435. NEW PRODUCTION REACTOR

(a) Recommendations Regarding New Production Reactor.—Not later than July 31, 1988, the Secretary of Energy shall submit to the Committees on Armed Services of the Senate and House of Representatives a report containing the Secretary's recommendation for the site for construction of a new production reactor and the Secretary's recommendation for the preferred technology for a new production reactor.

(b) Report Containing Information Pertaining to New Production Reactor.—At the same time the budget for fiscal year 1990 is submitted to Congress pursuant to section 1105 of title 31, United States Code, the Secretary of Energy shall submit to the Committees on Armed Services of the Senate and House of Representatives a report containing—

(1) a discussion of the administrative and legislative changes that would be necessary to shorten the time period necessary to attain the initial operational date of a new production reactor; and

(2) any recommendations for such additional action that the Secretary considers appropriate.

SEC. 1436. NUCLEAR TEST BAN READINESS PROGRAM

(a) Findings.—The Congress makes the following findings:

(1) On September 17, 1987, the United States and the Soviet Union announced that they would resume full-scale, stage-by-stage negotiations on issues relating to nuclear testing, including further intermediate limitations on nuclear testing leading to the ultimate objective of a comprehensive nuclear test ban.

(2) It was agreed that the first step in these negotiations would be to reach agreement on verification measures that will make possible the ratification of the Threshold Test Ban Treaty of 1974 and the Peaceful Nuclear Explosions Treaty of 1976.

(3) To achieve the agreement on verification measures, the United States and the Soviet Union have agreed to design and conduct a Joint Verification Experiment at the test sites of each country during the summer of 1988.

(4) At the Moscow summit in May 1988, President Reagan and General Secretary Gorbachev reaffirmed their commitment to negotiations on "effective verification measures which will make it possible to ratify the Threshold Test Ban Treaty of 1974 and Peaceful Nuclear Explosions Treaty of 1976, and proceed to negotiating further intermediate limitations on nuclear testing leading to the ultimate objective of the complete cessation of nuclear testing as part of an effective disarmament process".

(b) Establishment of Program.—The Secretary of Energy shall establish and support a program to assure that the United States is in a position to maintain the reliability, safety, and continued deterrent effect of its stockpile of existing nuclear weapons designs in the event that a low-threshold or comprehensive ban on nuclear explosives testing is negotiated and ratified within the framework agreed to by the United States and the Soviet Union.

(c) Purposes of Program.—The purposes of the program under subsection (b) shall be the following:

(1) To assure that the United States maintains a vigorous program of stockpile inspection and non-explosive testing so that, if a low-threshold or comprehensive test ban is entered into, the United States remains able to detect and identify potential problems in stockpile reliability and safety in existing designs of nuclear weapons.

(2) To assure that the specific materials, components, processes, and personnel needed for the remanufacture of existing nuclear weapons or the substitution of alternative nuclear warheads are available to support such remanufacture or substitution if such action becomes necessary in order to satisfy reliability and safety requirements under a low-threshold or comprehensive test ban agreement.

(3) To assure that a vigorous program of research in areas related to nuclear weapons science and engineering is supported so that, if a low-threshold or comprehensive test ban agreement is entered into, the United States is able to maintain a base of technical knowledge about nuclear weapons design and nuclear weapons effects.

(d) CONDUCT OF PROGRAM.—The Secretary of Energy shall carry out the program provided for in subsection (b). The program shall be carried out with the participation of representatives of the Department of Defense, the nuclear weapons production facilities, and the national nuclear weapons laboratories.

(e) ANNUAL REPORT.—The Secretary of Energy shall submit to Congress each year an unclassified report (with a classified annex as necessary) that describes the progress made to the date of the report in achieving the purposes of the program required to be established under subsection (b).

PART D—DOE DEFENSE NUCLEAR FACILITIES SAFETY OVERSIGHT BOARD

SEC. 1441. ESTABLISHMENT OF DEFENSE NUCLEAR FACILITIES SAFETY BOARD

(a) ESTABLISHMENT.—(1) The Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.) is amended by adding at the end the following new chapter:

"CHAPTER 21. DEFENSE NUCLEAR FACILITIES SAFETY BOARD

"SEC. 311. ESTABLISHMENT.

"(a) ESTABLISHMENT.—There is hereby established an independent establishment in the executive branch, to be known as the 'Defense Nuclear Facilities Safety Board' (hereafter in this chapter referred to as the 'Board').

"(b) MEMBERSHIP.—(1) The Board shall be composed of five members appointed from civilian life by the President, by and with the advice and consent of the Senate, from among United States citizens who are respected experts in the field of nuclear safety with a demonstrated competence and knowledge relevant to the independent investigative and oversight functions of the Board. Not more than three members of the Board shall be of the same political party.

"(2) Any vacancy in the membership of the Board shall be filled in the same manner in which the original appointment was made.

"(3) No member of the Board may be an employee of, or have any significant financial relationship with, the Department of Energy or any contractor of the Department of Energy.

"(4) Not later than 180 days after the date of the enactment of this chapter, the President shall submit to the Senate nominations for appointment to the Board. In the event that the President is unable to submit the nominations within such 180-day period, the President shall submit to the Committees on Armed Services and on Appropriations of the Senate and to the Speaker of the House of Representatives a report describing the reasons for such inability and a plan for submitting the nominations within the next 90 days. If the President is unable to submit the nominations within that 90-day period, the President shall again submit to such committees and the Speaker such a report and plan. The President shall continue to submit to such committees and the Speaker such a report and plan every 90 days until the nominations are submitted.

"(c) CHAIRMAN AND VICE CHAIRMAN.—(1) The President shall designate a Chairman and Vice Chairman of the Board from among members of the Board.

"(2) The Chairman shall be the chief executive officer of the Board and, subject to such policies as the Board may establish, shall exercise the functions of the Board with respect to—

"(A) the appointment and supervision of employees of the Board;

"(B) the organization of any administrative units established by the Board; and

"(C) the use and expenditure of funds.

"(3) The Chairman may delegate any of the functions under this paragraph to any other member or to any appropriate officer of the Board.

"(4) The Vice Chairman shall act as Chairman in the event of the absence or incapacity of the Chairman or in case of a vacancy in the office of Chairman.

"(d) TERMS.—(1) Except as provided under paragraph (2), the members of the Board shall serve for terms of five years. Members of the Board may be reappointed.

"(2) Of the members first appointed—

"(A) one shall be appointed for a term of one year;

"(B) one shall be appointed for a term of two years;

"(C) one shall be appointed for a term of three years;

"(D) one shall be appointed for a term of four years; and

"(E) one shall be appointed for a term of five years,

as designated by the President at the time of appointment.

"(3) Any member appointed to fill a vacancy occurring before the expiration of the term of office for which such member's predecessor was appointed shall be appointed only for the remainder of such term. A member may serve after the expiration of that member's term until a successor has taken office.

"(e) QUORUM.—Three members of the Board shall constitute a quorum, but a lesser number may hold hearings.

"SEC. 312. FUNCTIONS OF THE BOARD.

"The Board shall perform the following functions:

"(1) REVIEW AND EVALUATION OF STANDARDS.—The Board shall review and evaluate the content and implementation of the standards relating to the design, construction, operation, and decommissioning of defense nuclear facilities of the Department of Energy (including all applicable Department of Energy orders, regulations, and requirements) at each Department of Energy defense nuclear facility. The Board shall recommend to the Secretary of Energy those specific measures that should be adopted to ensure that public health and safety are adequately protected. The Board shall include in its recommendations necessary changes in the content and implementation of such standards, as well as matters on which additional data or additional research is needed.

"(2) INVESTIGATIONS.—(A) The Board shall investigate any event or practice at a Department of Energy defense nuclear facility which the Board determines has adversely affected, or may adversely affect, public health and safety.

"(B) The purpose of any Board investigation under subparagraph (A) shall be—

"(i) to determine whether the Secretary of Energy is adequately implementing the standards described in paragraph (1) of the Department of Energy (including all applicable Department of Energy orders, regulations, and requirements) at the facility;

"(ii) to ascertain information concerning the circumstances of such event or practice and its implications for such standards;

"(iii) to determine whether such event or practice is related to other events or practices at other Department of Energy defense nuclear facilities; and

"(iv) to provide to the Secretary of Energy such recommendations for changes in such standards or the implementation of such standards (including Department of Energy orders, regulations, and requirements) and such recommendations relating to data or research needs as may be prudent or necessary.

"(3) ANALYSIS OF DESIGN AND OPERATIONAL DATA.—The Board shall have access to and may systematically analyze design and operational data, including safety analysis reports, from any Department of Energy defense nuclear facility.

"(4) REVIEW OF FACILITY DESIGN AND CONSTRUCTION.—The Board shall review the design of a new Department of Energy defense nuclear facility before construction of such facility begins and shall recommend to the Secretary, within a reasonable time, such modifications of the design as the Board considers necessary to ensure adequate protection of public health and safety. During the construction of any such facility, the Board shall periodically review and monitor the construction and shall submit to the Secretary, within a reasonable time, such recommendations relating to the construction of that facility as the Board considers necessary to ensure adequate protection of public health and safety. An action of the Board, or a failure to act, under this paragraph may not delay or prevent the Secretary of Energy from carrying out the construction of such a facility.

"(5) RECOMMENDATIONS.—The Board shall make such recommendations to the Secretary of Energy with respect to Department of Energy defense nuclear facilities, including operations of such facilities, standards, and research needs, as the Board determines are necessary to ensure adequate protection of public health and safety. In making its recommendations the Board shall consider the technical and economic feasibility of implementing the recommended measures.

"SEC. 313. POWERS OF BOARD.

"(a) HEARINGS.—(1) The Board or a member authorized by the Board may, for the purpose of carrying out this chapter, hold such hearings and sit and act at such times and places, and require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such evidence as the Board or an authorized member may find advisable.

"(2)(A) Subpoenas may be issued only under the signature of the Chairman or any member of the Board designated by him and shall be served by any person designated by *the Chairman, any member, or any person as otherwise provided by law. The attendance of witnesses and the production of evidence may be required from any place in the United States at any designated place of hearing in the United States.*

"(B) Any member of the Board may administer oaths or affirmations to witnesses appearing before the Board.

"(C) If a person issued a subpoena under paragraph (1) refuses to obey such subpoena or is guilty of contumacy, any court of the United States within the judicial district within which the hearing is conducted or within the judicial district within which such person is found or resides or transacts business may (upon application by the Board) order such person to appear before the Board to produce evidence or to give testimony relating to the matter under investigation. Any failure to obey such order of the court may be punished by such court as a contempt of the court.

"(D) The subpoenas of the Board shall be served in the manner provided for subpoenas issued by a United States district court under the Federal Rules of Civil Procedure for the United States district courts.

"(E) All process of any court to which application may be made under this section may be served in the judicial district in which the person required to be served resides or may be found.

"(b) STAFF.—The Board may, for the purpose of performing its responsibilities under this chapter—

"(1) hire such staff as it considers necessary to perform the functions of the Board, but not more than the equivalent of 100 full-time employees; and

"(2) procure the temporary and intermittent services of experts and consultants to the extent authorized by section 3109(b) of title 5, United States Code, at rates the Board determines to be reasonable.

"(c) REGULATIONS.—The Board may prescribe regulations to carry out the responsibilities of the Board under this chapter.

"(d) REPORTING REQUIREMENTS.—The Board may establish reporting requirements for the Secretary of Energy which shall be binding upon the Secretary. The information which the Board may require the Secretary of Energy to report under this subsection may include any information designated as classified information, or any information designated as safeguards information and protected from disclosure under section 147 or 148 of this Act.

"(e) USE OF GOVERNMENT FACILITIES, ETC.—The Board may, for the purpose of carrying out its responsibilities under this chapter, use any facility, contractor, or employee of any other department or agency of the Federal Government with the consent of and under appropriate support arrangements with the head of such department or agency and, in the case of a contractor, with the consent of the contractor.

"(f) ASSISTANCE FROM CERTAIN AGENCIES OF THE FEDERAL GOVERNMENT.—With the consent of and under appropriate support arrangements with the Nuclear Regulatory Commission, the Board may obtain the advice and recommendations of the staff of the Commission on matters relating to the Board's responsibilities and may obtain the advice and recommendations of the Advisory Committee on Reactor Safeguards on such matters.

"(g) ASSISTANCE FROM ORGANIZATIONS OUTSIDE THE FEDERAL GOVERNMENT.—The Board may enter into an agreement with the National Research Council of the National Academy of Sciences or any other appropriate group or organization of experts outside the Federal Government chosen by the Board to assist the Board in carrying out its responsibilities under this chapter.

"(h) RESIDENT INSPECTORS.—The Board may assign staff to be stationed at any Department of Energy defense nuclear facility to carry out the functions of the Board.

"(i) SPECIAL STUDIES.—The Board may conduct special studies pertaining to adequate protection of public health and safety at any Department of Energy defense nuclear facility.

"(j) EVALUATION OF INFORMATION.—The Board may evaluate information received from the scientific and industrial communities, and from the interested public, with respect to—

"(1) events or practices at any Department of Energy defense nuclear facility; or

"(2) suggestions for specific measures to improve the content of standards described in section 312(1), the implementation of such standards, or research relating to such standards at Department of Energy defense nuclear facilities.

"SEC. 314. RESPONSIBILITIES OF THE SECRETARY OF ENERGY.

"(a) COOPERATION.—The Secretary of Energy shall fully cooperate with the Board and provide the Board with ready access to such facilities, personnel, and information as the Board considers necessary to carry out its responsibilities under this chapter. Each contractor operating a Department of Energy defense nuclear facility under a contract awarded by the Secretary shall, to the extent provided in such contract or otherwise with the contractor's consent, fully cooperate with the Board and provide the Board with ready access to such facilities, personnel, and information of the contractor as the Board considers necessary to carry out its responsibilities under this chapter.

"(b) ACCESS TO INFORMATION.—The Secretary of Energy may deny access to information provided to the Board to any person who—

"(1) has not been granted an appropriate security clearance or access authorization by the Secretary of Energy; or

"(2) does not need such access in connection with the duties of such person.

"SEC. 315. BOARD RECOMMENDATIONS.

"(a) PUBLIC AVAILABILITY AND COMMENT.—Subject to subsections (g) and (h) and after receipt by the Secretary of Energy of any recommendations from the Board under section 312, the Board promptly shall make such recommendations available to the public in the Department of Energy's regional public reading rooms and shall publish in the Federal Register such recommendations and a request for the submission to the Board of public comments on such recommendations. Interested persons shall have 30 days after the date of the publication of such notice in which to submit comments, data, views, or arguments to the Board concerning the recommendations.

"(b) RESPONSE BY SECRETARY.—(1) The Secretary of Energy shall transmit to the Board, in writing, a statement on whether the Secretary accepts or rejects, in whole or in part, the recommendations submitted to him by the Board under section 312, a description of the actions to be taken in response to the recommendations, and his views on such recommendations. The Secretary of Energy shall transmit his response to the Board within 45 days after the date of the publication, under subsection (a), of the notice with respect to such recommendations or within such additional period, not to exceed 45 days, as the Board may grant.

"(2) At the same time as the Secretary of Energy transmits his response to the Board under paragraph (1), the Secretary, subject to subsection (h), shall publish such response, together with a request for public comment on his response, in the Federal Register.

"(3) Interested persons shall have 30 days after the date of the publication of the Secretary of Energy's response in which to submit comments, data, views, or arguments to the Board concerning the Secretary's response.

"(4) The Board may hold hearings for the purpose of obtaining public comments on its recommendations and the Secretary of Energy's response.

"(c) PROVISION OF INFORMATION TO SECRETARY.—The Board shall furnish the Secretary of Energy with copies of all comments, data, views, and arguments submitted to it under subsection (a) or (b).

"(d) FINAL DECISION.—If the Secretary of Energy, in a response under subsection (b)(1), rejects (in whole or part) any recommendation made by the Board under section 312, the Board shall either reaffirm its original recommendation or make a revised recommendation and shall notify the Secretary of its action. Within 30 days after receiving the notice of the Board's action under this subsection, the Secretary shall consider the Board's action and make a final decision on whether to implement all or part of the Board's recommendations. Subject to subsection (h), the Secretary shall publish the final decision and the reasoning for such decision in the Federal Register and shall transmit to the Committees on Armed Services and on Appropriations of the Senate and to the Speaker of the House of Representatives a written report containing that decision and reasoning.

"(e) IMPLEMENTATION PLAN.—The Secretary of Energy shall prepare a plan for the implementation of each Board recommendation, or part of a recommendation, that is accepted by the Secretary in his final decision. The Secretary shall transmit the implementation plan to the Board within 90 days after the date of the publication of the Secretary's final decision on such recommendation in the Federal Register. The Secretary may have an additional 45 days to transmit the plan if the Secretary submits to the Board and to the Committees on Armed Services and on Appropriations of the Senate and to the Speaker of the House of Representatives a notification setting forth the reasons for the delay and describing the actions the Secretary is taking to prepare an implementation plan under this subsection. The Secretary may implement any such recommendation (or part of any such recommendation) before, on, or after the date on which the Secretary transmits the implementation plan to the Board under this subsection.

"(f) IMPLEMENTATION.—(1) Subject to paragraph (2), not later than one year after the date on which the Secretary of Energy transmits an implementation plan with respect to a recommendation (or part thereof) under subsection (e), the Secretary shall carry out and complete the implementation plan. If complete implementation of the plan takes more than 1 year, the Secretary of Energy shall submit a report to the Committees on Armed Services and on Appropriations of the Senate and to the Speaker of the House of Representatives setting forth the reasons for the delay and when implementation will be completed.

"(2) If the Secretary of Energy determines that the implementation of a Board recommendation (or part thereof) is impracticable because of budgetary considerations, or that the implementation would affect the Secretary's ability to meet the annual nuclear weapons stockpile requirements established pursuant to section 91 of this Act, the Secretary shall submit to the President, to the Committees on Armed Services and on Appropriations of the Senate, and to the Speaker of the House of Representatives a report containing the recommendation and the Secretary's determination.

"(g) IMMINENT OR SEVERE THREAT.—(1) In any case in which the Board determines that a recommendation submitted to the Secretary of Energy under section 312 relates to an imminent or severe threat to public health and safety, the Board and the Secretary of Energy shall proceed under this subsection in lieu of subsections (a) through (d).

"(2) At the same time that the Board transmits a recommendation relating to an imminent or severe threat to the Secretary of Energy, the Board shall also transmit the recommendation to the President and for information purposes to the Secretary of Defense. The Secretary of Energy shall submit his recommendation to the President. The President shall review the Secretary of Energy's recommendation and shall make the decision concerning acceptance or rejection of the Board's recommendation.

"(3) After receipt by the President of the recommendation from the Board under this subsection, the Board promptly shall make such recommendation available to the public and shall transmit such recommendation to the Committees on Armed Services and on Appropriations of the Senate and to the Speaker of the House of Representatives. The President shall promptly notify such committees and the Speaker of his decision and the reasons for that decision.

"(h) LIMITATION.—Notwithstanding any other provision of this section, the requirements to make information available to the public under this section—

"(1) shall not apply in the case of information that is classified; and

"(2) shall be subject to the orders and regulations issued by the Secretary of Energy under sections 147 and 148 of this Act to prohibit dissemination of certain information.

"SEC. 316. REPORTS.

"(a) BOARD REPORT.—(1) The Board shall submit to the Committees on Armed Services and on Appropriations of the Senate and to the Speaker of the House of Representatives each year, at the same time that the President submits the budget to Congress pursuant to section 1105(a) of title 31, United States Code, a written report concerning its activities under this chapter, including all recommendations made by the Board, during the year preceding the year in which the report is submitted. The Board may also issue periodic unclassified reports on matters within the Board's responsibilities.

"(2) The annual report under paragraph (1) shall include an assessment of—

"(A) the improvements in the safety of Department of Energy defense nuclear facilities during the period covered by the report;

"(B) the improvements in the safety of Department of Energy defense nuclear facilities resulting from actions taken by the Board or taken on the basis of the activities of the Board; and

"(C) the outstanding safety problems, if any, of Department of Energy defense nuclear facilities.

"(b) DOE REPORT.—The Secretary of Energy shall submit to the Committees on Armed Services and on Appropriations of the Senate and to the Speaker of the House of Representatives each year, at the same time that the President submits the budget to Congress pursuant to section 1105(a) of title 31, United States Code, a written report concerning the activities of the Department of Energy under this chapter during the year preceding the year in which the report is submitted.

"SEC. 317. JUDICIAL REVIEW.

"Chapter 7 of title 5, United States Code, shall apply to the activities of the Board under this chapter.

"SEC. 318. DEFINITION.

"As used in this chapter, the term 'Department of Energy defense nuclear facility' means any of the following:

"(1) A production facility or utilization facility (as defined in section 11 of this Act) that is under the control or jurisdiction of the Secretary of Energy and that is operated for national security purposes, but the term does not include—

"(A) any facility or activity covered by Executive Order No. 12344, dated February 1, 1982, pertaining to the Naval nuclear propulsion program;

"(B) any facility or activity involved with the assembly or testing of nuclear explosives or with the transportation of nuclear explosives or nuclear material; or

"(C) any facility that does not conduct atomic energy defense activities.

"(2) A nuclear waste storage facility under the control or jurisdiction of the Secretary of Energy, but the term does not include a facility developed pursuant to the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101 et seq.) and licensed by the Nuclear Regulatory Commission.

"SEC. 319. CONTRACT AUTHORITY SUBJECT TO APPROPRIATIONS.

"The authority of the Board to enter into contracts under this chapter is effective only to the extent that appropriations (including transfers of appropriations) are provided in advance for such purpose.

"SEC. 320. ANNUAL AUTHORIZATION OF APPROPRIATIONS.

"Authorizations of appropriations for the Board for fiscal years beginning after fiscal year 1989 shall be provided annually in authorization Acts.".

(2) The table of contents at the beginning of the Atomic Energy Act of 1954 is amended by adding at the end the following:

"CHAPTER 21. DEFENSE NUCLEAR FACILITIES SAFETY BOARD

"Sec. 311. Establishment.
"Sec. 312. Functions of the Board.
"Sec. 313. Powers of Board.
"Sec. 314. Responsibilities of the Secretary of Energy.
"Sec. 315. Board recommendations.
"Sec. 316. Reports.
"Sec. 317. Judicial review.
"Sec. 318. Definition.
"Sec. 319. Contract authority subject to appropriations.
"Sec. 320. Annual authorization of appropriations.".

(b) SALARY FOR BOARD MEMBERS AT EXECUTIVE SCHEDULE LEVEL III.—Section 5314 of title 5, United States Code, is amended by inserting after "Members, Nuclear Regulatory Commission." the following: "Members, Defense Nuclear Facilities Safety Board.".

(c) REQUIREMENTS FOR FIRST ANNUAL REPORT.—(1) Before submission of the first annual report by the Defense Nuclear Facilities Safety Board under section 316(a) of the Atomic Energy Act of 1954 (as added by subsection (a)), the Board shall conduct a study on whether nuclear facilities of the Department of Energy that are excluded from the definition of "Department of Energy defense nuclear facility" in section 318(1)(C) of such Act (hereafter in this subsection referred to as "non-defense nuclear facilities") should be subject to independent external oversight. The Board shall include in such first annual report the results of such study and the recommendation of the Board on whether non-defense nuclear facilities should be subject to independent external oversight.

(2) If the Board recommends in the report that non-defense nuclear facilities should be subject to such oversight, the report shall include a discussion of alternative mechanisms for implementing such oversight, including mechanisms such as a separate executive agency and oversight as a part of the Board's responsibilities. The discussion of alternative mechanisms of oversight also shall include considerations of budgetary costs, protection of the security of sensitive nuclear weapons information, and the similarities and differences in the design, construction, operation, and decommissioning of defense and non-defense nuclear facilities of the Department of Energy.

(d) REQUIREMENTS FOR FIFTH ANNUAL REPORT.—The fifth annual report submitted by the Defense Nuclear Facilities Safety Board under section 316(a) of the Atomic Energy Act of 1954 (as added by subsection (a)) shall include—

(1) an assessment of the degree to which the overall administration of the Board's activities are believed to meet the objectives of Congress in establishing the Board;

(2) recommendations for continuation, termination, or modification of the Board's functions and programs, including recommendations for transition to some other independent oversight arrangement if it is advisable; and

(3) recommendations for appropriate transition requirements in the event that modifications are recommended.

SEC. 1442. TRANSFER

The Secretary of Energy, to the extent provided in appropriations Acts, shall transfer to the Defense Nuclear Facilities Safety Board established by section 311 of the Atomic Energy Act of 1954 (as added by section 1441) from sums available for obligation for national security programs such sums as may be necessary, as determined by such Board, for the operation of the Board during fiscal year 1989, but in no case may more than $7,000,000 be transferred for such purpose. Sums transferred shall be available to such Board to carry out its responsibilities under chapter 21 of the Atomic Energy Act of 1954 (as added by section 1441) and shall remain available until expended.

TITLE XV—NATIONAL DEFENSE STOCKPILE

SEC. 1501. AUTHORIZED DISPOSALS

(a) AUTHORITY.—Notwithstanding section 5(b) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98d(b)) but subject to subsection (c), the President may during fiscal year 1989 dispose of materials in the National Defense Stockpile in accordance with this section. The value of the materials disposed of may not exceed $180,000,000 and may only be made as specified in subsection (b).

(b) MATERIALS AUTHORIZED TO BE DISPOSED.—Any disposal pursuant to the authority in subsection (a) shall be made from materials in the National Defense Stockpile previously authorized for disposal by law and from the following materials in the Na-

tional Defense Stockpile, such materials having been determined to be excess to stockpile requirements:

Material	Quantities
Asbestos, chrysotile	2,100 short tons
Asbestos, crocidolite	36 short tons
Celestite	13,500 short dry tons
Iodine	772,000 pounds
Kyanite	1,200 short dry tons
Manganese dioxide, battery grade, natural ore	65,000 short dry tons
Mercury	7,500 flasks
Mica, muscovite block (S&L)	181,000 pounds
Mica, muscovite splittings	750,000 pounds
Mica, phlogopite splittings	589,000 pounds
Quartz	1,249,000 pounds
Silicon Carbide	44,000 short tons
Talc, block and lump	990 short tons
Talc, ground	1,100 short tons
Thorium nitrate	6,520,000 pounds
Tin	5,000 metric tons
Tungsten ores and concentrates	1,000,000 pounds
Vegetable tannin chestnut	3,500 long tons
Vegetable tannin quebracho	77,000 long tons.

(c) DISPOSALS DURING FISCAL YEAR 1989.—The President may dispose of materials under this section during fiscal year 1989 only to the extent that the total amount received (or to be received) from such disposals does not exceed the amount expended from the National Defense Stockpile Transaction Fund during fiscal year 1989 for purposes authorized under section 9(b)(2) of such Act.

SEC. 1502. AUTHORIZATION OF ACQUISITIONS

(a) ACQUISITIONS.—During fiscal year 1989, the President shall obligate $180,000,000 out of the funds of the National Defense Stockpile Transaction Fund (subject to such limitations as may be provided in appropriations Acts) for the following purposes:

(1) The acquisition of strategic and critical materials under section 6(a)(1) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98e(a)(1)).

(2) Transportation, storage, and other incidental expenses related to such acquisition.

(3) The upgrading of stockpile materials under section 6(a)(3) of such Act (50 U.S.C. 98e(a)(3)) and evaluations, tests, and other incidental expenses related to such upgrades.

(4) Other authorized uses of such funds under section 9(b)(2) of such Act (50 U.S.C. 98h(b)(2)).

(b) NEW UPGRADE PROGRAMS.—Of the amount specified in subsection (a), at least $20,000,000 shall be obligated to initiate new programs for upgrading stockpile materials. The Stockpile Manager shall submit to Congress by October 1, 1988, a report containing a plan for the use of such $20,000,000 for upgrading stockpile materials.

SEC. 1503. TECHNICAL AND CLARIFYING AMENDMENTS

(a) SEMI-ANNUAL REPORT.—Section 11(a) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h-2(a)) is amended—

(1) by redesignating paragraphs (3) and (4) as paragraphs (5) and (6), respectively; and

(2) by inserting after paragraph (2) the following new paragraphs:

"(3) information with respect to the activities by the Stockpile Manager to encourage the conservation, substitution, and development of strategic and critical materials within the United States;

"(4) information with respect to the research and development activities conducted under sections 2 and 8;".

(b) ANNUAL MATERIALS PLAN.—Section 11(b) of such Act (50 U.S.C. 98h-2(b)) is amended—

(1) in the first sentence, by striking out "such fiscal year" and inserting in lieu thereof "the next fiscal year";

(2) in the second sentence, by striking out "planned" and all that follows through "critical materials" and inserting in lieu thereof "all planned expenditures from the National Defense Stockpile Transaction Fund"; and

(3) by adding at the end the following new sentence: "Any proposed expenditure or disposal detailed in the annual materials plan for any such fiscal year, and any expenditure or disposal proposed in connection with any transaction submitted for such fiscal year to the appropriate committees of Congress pursuant to section 5(a)(2), that is not obligated or executed in that fiscal year may not be obligated or executed until such proposed expenditure or disposal is resubmitted in a subsequent annual materials plan or is resubmitted to the appropriate committees of Congress in accordance with section 5(a)(2), as appropriate.".

TITLE XVI—CIVIL DEFENSE

SEC. 1601. AUTHORIZATION OF APPROPRIATION

There is hereby authorized to be appropriated $147,893,000 for fiscal year 1989 for the purpose of carrying out the Federal Civil Defense Act of 1950 (50 U.S.C. App. 2251 et seq.).

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

SEC. 2001. SHORT TITLE.

This division may be cited as the "Military Construction Authorization Act, 1989".

TITLE XXI—ARMY

SEC. 2101. AUTHORIZED CONSTRUCTION AND LAND ACQUISITION PROJECTS

(a) INSIDE THE UNITED STATES.—The Secretary of the Army may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States:

ALABAMA

Anniston Army Depot, $6,000,000.
Fort McClellan, $7,900,000.
Redstone Arsenal, $14,800,000.
Fort Rucker, $2,110,000.

ALASKA

Fort Wainwright, $29,740,000.
Fort Richardson, $6,250,000.

ARIZONA

Fort Huachuca, $1,200,000.

ARKANSAS

Pine Bluff Arsenal, $7,500,000.

CALIFORNIA

Fort Ord, $13,050,000.
Sierra Army Depot, $380,000.

COLORADO

Pueblo Army Depot, $3,200,000.

DISTRICT OF COLUMBIA

Walter Reed Army Medical Center, $1,600,000.

GEORGIA

Fort Benning, $24,350,000.

HAWAII

Fort Shafter, $7,200,000.
Schofield Barracks, $8,500,000.

ILLINOIS

Rock Island Arsenal, $10,980,000.
Savanna Army Depot, $2,270,000.
Fort Sheridan, $3,280,000.

KENTUCKY

Fort Campbell, $20,500,000.
Lexington-Bluegrass Depot, $770,000.

MARYLAND

Aberdeen Proving Ground, $17,000,000.
Fort Detrick, $6,500,000.
Fort Ritchie, $9,100,000.

NEW JERSEY

Fort Dix, $6,200,000.

NEW YORK

United States Military Academy, West Point, $11,150,000.

NORTH CAROLINA

Fort Bragg, $36,602,000.

OKLAHOMA

Fort Sill, $3,700,000.

OREGON

Umatilla Army Depot, $3,600,000.

PENNSYLVANIA

Letterkenny Army Depot, $1,900,000.

TEXAS

Fort Bliss, $3,800,000.
Corpus Christi Army Depot, $7,400,000.
Fort Hood, $15,900,000.
Red River Army Depot, $88,400,000.
Fort Sam Houston, $3,250,000.

UTAH

Dugway Proving Ground, $12,800,000.
Tooele Army Depot, $92,300,000.

VIRGINIA

Fort A.P. Hill, $9,900,000.
Fort Eustis, $5,000,000.
Fort Lee, $4,800,000.
Fort Pickett, $4,000,000.
Vint Hill Farms Station, $800,000.

WASHINGTON

Fort Lewis, $19,800,000.

WISCONSIN

Fort McCoy, $2,100,000.

VARIOUS LOCATIONS

Classified Locations, $3,600,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of the Army may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

GERMANY

Ansbach, $15,000,000.
Friedberg, $1,300,000.
Giessen, $6,300,000.
Grafenwoehr Training Area, $7,000,000.
Hohenfels Training Area, $36,960,000.
Karlsruhe, $2,550,000.

Mainz, $19,550,000.
Mannheim, $14,400,000.
Rheinberg, $12,400,000.
Schweinfurt, $9,700,000.
Stuttgart, $3,350,000.
Vilseck, $44,600,000.
Wiesbaden, $13,900,000.
Worms, $1,300,000.
Wuerzburg, $33,650,000.
Various Locations, $18,000,000.

HONDURAS

Site 5, $3,050,000.

ITALY

Various Locations, $1,250,000.

JAPAN

Various Locations, $7,900,000.
Various Locations, $5,300,000.

KOREA

Camp Casey, $3,700,000.
Camp Gary Owen, $1,150,000.
Camp Greaves, $1,540,000.
Camp Hovey, $3,200,000.
Camp Kittyhawk, $1,350,000.
Camp Libby, $1,150,000.
Camp Page, $670,000.
Camp Sears, $1,100,000.
Camp Stanley, $1,200,000.
Camp Stanton, $1,400,000.
K-16 Army Airfield, $670,000.
Taegu, $990,000.
Yongsan, $1,400,000.
Various Locations, $6,200,000.
Various Locations, $9,200,000.

KWAJALEIN

Kwajalein, $15,490,000.

VARIOUS LOCATIONS

Various Locations, $9,750,000.

SEC. 2102. FAMILY HOUSING

(a) CONSTRUCTION AND ACQUISITION.—The Secretary of the Army may, using amounts appropriated pursuant to section 2105(a)(6)(A), construct or acquire family housing units (including land acquisition) at the following installations in the number of units shown, and in the amount shown, for each installation:

Fort Wainwright, Alaska, one hundred and fifty units, $27,000,000.

Fort Irwin, California, two hundred and sixty-three units, $24,000,000.

Helemano, Hawaii, one hundred units, $11,400,000.

Schofield Barracks, Hawaii, forty units, $4,450,000.

Fort Leavenworth, Kansas, two hundred and seventy-two units, $20,000,000.

Fort Drum, New York, one hundred units, $10,000,000.

Fort Bliss, Texas, one hundred and eight units, $9,100,000.

Augsburg, Germany, thirty-four units, as described in section 2103(b).

Hohenfels, Germany, eighty-eight units, $8,400,000.

(b) PLANNING AND DESIGN.—The Secretary of the Army may, using amounts appropriated pursuant to section 2105(a)(6)(A), carry out architectural and engineering services and construction design activities with respect to the construction or improvement of family housing units in an amount not to exceed $10,628,000.

SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS

(a) IN GENERAL.—Subject to section 2825 of title 10, United States Code, the Secretary of the Army may, using amounts appropriated pursuant to section 2105(a)(6)(A), improve existing military family housing units in an amount not to exceed $72,300,000.

(b) WAIVER OF MAXIMUM PER COST FOR CERTAIN IMPROVEMENT PROJECTS.—Notwithstanding the maximum amount per unit for an improvement project under section 2825(b) of title 10, United States Code, the Secretary of the Army may carry out projects to improve existing military family housing units at the following installations in the number of units shown, and in the amount shown, for each installation:

Pearl Harbor, Hawaii, eight units, $550,000.

Augsburg, Germany, convert unused attic space and upgrade fourteen units into forty-eight adequate units, as authorized in section 2102(a), $3,360,000.

Taegu, Korea, ninety-six units, $4,450,000.

SEC. 2104. DEFENSE ACCESS ROADS

The Secretary of the Army may, using amounts appropriated pursuant to section 2105(a)(4), make advances to the Secretary of Transportation for the construction of defense access roads under section 210 of title 23, United States Code, at Fort Belvoir, Virginia, in the amount of $1,000,000.

SEC. 2105. AUTHORIZATION OF APPROPRIATIONS, ARMY

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1988, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $2,417,701,000 as follows:

(1) For military construction projects inside the United States authorized by section 2101(a), $463,182,000.

(2) For military construction projects outside the United States authorized by section 2101(b), $299,620,000.

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, $16,200,000.

(4) For advances to the Secretary of Transportation for construction of defense access roads under section 210 of title 23, United States Code, $1,000,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $98,328,000.

(6) For military family housing functions—

(A) for construction and acquisition of military family housing facilities, $197,278,000;

(B) for support of military family housing (including the functions described in section 2833 of title 10, United States Code), $1,340,093,000, of which not more than $52,190,000 may be obligated or expended for the leasing of military family housing in the United States, the Commonwealth of Puerto Rico, and Guam, and not more than $183,600,000 may be obligated or expended for the leasing of military family housing units in foreign countries; and

(C) for the Homeowners Assistance Program as authorized by section 2832 of title 10, United States Code, $2,000,000, to remain in effect until expended.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2101 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a); and

(2) $78,000,000 (the balance of the amount authorized for the construction of the Central Distribution Center, Red River Army Depot, Texas).

SEC. 2106. EXTENSION OF CERTAIN PRIOR YEAR AUTHORIZATIONS

(a) EXTENSION OF AUTHORIZATION OF CERTAIN FISCAL YEAR 1985 PROJECTS.—Notwithstanding the provisions of section 607(a) of the Military Construction Authorization Act, 1985 (Public Law 98-407, 98 Stat. 1515), authorizations for the following projects authorized in section 101 of that Act, as extended by section 2107(a) of the Military Construction Authorization Act, 1987 (division B of Public Law 99-661) and section 2105(a) of the Military Construction Authorization Act, 1988 and 1989 (division B of Public Law 100-180) shall remain in effect until October 1, 1989, or the date of enactment of an Act authorizing funds for military construction for fiscal year 1990, whichever is later:

(1) Barracks modernization in the amount of $660,000 at Argyroupolis, Greece.

(2) Barracks modernization in the amount of $660,000 at Perivolaki, Greece.

(3) Barracks with dining facility in the amount of $11,400,000 at Presidio of San Francisco, California.

(b) EXTENSION OF AUTHORIZATION OF CERTAIN FISCAL YEAR 1986 PROJECTS.—Notwithstanding the provisions of section 603(a) of the Military Construction Authorization Act, 1986 (Public Law 99-167), authorizations for the following projects authorized in sections 101 and 102 of that Act as extended by section 2105(b) of the Military Construction Authorization Act, 1988 and 1989 (division B of Public Law 99-180), shall remain in effect until October 1, 1989, or the date of enactment of an Act authorizing funds for military construction for fiscal year 1990, whichever is later:

(1) Child care center in the amount of $470,000 at Karlsruhe, Germany.

(2) Modified record fire range in the amount of $2,850,000 at Nuernberg, Germany.

(3) Flight simulator building in the amount of $2,900,000 at Wiesbaden, Germany.

(4) Air conditioning upgrade in the amount of $5,900,000 at Schofield Barracks, Hawaii.

(5) Child care center in the amount of $1,350,000 at Camp Darby, Italy.

(6) Dining facility modernization in the amount of $4,350,000 at Fort Leavenworth, Kansas.

(7) Family housing, new construction, 6 units, in the amount of $596,000 at Fort Myer, Virginia.

(c) EXTENSION OF AUTHORIZATION OF CERTAIN FISCAL YEAR 1987 PROJECTS.—Notwithstanding the provisions of section 2701(a) of the Military Construction Authorization Act, 1987, (division B of Public Law 99-661), authorizations for the following projects authorized in sections 2101, 2102, and 2103 of that Act shall remain in effect until October 1, 1989, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1990, whichever is later:

(1) Primary water supply connection in the amount of $2,150,000 at Fort Riley, Kansas.

(2) Material test facility in the amount of $9,700,000 at Dugway Proving Ground, Utah.

(3) Barracks modernization in the amount of $3,700,000 at foreign various location 276.

(4) Dining facility in the amount of $2,100,000 at Giessen, Germany.

(5) Aircraft maintenance hangar in the amount of $7,100,000 at Hanau, Germany.

(6) Seventy manufactured home spaces in the amount of $1,100,000 at Aberdeen Proving Ground, Maryland.

(7) Family housing, new construction, 40 units in the amount of $4,100,000 at Crailsheim, Germany.

TITLE XXII—NAVY

SEC. 2201. AUTHORIZED CONSTRUCTION AND LAND ACQUISITION PROJECTS

(a) INSIDE THE UNITED STATES.—The Secretary of the Navy may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States:

ALABAMA

Naval Station, Mobile, $19,700,000.

ALASKA

David Taylor Research Center Detachment, Ketchikan, $12,000,000.

Naval Air Station, Adak, $29,000,000.

ARIZONA

Marine Corps Air Station, Yuma, $11,770,000.

CALIFORNIA

Marine Corps Air-Ground Combat Center, Twentynine Palms, $26,630,000.

Marine Corps Air Station, Camp Pendleton, $9,450,000.

Marine Corps Air Station, El Toro, $3,970,000.

Marine Corps Air Station, Tustin, $10,990,000.

Marine Corps Base, Camp Pendleton, $64,460,000.

Marine Corps Logistics Base, Barstow, $1,190,000.

Mountain Warfare Training Center, Bridgeport, $3,200,000.

Naval Air Station, Moffett Field, $650,000.

Naval Air Station, North Island, $6,150,000.

Naval Amphibious Base, Coronado, $870,000.

Naval Amphibious School, San Diego, $10,100,000.

Naval Aviation Depot, Alameda, $8,290,000.

Naval Aviation Depot, North Island, $2,110,000.

Naval Construction Battalion Center, Port Hueneme, $7,000,000.

Naval Construction Training Center, Port Hueneme, $10,080,000.

Naval Hospital, Lemoore, $2,160,000.

Naval Ocean Systems Center, San Diego, $8,660,000.

Naval Post Graduate School, Monterey, $3,140,000.

Naval Civil Engineer Corps Officers School, Port Hueneme, $7,420,000.

Naval Security Group Detachment, San Diego, $1,950,000.

Naval Shipyard, Mare Island, $6,450,000.

Naval Space Surveillance Field Station, San Diego, $3,760,000.

Naval Station, Treasure Island, San Francisco, $5,000,000.

Naval Submarine Base, San Diego, $3,150,000.

Naval Supply Center, Oakland, $1,550,000.

Naval Supply Center, San Diego Annex, North Island, $1,695,000.

Naval Training Center, San Diego, $7,980,000.

Naval Weapons Center, China Lake, $12,260,000.

Naval Weapons Station, Seal Beach, $13,890,000.

Navy Public Works Center, San Diego, $500,000.

Navy Public Works Center, San Francisco, $15,810,000.

Pacific Missile Test Center, Point Mugu, $20,470,000.

Personnel Support Activity, San Diego, $1,180,000.

Shore Intermediate Maintenance Activity, San Diego, $10,720,000.

Submarine Training Facility, San Diego, $10,301,000.

CONNECTICUT

Naval Security Group Activity, Groton, $1,170,000.

Naval Submarine Base, New London, $6,660,000.

DISTRICT OF COLUMBIA

Commandant, Naval District Washington, $38,100,000.

Naval Research Laboratory, Washington, $19,800,000.

FLORIDA

Naval Air Station, Cecil Field, $340,000.

Naval Air Station, Jacksonville, $8,810,000.

Naval Air Station, Key West, $850,000.

Naval Air Station, Pensacola, $25,600,000.

Naval Aviation Depot, Jacksonville, $14,180,000.

Naval Hospital, Pensacola, $2,250,000.

Naval Legal Service Office, Mayport, $1,450,000.

Naval Station, Mayport, $3,060,000.

Naval Supply Center, Pensacola, $2,640,000.

Naval Technical Training Center, Pensacola, $2,840,000.

Naval Training Center, Orlando, $23,810,000.

GEORGIA

Marine Corps Logistics Base, Albany, $5,740,000.

Naval Submarine Base, Kings Bay, $56,330,000.

HAWAII

Marine Corps Air Station, Kaneohe Bay, $24,270,000.

Naval Legal Service Office, Pearl Harbor, $2,380,000.

Naval Station, Pearl Harbor, $8,370,000.

Naval Submarine Base, Pearl Harbor, $11,250,000.

Naval Submarine Training Center, Pacific, Pearl Harbor, $1,780,000.

Naval Supply Center, Pearl Harbor, $8,350,000.

Navy Public Works Center, Pearl Harbor, $3,760,000.

ILLINOIS

Naval Training Center, Great Lakes, $3,440,000.

Naval Public Works Center, Great Lakes, $1,930,000.

KENTUCKY

Naval Ordnance Station, Louisville, $19,000,000.

LOUISIANA

Naval Station, Lake Charles, $3,700,000.

MAINE

Naval Air Station, Brunswick, $530,000.

MARYLAND

David Taylor Naval Ship Research Development Center, Annapolis, $1,860,000.

Naval Academy, Annapolis, $540,000.

Naval Air Test Center, Patuxent River, $1,250,000.

Naval Explosive Ordnance Disposal Technology Center, Indian Head, $7,380,000.

Naval Intelligence Command Headquarters, Suitland, $114,000,000.

Naval Medical Data Services Center, Bethesda, $5,930,000.

Naval Ordnance Station, Indian Head, $1,270,000.

Naval Surface Warfare Center Detachment, White Oak, $2,540,000.

MISSISSIPPI

Naval Air Station, Meridian, $3,100,000.

Naval Construction Training Center, Gulfport, $4,070,000.

Naval Station, Pascagoula, $25,700,000.

Supervisor of Shipbuilding, Pascagoula, $6,000,000.

NEVADA

Naval Air Station, Fallon, $9,470,000.

NEW JERSEY

Naval Weapons Station, Earle, $30,400,000.

NEW MEXICO

Naval Ordnance Missile Test Station, White Sands, $8,090,000.

NEW YORK

Naval Station, New York, $23,395,000.

NORTH CAROLINA

Marine Corps Air Station, Cherry Point, $32,380,000.

Marine Corps Air Station, New River, $8,400,000.

Marine Corps Base, Camp Lejeune, $23,450,000.

OKLAHOMA

Naval Air Detachment, Tinker Air Force Base, $38,080,000.

PENNSYLVANIA

Naval Air Development Center, Warminster, $1,270,000.

Naval Shipyard, Philadelphia, $10,300,000.

Navy Aviation Supply Office, Philadelphia, $1,400,000.

Navy Ships Parts Control Center, Mechanicsburg, $2,050,000.

RHODE ISLAND

Naval Education and Training Center, Newport, $11,560,000.

Naval Justice School, Newport, $2,060,000.

Surface Warfare Officers School Command, Newport, $4,750,000.

SOUTH CAROLINA

Naval Hospital, Beaufort, $2,260,000.

Naval Shipyard, Charleston, $640,000.

Naval Supply Center, Charleston, $1,090,000.

Naval Weapons Station, Charleston, $22,250,000.

TENNESSEE

Naval Air Station, Memphis, $10,090,000.

TEXAS

Naval Station, Galveston, $8,110,000.

Naval Station, Ingleside, $31,850,000.

VIRGINIA

Atlantic Fleet Headquarters Support Activity, Norfolk, $1,700,000.

Fleet Combat Training Center, Atlantic, Dam Neck, $4,700,000.

Marine Corps Combat Development Command, Quantico, $14,290,000.

Marine Corps Detachment, Camp Elmore, $1,690,000.

Marine Environmental Systems Facility, Dam Neck, $5,000,000.

Naval Air Station, Oceana, $2,690,000.

Naval Amphibious Base, Little Creek, $8,270,000.

Naval Amphibious School, Little Creek, $640,000.

Naval Aviation Depot, Norfolk, $8,950,000.

Naval Guided Missiles School, Dam Neck, $4,450,000.

Naval Legal Service Office, Norfolk, $1,080,000.

Naval Medical Clinic, Norfolk, $2,470,000.

Naval Ophthalmic Support and Training Activity, Yorktown, $1,970,000.

Naval Security Group Activity, Northwest, Chesapeake, $5,400,000.

Naval Supply Center, Norfolk, $6,660,000.

Naval Supply Center, Williamsburg, $3,300,000.

Naval Surface Warfare Center, Dahlgren, $25,442,000.

Naval Weapons Station, Yorktown, $12,360,000.

Navy Public Works Center, Norfolk, $4,410,000.

WASHINGTON

Naval Air Station, Whidbey Island, $11,010,000.

Naval Station, Everett, $38,400,000.

Naval Supply Center, Bremerton, $5,740,000.

Strategic Weapons Facility, Pacific, Silverdale, $15,060,000.

Trident Refit Facility, Bangor, $990,000.

VARIOUS LOCATIONS

Land Acquisition, $36,895,000.

(b) Outside the United States.—The Secretary of the Navy may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

ANTIGUA

Naval Support Facility, $6,470,000.

GUAM

Fleet Surveillance Support Group, $20,972,000.

Naval Security Group Detachment, $400,000.

Naval Supply Depot, $7,660,000.

Navy Public Works Center, $6,720,000.

ICELAND

Naval Air Station, Keflavik, $12,000,000.

ITALY

Naval Air Station, Sigonella, $7,950,000.

Naval Support Activity, Naples, $4,750,000.

JAPAN

Marine Corps Air Station, Futenma, Okinawa, $3,280,000.

Marine Corps Base, Camp Butler, Okinawa, $2,840,000.

PHILIPPINES

Navy Public Works Center, Subic Bay, $28,340,000.

SPAIN

Naval Communication Station, Rota, $400,000.

VARIOUS LOCATIONS

Classified Location, $4,990,000.

Host Nation Infrastructure Support, $500,000.

SEC. 2202. FAMILY HOUSING

(a) Construction and Acquisition.—The Secretary of the Navy may, using amounts appropriated pursuant to section 2205(a)(6)(A), construct or acquire family housing units (including land acquisition), at the following installations in the number of units shown, and in the amount shown, for each installation:

Marine Corps Air-Ground Combat Center, Twentynine Palms, California, one hundred units, $9,470,000.

Marine Corps Air Station, El Toro, California, one hundred units and eighty mobile home spaces, $10,120,000.

Marine Corps Base, Camp Pendleton, California, three hundred and thirty-two units and access roads, $28,510,000.

Naval Station, Long Beach, California, three hundred units, $26,110,000.

Naval Public Works Center, San Diego, California, three hundred and fifty-six units, $31,830,000.

Navy Public Works Center, San Francisco, California, three hundred units, $35,736,000.

Naval Submarine Base, Kings Bay, Georgia, two hundred and fifty units, $19,860,000.

Naval Air Station, Glenview, Illinois, two hundred and sixty units, $23,000,000.

Naval Station, New York, New York, one hundred and fifty units, $14,900,000.

Naval District Washington, District of Columbia, two units at 2,100 square feet each, $330,000.

(b) Planning and Design.—The Secretary of the Navy may carry out architectural and engineering services and construction design activities, using amounts appropriated pursuant to section 2205(a)(6)(A), with respect to the construction or improvement of military family housing units in an amount not to exceed $2,315,000.

SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS

(a) In General.—Subject to section 2825 of title 10, United States Code, the Secretary of the Navy may, using amounts appropriated pursuant to section 2205(a)(6)(A), improve existing military family housing units in an amount not to exceed $61,589,000.

(b) Waiver of Maximum Per Unit Cost for Certain Improvement Projects.—Notwithstanding the maximum amount per unit for an improvement project under section 2825(b) of title 10, United States Code, the Secretary of the Navy may carry out projects to improve existing military family housing units at the following installations in the number of units shown, and in the amount shown, for each installation:

Navy Public Works Center, San Diego, California, six units, $284,400.

Navy Public Works Center, Pensacola, Florida, one unit, $34,900.

Navy Public Works Center, Great Lakes, Illinois, three hundred and fifty-six units, $17,214,000.

Navy Public Works Center, Great Lakes, Illinois, one hundred and two units, $6,181,200.

Naval Security Group Activity, Winter Harbor, Maine, thirty units, $2,920,600.

Naval Security Group Activity, Winter Harbor, Maine, twenty units, $920,000.

Naval Air Station, Fallon, Nevada, one hundred and six units, $8,129,300.

Marine Corps Air Station, Cherry Point, North Carolina, two units, $94,300.

Marine Corps Air Station, Cherry Point, North Carolina, two hundred and eighty-two units, $11,957,200.

Navy Ships Parts Control Center, Mechanicsburg, Pennsylvania, seventy-five units, $5,415,500.

Naval Air Station, Whidbey Island, Washington, eleven units, $632,600.

Navy Public Works Center, Guam, two hundred and twelve units, $18,473,800.

SEC. 2204. DEFENSE ACCESS ROADS

The Secretary of the Navy may, using amounts appropriated pursuant to section 2205(a)(5), make advances to the Secretary of Transportation for the construction of defense access roads under section 210 of title 23, United States Code, at the following locations and in the following amounts:

Marine Corps Air Ground Center, Twentynine Palms, California, $2,900,000.

Navy Public Works Center, San Diego, California, $719,000.

Navy Public Works Center, San Francisco, California, $800,000.

Naval Station, Everett, Washington, $4,400,000.

Naval Submarine Base, Kings Bay, Georgia, $3,000,000.

SEC. 2205. AUTHORIZATION OF APPROPRIATIONS, NAVY

(a) In General.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1988, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $2,369,875,000 as follows:

(1) For military construction projects inside the United States authorized by section 2201(a), $1,296,450,000.

(2) For military construction projects outside the United States authorized by section 2201(b), $101,272,000.

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, $16,300,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $138,276,000.

(5) For advances to the Secretary of Transportation for construction of defense access roads under section 210 of title 23, United States Code, $11,819,000.

(6) For military family housing functions—

(A) for construction and acquisition of military family housing and facilities, $250,770,000; and

(B) for support of military housing (including functions described in section 2833 of title 10, United States Code), $554,988,000 of which not more than $18,434,000 may be obligated or expended for the leasing of military family housing in the United States, the Commonwealth of Puerto Rico, and Guam, and not more than $23,982,000 may be obligated or expended for the leasing of military family housing units in foreign countries.

(b) Limitation on Total Cost of Construction Projects.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2201 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a); and

(2) $55,048,000 (the balance of the amount authorized for the construction of the Headquarters Building, Naval Intelligence Command Headquarters, Suitland, Maryland).

(c) Restriction on Certain Funding.—None of the funds appropriated pursuant to subsection (a)(1) may be obligated for use or expended at Hunters Point Annex, Naval Station, Treasure Island, San Francisco, California, until the Secretary of the Navy has transmitted to the Committees on Armed Services of the Senate and the House of Representatives a report containing (1) a description of the activities planned by the Department of the Navy at such location during fiscal years 1989 through 1993, and (2) a statement explaining the environmental impact of such activities, especially with respect to the planned porting of ships and the development of the land at such location during such fiscal years.

SEC. 2206. ACQUISITION OF HOUSING AT CERTAIN NAVAL AIR STATIONS

(a) Authority To Acquire.—(1) The Secretary of the Navy may, using funds appropriated pursuant to section 2205(a)(6)(A), acquire all right, title, and interest in and to 264 family housing units situated on the Naval Air Station at Glenview, Illinois, and constructed in 1956 with financing provided under title VIII of the National Housing Act.

(2) The Secretary of the Navy may, using funds that remain available from savings realized in carrying out military family housing projects of the Department of the Navy during any fiscal year before fiscal year 1990, acquire all right, title, and interest in and to 72 family housing units at Sunnyvale, California, near the Naval Air Station, Moffett Field, which were constructed in

1952 with financing provided under title VIII of the National Housing Act, except that no such funds may be obligated for such purpose until the expiration of 30 days after the date on which the Secretary transmits to the Committees on Armed Services and on Appropriations of the Senate and the House of Representatives a report on the proposed obligation of such funds.

(3) The Secretary may also acquire the leasehold interests in the housing units referred to in paragraphs (1) and (2) which are held in private ownership.

(4) The amount paid by the Secretary for such units and leasehold interests may not exceed an amount equal to the fair market value of such units and interests.

(5) The authority to acquire the housing units referred to in paragraphs (1) and (2) shall include the authority to acquire other real property improvements related to such units.

(b) Occupancy Charges.—(1) Notwithstanding any other provision of law and except as provided in paragraph (2), a charge may be made against the basic allowances for quarters of any member of the Armed Forces to whom a housing unit referred to in subsection (a) is leased after the acquisition of the privately held leasehold interest in such unit by the Secretary. Such a charge may not exceed an amount equal to 75 percent of the amount of the basic allowances for quarters to which the member is entitled.

(2) A member of the Armed Forces who, on the date on which the privately held leasehold interest referred to in subsection (a) is acquired by the Secretary, has in effect an unexpired lease on one of the housing units described in subsection (a) shall be charged rent on such unit (after such acquisition) in accordance with the terms of the lease until the lease expires.

(c) Expiration of Acquisition Authority.—The authority under this section for the Secretary to acquire the leasehold interests referred to in subsection (a) shall expire on October 1, 1994.

TITLE XXIII—AIR FORCE

SEC. 2301. AUTHORIZED CONSTRUCTION AND LAND ACQUISITION PROJECTS

(a) Inside the United States.—The Secretary of the Air Force may acquire real property and may carry out military construction projects in the amounts shown for each of the installations and locations inside the United States:

ALABAMA

Gunter Air Force Base, $8,150,000.
Maxwell Air Force Base, $17,800,000.

ALASKA

Eielson Air Force Base, $7,650,000.
Elmendorf Air Force Base, $20,540,000.
King Salmon Airport, $2,850,000.
Shemya Air Force Base, $14,860,000.

ARIZONA

Davis-Monthan Air Force Base, $980,000.
Luke Air Force Base, $4,550,000.
Williams Air Force Base, $11,130,000.

ARKANSAS

Blytheville Air Force Base, $2,150,000.
Little Rock Air Force Base, $4,550,000.

CALIFORNIA

Beale Air Force Base, $8,900,000.
Castle Air Force Base, $20,400,000.
Edwards Air Force Base, $5,200,000.
George Air Force Base, $23,550,000.
March Air Force Base, $4,900,000.
Mather Air Force Base, $2,740,000.
McClellan Air Force Base, $3,080,000.
Onizuka Air Force Base, $4,300,000.
Travis Air Force Base, $10,400,000.
Vandenberg Air Force Base, $8,550,000.

COLORADO

Buckley Air National Guard Base, $25,800,000.
Cheyenne Mountain Complex, $6,500,000.
Lowry Air Force Base, $12,000,000.
Peterson Air Force Base, $13,300,000.
United States Air Force Academy, $10,240,000.

DELAWARE

Dover Air Force Base, $1,000,000.

FLORIDA

Avon Park, $3,700,000.
Cape Canaveral Air Force Station, $19,380,000.
Eglin Air Force Base, $11,020,000.
Eglin Air Force Base, Auxiliary Field 9, $27,400,000.
Homestead Air Force Base, $6,200,000.
MacDill Air Force Base, $4,580,000.
Patrick Air Force Base, $1,126,000.
Tyndall Air Force Base, $6,000,000.

GEORGIA

Moody Air Force Base, $800,000.
Robins Air Force Base, $31,500,000.

HAWAII

Hickam Air Force Base, $4,250,000.

IDAHO

Mountain Home Air Force Base, $1,400,000.

ILLINOIS

Chanute Air Force Base, $6,500,000.
Scott Air Force Base, $14,500,000.

INDIANA

Grissom Air Force Base, $1,850,000.

KANSAS

McConnell Air Force Base, $680,000.

LOUISIANA

Barksdale Air Force Base, $7,300,000.
England Air Force Base, $3,100,000.

MAINE

Loring Air Force Base, $3,000,000.

MARYLAND

Andrews Air Force Base, $2,550,000.

MASSACHUSETTS

Hanscom Air Force Base, $12,400,000.

MICHIGAN

Wurtsmith Air Force Base, $10,690,000.

MISSISSIPPI

Columbus Air Force Base, $2,950,000.
Keesler Air Force Base, $4,550,000.

MISSOURI

Whiteman Air Force Base, $64,300,000.

MONTANA

Malmstrom Air Force Base, $19,470,000.

NEBRASKA

Offutt Air Force Base, $2,450,000.

NEVADA

Indian Springs, $3,150,000.
Nellis Air Force Base, $6,700,000.

NEW HAMPSHIRE

New Boston Air Force Station, $4,500,000.
Pease Air Force Base, $10,950,000.

NEW JERSEY

McGuire Air Force Base, $3,550,000.

NEW MEXICO

Cannon Air Force Base, $4,100,000.
Holloman Air Force Base, $2,900,000.
Kirtland Air Force Base, $13,000,000.

NEW YORK

Griffiss Air Force Base, $700,000.

NORTH CAROLINA

Seymour Johnson Air Force Base, $3,050,000.

NORTH DAKOTA

Grand Forks Air Force Base, $13,290,000.
Minot Air Force Base, $6,250,000.

OHIO

Wright-Patterson Air Force Base, $11,455,000.

OKLAHOMA

Altus Air Force Base, $2,300,000.
Tinker Air Force Base, $12,650,000.

SOUTH CAROLINA

Charleston Air Force Base, $5,000,000.

SOUTH DAKOTA

Ellsworth Air Force Base, $8,650,000.

TENNESSEE

Arnold Engineering Development Center, $213,800,000.

TEXAS

Bergstrom Air Force Base, $2,800,000.
Brooks Air Force Base, $2,750,000.
Carswell Air Force Base, $3,500,000.
Dyess Air Force Base, $3,470,000.
Goodfellow Air Force Base, $2,350,000.
Kelly Air Force Base, $29,300,000.
Lackland Air Force Base, $14,039,000.
Laughlin Air Force Base, $1,910,000.
Randolph Air Force Base, $6,150,000.
Reese Air Force Base, $990,000.
Sheppard Air Force Base, $10,700,000.

UTAH

Hill Air Force Base, $10,740,000.

WASHINGTON

Fairchild Air Force Base, $17,580,000.
McChord Air Force Base, $13,100,000.

WYOMING

F.E. Warren Air Force Base, $6,000,000.

VARIOUS LOCATIONS

Base 80, $987,000.
Base 81, $2,800,000.
Classified, $4,000,000.

(b) Outside the United States.—The Secretary of the Air Force may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

BELGIUM

Kleine Brogel, $1,900,000.

CANADA

Forward Operation Locations, $600,000.

GERMANY

Bitburg Air Base, $1,060,000.
Einsiedlerhof Air Base, $1,500,000.
Hahn Air Base, $16,650,000.
Hessich-Oldendorf Air Station, $740,000.
Norvenich Air Base, $2,300,000.
Pruem Air Station, $620,000.
Ramstein Air Base, $6,000,000.
Rhein-Main Air Base, $5,000,000.
Sembach Air Base, $3,550,000.
Spangdahlem Air Base, $10,270,000.
Wenigerath Air Base, $1,700,000.
Zweibrucken Air Base, $1,300,000.

GREENLAND

Sondrestrom Air Base, $5,950,000.
Thule Air Base, $1,830,000.

GUAM

Anderson Air Force Base, $900,000.

ICELAND

Naval Air Station, Keflavik, $1,100,000.

ITALY

Aviano Air Base, $7,600,000.

JAPAN

Kadena Air Base, $1,850,000.
Misawa Air Base, $4,550,000.
Yokota Air Base, $500,000.

KOREA

Camp Humphreys, $3,350,000.
Kunsan Air Base, $17,330,000.
Osan Air Base, $10,750,000.

NETHERLANDS

Camp New Amsterdam, $10,300,000.
Volkel Air Base, $2,300,000.

OMAN

Masirah Air Base, $2,800,000.

Seeb Air Base, $7,100,000.

PANAMA

Howard Air Force Base, $2,600,000.

PHILIPPINES

Clark Air Base, $28,940,000.

PORTUGAL

Lajes Field, $4,850,000.

TURKEY

Incirlik Air Base, $9,590,000.

Pirinclik Air Station, $1,500,000.

UNITED KINGDOM

RAF Alconbury, $2,650,000.

RAF Bentwaters, $5,430,000.

RAF Feltwell, $500,000.

RAF Lakenheath, $10,170,000.

RAF Mildenhall, $7,150,000.

RAF Upper Heyford, $3,830,000.

RAF Welford, $3,720,000.

VARIOUS LOCATIONS

Base 30, $3,850,000.

Base 79, $1,900,000.

Base 82, $2,800,000.

Classified Locations, $16,473,000.

SEC. 2302. FAMILY HOUSING

(a) Construction and Acquisition.—The Secretary of the Air Force may, using amounts appropriated pursuant to section 2304(a)(5)(A), construct or acquire two hundred sixty family housing units (including land acquisition) at Clark Air Base, Philippines, in the amount of $19,920,000.

(b) Planning and Design.—The Secretary of the Air Force may, using amounts appropriated pursuant to section 2304(a)(5)(A), carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $7,000,000.

SEC. 2303. IMPROVEMENT TO MILITARY FAMILY HOUSING UNITS

(a) In General.—Subject to section 2825 of title 10, United States Code, the Secretary of the Air Force may, using amounts appropriated pursuant to section 2304(a)(5)(A), improve existing military family housing units in an amount not to exceed $153,765,000.

(b) Waiver of Maximum Per Unit Cost for Certain Improvement Projects.—Notwithstanding the maximum amount per unit for an improvement project under section 2825(b) of title 10, United States Code, the Secretary of the Air Force may carry out projects to improve existing military family housing units at the following installations in the number of units shown, and in the amount shown, for each installation:

Gunter Air Force Station, Alabama, twenty-three units, $1,136,000.

Maxwell Air Force Base, Alabama, fifty units, $2,722,000.

Eielson Air Force Base, Alaska, ninety-six units, $7,943,000.

Elmendorf Air Force Base, Alaska, forty-eight units, $3,818,000.

Davis-Monthan Air Force Base, Arizona, one unit, $60,000.

Luke Air Force Base, Arizona, one hundred and fifty-two units, $5,975,000.

McClellan Air Force Base, California, thirty units, $3,207,000.

Peterson Air Force Base, Colorado, one unit, $74,000; eighty units, $3,527,000.

Bolling Air Force Base, District of Columbia, one hundred and ten units, $4,018,000.

Eglin Air Force Base, Florida, fifty units, $2,138,000.

MacDill Air Force Base, Florida, four units, $279,000.

Robins Air Force Base, Georgia, one hundred and sixty units, $6,861,000.

Scott Air Force Base, Illinois, four units, $184,000.

Grissom Air Force Base, Indiana, one hundred and eighty-six units, $6,788,000.

Barksdale Air Force Base, Louisiana, two units, $185,000; one hundred and fourteen units, $6,200,000.

England Air Force Base, Louisiana, one hundred and six units, $5,830,000.

Andrews Air Force Base, Maryland, five units, $338,000.

Pease Air Force Base, New Hampshire, one unit, $121,000.

McGuire Air Force Base, New Jersey, one hundred units, $4,921,000.

Kirtland Air Force Base, New Mexico, four units, $240,000; one hundred and fifteen units, $4,894,000.

Plattsburgh Air Force Base, New York, one hundred and seventy-four units, $10,600,000.

Minot Air Force Base, North Dakota, one unit, $65,000.

Shaw Air Force Base, South Carolina, one hundred and thirty units, $4,703,000.

Carswell Air Force Base, Texas, one hundred and eighty-one units, $7,869,000; sixteen units, $600,000.

Dyess Air Force Base, Texas, one unit, $64,000.

Kelly Air Force Base, Texas, one hundred and one units, $3,381,000.

Randolph Air Force Base, Texas, two units, $199,000.

Reese Air Force Base, Texas, one hundred and eighty-eight units, $6,816,000.

Ramstein Air Base, Germany, two hundred and forty units, $16,000,000; eight units, $706,000; nine units, $1,039,000.

Andersen Air Force Base, Guam, one unit, $167,000; one hundred and twenty units, $8,000,000.

Misawa Air Base, Japan, one hundred and eighty units, $8,707,000.

Yokota Air Base, Japan, eighty-one units, $5,629,000.

Osan Air Base, Korea, ten units, $447,000.

Clark Air Base, Philippines, eighty-two units, $4,203,000.

RAF Alconbury, United Kingdom, twenty-five units, $1,119,000.

RAF Greenham Common, United Kingdom, one hundred and nineteen units, $5,588,000.

SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE

(a) In General.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1988, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $2,143,981,000, as follows:

(1) For military construction projects inside the United States authorized by section 2301(a), $855,877,000.

(2) For military construction projects outside the United States authorized by section 2301(b), $229,353,000.

(3) For unspecified minor construction projects under section 2805 of title 10, United States Code, $16,500,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $119,800,000.

(5) For military family housing functions—

(A) for construction and acquisition of military family housing and facilities, $180,685,000; and

(B) for support of military housing (including functions described in section 2833 of title 10, United States Code), $741,766,000 of which not more than $16,612,500 may be obligated or expended for leasing of military family housing units in the United States, the Commonwealth of Puerto Rico, and Guam; and not more than $74,268,500 may be obligated or expended for the leasing of military family housing units in foreign countries.

(b) Limitation on Total Cost of Construction Projects.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2301 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a); and

(2) $133,000,000 (the balance of the amount authorized for the construction of the J-6 facility, Arnold Engineering Development Center, Tennessee).

(c) Restriction on Certain Funding.—None of the funds appropriated pursuant to subsection (a)(2) may be obligated for use or expended in Panama until the Secretary of Defense transmits to the Committees on Armed Services of the Senate and the House of Representatives a copy of the plans of the activities to be carried out by the Department of Defense in Panama during the five-year period beginning on the date of the enactment of this Act.

SEC. 2305. EXTENSION OF CERTAIN PREVIOUS AUTHORIZATIONS

Notwithstanding the provisions of section 2301(a) of the Military Construction Authorization Act, 1987, (division B of Public Law 99-661), authorizations for the following projects authorized in sections 2301 and 2302 of that Act shall remain in effect until October 1, 1989, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1990, whichever is later:

(1) KC-135 CPT Simulator facility, in the amount of $890,000 at Minot Air Force Base, North Dakota.

(2) Add to and alter Avionics Maintenance Shop, in the amount of $1,150,000 at Pease Air Force Base, New Hampshire.

(3) KC-135 CPT Simulator facilities in the amount of $660,000 at Robins Air Force Base, Georgia.

(4) Land acquisition in the amount of $230,000 at the United States Air Force Academy, Colorado Springs, Colorado.

(5) Land acquisition Auxiliary Field in the amount of $3,700,000, at Laughlin Air Force Base, Texas.

(6) KC-135 CPT Simulator facility in the amount of $3,500,000, at Beale Air Force Base, California.

(7) KC-135 CPT Simulator facility in the amount of $3,000,000 at Plattsburgh Air Force Base, New York.

(8) Bitburg, Germany, three hundred and thirty-two units of family housing, $26,414,000.

(9) La Junta, Colorado, forty units of family housing $4,000,000.

(10) GEODSS Site 5, Portugal, Composite Support Facility in the amount of $2,250,000 and Spacetrack Observation Facility in the amount of $12,400,000.

TITLE XXIV—DEFENSE AGENCIES

SEC. 2401. AUTHORIZED CONSTRUCTION AND LAND ACQUISITION PROJECTS

(a) Inside the United States.—The Secretary of Defense may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States:

DEFENSE COMMUNICATIONS AGENCY

Arlington Service Center, Virginia, $742,000.

DEFENSE LOGISTICS AGENCY

Defense Fuel Support Point, Adak, Alaska, $19,000,000.

Defense Depot, Tracy, California, $590,000.

Defense Fuel Support, Pearl City, Hawaii, $1,900,000.

Defense Reutilization and Marketing Office, Fort Campbell, Kentucky, $1,600,000.

Defense Reutilization and Marketing Office, Offutt Air Force Base, Nebraska, $430,000.

Defense Depot, Mechanicsburg, Pennsylvania, $460,000.

Defense Reutilization and Marketing Office, Carswell Air Force Base, Texas, $350,000.

Defense Depot, Ogden, Utah, $6,000,000

Cheatham Annex, Virginia, $450,000.

DEFENSE MAPPING AGENCY

Hydrographic/Topographic Center, Brookmont, Maryland, $5,209,000.

DEFENSE MEDICAL FACILITIES OFFICE

Marine Corps Base, Camp Pendleton, California, $5,000,000.

March Air Force Base, California, $3,000,000.

Naval Station, North Island, California, $7,200,000.

Naval Station, Treasure Island, California, $11,000,000.

Tyndall Air Force Base, Florida, $800,000.

Fort Benning, Georgia, $700,000.

Robins Air Force Base, Georgia, $3,600,000.

Fort Leonard Wood, Missouri, $1,450,000.

Kirtland Air Force Base, New Mexico, $2,550,000.

Seymour Johnson Air Force Base, North Carolina, $3,700,000.

Fort Sill, Oklahoma, $54,000,000.

Marine Corps Recruit Depot, Parris Island, South Carolina, $4,100,000.

Corpus Christi, Texas, $6,100,000.

Dyess Air Force Base, Texas, $950,000.

NATIONAL DEFENSE UNIVERSITY

Fort McNair, District of Columbia, $28,000,000.

NATIONAL SECURITY AGENCY

Fort Meade, Maryland, $2,230,000.

Classified Locations, $20,000,000.

OFFICE OF THE SECRETARY OF DEFENSE

Fort Belvoir, Virginia, $3,000,000.

Classified Location, $4,200,000.

STRATEGIC DEFENSE INITIATIVE ORGANIZATION

Falcon Air Force Station, Colorado, $65,000,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of Defense may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

DEFENSE COMMUNICATIONS AGENCY

Yokota Air Base, Japan, $785,000.

DEFENSE LOGISTICS AGENCY

Defense Reutilization and Marketing Office, Bitburg, Germany, $800,000.

Defense Reutilization and Marketing Office, Kaiserslautern, Germany, $500,000.

DEFENSE MEDICAL FACILITIES OFFICE

Downs Barracks, Germany, $4,200,000.

Geilenkirchen Air Base, Germany, $450,000.

Hahn Air Base, Germany, $18,500,000.

Patch Barracks, Germany, $4,700,000.

Rhein-Main Air Base, Germany, $14,200,000.

Smith Barracks, Germany, $5,100,000.

Spangdahlem Air Base, Germany, $1,250,000.

Wildflecken, Germany, $4,800,000.

Camp Howze 2nd Infantry Division, Korea, $780,000.

Seoul, Korea, $55,000,000.

Taegu Air Base, Korea, $4,400,000.

Royal Air Force, High Wycombe, United Kingdom, $720,000.

Royal Air Force, Lakenheath, United Kingdom, $41,000,000.

Base 54, $12,800,000.

Classified Locations, $19,500,000.

DEFENSE NUCLEAR AGENCY

Headquarters, Field Command, Johnston Island, $2,644,000.

DEPARTMENT OF DEFENSE DEPENDENT SCHOOLS

Aschaffenburg, Germany, $8,151,000.

Bad Kissingen, Germany, $1,620,000.

Baumholder, Germany, $1,940,000.

Erlangen, Germany, $3,890,000.

Gelnhausen, Germany, $1,482,000.

Giessen, Germany, $7,627,000.

Wildflecken, Germany, $2,752,000.

Keflavik, Iceland, $5,434,000.

Aviano, Italy, $9,450,000.

Pusan, Korea, $1,980,000.

Seoul, Korea, $7,332,000.

Brunssum, the Netherlands, $8,863,000.

DEPARTMENT OF DEFENSE SECTION VI SCHOOLS

Fort Buchanan, Puerto Rico, $9,110,000.

NATIONAL SECURITY AGENCY

Classified Locations, $11,250,000.

STRATEGIC DEFENSE INITIATIVE ORGANIZATION

Pacific Missile Range, Kwajalein, $16,000,000.

SEC. 2402. FAMILY HOUSING

The Secretary of Defense may, using amounts appropriated pursuant to section 2407(a)(10)(A), construct or acquire three family housing units (including land acquisition) at classified locations in the total amount not to exceed $400,000.

SEC. 2403. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS

Subject to section 2825 of title 10, United States Code, the Secretary of Defense may, using amounts appropriated pursuant to section 2407(a)(10)(A), improve existing military family housing units in an amount not to exceed $113,000.

SEC. 2404. AFCENT SCHOOL

The Secretary of Defense may, using amounts appropriated pursuant to section 2407(a)(2), contribute funds in the amount of $8,863,000 to the Government of the Netherlands (in its capacity as construction agent) for the United States share of the cost of the International Elementary and High School project in Brunssum, the Netherlands.

SEC. 2405. CONFORMING STORAGE FACILITIES

Section 2404(a) of the Military Construction Authorization Act, 1987 (division B of Public Law 99-661), is amended to read as follows:

"(a) AUTHORITY TO CONSTRUCT.—The Secretary of Defense may, using not more than $10,000,000 appropriated for fiscal year 1987, not more than $5,000,000 appropriated for fiscal year 1988, and not more than $9,300,000 appropriated for fiscal year 1989, carry out military construction projects not otherwise authorized by law for conforming storage facilities.".

SEC. 2406. DEFENSE ACCESS ROADS

The Secretary of Defense may, using amounts appropriated pursuant to section 2407(a)(5), make advances to the Secretary of Transportation for the construction of defense access roads under section 210 of title 23, United States Code, at Fort Meade, Maryland, in the amount of $12,000,000.

SEC. 2407. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1988, for military construction, land acquisition, and military family housing functions of the Department of Defense (other than the military departments), in the total amount of $711,550,000, as follows:

(1) For military construction projects inside the United States authorized by section 2401(a), $236,311,000.

(2) For military construction projects outside the United States authorized by section 2401(b), $262,010,000.

(3) For military construction projects at Fort Sam Houston, Texas, authorized by section 2401(a) of the Military Construction Authorization Act, 1987, $23,000,000.

(4) For military construction projects at Fort Lewis, Washington, authorized by section 101(a) of the Military Construction Authorization Act, 1985, $72,000,000.

(5) For advances to the Secretary of Transportation for construction of defense access roads under section 210 of title 23, United States Code, $12,000,000.

(6) For unspecified minor construction projects under section 2805 of title 10, United States Code, $6,000,000.

(7) For contingency construction projects of the Secretary of Defense under section 2804 of title 10, United States Code, $8,000,000.

(8) For architectural and engineering services and for construction design under section 2807 of title 10, United States Code, $62,229,000.

(9) For conforming storage facilities constructed under the authority of section 2404 of the Military Construction Authorization Act, 1987, $9,300,000.

(10) For military family housing functions—

(A) for construction and acquisition of military family housing and facilities, $513,000; and

(B) for support of military housing (including functions described in section 2833 of title 10, United States Code), $20,187,000, of which not more than $17,179,000 may be obligated or expended for the leasing of military family housing units in foreign countries.

(b) LIMITATION OF TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variations authorized by law, the total cost of all projects carried out under section 2401 may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a);

(2) $27,000,000 (the balance of the amount authorized under section 2401(a) for the construction of a medical facility at Fort Sill, Oklahoma); and

(3) $27,500,000 (the balance of the amount authorized under section 2401(b) for the construction of a medical facility at Seoul, Korea).

(c) RESTRICTION ON CERTAIN FUNDING.—Of the amounts appropriated pursuant to this section or otherwise made available to the Department of Defense for fiscal year 1989, not more than $65,000,000 may be obligated or expended for use in planning and construction of a National Test Facility for the Strategic Defense Initiative at Falcon Air Force Base, Colorado.

SEC. 2408. RESITING OF OVERSEAS CONTINGENCY MEDICAL FACILITY

Section 2141(b) of the Military Construction Authorization Act, 1988 and 1989 (division B of Public Law 100-180; 101 Stat. 1201) is amended by striking out "RAF Wethersfield, United Kingdom, $740,000." under the heading "DEFENSE MEDICAL FACILITIES OFFICE" and inserting in lieu thereof "Boscombe Downs, United Kingdom, $740,000.".

SEC. 2409. EXTENSION OF CERTAIN PREVIOUS AUTHORIZATIONS

Notwithstanding the provisions of section 2401(a) of the Military Construction Authorization Act, 1987 (division B of Public Law 99-661), authorizations for the following project authorized in section 2401 of that Act shall remain in effect until October 1, 1989, or the date of the enactment of an Act authorizing appropriations for military construction for fiscal year 1990, whichever is later:

DECCO Computer Center and Administrative Facility in the amount of $7,600,000 at Scott Air Force Base, Illinois.

SEC. 2410. REYNOLDS ARMY COMMUNITY HOSPITAL, FORT SILL, OKLAHOMA, AND SEOUL ARMY COMMUNITY HOSPITAL, SEOUL, KOREA

Subject to section 2401, the Secretary of Defense may enter into one or more contracts, in advance of appropriations therefor, for the construction of the military construction projects authorized by section 2401 at Reynolds Army Community Hospital, Fort Sill, Oklahoma, and the Seoul Army Community Hospital, Seoul, Korea, if each such contract limits the amount of payments that the Federal Government is obligated to make under such contracts to the amount of appropriations available, at the time such contract is entered into, for obligation under such contract.

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION INFRASTRUCTURE

SEC. 2501. AUTHORIZED CONSTRUCTION AND LAND ACQUISITION PROJECTS

The Secretary of Defense may make contributions for the North Atlantic Treaty Organization Infrastructure Program as provided in section 2806 of title 10, United States Code, in an amount not to exceed the sum of the amount authorized to be appropriated for this purpose in section 2502 and the amount collected from the North Atlantic Treaty Organization as a result of construction previously financed by the United States.

SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO

Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1988, for contributions by the Secretary of Defense under section 2806 of title 10, United States Code, for the share of the United States of the cost of projects for the North Atlantic Treaty Organization Infrastructure Program, as authorized by section 2501, in the amount of $492,000,000.

TITLE XXVI—GUARD AND RESERVE FACILITIES

SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUCTION AND LAND ACQUISITION PROJECTS

There are authorized to be appropriated for fiscal years beginning after September 30, 1988, for the costs of acquisition, architectural and engineering services, and construction of facilities for the Guard and Reserve Forces, and for contributions therefor, under chapter 133 of title 10, United States Code (including the cost of acquisition of land for those facilities), the following amounts:

(1) For the Department of the Army—

(A) for the Army National Guard of the United States, $203,859,000; and

(B) for the Army Reserve, $84,411,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserves, $54,900,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States, $154,758,000; and

(B) for the Air Force Reserve, $63,600,000.

SEC. 2602. AIRCRAFT PARKING RAMP/HOLDING PAD AT YEAGER AIRPORT, CHARLESTON, WEST VIRGINIA

There is authorized to be constructed, with funds remaining available as the result of savings on construction projects of the Air National Guard of the United States for which funds were appropriated for fiscal year 1987, an aircraft parking ramp/holding pad for the Air National Guard of the United States at Yeager Airport at Charleston, West Virginia, in the amount of $3,300,000, except that no such funds may be obligated for such purpose until the expiration of 30 days after the date on which the Secretary of the Air Force transmits to the Committees on Armed Services and on Appropriations of the Senate and the House of Representatives a report on the proposed obligation of such funds.

SEC. 2603. CONSTRUCTION OF REPLACEMENT FACILITIES AT O'HARE AIR RESERVE FORCES FACILITY, ILLINOIS

(a) General Rule.—(1) The Secretary of the Air Force may use funds received from the transaction described in paragraph (3) for the construction of reserve component facilities on land under the jurisdiction of the Department of Defense at O'Hare International Airport, Chicago, Illinois.

(2) The Secretary may provide for the construction of such reserve component facilities with funds received from the transaction referred to in paragraph (1) or may permit the City of Chicago to construct such facilities and, upon completion of the construction, have the ownership of such facilities transferred to the United States.

(3) The transaction referred to in paragraph (1) is an exchange of lands and facilities owned by the United States and under the jurisdiction of the Department of Defense at O'Hare International Airport, Chicago, Illinois, for interests in lands owned by the City of Chicago, Illinois, at such airport. The market value of the interest in lands and the amount of funds received by the United States in such transaction shall be at least equal to the market value of the lands and facilities conveyed by the United States in such transaction.

(b) Additional Use of Funds.—The Secretary may also use the funds from the transaction referred to in subsection (a)(1) to meet expenses, other than construction expenses, incurred by the Secretary in connection with the construction of the facilities referred to in such subsection.

(c) Excess Funds.—Funds received from the transaction described in subsection (a)(3) and not expended for purposes specified in this section shall be paid into the miscellaneous receipts of the Treasury.

(d) Reporting Requirement.—The Secretary shall transmit a report to the Committees on Armed Services of the Senate and the House of Representatives at least 21 days before taking any action under paragraph (1) or (2) of subsection (a) or under subsection (b). Such report shall contain a description of the action which the Secretary plans to take under such paragraph or subsection.

(e) Additional Terms and Conditions.—The Secretary may require such additional terms and conditions as the Secretary considers appropriate to protect the interest of the United States with respect to any action carried out under this section.

TITLE XXVII—EXPIRATION OF AUTHORIZATIONS; EFFECTIVE DATE

SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND AMOUNTS REQUIRED TO BE SPECIFIED BY LAW

(a) Expiration of Authorizations After Two Years.—Except as provided in subsection (b), all authorizations contained in titles XXI, XXII, XXIII, XXIV, and XXV for military construction projects, land acquisition, family housing projects and facilities, and contributions to the NATO Infrastructure Program (and authorizations of appropriations therefor) shall expire on October 1, 1990, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1991, whichever is later.

(b) Exception.—The provisions of subsection (a) do not apply to authorizations for military construction projects, land acquisition, family housing projects and facilities, and contributions to the NATO Infrastructure Program (and authorizations of appropriations therefor), for which appropriated funds have been obligated before October 1, 1990, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1991, whichever is later, for construction contracts, land acquisition, family housing projects and facilities, or contributions to the NATO Infrastructure Program.

SEC. 2702. EFFECTIVE DATE

Except as otherwise specifically provided, this division shall take effect on October 1, 1988, or the date of enactment of this Act, whichever is later.

TITLE XXVIII—GENERAL PROVISIONS

Part A—Program Changes

SEC. 2801. LONG-TERM FACILITIES CONTRACTS

Section 2809(a)(3) of title 10, United States Code, is amended by striking out "20 years" and inserting in lieu thereof "32 years".

SEC. 2802. INCREASE IN FOREIGN HOUSING LEASING AUTHORITY

Section 2828(e)(2) of title 10, United States Code, is amended by striking out "36,000" and inserting in lieu thereof "38,000".

SEC. 2803. REPORTS ON REAL PROPERTY TRANSACTIONS

Subsections (a), (b), and (e) of section 2662 of title 10, United States Code, are amended by striking out "$100,000" each place it appears and inserting in lieu thereof "$200,000".

SEC. 2804. NOTIFICATION REQUIREMENT RELATING TO ACQUISITION OF INTEREST IN LAND

Section 2672 of title 10, United States Code, is amended—

(1) in subsection (a)(1), by striking out "Subject to subsection (b), the" and inserting in lieu thereof "The";

(2) by striking out subsection (b); and

(3) by redesignating subsection (c) as subsection (b).

SEC. 2805. PLANNING ASSISTANCE FOR IMPACTED COMMUNITIES

(a) Modification of Authority.—Paragraph (1) of section 2391(b) of title 10, United States Code, is amended to read as follows:

"(1) The Secretary of Defense may make grants, conclude cooperative agreements, and supplement funds available under Federal programs administered by agencies other than the Department of Defense in order to assist State and local governments in planning community adjustments and economic diversification required (A) by the proposed or actual establishment, realignment, or closure of a military installation, (B) by the cancellation or termination of a Department of Defense contract or the failure to proceed with an approved major weapon system program, (C) by a publicly-announced planned major reduction in Department of Defense spending that would directly and adversely affect a community, or (D) by the encroachment of a civilian community on a military installation, if the Secretary determines that an action described in clause (A), (B), or (C) is likely to have a direct and significantly adverse consequence on the affected community or, in the case of an action described in clause (D), if the Secretary determines that the encroachment of the civilian community is likely to impair the continued operational utility of the military installation.".

(b) CONDITION ON ASSISTANCE.—Section 2391(b) of such title is further amended—

(1) by redesignating paragraphs (4) and (5) as paragraphs (5) and (6), respectively; and

(2) by inserting after paragraph (3) the following new paragraph:

"(4) In the case of a publicly-announced planned major reduction in Department of Defense spending that will directly and adversely affect a community, assistance may be made under paragraph (1) only if the publicly-announced planned major reduction will result in the loss of 1,000 or more full-time Department of Defense and contractor employee positions over a five-year period in the locality of the affected community.".

PART B—MISCELLANEOUS

SEC. 2811. PROHIBITION OF FUNDING FOR CERTAIN MILITARY CONSTRUCTION CONTRACTS ON GUAM

(a) IN GENERAL.—Except as provided in subsection (b), no funds appropriated pursuant to authorizations made by this division may be obligated or expended with respect to any contract for a military construction project on Guam if any work is carried out on such project by any person who is a nonimmigrant alien described in section 101(a)(15)(H)(ii) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H)(ii)).

(b) EXCEPTION.—In any case in which there is no acceptable bid made in response to a solicitation by the Secretary of a military department for bids on a contract for a military construction project on Guam and the Secretary concerned makes a determination that the prohibition contained in subsection (a) is a significant deterrent to obtaining bids on such contract, the Secretary concerned may make another solicitation for bids on such contract and the prohibition contained in subsection (a) shall not apply to such contract after the 21-day period beginning with the date on which the Secretary concerned transmits a report concerning such contract to the Committees on Armed Services of the Senate and the House of Representatives.

(c) EFFECTIVE DATE.—The provisions of this section shall apply to contracts entered into, amended, or otherwise modified on or after the date of the enactment of this Act.

SEC. 2812. BROOKE ARMY MEDICAL CENTER

(a) INCREASE IN PROJECT AUTHORITY.—(1) Section 2401(a) of the Military Construction Authorization Act, 1987 (division B of Public Law 99-661; 100 Stat. 4034), is amended by striking out "$241,000,000" in the item relating to Fort Sam Houston, Texas, under the heading relating to Defense Medical Facilities Office and inserting in lieu thereof "$275,000,000".

(2) The limitation on the total cost of projects carried out under section 2401 of such Act is hereby increased by $34,000,000.

(b) CONFORMING AMENDMENT.—Section 2403(a)(2) of such Act is amended by striking out ", but the" and all that follows through "beds".

SEC. 2813. COMMUNITY PLANNING ASSISTANCE

(a) ADDITIONAL AUTHORITY.—In addition to the authority under any other provision of law, the Secretary of Defense may provide community planning assistance under section 2391(b) of title 10, United States Code, in the following amounts:

(1) Not to exceed $350,000 for communities located near newly established light infantry division posts.

(2) Not to exceed $250,000 for communities located near newly established Navy strategic dispersal program homeports.

(3) Not to exceed $150,000 for communities located near Whiteman Air Force Base, Knob Noster, Missouri.

(b) EXPIRATION OF AUTHORITY.—The authority to provide community planning assistance under subsection (a) expires on September 30, 1991.

SEC. 2814. FORT DERUSSY, HAWAII

(a) USE.—The Secretary of the Army shall administer Fort DeRussy, Hawaii, as the primary rest and recreation area for members of the Armed Forces in the Pacific.

(b) PROHIBITION.—Notwithstanding any other provision of law, funds appropriated or otherwise available to the Department of Defense may not be used in any way, directly or indirectly, for the purpose of selling, leasing, renting, excessing, or otherwise disposing of any portion of the land constituting Fort DeRussy, Hawaii (as constituted on the date of the enactment of this Act).

(c) IMPLEMENTATION OF PLAN.—(1) Section 2740(d) of the Military Construction Authorization Act, 1987 (division B of Public Law 99-661; 100 Stat. 4051), is amended—

(A) by striking out "PAYMENT OF EXCESS INTO TREASURY" in the subsection heading and inserting in lieu thereof "EXCESS AMOUNT"; and

(B) by striking out "shall deposit" and all that follows through the period and inserting in lieu thereof "may use such amount for the implementation of the plan established by the Secretary of the Army on March 1, 1988, for the future use and development of Fort DeRussy, Hawaii, except that such amount may not be used to pay for the construction of nonappropriated-fund projects identified in such plan. The Secretary shall deposit any part of such amount not used for such purpose at the end of the ten-year period beginning on the date of the enactment of the Military Construction Authorization Act, 1989, into the Treasury as miscellaneous receipts.".

(2) Section 2332(d) of the Military Construction Authorization Act, 1988 and 1989 (division B of Public Law 100-180; 100 Stat. 1223), is amended—

(A) by striking out "PAYMENT OF EXCESS INTO TREASURY" in the subsection heading and inserting in lieu thereof "EXCESS AMOUNT"; and

(B) by striking out "shall deposit" and all that follows through the period and inserting in lieu thereof "may use such amount for the implementation of the plan established by the Secretary of the Army on March 1, 1988, for the future use and development of Fort DeRussy, Hawaii, except that such amount may not be used to pay for the construction of nonappropriated-fund projects identified in such plan. The Secretary shall deposit any amount not used for such purpose at the end of the ten-year period beginning on the date of the enactment of the Military Construction Authorization Act, 1989, into the Treasury as miscellaneous receipts.".

SEC. 2815. WURTSMITH AIR FORCE BASE, MICHIGAN

The library building located on the Wurtsmith Air Force Base, Michigan, is hereby designated as the "General Earl T. O'Loughlin Library". Any reference to such building in a law, rule, map, document, record, or other paper of the United States shall be considered to be a reference to the "General Earl T. O'Loughlin Library".

SEC. 2816. LOCATION OF HAZARDOUS WASTE STORAGE FACILITY AT PEARL HARBOR NAVAL SHIPYARD

The Secretary of the Navy may not construct a hazardous waste storage facility for the Pearl Harbor Naval Shipyard at a location closer than 600 feet to a public school.

SEC. 2817. SOLICITATION FOR PROPOSALS FOR OFFICE SPACE FOR NAVY

(a) IN GENERAL.—The Administrator of General Services, in coordination with the Secretary of the Navy, shall issue a solicitation for proposals for the acquisition of such office and related space within the National Capital Region as the Secretary determines necessary to meet the needs of the Navy within such region.

(b) REPORT.—The Secretary, after consultation with the Administrator, shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report regarding the proposals received in response to the solicitation issued pursuant to subsection (a). Such report shall include a comparative cost analysis of meeting the office and related space needs of the Navy within the National Capital Region by means of lease, lease-purchase, and military construction, respectively. The report shall identify, and include recommendations for meeting, the current and long-term office and related space needs of the Navy within the National Capital Region.

(c) DEADLINE FOR REPORT.—The report required by subsection (b) shall be submitted not later than 90 days after the date established by the Administrator for receiving responses to the solicitation for proposals issued pursuant to subsection (a).

SEC. 2818. THIRD INFANTRY DIVISION MEMORIAL

(a) IN GENERAL.—The Society of the Third Infantry Division may establish, on grounds in Arlington National Cemetery selected pursuant to subsection (b)(1), a memorial in honor and in commemoration of the members of the "Rock of the Marne" of the Third Infantry Division, United States Army, who bravely served their country in World War I, World War II, and the Korean conflict.

(b) ADMINISTRATIVE PROVISIONS.—(1) The Secretary of the Army may select a suitable site on grounds in Arlington National Cemetery upon which may be established the memorial authorized in subsection (a).

(2) The design and plans for such memorial shall be subject to the approval of the Secretary of the Army, the American Battle Monuments Commission, the National Capital Planning Commission, and the Commission of Fine Arts.

(3) The United States shall not be liable for any expense in connection with the con-

struction of the memorial authorized by subsection (a).

(4) The maintenance and care of the memorial authorized under this section shall be the responsibility of the Secretary of the Army.

(c) Expiration of Authority.—The authority provided in this section shall expire at the end of the 5-year period beginning on the date of the enactment of this Act unless—

(1) construction of the memorial authorized in subsection (a) is commenced within such period; and

(2) before construction of the memorial begins, the Society of the Third Infantry Division certifies to the Secretary of the Army the amount available for the construction of the memorial and the Secretary determines that such amount is sufficient to complete the memorial.

SEC. 2819. COMMISSION ON ALTERNATIVE UTILIZATION OF MILITARY FACILITIES

(a) Establishment of Commission.—Within 30 days after the date of the enactment of this Act, the President shall establish a Commission on Alternative Utilization of Military Facilities. The Commission shall be composed of representatives from the Department of Defense, the Bureau of Prisons of the Department of Justice, the National Institute on Drug Abuse of the Department of Health and Human Services, and the General Services Administration.

(b) Report Requirements.—The Commission shall, on a biannual basis—

(1) prepare a report listing active and nonactive military facilities that the Secretary of Defense has identified as subjects for closure, as being underutilized in whole or part, or as being excess to the needs of the Department of Defense;

(2) identify those facilities, or parts of facilities, that could be effectively utilized or renovated to serve as minimum security facilities for nonviolent prisoners;

(3) identify those facilities, or parts of facilities, that could be effectively utilized or renovated to serve as drug treatment facilities for nonviolent drug abusers; and

(4) transmit a list of such facilities to the President and to the Congress.

(c) Deadline for Reports.—The first report required by subsection (b) shall be submitted to the President and Congress not later than October 1, 1988. Subsequent reports under such subsection shall be submitted not later than September 1 of every second year after submission of the first report through fiscal year 1996.

Part C—Real Property Transactions

SEC. 2821. LAND EXCHANGE, ALAMEDA COUNTY, CALIFORNIA

(a) In General.—(1) Subject to subsections (b) through (d), the Secretary of the Army may convey to the County of Alameda, California, and to the City of Dublin, California, the real properties referred to in paragraph (2) in exchange for conveyance to the United States of approximately 445 acres of real property, together with improvements thereon, of the property described in paragraph (3).

(2) The properties authorized to be conveyed by the Secretary are as follows:

(A) Approximately 35 acres of real property, together with improvements thereon, at the Reserve Forces Training Center, County of Alameda, California, to the County of Alameda, California.

(B) Approximately 12 acres of real property, together with improvements thereon, at such center to the City of Dublin, California.

(3) The property to be conveyed to the United States is a parcel of land consisting of approximately 445 acres, together with improvements thereon, located in the County of Alameda, California, which is under the jurisdiction of the East Bay Regional Park District, County of Alameda, California, and which was conveyed to such district by the United States by a deed dated February 2, 1973.

(4) The instrument of conveyance conveying the property referred to in paragraph (3) to the United States may, at the option of the East Bay Regional Park District—

(A) include a right of reversion on behalf of such district in the event that the property conveyed to the United States is no longer needed by the Department of the Army (as determined by the Secretary of the Army); and

(B) reserve to such district an easement consisting of not more than 25 acres along the most eastern boundary of the property for use by such district as a part of the Regional Trail System of such district.

(b) Additional Consideration.—If the fair market value of the properties conveyed by the United States pursuant to subsection (a) exceeds the fair market value of the property conveyed to the United States pursuant to such subsection, the County of Alameda, California, the City of Dublin, California, or the East Bay Regional Park District, as appropriate, shall pay the difference to the United States. Any such payment shall be covered into the Treasury as miscellaneous receipts.

(c) Legal Description and Surveys.—The exact acreage and legal description of the real property to be conveyed pursuant to this section (including the easement referred to in subsection (a)(4)) shall be determined by surveys that are satisfactory to the Secretary. The cost of such surveys shall be borne by the County of Alameda or the City of Dublin.

(d) Additional Terms and Conditions.—The Secretary may require such additional terms and conditions in connection with the conveyances made pursuant to this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2822. LAND CONVEYANCE, LOMPOC, CALIFORNIA

(a) In General.—Subject to subsections (b) through (d), the Secretary of the Army may convey, without reimbursement, to the City of Lompoc, California, all right, title, and interest of the United States in and to a tract of real property (including improvements thereon) of approximately 100 acres located adjacent to the real property conveyed to the City pursuant to section 834 of the Military Construction Authorization Act, 1985 (Public Law 98-407; 98 Stat. 1526).

(b) Use of Property.—(1) The conveyance authorized by subsection (a) shall be subject to the condition that the real property conveyed shall be used only for educational purposes or the purposes provided in section 834 of the Military Construction Authorization Act, 1985 (Public Law 98-407; 98 Stat. 1526), or both.

(2) If the property conveyed pursuant to subsection (a) is not used for the purposes described in paragraph (1), all right, title, and interest in and to such property shall revert to the United States, which shall have the right of immediate entry thereon.

(c) Legal Description and Surveys.—The exact acreage and legal description of the property to be conveyed under subsection (a) shall be determined by surveys that are satisfactory to the Secretary. The cost of any such survey shall be borne by the City.

(d) Other Terms and Conditions.—The Secretary may require such other terms and conditions with respect to the conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2823. LAND EASEMENT, ORANGE COUNTY, CALIFORNIA

(a) In General.—Subject to subsections (b) through (e), the Secretary of the Navy may grant an easement to Orange County, California, for the construction and maintenance of flood control improvements (hereafter in this section referred to as "county improvements") on a tract of land owned by the United States, consisting of approximately 32 acres, located at the northern boundary of the Marine Corps Air Station, El Toro, California, and may grant such temporary rights to Orange County as the Secretary determines necessary for the construction of such improvements.

(b) Consideration.—(1) In consideration for the conveyance by the Secretary under subsection (a), Orange County shall convey to the United States a parcel of real property consisting of approximately one and one-half acres located adjacent to the Marine Corps Air Station, Tustin, California.

(2) The United States shall also be entitled to such flood control improvements at the Marine Corps Air Station, El Toro, California, as the Secretary and Orange County shall agree upon.

(3) The county improvements and additional flood control improvements shall be constructed at no cost to the United States.

(c) Payment of Excess Into Treasury.—If the fair market value of the easement described in subsection (a) exceeds the fair market value of the real property conveyed to the United States under subsection (b), Orange County shall pay the difference to the United States. Any such payment shall be covered into the Treasury as miscellaneous receipts.

(d) Legal Description of Property.—The exact acreages and legal descriptions of the real property to be conveyed under this section shall be determined by surveys which are satisfactory to the Secretary. The cost of any such survey shall be borne by Orange County.

(e) Additional Terms and Conditions.—The Secretary may require such additional terms and conditions in connection with the transaction authorized by this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2824. LAND EXCHANGE, SAN DIEGO, CALIFORNIA

(a) Exchange Authorized.—Subject to subsections (b) through (e), the Secretary of the Navy may convey to the San Diego Unified Port District of San Diego, California, such real property under the jurisdiction of the Navy in the City of San Diego, California, as the Secretary determines appropriate in exchange for one or more parcels of land, together with improvements thereon and consisting of approximately 32 acres, located adjacent to the San Diego Naval Station, San Diego, California, and owned by the San Diego Unified Port District.

(b) Limitation on Value of Property Exchanged.—The fair market value of the real property conveyed by the Secretary under subsection (a) may not exceed the fair market value of the real property received by the Secretary under such subsection, as determined by the Secretary.

(c) Notice to Committees.—The Secretary may not enter into an exchange under this section until the Secretary has notified the Committees on Armed Services and on Appropriations of the Senate and the House of

Representatives of the details of the proposed exchange and a period of 21 days has elapsed following the day on which the committees receive the notification.

(d) Legal Description of Property.—The exact acreages and legal descriptions of the real property to be conveyed under this section shall be determined by surveys which are satisfactory to the Secretary. The cost of any such survey shall be borne by San Diego Unified Port District.

(e) Additional Terms and Conditions.—The Secretary may require such additional terms and conditions in connection with the transaction authorized by this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2825. LAND TRANSFER, WASHINGTON, DISTRICT OF COLUMBIA

(a) In General.—The Administrator of General Services shall transfer, without consideration, to the Secretary of the Navy approximately 6 acres of real property (including Building 197 located thereon) located at a site referred to as the Southeast Federal Center near the Washington Navy Yard, Washington, D.C., and bounded on the east by Isaac Hull Avenue, on the north by Tingey Street, on the west by Buildings 116 and 118, and on the south by property owned by the Department of the Navy.

(b) Design of Building.—The Secretary of the Navy shall use not more than $9,200,000 of the amount appropriated pursuant to section 2205(a)(4) to initiate the redesign of Building 197 referred to in subsection (a).

SEC. 2826. LAND CONVEYANCE, OKALOOSA COUNTY, FLORIDA

Section 809(c) of the Military Construction Authorization Act, 1979 (Public Law 95-356; 92 Stat. 587), is amended by inserting before the period the following: "and a third parcel containing forty-two acres".

SEC. 2827. TRANSFER OF LAND, SUITLAND FEDERAL CENTER, MARYLAND

The Administrator of General Services shall transfer, without consideration, to the Secretary of the Navy such parcel of vacant land located at the Suitland Federal Center, Suitland, Maryland, as the Administrator, after consultation with the Secretary, determines—

(1) to be excess to the present and anticipated future needs of the General Services Administration at the Suitland Federal Center; and

(2) adequate to accommodate the needs of the Navy for the construction and operation of a facility to serve as the Naval Intelligence Command Headquarters authorized by section 2201.

SEC. 2828. AIR FORCE PLANT AT COLUMBUS, OHIO

(a) In General.—The Secretary of the Air Force may sell or lease, or issue a permit to another agency within the Department of Defense for use of, all or any portion of Air Force Plant No. 85 located in Columbus, Ohio. Any such action shall be carried out in accordance with applicable law except to the extent that such law is inconsistent with this section.

(b) Authority of Secretary.—(1) The Secretary shall provide that each deed entered into for the transfer of such property shall contain a covenant warranting that all remedial action necessary to protect human health and the environment with respect to any environmental contamination at the plant at the time of the sale, including any remedial action found to be necessary with respect to such contamination after the date of such transfer, has been or will be conducted by the United States. Such covenant shall be in lieu of any other covenant or other action required by any applicable law with respect to environmental restoration to be taken by the Federal Government at the plant before such transfer.

(2) In any case in which the Secretary provides a permit to another agency within the Department of Defense to use any portion of the plant, the Secretary may provide for the environmental restoration of such portion by such other agency with funds available to the Department of the Air Force for environmental restoration.

(3) To the extent that the Secretary decides to take remedial action with respect to environmental contamination in any portion of the plant before the sale or lease of such portion, the Secretary may use funds provided by the purchaser or lessor for such purpose.

(c) Deduction of Expense From Proceeds of Sale or Lease.—The Secretary may use the proceeds of any sale or lease of the property described in subsection (a) to credit the accounts from which funds were expended by the Secretary for reasonable and necessary expenses, other than for environmental restoration, incurred in connection with the sale or lease. The Secretary may also use the proceeds of such sale or lease directly for the purpose of environmental restoration at the plant. The remaining proceeds of the sale or lease shall be credited to the general fund of the Treasury.

(d) Additional Terms.—The Secretary may require such additional terms and conditions in connection with any sale or lease entered into under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2829. LAND CONVEYANCE, FORT JACKSON, SOUTH CAROLINA

(a) Authority To Sell.—Subject to subsections (b) through (e), the Secretary of the Army may sell and convey all right, title, and interest of the United States in and to a parcel of land, consisting of a total of approximately 32 acres, that comprises a portion of Fort Jackson, South Carolina, and is excess to the needs of the Army.

(b) Competitive Bid Requirement; Minimum Sale Price.—(1) The Secretary shall use competitive procedures for the sale of land referred to in subsection (a).

(2) In no event may any of the land referred to in subsection (a) be sold for less than the fair market value of the land, as determined by the Secretary.

(c) Use of Proceeds of Sale.—(1) The Secretary may use the proceeds from the sale of the land referred to in subsection (a) for the rehabilitation of military family housing at Fort Jackson, South Carolina.

(2) Any proceeds of the sale not used for such purpose shall be covered into the Treasury as miscellaneous receipts.

(d) Legal Description of Lands.—The exact acreage and legal description of the property to be conveyed under subsection (a) shall be determined by a survey that is satisfactory to the Secretary.

(e) Additional Terms and Conditions.—The Secretary may require such additional terms and conditions in connection with any transaction authorized by this section as the Secretary considers appropriate to protect the interests of the United States.

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same.

Les Aspin,
Thomas S. Foley,
William L. Dickinson,
Managers on the part of the House.

Sam Nunn,
John C. Stennis,
J.J. Exon,
Carl Levin,
Edward M. Kennedy,
Jeff Bingaman,
Alan J. Dixon,
John Glenn,
Albert Gore, Jr.,
Timothy E. Wirth,
Richard Shelby,
John Warner,
Strom Thurmond,
Gordon Humphrey,
Bill Cohen,
Dan Quayle,
Pete Wilson,
P. Gramm,
Steve Symms,
John McCain,
Managers on the part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4481) to provide for the closing and realigning of certain military installations during a certain period, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment to the text of the bill struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

Except with respect to the discussion of the actions of the conferees regarding base closure and realignment, all references in this joint statement to provisions of the House bill refer to the provisions of H.R. 4264 (the National Defense Authorization Act for fiscal year 1989), as passed by the House on May 11, 1988, and all references to provisions of the Senate amendment refer to the provisions of the Senate amendment to the text of H.R. 4264, as passed by the Senate on May 27, 1988.

All references to provisions of the House bill on base closure and realignment refer to such provisions in H.R. 4481 (the Defense Savings Act of 1988) as passed by the House on July 12, 1988. All references to provisions of the Senate amendment on base closure and realignment refer to the provisions on base closure and realignment contained in the Senate amendment to H.R. 4481, as passed by the Senate on September 15, 1988.

The text of H.R. 4481, as amended and passed by the Senate on September 15, 1988, is identical to the text of H.R. 4264 (the National Defense Authorization Act for fiscal year 1989) as amended and passed by the Senate on May 27, 1988.

Summary Statement of Conference Action

The conferees recommend authorization for the Department of Defense for procurement, research and development, test and evaluation, operation and maintenance, working capital funds, military construction and family housing, weapons programs of the Department of Energy, and civil defense totaling $221.1 billion. This figure is $0.1 billion above the amount requested by the President, $0.1 billion above the Senate amendment, and $0.1 billion below the House bill.

The budget summit between the President and the Congress in November 1987 resulted in an agreement that national defense spending for fiscal year 1989 would be $299.5 billion. This agreement was reflected in the Budget Resolution.

The authorizations included in this Act are substantially less than the functional ceiling of $299.5 billion for national defense provided in the Budget Resolution. The primary reason for this difference is that, although the military end strengths and pay raise are authorized in this Act, the actual funding for military pay and benefits (approximately $78.5 billion) is not reflected in this Act.

SUMMARY TABLE OF AUTHORIZATIONS

The defense authorization act provides authorizations for appropriations but does not provide budget authority. Budget authority is provided in appropriations acts.

In order to relate the conference recommendations to the Budget Resolution, matters in addition to the dollar authorizations contained in this Act must be taken into account. A number of programs in the defense function are authorized permanently or, in certain instances, authorized in other annual legislation. In addition, the authorization act establishes personnel levels and includes a number of legislative provisions affecting military compensation.

The table below summarizes authorizations included in the Act for fiscal year 1989 and, in addition, summarizes the implication of the conference action for the budget totals for National Defense (Budget Function 050).

SUMMARY OF FUNDS RECOMMENDED FOR AUTHORIZATION
(Dollars in Millions)

	Amended Request 1989	House Change	FY89 House Authorized	Senate Change	FY89 Senate Authorized	Senate +/- House	Conference Change	FY89 Conference Authorized	Budget Authority Implication
PROCUREMENT									
Aircraft Procurement, Army	2,791.5	167.5	2,959.0	3.4	2,794.9	-164.1	92.2	2,883.7	2,883.7
Missile Procurement, Army	2,586.6	100.1	2,686.7	-44.8	2,541.8	-144.9	18.6	2,605.2	2,605.2
Procurement of W&TCV, Army	2,960.6	5.5	2,966.1	-1.4	2,959.2	-6.9	-45.5	2,915.1	2,915.1
Ammuniton, Army	2,007.8	43.8	2,051.6	27.7	2,035.5	-16.1	56.2	2,064.0	2,064.0
Other Procurement Army	4,774.0	-531.2	4,242.8	7.2	4,781.2	538.3	-193.7	4,580.3	4,580.3
Aircraft Procurement, Navy	8,980.0	291.5	9,271.5	96.2	9,076.2	-195.3	279.3	9,259.3	9,259.3
Weapons Procurement, Navy	6,271.8	-448.0	5,823.8	-78.7	6,193.1	369.3	-299.6	5,972.2	5,972.2
Shipbuilding & Conversion, Navy	9,130.1	-4.0	9,126.1	-74.0	9,056.1	-70.0	-74.0	9,056.1	9,056.1
Other Procurement Navy	4,789.7	423.7	5,213.4	46.5	4,836.2	-377.2	28.1	4,817.8	4,817.8
Coastal Defense Augmentation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Procurement, Marine Corps	1,157.3	173.0	1,330.3	10.0	1,167.3	-163.0	140.0	1,297.3	1,297.3
Aircraft Procurement, AF	16,630.0	-216.2	16,413.8	-373.9	16,256.1	-157.7	-505.0	16,125.0	16,125.0
Missile Procurement, AF	8,158.0	-95.9	8,062.1	-146.6	8,011.4	-50.7	-441.5	7,716.5	7,716.5
Other Procurement AF	8,393.5	-329.1	8,064.4	-75.5	8,318.0	253.6	-196.7	8,196.8	8,196.8
Procurement, Defense Agencies	1,216.1	-65.6	1,150.5	-8.2	1,207.9	57.4	-11.0	1,205.1	1,205.1
Natl Guard & Reserve Equipment	0.0	816.1	816.1	443.0	443.0	-373.1	843.5	843.5	843.5
Defense Production Act Purch									27.5
Chemical Munitions Destruction	162.9	16.6	179.5	11.6	174.5	-5.0	16.6	179.5	179.5
Total Procurement	80,009.9	347.7	80,357.6	-157.5	79,852.4	-505.2	-292.5	79,717.4	79,744.9
RESEARCH AND DEVELOPMENT									
RDT&E, Army	5,030.7	194.2	5,224.9	-22.3	5,008.4	-216.5	167.7	5,198.4	5,198.4
RDT&E, Navy	9,216.2	130.7	9,346.9	58.4	9,274.6	-72.3	167.0	9,383.2	9,383.2
RDT&E, Air Force	14,932.1	-218.3	14,713.8	-210.4	14,721.7	7.9	-251.3	14,680.8	14,680.8
RDT&E, Defense Agencies	8,667.8	-895.8	7,772.0	38.4	8,706.2	934.2	-239.4	8,428.4	8,428.4
Director Test & Evaluation	166.9	15.0	181.9	-16.0	150.9	-31.0	-11.0	155.9	155.9
Director Operational Test & Eval	143.4	-10.0	133.4	-10.0	133.4	0.0	-20.0	123.4	123.4
Total RDT&E	38,157.1	-784.2	37,372.9	-161.8	37,995.3	622.3	-186.9	37,970.2	37,970.2

SUMMARY OF FUNDS RECOMMENDED FOR AUTHORIZATION
(Dollars in Millions)

	Amended Request 1989	House Change	FY89 House Authorized	Senate Change	FY89 Senate Authorized	Senate +/- House	Conference Change	FY89 Conference Authorized	Budget Authority Implication
OPERATIONS AND MAINTENANCE									
O & M, Army	22,085.2	-9.9	22,075.3	57.2	22,142.4	67.1	18.7	22,103.9	22,103.9
O & M, Navy	24,945.8	47.0	24,992.8	-66.1	24,879.7	-113.1	-93.7	24,852.1	24,852.1
O & M, Marine Corps	1,792.0	50.0	1,842.0	0.0	1,792.0	-50.0	25.0	1,817.0	1,817.0
O & M, Air Force	21,950.0	-59.6	21,890.4	-51.3	21,898.7	8.3	-94.4	21,855.6	21,855.6
O & M, Defense Agencies	7,725.7	-4.6	7,721.1	-88.8	7,636.9	-84.2	-40.3	7,685.4	7,685.4
O & M, Army Reserve	794.9	0.0	794.9	0.0	794.9	0.0	0.0	794.9	794.9
O & M, Navy Reserve	979.2	0.0	979.2	0.0	979.2	0.0	0.0	979.2	979.2
O & M, Marine Corps Reserve	77.5	0.0	77.5	0.0	77.5	0.0	0.0	77.5	77.5
O & M, Air Force Reserve	1,028.5	5.4	1,033.9	0.0	1,028.5	-5.4	5.4	1,033.9	1,033.9
O & M, Army Natl Guard	1,797.0	0.0	1,797.0	8.3	1,805.3	8.3	4.2	1,801.2	1,801.2
O & M, Air Natl Guard	1,965.4	5.6	1,971.0	0.0	1,965.4	-5.6	5.6	1,971.0	1,971.0
Rifle Practice	4.3	0.0	4.3	0.0	4.3	0.0	0.0	4.3	4.3
Claims, Defense	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Court of Military Appeals	3.5	0.0	3.5	0.0	3.5	0.0	0.0	3.5	3.5
Environmental Restoration	500.0	0.0	500.0	0.0	500.0	0.0	0.0	500.0	500.0
Humanitarian Assistance	0.0	13.0	13.0	13.0	13.0	0.0	13.0	13.0	13.0
Goodwill Games	0.0	5.0	5.0	0.0	0.0	-5.0	5.0	5.0	5.0
Total Operations & Maintenance	85,649.0	51.9	85,700.9	-127.7	85,521.3	-179.6	-151.5	85,497.5	85,497.5
REVOLVING AND MANAGEMENT FUNDS									
Army Stock Fund	321.9	-15.0	306.9	-30.0	291.9	-15.0	-30.0	291.9	291.9
Navy Stock Fund	204.7	0.0	204.7	-20.0	184.7	-20.0	-20.0	184.7	184.7
Air Force Stock Fund	206.9	25.0	231.9	-20.0	186.9	-45.0	-20.0	186.9	186.9
Defense Stock Fund	30.0	-5.0	25.0	0.0	30.0	5.0	-5.0	25.0	25.0
National Defense Stockpile	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Revolving/Management Funds	763.5	5.0	768.5	-70.0	693.5	-75.0	-75.0	688.5	688.5
Military Personnel									78,461.0
Title XI									
Drug Related Assistance	0.0	0.0	0.0	0.0	0.0	0.0	210.0	210.0	210.0
Prior Year Transfer							[90.0]	[90.0]	0.0

SUMMARY OF FUNDS RECOMMENDED FOR AUTHORIZATION
(Dollars in Millions)

	Amended Request 1989	House Change	FY89 House Authorized	Senate Change	FY89 Senate Authorized	Senate +/- House	Conference Change	FY89 Conference Authorized	Budget Authority Implication
MILITARY CONSTRUCTION									
Milt Construction, Army	895.0	-19.3	875.7	-1.0	894.0	18.3	-16.7	878.3	1,127.6
Milt Construction, Navy	1,594.2	-59.3	1,534.9	-63.1	1,531.1	-3.8	-30.1	1,564.1	1,581.1
Milt Construction, Air Force	1,273.6	-32.7	1,241.0	-57.8	1,215.8	-25.2	-52.1	1,221.5	1,248.5
Milt Construct, Defense Agencies	712.0	17.3	729.3	-28.6	683.4	-45.9	-21.1	690.9	690.9
NATO Infrastructure	502.1	0.0	502.1	-10.1	492.0	-10.1	-10.1	492.0	492.0
Milcon, Army National Guard	138.3	24.5	162.8	46.9	185.2	22.4	65.6	203.9	203.9
Milcon, Air National Guard	147.5	3.6	151.1	4.3	151.8	0.6	7.3	154.8	154.8
Milcon, Army Reserve	79.9	0.3	80.2	4.3	84.2	4.0	4.5	84.4	84.4
Milcon, Navy Reserve	48.4	0.0	48.4	16.7	65.1	16.7	6.5	54.9	54.9
Milcon, Air Force Reserve	58.8	0.0	58.8	4.8	63.6	4.8	4.8	63.6	63.6
Total Military Construction	5,449.9	-65.6	5,384.3	-83.7	5,366.2	-18.1	-41.5	5,408.4	5,701.6
FAMILY HOUSING									
Family Housing, Army	1,528.3	9.1	1,537.4	-5.0	1,523.3	-14.1	9.1	1,537.4	1,537.0
Family Housing, Navy/Marines	795.4	0.0	795.4	9.5	805.0	9.5	10.3	805.8	805.6
Family Housing, Air Force	923.0	-0.5	922.5	-3.5	919.5	-3.0	-0.5	922.5	922.4
Family House, Defense Agencies	20.7	0.0	20.7	0.0	20.7	0.0	0.0	20.7	20.7
Homeowners Assistance Fund	2.0	0.0	2.0	0.0	2.0	0.0	0.0	2.0	5.0
Total Family Housing	3,269.4	8.6	3,278.0	1.0	3,270.4	-7.6	18.9	3,288.3	3,290.7
Davis-Bacon/Service Contract Act	-310.0	310.0	0.0	310.0	0.0	0.0	310.0	0.0	0
Allowance, Proposed Legislation	-239.3	239.3	0.0	239.3	0.0	0.0	239.3	0.0	0
Enacted in Prior Years									-741.9
TOTAL DEPARTMENT OF DEFENSE	212,749.4	112.7	212,862.1	-50.4	212,699.0	-163.1	30.7	212,780.2	290,822.4
DOE NATIONAL SECURITY PROGRAMS	8,100.0	35.0	8,135.0	65.8	8,165.8	30.8	35.0	8,135.0	8,135.0
MARAD Ready Reserve Force									110.8
CIA Retirement									144.5
FEMA Civil Defense Salaries	28.3	0.0	28.3	-4.4	23.9	-4.4	-2.0	26.3	76.0
FEMA Civil Defense Planning	132.1	0.0	132.1	-20.6	111.5	-20.6	-10.5	121.6	251.8
Intelligence Community staff									23.7
Selective Service Sal/Expenses									26.1
TOTAL OTHER DEFENSE	160.4	0.0	160.4	-25.0	135.4	-25.0	-12.5	147.9	632.8
TOTAL NATIONAL DEFENSE	221,009.8	147.7	221,157.5	-9.6	221,000.2	-157.3	53.2	221,063.1	299,590.2

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS AND OTHER NATIONAL DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

AIRCRAFT PROCUREMENT, ARMY

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $2,791.5 million for Army aircraft procurement. The House bill would authorize $2,959 million. The Senate amendment would authorize $2,794.9 million. The conferees recommend authorization of $2,883.7 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1		FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
AIRCRAFT PROCUREMENT, ARMY															
1	GOLDEN KNIGHTS REPLACEMENT AIRCRAFT	2	13,699				0		0		0				0
2	C-20 AIRCRAFT	1	20,000				0		0		0				0
3	C-12 CARGO AIRPLANE	0	0				0		0		0				0
4	CESSNA SKYLANE	2	194				0		0		0				0
5	RC-12H/K RECON AIRPLANE	3	43,752	6	69,394	6	69,394	6	69,394		0			6	69,394
6	EH-60 HELICOPTER (QUICKFIX) (MYP)	0	23,950				0		0		0				0
6	LESS: ADVANCE PROCUREMENT (PY)	0	(16,700)				0		0		0				0
7	ADVANCE PROCUREMENT (CY)	0	0				0		0		0				0
8	AH-64 ATTACK HELICOPTER (APACHE)	77	852,186	72	809,076	72	849,076	72	849,076		0		40,000	72	849,076
8	LESS: ADVANCE PROCUREMENT (PY)	0	(41,186)		(36,000)		(36,000)		(36,000)		0				(36,000)
9	ADVANCE PROCUREMENT (CY)	0	36,000		36,000		92,000		76,000		16,000		40,000		76,000
10	UH-60 BLACKHAWK (MYP)	72	435,700	72	428,368	72	428,368	72	412,868		15,500		(15,500)	72	412,868
10	LESS: ADVANCE PROCUREMENT (PY)	0	(155,700)		(176,800)		(176,800)		(176,800)		0				(176,800)
11	ADVANCE PROCUREMENT (CY)	0	208,400		205,600		205,600		205,600		0				205,600
MODIFICATION OF AIRCRAFT															
12	OV-1 SURVEILLANCE AIRPLANE (MOHAWK)	0	11,300		18,396		6,184		18,396		(12,212)		(6,000)		12,396
12	LESS: ADVANCE PROCUREMENT (PY)	0	0		(6,184)		(6,184)		(6,184)		0				(6,184)
13	ADVANCE PROCUREMENT (CY)	0	6,184				0		0		0				0
14	RC-12D	0	0		31,900		31,900		31,900		0				31,900
15	RU-21	0	0		7,508		7,508		7,508		0				7,508
16	RV-1	0	0				0		0		0				0
17	AH-1S	0	0		29,271		41,271		29,271		12,000		10,000		39,271
18	AH-64	0	68,451		17,330		17,330		17,330		0				17,330
19	GROUND PROXIMITY WARNING SYSTEM	0	0				0		0		0				0
20	CH-47 CARGO HELICOPTER (MODS)	0	229,617		235,487		235,487		217,687		17,800		(10,000)		225,487
20	LESS: ADVANCE PROCUREMENT (PY)	0	(59,900)		(63,600)		(63,600)		(63,600)		0				(63,600)
21	CH-47 ADVANCE PROCUREMENT (CY)	0	67,200		84,400		84,400		61,100		23,300		0		84,400
22	CH-54	0	0				0		0		0				0
23	OH-58	0	27,011		17,376		17,376		17,376		0				17,376
24	UH-1	0	7,390				0		0		0				0
25	UH-60	0	38,998		28,412		28,412		28,412		0				28,412
26	ARMY HELICOPTER IMPROVEMENT PROGRAM (AHI	0	160,082		161,000	12	204,000		161,000	12	43,000	12	43,000	12	204,000
26	LESS: ADVANCE PROCUREMENT (PY)	0	(21,982)		(22,000)		(22,000)		(22,000)		0				(22,000)
27	ADVANCE PROCUREMENT (CY)	0	22,000		22,000		22,000		22,000		0				22,000
28	AIRBORNE AVIONICS	0	972		2,732		2,732		2,732		0				2,732
29	ASE MODIFICATIONS	0	96		13,050		13,050		13,050		0				13,050
30	MODIFICATIONS UNDER $2.0M (AIRCRAFT)	0	0				0		0		0				0
31	ACFT 9WW	0	25,797		23,978		23,978		3,978		20,000		0		23,978
32	SOF AIRCRAFT	0	41,500		96,309		96,309		96,309		0				96,309
32	LESS: ADVANCE PROCUREMENT (PY)	0	0		(13,400)		(13,400)		(13,400)		0				(13,400)
33	ADVANCE PROCUREMENT (CY)	0	13,400		56,100		56,100		56,100		0				56,100
SPARES AND REPAIR PARTS											0				
34	SPARES AND REPAIR PARTS	0	517,122		552,169		552,169		552,169		0				552,169
35	AIRCRAFT SURVIVABILITY EQUIPMENT	0	65,692		97,011		87,711		97,011		(9,300)		(9,300)		87,711
35	LESS: ADVANCE PROCUREMENT (PY)	0	0		(12,000)		(12,000)		(12,000)		0				(12,000)
36	ADVANCE PROCUREMENT (CY)	0	12,000				0		0		0				0
37	AVIONICS SUPPORT EQUIPMENT	0	23,663		22,230		22,230		22,230		0				22,230
38	COMMON GROUND EQUIPMENT	0	28,125		32,323		32,323		32,323		0				32,323
39	AIR TRAFFIC CONTROL	0	2,885				0		0		0				0
40	INDUSTRIAL FACILITIES	0	17,640		20,997		20,997		20,997		0				20,997
41	WAR CONSUMABLES	0	3,068		3,067		3,067		3,067		0				3,067
	NIGHT VISION DEVICES						38,000		0		38,000		0		0
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	TOTAL AIRCRAFT PROCUREMENT ARMY		2,718,406		2,791,500		2,958,988		2,794,900		164,088		92,200		2,883,700

Strengthening the armor-antiarmor balance

Both the House report (H. Rept. 100-563) and the Senate report (S. Rept. 100-326) emphasized the need to strengthen conventional defenses, especially in light of ratification of the INF treaty. Both reports note the deterioration of the armor-antiarmor balance and the need to reverse that deterioration in order to preserve an effective deterrent in NATO. To that end, the conferees recommend numerous changes to the budget request to strengthen conventional defense capabilities.

The conferees recommend multiyear procurement contracts for the two primary antiarmor systems, the M1 tank and the AH-64 helicopter, based on comprehensive master plans developed during the past year. The conferees provided additional procurement and R&D funds for urgent improvements to existing antitank missiles, including the Hellfire and TOW 2 missiles. The conferees recommended increased production rates for the Hellfire and Maverick missiles. The conferees also recommend acceleration of the development of future promising antiarmor systems, including a Block .3 version of the M1 tank, the fiber optic guided missile, the hypervelocity missile, and the sense and destroy armor (SADARM) program.

The conferees note that the serious deterioration of the armor-antiarmor balance cannot be reversed in one year and will require sustained investment by the Department of Defense. The conferees emphasize the urgent nature of the current problem, especially in the immediate post-INF security environment in Europe, and direct the Secretary to insure that these programs receive sufficient funds in the upcoming Five Year Defense Program for fiscal years 1990 to 1994.

Guardrail/Common Sensor Aircraft

The amended budget request included $69.4 million for six RC-12K GUARDRAIL/Common Sensor (GRCS) aircraft.

The House bill would authorize the requested amount.

The fiscal year 1989 Intelligence Authorization Act (H.R. 4387), would prohibit the procurement of more than three aircraft and sensors until the Army had presented a plan that includes the contribution of Remotely Piloted Vehicles (RPVs) and other reconnaissance assets to support Army airborne signal intelligence (SIGINT) requirements. Other studies that would be required by H.R. 4387 include the Army plans for a new aircraft develpment program and its relationship to RC-12K procurement, and the modeling and simulation tools used to certify the GRCS.

The conferees endorse these reporting requirements and the program contingency. The conferees believe that this report can be completed by November 1, 1988, and will not adversely affect contract plans. The conferees further agree that the Army must carefully consider all available SIGINT assets, current and future, in setting GRCS force levels, but note that since the termination of the Precision Location Strike System (PLSS), the GRCS is integral to supporting follow-on force attack targeting requirements.

AH-64 Attack Helicopter

The amended budget request contained $773.1 million for procurement of 72 aircraft and $36 million for advance procurement to continue production in fiscal year 1990.

The House bill would authorize $813.1 million for 72 aircraft for fiscal year 1989 and $40 million for procurement of two combat mission simulators. The House bill would also authorize $92 million for advance procurement, and would direct the Army to enter into a multiyear contract if certain criteria (specified in Section 114 of the House bill) were satisfied.

The Senate amendment would authorize $813.1 million for this program. The increase of $40 million would be authorized because it is not possible to procure 72 aircraft with the funds requested by the Army. The Senate amendment would also authorize $76 million for advance procurement, and would direct the Army to enter into a multiyear contract for 72 aircraft over a three-year period if certain conditions could be satisfied. The Senate amendment would also specify that none of the $40 million authorized to properly price the request in fiscal year 1989 could be obligated unless the Army does enter into a multiyear contract and the unit price for helicopters in fiscal year 1989 does not exceed the unit price negotiated under the terms of the multiyear contract.

The conferees recommend an authorization of $813.1 million, with not less than $20 million to be provided to procure a mission simulator. The remaining $20 million in additional authorization may be used to properly price the AH-64 procurement in fiscal year 1989, subject to the same conditions specified by the Senate report (S. Rept. 100-326). If the funds are not required, they may be used to procure an additional mission simulator.

The conferees recommend an authorization of $76 million for advance procurement and direct the Army to negotiate a multiyear contract, subject to the restrictions outlined in section 107. The conferees note that the Army has developed two alternative approaches to a multi-year contract: a three-year multiyear contract for 72 aircraft per year, and a four-year multiyear contract for 60 aircraft per year. The Army may pursue either approach, subject to the conditions specified in section 107. The conferees do believe, however, that it would be desirable to retain the highest practical production rate consistent with overall Army budget resources.

The conferees direct that not less than one battalion of AH-64 helicopters be provided to the Reserve Component each year.

OV-1 Surveillance Aircraft

The amended budget request contained $12.2 million for the modification of OV-1 surveillance aircraft.

The House bill would deny all funding for the modification program.

The Senate amendment would approve the program at the requested level.

The conferees recommend an authorization of $6.212 million. The conferees express concern over the overall affordability of the OV-1 modification program. The conferees doubt that it is appropriate or affordable to modify the entire fleet of OV-1 aircraft.

Army helicopter improvement program

The amended budget request contained $161 million for the Army Helicopter Improvement Program (AHIP).

The House bill would authorize $204 million for 36 aircraft.

The Senate amendment would authorize the requested amount.

The Senate recedes.

The conferees have learned of the Army's plans to modify 16 existing AHIPs to the armed reconnaissance configuration and understand the cost to perform the modification could have been lowered if the modification were performed during the baseline AHIP upgrade. The conferees are concerned that if the Army has a requirement to modify additional AHIP aircraft to the armed configuration, additional funding will be required. This does not seem prudent in the existing budget environment. The conferees direct that the 36 AHIP aircraft authorized in fiscal year 1989 and future AHIP aircraft have the structural and electrical modifications (required for the armed reconnaissance configuration) installed during the baseline AHIP modification. This will allow the Army to equip cost-effectively fiscal year 1989 and future AHIPs with armament in the event the Army chooses to do so at a later date.

MISSILE PROCUREMENT, ARMY

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $2,586.6 million for Army missile procurement. The House bill would authorize $2,686.7 million. The Senate amendment would authorize $2,541.8 million. The conferees recommend authorization of $2,605.2 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1 LINE	ITEM	FY 1988 Estimate Quantity	FY 1988 Estimate Amount	-----Revised------ FY 1989 Request Quantity	-----Revised------ FY 1989 Request Amount	-----House------ Authorization Quantity	-----House------ Authorization Amount	-----Senate------ Authorization Quantity	-----Senate------ Authorization Amount	House +/- Senate Quantity	House +/- Senate Amount	---Conference--- Change to Request Quantity	---Conference--- Change to Request Amount	---Conference--- Authorization Quantity	---Conference--- Authorization Amount
	MISSILE PROCUREMENT, ARMY														
1	CHAPARRAL	122	30,189	368	57,907	368	57,907	368	57,907		0			368	57,907
2	NON LINE OF SIGHT AIR DEFENSE SYSTEM	0	0				0		0		0				0
3	ADVANCE PROCUREMENT (CY)	0	0				0		0		0				0
4	ADS HVY MSL SYSTEM	0	0	60	118,500	60	118,500		33,500	60	85,000		0	60	118,500
4	LESS: ADVANCE PROCUREMENT (PY)	0	0		(33,500)		(33,500)		(33,500)		0				(33,500)
5	ADVANCE PROCUREMENT (CY)	0	33,500		23,750		23,750		23,750		0				23,750
6	CLASSIFIED PROGRAM	0	0				0		0		0				0
7	OTHER MISSILE SUPPORT	0	4,505		4,540		4,540		4,540		0				4,540
8	PATRIOT(MYP)	715	867,142	815	828,435	815	828,435	815	828,435		0			815	828,435
8	LESS: ADVANCE PROCUREMENT (PY)	0	(34,700)		(47,100)		(47,100)		(47,100)		0				(47,100)
9	ADVANCE PROCUREMENT (CY)	0	40,100		37,400		37,400		37,400		0				37,400
10	STINGER(MYP)	4,200	159,626	6,750	281,248	6,750	281,248	6,750	281,248		0			6,750	281,248
10	LESS: ADVANCE PROCUREMENT (PY)	0	(22,064)		(38,780)		(38,780)		(38,780)		0				(38,780)
11	ADVANCE PROCUREMENT (CY)	0	33,891				0		0		0				0
12	STINGER PEDESTAL MOUNT	0	43,633		92,242		92,242		117,242		(25,000)		0		92,242
13	LASER HELLFIRE SYSTEM	5,000	168,358	5,000	180,502	6,000	215,502	5,000	180,502	1,000	35,000		25,000	5,000	205,502
14	TOW 2 (MYP)	12,000	159,739	12,000	143,682	12,000	143,682	12,000	143,682		0			12,000	143,682
14a	TOW 2 RETROFIT						24,400		0		24,400		0		0
15	PERSHING	0	6,710				0		0		0				0
16	MULTIPLE LAUNCH ROCKET SYSTEM (MYP)	72,000	487,443	48,000	426,041	72,000	483,341	48,000	426,041	24,000	57,300		(5,000)	48,000	421,041
16a	MLRS BINARY WARHEAD				16,600		0		16,600		(16,600)		(16,600)		0
16	LESS: ADVANCE PROCUREMENT (PY)	0	(82,700)		(56,600)		(56,600)		(56,600)		0				(56,600)
17	ADVANCE PROCUREMENT (CY)	0	0		20,800		20,800		20,800		0				20,800
18	ARMY TACTICAL MISSILE SYS (ATACMS)	0	7,325	66	78,100	66	78,100	66	78,100		0			66	78,100
18	LESS: ADVANCE PROCUREMENT (PY)	0	0		(1,800)		(1,800)		(1,800)		0				(1,800)
19	ADVANCE PROCUREMENT (CY)	0	1,800		4,300		4,300		4,300		0				4,300
	MODIFICATION OF MISSILES														
20	PATRIOT MODS	0	29,000		40,185		40,185		40,185		0				40,185
21	CHAPARRAL MODS	0	31,228		8,129		8,129		8,129		0				8,129
22	HAWK MODS	0	35,671		27,592		27,592		27,592		0				27,592
23	TOW MODS	0	18,021		19,097		19,097		34,297		(15,200)		15,200		34,297
24	DRAGON MODS	0	7,258		17,281		17,281		17,281		0				17,281
25	LANCE MODS	0	0		15,359		15,359		15,359		0				15,359
26	PERSHING MODS	0	9,293		980		980		980		0				980
27	MLRS MODS	0	4,506		32,860		32,860		32,860		0				32,860
28	AN/TSQ-73 MODS	0	0		1,289		1,259		1,289		0				1,289
	SPARES AND REPAIR PARTS										0				
29	SPARES AND REPAIR PARTS	0	246,600		254,302		254,302		254,302		0				254,302
30	AIR DEFENSE TARGETS	0	21,363		22,076		22,076		22,076		0				22,076
31	ITEMS LESS THAN $2.0M (MISSILES)	0	1,740		2,148		2,148		2,148		0				2,148
32	PRODUCTION BASE SUPPORT	0	11,574		9,035		9,035		9,035		0				9,035
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	TOTAL MISSILE PROCUREMENT ARMY		2,320,751		2,586,600		2,686,700		2,541,800		144,900		18,600		2,605,200

Army tactical missile system

The amended budget request contained $76.3 million to procure 66 Army Tactical Missiles Systems (ATACMS) in fiscal year 1989 and $4.3 million for advance procurement in fiscal year 1990.

The House bill would authorize the requested levels, but included a provision (Sec. 111(b)) that would restrict the obligation of certain funds until the Secretary of Defense certified that the total requirement for ATACMS had been established and submitted a report outlining the requirement and the associated acquisition strategy.

The Senate amendment would authorize the requested levels and would impose no obligation restrictions.

The House recedes.

The conferees support the ATACMS program, but believe that the Department of the Army should conduct an analysis of total requirements for the system. The Department is directed to conduct that analysis and provide the results to Congress with the submission of the fiscal year 1990 budget request.

The conferees understand that the Army could save approximately $12 million in future budgets if all of the fuzes for ATACMS submunitions could be procured at economic production rates. The conferees invite the Army to proceed with any administrative actions possible to achieve those savings. If legislative relief is required, the conferees direct the Army to propose such changes at the time the fiscal year 1990 budget request is submitted.

WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $2,960.6 million for Army weapons and tracked combat vehicles. The House bill would authorize $2,966.1 million. The Senate amendment would authorize $2,959.2 million. The conferees recommend authorization of $2,915.1 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1		FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	PROCUREMENT OF W&TCV,ARMY														
	TRACKED COMBAT VEHICLES														
1	CARRIER, COMMAND POST LIGHT, FT, M577A2	0	0				0		0		0				0
2	BRADLEY FIGHTING VEHICLES (MYP)	586	694,926	581	714,100	550	694,100	581	714,100	(31)	(20,000)			581	714,100
2	LESS: ADVANCE PROCUREMENT (PY)	0	(13,926)		(31,900)		(31,900)		(31,900)		0				(31,900)
3	ADVANCE PROCUREMENT (CY)	0	35,500		31,800		31,800		31,800		0				31,800
3a	BRADLEY PRIOR YEAR SAVINGS												(30,000)		(30,000)
4	BRADLEY FVS TRAINING DEVICES	0	0				0		0		0				0
5	BRADLEY FVS TRAINING DEVICES (MOD)	0	5,900		3,800		3,800		3,800		0				3,800
6	FIELD ARTILLERY AMMUNITION SUPPORT VEH	48	28,700				0		0		0				0
7	RECOVERY VEHICLE, MED, FT, M88A1	0	0	80	107,900	80	102,900	80	107,900		(5,000)		(5,000)	80	102,900
7	LESS: ADVANCE PROCUREMENT (PY)	0	0		(24,100)		(24,100)		(24,100)		0				(24,100)
8	ADVANCE PROCUREMENT (CY)	0	24,100		22,300		22,300		22,300		0				22,300
9	ABRAMS TANK SERIES ROLL (MYP)	645	1,624,266	545	1,366,672	545	1,366,672	545	1,366,672		0			545	1,366,672
9	LESS: ADVANCE PROCUREMENT (PY)	0	(173,116)		(235,072)		(235,072)		(235,072)		0				(235,072)
10	ABRAMS ADVANCE PROCUREMENT (CY)	0	166,000		212,100		252,100		256,200		(4,100)		40,000		252,100
10a	M-1 TANK PRIOR YEAR SAVINGS												(26,600)		(26,600)
11	M60 SERIES TANK TRAINING DEVICES	0	0		14,500		0		0		0		(14,500)		0
12	M1 SERIES TANK TRAINING DEVICES	0	4,700				0		0		0				0
	MODIFICATION OF TRACKED COMBAT VEHICLES														
13	CARRIER, MOD	0	36,300		38,500		38,500		38,500		0				38,500
14	FIST VEHICLE (MOD)	0	0				0		0		0				0
15	BFVS SERIES (MOD)	0	45,100		62,900		62,900		62,900		0				62,900
16	HOWITZER, MED SP FT 155MM M109 SER(MOD)	0	1,374		42,726		42,726		25,226		17,500		(4,500)		38,226
16	LESS: ADVANCE PROCUREMENT (PY)	0	0		(12,726)		(12,726)		(12,726)		0				(12,726)
17	ADVANCE PROCUREMENT (CY)	0	12,726				0		0		0				0
18	TANK, COMBAT, 105MM, GUN, M60SER (MOD)	0	80,100		9,900		9,900		0		9,900		(9,900)		0
19	TANK, M1 SERIES (MOD)	0	30,200				0		0		0				0
20	9WW	0	700		600		600		600		0				600
21	MOB TNG BASE EQUIP	0	0				0		0		0				0
22	HOST NATION SUPPORT	0	29,700		13,038		13,038		13,038		0				13,038
	SUPPORT EQUIPMENT AND FACILITIES														
23	SPARES AND REPAIR PARTS	0	381,100		400,500		400,500		400,500		0				400,500
24	ITEMS LESS THAN $2.0M (TCV-WTCV)	0	1,900		2,700		2,700		2,700		0				2,700
25	PRODUCTION BASE SUPPORT (TCV-WTCV)	0	28,731		40,829		40,829		31,029		9,800				40,829
26	REGIONAL MAINTENANCE TRAINING SITES-EQUI	0	17,100		16,200		16,200		16,200		0				16,200

P-1 LINE	ITEM	FY 1988 Estimate Quantity	FY 1988 Estimate Amount	-----Revised------ FY 1989 Request Quantity	-----Revised------ FY 1989 Request Amount	-----House------ Authorization Quantity	-----House------ Authorization Amount	-----Senate------ Authorization Quantity	-----Senate------ Authorization Amount	House +/- Senate Quantity	House +/- Senate Amount	---Conference--- Change to Request Quantity	---Conference--- Change to Request Amount	---Conference--- Authorization Quantity	---Conference--- Authorization Amount
	WEAPONS AND OTHER COMBAT VEHICLES										0				
27	9MM PDW COMPETITION	0	0				0		0		0				0
28	HOWITZER, LIGHT, TOWED, 105MM, M119	76	29,900	88	28,800	88	28,800	88	20,000		8,800		0	88	28,800
29	HOWITZER, MED, TOWED, 155MM, M198	0	0				0		0		0				0
30	MACHINE GUN, 7.62MM, M60	0	0				0		0		0				0
31	SQUAD AUTOMATIC WEAPON (SAW) 5.56MM	5,400	12,100	5,175	11,500	5,175	11,500	5,175	11,500		0			5,175	11,500
32	GRENADE LAUNCHER, AUTO, 40MM, MK19-3	0	1,000	800	12,000	800	12,000	800	12,000		0			800	12,000
33	LAUNCHER, SMOKE GRENADE	3,088	1,900	2,435	1,600	2,435	1,600	2,435	1,600		0			2,435	1,600
34	MORTAR, 81MM, M252	0	0				0		0		0				0
35	MORTAR, 120MM	0	0				5,000		0		5,000		5,000		5,000
36	M16 RIFLE	60,000	26,100	49,800	22,300	49,800	22,300	49,800	22,300		0			49,800	22,300
37	SNIPER WEAPON SYSTEM	500	1,900	500	1,900	500	1,900	500	1,900		0			500	1,900
38	PERSONAL DEFENSE WEAPON, 9MM	23,418	5,300	33,078	7,000	33,078	7,000	33,078	7,000		0			33,078	7,000
39	VEH RAPID FIRE WPN SYS-BUSHMASTER (MYP)	852	32,500	853	32,600	853	32,600	853	32,600		0			853	32,600
39	LESS: ADVANCE PROCUREMENT (PY)	0	(10,100)		(3,100)		(3,100)		(3,100)		0				(3,100)
40	ADVANCE PROCUREMENT (CY)	0	2,100		2,400		2,400		2,400		0				2,400
41	M16A1 RIFLE MODS	0	5,400		1,800		1,800		1,800		0				1,800
42	MODIFICATIONS LESS THAN $2.0M (WOCV-WTCV	0	4,600		4,600		4,500		4,500		0				4,500
43	SPARES AND REPAIR PARTS	0	12,500		26,500		26,500		26,500		0				26,500
44	ITEMS LESS THAN $2.0M (WOCV-WTCV)	0	3,300		4,200		4,200		4,200		0				4,200
45	PRODUCTION BASE SUPPORT (WOCV-WTCV)	0	16,706		9,333		9,333		24,333		(15,000)				9,333
	TOTAL WEAPONS AND TRACKED COMBAT VEHICLE		3,207,187		2,960,600		2,966,100		2,959,200		5,900		(45,500)		2,915,100

M1 tanks

The amended budget request contained $1,131.6 million to procure 545 M1 tanks and $212.1 million for advance procurement for fiscal year 1990. Subsequent to the budget submission, the Army determined that it intends to keep the M1 tank in production, to replace all current M60 tanks in the National Guard with M1s, and to retrofit early model M1s with the 120mm cannon.

The House bill would endorse this plan, authorize $1,131.6 million for tank procurement for the Army and $252.1 million for advance procurement, and direct the Army to enter into a five-year multiyear contract for 3,000 tanks, subject to the restrictions specified in section 114 of the House bill. The House report (H. Rept. 100-563) directed the Secretary of Army to report on the plan to equip the National Guard with M1 tanks. The House report further specified that the Army may not enter into the multiyear contract until the Secretary of Defense certifies that sufficient funds have been budgeted in the Five Year Defense Program for fiscal years 1990 to 1994 to support the new acquisition strategy.

The Senate amendment would authorize $1,131.6 million for procurement in fiscal year 1989 an $256.2 million for advance procurement. It would also specify that the Army should consider a multiyear contract for continued production. The Senate amendment would also endorse the Army's plans for modernizing the National Guard and would authorize $15 million to modify facilities to initiate modification of early model M1 tanks with the 120mm smoothbore cannon.

The conferees recommend an authorization of $1,131.6 million for procurement in fiscal year 1989 and $252.1 million for advance procurement. The conferees direct the Army to proceed with a multiyear contract for up to 3,000 tanks, subject to the conditions specified in section 102. The conferees also support the directive certification requirements associated with the M1 tank multiyear program as outlined in the House report (H. Rept. 100-563).

Prior year funding availability

The conferees recommend a reduction of $56.6 million in Weapons and Tracked Combat Vehicles because of the availability of prior year funds which are no longer required for their original purpose. The conferees understand that $26.6 million appropriated to procure M1 tanks and $30 million to procure M2 fighting vehicles is excess to original requirements and is available either to be transferred or rescinded.

AMMUNITION, ARMY

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $2,007.8 million for Army ammunition. The House bill would authorize $2,051.6 million. The Senate amendment would authorize $2,035.5 million. The conferees recommend authorization of $2,064 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1 LINE	ITEM	FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	PROCUREMENT OF AMMUNITION, ARMY														
1	NUCLEAR WEAPONS SUPPORT MATERIEL	0	2,366		8,874		8,874		8,874		0				8,874
2	PROJ, 155MM XM				[ ]		[ ]		[ ]		0				[ ]
3	CTG, 5.56MM, ALL TYPES	0	0		57,139		78,239		57,139		21,100		21,100		78,239
4	CTG, 5.56MM, BALL M193	57,542	8,181				0		0		0				0
5	CTG, 5.56MM, TRACER	9,496	2,200				0		0		0				0
6	CTG, 5.56MM, TRACER CLIP	4,886	1,182				0		0		0				0
7	CTG, 5.56MM, BLANK M200	155,915	16,263				0		0		0				0
8	CTG, 5.56MM, BLK M200, LKD F/SAW	32,209	5,914				0		0		0				0
9	CTG, 5.56MM, 4 BALL M855/1 TRCR M856 LKD	0	0				0		0		0				0
10	CTG, 5.56MM BALL M16-A2	36,490	8,082				0		0		0				0
11	CTG, 5.56MM, PLASTIC M862	8,000	2,661				0		0		0				0
12	CTG, 5.56MM TRACER M16-A2	16,190	4,929				0		0		0				0
13	CTG, 7.62MM ALL TYPES	0	0		37,325		51,825		37,325		14,500		14,500		51,825
14	CTG, 7.62MM, 4 BALL M80/1 TRCR M62 LKD	52,360	14,291				0		0		0				0
15	CTG, 7.62MM, BALL M80 LKD/M13	0	0				0		0		0				0
16	CTG, 7.62MM, LKD 4 BALL 1TRACER OHF	0	0				0		0		0				0
17	CTG, 7.62MM, BLANK M82 LKD/M13	52,683	13,010				0		0		0				0
18	CTG, CAL .45, BALL M1911	11,540	1,281	12,360	1,325	12,360	1,325	12,360	1,325		0			12,360	1,325
19	CTG, CAL .50, PLASTIC LKD 4 BALL/1 TRACE	1,810	2,267	2,765	2,980	2,765	2,980	2,765	2,980		0			2,765	2,980
20	CTG, CAL .50, LKD 4 BALL/1 TRCR W/M15A2L	0	0				0		0		0				0
21	CTG, CAL .50 BALL LKD W/M9 LINK	0	0				0		0		0				0
22	CTG, CAL .50 BLANK T928 W/M9 LK	0	0	227	198	227	198	227	198		0			227	198
23	CTG, 20MM, LKD TP-T M220 SERIES MLB M14A	3,701	12,616	1,904	6,337	1,904	6,337	1,904	6,337		0			1,904	6,337
24	CTG, 20MM, LKD 4 TP M55A2/1TP-T M220	1,388	4,041	1,004	2,871	1,004	2,871	1,004	2,871		0			1,004	2,871
25	CTG, 25MM, HEI-T M792 W/F	0	0				0		0		0				0
26	CTG, 25MM, TPT LKD M793 MLB M28	1,080	11,039	1,145	10,232	1,145	10,232	1,145	10,232		0			1,145	10,232
27	CTG, 25MM AP TRAINING RD	602	15,000	2,354	45,164	2,354	45,164	2,354	45,164		0			2,354	45,164
28	CTG, 30MM, LKD TP M788	0	0	634	6,021	634	6,021	634	6,021		0			634	6,021
29	CTG, 40MM, ALL TYPES	0	0		30,643		30,643		30,643		0				30,643
30	CTG 40MM HEDP M430	428	4,856				0		0		0				0
31	CTG 40MM TP F/MK19	2,376	28,486				0		0		0				0
32	CTG 40MM GREEN STAR PARACHUTE	128	2,267				0		0		0				0
33	CTG, 40MM, PRAC M781	1,838	3,154				0		0		0				0
34	CTG 40MM WHITE STAR CLUSTER M585 F/LCHR	277	6,505				0		0		0				0
35	CTG 40MM RED STAR PARA M662 F/LCHR M79/M	93	1,676				0		0		0				0
36	CTG, 40MM TACTICAL CS M651	146	2,563				0		0		0				0
37	CTG 60MM ILLUM XM721	48	7,787				0		0		0				0
38	CTG 60MM SMOKE WP XM722	43	4,533	36	4,061	36	4,061	36	4,061		0			36	4,061
39	CTG, 60MM, HE M720W/M734 MOF	304	26,809				0		0		0				0
40	60MM METAL PARTS	0	9,600				0		0		0				0
41	CTG 81MM ILLUM XM853	0	0				0		0		0				0
42	CTG, 81MM HE, M821	274	60,222				0		0		0				0

P-1 LINE	ITEM	FY 1988 Estimate Quantity	FY 1988 Estimate Amount	Revised FY 1989 Request Quantity	Revised FY 1989 Request Amount	House Authorization Quantity	House Authorization Amount	Senate Authorization Quantity	Senate Authorization Amount	House +/- Senate Quantity	House +/- Senate Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference Authorization Quantity	Conference Authorization Amount
43	CTG, 81MM: SMOKE, RP, XM819	0	0				0		0		0				0
44	CTG, 81MM: 1/10 RNG, PRAC,M880	34	4,830	19	4,471	19	4,471	19	4,471		0			19	4,471
45	CTG, 4.2 IN M3 M329 HE W/FUZE PD	180	19,712	200	20,000	200	20,000	200	20,000		0			200	20,000
46	CTG, 4.2 IN MORTAR ILLUMINATING	0	0	193	37,435	193	37,435	193	37,435		0			193	37,435
47	CTG, 120MM MORTAR HE, XM933	0	0				0		0		0				0
47a	CTG, 120MM MORTAR, ALL TYPES						35,000		0		35,000		35,000		35,000
48	CTG, 120MM MORTAR HE W/PD FUZE	14	4,435				0		0		0				0
49	CTG, 120MM MORTAR ILLUM, XM930	0	0				0		0		0				0
50	CTG, 120MM MORTAR SMOKE,XM929	0	0				0		0		0				0
51	CTG, 120MM MORTAR TNG 1/10	16	2,070				0		0		0				0
52	CTG, 105MM, BLANK M395	127	3,154				0		0		0				0
53	CTG, 105MM, M314A3 SER ILLUM W/F F/HOWIT	84	18,530				0		0		0				0
54	CTG, 105MM, TP-T, M490	41	4,928	120	14,893	120	14,893		0	120	14,893	(120)	(14,893)		0
55	CTG, 105MM, DS-TP M724	162	25,448	176	25,767	176	25,767	176	25,767		0			176	25,767
56	CTG, 105MM, APFSDS-T M833	51	32,526				0		0		0				0
57	CTG, 105MM, APFSDS-T, (XM900E1)	0	0				0	16	30,906	(16)	(30,906)	16	30,906	16	30,906
58	CTG, 120MM APFSDS-T M829	79	77,273	57	130,614	57	130,614	57	130,614		0			57	130,614
59	CTG, 120MM HEAT-MP-T,M830(MYP)	31	53,026	17	29,501	17	29,501	17	29,501		0			17	29,501
60	CTG, 120MM TP-T M831 (MYP)	68	63,573	50	44,240	50	44,240	50	44,240		0			50	44,240
61	CTG, 120MM TPCSDS-T, M865(MYP)	114	83,680	117	75,659	117	75,659	117	75,659		0			117	75,659
62	CTG, SUBCAL 35MM F/TANK	40	1,971	112	5,493	112	5,493	112	5,493		0			112	5,493
63	PROJ 155MM, HE, ICM, M483	235	98,735	221	103,238	221	103,238	221	103,238		0			221	103,238
64	M42/M46 GRENADE PARTS FOR M483	0	13,300				13,000		0		13,000		13,000		13,000
65	PROVE-OUT M483	0	5,600				0		0		0				0
66	PROJ, 155MM ILLUM M485 W/O FUZE	190	43,565				0		0		0				0
67	PROJ, 155MM WP SMOKE XM761/M825	65	23,404	60	19,459	60	19,459	60	19,459		0			60	19,459
68	PROJ, 155MM, HE, ADAM, M731	7	29,700	13	51,525	13	51,525	13	51,525		0			13	51,525
69	PROJ, 155MM, HE, RAAMS M718	9	16,000	19	22,300	19	22,300	19	22,300		0			19	22,300
70	PROJ, 155MM, HE, RAAMS M741	0	0	18	21,200	18	21,200	18	21,200		0			18	21,200
71	PROJ, 155MM DP BASEBLEED XM864	91	70,125	149	111,677	149	111,677	169	127,377	(20)	(15,700)	20	15,700	169	127,377
72	PROJ, 155M, HE, COPPERHEAD (EA)	2,900	117,860				0		0		0				0
73	CLASSIFIED PROJECT				[ ]		[ ]		[ ]		0				[ ]
74	PROJ, 155MM, TRAINING, M804	113	14,489	121	15,690	121	15,690	121	15,690		0			121	15,690
75	CHARGE, PROPELLING, M155MM, GREEN BAG M3	0	0				0		0		0				0
76	CHARGE, PROPELLING, 155MM, RED BAG M203	242	108,911	274	129,663	274	129,663	285	134,663	(11)	(5,000)	11	5,000	285	134,663
77	CHARGE, PROPELLING, M155MM, RED BAG M119	215	19,713	279	29,100	279	29,100	279	29,100		0			279	29,100
78	CTG, 165MM, TP M623	0	0				0		0		0				0
79	PROJ, 8-INCH, ANTI-ARMOR (SADARM) XM836	0	0				0		0		0				0
80	PROJ, 8 IN HE ICM M509A1	0	0				0		0		0				0
81	PROJ, 8 IN HE RAP M650	43	42,382	36	37,005	36	37,005	36	37,005		0			36	37,005
82	FUZE, PROXIMITY, M732	0	0				0		0		0				0
83	FUZE, PD M739/M739A1	0	0				0		0		0				0
84	FUZE, MTSQ M577/M577A1	755	43,171	75	5,644	75	5,644	75	5,644		0			75	5,644
85	FUZE, MTSQ M582/M582A1	195	11,729	132	10,329	132	10,329	132	10,329		0			132	10,329
86	FUZE, ET XM762	0	0	161	23,162	161	23,162	161	23,162		0			161	23,162
87	PRIMER, PERC, M82	1,472	2,562	362	706	362	706	362	706		0			362	706
88	TRAINING DEVICE, MINE SYSTEM	0	5,026		198		198		198		0				198

P-1				-----Revised------		-----House------		-----Senate------				---Conference---		---Conference---	
		FY 1988 Estimate		FY 1989 Request		Authorization		Authorization		House +/- Senate		Change to Request		Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
89	GROUND IMP MINE SCAT SYS AT M75(MYP)	75	15,000	24	5,023	24	5,023	24	5,023		0			24	5,023
90	CANISTER MINE PRACTICE XM88 (VOLCANO)	1	577	8	2,411	8	2,411	8	2,411		0			8	2,411
91	CANISTER MINE (VOLCANO) XM87	12	18,697	48	73,902	48	73,902	48	73,902		0			48	73,902
92	ROCKET, MTR MK22 F/MICLIC USMC M58A1	1,311	5,000	2,302	7,833	2,302	7,833	2,302	7,833		0			2,302	7,833
93	LINE CHARGE M58A3 (MICLIC)	1,975	20,573	3,679	35,724	3,679	35,724	3,679	35,724		0			3,679	35,724
94	MINE AT XM84	0	0				0		0		0				0
95	MODULAR PACK MINE SYSTEM	3,171	51,849	3,678	33,050	3,678	33,050	3,678	33,050		0			3,678	33,050
96	PURSUIT DERERRENT MUNITION (SOF)	53	12,123				0		0		0				0
97	DEMOLITION MUNITIONS & OTHER	0	28,189		22,442		22,442		22,442		0				22,442
98	LINEAR SHAPED CHARGE (SOF)	5,000	296	73,000	2,808	73,000	2,808	73,000	2,808		0			73,000	2,808
99	CTG, 105MM HERA XM913	0	0				0		0		0				0
100	LIGHTWEIGHT MULTI-PURPOSE WEAPON	74	60,136	77	71,564	77	71,564	77	71,564		0			77	71,564
101	LIGHT WGT MULTI PURPOSE SYSTEM TRNR	0	0	5,591	3,253	5,591	3,253	5,591	3,253		0			5,591	3,253
102	HYDRA 70 RKT HE W/M433 RS FUZE	18	7,786	39	16,645	39	16,645	39	16,645		0			39	16,645
103	HYDRA 70 RKT, ILLUM M257 WHD	0	0				0		0		0				0
104	HYDRA 70 RKT, SMOKE, XM264	0	0				0		0		0				0
105	HYDRA 70 RKT, MPSM PRAC M267 WHD	27	14,095	8	3,786	8	3,786		0	8	3,786	(8)	(3,786)		0
106	HYDRA 70 RKT, HE/PD (M151/M423/MK66)	21	5,899	17	5,191	17	5,191		0	17	5,191	(17)	(5,191)		0
107	HYDRA 70 RKT, XM274 SIG PRACTICE	105	30,000	154	44,340	154	44,340	154	44,340		0			154	44,340
108	GRENADE, ALL TYPES	0	1,675	0	6,886		6,886		6,886		0				6,886
109	GRENADE LNHR SMK SCR RED PHOS UK L8A3J80	0	0				0		0		0				0
110	GRENADE LAUNCHER SMK IR SCREENING M76	168	8,738				0		0		0				0
111	SIGNALS, ALL TYPES	0	15,967		1,233		1,233		1,233		0				1,233
112	SIMULATORS, ALL TYPES	0	5,406		4,083		4,083		4,083		0				4,083
113	AMMO COMPONENTS/SUPPORT, ALL TYPES	0	21,684		27,383		27,383		27,383		0				27,383
114	CAD/PAD	0	4,731		6,778		6,778		6,778		0				6,778
115	ITEMS LESS THAN $2.0M (MISC-AMMO)	0	7,295		10,947		10,947		10,947		0				10,947
116	SPARES AND REPAIR PARTS	0	986		2,483		2,483		2,483		0				2,483
117	AMMUNITION PECULIAR EQUIPMENT	0	8,870		8,940		8,940		8,940		0				8,940
118	NITROGUANIDINE (LB)	0	12,814		15,767		15,767		15,767		0				15,767
119	WAR RESERVE STOCKPILING(EXPL/PROPELLANTS	0	0		35,000		35,000		35,000		0		(35,000)		0
120	AMMO SWW/ELT	0	2,858		2,781		2,781		2,781		0				2,781
121	HOST NATION SUPPORT	0	0		29,105		29,105		29,105		0				29,105
122	PROVISION OF INDUSTRIAL FACILITIES	0	137,561		172,831		172,831		172,831		0				172,831
123	COMPONENTS FOR PROVE-OUT	0	8,264		14,403		14,403		14,403		0				14,403
124	LAYAWAY OF INDUSTRIAL FACILITIES	0	19,417		19,623		19,623		19,623		0				19,623
125	RDX FACILITY	0	262,700				0		0		0				0
126	JEFFERSON PROVING GROUND MODERNIZATION	0	0		993		993		993		0				993
127	MODERNIZATION PROJECTS	0	0				0		0		0				0
999	CLASSIFIED PROGRAMS	0	137,199		138,453		73,653		138,453		(64,800)		(20,100)		118,353
	AMMUNITION-GENERAL INCREASE						25,000		0		25,000		0		0
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	TOTAL AMMUNITION ARMY		2,273,592		2,007,800		2,051,600		2,035,536		16,064		56,236		2,064,036

OTHER PROCUREMENT, ARMY

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $4,774 million for Army other procurement. The House bill would authorize $4,242.8 million. The Senate amendment would authorize $4,781.2 million. The conferees recommend authorization of $4,580.3 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1 LINE	ITEM	FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	OTHER PROCUREMENT, ARMY														
	TACTICAL AND SUPPORT VEHICLES														
1	TACTICAL TRAILERS/DOLLY SETS	0	26,399		21,697		21,697		21,697		0				21,697
2	MOTORCYCLE, GEO, 2W, ROUGH TERRAIN	2,117	7,648	1,138	4,271	1,138	4,271		0	1,138	4,271		0	1,138	4,271
3	SEMITRAILER FB BB/CONT TRANS 22 1/2 T	687	10,296	1,720	25,764	1,720	25,764	1,720	25,764		0			1,720	25,764
4	SEMITRAILER FB BB/CONT TR 34T M872 C/S	0	0	68	2,069	68	2,069	68	2,069		0			68	2,069
5	SEMITRAILER LB 40T M870A1 (CCE)	323	6,766	318	6,601	318	6,601	318	6,601		0			318	6,601
6	SEMITRAILER, TANK, 5000G	100	6,373	341	21,477	341	21,477	341	21,477		0			341	21,477
7	SEMITRAILER, TANK, 7500G, BULKHAUL	363	10,983	328	10,246	328	10,246	328	10,246		0			328	10,246
8	SEMITRAILER VAN ELECTRONIC 3-6T 2W M373A	0	0	209	6,009	209	6,009	209	6,009		0			209	6,009
9	SEMITRAILER VAN CGO SUPPLY 12T 4WHL M129	0	0				0		0		0				0
10	HI MOB MULTI-PURP WHLD VEH (HMMWV)(MYP)	3,824	106,233	6,360	158,415	6,360	158,415	6,360	158,415		0			6,360	158,415
11	SMALL UNIT SUPPORT VEHICLE (SUSV)	242	38,046	51	8,794	51	8,794	51	8,794		0			51	8,794
12	TRUCK, 5T, 6X6, ABT (MYP)	3,865	277,260	3,104	224,454	3,104	224,454	3,104	224,454		0			3,104	224,454
13	HEAVY EQUIP TRANSPORTER	0	0	153	46,489	153	46,489	153	46,489		0			153	46,489
14	TRUCK, 10T, 8X8, ABT	1,467	239,297	1,523	239,300	1,523	239,300	1,523	239,300		0			1,523	239,300
14a	REPEAL TRUCK LEGISLATIVE PROVISION				[-239,300]		0		0		0				0
15	TRUCK, TRACTOR, LINE HAUL, M915A1	377	20,700	288	23,151	288	23,151	288	23,151		0			288	23,151
16	MODIFICATION OF IN-SERVICE EQUIPMENT	0	1,961		100		100		100		0				100
17	SHOP EQUIPMENT, AUTO MAINT & REP	144	1,176	211	1,872	211	1,872	211	1,872		0			211	1,872
18	ITEMS LESS THAN $2.0M (TAC VEH)	0	1,908		569		569		569		0				569
19	PASSENGER CARRYING VEHICLES	382	11,570	185	2,197	185	2,197	185	2,197		0			185	2,197
20	GENERAL PURPOSE VEHICLES	660	13,434	23	1,286	23	1,286	23	1,286		0			23	1,286
21	TRUCK, CARGO, PICKUP, 4X2	454	4,021	45	400	45	400	45	400		0			45	400
22	TRUCK, CARRYALL	264	3,628	21	300	21	300	21	300		0			21	300
23	SPECIAL PURPOSE VEHICLES	206	7,157	783	13,824	783	13,824	783	13,824		0			783	13,824
24	SPARES AND REPAIR PARTS	0	48,300		75,696		75,696		75,696		0		(33,000)		42,696
25	PRODUCTION BASE SUPPORT (TAC)	0	1,765		690		690		690		0				690
	NBC VEHICLE						0		0		0		10,000		10,000
	COMMUNICATIONS AND ELECTRONICS EQUIPMENT														
26	JCSE EQUIPMENT (CINCFOR)	0	3,689		43,029		43,029		43,029		0				43,029
27	CLASSIFIED PROJECT 9WW	0	9,709		7,627		7,627		7,627		0				7,627
28	TRI-TAC EQUIPMENT	0	145,500		115,731		43,631		115,731		(72,100)		(36,200)		79,531
29	RPTR/TERM ASSMBLGS	0	0				0		0		0				0
30	RADIO TERMINALS AN/TRC-170	0	0				0		0		0				0
31	MAINTENANCE SYSTEM AN/ARM-164	0	0				0		0		0				0
32	COM SYS CON EL AN/TYQ-16	0	0				0		0		0				0
33	ANDVT-TAC TERM, CV-3591	0	0				0		0		0				0
34	MOB SUBSCRIBER EQUIP	0	1,079,800		995,700		995,700		995,700		0				995,700
35	MOD OF IN-SVC EQ (TRI-TAC)	0	12,426		23,077		23,077		23,077		0				23,077
36	SINCGARS FAMILY	0	23,499		267,177		113,177		267,177		(154,000)		(44,300)		222,877
37	HAND CRANK GENERATOR, G-76	0	0				0		0		0				0

				-----Revised------		-----House------		-----Senate------				---Conference---		---Conference---	
P-1		FY 1988 Estimate		FY 1989 Request		Authorization		Authorization		House +/- Senate		Change to Request		Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
38	IMP HF RADIO FAMILY	0	7,000				0		0		0				0
39	OPTICAL LONG HAUL TRAN SYS	0	9,906				0		0		0				0
40	POWER SUPPLY, PP-6148/U (SOF)	0	2,160				0		0		0				0
41	SOF MOD RADIOS (SOF)	0	2,485		6,334		6,334		6,334		0				6,334
42	ANTENNA GROUP OE-254	9,000	5,049				0		0		0				0
43	SMALL UNIT TRANSCEIVER	2,442	4,546	2,894	4,692	2,894	4,692	2,894	4,692		0			2,894	4,692
44	SMALL UNIT TRANSCEIVER (SOF)	61	114	61	99	61	99	61	99		0			61	99
45	MOD OF IN-SVC EQUIP (CSC)	0	955		6,303		6,303		6,303		0				6,303
46	SWASIA COMM INFRASTRUCTURE	0	31,455		11,513		11,513		11,513		0				11,513
47	ITEMS LESS THAN $2.0M (CSC-C-E)	0	5,602		2,728		2,728		2,728		0				2,728
48	SOF ITEMS UNDER $2.0 MILLION (CSC-C-E)	0	1,400		1,000		1,000		1,000		0				1,000
49	SPEC OPS COMM SUP ELMT (SOF)	0	0				0		0		0				0
50	AR TELECOM AUTO PR (ATCAP)	0	5,436		4,573		4,573		4,573		0				4,573
51	C-E FACILITIES/PROJECTS	0	4,660		2,912		2,912		2,912		0				2,912
52	SOUTHCOM C3 UPGRADE	0	8,107				0		0		0				0
53	ELECTROMAG COMP PROG(EMCP)	0	0				0		0		0				0
54	TRANSMISSION MEDIA (EUCOM)	0	0				0		0		0				0
55	TRANSMISSION MEDIA (PACOM)	0	0				0		0		0				0
56	WW TECH CON IMP PR(WWTCIP)	0	0				0		0		0				0
57	DIGITAL EQUIPMENT (DSCS)	0	14,271		7,000		7,000		7,000		0				7,000
58	INTERCONNECT FACILITY (DSCS)	0	3,787		3,000		3,000		3,000		0				3,000
59	JAM RESISTANT SECURE COM (JRSC)	0	8,931		3,000		3,000		3,000		0				3,000
60	DSCS OPERATIONS CONTROL SYS (DOCS)	0	63,299		42,442		42,442		42,442		0				42,442
61	MOD IN-SVC EQUIP (DSCS)	0	1,262		3,300		3,300		3,300		0				3,300
62	MPK SAT UHF TERM, AN/PSC-3 (SOF)	202	4,078	52	1,291	52	1,291	52	1,291		0			52	1,291
63	VEH SAT UHF TERM, AN/VSC-7 (SOF)	30	1,128	16	588	16	588	16	588		0			16	588
64	SINGLE CHANNEL OBJECT TACT TERM (SCOTT)	0	1,165	18	55,100		0	18	55,100	(18)	(55,100)		(18,600)	18	36,500
65	MOD IN-SVC EQUIP (TAC SAT)	0	3,398		3,422		3,422		3,422		0				3,422
66	EUCOM C3 (MWS)	0	16,213				0		0		0				0
67	PACOM C3(MWS)	0	19,417				0		0		0				0
68	EUCOM ALTERNATE SPT HQ (ASH)	0	0				0		0		0				0
69	USAREUR TACTICAL COMD & CONTROL SYS(UTAC	0	9,126		5,845		5,845		5,845		0				5,845
70	IFF COMSEC	0	4,466		4,791		4,791		4,791		0				4,791
71	TRUNK ENCRYPTION DEVICES (TED)	0	9,999		6,626		6,626		6,626		0				6,626
72	MINTERM KY-99	0	0				0		0		0				0
73	BATTLEFIELD ELEC COEI SYS (BECS)	0	0		22,903		22,903		22,903		0				22,903
74	AUTO KEY DC KGX-93/TSEC	0	1,068		978		978		978		0				978
75	SEC VO IMPRV PRG (COMSEC)	0	19,029		22,700		22,700		22,700		0				22,700
76	DED LOOP ENCRYP DEV KG-84	0	16,407		8,621		8,621		8,621		0				8,621
77	TNK ENCRP DEV TSEC/KG-93	0	0				0		0		0				0
78	TSEC/KG-94	0	0				0		0		0				0

P-1 LINE	ITEM	FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
79	ADDS COMSEC KEY GENERATOR (KG-87)	0	0		294		294		294		0				294
80	COMSEC MODULE, TSEC/KGV-13	0	5,000		6,160		6,160		6,160		0				6,160
81	FREQ MODULE, KGV-10/TSEC	19,184	8,505	31,395	10,837	31,395	10,837	31,395	10,837		0			31,395	10,837
82	TEMPEST (COMSEC)	0	1,165				0		0		0				0
83	ADDS COMSEC KOK-13	0	194		98		98		98		0				98
84	ADDS COMSEC SECURE MODULE (THORNTON KGV-	0	0				0		0		0				0
85	TSEC/KGV-11/SECURE MODULE	0	388				0		0		0				0
86	ITEMS UNDER $2.0 MILLION (COMSEC)	0	3,862		3,125		3,125		3,125		0				3,125
87	ITEMS UNDER $2.0 MILLION (COMSEC) SOF	0	200		200		200		200		0				200
88	INFORMATION SYSTEMS CONUS/WESTERN HEMISP	0	20,000		14,058		14,058		14,058		0				14,058
89	LOCAL AREA NETWORK (LAN)	0	0				0		0		0				0
90	INFORMATION SYSTEMS (EUCOM)	0	8,738		3,890		3,890		3,890		0				3,890
91	INFORMATION SYSTEMS (PACOM)	0	7,961		7,018		7,018		7,018		0				7,018
92	ARMY OPNS CTR	0	0				0		0		0				0
93	PENTAGON TELECOM CTR (PTC)	0	0				0		0		0				0
94	CALIBRATION SETS EQUIPMENT	0	17,461		21,852		21,852		21,852		0				21,852
95	TMDE MODERNIZATION	0	14,951		16,826		16,826		16,826		0				16,826
96	4TH PSYOP GROUP (SOF)	0	12,136		11,245		11,245		11,245		0				11,245
97	ALL SOURCE ANALYSIS SYSTEM (ASAS)-TIARA	0	34,600		23,143		23,143		23,143		0				23,143
98	SINGLE SOURCE PROCESSOR - SIGINT	0	3,810		4,610		4,610		4,610		0				4,610
99	HIGH FREQUENCY COMINT SYSTEM (HF COMINT)	0	0	1	27,156	1	27,156	1	27,156		0			1	27,156
100	COMMANDERS TACTICAL TERMINAL	0	12,388		22,980		0		22,980		(22,980)		(4,000)		18,980
101	TRAILBLAZER	0	0				0		0		0				0
102	TAC ELEC SURV SYS	0	3,397		4,693		0		4,693		(4,693)		0		4,693
103	MANPACK RADIO SYSTEM (MRDFS)	2	5,243	42	11,930	42	11,930	42	11,930		0			42	11,930
104	MOD IN-SVC EQ (INT SPT) TIARA	0	18,238		38,192		38,192		38,192		0				38,192
105	ITEMS LESS THAN $2.0M (INT SPT-C-E)	0	4,923		675		675		675		0				675
106	FT DEVENS TRAINING SUPPORT	0	0				0		0		0				0
107	TROJAN	0	25,436		4,470		4,470		4,470		0				4,470
108	ITEMS LESS THAN $2.0M (FCI/S&IA-C-E)	0	6,192		588		588		588		0				588
109	INTEL DATA HANDLING SYS (IDHS)	0	25,151		16,305		13,771		16,305		(2,534)		0		16,305
110	TECH RECON AND SURV SYS (TECRAS)	0	0				0		0		0				0
111	ITEMS LESS THAN $2.0M (FCI/S&IA-C-E)	0	0				0		0		0				0
112	ITEMS LESS THAN $2.0M (GDIP-C-E)	0	1,300		1,300		1,300		1,300		0				1,300
113	STARNET/VIABLE	0	0		9,041		9,041		9,041		0		(7,041)		2,000
114	BATTERY COMPUTER SYSTEM	0	0				0		0		0				0
115	AMC INFORMATION PROCESSING EQUIPMENT	0	13,000		25,723		13,023		25,723		(12,700)		(12,700)		13,023
116	ADV FIELD ARTILLERY TACT DATA SYS	0	26,000		57,715		0		0		0		(57,715)		0
117	ARMY DATA DISTRIBUTION SYSTEM-ADDS	0	100,000		74,491		17,491		74,491		(57,000)		(20,000)		54,491
118	TRADOC AUTOMATION	0	2,342		467		467		467		0				467
119	USAREUR TACTICAL AUTOMATION	0	0				0		0		0				0
120	LIFE CYCLE SOFTWARE SUP. (LCSS)	0	9,174		9,240		9,240		9,240		0				9,240
121	ADPE FOR NON TAC MGT INFO SYS	0	335				0		0		0				0
122	SUPERCOMPUTERS	0	40,078				0		0		0				0

P-1		FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
123	PROJECT 80X PHASE II	0	0				0		0		0				0
124	TRANS OF PERS PROP	0	0				0		0		0				0
125	EUSA-C3I INITIATIVES	0	0		8,605		8,605		8,605		0				8,605
126	STD ARMY AUTO CONTRACT SYS	0	0				0		0		0				0
127	HQ AUTOMATION SYSTEMS	0	20,389		9,206		9,206		9,206		0				9,206
128	IPE STAIRS	0	0				0		0		0				0
129	MEDICAL AUTOMATION SYSTEMS	0	2,233		1,564		1,564		1,564		0				1,564
130	PERSONNEL AUTOMATION SYSTEMS	0	10,000		11,288		11,288		11,288		0				11,288
131	TRAINING AUTOMATION SYSTEMS	0	2,427				0		0		0				0
132	LOGISTICS AUTOMATION SYSTEMS	0	9,529		7,433		7,433		7,433		0				7,433
133	RESERVE COMPONENT AUTOMATION SYSTEMS	0	23,100		34,700		34,700		12,500		22,200				34,700
134	FORWARD ENTRY DEVICE	0	22,815		17,800		17,800		17,800		0				17,800
135	MANUEVER CONTROL SYS	0	96,113		9,681		9,681		9,681		0				9,681
136	CORPS/THEATER ADP SVC CTR (CTASC)	0	9,475		7,601		7,601		7,601		0				7,601
	UNDISTRIBUTED REDUCTION, ADP												(22,200)		(22,200)
137	TACT ARMY CMBT COMPT SY(TACCS)	1,539	30,781	65	1,349	65	1,349	65	23,549		(22,200)		22,200	65	23,549
138	FWD AREA AIR DEFENSE CMD & CTL (FAAD C2)	0	0				0		0		0				0
139	POSITIVE HOSTILE ID	0	0		9,000		9,000		9,000		0				9,000
140	CSS LOG APPLC AUTO MARK/READ SYMBS(LOG M	0	21,222		7,533		7,533		7,533		0				7,533
141	WWMCCS INFORMATION SYSTEM (WIS)	0	2,445		18,329		18,329		18,329		0				18,329
142	AFRTS (AUDIO VISUAL)	0	5,049		5,258		5,258		5,258		0				5,258
143	ITEMS LESS THAN $2.0 (A/V-C-E)	0	9,126		5,169		5,169		5,169		0				5,169
144	TACTICAL ELEC NEWS GATHERING EQUIP	0	2,955		1,956		1,956		1,956		0				1,956
145	TACJAM, AN/MLQ-34	0	0				0		0		0				0
146	TACTICAL DECEPTION (TAC-D)	0	0		4,791		4,791		4,791		0				4,791
147	MOD IN-SVC EQUIP (EW)	0	2,815		11,343		11,343		11,343		0				11,343
148	ITEMS LESS THAN $2.0M (EW-C-E)	0	777		880		880		880		0				880
149	BATTERY CHARGER PP-7286/U	442	1,941				0		0		0				0
150	POWER SUPPLY, PP-6224	1,938	3,200	1,938	3,200	1,938	3,200	1,938	3,200		0			1,938	3,200
151	COMPUTER/INDICATOR, CP-696/PD	696	3,800	1,260	6,400	1,260	6,400	1,260	6,400		0			1,260	6,400
152	METEROLOGICAL DATA SYS (FAMAS)	2	1,068	5	4,000	5	4,000	5	4,000		0			5	4,000
153	PHYSICAL SECURITY EQUIPMENT	0	5,817		16,272		16,272		16,272		0				16,272
154	FACILITY INTRUSION DETECTION SYSTEM	1	5,339	6	10,316	6	10,316	6	10,316		0			6	10,316
155	NAVSTAR USER EQUIPMENT	0	23,787		14,783		14,783		14,783		0				14,783
156	POSITION AZIMUTH DETERMINING SYS (PADS)	68	21,650	74	15,400	74	15,400	74	15,400		0			74	15,400
157	NIGHT VISION GOGGLES	0	138,100		55,100		55,100		138,100		(83,000)		83,000		138,100
158	AIMING LIGHT INFRARED, AN/PAQ-4	0	1,456		1,956		1,956		1,956		0				1,956
159	NIGHT VISION SIGHT INDIV WPN AN/PVS-4	4,696	12,709	5,350	14,100	5,350	14,100	5,350	14,100		0			5,350	14,100
160	RADIAC SET AN/VDR-2	3,000	5,145	1,441	2,862	1,441	2,862	1,441	2,862		0			1,441	2,862
161	RPV TA/DESIGN AERIAL RECON SYS (TADARS)	0	0				0		0		0				0
162	UNMANNED AERIAL VEHICLE FAMILY	0	0				0		0		0				0
163	MULTI RADAR TRANSPONDER BECON (SOF)	0	0	57	4,401	57	4,401	57	4,401		0			57	4,401
164	JOINT STARS (ARMY)	0	31,892		37,860		0		0		0		(37,860)		0
165	ELECTRONIC MAINTENANCE SHOPS	0	11,553		3,716		3,716		3,716		0				3,716
166	TEST SET, RADAR, AN/TPM-25	78	2,524				0		0		0				0
167	MODIFICATION OF IN-SERVICE EQ (TAC EL)	0	32,500		26,700		26,700		26,700		0				26,700
168	OTHER ELECT SYS/EQUIP - TACTICAL ELEC	0	6,408		6,356		6,356		6,356		0				6,356

P-1		FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
169	INTERMEDIATE FORWARD TEST EQUIP	0	27,572		34,914		34,914		34,914		0				34,914
170	TMDE FOR STE/ICE	367	2,233	300	1,761	300	1,761	300	1,761		0			300	1,761
171	CORE ELECTRONIC AUTO TEST (STE-X)	0	0				0		0		0				0
172	SIMPLIFIED TEST EQUIP (ICE/EXPANDABLE)	26	2,039	39	2,737	39	2,737	39	2,737		0			39	2,737
173	SPARES AND REPAIR PARTS	0	418,355		344,403		344,403		344,403		0		(14,038)		330,365
174	SPARES AND REPAIR PARTS	0	0				0		0		0				0
175	SPARES AND REPAIR PARTS	0	0				0		0		0				0
176	SPECIAL PROGRAMS	0	196,200		73,534		73,534		73,534		0				73,534
177	PRODUCTIVITY INVESTMENT FUNDING	0	25,166				0		0		0				0
178	PR ENH CAP INV PR/QWK RT INV PR(PECIP/QR	0	8,771		7,100		7,100		7,100		0				7,100
179	PRODUCTION BASE SUPPORT (C-E)	0	5,243		7,400		7,400		7,400		0				7,400
	PRIOR YEAR TRANSFER, TRI-TAC						(33,300)		0		(33,300)		0		0
OTHER SUPPORT EQUIPMENT															
180	REMOTE SENSING CHEMICAL ALARM (XM21)	0	0				0		0		0				0
181	DECONTAMINATE APP PWR DR LT WT XM17	274	3,949	298	5,017	298	5,017	298	5,017		0			298	5,017
182	NONAQUEOUS EQUIP DECON SYSTEM(NAEDS)	0	0				0		0		0				0
183	MASK, PROTECTIVE, NBC	0	51,036		5,700		4,500		5,700		(1,200)		(1,200)		4,500
184	CHEMICAL AGENT MONITOR	1,557	12,000	1,497	9,779	1,497	9,779	1,497	9,779		0			1,497	9,779
185	SIMP COLL PROT EQUIP XM20	526	4,245	580	4,747	580	4,747	580	4,747		0			580	4,747
186	GEN SET, SMOKE, MECH: PUL JET,XM157	0	0				0		0		0				0
187	RIBBON BRIDGE ERECTION BOAT	0	18,888				0		0		0				0
188	BRIDGE, FLOAT-RIBBON, INTERIOR BAY	0	202				0		0		0				0
189	BRIDGE, FLOAT-RIBBON, RAMP	0	197				0		0		0				0
190	BRIDGE, FLOAT-RIBBON, TRANSPORTER	110	10,879				0		0		0				0
191	LAUNCHER, LIGHT ASSAULT BRIDGE	0	0				0		0		0				0
192	LIGHT ASSAULT BRIDGE	0	0				0		0		0				0
193	ITEMS LESS THAN $2.0M(BRIDGING)	0	105		693		693		693		0				693
194	GEMSS AUX MINE DISPNSR XM138 (FLIPPER)	0	0				0		0		0				0
195	DISPENSER MINE XM139	0	0	64	5,043	64	5,043	64	5,043		0			64	5,043
196	MIXING AND PUMPING UNIT (TEXS)	48	8,884				0		0		0				0
197	MARKING SYS, CLEAR LANE	25	1,283	47	1,768	47	1,768	47	1,768		0			47	1,768
198	DETECTING SET, MINE, AN/PSS-12	5,650	4,837	4,523	3,758	4,523	3,758	4,523	3,758		0			4,523	3,758
199	MINE PLOW(BLADE)	150	9,000	140	8,293	140	8,293	140	8,293		0			140	8,293
200	MINE CLEARING ROLLER	42	3,060	23	1,413	23	1,413	23	1,413		0			23	1,413
201	CONTROL REMOTE LANDMINE SYSTEM XM71	2,695	9,280				0		0		0				0
202	SURVEY SET DISTANCE MEASURING INFRARED	0	0				0		0		0				0
203	M-9 ARMORED COMBAT EARTHMOVER (ACE)	127	63,054	132	61,982	132	61,982	132	61,982		0			132	61,982
204	ITEMS LESS THAN $2.0M(ENG NON-CONST)	0	1,743		1,323		1,323		1,323		0				1,323
205	AIR CONDITIONERS VARIOUS SIZE/CAPACITY	0	15,004		9,822		9,822		9,822		0				9,822
206	FIELD KITCHEN, MOBIBLE, TRL MTD	969	15,499	952	15,822	952	15,822	952	15,822		0			952	15,822
207	MODULAR FIELD KITCHEN	0	0	73	1,978	73	1,978	73	1,978		0			73	1,978

P-1		FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
208	DIVING EQUIPMENT	0	3,751		2,868		2,868		2,868		0				2,868
209	FIRETRUCKS	0	13,228		4,646		4,646		4,646		0				4,646
210	HEATER DUCT TYPE, 250,000/400,000 BTU	400	2,962	424	1,978	424	1,978	424	1,978		0			424	1,978
211	LAUNDRY UNIT/TRL MTD	89	5,824	87	5,933	87	5,933	87	5,933		0			87	5,933
212	TAG PRINTING AND BINDING EQUIPMENT	0	0		2,600		2,600		2,600		0				2,600
213	ITEMS LESS THAN $2.0M (CSS-EQ)	0	6,872		13,079		13,079		13,079		0				13,079
214	ITEMS UNDER $2.0 MILLION (CSS-EQ) SOF	0	0		40		40		40		0				40
215	MOD IN-SVC EQUIP (CSE)	0	4,936		664		664		664		0				664
216	TANK ASSEMBLY FAB COLL POL 50000 GAL	382	3,898	340	3,659	340	3,659	340	3,659		0			340	3,659
217	FORWARD AREA REFUELING EQUIPMENT (FARE)	0	0				0		0		0				0
218	TANK ASSEMBLY FAB COLL POL 10000 GAL	462	4,235	634	5,636	634	5,636	634	5,636		0			634	5,636
219	TANK ASSEMBLY FAB COLL POL 20000 GAL	0	0				0		0		0				0
220	TANK/PUMP UNIT LIQ DISP F/TRK MOUNTING	478	4,412	537	5,143	537	5,143	537	5,143		0			537	5,143
221	LABORATORY, PETROLEUM, SEMI-TRLR MTD	2	1,679	2	1,582	2	1,582	2	1,582		0			2	1,582
222	PUMP ASSY LIQ GAS WHL 4 IN OUT 350 GPM	259	2,764				0		0		0				0
223	SWA PETROLEUM DISTRIBUTION SYSTEM	0	41,771		39,022		39,022		39,022		0				39,022
224	ITEMS LESS THAN $2.0M (POL)	0	5,035		3,185		3,185		3,185		0				3,185
225	WATER PURIF UNIT REV OS 3000 GPH	49	20,336	30	11,700	30	11,700	30	11,700		0			30	11,700
226	WATER PUR UNIT REV OS 3000 GPH TRK MTD	0	0				0		0		0				0
227	WATER PUR UNIT REV OSMOSIS 600GPH	114	11,451				0		0		0				0
228	TACTICAL WATER DISTR SYS	18	9,180				0		0		0				0
229	TANK FABRIC COLL WTR 3000 GAL (ONION)	0	0	1,349	2,373	1,349	2,373	1,349	2,373		0			1,349	2,373
230	SMALL MOBILE WATER CHILLER (SMWC)	0	0				0		0		0				0
231	PUMP CENTRIFUGAL, 65GPM	810	1,580				0		0		0				0
232	ITEMS LESS THAN $2.0M (WATER EQ)	0	3,850		3,066		3,066		3,066		0				3,066
233	DEPLOYABLE MEDICAL SYSTEM (DMS)	0	0				0		0		0				0
234	COMBAT SUPPORT MEDICAL EQUIPMENT	0	118,896		106,992		106,992		106,992		0				106,992
235	MEDICAL SUPPORT EQUIPMENT	0	60,004		58,300		58,300		58,300		0				58,300
236	WELDING SHOP, TRAILER MTD	0	0	171	4,351	171	4,351	171	4,351		0			171	4,351
237	CLOTHING REPAIR SHOP TRL MTD	0	0				0		0		0				0
238	SHOP EQ ELECTRICAL RPR SEMI-TRL MTD	66	9,600		500		500		500		0				500
239	STEAM CLEANER	170	1,974				0		0		0				0
240	SHOP EQ, CANVAS AND GLASS SHELTER	57	5,232				0		0		0				0
241	BUILDING, PRE-FAB, RELOCATABLE	0	0				0		0		0				0
242	CALIBRATION SET SUPPORT	0	0				0		0		0				0
243	ITEMS LESS THAN $2.0M (MAINT EQ)	0	2,764		1,286		1,286		1,286		0				1,286
244	DISTRIBUTER, WATER SP MIN 2500G SEC	22	5,627				0		0		0				0
245	DIST, WATER, 6000G, SEMI-TRL MTD (CCE)	49	3,356				0		0		0				0
246	TRACTOR FULL TRACKED LOW SPEED DD MED	0	0				0		0		0				0
247	SMALL EMPLACEMENT EXCAVATOR (SEE)	382	29,700	332	32,588	332	32,588	332	32,588		0			332	32,588
248	CRANE, WHEEL MTD, 25T, 3/4 CU YD, RT	0	0				0		0		0				0

P-1		FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
249	MOD IN-SVC EQ (CONST EQUIP)	0	198		198		198		198		0				198
250	ITEMS LESS THAN $2.0M (CONST EQUIP)	0	8,908		11,290		11,290		11,290		0				11,290
251	LANDING, CRAFT, UTILITY	6	24,600	12	46,700	12	46,700	12	46,700		0			12	46,700
252	TUG, HARBOR, INLAND WATERWAYS	0	0				0		0		0				0
253	TUG INLAND AND COASTAL WATERWAYS	0	0				0		0		0				0
254	CAUSEWAY STSTEMS	0	0		2,966		2,966		2,966		0				2,966
255	MOD IN-SVC EQ (FLOAT/RAIL)	0	4,344		3,254		3,254		3,254		0				3,254
256	ITEMS LESS THAN $2.0M (FLOAT/RAIL)	0	3,356		2,966		2,966		2,966		0				2,966
257	GENERATORS AND ASSOCIATED EQUIP	0	44,248		29,637		29,637		29,637		0				29,637
258	TRUCK, FORK LIFT, CBD, PT, 4000 LB	423	8,391				0		0		0				0
259	TRUCK FORK LIFT CBD PT 4000 LB	0	0				0		0		0				0
260	TRUCK, FORK LIFT, DE, PT, RT, 6000 LB	237	18,164	271	21,459	271	21,459	271	21,459		0			271	21,459
261	TRUCK, FORK LIFT, DE, PT, RT, 4000 LB	57	3,751				0		0		0				0
262	TRUCK, FORK LIFT, ELEC, SRT, 4000 LB	0	0				0		0		0				0
263	65 TON CRANE	119	24,849	30	6,276	30	6,276	30	6,276		0			30	6,276
264	ITEMS LESS THAN $2.0M (MHE)	0	2,666		1,187		1,187		1,187		0				1,187
265	SPARES AND REPAIR PARTS	0	51,200		48,209		48,209		48,209		0				48,209
266	AREA ORIENTED DEPOT UPGRADE	0	0		4,000		4,000		4,000		0				4,000
267	VALUE ENGINEERING (VE)	0	0				0		0		0				0
268	PRODUCTION BASE SUPPORT (OTH)	0	7,460		6,095		6,095		6,095		0				6,095
269	OSD PRODUCTIVITY INVESTMENT FUNDING	0	3,353		23,379		23,379		23,379		0				23,379
270	SPECIAL EQUIPMENT FOR USER TESTING	0	17,177		14,833		14,833		14,833		0				14,833
271	HOST NATION SUPPORT - EUROPE	0	38,276		57,354		57,354		57,354		0				57,354
272	NATIONAL TRAINING CTR SUP	0	34,649		25,687		25,687		25,687		0				25,687
273	TRAINING DEVICES, NONSYSTEM	0	137,882		103,799		103,799		103,799		0				103,799
274	NON-CENTRALLY MANAGED ITEMS	0	19,823		39,530		19,530		39,530		(20,000)		(20,000)		19,530
	SIMULATION NETWORK (SIMNET)						0		24,000		(24,000)		20,000		20,000
	TOTAL OTHER PROCUREMENT ARMY		5,112,707		4,774,000		4,242,818		4,781,154		(538,336)		(193,654)		4,580,346

Motorcycles

The amended budget request contained $4.3 million for motorcycles for the Army.

The House bill would authorize the amount requested. The House report (H. Rept. 100-563) also directed that the competition for motorcycles be concluded and a contract awarded by March 1, 1989.

The Senate amendment would deny any procurement for motorcycles.

The Senate recedes. The conferees acknowledge that the Army has had ample opportunity to conduct the competition and directs that it be resolved, and a contract awarded, not later than March 1, 1989.

High mobility multi-purpose wheeled vehicle

The amended budget request contained $158.4 million to procure high mobility multi-purpose wheeled vehicles..

Both the House bill and the Senate amendment would authorize the requested amount.

The conferees note that the Army was authorized last year to enter into a five-year multiyear contract for the high mobility multi-purpose wheeled vehicle program. The conferees understand that fiscal pressures within the Army have raised questions on whether it is possible to proceed with that multiyear contract. The conferees remain committed to the previous multiyear contract and expect the Army to proceed with that acquisition approach.

TRI-TAC equipment

The amended budget request contained $115.7 million for procurement of TRI-TAC equipment.

The House bill would reduce the request to $43.6 million and delete the fiscal year 1988 authorization of $33.3 million.

The Senate amendment would authorize the amount requested.

The conferees recommend authorization of $79.531 million for the procurement of TRI-TAC equipment in fiscal year 1989 and retention of the $33.3 million authorized in fiscal year 1988.

The conferees question the Army's current plan to introduce competition in the program, and encourage the Under Secretary of Defense of Acquisition to review the plan for competition. The conferees also note that much of the equipment planned for procurement under the TRI-TAC program is equipment currently being procured under the Mobile Subscriber Equipment (MSE) contract. The conferees direct that the Army may not procure any item of equipment under the TRI-TAC program that is also being procured under the MSE program at a price higher than permitted under the MSE contract if it is to be procured from the same vendors.

SINCGARS

The amended budget request contained $267.2 million for 16,000 SINCGARS radios, including 9,500 radios with embedded communication security (ICOM).

The House bill would reduce the request to $154 million.

The Senate amendment would authorize the requested amount.

The House recedes with an amendment.

The conferees agree to authorize $222.8 million to purchase SINCGARS radios. The conferees also direct the Marine Corps (sec. 112) to obligate $29.3 million in prior year funds to procure SINCGARS radios. Finally, the conferees agree to reduce the request by $10 million due to availability of prior-year funds resulting from contract savings. Therefore, options three and four of the current procurement contract for SINCGARS will not require renegotiation.

The amended budget request for fiscal year 1989 is based on full-rate production of 16,000 SINCGARS radios. The conferees want to ensure that testing demonstrates that SINCGARs radios meet operational requirements before the Army enters full-rate production. The conferees understand that a review by the Defense Acquisition Board will occur prior to award of the full-rate production option. Consistent with the Defense Department's proposed review, the conferees direct that fiscal year 1989 procurement funds not be obligated until the Committees on Armed Services of the Senate and House of Representatives receive a certification by the Director of Operational Test and Evaluation that testing has demonstrated that each version of the radio meets all operational reliability requirements. The required certifications for the two versions of SINCGARs may be submitted independently.

The conferees also understand that the Army has selected a second source producer of SINCGARs radios. The radio design of the second source producer is substantially different from the current production design. The conferees emphasize that the Army may not obligate funds for any second source SINCGARs radio that is not fully and completely interoperable with the existing SINCGARs radio, to include the embedded secure communication operations.

Single channel objective tactical terminal

The amended budget request contained $55.1 million for procurement of 15 Single Channel Objective Tactical Terminals (SCOTT) and refurbishment of 15 engineering models to production line quality.

The House bill would deny authorization of the requested amount.

The Senate amendment would authorize the full request.

The conferees recommend authorization of $36.5 million for production of at least 13 production SCOTT AN/TSC-124 MILSTAR terminals, logistics support of engineering development models (EDMs), and continued MILSTAR sytstem engineering support.

Although the conferees support the total MILSTAR program, they are concerned about the relative priority accorded these systems by the Services and the total number of terminals required. The conferees direct that the Secretary of Defense submit with the next budget submission a report to the Committees on Armed Services of the Senate and House of Representatives describing the total Department of Defense requirement for SCOTT terminals and the priority for those systems.

Commanders' Tactical Terminals

The amended budget request contained $22.98 million for the Commanders' Tactical Terminals (CTT).

The House bill would deny the requested amount due to concerns expressed about the conduct and results of recent multi-Service tests on the system, and because of apparent Air Force reticence in supporting the program.

The Senate amendment would authorize the requested amount.

The conferees understand that the Air Force has reduced its planned procurement quantities of the CTT, but note that Air Force support has not otherwise changed. However, it makes sense for the Army to take the lead in the program due to its much larger buy and the fact that it will be responsible for supporting the system once fielded. The conferees believe the test results support a low-rate initial production (LRIP) decision to support an initial operational test and evaluation (IOT&E). The terminals requested by the Army will also permit the Army to replace units in Europe to provide a limited operational capability, which is desirable given the delivery schedule of the GUARDRAIL Common Sensor, the availability of the TR-1 aircraft, and the pressing need to advance follow-on forces attack (FOFA) capabilities.

The conferees recommend an authorization of $19.07 million for this program.

Army data distribution system

The amended budget request contained $75.5 million for procurement of Army Data Distribution System (ADDS) equipment.

The House bill would authorize $17.5 million for this program.

The Senate amendment would authorize the amount requested.

The conferees recommend authorization of $54.5 million for procurement of ADDS equipment. The $20 million reduction is made without prejudice and the conferees continue to support this program.

Night vision equipment

The amended budget request contained $55.1 million for AN/PVS-7 ground night vision goggles and $23.56 million for AN/AVS-6 aviator night vision systems.

The House bill would add $38 million for AN/AVS-6 aviator night vision goggles and would approve the budget request for ground night vision goggles.

The Senate amendment would add $83 million for the AN-PVS-7 ground night vision goggles and would approve the request for AN/AVS-6 aviator night vision goggles.

The conferees recommend authorization of the budget request for aviation night vision goggles, and recommend an additional authorization of $83 million for AN/PVS-7 ground night vision goggles to ensure that the Army can fulfill its contractual obligations to fund the fifth year of awarded multiyear contracts in fiscal year 1989. Although initial deliveries under these contracts were delayed, it now appears that contractors may be delivering night vision goggles in compliance with their current contract delivery schedules.

The conferees direct, however, that the additional $83 million not be obligated until the Secretary of the Army certifies to the Congress that obligation of these funds is required based on actual contractor performance in meeting all contractually required delivery schedules and performance specifications within total contract costs.

If such a certification cannot be made, the Secretary of the Army may obligate up to $38 million of these additional funds to purchase AN/AVS-6 aviation night vision goggles. Prior to obligating these additional funds for the AN/AVS-6 goggles, the Secretary shall notify the Committees on Armed Services of the Senate and House of Representatives.

Army tactical communications

The House report (H. Rept. 100-563) expressed concern over the Army's tactical communication and automation programs, and directed the Army to provide an analysis of total battlefield voice and data requirements by June 30, 1988.

The Senate report (S. Rept. 100-326) contained no similar direction.

The conferees concur that the Army should outline its requirements and plans, and direct that the report be submitted with the fiscal year 1990 budget request.

Army trucks

The House report (H. Rept. 100-563) directed the Secretary of the Army to provide to the Committees on Armed Services of the Senate and House of Representatives a master plan for modernizing the truck fleet over the next decade.

The Senate report (S. Rept. 100-326) contained no similar direction.

The Senate recedes. The conferees endorse the direction included in the House report.

Logistics support vessels

In fiscal year 1987, the Army received authorization of $40 million to procure four logistics support vessels. The Army requires one additional vessel.

The House bill would authorize one additional vessel, but would authorize no funds for that purpose.

The Senate amendment would authorize the Army to procure a fifth vessel within the funds originally authorized and appropriated.

The conferees support an authorization of an additional logistics support vessel and direct that it be procured with prior-year funds that are not required for their original purpose. The Army is expected to submit a reprogramming through normal procedures.

AIRCRAFT PROCUREMENT, NAVY

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $8,980 million for Navy aircraft procurement. The House bill would authorize $9,271.5 million. The Senate amendment would authorize $9,076.2 million. The conferees recommend authorization of $9,259.3 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1		FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	AIRCRAFT PROCUREMENT, NAVY														
1	A-6 UPGRADE (ATTACK) INTRUDER	0	501,960	0			0		0		0				0
1	LESS: ADVANCE PROCUREMENT (PY)	0	(76,043)				0		0		0				0
2	ADVANCE PROCUREMENT (CY)	0	20,000				0		0		0				0
3	ATA		[ ]		[ ]		[ ]		[ ]		0				[ ]
4	EA-6B (ELECTRONIC WARFARE) PROWLER	12	452,542	9	496,270	9	421,829	12	556,970	(3)	(135,141)	3	(6,000)	12	490,270
4	LESS: ADVANCE PROCUREMENT (PY)	0	(21,342)		(22,713)		(22,713)		(22,713)		0				(22,713)
5	EA-6B ADVANCE PROCUREMENT (CY)	0	22,713		18,331		18,331		24,331		(6,000)		6,000		24,331
6	SPECIAL AIRCRAFT		[ ]		[ ]		[ ]		[ ]		0				[ ]
7	AV-8B (V/STOL) HARRIER (MYP)	24	468,630	24	549,241	24	482,689	24	578,000		(95,311)		0	24	549,241
7	LESS: ADVANCE PROCUREMENT (PY)	0	(43,018)		(70,000)		(70,000)		(150,000)		80,000		0		(70,000)
8	AV-8B ADVANCE PROCUREMENT (CY)	0	150,000		40,240		0		91,481		(91,481)		0		40,240
9	F-14A/D (FIGHTER) TOMCAT	12	775,064	12	879,323	12	879,323	12	879,323		0			12	879,323
9	LESS: ADVANCE PROCUREMENT (PY)	0	(125,100)		(84,289)		(84,289)		(84,289)		0				(84,289)
10	ADVANCE PROCUREMENT (CY)	0	84,289		84,794		84,794		114,294		(29,500)		29,500		114,294
11	F/A-18 (FIGHTER) HORNET	84	2,279,562	72	2,287,304	84	2,337,304	72	2,287,304	12	50,000	12	207,000	84	2,494,304
11	LESS: ADVANCE PROCUREMENT (PY)	0	(132,616)		(140,000)		(140,000)		(140,000)		0				(140,000)
12	ADVANCE PROCUREMENT (CY)	0	140,000		139,383		139,383		139,383		0				139,383
13	CH/MH-53E (HELO) SUPER STALLION (MYP)	14	248,875	14	241,664	14	229,581	14	241,664		(12,083)		(12,083)	14	229,581
13	LESS: ADVANCE PROCUREMENT (PY)	0	(46,188)		(46,676)		(46,676)		(46,676)		0				(46,676)
14	ADVANCE PROCUREMENT (CY)	0	21,799				9,642		0		9,642		9,642		9,642
15	V-22 OSPREY	0	0		335,332		335,332		335,332		0				335,332
16	AH-1W (HELICOPTER) SEA COBRA	34	232,382				0		0		0				0
16	LESS: ADVANCE PROCUREMENT (PY)	0	(10,904)				0		0		0				0
17	ADVANCE PROCUREMENT (CY)	0	0				0		0		0				0
18	SH-60B (ASW HELO) SEAHAWK	6	109,278	6	117,862	6	112,556	6	117,862		(5,306)		(5,306)	6	112,556
18	LESS: ADVANCE PROCUREMENT (PY)	0	(20,523)		(26,273)		(26,273)		(26,273)		0				(26,273)
19	ADVANCE PROCUREMENT (CY)	0	26,273		21,031		21,031		21,031		0				21,031
20	SH-60F (CV ASW HELO)	18	283,716	18	344,107	18	292,228	18	344,107		(51,879)		0	18	344,107
20	LESS: ADVANCE PROCUREMENT (PY)	0	(22,016)		(29,646)		(29,646)		(29,646)		0				(29,646)
21	ADVANCE PROCUREMENT (CY)	0	29,646		30,794		30,794		30,794		0				30,794
22	P-3C/G (PATROL) ORION	0	0				0		0		0				0
22	LESS: ADVANCE PROCUREMENT (PY)	0	0				0		0		0				0
23	ADVANCE PROCUREMENT (CY)	0	0				0		0		0				0
24	EX COMPETITION	0	0				0		0		0				0
25	E-2C (EARLY WARNING) HAWKEYE	6	370,589	6	337,185	9	462,185	6	337,185	3	125,000		0	6	337,185
25	LESS: ADVANCE PROCUREMENT (PY)	0	(21,429)		(30,035)		(30,035)		(30,035)		0				(30,035)
26	ADVANCE PROCUREMENT (CY)	0	30,035		30,881		30,881		30,881		0				30,881
27	SH-2F (ASW HELO) SEASPRITE	0	0				0		0		0				0
27	LESS: ADVANCE PROCUREMENT (PY)	0	0				0		0		0				0
28	C-2 (MYP)	0	0				0		0		0				0
28	LESS: ADVANCE PROCUREMENT (PY)	0	0				0		0		0				0
29	T-45TS GOSHAWK	12	393,874	24	404,576	24	404,576	24	404,576		0			24	404,576
29	LESS: ADVANCE PROCUREMENT (PY)	0	(55,216)		(29,452)		(29,452)		(29,452)		0				(29,452)
30	ADVANCE PROCUREMENT (CY)	0	29,452		40,820		40,820		40,820		0				40,820
31	E-6A	3	236,463	7	472,192	3	243,557	7	472,192	(4)	(228,635)		0	7	472,192
31	LESS: ADVANCE PROCUREMENT (PY)	0	(71,261)		(137,716)		(137,716)		(137,716)		0				(137,716)
32	ADVANCE PROCUREMENT (CY)	0	137,716			4	78,695		0	4	78,695		0		0
33	HH-60H	9	99,000		15,593	6	90,000		15,593	6	74,407		0		15,593
34	VH-60	0	0				0		0		0				0

P-1 LINE	ITEM	FY 1988 Estimate Quantity	FY 1988 Estimate Amount	Revised FY 1989 Request Quantity	Revised FY 1989 Request Amount	House Authorization Quantity	House Authorization Amount	Senate Authorization Quantity	Senate Authorization Amount	House +/- Senate Quantity	House +/- Senate Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference Authorization Quantity	Conference Authorization Amount
	MODIFICATION OF AIRCRAFT														
35	A-3 SERIES	0	969		822		822		822		0				822
36	A-4 SERIES	0	6,149		2,294		2,294		2,294		0				2,294
37	A-6 SERIES	0	219,478		178,346		178,346		178,346		0				178,346
38	EA-6 SERIES	0	21,274		36,784		36,784		36,784		0				36,784
39	A-7 SERIES	0	97				0		0		0				0
40	AV-8 SERIES	0	97		942		942		942		0				942
41	F-4 SERIES	0	97				0		0		0				0
42	RF-4 SERIES	0	97				0		0		0				0
43	F-14 SERIES	0	83,334		33,174		33,174		33,174		0				33,174
44	F-5 SERIES	0	97		62		62		62		0				62
45	ES-3 SERIES	0	80,100		155,275		155,275		155,275		0				155,275
46	OV-10 SERIES	0	1,974		32,825		32,825		32,825		0				32,825
47	F-18 SERIES	0	1,995		94		94		94		0				94
48	H-46 SERIES	0	29,801		21,064		21,064		21,064		0				21,064
49	H-53 SERIES	0	22,737		14,388		14,388		14,388		0				14,388
50	SH-60 SERIES	0	14,058		501		501		501		0				501
51	VH-60 SERIES	0	0		1,187		1,187		1,187		0				1,187
52	H-1 SERIES	0	6,826		28,961		28,961		28,961		0				28,961
53	H-2 SERIES	0	55,000		5,679		5,679		5,679		0				5,679
54	H-3 SERIES	0	26,229		31,609		31,609		31,609		0				31,609
55	EP-3 SERIES	0	47,003		26,498		26,498		26,498		0				26,498
56	P-3 SERIES	0	146,765		131,932		182,290		131,932		50,358		0		131,932
57	S-3 SERIES	0	74,842		135,567		202,567		135,567		67,000		0		135,567
58	E-2 SERIES	0	38,439		20,175		40,675		20,175		20,500		20,500		40,675
59	TRAINER A/C SERIES	0	1,635		532		532		532		0				532
60	EC-130 SERIES	0	7,367		12,735		12,735		12,735		0				12,735
61	C-130 SERIES	0	4,550		2,095		2,095		2,095		0				2,095
62	FEWSG	0	3,380		1,817		1,817		1,817		0				1,817
63	CARGO/TRANSPORT A/C SERIES	0	2,163		1,709		1,709		1,709		0				1,709
64	VARIOUS	0	1,004		1,025		1,025		1,025		0				1,025
65	POWER PLANT CHANGES	0	3,163		2,022		2,022		2,022		0				2,022
66	MISC FLIGHT SAFETY CHANGES	0	823		97		97		97		0				97
67	COMMON ECM EQUIPMENT	0	16,708		35,335		85,335		35,335		50,000		30,000		65,335
68	COMMON AVIONICS CHANGES	0	765		447		447		447		0				447
69	RADARS	0	0				0		0		0				0
70	F-16 N SERIES	0	5,000				0		0		0				0
71	SPARES AND REPAIR PARTS	0	1,436,913		1,162,606		1,287,606		1,162,606		125,000		0		1,162,606
71a	E-2C, HH-60 SPARES						120,000		0		120,000		0		0
72	COMMON GROUND EQUIPMENT	0	386,106		398,602		398,602		398,602		0				398,602
73	AIRCRAFT INDUSTRIAL FACILITIES	0	24,398		27,605		27,605		27,605		0				27,605
74	WAR CONSUMABLES	0	34,885		12,283		12,283		12,283		0				12,283
75	OTHER PRODUCTION CHARGES	0	27,667		40,545		40,545		40,545		0				40,545
76	SPECIAL SUPPORT EQUIPMENT	0	86,112		36,420		36,420		36,420		0				36,420
999	CLASSIFIED PROGRAMS	0	0		115,823		115,823		115,823		0				115,823
	TOTAL AIRCRAFT PROCUREMENT NAVY		9,418,299		8,980,000		9,271,466		9,076,200		195,266		279,253		9,259,253

EA-6B jammer aircraft

The amended budget request contained $473.557 for procurement of nine EA-6B jammer aircraft and $18.331 million for advance procurement of nine aircraft in fiscal year 1990.

The House bill would authorize $399.116 million for these aircraft, a reduction of $74.441 million. The House bill would make this reduction on the basis that the Navy had requested excess funds for the Advanced Capability upgrade.

The Senate amendment would authorize $534.257 million for procurement of 12 aircraft and $24.331 million for advance procurement for 12 aircraft in fiscal year 1990.

The conferees recommend an authorizaton of $467.557 million and $24.331 million for advance procurement for 12 EA-6B aircraft in fiscal year 1990. The conferees direct the Navy to procure not less than 12 aircraft with the funds appropriated pursuant to authorization.

F-14 modification program

The amended budget request contained no funds to initiate modification of existing F-14 aircraft into the new "D" model configuration.

The Senate amendment would authorize $29.5 million for advance procurement of six F-14D upgrade kits. The Senate report (S. Rept. 100-326) directs the Navy to incorporate a signficant remanufacutre program in its plans for the Five Year Defense Program for fiscal years 1990 to 1994.

The House bill contained no similar provision.

The conferees recommend authorization of $29.5 million for six upgrade kits, and direct the Navy to provide an acquisition strategy to the Committees on Armed Services of the Senate and House of Representatives for the long-term modernization of the existing fleet of F-14 aircraft.

F-18 aircraft/reconnaissance modifications

The amended budget request contained $2,287.3 million to procure 72 F-18 aircraft, including $82.9 million to purchase equipment and modify aircraft to function as reconnaissance aircraft.

The House bill would reduce the request by $49.7 million, based on a restructuring of the reconnaissance program, but would provide an increase of $99.7 million to procure 12 additional aircraft.

The Senate amendment would authorize the amount requested.

The conferees recommend authorization of $2,494.3 million, which is sufficient to procure 84 aircraft in fiscal year 1989 and to proceed with the reconnaissance variant at the requested level. The conferees concur with the concern expressed in the Senate report (S. Rept. 100-326) that serious attention must be devoted to Navy aviation in future budget submissions. The conferees also note that budget data concerning the reconnaissance program was inconsistent and incomplete, and not supportive of a well-planned and stable acquisition strategy. The conferees expect that future budget submissions for the F-18 reconnaissance program will include complete and consistent cost estimates.

CH-53E helicopters

The amended budget request included $241.7 million for procurement of CH/MH-53E helicopters.

The House bill would reduce this request by $12.1 million while adding $9.642 million for advance procurement, a net reduction of $2.5 million from the program. The adjustment would allow the program to continue the planned procurement of four helicopters in fiscal year 1990.

The Senate amendment would authorize the amount in the budget request.

The Senate recedes.

SH-60B helicopters (Seahawk)

The amended budget request included $117.9 million for procurement of 6 SH-60B helicopters (which, combined with the procurement of SH-60F helicopters, would allow for a production run of 24 SH-60 series helicopters in fiscal year 1989).

The House bill would reduce this amount by $5.3 million.

The Senate amendment would authorize the amount in the budget request.

The Senate recedes.

SH-60F helicopter (CV ASW)

The amended budget request included $344.1 million for procurement of 18 SH-60F helicopters.

The House bill would reduce this amount by $51.9 million.

The Senate amendment would authorize the amount in the budget request.

The House authorization would continue the previous year's authorization for this aircraft, with an additional amount for inflation. However, the fiscal year 1989 request includes funding for two training systems that must be procured this year under the terms of the fixed-price procurement contract.

The House recedes, with the understanding that the increased funding in fiscal year 1989 will be used to procure the trainers.

TACAMO

The amended budget request contained $334.476 million for 7 E-6A TACAMO aircraft.

The House bill would authorize $105.841 million for 3 aircraft and would authorize $78.695 million in advance procurement for fiscal year 1990.

The Senate amendment would authorize the requested amount.

The conferees agree to authorize the amount requested for this program and stress that this authorization marks the completion of TACAMO procurement.

P-3 series modifications

The amended budget request included $131.9 million for modifications to the P-3 series aircraft, consisting of procurement of Update III kits for P-3Cs.

The House bill would add $50 million to the request for procurement of additional Update III kits.

The Senate amendment contained no similar provision.

The House recedes.

Navy common electronic countermeasures equipment

The amended budget request contained $35.335 million for Navy common electronic countermeasures (ECM) equipment.

The House bill would authorize an additional $50 million for this purpose.

The Senate amendment would authorize the requested amount.

The conferees recommend authorization of an additional $30 million for a total of $65.335 million for common ECM equipment. The Secretary of the Navy is directed to utilize the additional funding as required to reduce existing shortfalls in common ECM equipment.

WEAPONS PROCUREMENT, NAVY

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $6,271.8 million for Navy weapons procurement. The House bill would authorize $5,823.8 million. The Senate amendment would authorize $6,193.1 million. The conferees recommend authorization of $5,972.2 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1		FY 1988 Estimate		-----Revised----- FY 1989 Request		-----House----- Authorization		-----Senate----- Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
WEAPONS PROCUREMENT, NAVY															
BALLISTIC MISSILES															
1	POSEIDON	0	181		188		188		188		0				188
2	TRIDENT I	0	6,986		4,103		4,103		4,103		0				4,103
3	TRIDENT II	66	1,987,585	66	1,949,656	66	1,949,656	66	1,949,656		0			66	1,949,656
3	LESS: ADVANCE PROCUREMENT (PY)	0	(266,385)		(320,131)		(320,131)		(320,131)		0				(320,131)
4	ADVANCE PROCUREMENT (CY)	0	320,131		236,084		236,084		236,084		0				236,084
5	UGM-73A (C-3) POSEIDON MODS	0	0				0		0		0				0
6	MISSILE INDUSTRIAL FACILITIES	0	194		2,638		2,638		2,638		0				2,638
OTHER MISSILES															
7	BGM-109 TOMAHAWK	475	842,474	510	706,917	475	658,403	510	706,917	(35)	(48,514)	(35)	(25,000)	475	681,917
7	LESS: ADVANCE PROCUREMENT (PY)	0	(66,538)		(71,400)		(71,400)		(71,400)		0				(71,400)
8	ADVANCE PROCUREMENT (CY)	0	71,400		75,608		75,608		75,608		0				75,608
9	AIM/RIM-7 F/M SPARROW	600	79,000			600	75,000	300	40,000	300	35,000	300	40,000	300	40,000
10	AMRAAM	0	0	50	59,798		0	50	59,798	(50)	(59,798)	(20)	(24,800)	30	34,998
11	AIM-9L/M SIDEWINDER	288	25,833				0		0		0				0
12	AIM-54A/C (PHOENIX)	350	363,596	560	465,283	350	325,802	560	465,283	(210)	(139,481)	(110)	(60,000)	450	405,283
12	LESS: ADVANCE PROCUREMENT (PY)	0	(20,000)				0		0		0				0
13	ADVANCE PROCUREMENT (CY)	0	0				0		0		0				0
14	SGM-84A HARPOON (MYP)	124	142,660	138	169,709	138	169,709	138	169,709		0			138	169,709
14	LESS: ADVANCE PROCUREMENT (PY)	0	0				0		0		0				0
15	AGM-88A (HARM)	766	187,128	1,307	302,749	1,307	302,749	1,307	302,749		0			1,307	302,749
16	SM-2 MR	1,310	581,098	1,635	698,113	1,310	598,531	1,635	698,113	(325)	(99,582)	(325)	(99,582)	1,310	598,531
17	SM-2 ER	0	0				0		0		0				0
18	RAM	240	44,931	260	52,094	260	52,094	260	52,094		0			260	52,094
19	STINGER	425	17,765				0		0		0				0
20	SIDEARM	276	25,381				0		0		0				0
21	HELLFIRE	1,393	44,154	200	8,958	1,000	35,000	200	8,958	800	26,042	800	26,042	1,000	35,000
22	LASER MAVERICK	1,300	157,300				0		0		0				0
23	IIR MAVERICK (MYP)	425	60,000				0		0		0				0
24	ADVANCE PROCUREMENT (CY)	0	0				0		0		0				0
25	PENGUIN	0	0	64	42,034	64	42,034	64	42,034		0	(64)	(38,579)		3,455
25	LESS: ADVANCE PROCUREMENT (PY)	0	0		(3,455)		(3,455)		(3,455)		0				(3,455)
26	ADVANCE PROCUREMENT (CY)	0	3,455		3,518		3,518		3,518		0				3,518
27	MAVERICK MISSILES	0	0	731	82,390	731	82,390	731	82,390		0			731	82,390
28	TACIT RAINBOW	[ ]	0	[ ]	89,965	[ ]	10,000	[ ]	89,965		(79,965)		0	[ ]	89,965
29	AERIAL TARGETS	0	103,604		109,981		109,981		109,981		0				109,981
30	DRONES AND DECOYS	0	24,767		40,744		40,744		40,744		0				40,744
31	OTHER MISSILE SUPPORT	0	11,257		21,313		21,313		21,313		0				21,313

P-1		FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
MODIFICATION OF MISSILES															
32	TOMAHAWK MODS	0	6,458		7,216		7,216		7,216		0				7,216
33	AIM/RIM-7E/F SPARROW MOD	0	0		44,348		44,348		44,348		0				44,348
34	AIM-9 SIDEWINDER MOD	0	573		2,409		2,409		2,409		0				2,409
35	AIM-54A/C PHOENIX MOD	0	584		198		198		198		0				198
36	AGM-84A HARPOON MOD	0	3,865		9,602		9,602		9,602		0				9,602
37	STANDARD MISSILES MOD	0	3,833		27,610		27,610		27,610		0				27,610
38	OTHER MISSILE MODS	0	200				0		0		0				0
39	WEAPONS INDUSTRIAL FACILITIES	0	9,216		10,750		10,750		13,750		(3,000)		3,000		13,750
40	FLEET SATELLITE COMMUNICATIONS	0	123,858		97,622		97,622		97,622		0				97,622
41	ADVANCE PROCUREMENT (CY)	0	0		77,000		77,000		77,000		0				77,000
42	DEFENSE METEOROLOGICAL SATELLITE PROGRAM	0	19,333		21,575		21,575		21,575		0				21,575
43	ORDNANCE SUPPORT EQUIPMENT	0	218,436		351,707		230,007		230,007		0		(121,700)		230,007
TORPEDOES AND RELATED EQUIPMENT															
44	TORPEDO MK-48 ADCAP	100	243,444	261	431,014	261	431,014	261	431,014		0			261	431,014
45	TORPEDO MK-46 (MYP)	0	0				0		0		0				0
45	LESS: ADVANCE PROCUREMENT (PY)	0	0				0		0		0				0
46	ADV LIGHTWEIGHT TORPEDO	16	108,402	140	162,047	140	162,047	140	162,047		0			140	162,047
47	ADVANCE PROCUREMENT (CY)	0	0		36,500		36,500		36,500		0				36,500
48	MOBILE TARGET MK-30 (MYP)	12	31,495				0		0		0				0
48a	EMATT												1,000		1,000
49	ASROC	0	9,522				0		0		0				0
50	VERTICAL LAUNCHED ASROC	0	0		17,552		17,552		17,552		0				17,552
51	MOBILE MINE MK-67	0	2,858		1,332		1,332		1,332		0				1,332
52	TORPEDO MK-46 MODS	0	0				0		0		0				0
52	LESS: ADVANCE PROCUREMENT (PY)	0	0				0		0		0				0
53	CAPTOR MODS	0	38,000				0		0		0				0
54	SWIMMER WEAPONS SYSTEMS (SOF)	0	1,332		1,957		1,957		1,957		0				1,957
55	TORPEDO SUPPORT EQUIPMENT	0	33,348		25,988		25,988		25,988		0				25,988
56	ASW RANGE SUPPORT	0	20,638		22,664		22,664		22,664		0				22,664
OTHER WEAPONS															
57	MK-15 CLOSE IN WEAPONS SYSTEM	5	28,023	5	19,449	5	19,449	5	19,449		0			5	19,449
58	MK-75 76MM GUN MOUNT	0	0				0		0		0				0
59	MK-19/40MM MACHINE GUN	0	0				0		0		0				0
60	25MM GUN MOUNT	22	4,091	57	9,366	57	9,366	57	9,366		0			57	9,366
61	SMALL ARMS AND WEAPONS	0	8,072		8,815		8,815		8,815		0				8,815
62	SMALL ARMS AND WEAPONS - (SOF)	0	1,496		996		996		996		0				996
63	CIWS MODS	0	45,186		54,557		54,557		54,557		0				54,557
64	5 /54 GUN MOUNT MODS	0	6,414		8,444		8,444		8,444		0				8,444
65	3 /50 GUN MOUNT MODS	0	276		260		260		260		0				260
66	MK 75 76MM GUN MOUNT MODS	0	4,060		4,097		4,097		4,097		0				4,097
67	MODS UNDER $2,000,000	0	1,654		1,618		1,618		1,618		0				1,618
68	GUN SUPPORT EQUIPMENT	0	1,068		838		838		838		0				838
SPARES AND REPAIR PARTS															
69	SPARES AND REPAIR PARTS	0	110,928		87,412		87,412		87,412		0				87,412
	TOTAL WEAPONS PROCUREMENT		5,834,619		6,271,800		5,823,802		6,193,100		(369,298)		(299,619)		5,972,181

Advanced medium range air to air missile

The amended budget request contained $59.8 million for procurement of 50 Advanced Medium Range Air to Air Missiles (AMRAAM).

The Senate amendment would authorize the amount requested.

The House bill would provide no authorization for Navy AMRAAMs.

The conferees agreed to provide $35 million for the procurement of 30 AMRAAMs for the Navy. The conferees direct that these missiles be utilized for conducting Navy operational test and evaluation.

AIM-54C Phoenix missile

The amended budget request contained $465.3 million to procure 560 Phoenix missiles.

The House bill would authorize $325.8 million to procure 350 missiles.

The Senate amendment would authorize the amount requested.

The conferees recommend authorization of $405.3 million to procure 450 missiles. The conferees understand that this authorization is sufficient to maintain the competition established in the program.

Further, the conferees direct the Navy to install production FSU-10A fuzes on all AIM-54C Phoenix missiles stored at the contractor's facility as of June 1, 1988, before increasing production beyond the fiscal year 1988 level.

Penguin

The conferees agree that the reduction for procurement of Penguin missiles is taken without prejudice and for budgetary reasons in recognization of the program's contracting schedule for fiscal year 1989 procurements.

Vertical launched anti-submarine rocket program

The amended budget request included $17.6 million for procurement and $30.3 million for RDT&E for the Vertical Launched ASROC (VLA) program.

The House bill would authorize the requested amounts, and the House report (H. Rept. 100-563) directed the Navy to proceed with initial production of the MK-46 version of VLA as soon as possible.

The Senate amendment would authorize the requested amounts and the Senate report (S. Rept. 100-326) noted that the Department of Defense was considering cancellation of the program in favor of making SEA LANCE a surface as well as a sub-surface launched weapon. The Senate report directed the Department of Defense to report on its decision promptly.

The conferees affirm the language contained in the House report and agree that the long-term strategy for procurement of a quick reaction, long-range ASW weapon should be based on a system common to surface ships and submarines. However, to avoid having many ships with launchers empty of quick reaction ASW weapons for at least several years, the conferees believe that the production of VLA armed with MK 46 torpedoes is essential to the near-term antisubmarine warfighting ability of the fleet.

Expendable mobile antisubmarine warfare training target

The conferees agree that accelerated availability of the Expendable Mobile Antisubmarine Warfare Training Target (EMATT) would provide important training in the critical area of antisubmarine warfare. Accordingly, the conferees recommend authorization of $1 million and invite the Navy to reprogram from authorization made available elsewhere up to an additional $6 million to begin procurement of EMATT.

SHIPBUILDING AND CONVERSION, NAVY

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $9,130.1 million for Navy shipbuilding and conversion. The House bill would authorize $9,126.1 million. The Senate amendment would authorize $9,056.1 million. The conferees recommend authorization of $9,056.1 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1 LINE	ITEM	FY 1988 Estimate Quantity	FY 1988 Estimate Amount	Revised FY 1989 Request Quantity	Revised FY 1989 Request Amount	House Authorization Quantity	House Authorization Amount	Senate Authorization Quantity	Senate Authorization Amount	House +/- Senate Quantity	House +/- Senate Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference Authorization Quantity	Conference Authorization Amount
	SHIPBUILDING AND CONVERSION, NAVY														
1	TRIDENT (NUCLEAR)	1	1,274,053	1	1,377,100	1	1,377,100	1	1,377,100		0			1	1,377,100
1	LESS: ADVANCE PROCUREMENT (PY)	0	(150,353)		(146,400)		(146,400)		(146,400)		0				(146,400)
2	ADVANCE PROCUREMENT (CY)	0	137,100		137,400		137,400		137,400		0				137,400
3	CVN AIRCRAFT CARRIER (NUCLEAR)	2	6,325,000				0		0		0				0
4	ADVANCE PROCUREMENT (CY)	0	0				0		0		0				0
5	SSN-688 CLASS SUBMARINE (NUCLEAR)	3	1,804,075	2	1,517,128	2	1,517,128	2	1,517,128		0			2	1,517,128
5	LESS: ADVANCE PROCUREMENT (PY)	0	(354,674)		(327,828)		(327,828)		(327,828)		0				(327,828)
6	ADVANCE PROCUREMENT (CY)	0	227,499		304,300		304,300		304,300		0				304,300
7	SSN-21	0	0	1	1,727,600	1	1,727,600	1	1,727,600		0			1	1,727,600
7	LESS: ADVANCE PROCUREMENT (PY)	0	0		(632,600)		(632,600)		(632,600)		0				(632,600)
8	ADVANCE PROCUREMENT (CY)	0	257,600		393,000		393,000		393,000		0				393,000
9	CV SLEP	1	947,470				0		0		0				0
9	LESS: ADVANCE PROCUREMENT (PY)	0	(261,815)				0		0		0				0
10	ADVANCE PROCUREMENT (CY)	0	44,100		135,400		135,400		135,400		0				135,400
11	CG-47 AEGIS CRUISER (MYP)	5	4,145,900				0		0		0				0
11	LESS: ADVANCE PROCUREMENT (PY)	0	(18,900)				0		0		0				0
12	ADVANCE PROCUREMENT (CY)	0	0				0		0		0				0
13	DDG-51 (MYP)	0	0	3	2,206,244	3	2,206,244	3	2,206,244		0			3	2,206,244
13	LESS: ADVANCE PROCUREMENT (PY)	0	0		(77,344)		(77,344)		(77,344)		0				(77,344)
14	ADVANCE PROCUREMENT (CY)	0	5,500		78,400		78,400		78,400		0				78,400
15	LHD-1 AMPHIBIOUS ASSAULT SHIP	1	755,700	1	769,700	1	769,700	1	769,700		0			1	769,700
15	LESS: ADVANCE PROCUREMENT (PY)	0	(35,000)		(32,200)		(32,200)		(32,200)		0				(32,200)
16	ADVANCE PROCUREMENT (CY)	0	32,200				0		0		0				0
17	LSD-41 (CARGO VARIANT)	1	258,000				0		0		0				0
18	MHC COASTAL MINE HUNTER	0	0	2	197,200	2	197,200	2	197,200		0			2	197,200
19	TAO FLEET OILER	2	256,400	2	284,900	2	284,900	2	284,900		0			2	284,900
20	AO (JUMBO)	1	44,100	2	84,900	2	84,900	2	84,900		0			2	84,900
21	TAGOS SURTASS SHIPS	0	0	3	159,600	3	159,600	3	159,600		0			3	159,600
21	LESS: ADVANCE PROCUREMENT (PY)	0	0				0		0		0				0
22	AOE	0	0	1	363,900	1	363,900	1	363,900		0			1	363,900
23	OCEANOGRAPHIC RESEARCH SHIP	0	0	1	74,000		0		0		0	(1)	(74,000)		0
24	SERVICE CRAFT	0	12,500				0		0		0				0
25	STRATEGIC SEALIFT	0	43,400				0		0		0				0
26	LCAC LANDING CRAFT	0	0	9	209,200	9	209,200	9	209,200		0			9	209,200
26	LESS: ADVANCE PROCUREMENT (PY)	0	0		(36,500)		(36,500)		(36,500)		0				(36,500)
27	ADVANCE PROCUREMENT (CY)	0	36,500		19,900		19,900		19,900		0				19,900
28	SEALIFT ENHANCEMENT	0	0				0		0		0				0
29	OUTFITTING	0	183,900		214,700		214,700		214,700		0				214,700
30	POST DELIVERY	0	132,000		128,400		128,400		128,400		0				128,400
31	TACS CRANE SHIP	2	53,100				0		0		0				0
	ISLAND CLASS PATROL BOAT					10	70,000		0	10	70,000		0		0
	TOTAL SHIPBUILDING AND CONVERSION		16,155,355		9,130,100		9,126,100		9,056,100		70,000		(74,000)		9,056,100

FF 1052 service life extension program

The conferees affirm the position noted in the Senate report (S. Rept. 100-326) regarding planning limitations for any contemplated service life extension (SLEP) of the FF-1052 class frigates.

OTHER PROCUREMENT, NAVY

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $4,789.7 million for other procurement, Navy. The House bill would authorize $5,213.4 million. The Senate amendment would authorize $4,836.2 million. The conferees recommend authorization of $4,817.8 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1 LINE	ITEM	FY 1988 Estimate		-----Revised----- FY 1989 Request		-----House----- Authorization		-----Senate----- Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
OTHER PROCUREMENT, NAVY															
SHIPS SUPPORT EQUIPMENT															
1	LM-2500 GAS TURBINE	0	11,852		8,381		8,381		8,381		0				8,381
2	ALLISON 501K GAS TURBINE	1	2,426	1	8,672	1	8,672	1	8,672		0			1	8,672
3	LM2500 SPECIAL SUPPORT EQUIPMENT	0	973		1,016		1,016		1,016		0				1,016
4	STEAM PROPULSION IMPROVEMENT PROGRAM	0	11,147		8,318		8,318		8,318		0				8,318
5	OTHER PROPULSION EQUIPMENT	0	9,864		4,874		4,874		4,874		0				4,874
6	OTHER GENERATORS	0	10,815		3,883		3,883		3,883		0				3,883
7	OTHER PUMPS	0	6,666		6,456		6,456		6,456		0				6,456
8	HIGH PRESSURE AIR COMPRESSOR	4	1,768	2	917	2	917	2	917		0			2	917
9	OTHER AIR COMPRESSORS	3	255				0		0		0				0
10	SUBMARINE PROPELLERS	14	3,273	9	3,030	9	3,030	9	3,030		0			9	3,030
11	OTHER PROPELLERS AND SHAFTS	0	8,366		4,126		4,126		4,126		0				4,126
12	ELECTRICALLY SUSPENDED GYRO NAVIGATOR	4	13,291	2	6,899	2	6,899	2	6,899		0			2	6,899
13	CARRIER NAVIGATION SYSTEM	0	4,713		818		818		818		0				818
14	OTHER NAVIGATION EQUIPMENT	0	5,143		4,484		4,484		4,484		0				4,484
15	UNDERWAY REPLENISHMENT EQUIPMENT	0	6,132		4,881		4,881		4,881		0				4,881
16	TYPE 18 PERISCOPE	0	2,272		5,883		5,883		5,883		0				5,883
17	TYPE 8 PERISCOPES	0	7,626		334		334		334		0				334
18	PERISCOPES AND ACCESSORIES	0	859		929		929		929		0				929
19	FIREFIGHTING EQUIPMENT	0	36,545		14,372		14,372		14,372		0				14,372
20	COMMAND AND CONTROL SWITCHBOARDS	2	2,230	3	9,125	3	9,125	3	9,125		0			3	9,125
21	POLLUTION CONTROL EQUIPMENT	0	4,237		4,425		4,425		4,425		0				4,425
22	SUBMARINE SILENCING EQUIPMENT	0	1,240		4,226		4,226		4,226		0				4,226
23	SURFACE SHIP SILENCING EQUIPMENT	0	6,373		4,748		4,748		4,748		0				4,748
24	SUBMARINE BATTERIES	48	13,002	40	9,363	40	9,363	40	9,363		0			40	9,363
25	STRATEGIC PLATFORM SUPPORT EQUIPMENT	0	75,300		56,488		56,488		49,988		6,500		(6,500)		49,988
26	DSSP EQUIPMENT	0	7,879		7,000		7,000		7,000		0				7,000
27	SEALIFT SUPPORT EQUIPMENT	0	63,791		21,779		33,779		29,779		4,000		8,000		29,779
28	AIR CONDITIONERS	6	2,152				0		0		0				0
29	MINESWEEPING CABLE	0	737		3,840		3,840		3,840		0				3,840
30	HM&E ITEMS UNDER $2 MILLION	0	30,098		26,779		26,779		26,779		0				26,779
31	SURFACE IMA	0	15,529		11,361		11,361		11,361		0				11,361
32	DEGAUSSING EQUIPMENT	0	1,353		4,842		4,842		4,842		0				4,842
33	RADIOLOGICAL CONTROLS	0	314		160		160		160		0				160
34	MINI/MICROMINI ELECTRONIC REPAIR	0	1,002		1,048		1,048		1,048		0				1,048
35	CHEMICAL WARFARE DETECTORS	116	8,847	163	9,467	163	9,467	163	9,467		0			163	9,467
36	SUBMARINE LIFE SUPPORT SYSTEM	3	2,643	2	1,990	2	1,990	2	1,990		0			2	1,990
37	HM&E ENGINEERED MAINTENANCE	0	391				0		0		0				0
38	SHIPBOARD ENERGY CONSERVATION	0	903		943		943		943		0				943

P-1		FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
39	REACTOR POWER UNITS	1	40,835	1	41,800	1	41,800	1	41,800		0			1	41,800
40	REACTOR COMPONENTS	0	232,039		241,396		241,396		241,396		0				241,396
41	DIVING AND SALVAGE EQUIPMENT	0	18,208		13,280		13,280		13,280		0				13,280
42	NAVAL SPECIAL WARFARE EQUIPMENT	0	5,809		7,866		7,866		7,866		0				7,866
43	NAVAL SPECIAL WARFARE EQUIPMENT - (SOF)	0	39,244		43,309		43,309		43,309		0				43,309
44	SMALL BOATS	280	25,249	101	12,612	101	12,612	101	12,612		0			101	12,612
45	NEW SHIP TRAINING EQUIP	0	0				0		0		0				0
46	OTHER SHIPS TRAINING EQUIPMENT	0	2,404		4,167		4,167		4,167		0				4,167
47	CALIBRATION EQUIPMENT	0	576		648		648		648		0				648
48	PRODUCTION SUPPORT FACILITIES	0	18,600		25,241		25,241		25,241		0				25,241
49	OPERATING FORCES IPE	0	4,620		7,064		7,064		7,064		0				7,064
	REDUCTION IN SHIPS SUPPORT EQUIPMENT												(15,000)		(15,000)
COMMUNICATIONS AND ELECTRONICS EQUIPMENT															
50	AN/SPS-67	24	7,753	28	7,017	28	7,017	28	7,017		0			28	7,017
51	AN/SPS-40	0	26,108		13,088		13,088		13,088		0				13,088
52	AN/SPS-48	0	45,814		46,312		46,312		46,312		0				46,312
53	AN/SPS-49	0	16,506		16,115		16,115		16,115		0				16,115
54	AN/SYS-()	3	7,999	2	5,145	2	5,145	2	5,145		0			2	5,145
55	MK 23 TARGET ACQUISITION SYSTEM	4	19,800	3	22,722	3	22,722	3	22,722		0			3	22,722
56	RADAR SUPPORT	0	8,607		24,853		24,853		24,853		0				24,853
57	SURFACE SONAR SUPPORT EQUIPMENT	0	10,901				0		0		0				0
58	AN/SQS-53B	0	0				0		0		0				0
59	AN/SQS-53C	0	0				0		0		0				0
60	AN/SQQ-89 SURFACE ASW COMBAT SYS	12	154,644	13	218,359	13	218,359	13	218,359		0			13	218,359
61	AN/BQQ-5	0	25,865		91,596		91,596		91,596		0				91,596
62	TB-16 TOWED ARRAY (MYP)	14	5,665	21	6,208	21	6,208	21	6,208		0			21	6,208
63	SURF SONAR WINDOWS AND DOMES	0	6,068		10,498		10,498		10,498		0				10,498
64	SONAR SUPPORT EQUIPMENT	0	5,158		4,821		4,821		4,821		0				4,821
65	SONAR SWITCHES AND TRANSDUCERS	0	28,454		29,068		29,068		29,068		0				29,068
66	FBM SYSTEM SONARS	0	4,337		4,980		4,980		4,980		0				4,980
67	SUBMARINE ACOUSTIC WARFARE SYSTEMS	0	29,318		18,764		18,764		18,764		0				18,764
68	SURFACE SHIP TORPEDO DEFENSE	0	10,038		6,088		6,088		6,088		0				6,088
69	ACOUSTIC COMMUNICATIONS	0	367		387		387		387		0				387
70	AN/BSY-1	1	42,755				0		0		0				0
71	SOSUS	0	54,332		30,254		30,254		30,254		0				30,254
72	LAMPS MK1 ASW SUPPORT	0	9,252		6,103		6,103		6,103		0				6,103
72a	AN/SQR-17A ACOUSTIC PROCESSOR						10,000		0		10,000		0		0
73	AN/SQR-18 TOWED ARRAY SONAR	0	10,160		320		14,220		320		13,900		13,900		14,220
74	AN/SQR-15 TOWED ARRAY SONAR	0	699		894		894		894		0				894
75	AN/SQR-19 TOWED ARRAY SONAR	0	0				0		0		0				0
76	SURTASS	0	47,313		9,344		9,344		9,344		0				9,344
77	ASW OPERATIONS CENTER	0	3,870		21,938		21,938		21,938		0				21,938
78	CARRIER ASW MODULE	0	15,983		5,682		5,682		5,682		0				5,682

P-1 LINE	ITEM	FY 1988 Estimate		-----Revised----- FY 1989 Request		-----House----- Authorization		-----Senate----- Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
79	AN/SLQ-32	0	64,206		71,020		71,020		71,020		0				71,020
79a	SIDEKICK						0		54,000		(54,000)		9,000		9,000
80	AN/SLQ-17	0	0				0		0		0				0
81	AN/WLR-1	0	5,540		6,174		6,174		6,174		0				6,174
82	AN/WLR-8	0	0		3,000		3,000		3,000		0				3,000
83	ICAD SYSTEMS	0	0				0		0		0				0
84	OFFBOARD DECEPTION DEVICES	0	7,488				0		0		0				0
85	EW SUPPORT EQUIPMENT	0	4,896		4,824		4,824		4,824		0				4,824
86	FLEET EW SUPPORT GROUP	0	774				0		0		0				0
87	C3 COUNTERMEASURES	0	7,424		5,639		5,639		5,639		0				5,639
88	COMBAT CRYPTOLOGIC SUPPORT CONSOLE	0	9,467		4,737		4,737		4,737		0				4,737
89	COMBAT DF	0	52,720				0		0		0				0
90	OUTBOARD	0	27,801		682		682		682		0				682
91	NAVAL INTELLIGENCE PROCESSING SYSTEM	0	10,078		8,147		8,147		8,147		0				8,147
92	BATTLE GROUP PASSIVE HORIZON EXT SYS	0	0				0		0		0				0
93	AN/WLQ-4 DEPOT	0	9,924		670		670		670		0				670
94	AN/WLQ-4 IMPROVEMENTS	0	18,831		26,948		26,948		26,948		0				26,948
95	AN/BLD-1 (INTERFEROMETER)	11	22,500		866		866		866		0				866
96	SUBMARINE SUPPORT EQUIPMENT PROGRAM	0	2,877		565		565		565		0				565
97	NAVY TACTICAL DATA SYSTEM	0	88,000		111,267		111,267		111,267		0				111,267
98	TACTICAL FLAG COMMAND CENTER	2	12,975	1	5,405	1	5,405	1	5,405		0			1	5,405
99	COMMAND AND CONTROL PROCESSOR	0	0				0		0		0				0
100	MINESWEEPING SYSTEM REPLACEMENT	0	7,127		4,821		4,821		4,821		0				4,821
101	OMEGA SHIPBOARD EQUIPMENT	79	3,299	36	1,333	36	1,333	36	1,333		0			36	1,333
102	NAVSTAR GPS RECEIVERS	155	13,212	179	17,429	179	17,429	179	17,429		0			179	17,429
103	HF LINK-11 DATA TERMINALS	0	844		1,100		1,100		1,100		0				1,100
104	ARMED FORCES RADIO AND TV	0	5,311		6,329		6,329		6,329		0				6,329
105	STRATEGIC PLATFORM SUPPORT EQUIPMENT	0	77,704		92,626		92,626		92,626		0				92,626
106	OTHER NAVELEX TRAINING EQUIPMENT	0	1,706				0		0		0				0
107	OTHER NAVSEA TRAINING EQUIPMENT	0	1,193		447		447		447		0				447
108	MATCALS	0	21,606		10,058		10,058		10,058		0				10,058
109	SHIPBOARD AIR TRAFFIC CONTROL	0	4,577		1,322		1,322		1,322		0				1,322
110	AUTOMATIC CARRIER LANDING SYSTEMS	0	1,680		1,331		1,331		1,331		0				1,331
111	TACAN	0	4,821		2,834		2,834		2,834		0				2,834
112	AIR STATION SUPPORT EQUIPMENT	0	6,619		4,470		4,470		4,470		0				4,470
113	MICROWAVE LANDING SYSTEM	0	0	15	7,505	15	7,505	15	7,505		0			15	7,505
114	FACSFAC	0	31,429		1,797		1,797		1,797		0				1,797
115	RADAR AIR TRAFFIC CONTROL	12	1,235	5	323	5	323	5	323		0			5	323
116	MK XII AIMS IFF	0	16,708		7,486		7,486		7,486		0				7,486

P-1 LINE	ITEM	FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
117	NAVAL SPACE SURVEILLANCE SYSTEM	0	8,956		11,483		11,483		11,483		0				11,483
118	SPACE SYSTEM PROCESSING	0	2,152		1,990		1,990		1,990		0				1,990
119	MULTOTS	0	0		1,561		1,561		1,561		0				1,561
120	NCCS ASHORE	0	9,361		15,735		15,735		15,735		0				15,735
121	RADIAC	0	7,437		6,284		6,284		6,284		0				6,284
122	OVER THE HORIZON RADAR	1	88,059	2	163,564	2	163,564	2	163,564		0			2	163,564
123	GPETE	0	19,027		26,636		26,636		26,636		0				26,636
124	INTEG COMBAT SYS TEST FACILITY	0	5,778		3,553		3,553		3,553		0				3,553
125	CALIBRATION STANDARDS	0	7,041		7,605		7,605		7,605		0				7,605
126	EMI CONTROL INSTRUMENTATION	0	8,556		6,978		6,978		6,978		0				6,978
127	SHORE ELEC ITEMS UNDER $2.0 MILLION	0	18,288		26,457		26,457		26,457		0				26,457
128	SHIPBOARD HF COMMUNICATIONS	0	3,818		915		915		915		0				915
129	SHIPBOARD UHF COMMUNICATIONS	0	5,219		2,270		2,270		2,270		0				2,270
130	FLIGHT DECK COMMUNICATIONS	0	0				0		0		0				0
131	PORTABLE RADIOS	1,204	4,713	641	5,564	641	5,564	641	5,564		0			641	5,564
132	PORTABLE RADIOS - (SOF)	0	7,707				0		0		0				0
133	SHIP COMMUNICATIONS AUTOMATION	0	6,883		6,144		6,144		6,144		0				6,144
134	SHIP COMM ITEMS UNDER $2.0 MILLION	0	5,313		3,516		3,516		3,516		0				3,516
135	SEALIFT SHIP COMMUNICATIONS	0	3,000		2,958		2,958		2,958		0				2,958
136	ELF COMMUNICATIONS	0	0				0		0		0				0
137	SHORE LF/VLF COMMUNICATIONS	0	1,122		4,332		4,332		4,332		0				4,332
138	VERDIN	0	820		3,930		3,930		3,930		0				3,930
139	SSN INTEGRATED COMMUNICATIONS	0	467		2,537		2,537		2,537		0				2,537
140	SUBMARINE COMMUNICATION ANTENNAS	0	11,989		11,316		11,315		11,315		0				11,316
141	DATA COLLECTION AND RECORD SYS	0	0				0		0		0				0
142	COMPACT VLF RECEIVER	0	0				0		0		0				0
143	SATCOM SHIP TERMINALS	0	28,368		19,190		19,190		19,190		0				19,190
144	SATCOM SHORE TERMINALS	0	4,910		9,251		9,251		9,251		0				9,251
145	SATCOM SHORE TERMINALS - (SOF)	0	2,500				0		0		0				0
146	JCS COMMUNICATIONS EQUIPMENT	0	4,468		2,875		2,875		2,875		0				2,875
147	ELECTRICAL POWER SYSTEMS	0	1,063		518		518		518		0				518
148	SHORE HF COMMUNICATIONS	0	12,795		2,969		2,969		2,969		0				2,969
149	JOINT TACTICAL COMM (TRI-TAC)	0	0				0		0		0				0
150	DCS TECH CONTROL IMPROVEMENTS	0	1,342		1,282		1,282		1,282		0				1,282
151	VOICE FREQ CARRIER TELEGRAPH	200	1,883	400	2,956	400	2,956	400	2,956		0			400	2,956
152	WORLDWIDE WIDEBAND COMM	0	2,338		2,049		2,049		2,049		0				2,049
153	WWMCCS COMMUNICATIONS EQUIPMENT	0	494		1,129		1,129		1,129		0				1,129
154	SHORE COMMUNICATIONS AUTOMATION	0	10,201		7,079		7,079		7,079		0				7,079
155	SHORE COMM ITEMS UNDER $2.0 MILLION	0	7,805		2,056		2,056		2,056		0				2,056
156	SHORE COMM ITEMS UNDER $2 MILLION (SOF)	0	540				0		0		0				0
157	SINGLE AUDIO SYSTEM	0	7,755		4,634		4,634		4,634		0				4,634

P-1		FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
158	TSEC/KY-71/72 (STU-II/STU-IIM)	0	37,145		25,315		25,315		25,315		0				25,315
159	TSEC/KG-84	0	51,528		36,046		36,046		36,046		0				36,046
160	TSEC/KY-57/58 (VINSON)	0	5,000		20,650		20,650		20,650		0				20,650
161	TSEC/KYV-5 (ANDVT)	0	38,336		47,546		47,546		47,546		0				47,546
162	TSEC/KW-46	0	0				0		0		0				0
163	TSEC/KG-81 (WALBURN)	0	1,604		2,111		2,111		2,111		0				2,111
164	TSEC/KGR-96 (ITSS)	0	0				0		0		0				0
165	BLACKER CRYPTO	0	0		1,330		1,330		1,330		0				1,330
166	TSEC/KG-58/KGV-6 (PLRS)	0	0		3,809		3,809		3,809		0				3,809
167	TRITAC CRYPTO	0	21,882		16,416		16,416		16,416		0				16,416
168	TSEC/KGV-11	261	4,085	444	6,790	444	6,790	444	6,790		0			444	6,790
169	COMMON FILL DEVICES	0	600		519		519		519		0				519
170	SIGNAL SECURITY	0	369		390		390		390		0				390
171	CRYPTOGRAPHIC ITEMS UNDER $2 MILLION	0	14,402		14,322		14,322		14,322		0				14,322
172	CRYPTO ITEMS UNDER $2 MILLION (SOF)	0	710				0		0		0				0
173	CRYPTOLOGIC COMMUNICATIONS EQUIP	0	2,035		2,623		2,623		2,623		0				2,623
174	SHIPS SIGNAL EXPLOITATION SPACE	0	4,074		5,707		5,707		5,707		0				5,707
175	CRYPTOLOGIC ITEMS UNDER $2 MILLION	0	3,719		2,034		2,034		2,034		0				2,034
176	CRYPTOLOGIC RESERVES EQUIPMENT	0	1,265		1,929		1,929		1,929		0				1,929
177	CRYPTOLOGIC FIELD TRAINING EQUIP	0	435		956		956		956		0				956
178	SHORE CRYPTOLOGIC SUPPORT SYSTEM	0	1,264		1,317		1,317		1,317		0				1,317
179	WAR RESERVE	0	746		582		582		582		0				582
180	ELEC ENGINEERED MAINT (NAVSEA)	0	531		458		458		458		0				458
181	ELEC ENGINEERED MAINT (NAVELEX)	0	1,560		1,388		1,388		1,388		0				1,388
181a	SECURE COMMUNICATIONS EQUIPMENT						25,000	1,307	0	(1,307)	25,000		0		0
181b	SHIP OVERHAUL EQUIPMENT DEFERRAL												(50,000)		(50,000)
AVIATION SUPPORT EQUIPMENT															
182	AN/SSQ-36 (BT)	28,231	4,098	30,173	4,390	30,173	4,390	30,173	4,390		0			30,173	4,390
183	AN/SSQ-53 (DIFAR)	220,000	73,713	108,666	47,695	108,666	47,695	108,666	47,695		0			108,666	47,695
184	AN/SSQ-57 (SPECIAL PURPOSE)	46,300	11,286	11,564	2,835	11,564	2,835	11,564	2,835		0			11,564	2,835
185	AN/SSQ-62 (DICASS)	37,000	42,774	15,026	22,984	15,026	22,984	15,026	22,984		0			15,026	22,984
186	AN/SSQ-77 (VLAD)	51,700	33,364	32,644	23,616	32,644	23,616	32,644	23,616		0			32,644	23,616
186a	SONOBUOYS (GENERAL INCREASE)						56,700		30,000		26,700		30,000		30,000
187	SIGNAL UNDERWATER SOUND (SUS)	0	0	4,900	1,859	4,900	1,859	4,900	1,859		0			4,900	1,859
188	LOW COST SONOBOUY	0	0				0		0		0				0
189	SKIPPER	1,334	38,773				0		0		0				0
190	GENERAL PURPOSE BOMBS	0	63,974		31,264		106,264		31,264		75,000		25,000		56,264
191	LASER GUIDED BOMB KITS	222	3,828				0		0		0				0
192	WALLEYE	0	10,729		4,251		4,251		4,251		0				4,251
193	ROCKEYE	1,341	8,283		914		16,914		914		16,000		16,000		16,914
194	ZUNI ROCKET	0	29,479				0		0		0				0
195	2.75 INCH ROCKET	0	18,494		18,731		18,731		18,731		0		(9,400)		9,331
196	PARACHUTE FLARES	99	1,431				0		0		0				0

P-1 LINE	ITEM	FY 1988 Estimate Quantity	FY 1988 Estimate Amount	Revised FY 1989 Request Quantity	Revised FY 1989 Request Amount	House Authorization Quantity	House Authorization Amount	Senate Authorization Quantity	Senate Authorization Amount	House +/- Senate Quantity	House +/- Senate Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference Authorization Quantity	Conference Authorization Amount
197	MACHINE GUN AMMUNITION	0	14,436		13,005		13,005		13,005		0				13,005
198	PRACTICE BOMBS	0	36,926		43,024		63,024		43,024		20,000		20,000		63,024
199	CARTRIDGES + CARTRIDGE ACTUATED DEVICES	0	12,233		1,927		28,127		1,927		26,200		26,200		28,127
200	AIRCRAFT ESCAPE ROCKETS	0	3,687		3,579		3,579		3,579		0				3,579
201	AIRBORNE EXPENDABLE COUNTERMEASURES	0	20,035		17,526		17,526		17,526		0				17,526
202	MARINE LOCATION MARKERS	0	6,567		6,503		6,503		6,503		0				6,503
203	DEFENSE NUCLEAR AGENCY MATERIAL	0	1,477				0		0		0				0
204	BIGEYE CHEMICAL WEAPON	0	0		9,900		0		9,900		(9,900)		(4,900)		5,000
205	JATOS	0	4,149		4,846		4,846		4,846		0		(3,100)		1,746
206	GATOR	217	6,400	563	13,364	563	13,364	563	13,364		0			563	13,364
207	MISC AIR LAUNCHED ORDNANCE	0	1,618		2,178		2,178		2,178		0		(1,000)		1,178
208	WEAPONS RANGE SUPPORT EQUIPMENT	0	46,829		57,163		57,163		57,163		0				57,163
209	EXPEDITIONARY AIRFIELDS	0	15,709		8,670		8,670		8,670		0				8,670
210	AIRCRAFT REARMING EQUIPMENT	0	35,277		11,864		11,864		11,864		0				11,864
211	CATAPULTS AND ARRESTING GEAR	0	38,932		20,847		20,847		20,847		0				20,847
212	METEOROLOGICAL EQUIPMENT	0	20,100		22,590		22,590		22,590		0				22,590
212a	AEROSTAT RADAR-DRUG INTERDICTION					2	45,000		0	2	45,000		0		0
212b	TETHERED AEROSTAT RADAR (PAX)					1	21,000		0	1	21,000		0		0
213	OTHER PHOTOGRAPHIC EQUIPMENT	0	1,841		1,905		1,905		1,905		0				1,905
214	MISC SURVIVAL EQUIPMENT	0	7,629		5,765		5,765		5,765		0				5,765
215	AIRBORNE MINE COUNTERMEASURES	0	15,940		22,588		22,588		22,588		0				22,588
216	LAMPS MK III SHIPBOARD EQUIPMENT	0	22,587		8,180		8,180		8,180		0				8,180
217	REWSON PHOTOGRAPHIC EQUIPMENT	0	37		3,337		3,337		3,337		0				3,337
218	STOCK SURVEILLANCE EQUIPMENT	0	3,207		2,807		2,807		2,807		0				2,807
219	OTHER AVIATION SUPPORT EQUIPMENT	0	13,864		29,143		29,143		29,143		0		(17,358)		11,785
ORDNANCE SUPPORT EQUIPMENT															
220	3 /50 GUN AMMUNITION	0	3,207		993		993		993		0				993
221	5 /38 GUN AMMUNITION	0	5,706		4,630		4,630		4,630		0				4,630
222	5 /54 GUN AMMUNITION	0	46,001		48,562		48,562		48,562		0				48,562
223	5 INCH GUIDED PROJECTILE	0	0				0		0		0				0
224	16 INCH GUN AMMUNITION	0	14,931		24,139		24,139		24,139		0				24,139
225	CIWS AMMUNITION	0	40,475		40,744		40,744		40,744		0				40,744
226	76MM GUN AMMUNITION	0	5,912		9,479		9,479		9,479		0				9,479
227	OTHER SHIP GUN AMMUNITION	0	20,247		17,986		17,986		17,986		0				17,986
228	GUN FIRE CONTROL EQUIPMENT	0	13,914		7,951		7,951		7,951		0				7,951
229	COAST GUARD GUN SYSTEM	0	0				0		0		0				0
SHIP MISSILE SYSTEMS EQUIPMENT															
230	MK 92 FIRE CONTROL SYSTEM	0	7,038	1	8,145	1	8,145	1	8,145		0			1	8,145
230a	MK 92 CORT					6	78,000		0	6	78,000	4	50,100	4	50,100
231	HARPOON SUPPORT EQUIPMENT	0	38,021		42,878		42,878		42,878		0				42,878
232	TERRIER SUPPORT EQUIPMENT	0	48,535		47,265		47,265		47,265		0				47,265
233	TARTAR SUPPORT EQUIPMENT	0	64,226		61,319		61,319		61,319		0				61,319
234	POINT DEFENSE SUPPORT EQUIPMENT (MYP)	0	23,917		34,401		34,401		34,401		0				34,401
235	AIRBORNE ECM/ECCM	0	1,045		1,079		1,079		1,079		0				1,079
236	AEGIS SUPPORT EQUIPMENT	0	4,200		39,135		39,135		39,135		0				39,135
237	SURFACE TOMAHAWK SUPPORT EQUIPMENT	0	50,937		37,995		37,995		37,995		0				37,995
238	SUBMARINE TOMAHAWK SUPPORT EQUIPMENT	0	5,521		2,611		2,611		2,611		0				2,611
239	VERTICAL LAUNCH SYSTEM	2	54,902	3	78,349	3	78,349	3	78,349		0			3	78,349

P-1 LINE	ITEM	FY 1988 Estimate Quantity	FY 1988 Estimate Amount	-----Revised------ FY 1989 Request Quantity	FY 1989 Request Amount	-----House------ Authorization Quantity	House Authorization Amount	-----Senate------ Authorization Quantity	Senate Authorization Amount	House +/- Senate Quantity	House +/- Senate Amount	---Conference--- Change to Request Quantity	Conference Change to Request Amount	---Conference--- Authorization Quantity	Conference Authorization Amount
240	STRATEGIC PLATFORM SUPPORT EQUIPMENT	0	66,745		384,723		384,723		384,723		0				384,723
241	MK-92	0	0				0		0		0				0
242	MK 117 FIRE CONTROL SYSTEM	0	56,400		72,974		72,974		72,974		0				72,974
243	SUBMARINE ASW SUPPORT EQUIPMENT	0	1,003		9,100		9,100		9,100		0				9,100
244	SURFACE ASW SUPPORT EQUIPMENT	0	9,901		26,192		26,192		26,192		0				26,192
245	MK 116 FIRE CONTROL SYSTEM	0	0				0		0		0				0
246	ASW RANGE SUPPORT EQUIPMENT	0	5,714		5,314		5,314		5,314		0				5,314
247	EXPLOSIVE ORDNANCE DISPOSAL EQUIP	0	12,752		11,460		11,460		11,460		0				11,460
248	SWIMMER WEAPONS SYSTEMS	0	0				0		0		0				0
249	SWIMMER WEAPON SYSTEMS (SOF)	0	4,096		4,150		4,150		4,150		0				4,150
250	UNMANNED SEABORNE TARGET	0	2,003		2,581		2,581		2,581		0				2,581
251	ANTI-SHIP MISSILE DECOY SYSTEMS	6	7,575	6	5,846	6	5,846	6	5,846		0			6	5,846
252	CALIBRATION EQUIPMENT	0	3,563		3,600		3,600		3,600		0				3,600
253	STOCK SURVEILLANCE EQUIPMENT	0	1,780		932		932		932		0				932
254	OTHER ORDNANCE TRAINING EQUIPMENT	0	2,339		2,336		2,336		2,336		0				2,336
255	SMALL ARMS AND LANDING PARTY AMMO	0	31,712		33,444		33,444		33,444		0				33,444
256	SMALL ARMS & LANDING PARTY AMMO (SOF)	0	3,668		3,495		3,495		3,495		0				3,495
257	PYROTECHNIC AND DEMOLITION MATERIAL	0	2,122		119		119		119		0				119
258	PYROTECHNIC AND DEMOLITION (SOF)	0	23,292		23,379		23,379		23,379		0				23,379
259	QUICKSTRIKE	0	13,129		23,072		23,072		23,072		0				23,072
260	FLEET MINE SUPPORT EQUIPMENT	0	16,375		20,719		20,719		20,719		0				20,719
261	MINE NEUTRALIZATION DEVICES	0	3,329		3,633		3,633		3,633		0				3,633
262	DEFENSE NUCLEAR AGENCY MATERIAL	0	9,594		7,608		7,608		7,608		0				7,608
263	SHIPBOARD EXPENDABLE COUNTERMEASURES	0	20,410		18,233		18,233		18,233		0				18,233
263a	REDUCTION IN ORDNANCE SUPPORT EQUIPMENT						(27,900)		0		(27,900)		(35,000)		(35,000)
263b	AMMUNITION-GENERAL INCREASE						25,000		0		25,000		0		0
263c	SHIP OVERHAUL EQUIPMENT DEFERRAL												(50,000)		(50,000)
CIVIL ENGINEERING SUPPORT EQUIPMENT															
264	PASSENGER CARRYING VEHICLES	451	5,060	448	5,312	448	5,312	448	5,312		0			448	5,312
265	ARMORED SEDANS	0	0	2	191	2	191	2	191		0			2	191
266	TRUCKS	1,172	19,300	1,858	29,405	1,200	18,991	1,858	29,405	(658)	(10,414)	(658)	(10,414)	1,200	18,991
267	TRAILERS	189	2,135	121	1,304	121	1,304	121	1,304		0			121	1,304
268	CRUSH, MIX, BATCH, PAVE EQUIPMENT	0	1,984		879		879		879		0				879
269	DRILLING AND BLASTING EQUIPMENT	0	2,294		761		761		761		0				761
270	EARTH MOVING EQUIPMENT	121	6,939	97	6,985	97	6,985	97	6,985		0			97	6,985
271	LIGHTING AND POWER GENERATING EQUIP	0	1,642		608		608		608		0				608
272	MISC CONSTRUCTION AND MAINTENANCE EQUIP	0	3,532		3,020		3,020		3,020		0				3,020
273	FIRE FIGHTING EQUIPMENT	65	8,430	48	9,748	48	9,748	48	9,748		0			48	9,748
274	WEIGHT HANDLING EQUIPMENT	32	6,737	30	5,714	30	5,714	30	5,714		0			30	5,714
275	AMPHIBIOUS EQUIPMENT	0	9,906		15,437		30,437		30,437		0		15,000		30,437
276	COMBAT CONSTRUCTION SUPPORT EQUIPMENT	0	8,438		11,084		11,084		11,084		0				11,084
277	MOBILE UTILITIES SUPPORT EQUIPMENT	0	6,424		3,653		3,653		3,653		0				3,653
278	COLLATERAL EQUIPMENT	0	1,911		1,620		1,620		1,620		0				1,620
279	OCEAN CONSTRUCTION EQUIPMENT	0	2,184		1,463		1,463		1,463		0				1,463
280	FLEET MOORINGS	0	4,318		3,888		3,888		3,888		0				3,888
281	POLLUTION CONTROL EQUIPMENT	0	2,914		2,103		2,103		2,103		0				2,103
282	OTHER CIVIL ENG SUPPORT EQUIPMENT	0	2,067		1,300		1,300		1,300		0				1,300

P-1		FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
283	FLEET HOSPITALS	0	0				0		0		0				0
	SUPPLY SUPPORT EQUIPMENT														
284	FORKLIFT TRUCKS	107	4,508	301	9,520	301	9,520	301	9,520		0			301	9,520
285	OTHER MATERIALS HANDLING EQUIPMENT	0	1,571		3,270		3,270		3,270		0				3,270
286	AUTOMATED MATERIALS HANDLING SYSTEMS	0	19,186		3,544		3,544		3,544		0				3,544
287	OTHER SUPPLY SUPPORT EQUIPMENT	0	11,783		4,079		4,079		4,079		0				4,079
288	POLLUTION CONTROL EQUIPMENT	0	0		720		720		720		0				720
289	SPECIAL PURPOSE SUPPLY SYSTEMS	0	72,146		84,162		105,362		84,162		21,200		21,200		105,362
	PERSONNEL AND COMMAND SUPPORT EQUIPMENT														
290	SURFACE SONAR TRAINERS	0	0		29,558		29,558		29,558		0				29,558
291	SUBMARINE SONAR TRAINERS	0	1,212		8,162		8,162		8,162		0				8,162
292	SURFACE COMBAT SYSTEM TRAINERS	0	18,910		23,984		23,984		23,984		0				23,984
293	SUBMARINE COMBAT SYSTEM TRAINERS	0	20,511		14,283		14,283		14,283		0				14,283
294	SHIP SYSTEM TRAINERS	0	14,045		4,685		16,585		4,685		11,900		11,900		16,585
295	TRAINING SUPPORT EQUIP	0	2,636		4,524		4,524		4,524		0				4,524
296	TRAINING DEVICE MODIFICATIONS	0	3,088		1,759		1,759		1,759		0				1,759
297	COMMAND SUPPORT EQUIPMENT	0	8,927		15,163		15,163		15,163		0				15,163
298	EDUCATION SUPPORT EQUIPMENT	0	1,228		4,164		4,164		4,164		0				4,164
299	MEDICAL SUPPORT EQUIPMENT	0	15,020		49,679		49,679		49,679		0				49,679
300	INTELLIGENCE SUPPORT EQUIPMENT	0	70,475		58,375		58,375		58,375		0				58,375
301	ITEMS UNDER $2 MILLION	0	1,508		1,010		1,010		1,010		0				1,010
302	OPERATING FORCES SUPPORT EQUIPMENT	0	9,886		19,266		19,266		19,266		0				19,266
303	NAVAL RESERVE SUPPORT EQUIPMENT	0	162		716		716		716		0				716
304	OCEANOGRAPHIC SUPPORT EQUIPMENT	0	25,774		19,525		19,525		19,525		0				19,525
305	PHYSICAL SECURITY EQUIPMENT	0	38,426		11,577		11,577		11,577		0				11,577
306	COMPUTER ACQUISITION PROGRAM	0	175,654		185,401		185,401		185,401		0		0		185,401
307	PRODUCTIVITY INVESTMENT FUND (PIF)	0	1,990		13,780		13,780		13,780		0		(8,780)		5,000
308	PROD ENHANCING INCENTIVE FUND (PEIF)	0	7,371		8,798		8,798		8,798		0		(6,798)		2,000
	SPARES AND REPAIR PARTS														
309	SPARES AND REPAIR PARTS	0	278,800		227,196		227,196		227,196		0				227,196
	UNDISTRIBUTED REDUCTION						0		(54,000)		54,000		0		0
	TOTAL OTHER PROCUREMENT NAVY		4,731,350		4,789,700		5,213,386		4,836,200		377,186		28,050		4,817,750

Sealift support equipment

The amended budget request included $21.8 million for sealift support equipment.

The House bill would add $12 million to the request.

The Senate amendment would add $8 million to the request.

The House recedes.

The conferees remain very supportive of the use of seasheds and adapters and their continued procurement from small businesses by competitive dual-sourcing through the existing small business program under a stable production.

Reduction in ships support equipment

The conferees agree to a reduction of $15 million in the amended budget request for ships support equipment. The conferees are aware that problems have been identified in fully executing certain of the programs contained in the amended budget request. Accordingly, the conferees direct that this reduction be taken from the following programs: other propulsion equipment; other pumps, electrically suspended gyro navigator; submarine batteries; Hull, Machinery and Electrical items under $2 million; and diving and salvage equipment.

AN/SQR-17A acoustic processor

The amended budget request did not include a request for AN/SQR-17A acoustic processors.

The House bill would add $10 million for this equipment.

The Senate amendment contained a provision (sec. 111(e)) that would proscribe further procurement of this equipment, with accompanying language indicating that the General Accounting Office had concluded that more equipment had been procured in previous years than the Navy required.

The House recedes with an amendment whereby the Senate proscription on procurement would be deleted in favor of a program review by the Secretary of the Navy.

The conferees agree that in light of the report by the General Accounting Office, the Secretary of the Navy should review requirements and develop a stable procurement plan for the AN/SQR-17A, if it is neeeded, in particular for the Mobile Inshore Undersea Warfare units of the Naval Reserve. Accordingly, the conferees direct the Secretary of the Navy to submit the results of the Secretary's review of this program and to request funds for such a plan, if deemed necessary, in the fiscal year 1990 budget request.

AN/SQR-18 towed array sonar

The amended budget request contained $0.3 million for the AN/SQR-18 towed array sonar.

The House bill would add $13.9 million for this anti-submarine warfare equipment.

The Senate amendment contained no similar provision.

The Senate recedes.

SIDEKICK electronic countermeasures equipment

The amended budget request did not include a request for an electronic countermeasures system nicknamed SIDEKICK. SIDEKICK provides an active countermeasures capacity to the SLQ-32(V)2 electronic warfare equipment.

The Senate amendment contained a provision (sec. 113) that would authorize $54 million for procurement of 36 SIDEKICK units.

The House bill would not authorize funds for this program.

The House recedes with an amendment.

The conferees agree that the procurement of SIDEKICK will significantly enhance the electronic countermeasures capability of ships so equipped. Accordingly, the conferees recommend authorization of $9 million for the initial procurement, directing the Secretary of the Navy to establish a stable program for procurement based on a firm installation schedule. The conferees also invite the Navy to reprogram funds for the SIDEKICK program up to the level that can be obligated in fiscal year 1989.

Sonobuoys

The amended budget request included $103.4 million for procurement of sonobuoys.

The House bill would authorize a general increase of $56.7 million for sonobuoys.

The Senate amendment would authorize a general increase of $30 million, for a total sonobuoy procurement of $133.4 milllion.

The House recedes.

General purpose bombs

The amended budget request contained $31.3 million to procure general purpose bombs.

The House bill would authorize an increase of $75 million, for a total of $106.3 million, but would reserve $5 million for the DSU-30/B target detecting device.

The Senate amendment would authorize the requested amount.

The conferees recommend an authorization of $56.3 million, including $5 million for the DSU-30/B target detecting device.

Rockeye bombs

The amended budget request contained $0.9 million for Rockeye munitions.

The House bill would authorize $16.9 million, including $1.5 million to be used for follow-on testing of an engineering change proposal to reload existing Rockeye munitions with a dual-purpose insensitive PBX bomblet refuzed with the FMU-140 fuze.

The Senate amendment would authorize the budget request.

The conferees recommend an authorization of $16.9 million, and direct that $1.5 million be used for follow-on testing consistent with the House direction.

MK-92 coherent receiver-transmitter

The amended budget request did not include a request for the MK 92 coherent receiver-transmitter (CORT) system.

The House bill would add $78 million for this equipment.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment. The conferees recommend authorization of $50.1 million for the MK 92 CORT system.

Reduction in ordnance support equipment

The House bill contained a reduction of $27.9 million in ordnance support equipment. The Senate amendment did not contain a similar request.

The conferees agree to a reduction of $35 million in ship support equipment. The conferees are aware that problems have been identified in executing fully certain of the programs contained in the amended budget submission. Accordingly, the conferees direct that this reduction be taken from the following programs: 5"/54 gun ammunition and 16-inch ammunition.

Trucks

The amended budget request included $29.4 million for 1,858 trucks for the Navy.

The House bill would reduce the request by $10.4 million and 658 trucks.

The Senate amendment would authorize the amount requested.

The Senate recedes.

Amphibious equipment

The conferees affirm the language in the House report (H. Rept. 100-563) and the Senate report (S. Rept. 100-326) concerning the Offshore Petroleum Discharge System.

Ship system trainers

The amended budget request included $4.7 million for procurement of ship system trainers.

The House bill would add $11.9 million to the request for procurement of 19F fire training systems designed to train Navy personnel to fight fires onboard ships.

The Senate amendment would authorize the amount in the budget request.

The Senate recedes.

PROCUREMENT, MARINE CORPS

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $1,157.3 million for Marine Corps procurement. The House bill would authorize $1,330.3 million. The Senate amendment would authorize $1,167.3 million. The conferees recommend authorization of $1,297.3 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1 LINE	ITEM	FY 1988 Estimate Quantity	FY 1988 Estimate Amount	Revised FY 1989 Request Quantity	Revised FY 1989 Request Amount	House Authorization Quantity	House Authorization Amount	Senate Authorization Quantity	Senate Authorization Amount	House +/- Senate Quantity	House +/- Senate Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference Authorization Quantity	Conference Authorization Amount
	PROCUREMENT, MARINE CORPS														
	AMMUNITION														
1	5.56 MM, ALL TYPES	0	0		14,632		14,632		14,632		0				14,632
2	7.62 MM, ALL TYPES	0	0		2,630		2,630		2,630		0				2,630
3	LINEAR CHARGES, ALL TYPES	0	0		5,390		5,390		5,390		0				5,390
4	.50 CALIBER	0	0		1,702		1,702		1,702		0				1,702
5	SMALL ARMS AMMO, ALL TYPES	0	32,680				0		0		0				0
6	40 MM, ALL TYPES	0	0		13,586		13,586		13,586		0				13,586
7	60MM ILLUM M721	0	0		14,273		14,273		14,273		0				14,273
8	60MM SMOKE WP	0	0		6,095		6,095		6,095		0				6,095
9	60MM HE M888	0	0		6,852		6,852		6,852		0				6,852
10	81MM HE	0	0		32,275		32,275		32,275		0				32,275
11	81MM SMOKE RP M819	0	0		13,081		13,081		13,081		0				13,081
12	81MM TP M879	0	0		4,783		4,783		4,783		0				4,783
13	120MM HEAT MP-T M830	0	0		5,373		10,373		5,373		5,000		5,000		10,373
14	120MM TP-T M831	0	0		1,400		3,400		1,400		2,000		2,000		3,400
15	155 MM HE ADAM	0	0		4,882		4,882		4,882		0				4,882
16	155 MM HE RAAMS	0	0		10,232		10,232		10,232		0				10,232
17	155MM HE DP ICM483	0	0		5,004		5,004		5,004		0				5,004
18	155MM CHG. PROP. RED BAG	0	0		5,905		5,905		5,905		0				5,905
19	155MM CHG. PROP. WHITE BAG	0	0		6,266		6,266		6,266		0				6,266
20	FUZES, PRIMER PERCUSSION	0	0		108		108		108		0				108
21	83MM ROCKET HEAA (SMAW)	0	0		27,842		27,842		27,842		0				27,842
22	LIGHT ANTI-ARMOR WEAPON	0	0		13,812		13,812		13,812		0				13,812
23	9MM ALL TYPES	0	0		2,919		2,919		2,919		0				2,919
24	MACHINE GUN AMMO, ALL TYPES	0	31,528				0		0		0				0
25	MORTAR AMMO, ALL TYPES	0	122,846				0		0		0				0
26	GRENADES, ALL TYPES	0	25,410		4,466		4,466		4,466		0				4,466
27	ROCKETS, ALL TYPES	0	26,444				0		0		0				0
28	155MM AMMO, ALL TYPES	0	0				0		0		0				0
29	ANTI-ARMOR AMMO, ALL TYPES	0	0				0		0		0				0
30	155MM PROJ COPPERHEAD	0	0				0		0		0				0
31	8 INCH AMMO, ALL TYPES	0	0				0		0		0				0
32	155MM AMMO, ALL TYPES	0	68,695				0		0		0				0
33	FUZES, ALL TYPES	0	733				0		0		0				0
34	TRAINING AMMO, ALL TYPES	0	33,865				0		0		0				0
35	AMMO MODERNIZATION	0	14,775		19,056		19,056		19,056		0				19,056
36	ITEMS LESS THAN $2 MIL	0	5,899		2,742		2,742		2,742		0				2,742
	AMMUNITION-GENERAL INCREASE						25,000		0		25,000		0		0

				-----Revised------		-----House------		-----Senate------				---Conference---		---Conference---	
P-1		FY 1988 Estimate		FY 1989 Request		Authorization		Authorization		House +/- Senate		Change to Request		Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
WEAPONS AND COMBAT VEHICLES															
37	AAV7A1 PIP	0	20,952		47,828		47,828		47,828		0				47,828
38	MODIFICATION KITS	0	282				0		0		0				0
39	M-1 A1 MAIN BATTLE TANK (MYP)	0	1,144	14	60,441	66	177,441	14	60,441	52	117,000	52	104,000	66	164,441
39	LESS: ADVANCE PROCUREMENT (PY)	0	0		(24,441)		(24,441)		(24,441)		0				(24,441)
40	ADVANCE PROCUREMENT (CY)	0	24,441				0		0		0				0
41	ARMORED VEH LAUNCHED BRIDGE	0	0				0		0		0				0
42	M1 TANK TRAINER	4	8,947				0		0		0				0
43	ITEMS UNDER $2M (TRKD VEH)	0	75		295		295		295		0				295
44	POS AZIMUTH DETERM SYSTEM (PADS)	34	9,637				0		0		0				0
45	M198 155MM HOWITZER	0	0				0		0		0				0
46	ITEMS UNDER $2M (ALL OTHER)	0	1,077		735		735		735		0				735
47	9MM HANDGUN	22,182	5,191	13,589	3,230	13,589	3,230	13,589	3,230		0			13,589	3,230
48	5.56MM SQUAD AUTOMATIC WEAPON	0	0	572	1,769	572	1,769	572	1,769		0			572	1,769
49	M16A2 5.56MM RIFLE	16,652	8,859	9,427	5,119	9,427	5,119	9,427	5,119		0			9,427	5,119
50	M-4 CARBINE	0	0	1,500	1,005		0	1,500	1,005	(1,500)	(1,005)		(1,005)	1,500	0
51	MK-19 40MM MACHINE GUN	0	0				0		4,970		(4,970)		4,970		4,970
52	MORTAR, MED. EXTENDED RANGE	264	5,262				0		0		0				0
GUIDED MISSILES AND EQUIPMENT															
53	HAWK (MYP)	525	115,650	467	129,859	467	129,859	467	129,859		0			467	129,859
53	LESS: ADVANCE PROCUREMENT (PY)	0	0		(24,350)		(24,350)		(24,350)		0				(24,350)
54	ADVANCE PROCUREMENT (CY)	0	24,350		34,205		34,205		34,205		0				34,205
55	HAWK MOD	0	30,129		5,828		5,828		5,828		0				5,828
56	STINGER (MYP)	2,225	93,005	3,115	145,029	3,115	145,029	3,115	145,029		0			3,115	145,029
56a	LIGHT EARLY WARNING DETECTION SYSTEM						5,000		5,000		0		5,000		5,000
57	DRAGON PIP	4,259	7,890	5,950	9,748	5,950	9,748	5,950	9,748		0			5,950	9,748
58	TOW (MYP)	3,386	38,440	2,585	28,400	2,585	28,400	2,585	28,400		0			2,585	28,400
59	MODIFICATION KITS	0	736		1,890		1,890		1,890		0				1,890
60	MANPACK RADIOS AND EQUIP	0	0				0		0		0				0
61	VEHICLE MTD RADIOS & EQUIPMENT	0	3,224		431		431		431		0				431
62	UNIT LEVEL CIRCUIT SWITCH (ULCS)	0	64,549		75,740		75,740		75,740		0				75,740
63	TACT COMM CENTER EQUIP	0	9,887		10,167		10,167		10,167		0				10,167
64	AN/PSG( ) DIGITAL COMM TERMINAL	576	17,316	867	23,001	867	23,001	867	23,001		0			867	23,001
65	AUTO TEST EQUIP SYS	0	0		8,020		8,020		8,020		0				8,020
66	ELECTRON CALIBRATION FACILITY	9	8,740				0		0		0				0
67	ELECTRONIC MAINTENANCE COMPLEX	0	0				0		0		0				0
68	ELECTRONIC TEST EQUIP (TEL)	0	2,169		2,348		2,348		2,348		0				2,348
69	AN/GRM-114A RADIO TEST SET	135	850	135	875	135	875	135	875		0			135	875

P-1		FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
70	TWSEAS	0	0				0		0		0				0
71	ANDVT/TACTERM	74	2,320	76	2,591	76	2,591	76	2,591		0			76	2,591
72	TEST CALIB + MAINT SPT	0	97		1,448		1,448		1,448		0				1,448
73	MODIFICATION KITS (TEL)	0	1,948		8,247		8,247		8,247		0				8,247
74	ITEMS LESS THAN $2M (TEL)	0	1,966	-	577		577		577		0				577
75	POS LOCATING RPTG SYSTEM (PLRS)	0	0	1	29,213	1	29,213	1	29,213		0			1	29,213
76	MIFASS (NONTEL)	0	0				0		0		0				0
77	TACTICAL AIR OPER MODULE (TAOM)	9	76,923	7	57,359	7	57,359	7	57,359		0			7	57,359
78	TACTICAL RECEIVER EQUIPMENT SET	0	0	12	3,793	12	3,793	12	3,793		0			12	3,793
79	IMPR DIR AIR SPT CTR (IDASC)	5	3,705				0		0		0				0
80	AN/TPS-32 DECOY	0	0				0		0		0				0
81	INTELLIGENCE SUPPORT EQUIPMENT	0	4,420		6,956		6,956		6,956		0				6,956
82	MOBILE EW SUP SYS (MEWSS)	0	0				0		0		0				0
83	ELECTRONIC TDME REPAIR FACILITY	2	1,481				0		0		0				0
84	CALIBRATION FACILITY, MECH	12	5,600				0		0		0				0
85	STE/ICE SIMPLE TEST EQ	285	1,423	150	772	150	772	150	772		0			150	772
86	MECH TEST TMDE	0	97		946		946		946		0				946
87	AN/UPM-137 RADAR TEST SET	0	0	67	4,000	67	4,000	67	4,000		0			67	4,000
88	ELECTRONIC TEST EQUIP (NONTEL)	0	97		1,879		1,879		1,879		0				1,879
89	U B CAMPS	0	0				0		0		0				0
90	NIGHT VISION EQUIPMENT	0	16,686		16,382		16,382		16,382		0				16,382
91	ADP EQUIPMENT	0	41,015		29,578		29,578		29,578		0				29,578
92	TEST CALIB & MAINT SPT (NON-TEL)	0	97		1,448		1,448		1,448		0				1,448
93	MODIFICATION KITS (NONTEL)	0	12,614		8,720		8,720		8,720		0				8,720
94	ITEMS LESS THAN $2M (NON-TEL)	0	1,401		131		131		131		0				131
95	COMMERCIAL PASSENGER VEHICLES	145	2,464	150	2,259	150	2,259	150	2,259		0			150	2,259
96	COMMERCIAL CARGO VEHICLES	0	9,599		12,719		12,719		12,719		0				12,719
97	5/4T TRUCK HMMWV (MYP)	136	2,881				0		0		0				0
98	5-TON TRUCK RETROFIT	0	0				0		0		0				0
99	LOGISTICS VEHICLE SYSTEM (MYP)	359	19,261		5,798	350	25,798		5,798	350	20,000	350	20,000	350	25,798
100	TRAILERS	0	2,881		2,364		2,364		2,364		0				2,364
101	LUBE AND SERVICE UNIT	0	0				0		0		0				0
102	MODIFICATION KITS	0	3,168		2,294		2,294		2,294		0				2,294
103	ITEMS LESS THAN $2 MIL	0	862				0		0		0				0

P-1 LINE	ITEM	FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
104	ENVIRONMENTAL CONTROL EQUIP ASSORT	0	2,768		2,590		2,590		2,590		0				2,590
105	HEAVY ROUGH TERRAIN CRANE	156	34,976	19	4,921	19	4,921	19	4,921		0			19	4,921
106	LIGHT ROUGH TERRAIN CRANE	200	11,625	142	8,040	142	8,040	142	8,040		0			142	8,040
107	GRADER ROAD MOTORIZED	0	0				0		0		0				0
108	TRACTORS, ALL TYPES	0	28,785		11,716		11,716		11,716		0				11,716
109	CONTAINER HANDLER, ROUGH TERR	35	8,118				0		0		0				0
110	FORKLIFTS, ALL TYPES	0	27,839		27,751		27,751		27,751		0				27,751
111	LAUNDRY UNIT, FIELD	0	3,240				0		0		0				0
112	FIELD SUPPORT EQUIPMENT	0	0				0		0		0				0
113	FIELD BATH SHOWER UNIT	100	2,255	152	3,517	152	3,517	152	3,517		0			152	3,517
114	REFRIGERATION UNIT	0	0				0		0		0				0
115	FIELD WIRING HARNESS	963	4,351				0		0		0				0
116	FUEL & WATER PUMP & STORAGE MODULE	0	10,572		5,671		5,671		5,671		0				5,671
117	AMPHIBIOUS ASSAULT FUEL SYSTEM	0	2,346				0		0		0				0
118	TACT AIRFIELD FUEL DISP SYS	0	1,899				0		0		0				0
119	TOPOGRAPHIC/SURVEY EQUIPMENT	0	908				0		0		0				0
120	WET GAP BRIDGE SYSTEM	168	5,628				0		0		0				0
121	BOAT BRIDGE	0	0				0		0		0				0
122	POWER EQUIPMENT ASSORTED	0	1,112		50		50		50		0				50
123	MOB ELECT POWER DIST SYS (MEPDIS)	0	0				0		0		0				0
124	MINING SYSTEMS	0	0				0		0		0				0
125	COMMAND SUPPORT EQUIPMENT	0	6,792		2,881		2,881		2,881		0				2,881
126	AMPHIBIOUS RAID EQUIPMENT	0	0		1,700		1,700		1,700		0				1,700
127	PRODUCTIVITY INVESTMENT	0	0		2,044		2,044		2,044		0				2,044
128	PHYSICAL SECURITY EQUIPMENT	0	3,374		1,955		1,955		1,955		0				1,955
129	GARRISON MOBILE ENGR EQUIP	0	3,838		5,369		5,369		5,369		0				5,369
130	TELEPHONE SYSTEM	0	0		4,932		4,932		4,932		0				4,932
131	AUTO MAT HANDLING EQUIP	0	959		946		946		946		0				946
132	HQMC ITEMS	0	327		429		429		429		0				429
133	MATERIAL HANDLING EQUIP	0	2,290		2,199		2,199		2,199		0				2,199
134	LIGHTWEIGHT DECONTAMINATION SYSTEM	276	3,409	282	3,630	282	3,630	282	3,630		0			282	3,630
135	TRAINING DEVICES (AUDIO VISUAL)	0	1,440		1,418		1,418		1,418		0				1,418
136	TRAINING DEVICES (SIMULATORS)	0	11,218		9,467		9,467		9,467		0				9,467
137	SHELTER FAMILY	0	0	513	19,167	513	19,167	513	19,167		0			513	19,167
138	CONTAINER FAMILY	1,859	3,002	13,556	14,982	13,556	14,982	13,556	14,982		0			13,556	14,982
139	CHEMICAL ALARM SYSTEM	386	916				0		0		0				0
140	CHEMICAL PROTECTION EQUIPMENT	0	0				0		0		0				0
141	DECON APPARATUS PWR DRIVEN	0	0				0		0		0				0
142	MODIFICATION KITS	0	0				0		0		0				0
143	ITEMS LESS THAN $2 MIL	0	3,931		2,877		2,877		2,877		0				2,877
144	SPARES AND REPAIR PARTS	0	28,998		47,096		47,096		47,096		0				47,096
	TOTAL PROCUREMENT MARINE CORPS		1,295,599		1,157,300		1,330,295		1,167,270		163,025		139,965		1,297,265

M1A1 main battle tanks

The amended budget request included $60.4 million for procurement of 14 M1A1 tanks.

The House bill would authorize an increase of $117 million for 52 additional tanks.

The Senate amendment would authorize the amount requested.

The Senate recedes with an amendment.

The conferees recommend authorization of $164.4 million for 66 M1A1 main battle tanks for the Marine Corps, an increase of $104 million for 52 tanks to the request.

M-4 carbine

The amended budget request included $1 million for 1,500 M-4 carbines.

The House bill would deny authorization for carbines.

The Senate amendment would authorize the amount requested.

The Senate recedes.

MK-19 40mm machine gun

The amended budget request did not include funds for MK-19 40mm machine guns.

The House bill would reflect the budget request.

The Senate amendment would authorize $5 million for MK-19 40mm machine guns.

The House recedes.

Logistics vehicle system

The amended budget request included $5.8 million for Logistics Vehicle Systems. The House bill provided an increase of $20 million to the request.

The Senate amendment contained no similar provision.

The Senate recedes.

AIRCRAFT PROCUREMENT, AIR FORCE

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $16,630 million for Air Force aircraft procurement. The House bill would authorize $16,413.8 million. The Senate amendment would authorize $16,256.1 million. The conferees recommend authorization of $16,125 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1		FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
AIRCRAFT PROCUREMENT, AIR FORCE															
1	CLASSIFIED PROGRAMS		[ ]		[ ]		[ ]		[ ]		0				[ ]
2	B-2A		[ ]		[ ]		[ ]		[ ]		[-100,000]		[-50,000]		[ ]
2	LESS: ADVANCE PROCUREMENT (PY)		[ ]		[ ]		[ ]		[ ]		0				[ ]
3	ADVANCE PROCUREMENT (CY)		[ ]		[ ]		[ ]		[ ]		0				[ ]
4	AIR DEFENSE COMPETITION	0	0				0		0		0				0
5	ATA		[ ]		[ ]		[ ]		[ ]		0		[-87,200]		[ ]
6	CLASSIFIED PROGRAMS		[ ]		[ ]		[ ]		[ ]		0				[ ]
7	F-15 D/E	42	1,448,576	36	1,445,805	42	1,578,705	36	1,445,805	6	132,900		0	36	1,445,805
7	LESS: ADVANCE PROCUREMENT (PY)	0	(139,376)		(154,200)		(154,200)		(154,200)		0				(154,200)
8	F-15 ADVANCE PROCUREMENT (CY)	0	154,200		100,709		123,909		100,709		23,200		11,900		112,609
9	F-16 C/D (MYP)	180	2,682,620	180	3,499,128	180	3,449,128	180	3,148,128		301,000		(150,000)	180	3,349,128
9	LESS: ADVANCE PROCUREMENT (PY)	0	(533,952)		(646,100)		(646,100)		(646,100)		0				(646,100)
10	ADVANCE PROCUREMENT (CY)	0	475,900		588,738		588,738		588,738		0		(134,000)		454,738
11	KC-10A (ATCA) (MYP)	0	0				0		0		0				0
11	LESS: ADVANCE PROCUREMENT (PY)	0	0				0		0		0				0
12	MC-130H - SOF	7	343,821	4	225,295	4	225,295	4	225,295		0			4	225,295
12	LESS: ADVANCE PROCUREMENT (PY)	0	(14,821)		(15,800)		(15,800)		(15,800)		0				(15,800)
13	ADVANCE PROCUREMENT (CY)	0	15,800				0		0		0				0
14	AC-130U GUNSHIP - SOF	0	0	6	306,487	6	306,487	6	306,487		0			6	306,487
14	LESS: ADVANCE PROCUREMENT (PY)	0	0		(18,200)		(18,200)		(18,200)		0				(18,200)
15	ADVANCE PROCUREMENT (CY)	0	18,200		29,500		29,500		29,500		0				29,500
16	C-5B	0	0				0		0		0				0
16	LESS: ADVANCE PROCUREMENT (PY)	0	0				0		0		0				0
17	C-17	2	623,800	4	970,413	4	966,413	4	970,413		(4,000)		(4,000)	4	966,413
17	LESS: ADVANCE PROCUREMENT (PY)	0	(34,800)		(66,300)		(66,300)		(66,300)		0				(66,300)
18	ADVANCE PROCUREMENT (CY)	0	66,300		99,865		99,865		99,865		0				99,865
19	C-27	0	0				0		0		0				0
20	TANKER, TRANSPORT, TRAINER SYSTEM	0	0	1	9,563	1	0	1	9,563		(9,563)		0	1	9,563
21	MH-60G	0	0	6	50,736	6	50,736	6	50,736		0			6	50,736
22	CIVIL AIR PATROL A/C	38	1,500	38	502	38	1,802	38	1,802		0		1,300	38	1,802
23	TR-1/U-2	0	10,700		12,659		12,659		12,659		0				12,659
23	LESS: ADVANCE PROCUREMENT (PY)	0	0				0		0		0				0
MODIFICATION OF INSERVICE AIRCRAFT															
24	B-52	0	240,000		215,900		215,900		215,900		0				215,900
25	FB-111	0	2,100				0		0		0				0
26	B-1B	0	14,500		26,500		24,500		26,500		(2,000)		(1,000)		25,500
27	A-7	0	10,700		25,200		25,200		25,200		0				25,200
28	A-10	0	12,240		22,900		22,900		22,900		0				22,900
29	F/RF-4	0	10,400		18,000		18,000		18,000		0				18,000
30	F-5	0	4,000		200		200		200		0				200
31	F-15	0	123,500		191,600		174,249		191,600		(17,351)		(17,351)		174,249

P-1		FY 1988 Estimate		Revised FY 1989 Request		House Authorization		Senate Authorization		House +/- Senate		Conference Change to Request		Conference Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
32	F-16	0	76,300		84,600		84,600		84,600		0				84,600
33	F-111	0	253,100		124,300		124,300		124,300		0				124,300
34	EF-111	0	0				0		0		0				0
35	TR-1A	0	9,867		20,300		20,300		20,300		0				20,300
36	T/AT-37	0	12,400		12,900		0		12,900		(12,900)		0		12,900
37	C-5	0	16,900		105,800		105,800		105,800		0				105,800
38	C-9	0	200		8,400		8,400		8,400		0				8,400
39	C-22	0	0				0		0		0				0
40	C-137	0	1,800		2,000		2,000		2,000		0				2,000
41	C-141	0	900		26,800		26,800		26,800		0				26,800
42	SOF C141	0	16,200		20,700		20,700		20,700		0				20,700
43	T-38	0	16,600		19,800		19,800		19,800		0				19,800
44	T-43	0	400		4,900		4,900		4,900		0				4,900
45	KC-10A (ATCA)	0	13,200		26,200		26,200		26,200		0				26,200
46	C-130	0	96,500		123,125		123,125		123,125		0		17,475		140,600
47	SOF C130	0	121,000		106,800		106,800		106,800		0				106,800
48	C-135	0	749,392	36	604,300	47	777,300	40	667,300	7	110,000	4	63,000	40	667,300
49	E-3	0	27,700		16,400		16,400		16,400		0				16,400
50	E-4	0	0		49,900		49,900		49,900		0				49,900
51	H-1	0	1,700		400		400		400		0				400
52	H-3 AIRCRAFT SYSTEM	0	200				0		0		0				0
53	HH-53 AIRCRAFT	0	400		30,300		30,300		30,300		0				30,300
54	SOF HH-53	0	0		8,500		8,500		8,500		0				8,500
55	OTHER AIRCRAFT	0	52,100		80,400		80,400		80,400		0		(20,500)		59,900
56	SOF OTHER AIRCRAFT	0	0				0		0		0				0
57	CLASSIFIED PROJECTS	0	46,328		83,276		83,276		83,276		0				83,276
58	SOF CLASSIFIED PROJECTS	0	11,500		18,000		18,000		18,000		0				18,000
59	SPARES AND REPAIR PARTS	0	2,375,687		3,138,491		2,915,891		3,138,491		(222,600)		(100,000)		3,038,491
60	COMMON GROUND EQUIPMENT	0	194,136		249,155		235,155		249,155		(14,000)		(14,000)		235,155
61	INDUSTRIAL RESPONSIVENESS	0	41,412		23,413		23,413		23,413		0				23,413
62	WAR CONSUMABLES	0	50,000		40,540		40,540		40,540		0				40,540
63	OTHER PRODUCTION CHARGES	0	2,983,472		1,105,971		1,105,971		1,105,971		0		(20,600)		1,085,371
64	COMMON ECM EQUIPMENT	0	217,467		250,446		250,446		250,446		0				250,446
65	COMMON GROUND EQUIP	0	4,030		14,393		14,393		14,393		0				14,393
66	OTHER PRODUCTION CHARGES - SOF	0	2,260		2,600		2,600		2,600		0				2,600
999	CLASSIFIED PROGRAMS		0		3,287,790		3,100,590		3,200,590		(100,000)		(137,200)		3,150,590
	PRIOR YEAR FUNDS						(27,000)		0		(27,000)		0		0
	TOTAL AIRCRAFT PROCUREMENT		12,929,059		16,630,000		16,413,786		16,256,100		157,686		(504,976)		16,125,024

F-16 aircraft

The amended budget request contained $2,853 million for 180 F-16 aircraft.

The Senate amendment would reduce the request by $351 million and would deny the authorization request for Advanced Self Protection Jammer (ASPJ) procurement.

The House bill would reduce the request by $50 million due to a repricing of publications and technical data materials.

The conferees agree to provide an authorization of $2,703 million for 180 F-16 aircraft, a reduction of $150 million. The conferees direct that the reduction be applied either to reduce the scope of the ASPJ program or to take advantage of the repricing of publications and technical data materials.

F-16 advanced procurement

The amended budget request contained $588.7 million for advance procurement for the F-16 aircraft. This request was based on Air Force plans to procure 630 aircraft over a four-year period, at a rate of 180 aircraft in fiscal years 1990 and 1991, 150 aircraft in fiscal year 1992, and 120 aircraft in fiscal year 1993.

Subsequent to submission of the multiyear request, the conferees have learned of revised plans to procure not more than 150 aircraft per year. The conferees understand that the advance procurement request for the multiyear contract can be reduced by $134 million, which provides sufficient funds to provide a multiyear contract at 150 aircraft in fiscal years 1990, 1991, and 1992, and 120 aircraft in fiscal year 1993.

Consequently, the conferees recommend an authorization of $454.7 million for advance procurement for F-16 aircraft. The conferees expect the Air Force to proceed with a multiyear contract at the reduced aircraft levels, consistent with the restrictions contained in section 107.

C-117 airlifter

The amended budget request included $970.4 million for procurement of four C-17 aircraft.

The House bill would reduce the requested amount by $4 million.

The Senate amendment would authorize the amount in the budget request.

The Senate recedes.

The conferees affirm the language in the Senate report (S. Rept. 100-326) regarding future C-17 production rates and the associated report.

Trainer aircraft

The amended budget request contained $12.9 million for modification of the T/AT-37 trainer aircraft, and $9.6 million to initiate procurement of the Tanker Transport Training System (TTTS) program.

The House bill would deny authorization for both programs.

The Senate amendment would authorize the requested amounts.

The conferees agreed to provide the requested funding for both programs; however, they are concerned with Air Force plans for trainer aircraft as outlined in the April 1988 U.S. Air Force Trainer Masterplan. The conferees agreed on the requirement for the Service Life Extension Program (SLEP) of T-37 aircraft, and on the Air Force plans to initiate a dual-track training program for tanker and transport pilots; however, the conferees are not convinced that the Air Force plans with respect to T-37 and T-38 replacement aircraft are prudent.

The conferees agreed that the masterplan with respect to Reconnaissance-Attack-Fighter-Training System (RAFTS) and Primary Aircraft Training System (PATS) may be the most suitable option for the Air Force, but not necessarily the best option when all Department of Defense trainer aircraft requirements and programs are considered.

For example, the masterplan begins a PATS (T-37) replacement aircraft program in 1994, five to six years prior to the Navy requiring a T-34C replacement, and begins a RAFTS (T-38) replacement program in 2001, five to six years after the Navy's T-45 production line discontinues. The conferees note that by reversing the two programs' acquisition strategy, the Air Force could begin a RAFTS replacement program in 1994 and procure T-45 variants toward the end of the production line, thus taking advantage of the associated cost savings for continuing a warm production line. Additionally, the Air Force could co-develop a PATS aircraft in 2001 with the Navy for replacement of T-34C and T-37 aircraft. The masterplan did not consider these options, which would ultimately lead to the Navy and Air Force having similar primary and advanced trainer aircraft.

The conferees reiterate the importance of striving for similar training aircraft for the Navy and Air Force in future years, particularly since both the Navy and Air Force have decided to co-develop the ATA and ATF aircraft, which will cause training objectives to be similar, if not identical, in future years.

The conferees direct the Secretary of Defense to submit a report to the Committees on Armed Services of the Senate and House of Representatives outlining the Department's plans for future trainer aircraft for the Navy and the Air Force. It is imperative that this report, to the maximum extent possible, outline a plan that will lead to the Navy and Air Force procuring similar trainer aircraft and take advantage of the associated cost savings of joint-Service procurement and development; and, at a minimum, consider the options outlined above for the follow-on RAFTS and PATS aircraft.

The conferees request that the report be received by February 15, 1989 in order to review the Department's plans for trainer aircraft prior to reviewing the fiscal year 1990 request for TTTS, which will have a significant increase in funding.

KC-134 re-engining

The amended budget request contained $604.3 million for 36 aircraft in the KC-135 re-engining program.

The Congress has for several years insisted that the conversion rate be sustained at or about 50 aircraft per year due to the significant savings thereby achieved and the pressing need for improvements in tanker lift capacity for conventional and strategic missions. The Congress also has consistently expressed interest in a multi-year procurement for this program. The Department of Defense, however, consistently underfunds this much-needed program.

The House bill would authorize $173 million more than the request, which would convert an additional 11 aircraft.

The Senate amendment, purely for budgetary reasons, would authorize only $63 million more than the request, which is sufficient to convert 4 more aircraft.

The conferees reluctantly agree to authorize a total of $667.3 million to convert 40 aircraft, consistent with the Senate amendment. The conferees urge the Department to include funds in the budget request for fiscal years 1990 and 1991 for a higher conversion rate.

The Senate report (S. Rept. 100-326) included a requirement for a report on the priority assigned to re-engining KC-135 RDT&E aircraft. The conferees endorse this reporting requirement.

MISSILE PROCUREMENT, AIR FORCE

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $8,158 million for Air Force missile procurement. The House bill would authorize $8,062.1 million. The Senate amendment would authorize $8,011.4 million. The conferees recommend authorization of $7,716.5 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1		FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
MISSILE PROCUREMENT, AIR FORCE															
1	PEACEKEEPER (M-X)	12	864,000	12	806,980	12	806,980	12	806,980		0			12	806,980
	MX PRIOR YEAR SAVINGS												(75,000)		(75,000)
2	SMALL ICBM	0	0				0		0		0				0
3	MISSILE REPLACEMENT EQ-BALLISTIC	0	49,150		56,721		56,721		56,721		0				56,721
4	ADVANCED CRUISE MISSILE	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]		[-25,000]		[-12,500]	[ ]	[ ]
4	LESS: ADVANCE PROCUREMENT (PY)	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]		0			[ ]	[ ]
5	ADVANCE PROCUREMENT (CY)	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]		0			[ ]	[ ]
6	HAVE FLAG	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]	[ ]		[-114,100]		[-293,900]	[ ]	[ ]
7	TACIT RAINBOW	[ ]	55,100	[ ]	71,967	[ ]	55,100	[ ]	71,967		(16,867)		0	[ ]	71,967
8	HAVE NAP	0	0	12	8,347	12	8,347	12	8,347		0			12	8,347
9	AIR LAUNCH CRUISE MISSILE	0	2,347				0		0		0				0
10	AIM-7F/M SPARROW	558	84,462	354	56,129	704	88,000	354	56,129	350	31,871		0	354	56,129
11	AIM-9L/M SIDEWINDER	956	61,051	760	48,319	1,260	94,500	760	48,319	500	46,181		0	760	48,319
12	AGM-130 POWERED GBU-15	0	0				0		0		0				0
13	AGM-65D MAVERICK	2,700	290,000	2,540	260,410	3,100	318,000	2,540	260,410	560	57,590	280	30,000	2,820	290,410
14	ADVANCE PROCUREMENT (CY)	0	0				0		0		0				0
15	AGM-88A HARM	1,645	367,000	893	216,135	893	216,135	893	216,135		0			893	216,135
16	RAPIER	0	12,600				0		0		0				0
17	AMRAAM	400	712,161	1,470	825,297	1,470	798,730	1,240	825,297	230	(26,567)	(230)	(26,567)	1,240	798,730
17	LESS: ADVANCE PROCUREMENT (PY)	0	(42,161)				0		0		0				0
18	ADVANCE PROCUREMENT (CY)	0	0				0		0		0				0
19	GRD LAUNCH CRUISE MISSILE	0	10,169		603		603		603		0				603
19	LESS: ADVANCE PROCUREMENT (PY)	0	(6,069)				0		0		0				0
20	ADVANCE PROCUREMENT (CY)	0	0				0		0		0				0
21	STINGER	0	0				0		0		0				0
22	TARGET DRONES	48	11,040	58	24,179	58	24,179	58	24,179		0			58	24,179
23	INDUSTRIAL FACILITIES	0	16,017		10,731		10,731		10,731		0				10,731
24	MISSILE REPLACEMENT EQ-OTHER	0	7,285		5,153		5,153		5,153		0				5,153
24a	SEEK SPINNER						15,000		0		15,000		0		0
MODIFICATION OF INSERVICE MISSILES															
25	ADVANCED CRUISE MISSILE		[ ]		[ ]		[ ]		[ ]		0				[ ]
26	CLASSIFIED PROGRAMS		[ ]		[ ]		[ ]		[ ]		0		[-2,700]		[ ]
27	MM II/III MODIFICATIONS	0	80,000		73,194		73,194		73,194		0				73,194
28	AGM-88A HARM	0	2,245		2,200		2,200		2,200		0				2,200
29	AIR LAUNCH CRUISE MISSILE	0	7,381		6,055		6,055		6,055		0				6,055
30	GRD LAUNCH CRUISE MISSILE	0	0		3,200		0		0		0		(3,200)		0
31	PEACEKEEPER (M-X)	0	1,311		1,733		1,733		1,733		0				1,733
32	MODIFICATIONS UNDER $2.0M	0	232		198		198		198		0				198
32a	SHRIKE (G-BIAS MOD)						15,000		0		15,000		15,000		15,000
32b	AIM-7 (H-BUILD SOFTWARE MOD)						55,000		0		55,000		55,000		55,000
32c	AIM-9 (GUIDANCE MOD)						100,000		0		100,000		0		0
32d	AMRAAM (P31 MOD)						15,000		0		15,000		0		0

P-1 LINE	ITEM	FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
33	SPARES AND REPAIR PARTS	0	164,248		254,314		247,914		254,314		(6,400)		(6,400)		247,914
SPACE PROGRAMS															
34	SPACEBORNE EQUIP (COMSEC)	0	23,682		19,646		19,646		19,646		0				19,646
35	GLOBAL POSITIONING (MYP)	4	207,405		75,644		61,217		75,644		(14,427)		0		75,644
35	LESS: ADVANCE PROCUREMENT (PY)	0	(114,800)				0		0		0				0
36	SPACE SHUTTLE OPERATIONS	0	113,351		23,620		23,620		23,620		0		(8,900)		14,720
36	LESS: ADVANCE PROCUREMENT (PY)	0	(4,900)				0		0		0				0
37	ADVANCE PROCUREMENT (CY)	0	0				0		0		0				0
38	DEF METEOROLOGICAL SAT PROG (MYP)	0	5,746	1	141,292	1	141,292	1	141,292		0			1	141,292
38	LESS: ADVANCE PROCUREMENT (PY)	0	0		(51,279)		(51,279)		(51,279)		0				(51,279)
39	ADVANCE PROCUREMENT (CY)	0	65,900		69,300		69,300		69,300		0				69,300
40	DEFENSE SUPPORT PROGRAM (MYP)	1	401,143	2	507,471	2	507,471	2	507,471		0			2	507,471
40	LESS: ADVANCE PROCUREMENT (PY)	0	(72,400)		(111,039)		(111,039)		(111,039)		0				(111,039)
41	ADVANCE PROCUREMENT (CY)	0	63,100		36,400		36,400		36,400		0				36,400
42	DEFENSE SATELLITE COMM SYSTEM (MYP)	1	97,642		54,412		54,412		54,412		0				54,412
42	LESS: ADVANCE PROCUREMENT (PY)	0	(25,742)				0		0		0				0
43	ADVANCE PROCUREMENT (CY)	0	0				0		0		0				0
44	SPACE BOOSTERS (MYP)	9	473,012	3	539,806	3	539,806	3	529,806		10,000		(31,900)	3	507,906
44	LESS: ADVANCE PROCUREMENT (PY)	0	(152,500)		(293,600)		(293,600)		(293,600)		0				(293,600)
45	ADVANCE PROCUREMENT (CY)	0	181,700		130,000		130,000		130,000		0				130,000
46	SPACE DEFENSE SYSTEM						0		0		0				0
46	LESS: ADVANCE PROCUREMENT (PY)						0		0		0				0
47	ADVANCE PROCUREMENT (CY)						0		0		0				0
48	MEDIUM LAUNCH VEHICLE	7	182,600	8	283,255	8	283,255	8	232,855		50,400		(12,000)	8	271,255
48	LESS: ADVANCE PROCUREMENT (PY)	0	0		(28,200)		(28,200)		(28,200)		0		(12,300)		(40,500)
49	ADVANCE PROCUREMENT (CY)	0	28,200		20,200		20,200		20,200		0		(3,800)		16,400
SPECIAL PROGRAMS															
50	OTHER PROGRAMS	0	24				0		0		0				0
51	FOREST GREEN	0	0		273		273		273		0				273
52	IONDS (MYP)	0	22,483				0		0		0				0
53	SPECIAL PROGRAMS	0	2,087,065		2,849,100		2,834,100		2,981,100		(147,000)		(42,300)		2,806,800
54	SPECIAL UPDATE PROGRAMS	0	621,160		267,192		267,192		267,192		0				267,192
999	CLASSIFIED PROGRAMS		396,631		892,642		553,542		692,642		(139,100)		(309,100)		583,542
	PRIOR YEAR FUNDS, FY87 (GLCM)						(10,000)		(10,000)		0		(10,000)		(10,000)
	UNDISTRIBUTED REDUCTION						0		(5,000)		5,000				0
	TOTAL MISSILE PROCUREMENT		7,350,071		8,158,000		8,062,081		8,011,400		50,681		(441,467)		7,716,533

Air Force missile modifications

The House bill would authorize an additional $15 million for Shrike, $55 million for AIM-7, $100 million for AIM-9, and $15 million for Advanced Medium Range Air to Air Missile (AMRAAM) modifications.

The Senate amendment would provide no additional authorization for these modification programs.

The conferees agree to recommend authorization of $15 million for Shrike and $55 million for AIM-7 missile modifications. The funds may be utilized to modify and equip existing Air Force missiles.

Space boosters

With two exceptions, the conferees endorse the section in the Senate report (S. Rept. 100-326) pertaining to the Space Launch Recovery program, including the guidance for future satellite research and development programs and the requirement for a report on future use by the Department of Defense of the space shuttle and associated facilities. Regarding the two exceptions, as noted elsewhere in this statement of managers, the conferees approved the Navy's multi-year procurement request as proposed for the UHF Follow-on Satellite; the second exception concerns space boosters procurement, which is addressed below.

The amended budget request contained $275.055 million (including $20.2 million in advance procurement and less $28.2 million in advance procurement from fiscal year 1988) for the Medium Launch Vehicle (MLV) II.

The House bill would authorize the requested amount.

The Senate amendment would reduce the request by $50 million in anticipation of contract savings.

The amended budget request contained $376.206 million (including $130 million in advance procurement and less $293.6 million in advance procurement from fiscal year 1988) for other space boosters.

The House bill would authorize the requested amount.

The Senate amendment would reduce the request by $10 million.

The conferees agree to reduce the MLV II request by $28.1 million ($16.1 million in advance procurement for fiscal years 1988 and 1989), and the Space Boosters request by $31.9 million. Should savings not be realized sufficient to cover these reductions, the conferees invite reprogramming requests to rectify the shortfall.

Additionally, the conferees reiterate their concern about the large and rising costs of the Space Launch Recovery program resulting from the *Challenger* space shuttle disaster. As a result of that accident, NASA is unable to sustain the commitments made to the Department of Defense for launching national security payloads. Despite DOD replacement of the lost orbiter, the shuttle's availability has been delayed, the flight rate will drop from 24 to about 14 per year, and payload performance will drop dramatically due to safety and other concerns.

The costs of replacing this lost space launch capability are being overwhelmingly borne, not by NASA, but by the Department of Defense. In view of the fact that this is a national problem, and that the *Challenger* disaster demonstrated conclusively the folly of relying on a single system for access to space, DOD will be forced to expend some $12 billion dollars by 1994 to re-create an entire space launch infrastructure based on multiple expendable space boosters. At the same time, the large prior investment by DOD in the shuttle is now very much in doubt, including a $3.5 billion facility at Vandenberg for launching the shuttle into polar orbit. Because of post-*Challenger* payload restrictions, this facility is unlikely to be used by DOD.

In addition to these unforeseen liabilities and potentially wasted investments, DOD has assumed the overwhelming share of the burden of developing the next-generation space launch systems and technology. Through the mid-to-late 1990s, DOD plans to expend over $20 billion on the Advanced Launch System and the National Aerospace Plane program alone. For its part, NASA hopes to be able to afford $1.5 billion for its own shuttle-derived unmanned heavy-lift vehicle. The conferees are concerned about the affordability and realism of these plans and the funding responsibilities assumed respectively by DOD and NASA. These and related concerns were expressed by the conferees in the fiscal year 1988 Continuing Appropriations Act.

The statement of managers on the fiscal year 1988 Continuing Appropriations Act also adopted the Senate Appropriations Committee's requirement for the President to submit a comprehensive "Space Recovery Program reconciling the separate DOD and NASA programs to meet present and future space launch requirements," and which includes "a comprehensive explanation of how all the separate, unmanned and manned launch vehicles, payloads, and launch facilities proposed by DOD and NASA fit into this overall plan." The conferees underscore the importance of this plan, which has not been provided to the Congress, and urge its earliest submission to the Congress.

OTHER PROCUREMENT, AIR FORCE

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $8,393.5 million for Air Force other procurement. The House bill would authorize $8,064.4 million. The Senate amendment would authorize $8,318 million. The conferees recommend authorization of $8,196.8 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1 LINE	ITEM	FY 1988 Estimate Quantity	FY 1988 Estimate Amount	-----Revised------ FY 1989 Request Quantity	FY 1989 Request Amount	-----House------ Authorization Quantity	Authorization Amount	-----Senate------ Authorization Quantity	Authorization Amount	House +/- Senate Quantity	House +/- Senate Amount	---Conference--- Change to Request Quantity	Change to Request Amount	---Conference--- Authorization Quantity	Authorization Amount
	OTHER PROCUREMENT, AIR FORCE														
	MUNITIONS AND ASSOCIATED EQUIPMENT														
1	2.75 INCH ROCKET MOTOR	91,266	17,305	90,000	16,296	55,200	10,000	90,000	16,296	(34,800)	(6,296)	(34,800)	(6,296)	55,200	10,000
2	2.75 INCH ROCKET HEAD - WP	94,512	7,234	96,925	6,521	96,925	6,521	96,925	6,521		0			96,926	6,521
3	LIGHT ANTI-TANK TACTICAL AT-4	1,500	1,961	3,800	3,520	3,800	3,020	3,800	3,520		(500)		0	3,800	3,520
4	ITEMS LESS THAN $2,000,000	0	3,519		5,523		5,523		5,523		0				5,523
5	9MM PARABELLUM	4,310	591	14,933	1,493	14,933	1,493	14,933	1,493		0			14,933	1,493
6	7.62 MM BLANK, LINKED	0	0				0		0		0				0
7	5.56 MM	20,491	2,915	30,000	4,690	30,000	4,690	30,000	4,690		0			30,000	4,690
8	20 MM COMBAT	2,877	12,361	2,112	9,651	2,112	9,651	2,112	9,651		0			2,112	9,651
9	20MM TRAINING	5,527	13,994	9,200	20,984	9,200	20,984	9,200	20,984		0			9,200	20,984
10	30 MM TRAINING	8,059	69,705	8,700	67,164	8,700	67,164	8,700	67,164		0			8,700	67,164
11	30 MM API	0	0				0		0		0				0
12	81 MM	0	0				0		0		0				0
13	40MM TP GRENADES	0	0	754	1,048	754	1,048	754	1,048		0			754	1,048
14	40MM HE GRENADES	191	2,002	191	1,371	191	1,371	191	1,371		0			191	1,371
15	CART CHAFF RR-170	0	3,354	1,700	3,842	1,700	3,842	1,700	3,842		0			1,700	3,842
16	SIGNAL MK-4 MOD 3	1,274	1,362	1,252	1,189	1,252	1,189	1,252	1,189		0			1,252	1,189
17	MXU-4A/A ENGINE STARTER	49	5,700	45	5,438	45	5,438	45	5,438		0			45	5,438
18	CART IMP 3000 FT/LBS	1,656	3,780	1,563	3,907	1,563	3,907	1,563	3,907		0			1,563	3,907
19	ITEM LESS THAN 2.0M CARTRIDGES-SOF	0	0		500		500		500		0				500
20	ITEMS LESS THAN $2,000,000	0	6,995		11,394		11,394		11,394		0				11,394
21	MK-82 INERT/BDU-50	0	0			72,000	19,800		0	72,000	19,800	72,000	19,800	72,000	19,800
22	DURANDAL	0	0				0		0		0				0
23	TIMER ACTUATOR FIN FUZE	12,159	3,988	11,245	3,334	11,245	3,334	11,245	3,334		0			11,245	3,334
24	BSU-49 INFLATABLE RETARDER	17,320	7,100	46,128	16,851	46,128	16,851	46,128	16,851		0			46,128	16,851
25	BSU-50 INFLATABLE RETARDER	3,658	4,252	7,000	7,550	7,000	7,550	7,000	7,550		0			7,000	7,550
26	BOMB 2000 LB HIGH EXPLOSIVE	2,500	5,775				0		0		0				0
27	BOMB HARD TARGET 2000LB	2,480	32,567	2,610	31,877	4,610	51,377		0	4,610	51,377		0	2,610	31,877
28	GBU-15	0	0				0		0		0				0
29	BOMB PRACTICE 25 POUND	829,416	10,893	1160000	14,005	1160000	14,005	1160000	14,005		0			1160000	14,005
30	BOMB PRACTICE BDU-38	0	0	668	2,428	668	2,428	668	2,428		0			668	2,428
31	MK-84 BOMB-EMPTY	1,279	2,157			12,000	14,700		0	12,000	14,700	0			0
31a	MK-84 BOMB-HE					19,000	31,500		0	19,000	31,500	0			0
32	SKEET/SENSOR FUZED WEAPON	0	0				0		0		0				0
33	CBU-89(TMD/GATOR)	0	0				0		0		0				0
34	MECHANICAL DIVERTERS	0	0				0		0		0				0
35	CBU-87(COMBINED EFFECTS MUNITION)	14,840	267,120	16,562	252,893	16,562	252,893	16,562	252,893		0			16,562	252,893
36	BIGEYE	0	0		89,487		0		89,487		(89,487)		(79,487)		10,000
37	ITEMS LESS THAN $2,000,000	0	25		1,042		1,042		1,042		0				1,042
38	AERIAL TOW TARGET	0	0				0		0		0				0
39	ITEMS LESS THAN $2,000,000	0	1,248		1,286		1,286		1,286		0				1,286
40	FLARE, IR MJU-7B	397,380	9,013	563,400	9,786	563,400	9,786	563,400	9,786		0			563,400	9,786
41	PARACHUTE FLARE LUU-2 B/B	9,568	3,702	10,000	3,805	10,000	3,805	10,000	3,805		0			10,000	3,805
42	FLARE, IR MJU-2	0	0				0		0		0				0
43	FLARE IR (B1B)	0	0	3,773	5,911	3,773	1,999	3,773	5,911		(3,912)		(1,911)	3,773	4,000
44	MJU-10B	229,703	10,842	354,114	16,052	354,114	16,052	354,114	16,052		0		(6,700)	354,114	9,352
45	CHAFF PACKAGE RR-141A/L	0	0				0		0		0				0
46	SPARES AND REPAIR PARTS	0	4,234		4,166		4,166		4,166		0				4,166
47	MODIFICATIONS	0	26,587		809		809		809		0				809

P-1		FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
48	ITEMS LESS THAN $2,000,000	0	18,700		21,737		21,737		21,737		0				21,737
49	FMU-139	26,789	34,467	32,698	30,127	32,698	30,127	32,698	30,127		0			32,698	30,127
50	ITEMS LESS THAN $2,000,000	0	7		18		18		18		0				18
51	M-203 GRENADE LAUNCHER	40	24	145	90	145	90	145	90		0			145	90
52	MACHINE GUN, 7.62MM, M-60	18	61				0		0		0				0
53	9MM HANDGUN	20,000	4,146	8,933	1,896	8,933	1,896	8,933	1,896		0			8,933	1,896
54	SHOTGUN - 12 GAGE	0	0				0		0		0				0
55	NATIONAL RIFLE - M14	0	0				0		0		0				0
56	HOST NATION SUPPORT WEAPONS	700	1,445				0		0		0				0
VEHICULAR EQUIPMENT															
57	SEDAN, 4 DR 4X2	447	3,041	120	1,012	120	1,012	120	1,012		0			120	1,012
58	STATION WAGON, 4X2	235	1,952	93	845	93	845	93	845		0			93	845
59	BUS, 28 PASSENGER	123	4,160	22	896	22	896	22	896		0			22	896
60	BUS INTERCITY	8	1,407	3	502	3	502	3	502		0			3	502
61	BUS, 44 PASSENGER	34	2,222	60	4,181	60	4,181	60	4,181		0			60	4,181
62	AMBULANCE, BUS	17	1,477				0		0		0				0
63	MODULAR AMBULANCE	112	3,925	44	1,539	44	1,539	44	1,539		0			44	1,539
64	14-20 PASSENGER BUS	17	522	16	536	16	536	16	536		0			16	536
65	LAW ENFORCEMENT VEHICLE	141	1,122	161	1,358	161	1,358	161	1,358		0			161	1,358
66	TRUCK, STAKE/PLATFORM	629	10,426	391	6,239	391	6,239	391	6,239		0			391	6,239
67	TRUCK, CARGO-UTILITY, 3/4T, 4X4	448	6,990	213	3,634	213	3,634	213	3,634		0			213	3,634
68	TRUCK, CARGO-UTILITY, 1/2T, 4X2	304	3,102	177	2,710	177	2,710	177	2,710		0			177	2,710
69	TRUCK, PICKUP, 1/2T, 4X2	878	6,983	613	6,332	613	6,332	613	6,332		0			613	6,332
70	TRUCK, PICKUP, COMPACT	616	3,526				0		0		0				0
71	TRUCK MULTI-STOP 1 TON 4X2	514	7,723	301	5,516	301	5,516	301	5,516		0			301	5,516
72	TRUCK, PANEL, 4X2	349	2,964	193	2,079	193	2,079	193	2,079		0			193	2,079
73	TRUCK CARRYALL	516	7,382	267	4,042	267	4,042	267	4,042		0			267	4,042
74	TRUCK, CARGO, 2 1/2T, 6X6, M-35	335	16,080	177	8,850	177	8,850	177	8,850		0			177	8,850
75	TRUCK CARGO 5T M-923.M-925	75	4,770	73	4,655	73	4,655	73	4,655		0			73	4,655
76	TRUCK, CARGO, 2 1/2T	0	0				0		0		0				0
77	HIGH MOBILITY VEHICLE (MYP)	139	3,414	186	4,439	186	4,439	186	4,439		0			186	4,439
78	TRUCK, TRACTOR, 5T	0	0				0		0		0				0
79	TRUCK TRACTOR 5T M-932 (MYP)	0	0				0		0		0				0
80	TRUCK TRACTOR, OVER 5T	88	3,890	84	3,909	84	3,909	84	3,909		0			84	3,909
81	TRUCK WRECKER 5T M936 (MYP)	0	0				0		0		0				0
82	TRUCK, DUMP 5 TON	143	6,068	63	2,732	63	2,732	63	2,732		0			63	2,732
83	TRUCK, UTILITY	346	3,694				0		0		0				0
84	CAP VEHICLES	0	800				800		800		0		800		800
85	ITEMS LESS THAN $2,000,000	0	15,883		12,888		8,888		12,888		(4,000)		(4,000)		8,888
86	TRUCK MAINT 4X2	320	3,267				0		0		0				0
87	TRUCK, MAINT, HI-REACH	0	0				0		0		0				0
88	TRUCK, TELEPHONE MAINTENANCE	15	2,448				0		0		0				0
89	TRUCK, TANK, 1200 GAL	56	2,040				0		0		0				0
90	TRUCK TANK FUEL R-11(R-9)	0	0	567	54,542	567	53,542	567	54,542		(1,000)		(1,000)	567	53,542
91	TRUCK, TANK, FUEL, M-49	48	4,135				0		0		0				0
92	TRACTOR, A/C TOW, MB-4	87	2,336				0		0		0				0
93	TRACTOR, TOW, FLIGHTLINE	50	800	388	6,208	388	6,208	388	6,208		0			388	6,208
94	TRACTOR, DOZER	82	5,733				0		0		0				0
95	TRANSPORTABLE MAINT UNIT	0	0	11	6,957	11	6,957	11	6,957		0			11	6,957
96	MOBILE ARM RECON VEHICLE	0	0	20	18,200	20	0	20	18,200		(18,200)		0	20	18,200
97	MOS MARKING VEHICLE	0	0	36	2,679	36	2,679	36	2,679		0			36	2,679

P-1		FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
98	ITEMS LESS THAN $2,000,000	0	18,316		19,161		15,161		19,161		(4,000)		(4,000)		15,161
99	TRUCK CRASH P-15	0	0				0		0		0				0
100	TRUCK CRASH P-23(P-2)	0	0	18	8,201	18	8,201	18	8,201		0			18	8,201
101	TRUCK WATER P-18	57	6,538	9	1,127	9	1,127	9	1,127		0			9	1,127
102	TRUCK PUMPER P-24(P-8)	0	0	30	3,884	30	3,884	30	3,884		0			30	3,884
103	TRUCK PUMPER P-22(P-12)	0	0	26	2,924	26	2,924	26	2,924		0			26	2,924
104	ITEMS LESS THAN $2,000,000	0	3,741		3,364		3,364		3,364		0				3,364
105	TRUCK F/L 4000 LB GED/DED 144 INCH	179	3,077	258	6,871	258	6,871	258	6,871		0			258	6,871
106	TRUCK, F/L 6000 LB	36	1,111	71	2,653	71	2,653	71	2,653		0			71	2,653
107	TRUCK, F/L 10,000 LB	89	5,005	99	7,623	99	7,623	99	7,623		0			99	7,623
108	LARGE CAPACITY LOADER	10	4,357				0		0		0				0
109	25K A/C LOADER	0	0	14	1,725	14	1,725	14	1,725		0			14	1,725
110	CONTAINER, LIFT, TRUCK	15	3,570				0		0		0				0
111	ITEMS LESS THAN $2,000,000	0	3,815		10,330		10,330		10,330		0				10,330
112	LOADER, SCOOP	73	5,028	165	9,875	165	9,875	165	9,875		0			165	9,875
113	DISTRIBUTOR, WATER 1500 GALLON	35	1,814				0		0		0				0
114	CLEANER, RUNWAY/STREET	148	14,387	212	22,670	212	22,670	212	22,670		0			212	22,670
115	GRADER, ROAD, MOTORIZED	0	0				0		0		0				0
116	CRANE, 7-50 TON	7	796	21	5,522	21	5,522	21	5,522		0			21	5,522
117	EXCAVATOR, DED, PT	0	0				0		0		0				0
118	WATERCRAFT	0	0				0		0		0				0
119	SPARES AND REPAIR PARTS	0	3,262		3,246		3,246		3,246		0				3,246
120	MODIFICATIONS	0	382		1,072		1,072		1,072		0				1,072
121	ITEMS LESS THAN $2,000,000	0	13,349		12,240		10,240		12,240		(2,000)		(2,000)		10,240
ELECTRONICS AND TELECOMMUNICATIONS EQUIP															
122	SPACE SYSTEMS (COMSEC)	0	9,051		14,439		14,439		14,439		0				14,439
123	TEMPEST EQUIPMENT	0	562		306		306		306		0				306
124	TAC SECURE VOICE	0	10,866		3,938		3,938		3,938		0				3,938
125	DCS SECURE VOICE (COMSEC)	0	13,391		20,763		20,763		20,763		0				20,763
126	SECURE DATA	0	28,055		31,719		31,719		31,719		0				31,719
127	TRI-TAC (COMSEC)	0	14,690		9,926		9,926		9,926		0				9,926
128	SPARES AND REPAIR PARTS	0	6,548		6,116		6,116		6,116		0				6,116
129	MODIFICATIONS (COMSEC)	0	304		724		724		724		0				724
130	INTELLIGENCE DATA HANDLING SYS	0	558				0		0		0				0
131	INTELLIGENCE TRAINING EQUIPMENT	0	8,867		8,945		8,945		8,945		0				8,945
132	INTELLIGENCE COMM EQUIP	0	6,322				0		0		0				0
133	COBRA JUDY	0	0				0		0		0				0
134	COBRA SHOE	0	0				0		0		0				0
135	ITEMS LESS THAN $2,000,000	0	7,195		5,287		5,287		5,287		0				5,287
136	TACAN	0	0				0		0		0				0
137	TRAFFIC CONTROL/LANDING	0	10,599		740		740		740		0				740
138	TACTICAL AIR CONTROL SYS IMPROVE	0	135,000		137,349		119,998		137,349		(17,351)		(17,351)		119,998
139	WEATHER OBSERV/FORCAST	0	57,200		68,070		68,070		68,070		0				68,070
140	DEFENSE SUPPORT PROGRAM	0	18,418		1,906		1,906		1,906		0				1,906
141	OTH-B RADAR	0	121,769		161,038		0		161,038		(161,038)		(16,038)		145,000
142	SAC COMMAND AND CONTROL	0	13,500		2,410		2,410		2,410		0				2,410

P-1 LINE	ITEM	FY 1988 Estimate Quantity	FY 1988 Estimate Amount	Revised FY 1989 Request Quantity	Revised FY 1989 Request Amount	House Authorization Quantity	House Authorization Amount	Senate Authorization Quantity	Senate Authorization Amount	House +/- Senate Quantity	House +/- Senate Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference Authorization Quantity	Conference Authorization Amount
143	LAUNCH CONTROL CENTER COMMUNICATIONS	0	8,100				0		0		0				0
144	CHEYENNE MOUNTAIN COMPLEX	0	9,698		22,226		22,225		22,225		0				22,225
145	PAVE PAWS/SLBM WARNING SYSTEMS	0	1,582				0		0		0				0
146	BMEWS MODERNIZATION	0	1,441				0		0		0				0
147	SPACETRACK	0	914				0		0		0				0
148	NAVSTAR GPS	0	16,559		12,774		12,774		12,774		0				12,774
149	USAFE COMMAND/CONTROL SYSTEM	0	1,941		1,313		1,313		1,313		0				1,313
150	PACAF COMMAND/CONTROL	0	1,157		1,276		1,276		1,276		0				1,276
151	DEFENSE METEOROLOGICAL SAT PROG	0	10,176		17,773		17,773		17,773		0				17,773
152	ENSCE	0	0				0		0		0				0
153	CARIBBEAN BASIN RADAR NETWORK	0	4,722		28,963		28,963		28,963		0				28,963
154	MARS/USAF-FAA RADAR UPGRADE	0	26,422		52,541		52,541		52,541		0				52,541
155	TAC SIGINT SUPPORT	0	29,783		17,519		17,519		17,519		0				17,519
156	AREOSTAT RADARS	0	0				0		0		0				0
157	DIST ERLY WARNING RDR/NORTH WARNING	0	2,812		203,173		193,173		203,173		(10,000)		0		203,173
158	TACTICAL GROUND INTERCEPT FACILITY	0	0		2,166		2,166		2,166		0				2,166
159	AIR BASE OPERABILITY	0	2,007		5,378		5,378		5,378		0				5,378
160	CMDR'S TACTICAL TERMINALS(CTT)/TEREC	0	2,463				0		0		0				0
161	IMAGERY TRANS	0	0		1,536		1,536		1,536		0				1,536
162	NUDET DETECTION SYSTEM (NDS)	0	12,391				0		0		0				0
163	TACTICAL WARNING SYSTEMS SUPPORT	0	4,723		2,969		2,969		2,969		0				2,969
164	NORTH ATLANTIC DEFENSE C3	0	0				0		0		0				0
165	AUTOMATIC DATA PROCESSING EQUIP	0	110,000		82,716		67,716		67,716		0		(15,000)		67,716
166	WWMCCS/WIS ADPE	0	4,041		12,110		12,110		12,110		0				12,110
167	MAC COMMAND AND CONTROL SUPPORT	0	30,830		24,708		24,708		24,708		0				24,708
168	MAC COMMAND AND CONTROL-SOF	0	13,114		1,451		1,451		1,451		0				1,451
169	GLCM COMMUNICATIONS	0	2,705				0		0		0				0
170	AIR FORCE PHYSICAL SECURITY SYSTEM	0	14,000		20,634		21,634		20,634		1,000		1,000		21,634
171	WEAPONS STORAGE/SECURITY	0	18,400		36,847		18,400		36,847		(18,447)		(4,000)		32,847
172	RANGE IMPROVEMENTS	0	176,331		134,952		134,952		134,952		0		(25,000)		109,952
173	RADAR BOMB SCORER	0	0				0		0		0				0
174	C3 COUNTERMEASURES	0	4,312		5,787		5,787		5,787		0				5,787
175	JOINT SURVEILLANCE SYSTEM	0	4,045				0		0		0				0
176	SPACE SHUTTLE	0	163				0		0		0				0
177	BASE LEVEL DATA AUTO PROGRAM	0	29,709		16,202		16,202		16,202		0				16,202
178	SATELLITE CONTROL FACILITY	0	103,376		61,051		61,051		61,051		0				61,051
179	CONSTANT WATCH	0	17,105		5,186		5,186		5,186		0				5,186
180	CONSOLIDATED SPACE OPS CENTER	0	5,100				0		0		0				0
181	CMD CENTER PROCESSING/DISPLAY SYS	0	1,007		23,553		23,553		23,553		0				23,553
182	HAMMER ACE	0	720		1,381		1,381		1,381		0				1,381
183	SAMTO TEST RANGES I&M	0	61,601		51,852		51,852		51,852		0				51,852
184	EMP HARDENING	0	0				0		0		0				0
185	PROGRAM 698AJ	0	1,714		1,704		1,704		1,704		0				1,704
186	INFORMATION TRANSMISSION SYSTEMS	0	11,854		8,274		8,274		8,274		0				8,274
187	TELEPHONE EXCHANGE	0	30,987		27,823		27,823		27,823		0				27,823
188	JOINT TACTICAL COMM PROGRAM	0	151,000		153,037		153,037		153,037		0				153,037
189	USSOCCOM	0	4,453		5,813		5,813		5,813		0				5,813
190	USCENTCOM	0	22,733				0		0		0				0

P-1 LINE	ITEM	FY 1988 Estimate		Revised FY 1989 Request		House Authorization		Senate Authorization		House +/- Senate		Conference Change to Request		Conference Authorization	
		Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
191	AUTOMATED TELECOMMUNICATIONS PRG	0	12,693		4,305		4,305		4,305		0				4,305
192	CINC MOBILE COMMAND CENTER	0	0				0		0		0				0
193	MILSTAR	0	0		73,394		45,438		73,394		(27,956)		(8,923)		64,471
194	SATELLITE TERMINALS	0	11,021		12,475		12,475		12,475		0				12,475
195	WIDEBAND SYSTEMS UPGRADE	0	41,844		14,318		14,318		14,318		0				14,318
196	MINIMUM ESSENTIAL EMER COMM NET	0	36,100		3,833		3,833		3,833		0				3,833
197	DCS SECURE VOICE EQUIPMENT	0	4,630		3,762		3,762		3,762		0				3,762
198	TACTICAL C-E EQUIPMENT	0	51,687		39,962		39,962		39,962		0				39,962
199	PRODUCTIVITY INV TELECOM	0	0				0		0		0				0
200	RADIO EQUIPMENT	0	44,762		18,038		18,038		18,038		0				18,038
201	RADIO EQUIPMENT-SOF	0	0		1,645		1,645		1,645		0				1,645
202	FIBER OPTICS	0	2,066		1,020		1,020		1,020		0				1,020
203	TV EQUIPMENT (AFRTV)	0	4,486		4,103		4,103		4,103		0				4,103
204	CCTV/AUDIOVISUAL EQUIPMENT	0	4,180		3,944		3,944		3,944		0				3,944
205	E + I REQUIREMENTS	0	1,242		575		575		575		0				575
206	SPARES AND REPAIR PARTS	0	238,700		215,722		204,045		215,722		(11,677)		0		215,722
207	CAP COM & ELECT	0	500				600		600		0		600		600
208	ITEMS LESS THAN $2,000,000	0	8,905		7,553		7,553		7,553		0				7,553
209	COMM-ELECTRONICS CLASS IV	0	27,865		19,417		19,417		19,417		0				19,417
210	TACTICAL EQUIPMENT	0	22,120		27,341		27,341		27,341		0				27,341
211	ANTIJAM VOICE	0	7,019		10,277		8,187		10,277		(2,090)		(2,090)		8,187
OTHER	BASE MAINTENANCE AND SUPPORT EQUIP														
212	BASE/ALC CALIBRATION PACKAGE	0	55,032		56,333		56,333		56,333		0				56,333
213	NEWARK AFS CALIBRATION PACKAGE	0	2,927		2,346		2,346		2,346		0				2,346
214	TEST EQUIPMENT-GEN PURP	0	4,560		6,687		6,687		6,687		0				6,687
215	ITEMS LESS THAN $2,000,000	0	36,411		37,461		37,461		37,461		0				37,461
216	AUTOMATIC LIFE PRESERVER	3,373	3,953	1,952	2,413	1,952	2,413	1,952	2,413		0			1,952	2,413
217	NIGHT VISION GOGGLES	0	12,031		5,644		5,644		5,644		0				5,644
218	NIGHT VISION GOGGLES-SOF	309	4,887	166	2,687	166	2,687	166	2,687		0			166	2,687
219	BREATHING APPARATUS TWO HOUR	0	0				0		0		0				0
220	CHEMICAL/BIOLOGICAL DEF PROG	0	105,444		95,766		95,766		95,766		0				95,766
221	ITEMS LESS THAN $2,000,000	0	3,807		3,570		3,570		3,570		0				3,570
222	BASE MECHANIZATION EQUIPMENT	0	30,860		37,039		37,039		37,039		0				37,039
223	AIR TERMINAL MECHANIZATION EQUIP	0	7,198		7,006		7,006		7,006		0				7,006
224	ITEMS LESS THAN $2,000,000	0	10,083		12,460		12,460		12,460		0				12,460
225	GENERATORS-MOBILE ELECTRIC	0	13,098		13,937		13,937		13,937		0				13,937
226	FLOOD LIGHTS	950	9,941				0		0		0				0
227	ITEMS LESS THAN $2,000,000	0	4,295		5,491		5,491		5,491		0				5,491
228	BASE PROCURED EQUIPMENT	0	23,731		37,100		22,178		37,100		(14,922)		(14,922)		22,178
229	MEDICAL/DENTAL EQUIPMENT	0	101,000		116,207		116,207		116,207		0				116,207
230	AIR BASE OPERABILITY	0	6,185		15,252		15,252		15,252		0				15,252
231	PALLET, AIR CARGO, 108X88	2,000	2,059	2,000	1,758	2,000	1,758	2,000	1,758		0			2,000	1,758
231a	AFLC UNINTERRUPTABLE POWER SUPPLY EQUIP						11,400		0		11,400		0		0
232	NET ASSEMBLY, 108X88	0	0		0		0		0		0				0
233	BLADDERS FUEL	200	2,555				0		0		0				0
234	TACTICAL SHELTER	0	0				0		0		0				0
235	PHOTOGRAPHIC EQUIPMENT	0	5,284		6,972		6,972		6,972		0				6,972
236	PRODUCTIVITY ENHANCEMENT	0	9,797		9,820		9,820		9,820		0				9,820
237	PRODUCTIVITY INVESTMENTS	0	1,911		1,459		1,459		1,459		0				1,459

P-1		FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference--- Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
238	MOBILITY EQUIPMENT	0	41,405		38,565		38,565		38,565		0				38,565
239	WARTIME HOST NATION SUPPORT	0	7,950		4,522		4,522		4,522		0				4,522
240	SPARES AND REPAIR PARTS	0	9,901		6,139		6,139		6,139		0				6,139
241	ITEMS LESS THAN $2,000,000	0	17,739		18,660		18,660		18,660		0				18,660
242	INTELLIGENCE PRODUCTION ACTIVITY	0	112,537		92,363		88,363		92,363		(4,000)		0		92,363
243	SCIENTIFIC/TECHNICAL INTELLIGENCE	0	0				0		0		0				0
244	TECH SURV COUNTERMEASURES EQ	0	2,068		954		954		954		0				954
245	DEFENSE DISSEMINATION SYSTEM	0	0				0		0		0				0
246	AF TECHNICAL APPLICATION CENTER	0	0				0		0		0				0
247	PHOTO PROC/INTERPRET SYS	0	898		257		257		257		0				257
248	SELECTED ACTIVITIES	0	4,449,744		4,636,700		4,629,900		4,606,700		23,200		(10,200)		4,626,500
249	SPECIAL UPDATE PROGRAM	0	120,633		139,168		139,168		139,168		0				139,168
250	SPECIAL APPLICATION PROGRAM	0	239		4,327		4,327		4,327		0				4,327
251	INDUSTRIAL PREPAREDNESS	0	2,173		4,538		4,538		4,538		0				4,538
252	MISC EQUIPMENT	0	10,750		16,664		16,664		16,664		0				16,664
253	MISC EQUIPMENT-SOF	0	1,354		2,499		2,499		2,499		0				2,499
254	MODIFICATIONS	0	5,220		1,040		1,040		1,040		0				1,040
254a	CLASSIFIED PROGRAM						(9,700)		0		(9,700)		0		0
	TOTAL OTHER PROCUREMENT		8,011,527		8,393,500		8,064,424		8,318,023		(253,599)		(196,718)		8,196,782

Early warning air defense radars

The amended budget request included $203.173 million for the North Warning Radar system, which will replace the Distant Early Warning system and complement the Over-the-Horizon Backscatter radar (OTH-B) in Canada's northern reaches.

The House bill would reduce the request by $10 million.

The Senate amendment would authorize the requested amount.

The House recedes.

The amended budget request included $161.038 million for the OTH-B radar.

The House bill would deny the request without prejudice, citing concerns about the lack of information on recent tests, software problems, configuration instability across the various sector, and the site-specific environmental review process. The House bill would also defer the request for $11.7 million in spares and $17.5 million for military construction for the Alaska site.

The Senate amendment would authorize the requested amounts.

The conferees acknowledge the concerns expressed in the House bill, but believe that recent information on test results is encouraging and that the software upgrades appear achievable. Accordingly, the conferees approve the request for spares and military construction, and agree to an authorization of $145 million for OTH-B procurement, a reduction of $16.038 million levied for budgetary reasons.

Weapon Storage and Security system

The amended budget request included $36.847 million for the Weapon Storage and Security System (WSSS).

The House bill would authorize $18 million of the requested amount.

The Senate amendment would authorize the requested amount.

The conferees agree to an authorization of $32.847 million for WSSS, noting the importance of the system in the post-INF period, and the progress that has been made in the past year in securing accelerated approval of NATO financing. Further discussion of this program is contained in the classified annex of the statement of managers.

PROCUREMENT, DEFENSE AGENCIES

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $1,216.1 million for procurement, Defense Agencies. The House bill would authorize $1,150.5 million. The Senate amendment would authorize $1,207.9 million. The conferees recommend authorization of $1,205.1 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

P-1 LINE	ITEM	FY 1988 Estimate Quantity	FY 1988 Estimate Amount	-----Revised------ FY 1989 Request Quantity	FY 1989 Request Amount	-----House------ Authorization Quantity	House Authorization Amount	-----Senate------ Authorization Quantity	Senate Authorization Amount	House +/- Senate Quantity	House +/- Senate Amount	---Conference--- Change to Request Quantity	Change to Request Amount	---Conference--- Authorization Quantity	Conference Authorization Amount
	PROCUREMENT, DEFENSE AGENCIES														
1	MOTOR VEHICLES	0	320				0		0		0				0
2	MAJOR EQUIPMENT, OSD/WHS	0	106,600		96,789		96,789		96,789		0				96,789
3	REMOTELY PILOTED VEHICLES	0	45,400		65,600		0		65,600		(65,600)		(15,000)		50,600
4	CLASSIFIED EQUIPMENT		[ ]		[ ]		[ ]		[ ]		[19,300]		[10,000]		[ ]
5	VEHICLES	0	249		742		742		742		0				742
6	OTHER CAPITAL EQUIPMENT	0	4,088		2,688		2,688		2,688		0				2,688
7	WWMCCS ADP SYSTEMS	0	7,151		12,393		12,393		12,393		0				12,393
8	ITEMS LESS THAN $2 MILLION	0	26,293		29,842		29,842		29,842		0				29,842
9	INTELLIGENCE AND COMMUNICATIONS		[ ]		[ ]		[ ]		[ ]		[880]		0		[ ]
10	MATERIALS HANDLING EQUIPMENT	0	8,587		5,758		5,758		5,758		0				5,758
11	VEHICLES	0	1,060		1,520		1,520		1,520		0				1,520
12	MECHANIZED MATERIALS HANDLING SYS	0	14,351		23,879		23,879		23,879		0				23,879
13	ADP EQUIPMENT	0	30,000		52,720		40,720		52,720		(12,000)		(6,000)		46,720
14	TELECOMMUNICATIONS EQUIPMENT	0	12,182		7,570		7,570		7,570		0				7,570
15	OTHER MAJOR EQUIPMENT	0	5,514		5,105		5,105		5,105		0				5,105
16	ITEMS LESS THAN $2 MILLION	0	2,399		4,500		4,500		4,500		0				4,500
17	ADP EQUIPMENT	0	0		3,000		3,000		3,000		0				3,000
18	VEHICLES	0	368		114		114		114		0				114
19	OTHER CAPITAL EQUIPMENT	0	15,310		70,594		70,594		70,594		0				70,594
20	VEHICLES	0	3,119				0		0		0				0
21	OTHER CAPITAL EQUIPMENT	0	0		2,426		2,426		2,426		0				2,426
22	ITEMS LESS THAN $2 MILLION	0	834		855		855		855		0				855
23	ITEMS LESS THAN $2 MILLION	0	8,072		3,517		3,517		3,517		0				3,517
24	ITEMS LESS THAN $2 MILLION, DRSP	0	317,881		260,841		260,841		260,841		0				260,841
25	AIRBORNE RECONNAISSANCE SUPPORT PROGRAM	0	45,800		25,000		25,000		25,000		0				25,000
26	ITEMS LESS THAN $2 MILLION	0	1,426		958		958		958		0				958
999	CLASSIFIED PROGRAMS	0	644,159		539,689		551,689		531,509		20,180		10,000		549,689
	TOTAL PROCUREMENT DEFENSE AGENCIES		1,301,163		1,216,100		1,150,500		1,207,920		(57,420)		(11,000)		1,205,100

Remotely piloted vehicle

The amended budget request contained $65.6 million for procurement of Remotely Piloted Vehicles (RPV).

The House bill would deny the amount requested for this program.

The Senate amendment would authorize the requested amount.

The conferees received a draft Department of Defense Master Plan for Unmanned Aerial Vehicles (UAV) during the conference that is supposed to address the management of and expenditures for RPVs in fiscal year 1989. The conferees believe that a viable near-term and far-term RPV program could evolve from the Master Plan.

The conferees agreed that resources required to pursue research, development, test, and evaluation initiatives are underfunded. Accordingly, a reduction of $15 million in the procurement account is recommended to offset the funding shortfall in the RDT&E account.

The conferees recommend authorization of $50.6 million in the procurement account for RPVs, which would respond to unified and specified commanders' near-term requirements and corps operations. Remaining funds may be applied to support of previously procured PIONEER RPV systems. The conferees do not support the procurement of additional PIONEER systems in the future and direct the number of systems to remain at nine.

A complete discussion of RPVs is contained in title II, RDT&E, of this statement of managers.

PROCUREMENT, NATIONAL GUARD AND RESERVE EQUIPMENT

OVERVIEW

The House bill would authorize $816.1 million for procurement, National Guard and Reserve equipment. The Senate amendment would authorize $443 million. The conferees recommend authorization of $843.5 million, as delineated in the following table.

P-1 LINE	ITEM	FY 1988 Estimate Quantity	FY 1988 Estimate Amount	Revised FY 1989 Request Quantity	Revised FY 1989 Request Amount	House Authorization Quantity	House Authorization Amount	Senate Authorization Quantity	Senate Authorization Amount	House +/- Senate Quantity	House +/- Senate Amount	Conference Change to Request Quantity	Conference Change to Request Amount	Conference Authorization Quantity	Conference Authorization Amount
NATIONAL GUARD AND RESERVE EQUIPMENT, DEFENSE															
ARMY RESERVE															
1	MISCELLANEOUS EQUIPMENT	0	85,000				40,000		30,000		10,000		30,000		30,000
NAVY RESERVE															
2	MISCELLANEOUS EQUIPMENT	0	22,100				0		10,000		(10,000)		10,000		10,000
2a	SH-2 BLOCK UPGRADE						62,200		0		62,200		45,000		45,000
2b	SH-2F/G SUPPLY SUPPORT EQUIPMENT						1,412		0		1,412		0		0
3	HH-60G HELICOPTER	0	0				0		0		0				0
4	SEABEE EQUIPMENT	0	15,000				0		20,000		(20,000)		20,000		20,000
5	P-3C AIRCRAFT	6	211,700				0		0		0				0
5a	P-3 MODS						25,000		0		25,000		0		0
5b	SH-3H MODS						4,600		0		4,600		0		0
6	AIRBORNE MINE COUNTERMEASURES	0	0				8,000		0		8,000		0		0
7	AN/SQR-17 ACOUSTIC PROCESSOR	0	10,000				0		0		0				0
7a	MEDCIAL AND DENTAL EQUIPMENT						2,000		0		2,000				0
7b	CRYPTOLOGICAL EQUIPMENT						6,300		0		6,300		0		0
MARINE CORPS RESERVE															
8	MISCELLANEOUS EQUIPMENT	0	0				0		10,000		(10,000)		10,000		10,000
9	KC-130T AIRCRAFT	2	40,000				40,000		0		40,000	2	40,000	2	40,000
9a	TACTICAL AIR OPER MODULE (TACM)						26,800		0		26,800		0		0
AIR FORCE RESERVE															
10	MISCELLANEOUS EQUIPMENT	0	35,000				0		10,000		(10,000)		10,000		10,000
11	C-130 AIRCRAFT	8	150,000			8	150,000		0	8	150,000	8	150,000	8	150,000
12	IMPROVED WEATHER RECON SYSTEM	4	4,800				0		0		0				0
13	C-5A SIMULATOR	1	12,300				0		0		0				0
13a	MH-60G HELICOPTER					12	72,000		0	12	72,000	12	72,000	12	72,000
13b	H-60 SUPPLY EQUIPMENT						6,900		0		6,900		0		0
13c	ECM AND DEFENSIVE SYSTEMS						19,244		0		19,244		0		0
13d	AIRCRAFT SPARES AND SUPPORT EQUIPMENT						1,856		0		1,856		0		0
ARMY NATIONAL GUARD															
14	MISCELLANEOUS EQUIPMENT	0	100,000				0		50,000		(50,000)		50,000		50,000
15	NON-SYSTEM TRAINING DEVICES	0	0				25,000		0		25,000		0		0
16	UH-60 HELICOPTERS	0	0				0		0		0				0
17	5 TON TRUCKS	0	0				0		0		0				0
18	AN/PRC-104A	0	0				0		0		0				0
19	AN/GRC-193A	0	0				0		0		0				0
20	AN/GRC-213	0	0				0		0		0				0
21	M113 ARMORED PERSONNEL CARRIER	300	65,000			300	75,000		0	300	75,000	300	75,000	300	75,000
22	M109 HOWITZER CANNON REPLACEMENT	737	28,100				0		0		0				0
23	C-23 AIRCRAFT	9	60,000				0		0		0				0
24	FIRE SUPPORT TEAM VEHICLES	0	20,000				0		0		0				0
24a	M1A1 TANK							58	130,000	(58)	(130,000)	58	115,000	58	115,000
AIR NATIONAL GUARD															
25	MISCELLANEOUS EQUIPMENT	0	30,000				0		20,000		(20,000)		20,000		20,000
26	C-130 AIRCRAFT	8	150,000			8	150,000	8	163,000		(13,000)	8	150,000	8	150,000
27	MH-60G HELICOPTERS	16	117,000				0		0		0				0
28	HC-130 AIRCRAFT	2	44,000				0		0		0				0
29	F-15A/B MSIP					16	30,000		0	16	30,000	16	30,000	16	30,000
30	COMMUNICATIONS EQUIPMENT						25,000		0		25,000		0		0
31	ECM PODS						27,500		0		27,500		0		0
32	AIRCRAFT SPARES						750		0		750		0		0
33	ACMI, NORTHERN TIER FIGHTER TRAINING PH II						16,500		0		16,500		16,500		16,500
	TOTAL GUARD AND RESERVE EQUIPMENT		1,200,000		0		816,062		443,000		373,062		843,500		843,500

C-26 aircraft reprogramming

The House report (H. Rept. 100-563) approved the Department of Defense reprogramming FY88-1PA that would allow for procurement of four additional C-26 aircraft as a result of the recent competitive program conducted by the Air National Guard.

The Senate report (S. Rept. 100-326) contained no similar language.

The conferees note that the reprogrammings in question are FY88-2PA and FY88-4PA. The conferees note that reprogramming FY88-4PA proposes to procure three additional aircraft at a unit cost of $4.3 million, although the approved program called for procuring six aircraft at a unit cost of $2.9 million. The conferees do not understand why the unit cost would increase when the procurement rate increases.

The conferees recommend approval of reprogrammings FY88-2PA and FY88-4PA, provided that the three additional aircraft in reprogramming FY88-4PA may not be procured at a unit cost greater than the unit cost provided for in the program base reflecting congressional action.

CHEMICAL DETERRENT PROGRAM

OVERVIEW

The amended budget request contained approximately $1 billion for chemical warfare and chemical biological defense programs. Of this amount, $636 million was requested for chemical defense efforts, $174.5 million was requested for chemical demilitarization, and $186.3 was requested for chemical weapons modernization.

Chemical weapons modernization

The amended budget request contained $186.3 million for the binary chemical weapons program. The conferees agrees to authorize a total of $77.4 million for the binary chemical weapons program: $60.9 million in procurement for the Bigeye chemical bomb and the 155 GB-2 million artillery round; and $16.5 million in research and development and construction for the Multiple Launch Rocket System (MLRS).

The following table summarizes the conferees' recommendation with respect to the binary munitions program:

BINARY MUNITIONS PROGRAM

[Fiscal year 1989, in millions of dollars]

Item	Request	House bill	Senate amendment	conference
155 GB-2 artillery round	66.0	1.2	66.0	45.9
Bigeye chemical bomb	99.4	0	99.4	15.0
Navy procurement	9.9	0	9.9	(5.0)
AF procurement	89.5	0	89.5	(10.0)
MLRS binary weapon	20.9	0	20.9	16.5
Pilot facility tooling	16.4	0	16.4	(12.0)
Facility construction[1]	4.5	0	4.5	(4.5)
Total	186.3	1.2	186.3	77.40

[1] The facility construction request is addressed in Division B, Military Construction Authorizations of this statement of managers.

P-1		FY 1988 Estimate		-----Revised------ FY 1989 Request		-----House------ Authorization		-----Senate------ Authorization		House +/- Senate		---Conference--- Change to Request		---Conference---. Authorization	
LINE	ITEM	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount	Quantity	Amount
	CHEM AGENTS AND MUNITIONS DESTRUCTION, DEFENSE														
1	RESEARCH AND DEVELOPMENT	0	4,900		700		17,900		17,900		0		17,200		17,900
2	PROCUREMENT	0	96,600		74,000		44,300		44,300		0		(29,700)		44,300
3	CHEM DEMILITARIZATION - O&M	0	97,000		88,200		117,300		112,300		5,000		29,100		117,300
	TOTAL CHEMICAL DESTRUCTION		198,500		162,900		179,500		174,500		5,000		16,600		179,500

Bigeye chemical bomb (sec. 116)

The Senate amendment would authorize the $99.4 million requested in fiscal year 1989 for the Bigeye chemical bomb, but would condition release of the funds on a certification by the Comptroller General that the Bigeye had met certain standards in the operational and developmental tests to be conducted in 1990.

The House bill would provide no authorization for fiscal year 1989. The bill would further stipulate that funds made available for Bigeye for fiscal years before fiscal year 1990 may not be spent except as required to procure 100 Bigeye bombs to be used to conduct the operational and developmental tests scheduled to take place in 1990.

The conferees agree that the Department of Defense may use prior-year funds made available for Bigeye for the procurement of production-configured Bigeye bombs to be used only for the purpose of conducting the follow-on operational and developmental testing scheduled for 1990. The procurement of Bigeye bombs for any other purpose is prohibited. The conferees agree that any prior-year funds not used to procure Bigeye bombs for the test program may be used to maintain program continuity, but none of the prior-year funds may be used for low-rate initial production.

The conferees agree to prohibit low rate initial production and the procurement of any additional Bigeye bombs until the Director of Operational Test and Evaluation of the Department of Defense and the Comptroller General of the United States have submitted reports to Congress that certify that criteria set forth in section 116 for the follow-on tests have been met. The conferees would invite the Joint Chiefs of Staff, in conjunction with the fiscal year 1990 budget submission, to reaffirm the military requirement for the Bigeye bomb.

The conferees recognize the importance of maintaining program continuity through the period when the follow-on tests are being conducted and evaluated. The conferees have provided $15 million for this purpose in fiscal year 1989. Of this sum, $10 million is provided to the Air Force and $5 million to the Navy. These funds are to be used only for the purpose of maintaining program continuity, maintaining the subcontractor base and procuring long-lead items such as piece parts and components. The use of these funds for low-rate initial production of final assembly of Bigeye bombs is expressly prohibited. For the purpose of section 116, final assembly is defined as filling the bomb body with the liquid binary reactant QL.

155mm GB-2 binary chemical artillery round

The amended budget request contained $66 million for the 155mm GB-2 artillery round.

The House bill would authorize $1.2 million for the Army to procure only long-lead items for the artillery round.

The Senate amendment would authorize the requested amount.

The conferees recommend an authorization of $45.9 million for production of the 155mm GB-2 binary chemical artillery round. This level of authorization ensures that production will not be interrupted between the fiscal year 1989 program and the fiscal year 1990 program. This reduction from the budget request reflects a realignment of the program schedule.

Multiple launch rocket system binary chemical weapon

The amended budget request contained $16.4 million for equipment for the Multiple Launch Rocket System (MLRS) binary chemical weapon injector fill/close facility at Pine Bluff Arsenal. A related $4.5 million military construction project was also in the budget request.

The House bill would not authorize the program.

The Senate amendment would authorize the requested amount.

The conferees recommend authorization of $12 million in research, development and test funding for a pilot MLRS binary injector fill/close facility and $4.5 million for related construction.

Chemical demilitarization

The amended budget request contained $162.9 million (including $74 million in procurement, $88.2 million in operation and maintenance, and $0.7 million in research, development, test and evaluation) to support the chemical demilitarization program. The Department of Defense subsequently revised the request to require $174.5 million to implement the program described in the Chemical Stockpile Disposal Plan that was delivered to the Congress on March 15, 1988.

The House bill would authorize $179.5 million for this program. The House report (H. Rept. 100-563) specified that the additional $5 million would support an independent safety review by the National Academy of Sciences, as well as support the implementation of any safety items resulting from this review. The House bill contained a provision (sec. 931) that would prevent equipment prove out and systems test (referred to as "systemization" by the Department of Defense) at any continental United States chemical demilitarization facility until the operational verification of destruction technology at Johnston Atoll was successfully completed. This section would also require the Secretary of Defense to submit a report to the Committees on Armed Services of the Senate and House of Representatives upon successful completion of the Johnston Atoll operational equipment prove out. Section 931 would also require the Secretary to report if the Secretary determines that there will be a delay in meeting the December 31, 1990 completion of the Johnston Atoll operational verification, or if the Secretary determines that there will be a delay in meeting the April 30, 1997 stockpile elimination deadline.

The Senate amendment would authorize $174.5 million. The Senate amendment contained a provision (sec. 122) that would require the Secretary to submit a report only if the Secretary determined that there will be a delay in the April 30, 1997 stockpile elimination deadline.

Both the House bill (sec. 931) and the Senate amendment (sec. 122) contained provisions that would amend the stockpile elimination deadline of section 1412 of the fiscal year 1986 Department of Defense Authorization Act (Public Law 99-145) from September 30, 1994 to April 30, 1997. This amended deadline was requested by the Department of Defense.

The Senate recedes with an amendment. The conferees recommend authorization of $179.5 million, which includes an additional $5 million of safety. The conferees agree in section 118 to extend the stockpile elimination deadline to April 30, 1997. The conferees also agree to clarify that equipment prove-out and tests could be conducted at the Chemical Agent Munition Disposal System (including the cryofracture pilot facility) in Tooele, Utah before operational verification of the destruction technology at Johnston Atoll. Section 118 requires reports from the Secretary of Defense when the equipment and facility at Johnston Atoll are proven out, and if the Secretary determines that there will be a delay in meeting the December 30, 1990 completion of operational verification at Johnston Atoll. Section 118 also requires a report from the Secretary of Defense if he determines that there will be a delay in meeting the April 30, 1997 stockpile elimination deadline.

Chemical weapons convention compliance monitoring program (sec. 208)

The Senate amendment contained a provision (sec. 237) that would direct that $6.8 million be made available to conduct a program to develop and demonstrate compliance monitoring capabilities in support of the Convention on the Prohibition of Chemical Weapons proposed by the United States at the Conference on Disarmament.

The House bill contained no similar provision.

The House recedes.

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Authorization for multiyear contracts (sec. 107)

The amended budget request contained authority to enter into multiyear contracts for the procurement of the following seven systems in fiscal year 1989:

CH-47 helicopter modification
Multiple launch rocket system
AV-8B aircraft
UHF follow-on satellite system
Defense meteorological satellite system
F-16 C/D aircraft
H-60 series competitive engine

The House bill would authorize the Department of Defense to enter into multiyear contracts for all programs except for the AV-8B aircraft and the UHF follow-on satellite system. In addition, the House bill would authorize the Department to enter into multiyear contracts for the AH-64 helicopter and the M1 tank.

The Senate amendment would authorize multiyear contracts for all of the programs requested, except for the UHF follow-on satellite system. In addition, the Senate amendment would authorize multiyear contracts for the AH-64 helicopter and the M1 tank.

The Senate recedes with an amendment.

The conferees recommend that the Department be authorized to enter into multiyear contracts for the following programs:

CH-47 helicopter modification
Multiple launch rocket system
AV-8B aircraft
UHF follow-on satellite system
Defense meteorological satellite system
F-16 C/D aircraft
T-700 series helicopter engine
AH-64 helicopters
M1 series tanks

Despite the fact that both the House bill and the Senate amendment did not include authorization of the UHF follow-on satellite system, the conferees received information subsequent to action in the Senate which supports authorization of the multiyear procurement request. The conferees are persuaded that the Navy has structured an innovative acquisition strategy that could serve as a model for use by other Departments. The conferees reserve judgment, however, on certain aspects of the procurement strategy—notably, acceptance of satellites on orbit. The conferees consider this novel acquisition strategy an experiment that, if successful, could serve as a model for other satellite procurement. The conferees urge other Military Departments to monitor the success of this approach.

The conferees endorse the direction outlined in the House Report (H. Rept. 100-563) concerning the feasibility of adding EHF telemetry and communications to the UHF follow-on satellite program, but caution that any such initiative should not disrupt the award or execution of the multiyear contract. The conferees also endorse the concerns expressed in the Senate report (S. Rept. 100-326) that modifications to production satellites must be considered carefully only as part of a formal block change process, and not on an ad hoc satellite-to-satellite basis.

The House bill would direct that multiyear contracts contain negotiated priced options for varying quantities to be procured over the period of the contract. The purpose of the provision would be to provide flexibility in the execution of multiyear contracts in the presence of budget limitations in future years. The conferees believe, however, that one of the key advantages of multiyear contracts is the stability that they introduce for contractors and for the Department. The conferees strongly support multiyear contracts and do not wish to weaken their utility to improve acquisition procedures. Consequently, the conferees recommended a provision that would permit the Secretary to instruct the Departments to incorporate negotiated priced options if he judges that such a course would enhance the multiyear procurement process.

The conferees direct that before the Department enter into multiyear contracts for the AH-64 helicopter and the M1 series tank, the Secretary of Defense submit to the Congress the total force acquisition plan for Army aviation and anti-armor systems, and that the Secretary certify that he approves those acquisition plans.

The conferees note that the multiyear contracts for the AH-64 helicopter and the M1 tank apply to fiscal year 1990. The Department may include procurement authorized for fiscal year 1989 as an option in the multiyear contracts, however.

Air defense anti-tank system (sec. 111(a))

The amended budget request contained $85 million for procurement of the Army's air defense anti-tank system (ADATS) forward area air defense system (FAADS), and $23.8 million for advance procurement for fiscal year 1990.

The House bill would authorize the requested amounts, but included a provision (sec. 111) that would prohibit the obligation of fiscal year 1988 and 1989 funds appropriated pursuant to authorization until certain conditions are met. The House bill would also prohibit obligation of any procurement funds after fiscal year 1989 until operational testing demonstrates that the ADATS meets operational requirements.

The Senate amendment would deny the authorization for procurement in fiscal year 1989, but would authorize the requested funds for advance procurement in 1990.

The Senate recedes.

The conferees reiterate their concern that the FAADS program not repeat the acquisition errors made on the DIVAD air defense system. The conferees reserve their support for the program until the results of realistic operational testing are made available to the Congress. The conferees also note the high cost of the ADATS system and encourage the Army to explore alternatives for reducing procurement costs, should the system perform satisfactorily in the operational tests.

120mm mortars (sec. 111(b))

The amended budget request contained no funds for procurement of 120mm mortars.

The House bill would authorize $5 million to procure mortars and $35 million for 120mm mortar ammunition. The House bill also included a provision (sec. 111(c)) that would restrict the obligation of funds appropriated pursuant to authorization until the Secretary of Defense submits a mortar master plan, certifies that the five-year plan contains suficient funds to implement the master plan, and completes an "Arsenal Act analysis" cost-effectiveness analysis.

The Senate amendment would provide no authorization for 120mm mortars. The Senate report (S. Rept. 100-326) directed the Army to conduct an analysis of heavy mortar requirements.

The Senate recedes.

In light of the decision to proceed with the 120mm mortar, the Army is not required to conduct the mortar study directed in the Senate report.

155 millimeter ammunition (sec. 111(c))

The Senate amendment contained a provision (sec. 111) that would express the concern of Congress that the schedule for propellant production and load, assemble and pack of 155 millimeter M864 ammunition base burn assembly may not make it economical to carry out production of this assembly from two sources concurrently. This provision would also prohibit the Secretary from selecting a second source for production of the base burn assembly for this round until the program enters full-rate production and the Secretary reports to the Committees on Armed Services of the Senate and House of Representatives on the acquisition plan of the Secretary for the establishment of a second source for the program.

The House bill contained no similar provision.

The House recedes with an amendment.

The conferees agreed to a provision providing that if the low rate initial production contractor of the 155 millimeter M864 base burn assembly is willing to self-facilitize the production line for this item at a government-owned contractor-operated facility, the Army shall establish it and maintain it at a minimum production rate of 8,000 units per month with fiscal years 1989 and 1990 funds. This provision also requires the Secretary of the Army to estabish a second source competitively for the 155 millimeter M864 base burn assembly in fiscal year 1989. The conferees agreed that this provision will not delay any phase in the current production schedule of the M864 round.

AH-1W ground support equipment (sec. 112(a))

The Senate amendment contained a provision (sec. 111(d)) that would direct that $55 million be obligated only for procurement of ground support equipment for aircraft appropriated in prior year.

The House bill contained no similar provision.

The House recedes.

Trident II missile (sec. 112(b))

The Senate amendment contained a provision (sec. 111A(a)) that would authorize the requested level only for procurement of the Trident II missile. This provision would also prohibit reductions to Trident II missile procurement to achieve any undistributed reductions.

The House bill contained no similar provision.

The House recedes.

DDG-51 competition (sec. 112(c))

Both the House bill (sec. 112(b)) and the Senate amendment (sec. 111(A)(b)) included provisions that would affect the form of competition for construction of *Arleigh Burke* (DDG-51)-class guided missile destroyers.

The House bill would repeal a provision in the fiscal year 1988 Department of Defense Appropriations Act (Public Law 100-202) that requires full and open competition for ships authorized in fiscal year 1989.

The Senate amendment would require full and open competition unless the Secretary of the Navy certifies that the DDG-51 program would cost less if competition were limited to the two current shipyard contractors or that certain national seucrity needs took precedence.

The conferees agree that the Secretary of the Navy may limit competition to the two shipyard contractors currently building DDG-51 class ships if the Secretary certifies to the Committees on Armed Services of the Senate and House of Representatives that such limitation would likely result in lower total cost for the fiscal year 1989 DDG-51 shipbuilding program, or is necessary to meet the cost, schedule, or performance requirements of the Navy or such other requirements of the Navy as may be determined by the Secretary.

Use of prior year funds for DDG-51 destroyer program (sec. 112(d))

The Senate amendment contained a provision (sec. 111(f)) that would authorize the use of prior-year funds for the construction of one DDG-51 class guided missile destroyer.

The House bill contained no similar provision.

The House recedes with an amendment.

The conferees recommend that up to $730 million in amounts appropriated for fiscal year 1988 and prior years and remaining available for obligation be authorized to be transferred to the Navy shipbuilding and conversion program for fiscal year 1988, to the extent provided in appropriations acts and without extension of obligational authority, for the procurement of one DDG-51 class guided missile destroyer. This procurement authorization is separate from the procurements authorized for DDG-51 class destroyers in fiscal year 1989.

5-inch semi-active laser guided projectile (sec. 112(f))

The House bill contained a provision (sec. 102(d)(2)) that would direct completion of production qualification by three sources for 5-inch semi-active laser guided projectiles.

The Senate amendment contained an identical provision (sec. 111(A)(c)).

The conferees direct the Secretary of the Navy to identify the sources of funds to be used for the production qualification effort, making maximum use of funds remaining available for obligation for the five-inch laser guided projectile program. Should additional funds be necessary beyond those available, the Secretary shall identify the sources of such funds by means of a reprogramming. The conferees affirm the language concerning sources of funds for this program contained in the House report (H. Rept. 100-563).

C-130 refurbishment (sec. 113(a))

The House bill contained a provision (sec. 113) that would authorize the Secretary of the Air Force to use eight C-130 aircraft currently in long-term storage at Air Force plant #6, Marietta, Georgia, and direct that $35 million of aircraft modification funds shall be available only to refurbish such aircraft for operational use.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment. The conferees recommend an increase of $17.5 million in Air Force aircraft modification funds to modify C-130 aircraft in order to refurbish and place in operational use the eight C-130 aircraft currently in long-term storage at Air Force plant #6.

SLC-7 launch facility (sec. 113(b))

The Senate amendment (sec. 112) would prohibit the obligation or expenditure of funds for the launch facility at Vandenberg Air Force Base (the SLC-7 launch facility) intended to launch the Titan IV expendable launch vehicle.

The House bill contained no similar provision.

The House recedes. The conferees agree to endorse the section in the Senate report (S. Rept. 100-326) relating to this facility (included in the discussion of the Space Launch Recovery program).

Infantry anti-tank weapon (sec. 114)

The House bill contained a provision (sec. 115) that would require the Secretary of the Army to select an interim infantry anti-tank weapon from among the Milan II, Bofors BILL and Dragon Generation III weapons, and the Director of Operational Test and Evaluation to report on the performance of these weapons in operational tests.

The Senate amendment contained a provision (sec. 211) that would repeal certain statutory provisions related to these weapons, and that would specify that no funds appropriated pursuant to authorization may be used for further research and development or procurement of either the Milan II or Bofors BILL weapons.

The Senate recedes with an amendment.

The conferees direct the Secretary of the Army to select an interim infantry anti-tank weapon from among the Milan II, Bofors BILL, Dragon Generation II and Generation III weapon systems. The conferees note that the selection is to identify for each weapon its tank-killing capability, gunner survivability, portability by field troops, countermeasures vulnerability, system reliability and safety.

The conferees direct that before any funds be used to procure an interim infantry anti-tank weapon, the Secretary shall conduct a Cost and Effectiveness Analysis (COEA). Such a COEA must be based on standards for effectiveness for an interim anti-tank weapon system, especially in light of the fact that the system must be capable of defeating modern Soviet tanks equipped with reactive armor. The COEA must emphasize tank-killing capability, gunner survivability, portability by field troops, countermeasures vulnerability, system reliability and safety, as well as cost.

Source selection authority for palletized loading system (sec. 115)

The House bill contained a provision (sec. 117) that would amend section 259(b) of the fiscal year 1988/1989 Defense Authorization Act (Public Law 100-180), which required the Under Secretary of Defense for Acquisition to serve as source selection authority for the Army palletized loading system. The House provision would name the Acquisition Executive for the Department of the Navy as the source selection authority.

The Senate amendment contained no similar provision.

The Senate recedes.

Management of certain defense procurement programs (sec. 117)

The House bill contained a provision (sec. 119) that would direct the Department of Defense not to extend the duration of defense acquisition programs unless the Secretary of Defense submits a report justifying the extension. Further, the House provision would require a report on cost increases caused by the extension and require the Secretary to identify a specified number of major acquisition programs to be produced at maximum efficient production rates.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment.

The conferees recommend that the Secretary of Defense be required to submit a "stretchout impact statement" if certain conditions are met. The impact statement would delineate the costs associated with stretchouts of production rates. Further, the provision requires the Secretary to identify all major acquisition programs being produced at 80 percent or less of the programmed acquisition rate at the time the major acquisition program was initiated. Finally, the conferees direct the Secretary to identify not less than 10 programs that could be produced at maximum efficient production rates and the costs associated with such action.

Report on Navy aircraft (sec. 119)

The Senate amendment contained a provision (sec. 121) that would require the Secretary of Defense to submit a detailed report on current and projected requirements of the Navy for aircraft.

The House bill contained no similar provision.

The House recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

MLRS system for the Army National Guard

The House bill contained a provision (sec. 111(d)) that would support the deployment of three batteries per year of Multiple Launch Rocket System (MLRS) to units of the Army National Guard.

The Senate amendment contained no similar provision.

The House recedes.

The conferees note their strong support for the introduction of MLRS batteries into Army National Guard units.

Air Force common electronic countermeasure equipment

The House bill contained a provision (sec. 116) that would require a competition between the ALQ-131 and ALQ-184 Electronic Countermeasure (ECM) pod programs; require approval of the Secretary of Defense prior to upgrading certain Navy or Air Force ECM systems; and require a report on the protection of EF-111 aircraft.

The Senate report (S. Rept. 100-326) encouraged the Air Force to conduct a year-to-year competition between the ALQ-131 and the ALQ-184 ECM pod programs.

The conferees agree that an immediate competition between the ALQ-184 and ALQ-131, or a year-to-year competition of these systems, is a reasonable acquisition strategy, and agree that the requirement to field one or both systems is essential and must be accomplished by the Department of Defense. The conferees have learned that the Under Secretary of Defense for Acquisition is currently studying the acquisition strategy proposed for the ALQ-131 and ALQ-184 ECM pod systems.

In light of this action, the conferees agree at this time to defer, without prejudice, the House provision. In taking this action, the conferees expect the Under Secretary of Defense to initiate not later than January 15, 1989, a competitive acquisition strategy. The conferees direct that any future upgrades to the ALQ-94, ALQ-137, ALQ-126A, ALQ-126B, or ALQ-162 ECM systems must be approved by the Under Secretary of Defense for Acquisition, and direct the Secretary of Air Force to submit a report to the Committees on Armed Services of the Senate and House of Representatives, by January 15, 1989, describing the Air Force plans for future electronic protection of EF-111 aircraft.

General increase for Navy and Marine Corps ammunition

The House bill included a provision (sec. 1201) that would provide additional authorization for procurement of ammunition for the Navy and Marine Corps.

The Senate amendment contained no similar provision.

The House recedes.

Guard and Reserve training devices

The House bill contained a provision (sec. 1203) that would provide $25.0 million for procurement of training devices for the Army National Guard.

The Senate amendment contained no similar provision.

The House recedes. The conferees provided $50.0 million to the Army National Guard to procure what ever equipment the Guard judges to be of highest priority. The conferees note that the Guard may procure training devices if that is judged to be of sufficient priority. The conferees also note that the Guard may procure FISTV vehicles if those vehicles are judged by the Guard to be of sufficient priority.

Global positioning system

The amended budget request contained $75.644 million for procurement of the Global Positioning System (GPS) satellite program.

The House bill would reduce the request by $14.427 million.

The Senate amendment contained a provision (sec. 929(a)) that would authorize the request.

The conferees agreed to an authorization of $75.644 million, the requested amount, but did not agree to the Senate legislative provision.

The amended budget request contained $53.232 million for RDT&E for the Global Positioning System.

The House bill would authorize the requested level.

The Senate amendment contained a provision (sec. 929(b)) that would limit expenditures for Global Positioning System RDT&E to $48.232 million.

The conferees agree to an authorization of $48.232 million but see no need for the Senate legislative provision.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION (RDT&E)

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $38,157.1 million for research, development, test, and evaluation in the Department of Defense. The House bill would authorize $37,372.9 million. The Senate amendment would authorize $37,995.3 million. The conferees recommend authorization of $37,970.2 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

RESEARCH AND DEVELOPMENT, ARMY

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $5,030.7 million for Army research, development, test, and evaluation. The House bill would authorize $5,224.9 million. The Senate amendment would authorize $5,008.4 million. The conferees recommend authorization of $5,198.4 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	House		Senate		House +/- Senate	Conference	
					Change to Request	Authorized	Change to Request	Authorized		Change to Request	Authorized
		RESEARCH DEVELOPMENT TEST & EVAL ARMY									
1	0601101A	IN-HOUSE LABORATORY INDEPENDENT RESEARCH	0	0		0		0	0		0
2	0601102A	DEFENSE RESEARCH SCIENCES	168,936	173,505		173,505		173,505	0		173,505
3	0601103A	UNIVERSITY RESEARCH SCIENCES	0	0		0		0	0		0
4	0602105A	MATERIALS TECHNOLOGY	11,589	12,963		12,963		12,963	0		12,963
5	0602120A	ELECTRONIC SURVIVABILITY AND FUZING TECH	43,163	40,895		40,895		40,895	0		40,895
6	0602122A	SURVIVABILITY ENHANCEMENT	[ ]	[ ]		[ ]		[ ]	0		[ ]
7	0602211A	AVIATION TECHNOLOGY	[ ]	[ ]		[ ]		[ ]	0		[ ]
8	0602303A	MISSILE TECHNOLOGY	28,951	25,741		25,741		25,741	0		25,741
9	0602307A	LASER WEAPONS TECHNOLOGY	10,000	6,366	6,500	12,866		6,366	6,500	5,000	11,366
10	0602601A	COMBAT VEHICLE AND AUTOMOTIVE TECHNOLOGY	22,610	22,293		22,293		22,293	0		22,293
11	0602618A	BALLISTICS TECHNOLOGY	22,775	27,321	7,000	34,321		27,321	7,000	0	27,321
12	0602622A	CHEMICAL, SMOKE AND EQUIPMENT DEFEATING	45,079	41,501	1,000	42,501		41,501	1,000	0	41,501
13	0602623A	JOINT SERVICE SMALL ARMS PROGRAM	12,857	14,136	1,000	15,136		14,136	1,000	0	14,136
14	0602624A	WEAPONS AND MUNITIONS TECHNOLOGY	21,931	31,213		31,213		31,213	0		31,213
15	0602705A	ELECTRONICS AND ELECTRONIC DEVICES	21,717	21,761		21,761		21,761	0		21,761
16	0602709A	NIGHT VISION TECHNOLOGY	22,394	22,825	2,500	25,325		22,825	2,500	2,500	25,325
17	0602715A	ELECTRONIC WARFARE TECHNOLOGY	[ ]	[ ]		[ ]		[ ]	0		[ ]
18	0602716A	HUMAN FACTORS ENGINEERING TECHNOLOGY	14,560	15,003		15,003		15,003	0		15,003
19	0602720A	ENVIRONMENTAL QUALITY TECHNOLOGY	9,915	9,542		9,542		9,542	0		9,542
20	0602727A	NON-SYSTEM TRAINING DEVICE TECHNOLOGY	4,011	3,429		3,429		3,429	0		3,429
21	0602770A	MILITARY DISEASE HAZARDS TECHNOLOGY	46,137	48,282		48,282		48,282	0		48,282
22	0602782A	COMMAND, CONTROL, COMMUNICATIONS TECH	9,764	12,578		12,578		12,578	0		12,578
23	0602783A	COMPUTER AND SOFTWARE TECHNOLOGY	8,221	6,454		6,454		6,454	0		6,454
24	0602784A	MILITARY ENGINEERING TECHNOLOGY	36,905	46,975		46,975		46,975	0		46,975
25	0602785A	MANPOWER/PERSONNEL/TRAINING TECHNOLOGY	15,476	17,865		17,865		17,865	0		17,865
26	0602786A	LOGISTICS TECHNOLOGY	34,513	42,064		42,064		42,064	0		42,064
27	0602787A	MEDICAL TECHNOLOGY	54,701	57,777		57,777		57,777	0		57,777
995		TECHNOLOGY BASE CLASSIFIED	51,653	51,476		51,476		51,476	0		51,476
28	0603001A	LOGISTICS ADVANCED TECHNOLOGY	10,000	9,959		9,959		9,959	0		9,959
29	0603002A	MEDICAL ADVANCED TECHNOLOGY	33,656	34,496		34,496		34,496	0		34,496
30	0603003A	AVIATION ADVANCED TECHNOLOGY	39,000	35,310		35,310		35,310	0		35,310
31	0603004A	WEAPONS AND MUNITIONS ADVANCED TECH	24,914	39,440		39,440		39,440	0		39,440
32	0603005A	COMBAT VEHICLE AND AUTOMOTIVE ADV TECH	39,612	46,251		46,251		46,251	0		46,251
33	0603006A	COMMAND,CONTROL, COMMUNICATIONS ADV TECH	7,485	7,725		7,725		7,725	0		7,725
34	0603007A	HUMAN FACTORS/PERSONNEL/TRAINING ADV TEC	28,486	30,544		30,544		30,544	0		30,544
35	0603008A	ELECTRONIC WARFARE ADVANCED TECHNOLOGY	[ ]	[ ]		[ ]		[ ]	0		[ ]
36	0603102A	MATERIALS AND STRUCTURES ADVANCED TECH	8,185	6,936		6,936		6,936	0		6,936
37	0603105A	ACQUIRED IMMUNE DEFICIENCY SYNDROME (AID	11,500	8,823		8,823		8,823	0		8,823
38	0603255A	OPERATIONAL ENHANCEMENTS	0	0		0		0	0		0
39	0603270A	EW TECHNOLOGY	39,468	[ ]	[11,000]	[ ]	[5,000]	[ ]	[6,000]	[8,000]	[ ]
40	0603313A	MISSILE AND ROCKET ADVANCED TECHNOLOGY	18,000	13,587		13,587		13,587	0	20,000	33,587
41	0603314A	DIRECTED ENERGY	0	7,787		7,787		7,787	0		7,787
42	0603321A	TARGET ACQUISITION,COUNTER/COUNTER-COUNT	[ ]	[ ]		[ ]		[ ]	0		[ ]
43	0603324A	ARMY DEVELOPMENT AND EMPLOYMENT AGENCY	10,936	1,988	3,000	4,988		1,988	3,000	3,000	4,988
44	0603606A	LANDMINE WARFARE AND BARRIER ADVANCED TE	10,675	9,079	2,500	11,579		9,079	2,500	0	9,079
45	0603607A	JOINT SERVICE SMALL ARMS PROGRAM	8,820	9,564		9,564		9,564	0		9,564

					House		Senate			Conference	
R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	Change to Request	Authorized	Change to Request	Authorized	House +/- Senate	Change to Request	Authorized
46	0603710A	NIGHT VISION ADVANCED TECHNOLOGY	23,653	23,669	2,500	26,169		23,669	2,500	0	23,669
47	0603733A	ENVIRONMENTAL QUALITY CONTROL EQUIPMENT	3,050	0		0		0	0		0
48	0603734A	MILITARY ENGINEERING ADVANCED TECH	3,902	2,338		2,338		2,338	0		2,338
49	0603742A	ADVANCED ELECTRONIC DEVICES	6,089	5,228		5,228		5,228	0		5,228
50	0603758A	ARMY BATTLEFIELD TECHNOLOGY INTEGRATION	9,100	9,601		9,601		9,601	0		9,601
51	0603759A	CHEMICAL BIOLOGICAL DEFENSE AND SMOKE AD	3,564	3,450		3,450		3,450	0		3,450
52	0603772A	ADVANCED TACTICAL COMPUTER SCIENCE TECH	6,117	6,501		6,501		6,501	0		6,501
53	1140011A	ADV SPECIAL OPERATIONS RSCH, DEV AND ACQ	7,757	14,228		14,228		14,228	0		14,228
		BATTERY TECHNOLOGY			1,144	1,144		0	1,144	1,144	1,144
		COMMON INTEGRATED ELECTRONIC WARFARE SYSTEM			2,000	2,000		0	2,000	1,000	1,000
996		ADV TECHNOLOGY DEVELOPMENT CLASSIFIED	0	47,853	11,000	58,853	5,000	52,853	6,000	8,000	55,853
54	0102814A	SPECIAL PROGRAMS	[ ]	[ ]		[ ]	[-50,000]	[ ]	[50,000]	[-25,000]	[ ]
55	0102821A	CLASSIFIED PROGRAM	[ ]	[ ]		[ ]		[ ]	0		[ ]
56	0303152A	WORLD-WIDE MILITARY COMMAND AND CONTROL	[ ]	[ ]		[ ]		[ ]	0		[ ]
		CHEM WPNS CONVENTION COMPLIANCE MONITOR	0				6,800	6,800	(6,800)	6,800	6,800
		MLRS BINARY WARHEAD								12,000	12,000
997		STRATEGIC CLASSIFIED	118,462	80,108		80,108	(50,000)	30,108	50,000	(25,000)	55,108
57	0603220A	ADV ROTOCRAFT TECHNOLOGY INTEGRATION LHX	0	0		0		0	0		0
58	0603302A	ANTITACTICAL MISSILE SYSTEM	22,076	31,514		31,514		31,514	0		31,514
59	0603303A	SURFACE-TO-SURFACE MISSILE ROCKET SYSTEM	24,000	36,191		36,191		36,191	0		36,191
60	0603604A	NUCLEAR MUNITIONS AND RADIACS-ADV DEV	5,841	[ ]		[ ]		[ ]	0		[ ]
61	0603612A	ADVANCED ANTI-TANK WEAPON SYSTEM	33,566	21,763	40,000	61,763	40,000	61,763	0	30,000	51,763
62	0603619A	LANDMINE WARFARE AND BARRIER - ADV DEV	15,783	12,496		12,496		12,496	0		12,496
63	0603627A	SMOKE AND EQUIP DEFEATING SYS - ADV DEV	7,375	4,999		4,999		4,999	0		4,999
64	060369A	ARMAMENT ENHANCEMENT INITIATIVE	[ ]	[ ]		[ ]		[ ]	0		[ ]
65	0603642A	EVOLUTIONARY SURFACE-TO-AIR MISSILE - AD	0	3,053		3,053		3,053	0		3,053
66	0603645A	ARMORED FAMILY OF VEHICLES - ADV DEV	1,000	997		997		997	0		997
67	0603705A	PHYSICAL SECURITY	0	2,794		2,794		2,794	0		2,794
68	0603706A	IDENTIFICATION-FRIEND-OR-FOE - ADV DEV	10,000	14,811		14,811		14,811	0		14,811
69	0603711A	AIRCRAFT SURVIVABILITY EQUIPMENT	0	0		0		0	0		0
70	0603713A	ARMY DATA DISTRIBUTION SYSTEM	28,000	19,950		19,950		19,950	0		19,950
71	0603718A	ELECTRONIC WARFARE SYSTEMS - ADV DEV	0	0		0		0	0		0
72	0603725A	REMOTELY PILOTED VEHICLES AND DRONES - A	0	0		0		0	0		0
73	0603730A	TACTICAL SURVEILLANCE SYSTEM-ADV DEV	34,166	[ ]	[-24,900]	[ ]		[ ]	[-24,900]	[-5,900]	[ ]
74	0603738A	NON-SYSTEM TRAINING DEVICES - ADV DEV	0	860		860		860	0		860
75	0603740A	AIR DEFENSE COMMAND, CONTROL AND INTELLI	4,337	0		0		0	0		0
76	0603745A	TACTICAL ELECTRONIC SUPPORT MEASURE SYS	5,735	[ ]		[ ]		[ ]	0		[ ]
77	0603747A	SOLDIER SUPPORT AND SURVIVABILITY	3,864	3,430		3,430		3,430	0		3,430
78	0603751A	MEDICAL DEFENSE AGAINST CHEMICAL WARFARE	27,100	17,440		17,440		17,440	0		17,440
79	0603754A	CLASSIFIED PROGRAM (ADV)	[ ]	[ ]		[ ]		[ ]	0		[ ]
80	0603755A	TACT ELECTRONIC COUNTERMEASURES SYS-ADV	[ ]	[ ]		[ ]		[ ]	0		[ ]
81	0603757A	FORWARD AREA AIR DEFENSE (FAAD) SYSTEM	157,000	164,212	30,000	194,212		164,212	30,000		164,212
82	0603760A	SPECIAL OPERATIONS FORCES EQUIP- ADV DEV	0	0		0		0	0		0
83		TACTICAL ELECTRONIC SURVEILLANCE SYSTEM-ADV DEV	11,959	[ ]		[ ]		[ ]	0		[ ]
84	0603774A	NIGHT VISION SYSTEMS ADV DEVELOPMENT	3,355	3,923		3,923		3,923	0		3,923
85	0603775A	LIGHT ARMORED VEHICLE/WEASEL EVALUATION	1,000	0		0		0	0		0
86	0603776A	AIRBORNE ADVERSE WEATHER WEAPONS SYSTEM	80,000	87,120		87,120		87,120	0		87,120
	0603XXXA	M1 BLOCK 3 DEVELOPMENT								30,000	30,000
87	0603777A	FOLLOW-ON LANCE - ADV DEV	0	14,962		14,962		14,962	0	(7,000)	7,962
88	0603801A	AVIATION - ADV DEV	3,039	4,349		4,349		4,349	0		4,349
89	0603802A	WEAPONS AND MUNITIONS - ADV DEV	14,399	12,283		12,283		12,283	0		12,283
90	0603803A	CHEMICAL SYSTEMS - ADV DEV	15,325	0		0		0	0		0

R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	House		Senate		House +/- Senate	Conference	
					Change to Request	Authorized	Change to Request	Authorized		Change to Request	Authorized
91	0603804A	LOGISTICS AND ENGINEER EQUIP- ADV DEV	16,999	12,901	4,000	16,901		12,901	4,000	0	12,901
92	0603805A	COMBAT SERVICE SUPPORT COMPUTER SYS EVAL	1,195	1,422		1,422		1,422	0		1,422
93	0603806A	CHEMICAL/BIOLOGICAL DEFENSE EQUIP ADV DE	10,508	7,360		7,360		7,360	0		7,360
94	0603807A	MEDICAL SYSTEMS - ADV DEV	21,863	18,879		18,879		18,879	0		18,879
95	0604202A	AIRCRAFT WEAPONS	9,697	4,461		4,461		4,461	0		4,461
96	0604216A	AIRCRAFT PROPULSION SYSTEM	100,000	55,798		55,798		55,798	0		55,798
97	0604223A	LIGHT ARMED SCOUT HELICOPTER	30,000	124,687		124,687		124,687	0		124,687
98	0604270A	EW DEVELOPMENT	44,499	[ ]	[4,000]	[ ]	[4,000]	[ ]	0	[4,000]	[ ]
99	0604306A	STINGER	7,747	0		0		0	0		0
100	0604310A	HELIBORNE MISSILE - HELLFIRE	2,463	0		0		0	0		0
101	0604313A	GRASS BLADE	4,953	9,719		9,719		9,719	0	(5,000)	4,719
102	0604321A	JOINT TACTICAL FUSION PROGRAM	152,385	[ ]	[5,000]	[ ]		[ ]	[5,000]	[3,000]	[ ]
103	0604324A	ARMY TACTICAL MISSILE SYS (ARMY TACMS)	101,250	84,437		84,437		84,437	0		84,437
103a		ATACMS BLOCK 2 UPGRADE							0	10,000	10,000
104	0604601A	INFANTRY SUPPORT WEAPONS	0	0		0		0	0		0
105	0604603A	NUCLEAR MUNITIONS AND RADIACS-ENG DEV	17,386	[ ]		[ ]		[ ]	0		[ ]
106	0604604A	MEDIUM TACTICAL VEHICLES	9,906	24,947		24,947		24,947	0		24,947
107	0604609A	SMOKE AND EQUIP DEFEATING SYS ENG DEV	9,978	8,379		8,379		8,379	0		8,379
108	0604611A	ADVANCED ANTI-TANK WEAPON SYS- ENG DEV	0	110,509		110,509		110,509	0		110,509
109	0604622A	FAMILY OF HEAVY TACTICAL VEHICLES	4,953	28,825		28,825		28,825	0		28,825
110	0604630A	M1A1 DEVELOPMENT PROGRAM	0	0		0	50,000	50,000	(50,000)		0
111	0604702A	JOINT TACTICAL INFORMATION DIST SYSTEM	4,267	0		0		0	0		0
112	0604709A	IDENTIFICATION-FRIEND-OR-FOE - ENG DEV	16,841	25,812		25,812		25,812	0		25,812
113	0604710A	NIGHT VISION SYSTEMS - ENG DEV	15,128	16,588	3,000	19,588		16,588	3,000	1,000	17,588
114	0604711A	AIRCRAFT SURVIVABILITY EQUIPMENT	0	0		0		0	0		0
115	0604713A	COMBAT FEEDING, CLOTHING, AND EQUIPMENT	1,915	2,418		2,418		2,418	0		2,418
116	0604715A	NON-SYSTEM TRAINING DEVICES - ENG DEV	24,745	19,790		19,790		19,790	0		19,790
117	0604718A	PHYSICAL SECURITY	2,974	3,755		3,755		3,755	0		3,755
118	0604722A	EDUCATION AND TRAINING SYSTEMS DEV	5,396	6,872		6,872		6,872	0		6,872
119	0604723A	SPECIAL PURPOSE DETECTORS	1,417	483		483		483	0		483
120	0604726A	METEOROLOGICAL EQUIPMENT AND SYSTEMS	592	1,611		1,611		1,611	0		1,611
121	0604730A	REMOTELY PILOTED VEHICLES - ENG DEV	0	0		0		0	0		0
122	0604736A	PROJECT SIERRA	[ ]	[ ]		[ ]		[ ]	0		[ ]
123	0604737A	UNMANNED AERIAL VEHICLES - ENG DEV	0	0		0		0	0		0
124	0604740A	TACTICAL SURVEILLANCE SYSTEM-ENG DEV	7,759	[ ]		[ ]		[ ]	0		[ ]
125	0604741A	AIR DEFENSE COMMAND, CONTROL AND INTELLI	90,262	98,291		98,291		98,291	0		98,291
126	0604746A	AUTOMATIC TEST EQUIPMENT DEVELOPMENT	6,923	9,374		9,374		9,374	0		9,374
127	0604750A	TACTICAL ELECTRONIC COUNTERMEASURES-ENG	[ ]	[ ]		[ ]		[ ]	0		[ ]
128	0604754A	CLASSIFIED PROGRAM (ENG)	[ ]	[ ]		[ ]		[ ]	0		[ ]
129	0604757A	MEDICAL CHEM DEFENSE LIFE SUPPORT MATERI	7,633	6,258		6,258		6,258	0		6,258
130	0604766A	TACTICAL ELECTRONIC SURVEILLANCE SYS-ENG	18,666	[ ]		[ ]		[ ]	0		[ ]
131	0604770A	JOINT SURVEILLANCE/TARGET ATTACK RADAR S	18,224	19,182		19,182		19,182	0		19,182
132	0604779A	JOINT INTEROP OF TACT COMM & CONTROL SYS	14,860	17,784		17,784		17,784	0		17,784
133	0604801A	AVIATION - ENG DEV	9,903	11,029		11,029		11,029	0		11,029
134	0604802A	WEAPONS AND MUNITIONS - ENG DEV	110,855	132,595	25,000	157,595		132,595	25,000	25,000	157,595
135	0604803A	CHEMICAL SYSTEMS - ENG DEV	14,191	37,649		37,649		37,649	0		37,649

R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	House		Senate		House +/- Senate	Conference	
					Change to Request	Authorized	Change to Request	Authorized		Change to Request	Authorized
136	0604804A	LOGISTICS AND ENGINEER EQUIP - ENG DEV	11,886	13,577		13,577		13,577	0		13,577
137	0604805A	COMMAND, CONTROL, COMM SYSTEMS - ENG DEV	13,858	10,311		10,311		10,311	0		10,311
138	0604806A	CHEMICAL/BIOLOGICAL DEFENSE EQUIPMENT -	22,905	13,262		13,262		13,262	0		13,262
139	0604807A	MEDICAL MATERIEL/MEDICAL BIOLOGICAL DEFE	13,327	13,825		13,825		13,825	0		13,825
140	0604808A	LANDMINE WARFARE/BARRIER - ENG DEV	14,703	14,839		14,839		14,839	0		14,839
141	0605710A	JOINT CB POINT OF CONTACT, TEST AND ASSE	6,403	5,967		5,967		5,967	0		5,967
142	0203726A	ADV FIELD ARTILLERY TACTICAL DATA SYSTEM	14,797	17,717		17,717		17,717	0		17,717
143	0203735A	COMBAT VEHICLE IMPROVEMENT PROGRAMS	122,746	82,837	15,000	97,837	13,900	96,737	1,100	13,900	96,737
144	0203739A	AIR DEFENSE C21 MODS	4,000	8,661		8,661		8,661	0		8,661
145	0203740A	MANEUVER CONTROL SYSTEM	13,971	11,972		11,972		11,972	0		11,972
146	0203743A	155MM SELF-PROPELLED HOWITZER IMPROVEMEN	29,988	19,944	4,500	24,444		19,944	4,500	4,500	24,444
147	0203744A	AIRCRAFT MODIFICATIONS/PIP	55,000	135,460		135,460		135,460	0		135,460
148	0203745A	WEAPONS AND MUNITIONS EQUIPMENT UPGRADE	26,327	4,833	15,000	19,833		4,833	15,000	8,000	12,833
149	0203751A	SPECIAL OPERATIONS FORCES EQUIPMENT	0	0		0		0	0		0
150	0203752A	AIRCRAFT ENGINE COMPONENT IMP PROGRAM	6,144	11,914	(6,200)	5,714		11,914	(6,200)	0	11,914
151	0203801A	MISSILE/AIR DEFENSE PRODUCT IMPROVEMENT	31,040	39,009		39,009		39,009	0		39,009
152	0203802A	OTHER MISSILE PRODUCT IMPROVEMENT PROG	40,000	30,803		30,803	8,800	39,603	(8,800)	8,800	39,603
153	0208010A	JOINT TACTICAL COMMS PROGRAM (TRI-TAC)	12,998	13,891		13,891		13,891	0		13,891
154	0303145A	EUCOM C3 SYSTEMS	1,289	634		634		634	0		634
155	1110011A	FORCE ENHANCEMENTS-ACTIVE	95,500	118,408		118,408		118,408	0		118,408
		GUARD AND RESERVE UNIQUE R&D			5,000	5,000		0	5,000	2,000	2,000
		CLASSIFIED PROJECT				0	30,000	30,000	(30,000)	20,000	20,000
		NBC VEHICLE COMPETITON								6,000	6,000
		ITV HELLFIRE MODERNIZATION				0	6,000	6,000	(6,000)	5,000	5,000
		UNDISTRIBUTED REDUCTION, TACTICAL PROG				0	(120,000)	(120,000)	120,000	0	0
998		TACTICAL CLASSIFIED	330,334	726,289	(15,900)	710,389	4,000	730,289	(19,900)	1,100	727,389
156	0604201A	AIRCRAFT AVIONICS	0	0		0		0	0		0
157	0604716A	MAPPING AND GEODESY - ENG DEV	6,459	6,488		6,488		6,488	0		6,488
158	0604778A	NAVSTAR GLOBAL POSITIONING SYSTEM (USER	9,995	8,803		8,803		8,803	0		8,803
159	0301307A	FOREIGN SCIENCE AND TECHNOLOGY CENTER	[ ]	[ ]		[ ]		[ ]	0		[ ]
160	0301318A	HUMINT (CONTROLLED)	[ ]	[ ]		[ ]		[ ]	0		[ ]
161	0301327A	TECHNICAL RECONNAISSANCE AND SURVEILL	[ ]	[ ]		[ ]		[ ]	0		[ ]
162	0301334A	OTHER COMMANDS GDIP ACTIVITIES	[ ]	[ ]		[ ]		[ ]	0		[ ]
163	0301359A	SPECIAL ARMY PROGRAM	[ ]	[ ]	[-1,296]	[ ]		[ ]	[-1,296]	0	[ ]
164	0303126A	LONG-HAUL COMMUNICATIONS (DCS)	0	0		0		0	0		0
165	0303142A	SATCOM GROUND ENVIRONMENT	74,966	26,698		26,698		26,698	0		26,698
166	0303401A	COMMUNICATIONS SECURITY (COMSEC)	5,217	5,126		5,126		5,126	0		5,126
999		INTELLIGENCE/COMMUNICATIONS CLASSIFIED	11,081	5,288	(1,296)	3,992		5,288	(1,296)		5,288

R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	House		Senate		House +/- Senate	Conference	
					Change to Request	Authorized	Change to Request	Authorized		Change to Request	Authorized
167	0603790A	NATO RESEARCH AND DEVELOPMENT	0	0		0		0	0		0
168	0605301A	KWAJALEIN MISSILE RANGE	150,729	164,855		164,855		164,855	0	(9,000)	155,855
169	0605502A	SMALL BUSINESS INNOVATIVE RESEARCH	0	0		0		0	0		0
170	0605601A	ARMY TEST RANGES AND FACILITIES	191,103	191,016	15,000	206,016		191,016	15,000	0	191,016
171	0605602A	ARMY TECHNICAL TEST INSTRUMENTATION AND	62,500	60,110	10,000	70,110		60,110	10,000	0	60,110
172	0605603A	ARMY USER TEST INSTR AND THREAT SIMULATO	59,186	63,936	5,000	68,936	(20,000)	43,936	25,000	(20,000)	43,936
173	0605702A	METEOROLOGICAL SUPPORT TO RDT&E ACTIV	19,195	18,888		18,888		18,888	0		18,888
174	0605706A	MATERIEL SYSTEMS ANALYSIS	22,264	23,783		23,783		23,783	0		23,783
175	0605709A	EXPLOITATION OF FOREIGN ITEMS	4,390	4,360		4,360		4,360	0		4,360
176	0605712A	SUPPORT OF OPERATIONAL TESTING	49,796	51,349	6,000	57,349		51,349	6,000	0	51,349
177	0605801A	PROGRAMWIDE ACTIVITIES	82,349	83,155		83,155		83,155	0		83,155
178	0605802A	INTERNATIONAL COOP RESEARCH AND DEV	1,093	1,136		1,136		1,136	0		1,136
179	0605803A	TECHNICAL INFORMATION ACTIVITIES	5,500	5,803		5,803		5,803	0		5,803
180	0605805A	MUNITIONS STANDARDIZATION, EFFECTIVENESS	14,331	12,981		12,981		12,981	0		12,981
181	0605810A	RDT&E SUPPORT FOR NONDEVELOPMENTAL ITEMS	17,842	8,283		8,283		8,283	0		8,283
182	0605872A	PRODUCTIVITY INVESTMENTS	35,000	49,947		49,947		49,947	0		49,947
183	0605894A	REAL PROPERTY MAINTENANCE - RDT&E	155,000	161,974		161,974	6,000	167,974	(6,000)	5,000	166,974
184	0605896A	BASE OPERATIONS - RDT&E	177,500	183,708		183,708	4,000	187,708	(4,000)	4,000	187,708
185	0605898A	MANAGEMENT HEADQUARTERS (RSCH AND DEV)	9,501	13,616		13,616		13,616	0		13,616
186	0708011A	INDUSTRIAL PREPAREDNESS	20,904	19,852		19,852		19,852	0		19,852
		UNDISTRIBUTED REDUCTION				0	(6,800)	(6,800)	6,800	0	0
		TOTAL RDT&E ARMY	4,670,659	5,030,700	194,248	5,224,948	(22,300)	5,008,400	216,548	167,744	5,198,444

ITEMS OF SPECIAL INTEREST

Forward area air defense system

The amended budget request contained $164.2 million for Forward Area Air Defense (FAAD). This program provides research and development for both direct line of sight and the non-line of sight projects.

The House bill would authorize an additional $30 million to procure additional test fiber optic guided missiles configured with Technical Risk Reduction (TRR) upgrades.

The Senate amendment would authorize the amount requested.

The conferees recommend an additional authorization of $20 million, and endorse the directives contained in the House report (H. Rept. 100-563). The conferees also note that while the fiber optic guided missile (FOGM) was initially developed as an anti-armor system, the Army is focusing its development almost exclusively on an air defense system to counter non-line of sight helicopters. The conferees believe that the FOGM remains a potent anti-armor system and directs the Army to incorporate the missile in its anti-armor modernization plans.

In order to insure that technical risk reductions proceed expeditiously, the conferees recommend the authorization of $20 million in P.E. 603313, Missile and Rocket Advanced Technology.

M1 block 3 upgrade program

The Senate amendment would authorize an additional $50 million to initiate the development of a block 3 improvement program for the M1 tank. The Senate amendment would direct that such an improvement program consider a new generation light-weight 120mm cannon, improved engines, a reduced volume turret and advanced fire control systems, emphasizing that the block 3 tank should be fielded by 1995.

The conferees recommend an increase of $30 million to initiate the block 3 improvement program. The conferees believe such an improvement program is essential to reverse the deteriorating armor-antiarmor balance with the Soviet Union. The conferees believe the Army should award this initiative high priority and consider the numerous suggestions by industry for improving the M1 tank. The conferees emphasize that a block 3 M1 tank should be ready for operational fielding by the middle of the next decade.

The conferees expect the Army to program sufficient resources in the Five Year Defense Program for fiscal years 1990 to 1994 to produce a block 3 M1 tank by the middle of the next decade.

Army laser weapons technology

The amended budget request contained $6.4 million for the Army's Laser Weapons Technology Program.

The House bill would authorize $12.9 million, an increase of $6.5 million, and direct the Army to continue work on critical dye laser technology at the Army's Missile Command.

The Senate amendment would authorize the requested amount.

The conferees recommend an authorization of $11.4 million and concur with the direction that the Army should continue research on dye laser technology at the Missile Command.

Army electronic warfare programs

The House bill would authorize an additional $11 million for Army Electronic Warfare Technology and $4 million for Army Electronic Warfare Development. The House bill would direct that the $11 million be used to initiate an improvement program for the TACJAM system. The House bill would also direct that the $4 million be used to develop a tri-service common module visible/near infrared laser device.

The Senate amendment would also authorize an increase for electronic warfare, but for different purposes. The Senate amendment would authorize an increase of $5 million for Army Electronic Warfare Technology and $4 million for Electronic Warfare Development, with the additional funds in both instances to be devoted to increased activity in electronic warfare vulnerability assessment of fielded U.S. systems, with special attention to command systems.

The conferees recommend an increased authorization of $8 million for Electronic Warfare Technology, with $4 million to be devoted to improvements for TACJAM and $4 million for electronic warfare vulnerability assessment. The conferees also recommend an increased authorization of $4 million for Electronic Warfare Development, with $2 million to be devoted to TACJAM and $2 million to vulnerability assessment.

The conferees note that the Army's ongoing vulnerability assessment activity is primarily an operational test and evaluation activity, yet it is funded within program elements that are otherwise largely devoted to the development of new programs. The Conferees believe this accounts for the long-term reduction in funding for this key activity. The conferees encourage the Army to consider shifting the management and budgeting for electronic warfare vulnerability assessment to other program elements which are oriented toward operational test and evaluation.

Joint tactical fusion program

The amended budget request contained $127.1 million for the Army portion of the Joint Tactical Fusion Program (JTFP).

The House bill would add $5 million for planning and conducting a Follow-On Forces Attack (FOFA) test as part of a Joint Chiefs of Staff exercise to validate command relationships and targeting procedures.

The Senate amendment would authorize the requested amount.

The conferees agree to the conduct of a FOFA test recommend an authorization of $130.1 million for the Army portion of the JTFP.

Weapons and munitions engineering development

The amended budget request contained $132.6 million for Weapons and Munitions Engineering Development. The primary emphasis of the program is the development of the sense and destroy armor (SADARM) munition, which will provide counterbattery and anti-armor capability for howitzers and rocket artillery.

The House bill would authorize an increase of $25 million to accelerate the program.

The Senate amendment would authorize the amount requested.

The conferees recommend a total authorization of $157.6 million, an increase of $25 million. The conferees note that reinstatement of the 120mm mortar program requires additional research and development funds to finish required qualification and testing. Therefore, the conferees recommend that $7.3 million of the authorization provided in this program element may be used to complete testing on the 120mm mortar program.

Combat vehicle improvement program

The amended budget request contained $82.8 million for the Army's Combat Vehicle Improvement Program. This program funds the development of improvements to the M1 tank, as well as other combat vehicles.

The House bill would authorize an additional $15 million to accelerate the introduction of the Commanders Independent Thermal Viewer (CITV) into the block 2 upgrade for the M1 tank, and to initiate a leader-follower development program that would ensure CITV competition in the first year of procurement.

The Senate amendment would authorize an additional $13.9 million to accelerate the CITV program.

The conferees recommend authorization of $96.7 million an increase of $13.9 million. The Army should insure that competition is introduced into CITV production at the earliest practicable point.

Landmine warfare and barrier advanced technology

The conferees are concerned about the ability of the armed forces to dectect both anti-vehicle and anti-personnel mines on the battlefield. Landmine techology has far outstripped the U.S. ability to detect various types of mine fusing and casing options available. The conferees suggest that alternative sensor technologies, including ground penetrating radar, be explored as a way to rapidly advance mine detection capability.

Nuclear biological chemical reconnaissance vehicle

The Army proposed to meet its requirements for a Nuclear, Biological, Chemical (NBC) Reconnaissance Vehicle by procuring an existing system developed in Germany and in use by the German Army. The Army selected this approach because it would field an NBC reconnaissance vehicle several years before it would be available under a normal development program.

The House report (H. Rept. 100-563) directed the Army not to proceed with this acquisition approach, but instead to conduct a competition to develop NBC vehicles.

The Senate report contained no comparable direction.

The conferees believe that the Army does have an urgent need to field an NBC reconnaissance vehicle as promptly as possible. However, the conferees believe that the NBC reconnaissance vehicle program is sufficiently large to justify opening the program to competition. The conferees deliberated at considerable length on the best manner to balance these two goals. The conferees recommend that the Army conduct a competition based on expendited procedures. Specifically, the conferees direct the Army to take the following steps:

—Conduct a head-to-head competition with prototype vehicles between not less than two competitors, so long as their proposals are technically sound. The Army may supply mission equipment to the competitors on a reimburement/refurbishment basis.

—The competition shall be completed and the winner announced not later than July 1, 1989.

—The acquisition program shall be conducted under the "non-development item" (NDI) approach. The Bids may be based on use of existing government-developed equipment, but all integration and modification costs must be born by the contractor.

—The companies participating in the competition must submit contract proposals that include five years of options with "not to exceed" price quotes. The price quotes need not cover any product improved mission equipment package that might be developed for the system, but must include the mission equipment tested in the competiton.

In order to cover the Government's costs associated with the competition, the conferees recommend an authorization of $6 million for the Army test program. In addition, the conferees recommend that $10 million be authorized for procurement of the winning system, so that procurement can begin in fiscal year 1989 following successful completion of the competition.

RESEARCH AND DEVELOPMENT, NAVY

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $9,216.2 million for Navy research, development, test, and evaluation. The House bill would authorize $9,346.9 million. The Senate amendment would authorize $9,274.6 million. The conferees recommend authorization of $9,383.2 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	House		Senate		House +/- Senate	Conference	
					Change to Request	Authorized	Change to Request	Authorized		Change to Request	Authorized
		RESEARCH DEVELOPMENT TEST & EVAL NAVY									
1	0601103N	UNIVERSITY RESEARCH INITIATIVES	0	0		0		0	0		0
2	0601152N	IN-HOUSE INDEPENDENT LABORATORY RESEARCH	22,627	23,763		23,763		23,763	0		23,763
3	0601153N	DEFENSE RESEARCH SCIENCES	319,389	332,989		332,989		332,989	0		332,989
4	0602111N	ANTI-AIR WARFARE/ANTI-SURFACE WARFARE TE	54,273	55,399		55,399		55,399	0		55,399
5	0602113N	ELECTRONIC WARFARE TECHNOLOGY	0	0		0		0	0		0
6	0602121N	SURFACE SHIP TECHNOLOGY	12,953	13,284		13,284		13,284	0		13,284
7	0602122N	AIRCRAFT TECHNOLOGY	20,700	22,468		22,468		22,468	0		22,468
8	0602131M	MARINE CORPS LANDING FORCE TECHNOLOGY	15,915	15,223		15,223		15,223	0		15,223
9	0602232N	COMMAND, CONTROL, AND COMMUNICATIONS TEC	16,000	13,950		13,950		13,950	0		13,950
10	0602233N	MISSION SUPPORT TECHNOLOGY	28,000	29,055		29,055		29,055	0		29,055
11	0602234N	SYSTEMS SUPPORT TECHNOLOGY	56,000	57,474	3,000	60,474		57,474	3,000	1,000	58,474
12	0602314N	ASW TECHNOLOGY	92,569	92,041		92,041		92,041	0		92,041
13	0602315N	MINE AND SPECIAL WARFARE TECHNOLOGY	14,909	15,381	2,000	17,381		15,381	2,000	0	15,381
14	0602323N	SUBMARINE TECHNOLOGY	14,123	14,514		14,514		14,514	0		14,514
15	0602324N	NUCLEAR PROPULSION	41,392	44,423		44,423		44,423	0		44,423
16	0602435N	OCEAN AND ATMOSPHERIC SUPPORT TECH	25,727	26,871		26,871		26,871	0		26,871
17	0602936N	INDEPENDENT EXPLORATORY DEVELOPMENT	15,390	15,804		15,804		15,804	0		15,804
18	0603202N	AVIONICS	3,675	0		0		0	0		0
19	0603210N	AIRCRAFT PROPULSION	5,760	7,158		7,158		7,158	0		7,158
20	0603217N	ADVANCED AIRCRAFT SUBSYSTEMS	11,555	14,509		14,509		14,509	0		14,509
21	0603268N	NAVAL AIRSHIP	24,467	0		0		0	0	[25,000]	[25,000]
22	0603270N	EW TECHNOLOGY	11,563	12,197		12,197		12,197	0		12,197
23	0603303N	ELECTROMAGNETIC RADIATION SOURCE ELIMINA	5,585	6,052		6,052		6,052	0		6,052
24	0603508N	SHIP PROPULSION SYSTEM	8,829	14,842		14,842		14,842	0		14,842
25	0603573N	ELECTRIC DRIVE	14,171	14,041		14,041		14,041	0		14,041
26	0603701N	HUMAN FACTORS ENGINEERING	2,533	2,454		2,454		2,454	0		2,454
27	0603706N	MEDICAL DEVELOPMENT	19,127	18,608	2,000	20,608		18,608	2,000	2,500	21,108
28	0603707N	MANPOWER AND PERSONNEL SYSTEMS	3,038	3,976		3,976		3,976	0		3,976
29	0603712N	GENERIC LOGISTICS R&D TECHNOLOGY DEMONS	26,815	19,865		19,865		19,865	0		19,865
30	0603720N	EDUCATION AND TRAINING	5,065	6,153		6,153		6,153	0		6,153
31	0603732M	MARINE CORPS ADVANCED MANPOWER/TRAINING	1,861	5,106		5,106		5,106	0	(1,000)	4,106
32	0603733N	SIMULATION AND TRAINING DEVICES	8,276	6,451		6,451		6,451	0		6,451
33	0603739N	NAVY LOGISTIC PRODUCTIVITY	961	1,464		1,464		1,464	0		1,464
34	0603743N	ARIADNE	10,826	11,541		11,541		11,541	0		11,541
35	0603747N	ADVANCED ANTI-SUBMARINE WARFARE TECH	22,273	2,437		2,437		2,437	0		2,437
36	0603792N	ADVANCED TECHNOLOGY TRANSITION	46,976	57,170		57,170		57,170	0		57,170
37	0603311N	ASW TECHNOLOGY FOR STRATEGIC DEFENSE	0	0		0		0	0		0
38	0603451N	TACTICAL SPACE OPERATIONS	1,992	5,538		5,538		5,538	0		5,538
39	0603588N	SSBN SURVIVABILITY	6,900	9,732		9,732		9,732	0		9,732
40	0603735N	WWMCCS ARCHITECTURE SUPPORT	0	4,874		4,874		4,874	0		4,874
41	0604363N	TRIDENT II	1,050,463	580,889		580,889		580,889	0		580,889
42	0605856N	STRATEGIC TECHNICAL SUPPORT	3,431	3,240		3,240		3,240	0		3,240
43	0101221N	FLEET BALLISTIC MISSILE SYSTEM	27,898	38,733		38,733		38,733	0		38,733
44	0101224N	SSBN SECURITY TECHNOLOGY PROGRAM	38,833	41,902		41,902		41,902	0		41,902
45	0101228N	TRIDENT	30,921	33,483		33,483		33,483	0		33,483
46	0101401N	EXTREMELY LOW FREQUENCY (ELF) COMMUN	3,221	3,314		3,314		3,314	0		3,314
47	0101402N	NAVY STRATEGIC COMMUNICATIONS	79,160	52,938		52,938		52,938	0		52,938
48	0102427N	NAVAL SPACE SURVEILLANCE	678	696		696		696	0		696
49	0303131N	MINIMUM ESSENTIAL EMERGENCY COMM NETWORK	1,026	1,044		1,044		1,044	0		1,044
50	0303152N	WORLD-WIDE MILITARY COMMAND AND CONTROL	7,599	4,628		4,628		4,628	0		4,628

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51	0603109N	INTEGRATED AIRCRAFT AVIONICS	8,807	2,067	2,000	4,067		2,067	2,000	0	2,067
52	0603206N	ELECTRONIC WARFARE ADVANCED DEVELOPMENT	0	0		0		0	0		0
53	0603207N	AIR/OCEAN TACTICAL APPLICATIONS	11,254	7,775		7,775		7,775	0		7,775
54	0603208N	T-45 TRAINING SYSTEM	94,579	87,822		87,822		87,822	0		87,822
55	0603216N	AVIATION LIFE SUPPORT SYSTEMS (ADV)	3,545	8,333		8,333		8,333	0		8,333
56	0603220N	ADVANCED MULTIMISSION SENSOR SYSTEM	0	0		0		0	0		0
57	0603222N	SKIPPER ENHANCEMENTS	9,004	1,190		1,190		1,190	0		1,190
58	0603228N	CV ASW MODULE	0	964		964		964	0		964
59	0603254N	AIR ASW	8,167	8,960		8,960		8,960	0		8,960
60	0603256N	V-22A	0	0	5,000	5,000		0	5,000	0	0
61	0603257N	A-6 UPGRADES	215,023	0		0		0	0		0
62	0603260N	AIRBORNE MINE COUNTERMEASURERS	8,783	12,148		12,148		12,148	0		12,148
63	0603261N	TACTICAL AIRBORNE RECONNAISSANCE	8,387	8,278		8,278		8,278	0		8,278
64	0603262N	AIRCRAFT SURVIVABILITY AND VULNERABILITY	9,641	11,619		11,619		11,619	0		11,619
65	0603306N	ADVANCED A/L AIR-TO-SURFACE MISSILE SYS	31,888	22,581		22,581		22,581	0		22,581
66	0603318N	ADVANCED SURFACE-TO-AIR MISSILE	63,612	100,714		100,714		100,714	0		100,714
67	0603319N	NATO AAW SYSTEMS	5,872	8,068		8,068		8,068	0		8,068
68	0603320N	LOW COST ANTI-RADIATION SEEKER	14,057	8,761		8,761		8,761	0		8,761
69	0603321N	ADVANCED AIR-TO-AIR MISSILE (AA/AM)	16,637	30,374		30,374	10,000	40,374	(10,000)	10,000	40,374
70	0603382N	BATTLE GROUP AAW COORDINATION	7,829	8,592		8,592		8,592	0		8,592
71	0603502N	SURFACE MINE COUNTERMEASURES	15,012	11,687		11,687		11,687	0		11,687
72	0603504N	ADVANCED SUBMARINE ASW DEVELOPMENT	8,121	12,390		12,390		12,390	0		12,390
73	0603506N	SURFACE SHIP TORPEDO DEFENSE	24,198	35,211		35,211		35,211	0		35,211
74	0603509N	SHIPBOARD INFORMATION TRANSFER SYSTEM	0	0		0		0	0		0
75	0603512N	CATAPULTS	4,894	7,997		7,997		7,997	0		7,997
76	0603513N	SHIPBOARD SYSTEM COMPONENT DEVELOPMENT	12,593	10,921		10,921		10,921	0		10,921
77	0603514N	SHIP COMBAT SURVIVABILITY	26,191	28,301		28,301		28,301	0		28,301
78	0603522N	SUBMARINE ARCTIC WARFARE SUPPORT EQUIP	1,965	3,373		3,373		3,373	0		3,373
79	0603525N	PILOT FISH	74,459	59,851		59,851		59,851	0		59,851
80	0603527N	RETRACT LARCH	[ ]	[ ]		[ ]		[ ]	0		[ ]
81	0603528N	NON-ACOUSTIC ANTI-SUBMARINE WARFARE	9,805	15,714		15,714		15,714	0		15,714
82	0603529N	ADVANCED ASW TARGET	9,590	11,249		11,249		11,249	0		11,249
83	0603536N	RETRACT JUNIPER	24,672	37,722	4,000	41,722		37,722	4,000	4,000	41,722
84	0603542N	RADIOLOGICAL CONTROL	2,863	3,239		3,239		3,239	0		3,239
85	0603550N	LINK DOGWOOD	0	0		0		0	0		0
86	0603553N	SURFACE ASW	46,240	72,750		72,750		72,750	0		72,750
87	0603560N	SUBMARINE HULL ARRAY DEVELOPMENT (ADV)	0	0		0		0	0		0
88	0603562N	SUBMARINE TACTICAL WARFARE SYSTEMS	5,872	6,235		6,235		6,235	0		6,235
89	0603564N	SHIP DEVELOPMENT	3,915	10,886		10,886		10,886	0		10,886
90	0603565N	SURFACE SHIP NAVIGATION SYSTEM	0	0		0		0	0		0
91	0603569N	ATTACK SUBMARINE DEVELOPMENT	123,211	13,640	(13,640)	0		13,640	(13,640)	0	13,640
92	0603570N	ADVANCED NUCLEAR REACTOR COMPONENTS AND	80,680	85,000		85,000		85,000	0		85,000
93	0603571N	PHYSICAL SECURITY	8,513	6,345		6,345		6,345	0		6,345
94	0603576N	CHALK EAGLE	89,451	99,631		99,631		99,631	0		99,631
95	0603577N	SHIPBOARD LASER WEAPON	0	0		0		0	0		0
96	0603578N	A4W/A1G NUCLEAR PROPULSION PLANT	0	0		0		0	0		0
97	0603582N	COMBAT SYSTEM INTEGRATION	9,796	10,320		10,320		10,320	0		10,320
98	0603591N	JOINT ADVANCED SYSTEMS	224,550	236,620	15,400	252,020	15,400	252,020	0	15,400	252,020
99	0603601N	MINE DEVELOPMENT	23,486	21,032		21,032		21,032	0		21,032

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100	0603602N	CHALK PINE	[ ]	[ ]		[ ]		[ ]	0		[ ]
101	0603609N	CONVENTIONAL MUNITIONS	20,462	21,617		21,617		21,617	0		21,617
102	0603610N	ADVANCED WARHEAD DEVELOPMENT	0	0		0		0	0		0
103	0603611M	MARINE CORPS ASSAULT VEHICLES	11,945	13,331		13,331		13,331	0		13,331
104	0603634N	TACTICAL NUCLEAR DEVELOPMENT	2,058	10,405		10,405		10,405	0		10,405
105	0603635M	MARINE CORPS GROUND COMBAT/SUPPORT SYS	1,601	6,658		6,658		6,658	0		6,658
106	0603654N	JOINT SERVICE EXPLOSIVE ORDNANCE DEV	11,307	11,833		11,833		11,833	0		11,833
107	0603702N	OCEAN ENGINEERING SYSTEMS DEVELOPMENT	1,471	1,852		1,852		1,852	0		1,852
108	0603704N	ASW OCEANOGRAPHY	8,588	9,272		9,272		9,272	0		9,272
109	0603708N	ASW SIGNAL PROCESSING	18,001	13,536		13,536		13,536	0		13,536
110	0603709N	ADVANCED MARINE BIOLOGICAL SYSTEM	5,491	5,819		5,819		5,819	0		5,819
111	0603711N	FLEET TACTICAL DEVELOPMENT AND EVAL	4,697	6,076		6,076		6,076	0		6,076
112	0603713N	OCEAN ENGINEERING TECHNOLOGY DEVELOPMENT	13,135	14,156		14,156		14,156	0		14,156
113	0603717N	COMMAND AND CONTROL SYSTEMS	0	27,504	5,000	32,504	5,000	32,504	0	5,000	32,504
114	0603719N	CONTAINER OFF-LOADING AND TRANSFER SYS (	1,495	0		0		0	0		0
115	0603722N	NAVAL SPECIAL WARFARE	0	0		0		0	0		0
116	0603724N	NAVY ENERGY PROGRAM	7,556	8,573		8,573		8,573	0		8,573
117	0603725N	FACILITIES IMPROVEMENT	9,744	4,037		4,037		4,037	0		4,037
118	0603726N	MERCHANT SHIP NAVAL AUGMENTATION PROG	0	0		0		0	0		0
119	0603729M	MARINE CORPS COMBAT SERVICES SUPPORT	9,640	15,486		15,486		15,486	0		15,486
120	0603734N	CHALK CORAL	4,546	4,524		4,524		4,524	0		4,524
121	0603737N	LINK HAZEL	4,000	6,800		6,800		6,800	0		6,800
122	0603740N	LINK LAUREL	53,843	59,672		59,672		59,672	0		59,672
123	0603741N	SATELLITE LASER COMMUNICATIONS	0	5,269	20,000	25,269	20,000	25,269	0	20,000	25,269
124	0603744N	LINK SPRUCE	281,855	0		0		0	0		0
125	0603746N	RETRACT MAPLE	72,028	81,697	41,000	122,697		81,697	41,000	30,000	111,697
126	0603748N	LINK PLUMERIA	7,000	11,029		11,029		11,029	0		11,029
127	0603750N	CHALK WEED	1,324	1,114		1,114		1,114	0		1,114
128	0603751N	RETRACT ELM	39,041	41,039		41,039		41,039	0		41,039
129	0603752N	CHALK POINSETTIA	[ ]	[ ]		[ ]		[ ]	0		[ ]
130	0603763N	WARFARE SYSTEMS ARCHITECTURE AND ENG	0	11,225		11,225		11,225	0	(1,053)	10,172
131	0603764N	LINK EVERGREEN	[ ]	[ ]		[ ]		[ ]	0		[ ]
132	0603784N	FIXED DISTRIBUTED SYSTEM	64,588	104,890		104,890		104,890	0		104,890
133	0603785N	ASW ENVIRONMENTAL ACOUSTIC SUPPORT	16,143	13,725		13,725		13,725	0		13,725
134	0603787N	SPECIAL PROCESSES	40,423	38,173	3,500	41,673		38,173	3,500	0	38,173
135	0604203N	STANDARD AVIONICS DEVELOPMENT	7,230	12,122		12,122		12,122	0		12,122
136	0604211N	IFF SYSTEM DEVELOPMENT	20,033	25,234		25,234		25,234	0	(9,208)	16,026
137	0604212N	LAMPS	18,359	6,056		6,056		6,056	0		6,056
138	0604213N	HELICOPTER DEVELOPMENT	13,080	12,001		12,001		12,001	0		12,001
139	0604214N	AV-8B AIRCRAFT (ENGINEERING)	36,655	39,156		39,156		39,156	0		39,156
140	0604215N	SUPPORT EQUIPMENT	60,600	68,979		68,979		68,979	0		68,979
141	0604217N	S-3 WEAPON SYSTEM IMPROVEMENT	0	0		0		0	0		0
142	0604219N	AIRBORNE ASW DEVELOPMENTS	0	0		0		0	0		0
143	0604221N	P-3 MODERNIZATION PROGRAM	97,788	204,820		204,820		204,820	0		204,820
144	0604224N	AIRBORNE ELECTRONIC WARFARE - ENG	0	0		0		0	0		0
145	0604226N	AIRBORNE SELF-PROTECTIVE JAMMER	0	0		0		0	0		0

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146	0604229N	CARRIER INNER ZONE ASW HELICOPTER	0	0		0		0	0		0
147	0604233N	ADVANCED TACTICAL AIRCRAFT (ATA)	[ ]	[ ]		[ ]		[ ]	0		[ ]
148	0604252N	AIRCRAFT PROPULSION	0	0		0		0	0		0
149	0604255N	ELECTRONIC WARFARE SIMULATOR DEVELOPMENT	33,846	38,751		38,751	(20,000)	18,751	20,000	(20,000)	18,751
150	0604260N	C/MH-53E	9,593	8,951		8,951		8,951	0		8,951
151	0604261N	ACOUSTIC SEARCH SENSORS	39,037	43,156		43,156		43,156	0		43,156
152	0604262N	V-22A	465,662	306,677		306,677		306,677	0		306,677
153	0604264N	AVIATION LIFE SUPPORT SYSTEMS (ENG)	19,340	17,162		17,162		17,162	0		17,162
154	0604268N	AIRCRAFT ENGINE COMPONENT IMPROVEMENT	35,086	36,103		36,103		36,103	0		36,103
155	0604270N	EW DEVELOPMENT	182,887	189,814		189,814		189,814	0		189,814
156	0604301N	MK 92 FIRE CONTROL SYSTEM UPGRADE	3,441	2,946		2,946		2,946	0		2,946
157	0604303N	AEGIS AREA AIR DEFENSE	7,226	9,154		9,154		9,154	0		9,154
158	0604307N	AEGIS COMBAT SYSTEM ENGINEERING	104,150	59,466		59,466		59,466	0		59,466
159	0604308N	LINK ASH	0	0		0		0	0		0
160	0604309N	SEA LANCE	105,038	50,000		50,000	15,000	65,000	(15,000)	15,000	65,000
161	0604314N	ADVANCED MEDIUM RANGE AIR-TO-AIR MISSILE	24,467	13,600		13,600		13,600	0		13,600
162	0604353N	VERTICAL LAUNCHING SYSTEM	0	0		0		0	0		0
163	0604354N	AIR-TO-AIR MISSILE SYSTEMS ENGINEERING	19,573	21,306		21,306		21,306	0		21,306
164	0604355N	VERTICAL LAUNCH ASROC	40,397	30,287		30,287		30,287	0		30,287
165	0604358N	CLOSE-IN WEAPON SYSTEM (PHALANX)	5,055	5,326		5,326		5,326	0		5,326
166	0604361N	NATO SEA SPARROW	2,936	5,970		5,970		5,970	0		5,970
167	0604366N	STANDARD MISSILE IMPROVEMENTS	29,359	52,059		52,059		52,059	0		52,059
168	0604367N	TOMAHAWK	45,000	45,550		45,550		45,550	0		45,550
169	0604369N	5" ROLLING AIRFRAME MISSILE	12,622	8,603		8,603		8,603	0		8,603
170	0604370N	SSN-688 CLASS VERTICAL LAUNCH SYSTEM	17,886	14,158		14,158		14,158	0		14,158
171	0604372N	NEW THREAT UPGRADE	19,573	12,976		12,976		12,976	0		12,976
172	0604502N	SUBMARINE COMMUNICATIONS	3,276	4,140		4,140		4,140	0		4,140
173	0604503N	SUBMARINE SONAR DEVELOPMENT	33,564	36,033		36,033		36,033	0		36,033
174	0604504N	AIR CONTROL	13,702	18,028		18,028		18,028	0		18,028
175	0604506N	CHEMICAL WARFARE COUNTERMEASURES	8,414	6,508		6,508		6,508	0		6,508
176	0604507N	NAVY STANDARD SIGNAL PROCESSORS	64,753	29,017		29,017		29,017	0		29,017
177	0604508N	RADAR SURVEILLANCE EQUIPMENT	6,851	6,124	4,000	10,124		6,124	4,000	1,000	7,124
178	0604511N	INTELLIGENCE SYSTEMS	978	0		0		0	0		0
179	0604515N	SUBMARINE SUPPORT EQUIPMENT PROGRAM	14,680	15,456		15,456		15,456	0		15,456
180	0604516N	SHIP SURVIVABILITY	7,607	6,080		6,080		6,080	0		6,080
181	0604518N	COMBAT INFORMATION CENTER CONVERSION	9,987	19,609		19,609		19,609	0		19,609
182	0604524N	SUBMARINE COMBAT SYSTEM	317,849	382,534		382,534		382,534	0	(4,000)	378,534
183	0604561N	SSN-21 DEVELOPMENTS	210,000	195,080		195,080		195,080	0	(4,000)	191,080
184	0604562N	SUBMARINE TACTICAL WARFARE SYSTEM	42,013	43,917		43,917		43,917	0		43,917
185	0604563N	PHYSICAL SECURITY (ENGINEERING)	10,818	12,086		12,086		12,086	0		12,086
186	0604567N	SHIP SUBSYSTEM DEV/LAND BASED TEST SITE	48,888	58,667		58,667		58,667	0		58,667
187	0604573N	SHIPBOARD ELECTRONIC WARFARE IMPROVEMENT	0	0		0		0	0		0
188	0604574N	STANDARD EMBEDDED COMPUTER RESOURCES	19,635	13,193		13,193		13,193	0		13,193
189	0604575N	AN/SQS-53C	11,114	2,968		2,968		2,968	0		2,968
190	0604578N	LINK BIRCH	3,000	1,922		1,922		1,922	0		1,922
191	0604601N	MINE DEVELOPMENT	10,232	10,389		10,389		10,389	0		10,389

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192	0604602N	NAVAL GUNNERY IMPROVEMENTS	9,970	7,869		7,869		7,869	0		7,869
193	0604603N	UNGUIDED CONVENTIONAL AIR-LAUNCHED WEAPO	1,690	2,019		2,019		2,019	0		2,019
194	0604604N	CHEMICAL WARFARE WEAPONS	0	0		0		0	0		0
195	0604608N	SURFACE ELECTRO-OPTIC SYSTEM	15,244	5,774		5,774		5,774	0		5,774
196	0604609N	BOMB FUZE IMPROVEMENT	8,380	1,590	8,400	9,990		1,590	8,400	8,400	9,990
197	0604610N	MK 50 TORPEDO	140,600	134,685		134,685		134,685	0		134,685
198	0604654N	JOINT SERVICE EXPLOSIVE ORDNANCE DEVELOP	5,316	5,334		5,334		5,334	0		5,334
199	0604656M	MARINE CORPS ASSAULT VEHICLES	20,555	20,025		20,025		20,025	0		20,025
200	0604657M	MARINE CORPS GROUND COMBAT/SUPPORTING AR	0	0		0		0	0		0
201	0604675N	MK 48 ADCAP (ENGINEERING)	21,700	27,682		27,682		27,682	0		27,682
202	0604704N	ASW OCEANOGRAPHIC EQUIPMENT	1,122	1,235		1,235		1,235	0		1,235
203	0604705N	CHALK BANYAN	13,000	0		0		0	0		0
204	0604707N	THEATRE MISSION PLANNING CENTER	28,235	17,395		17,395		17,395	0		17,395
205	0604708N	INITIAL TRAINER ACQUISITION	0	56,749		56,749		56,749	0		56,749
206	0604710N	NAVY ENERGY PROGRAM	4,305	4,761		4,761		4,761	0		4,761
207	0604711N	NAVY COMMAND AND CONTROL SYSTEMS (NCCS)	0	0		0		0	0		0
208	0604713N	SURFACE ASW SYSTEM IMPROVEMENT	0	0		0		0	0		0
209	0604714N	AIR WARFARE TRAINING DEVICES	0	0		0		0	0		0
210	0604715N	SURFACE WARFARE TRAINING DEVICES	16,829	18,753		18,753		18,753	0		18,753
211	0604717M	MARINE CORPS COMBAT SERVICES SUPPORT	22,859	22,390		22,390		22,390	0		22,390
212	0604718M	MARINE CORPS INTEL/ELECTRONICS WARFARE S	11,064	1,057		1,057		1,057	0		1,057
213	0604719M	MARINE CORPS C3 SYSTEMS	10,060	26,369		26,369		26,369	0		26,369
214	0604721N	BATTLE GROUP PASSIVE HORIZON EXTENSION S	0	0		0		0	0		0
215	0604725N	REGIONAL TACTICAL SURVEILLANCE	0	0		0		0	0		0
216	0604761N	INTELLIGENCE	3,868	4,670		4,670		4,670	0		4,670
217	0604763N	LINK CYPRESS	[ ]	[ ]		[ ]		[ ]	0		[ ]
218	0604771N	MEDICAL DEVELOPMENTS	3,469	3,026		3,026		3,026	0		3,026
219	0604779N	JOINT INTEROPERABILITY OF TACT C2 SYS	0	265		265		265	0		265
220	0604780M	JINTACCS MARINE CORPS	1,864	1,747		1,747		1,747	0		1,747
221	0605803N	ELECTROMAGNETIC SPECTRUM MANAGEMENT	1,958	2,045		2,045		2,045	0		2,045
222	0605853N	MANAGEMENT AND TECHNICAL SUPPORT	6,581	9,357		9,357		9,357	0	(2,077)	7,280
223	0605867N	C2 SURVEILLANCE/RECONNAISSANCE SUPPORT	6,414	7,801		7,801		7,801	0		7,801
224	0204134N	A-6 SQUADRONS	451	1,449		1,449		1,449	0		1,449
225	0204136N	F/A-18 SQUADRONS	11,929	13,160	10,000	23,160	23,000	36,160	(13,000)	20,000	33,160
226	0204152N	EARLY WARNING AIRCRAFT SQUADRONS	21,137	23,104		23,104		23,104	0		23,104
227	0204161N	AVIATION SUPPORT CVW	1,761	0		0		0	0		0
228	0204163N	FLEET TELECOMMUNICATIONS (TACTICAL)	5,872	2,533	3,000	5,533		2,533	3,000	0	2,533
229	0204311N	UNDERSEA SURVEILLANCE SYSTEMS	29,924	40,938		40,938		40,938	0		40,938
230	0204313N	SHIP-TOWED ARRAY SURVEILLANCE SYSTEMS	6,093	4,410		4,410		4,410	0		4,410
231	0204571N	SPECIAL PROJECTS	9,786	6,356		6,356		6,356	0		6,356
232	0204573N	NAVY COVER AND DECEPTION PROGRAM	0	0	1,000	1,000		0	1,000	1,000	1,000
233	0204575N	ELECTRONIC WARFARE (EW) READINESS SUPP	0	0		0		0	0		0
234	0204576N	COUNTER C3 DEVELOPMENT	0	0		0		0	0		0
235	0205601N	HARM IMPROVEMENT	3,719	0		0		0	0		0
236	0205604N	TACTICAL INFORMATION SYSTEM	0	115,535		115,535		115,535	0		115,535
237	0205620N	ASW COMBAT SYSTEMS INTEGRATION	14,022	14,333		14,333		14,333	0		14,333

R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	House		Senate		House +/- Senate	Conference	
					Change to Request	Authorized	Change to Request	Authorized		Change to Request	Authorized
238	0205633N	AIRCRAFT EQUIPMENT RELIABILITY/MAINT	1,988	0		0		0	0		0
239	0205658N	LABORATORY FLEET SUPPORT	5,372	5,516		5,516		5,516	0		5,516
240	0205667N	F-14 UPGRADE	168,000	151,904		151,904		151,904	0		151,904
241	0205670N	TACTICAL INTELLIGENCE PROCESSING	2,036	2,137		2,137		2,137	0		2,137
242	0205674N	ELECTRONIC WARFARE COUNTER RESPONSE	0	0		0		0	0		0
243	0205675N	OPERATIONAL REACTOR DEVELOPMENT	27,749	37,587		37,587		37,587	0		37,587
244	0206313M	MARINE CORPS TELECOMMUNICATIONS	7,971	8,439		8,439		8,439	0		8,439
245	0206623M	MARINE CORPS GROUND COMBAT/SUPPORTING AR	33,981	43,851		43,851		43,851	0		43,851
246	0206624M	MARINE CORPS COMBAT SERVICES SUPPORT	3,422	2,516		2,516		2,516	0		2,516
247	0206625M	MARINE CORPS INTELLIGENCE/EW SYS	9,786	17,742		17,742		17,742	0		17,742
248	0206626M	MARINE CORPS C3 SYSTEMS	15,612	19,059		19,059		19,059	0		19,059
249	0206627M	MARINE CORPS TECHNICAL SUPPORT C2 SYS	0	0		0		0	0		0
250	0207316N	TACIT RAINBOW	10,461	5,847		5,847		5,847	0		5,847
251	0208010M	JOINT TACTICAL COMM PROGRAM (TRI-TAC)	2,314	2,697		2,697		2,697	0		2,697
252	1110011N	FORCE ENHANCEMENTS-ACTIVE	19,334	19,731		19,731		19,731	0		19,731
		ADVANCED TACTICAL FIGHTER			15,000	15,000	65,000	65,000	(50,000)	65,000	65,000
		NAVY OCEANOGRAPHY PROGRAM				0	3,000	3,000	(3,000)	3,000	3,000
		OCEANOGRAPHIC & METEOR. INSTRUMENTATION				0	2,000	2,000	(2,000)	2,000	2,000
		UNDISTRIBUTED REDUCTION, TACTICAL PROG				0	(80,000)	(80,000)	80,000	0	0
998		TACTICAL CLASSIFIED	522,826	1,191,192		1,191,192		1,191,192	0		1,191,192
253	0603783N	INTEGRATED PLATFORM COMMUNICATIONS DEV	0	18,770		18,770		18,770	0		18,770
254	0604230N	WARFARE SUPPORT SYSTEM	29,957	33,285		33,285		33,285	0		33,285
255	0604231N	TACTICAL COMMAND SYSTEM	24,866	26,353		26,353		26,353	0		26,353
256	0604232N	COMMUNICATION SUPPORT SYSTEM	295,888	0		0		0	0		0
257	0604514N	NAVIGATION SYSTEMS	0	0		0		0	0		0
258	0604577N	EHF SATCOM	0	29,297		29,297		29,297	0		29,297
259	0604777N	NAVSTAR GPS	52,792	42,669		42,669		42,669	0		42,669
260	0605866N	NAVY COMMAND AND CONTROL TOP LEVEL WARFA	2,925	3,536		3,536		3,536	0		3,536
261	0301303N	FIELD OPERATIONAL INTELLIGENCE	[ ]	[ ]		[ ]		[ ]	0		[ ]
262	0301326N	PRARIE SCHOONER	[ ]	[ ]		[ ]		[ ]	0		[ ]
263	0301327N	TECHNICAL RECONNAISSANCE AND SURV	[ ]	[ ]		[ ]		[ ]	0		[ ]
264	0303109N	SATELLITE COMMUNICATIONS	0	21,471		21,471		21,471	0		21,471
265	0303401N	COMMUNICATIONS SECURITY (COMSEC)	[ ]	[ ]		[ ]		[ ]	0		[ ]
266	0303603N	MILSTAR SATELLITE COMMUNICATIONS SYSTEM	4,583	4,737		4,737		4,737	0		4,737
267	0304111N	SPECIAL ACTIVITIES	[ ]	[ ]		[ ]		[ ]	0		[ ]
999		INTELLIGENCE/COMMUNICATIONS CLASSIFIED	502,845	571,595		571,595		571,595	0		571,595

R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Change to Request	Conference Authorized
268	0603721N	ENVIRONMENTAL PROTECTION	8,693	5,814		5,814		5,814	0		5,814
269	0603790N	NATO RESEARCH AND DEVELOPMENT	0	0		0		0	0		0
270	0604208N	RANGE INSTRUMENTATION SYSTEMS DEV (RISD)	8,586	7,038		7,038		7,038	0		7,038
271	0604218N	AIR/OCEAN EQUIPMENT ENGINEERING	2,110	2,111		2,111		2,111	0		2,111
272	0604258N	TARGET SYSTEMS DEVELOPMENT	73,127	93,974		93,974		93,974	0		93,974
273	0604703N	PERSONNEL, TRAINING, SIMULATION, AND HUM	978	1,025		1,025		1,025	0		1,025
274	0605151M	STUDIES AND ANALYSIS SUPPORT - MC	1,888	1,913		1,913		1,913	0		1,913
275	0605152N	STUDIES AND ANALYSIS SUPPORT - NAVY	3,337	3,610		3,610		3,610	0		3,610
276	0605153M	MARINE CORPS OPERATIONS ANAL GROUP, CNA	4,359	4,516		4,516		4,516	0		4,516
277	0605154N	CENTER FOR NAVAL ANALYSES	19,456	17,763		17,763		17,763	0		17,763
278	0605155N	FLEET TACTICAL DEVELOPMENT AND EVAL	12,233	13,862		13,862		13,862	0		13,862
279	0605156M	MARINE CORPS OPERATIONAL TEST AND EVAL	1,283	1,300		1,300		1,300	0		1,300
280	0605502N	SMALL BUSINESS INNOVATIVE RESEARCH	0	0		0		0	0		0
281	0605804N	TECHNICAL INFORMATION SERVICES	2,640	2,599		2,599		2,599	0		2,599
282	0605854M	MARINE CORPS DEVELOPMENT CENTER SUPPORT	4,691	5,246		5,246		5,246	0		5,246
283	0605857N	INTERNATIONAL RDT&E	1,254	3,693		3,693		3,693	0		3,693
284	0605861N	RDT&E LABORATORY AND FACILITIES MGT SUPP	53,645	51,751		51,751		51,751	0		51,751
285	0605862N	RDT&E INSTRUMENTATION AND MATERIEL SUPP	41,494	29,915		29,915		29,915	0		29,915
286	0605863N	RDT&E SHIP AND AIRCRAFT SUPPORT	90,726	86,560		86,560		86,560	0		86,560
287	0605864N	TEST AND EVALUATION SUPPORT	310,000	325,365		325,365		325,365	0		325,365
288	0605865N	OPERATIONAL TEST AND EVAL CAPABILITY	8,720	8,591		8,591		8,591	0		8,591
289	0605871M	MARINE CORPS TACTICAL EXPLOITATION OF NA	958	969		969		969	0		969
290	0605872N	PRODUCTIVITY INVESTMENTS	3,213	261		261		261	0		261
291	0305111N	WEATHER SERVICE	948	879		879		879	0		879
292	0305160N	DEFENSE METEOROLOGICAL SATELLITE PROGRAM	3,893	2,136		2,136		2,136	0		2,136
293	0708011N	INDUSTRIAL PREPAREDNESS	42,331	43,482		43,482		43,482	0		43,482
293a		RAMP/RTIF				0		0	0	5,000	5,000
		TOTAL RDT&E, NAVY	9,512,917	9,216,200	130,660	9,346,860	58,400	9,274,600	72,260	166,962	9,383,162

ITEMS OF SPECIAL INTEREST

Attack submarine development

The amended budget request included $13.6 million for the Navy's Attack Submarine Development program.

The House bill would not authorize funds for this program.

The Senate amendment would authorize the amount in the budget requested.

The House recedes.

Commend and control systems

The conferees affirm the language in the House report (H. Rept. 100-563) regarding the Link Eleven Emprovement project.

Laser communications systems

The amended budget request included $5.269 million for Satellite Laser Communications (SLCSAT) research and development.

Both the House bill and the Senate amendment would authorize $25.269 million, $20 million more than the requested amount. In addition, the House bill would authorize $10 million for Tactical Airborne Laser Communications research in the Defense Advanced Research Projects Agency (DARPA) for fiscal year 1989. The Senate amendment authorized no additional funds for Tactical Airborne Laser Communications research beyond those appropriated in fiscal year 1988.

The conferees reviewed the status of both laser communications programs and believe that the SLCSAT program is funded at a level where engineering studies must examine the tradeoffs required to establish the cost of an operational satellite system. Resources not needed for engineering studies should be devoted to the engineering of hardware.

The conferees agreed that the DARPA program can use existing funding to execute planned experiments effectively through fiscal year 1989 (including uplink experiments). This program also needs to devote resources to the development of potentially more useful transmitter technologies. If the results of experiments warrant, DARPA is invited to seek a reprogramming to augment the program for a rapid start-up in fiscal year 1990.

Finally, the conferees note that a laser communications program, which appears to have considerable merit, can be carried through a full-scale devlopment decision only if it enjoys the support of tactical users and resource priority within the Navy.

Sea lance

The amended budget request included $50 million for the Navy's Sea Lance program, a submarine-launched rocket that carries a MK-50 torpedo as a payload.

The Senate amendment would add $15 million to the request.

The House bill contained no similar provision.

The House recedes.

The conferees recommend authorization of $65 million, an increase of $15 million, to proceed with flight testing of the Sea Lance vehicle with the understanding that the Department of the Navy will seek to reprogram and additional $15 million from funds otherwise authorized to preserve the originally projected initial operational capability.

Cover and deception

The House bill would authorize an additional $1 million to continue the Navy cover and deception program.

The Senate amendment contained no similar provision.

The Senate recedes, and the conferees affirm the language in the House report (H. Rept. 100-563) on this matter.

Command and control

The conferees note that for some years the Congress has supported development of a supercomputer system titled "S-1". This support is continued, and the Navy is requested to complete development of the S-1 hybrid wafer-scale-integrated supercomputer system.

Fast sealift development

The Senate report (S. Rept. 100-326) stated certain requirements for the Secretary of the Navy regarding study and testimony on a fast sealift plan. the conferees affirm that language, and the Navy is invited to reprogram from funds otherwise authorized as necessary for the study of a wide range of propulsion and hull technologies, including semi-planning hull technology.

In addition, the conferees direct that both the Secretary of the Navy and the Commission on Merchant Marine and Defense prepare estimates on the requirement for fast sealift under the same planning scenarios used by the Chairman of the Joint Chiefs of Staff in the required annual net assessments. These estimates shall be submitted to the Committees on Armed Services of the Senate and House of Representatives no later than January 1, 1989.

Light assault vehicle gun

The conferees affirm the language in the Senate report (S. Rept. 100-326) concerning the selection of a gun for the Marine Corps Light Assault Vehicle.

Navy oceanography program

The Senate amendment would authorize an additional $3 million for the Navy Oceanography Program.

The House bill contained no similar provision.

The House recedes, and the conferees affirm the language in the Senate report (S. Rept. 100-326) on this matter.

Oceanographic and meteorological program

The Senate amendment would authorize an additional $2 million for the Navy's Oceanographic and Meteorological Program.

The House bill contained no similar provision.

The House recedes, and the conferees affirm the language in the Senate report (S. Rept. 100-326) on this matter.

Rapid air defense integration prototype

The conferees affirm the language in the Senate report (S. Rept. 100-326) concerning early testing of a prototype of a fully integrated ship air defense system.

RAMP/RTIF program

The Senate and House reports (S. Rept. 100-326 and H. Rept. 100-563) would direct the Secretary of the Navy to execute lots 1-6, or their equivalents, in the Navy's Rapid Acquisition of Manufactured Parts (RAMP) program; however, additional funding to support this direction would not be authorized in either the House bill or the Senate amendment.

The conferees recommend an authorization of $5 million to execute lots 1-6 in the RAMP/RTIF Step II contract, and direct the Secretary of the Navy to report to the Committees on Armed Services of the Senate and House of Representatives by February 1, 1989 on a long-range implementation plan for the RAMP program beyond fiscal year 1989.

Sea-based air antisubmarine warfare

The House bill would authorize $5 million for the Navy to investigate the potential of the SV-22 tilt rotor aircraft to perform sea based air antisubmarine warfare (ASW).

The Senate amendment contained no similar provision.

The House recedes.

The conferees share the concern of the House of Representatives for sea-based air ASW shortfalls, and encourage the Navy to investigate not only the SV-22 option but follow-on options to the S-3 as well.

Ship propulsion technology

The conferees affirm the language in the Senate report (S. Rept 100-326) with respect to ship propulsion technology. The Conferees believe that the economy, power density, and signature reduction possible with gas turbine improvements and electric drive are significant and should be pursued without delay.

Standard embedded computer

The amended budget request included $13.2 million in research and development for the Standard Embedded Computer program.

The House bill and the Senate amendment would authorize the amount requested.

The conferees note that this program has received specific congressional attention for more than four years. At congressional request in 1984, the Under Secretary of Defense for Research and Engineering provided a plan to phase out embedded computers such as the Department of Navy's AN/UYK 43/44 and AN/AYK 14s, and to develop by January 1990 replacements using next-generation technology, including open architecture. Subsequently, the Department of Defense has failed to implement the plan with sufficient funding. As a consequence, not only has development of next generation computers been delayed, but also delays have occurred in the development of upgrades to current computers. This situation is perpetuated in the fiscal year 1989 amended budget request. Only $1.4 million is requested for development of next generation computer technology, in spite of the fact that as late as last year a request of at least $4.9 million had been anticipated for this development. No funds were requested in fiscal year 1989 for development of upgrades to exisitng computers.

This year the Department of the Navy notified Congress that the date for the availability of next-generation computers has slipped to January 1996, a six-year slip for a program essentially started four years ago. Subsequent to the notification, the Department of the Navy approved funding and milestone plans to meet the January 1996 date for development of next generation computers. The conferees expect the Navy to fully fund this plan.

In view of the funding and milestone plans, the conferees recommended authorization of the commencement of upgrades to current embedded computer systems beginning in fiscal year 1989, but such authorization is only to initiate development of upgrades with reprogrammed funds from lower priority programs. Approval of such reprogramming is contingent upon prior reprogramming and obligation of $3.5 million for development of next-generation computers, in addition to the $1.4 million authorized in fiscal year 1989. The conferees expect that all development of upgrades will include open architecture operating systems as have now been adopted by all major computer suppliers.

The conferees affirm the language in the House report (H. Rept. 100-563) regarding the Mass Memory Storage Device project in this program.

Systems support technology

The House bill would authorize $3 million above the amended budget request for Systems Support Technology (PE62234N). This additional authorization would be specifically intended to suppport a manufacturing process under the Osprey program.

The Senate report (S. Rept. 100-326) addressed the Osprey manufacturing process in a broader discussion of the Product Evaluation Activity.

The conferees recommend authorization of $1 million above the request in this program element only for the Osprey program.

RESEARCH AND DEVELOPMENT, AIR FORCE

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $14,932.1 million for Air Force research, development, test, and evaluation. The House bill would authorize $14,713.8 million. The Senate amendment would authorize $14,721.7 million. The conferees recommend authorization of $14,680.8 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	House		Senate		House +/- Senate	Conference	
					Change to Request	Authorized	Change to Request	Authorized		Change to Request	Authorized
		RESEARCH DEVELOPMENT TEST & EVAL AF									
1	0601101F	IN-HOUSE LABORATORY INDEPENDENT RESEARCH	15,653	10,223	5,000	15,223		10,223	5,000	0	10,223
2	0601102F	DEFENSE RESEARCH SCIENCES	182,748	189,444		189,444		189,444	0		189,444
3	0601103F	UNIVERSITY RESEARCH INITIATIVES	0	0		0		0	0		0
4	0602101F	GEOPHYSICS	35,832	34,838		34,838		34,838	0		34,838
5	0602102F	MATERIALS	54,856	58,367		58,367		58,367	0		58,367
6	0602201F	AEROSPACE FLIGHT DYNAMICS	67,698	69,269		69,269		69,269	0		69,269
7	0602202F	HUMAN SYSTEMS TECHNOLOGY	48,946	49,801		49,801		49,801	0		49,801
8	0602203F	AEROSPACE PROPULSION	61,813	64,531		64,531		64,531	0		64,531
9	0602204F	AEROSPACE AVIONICS	59,773	66,467		66,467		66,467	0		66,467
10	0602205F	PERSONNEL, TRAINING AND SIMULATION	31,916	31,026		31,026		31,026	0		31,026
11	0602206F	CIVIL ENGINEERING AND ENVIRONMENTAL QUAL	6,640	5,541		5,541		5,541	0		5,541
12	0602302F	ROCKET PROPULSION	38,423	39,152		39,152		39,152	0		39,152
13	0602601F	ADVANCED WEAPONS	34,846	34,685		34,685		34,685	0		34,685
14	0602602F	CONVENTIONAL MUNITIONS	40,587	44,007		44,007		44,007	0		44,007
15	0602702F	COMMAND CONTROL AND COMMUNICATIONS	75,640	85,181		85,181		85,181	0		85,181
16	0602703F	PERSONNEL UTILIZATION TECHNOLOGY	0	0		0		0	0		0
17	0603106F	LOGISTICS SYSTEMS TECHNOLOGY	9,574	16,436		16,436		16,436	0		16,436
18	0603109F	INEWS/ICNIA	85,300	37,423	0	37,423		37,423	0	0	37,423
19	0603202F	AEROSPACE PROPULSION SUBSYS INTEGRATION	20,000	21,099		21,099		21,099	0		21,099
20	0603203F	ADVANCED AVIONICS FOR AEROSPACE VEHICLES	10,030	30,114		30,114		30,114	0		30,114
21	0603205F	AEROSPACE VEHICLE TECHNOLOGY	20,602	21,439		21,439		21,439	0		21,439
22	0603208F	ADVANCED ELECTRONICS FOR AEROSPACE VEHIC	0	0		0		0	0		0
23	0603211F	AEROSPACE STRUCTURE AND MATERIALS	26,000	27,921		27,921		27,921	0		27,921
24	0603215F	AEROSPACE FUELS AND PROPULSION TECH (H)	0	0		0		0	0		0
25	0603216F	AEROSPACE PROPULSION AND POWER TECH	26,999	32,666		32,666		32,666	0		32,666
26	0603217F	WEAPON SYSTEMS POWER	0	0		0		0	0		0
27	0603226F	DOD COMMON PROGRAMMING LANGUAGE (ADA) AD	15,673	0		0		0	0		0
28	0603227F	PERSONNEL, TRAINING AND SIMULATION TECH	8,481	8,038		8,038		8,038	0		8,038
29	0603231F	CREW SYSTEMS AND PERSONNEL PROTECTION TE	18,242	22,259		22,259		22,259	0		22,259
30	0603245F	ADVANCED FIGHTER TECHNOLOGY INTEGRATION	22,352	23,980		23,980		23,980	0		23,980
31	0603248F	CONCEPT DEVELOPMENT	0	0		0		0	0		0
32	0603250F	LINCOLN LABORATORY	22,000	25,132		25,132		25,132	0	(2,000)	23,132
33	0603253F	ADVANCED AVIONICS INTEGRATION	2,992	14,028		14,028		14,028	0		14,028
34	0603259F	CARTOGRAPHIC APPLICATION FOR TACTICAL AN	0	0		0		0	0		0
35	0603269F	NATIONAL AERO SPACE PLANE TECHNOLOGY PRO	183,000	244,767		244,767	(14,000)	230,767	14,000	(14,000)	230,767
36	0603270F	EW TECHNOLOGY	0	35,667		35,667		35,667	0		35,667
37	0603302F	SPACE AND MISSILE ROCKET PROPULSION	6,259	8,995		8,995		8,995	0		8,995
38	0603363F	HYPERVELOCITY MISSILE	10,626	6,577		6,577		6,577	0	(1,000)	5,577
39	0603401F	ADVANCED SPACECRAFT TECHNOLOGY	4,000	7,995		7,995		7,995	0		7,995
40	0603410F	SPACE SYSTEMS ENVIRONMENTAL INTERACTIONS	3,825	3,930		3,930		3,930	0		3,930
41	0603452F	VERY HIGH SPEED INTEGRATED CIRCUITS	100,000	44,086	10,000	54,086		44,086	10,000	0	44,086
42	0603601F	CONVENTIONAL WEAPONS	11,552	25,301	6,000	31,301		25,301	6,000	0	25,301
43	0603605F	ADVANCED WEAPONS TECHNOLOGY	71,650	74,494		74,494		74,494	0		74,494
44	0603704F	MANPOWER AND PERSONNEL SYSTEMS TECH (H)	0	0		0		0	0		0
45	0603707F	WEATHER SYSTEMS - ADV DEV	5,276	5,334		5,334		5,334	0		5,334

R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Change to Request	Conference Authorized
46	0603723F	CIVIL AND ENVIRONMENTAL ENGINEERING TECH	11,827	9,014		9,014		9,014	0		9,014
47	0603726F	C3I SUBSYSTEM INTEGRATION	5,220	8,026		8,026		8,026	0		8,026
48	0603727F	ADVANCED COMMUNICATIONS TECHNOLOGY (H)	0	0		0		0	0		0
49	0603728F	ADVANCED COMPUTER TECHNOLOGY	4,128	10,239		10,239		10,239	0		10,239
50	0603743F	ELECTRONIC COMBAT TECHNOLOGY	0	0		0		0	0		0
51	0603745F	CHEMICAL WARFARE DEFENSE (H)	0	0		0		0	0		0
52	0603750F	COUNTER-COUNTERMEASURES (CCM) (H)	0	0		0		0	0		0
53	0603751F	TRAINING SYSTEMS TECHNOLOGY	276	470		470		470	0		470
54	0603752F	DOD SOFTWARE ENGINEERING INSTITUTE	18,929	0		0		0	0		0
55	0603789F	C3I TECHNOLOGY DEVELOPMENT	30,000	18,795		18,795		18,795	0		18,795
56	0603110F	SPECIAL EVALUATION PROGRAM	[ ]	[ ]		[ ]	[-10,000]	[ ]	[10,000]	0	[ ]
57	0603111F	MERIDIAN	[ ]	[ ]		[ ]		[ ]	0		[ ]
58	0603265F	LONG RANGE CONVENTIONAL CRUISE MISSILE	0	50,000	(40,000)	10,000		50,000	(40,000)	(20,000)	30,000
59	0603311F	ADVANCED STRATEGIC MISSILE SYSTEMS	133,640	151,836		151,836		151,836	0		151,836
60	0603312F	ADVANCED CONCEPTS	[ ]	[ ]		[ ]		[ ]	0		[ ]
61	0603364F	SHORT RANGE ATTACK MISSILE II (SRAM II)	174,320	231,467		231,467	(30,000)	201,467	30,000	(30,000)	201,467
62	0603367F	RELOCATABLE TARGET CAPABILITY PROGRAM	9,961	19,705		19,705		19,705	0		19,705
63	0603368F	AIR DEFENSE BATTLE MANAGEMENT TECHNOLOGY	0	0		0		0	0		0
64	0603369F	CRUISE MISSILE ENGAGEMENT SYSTEMS TECH	0	0		0		0	0		0
65	0603424F	CRUISE MISSILE SURVEILLANCE TECHNOLOGY	0	0		0		0	0		0
66	0603716F	ATMOSPHERIC SURVEILLANCE TECHNOLOGY	0	0		0		0	0		0
67	0603717F	TECHNICAL ON-SITE INSPECTION PROGRAM	10,627	9,291		9,291		9,291	0		9,291
68	0603735F	WWMCCS ARCHITECTURE	0	0		0		0	0		0
69	0603738F	ADI SURVEILLANCE TECHNOLOGY	0	0		0		0	0		0
70	0604216F	WWABNCP SYSTEM REPLACEMENT	0	0		0		0	0		0
71	0604226F	B-1B	366,841	221,591		221,591		221,591	0		221,591
71a		INTEGRATION ACTIVITIES							0	15,000	15,000
72	0604234F	COMMON STRATEGIC ROTARY LAUNCHER	5,693	946		946		946	0		946
73	0604240F	B-2 ADVANCED TECHNOLOGY BOMBER	[ ]	[ ]		[ ]		[ ]	0		[ ]
74	0604312F	ICBM MODERNIZATION	1,068,268	1,032,891	(300,000)	732,891	(242,891)	790,000	(57,109)	(242,891)	790,000
74	0604312F	(PEACEKEEPER)	36,000	40,000	(7,109)	32,891		40,000	(7,109)	0	40,000
74	0604312F	(SMALL ICBM)	700,000	200,000	400,000	600,000	(150,000)	50,000	550,000	50,000	250,000
74	0604312F	(MX RAIL GARRISON)	332,268	792,891	(692,891)	100,000	(92,891)	700,000	(600,000)	(542,891)	250,000
74	0604312F	(UNALLOCATED)								250,000	250,000
75	0604326F	STRATEGIC CONV STANDOFF CAPABILITY (SCSC	7,969	10,000		10,000		10,000	0		10,000
76	0604361F	AIR LAUNCHED CRUISE MISSILE (ALCM)	3,577	957		957		957	0		957
77	0604406F	SPACE DEFENSE SYSTEM (PY SAVINGS)	131,852	0	(16,000)	(16,000)	(16,000)	(16,000)	0	(16,000)	(16,000
78	0604711F	SYSTEMS SURVIVABILITY (NUCLEAR EFFECTS)	12,926	8,333		8,333		8,333	0		8,333
79	0101120F	ADVANCED CRUISE MISSILE	[ ]	[ ]		[ ]		[ ]	0		[ ]
80	0101135F	AIRCRAFT SURVIVABILITY ENHANCEMENTS	[ ]	[ ]		[ ]		[ ]	0		[ ]
81	0101142F	KC-135 SQUADRONS	4,019	3,176		3,176		3,176	0		3,176
82	0101213F	MINUTEMAN SQUADRONS	84,295	61,069		61,069		61,069	0		61,069
83	0101312F	PACCS AND WWABNCP SYSTEM EC-135 CLASS V	939	1,210		1,210		1,210	0		1,210
84	0101313F	WAR PLANNING AUTOMATED DATA PROCESSING (	20,321	20,298		20,298		20,298	0		20,298
85	0101316F	SAC COMMUNICATIONS	0	0		0		0	0		0
86	0102310F	NCMC - TW/AA SYSTEMS	57,624	70,616		70,616		70,616	0		70,616
87	0102311F	NCMC - SPACE DEFENSE SYSTEMS	23,410	22,982		22,982		22,982	0		22,982
88	0102313F	BALLISTIC MISSILE TACTICAL WARNING/ATTAC	2,256	2,533		2,533		2,533	0		2,533
89	0102325F	JOINT SURVEILLANCE SYSTEM	2,147	1,751		1,751		1,751	0		1,751
90	0102411F	SURVEILLANCE RADAR STATIONS/SITES	5,204	1,667		1,667		1,667	0		1,667

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91	0102412F	DISTANT EARLY WARNING (DEW) RADAR STATIO	8,444	0		0		0	0		0
92	0102417F	OVER-THE-HORIZON BACKSCATTER RADAR	31,326	19,201		19,201		19,201	0		19,201
93	0102423F	BALLISTIC MISSILE EARLY WARNING SYSTEM (	19,172	25,362		25,362		25,362	0		25,362
94	0102424F	SPACETRACK	7,600	9,357		9,357		9,357	0		9,357
95	0102431F	DEFENSE SUPPORT PROGRAM	88,462	84,132		84,132		84,132	0		84,132
96	0102432F	SLBM RADAR WARNING SYSTEM	17,246	10,165		10,165		10,165	0		10,165
97	0102433F	NUDET DETECTION SYSTEM	7,369	10,922		10,922		10,922	0		10,922
98	0102436F	COMMAND CENTER PROCESSING AND DISPLAY SY	29,437	26,939		26,939		26,939	0		26,939
99	0102822F	LEO	[ ]	[ ]		[ ]		[ ]	0		[ ]
100	0303131F	MINIMUM ESSENTIAL EMERGENCY COMM NETWORK	50,402	41,033		41,033		41,033	0		41,033
101	0303152F	WORLD-WIDE MILITARY COMMAND AND CONTROL	5,087	2,317		2,317		2,317	0		2,317
102	0303154F	WWMCCS INFORMATION SYSTEM JOINT PROGRAM	21,406	66,363		66,363		66,363	0		66,363
103	0303601F	MILSTAR SAT COMM SYSTEM (AF TERMINALS)	198,226	310,347		310,347		310,347	0		310,347
104	0303603F	MILSTAR SATELLITE COMMUNICATIONS SYSTEM	[ ]	[ ]		[ ]		[ ]	0		[ ]
105	0305124F	SPECIAL APPLICATIONS PROGRAM	[ ]	[ ]		[ ]	[-10,000]	[ ]	[10,000]	0	[ ]
106	0305172F	BERNIE	[ ]	[ ]		[ ]		[ ]	0		[ ]
107	0305892F	SPECIAL ANALYSIS ACTIVITIES	[ ]	[ ]		[ ]		[ ]	0		[ ]
108	0401123F	MILITARY AIRLIFT GROUP (IF)	9,952	193		193		193	0		193
		MINUTEMAN PENAIDS (PY)	0	0		0	(10,000)	(10,000)	10,000	0	0
997		STRATEGIC CLASSIFIED	3,266,829	2,830,236		2,830,236	(20,000)	2,810,236	20,000		2,830,236

					House		Senate			Conference	
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109	0603107F	TECHNICAL EVALUATION SYSTEM	[ ]	[ ]	[-7,500]	[ ]		[ ]	[-7,500]	0	[ ]
110	0603230F	ADVANCED TACTICAL FIGHTER	498,054	702,283		702,283	(15,000)	687,283	15,000	(10,000)	692,283
111	0603239F	UNMANNED AIR RECONNAISSANCE SYSTEM (UARS	0	0		0		0	0		0
112	0603244F	AIRCRAFT NON-NUCLEAR SURVIVABILITY (H)	0	0		0		0	0		0
113	0603256F	CV-22A	0	0		0		0	0		0
114	0603260F	INTELLIGENCE ADVANCED DEVELOPMENT	4,058	4,994		4,994		4,994	0		4,994
115	0603261F	PAVE RUNNER ADVANCED DEVELOPMENT	[ ]	[ ]		[ ]		[ ]	0		[ ]
116	0603307F	AIR BASE OPERABILITY ADVANCED DEV	2,988	5,128		5,128		5,128	0		5,128
117	0603320F	LOW COST ANTI-RADIATION SEEKER	13,533	12,453		12,453		12,453	0		12,453
118	0603437F	HAVE DJINN	[ ]	[ ]		[ ]		[ ]	0		[ ]
119	0603609F	MILLIMETER WAVE SEEKERS	0	0		0		0	0		0
120	0603714F	DOD PHYSICAL SECURITY EQUIPMENT-EXTERIOR	908	936		936		936	0		936
121	0603742F	COMBAT IDENTIFICATION TECHNOLOGY	0	1,949		1,949		1,949	0		1,949
122	0603749F	C3CM ADVANCED SYSTEMS	0	0		0		0	0		0
123	0603801F	SPECIAL PROGRAMS	[ ]	[ ]	[-6,500]	[ ]		[ ]	[-6,500]	0	[ ]
124	0604201F	AIRCRAFT AVIONICS EQUIPMENT DEVELOPMENT	16,934	19,630		19,630		19,630	0		19,630
125	0604212F	AIRCRAFT EQUIPMENT DEVELOPMENT	1,931	1,138		1,138		1,138	0		1,138
126	0604218F	ENGINE MODEL DERIVATIVE PROGRAM (EMDP)	979	957		957		957	0		957
127	0604219F	INTEGRATED DIGITAL AVIONICS	0	0		0		0	0		0
128	0604220F	EW COUNTER RESPONSE	0	0		0		0	0		0
129	0604222F	NUCLEAR WEAPONS SUPPORT	4,427	2,177		2,177		2,177	0		2,177
130	0604223F	ALTERNATE FIGHTER ENGINE	76,616	28,052		28,052		28,052	0		28,052
131	0604231F	C-17 PROGRAM	1,115,550	961,067		961,067		961,067	0	(20,000)	941,067
132	0604232F	PAVE RUNNER	[ ]	[ ]		[ ]		[ ]	0		[ ]
133	0604233F	TANKER, TRANSPORT, BOMBER TRAINING SYS	0	4,500		4,500		4,500	0		4,500
134	0604236F	INFRARED SEARCH AND TRACK SYSTEM	14,000	4,872		4,872		4,872	0		4,872
135	0604237F	VARIABLE STABILITY IN-FLIGHT SIMULATOR T	6,225	11,869		11,869		11,869	0		11,869
136	0604241F	CONSOLIDATED EW PROGRAM	179,043	0		0		0	0		0
137	0604242F	ADVANCED TACTICAL AIRCRAFT (ATA)	[ ]	[ ]		[ ]	[22,000]	[ ]	[-22,000]	[22,000]	[ ]
138	0604247F	MODULAR AUTOMATIC TEST EQUIPMENT	14,942	13,289		13,289		13,289	0		13,289
139	0604248F	MODULAR STANDOFF WEAPONS	0	0		0		0	0		0
140	0604249F	NIGHT/PRECISION ATTACK	19,774	4,684		4,684		4,684	0		4,684
141	0604250F	INTEGRATED EW/CNI DEVELOPMENT	7,684	88,295		88,295		88,295	0		88,295
142	0604268F	AIRCRAFT ENGINE COMPONENT IMPROVE PROG	90,658	94,510	10,000	104,510		94,510	10,000	0	94,510
143	0604270F	EW DEVELOPMENT	0	127,178		127,178		127,178	0	(15,000)	112,178
144	0604313F	T-46A	0	0		0		0	0		0
145	0604314F	ADVANCED MEDIUM-RANGE,AIR-TO-AIR MISSILE	23,906	0		0	30,000	30,000	(30,000)	20,000	20,000
146	0604315F	ADVANCED SHORT RANGE AIR-TO-AIR MISSILE	996	4,171		4,171		4,171	0		4,171
147	0604321F	JOINT TACTICAL FUSION PROGRAM	13,802	[ ]	[10,000]	[ ]		[ ]	[10,000]	[7,000]	[ ]
148	0604327F	HARDENED TARGET MUNITIONS	1,494	6,279		6,279		6,279	0		6,279
149	0604362F	GROUND-LAUNCHED CRUISE MISSILE (GLCM)	0	0		0		0	0		0
150	0604601F	CHEMICAL/BIOLOGICAL DEFENSE EQUIPMENT	14,543	17,661		17,661		17,661	0		17,661
151	0604602F	ARMAMENT/ORDNANCE DEVELOPMENT	13,800	19,158		19,158		19,158	0		19,158
152	0604604F	SUBMUNITIONS	4,650	7,326		7,326		7,326	0		7,326
153	0604607F	WIDE-AREA, ANTI-ARMOR MUNITIONS	22,520	26,752		26,752		26,752	0		26,752
154	0604617F	AIR BASE OPERABILITY	11,953	17,018		17,018		17,018	0		17,018
155	0604703F	AEROMEDICAL SYSTEMS DEVELOPMENT	6,704	6,097		6,097		6,097	0		6,097

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					Change to Request	Authorized	Change to Request	Authorized		Change to Request	Authorized
156	0604704F	COMMON SUPPORT EQUIPMENT DEVELOPMENT	1,639	1,635		1,635		1,635	0		1,635
157	0604706F	LIFE SUPPORT SYSTEMS	12,568	16,914		16,914		16,914	0		16,914
158	0604708F	OTHER OPERATIONAL EQUIPMENT	7,635	6,044		6,044		6,044	0		6,044
159	0604710F	RECONNAISSANCE EQUIPMENT	194	0		0		0	0		0
160	0604715F	DOD PHYSICAL SECURITY EQUIPMENT-EXTERIOR	11,288	5,144		5,144		5,144	0		5,144
161	0604724F	TACTICAL C3 COUNTERMEASURES	0	0		0		0	0		0
162	0604725F	COMBAT IDENTIFICATION SYSTEMS	34,864	107,196		107,196		107,196	0		107,196
163	0604733F	SURFACE DEFENSE SUPPRESSION	9,961	39,787		39,787		39,787	0		39,787
164	0604737F	AIRBORNE SELF-PROTECTION JAMMER	0	0		0		0	0		0
165	0604738F	PROTECTIVE SYSTEMS	32,738	0		0		0	0		0
166	0604739F	TACTICAL PROTECTIVE SYSTEMS	0	0		0		0	0		0
167	0604740F	COMPUTER RESOURCES MANAGEMENT TECHNOLOGY	9,961	13,156		13,156		13,156	0		13,156
168	0604742F	PRECISION LOCATION STRIKE SYSTEM	0	0		0		0	0		0
169	0604750F	INTELLIGENCE EQUIPMENT	5,905	4,875		4,875		4,875	0		4,875
170	0604754F	JOINT TACTICAL INFO DISTRIBUTION SYSTEM	21,914	64,710		64,710		64,710	0	(24,000)	40,710
171	0604756F	SIDE LOOKING AIRBORNE RADAR	0	3,650		3,650		3,650	0		3,650
172	0604770F	JOINT SURVEILLANCE/TARGET ATTACK RADAR S	346,559	238,070		238,070		238,070	0		238,070
173	0604779F	JOINT INTEROPERABILITY OF TACTICAL C2 SY	6,017	6,079		6,079		6,079	0		6,079
174	0101133F	SR-71 SQUADRONS	[ ]	[ ]		[ ]	[20,000]	[ ]	[-20,000]	0	[ ]
175	0201131F	U.S. READINESS COMMAND - COMMUNICATIONS	3,999	0		0		0	0		0
176	0207129F	F-111 SQUADRONS	18,926	21,541		21,541		21,541	0		21,541
177	0207130F	F-15A/B/C/D SQUADRONS	105,588	89,056		89,056		89,056	0		89,056
178	0207133F	F-16 SQUADRONS	25,401	26,461		26,461		26,461	0		26,461
179	0207136F	F-4G WILD WEASEL SQUADRONS	15,739	21,287		21,287		21,287	0	(8,000)	13,287
180	0207137F	CONSTANT HELP	[ ]	[ ]		[ ]		[ ]	0		[ ]
181	0207139F	COMPETITIVE FIGHTER PROCUREMENT	0	0		0		0	0		0
182	0207162F	TACTICAL AGM MISSILES	2,339	0		0		0	0		0
183	0207168F	F-111 SELF PROTECTION SYSTEMS	19,125	0		0		0	0		0
184	0207169F	SEEK CLOCK	[ ]	[ ]		[ ]		[ ]	0		[ ]
185	0207215F	TR-1 SQUADRON	69,728	102,208	(10,000)	92,208		102,208	(10,000)		102,208
186	0207217F	FOLLOW-ON TACTICAL RECONNAISSANCE SYSTEM	42,833	56,562	(15,000)	41,562	(15,000)	41,562	0	(15,000)	41,562
187	0207247F	AF TENCAP	312	323		323		323	0		323
188	0207316F	TACIT RAINBOW	79,150	39,323		39,323		39,323	0		39,323
189	0207411F	OVERSEAS AIR WEAPON CONTROL SYSTEM	6,920	6,069		6,069		6,069	0		6,069
190	0207412F	TACTICAL AIR CONTROL SYSTEMS	17,930	13,356		13,356		13,356	0		13,356
191	0207417F	AIRBORNE WARNING AND CONTROL SYS (AWACS)	94,630	174,774		174,774		174,774	0	(30,000)	144,774
192	0207423F	ADVANCED COMMUNICATIONS SYSTEMS	29,883	10,806		10,806		10,806	0		10,806
193	0207424F	COPPER COAST	[ ]	[ ]		[ ]		[ ]	0		[ ]
194	0207431F	TACTICAL AIR INTELLIGENCE SYSTEM ACTIV	1,943	0		0		0	0		0
195	0207433F	TACTICAL IMPROVEMENT PROGRAM	[ ]	[ ]		[ ]		[ ]	0		[ ]
196	0207435F	TACTICAL RECONNAISSANCE IMAGERY AND EXPL	1,138	1,532		1,532		1,532	0		1,532
197	0207579F	ADVANCED SYSTEMS IMPROVEMENTS	[ ]	[ ]		[ ]		[ ]	0		[ ]
198	0207582F	HAVE TRUMP	[ ]	[ ]		[ ]		[ ]	0		[ ]
199	0207584F	SEEK AXLE	[ ]	[ ]		[ ]		[ ]	0		[ ]
200	0207585F	SEEK SPINNER	[ ]	[ ]	[50,000]	[ ]		[ ]	[50,000]	0	[ ]
201	0207591F	OMEGA	[ ]	[ ]		[ ]		[ ]	0		[ ]

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202	0207595F	BASE COMMUNICATIONS- TACTICAL AIR FORCES	0	0		0		0	0		0
203	0208010F	JOINT TACTICAL COMM PROGRAM (TRI-TAC)	9,961	4,298		4,298		4,298	0		4,298
204	0208042F	HAVE FLAG	[ ]	[ ]		[ ]		[ ]	0		[ ]
205	0303605F	SATELLITE COMMUNICATIONS TERMINALS	13,946	17,994	6,000	23,994	(8,000)	9,994	14,000	0	17,994
206	0305165F	NAVSTAR GPS (SPACE AND CONTROL SEGMENTS)	0	0		0		0	0		0
207	0305887F	ELECTRONIC COMBAT INTELLIGENCE SUPPORT	0	0		0		0	0		0
208	0401129F	THEME CASTLE	[ ]	[ ]		[ ]		[ ]	0		[ ]
209	0401316F	SENIOR CITIZEN	[ ]	[ ]		[ ]		[ ]	0		[ ]
210	0401840F	MAC COMMAND AND CONTROL SYSTEM	7,969	9,015		9,015		9,015	0		9,015
211	0404011F	SPECIAL OPERATIONS FORCES	0	0		0		0	0		0
212	0502610F	A-7 SQUADRONS (ANG)	59,965	83,288		83,288		83,288	0		83,288
213	1110011F	FORCE ENHANCEMENTS-ACTIVE	116,837	155,263		155,263		155,263	0		155,263
		JOINT INTEGRATED AVIONICS		0	50,000	50,000		0	50,000	34,700	34,700
		UNDISTRIBUTED REDUCTION, TACTICAL PROG				0	(100,000)	(100,000)	100,000		0
998		TACTICAL CLASSIFIED	603,183	731,013	46,000	777,013	42,000	773,013	4,000	29,000	760,013
214	0603431F	SPACE COMMUNICATIONS	0	0		0		0	0		0
215	0604238F	CONSTANT PISCES	[ ]	[ ]		[ ]		[ ]	0		[ ]
216	0301305F	INTELLIGENCE PRODUCTION ACTIVITIES	[ ]	[ ]		[ ]		[ ]	0		[ ]
217	0301310F	FOREIGN TECHNOLOGY DIVISION	[ ]	[ ]		[ ]		[ ]	0		[ ]
218	0301314F	INFRARED/ELECTRO-OPTICAL/DIR ENERGY WEAP	[ ]	[ ]		[ ]		[ ]	0		[ ]
219	0301315F	MISSILE AND SPACE TECHNICAL COLLECTION	[ ]	[ ]		[ ]		[ ]	0		[ ]
220	0301317F	SENIOR YEAR OPERATIONS	[ ]	[ ]		[ ]		[ ]	0		[ ]
221	0301324F	FOREST GREEN	[ ]	[ ]		[ ]	[-5,000]	[ ]	[5,000]	[-2,500]	[ ]
222	0301357F	NUDET DETECTION SYSTEM	[ ]	[ ]		[ ]		[ ]	0		[ ]
223	0302053F	NMCS-WIDE SUPPORT - COMMUNICATIONS	0	0		0		0	0		0
224	0303110F	DEFENSE SATELLITE COMMUNICATIONS SYSTEM	43,325	38,061		38,061		38,061	0		38,061
225	0303126F	LONG-HAUL COMMUNICATIONS (DCS)	5,132	4,751		4,751		4,751	0		4,751
226	0303128F	INTER-SERVICE/AGENCY AUTOMATED MESSAGE P	1,289	0		0		0	0		0
227	0303144F	ELECTROMAGNETIC COMPATIBILITY ANALYSIS C	8,083	8,427		8,427		8,427	0		8,427
228	0303401F	COMMUNICATIONS SECURITY (COMSEC)	[ ]	[ ]		[ ]		[ ]	0		[ ]
229	0304111F	SPECIAL ACTIVITIES	[ ]	[ ]	[-5,500]	[ ]	[243,500]	[ ]	[-249,000]	[165,000]	[ ]
230	0305114F	TRAFFIC CONTROL, APPROACH, AND LANDING S	25,891	25,114		25,114		25,114	0		25,114
231	0305159F	DEFENSE RECONNAISSANCE SUPPORT ACTIVITIE	[ ]	[ ]		[ ]		[ ]	0		[ ]
232	0305164F	NAVSTAR GPS (USER EQUIPMENT)	40,239	50,150		50,150		50,150	0		50,150
233	0305165F	NAVSTAR GPS (SPACE AND CONTROL SEGMENTS)	26,204	53,232		53,232	(5,000)	48,232	5,000	(5,000)	48,232
234	0804733F	GENERAL INTELLIGENCE SKILL TRAINING	0	0		0		0	0		0
		UNDIST REDUCTION (GPS,DSCS,DMSP,DSP)	0	0		0	(10,000)	(10,000)	10,000	(10,000)	(10,000)
999		INTELLIGENCE/COMMUNICATIONS CLASSIFIED	1,981,911	1,845,762	(5,500)	1,840,262	238,500	2,084,262	(244,000)	162,500	2,008,262

R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	House		Senate		House +/- Senate	Conference	
					Change to Request	Authorized	Change to Request	Authorized		Change to Request	Authorized
235	0603402F	SPACE TEST PROGRAM	53,887	72,796	20,000	92,796	(20,000)	52,796	40,000	3,000	75,796
236	0603438F	SATELLITE SYSTEMS SURVIVABILITY	3,264	3,784		3,784		3,784	0	1,516	5,300
		SATELLITE SYSTEMS SURVIVABILITY			5,300	5,300		0	5,300	0	0
237	0603790F	NATO RESEARCH AND DEVELOPMENT	0	0		0		0	0		0
238	0604211F	ADVANCED AERIAL TARGET DEVELOPMENT	9,848	3,711		3,711		3,711	0		3,711
239	0604227F	FLIGHT SIMULATOR DEVELOPMENT	56,778	72,800		72,800		72,800	0		72,800
240	0604609F	R&M MATURATION/TECHNOLOGY INSERTION	14,942	20,760		20,760		20,760	0		20,760
241	0604707F	WEATHER SYSTEMS – ENG DEV	12,488	8,761		8,761		8,761	0		8,761
242	0604735F	RANGE IMPROVEMENT	55,782	40,065		40,065	(20,000)	20,065	20,000	(20,000)	20,065
243	0604747F	ELECTROMAGNETIC RADIATION TEST FACILITIE	5,919	5,233		5,233		5,233	0		5,233
244	0604755F	IMPROVED CAPABILITY FOR DEVELOPMENT TEST	52,296	50,708		50,708		50,708	0		50,708
245	0605101F	PROJECT AIR FORCE	22,020	21,992		21,992		21,992	0		21,992
246	0605304F	ACQUISITION & COMMAND SUPPORT (ACS) – TE	0	0		0		0	0		0
247	0605306F	RANCH HAND II EPIDEMIOLOGY STUDY	5,754	1,747		1,747		1,747	0		1,747
248	0605502F	SMALL BUSINESS INNOVATIVE RESEARCH	0	0		0		0	0		0
249	0605708F	NAVIGATION/RADAR/SLED TRACK TEST SUPPORT	24,122	20,545	4,414	24,959		20,545	4,414	0	20,545
250	0605806F	ACQUISITION AND COMMAND SUPPORT	0	0		0		0	0		0
251	0605807F	TEST AND EVALUATION SUPPORT	295,106	298,087		298,087		298,087	0		298,087
252	0605808F	ADVANCED SYSTEMS ENGINEERING/PLANNING	13,093	14,431		14,431		14,431	0	(1,000)	13,431
253	0605809F	DYCOMS	7,471	9,191		9,191		9,191	0		9,191
254	0605863F	RDT&E AIRCRAFT SUPPORT	50,000	57,826		57,826		57,826	0		57,826
255	0605872F	PRODUCTIVITY INVESTMENTS	0	0		0		0	0		0
256	0605874F	PRODUCT PERFORMANCE AGREEMENT CENTER	0	0		0		0	0		0
257	0605894F	REAL PROPERTY MAINTENANCE – RDT&E	74,465	81,881		81,881		81,881	0		81,881
258	0605896F	BASE OPERATIONS – RDT&E	56,809	61,543		61,543		61,543	0		61,543
259	0305110F	SATELLITE CONTROL FACILITY	95,458	100,803		100,803		100,803	0		100,803
260	0305119F	SPACE BOOSTERS	454,865	488,785		488,785		488,785	0	(16,000)	472,785
261	0305130F	CONSOLIDATED SPACE OPERATIONS CENTER	39,864	44,085		44,085		44,085	0		44,085
262	0305160F	DEFENSE METEOROLOGICAL SATELLITE PROGRAM	42,675	53,364		53,364		53,364	0		53,364
263	0305171F	SPACE SHUTTLE OPERATIONS	51,205	58,715		58,715		58,715	0	(17,100)	41,615
264	0701112F	INVENTORY CONTROL POINT OPERATIONS	4,329	4,476		4,476		4,476	0		4,476
265	0702207F	DEPOT MAINTENANCE (NON-IF)	0	973		973		973	0		973
266	0708011F	INDUSTRIAL PREPAREDNESS	84,670	97,911		97,911		97,911	0		97,911
267	0708026F	PRODUCTIVITY, RELIABILITY, AVAILABILITY,	14,706	16,398		16,398		16,398	0		16,398
268	1001004F	INTERNATIONAL ACTIVITIES	3,107	3,737		3,737		3,737	0		3,737
		UNDISTRIBUTED REDUCTION			5,500	5,500	5,000	5,000	500		0
		TOTAL RDT&E, AIR FORCE	15,165,388	14,932,100	(218,286)	14,713,814	(210,391)	14,721,709	(7,895)	98,725	14,680,825

ITEMS OF SPECIAL INTEREST

Ground-based laser technology programs

The amended budget request contained $74.494 million for advanced weapons technology.

Both the House bill and the Senate amendment would authorize the requested amount.

Within the advanced weapons technology program, the conferees recommended authorization of the full amount requested for high energy laser technology development. Such funds shall be used to maintain a balanced competitive technology development of various ground-based laser system concepts through a concept selection in 1991. In addition, the conferees believe that, at a minimum, chemical DF and Oxygen Iodine, Free Electron Laser, and repetitively and single pulsed excimer concepts should be continued by the Services and the Defense Advanced Research Projects Agency (DARPA) through concept selection.

ICBM modernization studies

The Senate amendment contained study requirements for ICBM modernization related programs (sec. 213), and the House bill contained related and different study requirements (sec. 223).

The conferees agreed not to include either set of requirements in legislation. However, the conferees agreed that the Secretary of Defense shall evaluate the feasibility of providing common launch control systems for the MX rail-garrison program and the Small Intercontinental Ballistic Missile (SICBM) program. If the evaluation demonstrates that such commonality is feasible, the Secretary shall preserve such commonality in those programs.

The conferees also agreed that evaluations of operational issues (particularly evaluations of potential vulnerabilities), and technological and logistical issues should continue to be an inherent part of ICBM Modernization research and development. The Secretary of the Air Force should continue the independent review of the SICBM program, focusing on ways to reduce the costs of that program, that is being carried out by a Federally Funded Research and Development Center with substantial experience in the analysis of issues related to ICBMs. The results of this study are to be provided to the Committees on Armed Services of the Senate and House of Representatives by March 1, 1989.

C-17 development

The reduction of authorization for the C-17 development program recommended by the conferees is for budgetary reasons only and the Department of Defense is invited to seek reprogramming of funds, if necessary.

Joint tactical fusion program

The amended budget request included $.999 million for the Air Force portion of the Joint Tactical Fusion Program (JTFP).

The House bill would add $10 million: (1) to prevent termination of the Enemy Situation Correction Element (ENSCE); (2) to match Air Force funding to its commitment to provide 12 percent of the joint program RDT&E funding; and (3) to ensure that Air Force situation assessment equipment is functionally compatible with the Army system.

The Senate amendment would authorize the requested amount.

The conferees recommend an authorization of $7.999 million for the Air Force portion of the JTFP.

TR-1 program

The amended budget request contained $102.2 million to continue development of the TR-1 program.

The House bill would authorize $92.2 million. The $10 million reduction was based on the apparent lack of progress in supporting Army requirements.

The Senate amendment would authorize the amount requested.

The conferees recommend authorization of $102.2 million, of which $1 million is to be available only for the Air Force to examine methods of processing, exploiting and disseminating fixed and moving target indicator data from the TR-1 Advanced Synthetic Aperture Radar System for both Air Force and Army applications.

Follow-on tactical air reconnaissance system

The amended budget request contained $56.6 million for continued development of the Follow-on Tactical Air Reconnaissance System (FOTARS), which will provide reconnaissance sensors for use by unmanned aerial vehicles as well as in-production fighter aircraft of the Air Force and the Navy.

The House bill would reduce the request by $15 million, citing an ongoing General Accounting Office (GAO) investigation and lack of justification for the medium-range remotely piloted vehicle (RPV) that would carry the sensors.

The Senate amendment would also reduce the request by $15 million.

The conferees recommend authorization of $41.6 million.

The conferees note that the FOTARS program is an integral component of future tactical reconnaissance capabilities, but are troubled by inconsistencies in the program. For example, the Joint Services Imagery Processing System (JSIPS), a component of the FOTARS program, does not include a requirement to provide the near-real time data to the Army from sensors on manned and unmanned aircraft. The conferees request the Services to reassess their plans for receipt, exploitation and dissemination of tactical data through the JSIPS program.

Satellite systems survivability

The amended budget request included $3.784 million for satellite systems survivability.

The House bill would authorize the requested amount for this program. It also contained a provision (sec. 201) that would authorize an additional $5.3 million for satellite systems survivability.

The Senate amendment would authorize the requested amount.

The House recedes.

RESEARCH AND DEVELOPMENT, DEFENSE AGENCIES

OVERVIEW

The amended budget request for fiscal year 1989 contained authorization of $8,667.8 million for Defense Agencies research, development, test, and evaluation. The House bill would authorize $7,772 million. The Senate amendment would authorize $8,706.2 million. The conferees recommend authorization of $8,428.4 million, as delineated in the following table. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

					House		Senate			Conference	
R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	Change to Request	Authorized	Change to Request	Authorized	House +/- Senate	Change to Request	Authorized
		RESEARCH DEVELOPMENT TEST & EVAL DEF AG									
1	0601101E	DEFENSE RESEARCH SCIENCES	80,000	89,492		89,492		89,492	0		89,492
2	0601101W	IN-HOUSE LABORATORY INDEPENDENT RESEARCH	2,442	2,070		2,070		2,070	0		2,070
3	0601103D	UNIVERSITY RESEARCH INITIATIVES	85,000	95,000		95,000	25,000	120,000	(25,000)	25,000	120,000
4	0601103E	UNIVERSITY RESEARCH INITIATIVES	0	0		0		0	0		0
5	0601104D	DEFENSE UNIVERSITY RESEARCH INSTRUMENT	24,608	0		0	25,000	25,000	(25,000)	0	0
6	0602101E	TECHNICAL STUDIES	1,700	1,800		1,800		1,800	0		1,800
7	0602301E	STRATEGIC TECHNOLOGY	311,500	227,640	69,000	296,640		227,640	69,000	79,000	306,640
8	0602702E	TACTICAL TECHNOLGY	116,245	116,871	20,000	136,871		116,871	20,000	10,000	126,871
9	0602707E	PARTICLE BEAM TECHNOLOGY	14,000	14,000		14,000		14,000	0		14,000
10	0602708E	INTEGRATED COMMAND AND CONTROL TECH	32,000	33,360		33,360		33,360	0		33,360
11	0602712E	MATERIALS AND ELECTRONICS TECHNOLOGY	59,000	20,540		20,540	2,000	22,540	(2,000)	2,000	22,540
12	0602714E	NUCLEAR MONITORING	24,330	22,600	15,000	37,600	15,000	37,600	0	15,000	37,600
13	0602715H	DEFENSE NUCLEAR AGENCY	302,888	346,848		346,848		346,848	0	(7,000)	339,848
14	0602716B	MAPPING, CHARTING AND GEODESY	300	0		0		0	0		0
15	0602718D	ENVIRONMENTAL HAZARD RESEARCH	16,500	0		0		0	0		0
		CENTER FOR ADVANCED TECHNOLOGIES	0			0	31,000	31,000	(31,000)	15,000	15,000
		SDI-GENERAL	3,531,224	4,521,121	(1,362,911)	3,158,210	(271,121)	4,250,000	(1,091,790)	(804,121)	3,717,000
16	0603220C	SDI-SURV, ACQ, TRACKING AND KILL ASSESS	955,523	1,124,625					0		
17	0603221C	SDI-DIRECTED ENERGY WEAPONS	832,326	1,029,894					0		
18	0603222C	SDI-KINETIC ENERGY WEAPONS	791,549	936,294					0		
19	0603223C	SDI-SYS CONCEPTS AND BATTLE MANAGEMENT/C	503,156	639,894					0		
20	0603224C	SDI-SURV, LETHALITY, & KEY SUPPORT TECH	448,670	790,414					0		
21	0603225D	JOINT DOD-DOE MUNITIONS TECHNOLOGY DEVEL	14,768	7,716		7,716	17,284	25,000	(17,284)	12,284	20,000
22	0603226E	EXPERIMENTAL EVAL OF MAJOR INNOVATIVE TE	215,133	225,046	15,000	240,046	(10,000)	215,046	25,000	5,000	230,046
23	0603227E	RELOCATABLE TARGET DETECTION TECHNOLOGY	5,000	15,400		15,400		15,400	0		15,400
24	0603269E	NATIONAL AERO SPACE PLANE TECH PROGRAM	0	0		0		0	0		0
25	0603702D	SPECIAL OPERATIONS, SPECIAL TECH OFFICE	0	0		0		0	0		0
26	0603703D	COUNTER-INSURGENCY AND SPECIAL TECH	0	0		0		0	0		0
27	0603706D	MICROWAVE/MILLIMETER WAVE MONOLITHIC INT	45,466	67,064	20,000	87,064	(14,500)	52,564	34,500	0	67,064
28	0603736D	COMPUTER AIDED LOGISTICS SUPPORT	9,845	11,582		11,582		11,582	0		11,582
29	0603737D	BALANCED TECHNOLOGY INITIATIVE	200,000	238,000		238,000	100,000	338,000	(100,000)	75,000	313,000
30	0603738D	COOPERATIVE DOD/VA MEDICAL RESEARCH	15,000	0	20,000	20,000		0	20,000	20,000	20,000
31	0603740D	RACER	5,000	0		0		0	0		0
32	0603756D	CONSOLIDATED DOD SOFTWARE INITIATIVES	24,567	37,120	8,000	45,120	8,000	45,120	0	8,000	45,120
33	0305108K	COMMAND AND CONTROL RESEARCH	2,541	2,371		2,371		2,371	0		2,371
34	1110011D	FORCE ENHANCEMENTS-ACTIVE	10,827	10,405		10,405		10,405	0		10,405
35	1140011D	ADVANCED SPECIAL OPERS RESEARCH, DEV ACQ	12,163	8,862		8,862		8,862	0		8,862
		ADVANCED TECHNOLOGY TACTICAL TRANSPORT			10,000	10,000		0	10,000	5,000	5,000

R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	House		Senate		House +/- Senate	Conference	
					Change to Request	Authorized	Change to Request	Authorized		Change to Request	Authorized
36	0603734K	ISLAND SUN	49,457	57,018		57,018		57,018	0		57,018
37	0603741D	AIR DEFENSE INITIATIVE	49,224	213,574	(40,000)	173,574	(50,000)	163,574	10,000	(50,000)	163,574
38	0302016K	NATIONAL MILITARY COMMAND SYSTEM-WIDE SU	10,616	5,691		5,691		5,691	0		5,691
39	0302019K	WWMCCS SYSTEMS ENGINEER	15,573	18,534		18,534		18,534	0		18,534
40	0303131K	MINIMUM ESSENTIAL EMERGENCY COMM NETWORK	8,373	9,785		9,785		9,785	0		9,785
41	0604702D	JOINT STANDOFF WEAPONS PROGRAM	25,000	15,900	10,000	25,900		15,900	10,000	0	15,900
42	0604771D	JOINT TACTICAL INFORMATION DISTRIBUTION	78,760	62,076	5,000	67,076		62,076	5,000	0	62,076
43	0201135K	CINC C2 INITIATIVES	2,067	1,883		1,883		1,883	0		1,883
44	0208045K	C3 INTEROPER (JOINT TACT C3 AGENCY)	61,715	60,264		60,264		60,264	0		60,264
45	0208045Q	C3 INTEROP (JOINT TACT C3 AG) (FY 87 AND	0	0		0		0	0		0
46	0208298K	MGT HQ (JOINT TACTICAL C3 AGENCY)	5,000	6,363		6,363		6,363	0		6,363
47	0208298Q	MGT HQ (JOINT TACT C3 AGENCY) (FY 87 AND	0	0		0		0	0		0
48	0305141D	JOINT REMOTELY PILOTED VEHICLES PROGRAM	50,291	34,766	(34,766)	0		34,766	(34,766)	12,300	47,066
48a		AQUILA PRIOR YEAR TRANSFER								[25,013]	[25,013]
49	0603701B	MAPPING, CHARTING, GEODESY INVESTIGATION	12,168	5,424		5,424		5,424	0		5,424
50	0604701B	MAPPING, CHARTING, AND GEODESY ENG DEV	3,782	1,380		1,380		1,380	0		1,380
51	0604703D	LANDSAT	9,843	0		0		0	0		0
52	0301011G	CRYPTOLOGIC ACTIVITIES	[ ]	[ ]	[13,886]	[ ]	[-19,400]	[ ]	[32,286]	[6,486]	[ ]
53	0301301L	GENERAL DEFENSE INTELLIGENCE PROGRAM	[ ]	[ ]		[ ]		[ ]	0		[ ]
54	0303126K	LONG-HAUL COMMUNICATIONS (DCS)	16,511	18,272		18,272		18,272	0		18,272
55	0303127K	SUPPORT OF THE NATIONAL COMMUNICATIONS S	3,574	3,928		3,928		3,928	0		3,928
56	0303401G	COMMUNICATIONS SECURITY (COMSEC)	[ ]	[ ]		[ ]		[ ]	0		[ ]
57	0305139B	DMA EXPLOITATION MODERNIZATION PROGRAM	285,000	293,317		293,317		293,317	0		293,317
58	0305154I	AIRBORNE RECONNAISSANCE SUPPORT PROGRAM	87,100	98,561		98,561	(20,000)	78,561	20,000	0	98,561
59	0305159B	DEFENSE RECONNAISSANCE SUPPT ACTIVITIES	2,853	3,000		3,000		3,000	0		3,000
60	0305159G	DEFENSE RECONNAISSANCE SUPPT ACTIVITIES	[ ]	[ ]		[ ]		[ ]	0		[ ]
61	0305159I	DEFENSE RECONNAISSANCE SUPPT ACTIVITIES	141,387	38,206		38,206		38,206	0		38,206
62	0305167G	COMPUTER SECURITY	[ ]	[ ]		[ ]		[ ]	0		[ ]
63	0305884L	INTELLIGENCE PLANNING AND REVIEW ACTIV	[ ]	[ ]		[ ]		[ ]	0		[ ]
64	0305885G	TACTICAL CRYPTOLOGIC ACTIVITIES	[ ]	[ ]	[-4,334]	[ ]		[ ]	[-4,334]	0	[ ]
999		INTELLIGENCE/COMMUNICATIONS CLASSIFIED	1,166,295	1,178,121	9,552	1,187,673	(19,400)	1,158,721	28,952	6,486	1,184,607

R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	House		Senate		House +/- Senate	Conference	
					Change to Request	Authorized	Change to Request	Authorized		Change to Request	Authorized
65	0603739D	SEMICONDUCTOR MANUFACTURING TECHNOLOGY	98,450	44,785	55,215	100,000	55,215	100,000	0	55,215	100,000
66	0603790D	NATO RESEARCH AND DEVELOPMENT	147,675	200,598		200,598		200,598	0		200,598
67	0605104D	TECHNICAL SUPPORT TO USD(A)	17,295	18,467		18,467		18,467	0		18,467
68	0605106D	GENERAL SUPPORT FOR PA&E	2,179	2,353		2,353		2,353	0		2,353
69	0605107D	GENERAL SUPPORT FOR POLICY	5,470	5,747		5,747	(5,747)	0	5,747	(1,747)	4,000
70	0605108D	GENERAL SUPPORT FOR NET ASSESSMENT	3,515	3,812		3,812		3,812	0		3,812
71	0605109D	GENERAL SUPPORT FOR FM&P	1,531	1,631		1,631		1,631	0		1,631
72	0605110D	TECH SUPPORT TO USD(A)—CRITICAL TECH	3,175	3,968		3,968		3,968	0		3,968
73	0605112D	RAND NATIONAL DEFENSE RESEARCH INST	16,259	17,531		17,531		17,531	0		17,531
74	0605114E	BLACK LIGHT	3,600	3,600		3,600		3,600	0		3,600
75	0605116D	GENERAL SUPPORT TO C3I	2,354	2,568	3,000	5,568		2,568	3,000	3,000	5,568
76	0605117D	FOREIGN MATERIAL ACQUISITION AND EXPLOIT	9,845	10,363		10,363		10,363	0		10,363
77	0605119D	GENERAL SUPPORT FOR P&L	2,558	2,865		2,865		2,865	0		2,865
78	0605502E	SMALL BUSINESS INNOVATIVE RESEARCH	0	0		0		0	0		0
79	0605711S	CRITICAL TECHNOLOGY ANALYSIS	29,019	4,400	35,000	39,400		4,400	35,000	27,000	31,400
80	0605801S	DEFENSE TECHNICAL INFORMATION CENTER	19,792	23,824		23,824		23,824	0		23,824
81	0605802S	INFORMATION ANALYSIS CENTERS	4,883	5,200		5,200		5,200	0		5,200
82	0605872E	PRODUCTIVITY INVESTMENTS	2,000	0		0		0	0		0
83	0605898C	MANAGEMENT HEADQUARTERS (SDI)	19,776	24,790		24,790	(3,790)	21,000	3,790	(3,790)	21,000
84	0605898E	MANAGEMENT HEADQUARTERS (RSCH AND DEV)	15,034	15,497		15,497		15,497	0		15,497
85	0702807D	INFRARED FOCAL PLANE ARRAY	1,969	23,589		23,589		23,589	0		23,589
86	0708011S	INDUSTRIAL PREPAREDNESS	8,326	10,800		10,800		10,800	0		10,800
87	1001015D	TECHNOLOGY SECURITY FUNCTIONS	484	441		441		441	0		441
		CASET			6,000	6,000		0	6,000	3,000	3,000
		ADVANCED SUBMARINE TECHNOLOGY			114,000	114,000		0	114,000	65,000	65,000
		ADVANCED ASW TECHNOLOGY			40,000	40,000		0	40,000	15,000	15,000
		AUTONOMDUS VEHICLE			8,000	8,000		0	8,000	0	0
		TECHNOLOGY EXPLOITATION			4,000	4,000		0	4,000	2,000	2,000
		ADVANCED TORPEDO PROGRAM			10,000	10,000		0	10,000	0	0
		CLASSIFIED			54,000	54,000	(75,000)	(75,000)	129,000	40,000	40,000
		OSD CLOSE AIR SUPPORT				0	15,000	15,000	(15,000)	10,000	10,000
		EXTENDED AIR DEFENSE				0	50,000	50,000	(50,000)	25,000	25,000
		THREAT SIMULATOR DEVELOPMENT				0	60,000	60,000	(60,000)	60,000	60,000
		PRODUCT EVALUATION ACT				0	17,500	17,500	(17,500)	17,500	17,500
		OPTOELECTRONIC MATERIALS				0	14,500	14,500	(14,500)	14,500	14,500
		DARPA MANTECH				0	106,000	106,000	(106,000)	0	0
		UNDISTRIBUTED REDUCTION			11,114	11,114	(33,500)	(33,500)	44,614	0	0
		TOTAL RDT&E, DEFENSE AGENCIES	7,661,825	8,667,800	(895,796)	7,772,004	38,441	8,706,241	(934,237)	(239,373)	8,428,427

R-1 Line	PE	Program	FY 1988 Estimate	Revised FY 1989 Request	House		Senate		House +/- Senate	Conference	
					Change to Request	Authorized	Change to Request	Authorized		Change to Request	Authorized
		DIRECTOR OF TEST & EVAL DEFENSE									
1	0604940D	TEST INSTRUMENTATION DEVELOPMENT	30,100	30,000		30,000		30,000	0		30,000
2	0604941D	SPACE SYSTEM TEST CAPABILITIES	1,500	2,000		2,000		2,000	0		2,000
3	0605111D	FOREIGN WEAPONS EVALUATION	29,811	12,864	5,000	17,864		12,864	5,000	0	12,864
4	0605130D	NATO COOPERATIVE DEVELOPMENT TESTING	43,000	42,813		42,813		42,813	0		42,813
5	0605131D	LIVE FIRE TESTING	6,700	5,000	10,000	15,000		5,000	10,000	5,000	10,000
6	0605132D	JOINT TECH COORD GROUP FOR AIRCRAFT SURV	7,086	7,086		7,086		7,086	0		7,086
7	0605804D	DEVELOPMENT TEST AND EVALUATION	63,919	67,137		67,137	(16,000)	51,137	16,000	(16,000)	51,137
		TOTAL DIRECTOR TEST & EVALUATION	182,116	166,900	15,000	181,900	(16,000)	150,900	31,000	(11,000)	155,900
		DIRECTOR OF OPERATIONAL TEST & EVALUATION									
1	0604340D	OT&E CAPABILITY IMPROVEMENT	59,000	121,166		121,166		121,166	0	(10,000)	111,166
2	0605118D	OPERATIONAL TEST AND EVALUATION	11,221	12,234		12,234		12,234	0		12,234
3	0605133D	SDS OT&E ORGANIZATION	0	10,000	(10,000)	0	(10,000)	0	0	(10,000)	0
		TOTAL OPERATIONAL TEST & EVALUATION	70,221	143,400	(10,000)	133,400	(10,000)	133,400	0	(20,000)	123,400

ITEMS OF SPECIAL INTEREST

National aerospace plane

The amended budget request included $244.767 million for the National Aerospace Plane technology demonstration program.

The House bill would authorize the requested amount.

The Senate amendment would reduce the request by $14 million.

The conferees recommend an authorization of $230.767 million. This reduction is made without prejudice, for budgetary reasons. The conferees express their support for the National Aerospace Plane program and expect the Department of Defense to incorporate adequate funding for this program into its Five Year Defense Program for fiscal years 1990 to 1994.

Air defense initiative

The amended budget request contained $213.574 million for the Air Defense Initiative, an increase of approximately $180 million over the amount appropriated for fiscal year 1988. Last year, the conferees attempted to improve the coordination and management of this joint program by vesting the Office of the Secretary of Defense (OSD) with oversight responsibility and stressing that priority should be placed on developing surveillance technologies and exploiting to the fullest extent relevant research conducted under the Strategic Defense Initiative.

The conferees believe some progress has been made in properly focusing this research effort, but are not confident that an integrated program plan enjoying the support of Service participants has been achieved.

The conferees recommend an authorization of $163.574 million for the Air Defense Initiative; related actions are described in the classified annex to this statement of managers.

The House bill contained a legislative provision (sec. 237) that would describe the purpose of the Air Defense Initiative and require an annual review of the program and its progress toward deployment.

The Senate amendment contained no similar provision.

The House recedes. The conferees believe that this information is already contained in present and planned Department of Defense reports.

Joint stand-off weapons program

The amended budget request contained $15.9 million for the Joint Standoff Weapons Program, which includes the Air Force's Modular Stand-off Weapon (MSOW) program and the Navy's Advanced Interdiction Weapon System (AIWS) program.

The House bill would authorize $25.9 million, and would direct that not less than $15.9 million be available for the AIWS program.

The Senate amendment contained no similar provision.

The conferees recommend an authorization of $15.9 million. The conferees understand that the MSOW program is likely to be revised substantially in light of the decision by France to withdraw from participation in the program. The Department of Defense is developing a master plan that will incorporate a revision to both the MSOW program and the AIWS program. The conferees direct that none of the amounts authorized be obligated until the Department has reported to Congress on the new plan for short-range stand-off weapons.

Projects of the Defense Advanced Research Projects Agency

In addition to other changes, the House bill would authorize increases in the amounts requested for the Defense Advanced Research Projected Agency (DARPA) accounts as follows:

(1) $69.0 million for Strategic Technology to include $15.0 million for high temperature superconductor manufacturing; $20.0 million for advanced manufacturing technology for microelectronic components, advanced materials and concurrent design tools; $2.0 million for hybrid bi-static radar research; $7.0 million for gallium arsenide manufacturing technology; and $25.0 million to continue the development of the single pulse excimer laser.

(2) $20.0 million for Tactical Technology associated with anti-armor applications utilizing smart weapons.

(3) $15.0 million for experimental evaluation of the tactical laser communications program.

The Senate amendment would authorize $106 million more than the amended budget request—in addition to other inreases—in an account entitled DARPA MANTECH. This $106 million increase would be apportioned as follows: $46.0 million for gallium arsenide manufacturing technology and insertion; $27.0 million for high temperature superconductor manufacturing; $18.0 million for the DARPA Initiative in Concurrent Engineering; $8.0 million for the EXCIMER Laser-Semiconductor Device Manufacturing; and $7.0 million for the "smart skin" design effort.

In addition to provisions relating to DARPA in other sections of this statement of managers, the conferees agree to recommend an increased authorization of $94.0 million for DARPA as follows:

(1) $79.0 million for Strategic Technology to include $21.0 million for high temperature superconductor manufacturing technology; $18.0 million for advanced manufacturing technology for microelectronic components, advanced materials, and concurrent engineering design tools; $18.0 million for gallium arsenide manufacturing technology; $7.0 million for excimer laser semiconductor device manufacturing technology; and $15.0 million to continue the development of the single-pulse excimer laser.

(2) $10.0 million Tactical Technology associated with anti-armor applications using smart weapons.

(3) $5.0 million for Experimental Evaluation of Major Innovations for a follow-on forces attack prototype.

Although the conferees did not recommend authorization for research in hybrid bi-static radars as would be authorized by the House bill, the conferees agree as would be authorized by the House bill, the conferees agree that such a program merits support and urges the Department to pursue this promising technlogy.

The conferees are concerned that funding for artificial intelligence and robotics research the DARPA has been decreasing despite marked progress in this area in recent years, including, for example, tremendous productivity gains as the result of the introduction of expert systems. Therefore, the conferees direct that the DARPA Information Science and Technology Office allocate at least $47 million of funds authorized to AI/Robotics research.

The conferees also recommend that of the funds authorized for the Defense Advanced Research Projects Agency for fiscal year 1989, $15.0 million should be made available for a program of research in advanced microelectronic, optoelectronics, and materials.

The conferees note and continue to support DARPA funding and management in technology thrusts for basic research not explicitly directed to ongoing weapons development programs. Included among these thrusts, which the conferees continue to support, have been those encompassing directed energy programs. The current management challenge to DARPA is to execute both these basic technology programs and the prototype programs.

Advanced technology tactical transport

The House bill would authorize $10 million to initiate a prototyping program for the Advanced Technology Tactical Transport to continue the program initiated by the Defense Advanced Research Projects Agency.

The Senate amendment contained no similar provision.

The conferees recommend an authorization of $5 million. The conferees emphasize that any further development of the Advnaced Technology Tactical Transport should proceed on the basis of open competition among all qualified competitors.

Advanced torpedo technology

The House bill would authorize an additional $10 million for Advanced Torpedo Technology. This matter is addressed in the discussion of the Advanced ASW Technology program elsewhere in this statement of managers.

Anti-submarine warfare technology

The amended budget request did not include funds for authorization of an antisubmarine warfare (ASW) initiative.

The House bill would authorize $40 million for this purpose.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment.

The conferees recognize that the capabilities of Soviet submarines are increasing at a rate not previously predicted. To counter this trend and to enlarge the nation's antisubmarine warefare options, the conferees wish to ensure that the antisubmarine warfare research and development program encompasses a balanced range from conservative product improvement investments to vigorous high risk/high pay-off ventures. The conferees direct the Defense Advanced Research Projects Agency to conduct a thorough review of the national ASW research and development programs with the purpose of targeting high pay-off areas for investment. The conferees affirm the reporting requirements of the House report (H. Rept. 100-563).

The conferees recommended authorization of $15 million for the ASW Technology program, of which $10 million shall be allocated for advanced torpedo technology.

Advanced rotorcraft

The House report (H. Rept. 100-563) directed that $45 million of funds provided for the Balanced Technology Initiative (BTI) be used only for purposes of establishing an advanced rotorcraft technology program. The purpose of the program is to accelerate the development of advanced designs and materials to develop a low-observable helicopter.

The Senate report (S. Rept. 100-326) had no similar language.

The conferees note that there would be many positive features to an advanced rotorcraft program. The conferees do not believe, however, that it is appropriate to earmark funds authorized for the Balanced Technology Initiative for this purpose. In accordance with the program established by Congress and administered by the Department of Defense over the past three years, the Director of Defense Research and Engineering has the discretion as to funding of projects within the BTI program. The Director is welcome to fund projects for advanced rotorcraft technology if the Director judges that such projects meet the criteria for which the BTI program was established.

Anti-jam tactical communications

The House report (H. Rept. 100-563) imposed certain restrictions on Department of Defense plans for anti-jam tactical communications. In addition, the House report directed that $3 million be used only for Have Quick 2A development in the Navy and that $6 million be used only for development of a Universal Modem.

The Senate report (S. Rept. 100-326) contained no similar restrcitions.

The conferees are concerned that the Services' commitment to the establishment of joint Service anti-jam standards is not progressing in a well-defined manner. The conferees note that significant progress has been made since the Grenada operation; however, serious questions have been raised in the area of ultra high frequency (UHF 225-400 MHZ) anti-jam techniques. The conferees understand that the HAVE QUICK technique has been established as the U.S. standard, although the Navy has continued to equip existing aircraft with LINK 4A anti-jam protection.

The conferees direct the Secretary of Defense to submit a report to the Committees on Armed Services of the Senate and House of Representatives by January 15, 1989, describing the Department's plans with respect to tactical anti-jam communications. This report should outline the Department's plans as to how interoperability will be achieved within each Service as well as between Services and allies, and should take into account the equipping of current aircraft as well as future aircraft.

Electronic warfare master plan

The House report (H. Rept. 100-563) directed that the Department of Defense improve its master plan for electronic warfare (EW). The conferees recognize the considerable effort put forth by the Military Departments in preparation of the Electronic Warfare Master Plan. The current document represents a substantive improvement over previous versions. However, in order to increase the utility of the document, the conferees direct that the following changes and clarifications be implemented in the next submission of the plan set for February 1, 1989:

(1) The plan shall insure that the threat and operational assessment information include inputs from the Joint Chiefs of Staff and the Unified Commanders in Chief, as well as those of the Services.

(2) The plan shall clarify the relationship between electronic warfare programs described in the plan and threats they are to counter, explaining the deficiencies these programs are to address.

(3) For each major electronic warfare program, the plan shall identify RDT&E and procurement funding appropriated in fiscal year 1989 and the amount requested in fiscal years 1990 and 1991. The plan should include the procurement quantities for each year of funding and the major milestones of each program.

(4) The plan shall provide guidance and direction for acquisition of EW systems that are common to as many platforms and missions as feasible.

Further, the conferees direct, as a matter of DOD policy, that when common requirements exist and potential cost savings can be quantified, commonality be maximized to the extent possible in all electronic warfare acquisitions. Commonality assessments should consider inter-Service, intra-Service and operational aspects including logistics/maintenance support and maintenance/operator training.

Fibrous carbon thermal insulation

The House and Senate reports (H. Rept. 100-563 and S. Rept. 100-326) contained nearly identical language addressing the status of export controls on, and the strategic military importance of, fibrous carbon thermal insulation. The conferees endorse this language and affirm the reporting requirements contained therein.

Follow-on forces attack prototype

The House bill would add $5 million to the RDT&E authorization for the Defense Advanced Research Projects Agency (DARPA) for the purpose of developing, evaluating, and demonstrating a prototype that could enhance the first- and second-echelon target development and nomination process.

The Senate amendment contained no similar provision.

The conferees recommend authorization of $5 million for the proposed Follow-On Forces Attack (FOFA) prototype and endorse the language contained in the classified annex to the House report (H. Rept. 100-591, Part I) on H.R. 4387, the fiscal year 1989 Intelligence Authorization Act. The conferees believe that this initiative could address the Army tactical reconnaissance, surveillance, and target acquisition shortfalls for both ground targets and air defense. The conferees are mindful of the out-year funding implications of this initiative and urge its consideration in the fiscal year 1990 budget deliberations and as a candidate for inclusion in the Balanced Technology Initiative (BTI) program, if appropriate. Coordination with the Joint Unmanned Aerial Vehicles (UAV) program office may also be appropriate.

Low intensity conflict

The House bill would authorize $2 million for the National Security Agency to evaluate and, if appropriate, to procure off-the-shelf signals intelligence-related (SIGINT) items of equipment to support Special Operations Forces or U.S. Central Command contingency forces in the event of low-intensity conflict.

The Senate amendment contained no similar provision.

The conferees agree to provide $2 million in support of low-intensity conflict capabilities for the reasons and the purposes described in the classified annex to the House report (H. Rept. 100-591) on H.R. 4387, the fiscal year 1989 Intelligence Authorization Act.

Low intensity conflict planning and programming

The House bill would authorize $3 million for the Office of the Assistant Secretary of Defense for Command, Control Communications, and Intelligence to establish a planning and programming activity to ensure that low-intensity conflict intelligence initiatives can be developed planned, and programmed to meet the requirements of all the Services. The House bill would further direct that $1 million of the $3 million be provided to the Defense Intelligence Agency (DIA) for certain purposes. Finally, the House bill would request that the Secretary of Defense present, with the biennial fiscal year 1990 budget, a report on the status of low-intensity conflict initiatives and any out-year funding requirements.

The Senate amendment would not authorize funds for this purpose.

The conferees recommend $3 million for this initiative.

Management of electronic warfare programs

The House report (H. Rept. 100-563) directed the Secretary of to consolidate management of electronic warfare (EW) programs and to submit a report outlining the delegation of responsibilities of the Under Secretary of Defense for Acquisition for all electronic warfare programs.

The Senate report (S. Rept. 100-326) contained no similar direction.

For several years, the Congress has expressed its concern in the area of electronic warfare and electronic component commonality, and has taken several legislative steps to improve management and commonality. The conferees believe it is essential that the Department of Defense avoid unnecessary duplication with attendant logistics and training requirements both within the individual military Services and among the military Services, consistent with the unique operational requirements of each of the Services. The conferees believe these steps were required, and progress to date has been limited, because of a diversity of management authority and oversight responsibility not only in the military Services but also in the Office of the Secretary of Defense.

The conferees believe that centralized oversight of electronic warfare and avionics programs in the Office of Secretary of Defense, and execution control under the Service Acquisition Executives, is essential to minimize proliferation and duplication in electronic warfare programs. Accordingly, the conferees direct the Under Secretary of Defense for Acquisition to submit a report to the Committees on Armed Services of the Senate and House of Representatives by December 1, 1988, outlining the delegation of oversight responsibilities by the Under Secretary of Defense for Acquisition for all electronic warfare programs, and an analysis on how responsibility for all EW programs might be consolidated in one office under the direction of the Secretary.

National bone marrow donor registry

The conferees recommend authorization of $21.108 million for the Navy Medical Development program, of which $2.5 million is to be available only for the National Bone Marrow Donor Registry program.

Radar warning receiver test and evaluation

The House report (H. Rept. 100-563) directed the Assistant Secretary of Defense for Command, Control, Communications and Intelligence to develop a joint Service integrated plan for fielding a single radar warning receiver for all Service uses, and to establish a test and evaluation program under the direction of the Director of Operational Test and Evaluation to manage a common "test bed" for radar warning receivers (RWR).

The conferees support the need to provide updated radar warning capability to counter the steadily improving threat. The conferees are concerned by the number of different radar warning receivers used by the various Military Departments. Over the past several years, Congress has urged the Services to work toward a more integrated approach in developing common effective radar warning receivers.

The conferees believe the Integrated Electronic Warfare/Integrated Communication Navigation Identification Avionics (INEWS/ICNIA) program offers the best opportunity for maximizing commonality in electric warfare systems for future aircraft. For current platforms, the conferees recognize that the large number of radar warning receivers already installed in combat aircraft precludes wholesale near-term replacement. However, to minimize perpetuation of mulitple types of systems and make best use of funds, the conferees direct the Services to limit spending on older RWRs to operationally essential reliability and maintainability upgrades and capability upgrades that are justified by a Cost and Operational Effectiveness Analysis (COEA). In the case of the ALR-67 upgrade or the Advanced Special Receiver (ASR) program, the COEA should consider the utilization of modules common with other RWR programs to the maximum extent practicable.

The conferees believe it is essential to establish a viable test and evaluation program for RWR updates. The conferees therefore direct that all future operational test results for RWR update programs be reviewed and approved by the Director of Operational Test and Evaluation, prior to obligation of production funds.

The Director should develop a uniform set of standards and criteria for measuring all RWRs. Tests should include a comprehensive, validated RWR threat base that uses identical simulations and field testing for all services. All field testing should evaluate RWRs in similar threat environments.

Remotely piloted vehicle

The amended budget request contained $34.8 million for research, development, test, and evaluation of Remotely Piloted Vehicles (RPV).

The House bill would deny authorization of the amount requested for this program until the Department of Defense submitted the required reports, restructured the management of RPV programs, and explained the tasks for which fiscal year 1989 appropriations would be obligated.

The Senate amendment would authorize the requested amount and did not contain any similar restriction.

The conferees received a draft Department of Defense Master Plan for Unmanned Aerial Vehicles (UAV) during the conference that is supposed to address the management of and planned expenditures for RPVs in fiscal year 1989. The conferees believe that a viable near-term and far-term RPV program could evolve from the Master Plan. However, the outyear implications, including the operating and support costs which must be incurred by the individual Services, could present an impediment to expeditious fielding of RPV systems that would compete for resources against currently fielded manned systems such as the RF-4 or proposed follow-on manned reconnaissance capabilities. The conferees, therefore, expect the Department of Defense UAV Executive Committee, in conjunction with the UAV Program Officer, to ensure that outyear funding is programmed by the Services and that objective reviews are conducted to examine the roles and cost-benefits of UAVs with respect to all other systems.

The conferees also believe that total program visibility is necessary to preclude a duplication of effort. Efforts currently reflected in the Master Plan as "related UAV programs" and others that could evolve from special assess programs should be under the management oversight of the Executive Committee and the Department of Defense UAV Program Manager. The conferees request the Executive Committee to review all RPV-related and special access programs, and, if appropriate, include them in future UAV program budget submissions.

The conferees support the proposal for a Joint Technology Center, with the understanding that the center is not limited to research and development tasks but is chartered to conduct tests, evaluation, and training programs. The conferees believe that such a center, supported by all four Services, will provide the baseline in technology and concepts of operations for future UAVs.

The conferees agreed that funds requested in the research, development, test, and evaluation account are insufficient to execute the UAV Master Plan. Accordingly, $47.1 million is recommended for authorization. Additional funds are available from reprogramming request FY 88-14 PA ($25 million), which is approved.

Further discussion of RPVs is contained in Title I, Procurement, of this statement of managers.

ICBM modernization (sec. 202)

The House bill would authorize $32.891 million for the MX missile system, $100 million for the rail-garrison MX program and $600 million for the small ICBM.

The Senate amendment would authorize the requested amount of $40 million for the MX missile system, $700 million for the rail-garrison MX program and $50 million for the small ICBM.

The conferees agree to fund continued development and flight testing of the MX missile at the requested amount, to authorize $250 million for the small ICBM program, and to authorize $600 million for the Rail-Garrison MX program. The total of $850 million is $100 million greater than the amount authorized in H.R. 4264 for these programs. This increase will not increase the authorization for Air Force research and development because an offsetting undisbursed reduction of $100 million shall * * * in other Air Force research and development programs. The conferees also agree to restrict the amount that could be obligated before February 15, 1989 for the Rail-Garrison MX program to not more than $250 million. Finally, the conferees ask the President to submit a report to the Committees on Armed Services and Appropriations between January 21, 1989 and February 15, 1989 on how funds for ICBM modernization will be obligated for the remainder of fiscal year 1989.

In the event the President does not choose to spend the balance of unobligated funds for the Rail-Garrison MX program, the conferees will consider a request for reprogramming.

The conferees direct the Secretary of Defense not to terminate either program prior to January 21, 1989. Within these funding limitations, the conferees director the Secretary to exercise his best management efforts to keep the contractor base for each program as intact as possible, and to continue studies and analyses of other ICBM basing and operational modes. Within the funding limits for the small ICBM program, the conferees also direct the Air Force to carry out the schedule of activities it has planned under the amended budget request, plus any additional activities to facilitate transition to a more rapidly paced program, should the President choose that course.

Nuclear monitoring (sec. 203)

The amended budget request contained $22.6 million for nuclear monitoring activities in the Department of Defense.

The House bill (sec. 203(a)) would direct that $37.6 million be available only for the nuclear monitoring program.

The Senate amendment contained no similar provision, but would also authorize $37.6 million.

The Senate recedes. The conferees agree that the increased authorization may be used to support activities such as those described in the House report (H. Rept. 100-563).

Grant for semiconductor cooperative research program (sec. 204)

The amended budget request contained $44.785 million for the Semiconductor Manufacturing Technology program (SEMATECH).

The House bill included a provision (sec. 204) that would authorize $100 million only for this program, an increase of $55.215 million above the amended budget request.

The Senate amendment would also authorize $100 million, but did not include a legislative restriction specifying that the funds would be authorized only for SEMATECH.

The Senate recedes.

Airship program (sec. 205)

The House bill contained a provision (sec. 207) that would authorize not more than $40 million for the airship program.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment. The conferees agree that the Secretary of Defense may make available an amount not to exceed $25 million for the airship program. The conferees include this funding in the Navy RDT&E account; however, the Secretary of Defense may transfer this funding to another RDT&E account if appropriate.

Anti-tactical ballistic missile system and extended air defense (sec. 206)

The House bill contained a provision (Sec. 214) that would require that not less than $75 million of the funds available for the Strategic Defense Initiative program be made available for the joint development, on a matching fund basis, of an anti-tactical ballistic missile system with NATO allies and other countries that the United States has invited to participate in the Strategic Defense Initiative program.

The Senate amendment contained a provision (Sec. 214(c)) that would authorize $50 million for the Defense Agencies for a research and development program to be approved by the Director of Defense Research & Engineering in connection with the anti-tactical missile system. The Senate provision would stipulate that if any funds were made available to firms in allied countries, such funds would be available for obligation only after the Secretary of Defense had entered into a cooperative program with such allied countries for that purpose.

The House recedes with an amendment.

The conferees support the Administration's plans for theater defense activities within the Strategic Defense Initiative, and recommend an additional authorization of $25 million for the Defense Agencies for the purpose of research and development in connection with anti-tactical missile systems.

Product evaluation (sec. 207)

The Senate amendment contained a provision (sec. 816) that would require the Secretary of Defense to establish a product evaluation activity for the purpose of demonstrating and evaluating promising items of equipment developed by private industry. Section 220B of the Senate amendment would also authorize $17.5 million for evaluation of those products that were not included in the amended budget request. The Senate provision also would require that the evaluation cost be shared on an equal basis between the contractor and the government.

The House bill contained no similar provisions.

The House recedes with an amendment. The conferees agree that this type of product evaluation activity would be beneficial to the Department of Defense; however, the Senate provision was not intended to establish a separate office to administer the activity. The conference agreement clarifies this intent, and also includes language concerning cost-sharing by small businesses.

The conferees direct that the Department of Defense set up a procedure whereby a "user" point of contact be assigned to each potential product. That point of contact should approve the potential usefulness for that product before it is considered for evaluation under this section. The conferees further agree that this product evaluation activity is only for products that could be used to satisfy a need of the Department of Defense.

The conferees have learned of many promising programs that could well be demonstrated through the product evaluation activity. The following projects were brought to the attention of the conferees.

Multi-Helicopter External Lift System.

Ruggedized Plastic Material for Ammunition Packaging.

30/30 Engineering Vehicle.

High-Speed Assault Landing Craft.

Navy Advanced anti-Ship Seeker/Guidance Program.

DP-2 Vector Thrust Project.

Hardened buried and low-profile broadband antennae.

Optoelectronics materials center (sec. 209)

Section 214(a) of the Senate amendment would authorize $14.5 million to establish an Optoelectronics Materials Center at a major university in the United States, and for associated facilities.

The House bill contained no similar provision.

The House recedes.

Trident II missile (sec. 211)

The amended budget request contained $1,865,609,000 for RDT&E on the Trident II missile.

The Senate amendment contained a provision (sec. 212) that would authorize the requested level, making such amount available only for RDT&E for the Trident II missile. This provision would also prohibit reductions to Trident II missile RDT&E to achieve any undistributed reductions.

The House bill contained no similar provision.

The House recedes.

Balanced technology initiative (sec. 212)

Section 215 of the Senate amendment would authorize $338 million for the Balanced Technology Initiative (BTI) program. Of this amount, $288 million would be authorized for those programs initiated in fiscal years 1987 and 1988, and $50 million would be available only for new and innovative projects begun in fiscal year 1989.

The House bill contained no similar provision.

The House recedes with an amendment that would delete the provision in which the relationship between BTI and the Conventional Defense Initiative (CDI) is addressed, and that would delete the restriction on obligation authority. The conferees note that CDI is no longer a distinct program separately identified in the bill. The conferees agree to an authorization of $263 million for those programs initiated in fiscal years 1987 and 1988, and $50 million only for new and innovative programs begun in fiscal year 1989.

The conferees strongly support the BTI program and believe that it offers significant opportunities to improve the combat capability of the conventional forces. The conferees also believe that a link should exist between BTI and the NATO Cooperative Research and Development program to maximize alliance resources, and urge the Department of Defense to pursue greater cooperation with our allies in this regard.

Oversight management of the BTI program has been assigned to the Director, Defense Research and Engineering (DDR&E). The conferees are satisfied at this time that the DDR&E will provide strong leadership and centralized focus to the program, irrespective of whether the program is executed by the Defense Advanced Research Projects Agency (DARPA) or within the Services.

The conferees note that the House report (H. Rept. 100-563) identified certain programs and mission areas such as Close-in Battlefield Surveillance, Countermine Technologies, and Advanced Rotorcraft and Traffic Control/Approach Landing System (TRACALS) for specific support under the BTI program. As established by the Congress and administered by the Department of Defense, the Director of Defense Research and Engineering has sole responsibility for determining the distribution of funds appropriated for the Balanced Technology Initiative. This provision was included so that the limited BTI funds are available to the most promising advanced technology available to the Department. While the conferees agree that many programs are worthy of support, they believe that BTI should compete programs and projects based on merit, opportunity, and need as determined by the DDR&E, and therefore leave the funding of the House proposed projects to the discretion of the DDR&E.

Advanced tactical aircraft and advanced tactical fighter (sec. 213)

The Senate amendment contained a provision (sec. 216) that would stipulate that not more than 50 percent of the funds provided to the Navy for the Advanced Tactical Aircraft may be obligated until the Secretary of Defense certifies that the Navy has budgeted sufficient funds to participate in the demonstration and validation phase of the Air Force's Advanced Tactical Fighter Program. Section 216 would also provide that the Air Force may obligate not more than $350 million for the advanced Tactical Fighter until the Secretary of Defense certifies that the Air Force has budgeted suficient funds to participate in the full scale development of the Navy's Advanced Tactical Aircraft.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Air-to-air missile project office (sec. 214)

The Senate amendment contained a provision (sec. 218) that would require the Secretary of the Navy and the Secretary of the Air Force to establish joint program offices for the co-development of the Advanced Air-to-Air Missile (AAAM) and the Product Improved Advanced Medium Range Air-to-Air Missile (AMRAAM). The Senate amendment would also authorize $40.4 million for the AAAM program and $30 million for the Product Improved AMRAAM, and further specify that not more than half of the funds could be obligated until the joint project offices had been established.

The House bill contained no similar provision.

The House recedes with an amendment that authorizes $20 million for a Product Improved AMRAAM program and $40.4 million for the AAAM program, and requires a single program office for these two programs.

Training in advanced manufacturing technologies (sec. 215)

The Senate amendment included a provision (sec. 220) that would authorize up to $31 million in fiscal year 1989 for the purchase of high technology manufacturing equipment and the installation of such equipment in a center for advanced manufacturing technology training.

The House bill contained no similar provision.

The House recedes with an amendment limiting the total authorization to no more than $15 million.

Space defense system (sec. 216)

The amended budget request contained no funding for the F-15 launched Miniature Homing Vehicle anti-satellite (MHV ASAT) program.

The House bill (section 202) would prohibit the obligation of $16 million in prior-year funds for this program.

The Senate amendment contained no similar legislative provision; however, it would also deny the obligation of these prior-year funds.

The Senate recedes.

Long-range conventional cruise missile program (sec. 217)

The amended budget request contained $50 million for research and development for the Long-Range Cruise Missile Program.

The House bill would authorize $10 million.

The Senate amendment would authorize the requested amount.

The conferees support the Long-Range Conventional Cruise Missile program and recommend authorization of $30 million. If program execution requires additional funds, the Department of Defense may request additional funding through the normal reprogramming process.

The Senate amendment also contained a provision (sec. 231) that would require the Department to submit a report on the Long-Range Conventional Cruise Missile.

The House bill contained no similar provision.

The House recedes.

Seek spinner (sec. 218)

The House bill would authorize $50 million in research and development to continue the development of the Seek Spinner anti-radiation lethal drone. The House bill also would authorize $15 million in advance procurement for Seek Spinner.

The Senate bill would not authorize funds for this program.

The conferees recommend that no funds be authorized for continued development or procurement of Seek Spinner. The conferees also recommend a provision prohibiting the Department of Defense from obligating any funds for research and development or procurement of Seek Spinner.

The conferees note that the Department of Defense recommended termination of Seek Spinner three years ago when Congress directed that the Department consolidate redundant cruise missile programs. The Department selected the Tacit Rainbow program for further development and procurement because it could be operated by each of the Services. By contrast Seek Spinner could not be operated by the Navy or the Army, and only the Tactical Air Command had a requirement for it in in the Air Force.

Last year Congress directed the Department to conduct a study of all stand-off munitions, and develop a stand-off munitions master plan. That plan has been delivered to Congress and recommends that Seek Spinner be terminated.

The conferees note that limited budget resources do not permit continuation of programs that are redundant to approved Department programs. Consequently, the conferees recommend authorization of the full request for the Tacit Rainbow program and termination of Seek Spinner. Further, the conferees encourage the Air Force to take such actions as are required to recover funds already obligated for the Seek Spinner program.

Depressed trajectory ballistic missiles (sec. 219)

The House bill contained provision (sec. 209) that would establish a moratorium in fiscal year 1989 on the testing of depressed trajectory ballistic missiles.

The Senate amendment contained no such provision.

The Senate recedes with an amendment that deletes the moratorium and requires the Secretary of Defense, in coordination with the Director of Central Intelligence (DCI), to submit to Congress a report by April 1, 1989 that defines in quantitative terms a depressed trajectory ballistic missile. In addition, this report must also contain an evaluation of the United States' capability to monitor and verify Soviet testing of depressed trajectory ballistic missiles, a description of past ballistic missile testing practices of the United States and the Soviet Union, and an evaluation of the possibility that the Soviet Union could deploy depressed trajectory ballistic missiles in the absence of future depressed trajectory ballistic missile flight testing.

In deleting the moratorium contained in the House provision, the conferees note that in a letter dated September 27, 1988, the Secretary of Defense informed the Chairman of the Senate Armed Services Committee and the Chairman of the House Armed Services Committee that the Defense Department had no plans to conduct any flight testing of a U.S. depressed trajectory ballistic missile in fiscal year 1989.

The conferees note that a depressed trajectory ballistic missile is a ballistic missile whose time of flight is less than the time of flight of the same ballistic missile on a minimum-energy trajectory of the same range. However, the specific quantitative definition of a depressed trajectory ballistic missile is a matter of judgment. Accordingly, the conferees have directed the Secretary of Defense, in coordination with the DCI, to supply such a definition. The conferees further direct that the report explicitly state all assumptions made in the descriptions and evaluation contained therein. Specifically, in evaluating the possibility that the Soviet Union could deploy depressed trajectory ballistic missiles without further flight testing, the conferees direct that the report state whether or not it assumes a deviation from established Soviet flight test practices. If such a deviation is assumed, the conferees direct that the report state the magnitude of the deviation. In addition, the conferees direct that the report include a discussion of reentry vehicle, guidance system, and rocket booster characteristics essential to depressed trajectory ballistic missile flight in the section of the report assessing the Soviet Union's ability to develop confidence in a depressed trajectory ballistic missile without conducting full-up flight tests of such a weapon.

University research initiative (sec. 220)

The budget request contained $95 million for the University Research Initiative (URI).

The House bill would authorize $95 million and included a provision (sec. 238) that would broaden the geographic distribution of the funds.

The Senate amendment would authorize $120 million and included a provision (sec. 235) that would allow funds to be obligated in any state without limitation.

The conferees agree to delete both the House and Senate provisions and recommend an alternative provision that will prohibit earmarking of research funds for colleges and universities unless the provision is specifically set-aside in each and every case where the set-aside is intended for a specific school. In agreeing to this provision, the conferees express their strong belief that ear marking research funds is not an acceptable practice and has an adverse effect on support efforts for creative, energetic basic research. The conferees believe that Federal funding should be awarded to academic institutions under a competitive process, and have therefore included a provision that will require specific action to circumvent a competitive environment.

The conferees do not intend for section 220 to apply to Federally Funded Research and Development Centers (FFRDs). To allow sufficient time for DoD to plan and effect a smooth implementation of this provision, the conferees agree to delay its implementation until October 1, 1989. The conferees also direct the Undersecretary of Defense for Acquisition to provide a report on the planned implementation, and projected effects resulting from, this provision. This report shall be submitted by March 31, 1989 and should include as a minimum (a) an accounting of all DOD funding appropriated for colleges and universities during the past five years with that funding awarded through other than competitive procedures specifically identified; (b) an assessment of the adverse effects that result from university set-asides; and (c) recommendations for further actions needed to strengthen the competitive process for awarding grants and contracts to colleges and universities.

The conferees recommend an authorization of $120 million for the URI.

The goal of the URI is to enhance on a nationwide basis the quality of science and engineering graduate education. The current focus of the URI program is multidisciplinary research. Although multidisciplinary research is a viable concept for further enhancing existing research centers of excellence, it does little to improve the overall nationwide science and engineering graduate education infrastructure. Of the funds authorized for the URI, at least $25 million are authorized only for initiating a new program that is focused on improving the overall nationwide science and engineering graduate education infrastructure. All awards under this program will be competitive, with priority being given to concepts employing cost sharing or cooperative agreements with the state and local governments, national and defense laboratories, industry, and existing research centers of excellence. The conferees wish to emphasize that awards under this new program should not be restricted on the basis of the geographical location of participating institutions.

By December 1, 1988, the Secretary of Defense shall provide Congress a plan for initiating the new program and for the eventual transition of the URI program from its current focus of multidisciplinary research to the broader focus of enhancing the nationwide quality of science and engineering graduate education balanced with multidisciplinary research.

Limitation on SDI programs (sec. 221)

The amended budget request contained $4.546 billion for the Strategic Defense Initiative (SDI) for research, development, testing, and evaluation.

The House bill contained a provision (sec. 211) that would authorize $3.183 billion for SDI.

The Senate amendment contained a provision (sec. 221(a)) that would authorize $4.271 billion for SDI.

The conferees agree to authorize $3.738 billion for SDI.

The House bill contained a provision (sec. 215) that would limit authorization of Phase I and related SDI programs to 40 percent of the SDI funds for fiscal year 1989. The Senate amendment contained a provision (sec. 221 (b)) that would authorize specific funding allocations for the Advanced Launch System, the Boost Surveillance and Tracking System, the Exoatmospheric Reentry Vehicle Intercept System, the High Endoatmospheric Defense Interceptor System, and the Gallium Arsenide Integrated Circuit Technology program.

Both the Senate and the House provisions stem from concern about the direction and priorities of the Strategic Defense Initiative program, particularly the Phase I architecture. The conferees are encouraged by the ongoing reassessment of the SDI program by the Administration. The conferees believe that the SDI program should be structured to obtain a balance among the following priorities.

First, there should be research on technologies that will lay the basis for an informed decision as to whether the long-term objectives of the SDI program can be realized. This should include research on directed energy weapons (such as the Free Electron Laser (FEL) and the Neutral Particle Beam (NPB)), survivability techniques, discrimination, and battle management software.

Second, the SDI program should explore defense technologies consistent with the ABM Treaty that might be developed in the near-term to defend against accidental missile launch.

Third, the program should give emphasis to sensor technologies, especially to those programs within the SDI that are essential for other national security missions (such as the Boost Surveillance and Tracking System

(BSTS) and the Space Surveillance and Tracking System (SSTS)) and to those technologies with significant military applications in addition to strategic defenses (including advancements in space launch cost reduction, lasers, software development, and sensor, optics and integrated circuit development).

Finally, the conferees note the value of some SDI technologies for spinoff or commercial applications. The conferees note especially the progress of the medical free electron laser program which has been supported by both the Administration and the Congress in fiscal year 1989.

The conferees considered fences on various elements of the SDI program reflecting the interests and concerns of several committees. However, based on assurance received from the Secretary of Defense in a letter dated September 27, 1988 that in replanning the fiscal year 1989 SDI program to reflect reduced levels of funding, no disproportionate reductions would be made in programs of congressional interest, the conferees agree not to adopt any such earmarkings. The conferees agree that better management of the overall SDI program will result from the flexibility afforded by this approach.

Reflecting serious concern about the Space Based Interceptor (SBI) program as it had been planned prior to the restructuring conducted in preparation for the October 1988 Defense Acquisition Board (DAB) review, the conferees direct that, prior to adjournment sine die of the Second Session of the 100th Congress, the Secretary of Defense submit a report on the SBI program and its relation to the Phase One architecture to include the following topics:

(1) Role of SBI in the Phase One architecture.

(2) SBI performance in the current system concept.

(3) SBI cost projections.

(4) Technology progress and plans.

(5) Launch requirements.

(6) Other programmatic details.

Strategic defense system OT&E organization (sec. 221)

The amended budget request included $10 million to establish a formal strategic defense system (SDS) operational test and evaluation (OT&E) organization.

The House bill would provide no authorization for this organization.

The Senate amendment contained a provision (sec. 221(d)) that would prohibit the establishment of an SDS OT&E activity.

The House recedes with an amendment. The House report (H. Rep. 100-563) expressed the view that investment in operational test and evaluation of a strategic defense system is premature. The conferees endorse this view, and authorize no funds for fiscal year 1989 for an SDS OT&E activity. The conferees note, however, that this action does not alter the responsibilities of the Director, Operational Test and Evaluation and the Service operational test agencies to provide timely assessments necessary to support milestone decisions.

Report on allocation of SDI funding for fiscal year 1989 (sec. 222)

The Senate amendment contained a provision (sec. 222) that would require the Secretary of Defense to report to the Committees on Armed Services and Appropriations of the Senate and House of Representatives within 90 days of the enactment of legislation appropriating funds for the Strategic Defense Initiative (SDI) on how that funding has been apportioned among each program, project and activity of the SDI within each appropriation account.

The House bill contained no similar provision.

The House recedes. The conferees agrees that this provision, similar to a provision in the fiscal years 1988 and 1989 Defense Authorization Act (Public Law 100-180), provides a useful baseline for how the SDI Organization allocates those funds that are finally appropriated to the SDI for RDT&E and other purposes during fiscal year 1989. In the absence of this report, the Congress would not receive such detailed allocation information until the submission of the fiscal year 1990 budget request.

Development and testing of ABM systems or components (sec. 223)

The Senate amendment contained a provision (sec. 223) that specified that funds provided to the Defense Department for fiscal year 1989 and previous years for the development or testing of anti-ballistic missile (ABM) systems or components may not be obligated or expended unless such development or testing is consistent with the development and testing described in the March 1988 Strategic Defense Initiative Organization (SDIO) report.

At a hearing of the Strategic Forces and Nuclear Deterrence Subcommittee of the Senate Armed Services Committee on April 18, 1988, Dr. Robert B. Costello, the Under Secretary of Defense for Acquisition and the senior DOD official responsible for reviewing the compliance of DOD programs with U.S. legal obligations, testified that statements contained in Appendix C of the March 1988 SDIO report ("SDI Compliance with the ABM Treaty") meant that the Administration has no requirement or plan for any SDI development or testing—including for any long lead acquisition of unique material or equipment for such development or testing—in fiscal year 1989 that would conflict with a similar restriction (sec. 225) in the fiscal years 1988/1989 Defense Authorization Act (Public Law 100-180).

The House bill contained a virtually identical provision (sec. 212) that would specify that funds provided to the Defense Department for fiscal year 1989 and previous years may not be obligated or expended for any experiment, test, or purchase of equipment that is inconsistent with the April 18, 1988 testimony of Dr. Costello.

The House recedes.

Accidental launch protection (sec. 224)

The House bill contained a provision (sec. 216) that would express the sense of Congress that the Strategic Defense Initiative Organization (SDIO) should concentrate development efforts for the first phase of a strategic defense system on an Antiballistic Missile (ABM) Treaty-compliant system capable of protecting the United States from the accidential launch of an intercontinental ballistic missile (ICBM).

The Senate amendment contained no similar provision.

The Senate recedes with an amendment expressing the sense of the Congress that the Secretary of Defense should direct the SDIO to give priority to development of a deployment option for an ABM Treaty-compliant accidental launch protection system.

B-1B bomber program (sec. 231)

The House bill contained a provision (sec. 221) that would (1) limit the obligation of funds for RDT&E on the B-1B bomber pending receipt of a required report; (2) require a report on the total cost of planned and programmed enhancements to the B-1B; and (3) direct the Air Force to evaluate and flight test alternatives to the trouble-plagued ALQ-161 defensive avionics system on the B-1B.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment.

The conferees agree with the general thrust of the House provision, but do not believe a decision to embark on a commitment to installation and flight testing of alternatives to the ALQ-161 is justified at this time. On the other hand, the conferees remain concerned about whether the Air Force two-year "recovery plan" for the ALQ-161 will be successful in restoring a meaningful electronic warfare capability. While the conferees agree that the combination of lower radar cross-section, higher penetration speed, and better low-altitude flight capabilities represent important advancements in penetration capability relative to the B-52 fleet, the conferees continue to believe that electronic countermeasures will plan an increasingly important role in the B-1B's ability to carry out its penetration missions.

Last year, the conferees directed the Air Force to develop a comprehensive, two-year recovery plan for the ALQ-161, and to report bimonthly on the progress achieved. While some progress has been achieved, the ultimate success of the program is not clear, and, therefore, the conferees believe it is prudent to direct the Air Force to establish a modest fallback effort. Accordingly, the conferees recommend authorization of $15 million, which shall be used only to conduct detailed evaluations, including "form, fit, and function" analyses of the applicability of existing electronic warfare systems to replace some or all of the ALQ-161 system. The conferees intend this action to provide options for the Committees to review in conjunction with the budget request for fiscal years 1990 and 1991 and the progress on the Air Force's ALQ-161 recovery plan next year. Should the Air Force or the Congress determine that the ALQ-161 recovery plan is not succeeding, this action should serve both to identify other feasible options and their costs and to shorten the lead-time for the implementation of one of the options.

The Senate recedes with an amendment.

Advanced technology bomber (B-2) (sec. 232)

The House bill contained a provision (sec. 222) that would require: A full performance matrix to be included as part of the B-2 cost, performance, and management initiative required in last year's Authorization Act; a report on total program cost of the B-2 in current and constant dollars; an independent GAO cost audit and analysis; and a review of the current system for monitoring and tracking the costs of the B-2 program.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment. The conferees agree to accept the general thrust of the House provision but with certain modifications, emphasizing an independent GAO cost review and the concern of the conferees for the ability of the Air Force and the DOD to control the costs of the program. The conferees endorse the continued development and low-rate production of the aircraft, because of its revolutionary penetration capabilities. However, the conferees continue to be concerned by the potential for programmatic cost growth on the part of the prime contractor and the two major subcontractors to affect the overall schedule and affordability of the program.

Sense of Congress on strategic missile modernization (sec. 233)

The Senate amendment contained a provision (sec. 232) that would express the sense of the Senate that the authorization of funds in this Act for research and development for both the Small ICBM and the rail-garrison MX missile systems does not constitute a commitment or express an intent to provide funds to procure and deploy either or both systems.

The House bill contained no similar provision.

The House recedes with an amendment changing the provision to the sense of Congress. In addition, the amendment deletes the findings from the Senate provision, because these findings had been previously stated in a similar provision (sec. 220) contained in the fiscal year 1988/1989 Defense Authorization Act (Public Law 100-180).

Advanced submarine technology (sec. 241)

The amended budget request did not include funds for the Advanced Submarine Technology Program.

The House bill would authorize $114 million for this purpose, with accompanying language concerning the execution of the program.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment.

The conferees recommend authorization of $65 million for the Advanced Submarine Technology Program under the management of the Defense Advanced Research Projects Agency. The conferees agree that this program should be funded at $100 million per year in order to maintain a desired level of effort; however, since the program was initiated in fiscal year 1988 and funding obligations were delayed six months due to the inertia inherent in a program start-up, $65 million is considered adequate in fiscal year 1989 to maintain a $100 million annual program. The conferees agree that the Defense Advanced Research Projects Agency should actively manage this program in a manner to ensure that the broadest range of technological disciplines and expertise will be brought to bear. Accordingly, the language of the House report (H. Rept. 100-563) concerning program execution, as revised, is affirmed and should stand as final guidance for this program, which is anticipated to have a life of approximately five years.

The Secretary of Defense is directed to act in the future to fund this program at levels that will ensure that the congressional intent is carried out.

EMPRESS II (sec. 242)

Both the House bill (sec. 235) and the Senate amendment (sec. 212(c)) would prohibit the Secretary of the Navy from conducting tests of electromagnetic pulses in the Chesapeake Bay area in connection with the Electromagnetic Pulse Radiation Environment Simulator Program for ships (EMPRESS). The House bill would effect a permanent prohibition; the Senate amendment would limit the prohibition only to fiscal year 1989.

The Senate recedes.

Space control (sec. 24B)

The House bill contained a provision (sec. 939) that would require the Secretary of the Navy to submit a comprehensive plan to counter Soviet satellites used to locate, target, and destroy U.S. naval vessels.

The Senate amendment contained a provision (sec. 236) that would require a comprehensive report that includes the requirements underlying the space control mission, a net assessment of U.S. and Soviet space control capabilities, and a plan to satisfy space surveillance requirements.

The House recedes.

Advanced tactical reconnaissance system competition (sec. 244)

The Senate amendment contained a provision (sec. 927) that would require the Secretary of the Air Force to submit a report outlining his plans for establishing competition in the development and procurement of components for the Advanced Tactical Reconnaissance System.

The House bill contained no similar provision.

The House recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

High temperature superconductivity

The House bill continued two provisions (secs. 203(c) and 203(e)) that would direct that certain amounts be available to the Defense Advanced Research Projects Agency (DARPA) only for high temperature superconductivity work.

The Senate amendment contained no similar provision; however, it would authorize $27 million to DARPA for high temperature superconductor manufacturing technology.

The House recedes on both provisions. The conferees affirm their intent that additional authorization be provided for research in high temperature superconductivity. Further discussion of this issue is included under the section of the statement of managers that addresses the Defense Advanced Research Projects Agency.

Vector thrust project (DP-2)

The House bill contained a provision (sec. 203(d)) that would urge the Secretary of Defense to transfer funds to continue the DP-2 Vector Thrust Project of the Defense Advanced Research Projects Agency if the results of on-going tests warrant the continuation of the project.

The Senate amendment included no similar provision.

The House recedes. The conferees agree, however, that the Vector Thrust Project (DP-2) may offer significant improvements to military aircraft performance. Accordingly, the conferees affirm the intent of the House provision, and urge that the Secretary of Defense transfer funds to continue the program should test results warrant. The conferees have also included this program as a possible candidate in the Product Evaluation Activity addressed elsewhere in this statement of managers.

Block 2 upgrade for Army tactical missile system

The House bill contained a provision (sec. 206) that would require that $20 million be provided only for the development of a Terminally Guided Sub Munition (TGSM) for the Army Tactical Missile System (ATACMS).

The Senate amendment contained no similar provision.

The House recedes. The conferees recommend an authorization of $10 million.

The conferees believe that the Army should be developing anti-armor capability for modern weapon systems, and especially those weapons designed for follow on forces attack. The conferees fully support the speedy development of a block upgrade to the Army Tactical Missile System, which should feature, but not be limited to, improved terminally guided submunitions.

Red team analysis of SDI program

The House bill contained a provision (sec. 213) that would direct the Secretary of Defense to conduct an independent adversarial (or so-called red team) analysis of the Strategic Defense Initiative (SDI) program, in order to enhance the credibility of SDI plans and programs.

The Senate amendment contained no similar provision.

The House recedes. The conferees agree that it would be highly desirable for the Secretary of Defense to establish an independent "red team"—one wholly *outside* the direction, control, or influence of the SDI organization—to review the range of potential Soviet responses, both political and technical, to the current SDI program plans. The analyses should examine a broad range of potential Soviet responses and U.S. countermoves and assess the potential effectiveness of those moves and countermoves. The conferees strongly urge the Secretary to establish such an independent group, and to direct the necessary resources from the SDI Organization to support such an activity.

Joint integrated avionics

The House bill contained a provision (sec. 232) that would require the Secretary of Defense to designate a Director of Joint Service Avionics to head a Joint Service Avionics Management Office. The Director would oversee the incorporation of joint avionics systems into future aircraft systems currently under development in the Military Departments. The Director would control the distribution of funds for avionics development for future weapon systems.

The House bill also contained a provision (sec. 205) that would provide authorization of not less than $50 million for engineering development of the joint Integrated Communications Navigation Identification Avionics (ICNIA) program. Further, the House provision would specify that $3 million of the funds authorized shall be available to the Army only for a helicopter test bed for the ICNIA program.

The Senate amendment contained no similar provisions.

The House recedes with the following language.

The conferees support the concept of Service execution and management of a joint avionics process through the Joint Integrated Avionics Plan and the Joint Integrated Avionics Working Group (JIAWG). The conferees believe JIAWG, as supervised by the Service acquisition executives, is sufficient to develop integrated avionics tailored to specific aircraft, while maximizing commonality and fulfilling the intent of streamlined acquisition as described in the Goldwater-Nichols Department of Defense Reorganization Act of 1986; however, oversight by the Office of the Secretary of Defense (OSD) should be more focused to provide explicit guidance. The conferees note the current JIAWG is undergoing a restructuring, and the funding for integrated avionics in the fiscal year 1989 amended budget request was not sufficient. Therefore, the conferees direct the Under Secretary of Defense (Acquisition) to submit to the Committees on Armed Services of the Senate and House of Representatives, by December 1, 1988, a report on the feasibility of centralizing and strengthening existing OSD oversight of joint avionics development within the current OSD organization.

To address funding shortfalls, the conferees recommend additional authorization of $34.7 million for the Air Force for joint integrated avionics. Of the $34.7 million recommended for authorization, $5.7 million is to be utilized for implementation of JIAWG avionics; $26 million is to be utilized for full scale development of common modules for integrated communication, navigation, and identification avionics; and $3 million is to be utilized for testing integrated communications, navigation, and identification avionics in a helicopter test bed such as an Army UH-60 Blackhawk.

This program initiative is not intended to delay the Air Force's Advanced Tactical Fighter (ATF), the Navy's Advanced Tactical Aircraft (ATA), or the Army's light helicopter (LHX) program. Rather, this approach provides for the concurrent development of modules and the supporting architectural elements of the JIAWG standard integrated avionics suites to reduce risk in meeting the ATF, ATA, and LHX aircraft schedules. In view of this objective, the conferees expect the Department of Defense to include sufficient funding in future budget requests.

Live fire testing programs

Section 236 of the House bill would amend section 2366(b)(3) of title 10, United States Code, to allow the Secretary of Defense to conduct live fire testing and to evaluate such testing using appropriations available for procurement of the systems being tested.

The Senate amendment contained no similar provision.

The House recedes. The conferees agree with the intent of the House provision to allow the Secretary of Defense to reprogram up to one third of one percent of the total funds approved by Congress for the procurement of a specific system that has been identified as a live fire testing candidate, for the purpose of conducting necessary vulnerability/lethality live fire tests and evaluations in compliance with the fiscal years 1987 and 1988 Defense Authorization Acts (Public Laws 99-661 and 100-180). The conferees agree to provide this discretionary authority to the Secretary of Defense through this statement of managers.

National Center for Manufacturing Sciences

The Senate amendment contained a provision (sec. 213(a)) that would authorize $5 million from the Air Force Manufacturing Technology (MANTECH) program only for the National Center for Manufacturing Sciences (NCMS).

The House bill contained no similar provision; however, the House report (H. Rept. 100-563) contained language that would direct the Air Force to obligate $5 million from the Air Force MANTECH program (identified as the Air Force Industrial Preparedness program) to support NCMS. The House report would also provide $10 million within the Air Force Industrial Preparedness program to complete a two phase program for modernizing the MARQUADT jet laboratory (MJL) facility and for meeting demanding requirements for ongoing and future hypersonic ramjet and scramjet programs such as the National Aerospace Plane (NASP) technology program.

The Senate recedes. The conferees direct that the Air Force obligate $5 million from the Air Force Industrial Preparedness program to support NCMS; however, the conferees do not agree with the House report language directing $10 million from the Air Force Industrial Preparedness account to MJL. The conferees support the requirement to enhance the nation's hypersonic testing facilities, but are concerned about utilizing industrial preparedness funds and the specific designation of a facility on a noncompetitive basis to receive these funds. The conferees, therefore, agree to authorize up to $10 million within the National Aerospace Plane technology program to establish a program to enhance industrial hypersonic testing facilities.

Consolidated DOD software initiatives program

Section 214(b) of the Senate amendment would authorize $45.12 million ($8 million above the amended budget request) only for the Defense Advanced Research Projects Agency for the Consolidated Department of Defense Software Initiatives program.

The House bill contained no similar legislative restriction, but would also authorize $45.12 million. The Senate and House reports (S. Rept. 100-326 and H. Rept. 100-563) both specifically would direct that of the $45.12 million, at least $18.9 million would be available only for the Department of Defense Software Engineering Institute (SEI).

The Senate recedes. The conferees recommend an authorization of $45.12 million and direct that at least $18.9 million be available only for the DOD Software Engineering Institute.

Mark XV identification friend or foe

The Senate amendment contained a provision (sec. 217) that would limit the amount the Department of Defense could obligate on combat identification systems until the Secretary of Defense made certain certifications to the Congress concerning combat identification systems.

The House bill contained no similar provision.

The Senate recedes.

The conferees concur with the Senate position that combat identification persists as one of the most important deficiencies in the NATO Alliance. NATO identified combat identification as one of its key deficiencies twenty years ago, but little progress has been made to correct that deficiency. The conferees share the concern that the Department's program to rectify combat identification problems is inadequate. Further, the conferees understand that the current program is subject to even further reductions and delays in the Department's planning for the Five Year Defense Program for fiscal years 1990 to 1994.

The conferees intend to focus on the problem of combat identification during consideration of the Five Year Defense Program for fiscal years 1990 to 1994. To that end, the conferees direct the Department of Defense to take the following action:

(1) The Secretary of Defense shall conduct a comprehensive fratricide assessment of U.S. forces, to include air-to-air and surface-to-air fratricide. The fratricide assessment shall consider combat identification capabilities and force levels in three time periods: 1990, 1995, and 2000. The fratricide assessment should indicate which programs and capabilities produce changes over these periods.

(2) The Commander-in-Chief of the U.S. European Command shall report to the Secretary his assessment of the adequacy of NATO's combat identification systems, and the extent to which the Five Year Defense Program removes the deficiencies in combat identification for U.S. forces. The Commander-in-Chief shall also report on the adequacy of the plans of other members of the NATO alliance to redress deficiencies in combat identification.

(3) The Director of Defense Research and Engineering shall conduct a comprehensive evaluation of all non-cooperative combat identification programs. That evaluation shall include an assessment of the technical status and risk of each program, as well as the Services' management of those programs.

The conferees direct that the Department not obligate more than 50 percent of the research and development funds appropriated pursuant to authorization for combat identification until the Secretary has submitted to the Congress the reports and studies noted above. The programs included in the obligation limitation are P.E. 603706A, 604709A, 604211N, 603724F, and 604725F.

Satellite R&D

The Senate amendment (sec. 219) would apply an undistributed reduction to the Global Positioning System (GPS), the Defense Satellite Communications System (DSCS), the Defense Meteorological Satellite Program (DMSP), and the Defense Support Program (DSP) satellite R&D programs.

The House bill would authorize the amounts contained in the amended budget request.

The Senate recedes. The conferees agreed to the Senate position and to the rationale contained in the Senate report (S. Rept. 100-326) but see no need for a legislative provision.

TITLE III—OPERATION AND MAINTENANCE AND WORKING CAPITAL FUNDS

OVERVIEW

The House bill would authorize $85,700,879,000 for Department of Defense Operation and Maintenance accounts and $768,500,000 for Working Capital Fund accounts, an increase from the amended budget request of $51,879,000 and $5,000,000, respectively.

The Senate amendment would authorize $85,521,280,000 for Department of Defense Operation and Maintenance accounts and $693,500,000 for Working Capital Fund accounts, a reduction of $127,700,000 and $70,000, respectively.

The conferees agree to authorize $85,497,500,000 for Department of Defense Operation and Maintenance accounts and $688,500,000 for Working Capital Fund accounts, as reflected in the following tables. This level of authorization represents a reduction from the amended budget request of $151,500,000 and $75,000,000, respectively.

OPERATION AND MAINTENANCE
SUMMARY OF FUNDS RECOMMENDED
FOR AUTHORIZATION
(DOLLARS IN THOUSANDS)

ACCOUNT	AMENDED FY1989 REQUEST	HOUSE CHANGE	FY1989 HOUSE AUTHORIZED	SENATE CHANGE	FY1989 SENATE AUTHORIZED	CONFERENCE CHANGE	FY1989 CONFERENCE AUTHORIZED
O & M, ARMY	22,085,200	79	22,085,279	18,700	22,103,900	18,700	22,103,900
O & M, NAVY	24,945,800	2,000	24,947,800	(66,100)	24,879,700	(93,700)	24,852,100
O & M, MARINE CORPS	1,792,000	60,000	1,852,000	0	1,792,000	25,000	1,817,000
O & M, AIR FORCE	21,950,000	(34,600)	21,915,400	(51,300)	21,898,700	(94,400)	21,855,600
O & M, DEFENSE AGENCIES	7,725,700	(4,600)	7,721,100	(88,820)	7,636,880	(40,300)	7,685,400
O & M, ARMY RESERVE	794,900	0	794,900	0	794,900	0	794,900
O & M, NAVY RESERVE	979,200	0	979,200	0	979,200	0	979,200
O & M, MARINE CORPS RESERVE	77,500	0	77,500	0	77,500	0	77,500
O & M, AIR FORCE RESERVE	1,028,500	5,400	1,033,900	0	1,028,500	5,400	1,033,900
O & M, ARMY NATL GUARD	1,797,000	0	1,797,000	8,300	1,805,300	4,200	1,801,200
O & M, AIR NATL GUARD	1,965,400	5,600	1,971,000	0	1,965,400	5,600	1,971,000
RIFLE PRACTICE	4,300	0	4,300	0	4,300	0	4,300
COURT OF MILITARY APPEALS	3,500	0	3,500	0	3,500	0	3,500
ENVIRONMENTAL RESTORATION	500,000	0	500,000	0	500,000	0	500,000
HUMANITARIAN ASSISTANCE	0	13,000	13,000	13,000	13,000	13,000	13,000
GOODWILL GAMES	0	5,000	5,000	0	0	5,000	5,000
TOTAL OPERATION & MAINTENANCE	85,649,000	51,879	85,700,879	(166,220)	85,482,780	(151,500)	85,497,500

O & M, ARMY
($ IN THOUSANDS)

	FY89 REQUEST	HOUSE BILL CHANGE FROM REQUEST	HOUSE BILL AUTHORIZATION	SENATE BILL CHANGE FROM REQUEST	SENATE BILL AUTHORIZATION	CONFERENCE CHANGE FROM REQUEST	CONFERENCE AUTHORIZATION
O & M, ARMY	22,085,200						
Capping For Nat Civ pay		(13,900)				0	
MWR		(6,000)				(6,000)	
Depot Maintenance		(120,000)		120,000		(50,000)	
Base Operations		(40,000)				(10,000)	
General Purpose Forces		(47,000)				(10,000)	
Central Supply		120,000		40,000		120,000	
Industrial Preparedness		32,000				22,000	
Army Dev & Emp Agency		2,000				1,500	
Classified Programs		(7,021)				0	
Direct Support Maintenance		20,000				0	
Stock Fund Repair Parts		30,000				0	
Drug Interdiction		10,000				0	
Commissary Operations		20,000				0	
Command, Control and Communications				(10,000)		(5,000)	
Asset Capitalization				(50,000)		(25,000)	
Administration				(34,000)		(10,000)	
Claims				(10,000)		(10,000)	
DSACS				1,200		1,200	
TOTAL	22,085,200	79	22,085,279	57,200	22,142,400	18,700	22,103,900

O & M, NAVY
($ IN THOUSANDS)

		HOUSE BILL		SENATE BILL		CONFERENCE	
	FY89 REQUEST	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION
O & M, NAVY	24,945,800						
Inventory Management		(62,700)				(44,500)	
Navy Audit Service		(2,000)				(2,000)	
ADP Systems		(29,800)				(29,800)	
MWR		(7,000)				(7,000)	
Naval Industrial Funding		(139,200)				0	
Gulfport		(9,000)				0	
Davis Bacon		(30,000)				0	
Service Contract Act		(53,000)				0	
Capping Foreign Nat Civ Pay		(8,200)				0	
Aviation Rework and Maintenance		200,000				72,000	
Sunset Harbor Study		100				100	
Fleet Electronic Warfare Support Program		2,800				2,800	
General Purpose Forces		55,000				0	
Drug Interdiction Assistance		25,000				0	
Direct Transfer Coast Guard Drug Assistance		60,000				0	
Command, Control and Communications				(5,000)		(5,000)	
Asset Capitalization Program				(100,000)		(80,000)	
Depot Maintenance				40,000		0	
Classified Programs				(1,100)		(300)	
TOTAL	24,945,800	2,000	24,947,800	(66,100)	24,879,700	(93,700)	24,852,100

O & M, MARINE CORPS
($ IN THOUSANDS)

		HOUSE BILL		SENATE BILL		CONFERENCE	
	FY89 REQUEST	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION
O & M, MARINE CORPS	1,792,000						
Readiness Initiatives		50,000				25,000	
Depot Maintenance		10,000				0	
TOTAL	1,792,000	60,000	1,852,000	0	1,792,000	25,000	1,817,000

O & M, AIR FORCE
($ IN THOUSANDS)

		HOUSE BILL		SENATE BILL		CONFERENCE	
	FY89 REQUEST	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION
O & M, AIR FORCE	21,950,000						
Capping For Nat Civ Pay		(4,700)				0	
MWR		(15,000)				(15,000)	
Flight Jackets		(5,200)				(5,200)	
Inventory Management		(35,000)				(27,500)	
Real Growth Reductions		(40,900)				(15,400)	
Civil Air Patrol		1,700		1,700		1,700	
Classified Programs		(500)				0	
Depot Maintenance		40,000		75,000		30,000	
Drug Interdiction Assistance		25,000				0	
Command, Control and Communications				(40,000)		(20,000)	
Asset Capitalization Program				(50,000)		(25,000)	
Administration				(13,000)		(13,000)	
Transportation				(25,000)		(5,000)	
TOTAL	21,950,000	(34,600)	21,915,400	(51,300)	21,898,700	(94,400)	21,855,600

O & M, DEFENSE AGENICES
($ IN THOUSANDS)

		HOUSE BILL		SENATE BILL		CONFERENCE	
	FY89 REQUEST	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION
O & M, DEFENSE AGENICES	7,725,700						
Capping For Nat Civi Pay		(900)				0	
Office of Secretary of Defense		(5,000)				(5,000)	
Washington Headquarters Services		(5,000)				(5,000)	
Classified Programs		(3,700)		(30,820)		(5,300)	
DIS		10,000				10,000	
Command Control and Communications				(20,000)		(10,000)	
Administration				(38,000)		(25,000)	
TOTAL	7,725,700	(4,600)	7,721,100	(88,820)	7,636,880	(40,300)	7,685,400

O & M, AIR FORCE RESERVE
($ IN THOUSANDS)

		HOUSE BILL		SENATE BILL		CONFERENCE	
	FY89 REQUEST	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION
O & M, AIR FORCE RESERVE	1,028,500						
Reinstate FY 1989 Force Structure Reduction		5,400				5,400	
TOTAL	1,028,500	5,400	1,033,900	0	1,028,500	5,400	1,033,900

O & M, ARMY NATIONAL GUARD
($ IN THOUSANDS)

		HOUSE BILL		SENATE BILL		CONFERENCE	
	FY89 REQUEST	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION
O & M, ARMY NATIONAL GUARD	1,797,000						
Flying Hours				8,300		4,200	
TOTAL	1,797,000	0	1,797,000	8,300	1,805,300	4,200	1,801,200

O & M, AIR NATIONAL GUARD
($ IN THOUSANDS)

		HOUSE BILL		SENATE BILL		CONFERENCE	
	FY89 REQUEST	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION	CHANGE FROM REQUEST	AUTHORIZATION
O & M, AIR NATIONAL GUARD	1,965,400						
Reinstate FY 1989 Force Structure Reduction		5,600				5,600	
TOTAL	1,965,400	5,600	1,971,000	0	1,965,400	5,600	1,971,000

SUMMARY OF FUNDS RECOMMENDED
FOR AUTHORIZATION
(DOLLARS IN MILLIONS)

ACCOUNT	AMENDED REQUEST FY1989	HOUSE CHANGE	FY1989 HOUSE AUTHORIZATION	SENATE CHANGE	FY1989 SENATE AUTHORIZED	CONFERENCE CHANGE	FY1989 CONFERENCE AUTHORIZED
REVOLVING AND MANAGEMENT FUNDS							
Army Stock Fund	321.9	−15.0	306.9	−30.0	291.9	−30.0	291.9
Navy Stock Fund	204.7	0.0	204.7	−20.0	184.7	−20.0	184.7
Air Force Stock Fund	206.9	25.0	231.9	−20.0	186.9	−20.0	186.9
Defence Stock Fund	30.0	−5.0	25.0	0.0	30.0	−5.0	25.0
National Defense Stockpile	0.0	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL REVOLVING/MANAGEMENT FUNDS	763.5	5.0	768.5	−70.0	693.5	−75.0	688.5

ITEMS OF SPECIAL INTEREST

Morale, welfare and recreation

The conferees generally endorse the recommendations and direction issued by the House report (H. Rept. 100-563) and urge the Department of Defense to continue its efforts to manage morale, welfare, and recreation (MWR) activities in a more uniform and efficient manner. The conferees wish to clarify a number of points in the report and provide additional guidance to the Department of Defense.

The conferees believe that MWR activities in the Department of Defense should be divided into three categories in lieu of the four categories advocated by DOD. For those activities that were in the category that is being disestablished and that are being assigned to the business activity category (for which no direct appropriated fund support is provided), the Department of Defense may submit to the Committees on Armed Services of the Senate and House of Representatives by October 1, 1988, a list of activities by base, supported by appropriate justification, to be exempt from assignment to this category and to be assigned instead to the basic community support category (for which a combination of appropriated and non-appropriated fund support is authorized). The conferees expect the Department of Defense to exercise this option judiciously on the basis of the location of these activities, such as isolated, remote locations or locations that are exceptional because of conditions which make them practically identical to isolated, remote locations in terms of MWR. The exemption will be subject to the approval of the Committees on Armed Services of the Senate and House of Representatives.

With respect to the phase out of appropriated fund for civilian employees and military personnel from business activities, the conferees direct the Department of Defense to expedite the action to provide portability of benefits between civil service and non-appropriated fund employees. The conferees also direct the Department of Defense to identify those military personnel who are currently serving in the activities being realigned to the business activities category who have been assigned a primary skill with the reasonable expectation of retaining this skill as a career skill. The conferees expect the Department of Defense to provide for retraining of those personnel to other skills. In the case of personnel who are within four years of retirement or completion of an active duty service commitment, the Department of Defense may develop a plan for the utilization of these personnel in business activities until October 1, 1992. The Department of Defense will submit this plan by December 31, 1988 to the Committees on Armed Services of the Senate and House of Representatives for approval.

With respect to the reimbursement of non-appropriated fund Services with appropriated funds, the conferees are disappointed at the apparent inability of the Office of the Secretary of Defense to provide definitive, uniform guidance to the military Services. Therefore, the conferees direct the Department of Defense to cease this practice by October 1, 1990.

Finally, with respect to the transfer of package store activities to the exchanges, the conferees expect the Department of Defense to provide a reasonable employment transition option for personnel currently employed by package stores.

Joint use of Selfridge AFB, Michigan

The conferees from the House of Representatives note that, given the opposition of the Air Force to making Selfridge Air Force Base, Michigan, a joint use facility, it would require an act of Congress to direct such joint use. The House conferees state their opposition to any such joint use and to any such future act of Congress.

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Humanitarian assistance (sec. 303)

Both the House bill and the Senate amendment contained a provision (section 303) that would continue a program of transportation of humanitarian aid to persons who are refugees because of the invasion of Afghanistan by the Soviet Union and to the non-Communist resistance organization at or near the border between Thailand and Cambodia. Both provisions would provide that of the amount authorized in section 301 for humanitarian aid ($13 million), $10 million would be for the Afghan programs and $3 million would be for the Southeast Asia program. As in previous years, the transportation provided under this section would be under the direction of the Secretary of State.

The only differences between the two provisions were minor differences in the reporting requirements to Congress. The conferees believe the Senate version is preferable. Therefore, the House recedes.

Tripler Army Medical Center (sec. 304)

The Senate amendment contained a provision (sec. 305) that would direct the Department of Defense to establish a video teleconferencing center for the Tripler Army Medical Center.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Assistance to the 1990 Goodwill Games (sec. 305)

The House bill would authorize $5 million for Defense Department security support for the 1990 Goodwill Games in Seattle, Washington.

The Senate amendment contained no similar authorization.

The Senate recedes with an amendment.

The conferees agreed to authorize the Secretary of Defense to provide logistical support and personnel services on a reimbursable basis to Federal, State and local government entities in connection with the 1990 Goodwill Games to be held in Seattle, Washington. The Secretary of Defense, under specified circumstances, may waive the requirement for reimbursement for logistical support and personnel services to the Goodwill Games to ensure the security of persons and property in connection with the Games. In order for the Secretary to exercise this waiver authority, the Attorney General must (1) certify to the Secretary that there are significant potential threats to the security of persons or property, or both, at the Games, and that other Federal, State and local entities concerned do not have the capability to deal adequately with such potential threats; and (2) recommend that the requirement for reimbursement be waived because such reimbursement is in the national interest and unusual circumstances make it impractical for Federal, State and local entities to reimburse the Secretary.

The provision requires that waivers for reimbursement be made by the Secretary on a case-by-case basis. The conferees included this requirement to ensure that a blanket waiver is not given by the Secretary for the entire range of security support services provided by the Department of Defense. Rather, it is the intent of the conferees that the waiver authority be used for particular categories of equipment and services on the basis of specific demonstrated need.

This provision also authorizes up to $5 million to be appropriated for DOD support to the Goodwill Games in fiscal year 1989. In computing the amount that has been expended to carry out this provision, the Secretary shall include the pay and allowances of Members of the Reserve Components called to active duty to provide support to the Goodwill Games and exclude the pay and non-travel related allowances of active duty military members supporting the Games.

Inaugural assistance (sec 306)

The conferees are concerned that the authority contained in section 2543 of title 10, United States Code, for the Secretary of Defense to provide support to the Inaugural Committee may not provide sufficient flexibility to encompass the full range of support that the military Services have traditionally and customarily provided to the ceremonies making the inauguration of the President. Accordingly, the conferees have included a provision giving the Secretary of Defense additional authority during fiscal year 1989 to lend materials or supplies and provide materials, supplies or services of personnel of the Inaugural Committee under conditions prescribed by the Secretary.

The conferees believe that in providing this increased flexibility, the Inaugural Committee should reimburse the Secretary of Defense for the materials, supplies or services of personnel provided to it in connection with any event that is not a public event. The conferees also believe that when providing the services of members of the armed forces to the Inaugural Committee for any event that is not a public event, the Secretary should utilize only members of the armed forces who have volunteered for service with the Inaugural Committee.

Enhancement of capability to combat fraud, waste and abuse (sec. 307)

At a time when public confidence in the defense acquisition process has been severely shaken by allegations of major fraud in the weapons procurement process, the conferees are very concerned about serious shortcomings in the Department's capability to combat fraud, waste, and abuse. At present, there is a $150 billion backlog in audits of costs incurred by defense contractors. Although the Inspector General has stated that the Department recovers $19 for every dollar spent on defective pricing audits, DoD currently audits less than three percent of the contracts that are subject to the Truth in Negotiations Act.

In light of these weaknesses, it is essential that the auditing functions of the Department of Defense not be deprived of the number of auditors and support personnel needed to perform these vital tasks.

The original fiscal year 1988/1989 defense budget request included funds to provide 657 audit and support personnel under the Assistant Inspector General for Audit within the office of the DoD Inspector General. However, the amended fiscal year 1989 budget request would reduce this end strength to approximately 550. The proposed reductions in the DoD Inspector General's auditing staff would result in a 50 percent decrease in the IG's coverage of contract administration programs and a 20 percent decrease in the coverage of contract audit issues.

Similar reductions in audit personnel from the original fiscal year 1988/89 Defense budget request were proposed in the amended fiscal year 1989 request to the Defense Contract Audit Agency (DCAA). These proposed reductions would have a significant and detrimental impact on DCAA's ability to conduct defective pricing and incurred cost audits. Delays in these types of audits preclude the government from taking preventive measures against contractor incurrence of excess costs; breakdowns in internal controls of contractor accounting systems and the related impact on cost charging to Government contracts; and fraud or other irregularities.

The conferees believe that these reductions are inappropriate, particularly in light of current concerns over the integrity of the defense acquisition system. Therefore, the conferees direct that within the funds authorized to be appropriated under Title III of this Act, the Secretary of Defense shall ensure that sufficient resources are provided to the Office of Inspector General to support 657 audit and support personnel within the Office of the Assistant Inspector General for Audit by the end of fiscal year 1989.

Further, the conferees direct the Secretary of Defense to insure that sufficient resources are provided to the Defense Contract Audit Agency to support not less than 7,007 personnel by the end of fiscal year 1989. This is the level originally requested in the original fiscal year 1988/1989 Defense budget request, and an increase of 568 above the level in the amended fiscal year 1989 Defense budget request.

These resources shall be available without other reductions in the Office of the Inspector General or the Defense Contract Audit Agency.

Prohibition on financing certain activities by direct appropriations (sec. 311)

The House bill contained a provision (sec. 311) that would prohibit the conversion of the Naval Avionics Center, Indianapolis, Indiana; the Naval Air Engineering Center, Lakehurst, New Jersey; and the Naval Civil Engineering Laboratory, Port Hueneme, California, from industrial funding to direct operation and maintenance funding.

The Senate amendment contained a similar provision (sec. 311).

The House recedes.

Prohibition on joint use of Dobbins Air Force Base with civil aviation (sec. 312)

The House bill contained a provision (sec. 312) that would prohibit the Secretary of the Air Force from entering into an agreement to allow joint use of Dobbins Air Force Base in Marietta, Georgia, with civil aviation.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

Prohibition on purchases of Toshiba products for resale in military exchange stores (sec. 313)

The House bill contained a provision (sec. 313) that would prohibit the Department of Defense from purchasing any product manufactured or assembled by Toshiba America, Incorporated (or any of its affiliates or subsidiaries) for the purpose of resale, either directly or by concessionaire, in a military exchange store or in any other morale, welfare or resale activity operated by the Department of Defense.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment. The conferees agree to an exception to the prohibition in the House provision for microwave ovens manufactured or assembled in the United States. The conferees also agree to make the House provision effective for three years after the date of enactment.

Limitation on funding for United States Southern Command airlift (sec. 314)

The House bill contained a provision (sec. 301(d)) that would provide that of the amounts authorized for the Operation and Maintenance, Air Force account in fiscal year 1989, $11.5 million would be available only for contracting for aircraft with short takeoff and landing (STOL) capability for the United States Southern Command. The provision would also prohibit obligation of fiscal year 1989 Operation and Maintenance, Air Force funds for a contract for STOL-capable aircraft until the Secretary approves and submits to the Committees on Armed Services of the Senate and House of Representatives a requirements document and acquisition plan, including costs and schedule information, for an aircraft with short takeoff and landing capability for the United States Southern Command.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment. The conferees agree to require a requirements document and acquisition plan from the Secretary of Defense before obligation of any fiscal year 1989 funds from the Operation and Maintenance, Air Force account for a contract for STOL-capable aircraft.

One-year extension of limitation on Army depot maintenance funding (sec. 315)

The House bill contained a provision (sec. 314) that would extend to fiscal year 1989 the requirement contained in section 314 of the fiscal year 1988/1989 Defense Authorization Act (Public Law 100-180) that no less than 60 percent of the appropriations for Army depot maintenance may be used to perform workload in-house, unless the Secretary of the Army submits a report indicating that this objective cannot be met and the reasons for this deviation.

The Senate amendment contained no similar provision.

The Senate recedes.

Operation of SR-71 depot rework facility (sec. 316)

The Senate amendment would authorize an additional $20 million for SR-71 squadrons, directing that the Air Force use those funds to maintain the existing rework facility at Palmdale, California, which serves as the depot for the SR-71 fleet.

The House bill contained no similar provision.

The House recedes with an amendment.

The conferees note that the funding for the rework facility should occur through the operations and maintenance account. The conferees recommend that the Air Force retain operation of the existing rework facility through fiscal year 1989.

Management of civilian personnel during fiscal year 1990 (sec. 317)

The House bill contained a provision (sec. 330) that would repeal the requirement for the authorization of civilian personnel appropriations by end-strength, as requested by the administration. The House provision would also require the Secretary of Defense to submit an annual report on funds spent for civilian personnel, and exempt "indirectly funded government employees" from this reporting requirement.

The Senate amendment contained a provision (sec. 431) that would authorize civilian personnel end-strengths for each component of the Department of Defense for fiscal year 1989 as required by section 115 of title 10, United States Code.

The Senate recedes with an amendment.

The conferees agreed to extend for two more years the lifting of congressional end strength ceilings and to continue the prohibition of Department of Defense management of civilian personnel or related methodology through fiscal year 1990.

The conferees also agreed to change from quarterly to semi-annually the reporting requirements on the number and dollar obligations associated with Department of Defense civilians.

Limitations on operation of existing Poseidon-class submarines (sec. 318)

In view of the severe budgetary constraints faced by the Department of Defense, the conferees agree to prohibit the expenditure of funds to overhaul, maintain, operate, or deploy the USS *James Monroe* (SSBN 622) after September 1, 1989. The conferees expect the Navy to dispose of the submarine in a manner consistent with the disposition of previous Poseidon-class submarines that were withdrawn from service. The conferees also agree to prohibit the expenditure of funds to overhaul, operate or deploy the USS *Henry Clay* (SSBN 625) after September 1, 1989, except that such funds may be obligated or expended after such date for the operation of such vessel for: (a) crew training in port and (b) a short underway trial before such vessel proceeds to the inactivating port. The conferees expect the Navy to withhold the submarine from operations in a manner consistent with the normal handling of ballistic missile submarines in a non-deployed status.

Limitation on private operation of commissary stores (sec. 321)

The House bill contained a provision (sec. 321) that would prohibit any full-store privatization or contracting out of procurement functions for military commissaries.

The Senate amendment contained a similar provision (sec. 321).

The House recedes.

Allowable costs with respect to certain service contracts performed overseas (sec. 322)

The House bill contained a provision (sec. 322) that would prohibit the Secretary of Defense or the Secretary of a Military Department from entering into any overseas contract that allows for the payment of severance pay greater than the typical rate of severance pay in the United States or contracts that require the Government to reimburse a contractor for overseas banking services for bad debt expenses.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment. The conferees agree with that part of the House provision prohibiting the entering into any overseas contract allowing for the payment of severance pay greater than the typical rate of severance pay in the United States. The conferees do not agree with the bad debt expense segment. The conferees direct the Secretary of Defense to pursue aggressively the Department of Defense program to assign overseas military banking program bad debts to the U.S. Government and to initiate involuntary collection of these debts. The conferees also direct the Secretary of Defense to determine the feasibility and to develop an implementation plan to transfer overseas military banking activities to military exchanges in line with the recommendations put forth in the November 1987 report entitled, "DOD Study of Overseas Financial Services." The feasibility and implementation plan is to be submitted to the Committees on Armed Services of the Senate and House of Representatives six months after enactment.

Authority to continue support of scouting activities overseas (sec. 323)

The House bill contained a provision (sec. 323) that would permit, for locations outside of the United States, scouting professionals to travel at the expense of the Government while providing scouting services and would provide without charge office, warehouse, and recreational facilities and communication equipment. Additionally, the provision would permit supplies of the Boy Scouts of America and the Girl Scouts of America to be used in the furtherance of scouting programs for the armed forces to be transported at Government expense. This provision would also allow the Secretary of the Military Department concerned to reimburse the Boy Scouts of America and the Girl Scouts of America from available nonappropriated funds for all or part of the pay of an employee of these Scouting organizations who are performing scouting services in a foreign country in support of the armed forces.

The Senate amendment contained no similar provision.

The Senate recedes.

Transfers and exchanges of certain documents, historical artifacts and condemned and obsolete combat material (sec. 324)

The House bill contained a provision (sec. 324) that would include historical societies, historical institutions, veterans' organizations and foreign museums on the list of eligible recipients for loan or donation of books, works of art, drawings, plans, models, and condemned or obsolete combat material that are no longer needed by the Department of Defense. Additionally, the provision would permit the Secretary concerned to exchange such items with individuals and public and private organizations, institutions, or agencies.

The Senate amendment contained no similar provision.

The Senate recedes.

Qualifications for head of auditing function in Military Departments (sec. 325)

The House bill contained a provision (sec. 325) that would establish minimum qualifications for auditors general within each Service and would give the Department of Defense Inspector General authority to approve each new auditor general selectee. In addition, this provision would prohibit the use of military personnel in certain key supervisory positions within the Naval Audit Service.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment.

The conferees agree to establish minimum qualifications for auditors general within each Service, and agree to prohibit the use of military personnel in certain key supervisory positions within the Naval Audit Service. The conferees also agree that the Navy should replace the military officers serving in these key supervisory positions within one year with highly skilled and professional civilian audit managers. The conferees direct the Navy to conduct a thorough and extensive search for candidates to fill these positions. The conferees do not agree that approval by the Department of Defense Inspector General of each auditor general selectee should be required.

Prohibition on certain depot maintenance workload competitions (sec. 326)

The House bill contained a provision (sec. 326) that would prohibit the Secretary of Defense from requiring the Secretary of the Army or the Secretary of the Air Force from competing depot workloads between themselves or with private contractors.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

Report on manpower, mobility, sustainability and equipment (sec. 327)

The House bill contained a provision (sec. 328) that would make permanent the annual reporting requirement contained in section 317 of the fiscal year 1988/1989 Defense Authorization Act (Public Law 100-180). Under this requirement, the Secretary of Defense must submit a report to the Committees on Armed Services of the Senate and House of Representatives on the status of Department of Defense efforts to identify and measure readiness and to relate such indicators and measurements to the budget process.

The Senate amendment contained no similar provision. However, the Senate report (S. Rept. 100-326) directed the Secretary of Defense to submit a consolidated report on manpower, mobilization, sustainability and readiness to the Committees on Armed Services of the Senate and House of Representatives not later than February 15, 1988.

The Senate recedes with an amendment. The conferees agree to require a report from the Secretary of Defense for fiscal year 1989 as outlined in the Senate report.

Lease of aircraft for fleet electronic warfare support group activities (sec. 328)

The Senate amendment contained a provision (sec. 919) that would authorize the lease of an aircraft to support fleet electronic warfare activities.

The House bill contained no similar provision.

The House recedes.

Requirements for certain Circular A-76 procedures (sec. 331)

The House bill contained a provision (sec. 316) that would require the Secretary of Defense to include retirement system costs of both the Department of Defense and the contractor in any comparison of the cost of performing commercial activities in the Department of Defense under Office of Management and Budget (OMB) Circular A-76. The provision would also require DOD officials responsible for determining under OMB Circular A-76 whether to convert to contractor performance any commercial activity in DOD to consult monthly during the review process with the civilian employees who will be affected by the determination.

The Senate bill contained no similar provision.

The Senate recedes with a technical amendment.

Performance of firefighting and security guard functions at Amchitka, Alaska (sec. 332)

The Senate amendment contained a provision (sec. 304) authorizing the Secretary of the Navy to contract for the performance of firefighting and security guard functions required by the Navy at Amchitka, Alaska.

The House bill contained no similar provision.

The House recedes.

Defense supply management studies and modernization plan (sec. 341)

The House bill contained a provision (sec. 341) that would require the Secretary of Defense to carry out and complete within one year after enactment a comprehensive study to determine the effectiveness of Department of Defense procedures for ensuring security and control for supplies at DOD depots. This study would be submitted to the Committees on Armed Services of the Senate and House of Representatives 18 months after enactment, and would be reviewed by the General Accounting Office. This provision would also require the Secretary of Defense to conduct a cost-benefit analysis of the practice of selling surplus DOD munitions to the public; to develop methods for the identification and accounting for individual items of ammunition, explosives and other DOD supplies that are susceptible to pilferage; and to prepare a plan for the modernization of the supply facilities and supply distribution procedures of each of the Military Departments and Defense Agencies.

The Senate amendment contained a similar provision (sec. 331).

The House recedes with an amendment. The conferees agree to modify the requirement for the Secretary of Defense to conduct a cost-benefit analysis of the practice of selling surplus munitions to the public to include licensed dealers.

Supply security and control improvements (sec. 342)

The House bill contained a provision (sec. 342) that would require the Secretary of Defense to submit a report to the Committees on Armed Services of the Senate and House of Representatives on security and control of Department of Defense supplies. This provision would also direct the Secretary of Defense to require an investigation of each discrepancy in an accounting for supplies of the Department of Defense involving an amount exceeding the amount determined under procedures prescribed by the Secretary; direct the Secretary, to the extent feasible, to require that the job functions of supply ordering and supply receiving be performed by different offices and individuals; and require the Secretary to ensure that an individual's performance in accounting for supplies of the Department of Defense is taken into account in evaluating an individual's job performance and fitness for promotion or assignment to a position of command.

The Senate amendment contained a similar provision (sec. 332), but did not include the requirement relating to individual's performance in accounting for supplies. Instead, the Senate report (S. Rept. 100-326) urged Defense Department managers to comply with DOD Instruction 4140.35, "Physical Inventory Control for DOD Supply System Material", which requires that the heads of DOD Components shall, "Ensure that materiel accountability and inventory accuracy are mandatory elements in military and civilian personnel performance for individuals directly responsible for the caring, safekeeping, managing and reporting of DOD supply system material."

The House recedes.

Inventory investigations (sec. 343)

The House bill contained a provision (sec. 343) that would express the sense of Congress that the use of undercover investigative techniques by the Department of Defense enhances the ability of the Department to detect and investigate theft of government property from the DOD supply system. The provision would urge the Secretary of Defense to continue conducting such undercover investigations.

The Senate amendment contained a similar provision (sec. 333).

The House recedes.

Reports to the Secretary of the Treasury of losses of munitions (sec. 344)

The Senate amendment contained a provision (sec. 334) that would require the Secretary of Defense to report the theft or other loss of any ammunition, destructive device, or explosive material from Department of Defense stocks to the Secretary of the Treasury within 24 hours after the discovery of such theft or loss.

The House bill contained no similar provision.

The House recedes with an amendment.

The conferees agree to require the Secretary of Defense to report the theft or other loss of any ammunition, destructive device, or explosive material from DOD stocks to the Secretary of the Treasury within 72 hours after the discovery of such theft or loss. The conferees further agree that items determined to be of low risk and of minimal utility to criminal elements may be excluded from this reporting requirement based on a Memorandum of Agreement between the Secretary of Defense and the Secretary of the Treasury.

Study of Department of Defense safety standards for transportation of hazardous materials (sec. 351)

The House bill contained a provision (sec. 353) that would require the Secretary of Defense to submit to Congress a report on the adequacy of Department of Defense safety standards for the transportation of hazardous materials not later than one year after the date of enactment.

The Senate amendment contained no similar provision.

The Senate recedes.

Report on the use of degradable plastic items by the Defense Department (sec. 352)

Section 944 of the Senate amendment would direct the Secretary of Defense to conduct a study to identify the types of disposable plastic items used in fiscal year 1989 by the Department of Defense; to determine which items were biodegradable and which were not; and to report on the feasibility and costs of substituting agricultural commodity-based biodegradable plastic items for nonbiodegradable items.

The House bill contained no similar provision.

The House recedes with an amendment that broadens the types of degradable plastics to be considered beyond agricultural commodity-based biodegradable items. The conferees have learned of other means of producing degradable plastic, and believe the study and report should not be limited to biodegradable plastic items. The conferees also understand that the Department of the Navy may have undertaken a study of degradable plastic products. The conferees believe that if such studies exist, the Department of Defense should make use of these studies to prevent unnecessary duplication of effort.

Navy participation in feasibility study of Sunset Harbor Project, California (sec. 353)

The House bill contained a provision (sec. 327) that would require the Navy to contribute $100,000 to study the feasibility of an alternate navigable ocean access at Sunset Harbor in San Diego, California.

The Senate amendment contained no similar provision.

The Senate recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

Funding for Defense agencies

The House bill contained a provision (sec. 301(c)) that would reduce the amounts authorized for the Office of the Secretary of Defense and the Washington Headquarters Service by $5 million from the amounts requested, and increase the amount authorized for the Defense Investigative Service by $10 million from the amount requested.

The Senate amendment contained no similar provision.

The House recedes. The conferees agree to include the adjustments made by the House provision in the amounts authorized for Operation and Maintenance, Defense Agencies.

Authorization for school district assistance

The House bill contained a provision (sec. 305) that would authorize the Secretary of the Navy to use not more than $1.5 million to provide assistance to the Tinton Falls School District, Tinton Falls, New Jersey, for the purpose of supporting the education of dependents of Navy personnel who are stationed at Naval Weapons Station Earle during the 1989-1990 school year.

The Senate amendment contained no similar provision.

The House recedes.

The conferees note that Title II of the recently enacted Elementary and Secondary School Improvement Amendments of 1988 (Public Law 100-297) includes a provision authorizing the Department of Defense to provide financial assistance to local school districts otherwise unable to provide for public education of children whose parents live or work on federal property. This provision would apply to the situation in Tinton Falls, New Jersey. The conferees note that in correspondence with Senator Lautenberg, Senator Bradley and Representative Smith, the Navy has indicated that it will seek authority from the Secretary of Defense to provide funds after concurring with the Tinton Falls and State Boards of Education that a deficit exists. The conferees endorse this effort.

Prohibition on contracting out certain maintenance functions

The House bill contained a provision (sec. 315) that would prohibit the Secretary of Defense from reviewing, in accordance with Office of Management and Budget (OMB) Circular A-76, or converting to contract performance any organizational or intermediate level maintenance function for trainer equipment or trainer aircraft now being performed by active-duty military personnel. The House bill (sec. 315(b)) would also terminate any ongoing reviews under OMB Circular A-76 and revert back to performance by active duty military personnel any organizational or intermediate level maintenance function for trainer equipment or trainer aircraft that had been converted to Department of Defense civilian personnel in contemplation of such a review. Finally, the House bill (sec. 315(c)) would require the Secretary of Defense to convert back to performance by active duty military personnel any organizational or intermediate level maintenance function for trainer equipment or trainer aircraft that had been converted to contractor performance after January 1, 1985 at the expiration of the contract or upon the option to renew the contract.

The Senate amendment contained no similar provision.

The House recedes.

The conferees direct the Comptroller General to submit a report, not later than April 1, 1989, to the Committees on Armed Services of the Senate and House of Representatives concerning contracting out of maintenance of trainer aircraft and trainer equipment at Lowry Air Force Base, Colorado and Columbus Air Force Base and Meridian Naval Air Station, Mississippi. This study should provide an independent assessment of the following issues associated with the contracting out of these functions:

(1) the validity of projected cost savings from contracting out, to include costs of functions formerly performed by maintenance personnel (e.g., ramp and facility security performed on a duty roster, flexibility to use military personnel for emergency duty);

(2) the potential impact on personnel and equipment readiness from contracting out;

(3) the economic impact, if any, on the local communities;

(4) the impact on wartime mobilization requirements;

(5) the impact on the ship-to-shore rotation schedule for Navy maintenance personnel and the overseas rotation schedule for Air Force maintenance personnel; and

(6) other impacts on base functions caused by the reduction of the military population (reduction of base medical facilities, commissary, exchange, and morale, welfare, and recreation facilities).

Limitation on funds for depot maintenance

The House bill contained a provision (sec. 317) that would prohibit the use of funds for depot maintenance of equipment in the Army during fiscal year 1989 unless such funds provide for civilian personnel strengths at the Army depots performing tank repair or tank rebuilding within the continental United States in an amount above the strengths assigned to those depots on September 30, 1986.

The Senate bill contained no similar provision.

The House recedes.

Study on conversion to district, direct natural gas, and other heating systems in West Germany

The House bill contained a provision (sec. 318) that would require the Secretary of Defense, in conjunction with the Secretary of State and the Secretary of Commerce, to conduct a study of the economic and national security implications of the conversion of United States military installations in West Germany to district heat and direct natural gas systems. This study would be submitted to the Committees on Armed Services of the Senate and House of Representatives not later than February 1, 1989. This provision would also prohibit the Secretary of Defense or the Secretaries of the Military Departments from entering into any agreement or contract to convert a heating facility at a military installation to district heat, direct natural gas, or other sources of fuel between April 14, 1988 and July 1, 1989.

The Senate amendment contained no similar provision.

The House recedes.

Prohibition on the use of Coast Guard resources in the Persian Gulf

The House bill contained a provision (sec. 354) that would permanently prohibit the use of any vessels, assets, personnel, or other resources of the Coast Guard in the Persian Gulf region.

The Senate amendment contained no similar provision.

The House recedes.

Report on mobilization and deployment delays for NATO and Warsaw Pact forces

The House bill contained a provision (sec. 351) that would require, no later than 60 days after enactment, the Secretary of Defense to submit to the Committees on Armed Services of the Senate and House of Representatives a report concerning the length of time required for the military forces of the United States and the Warsaw Pact to enter combat at the inter-German border in the event of a major conflict in Europe.

The Senate amendment contained no similar provision.

The House recedes. However, the conferees believe that the report required by the House provision should be prepared and submitted to the Congress. Therefore, no later than six months after the date of the enactment of this Act, the Secretary of Defense is directed to submit to the Committees on Armed Services of the Senate and House of Representatives an unclassified report (with classified annexes as necessary) concerning the length of time required for the ground and air forces of the United States to enter combat at the inter-German border in the event of a major conflict in Europe. The Secretary shall include in such report, for each major combat unit (divisions and separate brigades) and major element of their combat service support in the active and reserve components that is likely to be involved in such a conflict, an estimate of the minimum time delay between the decision of the United States to mobilize and the entry of that unit into battle. Assessments shall be consistent with current levels of readiness and equipment inventories. For each unit, the report shall give the currently existing fraction of the unit's total equipment inventory, the fraction of active and reserve manning, the average number of days of training for reserve personnel in that unit during the previous year, and the transit time from the unit's peacetime location to the inter-German border.

The Secretary shall include in the report an unclassified report (with classified annexes as necessary) concerning the length of time required for the ground and air forces of Belgium, Canada, Denmark, Federal Republic of Germany, France, Luxembourg, Netherlands, and the United Kingdom to enter combat at the inter-German border in the event of a major conflict in Europe. The Secretary shall include in such report, for each major combat unit (divisions and separate brigades) and major element of their combat service support in the active and reserve components that is likely to be involved in such a conflict, an estimate of the minimum time delay between the decision of each nation to mobilize and the entry of each unit of that nation's forces into battle. Assessments shall be consistent with current levels of readiness and equipment inventories. For each unit, the report shall give the best estimate of the currently existing fraction of the unit's total equipment inventory, the fraction of active and reserve manning, the average number of days of training for reserve personnel in that unit during the previous year, and the transit time from the unit's peacetime location to the inter-German border.

Finally, the Secretary shall include in the report an unclassified report (with classified annexes as necessary) concerning the length of time required for the ground and air forces of the Soviet Union, the German Democratic Republic, Poland and Czechoslovakia to enter combat at the inter-German border in the event of a major conflict in Europe. All active and reserve forces of these nations currently in the NATO Guidelines Area and the Western Military District of the Soviet Union shall be included. For each major combat unit (divisions and separate brigades) and major element of their combat service support, the report shall give the best estimate of the minimum time delay between the Warsaw Pact decision to mobilize and the entry of that unit into battle. Assessments shall be consistent with current levels of readiness and equipment inventories. For each unit, the report shall give the best estimate of the current existing fraction of the unit's total equipment inventory, the fraction of active and reserve manning, the average number of days of training for reserve personnel in that unit during the previous year and the transit time from the unit's peacetime location to the inter-German border.

Report on availability of equipment and personnel

The House bill contained a provision (sec. 352) that would require, no later than 90 days after enactment, the Secretary of Defense to submit to the Committees on Armed Services of the Senate and House of Representatives a report concerning existing major conventional military equipment and trained personnel of the U.S. and its NATO allies in central Europe that are not currently organized into combat or support units. Not later than six months after enactment, the Secretary of Defense would submit to Congress a plan for the more effective use of this manpower and equipment.

The Senate amendment contained no similar provision.

The House recedes. However, the conferees believe that the report and plan required by the House provision should be prepared and submitted to the Congress. Therefore, no later than six months after the date of the enactment of this Act, the Secretary of Defense is directed to submit to the Committees on Armed Services of the Senate and House of Representatives an unclassified report (with classified annexes as necessary) concerning existing major conventional military equipment and trained personnel in the ground and air forces of the United States and its NATO allies in central Europe which are not currently organized into combat or support units. The report shall include the following:

(1) An inventory of all existing major equipment possessed by the United States (including tanks, infantry fighting vehicles, artillery, antitank and air defense weapons, and helicopters and tactical aircraft) that is in storage, in war reserve material stocks, in training units, or otherwise not assigned to combat units.

(2) The members and former members of the Armed Forces of the United States who have received military training or performed a tour of duty in ground or air forces within the past five years and who are not currently assigned to any active or reserve combat or combat support unit.

(3) The current plans of the Department of Defense for use of the equipment listed in paragraph (1) and persons listed in paragraph (2) in the event of a major conflict in Western Europe.

(4) An estimate of the equipment and manpower inventories, as defined in paragraphs (1) and (2), in Belgium, Denmark, the Federal Republic of Germany, France, Luxembourg, the Netherlands, and the United Kingdom and, if known, the current plans of those nations for use of that equipment and personnel in the event of a major conflict in Western Europe.

The Secretary shall include in the report a plan for the use of the manpower and equipment described in paragraphs (1) and (2) above to increase the military force which could be available for the defense of Western Europe in a time period consistent with the estimate of the warning time of an attack and the duration of such a conflict given in the 1987 Military Net Assessment made by the Joint Chiefs of Staff (or any subsequent revision thereof). The Secretary shall include in such report comments from the Reserve Component Chiefs.

Additional authority of base commanders over contracting for commercial activities

The House bill contained a provision (sec. 810) that would amend section 1111 of the fiscal year 1988/1989 Defense Authorization Act (Public Law 100-180) to give installation commanders the authority to decline to exercise an option to extend a commercial activities contract and to exclude a contractor from consideration of a future contract in any case where the base commander has reasonable cause to believe that the contractor in question is violating Federal law in the performance of that contract.

The Senate amendment contained no similar provision.

The House recedes.

Applicability of commander authority to ongoing and future reviews of commercial activities

The House bill contained a provision (sec. 813) that would amend section 1111 of the fiscal year 1988/1989 Defense Authorization Act (Public Law 100-180) to extend the authority provided to military base commanders in section 1111(a) to reviews of commercial activities involving civilian employees that are being conducted on December 4, 1987, and to reviews of commercial activities that begin after such date.

The Senate amendment contained no similar provision.

The House recedes.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

PART A—ACTIVE FORCES

LEGISLATIVE PROVISIONS ADOPTED

End strengths of active forces (sec. 401)

The House bill contained a provision (sec. 401) that would authorize active force military end-strengths for the Army, Navy Marine Corps and Air Force at the levels requested by the Administration for fiscal year 1989.

The Senate amendment contained a provision (sec. 401) that would authorize active force officer, enlisted, and cadet end-strengths for the Army, Navy, Marine Corps, and Air Force. The aggregate end-strengths for the Navy and Marine Corps would be authorized at the levels requested by the Administration for fiscal year 1989. The aggregate end-strengths for the Army and Air Force would be authorized at levels 500 below levels requested by the Administration for each of these Services for fiscal year 1989. These reductions would be consistent with an officer end-strength reduction plan submitted by the Department of Defense that would reduce officer strengths in these two Services by 4,100 over two years beginning in fiscal year 1989.

The House recedes with an amendment establishing officer strength ceilings for each of the military Services within the total active end-strengths authorized. The conferees believe that the ceilings on separate active force officer end-strengths are consistent with the concern of the Congress regarding the disproportionate growth of the officer corps in recent years. The following table summarizes the conference agreement:

	Request	House	Senate	Conference
Army:				
Officers			106,927	106,927
Enlisted			660,423	
Cadets			4,450	
Total	772,300	772,300	771,800	771,800
Navy:				
Officers			72,610	72,610
Enlisted			515,815	
Cadets			4,775	
Total	593,200	593,200	593,200	593,200
Marine Corps:				
Officers			20,120	20,120
Enlisted			177,080	
Total	197,200	197,200	197,200	197,200
Air Force				
Officers			105,038	105,038
Enlisted			465,645	
Cadets			4,417	
Total	575,600	575,600	575,100	575,100

Repeal of mandatory reductions in strength of active duty officer corps (sec. 402)

The House bill contained a provision (sec. 402) that would repeal the requirement for the Department of Defense to reduce officer strength by 2 percent in fiscal year 1989 and another 2 percent in fiscal year 1990 calculated on the fiscal 1986 officer end-strength base.

The Senate amendment contained a provision (sec. 402) that would repeal the mandated 2 percent reduction in fiscal year 1989 and instead require a reduction of 1,000 officers, 500 in the Army and 500 in the Air Force, from the fiscal year 1988 level. The Senate amendment would retain the mandated 2 percent reduction for fiscal year 1990.

The House recedes with an amendment repealing the mandated 2 percent reduction for fiscal year 1990 and instead requiring a reduction of 3,100 officers, 500 in the Army and 2,600 in the Air Force, from the fiscal year 1989 level. The conferees emphasize that this compromise accepts the officer reduction plan submitted by the Department of Defense for fiscal years 1989 and 1990 only as the first initiative taken by the Department to control officer strength. The conferees have received a study on the manning of unified and specified commands and supporting component headquarters from the Secretary of Defense which indicates a potential surplus of 7,200 spaces. In his letter transmitting the study, the Secretary of Defense indicated that he was ". . . confident some manpower savings will be possible, and I will take steps to reduce our manpower request for FY 1990-1991 accordingly." The conferees intend to follow the action the Secretary of Defense takes and emphasize that the savings identified by the Secretary as a result of this report are to be in addition to the reductions approved by the conferees in this Act.

Temporary reduction in number of Air Force colonels (sec. 403)

The Senate amendment contained a provision (sec. 403) that would reduce the number of colonels that the Air Force is authorized to have on active duty in fiscal years 1989 and 1990 by 125 and 250, respectively, below the numbers that would otherwise be authorized under section 523 of title 10, United States Code, for those years.

The House bill contained no similar provision.

The House recedes. The conferees expect the Office of the Secretary of Defense to review critically the field grade officer strengths of the military Services in all future budget submissions to ensure that the strengths requested support valid requirements and are not merely a reflection of the numbers allowed by the grade tables in section 523 of title 10, United States Code.

PART B—RESERVE FORCES

LEGISLATIVE PROVISIONS ADOPTED

End strengths for Selected Reserve (sec. 411)

The House bill contained a provision (sec. 411) that would authorize Selected Reserve end-strengths for fiscal year 1989 at the levels requested by the Administration, except for the Air National Guard and Air Force Reserve which would be authorized 290 and 399 above the requested levels, respectively.

The Senate bill contained a provision (sec. 411) that would authorize Selected Reserve end-strengths for fiscal year 1989 at the levels requested by the Administration for all components.

The House recedes.

The following table summarizes the conference agreement:

	Request	House	Conference
Army National Guard	457,300	457,300	457,300
Army Reserve	320,600	320,600	320,600
Naval Reserve	152,600	152,600	152,600
Marine Corps Reserve	43,600	43,600	43,600
Air National Guard	115,200	115,490	115,200
Air Force Reserve	83,600	83,999	83,600
Coast Guard Reserve	13,000	13,000	13,000
Total	1,185,900	1,186,589	1,185,900

End strengths for reserve on active duty in support of the reserves (sec. 412)

The House bill (sec. 412) and the Senate amendment (sec. 412) would authorize full-time manning in the National Guard and Reserve components at the levels requested by the Administration for fiscal year 1989, except that the House bill would authorize the Air National Guard to increase its strength by 17 more than the level requested by the Administration.

The House recedes.

The following table summarizes the conference agreement:

	Request	House	Conference
Army National Guard	25,725	25,725	25,725
Army Reserve	13,329	13,329	13,329
Naval Reserve	21,991	21,991	21,991
Marine Corps Reserve	1,945	1,945	1,945
Air National Guard	7,948	7,965	7,948
Air Force Reserve	657	657	657
Coast Guard Reserve	13,000	13,000	13,000
Total	71,595	71,612	71,595

Clarification of applicability of prior amendments relating to number of members in certain grades authorized to be on active duty in support of the reserve (sec. 413)

The House bill contained a provision (sec. 413) that would authorize full-time support grade ceilings for the E-9, E-8, O-6, O-5, and O-4 grades in the National Guard and Reserve components at the levels requested by the Administration.

The Senate amendment contained a provision (sec. 413) that would authorize full-time support grade ceilings authorized for fiscal year 1989 in the fiscal years 1988/1989 Defense Authorization Act.

The Senate recedes with an amendment striking the House provision and clarifying the applicability of the full time support grade ceilings authorized for fiscal year 1989 in the fiscal years 1988/1989 Defense Authorization Act.

PART D—AUTHORIZATION OF APPROPRIATIONS

LEGISLATIVE PROVISION ADOPTED

Authorization of appropriations for military personnel for fiscal year 1989 (sec. 431)

The House bill contained a provision (sec. 431) that would authorize (1) $78,453,300,000 for military personnel for fiscal year 1989; and (2) $21,776,900,000 for Air Force military personnel, reserve personnel and national guard personnel.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that authorizes $78,461,000,000 for military personnel during fiscal year 1989 and strikes the separate Air Force authorization.

LEGISLATIVE PROVISION NOT ADOPTED

Repeal of prior fiscal year 1989 personnel authorizations

The House bill contained a provision (sec. 432) that would repeal prior fiscal year 1989 personnel authorizations.

The Senate amendment contained no similar provision.

The House recedes.

TITLE V—MILITARY PERSONNEL POLICY

PART A—OFFICER PERSONNEL POLICY

LEGISLATIVE PROVISIONS ADOPTED

Selection boards (sec. 501)

The Senate amendment contained a provision (sec. 501) that would make the following changes to Defense Officer Personnel Management Act (DOPMA) promotion provisions: (1) limit the delegation of the authority of the President to approve, modify, or disapprove selection board reports to officials in the Office of the Secretary of Defense; (2) delete the President's existing authority to modify selection board reports as that authority is unnecessary; (3) provide explicit authority to the Service Secretaries to establish minimum numbers of selections by skill within a competitive category; (4) prohibit the modification of the maximum number to be selected by a selection board and other binding guidance to a board after a selection board has made its report; and (5) provide clarification on the procedures available to a Service Secretary in reviewing a board report.

The House bill contained no similar provision.

The House recedes. The conferees believe these changes will strengthen the credibility of the officer promotion process and preclude previous differences in interpretation and irregularities in the application of officer promotion statutes.

Removal from promotion list (sec. 502)

The Senate amendment contained a provision (sec. 502) that would clarify that the President has the authority to remove names from reserve officer promotion lists of the Navy and Marine Corps.

The House bill contained no similar provision.

The House recedes.

Selective early retirement for certain pre-DOPMA Navy and Marine Corps officers (sec. 503)

The House bill contained a provision (sec. 515) that would subject pre-Defense Officer Personnel Management Act (DOPMA) officers of the Navy and Marine Corps to the same selective retirement rules that apply to their Army and Air Force counterparts.

The Senate amendment contained no similar provision.

The Senate recedes.

Technical revision of section 638 of title 10, United States Code (sec. 504)

In concert with their action on the temporary Defense Officer Personnel Management Act (DOPMA) relief provisions in the House bill, the conferees agreed to a technical revision to section 638(a) of title 10, United States Code, governing selective early retirement, to improve the clarity of that section.

PART B—JOINT OFFICER PERSONNEL POLICY

Joint officer personnel policy (secs. 511-519)

The House bill contained provisions (secs. 702, 703, 704, 706, 707(b), 707(c) and 707(d)) that would amend the joint officer management policies of title IV of the Goldwater-Nichols DoD Reorganization Act of 1986 (Public Law 99-433) to:

(1) extend for one year the transition period (until October 1, 1989) for filling 50 percent of joint duty assignments by joint specialty officers or nominees;

(2) require that a critical joint duty assignment be filled by a joint specialty officer only when a vacancy occurs in such assignment after January 1, 1989;

(3) permit officers to be awarded the joint specialty during the transition period with one year (instead of two years) of joint duty service;

(4) extend for one year the transition period (until October 1, 1989) for award of the joint specialty;

(5) make a technical change to the date of enactment references in section 406(b)(1)(B)(iii) of Public Law 99-433;

(6) suspend the joint duty prerequisite for promotion to general or flag rank for all officers serving in, or selected for, the rank of colonel or Navy captain as of September 30, 1988;

(7) direct the Secretary of Defense to use the requirements of section 619(e)(1) of title 10, United States Code, as a guideline, where feasible, in managing the group of officers for whom the joint duty prerequisite for promotion to general or flag rank has been suspended;

(8) permit the Secretary of Defense during the transition period to January 1, 1992 to credit officers with joint duty service, for purposes of promotion to general or flag rank, for service in joint duty assignments that involved significant experience in joint matters;

(9) reduce to 15 percent (from 33 percent) the number of officers serving 2-year critical occupational specialty joint tours who may count toward the requirement that 50 percent of all joint duty assignments must be filled by joint specialty officers or nominees;

(10) provide joint duty service credit for captains or Navy lieutenants who serve in joint duty assignments;

(11) require an annual report on progress in implementing joint officer management policies with respect to Navy nuclear propulsion officers;

(12) require that an officer must have completed a full tour of duty in a joint duty assignment as a general or flag officer to qualify for appointment as JCS Vice Chairman, combatant commander, or Service chief of staff and make technical changes relating to statute references; and

(13) make a technical change in section 668 of title 10 to redesignate subsection (f) as subsection (c).

The Senate amendment contained a provision (sec. 701) that would amend title IV of Public Law 99-433 to:

(1) increase to 10 percent (from 5 percent) the number of officers who may annually be awarded the joint specialty by other than the prescribed manner and prerequisites;

(2) require that only 80 percent (instead of 100 percent) of all critical joint duty assignments must be filled by joint specialty officers at all times;

(3) require promotion tracking of officers, other than joint specialists, only until first in-zone consideration following reassignment from a joint duty assignment;

(4) set the promotion policy objectives for officers serving, or having served, in joint duty assignments (other than those serving, or having served, on the Joint Staff or with the joint specialty) to be not less than for the Service-wide rate, less officers serving, or having served, on the Service headquarters staff;

(5) reduce the minimum joint tour length from 3 to 2 years for general and flag officers and 3½ to 3 years for other officers;

(6) eliminate the requirement for an advance joint specialty nomination for a 2-year critical occupational specialty joint tour;

(7) delete the restriction on eligibility for a 2-year critical occupational specialty joint tour to an officer on his initial joint duty assignment;

(8) delete the limitation on the number of 2-year critical occupational specialty joint tours that may be excluded annually from the average joint tour length computation;

(9) provide full joint duty tour credit for an overseas joint duty assignment prescribed by regulation to be at least two years in length;

(10) authorize appointment to general or flag rank of an officer in a joint duty assignment who has served at least two years, but not a full joint duty tour;

(11) simplify the joint duty cumulative credit provision by eliminating the prerequi-

site that at least one of the cumulated tours must have been served overseas or terminated for hardship, medical, reorganization, or promotion reasons;

(12) further simplify the joint duty cumulative credit provision by eliminating the requirement that the applicable tour length must be accumulated within an 8-year period;

(13) permit constructive credit without a waiver for an officer reassigned from a joint duty assignment for reasons of military necessity within 60 days of completing joint tour length criteria;

(14) permit designation as joint duty assignments of up to 250 in-Service billets filled by officers of the same Service;

(15) exempt Navy nuclear propulsion officers from the joint duty prerequisite for promotion to flag rank;

(16) permit officers to be awarded full joint duty tour credit, for purposes of promotion to general or flag rank, for service in joint duty assignments that began before January 1, 1987, which were considered as full tours of duty under the policies and regulations in effect at the time the assignment began;

(17) extend for one year (until October 1, 1989) both the transition period during which the Secretary of Defense may waive certain prerequisites for award of the joint specialty and the date by which critical joint duty assignments and certain other joint duty assignments must be filled by joint specialty officers or nominees;

(18) permit officers to be awarded full joint duty tour credit, for purposes of award of the joint specialty during the transition period, for service in joint duty assignments or joint equivalent assignments that began before January 1, 1987, which were considered as full tours of duty under the policies and regulations in effect at the time the assignment began; and

(19) require a report by February 1, 1990 from the Secretary of Defense, after consultation with the JCS Chairman, comprehensively addressing the principles that should guide joint officer management policies, the goals that should be established for joint officer management policies, the detailed concepts that support these principles and goals, progress in implementing title IV of Public Law 99-433, and modifications to statutory requirements.

The conferees agree to make a comprehensive series of modifications to the joint officer management policies of title IV of the Goldwater-Nichols Act. The conferees approve all of the modifications to title IV requested in the DOD legislative proposal of March 22, 1988. In addition, the conferees approve a number of other initiatives included in either the Senate or House provisions. The conferees are fully convinced that the amendments made to title IV by this Act will provide for effective steady state implementation of the joint officer management policies. The conferees, therefore, do not expect to make or be asked to make additional modifications to title IV for the foreseeable future.

The conferees remain concerned about the degree of bureaucratic opposition within DOD to the requirements of title IV of the Goldwater-Nichols Act. As the amendments made by this Act resolve all of the problems and adopt all of the better approaches identified by DOD, in addition to providing increased management flexibility through a number of congressionally initiated modifications, there is no acceptable reason for continued opposition within DOD. The conferees expect senior civilian officials and military officers to expand their leadership role, to give more attention to effective implementation of title IV, and to promote the change in attitudes that must accompany increased emphasis on joint officer management.

The basic themes of the modifications approved by the conference committee are to: (1) increase the length and to provide more flexible rules for the transition period leading to full implementation of title IV; (2) provide more equitable policies for crediting officers with joint duty service, especially assignments served prior to enactment of the Goldwater-Nichols Act; (3) shorten joint duty tour lengths; (4) provide more flexibility in the selection and assignment of joint specialty officers; and (5) provide more flexibility regarding the joint duty prerequisite for promotion to general or flag rank.

The House bill and the Senate amendment contained two similar provisions (items (1) and (4) below) which were not issues during the conference. Of the 26 differences between the House bill and the Senate amendment, two House provisions (items (6) and (7) in the above description of the House provisions) were deleted by the conference committee, and four Senate provisions (items (4), (7), (14) and (19) in the above description of the Senate provisions) were deleted. Specific modifications to title IV approved by the conference committee, including resolution of the 20 remaining differences, were:

(1) extend for one year the transition period (until October 1, 1989) for filling 50 percent of joint duty assignments by joint specialty officers or nominees (not a conference issue);

(2) require that a critical joint duty assignment be filled by a joint specialty officer only when a vacancy occurs in such assignment after January 1, 1989 (House provision);

(3) permit officers to be awarded the joint specialty during the transition period with one year (instead of two years) of service in joint duty assignments (begun before January 1, 1987) and joint equivalent assignments (begun before October 1, 1986) which were considered full tours of duty under the policies and regulations in effect on September 30, 1986 (conference substitute provision);

(4) extend for one year the transition period (until October 1, 1989) for award of the joint specialty (not a conference issue);

(5) make a technical change to the date of enactment references in section 406(b)(1)(B)(iii) of Public Law 99-433 (House provision);

(6) permit officers to be awarded full joint duty tour credit, for purposes of promotion to general or flag rank, for service in joint duty assignments that began before January 1, 1987 which were considered full tours of duty (but not less than 12 months) under the policies and regulations in effect on September 30, 1986 (conference substitute provision);

(7) extend until January 1, 1994 (from January 1, 1992) the transition period during which officers may be awarded full joint duty credit, for purposes of promotion to general or flag rank, for service in joint equivalent assignments which began before October 1, 1986 and were considered full tours of duty (but not less than 12 months) under the policies and regulations in effect on September 30, 1986 (conference substitute provision);

(8) reduce to 25 percent (from 33 percent) the number of officers serving 2-year critical occupational specialty joint tours who may count toward the requirement that 50 percent of all joint duty assignments must be filled by joint specialty officers or nominees (House provision with Senate amendment);

(9) provide joint duty service credit for captains or Navy lieutenants who serve in joint duty assignments (House provision);

(10) require an annual report on progress in implementing joint officer provisions with respect to Navy nuclear propulsion officers (House provision);

(11) extend to January 1, 1994 (from January 1, 1992) the period during which Navy nuclear propulsion officers may be promoted to rear admiral (lower half) without meeting the joint duty prerequisite (conference substitute provision);

(12) require that an officer must have completed a full tour of duty in a joint duty assignment as a general or flag officer to qualify for appointment as JCS Vice Chairman, combatant commander, or Service chief of staff and make technical changes relating to statute references (House provision);

(13) make a technical change in section 668 of title 10 to redesignate subsection (f) as subsection (c) (House provision);

(14) increase to 10 percent (from 5 percent) the number of officers who may annually be awarded the joint specialty by other than the prescribed manner and prerequisites with the limitation that not more than 10 percent of the officers in each grade may be annually awarded the joint specialty pursuant to this exception (Senate provision with House amendment);

(15) require until January 1, 1994 that only 80 percent (instead of 100 percent) of all critical joint duty assignments must be filled by joint specialty officers at all times and, thereafter, authorize the Secretary of Defense to waive the requirement in the case of an individual joint duty assignment and to delegate this authority to the JCS Chairman (Senate provision with House amendments);

(16) require promotion tracking of officers, other than joint specialists, only until first in-zone consideration following reassignment from a joint duty assignment (Senate provision);

(17) reduce the minimum joint tour length from 3 to 2 years for general and flag officers and 3½ to 3 years for other officers (Senate provision);

(18) include overseas joint duty assignments which are at least as long as the minimum joint tour length in the computation of the average joint tour length (conference substitute provision);

(19) eliminate the requirement for an advance joint specialty nomination for a 2-year critical occupational specialty joint tour (Senate provision);

(20) increase to 12.5 percent (from 10 percent) the number of 2-year critical occupational specialty joint tours that may be excluded annually from the average joint tour length computation (conference substitute provision);

(21) provide full joint duty tour credit for an overseas joint duty assignment prescribed by regulation to be at least two years in length with the limitation that not more than 6 percent of all joint duty assignments may be credited under this exception (Senate provision with House amendment);

(22) authorize until January 1, 1994 appointment to general or flag rank of an officer in a joint duty assignment who has served as least two years, but not a full joint

duty tour (Senate provision with House amendment);

(23) authorize the Secretary of Defense to grant credit for a full tour of duty when he waives the length of a joint duty assignment in the case of an individual officer (conference substitute provision);

(24) simplify the joint duty cumulative credit provision by eliminating the requirement that the applicable tour length must be accumulated within an 8-year period (Senate provision); and

(25) permit constructive credit without a waiver for an officer (other than a general or flag officer) reassigned from a joint duty assignment for reasons of military necessity within 60 days of completing joint tour length criteria, but require any shortened tours to be included in the average joint tour length computation (Senate provision with House amendments).

With respect to the joint duty prerequisite for promotion to general or flag rank, the conferees determined that the DOD regulation imposing this requirement, which has been in effect for more than 30 years, was more widely circumvented than previously understood. Failure to meaningfully implement the joint duty promotion prerequisite means that a significant portion of current field grade officers, especially more senior ones, may have great difficulty in meeting the current statutory requirements of section 619(e) of title 10, United States Code.

The conferees do not intend that officers be disadvantaged for service in a personnel system that did not adequately enforce the DOD regulation. For this reason, the conferees agree to grandfather all service in joint duty assignments prior to the date of enactment of the Goldwater-Nichols Act, provided that such service was at least one year in length and was considered a full tour of duty under the policies and regulations in effect on Septemer 30, 1986. The conferees also agree to extend by two years (until January 1, 1994) the transition period during which officers may be credited, for purposes of promotion to general or flag rank, for service in joint equivalent assignments which were at least one year in length and were considered a full tour of duty.

The conferees, however, recognize that many senior field grade officers have had no joint duty or joint equivalent assignments whatsoever. While the conferees are committed to equitable treatment for such officers, the Senate conferees believe that the House provision (items (6) and (7) above) to suspend the joint duty prerequisite for promotion to general or flag rank for senior field grade officers might be interpreted as a lessening of congressional support for joint duty. Consequently, the conferees agree to set aside the House provision in favor of a transition provision that addresses the equity issue while providing an incentive for senior field grade officers to serve in a joint duty assignment. The transition provision permits officers to be selected for general or flag rank while serving in a joint duty assignment if they have served at least two years.

Despite the approval of these reduced standards, the transition to the more rigorous requirements of title IV concerning the joint duty prerequisite for promotion may pose difficulties for many officers. The conferees urge the Secretary of Defense to carefully monitor the situation and to use his waiver authority to minimize inequities and to ensure that the most qualified officers are promoted to general or flag rank.

With respect to Navy nuclear-propulsion officers, the conferees recognize that significant personnel management changes will be required to comply with the requirements of title IV. Last year, the Congress exempted until January 1, 1992 Navy nuclear-propulsion officers from the joint duty prerequisite for promotion to flag rank. The conferees agree to extend this exemption period by two years (to January 1, 1994). At the same time, the conferees determine that service in this specialized and somewhat isolated field is inadequate preparation for the responsibilities of flag rank, especially service in joint duty assignments. The conferees urge the Secretary of Defense to ensure that Navy nuclear propulsion officers are better prepared for assignments outside of their specialty. Given the substantial changes required, the conferees agree to require an annual report on progress in implementing joint officer provisions with respect to Navy nuclear propulsion officers.

Current law requires that all critical joint duty assignments must be filled with joint specialty officers at all times. The conferees recognize that this absolute requirement cannot be met, especially in the near term. The conferees agree to a transition provision (until January 1, 1994) that would require that only 80 percent of such assignments must be filled by joint specialists. After the transition period, the conferees expect that around 95 percent of critical joint duty assignments can be filled by joint specialists. For the small percentage of positions that may need to be excepted from the requirements of the law, the conferees agree to provide the Secretary of Defense the authority to waive the requirement in the case of an individual critical joint duty assignment. Based upon experience during the transition period, the Secretary of Defense is directed to report to the Committees of Armed Services of the Senate and House of Representatives his expectation on the percentage of assignments for which this waiver may need to be applied after the transition period ends. Such report is to be submitted by the Secretary not later than January 1, 1993.

Current law requires that an officer be nominated for the joint specialty prior to beginning a 2-year critical occupational specialty joint tour. The conferees determine that this requirement would provide incentives for the Services to nominate a large number of officers for the joint specialty and would undermine efforts to use the nomination process as a rigorous screening of qualified officers. For these reasons, the conferees agree to eliminate the requirement for an advance joint specialty nomination for a 2-year critical occupational specialty joint tour. The conferees do expect, however, that advance nominations will be the normal procedure and, consequently, that officers will be nominated in advance to the maximum extent practicable.

PART C—MISCELLANEOUS

LEGISLATIVE PROVISIONS ADOPTED

Testing of new entrants for drug and alcohol abuse (sec. 521)

The House bill contained a provision (sec. 501) that would amend the current requirements for the testing of new entrants into the military Services for drug and alcohol abuse so that testing could take place at basic training installations rather than at the Military Entrance Processing Station.

The Senate amendment contained no similar provision.

The Senate recedes.

Requirement to accept persons enlisting in the Air Force on gender-free basis (sec. 522)

The House bill contained a provision (sec. 502) that would (1) require the Secretary of the Air Force to implement a gender neutral enlistment methodology; and (2) repeal the 22 percent accession standard for women in fiscal year 1989.

The Senate amendment contained no similar provision.

The Senate recedes.

Military education for Army National Guard technicians (sec. 523)

The House bill contained a provision (sec. 503) that would require the Army National Guard to phase out its requirement that Army National Guard civilian technicians attend military education program training in active component schools as comparable state training programs become available.

The Senate amendment contained no similar provisions.

The Senate recedes with technical and clarifying amendments.

Expansion of military spouse employment preference (sec. 524)

The Senate amendment contained a provision (sec. 502) that would include all jobs in the grades of GS-1 and above among those to which the military spouse employment preference applies.

The House bill contained no similar provision.

The House recedes.

Manpower cost estimate for major defense acquisition programs (sec. 525)

The Senate amendment contained a provision (sec. 503) that would clarify that manpower cost estimate reporting requirements for new systems may be modified when no major manpower effects are present and during time of war or national emergency.

The House bill contained no similar provision.

The House recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

Temporary DOPMA relief

The House bill contained provisions (secs. 511-514) that would provide temporary relief from certain tenure provisions of the Defense Officer Personnel Management Act (DOPMA) if the military Services were required to reduce their officer strengths. These provisions included: (1) authority for Service Secretaries to shorten the period of continued active-duty for officers previously selected for continuation, to relax involuntary retirement provisions for certain regular officers, and to involuntarily separate regular officers regardles of promotion status (secs. 511, 512 and 513); and (2) authority for Service Secretaries to reduce from 10 to 8 years the minimum period of active commissioned service required for voluntary retirement in commissioned grades (sec. 514).

The Senate amendment contained no similar provisions.

The House recedes.

The conferees believe that these temporary DOPMA relief provisions are now not necessary in view of the conference agreement to repeal the previously imposed officer reductions for fiscal years 1989 and 1990. The conferees expect the Department of Defense to be prepared to address the need for these temporary authorities in hearings on the fiscal year 1990 and 1991 defense authorization request next year, especially in the context of further officer reductions that are expected as a result of the Department of Defense study on the manning of unified and specified commands and supporting component headquarters.

Selective Service registration

The House bill contained a provision (sec. 954) that would establish guidelines for the prosecution of individuals who, according to Selective Service records only, have not registered under the Military Selective Service Act.

The Senate amendment contained no similar provision.

The House recedes.

Voluntary legal assistance

The Senate amendment contained a provision (sec. 919(a)) that would permit the acceptance by the Armed Services of legal assistance services on a voluntary basis from attorneys, clerks, or paralegals. Acceptance of such services by the Government is currently prohibited by section 1342 of title 31, United States Code. Additionally, section 919(b) would amend section 1054 of title 10, United States Code, to bring persons furnishing voluntary legal services within the class of persons the Attorney General is authorized to represent in civil malpractice suits.

The House bill contained no similar provision.

The Senate recedes. Although the conferees agree that the notion of voluntary legal services furnished by retirees, dependent spouses, and the like has appeal, the particulars of the contemplated scheme need to be explored before a statutory change would be appropriate. Therefore, the conferees direct the Department of Defense to submit a report to the Committees on Armed Services of the Senate and House of Representatives on the need for and mechanics of a voluntary legal assistance program. The report should include an assessment and discussion of: the existing military legal assistance program and the extent to which it needs to be supplemented in order to meet the needs of military members, former members, and their dependents; the population of attorneys, clerks and paralegals who have offered voluntary services in the past and who might be expected to volunteer in the future; the qualifications of persons, particularly attorneys, necessary as a prerequisite to acceptance of their services (i.e. should members of the bar be in good standing and in an active status); anticipated supervisory requirements; how to ensure and enforce the avoidance of self-referral and referral to affiliated organizations by persons volunteering their services; and the anticipated number of and costs associated with civil lawsuits flowing from the rendering of voluntary legal assistance. In short, the report should provide a comprehensive and detailed explanation of the operational parameters of such a program. In addition, the report should address the extent to which acceptance of volunteer services in the area of legal assistance would serve as a precedent for the acceptance of such services from physicians, medical specialists and others in helping professions. The report should further address the nature and scope of any concomitant need for legal representation by the Attorney General and indemnification caused by the acceptance of volunteer services outside the legal field. The report is due no later than February 15, 1989. The conferees will reconsider this issue when the report becomes available and will address the question of whether a statutory provision is warranted at that time.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

PART A—PAY AND ALLOWANCES

LEGISLATIVE PROVISIONS ADOPTED

Military pay raise for fiscal year 1989 (sec. 601)

The House bill contained a provision (sec. 601) that would provide a military pay raise divided as follows: (1) a 4 percent increase in basic pay; (2) a 4 percent increase in basic allowance for subsistence; and (3) a 7 percent increase in basic allowance for quarters.

The Senate amendment contained a provision (sec. 601) that would provide a 4.3 percent increase in each of the components of basic military compensation as requested by the Administration.

The Senate recedes with an amendment that provides: (1) a 4.1 percent increase in basic pay; (2) a 4.1 percent increase in basic allowance for subsistence; and (3) a 7 percent increase in basic allowance for quarters.

The 4.3 percent across the board military pay raise requested by the Administration was based on projected private sector wage growth as measured by the employment cost index (ECI). At the time the request was submitted, the projected ECI was 4.3 percent. The 4.3 percent pay raise request matched the projected ECI increase to keep the 11 percent gap between private sector pay increases and military pay increases from widening.

The actual ECI has now been reported as 3.5 percent. Therefore, the projection on which the Administration's request was based is overstated by 0.8 of a percentage point. As a result, the conference agreement will actually close the gap between private sector and military wage growth by 0.6 of a percentage point, the first time the military pay raise will exceed the ECI since 1981.

Allowance for transportation of increased household goods (sec. 602)

The House bill contained a provision (sec. 602) that would increase the weight allowances for household goods for certain military personnel when they are required to move, effective on May 1, 1989.

The Senate amendment contained an identical provision, effective on July 1, 1989.

The House recedes.

PART B—SPECIAL PAY FOR CRITICAL PERSONNEL

LEGISLATIVE PROVISIONS ADOPTED

Aviator retention bonus (sec. 611)

The House bill contained a provision (sec. 611) that would authorize an aviator retention bonus. The bonus would be paid to officers who (1) are entitled to aviation career incentive pay; (2) are in pay grades below O-6; (3) are qualified to perform operational flying duty; (4) have completed at least six but less than 13 years of active duty; (5) have completed any active duty service commitment incurred for undergraduate aviator training; and (6) are in an aviation specialty that is designated as critical on the basis of a current shortage of officers in the specialty. The amount of the bonus payments would be limited to: (1) $12,000 for each year covered by a written agreement if an officer agrees to remain on active-duty to complete 14 years of commissioned service; or (2) $6,000 for each year covered by a written agreement of two years or less. The authority to enter into bonus agreements would expire in three years (September 30, 1991). The House provision would also provide a two-year "transition" window which would allow payments for one and two-year extensions for officers between 13 and 16 years of service, and require a report on the implementation of the provision by July 1, 1990. The House bill would authorize $36.2 million in fiscal year 1989 for the bonus in the Air Force.

The Senate amendment contained a similar provision (sec. 611) but with a number of differences: (1) a bonus would be paid to aviators in skills designated as retention sensitive; (2) the bonus level would be capped at $12,000 for each year covered by a written agreement but would be subject to the discretion of the Service Secretary; (3) the authority to enter into agreements would expire in one year (September 30, 1989); (4) there would be no provision for a "transition window"; (5) there would be a requirement for a report, but it would be on the retention, management, and compensation of aviators to be accompanied by a legislative proposal due by December 1, 1988; and (6) the authorization for funding would be $30 million.

The Senate recedes with an amendment that would: (1) adopt the House eligibility criteria, including the requirement that recipients must be in an aviation specialty that is designated as critical on the basis of a current shortage of officers in the specialty; (2) adopt the House limitation on the levels of payment authorized for each year covered by a written agreement of extension; (3) establish as the period during which agreements may be entered into from January 1, 1989 to September 30, 1989; (4) delete the two-year "transition window" allowance that was in the House bill; (5) require a report and accompanying legislation that would implement the recommendations in the report by December 1, 1988; (6) require that no agreements may be entered into if the report is not received by the Committees on Armed Services of the Senate and House of Representatives by December 1, 1988; and (7) adopt the funding authorization in the House bill of $36.2 million.

The conferees urge the Department of Defense to evaluate critically all facets of its management of the aviator inventory and to also give equal scrutiny to the validity of stated aviator requirements, especially in non-flying positions. With regard to aviator requirements, the conferees received a report from the General Accounting Office, dated June 1988, entitled *"Air Force Pilots—U.S. Air Force Requirements, Inventory and Related Data."* This report indicates about one-third of Air Force pilot requirements are in non-flying jobs. The conferees are skeptical that so many pilots are required in non-flying jobs and caution the Department of Defense that these requirements will be subject to reduction next year if they are not adequately justified on a position by position basis in all Services. The conferees expect this issue to be addressed analytically in the report required by December 1, 1988.

In addition, the conferees direct the Secretary of Defense to evaluate critically the capability and desirability of realigning portions of the Air Force flying missions, such as airlift, to the Air National Guard and Air Force Reserve. The conferees believe that the Air National Guard and Air Force Reserve have demonstrated effective capability in performing the flying missions they have been assigned. Furthermore, the Air National Guard and Air Force Reserve have no apparent aviator manning problems. Realignment of certain flying missions from the active to the reserve force may have the potential of averting some of the aviator manning problems in the active force and may also be cost-effective in the long term. The Secretary of Defense is directed to submit a report to the Committees on Armed Services of the Senate and House of Representatives making recommendations, based on his evaluation, by January 1, 1989, and to include any realignments proposed in the fiscal years 1990/1991 Department of Defense budget request.

Medical officer retention bonus (sec. 612)

The House bill contained a provision (sec. 612) that would authorize $50 million for medical incentive special pay. This authorization is $17 million above the level contained in the amended budget request.

The Senate amendment contained a provision (sec. 612) that would provide the Secretary of Defense short term discretionary authority to increase, by up to 48 percent, certain variable, additional and board certified special pays for physicians who have more than eight years of service and who have qualifications for which the Secretary of Defense determines retention problems exist.

Further, the Senate provision would require the Secretary of Defense to submit a comprehensive report on the Department's requirement for health care professionals, and the adequacy of the current health professional compensation system, accompanied by a legislative proposal providing an alternative compensation system linked to the civilian sector.

The House recedes with an amendment. The conferees recognize that the retention of health care professionals is difficult. While recognizing that compensation is not the only factor affecting retention, the conferees agree that it is a major consideration. The conference agreement directs the Secretary of Defense to submit a comprehensive report to the Committees on Armed Services of the Senate and House of Representatives evaluating the adequacy of the existing compensation package for health care professionals and any recommended changes to that structure. That report must include justification for future long-term specialty requirements, grade levels, training requirements, and levels of non-patient care physician positions. If the Department is unable to justify its stated requirements for those levels during the next budget cycle.

The conference agreement also requires that this long-term comprehensive report include a legislative proposal that provides for one of two approaches to an alternative compensation system for health care professionals linked to the compensation of private sector employed physicians. The Department must submit this proposal, and should, in addition, submit any other legislative proposals the Department of Defense deems to have merit in addressing retention problems in the medical community, to the Committees on Armed Services of the Senate and House of Representatives no later than December 1, 1988.

Further, the conferees agree that while developing an adequate health professional compensation system is the long-term solution, short-term concerns need to be addressed as well. The conference agreement, therefore, authorizes $30 million to establish a discretionary physicians' bonus to be implemented by the Secretary of Defense during fiscal year 1989.

This temporary medical bonus program is to be provided to those physicians determined to be in short supply based either on specialty, training, years of experience, or other factors determined by the Secretary of Defense. This authority is granted only for those members who have more than eight years of creditable service, who have completed service obligations incurred as a result of education and/or training, and whose total compensation currently falls below that of comparable physicians in private sector employment as determined by the Secretary of Defense. The conferees suggest that the salaries of physicians employed by civilian Health Maintenance Organizations, or other similar organizations, may represent a good comparative benchmark. The Secretary would have the authority to negotiate multi-year service agreements with a minimum requirement for a two-year commitment period. The maximum bonus payable is $20,000 per year of commitment. However, the conferees generally expect that the total compensation that a military physician receives under this limited authority in any one year may not exceed a 48 percent increase in the total annual amount of variable special and additional special pays to which such a physician is entitled under sections 302(a)(2), 302(a)(4), and 302(a)(5) of title 37, United States Code, during such year. If the Secretary believes that a higher amount for any physician or category is justified, he should provide written notification to the Committees on Armed Services of the Senate and House of Representatives describing the rationale for his decision.

This section becomes effective January 1, 1989, but only if the comprehensive report and accompanying legislative proposal described above is received by the December 1, 1988, deadline, and the authority shall terminate in any case on September 30, 1989. A report on the proposed method of implementation of this temporary medical special pay program shall be submitted to the Committees on Armed Services of the Senate and House of Representatives by November 15, 1988.

Special pay for critically short wartime health specialists in the Selected Reserve (sec. 613)

The Senate amendment contained a provision (sec. 613) that would authorize a two-year test program utilizing an affiliation bonus, of not more than $10,000 annually, for critical wartime health professionals who agree to serve in the Selected Reserve for one to three years.

The House bill contained no similar provision.

The House recedes.

PART C—OTHER PERSONNEL BENEFITS

LEGISLATIVE PROVISIONS ADOPTED

Housing lease indemnity program (sec. 621)

The House bill contained a provision (sec. 613) that would make permanent for all Services worldwide the pilot rental indemnity program established by section 1357 of the fiscal year 1987 Defense Authorization Act (Public Law 99-661). Under this program, a service Secretary could guarantee to a landlord who leased a rental unit to a military member compensation for any breach of the lease or damage to the rental unit in lieu of the military member paying a security deposit.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment to ensure due process to the service member before reducing that member's pay for such breach of the lease or damage to the rental unit.

The conferees note that, in addition to a security deposit, service members assigned in some overseas locations must purchase all of the appliances, plumbing fixtures, and even light sockets for their rental units. The basic housing unit itself may consist of only a shell with no interior fittings. A small portion of the monthly Overseas Housing Allowance is designed to reimburse the member for part of this "upfront" cost. While service members may draw an advance on basic pay and housing allowances, for many lower-ranking members, the $2,000-plus cost of purchasing the basic housing "package" places a severe strain on their family resources. It is not clear that the present Overseas Housing Allowance and advance payment mechanisms are sufficient to deal with these high out-of-pocket expenses. The conferees, therefore, direct the Secretary of Defense to submit a report to the Committees on Armed Services of the Senate and House of Representatives no later than February 1, 1989, on the adequacy of present programs in assisting service members, particularly lower-ranking personnel, in dealing with the upfront costs of making overseas rental housing habitable.

Retired pay inversions resulting from court-martial punishment (sec. 622)

The Senate amendment contained a provision (sec. 614) that would change current authority allowing the adjustment of retired pay to higher amounts because of so-called "look back" provisions so that this authority would not be applicable to personnel retired in a reduced grade because of court-martial.

The House bill contained no similar provision.

The House recedes.

Travel and transportation allowances for emergency travel (sec. 623)

The Senate amendment contained a provision (sec. 616) that would establish the same standard for funded emergency travel for military personnel assigned overseas on temporary duty as exists for military personnel assigned overseas on permanent duty.

The House bill contained no similar provisions.

The House recedes.

Travel and transportation allowances incident to voluntary extension of overseas tours of duty (sec. 624)

The Senate amendment contained a provision (sec. 619) that would clarify that certain overseas tour extension incentives are discretionary.

The House bill contained no similar provisions.

The House recedes.

Civilian clothing allowance (sec. 625)

The Senate amendment contained a provision (sec. 618) that would clarify that civilian clothing allowances for duty in certain places are limited to officer personnel and are discretionary.

The House bill contained no similar provisions.

The House recedes.

LEGISLATIVE PROVISION NOT ADOPTED

Study of supply and demand for child care

The House bill contained a provision (sec. 616) that would require the Inspector General (IG) of the Department of Defense to conduct a study on the supply and demand for child care on military installations for military and civilian families.

The Senate amendment contained no similar provisions.

The House recedes. The conferees note that the General Accounting Office is currently conducting a study on the supply and demand for child care on military installations and that an IG study on the same subject is therefore unnecessary at this time.

PART D—BENEFITS RELATING TO INCAPACITATION OF CERTAIN RESERVE MEMBERS IN LINE OF DUTY

LEGISLATIVE PROVISIONS ADOPTED

Compensation for certain reserve members (sec. 631)

The House bill contained a provision (sec. 621) that would authorize military pay and allowances, less civilian earned income, to National Guard and Reserve personnel who are incapacitated during training and are unable to perform military duties as a result.

The Senate amendment contained no similar provision.

The Senate recedes.

Travel for dependents of certain members (sec. 532)

The House bill contained a provision (sec. 622) that would authorize round trip transportation for certain family members of reservists who are killed or become seriously ill while serving on active duty for 30 days or less or inactive duty for training.

The Senate amendment contained no similar provision.

The Senate recedes.

Injury, disability and death compensation coverage for ROTC cadets during military training activities (sec. 633)

The Senate amendment contained a provision (sec. 620(a)) that would authorize medical care coverage for certain ROTC cadets injured or disabled and death compensation for those who die during or while traveling in connection with prescribed training.

The House bill contained no similar provision.

The House recedes.

PART E—HEALTH CARE MANAGEMENT PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Requirement to submit end strengths for medical personnel (sec. 641)

The House bill contained a provision (sec. 631) that would direct the Secretary of Defense to provide as a part of the annual budget submission a separate statement on the end strength for all members of the armed forces who are medical personnel.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment requiring that a delineation of medical requirements and the end strength to meet those requirements be included in the Defense Manpower Requirements Report. The conferees expect that the budget justification books provided by the Department of Defense will also provide detailed information on medical end strengths and note that the *Health Manpower Statistics* report currently prepared by the Department fails to provide either accurate or useful data on medical staffing.

Requirements with respect to certain Navy medical personnel (sec. 642)

The House bill contained a provision (sec. 632) that would require the Secretary of the Navy to restore to the level of January 1, 1986, the number of civilian personnel employed in Navy medical treatment facilities, including rehiring of support personnel.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment making $15 million of Navy operation and maintenance funds available solely for the purpose of paying the civilian salaries of additional medical support personnel.

The conferees note that two of the principal reasons given for military physician dissatisfaction are, first, the inability to practice medicine due to the shortage of medical support personnel like nurses and technicians and, second, the lack of other support personnel to perform clerical duties. Such clerical duties are a terrible waste of the government's investment in the education and special pays of these providers.

Unfortunately, the Navy made its already critical shortfalls in medical care capability worse by reducing civilian support personnel beginning in early 1986 and substituting non-medical enlisted personnel designated to support the hospital ships and fleet hospitals.

The conferees believe that adequate numbers of qualified support personnel are essential to the efficient operation of a hospital and to physician satisfaction. The enhanced retention incentive provided by the one year medical bonus retention authorized by section 612 could be substantially diluted or even totally negated if the downward spiral on support personnel continues. The conferees are advised that the Navy is working to solve the serious problems that have resulted in some areas as a result of the implementation of the non-medical substitution program. To assist that effort, the conferees set aside funds specifically earmarked for civilian salaries of medical support personnel and intend to closely monitor the progress made on improving support staffing during fiscal year 1989.

Provision relating to Navy end strengths and officer in health professions (sec. 643)

The Senate amendment contained a provision (sec. 622) that would repeal the requirement contained in section 723 of the fiscal years 1988/1989 Defense Authorization Act (Public Law 100-180) that requires the Navy to allocate 25 percent of officer accessions and 15 percent of end strength growth to health professionals.

The House bill contained no similar provision.

The House recedes with an amendment that would earmark a portion of the Navy's officer end strength for fiscal years 1989, 1990, and 1991 to be filled only by health care professionals.

The conferees note that section 723 was included in Public Law 100-180 because of congressional concerns about chronic understaffing in the Navy medical department. Although Congress has approved considerable end strength growth for the Navy from fiscal year 1981 through fiscal year 1988—64,000 personnel—the Navy made a conscious decision to devote the bulk of that growth to manning the fleet for the future 600-ship Navy.

In fiscal year 1986, Navy end strength grew by 10,000 over the fiscal year 1985 level; by contrast, Navy medical staffing decreased by 183. During the same one-year period, non-availability statements issued by Navy hospitals sending patients to civilian medical facilities under the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) increased by more than 60 percent. In fiscal year 1987, Navy end strength grew by 6,000; Navy medical staffing decreased by an additional 470.

In an effort to reverse this downward trend in both the level of staffing and the availability of care, section 723 of Public Law 100-180 required that 25 percent of the Navy's officer accessions and 15 percent of its end strength growth during fiscal years 1989 and 1990 be medical personnel. The conferees recognize that percentages are not the optimal way to ensure growth in the Navy's medical strength and, in an effort to ensure modest medical growth over the next few years, have instead required that a portion of the Navy's officer end strength during fiscal years 1989, 1990, and 1991 be earmarked specifically for medical personnel.

The conferees emphasize that their concern is not growth per se but, rather, improvement in the quality and accessibility of medical care. They recognize that major efforts will be necessary and that the Navy may need additional tools. As a first step, they have authorized a one-year medical officer retention bonus in section 612 and plan a comprehensive review of medical personnel incentives next year following submission of the December 1, 1988, report of the Secretary of Defense required in section 612.

The conferees understand that the Navy is looking at increased numbers of Federal civilian employees or expanded contracting with the private sector as other options to relieving its current staff shortfalls. If the Navy succeeds in significantly increasing its medical staff by implementing one or both options, the conferees will review the medical end strength level allocated by this provision and make appropriate revisions.

The conferees recognize that recruiting and retaining health care professionals are challenging tasks and have attempted to set realistic goals for growth. Some provider categories, like nurses, will be very difficult to increase because severe shortages exist in the civilian sector as well. The Navy has the opportunity, however, for growth in some other provider groups, specifically physician assistants. If action is taken on commissioning physician assistants, this program could offer the opportunity to increase substantially the availability of medical care to the current beneficiary population, both aboard ship and at fixed medical facilities.

The conferees will closely monitor the Navy's implementation of this medical growth plan. Should the requirements of section 642 prove unrealistic or unattainable in the current environment, after a good faith effort by the Navy to achieve those goals, the conferees would certainly consider any other recommendations from the Secretary of the Navy, through the Office of the Secretary of Defense, for modification. The conferees note that they view reversal of the chronic understaffing of Navy medical care to be a top priority item in the allocation of Navy manpower resources in the foreseeable future.

Sharing of health care resources between the Department of Defense and the Veterans' Administration (sec. 644)

The House bill contained a provision (sec. 633) that would provide authority in title 10 for Department of Defense/Veterans' Administration (DOD/VA) sharing agreements and permit the use of Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) funds to execute such agreements.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment deleting the House provision and instead providing $20 million of medical operation and maintenance funding for such sharing agreements. The conferees recognize the merit and potential for cost-effective use of scarce medical care resources that can result from such sharing agreements and expect the Department of Defense to continue to explore ways to contain rapidly escalating medical costs.

CHAMPUS was established to pay for care provided beneficiaries in the civilian sector. If the Department of Defense believes that greater cost-effectiveness can be achieved in some instances through use of CHAMPUS funds for sharing agreements with the Veterans' Administration, then a number of issues need to be clarified. Before authorizing the Department of Defense to use CHAMPUS funds for DOD/VA sharing, the conferees need further information. Therefore, the Secretary of Defense is directed to submit a report not later than February 15, 1989, addressing the following questions:

1. Would beneficiary freedom of choice be limited in any way as a result of a sharing agreement?

2. Would contractors in the region of the country covered by the CHAMPUS Reform Initiative be liable for the costs incurred by a local base commander who negotiates a sharing agreement without the contractor being allowed to participate in that decision?

3. On what priority basis would patients be seen in DOD and VA facilities?

4. What types of tracking methods would be in place to monitor the use of CHAMPUS funds and evaluate the growth and cost-effectiveness of the sharing program?

5. Would a copayment be required for DOD beneficiaries utilizing these agreements?

6. How would patient workloads be used to justify expansion of facilities?

7. Would written referrals be required?

8. Would cost effectiveness be required?

9. How would double billings be prevented?

In addition, the conferees expect the report to address the recommendations of the General Accounting Office contained in he March 1988 report entitled "Further Opportunities to Increase the Sharing of Medical Resources" and any additional issues that the Secretary deems appropriate.

The conferees direct the Department to develop a plan for utilization of CHAMPUS funds to execute agreements as authorized by the Veterans' Administration and Department of Defense Health Resources Sharing and Emergency Operations Act (Public Law 97-174). This report and plan should be submitted to the Committees on Armed Services of the Senate and House of Representatives not later than February 15, 1989.

The Department of Defense is to be commended for the more than 240 sharing agreements which have already been executed under current authority. Both cost efficiencies and high quality health care are imperative components of delivering medical treatment to beneficiaries of our military medical system.

Extension of earliest termination date for former Public Health Service hospitals and requirement that such hospitals be cost effective (sec. 645)

The House bill contained a provision (sec. 621) that would extend the earliest possible termination date for designation of Uniformed Services Treatment Facilities to December 31, 1989 and would require that the Secretary of Defense certify that more cost-effective care can be obtained prior to termination of the designation.

The Senate amendment contained a provision (sec. 634) that would extend the earliest possible termination date for designation of Uniformed Services Treatment Facilities to December 31, 1991.

The House recedes with an amendment extending the earliest possible termination date for designation of Uniformed Services Treatment Facilities to December 31, 1990, and requiring the Secretary of Defense to certify that more cost effective care can be obtained prior to termination of the designation.

Eligibility of certain institutions to receive reimbursement under CHAMPUS (sec. 646)

The House bill contained a provision (sec. 635) that would authorize the Secretary of Defense to waive CHAMPUS co-payment if a medical treatment facility does not impose a legal obligation to pay for care on all patients. The Secretary of Defense would not be permitted to withhold payment to a hospital based solely on the fact that the facility imposes no legal obligation for payment on its patients.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that permits the Secretary of Defense to waive CHAMPUS beneficiary co-payment and to make payment to requesting hospitals that do not impose legal obligations on patients to pay for care, if the requesting hospital meets regulations prescribed by the Office of the Civilian Health and Medical Program of the Uniformed Service.

PART F—MISCELLANEOUS

LEGISLATIVE PROVISIONS ADOPTED

Limited extension of certain medical benefits for former spouses (sec. 651)

The House bill contained a provision (sec. 615) that would authorize a limited extension of certain medical benefits for former spouses. Specifically, those former spouses who had been married for a minimum of 20 years to a service member who served for a minimum of 20 years with at least 15 years of marriage during that military service (the so called "20/20/15" group) and whose divorces were finalized after the enactment of the fiscal year 1989 Defense Authorization Act, would become eligible for one year of transitional military medical care while deciding whether to elect coverage under the new Department of Defense conversion plan. Those with pre-existing conditions not covered in the first year of the conversion plan would retain eligibility for military medical care for an additional one-year period for that pre-existing condition.

The Senate amendment contained no similar provision.

The Senate recedes.

Technical correction to survivor benefit plan coverage of former spouses (sec. 652)

The House bill contained a provision (sec. 614) that would make a technical correction to ensure that the designated former spouses of military retirees, of retirement eligible active-duty personnel, or of reservists with at least 20 years service who were spouse beneficiaries on or before the date of the fiscal year 1986 Survivor Benefit Plan changes have their post-age 62 annuities calculated under both the previous and current systems, with entitlement to the higher of the two.

The Senate amendment contained no similar provision.

The Senate recedes.

Special annuity for certain surviving spouses (sec. 653)

The Senate amendment contained a provision (sec. 615) that would authorize a $165 per month survivor benefit payment to survivors of military retirees whose spouses died before November 1, 1953.

The House bill contained no similar provision.

The House recedes with an amendment requiring this category of survivors to meet the eligibility under the Department of Defense Minimum Income Widows' Program in order to be eligible for this program.

Report on definition of dependent for certain purposes (sec. 654)

The Senate amendment contained provisions that would define "dependent" for travel purposes (sec. 617), for medical care purposes (sec. 623), and for commissary entitlement purposes (sec. 620).

The House bill contained no similar provisions.

The House recedes with an amendment deleting the Senate provisions but requiring a report from the Secretary of Defense not later than February 15, 1989, that comprehensively addresses the appropriate benefits and entitlements that should accrue to military dependents, and the appropriate definition of military dependent as a category so that this category can be treated uniformly for such entitlements and benefits as housing, travel, medical care, commissary privileges, schooling, etc. The amendment further requires that the Secretary of defense submit proposed legislation to accompany the report which would implement the recommendations in the report.

TITLE VII—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Authority to Establish Position of Assistant Secretary of Defense for Intelligence (sec. 701)

The House bill contained a provision (sec. 951) that would:

(1) amend section 136(b) of title 10, United States Code, by dropping "intelligence" from the position title, redesignating the position of Assistant Secretary of Defense for Command, Control, and Communications, and making a corresponding change to the prescription of the responsibility of such position;

(2) amend section 136(b) of such title to designate the position of Assistant Secretary of Defense for Intelligence and to prescribe the responsibility of such position; and

(3) amend section 136(a) of title 10 and section 5315 of title 5 to increase the number of Assistant Secretaries of Defense from eleven to twelve.

The Senate amendment contained a provision (sec. 705) that would prohibit the use of funds in fiscal year 1989 to establish or operate an Office of the Assistant Secretary of Defense for Intelligence or to pay the salary of an Assistant Secretary of Defense for Intelligence.

The conferees agreed to an amendment to retain the current position of Assistant Secretary of Defense for Command, Control, Communications, and Intelligence, but to authorize the Secretary of Defense, if he so chooses, to separate the intelligence function and the command, control, and communications function. The Secretary of Defense could establish the position of Assistant Secretary of Defense for Intelligence and redesignate the current position as the Assistant Secretary of Defense for Command, Control, and Communications. The conferees recognize that concerns about the current consolidation of these functions have been raised and that alternative organizational arrangements are being studied within DoD. The conferees agreed to provide the Secretary of Defense with the flexibility to implement any improved organizational arrangements that he deterimines necessary. The authority granted by the provision is consistent with the conferees' view that the Secretary of Defense should have sufficient flexibility to organize his office to fit his personal management style and DOD functional priorities.

The conferees agree to require the Secretary of Defense to submit, not later than November 1, 1988, a report to the Committees on Armed Services of the Senate and House of Representatives presenting and explaining his determination as to the most appropriate assignment of the duty of supervising the intelligence function. Such report should also present and explain the Secretary's views on the recommendations relating to the intelligence function contained in the management studies of the Office of the Secretary of Defense (OSD) required by section 109 of the Goldwater-Nichols DoD Reorganization Act of 1986 (Public Law 99-433). In each instance in which the Secretary recommends a change to the duty of supervising the intelligence function, he should explain how relationships among OSD officials and between OSD officials and intelligence officials in other departments and agencies would be affected. The Secretary should also include his recommendations for other organizational changes in the overall intelligence community that are warranted, particularly if he decides to create an Assistant Secretary of Defense for Intelligence.

Should the Secretary of Defense decide to establish the position of Assistant Secretary of Defense for Intelligence, the report that he submits to the Committees on Armed Services must include a detailed explanation of the duties of, and a draft charter for, such position. In addition, the Secretary should provide a detailed explanation of the duties of, and a draft charter for, the position of Assistant Secretary of Defense for Command, Control, and Communications, as redesignated. The conferees intend that the Secretary's report will be reviewed by the Committees on Armed Services prior to any confirmation proceedings for the new position and the redesignated position.

Should the Secretary of Defense decide to establish the position of Assistant Secretary of Defense for Intelligence, he will have to do so within the authorized level of eleven Assistant Secretaries. If the Secretary believes that a twelfth Assistant Secretary is justified, he should include in his report to the Committees on Armed Services an explanation of the need for an increase in the authorized number of Assistant Secretaries.

Designation in each military department of Assistant Secretary with responsibility for financial management (sec. 702)

The House bill contained a provision (sec. 701) that would—

(1) amend sections 3016(b), 5016(b), and 8016(b) of title 10, United States Code, to designate an Assistant Secretary for Financial Management in each Military Department and to prescribe the responsibility of such positions;

(2) amend chapters 303, 503, and 803 of such title to add new sections 3022, 5025, and 8022, respectively, prescribing the financial management activities and operations that the Assistant Secretary for Financial Management of each Military Department is to direct and manage; and

(3) amend section 8016(a) of such title to increase the number of Assistant Secretaries of the Air Force from three to four.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment to specify the effective dates for the various subsections of the House provision. In the case of the Departments of the Army and the Navy, January 20, 1989 is the effective date for subsections (a) and (b), respectively. In the case of the Department of the Air Force, July 1, 1989 is the effective date for subsections (c) and (d), except that such subsections shall take effect on such earlier date, but not before January 21, 1989, as may be prescribed by the President in advance by Executive Order.

General Counsels of military departments (sec. 703)

The Senate amendment contained a provision (sec. 706) that would amend sections 3019, 5019, and 8019 of title 10, United States Code, to require the appointment of the General Counsel of a Military Department by and with the advice and consent of the Senate. The Senate provision would apply this requirement only to appointments made on and after the date of enactment of this act.

The House bill contained no similar provision.

The House recedes.

Deferral of retirement date for Chairman of the Joint Chiefs of Staff (sec. 704)

The Senate amendment contained a provision (sec. 702) that would authorize the President to defer the retirement of the current JCS Chairman to coincide with the end of his second term on October 1, 1989.

The House bill contained no similar provision.

The House recedes.

Assignment of combatant forces (sec. 711)

The Senate amendment contained a provision (sec. 703) that would amend section 162(a) of title 10, United States Code, to authorize the Secretary of Defense to assign U.S. combatant forces to the U.S. element of binational and multinational military commands.

The House bill contained no similar provision.

The House recedes with an amendment to limit the authority of the Secretary of Defense to assign U.S. combatant forces, other than to combatant commands, only to the U.S. Element of the North American Air Defense Command.

Responsibility and authority of commander of special operations command (sec. 712)

The Senate amendment contained a provision (sec. 704) that would amend section 167(e) of title 10, United States Code, to clarify which of the functions of the commander of the special operations command are limited to assigned forces and to clearly assign to such commander responsibility for preparing and submitting to the Secretary of Defense program recommendations and budget proposals for special operations forces.

The House bill contained no similar provision.

The House recedes with two amendments. The first amendment would clarify that the commander of the special operations command would be responsible for executing budgets as well as for preparing and submitting to the Secretary of Defense program recommendations and budget proposals. The conferees agreed that the commander of the special operations command shall be responsible for budget execution not later than for the budget for fiscal year 1992.

The second House amendment would specify that the commander of the special operations command would be responsible for program recommendations, budgets proposals, and budget execution for other assigned forces as well as for all special operations forces. At present, not all of the forces assigned to the special operations command are designated as special operations forces. The conferees agreed that the commander should have the specified resource allocation responsibilities for all forces assigned to the command.

Strategic air defense alert mission (sec. 713)

The House bill contained a provision (sec. 945) that would prohibit any changes to any Air National Guard unit in the strategic air defense mission in the northern U.S., or any changes to the deployment of those units until both the Over-the-Horizon Backscatter (OTH-B) radar system and the North Warning System are fully deployed and the Secretary of the Air Force has reported on how these and other systems will perform the strategic air defense mission along the northern border of the U.S. and in Canada.

The Senate amendment contained a similar provision (sec. 942).

Neither committee had the opportunity to receive testimony on this or other issues related to impending changes in the strategic air defense mission as a result of the phase-out of the Distant Early Warning (DEW) line of radars and its replacement with the OTH-B and North Warning radars, which exend the warning and surveillance network into the arctic reaches. Accordingly, the Senate recedes with an amendment calling for an interim report on the effort of this provision on planned Department of Defense operations, and recommendations on whether this policy should be continued after fiscal year 1989. Both committees plan to hold extensive hearings in connection with the fiscal year 1990 budget request on the effects of this provision.

Reports on budgets for unified and specified commands (sec. 714)

The House bill contained a provision (sec. 705) that would amend section 166 of title 10, United States Code, to require the Secretary of Defense to submit a separate budget proposal for each unified and specified combatant command. The House provision would also add "command and control" to the list of activities for which funding is to be requested in such separate budget proposals.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that requires reports by the Secretary of Defense, the JCS Chairman, and the commanders of the unified and specified combatant commands on the resource allocation provisions, including separate budget proposals for the combatant commands, of the Goldwater-Nichols DOD Reorganization Act of 1986 (Public Law 99-433). The conferees express concern that implementation of the resource allocation provisions appears to be incomplete. The conferees intend that the required reports will assist the Committees on Armed Services of the Senate and House of Representatives in determining what further actions may be necessary to ensure full implementation of the Goldwater-Nichols Act.

Report on initial Unified Command Plan and review of Service roles and missions (sec. 715)

The House bill contained a provision (sec. 707(a)) that would require the Secretary of Defense to submit not later than April 1, 1989 to the Committees on Armed Services of the Senate and House of Representatives a report on the implementation of sections 153(b) and 161(b) of title 10, United States Code. Such report would address the initial report of the JCS Chairman on the assignment of functions (or roles and missions) to the Services (as required by section 153(b)) and the initial review by the JCS Chairman of the Unified Command Plan (as required by section 161(b)).

The Senate amendment contained no similar provision.

The Senate recedes. The conferees agreed that this report would assist congressional efforts to monitor progress in the implementation of the Goldwater-Nichols DoD Reorganization Act of 1986 (Public Law 99-433).

Regulations for delivery of military personnel to civil authorities when charged with certain offenses (sec. 721)

The Senate amendment contained a provision (sec. 936) that would require the Department of Defense to promulgate uniform regulations to provide for the delivery to civilian authorities of military members accused of civil offenses, including parental kidnapping and related offenses, especially with respect to those who might otherwise remain overseas to avoid stateside civil child custody proceedings.

The House bill contained no similar provision.

The House recedes.

Court of military appeals retirement revisions (sec. 722)

The Senate amendment contained a provision (sec. 918) that would revise the retirement system for judges of the Court of Military Appeals.

The House bill contained no similar provision.

The House recedes with an amendment establishing the retirement system for the Court of Military Appeals under the Department of Defense Military Retirement Fund. Under this provision, a judge may elect, at the time of retirement from civil service, to receive an annuity under this new program in lieu of any other annuity to which the judge may be entitled under any other retirement system for civilian employees of the Federal government. If the judge makes such an election, it would be irrevocable, and the judge would not be entitled to any return of retirement contributions. This provision, however, does not affect the judge's entitlement to any benefits to which he is otherwise entitled under the government's Thrift Saving Plan.

It is the intent of the conferees that the provisions governing cost-of-living increases and survivor annuities be implemented, insofar as practicable, in a manner consistent with the provisions governing such benefits for civilian employees and their survivors under title 5, United States Code.

Annual net assessments (sec. 731)

The Senate amendment contained a provision (sec. 707) that would clarify the timing and content of the annual net assessment that is to be transmitted to the Congress by the Secretary of Defense under section 113(j) of title 10, United States Code.

The House bill contained no similar provision.

The House recedes.

Linkage of national military strategy and weapon acquisition programs (sec. 732)

The House bill contained a provision (sec. 938) that would express the sense of Congress that (1) the links between national strategy and specific acquisition decisions should be better defined; (2) the necessary operational capabilities and concepts of operations should be more clearly defined through the requirements process; (3) the requirements process should include alternatives based on levels of resources likely to be approved by the Congress and explicit tradeoffs among the Services; (4) the Secretary of Defense should ensure that budget priorities clearly reflect national strategic priorities; and (5) the Secretary should commission an independent assessment of the DoD process for requirements and planning.

The Senate amendment contained no similar provision.

The Senate recedes with technical amendments to clarify the House provision.

Ammunition production base requirements (sec. 733)

The House bill contained a provision (sec. 943) that would express the sense of Congress that the maintenance of the inactive portion of the Government-owned ammunition production base is critical to the defense of the United States and that sufficient funding should be provided to maintain this base to meet surge requirements and mobilization requirements of the Military Departments. This provision would also require the Secretary of Defense to submit a report, together with appropriate legislative proposals, to the Committees on Armed Services of the Senate and House of Representatives by December 1, 1988 on alternatives to the current method of funding the ammunition production base to better assure that appropriate levels of funds are used for the maintenance of the base.

The Senate amendment contained no similar provision.

The Senate recedes with technical amendments.

Sense of Congress on declassification of classified information (sec. 734)

The House bill contained a provision (sec. 957) that would express the sense of Congress that the Secretary of Defense should take all reasonable measures to declassify classified information under the control of the Department of Defense that the Secretary determines is no longer required to be protected in the interests of national security.

The Senate amendment contained no similar provision.

The Senate recedes. The conferees agree that too much information is classified in the first instance and too much information remains classified beyond the time that it is required to be protected. They are aware that Executive Order 12356 requires that classified information be declassified as soon as national security consideration permit, and urge the Secretary to take all reasonable steps to assure that this policy is carried out.

Advance payment of administrative claims (sec. 735)

The Senate amendment contained a provision (sec. 916) that would amend current law governing advance payment for administrative claims by increasing the maximum amount from $10,000 to $100,000.

The House bill contained no similar provision.

The House recedes. The conferees note that in most instances of death or injury to persons or property, the $10,000 limit in current law will provide sufficient funds to enable a claimant to alleviate any immediate hardship and mitigate damages pending final settlement. The conferees direct the Secretary of Defense to issue rules to ensure that the authority to provide advance payments in excess of $10,000 will be exercised in a judicious manner.

Energy efficiency incentive (sec. 736)

The Senate amendment contained a provision (sec. 925) that would authorize the Department of Defense to establish a program to conserve energy. Under this provision, the portion of the funds appropriated for payment of a military Service's energy expenses that is equal to the Government's share of the first year's energy cost savings resulting from contracts entered into under title VIII of the National Energy Conservation Policy Act (42 U.S.C. 8287 et seq.) as amended in 1986, would be treated as an unobligated balance. This unobligated balance would be available to the Service in the fiscal year after the fiscal year in which the savings occur, to be used in equal amounts, until expended, for additional energy efficiency projects by the Service, and appropriated Morale, Welfare and Recreation purposes and minor construction projects that enhance the quality of life at the installation at which the savings are realized.

The House bill contained no similar provision.

The House recedes with a technical amendment.

LEGISLATIVE PROVISION NOT ADOPTED

Maintenance of selected reserve force structure

The House bill contained a provision (sec. 932) that would prohibit the secretaries of the Military Departments from reducing the force structure of the Selected Reserve of the reserve components under their respective jurisdictions below the fiscal year 1988 force structure levels.

The Senate amendment contained no similar provision.

The House recedes. However, the conferees agree with the $11 million increase in the House bill to the Air National Guard and Air Force Reserve operation and maintenance accounts with the understanding that this funding is not designated for any specific purpose.

Uniform method for establishing wage schedules and rates

The House bill contained a provision (sec. 949) that would reinstate the effects of the so-called "Monroney Amendment" for the Department of Defense. The provision would require that wage rates for federal civilian blue collar workers be based on local prevailing wages for comparable private sector positions. If there is an insufficient number of comparable private sector positions to provide a representative sample, the nearest wage area with similar characteristics would be referenced for appropriate wage determinations.

The Senate amendment contained no similar provision.

The House recedes.

TITLE VIII—ACQUISITION POLICY AND MANAGEMENT

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Integrated financing policy (sec. 801)

The House bill contained a provision (sec. 821) that would require defense contractors to submit an annual profit information report containing detailed financial data to a firm in the private sector designated by the Secretary of Defense. The firm would aggregate the data and transmit it annually to the Secretary of Defense. The Secretary would be required on an annual basis to conduct a study of the financial situation and level of profitability of defense contractors.

The House bill also contained a provision (sec. 822) that would require the Secretary of Defense to establish an Advisory Council for the purpose of recommending to the Secretary of Defense a financial analysis methodology for the profitability study.

The Senate amendment contained a provision (sec. 801) that would require the Secretary of Defense to establish, in conjunction with the development of the Five Year Defense Program, an integrated plan to ensure that Department of Defense financing policies are structured to meet the Department's long-term needs for industrial resources and technology innovation. The foundation of the plan would be the Department's long-term goals for the defense industry, taking into account the different characteristics of its separate segments and tiers. The plan would set forth a detailed explanation of the relationship between these long-term goals and the specific policies, as reflected in the budget, on progress payments and other financing of contractors, return on investment, and division of contract risk.

The Senate recedes with an amendment that makes clarifying changes to the integrated financing policy requirement and that requires the Department of Defense: (1) in developing the integrated financing policy, to take into consideration the profitability of negotiated defense contracts for each fiscal year that forms the basis for the policy; (2) to establish an Advisory Council to recommend the financial analysis methodology to be used for any return on investment study conducted by the Secretary of Defense; (3) to use the most current information on profitability developed for the integrated financing policy as the basis for negotiating defense contracts; and (4) to report to Congress each year on the manner in which contracts negotiated under the integrated financing policy have prevented the occurrence of excessive profits. The Council would consist of seven numbers, with three representatives from the private sector and four from the public sector (including the General Accounting Office and the Department of Defense). It is the intent of the conferees that that the private sector representatives include persons from defense industry and the accounting profession.

Competitive prototype strategies (sec. 802)

The Senate amendment contained a provision (sec. 819) that would substantially revise current law governing the use of competitive prototyping in the development of appropirate acquisition strategies.

The House bill contained no similar provision.

The House recedes with an amendment sunsetting the statutory provisions governing competitive prototype strategies on September 30, 1991. The conferees believe that the next three years will provide a base of experience that will permit the Department, after legislation expires, to develop appropriate regulatory guidance for the use of competitive prototype strategies.

Delegation of authority to approve certain contract justifications (sec. 803)

Section 2304(f) of title 10, United States Code, requires written justifications and approvals for contract awards that use procedures other than competitive procedures. As currently written, the aproval can be granted only by the "senior procurement executive" for contracts in excess of $10 million. Although each Military Department has a statutory "senior procurement executive," no authority exists to designate such a position in the Defense Agencies and other elements of the Department of Defense. This means that the Under Secretary of Defense for Acquisition must serve as the approval authority for the Defense Agencies and other elements of the Department that are not within the Military Departments.

The Senate amendment contained a provision (sec. 808) that would permit the Under Secretary of Defense to delegate his approval authority to a senior official within each applicable element of the Department of Defense.

The House bill contained no similar provision.

The House recedes with an amendment that specifies the military or civilian grade that must be held by an individual who receives this delegation of authority. The conferees wish to emphasize that the sole purpose of this provision is to permit the Under Secretary to delegate this duty if he so desires, and it is not the intent of the conferees to encourage any increase in the use of noncompetitive procedures.

Evaluation of contract proposals for professional and technical services (sec. 804)

The House bill contained a provision (sec. 807) that would require the Department of Defense to evaluate proposals for professional services as if the hourly labor rates for professional employees carrying out the services were based on a 40-hour work week.

The Senate amendment contained a provision (sec. 812) that would express the sense of the Senate that the evaluation of professional and technical services contract proposals should be made on the basis of a 40-hour work week standard.

The Senate recedes with an amendment requiring the Secretary of Defense to establish criteria to ensure that proposals for professional and technical services are evaluated on a basis which does not encourage contractors to propose mandatory uncompensated overtime for professional and technical employees.

The conferees believe that timely and decisive action must be taken by the Department of Defense to resolve the issue of the basis upon which the Department will evaluate bids and proposals for the professional and technical services. The conferees feel strongly that the issue must be resolved promptly and in a manner that provides the Department with the best product for funds expended, while maintaining fair labor practices. The conferees direct that the Department establish an advisory committee to make recommendations concerning the issue. The conferees intend to follow closely the Department's implementation of this provision and will review whether legislation is still necessary after the Secretary acts.

The professional and technical services representation on the advisory committee shall be drawn from trade and business associations such as the Professional Services Council, the Contract Services Council, the Contract Services Association, the Electronic Industries Association, the American Electronics Association, and other interested groups or companies.

In recommending criteria, the advisory committee should recognize that the professional and technial services industry is a vital sector of the defense industrial base. The provision of quality services by the industry is essential to assuring innovation and technological leadership in our defense systems. Acquisition procedures should be specifically fashioned to achieve the objective of quality professional and technical services support for the defense effort.

Procurement of critical spare parts (sec. 805)

The House bill contained a provision (sec. 808) that would require the Secretary of Defense to procure critical spare or repair parts for ships and aircraft that meet the same quality and inspection requirements as the original parts.

The Senate amendment contained a provision (sec. 822) that would require the Secretary of Defense to use, in procuring critical spare or repair parts for aircraft, qualification and quality requirements that were at least as stringent as those that applied to the original or original redesigned parts.

The Senate recedes with an amendment requiring that the head of an agency, when purchasing critical spare or repair parts, use all appropriate quality and qualification requirements as may be specified and made available to potential offerors. In determining the appropriate qualification and quality requirements, the head of an agency is required to utilize the requirements used to qualify the original production part, unless he determines in writing that any or all such requirements are unnecessary.

The conferees support the efforts by the Services to increase significantly competition in the procurement of critical spare or repair parts and this provision is not intended to supersede any law or regulation, including section 2319 of title 10, United States Code. However, the conferees are equally concerned that quality and safety not be compromised in procuring critical spare or repair parts. They recognize that there are circumstances in which it may not be necessary to apply the same qualification and quality requirements used during the development or early production stages of a defense program to a part procured to support a fielded system. They also recognize that as technology changes qualification requirements change. However, the qualification and quality requirements applied to critical original production parts should serve as the baseline and subsequent modifications should be documented.

The conferees intend to continue monitoring this issue and direct the General Accounting Office to prepare and submit a report within one year on the implementation of this section and the procedures used by the Services to ensure the necessary level of quality in critical spare parts procurement. The review should focus on parts procured from original equipment manufacturers as well as parts procured from other sources. The report should review any criteria used to designate parts as critical parts and, to the extent that quality deficiencies in such critical parts can be traced and documented, any organizational or systemic causes which might lead to the procurement of critical parts of insufficient quality.

Incentives for innovation (sec. 806)

The Senate amendment contained a provision (sec. 803) that would prevent the Government from requiring that a prime contractor provide for competition between identical items in cases where an item has been developed exclusively at private expense. The Senate provision would allow the head of an agency to require such competition in certain circumstances. In addition, the Senate provision would require the Department of Defense to evaluate proposals from prime contractors who rely on privately-developed items in a manner that accommodates the objectives of this provision.

The House bill contained no similar provision.

The House recedes with an amendment that makes technical changes and that requires DOD, in considering the responses to proposals described in subparagraphs (1)(B) or (2)(B) of section 2305(d) of title 10, United States Code, to evaluate items developed exclusively at private expense on the basis of an analysis of the total value of incorporating such items in the system.

Regulations on use of fixed price development contracts (sec. 807)

The Senate amendment contained a provision (sec. 802) that would require the Secretary of Defense to prescribe guidelines limiting the use of fixed price contracts for development programs. The Senate provision also would preclude use of firm-fixed price development contracts in excess of $10 million unless approved by the Under Secretary of Defense for Acquisition.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

The conferees note that current Department of Defense rules discourage the use of fixed price development contracts, but do not provide sufficient guidance for assessment of the relationship between pricing and program risk, and for the allocation of risk between the United States and the contractor. The conferees expect the revised regulations to provide a greater level of detail with respect to these matters.

The conferees emphasize that the expiration of the $10 million statutory limit on firm-fixed price contracts after two years does not signal any intent or expectation that the regulatory limitations will be changed substantially at that time; rather, it reflects a belief that a two-year statutory period is sufficient to focus the Department's attention on this problem. The Congress can monitor the Department's performance after that period through the oversight process without the necessity for mandatory involvement by the Under Secretary in specific cases, except to the extent that the Under Secretary believes at that time that such continuing involvement is necessary.

Department of Defense Advisory Panel on government-industry relations (sec. 808)

The Senate amendment contained a provision (sec. 811) that would require the Secretary of Defense to establish an advisory panel on government-industry relations.

The House bill contained no similar provision.

The House recedes.

Report on simplification and streamlining of acquisition procedures (sec. 809)

The Senate amendment contained a provision (sec. 810) requiring the Under Secretary of Defense for Acquisition to submit to Congress a report on the Under Secretary's programs regarding simplification of procedures governing the acquisition process.

The House bill contained a provision (sec. 802) requiring the Department of Defense and the General Accounting Office to conduct studies of the Department's implementation of the acquisition streamlining recommendations proposed by the President's Blue Ribbon Commission on Defense Management (the "Packard Commission").

The House recedes. The conferees direct the Under Secretary of Defense for Acquisition to include an assessment of the effectiveness of the Department's implementation of the Packard Commission's recommendations in the report required by this section. The conferees also direct the Under Secretary to specifically address the impact of existing laws and regulations on the effectiveness of program managers and contracting officers.

Defense industrial base (sec. 821)

The House bill contained comprehensive provisions (secs. 1001 and 1002) that would be intended to foster revitalization of the United States defense industrial base.

The Senate amendment contained a similar provision (sec. 804).

The House recedes with an amendment that, among other changes, clarifies the intent of the provision; changes the title of the Defense Production Innovation Office to the Defense Industrial Base Office; and deletes the reference to the Defense Production Base Director.

Source for procurement of certain valves and machine tools (sec. 822)

The House bill contained a provision (sec. 805) that would prohibit the Department of Defense from buying powered and non-powered valves manufactured outside the United States. The House bill included another provision (sec. 806) that would prohibit the Secretary of Defense or the Secretaries of the Military Departments from buying certain machine tools manufactured outside the United States or Canada.

The Senate amendment contained no similar provisions.

The Senate recedes on both provisions with an amendment to make the following changes: (1) specify that the category of valves covered by the provision are those used in piping for naval surface ships and submarines; (2) specify that the valves and machine tools covered by the provision may not be purchased from sources outside the United States and Canada; (3) restrict the period of time in which the valves and machine tools would be covered by the provision to three years; (4) authorize the Secretary of Defense to extend the restriction contained in the provision for two additional years. In addition to these changes to the House provisions, the conferees agree to authorize the Secretary of Defense to waive the restriction in the provision if he makes any one of several specific determinations.

Finally, the conferees direct the Secretary of Defense to submit a report to the Committees on Armed Services of the Senate and House of Representatives on the costs and effects of statutory "Buy American" restrictions. The report shall include the following information and analysis: (1) a compilation of statutory "Buy American" restrictions that affect purchases by the Defense Department; (2) an analysis of the existing capability of U.S. and Canadian manufacturers of the products covered by the "Buy American" restrictions to provide the Defense Department with an adequate supply of those products of a satisfactory quality, on a timely basis, and at a reasonable cost; (3) factors that should be considered by the Secretary and the Congress in establishing "Buy American" restrictions on defense products; (4) an estimate of the costs incurred by the Defense Department in not being able to buy products covered by the "Buy American" restrictions from sources outside the United States; (4) an analysis of how the Secretary of Defense would exercise the waiver authority granted by this provision for valves and machine tools if it were extended to encompass the other products covered by "Buy American" restrictions; and (5) the Secretary's recommendations for any legislative action on this subject. This report shall be submitted to the Armed Services Committees by February 1, 1989.

The conferees believe that their agreement on the House provisions should represent the beginning of a reassessment by the Congress of the role of "Buy American" restrictions in the procurement of defense equipment. In particular, the report to be prepared by the Secretary of Defense should greatly contribute to this review. Another important factor to be considered in the course of this reassessment will be the defense industrial base planning framework established by section 821.

Critical technologies plan (sec. 823)

Section 817 of the Senate amendment would establish an annual requirement for the Under Secretary of Defense for Acquisition, in consultation with the Assistant Secretary of Energy for Defense Programs, to submit a plan for developing the 20 technologies most essential to ensure long-term qualitative superiority in United States weapon systems. The plan required by the Senate amendment would include, among other items, the extent to which the United States should depend on its allies for the development of such technologies.

The House bill contained no similar provision.

The House recedes with an amendment that requires the plan to include a comparison of the relative positions of the United States and other industrialized countries prominent in the 20 most essential technologies. The conference agreement also requires the plan to include an assessment of the extent to which the United States should depend on other countries, not limited to U.S. allies, for the development of the 20 most essential technologies.

Defense memoranda of understanding (sec. 824)

The Senate amendment contained a provision (sec. 805) that would require the Secretary of Defense to consult with the Secretary of Commerce in the negotiation and renegotiation of Memoranda of Understanding (MOUs) between the Department of Defense and one or more foreign countries relating to defense trade, cooperation on defense research, or production of defense equipment. The Senate provision would also require the Secretary of Defense, in consultation with the Secretary of Commerce, to submit a report to the Armed Services Committees of the Senate and House of Representatives that describes the effect on the United States defense industrial base of the implementation of each such memorandum.

The House bill contained no similar provision.

The House recedes with an amendment that clarifies the intent of the provision, deletes reporting requirements from the provision, and deletes from the provision language directing the Secretary of Defense to use resources provided by the Secretary of Commerce.

The conferees agree that for a period of one year after the enactment of this Act, the Secretary of Defense, after consulting with the Secretary of Commerce, shall submit a report within 30 days after each such memorandum of understanding is signed. The report shall include, at a minimum, a description of the anticipated effects of the implementation of the memorandum on the United States defense industrial base. The reports are to be submitted to the Committees on Armed Services of the Senate and House of Representatives.

The conferees also recognize that cases may exist in which the defense industry may appeal the decision to sign an MOU on the grounds that implementing it would adversely affect the United States defense industrial base. In resolving industry complaints, the conferees direct the Secretary of Defense to fully use such resources as the Secretary of Commerce may make available to the Department of Defense for the purpose of making a determination of the validity of any protest.

Department of Defense offset policy (sec. 825)

The Senate amendment contained a provision (sec. 806) that would require the Secretary of Defense, in coordination with the Secretary of Commerce, the Secretary of State, the Secretary of the Treasury, and the United States Trade Representative, to establish a comprehensive offset policy for defense contractual arrangements with foreign countries. The provision would also restrict officials of the United States from entering into any agreement with a foreign country that would require the transfer of United States technology to a foreign country or firm in connection with a contract that is subject to an offset arrangement if the implementation of the agreement would adversely affect the United States defense industrial base and result in a substantial loss to the United States firm. Should any firm enter into a contract for the sale to a foreign country of a weapon system subject to an offset arrangement exceeding $50 million, the provision would also require that the firm notify the Secretary of Defense of the proposed sale.

The House bill contained no similar provision.

The House recedes with an amendment that clarifies the findings; directs the President, instead of the Secretary of Defense, to establish an offset policy and to enter into negotiations with foreign governments; requires the President, instead of the Secretary of Defense, to submit specified reports; directs the Secretary of Defense to consult with the Secretary of Commerce in making a determination on the validity of a protest by the defense industry regarding a memorandum of understanding; and delays by one year the due date of a report of possible actions that the United States might take regarding offsets.

The Senate provision would require the Secretary of Defense to consult with the Secretary of Commerce, the Secretary of State, the Secretary of the Treasury, and the United States Trade Representative in establishing an offset policy, in negotiating with foreign governments, and when submitting the required reports. In agreeing that the President was responsible for these actions instead of the Secretary of Defense, the conferees confirm that this agreement was not intended to change the requirement that these officials be consulted in carrying out the intent of this provision.

The conferees are aware that the direction to enter into negotiations does not contain a date certain when these negotiations are to begin. The conferees recognize that with the upcoming change in the administration, continuity of negotiations will be difficult to maintain. The conferees therefore agree that while it may be useful to begin laying the groundwork for these negotiations, it would be acceptable to initiate formal negotiations at an appropriate time in fiscal year 1989.

The conferees are aware that other reporting requirements concerning offsets exist, such as reports required by the Defense Production Act, and believe that the reports required by section 825 should incorporate the information collected by those reports, when appropriate, rather than duplicate information that may already be collected. The conferees also note that the Senate Foreign Relations Committee and the House Foreign Affairs Committee, among others, have a specific interest in the report required by March 15, 1990. Accordingly, the conferees direct that the report also be provided to those committees, in addition to the Committees on Armed Services of the Senate and House of Representatives.

The conferees confirm that they did not contemplate that restrictions on the transfer of technology would be included in Memoranda of Understanding unless the Secretary of Defense after consulting with the Department of Commerce and Department of State, determines that the terms of the agreement would result in damage to the United States industrial base and substantial financial loss to the protesting United States firm.

The conferees further agree that, in establishing an offset policy and negotiating with foreign countries to limit the adverse effects of offset arrangements, the major emphasis should be directed at eliminating the adverse effect of offset arrangements between and among the industrialized countries. The conferees recognize that certain offset arrangements with non-industrialized countries may be of less concern.

Allowability of costs to promote the export of defense products (sec. 826)

The House bill contained a provision that would make foreign selling costs allowable.

The Senate amendment contained a provision that would make foreign selling costs allowable subject to ceilings set in advance agreements between the Secretary of Defense and individual defense contractors.

The House recedes with an amendment requiring that, as a condition of allowability, the Secretary of Defense determine that foreign selling costs are likely to result in future cost advantages to the United States. The provision also restricts the Secretary of Defense from reimbursing more than 110 percent of the amount of foreign selling costs incurred in the previous year for any business segment which had over $2.5 million in foreign selling costs in that year. The General Accounting Office and the Department of Defense Inspector General are each required to report on the implementation of this provision within two years.

Finally, the conferees have agreed that this provision should expire at the end of three years. At that time, the conferees will consider extending and modifying the provision based on an assessment of the success of this provision in stimulating exports by the U.S. defense industry and in generating savings to the United States.

Additional prohibitions on persons convicted of felonies related to defense contracts (sec. 831)

Under current law (10 U.S.C. 2048), a person convicted of fraud or another felony arising out of a contract with the Department of Defense is prohibited from working in a management or supervisory capacity on any defense contract, or from serving on the board of directors of any defense contractor for a period, as determined by the Secretary of Defense, of not less than one year.

The House bill contained a provision (sec. 803) that would establish the minimum period of disqualification as not less than five years, which may be waived by the Secretary of Defense in specified circumstances. The House provision would also expand the list of disqualified activities, to include serving as a consultant to a defense contractor and such other activities as the Secretary of Defense deems appropriate and includes in applicable regulations.

The Senate amendment contained no similar provision.

The Senate recedes.

Limitation on allowability of costs of contractors incurred in certain proceedings (sec. 832)

The House bill contained a provision (sec. 816) under which legal fees and related expenses would not be treated as an allowable cost in any proceeding relating to a violation of, or failure to comply with, any federal, state, or local law or regulation which resulted in a conviction, a civil judgment containing a finding of liability, and administrative finding of liability, or a decision to debar or suspend the contractor or terminate the contract. In all other cases, allowable costs normally would be limited to $75 per hour.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment.

Under the legislation, the Secretary of Defense will issue regulations governing certain legal costs. Under the regulations, costs incurred in connection with any proceeding brought by the United States that results in a determination of a violation of, or failure to comply with, any Federal law or regulations on the part of the contractor would be unallowable when the proceeding resulted in: (1) a criminal conviction; (2) a civil judgment or final administrative determination of such violation of failure to comply if the violation or failure to comply was knowing or willful and the proceeding resulted in the imposition of a monetary penalty; or (3) a final decision by the Department of Defense to debar or suspend the contractor or to rescind, void, or terminate the contract when such action is based on a violation or failure to comply that was knowing or willful. When the matter is resolved by consent or compromise, the parties may agree as to the extent of allowability of such costs as a part of such resolution. Nothing in this provision precludes the Secretary from using existing regulatory authority to provide that costs incurred in specified nonfederal proceedings would be unallowable.

It is the intent of the conferees that costs will be unallowable when the decision in the underlying civil or administrative proceeding is based on an express finding that the violation or failure to comply was knowing or willful. The conferees recognize, however, that in a number of civil and administrative matters, a determination as to whether the violation was knowing or willful will not be expressly addressed in the decision on the underlying proceeding. Therefore, the conferees expect the Secretary's regulations to provide guidance to contracting officers as to the types of considerations that should be applied in determining whether a violation was knowing or willful. One consideration that should be set forth in the regulations is that a pattern of violations shall constitute evidence of knowing or willful behavior.

Air travel expenses of defense contractor personnel (sec. 833)

The Senate amendment contained a provision (sec. 923) that would require the Administrator of General Services to enter into negotiations with commercial carriers in an effort to reach an agreement that would permit contractor personnel traveling in the performance of a Department of Defense contract to travel at the Government rate. If such agreement is reached, defense contractor personnel would be required to travel under conditions that qualify them for such a rate.

The House bill contained no similar provision.

The House recedes with an amendment clarifying that contractor costs incurred in excess of the rates negotiated would be unallowable. In addition, the provision expires at the end of a three-year period, at which time the Secretary of Defense will determine whether to continue this requirement under the Secretary's authority to prescribe cost allowability standards.

Standards for contractor inventory accounting systems (sec. 834)

The House bill contained a provision (sec. 329) that would set standards for contractor inventory accounting systems. These standards would include enforcement mechanisms and a requirement that contractors certify that their inventory accounting systems complied with all applicable laws and regulations.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment requiring the Secretary of Defense to issue regulations establishing standards for inventory accounting systems used by defense contractors. The regulations would also prescribe appropriate certification and enforcement mechanisms.

In establishing the initial standards for contractor inventory accounting systems, the conferees direct the Secretary of Defense to utilize the elements presented in the Federal Register on December 14, 1987. In addition, the conferees direct the Secretary to develop clear direction for contracting officers in cases where the inventory accounting system of a defense contractor is so unreliable that a determination of the material impact on the United States from the deficiencies of the system is precluded. Such direction should include mechanisms for determining the appropriate withholding rate for progress payments or other penalties to ensure contractor compliance with applicable inventory accounting system standards.

Equal employment opportunities relating to an Army contract (sec. 835)

The House bill contained a provision (sec. 818) that would prohibit the Secretary of Defense from awarding a contract to be performed overseas to any contractor that discriminates on the basis of race, color, religion, sex, or national origin in its employment practices.

The Senate amendment contained no similar provisions.

The Senate recedes with an amendment that prohibits the expenditure or obligation of funds in this Act or in any previous act for the performance of contract number DA AJ09-88-C-A093 by a contractor outside the United States unless the Secretary of the Army secures a commitment from the contractor that it will support equal employment opportunities for all individuals irrespective of race, color, religion, sex, or national origin in its employment practices.

Procurement technical assistance cooperative agreement program (sec. 841)

The Senate amendment contained a provision (sec. 809) that would (1) require procurement technical assistance cooperative agreement programs to furnish technical assistance related to exporting defense-related products and services, (2) increase the maximum amount of the Department of Defense assistance to a program to $300,000 for programs operating on a State-wide basis, and (3) require that $500,000 of the $7 million made available for this program for fiscal year 1989 be designated for programs related to Indian tribal organizations.

The House bill contained no similar provision.

The House recedes with an amendment that increases the maximum amount of DoD assistance to a program to $300,000 for programs operating on a State-wide basis and that provides an additional year for the Department to obligate the $500,000 made available last year for programs related to Indian tribal organizations. The fiscal years 1988/1989 Defense Authorization Act provided $14 million for the Procurement Technical Assistance Cooperative Agreement Program for fiscal years 1988 and 1989, which included $7 million for each year. That legislation also designated $500,000 of that amount for programs related to Indian Tribal programs, but limited that authority to the funds provided for fiscal year 1988. Because the Department has not yet obligated those funds, the conferees have provided authority for the Department to do so out of the funds made available for fiscal year 1988 and fiscal year 1989. The conferees did not include a statutory requirement to provide assistance related to exporting defense products and services because the conferees did not want to dilute the program's emphasis on helping companies participate in the DoD acquisition process.

In its most recent solicitation for cooperative agreement proposals, the Defense Logistics Agency proposed to phase out all funding for existing Procurement Technical Assistance Centers over a five-year period, at a rate of 20% a year. The conferees are concerned about the effect of this proposal on existing Procurement Technical Assistance Centers. The Committees on Armed Services of the Senate and House of Representatives intend to examine this issue and to make appropriate recommendations to the Defense Logistics Agency. The conferees direct the Defense Logistics Agency to refrain from any further action to phase out funding for existing Procurement Technical Assistance Centers until such time as the Committees make their recommendations.

Product evaluation (sec. 842)

The Senate amendment contained a provision (sec. 816) that would require the Secretary of Defense to establish a product evaluation activity of the purpose of demonstrating and evaluating promising items of equipment developed by private industry. Section 220B of the Senate amendment would also authorize $17.5 million for evaluation of those products that were not included in the amended budget request. The Senate provision also would require that the evaluation cost be shared on an equal basis between the contractor and the government.

The House bill contained no similar provisions.

The House recedes with an amendment. The conferees agree that this type of product evaluation activity would be beneficial to the Department of Defense; however, the Senate provision was not intended to establish a separate office to administer the activity. The conference agreement clarifies this intent, and also includes language concerning cost-sharing by small businesses.

The conferees direct that the Department of Defense set up a procedure whereby a "user" point of contact be assigned to each potential product. That point of contact should approve the potential usefulness for that product before it is considered for evaluation under this section. The conferees further agree that this product evaluation activity is only for products that could be used to satisfy a need for the Department of Defense.

The conferees have learned of many promising programs that could well be demonstrated through the product evaluation activity. The following projects were brought to the attention of the conferees.

Multi-Helicopter External Lift System

Ruggedized Plastic Material for Ammunition Packaging

30/30 Engineering Vehicle

High-Speed Assault Landing Craft

Navy Advanced anti-Ship Seeker/Guidance Program

DP-2 Vector Thrust Project

Hardened buried and low-profile broadband antennae

Contract goal for small and disadvantaged businesses in printing-related services (sec. 843)

The Senate amendment contained a provision (sec. 947) that would authorize the Public Printer, in contracts for printing, binding and related services for the Department of Defense, to contract with small and disadvantaged businesses for the purpose of meeting the goals in section 1207 of the fiscal year 1987 Defense Authorization Act.

The House bill contained no similar provision.

The House recedes with an amendment establishing a test program for contracts for Department of Defense requirements in fiscal years 1989 and 1990. The test program authorizes the Public Printer, in each of the two fiscal years, to restrict to small and disadvantaged businesses competition on contracts for up to five percent of the value of printing, binding and related services procured by the Government Printing Office for the Department of Defense in the preceding fiscal year. The amounts set aside under this provision would be counted toward goals established in section 1207 of the fiscal year 1987 Defense Authorization Act.

Extension of contract goal for small disadvantaged businesses (sec. 844)

The House bill included a provision (sec. 801) that would extend by one year the program requiring a three-year, five percent

Department of Defense contracting goal for small disadvantaged businesses established in section 1207 of the fiscal year 1987 Defense Authorization Act.

The Senate amendment contained no similar provision.

The Senate recedes.

The conferees note that the initial legislation called for a three year test program, but the Department of Defense did not issue comprehensive interim rules until nearly fifteen months after the legislation was enacted. Therefore, the one year extension has been granted in order to permit a full, three-year test.

The conferees also note concern over the manner in which the Department has implemented the authority to provide small disadvantaged businesses with up to 10 percent price differential. By providing this differential on an across-the-board basis, the Department may be making it very difficult for other small and medium-sized businesses to compete, particularly in terms of programs in which small and disadvantaged businesses already have a substantial presence. The conferees direct the Secretary of Defense to ensure that any price differentials for small and disadvantaged businesses are tailored to the various segments and tiers of industry so that other small and medium sized companies are not denied a reasonable opportunity to compete, and that price differentials are not used when adequate small and disadvantaged business participation exists within an industry category.

Deadline for certain small business regulations (sec. 845)

The House bill contained a provision that would require the Department of Defense to issue the regulations required by subsections (f) and (h) of section 921 of the fiscal year 1987 Defense Authorization Act not later than June 1, 1988.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment requiring that the regulations become effective not later than October 1, 1988.

Safeguarding military whistleblowers (sec. 846)

The House bill contained a provision (sec. 810) that would protect lawful communications by military personnel to a Member of Congress or an Inspector General in the Department of Defense. The House bill would prohibit retaliatory personnel actions as a reprisal for such a communication, require an investigation by the DOD Inspector General of certain allegations, and provide statutory guidance for the Boards of Correction of Military Records in reviewing all allegations of such reprisals.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment which clarifies the rights protected by this provision and revises the review and reporting procedures.

The conferees note that in the course of their duties, members of the Armed Forces may become aware of information evidencing wrongdoing or waste of funds. It is generally the duty of members of the Armed Forces to report such information through the chain of command. Members of the armed forces, however, have the right to communicate directly with Members of Congress and Inspectors General (except to the extent that a communication is unlawful under applicable law or regulation), and there may be circumstances in which service members believe it is necessary to disclose information directly to a Member of Congress or an Inspector General. When they make lawful disclosures, they should be protected from adverse personnel consequences (or threats of such consequences), and there should be prompt investigation and administrative review of claims of reprisals. When such a claim is found to be meritorious, the Secretary concerned should initiate appropriate corrective action, including disciplinary action when warranted.

It is the intent of the conferees that the Secretaries of Defense and Transportation implement this section in a manner consistent with the Inspector General Act of 1978 and the Uniform Code of Military Justice.

LEGISLATIVE PROVISIONS NOT ADOPTED

Source for procurement of anchor and mooring chain

The House bill contained a provision (sec. 804) that would prohibit the Secretary of Defense and the Secretaries of the Military Departments from buying anchor and mooring chain manufactured outside the United States.

The Senate amendment contained no similar provision.

The House recedes.

Sense of Congress on preparation of certain economic impact and employment information concerning new acquisition programs

The House bill contained a provision (sec. 811) that would express the sense of Congress that the Secretary of Defense should not, before a program is approved for full-scale development, prepare any information with respect to economic benefits or employment impact of the program in a particular State or congressional district.

The Senate amendment contained no similar provision.

The House recedes. The conferees agree with the goals of the House provision, but believe that its purpose can be achieved without further legislation by directing the Secretary of Defense to issue a regulation to address the issues raised by section 811 of the House bill.

Sense of Congress on determinations of most qualified responsive bids

The House bill contained a provision (sec. 814) that would express the sense of Congress that, in determining the most qualified responsive bid for a contract from the Department of Defense in excess of $100,000, the Secretary of Defense or the Secretaries of the Military Departments shall take into account amounts to be paid by the bidder in federal taxes as a result of the contract.

The Senate amendment contained no similar provision.

The House recedes.

Limitation of transference of technical data used in second source procurement

The House bill contained a provision (sec. 817) that would require that any technical data, which must be transferred for second source procurement, shall be used only for reprocurement within the United States.

The Senate amendment contained no similar provision.

The House recedes.

Value engineering review

The House bill contained a provision (sec. 958) that would require a value engineering review for all supply and service contracts for major weapon systems and for all construction contracts in excess of $2 million. The House bill would also require a report on the efforts of the Department of Defense to increase contractor participation in the value engineering program.

The Senate bill contained no such provision.

The House recedes. The conferees acknowledge the importance of the value engineering program and agree that the Department of Defense has to find incentives to increase the contractor participation in this program. The conferees were also informed of the recent Office of Management and Budget circular that directed all of the executive departments to increase their emphasis on value engineering. The conferees agree that the Department of Defense should have an opportunity to implement this new direction. The conferees also agree that the Department of Defense should submit a report to Congress that describes the Department of Defense value engineering program results and its efforts to increase the benefits from its value engineering program. At a minimum, the report should include:

a. a description of the Department of Defense efforts to increase contractor participation in the value engineering program;

b. a description of the top 20 fiscal year 1988 contractor value engineering projects of each Service and Agency;

c. a description of the top 20 fiscal year 1988 construction value engineering projects for each Service and Agency; and

d. a description of the efforts to implement the 45-day contractor proposal accept/reject standard along with fiscal years 1986, 1987, and 1988 proposal accept/reject data.

The report should be provided to the Committees on Armed Services of the Senate and House of Representatives by February 28, 1989.

Acquisition management and government contracting education

The Senate amendment contained a provision (sec. 813) that would require the Secretary of Defense to submit to Congress a report on the extent to which institutions of higher education offer and conduct educational programs and courses on government contracting and acquisition management.

The House bill contained no similar provision.

The Senate recedes.

The conferees note the widespread concern over the need to enhance the quality of the procurement workforce, particularly in terms of attracting highly qualified students to government service. The conferees are concerned that insufficient opportunities exist at the graduate level for students to take courses and concentrate in programs that will stimulate their interest in and prepare them for acquisition-related positions in the government. As part of the effort to minimize Department of Defense reporting requirements, the conferees decided not to require a report in statute. However, the conferees expect the Under Secretary of Defense for Acquisition to be thoroughly familiar with the information described in section 813 of the Senate amendment and to be prepared to discuss the relationship between educational offerings and the needs of the government during oversight hearings in 1989.

Science and engineering workforce study

The Senate amendment included a provision (sec. 814) that would direct the Department of Defense to complete a study initiated in 1985 for the purposes of determining and testing the factors that increase the supply of minority and women scientists, engineers, and technologists needed by defense industries and the Department of Defense.

The House bill contained no similar provision, but would authorize $6.0 million to carry out the study. The House report (H. Rept. 100-563) included language describing this study.

The Senate recedes. The conferees agree to provide up to $3.0 million within a line item entitled "CASET" if needed, to complete the study being conducted by the Center for American Scientists, Engineers, and Technologists. The conferees direct the Department of Defense to complete this study.

Undefinitized contractural actions

The Senate amendment contained a provision (sec. 818) that would reduce the administrative burden imposed by statutory requirements relating to the administration of undefinitized contractural actions.

The House bill contained no similar provision.

The Senate recedes.

The conferees note that the last reporting requirement under current law will occur in less than a year. It is the intent of the conferees not to renew the reporting requirement in view of the progress demonstrated by the Department of Defense in managing undefinitized contractual actions.

Small Business Administration certificate of competency program

The Senate amendment contained a provision (sec. 820) that would revise section 8(b) of the Small Business Act to simplify the administration of the certificate of competency program.

The House bill contained no similar provision.

The Senate recedes.

The conferees have been informed that the Small Business Committee of the Senate intends to include a similar provision in forthcoming legislation and agree that this issue should be addressed initially in that forum.

Negotiation of subcontracting plans

The Senate amendment contained a provision (sec. 820) that would revise section 8(d) of the Small Business Act to authorize negotiation of plant or division-wide small business and small disadvantaged business subcontracting plans, including goals.

The House bill contained no similar provision.

The Senate recedes.

The conferees have been informed that the Small Business Committee of the Senate intends to include a similar provision in forthcoming legislation and agree that this issue should be addressed initially in that forum.

Conflict of interest

The Senate amendment contained a provision (sec. 946) that would require the Department of Defense to issue regulations to prohibit the award of a DOD contract to an individual who was a government employee on the date on which he submitted the bid for the contract.

The House bill contained no similar provision.

The Senate recedes.

The conferees agree that persons employed in a Government agency should not bid on or enter into contracts with the Department of Defense while they are so employed. Even when such transactions are conducted at arm's length and involve no impropriety, they raise the specter of insider dealings and the appearance of favoritism.

The existing limitations in the Federal Acquisition Regulations are inadequate. However, the conferees agree that the regulations could be amended without a requirement to do so being placed in law. The conferees direct the Secretary of Defense to incorporate suitable language into DOD standards of conduct regulations within 180 days and to pursue a change in the Federal Acquisition Regulations. In the event that the Secretary feels that exceptions to an outright prohibition are necessary, such exceptions should only apply after an individual obtains the approval of the appropriate Designated Agency Ethics Official or his designee.

TITLE IX—MATTERS RELATING TO ARMS CONTROL

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Sense of Congress on expanding confidence-building measures (sec. 901)

The Senate amendment contained a provision (sec. 911) that would express the sense of the Congress that the President should give high priority to developing, in coordination with the NATO allies, stabilizing and verifiable proposals for expanding the regime of confidence-building measures in conjunction with the follow-on to the Conference on Confidence- and Security-Building Measures and Disarmament in Europe (CDE) and the new Conventional Stability Talks (CST).

The House bill contained no similar provision.

The House recedes.

Sense of Congress on START (sec. 902)

The House amendment contained a provision (sec. 950) that would express the sense of Congress that the Strategic Arms Reductions Talks (START) should not include any provision resulting in a large asymmetric reduction in any leg of the triad, and that the President should strive not to reduce the total number of U.S. nuclear ballistic missile submarines (SSBNs) permitted under START below 20.

The Senate amendment contained a provision (sec. 943) that would express the sense of Congress that START should not establish any restrictions on current or future non-nuclear cruise missiles.

The Senate recedes with an amendment expressing the sense of Congress that START: (1) should not prevent the United States from deploying a force structure under the agreement which emphasizes survivable strategic systems and, in particular, should not in any way compromise the security of the U.S. SSBN force, and (2) should not prohibit or limit the deployment of non-nuclear cruise missiles. The conferees do not intend the statement on not limiting non-nuclear cruise missiles to restrict, for example, our ability under a future START agreement to mark a cruise missile so as to be able to distinguish between a conventional and nuclear cruise missile.

Sense of Congress concerning the role of Congress in arms control and defense policy (sec. 903)

The House amendment contained a provision (sec. 959) that would express the sense of Congress that although Congress has a constitutionally defined role to play in arms control and nuclear testing policy, it should not usurp, undermine, or in any other way interfere with the constitutionally defined powers of the President to negotiate and implement such policies.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment expressing the sense of Congress that the Congress, in exercising its constitutional authority to raise and support the Armed Forces and, in the case of the Senate, to advise and consent to the ratification of treaties, has a role to play in arms control and defense policy, but the Congress should not usurp, undermine, or interfere with the constitutional authority of the President to negotiate and implement treaties, especially treaties affecting U.S. arms control and defense policy.

Sense of Congress on the five-year ABM treaty review (sec. 904)

The Senate amendment contained a provision (sec. 948) that would express the sense of Congress that the President should, without any further delay, propose an early date to conduct the overdue five-year review of the Antiballistic Missile (ABM) Treaty.

The House bill contained no similar provision.

The House recedes with an amendment changing the findings by the Senate contained in the Senate provision to findings by the Congress.

Annual report on Soviet compliance with arms control commitments (sec. 905)

The Senate amendment contained a provision (sec. 912) that would amend the annual report on Soviet arms control compliance required pursuant to the fiscal year 1986 Defense Authorization Act (Public Law 99-145) to require the President to include additional information in the report, including what measures the President is taking to bring the Soviet Union into compliance and, in the event the President should issue two consecutive reports in which he cannot certify full Soviet compliance with all current arms control agreements, the actions necessary to compensate for such violations.

The House bill contained no similar provision.

The House recedes.

Annual report on arms control strategy (sec. 906)

The Senate amendment contained a provision (sec. 913) that would require a new annual report to the Congress by the President containing a comprehensive discussion and analysis of U.S. arms control strategy.

The House bill contained no similar provision.

The House recedes with an amendment making minor revisions in the text of the provision.

Study and report on Soviet ABM capability and activities (sec. 907)

The Senate amendment contained a provision (sec. 924) that would require a report to Congress by the President not later than October 1, 1989 regarding the Antiballistic Missile (ABM) capability and activities of the Soviet Union.

The House bill contained a similar provision (sec. 937) that would require an identical report, but to be submitted by the Secretary of Defense not later than 60 days after the enactment of this Act.

The House recedes with an amendment making minor revisions in the Senate provision and requiring submission of the report not later than January 1, 1989.

Analysis of alternatives U.S. strategic nuclear force postures under START (sec. 908)

The Senate amendment contained a provision (sec. 939) that would require a report to Congress by the President on the implications of a potential Strategic Arms Reductions (START) Treaty for alternative U.S. force postures in the 1990's.

The House bill contained no similar provision.

The House recedes with an amendment making a minor revision in the provision.

On-Site Inspection Agency (sec. 909)

The House bill contained a provision (sec. 953) that would require certain Executive Branch officials to submit reports to designated congressional committees describing their responsibilities with regard to the monitoring and verification of arms control agreements. The provision further required that any request submitted to Congress by the Executive Branch for the enactment of budget authority for the On-Site Inspection Agency (OSIA), or for the enactment of any other legislation concerning OSIA, be submitted separately from any other request for the enactment of budget authority or other legislation.

The Senate amendment contained a provision (sec. 954) that would express the sense of Congress relating to personnel strengths for on-site inspection purposes.

The Senate recedes with an amendment which retains the House provision's reporting requirement but changes the budget request subsection in the House provision to require that any request submitted to the Congress for an authorization for OSIA appropriations provide details of all funding and military and civilian personnel requested for that Agency for that fiscal year, including the number of DOD and other agency personnel that will be assigned to on-site inspection activities and support of such activities.

Coordination of verification policy and R&D activities (sec. 910)

The Senate amendment contained a provision (sec. 950) that would require a report to Congress by the President reviewing the relationship of U.S. arms control objectives with the responsiveness of research and development of monitoring systems for weapons verification.

The House bill contained no similar provision.

The House recedes with an amendment making minor revisions in the provision.

Limitation on deployment of certain strategic nuclear weapons.

The House bill contained a provision (sec. 935) that set in permanent law limits of 820 on launchers of MIRVed ICBMs, 1200 on launchers of MIRVed ICBMs and SLBMs, 1320 MIRVed ICBMs, SLBMs, and ALCM equipped bombers, and the number of MIRVs on individual ballistic missiles, unless the President certifies to Congress that the Soviet Union has exceeded these limits.

The Senate amendment contained no similar provision.

The conferees agree to delete the House provision. The conferees note that decisions taken for budgetary reasons elsewhere in the bill will have the effect of stabilizing U.S. strategic forces during fiscal year 1989 at roughly the level maintained during fiscal year 1988.

The conferees believe that maintaining interim restraint in strategic offensive force levels is not only purdent in light of current budget realities, but also consistent with the recent progress in the START negotiations and the continuing Soviet practice of retiring older ICBMs and SLBMs prior to the end of their normal service life. Assuming that progress continues to be made in START and that the Soviet Union continues early retirements of ICBMs and SLBMs, it would be the intent of the conferees to take such actions as may be required to maintain U.S. and Soviet interim restraint, including the option of foregoing the overhaul of additional Poseidon-class submarines nearing the end of their normal service life.

Sense of Congress on implications of INF for NATO

The House bill contained a provision (sec. 952) that would express the sense of Congress on a number of issues related to the implications of the Intermediate-range Nuclear Forces (INF) Treaty for NATO and on other arms control issues.

The Senate amendment contained no similar provision.

The House recedes.

Missile technology control regime

The Senate amendment contained a provision (sec. 934) that would express the sense of the Senate that the Secretary of Defense should provide by July 30, 1988 the report specifiying personnel requirements to implement the Missile Technology Control Regime Policy that was mandated by the fiscal years 1988/1989 Defense Authorization Act (sec. 901). The provision would also state that Department of Defense personnel deficiencies which prevent effective performance of missile technology control responsibilities be rectified as soon as possible, using temporary duty assignments if deemed necessary.

The House bill contained no similar provision.

The Senate recedes. The conferees are concerned about the inaction of the Department of Defense on Section 901 and urge the Department to comply with the provisions of the Act. In the past year, the number of countries that have acquired ballistic missiles or have actually used them in combat has increased significantly. Both the Secretary of Defense and the Secretary of State have expressed concern about the proliferation of missiles covered by the Missile Technology Control Regime. The conferees believe it is imperative that the Secretary of Defense file the requested report as soon as possible but not later than July 30, 1988. It is the conferees' expectation that Department of Defense personnel deficiencies which prevent effective performance of missile technology control responsibilities will be rectified as soon as possible, using temporary duty assignments if necessary.

TITLE X—MATTERS RELATING TO NATO COUNTRIES AND OTHER ALLIES

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Acquisition and cross-servicing agreements with allied countries (sec. 1001)

The Senate amendment contained a provision (sec. 914) that would raise the ceiling from $100 million to $200 million on acquisitions by the United States under the authority of the NATO Mutual Support Act of 1979.

The House bill contained no similar provision.

The House recedes with an amendment setting the new ceiling at $150 million.

Authority to waive surcharge on certain sales to NATO (sec. 1002)

The Senate amendment contained a provision (sec. 915) that would authorize the Secretary of Defense to waive the administrative surcharge for sales through Foreign Military Sales (FMS) channels to the NATO Maintenance and Supply Agency (NAMSA).

The House bill contained no similar provision.

The House recedes with a technical amendment that changes the Senate provision from a new section of title 10, United States Code, to a new provision of the Arms Export Control Act (Public Law 90-629).

Authority of Military Departments to loan and borrow from foreign countries materials, supplies and equipment for research and development purposes (sec. 1003)

The Senate amendment contained a provision (sec. 233) that would clarify the authority of the Department of Defense to loan and accept material for limited cooperative research and development projects with foreign countries.

The House bill contained no similar provision.

The House recedes with an amendment that makes the following changes to the Senate provision: (1) grant the authority to the Secretary of Defense (who, in turn, could delegate it to the Secretaries of the Military Departments); (2) limit the countries with which the transactions could take place to those in NATO and to those designated as "major non-NATO allies" for the purpose of section 1105 of the fiscal year 1987 Defense Authorization Act (Public Law 99-661); (3) require the Secretary of Defense to enter into an a agreement with each country with which a transaction is to take place; (4) place the authority in chapter 6 of the Arms Export Control Act (Public Law 90-629) as a new section 65; and (5) retitle chapter 6.

Modernization of NATO's theater nuclear capabilities (sec. 1004)

The Senate amendment contained a provision (sec. 922) that would express the sense of the Senate that, following ratification of the Intermediate-range Nuclear Forces (INF) Treaty, modernization of U.S. theater nuclear capabilities, in close consultation with its NATO allies, is essential to the deterrence strategy of the Alliance, and that the United States should proceed with ongoing activities for satisfying the identified Alliance requirement for a follow-on to Lance.

The House bill contained no similar provision.

The House recedes with an amendment changing the provision to the sense of Congress and making a minor revision in the provision.

Report on NATO defense program (sec. 1005)

The Senate amendment contained a provision (sec. 928) that would require the Secretary of Defense to identify all programs, projects, and activities that constitute the NATO Defense Program.

The House bill contained no similar provision.

The House recedes with a technical amendment that directs that the report be submitted in conjunction with the annual report of the Secretary of Defense to the Congress.

Improvement in defense research and procurement liaison with Israel (sec. 1006)

The House bill contained a provision (sec. 233) that would require the Secretary of Defense to assign to duty in Israel an individual or individuals to serve as the primary liaison between the procurement and research and development activities of the armed forces of the United States and Israel.

The Senate amendment contained no similar provision. However, the Senate report (S. Rept. 100-326) addressed this issue.

The Senate recedes with a technical amendment.

Modification of report requirement concerning designation of major non-NATO allies (sec. 1007)

The House bill contained a provision (sec. 234) that would simplify an annual report to the Congress that designates countries as "major non-NATO allies" for the purpose of entering into cooperative research and development projects with the United States. The provision would require that this report be submitted only if additions or deletions are made to the existing list of countries designated as major non-NATO allies.

The Senate amendment contained a similar provision (sec. 234) that differed from the House provision only in technical details.

The Senate recedes with a technical amendment.

Call for defense burdensharing negotiations with allies (sec. 1008)

The House bill contained a provision (sec. 946) that would express the sense of Congress that the United States should enter into negotiations with its allies for the purpose of obtaining an agreement for a more equitable appointment of the burden of financial support of the alliance.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

Report on, and discussions regarding, Japanese contributions to global stability and the indivisible security of the leading industrialized democracies (sec. 1009)

The Senate amendment contained a provision (sec. 933) that would express the sense of Congress that the President should enter into discussions with Japan for the purpose of reaching a more equitable distribution of the burden of financial support for the security of the leading industrialized democracies.

The House bill contained no similar provision.

The House recedes with a technical amendment.

ITEM OF SPECIAL INTEREST

NATO and non-NATO cooperative research and development

The amended budget request contained $200.598 million for cooperative research and development with NATO and major non-NATO allies. This research and development would be conducted within the frameworks established by sections 1103 and 1105 of the fiscal years 1986 and 1987 Defense Authorization Acts (Public Laws 99-145 and 99-661), respectively.

In order to better understand the funding required for cooperative research and development with each of these groups of allies, the conferees direct the Secretary of Defense to identify the requested funding for these two research and development efforts in future budget requests in two separate program elements within the account entitled "Research, Development, Test and Evaluation, Defense Agencies".

TITLE XI—DRUG INTERDICTION AND LAW ENFORCEMENT SUPPORT

The House bill contained a provision (sec. 1101) that would authorize funds for specific items related to drug interdiction. The House bill also included a provision (sec. 1103) that would authorize use of the armed forces for interdiction or aircraft and vessels involved in drug smuggling.

The Senate amendment contained a provision (sec. 940) that would revise and expand the authority of the Department of Defense to assist drug interdiction efforts by civilian law enforcement authorities.

The conferees agree that the Department of Defense can and should play a major role in the national drug interdiction effort. Drug abuse has an increasingly corrosive effect on our society, and it is imperative that we substantially increase our national effort to meet this challenge. The conferees have developed a program that will significantly increase the role of the armed forces in an effective and responsible manner.

Drug enforcement intelligence information

The conferees emphasize that intelligence is the key to a successful drug interdiction program. The conference agreement requires the Secretary of Defense to ensure that civilian law enforcement officials are promptly provided with intelligence information collected by the armed forces that is related to drug interdiction. The conferees direct the Secretary of Defense to work with the Director of Central Intelligence to ensure that the collection of drug interdiction information is established as a high priority for the intelligence community.

Detection and monitoring of aerial and maritime transit (secs. 1101 and 1102)

Under the conference agreement, the armed forces will concentrate on the detection and monitoring of air and sea traffic, a role that is consistent with the traditional military mission. By undertaking the major role in air and sea surveillance, the military can eliminate the unnecessary duplication of assets and efforts by civilian agencies, and enable those agencies to focus on the law enforcement activities for which they are trained and equipped.

The conference agreement establishes a requirement for the Department of Defense, on an annual basis, to plan and budget for the effective detection and monitoring of all potential aerial and maritime threats to the national security. This will include guidance from the Secretary of Defense on the specific force levels and specific supporting resources to be made available for this mission, including that aspect of the mission that supports the DOD air and sea surveillance responsibilities related to drug interdiction.

Section 1102 establishes the Department of Defense as the single lead agency for the detection and monitoring of aerial and maritime transit of illegal drugs into the United States. The conferees expect DOD to take prompt action to provide the necessary detection and monitoring capabilities in those border areas that serve as the primary points of entry by drug smugglers. The Department of Defense should focus on the area of greatest threat, the southern border of the United States, particularly during the hours of darkness. It is the hope of the conferees that the Department of Defense can develop the capability to conduct effective nighttime surveillance and monitoring of the southern border using a combination of: (1) Land, sea, and air-based radar; (2) aircraft capable of monitoring the flight of potential drug smugglers; and (3) integrated communications with the law enforcement agencies that will make the actual searches, seizures, and arrests. The conferees, in section 1107, have directed the President to report to the Congress on the feasibility of such a program. The conferees also urge the accelerated deployment of the system of aerostat radars in order to reduce the need for expensive airborne radar platforms. In this regard, the conferees call to the attention of the Department of Defense a gap in planned aerostat coverage from Brownsville, Texas to the northern part of Florida—a gap that hearings before the House Armed Services Committee have revealed is being increasingly exploited by aerial drug smugglers.

As lead agency, DOD will be responsible for coordinating all air and sea surveillance activities of the federal government, including the elimination of unnecessary duplication. The DOD role as lead agency will be to conduct and coordinate detection and monitoring activities, but the responsibility for establishing detection and monitoring requirements for the drug interdiction program will remain with civilian law enforcement authorities. The designation of DOD as the single lead agency can be changed by the President only if he makes a different designation within 15 days of the date of enactment and reports his reasons to the Congress.

The establishment of an air and sea surveillance mission and designation of the Department as the single lead agency represent a major new military requirement, and should substantially enhance our nation's drug interdiction efforts. It is important to put this in perspective, and to not assume that we have solved the drug problem through this major change in our interdiction program. The interdiction effort will not significantly reduce the drug abuse problem without a substantial increase in our nation's commitment to reduce the demand for illegal drugs.

Interdiction is not the most cost-effective component of a drug abuse reduction strategy. In testimony before the Senate Armed Services Committee, the Comptroller General reported that expenditures for federal anti-drug efforts have increased from $129.5 million to nearly $4 billion in the last seventeen years. In the last decade, the budgetary emphasis has been on supply reduction efforts as opposed to demand reduction programs. The Comptroller General reported that by 1987 the federal government was spending three times more on supply reduction that on demand reduction programs.

Despite substantial increases in interdiction resources, there has been little or no effect on the drug abuse problem. The Office of Technology Assessment (OTA) has reported that the quantity of cocaine coming into this country has more than doubled from 1981 to 1986—from 40 to 65 tons to over 130 tons. Although the OTA acknowledges that we are catching more smugglers and seizing more drugs, still more is coming through and there is no indication that the trend is changing.

Perhaps the best and most accurate indicators of the extent of the drug problem—price and purity—also raise questions about the wisdom of focusing primarily on interdiction. The most recent data from the National Narcotics Intelligence Consumers Committee estimates that the price of cocaine is at its lowest level reported to date. At the same time, its purity is at its highest—over 50 percent. The Drug Abuse Warning Network (DAWN) reported that cocaine-related hospital emergencies in 1987 are at the highest level yet recorded, increasing by more than 60 percent over the previous year's record. Since 1980 there has been a near tenfold increase in the annual number of those emergencies reported through DAWN nationwide—from 3,000 to 26,186.

In short, although we have been spending more and more federal dollars on interdiction in recent years, the drug problem has been growing by leaps and bounds. The General Accounting Office (GAO) has found no direct correlation between interdiction resources and the availability of imported drugs in the domestic market. A recently completed study by the RAND Corporation also concluded that increased expenditures for drug interdiction would have a negligible effect on drug consumption.

In sum, while interdiction must remain a necessary component of any national anti-drug strategy, the conferees believe that we should reconsider the past federal emphasis on interdiction and other supply-side efforts, and develop a more balanced approach placing greater reliance on demand-reduction programs.

The conferees recognize that demand reduction efforts in areas such as treatment and education do not fall within the scope of the Armed Services Committees and will be more appropriately addressed in comprehensive drug legislation that the Congress is expected to consider later this year. However, based on a review of proposals for increased military involvement as well as testimony from numerous experts on the drug issue, the conferees recommend that increased federal emphasis be placed on demand reduction programs in the anti-drug effort. Although the conferees authorize and encourage an expanded military support for drug interdiction efforts, the conferees emphasize that priority should be given to reducing demand.

Communications network (sec. 1103)

The conference agreement requires the President to report to the Congress on a plan for integration by the Department of Defense of the command, control, communications, and technical intelligence assets of the United States dedicated to the interdiction of illegal drugs into an effective network. The President, in a subsequent report, also must advise Congress of his plan for assignment of the responsibility for operating this command, control, communications, and intelligence network. The role for the Department of Defense in this endeavor is to provide technical advice and experience in establishing and operating a communications network that provides command, control, and intelligence information. It does not place DOD personnel in a command role, nor does it provide authority for the armed forces to engage in domestic intelligence gathering activities.

Drug interdiction and law enforcement support (sec. 1104)

In order to enhance the ability of the Department of Defense to provide support to the drug enforcement efforts of civilian agencies, the legislation revises the current law governing such activities as set forth in chapter 18 of title 10, United States Code. This revision is intended to expand the opportunities for military assistance in a manner that is consistent with the requirements of military readiness and the historic relationship between the armed forces and civilian law enforcement activities. Chapter 18 is revised as follows:

Use of intelligence and other information collected during military operations (10 U.S.C. 371)

Subsection (a) restates current law permitting DOD to provide Federal, State, or local civilian law enforcement officials with any information collected during the normal course of military training or operations that may be relevant to a violation of any Federal or State law within the jurisdiction of such officials. The requirement that this be accomplished "in accordance with other applicable law" means that the collection, retention, and dissemination of such information must be in accord with other legal requirements, such as the Privacy Act.

Subsection (b) establishes a requirement for the Department, to the maximum extent practicable, to take into account the needs of civilian law enforcement officials when planning and executing military training or operations. Examples include scheduling training exercises using night vision devices in border areas, conducting photo-reconnaissance training missions in a manner that serves the need of a civilian law enforcement agency for aerial surveillance of potential marijuana fields, and similar activities. It does not constitute authority to acquire information that DOD is not otherwise authorized to obtain during military training and operations.

Subsection (c) requires the Secretary of Defense to ensure that intelligence information related to drug interdiction and other civilian law enforcement matters is provided promptly to the appropriate civilian law enforcement officials to the maximum extent consistent with national security requirements. The conferees are sensitive to past concerns about use of the military for domestic intelligence gathering, and emphasize that this section does not modify in any way existing law with respect to the military's authority (or lack thereof) to collect and disseminate intelligence information about American citizens in the United States and abroad.

Use of military equipment and facilities (10 U.S.C. 372)

This section clarifies current law to provide that the Department of Defense may make available to civilian law enforcement officials any equipment (including associated supplies or spare parts), base facility, or research facility for law enforcement purposes. The assistance must meet the requirements of other applicable laws with respect to interagency and intergovernmental use, transfer, or disposal of equipment.

Training and advising civilian law enforcement officials (10 U.S.C. 373)

Paragraph (1) clarifies current law to provide that the Secretary of Defense, in accordance with other applicable law, may make Department of Defense personnel available to train Federal, State, and local civilian law enforcement officials in the operation and maintenance of equipment, including equipment made available under section 372. Paragraph (2) restates current law permitting DOD to provide civilian law enforcement officials with expert advice. Such training and expert advice may extend to instruction in the operation of equipment, scientific analysis, translations, and assistance in strategic planning, but may not extend to direct, active involvement in specific law enforcement operations.

Maintenance and operation of equipment by Department of Defense personnel (10 U.S.C. 374)

Subsection (a) clarifies current law to provide that the Secretary of Defense, in accordance with other applicable law, may make Department of Defense personnel available to maintain equipment for Federal, State, and local civilian law enforcement officials.

Subsection (b) revises current law to specify the circumstances in which DOD personnel may operate equipment to assist civilian law enforcement agencies involved in the enforcement of drug, customs, and immigration laws. DOD personnel may operate equipment (including aircraft, vessels, and vehicles) for the following purposes:

Detecting,, monitoring, and communicating of the movement of air and sea traffic (regardless of the location of the aircraft or vessels being monitored).

Aerial reconnaissance. The conferees intend this authority to be used for reconnaissance of property and not for surveillance of persons.

Interception of vessels or aircraft detected outside the United States for the purposes of communicating with such vessels and aircraft to direct such vessels and aircraft to go to a location designated by appropriate civilian officials. When the contact is made outside the United States, equipment operated by DOD personnel (e.g., an aircraft) may continue into the land area of the United States to direct the vessels and aircraft to go to a location designated by appropriate civilian officials. As used in this section, the term "interception" means a contact for purposes of communications, and does not include a physical interruption of the flight or passage of the aircraft or vessel.

Operation of equipment to facilitate communications in connection with law enforcement activities.

When jointly approved by the Secretary of Defense, the Attorney General, and the Secretary of State, DOD personnel may transport (or operate a base of operations for) civilian law enforcement personnel in connection with law enforcement operations outside the land areas of the United States (or any territory, commonwealth, or possession of the United States). The requirement for joint approval and the limitation to operations outside the United States are established in this section because of the potential for involving DOD personnel in a direct law enforcement confrontation, even though their role is designed for logistical support. To the extent that transportation of law enforcement officials or use of military officials does not reasonably raise the possibility of a law enforcement confrontation, such assistance may be provided in the United States under subsection (c).

Subsection (c) provides that the Secretary of Defense, in accordance with other applicable law, may make Department of Defense personnel available to any Federal, State, or local civilian law enforcement agency to operate equipment for purposes other than described in subsection (b) to the extent that such assistance does not involve direct participation in a civilian law enforcement operation, except as otherwise authorized by law.

Restriction on direct participation by military personnel (10 U.S.C. 375)

This section clarifies current law which requires the Secretary of Defense to issue such regulations as may be necessary to insure that the provision of any support (including the provision of any equipment or facility or the assignment or detail of any personnel) to any civilian law enforcement official under this chapter does not include or permit direct participation by a member of the Army, Navy, Air Force, or Marine Corps in a search and seizure, arrest, or other similar activity unless participation in such activity by such member is otherwise authorized by law. The conferees deleted the term "interdiction of a vessel or aircraft," which is set forth in current law, because the term "interdiction" has acquired a meaning that includes detection and monitoring as well as a physical interference with the movement of a vessel or aircraft. The conferees emphasize, however, that they do not intend by this action to authorize military personnel to interrupt the passage of a vessel or aircraft except as otherwise authorized by law.

The conferees recognize that the magnitude of the drug problem has led to calls for the military to be directly involved in search, seizures, and arrests. The conferees, however, do not believe that it is appropriate to make such a radical break with the historic separation between military and civilian functions without clear and compelling evidence that such an action would result in a substantial reduction in the drug problem. The overwhelming weight of the evidence is that no such change would come from giving the military police powers.

As noted above, there is a serious question as to whether increased interdiction efforts—regardless of which agency actually exercises the police functions—will have a significant impact on the supply of drugs available to meet the demand. Providing law enforcement powers to naval personnel, for example, would not add to the Navy's ability to assist in maritime interdiction because current law already provides for placing Coast Guard Law Enforcement Detachment Teams on board naval vessels transitting drug interdiction areas.

Utilizing Navy instead of Coast Guard personnel for law enforcement purposes would do nothing to solve the most critical problems that the Coast Guard now faces in drug interdiction, whether aboard Navy or Coast Guard vessels. As Peter Reuter of the RAND Corporation noted in testimony before the Senate Armed Services Committee: "Even when the Coast Guard has prior information that a vessel may be carrying drugs, only one out of eight of those boarded is found to have drugs. That is about five times higher than the agency's success rate when it has no prior information. The military services can ensure that the Coast Guard will see more vessels and pursue more of them for boarding. But it cannot at the moment do much to help the maritime services distinguish the undistinguishable."

The conferees agree that interdiction, to a reasonable degree, is a necessary part of a comprehensive drug strategy. However, none of the federal law enforcement agencies have requested use of military personnel to supplement their arrest, search, and seizure functions.

Drug interdiction is a sophisticated matter, and the Coast Guard provides its members with months of schooling and extensive on-the-job training. It makes little sense to create a situation in which the military skills of members of the armed forces will atrophy while they spend months receiving law enforcement training. To the extent that we need more individuals to perform law enforcement functions, the most cost-effective way to do so is to provide the law enforcement agencies with the necessary personnel. This bill follows this cost-effective approach by providing authority for increased Coast Guard Law Enforcement Detachment Teams.

The demand by some for use of the military in drug-related arrests would quickly fade in the face of actual law enforcement confrontations between the uniformed military and American civilians. As former Chief Justice Burger has noted, the American experience has been marked by "a traditional and strong resistance . . . to any military intrusion into civilian affairs. That tradition has deep roots in our history. . . ." *Laird* v. *Tatum*, 408 U.S.C. 1, 15 (1972). The Posse Comitatus Act, as one court has noted, is not "an anachronistic relic of an historical period the experience of which is irrelevant to the present. It expresses the inherited antipathy of the American to the use of troops for civil purposes. . . . Its relevance to this age is sadly clear." *Wrynn* v. *United States*, 200 F. Supp. 457, 465 (E. D. N. Y. 1961).

In testimony before the Senate Armed Services Committee, Secretary of Defense Carlucci noted: "I remain absolutely opposed to the assignment of a law enforcement mission to the Department of Defense. I am even more firmly opposed to any relaxation of the posse comitatus restrictions on use of the military to search, seize and arrest. I have discussed this matter with the President, and other senior members of his Cabinet, and I can report that these views are shared throughout this Administration. The historical tradition which separates military and civilian authority in this country has served both to protect the civil liberties of our citizens and to keep our Armed Forces militarily focussed and at a high state of readiness."

Support not to affect adversely military preparedness (10 U.S.C. 376)

This section restates the requirement under current law that provides that support (including the provision of any equipment or facility or the assignment or detail of any personnel) may not be provided to any civilian law enforcement official under this chapter if the provision of such assistance will adversely affect the military preparedness of the United States. The conferees note that this provision should not be interpreted in a manner that would shield the Department from providing support merely because it is inconvenient to do so. At the same time, the conferees note that the armed forces have the ultimate responsibility for the defense of the nation, and our military capability could be seriously compromised by draining DOD assets into other agencies.

Reimbursement (10 U.S.C. 377)

This section clarifies current law governing reimbursement. Chapter 18 of title 10 was designed to eliminate ambiguities as to the type of support that DOD can provide other agencies without violating the Posse Comitatus Act. It is not intended to establish the Department of Defense as a source of free supplies and manpower that can be tapped by other agencies without any form of accountability. When DOD makes equipment, facilities, or personnel available to other government entities, reimbursement shall be provided to the extent that would otherwise be required by the Economy Act or other applicable law. This section also makes it clear, however, that the reimbursement provision must be applied in a reasonable fashion. Reimbursement is not required when the support is provided in the normal course of military training or operations or results in a benefit to the Department of Defense that it substantially equivalent to that which would otherwise be obtained from military operations or training.

Nonpreemption of other law (10 U.S.C. 378)

This section, which is similar to the provision included when chapter 18 was first enacted in 1981, makes it clear that nothing in this revision is intended to limit the authority of the executive branch to use military personnel or equipment for civilian law enforcement purposes beyond that provided by law before the date of enactment.

Assignment of Coast Guard personnel to naval vessels for law enforcement purposes (10 U.S.C. 379)

This section clarifies current law authorizing a minimum of 500 active duty personnel of the Coast Guard to be assigned to naval vessels for performance of Coast Guard law enforcement functions, including search, seizure and arrest. The revision makes it clear that Coast Guard law enforcement personnel must be placed on each appropriate surface vessel that transits a drug interdiction area. A total of $6 million will be transferred from the Department of Defense to the Coast Guard in fiscal year 1989 for this program. To ensure the most cost-effective use of these funds, the conferees direct the Secretary of Defense to ensure that Coast Guard personnel are properly integrated into the ship's company of naval vessels to perform shipboard duties when not actually engaged in law enforcement activities.

Enhancing cooperation with civilian law enforcement officials (10 U.S.C. 380)

This section revises current law to emphasize the conferees interest in having the Department of Defense play the leading role in advising Federal, state, and local law enforcement officials of the types of assistance that DOD can provide.

Enhanced drug interdiction and law enforcement role for the National Guard (sec. 1105)

The National Guard traditionally has performed law enforcement functions under the direction of the Governors. When not in federal service, the National Guard is not subject to the Posse Comitatus Act. Subsection (a) provides funds for drug enforcement activities of the Guard while in state status. The Secretary of Defense may obligate up to $60 million for this purpose. To be eligible, the Governor must submit a plan to the Secretary specifying how personnel of the National Guard of such State are to be used in drug enforcement and interdiction operations. The Secretary of Defense is required to consult with the Attorney General in reviewing such proposals. It is the intent of the conferees that priority be given to those plans which (a) involve areas of the greatest need in terms of drug interdiction and (b) are most likely to be effective. The National Guard will remain under state command and control when conducting any law enforcement activity with funds provided under this section. The provision of these funds does not place the National Guard in federal status for purposes of the Posse Comitatus Act, or for any other purpose.

When in federal status, the National Guard can assist civilian law enforcement officials to the same degree as the active forces. Subsection (b) requires the Secretary of Defense to prescribe and enforce training criteria for the National Guard to enhance the capability of the National Guard to assist in drug abuse control activities.

Because the conferees believe that the National Guard may provide significant opportunities for enhanced law enforcement assistance, subsection (c) requires the President to submit to Congress a report on the potential effectiveness of using members of the National Guard for drug interdiction efforts, consistent with applicable law, along the borders and at the ports of entry of the United States.

Funding of activities related to drug interdiction (sec. 1106)

This section provides the Department of Defense with $300 million, which may be used only for drug interdiction activities involving the detection and monitoring of air and sea traffic under sections 1101 and 1102, the integration of a command, control, communications, and intelligence network under section 1103, or the activities of the National Guard in state status under section 1105. These funds are in addition to the funds that the Department of Defense currently is expending on drug interdiction activities. The $300 million includes a transfer of $90 million appropriated for procurement of P-3 aircraft in fiscal year 1987. The conferees emphasize that DOD has been given specific missions under this Act in order to take advantage of existing assets and expertise, and intend that these additional funds should be used primarily to operate existing equipment. This does not preclude appropriate expenditures for procurement or research and development when there is a critical need that cannot be met with existing equipment.

To the extent that funds currently budgeted for activities related to the detection of air and sea traffic are insufficient to meet the requirements established in this legislation, the conferees invite appropriate reprogramming requests.

Reports (sec. 1107)

The conferees recognize that the new missions established in this Act are likely to require additional resources, and may require statutory modifications. Section 1107(a) requires the President to submit a report to Congress containing legislative proposals, including budgetary requests, not later than December 1, 1988. Subsection (b) requires the President to provide a report on aerial interdiction capabilities along the Southern border. Subsection (c) requires the Secretary of Defense to submit two reports on the relationship between civilian and miliary resources in specified air interdiction activities.

TITLE XII—GENERAL PROVISIONS

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Transfer authority (sec. 1201)

The House bill contained a provision (sec. 901) that would permit the transfer of an authorization for any fiscal year to any other authorization for that fiscal year made available in titles I, II or III upon determination by the Secretary of Defense that such a transfer would be in the national interest. The provision would authorize reprogrammings involving the transfer of authorization between authorization as set out in bill language.

The authority to transfer could only be used to provide authorization for higher priority items than the items from which authorization was transferred and could not be used to provide authorization for an item that was denied authorization by the Congress. The Secretary of Defense would be required to notify the Congress promptly of transfers. The total amount of transfers would be limited to $2 billion.

The Senate amendment contained a similar provision, except that the total amount of transfers would be limited to $3 billion.

The House recedes.

Increase in fiscal year 1988 defense funds transfer authority (sec. 1201)

The House bill contained a provision (sec. 902) that would increase from $2 billion to $4 billion the ceiling on the authority to transfer an authorization for obligation for fiscal year 1988 to any other authorization for fiscal year 1988 made available in Titles I, II or III of the fiscal years 1988/1989 Defense Authorization Act. The House provision would allow transfers of prior year authorizations to fiscal year 1988. The provision would provide that in determining the purposes for which amounts transferred pursuant to this provision will be used, the Secretary of Defense shall insure that an appropriate portion of this authority is used to transfer funds to operation and maintenance accounts for depot maintenance activities in amounts sufficient to reduce Services backlogs which would otherwise occur and for pay of civilian personnel in amounts sufficient to prevent furloughs, reductions-in-force, or release of on-call employees into a nonpay status. The provision would also direct the Secretary of Defense to notify the Congress of each transfer made under the provision not less than 15 days before the transfer is made, and to carry out transfers authorized in the provision so that any transfers would not result in an increase in outlays by the Department of Defense during fiscal year 1988.

The Senate amendment contained a similar provision that would increase from $2 to $4 billion the ceiling on transfer authority for fiscal year 1988, and that would allow transfers of prior year authorizations to fiscal year 1988. In addition to the purposes for which transfers could be used under the House provision, the Secretary of Defense would be required to give special consideration and priority to civilian employees of the Department of Defense, readiness and more efficient acquisition processes, and to provide funds for other high priority readiness items.

The Senate recedes with an amendment. The conferees agree to increase from $2 to $4 billion the ceiling on transfer authority for fiscal year 1988, and allow transfers of prior year authorizations to fiscal year 1988. Transfers in excess of $2 billion will be subject to the following conditions. In determining the purposes for which amounts transferred pursuant to this provision will be used, the Secretary of Defense will be required to insure that an appropriate portion of this authority is used to transfer funds to military personnel and operations and maintenance accounts for depot maintenance activities in amounts sufficient to reduce Service backlogs which would otherwise occur; for pay of civilian personnel in amounts sufficient to reduce furloughs, reductions-in-force, or release of on-call employees in a nonpay status; and for pay of military personnel. The conference agreement also provides that the Secretary of Defense shall notify Congress 15 days in advance of transfers made under this section and may carry out such transfers only to the extent that he is able to manage fiscal year 1988 appropriations so that such transfres do not increase outlays by the Department of Defense during fiscal year 1988.

Authority for obligation of certain unauthorized fiscal year 1988 defense appropriations (secs. 1211-1213)

The House bill contained provisions (secs. 911, 912 and 913) concerning certain unauthorized fiscal year 1988 defense appropriations. Section 911 would authorize unauthorized fiscal year 1988 defense appropriations totalling $10.6 billion. Section 912 would prohibit obligation of funds for five unauthorized programs, and impose limitations on three other programs. Section 913 would repeal three general provisions contained in the fiscal year 1988 Defense Appropriations Act (Public Law 100-202).

The Senate amendment contained a provision (sec. 903) that would prohibit obligation of funds for four unauthorized programs, and impose limitations on three other programs. Section 903(e) would transfer the funds prohibited for obligation for specific programs to Operation and Maintenance accounts to be used to minimize furloughs and separation of civilian employees and for other high priority readiness programs.

The Senate recedes with an amendment.

Section 1211 authorizes unauthorized fiscal year 1988 defense appropriations totalling $10,624.6 million. Section 1212 prohibits the obligation of funds appropriated in fiscal year 1988 as follows:

(1) $5.3 million for Satellite System Survivability in Air Force research and development;

(2) $10.0 million for Maxicube Cargo System under Army research and development;

(3) $20.0 million for Coastal Defense Augmentation;

(4) $40.0 million for Defense Meteorological Satellite program in Navy research and development;

(5) $193.8 million for P-3C aircraft under National Guard and Reserve procurement; and

(6) $10.0 million for AN/SQR-17 acoustic processors for Mobile Inshore Undersea Warfare group under National Guard and Reserve procurement.

The Senate recedes to the House provision on Forward Area Air Defense Heavy System (sec. 1212(b)(1)), and A-6 aircraft configuration (sec. 1212(b)(2)), and recedes with a technical amendment on tank procurement (sec. 1212(b)(3)).

The conferees agree to repeal sections 8098 and 8122 of the fiscal year 1988 Defense Appropriations Act (as contained in section 101(b) of Public Law 100-202).

Naming of Trident submarine the U.S.S. Melvin Price (sec. 1221)

The House bill contained a provision (sec. 934) that would express the sense of Congress that the Secretary of the Navy should name the next Trident submarine to be named after enactment of this Act the U.S.S. Melvin Price.

The Senate amendment contained no similar provision.

The Senate recedes.

The conferees take this action in recognition of the 44 years of loyal, dedicated service of the late Honorable Melvin Price to the people of the United States and the 21st congressional district of Illinois. The conferees further wish to recognize his service for

40 years as a member of the Committee on Armed Services of the House of Representatives, serving 10 years as its chairman; his service for 31 years as a member of the Joint Committee on Atomic Energy and his service as the committee's first chairman; the major role he played in successfully advocating the peaceful use of nuclear energy and the military application of nuclear power for Navy ships and submarines; and the indelible mark on the history of the Nation he has left as a result of his 44 years of unselfish efforts to maintain the strength and readiness of the Armed Forces.

Naming a Navy ship the U.S.S. Bob Hope (sec. 1222)

The conferees agree Mr. Bob Hope has expressed extraordinary patriotism and character for over 50 years in peacetime and in three wars. Disregarding his own safety and convenience, he has journeyed to all regions of the world at all seasons of the year to ships at sea and to combat zones ashore solely and selflessly to be with soldiers, sailors, marines and airmen who were far from home and frequently in danger of their lives. Through entertainment he has shared himself and his talent and brought, however briefly, a sense of home and normalcy to young men and women for whom home and normalcy was far away.

The conferees agree that while the country asked much of its servicemen and women, and they gave, the country asked nothing of Mr. Hope, and he gave love and humor selflessly throughout all the good times and bad. In so doing he has earned the undying respect and fond esteem of all of his countrymen, and the Secretary of the Navy should name an appropriate ship of the United States Navy the U.S.S. Bob Hope.

Rate of progress payments on naval ship repair contracts (sec. 1223)

The House bill contained a provision (sec. 921) that would amend section 7312(a) of title 10, United States Code, regarding progress payments, to establish the specified rates as minimum rates.

The Senate amendment contained no similar provision.

The Senate recedes.

Limitation on repair of naval vessels in foreign shipyards (sec. 1224)

The House bill contained a provision (sec. 922) that would amend section 7309 of title 10, United States Code, to place restrictions on the overhaul, repair (with the exception of voyage repairs) or maintenance of U.S.-homeported naval vessels in foreign shipyards.

The Senate amendment contained no similar provision.

The Senate recedes.

Competition between public and private shipyards for overhaul of naval vessels (sec. 1225)

The House bill contained a provision (sec. 925) that would amend chapter 633 of title 10, United States Code, to require that additional criteria be considered when the Secretary of the Navy conducts competition for the overhaul of naval vessels between public and private shipyards.

The Senate amendment contained no similar provision.

The Senate recedes.

Depot-level maintenance of ships (sec. 1226)

The House bill contained a provision (sec. 923) that would direct the Secretary of the Navy to require that, to the extent feasible, not less than one-half (by cost) of all depot-level maintenance scheduled as of October 1, 1988 for naval vessels in Japan for fiscal years 1989, 1990 and 1991 be carried out in the United States.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment.

The conferees agree that these restrictions on depot-level maintenance should be observed to the extent feasible and consistent with policies of the Navy regarding family separations.

The conferees also affirm the lanugage of the House report (H. Rept. 100-563) regarding scheduling of depot-level maintenance work for ships about to change homeport to or from Japan. In this regard, the conferees direct that, where feasible, the Secretary of the Navy should adjust deployment schedules to accommodate the intent of this language.

Report on effects of naval shipbuilding plans on maritime industries (sec. 1277)

The House bill contained a provision (sec. 924) that would require an annual report by the Secretary of Defense regarding the effects of the five-year shipbuilding plan on the private sector shipbuilding and repair industries of the United States. The Senate amendment contained no similar provision.

The Senate recedes with an amendment.

The conferees agree that this report should be required in 1989, 1990 and 1991.

Report on encouragement of construction in United States shipyards of combatant vessels for allies. (sec. 1228)

The House bill contained a provision (sec. 955) that would amend chapter 631 of title 10, United States Code, to require the Secretary of the Navy to carry out an ongoing program to encourage United States shipyards to construct combatant vessels for allies.

The Senate amendment contained no similar provision.

The conferees note that the fiscal year 1986 Defense Authorization Act (Public Law 99-145) contained a nearly identical provision (sec. 1455). In view of that provision, the conferees believe an assessment of the state of compliance with existing law should be made before directing further action, if any further action is necessary. Accordingly, the conferees recommend a provision that would require the Secretary of the Navy to assess and report on the performance of the Department of the Navy with respect to the requirements of section 1455 of the fiscal year 1986 Defense Authorization Act, within 90 days of enactment of this Act.

The Senate recedes with an amendment.

Report on Navy patrol boats (sec. 1229)

The Senate amendment contained a provision (sec. 945) that would require the Secretary of the Navy to report on circumstances and conditions regarding inventory and requirements for small patrol boats.

The House bill contained no similar provision.

The House recedes with an amendment.

The conferees agree that the report should be made 90 days after enactment of the Act.

Computer viruses (sec. 1231)

The House bill included a provision (sec. 942) that would require the Secretary of Defense to submit a report on "computer viruses."

The Senate amendment did not include a similar provision.

The Senate recedes.

A computer virus is a destructive computer program that can replicate itself in computer systems with which it comes into contact. The conferees are concerned about the serious damage that could result from the introduction of a computer virus into Department of Defense computer systems.

The conferees agree that the Secretary of Defense should submit a study on this subject to the Congress not later than March 1, 1989. The conferees expect that the National Security Agency will be the lead agency in the preparation of the report. Additionally, the conferees request the Secretary to provide the definitions and terms of reference to be used in the report to the Committees on Armed Services of the Senate and House of Representatives as soon as feasible.

Reassessment of Soviet electronic capability from Mount Alto embassy (sec. 1232)

The House bill contained a provision (sec. 944) that would note that the report required by section 1122 of the fiscal year 1988/1989 Defense Authorization Act (Public Law 100-180) regarding the Soviet embassy on Mount Alto was inadequate. The provision would also note that the report did not contain a determination by the Secretary of Defense as to whether or not the occupation of the Mount Alto site by the Soviet Union is consistent with the national security of the United States. Finally, the provision would require a report from the President meeting the requirements of section 1122.

The Senate amendment contained no similar provision.

The Senate recedes.

The conferees agree that the report submitted under the 1988/1989 Act was inadequate and that a new report should be required.

Technical Amendments (sec. 1233)

The Senate amendment contained a provision (sec. 953) that would make technical corrections to previously enacted laws.

The House bill contained no similar provision.

The House recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

National policy on control of compromising emanations

The House bill contained a provision (sec. 941) that would direct that the Secretary of Defense not implement the proposed "National Policy on Control of Compromising Emanations (TEMPEST)" and the National Instruction "TEMPEST Countermeasures for Facilities" until he submits a report to the Armed Services Committees of the Senate and House of Representatives and 45 legislative days have elapsed after the Committees receive the report.

The Senate bill contained no similar provision.

The House recedes.

The conferees are concerned that the proposed policy may have an adverse impact on TEMPEST security standards and may be costly for the Government. The conferees agree that this issue should be explored in greater depth by the Armed Services Committees but do not wish to delay implementation of the regulations pending a complete review of the subject. The conferees, therefore, direct the Secretary of Defense to provide a report to the Armed Services Committees describing the new regulations and analyzing the effects of the new policy statement and instructions. The conferees direct that the report be provided not later than 90 days after enactment of this Act.

Additional protection of classified information

The House bill contained a provision (sec. 956) that would express the sense of Congress that the President should determine the extent to which classified information in the possesion of journalists is vulnerable to collection by hostile foreign intelligence operatives. It would also require a report on the likelihood that places of business of journalists may be subject to electronic surveillance and the feasibility of addressing the problem.

The Senate amendment contained no similar provision.

The House recedes.

The conferees are deeply disturbed by the consequences of unauthorized disclosures of classified information to journalists and the possibility that foreign governments might obtain that information. However, the conferees are also aware that this issue raises concerns about the rights of the press under the First Amendment to the Constitution. Moreover, they are not persuaded that a report, such as would be required by section 956, would prove useful. The greater concern is that persons with proper access to classified information sometimes give it to unauthorized persons, including journalists. The conferees urged the President to make renewed efforts to assure that classified information is properly protected and that it is not conveyed to unauthorized persons.

Report on status of POMCUS

The House bill contained a provision (sec. 933) that would require, no later than 60 days after enactment, the Secretary of Defense to submit to Congress a report on the progress toward completion of the Pre-positioning of Materiel Configured to Unit Sets (POMCUS) program.

The Senate amendment contained no similar provision.

The House recedes. However, the conferees believe that the report required by the House provision should be prepared and submitted to the Congress. Therefore, no later than four months after the date of the enactment of this Act, the Secretary of Defense is directed to submit to the Committees on Armed Services of the Senate and House of Representatives an unclassified report (with classified annexes as necessary) concerning the progress towards completion of the POMCUS program. The report shall include—

(1) a statement of the shortfall in equipment prepositioned in Europe under the plan (stated in tonnage and in procurement costs) that has occurred each year since the beginning of the POMCUS program;

(2) any specific plans of the Department of Defense (given in tonnage and in procurement costs) and any timetable for reduction of the current shortfalls in the POMCUS program; and

(3) the effect that any current shortfall and any planned reductions described under paragraph (2) would have on the number of days required from the time of a decision of the United States to deploy a force of 10 divisions to Western Europe to the time such force could be so deployed.

Davis-Bacon amendments

The House bill contained a provision (secs. 4101 through 4110) that would amend the Davis-Bacon Act of 1931. Changes would include raising the threshold of applicability for Department of Defense new construction to $50,000, and, for alteration and repair, to $15,000. The provision would also address several other related issues, including the rights of aggrieved parties.

The Senate amendment contained no similar provision.

The House recedes.

Special operations airlift

The Senate amendment contained a provision (sec. 920) that would express the sense of Congress that the Five-Year Defense Plan for fiscal years 1990 through 1994 and the separate budget requests for fiscal years 1990, 1991, and 1992 should, at a minimum, include sufficient funds to procure or modify by fiscal year 1992 all of the special operations airlift aircraft specified in a plan submitted to the Congress by the Secretary of Defense in June 1987.

The House bill contained no similar provision.

The Senate recedes in the interest of minimizing the length of the Act and without prejudice to the Senate provision. In fact, the conferees agree with the substance of the Senate provision. Therefore, the conferees make the following findings:

(1) Adequate airlift for special operations forces of the Armed Forces is essential for the successful performance of any of the missions of such forces.

(2) Inadequate airlift capacity impairs the capability of such forces to carry out such missions.

(3) In June 1987, the Secretary of Defense submitted to Congress a plan to meet the immediate airlift requirements of the special operations forces.

(4) The plan specified that, except for 49 CV-22A aircraft, the remainder of the special operations forces airlift aircraft are scheduled to be procured or modified not later than fiscal year 1992.

In light of these findings, the conferees strongly believe that:

(1) the plan submitted to Congress in June of 1987 by the Secretary of Defense is a sound proposal to redress the serious deficiency in airlift capability for special operations forces;

(2) the Secretary of Defense should formulate a five-year defense program for fiscal years 1990 through 1994 that, at a minimum, includes sufficient funds for the procurement or modification, not later than the end of fiscal year 1992, of all the airlift aircraft specified in the plan referred to in paragraph (1); and

(3) the President should submit budgets to Congress for fiscal years 1990, 1991, and 1992 that, at a minimum, include sufficient funds for the procurement or modification, by the end of fiscal year 1992, of all the airlift aircraft specified in the plan referred to in paragraph (1).

Closure and Realignment of Military Installations

The Senate amendment contained two provisions (sec 921 and 935) that would address the functions of a recently appointed Base Closure Commission which is analyzing the Department of Defense installation infrastructure and making recommendations for base closures and realignments. The provisions would provide a one time streamlining of installation closure procedures.

The House bill (H.R. 4481 as passed by the House of Representatives on July 12, 1988) dealt with the same subject matter.

The conferees agree to delete both provisions pending further refinements and in the expectation that Congress will act on a separate base closure bill during the 100th Congress.

Exclusive economic zone

The Senate amendment contained a provision (sec. 931) that would require the Secretary of Defense to submit to the Congress a review of defense assets that might be utilized to reduce and prevent illegal foreign fishing in the U.S. exclusive economic zone.

The House bill contained no similar provision.

The Senate recedes.

Army National Guard intelligence units

The House report (H. Rept. 100-563) directed the Secretary of Defense to provide certain intelligence equipment to appropriate Army National Guard units if adequate safeguards for the control of equipment and operations are in place. In addition, the Secretary was directed to provide no later than September 30, 1988, a report on the number of Army Guard units involved, the number and kinds of equipment to be distributed, and a timetable for distribution.

The Senate report (S. Rept. 100-326) did not contain similar direction.

The conferees understand that, subsequent to the passage of the House bill, a dispute between the National Security Agency and the Army National Guard was resolved and a decision was made in the Office of the Secretary of Defense to provide a Combat Electronic Warfare and Intelligence (CEWI) capability to the National Guard.

The conferees continue to endorse the total force policy and recognize the contributions National Guard components could make upon mobilization. For this reason, any proposal to provide a signals intelligence (SIGINT) capability to the National Guard should consider the wartime mission of the units, the efficiency of the units, the availability of linguists and equipment, and the adequacy of training and control mechanisms.

The conferees direct that, prior to the transfer of any SIGINT equipment to the National Guard, the Secretary of Defense submit a report to the Armed Services and Intelligence Committees of the Senate and House of Representatives that identifies the National Guard units scheduled to receive the equipment and describes:

(1) the amount, type and cost of the equipment to be provided,

(2) the safeguards agreed to by the Army and the National Security Agency to ensure proper use and security of the equipment,

(3) the training and linguist support plan, and

(4) the wartime missions and planned contributions to be made by these units.

TITLE XIII—FOREIGN RELATIONS MATTERS

Legislative Provisions

LEGISLATIVE PROVISIONS ADOPTED

Sense of Congress concerning the Panama Canal and the United States Southern Command (sec. 1301)

The House bill contained a provision (sec. 940) that would express the sense of Congress that the operations of the U.S. Southern Command are vital to U.S. security interests and on a permanent basis essential to defending those interests and that the President should, therefore, take all steps necessary to ensure the continued operations of the command.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment to add a congressional finding that the security of, and the free flow of shipping through, the Panama Canal are vital interests of the United States and with technical amendments to clarify the intent of the House provision.

Limitation on assistance to Panamanian Defense Force (sec. 1302)

The Senate amendment contained a provision (sec. 952) that would prohibit the obligation or expenditure of funds for assistance to the Panamanian Defense Force unless and until the President certifies that no Soviet, Cuban, or Nicaraguan armed forces are present in Panama and that General Noriega has been removed as Commander of the Panamanian Defense Force, barred from all offices and authority, and prohibited from designating or appointing his successor. The Senate provision would clarify that the funding prohibition would not apply to the use of funds for defense of the Panama Canal or maintenance of U.S. Armed Forces or interests in Panama. Lastly, the Senate provision would require a report from the President 10 days after the date of enactment of this act regarding whether Soviet, Cuban, or Nicaraguan military, paramilitary, or intelligence personnel are in Panama and whether the Panamanian Defense Force has coordinated with, cooperated with, supported, or received support from, such personnel.

The House bill contained no similar provision.

The House recedes with four amendments and with technical amendments to clarify the intent of the Senate provision. The House amendments were to:

(1) except military attaches accredited to the Republic of Panama from the President's certification that no Soviet, Cuban, or Nicaraguan armed forces are present in Panama;

(2) require the portion of the President's certification relating to General Manuel Noriega to certify only that General Noriega has relinquished command of the Panamanian Defense Force and no longer holds any official position of leadership (either military or civilian) in Panama;

(3) authorize the President to obligate or expend any funds necessary for collection of intelligence; and

(4) require the report from the President not later than 30 days after the date of enactment of this act.

Sense of Congress concerning indictment of General Noriega of Panama on drug- related charges (sec. 1303)

The Senate amendment contained a provision (sec. 941) that would express the sense of Congress on the drug-related indictments against General Manual Noriega, Commander of the Panamanian Defense Force. The Senate provision would express that no negotiations should be conducted, nor arrangements made, by the United States Government with General Noriega, which would involve dropping drug-related indictments against him. In addition, the Senate provision would express that any such negotiations or arrangements would send the wrong signal about the U.S. priority on the war on drugs; would not further the prospects of restoring noncorrupt, democratic government to Panama; and would not serve the overall U.S. national security interests.

The House bill contained no similar provision.

The House recedes with technical amendments to clarify the intent of the Senate provision.

Limitation on introduction of armed forces into Nicaragua for combat (sec. 1304)

Section 947 of the House bill would prohibit funds appropriated to the Department of Defense from being obligated or expended for the purpose of introducing U.S. armed forces into Nicaragua for combat unless the Congress declared war or enacted specific authorization for such introduction, or such introduction were necessary to meet a clear and present danger of hostile attack upon the United States, its territories or possessions or its allies; or to meet a clear and present danger to, and to provide necessary protection for, the U.S. Embassy, U.S. government personnel, or U.S. citizens; or to respond to hijacking, kidnapping, or other acts of terrorism involving citizens of the United States or its allies. Section 947 would not apply if MIG aircraft, or other aircraft of similar design or capability, or nuclear missiles or any other nuclear weapons were introduced into Nicaragua. Finally, nothing in section 947 would invalidate any provision of the War Powers Resolution (Public Law 93-148) or any authority of the United States to act under the provisions of the Inter-American Treaty of Reciprocal Assistance.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that changes the provision to an expression of the "Sense of Congress." Under the agreed provision, the Congress reaffirms the sense of Congress expressed in the fiscal year 1986 Defense Authorization Act (Public Law 99-145) that United States armed forces should not be introduced into or over Nicaragua for combat. The provision also contains the statement that it should not be construed as affecting the authority and responsibility of the President or Congress under the Constitution, statutes, or treaties of the United States in force.

Human rights violations by the Polish government (sec. 1305)

The Senate amendment contained a provision (sec. 926) that would express the sense of the Senate that it condemns the violations of the fundamental rights of the Polish people by the Polish regime and that any improvement in relations between the United States and Poland must be predicated on a fundamental improvement in human rights in Poland.

The House bill contained no similar provision.

The House recedes with an amendment to make the Senate provision an expression of the sense of Congress and to reflect in its findings the current situation in Poland.

Conditions for sale or other transfer of F-15 aircraft to Saudi Arabia (sec. 1306)

The Senate amendment contained a provision (sec. 937) that would make the sale or other transfer of F-15 aircraft by the United States to Saudi Arabia subject to the following conditions: (1) any such F-15 aircraft shall be limited to models A, B, C, and D; (2) no F-15E aircraft with a ground attack capability shall be sold or transferred and existing Saudi aircraft shall not be upgraded to that capability; and (3) Saudi Arabia shall not possess more than 60 F-15 aircraft at any time.

The House bill contained no similar provision.

The House recedes with an amendment to authorize the President to waive the conditions for the sale or other transfer of F-15 aircraft to Saudi Arabia if the President certifies to the Congress that such action is necessary in the national interest.

Restriction on sale of arms to certain nations (sec. 1307)

The Senate amendment contained a provision (sec. 932) that would prohibit the sale of arms by the United States to Saudi Arabia or to any other nation in the Middle East which has procured Chinese-made CSS-2 missiles unless the President has first certified to the Congress that such nation does not have chemical, biological, or nuclear warheads for such missiles.

The House bill contained no similar provision.

The House recedes with four amendments. The House amendments were to:

(1) equally direct the requirements of the Senate provision to all nations by deleting references to any individual nation;

(2) broaden the category of missiles to include all intermediate-range, Chinese-made missiles;

(3) require a one-time certification from the President prior to the sale of arms to such nations and a prompt notification from the President of any evidence that such nation has subsequently acquired chemical, biological, or nuclear warheads for its intermediate-range, Chinese-made missiles; and

(4) make the provision apply solely during fiscal year 1989.

Philippine bases (sec. 1308)

The Senate amendment contained a provision (sec. 930) that would require the Secretary of Defense to transmit to the Congress a study of the costs and benefits of maintaining U.S. military bases in the Philippines and of relocating those bases to alternative countries.

The House bill contained no similar provision.

The House recedes with an amendment to clarify the terms of the study to be prepared by the Secretary of Defense.

Assessment of security of United States facilities in the Philippines (sec. 1309)

The House bill contained a provision (sec. 948) that would require the Secretary of Defense to provide to Congress an annual assessment of security at U.S. bases in the Philippines.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

Authorizing economic sanctions against Ethiopia (sec. 1310)

The Senate bill contained a provision (section 949) that would condemn the Government of Ethiopia for its use of food as a weapon and its human rights record. It would also urge the Government of Ethiopia to allow foreign relief personnel to return to the northern part of Ethiopia and to allow the international relief campaign to resume, and would call on the rebel groups to cease attacks on relief vehicles. The provision would strongly urge the President to impose economic sanctions on the Government of Ethiopia if it engages in certain policies, including forced resettlement, denial of international relief to persons at risk because of famine, and seizure of international relief assets.

The House bill contained no similar provision.

The Senate provision was identical to a provision favorably reported by the House Foreign Affairs Committee. Therefore, the House recedes, with an amendment to terminate the authority granted by the section on June 1, 1990, and with technical amendments.

LEGISLATIVE PROVISIONS NOT ADOPTED

Soviet prisoners of war in Afghanistan

The House bill contained a provision (sec. 304) that would find, among other things, that the Administration had not established a mechanism whereby Soviet defectors and prisoners of war in Afghanistan are provided an opportunity to seek political asylum in the West. The provision would also express the sense of Congress that the President should establish such a mechanism, grant asylum to eligible Soviet defectors, establish a framework using private and public resources to assist Soviet defectors adjust to life in the United States, and direct that the Afghan resistance and Soviet defectors and prisoners of war in Afghanistan be informed of these programs.

The Senate amendment contained no similar provision.

The House recedes.

The conferees believe that the United States should assist Soviet defectors and prisoners of war in Afghanistan to the maximum extent practicable. But the conferees also note that the Administration has, in fact, established a mechanism for processing those Soviet defectors and prisoners of war who seek refugee status in the United States. Other organizations, including the Red Cross and the Government of Pakistan, have established programs to assist refugees and Soviet defectors and prisoners of war. With respect to granting refugee status, the President already has adequate authority. Therefore, this provision is not necessary. Nevertheless, the conferees urge the Administration to increase its efforts to assist Soviet defectors and prisoners of war in Afghanistan.

Enforcement of the Helsinki Final Act

The Senate amendment contained a provision (sec. 938) that would require that no country which did not have Most-Favored Nation status by May 1, 1988, could be granted this status unless the President certifies that the country is in complete or substantially complete compliance with the human rights and humanitarian affairs provisions of the Final Act of the Conference on Security and Cooperation in Europe (also known as "the Helsinki Final Act.")

The House bill contained no similar provision.

The Senate recedes.

TITLE XIV—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

PART A—NATIONAL SECURITY PROGRAMS AUTHORIZATIONS

The House bill, Division C, Title I, Part A, would authorize appropriations for Department of Energy National Security programs in the total amount of $8,135 million. The Senate amendment, Division C, Title XXXI, Part A, would authorize $8,165.796 million for this purpose.

The conferees agree to an authorization of $8,135 million.

The amended budget request, the authorizations contained in the House bill, the authorizations contained in the Senate amendment, and the conference agreement are presented in the following tables.

Fiscal Year 1989 Department of Energy National Security Programs
[Amounts in millions]

Program	FY 1989 Authorization Request	House Change to Request	Senate Change to Request	Conference Change to Request	Conference Authorization
Weapons Activities	4256.941	0.000	22.296	-14.000	4242.941
Operating Expenses	3567.629	0.000	40.296	0.000	3567.629
Construction	417.058	0.000	-18.000	-14.000	403.058
Capital Equipment	272.254	0.000	0.000	0.000	272.254
Materials Production	2016.759	0.000	-21.500	-16.000	2000.759
Operating Expenses	1572.772	0.000	-21.500	-16.000	1556.772
Construction	341.487	0.000	0.000	0.000	341.487
Capital Equipment	102.500	0.000	0.000	0.000	102.500
Defense Waste and Environmental Restoration	936.500	35.000	50.000	50.000	986.500
Operating Expenses	689.624	30.000	50.000	50.000	739.624
Construction	194.160	5.000	0.000	0.000	194.160
Capital Equipment	52.716	0.000	0.000	0.000	52.716
Verification and Control Technology	139.600	0.000	15.000	15.000	154.600
Operating Expenses	131.200	0.000	15.000	15.000	146.200
Capital Equipment	8.400	0.000	0.000	0.000	8.400
Nuclear Safeguards and Security	80.200	0.000	0.000	0.000	80.200
Operating Expenses	75.400	0.000	0.000	0.000	75.400
Capital Equipment	4.800	0.000	0.000	0.000	4.800
Security Investigations	40.000	0.000	0.000	0.000	40.000
Operating Expenses	40.000	0.000	0.000	0.000	40.000
Naval Reactors Development	630.000	0.000	0.000	0.000	630.000
Operating Expenses	555.400	0.000	0.000	0.000	555.400
Construction	26.600	0.000	0.000	0.000	26.600
Capital Equipment	48.000	0.000	0.000	0.000	48.000
TOTAL	8100.000	35.000	65.796	35.000	8135.000

Fiscal Year 1989 Department of Energy National Security Programs

[Amounts in millions]

Program	FY 1989 Authorization Request	House Change to Request	Senate Change to Request	Conference Change to Request	Conference Authorization
Operating Expenses					
WEAPONS ACTIVITIES					
Research and Development	1052.546	0.000	23.000	23.000	1052.546
Inertial Confinement Fusion	(155.530)	(0.000)	(0.000)	(0.000)	(155.530)
Testing	524.238	0.000	0.000	0.000	524.238
Nuc Dir Energy RD&T	(252.254)	(-40.000)	(-6.000)	(-23.000)	(229.254)
Production and Surveillance	1909.445	0.000	0.000	0.000	1909.445
Program Direction	81.400	0.000	23.296	0.000	81.400
Weapons Program	(72.166)	(0.000)	(0.000)	(0.000)	(72.166)
Community Assistance	(9.234)	(0.000)	(23.296)	(0.000)	(9.234)
Total, Weapons Activities	3567.629	0.000	40.296	0.000	3567.629
MATERIALS PRODUCTION					
Reactor Operations	603.976	0.000	-21.500	-16.000	587.976
N Reactor	(158.600)	(0.000)	(-21.500)	(-16.000)	(142.600)
Processing of Nuclear Materials	511.717	0.000	0.000	0.000	511.717
Special Isotope Separation	(72.300)	(0.000)	(0.000)	(0.000)	(72.300)
Supporting Services	259.679	0.000	0.000	0.000	259.679
Enriched Material	169.000	0.000	0.000	0.000	169.000
Naval Reactors Uranium Enrichment	(169.000)	(0.000)	(0.000)	(0.000)	(169.000)
Program Direction	28.400	0.000	0.000	0.000	28.400
Total, Materials Production	1572.772	0.000	-21.500	-16.000	1556.772

Fiscal Year 1989 Department of Energy National Security Programs
[Amounts in millions]

Program	FY 1989 Authorization Request	House Change to Request	Senate Change to Request	Conference Change to Request	Conference Authorization
Operating Expenses (continued)					
DEFENSE WASTE AND ENVIRONMENTAL RESTORATION					
Environmental Restoration..................	120.925	18.000	50.000	50.000	170.925
Waste Operations and Projects..............	532.042	12.000	0.000	0.000	532.042
Waste Research and Development............	58.460	0.000	0.000	0.000	58.460
Hazardous Waste and Compliance Technology..	8.377	0.000	0.000	0.000	8.377
Transportation Management..................	9.720	0.000	0.000	0.000	9.720
Program Direction..........................	3.100	0.000	0.000	0.000	3.100
Use of Prior Year AEDA Balances............	-43.000	0.000	0.000	0.000	-43.000
Total, Defense Waste & Environ. Restor...	689.624	30.000	50.000	50.000	739.624
VERIFICATION AND CONTROL TECHNOLOGY					
Verification and Control Technology........	131.200	0.000	15.000	15.000	146.200
Total, Verification & Control Tech.......	131.200	0.000	15.000	15.000	146.200
NUCLEAR SAFEGUARDS AND SECURITY					
Nuclear Safeguards and Security............	75.400	0.000	0.000	0.000	75.400
Total, Nuclear Safeguards and Security	75.400	0.000	0.000	0.000	75.400
SECURITY INVESTIGATIONS	40.000	0.000	0.000	0.000	40.000
NAVAL REACTORS DEVELOPMENT					
Plant Development..........................	83.000	0.000	0.000	0.000	83.000
Reactor Development........................	236.700	0.000	0.000	0.000	236.700
Reactor Operation and Evaluation...........	222.700	0.000	0.000	0.000	222.700
Program Direction..........................	13.000	0.000	0.000	0.000	13.000
Undistributed Reduction....................					
Total, Naval Reactors Development........	555.400	0.000	0.000	0.000	555.400
TOTAL, DOE DEFENSE ACTIVITIES OPERATING EXPENSES....................	6632.025	30.000	83.796	49.000	6681.025

Fiscal Year 1989 Department of Energy National Security Programs
[Amounts in millions]

Program	FY 1989 Authorization Request	House Change to Request	Senate Change to Request	Conference Change to Request	Conference Authorization
Plant and Capital Equipment					
WEAPONS ACTIVITIES					
89-D-101, general plant projects, various locations	26.500	0.000	0.000	0.000	26.500
89-D-121, general plant projects, various locations	29.194	0.000	0.000	0.000	29.194
89-D-122, production waste storage facilities, Y-12 Plant, Oak Ridge, Tennessee	2.000	0.000	0.000	0.000	2.000
89-D-125, plutonium recovery modification project (Bldg. 371), Rocky Flats Plant, Golden, Colorado	18.000	0.000	-18.000	-14.000	4.000
89-D-126, environmental, safety, and health upgrade, Phase II, Mound Plant, Miamisburg, Ohio	0.800	0.000	0.000	0.000	0.800
88-D-102, sanitary wastewater systems consolidation, Los Alamos National Laboratory, Los Alamos, New Mexico	7.600	0.000	0.000	0.000	7.600
88-D-103, seismic upgrade, Building 111, Lawrence Livermore National Laboratory, Livermore, California	5.400	0.000	0.000	0.000	5.400
88-D-104, safeguards and security upgrade, Phase II, Los Alamos National Laboratory, Los Alamos, New Mexico	7.300	0.000	0.000	0.000	7.300

such regulations as may be necessary to insure that the provision of any support (including the provision of any equipment or facility or the assignment or detail of any personnel) to any civilian law enforcement official under this chapter does not include or permit direct participation by a member of the Army, Navy, Air Force, or Marine Corps in a search and seizure, arrest, or other similar activity unless participation in such activity by such member is otherwise authorized by law. The conferees deleted the term "interdiction of a vessel or aircraft," which is set forth in current law, because the term "interdiction" has acquired a meaning that includes detection and monitoring as well as a physical interference with the movement of a vessel or aircraft. The conferees emphasize, however, that they do not intend by this action to authorize military personnel to interrupt the passage of a vessel or aircraft except as otherwise authorized by law.

The conferees recognize that the magnitude of the drug problem has led to calls for the military to be directly involved in search, seizures, and arrests. The conferees, however, do not believe that it is appropriate to make such a radical break with the historic separation between military and civilian functions without clear and compelling evidence that such an action would result in a substantial reduction in the drug problem. The overwhelming weight of the evidence is that no such change would come from giving the military police powers.

As noted above, there is a serious question as to whether increased interdiction efforts—regardless of which agency actually exercises the police functions—will have a significant impact on the supply of drugs available to meet the demand. Providing law enforcement powers to naval personnel, for example, would not add to the Navy's ability to assist in maritime interdiction because current law already provides for placing Coast Guard Law Enforcement Detachment Teams on board naval vessels transitting drug interdiction areas.

Utilizing Navy instead of Coast Guard personnel for law enforcement purposes would do nothing to solve the most critical problems that the Coast Guard now faces in drug interdiction, whether aboard Navy or Coast Guard vessels. As Peter Reuter of the RAND Corporation noted in testimony before the Senate Armed Services Committee: "Even when the Coast Guard has prior information that a vessel may be carrying drugs, only one out of eight of those boarded is found to have drugs. That is about five times higher than the agency's success rate when it has no prior information. The military services can ensure that the Coast Guard will see more vessels and pursue more of them for boarding. But it cannot at the moment do much to help the maritime services distinguish the undistinguishable."

The conferees agree that interdiction, to a reasonable degree, is a necessary part of a comprehensive drug strategy. However, none of the federal law enforcement agencies have requested use of military personnel to supplement their arrest, search, and seizure functions.

Drug interdiction is a sophisticated matter, and the Coast Guard provides its members with months of schooling and extensive on-the-job training. It makes little sense to create a situation in which the military skills of members of the armed forces will atrophy while they spend months receiving law enforcement training. To the extent that we need more individuals to perform law enforcement functions, the most cost-effective way to do so is to provide the law enforcement agencies with the necessary personnel. This bill follows this cost-effective approach by providing authority for increased Coast Guard Law Enforcement Detachment Teams.

The demand by some for use of the military in drug-related arrests would quickly fade in the face of actual law enforcement confrontations between the uniformed military and American civilians. As former Chief Justice Burger has noted, the American experience has been marked by "a traditional and strong resistance . . . to any military intrusion into civilian affairs. That tradition has deep roots in our history. . . ." *Laird* v. *Tatum*, 408 U.S.C. 1, 15 (1972). The Posse Comitatus Act, as one court has noted, is not "an anachronistic relic of an historical period the experience of which is irrelevant to the present. It expresses the inherited antipathy of the American to the use of troops for civil purposes. . . . Its relevance to this age is sadly clear." *Wrynn* v. *United States*, 200 F. Supp. 457, 465 (E. D. N. Y. 1961).

In testimony before the Senate Armed Services Committee, Secretary of Defense Carlucci noted: "I remain absolutely opposed to the assignment of a law enforcement mission to the Department of Defense. I am even more firmly opposed to any relaxation of the posse comitatus restrictions on use of the military to search, seize and arrest. I have discussed this matter with the President, and other senior members of his Cabinet, and I can report that these views are shared throughout this Administration. The historical tradition which separates military and civilian authority in this country has served both to protect the civil liberties of our citizens and to keep our Armed Forces militarily focussed and at a high state of readiness."

Support not to affect adversely military preparedness (10 U.S.C. 376)

This section restates the requirement under current law that provides that support (including the provision of any equipment or facility or the assignment or detail of any personnel) may not be provided to any civilian law enforcement official under this chapter if the provision of such assistance will adversely affect the military preparedness of the United States. The conferees note that this provision should not be interpreted in a manner that would shield the Department from providing support merely because it is inconvenient to do so. At the same time, the conferees note that the armed forces have the ultimate responsibility for the defense of the nation, and our military capability could be seriously compromised by draining DOD assets into other agencies.

Reimbursement (10 U.S.C. 377)

This section clarifies current law governing reimbursement. Chapter 18 of title 10 was designed to eliminate ambiguities as to the type of support that DOD can provide other agencies without violating the Posse Comitatus Act. It is not intended to establish the Department of Defense as a source of free supplies and manpower that can be tapped by other agencies without any form of accountability. When DOD makes equipment, facilities, or personnel available to other government entities, reimbursement shall be provided to the extent that would otherwise be required by the Economy Act or other applicable law. This section also makes it clear, however, that the reimbursement provision must be applied in a reasonable fashion. Reimbursement is not required when the support is provided in the normal course of military training or operations or results in a benefit to the Department of Defense that it substantially equivalent to that which would otherwise be obtained from military operations or training.

Nonpreemption of other law (10 U.S.C. 378)

This section, which is similar to the provision included when chapter 18 was first enacted in 1981, makes it clear that nothing in this revision is intended to limit the authority of the executive branch to use military personnel or equipment for civilian law enforcement purposes beyond that provided by law before the date of enactment.

Assignment of Coast Guard personnel to naval vessels for law enforcement purposes (10 U.S.C. 379)

This section clarifies current law authorizing a minimum of 500 active duty personnel of the Coast Guard to be assigned to naval vessels for performance of Coast Guard law enforcement functions, including search, seizure and arrest. The revision makes it clear that Coast Guard law enforcement personnel must be placed on each appropriate surface vessel that transits a drug interdiction area. A total of $6 million will be transferred from the Department of Defense to the Coast Guard in fiscal year 1989 for this program. To ensure the most cost-effective use of these funds, the conferees direct the Secretary of Defense to ensure that Coast Guard personnel are properly integrated into the ship's company of naval vessels to perform shipboard duties when not actually engaged in law enforcement activities.

Enhancing cooperation with civilian law enforcement officials (10 U.S.C. 380)

This section revises current law to emphasize the conferees interest in having the Department of Defense play the leading role in advising Federal, state, and local law enforcement officials of the types of assistance that DOD can provide.

Enhanced drug interdiction and law enforcement role for the National Guard (sec. 1105)

The National Guard traditionally has performed law enforcement functions under the direction of the Governors. When not in federal service, the National Guard is not subject to the Posse Comitatus Act. Subsection (a) provides funds for drug enforcement activities of the Guard while in state status. The Secretary of Defense may obligate up to $60 million for this purpose. To be eligible, the Governor must submit a plan to the Secretary specifying how personnel of the National Guard of such State are to be used in drug enforcement and interdiction operations. The Secretary of Defense is required to consult with the Attorney General in reviewing such proposals. It is the intent of the conferees that priority be given to those plans which (a) involve areas of the greatest need in terms of drug interdiction and (b) are most likely to be effective. The National Guard will remain under state command and control when conducting any law enforcement activity with funds provided under this section. The provision of these funds does not place the National Guard in federal status for purposes of the Posse Comitatus Act, or for any other purpose.

Fiscal Year 1989 Department of Energy National Security Programs
[Amounts in millions]

Program	FY 1989 Authorization Request	House Change to Request	Senate Change to Request	Conference Change to Request	Conference Authorization
Plant and Capital Equipment (continued)					
WEAPONS ACTIVITIES (continued)					
86-D-103, decontamination and waste treatment facility, Lawrence Livermore National Laboratory, Livermore, California.	12.000	0.000	0.000	0.000	12.000
86-D-104, strategic defenses facility, Sandia National Laboratories, Albuquerque, New Mexico....................	3.237	0.000	0.000	0.000	3.237
86-D-123, environmental hazards elimination, various locations.............	5.203	0.000	0.000	0.000	5.203
86-D-130, tritium loading facility replacement, Savannah River Plant, Aiken, South Carolina......................	31.800	0.000	0.000	0.000	31.800
85-D-102, nuclear weapons research, development, and testing facilities revitalization, Phase I, various locations................................	6.800	0.000	0.000	0.000	6.800
85-D-105, combined device assembly facility, Nevada Test Site, Nevada.........	12.200	0.000	0.000	0.000	12.200
85-D-112, enriched uranium recovery improvements, Y-12 Plant, Oak Ridge, Tennessee................................	1.281	0.000	0.000	0.000	1.281
84-D-124, environmental improvements, Y-12 Plant, Oak Ridge, Tennessee................	4.775	0.000	0.000	0.000	4.775

Fiscal Year 1989 Department of Energy National Security Programs
[Amounts in millions]

Program	FY 1989 Authorization Request	House Change to Request	Senate Change to Request	Conference Change to Request	Conference Authorization
Plant and Capital Equipment (continued)					
WEAPONS ACTIVITIES (continued)					
84-D-211, safeguards and site security upgrading, Y-12 Plant, Oak Ridge, Tennessee..................................	2.775	0.000	0.000	0.000	2.775
Total, Weapons Activities................	417.058	0.000	-18.000	-14.000	403.058
Plant and Capital Equipment (continued)					
MATERIALS PRODUCTION					
89-D-140, additional separations safeguards, Savannah River, South Carolina............	5.300	0.000	0.000	0.000	5.300
89-D-141, M-area waste disposal, Savannah River, South Carolina............	3.600	0.000	0.000	0.000	3.600
89-D-142, reactor effluent cooling water thermal mitigation, Savannah River, South Carolina............................	1.000	0.000	0.000	0.000	1.000
89-D-146, general plant projects, various locations.........................	35.260	0.000	0.000	0.000	35.260
89-D-148, improved reactor spray system, design only, Savannah River, South Carolina	2.000	0.000	0.000	0.000	2.000

Fiscal Year 1989 Department of Energy National Security Programs
[Amounts in millions]

Program	FY 1989 Authorization Request	House Change to Request	Senate Change to Request	Conference Change to Request	Conference Authorization
Plant and Capital Equipment (continued)					
MATERIALS PRODUCTION (continued)					
88-D-153, additional reactor safeguards, Savannah River, South Carolina.............	5.700	0.000	0.000	0.000	5.700
88-D-154, new production reactor, design only, site to be determined.........	35.000	0.000	0.000	0.000	35.000
87-D-152, environmental protection plantwide, Savannah River, South Carolina..	2.224	0.000	0.000	0.000	2.224
87-D-159, environmental, health, and safety improvements, Phases I, II, & III, Feed Materials Production Center, Fernald, Ohio.	50.000	0.000	0.000	0.000	50.000
86-D-148, special isotope separation project, Idaho Falls, Idaho................	28.000	0.000	0.000	0.000	28.000
86-D-149, productivity retention program, Phases I, II, III, & IV, various locations.	72.140	0.000	0.000	0.000	72.140
86-D-152, reactor electrical distribution system, Savannah River, South Carolina.....	6.000	0.000	0.000	0.000	6.000
86-D-156, plantwide safeguards systems, Savannah River, South Carolina.............	12.800	0.000	0.000	0.000	12.800
85-D-139, fuel processing restoration, Idaho Fuels Processing Facility, Idaho National Engineering Laboratory, Idaho.....	65.000	0.000	0.000	0.000	65.000
84-D-134, safeguards and security improvements, plantwide, Savannah River, South Carolina...................................	11.584	0.000	0.000	0.000	11.584

Fiscal Year 1989 Department of Energy National Security Programs
[Amounts in millions]

Program	FY 1989 Authorization Request	House Change to Request	Senate Change to Request	Conference Change to Request	Conference Authorization
Plant and Capital Equipment (continued)					
MATERIALS PRODUCTION (continued)					
82-D-124, restoration of production capabilities, Phases II, III, IV and V, various locations..........................	5.879	0.000	0.000	0.000	5.879
Total, Materials Production................	341.487	0.000	0.000	0.000	341.487
Plant and Capital Equipment (continued)					
DEFENSE WASTE AND ENVIRONMENTAL RESTORATION					
89-D-170, general plant projects, various locations..........................	28.000	0.000	0.000	0.000	28.000
89-D-171, Idaho National Engineering Laboratory road renovation, Idaho..........	4.000	0.000	0.000	0.000	4.000
89-D-172, Hanford environmental compliance, Richland, Washington......................	12.000	0.000	0.000	0.000	12.000
89-D-173, tank farm ventilation upgrade, Richland, Washington......................	1.800	0.000	0.000	0.000	1.800
89-D-174, replacement high level waste evaporator, Savannah River, South Carolina.	3.520	0.000	0.000	0.000	3.520
89-D-175, hazardous waste/mixed waste disposal facility, Savannah River, South Carolina..............................	3.500	0.000	0.000	0.000	3.500

Fiscal Year 1989 Department of Energy National Security Programs
[Amounts in millions]

Program	FY 1989 Authorization Request	House Change to Request	Senate Change to Request	Conference Change to Request	Conference Authorization
Plant and Capital Equipment (continued)					
DEFENSE WASTE AND ENVIRONMENTAL RESTORATION (continued)					
88-D-173, Hanford waste vitrification plant, Richland, Washington......................	22.500	5.000	0.000	0.000	22.500
87-D-173, 242-A evaporator crystallizer upgrade, Richland, Washington.............	1.944	0.000	0.000	0.000	1.944
87-D-177, test reactor area liquid radioactive waste cleanup system, Phase III, Idaho National Engineering Laboratory, Idaho..	0.911	0.000	0.000	0.000	0.911
87-D-180, burial ground expansion, Savannah River, South Carolina............	2.068	0.000	0.000	0.000	2.068
87-D-181, diversion box and pump pit containment buildings, Savannah River, South Carolina............................	6.371	0.000	0.000	0.000	6.371
86-D-174, low-level waste processing and shipping system, Feed Materials Production Center, Fernald, Ohio..........	0.000	0.000	0.000	0.000	0.000
86-D-175, Idaho National Engineering Laboratory security upgrade, Idaho........	2.084	0.000	0.000	0.000	2.084
83-D-148, non-radioactive hazardous waste management, Savannah River, South Carolina.	13.000	0.000	0.000	0.000	13.000
81-T-105, defense waste processing facility, Savannah River, South Carolina...	92.462	0.000	0.000	0.000	92.462
Total, Defense Waste & Environ. Restor...	194.160	5.000	0.000	0.000	194.160

Fiscal Year 1989 Department of Energy National Security Programs
[Amounts in millions]

Program	FY 1989 Authorization Request	House Change to Request	Senate Change to Request	Conference Change to Request	Conference Authorization
Plant and Capital Equipment (continued)					
NAVAL REACTORS DEVELOPMENT					
89-N-101, general plant projects, various locations	7.000	0.000	0.000	0.000	7.000
89-N-102, heat transfer test facility, Knolls Atomic Power Laboratory, Niskayuna, New York	2.800	0.000	0.000	0.000	2.800
89-N-103, advanced test reactor modifications, Test Reactor Area, Idaho National Engineering Laboratory, Idaho	1.600	0.000	0.000	0.000	1.600
89-N-104, power system upgrade, Naval Reactors Facility, Idaho	0.600	0.000	0.000	0.000	0.600
88-N-102, expended core facility receiving station, Naval Reactors Facility, Idaho	5.900	0.000	0.000	0.000	5.900
88-N-103, material handling and storage modifications, Knolls Atomic Power Laboratory, Niskayuna, New York	2.700	0.000	0.000	0.000	2.700
88-N-104, prototype availability facilities, Kesselring Site, Knolls Atomic Power Laboratory, West Milton, New York	6.000	0.000	0.000	0.000	6.000
Total, Naval Reactors Development	26.600	0.000	0.000	0.000	26.600
TOTAL, DOE DEFENSE ACTIVITIES PLANT CONSTRUCTION	979.305	5.000	-18.000	-14.000	965.305

Fiscal Year 1989 Department of Energy National Security Programs
[Amounts in millions]

Program	FY 1989 Authorization Request	House Change to Request	Senate Change to Request	Conference Change to Request	Conference Authorization
CAPITAL EQUIPMENT					
Weapons Activities	272.254	0.000	0.000	0.000	272.254
Nuclear Directed Energy Weapons	(17.509)	(0.000)	(0.000)	(0.000)	(17.509)
Inertial Confinement Fusion	(8.240)	(0.000)	(0.000)	(0.000)	(8.240)
Materials Production	102.500	0.000	0.000	0.000	102.500
Defense Waste & Environmental Restoration	52.716	0.000	0.000	0.000	52.716
Verification and Control Technology	8.400	0.000	0.000	0.000	8.400
Nuclear Safeguards and Security	4.800	0.000	0.000	0.000	4.800
Naval Reactors Development	48.000	0.000	0.000	0.000	48.000
TOTAL, DOE DEFENSE ACTIVITIES CAPITAL EQUIPMENT	488.670	0.000	0.000	0.000	488.670
Subtotal, DOE Operating Expenses	6632.025	30.000	83.796	49.000	6681.025
Subtotal, DOE Plant Construction	979.305	5.000	-18.000	-14.000	965.305
Subtotal, DOE Capital Equipment	488.670	0.000	0.000	0.000	488.670
TOTAL, DOE DEFENSE ACTIVITIES	8100.000	35.000	65.796	35.000	8135.000

Operating expenses (sec. 1401)

The House bill contained a provision (sec. 3111) that would authorize $6,622.025 million for operating expenses.

The Senate amendment contained a provision (sec. 3101) that would authorize $6,715.821 million for operating expenses.

The conferees agree to an authorization of $6,681.025 million for operating expenses.

Plant and capital equipment (sec. 1402)

The House bill contained a provision (sec. 3112) that would authorize $984.305 million for plant construction and $488.670 million for capital equipment.

The Senate amendment contained a provision (sec. 3102) that would authorize $961.305 million for plant construction and $488.670 million for capital equipment.

The conferees agree to an authorization of $965.305 million for plant construction and $488.670 million for capital equipment.

Operating expenses related to N reactor

The amended budget request included $168.6 million for operating expenses at the N Reactor, for which a decision was made in February 1988 to place in cold standby in February 1988.

The House bill would authorize the amounts requested.

The Senate amendment would authorize $147.1 million for operating expenses at the N Reactor.

The conferees agreed to authorize $152.6 million for operating expenses at N Reactor. $14.3 million of the reduction is to come from funds budgeted for tritium contingency pre-engineering work.

Defense waste and environmental restoration

The amended budget request contained $120.925 million for environmental restoration activities at all Department of Energy defense facilities.

The House bill would authorize $138.925 million for environmental restoration activities, with the increase of $18 million provided for environmental restoration activities at Hanford, Washington.

The Senate amendment would authorize $170.925 million for environmental restoration activities at all Department of Energy defense facilities.

The conferees agree to an authorization of $170.925 million for environmental restoration activities and intend that the increase of $50 million over the budget request be applied to the highest priority projects at Department of Energy defense facilities, including, to the extent the Secretary of Energy deems appropriate, projects at Hanford, Washington. The conferees' approval of an increase of $50 million reflects the high priority that is placed on the clean-up of Department of Energy defense facilities.

Funding limitations: Strategic Defense Initiative (sec. 1403)

The House bill contained a provision (sec. 3113(a)) that would limit the funds appropriated to the Department of Energy for fiscal year 1989 for the Strategic Defense Initiative (SDI) to $245 million.

The Senate amendment contained a provision (sec. 3103(a)) that would limit the funds for the Strategic Defense Initiative to $279 million.

The conferees agree to a provision that would limit the funds authorized to the Department of Energy for fiscal year 1989 for SDI to $262 million. The conferees observe that the conferee agreement contains a provision (sec. 1424(b)) that would authorize the Secretary of Defense to transfer up to $100 million of funds appropriated to the Department of Defense for fiscal year 1989 for the Strategic Defense Initiative to the Department of Energy for the nuclear directed energy research program in support of SDI.

Funding limitations: inertial confinement fusion program (sec. 1403)

The House bill contained a provision (sec. 3113(b)) that would require that not less than $163.77 million of funds appropriated for fiscal year 1989 be used for the defense inertial confinement fusion (ICF) program.

The Senate amendment contained a provision (sec. 3103(b)) that would require that not more than $163.77 million of funds appropriated for fiscal year 1989 be used for the defense inertial confinement fusion program and that not less than $16.8 million of such amount be used for entering into a contract with KMS Fusion, Inc.

The conferees agree that $163.77 million of funds appropriated for fiscal year 1989 be used for the defense inertial confinement fusion program. The conferees also agree that within this amount, $16.8 million should be available for entering into a contract with KMS Fusion, Inc. and that $12.9 million should be available for ICF research program activities at the University of Rochester.

Funding limitation: special isotope separation project (sec. 1403)

The House bill contained a provision (sec. 3133(e)) that would prohibit the obligation or expenditure of funds for site preparation for the Special Isotope Separation (SIS) project prior to March 1, 1989 and would require the Secretary of Energy to submit a report to Congress by March 1, 1989 including assessments and determinations on various aspects of the SIS project.

The Senate amendment contained a provision (sec. 3103(f)) that would prohibit the obligation or expenditure of funds for site preparation for the SIS project prior to March 1, 1989. The Senate report (S. Rept. 100-326) required the Secretary of Energy to submit a report by March 1, 1989 including two of the items contained in the House bill: (1) an assessment of the adequacy of the SIS technology for transition to routine production operations, and (2) a certification that the designated location is consistent with the Department of Energy study on the modernization of the nuclear materials complex and with the projected long-term need for additional sources of weapons grade plutonium.

The House recedes. The conferees agreed to prohibit the obligation or expenditure of funds for site preparation for the SIS project prior to March 1, 1989. The conferees also agreed that not later than March 1, 1989, the Secretary of Energy shall submit to the Committees on Armed Services of the Senate and House of Representatives an unclassified report (with a classified appendix as necessary) on the SIS project. The report shall include the following:

1. An assessment of the adequacy of the SIS technology for transition to safe, routine production operations at the designated Idaho site;
2. A comparison of the cost, technical risk, and availability of feedstock materials for SIS with the cost, technical risk, and availability of feedstock materials for other processes for obtaining weapons-grade plutonium, including recycling plutonium from retired warheads, blending supergrade plutonium with fuel grade plutonium, scrap recovery, and the use of reactors in the Department of Energy complex for plutonium production;
3. A certification that the designated location of the production-scale SIS plant is consistent with the recommendations of the Department of Energy study on the modernization of the nuclear materials complex, and with the projected long-term need for additional sources of weapons-grade plutonium.
4. A description of the specific sources and quantity of feed materials available for the SIS project facility over the expected economic lifetime of that facility.

Funding limitation: plutonium recovery modification project (sec. 1403)

The amended budget request include $18 million for Project 89-D-125, the Plutonium Recovery Modification Project, at Rocky Flats, Colorado.

The House bill would authorize the amounts requested.

The Senate amendment would not authorize the modification project for fiscal year 1989.

The conferees agree to authorize $4 million for Project 89-D-125 and have included a provision that provides that such funds may not be obligated or expended until the later of (1) February 15, 1989; or (2) 60 calendar days after Congress has received the report on modernization of the Department of Energy defense complex as required by section 3132 of the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1988 (Public Law 100-180).

PART B—RECURRING GENERAL PROVISIONS

Limits on construction projects (sec. 1423)

The Senate amendment contained a provision (sec. 3123) that would apply limitations only to construction projects that have been authorized.

The House bill contained a provision (sec. 2123) that would apply limitations to all construction projects.

The Senate recedes.

Funds available for national security programs (sec. 1427)

The Senate amendment contained a provision (sec. 3127) that would, subject to provisions in appropriations acts, make amounts appropriated for management and support activities and for general plant projects available when necessary for all national security programs of the Department of Energy, and would subject the use of such funds in connection with all national security programs of the Department of Energy to the reprogramming provisions contained in section 3121 of the Senate amendment.

The House bill contained a provision (sec. 3127) that would, subject only to provisions in appropriations acts, make amounts appropriated for management and support activities and for general plant projects available when necessary for all national security programs of the Department of Energy.

The House recedes.

PART C—MISCELLANEOUS PROVISIONS

Review of the inertial confinement fusion program (sec. 1431)

The House bill contained a provision (sec. 3131) that would direct the Secretary of Energy to establish a Program Review Group on Intertial Confinement Fusion (ICF), which would review the accomplishments, management, goals, and anticipated contributions of the ICF program. The Review Group would submit two reports to the Secretary of Energy and to the Congress containing recommendations on priorities for future work in the ICF program. An interim report would be submitted before January 15, 1990 and a final report before September 15, 1990.

The Senate amendment contained a provision (sec. 3131) that would direct the Secretary of Energy to request the National Academy of Sciences to conduct a review of the ICF program which would include (1) an assessment of the accomplishments, management, and goals of the ICF program, including an assessment of the most promising technology for continuing the program; (2) an assessment of the potential benefits of the ICF program under alternative nuclear testing regimes; and (3) an assessment of the budgetary priority of the ICF program relative to the core research and development (R&D) program. An interim report would be submitted to the Secretary of Energy and to the Congress by January 15, 1990, and a final report would be submitted by September 15, 1990.

The House recedes with an amendment. The conferees agree to a provision that would direct the Secretary of Energy to establish a Review Group to conduct the first two assessments contained in the Senate provision. The Group will be required to submit an interim and final report to the Secretary and to Congress together with recommendations regarding priorities for future work in the ICF program. The Secretary will be required to review the interim and final report of the Review Group and submit an assessment of the budgetary priority of the ICF program in relation to that of the core R&D programs to the Congress not later than 30 days after receiving the Review Group's report.

Assistance to communities affected by closing of N Reactor (sec. 1432)

The House bill contained a provision (sec. 3133) that would authorize the Secretary of Defense to make grants, conclude cooperative agreements, and supplement funds made available under Federal programs administered by agencies other than the Department of Defense in order to assist communities affected by the closure of the N Reactor.

The Senate amendment contained a similar provision (sec. 3135) that would, in addition to giving the Secretary of Defense the authority to make grants, conclude cooperative agreements, and supplement funds made available under Federal programs administered by agencies other than the Department of Defense in order to assist State and local governments in planning and supporting community adjustments required by the closure of N Reactor, authorize the Department of Energy to reimburse the DOD for such activities.

The Senate recedes.

Review of waste isolation pilot plant in New Mexico

The Senate amendment contained a provision (sec. 3133) that would establish an independent scientific review group for the Waste Isolation Pilot Plant (WIPP) in New Mexico, to be known as the Environmental Evaluation Group (EEG) and would require that the Secretary of Energy enter into an agreement for the financial support of the EEG.

The House bill contained no similar provision.

The House conferees were concerned that a separate evaluation group for WIPP is duplicative of the functions of the Safety Oversight Board established by Sec. 3141. The Senate conferees noted that: (1) an evaluation group has been in operation for a number of years pursuant to agreements reached between the State of New Mexico and the Department of Energy; (2) that it would take a period of time for the Board to become fully operational; (3) that within the State of New Mexico the Board would be viewed primarily as a replacement for the oversight functions presently being conducted by the National Academy of Sciences; and (4) that the continuation of the evaluation group was an important element in maintaining public confidence in the safe operation of WIPP in the State of New Mexico.

The conferees agree to a provision that would require that the Department of Energy contract with the New Mexico Institute of Mining and Technology for the continued funding of an independent evaluation group. The funding for the group would be subject to annual Congressional review.

The conferees recognize that the operation of the evaluation group within the State of New Mexico provides a direct and local input to public officials and to private citizens of the State and that the continuation of that relationship is important. The conferees intend to maintain close and continuing contact with state and local government and citizens groups in New Mexico.

The conferees note that approximately $700 million has been expended constructing WIPP, that the Administration has budgeted $43 million from prior year Department of Energy Defense Programs unobligated balances for payment to the State of New Mexico during fiscal year 1989 for road improvements in the State of New Mexico, and that by this section a unique oversight arrangement is being continued, yet legislation that would implement land withdrawal and clear a major obstacle to the actual placement of waste at WIPP has not been enacted. The Department of Energy's plans contemplate that waste would begin to be moved to WIPP in October, 1988 if the withdrawal is completed and remaining technical issues are resolved. The conferees are concerned that if the Department of Energy proceeds to disburse funds for road improvements prior to land withdrawal the funds may be wasted in that land withdrawal may continue to be delayed. Accordingly the conferees direct that disbursement of funds for road improvements be delayed until land is withdrawn.

Hanford loaned executive program (sec. 1434)

The House bill contained a provision (sec. 3134) that would allow contractors of the Department of Energy at the Hanford Reservation to loan personnel to the Tri City Industrial Development Council and would require contractors to compensate such loaned personnel.

The Senate amendment contained no similar provision.

The Senate recedes.

New production reactor (sec. 1435)

The House bill contained a provision (sec. 3113(d)) that would establish New Production Reactor (NPR) selection criteria for consideration by the Secretary of Energy.

The Senate amendment contained a provision (sec. 3132) that would require a report on the Secretary's recommendation for a new production reactor not later than July 31, 1988, and a subsequent report on ways to facilitate the earliest availability of an NPR.

The House recedes.

The conferees agree that the construction of an NPR on an urgent schedule should be the highest priority of the Department of Energy in meeting the future special material needs of our nuclear deterrent. The conferees further agree that the Congress should take no action that could potentially or actually delay the ongoing process that will make the NPR a reality, nor should it take any action to prejudge the outcome of the ongoing evaluation by the Department of Energy with respect to either technology or site selection. The conferees endorse the criteria being used by the Department of Energy's Energy Research Advisory Board (ERAB) in its analysis of potential technologies for the NPR.

The conferees recognize that the NPR provides an opportunity to advance the level of safety and environmental protection associated with defense program reactors, and believe that the Secretary should attach substantial weight to such factors in making his recommendations.

Nuclear test ban readiness program (sec. 1436)

The House bill contained a provision (sec. 936) that would prohibit all funding for nuclear tests with a yield in excess of one kiloton, provided that the Soviet Union accepted in-country verification and limited its testing to the same threshold.

The Senate bill contained no similar provision.

The Senate recedes with an amendment.

The conferees agree to require that the Secretary of Energy establish and support a readiness program to assure that the United States is in a position to maintain the reliability and safety of its stockpile of existing nuclear weapons designs in the event that a low-threshold or comprehensive ban on nuclear testing is negotiated within the framework agreed to by the United States and Soviet Union. The program shall also assure the continued deterrent effect of nuclear weapons through a vigorous program of research in areas related to nuclear weapons science and engineering.

The conferees agree that the purposes of the readiness program are: to assure that stockpile reliability and safety are maintained through a vigorous program of stockpile inspection and non-explosive testing; to assure that specific materials, components, processes, and personnel required for the remanufacture of existing nuclear warheads or substitution of alternative nuclear warheads remain available; and to assure that a vigorous program of research in areas related to nuclear weapons science and engineering is maintained under a low-threshold or comprehensive test ban regime. The Secretary of Energy is required to submit an annual unclassified report to the Congress that describes the status of the readiness program.

PART D—DOE DEFENSE NUCLEAR FACILITIES SAFETY OVERSIGHT BOARD

The House bill contained provisions (secs. 3141-3150) that would establish a safety oversight board for Department of Energy defense nuclear facilities.

The Senate amendment contained similar provisions (secs. 3141-3144) that would establish a safety oversight board. A detailed explanation of the Senate provisions is contained in Senate Report 100-232.

The conferees agree to the following provisions (secs. 1441 and 1442).

Section 3142 of the Act amends the Atomic Energy of Act of 1954 (42 U.S.C.

2011 et seq.) by adding a new chapter 21 entitled "Defense Nuclear Safety Board."

Section 311 of chapter 21 creates the Board, composed of five members appointed by the President with the advice and consent of the Senate. The Board members are required to be from civilian life and to be experts in the field of nuclear safety. The conferees believe that the President should ensure that the members of the Board collectively are sufficiently knowledgeable about the national security missions of the Department of Energy. They will serve staggered five-year terms of office to ensure continuity. Board members will be required to sever any significant financial relationships with DOE and its contractors prior to assuming office.

Section 312 of chapter 21 sets forth the Board's main functions.

Section 312(a)(1) requires the Board to review and evaluate the content and implementation of DOE standards relating to the design, construction, operation, and decommissioning of defense nuclear facilities. The Board will recommend specific measures to ensure that public health and safety are adequately protected. "Adequate protection" is the level of safety required of commercially licensed nuclear facilities (Atomic Energy Act sec. 182, 42 U.S.C. 2232.) The conferees believe that it is appropriate to require the same general level of safety from DOE nuclear facilities as is required of commercial facilities. The conferees recognize that specific standards recommended by the Board for achieving adequate protection may not necessarily be the same as those applied to commercial facilities, to the extent that DOE and commercial facilities are significantly different.

As applied to commercial facilities, the standard of adequate protection means "reasonable assurance that the health and safety of the public will not be endangered by the operation of the facility." (10 C.F.R. 50.35(c)). Absolute certainty or perfect safety is not required. What constitutes "reasonable assurance of adequate protection" is subject to change as the state of the nuclear safety art advances. The Board will be responsible for weighing such factors as technical feasibility, the risk of accidents, the record of past performance, the need for further improvement in nuclear safety, and other considerations. The conferees believe that such factors should be balanced by the Board when the adequate protection standard is applied.

The recent explication of the "adequate protection" concept by the U.S. Court of Appeals for the District of Columbia is important. In *Union of Concerned Scientists* v. *NRC*, 824 F.2d 108, 118 (D.C. Cir. 1987), the Court of Appeals held that under the adequate protection standard, the "NRC need ensure only an acceptable or adequate level of protection to public health and safety; the NRC need not demand that nuclear power plants present no risk of harm." The Court further stated that:

> The level of adequate protection need not, and almost certainly will not, be the level of "zero risk." This court long has held that the adequate-protection standard permits the acceptance of some level of risk.

Section 312(a)(2) directs the Board to investigate any event or practice at a DOE defense nuclear facility which the Board determines has adversely affected, or may adversely affect, public health and safety.

Section 312(a)(3) provides the Board with access to design and operational data, including safety analysis reports, from any DOE defense nuclear facility.

Section 312(a)(4) provides that the Board shall review the design of new defense nuclear facilities to ensure that the operation of each facility will adequately protect the public health and safety. The Board will also be required to review and monitor the execution of construction to ensure that the facility will adequately protect the public health and safety when completed. This section also provides that an action of the Board, or a failure to act, may not delay or prevent the Secretary of Energy from carrying out the construction of a new facility.

Section 312(a)(5) provides that the Board will make recommendations to the Secretary of Energy with respect to DOE defense nuclear facilities as necessary to ensure the adequate protection of public health and safety. In making its recommendations, the Board is directed to consider technical and economic feasibility.

Section 313(a) of chapter 21 provides the Board with the necessary powers to conduct hearings, including subpoena power to obtain witness testimony. The conferees expect that the Department of Energy and DOE contractors will cooperate with the Board, and the Board will not need to invoke statutory procedures to obtain information necessary to carrying out its functions.

Section 313(b) permits the Board to hire staff and consultants, but limits staff to one hundred full-time equivalents.

Section 313(c) allows the Board to prescribe regulations to carry out its responsibilities.

Section 313(d) grants to the Board the power to establish reporting requirements for the Secretary of Energy that allow the Board to obtain the expert knowledge and advice of DOE.

Section 313(e) allows the Board to make use of existing health and safety expertise within the Federal Government concerning DOE defense nuclear facilities.

Section 313(f) allows the Board to receive assistance from the staff of the Nuclear Regulatory Commission and the Advisory Committee on Reactor Safeguards.

Section 313(g) allows the Board to seek the assistance of the National Research Council or other appropriate groups to assist the Board in carrying out its responsibilities.

Section 313(h) allows the Board to station staff at any DOE defense nuclear facility to carry out the functions of the Board.

Section 313(i) allows the Board to conduct special studies concerning adequate protection of public health and safety at DOE defense nuclear facilities.

Section 313(j) gives the Board the authority to evaluate information received from the scientific and industrial communities, as well as from the interested public.

Section 314(a) of chapter 21 requires that the Secretary of Energy fully cooperate with the Board. Contractors operating DOE defense nuclear facilities shall cooperate to the extent provided by contract or otherwise with their consent.

Section 314(b) allows the Secretary to deny access based on lack of need to know or clearance.

Section 315 of chapter 21 establishes the procedures for making and implementing the recommendations of the Board.

Section 315(a) applies to all recommendations, except those relating to an imminent or severe threat to public health and safety, which are covered in section 315(g). Recommendations subject to this section are required to be made available to the public in the Department of Energy regional public reading rooms and to be published in the Federal Register. Thirty days are allowed for public comment.

Section 315(b) requires the Secretary of Energy to transmit to the Board, within 45 days unless more time is sought, a description of the action to be taken in response to the Board's recommendations. The Secretary's response will be published in the Federal Register. Thirty days are allowed for public comment.

Section 315(c) requires the Board to furnish the Secretary with copies of all comments, views, data, and arguments submitted under sections 313 (a) and (b).

Section 315(d) requires the Board, after 30 days for public comment, to revise or reaffirm its recommendations should the Secretary reject, in whole or in part, a recommendation of the Board. Based on the Board's review, the Secretary will make a final decision. The Secretary will publish the final decision and reasoning, and submit a report of that decision and reasoning to the Committees on Armed Services and Appropriations of the Senate and to the Speaker of the House of Representatives.

Section 315(e) requires the Secretary to prepare a plan of implementation for the Board's recommendations accepted by the Secretary within 90 days of the Secretary's final decision. The Secretary may have an additional 45 days to prepare and transmit the plan provided he notifies the Board, the Committees on Armed Services and Appropriations of the Senate, and the Speaker of the House of Representatives. The Secretary may implement the recommendation at any time.

Section 315(f) requires the Secretary to carry out and complete, within one year of its transmittal, the implementation plan for each recommendation accepted by the Secretary. If complete implementation takes more than one year, the Secretary shall submit a report to the Committees on Armed Services and Appropriations of the Senate and to the Speaker of the House of Representatives. If the Secretary determines that implementation is impracticable due to budgetary considerations or because it would affect the Secretary's ability to meet the annual nuclear weapons stockpile requirements, the Secretary shall submit to the President, to the Committees on Armed Services and Appropriations of the Senate, and to the Speaker of the House of Representatives a report containing the recommendation and the Secretary's determination. The conferees note that the report may include a discussion of the budgetary consequences, safety consequences, national security consequences, and other implications of implementing or not implementing the recommendation. This section provides the President with the opportunity to review the determination of the Secretary of Energy, as appropriate, to ensure that budgetary constraints and materials requirements are properly balanced with safety concerns.

Section 315(g) sets forth procedures in case a recommendation relates to an imminent or severe threat to the public health and safety. The conferees expect that the Board will make a recommendation under this section only in the event that failure to implement a recommendation could have imminent, life-threatening consequences, such as an accident which is sufficient to cause injury or death. In that case, the Board will transmit its recommendation to the Secretary of Energy, the President and, for information purposes, to the Secretary of Defense. The Secretary will make a recommendation to the President who shall make the decision concerning acceptance or rejection of the Board's recommendation. The President shall promptly notify the Committees on Armed Services and Appropriations of the Senate and the Speaker of the House of Representatives of his decision and reasoning.

Section 315(h) protects classified and controlled information. This provision does not restrict from public availability information which is not subject to the restrictions on classified and controlled information.

Section 316(a) of chapter 21 requires the Board to submit an annual report on its activities at the time the President submits his budget to Congress. The report is intended to provide Congress with an overview of the Board's activities, as well as an assessment of the improvements in the safety of DOE nuclear facilities and of outstanding safety problems.

Section 316(b) requires the Secretary of Energy to submit an annual report on the Department's activities under this chapter to the appropriate Senate committees and to the Speaker of the House of Representatives.

Section 317 of chapter 21 provides that the judicial review provisions of chapter 7 of title 5 of the United States Code apply to the activities of the Board.

Section 318 of chapter 21 defines the term "Department of Energy defense nuclear facility" to include DOE production and utilization facilities operated for national security purposes, with the exception of naval nuclear reactors and facilities or activities involved with the testing, assembly, or transportation of nuclear explosives or nuclear material. The use of the term "assembly" refers to a DOE defense facility that is responsible for the final assembly of nuclear weapons and devices. At the present time, the only facility in this category is the Pantex plant. The term "assembly" is not intended to exclude from the Board's review facilities that are responsible for the assembly of components or of other items that precede the final assembly of nuclear weapons and devices. The exclusion of facilities involved in the testing of nuclear explosives, under current practice, applies to the Nevada test site. The term "Department of Energy defense nuclear facility" also includes nuclear waste storage facilities with the exception of those developed pursuant to the Nuclear Waste Policy Act and licensed by the Nuclear Regulatory Commission.

Section 319 of chapter 21 limits the Board's authority to enter into contracts to the extent provided by appropriations.

Section 320 of chapter 21 provides for authorization of appropriations on an annual basis. Such annual authorization provides for continuing oversight and review by the Congress.

Section 3141(b) of the Act amends section 5314 of title 5 to provide that members of the Board will be compensated at Level III of the Executive Schedule.

Section 3141(c) requires the Board's first annual report to include the results of a study by the Board and its recommendation on whether non-defense nuclear facilities should be subject to independent external oversight.

Section 3141(d) requires the Board's fifth annual report to include an evaluation by the Board for continuation, termination, or modifcation of the Board's functions and programs.

Section 3142 of the Act authorizes the Secretary of Energy to transfer to the Board up to $7 million, which shall remain available until expended, to carry out its responsibilities during fiscal year 1989.

LEGISLATIVE PROVISIONS NOT ADOPTED

Membership of Nuclear Weapons Council

The House bill contained a provision (sec. 3132) that would change the membership of the Nuclear Weapons Council from the Director of Defense Research and Engineering to the Under Secretary of Defense for Acquisition.

The Senate amendment contained no similar provision.

The House recedes.

Demonstration of burning weapons grade nuclear materials

The House bill contained a provision (sec. 3135) that would direct the Secretary of Energy to formulate a plan for conducting a demonstration of the technical feasibility of burning weapons grade nuclear material from dismantled nuclear weapons in a liquid metal reactor.

The Senate amendment contained no similar provision.

The House recedes.

K reactor cooling tower

The Senate amendment contained a provision (sec. 3103(d)) that would allow expenditure of funds appropriated for the K reactor cooling tower only if the cooling tower could be used both for the K reactor and for a new production reactor.

The House bill contained no similar provision.

The conferees agree that the Secretary of Energy should enter into discussions with the State of South Carolina concerning the requirement for a cooling tower for the K reactor. The conferees believe that those discussions should focus on priorities for environmentally related projects at Savannah River to determine whether the K reactor cooling project is a primary priority of the State. If the K reactor is not a primary priority, the Secretary should seek to obtain an agreement identifying other higher priority projects that could be funded if agreement can be reached to allow continued operation of the K reactor without construction of cooling tower. The Secretary should periodically advise the Armed Services Committees of the Senate and House of Representatives of the discussions with the State and submit a report detailing the outcome of the discussions not later than in January 15, 1989.

The conferees further agree that the Secretary should utilize a portion of the $1 million authorized for the K reactor cooling tower project to study the feasibility of a cooling tower that could support both the K reactor and a new production reactor.

The Senate recedes.

Use of remaining unobligated balances

The Senate amendment contained a provision (sec. 3103(e)) that would authorize the transfer of certain fiscal year 1988 appropriations for projects at Richland, Washington that remain unobligated to defense waste and environmental restoration activities at Richland, Washington. The provision identified both the sources and uses of funds and required the transfer to be in addition to amounts otherwise authorized in the State amendment.

The House bill included authorization of $17 million in addition to the budget request for defense waste and environmental restoration projects and activities.

The conferees agree that the Secretary of Energy may transfer up to $44 million of unobligated balances remaining from 1988 appropriations for construction projects as enumerated in section 3103(e) of the Senate amendment to defense waste and environmental restoration activities at Richland, Washington, as determined by the Secretary of Energy. The conferees intend that any sums transferred be in addition to the amounts otherwise authorized for Department of Energy atomic energy defense activities for fiscal year 1989.

Adjustments for pay increases

The Senate amendment contained a provision (sec. 3128) that would authorize appropriations for pay increases as authorized by law.

The House bill contained no similar provision.

The Senate recedes.

Settlement of atomic energy community assistance obligations, Los Alamos County, New Mexico

The Senate amendment contained a provision (sec. 3134) that would authorize up to $26 million for final settlement of all obligations to make community assistance payments to Los Alamos County, New Mexico under section 91 of the Atomic Energy Community Act of 1955.

The House bill contained no similar provision.

The Senate recedes. The conferees continue to encourage the Department of Energy to pursue to a buy-out of all remaining Federal obligations to the remaining recipients under the Atomic Energy Community Act of 1955.

Report on nuclear waste repository site

The Senate amendment contained a provision (sec. 3136) that would direct the Secretary of Defense to prepare a report on the national security implications of the construction and operation of a nuclear waste repository.

The House bill contained no similar provision.

The Senate recedes.

TITLE XV—NATIONAL DEFENSE STOCKPILE

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Authorization of acquisitions and disposals (secs. 1501 and 1502)

The House bill contained the following provisions related to the authorization of acquisitions, upgrades and disposals of materials in the National Defense Stockpile.

Section 3201 would authorize the President to dispose of 14 specific strategic materials determined to be excess to stockpile requirements. The value of the materials disposed to would be limited to $180 million. The authority to carry out the disposals would be subject to the conditions set forth in section 3202.

Section 3202 would require that the disposal of stockpile materials authorized by section 3201 be carried out in such a manner that the National Defense Stockpile Transaction Fund receive all payments due for the materials during fiscal year 1989. Section 3202 would also require the President to undertake a $20 million pilot program for the upgrading of three strategic materials now in the National Defense Stockpile and to purchase six strategic materials, from a specified list, totaling $160 million. Finally, section 3202 would limit the expenditure of funds for the pilot upgrading program and for the purchase of stockpile materials to $90 million during fiscal year 1989.

The Senate amendment contained the following provisions related to the authorization of acquisitions, upgrades and disposals of materials in the National Defense Stockpile:

Section 3201 would authorize $90 million for the acquisition and upgrade of materials in the National Defense Stockpile in fiscal year 1989.

Section 3202 would authorize the President to dispose of 19 specific materials determined to be excess to stockpile requirements.

The conferees agree to the following provisions related to the authorization of acquisitions, upgrades and disposals of materials in the National Defense Stockpile:

Section 1501 authorizes the President to dispose of 19 materials determined to be excess to stockpile requirements during fiscal year 1989. The value of the materials disposed of is limited to $180 million. The President may dispose of materials under this section only to the extent that the total amount received from such disposals does not exceed the amount expended from the National Defense Stockpile Transaction Fund during fiscal year 1989.

Section 1502 authorizes the President to obligate $180 million out of the funds of the National Defense Stockpile Transaction Fund (subject to such limitations as may be provided in appropriations acts) for the acquisition and upgrade of stockpile materials and other authorized uses of such funds. These funds would be in addition to funds previously made available from the Stockpile Transaction Fund but not obligated or expended. Of this amount, at least $20 million shall be obligated to initiate new programs for upgrading stockpile materials. The conferees direct the stockpile manager to upgrade those materials currently in the stockpile that would be most essential to the defense effort in a national emergency and most vulnerable to interruptions in supply. The stockpile manager shall submit a report to Congress by October 1, 1988 containing a plan for the use of the $20 million for upgrading stockpile materials.

Technical and clarifying amendments (sec. 1503)

The Senate amendment contained a provisions (sec. 3203) that would make several technical and clarifying changes to the Strategic and Critical Materials Stockpiling Act (section 98h-2(b), title 10, United States Code). This provisions would clarify the fact that the Annual Materials Plan for stockpile operations must be submitted by February 15 of each year for the next fiscal year. This provision would also require reporting of all expenditures from the National Defense Stockpile Transaction Fund in the Annual Materials Plan. Finally, this provisions would require that expenditures and disposals detailed in an Annual Materials Plan for a fiscal year that are not obligated or executed in that fiscal year shall not be obligated or executed in that fiscal year shall not be obligated or expended until they are resubmitted in a subsequent Annual Materials Plan or in a revision thereto.

The House bill contained no similar provision.

The House recedes with an amendment.

The conferees agreed to the technical and clarifying changes in the Senate provision. The conferees also agreed to require the Stockpile Manager to include information on research and development of strategic and critical materials in the Stockpile Report to Congress.

TITLE XVI—CIVIL DEFENSE

Legislative Provision

LEGISLATIVE PROVISION ADOPTED

Civil defense authorization (sec. 1601)

The House bill contained a provision (sec. 3301) that would authorize $160.393 million for civil defense.

The Senate amendment contained a provision (sec. 3301) that would authorize $135.393 million for civil defense.

The conferees agree to an authorization of $147.893 million for civil defense for fiscal year 1989.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

Overview

The amended budget request for fiscal year 1989 contained $8,719,245,000 for military construction and family housing.

The House bill would authorize $8,662,231,000 for military construction and family housing.

The Senate amendment would provide $8,636,566,000 for this purpose.

The conferees recommend authorization of $8,696,635,000 for military construction and family housing for fiscal year 1989.

	Revised FY89 Request	House		Senate		House +/- Senate	Conference Agreement	
		Change to Request	Authorized	Change to Request	Senate Authorized		Change to Request	Authorized
SUMMARY								
TOTAL MILITARY CONSTRUCTION ARMY	895,000	(19,320)	875,680	(970)	894,030	(18,350)	(16,670)	878,330
TOTAL MILITARY CONSTRUCTION NAVY	1,594,230	(59,308)	1,534,922	(63,095)	1,531,135	3,787	(30,113)	1,564,117
TOTAL MILITARY CONSTRUCTION AIR FORCE	1,273,650	(32,690)	1,240,960	(57,850)	1,215,800	25,160	(52,120)	1,221,530
TOTAL MILITARY CONSTRUCTION DEFENSE AGENCIES	712,000	17,300	729,300	(28,650)	683,350	45,950	(21,150)	690,850
TOTAL ARMY NATIONAL GUARD MILCON	138,300	24,524	162,824	46,927	185,227	(22,403)	65,559	203,859
TOTAL AIR NATIONAL GUARD MILCON	147,500	3,640	151,140	4,288	151,788	(648)	7,258	154,758
TOTAL ARMY RESERVE MILCON	79,900	255	80,155	4,256	84,156	(4,001)	4,511	84,411
TOTAL NAVY RESERVE MILCON	48,400	0	48,400	16,700	65,100	(16,700)	6,500	54,900
TOTAL AIR FORCE RESERVE MILCON	58,800	0	58,800	4,800	63,600	(4,800)	4,800	63,600
NATO INFRASTRUCTURE	502,100	0	502,100	(10,100)	492,000	10,100	(10,100)	492,000
SUBTOTAL MILITARY CONSTRUCTION	5,449,880	(65,599)	5,384,281	(83,694)	5,366,186	18,095	(41,525)	5,408,355
TOTAL FAMILY HOUSING ARMY	1,528,271	9,100	1,537,371	(5,000)	1,523,271	14,100	9,100	1,537,371
TOTAL FAMILY HOUSING NAVY/MARINE CORPS	795,428	0	795,428	9,530	804,958	(9,530)	10,330	805,758
TOTAL FAMILY HOUSING AIR FORCE	922,966	(515)	922,451	(3,515)	919,451	3,000	(515)	922,451
TOTAL FAMILY HOUSING DEFENSE AGENCIES	20,700	0	20,700	0	20,700	0	0	20,700
TOTAL HOMEOWNER'S ASSISTANCE	2,000	0	2,000	0	2,000	0	0	2,000
SUBTOTAL FAMILY HOUSING	3,269,365	8,585	3,277,950	1,015	3,270,380	7,570	18,915	3,288,280
TOTAL MILCON/FAMILY HOUSING	8,719,245	(57,014)	8,662,231	(82,679)	8,636,566	25,665	(22,610)	8,696,635
COMPONENT TOTALS:								
ARMY	2,425,271	(10,220)	2,415,051	(5,970)	2,419,301	(4,250)	(7,570)	2,417,701
NAVY	2,389,658	(59,308)	2,330,350	(53,565)	2,336,093	(5,743)	(19,783)	2,369,875
AIR FORCE	2,196,616	(33,205)	2,163,411	(61,365)	2,135,251	28,160	(52,635)	2,143,981
DEFENSE AGENCIES	732,700	17,300	750,000	(28,650)	704,050	45,950	(21,150)	711,550
NATO	502,100	0	502,100	(10,100)	492,000	10,100	(10,100)	492,000
GUARD/RESERVE	472,900	28,419	501,319	76,971	549,871	(48,552)	88,628	561,528

Miscellaneous Report Requirements

The House and Senate reports (H. Rept. 100-563 and S. Rept. 100-326) addressed items of special emphasis. The conferees endorse the language on items of special emphasis found in both reports and, unless some modification to that language is contained in this statement of managers, the positions and requirements contained under "Items of Special Emphasis" in both Senate and House reports on the fiscal year 1989 military construction authorization bills are concurred in by the conferees.

Public Schools and Military Family Housing

The conferees are concerned over the impact on public schools at the local level when additional family housing units are approved for military personnel. The military Services are urged to coordinate their housing requirements with the local school districts so that adequate planning can take place to provide the required educational facilities. The Services are expected to provide, with their budget justification for each family housing construction request, a statement indicating whether additional facilities are required to accommodate an increase in students.

As part of the study being undertaken by the Secretary of Defense and the Secretary of Education to determine the appropriate federal share for support of public schools located on military bases, the Secretaries are also directed to consider the needs of coterminous school districts.

TITLE XXI—ARMY

The House bill would authorize $2,415,051,000 for Army military construction and family housing programs for fiscal year 1989.

The Senate amendment would authorize $2,419,301,000 for such purposes.

The conferees recommend authorization of $2,417,701,000 for military construction and family housing for the Army for fiscal year 1989.

Test and Evaluation Center, Fort Huachuca, Arizona

The Senate amendment would authorize $5.4 million for a replacement facility for the Army Test and Evaluation Center at Fort Huachuca, Arizona which was severely damaged by a fire.

The House bill contained no similar provision.

The Senate recedes.

The conferees has reviewed the conditions and circumstances of the fire at Fort Huachuca in July 1987 that destroyed 23 buildings, including the central heating plant that serviced several other buildings in the area. The Army request for a new Test and Evaluation Center will allow the relocation of functions from the remaining buildings and help eliminate the need to rely on leased boilers for a heating system.

Although the facilities to be replaced by the Test and Evaluation Center were not completely destroyed, the conferees believe that the loss of the heating plant is considered sufficient damage to qualify this project under section 2854 of title 10, United States Code, Restoration or Replacement of Damaged or Destroyed Facilities. The conferees understand that the new facility will not replace the damaged or destroyed World War II vintage facilities on a one-for-one square foot basis, but will be designed to meet current functional standards.

The conferees therefore, direct the Army to proceed with this project under the authority provided in section 2854 of title 10, United States Code.

Reserve Officer Training Corps facilities

The House report (H. Rept. 100-563) includes a section regarding Department of Defense policy concerning the provision of facilities to support Reserve Officer Training Corps (ROTC) units at colleges and universities. The report discusses in particular the facility needs of North Georgia College, Dahlonega, Georgia. It requests that the Secretary of Defense review current policy regarding the funding and construction of such facilities and provide the Committees on Armed Services of the Senate and the House of Representatives a report on this matter by March 1, 1989.

The conferees support the House requirement and urge the Department to take a careful look at current policy to ensure that to the maximum extent possible, it takes into account the unique role of the few military schools which support ROTC.

Extension of authorizations (sec. 2106)

The House bill contained a provision (sec. 2016) that would extend the authorizations of several military construction projects originally authorized in fiscal years 1985, 1986, and 1987, until October 1, 1989, or the date of enactment of the fiscal year 1990 Military Construction Authorization Act.

The Senate amendment contained a similar provision (sec. 2106) that would extend the same projects, with the exception of a dining facility modernization project at Fort Leavenworth, Kansas, which was originally authorized in fiscal year 1986.

The Senate recedes.

TITLE XXII—NAVY

The House bill would authorize $2,330,350,000 for Navy military construction and family housing programs for fiscal year 1989.

The Senate amendment would authorize $2,336,093,000 for such purposes.

The conferees recommend authorization of $2,369,875,000 for military construction and family housing for the Navy for fiscal year 1989.

Naval Construction Battalion Center, Port Hueneme, California

The House bill would authorize $3 million for a sealift support storage facility at Port Hueneme, California to be constructed with tensioned architectural fabric structures.

The Senate amendment would authorize $6.9 million for the facility using traditional construction methods.

The conferees recommend authorization of $3 million and direct the Secretary of the Navy to advertise this project for bid using both tensioned architectural fabric structures and traditional construction methods. If additional funding is required, the conferees expect the Secretary to request additional authorization under the cost variation authority contained in section 2853 of title 10, United States Code.

Fleet Surveillance Support Command, Guam

The amended budget request contained $26.28 million for construction of an electronic installation at the Fleet Surveillance Support Command, Guam.

The House bill would authorize $20.972 million for this purpose.

The Senate amendment would authorize the requested amount.

The Senate recedes. The conferees direct the Secretary of the Navy to make every effort to construct this facility within the authorization provided. However, if all attempts to reduce the cost of the project prove unsuccessful, the conferees expect the Secretary to request additional authorization under the cost variation authority contained in section 2853 of title 10, United States Code.

Navy development at Capodichino Airport, Italy

The House bill contained a provision (sec. 2205(b)(3)) that would authorize $46.6 million, in advance appropriations for the construction of a new Command, Control, Communications and Intelligence Complex at Naval Support Activity, Naples, Italy.

The Senate amendment contained no similar provision.

The House recedes. The conferees, by adding $2.2 million the fiscal year 1988 authorization for appropriation of $19.4 million for construction at Naval Support Activity, Naples, agree to a limited relocation of Navy activities from their current site at Agnano, Italy. The conferees generally support the more modest relocation plan which was recently provided by the Department of the Navy which envisions locating a new operational headquarters and direct support units at Capodichino Airport. The fiscal year 1989 authorization will provide initial construction of direct support facilities at this location.

The conferees declined to authorize the construction of the new command and control complex because construction is not programmed to begin until at least fiscal year 1990. Further, the Navy's initial description of this resited facility fails to adequately justify the changes in passive security features which were incorporated in the original plans for the same function at Capua. The Navy is requested to provide a detailed justification for these changes and operational justification for the redesigned complex.

As with the command and control complex, the conferees expect a functional justification and detailed cost/benefit analysis to accompany subsequent requests for military construction funds supporting the relocation of any significant function from Agnano to other sites.

Communications systems laboratory, Charleston, South Carolina

The Senate report (S. Rept. 100-326) instructed the Secretary of the Navy to accelerate the design of a Communication Systems Laboratory for the Naval Electronics Systems Engineering Center (NAVELEXCEN) in Charleston, South Carolina. Given the need for this facility and the possible cost savings, the conferees direct the Secretary of the Navy to accelerate the design of this facility and include it in the fiscal year 1990 military construction request.

Restrictions on naval construction, San Francisco, California (sec. 2205(c))

The House bill contained a provision (sec. 2205(c)) that would preclude the expenditure of military construction funds for fiscal year 1989 at Hunters Point Annex and Naval Station, Treasure Island, San Francisco, California, until the Department of the Navy submits a report to the Committees on Armed Services of the Senate and House of Representatives.

The Senate amendment contained no similar provision.

The Senate recedes. The conferees agree that a new Environmental Impact Statement is not required should the Navy alter its planned use of the Hunter Point Annex and Naval Station, Treasure Island. However, a Supplemental Environmental Impact Statement should be provided to address any mission changes not reflected in the original document.

Acquisition of housing at certain naval air stations (sec. 2206)

The Senate amendment contained a provision (sec. 2205) that would authorize the Secretary of the Navy to acquire all outstanding interest in 264 units of family housing on Naval Air Station, Glenview, Illinois.

The House bill contained no similar provision.

The House recedes with an amendment.

In addition to the authorization provided by the Senate amendment, the conferees agree to also authorize the Secretary of the Navy to acquire all outstanding interest in 72 units of family housing at Sunnyvale, California, near Naval Air Station, Moffett Field. This provision will permit the Navy to procure the last two remaining Wherry housing projects supporting its installations and provide a basis for addressing the serious family housing deficits at these two locations.

Portsmouth Naval Shipyard modernization

The Senate amendment contained a provision (sec. 2202) that would direct that $2 million of the planning and design funds authorized to the Navy be obligated only to design the first and second increments of the modernization of Dry Dock Number 2 at Portsmouth Naval Shipyard, Portsmouth, New Hampshire.

The House bill contained no similar provision.

The Senate recedes.

TITLE XXIII—AIR FORCE

The House bill would authorize $2,163,411,000 for Air Force military construction and family housing programs for fiscal year 1989.

The Senate amendment would authorize $2,135,251,000 for such purposes.

The conferees recommend authorization of $2,143,981,000 for military construction and family housing for the Air Force for fiscal year 1989.

Pease Air Force Base, New Hampshire

The Senate amendment would authorize $500,000 for an engine plant conversion project at Pease Air Force Base, New Hampshire.

The House bill contained no similar provision.

The conferees direct the Secretary of the Air Force to use unspecified minor construction funds for this purpose.

Charleston Air Force Base, South Carolina

The House bill would authorize appropriations for construction of the following projects at Charleston Air Force Base, South Carolina:

1. Add/Alter Child Development Center	$490,000
2. Add/Alter Recreation Center	590,000

The Senate amendment contained no similar provision.

The conferees direct the Secretary of the Air Force to use unspecified minor construction funds for this purpose.

Extension of certain previous authorizations (sec. 2305)

The House bill contained a provision (sec. 2305) that would extend certain military construction projects authorized in fiscal year 1987 until October 1, 1989, or the date of enactment of the fiscal year 1990 Military Construction Authorization Act.

The Senate amendment contained a similar provision (sec. 2305) which included two additional projects at Bitburg, Germany and La Junta, Colorado.

The House recedes.

TITLE XXIV—DEFENSE AGENCIES

The House bill would authorize $750,000,000 for Defense Agencies military construction and family housing programs for fiscal year 1989.

The Senate amendment would authorize $704,050,000 for such purposes.

The conferees recommend authorization of $711,550,000 for military construction and family housing for the Defense Agencies for fiscal year 1989.

AFCENT school (sec. 2404)

The Senate amendment contained a provision (sec. 2404) that would authorize the Secretary of Defense to contribute $8,863,000 to the Government of the Netherlands as the U.S. share of construction of an international school for military dependents whose parents are stationed at Allied Forces Central Europe (AFCENT), Brunssum, Netherlands.

The House bill contained a similar provision (sec. 2404).

The House recedes.

Defense access roads (sec. 2406)

The House bill contained a provision (sec. 2406) that would authorize $10 million for a defense access road project at Fort Meade, Maryland.

The Senate amendment contained a similar provision (sec. 2406) that would authorize $12 million for this purpose.

The House recedes.

Resiting of overseas contingency medical facility (sec. 2408)

The Senate amendment included a provision (sec. 2407) that would amend the fiscal years 1988/1989 National Defense Authorization Act (Public Law 100-180) by resiting a contingency medical facility from Royal Air Force Wethersfield, United Kingdom, to Royal Air Force Boscombe Downs, United Kingdom.

The House bill contained no similar provision.

The House recedes.

Extension of previous authorization (sec. 2409)

The Senate amendment contained a provision (sec. 2409) that would extend the authorization of a Defense Communications Agency project at Scott Air Force Base, Illinois, until October 1, 1989, or the date of enactment of the fiscal year 1990 Military Construction Authorization Act, whichever is later.

The House bill contained no similar provision.

The House recedes.

Reynolds Army Community Hospital, Fort Sill, Oklahoma and Seoul Army Community Hospital, Korea (sec. 2410)

The Senate amendment contained a provision (sec. 2410) that would provide the Secretary of Defense the authority to contract in advance of appropriations for the construction of hospitals at Fort Sill, Oklahoma, and Seoul, Korea. This authority would permit phased funding of these two major projects.

The House bill would authorize $54 million for Phase II of a hospital at Fort Sill, Oklahoma, and $55 million for a replacement hospital at Seoul, Korea.

The House recedes to $27 million for the Fort Sill hospital and $28 million for the Seoul hospital. Although the conferees prefer to limit projects to one year's authorization, the priority of these two hospital projects, coupled with the budget constraints facing the conferees, led to a decision to phase fund both projects. This approach will permit construction to begin on both projects during fiscal year 1989. Because of the size of each initiative, phase funding is not expected to materially delay the beneficial occupancy of either facility.

TITLE XXV—NATO

The House bill would authorize $502,100,000 for the U.S. contribution to the NATO Infrastructure program for fiscal year 1989.

The Senate amendment would authorize $492,000,000 for this purpose.

The House recedes.

TITLE XXVI—GUARD AND RESERVE

The House bill would authorize $501,319,000 for military construction for fiscal year 1989 for the Guard and Reserve components.

The Senate amendment would authorize $561,528,000 for such purposes.

The conferees recommend an authorization of $561,528,000 for military construction for fiscal year 1989. This authorization would be distributed as follows:

Army National Guard	$203,859,000
Army Reserve	84,411,000
Naval/Marine Corps Reserve	54,900,000
Air National Guard	154,758,000
Air Force Reserve	63,600,000

Planning and design funds, various locations

The House bill would authorize an additional $1.1 million for planning and design for the reserve components for the purpose of initiating design on high priority projects identified as urgent requirements.

The Senate amendment contained authorization of an additional $650,000 for this purpose.

The conferees agree to authorize an additional $1,180,000 for planning and design. The conferees expect the reserve components to initiate design on the following high priority projects for inclusion in the fiscal year 1990 budget request:

Army National Guard	$200,000
National Guard Armory, Laredo, Texas.	
National Guard Armory, Clovis, New Mexico.	
Air National Guard	650,000
Civil engineer facility, Camp Blanding, Florida.	
Aircraft hangar, Key Field, Mississippi.	
Tactical Construction Squadron Operations, Gulfport, Mississippi.	
Composite Training/Operations Building, Thompson Field, Mississippi.	
Civil Engineer Facility, Thompson Field, Mississippi.	
Army Reserve	330,000

Add/Alter Reserve Center, Syracuse, New York.
Reserve Center, Brownsville, Pennsylvania.

Yaeger Airport, Charleston, West Virgina (sec. 2602)

The Senate amendment contained a provision (sec. 2602) that would authorize $3.3 million for the construction of an aircraft parking ramp/holding pad in support of the Air National Guard activities at Yaeger Airport. This project was to be funded with anticipated savings on Air National Guard construction projects authorized in fiscal year 1987.

The House bill contained no similar provision.

The House recedes.

Land exchange at Chicago O'Hare Airport (sec. 2603)

Section 2603 authorizes the Secretary of the Air Force to use the proceeds of land exchange between the City of Chicago and the Department of the Air Force regarding the disposition of property at the O'Hare Air Reserve Forces Facility, Illinois. If facilities dislocated by the land exchange are not constructed by the City, the Department of the Air Force is authorized to collect and use the proceeds for such construction and other expenses associated with the transaction.

Army Reserve Center, Gordo, Alabama

The Senate amendment contained a provision (sec. 2603) that would authorize $1.547 million for the construction of an Army Reserve Center at Gordo, Alabama. The project was to be funded from within the overall Army Reserve military construction authorization.

The House bill contained no similar provision.

The House recedes with an amendment that authorizes appropriation of $1.547 million for this purpose.

TITLE XXVII—EXPIRATION OF AUTHORIZATIONS

Expiration of authorizations (sec. 2701)

The House bill contained a provision (sec. 2701) that would establish an expiration date for the military construction authorization for the active components and NATO Infrastructure for fiscal year 1989.

The Senate amendment contained a similar provision (sec. 2701) with different title references.

The House recedes.

Effective date (sec. 2702)

The House bill contained a provision (sec. 2702) that would establish an effective date for the military construction authorizations.

The Senate amendment contained a similar provision (sec. 2702).

The House recedes.

TITLE XXVIII—GENERAL PROVISIONS

PART A—PROGRAM CHANGES

LEGISLATIVE PROVISIONS ADOPTED

Long-term facilities contracts (sec. 2801)

The Senate amendment included a provision (sec. 2804) that would amend section 2809 of title 10, United States Code, to extend the maximum period of long-term facility contracts from 20 to 32 years.

The House bill contained no similar provision.

The House recedes.

Increase in foreign lease authority (sec. 2802)

The Senate amendment contained a provision (sec. 2805) that would amend section 2828 of title 10, United States Code, to increase the total number of overseas leases from 36,000 to 38,000.

The House bill contained no similar provision.

The House recedes. The conferees are concerned about the steady increase in the number and cost of overseas leases and the drain which such arrangements place on family housing funds. However, they are aware of an experimental Army program in Europe which appears to produce an overall savings to the Department while aiding soldiers to find decent, affordable housing overseas. In order to support this program, the conferees agree to increase the statutory number of overseas leases by 2,000 units. The Secretary of Defense is requested to analyze the United States Army, Europe (USAREUR) program from the viewpoints of personnel morale and cost, and provide the Committees on Armed Services of the Senate and House of Representatives a report no later than January 15, 1989 regarding this initiative and its potential application to other Services and geographic areas.

Reports on real estate transactions (sec. 2803)

The Senate amendment contained a provision (sec. 2807) that would amend section 2662 of title 10, United States Code, to raise the threshold of reporting real property transactions from $100,000 to $200,000.

The House bill contained no similar provision.

The House recedes.

Notification requirement relating to the acquisition of interest in land (sec. 2804)

The Senate amendment included a provision (sec. 2808) which would amend section 2672 of title 10, United States Code, by eliminating the requirement of a Service Secretary to advise Congress of the acquisition of real estate interests valued at more than $100,000 but less than $200,000.

The House bill had no similar provision.

The House recedes.

Community planning assistance for impacted communities (sec. 2805)

The Senate amendment contained a provision (sec. 2801) that would amend section 2391 of title 10, United States Code, to expand the scope of Department of Defense activities in community impact planning assistance to include problems of encroachment and the adverse impact of long-term reductions in civilian personnel employment. The Department would continue to be limited to a $2 million annual authorization for this purpose.

The House bill contained no similar provision.

The House recedes.

Rental guarantee program

The Senate amendment included a provision (sec. 2803) that would amend section 2821 of title 10, United States Code, to provide the military Services increased flexibility in executing the guaranteed rental family housing program. The provision would permit Service provision of utilities; permit, rather than mandate, default conditions; and permit a Military Department or a separate contractor to perform maintenance.

The House bill contained no similar provision.

The Senate recedes.

The Congress approved the Military Housing Rental Guarantee Program as a pilot program in 1983. The law has been extended and amended several times over the past five years, but as of today, not one unit has been made available for rent under this program. The program now appears to be entirely different from what was envisioned when it was enacted.

Therefore, the conferees agree not to approve any further revisions, but recommend that the Secretary of Defense submit a new housing program incorporating the lessons learned from this pilot program if he believes that it is now workable.

Cost variation

The Senate amendment contained a provision (sec. 2806) that would provide a technical correction to section 2853 of title 10, United States Code, regarding the handling of cost variations for military construction projects.

The House bill contained no such provision.

The Senate recedes.

PART B—MISCELLANEOUS

LEGISLATIVE PROVISIONS ADOPTED

Prohibition on funding of certain military construction contracts on Guam (sec. 2811)

The House bill contained a provision (sec. 2801) that would prohibit the use of certain classes of nonimmigrant foreign labor on military construction projects on Guam.

The Senate amendment contained no such provision.

The Senate recedes.

Community planning assistance (sec. 2813)

The Senate amendment contained a provision (sec. 2802) that would authorize planning assistance for communities adversely affected by the Army's newly established light infantry divisions and the Navy's developing strategic homeports.

The House bill contained a similar provision (sec. 2803) that would authorize planning assistance for communities adversely affected by new Defense Department missions at Naval Station, Everett, Washington; Fort Drum, New York; and Whiteman Air Force Base, Missouri.

The conferees agree to accept elements of the House bill and Senate amendment. The following amounts are authorized to be appropriated for community planning assistance:

$350,000 for light infantry division bed-downs at Fort Drum, New York and Fort Wainwright, Alaska;

$250,000 for the Navy's new strategic homeports; and

$150,000 for Whiteman Air Force Base, Missouri.

Fort DeRussy, Hawaii

The House bill contained a provisio (sec. 2804) that would designate the Armed Forces Recreation Center at Fort DeRussy, Hawaii, the "Dan Daniel Armed Forces Recreation Center." The provision would further authorize the Secretary of the Army to use any excess funds realized from the sale of real property at Kapalama Military Reservation, Hawaii to implement the relocation of non-recreation functions from DeRussy as outlined in a plan established by the Secretary of the Army on March 1, 1988. The provision also would prohibit the disposal of any portion of the land constituting Fort DeRussy.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment. The conferees agree with the general outline of a Department of the Army plan to enhance and expand the current recreation mission at Fort DeRussy by: (1) relocating Army Reserve functions from the post; (2) retaining the property currently comprising Fort DeRussy; (3) constructing with non-appropriated funds additional hotel accommodations and other recreation amenities; and (4) redeveloping the remaining acreage as a joint Department of Defense-community area with available appropriated funds. The conferees believe that the Army plan provides a sound basis for this development and support it, provided new facility design takes into account local sensitivities.

In making a long term commitment to the redevelopment of Fort DeRussy as an enhanced Armed Forces Recreation Center, the conferees believe that the long-standing debate over the future or mission of Fort DeRussy has been resolved. In doing so, the conferees defer any redesignation of the name of the Center.

The conferees expressed their strong desire to recognize the contributions and tireless efforts of Congressman Dan Daniel in support of the recreation facilities at Fort DeRussy. The conferees agreed that a suitable portrait of Congressman Daniel should be displayed appropriately in the recreation center at Fort DeRussy in tribute to Congressman Daniel's efforts on behalf of military personnel and their families for these facilities.

Wurtsmith Air Force Base, Michigan (sec. 2815)

The House bill contained a provision (sec. 2805) that would designate the library at Wurtsmith Air Force Base, Michigan, as the "General Earl T. O'Laughlin Library."

The Senate amendment contained no similar provision.

The Senate recedes.

Location of hazardous waste storage facility at Pearl Harbor Naval Shipyard, Hawaii (sec. 2816)

The House bill contained a provision (sec. 2806) that would prohibit construction of a hazardous waste storage facility at Pearl Harbor Naval Shipyard which is closer than 3,000 feet to a public school.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment prohibiting construction of such storage facilities closer than 600 feet to a public school.

Solicitation for proposals for office space for the Navy (sec. 2817)

The Senate amendment contained a provision (Sec. 2809) that would direct the Secretary of the Navy, in coordination with the Administrator of General Services, to issue a solicitation for proposals for acquisition through lease or lease-buy of office and related space within the National Capital Region. Upon receipt of proposals, the Navy would be directed to provide the Committees on Armed Services of the Senate and House of Representatives a report analyzing the relative merits of lease, lease-buy, and military construction alternatives in meeting the Service's administrative facility needs.

The House bill contained no similar provision.

The House recedes with an amendment that directs that the solicitation be published by the Administrator of General Services, in coordination with the Secretary of the Navy.

Third Infantry Division memorial (sec. 2818)

The Senate amendment contained a provision (sec. 2811) that would authorize the Secretary of the Army to select a site in Arlington National Cemetery for a privately financed memorial honoring the historic deeds of the 3rd Infantry Division.

The House bill contained no such provision.

The House recedes.

Commission on alternative utilization of military facilities (sec. 2819)

The Senate amendment contained a provision (sec. 951) that would establish a commission on alternative utilization of military facilities. This interagency body would review, on a biannual basis, military facilities identified by the Department of Defense which are fit for closure, surplus in whole or part, or sufficiently underutilized to permit consideration as a site for a minimum security prison or a drug treatment center.

The House bill contained no such provision.

The House recedes.

PART C—REAL PROPERTY TRANSACTIONS

LEGISLATIVE PROVISIONS ADOPTED

Land transfer, Reserve Forces Training Center, Alameda County, California (sec. 2821)

The House bill contained a provision (sec. 2813) that would authorize the Secretary of the Army to enter into a value-for-value land exchange with the County of Alameda and City of Dublin, California. In exchange for approximately 47 acres of land at the Alameda Reserve Forces Training Center, the Army would receive approximately 450 acres from the East Bay Regional Park District, Alameda, California.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that changes the acreage to be conveyed from 450 acres to 445 acres; allows the East Bay Regional Park District the right of reversion to the parcel in the event the Secretary of the Army determines that it is no longer required by the United States Army; and grants the Park District an easement along the most easternly border of the parcel for its regional trail system. This easement does not exceed 25 acres.

Land conveyance, Lompoc, California (sec. 2822)

The House bill contained a provision (sec. 2816) that would authorize the Secretary of the Army to convey, without reimbursement, approximately 100 acres of land in Lompoc, California, to the City of Lompoc, California for the educational purposes of Allan Hancock Community College.

The Senate amendment contained a similar provision (sec. 2905) that would authorize the transfer for less restrictive educational purposes.

The House recedes.

Land easement, Orange County, California (sec. 2823)

The Senate amendment contained a provision (sec. 2902) that would authorize the Secretary of the Navy to grant Orange County, California, an easement on Marine Corps Air Station, El Toro, California, for the construction and maintenance of a flood control project. In consideration, the Navy would receive approximately 1.5 acres of land adjacent to Marine Corps Air Station, Tustin, California, as well as the benefit of the flood control improvements.

The House bill contained a similar provision (sec. 2815).

The House recedes.

Land exchange, San Diego, California (sec. 2824)

The Senate amendment contained a provision (sec. 2901) that would authorize the Secretary of the Navy to enter into a value-for-value exchange of property to acquire approximately 32 acres of land adjacent to the San Diego Naval Station.

The House bill contained no similar provision.

The House recedes.

Land transfer, Washington, District of Columbia (sec. 2825)

The House bill contained a provision (sec. 2811) that would direct the no-cost transfer of approximately six acres of land with improvements from the Administrator of General Services to the Secretary of the Navy. The provision would also direct the use of no more than $9.2 million for the design of the renovation of the related facilities.

The Senate amendment contained no similar provision.

The Senate recedes.

Land conveyance, Okaloosa County, Florida (sec. 2826)

The House bill contained a provision (sec. 2814) that would amend the fiscal year 1979 Military Construction Authorization Act (Public Law 95-356) by conveying at fair market value an additional 42 acres of land at Eglin Air Force Base, Florida from the Department of the Air Force to the Air Force Enlisted Men's Widows and Dependents Home Foundation, Incorporated.

The Senate amendment contained no similar provision.

The Senate recedes.

Land transfer, Suitland Federal Center, Maryland (sec. 2827)

The Senate amendment contained a provision (sec. 2903) that would authorize the Administrator of General Services to transfer to the Secretary of the Navy, without consideration, vacant land at the Suitland Federal Center, Suitland, Maryland, that is excess to the needs of the General Services Administration and is needed to accommodate construction of a new facility for the Naval Intelligence Command.

The House bill contained a similar provision (sec. 2812).

The House recedes.

Air Force Plant at Columbus, Ohio (sec. 2828)

The Senate amendment contained a provision (sec. 2812) that would authorize the Secretary of the Air Force to sell or lease Air Force Plant No. 85 at Columbus, Ohio, which is excess to Air Force needs. Proceeds of the sale or lease would be credited to the U.S. Treasury, after expenses connected with such a sale or lease, including environmental cleanup, have been deducted.

The House bill contained no similar provision.

The House recedes with an amendment. In light of interest by the Defense Logistics Agency (DLA) in locating a function on a portion of Air Force Plant No. 85, the amended provision authorizes the Secretary of the Air Force to permit portions of the facility to another Defense Department organization. The conferees believe that support for DLA requirements and sale or lease of the remainder of the plant for private development are compatible uses. The Air Force and any Defense Department permittee are expected to insure that the property available for commercial redevelopment remains an integral industrial facility with adequate administrative space.

In authorizing the Secretary of the Air Force to sell or lease this property and use some of the proceeds to fund environmental restoration and other related property disposal expenses, the conferees wish to ensure that the Service does not expend scarce Defense Environmental Restoration funds for this purpose in lieu of investing these resources to address the most serious environmental problems outlined in the Defense Department priority cleanup program.

Land conveyance, Fort Jackson, South Carolina (sec. 2829)

The Senate amendment contained a provision (sec. 2904) that would authorize the sale, at fair market value, of approximately 14 acres of Fort Jackson, South Carolina that are excess to Army needs. The provision would authorize proceeds of the sale to be used to construct a new consolidated maintenance facility on the post.

The House bill contained no similar provision.

The House recedes with an amendment. The conferees agreed to the sale of approximately 32 acres of excess property, the proceeds of which could be applied to the modernization of family housing on Fort Jackson.

LEGISLATIVE PROVISIONS NOT ADOPTED

Camp Robinson, Arkansas

The House bill contained a provision (sec. 2817) that would authorize the use of 1,000 acres of Camp Robinson, Arkansas as an industrial park and 40 acres for other public uses.

The Senate amendment contained no similar provision.

The House recedes.

The conferees are concerned about the impact which highway construction will have on the mission integrity of Camp Robinson, Arkansas. In light of local interest in redeveloping portions of the camp which may no longer be useful to the military mission, the Department of the Army is directed to submit a report to the Committees on Armed Services of the Senate and House of Representatives by March 15, 1989, regarding this issue.

INSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	-------House-------		------Senate-------		House +/- Senate	Conference Agreement	
			Change to Request	Authorized	Change to Request	Senate Authorized		Change to Request	Authorized
	ALABAMA								
ARMY									
ANNISTON ARMY DEPOT	CHEMICAL AREA SECURITY UPGRADE	6,000		6,000		6,000	0		6,000
FORT MCCLELLAN	CONSOLIDATED FIELD MAINTENANCE SHOP	7,900		7,900		7,900	0		7,900
FORT RUCKER	LAND ACQUISITION	410		410		410	0		410
FORT RUCKER	UNACCOMPANIED OFFICER HOUSING	1,700		1,700		1,700	0		1,700
REDSTONE ARSENAL	TEST FACILITY MODERNIZATION	14,800		14,800		14,800	0		14,800
NAVY									
NAVAL STATION MOBILE	HOMEPORT	8,345	11,400	19,745	11,355	19,700	45	11,355	19,700
AIR FORCE									
GUNTER AFB	CONSOLIDATED SUPPORT FACILITY	3,700		3,700		3,700	0		3,700
GUNTER AFB	SECURITY POLICE OPERATIONS FACILITY	1,300		1,300		1,300	0		1,300
GUNTER AFB	STUDENT DORMITORY	2,100		2,100		2,100	0		2,100
GUNTER AFB	PRECISION MEASUREMENT EQUIPMENT LAB	1,050		1,050		1,050	0		1,050
MAXWELL AFB	BASE ENGINEERING COMPLEX	8,400		8,400		8,400	0		8,400
MAXWELL AFB	ALTER STUDENT DORMITORIES	1,750		1,750		1,750	0		1,750
MAXWELL AFB	FIRE STATION	1,950		1,950		1,950	0		1,950
MAXWELL AFB	ADD TO/UPGRADE ACADEMIC FACILITY	3,200		3,200		3,200	0		3,200
MAXWELL AFB	ADD TO/UPGRADE HISTORICAL RESEARCH CENTER	2,500		2,500		2,500	0		2,500
ARMY NATIONAL GUARD									
AUBURN	ARMORY		937	937		0	937	937	937
FORT MCCLELLAN	UNIT TRAINING EQUIPMENT SITE		459	459		0	459	459	459
GROVE HILL	100 PERSON ARMORY	932		932		932	0		932
MONTGOMERY	ARMORY ADDITION	789		789		789	0		789
MONTGOMERY	CONSOLIDATED SUPPORT MAINTENANCE SHOP		3,652	3,652		0	3,652	3,652	3,652
TUSKEGEE	ARMORY		651	651		0	651	651	651
AIR NATIONAL GUARD									
DANNELLY FIELD	POWER CHECK PAD WITH SUPPRESSOR	890		890		890	0		890
DANNELLY FIELD	ALTER AVIONICS SHOP	600		600		600	0		600
ARMY RESERVE									
GORDO	RESERVE CENTER			0	1,547	1,547	(1,547)	1,547	1,547

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INSTALLATION	PROJECT	Revised FY89 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
	ALASKA								
ARMY									
FORT RICHARDSON	HARDSTAND/TACTICAL EQUIPMENT SHOP	2,050		2,050		2,050	0		2,050
FORT RICHARDSON	BATTALION HEADQUARTERS	4,200		4,200		4,200	0		4,200
FT J M WAINWRIGHT	SPECIAL SECURITY OFFICE	2,250		2,250		2,250	0		2,250
FT J M WAINWRIGHT	UTILITIES EXPANSION	3,450	(3,450)	0		3,450	(3,450)	(3,450)	0
FT J M WAINWRIGHT	COLD STORAGE WAREHOUSE	1,900		1,900		1,900	0		1,900
FT J M WAINWRIGHT	VEHICLE MAINTENANCE FACILITY	9,000	(9,000)	0	(9,000)	0	0	(9,000)	0
FT J M WAINWRIGHT	MAINTENANCE COMPLEX	15,000		15,000		15,000	0		15,000
FT J M WAINWRIGHT	CONSOLIDATED FUEL FACILITY	2,300	(2,300)	0		2,300	(2,300)	(2,300)	0
FT J M WAINWRIGHT	MILITARY CLOTHING SALES STORE	690		690		690	0		690
FT J M WAINWRIGHT	BATTALION HEADQUARTERS	7,600		7,600		7,600	0		7,600
FT J M WAINWRIGHT	BATTALION HEADQUARTERS	2,300		2,300		2,300	0		2,300
NAVY									
NAVAL AIR STATION ADAK	DEPENDENT SCHOOL	29,000	(29,000)	0		29,000	(29,000)	0	29,000
D TAYLOR RSRCH CTR DET KETCHIKAN	ACOUSTIC RANGE OPERATIONS CENTER	12,000		12,000		12,000	0		12,000
AIR FORCE									
EIELSON AFB	ALTER DORMITORIES	2,750		2,750		2,750	0		2,750
EIELSON AFB	UPGRADE MUNITION ACCESS ROAD	7,600	(7,600)	0		7,600	(7,600)	(7,600)	0
EIELSON AFB	SQUADRON OPERATIONS FACILITY	4,900		4,900		4,900	0		4,900
ELMENDORF AFB	DIESEL MAINTENANCE SHOP	2,150		2,150		2,150	0		2,150
ELMENDORF AFB	OTH-B OPERATIONS BUILDING	17,500	(17,500)	0		17,500	(17,500)	0	17,500
ELMENDORF AFB	AIRCRAFT SUPPORT EQUIPMENT FACILITY	890		890		890	0		890
KING SALMON AFB	COMMUNICATIONS FACILITY	2,850		2,850		2,850	0		2,850
SHEMYA AFB	COMPOSITE AIRMAN COMMUNITY CENTER	10,000		10,000		10,000	0		10,000
SHEMYA AFB	ADD TO AND UPGRADE CHAPEL	1,100		1,100		1,100	0		1,100
SHEMYA AFB	ADD TO FIRE STATION	910		910		910	0		910
SHEMYA AFB	ADD/ALTER ACFT SUPPORT EQUIPMENT SHOP	2,850		2,850		2,850	0		2,850
DEFENSE AGENCIES									
DEFENSE FUEL SUPPORT POINT ADAK	FUEL TANKAGE	19,000		19,000		19,000	0		19,000
ARMY NATIONAL GUARD									
ANCHORAGE	ARMY AVIATION SUPPORT FACILITY ADD/ALT	7,500		7,500		7,500	0		7,500
CHEFORNAK	SCOUT ARMORY	252		252		252	0		252
FORT RICHARDSON	ARMORY			0	25,000	25,000	(25,000)	25,000	25,000
NAPAKIA	SCOUT ARMORY	252		252		252	0		252
BREVIG MISSION	SCOUT ARMORY	252		252		252	0		252
AIR NATIONAL GUARD									
EIELSON AFB	BASE SUPPLY AND EQUIPMENT WAREHOUSE	2,750		2,750		2,750	0		2,750

INSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
	ARIZONA								
ARMY									
FORT HUACHUCA	TEST AND EVALUATION CENTER	5,400	(5,400)	0		5,400	(5,400)	(5,400)	0
FORT HUACHUCA	TEST FACILITY MODERNIZATION	1,200		1,200		1,200	0		1,200
NAVY									
MARINE CORPS AIR STATION YUMA	COMMUNICATIONS CENTER ADDITION	580		580		580	0		580
MARINE CORPS AIR STATION YUMA	TACTICAL VEHICLE MAINTENANCE FACILITY	4,610		4,610		4,610	0		4,610
MARINE CORPS AIR STATION YUMA	AIRCRAFT ACOUSTICAL ENCLOSURE	6,580		6,580		6,580	0		6,580
AIR FORCE									
DAVIS-MONTHAN AFB	TROOP SUBSISTENCE WAREHOUSE	980		980		980	0		980
HOLBROOK	STR-COMPOSITE SUPPORT FACILITY	[1,400]		[1,400]		[1,400]	0		[1,400]
LUKE AFB	F15-WING HEADQUARTERS	1,650		1,650		1,650	0		1,650
LUKE AFB	F16-FIELD TRAINING DETACHMENT FACILITY	3,000		3,000		3,000	0		3,000
WILLIAMS AFB	F16-AIRCRAFT COVERED WASHRACK	770		770		770	0		770
WILLIAMS AFB	CONSOLIDATED SUPPORT FACILITY	4,100		4,100		4,100	0		4,100
WILLIAMS AFB	F16-BAK 12/14 ACFT ARRESTING SYSTEM	2,100		2,100		2,100	0		2,100
WILLIAMS AFB	F16-HYDRAZINE STORAGE AND SERVICE FAC	320		320		320	0		320
WILLIAMS AFB	F16-SOUND SUPPRESSOR SUPPORT	790		790		790	0		790
WILLIAMS AFB	F16-FUEL SYSTEM MAINTENANCE DOCK	1,150		1,150		1,150	0		1,150
WILLIAMS AFB	ADD TO AIRCRAFT MAINTENANCE FACILITY	1,900		1,900		1,900	0		1,900
ARMY NATIONAL GUARD									
PHOENIX	STATE MILITARY ACADEMY ADDITION/ALTERATION	264		264		264	0		264
AIR NATIONAL GUARD									
TUCSON IAP	COMPOSITE AIRCRAFT MAINTENANCE HANGAR	6,000		6,000		6,000	0		6,000
SKY HARBOR IAP	MEDICAL TRAINING AND ADMINISTRATION FAC	1,100		1,100		1,100	0		1,100
AIR FORCE RESERVE									
TUCSON IAP	FLIGHT SIMULATOR FAC-JOINT WITH ANG	1,000		1,000		1,000	0		1,000
	ARKANSAS								
ARMY									
PINE BLUFF ARSENAL	CHEMICAL AREA SECURITY UPGRADE	3,050		3,050		3,050	0		3,050
PINE BLUFF ARSENAL	BINARY MUNITION PRODUCTION FAC PH III	4,450	(4,450)	0		4,450	(4,450)	0	4,450
AIR FORCE									
BLYTHEVILLE AFB	ORGANIZATIONAL MAINTENANCE SHOP		1,050	1,050		0	1,050	1,050	1,050
BLYTHEVILLE AFB	ADD/ALTER COMMUNITY RELIGIOUS EDUCATION FACI		1,600	1,600		0	1,600	0	0
BLYTHEVILLE AFB	VEHICLE MAINTENANCE SHOP ADDITION		1,100	1,100		0	1,100	1,100	1,100
LITTLE ROCK AFB	C130-AIRCRAFT MAINTENANCE FACILITY	3,850		3,850		3,850	0		3,850
LITTLE ROCK AFB	APRON LIGHTING		700	700		0	700	700	700

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INSTALLATION	PROJECT	Revised FY89 Request	-------House------- Change to Request	Authorized	------Senate------- Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Authorized
ARMY NATIONAL GUARD									
CAMP ROBINSON	RANGE, MOUT ASSAULT COURSE	352		352		352	0		352
STUTTGART	ARMORY		936	936		0	936	936	936
AIR NATIONAL GUARD									
FT SMITH MAP	AVIONICS/BCM POD SHOP/STORAGE FACILITY	900		900		900	0		900
FT SMITH MAP	ADD/ALTER ENGINE INSPECTION & REPAIR SHOP	265		265		265	0		265
ARMY RESERVE									
PINE BLUFF	ARMS ROOM ADDITION	50		50		50	0		50
	CALIFORNIA								
ARMY									
FORT ORD	MANEUVER TRAINING RANGE		1,600	1,600		0	1,600	0	0
FORT ORD	COMPANY OPERATIONS FACILITY	3,150		3,150		3,150	0		3,150
FORT ORD	AMMUNITION STORAGE	9,900		9,900		9,900	0		9,900
SIERRA ARMY DEPOT	AMMUNITION CONTAINER LOADING YARD	380		380		380	0		380
NAVY									
MAR CORP CTR TWENTYNINE PALMS	ROAD IMPROVEMENTS	4,650		4,650		4,650	0		4,650
MAR CORP CTR TWENTYNINE PALMS	CHILD CARE CENTER	1,930		1,930		1,930	0		1,930
MAR CORP CTR TWENTYNINE PALMS	ELECTRONIC AND COMMUNICATION MAINT SHOP	2,500		2,500		2,500	0		2,500
MAR CORP CTR TWENTYNINE PALMS	BACHELOR ENLISTED QUARTERS	13,600		13,600		13,600	0		13,600
MAR CORP CTR TWENTYNINE PALMS	REMOTE PILOTED VEHICLE OPERS MAINT FAC	3,950		3,950		3,950	0		3,950
MARINE CORPS AIR STATION EL TORO	CHILD CARE CENTER	2,730		2,730		2,730	0		2,730
MARINE CORPS AIR STATION EL TORO	ARMING PADS	1,240		1,240		1,240	0		1,240
MARINE CORPS AIR STATION TUSTIN	BACHELOR ENLISTED QUARTERS	8,370		8,370		8,370	0		8,370
MARINE CORPS AIR STATION TUSTIN	CHILD CARE CENTER	1,970		1,970		1,970	0		1,970
MARINE CORPS AIR STATION TUSTIN	GROUND SUPPORT EQUIPMENT SHOP	650		650		650	0		650
MARINE CORPS BASE CAMP PENDLETON	MARINE AIR SUPPORT COMPLEX	6,490		6,490		6,490	0		6,490
MARINE CORPS BASE CAMP PENDLETON	ACADEMIC INSTRUCTION BUILDING	7,940		7,940		7,940	0		7,940
MARINE CORPS BASE CAMP PENDLETON	FIELD MAINTENANCE SHOP FACILITIES	11,850		11,850		11,850	0		11,850
MARINE CORPS BASE CAMP PENDLETON	TACTICAL VEHICLE MAINTENANCE FACILITY	10,100		10,100		10,100	0		10,100
MARINE CORPS BASE CAMP PENDLETON	BACHELOR ENLISTED QUARTERS	16,000		16,000		16,000	0		16,000
MARINE CORPS BASE CAMP PENDLETON	TACTICAL VEHICLE MAINTENANCE FACILITY	8,270		8,270		8,270	0		8,270
MARINE CORPS BASE CAMP PENDLETON	INFANTRY SCHOOL	3,810		3,810		3,810	0		3,810
MCAS CAMP PENDLETON	AIRCRAFT INTERMEDIATE MAINTENANCE ACT CPX	3,060		3,060		3,060	0		3,060
MCAS CAMP PENDLETON	STATION OPERATIONS FACILITY	1,930		1,930		1,930	0		1,930
MCAS CAMP PENDLETON	REFUELING VEHICLE MAINTENANCE SHOP	610		610		610	0		610
MCAS CAMP PENDLETON	TACTICAL SUPPORT VAN PADS	1,600		1,600		1,600	0		1,600
MCAS CAMP PENDLETON	HANGAR MODIFICATIONS	2,250		2,250		2,250	0		2,250
MARINE CORPS LOG BASE BARSTOW	CHILD CARE CENTER	800		800		800	0		800
MARINE CORPS LOG BASE BARSTOW	VEHICLE MAINTENANCE SHOP	390		390		390	0		390
MTN WARFARE TNG CTR BRIDGEPORT	MULTIPURPOSE FACILITY	3,200		3,200		3,200	0		3,200

INSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	House		Senate		House +/- Senate	Conference Agreement	
			Change to Request	Authorized	Change to Request	Senate Authorized		Change to Request	Authorized
NAVAL AIR REWORK FAC ALAMEDA	AIRCRAFT ACOUSTICAL ENCLOSURE		8,290	8,290		0	8,290	8,290	8,290
NAVAL AIR STATION MOFFETT	CONSTRUCTION MANAGEMENT FACILITY	650		650		650	0		650
NAVAL AIR STATION NORTH ISLAND	TARGET MAINTENANCE FACILITY	2,760		2,760		2,760	0		2,760
NAVAL AIR STATION NORTH ISLAND	INTERMEDIATE MAINTENANCE FACS IMPROVEMENTS	3,390		3,390		3,390	0		3,390
NAVAL AIR STATION NORTH ISLAND	MAINTENANCE HANGAR	5,710		5,710	(5,710)	0	5,710	(5,710)	0
NAVAL AVIATION DPT NORTH ISLAND	HAZARDOUS MATERIAL STOREHOUSE	2,110		2,110		2,110	0		2,110
NAVAL SUPPLY CTR OAKLAND	GAS CYLINDER STORAGE		1,550	1,550		0	1,550	1,550	1,550
NAVAL WEAPONS STATION SEAL BEACH	MISSILE MAGAZINES	3,090		3,090		3,090	0		3,090
NAVAL WEAPONS STATION SEAL BEACH	MISSILE ASSEMBLY AND TEST FACILITY	10,800		10,800		10,800	0		10,800
PACIFIC TEST CENTER POINT MAGU	MISSILE SYSTEMS EVALUATION LABORATORY	20,470		20,470		20,470	0		20,470
NAVAL AMPHIBIOUS BASE CORONADO	OPEN STORAGE AREA	870		870		870	0		870
NAVAL WEAPONS CENTER CHINA LAKE	AIRCRAFT SYSTEMS INTEGRATION LABORATORY	6,900		6,900		6,900	0		6,900
NAVAL WEAPONS CENTER CHINA LAKE	DETECTION SYSTEMS LABORATORY ADDITION	5,360		5,360		5,360	0		5,360
NAVAL CONSTRUCT CTR PORT HUENEME	DATA PROCESSING FACILITY	4,000		4,000		4,000	0		4,000
NAVAL CONSTRUCT CTR PORT HUENEME	SEABEE FLEET SUPPORT TRAINING FACILITIES	3,330		3,330		3,330	0		3,330
NAVAL CONSTRUCT CTR PORT HUENEME	SEALIFT SUPPORT STORAGE FACILITIES	6,900	(3,900)	3,000		6,900	(3,900)	(3,900)	3,000
NAVAL CONSTRUCT CTR PORT HUENEME	SEABEE TRAINING BUILDINGS	6,750		6,750		6,750	0		6,750
NAVAL SCH PORT HUENEME	PROCUREMENT AND MANAGEMENT BUILDING	7,420		7,420		7,420	0		7,420
NAVAL HOSPITAL LEMOORE	PHYSIOLOGICAL TRAINING FACILITY	2,160		2,160		2,160	0		2,160
NAVAL POST GRADUATE SCH MONTEREY	STEAM LINE IMPROVEMENT	2,900		2,900		2,900	0		2,900
NAVAL POST GRADUATE SCH MONTEREY	MUNICIPAL SEWER CONNECTION	240		240		240	0		240
NAVAL SHIPYARD MARE ISLAND	DRYDOCK REFUELING COMPLEX	3,950		3,950		3,950	0		3,950
NAVAL SHIPYARD MARE ISLAND	DREDGED MATERIALS HANDLING FACILITY		2,400	2,400		0	2,400	0	0
NAVAL SHIPYARD MARE ISLAND	FIRE STATION		2,500	2,500		0	2,500	2,500	2,500
NAVAL AMPHIB SCHOOL SAN DIEGO	SEAL TEAM FACILITIES	10,100		10,100		10,100	0		10,100
NAVAL HOSPITAL SAN DIEGO	REGIONAL MEDICAL CENTER SUPPORT FACILITIES	11,350	(11,350)	0	(11,350)	0	0	(11,350)	0
NAVAL OCEAN SYS CENTER SAN DIEGO	LABORATORY	8,660		8,660		8,660	0		8,660
NAVAL SECURITY GP DET SAN DIEGO	CLASSIFIED MATERIALS ISSUE OFFICE ADDITION	1,950		1,950		1,950	0		1,950
NAVAL SPACE SURV ST SAN DIEGO	SPACE SURVEILLANCE FACILITY	3,760		3,760		3,760	0		3,760
NAVAL SUB BASE SAN DIEGO	TORPEDO SHOP	3,150		3,150		3,150	0		3,150
NAVAL SUPPLY CTR SAN DIEGO ANNEX	MAINTENANCE BUILDING	1,695		1,695		1,695	0		1,695
NAVAL TRAINING CENTER SAN DIEGO	FIRE FIGHTING TRAINEE FACILITY	7,980		7,980		7,980	0		7,980
NAVY PUBLIC WORKS CTR SAN DIEGO	SEWER IMPROVEMENT	500		500		500	0		500
PERSONNEL SUPPORT ACTY SAN DIEGO	SUPPORT FACILITY	1,180		1,180		1,180	0		1,180
SHORE IMP MAINT CTR SAN DIEGO	MAINTENANCE FACILITY	10,720		10,720		10,720	0		10,720
SUB TRAINING FACILITY SAN DIEGO	SUBMARINE TRAINING FACILITY	4,770		4,770		4,770	0		4,770
SUB TRAINING FACILITY SAN DIEGO	OPERATIONAL TRAINER FACILITY	5,531		5,531		5,531	0		5,531
NAVAL STATION SAN FRANCISCO	BATTLESHIP SUPPORT COMPLEX (INCREMENT I)	5,000		5,000		5,000	0		5,000
NAVY PUB WORKS CTR SAN FRANCISCO	SEWER IMPROVEMENT	6,800		6,800		6,800	0		6,800
NAVY PUB WORKS CTR SAN FRANCISCO	ELECTRICAL SYSTEMS IMPROVEMENT	9,010		9,010		9,010	0		9,010

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AIR FORCE									
BEALE AFB	DORMITORY	[5,400]		[5,400]		[5,400]	0		[5,400]
BEALE AFB	ADD TO AND UPGRADE POWER PLANT-PAVE PAWS	8,900		8,900		8,900	0		8,900
CASTLE AFB	ADD TO JET FUEL STORAGE/DISPENSING FACS	10,800		10,800		10,800	0		10,800
CASTLE AFB	FLOOD CONTROL COST SHARE		1,000	1,000		0	1,000	1,000	1,000
CASTLE AFB	BASE CIVIL ENGINEERING COMPLEX		8,600	8,600		0	8,600	8,600	8,600
EDWARDS AFB	ADD/ALTER FLIGHT TEST MISSION CONTROL	5,200		5,200		5,200	0		5,200
GEORGE AFB	REPLACE RUNWAY	15,500		15,500		15,500	0		15,500
GEORGE AFB	AIR WARRIOR SUPPORT COMPLEX	3,650		3,650		3,650	0		3,650
GEORGE AFB	F4-FLYING TRAINING FACILITY	3,400		3,400		3,400	0		3,400
MARCH AFB	EXPANDED CLEAR ZONE LAND ACQUISITION	1,000		1,000		1,000	0		1,000
MARCH AFB	ADD TO AND UPGRADE DORMITORIES	3,900		3,900		3,900	0		3,900
MATHER AFB	BASE FLIGHT OPERATION		2,300	2,300		0	2,300	2,300	2,300
MATHER AFB	SECURITY IMPROVEMENTS	440		440		440	0		440
MCCLELLAN AFB	VEHICLE REFUELING STATION	880		880		880	0		880
MCCLELLAN AFB	FIRE SPRINKLER SYSTEMS	2,200		2,200		2,200	0		2,200
ONIZUKA AFS	ALTER TECHNICAL SPACE COMPLEX	4,300		4,300		4,300	0		4,300
TRAVIS AFB	ALTER DORMITORIES	10,400		10,400		10,400	0		10,400
VANDENBERG AFB	MISSILE CREW TRAINING FACILITIES	6,250		6,250		6,250	0		6,250
VANDENBERG AFB	HYPERGOLIC MAINTENANCE CHECKOUT FACILITY	2,300		2,300		2,300	0		2,300
VANDENBERG AFB	TITAN IV LAUNCH PAD	25,000		25,000	(25,000)	0	25,000	(25,000)	0
DEFENSE AGENCIES									
MARCH AFB	HOSPITAL SEISMIC UPGRADE	3,000		3,000		3,000	0		3,000
NORTH ISLAND	MEDICAL CLINIC	7,200		7,200		7,200	0		7,200
TREASURE ISLAND	MEDICAL/DENTAL CLINIC	11,000		11,000		11,000	0		11,000
HUNTERS POINT	MEDICAL/DENTAL FACILITY	5,000	(5,000)	0		5,000	(5,000)	(5,000)	0
DEFENSE DEPOT TRACY	IMPROVE LIGHTING	590		590		590	0		590
CAMP PENDLETON	MEDICAL STORAGE	5,000		5,000		5,000	0		5,000
AIR NATIONAL GUARD									
CHANNEL ISLANDS ANGB	AERIAL PORT TRAINING FACILITY	2,600		2,600		2,600	0		2,600
CHANNEL ISLANDS ANGB	COMPOSITE OPERATIONS & TRAINING FACILITY	5,000		5,000		5,000	0		5,000
CHANNEL ISLANDS ANGB	VEHICLE MAINTENANCE SHOP	1,650		1,650		1,650	0		1,650
CHANNEL ISLANDS ANGB	AIRCRAFT PARKING APRON/SITE PREPARATION	1,300		1,300		1,300	0		1,300
CHANNEL ISLANDS ANGB	COMPOSITE SUPPORT FACILITY	3,300		3,300		3,300	0		3,300
CHANNEL ISLANDS ANGB	BASE SUPPLY AND EQUIPMENT WAREHOUSE	3,900		3,900		3,900	0		3,900
FRESNO ANGB	POWER CHECK PAD WITH SUPPRESSOR	600		600		600	0		600
FRESNO ANGB	MUNITIONS MAINTENANCE FACILITY	1,400		1,400		1,400	0		1,400
ARMY RESERVE									
REDDING	LAND ACQUISITION	275		275		275	0		275
GARDEN GROVE	ADD/ALTER USARC/MAINT FAC/STORAGE BUILDING	3,425		3,425		3,425	0		3,425
STOCKTON	ARMED FORCES RES CTR/MAINT FAC/MARINE FAC	3,596		3,596		3,596	0		3,596
NAVY RESERVE									
MCRC HAYWARD	TRAINING BUILDING REHAB	1,000		1,000		1,000	0		1,000
NCS STOCKTON	RESERVE TRAINING BUILDING	2,800		2,800		2,800	0		2,800
AIR FORCE RESERVE									
MARCH AFB	MEDICAL TRAINING AND ADMINISTRATION	1,000		1,000		1,000	0		1,000
MATHER AFB	COMPOSITE MEDICAL TRAINING FACILITY	850		850		850	0		850

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INSTALLATION	PROJECT	FY89 Request	Change to Request	Authorized	Change to Request	Senate Authorized	House +/- Senate	Change to Request	Authorized
	COLORADO								
ARMY									
PUEBLO DEPOT ACTIVITY	CHEMICAL AREA SECURITY UPGRADE	3,200		3,200		3,200	0		3,200
AIR FORCE									
BUCKLEY ANG BASE	UPGRADE EMERGENCY POWER PLANT	7,300		7,300		7,300	0		7,300
BUCKLEY ANG BASE	ADD/ALTER AEROSPACE DATA FACILITY PH-II	18,500		18,500		18,500	0		18,500
CHEYENNE MT COMPLEX AFB	NORAD COMMAND POST	6,500		6,500		6,500	0		6,500
LOWRY AFB	STUDENT DORMITORY	12,000		12,000		12,000	0		12,000
PETERSON AFB	FIRE TRAINING AREA	2,200		2,200		2,200	0		2,200
PETERSON AFB	ADD/ALTER PHYSICAL FITNESS CENTER	3,800	(3,800)	0		3,800	(3,800)	0	3,800
PETERSON AFB	SPACE OPERATIONS INTELLIGENCE CENTER	7,300		7,300		7,300	0		7,300
US AIR FORCE ACADEMY	DORMITORY	3,500		3,500		3,500	0		3,500
US AIR FORCE ACADEMY	ALTER CADET DORMITORY	4,000		4,000		4,000	0		4,000
US AIR FORCE ACADEMY	ADD TO/UPGRADE COMMUNITY CENTER GYMNASIUM	1,750		1,750		1,750	0		1,750
US AIR FORCE ACADEMY	ADD/ALTER BASE ENGINEERING FACILITIES	990		990		990	0		990
DEFENSE AGENCIES									
FALCON AFS	NATIONAL TEST BED	72,500	(18,500)	54,000		72,500	(18,500)	(7,500)	65,000
AIR NATIONAL GUARD									
BUCKLEY ANGB	PERIMETER FENCE	700		700		700	0		700
AIR FORCE RESERVE									
PETERSON AFB	CIVIL ENGINEERING TRAINING FACILITY	750		750		750	0		750
	CONNECTICUT								
NAVY									
NAVAL SECURITY GP ACTY GROTON	ELECTRONICS MAINTENANCE SHOP MODIFICATIONS	1,170		1,170		1,170	0		1,170
NAVAL SUBMARINE BASE NEW LONDON	WEAPONS FACILITIES	6,660		6,660		6,660	0		6,660
ARMY NATIONAL GUARD									
CAMP O'NEILL	TRNG SITE, TRAINING FACILITIES PH I	2,997		2,997		2,997	0		2,997
	DELAWARE								
AIR FORCE									
DOVER AFB	ADD TO TAXIWAY	1,000		1,000		1,000	0		1,000
AIR NATIONAL GUARD									
GREATER WILMINGTON AIRPORT	ADD/ALTER AVIONICS SHOP	410		410		410	0		410

INSTALLATION	PROJECT	Revised FY89 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
	DISTRICT OF COLUMBIA								
ARMY									
WALTER REED ARMY MED CTR	PURCHASE WALTER REED INN	1,600		1,600		1,600	0		1,600
NAVY									
COMMANDANT NAVAL DIST WASHINGTON	ELECTRICAL SWITCHING STATION	1,500		1,500		1,500	0		1,500
COMMANDANT NAVAL DIST WASHINGTON	TRANSPORTATION MAINTENANCE FACILITY	5,600		5,600		5,600	0		5,600
COMMANDANT NAVAL DIST WASHINGTON	WHITE HOUSE SUPPORT COMPLEX	21,000		21,000		21,000	0		21,000
COMMANDANT NAVAL DIST WASHINGTON	ADMINISTRATIVE OFFICE MODERNIZATION	10,000		10,000	(10,000)	0	10,000	0	10,000
NAVAL RESEARCH LAB WASHINGTON	ELECTRONIC SYSTEMS LABORATORY	19,800		19,800		19,800	0		19,800
DEFENSE AGENCIES									
ANACOSTIA NAVAL STATION	WHCA SUPPORT COMPLEX	25,200	(25,200)	0	(25,200)	0	0	(25,200)	0
FORT MCNAIR - NDU	ACADEMIC FACILITY/LIBRARY	28,000		28,000		28,000	0		28,000
ARMY NATIONAL GUARD									
FORT BELVOIR	60 PERSON ARMORY	2,102		2,102		2,102	0		2,102
NAVY RESERVE									
NAVAL AIR FACILITY WASHINGTON	AIRCRAFT GROUND SUPPORT	1,050		1,050		1,050	0		1,050
	FLORIDA								
NAVY									
NAVAL AIR STATION CECIL FIELD	MISSILE INTEGRATION FACILITY	340		340		340	0		340
NAVAL AIR STATION JACKSONVILLE	HELICOPTER OPERATIONAL TRAINER BLDG ADDN	8,810		8,810		8,810	0		8,810
NAVAL AV DEPOT JACKSONVILLE	AIRCRAFT ENGINE PROCESSING FACILITY	14,180		14,180	(14,180)	0	14,180	0	14,180
NAVAL AIR STATION KEY WEST	ELECTRICAL DISTRIBUTION SYSTEM	850		850		850	0		850
NAVAL LEGAL SERVICE OFF MAYPORT	LEGAL SERVICES OFFICE	1,450		1,450		1,450	0		1,450
NAVAL STATION MAYPORT	INDUSTRIAL WASTE TREATMENT FACILITY	3,060		3,060		3,060	0		3,060
NAVAL AIR STATION PENSACOLA	SHIP SUPPORT COMPLEX (INCREMENT II)	25,600		25,600		25,600	0		25,600
NAVAL HOSPITAL PENSACOLA	PHYSIOLOGICAL TRAINING FACILITY	2,250		2,250		2,250	0		2,250
NAVAL SUPPLY CENTER PENSACOLA	HAZARDOUS & FLAMMABLE STOREHOUSE	2,640		2,640		2,640	0		2,640
NAVAL TECH TNG CTR PENSACOLA	ADMIN MODERNIZATION	2,840		2,840		2,840	0		2,840
NAVAL TRAINING CENTER ORLANDO	BARRACKS	20,000		20,000		20,000	0		20,000
NAVAL TRAINING CENTER ORLANDO	ROADS AND UTILITIES	3,810		3,810		3,810	0		3,810
AIR FORCE									
AVON PARK	EW OPERATIONS/VEHICLE MAINT FAC	3,700		3,700		3,700	0		3,700
CAPE CANAVERAL AFS	ADD TO/REPAIR SEWAGE PLANT	380		380		380	0		380
CAPE CANAVERAL AFS	LAUNCH OPERATIONS CONTROL CENTER	19,000		19,000		19,000	0		19,000
CAPE CANAVERAL AFS	PIER	7,600	(7,600)	0		7,600	(7,600)	(7,600)	0

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		FY89	Change to		Change to	Senate	House +/-	Change to	
INSTALLATION	PROJECT	Request	Request	Authorized	Request	Authorized	Senate	Request	Authorized
EGLIN AFB	ADD TO AND UPGRADE CORROSION CONTROL FAC	620		620		620	0		620
EGLIN AFB	DORMITORY	10,400		10,400		10,400	0		10,400
EGLIN AFB AUXILIARY FIELD 9	SOF-COMBAT CONTROL SQUADRON OPS FACILITY	1,250		1,250		1,250	0		1,250
EGLIN AFB AUXILIARY FIELD 9	SOF-DORMITORY	4,200		4,200		4,200	0		4,200
EGLIN AFB AUXILIARY FIELD 9	CONSOLIDATED SUPPORT CENTER		7,300	7,300		0	7,300	7,300	7,300
EGLIN AFB AUXILIARY FIELD 9	SOF-SIMULATOR FACILITY	3,500		3,500		3,500	0		3,500
EGLIN AFB AUXILIARY FIELD 9	SOF-ADD TO VEHICLE MAINTENANCE FACILITY	1,700		1,700		1,700	0		1,700
EGLIN AFB AUXILIARY FIELD 9	SOF-AIRCRAFT MAINTENANCE COMPLEX	1,700		1,700		1,700	0		1,700
EGLIN AFB AUXILIARY FIELD 9	SOF-DORMITORY	4,600		4,600		4,600	0		4,600
EGLIN AFB AUXILIARY FIELD 9	SOF-ADDITION TO PARKING APRON	3,150		3,150		3,150	0		3,150
HOMESTEAD AFB	F16-ALERT SHELTER COMPLEX	6,200		6,200		6,200	0		6,200
MACDILL AFB	FLIGHTLINE SECURITY LIGHTING	380		380		380	0		380
MACDILL AFB	ALTER DORMITORIES	4,200		4,200		4,200	0		4,200
PATRICK AFB	ALTER/UPGRADE HEADQUARTERS DATA CENTER	576		576		576	0		576
PATRICK AFB	ARM/DISARM PAD	550		550		550	0		550
TYNDALL AFB	COMBAT TRAINING COMPLEX	6,000		6,000		6,000	0		6,000
DEFENSE AGENCIES									
TYNDALL AFB	MEDICAL WRM FACILITY	800		800		800	0		800
ARMY NATIONAL GUARD									
AVON PARK	UNIT TRAINING EQUIPMENT SITE	852		852		852	0		852
CAMP BLANDING	TRNG SITE, BRIGADE HEADQUARTERS COMPLEX	1,429		1,429		1,429	0		1,429
CAMP BLANDING	BACHELORS QUARTERS		886	886		0	886	886	886
AIR NATIONAL GUARD									
JACKSONVILLE IAP	ADD TO JET FUEL STORAGE	750		750		750	0		750
JACKSONVILLE IAP	MUNITIONS MAINTENANCE STORAGE FACILITY	2,700		2,700		2,700	0		2,700
AIR FORCE RESERVE									
HOMESTEAD AFB	FUEL SYSTEMS MAINTENANCE HANGAR	2,100		2,100		2,100	0		2,100
	GEORGIA								
ARMY									
FORT BENNING	US ARMY SCHOOL OF THE AMERICAS	24,000		24,000		24,000	0		24,000
FORT BENNING	INSTALL THERMOSTATIC CONTROLS	350		350		350	0		350
NAVY									
MARINE CORPS LOG BASE ALBANY	TANK AND AUTOMOTIVE TEST TRACK	590		590		590	0		590
MARINE CORPS LOG BASE ALBANY	PAINTING FACILITY	4,250		4,250		4,250	0		4,250
NAVAL SUBMARINE BASE KINGS BAY	TRIDENT SUPPORT COMPLEX	48,730		48,730		48,730	0		48,730
NAVAL SUBMARINE BASE KINGS BAY	DREDGING	7,600		7,600		7,600	0		7,600
MARINE CORPS LOG BASE ALBANY	BACHELOR ENLISTED QUARTERS MODERNIZATION	900		900		900	0		900

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AIR FORCE									
MOODY AFB	LANTIRN AVIONICS FACILITY	800		800		800	0		800
ROBINS AFB	ADD-ALTER ENGINEERING TEST FACILITY	7,500		7,500		7,500	0		7,500
ROBINS AFB	WEAPON SYSTEM SUPPORT CENTER		12,600	12,600	12,600	12,600	0	12,600	12,600
ROBINS AFB	AIRCRAFT CORROSION CONTROL FACILITY	11,400		11,400		11,400	0		11,400
DEFENSE AGENCIES									
ROBINS AFB	OCCUPATIONAL HEALTH CARE CLINIC REPLACEMENT		3,600	3,600	3,600	3,600	0	3,600	3,600
FORT BENNING	EMERGENCY ROOM ALTERATION	700		700		700	0		700
ARMY NATIONAL GUARD									
ATLANTA	800 PERSON ARMORY	3,210		3,210		3,210	0		3,210
METTER	ARMORY		838	838	823	823	15	823	823
ARMY RESERVE									
SAVANNAH	ADD/ALTER USARC W/MAINT FAC	2,126		2,126		2,126	0		2,126
	HAWAII								
ARMY									
SCHOFIELD BARRACKS	NCO ACADEMY			0	8,500	8,500	(8,500)	8,500	8,500
FORT SHAFTER	AUTOMATED DATA PROCESSING FACILITY	7,200		7,200		7,200	0		7,200
NAVY									
MARINE CORPS AIR STATION KANEOHE	COMBAT VEHICLE MAINTENANCE SHOP	6,570		6,570		6,570	0		6,570
MARINE CORPS AIR STATION KANEOHE	AIRFIELD PAVEMENTS IMPROVEMENT	8,760		8,760		8,760	0		8,760
MARINE CORPS AIR STATION KANEOHE	ELECTRONICS COMMUNICATIONS MAINT SHOP	1,810		1,810		1,810	0		1,810
MARINE CORPS AIR STATION KANEOHE	ELECTRONICS COMMUNICATIONS MAINT SHOP	2,910		2,910		2,910	0		2,910
MARINE CORPS AIR STATION KANEOHE	INTEGRATED SIGNALS INTELLIGENCE SYSTEM FAC	2,430		2,430		2,430	0		2,430
MARINE CORPS AIR STATION KANEOHE	COMBINED ARMS STAFF TRAINER FACILITY	1,790		1,790		1,790	0		1,790
NAVAL LEGAL SVC OFF PEARL HARBOR	LEGAL SERVICES OFFICE	2,380		2,380		2,380	0		2,380
NAVAL STATION PEARL HARBOR	BRIG	8,370		8,370		8,370	0		8,370
NAVAL SUB BASE PEARL HARBOR	CONTROLLED INDUSTRIAL FACILITY	11,250		11,250		11,250	0		11,250
NAVAL SUB TNG CTR PEARL HARBOR	TRAINING ADDITION	1,780		1,780		1,780	0		1,780
NAVAL SUPPLY CENTER PEARL HARBOR	FIRE PROTECTION SYSTEM IMPROVEMENTS	2,540		2,540		2,540	0		2,540
NAVAL SUPPLY CENTER PEARL HARBOR	HAZARDOUS AND FLAMMABLE STORAGE FACILITY	5,810		5,810		5,810	0		5,810
NAVY PUB WORKS CTR PEARL HARBOR	ELECTRICAL SYSTEM IMPROVEMENTS	3,760		3,760		3,760	0		3,760
AIR FORCE									
HICKAM AFB	F15-MUNITIONS MAINT AND STORAGE FACS	4,250		4,250		4,250	0		4,250
DEFENSE AGENCIES									
DEF FUEL SPT POINT PEARL CITY	FIRE PROTECTION	1,900		1,900		1,900	0		1,900
ARMY NATIONAL GUARD									
HILO	RANGE, KNOWN DISTANCE UPGRADE	257		257		257	0		257
AIR NATIONAL GUARD									
KOKEE AIR STATION	BASE CIVIL ENGR MAINTENANCE/MEDICAL FAC	220		220		220	0		220
HICKAM AFB	COMPOSITE AVIONICS/WEAPONS RELEASE FAC	4,250		4,250		4,250	0		4,250

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INSTALLATION	PROJECT	Revised FY89 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
AIR FORCE RESERVE									
HICKAM AFB	CIVIL ENGINEERING TRAINING FACILITY	990		990		990	0		990
	IDAHO								
AIR FORCE									
MOUNTAIN HOME AFB	ELEC WARFARE OPS AND MAINT FACILITIES	1,400		1,400		1,400	0		1,400
ARMY NATIONAL GUARD									
GOWEN FIELD	REGIONAL TRAINING SITE - MAINTENANCE	1,579		1,579		1,579	0		1,579
AIR NATIONAL GUARD									
BOISE AIRPORT	ADD/ALTER AVIONICS/ECM PODS	2,300		2,300		2,300	0		2,300
BOISE AIRPORT	ADD TO ENGINE I AND R SHOP	450		450		450	0		450
	ILLINOIS								
ARMY									
FORT SHERIDAN	CHILD CARE			0	2,400	2,400	(2,400)	2,400	2,400
FORT SHERIDAN	ALTER DINING FACILITY		880	880	880	880	0	880	880
ROCK ISLAND ARSENAL	MODIFICATION, PHASE IV			0	10,000	10,000	(10,000)	10,000	10,000
ROCK ISLAND ARSENAL	CHILD DEVELOPMENT CENTER	980		980		980	0		980
SAVANNA ARMY DEPOT	TRANSPORTATION TEST CENTER		1,800	1,800		0	1,800	1,800	1,800
SAVANNA ARMY DEPOT	AIR CONDITION AMMUNITION CENTER	470		470		470	0		470
NAVY									
NAVAL TRAINING CTR GREAT LAKES	APPLIED TRAINING FACILITIES IMPROVEMENT	2,690		2,690		2,690	0		2,690
NAVY PUB WORKS CTR GREAT LAKES	WATER STORAGE TANKS	1,930		1,930		1,930	0		1,930
NAVAL TRAINING CTR GREAT LAKES	APPLIED INSTRUCTION BUILDING ALTERATIONS	750		750		750	0		750
AIR FORCE									
CHANUTE AFB	UPGRADE STUDENT DORMITORIES	6,500		6,500		6,500	0		6,500
SCOTT AFB	HEADQUARTERS US TRANSPORTATION COMMAND	12,800		12,800		12,800	0		12,800
SCOTT AFB	RADAR APPROACH CONTROL FACILITY	1,100		1,100		1,100	0		1,100
SCOTT AFB	IN-FLIGHT MEAL PREPARATION FACILITY	600		600		600	0		600
ARMY NATIONAL GUARD									
SPARTA	100 PERSON ARMORY	1,457		1,457		1,457	0		1,457
URBANA	ARMORY			0	800	800	(800)	0	0
KANKAKEE	ARMED FORCES RESERVE CENTER	807		807		807	0		807
PEORIA	ARMED FORCES RESERVE CENTER	574		574		574	0		574
AIR NATIONAL GUARD									
CHICAGO-OHARE IAP	POWER CHECK PAD WITH SUPPRESSOR	400		400		400	0		400
GREATER PEORIA AIRPORT	OPERATIONS & MAINTENANCE COMPLEX PHASE III	12,900		12,900		12,900	0		12,900
ARMY RESERVE									
KANKAKEE	ARMED FORCES RESERVE CENTER W/MAINT FAC	1,928		1,928		1,928	0		1,928
PEORIA	ARMED FORCES RESERVE CENTER W/MAINT FAC	5,921		5,921		5,921	0		5,921
NAVY RESERVE									
NAS GLENVIEW	BEQ			0	4,900	4,900	(4,900)	0	0
NAS GLENVIEW	P-3 TACTICS TRAINER	670		670		670	0		670

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INSTALLATION	PROJECT	Revised FY89 Request	-------House-------		------Senate-------		House +/- Senate	Conference Agreement	
			Change to Request	Authorized	Change to Request	Senate Authorized		Change to Request	Authorized
	INDIANA								
AIR FORCE									
GRISSOM AFB	TRAFFIC MANAGEMENT FACILITY		1,850	1,850		0	1,850	1,850	1,850
ARMY NATIONAL GUARD									
CAMP ATTERBURY	RANGE, MODIFIED RECORD FIRE	334		334		334	0		334
CAMP ATTERBURY	TRNG SITE, TRAINING FACIILITIES PH 6A	2,732		2,732		2,732	0		2,732
AIR NATIONAL GUARD									
FT WAYNE MAP	ADD/ALTER AVIONICS SHOP FOR ECM	670		670		670	0		670
HULMAN FIELD	UPGRADE HANGAR AND SHOPS	900		900		900	0		900
ARMY RESERVE									
TERRE HAUTE	ARMY RESERVE CENTER/ADD/ALTER MAINT FAC	3,018		3,018		3,018	0		3,018
AIR FORCE RESERVE									
GRISSOM AFB	AGE SHOP/STORAGE	1,150		1,150		1,150	0		1,150
GRISSOM AFB	A-10 FACILITY			0	4,800	4,800	(4,800)	4,800	4,800
	IOWA								
ARMY NATIONAL GUARD									
BOONE	ARMY AVIATION SUPPORT FACILITY	2,490		2,490		2,490	0		2,490
CAMP DODGE	ORGANIZATIONAL MAINTENANCE SHOP	866		866		866	0		866
CAMP DODGE	RANGE, MODIFIED RECORD FIRE	532		532		532	0		532
CAMP DODGE	COMBINED SUPPORT MAINTENANCE SHOP	2,176		2,176		2,176	0		2,176
MASON CITY	200 PERSON ARMORY	1,139		1,139		1,139	0		1,139
MASON CITY	ORGANIZATIONAL MAINTENANCE SHOP	317		317		317	0		317
AIR NATIONAL GUARD									
SIOUX CITY MAP	POL COMPLEX	2,500		2,500		2,500	0		2,500
	KANSAS								
AIR FORCE									
MCCONNELL AFB	RELOCATE MAIN GATE		680	680		0	680	680	680
ARMY NATIONAL GUARD									
NICKELL BARRACKS	100 PERSON ARMORY	866		866		866	0		866
LEXENA	200 PERSON ARMORY	1,266		1,266		1,266	0		1,266
OLATHE	60 PERSON ARMORY	1,194		1,194		1,194	0		1,194
AIR NATIONAL GUARD									
MCCONNELL AFB	MUNITIONS MAINTENANCE & TRAINING COMPLEX	1,700		1,700		1,700	0		1,700
MCCONNELL AFB	FLIGHT SIMULATOR FACILITY	1,250		1,250		1,250	0		1,250
MCCONNELL AFB	ALTERNATE FUELS FACILITY	270		270		270	0		270
MCCONNELL AFB	POWER CHECK PAD WITH SUPPRESSOR	890		890		890	0		890

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INSTALLATION	PROJECT	Revised FY89 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
NAVY RESERVE									
NMCRC WICHITA	RESERVE CENTER ADDITION	2,100		2,100		2,100	0		2,100
	KENTUCKY								
ARMY									
FORT CAMPBELL	AIRCRAFT MAINTENANCE HANGAR	14,000		14,000		14,000	0		14,000
FORT CAMPBELL	HARDSTAND/TACTICAL EQUIPMENT SHOP	5,100		5,100		5,100	0		5,100
FORT CAMPBELL	CHAPEL	1,400		1,400		1,400	0		1,400
LEXINGTON-BLUEGRASS DEP ACT	CHEMICAL AREA SECURITY UPGRADE	770		770		770	0		770
NAVY									
NAVAL ORDNANCE STA LOUISVILLE	MACHINE SHOP AND WASTEWATER TREATMENT FAC	19,000		19,000		19,000	0		19,000
DEFENSE AGENCIES									
DEF REUTL & MKTG OFC FT CAMPBELL	COVERED AND-OPEN STORAGE	1,600		1,600		1,600	0		1,600
NAVY RESERVE									
MCRC FORT KNOX	RESERVE TRAINING BUILDING	1,600		1,600		1,600	0		1,600
	LOUISIANA								
NAVY									
NAVAL STATION LAKE CHARLES	SHIP SUPPORT PHASE II	3,700		3,700	1,300	5,000	(1,300)	0	3,700
AIR FORCE									
ENGLAND AFB	CONSOLIDATED BASE PERSONNEL OFFICE	3,100		3,100		3,100	0		3,100
BARKSDALE AFB	DORMITORY	7,300		7,300		7,300	0		7,300
ARMY NATIONAL GUARD									
COLUMBIA	60 PERSON ARMORY	1,054		1,054		1,054	0		1,054
AIR NATIONAL GUARD									
NEW ORLEANS NAS	ALTER HANGAR	750		750		750	0		750
NEW ORLEANS NAS	MISSILE MAINTENANCE FACILITY	1,900		1,900		1,900	0		1,900
ARMY RESERVE									
SHREVEPORT	CLASSROOM/STORAGE ADDITION	375		375		375	0		375
NAVY RESERVE									
NAVAL AIR STATION NEW ORLEANS	MAGAZINE ACCESS BRIDGE	290		290		290	0		290
NAVAL AIR STATION NEW ORLEANS	RESERVE TRAINING BUILDING	900		900		900	0		900
AIR FORCE RESERVE									
NEW ORLEANS NAS	MOBILITY STORAGE FACILITY	390		390		390	0		390

INSTALLATION	PROJECT	Revised FY89 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
	MAINE								
NAVY									
NAVAL AIR STATION BRUNSWICK	AIR EMISSIONS CONTROL	530		530		530	0		530
AIR FORCE									
LORING AFB	ALTER HEADQUARTERS COMMAND POST	2,100		2,100		2,100	0		2,100
LORING AFB	CONTROL TOWER CAB	900		900		900	0		900
ARMY NATIONAL GUARD									
GARDINER	RANGE, M-16 BAFFLED RIFLE	241		241		241	0		241
AIR NATIONAL GUARD									
SOUTH PORTLAND AF STATION	COMM/ELECTRONIC TRAINING FACILITY			0	988	988	(988)	988	988
BANGOR IAP	CONSTRUCT CREW READINESS FACILITY	600		600		600	0		600
	MARYLAND								
ARMY									
ABERDEEN PROVING GROUND	METAL WORK TRAINING FACILITY		8,600	8,600		0	8,600	8,600	8,600
ABERDEEN PROVING GROUND	CHEMICAL DEMILITARIZATION TRNG FAC	8,400		8,400		8,400	0		8,400
FORT DETRICK	UTILITIES EXTENSION	6,500		6,500		6,500	0		6,500
FORT RITCHIE	POWER ENHANCEMENT FACILITY - PH II	9,100		9,100		9,100	0		9,100
NAVY									
NAVAL MEDICAL CTR BETHESDA	MEDICAL DATA SERVICES FACILITY	5,930		5,930		5,930	0		5,930
NAVAL SFC WEAPONS CTR WHITE OAK	FABRICATION SHOP	2,540		2,540		2,540	0		2,540
NAVAL ACADEMY ANNAPOLIS	FAMILY SERVICES CENTER	540		540		540	0		540
NAVAL AIR TEST CENTER PATUXENT	OIL SPILL PREVENTION	1,250		1,250		1,250	0		1,250
DAVID TAYLOR RSCH CTR ANNAPOLIS	WELDING AND MATERIALS LABORATORY	1,860		1,860		1,860	0		1,860
SUITLAND	OPERATIONAL FACILITY PHASE I	58,952		58,952		58,952	0		58,952
NAV EXPLOSIVE ORD INDIAN HEAD	MUNITIONS DISASSEMBLY FACILITY	7,380		7,380		7,380	0		7,380
NAVAL ORDNANCE STA INDIAN HEAD	MESS HALL	1,270		1,270		1,270	0		1,270
AIR FORCE									
ANDREWS AFB	DORMITORY	2,550		2,550		2,550	0		2,550
DEFENSE AGENCIES									
DMA	PRODUCTION SAFETY FACILITY	5,209		5,209		5,209	0		5,209
FORT MEADE	FIRE SAFETY	2,230		2,230		2,230	0		2,230
FORT MEADE	DEFENSE ACCESS ROAD		10,000	10,000	12,000	12,000	(2,000)	12,000	12,000
ARMY NATIONAL GUARD									
HAVRE DE GRACE	COMBINED SUPPORT MAINTENANCE SHOP ALT.	200		200		200	0		200
AIR FORCE RESERVE									
ANDREWS AFB	ALTER AERIAL PORT FACILITY	360		360		360	0		360

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	MASSACHUSETTS								
AIR FORCE									
HANSCOM AFB	SYSTEM MANAGEMENT ENGINEERING FACILITY	12,400		12,400		12,400	0		12,400
ARMY RESERVE									
DEVENS	REGIONAL MEDICAL TRAINING CENTER	1,655		1,655		1,655	0		1,655
BROCKTON	ADD/ALTER USARC W/MAINT FAC	1,573		1,573		1,573	0		1,573
ATTLEBORO	ADD/ALTER USARC W/MAINT FAC	1,509		1,509		1,509	0		1,509
NAVY RESERVE									
MCRC CAMP EDWARDS	COMBAT VEHICLE MAINTENANCE FACILITY	330		330		330	0		330
NAVAL AIR STATION SOUTH WEYMOUTH	MAINTENACE TRAINING FACILITY	1,230		1,230		1,230	0		1,230
AIR FORCE RESERVE									
WESTOVER AFB	ADD/ALTER RESERVE OPERATIONAL TRAINING	2,495		2,495		2,495	0		2,495
WESTOVER AFB	ALTER AIRCRAFT MAINTENANCE SHOPS	2,650		2,650		2,650	0		2,650
	MICHIGAN								
AIR FORCE									
WURTSMITH AFB	KC135-COCKPIT PROCEDURES TRAINER SPT FAC	1,350		1,350		1,350	0		1,350
WURTSMITH AFB	FIRE STATION	3,000		3,000		3,000	0		3,000
WURTSMITH AFB	ALERT TAXIWAY BARRIER	640		640		640	0		640
WURTSMITH AFB	HEAT PLANT			0	5,700	5,700	(5,700)	5,700	5,700
ARMY NATIONAL GUARD									
TAYLOR COUNTY	ARMORY		2,353	2,353		0	2,353	2,353	2,353
CAMP GRAYLING	TRNG SITE, MEDICAL UNIT TRAINING FACILITY	456		456		456	0		456
YPSILANTI	ARMORY COMPLEX		3,091	3,091	3,091	3,091	0	3,091	3,091
AIR NATIONAL GUARD									
SELFRIDGE ANGB	FUEL SYSTEM MAINTENANCE DOCK	2,300		2,300		2,300	0		2,300
SELFRIDGE ANGB	ALTER JET FUEL OPERATIONS STORAGE	1,200		1,200		1,200	0		1,200
SELFRIDGE ANGB	ALTER AIRCRAFT ENGINE I & R SHOP	910		910		910	0		910
ARMY RESERVE									
PONTIAC	ADD/ALTER USARC W/MAINT FAC	1,596		1,596		1,596	0		1,596
KALAMAZOO	ADD/ALTER USARC W/MAINT FAC	2,491		2,491		2,491	0		2,491
	MINNESOTA								
ARMY NATIONAL GUARD									
CAMP RIPLEY	RANGE, TANK GUNNERY TABLE VIII	1,242		1,242		1,242	0		1,242
CAMP RIPLEY	RANGE, COMBAT PISTOL	241		241		241	0		241
CAMP RIPLEY	REGIONAL TRAINING SITE - MAINTENANCE	1,619		1,619		1,619	0		1,619
CAMP RIPLEY	TRNG SITE, TRAINING FACILITIES	3,656		3,656		3,656	0		3,656

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INSTALLATION	PROJECT	Revised FY89 Request	-------House------- Change to Request	Authorized	------Senate------- Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Authorized
AIR NATIONAL GUARD									
DULUTH ANGB	ADD TO AIRCRAFT ENGINE I & R SHOP	265		265		265	0		265
ARMY RESERVE									
FT SNELLING (MINNEAPOLIS)	BAND ROOM	200		200		200	0		200
NAVY RESERVE									
NMCRC ST PAUL	RESERVE CENTER ADDITION	2,000		2,000		2,000	0		2,000
AIR FORCE RESERVE									
MINN-ST PAUL IAP	AVIONICS SHOP	1,150		1,150		1,150	0		1,150
MINN-ST PAUL IAP	BASE CIVIL ENGINEERING COMPLEX	2,800		2,800		2,800	0		2,800
	MISSISSIPPI								
NAVY									
NAVAL AIR STATION MERIDIAN	BEQ UPGRADE		3,100	3,100		0	3,100	3,100	3,100
NAVAL CONST TNG CTR GULFPORT	BUILDERS INSTRUCTION BUILDING	1,880		1,880		1,880	0		1,880
NAVAL STATION PASCAGOULA	SHIP SUPPORT PHASE II	17,520		17,520	8,180	25,700	(8,180)	8,180	25,700
SUPERVISOR SHIPBLDG, PASCAGOULA	BEQ REHABILITATION			0	6,000	6,000	(6,000)	6,000	6,000
NAVAL CONST TNG CTR GULFPORT	STEELWORKERS TRAINING BUILDING	2,190		2,190		2,190	0		2,190
AIR FORCE									
KEESLER AFB	SECURITY POLICE OPERATIONS FACILITY	2,150		2,150		2,150	0		2,150
KEESLER AFB	ADD TO/UPGRADE DATA AUTOMATION CENTER	2,400		2,400		2,400	0		2,400
COLUMBUS AFB	MISSION SUPPORT COMPLEX	2,950		2,950		2,950	0		2,950
ARMY NATIONAL GUARD									
CAMP MCCAIN	OMS ADDITION							593	593
CAMP SHELBY	TRAINING AREA FACILITY			0	9,500	9,500	(9,500)	9,500	9,500
AIR NATIONAL GUARD									
ALLEN C THOMPSON FIELD	FUEL CELL MAINTENANCE CORROSION FAC	3,500		3,500		3,500	0		3,500
KEY FIELD	MEDICAL ADMINISTRATION			0	1,000	1,000	(1,000)	1,000	1,000
KEY FIELD	CE FACILITY			0	1,450	1,450	(1,450)	1,450	1,450
ARMY RESERVE									
BROOKHAVEN	ARMY RESERVE CENTER W/MAINT FAC	2,307		2,307		2,307	0		2,307
WAYNESBORO	LAND ACQUISITION	100		100		100	0		100
GREENWOOD	ADD/ALTER USARC W/MAINT FAC	1,336		1,336		1,336	0		1,336
NAVY RESERVE									
GULFPORT	SEABEE CENTER			0	6,500	6,500	(6,500)	6,500	6,500
AIR FORCE RESERVE									
KEESLER AFB	COMPOSITE TRAINING FACILITY	2,450		2,450		2,450	0		2,450

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INSTALLATION	PROJECT	Revised FY89 Request	House: Change to Request	House: Authorized	Senate: Change to Request	Senate: Senate Authorized	House +/- Senate	Conference Agreement: Change to Request	Conference Agreement: Authorized
	MISSOURI								
AIR FORCE									
WHITEMAN AFB	ATB BEDDOWN-UNDISTRIBUTED REDUCTION			0	(50,000)	(50,000)	50,000	(20,000)	(20,000)
WHITEMAN AFB	ATB-CONVOY ROAD	1,250		1,250		1,250	0		1,250
WHITEMAN AFB	ATB-ALTER MAINTENANCE HANGAR	12,800		12,800		12,800	0		12,800
WHITEMAN AFB	ATB-MISSION OPERATIONS CENTER	5,700		5,700		5,700	0		5,700
WHITEMAN AFB	ATB-AIRCRAFT PAVEMENTS-PHASE I	1,500		1,500		1,500	0		1,500
WHITEMAN AFB	ATB-HELICOPTER SUPPORT COMPLEX	3,200		3,200		3,200	0		3,200
WHITEMAN AFB	ATB-HYDRANT FUELING DISTRIBUTION	14,100		14,100		14,100	0		14,100
WHITEMAN AFB	ATB-RADAR APPROACH CONTROL FACILITY	1,600		1,600		1,600	0		1,600
WHITEMAN AFB	ATB-AIRCRAFT SUPPORT EQUIPMENT FACILITY	5,900		5,900		5,900	0		5,900
WHITEMAN AFB	ATB-AIRCRAFT PARTS CONTROL STORE	1,450		1,450		1,450	0		1,450
WHITEMAN AFB	CONSOLIDATED MISSILE WING MAINT CTRL CTR	4,800		4,800		4,800	0		4,800
WHITEMAN AFB	ATB-SOUND SUPPRESSOR SUPPORT	500		500		500	0		500
WHITEMAN AFB	ATB-MAINTENANCE CONTROL COMPLEX	4,200		4,200		4,200	0		4,200
WHITEMAN AFB	ATB-HYDRANT FUELING OUTLETS-MAINT DOCKS	4,000		4,000		4,000	0		4,000
WHITEMAN AFB	ATB-MAINTENANCE DOCK	4,500		4,500		4,500	0		4,500
WHITEMAN AFB	ATB-EXPAND UTILITY SYSTEM-PHASE I	18,800		18,800		18,800	0		18,800
DEFENSE AGENCIES									
FORT LEONARD WOOD	EMERGENCY ROOM ALTER	1,450		1,450		1,450	0		1,450
ARMY NATIONAL GUARD									
JEFFERSON CITY	U.S. PROPERTY & FISCAL OFFICER OFFICE	436	1,600	2,036		436	1,600	1,600	2,036
FESTUS	200 PERSON ARMORY	1,783		1,783		1,783	0		1,783
BOONEVILLE	60 PERSON ARMORY	848		848		848	0		848
MONETT	60 PERSON ARMORY	955		955		955	0		955
ARMY RESERVE									
KIRKSVILLE	LAND ACQUISITION	75	(75)	0		75	(75)	(75)	0
AIR FORCE RESERVE									
RICHARDS-GEBAUR	TACTICAL CLINIC	1,600		1,600		1,600	0		1,600
	MONTANA								
AIR FORCE									
MALMSTROM AFB	KC135R-BASE ENGINEER FACILITIES	1,250		1,250		1,250	0		1,250
MALMSTROM AFB	KC135R-ALERT CREW SUPPORT FACILITY	400		400		400	0		400
MALMSTROM AFB	KC135R-TRANSIENT AIRCRAFT MAINTENANCE FAC	410		410		410	0		410
MALMSTROM AFB	KC135R-UPGRADE UTILITIES	3,050		3,050		3,050	0		3,050
MALMSTROM AFB	KC135R-MISSION OPERATIONS FACILITIES	700		700		700	0		700
MALMSTROM AFB	KC135R-ADD/ALT PRECISION MEASUREMENT LAB	1,800		1,800		1,800	0		1,800
MALMSTROM AFB	KC135R-ADD/ALTER AIRCRAFT PARTS STORAGE	910		910		910	0		910
MALMSTROM AFB	KC135R-ALTER WEAPONS SYS MAINT CTRL FAC	1,250		1,250		1,250	0		1,250
MALMSTROM AFB	KC135R-AIRCRAFT MAINTENANCE SHOPS	7,300		7,300		7,300	0		7,300
MALMSTROM AFB	KC135R-VEHICLE READINESS FACILITY	2,400		2,400		2,400	0		2,400

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ARMY NATIONAL GUARD									
GLASCOW	RANGE, MULTI-PURPOSE INDOOR	336		336		336	0		336
CULBERTSON	ORGANIZATIONAL MAINTENANCE SHOP	556		556		556	0		556
LIVINGSTON	60 PERSON ARMORY	764		764		764	0		764
MISSOULA	ORGANIZATIONAL MAINTENANCE SHOP	607		607		607	0		607
	NEBRASKA								
AIR FORCE									
OFFUTT AFB	PHYSIOLOGICAL TRAINING FACILITY	2,450		2,450		2,450	0		2,450
DEFENSE AGENCIES									
DEF REUTIL & MKTG OFC OFFUTT AFB	COVERED STORAGE	430		430		430	0		430
ARMY NATIONAL GUARD									
HASTINGS	RANGE, MOUT ASSAULT COURSE	266		266		266	0		266
	NEVADA								
NAVY									
NAVAL AIR STATION FALLON	WAREHOUSE	1,850		1,850		1,850	0		1,850
NAVAL AIR STATION FALLON	MAINTENANCE HANGAR	6,120		6,120		6,120	0		6,120
NAVAL AIR STATION FALLON	AIRCRAFT MAINTENANCE FACILITIES	1,500		1,500		1,500	0		1,500
AIR FORCE									
INDIAN SPRINGS	MUNITIONS LOADING/REVETMENT	3,150		3,150		3,150	0		3,150
NELLIS AFB	FLIGHTLINE SECURITY FENCING	1,000		1,000		1,000	0		1,000
NELLIS AFB	AIRCRAFT MUNITIONS LOADING APRON	5,700		5,700		5,700	0		5,700
RENO IAP	FIRE SUPPRESSION SYSTEM	800		800		800	0		800
	NEW HAMPSHIRE								
AIR FORCE									
NEW BOSTON AIR FORCE STATION	EMERGENCY ELECTRIC POWER PLANT	4,500		4,500		4,500	0		4,500
PEASE AFB	ALTER ELECTRICAL SYSTEM			0	8,850	8,850	(8,850)	8,850	8,850
PEASE AFB	ADD-ALTER COMBAT ARMS TRAINING FACILITY	1,050		1,050		1,050	0		1,050
PEASE AFB	ENERGY PLANT CONVERSION			0	500	500	(500)	0	0
PEASE AFB	SECURITY IMPROVEMENTS	1,050		1,050		1,050	0		1,050
ARMY NATIONAL GUARD									
CONCORD	OMS ADDITION			0	344	344	(344)	0	0
AIR NATIONAL GUARD									
PEASE AFB	ADD/ALTER HANGAR FOR AIRCRAFT MAINT	5,000		5,000		5,000	0		5,000
ARMY RESERVE									
CONCORD	LAND ACQUISITION			0	150	150	(150)	150	150
LACONIA	LAND ACQUISITION			0	350	350	(350)	350	350
MANCHESTER	HARDSTAND			0	125	125	(125)	125	125

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NAVY RESERVE									
MANCHESTER	RESERVE CENTER			0	6,300	5,300	(6,300)	0	0
	NEW JERSEY								
ARMY									
FT DIX	RANGE MODERNIZATION	6,200		6,200		6,200	0		6,200
NAVY									
NAVAL WEAPONS STATION EARLE	DREDGING	18,600	11,800	30,400	11,800	30,400	0	11,800	30,400
AIR FORCE									
MCGUIRE AFB	ADD TO/UPGRADE PHYSICAL FITNESS CENTER	1,250		1,250		1,250	0		1,250
MCGUIRE AFB	SECURITY POLICE COMPLEX	2,300		2,300		2,300	0		2,300
ARMY NATIONAL GUARD									
WASHINGTON	ARMORY ADDITION/ALTERATION	1,629		1,629		1,629	0		1,629
TOMS RIVER	TRNG SITE, AVIATION TRAINING SITE	988		988		988	0		988
FT DIX	ORGANIZATIONAL MAINTENANCE SHOP	710		710		710	0		710
AIR NATIONAL GUARD									
ATLANTIC CITY	ADD/ALTER ROCKET CHECK OUT/STORAGE FAC	1,800		1,800		1,800	0		1,800
ATLANTIC CITY	ALTER ELECT DISTRIBUTION SYSTEM	340		340		340	0		340
WARREN GROVE RANGE	RANGE TOWERS/GUNNERY RANGE	300		300		300	0		300
	NEW MEXICO								
NAVY									
NAVAL ORD STATION WHITE SANDS	MISSILE TEST FACILITY	8,090		8,090		8,090	0		8,090
AIR FORCE									
CANNON AFB	F111-AIRCRAFT FUEL SYSTEM MAINT DOCKS	2,800		2,800		2,800	0		2,800
CANNON AFB	F111-AVIONICS FACILITY	1,300		1,300		1,300	0		1,300
HOLLOMAN AFB	DORMITORIES	2,900		2,900		2,900	0		2,900
KIRTLAND AFB	ADD TO OPERATIONAL TEST AND EVAL COMPLEX	3,100		3,100		3,100	0		3,100
KIRTLAND AFB	HIGH ENERGY RESEARCH AND TECH FACILITY	9,900		9,900		9,900	0		9,900
DEFENSE AGENCIES									
KIRTLAND	DENTAL CLINIC			0	2,550	2,550	(2,550)	2,550	2,550
ARMY NATIONAL GUARD									
CENTRAL	ARMORY			0	1,070	1,070	(1,070)	1,070	1,070
GRANTS	ARMORY			0	800	800	(800)	800	800
LAS VEGAS	ARMORY		1,313	1,313		0	1,313	1,313	1,313
SANTA FE	ORGANIZATIONAL MAINTENANCE SHOP	405		405		405	0		405
SANTA FE	U.S. PROPERTY & FISCAL OFFICER OFFICE BLDG	848		848		848	0		848
SANTA ROSA	ARMORY		819	819	800	800	19	800	800
TUCUMCARI	ARMORY			0	807	807	(807)	807	807

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	NEW YORK								
ARMY									
FORT DRUM	10TH MOUNTAIN DIVISION FACS PH III	[214,000]		[214,000]		[214,000]	0		[214,000]
U S MILITARY ACADEMY	CAMP NATURAL BRIDGE MODERNIZATION	8,600	(8,600)	0		8,600	(8,600)	(8,600)	0
U S MILITARY ACADEMY	RECORD FIRE RANGE MODERNIZATION	2,750		2,750		2,750	0		2,750
U S MILITARY ACADEMY	ACADEMIC FACILITY MODERNIZATION PHASE IV	5,900		5,900		5,900	0		5,900
U S MILITARY ACADEMY	REGIONAL SEWAGE SYSTEM CONNECTION	2,500		2,500		2,500	0		2,500
NAVY									
NAVAL STATION STATEN ISLAND	SHIP SUPPORT PHASE IV	33,395	(10,000)	23,395		33,395	(10,000)	(10,000)	23,395
AIR FORCE									
GRIFFISS AFB	ALERT TAXIWAY BARRIERS	700		700		700	0		700
GRIFFISS AFB	UPGRADE ELECTRICAL DISTRIBUTION SYSTEM	[10,400]		[10,400]		[10,400]	0		[10,400]
ARMY NATIONAL GUARD									
ALBANY	ARMY AVIATION SUPPORT FACILITY ADDITION	371		371		371	0		371
AIR NATIONAL GUARD									
HANCOCK FIELD	SPECIAL FUELS FACILITY	270		270		270	0		270
HANCOCK FIELD	POWER CHECK PAD WITH SUPPRESSOR	760		760		760	0		760
HANCOCK FIELD	AIRCRAFT ARRESTING SYSTEM	950		950		950	0		950
STEWART AIRPORT	AUTOMOTIVE MAINTENANCE SHOP	3,100		3,100		3,100	0		3,100
AIR FORCE RESERVE									
NIAGARA FALLS IAP	ADD/ALTER MEDICAL TRAINING FACILITY	900		900		900	0		900
	NORTH CAROLINA								
ARMY									
FORT BRAGG	SPECIAL FORCES OPERATIONS COMPLEX	17,000		17,000		17,000	0		17,000
FORT BRAGG	COMPANY OPERATIONS FACILITIES	7,900		7,900		7,900	0		7,900
FORT BRAGG	SEWAGE TREATMENT PLANT UPGRADE	7,900		7,900		7,900	0		7,900
FORT BRAGG	APPLIED INSTRUCTION FACILITY	3,802		3,802		3,802	0		3,802
NAVY									
MARINE CORPS BASE CAMP LEJEUNE	COMBINED ARMS STAFF TRAINER FACILITY	1,640		1,640		1,640	0		1,640
MARINE CORPS BASE CAMP LEJEUNE	CHILD CARE CENTER	1,040		1,040		1,040	0		1,040
MARINE CORPS BASE CAMP LEJEUNE	BACHELOR ENLISTED QUARTERS	16,220		16,220		16,220	0		16,220
MARINE CORPS BASE CAMP LEJEUNE	AIR EMISSIONS CONTROL	600		600		600	0		600
MARINE CORPS BASE CAMP LEJEUNE	INFANTRY SCHOOL	2,210		2,210		2,210	0		2,210
MARINE CORPS BASE CAMP LEJEUNE	REMOTE PILOTED VEHICLE OPERS MAINT FAC	1,740		1,740		1,740	0		1,740
MCAS CHERRY POINT	GUNNERY RANGE MODERNIZATION	1,880		1,880		1,880	0		1,880
MCAS CHERRY POINT	CONTROL TOWER	3,010		3,010		3,010	0		3,010
MCAS CHERRY POINT	SHOP VENTILATION IMPROVEMENTS	560		560		560	0		560
MCAS CHERRY POINT	FORWARD TRAINING AREA	8,280		8,280		8,280	0		8,280
MCAS CHERRY POINT	BACHELOR ENLISTED QUARTERS	16,910		16,910		16,910	0		16,910
MCAS CHERRY POINT	CHILD CARE CENTER	1,740		1,740		1,740	0		1,740
MCAS NEW RIVER	ORDNANCE OPERATIONS BUILDING	500		500		500	0		500
MCAS NEW RIVER	MAINTENANCE HANGAR MODERNIZATION	5,550		5,550		5,550	0		5,550
MCAS NEW RIVER	COMBAT AIRCRAFT ORDNANCE LOADING AREA	2,350		2,350		2,350	0		2,350

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INSTALLATION	PROJECT	Revised FY89 Request	House: Change to Request	House: Authorized	Senate: Change to Request	Senate: Senate Authorized	House +/- Senate	Conference Agreement: Change to Request	Conference Agreement: Authorized
AIR FORCE									
SEYMOUR JOHNSON AFB	ADD TO/UPGRADE CORROSION CONTROL FACILITY	3,050		3,050		3,050	0		3,050
DEFENSE AGENCIES									
SEYMOUR JOHNSON AFB	MEDICAL FACILITY SAFETY	3,700		3,700		3,700	0		3,700
ARMY NATIONAL GUARD									
TAYLORSVILLE	60 PERSON ARMORY	683		683		683	0		683
AIR NATIONAL GUARD									
DOUGLAS MAP	AIRCRAFT PARKING APRON	4,800		4,800		4,800	0		4,800
AIR FORCE RESERVE									
SEYMOUR JOHNSON AFB	RESERVE OPERATIONAL AND TRAINING (KC-10)	2,000		2,000		2,000	0		2,000
	NORTH DAKOTA								
AIR FORCE									
GRAND FORKS AFB	ALERT TAXIWAY BARRIER	340		340		340	0		340
GRAND FORKS AFB	ALERT AIRCRAFT SECURITY SCREENS	4,350		4,350		4,350	0		4,350
GRAND FORKS AFB	B52-AIRCRAFT PARTS STORAGE FACILITY	2,400		2,400		2,400	0		2,400
GRAND FORKS AFB	ALTER DORMITORIES	2,350		2,350		2,350	0		2,350
GRAND FORKS AFB	B1B-ADD TO AND UPGRADE EQUIP CORROSN CTRL	2,150		2,150		2,150	0		2,150
GRAND FORKS AFB	B1B-MUNITIONS LOAD CREW TRAINING FAC	1,700		1,700		1,700	0		1,700
MINOT AFB	EDUCATION CENTER	3,200		3,200		3,200	0		3,200
MINOT AFB	COMMUNICATIONS FACILITY	3,050		3,050		3,050	0		3,050
ARMY NATIONAL GUARD									
BISMARCK	ORGANIZATIONAL MAINTENANCE SHOP	1,232		1,232		1,232	0		1,232
	OHIO								
AIR FORCE									
WRIGHT-PATTERSON AFB	ADD TO/UPGRADE SPECIAL OPS INTEL FAC	7,717		7,717		7,717	0		7,717
WRIGHT-PATTERSON AFB	ADD-ALTER AIRCRAFT MODIFICATION CENTER	2,088		2,088		2,088	0		2,088
WRIGHT-PATTERSON AFB	ADD TO/UPGRADE AFLC HEADQUARTERS CMD POST	1,650		1,650		1,650	0		1,650
ARMY NATIONAL GUARD									
MCCONNELSVILLE	TRAINING SITE			0	914	914	(914)	914	914
MCCONNELSVILLE	OMS SHOP			0	1,153	1,153	(1,153)	1,153	1,153
MCCONNELSVILLE	ARMORY		4,669	4,669		0	4,669	4,669	4,669
AIR NATIONAL GUARD									
TOLEDO EXPRESS AIRPORT	ADD TO BASE SUPPLY	300		300		300	0		300
ARMY RESERVE									
DELAWARE	ADD/ALTER USARC W/MAINT FAC	1,355		1,355		1,355	0		1,355
CHILLICOTHE	ADD/ALTER USARC W/MAINT FAC	1,266		1,266		1,266	0		1,266
ZANESVILLE	MAINT FAC/PARKING	275		275		275	0		275

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NAVY RESERVE									
NMCRC TOLEDO	RESERVE TRAINING BUILDING	3,900		3,900		3,900	0		3,900
AIR FORCE RESERVE									
YOUNGSTOWN MAP	UPGRADE DINING HALL	1,000		1,000		1,000	0		1,000
YOUNGSTOWN MAP	MEDICAL TRAINING FACILITY	1,850		1,850		1,850	0		1,850
	OKLAHOMA								
ARMY									
FORT SILL	MAINTENANCE FACILITY	3,700		3,700		3,700	0		3,700
NAVY									
NAVAL AIR DET TINKER AFB	SPECIAL WARFARE UNIT	38,080		38,080		38,080	0		38,080
AIR FORCE									
ALTUS AFB	LAND ACQUISITION		2,300	2,300	2,300	2,300	0	2,300	2,300
TINKER AFB	B1B-AVIONICS FAC/LAND ACQUISITION	11,400		11,400		11,400	0		11,400
TINKER AFB	SECURITY POLICE OPERATIONS FACILITY	1,250		1,250		1,250	0		1,250
DEFENSE AGENCIES									
FORT SILL	HOSPITAL PHASE II		54,000	54,000	27,000	27,000	27,000	27,000	27,000
ARMY NATIONAL GUARD									
TULSA	ORGANIZATIONAL MAINTENANCE SHOP	400		400		400	0		400
HUGO	ARMORY		700	700		0	700	700	700
AIR NATIONAL GUARD									
TULSA IAP	FIRE SUPPRESSION SYSTEM	800		800		800	0		800
ARMY RESERVE									
MIDWEST CITY	ADD/ALTER AFRC	3,727		3,727		3,727	0		3,727
PONCA CITY	ADD/ALTER USARC W/MAINT FAC	1,336		1,336		1,336	0		1,336
NAVY RESERVE									
NMCRC OKLAHOMA	RESERVE CENTER ADDITION	2,350		2,350		2,350	0		2,350
AIR FORCE RESERVE									
TINKER AFB	ADD FIRE PROTECTION FUEL SYSTEM HANGAR	660		660		660	0		660
TINKER AFB	CIVIL ENGINEERING TRAINING FACILITY	780		780		780	0		780

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INSTALLATION	PROJECT	Revised FY89 Request	-------House------- Change to Request	Authorized	------Senate------- Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Authorized
	OREGON								
ARMY									
UMATILLA ARMY DEPOT	CHEMICAL AREA SECURITY UPGRADE	3,600		3,600		3,600	0		3,600
ARMY NATIONAL GUARD									
REDMOND	UNIT TRAINING EQUIPMENT SITE ADD/ALT	693		693		693	0		693
AIR NATIONAL GUARD									
PORTLAND IAP	ADD TO AIRCRAFT ENGINE I & R SHOP	300		300		300	0		300
PORTLAND IAP	ALERT FACILITIES	2,000		2,000		2,000	0		2,000
PORTLAND IAP	AVIONICS FACILITY	1,600		1,600		1,600	0		1,600
PORTLAND IAP	POWER CHECK PAD WITH SUPPRESSOR	990		990		990	0		990
ARMY RESERVE									
CORVALLIS	UPGRADE KITCHEN	150		150		150	0		150
AIR FORCE RESERVE									
PORTLAND IAP	CIVIL ENGINEERING TRAINING FACILITY	750		750		750	0		750
	PENNSYLVANIA								
ARMY									
LETTERKENNY ARMY DEPOT	INDUSTRIAL WASTE TREATMENT PLANT	1,900		1,900		1,900	0		1,900
NEW CUMBERLAND AD	ENERGY CONSERVATION ALTERATIONS	1,800	(1,800)	0	(1,800)	0	0	(1,800)	0
NAVY									
NAVAL AIR DEV CENTER WARMINSTER	BACHELOR ENLISTED QUARTERS IMPROVEMENTS	1,270		1,270		1,270	0		1,270
NAVY SHIP CENTER PHILADELPHIA	WATER DISTRIBUTION SYSTEM PHASE II		10,300	10,300	8,200	8,200	2,100	10,300	10,300
NAVY SHIP CENTER MECHANICSBURG	ADMINISTRATIVE OFFICE	2,050		2,050		2,050	0		2,050
NAVY AV SUPPLY OFF PHILADELPHIA	OFFICE ADDITION	1,400		1,400		1,400	0		1,400
DEFENSE AGENCIES									
DEFENSE DEPOT MECHANICSBURG	TRAILER LOADING/PARKING AREA/PAVING	460		460		460	0		460
ARMY NATIONAL GUARD									
LEWISBURG	ARMORY ADDITION ALTERATION	944		944		944	0		944
FT INDIANTOWN GAP	HELICOPTER PARKING AREA	269		269		269	0		269
FINLEYVILLE	RANGE, 25 METER BASIC BAFFLED	188		188		188	0		188
AIR NATIONAL GUARD									
GREATER PITTSBURGH IAP	ACCESS ROAD	5,000		5,000		5,000	0		5,000
ARMY RESERVE									
MEADVILLE	ADD/ALT USARC W/MAINT FAC	1,602		1,602		1,602	0		1,602
STATE COLLEGE	ADD/ALTER USARC W/MAINT FAC	1,509		1,509		1,509	0		1,509
NAVY RESERVE									
NAS WILLOW GROVE	RESASWTRACEN ADDITION	2,300		2,300		2,300	0		2,300
NAS WILLOW GROVE	AIR OPERATRIONS AND TERMINAL BUILDING	1,900		1,900		1,900	0		1,900

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AIR FORCE RESERVE									
GREATER PITTSBURGH IAP	IMPROVE BASE ACCESS ROAD	1,650		1,650		1,650	0		1,650
	RHODE ISLAND								
NAVY									
NAVAL ED & TNG CTR NEWPORT	ELECTRICAL DISTRIBUTION SYSTEM IMPROVEMNTS	7,600		7,600		7,600	0		7,600
SFC WARFARE OFF SCH CMD NEWPORT	COMBAT SYSTEMS TRAINER BUILDING	4,750		4,750		4,750	0		4,750
NAVAL JUSTICE SCHOOL NEWPORT	LEGAL TRAINING BUILDING	2,060		2,060		2,060	0		2,060
NAVAL ED & TNG CTR NEWPORT	WATER DISTRIBUTION SYSTEM IMPROVEMENTS	3,960		3,960		3,960	0		3,960
AIR NATIONAL GUARD									
COVENTRY AGS	ADD/ALTER BUILDINGS PHASE III	1,350		1,350		1,350	0		1,350
	SOUTH CAROLINA								
NAVY									
NAVAL HOSPITAL BEAUFORT	BACHELOR ENLISTED QUARTERS	2,260		2,260		2,260	0		2,260
NAVAL SHIPYARD CHARLESTON	FIRE PROTECTION SYSTEMS	640		640		640	0		640
NAVAL SUPPLY CENTER CHARLESTON	BULK FUEL LOADING AND UNLOADING FACILITY	1,090		1,090		1,090	0		1,090
NAVAL WEAPONS STATION CHARLESTON	MISSILE MAGAZINES	3,620		3,620		3,620	0		3,620
NAVAL WEAPONS STATION CHARLESTON	MISSILE FACILITY	9,400		9,400		9,400	0		9,400
NAVAL WEAPONS STATION CHARLESTON	VERTICAL LAUNCH MISSILE FACILITY	2,470		2,470		2,470	0		2,470
NAVAL WEAPONS STATION CHARLESTON	ELECTRICAL DISTRIBUTION SYSTEM	2,900		2,900		2,900	0		2,900
NAVAL WEAPONS STATION CHARLESTON	TORPEDO MAINTENANCE FACILITY	3,390		3,390		3,390	0		3,390
NAVAL WEAPONS STATION CHARLESTON	INERT STOREHOUSE	470		470		470	0		470
AIR FORCE									
CHARLESTON AFB	C17-FLIGHT SIMULATOR TRAINING FACILITY	5,000		5,000		5,000	0		5,000
CHARLESTON AFB	ADD/ALTER RECREATION CENTER		590	590		0	590	0	0
CHARLESTON AFB	ADD/ALTER CHILD DEVELOPMENT CENTER		490	490		0	490	0	0
DEFENSE AGENCIES									
PARRIS ISLAND	DENTAL CLINIC ADD/ALTER	4,100		4,100		4,100	0		4,100
ARMY NATIONAL GUARD									
FORT JACKSON	NONCOMMISSIONED OFFICER ACADEMY	1,176		1,176		1,176	0		1,176
AIR NATIONAL GUARD									
MCENTIRE	BASE ENGINEER MAINTENANCE FACILITY	1,150		1,150		1,150	0		1,150
MCENTIRE	FIRE SUPPRESSION SYSTEM	900		900		900	0		900
MCENTIRE	FUEL SYSTEMS MAINT CORROSION CONTROL FAC	1,100		1,100		1,100	0		1,100
ARMY RESERVE									
GREENWOOD	ADD/ALTER USARC W/MAINT FAC	1,850		1,850		1,850	0		1,850
AIR FORCE RESERVE									
CHARLESTON AFB	CIVIL ENGINEERING TRAINING FACILITY	620		620		620	0		620

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		Revised FY89	-------House-------		------Senate-------		House +/-	Conference Agreement	
INSTALLATION	PROJECT	Request	Change to Request	Authorized	Change to Request	Senate Authorized	Senate	Change to Request	Authorized
	SOUTH DAKOTA								
AIR FORCE									
ELLSWORTH AFB	B1B-MUNITIONS LOAD CREW TRAINING FAC	1,700		1,700		1,700	0		1,700
ELLSWORTH AFB	IMPROVE BASE TRAFFIC FLOW	1,650		1,650		1,650	0		1,650
ELLSWORTH AFB	STRATEGIC WARFARE CENTER	5,300		5,300		5,300	0		5,300
ARMY NATIONAL GUARD									
RAPID CITY	200 PERSON ARMORY	1,614		1,614		1,614	0		1,614
	TENNESSEE								
NAVY									
NAS MEMPHIS	TRAINING FACILITY			0	10,090	10,090	(10,090)	10,090	10,090
AIR FORCE									
ARNOLD ENGINEERING DEV CENTER	LARGE ROCKET TEST FACILITY (J-6)	50,000		50,000		50,000	0		50,000
ARNOLD ENGINEERING DEV CENTER	INDEPENDENT WIND TUNNEL DRIVE SYSTEM	23,000		23,000		23,000	0		23,000
ARNOLD ENGINEERING DEV CENTER	UPGRADE STEAM PLANT	7,800		7,800		7,800	0		7,800
ARMY NATIONAL GUARD									
MILAN	TRNG SITE, TRAINING FACILITIES PH II	1,556		1,556		1,556	0		1,556
TRENTON	ARMORY			0	1,500	1,500	(1,500)	1,500	1,500
AIR NATIONAL GUARD									
MCGHEE-TYSON AIRPORT	PROFESSIONAL MILITARY EDUC CENTER PHASE II	4,300		4,300		4,300	0		4,300
NAVY RESERVE									
NAS MEMPHIS	AIRCRAFT RINSE FACILITY	1,100		1,100		1,100	0		1,100
NAS MEMPHIS	RESERVE TRAINING AND ADMIN BUILDING	3,800		3,800		3,800	0		3,800
	TEXAS								
ARMY									
CORPUS CHRISTI ARMY DEPOT	AIRFRAMES SUPPORT FACILITY	4,900		4,900		4,900	0		4,900
CORPUS CHRISTI ARMY DEPOT	AIRCRAFT MAINTENANCE SHOP ADDITION	2,500		2,500		2,500	0		2,500
FORT BLISS	BARRACKS MODERNIZATION		7,100	7,100		0	7,100	0	0
FORT BLISS	TACTICAL EQUIPMENT SHOP		3,800	3,800		0	3,800	3,800	3,800
FORT HOOD	BATTLE SIMULATION FACILITIY	9,000		9,000		9,000	0		9,000
FORT HOOD	CHILD DEVELOP/CHAPEL/RELIGIOUS ED FAC	6,900		6,900		6,900	0		6,900
FORT SAM HOUSTON	CHILD DEVELOPMENT CENTER/RELIGIOUS ED CTR	3,250		3,250		3,250	0		3,250
RED RIVER ARMY DEPOT	WEATHERIZE BUILDINGS	400		400		400	0		400
RED RIVER ARMY DEPOT	CENTRAL DISTRIBUTION CENTER - PHASE II	10,000		10,000	[88,400]	10,000	0		10,000
NAVY									
NAVAL STATION INGLESIDE	SHIP SUPPORT PHASE II	31,850		31,850		31,850	0		31,850
NAVAL STATION GALVESTON	SHIP SUPPORT PHASE II	8,110		8,110	6,390	14,500	(6,390)	0	8,110

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INSTALLATION	PROJECT	Revised FY89 Request	-------House------- Change to Request	Authorized	------Senate------- Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Authorized
AIR FORCE									
BERGSTROM AFB	NCO PROFESSIONAL EDUCATION CENTER	2,800		2,800		2,800	0		2,800
BROOKS AFB	VEHICLE MAINTENANCE SHOP		2,750	2,750		0	2,750	2,750	2,750
CARSWELL AFB	DINING FACILITY	3,500		3,500		3,500	0		3,500
DYESS AFB	CONTROL TOWER	2,000		2,000		2,000	0		2,000
DYESS AFB	B1B-ADD/ALTER ACFT MAINT MACHINE SHOP	520		520		520	0		520
DYESS AFB	B1B-DIVISION OPERATIONS FACILITY	950		950		950	0		950
GOODFELLOW AFB	VEHICLE MAINTENANCE FACILITY	2,350		2,350		2,350	0		2,350
KELLY AFB	DEPOT WAREHOUSE	17,500		17,500		17,500	0		17,500
KELLY AFB	AIRCRAFT CORROSION CONTROL FACILITY	8,800		8,800		8,800	0		8,800
KELLY AFB	ADD TO HAZARDOUS MATERIAL STORAGE FAC	3,000		3,000		3,000	0		3,000
LACKLAND AFB	DLI-LANGUAGE TRAINING LABORATORY	12,000		12,000		12,000	0		12,000
LACKLAND AFB	EMERGENCY POWER PLANT	2,039		2,039		2,039	0		2,039
LAUGHLIN AFB	ADD TO VEHICLE MAINTENANCE COMPLEX	980		980		980	0		980
LAUGHLIN AFB	PETROLEUM OPERATIONS COMPLEX	930		930		930	0		930
RANDOLPH AFB	STUDENT DORMITORIES	4,400		4,400		4,400	0		4,400
RANDOLPH AFB	ALTER TECHNICAL TRAINING MGMT FACILITY	1,750		1,750		1,750	0		1,750
RANDOLPH AFB	MANPOWER ANALYSIS FACILITY	[2,400]		[2,400]		[2,400]	0		[2,400]
REESE AFB	SURVIVAL EQUIPMENT SHOP	990		990		990	0		990
SHEPPARD AFB	STUDENT DORMITORY	9,500		9,500		9,500	0		9,500
SHEPPARD AFB	FUEL CELL REPAIR FACILITY	1,200		1,200		1,200	0		1,200
DEFENSE AGENCIES									
CORPUS CHRISTI	HOSPITAL SAFETY	6,100		6,100		6,100	0		6,100
DYESS AFB	HOSPITAL SAFETY	950		950		950	0		950
FORT SAM HOUSTON	HOSPITAL REPLACEMENT PHASE I	23,000		23,000		23,000	0		23,000
DEF REUTIL & MKTG CARSWELL AFB	COVERED STORAGE	350		350		350	0		350
ARMY NATIONAL GUARD									
ELLINGTON ANG BASE (HOUSTON)	ORGANIZATIONAL MAINTENANCE SHOP	395		395		395	0		395
ELLINGTON ANG BASE (HOUSTON)	ARMY AVIATION SUPPORT FACILITY	1,960		1,960		1,960	0		1,960
ELLINGTON ANG BASE (HOUSTON)	200 PERSON ARMORY	2,293		2,293		2,293	0		2,293
AIR NATIONAL GUARD									
ELLINGTON ANGB	ALTER BLDG 1358 FOR BCE & ADMIN	340		340		340	0		340
ELLINGTON ANGB	ADD/ALTER BLDG 1380 AGE FACILITY	350		350		350	0		350
DALLAS NAS	WEAPONS SYSTEM SECURITY/MEDICAL TNG/ADMIN	2,100		2,100		2,100	0		2,100
ARMY RESERVE									
HARLINGEN	ARMED FORCES RESERVE CENTER W/MAINT FAC	2,739		2,739		2,739	0		2,739
SEAGOVILLE	LOCAL TRAINING AREA	2,184		2,184		2,184	0		2,184
SEAGOVILLE	ADD/ALTER USARC W/MAINT FAC	5,003		5,003		5,003	0		5,003
FORT HOOD	REGIONAL MAINTENANCE TRAINING SITE	2,504		2,504		2,504	0		2,504
AMARILLO	UPGRADE KITCHEN	200		200		200	0		200
HOUSTON (OLD SPANISH TRAIL)	PURCHASE USARC W/MAINT FAC	2,500		2,500		2,500	0		2,500

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NAVY RESERVE									
NAVAL AIR STATION DALLAS	FIRE & RESCUE STATION STORAGE ADDITION	355		355		355	0		355
NMCRC DALLAS	RESERVE CENTER ADDITION	3,300		3,300		3,300	0		3,300
NMCRC HARLINGEN	RESERVE TRAINING BUILDING	2,600		2,600		2,600	0		2,600
AIR FORCE RESERVE									
CARSWELL AFB	COMPOSITE MAINTENANCE SHOPS	3,550		3,550		3,550	0		3,550
CARSWELL AFB	FUEL SYSTEMS MAINTENANCE HANGAR	2,550		2,550		2,550	0		2,550
CARSWELL AFB	ALTER AVIONICS SHOP	2,100		2,100		2,100	0		2,100
CARSWELL AFB	MUNITIONS STORAGE	310		310		310	0		310
CARSWELL AFB	ALTER MAINTENANCE SHOPS	1,000		1,000		1,000	0		1,000
KELLY AFB	COMPOSITE MAINTENANCE FACILITY	2,700		2,700		2,700	0		2,700
KELLY AFB	OUTDOOR WASHRACK	1,200		1,200		1,200	0		1,200
	UTAH								
ARMY									
TOOELE ARMY DEPOT	CHEMICAL AREA SECURITY UPGRADE	5,700		5,700		5,700	0		5,700
TOOELE ARMY DEPOT	AMMUNITION DEMILITARIZATION FACILITY	49,600		49,600		49,600	0		49,600
TOOELE ARMY DEPOT	CONSOLIDATED MAINTENANCE FACILITY MOD	37,000		37,000		37,000	0		37,000
DUGWAY PROVING GROUND	CHEMICAL LABORATORY FACILITY	12,800		12,800		12,800	0		12,800
AIR FORCE									
HILL AFB	ADD TO/UPGRADE METAL PROCESSING SHOP	1,600		1,600		1,600	0		1,600
HILL AFB	COMBAT LOGISTICS SUPPORT FACILITY	3,700		3,700		3,700	0		3,700
HILL AFB	LANTIRN AVIONICS FACILITY	810		810		810	0		810
HILL AFB	SOUND SUPPRESSOR SUPPORT FACILITY	880		880		880	0		880
HILL AFB	TACTICAL AIRCRAFT CONTROL OPERATIONS FAC	3,750		3,750		3,750	0		3,750
DEFENSE AGENCIES									
DEFENSE DEPOT OGDEN	ADP FACILITY	6,000		6,000		6,000	0		6,000
AIR NATIONAL GUARD									
SALT LAKE CITY IAP	ELECTRONICS SECURITY COMPLEX	2,800		2,800		2,800	0		2,800
AIR FORCE RESERVE									
HILL AFB	ADD/ALTER RESERVE OPERATIONAL TRAINING	1,640		1,640		1,640	0		1,640
	VERMONT								
ARMY NATIONAL GUARD									
ETHAN ALLEN	400 PERSON ARMORY	4,001		4,001		4,001	0		4,001

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INSTALLATION	PROJECT	Revised FY89 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
	VIRGINIA								
ARMY									
FORT EUSTIS	EMERGENCY SERVICES BUILDING		2,500	2,500		0	2,500	2,500	2,500
FORT PICKETT	CENTRAL WASH FACILITY	4,000		4,000		4,000	0		4,000
FORT EUSTIS	APPLIED INSTRUCTION FACILITY	2,500		2,500		2,500	0		2,500
FORT A P HILL	UTILITIES AND TRAINING FACILITY UPGRADE	5,900		5,900	4,000	9,900	(4,000)	4,000	9,900
FORT LEE	PETROLEUM FIELD TRAINING FACILITY		4,800	4,800		0	4,800	4,800	4,800
VINT HILL FARMS STATION	WAREHOUSE ADDITION	800		800		800	0		800
NAVY									
MARINE CORPS CBT CMD QUANTICO	TRAINING RANGE IMPROVEMENTS	4,800		4,800		4,800	0		4,800
MARINE CORPS CBT CMD QUANTICO	BACHELOR ENLISTED QUARTERS	7,700		7,700		7,700	0		7,700
MARINE CORPS CBT CMD QUANTICO	APPLIED INSTRUCTION BUILDING	1,790		1,790		1,790	0		1,790
MARINE CORPS DET CAMP ELMORE	AMPHIBIOUS BRIGADE SUPPORT COMPLEX	1,690		1,690		1,690	0		1,690
MARINE ENV SYSTEMS FAC DAM NECK	BOAT STORAGE FACILITIES	5,000		5,000		5,000	0		5,000
FLT CBT TNG CTR ATL DAM NECK	RADARMAN TRAINING BUILDING ADDITION	4,700		4,700		4,700	0		4,700
NAV GUIDED MISSILES SCH DAM NECK	FIRE FIGHTING TRAINER FACILITY	4,450		4,450		4,450	0		4,450
NAVAL AIR STATION OCEANA	STORAGE BUILDING ADDITIONS	790		790		790	0		790
NAVAL AIR STATION OCEANA	TACTICAL AIRCREW TRAINING SYSTEM COMPLEX	1,900		1,900		1,900	0		1,900
NAVAL AMPHIB BASE LITTLE CREEK	BOAT SHOP	8,270		8,270		8,270	0		8,270
NAVAL AMPHIB SCHOOL LITTLE CREEK	TRAINING FACILITIES	640		640		640	0		640
NAVAL SEC GP ACT NW CHESAPEAKE	PERSONNEL SUPPORT FACILITIES	4,310		4,310		4,310	0		4,310
NAVAL SEC GP ACT NW CHESAPEAKE	GYMNASIUM	1,090		1,090		1,090	0		1,090
NAVAL SFC WEAPONS CTR DAHLGREN	WEAPONS SYSTEM LABORATORY	6,840		6,840		6,840	0		6,840
NAVAL SFC WEAPONS CTR DAHLGREN	AEGIS EDUCATION CENTER ADDITION	8,470		8,470		8,470	0		8,470
NAVAL SFC WEAPONS CTR DAHLGREN	TARGET SUPPORT FACILITY	10,132		10,132		10,132	0		10,132
NAVAL SUPPLY CENTER WILLIAMSBURG	MUNICIPAL SEWER CONNECTION	3,300		3,300		3,300	0		3,300
NAVAL OPHT SPT ACT YORKTOWN	OPTHALMIC SUPPORT BLDG ADDN & ALTERATIONS	1,970		1,970		1,970	0		1,970
NAVAL WEAPONS STATION YORKTOWN	PIER MODERNIZATION	[7,870]		[7,870]		[7,870]	0		[7,870]
NAVAL WEAPONS STATION YORKTOWN	MISSILE MAGAZINES	7,470		7,470		7,470	0		7,470
NAVAL WEAPONS STATION YORKTOWN	MISSILE MAGAZINES	4,890		4,890		4,890	0		4,890
NAVAL WEAPONS STATION YORKTOWN	MISSILE FACILITY	[9,100]		[9,100]		[9,100]	0		[9,100]
ATLANTIC FLT HQ SPT ACT NORFOLK	ADMINISTRATIVE BUILDING ADDITION	1,700		1,700		1,700	0		1,700
NAVAL AVIATION DEPOT NORFOLK	MATERIALS AND STANDARDS LABORATORY	8,950		8,950		8,950	0		8,950
NAVAL LEGAL SERVICE OFF NORFOLK	NAVAL LEGAL SERVICE BUILDING ADDITION	1,080		1,080		1,080	0		1,080
NAVAL MEDICAL CLINIC NORFOLK	AVIATION PHYSIOLOGY TRAINING FACILITY	2,470		2,470		2,470	0		2,470
NAVAL SUPPLY CENTER NORFOLK	LARGE COMPONENT STORAGE	2,060		2,060		2,060	0		2,060
NAVAL SUPPLY CENTER NORFOLK	DRUM STORAGE AND ISSUE FACILITY	4,600		4,600		4,600	0		4,600
NAVY PUBLIC WORKS CENTER NORFOLK	STEAM PLANT IMPROVEMENTS	4,410		4,410		4,410	0		4,410
AIR FORCE									
LANGLEY AFB	TACTICAL AIRCRAFT CONTROL COMPLEX	[2,250]		[2,250]		[2,250]	0		[2,250]

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INSTALLATION	PROJECT	Revised FY89 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
DEFENSE AGENCIES									
FT BELVOIR	BUILDING CONVERSION	3,000		3,000		3,000	0		3,000
ARLINGTON SERVICE CENTER	DCA HQS ALTERATIONS BLDG 12	742		742		742	0		742
CHEATHAM ANNEX	COLD STORAGE FACILITY	450		450		450	0		450
ARMY NATIONAL GUARD									
HARRISONBURG	ARMORY ADDITION/ALTERATION	830		830		830	0		830
WARRENTON	ARMORY ADDITION/ALTERATION	445		445		445	0		445
GATE CITY	ORGANIZATIONAL MAINTENANCE SHOP ADDITION	349		349		349	0		349
WEST POINT	ARMORY		1,420	1,420		0	1,420	1,420	1,420
PETERSBURG	ARMORY ADDITION/ALTERATION	1,031		1,031		1,031	0		1,031
COVINGTON/CLIFTON FORGE	100 PERSON ARMORY	1,071		1,071		1,071	0		1,071
SANDSTON	200 PERSON ARMORY	2,504		2,504		2,504	0		2,504
ARLINGTON HALL STATION	NATIONAL GUARD CENTER	21,900		21,900		21,900	0		21,900
ARMY RESERVE									
FORT EUSTIS	STORAGE/MAINT FAC	3,163		3,163		3,163	0		3,163
AIR FORCE RESERVE									
LANGLEY AFB	AERIAL PORT TRAINING FACILITY	530		530		530	0		530
	WASHINGTON								
ARMY									
FORT LEWIS	SPECIAL NEEDS SCHOOL		10,000	10,000		0	10,000	10,000	10,000
FORT LEWIS	HARDSTAND/TACTICAL EQUIPMENT SHOPS	9,800		9,800		9,800	0		9,800
NAVY									
TRIDENT BASE BANGOR	MAINTENANCE STORAGE FACILITY	990		990		990	0		990
NAVAL STATION EVERETT	CARRIER SUPPORT COMPLEX (INCREMENT IV)	52,950	(14,550)	38,400	(52,950)	0	38,400	(14,550)	38,400
NAVAL SUPPLY CTR BREMERTON	BULK STORAGE	5,740		5,740		5,740	0		5,740
NAVAL AIR STATION WHITBY	AIRCRAFT APRON	2,640		2,640		2,640	0		2,640
NAVAL AIR STATION WHITBY	AIRCRAFT MAINTENANCE	8,370		8,370		8,370	0		8,370
STRATEGIC WEAPONS FAC SILVERDALE	STRATEGIC WEAPONS FACILITIES	15,060		15,060		15,060	0		15,060
AIR FORCE									
FAIRCHILD AFB	CRUISE MISSILE SUPPORT FACILITIES	4,800		4,800		4,800	0		4,800
FAIRCHILD AFB	BEQ SURVIVAL SCHOOL		8,100	8,100		0	8,100	8,100	8,100
FAIRCHILD AFB	KC135-COCKPIT PROCEDURES TRAINER SPT FAC	930		930		930	0		930
FAIRCHILD AFB	COMBAT ARMS TRAINING AND MAINT FACS	1,400		1,400		1,400	0		1,400
FAIRCHILD AFB	ADD/ALTER ALERT CREW SUPPORT FACILITIES	2,350		2,350		2,350	0		2,350
MCCHORD AFB	ALTER DORMITORIES	9,300		9,300		9,300	0		9,300
MCCHORD AFB	DINING FACILITY	3,800		3,800		3,800	0		3,800
DEFENSE AGENCIES									
FT LEWIS	MADIGAN HOSPITAL PHASE IV	72,000		72,000		72,000	0		72,000

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INSTALLATION	PROJECT	Revised FY89 Request	House: Change to Request	House: Authorized	Senate: Change to Request	Senate: Authorized	House +/- Senate	Conference Agreement: Change to Request	Conference Agreement: Authorized
ARMY NATIONAL GUARD									
KENT	400 PERSON ARMORY	3,619		3,619		3,619	0		3,619
AIR NATIONAL GUARD									
FAIRCHILD AFB	COMPOSITE MAINTENANCE FACILITY	1,500		1,500		1,500	0		1,500
FOUR LAKES	COMM ELECTRONICS TRAINING FACILITY	300		300		300	0		300
ARMY RESERVE									
TUMWATER	UPGRADE KITCHEN	150		150		150	0		150
YAKIMA	EXPAND ARMY RESERVE CENTER	125		125		125	0		125
NAVY RESERVE									
NAS WHIDBEY ISLAND	ADMIN/TRAINING BUILDING	5,400		5,400		5,400	0		5,400
	WEST VIRGINIA								
ARMY NATIONAL GUARD									
PARKERSBURG	ARMY AVIATION SUPPORT FACILITY	5,048		5,048		5,048	0		5,048
CAMP DAWSON	TRNG SITE, TRAINING FACILIITES PH III	1,474		1,474		1,474	0		1,474
CAMP DAWSON	TRNG SITE, TRAINING FACILITIES PH II	2,237		2,237		2,237	0		2,237
BUCKHANNON	PROPERTY OFFICE ADDITION			0	325	325	(325)	325	325
AIR NATIONAL GUARD									
E WV REGIONAL APT (MARTINSBURG)	ALT VEHICLE MAINTENANCE			0	200	200	(200)	200	200
E WV REGIONAL APT (MARTINSBURG)	OPERATIONAL TRAINING FACILITY	3,000		3,000		3,000	0		3,000
E WV REGIONAL APT (MARTINSBURG)	COMPOSITE AVIONICS/NDI	740		740		740	0		740
KANAWHA COUNTY AIRPORT	ADD/ALTER JET FUEL STORAGE COMPLEX	1,700		1,700		1,700	0		1,700
KANAWHA COUNTY AIRPORT	SQUADRON OPERATIONS ADDITION	870		870		870	0		870
ARMY RESERVE									
BECKLEY	LAND ACQUISITION			0	175	175	(175)	175	175
PARKERSBURG	RESERVE CENTER			0	3,306	3,306	(3,306)	3,306	3,306
MORGANTOWN	LAND ACQUISITION			0	150	150	(150)	150	150
AIR FORCE RESERVE									
MORGANTOWN	CIVIL ENGINEERING TRAINING FACILITY	600		600		600	0		600
	WISCONSIN								
ARMY									
FORT MCCOY	ELECTRICAL SUBSTATION	2,100		2,100		2,100	0		2,100
AIR NATIONAL GUARD									
MITCHELL FIELD	SUPPORT FACILITIES		2,970	2,970		0	2,970	2,970	2,970
AIR FORCE RESERVE									
BILLY MITCHELL FIELD	COMPOSITE TRAINING FACILITY	1,700		1,700		1,700	0		1,700

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INSTALLATION	PROJECT	Revised FY89 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
	WYOMING								
AIR FORCE									
FE WARREN AFB	PEACEKEEPER-ROADS AND UTILITIES	2,100	(2,100)	0		2,100	(2,100)	(2,100)	0
FE WARREN AFB	PEACEKEEPER-MISSILE ASSEMBLY FACILITY	24,000	(24,000)	0		24,000	(24,000)	(24,000)	0
FE WARREN AFB	PEACEKEEPER-RAILROAD EXTENSION	5,100	(5,100)	0		5,100	(5,100)	(5,100)	0
FE WARREN AFB	MISSILE OPERATIONS FACILITY	4,000		4,000		4,000	0		4,000
FE WARREN AFB	UPGRADE DORMITORY	2,000		2,000		2,000	0		2,000
ARMY NATIONAL GUARD									
CAMP GUERNSEY	WATER TOWER	275		275		275	0		275
AIR NATIONAL GUARD									
CHEYENNE MAP	BASE ENGINEERING FACILITY	1,900		1,900		1,900	0		1,900
CHEYENNE MAP	DINING HALL/FIRE STATION	2,150		2,150		2,150	0		2,150
	CONUS CLASSIFIED								
AIR FORCE									
CLASSIFIED LOCATION	MILSTAR CMD/COMMUNICATIONS/MAINT FACILITY	4,000		4,000		4,000	0		4,000
DEFENSE AGENCIES									
CLASSIFIED LOCATION	CLASSIFIED PROJECT	4,200		4,200		4,200	0		4,200
CLASSIFIED LOCATION	CLASSIFIED PROJECT, NSA	20,000		20,000	(20,000)	0	20,000	0	20,000
	CONUS VARIOUS								
ARMY									
ACCESS ROADS	DEFENSE ACCESS ROADS	1,000		1,000		1,000	0		1,000
VARIOUS CONUS LOCATIONS	CLASSIFIED PROJECT	3,600		3,600		3,600	0		3,600
AIR FORCE									
BASE 80	SPECIAL SUPPORT FACILITIES	987		987		987	0		987
BASE 81	SPECIAL ACTIVITY FACILITIES	2,800		2,800		2,800	0		2,800

INSTALLATION	PROJECT	Revised FY89 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
	OUTSIDE THE UNITED STATES								
	ANTIGUA								
NAVY									
NAVAL SUPPORT FACILITY	SUPPORT FACILITY UPGRADE	6,470		6,470		6,470	0		6,470
	BELGIUM								
AIR FORCE									
KLEINE BROGEL	ALTER MUNITIONS STORAGE FACILITIES	1,900		1,900		1,900	0		1,900
	GERMANY								
ARMY									
ANSBACH	AIRCRAFT PARKING APRON	15,000		15,000		15,000	0		15,000
BAD KREUZNACH	FACILITY MODERNIZATION	[10,200]		[10,200]		[10,200]	0		[10,200]
BAUMHOLDER	ORGANIZATIONAL VEHICLE PARKING	[10,800]		[10,800]		[10,800]	0		[10,800]
FRIEDBERG	CHILD DEVELOPMENT CENTER	1,300		1,300		1,300	0		1,300
GIESSEN	HARDSTAND/FACILITY UPGRADE	6,300		6,300		6,300	0		6,300
GRAFENWOEHR TNG AREA	CLASS 1 STORAGE FACILITY	7,000		7,000		7,000	0		7,000
HOHENFELS TNG AREA	PHYSICAL FITNESS TRAINING CENTER	3,050		3,050		3,050	0		3,050
HOHENFELS TNG AREA	CHILD DEVELOPMENT CENTER	1,550		1,550		1,550	0		1,550
HOHENFELS TNG AREA	WAREHOUSE	3,300		3,300		3,300	0		3,300
HOHENFELS TNG AREA	OPERATIONS FACILITY	1,750		1,750		1,750	0		1,750
HOHENFELS TNG AREA	EDUCATION CENTER ADDITION	510		510		510	0		510
HOHENFELS TNG AREA	TACTICAL EQUIPMENT SHOP	9,400		9,400		9,400	0		9,400
HOHENFELS TNG AREA	DINING FACILITY	2,550		2,550		2,550	0		2,550
HOHENFELS TNG AREA	BARRACKS COMPLEX	13,600		13,600		13,600	0		13,600
HOHENFELS TNG AREA	TRAINING SUPPORT CENTER	1,250		1,250		1,250	0		1,250
KARLSRUHE	CHILD DEVELOPMENT CENTER	2,550		2,550		2,550	0		2,550
MAINZ	AIRCRAFT MAINTENANCE FACILITY	10,000		10,000		10,000	0		10,000
MAINZ	ORGANIZATIONAL VEHICLE PARKING	[1,100]		[1,100]		[1,100]	0		[1,100]
MAINZ	AMMUNITION STORAGE	1,850		1,850		1,850	0		1,850
MAINZ	UTILITIES SYSTEM EXPANSION	7,700		7,700		7,700	0		7,700
MANNHEIM	HARDSTAND/FACILITY UPGRADE	14,400		14,400		14,400	0		14,400
RHEINBERG	INDUSTRIAL OPERATIONS FACILITY	6,600		6,600		6,600	0		6,600
RHEINBERG	PHYSICAL FITNESS TRAINING CENTER	5,800		5,800		5,800	0		5,800
SCHWEINFURT	HARDSTAND/FACILITY UPGRADE	9,700		9,700		9,700	0		9,700
STUTTGART	CHILD DEVELOPMENT CENTER	3,350		3,350		3,350	0		3,350
STUTTGART	CHILD DEVELOPMENT CENTER	[1,800]		[1,800]		[1,800]	0		[1,800]
VARIOUS SITES	RANGE MODERNIZATION	13,000		13,000		13,000	0		13,000
VARIOUS SITES	WARTIME HOST NATION SUPPORT	5,000		5,000		5,000	0		5,000
VILSECK	GENERAL PURPOSE WAREHOUSE	2,000		2,000		2,000	0		2,000
VILSECK	HARDSTAND/TACTICAL EQUIPMENT SHOP	16,000		16,000		16,000	0		16,000
VILSECK	BARRACKS	9,000		9,000		9,000	0		9,000
VILSECK	FACILITIES ENGINEER COMPLEX	13,600		13,600		13,600	0		13,600
VILSECK	POST OFFICE	1,200		1,200		1,200	0		1,200
VILSECK	BATTALION HEADQUARTERS	1,750		1,750		1,750	0		1,750
VILSECK	BARRACKS	1,050		1,050		1,050	0		1,050
WIESBADEN	AIRCRAFT MAINTENANCE HANGER	8,800		8,800		8,800	0		8,800
WIESBADEN	HARDSTAND/TACTICAL EQUIPMENT SHOP	2,550		2,550		2,550	0		2,550
WIESBADEN	HARDSTAND	2,550		2,550		2,550	0		2,550
WILDFLECKEN	HARDSTAND	[11,400]		[11,400]		[11,400]	0		[11,400]
WORMS	CHILD DEVELOPMENT CENTER	1,300		1,300		1,300	0		1,300
WUERZBURG	COMBAT AVIATION COMPLEX	18,000		18,000		18,000	0		18,000
WUERZBURG	HARDSTAND/FACILITY UPGRADE	13,800		13,800		13,800	0		13,800
WUERZBURG	CHAPEL AND RELIGIOUS EDUCATION FACILITY	1,850		1,850		1,850	0		1,850

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INSTALLATION	PROJECT	Revised FY89 Request	House: Change to Request	House: Authorized	Senate: Change to Request	Senate: Senate Authorized	House +/- Senate	Conference Agreement: Change to Request	Conference Agreement: Authorized
AIR FORCE									
BITBURG AB	COMBAT REPAIR EQUIP STORAGE FACILITY	550		550		550	0		550
BITBURG AB	ADD/ALTER AEROSPACE GROUND EQ FACILITY	510		510		510	0		510
EINSIEDLERHOF	ALTER TRANSIENT DORMITORY	1,500		1,500		1,500	0		1,500
HAHN AB	ALTER MUNITIONS STORAGE FACILITIES	9,900		9,900		9,900	0		9,900
HAHN AB	PASSIVE DEFENSE EQUIP STORAGE WAREHOUSE	500		500		500	0		500
HAHN AB	COMBAT REPAIR EQUIP STORAGE FACILITY	1,050		1,050		1,050	0		1,050
HAHN AB	ALTERNATE COMBAT RUNWAY	5,200		5,200		5,200	0		5,200
HESSISCH	SECURITY POLICE OPERATIONS FACILITY	740		740		740	0		740
NORVENICH AB	ALTER MUNITIONS STORAGE FACILITIES	2,300		2,300		2,300	0		2,300
PRUEM AS	TACTICAL OPERATIONS FACILITY	620		620		620	0		620
RAMSTEIN AB	COMBAT AMMUNITION CONTROL CENTER	1,600		1,600		1,600	0		1,600
RAMSTEIN AB	PASSIVE DEFENSE EQUIP STORAGE FACILITY	450		450		450	0		450
RAMSTEIN AB	COMBAT REPAIR EQUIP STORAGE FACILITY	1,100		1,100		1,100	0		1,100
RAMSTEIN AB	ADD TO/UPGRADE AIRMAN COMMUNITY CENTER	4,800	(4,800)	0		4,800	(4,800)	(4,800)	0
RAMSTEIN AB	UNINTERRUPTABLE BACKUP POWER SUPPLY SPT	1,300		1,300		1,300	0		1,300
RAMSTEIN AB	MUNITIONS EQUIPMENT MAINTENANCE FACILITY	1,550		1,550		1,550	0		1,550
RHEIN-MAIN AB	ADD/ALTER SQUADRON OPERATIONS FACILITY	800		800		800	0		800
RHEIN-MAIN AB	WIDEN AIRCRAFT TAXIWAY	2,200		2,200		2,200	0		2,200
RHEIN-MAIN AB	AIRCRAFT PARKING	2,000		2,000		2,000	0		2,000
SEMBACH AB	COMBAT REPAIR EQUIP STORAGE FACILITY	550		550		550	0		550
SEMBACH AB	UPGRADE WATER STORAGE AND DIST SYSTEM	3,000		3,000		3,000	0		3,000
SPANGDAHLEM AB	AIRCRAFT CORROSION CONTROL FACILITY	2,750		2,750		2,750	0		2,750
SPANGDAHLEM AB	COMBAT ARMS TRAINING FACILITY	670		670		670	0		670
SPANGDAHLEM AB	POST OFFICE	1,300		1,300		1,300	0		1,300
SPANGDAHLEM AB	MUNITIONS STORAGE IGLOOS	2,200		2,200		2,200	0		2,200
SPANGDAHLEM AB	FIELD TRAINING FACILITY	2,100		2,100		2,100	0		2,100
SPANGDAHLEM AB	SECURITY POLICE OPERATIONS FACILITY	1,250		1,250		1,250	0		1,250
WENIGERATH	AIR BASE GROUND DEFENSE MUNITIONS IGLOOS	1,700		1,700		1,700	0		1,700
ZWEIBRUCKEN AB	DIGITAL EUROPEAN BACKBONE FACILITY	780		780		780	0		780
ZWEIBRUCKEN AB	COMBAT REPAIR EQUIP STORAGE FACILITY	520		520		520	0		520
DEFENSE AGENCIES									
ASCHAFFENBURG	ELEMENTARY & JUNIOR HIGH ADDITIONS	8,151		8,151		8,151	0		8,151
BAD KISSINGEN	ELEMENTARY SCHOOL ADDITION	1,620		1,620		1,620	0		1,620
BAUMHOLDER	ELEMENTARY SCHOOL ADDITION	1,940		1,940		1,940	0		1,940
DEF REUTIL & MKTNG OFC BITBURG	COVERED STORAGE	800		800		800	0		800
DEF REUTL & MKTNG KAISERSLAUTERN	ADMINISTRATIVE FACILITY	500		500		500	0		500
DOWNS BKS	DISPENSARY/DENTAL CLINIC	4,200		4,200		4,200	0		4,200
ERLANGEN	ELEMENTARY SCHOOL ADDITION	3,890		3,890		3,890	0		3,890
GEILENK	MEDICAL STORAGE	450		450		450	0		450
GEISSEN	HIGH SCHOOL ADDITION	5,430		5,430		5,430	0		5,430
GEISSEN	MIDDLE SCHOOL ADDITION	2,197		2,197		2,197	0		2,197
GELNHAUSEN	ELEMENTARY SCHOOL ADDITION	1,482		1,482		1,482	0		1,482
HAHN AFB	COMP MEDICAL FACILITY ADD/ALTER	18,500		18,500		18,500	0		18,500
PATCH BKS	DISPENSARY/DENTAL CLINIC	4,700		4,700		4,700	0		4,700
RHEIN-MAIN	DISPENSARY/DENTAL CLINIC	14,200		14,200		14,200	0		14,200
SMITH BKS	DENTAL CLINIC	5,100		5,100		5,100	0		5,100
SPANGDAHLEM AD	MEDICAL STORAGE	1,250		1,250		1,250	0		1,250
WILDFLECKEN	DISPENSARY/DENTAL CLINIC	4,800		4,800		4,800	0		4,800
WILDFLECKEN	ELEM AND MIDDLE SCHOOL ADDITIONS	2,752		2,752		2,752	0		2,752

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INSTALLATION	PROJECT	Revised FY89 Request	House: Change to Request	House: Authorized	Senate: Change to Request	Senate: Authorized	House +/- Senate	Conference Agreement: Change to Request	Conference Agreement: Authorized
	GREENLAND								
AIR FORCE									
SONDRESTROM AB	ADD/ALTER FIRE STATION	3,850		3,850		3,850	0		3,850
SONDRESTROM AB	SUPPLY STORAGE AREA	2,100		2,100		2,100	0		2,100
THULE AB	INSTALL CIRCULATION FANS	1,050		1,050		1,050	0		1,050
THULE AB	THRESHOLD LIGHTS	780		780		780	0		780
	GUAM								
NAVY									
FLEET SURV SUPPORT COMMAND	ELECTRONIC INSTALLATION	26,280	(5,308)	20,972		26,280	(5,308)	(5,308)	20,972
NAVAL STATION GUAM	ROAD IMPROVEMENTS	2,820		2,820	(2,820)	0	2,820	(2,820)	0
NAVY PUBLIC WORKS CENTER GUAM	BOILER SAFETY IMPROVEMENTS	1,820		1,820		1,820	0		1,820
NAVAL SECURITY GP DET GUAM	RADOME UPGRADE	400		400		400	0		400
NAVAL SUPPLY DEPOT	TRANSIT SHED	5,710		5,710		5,710	0		5,710
NAVAL SUPPLY DEPOT	FIRE SAFETY	1,950		1,950		1,950	0		1,950
NAVY PUBLIC WORKS CENTER GUAM	WHARVES ELECTRIC POWER IMPROVEMENT	4,900		4,900		4,900	0		4,900
AIR FORCE									
ANDERSEN AFB	ADD TO/UPGRADE PHYSICAL FITNESS CENTER	[3,400]		[3,400]		[3,400]	0		[3,400]
ANDERSEN AFB	SOUND SUPPRESSOR SUPPORT FACILITY	900		900		900	0		900
	HONDURAS								
ARMY									
HONDURAS	UPGRADE FACILITIES - SITE 5	3,050		3,050	(3,050)	0	3,050	0	3,050
	ICELAND								
NAVY									
NAVAL AIR SATATION KEFLAVIK	FUEL FACILITIES	12,000		12,000		12,000	0		12,000
AIR FORCE									
KEFLAVIK	F15-AIRCRAFT PARTS WAREHOUSE	1,100		1,100		1,100	0		1,100
DEFENSE AGENCIES									
KEFLAVIK	AT MAHAN ELEMENTARY SCHOOL	5,434		5,434		5,434	0		5,434
	ITALY								
ARMY									
VARIOUS	CHILD DEVELOPMENT CENTER	1,250		1,250		1,250	0		1,250
NAVY									
NAVAL AIR STATION SIGONELLA	AIRCRAFT PARKING APRON	3,900		3,900		3,900	0		3,900
NAVAL AIR STATION SIGONELLA	ENGINE TEST CELL	4,050		4,050		4,050	0		4,050
NAVAL SUPPORT ACTIVITY NAPLES	COLD STORAGE FACILITY	1,150		1,150		1,150	0		1,150
NAVAL SUPPORT ACTIVITY NAPLES	AIRCRAFT PARKING APRON	1,400		1,400		1,400	0		1,400
NAVAL SUPPORT ACTIVITY NAPLES	CMD CTRL COMMS & INTEL COMPLEX (PHASE II)	21,600	(19,400)	2,200	(19,400)	2,200	0	(19,400)	2,200

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INSTALLATION	PROJECT	Revised FY89 Request	-------House------- Change to Request	-------House------- Authorized	------Senate------- Change to Request	------Senate------- Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
AIR FORCE									
AVIANO AB	DORMITORY	4,250		4,250		4,250	0		4,250
AVIANO AB	CHEM WARFARE PROTECTION-AVIONICS FACILITY	2,750		2,750		2,750	0		2,750
AVIANO AB	COMBAT REPAIR EQUIP STORAGE FACILITY	600		600		600	0		600
DEFENSE AGENCIES									
AVIANO	ELEM AND HIGH SCHOOL ADDITIONS	9,450		9,450		9,450	0		9,450
	JAPAN								
ARMY									
JAPAN VARIOUS	COMMUNICATIONS FACILITY - OKINAWA VARIOUS	5,300		5,300		5,300	0		5,300
JAPAN VARIOUS	AMMUNITION STORAGE FACILITY	7,900		7,900		7,900	0		7,900
NAVY									
MARINE CORPS BASE CAMP BUTLER	COMBAT TRAINING FACILITIES	890		890		890	0		890
MARINE CORPS BASE CAMP BUTLER	ELECTRONICS AND COMMUNICATIONS MAINT SHOP	1,950		1,950		1,950	0		1,950
MARINE CORPS AIR STATION FUTENMA	MAINTENANCE HANGAR ADDITION	2,420		2,420		2,420	0		2,420
MARINE CORPS AIR STATION FUTENMA	AIRCRAFT OPERATIONS BUILDING ADDITION	860		860		860	0		860
AIR FORCE									
YOKOTA AB	CONTROL TOWER CAB	500		500		500	0		500
MISAWA AB	CHEMICAL/BIOLOGICAL WARFARE PROTECTION	2,050		2,050		2,050	0		2,050
MISAWA AB	F16-FUEL TANK STORAGE/BUILDUP FACILITY	2,500		2,500		2,500	0		2,500
KADENA AB	FIRE PROTECTION-VARIOUS FACILITIES	1,850		1,850		1,850	0		1,850
DEFENSE AGENCIES									
YOKOTA AIR BASE	DCA-NWP COMMUNICATIONS OPERATIONS CENTER	785		785		785	0		785
	JOHNSTON ISLAND								
DEFENSE AGENCIES									
DNA HDQ	COLD STORAGE	1,372		1,372		1,372	0		1,372
DNA HDQ	VEHICLE MAINTENANCE	1,272		1,272		1,272	0		1,272
	KOREA								
ARMY									
CAMP CASEY	TACTICAL EQUIPMENT SHOP MOD/ADDN	3,700		3,700		3,700	0		3,700
CAMP GARY OWEN	BARRACKS	1,150		1,150		1,150	0		1,150
CAMP GREAVES	EXPLOSIVES TRAINING RANGE	810		810		810	0		810
CAMP GREAVES	GRENADE LAUNCHER RANGE	730		730		730	0		730
CAMP HOVEY	BARRACKS	3,200		3,200		3,200	0		3,200
CAMP KITTYHAWK	COMPANY OPERATIONS FACILITIY	1,350		1,350		1,350	0		1,350
CAMP LIBBY	TACTICAL EQUIPMENT SHOP	1,150		1,150		1,150	0		1,150
CAMP PAGE	BATTALION HEADQUARTERS	670		670		670	0		670
CAMP SEARS	BARRACKS	1,100		1,100		1,100	0		1,100
CAMP STANLEY	BRIGADE/BATTALION HEADQUARTERS	1,200		1,200		1,200	0		1,200
CAMP STANTON	UNACCOMPANIED OFFICER HOUSING	1,400		1,400		1,400	0		1,400
KOREA VARIOUS	AVIATION SUPPORT COMPLEX	9,200		9,200		9,200	0		9,200
KOREA VARIOUS	AMMUNITION STORAGE	6,200		6,200		6,200	0		6,200
K-16 ARMY AIRFIELD	TACTICAL EQUIPMENT SHOP	670		670		670	0		670
TAEGU	CHILD DEVELOPMENT CENTER	990		990		990	0		990
YONGSAN	UPGRADE TACTICAL EQUIPMENT SHOP	1,400		1,400		1,400	0		1,400

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			Change to Request	Authorized	Change to Request	Senate Authorized		Change to Request	Authorized
AIR FORCE									
CAMP HUMPHREYS	DORMITORY	3,350		3,350		3,350	0		3,350
KUNSAN AB	VEHICLE OPERATIONS AND MAINT COMPLEX	5,000		5,000		5,000	0		5,000
KUNSAN AB	DORMITORIES	4,400		4,400		4,400	0		4,400
KUNSAN AB	F16-AIRCRAFT MAINTENANCE UNIT FACILITY	2,950		2,950		2,950	0		2,950
KUNSAN AB	ALTER MUNITIONS STORAGE FACILITIES	1,300		1,300		1,300	0		1,300
KUNSAN AB	F16-JET ENGINE MAINTENANCE FACILITY	680		680		680	0		680
KUNSAN AB	ALTER AIRCRAFT SHELTERS	3,000		3,000		3,000	0		3,000
OSAN AB	F16-AIRCRAFT MAINTENANCE UNIT FACILITY	2,800		2,800		2,800	0		2,800
OSAN AB	JET FUEL STORAGE	870		870		870	0		870
OSAN AB	F16-ADD TO AVIONICS FACILITY	460		460		460	0		460
OSAN AB	MUNITIONS PRELOAD EQ STORAGE FACILITY	570		570		570	0		570
OSAN AB	F16-AIRCRAFT MAINTENANCE SHOPS	3,000		3,000		3,000	0		3,000
OSAN AB	F16-FLIGHT SIMULATOR TRAINING FACILITY	1,800		1,800		1,800	0		1,800
OSAN AB	CONTINGENCY MATERIEL WAREHOUSE	1,250		1,250		1,250	0		1,250
DEFENSE AGENCIES									
SEOUL	HOSPITAL REPLACEMENT	55,000		55,000	(27,000)	28,000	27,000	(27,000)	28,000
SEOUL	ELEMENTARY SCHOOL ADDITION	7,332		7,332		7,332	0		7,332
TAEGU AB	MEDICAL/DENTAL CLINIC	4,400		4,400		4,400	0		4,400
PUSAN	ELEMENTARY AND HIGH SCHOOL ADDITIONS	1,980		1,980		1,980	0		1,980
CAMP HOWZE	AID STATION	780		780		780	0		780
	KWAJALEIN								
ARMY									
KWAJALEIN	TRANSMITTER BUILDING	660		660		660	0		660
KWAJALEIN	DRY DOCK FACILITIES	12,800		12,800		12,800	0		12,800
KWAJALEIN	UPGRADE WATER STORAGE SYSTEM	1,500		1,500		1,500	0		1,500
KWAJALEIN	COMMUNICATIONS EQUIPMENT BUILDINGS	530		530		530	0		530
DEFENSE AGENCIES									
MISSILE RANGE	RADAR COMPLEX	16,000		16,000		16,000	0		16,000
	NETHERLANDS								
AIR FORCE									
VOLKEL	ALTER MUNITIONS STORAGE FACILITIES	2,300		2,300		2,300	0		2,300
CAMP NEW AMSTERDAM	PASSIVE DEFENSE EQUIP STORAGE FACILITY	500		500		500	0		500
CAMP NEW AMSTERDAM	COMBAT READINESS CENTER	4,800		4,800		4,800	0		4,800
CAMP NEW AMSTERDAM	DORMITORIES	5,000		5,000		5,000	0		5,000
DEFENSE AGENCIES									
BRUNSSUM	AFCENT INTERNATIONAL SCHOOL	8,863		8,863		8,863	0		8,863

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INSTALLATION	PROJECT	Revised FY89 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
	OMAN								
AIR FORCE									
SEEB AB	JET FUEL STORAGE	7,100		7,100		7,100	0		7,100
MASIRAH AB	APPROACH LIGHTING SYSTEM	2,800		2,800		2,800	0		2,800
	PANAMA								
NAVY									
NAVAL STATION PANAMA	SPECIAL WARFARE UNIT	7,140	(7,140)	0		7,140	(7,140)	(7,140)	0
AIR FORCE									
HOWARD AFB	ALTER DORMITORY	2,600		2,600		2,600	0		2,600
	PHILIPPINES								
NAVY									
NAVY PUB WORKS CENTER SUBIC BAY	POWER PLANT	27,770		27,770		27,770	0		27,770
NAVY PUB WORKS CENTER SUBIC BAY	HAZARDOUS AND FLAMMABLE STORAGE FACILITY	570		570		570	0		570
AIR FORCE									
CLARK AB	COMBAT REPAIR EQUIP STORAGE FACILITY	1,600		1,600		1,600	0		1,600
CLARK AB	DORMITORIES	5,200		5,200		5,200	0		5,200
CLARK AB	FLOW THRU SHELTERS-PHASE I	4,200		4,200	(4,200)	0	4,200	(4,200)	0
CLARK AB	MUNITIONS EQUIPMENT MAINTENANCE FACILITY	800		800		800	0		800
CLARK AB	SECURITY POLICE OPERATIONS FACILITY	3,200		3,200		3,200	0		3,200
CLARK AB	AEROMEDICAL EVACUATION SQUADRON FACILITY	1,500		1,500		1,500	0		1,500
CLARK AB	ADD TO/UPGRADE MAINTENANCE CONTROL FAC	940		940		940	0		940
CLARK AB	SOF-HYDRANT FUELING SYSTEM	800		800		800	0		800
CLARK AB	SOF-HELICOPTER MAINTENANCE FACILITY	4,100		4,100		4,100	0		4,100
CLARK AB	INTELLIGENCE FACILITY-PHASE II	2,250		2,250		2,250	0		2,250
CLARK AB	SOF-HANGAR/NOSE DOCK	2,100		2,100		2,100	0		2,100
CLARK AB	AIRCRAFT OPERATIONAL APRON-PH I	4,950		4,950		4,950	0		4,950
CLARK AB	ADD/ALTER FUEL SYSTEM MAINTENANCE DOCK	1,500		1,500		1,500	0		1,500
	PORTUGAL								
AIR FORCE									
LAJES FIELD	UPGRADE DINING FACILITY	2,650		2,650		2,650	0		2,650
LAJES FIELD	TRANSIENT DORMITORY	2,200		2,200		2,200	0		2,200
	PUERTO RICO								
DEFENSE AGENCIES									
FORT BUCHANAN	MIDDLE SCHOOL	9,110		9,110		9,110	0		9,110
ARMY NATIONAL GUARD									
TOA BAJA	200 PERSON ARMORY	1,305		1,305		1,305	0		1,305
ARROYO	200 PERSON ARMORY	1,304		1,304		1,304	0		1,304
ARMY RESERVE									
YAUCO	ADD/ALTER USARC W/MAINT FAC	1,052		1,052		1,052	0		1,052
FORT BUCHANAN	MAINT FAC	1,254		1,254		1,254	0		1,254

OUTSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
	SPAIN								
NAVY									
NAVAL COMMUNICATION STATION ROTA	OPERATIONAL STORAGE	400		400		400	0		400
	TURKEY								
AIR FORCE									
INCIRLIK AB	SOUND SUPPRESSOR SUPPORT FACILITY	840		840		840	0		840
INCIRLIK AB	POST OFFICE	550		550		550	0		550
INCIRLIK AB	DORMITORY	3,200		3,200		3,200	0		3,200
INCIRLIK AB	JET FUEL STORAGE	5,000		5,000		5,000	0		5,000
PIRINCLIK	COMBAT READINESS CENTER	1,500		1,500		1,500	0		1,500
	UNITED KINGDOM								
AIR FORCE									
FELTWELL	PASSIVE DEFENSE EQUIP STORAGE FACILITY	500		500		500	0		500
RAF ALCONBURY	DORMITORIES	2,650		2,650		2,650	0		2,650
RAF BENTWATERS	CENTRAL POST OFFICE	800		800	(800)	0	800	(800)	0
RAF BENTWATERS	SOUND SUPPRESSOR SUPPORT FACILITY	610		610		610	0		610
RAF BENTWATERS	ADD TO/UPGRADE FIRE STATION	920		920		920	0		920
RAF BENTWATERS	AIRMAN COMMUNITY CENTER	2,600		2,600		2,600	0		2,600
RAF BENTWATERS	SECURITY POLICE OPERATIONS FACILITY	1,300		1,300		1,300	0		1,300
RAF FAIRFORD	ADD/ALTER PHYSICAL FITNESS CENTER	[1,700]		[1,700]		[1,700]	0		[1,700]
RAF LAKENHEATH	SEMIHARDENED COMMUNICATIONS FACILITY	780		780		780	0		780
RAF LAKENHEATH	DIGITAL EUROPEAN BACKBONE FACILITY	440		440		440	0		440
RAF LAKENHEATH	CHEM WARFARE PROTECTION-SQUAD OPS FAC	1,750		1,750		1,750	0		1,750
RAF LAKENHEATH	DORMITORY	7,200		7,200		7,200	0		7,200
RAF MILDENHALL	ADD/ALTER OPERATIONS FACILITY	2,100		2,100		2,100	0		2,100
RAF MILDENHALL	CHILD DEVELOPMENT CENTER	850		850		850	0		850
RAF MILDENHALL	UPGRADE WATER STORAGE AND DIST SYSTEM	4,200		4,200		4,200	0		4,200
RAF UPPER HEYFORD	ADD TO/UPGRADE VEHICLE MAINTENANCE SHOP	2,400		2,400		2,400	0		2,400
RAF UPPER HEYFORD	PASSIVE DEFENSE EQUIP STORAGE WAREHOUSE	500		500		500	0		500
RAF UPPER HEYFORD	COMBAT AMMUNITION CONTROL CENTER	930		930		930	0		930
RAF WELFORD	FIRE STATION	870		870		870	0		870
RAF WELFORD	MUNITIONS STORAGE IGLOOS	2,850		2,850		2,850	0		2,850
DEFENSE AGENCIES									
RAF HIGHWYCOMB	MEDICAL AID STATION	720		720		720	0		720
RAF LAKENHEATH	MEDICAL FACILITY ADD/ALTER	41,000		41,000		41,000	0		41,000

OUTSIDE THE UNITED STATES

INSTALLATION	PROJECT	Revised FY89 Request	-------House------- Change to Request	-------House------- Authorized	------Senate------- Change to Request	------Senate------- Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
	OVERSEAS CLASSIFIED								
NAVY									
OVERSEAS CLASSIFIED	SEAL TEAM OPERATIONS FACILITIES	4,990		4,990		4,990	0		4,990
AIR FORCE									
BASE 30	TR1-OPERATIONS FACILITY	1,500		1,500		1,500	0		1,500
BASE 30	TR1-EQUIPMENT MAINTENANCE FACILITY	2,350		2,350		2,350	0		2,350
BASE 74	F16-HYDRAZINE FACILITY	260		260	(260)	0	260	(260)	0
BASE 74	F16-EGRESS SHOP	490		490	(490)	0	490	(490)	0
BASE 79	SPECIAL SUPPORT FACILITIES	1,900		1,900		1,900	0		1,900
BASE 82	SPECIAL ACTIVITY FACILITIES	2,800		2,800		2,800	0		2,800
BASE 119	F15-FLIGHT SIMULATOR TRAINING FACILITY	2,050		2,050	(2,050)	0	2,050	(2,050)	0
OVERSEAS CLASSIFIED	CLASSIFIED SUPPORT	12,000		12,000		12,000	0		12,000
OVERSEAS CLASSIFIED	OPERATIONS FACILITY	3,473		3,473		3,473	0		3,473
OVERSEAS CLASSIFIED	CLASSIFIED PROJECT	1,000		1,000		1,000	0		1,000
DEFENSE AGENCIES									
BASE 54	MEDICAL CONTINGENCY COMPLEX	12,800		12,800		12,800	0		12,800
CLASSIFIED LOCATION	CLASSIFIED PROJECT	2,000		2,000		2,000	0		2,000
CLASSIFIED LOCATION	OPERATIONS BUILDING 38 ADD	8,300		8,300		8,300	0		8,300
CLASSIFIED LOCATION	CLASSIFIED PROJECT	950		950		950	0		950
OVERSEAS CLASSIFIED	MEDICAL SUPPORT	12,600	(1,600)	11,000	(1,600)	11,000	0	(1,600)	11,000
OVERSEAS CLASSIFIED	MEDICAL SUPPORT	8,500		8,500		8,500	0		8,500
	OVERSEAS VARIOUS								
ARMY									
	UNDISTRIBUTED REDUCTION OVERSEAS- ARMY			0		0	0	(18,000)	(18,000)
AIR FORCE									
	UNDISTRIBUTED REDUCTION OVERSEAS- AIR FORCE			0		0	0	(8,000)	(8,000)
OVERSEAS VARIOUS	CANADIAN FORWARD OPERATING LOC/DOB	600		600		600	0		600

WORLDWIDE VARIOUS

INSTALLATION	PROJECT	Revised FY89 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
	WORLDWIDE UNSPECIFIED								
ARMY									
UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING AND DESIGN	98,328		98,328	(5,000)	93,328	5,000	0	98,328
UNSPECIFIED WORLDWIDE LOCATIONS	UNSPECIFIED MINOR CONSTRUCTION	16,200		16,200		16,200	0		16,200
NAVY									
UNSPECIFIED WORLDWIDE LOCATIONS	ACCESS ROADS	11,819		11,819		11,819	0		11,819
UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING AND DESIGN	148,276	(10,000)	138,276	(10,000)	138,276	0	(10,000)	138,276
UNSPECIFIED WORLDWIDE LOCATIONS	UNSPECIFIED MINOR CONSTRUCTION	16,300		16,300		16,300	0		16,300
AIR FORCE									
UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING AND DESIGN	124,800	(13,200)	111,600	(5,000)	119,800	(8,200)	(5,000)	119,800
UNSPECIFIED WORLDWIDE LOCATIONS	UNSPECIFIED MINOR CONSTRUCTION	16,500		16,500		16,500	0		16,500
DEFENSE AGENCIES									
UNSPECIFIED WORLDWIDE LOCATIONS	UNSPECIFIED MINOR CONSTRUCTION	2,000		2,000		2,000	0		2,000
UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING AND DESIGN	62,229		62,229		62,229	0		62,229
UNSPECIFIED WORLDWIDE LOCATIONS	CONTINGENCY CONSTRUCTION	8,000		8,000		8,000	0		8,000
UNSPECIFIED WORLDWIDE LOCATIONS	UNSPECIFIED MINOR CONSTRUCTION	4,000		4,000		4,000	0		4,000
ARMY NATIONAL GUARD									
UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING AND DESIGN	10,624	200	10,824		10,624	200	200	10,824
UNSPECIFIED WORLDWIDE LOCATIONS	UNSPECIFIED MINOR CONSTRUCTION	6,900		6,900		6,900	0		6,900
AIR NATIONAL GUARD									
UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING AND DESIGN	12,600	670	13,270	650	13,250	20	650	13,250
UNSPECIFIED WORLDWIDE LOCATIONS	UNSPECIFIED MINOR CONSTRUCTION	2,300		2,300		2,300	0		2,300
ARMY RESERVE									
UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING AND DESIGN	10,700	330	11,030		10,700	330	330	11,030
UNSPECIFIED WORLDWIDE LOCATIONS	UNSPECIFIED MINOR CONSTRUCTION	1,700		1,700		1,700	0		1,700
NAVY RESERVE									
UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING AND DESIGN	5,440		5,440		5,440	0		5,440
UNSPECIFIED WORLDWIDE LOCATIONS	UNSPECIFIED MINOR CONSTRUCTION	1,985		1,985		1,985	0		1,985
AIR FORCE RESERVE									
UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING AND DESIGN	6,223		6,223		6,223	0		6,223
UNSPECIFIED WORLDWIDE LOCATIONS	UNSPECIFIED MINOR CONSTRUCTION	2,852		2,852		2,852	0		2,852

WORLDWIDE VARIOUS

INSTALLATION	PROJECT	Revised FY89 Request	House Change to Request	House Authorized	Senate Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Conference Agreement Authorized
	WORLDWIDE VARIOUS								
ARMY									
VARIOUS WORLDWIDE LOCATIONS	COMMAND AND CONTROL FACILITY UPGRADE	7,900	(7,900)	0	(7,900)	0	0	(7,900)	0
VARIOUS WORLDWIDE LOCATIONS	INTERMEDATE STAGING FACILITY	17,500	(17,500)	0		17,500	(17,500)	(17,500)	0
VARIOUS WORLDWIDE LOCATIONS	OPERATIONS FACILITY	5,300		5,300		5,300	0		5,300
VARIOUS WORLDWIDE LOCATIONS	PRE-POSITIONED WAR MATERIEL FACILITIES	4,450		4,450		4,450	0		4,450
NAVY									
LAND ACQUISITION	LAND ACQUISITION	36,895		36,895		36,895	0		36,895
VARIOUS LOCATIONS	HOST NATION INFRASTRUCTURE SUPPORT	500		500		500	0		500
DEFENSE AGENCIES									
VARIOUS LOCATIONS	CONFORMING STORAGE FACILITIES	9,300		9,300		9,300	0		9,300
NAVY									
	UNDISTRIBUTED REDUCTION- NAVY WORLDWIDE			0		0	0	(13,100)	(13,100)
ARMY NATIONAL GUARD									
	UNDISTRIBUTED REDUCTION- ARMY GUARD							(593)	(593)
ARMY RESERVE									
	UNDISTRIBUTED REDUCTION- ARMY RESERVE			0	(1,547)	(1,547)	1,547	(1,547)	(1,547)
OSD MILCON	NATO INFRASTRUCTURE	502,100	0	502,100	(10,100)	492,000	10,100	(10,100)	492,000
	SUBTOTAL MILITARY CONSTRUCTION	5,449,880	(65,599)	5,384,281	(83,694)	5,366,186	18,095	(41,525)	5,408,355

INSTALLATION	PROJECT	Revised FY89 Request	-------House------- Change to Request	Authorized	------Senate------- Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	Authorized
	FAMILY HOUSING								
	FAMILY HOUSING ARMY								
	ALASKA								
FORT WAINWRIGHT	NEW CONSTRUCTION (150)	27,000		27,000		27,000	0		27,000
	CALIFORNIA								
FORT IRWIN	NEW CONSTRUCTION (263)	24,000		24,000		24,000	0		24,000
	HAWAII								
SCHOFIELD BARRACKS	NEW CONSTRUCTION (40)	4,450		4,450		4,450	0		4,450
HELEMANO	NEW CONSTRUCTION (100)	11,400		11,400		11,400	0		11,400
	KANSAS								
FORT LEAVENWORTH	NEW CONSTRUCTION (272)	20,000		20,000		20,000	0		20,000
	NEW YORK								
FORT DRUM	NEW CONSTRUCTION (100)	10,000		10,000		10,000	0		10,000
	TEXAS								
FORT BLISS	NEW CONSTRUCTION (108)		9,100	9,100		0	9,100	9,100	9,100
	GERMANY								
HOENFELS	NEW CONSTRUCTION (88)	8,400		8,400		8,400	0		8,400
	WORLWIDE UNSPECIFIED								
UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING	10,628		10,628		10,628	0		10,628
UNSPECIFIED WORLDWIDE LOCATIONS	CONSTRUCTION IMPROVEMENTS	72,300		72,300		72,300	0		72,300
	OPERATING EXPENSES:								
UNSPECIFIED WORLDWIDE LOCATIONS	LEASING	227,700		227,700		227,700	0		227,700
UNSPECIFIED WORLDWIDE LOCATIONS	INTEREST PAYMENTS	49		49		49	0		49
UNSPECIFIED WORLDWIDE LOCATIONS	MAINTENANCE OF REAL PROPERTY	548,061		548,061		548,061	0		548,061
UNSPECIFIED WORLDWIDE LOCATIONS	MANAGEMENT ACCOUNT	83,137		83,137		83,137	0		83,137
UNSPECIFIED WORLDWIDE LOCATIONS	FURNISHINGS ACCOUNT	139,769		139,769	(5,000)	134,769	5,000	0	139,769
UNSPECIFIED WORLDWIDE LOCATIONS	MORTGAGE INSURANCE PREMIUMS	31		31		31	0		31
UNSPECIFIED WORLDWIDE LOCATIONS	MISCELLANEOUS ACCOUNT	1,510		1,510		1,510	0		1,510
UNSPECIFIED WORLDWIDE LOCATIONS	DEBT REDUCTION	371		371		371	0		371
UNSPECIFIED WORLDWIDE LOCATIONS	UTILITIES ACCOUNT	284,265		284,265		284,265	0		284,265
UNSPECIFIED WORLDWIDE LOCATIONS	SERVICES ACCOUNT	55,200		55,200		55,200	0		55,200
	TOTAL FAMILY HOUSING ARMY	1,528,271	9,100	1,537,371	(5,000)	1,523,271	14,100	9,100	1,537,371
	RECAP:								
	CONSTRUCTION & ACQUISITION	188,178	9,100	197,278	0	188,178	9,100	9,100	197,278
	SUPPORT/OPERATING EXPENSE	1,340,093	0	1,340,093	(5,000)	1,335,093	5,000	0	1,340,093

INSTALLATION	PROJECT	Revised FY89 Request	-------House------- Change to Request		------Senate------- Change to Request	Senate Authorized	House +/- Senate	Conference Agreement Change to Request	
				Authorized					Authorized
	FAMILY HOUSING NAVY/MARINE CORPS								
	CALIFORNIA								
MARCOR AIR-GRND TWENTYNINE PALMS	NEW CONSTRUCTION (100)	9,470		9,470		9,470	0		9,470
MARINE CORPS AIR STATION EL TORO	TRAILER PADS (80)	1,460		1,460		1,460	0		1,460
MARINE CORPS AIR STATION EL TORO	NEW CONSTRUCTION (100)	8,660		8,660		8,660	0		8,660
MARINE CORPS BASE CAMP PENDLETON	NEW CONSTRUCTION (332)	27,540		27,540		27,540	0		27,540
MARINE CORPS BASE CAMP PENDLETON	ACCESS ROADS	970		970		970	0		970
NAVAL COMPLEX SAN DIEGO	NEW CONSTRUCTION (400)	31,830		31,830		31,830	0		31,830
NAVAL STATION LONG BEACH	NEW CONSTRUCTION (300)	26,110		26,110		26,110	0		26,110
PUBLIC WORKS CTR SAN FRANCISCO	NEW CONTRUCTION (300)	35,736		35,736		35,736	0		35,736
	DISTRICT OF COLUMBIA								
NAVAL DISTRICT WASHINGTON	NEW CONSTRUCTION (2)			0	330	330	(330)	330	330
	GEORGIA								
NAVAL STATION KINGS BAY	NEW CONTRUCTION (250)	19,860		19,860		19,860	0		19,860
	ILLINOIS								
NAS GLENVIEW	FAMILY HOUSING			0	23,000	23,000	(23,000)	10,000	10,000
	NEW YORK								
NAVAL STATION STATEN ISLAND	NEW CONTRUCTION (150)	14,900		14,900		14,900	0		14,900
	WORLWIDE UNSPECIFIED								
UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING	2,315		2,315		2,315	0		2,315
UNSPECIFIED WORLDWIDE LOCATIONS	CONSTRUCTION IMPROVEMENTS	61,589		61,589	(3,000)	58,589	3,000	0	61,589
	OPERATING EXPENSES:								
UNSPECIFIED WORLDWIDE LOCATIONS	SERVICES ACCOUNT	32,323		32,323		32,323	0		32,323
UNSPECIFIED WORLDWIDE LOCATIONS	DEBT REDUCTION	128		128		128	0		128
UNSPECIFIED WORLDWIDE LOCATIONS	MISCELLANEOUS ACCOUNT	401		401		401	0		401
UNSPECIFIED WORLDWIDE LOCATIONS	MORTGAGE INSURANCE PREMIUMS	218		218		218	0		218
UNSPECIFIED WORLDWIDE LOCATIONS	MANAGEMENT ACCOUNT	42,513		42,513		42,513	0		42,513
UNSPECIFIED WORLDWIDE LOCATIONS	LEASING	42,416		42,416		42,416	0		42,416
UNSPECIFIED WORLDWIDE LOCATIONS	MAINTENANCE OF REAL PROPERTY	241,950		241,950	(10,800)	231,150	10,800	0	241,950
UNSPECIFIED WORLDWIDE LOCATIONS	INTEREST PAYMENTS	2		2		2	0		2
UNSPECIFIED WORLDWIDE LOCATIONS	UTILITIES ACCOUNT	179,127		179,127		179,127	0		179,127
UNSPECIFIED WORLDWIDE LOCATIONS	FURNISHINGS ACCOUNT	15,910		15,910		15,910	0		15,910
	TOTAL FAMILY HOUSING NAVY/MARINE CORPS	795,428	0	795,428	9,530	804,958	(9,530)	10,330	805,758
	RECAP:								
	CONSTRUCTION & ACQUISITION	240,440	0	240,440	20,330	260,770	(20,330)	10,330	250,770
	SUPPORT/OPERATING EXPENSE	554,988	0	554,988	(10,800)	544,188	10,800	0	554,988

INSTALLATION	PROJECT	Revised FY89 Request	House: Change to Request	House: Authorized	Senate: Change to Request	Senate: Senate Authorized	House +/- Senate	Conference Agreement: Change to Request	Conference Agreement: Authorized
	FAMILY HOUSING AIR FORCE								
	PHILIPPINES								
CLARK AB	NEW CONSTRUCTION (260)	19,920		19,920		19,920	0		19,920
	WORLWIDE UNSPECIFIED								
UNSPECIFIED WORLDWIDE LOCATIONS	PLANNING	7,000		7,000		7,000	0		7,000
UNSPECIFIED WORLDWIDE LOCATIONS	CONSTRUCTION IMPROVEMENTS	154,280	(515)	153,765	(515)	153,765	0	(515)	153,765
	OPERATING EXPENSES:								
UNSPECIFIED WORLDWIDE LOCATIONS	MANAGEMENT ACCOUNT	34,447		34,447		34,447	0		34,447
UNSPECIFIED WORLDWIDE LOCATIONS	MISCELLANEOUS ACCOUNT	5,648		5,648		5,648	0		5,648
UNSPECIFIED WORLDWIDE LOCATIONS	MORTGAGE INSURANCE PREMIUMS	100		100		100	0		100
UNSPECIFIED WORLDWIDE LOCATIONS	INTEREST PAYMENTS	1		1		1	0		1
UNSPECIFIED WORLDWIDE LOCATIONS	MAINTENANCE OF REAL PROPERTY	295,199		295,199		295,199	0		295,199
UNSPECIFIED WORLDWIDE LOCATIONS	SERVICES ACCOUNT	24,461		24,461		24,461	0		24,461
UNSPECIFIED WORLDWIDE LOCATIONS	FURNISHINGS ACCOUNT	56,460		56,460	(3,000)	53,460	3,000	0	56,460
UNSPECIFIED WORLDWIDE LOCATIONS	LEASING	90,881		90,881		90,881	0		90,881
UNSPECIFIED WORLDWIDE LOCATIONS	UTILITIES ACCOUNT	234,503		234,503		234,503	0		234,503
UNSPECIFIED WORLDWIDE LOCATIONS	DEBT REDUCTION	66		66		66	0		66
	TOTAL FAMILY HOUSING AIR FORCE	922,966	(515)	922,451	(3,515)	919,451	3,000	(515)	922,451
	RECAP:								
	CONSTRUCTION & ACQUISITION	181,200	(515)	180,685	(515)	180,685	0	(515)	180,685
	SUPPORT/OPERATING EXPENSE	741,766	0	741,766	(3,000)	738,766	3,000	0	741,766

INSTALLATION	PROJECT	Revised FY89 Request	House: Change to Request	House: Authorized	Senate: Change to Request	Senate: Senate Authorized	House +/- Senate	Conference Agreement: Change to Request	Conference Agreement: Authorized
	FAMILY HOUSING DEFENSE AGENCIES								
	OVERSEAS CLASSIFIED								
OVERSEAS CLASSIFIED	OVERSEAS CLASSIFIED	400		400		400	0		400
	WORLDWIDE UNSPECIFIED								
UNSPECIFIED WORLDWIDE LOCATIONS	CONSTRUCTION IMPROVEMENTS	93		93		93	0		93
UNSPECIFIED WORLDWIDE LOCATIONS	CONSTRUCTION IMPROVEMENTS	20		20		20	0		20
	OPERATING EXPENSES:								
UNSPECIFIED WORLDWIDE LOCATIONS	LEASING	9,662		9,662		9,662	0		9,662
UNSPECIFIED WORLDWIDE LOCATIONS	MAINTENANCE OF REAL PROPERTY	250		250		250	0		250
UNSPECIFIED WORLDWIDE LOCATIONS	MAINTENANCE OF REAL PROPERTY	301		301		301	0		301
UNSPECIFIED WORLDWIDE LOCATIONS	FURNISHINGS ACCOUNT	1,347		1,347		1,347	0		1,347
UNSPECIFIED WORLDWIDE LOCATIONS	MISCELLANEOUS ACCOUNT	700		700		700	0		700
UNSPECIFIED WORLDWIDE LOCATIONS	LEASING	36		36		36	0		36
UNSPECIFIED WORLDWIDE LOCATIONS	SERVICES ACCOUNT	125		125		125	0		125
UNSPECIFIED WORLDWIDE LOCATIONS	SERVICES ACCOUNT	12		12		12	0		12
UNSPECIFIED WORLDWIDE LOCATIONS	FURNISHINGS ACCOUNT	17		17		17	0		17
UNSPECIFIED WORLDWIDE LOCATIONS	LEASING	7,481		7,481		7,481	0		7,481
UNSPECIFIED WORLDWIDE LOCATIONS	UTILITIES ACCOUNT	125		125		125	0		125
UNSPECIFIED WORLDWIDE LOCATIONS	UTILITIES ACCOUNT	131		131		131	0		131
	TOTAL FAMILY HOUSING DEFENSE AGENCIES	20,700	0	20,700	0	20,700	0	0	20,700
	RECAP:								
	CONSTRUCTION & ACQUISITION	513	0	513	0	513	0	0	513
	SUPPORT/OPERATING EXPENSE	20,187	0	20,187	0	20,187	0	0	20,187
	HOMEOWNER'S ASSISTANCE								
	WORLWIDE UNSPECIFIED								
UNSPECIFIED WORLDWIDE LOCATIONS	ACQUISITION OF REAL PROPERTY	844		844		844	0		844
UNSPECIFIED WORLDWIDE LOCATIONS	MORTGAGES ASSUMED	[3,000]		[3,000]		[3,000]	0		[3,000]
UNSPECIFIED WORLDWIDE LOCATIONS	OTHER OPERATING COSTS	992		992		992	0		992
UNSPECIFIED WORLDWIDE LOCATIONS	PAYMENT TO HOMEOWNERS	164		164		164	0		164
	TOTAL HOMEOWNER'S ASSISTANCE	2,000	0	2,000	0	2,000	0	0	2,000
	SUBTOTAL FAMILY HOUSING	3,269,365	8,585	3,277,950	1,015	3,270,380	7,570	18,915	3,288,280
	TOTAL MILITARY CONSTRUCTION/FAMILY HOUSING	8,719,245	(57,014)	8,662,231	(82,679)	8,636,566	25,665	(22,610)	8,696,635

LES ASPIN,
THOMAS S. FOLEY,
WILLIAM L. DICKINSON,
Managers on the Part of the House.

SAM NUNN,
JOHN C. STENNIS,
J.J. EXON,
CARL LEVIN,
EDWARD M. KENNEDY,
JEFF BINGAMAN,
ALAN J. DIXON,
JOHN GLENN,
ALBERT GORE, Jr.,
TIMOTHY E. WIRTH,
RICHARD SHELBY,
JOHN WARNER,
STROM THURMOND,
GORDON HUMPHREY,
BILL COHEN,
DAN QUAYLE,
PETE WILSON,
P. GRAMM,
STEVE SYMMS,
JOHN McCAIN,
Managers on the Part of the Senate.

CONFERENCE REPORT ON H.R. 4481, DEFENSE SAVINGS ACT OF 1988

Mr. ASPIN. Mr. Speaker, pursuant to the order of the House earlier today, I call up the conference report on the bill (H.R. 4481) to provide for the closing and realigning of certain military installations during a certain period.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Pursuant to House Resolution 551, the conference report is considered as having been read.

(For conference report and statement, see prior proceeding of the House of today.)

The SPEAKER pro tempore. The gentleman from Wisconsin [Mr. ASPIN] will be recognized for 30 minutes and the gentleman from Alabama [Mr. DICKINSON] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. ASPIN].

Mr. ASPIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I do not plan to yield any more time, and I believe we have a very short amount of discussion on this conference report.

Mr. Speaker, this conference report is identical to the conference report on H.R. 4264, the fiscal year 1989 Defense authorization bill that the House has passed except that there are seven differences, four of which were as a result of further negotiations with the administration.

The differences are:

First. All fences and floors on SDI funding have been eliminated. The top line amount for the SDI Program, however, has not changed.

Second. The requirement for a moratorium on testing of depressed trajectory missiles has been eliminated but the requirement for a report remains.

Third. The funding for the strategic modernization program will be $850 million instead of $750 million, with $250 million for Midgetman and $600 million for rail MX, except that only $250 million of the $600 million may be obligated before February 15. If a new President chooses to spend the remainder on Midgetman instead of rail MX, he could do so with a reprogramming action.

Fourth. There is a completely technical change to the SALT provision that will allow the Navy to keep one of the Poseidon submarines tied up on the east coast instead of the west coast to minimize inconvenience for the crew.

The final three changes are: Fifth, a requirement to add 1,025 auditor positions for the Department of Defense to assist in important audits at this time when the Defense procurement system is under particular scrutiny; Sixth, a delay of 1 year to allow for a smooth implementation period of the original conference report requirements concerning competition for university research grants; and seventh, a series of wholly technical corrections and clarifications to the original bill, such as eliminating references to the Canal Zone in the law—because of course it no longer exists.

Mr. Speaker, this represents the entire differences between the conference report and what the House has already voted on.

I urge passage of this conference report.

Mr. DICKINSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would just like to reemphasize what my distinguished chairman has said. Even though, in monetary terms, there is very little difference in this conference report and in the amounts that we dealt with earlier, there were some very significant changes in the management of the money that was within the bill and in the elimination of some arms control language that did, in fact, substantially interfere with the negotiations ongoing in Geneva by this administration's negotiation team with the Soviets.

There were some technical changes. The Senate insisted that we add some additional auditors to make sure that the inspector general had sufficient support and help to make sure that the procurement process was as free as possible of waste, fraud, and abuse.

Mr. Speaker, very few people do realize the amount of effort, time that has gone into making this thing come about and putting together the various pieces to make this possible today.

Secretary Carlucci and the administration were advised all along. They had their input. They made plain what was and was not acceptable.

We worked out the compromises.

I think this is the best product that could possibly come from the situation in which we find ourselves where most of the Members on this side of the aisle, at least, felt constrained to vote against the conference report previously and were ready to sustain the President's veto should the vote have come back to the floor.

Mr. Speaker, I salute the chairman for the long, hard work he has put in. I would like to thank all those, including the staff, who have stayed up many, many hours during the night to make possible the printing of the report and the information available upon which we vote today.

So I support this. I urge all of my friends to support it.

Just so that there is no misunderstanding, anyone who had reservations before, I plan to give them an opportunity to go on record in support of this thing when a vote is called.

Mr. YOUNG of Florida. Mr. Speaker, will the gentleman yield?

Mr. DICKINSON. I yield to the gentleman from Florida.

Mr. YOUNG of Florida. I thank the gentleman for yielding.

Mr. Speaker, as the gentleman knows, his conference and our conference on the appropriations bill have been communicating with each other very well in the last couple of weeks. Mr. Speaker, could the gentleman say to the House that now we have an appropriations bill and an authorizing bill that are very compatible?

Mr. DICKINSON. I would say yes, this is true.

Let me pay my compliments and respects to the appropriators, especially on the House side. We had an agreement, a handshake agreement 2 years ago, maybe 3 years ago but certainly 2 years ago, and last year and this year whereby the appropriators agreed with us that should they appropriate items over and above what had been authorized, it would be done so subject to authorization. We worked very closely with the gentleman from Florida, the ranking member from Pennsylvania [Mr McDADE], with the chairman of the Subcommittee on Defense appropriations, the gentleman from Florida [Mr. CHAPPELL], and they kept their agreement.

I think the two bills are absolutely compatible.

It has been a pleasure working with the Committee on Appropriations because we have worked in concert toward a common goal and not at cross-purposes.

I want to thank the gentleman for his cooperation.

I would say, yes, I think this bill reflects the product of both our committees.

Mr. YOUNG of Florida. I thank the gentleman for his kind comments.

Mr. HUTTO. Mr. Speaker, section 712 of the conference report provides clarification to existing legislation concerning the functions of the commander of the special operations command. The intent of this section is to provide guidance to the Department of Defense that would enable the commander of the special operations command to prepare and execute a budget for all special operations forces.

Since the original passage of the conference several months ago, it has come to my attention that the interpretation of section 712 by the Department of Defense may not be that which the Congress intended. I would at this time like to make the intention of Congress perfectly clear on this subject.

The agreement by the conferees specifies that the commander of the special operations command will have responsibility for preparing the program objectives memorandum for all forces assigned to the command, as well as for special operations forces assigned to other unified combatant commands and that the commander shall assume these responsibilities as soon as possible, but not later than the resource allocation cycle for fiscal year 1992. The conference agreement went on further to state that the commander of the special operations command will exercise authority, direction, and control over the expenditures of funds for: First, all forces assigned to the command; and second, special operations forces assigned to other unified combatant commands for the development and acquisition of special operations-peculiar material, supplies, and services and for other matters as directed by the Secretary of Defense. The commander of the special operations command will be responsible for these budget execution duties as soon as possible, but not later than for the budget for fisal year 1992.

The responsibilities for budget preparation and execution that will be assigned to the commander of the special operations command by this section represents major changes from current practice and procedures in the Department of Defense. The conferees fully intend that the commander of the special operations command would have sole responsibility for preparation of the program objectives memorandum [POM] for special operations forces and other forces assigned to the command. Clearly, the commander will need the advice and assistance of the military departments in formulating his recommendations and proposals, but the contents of his program objectives memorandum are to be at his discretion, subject to guidance from the Secretary of Defense and oversight by the Assistant Secretary of Defense for special operations and low-intensity conflight and the Chairman of the Joint Chiefs of Staff.

The program objectives memorandum submitted by the commander of the special operations command would follow the same process as the program objectives memoranda submitted by the services. Other unified combatant commanders would submit integrated priority lists that would be addressed by the commander of the special operations command during preparation of his program objective memorandum. The commander of the special operations command would justify his submission; issue paper would be prepared; and the Defense Resources Board would review his recommendations and proposals. The conferees agreed that this process offered the greatest opportunity to ensure an integrated, balanced special operations capability.

With respect to budget execution, changes would be equally significant. The commander of the special operations command would have full execution authority. The conferees do not necessarily intend that the commander directly execute the expenditures of all funds. The commander may want to enter into executive agreements with the military departments or other components of the Department of Defense for the execution of various budget elements. The key is that the commander of the special operations command would retain authority, direction, and control over budget execution.

Mr. Speaker, the Congress is very clear on its intentions for special operations. I only hope that by spelling it out, the Department of Defense will now be able to get on with it.

Mr. ASPIN. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. ASPIN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 369, nays 48, not voting 14, as follows:

[Roll No. 359]

YEAS—369

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Borski
Bosco
Boucher
Brennan
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Cheney
Clarke
Clement
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Cooper
Costello
Coughlin
Courter
Coyne
Craig
Crane
Dannemeyer
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeLay
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Dwyer
Dyson
Early
Eckart
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kemp
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lungren
Manton
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCrery
McCurdy
McDade
McEwen
McGrath
McHugh
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Olin
Ortiz
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Payne
Pease
Penny
Pepper
Petri
Pickett
Pickle
Porter
Price
Pursell
Quillen
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Russo
Sabo
Saiki
Sawyer
Saxton
Schaefer
Schneider
Schuette
Schulze
Schumer
Sharp
Shaw
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stratton
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Watkins
Waxman
Weber
Weldon
Whittaker
Whitten
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yatron
Young (AK)
Young (FL)

NAYS—48

AuCoin
Boxer
Brown (CO)
Chandler
Clay
Conyers
Crockett
DeFazio
Dellums
Durbin
Dymally
Edwards (CA)
Frenzel
Garcia
Gekas
Hayes (IL)
Kastenmeier
Lehman (CA)
Lehman (FL)
Leland
Livingston
Lukens, Donald
Markey
Miller (CA)
Moody
Nagle
Oberstar

Obey
Owens (NY)
Pelosi
Perkins
Rahall
Rangel
Roybal
Savage
Scheuer
Schroeder
Sensenbrenner
Shays
Smith, Denny (OR)
Stokes
Studds
Tauke
Walker
Weiss
Wheat
Williams
Yates

NOT VOTING—14

Boland
Bonior
Bonker
Boulter
Callahan
Dowdy
Frank
Konnyu
Mack
MacKay
Madigan
McCandless
McMillan (NC)
Stangeland

□ 1534

Messrs. NAGLE, BERMAN, SMITH of Florida, LEHMAN of Florida, and RAHALL changed their vote from "yea" to "nay."

Messrs. ALEXANDER, SHUMWAY, BERMAN, RODINO, and SMITH of Florida changed their vote from "nay" to "yea."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ASPIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just agreed to.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

CONFERENCE REPORT ON H.R. 4776, DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 1989

Mr. DIXON. Mr. Speaker, pursuant to the previous order of the House I call up the conference report on the bill (H.R. 4776) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1989, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 548, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of earlier today, September 28, 1988.)

The SPEAKER pro tempore. The gentleman from California [Mr. DIXON] will be recognized for 30 minutes and the gentleman from Pennsylvania [Mr. COUGHLIN] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. DIXON].

GENERAL LEAVE

Mr. DIXON. Mr. Speaker, I ask unanimous censent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report on the bill, H.R. 4776, and all amendments in disagreement, and that I may include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DIXON. Mr. Speaker, the conference report now before the House will provide the District of Columbia government with Federal funds totaling $536.9 million. This amount, Mr. Speaker, is $4.7 million below the budget estimates and the House bill and $4.9 million above the Senate bill.

In District funds, the conference agreement provides a total of $3.2 billion in new budget authority. This is $821,000 below the budget estimate and House bill and $10.8 million below the Senate bill.

FEDERAL FUNDS

The Federal funds included in the conference report includes $430.5 million for the Federal payment, $32.0 million for water and sewer services, which is $4.7 million below the budget estimates and the House bill and $4.9 million above the Senate bill, $52.1 million for the contribution to the retirement funds, $20.0 million for transitional payment for St. Elizabeths Hospital, and $2.3 million to reimburse the District government for expenses incurred in connection with the upcoming Presidential inauguration.

PUBLIC SAFETY AND JUSTICE

The conferees recommend $734.2 million for the departments and agencies under the Public Safety and Justice appropriation title. The conferees have approved $1,966,000 and 36 additional positions for needed staff and resources as well as the mandatory pay increases for the Superior Court.

PUBLIC EDUCATION SYSTEM

The conferees recommend $623.9 million for the public education system which is $500,000 above the House allowance for the Very Special Arts Program founded in 1974 as an educational affiliate of the John F. Kennedy Center for the Performing Arts.

FISCAL YEAR 1988 SUPPLEMENTAL

The conferees recommend $135.9 million for the fiscal year 1988 supplemental. The conferees have denied, without prejudice, the city's request for $45 million in borrowing authority for the Lorton prison complex.

GENERAL PROVISIONS

Mr. Speaker, in this conference we were presented with several major policy issues, some old and some new.

On the issue of abortion, amendment No. 15, the Senate struck the House language providing that none of the funds in this bill could be used for abortion and substituted their language which provides that none of the Federal funds could be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term. It includes the rape and incest exception. The House receded to the Senate language which was included in separate D.C. appropriations bills for 1981, 1982, 1983, 1984, and 1985 and was signed by the President. This language was also included in the so-called continuing resolution for fiscal years 1986, 1987, and 1988 which were signed by the President.

We also debated and acted upon the familiar issue of the D.C. residency requirement. The Senate deleted our House-passed amendment which abolished the residency requirement. The Senate adopted an amendment which provides that if the District has not adopted a hiring preference system by May 1, 1989, and implemented that system by September 30, 1989, then no Federal funds may be used to enforce the current residency requirement. The conferees deleted the word "Federal" making the amendment apply to all funds, both District of Columbia and Federal.

All indications are that the District government will have no problems complying with this amendment. The Mayor's office and the City Council are actively pursuing the adoption and implementation of such a system.

Mr. Speaker, the Senate also added an amendment, amendment No. 26, repealing the District's law which prohibits testing as a basis for the issuance of insurance policies. The District is reviewing this statute and will propose an amendment to address the concerns expressed over the impact of this statute.

Mr. Speaker, the Senate also added what is known as the Armstrong amendment, amendment No. 28. It addresses an issue that has been resolved between certain gay student organizations and Georgetown University. Those problems and issues have been resolved in a consent degree.

The conferees on the part of the House could not and would not agree to the Senate-passed language nor would the Senate conferees agree to drop the amendment or accept the House amendment to their amendment. This amendment is being brought back in true disagreement.

That amendment would repeal the section of the District's human rights statute which prohibits discrimination based on the sexual preference of individuals. Mr. Speaker, this is a direct attack on home rule; 62 other cities have a similar statute as well as 16 counties and 1 State. It is our understanding that Georgetown University doesn't want this and didn't ask for it. So the question I ask is why should we repeal this section of a perfectly valid D.C. law. There is absolutely no

reason. In the spirit of compromise I will be offering an amendment which is consistent with the consent decree signed between Georgetown University and the gay student groups. This amendment does not single out gay groups and I believe it strikes the proper balance between individual rights and sincerely held religious beliefs.

At this point in the RECORD, Mr. Speaker, I will insert a tabulation summarizing the conference action.

The table referred to follows:

DISTRICT OF COLUMBIA APPROPRIATION BILL, 1989 (H.R. 4776) - CONFERENCE SUMMARY

	FY 1988 Enacted	FY 1989 Estimate	House	Senate	Conference	Conference compared with enacted
TITLE I						
FEDERAL FUNDS						
Federal payment to the District of Columbia	430,500,000	430,500,000	430,500,000	430,500,000	430,500,000	
Federal payment for water and sewer services	40,500,000	36,726,000	36,726,000	27,130,000	32,040,000	-8,460,000
Federal contribution to retirement funds	50,000,000	52,070,000	52,070,000	52,070,000	52,070,000	+2,070,000
Transitional payment for Saint Elizabeths Hospital	29,000,000	20,000,000	20,000,000	20,000,000	20,000,000	-9,000,000
Criminal justice initiative:						
Rescission, fiscal year 1988	-20,000,000					+20,000,000
Advance appropriation, fiscal year 1989	20,000,000					-20,000,000
Federal payment for inaugural expenses		2,300,000	2,300,000	2,300,000	2,300,000	+2,300,000
Total, Federal funds to District of Columbia (net)	550,000,000	541,596,000	541,596,000	532,000,000	536,910,000	-13,090,000
Appropriations, fiscal year 1988 (net)	(530,000,000)	(541,596,000)	(541,596,000)	(532,000,000)	(536,910,000)	(+6,910,000)
Appropriations	(550,000,000)	(541,596,000)	(541,596,000)	(532,000,000)	(536,910,000)	(-13,090,000)
Rescissions, FY 1988	(-20,000,000)					(+20,000,000)
Advance appropriations, FY 1989	(20,000,000)					(-20,000,000)
DISTRICT OF COLUMBIA FUNDS						
Operating Expenses						
Governmental direction and support	(114,328,000)	(118,439,000)	1/ (118,439,000)	(118,439,000)	(118,439,000)	(+4,111,000)
Economic development and regulation	(140,467,000)	(144,616,000)	(144,616,000)	(144,616,000)	(144,616,000)	(+4,149,000)
Public safety and justice	(655,524,000)	(735,528,000)	2/ (735,528,000)	(734,207,000)	(734,207,000)	(+78,683,000)
Public education system	(570,594,000)	(623,424,000)	(623,424,000)	(623,981,000)	(623,924,000)	(+53,330,000)
Human support services	(695,591,000)	(744,901,000)	(744,901,000)	(745,665,000)	(744,901,000)	(+49,310,000)
Public works	(213,654,000)	(218,925,000)	(218,925,000)	(218,925,000)	(218,925,000)	(+5,271,000)
Washington Convention Center Fund	(6,758,000)		(7,274,000)	(7,274,000)	(7,274,000)	(+516,000)
Repayment of loans and interest	3/ (220,905,000)		(235,796,000)	(235,796,000)	(235,796,000)	(+14,891,000)
Repayment of general fund deficit	(882,000)		4/ (1,000,000)	(1,000,000)	(1,000,000)	(+118,000)
Short-term borrowings	(3,750,000)		(4,570,000)	(4,570,000)	(4,570,000)	(+820,000)
Optical and dental benefits	(1,489,000)		(2,569,000)	(2,569,000)	(2,569,000)	(+1,080,000)
Inaugural Expenses		5/ (2,300,000)	(2,300,000)	(2,300,000)	(2,300,000)	(+2,300,000)
Energy adjustment	(-1,200,000)		(-2,070,000)	(-2,070,000)	(-2,070,000)	(-870,000)
Personal Services Adjustment			(-2,747,000)	(-2,747,000)	(-2,747,000)	(-2,747,000)
Financing and other uses		(246,392,000)				
Total, operating expenses, general fund	(2,622,742,000)	(2,834,525,000)	(2,834,525,000)	(2,834,525,000)	(2,833,704,000)	(+210,962,000)
Capital Outlay						
General fund	(272,526,000)	(138,336,000)	(138,336,000)	(148,336,000)	(138,336,000)	(-134,190,000)
Enterprise Funds						
Water and sewer enterprise fund:						
Operating expenses	(169,013,000)	(200,805,000)	(200,805,000)	(200,805,000)	(200,805,000)	(+31,792,000)
Capital outlay	(7,358,000)	(24,200,000)	(24,200,000)	(24,200,000)	(24,200,000)	(+16,842,000)
Total, water and sewer enterprise fund	(176,371,000)	(225,005,000)	(225,005,000)	(225,005,000)	(225,005,000)	(+48,634,000)
Lottery and Charitable Games enterprise fund	(5,458,000)	(8,050,000)	(8,050,000)	(8,050,000)	(8,050,000)	(+2,592,000)
Cable Television enterprise fund	(250,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(+750,000)
Total, enterprise funds	(182,079,000)	(234,055,000)	(234,055,000)	(234,055,000)	(234,055,000)	(+51,976,000)
Total, District of Columbia funds	(3,077,347,000)	(3,206,916,000)	(3,206,916,000)	(3,216,916,000)	(3,206,095,000)	(+128,748,000)
Total, title I, fiscal year 1989 appropriations:						
Federal funds to the District of Columbia (net)	550,000,000	541,596,000	541,596,000	532,000,000	536,910,000	-13,090,000
Appropriations, fiscal year 1988 (net)	(530,000,000)	(541,596,000)	(541,596,000)	(532,000,000)	(536,910,000)	(+6,910,000)
Appropriations	(550,000,000)	(541,596,000)	(541,596,000)	(532,000,000)	(536,910,000)	(-13,090,000)
Rescissions	(-20,000,000)					(+20,000,000)
Advance appropriation, fiscal year 1989	(20,000,000)					(-20,000,000)
District of Columbia funds (net)	(3,077,347,000)	(3,206,916,000)	(3,206,916,000)	(3,216,916,000)	(3,206,095,000)	(+128,748,000)

1/ Includes budget amendment of $46,000 in H. Doc. _____.

2/ Includes budget amendment of $5,454,000 in H. Doc. _____.

3/ In addition, in FY 1988, $19,118,000 to be derived from amounts otherwise available including amounts appropriated in the accompanying bill or revenue otherwise available, or both.

4/ In addition, in FY 1989, $19,000,000 to be derived from amounts otherwise available including amounts appropriated in the accompanying bill or revenue otherwise available, or both.

5/ Budget amendment submitted in H. Doc. _____.

	FY 1988 Enacted	FY 1988 Estimate	House	Senate	Conference	Conference compared with enacted
TITLE II						
FISCAL YEAR 1988 SUPPLEMENTAL						
DISTRICT OF COLUMBIA FUNDS						
Operating Expenses						
Governmental direction and support				(2,168,000)	(2,168,000)	(+2,168,000)
Rescissions		(-1,357,000)		(-3,525,000)	(-3,525,000)	(-3,525,000)
Economic development and regulation				(143,000)	(143,000)	(+143,000)
Rescissions		(-15,636,000)		(-11,279,000)	(-15,779,000)	(-15,779,000)
Public safety and justice		(33,251,000)		(33,253,000)	(33,253,000)	(+33,253,000)
Rescission				(-2,000)	(-2,000)	(-2,000)
Public education system		(13,900,000)		(10,000,000)	(13,900,000)	(+13,900,000)
Rescission		(-1,114,000)		(-1,114,000)	(-1,114,000)	(-1,114,000)
Human support services		(34,200,000)		(2,550,000)	(24,467,000)	(+24,467,000)
Rescission		(-18,311,000)		(-18,361,000)	(-8,578,000)	(-8,578,000)
Public works		(8,835,000)			(2,783,000)	(+2,783,000)
Rescission		(-8,677,000)		(-6,293,000)	(-2,625,000)	(-2,625,000)
Repayment of loans and interest		(3,469,000)		(3,469,000)		
Rescission		(-4,474,000)			(-1,005,000)	(-1,005,000)
Repayment of General Fund Deficit		(118,000)		(118,000)	(118,000)	(+118,000)
Optical and dental benefits		(1,080,000)		(1,080,000)	(1,080,000)	(+1,080,000)
Personal services		(34,377,000)		(34,377,000)	(34,150,000)	(+34,150,000)
Rescission		(-227,000)				
Adjustments						
Rescission		(-911,000)			(-911,000)	(-911,000)
Total, operating expenses, general fund (net)		(78,523,000)		(46,584,000)	(78,523,000)	(+78,523,000)
Capital Outlay						
General fund		(51,340,000)		(6,340,000)	(6,340,000)	(+6,340,000)
Enterprise Funds						
Water and sewer enterprise fund:						
Operating expenses		(39,750,000)		(39,750,000)	(39,750,000)	(+39,750,000)
Capital outlay		(10,500,000)		(10,500,000)	(10,500,000)	(+10,500,000)
Total, Water and sewer enterprise fund		(50,250,000)		(50,250,000)	(50,250,000)	(+50,250,000)
Lottery and Charitable Games enterprise fund		(764,000)		(764,000)	(764,000)	(+764,000)
Total, Enterprise funds		(51,014,000)		(51,014,000)	(51,014,000)	(+51,014,000)
Total, title II, fiscal year 1988 supplemental:						
District of Columbia funds (net)		1/ (180,877,000)		(103,938,000)	(135,877,000)	(+135,877,000)
Appropriations		(231,584,000)		(144,512,000)	(169,416,000)	(+169,416,000)
Rescissions		(-50,707,000)		(-40,574,000)	(-33,539,000)	(-33,539,000)

1/ Consists of $103,938,000 in H. Doc. 100-188, $31,939,000 submitted in H. Doc. 100-223 and $45,000,000 submitted in H. Doc. 100-223.

Mr. Speaker, let me say that this was a long, hard conference and I want to thank all of the conferees on both sides of the aisle in this body and in the other body. We faced several difficult public policy issues in this conference and I would like to thank every Member for their good faith efforts to resolve these issues, especially our ranking member, the gentleman from Pennsylvania [Mr. COUGHLIN].

And, Mr. Speaker, I certainly want to thank the fine staff, both on the House side and the Senate side. Many of them worked late last night and into the early morning hours so that this report could be brought up this afternoon.

Mr. Speaker, this is a good conference report. The amendments involving issues such as abortions, residency and human rights have been brought back in disagreement so that this House can work its will on each amendment.

I urge Members to vote aye on the adoption of this conference report.

Mr. Speaker, I reserve the balance of my time.

Mr. COUGHLIN. Mr. Speaker, I yield myself such time as I may consume.

The conference report that has been hammered out between the House and the other body I think is a worthy conference report. It is worth again reminding the Members that while this bill is an increase over last year, the amount of Federal funds involved is not an increase over last year.

Members will recall that the Congress appropriates all of the District of Columbia's budget and that the increase in the bill over last year is in District of Columbia funds, funds that are raised and spent by the District itself.

The amount of Federal funds in the bill is actually $13 million less than it was last year.

Mr. Speaker, the chairman and the staff have done an outstanding job in bringing back to the House a bill that very nearly reflects the position of this House. There were a number of amendments added in the other body that were withdrawn in the conference. We can be proud of the House conferees in the bill that they are bringing back here today.

The bill is under the section 302(b) allocation. It has, as the chairman has pointed out, essentially the language that was adopted by this House in terms of trying to eliminate the residency requirement for the District of Columbia police and the District of Columbia firemen.

It does have two issues of some controversy that will be before the House on the question of having the Georgetown University exempt from certain requirements of the District's civil rights law and, of course, the question of abortion.

But Mr. Speaker, before we get to that question, we have to adopt the conference report itself, and I urge my colleagues to vote "yes" and to adopt the conference report.

Mr. COUGHLIN. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. Green], a member of the subcommittee.

Mr. GREEN. Mr. Speaker, I thank the distinguished ranking minority member for yielding me this time.

I rise for purposes of engaging in a colloquy with the distinguished chairman of the subcommittee.

Mr. Speaker, amendment No. 26 as agreed on between the House and the Senate covering section 143 of the bill provides that none of the Federal funds may be obligated or expended after December 31 of this year if on that date the District of Columbia has not repealed District of Columbia law 6-170, or "amended the law to allow testing for the human immunodeficiency virus as a condition for acquiring all health, life and disability insurance without regard to the face value of such policies. Eligibility for coverage and premium costs shall be determined in accordance with ordinary practices."

My purpose in rising is to ask the distinguished chairman of the subcommittee, am I correct in my understanding that amendment No. 26, covering section 143 as it appears in the conference report, does not bar the District of Columbia from providing for such normal insurance practices as, for example, requiring establishment of assigned risk pools.

Mr. DIXON. Mr. Speaker, if the gentleman will yield, I would say to the distinguished gentleman from New York that yes, that is my understanding, and the gentleman is absolutely correct.

Mr. GREEN. Mr. Speaker, I thank the gentleman for that clarification.

Mr. COUGHLIN. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia [Mr. Parris].

Mr. PARRIS. Mr. Speaker, I rise in strong support of the passage of this conference report making appropriations for fiscal year 1989 for the District of Columbia. And I would commend the conferees on both sides for their diligent efforts to reach a position of compromise on some very difficult issues.

Three of the issues addressed in the conference were, to say the least, of significant interest to me. I am pleased to report that the final conference positions on all three issues have my full and unqualified support.

To begin with, the conferees agreed to insert a section repealing section 724 of Public Law 100-17—which was my Shirley Highway HOV amendment to last year's Surface Transportation bill. I requested this repeal to fulfill my end of the agreement with the State of Virginia. Virginia is now in a position to fulfill its obligation of reducing the Shirley Highway Express Lane rstrictions from HOV-4 to HOV-3; keeping the restricted hours as they are now; and keeping the Pentagon Access Ramp open to all traffic. Everyone benefits from this change since more people will use carpools and traffic congestion on the regular lanes on I 95/I 395 will be reduced.

Second, an acceptable compromise was reached on my residency language which, for all intents and purposes, requires the city to take action on their own to pass by May 1, 1989, legislation establishing an acceptable system of preferences in the hiring of its employees. If its proposal proves unacceptable, then there is an opportunity for the committee or the Congress to again take action during the next appropriation cycle.

Finally, I am most pleased with the conference committee's decision to deny authority, in the form of a third budgetary supplemental, to expand the Lorton Prison complex in my district at a cost of $45 million. To expand a facility that is already unmanageable only serves to further exacerbate an untennable situation.

Although I am in disagreement with the action taken on the so-called abortion amendment I believe that, overall, this conference report merits the support of my colleagues, and I intend to communicate to the President my recommendation that he sign the bill when it is presented to him.

Mr. COUGHLIN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DIXON. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the conference report.

The previous question was ordered.

MOTION TO RECOMMIT OFFERED BY MR. DORNAN OF CALIFORNIA

Mr. DORNAN of California. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the conference report?

Mr. DORNAN of California. Yes, Mr. Speaker, I am.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Dornan moves to recommit the conference report on the bill H.R. 4776 to the committee of conference with instructions to the managers on the part of the House to insist on the House text of section 117 relating to use of funds for abortions, or to agree to an amendment to such House text containing an exception where the life of the mother would be endangered if the fetus were carried to term.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. DORNAN of California. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 228, nays 188, not voting 15, as follows:

[Roll No. 360]

YEAS—228

Alexander
Annunzio
Applegate
Archer
Armey
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bennett
Bentley
Bereuter
Bevill
Bilbray
Bilirakis
Bliley
Boggs
Borski
Broomfield
Bruce
Buechner
Bunning
Burton
Byron
Chapman
Chappell
Cheney
Clarke
Clinger
Coats
Coble
Coleman (MO)
Combest
Conte
Costello
Courter
Craig
Crane
Dannemeyer
Darden
Daub
Davis (IL)
Davis (MI)
DeLay
DeWine
DioGuardi
Donnelly
Dorgan (ND)
Dornan (CA)
Dreier
Durbin
Dyson
Edwards (OK)
Emerson
English
Erdreich
Fields
Fish
Flake
Flippo
Gallegly
Gaydos
Gephardt
Gibbons
Gingrich
Goodling
Grandy
Grant
Gray (IL)
Gregg
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hiler
Hochbrueckner
Holloway
Hopkins
Hubbard
Huckaby
Hunter
Hutto
Hyde
Inhofe
Ireland
Jenkins
Johnson (SD)
Kanjorski
Kaptur
Kasich
Kemp
Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kyl
LaFalce
Lagomarsino
Latta
Leach (IA)
Lent
Lewis (CA)
Lightfoot
Lipinski
Livingston
Lloyd
Lott
Lowery (CA)
Lujan
Luken, Thomas
Lukens, Donald
Lungren
Manton
Marlenee
Martin (NY)
Mavroules
Mazzoli
McCloskey
McCollum
McCrery
McDade
McEwen
McGrath
McMillan (NC)
Michel
Miller (OH)
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Murphy
Murtha
Myers
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Ortiz
Owens (UT)
Oxley
Packard
Parris
Pashayan
Patterson
Penny
Perkins
Petri
Porter
Quillen
Rahall
Ravenel
Ray
Regula
Rhodes
Rinaldo
Ritter
Roberts
Robinson
Roe
Rogers
Rostenkowski
Roth
Rowland (CT)
Russo
Saxton
Schaefer
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Sikorski

Skeen
Skelton
Slattery
Slaughter (VA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stenholm
Stump
Sundquist
Sweeney
Swindall
Tallon
Tauke
Tauzin
Taylor
Traxler
Vander Jagt
Volkmer
Vucanovich
Walker
Weber
Weldon
Wolf
Wortley
Wylie
Yatron
Young (AK)
Young (FL)

NAYS—188

Ackerman
Akaka
Anderson
Andrews
Anthony
Aspin
Atkins
AuCoin
Bates
Beilenson
Berman
Boehlert
Bosco
Boucher
Boxer
Brennan
Brown (CA)
Brown (CO)
Bryant
Bustamante
Campbell
Cardin
Carper
Carr
Chandler
Clay
Coelho
Coleman (TX)
Collins
Conyers
Cooper
Coughlin
Coyne
Crockett
de la Garza
DeFazio
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Downey
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frenzel
Frost
Gallo
Garcia
Gejdenson
Gekas
Gilman
Glickman
Gonzalez
Gradison
Gray (PA)
Green
Guarini
Hatcher
Hawkins
Hayes (IL)
Hertel
Horton
Houghton
Hoyer
Hughes
Jacobs
Jeffords
Johnson (CT)
Jones (NC)
Jones (TN)
Jontz
Kastenmeier
Kennedy
Kennelly
Kostmayer
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (FL)
Lewis (GA)
Lowry (WA)
Markey
Martin (IL)
Martinez
Matsui
McCurdy
McHugh
McMillen (MD)
Meyers
Mfume
Mica
Miller (CA)
Miller (WA)
Mineta
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Nagle
Natcher
Neal
Obey
Olin
Owens (NY)
Panetta
Payne
Pease
Pelosi
Pepper
Pickett
Pickle
Price
Pursell
Rangel
Richardson
Ridge
Rodino
Rose
Roukema
Rowland (GA)
Roybal
Sabo
Saiki
Savage
Sawyer
Scheuer
Schneider
Schroeder
Schumer
Sharp
Shays
Sisisky
Skaggs
Slaughter (NY)
Smith (FL)
Smith (IA)
Snowe
Solarz
Stark
Stokes
Stratton
Studds
Swift
Synar
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Upton
Valentine
Vento
Visclosky
Walgren
Watkins
Waxman
Weiss
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates

NOT VOTING—15

Boland
Bonior
Bonker
Boulter
Brooks
Callahan
Clement
Dowdy
Frank
Gordon
Mack
MacKay
Madigan
McCandless
Udall

□ 1613

Mr. RICHARDSON, Mr. CAMPBELL, Miss SCHNEIDER, and Messrs. MICA, MARTINEZ, LEWIS of Florida, THOMAS of California, and HORTON changed their vote from "yea" to "nay."

Messrs. SCHULZE, ROSTENKOWSKI, LaFALCE, ALEXANDER, and FLAKE, Mrs. PATTERSON, and Mr. GRAY of Illinois changed their vote from "nay" to "yea."

So the motion to recommit was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. GRAY of Illinois). Pursuant to clause 5 of rule I, the Chair will not put the question on the motion to suspend the rules on which further proceedings were postponed on Tuesday, September 27, 1988.

INCLUDING FEDERAL PERSONNEL STATIONED OVERSEAS IN DECENNIAL CENSUSES

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill, H.R. 4720.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. DYMALLY] that the House suspend the rules and pass the bill, H.R. 4720, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 93, nays 317, not voting 21, as follows:

[Roll No. 361]

YEAS—93

Ackerman
Akaka
Anderson
Atkins
Bateman
Bates
Berman
Bilbray
Boucher
Boxer
Brown (CA)
Carr
Chapman
Clarke
Clay
Coelho
Collins
de la Garza
Dellums
Dixon
Downey
Dymally
Edwards (CA)
English
Fascell
Fazio
Fields
Flake
Ford (MI)
Frost
Garcia
Gilman
Grant
Gray (IL)
Hall (OH)
Hawkins
Hayes (IL)
Hertel
Hochbrueckner
Hoyer
Hutto
Johnson (SD)
LaFalce
Lancaster
Leland
Levine (CA)
Manton
Martinez
Matsui
Mavroules
McCurdy
Mfume
Mica
Miller (CA)
Mineta
Morella
Mrazek
Nelson
Oberstar
Olin
Ortiz
Owens (NY)
Panetta
Parris
Payne
Pelosi
Pickett
Pickle
Rangel
Ravenel
Richardson
Robinson
Rodino
Roe
Rose
Roybal
Scheuer
Schroeder
Sikorski
Sisisky
Skaggs
Slaughter (VA)
Smith (FL)
Spence
Stokes
Stratton
Synar
Torres
Towns
Valentine
Watkins
Waxman
Wheat

NAYS—317

Alexander
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
AuCoin
Badham
Baker
Ballenger
Bartlett
Barton
Beilenson
Bennett
Bentley
Bereuter
Bevill
Bilirakis
Bliley
Boehlert
Boggs
Borski
Bosco
Brennan
Broomfield
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Campbell
Cardin
Carper
Chandler
Chappell
Cheney
Clinger
Coats
Coble
Coleman (MO)
Coleman (TX)
Combest
Conte
Conyers
Cooper
Costello
Coughlin
Courter
Coyne
Craig
Crane
Crockett
Dannemeyer
Darden
Daub
Davis (IL)
Davis (MI)
DeFazio
DeLay
Derrick
DeWine
Dickinson
Dingell
DioGuardi
Donnelly
Dorgan (ND)
Dornan (CA)
Dreier
Durbin
Dwyer
Dyson
Early
Eckart
Edwards (OK)
Emerson
Erdreich
Espy
Evans
Fawell
Feighan
Fish
Flippo
Florio
Foglietta
Foley
Ford (TN)
Frenzel
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gingrich
Glickman
Gonzalez
Goodling
Gradison
Grandy
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hiler
Holloway
Hopkins
Horton
Houghton
Hubbard
Huckaby
Hughes
Hunter
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kemp
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
Kyl
Lagomarsino
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lukens, Donald
Lungren
Markey
Marlenee
Martin (IL)
Martin (NY)
Mazzoli
McCloskey
McCollum
McCrery
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Michel
Miller (OH)
Miller (WA)
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morrison (CT)
Morrison (WA)
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nichols
Nielson
Nowak
Oakar
Obey
Owens (UT)
Oxley
Packard
Pashayan
Patterson
Pease
Penny
Pepper
Perkins
Petri
Porter
Price
Pursell
Quillen
Rahall
Ray
Regula
Rhodes
Ridge
Rinaldo
Ritter
Roberts
Rogers
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Schneider
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shays
Shumway
Shuster
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spratt
St Germain
Staggers
Stallings
Stangeland
Stenholm
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torricelli
Traficant
Traxler
Upton
Vander Jagt
Vento
Visclosky

Volkmer
Vucanovich
Walgren
Walker
Weber
Weiss
Weldon
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (FL)

NOT VOTING—21

Barnard
Boland
Bonior
Bonker
Boulter
Brooks
Callahan
Clement
Dicks
Dowdy
Frank
Gordon
Konnyu
Mack
MacKay
Madigan
McCandless
Shaw
Stark
Udall
Young (AK)

□ 1634

Messrs. GRAY of Pennsylvania, GEJDENSON, STENHOLM, BRYANT, and LEVIN of Michigan changed their vote from "yea" to "nay."

Messrs. LELAND, ORTIZ, RANGEL, BILBRAY, and ROYBAL changed their vote from "nay" to "yea."

So (two-thirds not having voted in favor thereof), the motion was rejected.

The result of the vote was announced as above recorded.

PRIVILEGES OF THE HOUSE—RETURNING TO THE SENATE S. 2763, PREVENTION OF GENOCIDE ACT OF 1988

Mr. ROSTENKOWSKI. Mr. Speaker, I rise to a question of the privileges of the House, and I offer a privileged resolution (H. Res. 552) returning to the Senate the bill (S. 2763), entitled the "Prevention of Genocide Act of 1988," and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 552

Resolved, That the bill of the Senate (S. 2763) entitled the "Prevention of Genocide Act of 1988," in the opinion of this House, contravenes the first clause of the seventh section of the first article of the Constitution of the United States and is an infringement of the privileges of this House and that such bill be respectfully returned to the Senate with message communicating this resolution.

The SPEAKER. The gentleman from Illinois [Mr. Rostenkowski] is recognized for 1 hour.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 552 is a privileged resolution returning to the Senate the bill, S. 2763, because it contravenes the constitutional requirements that revenue measures originate in the House of Representatives, S. 2763, which passed the Senate on September 9, 1988, is a bill which contains a ban on the importation of all oil and oil products from Iraq.

This change in our tariff laws constitutes a revenue measure in the constitutional sense, because it would have an immediate effect on customs revenues. Therefore, I am asking that the House insist on its constitutional prerogatives. While the House, by adopting this resolution, will preserve its prerogative to originate revene matters, I want to make it clear to all members that our action does not constitute a rejection of the Senate bill on its merits. Yesterday, the house passed H.R. 5337, a bill which imposes certain sanctions against Iraq and requires the President to impose additional sanctions. It sends a clear message to the Government of Iraq that the United States will not tolerate Iraq's use of chemical weapons, now or in the future.

I urge my colleagues to support this privileged resolution.

Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota [Mr. Frenzel].

Mr. FRENZEL. Mr. Speaker, I thank the chairman for yielding time to me.

Mr. Speaker, the minority agrees with the statement of the distinguished chairman and urges that the resolution be promptly passed.

Mr. ROSTENKOWSKI. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON H.R. 4784, RURAL DEVELOPMENT, AGRICULTURE, AND RELATED AGENCIES APPROPRIATIONS ACT, 1989

Mr. WHITTEN submitted the following conference report and statement on the bill (H.R. 4784) making appropriations for Rural Development, Agriculture, and Related Agencies programs for the fiscal year ending September 30, 1989, and for other purposes:

TEXTILE APPAREL AND FOOTWEAR TRADE ACT OF 1988—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 100-235)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning without my approval H.R. 1154, the "Textile Apparel and Footwear Trade Act of 1988," a bill that would have disastrous effects on the U.S. economy. It would impose needless costs on American consumers, threaten jobs in our export industries, jeopardize our overseas farm sales, and undermine our efforts to obtain a more open trading system for U.S. exports.

This bill represents protectionism at its worst. The supposed benefits of the bill would be temporary at best. Protectionism does not save jobs. Only improved competitiveness can truly protect jobs, yet there is nothing in this bill that would encourage domestic industries to become more competitive. At a time when American exports are booming, the United States must not embark on a course that would diminish our trade opportunities.

Moreover, there is no economic justification for the bill. Fibers consumed by U.S. mills were at record levels in 1987. Domestic textile and apparel production, profits, and exports all posted sharp gains in 1986 and 1987, and this trend is continuing in 1988. Capacity utilization in this industry remains well above the national average. Consumer apparel prices, which rose sharply in the first half of this year, would be forced up even faster by the bill. This would break the clothing budgets of many American families.

When I vetoed an earlier version of the textile bill 3 years ago, I directed the Office of the U.S. Trade Representative to renegotiate the Multi-Fiber Arrangement—the multilateral agreement that sets the rules for trade in textiles—in order to strengthen our ability to control textile and apparel imports. That task was accomplished on August 1, 1986. Under this arrangement, we have negotiated tough, new agreements with our largest textile trading partners. Nearly 1,500 quotas, in addition to textile and apparel tariffs averaging almost 18 percent, make this industry the most protected sector of our economy. Indeed, textile and apparel imports increased only 2 percent in 1987 and have decreased almost 10 percent during the first 7 months of 1988. There is no need for further protection from imports.

At the same time I am sensitive to the difficulties that families and communities face because of internal restructuring in the textile, apparel, and footwear industries. This bill would not stop these trends. They are the inevitable result of a dynamic, expanding economy. The best way to help displaced workers is to retrain them for new jobs. Thanks to dislocated workers assistance, Trade Adjustment Assistance, and the Worker Readjustment Assistance Program I proposed, many services are now available for workers who must shift jobs as the economy adjusts to competitive challenges. Our goal must be to retrain and move dislocated workers into the industries of the future, not to maintain them in noncompetitive and inefficient facilities at all costs.

Our free and fair trade policies have created 17 million new jobs in the past 6 years. The percentage of the working-age population now employed is the highest in our Nation's history. Exports are running at record levels, and our manufacturing industries are stronger and more competitive than they have been in a decade. H.R. 1154 would threaten these gains by setting off a dangerous chain reaction of retaliation and counter-retaliation in the international trade system.

Three years ago I announced an aggressive, growth-oriented trade strategy aimed at opening markets currently closed to American exporters. Since then we have challenged unfair trade practices around the world and negotiated trade agreements that have created significant export opportunities for American firms. In August I signed into law the "Omnibus Trade and Competitiveness Act of 1988," which provides additional tools for prying open closed foreign markets. And today I am approving legislation to implement the U.S.-Canada Free Trade Agreement, a historic trade pact that will create the world's largest free trade area. The protectionism of H.R. 1154 is the antithesis of the free trade principles of these two laws.

America's export opportunities have never been brighter and our prospects for continued economic growth have never been better. Increased trade means more jobs and a better standard of living. It would be a tragic mistake to change course now that American businesses have regained their competitive edge and are winning sales around the globe. Accordingly, I am disapproving H.R. 1154.

RONALD REAGAN.

THE WHITE HOUSE, *September 28, 1988.*

□ 1645

The **SPEAKER.** The objections of the President will be spread at large upon the Journal, and the message and bill will be printed as a House document.

MR. DERRICK. Mr. Speaker, I move that further consideration of the veto message of the President be postponed until Tuesday, October 4, 1988.

The **SPEAKER.** Does the gentleman from South Carolina [Mr. DERRICK] wish to be heard upon his motion?

Mr. DERRICK. Yes, I do, Mr. Speaker.

The **SPEAKER.** The gentleman from South Carolina [Mr. DERRICK] is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, I am outraged that President Reagan has once again turned his back on the textile, apparel, and footwear industries in this country. Instead of immediately voting on his veto, I believe Members should have an opportunity to review the President's rationale for turning his back on the textile, apparel and footwear industries before deciding whether to sustain his veto of this very reasonable approach to our trade crisis.

Perhaps the President himself has not had the opportunity to note the fact that capacity utilization in the textile industry has fallen to 83.4 percent in July, nearly 4 percentage points below June. Despite the loose talk of soaring growth in the industry, the fact is that capacity utilization has been on a steady decline since July 1987.

I want the Members to have an opportunity to consider the job losses suffered in the apparel industry. Employment is at the lowest level since January 1946. Twenty-seven thousand apparel industry jobs have been lost during the past 12 months. From May 1987, to May 1988, imports of apparel to the U.S. market amounted to 6.2 billion square yards—the equivalent of 530,000 American garment workers.

And finally, let us hear what the President has to say about the import penetration in the footwear market. In 1980, imports accounted for 49.5 percent in 1980 and increased to a full 81 percent last year. In the past 7 years, 371 plants have closed. With this trend line, there is little hope for the footwear industry that has employees in 38 States.

Mr. Speaker, please consider the importance of this vote to the health of our economy: no jobs mean no consumers. We must override the President's callous neglect of the textile, apparel and footwear workers of America.

Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The **SPEAKER.** The question is on the motion offered by the gentleman from South Carolina [Mr. DERRICK].

The motion was agreed to.

A motion to reconsider was laid on the table.

ANNUAL REPORT OF THE REHABILITATION SERVICES ADMINISTRATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The **SPEAKER** laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Education and Labor:

(For message see proceedings of the Senate of today, Wednesday, September 28, 1988.)

ANNOUNCEMENT BY THE SPEAKER

The **SPEAKER.** The Chair desires to make a statement.

The motion offered by the gentleman from South Carolina [Mr. DERRICK] a moment ago referring the veto message until Tuesday was not fully understood by some Members. It was the understanding of the Chair that the gentleman moved to postpone further consideration of the veto and the veto message on the textile bill until Tuesday next, October 4, and without objection, it is so ordered.

There was no objection.

FEDERAL EQUITABLE PAY PRACTICES ACT OF 1988

The **SPEAKER.** Pursuant to House Resolution 537 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 387.

□ 1650

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 387) to promote equitable pay practices and to eliminate discrimination within the Federal civil service, with Mr. KILDEE in the chair.

The Clerk read the title of the bill.

The **CHAIRMAN.** When the Committee of the Whole rose earlier today, section 3 was open to amendment at any point.

Are there further amendments to section 3?

AMENDMENTS OFFERED BY MR. BURTON OF INDIANA

Mr. BURTON of Indiana. Mr. Chairman, I offer amendments to section 3.

The Clerk read as follows:

Amendments offered by Mr. BURTON of Indiana: Page 3, strike line 22 and all that follows thereafter through page 7, line 5, and insert in lieu thereof the following:

(b) COMPOSITION.—The Commission shall be composed of 14 members, of whom—

(1) 7 shall be appointed by the President in consultation with the majority leader of the Senate and the minority leader of the House of Representatives; and

(2) 7 shall be appointed by the President upon the joint recommendation of the Speaker of the House of Representatives and the minority leader of the Senate.

To the extent practicable, appointments under this section shall be made with a view towards maintaining a fair balance in the interests represented and the functions to be performed by the Commission.

(c) CONDITIONS FOR MEMBERSHIP.—(1) Members of the Commission shall not be officers or employees of the United States.

(2) If any member of the Commission becomes an officer or employee of the United States, that individual may continue as such a member for not longer than the 15-day period beginning on the date that such individual becomes such an officer or employee.

(3) An individual on leave without pay from the Government shall not, for purposes of this subsection, be considered an officer or employee of the United States.

(d) COMPENSATION.—Members of the Commission shall receive no pay on account of their service on the Commission, but while away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in Government service under section 5703 of title 5, United States Code.

Page 7, line 7, strike "paragraphs (2) and (3) of".

Page 7, line 19, strike "Six" and insert in lieu thereof "Eight".

Mr. BURTON of Indiana. Mr. Chairman, when last we discussed this piece of legislation earlier in the day, the concluding remarks of one of the speakers for the majority side indicated that I would rather be dead than to see in essence equal pay for equal work. The fact of the matter is that I believe there should be complete equality in the workplace among minorities and between minorities and women and any other affected party. I believe in total equity in the workplace. I do not believe, however, that the bill before us today is the right way to go about getting it.

Mr. Chairman, I am offering an amendment to H.R. 387 which changes the makeup of the Commission which authorizes this bill. I believe the composition of the Commission as proposed in the legislation is heavily biased. In addition to members appointed by congressional leaders, this bill mandates that a number of biased organizations be represented. With such a biased group on the Commission, could we expect that any comparable worth recommendations would be rejected, no matter how arbitrary, costly, or impractical? I think not.

We should remember that this bill does not intend that there be any reduction of any jobs which might now be overrated. The political motivation behind this legislation is the promise of raises for women and minorities, not a reduction in male-dominated jobs. Can we imagine such a staked Commission recommending anything else? I think not.

My amendment eliminates the bias in the Commission and its foregone conclusions. It instead relies on the good judgment of congressional leaders to select a variety of qualified people from all walks of life.

Mr. Chairman, I urge my colleagues to support this amendment and allow this study on job discrimination to be conducted free of special interest lobbying and special interest lobbying groups.

Mr. ACKERMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am somewhat troubled and confused by the gentleman's proposal to change the composition of the Commission. The gentleman's amendment eliminates from membership on the Commission the Director of the Office of Personnel Management, as well as the representative employee organizations, groups promoting the interest of federally employed women and groups promoting the civil rights of minorities and group members employed by the Federal Government.

In creating the Commission, the committee strived for objectivity, expertise in Federal pay practices, and bipartisan balance. The labor, women, and civil rights organizations are named to the Commission in recognition of their roles in representing employees in the classification and pay systems, subject to the study and their commitment to protecting and promoting the civil rights of their members. In addition, the representatives of these organizations are knowledgeable and experienced with regard to the systems under study.

The gentleman's amendment goes on to limit Commission membership to individuals appointed by the President upon recommendations which, as a practical matter, rely on a rather unique mix of bipartisan cooperation. I am confused as to whether or not the gentleman's amendment means what he wanted it to say or if he just dragged it up from some old file when the Congress was differently constituted, because under the gentleman's amendment the Senate majority leader, who is presently a Democrat, would confer with the minority leader of the House, who is presently a Republican, in coming up with seven Commission members, and the Speaker of the House, who is presently a Democrat, would have to confer with the minority leader of the Senate, who is presently a Republican, in nominating the other seven members of the panel. While I have also encouraged bipartisan discussion to solve the Nation's woes and admit that times do change, I must admit that the logic of the gentleman's amendment in this respect absolutely escapes me.

Mr. Chairman, I urge a "no" vote on the Burton amendment.

Mr. ARMEY. Mr. Chairman, I rise in support of the amendment.

Obviously, Mr. Chairman, my principal concern has been that clearly, beyond anybody's ability to doubt it, the Commission as constituted in the bill as brought to the floor has an absolutely unquestionable bias that could not under any circumstances be construed to be better than six people absolutely committed to the concept of comparable worth and five people with or perhaps without that commitment. The best possible circumstance that anybody who opposes the imposition of this concept upon the American work force could have would be one opponent and then people committed to it.

As I understand it, the gentleman's recommendation is that we allow the President to appoint seven members in consultation with the majority leader of the Senate and the minority leader of the House of Representatives, and then another seven in consultation with the joint recommendation of the Speaker of the House and the minority. In both cases, I notice that the concept is joint recommendation. In the bill, as written, it says that the Speaker in consultation with the minority leader shall appoint. Here it says, "joint recommendation." It would seem to me that there is some greater equity in the influence of the two parties with a joint recommendation than there is in the bill as written.

□ 1700

One other thing that I want to ask the gentleman is, as I understand, what he also does in this process is eliminate the specific naming of necessary appointees from those public or those special interest groups that have clearly for years been on record as promoting this flawed concept of comparable worth.

Is that correct?

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. ARMEY. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, first of all, as we have said before, and I think the gentleman from Texas [Mr. ARMEY] and I are in complete agreement on this, there have been 30 studies, and we do not think another study costing $2.5 million is warranted at this time.

However, if a study is to be conducted, the study should be truly, truly bipartisan, and by using the Speaker of the House and the minority leader of the Senate working together and the majority leader of the Senate and the minority leader of the House working together, each group to pick seven members of the committee, how more objective and bipartisan can we get?

Obviously this would be an unbiased commission, and that is what we are after; is it not? I mean is it not? Do we not really want an unbiased commission?

Mr. Chairman, I think this amendment has a lot of merit, and I appreciate the gentleman from Texas [Mr. ARMEY] for yielding to me and supporting this amendment. I think it is an important addition to the bill.

Mr. ARMEY. Mr. Chairman, reclaiming my time, I thank the gentleman from Indiana [Mr. BURTON] for his comments.

Only one thing can be certain: the notion, the concept, is so elusive and, frankly, so subjective that for us to pretend that it were possible to produce an objective, scientific study would be just pretentiousness on our part. It simply cannot be done, and even those people who are in the business of producing these kinds of studies will, and I will cite them later in the debate, but they say very candidly that there is such a limit to our ability to measure that we are always left with a residual. That cannot be explained.

Now the question is: What of the variety of methodologies might we employ that would make it possible for us to do an impossible job in the least worst-possible fashion? And I would say at least we can begin with the proposition of having a commission of people who are going to enter this question looking at the one objective question which can be stated. Is there a systematic basis by which we have a discriminatory outcome in the employment and payment of people in the Federal system? Given that question, then I think the Commission is in a better position of authorizing a study selecting somebody to conduct that study.

If on the other hand we begin with a commission that says I and my organization for the past 10, or 15 or 20 years have been promoting in the best interests of this organization and disregard of the public interest a system of comparable worth, we would inevitably end up with that conclusion.

Mr. TRAFICANT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I oppose the amendment, but I rise to speak out today, not to belabor this particular debate, but simply to say that these amendments are nothing more than a filibuster trying to destroy this bill which is nothing more than a study, a simple study, to document something that we all know.

We all knew that they were ripping off the Pentagon. We all knew the abuses. It was just a matter of time until it came out, and everybody in the House knows that women and many minorities are treated unfairly in Federal pay and in job opportunities.

Mr. Chairman, the whole area that Congress should be involving itself with, not through smokescreens trying to kill the bill today, but trying to expedite it so Congress could get its study forward, document the facts, do something that is really needed and get on with the other business of the 100th Congress that are in here.

So I rise more today to say, "Get off the filibuster," because here is what the gentlemen are opposing, and I am trying to figure it out.

Let us look at the politics here maybe. My colleagues, Republicans for some reason are trying to kill this bill that deals with fairness for women and minorities.

The proof is in the pudding.

Mrs. MORELLA. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. Mr. Chairman, I will not yield at this point, and I will say that this is not directed at all the Republicans.

Mrs. MORELLA. All right.

Mr. TRAFICANT. And I commend the gentlewoman from Maryland [Mrs. MORELLA] who stands to rise because she has expedited this in a very practical and pragmatic way, but there are some people here that are not.

Now, my colleagues, we know the politics. Senator QUAYLE opposed it. He has not cosponsored it. LLOYD BENTSEN has. Michael Dukakis came out for it. Mr. Chairman, I cannot understand why anybody would oppose this simple study.

Now how in God's name is Congress going to get on with the minimum wage bill? How would my colleagues like to go home and try to take care of their families on a 1978 wage? And, my God, how are we going to get a minimum wage bill if we have this type of smokescreen and filibustering on this type of an issue?

Mr. Chairman, we need to pass this bill. I think everybody in this House should recognize that this is nothing more than a filibuster, and I took exception yesterday to the attacks made on the gentlewoman from Ohio [Ms. OAKAR], one of the fine ladies in this House, a leader in this country, and I think the attack made today on the gentleman from Michigan [Mr. FORD] was a disgrace.

Mr. BURTON of Indiana. What attack?

Mr. TRAFICANT. And I do not see why this bill has denigrated to that particular level, so I say here in closing, "Let's quit wasting time. Let's get off all of these amendments which are nothing more than trying to delay and kill this bill which is simply a study to get at fairness of pay of the Federal employees, many of them women and minorities who have been discriminated and treated unfairly." My colleagues, it is that simple.

Mr. GEKAS. Mr. Chairman, I move to strike the requisite number of words.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. GEKAS. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, I thank the gentleman from Pennsylvania [Mr. GEKAS] for yielding.

First of all, let me just say that the junior Senator from Indiana, Mr. QUAYLE, was the author of the Job Training Partnership Act which helped create new job opportunities for minorities, and women and others who have been put out of their employment because of changes in the workplace in this country. So, I hope the gentleman will not try to malign our candidate for Vice President by saying that he does not care. The fact of the matter is that he does care, and that has been manifested by the legislation which he sponsored.

Now let me just go on to say that this biased commission, as it is presently proposed, is going to come up with a biased solution or a biased report. That is why this amendment has been proposed, so there will be no bias, so that it will be a completely objective commission, and I think that is what we are all after.

The fact of the matter is that when one starts comparing a garbage collector with a secretary, or an accountant with some other type of employment, they are going to have all kinds of arbitrary decisions made, and it is going to end up in the courts, and it is going to cost this country immeasurable sums of money and a lot of heartache, and it is not going to solve the problems.

Now we have had 30 studies paid for mostly by the Federal Government to find out whether or not there has been discrimination in the workplace and spent another $2.5 million of taxpayers' money to go over the same ground, except in this case it is going to be with a biased commission. This in my opinion is a waste of taxpayer dollars, and that is why I propose this amendment, and that is why I oppose the commission in toto.

Mr. Chairman, I think we should junk this whole bill.

Mr. ARMEY. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I yield back to the gentleman from Texas.

Mr. ARMEY. Mr. Chairman, once again the gentleman from Ohio [Mr. TRAFICANT] has shed a great deal of heat, but no light, on the subject at hand. The fact of the matter is that we have two great political parties in the United States. We have, on the one hand; generally we like to think on our left hand, the Democratic Party, and it has a vision. It has a set of principles. It has ideals. It has ideas. It has objectives, and they bring them, by virtue of their majority status, much more handily to this body for debate before the general body, and we concede that.

The fact of the matter is that we Republicans, too, are a Grand Old Party. We have visions. We have ideals. We have principles. We have ideas. We would like to have some juxtaposition of our ideas against theirs, recognizing, as it were, that since we are in the minority, and it is their prerogative by virtue of their control of the procedures and the committee majorities to bring their ideals to the floor.

Mr. Chairman, we are the defensive team, but because we are forced in a position to be optional, that does not mean our ideas are either lacking in merit or that our purposes or objectives are less than honorable.

I disagree with this proposition. I do so because I believe it will hurt my children and particularly my daughter. I think it will impose a Government-mandated system of systematic discrimination at least in the Federal payroll. I think it will result in massive lawsuits. I think it will result in gross distortions of our labor supply, and I think it will be from this venture onward imposed upon the private sector.

Mr. Chairman, I believe these things. My motives are not political. I did not have a Presidential race in 1985. I did not have a Vice Presidential candidate in 1985. I did not have one in 1984 in the classroom when I opposed this concept because it is a bad idea that will hurt real people. That is why we do that.

We should understand here that if we Republicans are asked to investigate the plans being brought to the floor that we are entitled as well as others.

Were there personal attacks made yesterday? We would argue that the attacks came from the left and that we defended ourselves.

Are we going to be embroiled in personal attacks throughout the remainder of this discussion? I hope not.

Mr. Chairman, I have tried to stay away from personal attacks, but I will not accept a scolding that impugns my motives as a Republican because I dare to have the audacity to disagree with an idea that from the bottom of my heart to the top of my head, with my full training as a professional economist, and with my experience as a parent and as a working American, I believe it will hurt people.

Ms. OAKAR. Mr. Chairman, I move to strike the last word.

Mr. Chairman, this attempt is very similar in many ways to the amendment we defeated by more than a hundred votes. The truth is that it is not the makeup of the commission that I believe the gentleman from Indiana [Mr. BURTON] is concerned about. He is not for the bill. And, if I felt honestly that accepting this amendment would get him to support the bill, because he has misrepresented what is in the bill, and, by the way, that was a bipartisan attempt to form this commission, and it passed 16 to nothing in committee. We had Republican votes and so on. I think they represent a segment of their party, and hopefully we have mainstream individuals supportive of the bill.

But, if I thought that this gentleman was not really just doing this to gut the bill, or to waste time, or to add to the duration and prevent us from a final vote on what is a simple study—what is wrong with knowledge? How can it possibly hurt to know whether or not women and minorities, people irrespective of their ethnic origin, are treated fairly in a classification system that has not been looked into comprehensively since 1923? What is wrong with that? Why are we afraid of knowledge?

So I ask the gentleman from Indiana [Mr. BURTON], "If we support this amendment, will you allow us to go forward to final passage, and will you support the bill?"

It is that simple.

Mr. BURTON of Indiana. Mr. Chairman, will the gentlewoman yield?

Ms. OAKAR. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, the purpose of my amendment is to make the commission fairer. The concept that this bill embodies I am still opposed to, but at least it would be fairer should the amendment be adopted.

Ms. OAKAR. So, the answer of the gentleman from Indiana [Mr. BURTON] is that he will not support the bill under any circumstances.

Is that not correct?

Mr. BURTON of Indiana. The gentlewoman is correct.

Ms. OAKAR. All right. I thank the gentleman from Indiana [Mr. BURTON].

So, there we have it. I mean the point is that this gentleman, no matter what, and he has umpteen amendments and so on—I think the gentleman from Ohio [Mr. TRAFICANT], my friend, did say something that is accurate, and that is that this is an amendment to filibuster to prevent this body from doing something extraordinarily belated, and that is to pass this bill or at least act on the bill. We may not have the votes, but act on it.

Mr. Chairman, this is a democratic body. The gentleman from Indiana [Mr. BURTON] has a right to say whatever he wants, and frankly I am very disturbed that we did have the high emotions that we had last night. I thought it was uncalled for, but I thought that there were some things that were raised that I had to speak out against and to call the gentleman on, and the gentleman knows that if that offended him, I am very sorry about it, but the fact is that I thought I had to call him on what he was trying to do.

But the point is that the gentleman from Indiana [Mr. BURTON] will not support the bill under any circumstances, irrespective of what we do to please him with his amendments that are kind of gutting amendments in most cases. So, we know where this gentleman stands, so why will he not let us have a vote?

Mr. TRAFICANT. Mr. Chairman, will the gentlewoman yield?

Ms. OAKAR. I yield to the gentleman from Ohio.

Mr. TRAFICANT. Mr. Chairman, I just wanted to say that those remarks were not directed at the entire other side, and I commend the beautiful lady that is handling the time on this issue, the gentlewoman from Maryland [Mrs. MORELLA] and this amendment on the other side for her fine job, and all the members of the subcommittee.

Mr. Chairman, I wish everybody would listen to the distinguished gentlewoman from Ohio [Ms. OAKAR] on these particular amendments and move forward with them.

□ 1715

Ms. OAKAR. I just wanted to say that we are delighted that we have some Republican support on this bill, and particularly within the committee itself. The vast majority, of course, who support the bill happen to be on my side of the aisle, but we are delighted with the support that we have, and I compliment the gentlewoman and the 20 or more others who did vote against the previous amendment.

We have always worked as a team with respect to the kinds of issues that come before the Committee on Post Office and Civil Service, and I hope we can continue to do that. We really have tried to do that and I hate to think that we cannot do that. Let us just have a vote on final passage.

One more thing. Those studies that you piled up, you know and I know and everyone knows that those studies were not relevant to what we are studying in this case. You know it, I know it, and everyone knows it. Some of the studies went back to the seventies. Who would believe we would be addressing issues relevant to pay in terms of the seventies wages?

So we understand what the game is here and let us get on with final passage and give people a chance who are career civil servants and deserve a break.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. BURTON].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BURTON of Indiana. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 115, noes 284, not voting 32, as follows:

[Roll No. 362]

AYES—115

Archer
Armey
Baker
Ballenger
Bartlett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Broomfield
Brown (CO)
Bunning
Burton
Byron
Chandler
Coats
Coble
Combest
Courter
Craig
Crane
Dannemeyer
Davis (IL)
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Edwards (OK)
Emerson
Fawell
Fields
Gallegly
Gallo
Gekas
Goodling
Gradison
Grandy
Gregg
Hammerschmidt
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Houghton
Huckaby
Hyde
Inhofe
Ireland
Kasich
Kolbe
Kyl
LaFalce
Lagomarsino
Latta
Leach (IA)
Lewis (FL)
Lightfoot
Livingston
Lowery (CA)
Lukens, Donald
Lungren
Marlenee
Martin (IL)
McCollum
McCrery
McEwen
Michel
Miller (OH)
Moorhead
Myers
Nielson
Oxley
Packard
Parris
Petri
Porter
Quillen
Rhodes
Ritter
Roberts
Roth
Saxton

Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Skeen
Slaughter (VA)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Spence
Stenholm
Stump
Sundquist
Sweeney
Swindall
Tauke
Taylor
Upton
Vucanovich
Whittaker
Wortley
Young (FL)

NOES—284

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Beilenson
Bennett
Berman
Bevill
Bilbray
Boggs
Borski
Bosco
Boucher
Boxer
Brennan
Brown (CA)
Bruce
Bryant
Buechner
Bustamante
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clay
Clinger
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Costello
Coughlin
Coyne
Crockett
Darden
Daub
Davis (MI)
DeFazio
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Frenzel
Frost
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Horton
Hoyer
Hubbard
Hughes
Hutto
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
Lancaster
Lantos
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (GA)
Lipinski
Lloyd
Lowry (WA)
Luken, Thomas
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Miller (CA)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Pashayan
Patterson
Payne
Pease
Pelosi
Penny
Pepper
Perkins
Pickett
Pickle
Price
Pursell
Rahall
Rangel
Ravenel
Ray
Regula
Richardson
Ridge
Rinaldo
Robinson
Rodino
Rose
Rostenkowski
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Schaefer
Scheuer
Schneider
Schroeder
Schumer
Sharp
Shays
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Snowe
Solarz
Solomon
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauzin
Thomas (CA)
Thomas (GA)
Torres
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whitten
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)

NOT VOTING—32

Badham
Bates
Boehlert
Boland
Bonior
Bonker
Boulter
Brooks
Callahan
Cheney
Clement
de la Garza
Dowdy
Ford (TN)
Frank
Gordon
Hunter
Kemp
Konnyu
Leath (TX)
Lott
Lujan
Mack
MacKay
Madigan
McCandless
Nelson
Roe
Rogers
Torricelli
Walker
Williams

□ 1737

The Clerk announced the following pair:

On this vote:

Mr. BOULTER for, with Mr. Bonior against.

Messrs. SCHAEFER, LEWIS of Georgia, and McMILLAN of North Carolina changed their vote from "aye" to "no."

So the amendments were rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there further amendments to section 3?

If not, the Clerk will designate section. 4.

The text of section 4 is as follows:

SEC. 4. POWERS OF THE COMMISSION.

(a) Director; Technical Advisors; Details from Other Agencies.—(1) The Commission—

(A) may appoint and fix the pay of a director without regard to chapter 51 and subchapter III of chapter 53 of title 5, United States Code, except that the rate of basic pay payable to the director may not be equal to or exceed the rate payable for GS-18 of the General Schedule; and

(B) shall procure the services of not less than 3 and not more than 5 experts under section 3109 of title 5, United States Code, to serve as a source of technical advice for the Commission.

(2) Upon request of the Commission, the head of an agency may detail, on a nonreimbursable basis, any of the personnel of such agency to the Commission to assist the Commission in carrying out its responsibilities under this Act.

(b) Hearings; Obtaining Information; Subpoena Power; Mail; Support Services.—(1) The Commission may, for the purpose of carrying out this Act, hold such hearings and sit and act at such times and places, take such testimony, and receive such evidence, as the Commission considers appropriate. The Commission may administer oaths or affirmations to witnesses appearing before it.

(2) The Commission may secure directly from any agency any information necessary to enable it to carry out this Act. Upon request of the Commission, the head of such an agency shall, to the extent permitted by law, furnish such information to the Commission.

(3)(A) The Commission may issue subpoenas requiring the attendance and testimony of witnesses and the production of any evidence to which the Commission is entitled under subsection (b)(2). Such attendance of witnesses and the production of such evidence may be required from any place within the United States at any designated place of hearing within the United States.

(B) If a person issued a subpoena under subparagraph (A) refuses to obey such subpoena or is guilty of contumacy, any court of the United States within the judicial district within which the hearing is conducted or within the judicial district within which such person is found or resides or transacts business may (upon application by the Commission) order such person to appear before the Commission to produce evidence or to give testimony relating to the matter under investigation. Any failure to obey such order of the court may be punished by such court as a contempt thereof.

(C) The subpoenas of the Commission shall be served in the manner provided for subpoenas issued by a United States district court under the Federal Rules of Civil Procedure for the United States district courts.

(D) All process of any court to which application may be made under this section may be served in the judicial district in which the person required to be served resides or may be found.

(4) The Commission may use the United States mails, and receive administrative support services from the Administrator of General Services, in the same manner and under the same conditions as other agencies.

(5) Any member of the Commission may, if so authorized by the Commission, take any action which the Commission is authorized to take under this subsection.

AMENDMENTS OFFERED BY MR. BARTLETT

Mr. BARTLETT. Mr. Chairman, I offer several amendments.

The Clerk read as follows:

Amendments offered by Mr. BARTLETT: Page 2, line 11, insert "and pay structures for congressional employees," after "title,".

Page 9, line 9, insert "and any congressional office" after "agency".

Page 9, line 10, strike "the head of".

Page 9, line 11, insert "or office" after "agency".

Page 11, strike lines 19 through 25 and insert in lieu thereof the following:

(b) COMPARISONS.—(1) In performing the study, comparisons shall be made—

(A) both within the same system and among the respective systems under this Act; and

(B) both on an intra-agency and on an inter-agency basis.

(2) For the purpose of this subsection—

(A) "system" means any system or structure referred to in section 2(a); and

(B) "agency" means any agency within the meaning of section 10(12) and any congressional office.

Page 16, line 15, strike "title" and insert in lieu thereof "title, and any similar grouping of positions used by a congressional office;".

Page 17, line 13, strike "and".

Page 17, line 15, strike "States." and insert in lieu thereof "States; and".

Page 17, after line 15, add the following new paragraphs:

(14) "congressional office" means any appointing authority in the legislative branch of the Government; and

(15) "congressional employee" means any individual employed in or under a congressional office.

Mr. ACKERMAN (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

POINT OF ORDER

Mr. ACKERMAN. Mr. Chairman, I make a point of order against the amendments.

The CHAIRMAN. The gentleman from New York will state his point of order.

Mr. ACKERMAN. Mr. Chairman, the amendment offered by the Member from Texas, Mr. BARTLETT, proposes to expand the class of individuals covered by the bill. As such the amendment violates clause 7 of rule XVI and is nongermane.

Mr. Chairman, the bill before us applies to a very specific class; that is, employees of executive agencies—as defined in 5 U.S.C. 105, but not including the General Accounting Office. The bill is further limited in scope in that the study it mandates is limited to executive agency employees in positions under the Government's position classification system under chapter 51 of title 5, and the prevailing rate system under subchapter IV of chapter 53 of title 5. Clearly the bill relates only to certain employees in the executive branch. That is the class concerned. The amendment, on the other hand, applies to an entirely different class, that is, legislative branch employees.

There are a number of precedents on this point. Sections 10.3, 10.7, 10.8, and 10.9 of chapter 28 of Deschler's Procedure each site instances in which, to legislation affecting one class or group of Federal employees, amendments expanding the scope to other classes of individuals—including other classes of Federal employees—were ruled nongermane. A particularly helpful precedent occurred on October 28, 1975, when the House was considering legislation to provide certain procedural rights to employees or executive agencies. An amendment was offered which would have included congressional employees within the bill's provisions. In that instance, Chairman Jordan ruled that by adding a totally different individual class of employees to the bill, the amendment went beyond the scope of the bill and was nongermane.

Mr. Chairman, I insist on my point of order.

The CHAIRMAN. Does the gentleman from Texas [Mr. BARTLETT] desire to speak on the point of order?

Mr. BARTLETT. Mr. Chairman, I do seek to speak on the point or order.

Mr. Chairman, I rise to speak on the point of order and to state that this amendment is not out of order but, in doing so, I would inquire of the subcommittee chairman and the sponsor of the bill what I inquired earlier, if he would choose to enlighten us, is it the sponsor's intent to specifically exclude Congress as an employer from coverage under this study and this bill?

I heard, from listening to the point of order, that it was at least his intent to exclude Congress from this study.

Mr. ACKERMAN. It is not our intent to exclude Congress. However, under the provisions of this bill, that class of employees is not, and cannot, be covered.

We intend to take care of that in a subsequent meeting of this body.

Mr. BARTLETT. Mr. Chairman, I am not sure what I heard. The fact is, I would ask the gentleman from New York what he is saying.

The CHAIRMAN. The gentleman from Texas should really address himself to the point of order that has been made.

Mr. BARTLETT. Mr. Chairman, in addressing to the point of order, this legislation was drafted for the purpose of proposing a new study of Federal employees, as contained in the definition section of the bill on page 17, line 14; it includes definition of Government means the Government of the United States which that Government of the United States includes employees of that Government which includes employees who are employed by the legislative branch.

It seems to me that the committee and the bill's sponsors have had ample opportunity to draft the bill in a way that would include Congress in the coverage.

Now they earlier said that they chose not to do it because their committee did not have jurisdiction. I would contend to the Chair that this body, the floor, does have jurisdiction if it choses to include Congress as part of this study. If indeed the committee did not have jurisdiction as the gentleman had said, well then this body does have jurisdiction but the gentleman from New York [Mr. ACKERMAN], the chairman of the subcommittee, is objecting then on another ground outside of jurisdiction.

So, Mr. Chairman, it becomes a catch-22. The committee does not have jurisdiction to include Congress so they bring it to the floor where we have jurisdiction, but because the committee did not address it in the drafting well, the sponsor objects because the committee did not do it. It is a circular argument we have seen before.

Let me continue on objections on the point of order, Number one was the fact that the bill does include in the definition of government the entirety of the Federal Government, page 17, line 14 "government means the government of the United States."

Number two, the rules of the House, rule XVI provide that "to a proposition to accomplish a result through regulation by a governmental agency, an amendment to accomplish the same fundamental purpose through regulation by another governmental agency is germane."

This amendment accomplishes the same fundamental purpose if we accept the sponsors at their word, and that is their purpose to apply a pay equity standard to the Government, meaning the Government of the United States.

No. 2, Mr. Chairman, on December 19, 1973, the House was considering an Energy Research and Development Administration bill, an amendment was offered to apply the same requirements to the Council on Environmental Quality. A point of order was raised and the point of order against the bill was overruled, Mr. Chairman, because the bill authorizing the Administrator of ERDA to engage in certain activities was the same as the amendment which authorized the Council on Environmental Quality to engage in the same activity. The amendment authorizes the same activity as does the bill.

No. 3, going back to December 15, 1937, in the debate over the original Fair Labor Standards Act, several questions of germaneness arose over amendments. Once again the Chair cited Cannon's Precedents, volume 8 at section 3056, to wit, "To a proposition to accomplish a certain purpose by one method a proposition to achieve the same purpose by another closely related method is germane."

This amendment accomplishes the same purpose as the main bill. It accomplishes it to a group of employees that have been, for reasons which I cannot understand, have been excluded from coverage from this by the sponsors of this bill for reasons I cannot understand.

Mr. Chairman, it is both as a matter of rules of this body, also a matter of basic fairness if we are going to have a study that would study discrimination based on race and sex under a new set of rules that we have never had in this country before, that we ought to apply that same study, the same terms and conditions to Congress as employees.

So I urge the Chair as a matter of both fairness and of precedent to overrule the point of order, and I suspect that others may wish to be heard on the point of order itself.

The CHAIRMAN. Does the gentleman from New York care to be heard further on the question of the point of order?

Mr. ACKERMAN. Mr. Chairman, I want to reemphasize the precedents I stated that occurred on October 28,

1975. It is clear and decisive. I believe the arguments of the gentleman from Texas [Mr. BARTLETT] who I respect very much, nonetheless circuitous and specious and I insist upon my point of order.

Mr. CHAIRMAN. Does the gentlewoman from Illinois [Mrs. MARTIN] desire to be heard on the point of order?

Mrs. MARTIN of Illinois. Mr. Chairman, another argument to that, it is inconsistent within our rules or with any precedent to define Federal employee in one way which is an employee of the Government, but to then in effect say that the Federal employees of the Congress of the United States are not Federal employees.

You cannot argue it both ways. They are either Federal employees or they are not Federal employees and should not be excluded under the ruling.

The CHAIRMAN. Does the gentleman from Texas wish to be heard further on the point of order?

Mr. BARTLETT. I seek to be heard on one additional point.

This is a piece of legislation, a bill that is brought to this floor which the floor has the jursidiction to amend in ways that the floor would choose to do, if indeed the subcommittee or the committee did not have the jurisdiction, this floor does, so it becomes a catch-22 for the Members of this body to be told, and this is not the first time, but several times of late that, indeed, the committee could not make the change and cover Congress because they had not the jurisdiction, but then to turn around and say the House floor cannot make the change because the committee did not make the change. It is a catch-22. It is unfair. There is discrimination in the fact this body is the only employer of the Federal Government in which there is even an allegation of discrimination based on sex. There are allegations in study after study after study. To bring a bill out on the House floor which engages in a study of sex discrimination of all employees of the Federal Government, save the one employer in which there are active allegations of abuse, is an abuse of this process.

I contend that the chairman should overrule the point of order and allow the House to vote on whether to cover itself by the terms of this study. It is clear on page 17, again line 18, in which it says that "agency" means an executive agency within the meaning of section 105 of title 5; therefore this body should have the right to take the clear language of the bill and work it.

Mr. ACKERMAN. Mr. Chairman, could the gentleman from Texas please tell us what an executive agency means, again? Tell us what that means again, what agency means, that the gentleman just spoke of.

Mr. BARTLETT. Mr. Chairman, in the definition of the bill, the bill's sponsors have drafted the bill explicitly to say that an agency means an executive agency within the meaning of section 105.

Mr. ACKERMAN. Touché.

Mr. BARTLETT. So therefore the House should have the authority to amend that. As the majority does not agree with that then we should be able to say no, we do not want it that way. We want to, key word here, the key word, I say to the gentleman from New York, key word, we would choose to amend that definition to a definition in which a majority of this body would agree.

I would ask the sponsor does the sponsor agree with the definition in the bill or would he rather have the definition as I have proposed?

The CHAIRMAN. The Chair would ask the Members to confine their discussion to the point of order. The point of order revolves around the germaneness of the amendment, and please confine your remarks to that point of order which is the germaneness of the amendment.

Does the gentlewoman from Colorado [Mrs. SCHROEDER] wish to be heard on the point of order?

Mrs. SCHROEDER. Mr. Chairman, I think that the amendment would not be germane. As the chair of the Subcommittee on Civil Service this amendment was drafted to cover the GS scale of executive agencies.

Now if we expand the universe, should we cover contracted employees in only private sector? We were afraid if we went beyond the executive agency declaration we would then be covering contracted employees and did not mean to cover military employees which would also be Federal employees or judicial employees. I am also pleased to say that the problems with House employees I think are going to be solved shortly and that many people have been working on that and we are tying to bring congressional employees under it, but while there is an attempt to say this is different, it is very clear that what we are trying to do is deal with the GS scale by defining that executive agency, and that is a very definable, quantifiable issue, and to go beyond that we open the universe.

The CHAIRMAN (Mr. KILDEE). The Chair is prepared to rule.

For the reasons stated by the gentleman from New York and the gentlewoman from Colorado, and under the precedents of the House, cited by the gentleman from New York, the point of order must be sustained. The Chair so rules.

Mr. BARTLETT. Mr. Chairman, I would appeal the decision of the Chair.

The CHAIRMAN. The question is, Shall the decision of the Chair stand as the judgment of the committee?

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. BARTLETT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 251, noes 150, not voting 30, as follows:

[Roll No. 363]

AYES—251

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Bateman
Bates
Beilenson
Bennett
Berman
Bevill
Bilbray
Boggs
Borski
Bosco
Boucher
Boxer
Brennan
Broomfield
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clay
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Costello
Coyne
Crockett
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frost
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Glickman
Gonzalez
Goodling
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Horton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Jacobs
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kostmayer
LaFalce
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Lowry (WA)
Luken, Thomas
Manton
Markey
Marlenee
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McHugh
McMillen (MD)
Mfume
Miller (CA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Patterson
Payne
Pease
Pelosi
Penny
Pepper
Perkins
Pickett
Pickle
Price
Quillen
Rahall
Rangel
Richardson
Robinson
Rodino
Rose
Rostenkowski
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Schaefer
Scheuer
Schroeder
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stokes
Stratton
Studds
Swift
Synar
Tallon

Tauzin
Thomas (CA)
Thomas (GA)
Torres
Towns
Traficant
Traxler
Udall
Valentine

Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whitten

Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron
Young (AK)

NOES—150

Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bentley
Bereuter
Bilirakis
Bliley
Brown (CO)
Buechner
Bunning
Burton
Chandler
Clinger
Coats
Coble
Coleman (MO)
Combest
Coughlin
Courter
Craig
Crane
Dannemeyer
Daub
Davis (IL)
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Edwards (OK)
Emerson
Fawell
Fields
Fish
Frenzel
Gallegly
Gallo
Gekas
Gilman
Gingrich
Gradison
Grandy
Gunderson
Hall (TX)
Hammerschmidt
Hansen

Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Houghton
Hunter
Inhofe
Ireland
Johnson (CT)
Kasich
Kolbe
Kyl
Lagomarsino
Latta
Leach (IA)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lowery (CA)
Lukens, Donald
Lungren
Martin (IL)
Martin (NY)
McCollum
McCrery
McDade
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morrison (WA)
Nielson
Oxley
Packard
Parris
Pashayan
Petri
Porter
Pursell
Ravenel
Ray

Regula
Rhodes
Ridge
Rinaldo
Ritter
Roberts
Rogers
Roth
Roukema
Rowland (CT)
Saiki
Saxton
Schneider
Schuette
Schulze
Sensenbrenner
Shaw
Shays
Shumway
Shuster
Skeen
Slaughter (VA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Stangeland
Stump
Sundquist
Sweeney
Swindall
Tauke
Taylor
Upton
Vander Jagt
Vucanovich
Weber
Weldon
Whittaker
Wolf
Wortley
Wylie
Young (FL)

NOT VOTING—30

Boehlert
Boland
Bonior
Bonker
Boulter
Brooks
Callahan
Cheney
Clement
Dowdy

Frank
Gordon
Gregg
Jeffords
Kemp
Kleczka
Kolter
Konnyu
Lott
Lujan

Mack
MacKay
Madigan
McCandless
Mica
Nelson
Roe
Schumer
Torricelli
Walker

☐ 1817

Messrs LEWIS of Florida, GILMAN, RINALDO, VANDER JAGT, LEWIS of California, and RAY changed their vote from "aye" to "no."

Messrs. BERMAN, STRATTON, and CARPER changed their vote from "no" to "aye."

So the ruling of the Chair was sustained.

The result of the vote was announced as above recorded.

Mr. FORD of Michigan. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore [Mr. COELHO] having assumed the chair, Mr. KILDEE, chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 387) to promote equitable pay practices and to eliminate discrimination within the Federal civil service, had come to no resolution thereon.

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 4587, LEGISLATIVE BRANCH APPROPRIATIONS ACT, 1989, AND AGAINST CONSIDERATION OF SUCH CONFERENCE REPORT

Mr. PEPPER, from the Committee on Rules, submitted a privileged report (Rept. No. 100-995) on the resolution (H. Res. 553) waiving certain points of order against the conference report on the bill (H.R. 4587) making appropriations for the legislative branch for the fiscal year ending September 30, 1989, and against consideration of such conference report, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR A MOTION TO RECEDE AND CONCUR IN SENATE AMENDMENT NUMBERED 119 TO H.R. 4637, FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1989

Mr. PEPPER, from the Committee on Rules, submitted a privileged report (Rept. No. 100-996) on the resolution (H. Res. 554), providing for a motion to recede and concur in Senate amendment numbered 119 to the bill (H.R. 4637) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1989, and for other purposes, with an amendment, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER AGAINST CONSIDERATION OF CONFERENCE REPORT ON H.R. 4781, DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1989, AND AGAINST CONSIDERATION OF SUCH CONFERENCE REPORT

Mr. PEPPER, from the Committee on Rules, submitted a privileged report (Rept. No. 100-997) on the resolution (H. Res. 555) waiving certain points of order against the conference report on the bill (H.R. 4781) making appropriations for the Department of Defense for the fiscal year ending September 30, 1989, and against consideration of such conference report, which was referred to the House Calendar and ordered to be printed.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 4587, LEGISLATIVE BRANCH APPROPRIATIONS ACT, 1989

Mr. FAZIO. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the bill (H.R. 4587) making appropriations for the legislative branch for the fiscal year ending September 30, 1989, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

CONFERENCE REPORT ON H.R. 1720, FAMILY SUPPORT ACT OF 1988

Mr. ROSTENKOWSKI submitted the following conference report and statement on the bill (H.R. 1720) to replace the existing AFDC program with a new Family Support Program which emphasizes work, child support, and need-based family support supplements, to amend title IV of the Social Security Act to encourage and assist needy children and parents under the new program to obtain the education, training and employment needed to avoid long-term welfare dependence, and to make other necessary improvements to assure that the new program will be more effective in achieving its objectives:

CONFERENCE REPORT (H. REPT. 100-998)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1720) to replace the existing AFDC program with a new Family Support Program which emphasizes work, child support, and need-based family support supplements, to amend title IV of the Social Security Act to encourage and assist needy children and parents under the new program to obtain the education, training, and employment needed to avoid long-term welfare dependence, and to make other necessary improvements to assure that the new program will be more effective in achieving its objectives, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Family Support Act of 1988".

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—CHILD SUPPORT AND ESTABLISHMENT OF PATERNITY

SUBTITLE A—CHILD SUPPORT

Sec. 101. Immediate income withholding.
Sec. 102. Disregard applicable to timely child support payments.
Sec. 103. State guidelines for child support award amounts.
Sec. 104. Timing of notice of support payment collections.

SUBTITLE B—ESTABLISHMENT OF PATERNITY

Sec. 111. Performance standards for State paternity establishment programs.
Sec. 112. Increased Federal assistance for paternity establishment.

SUBTITLE C—IMPROVED PROCEDURES FOR CHILD SUPPORT ENFORCEMENT AND ESTABLISHMENT OF PATERNITY

Sec. 121. Requirement of prompt State response to requests for child support assistance.
Sec. 122. Requirement of prompt State distribution of amounts collected as child support.
Sec. 123. Automated tracking and monitoring systems made mandatory.
Sec. 124. Additional information source for parent locator service.
Sec. 125. Use of social security number to establish identity of parents.
Sec. 126. Commission on Interstate Child Support.
Sec. 127. Costs of interstate enforcement demonstrations excluded in computing incentive payments.
Sec. 128. Study of child-rearing costs.
Sec. 129. Collection and reporting of child support enforcement data.

TITLE II—JOB OPPORTUNITIES AND BASIC SKILLS TRAINING PROGRAM

Sec. 201. Establishment and operation of program.
Sec. 202. Technical and conforming amendments.
Sec. 203. Regulations; performance standards; studies.
Sec. 204. Effective date.

TITLE III—SUPPORTIVE SERVICES FOR FAMILIES

Sec. 301. Child care during participation in education, employment, and training.
Sec. 302. Extended eligibility for child care.
Sec. 303. Extended eligibility for medical assistance.
Sec. 304. Effective dates.

TITLE IV—RELATED AFDC AMENDMENTS

Sec. 401. Benefits for two-parent families.
Sec. 402. Changes in earned income disregards.
Sec. 403. Households headed by minor parents.
Sec. 404. Periodic reevaluation of need and payment standards.
Sec. 405. CBO study on implementation of national minimum payment standard.
Sec. 406. Study of new national approaches to welfare benefits for low-income families with children.

TITLE V—DEMONSTRATION PROJECTS

Sec. 501. Family support demonstration projects.
Sec. 502. Demonstration projects to test the effect of early childhood development programs.
Sec. 503. Demonstration projects to test alternative definitions of unemployment.
Sec. 504. Demonstration projects to address child access problems.
Sec. 505. Demonstration projects to expand the number of job opportunities available to certain low-income individuals.
Sec. 506. Demonstration projects to provide counseling and services to high-risk teenagers.
Sec. 507. Eighteen-month extension of Minnesota prepaid medicaid demonstration project.

TITLE VI—MISCELLANEOUS PROVISIONS

Sec. 601. Inclusion of American Samoa as a State under title IV.
Sec. 602. Increase in amount available for payment to Puerto Rico, the Virgin Islands, and Guam.
Sec. 603. Assistant Secretary for Family Support.
Sec. 604. Responsibilities of the State.
Sec. 605. Establishment of preeligibility fraud detection measures.
Sec. 606. Uniform reporting requirements.
Sec. 607. State reports on expenditure and use of social services funds.
Sec. 608. Miscellaneous technical corrections to Medicare Catastrophic Coverage Act of 1988.
Sec. 609. Extension of quality control penalty moratorium.

TITLE VII—FUNDING PROVISIONS

Sec. 701. Temporary extension of provisions relating to collection of nontax debts owed to Federal agencies.
Sec. 702. Limitation on use of reimbursement arrangements to avoid 2-percent floor.
Sec. 703. Modifications to dependent care credit and exclusion for dependent care assistance.
Sec. 704. Taxpayer identification number required for dependents who have attained age 2.

TITLE I—CHILD SUPPORT AND ESTABLISHMENT OF PATERNITY

Subtitle A—Child Support

SEC. 101. IMMEDIATE INCOME WITHHOLDING.

(a) IN GENERAL.—Section 466(b)(3) of the Social Security Act is amended to read as follows:

"(3)(A) The wages of an absent parent shall be subject to such withholding, regardless of whether support payments by such parent are in arrears, in the case of a support order being enforced under this part that is issued or modified on or after the first day of the 25th month beginning after the date of the enactment of this paragraph, on the effective date of the order; except that such wages shall not be subject to such withholding under this subparagraph in any case where (i) one of the parties demonstrates, and the court (or administrative process) finds, that there is good cause not to require immediate income withholding, or (ii) a written agreement is reached between both parties which provides for an alternative arrangement.

"(B) The wages of an absent parent shall become subject to such withholding, in the case of wages not subject to withholding under subparagraph (A), on the date on which the payments which the absent parent has failed to make under a support order are at least equal to the support payable for one month or, if earlier, and without regard to whether there is an arrearage, the earliest of—

"(i) the date as of which the absent parent requests that such withholding begin,

"(ii) the date as of which the custodial parent requests that such withholding begin, if the State determines, in accordance with such procedures and standards as it may establish, that the request should be approved, or

"(iii) such earlier date as the State may select.".

(b) APPLICATION TO ALL CHILD SUPPORT ORDERS.—Section 466(a)(8) of such Act is amended—

(1) by inserting "(A)" before "Procedures";

(2) by striking "which are issued or modified in the State" and inserting in lieu thereof "not described in subparagraph (B)"; and

(3) by adding at the end the following new subparagraph:

"(B) Procedures under which all child support orders which are initially issued in the State on or after January 1, 1994, and are not being enforced under this part will include the following requirements:

"(i) The requirements of subsection (b)(1) (which shall apply in the case of each absent parent against whom a support order is or has been issued or modified in the State, without regard to whether the order is being enforced under the State plan).

"(ii) The requirements of paragraphs (2), (5), (6), (7), (8), (9), and (10) of subsection (b), where applicable.

"(iii) Withholding from income of amounts payable as support must be carried out in full compliance with all procedural due process requirements of the State.".

(c) STUDY ON MAKING IMMEDIATE INCOME WITHHOLDING MANDATORY IN ALL CASES.—The Secretary of Health and Human Services shall conduct a study of the administrative feasibility, cost implications, and other effects of requiring immediate income withholding with respect to all child support awards in a State and shall report on the results of such study not later than 3 years after the date of the enactment of this Act.

(d) EFFECTIVE DATE.—(1) The amendment made by subsection (a) shall become effective on the first day of the 25th month beginning after the date of the enactment of this Act.

(2) The amendments made by subsection (b) shall become effective on January 1, 1994.

(3) Subsection (c) shall become effective on the date of the enactment of this Act.

SEC. 102. DISREGARD APPLICABLE TO TIMELY CHILD SUPPORT PAYMENTS.

(a) IN GENERAL.—Section 402(a)(8)(A)(vi) of the Social Security Act is amended by striking "of any child support payments received in such month" and inserting in lieu thereof "of any child support payments for such month received in that month, and the first $50 of child support payments for each prior month received in that month if such payments were made by the absent parent in the month when due,".

(b) CONFORMING AMENDMENT.—Section 457(b)(1) of such Act is amended by striking "the first $50 of such amounts as are collected periodically which represent monthly support payments" and inserting in lieu thereof "of such amounts as are collected periodically which represent monthly support payments, the first $50 of any payments for a month received in that month, and the first $50 of payments for each prior month received in that month which were made by the absent parent in the month when due,".

(c) EFFECTIVE DATE.—The amendments made by this section shall become effective on the first day of the first calendar quarter which begins after the date of the enactment of this Act.

SEC. 103. STATE GUIDELINES FOR CHILD SUPPORT AWARD AMOUNTS.

(a) Guidelines To Create Rebuttable Presumption.—Section 467(b) of the Social Security Act is amended—

(1) by inserting "(1)" after "(b)";

(2) by striking ", but need not be binding upon such judges or other officials"; and

(3) by adding at the end the following new paragraph:

"(2) There shall be a rebuttable presumption, in any judicial or administrative proceeding for the award of child support, that the amount of the award which would result from the application of such guidelines is the correct amount of child support to be awarded. A written finding or specific finding on the record that the application of the guidelines would be unjust or inappropriate in a particular case, as determined under criteria established by the State, shall be sufficient to rebut the presumption in that case.".

(b) Guidelines To Be Reviewed Every 4 Years.—Section 467(a) of such Act is amended by inserting ", and shall be reviewed at least once every 4 years to ensure that their application results in the determination of appropriate child support award amounts" after "action".

(c) State Law Requirements for Review of Individual Awards.—Section 466(a) of such Act is amended by inserting after paragraph (9) the following new paragraph:

"(10)(A) Procedures to ensure that, beginning 2 years after the date of the enactment of this paragraph, if the State determines (pursuant to a plan indicating how and when child support orders in effect in the State are to be periodically reviewed and adjusted) that a child support order being enforced under this part should be reviewed, the State must, at the request of either parent subject to the order, or of a State child support enforcement agency, initiate a review of such order, and adjust such order, as appropriate, in accordance with the guidelines established pursuant to section 467(a).

"(B) Procedures to ensure that, beginning 5 years after the date of the enactment of this paragraph or such earlier date as the State may select, the State must implement a process for the periodic review and adjustment of child support orders being enforced under this part under which the order is to be reviewed not later than 36 months after the establishment of the order or the most recent review, and adjusted, as appropriate, in accordance with the guidelines established pursuant to section 467(a), unless—

"(i) in the case of an order with respect to an individual with respect to whom an assignment under section 402(a)(26) is in effect, the State has determined, in accordance with regulations of the Secretary, that such a review would not be in the best interests of the child and neither parent has requested review; and

"(ii) in the case of any other order being enforced under this part, neither parent has requested review.

"(C) Procedures to ensure that the State notifies each parent subject to a child support order in effect in the State that is being enforced under this part—

"(i) of a review at least 30 days before the commencement of such review; and

"(ii) of the right of such parent under subparagraph (B) to request the State to review such order; and

"(iii) of a proposed adjustment (or determination that there should be no change) in the child support award amount, and such parent is afforded not less than 30 days after such notification to initiate proceedings to challenge such adjustment (or determination).".

(d) Study of Impact of Extending Periodic Review Requirement to All Other Cases.—Within 2 years after the date of the enactment of this Act, the Secretary of Health and Human Services shall conduct and complete a study to determine the impact on child support awards and the courts of requiring each State to periodically review all child support orders in effect in the State.

(e) Demonstration Projects for Evaluating Model Procedures for Reviewing Child Support Awards.—(1) Not later than April 1, 1989, the Secretary of Health and Human Services (in this subsection referred to as the "Secretary") shall enter into an agreement with each of 4 States submitting applications under this subsection for the purpose of conducting a demonstration project under part D of title IV of the Social Security Act in the State to test and evaluate model procedures for reviewing child support award amounts.

(2) Notwithstanding section 454(1) of the Social Security Act, a demonstration project conducted under this subsection may be conducted in one or more political subdivisions of the State.

(3) An agreement under this subsection shall be entered into between the Secretary and the State agency designated by the Governor of the State involved. Under such agreement, the Secretary shall pay to the State, as an additional payment under part D of title IV of the Social Security Act, an amount equal to 90 percent of the reasonable costs incurred by the State in conducting a demonstration project under this subsection. Such costs shall not be taken into account for purposes of computing the incentive payment under section 458 of such Act.

(4) A demonstration project under this subsection shall be commenced not later than September 30, 1989, and shall be conducted for a 2-year period unless the Secretary determines that the State conducting the project is not in substantial compliance with the terms of the agreement entered into with the State under paragraph (1).

(5)(A) Any State with an agreement under this subsection shall furnish the Secretary with such information as the Secretary determines to be necessary to evaluate the results of the project conducted by the State.

(B) The Secretary shall report the results of the demonstration projects conducted under this subsection to Congress not later than 6 months after all such projects are completed.

(e) Effective Date.—The amendments made by this section shall become effective one year after the date of the enactment of this Act.

SEC. 104. TIMING OF NOTICE OF SUPPORT PAYMENT COLLECTIONS.

(a) In General.—Section 454(5)(A) of the Social Security Act is amended by striking "at least annually" and inserting in lieu thereof "on a monthly basis (or on a quarterly basis for so long as the Secretary determines with respect to a State that requiring such notice on a monthly basis would impose an unreasonable administrative burden)".

(b) Effective Date.—The amendment made by subsection (a) shall become effective on the first day of the first calendar quarter which begins 4 or more years after the date of the enactment of this Act.

Subtitle B—Establishment of Paternity

SEC. 111. PERFORMANCE STANDARDS FOR STATE PATERNITY ESTABLISHMENT PROGRAMS.

(a) Standards for State Programs.—Section 452 of the Social Security Act is amended by adding at the end the following new subsection:

"(g)(1) A State's program under this part shall be found, for purposes of section 403(h), not to have complied substantially with the requirements of this part unless, for any fiscal year beginning on or after October 1, 1991, its paternity establishment percentage for such fiscal year equals or exceeds—

"(A) 50 percent;

"(B) the paternity establishment percentage of the State for the fiscal year 1988, increased by the applicable number of percentage points; or

"(C) the paternity establishment percentage determined with respect to all States for such fiscal year.

"(2) For purposes of this section—

"(A) the term 'paternity establishment percentage' means, with respect to a State (or all States, as the case may be) for a fiscal year, the ratio (expressed as a percentage) that the total number of children—

"(i) who have been born out of wedlock,

"(ii)(I) except as provided in the last sentence of this paragraph, with respect to whom aid is being paid under the State's plan approved under part A (or under all such plans) for such fiscal year, or (II) with respect to whom services are being provided under the State's plan approved under this part (or under all such plans) for the fiscal year pursuant to an application submitted under section 454(6), and

"(iii) the paternity of whom has been established,

bears to the total number of children who have been born out of wedlock and (except as provided in such last sentence) with respect to whom aid is being paid under the State's plan approved under part A (or under all such plans) for such fiscal year or with respect to whom services are being provided under the State's plan approved under this part (or under all such plans) for the fiscal year pursuant to an application submitted under section 454(6); and

"(B) the applicable number of percentage points means, with respect to a fiscal year (beginning with the fiscal year 1991), 3 percentage points multiplied by the number of fiscal years after the fiscal year 1989 and before the beginning of such fiscal year.

For purposes of subparagraph (A), the total number of children shall not include any child who is a dependent child by reason of the death of a parent or any child with respect to whom an applicant or recipient is found to have good cause for refusing to cooperate under section 402(a)(26).

"(3)(A) The requirements of this subsection are in addition to and shall not supplant any other requirement (that is not inconsistent with such requirements) established in regulations by the Secretary for the purpose of determining (for purposes of section 403(h)) whether the program of a State operated under this part shall be treated as complying substantially with the requirements of this part.

"(B) The Secretary may modify the requirements of this subsection to take into account such additional variables as the Secretary identifies (including the percentage of children born out-of-wedlock in a State) that affect the ability of a State to meet the requirements of this subsection.

"(C) The Secretary shall submit an annual report to the Congress that sets forth the data upon which the paternity establishment percentages for States for a fiscal year are based, lists any additional variables the Secretary has identified under subparagraph (A), and describes State performance in establishing paternity.".

(b) GENETIC TESTS MAY BE REQUIRED BY CONTESTING PARTY.—Section 466(a)(5) of such Act is amended—

(1) by inserting "(A)" after "(5)"; and

(2) by adding at the end the following new subparagraph:

"(B) Procedures under which the State is required (except in cases where the individual involved has been found under section 402(a)(26)(B) to have good cause for refusing to cooperate) to require the child and all other parties, in a contested paternity case, to submit to genetic tests upon the request of any such party.".

(c) STATES MAY CHARGE INDIVIDUALS NOT RECEIVING AFDC FOR COSTS OF GENETIC TESTS TO ESTABLISH PATERNITY.—Section 454(6) of such Act is amended—

(1) by redesignating clause (D) as clause (E); and

(2) by inserting "(D) a fee (established under regulations of the Secretary) for performing genetic tests may be imposed on any individual who is not a recipient of aid under a State plan approved under part A," after "section 464(a)(2),".

(d) ENCOURAGEMENT OF CIVIL PROCESSES.—Part D of title IV of such Act is amended by adding at the end the following new section:

"ENCOURAGEMENT OF STATES TO ADOPT SIMPLE CIVIL PROCESS FOR VOLUNTARILY ACKNOWLEDGING PATERNITY AND A CIVIL PROCEDURE FOR ESTABLISHING PATERNITY IN CONTESTED CASES

"SEC. 468. In the administration of the child support enforcement program under this part, each State is encouraged to establish and implement a simple civil process for voluntarily acknowledging paternity and a civil procedure for establishing paternity in contested cases.".

(e) REQUIREMENT TO PERMIT PATERNITY ESTABLISHMENT FOR CHILD UNDER 18.—Section 466(a)(5)(A) of such Act (as so designated by subsection (b) of this section) is amended—

(1) by inserting "(i)" before "(A)"; and

(2) by inserting at the end the following new clause:

"(ii) As of August 16, 1984, the requirement of clause (i) shall also apply to any child for whom paternity has not yet been established and any child for whom a paternity action was brought but dismissed because a statute of limitations of less than 18 years was then in effect in the State.".

(f) EFFECTIVE DATE; IMPLEMENTATION.—(1) The amendments made by subsections (a), (d), and (e) shall become effective on the date of the enactment of this Act.

(2) The amendments made by subsections (b) and (c) shall become effective on the first day of the first month beginning one year or more after the date of the enactment of this Act.

(3) The Secretary of Health and Human Services shall collect the data necessary to implement the requirements of section 452(g) of the Social Security Act (as added by subsection (a) of this section) and may, in carrying out the requirement of determining a State's paternity establishment percentage for the fiscal year 1988, compute such percentage on the basis of data collected with respect to the last quarter of such fiscal year (or, if such date are not available, the first quarter of the fiscal year 1989) if the Secretary determines that data for the full year are not available.

SEC. 112. INCREASED FEDERAL ASSISTANCE FOR PATERNITY ESTABLISHMENT.

(a) INCREASED PAYMENTS TO STATES.—Section 455(a)(1) of the Social Security Act is amended—

(1) by striking "and" at the end of subparagraph (A);

(2) by striking the semicolon at the end of subparagraph (B) and inserting in lieu thereof ", and"; and

(3) by adding at the end the following new subparagraph:

"(C) equal to 90 percent (rather than the percentage specified in subparagraph (A)) of so much of the sums expended during such quarter as are attributable to laboratory costs incurred in determining paternity;".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply with respect to laboratory costs incurred on or after October 1, 1988.

Subtitle C—Improved Procedures for Child Support Enforcement and Establishment of Paternity

SEC. 121. REQUIREMENT OF PROMPT STATE RESPONSE TO REQUESTS FOR CHILD SUPPORT ASSISTANCE.

(a) IN GENERAL.—Section 452 of the Social Security Act (as amended by section 111(a) of this Act) is further amended by adding at the end the following new subsection:

"(h) The standards required by subsection (a)(1) shall include standards establishing time limits governing the period or periods within which a State must accept and respond to requests (from States, jurisdictions thereof, or individuals who apply for services furnished by the State agency under this part or with respect to whom an assignment under section 402(a)(26) is in effect) for assistance in establishing and enforcing support orders, including requests to locate absent parents, establish paternity, and initiate proceedings to establish and collect child support awards.".

(b) ADVISORY COMMITTEE; REGULATIONS.—(1) Not later than 60 days after the date of the enactment of this Act, the Secretary of Health and Human Services shall establish an advisory committee. The committee shall include representatives of organizations representing State governors, State welfare administrators, and State directors of programs under part D of title IV of the Social Security Act. The Secretary shall consult with the advisory committee before issuing any regulations with respect to the standards required by the amendment made by subsection (a) (including regulations regarding what constitutes an adequate response on the part of a State to the request of an individual, State, or jurisdiction).

(2) Not later than 180 days after the date of the enactment of this Act, the Secretary of Health and Human Services shall issue a notice of proposed rulemaking with respect to the standards required by the amendment made by subsection (a), and, after allowing not less than 60 days for public comment, shall issue final regulations not later than the first day of the 10th month beginning after such date of enactment.

SEC. 122. REQUIREMENT OF PROMPT STATE DISTRIBUTION OF AMOUNTS COLLECTED AS CHILD SUPPORT.

(a) IN GENERAL.—Section 452 of the Social Security Act (as amended by the preceding provisions of this Act) is further amended by adding at the end the following new subsection:

"(i) The standards required by subsection (a)(1) shall include standards establishing time limits governing the period or periods within which a State must distribute, in accordance with section 457, amounts collected as child support pursuant to the State's plan approved under this part.".

(b) REGULATIONS.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Health and Human Services shall issue a notice of proposed rulemaking with respect to the standards required by the amendment made by subsection (a), and, after allowing not less than 60 days for public comment, shall issue final regulations not later than the first day of the 10th month to begin after such date of enactment.

SEC. 123. AUTOMATED TRACKING AND MONITORING SYSTEMS MADE MANDATORY.

(a) PLAN REQUIREMENT.—(1) Section 454 of the Social Security Act is amended—

(A) by striking "and" after the semicolon at the end of paragraph (22);

(B) by striking the period at the end of paragraph (23) and inserting in lieu thereof "; and"; and

(C) by inserting after paragraph (23) the following new paragraph:

"(24) provide that if the State, as of the date of the enactment of this paragraph, does not have in effect an automated data processing and information retrieval system meeting all of the requirements of paragraph (16), the State—

"(A) will submit to the Secretary by October 1, 1991, for review and approval by the Secretary within 9 months after submittal an advance automated data processing planning document of the type referred to in such paragraph; and

"(B) will have in effect by October 1, 1995, an operational automated data processing and information retrieval system, meeting all the requirements of that paragraph, which has been approved by the Secretary.".

(2) Section 454(16) of such Act is amended by striking "an automatic" and inserting in lieu thereof "a statewide automated".

(b) WAIVER AUTHORITY.—Section 452(d) of such Act is amended—

(1) by striking "The" in paragraph (1) and inserting in lieu thereof "Except as provided in paragraph (3), the"; and

(2) by adding at the end the following new paragraph:

"(3) The Secretary may waive any requirement of paragraph (1) or any condition specified under section 454(16) with respect to a State if—

"(A) the State demonstrates to the satisfaction of the Secretary that the State has an alternative system or systems that enable the State, for purposes of section 403(h), to be in substantial compliance with other requirements of this part; and

"(B)(i) the waiver meets the criteria of paragraphs (1), (2), and (3) of section 1115(c), or

"(ii) the State provides assurances to the Secretary that steps will be taken to otherwise improve the State's child support enforcement program.".

(c) REPEAL OF 90-PERCENT FEDERAL REIMBURSEMENT RATE FOR AUTOMATED DATA SYSTEMS.—Effective September 30, 1995, section 455(a)(1) of such Act (as amended by section 112(a) of this Act) is amended—

(1) by striking subparagraphs (A) and (B);

(2) by redesignating subparagraph (C) as subparagraph (A);

(3) in subparagraph (A) (as so redesignated)—

(A) by striking "(rather than the percentage specified in subparagraph (A))"; and

(B) by inserting "and" after the semicolon; and

(4) by inserting after subparagraph (A) (as so redesignated) the following new subparagraph:

"(B) an amount equal to the percent specified in paragraph (2) of the total amounts expended by such State during such quarter for the operation of the plan approved under section 454;".

(d) Conforming Amendments.—Sections 402(e), 452(d)(1), and 454(16) of such Act are each amended by striking "automatic" each place it appears and inserting in lieu thereof "automated".

SEC. 124. ADDITIONAL INFORMATION SOURCE FOR PARENT LOCATOR SERVICE.

(a) In General.—Section 453(e) of the Social Security Act is amended by adding at the end the following new paragraph:

"(3) The Secretary of Labor shall enter into an agreement with the Secretary to provide prompt access for the Secretary (in accordance with this subsection) to the wage and unemployment compensation claims information and data maintained by or for the Department of Labor or State employment security agencies.".

(b) State Requirement To Assist Secretary in Obtaining Information.—(1) Section 303 of such Act is amended by adding at the end the following new subsection:

"(h)(1) The State agency charged with the administration of the State law shall take such actions (in such manner as may be provided in the agreement between the Secretary of Health and Human Services and the Secretary of Labor under section 453(e)(3)) as may be necessary to enable the Secretary of Health and Human Services to obtain prompt access to any wage and unemployment compensation claims information (including any information that might be useful in locating an absent parent or such parent's employer) for use by the Secretary of Health and Human Services, for purposes of section 453, in carrying out the child support enforcement program under title IV.

"(2) Whenever the Secretary of Labor, after reasonable notice and opportunity for hearing to the State agency charged with the administration of the State law, finds that there is a failure to comply substantially with the requirement of paragraph (1), the Secretary of Labor shall notify such State agency that further payments will not be made to the State until such Secretary is satisfied that there is no longer any such failure. Until the Secretary of Labor is so satisfied, such Secretary shall make no further certification to the Secretary of the Treasury with respect to such State.".

(2) Section 304(a)(2) of such Act is amended by striking "or (e)" and inserting in lieu thereof "(e), or (h)".

(c) Effective Date; Implementation.—(1) Except as provided in paragraph (2), the amendments made by subsections (a) and (b) shall become effective on the first day of the first calendar quarter which begins one year or more after the date of the enactment of this Act.

(2) The Secretary of Health and Human Services and the Secretary of Labor shall enter into the agreement required by the amendment made by subsection (a) not later than 90 days after the date of the enactment of this Act.

SEC. 125. USE OF SOCIAL SECURITY NUMBER TO ESTABLISH IDENTITY OF PARENTS.

(a) Disclosure of Social Security Number at Time of Child's Birth.—Section 205(c)(2)(C) of the Social Security Act is amended—

(1) in clause (i)—

(A) by inserting "(I)" after "(i)"; and

(B) by adding at the end the following new subclause:

"(II) In the administration of any law involving the issuance of a birth certificate, each State shall require each parent to furnish to such State (or political subdivision thereof) or any agency thereof having administrative responsibility for the law involved, the social security account number (or numbers, if the parent has more than one such number) issued to the parent unless the State (in accordance with regulations prescribed by the Secretary) finds good cause for not requiring the furnishing of such number. The State shall make numbers furnished under this subclause available to the agency administering the State's plan under part D of title IV in accordance with Federal or State law and regulation. Such numbers shall not be recorded on the birth certificate. A State shall not use any social security account number, obtained with respect to the issuance by the State of a birth certificate, for any purpose other than for the enforcement of child support orders in effect in the State, unless section 7(a) of the Privacy Act of 1974 does not prohibit the State from requiring the disclosure of such number, by reason of the State having adopted, before January 1, 1975, a statute or regulation requiring such disclosure."; and

(2) in clause (ii)—

(A) by striking "clause (i) of this subparagraph" and inserting in lieu thereof "subclause (I) of clause (i)"; and

(B) by adding at the end the following new sentence: "If and to the extent that any such provision is inconsistent with the requirement set forth in subclause (II) of clause (i), such provision shall, on and after the date of the enactment of such subclause, be null, void, and of no effect.".

(b) Effective Date.—The amendments made by subsection (a) shall become effective on the first day of the 25th month which begins on or after the date of the enactment of this Act.

SEC. 126. COMMISSION ON INTERSTATE CHILD SUPPORT.

(a) Establishment of Commission.—There is hereby established a Commission to be known as the Commission on Interstate Child Support (in this section referred to as the "Commission") to be composed of 15 members appointed in accordance with subsection (b)(1).

(b) Appointment and Term of Members; Vacancies; Transaction of Business.—(1) Members of the Commission shall be appointed as follows from among individuals knowledgeable in matters involving interstate child support:

(A) Four members shall be appointed jointly by the Majority and Minority Leaders of the Senate, in consultation with the chairman and ranking minority member of the Committee on Finance of the Senate.

(B) Four members shall be appointed jointly by the Speaker of the House and the Minority Leader of the House, in consultation with the chairman and ranking minority member of the Committee on Ways and Means of the House of Representatives.

(C) Seven members shall be appointed by the Secretary of Health and Human Services (in this section referred to as the "Secretary").

(2) Members of the Commission shall serve for the life of the Commission. A vacancy on the Commission shall be filled in the manner in which the original appointment was made and shall not affect the powers or duties of the Commission.

(3) A majority of the members of the Commission shall constitute a quorum for the transaction of business. Decisions of the Commission shall be according to the vote of a simple majority of those present and voting at a properly called meeting.

(4) The members of the Commission shall be appointed by July 1, 1989. The first meeting of the Commission shall be called by the Secretary as promptly as possible after all such members are appointed. At such meeting, the members of the Commission shall select a chairman from among such members and shall meet thereafter at the call of the chairman or of a majority of the members.

(c) Basic Pay.—(1) Members of the Commission shall serve as such without pay.

(2) Members of the Commission shall be allowed travel expenses, including a per diem allowance in lieu of subsistence, in the same manner as persons serving intermittently in the government service are allowed travel expenses under section 5703 of title 5 of the United States Code.

(d) Duties of the Commission.—(1) During the fiscal year 1990, the Commission shall hold one or more national conferences on interstate child support reform for the purpose of assisting the Commission in preparing the report required under paragraph (2).

(2) Not later than May 1, 1991, the Commission shall submit a report to the Congress that contains recommendations for—

(A) improving the interstate establishment and enforcement of child support awards, and

(B) revising the Uniform Reciprocal Enforcement of Support Act.

(e) Powers of the Commission.—(1) The Commission may use the United States mails in the same manner and upon the same conditions as other departments and agencies of the United States Government.

(2) The Commission may accept, use, and dispose of donations of money and property and may accept such volunteer services of individuals as it deems appropriate.

(3) The Commission may procure supplies, services, and property, and make contracts (but only to the extent or in such amounts as are provided in appropriation Acts).

(4) For purposes of carrying out its duties under subsection (d), the Commission may adopt such rules for its organization and procedures as it deems appropriate.

(f) Termination of the Commission.—(1) The Commission shall terminate on July 1, 1991.

(2) Any funds held by the Commission on the date of termination of the Commission shall be deposited in the general fund of the Treasury of the United States and credited as miscellaneous receipts. Any property (other than funds) held by the Commission on such date shall be disposed of as excess or surplus property.

(g) Authorization of Appropriations.—For the purpose of carrying out this section, there is authorized to be appropriated $2,000,000.

SEC. 127. COSTS OF INTERSTATE ENFORCEMENT DEMONSTRATIONS EXCLUDED IN COMPUTING INCENTIVE PAYMENTS.

Section 458(d) of the Social Security Act is amended by inserting immediately before the period at the end the following: ", and any amounts expended by the State in carrying out a special project assisted under section 455(e) shall be excluded".

SEC. 128. STUDY OF CHILD-REARING COSTS.

The Secretary of Health and Human Services shall, by grant or contract, conduct a *study of the patterns of expenditures on children in 2-parent families, in single-parent families following divorce or separation, and in single-parent families in which the parents were never married, giving particular attention to the relative standards of living in households in which both parents and all of the children do not live together. The Secretary shall submit to the Congress no later than 2 years after the date of the enactment of this Act a full and complete report of the results of such study, including such recommendations as the Secretary may have for legislative, administrative, and other actions. There are authorized to be appropriated such sums as may be necessary to carry out this section.*

SEC. 129. COLLECTION AND REPORTING OF CHILD SUPPORT ENFORCEMENT DATA.

Part D of title IV of the Social Security Act is amended by adding at the end the following new section:

"COLLECTION AND REPORTING OF CHILD SUPPORT ENFORCEMENT DATA

"SEC. 469. (a) The Secretary of Health and Human Services shall collect and maintain, on a fiscal year basis, up-to-date statistics, by State, with respect to each of the services specified in subsection (b) (separately stated in the case of each such service for families receiving aid under plans approved under part A of title IV of the Social Security Act and for families not receiving such aid), on—

"(1) the number of cases in the child support enforcement agency caseload under part D of title IV of such Act which need the service involved; and

"(2) the number of such cases in which the service has actually been provided.

"(b) The services referred to in subsection (a) are—

"(1) paternity determination;

"(2) location of an absent parent for the purpose of establishing a child support obligation;

"(3) establishment of a child support obligation; and

"(4) location of an absent parent for the purpose of enforcing or modifying an established child support obligation.

"(c) For purposes of subsection (a)(2), a service has actually been provided when the task described by the service has been accomplished.".

TITLE II—JOB OPPORTUNITIES AND BASIC SKILLS TRAINING PROGRAM

SEC. 201. ESTABLISHMENT AND OPERATION OF PROGRAM.

(a) STATE PLAN REQUIREMENT.—Section 402(a)(19) of the Social Security Act is amended to read as follows:

"(19) provide—

"(A) that the State has in effect and operation a job opportunities and basic skills training program which meets the requirements of part F;

"(B) that—

"(i) the State will (except as otherwise provided in this paragraph or part F), to the extent that the program is available in the political subdivision involved and State resources otherwise permit—

"(I) require all recipients of aid to families with dependent children in such subdivision with respect to whom the State guarantees child care in accordance with section 402(g) to participate in the program; and

"(II) allow applicants for and recipients of aid to families with dependent children who are not required under subclause (I) to participate in the program to do so on a voluntary basis;

"(ii) in determining the priority of participation by individuals from among those groups described in clauses (i), (ii), (iii), and (iv) of section 403(l)(2)(B), the State will give first consideration to applicants for or recipients of aid to families with dependent children within any such group who volunteer to participate in the program;

"(iii) if an exempt participant drops out of the program without good cause after having commenced participation in the program, he or she shall thereafter not be given priority so long as other individuals are actively seeking to participate; and

"(iv) the State need not require or allow participation of an individual in the program if as a result of such participation the amount payable to the State for quarters in a fiscal year with respect to the program would be reduced pursuant to section 403(l)(2);

"(C) that an individual may not be required to participate in the program if such individual—

"(i) is ill, incapacitated, or of advanced age;

"(ii) is needed in the home because of the illness or incapacity of another member of the household;

"(iii) subject to subparagraph (D)—

"(I) is the parent or other relative of a child under 3 years of age (or, if so provided in the State plan, under any age that is less than 3 years but not less than one year) who is personally providing care for the child, or

"(II) is the parent or other relative personally providing care of a child under 6 years of age, if the State assures that child care in accordance with section 402(g) will be guaranteed and that participation in the program by the parent or relative will not be required for more than 20 hours a week;

"(iv) works 30 or more hours a week;

"(v) is a child who is under age 16 or attends, full-time, an elementary, secondary, or vocational (or technical) school;

"(vi) is pregnant if it has been medically verified that the child is expected to be born in the month in which such participation would otherwise be required or within the 6-month period immediately following such month; or

"(vii) resides in an area of the State where the program is not available;

"(D) that, in the case of a family eligible for aid to families with dependent children by reason of the unemployment of the parent who is the principal earner, subparagraph (C)(iii) shall apply only to one parent, except that, in the case of such a family, the State may at its option make such subparagraph inapplicable to both of the parents (and require their participation in the program) if child care in accordance with section 402(g) is guaranteed with respect to the family;

"(E) that—

"(i) to the extent that the program is available in the political subdivision involved and State resources otherwise permit, in the case of a custodial parent who has not attained 20 years of age, has not successfully completed a high-school education (or its equivalent), and is required to participate in the program (including an individual who would otherwise be exempt from participation in the program solely by reason of subparagraph (C)(iii)), the State agency (subject to clause (ii)) will require such parent to participate in an educational activity; and

"(ii) the State agency may—

"(I) require a parent described in clause (i) (notwithstanding the part-time requirement in subparagraph (C)(iii)(II)) to participate in educational activities directed toward the attainment of a high school diploma or its equivalent on a full-time (as defined by the educational provider) basis,

"(II) establish criteria in accordance with regulations of the Secretary under which custodial parents described in clause (i) who have not attained 18 years of age may be exempted from the school attendance requirement under such clause, or

"(III) require a parent described in clause (i) who is age 18 or 19 to participate in training or work activities (in lieu of the educational activities under such clause) if such parent fails to make good progress in successfully completing such educational activities or if it is determined (prior to any assignment of the individual to such educational activities) pursuant to an educational assessment that participation in such educational activities is inappropriate for such parent;

"(F) that—

"(i) if the parent or other caretaker relative or any dependent child in the family is attending (in good standing) an institution of higher education (as defined in section 481(a) of the Higher Education Act of 1965), or a school or course of vocational or technical training (not less than half time) consistent with the individual's employment goals, and is making satisfactory progress in such institution, school, or course, at the time he or she would otherwise commence participation in the program under this section, such attendance may constitute satisfactory participation in the program (by that caretaker or child) so long as it continues and is consistent with such goals;

"(ii) any other activities in which an individual described in clause (i) participates may not be permitted to interfere with the school or training described in that clause;

"(iii) the costs of such school or training shall not constitute federally reimbursable expenses for purposes of section 403; and

"(iv) the costs of day care, transportation, and other services which are necessary (as determined by the State agency) for such attendance in accordance with section 402(g) are eligible for Federal reimbursement;

"(G) that—

"(i) if an individual who is required by the provisions of this paragraph to participate in the program or who is so required by reason of the State's having exercised the option under subparagraph (D) fails without good cause to participate in the program or refuses without good cause to accept employment in which such individual is able to engage which is offered through the public employment offices of the State, or is otherwise offered by an employer if the offer of such employer is determined to be a bona fide offer of employment—

"(I) the needs of such individual (whether or not section 407 applies) shall not be taken into account in making the determination with respect to his or her family under section 402(a)(7), and if such individual is a parent or other caretaker relative, payments of aid for any dependent child in the family in the form of payments of the type described in section 406(b)(2) (which in such a case shall be without regard to clauses (A) through (D) thereof) will be made unless the State agency, after making reasonable efforts, is unable to locate an appropriate individual to whom such payments can be made; and

"(II) if such individual is a member of a family which is eligible for aid to families with dependent children by reason of section 407, and his or her spouse is not par-

ticipating in the program, the needs of such spouse shall also not be taken into account in making such determination;

"(ii) any sanction described in clause (i) shall continue—

"(I) in the case of the individual's first failure to comply, until the failure to comply ceases;

"(II) in the case of the individual's second failure to comply, until the failure to comply ceases or 3 months (whichever is longer); and

"(III) in the case of any subsequent failure to comply, until the failure to comply ceases or 6 months (whichever is longer);

"(iii) the State will promptly remind any individual whose failure to comply has continued for 3 months, in writing, of the individual's option to end the sanction by terminating such failure; and

"(iv) no sanction shall be imposed under this subparagraph—

"(I) on the basis of the refusal of an individual described in subparagraph (C)(iii)(II) to accept employment, if the employment would require such individual to work more than 20 hours a week, or

"(II) on the basis of the refusal of an individual to participate in the program or accept employment, if child care (or day care for any incapacitated individual living in the same home as a dependent child) is necessary for an individual to participate in the program or accept employment, such care is not available, and the State agency fails to provide such care; and

"(I) the State agency may require a participant in the program to accept a job only if such agency assures that the family of such participant will experience no net loss of cash income resulting from acceptance of the job; and any costs incurred by the State agency as a result of this subparagraph shall be treated as expenditures with respect to which section 403(a)(1) or 403(a)(2) applies;".

(b) Establishment and Operation of Program.—Title IV of such Act is further amended by adding at the end the following new part:

"PART F—JOB OPPORTUNITIES AND BASIC SKILLS TRAINING PROGRAM

"PURPOSE AND DEFINITIONS

"Sec. 481. (a) Purpose.—It is the purpose of this part to assure that needy families with children obtain the education, training, and employment that will help them avoid long-term welfare dependence.

"(b) Meaning of Terms.—Except to the extent otherwise specifically indicated, terms used in this part shall have the meanings given them in or under part A.

"ESTABLISHMENT AND OPERATION OF STATE PROGRAMS

"Sec. 482. (a) State Plans for Job Opportunities and Basic Skills Training Programs.—(1)(A) As a condition of its participation in the program of aid to families with dependent children under part A, each State shall establish and operate a job opportunities and basic skills training program (in this part referred to as the 'program') under a plan approved by the Secretary as meeting all of the requirements of this part and section 402(a)(19), and shall, in accordance with regulations prescribed by the Secretary, periodically (but not less frequently than every 2 years) review and update its plan and submit the updated plan for approval by the Secretary.

"(B) A State plan for establishing and operating the program must describe how the State intends to implement the program during the period covered by the plan, and must indicate, through cross-references to the appropriate provisions of this part and part A, that the program will be operated in accordance with such provisions of law. In addition, such plan must contain (i) an estimate of the number of persons to be served by the program, (ii) a description of the services to be provided within the State and the political subdivisions thereof, the needs to be addressed through the provision of such services, the extent to which such services are expected to be made available by other agencies on a nonreimbursable basis, and the extent to which such services are to be provided or funded by the program, and (iii) such additional information as the Secretary may require by regulation to enable the Secretary to determine that the State program will meet all of the requirements of this part and part A.

"(C) The Secretary shall consult with the Secretary of Labor on general plan requirements and on criteria to be used in approving State plans under this section.

"(D)(i) Not later than October 1, 1992, each State shall make the program available in each political subdivision of such State where it is feasible to do so, after taking into account the number of prospective participants, the local economy, and other relevant factors.

"(ii) If a State determines that it is not feasible to make the program available in each such subdivision, the State plan must provide appropriate justification to the Secretary.

"(2) The State agency that administers or supervises the administration of the State's plan approved under section 402 shall be responsible for the administration or supervision of the administration of the State's program.

"(3) Federal funds made available to a State for purposes of the program shall not be used to supplant non-Federal funds for existing services and activities which promote the purpose of this part. State or local funds expended for such purpose shall be maintained at least at the level of such expenditures for the fiscal year 1986.

"(b) Assessment and Review of Needs and Skills of Participants; Family Support Plan.—(1)(A) The State agency must make an initial assessment of the educational, child care, and other supportive services needs as well as the skills, prior work experience, and employability of each participant in the program under this part, including a review of the family circumstances. The agency may also review the needs of any child of the participant.

"(B) On the basis of such assessment, the State agency, in consultation with the participant, shall develop an employability plan for the participant. The employability plan shall explain the services that will be provided by the State agency and the activities in which the participant will take part under the program, including child care and other supportive services, shall set forth an employment goal for the participant, and shall, to the maximum extent possible and consistent with this section, reflect the respective preferences of such participants. The plan must take into account the participant's supportive services needs, available program resources, and local employment opportunities. The employability plan shall not be considered a contract.

"(2) Following the initial assessment and review and the development of the employability plan with respect to any participant in the program, the State agency may require the participant (or the adult caretaker in the family of which the participant is a member) to negotiate and enter into an agreement with the State agency that specifies such matters as the participant's obligations under the program, the duration of participation in the program, and the activities to be conducted and the services to be provided in the course of such participation. If the State agency exercises the option under the preceding sentence, the State agency must give the participant such assistance as he or she may require in reviewing and understanding the agreement.

"(3) The State agency may assign a case manager to each participant and the participant's family. The case manager so assigned must be responsible for assisting the family to obtain any services which may be needed to assure effective participation in the program.

"(c) Provision of Program and Employment Information.—(1) The State agency must ensure that all applicants for and recipients of aid to families with dependent children are encouraged, assisted, and required to fulfill their responsibilities to support their children by preparing for, accepting, and retaining such employment as they are capable of performing.

"(2) The State agency must inform all applicants for and recipients of aid to families with dependent children of the education, employment, and training opportunities, and the support services (including child care and health coverage transition options), for which they are eligible, the obligations of the State agency, and the rights, responsibilities, and obligations of participants in the program.

"(3) The State agency must—

"(A) provide (directly or through arrangements with others) information on the types and locations of child care services reasonably accessible to participants in the program,

"(B) inform participants that assistance is available to help them select appropriate child care services, and

"(C) on request, provide assistance to participants in obtaining child care services.

"(4) The State agency must inform applicants for and recipients of aid to families with dependent children of the grounds for exemption from participation in the program and the consequences of refusal to participate if not exempt, and provide other appropriate information with respect to such participation.

"(5) Within one month after the State agency gives a recipient of aid to families with dependent children the information described in the preceding provisions of this paragraph, the State agency must notify such recipient of the opportunity to indicate his or her desire to participate in the program, including a clear description of how to enter the program.

"(d) Services and Activities Under the Program.—(1) (A) In carrying out the program, each State shall make available a broad range of services and activities to aid in carrying out the purpose of this part. Such services and activities—

"(i) shall include—

"(I) educational activities (as appropriate), including high school or equivalent education (combined with training as needed), basic and remedial education to achieve a basic literacy level, and education for individuals with limited English proficiency;

"(II) job skills training;

"(III) job readiness activities to help prepare participants for work; and

"(IV) job development and job placement; and

"(ii) must also include at least 2 of the following:

"(I) group and individual job search as described in subsection (g);

"(II) on-the-job training;

"(III) work supplementation programs as described in subsection (e); and

"(IV) community work experience programs as described in subsection (f) or any other work experience program approved by the Secretary.

"(B) The State may also offer to participants under the program (i) postsecondary education in appropriate cases, and (ii) such other education, training, and employment activities as may be determined by the State and allowed by regulations of the Secretary.

"(2) If the State requires an individual who has attained the age of 20 years and has not earned a high school diploma (or equivalent) to participate in the program, the State agency shall include educational activities consistent with his or her employment goals as a component of the individual's participation in the program, unless the individual demonstrates a basic literacy level, or the employability plan for the individual identifies a long-term employment goal that does not require a high school diploma (or equivalent). Any other services or activities to which such a participant is assigned may not be permitted to interfere with his or her participation in an appropriate educational activity under this subparagraph.

"(e) Work Supplementation Program.—(1) Any State may institute a work supplementation program under which such State, to the extent it considers appropriate, may reserve the sums that would otherwise be payable to participants in the program as aid to families with dependent children and use such sums instead for the purpose of providing and subsidizing jobs for such participants (as described in paragraph (3)(C)(i) and (ii)), as an alternative to the aid to families with dependent children that would otherwise be so payable to them.

"(2)(A) Notwithstanding section 406 or any other provision of law, Federal funds may be paid to a State under part A, subject to this subsection, with respect to expenditures incurred in operating a work supplementation program under this subsection.

"(B) Nothing in this part, or in any State plan approved under part A, shall be construed to prevent a State from operating (on such terms and conditions and in such cases as the State may find to be necessary or appropriate) a work supplementation program in accordance with this subsection and section 484.

"(C) Notwithstanding section 402(a)(23) or any other provision of law, a State may adjust the levels of the standards of need under the State plan as the State determines to be necessary and appropriate for carrying out a work supplementation program under this subsection.

"(D) Notwithstanding section 402(a)(1) or any other provision of law, a State operating a work supplementation program under this subsection may provide that the need standards in effect in those areas of the State in which such program is in operation may be different from the need standards in effect in the areas in which such program is not in operation, and such State may provide that the need standards for categories of recipients may vary among such categories to the extent the State determines to be appropriate on the basis of ability to participate in the work supplementation program.

"(E) Notwithstanding any other provision of law, a State may make such further adjustments in the amounts of the aid to families with dependent children paid under the plan to different categories of recipients (as determined under subparagraph (D)) in order to offset increases in benefits from needs-related programs (other than the State plan approved under part A) as the State determines to be necessary and appropriate to further the purposes of the work supplementation program.

"(F) In determining the amounts to be reserved and used for providing and subsidizing jobs under this subsection as described in paragraph (1), the State may use a sampling methodology.

"(G) Notwithstanding section 402(a)(8) or any other provision of law, a State operating a work supplementation program under this subsection (i) may reduce or eliminate the amount of earned income to be disregarded under the State plan as the State determines to be necessary and appropriate to further the purposes of the work supplementation program, and (ii) during one or more of the first 9 months of an individual's employment pursuant to a program under this section, may apply to the wages of the individual the provisions of subparagraph (A)(iv) of section 402(a)(8) without regard to the provisions of subparagraph (B)(ii)(II) of such section.

"(3)(A) A work supplementation program operated by a State under this subsection may provide that any individual who is an eligible individual (as determined under subparagraph (B)) shall take a supplemented job (as defined in subparagraph (C)) to the extent that supplemented jobs are available under the program. Payments by the State to individuals or to employers under the work supplementation program shall be treated as expenditures incurred by the State for aid to families with dependent children except as limited by paragraph (4).

"(B) For purposes of this subsection, an eligible individual is an individual who is in a category which the State determines should be eligible to participate in the work supplementation program, and who would, at the time of placement in the job involved, be eligible for aid to families with dependent children under an approved State plan if such State did not have a work supplementation program in effect.

"(C) For purposes of this section, a supplemented job is—

"(i) a job provided to an eligible individual by the State or local agency administering the State plan under part A; or

"(ii) a job provided to an eligible individual by any other employer for which all or part of the wages are paid by such State or local agency.

A State may provide or subsidize under the program any job which such State determines to be appropriate.

"(4) The amount of the Federal payment to a State under section 403 for expenditures incurred in making payments to individuals and employers under a work supplementation program under this subsection shall not exceed an amount equal to the amount which would otherwise be payable under such section if the family of each individual employed in the program established in such State under this subsection had received the maximum amount of aid to families with dependent children payable under the State plan to such a family with no income (without regard to adjustments under paragraph (2)) for the lesser of (A) 9 months, or (B) the number of months in which such individual was employed in such program.

"(5)(A) Nothing in this subsection shall be construed as requiring the State or local agency administering the State plan to provide employee status to an eligible individual to whom it provides a job under the work supplementation program (or with respect to whom it provides all or part of the wages paid to the individual by another entity under such program), or as requiring any State or local agency to provide that an eligible individual filling a job position provided by another entity under such program be provided employee status by such entity during the first 13 weeks such individual fills that position.

"(B) Wages paid under a work supplementation program shall be considered to be earned income for purposes of any provision of law.

"(6) Any State that chooses to operate a work supplementation program under this subsection shall provide that any individual who participates in such program, and any child or relative of such individual (or other individual living in the same household as such individual) who would be eligible for aid to families with dependent children under the State plan approved under part A if such State did not have a work supplementation program, shall be considered individuals receiving aid to families with dependent children under the State plan approved under part A for purposes of eligibility for medical assistance under the State plan approved under title XIX.

"(7) No individual receiving aid to families with dependent children under a State plan shall be excused by reason of the fact that such State has a work supplementation program from any requirement of this part relating to work requirements, except during periods in which such individual is employed under such work supplementation program.

"(f) Community Work Experience Program.—(1)(A) Any State may establish a community work experience program in accordance with this subsection. The purpose of the community work experience program is to provide experience and training for individuals not otherwise able to obtain employment, in order to assist them to move into regular employment. Community work experience programs shall be designed to improve the employability of participants through actual work experience and training and to enable individuals employed under community work experience programs to move promptly into regular public or private employment. The facilities of the State public employment offices may be utilized to find employment opportunities for recipients under this program. Community work experience programs shall be limited to projects which serve a useful public purpose in fields such as health, social service, environmental protection, education, urban and rural development and redevelopment, welfare, recreation, public facilities, public safety, and day care. To the extent possible, the prior training, experience, and skills of a recipient shall be used in making appropriate work experience assignments.

"(B)(i) A State that elects to establish a community work experience program under this subsection shall operate such program so that each participant (as determined by the State) either works or undergoes training (or both) with the maximum number of hours that any such individual may be re-

quired to work in any month being a number equal to the amount of the aid to families with dependent children payable with respect to the family of which such individual is a member under the State plan approved under this part, divided by the greater of the Federal minimum wage or the applicable State minimum wage (and the portion of a recipient's aid for which the State is reimbursed by a child support collection shall not be taken into account in determining the number of hours that such individual may be required to work).

"(ii) After an individual has been assigned to a position in a community work experience program under this subsection for 9 months, such individual may not be required to continue in that assignment unless the maximum number of hours of participation is no greater than (I) the amount of the aid to families with dependent children payable with respect to the family of which such individual is a member under the State plan approved under this part (excluding any portion of such aid for which the State is reimbursed by a child support payment), divided by (II) the higher of (a) the Federal minimum wage or the applicable State minimum wage, whichever is greater, or (b) the rate of pay for individuals employed in the same or similar occupations by the same employer at the same site.

"(C) Nothing contained in this subsection shall be construed as authorizing the payment of aid to families with dependent children as compensation for work performed, nor shall a participant be entitled to a salary or to any other work or training expense provided under any other provision of law by reason of his participation in a program under this subsection.

"(D) Nothing in this part or in any State plan approved under this part shall be construed to prevent a State from operating (on such terms and conditions and in such cases as the State may find to be necessary or appropriate) a community work experience program in accordance with this subsection and subsection (d).

"(E) Participants in community work experience programs under this subsection may perform work in the public interest (which otherwise meets the requirements of this subsection) for a Federal office or agency with its consent, and, notwithstanding section 1342 of title 31, United States Code, or any other provision of law, such agency may accept such services, but such participants shall not be considered to be Federal employees for any purpose.

"(2) After each 6 months of an individual's participation in a community work experience program under this subsection, and at the conclusion of each assignment of the individual under such program, the State agency must provide a reassessment and revision, as appropriate, of the individual's employability plan.

"(3) The State agency shall provide coordination among a community work experience program operated pursuant to this subsection, any program of job search under subsection (g), and the other employment-related activities under the program established by this section so as to insure that job placement will have priority over participation in the community work experience program, and that individuals eligible to participate in more than one such program are not denied aid to families with dependent children on the grounds of failure to participate in one such program if they are actively and satisfactorily participating in another. The State agency may provide that part-time participation in more than one such program may be required where appropriate.

"(4) In the case of any State that makes expenditures in the form described in paragraph (1) under its State plan approved under section 482(a)(1), expenditures for the operation and administration of the program under this section may not include, for purposes of section 403, the cost of making or acquiring materials or equipment in connection with the work performed under a program referred to in paragraph (1) or the cost of supervision of work under such program, and may include only such other costs attributable to such programs as are permitted by the Secretary.

"(g) Job Search Program.—(1) The State agency may establish and carry out a program of job search for individuals participating in the program under this part.

"(2) Notwithstanding section 402(a)(19)(B)(i)(I), the State agency may require job search by an individual applying for or receiving aid to families with dependent children (other than an individual described in section 402(a)(19)(C) who is not an individual with respect to whom section 402(a)(19)(D) applies)—

"(A) subject to the next to last sentence of this paragraph, beginning at the time such individual applies for aid to families with dependent children and continuing for a period (prescribed by the State) of not more than 8 weeks (but this requirement may not be used as a reason for any delay in making a determination of an individual's eligibility for such aid or in issuing a payment to or on behalf of any individual who is otherwise eligible for such aid); and

"(B) at such time or times after the close of the period prescribed under subparagraph (A) as the State agency may determine but not to exceed a total of 8 weeks in any period of 12 consecutive months.

In no event may an individual be required to participate in job search for more than 3 weeks before the State agency conducts the assessment and review with respect to such individual under subsection (b)(1)(A). Job search activities in addition to those required under the preceding provisions of this paragraph may be required only in combination with some other education, training, or employment activity which is designed to improve the individual's prospects for employment.

"(3) Job search by an individual under this subsection shall in no event be treated, for any purpose, as an activity under the program if the individual has participated in such job search for 4 months out of the preceding 12 months.

"(h) Dispute Resolution Procedures.—Each State shall establish a conciliation procedure for the resolution of disputes involving an individual's participation in the program and (if the dispute involved is not resolved through conciliation) shall provide an opportunity for a hearing with respect to the dispute, which hearing may be provided through a hearing process established for purposes of resolving disputes with respect to the program or through the provision of a hearing pursuant to section 402(a)(4); but in no event shall aid to families with dependent children be suspended, reduced, discontinued, or terminated as a result of a dispute involving an individual's participation in the program until such individual has an opportunity for a hearing that meets the standards set forth by the United States Supreme Court in Goldberg v. Kelly, 397 U.S. 254 (1970).

"(i) Special Provisions Relating to Indian Tribes.—(1) Within 6 months after the date of the enactment of the Family Support Act of 1988, an Indian tribe or Alaska Native organization may apply to the Secretary to conduct a job opportunities and basic skills training program to carry out the purpose of this subsection. If the Secretary approves such tribe's or organization's application, the maximum amount that may be paid to the State under section 403(l) in which such tribe or organization is located shall be reduced by the Secretary in accordance with paragraph (2) and an amount equal to the amount of such reduction shall be paid directly to such tribe or organization without the requirement of any nonfederal share) for the operation of such program. In determining whether to approve an application from an Alaska Native organization, the Secretary shall consider whether approval of the application would promote the efficient and nonduplicative administration of job opportunities and basic skills training programs in the State.

"(2) The amount of the reduction under paragraph (1) with respect to any State in which is located an Indian tribe or Alaska Native organization with an application approved under such paragraph shall be an amount equal to the amount that bears the same ratio to the maximum amount that could be paid under section 403(k) to the State as—

"(A) the number of adult members of such Indian tribe receiving aid to families with dependent children bears to the number of all such adult recipients in the State, or

"(B) the number of adult Alaska Natives receiving aid to families with dependent children who reside within the boundaries of such Alaska Native organization bears to the number of all such adult recipients in the State of Alaska.

"(3) The job opportunities and basic skills training program set forth in the application of an Indian tribe or Alaska Native organization under paragraph (1) need not meet any requirement of the program under this part or under section 402(a)(19) that the Secretary determines is inappropriate with respect to such job opportunities and basic skills training program.

"(4) The job opportunities and basic skills training program of any Indian tribe or Alaska Native organization may be terminated voluntarily by such tribe or Alaska Native organization or may be terminated by the Secretary upon a finding that the tribe or Alaska Native organization is not conducting such program in substantial conformity with the terms of the application approved by the Secretary, and the maximum amount that may be paid under section 403(k) to the State within which the tribe or Alaska Native organization is located (as reduced pursuant to paragraph (1)) shall be increased by any portion of the amount retained by the Secretary with respect to such program (and not payable to such tribe or Alaska Native organization for obligations already incurred). The reduction under paragraph (1) shall in no event apply to a State for any fiscal year beginning after such program is terminated if no other such program remains in operation in the State.

"(5) For purposes of this subsection, an Indian tribe is any tribe, band, nation, or other organized group or community of Indians that—

"(A) is recognized as eligible for the special programs and services provided by the

United States to Indians because of their status as Indians; and

"(B) for which a reservation (as defined in paragraph (6)) exists.

"(6) For purposes of this subsection, a reservation includes Indian reservations, public domain Indian allotments, and former Indian reservations in Oklahoma.

"(7) For purposes of this subsection—

"(A) an Alaska Native organization is any organized group of Alaska Natives eligible to operate a Federal program under Public Law 93-638 or such group's designee;

"(B) the boundaries of an Alaska Native organization shall be those of the geographical region, established pursuant to section 7(a) of the Alaska Native Claims Settlement Act, within which the Alaska Native organization is located (without regard to the ownership of the land within the boundaries);

"(C) the Secretary may approve only one application from an Alaska Native organization for each of the 12 geographical regions established pursuant to section 7(a) of the Alaska Native Claims Settlement Act; and

"(D) any Alaska Native, otherwise eligible or required to participate in a job opportunities and basic skills training program, residing within the boundaries of an Alaska Native organization whose application has been approved by the Secretary, shall be eligible to participate in the job opportunities and basic skills training program administered by such Alaska Native organization.

"(8) Nothing in this subsection shall be construed to grant or defer any status or powers other than those expressly granted in this subsection or to validate or invalidate any claim by Alaska Natives of sovereign authority over lands or people.

"COORDINATION REQUIREMENTS

"SEC. 483. (a)(1) The Governor of each State shall assure that program activities under this part are coordinated in that State with programs operated under the Job Training Partnership Act and with any other relevant employment, training, and education programs available in that State. Appropriate components of the State's plan developed under section 482(a)(1) which relate to job training and work preparation shall be consistent with the coordination criteria specified in the Governor's coordination and special services plan required under section 121 of the Job Training Partnership Act.

"(2) The State plan so developed shall be submitted to the State job training coordinating council not less than 60 days before its submission to the Secretary, for the purpose of review and comment by the council. Concurrent with submission of the plan to the State job training coordinating council, the proposed State plan shall be published and made reasonably available to the general public through local news facilities and public announcements, in order to provide the opportunity for review and comment.

"(3) The comments and recommendations of the State job training coordinating council under subparagraph (B) shall be transmitted to the Governor of the State.

"(b) The Secretary of Health and Human Services shall consult with the Secretaries of Education and Labor on a continuing basis for the purpose of assuring the maximum coordination of education and training services in the development and implementation of the program under this part.

"(c) The State agency responsible for administering or supervising the administration of the State plan approved under part A shall consult with the State education agency and the agency responsible for administering job training programs in the State in order to promote coordination of the planning and delivery of services under the program with programs operated under the Job Training Partnership Act and with education programs available in the State (including any program under the Adult Education Act or Carl D. Perkins Vocational Education Act).

"PROVISIONS GENERALLY APPLICABLE TO PROVISION OF SERVICES

"SEC. 484. (a) In assigning participants in the program under this part to any program activity, the State agency shall assure that—

"(1) each assignment takes into account the physical capacity, skills, experience, health and safety, family responsibilities, and place of residence of the participant;

"(2) no participant will be required, without his or her consent, to travel an unreasonable distance from his or her home or remain away from such home overnight;

"(3) individuals are not discriminated against on the basis of race, sex, national origin, religion, age, or handicapping condition, and all participants will have such rights as are available under any applicable Federal, State, or local law prohibiting discrimination;

"(4) the conditions of participation are reasonable, taking into account in each case the proficiency of the participant and the child care and other supportive services needs of the participant; and

"(5) each assignment is based on available resources, the participant's circumstances, and local employment opportunities.

"(b) Appropriate workers' compensation and tort claims protection must be provided to participants on the same basis as they are provided to other individuals in the State in similar employment (as determined under regulations of the Secretary).

"(c) No work assignment under the program shall result in—

"(1) the displacement of any currently employed worker or position (including partial displacement such as a reduction in the hours of nonovertime work, wages, or employment benefits), or result in the impairment of existing contracts for services or collective bargaining agreements;

"(2) the employment or assignment of a participant or the filling of a position when (A) any other individual is on layoff from the same or any equivalent position, or (B) the employer has terminated the employment of any regular employee or otherwise reduced its workforce with the effect of filling the vacancy so created with a participant subsidized under the program; or

"(3) any infringement of the promotional opportunities of any currently employed individual.

Funds available to carry out the program under this part may not be used to assist, promote, or deter union organizing. No participant may be assigned under section 482(e) or (f) to fill any established unfilled position vacancy.

"(d)(1) The State shall establish and maintain (pursuant to regulations jointly issued by the Secretary and the Secretary of Labor) a grievance procedure for resolving complaints by regular employees or their representatives that the work assignment of an individual under the program violates any of the prohibitions described in subsection (b). A decision of the State under such procedure may be appealed to the Secretary of Labor for investigation and such action as such Secretary may find necessary.

"(2) The State shall hear complaints with respect to working conditions and workers' compensation, and wage rates in the case of individuals participating in community work experience programs described in section 482(f), under the State's fair hearing process. A decision of the State under such process may be appealed to the Secretary of Labor under such conditions as the joint regulations issued under subsection (e) may provide.

"(e) The provisions of this section apply to any work-related programs and activities under this part, and under any other work-related programs and activities authorized (in connection with the AFDC program) under section 1115.

"(f) The Secretary of Health and Human Services and the Secretary of Labor shall jointly prescribe and issue regulations for the purpose of implementing and carrying out the provisions of this section, in accordance with the timetable established in section 203(a) of the Family Support Act of 1988.

"CONTRACT AUTHORITY

"SEC. 485. (a) The State agency that administers or supervises the administration of the State's plan approved under section 402 shall carry out the programs under this part directly or through arrangements or under contracts with administrative entities under section 4(2) of the Job Training Partnership Act, with State and local educational agencies, and with other public agencies or private organizations (including community-based organizations as defined in section 4(5) of such Act).

"(b) Arrangements and contracts entered into under subsection (a) may cover any service or activity (including outreach) to be made available under the program to the extent that the service or activity is not otherwise available on a nonreimbursable basis.

"(c) The State agency and private industry councils (as established under section 102 of the Job Training Partnership Act) shall consult on the development of arrangements and contracts under the program established under a plan approved under section 482(b)(1), and under programs established under such Act.

"(d) In selecting service providers, the State agency shall take into account appropriate factors which may include past performance in providing similar services, demonstrated effectiveness, fiscal accountability, ability to meet performance standards, and such other factors as the State may determine to be appropriate.

"(e) The State agency shall use the services of each private industry council to identify and provide advice on the types of jobs available or likely to become available in the service delivery area (as defined in the Job Training Partnership Act) of the council, and shall ensure that the State program provides training in any area for jobs of a type which are, or are likely to become, available in the area.

"INITIAL STATE EVALUATIONS

"SEC. 486. (a) With the objective of—

"(1) providing an in-depth assessment of potential participants in the program under this part in each State, so as to furnish an accurate picture on which to base estimates of future demands for services in conducting such program and to improve the efficiency of targeting under such program,

"(2) assuring that training for recipients of aid under such program will be realistically geared to labor market demands and that the program will produce individuals with marketable skills, while avoiding du-

plication and redundancy in the delivery of services, and

"(3) otherwise assuring that States will have the information needed to carry out the purposes of the program,

each State may undertake and carry out an evaluation of demographic characteristics of potential participants in the program under this part within the 12-month period beginning on the date of the enactment of the Family Support Act of 1988. Such evaluation shall be carried out in each State by the agency which administers the State's program approved under section 402.

"(b) In carrying out the evaluation under subsection (a) the State shall give particular attention to the current and anticipated demands of the labor market or markets within the State, the types of training which are needed to meet those demands, and any changes in the current service delivery systems which may be needed to satisfy the requirements of the program under this part.

"(c) The evaluation shall be structured so as to produce accurate and usable information on the age, family status, educational and literacy levels, duration of eligibility for aid to families with dependent children, and work experience of the individuals and families who are potential participants in the program under this part, including the actual numbers of such individuals and families in each such category.

"(d) The Secretary of Health and Human Services, in consultation with the Secretary of Labor, shall provide each State with such technical assistance and data as it may need in order to carry out its evaluation under subsection (a); and each State shall transmit its evaluation to the Secretary by the close of the 12-month period specified in such subsection. The Secretary of Health and Human Services shall take such evaluations into account in developing performance standards.

"(e) As used in this section, the term 'potential participants' with respect to any State's program under this part means collectively all individuals in such State who are recipients of aid to families with dependent children under part A and who are members of the target populations identified in section 403(l)(2).".

(c) SEPARATE FUNDING FOR JOBS PROGRAM; FEDERAL FINANCIAL PARTICIPATION.—(1) Section 403 of such Act is amended by adding at the end the following new subsection:

"(k)(1) Each State with a plan approved under part F shall be entitled to payments under subsection (l) for any fiscal year in an amount equal to the sum of the applicable percentages (specified in such subsection) of its expenditures to carry out the program under part F (subject to limitations prescribed by or pursuant to such part or this section on expenditures that may be included for purposes of determining payment under subsection (l)), but such payments for any fiscal year in the case of any State may not exceed the limitation determined under paragraph (2) with respect to the State.

"(2) The limitation determined under this paragraph with respect to a State for any fiscal year is—

"(A) the amount allotted to the State for fiscal year 1987 under part C of this title as then in effect, plus

"(B) the amount that bears the same ratio to the amount specified in paragraph (3) for such fiscal year as the average monthly number of adult recipients (as defined in paragraph (4)) in the State in the preceding fiscal year bears to the average monthly number of such recipients in all the States for such preceding year.

"(3) The amount specified in this paragraph is—

"(A) $600,000,000 in the case of the fiscal year 1989,

"(B) $800,000,000 in the case of the fiscal year 1990,

"(C) $1,000,000,000 in the case of each of the fiscal years 1991, 1992, and 1993,

"(D) $1,100,000,000 in the case of the fiscal year 1994,

"(E) $1,300,000,000 in the case of the fiscal year 1995, and

"(F) $1,000,000,000 in the case of the fiscal year 1996 and each succeeding fiscal year,

reduced by the aggregate amount allotted to all the States for fiscal year 1987 pursuant to part C of this title as then in effect.

"(4) For purposes of this subsection, the term 'adult recipient' in the case of any State means an individual other than a dependent child (unless such child is the custodial parent of another dependent child) whose needs are met (in whole or in part) with payments of aid to families with dependent children.

"(5) None of the funds available to a State for purposes of the programs or activities conducted under part F shall be used for construction.".

(2) Section 403 of such Act (as amended by paragraph (1) of this subsection) is further amended by adding at the end the following new subsection:

"(l)(1)(A) In lieu of any payment under subsection (a), the Secretary shall pay to each State with a plan approved under section 482(a) (subject to the limitation determined under section 482(i)(2)) with respect to expenditures by the State to carry out a program under part F (including expenditures for child care under section 402(g)(1)(A), but only in the case of a State with respect to which section 1108 applies), an amount equal to—

"(i) with respect to so much of such expenditures in a fiscal year as do not exceed the State's expenditures in the fiscal year 1987 with respect to which payments were made to such State from its allotment for such fiscal year pursuant to part C of this title as then in effect, 90 percent; and

"(ii) with respect to so much of such expenditures in a fiscal year as exceed the amount described in clause (i)—

"(I) 50 percent, in the case of expenditures for administrative costs made by a State in operating such a program for such fiscal year (other than the personnel costs for staff employed full-time in the operation of such program) and the costs of transportation and other work-related supportive services under section 402(g)(2), and

"(II) the greater of 60 percent or the Federal medical assistance percentage (as defined in section 1118 in the case of any State to which section 1108 applies, or as defined in section 1905(b) in the case of any other State), in the case of expenditures made by a State in operating such a program for such fiscal year (other than for costs described in subclause (I)).

"(B) With respect to the amount for which payment is made to a State under subparagraph (A)(i), the State's expenditures for the costs of operating a program established under part F may be in cash or in kind, fairly evaluated.

"(2)(A) Notwithstanding paragraph (1), the Secretary shall pay to a State an amount equal to 50 percent of the expenditures made by such State in operating its program established under part F (in lieu of any different percentage specified in paragraph (1)(A)) if less than 55 percent of such expenditures are made with respect to individuals who are described in subparagraph (B).

"(B) An individual is described in this paragraph if the individual—

"(i)(I) is receiving aid to families with dependent children, and

"(II) has received such aid for any 36 of the preceding 60 months;

"(ii)(I) makes application for aid to families with dependent children, and

"(II) has received such aid for any 36 of the 60 months immediately preceding the most recent month for which application has been made;

"(iii) is a custodial parent under the age of 24 who (I) has not completed a high school education and, at the time of application for aid to families with dependent children, is not enrolled in high school (or a high school equivalency course of instruction), or (II) had little or no work experience in the preceding year; or

"(iv) is a member of a family in which the youngest child is within 2 years of being ineligible for aid to families with dependent children because of age.

"(C) This paragraph may be waived by the Secretary with respect to any State which demonstrates to the satisfaction of the Secretary that the characteristics of the caseload in that State make it infeasible to meet the requirements of this paragraph, and that the State is targeting other long-term or potential long-term recipients.

"(D) The Secretary shall biennially submit to the Congress any recommendations for modifications or additions to the groups of individuals described in subparagraph (B) that the Secretary determines would further the goal of assisting long-term or potential long-term recipients of aid to families with dependent children to achieve self-sufficiency, which recommendations shall take into account the particular characteristics of the populations of individual States.

"(3)(A) Notwithstanding paragraph (1), the Secretary shall pay to a State an amount equal to 50 percent of the expenditures made by such State in a fiscal year in operating its program established under part F (in lieu of any different percentage specified in paragraph (1)(A)) if the State's participation rate (determined under subparagraph (B)) for the preceding fiscal year does not exceed or equal—

"(i) 7 percent if the preceding fiscal year is 1990;

"(ii) 7 percent if such year is 1991;

"(iii) 11 percent if such year is 1992;

"(iv) 11 percent if such year is 1993;

"(v) 15 percent if such year is 1994; and

"(vi) 20 percent if such year is 1995.

"(B)(i) The State's participation rate for a fiscal year shall be the average of its participation rates for computation periods (as defined in clause (ii)) in such fiscal year.

"(ii) The computation periods shall be—

"(I) the fiscal year, in the case of fiscal year 1990,

"(II) the first six months, and the seventh through twelfth months, in the case of fiscal year 1991,

"(III) the first three months, the fourth through sixth months, the seventh through ninth months, and the tenth through twelfth months, in the case of fiscal years 1992 and 1993, and

"(IV) each month, in the case of fiscal years 1994 and 1995.

"(iii) The State's participation rate for a computation period shall be the number, expressed as a percentage, equal to—

"(I) the average monthly number of individuals required or allowed by the State to

participate in the program under part F who have participated in such program in months in the computation period, plus the number of individuals required or allowed by the State to participate in such program who have so participated in that month in such period for which the number of such participants is the greatest, divided by

"(II) twice the average monthly number of individuals required to participate in such period (other than individuals described in subparagraph (C)(iii)(I) or (D) of section 402(a)(19) with respect to whom the State has exercised its option to require their participation).

For purposes of this subparagraph, an individual shall not be considered to have satisfactorily participated in the program under part F solely by reason of such individual being registered to participate in such program.

"(C) Notwithstanding any other provision of this paragraph, no State shall be subject to payment under this paragraph (in lieu of paragraph (1)(A)) for failing to meet any participation rate required under this paragraph with respect to any fiscal year before 1991.

"(D) For purposes of this paragraph, an individual shall be determined to have participated in the program under part F, if such individual has participated in accordance with such requirements, consistent with regulations of the Secretary, as the State shall establish.

"(E) If the Secretary determines that the State has failed to achieve the participation rate for any fiscal year specified in the numbered clauses of subparagraph (A), he may waive, in whole or in part, the reduction in the payment rate otherwise required by such subparagraph if he finds that—

"(i) the State is in conformity with section 402(a)(19);

"(ii) the State has made a good faith effort to achieve the applicable participation rate for such fiscal year; and

"(iii) the State has submitted a proposal which is likely to achieve the applicable participation rate for the current fiscal year and the subsequent fiscal years (if any) specified therein.

"(4)(A)(i) Subject to subparagraph (B), in the case of any family eligible for aid to families with dependent children by reason of the unemployment of the parent who is the principal earner, the State agency shall require that at least one parent in any such family participate, for a total of at least 16 hours a week during any period in which either parent is required to participate in the program, in a work supplementation program, a community work experience or other work experience program, on-the-job training, or a State designed work program approved by the Secretary, as such programs are described in section 482(d)(1). In the case of a parent under age 25 who has not completed high school or an equivalent course of education, the State may require such parent to participate in educational activities directed at the attainment of a high school diploma (or equivalent) in lieu of one or more of the programs specified in the preceding sentence.

"(ii) For purposes of clause (i), an individual participating in a community work experience program under section 482 shall be considered to have met the requirement of such clause if he participates for the number of hours in any month equal to the monthly payment of aid to families with dependent children to the family of which he is a member, divided by the greater of the Federal or the applicable State minimum wage (and the portion of such monthly payment for which the State is reimbursed by a child support collection shall not be taken into account in determining the number of hours that such individual may be required to work).

"(B) The requirement under subparagraph (A) shall not be considered to have been met by any State if the requirement is not met with respect to the following percentages of all families in the State eligible for aid to families with dependent children by reason of the unemployment of the parent who is the principal earner:

"(i) 40 percent, in the case of the average of each month in fiscal year 1994,

"(ii) 50 percent, in the case of the average of each month in fiscal year 1995,

"(iii) 60 percent, in the case of the average of each month in fiscal year 1996, and

"(iv) 75 percent in the case of the average of each month in fiscal year 1997 or 1998.

"(C) The percentage of participants for any month in a fiscal year for purposes of the preceding sentence shall equal the average of—

"(i) the number of individuals described in subparagraph (A)(i) who have met the requirement prescribed therein, divided by

"(ii) the total number of principal earners described in such subparagraph (but excluding those in families who have been recipients of aid for 2 months or less if, during the period that the family received aid, at least one parent engaged in intensive job search).

"(D) If the Secretary determines that the State has failed to meet the requirement under subparagraph (A) (determined with respect to the percentages prescribed in subparagraph (B)), he may waive, in whole or in part, any penalty if he finds that—

"(i) the State is operating a program in conformity with section 402(a)(19) and part F,

"(ii) the State has made a good faith effort to meet the requirement of subparagraph (A) but has been unable to do so because of economic conditions in the State (including significant numbers of recipients living in remote locations or isolated rural areas where the availability of work sites is severely limited, or because of rapid and substantial increases in the caseload than cannot reasonably be planned for, and

"(iii) the State has submitted a proposal which is likely to achieve the required percentage of participants for the subsequent fiscal years.".

(d) State Expenditures to Carry Out Initial Evaluations.—Section 403(a)(3)(D) of such Act (as amended by section 202(a)(4) of this Act) is further amended by inserting "(including any amounts expended by the State to carry out initial evaluations under section 486(a))" after "such expenditures".

SEC. 202. TECHNICAL AND CONFORMING AMENDMENTS.

(a) Repeal of Part C of Title IV.—Part C of title IV of the Social Security Act is repealed.

(b) Changes In Part A of Title IV.—(1) Section 402(a)(8)(A)(iv) of such Act is amended by striking "(but excluding" and all that follows and inserting in lieu thereof a semicolon.

(2) Section 402(a)(9)(A) of such Act is amended—

(A) by inserting "(including activities under part F)" after "this part"; and

(B) by striking "B, C, or D" and inserting in lieu thereof "B or D".

(3) Section 402(a)(35) of such Act is repealed.

(4) Section 403(a)(3) of such Act is amended—

(A) by striking all of subparagraph (D) that follows "such expenditures" and inserting in lieu thereof "; and"; and

(B) in the matter immediately following subparagraph (D), by striking "services furnished" and all that follows through the semicolon and inserting in lieu thereof "services furnished pursuant to section 402(g);".

(5) Section 403(c) of such Act is repealed.

(6) Section 403(d) of such Act is repealed.

(7) Section 407(b)(2)(A) of such Act is amended by striking "will be certified" and all that follows through "within 30 days" and inserting in lieu thereof "will participate or apply for participation in a program under part F (unless the program is not available in the area where the parent is living) within 30 days".

(8) Section 407(b)(2)(C)(i) of such Act is amended—

(A) by striking "section 402(a)(19)(A)" and all that follows through "part C of this title," and inserting in lieu thereof "section 482(c)(2), is not currently participating (or available for participation) in a program under part F,";

(B) by striking "clause (iii)" and inserting in lieu thereof "clause (vii)"; and

(C) by striking "section 432(a)" and inserting in lieu thereof "part F".

(9) Section 407(c) of such Act is amended by striking "to certify such parent" and all that follows and inserting in lieu thereof "to undertake appropriate steps directed toward the participation of such parent in a program under part F.".

(10) Section 407(d)(1) of such Act is amended by striking "participated" and all that follows and inserting in lieu thereof "participated in a program under part F".

(11) Section 407(e) of such Act is amended—

(A) by striking "registering pursuant to section 402(a)(19) for the work incentive program established by part C of this title" in clause (1) and inserting in lieu thereof "participating in a program under part F";

(B) by inserting "participate in or" before "register for"; and

(C) by striking "the work incentive program" in clause (2) and inserting in lieu thereof "part F".

(12) Section 409 of such Act is repealed.

(13) Section 414 of such Act is repealed.

(b) In Other Provisions.—(1) Section 471(a)(8)(A) of such Act is amended by striking "part A, B, C, or D of this title" and inserting in lieu thereof "part A, B, or D of this title (including activities under part F)".

(2) Section 1108(a) of such Act (42 U.S.C. 1308(a)) is amended by inserting "or, in the case of part A of title IV, section 403(k)" before "applies" in the matter preceding paragraph (1).

(3) Section 1108(b) of such Act (42 U.S.C. 1308(b)) is amended by striking "and services provided under section 402(a)(19)".

(4) Section 1902(a)(10)(A)(i)(I) of such Act (42 U.S.C. 1396a(a)(10)(A)(i)(I)) is amended by striking "414(g)" and inserting in lieu thereof "482(e)(6)".

(5) Section 1926(a)(1)(D) of such Act, as redesignated by section 303(a) of this Act, is amended by striking "414(g)" and inserting in lieu thereof "482(e)(6)".

SEC. 203. REGULATIONS; PERFORMANCE STANDARDS; STUDIES.

(a) Regulations.—Not later than 6 months after the date of the enactment of this Act,

the Secretary of Health and Human Services (in this section referred to as the "Secretary") shall issue proposed regulations for the purpose of implementing the amendments made by this title, including regulations establishing uniform data collection requirements. The Secretary shall publish final regulations for such purpose not later than one year after the date of the enactment of this Act. Regulations issued under this subsection shall be developed by the Secretary in consultation with the Secretary of Labor and with the responsible State agencies described in section 482(a)(2) of the Social Security Act.

(b) PERFORMANCE STANDARDS.—Part F of title IV of the Social Security Act (as added by section 201(b) of this Act) is amended by adding at the end the following new section:

"PERFORMANCE STANDARDS

"SEC. 487. (a) Not later than 3 years after the effective date specified in section 204(a) of the Family Support Act of 1988, the Secretary shall—

"(1) in consultation with the Secretary of Labor, representatives of organizations representing Governors, State and local program administrators, educators, State job training coordinating councils, community-based organizations, recipients, and other interested persons, develop performance standards with respect to the programs established pursuant to this part that are based, in part, on the results of the studies conducted under section 203(c) of such Act, and the initial State evaluations (if any) performed under section 486; and

"(2) submit his recommendations for performance standards developed under paragraph (1) to the appropriate committees of jurisdiction of the Congress, which recommendations shall be made with respect to specific measurements of outcomes and be based on the degree of success which may reasonably be expected of States in helping individuals to increase earnings, achieve self-sufficiency, and reduce welfare dependency, and shall not be measured solely by levels of activity or participation.

Performance standards developed under this subsection shall be reviewed periodically by the Secretary and modified to the extent necessary.

"(b) The Secretary may collect information from the States to assist in the development of performance standards under subsection (a), and shall include in his regulations (issued pursuant to section 203(a) of the Family Support Act of 1988 with respect to the program under this part) provisions establishing uniform reporting requirements under which States must furnish periodically information and data, including information and data (for each program activity) on the average monthly number of families assisted, the types of such families, the amounts spent per family, the length of their participation, and such other matters as the Secretary may determine.

"(c) The Secretary shall develop and transmit to the Congress, for appropriate legislative action, a proposal for measuring State progress, providing technical assistance to enable States to meet performance standards, and modifying the Federal matching rate to reflect the relative effectiveness of the various States in carrying out the program.".

(c) IMPLEMENTATION AND EFFECTIVENESS STUDIES.—(1)(A) The Secretary shall conduct an implementation study in accordance with subparagraph (B).

(B) The implementation study conducted under subparagraph (A) shall be based on a representative sample of States and localities and shall document with respect to the programs established pursuant to part F of title IV the Social Security Act—

(i) the types, mix, and costs of services offered,

(ii) participation rates or activity levels,

(iii) the characteristics of the individuals in the different type of activities,

(iv) the provisions made for child and day care and the extent to which limitations exist with respect to the availability of such care,

(v) the institutional arrangements and operating procedures under which activities are offered in the different locations, and

(vi) such other factors as the Secretary deems appropriate.

(C) There is authorized to be appropriated $500,000 for each of the fiscal years 1989, 1990, and 1991 for the purpose of conducting the implementation study under this paragraph.

(2)(A) The Secretary shall conduct a study in accordance with this paragraph to determine the relative effectiveness of the different approaches for assisting long-term and potentially long-term recipients developed by States pursuant to the programs established under part F of title IV of the Social Security Act.

(B)(i) The study required under subparagraph (A) shall be based on data gathered from demonstration projects conducted in 5 States chosen by the Secretary from among applications submitted by interested States. Such projects shall be conducted for a period of not less than 3 years upon such terms and conditions (including those involving payments to the participating States) as the Secretary may provide.

(ii) A demonstration project conducted under this subparagraph shall use specific outcome measures to test the effectiveness of particular programs. Such measures shall include educational status, employment status, earnings, receipt of aid to families with dependent children under a State plan approved under part A of title IV of the Social Security Act, receipt of other transfer payments, and, to the extent possible, the poverty status of participating families.

(iii) A demonstration project conducted under this subparagraph shall use experimental and control groups that are composed of a random sample of participants in the program established under part F of title IV of the Social Security Act. The Secretary shall assure that the experimental design is comparable among localities.

(C) Participating States shall provide to the Secretary in such form and with such frequency as he requires interim data from the demonstration projects conducted under this paragraph. The Secretary shall report to the Congress annually on the progress of such projects and shall, not later than one year after the date of final data collection, submit to the Congress the study required under subparagraph (A).

(D) There is authorized to be appropriated $5,000,000 for each of the fiscal years 1990 and 1991 for the purpose of making payments to States conducting demonstration projects under this section.

(3) The Secretary shall establish such uniform reporting requirements as the Secretary determines are appropriate for the purpose of conducting the demonstration projects required under this section.

(4) Within 3 months after the date of the enactment of this Act, the Secretary of Health and Human Services shall convene an advisory panel which may include representatives from the Office of Management and Budget, the Congressional Budget Office, the Congressional Research Service, and the General Accounting Office, and such other individuals and organizations as the Secretary may determine. The panel shall meet periodically to design, implement, and monitor a series of implementation and evaluation studies to assess the methods and effects of the programs initiated under this Act. Insofar as possible, the panel shall work in a collegial fashion; but if consensus cannot be reached among panel members on particular decisions the Secretary of Health and Human Services is authorized to make all final decisions about program design, use of contractors, conduct of particular studies, and any other matters which may come before the panel.

(d) STUDY ON APPLICATION OF JOBS PROGRAMS TO INDIANS.—The Secretary of Health and Human Services, in cooperation with the Secretary of the Interior, shall conduct a study of—

(1) the effectiveness of such employment, training, and education programs for low-income individuals as are specifically directed toward Indians in responding to the needs of Indians on reservations;

(2) the effectiveness of such programs as are not specifically directed toward Indians in responding to such needs;

(3) the extent to which such needs are not met by such programs;

(4) how such programs could be better coordinated in responding to such needs;

(5) how such programs could be improved or restructured to more effectively meet such needs;

(6) what sustainable job markets exist in Indian communities (assessed by tribe and region); and

(7) the availability of such support services (as transportation and child care) as are necessary to assist Indians on reservations in participating in such programs and obtaining permanent employment.

The Secretary of Health and Human Services and the Secretary of the Interior shall report to the Congress on the results of the study under this subsection not later than October 1, 1989 (or, if later, one year after the date of the enactment of this Act).

SEC. 204. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), the amendments made by this title shall become effective on October 1, 1990.

(b) SPECIAL RULES.—(1)(A) If any State makes the changes in its State plan approved under section 402 of the Social Security Act that are required in order to carry out the amendments made by this title and formally notifies the Secretary of Health and Human Services of its desire to become subject to such amendments as of the first day of any calendar quarter beginning on or after the date on which the proposed regulations of the Secretary of Health and Human Services are published under section 203(a) (or, if earlier, the date on which such regulations are required to be published under such section) and before October 1, 1990, such amendments shall become effective with respect to that State as of such first day.

(B) In the case of any State in which the amendments made by this title become effective (in accordance with subparagraph (A)) with respect to any quarter of a fiscal year beginning before October 1, 1990, the limitation applicable to the State for the fiscal year under section 403(k)(2) of the Social Se-

curity Act (as added by section 201(c)(1) of this Act) shall be an amount that bears the same ratio to such limitation (as otherwise determined with respect to the State for the fiscal year) as the number of quarters in the fiscal year throughout which such amendments apply to the State bears to 4.

(2) Section 403(l)(3) of the Social Security Act (as added by section 201(c)(2) of this Act) is repealed effective October 1, 1995; and section 403(l)(4) of such Act (as so added) is repealed effective October 1, 1998.

TITLE III—SUPPORTIVE SERVICES FOR FAMILIES

SEC. 301. CHILD CARE DURING PARTICIPATION IN EMPLOYMENT, EDUCATION, AND TRAINING.

Section 402 of the Social Security Act is amended by adding at the end the following new subsection:

"(g)(1)(A) Each State agency must guarantee child care in accordance with subparagraph (B)—

"(i) for each family with a dependent child requiring such care, to the extent that such care is determined by the State agency to be necessary for an individual in the family to accept employment or remain employed; and

"(ii) for each individual participating in an education and training activity (including participation in a program that meets the requirements of subsection (a)(19) and part F) if the State agency approves the activity and determines that the individual is satisfactorily participating in the activity.

"(B) The State agency may guarantee child care by—

"(i) providing such care directly;

"(ii) arranging the care through providers by use of purchase of service contracts, or vouchers;

"(iii) providing cash or vouchers in advance to the caretaker relative in the family;

"(iv) reimbursing the caretaker relative in the family; or

"(v) adopting such other arrangements as the agency deems appropriate.

When the State agency arranges for child care, the agency shall take into account the individual needs of the child.

"(C)(i) Subject to clause (ii), the State agency shall reimburse the cost of child care provided with respect to a family in an amount that is the lesser of—

"(I) the actual cost of such care; and

"(II) the dollar amount of the child care disregard for which the family is otherwise eligible under section 402(a)(8)(A)(iii).

"(ii) The State agency may not reimburse the cost of child care provided with respect to a family in an amount that is greater than the applicable local market rate (as determined by the State in accordance with regulations issued by the Secretary).

"(D) The State may not make any change in its method of reimbursing child care costs which has the effect of disadvantaging families receiving aid under the State plan on the date of the enactment of this section, by reducing their income or otherwise.

"(E) The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for the care) under this paragraph—

"(i) shall not be treated as income for purposes of any other Federal or federally-assisted program that bases eligibility for or the amount of benefits upon need, and

"(ii) may not be claimed as an employment-related expense for purposes of the credit under section 21 of the Internal Revenue Code of 1986.

"(2) In the case of any individual participating in the program under part F, each State agency (in addition to guaranteeing child care under paragraph (1)) shall provide payment or reimbursement for such transportation and other work-related expenses (including other work-related supportive services), as the State determines are necessary to enable such individual to participate in such program.

"(3)(A) In the case of amounts expended for child care pursuant to paragraph (1)(A) by any State to which section 1108 does not apply, the applicable rate for purposes of section 403(a) shall be the Federal medical assistance percentage (as defined in section 1905(b)).

"(B) In the case of any amounts expended by the State agency for child care under this subsection, only such amounts as are within such limits as the State may prescribe (subject to the limitations of paragraph (1)(C)) shall be treated as amounts for which payment may be made to a State under this part and they may be so treated only to the extent that—

"(i) such amounts do not exceed the applicable local market rate (as determined by the State in accordance with regulations issued by the Secretary);

"(ii) the child care involved meets applicable standards of State and local law; and

"(iii) in the case of day care, the entity providing such care allows parental access.

"(4) The State must establish procedures to ensure that center-based child care will be subject to State and local requirements designed to ensure basic health and safety, including fire safety, protections. The State must also endeavor to develop guidelines for family day care. The State must provide the Secretary with a description of such State and local requirements and guidelines.

"(5) By October 1, 1992, the Secretary shall report to the Congress on the nature and content of State and local standards for health and safety.

"(6)(A) The Secretary shall make grants to States to improve their child care licensing and registration requirements and procedures, and to monitor child care provided to children receiving aid under the State plan approved under subsection (a).

"(B) Subject to subparagraph (C), the Secretary shall make grants to each State under subparagraph (A) in proportion to the number of children in the State receiving aid under the State plan approved under subsection (a).

"(C) The Secretary may not make grants to a State under subparagraph (A) unless the State provides matching funds in an amount that is not less than 10 percent of the amount of the grant.

"(D) For grants under this paragraph, there is authorized to be appropriated to the Secretary $13,000,000,000 for each of the fiscal years 1990 and 1991.

"(7) Activities under this subsection shall be coordinated in each State with existing early childhood education programs in that State, including Head Start programs, preschool programs funded under chapter 1 of the Education Consolidation and Improvement Act of 1981, and school and nonprofit child care programs (including community-based organizations receiving funds designated for preschool programs for handicapped children).".

SEC. 302. EXTENDED ELIGIBILITY FOR CHILD CARE.

(a) IN GENERAL.—Section 402(g)(1)(A) of the Social Security Act (as added by section 301 of this Act) is amended—

(1) by inserting "(i)" after "(A)";

(2) by redesignating clauses (i) and (ii) as subclauses (I) and (II), respectively; and

(3) by adding at the end the following new clause:

"(ii) Each State agency must guarantee child care, subject to the limitations described in this section and section 417, to the extent that such care is determined by the State agency to be necessary for an individual's employment in any case where a family has ceased to receive aid to families with dependent children as a result of increased hours of, or increased income from, such employment or by reason of subsection (a)(8)(B)(ii)(II).".

(b) PAYMENT.—(1) Section 402(g)(3)(A) of such Act (as added by section 301 of this Act) is amended—

(A) by inserting "(i)" after "(A)"; and

(B) by adding at the end the following new clause:

"(ii) In the case of amounts expended for child care pursuant to paragraph (1)(A)(ii) (relating to the provision of child care for certain families which cease to receive aid under this part) by any State to which section 1108 applies, the applicable rate for purposes of section 403(a) shall be the Federal medical assistance percentage (as defined in section 1118).".

(2) Section 403(l)(1)(A) of such Act (as added by section 201(c)(2) of this Act) is amended by striking "402(g)(1)(A)" in the matter preceding clause (i) and inserting in lieu thereof "402(g)(1)(A)(i)".

(c) LIMITATIONS ON CONTINUED ELIGIBILITY.—Part A of title IV of the Social Security Act is amended by adding at the end the following new section:

"LIMITATION ON CHILD CARE FOR FAMILIES AFTER LOSS OF ELIGIBILITY

"SEC. 417. A family shall only be eligible for child care provided under section 402(g)(1)(A)(ii) for a period of 12 months after the last month for which the family received aid to families with dependent children under a State program approved under this part, and shall be entitled to reimbursement of such care under a sliding scale formula which shall be established by the State agency based on the family's ability to pay.".

(d) STUDY OF WELFARE REQUALIFICATION; REGULATIONS BASED ON RESULTS OF STUDY.—The Secretary of Health and Human Services shall conduct a study to determine whether individuals who ceased receiving aid under the State program of aid to families with dependent children approved under this part have begun again to receive such aid in order to requalify for additional months of transition benefits, and if the study reveals that such is the case, the Secretary shall, not earlier than October 1, 1991, issue regulations which restrict such requalification.

(e) STUDY ON EFFECTS OF EXTENDING ELIGIBILITY FOR CHILD CARE.—The Secretary of Health and Human Services shall conduct a study on the effectiveness of the amendments made by this section in reducing welfare dependence and assisting families in making the transition from welfare to employment, and such other effects of such amendments as the Secretary may find appropriate, and shall report the results of such study not later than January 1, 1993.

SEC. 303. EXTENDED ELIGIBILITY FOR MEDICAL ASSISTANCE.

(a) IN GENERAL.—Title XIX of the Social Security Act, as amended by section 303(a)(1) of the Medicare Catastrophic Coverage Act of 1988, is amended by redesignat-

ing section 1925 as section 1926 and by inserting after section 1924 the following new section:

"EXTENSION OF ELIGIBILITY FOR MEDICAL ASSISTANCE

"Sec. 1925. (a) Initial 6-Month Extension.—

"(1) Requirement.—Notwithstanding any other provision of this title, each State plan approved under this title must provide that each family which was receiving aid pursuant to a plan of the State approved under part A of title IV in at least 3 of the 6 months immediately preceding the month in which such family becomes ineligible for such aid, because of hours of, or income from employment of the caretaker relative (as defined in subsection (e)), shall, subject to paragraph (3) and without any reapplication for benefits under the plan, remain eligible for assistance under the plan approved under this title during the immediately succeeding 6-month period in accordance with this subsection.

"(2) Notice of benefits.—Each State, in the notice of termination of aid under part A of title IV sent to a family meeting the requirements of paragraph (1)—

"(A) shall notify the family of its right to extended medical assistance under this subsection and include in the notice a description of the reporting requirement of subsection (b)(2)(A)(i) and of the circumstances (described in paragraph (3)) under which such extension may be terminated; and

"(B) shall include a card or other evidence of the family's entitlement to assistance under this title for the period provided in this subsection.

"(3) Termination of extension.—

"(A) No dependent child.—Subject to subparagraphs (B) and (C), extension of assistance during the 6-month period described in paragraph (1) to a family shall terminate (during such period) at the close of the first month in which the family ceases to include a child who is (or would if needy be) a dependent child under part A of title IV.

"(B) Notice before termination.—No termination of assistance shall become effective under subparagraph (A) until the State has provided the family with notice of the grounds for the termination.

"(C) Continuation in certain cases until redetermination.—With respect to a child who would cease to receive medical assistance because of subparagraph (A) but who may be eligible for assistance under the State plan because the child is described in clause (i) or (v) of section 1905(a), the State may not discontinue such assistance under such subparagraph until the State has determined that the child is not eligible for assistance under the plan.

"(4) Scope of coverage.—

"(A) In general.—Subject to subparagraph (B), during the 6-month extension period under this subsection, the amount, duration, and scope of medical assistance made available with respect to a family shall be the same as if the family were still receiving aid under the plan approved under part A of title IV.

"(B) State medicaid 'wrap-around' option.—A State, at its option, may pay a family's expenses for premiums, deductibles, coinsurance, or similar costs for health insurance or other health coverage offered by a employer of the caretaker relative or by an employer of the absent parent of a dependent child. In the case of such coverage offered by an employer of the caretaker relative—

"(i) the State may require the caretaker relative, as a condition of extension of coverage under this subsection, to make application for such employer coverage, but only if—

"(I) the caretaker relative is not required to make financial contributions for such coverage (whether through payroll deduction, payment of deductibles, coinsurance, or similar costs, or otherwise), and

"(II) the State provides, directly or otherwise, for payment of any of the premium amount, deductible, coinsurance, or similar expense that the employee is otherwise required to pay; and

"(ii) the State shall treat the coverage under such an employer plan as a third party liability (under section 1902(a)(25)).

Payments for premiums, deductibles, coinsurance, and similar expenses under this subparagraph shall be considered, for purposes of section 1903(a), to be payments for medical assistance.

"(b) Additional 6-Month Extension.—

"(1) Requirement.—Notwithstanding any other provision of this title, each State plan approved under this title shall provide that the State shall offer to each family, which has received assistance during the entire 6-month period under subsection (a) and which meets the requirement of paragraph (2)(B), in the last month of the period the option of extending coverage under this subsection for the succeeding 6-month period, subject to paragraph (3).

"(2) Notice and reporting requirements.—

"(A) Notices.—

"(i) Notice during initial extension period of option and requirements.—Each State, during the 3rd and 6th month of any extended assistance furnished to a family under subsection (a), shall notify the family of the family's option for additional extended assistance under this subsection. Each such notice shall include (i) in the 3rd month notice, a statement of the reporting requirement under subparagraph (B)(i), and, in the 6th month notice, a statement of the reporting requirement under subparagraph (B)(ii), (ii) a statement as to whether any premiums are required for such additional extended assistance, and (iii) a description of other out-of-pocket expenses, benefits, reporting and payment procedures, and any pre-existing condition limitations, waiting periods, or other coverage limitations imposed under any alternative coverage options offered under paragraph (4)(D). The 6th month notice under this subparagraph shall describe the amount of any premium required of a particular family for each of the first 3 months of additional extended assistance under this subsection.

"(ii) Notice during additional extension period of reporting requirements and premiums.—Each State, during the 3rd month of any additional extended assistance furnished to a family under this subsection, shall notify the family of the reporting requirement under subparagraph (B)(ii) and a statement of the amount of any premiums to be required for such extended assistance for the succeeding 3 months.

"(B) Reporting requirements.—

"(i) During initial extension period.—Each State shall require (as a condition for additional extended assistance under this subsection) that a family receiving extended assistance under subsection (a) report to the State, not later than the 21st day of the 4th month in the period of extended assistance under subsection (a), on the family's gross monthly earnings and on the family's costs for such child care as is necessary for the employment of the caretaker relative in each of the first 3 months of that period.

"(ii) During additional extension period.—Each State shall require that a family receiving extended assistance under subsection (a) report to the State, not later than the 21st day of the 1st month and of the 4th month in the period of additional extended assistance under this subsection, on the family's gross monthly earnings and on the family's costs for such child care as is necessary for the employment of the caretaker relative in each of the 3 preceding months.

"(3) Termination of extension.—

"(A) In general.—Subject to subparagraphs (B) and (C), extension of assistance during the 6-month period described in paragraph (1) to a family shall terminate (during the period) as follows:

"(i) No dependent child.—The extension shall terminate at the close of the first month in which the family ceases to include a child who is (or would if needy be) a dependent child under part A of title IV.

"(ii) Failure to pay any premium.—If the family fails to pay any premium for a month under paragraph (5) by the 21st day of the following month, the extension shall terminate at the close of that following month, unless the individual has established, to the satisfaction of the State, good cause for the failure to pay such premium on a timely basis.

"(iii) Quarterly income reporting and test.—The extension under this subsection shall terminate at the close of the 1st or 4th month of the 6-month period if—

"(I) the family fails to report to the State, by the 21st day of such month, the information required under paragraph (2)(B), unless the family has established, to the satisfaction of the State, good cause for the failure to report on a timely basis;

"(II) the caretaker relative had no earnings in one or more of the previous 3 months, unless such lack of any earnings was due to an involuntary loss of employment, illness, or other good cause, established to the satisfaction of the State; or

"(III) the State determines that the family's average gross monthly earnings (less such costs for such child care as is necessary for the employment of the caretaker relative) during the immediately preceding 3-month period exceeds 185 percent of the official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981) applicable to a family of the size involved.

Information described in clause (iii)(I) shall be subject to the restrictions on use and disclosure of information provided under section 402(a)(9). Instead of terminating a family's extension under clause (iii)(I), a State, at its option, may provide for suspension of the extension until the month after the month in which the family reports information required under paragraph (2)(B), but only if the family's extension has not otherwise been terminated under subclause (II) or (III) of clause (iii). The State shall make determinations under clause (iii)(III) for a family each time a report under paragraph (2)(B) for the family is received.

"(B) Notice before termination.—No termination of assistance shall become effective under subparagraph (A) until the State has provided the family with notice of the grounds for the termination, which notice shall include (in the case of termination under subparagraph (A)(iii)(II), relating to no continued earnings) a description of how the family may reestablish eligibility for medical assistance under the State plan.

"(C) Continuation in certain cases until redetermination.—

"(i) Dependent children.—With respect to a child who would cease to receive medical assistance because of subparagraph (A)(i) but who may be eligible for assistance under the State plan because the child is described in clause (i) or (v) of section 1905(a), the State may not discontinue such assistance under such subparagraph until the State has determined that the child is not eligible for assistance under the plan.

"(ii) Medically needy.—With respect to an individual who would cease to receive medical assistance because of clause (ii) or (iii) of subparagraph (A) but who may be eligible for assistance under the State plan because the individual is within a category of person for which medical assistance under the State plan is available under section 1902(a)(10)(C) (relating to medically needy individuals), the State may not discontinue such assistance under such subparagraph until the State has determined that the individual is not eligible for assistance under the plan.

"(4) Coverage.—

"(A) In general.—During the extension period under this subsection—

"(i) the State plan shall offer to each family medical assistance which (subject to subparagraphs (B) and (C)) is the same amount, duration, and scope as would be made available to the family if it were still receiving aid under the plan approved under part A of title IV; and

"(ii) the State plan may offer alternative coverage described in subparagraph (D).

"(B) Elimination of most non-acute care benefits.—At a State's option and notwithstanding any other provision of this title, a State may choose not to provide medical assistance under this subsection with respect to any (or all) of the items and services described in paragraphs (4)(A), (6), (7), (8), (11), (13), (14), (15), (16), (18), (20), and (21) of section 1905(a).

"(C) State medicaid 'wrap-around' option.—At a State's option, the State may elect to apply the option described in subsection (a)(4)(B) (relating to 'wrap-around' coverage) for families electing medical assistance under this subsection in the same manner as such option applies to families provided extended eligibility for medical assistance under subsection (a).

"(D) Alternative assistance.—At a State's option, the State may offer families a choice of health care coverage under one or more of the following, instead of the medical assistance otherwise made available under this subsection:

"(i) Enrollment in family option of employer plan.—Enrollment of the caretaker relative and dependent children in a family option of the group health plan offered to the caretaker relative.

"(ii) Enrollment in family option of state employee plan.—Enrollment of the caretaker relative and dependent children in a family option within the options of the group health plan or plans offered by the State to State employees.

"(iii) Enrollment in state uninsured plan.—Enrollment of the caretaker relative and dependent children in a basic State health plan offered by the State to individuals in the State (or areas of the State) otherwise unable to obtain health insurance coverage.

"(iv) Enrollment in hmo.—Enrollment of the caretaker relative and dependent children in a health maintenance organization (as defined in section 1903(m)(1)(A)) less than 50 percent of the membership (enrolled on a prepaid basis) of which consists of individuals who are eligible to receive benefits under this title (other than because of the option offered under this clause). The option of enrollment under this clause is in addition to, and not in lieu of, any enrollment option that the State might offer under subparagraph (A)(i) with respect to receiving services through a health maintenance organization in accordance with section 1903(m).

If a State elects to offer an option to enroll a family under this subparagraph, the State shall pay any premiums and other costs for such enrollment imposed on the family and may pay deductibles and coinsurance imposed on the family. A State's payment of premiums for the enrollment of families under this subparagraph (not including any premiums otherwise payable by an employer and less the amount of premiums collected from such families under paragraph (5)) and payment of any deductibles and coinsurance shall be considered, for purposes of section 1903(a)(1), to be payments for medical assistance.

"(E) Prohibition on cost-sharing for maternity and preventive pediatric care.—

"(i) In general.—If a State offers any alternative option under subparagraph (D) for families, under each such option the State must assure that care described in clause (ii) is available without charge to the families through—

"(I) payment of any deductibles, coinsurance, or other cost-sharing respecting such care, or

"(II) providing coverage under the State plan for such care without any cost-sharing, or any combination of such mechanisms.

"(ii) Care described.—The care described in this clause consists of—

"(I) services related to pregnancy (including prenatal, delivery, and post partum services), and

"(II) ambulatory preventive pediatric care (including ambulatory early and periodic screening, diagnosis, and treatment services under section 1905(a)(4)(B)) for each child who meets the age and date of birth requirements to be a qualified child under section 1905(n)(2).

"(5) Premium.—

"(A) Permitted.—Notwithstanding any other provision of this title (including section 1916), a State may impose a premium for a family for additional extended coverage under this subsection for a premium payment period (as defined in subparagraph (D)(i)), but only if the family's average gross monthly earnings (less the average monthly costs for such child care as is necessary for the employment of the caretaker relative) for the premium base period exceeds 100 percent of the official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981) applicable to a family of the size involved.

"(B) Level may vary by option offered.—The level of such premium may vary, for the same family, for each option offered by a State under paragraph (4)(D).

"(C) Limit on premium.—In no case may the amount of any premium under this paragraph for a family for a month in either of the premium payment periods described in subparagraph (D)(i) exceed 3 percent of the family's average gross monthly earnings during the premium base period (as defined in subparagraph (D)(ii)).

"(D) Definitions.—In this paragraph:

"(i) A 'premium payment period' described in this clause is a 3-month period beginning with the 1st or 4th month of the 6-month additional extension period provided under this subsection.

"(ii) The term 'premium base period' means, with respect to a particular premium payment period, the period of 3 consecutive months the last of which is 4 months before the beginning of that premium payment period.

"(c) Applicability in States and Territories.—

"(1) States operating under demonstration projects.—In the case of any State which is providing medical assistance to its residents under a waiver granted under section 1115(a), the Secretary shall require the State to meet the requirements of this section in the same manner as the State would be required to meet such requirement if the State had in effect a plan approved under this title.

"(2) Inapplicability in commonwealths and territories.—The provisions of this section shall only apply to the 50 States and the District of Columbia.

"(d) General Disqualification for Fraud.—

"(1) Ineligibility for aid.—This section shall not apply to an individual who is a member of a family which has received aid under part A of title IV if the State makes a finding that, at any time during the last 6 months in which the family was receiving such aid before otherwise being provided extended eligibility under this section, the individual was ineligible for such aid because of fraud.

"(2) General disqualifications.—For additional provisions relating to fraud and program abuse, see sections 1128, 1128A, and 1128B.

"(e) Caretaker Relative Defined.—In this section, the term 'caretaker relative' has the meaning of such term as used in part A of title IV.

"(f) Sunset.—This section shall not apply with respect to families that cease to be eligible for aid under part A of title IV of the Social Security Act after September 30, 1998.".

(b) Conforming Amendments.—(1) Section 1902(e)(1) of such Act (42 U.S.C. 1396a(e)(1)) is amended—

(A) by inserting "subject to subparagraph (B)" after "January 1, 1974,",

(B) by inserting "(A)" after "(e)(1)", and

(C) by adding at the end the following new subparagraph:

"(B) Subparagraph (A) shall not apply with respect to families that cease to be eligible for aid under part A of title IV of the Social Security Act during the period beginning on April 1, 1990, and ending on September 30, 1998. During such period, for provisions relating to extension of eligibility for medical assistance for certain families who have received aid pursuant to a State plan approved under part A of title IV and have earned income, see section 1925.".

(2) Section 1905(a) of such Act (42 U.S.C. 1396d(a)) is amended by striking "or" at the end of clause (vii), by inserting "or" at the end of clause (viii), and by inserting after clause (viii) the following new clause:

"(ix) individuals provided extended benefits under section 1925,".

(3) Paragraph (37) of section 402(a) of such Act (42 U.S.C. 602(a)) is repealed.

(c) Study and Report.—(1) The Secretary of Health and Human Services shall conduct a study of the impact of the medicaid extension provisions under section 1925 of the

Social Security Act, with particular focus on the costs of such provisions and the impact on welfare dependency, and shall report to Congress on the results of such study not later than April 1, 1993.

(2) The study under paragraph (1) shall include an examination of—

(A) the extent to which the availability of extended medicaid benefits affects access to and use of medical services,

(B) the relative effectiveness of different types of coverage provided by States,

(C) the effect of requiring families to pay premiums or incur any other expenses with respect to such extended benefits, and

(D) whether individuals who have exhausted such benefits recycle onto welfare for short periods of time in order to requalify for such extended benefits.

(d) Conforming Amendment to Section 403 Amendments.—Section 1902(e) of the Social Security Act (42 U.S.C. 1396a(e)) is amended by adding at the end the following new paragraph:

"(10)(A) The fact that an individual, child, or pregnant woman may be denied aid under part A of title IV pursuant to section 402(a)(43) shall not be construed as denying (or permitting a State to deny) medical assistance under this title to such individual, child, or woman who is eligible for assistance under this title on a basis other than the receipt of aid under such part.

"(B) If an individual, child, or pregnant woman is receiving aid under part A of title IV and such aid is terminated pursuant to section 402(a)(43), the State may not discontinue medical assistance under this title for the individual, child, or woman until the State has determined that the individual, child, or woman is not eligible for assistance under this title on a basis other than the receipt of aid under such part.".

(e) 1-Year Extension of Medicaid Eligibility Extension Due to Collection of Child or Spousal Support.—Section 20(b) of the Child Support Amendments of 1984 (Public Law 98-378) is amended by striking "October 1, 1988" and inserting "October 1, 1989".

(f) Effective Date.—(1) The amendments made by this section (other than subsections (b)(3), (d), and (e)) shall apply to payments under title XIX of the Social Security Act for calendar quarters beginning on or after April 1, 1990 (or, in the case of the Commonwealth of Kentucky, October 1, 1990) (without regard to whether regulations to implement such amendments are promulgated by such date), with respect to families that cease to be eligible for aid under part A of title IV of the Social Security Act on or after such date.

(2) The amendment made by subsection (b)(3) shall take effect on April 1, 1990.

(3) The amendment made by subsection (d) shall become effective on the effective date of section 402(a)(43) of the Social Security Act, as inserted by section 403(a) of this Act.

(4) The amendment made by subsection (e) shall take effect on October 1, 1988.

SEC. 304. EFFECTIVE DATES.

(a) Child Care for Participants in Employment, Education, and Training.—The amendment made by section 301 shall become effective with respect to a State on the date the amendments made by title II become effective with respect to the State.

(b) Transitional Child Care.—(1) The amendments made by section 302 shall become effective on April 1, 1990.

(2) Effective September 30, 1998, the amendments made by section 302 are repealed.

TITLE IV—RELATED AFDC AMENDMENTS

SEC. 401. BENEFITS FOR TWO-PARENT FAMILIES.

(a) Mandatory Expansion of Coverage.—(1) Section 402(a) of the Social Security Act (as amended by section 201(a) of this Act) is amended—

(A) by striking "and" after the semicolon at the end of paragraph (39);

(B) by striking the period at the end of paragraph (40) and inserting in lieu thereof "; and"; and

(C) by inserting immediately after paragraph (40) the following new paragraph:

"(41) provide that aid to families with dependent children will be provided under the plan with respect to dependent children of unemployed parents in accordance with section 407.".

(2)(A) Section 402(a)(38)(B) of such Act is amended by striking "(if such section is applicable to the State)".

(B) Section 407(b) of such Act is amended by striking "(b) The provisions" and all that follows through "(1) requires" and inserting in lieu thereof the following:

"(b) In providing for the provision of aid to families with dependent children under the State's plan approved under section 402, in the case of families that include dependent children within the meaning of subsection (a) of this section, as required by section 402(a)(41), the State's plan—

"(1) shall require".

(C) Section 407(b)(2) of such Act is amended by striking "provides—" and inserting in lieu thereof "shall provide—".

(b) State Flexibility in Structuring Two-Parent Family Program.—(1) Section 407(b) of such Act (as amended by subsection (a) of this section) is amended—

(A)(i) by inserting "(1) after "(b)";

(ii) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(iii) by redesignating subparagraphs (A), (B), and (C) of such paragraph (1) as clauses (i), (ii), and (iii), respectively;

(iv) by redesignating subparagraphs (A), (B), (C), and (D) of such paragraph (2) as clauses (i), (ii), (iii), and (iv), respectively; and

(v) by redesignating clauses (i) and (ii) of subparagraph (C) of both such paragraphs (1) and (2) as subclauses (I) and (II), respectively;

(B) in paragraph (1)(A) (as so redesignated by subparagraph (A) of this paragraph, and as amended by subsection (a)(2)(A) of this section before such redesignation), by inserting "subject to paragraph (2)," before "shall require"; and

(C) by adding at the end the following new paragraph:

"(2)(A) In carrying out the program under this section, a State may design its program to reflect the individual needs of the State and to emphasize education, training, and employment services for unemployed parents and their spouses who are eligible for aid to families with dependent children by reason of this section, to the extent provided under this paragraph.

"(B)(i) Subject to clauses (ii) and (iii), with respect to the requirement under section 402(a)(41), a State may, at its option, limit the number of months with respect to which a family receives aid to families with dependent children to the extent determined appropriate by the State for the operation of its program under this section.

"(ii)(I) A State may not limit the number of months under clause (i) for which a family may receive aid to families with dependent children unless it provides in its plan assurances to the Secretary that it has a program (that meets such requirements as the Secretary may in regulation prescribe) for providing education, training, and employment services (including any activity authorized under section 402(a)(19) or under part F) in order to assist parents of children described in subsection (a) in preparing for and obtaining employment.

"(II) In exercising the option under clause (i), a State plan may not provide for the denial of aid to families with dependent children to a family otherwise eligible for such aid for any month unless the family has received such aid (on the basis of the unemployment of the parent who is the principal earner) in at least 6 of the preceding 12 months.

"(iii) Each State which, on September 26, 1988, has a program in effect under this section shall continue to operate such program without a time limitation.

"(C) With respect to the participation in the program under section 402(a)(19) and part F of a family eligible for aid to families with dependent children by reason of this section, a State may, at its option—

"(i) except as otherwise provided in such section and such part, require that any parent participating in such program engage in program activities for up to 40 hours per week; and

"(ii) provide for the payment of aid to families with dependent children at regular intervals of no greater than one month but after the performance of assigned program activities.".

(2) Section 402(a)(19)(B)(i)(II) of such Act (as added by the amendment made by section 201(a) of this Act) is amended by inserting "(and individuals who would be recipients of such aid if the State had not exercised the option under section 407(b)(2)(B)(i))" after "children".

(3)(A) Section 407(b)(1)(B) of such Act (as so redesignated by paragraph (1)(A) of this subsection) is amended by striking "paragraph (1)(A)" each place it appears and inserting in lieu thereof "subparagraph (A)(i)".

(B) Section 407(c) of such Act is amended—

(i) by striking "subparagraph (A) of subsection (b)(1)" and inserting in lieu thereof "subsection (b)(1)(A)(i)";

(ii) by striking "subparagraph (B) of such subsection" and inserting in lieu thereof "subsection (b)(1)(A)(ii)"; and

(iii) by striking "subparagraph (A) of subsection (b)(2)" and inserting in lieu thereof "subsection (b)(1)(B)(i)".

(C) Section 407(d)(3) of such Act is amended by striking "section 407(b)(1)(C)" and inserting in lieu thereof "subsection (b)(1)(A)(iii)".

(c) Participation in Training and Education Programs as a Quarter of Work.—(1) Section 407(d)(1) of such Act is amended—

(A) by inserting "(A)" after "means a calendar quarter"; and

(B) by inserting before the semicolon at the end the following: ", or (B) at the option of the State, a calendar quarter in which such individual attended, full-time, an elementary school, a secondary school, or a vocational or technical training course (approved by the Secretary) that is designed to prepare the individual for gainful employment, or in which such individual participated in an education or training program established under the Job Training Partnership Act".

(2) Section 407(d) of such Act is amended by adding at the end the following new sentence:

"Notwithstanding section 402(a)(1), a State that chooses to exercise the option provided under paragraph (1)(B) may provide that the definition of calendar quarter under such option apply in one or more political subdivisions of the State.".

(3) Section 407(b)(1)(A)(iii)(I) of such Act (as so redesignated by subsection (b)(1)(A) of this section) is amended by inserting ", no more than 4 of which may be quarters of work defined in subsection (d)(1)(B)," after "(d)(1))".

(4)(A) Section 407(b)(2)(B)(ii) of such Act (as added by the amendment made by subsection (b)(1)(C)) is amended by adding at the end the following new subclause:

"(III) Any family that is otherwise eligible for aid to families with dependent children that does not receive such aid in any month solely by reason of the State exercising the option under clause (i) shall be deemed, for purposes of determining the period under paragraph (1)(A)(iii)(I), to be receiving such aid in such month.".

(B) Section 407(d)(1) of such Act (as amended by paragraph (1) of this subsection) is amended by striking "a community work experience" and all that follows through the semicolon and inserting in lieu thereof "the program under section 402(a)(19) and part F;".

(d) Expansion of Medicaid Coverage for Two-Parent Families.—(1) Section 1902(a)(10)(A)(i) of such Act is amended—

(A) by striking "or" at the end of subclause (III),

(B) by adding "or" at the end of subclause (IV), and

(C) by adding at the end the following new subclause:

"(V) who are qualified family members as defined in section 1905(m)(1);".

(2) Section 1905 of such Act is amended by inserting after subsection (l) the following new subsection:

"(m)(1) Subject to paragraph (2), the term 'qualified family member' means an individual (other than a qualified pregnant woman or child, as defined in subsection (n)) who is a member of a family that would be receiving aid under the State plan under part A of title IV pursuant to section 407 if the State had not exercised the option under section 407(b)(2)(B)(i).

"(2) No individual shall be a qualified family member for any period after September 30, 1998.".

(e) Evaluation and Report.—(1) The Secretary of Health and Human Services shall evaluate the time-limited and conventional State programs conducted under section 407 of the Social Security Act (as amended by this section), including the effects of the work requirement applicable to families receiving benefits under such section.

(2) The Secretary shall, not later than July 1, 1997, submit to the Congress a final report containing the findings of such evaluation together with recommendations for any changes in such program.

(f) Section 402(a) of such Act (as amended by sections 201(a) and 401(a) of this Act) is amended—

(1) by striking "and" at the end of paragraph (40);

(2) by striking the period at the end of paragraph (41) and inserting "; and"; and

(3) by inserting at the end the following new paragraph:

"(42) provide that if, under section 407(b)(2)(B)(i), the State limits the number of months for which a family may receive aid to families with dependent children, the State shall provide medical assistance to all members of the family under the State's plan approved under title XIX, without time limitation.

(g) Effective Date.—(1) Except as provided in paragraph (2), and in section 1905(m)(2) of the Social Security Act (as added by subsection (d)(2) of this section), the amendments made by this section shall become effective on October 1, 1990.

(2) The amendments made by this section shall not become effective with respect to American Samoa, Guam, or the Virgin Islands, until October 1, 1992.

(h) Termination.—Effective September 30, 1998, the amendments made by this section (other than by subsection (d)) are repealed, and the provisions of law so amended (as in effect immediately before the effective date of such amendments) shall apply as if such amendments had never been made.

SEC. 402. CHANGES IN EARNED INCOME DISREGARDS.

(a) Limit on Disregard of Child Care Costs Increased; Child Care Disregard To Be Applied Last.—Section 402(a)(8)(A)(iii) of the Social Security Act is amended—

(1) by inserting "after applying the other clauses of this subparagraph," before "shall disregard";

(2) by striking "$160" and inserting in lieu thereof "$175; and

(3) by inserting before the semicolon ", or, in the case such child is under age 2, $200".

(b) Standard Disregard Increased.—Section 402(a)(8)(A)(ii) of such Act is amended by striking "$75" and inserting in lieu thereof "$90".

(c) Disregard of Advance Payments or Refund of Earned Income Tax Credit.—Section 402(a)(8)(A) of such Act is amended—

(1) by striking "and" at the end of clause (vi); and

(2) by adding at the end the following new clause:

"(viii) shall disregard any refund of Federal income taxes made to a family receiving aid to families with dependent children by reason of section 32 of the Internal Revenue Code of 1986 (relating to earned income tax credit) and any payment made to such a family by an employer under section 3507 of such Code (relating to advance payment of earned income credit); and".

(d) Effective Date.—The amendments made by this section shall become effective on October 1, 1989.

SEC. 403. HOUSEHOLDS HEADED BY MINOR PARENTS.

(a) In General.—Section 402(a) of the Social Security Act (as amended by sections 201(a), 401(a), and 402(f) of this Act) is amended—

(1) by striking "and" at the end of paragraph (41);

(2) by striking the period at the end of paragraph (42) and inserting "; and"; and

(3) by inserting immediately after paragraph (42) the following new paragraph:

"(43) at the option of the State, provide that—

"(A) subject to subparagraph (B), in the case of any individual who is under the age of 18 and has never married, and who has a dependent child in his or her care (or is pregnant and is eligible for aid to families with dependent children under the State plan)—

"(i) such individual may receive aid to families with dependent children under the plan for the individual and such child (or for herself in the case of a pregnant woman) only if such individual and child (or such pregnant woman) reside in a place of residence maintained by a parent, legal guardian, or other adult relative of such individual as such parent's, guardian's, or adult relative's own home, or reside in a foster home, maternity home, or other adult-supervised supportive living arrangement; and

"(ii) such aid (where possible) shall be provided to the parent, legal guardian, or other adult relative on behalf of such individual and child; and

"(B) subparagraph (A) does not apply in the case where—

"(i) such individual has no parent or legal guardian of his or her own who is living and whose whereabouts are known;

"(ii) no living parent or legal guardian of such individual allows the individual to live in the home of such parent or guardian;

"(iii) the State agency determines that the physical or emotional health or safety of such individual or such dependent child would be jeopardized if such individual and such dependent child lived in the same residence with such individual's own parent or legal guardian;

"(iv) such individual lived apart from his or her own parent or legal guardian for a period of at least one year before either the birth of any such dependent child or the individual having made application for aid to families with dependent children under the plan; or

"(v) the State agency otherwise determines (in accordance with regulations issued by the Secretary) that there is good cause for waiving such subparagraph.

(b) Effective Date.—The amendments made by this section shall become effective on the first day of the first calendar quarter to begin one year or more after the date of the enactment of this Act.

SEC. 404. PERIODIC REEVALUATION OF NEED AND PAYMENT STANDARDS.

(a) In General.—Section 402 of the Social Security Act (as amended by section 301 of this Act) is amended by adding at the end the following new subsection:

"(h)(1) Each State shall reevaluate the need standard and payment standard under its plan at least once every 3 years, in accordance with a schedule established by the Secretary, and report the results of the reevaluation to the Secretary and the public at such time and in such form and manner as the Secretary may require.

"(2) The report required by paragraph (1) shall include a statement of—

"(A) the manner in which the need standard of the State is determined,

"(B) the relationship between the need standard and the payment standard (expressed as a percentage or in any other manner determined by the Secretary to be appropriate), and

"(C) any changes in the need standard or the payment standard in the preceding 3-year period.

"(3) The Secretary shall report promptly to the Congress the results of the reevaluations required by paragraph (1).".

(b) Effective Date.—The amendment made by subsection (a) shall become effective on the date of the enactment of this Act.

SEC. 405. CBO STUDY ON IMPLEMENTATION OF NATIONAL MINIMUM PAYMENT STANDARD.

(a) In General.—The Congressional Budget Office shall conduct a study on the implementation of the amendments proposed by section 101 of the bill introduced in the Senate of the United States during the 100th Congress and designated S. 862 (relat-

ing to the requirement of a minimum payment standard under part A of title IV of the Social Security Act with a Federal matching rate of 90 percent).

(b) DESCRIPTION OF STUDY.—The study conducted under subsection (a) shall assess the extent to which—

(1) the goal of budget neutrality may be preserved by repealing the programs included in, but not limited to, the programs described in the amendments proposed by section 301 of the bill described in subsection (a) over a more gradual period of time in conjunction with corresponding increases (up to 90 percent) in the Federal matching rates under part A of title IV, and title XIX, of the Social Security Act; and

(2) the effects on local governments of repealing Federal programs could be mitigated by providing, over a period of time that corresponds with more gradual increases in the Federal matching rates under such part A and title XIX, general revenue supplements to those localities with the lowest levels of fiscal capacity and pass-throughs to units of local government.

(c) REPORT TO CONGRESS.—The Congressional Budget Office shall report on the results of the study conducted under this section not later than 12 months after the date of the enactment of this Act.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

SEC. 406. STUDY OF NEW NATIONAL APPROACHES TO WELFARE BENEFITS FOR LOW-INCOME FAMILIES WITH CHILDREN.

(a) IN GENERAL.—The Secretary of Health and Human Services shall enter into a contract or arrangement with the National Academy of Sciences for the study of a new national system of welfare benefits for low-income families with children, giving particular attention to what an appropriate national minimum benefit might be and how it should be calculated. The study shall give consideration to alternative minimum benefit proposals including proposals for benefits based on a family living standard, on weighted national median income, on State median income, and on the poverty level, and shall take into account the probable impact of a national minimum benefit on individuals and on State and local governments.

(b) METHODOLOGY.—(1) The study under this section shall include the development of a uniform national methodology which could be used to calculate State-specific family living standards and benefits based on other minimum benefit proposals.

(2) The methodology so developed shall be designed to identify a single uniform measure suitable for application in each State, and shall—

(A) take into account actual living costs in each State while permitting variances in such costs as between the different geographic areas of the State;

(B) take into account variations in actual living costs in each State for families of different sizes and composition; and

(C) specify an effective process for reassessing and updating both the methodology and the resulting family living standards and benefits based on other minimum benefit policies at least once every 4 years.

(3) The methodology so developed shall reflect the costs of basic necessities including housing, furnishings, food, clothing, transportation, utilities, and other maintenance items; and the study shall take into account variations in costs for different geographic areas of the State where such costs may be substantially different, and variations in costs for families of different sizes and composition.

(c) OTHER CONSIDERATIONS; PROGRESSION TO PROPOSED MINIMUM BENEFIT LEVELS.—In order to assess the implications of States moving to a new system of welfare benefits, the study shall include an analysis of the relationship between a State's fiscal capacity and other circumstances and constraints and the application of a full family living standard or other minimum benefit policy. The study shall propose a formula designed to achieve a uniform progression from the level of assistance currently being provided for low-income families with children under the AFDC program, the food stamp program, and the low-income energy assistance program, by each State, to a level based on the full family living standard or other minimum benefit policy for that State. For this purpose the Secretary shall define the term "low-income families with children" in a manner which reflects all families that include dependent children as defined for purposes of the AFDC program.

(d) REPORT AND RECOMMENDATIONS.—The Academy shall report its recommendations resulting from the study under this section to the Secretary no later than 24 months after the date of the enactment of this Act; and the Secretary shall promptly transmit such recommendations to the Congress.

(e) AUTHORIZATION OF FUNDS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

TITLE V—DEMONSTRATION PROJECTS

SEC. 501. FAMILY SUPPORT DEMONSTRATION PROJECTS.

(a) DEMONSTRATION PROJECTS TO TEST THE EFFECT OF EARLY CHILDHOOD DEVELOPMENT PROGRAMS.—(1) In order to test the effect of in-home early childhood development programs and pre-school center-based development programs (emphasizing the use of volunteers and including academic credit for student volunteers) on families receiving aid under State plans approved under section 402 of the Social Security Act and participating in the job opportunities and basic skills training program under part F of title IV of such Act, up to 10 States may undertake and carry out demonstration projects utilizing such development programs to enhance the cognitive skills and linguistic ability of children under the age of 5, to improve the communications skills of such children, and to develop their ability to read, write, and speak the English language effectively. Such projects may include parents along with their eligible children in family-centered education programs that assist children directly in achieving the goals stated in the preceding sentence and also help parents contribute to the proper development and education of their young children. Demonstration projects under this subsection shall meet such conditions and requirements as the Secretary of Health and Human Services (in this section referred to as the "Secretary") shall prescribe, and no such project shall be conducted for a period of more than 3 years.

(2) The Secretary shall consider all applications received from States desiring to conduct demonstration projects under this subsection, shall approve up to 10 applications involving projects which appear likely to contribute significantly to the achievement of the purpose of this subsection, and shall make grants to the States whose applications are approved to assist them in carrying out such projects.

(3) The Secretary shall submit to the Congress with respect to each project undertaken by a State under this subsection, after such project has been carried out for one year and again when such project is completed, a detailed evaluation of the project and of its contribution to the achievement of the purpose of this subsection.

(b) STATE DEMONSTRATION PROJECTS TO ENCOURAGE INNOVATIVE EDUCATION AND TRAINING PROGRAMS FOR CHILDREN.—In order to encourage States to develop innovative education and training programs for children receiving aid under State plans approved under section 402 of the Social Security Act, any State may establish and conduct one or more demonstration projects, targeted to such children, designed to test financial incentives and interdisciplinary approaches to reducing school dropouts, encouraging skill development, and avoiding welfare dependence; and the Secretary may make grants to States to assist in financing such projects. Demonstration projects under this subsection shall meet such conditions and requirements as the Secretary shall prescribe, and no such project shall be conducted for a period of less than one year or more than 5 years.

(c) DEMONSTRATIONS TO ENSURE LONG TERM FAMILY SELF-SUFFICIENCY THROUGH COMMUNITY-BASED SERVICES.—Any State, using funds made available to it from appropriations made pursuant to subsection (d) in conjunction with its other resources, may conduct demonstrations to test more effective methods of providing coordination and services to ensure long term family self-sufficiency through community-based comprehensive family support services involving a partnership between the State agency administering or supervising the administrating of the State's plan under section 402 of the Social Security Act and community-based organizations having experience and demonstrated effectiveness in providing services.

(d) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of making grants to States to conduct demonstration projects under this section, there is authorized to be appropriated not to exceed $6,000,000 for each of the fiscal years 1990, 1991, and 1992.

SEC. 502. DEMONSTRATION PROJECTS TO ENCOURAGE STATES TO EMPLOY PARENTS RECEIVING AFDC AS PAID CHILD CARE PROVIDERS.

(a) IN GENERAL.—In order to encourage States to employ or arrange for the employment of parents of dependent children receiving aid under State plans approved under section 402(a) of the Social Security Act as providers of child care for other children receiving such aid, up to 5 States may undertake and carry out demonstration projects designed to test whether such employment will effectively facilitate the conduct of the job opportunities and basic skills training program under part F of title IV of such Act by making additional child care services available to meet the requirements of section 402(g)(1)(A) of such Act while affording significant numbers of families receiving such aid a realistic opportunity to avoid welfare dependence through employment as a child care provider.

(b) CONSIDERATION OF APPLICATIONS.—The Secretary of Health and Human Services shall consider all applications received from States desiring to conduct demonstration projects under this section, shall approve up to 5 applications involving projects which appear likely to contribute significantly to the achievement of the purpose of this section, and shall make grants to those States

the applications of which are approved to assist them in carrying out such projects. Each project conducted under this section shall meet such conditions and requirements as the Secretary shall prescribe.

(c) LIMITATION ON AUTHORIZATION OF APPROPRIATIONS.—For the purpose of making grants to States to carry out demonstration projects under this section, there is authorized to be appropriated not to exceed $1,000,000 for each of the fiscal years 1990, 1991, and 1992.

(d) EFFECTIVE DATE.—The section shall become effective on October 1, 1989.

SEC. 503. DEMONSTRATION PROJECTS TO TEST ALTERNATIVE DEFINITIONS OF UNEMPLOYMENT.

Section 1115 of the Social Security Act is amended by adding at the end the following new subsection:

"(d)(1)(A) The Secretary shall enter into agreements with up to 8 States submitting applications under this subsection for the purpose of conducting demonstration projects in such States to test and evaluate the use, with respect to individuals who received aid under part A of title IV in the preceding month (on the basis of the unemployment of the parent who is the principal earner), of a number greater than 100 for the number of hours per month that such individuals may work and still be considered to be unemployed for purposes of section 407. If any State submits an application under this subsection for the purpose of conducting a demonstration project to test and evaluate the total elimination of the 100-hour rule, the Secretary shall approve at least one such application.

"(B) If any State with an agreement under this subsection so requests, the demonstration project conducted pursuant to such agreement may test and evaluate the complete elimination of the 100-hour rule and of any other durational standard that might be applied in defining unemployment for purposes of determining eligibility under section 407.

"(2) Notwithstanding section 402(a)(1), a demonstration project conducted under this subsection may be conducted in one or more political subdivisions of the State.

"(3) An agreement under this subsection shall be entered into between the Secretary and the State agency designated under section 402(a)(3). Such agreement shall provide for the payment of aid under the applicable State plan under part A of title IV as though section 407 had been modified to reflect the definition of unemployment used in the demonstration project but shall also provide that such project shall otherwise be carried out in accordance with all of the requirements and conditions of section 407 (and, except as provided in paragraph (2), any related requirements and conditions under part A of title IV).

"(4) A demonstration project under this subsection may be commenced any time after September 30, 1990, and shall be conducted for such period of time as the agreement with the Secretary may provide; except that, in no event may a demonstration project under this section be conducted after September 30, 1995.

"(5)(A) Any State with an agreement under this subsection shall evaluate the comparative cost and employment effects of the use of the definition of unemployment in its demonstration project under this section by use of experimental and control groups comprised of a random sample of individuals receiving aid under section 407 and shall furnish the Secretary with such information as the Secretary determines to be necessary to evaluate the results of the project conducted by the State.

"(B) The Secretary shall report the results of the demonstration projects conducted under this subsection to the Congress not later than 6 months after all such projects are completed.".

SEC. 504. DEMONSTRATION PROJECTS TO ADDRESS CHILD ACCESS PROBLEMS.

(a) IN GENERAL.—Any State may establish and conduct one or more demonstration projects (in accordance with such terms, conditions, and requirements as the Secretary of Health and Human Services shall prescribe, except that no such project may include the withholding of aid to families with dependent children pending visitation) to develop, improve, or expand activities designed to increase compliance with child access provisions of court orders.

(b) ACTIVITIES UNDER PROJECT.—Activities that may be funded by a grant under this section include (whether conducted through the executive, legislative, or judicial branches of the State) the development of systematic procedures for enforcing access provisions of court orders, the establishment of special staffs to deal with and mediate disputes involving access (both before and after a court order has been issued), and the dissemination of information to parents.

(c) OTHER REQUIREMENTS.—In the case of any experimental, pilot, or demonstration project undertaken under this section, the project—

(1) must be designed to improve the financial well-being of families with children or otherwise improve the operation of the program or programs involved; and

(2) may not permit modifications in any program which would have the effect of disadvantaging children in need.

(d) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of making grants to States to assist in financing the projects established under this section, there is authorized to be appropriated not to exceed $4,000,000 for each of the fiscal years 1990 and 1991.

(e) REPORT.—Not later than July 1, 1992, the Secretary of Health and Human Services shall submit to the Congress a report on the effectiveness of the demonstration projects established under this section in—

(1) decreasing the time required for the resolution of disputes related to child access,

(2) reducing litigation relating to access disputes, and

(3) improving compliance with court-ordered child support payments.

SEC. 505. DEMONSTRATION PROJECTS TO EXPAND THE NUMBER OF JOB OPPORTUNITIES AVAILABLE TO CERTAIN LOW-INCOME INDIVIDUALS.

(a) IN GENERAL.—The Secretary of Health and Human Services (in this section referred to as the "Secretary") shall enter into agreements with not less than 5 nor more than 10 nonprofit organizations (including community development corporations) submitting applications under this section for the purpose of conducting demonstration projects in accordance with subsection (b) to create employment opportunities for certain low-income individuals.

(b) NATURE OF PROJECT.—(1) Each nonprofit organization conducting a demonstration project under this section shall provide technical and financial assistance to private employers in the community to assist them in creating employment and business opportunities for those individuals eligible to participate in the projects as described in this subsection.

(2) For purposes of this section, a nonprofit organization is any organization (including a community development corporation) exempt from taxation under section 501(a) of the Internal Revenue Code of 1986 by reason of paragraph (3) or (4) of section 501(c) of such Code.

(3) A low-income individual eligible to participate in a project conducted under this section is any individual eligible to receive aid to families with dependent children under part A of title IV of the Social Security Act and any other individual whose income level does not exceed 100 percent of the official poverty line as defined by the Office of Management and Budget and revised in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981.

(c) CONTENT OF APPLICATIONS; SELECTION PRIORITY.—(1) Each nonprofit organization submitting an application under this section shall, as part of such application, describe—

(A) the technical and financial assistance that will be made available under the project conducted under this section;

(B) the geographic area to be served by the project;

(C) the percentage of low-income individuals (as described in subsection (b)) and individuals receiving aid to families with dependent children under title IV of the Social Security Act in the area to be served by the project; and

(D) unemployment rates in the geographic areas to be served and (to the extent practicable) the jobs available and skills necessary to fill those vacancies in such areas.

(2) In approving applications under this section, the Secretary shall give priority to applications proposing to serve those areas containing the highest percentage of individuals receiving aid to families with dependent children under title IV of such Act.

(d) ADMINISTRATION.—Each nonprofit organization participating in a demonstration project conducted under this section shall provide assurances in its agreement with the Secretary that it has or will have a cooperative relationship with the agency responsible for administering the job opportunities and basic skills training program (as provided for under title IV of the Social Security Act) in the area served by the project.

(e) DURATION.—Each demonstration project conducted under this section shall be commenced not later than September 30, 1989, and shall be conducted for a 3-year period; except that the Secretary may terminate a project before the end of such period if he determines that the nonprofit organization conducting the project is not in substantial compliance with the terms of the agreement entered into with the Secretary under this section.

(f) EVALUATION AND REPORT.—(1) The Secretary shall conduct an evaluation of the success of each demonstration project conducted under this section in creating job opportunities and may require each nonprofit organization conducting such a project to provide the Secretary with such information as the Secretary determines is necessary to prepare the report described in paragraph (2).

(2) Not later than January 1, 1993, the Secretary shall submit to the Congress a report containing a summary of the evaluations conducted under paragraph (1), together with such recommendations as the Secretary determines are appropriate.

(g) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of making grants to conduct demonstration projects under this section,

there is authorized to be appropriated not to exceed $6,500,000 for each of the fiscal years 1990, 1991, and 1992.

SEC. 506. DEMONSTRATION PROJECTS TO PROVIDE COUNSELING AND SERVICES TO HIGH-RISK TEENAGERS.

(a) Findings and Purpose.—(1) The Congress finds that—

(A) the incidences of teenage pregnancy, suicide, substance abuse, and school dropout are increasing;

(B) research to date has established a link between low self-esteem, perceived limited life options and the risk of teenage pregnancy, suicide, substance abuse, and school dropout;

(C) little data currently exists on how to improve the self-image of and expand the life options available to high-risk teenagers; and

(D) there currently is no Federal program in place to address the unique and significant problems faced by today's teenagers.

(2) It is the purpose of the demonstration projects conducted under this section to provide programs in which a range of non-academic services (sports, recreation, the arts) and self-image counseling are provided to high-risk teenagers in order to reduce the rates of pregnancy, suicide, substance abuse, and school dropout among such teenagers.

(b) In General.—The Secretary of Health and Human Services (in this section referred to as the "Secretary") shall enter into an agreement with each of 4 States submitting applications under this section for the purpose of conducting demonstration projects in accordance with this section to provide counseling and services to certain high-risk teenagers.

(c) Nature of Project.—Under each demonstration project conducted under this section—

(1) The State shall establish a "Teen Care Plan" that shall consist of the following:

(A) A clearing house where high-risk teenagers will be referred to and encouraged to participate in non-academic activities (arts, recreation, sports) which are already in place in the community.

(B) A survey of the area to be targeted by the project to determine the need to fund and create new non-academic activities in the area.

(C) Counseling services utilizing qualified, locally licensed psychologists, social psychologists, or other mental health professionals or related experts to provide individual and group counseling to participating high-risk teenagers.

(D) A program to provide participants in the project (to the extent practicable) with such transportation, child care, and equipment as is necessary to carry out the purposes of the project.

(2) The State shall designate two geographical areas within the State to be targeted by the project. One area will serve as the "home base" for the project, where services will be concentrated and in which a local school system will be selected to receive services and provide facilities for resource referral and counseling. The second geographical area will serve as a "peripheral" participant, receiving assistance and services from the home base.

(3) A high-risk teenager is any male or female who has reached the age of 10 years and whose age does not exceed 20 years, and who—

(A) has a history of academic problems;

(B) has a history of behavioral problems both in and out of school;

(C) comes from a one-parent household; or

(D) is pregnant or is a mother of a child.

(d) Applications; Selection Criteria.—(1) In selecting States to conduct demonstration projects under this section, the Secretary—

(A) shall consult with the Consortium on Adolescent Pregnancy;

(B) shall consider—

(i) the rate of teenage pregnancy in each State,

(ii) the teenage school dropout rate in each State,

(iii) the incidence of teenage substance abuse in each State, and

(iv) the incidence of teenage suicide in each State; and

(C) shall give priority to States whose applications—

(i) demonstrate a current strong State commitment aimed at reducing teenage pregnancy, suicide, drug abuse, and school dropout;

(ii) contain a "State support agreement" signed by the Governor, the State School Commissioner, the State Department of Human Services, and the State Department of Education, pledging their commitment to the project;

(iii) describe facilities and services to be made available by the State to assist in carrying out the project; and

(iv) indicate a demonstrably high rate of alcoholism among its residents.

(2) Of the States selected to participate in the demonstration projects conducted under this section—

(A) one shall be a geographically small State with a population of less than 1,250,000;

(B) one shall be a State with a population of over 20,000,000; and

(C) two shall be States with populations of more than 1,000,000 but less than 20,000,000.

(e) Evaluation and Report.—(1) Each State conducting a demonstration project under this section shall submit to the Secretary for his approval an evaluation plan that provides for examining the effectiveness of the project in both the home base and peripheral area of the State.

(2) Not later than October 1, 1992, the Secretary shall submit to the Congress a report containing a summary of the evaluations conducted by States pursuant to the plans described in paragraph (1).

(f) Funding.—(1) Three-fifths of the total amount appropriated pursuant to this section for any fiscal year for each State conducting a demonstration project shall be expended by such State for the provision of services and facilities within the State's designated project home base, and 5 percent of such three-fifths shall be set aside for the conduct of the State's evaluation as provided for in subsection (e).

(2) Two-fifths of the total amounts appropriated pursuant to this section for any fiscal year for each State conducting a demonstration project shall be expended by such State for the provision of services and facilities within the State's designated peripheral area, and 5 percent of such two-fifths shall be set aside for the conduct of the State's evaluation as provided for in subsection (e).

(g) Duration.—A demonstration project conducted under this section shall be commenced not later than September 30, 1989, and shall be conducted for a 3-year period; except that the Secretary may terminate a project before the end of such period if he determines that the State conducting the project is not in substantial compliance with the terms of the agreement entered into with the Secretary under this section.

(h) Authorization of Appropriations.—For the purpose of funding in equal amounts each State demonstration project conducted under this section, there is authorized to be appropriated not to exceed $1,500,000 for each of the fiscal years 1990, 1991, and 1992.

SEC. 507. EXTENSION OF MINNESOTA PREPAID MEDICAID DEMONSTRATION PROJECT.

Upon application by the State of Minnesota, the Secretary of Health and Human Services shall extend until June 30, 1990, the waiver granted to such State under section 1115(a) of the Social Security Act to conduct a prepaid medicaid demonstration project.

TITLE VI—MISCELLANEOUS PROVISIONS

SEC. 601. INCLUSION OF AMERICAN SAMOA AS A STATE UNDER TITLE IV.

(a) In General.—The last sentence of section 1101(a)(1) of the Social Security Act (42 U.S.C. 1301(a)(1)) is amended to read as follows: "Such term when used in title IV also includes American Samoa.".

(b) Limitation on Payments to American Samoa.—Section 1108 of such Act (42 U.S.C. 1308) is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following new subsection:

"(d) The total amount certified by the Secretary under parts A and E of title IV with respect to a fiscal year for payment to American Samoa (exclusive of any amounts on account of services and items to which, in the case of part A of such title, section 403(k) applies) shall not exceed $1,000,000.".

(c) Conforming Amendments.—(1) Section 403 of such Act (42 U.S.C. 603) is amended—

(A) in paragraphs (1) and (2) of subsection (a), by striking "and Guam," each place it appears and inserting in lieu thereof "Guam, and American Samoa,"; and

(B) in subsections (i)(4) and (j), by striking "or the Virgin Islands" and inserting in lieu thereof "the Virgin Islands, or American Samoa".

(2) The heading of section 1108 of such Act (42 U.S.C. 1308) is amended to read as follows:

"LIMITATION ON PAYMENTS TO PUERTO RICO, THE VIRGIN ISLANDS, GUAM, AND AMERICAN SAMOA".

(3) The last sentence of section 1118 of such Act (42 U.S.C. 1318) is amended by inserting before the period the following: ", and shall, in the case of American Samoa, mean 75 per centum with respect to part A of title IV".

(d) Effective Date.—The amendments made by this section shall become effective on October 1, 1988.

SEC. 602. INCREASE IN AMOUNT AVAILABLE FOR PAYMENT TO PUERTO RICO, THE VIRGIN ISLANDS, AND GUAM.

(a) In General.—Section 1108(a) of the Social Security Act (42 U.S.C. 1308(a)) is amended—

(1) in paragraph (1)—

(A) by striking "or" at the end of subparagraph (E); and

(B) by striking subparagraph (F) and inserting in lieu thereof the following:

"(F) $72,000,000 with respect to each of the fiscal years 1979 through 1988, or

"(G) $82,000,000 with respect to the fiscal year 1989 and each fiscal year thereafter;";

(2) in paragraph (2)—

(A) by striking "or" at the end of subpargaph (E); and

(B) by striking subparagraph (F) and inserting in lieu thereof the following:

"(F) $2,400,000 with respect to each of the fiscal years 1979 through 1988, or

"(G) $2,800,000 with respect to the fiscal year 1989 and each fiscal year thereafter;"; and

(3) in paragraph (3)—

(A) by striking "or" at the end of subparagraph (E); and

(B) by striking subparagraph (F) and inserting in lieu thereof the following:

"(F) $3,300,000 with respect to each of the fiscal years 1979 through 1988, or

"(G) $3,800,000 with respect to the fiscal year 1989 and each fiscal year thereafter.".

(b) Effective Date.—The amendments made by subsection (a) shall become effective on October 1, 1988.

SEC. 603. ASSISTANT SECRETARY FOR FAMILY SUPPORT.

(a) In General.—Part A of title IV of the Social Security Act (as amended by the preceding provisions of this Act) is further amended by adding at the end the following new section:

"ASSISTANT SECRETARY FOR FAMILY SUPPORT

"Sec. 418. The programs under this part, part D, and part F shall be administered by an Assistant Secretary for Family Support within the Department of Health and Human Services, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall be in addition to any other Assistant Secretary of Health and Human Services provided for by law.".

(b) Compensation.—Section 5315 of title 5, United States Code, is amended by striking "(4)" at the end of the item relating to Assistant Secretaries of Health and Human Services and inserting in lieu thereof "(5)".

(c) Effective Date.—The amendments made by this section shall become effective on February 1, 1989.

SEC. 604. RESPONSIBILITIES OF THE STATE.

(a) In General.—Section 402(a) of the Social Security Act (as amended by sections 201(a), 401(a), 402(f), and 403(a) of this Act) is amended—

(1) by striking "and" at the end of paragraph (42);

(2) by striking the period at the end of paragraph (43) and inserting in lieu thereof "; and"; and

(3) by inserting immediately after paragraph (43) the following new paragraph:

"(44) provide that the State agency shall—

"(A) be responsible for assuring that the benefits and services under the programs under this part, part D, and part F are furnished in an integrated manner, and

"(B) consistent with the provisions of this title, ensure that all applicants for and recipients of aid to families with dependent children are encouraged, assisted, and required to cooperate in the establishment of paternity and the enforcement of child support obligations, and are notified of the paternity establishment and child support services for which they may be eligible.".

(b) Effective Date.—The amendments made by subsection (a) shall become effective on July 1, 1989.

SEC. 605. ESTABLISHMENT OF PREELIGIBILITY FRAUD DETECTION MEASURES.

(a) In General.—Section 402(a) of the Social Security Act (as amended by sections 201(a), 401(a), 420(f), 403(a), and 604(a) of this Act) is amended—

(1) by striking "and" at the end of paragraph (43);

(2) by striking the period at the end of paragraph (44) and inserting in lieu thereof "; and"; and

(3) by inserting immediately after paragraph (44) the following new paragraph:

"(45) provide (in accordance with regulations issued by the Secretary) for appropriate measures to detect fraudulent applications for aid to families with dependent children prior to the establishment of eligibility for such aid.".

(b) Effective Date; Regulations.—(1) The amendments made by subsection (a) shall become effective on October 1, 1989.

(2) The Secretary of Health and Human Services shall issue final regulations with respect to the requirement added by the amendment made by subsection (a) not later than 6 months after the date of the enactment of this Act.

SEC. 606. UNIFORM REPORTING REQUIREMENTS.

Section 403 of the Social Security Act is amended by inserting immediately before subsection (f) the following new subsection:

"(e) In order to assist in obtaining the information needed to carry out subsection (b)(1) and otherwise to perform his duties under this part, the Secretary shall establish uniform reporting requirements under which each State will be required periodically to furnish such information and data as the Secretary may determine to be necessary to ensure that sections 402(a)(37), 402(a)(42), and 402(g)(1)(A)(i)[check this], and are being effectively implemented, including at a minimum the average monthly number of families assisted under each such section, the types of such families, the amounts expended with respect to such families, and the length of time for which such families are assisted. The information and data so furnished with respect to families assisted under section 402(g) shall be separately stated with respect to families who have earnings and those who do not, and with respect to families who are receiving aid under the State plan and those who are not.".

SEC. 607. STATE REPORTS ON EXPENDITURE AND USE OF SOCIAL SERVICES FUNDS.

Section 2006 of the Social Security Act is amended—

(1) by striking that part of the second sentence of subsection (a) which precedes "as the State finds necessary" and inserting in lieu thereof "Reports shall be prepared annually, covering the most recently completed fiscal year, and shall be in such form and contain such information (including but not limited to the information specified in subsection (c))";

(2) by redesignating subsection (c) as subsection (d); and

(3) by inserting after subsection (b) the following new subsection:

"(c) Each report prepared and transmitted by a State under subsection (a) shall set forth (with respect to the fiscal year covered by the report)—

"(1) the number of individuals who received services paid for in whole or in part with funds made available under this title, showing separately the number of children and the number of adults who received such services, and broken down in each case to reflect the types of services and circumstances involved;

"(2) the amount spent in providing each such type of service, showing separately for each type of service the amount spent per child recipient and the amount spent per adult recipient;

"(3) the criteria applied in determining eligibility for services (such as income eligibility guidelines, sliding fee scales, the effect of public assistance benefits, and any requirements for enrollment in school or training programs); and

"(4) the methods by which services were provided, showing separately the services provided by public agencies and those provided by private agencies, and broken down in each case to reflect the types of services and circumstances involved.

The Secretary shall establish uniform definitions of services for use by the States in preparing the information required by this subsection, and make such other provision as may be necessary or appropriate to assure that compliance with the requirements of this subsection will not be unduly burdensome on the States.".

SEC. 608. MISCELLANEOUS TECHNICAL CORRECTIONS TO MEDICARE CATASTROPHIC COVERAGE ACT OF 1988.

(a) Modification of Provisions Relating to Employment Maintenance of Effort.—Section 421 of the Medicare Catastrophic Coverage Act of 1988 is amended—

(1) in subsection (a)(1)—

(A) by striking "(c)(1)" and inserting "(c)(1)(A)", and

(B) by striking "during the period described in subsection (c)(1)(A)" and inserting "(determined as if they were provided in that period)";

(2) in subsection (a)(2)—

(A) by striking "(c)(2)" and inserting "(c)(1)(B)", and

(B) by striking "during the period described in subsection (c)(1)(B)" and inserting "(determined as if they were provided in that period)";

(3) in subsections (a)(3)(A) and (a)(3)(B), by inserting "provided as of the date of the enactment of this Act" after "means benefits";

(4) in subsection (b)(1)—

(A) by inserting "1989" after "50 percent of the", and

(B) by striking "of the duplicative part A benefits" and inserting "of the benefits under part A of title XVIII of the Social Security Act (as amended by this Act as of January 1, 1989) which were not covered under part A of title XVIII of the Social Security Act as such part was in effect on the day before the date of the enactment of this Act";

(5) in subsection (b)(2)—

(A) by inserting "1990" after "50 percent of the", and

(B) by striking "of the duplicative part B benefits" and inserting "of the benefits under part B of title XVIII of the Social Security Act (as amended by this Act as of January 1, 1990, but excluding any such benefits with respect to covered outpatient drugs) which were not covered under part B of title XVIII of the Social Security Act as such part was in effect on the day before the date of the enactment of this Act."; and

(6) in subsection (b)(3)—

(A) in subparagraph (A), by striking "the actuarial value of duplicative part A benefits and duplicative part B benefits" and inserting "the amount of the additional benefits or refunds to be provided under subsections (a)(1) and (a)(2)";

(B) in subparagraph (A)(i), by striking "on the basis of" and inserting "as being equal to the respective national";

(C) in subparagraph (B), by striking "Computation of actuarial value" and inserting "Publication of guidelines and national average actuarial values for minimum additional benefits and refunds"; and

(D) by striking clause (i) of subparagraph (B) and all that follows through "shall include instructions" and inserting the following:

"(i) calculate and publish—

"(I) the national average actuarial value for the following year of the benefits under part A of title XVIII of the Social Security Act (as amended by this Act as of January 1,

1989) which were not covered under such part as such part was in effect before the date of the enactment of this Act, and

"(II) the national average actuarial value for the following year of the benefits under part B of title XVIII of the Social Security Act (as amended by this Act as of January 1, 1990, but excluding any such benefits with respect to covered outpatient drugs) which were not covered under such part as such part was in effect before the date of the enactment of this Act,

to be used by employers who exercise the option under subparagraph (A)(i) in determining the minimum amount of additional benefits or refunds to be provided under subsections (a)(1) and (a)(2), respectively; and

"(ii) publish guidelines to be used by employers who exercise the option under subparagraph (A)(ii) in determining the minimum amount of additional benefits or refunds to be provided under subsections (a)(1) and (a)(2), respectively.

The Secretary shall publish, before the beginning of 1989 with respect to part A benefits and before the beginning of 1990 with respect to part B benefits, guidelines".

(b) Inclusion of Provisions Repealing Authority to Administer Proficiency Examinations.—The Medicare Catastrophic Coverage Act of 1988 is amended by inserting after section 429 the following new section (and by inserting a corresponding item in the table of contents of such Act):

"SEC. 430. REPEAL OF AUTHORITY TO ADMINISTER PROFICIENCY EXAMINATIONS.

"(a) Repeal.—Section 1123 of the Social Security Act (42 U.S.C. 1320a-2) is repealed.

"(b) Effect of Repeal.—Nothing in the amendment made by subsection (a) shall be construed as affecting the qualification of any individual, who has been determined under the program established under section 1123 of the Social Security Act to be qualified to perform the duties and functions of a health care specialty, to perform such duties and functions.".

(c) Continuation of Cost Pass-Through for Certified Registered Nurse Anesthetists.—Section 9320 of the Omnibus Budget Reconciliation Act of 1986 is amended—

(A) in subsection (i), by striking "The amendments" and inserting "Except as provided in subsection (k), the amendments", and

(B) by adding at the end the following new subsection:

"(k) Authorization of Continuation of Pass-Through.—

"(1) Subject to paragraph (2), the amendments made by this section shall not apply during 1989, 1990, and 1991 to a hospital located in a rural area (as defined for purposes of section 1886(d) of the Social Security Act) if the hospital establishes, before April 1, 1989, to the satisfaction of the Secretary of Health and Human Services that—

"(A) as of January 1, 1988, the hospital employed or contracted with a certified registered nurse anesthetist (but not more than one full-time equivalent certified registered nurse anesthetist),

"(B) in 1987 the hospital had a volume of surgical procedures (including inpatient and outpatient procedures) requiring anesthesia services that did not exceed 250 (or such higher number as the Secretary determines to be appropriate), and

"(C) each certified registered nurse anethetist employed by, or under contract with, the hospital has agreed not to bill under part B of title XVIII of such Act for professional services furnished by the anesthetist at the hospital.

"(2) Paragraph (1) shall not apply in 1990 or 1991 to a hospital unless the hospital establishes, before the beginning of each respective year, that the hospital has had a volume of surgical procedures (including inpatient and outpatient procedures) requiring anesthesia services in the previous year that did not exceed 250 (or such higher number as the Secretary determines to be appropriate).

"(3) The Secretary shall implement this subsection in such a manner as to maintain budget neutrality consistent with section 1833(l)(3) of the Social Security Act.".

(d) Miscellaneous Technical Corrections to Various Provisions in the Medicare Catastrophic Coverage Act of 1988 ("MCCA").—

(1) Abbreviations used.—In this subsection:

(A) The term "MCCA" refers to the Medicare Catastrophic Coverage Act of 1988 (Public Law 100-360).

(B) The term "OBRA" refers to the Omnibus Budget Reconciliation Act of 1987 (Public Law 100-203).

(2) Section 103.—The second sentence of section 1818(d)(1) of the Social Security Act, as amended by section 103 of MCCA, is amended by striking "entire".

(3) Section 104.—Section 104 of MCCA is amended—

(A) in subsection (a)(1), by striking "paragraphs (2) and (3)" and inserting "paragraph (2) and subsection (b)";

(B) in subsection (b)(1)—

(i) by striking "(1) the amendment made to section 1813(a)(1) of such Act" and inserting "(1)(A) section 1813(a)(1) of such Act (as amended by this subtitle)", and

(ii) by adding at the end the following new subparagraph:

"(B) if that individual begins a period of hospitalization (as defined in such section) during 1989 or 1990 after the end of that spell of illness, the first period of hospitalization during 1989 or 1990 that begins after that spell of illness shall be considered to be (for purposes of such section) the first period of hospitalization that begins during that year; and";

(C) in subsections (c)(1) and (c)(2), by striking "by medicare beneficiaries" and inserting "by (or on behalf of) medicare beneficiaries";

(D) in subsection (c)(2), by striking "cost reporting periods beginning on or after October 1, 1988" and inserting "portions of cost reporting periods occurring on or after January 1, 1989";

(E) in subsection (c)(2), by inserting before the period at the end the following: ", without regard to whether such a hospital is paid on the basis described in subparagraph (A) or (B) of section 1886(b)(1) of such Act";

(F) in subsection (d)(5), by striking "each place it appears"; and

(G) by adding at the end of subsection (d) the following new paragraph:

"(7) Section 1833(b) (42 U.S.C. 1395l(b)) is amended by adding at the end the following new sentence: 'The deductible under the previous sentence for blood or blood cells furnished an individual in a year shall be reduced to the extent that a deductible has been imposed under section 1813(a)(2) to blood or blood cells furnished the individual in the year.'.".

(4) Section 201.—Section 201(a)(1)(A) of MCCA is amended by striking "subsection" and inserting "subsections".

(5) Section 202.—(A) Section 1842(o)(1) of the Social Security Act, as added by section 202(c)(1)(C) of MCCA, is amended—

(i) in subparagraph (A)(i), by striking "subparagraph (D)(i)" and inserting "paragraph (4)", and

(ii) in subparagraph (B)(ii), by inserting "an" before "eligible organization".

(B) Section 1842(f)(3) of the Social Security Act, as added by section 202(e)(1) of MCCA, is amended by inserting ", including claims processing functions" after "and related functions".

(C) Section 1842(b)(3)(K) of the Social Security Act, as added by section 202(e)(2)(B) of MCCA, is amended by inserting ", including claims processing functions," after "and for related functions".

(D) Section 1842(c)(1)(A)(ii) of the Social Security Act, as added by section 202(e)(3)(A)(iii) of MCCA, is amended by inserting ", including claims processing functions" after "and related functions".

(E) Section 202(e)(3)(B) of MCCA is amended by inserting ", including claims processing functions" after "and related functions".

(F) Section 202(e)(3)(C) of MCCA is amended by striking "Section 1842(b)(2)" and inserting "Section 1842(b)(2)(A)".

(G) Section 1842(b)(2)(A) of the Social Security Act, as amended by section 202(e)(3)(C) of MCCA, as revised by the previous amendment, is amended by inserting ", including claims processing functions" after "and related functions".

(H) Section 202(e)(5)(A) of MCCA is amended by—

(i) by striking "paragraph (3)" and inserting "paragraph (4)", and

(ii) by adding "and" after the semicolon at the end.

(I) Section 1847(b)(3) of the Social Security Act, as added by section 202(j) of MCCA, is amended by striking "the contingency margin (established under section 1841A(d) for the following year)" and inserting "the contingency margin required for the following year".

(6) Section 203.—(A) Section 1861 of the Social Security Act is amended by adding immediately before subsection (jj), as added by section 203(b) of MCCA, the following new heading:

"Home Intravenous Drug Therapy Services".

(B) Section 203(c)(3) of MCCA is amended by adding at the end the following new sentence: "Chapter 35 of title 44, United States Code, shall not apply to information required for purposes of carrying out this paragraph.".

(7) Section 205.—Section 205(e)(1)(A) of MCCA is amended by redesignating clause (iv) as clause (iii).

(8) Section 208.—The second sentence of section 208(b) of MCCA is amended by striking "shall include in the report" and inserting "shall report, not later than 2 years after the date of the enactment of this Act,".

(9) Section 211.—(A) Section 1839(g) of the Social Security Act, as added by section 211(a) of MCCA, is amended—

(i) in paragraph (1)(B)(iii)(I), by striking "and" and inserting "over",

(ii) in paragraph (1)(B)(iii)(II), by inserting "premium" after "supplemental", and

(iii) in paragraph (7)(A)(ii), by inserting "each" before "such year,".

(B) Section 1839(f) of the Social Security Act, as amended by section 211(b) of MCCA, is amended by striking "for that January below the amount of benefits payable for that individual for that December" and inserting "for that December below the *amount of benefits payable for that individual for that November".*

(10) SECTION 212.—(A) Section 1841A(a)(1) of the Social Security Act, as amended by section 212(a) of MCCA, is amended by striking "1841(j)" and inserting "1840(i)".

(B) Section 1840(i) of the Social Security Act, as added by section 212(b)(1) of MCCA, is amended by striking "Supplemental" and inserting "Supplementary".

(11) SECTION 213.—Section 213 of MCCA is amended by striking "(a) IN GENERAL.—".

(12) SECTION 221.—Section 221(g)(2) of MCCA is amended by striking "subsection (c)" and inserting "subsection (d)".

(13) SECTION 222.—Section 222 of MCCA is amended—

(A) in paragraph (1), by striking "sections 1833(a)(1)(A) and 1876" and inserting "section 1876", and

(B) in paragraph (2), by inserting "and organizations paid under section 1833(a)(1)(A) of such Act" after "organizations".

(14) SECTION 301.—Section 301 of MCCA is amended—

(A) in subsection (b)(1), by striking "clause (ii)" and inserting "subparagraph (B)" and by adding "and" at the end;

(B) by striking paragraph (2) of subsection (b) and by redesignating paragraph (3) of such subsection as paragraph (2);

(C) in subsection (b)(2), as so redesignated, by striking "by adding at the end the following new clause" and inserting "by striking subparagraph (B) and inserting the following";

(D) in the matter inserted by subsection (b)(2), as so redesignated and amended—

(i) by redesignating subclauses (I) through (IV) of clause (ii) and subclauses (I) through (V) of clause (iii) as clauses (i) through (iv) of subparagraph (B) and clauses (i) through (v) of subparagraph (C), respectively;

(ii) in subparagraph (B), as so redesignated, by striking "in clause (iii)" and inserting "in subparagraph (C)",

(iii) in subparagraph (C), as so redesignated, by striking "under clause (ii)" and inserting "under subparagraph (B)";

(E) in subsection (c)—

(i) by adding "and" at the end of paragraph (1),

(ii) by striking "; and" at the end of paragraph (2), and inserting a period, and

(iii) by striking paragraph (3);

(F) in subsection (d)(2), in the subparagraph (C) amended by such paragraph, by inserting "section" before "1833(b)";

(G) in subsection (d)—

(i) by redesignating paragraphs (1) through (3) as paragraphs (2) through (4), respectively, and

(ii) by inserting before paragraph (2), as so redesignated, the following new paragraph:

"(1) in paragraph (3), by inserting ', without regard to whether the costs incurred were for items and services for which medical assistance is otherwise available under the plan' after 'qualified medicare beneficiary' the first place it appears;";

(H) in subsection (e)(1)—

(i) by inserting "(A)" before "Section", and

(ii) by adding at the end the following new subparagraph:

"(B) Subsection (h)(1) of such section is further amended by inserting '(A)' after 'include' and by inserting before the period at the end the following: ', or (B) qualified medicare beneficiaries (as defined in section 1905(p)(1))'.";

(I) in subsection (e)(2)—

(i) in subparagraph (C), by striking "and" at the end and by redesignating such subparagraph as subparagraph (D);

(ii) in subparagraph (D), by striking the period at the end and inserting ", and" and by redesignating such subparagraph as subparagraph (E); and

(iii) by inserting after subparagraph (B) the following new subparagraph:

"(C) in subsection (a), by striking paragraph (15);";

(J) in paragraph (5)(B) of the matter added by subsection (g)(2)—

(i) by striking "paragraph (2)(A)" and inserting "paragraph (2)", and

(ii) by striking "clause (ii)" and inserting "subparagraph (B)"; and

(K) in subsection (h)(2), by inserting "first calendar quarter beginning after the close of the" after "additional requirements before the first day of the".

(15) SECTION 302.—(A) Section 302(a)(2)(B) of MCCA is amended—

(i) in clause (i), by striking "not more" and inserting "(not more", and

(ii) in clause (iii), by striking "clause" and inserting "clauses".

(B) Section 1902(l)(2)(A) of the Social Security Act, as added by section 302(a)(2)(B)(iii) of MCCA, is amended—

(i) in clause (ii)—

(I) by striking "Subject to clause (iii), the" and inserting "The",

(II) in subclause (I), by inserting "or, if greater, the percentage provided under clause (iii)," after "75 percent,"; and

(ii) in clause (iii), by striking "(ii)" each place it appears and inserting "(ii)(I)".

(C) Section 1923(a)(2) of the Social Security Act is amended by indenting the subparagraph (C) added by section 302(b)(2) of MCCA 2 ems.

(16) SECTION 303.—(A) Section 1924 of the Social Security Act, as inserted by section 303(a)(1)(B) of MCCA, is amended—

(i) in the last sentence of subsection (c)(1)(B), by striking "has a right to a fair hearing" and all that follows through "needs allowance" and inserting "will have a right to a fair hearing under subsection (e)(2)";

(ii) in subsection (c)(2)(B), by striking "resources shall not" and all that follows through "does not exceed" and inserting "resources shall be considered to be available to an institutionalized spouse, but only to the extent that the amount of such resources exceeds";

(iii) in subsection (d)(3)(A)(i), by striking "nonfarm";

(iv) in subsection (d)(4), by striking "subparagraph (C)" and inserting "subparagraph (B)";

(v) in the first sentence of subsection (e)(2)(A), by inserting before the period at the end the following: "if an application for benefits under this title has been made on behalf of the institutionalized spouse";

(vi) in subsection (f)(1)—

(I) by striking "to the community spouse (or to another for the sole benefit of the community spouse)", and

(II) by striking "pacticable" and inserting "practicable"; and

(vii) in subsection (f)(3), by striking "spouse of a family member" and inserting "spouse or a family member".

(B) Section 1917(c) of the Social Security Act, as amended by section 303(b) of MCCA, is amended—

(i) in paragraph (1)—

(I) by inserting "for nursing facility services and for a level of care in a medical institution equivalent to that of nursing facility services and for services under section 1915(c)" after "period of ineligibility" the first place it appears,

(II) by inserting "or after" after "during",

(III) by striking "the individual's application for medical assistance under the State plan" and inserting "the date the individual becomes an institutionalized individual (if the individual is entitled to medical assistance under the State plan on such date) or, if the individual is not so entitled, the date the individual applies for such assistance while an institutionalized individual",

(ii) in paragraph (2)(A)(ii), by inserting "(I)" after "who" and by inserting "(II)" after "or" the first place it appears;

(iii) in paragraph (2)(A)(iii), by striking "of the individual's admission to the medical institution or nursing facility" and inserting "the individual becomes an institutionalized individual";

(iv) in paragraph (2)(A)(iv), by striking "of such individual's admission to the medical institution or nursing facility" and inserting "the individual becomes an institutionalized individual";

(v) in paragraph (2)(B)—

(I) by inserting "(i)" after "transferred", and

(II) by striking "or the individual's child who is blind or permanently and totally disabled" and inserting ", (ii) to the individual's child described in subparagraph (A)(ii)(II), or (iii) to (or to another for the sole benefit of) the individual's spouse if such spouse does not transfer such resources to another person other than the spouse for less than fair market value";

(vi) in paragraph (3), by striking "in a medical institution or nursing facility" and inserting "in a nursing facility, who is an inpatient in a medical institution and with respect to whom payment is made based on a level of care provided in a nursing facility, or who is described in section 1902(a)(10)(A)(ii)(VI)"; and

(v) by adding at the end the following new paragraph:

"(5) In this subsection, the term 'resources' has the meaning given such term in section 1613, without regard to the exclusion described in subsection (a)(1) thereof.".

(C) Section 1902(r)(2)(A) of the Social Security Act, as added by section 303(e)(5)(C) of MCCA, is amended by striking "or under subsection (f)" and inserting "or (f) or under section 1905(p)".

(D) Section 303 of MCCA is amended—

(i) in paragraph (2)(B), by inserting before the period at the end the following: ", except that such section shall not apply with respect to inter-spousal transfers occurring before October 1, 1989";

(ii) in paragraph (2)(C), by inserting before the period at the end the following: ", and the laws and policies established by the State as of June 30, 1988, or provided for before July 1, 1988, shall continue to apply through September 30, 1989, (and may, at a State's option continue after such date) to inter-spousal transfers occurring before October 1, 1989"; and

(iii) in paragraph (5), by striking "other than subsection (e)" and inserting "other than paragraphs (1) and (5) of subsection (e)".

(17) SECTION 411(a).—Section 1842(n)(1)(A) of the Social Security Act, as clarified by section 411(a)(3)(C) of MCCA, is amended by striking "the the supplier's" and inserting "the supplier's".

(18) SECTION 411(b).—(A) Subclauses (III) and (IV) of section 1886(b)(3)(B)(i) of the Social Security Act, as amended by section 411(b)(1)(A) of MCCA, are amended by striking "for for hospitals" and inserting "for hospitals".

(B) Section 411(b)(1)(E) of MCCA is amended by designating subparagraph (E) as clause (ii) and by inserting immediately before such subparagraph the following:

"(E)(i) Section 1886(d)(3)(A)(i) of the Social Security Act, as amended by section 4002(c)(1)(B)(i) of OBRA, is amended by striking 'occuring' and inserting 'occurring'.".

(C) Section 411(b)(4) of MCCA is amended by adding at the end the following new subparagraph:

"(E) Section 4005(b)(3)(B) of OBRA is amended by striking 'on' after '(B)'.".

(D) Section 411(b)(6)(C) of MCCA is amended—

(i) in clause (ix)(I), by striking "payors" and inserting "payers",

(ii) in clause (ix)(III), by striking "and" before "other persons", and

(iii) in clause (x)(II), by striking "operation" and inserting "operations".

(E) Section 411(b)(8)(A)(i) of MCCA is amended, in paragraph (1)(A)(ii) of the amendment inserted by such section, by inserting "the" immediately before "previous".

(19) SECTION 411(c).—Section 411(c) of MCCA is amended—

(A) in paragraph (2), by adding at the end the following new subparagraph:

"(C) Section 1866(a)(1) of the Social Security Act, as amended by section 4012(a) of OBRA, is amended—

"(i) by striking 'and' at the end of subparagraph (M), and

"(ii) by striking the period at the end of subparagraph (N) and inserting ', and'.";

(B) in paragraph (4)—

(i) by striking "and" at the end of subparagraph (A),

(ii) by redesignating subparagraph (B) as subparagraph (C), and

(iii) by inserting after subparagraph (A) the following new subparagraph:

"(B) in subparagraph (B)(i), by inserting 'of such subparagraph' after '(v)(I)', and"; and

(C) by redesignating paragraph (5) as paragraph (6) and by inserting after paragraph (4) the following new paragraph:

"(5) SECTION 4015.—Section 4015(a) of OBRA is amended—

"(A) in the first sentence of paragraph (7) by striking 'the the' and inserting 'the', and

"(B) in paragraph (10), by striking 'affect' and inserting 'effect'.".

(20) SECTION 411(d).—(A) Section 411(d)(2)(A) of MCCA is amended by striking "by inserting" and all that follows and inserting the following: "to read as follows: 'The provisions of section 1128A (other than subsections (a) and (b)) shall apply to a civil money penalty under this paragraph in the same manner as such provisions apply to a penalty or proceeding under section 1128A.'.".

(B) Section 411(d)(4)(A) of MCCA is amended—

(i) in clause (i)—

(I) by striking "accreditation" the first place it appears and inserting "certification", and

(II) by striking "accreditation survey conducted by a State agency or" and inserting "certification survey conducted by a State agency or accreditation survey conducted by a"; and

(ii) in clause (ii), amend subclause (II) to read as follows:

"(II) by striking 'pursuant to an agreement with the Secretary under section 1864' and inserting 'utilized by the Secretary under section 1865'.".

(C) Section 411(d)(4)(A)(ii)(I) of MCCA is amended by striking "such".

(D) The subsection inserted by section 411(d)(4)(B)(ii) of MCCA is amended by striking "agency" and inserting "agency)".

(21) SECTION 411(f).—(A) Section 1842(i)(3) of the Social Security Act, as redesignated by section 4042(b)(1)(C)(iii) of OBRA as amended by section 411(f)(2)(C) of MCCA, is amended by striking "paragraph (3)" and inserting "subsection (b)(3)".

(B) Section 411(f)(2)(F)(i) of MCCA is amended, in the matter inserted by such section—

(i) by striking "139u(b)(4)(A)" and inserting "1395u(b)(4)(A)", and

(ii) by striking the closing single quotation mark and the period that follows it.

(C) Section 411(f)(8)(D) of MCCA is amended by redesignating clauses (ii) through (v) as clauses (iii) through (vi), respectively, and by inserting after clause (i) the following new clause:

"(ii) in paragraph (4)(C), by striking 'Radiologist' and inserting 'For radiologist', and by striking '1842(b)(4)(E)(ii)' and inserting '1842(i)(3)';".

(D) Section 411(f)(9)(B) of MCCA is amended by inserting "and inserting '(or other applicable limit)' " before the semicolon at the end.

(E) Section 411(f)(10)(A)(iii) of MCCA is amended by striking "physician" and inserting "individual".

(F) Section 411(f)(10)(C)(i) of MCCA is amended—

(i) by striking "and" at the end of subclause (V),

(ii) by striking the period at the end of subclause (VI) and inserting ", and", and

(iii) by adding at the end the following new subclause:

"(VII) in subsection (d)(2), by striking 'continued' and inserting 'continues'.".

(G) Subclause (II) of section 411(f)(10)(C)(i) of MCCA is amended to read as follows:

"(II) by striking 'physician' and 'a physician' each place either appears (other than the third place either appears in subsection (a)(4)) and inserting 'individual' and 'an individual', respectively;".

(H) Section 411(f)(10)(C)(i)(IV) of MCCA is amended—

(i) by striking "paragraph (1)(A)" and inserting "subsection (a)(1)(A)", and

(ii) by striking the comma after "Loan Program".

(22) SECTION 411(g).—(A) Section 411(g)(1)(B) of MCCA is amended—

(i) by amending clause (xi) to read as follows:

"(xi) in paragraphs (8)(B) and (9)(B), by striking '(as defined in section 1886(d)(2)(D))' and inserting '(as defined by the Secretary)' and, in clause (i) of such paragraphs, by striking the comma after '1991';" and

(ii) by amending clause (xv) to read as follows:

"(xv) in paragraph (12), by striking 'for each region (as defined in section 1886(d)(2)(D))' and inserting 'for one or more entire regions defined for purposes of paragraphs (8)(B) and (9)(B)'; and".

(B) Section 1833(i)(6) of the Social Security Act, as added by section 4063(e)(1) of OBRA as amended by section 411(g)(2)(E) of MCCA, is amended by striking "other than" and inserting "including".

(C) Section 411(g)(3)(G)(i)(I) of MCCA is amended by striking "and 'certification' " and by striking "and 'approval', respectively".

(D) Section 411(g)(4)(C)(i) of MCCA is amended striking the comma after "1988" the first place it appears.

(23) SECTION 411(h).—(A) Section 411(h)(3)(B) of MCCA is amended by redesignating clauses (i) and (ii) as clauses (ii) and (iii), respectively, and by inserting before clause (ii), as so redesignated, the following new clause:

"(i) by striking '1395' and inserting '1395l',".

(B) Section 1861(s)(2)(K)(i)(I) of the Social Security Act, as designated by the amendment made by section 411(h)(6) of MCCA, is amended by striking "intermediate care facility (as defined in section 1905(c))" and inserting "nursing facility (as defined in section 1919(a))".

(24) SECTION 411(i).—(A) Section 411(i)(1)(E) of MCCA is amended by striking the comma after "1988".

(B) The paragraph (26) inserted by section 411(i)(4)(C)(vi) of MCCA is amended—

(i) by striking "and" at the end of subparagraph (A),

(ii) by adding "and" at the end of clause (i) of subparagraph (B), and

(iii) by redesignating clause (iii) of subparagraph (B) as subparagraph (C) and by moving the indentation of such subparagraph 2 ems to the left.

(C) Section 411(i)(4) of MCCA is amended—

(i) in subparagraph (D)(i)(I), by striking ", 1842(j)(2), or 1867(d)" and inserting "or 1842(j)(2)", and

(ii) in subparagraph (D)(ii)—

(I) by inserting "and" at the end of subclause (III),

(II) by striking subclause (IV), and

(III) by redesignating subclause (V) as subclause (IV).

(25) SECTION 411(j).—(A) Section 411(j)(3) of MCCA is amended by adding at the end the following new subparagraph:

"(C) Section 4094(e) of OBRA is amended by striking 'feasability' and inserting 'feasibility'.".

(B) Section 411(j)(4)(C) of MCCA is amended by striking "before 'paragraph (2)' ".

(26) SECTION 411(k).—(A) Section 411(k)(6)(A)(vi)(IV) of MCCA is amended by striking "the election made by a State under" and inserting "whether the hospital is described in subparagraph (A) or (B) of".

(B) Section 411(k)(6)(A)(vii)(II) of MCCA is amended by inserting "the first place it appears" before the comma.

(C) The paragraph added by section 411(k)(6)(A)(vii)(III) of MCCA is amended by striking "Statewide" and inserting "statewide".

(D) Section 1923(b)(3)(B)(i) of the Social Security Act, as redesignated by section 411(k)(6)(B)(i) of MCCA and as amended by section 411(k)(6)(A)(v) of MCCA, is amended by inserting "of subparagraph (A)" after "clause (i)(II)".

(E) Section 1923(c) of the Social Security Act, as designated by section 411(k)(6)(B)(i) of MCCA, by striking "subsection (c)" and inserting "this subsection".

(F) Section 411(k)(6)(B)(vi) of MCCA is amended by striking "(c)" and inserting "(d)".

(G) Section 411(k)(9) of MCCA is amended by striking "(A)" immediately after ".—".

(H) Section 411(k)(10)(B)(ii)(II) of MCCA is amended by striking "1128(a)" and "1320a-7(a)" and inserting "1128A(a)" and "1320a-7a(a)", respectively.

(I) Section 1128A(l) of the Social Security Act, as added by section 4118(e)(1)(B) of OBRA and as amended by section 411(k)(10)(B)(ii)(III) of MCCA, is amended

by inserting "for penalties, assessments, and an exclusion" after 'liable".

(J) Section 4118(e)(10)(C) of OBRA, as added by section 411(k)(10)(D) of MCCA, is amended by inserting "of subsection (i)" after "at the end".

(K) Section 411(k)(10)(D) of MCCA is amended—

(i) in the paragraph (6)(B) inserted by such section, by striking "or section 1867(d)(2)", and

(ii) in subparagraphs (A) and (B) of the paragraph (11) inserted by such section and in the paragraphs (12) and (13) inserted by such section, by striking "1842(j)(2), or 1867(d)(2)" and inserting "or 1842(j)(2)".

(L) Section 411(k)(16)(B) of MCCA is amended—

(i) by striking "and" at the end of clause (ii),

(ii) by redesignating clause (iii) as clause (iv), and

(iii) by inserting after clause (ii) the following new clause:

"(iii) in clause (iii), by striking the period at the end and inserting '; or', and".

(M) Section 411(k)(17)(A)(iv) of MCCA is amended by inserting a comma immediately before "(d)" the second place it appears.

(27) SECTION 411(l).—(A) Section 411(l)(1)(A) of MCCA is amended by redesignating clauses (iv) through (xi) as clauses (v) through (xii), respectively, and by inserting after clause (iii) the following new clause:

"(iv) in subsection (c)(1), by adding at the end the following new subparagraph:

" '(D) USE OF PSYCHOPHARMACOLOGIC DRUGS.—Psychopharmacologic drugs may be administered only on the orders of a physician and only as part of a plan (included in the written plan of care described in paragraph (2)) designed to eliminate or modify the symptoms for which the drugs are prescribed and only if, at least annually, an independent, external consultant reviews the appropriateness of the drug plan of each resident receiving such drugs.'.".

(B) Section 411(l)(1) of MCCA is amended by adding at the end the following new subparagraph:

"(C) Section 4201(d) of OBRA, as amended by subparagraph (B), is further amended by adding at the end the following new paragraphs:

" '(3) Section 1883(f) of such Act (42 U.S.C. 1395tt(f)) is amended by striking "section 1861(j)(15)" and inserting "section 1819".'.

" '(4) The third sentence of section 1864(a) of such Act (42 U.S.C. 1395aa(a)) is amended by striking "1861(j)" and inserting "1819(a)".

" '(5) Section 1861(n) of such Act (42 U.S.C. 1395x(n)) is amended by striking "or (j)(1) of this section" and inserting "of this section or section 1819(a)(1)".'.".

(C) Section 411(l)(2)(A) of MCCA is amended by inserting a comma immediately after "this title" and immediately after "title XVIII".

(D) Section 411(l)(2)(D)(i) of MCCA is amended by striking "care".

(E) Section 411(l)(3)(C) of MCCA is amended by inserting "(i)" after "(C)" and by adding at the end the following new clauses:

"(ii) Section 4211 of OBRA (101 Stat. 1330-196) is amended by striking the following (and the immediately preceding quotation marks and period):

" '(c) STATE REQUIREMENTS RELATING TO NURSING FACILITY REQUIREMENTS.—Section 1919 of such Act is further amended by adding at the end the following new subsection:'.

"(iii) Section 1919(c)(2)(B)(iii)(III) of the Social Security Act, as inserted by section 4211(a)(3) of OBRA, is amended by striking 'responsibile' and inserting 'responsible'.".

(F) Section 411(l)(3)(H)(i) of MCCA is amended by striking "each place it appears".

(G) Section 411(l)(3)(H)(iii) of MCCA is amended by inserting "services" immediately after "nursing facility" the first place it appears.

(H) Section 411(l)(3) of MCCA is amended by adding at the end the following new subparagraph:

"(J) Section 4211(h)(2)(B) of OBRA is amended by inserting a comma before 'nursing facility,' the second place it appears.".

(I) Section 411(l)(5) of MCCA is amended by redesignating subparagraphs (F) and (G) as subparagraphs (G) and (H), respectively, and by inserting after subparagraph (E) the following new subparagraph:

"(F) in paragraph (2)(B)(ii), by striking 'practical' and inserting 'practicable';".

(J) Section 411(l)(6) of MCCA is amended by adding at the end the following new subparagraph:

"(F) Section 1910(b)(1) of the Social Security Act, as redesignated by section 4212(e)(3)(C) of OBRA, is amended by inserting 'or section 1919' after '1902(a)(28)'.".

(K) Section 411(l)(9)(B)(ii) of MCCA is amended by striking "(c) as subsection (d)" and inserting "(b) as subsection (c)".

(L) Section 411(l) of MCCA is further amended by adding at the end the following new paragraph:

"(11) SECTION 4203.—Section 1819(h)(5) of the Social Security Act, as added by section 4203(a)(2) of OBRA, is amended by striking '(iii), and (iv) of paragraph (2)(A)' and inserting 'and (iii) of paragraph (2)(B)'.".

(28) SECTION 411(n).—Section 411(n) of MCCA is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

"(3) SECTION 9116.—Subsection (d) of section 9116 of OBRA is amended to read as follows:—

" '(d) CONFORMING AMENDMENT.—Section 1923(a)(2) of the Social Security Act, as amended by section 4118(p)(9) of this Act, is amended by adding at the end the following new subparagraph:

" ' "(E) Section 1634(d) of this Act (relating to individuals who lose eligibility for SSI benefits due to entitlement to early widow's or widower's insurance benefits under section 202(e) or (f) of this Act)." '.".

(29) SECTION 411(p).—Section 411 of MCCA is amended by adding at the end the following new subsection:

"(p) MISCELLANEOUS.—Section 2312(c) of the Deficit Reduction Act of 1984, as amended by section 9320(a) of the Omnibus Budget Reconciliation Act of 1986, is amended by striking 'end' and inserting 'ends'.".

(30) SECTION 428.—(A) Subsection (c)(1) of section 1140 of the Social Security Act, as added by section 428(a) of MCCA, is amended to read as follows:

"(c)(1) The provisions of section 1128A (other than subsections (a), (b), (f), (h), and (i)) shall apply to civil money penalties under subsection (b) in the same manner as such provisions apply to a penalty or proceeding under section 1128A(a).".

(B) Section 428(b) of MCCA is amended by striking "MEDICAL" and inserting "MEDICARE".

(e) EXTENSION OF PILOT PROGRAM.—The Secretary of Health and Human Services shall extend through December 31, 1989, the pilot test program, being conducted by States under the Annual Grant Award Study established by the Joint State/Federal Cash Management Reform Task Force, on the same terms and conditions that existed as of September 30, 1988.

(f) MISCELLANEOUS CORRECTIONS.—

(1) Section 1866 of the Social Security Act (42 U.S.C. 1395cc) is amended by striking subsection (f).

(2) Section 1915(a)(2) of the Social Security Act, as amended by section 8(h)(2) of Public Law 100-93, is amended by striking "Restricts" and inserting "restricts".

(3) Section 1905(o) of the Social Security Act is amended by moving the indentation of paragraph (3), as added by section 9435(b)(2) of Public Law 99-509, 2 ems to the left.

(4) Section 1903(m)(2)(B)(i)(II) of the Social Security Act is amended by striking "1902(a)(13)(A)(ii)" and inserting "1902(a)(10)(D)".

(5) Effective as of the date of the enactment of Public Law 95-292, section 226(a) of the Social Security Act (42 U.S.C. 426(a)) is amended by striking "condition specified in paragraph (1)" and inserting "condition specified in paragraph (2)".

(g) EFFECTIVE DATE.—(1) The amendments made by subsections (a), (b), and (d) shall be effective as if included in the enactment of the Medicare Catastrophic Coverage Act of 1988.

(2) The amendments made by subsection (c) and subsection (f) (other than paragraph (5)) shall take effect on the date of the enactment of this Act.

(h) QUALITY CONTROL TRANSITION.—There shall not be taken into account, for purposes of section 1903(u) of the Social Security Act, payments and expenditures for medical assistance which are made on or after January 1, 1989, and before July 1, 1989, and which are attributable to medicare-cost sharing for qualified medicare beneficiaries (as defined in section 1905(p) of such Act).

SEC. 609. EXTENSION OF QUALITY CONTROL PENALTY MORATORIUM.

(a) MORATORIUM EXTENDED.—Section 403 of the Social Security Act (as amended by section 201(c)(2) of this Act) is further amended by adding at the end the following new subsection:

"(l)(1) During the 12-month period beginning on July 1, 1988 (in this subsection referred to as the 'moratorium period'), the Secretary shall not impose any reductions in payments to States pursuant to subsection (i) (or prior regulations), or pursuant to any comparable provision of law relating to the programs under this part in Puerto Rico, Guam, the Virgin Islands, American Samoa, or the Northern Mariana Islands.

"(2) During the moratorium period—

"(A) the Secretary and the States shall continue to operate the quality control systems in effect under this part, and to calculate the error rates under the provisions referred to in paragraph (1), including the process of requesting and reviewing waivers; and

"(B) the Departmental Grant Appeals Board shall, notwithstanding paragraph (1), review disallowances for fiscal year 1981 and thereafter and hear appeals with respect thereto (but collection of disallowances owed as a result of Departmental Grant Appeals Board decisions shall not occur).".

(b) CONFORMING AMENDMENTS.—(1) Subparagraph (A) of section 12302(c)(1) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (P.L. 99-272) is amended by *striking "titles IV-A and" and inserting in lieu thereof "title".*

(2) Paragraph (1) of section 12302(c) of such Act is repealed.

(c) Effective Date.—The amendments made by subsections (a) and (b) shall take effect on July 1, 1988.

TITLE VII—FUNDING PROVISIONS

SEC. 701. TEMPORARY EXTENSION OF PROVISIONS RELATING TO COLLECTION OF NONTAX DEBTS OWED TO FEDERAL AGENCIES.

(a) General Rule.—Subsection (c) of section 2653 of the Deficit Reduction Act of 1984 is amended by striking "before July 1, 1988" and inserting "on or before January 10, 1994".

(b) Coordination of Disclosure Provisions.—

(1) In general.—Paragraph (10) of section 6103(l) of the Internal Revenue Code of 1986 (relating to disclosure of certain information to agencies requesting a reduction under section 6402(c) or 6402(d)) is amended to read as follows:

"(10) Disclosure of certain information to agencies requesting a reduction under section 6402(c) or 6402(d).—

"(A) Return information from internal revenue service.—The Secretary may, upon receiving a written request, disclose to officers and employees of any agency seeking a reduction under subsection (c) or (d) of section 6402—

"(i) taxpayer identity information with respect to the taxpayer against whom such a reduction was made or not made and with respect to any other person filing a joint return with such taxpayer,

"(ii) the fact that a reduction has been made or has not been made under such subsection with respect to such taxpayer,

"(iii) the amount of such reduction,

"(iv) whether such taxpayer filed a joint return, and

"(v) the fact that a payment was made (and the amount of the payment) to the spouse of the taxpayer on the basis of a joint return.

"(B) Restriction on use of disclosed information.—Any officers and employees of an agency receiving return information under subparagraph (A) shall use such information only for the purposes of, and to the extent necessary in, establishing appropriate agency records, locating any person with respect to whom a reduction under subsection (c) or (d) of section 6402 is sought for purposes of collecting the debt with respect to which the reduction is sought, or in the defense of any litigation or administrative procedure ensuing from a reduction made under subsection (c) or (d) of section 6402."

(2) Conforming amendments.—

(A) Subsection (l) of section 6103 of such Code is amended by striking paragraph (11) and by redesignating paragraph (12) as paragraph (11).

(B) Paragraphs (3)(A) and (4) of section 6103(p) of such Code are each amended by striking "(10), (11), or (12)" each place it appears and inserting "(10), or (11)".

(C) Paragraph (2) of section 7213(a) of such Code is amended by striking "(9), (10), or (11)" and inserting "(9), or (10)".

(3) Effective dates.—

(A) In general.—The amendments made by this subsection shall take effect on the date of the enactment of this Act.

(B) Special rule.—Nothing in section 2653(c) of the Deficit Reduction Act of 1984 shall be construed to limit the application of paragraph (10) of section 6103(l) of the Internal Revenue Code of 1986 (as amended by this subsection).

SEC. 702. LIMITATION ON USE OF REIMBURSEMENT ARRANGEMENTS TO AVOID 2-PERCENT FLOOR.

(a) General Rule.—Section 62 of the Internal Revenue Code of 1986 (defining adjusted gross income) is amended by adding at the end thereof the following new subsection:

"(c) Certain Arrangements Not Treated as Reimbursement Arrangements.—For purposes of subsection (a)(2)(A), an arrangement shall in no event be treated as a reimbursement or other expense allowance arrangement if—

"(1) such arrangement does not require the employee to substantiate the expenses covered by the arrangement to the person providing the reimbursement, or

"(2) such arrangement provides the employee the right to retain any amount in excess of the substantiated expenses covered under the arrangement.

The substantiation requirements of the preceding sentence shall not apply to any expense to the extent that substantiation is not required under section 274(d) for such expense by reason of the regulations prescribed under the 2nd sentence thereof."

(b) Effective Date.—The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1988.

SEC. 703. MODIFICATIONS TO DEPENDENT CARE CREDIT AND EXCLUSION FOR DEPENDENT CARE ASSISTANCE.

(a) Reduction in Maximum Age of Nonhandicapped Qualifying Individual.—Subsections (b)(1)(A) and (e)(5)(B) of section 21 of the Internal Revenue Code of 1986 are each amended by striking "age of 15" and inserting "age of 13".

(b) Limitation on Credit Reduced by Amount of Exclusion.—Subsection (c) of section 21 of such Code is amended by adding at the end thereof the following new sentence:

"The amount determined under paragraph (1) or (2) (whichever is applicable) shall be reduced by the aggregate amount excludable from gross income under section 129 for the taxable year."

(c) Requirement of Furnishing Identifying Information With Respect to Service Provider.—

(1) Credit.—Subsection (e) of section 21 of such Code is amended by adding at the end thereof the following new paragraph:

"(9) Identifying information required with respect to service provider.—No credit shall be allowed under subsection (a) for any amount paid to any person unless—

"(A) the name, address, and taxpayer identification number of such person are included on the return claiming the credit, or

"(B) if such person is an organization described in section 501(c)(3) and exempt from tax under section 501(a), the name and address of such person are included on the return claiming the credit.

In the case of a failure to provide the information required under the preceding sentence, the preceding sentence shall not apply if it is shown that the taxpayer exercised due diligence in attempting to provide the information so required."

(2) Exclusion.—Subsection (e) of section 129 of such Code is amended by adding at the end thereof the following new paragraph:

"(9) Identifying information required with respect to service provider.—No amount paid or incurred by an employer for dependent care assistance provided to an employee shall be excluded from the gross income of such employee unless—

"(A) the name, address, and taxpayer identification number of the person performing the services are included on the return to which the exclusion relates, or

"(B) if such person is an organization described in section 501(c)(3) and exempt from tax under section 501(a), the name and address of such person are included on the return to which the exclusion relates.

In the case of a failure to provide the information required under the preceding sentence, the preceding sentence shall not apply if it is shown that the taxpayer exercised due diligence in attempting to provide the information so required."

(3) Conforming amendment.—Paragraph (2) of section 6109(a) of such Code is amended by striking "shall furnish" and inserting "or whose identifying number is required to be shown on a return of another person shall furnish".

(c) Effective Date.—The amendments made by this section shall apply to taxable years beginning after December 31, 1988.

SEC. 704. TAXPAYER IDENTIFICATION NUMBER REQUIRED FOR DEPENDENTS WHO HAVE ATTAINED AGE 2.

(a) General Rule.—Paragraph (2) of section 6109(e) of the Internal Revenue Code of 1986 (relating to furnishing number for certain dependents) is amended by striking "age of 5" and inserting "age of 2".

(b) Effective Date.—The amendment made by subsection (a) shall apply to returns the due date for which (determined without regard to extensions) is after December 31, 1989.

And the Senate agree to the same.

Amend the title so as to read:

An Act to revise the AFDC program to emphasize work, child support, and family benefits, to amend title IV of the Social Security Act to encourage and assist needy children and parents under the new program to obtain the education, training, and employment needed to avoid long-term welfare dependence, and to make other necessary improvements to assure that the new program will be more effective in achieving its objectives.

From the Committee on Ways and Means, for consideration of the House bill (except title X), and the Senate amendment (except secs. 203(b)(5), 203(b)(6), 302, 303, 402(d), and 509), and modifications committed to conference:

Dan Rostenkowski,
Tom Downey,
Harold Ford,
Donald J. Pease,
Barbara B. Kennelly,
Guy Vander Jagt,
Bill Frenzel,
Hank Brown,

From the Committee on Education and Labor, for consideration of title I and secs. 202, 511, and 804 of the House bill, and title II and secs. 503, 503, 506, 507, and 508 of the Senate amendment, and modifications committed to conference:

Stephen J. Solarz,
Jim Jeffords,
Steve Gunderson,
Paul B. Henry,

From the Committee on Energy and Commerce, for consideration of title IV of the House bill, and secs. 203(b)(5), 203(b)(6), 302, 303, 402(d), 402(f), 404, 508, 509, 510, and 704 of the Senate amendment, as well as that portion of sec. 201 of the Senate amendment which adds a new sec. 417 (f)(6) to the Social Security Act, and modifications committed to conference:

John D. Dingell,
Henry A. Waxman,

JAMES H. SCHEUER,
DOUG WALGREN,
RON WYDEN,
WAYNE DOWDY,
ED MADIGAN,
BOB WHITTAKER,
THOMAS J. TAUKE,

From the Committee on Agriculture, for consideration of title X and sec. 801 of the House bill and modifications committed to conference:

E DE LA GARZA,
LEON E. PANETTA,
DAN GLICKMAN,
HARLEY O. STAGGERS, JR.,
MIKE ESPY,
BILL EMERSON,
TOM LEWIS,
BILL SCHUETTER,
WALLY HERGER,

Managers on the Part of the House.

LLOYD BENTSEN,
DANIEL PATRICK MOYNIHAN,
DAVID PRYOR,
JOHN D. ROCKEFELLER IV,
THOMAS A. DASCHLE,
BOB PACKWOOD,
BOB DOLE,
MALCOLM WALLOP,
WILLIAM L. ARMSTRONG,

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1702) to replace the existing AFDC program with a new Family Support Program which emphasizes work, child support, and need-based family support supplements, to amend title IV of the Social Security Act to encourage and assist needy children and parents under the new program to obtain the education, training, and employment needed to avoid long-term welfare dependence, and to make other necessary improvements to assure that the new program will be more effective in achieving its objectives, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in a conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

TITLE I.—CHILD SUPPORT AND ESTABLISHMENT OF PATERNITY

A. GUIDELINES FOR CHILD SUPPORT AWARD AMOUNTS

(Section 501 of the House bill and section 103 of the Senate amendment.)

1. Voluntary/mandatory use

Present Law

A provision in the 1984 child support amendments requires each State to establish guidelines for child support awards within the State. Guidelines may be established by law or by judicial or administrative action. They must be made available to all judges and other officials who have the power to determine awards, but need not be binding on them.

House Bill

The House bill requires judges and other officials to use the State's guidelines, uniformly applied, as a rebuttable presumption. The presumption may be rebutted by a written finding that the application of the guidelines would be unjust or inappropriate in a particular case.

Effective date: First calendar quarter beginning one year or more after enactment.

Senate Amendment

The Senate amendment requires judges and other officials to apply the State's guidelines unless there is a finding, pursuant to criteria established by the State, that there is good cause for not doing so.

Effective date: One year after enactment.

Conference Agreement

The conference agreement follows the House bill with modification. United States judges and other officials must use the States' guidelines, uniformly applied, as a rebuttable presumption. The presumption may be rebutted by a written finding that the application of the guidelines would be unjust or inappropriate in a particular case, as determined under criteria established by the State.

2. Review of State's guidelines

Present Law

No provision.

House Bill

The House bill requires the State to review (and update if necessary) the guidelines at least once every three years.

Effective date: First calendar quarter beginning one year or more after enactment.

Senate Amendment

The Senate amendment requires the State to review the guidelines at least once every five years to ensure that their application results in the determination of appropriate child support award amounts.

Effective date: One year after enactment.

Conference Agreement

The conference agreement requires the State to review guidelines for child support award amounts at least once every four years to insure that their application results in the determination of appropriate child support award amounts.

3. Review of individual awards

Present Law

No provision.

House Bill

The House bill requires the State to review and update all child support orders at least once every two years. Reviews must be in accordance with State due process requirements, including at a minimum the provision to both parties of all information necessary to determine a new award level under the guidelines, and notice and opportunity for a hearing if desired by either party (but nothing in this provision may be construed to require the lowering of any support order fixed by contract between the parties.)

Effective date: First calendar quarter beginning one year or more after enactment.

Senate Amendment

For AFDC cases, the Senate amendment requires the State to submit, no later than one year after enactment, a plan indicating how and when periodic review and adjustment will be performed. No later than 5 years after enactment, the State must review and adjust (as appropriate) awards every 2 years unless it is determined that it would not be in the best interests of the child. In any case, reviews must be made every 2 years if either parent requests review.

For non-AFDC IV-D cases, the Senate amendment requires, beginning one year after enactment, that if the State determines based on State criteria that the award should be reviewed and adjusted, the State must initiate proceedings at least once every 24 months to review and adjust the child support award at the request of either parent. Beginning five years after enactment, the State must provide review every 2 years if either parent requests it, and must notify parents of their right to review.

Effective date: One year after enactment.

Conference Agreement

The conference agreement modifies the House bill and the Senate amendment. Beginning 2 years after enactment, if the State determines (pursuant to a plan indicating how and when periodic review and adjustment of benefits will be performed) that the child support award being enforced under the IV-D program should be reviewed, the State must initiate review and adjust the award at the request of either parent. Review of an AFDC case may also be initiated at the request of the State agency.

Beginning 5 years after enactment, the State must implement a periodic review and adjustment process under which:

—with respect to AFDC cases, the review and adjustment (as appropriate), must occur at least once every 3 years unless it is determined that it would not be in the best interests of the child. In any case, reviews must be made every 3 years if either parent requests review.

—with respect to other IV-D cases, the review and adjustment (as appropriate) must occur at least every three years at the request of either parent.

—the State must notify parents of their right to review.

The Secretary of HHS is required to conduct a study of the impact on child support awards and the courts of requiring periodic review for all other cases. The report would be due within 2 years after enactment.

4. Demonstrations for evaluating model procedures for reviewing awards

(Sec. 103(d) of the Senate amendment.)

Present Law

No provision.

House Bill

No provision.

Senate Amendment

The Senate amendment requires that no later than April 1, 1989, the Secretary must enter into an agreement with four States to conduct demonstration projects to test and evaluate model procedures for reviewing child support award amounts. The Senate amendment provides 90% Federal matching for the costs of the demonstrations. Demonstration shall last two years, and shall begin by September 30, 1989.

Effective date: Upon enactment.

Conference Agreement

The conference agreement follows the Senate amendment.

B. ESTABLISHMENT OF PATERNITY

(Section 502 of the House bill and sections 111 and 112 of the Senate amendment.)

1. Paternity establishment performance standards

Present Law

Present law requires the Secretary to establish such standards for State programs for locating absent parents, establishing paternity, and obtaining child support as he determines to be necessary to assure that such programs will be effective. States that do not meet Federal performance standards are subject to penalty (as described in item H).

House Bill

The House bill requires that each State have procedures under which the State is required:

(1) to establish paternity for every child in a family receiving AFDC as soon as possible after the child's birth, but in any event before the child's 18th birthday;

(2) to require the child and all other parties in a contested paternity case to submit to genetic tests upon the request of any party; and

(3) to use a 95 percent probability index from blood tests as a rebuttable presumption of paternity.

The above procedures are not required if the mother has been found to have good cause for refusing to cooperate in establishing or collecting support on behalf of an AFDC child. A State shall be deemed to have met the requirement in (1) above in FY 89 if the number of cases in which paternity is established in the State in that year is at least 50 percent higher than the number of cases in 1986, and to have satisfied the requirement in any of the next 4 years if the number of cases in which paternity is established is at least 15 percent higher than the number of cases in the preceding fiscal year.

The House bill encourages each State, in the administration of its IV-D program, to implement a simple civil process for voluntarily acknowledging paternity, and civil procedure for establishing paternity in contested cases.

Effective date: First calendar quarter beginning 1 year or more after enactment.

Senate Amendment

The Senate amendment requires the Secretary to set standards for measuring State performance with respect to the establishment of paternity for children who are receiving AFDC or IV-D child support services. To meet Federal requirements, a State's paternity establishment percentage must be at least 50 percent or it must equal or exceed the average for all States, or have increased by 3 percentage points from FY 1988 to 1991 and by 3 percentage points each year thereafter.

A State's paternity establishment percentage is: the number of children in the State who are born out of wedlock, are receiving cash benefits or IV-D child support services, and for whom paternity has been established, divided by the number of children who are born out of wedlock and are receiving cash benefits or IV-D child support services. A child who is receiving benefits by reason of the death of a parent, or a child with respect to whom a mother is found to have good cause for refusing to cooperate in establishing or collecting support, is excluded from this equation. The Secretary may modify the above requirement so as to take into account additional variables (including the percentage of out-of-wedlock births in a State).

The Senate amendment specifies that the requirements of this provision do not supplant any other requirements established by regulation that are consistent with these requirements.

Effective date: Upon enactment.

Conference Agreement

With respect to performance standards for the establishment of paternity, the conference agreement follows the Senate amendment. The conference agreement adopts the House provision providing that each State require the child and all other parties in a contested paternity case to submit to genetic tests upon the request of any party, with a modification permitting States to charge fees (established under regulations of the Secretary) to individuals who are not receiving AFDC.

The conference agreement adopts the House provision encouraging civil processes and procedures in paternity cases.

2. Treatment of paternity establishment in determining incentive payments

Present Law

Under present law, each State is eligible to receive a basic incentive payment equal to a minimum of 6% of collections made on behalf of AFDC families, and 6% of collections made on behalf of non-AFDC families. The amount of each State's incentive payment may reach a high of 10% of AFDC collections, plus 10% of non-AFDC collections, depending on the State's ratio of collections to administrative costs. The laboratory costs of blood tests that are used to establish paternity are excluded from the State's administrative costs in determining the State's cost/collection ratios for purposes of determining the amount of incentive payments.

House Bill

The House bill provides that, for purposes of determining a State's incentive payments, child support collections are deemed to be $100 a month for up to 12 months in every case in which paternity has been established, but collections have not begun or are less than $100 a month.

Effective date: First calendar quarter beginning one year or more after enactment.

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the Senate amendment (i.e., no provision).

3. Enhanced matching for costs of paternity establishment activities

Present Law

The Federal matching rate for child support administrative costs, including paternity establishment, is 68% in 1988 and 1989, and 66% in 1990 and years thereafter.

House Bill

No provision.

Senate Amendment

The Senate amendment authorizes 90% Federal matching for the costs of laboratory testing to establish paternity.

Effective date: With respect to laboratory costs incurred on or after October 1, 1988.

Conference Agreement

The conference agreement follows the Senate amendment.

4. Requirement to permit paternity establishment for child under 18

Present Law

A provision in the Child Support Enforcement Amendments of 1984 requires each State to have procedures which permit the establishment of paternity of any child at any time prior to the child's 18th birthday. All States have implemented this requirement.

House Bill

The House bill provides that effective August 16, 1984, the provision relating to the establishment of paternity is made applicable to any child for whom paternity has not yet been established and any child for whom a paternity action was brought but dismissed because a statute of limitations of less than 18 years was in effect in the State.

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the House bill.

C. VISITATION/CUSTODY DEMONSTRATION PROJECTS

(Section 503 of the House bill and section 505 of the Senate amendment.)

Present Law

No provision.

House Bill

The House bill allows the Secretary to make grants to any State, in amounts up to $5 million a year, to assist in financing state demonstration projects to identify problems in connection with visitation by absent parents and to address problems involving child custody, to determine the magnitude of the problems, and to test possible solutions. Projects may not include the non-payment of child support payments pending visitation, and may last no more than three years.

Effective date: First calendar quarter beginning one year or more after enactment.

Senate Amendment

The Senate amendment authorizes $5 million for each of fiscal years 1988 and 1989 for grants to assist in financing demonstration projects established by States (in accordance with requirements by the Secretary) to develop, improve, or expand activities designed to increase compliance with child access provisions of court orders. The Senate amendment requires the Secretary to submit a report to the Congress by July 1991 on the effectiveness of the projects in: (1) decreasing the time required for the resolution of disputes related to child access; (2) reducing litigation relating to access disputes; and (3) improving compliance with court-ordered child support payments.

Effective date: Upon enactment.

Conference Agreement

The conference agreement follows the Senate amendment authorizing demonstrations, with a modification to add the House language prohibiting projects which allow non-payment of child support pending visitation. The conference agreement authorizes $4 million for each of fiscal years 1990 and 1991.

D. DISREGARD OF CHILD SUPPORT

(Section 504 of the House bill and section 102 of the Senate amendment.)

Present Law

A provision in the 1984 Deficit Reduction Act requires the disregard of the first $50 of child support payments received in a month in determining the eligibility and benefit amount for an AFDC family.

House Bill

The House bill clarifies that the $50 disregard applies to a payment received in one month which was due for a prior month, if it was timely made when due by an absent parent.

Effective date: First calendar quarter beginning one year or more after enactment.

Senate Amendment

The Senate amendment clarifies that the $50 disregard applies to a payment received in a month which was due for a prior month if it was made by the absent parent in the month when due.

Effective date: First calendar quarter after enactment.

Conference Agreement

The conference agreement follows the Senate amendment.

E. REQUIREMENT OF PROMPT STATE RESPONSE

(Section 505 of the House bill and section 121 of the Senate amendment.)

Present Law

Present law requires the Secretary to establish such standards for State programs for locating absent parents, establishing paternity, and obtaining child support as he determines to be necessary to assure that such programs will be effective.

House Bill

The House bill requires the Secretary to set standards establishing limitations on the period of time within which a State must (1) respond to requests for assistance in locating absent parents or establishing paternity, and (2) begin proceedings to establish or enforce child support awards.

Effective date: First calendar quarter beginning one year or more after the date of enactment.

Senate Amendment

The Senate amendment requires the Secretary to set standards establishing time limits governing periods in which a State must accept and respond to requests (from individuals, States, or jurisdictions) for assistance in establishing and enforcing support orders, including requests to locate absent parents, establish paternity, or initiate proceedings to establish and collect awards. The Senate amendment requires the Secretary of HHS to establish an advisory committee and to consult with the committee before issuing regulations. A notice of proposed rulemaking must be published within 180 days after enactment. Final regulations must be issued by the 10th month after enactment.

The Senate amendment requires the Secretary to establish time limits within which child support payments collected by the State IV-D agency must be distributed to the families to whom they are owed. Regulations must be issued within 10 months after enactment.

Conference Agreement

The conference agreement follows the Senate amendment.

F. REQUIREMENT FOR AUTOMATED TRACKING AND MONITORING SYSTEM

(Section 506 of the House bill and section 122 of the Senate amendment.)

Present Law

Present law authorizes 90% Federal matching, on an open-ended entitlement basis, to States that elect to establish a statewide automated data processing and information retrieval system to carry out the State's child support enforcement plan. Funds may be used to plan, design, develop and install or enhance the system, and may be used to pay for the acquisition of computer hardware. The Secretary must find that the system meets specified conditions. States also may receive the regular matching rate (68% in FY 88) for automated systems that are not statewide or do not otherwise meet the Federal requirements to qualify for 90% matching.

House Bill

The House bill requires every State that does not have in effect a statewide automated data processing and information retrieval system that meets Federal requirements to submit to the Secretary by October 1, 1989 an advance planning document that meets Federal requirements. The House bill requires that by October 1, 1990, the Secretary shall have approved each State document that has been submitted, and by October 1992, every State shall have an approved system in effect. The House bill repeals 90% Federal matching for automated data systems, effective October 1, 1992.

Senate Amendment

The Senate amendment requires each State to have an approved statewide system that meets Federal requirements for 90% matching by not later than the date specified in the State's advance planning document (which must be within 10 years after the date the document is submitted to the Secretary). The advance planning document must be submitted by October 1, 1990 in order to qualify for 90% matching. The Senate amendment allows the Secretary to waive the requirement if a State demonstrates that it has an alternative system that enables the State to be in substantial compliance with Federal child support requirements.

Conference Agreement

The conference agreement requires every State that does not have in effect a statewide automated tracking and monitoring system document that meets Federal requirements to submit to the Secretary by October 1, 1991 an advance planning document that meets Federal requirements. The Secretary must approve each State document within 9 months after submittal. By October 1, 1995, every State must have an approved system in effect. The conference agreement repeals the 90% Federal matching for automated data systems effective September 30, 1995.

The conferees are aware that concerns have been raised about the present rules and process for approving advance planning documents submitted by the States. The conferees direct the Secretary to review the situation to determine whether any changes in rules or procedure are warranted. If the Secretary determines that any changes in regulations are necessary, such changes must be promulgated in final form no later than October 1, 1990.

The conference agreement follows the Senate amendment allowing the Secretary to waive the requirement for an approved statewide system, but adds that the waiver must meet Sec. 1115 child support requirements or the State must provide assurances to the Secretary that steps will be taken to otherwise improve the State's child support enforcement program.

G. INTERSTATE ENFORCEMENT

(Sections 507, 509, and 513 of the House bill and sections 123 and 125 of the Senate amendment.)

1. Commission on interstate enforcement

Present Law

No provision.

House Bill

The House bill establishes a Commission to study the problems of interstate enforcement and to develop a new model interstate law. Within 1 year after the date of enactment the Commission shall submit to the President and the Congress a report on the results of its study, including a draft of a model state law for interstate enforcement, along with recommendations for further legislative, administrative, and other actions at every level. The House bill requires that the Commission be composed of 15 members: (1) 2 members of the Senate, 1 selected by the Majority Leader and one by the Minority Leader; (2) 2 members of the House, 1 selected by the Speaker and 1 by the Minority Leader; (3) the Secretary of HHS; (4) a representative of the Commissioners on Uniform State laws; (5) a State IV-D agency director; (6) a State or local prosecutor; and (7) 7 advocates for or representatives of custodial and non-custodial parents. The House bill requires that members specified in items 4-7 be selected jointly by the Speaker of the House and the Majority Leader of the Senate in consultation with the Minority Leaders of the House and Senate. The bill authorizes such sums as may be necessary.

Senate Amendment

The Senate amendment establishes a Commission on Interstate Child Support which is required to hold one or more national conferences on interstate child support reform and, not later than October 1, 1990, to submit a report to the Congress with recommendations for improving the interstate child support system, and revising the Uniform Reciprocal Enforcement of Support Act. The Senate amendment requires that the Commission be composed of 15 members: (1) 4 appointed jointly by the Majority and Minority Leaders of the Senate in consultation with the chairman and ranking minority member of the Committee on Finance; (2) 4 appointed jointly by Speaker of the House and Minority Leader of the House, in consultation with the chairman and ranking minority member of the Committee on Ways and Means; and (3) 7 appointed by the Secretary of Health and Human Services. The Senate amendment authorizes $2 million.

Conference Agreement

The conference agreement follows the Senate amendment modified to require a report not later than October 1, 1991. The conferees expect the membership of the Commission to include a representative of the categories specified in the House bill: HHS, Commissioners on Uniform State Laws, State child support enforcement agencies, State prosecutors or judiciary, and advocates for custodial and non-custodial parents.

2. Exclude interstate demonstration grants in computing incentive payments

Present Law

Present law authorizes $15 million each year to fund special projects developed by States for demonstrating innovative techniques for improving child support collections in interstate cases.

House Bill

The House bill excludes amounts spent by a State for an interstate demonstration project in calculating the amount of the State's incentive payments.

Effective date: First calendar quarter beginning 1 year or more after enactment.

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the House bill.

3. Use of INTERNET system

Present Law

No provision.

House Bill

The House bill requires the Secretary of Labor to make available to the Federal Parent Locator Service (FPLS) and to any State child support agency, from the cross-match system used by the Secretary in determining eligibility for unemployment insurance and accessed by INTERNET, all available information on the name, social security number, current address and place of employment of any specified individual.

Effective date: First calendar quarter beginning one year or more after enactment.

Senate Amendment

The Senate amendment requires the Secretaries of Labor and HHS to enter into an agreement to give the FPLS prompt access to wage and unemployment compensation claims information useful in locating an absent parent or his employer. States must cooperate in making this information available as a condition of receiving grants for the administration of unemployment compensation.

Effective date: The Secretaries must enter into an agreement no later than 90 days after enactment.

Conference Agreement

The conference agreement follows the Senate amendment, with a modification to follow the effective date in the House bill.

The conferees expect this information will be provided through procedures agreed upon by the Secretary of Labor and the Secretary of HHS. The conferees understand that the Department of Labor is in the process of revising regulations for the State Eligibility and Income Verification System (SIEVS) (20 CFR 603) to provide access by the FPLS to state unemployment wage and claim files. Providing access to these data for FPLS through this regulatory change may be useful in locating noncustodial parents with child support obligations and could be incorporated in the Labor-HHS agreement provided for in this bill. Current law provides for the Department of HHS to reimburse the costs incurred by States and Federal agencies in providing information to the Federal Parent Locator Service. The Conferees anticipate that the Department of HHS would be billed by the Department of Labor for its costs and the costs of States and that the Department of Labor would, in turn, appropriately reimburse State unemployment agencies.

H. PENALTIES FOR NONCOMPLIANCE WITH 1984 REQUIREMENTS

(Section 508 of the House bill)

Present Law

A provision in the 1984 CSE amendments requires the Secretary to conduct a review of each State's program at least every 3 years to determine whether it substantially complies with the law, and to evaluate its effectiveness. If the Secretary finds that a State has not met the requirements, and there has not been corrective action, the amount of the State's AFDC matching must be reduced by not more than 2 percent for the first failure to substantially comply, not more than 3 percent for the second failure, and not more than 5 percent for the third and subsequent failures.

House Bill

The House bill reduces the Federal matching rate to 66 percent for any State not in full compliance with the 1984 amendments, as determined by the Secretary, at any time after the expiration of 6 months after the date of enactment. This penalty is in addition to penalties under current law.

Effective date: October 1, 1988.

Senate Amendment

No provision.

Conference Amendment

The conference agreement follows the Senate amendment (i.e., no provision).

I. WAGE WITHHOLDING

(Section 508(b) of the House bill and section 101 of the Senate amendment.)

Present Law

A provision in the 1984 Child Support Enforcement Amendments requires the States to have procedures, with respect to families receiving IV-D services, under which the wages of an absent parent must be withheld if the parent is in arrears in making child support payments in an amount equal to one month's support. The State may elect to begin withholding at an earlier date. In addition, the State must have in effect procedures under which all orders issued or modified in the State (regardless of whether they are being enforced by the IV-D agency) include a provision for wage withholding. With respect to these non-Federally matched cases, the statute leaves to State discretion the determination of when withholding should begin, or the amount of an arrearage. The State may allow parents who are not receiving IV-D services to opt into the wage withholding system if they pay a $25 annual fee.

House Bill

The House bill requires that, with respect to IV-D cases, each State must provide for immediate wage withholding (without determining whether there is an arrearage) in every case where an individual residing in the State owes child support under a court order issued or modified in the State (or under administrative process). The State may exclude cases from immediate wage withholding if (1) one of the parties demonstrates, and the court finds, that there is good cause not to require such withholding, or (2) there is a written agreement between both parties providing for an alternative arrangement. The House bill retains present law that provides that States may allow parents who are not receiving IV-D services to opt into the wage withholding system if they pay a $25 annual fee.

Effective date: October 1, 1988.

Senate Amendment

The Senate amendment requires that, with respect to IV-D cases, each State must provide for immediate wage withholding (without determining whether there is an arrearage) in the case of orders that are issued or modified on or after the first day of the 25th month beginning after the date of enactment unless: (1) the State finds good cause; or (2) both parents agree to an alternative arrangement. In the case of orders that are being enforced by the IV-D agency that are not subject to withholding under the above requirement, the Senate amendment requires that, beginning two years after enactment, wages of an absent parent must be subject to withholding, regardless of whether there is an arrearage, upon request of the custodial parent if the State determines (under its own procedures and standards) that it is appropriate to grant the request.

The Senate amendment specifies that, also beginning two years after enactment, State procedures must allow State child support agencies to request immediate withholding for orders that they are enforcing on behalf of families receiving welfare, regardless of whether the parents have agreed to an alternative arrangement. Present law requirements for mandatory wage withholding in the case of payments that are delinquent in an amount equal to one month's support will apply to orders that are not subject to immediate wage withholding.

The Senate amendment requires that States provide for immediate wage withholding with respect to all support orders initially issued on or after January 1, 1994, regardless of whether a parent has applied for IV-D services.

The Senate amendment provides for a study of the administrative feasibility, cost implications, and other effects of requiring States to adopt immediate wage withholding for all child support orders in a State, not just those that are being enforced by the State's child support enforcement agency. The Secretary of Health and Human Services must conduct the study and report his findings to the Congress no later than three years after the date of enactment.

The Senate amendment repeals present law which provides that the State may allow parents who are not receiving IV-D services to opt into the wage withholding system if they pay a $25 annual fee.

Effective date: Two years after enactment.

Conference Agreement

The conference agreement follows the Senate amendment except as follows: (1) follow the House bill with respect to the circumstance under which cases may be excluded from wage withholding; (2) clarify that the Consumer Credit Protection Act limits, applicable to the amount of an absent parent's income which can be subject to withholding under current law, apply to all income withholding; and (3) clarify that the notice provisions to employers and the requirements that employers must be held liable for failure to withhold applies to all cases subject to income withholding.

J. STUDY OF CHILD REARING COSTS

(Section 510 of the House bill.)

Present Law

No provision.

House Bill

The House bill requires the Secretary of HHS to conduct a study of the pattern of expenditures on children, by 2-parent and 1-parent families, with particular attention to relative standards of living of the different families, and to submit a report to the Congress within 2 years after the date of enactment, including recommendations for legislative, administrative and other actions. The House bill authorizes such sums as may be necessary.

Effective date: First calendar quarter beginning one year or more after enactment.

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the House bill.

K. WORK AND TRAINING DEMONSTRATION PROGRAMS FOR NON-CUSTODIAL PARENTS

(Section 511 of the House bill and section 201 of the Senate amendment.)

Present Law

No provision.

House Bill

The House bill allows Sec. 1115 demonstration funds to be used to make grants to States to test methods of improving child support enforcement by encouraging noncustodial parents who are financially unable to meet their support obligations to participate in the State welfare agency's Network program, JTPA, or other similar program.

Effective date: First calendar quarter beginning one year or more after enactment.

Senate Amendment

The Senate amendment provides no new demonstration authority. However, States may allow or require noncustodial parents who are unemployed and unable to meet their child support obligations to participate in the new JOBS program.

Effective date: Same as JOBS program.

Conference Agreement

The conference agreement provides that the Secretary must grant waivers to up to 5 States allowing them to provide services on a voluntary or a mandatory basis (such as by court order) to non-custodial parents as an activity under the JOBS program. Activities conducted under any of these waivers must be evaluated. The conferees note that the bill does not grant any new power to States to require participation by non-custodial parents.

L. DATA COLLECTION AND REPORTING

(Section 512 of the House bill.)

Present Law

Present law requires the State to have an adequate reporting system and requires the Secretary to report annually to the Congress on State data relating to costs, collections, support obligations established, interstate cases, and other related data.

House Bill

The House bill requires the Secretary of HHS to collect and maintain State-by-State statistics with respect to the following services: paternity determination, location of absent parent for the purpose of establishing a support obligation, establishment of a child support obligation, and location of absent parent for the purpose of enforcing or modifying an established obligation. Data must be separately stated for AFDC and non-AFDC cases, and must include: (1) the number of cases in the caseload that need the service; (2) the number of cases in which the service has actually been provided; and (3) the percent of cases in which the service has actually been provided.

Effective date: First calendar quarter beginning one year or more after enactment.

Senate Amendment

The Senate amendment retains present law.

Conference Agreement

The conference agreement follows the House bill with modifications. Data collected by the Secretary of HHS must be separately stated for AFDC and non-AFDC cases, and must include (1) the number of cases in the caseload requesting the service, and (2) the number of cases in which the service has actually been provided. The conferees clarify that "service has actually been provided" means the actual determination of paternity, location of the parent, and establishment of an order, not the provision of a service aimed at these objectives.

M. USE OF SOCIAL SECURITY NUMBER

(Section 24 of Senate amendment.)

Present Law

No provision.

House Bill

No provision.

Senate Amendment

The Senate amendment requires each State, in the administration of any law involving the issuance of a birth certificate, to require each parent to furnish his or her social security number, unless the State (in accordance with regulations by the Secretary of HHS) finds good cause for not requiring the furnishing of the number. The State must make the numbers available to child support enforcement agencies in accordance with Federal or State law. Numbers need not be recorded on the birth certificate. Existing State and Federal laws relating to the protection of privacy will not be superceded except to the extent that they are directly inconsistent with this provision.

Effective date: 25th month after enactment.

Conference Agreement

The conference agreement follows the Senate amendment modified to provide that the parents' SSN shall not appear on the birth certificate, and that the use of the SSN obtained through the birth record would be limited to Child Support Enforcement (CSE) program purposes, except that, where a State is currently permitted under the Privacy Act to obtain and use an SSN for purposes other than the CSE program because it did so prior to 1975, the State would be permitted to continue to do so.

N. NOTIFICATION OF SUPPORT COLLECTED

(Section 104 of the Senate amendment.)

Present Law

The Child Support Enforcement Amendments of 1984 included a provision requiring States to inform AFDC families once each year of the amount of support collected on their behalf by the child support enforcement agency.

House Bill

No provision.

Senate Amendment

The Senate amendment requires that States inform families receiving welfare of the amount of support collected on their behalf on a monthly basis, rather than annually. States may provide quarterly (rather than monthly) notice if the Secretary determines that compliance with the monthly notification requirement would impose an unreasonable administrative burden on the State.

Effective date: First calendar quarter beginning 4 years after enactment.

Conference Agreement.

The conference agreement follows the Senate amendment.

TITLE II.—JOB OPPORTUNITIES AND BASIC SKILLS TRAINING PROGRAM

This Act will establish a new employment, education and training program for recipients of Aid to Families with Dependent Children (AFDC). It replaces and expands authority currently contained in Title IV-A and Title IV-C of the Social Security Act. Upon enactment, this new program will become Title IV-F of the Social Security Act; the related sections in Title IV-A and all of Title IV-C will be repealed. Because the new JOBS program authorized by Title IV-F includes provisions currently within the jurisdiction of the Committee on Ways and Means and the Committee on Education and Labor of the House of Representatives, the two committees will have joint jurisdiction over the new Title IV-F of the Social Security Act.

A. NAME OF PROGRAM(S)

(Section 102 of the House bill and section 201 of the Senate amendment.)

Present Law

Under present law, authority for work and training programs are divided among five separate programs: the programs are: The Work Incentive (WIN), WIN Demonstration, Community Work Experience (CWEP), work supplementation and job search programs.

House Bill

The House bill consolidates these programs and names the new program the National Education, Training, and Work (Network) program.

Senate Amendment

The Senate amendment consolidates these programs and names the new program the Job Opportunities and Basic Skills Training (JOBS) program.

Conference Agreement

The conference agreement follows the Senate amendment.

B. PURPOSE

(Section 102 of the House bill and section 2 of the Senate amendment.)

Present Law

Under present law, the purpose of the WIN program is to provide "incentives, opportunities, and necessary services in order for (1) the employment of such individuals in the regular economy, (2) the training of such individuals for work in the regular economy, and (3) the participation of such individuals in public service employment, thus restoring the families of such individuals to independence and useful roles in their communities."

The purpose of the WIN demonstration program is to demonstrate "single agency administration of the work-related objectives" of the Social Security Act. (Temporary authority; expires September 30, 1990.)

The purpose of the CWEP program is "to provide experience and training for individuals not otherwise able to obtain employment, in order to assist them to move into regular employment. Community work experience programs shall be designed to improve the employability of participants through actual work experience and training and to enable individuals employed under community work experience programs to move promptly into regular public or private employment."

The purpose of the work supplementation program is to allow a State to institute a work supplementation program under which such State, to the extent it determines appropriate, may make jobs available, on a voluntary basis, as an alternative to cash assistance.

House Bill

Under the House bill, the purpose of the NETWork program is "to assure that needy children and parents obtain the education, training, and employment that will help them avoid long-term welfare dependence."

The purpose of the CWEP program is "to provide marketable work experience and training for individuals who are not otherwise able to obtain employment through a combination of work experience and training or educational activities as part of a planned sequence set forth in the participant's family support plan." Programs must be designed to move participants into regular public or private employment.

The purpose of the work supplementation program is to allow AFDC funds otherwise payable to recipients to be used for the purpose of providing and subsidizing jobs as an alternative to cash assistance.

Senate Amendment

Under the Senate amendment the purpose of the JOBS program is "to assure that needy families with children obtain the education, training, and employment that will help them avoid long-term welfare dependence."

The Senate amendment retains current law with respect to the purpose of the CWEP program.

Under the Senate amendment, the purpose of the work supplementation program is as stated in the House bill.

Conference Agreement

The conference agreement follows the Senate amendment with respect to the purpose of the basic JOBS program and the purpose of the CWEP program. The conference agreement follows the House bill and the Senate amendment with respect to the purpose of the work supplementation program.

C. PROGRAM STRUCTURE/ADMINISTRATION

(Section 101 of the House bill and section 201 of the Senate amendment.)

1. Requirement for State participation

Present Law

Under present law, each State must have a WIN program. A State may operate a WIN demonstration program as an alternative to WIN. The CWEP, work supplementation, and job search programs are optional programs for the State.

House Bill

The House bill requires that each State have a Network program approved by the Secretary of HHS in consultation with the Secretary of Labor.

Senate Amendment

The Senate amendment requires that each State have a JOBS program approved by the Secretary of HHS in consultation with the Secretary of Labor.

Conference Agreement

The conference agreement requires each State to have a JOBS program under a plan approved by the Secretary of HHS. The Secretary of HHS must consult with the Secretary of Labor on general plan requirements and criteria for approving plans. The Secretary of HHS shall have sole authority for approving or disapproving plans.

2. Requirement for a statewide program

Present Law

Present law requires the Secretary of Labor to establish WIN programs in each State and in each political subdivision of a State in which he determines there is a significant number of AFDC recipients age 16 or above. In other political subdivisions, he must use his best efforts to provide programs either within the subdivisions or to provide transportation to subdivisions in which programs are established.

Requirements for the WIN demonstration, CWEP and work supplementation programs are at State discretion. Regulations require that States that operate a job search program must do so on a statewide basis.

House Bill

The House bill requires that the program be available in each subdivision of the State where it is feasible to do so, taking into account the number of prospective participants, the local economy, and other relevant factors. If the State determines that the program is not to be available in all political subdivisions the State plan must include appropriate justification. The Network program replaces the WIN demonstration program. Requirements for the CWEP, work supplementation and job search programs are at State discretion.

Senate Amendment

The Senate amendment requires that not later than three years after enactment, the program must be available in each subdivision of the State unless the State demonstrates to the satisfaction of the Secretary that it is not feasible to do so because of the needs and circumstances of local economies, the number of prospective participants, and other relevant variables. The JOBS program replaces the WIN demonstration program. Requirements for the CWEP, work supplementation and job search programs are at State discretion.

Conference Agreement

The conference agreement follows the House bill and Senate amendment as follows: Not later than 2 years after the mandatory effective date, the State must make the program available in each subdivision of the State where it is feasible to do so, taking into account the number of prospective participants, the local economy, and other relevant factors. If the State determines that the program is not to be available in all political subdivisions, it must provide appropriate justification to the Secretary. The conferees note that the Secretary may approve or disapprove the State program on the basis of whether it meets the requirement for Statewideness, using the plan approval authority that is generally available to him under the statute. The conferees expect the States to make a serious and determined effort to implement their programs throughout all their local jurisdictions to the maximum extent possible, so that all eligible families will have an opportunity to benefit from the new services that are authorized under the legislation.

3. State plan requirements

Present Law

Present law requires a statewide plan for the WIN program that prescribes how the program will be operated at the local level and indicates for each area within the State, the number and type of positions to be provided, the manner in which information provided by the private industry council (PIC) under JTPA will be used, and the agency or administrative unit responsible for each of the program activities. The plan must be approved by the Secretary of Labor, the WIN unit of the welfare agency, and the WIN regional joint committee. (Regulations also require local plans, and require that all plans be approved annually.)

The WIN demonstration program requires that the plan provide that the welfare agency conduct the demonstration; that the participation requirements be the same as for the WIN program, but subject to waiver under sec. 1115; and that the criteria for participation shall be uniform throughout the State. The plan must state the demonstration's objectives, with emphasis on how the State plans to maximize client placement in nonsubsidized private sector employment; describe the techniques to be used to achieve the objectives of the demonstration; and set forth the format and frequency of reporting. States are free to design their own programs, in conformity with their own plans; components of the program other than participation criteria may vary within the State. A State's WIN demonstration application shall be deemed approved unless the HHS Secretary disapproves it in writing within 45 days.

For all other programs, present law has no requirement.

House Bill

The House bill requires a State plan (which must be submitted by the State on or before the effective date of the bill) describing the program in such detail as will enable the Secretary to determine whether all Federal law requirements are met, and estimating the provision for number of persons to be served. The House bill requires that State plans include the following:

(1) provisions for private sector and local government involvement, through the entities that administer JTPA, in planning and program design to ensure that participants are trained for jobs that will actually be available in the community;

(2) a description of relevant coordination arrangements with other Federal and State agencies, including the State educational agency;

(3) a description of the services to be provided and the methods and priorities used in allocating services;

(4) assurances that the operation of the program meets the criteria for coordination established in the Governor's coordination and special services plan pursuant to sec. 121(b)(1) of the Job Training Partnership Act;

(5) procedures for selecting service providers that take into account past performance in providing similar services, fiscal accountability, and ability to meet performance standards;

(6) assurances that services provided are in addition to, and do not duplicate, services otherwise available from other Federal and State agencies on a non-reimbursable basis;

(7) assurances that community-based organizations (defined in sec. 4(5) of JTPA) are involved in planning and program design, and in the delivery of services (meeting the conditions of sec. 107(a) of JTPA);

(8) a description of the distribution of services within the State, identifying for each area the resources to be made available for training, on-the-job training, and transitional employment opportunities, and explaining the economic and demographic reasons for the distribution;

(9) assurances that necessary supportive services will be available; and

(10) other information and assurances required by the Secretary.

Senate Amendment

The Senate amendment requires a State plan, approved by the Secretary of HHS. It requires the State, in accordance with regulations of the Secretary, to periodically review and update its plan and submit the updated plan for approval by the Secretary.

The Senate amendment includes some items related to the House requirements (1) through (10) above, but does not designate them as State plan requirements.

Conference Agreement

The conference agreement, in place of either the House bill or the Senate amendment, structures the State plan as an operational plan which will describe how the State intends to implement the program during the period covered by the plan. Federal requirements will not be spelled out in the plan except that the plan will indicate by cross reference to appropriate sections of law that the program will be operated in conformity with those sections. The State, in accordance with regulations of the Secretary, must periodically (but no less often than every 2 years) review and update its plan and submit the updated plan for approval by the Secretary.

Each State plan must: (1) provide that the State will operate its JOBS program in conformity with the coordination requirements; the contract authority/private sector involvement requirements; and other requirements of the statute; and (2) describe how the State anticipates that it will operate the JOBS program during the period covered by the State plan, including a description of how it will implement the requirements with respect to coordination and use of other agencies; an estimate of the number of persons to be served by the program; a description of the services to be provided within the State and within political subdivisions of the State, the needs to be addressed by such services, the extent to which such services are expected to be available from other agencies on a non-reimbursable basis, and the extent to which such services are to be provided by or funded by the JOBS program; and such additional information as the Secretary may require by regulation to show that the State plan will comply with the requirements of the program.

4. Federal administrative responsibility

Present Law

Under present law, the Departments of Labor and HHS share joint responsibility for the WIN program, together establishing the WIN National Coordination Committee with responsibility for national administration. The Department of HHS is responsible for administration of all other programs.

House Bill

The House bill provides that the Department of HHS is responsible for administration at the Federal level. However, the Secretary of Labor is responsible for implementing and carrying out the provisions related to working conditions, displacement, wage rates, workers' compensation, grievance procedures, and the prohibition against use of funds for construction.

Senate Amendment

The Senate amendment requires administration of the JOBS program, the child support enforcement program, and the cash assistance program by an Assistant Secretary for Family Support in HHS. The Assistant Secretary must be appointed by the President and confirmed by the Senate. This provision is effective January 1, 1989.

Conference Agreement

The conference agreement follows the Senate amendment with respect to the administration of the programs by a new Assistant Secretary of HHS, establishing an effective date of February 1, 1989. The conference agreement requires the Secretaries of Labor and HHS to issue joint regulations with respect to provisions relating to working conditions, wage rates, workers' compensation, and displacement. Disputes relating to these matters (other than displacement) will be heard under the State's fair hearing process. Appeals of these State-level hearings may be made to the Secretary of Labor under such conditions as the joint regulations of the Secretaries of Labor and HHS may provide.

5. State and local administration

Present Law

Under present law, the State employment security agency and welfare agency have joint responsibility for administering WIN. WIN agencies may make grants to, or enter into agreements with, public or private organizations (including Indian tribes) to carry out program functions. For all other programs, the welfare agency has responsibility, but the welfare agency may make arrangements with other agencies to operate programs.

House Bill

The House bill requires State welfare agency responsibility for the operation and administration of the Network program.

Senate Amendment

The Senate amendment requires State welfare agency responsibility for the administration or supervision of the administration of the JOBS program. It also requires the welfare agency to be responsible for assuring that cash benefits and child support and JOBS services are furnished in an integrated manner, effective July 1, 1989.

Conference Agreement

The conference agreement follows the Senate amendment.

6. Coordination with other programs

Present Law

Under present law, the Secretary of Labor must, to the greatest extent feasible, use all authority available under all Acts to provide services for WIN participants, and must assure, when appropriate, that WIN registrants are referred for JTPA services. The Job Training Partnership Act requires the Governor to coordinate WIN activities with activities provided under JTPA. Present law contains no specific coordination provisions for the CWEP, work supplementation, and job search programs.

House Bill

The House bill requires program activities to be coordinated with programs operated under JTPA and other relevant employment, training, and education programs. Components of the State plan relating to job training and workplace preparation must be consistent with the coordination criteria specified in the plan required under sec. 121 of JTPA. The plan so developed must be submitted to the State job training coordinating council not less than 90 days before its submission to the Secretary for review and comment. Concurrently, the plan must be published and made reasonably available to the public for review and comment.

Senate Amendment

The Senate amendment requires the Secretary of HHS to consult on a continuing basis with the Secretaries of Education and Labor to assure maximum coordination of services. It requires the Governor to assure that program activities are coordinated with programs under JTPA and with other relevant employment, training, and education programs. No program plan may be submitted to the Secretary until the Governor has determined that the program is consistent with the coordination criteria specified in the plan required under sec. 121 of JTPA.

Conference Agreement

The conference agreement follows the House bill and Senate amendment modified as follows: It requires the Secretary of HHS to consult on a continuing basis with the Secretaries of Education and Labor to assure maximum coordination of services. It requires the Governor to assure that program activities are coordinated with programs operated under JTPA and other relevant employment, training, and education programs. Components of the State plan relating to job training and workplace preparation shall be consistent with the coordination criteria specified in the plan required under sec. 121 of JTPA. The plan so developed shall be submitted to the State job training coordinating council for review and comment not less than 60 days before its submission to the Secretary. Concurrently, the plan shall be published and made reasonably available to the public for review and comment. Comments by the State job training coordinating council shall be transmitted to the Governor. The conferees do not intend that the plan must be approved by the State job training coordinating council, but only that the council must have an opportunity to review and comment on it.

The conference agreement requires the State agency to consult with the State education agency and the agency responsible for administering job training programs in the State, as in the Senate amendment.

The conference agreement requires that program activities be coordinated with existing early childhood programs, as in the House bill.

7. Contract authority/involvement of private sector

Present Law

Under present law, WIN funds may be used to contract for services under other programs. There are no specific provisions under present law with respect to contract authority for other programs, but State WIN demonstration programs frequently contract for services provided by other entities.

House Bill

Under the House bill, the State welfare agency is allowed to administer the program directly or through arrangements or contracts with JTPA administrative entities, State and local educational agencies, and with other public agencies or private organizations (including community-based organizations as defined in sec. 4 (5) of JTPA). Arrangements and contracts may cover any services or activities, including outreach, to the extent that they are not otherwise available on a reimbursable basis. Arrangements and contracts must be developed in consultation with private industry councils (PICs) for service delivery areas designated under JTPA, must be transmitted to the State job training coordinating council for review and comment and must be subject to the approval of the Governor. In selecting providers, States must take into account past performance, demonstrated effectiveness, fiscal accountability, and ability to meet performance standards.

Under the House bill, the State welfare agency must use the services of each private industry council (PIC) to identify and provide advice on the types of jobs available or likely to become available in each JTPA service delivery area. The State agency may not conduct training for jobs of a type which are not likely to become available.

Senate Amendment

Under the Senate amendment, the State welfare agency is allowed to enter into contracts and other arrangements with public and private agencies and organizations for the provision or conduct of any services or activities. Each State program must include private sector involvement in planning and program design to assure that participants are prepared for jobs that will be available in the community. Report language urges Governors to ensure that the resources and expertise of PICs are used to the maximum extent possible in arranging for the delivery of services.

Conference Agreement

The conference agreement follows the House bill, modified as follows:

The conference agreement allows the State welfare agency to administer the program directly or through arrangements or contracts with JTPA administrative entities, State and local educational agencies, and with other public agencies or private organizations (including community-based organizations as defined in sec. 4(5) of JTPA). Arrangements and contracts may cover services or activities, including outreach, to the extent that they are not otherwise available on a nonreimbursable basis.

The welfare agency and private industry councils (PICs) shall consult on the development of arrangements and contracts under the JOBS and JTPA programs.

In selecting providers, the State shall take into account appropriate factors which may include past performance, demonstrated effectiveness, fiscal accountability, ability to meet performance standards, and such other factors as the State may determine to be appropriate.

The State welfare agency must use the services of each private industry council (PIC) to identify and provide advice on the types of jobs available or likely to become available in each JTPA service delivery area. The State agency must assure that the program provides training for jobs that are or are likely to become available.

D. REQUIREMENT FOR PARTICIPATION

(Section 101 of the House bill and section 201 of the Senate amendment.)

1. General requirement

Present Law

Under present law, for the WIN and WIN demonstration programs, States must require that non-exempt applicants and recipients of assistance register for services and participate in activities to which they are assigned. States may require non-exempt recipients of assistance to participate in CWEP programs to which they are referred. Participation is voluntary in the work supplementation program.

House Bill

The House bill stipulates that under the NetWork program States must require non-exempt recipients of assistance to participate to the extent that the program is available and State resources permit. A State which chooses to operate a work supplementation program must require participation by an eligible individual. The State determines who is an eligible individual.

Senate Amendment

The Senate amendment stipulates that under the JOBS program States must require non-exempt recipients of assistance to participate to the extent that the program is available and State resources permit. A State which chooses to operate a work supplementation program may require participation by an eligible individual.

Conference Agreement

The conference agreement requires non-exempt recipients to participate in the basic education, employment and training program, as provided in the House bill and Senate amendment. The conference agreement allows States to require participation in the work supplementation component of the JOBS program, as in the Senate amendment.

2. Exemption from participation

Present Law

Under present law, to be exempt from participation in the WIN and WIN demonstration programs an individual must be:

(1) ill, incapacitated, or of advanced age (regulations specify age 65 or older);

(2) needed in the home because of the illness or incapacity of another member of the household;

(3) the parent or other relative of a child under age 6 who is personally providing care for the child with only very brief and infrequent absences;

(4) employed 30 or more hours a week;

(5) a child under age 16 or attending, full-time, an elementary, secondary, or vocational school;

(6) a woman in the last trimester of pregnancy;

(7) residing in an area where the program is not available;

(8) a parent of a child eligible on the basis of death, absence from the home, or incapacity, if another adult relative is registered and has failed or refused to participte or accept employment;

(9) a parent of a child eligible on the basis of the unemployment of the principal earner, if the principal earner is not exempt under one of the preceding clauses.

To be exempt from participation in the CWEP program, the requirements are the same as those for WIN except (1) the State may require the mother of a child age 3 or above (rather than age 6) to participate if child care is available; and (2) a recipient who is employed at least 80 hours a month and is earning at least the applicable minimum wage must be exempted from participation.

To be exempt from participation in the job search program, the requirements are the same as those for WIN, except that an individual cannot be exempted for reason (7) above.

House Bill

The House bill provides that to be exempt from participation an individual must be:

(1) ill, incapacitated, or age 60 or above;

(2) needed in the home because of the illness or incapacity of another family member;

(3) the parent or other caretaker relative of a child under age 3 (or, at the option of the State under a waiver approved by the Secretary, any age that is less than 3 but not less than 1), subject to limitations described under "Limitations on Participation" below;

(4) employed 20 or more hours a week;

(5) a child under age 16 or attending, full-time, an elementary, secondary, or vocational school;

(6) a woman who is pregnant;

(7) residing in an area where the program is not available;

(8) The exemption under (3) may apply only to one parent in a two-parent family. A State may make the exemption inapplicable to both parents and require both to participate, at least one of them on a full-time basis, if appropriate child care is guaranteed.

These exemptions apply to participation in all activities.

Senate Amendment

The Senate amendment provides that to be exempt from participation an individual must be:

(1) ill, incapacitated or of advanced age;

(2) needed in the home because of the illness or incapacity of another member of the household;

(3) the parent or other relative of a child under age 3 (or, at the option of the State, any age that is less than 3 but not less than 1), who is personally providing care for the child with only very brief and infrequent absences, subject to limitations described in item 3 below;

(4) employed 30 or more hours a week;

(5) same as House bill;

(6) a woman in the last trimester of pregnancy; or

(7) same as House bill;

(8) the exemption under (3) may apply only to one parent in a two-parent family. A State may make the exemption inapplicable to both parents and require both to participate if child care is guaranteed.

These exemptions apply to all activities.

Conference Agreement

The conference agreement provides that to be exempt from participation an individual must be:

(1) ill, incapacitated or of advanced age;

(2) needed in the home because of the illness or incapacity of another family member; as under present law, the family member need not be a member of the AFDC unit;

(3) the parent or other relative of a child under age 3 who is personally providing care for the child (or, if so provided in the State plan, any age that is less than 3 but not less than 1);

(4) employed 30 or more hours a week;

(5) a child under age 16 or attending, full time, an elementary, secondary or vocational school;

(6) a woman who is in at least the second trimester of pregnancy;

(7) residing in an area where the program is not available; and

(8) A State may make the exemption inapplicable to both parents and require both to participate if child care is guaranteed.

When a State requires mandatory participation by caretakers of children under 6, the State plan must also include satisfactory assurances that child care will be guaranteed and participation will not be required for more than 20 hours a week.

With respect to item (2),

These exemptions apply to all activities.

3. Limitations on participation

Present Law

Present law contains no specific provision.

House Bill

The House bill stipulates that a State may not require participation by a parent of a child age 3 but under 6 unless day care is guaranteed and participation is part time (20 hours a week or less).

A State must permit and encourage participation by a parent of a child under age 3 if day care is guaranteed, participation is part time, and resources are available.

The Secretary may permit a State to require participation by a parent of a child less than 3 but not less than 1 if the State demonstrates that (1) appropriate infant care can be guaranteed for each child less than 3 for no more than $200/month for children under 2 years old and $175/month for children 2 years old and older, (2) the participation is part-time, and (3) participation will emphasize, as a first priority, education and training including parenting and nutrition education.

Senate Amendment

The Senate amendment limits required participation to no more than 24 hours a week if the individual is (1) the parent of a child under age 6 who is providing care for the child, and (2) not the principal earner in a two-parent family eligible on the basis of unemployment. States may encourage greater participation for more than 24 hours a week.

A State may require an individual to participate full-time (in excess of 24 hours a week) in the following education activities: high school or equivalent education, remedial education to achieve a basic literacy level, and instruction in English as a second language.

Conference Agreement

The conference agreement follows the Senate amendment modified as follows: A State may require an individual to participate full-time (in excess of 20 hours a week) in education activities, as under the Senate amendment. Full-time would be defined by the educational institution. Limits required participation to no more than 20 hours a week if the individual is (1) the parent of a child under age 6 who is personally providing care for the child, and (2) not the principal earner in a two-parent family eligible on the basis of unemployment. States may encourage greater participation for more than 20 hours per week.

4. Participation by young parents

Present Law

Present law contains no specific provision.

House Bill

The House bill provides that a State may require a minor parent, regardless of the age of the child, to (1) attend school on a part-time basis; or (2) participate in training in parenting and family living skills, including nutrition and health education, but only if and to the extent that child care is guaranteed.

Senate Amendment

The Senate amendment stipulates that a State must require a custodial parent under age 22 who has not completed high school (or equivalent) to participate in high school or equivalent education, or, where appropriate, in remedial education or English as a second language regardless of the age of the child. A State may require the parent to participate in training or work activities (in lieu of education activities) if the parent fails to make good progress in completing education activities or if it is determined pursuant to an educational assessment that participation in education activities is inappropriate. Participation in these latter activities may be for no more than 24 hours a week.

Conference Agreement

The conference agreement follows the Senate amendment except that, (1) in the case of an otherwise exempt parent under age 18, the State may establish criteria pursuant to regulations of the Secretary under which such parents may be exempted from the school attendance requirement; and (2) the provision applies to custodial parents under age 20.

5. Participation by volunteers

Present Law

Under present law, applicants and recipients may volunteer for WIN services. Under present law for the work supplementation program, all participants are volunteers. For the CWEP and job search programs, by regulation, a State may provide services to volunteers.

House Bill

The House bill stipulates that a State must allow recipients to participate on a voluntary basis. In addition, the State must encourage voluntary participation and furnish the Secretary with assurances that it is doing so. Applicants may volunteer for job search only.

Senate Amendment

The Senate amendment requires that a State allow applicants and recipients to participate on a voluntary basis (including individuals who would be recipients if the State did not choose to provide benefits to unemployed-parent families on a time-limited basis.)

Conference Agreement

The conference agreement follows the Senate amendment.

6. Participation by noncustodial parents

Present Law

No provision.

House Bill

No provision. (See demonstration projects.)

Senate Amendment

The Senate amendment stipulates that a State may require or allow unemployed noncustodial parents who are unable to meet their child support obligations to participate.

Conference Agreement

The conference agreement follows the House bill.

7. Individual participating in an education or training program

Present Law

Under present law, by regulation, an individual may not be required to accept employment under the WIN program if the job offered would interrupt a program in progress under an approved employability plan leading to self-support or to the resumption of a regular job within a short period of time. Present law has no equivalent provisions for the CWEP, work supplementation, and job search programs.

House Bill

The House bill provides that if an individual is attending, in good standing, an accredited postsecondary institution (not less than half time) and making satisfactory progress in a vocational or undergraduate education or training program consistent with the individual's employment goals, such attendance shall constitute satisfactory participation so long as it continues. Any other activities may not interfere with such school or training.

The costs of the school or training are not eligible for Federal reimbursement; costs of day care, transportation and other services that are necessary for attendance in a program and included in the family support plan are reimbursable.

Senate Amendment

The Senate amendment provides that if an individual is already attending, in good standing, a school or course of vocational training designed to lead to employment, such attendance may constitute satisfactory participation in the program so long as the individual continues to participate in good standing.

The costs of the school or training are not eligible for Federal reimbursement; costs of child care necessary (as determined by the State) for attending school or training may be reimbursed.

Conference Agreement

The conference agreement follows the House bill modified as follows:

If an individual is attending an institution of higher education (as defined in section 481(a) of the Higher Education Act of 1965, as amended), or a school or course of vocational training designed to lead to employment, not less than half time, and making satisfactory progress in such institution, school, or course of training, such attendance may constitute satisfactory participation so long as it continues and is consistent with the individual's employment goals. If such attendance is treated as constituting participation in the JOBS program, any other activities may not interfere with such school or training.

Costs of the school or training are not eligible for Federal reimbursement; costs of day care, transportation and other services that are necessary (as determined by the State) for attendance in a program are eligible for Federal reimbursement.

E. PROGRAM SANCTIONS

(Section 102 of the House bill and section 201 of the Senate amendment.)

1. General requirement

Present Law

Under the WIN program, sanctions must be applied to an individual who is required to participate if he (1) refuses without good cause to participate in activities to which he is assigned, (2) refuses without good cause to accept employment in which he is able to engage which is offered through the public employment offices of the State, or is offered by the employer if the offer is determined to be a bona fide offer of employment.

Sanctions for other programs are similar to WIN.

House Bill

The House bill requires that sanctions be applied to a recipient who is required to participate if he fails without good cause to comply with any program requirement.

Senate Amendment

The Senate amendment requires that sanctions be applied to a recipient who is required to participate if he (1) fails without good cause to participate in the program, or (2) refuses without good cause to accept any bona fide offer of employment in which he is able to engage.

Conference Agreement

The conference agreement follows the Senate amendment.

2. Nature of sanction

Present Law

Under the WIN program, if the parent or other caretaker relative in a 1-adult AFDC family refuses to participate, the adult's needs must not be taken into account in determining the family's benefits, and aid must be paid to a third party in the form of protective or vendor payments unless the agency is unable to arrange such payments. If the principal earner in a family eligible on the basis of unemployment refuses, aid must be denied to the entire family. If an only child who is required to participate refuses to do so, aid must be denied to the child and the parent. If there is more than one child, the needs of the child who refuses must not be taken into account.

Sanctions under other programs are the same as those under WIN.

House Bill

The House bill requires that if a sanction is to be applied to a participant, the participant's needs must not be taken into account in determining the family's benefits. If the participant is a member of a family eligible on the basis of the unemployment of the principal earner, and the spouse is not participating, the needs of the spouse must also not be taken into account.

Senate Amendment

Retains present law.

Conference Agreement

The conference agreement follows the House bill modified to provide, as in present law, that, where a parent is sanctioned, payments to the family will be made to a third party in the form of protective or vendor payments unless the agency is unable to arrange such payments. This would apply to both 1-parent and 2-parent families.

3. Length of sanction

Present Law

Under the WIN program, the Secretary is required to issue regulations prescribing the duration of sanctions. Regulations provide:

(1) in the case of the first failure to comply, 3 months;

(2) in the case of second and subsequent failures, 6 months.

(If a volunteer refuses without good cause, the individual must be deregistered for WIN for 3 or 6 months, depending on whether it is the first or a subsequent refusal, but the AFDC grant is unaffected.)

Length of sanctions under the WIN demonstration and CWEP programs are the same as those under WIN. Under the job search program, sanctions must be applied as under WIN, except that the State may reduce the period for which sanctions would otherwise be in effect.

House Bill

The House bill would provide sanctions as follows:

(1) in the case of the first failure to comply, until the failure to comply ceases;

(2) in the case of the second or subsequent failure to comply, until the failure to comply ceases or 3 months, whichever is longer.

Failure by the State agency to carry out its obligations under the client-agency agreement (including failure to provide child care that is appropriate for the child's age and individual needs) shall constitute good cause for failure to comply.

Senate Amendment

The Senate amendment would provide sanctions as follows:

(1) in the case of the first failure to comply, until the failure to comply ceases;

(2) in the case of the second failure to comply, until the failure to comply ceases or 3 months, whichever is longer;

(3) in the case of any subsequent failure to comply, until the failure to comply ceases or 6 months, whichever is longer.

Lack of child care necessary for an individual's participation constitutes good cause for refusal to participate or accept employment.

Conference Agreement

The conference agreement follows the Senate amendment modified so that the lack of child care necessary for an individual's participation, or failure by the State agency to provide necessary care, shall constitute good cause for refusal to participate or accept employment.

F. FAIR HEARING

(Section 102 of the House bill and section 201 of the Senate amendment.)

Present Law

Under present law, WIN regulations provide for a WIN adjudication system that requires efforts toward conciliatory resolution of disputes before notifying an individual of any action, and for a hearing on WIN issues. By regulation, appeals of WIN hearing decisions at the State level may be made to a National Review Panel (made up of ALJs under DOL) under specified circumstances.

Under Supreme Court decision (*Goldberg* v. *Kelly*—1970) and AFDC regulations all States must provide for a State agency hearing or an evidentiary hearing at the local level with a right of appeal to a State agency hearing in all cases of intended action to discontinue, terminate, suspend, or reduce assistance. Agencies must provide timely and adequate notice, and assistance must not be reduced or terminated if the recipient requests a hearing within 10 days of mailing of the notice.

House Bill

The House bill provides that no sanction may be imposed until appropriate notice has been provided and conciliation efforts have been made. Basic fair hearing requirements would be retained as in present law. Specifically, the House bill requires a fair hearing before the State agency in the event of a dispute involving the contents of the plan, the contents or signing of the agreement, the nature or extent of participation, the availability of child care and other supportive services, or any other aspect of participation (including the imposition of sanctions).

When a failure to comply has continued for 3 months, the State agency must remind the participant in writing of the option to end the sanction by complying.

Senate Amendment

The Senate amendment requires States to establish conciliation procedures for the resolution of disputes related to an individual's participation in the JOBS program and a hearing procedure to resolve any disputes not resolved during the conciliation process. A State may have a hearing process especially designed for the purpose of hearing all or some disputes related to the JOBS program, or it may use the regular AFDC hearing process.

Specific language is included stating that assistance may not be suspended, reduced, discontinued, or terminated until an individual is provided an opportunity for a fair hearing that meets the due process standards set forth by the U.S. Supreme Court in *Goldberg* v. *Kelly*—1970.

The State agency must notify a recipient of any failure to comply and indicate what action must be taken to terminate the sanction.

Conference Agreement

The conference agreement follows the Senate amendment except it replaces the provision requiring notification of failure to comply with the House provision specifying that when a failure to comply has continued for more than 3 months, the State agency must remind the participant in writing of the option to end the sanction by complying.

G. ASSESSMENT AND CERTIFICATION

(Section 102 of the House bill and section 201 of the Senate amendment.)

Present Law

Regulations under the WIN program require an appraisal interview to determine employability potential and the need for supportive services. When necessary supportive services have been provided the recipient may be certified as ready for participation in WIN.

Present law contains no similar provision with respect to other programs.

House Bill

The House bill requires that the State agency make an initial assessment of (1) the education, child care, and supportive services needs of each participant, (2) the work experience and employment skills of each participant, and (3) each individual's family circumstances. The House bill also requires a review of the needs of the children as well as of those of the adult caretaker. The assessment must include testing of literacy and reading skills.

Senate Amendment

The Senate amendment requires (1) an initial assessment of the education and employment skills of each participant, and (2) a review of each individual's family circumstances. An assessment of learning disabilities may be part of the State's assessment procedures.

Conference Agreement

The conference agreement follows the House bill modified to allow, rather than require, the State agency to review the needs of the children and to delete the provision requiring testing of literacy and reading skills. The conferees assume that in evaluating the education needs of a participant the State will assess the individual's literacy.

H. EMPLOYABILITY PLAN

(Section 102 of the House bill and section 201 of the Senate amendment.)

Present Law

Under the WIN program, an employability plan must be developed for each individual. The plan must contain a manpower services plan and a supportive services plan, and is designed to lead to employment and ultimately to self-support. Regulations require that the plan contain a definite employment goal, attainable in the shortest time period consistent with supportive services needs, project resources, and job market opportunities. Final approval of the employability plan rests with the WIN agency.

Present law contains no provision with respect to other programs.

House Bill

The House bill requires that, on the basis of the assessment, the agency and the participating members of the family negotiate a family support plan for the family that sets forth the activities in which the family will participate, including child care and other supportive services, and that, to the maximum extent possible, reflects the preference of the participants.

Senate Amendment

The Senate amendment provides that the agency may develop an employability plan for each participant that, to the maximum extent possible, reflects the preferences of the participant.

Conference Agreement

The conference agreement follows the House bill modified as follows: On the basis of the assessment, it requires the State agency, in consultation with the participant, to develop an employability plan that explains the services that will be provided by the State agency and the activities that will be undertaken by the participant and sets forth an employment goal for the participant. The plan must take into account the individual's supportive service needs (including child care), available program resources, and local employment opportunities. To the maximum extent possible, the employability plan shall reflect the preference of the participants. The employability plan shall not be considered a contract.

States must describe the procedures by which the employability plan will be developed, including how assistance will be provided to participants in reviewing and understanding the plan and in obtaining services needed to assure effective participation through case managers or otherwise.

I. CONTRACT/AGREEMENT

(Section 102 of the House bill and section 201 of the Senate amendment.)

Present Law

Under the WIN demonstration program, States have broad discretion to design their own programs, and at least one State (California) has adopted use of a contract on a statewide basis. Present law contains no provision with respect to the use of contracts in the CWEP, work supplementation, and job search programs.

House Bill

The House bill requires the State agency and the participating members of the family to negotiate and enter into an agreement including a commitment by the participants to participate in accordance with the family's plan; a detailed description of the activities in which the participant will take part and the conditions and duration of participation; a detailed description of all the activities, including child care and other supportive services, that the State will arrange and will provide.

Individuals must be assisted in reviewing and understanding the plan and obligations under the agreement. Before signing the agreement, the participant must be given an opportunity, for a period not to exceed 10 days, to review and renegotiate any appropriate provision of the agreement which the participant deems necessary. The agency representative responsible for implementation of this agreement must also sign it.

No agreement shall give rise to a cause of action against the Federal Government on the grounds of failure of any party to observe its terms.

Senate Amendment

The Senate amendment allows a State to require each participant to negotiate and enter into a contract with the agency that specifies such matters as the participant's obligations, the duration of participation in the program, and the activities the State will conduct and the services it will provide. Individuals must be assisted in reviewing and understanding the contract.

Conference Agreement

The conference agreement follows the Senate amendment.

J. CASE MANAGEMENT

(Section 102 of the House bill and section 201 of the Senate amendment.)

Present Law

Present law has no specific provision with respect to case management. However, WIN administrative units may not certify an individual for participation until necessary supportive services, including child care, family planning, counseling, medical, and other services have been provided.

House Bill

The House bill requires the State agency to assign a case manager to each family to provide case management services. The case manager must be responsible for obtaining or brokering any other services that may be needed to assure effective participation. The bill also requires the case manager to monitor the progress of the participant, and to periodically review and renegotiate the plan and the agreement as appropriate. Amounts spent on case management would be considered to be expenditures for the proper and efficient administration of the State plan. For families headed by minor parents, only one case manager would be permitted for both cash assistance and Network activities.

Senate Amendment

The Senate amendment allows the State agency to require the assignment of a case manager to each participant's family. The case manager must be responsible for assisting the family to obtain services needed to assure effective participation.

Conference Agreement

The conference agreement follows the Senate amendment.

K. ORIENTATION

(Section 102 of the House bill and section 201 of the Senate amendment.)

Present Law

WIN regulations require that each WIN registrant be informed about the nature of the WIN program and the individual's rights and responsibilities.

House Bill

The House bill requires that States ensure that each recipient is notified and fully informed concerning the education, training, and work opportunities that are offered by the Network program. The welfare agency must provide each applicant for cash assistance with orientation to the Network program, including opportunities offered, obligations of the State agency, and the rights, responsibilities, and obligations of participants. The orientation must include descriptions of all supportive services including day care and health coverage transition options. The applicant must be explicitly informed that day care must be provided to any parent who needs it and that child care must be appropriate for the age and individual needs of the child. Orientation must also be available at any time to recipients of cash assistance.

As part of the orientation, a knowledgeable individual must (1) provide information on the types and locations of child care services reasonably accessible to participants, (2) inform participants that assistance is available to help them select appropriate child care services, and (3) upon request, provide assistance to recipients in obtaining child care services.

The agency must also inform individuals of the grounds for exemption from participation and the consequences of refusal to participate if not exempt; the opportunity to receive first consideration for services by actively seeking to participate; and other participation information.

Each applicant or recipient must be notified in writing, within one month after orientation, of the opportunity to indicate his or her desire to participate in the program, including a clear description of how to enter the program.

Senate Amendment

The Senate amendment requires that the welfare agency ensure that all applicants and recipients are encouraged, assisted and required to fulfill their responsibilities to support their children by preparing for, seeking, accepting and retaining such employment as they are capable of performing. The agency must notify applicants and recipients of the education, employment, and training services (including supportive services) for which they are eligible.

The State agency must also (consistent with the provisions of title IV) assure that all applicants and recipients be encouraged, assisted and required to cooperate in the establishment of paternity and the enforcement of child support obligations, and must notify applicants and recipients of the paternity establishment and child support services for which they may be eligible.

Conference Agreement

The conference agreement follows the House bill and Senate amendment as follows:

The State agency must assure that all applicants and recipients are encouraged, assisted and required to fulfill their responsibilities to support their children by preparing for, seeking, accepting, and retaining such employment as they are capable of performing.

The agency must inform applicants and recipients of the education, employment, and training opportunities for which they are eligible, the obligations of the State agency, and the rights, responsibilities, and obligations of participants in the education, employment, and training program.

The agency must inform applicants and recipients of all supportive services, including day care and health coverage transition options.

The agency must (1) provide (directly or through arrangements with others) information on the types and locations of child care services reasonably accessible to participants, (2) inform participants that assistance is available to help them select appropriate child care services, and (3) upon request, provide assistance to participants in obtaining child care services.

The agency must inform applicants and recipients of the grounds for exemption from participation and consequences of refusal to participate if not exempt; and provide other participation information.

Each recipient must be notified in writing within one month after having been given the information described above, of the opportunity to indicate his or her desire to participate in the program, including a clear description of how to enter the program.

The agency must also (consistent with the provisions of Title IV) assure that all applicants and recipients are encouraged, assisted, and required to cooperate in the establishment of paternity and the enforcement of child support obligations, and must notify applicants and recipients of the paternity establishment and child support services for which they may be eligible.

L. PROGRAM STANDARDS

(Section 103 of the House bill and section 201 of the Senate amendment.)

1. Work standards

Present Law

By regulation, WIN registrants may not be referred to employment if it fails to meet certain criteria. The following standards must be met before an individual can be required to accept a work or training assignment:

(1) all assignments for trainees must be within the scope of the individual's employability plan. The plan may be modified to reflect changed employment conditions;

(2) the job or training assignment must be related to the capability of the individual to perform the task on a regular basis. A claim of adverse effect on health must be based on adequate medical testimony;

(3) the total daily commuting time must not normally exceed 2 hours, not including transporting of a child to and from child care, unless a longer commuting distance and time is generally accepted in the community;

(4) a work or training site may not be in violation of applicable Federal, State and local health and safety standards;

(5) assignments may not be discriminatory in terms of age, sex, race, creed, color, or national origin;

(6) for training to be appropriate, the quality must meet local employer's requirements, and the training must be likely to lead to employment which will meet appropriate work criteria.

House Bill

The House bill stipulates that the Secretary of Labor is responsible for implementing and carrying out the following provisions:

(1) each assignment under the program must be consistent with the physical capacity, skills, experience, health, family responsibilities, and place of residence of the participant;

(2) a requirement for part-time participation may not exceed 20 hours/week;

(3) individuals assigned to any position under the program may not be discriminated against on the basis of race, sex, national origin, religion, age, or handicapping condition and shall have such rights as are available under any Federal, State, or local law prohibiting discrimination.

Before assigning participants to any program activity the State must assure that:

(1) appropriate standards for health, safety, and other conditions are applicable to participation;

(2) the conditions of participation are reasonable, taking into account the geographic region, the residence of the participant, the proficiency of the participant, and child care and other supportive services needs; and

(3) the participant will not be required, without his or her consent, to travel an unreasonable distance from home or remain away from home overnight.

Senate Amendment

The Senate amendment requires that, in assigning participants to any program activity, the State agency assure that:

(1) the assignment takes into account the physical capacity, skills, experience, health and safety, family responsibilities and place of residence of the participant;

(2) the participant will not be required, without his or her consent, to travel an unreasonable distance from home or remain away from home overnight.

In making an assignment, the State agency may base the assignment on available resources, the participant's circumstances, and local employment opportunities.

Conference Agreement

The conference agreement provides that in assigning participants to any program activity, the State agency must assure that:

(1) the assignment takes into account the physical capacity, skills, experience, health and safety, family responsibilities and place of residence of the participant;

(2) individuals are not discriminated against on the basis of race, sex, national origin, religion, age, or handicapping condition and shall have such rights as are available under any Federal, State or local law prohibiting discrimination;

(3) the conditions of participation are reasonable, taking into account the proficiency of the participant and child care and other supportive services needs; and

(4) the participant will not be required, without his or her consent, to travel an unreasonable distance from home or remain away from home overnight.

In making an assignment, the State agency must base the assignment on available resources, the participant's circumstances, and local employment opportunities.

2. Wage rates

Present Law

The WIN statute has no provision specifying whether a participant must accept a job at any particular wage rate. However, WIN regulations provide that when an income disregard is available, the wage must meet or exceed the Federal or State minimum wage law. When, as a result of becoming employed, no disregard is available, the wage, less mandatory payroll deductions and a reasonable allowance for necessary employment-related expenses, must provide an income equal to or exceeding the family's AFDC cash benefits. There is no similar requirement under the WIN demonstration or job search programs.

House Bill

The House bill provides that the Secretary of Labor is responsible for implementing and carrying out the following provisions:

Wage rates for any position to which a participant is assigned may not be less than the highest of (a) the Federal minimum wage; (b) the minimum wage under applicable provisions of State or local law; or (c) the rates of pay for individuals employed in the same or similar occupations by the same employer.

Appropriate workers' compensation and tort claims protection must be provided to participants on the same basis as they are provided to other employed individuals in the State.

Senate Amendment

The Senate amendment provides that wage rates for jobs to which participants are assigned (work supplementation and on-the-job training) may not be less than the greater of the Federal or applicable State minimum wage.

Appropriate workers' compensation and tort claims protection must be provided to participants on the same basis as they are provided to other individuals in the State in similar employment (as determined under regulations of the Secretary).

Conference Agreement

The conference agreement provides that wage rates for the CWEP program may not be less than the greater of the Federal or applicable State minimum wage. After a participant has been in an assigned CWEP position for 9 months, the participant may not be required to continue in that assignment unless the maximum number of hours of participation is no greater than the cash benefit (excluding the portion of benefit for which the State is reimbursed by a child support payment) divided by the rate of pay for individuals employed in the same or similar occupations by the same employer at the same site.

3. Displacement

Present Law

States must assure that the community work experience program (CWEP) does not result in displacement of persons currently employed or the filling of established unfilled vacancies. Participants may not perform tasks that would have been undertaken by employees or would have the effect of reducing the work of employees.

House Bill

The House bill provides that the Secretary of Labor is responsible for implementing and carrying out the following provisions:

No work assignment under the program may result in:

(1) the displacement of any currently employed worker or position (including partial displacement such as a reduction in the hours of non-overtime work, wages, or employment benefits);

(2) the impairment of existing contracts for services or collective bargaining agreements;

(3) the employment or assignment of the participant or the filling of a position when (a) any other individual is on layoff from the same or any substantially equivalent position, or (b) the employer has terminated the employment of any regular employee or otherwise reduced its workforce with the intention of filling the vacancy so created with a participant subsidized under the program;

(4) any infringement of the promotional opportunities of any currently employed individual.

Participants in CWEP may not fill established unfilled position vacancies. Each recipient of funds must provide the Secretary of Labor assurances that no funds will be used to assist, promote, or deter union organizing.

Senate Amendment

The Senate amendment provides that no work assignment under the program may result in:

(1) Same as House bill.

(2) Same as House bill.

(3) Same as House bill, except does not include the clause beginning "with the intention."

(4) Same as House bill.

Participants in any work assignment under the program may not fill established unfilled position vacancies.

Conference Agreement

The conference agreement follows the House bill and Senate amendment modified to specify that participants in CWEP, work experience and work supplementation may not fill established unfilled position vacancies. The phrase in the House bill "with the intention of" is replaced by "with the effect of". JOBS funds may not be used to assist, promote, or deter union organization.

4. Application of standards of demonstration projects

Present Law

No provision.

House Bill

The House bill requires that the program standards described in items 1–3 above (work standards, displacement, wage rates) and the grievance procedure described in item Q below will also apply to any work-related demonstration projects under section 1115 of the Social Security Act.

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the House bill.

5. Net loss of income

Present Law

The WIN statute has no provision specifying whether a participant must accept a job at any particular wage rate. However, WIN regulations provide that when an income disregard is available, the wage must meet or exceed the Federal or State minimum wage law. When, as a result of becoming employed, no disregard is available, the wage, less mandatory payroll deductions and a reasonable allowance for necessary employment-related expenses, must provide an income equal to or exceeding the family's AFDC cash benefits. There is no similar requirement under the WIN demonstration or job search programs.

House Bill

The House provides that a participant may not be required to accept a position under the program (as work supplementation or otherwise) if accepting the position would result in a net loss of income to the family, including the insurance value of any health benefits. The individual is entitled to a fair hearing if there is any dispute over this finding of fact.

Senate Amendment

The Senate amendment requires that a participant may be required to accept a job under the program (as work supplementation or otherwise) only if the State agency assures that the participant's family will experience no net loss of cash income resulting from acceptance of such a job.

Conference Agreement

The conference agreement follows the Senate amendment modified so that a participant may be required to accept a job under the program only if the State agency assures that the participant's family will experience no net loss of cash income resulting from acceptance of such a job. Disputes related to this provision would be resolved through the normal fair hearing process.

M. TYPES OF SERVICES AND ACTIVITIES

(Section 102 of the House bill and section 201 of the Senate amendment.)

1. General requirements

Present Law

WIN regulations establish the following components:

(1) public service employment;

(2) activities to assist individuals in obtaining employment—employment search, including group job seeking, job development, exposure to labor market information, referrals, and job placement;

(3) on-the-job training;

(4) institutional training—vocational or other classroom training. Institutional training must average no more than 6 months with a maximum duration of one year for any individual.

(5) work experience (program rules limit participation to 13 weeks); and

(6) referral to other Federal or State employment or training programs.

WIN programs may also offer relocation assistance. The law requires that one-third of WIN funds must be used for on-the-job training and for public service employment.

CWEP programs must be designed to improve the employability of participants through actual work experience and training and to enable individuals employed under community work experience programs to move promptly into regular public or private employment. Programs are limited to projects which serve a useful public purpose in fields such as health, social service, environmental protection, education, urban and rural development and redevelopment, welfare, recreation, public facilities, public safety, and day care. To the extent possible, the prior training, experience, and skills of a recipient must be utilized in making appropriate work experience assignments. Participants in this program may not fill established unfilled position vacancies. The maximum number of hours in any month that members of a family may be required to work is the number which equals the amount of aid payable with respect to the family divided by the greater of the Federal or the applicable State minimum wage. The Governor of the State must provide coordination between a community work experience program and other programs authorized under the Social Security Act to insure that job placement will have priority over participation in the community work experience program.

Under present law for the work supplementation program, a State may use AFDC benefits to subsidize jobs by either public or private employers (sometimes referred to as grant diversion). Participation in work supplementation must be on a voluntary basis. Provision of Medicaid is optional.

Under the job search program, by regulation, activities may include group job search, job development, exposure to labor market information, work orientation, and referral. No individual may be required to participate more than 8 weeks in any 12-month period (except in the first year, when the total may be 16 weeks).

House Bill

The House bill requires that a range of services and activities be offered by each State. A State must offer items listed below that are marked with an asterisk. The State must also offer at least one service listed below that is not marked with an asterisk.

*(1) high school or equivalent education (combined with training when appropriate) designed specifically for participants who do not have a high school diploma;

*(2) basic and remedial education to achieve a basic literacy level, bilingual education for individuals with limited English proficiency, and specialized advanced education in appropriate cases;

(3) on-the-job training;

*(4) job skills training;

(5) work supplementation programs (see below);

(6) community work experience programs (see below);

*(7) group and individual job search (see below);

*(8) job readiness activities to help prepare participants for work;

*(9) counseling, information, and referral for participants experiencing personal and family problems;

*(10) job development, job placement, and follow up services to assist participants in securing and retaining employment and advancement as needed;

*(11) supportive services, including day care and transportation, reasonably necessary to participation; and

(12) other education and training activities as determined by the State and allowed by regulations of the Secretary.

Services may also include transitional employment to the extent funds are specifically appropriated for this purpose.

For each CWEP participant, the House bill requires a combination of work experience and training or educational services as part of a planned sequence of activities. Programs must be able demonstrably to (1) provide marketable skills to participants without previous work experience, (2) upgrade existing skills of those with limited previous work experience, or (3) transform obsolete skills into marketable skills.

The House bill adds a limitation that States establishing a CWEP program must ensure that each participant either (1) participate for a period not to exceed 6 months, with the maximum number of required hours of participation being a number equal to the amount of the benefit (excluding the portion for which the State is reimbursed by a child support payment) divided by the highest of (a) the Federal minumum wage, (b) the applicable State or local minimum wage, or (c) the rate of pay for individuals employed in the same or similar occupations by the same employer; or (2) participate for a total of not more than 30 hours a week for a period not to exceed 3 months.

The House bill adds a limitation that no participant may be assigned to CWEP unless (1) the participant's initial assessment identifies lack of recent work experience as a barrier to immediate placement in regular public or private employment; (2) the participant is unable to be placed in employment; (3) the assignment is part of a planned sequence of activities designed to prepare the participant for regular public or private employment; and (4) the participant has not been employed during the preceding 6 months.

If at the conclusion of participation an individual has not become employed, the agency must conduct a reassessment and develop a new employability plan. The individual may not be required to participate in CWEP a second time.

The House bill retains present law with respect to the work supplementation program with modifications. Participation in work supplementation is mandatory for non-exempt recipients. A State may exempt work supplementation participants from restrospective budgeting. The House bill requires that States which choose to operate a work supplementation program provide Medicaid services to participants and children of relatives who would otherwise be eligible for benefits.

The House bill generally retains present law with respect to the job search program but, instead of limiting job search to 8 weeks out of any 12-month period, specifies that after an individual has had 8 weeks of job search without obtaining a job, the individual must engage in training, education, or other activities designed to improve prospects for employment. Job search by an applicant may be required or provided for while his or her application is being processed; and job search by a Network participant may be required or provided for after his or her initial assessment, after his or her education or training, and at other appropriate times as may be set forth in the agency-client agreement and as otherwise provided by the State agency.

Participation in job search without participation in one or more other services or activities shall not be sufficient to qualify as participation in the program after it has continued for 8 weeks without finding a job. The family support plan must be modified and the individual must participate in other activities designed to improve prospects for employment.

Senate Amendment

The Senate amendment provides that a range of services and activities may be offered by each State. A State must offer basic education and skills training, and at least 2 of the 3 items described in (5), (6) and (7) below.

(1) high school or equivalent education (combined with training when appropriate);

(2) remedial education to achieve a basic literacy level; English as a second language; post-secondary education (as appropriate);

(3) on-the-job training;

(4) job skills training;

(5) work supplementation programs;

(6) community work experience programs, and any other work experience program approved by the Secretary;

(7) group and individual job search;

(8) job readiness;

(9) job development, job placement, and follow-up services, as needed, to assist participants in securing and retaining employment and advancement; and

(10) other employment, education and training activities as determined by the State and allowed by regulations of the Secretary.

The Senate amendment retains present law with respect to the CWEP program, except that the maximum number of hours an individual may be required to work in a month is equal to the cash benefit divided by the greater of the Federal or the applicable State minimum wage, excluding the portion of the benefit for which the State is reimbursed by a child support payment.

The Senate amendment retains present law with respect to the work supplementation program with modifications. Participation in work supplementation may be mandatory or voluntary. The Senate amendment retains the present law rule that the existence of a work supplementation program does not excuse recipients from participation in other activities except when actually employed. The Senate amendment requires that States which choose to operate a work supplementation program provide Medicaid services to participants and children or relatives who would otherwise be eligible for benefits.

The Senate amendment generally retains present law with respect to the job search program, but adds that an individual may not be required to participate in job search for more than 3 weeks before the State agency conducts an employability assessment. Further, participation in job search shall not qualify as an activity under the program after an individual has participated for 4 out of the preceding 12 months. (Mandatory job search would remain limited to 8 weeks, as under present law.)

Conference Agreement

The conference agreement requires that a range of services and activities must be offered by each State.

A State must offer all of the following items:

(1) educational activities (as appropriate), including high school or equivalent education (combined with training as needed), basic and remedial education to achieve a basic literacy level, and education for individuals with limited English proficiency;

(2) job skills trainings;

(3) job readiness activities;

(4) job development and job placement; and

(5) supportive services as provided in part III.

States must also offer two of the following four activities:

(1) group and individual job search;

(2) on-the-job training;

(3) work supplementation programs; and

(4) community work experience programs or any other work experience program approved by the Secretary.

A State may offer postsecondary education (as appropriate) and other education, training and employment activities as determined by the State and allowed by regulations of the Secretary.

The conferees intend that job search activities be intensive.

Although the above required components must be part of a State's program, the program need not be operated uniformly in all parts of a State. The conferees recognize the desirability of having programs that respond to varying circumstances, such as changes in the unemployment rate, and that reflect different needs, such as may exist in rural and urban areas. The conferees intend that States have the flexibility to design their programs to accommodate such differences.

The conference agreement retains present law with respect to the CWEP program, with modifications. After an individual has been assigned to a CWEP position for 9 months, the individual may not be required to continue in that assignment unless the maximum number of hours of participation is no greater than the cash benefit (excluding the portion of benefit for which the State is reimbursed by a child support payment) divided by the rate of pay for individuals employed in the same or similar occupations by the same employer at the same site. At the conclusion of each CWEP assignment, but, in any event, after each 6 months of participation in CWEP, the State agency must provide a reassessment, and revision, as appropriate, of the individual's employability plan.

The conference agreement retains present law with respect to the work supplementation program, with modifications. It follows the Senate provision that allows States to make participation in work supplementation either mandatory or voluntary; follows the House bill allowing States to exempt work supplementation participants from retrospective budgeting; and follows the House bill and Senate amendment requiring States to provide Medicaid to participants in work supplementation.

The conference agreement retains present law with respect to the job search program, with modifications. It retains the present law provision that limits required participation in a job search program to 8 weeks in any 12-month period (except in the year of application, when the total may be 16 weeks). It further provides that any additional job search may be required only in combination with some other education, employment, or training activity designed to improve prospects for employment. An applicant may be required to participate in job search (as in the House bill and Senate amendment). A recipient may not be required to participate in job search for more than 3 weeks before the State agency conducts an employability assessment (as in the Senate amendment). The conference agreement follows the Senate amendment providing that participation in job search shall not qualify as an activity under the program after an individual has participated for 4 out of the preceding 12 months.

2. *Special requirement for education services*

Present Law

No provision.

House Bill

The House bill provides that before being required to participate in any other activity, any participant lacking a high school diploma must be required to participate in a program which addresses the education needs identified in the participant's initial assessment. Any other services or activities to which a participant is assigned may not interfere with participation in an appropriate education program. The requirement of education services for persons without a high school diploma may not be imposed with respect to any participant who demonstrates a basic literacy level and whose plan identifies a long-term employment goal that does not require a high school diploma. The House bill requires that education services be consistent with an individual's employment goals.

Senate Amendment

The Senate amendment provides that a State agency must require a parent under age 22 who has not completed high school to attend school regardless of the age of the child. A State may require the parent to participate in educational activities on a full-time basis. Alternative work or training activities may be provided if the parent fails to make good progress, or if it is determined pursuant to an educational assessment that participation in education is inappropriate. These are limited to 24 hours per week. In making the initial assessment and developing an employability plan for a participant who has attained age 22 and does not have a high school diploma, the State agency must place emphasis on meeting the participants' educational needs.

Conference Agreement

The conference agreement follows the House bill and Senate amendment as follows:

To the extent the JOBS program is available in the area and State resources permit, a State agency shall require a parent under age 20 who has not completed high school (or equivalent), including a parent who is not otherwise required to participate in JOBS solely because of the exclusion relating to providing care for a child under age 3, to participate in an educational activity. A State may require the parent to participate in educational activities directed at the attainment of a high school diploma (or equivalent) on a full-time (as defined by the educational provider) basis.

The conferees recognize that there will be some parents, particularly those who are beyond high school age, for whom enrollment in a regular high school program will not be appropriate. The State agency will be expected to identify or develop alternative educational activities to meet the needs of those parents.

Alternative work or training activities may be provided if the parent fails to make progress, or if it is determined pursuant to an educational assessment that participation in education is inappropriate. Participation in alternative work or training activities is limited to 20 hours per week.

When an individual age 20 or over who does not have a high school diploma (or equivalent is required to participate in the program, the State agency must include education services as a component unless (1) the individual demonstrates a basic literacy level, or (2) the plan identifies a long-term employment goal that does not require a high school diploma (or equivalent). Any other services or activities to which a participant is assigned may not interfere with participation in an appropriate education component. Education services must be consistent with an individual's employment goals.

Child care must be guaranteed.

3. Services for children of participants

Present Law

No provision.

House Bill

The House bill provides that the State must encourage children in participating families to take part in any suitable education or training programs available under the program. The State's program must also provide these children with additional services designed to help them stay in school (including financial incentives as appropriate), complete their high school education, and obtain marketable job skills. Activities may not be permitted to interfere with school attendance.

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the House bill with modifications. To the extent the program is available and resources permit, the State must encourage children in participating families to take part in any suitable education or training programs available under JOBS. Activities may not be permitted to interfere with school attendance. The conferees do not expect that States will be required to develop special programs for children or youth, but if it is determined that the child of a participant would benefit from enrollment in a component of the JOBS program, the child must be encouraged to do so.

N. FEDERAL/STATE FUNDING

(Section 102 of the House bill and section 202 of the Senate amendment.)

Present Law

Under the present WIN statute, the Federal share is 90% of amounts appropriated and the State share is 10%. Ninety percent matching is available for all allowable expenditures, including both services and administration. The State share may be in cash or kind. Allocation of funds among States is as follows: 50% on the basis of the number of WIN registrants, and 50% on the basis of performance criteria established by the Secretary (these emphasize job placement).

Under present law, matching for the WIN demonstration program is the same for WIN. The statute requires that a WIN demonstration State's allocation equal its initial 1981 WIN allocation. As WIN appropriations have been reduced (from $365 million in FY81 to $93 million in FY88), the Administration has reduced State allocations accordingly, distributing funds on the basis of the State's share of the 1981 appropriations.

Under present law for the CWEP, work supplementation, and job search programs, the Federal share is 50% and the State share is 50% for costs of allowable program activities on an open-ended entitlement basis.

House Bill

The House bill provides Federal matching for education, training, and other non-administrative activities on an open-ended entitlement basis. The Federal match is 90% for expenditures up to the amount allotted to the State for WIN in FY87; of additional amounts, the Federal match is 65%. The Federal match for costs associated with administration is 50%. Matching for CWEP training is available at the 90% and 65% rates; matching for other CWEP costs is 50%. The House bill does not specify whether the State share may be in cash or kind.

The House bill provides that Federal funds made available to a State for purposes of the program under this section shall be used to augment and expand the existing services and activities which promote the purpose of this section, and shall not in whole or in part replace or supplant any State or local funds already being expended for that purpose.

None of the funds made available to a State for purposes of work-related program activities under the family support program, the Network program, or for demonstration projects in connection with the family support program may be used for construction.

Senate Amendment

The Senate amendment provides that Federal matching for JOBS program costs is available as a capped entitlement limited to $500 million in FY 1989, $650 million in FY 90, $800 million in FY 91, and $1 billion in FY 92 and years thereafter. The Federal match is 90% for expenditures up to the amount allotted to the State for WIN in FY 87. Of additional amounts, the Federal match is at the Medicaid matching rate, with a minimum Federal match of 60%, for non-administrative costs and for personnel costs for full-time staff working on the JOBS program. The match for other administrative costs (including evaluation) is 50%. State matching for amounts above the 1987 WIN allocation must be in cash. States receive an amount equal to their WIN allotment for FY 87 ($126 million for all States). Additional funds are allocated on the basis of each State's relative number of adult recipients.

Federal program funds may not be used to supplant non-Federal funds for existing services and activities. State or local expenditures for these purposes must be at least equal to expenditures for FY86.

Conference Agreement

The conference agreement follows the Senate amendment except that it provides that the cap will be $600 million in fiscal year 1989, $800 million in fiscal year 1990; $1 billion in fiscal years 1991, 1992 and 1993, $1.1 billion in fiscal year 1994 and $1.3 billion in fiscal year 1995; and provides that JOBS program funds may not be used for construction.

O. PRIORITY/TARGET POPULATION

(Section 102 of the House bill and section 202 of the Senate amendment.)

Present Law

Under the present law WIN program, priority must be accorded to individuals in the following order, taking into account employability potential:

(1) unemployed parents who are principal earners;

(2) mothers, whether or not required to register, who volunteer for participation;

(3) other mothers, and pregnant women, registered for WIN, who are under age 19;

(4) dependent children and relatives age 16 and above who are not in school or engaged in work or training;

(5) all other individuals.

Establishment of a priority population is at State discretion for all other programs.

House Bill

The House bill stipulates that the program must establish specific target populations to include:

(1) families that have received assistance continuously for 2 or more years (20 out of 24 consecutive months);

(2) families with a teenage parent, and families with a parent who was under age 18 when the first child was born;

(3) families with a parent who lacks a high school diploma or its equivalent;

(4) families in which the youngest child is within 2 years of being ineligible for assistance because of age.

To the extent that resources are not adequate, priority for services must be accorded as follows:

(1) first to individuals who are not required to participate and who volunteer, if they are included in 2 or more of the target groups (described above);

(2) second to individuals who are required to participate if they are included in 2 or more of the target groups (described above);

(3) third to other individuals who are not required to participate and who volunteer;

(4) fourth to other individuals who are required to participate.

Among those who are required to participate, first consideration for services must be given to those who actively seek to participate.

A State that provides satisfactory assurances that it will make available the resources to serve all mandatory and voluntary participants within a 3-year period after the effective date will not have to apply the above priorities until the expiration of the 3-year period.

If a voluntary participant drops out of the program after having participated, he or she shall not be given priority so long as other mandatory or voluntary participants seek to participate.

Senate Amendment

The Senate amendment provides that Federal matching is reduced to 50 percent unless 50 percent of funds are spent on the following target populations:

(1) recipients who have received assistance for any 30 of the preceding 60 months;

(2) applicants who have received assistance for any 30 of the 60 months immediately preceding application;

(3) custodial parents under age 24 who (a) have not completed high school and are not enrolled in high school or an equivalent course; or (b) had little or no work experience in the preceding year.

Within the target groups, States must give first consideration for participation to individuals who volunteer.

The Senate amendment requires that the Secretary submit recommendations to the Congress every 2 years for modifications or additions to the target groups that the Secretary determines would further the goal of assisting long-term or potential long-term recipients to achieve self-sufficiency.

Conference Agreement

The conference agreement follows the Senate amendment with modifications. It would reduce Federal matching to 50 percent unless 55 percent of funds are spent on the following target populations:

(1) families in which the custodial parent is under age 24 and (a) has not completed high school or is not enrolled in high school or an equivalent course; or (b) had little or no work experience in the preceding year;

(2) families in which the youngest child is within 2 years of being ineligible for assistance because of age;

(3) families who have received assistance for more than 36 months during the preceding 60-month period.

The above target requirements may be waived if a State demonstrates to the satisfaction of the Secretary that the characteristics of the caseload in the State make it infeasible to meet the requirements, and that the State is targeting other long-term or potential long-term recipients.

Within the target groups, States must give first consideration for participation to individuals who volunteer.

If a voluntary participant drops out of the program without good cause after having participated, he or she shall not be given priority so long as other mandatory or voluntary participants seek to participate.

The Secretary must submit recommendations to the Congress every 2 years for modifications or additions to the target groups that the Secretary determines would further the goal of assisting long-term or potential long-term recipients to achieve self-sufficiency.

P. PARTICIPATION REQUIREMENTS

(Section 202 of the Senate amendment.)

Present Law

Under present law for the WIN program, a State's Federal AFDC matching share must be reduced by one percentage point for each percentage point by which the number of individuals certified as ready for employment or training (by virtue of the provision of necessary supportive services) is less than 15 percent of the average number of individuals in the State who, during the year, are required to register for WIN.

House Bill

No provision.

Senate Amendment

The Senate amendment provides that a State's Federal matching rate for the JOBS program is reduced to 50% for any year in which it fails to engage the following percentage of non-exempt welfare recipients in the program: 10% in FY 90 and FY 91, 14% in FY 92 and FY 93, and 22% in FY 94. (The penalty does not apply in FY 90.)

A State meets the participation requirements for a year if its average participation rate for the computation periods in the year is at least as great as the rate specified above. Within each computation period, the participation rate is determined as the average of (1) the average monthly participation rate for the computation period and (2) the participation for the month in that period in which the participation rate was highest. The computation periods are: the entire year in FY 90, January-June and July-December in FY 91, calendar quarters in FY 92 and FY 93, and months in FY 94.

The rate is computed by dividing the number of actual participants (including volunteers) in the JOBS program by the number of individuals who are mandatory participants under the terms of the bill. (Mandatory participants for this calculation do not include parents caring for children under age 3 or the second parent in unemployed parent families even if the State opts to require their participation.) Participation must be something more than simple registration for the JOBS program; it must meet State-established requirements which are consistent with regulations of the Secretary. The participation rate standards cease to apply after 1994.

If a State fails to meet the required participation rate for a year, the Secretary may waive the penalty (in whole or part) if the State otherwise is operating a JOBS program in conformity with the law, has made a good faith effort to meet the participation rate requirement, and has submitted a proposal which is likely to achieve the required participation rate for subsequent years.

A State must require at least one parent in a two-parent family eligible on the basis of the unemployment of the principal earner (AFDC-UP) to participate at least 16 hours a week in a work supplementation, CWEP, or other work experience program. (See description of AFDC-UP for additional requirements that a State may make applicable.) To meet this requirement, a State that currently has a UP program must engage 50 percent of UP families in a program in fiscal year 1994, and 100 percent in 1995 and thereafter. States currently without a UP program must meet these requirements in fiscal years 1995 and 1996 and thereafter.

Conference Agreement

The conference agreement follows the Senate amendment except as follows:

Basic AFDC Caseload.—Requires States to meet a monthly participation rate of 7 percent in fiscal years 1990 and 1991, 11 percent in fiscal years 1992 and 1993; 15 percent in fiscal year 1994; and 20 percent in fiscal year 1995. These participation rates are expected to result in the following numbers of new participants (over the present law CBO baseline): 240,000 in fiscal year 1991; 360,000 in fiscal year 1992; 360,000 in fiscal year 1993; 545,000 in fiscal year 1994; and 800,000 in fiscal year 1995.

AFDC-UP Caseload.—One parent must participate at least 16 hours per week, but, with respect to CWEP, not more hours than the minimum wage equivalent based on the welfare payment less the portion reimbursed by child support. (While participation in CWEP of less than 16 hours because of the minimum wage rule will qualify as meeting this requirement, participation which is less than 16 hours because of the wage rates rule applicable after 9 months participation (see item M. for discussion) will not qualify.) Participation must be in work supplementation, community work experience or other work experience program, on-the-job training, or a State designed work program approved by the Secretary.

The requirement would apply to 40 percent in 1994, 50 perent in 1995, 60 percent in 1996, and 75 percent in 1997-1998 (calculated so that, on average, these percentages of the caseload would be participating in each month of the year). The requirement would exclude families who have been on the rolls less than 2 months provided that at least one parent in such families participates in intensive job search during those two months.

A State may substitute participation in an educational program leading to a high school diploma or GED or other basic education program in the case of a parent under age 25 who has not completed high school.

If a State fails to meet the work requirements for a year, the Secretary may waive the penalty (in whole or in part) if the Secretary finds that the State otherwise is operating a JOBS program in conformity with the law, has made a good faith effort to meet the participation rate requirement but has been unable to do so because of economic conditions in the State recipients living in remote locations or isolated rural areas where the availability of work sites is severely limited) or because of rapid and substantial increases in caseload that cannot reasonably be planned for, and has submitted a proposal that is likely to achieve the required participation rate for subsequent years.

Q. GRIEVANCE PROCEDURE

(Section 103 of the House bill and section 201 of the Senate amendment.)

Present Law

No provision.

House Bill

The House bill provides that the Secretary of Labor is responsible for implementing and carrying out the following provisions:

(1) Each State welfare agency must establish and maintain a grievance procedure for dealing with complaints about its programs and activities from participants, subgrantees, subcontractors, and other interested persons. Hearings on any complaint must be conducted within 30 days after the complaint is filed and a decision must be made no later than 60 days after the filing.

(2) The decision of the State agency may be appealed to the Secretary of Labor and the complaint itself may be appealed to the Secretary of Labor if the State agency fails to make a decision within the prescribed 60-day period.

(3) Whenever the Secretary of Labor receives an appeal or has reason to believe that the program standards described in 1, 2, or 3 of item L have been violated, the complaint must be transmitted at the same time to the entity alleged to have committed the violation. An opportunity shall be afforded the entity to review the complaint and to submit a reply to the Secretary within 15 days after receiving the copy of the complaint.

(4) An official designated by the Secretary of Labor must review any complaint and conduct an investigation to determine whether there is substantial evidence that the affected activities fail to comply with the program standard requirements. Findings and recommendations must be reported to the Secretary within 60 days after commencing the review. Within 45 days after receiving the report, the Secretary must issue a final determination as to whether a violation has occurred, and must institute proceedings to compel the repayment of any funds determined to have been expended in violation of the program standard requirements.

(5) The existence of the remedies available under the grievance procedure may not preclude any person who alleges that an action of a State agency violates provisions relating to working conditions, displacement, wage rates, worker's compensation, tort claims protection, grievance procedures, and use of funds for construction from instituting a civil action or pursuing any other remedy authorized under Federal, State or local law.

(6) Regulations to carry out the program standard provisions must be issued by the Secretary of Labor in consultation with the Secretary of HHS following the same timetable required for other regulations for Network.

Senate Amendment

The Senate amendment requires that the State establish and maintain (pursuant to regulations jointly issued by the Secretaries of HHS and Labor) a grievance procedure for resolving complaints by regular employees or their representatives that the assignment of an individual under the program violates any of the above prohibitions. A decision of the State may be appealed to the Secretary of Labor for investigation and such action as the Secretary finds necessary.

Conference Agreement

The conference agreement follows the Senate amendment with modifications. The State must establish and maintain (pursuant to regulations jointly issued by the Secretaries of HHS and Labor) a grievance procedure for resolving complaints by regular employees or their representatives that the assignment of an individual under the program violates displacement provisions.

A decision of the State may be appealed to the Secretary of Labor for investigation and such action as the Secretary finds necessary. (Disputes relating to work standards, wage rates, and workers' compensation will be handled as described in item II.C.4.)

R. SPECIAL PROVISION FOR INDIAN TRIBES

(Section 202 of the Senate amendment.)

Present Law

No provision.

House Bill

No provision.

Senate Amendment

The Senate amendment provides that Indian tribes (or Alaska Native organizations) may apply to operate work, training, and education programs. Application must be made no later than 6 months after enactment. If an application is made and approved, the Secretary may grant funds to the tribe or Alaska Native organization (without a non-Federal matching requirement) to operate such a program. The amount of funds will be based on the ratio of adult recipients in the tribe relative to the adult recipients in the State multiplied by the State's JOBS program allocation under the entitlement cap. (The State's cap will be appropriately reduced.) Requirements of the JOBS program may be waived if the Secretary determines that they would be inappropriate.

Conference Agreement

The conference agreement follows the Senate amendment.

S. REGULATIONS

(Section 102 of the House bill and section 204 of the Senate amendment.)

Present Law

No provision.

House Bill

The House bill requires the Secretary of HHS to issue regulations for implementing the Network program within 6 months after enactment, and publish final regulations within 9 months after enactment. Regulations must be developed by the Secretary in consultation with the Secretary of Labor and with the State welfare agencies.

Senate Amendment

The Senate amendment requires that proposed regulations be issued by the Secretary of HHS within six months after the date of enactment; final regulations must be published by one year after the date of enactment.

Conference Agreement

The conference agreement follows the Senate amendment with respect to the timetable for issuing regulations, and the House bill with respect to the consultation required in the development of the regulations.

T. PERFORMANCE STANDARDS AND REPORTING REQUIREMENTS

(Section 103 of the House bill and section 204 of the Senate amendment.)

Present law

No provision.

House Bill

The House bill requires that the Secretary of HHS establish performance standards for State network programs (to do so, he is directed to contract with the National Academy of Sciences). The standards must be designed to evaluate the success of services provided and activities conducted and must at a minimum (in the following order of priority):

(1) provide methods for measuring the degree to which States are targeting their programs to those in each priority group who will have the most difficulty finding employment;

(2) provide methods for determining whether States are providing intensive services under the program, tailored to the individual needs of participants and fully calculated to produce self-sufficiency;

(3) take into account the extent to which the program results in long-term job retention, reduced welfare dependency, educational improvements, and placement in jobs in which health benefits or child care are provided;

(4) provide methods for measuring the degree to which States are placing strong emphasis on participation by volunteers among priority groups;

(5) give appropriate recognition to the likelihood that unemployment and other factors will influence the success of the employment program;

(6) measure the cost effectiveness of the employment portion of the program and the welfare savings that result from the program;

(7) establish expectations for placement rates, including the minimum rate at which participants within each priority group are to be placed in jobs or complete their education or both; and

(8) take into account such other factors as are deemed important.

Performance must be measured by outcome and not by levels of activity or participation, and must be based on the degree of success which may reasonably be expected of States in carrying out programs that help individuals achieve self-sufficiency and in reducing welfare costs. The performance standards must be periodically reviewed by the Secretary and modified to the extent necessary.

The House bill directs the Secretary to contract with the National Academy of Sciences to develop the performance standards. The Academy must establish an advisory committee including representatives of Congress, State and local agencies administering Network programs, the Secretaries of Labor and HHS, State job training coordinating councils, labor organizations, business organizations, education agencies, researchers, community based organizations, and organizations representing eligible participants. The proposed performance standards developed by the advisory committee must be submitted to the appropriate committees of Congress prior to their submission to the Secretary.

The House bill provides that the Secretary may collect preliminary information from the States to assist in the development of performance standards.

Preliminary guidelines to facilitate compliance with performance standards must be established within 12 months after the date of enactment. Final standards must be published no later than 24 months after enactment.

The Secretary must conduct evaluations of each State's progress toward meeting the performance standards, and submit an annual report to the Congress.

If a State fails to meet the performance standards, the Secretary must provide technical assistance, and review the State's compliance (no later than 6 months after providing technical assistance).

The Secretary must periodically (but not more frequently than every 3 years) review the performance standards.

The Secretary must develop and transmit to the Congress, for appropriate legislative action, a proposal for modifying the Federal matching rate to reflect the relative effectiveness of the various States in carrying out the Network program.

The Secretary must establish uniform reporting requirements under which States must periodically furnish information and data, including, but not limited to, average monthly number of families assisted, types of families, amounts spent per family, and length of participation. These data would be required for each Network activity.

Senate Amendment

The Senate amendment requires that no later than five years after enactment, the Secretary must develop performance standards and submit his recommendations for such standards to the Congress. Standards must be developed in consultation with representatives of organizations representing Governors, State and local administrators, educators, and other interested persons, and be based in part on the results of implementation and effectiveness studies. Recommendations must be made with respect to specific measures of outcomes, such as participation rates, income gains, and placement rates.

Conference Agreement

The conference agreement follows the Senate amendment with modifications.

No later than 3 years after the mandatory effective date of the program, the Secretary must develop performance standards and submit his recommendations for such standards to the committees of Congress with jurisdiction over the program.

Standards must be developed in consultation with the Secretary of Labor, representatives of organizations representing Governors, State and local administrators, educators, State job training coordinating councils, community-based organizations, recipients, and other interested persons, and be based in part on the result of implementation and effectiveness studies.

In developing performance standards, the Secretary should consider the measures of performance identified in the House bill as illustrative of the types of factors which are to be taken into account.

Performance must be measured by outcome and not only by levels of activity or participation, and must be based on the degree of success which may reasonably be expected of States in carrying out programs that help individuals increase earnings, achieve self-sufficiency, and reduce welfare dependency. The performance standards must be periodically reviewed by the Secretary and modified to the extent necessary.

The Secretary may collect information from the States to assist in the development of performance standards.

The Secretary must develop and transmit to the Congress, for appropriate legislative action, a proposal for measuring State progress, providing technical assistance to enable States to meet standards, and modifying the Federal matching rate to reflect the relative effectiveness of the various States in carrying out the program.

The Secretary must include in the regulations that he issues with respect to the JOBS program, regulations that establish uniform reporting requirements under which States must periodically furnish information and data, such as average monthly number of families assisted, types of families, amounts spent per family, length of participation, and such other information and data as the Secretary may determine. These data must be provided for each program activity.

U. EVALUATIONS/EFFECTIVENESS STUDIES

(Section 804 of the House bill and section 204 of the Senate amendment.)

1. Implementation and evaluation studies

Present Law

No provision.

House Bill

The House bill requires the Secretary to provide for the continuing evaluation of programs, for research on ways to increase their effectiveness, and for technical assistance to States, localities, schools and employers who participate in the program and request or require assistance. Research on increasing the effectiveness of programs must include: the effectiveness of giving priority to participants who actively seek to participate; appropriate strategies for assisting 2-parent families; wage rates of people placed under the program; the most effective approaches in meeting the needs of specific groups and types of participants; and the effect of targeting on families with children below age 6.

The House bill authorizes $20 million during a five year period to fund an interagency panel composed of representatives of OMB, CBO, CRS, and GAO to design, implement, and monitor a series of implementation and evaluation studies to assess the methods and effects of the work, education and training program. The panel is required to report annually for five years. The panel must appoint a 12-member advisory board including representatives of business, labor, academia, children's groups, and others.

Senate Amendment

The Senate amendment has no provision requiring the continuing evaluation of programs.

The Senate amendment requires the Secretary to conduct an implementation study based on a representative sample of States and localities, and to document with respect to JOBS programs (1) the types, mix, and costs of services offered, (2) participation rates or activity levels, (3) the characteristics of the individuals in the different types of activities, (4) the provisions made for child and day care and the extent to which limitations exist with respect to the availability of such care, (5) the institutional arrangements and operating procedures under which activities are offered in the different locations, and (6) such other factors as the Secretary deems appropriate. The bill authorizes an appropriation of $500,000 for each of fiscal years 1989, 1990, and 1991.

Conference Agreement

The conference agreement follows the House bill requiring the Secretary to provide for the continuing evaluation of programs and follows the Senate amendment requiring the Secretary to conduct an implementation study based on a representative sample of States and localities. The conference agreement authorizes $500,000 for each of fiscal years 1989, 1990, and 1991 for the Secretary's implementation study.

2. Effectiveness study

Present Law

No provision.

House Bill

No provision.

Senate Amendment

The Senate amendment directs the Secretary to conduct a study to determine the relative effectiveness of the different approaches used by States under the JOBS program for assisting long-term recipients. The study must be based on data gathered from demonstration projects conducted in five States. Projects must be conducted for a period of not less than three years.

Demonstration projects must use specific outcome measures to test the effectiveness of particular programs, including educational status, employment status, earnings, receipt of child support supplements, receipt of other transfer payments, and to the extent possible, the poverty status of participating families. Projects must involve use of experimental and control groups composed of a random sample of participants.

Participating States must provide the Secretary interim data from the effectiveness demonstration projects. The Secretary must report to the Congress annually on the progress of the projects, and not later than one year after the date of final data collection, must submit the effectiveness study to the Congress.

The Senate amendment authorizes an appropriation of $10 million for each of fiscal years 1989 through 1993 for payments to States conducting demonstration projects.

Conference Agreement

The conference agreement follows the Senate amendment with respect to State evaluations with modifications.

The Secretary is directed to conduct a study to determine the relative effectiveness of the different approaches used by States under the program for assisting long-term recipients, as in the Senate amendment. As in the House bill, the Secretary must appoint an advisory panel to design, implement, and monitor the study. The panel may include representatives of OMB, CBO, CRS, GAO, and such other individuals and organizations as the Secretary may determine. The conference agreement provides $5 million for fiscal years 1990 and 1991 for evaluation and effectiveness studies.

3. Impact on Indians

Present Law

No provision.

House Bill

No provision.

Senate Amendment

The Senate amendment requires that the Secretaries of HHS and Interior conduct a study of the effectiveness of the JOBS program for Indians.

Conference Agreement

The conference agreement follows the Senate amendment.

V. WIN TRANSITION/EFFECTIVE DATE

(Section 104 of the House bill and section 202 of the Senate amendment.)

Present Law

The WIN program is permanently authorized.

The authority for the WIN demonstration program expires October 1, 1990.

House Bill

The House bill repeals the WIN program effective October 1, 1989 and replaces it with the Network program. States may elect to participate in Network before October 1, 1989 by notifying the Secretary of HHS.

Each State welfare agency would be required to carry out an initial evaluation of the characteristics of potential Network participants within 6 months after the date of enactment. Particular attention must be given to current and future labor market demands, and any changes needed in the current delivery system. The evaluation must be structured to produce accurate and usable information on the age, family status, educational and literacy levels, duration of eligibility for family support supplements, and work experience of potential participants in Network, including numbers of such individuals and families in each category. The Secretary of HHS, in consultation with the Secretary of Labor, must provide technical assistance to the States as they develop their initial evaluations. The Secretary of HHS must transmit copies of the initial evaluations from each State to the advisory committee and to the National Academy of Sciences for use in preparation and review of performance standards.

Each State would receive $100,000 to help finance its initial evaluation from amounts available to the Secretary of HHS for fiscal year 1988. Such sums as may be necessary would be authorized for fiscal year's 1988 and 1989 to carry out the WIN transition. Ten percent of the WIN appropriation each year would be for carrying out the initial State evaluations and for technical assistance and planning grants. In allocating these amounts, the Secretary would take into account each State's prior year's allocation and the relative share of recipients in each State for the most recent year. Each State must ensure that at least 10 percent of the costs are covered from non-Federal sources. Non-Federal contributions may be in cash or in kind.

Senate Amendment

The Senate amendment repeals the WIN program effective October 1, 1990 and replaces it with the JOBS program. The WIN demonstration authority is extended through fiscal year 1990.

A State may implement a JOBS program before October 1, 1990 (after proposed regulations have been published). The JOBS funding limitation for a State that operates a program for less than a full fiscal year must be adjusted to reflect the portion of the year during which the JOBS program will be in effect in the State.

Conference Agreement

The conference agreement follows the Senate amendment with respect to the effective date of the JOBS program.

The conference agreement follows the House bill with respect to initial State evaluations of the characteristics of potential participants with modifications. It allows, rather than requires, States to conduct these evaluations. It deletes the requirement that the Secretary transmit copies of the evaluations to the advisory committee and the National Academy of Sciences. It adds a requirement that the Secretary take evaluations into account in developing performance standards.

W. TRANSITIONAL EMPLOYMENT

(Section 105 of the House bill.)

Present Law

No provision.

House Bill

The House bill provides that transitional employment with a public or private nonprofit employer for no more than 6 months (unless another 6-month period is determined to be necessary) would be authorized for participants who have completed their Network activities but still are unable to find jobs. The individual must have participated in other Network activities, including job search, for 6 months. Priority would be given to transitional jobs in services to other participants, such as day care or transportation, and to jobs likely to lead to unsubsidized employment. Such sums as may be necessary would be authorized.

Effective date: Upon enactment.

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the Senate amendment; i.e., no provision.

X. CAREGIVERS AND CHILD CARE

(See additional child care provisions in section III.)

(Section 105 of the House bill.)

1. Training of caregivers

Present Law

No provision.

House Bill

The House bill requires that each State institute a program to provide grants for training for child care personnel in such areas as child growth and development, communications and families, health and safety and administration and management. Child care personnel may include employees of child care centers, family day care providers, and others meeting standards set by Title IV of the Social Security Act.

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the Senate amendment (i.e., no provision).

2. Child care supply

Present Law

No provision.

House Bill

The House bill provides that any State may institute a program to provide grants to local nonprofit child care programs to establish or renovate child care centers and family day care homes that meet standards under Title IV of the Social Security Act and that will serve participants in NETWork activities. Grants could be used also to help day care providers to comply with health and safety standards.

A sum not exceeding $150,000,000 would be authorized for each fiscal year to fund training of caregivers and child care supply.

Effective date: Upon enactment.

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the Senate amendment (i.e., no provision).

TITLE III.—TRANSITIONAL ASSISTANCE FOR FAMILIES AFTER LOSS OF AFDC ELIGIBILITY

A. CHILD CARE DURING PARTICIPATION IN WORK, EDUCATION AND TRAINING

(Section 201 of the House bill and section 301 of the Senate amendment.)

1. General requirement

Present Law

Under the WIN program, the State agency must provide child care necessary to enable individuals to accept employment or receive training. When more than one kind of child care is available, the mother may choose the type, but she may not refuse to accept child care services if they are available. Under the CWEP and job search programs, the State agency must provide child care necessary for participation. Child care under the WIN demonstration and work supplementation programs is at State discretion.

House Bill

The House bill requires that the State guarantee child care (including day care for an incapacitated individual) to the extent that it is determined by the agency to be directly related to an individual's participation in work, education or training; reasonably necessary for participation; and cost-effective. (Cost effective is defined to mean care furnished within the following specified dollar limitations: $175 per month for a child age 2 or over and $200 per month for a child under age 2.) The House bill also specifies that child care must be appropriate for the age and individual needs of the child.

Senate Amendment

The Senate amendment requires the State agency to guarantee child care (including day care for an incapacitated individual) to the extent that it is determined by the agency to be necessary for an individual's participation in employment, education, and training under JOBS.

Conference Agreement

The conference agreement provides that the State agency must guarantee child care to the extent that it is determined by the agency to be necessary for an individual's employment. The State agency must also guarantee child care for education and training activities (including participation in the JOBS program) if the State agency approves the activity and determines that the individual is satisfactorily participating in the activity. Whenever the State agency arranges child care, the agency shall take into account the individual needs of the child.

2. Methods of providing/reimbursing care

Present Law

Under the WIN program, the agency may provide care through arrangements with others or otherwise. Under the CWEP program, funds may be used to pay for day care that is provided either directly or indirectly by the State agency, and that is directly attributable to participation. Under the job search program, services necessary to enable an individual to participate must be furnished by the agency. If not provided directly or by contract, the agency must pay (in advance or by reimbursement) expenses reasonably incurred in meeting job search requirements.

House Bill

The House bill allows the State to provide care directly or reimburse the family (in advance whenever possible) for the costs of care incurred in any month. Reimbursements may be made by contract or certificate, or by disregarding the costs of care from the earned income of the family as provided in the bill. The House bill requires that any changes a State makes to its method of reimbursing day care costs may not have the effect of disadvantaging individuals or families receiving aid on the date of enactment, by reducing their income or otherwise.

Senate Amendment

The Senate amendment allows the State agency to provide care itself, arrange care by use of contract or vouchers, provide cash or vouchers in advance to the caretaker relative, reimburse the caretaker relative, or adopt any other arrangements deemed appropriate by the agency.

Conference Agreement

The conference agreement provides that the State agency may provide care itself, arrange care by use of contract or vouchers, provide cash or vouchers in advance to the caretaker relative, reimburse the caretaker relative, or adopt any other arrangements deemed appropriate by the agency. Regardless of the method selected by the State agency to provide care, reimbursement for the cost of care with respect to a family may not be less than the amount of the child care disregard for which the family is otherwise eligible. (The disregard is limited to the lower of actual costs or the amounts specified in item II.F.1.) However, in no case may amounts payable for child care exceed applicable local market rates.

The conference agreement provides that any changes a State makes in its method of reimbursing child care costs may not have the effect of disadvantaging families receiving aid on the date of enactment by reducing their income or otherwise.

This provision applies to an individual participating in an employment, education or training activity (including participation in the JOBS program) if the State agency approves the activity and determines that the individual is satisfactorily participating in the activity.

3. Federal matching rate

Present Law

The Federal matching rate under the WIN program is 90% (subject to appropriation and allocation among States). For other programs, the Federal matching rate is 50% (open-ended entitlement).

House Bill

The House bill sets the Federal matching rate at the Medicaid rate (50%-80%, open-ended entitlement).

Senate Amendment

The Senate amendment is the same as the House bill with a modification to require that funds not be used for construction or rehabilitation of facilities.

Conference Agreement

The conference agreement follows the Senate amendment.

4. Dollar limitation per child

Present Law

Under the WIN, WIN demonstration, work supplementation, and job search programs, there is no Federal limit on the amount that may be paid for child care. Under the CWEP program, the State agency may establish amounts that it considers to be reasonable, necessary, and cost-effective, but not in excess of $160 per child per month.

House Bill

The House bill stipulates that Federal matching funds are not available for amounts in excess of $175 per month for a child age 2 and over or $200 per month for a child under age 2. It provides that States may make additional reimbursements from non-Federal funds.

Senate Amendment

The Senate amendment stipulates that dollar amounts for JOBS participants must be within limits prescribed by the State, but not in excess of applicable local market rates (determined by the State in accordance with regulations of the Secretary).

Conference Agreement

The conference agreement provides that Federal matching is available for expenditures for child care that are within limits established by the State (subject to item III A. 2 above), but not in excess of applicable local market rates (as determined by the State in accordance with regulations of the Secretary).

5. Child care standards

Present Law

Under the WIN program, child care must meet applicable standards of State and local law. Under all other programs, child care standards are at State discretion.

House Bill

The House bill requires that child care involving more than 2 children at the same time meet applicable standards of State and local law. Report language indicates that the bill would require child care services to meet applicable standards of State and local law and would also require child care services involving more than 2 children to meet standards set by the State that ensure basic health and safety protections.

The House bill provides that no amounts for child care may be expended for any services unless the entity providing care provides parental access; posts in clear public view the telephone number for filing any complaint regarding quality or health or safety violations; and complies fully with all local health and fire safety standards (as required under the provision relating to child care standards described above).

The House bill further provides that no State receiving Federal funds for child care may reduce the level of child care licensing requirements or other standards applicable to child care provided within the State on the date of enactment of this Act.

Senate Amendment

The Senate amendment is the same as present law under WIN.

Conference Agreement

The conference agreement required that child care meet applicable standards of State and local law.

States must establish procedures to assure that center-based child care will be subject to requirements designed to ensure basic health and safety, including fire safety protections. The State must also endeavor to develop guidelines for family day care. The State must provide the Secretary with a description of these State- and local-determined requirements and guidelines, which shall be used by the Secretary to make a report to the Congress on the nature and content of State and local standards for health and safety. The report will be due within 2 years after the effective date of the above provisions.

No amounts for day care may be expended for any services unless the entity providing care provides parental access.

The conference agreement authorizes $13 million for each of fiscal years 1990 and 1991 for grants to States to improve their child care licensing and registration requirements and procedures, and to monitor child care provided to AFDC children. States must provide 10% in matching funds. Allocation is on the basis of each State's relative number of AFDC children.

The conference agreement does not give the Secretary authority to establish Federal day care standards. It is not the intent of Congress to stipulate specific day care standards for States or localities.

6. Income and tax treatment of child care benefits

Present Law

No provision.

House Bill

The House bill requires that the value of any day care provided under this act not be treated as income for any other Federal or Federally-assisted need-based program and may not be claimed as an employment-related expense for tax purposes.

Senate Amendment

The Senate amendment is the same as the House bill.

Conference Agreement

The conference agreement follows the House bill and the Senate amendment.

7. Effective date

House Bill

The House bill provides an effective date of October 1, 1987; or, in the case of a State whose legislature is not in regular session on the date of enactment and State legislation is needed, on the first day of the first fiscal year beginning after the legislature has convened for a regular session during which a budget is (or is scheduled to be) adopted.

Senate Amendment

The Senate amendment provides an effective date which is the same as the effective date of the JOBS program. States must implement JOBS by October 1, 1990, and may implement sooner if they have an approved plan.

Conference Agreement

The conference agreement follows the Senate amendment.

B. TRANSITIONAL CHILD CARE ASSISTANCE

(Section 201 of the House bill and section 301 of the Senate amendment)

1. General requirement

Present Law

Under the WIN program regulations, necessary supportive services, including child care, must continue for a period of 30 days after a WIN participant starts unsubsidized employment, and may continue for a maximum of 90 days at the discretion of the WIN supportive services unit. Under WIN demonstrations programs, transitional child care assistance is at State discretion. The CWEP, work supplementation, and job search programs have no transitional child care requirements. A number of States provide child care to AFDC recipients who leave the rolls because of employment through their title XX (Social Services) programs. Under title XX, States establish their own fee schedules. Child care provided with title XX funds must meet applicable standards of State and local law.

House Bill

The House bill provides that in any case where a family has ceased to receive family support supplements as a result of earnings, the caretaker relative continues to be entitled to reimbursement for the costs (subject to applicable dollar limitations) determined by the State agency to be necessary for an individual's participation in employment.

The House bill provides that except for the limitations and fee requirements described in the provision below, child care provisions for transitional assistance (including the Federal matching rates, dollar limitations, standards, and methods for providing care) are the same as the provisions for child care received during participation in the Network program.

Senate Amendment

The Senate amendment requires that the State agency guarantee child care to the extent the care is determined by the State agency to be necessary for an individual's employment in any case where a family has ceased to receive assistance as a result of increased hours of, or increased income from employment, or as a result of the loss of earnings disregards.

The Senate amendment provides, as does the House bill, that except for the limitations and fee requirements described in the provision below, child care provisions for transitional assistance (including the Federal matching rates, dollar limitations, standards, and methods for providing care) are the same as the provisions for child care received during participation in the JOBS program.

Conference Agreement

The conference agreement follows that Senate amendment.

2. Limitations on assistance

Present Law

No provision.

House Bill

The House bill limits transitional care as follows:

(1) care is limited to a period (determined by the State) of at least 12 months after the last month for which the family actually received assistance;

(2) the family must include a child who is a dependent child; and

(3) family income may not equal or exceed 150 percent of the OMB non-farm income official poverty line.

Senate Amendment

The Senate amendment limits transitional care as follows:

(1) the family must have received assistance in at least three of the six months immediately preceding the month of ineligibility;

(2) care is limited to a period of nine months after the last month for which the family actually received assistance, and a total of nine months out of the preceding 36 months;

(3) the family must include a child who is (or would if needy be) a dependent child.

Under the Senate amendment, a family may not be eligible for care for any month after which the caretaker relative has (1) submitted false or misleading information in order to obtain assistance; (2) been subject to a sanction in the preceding 12 months for failure to meet JOBS employment and training participation requirements; (3) without good cause, terminated employment, refused to accept employment, or reduced the hours of employment; or (4) failed to cooperate with the State in establishing and enforcing child support obligations.

Conference Agreement

The conference agreement provides that child care is limited to a period of 12 months after the last month for which the family actually received assistance.

The Secretary of Health and Human Services is directed to study whether individuals are returning to the welfare rolls in order to requalify for additional months of transitional benefits. If the study shows that this is occurring, the Secretary shall issue regulations which restrict requalification. Such regulations may be issued no sooner than October 1, 1991.

3. Fee requirement

Present Law

No provision.

House Bill

The House bill requires that the family contribute to the cost of care in accordance with a sliding scale formula based on ability to pay, established by the State.

Senate Amendment

The Senate amendment requires that the family contribute to the cost of care in accordance with a sliding scale based on ability to pay, established by the State and approved by the Secretary.

Conference Agreement

The conference agreement follows the House bill. The conferees note that the Secretary has authority to approve fee schedules as part of the Department's general regulatory and plan approval responsibilities.

4. Study of effects

Present Law

No provision.

House Bill

No provision.

Senate Amendment

The Senate amendment requires that the Secretary of HHS conduct a study on the effectiveness of the child care transition provisions in reducing welfare dependence and assisting families in making the transition from welfare to employment, and such other effects of these amendments as the Secretary may find appropriate. A report is due September 30, 1997.

Conference Agreement

The conference agreement follows the Senate amendment.

5. Termination of child care transition

Present Law

No provision.

House Bill

No provision.

Senate Amendment

The Senate amendment provides that authorization for child care transition benefits terminates December 31, 1993.

Conference Agreement

The conference agreement provides that the provision sunsets on September 30, 1998.

6. Effective date

House Bill

The child care transition provisions are effective March 1, 1988.

Senate Amendment

The child care transition benefit provisions are effective October 1, 1989 (October 1, 1990 in the State of Kentucky).

Conference Agreement

The child care transition benefit provisions are effective April 1, 1990.

C. NEW CHILD CARE RESOURCES/TRAINING

(Section 202 of the House bill.)

Present Law

No provision.

House Bill

The House bill requires that States regularly assess the availability and reliability of child care services and take necessary or appropriate steps to develop needed child care resources and ensure the coordination of child care provided under the bill with other child care resources in the State. A State may provide that funds to participants for child care under Network and child care transition may be available to supplement early childhood development programs, including Head Start, Chapter I of the Education Consolidation and Improvement Act of 1981 and other programs, so as to extend these programs to provide full-day, full-year services to children in participating families. State funds expended for this purpose would be matched at 50 percent, on an open-ended entitlement basis.

Effective date: October 1, 1987.

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the Senate amendment (i.e., no provision).

D. TRANSPORTATION AND WORK-RELATED EXPENSES

(Section 201 of the House bill and section 202 of the Senate amendment.)

Present Law

Under the WIN program, agencies are authorized to provide necessary transportation and other costs related to participation. Regulations require States to provide an allowance for necessary expenses. Federal matching is 90% (subject to appropriation). Under the WIN demonstration program, transportation and work-related expenses are at State discretion. Federal matching is 90% (subject to appropriation). Under the CWEP program, in cases where the State is unable to provide transportation and other necessary services directly to participants or through a third party, States must provide reimbursement for such costs that are incurred by a participant and directly related to participation. Amounts reimbursed for transportation must be the cost of transportation by the most appropriate means, as determined by the State agency. Federal matching is 50% (open-ended entitlement). Under the work supplementation program, 50% Federal matching is available for transportation costs (open-ended entitlement). Under the job search program, individuals must be furnished transportation and other services necessary to enable them to participate. If services are not provided directly, the agency must pay (in advance or by reimbursement) costs reasonably incurred by a participant in meeting job search requirements. Federal matching is 50% (open-ended entitlement).

House Bill

The House bill requires that States provide reimbursement for transportation and other work-related expenses of Network Participants. Federal matching is an open-ended entitlement, using the Medicaid matching rate. Reimbursement to an individual may not exceed $100 per month (adjusted annually for inflation). However, if the participant must travel 100 miles or more to the Network assignment, reimbursement could be as much as $200 per month.

Effective date: Same as Network, effective October 1, 1989, or earlier if the State has an approved plan.

Senate Amendment

The Senate amendment requires that the State provide payment or reimbursement for necessary transportation and other work-related supportive services that the State determines are necessary to enable an individual to participate in JOBS. Federal matching is 50%, subject to the JOBS funding cap. There is no Federal limit on the amount of reimbursement with respect to an individual.

Effective date: Same as JOBS, effective October 1, 1990, or earlier if the State has an approved plan.

Conference Agreement

The conference agreement follows the Senate amendment, modified to cover necessary transportation and other work-related expenses, including other work-related supportive services, that the State determines are necessary to enable an individual to participate in JOBS.

E. TRANSITIONAL MEDICAL ASSISTANCE

(Section 302 of the Senate amendment.)

1. Initial extension period

a. Coverage period

Present Law

There are two rules for continuing Medicaid coverage to families that lost coverage as the result of earnings from employment.

(1) States must provide for a continuation of Medicaid benefits for a period of four months in the case of a family that loses benefits as a result of increased hours of, or increased income from, employment, if the family has received benefits in at least three of the six months immediately preceding the month in which the family becomes ineligible. This provision applies to a family that loses benefits because of earnings that are at a level that would make the family ineligible even if the $30 plus one-third disregard were used in determining its eligibility for an AFDC benefit. It also applies to a family receiving AFDC on the basis of the unemployment of the principal earner if the family becomes ineligible because the principal earner works more than 100 hours a month.

(2) States must continue Medicaid benefits for nine months for families that lose AFDC eligibility due solely to the fact that they are no longer eligible for certain earned income disregards. AFDC recipients are entitled to the disregard of $30 plus one-third of additional earnings in determining AFDC benefit amounts. However, the one-third disregard may be applied for only four consecutive months of earnings. Thereafter, the $30 disregard is applied for a limit of 8 additional months. States may provide Med-

icaid for an additional six months (for a total of 15 months coverage) to families that would be eligible for AFDC if these disregards were applied.

House Bill

No provision. (Section 4131 of the Omnibus Budget Reconciliation Act of 1987, H.R. 3545, as passed by the House, contained a related provision.)

Senate Amendment

The Senate amendment requires that each State's Medicaid plan provide that each family that received assistance under the State's child support supplement program in at least three of the six months immediately preceding the month of ineligibility because of increased hours of, or increased income from, employment of the caretaker relative, or because of the loss of income disregards, shall, without reapplication for benefits, remain eligible for Medicaid during the immediately succeeding six-month period. States may not impose premiums during this initial period. No individual may receive more than 12 months of transitional Medicaid assistance in any 36-month period. Transitional Medicaid assistance sunsets on December 31, 1993.

Conference Agreement

The conference agreement follows the Senate amendment with the following modification. Medicaid transitional benefits would be terminated for any individual with respect to whom the State has made a finding that the individual, at any time during the 6 month period preceeding the beginning of Medicaid extension coverage, received cash assistance benefits because of fraud, including intentional submission of false or misleading information in order to obtain benefits. The 12 month in any 36-month period limitation is deleted. The sunset date is September 30, 1998.

The conference agreement also includes a one-year extension of current authority to provide Medicaid benefits for 4 months to families who leave AFDC due to collection of child support.

b. Notification of eligibility

Present Law

No provision.

House Bill

No provision.

Senate Amendment

The Senate amendment requires that the State notify the family of its right to extended Medicaid benefits when it notified the family of the termination of cash assistance. The notice must include a description of the circumstances under which the Medicaid extension may be terminated. A card or other evidence of the family's entitlement to assistance must be included.

Conference Agreement

The conference agreement follows the Senate amendment with minor and technical changes.

c. Conditions for denying assistance

Present Law

No provision.

House Bill

No provision.

Senate Amendment

The Senate amendment requires that a family be denied Medicaid during the six-month period for any month in which the family does not include a child who is (or would if needy be) a dependent child. The State may not discontinue assistance with respect to a child or an SSI recipient until the State has determined that the individual is not eligible under the State's plan for services to persons who are not categorically eligible. Medicaid shall be denied beginning after a month during which the caretaker relative has (1) submitted false or misleading information in order to obtain child support supplements; (2) been subject to sanction in the preceding 12 months for failure to meet the JOBS employment and training participation requirements; (3) without good cause, terminated employment, refused to accept employment, or reduced the hours of employment; or (4) failed to cooperate with the state in establishing and enforcing child support obligations. Before denial, the State must provide the individual with notice of the grounds for the denial. In the case of denial on the basis of (3) above, the notice must include a description of how the family may reestablish eligibility.

Conference Agreement

The conference agreement follows the Senate amendment with a modification altering the ground for termination.

d. Scope of services

Present Law

No provision.

House Bill

No provision.

Senate Amendment

The Senate amendment provides that the amount, duration, and scope of services made available with respect to a family must be the same as if the family were still receiving cash assistance. At its option, a State may pay a family's expenses for premiums, deductibles, coinsurance, or similar costs for health insurance provided by an employer to a caretaker relative (and also for insurance provided by an employer to an absent parent who is paying child support for a dependent child if that insurance provides more cost-effective coverage). As a condition of extended coverage, the State may require the caretaker relative to apply for such employer coverage, if the State provides for payment of the premium, deductible, coinsurance, or similar expense that the caretaker relative is otherwise required to pay. Under this option, the family would remain eligible under the regular Medicaid program, but such employer-provided coverage must be treated as a third-party liability (which requires the State to seek reimbursement for assistance provided to the extent of the liability).

Conference Agreement

The conference agreement follows the Senate amendment with the following modification. The State would have the option to pay the costs for health insurance provided by an absent parent who is paying child support for a dependent child without a formal finding that the insurance provides more cost-effective coverage. As a condition of extended coverage, the State may require the caretaker relative to apply to apply for employer coverage, if (1) the State provides for payment of the premium and other enrollment expenses and (2) the caretaker relative is not required to make financial contributions through payroll deductions or otherwise. Payments made for premiums, coinsurance and deductibles would be treated as medical assistance and be eligible for Federal financial participation.

e. Earnings reporting requirement

Present Law

No provision.

House Bill

No provision.

Senate Amendment

The Senate amendment requires that the State require each family that receives transitional medical assistance to report the family's gross monthly earnings (and monthly costs of child care incurred by reason of the employment of the caretaker relative), on such date or dates as the State may choose, after the second month of receipt of such assistance.

Conference Agreement

The conference agreement follows the Senate amendment with a modified reporting schedule based on a quarterly rather than monthly system.

2. Additional extension period—

a. Coverage period

Present Law

No provision.

House Bill

No provision.

Senate Amendment

The Senate amendment requires that each State offer each family that has received assistance during the entire initial six-month period (described in 1), and has met earnings reporting requirements, the option of extending assistance for the succeeding six-month period, subject to payment of a monthly premium. No individual may receive more than 12 months of transitional Medicaid assistance in any 36-month period. Transitional Medicaid assistance sunsets on December 31, 1993.

Conference Agreement

The conference agreement follows the Senate amendment with the following modifications. The imposition of a premium would be optional with the State. The 12 in any 36-month period limitation is deleted. The sunset is September 30, 1998.

b. Notification of eligibility

Present Law

No provision.

House Bill

No provision.

Senate Agreement

The Senate amendment provides that during the second and fourth months of the initial six-month assistance period, the State must notify the family of the family's option for extended assistance in the subsequent six-month period. The notice must include a statement of monthly reporting requirements, a statement as to premiums required for such extended assistance, and a description of other out-of-pocket expenses, benefits, reporting and payment procedures, and any preexisting condition limitations, waiting periods, or other coverage limitations imposed under any alternative coverage options offered by the State (described below).

Conference Agreement

The conference agreement follows the Senate amendment with a modified reporting schedule based on a quarterly rather than monthly system.

c. Conditions for denying assistance

Present Law

No provision.

House Bill

No provision.

Senate Amendment

The Senate amendment requires that a family be denied assistance under the same conditions as apply during the initial six-month period. In addition, assistance shall be denied beginning after a month with respect to which the family (1) fails to pay any required monthly premium, or (2) fails to meet the reporting requirement, unless the family established good cause for such failures. If a family fails to meet the reporting requirements, the State may provide for suspension of assistance, rather than termination, in order to allow the family additional time to meet the reporting requirement. A family shall be ineligible for assistance if the family's average gross monthly earnings (less the costs of child care necessary for the employment of the caretaker relative) during the preceding month exceeds 185 percent of the OMB poverty line.

Conference Agreement

The conference agreement follows the Senate amendment with the same modifications as applied during the initial six month extension period (item 1(c)).

d. Scope of services

Present Law

No provision.

House Bill

No provision.

Senate Amendment

The Senate amendment requires that during the additional extension period, the State must generally offer assistance that is the same amount, duration, and scope as would be available if the family were still receiving cash assistance. However, at State option, a State may elect not to provide any or all of the following items and services: skilled nursing facility services; certain care provided by licensed practitioners; home health care services; private duty nursing services; physical therapy; certain diagnostic, screening, preventive and rehabilitative services; inpatient hospital services, skilled nursing facility services, and intermediate care facility services for individuals age 65 or over in an institution for mental diseases; intermediate care facility services; inpatient psychiatric hospital services for individuals under age 21; hospice care; and respiratory care services.

Conference Agreement

The conference agreement follows the Senate amendment.

e. Alternative coverage

Present Law

No provision.

House Law

No provision.

Senate Amendment

The Senate amendment provides that the State may offer alternative coverage in lieu of the regular Medicaid program under one or another of the following: enrollment in a family option of the group health plan offered the caretaker relative; enrollment in a family option within the options of the group health plan or plans offered by a State to State employees; enrollment in a basic State health plan offered by the State to individuals otherwise unable to obtain health insurance coverage; or enrollment in a health maintenance organization less than 50 percent of the membership of which consists of individuals who are eligible for Medicaid, excluding those who are eligible under this option. If the State offers to enroll a family under one of the above options, the State must pay any premiums, deductibles, coinsurance, and other costs imposed on the family. At State option, employer-provided coverage may be offered to a family on the same basis as described in 1. above, with such coverage being treated as a third-party liability.

Conference Agreement

The conference agreement follows the Senate amendment with minor and technical changes. The conferees wish to clarify that under this provision, a State may either offer the basic Medicaid coverage, or may offer a choice between the basic Medicaid coverage and one or more of the alternative coverage options. If the State has offered a choice, and if the caretaker relative chooses to enroll in one of the alternative options, the relative and family is not eligible for the basic Medicaid coverage. Furthermore, if the State offers alternative coverage which involves payment of deductibles, coinsurance, and other cost-sharing, payment shall be based on the full amount allowed under the alternative coverage option, without regard to limitations under the basic Medicaid program. Any amounts paid by a State for premiums, deductibles, coinsurance, or related expenses in connection with the offering of alternative coverage will be considered medical assistance and subject to Federal matching payments.

f. Premium

Present Law

No provision.

House Bill

No provision.

Senate Amendment

The Senate amendment requires that the State impose a premium for coverage offered during the additional six-month period. The level of the premium may vary for options offered by the State (described above). The amount of the premium may not exceed 3 percent of the family's gross monthly earnings, and no premium may be imposed if the family's gross monthly earnings (less child care costs) do not exceed 100 percent of the OMB poverty line.

Conference Agreement

The conference agreement follows the Senate amendment with a modification making imposition of the premium optional with the State.

3. Study

Present Law

No provision.

House Bill

No provision.

Senate Amendment

The Senate amendment requires the Secretary of Health and Human Services to conduct a study of the impact of the transitional Medicaid benefits on access to and use of medical services, the relative effectiveness of different types of coverage provided by States, and the effect of requiring families to pay premiums or incur any other expenses with respect to extended benefits. The Secretary shall report the results by January 1, 1993.

Effective date: October 1, 1989; sunsets on December 31, 1993.

Conference Agreement

The conference agreement follows the Senate amendment with modifications. The report would be due April 1, 1993. The study and report shall include an analysis of whether individuals who have exhausted their extension benefits recycle onto welfare for periods of time in order to requalify for these benefits. Congress shall hold a hearing on the findings of the report within 60 calendar days and shall take such action on the findings of the study as Congress deems appropriate.

Effective date: April 1, 1990; sunsets on September 30, 1998.

F. DISREGARD OF INCOME

(Section 301 of the House bill.)

1. Changes in income disregards

Present Law

At application, a State is required to disregard the following: (a) the first $75 of earned income (to cover work expenses); (b) actual expenses up to $160 per month per child for day care; and (c) the first $50 of any monthly child support payments. The State may also disregard the dependent child's JTPA earnings for 6 months and student earnings if these are also disregarded for purposes of the gross income limit.

To calculate benefits of individuals determined to be eligible at application, the State must disregard the following: (a) all of the earned income of a dependent child who is a student and not working full-time; (b) the first $75 of earned income (to cover work expenses); (c) actual expenses up to $160 per month per child for day care; (d) $30 of earned income for 12 months; (e) 1/3 of the remaining earned income for 4 months; and (f) the first $50 of any monthly child support payments.

The State may also disregard the dependent child's JTPA earnings for 6 months and student earnings if those earnings are also disregarded for purposes of the gross income limit. (States have the option of disregarding the earnings of a full-time student for up to 6 months in applying the gross income limit.)

House Bill

The House bill would require States to disregard at application the following: (a) the first $100 of the earned income of any individual whose needs are taken into account in calculating the benefit (to cover work expenses); (b) in States choosing the disregard approach, actual day care expenses up to $175 per month per child age 2 or more, $200 per month per child under age 2; and (c) the first $50 of any monthly child support payments. The State also would be allowed to disregard JTPA earnings of any dependent child or minor parent in such amounts and for such periods of time (not to exceed 6 months) as the Secretary provides.

To calculate benefits, the State would be required to disregard the following items in the following order: (a) all of the earned income of a dependent child who is a student and not working full time; (b) the first $100 of the earned income of any individual whose needs are taken into account in calculating the benefit; (c) 25 percent of the remaining earnings of any individual whose needs are taken into account; (d) the first $50 of any monthly child support payments; and (e) actual day care expenses up to $200 per child per month for children under 2 and $175 per child per month for children 2 and over.

Senate Amendment

The Senate amendment retains present law.

Conference Agreement

The conference agreement follows the Senate amendment modified to increase the limit on the disregard of child care costs to $175 per month ($200 per month for a child under age 2); to provide that the child care disregard will be calculated after other disregard provisions have been applied; and to increase the standard disregard from $75 to $90.

2. Optional State disregard increases

Present law

No provision.

House Bill

The House bill would permit States to increase the $100 plus 25 percent earned income disregard and the $50 child support disregard so long as the family's gross income is under the gross income limit (185 percent of the State standard of need).

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the Senate amendment; i.e., no provision.

3. Adjustment of standard deduction

Present Law

No provision.

House Bill

The House bill requires States to adjust the standard deduction ($100 or a higher amount under item 2 above) annually for changes in the cost of living.

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the Senate amendment; i.e., no provision.4. Treatme

4. Treatment of the earned income tax credit

Present Law

For AFDC purposes, the earned income tax credit (EITC) is treated as earned income when it is actually received, either as an advance payment or as a refund after the tax year has ended.

House Bill

The House bill requires States to disregard any advance payments or refund of the EITC when calculating AFDC eligibility or benefits.

Senate Amendment

The Senate amendment retains present law.

Conference Agreement

The conference agreement follows the House bill.

5. Effective date

Present Law

No provision.

House Bill

The House bill provides an effective date for the income disregard amendments of October 1, 1988, unless the State legislature is not in a regular session on the date of enactment of this bill and State legislation is required to provide the funds needed to carry out the amendments made by the Title (or otherwise to implement the amendments). In such case, the effective date for the State would be the first day of the next Federal fiscal year that begins after the State legislature has convened for a regular session during which a budget is (or is scheduled to be) adopted by the State.

Senate Amendment

No provision.

Conference Agreement

The disregared provisons are effective October 1, 1989.

TITLE IV—RELATED AFDC AMENDMENTS

A. NAME OF PROGRAM

(Section 2 of the House bill and section 3 of the Senate amendment.)

Present Law

Under present law, the name of the program is Aid to Families with Dependent Children (AFDC).

House Bill

The House bill changes the name to Family Support Program (FSP).

Senate Amendment

The Senate amendment changes the name to Child Support Supplement Program (CSSP).

Conference Agreement

The conference agreement retains the name of the current program: Aid to Families with Dependent Children.

B. BENEFITS FOR UNEMPLOYED PARENTS (AFDC-UP)

(Section 601 of the House bill and section 402 of the Senate amendment.)

Present Law

Under present law, States have the option of providing assistance to 2-parent families eligible by reason of the unemployment of the principal earner. Twenty-seven States, the District of Columbia, and Guam currently have a UP program.

Regulations define unemployment as working fewer than 100 hours for a particular month, unless hours are of a temporary nature for intermittent work and the individual met the 100-hour rule in the two preceding months and is expected to meet it the following month.

Present law requires attachment to the labor force as a condition of eligibility. The principal earner must: (1) have 6 or more quarters of work in any 13-calendar-quarter period ending within 1 year prior to application for assistance; or (2) have received or been eligible to receive unemployment compensation within 1 year prior to application for assistance. (A quarter of work is a quarter in which an individual earns at least $50 or participates in CWEP or WIN.)

House Bill

The House bill requires all States to provide assistance to 2-parent families eligible by reason of the unemployment of the principal earner.

It authorizes 5 State and local demonstration projects to test the effect of eliminating the 100-hour (or any other durational standard) rule for recipients of cash aid (basing continued eligibility on size of earnings rather than hours of work). Projects would have to require that both parents be required to accept any reasonable full- or part-time job.

The House bill allows a State to substitute attendance in elementary or secondary school, vocational or technical training, or participation in JTPA, for not more than 4 of the 6 required quarters of work. Attendance in vocational or technical training cannot substitute for more than 4 of the 6 required quarters of work over an individual's lifetime. (A quarter of work is a quarter in which an individual earns at least $50 or participates in CWEP.)

The House bill requires a GAO study of the AFDC-UP program within 6 months after enactment of this act, with recommendations for simplifying administration and reducing errors.

Effective Date: January 1, 1990. The demonstration project would be effective October 12, 1987.

Senate Amendment

The Senate amendment requires all States to have an unemployed parent program. Under this program, States could: (1) require participation by any parent in one or more education, employment, and training activities approved under the JOBS program (not to exceed a combined total of 40 hours per person per week); (2) provide that the cash payments would be made to participants after they had performed the required JOBS program activities; (3) provide for the participation of both spouses in JOBS program activities; and (4) limit the duration of cash assistance eligibility. (However, a State could not deny benefits to an otherwise eligible family unless the family had received benefits in at least six out of the preceding 12 months.)

The AFDC-UP provision does not override other provisions in the bill that limit the number of hours a family may be required to participate in CWEP, require the provision of child care, and limit required participation of parents caring for a child under age 6 to no more than 24 hours a week.

Under the Senate amendment, if a State chooses to provide a limit on the duration of cash assistance, medical assistance would nevertheless have to be provided for children in the family who are under age 18 and (as in present law) for pregnant women in the family.

If a State elects to establish durational limits on cash assistance, it must provide assurances to the Secretary of Health and Human Services that it will have a program of active assistance to help the parents in those families prepare for and obtain employment.

The Senate amendment authorizes 10 State or local demonstrations to test a definition of unemployment that is easier to meet than the present 100-hour rule (by reason of establishing a greater number of hours as the standard) and requires evaluation using random assignment. The demonstration authority would expire September 30, 1995. A report to Congress would be required.

The Senate amendment, like the House bill, allows a State to substitute attendance in elementary or secondary school, vocational or technical training, or participation in JTPA, for not more than 4 of the 6 required quarters of work. Attendance in vocational or technical training cannot substitute for more than 4 of the 6 required quarters of work over an individual's lifetime. (A quarter of work is a quarter in which an individual earns at least $50 or participates in CWEP). The Senate amendment, in addition, requires that participation in the JOBS program be counted in meeting the quarter of work requirement.

The Senate amendment requires the Secretary to evaluate AFDC-UP programs (both time-limited and conventional) and report to Congress within 4 years after the effective date.

Effective date: October 1, 1990.

Conference Agreement

The conference agreement follows the Senate amendment with modifications. It delays the effective date of the mandatory UP program in American Samoa, Guam, Puerto Rico, and the Virgin Islands until October 1, 1992. It requires the Secretary to evaluate UP programs (both time-limited and conventional), including the effects of the work requirement, and report to the Congress. A final report would be due by July 1, 1997. It requires States having a UP program in effect on September 26, 1988 to continue operating such programs without a time limitation on benefits through September 30, 1998. It requires States electing time-limited benefits to provide medicaid to all members of the family without time limitation. The conference agreement sunsets the requirement that all States have a UP program on September 30, 1998 and returns to present law. It further sunsets the UP work requirement on September 30, 1998.

The conference agreement authorizes 8 State or local demonstrations to test a definition of unemployment that is easier to meet than the present 100-hour rule, including (if any State or locality so requests) at least one demonstration that tests the elimination of the 100 hour rule or any other durational standard.

The conference agreement follows the Senate amendment with respect to the quarter of work requirement.

C. BENEFITS FOR MINOR PARENTS

(Section 602 of the House bill and section 401 of the Senate amendment.)

Present Law

Under present law, a minor parent who has a child, and who leaves home, may establish her own household and claim AFDC as a separate family unit. In this situation, the income of the parents of the minor parent is not automatically counted as available to the minor parent, because they are not sharing the household. If a minor parent lives with her parents, their income is counted in determining the benefit of the minor parent.

House Bill

The House bill provides that a minor under age 18 who is unmarried and who has a child may receive assistance only if she resides with a parent, legal guardian, or other adult relative, or in a foster home, maternity home, or other supportive living arrangement.

The State agency may determine it is impossible or inappropriate to apply this requirement if: (1) the individual has no living parent or legal guardian whose whereabouts are known; (2) the parent or legal guardian refuses to let the individual and child live in the home; (3) the health or safety of the individual or child would be jeopardized or living conditions are overcrowded; or (4) the individual has lived apart from the parent or guardian for at least one year prior to the birth of the child or applying for benefits.

The State must assign a case manager to a family headed by a minor parent. The case manager must be responsible for assuring that the family receives and uses all aid and services available and for supervising their use, and may require that assistance payments be paid in the form of protective payments.

If the parent of the minor parent is also eligible for cash assistance, the State must treat the minor parent and child as a separate family unit for purposes of determining benefits. Also repeals present law provision requiring the counting of income of the parents of a minor parent.

Effective date: October 1, 1987.

Senate Amendment

The Senate amendment provides that a minor under age 18 who has never married and who has a child (or is pregnant) may receive assistance only if she resides with a parent, legal guardian, or other adult relative, or in a foster home, maternity home, or other adult-supervised supportive living arrangement.

This requirement does not apply if: (1) the individual has no parent or legal guardian who is living and whose whereabouts are known; (2) the parent or legal guardian does not allow the individual to live in the home; (3) the State agency determines that the physical or emotional health or safety of the individual or her child would be jeopardized; (4) the individual lived apart from her parent or legal guardian for a period of at least one year prior to the birth of the child or applying for benefits; or (5) the State agency otherwise determines (under Federal regulations) that there is good cause for waiving the arrangement.

The Senate amendment requires that assistance, where possible, be paid to the parent or legal guardian.

Effective date: First quarter beginning one year after enactment.

Conference Agreement

The conference agreement follows the Senate amendment but makes the requirement optional with the States.

D. NEED AND PAYMENT STANDARDS

(Sections 701 and 702 of the House bill and section 403 of the Senate amendment.)

Present Law

Each State establishes its own standard of need for a family of a given size to cover the family's basic needs. States also establish a payment standard, which may be lower than the standard of need. It is this amount that usually represents the maximum benefit that is payable to a family of a given size.

House Bill

Each State is required to reevaluate its need and payment standards every year, giving particular attention to the adequacy of the amount assumed necessary for shelter. The results must be reported to the Secretary, the Congress, and the public.

Effective date: Upon enactment.

Senate Amendment

Each State is required to reevaluate its need and payment standards at least every 5 years and report the results to the Secretary.

Effective date: Upon enactment.

Conference Agreement

The conference agreement follows the House bill, modified to require reevaluation of State need and payment standards every 3 years.

E. INCREASE IN FEDERAL MATCHING FOR CASH BENEFITS

(Section 702 of the House bill.)

Present Law

Federal matching for benefits varies from State to State (50-80%) and is inversely related to per capita income.

House Bill

The House bill increases the State's Federal matching share by 25% (but not to more than 90 percent) for any benefit increases made on or after October 1, 1988 and before October 1, 1991. The increased match applies only to that portion of the grant which results from the increase. The increased match continues in effect after October 1, 1991 for increases in benefits which become effective before that date. The bill prohibits States from lowering benefits below the level in effect on June 10, 1987, or below a level scheduled to go into effect after that date and on or before September 30, 1988 under a State law enacted on or before June 10, 1987.

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the Senate amendment (i.e., no provision).

F. STUDY OF ALTERNATIVE MINIMUM BENEFIT PROPOSALS

(Section 703 of the House bill and section 404 of the Senate amendment.)

Present Law

No provision.

House Bill

The House bill requires a study by the National Academy of Sciences of alternative minimum benefit proposals for low-income families with children, giving particular attention to what an appropriate national minimum benefit might be and how it should be calculated.

The study would give consideration to alternative minimum benefit proposals, including those that would link benefit levels to a family living standard, national median income, State median income, and the poverty level. The study would also take into account the probable impact of a national minimum benefit on individuals and on State and local governments. A report would be due 24 months after the date of enactment.

Effective data: Upon enactment.

Senate Amendment

The Senate amendment requires CBO to conduct a study on the implementation of sec. 101 of S. 862, the Partnership Act of 1987, relating to the requirement of a minimum payment standard. The study must assess the extent to which (1) the goal of budget neutrality may be preserved by repealing certain specified programs over a period of time in conjunction with corresponding increases (up to 90%) in Federal matching rates for cash welfare and Medicaid benefits; and (2) the effects on local governments of repealing Federal programs could be mitigated by providing, over time, general revenue supplements to those localities with the lowest levels of fiscal capacity and pass throughs to units of local government. The report is due 12 months after enactment.

Effective date: Upon enactment.

Conference Agreement

The conference agreement follows the House bill and the Senate amendment, but specifies that the CBO study is subject to appropriation.

TITLE V.—DEMONSTRATION PROJECTS

A. GRANTS TO PROVIDE PERMANENT HOUSING FOR FAMILIES

(Section 805 of the House bill and section 501 of the Senate amendment.)

Present Law

No provision.

House Bill

The House bill authorizes 3 State demonstration projects testing whether assistance payments would be reduced through the construction and renovation of permanent housing for families receiving emergency assistance. It would authorize $15 million per year for 5 years, beginning with fiscal year 1988.

The Federal cost per unit would be limited to the cost of housing for a family in temporary shelter for one year. The State matching rate would be 10 percentage points above the current State AFDC matching rate. The Federal cost for rehabilitation or construction for temporary shelter for the families involved, and for assistance to such families over 10 years, would be required to be less than the cost of temporary shelter over the same period.

Senate Amendment

The Senate amendment is similar to the House bill. It would authorize 2 State demonstration projects for 5 years, and would authorize $8 million per year, beginning with fiscal year 1989.

Conference Agreement

The conference agreement has no provision.

B. FAMILY SUPPORT DEMONSTRATIONS

1. Education and training programs for children

Present Law

No provision.

House Bill

The House bill authorizes demonstrations lasting one to five years designed to test financial incentives and interdisciplinary approaches to reducing school dropouts, encouraging skill development, and avoiding welfare dependence. Any State could conduct one or more such demonstrations. (See item 6 for authorization.)

Effective date: Upon enactment.

Senate Amendment

The Senate amendment is similar to the House bill. It would authorize $500,000 in each year for fiscal years 1989 through 1993.

Conference Agreement

The conference agreement follows the House bill.

2. Test early childhood development programs

Present Law

No provision.

House Bill

The House bill authorizes up to 10 States to conduct demonstration projects for up to 3 years using programs to enhance cognitive skills, linguistic ability, communications skills, and ability to read, write, and speak English effectively of children under 5 years old. (See item 6 for authorization)

Effective date: Upon enactment.

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the House bill.

3. Supported-work demonstrations

Present Law

No provision.

House Bill

The House bill would authorize demonstrations to test the effectiveness of private organizations to operate supported-work programs to place participants in full-time jobs in the private sector, with the Federal subsidy not to exceed 9 months using performance-based contracts conditioned upon retention in such private employment after the Federal subsidy ends. (See item 6 for authorization.)

Effective date: Upon enactment.

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the Senate amendment (i.e., no provision). The conferees note that the basic JOBS program includes authority for work supplementation and supportive services, enabling States to implement the basic supported-work model.

4. Community-based family support services demonstrations

Present Law

No provision.

House Bill

The House bill authorizes demonstrations to test methods of providing services to ensure long-term family self-sufficiency through community-based comprehensive family support services involving a partnership between the State agency and community-based organizations with demonstrated effectiveness in providing services. (See item 6 for authorization.)

Effective date: Upon enactment.

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the House bill.

5. Test of using nonprofit organizations to create employment opportunities

Present Law

No provision.

House Bill

The House bill provides financial assistance to nonprofit community development corporations to demonstrate their effectiveness at creating employment opportunities for AFDC/FSP recipients and other low-income individuals. (See item 6 for authorization.)

Effective date: Upon enactment.

Senate Amendment

The Senate amendment authorizes at least 5 but no more than 10 three-year demonstrations of the effectiveness of nonprofit organizations, including community development corporations, at creating employment opportunities. Nonprofit organizations would provide technical and financial assistance to private employers to help them create employment opportunities for low-income persons. A low-income person would be someone receiving AFDC or an individual whose family income does not exceed the official poverty level. The Secretary is required to evaluate the demonstrations and report to Congress by October 1, 1991. The amendments authorizes $6.5 million per year for fiscal years 1989 through 1991.

Conference Agreement

The conference agreement follows the Senate amendment with an authorization of $6.5 million per year for fiscal years' 1990 through 1992.

6. Funding of demonstration projects

Present Law

No provisions.

House Bill

The House bill authorizes $50 million for each fiscal year for carrying out the projects described in items 1 through 5.

Effective date: Upon enactment.

Senate Amendment

Funding is as shown in description of each item.

Conference Agreement

The conference agreement authorizes $6 million per year, in the aggregate for items 1, 2, and 4 for 3 fiscal years.

C. AFDC MOTHERS AS PAID DAY CARE PROVIDERS

Present Law

No provision.

House Bill

The House bill authorizes up to 5 States to conduct demonstrations designed to test whether employing AFDC/FSP mothers as providers of day care for other children receiving assistance would effectively facilitate the provision of Network services.

Effective date: October 1, 1987.

Senate Amendment

The State amendment is similar to the House bill. It authorizes $1 million each year for fiscal years 1989 through 1993.

Conference Agreement

The conference agreement follows the House bill, and authorizes $1 million each year for fiscal years 1990 through 1992.

D. TEST OF USING THE FOOD STAMP AUTOMOBILE RULES

Present Law

AFDC regulations limit the equity value of a vehicle that can be excluded from the countable resource limit to at most $1,500. The food stamp limit is $4,500 fair market value.

House Bill

The House bill authorizes up to 5 States to conduct demonstrations for up to 5 years to test the use in the AFDC/FSP program of the food stamp automobile limit.

Effective date: October 1, 1987.

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the Senate amendment (i.e., no provision). The conferees direct the Secretary to review regulations establishing limits on the value of a vehicle and to revise them if he determines revision would be appropriate.

E. PROJECTS TO EXPAND CHILD CARE

Present Law

No provision.

House Bill

No provision.

Senate Amendment

The State amendment authorizes no less than 5 but no more than 10 States to conduct demonstrations aimed at increasing child care opportunities, especially in rural areas. It would authorize $5 million per year for fiscal years 1989 through 1991.

Conference Agreement

The conference agreement follows the House bill (i.e., no provision).

F. PROJECTS TO PROVIDE COUNSELING AND SERVICES TO HIGH-RISK TEENAGERS

Present law

No provision.

House Bill

No provision.

Senate Amendment

The State amendment authorizes teen care projects in 4 states providing counseling and services aimed at reducing rates of pregnancy, suicide, substance abuse, and school dropout among teenagers. It authorizes $2 million per year for fiscal years 1989 through 1991.

Conference Agreement

The conference agreement follows the Senate amendment with an authorization level of $1.5 million for each of fiscal years' 1990 through 1992.

G. EXTENSION OF MINNESOTA MEDICAID DEMONSTRATION PROJECT

Present Law

Minnesota operates a Medicaid prepaid health care demonstration project under sec. 1115 of the Social Security Act. The project is scheduled to end on June 30, 1988.

House Bill

No provision.

Senate Amendment

The Senate amendment requires the Secretary to extend the waiver for 18 months (to December 31, 1989).

Conference Agreement

The conference agreement follows the Senate amendment.

H. USE OF "INTELLIGENT CREDIT CARDS" FOR PUBLIC ASSISTANCE AND MEDICAID

Present Law

No provision.

House Bill

No provision.

Senate Amendment

The Senate amendment allows States, under section 1115 of the Social Security Act, to establish demonstration projects of one to three years duration on the use of "intelligent credit cards" to obtain benefits or services under Titles IV and XIX.

Effective date: October 1, 1988.

Conference Agreement

The conference agreement follows the House bill; i.e., no provision.

I. NEW YORK AND WASHINGTON DEMONSTRATION PROJECTS

Present Law

P.L. 100-203 authorized demonstration projects in the States of New York and Washington.

House Bill

The House bill includes authority for demonstration projects in the States of New York and Washington.

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the Senate amendment (i.e., no provision). The House bill provisions have already been enacted.

TITLE VI.—MISCELLANEOUS PROVISIONS

A. COORDINATION OF CASH AND FOOD STAMP PROGRAMS

(Section 801 of the House bill.)

Present Law

No provision.

House Bill

The House bill establishes a Commission on the Coordination of Family Support and Food Stamp policies to study and make recommendations for developing common policies and definitions for use under both programs in order to eliminate inconsistency or conflict. The study must be submitted to the President and Congress one year after the enactment of this Act.

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the Senate amendment (i.e., no provision).

B. UNIFORM REPORTING REQUIREMENTS

(Section 802 of House bill.)

Present Law

No provision.

House Bill

The House bill requires the Secretary to establish uniform reporting requirements for States to ensure effective implementation of the Medicaid and child care transitions, and the minor parent policy.

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the House bill.

C. STATE REPORTS ON SOCIAL SERVICE FUNDS

(Section 803 of House bill.)

Present Law

Under present law, States are required, at least every 2 years, to report on activities funded through the Title XX social services block grant program. These reports may be in such form and contain such information as each State finds necessary to provide accurate information on the purposes for which the funds were expended.

House Bill

The House bill requires that reports be made annually covering the most recent fiscal year. Reports must include: number of children and adults who received each type of service; amount spent for each type of service per adult and per child recipient; criteria applied in determining eligibility for services; and methods by which services were provided, including which types of services were provided by public and private agencies. The Secretary of HHS would be directed to establish uniform definitions of services.

Effective date: October 1, 1987.

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the House bill modified to assure that reporting requirements are not unduly burdensome on the States.

D. STUDY OF HOUSING PROBLEMS

(Section 808 of House bill.)

Present Law

No provision.

House Bill

The House bill requires an interagency (HHS and HUD) study and report to Congress on housing problems experienced by AFDC recipients, especially transient families. The report would include the amount of assistance payments spent on housing, number and demographic characteristics of transient recipients, number of evictions, examination of substandard properties occupied by recipients, examples of cooperative welfare/housing programs to upgrade housing stock, and recommendations for ways to provide tenant unit management training. The study would be due six months after the date of enactment.

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the Senate amendment (i.e., no provision).

E. SANCTION FOR FAILURE TO COMPLETE TREATMENT FOR DRUG OR ALCOHOL ABUSE

(Section 809 of House bill.)

Present Law

No provision.

House Bill

The House bill provides that AFDC/FSP benefits may not be paid to an individual who had been determined to be a drug addict or alcoholic and has enrolled in a treatment program if and for so long as the treatment facility notifies the State agency that the individual has ceased to participate satisfactorily in the program.

Effective date: On enactment.

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the Senate amendment (i.e., no provision).

F. PROVISIONS AFFECTING PUERTO RICO, THE VIRGIN ISLANDS, GUAM, AND AMERICAN SAMOA

(Sections 810 and 811 of the House bill and section 601 and 602 of the Senate amendment.)

Present Law

Seventy-five percent Federal matching is available for payments under AFDC, foster care and adoption assistance programs, and for payments under programs for needy, aged, blind and disabled individuals, up to the following dollar limitations (per year):

Puerto Rico	$72,000,000
Virgin Islands	2,400,000
Guam	3,300,000

All outlying jurisdictions are eligible to participate in the AFDC, foster care, adoption assistance, child support and WIN programs, except American Samoa.

House Bill

The House bill increases the annual amounts payable for fiscal year 1988 and each fiscal year thereafter as follows:

Puerto Rico	$81,270,000
Virgin Islands	2,709,000
Guam	3,725,000

It extends the AFDC and Network programs to American Samoa, and provides up to $1 million per year for the AFDC program in American Samoa.

Effective date: October 1, 1988.

Senate Amendment

The Senate amendment increases the amounts payable as follows:

Puerto Rico	$82,000,000
Virgin Islands	2,800,000
Guam	3,800,000

It authorizes American Samoa to participate in all programs under title IV of the Social Security Act, and limits funding for AFDC, foster care, and adoption assistance to $1 million per year.

Effective date: October 1, 1988.

Conference Agreement

The conference agreement follows the Senate amendment.

G. AFDC QUALITY CONTROL

(Section 1005 of the Senate amendment.)

Present Law

AFDC has an ongoing quality program that is intended to reduce erroneous benefit payments below certain target levels. States whose error rates fall above target percentages are subject to fiscal sanctions. AFDC fiscal sanctions have been suspended through June 30, 1988.

House Bill

No provision.

Senate Amendment

The Senate amendment continues the suspension of AFDC quality control sanctions through June 30, 1989.

Conference Agreement

During the 12-month period beginning on July 1, 1988, the conference agreement would prohibit the Secretary from imposing any reductions in payments to States pursuant to section 403(i) of the Social Security Act (or prior regulations), or pursuant to any comparable provision of law relating to the programs under Title IV-A of such Act in Puerto Rico, Guam, the Virgin Islands, American Samoa, or the Northern Mariana Islands. The moratorium would extend until July 1, 1989.

During the moratorium period, the Secretary and the States would be required to continue to operate the quality control systems in effect under Title IV-A of the Social Security Act, and to calculate the error rates, including the process of requesting and reviewing waivers.

Current law would be clarified to provide that the moratorium does not apply to the Departmental Grant Appeals Board and its review of the fiscal year 1981 disallowances or any subsequent disallowances. The Grant Appeals Board would be expected to consider appeals during the moratorium period. Collection of disallowances owed as a result of Grant Appeals Board decisions could not occur during the moratorium period.

The requirement, in current law, that the Secretary publish regulations on restructuring the quality control systems to reflect the studies is deleted.

The provision would take effect on July 1, 1988.

H. REORGANIZATION AND REDESIGNATION OF TITLE IV

(Sections 1002 and 1003 of the Senate amendment.)

Present Law

Title IV of the Social Security Act is made up of 5 parts as follows:

Part A.—Aid to Families with Dependent Children

Part B.—Child Welfare Services

Part C.—Work Incentive Program

Part D.—Child Support and Establishment of Paternity

Part E.—Foster Care and Adoption Assistance

House Bill

No provision.

Senate Amendment

The Senate amendment reorganizes and redesignates Title IV as follows:

Part A.—Child Support Enforcement

Part B.—Job Opportunities and Basic Skills Training Program

Part C.—Child Support Supplement Program

Part D.—Child Welfare Services

Part E.—Foster Care and Adoption Assistance

Conference Agreement

The conference agreement follows the House bill.

I. PREELIGIBILITY FRAUD DETECTION

(Section 703 of the Senate amendment.)

Present Law

There is no specific requirement that States conduct activities aimed at detecting fraudulent applications for assistance prior to the establishment of eligibility. Some AFDC fraud control activities are eligible for 50% Federal matching; others for 75%.

House Bill

No provision.

Senate Amendment

The Senate amendment requires the Secretary of HHS to issue regulations within 6 months after enactment requiring States to implement appropriate procedures to assist in the early detection of fraudulent applications for assistance.

Effective date: October 1, 1989.

Conference Agreement

The conference agreement follows the Senate amendment. The conferees instruct the Secretary to develop regulations that allow a range of fraud detection activities that can be tailored to the needs and circumstances of the State.

J. TECHNICAL CORRECTIONS TO MEDICARE CATASTROPHIC COVERAGE ACT OF 1988

(Section 704 of the Senate amendment.)

Present Law

The conference report on the Medicare Catastrophic Coverage Act of 1988 has been passed by the Congress and is awaiting Presidential action.

House Bill

No provision.

Senate Amendment

The Senate amendment makes technical corrections as follows:

(1) It clarifies average actuarial value of the new Medicare benefits which may be used by employers under the maintenance of effort provision.

(2) It restores a section that was inadvertently omitted from the conference report.

(3) It allows continuation of pass-through for costs of certified registered nurse anesthetists at rural low-volume hospitals.

Conference Agreement

J. TECHNICAL CORRECTIONS TO MEDICARE CATASTROPHIC COVERAGE ACT

(Section 704 of the Senate amendment.)

* * * * *

Conference Agreement

The conference agreement follows the Senate amendment with minor and technical changes. In particular the conferees note:

(1) The provision regarding the calculation by employers of the value of benefits under the maintenance of effort provision is clarified. An employer may elect to compute the amount of the refunds or additional benefits to be provided either: a. As being equal to the national average actuarial values published by the Secretary; or b. On the basis of the actuarial value (net of employee premiums) with respect to that employer computed using guidelines published by the Secretary.

It is the conferees understanding that in the case of an employer who is a primary insurer for a Medicare beneficiary the maintenance of effort provision does not apply for that employer for such beneficiary because Medicare is secondary payer for such beneficiary.

(2) The provision regarding adjustment of payments to hospitals is clarified. In particular the provision regarding payment to hospitals which are exempt from the Prospective Payment System (PPS) is modified to make clear that PPS-exempt hospital payments are to be adjusted for portions of cost reporting periods beginning January 1, 1989 to take into account increases in Medicare covered days of care in the base year regardless of whether an individual hospital's allowable operating costs are above or below the target amount specified in section 1886(b)(1).

The conferees expect that the Secretary, in granting exemptions under 1886(b)(4)(A) will take into account increases in length of stay in PPS-exempt hospitals which have occurred since the base year. In particular the Secretary should examine increases in length of stay related to ventilator-dependent patients.

K. EXCLUSION OF CHILD SUPPORT PAYMENTS RECEIVED

Present Law

A State may choose to exclude, as income for food stamp purposes, child support payments that are disregarded under Title IV-A of the Social Security Act (i.e., the first $50 a month). If a State chooses to exclude these payments, it must pay the food stamp benefit cost of doing so. (Secs. 5(d)(13) and 5(m).)

House Bill

An income exclusion would be *required* for those child support payments that are disregarded for recipients under Title IV-A of the Social Security Act. The food stamp benefit cost of doing so would be a Federal cost. (Sec. 1004.)

Senate Amendment

No provision.

Conference Agreement

VII. FUNDING PROVISIONS

A. TEMPORARY EXTENSION OF PROGRAM FOR IRS COLLECTION OF NONTAX DEBTS OWED TO FEDERAL AGENCIES

(Section 901 of the House bill and section 801 of the Senate amendment.)

Present Law

Federal agencies were authorized to notify the IRS that a person owed a past due, legally enforceable debt to the agency. The IRS then was required to reduce the amount of any Federal tax refund due such person by the amount of the debt and pay that amount to the agency. The refund offset program applied with respect to debts of individuals and corporations. This program expired after June 30, 1988.

Before a refund could have been offset under this program, the agency owed the debt was required to certify to the IRS that the debtor had been notified about the proposed offset and had been given at least 60 days to present evidence that all or part of the debt was not past due or not legally enforceable. The agency also was required to enter into an agreement with the IRS prior to transmitting proposed offsets.

House Bill

The House bill extends the tax refund offset program through December 31, 1990.

Senate Amendment

The Senate amendment extends the tax refund offset program through December 31, 1993.

Conference Agreement

The conference agreement extends the tax refund offset program through January 10, 1994, effective on the date of enactment. This date enables the IRS to process potential refund offsets with respect to refunds on returns that are processed through December 31, 1993. The conference agreement also includes a technical correction coordinating the rules for disclosure of tax information to agencies seeking a tax refund offset attributable to a past-due Federal debt with the parallel rules applicable to a refund offset attributable to past-due child support.

Prior to the enactment of this provision, some Federal agencies may have taken actions to notify a debtor of a proposed offset and to certify to the Treasury Department that a debt is owed, as required by 31 U.S. Code section 3720A. It is intended that these agency actions are not to be affected by the fact that they were taken before the Congress enacted this extension of the Federal debt collection program.

The conference agreement retains the present-law requirement that the General Accounting Office, in consultation with the Secretary of the Treasury, is to report to the Congress on the effects of this program on voluntary tax compliance. This report is due by April 1, 1989. The report is to provide and analyze data on the compliance effects of the program, such as whether taxpayers whose refunds are offset continue to file Federal income tax returns and whether taxpayers whose refunds are offset adjust their withholding so as to create additional collection difficulties for the IRS.

B. MODIFICATIONS OF DEPENDENT CARE CREDIT

(Section 903 of the House Bill.)

Present Law

Under present law, a nonrefundable income tax credit is allowed for up to 30 percent of a limited dollar amount of employment-related child or dependent care expenses (Code sec. 21). Eligible employment expenses are limited to $2,400 in the case of one qualifying individual ($4,800 in the case of two or more qualifying individuals). The 30-percent credit rate is reduced by one percentage point for each $2,000 (or fraction thereof) of the taxpayer's adjusted gross income (AGI) between $10,000 and $28,000. The credit rate is 20 percent for taxpayers with AGI in excess of $28,000.

The term "qualifying individual" means (1) a dependent of the taxpayer who is under age 15 and with respect to whom the taxpayer is entitled to claim a dependent exemption, (2) a dependent of the taxpayer who is physically or mentally incapable of caring for himself, or (3) a spouse of the taxpayer if the spouse is physically or mentally incapable of caring for himself.

Under present law, a taxpayer may exclude from income up to $5,000 per year for amounts provided under an employer-provided dependent care assistance program (sec. 129).

House Bill

The rate of the dependent care credit is reduced by one percentage point for each $1,500 (or fraction thereof) by which the taxpayer's AGI exceeds $65,000. Thus, taxpayers with AGI in excess of $93,500 will not be entitled to claim the dependent care credit.

The provision is effective for taxable years beginning after December 31, 1987.

Senate Amendment

No provision.

Conference Agreement

Phaseout of credit

The conference agreement follows the Senate amendment (i.e., does not include the phaseout provision from the House bill).

Definition of qualifying individual

Under the conference agreement, a child of the taxpayer may be treated as a qualified individual for whom the dependent care credit or dependent care assistance exclusion may be claimed only if the child is under the age of 13 (rather than 15). This provision is effective for taxable years beginning after December 31, 1988.

Limitation on expenses eligible for credit

Under the conference agreement, the dollar amount of expenses eligible for the dependent care credit of any taxpayer is reduced, dollar for dollar, by the amount of expenses excludable from that taxpayer's income under the dependent care exclusion (sec. 129).

For example, assume that a taxpayer with one child incurs $6,000 of child care expenses during a taxable year, $3,000 of which is excluded from the taxpayer's income because the expenses are reimbursed under an employer-provided dependent care assistance program. Under the conference agreement, the amount of expenses otherwise eligible for the dependent care credit ($2,400, in the case of one qualifying individual) is reduced, dollar for dollar, by the amount excluded under the dependent care assistance program. Because the amount excluded under the dependent care assistance program ($3,000) exceeds the expenses eligible for the dependent care credit ($2,400), no dependent care credit could be claimed for the taxable year. On the other hand, if the amount of excludable dependent care reimbursed by the employer was $1,000, then $1,400 of expenses ($2,400 minus $1,000) would be eligible for the dependent care credit.

This provision is effective for taxable years beginning after December 31, 1988.

Reporting of provider's TIN

The conference agreement provides that the dependent care credit (sec. 21) and the exclusion for employer-provided dependent care assistance benefits (sec. 129) may not be claimed unless the taxpayer reports on his or her tax return the correct name, address, and taxpayer identification number (TIN) of the dependent care provider. The conferees anticipate that the IRS will require taxpayers to provide this information on Form 2441 (the current form on which the credit for child and dependent care expenses is computed).

If the dependent care provider is exempt from Federal income taxation and is described in section 501(c)(3) of the Code, the taxpayer is not required to report the TIN of the provider on his or her tax return. However, the taxpayer must report the correct name and address of the exempt organization providing the dependent care and must write "tax-exempt" in the space in which the TIN of the dependent care provider generally would be reported.

If the taxpayer fails to report the correct name, address, and TIN of the dependent care provider and cannot establish to the IRS upon its request that he or she exercised due diligence in attempting to provide that information, neither the section 21 credit nor the section 129 exclusion is allowed to the taxpayer. The taxpayer could show that he or she exercised due diligence by, for example, obtaining and retaining a copy of the social security card or of the driver's license (in a State where the driver's license includes the social security number) of the dependent care provider. Alternatively, the taxpayer could show that he or she exercised due diligence by obtaining and retaining the required information from a recently printed letterhead or printed invoice from the dependent care provider.

The IRS could provide a form that dependent care providers could utilize to furnish the required information to taxpayers. (The IRS must require that any such form is to be signed under penalties of perjury.) For example, existing Form W-9 (used currently to provide a TIN for backup withholding purposes) could be modified slightly so that it could be used for this purpose. The taxpayer could show that he or she exercised due diligence by obtaining and retaining an IRS-authorized form that has been properly completed by the provider (including signature under penalties of perjury), provided that the taxpayer does not know or have reason to know that information provided by the dependent care provider on that form is incorrect. In addition, the IRS could prescribe other methods by which the dependent care provider may provide the required information to the taxpayer. If so, the dependent care provider could choose among the authorized methods (i.e., copy of social security card or driver's license, IRS form, or other means approved by the IRS) in order to provide the required information to the taxpayer.

The conference agreement requires the dependent care provider to furnish the provider's correct TIN to the taxpayer, unless the provider is exempt from Federal income taxation and is described in section 501(c)(3) of the Code. A provider who fails to comply with this requirement is subject to a penalty of $50 for each such failure unless it is shown that such failure is due to reasonable cause and not to willful neglect.

This provision is effective for amounts claimed in taxable years beginning after December 31, 1988 (i.e., returns due on April 15, 1990, and after).

C. TAX TREATMENT OF CERTAIN BUSINESS EXPENSES (SECTION 902 OF THE SENATE AMENDMENT)

Present Law

Meal and entertainment expenses

In general, the amount of business meal or entertainment expenses allowable as a deduction equals 80 percent of such expenses (Code sec. 274(n)).

Employee business expenses

If an employer reimburses an employee (1) for expenses paid by the employee in connection with the performance of services as an employee, and (2) pursuant to a "reimbursement or other expense allowance arrangement," the amount reimbursed generally is includible in the employee's gross income and is deductible in full by the employee as an adjustment to gross income (i.e., as an "above-the-line" deduction). By contrast, deductions for unreimbursed employee business expenses and other miscellaneous itemized deductions generally are allowable only to itemizers, and, under a rule enacted in the Tax Reform Act of 1986 (the "1986 Act"), only to the extent that the total of such deductions exceeds two percent of the taxpayer's adjusted gross income (the "two-percent floor"). (Code secs. 62(a)(2)(A), 67.)

Prior to the 1986 Act, the IRS had ruled that in certain circumstances, an employee could claim an above-the-line deduction for certain expenses incurred pursuant to so-called "nonaccountable plans." These are arrangements under which (1) the employee is not required to substantiate the expenses covered by the arrangement to the person providing the reimbursement, or (2) the employee has the right to retain amounts in excess of the substantiated expenses covered under the arrangement. Under such a plan, for example, an employer may agree to pay an employee $60,000 for the year, of which $55,000 is designated as salary and $5,000 as an expense allowance, with no requirement that the employee either return to the employer any part of the $5,000 not utilized for business expenses or substantiate any employee business expenses actually incurred.

House Bill

No provision.

Senate Amendment

Meal and entertainment expenses

In the case of an individual taxpayer, the deductible amount of business meal or entertainment expenses subject to the percentage reduction rule equals 80 percent reduced by one percentage point for each $1,000 (or fraction thereof) by which the taxpayer's adjusted gross income for the taxable year exceeds $360,000 ($180,000 for a married individual filing a separate return). The provision is effective for taxable years beginning after December 31, 1988.

Employee business expenses

No provision.

Conference Agreement

Meal and entertainment expenses

The conference agreement follows the House bill (i.e., no provision).

Employee business expenses

In general

In the 1986 Act, the Congress sharpened the distinction between the tax treatments of unreimbursed and reimbursed employee business expenses. Among other changes, unreimbursed employee expenses plus other miscellaneous itemized deductions generally were made subject to a two-percent floor. In part, this floor takes into account that some unreimbursed expenses that an employee chooses to incur are sufficiently personal in nature that they would be incurred apart from the taxpayer's performance of services as an employee. For example, expenditures for professional association membership and periodical subscriptions may provide personal benefits as well as serve employee business purposes.

At the same time, the Congress decided to retain the above-the-line deduction for reimbursements received by an employee pursuant to a reimbursement arrangement. The Congress viewed an employer's agreement to reimburse certain expenditures pursuant to such an arrangement as evidence that the item was a bona fide, ordinary, and necessary expense of the employer's business, and that in effect the employee was acting as an agent of the employer in paying for the item. In a true reimbursement situation, where the expenditure is made out of the earnings of the employer's business, the employer has an incentive to require sufficient substantiation to ensure that the allowance to the employee is limited to actual business expenditures incurred on the employer's behalf and for the employer's benefit.

This rationale for allowing the employee an above-the-line deduction to offset true reimbursement amounts does not apply in the case of nonaccountable plans. Under these plans, the amount received by the employee from the employer is not determined by the actual amount of business expenses incurred by the employee during the year. Since the employer does not require substantiation of any employee business expenses actually paid out of the amount received by the employee under the nonaccountable plan, or does not require the employee to return amounts received that are not spent for business purposes, "allowance" amounts under the plan more nearly resemble salary payments than true reimbursement amounts.

If an above-the-line deduction is allowed for expenses incurred pursuant to a nonaccountable plan, the two-percent floor enacted in the 1986 Act could be circumvented solely by restructuring the form of the employee's compensation so that the salary amount is decreased, but the employee receives an equivalent nonaccountable expense allowance. Providing an exception from the two-percent floor for those employees whose employer is willing to utilize a nonaccountable plan is unfair to other employees incurring identical business expenses whose employer does not restructure their compensation through use of a nonaccountable plan.

For example, assume that an employee working for Corporation A is paid $40,000, designated as a salary, and is not entitled to any additional amount under a nonaccountable plan. If the employee decides to incur $2,000 in employee business expenses, that amount is deductible only as a miscellaneous itemized deduction, subject to the two-percent floor. By contrast, assume that an employee working for Corporation B is paid $37,000, designated as salary, and is given an additional $3,000 for the year, designated as an expense allowance, pursuant to a nonaccountable plan. Under the arrangement the employee may retain any part of the $3,000 whether or not the employee substantiates to the employer, regardless of the amount of employee business expenses. Under present law, if this employee chooses to expend only $2,000 on otherwise allowable employee business expenses, the employee may be able to claim $2,000 as an above-the-line deduction. The conferees believe that there is no justification for different tax treatment of these two employees who receive (and are allowed to retain) identical dollar amounts from their employers and who make identical employee business expenditures.

Under the conference agreement, employee business expenses paid or incurred under so-called "nonaccountable plans" are deductible by an employee only as an itemized deduction, subject to the two-percent floor. These are arrangements that (1) do not require the employee to substantiate expenses covered by the arrangement to the person providing the reimbursement, or (2) provide the employee the right to retain amounts in excess of the substantiated expenses covered under the arrangement. All such amounts are includible in the employee's gross income.

Substantiation

In general

Under the conference agreement, otherwise allowable employee business expenses are deductible above-the-line as reimbursed expenses only if incurred pursuant to a reimbursement or other expense allowance arrangement that requires the employee to substantiate expenses covered by the arrangement to the person providing the reimbursement. Pursuant to this rule, to be deductible above-the-line such expenses either must be actually substantiated to the person providing the reimbursement, or must be deemed substantiated under the rule described below relating to per diem and other fixed arrangements.

In the case of travel, entertainment, and other expenses governed by section 274, the employee is considered to have substantiated expenses for this purpose if informant is submitted to the person providing the reimbursement sufficient to satisfy the present-law substantiation requirements under section 274 and the regulations under that section. For all other business expenses, and employee is considered to have substantiated expenses for this purpose if information is submitted sufficient to enable the person providing the reimbursement to identify the specific nature of each expense and to conclude that the expense is attributable to the employer's business activities. It is not sufficient if an employee merely aggregates expenses into broad categories (such as "travel") or reports individual expenses through the use of vague, nondescriptive terms (such as "miscellaneous business expenses").

The substantiation requirement in the provision for purposes of obtaining an above-the-line deduction under section 62(a)(2)(A) does not affect present-law substantiation rules under sections 162 or 274.

Per diem and other fixed allowances

The conference agreement provides, similarly to present-law substantiation rules under sections 162 and 274, that an employee who receives a per diem or other fixed allowance from an employer will be considered as substantiating (for purposes of sec. 62(a)(2)(A)) the amount of expenses covered by the arrangement up to amounts which have been specified by the IRS.[1] As under present law, elements of an employee's business expenses other than the amount of such expenses (for example, the business purpose of the travel or the number of business miles driven) must be substantiated to the person providing the reimbursement. Thus, to the extent of such fixed allowance, the employee is allowed an above-the-line deduction for the expenses.

The conferees intend that the IRS may deem per diem allowances that are received by an employee and that are calculated to exclude lodging costs to be substantiated for this purpose if such allowances are not in excess of the maximum pe diem rate for meals and incidentals for which the Executive Branch of the Federal Government reimburses its employees in such cases.

If an employee receives a per diem or other fixed allowance (e.g., 25 cents per mile) that is similar in form to the IRS-specified allowance (e.g., it varies in proportion with miles driven or days away from home) but that exceeds the IRS-specified rates, then the employee is deemed to substantiate the amount of expenses only up to the IRS-specified rates, and any additional business expenses incurred by the employee (whether or not covered by the per diem received from the employer) could be claimed by such employee only as a below-the-line itemized deduction.[2] To deduct the excess amount, the employee must be able to substantiate to the IRS the total amount of expenses (i.e., those deemed to have been substantiated and those deductible as an itemized deduction subject to the two-percent floor). This is to ensure that the IRS will be able to determine the proper amount that an employee is entitled to deduct as an itemized deduction. This special rule allowing above-the-line deductions up to IRS-specified rates only applies if the employee substantiates to the employer the elements necessary for the employer to determine the amount of the allowance (e.g., the number of the miles driven, the number of days away from home, and the business purposes of the travel).

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[1] Under present law, the IRS has discretion to approve reasonable business practices under which per diem, mileage, and similar fixed-scale travel allowances may be regarded as equivalent to an accounting to an employer. See Treas. Reg. secs. 1.162-17(b)(4), 1.274-5(f), and 1.274-5T(g).

[2] For example, assume that an employer provides reimbursement to an employee for business use of the employee's car at a rate of 30 cents per mile, and that the employee substantiates 1,000 miles of business travel. The standard mileage allowance specified by the IRS is 22.5 cents per mile (for 1987). Under the provision, the employee is deemed to substantiate expenses of $225 ($0.225 × 1,000). If

Retaining amounts in excess of expenses

Under the conference agreement, employee business expenses are not deductible above-the-line as reimbursed expenses unless, in addition to requiring substantiation, the reimbusement or other expense allowance arrangement requires the employee to return to the person providing the reimbursement or allowance all amounts in excess of expenses covered by the arrangement and actually incurred by the employee. Pursuant to this rule, an arrangement will not be treated, with respect to an employee, as requiring the employee to return such excess amounts unless the employee actually returns all such excess amounts.

In cases where an employee is reimbursed by the employer on the basis of a per diem or other fixed allowance that is similar in form to an IRS-specified allowance (e.g., it varies proportionately with miles driven or days away from home), regardless of whether the allowance rate equals the IRS-specified rate, such expense allowance up to the IRS-specified rate are deemed to be substantiated (to the extent discussed under "Substantiation" above). Accordingly, there is deemed to be no excess retained by the employee out of the fixed allowance. Thus, an above-the-line deduction is allowed up to the IRS-specified rate.

Reporting and withholding requirements

The conferees intend that the Treasury Department is to revise the requirements, provided by regulations and rulings, for the reporting of business expense reimbursements and allowances. These revisions should confrom the reporting requirements to the changes made by this provision with the goal of enforcing the new rules for above-the-line deductions in the most effective and efficient manner.[3]

The conferees intend that similar changes are to be made in the regulations and ruling defining the amounts subject to income tax withholding. In general, the conferees expect that such revisions will provide that, to the extent reasonably feasible, reimbursements or allowance amounts that are not offset by an above-the-line deduction for business expenses under the rules of the provision are subject to income tax withholding. (Of course, such revisions would not prevent an employee from realizing the benefit of other business expense deductions upon the filing of a tax return in which these expenses are properly claimed as itemized deductions.) In addition, the Treasury may revise the regulations governing the exclusion of reimbursements and allowances from other employment taxes if it finds that conforming the rules for these taxes to the rules for income tax withholding fosters significant administrative simplicity.

Effective date

The provision is effective for taxable years beginning after December 31, 1988.

D. TAXPAYER IDENTIFICATION NUMBERS REQUIRED FOR DEPENDENTS AGE TWO AND OVER CLAIMED ON TAX RETURNS

(Section 803 of the Senate amendment.)

Present Law

An individual must include his or her taxpayer identification number (TIN) on the individual's tax return. In addition, an individual claiming an exemption for a dependent who is at least five years old must report the TIN of the dependent on the individual's tax return (Code sec. 6109(e)). The penalty for failing to include the TIN (or for including an incorrect TIN) is $5 per TIN per return (sec. 6676(a)(1)).

This reporting requirement allows the IRS to conduct a compliance program under which these TINs can be cross-checked against other files, such as the social security death file, the social security valid account number file, and State and Federal public assistance records, as well as against files of the IRS.

An individual's TIN generally is the individual's social security number. Some individuals are exempted from social security self-employment taxes because of their religious beliefs. These individuals do not have a social security number; instead, they are assigned administratively a taxpayer identification number.

House Bill

No provision.

Senate Amendment

A taxpayer claiming an exemption for a dependent who is at least two years old before the close of the taxable year with respect to which the return is filed must include the TIN of that dependent on the tax return of the taxpayer for that taxable year. If the return fails to provide the required TIN or furnishes an incorrect TIN, and the taxpayer fails to provide the correct TIN after an IRS request, the IRS may continue its current practice of denying the exemption for the dependent if the taxpayer is unable to establish that it is proper to claim that dependent on the tax return.

No change is intended to the special procedures for obtaining TINs utilized by taxpayers whose religious beliefs affect their participation in social security.

The provision is effective for returns for which the due date (determined without regard to extensions) is after December 31, 1988.

Conference Agreement

The conference agreement follows Senate amendment, effective for returns for which the due date (determined without regard to extensions) is after December 31, 1989.

E. DISALLOWANCE OF DEDUCTIONS FOR EXPENDITURES PAID OR INCURRED IN CONNECTION WITH CRIMINAL ACTIVITIES

(Section 904 of the House Bill.)

Present Law

Ordinary and necessary expenses paid or incurred in carrying on a trade or business generally are deductible in computing taxable income. However, no deduction is allowed for fines and penalties, illegal bribes and kickbacks, and certain other illegal payments (secs. 162(c), 162(f), and 162(g)).

In addition, under present law, no deduction or credit is allowed for expenditures incurred in carrying on illegal trafficking in certain controlled substances (sec. 280E). The disallowance does not apply to expenses that are included in cost of goods sold.

House Bill

No deduction or credit is allowed for amounts paid or incurred in connection with any activity that is prohibited by Federal criminal law or the criminal law of any State in which the activity is conducted. Expenses that are included in cost of goods sold are subject to disallowance under this provision.

The provision applies to amounts paid or incurred after December 31, 1987.

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the Senate amendment (i.e., no provision).

VIII. FOOD STAMP PROVISIONS [1]

A. SHORT TITLE

Present Law

No provision.

House Bill

Cities title X as the Food Stamp Family Welfare Reform Act of 1987. (Sec. 1001.)

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the *Senate* amendment (no provision).

B. CATEGORICAL ELIGIBILITY

Present Law

Households in which all members are recipients of AFDC or SSI benefits are categorically eligible for food stamps, without regard to food stamp income and asset eligibility rules. They must, however, meet any applicable employment and training requirements, not have been found ineligible due to fraud, not live in an institution, and, in the case of SSI recipients, live in a State other than California or Wisconsin (in which SSI benefits include an amount for food stamps). Categorical food stamp eligibility for AFDC and SSI households is effective through September 1989. (Sec. 5(a).)

House Bill

The current categorical eligibility rule would be made permanent. (Sec. 1002.)

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the *Senate* amendment (no provision).

[Note: P.L. 100-435 contains the same provision as in the *House* bill.]

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the employee can establish that his actual expenses of operating the car exceeded the IRS-specified allowance ($225), the excess could be claimed as an itemized deduction, subject to the two-percent floor.

[3] Present-law IRS rules permit an employee who is reimbursed for business expenses that the employee has substantiated to the employer and whose reimbursement equals the expenses not to report either the reimbursement or the expenses on the employee's tas retrun. The conferees intend that, to the extent the conference agreement continues to allow an above-the-line deduction for such expenses, this practice is to continue in effect to the extent feasible and administrable.

[1] References to present law are to the Food Stamp Act of 1977, prior to amendment by P.L. 100-435 (enacted Sept. 19, 1988).

C. EXCLUSION FOR CERTAIN EDUCATION EXPENSES

Present Law

Federal and non-Federal education assistance is excluded, as income for food stamp purposes, (a) to the extent it is used for tuition and mandatory school fees (including, by regulation, costs for equipment, supplies, and materials required of all students in the same course of study) at a postsecondary institution or school for the handicapped, and (b) to the extent any education loan includes origination fees or insurance premiums. (Sec. 5(d)(3).)

In addition, *Federal* postsecondary education assistance under title IV of the Higher Education Act is excluded to the extent it is used for books, supplies, transportation, and miscellaneous personal expenses incidental to attendance (up to an allowance determined by the school). (Sec. 479B of the Higher Education Act of 1965, as amended.)

No portion of any non-Federal education assistance may be excluded from income for food stamp purposes as a reimbursement for expenses to the extent it is provided for living expenses. And, no portion of any Federal education assistance may be excluded from income as a reimbursement to the extent it provides income assistance beyond tuition and mandatory school fees.

House Bill

Federal and non-Federal education assistance would be excluded (a) to the extent used for tuition and mandatory school fees (including costs for equipment, supplies, and materials required of all students in the same course of study) at a postsecondary school, institution of higher education, or school for the handicapped, *or in an employment training program or a program for completion of secondary education,* (b) to the extent any education loan includes origination fees or insurance premiums, and (c) *to the extent used for books, supplies, transportation, and miscellaneous personal expenses incidental to attendance (up to an allowance determined by the school).* (Sec. 1003.)

No portion of any *Federal or non-Federal* education assistance would be excluded from income as a reimbursement for expenses to the extent it is provided for living expenses. (Sec. 1003.)

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the *Senate* amendment (no provision).

D. EXCLUSION OF CHILD SUPPORT PAYMENTS RECEIVED

Present Law

States may choose to exclude, as income for food stamp purposes, child support payments that are disregarded under title IV–A of the Social Security Act (i.e., the first $50 a month). If a State chooses to exclude these payments, it must pay the food stamp benefit cost of doing so. (Sec. 5(d)(13) and 5(m).

House Bill

An income exclusion would be *required* for those child support payments that are disregarded for recipients under title IV–A of the Social Security Act. The food stamp benefit cost of doing so would be a Federal cost. (Sec. 1004.)

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the *Senate* amendment (no provision).

E. EXCLUSION FOR TWO-PARTY PAYMENTS MADE FOR AGRICULTURAL COMMODITIES

Present Law

No provision.

House Bill

An exclusion, as income for food stamp purposes, would be required for payments made for agricultural commodities produced by a household member engaged in farming, if the payments are made payable jointly to any member of the household and a person (including a government entity) that holds a security interest in the commodities—except to the extent the payments are actually available to the household. (Sec. 1005.)

[Note: This would have the effect of excluding farm loan repayments to the extent made through two-party checks received as payments for commodities.]

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the *Senate* amendment (no provision).

F. EXCLUSION FOR ADVANCE PAYMENT OF EARNED INCOME CREDIT

Present Law

To determine income for food stamp purposes, earned income tax credit payments are: (1) counted as liquid assets if received as a lump-sum payment, (2) counted as income if received as periodic "advance payments", and (3) not counted at all if received as a simple reduction in a year-end tax payment. (Sec. 5(d)(8).)

House Bill

An income *exclusion* would be required for earned income tax credits received as periodic advance payments. (Sec. 1006.)

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the *Senate* amendment (no provision).

[Note: P.L. 100–435 contains the same provision as in the *House* bill.]

G. DEDUCTION FOR DEPENDENT CARE

Present Law

A deduction from countable income for food stamp purposes is allowed for any dependent-care expenses (other than those paid for by a third party) related to employment or training for employment, regardless of the dependent's age. This deduction is limited to $160 a month for each food stamp household. (Sec. 5(e).)

House Bill

A deduction from countable income would be allowed for any dependent-care expenses (other than those paid for by a third party) related to employment or training for employment—up to $200 a month for each dependent who is less than 2 years of age, and up to $175 a month for each other dependent (regardless of age). (Sec. 1007(b).)

A conforming amendment would make clear that dependent-care payments to households under a food stamp employment and training program would be excluded as income. (Sec. 1007(a).)

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the *Senate* amendment (no provision).

[Note: P.L. 100–435 contains (1) a provision expanding the availability of the dependent-care deduction to $160 a month for *each dependent,* and (2) a conforming amendment that is the same as in the *House* bill.]

H. ANNUALIZING SELF-EMPLOYMENT INCOME AND EXPENSES FROM FARMING

Present Law

In the case of self-employed households that derive their annual income in a period shorter than 1 year (i.e., receive their income irregularly), State agencies are required to calculate monthly income for food stamp purposes by averaging it over a 12-month period. (Sec. 5(f)(1).)

House Bill

In the case of those households with a member who has self-employment income from farming *and irregular expenses* to produce that income, State agencies would be required, at the household's option, to calculate monthly income and expenses by averaging them over a 12-month period. (Sec. 1008.)

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the *Senate* amendment (no provision).

[Note: P.L. 100–435 contains the same provision as in the *House* bill.]

I. RELIANCE ON PAST SELF-EMPLOYMENT INCOME FROM FARMING

Present Law

State agencies are required to calculate self-employment income based on anticipated earnings, if the average amount based on the prior year's earnings does not accurately reflect the household's actual monthly circumstances because the household has *experienced a substantial change* in self-employment business earnings. (Sec. 5(f)(1).)

House Bill

State agencies would be prohibited from using past income from self-employment *in farming* as an indicator of anticipated income, if changes in that income have occurred or *can be anticipated to occur* in the certification period. (Sec. 1009.)

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the *Senate* amendment (no provision).

J. EXCLUSION OF CERTAIN PROPERTY FROM RESOURCES

Present Law

Business assets (such as farm land, equipment, and supplies) are excluded in determining whether a household meets food stamp resource (liquid asset) eligibility standards, while they are used in producing business income (e.g., while a farmer is engaged in farming). (Sec. 5(g).)

House Bill

Property essential to a farming operation (including farm land, equipment, and supplies) also would be excluded for one year after a farmer ceases to be self-employed in farming. (Sec. 1010.)

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the *Senate* amendment (no provision).

[Note: P.L. 100-435 contains the same provision as in the *House* bill.]

K. ELIGIBILITY OF STUDENTS

Present Law

A physically and mentally fit individual between the ages of 18 and 60 enrolled at least half-time in an institution of higher education is ineligible for food stamps unless the individual is—

(1) assigned or placed in school under a Job Training Partnership Act (JTPA) program,

(2) employed at least 20 hours a week or working in a federally financed work study program,

(3) a parent with responsibility for the care of a dependent child under age 6,

(4) a parent with responsibility for the care of a dependent child between ages 6 and 12 for whom adequate child care is not available,

(5) receiving AFDC, or

(6) enrolled in school because of participation in the WIN program.

(Sec. 6(e).)

House Bill

Eligibility would extend to those attending, awaiting placement in, or accepted by a school under a JTPA program, a food stamp employment or training program, a Trade Adjustment Assistance training program, or a State or local jurisdiction's training program.

The child care eligibility rule would apply to parents with responsibility for the care of a dependent child between ages 6 and 12 for whom adequate child care is not available *to enable them to work at least 20 hours a week or participate in a work study program.*

Eligibility would extend to those receiving AFDC or State or local general assistance, and to those who are members of households that are otherwise eligible for food stamps and include the student's parent, grandparent, or legal guardian.

(Sec. 1011.)

Senate Amendment

No provision.

Conference Amendment

The conference agreement follows the *Senate* amendment (no provision).

L. EMPLOYMENT AND TRAINING PROGRAMS

(1) Transportation and Related Costs Incurred by Participants

Present Law

State agencies are required to *reimburse* participants in food stamp employment or training programs, including volunteers, for transportation and other actual costs that are reasonably necessary and directly related to participation in the program. State agencies may limit reimbursement to each participant to $25 a month. (Sec. 6(d)(4)(H).)

The Secretary of Agriculture is required to reimburse State agencies 50 percent of the participation costs they *pay or incur.* This reimbursement: (1) may not exceed half of $25 a month for each participant, and (2) may not be paid from the separately allocated Federal grants to carry out employment and training programs. (Sec. 16(h).)

House Bill

State agencies would be required to *pay for* transportation, dependent care, and other actual costs of participants in food stamp employment or training programs, including volunteers, that are reasonably necessary and directly related to program participation.

State agencies would be allowed to limit payments for costs other than dependent care to an amount no less than $25 and no more than $75 a month for each participant.

State agencies would be allowed to limit payments for dependent care to $200 a month for each dependent who is less than 2 years of age and $175 a month for each other dependent (regardless of age).

State agencies would be allowed to make payments for transportation, dependent care, and other participation costs directly to participants or to service providers.

Direct payments to participants: (1) could be in cash, or in certificates redeemable by the State agency on presentation by a service provider if the certificates are readily usable by participants, and (2) must be made in advance to the maximum extent practicable.

The Secretary would be required to reimburse State agencies 50 percent of the participation costs they *pay* participants. This reimbursement: (1) could not exceed half *the limits set by each State for costs other then dependent care ($25-$75 a month for each participant) plus half of dependent-care payments to the proposed $200/$175 a month limits for each dependent*, and (2) could not be paid from the separately allocated Federal grants to carry out employment and training programs.

(Sec. 1012(a).)

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the *Senate* amendment (no provision).

[Note: P.L. 100-435 contains provisions similar to those in the *House* bill, increasing federally subsidized support for participants' dependent-care expenses to a maximum of $160 a month.]

(2) Performance Standards

Present Law

Under section 6(d)(4)(J) of the Food Stamp Act, the Secretary is required, for any fiscal year, to establish performance standards that designate the minimum percentages of persons subject to employment requirements (and not exempted from them by State agencies) that the State agencies must place in employment and training programs. These minimum percentages may not exceed 50 percent through September 1989.

Performance standards may vary among the States. In setting performance standards, the Secretary is required to consider State costs and the degree of volunteer participation, and must vary performance standards according to differences in the characteristics of persons required to participate and the type of program to which the standard is applied.

In determining whether a State agency has met a performance standard, the Secretary is required to consider the extent of volunteer participation, factors such as placement in unsubsidized jobs, increases in earnings, and reduction in food stamp participation, and other related factors the Secretary determines to be related to employment and training.

The Secretary may delay establishing performance standards through September 1988, in order to base them on State agency experience in implementing food stamp employment and training programs.

(Sec. 6(d)(4)(J).)

House Bill

The provisions of section 6(d)(4)(J) would be rewritten. Under the revised section, the Secretary would be required to establish performance standards developed after consultation with Office of Technology Assessment, the Secretaries of Labor and Health and Human Services, appropriate State officials, other appropriate experts, and food stamp participant representatives.

Performance standards would be required to: (1) be coordinated with corresponding standards under the Job Training Partnership Act and employment and training programs under title IV of the Social Security Act, (2) be measured by employment outcomes and based on the degree of success that may reasonably be expected in helping individuals to achieve self-sufficiency, (3) take into account the degree of volunteer participation, (4) take into account job placement rates, wage rates, and job retention rates, (5) take into account households ceasing to need food stamp aid, (6) take into account improvements in educational levels of household members, (7) take into account the extent to which household members are able to obtain jobs with health benefits, (8) encourage States to serve those with greater barriers to employment, (9) include guidelines permitting appropriate variations for differing conditions (including unemployment rates and rates of volunteer participation) among States, and (10) be varied in any State (to the extent permitted by the Secretary's guidelines) to the extent necessary to take account of specific economic, geographic, and demographic factors in the State, and the characteristics of the population served and the types of services provided.

The Secretary would be required to publish proposed measures for the new performance standards not later than 1 year after enactment.

The new performance standards would be required to be established, issued, and published not later than 180 days after publication.

Performance standards established under present law would remain in effect until the new performance standards are implemented.

(Sec. 1012(b) and 1012(e).)

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the *Senate* amendment (no provision).

[Note: P.L. 199-435 contains performance standard provisions similar to those in the *House* bill.]

(3) Development of Model Performance Standards

Present Law

No provision.

House Bill

The Office of Technology Assessment would be required to: (1) develop model performance standards suitable for food stamp employment and training programs that satisfy the criteria specified for the Secretary's standards, (2) compare its standards to the Secretary's, and (3) submit to the House, Senate, and Secretary the results of its comparison—not later than 180 days after the Secretary publishes proposed measures for performance standards. (Sec. 1012(c).)

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the *Senate* amendment (no provision).

[Note: P.L. 100-435 contains model performance standard provisions similar to those in the *House* bill.]

(4) Incentive Payments

Present Law

No provision.

House Bill

The Secretary would be required to develop, and transmit to the House Committee on Agriculture and the Senate Committee on Agriculture, Nutrition, and Forestry, a proposal for modifying the rate of Federal payments to State agencies for food stamp employment and training activities so as to reflect the relative effectiveness of the various States in carrying out these activities. (Sec. 1012(d).)

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the *Senate* amendment (no provision).

[Note: P.L. 100-435 contains incentive payment provisions similar to those in the *House* bill.]

M. FARM HOUSEHOLDS

(1) Authority to Provide Information

Present Law

States may not conduct food stamp "outreach" activities using Federal food stamp funds except, as state option, informational activities for the homeless. (Sec. 11(e)(1).)

[Note: The normal Federal share of State agency administrative costs (50 percent) is applied to those informational activities for which Federal funds are available. (Sec. 16(a).]

House Bill

States also would be allowed, at their option, to conduct food stamp informational activities, using Federal funds (i.e., a 50-percent Federal share), directed at households with members engaged in farming. (Sec. 1013(a).)

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the *Senate* amendment (no provision).

[Note: P.L. 100-435 contains provisions allowing States to conduct food stamp informational activites for low-income households using Federal funds.]

(2) Special Training of State Personnel

Present Law

State agencies must undertake to provide continuing, comprehensive training for all certification personnel. (Sec. 11(e)(6)(C).)

[Note: The Federal share of State agency training costs is the normal 50-percent Federal share of administrative costs. (Sec. 16(a).)]

House Bill

State agencies would, at their option, be allowed to undertake intensive training to ensure that certification personnel dealing with farm households are well qualified to perform certification of these households. As with normal training costs, the Federal share would be 50 percent.

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the *Senate* amendment (no provision).

[Note: P.L. 100-435 contains the same provision as in the *House* bill.]

(3) Training Materials

Present Law

No provision.

House Bill

The Secretary would be required to publish instructional materials specifically designed to be used by State agencies to provide intensive training to personnel dealing with farm households—not later than 180 days after enactment, and annually thereafter. (Sec. 1013(b)(2)(B).)

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the *Senate* amendment (no provision).

[Note: P.L. 100-435 contains the same provision as in the *House* bill.]

(4) Technical Correction

Present Law

No provision.

House Bill

Subsection 6(h) of the Food Stamp Act, as designated by the 1986 Immigration Reform and Control Act, would be redesignated as 6(j), in order to eliminate a duplicative subsection designation in the Act. (Sec. 1013(b)(2)(A).)

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the *Senate* amendment (no provision).

[Note: P.L. 100-435 contains the same provision as in the *House* bill.]

N. HOURS OF OPERATION

Present Law

The Secretary is required to establish standards for efficient and effective administration of the food stamp program, including standards for periodic review of food stamp office hours to ensure that *employed persons* are adequately served. (Sec. 16(b).)

House Bill

State food stamp agencies would be required to ensure that their offices and points of issuance are open at sufficient locations and during sufficient hours to ensure that persons who are employed, or who are in a work, education, training, or rehabilitation program, may (1) comply with food stamp requirements (including reporting changes, providing verification, appearing at interviews, and submitting applications and requests for recertification) and (2) obtain and use certification documents and food stamps—without missing or rescheduling work, education, or training hours. (Sec. 1014(a).)

The Secretary would be required to include in the standards for periodic review of office hours standards for review of hours to ensure that *persons participating in employment and training programs* are adequately served. (Sec. 1014(b).)

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the *Senate* amendment (no provision).

O. NOTICE OF EXPIRATION; COORDINATED APPLICATION

(1) Notice of Expiration

Present Law

State agencies must ensure that participating households receive a notice that their certification period is expiring prior to the start of the last month of their certification period. (Sec. 11(e)(4).)

House Bill

Notices of expiration would be required to inform households of their rights to: (1) a single interview for food stamps and AFDC, (2) in the case of SSI applicants or recipients, assistance in making a simple application to participate and certification for food stamps using information in Social Security Administration files, (3) in the case of AFDC or general assistance recipients, joint food stamp/public assistance application forms, and (4) in the case of new applicants and those recently denied public assistance, certification for food stamps based on information in their public assistance case file.

Notices of expiration also would be required to inform applicants or recipients of social security benefits of the availability of a simple food stamp application at social security offices.

(Sec. 1015(a).)

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the *Senate* amendment (no provision).

(2) Coordinated Application

Present Law

The Secretary and the Secretary of Health and Human Services are required to develop a system by which: (1) single interviews are conducted to determine food stamp and AFDC eligibility, (2) households in which all members are applicants for or recipients of SSI benefits are informed of the availability of food stamp benefits, assisted in making a simple food stamp application at social security offices, and certified for food stamps using information in social security files, (3) households in which all members are AFDC or general assistance recipients have their food stamp application included with their public assistance application, and (4) new applicants and those recently denied public assistance are certified for food stamps using information in the assistance case file (to the extent reasonably verified information is available).

States are required to implement coordinated application procedures (1) and (2), and may implement procedures (3) and (4). (Sec. 11(i).)

House Bill

States would be required to implement all four coordinated application procedures.

In addition, States would be required to inform applicants for AFDC benefits that they may file, along with their application for AFDC and without a separate interview, an application for food stamps.

(Sec. 1015(b).)

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the *Senate* amendment (no provision).

[NOTE: P.L. 100-435 contains the same provisions as in the *House* bill.]

P. WASHINGTON FAMILY INDEPENDENCE DEMONSTRATION PROJECT

Present Law

[NOTE: Provisions nearly identical to those proposed in the *House* Bill were enacted, as a new section 21 of the Food Stamp Act, by the Omnibus Budget Reconciliation Act of 1987 (P.L. 100-203).]

The State of Washington is permitted to conduct a Family Independence Demonstrtion Project (in all or part of the State) on written application to the Secretary and after the Secretary's approval.

Washington State's application must provide that, except as otherwise provided, the provisions of its May 1987 law establishing the Project will apply to the Project, and that the following terms and conditions will apply: (1) AFDC recipients and other individuals included in the State's law establishing the Project will be eligible to participate in lieu of receiving food stamps and cash assistance under any other Federal program covered by the State's law, (2) individuals eligible to receive only child care or medical benefits under the Project will not be able to receive food aid under the Project, (3) Project participants will receive cash assistance not less than the total value of food stamp and cash aid they would otherwise receive, (4) the State may provide a standard food assistance benefit under the Project (as long as participants receive food aid that is no less than they would otherwise receive), (5) the State may provide cash food aid equal to the value of the Thrifty Food Plan, (6) Project participants will be notified monthly of the amount of Project assistance provided as food aid, (7) the State will have a program to require Project participants to engage in employment and training activities, (8) food aid will be provided under the Project to any individual accepted for participation not later than 30 days after application, (9) food aid under the Project will be provided to any participant until cash aid under the Project is terminated and the State determines food stamp eligibility and issues food stamps, (10) as in the food stamp program, bilingual personnel and materials will be used, (11) as in the food stamp program, safeguards limiting disclosure of information about participants will be provided, (12) as in the food stamp program, fair hearing procedures will be provided, (13) information from the Social Security Administration, the Internal Revenue Service, and unemployment compensation agencies will be used to the extent allowed, (14) applications for participation will be taken on initial contact, (15) special procedures (e.g., telephone contacts, in-home interviews) will be provided for elderly persons, handicapped persons, and those with transportation difficulties or similar hardships, (16) authorized representatives will be allowed in the application review process, and (17) special procedures will be provided for homeless persons.

The State must provide assurances that: (1) persons will be allowed to participate in the food stamp program without participating in the Project, (2) the cost of food assistance under the Project will not exceed the anticipated aggregate value of food stamp aid and the Federal share of food stamp administrative costs that would have accrued without the Project, and (3) it will continue to carry out the food stamp program during the Project.

If there is a change in State law that would eliminate guaranteed benefits or reduce the rights of applicants or participants, the Project is to be terminated.

The State is to assure that the Project will include procedures and due process guarantees no less beneficial than those available under State and Federal law to food stamp participants.

The State is to assure that it will carry out the Project for 5 years. However, the Project may be terminated 180 days after notice by the State or the Secretary.

If the application submitted by the State fulfills the requirements set forth in law, the Secretary is to approve the application and pay the State the cost of food assistance under the Project and a Federal share of administrative costs.

Until an application to participate in the Project is approved and food assistance made available, the application to participate in the Project is to be treated as an application for food stamps. Food stamp benefits may not be reduced or terminated due to application to participate in the Project.

For purposes of the food stamp program, persons who participate in the Project will not be considered members of a food stamp household.

For purposes of other laws, cash food aid provided under the Project will be treated as food stamps.

The Comptroller General is required to conduct and report on periodic audits of the Project's operations.

The Secretary, in consultation with the Secretary of Health and Human Services, is required to conduct an evaluation of the Project.

(Sec. 21.)

House Bill

The *House* bill contains the same provisions as are in present law, with the following exceptions:

The value of food aid that might otherwise be available to Project participants must be determined without regard to individuals not participating in the Project, and must reflect income and resource exclusions and deduction adjusted for all increases in exclusions and deductions, as well as benefit levels.

The value of food stamps that would have been distributed without the Project must be determined without regard to individuals not participating in the Project.

(Sec. 1016.)

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the *Senate* amendment (no provision).

Q. FAMILY INDEPENDENCE DEMONSTRATION PROJECTS

Present Law

No provision.

House Bill

Up to 10 States would be allowed to conduct family independence demonstration projects under the same terms and conditions provided for Washington State under the *House* bill (as described in the preceding item)—except that food aid must be provided in coupons rather than in cash. (Sec. 1017.)

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the *Senate* amendment (no provision).

R. ISSUANCE OF RULES

Present Law

No provision.

House Bill

The Secretary would be required to issue rules to carry out the provisions of the Food Stamp Family Welfare Reform Act not later than January 1, 1988—except for rules pertaining to family independence demonstration projects. (Sec. 1018.)

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the *Senate* amendment (no provision).

S. SEVERABILITY

Present Law

No provision.

House Bill

If any provision of the Food Stamp Family Welfare Reform Act or any application of any of its provisions is held invalid, the remainder of the Act and its amendments would not be affected. (Sec. 1019.)

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the *Senate* amendment (no provision).

T. EFFECTIVE DATES; APPLICATION OF AMENDMENTS

(1) Contingency

Present Law

No provision.

House Bill

Other than the severability provision (sec. 1019), which would take effect on enactment of the bill, the provisions of the Food Stamp Family Welfare Reform Act would only take effect if the aggregate reduction in the Federal deficits in fiscal years 1988, 1989, and 1990 (as determined by the Director of the Congressional Budget Office under specified procedures) exceeds the aggregate reduction required to be achieved under the budget reduction instructions contained in section 4 of the concurrent budget resolution for fiscal year 1988 (H. Con. Res. 93) by at least the aggregate cost of carrying out the amendments made by the Food Stamp Family Welfare Reform Act for fiscal years 1988-1990.

(Sec. 1020.)

SENATE AMENDMENT

No provision.

Conference Agreement

The conference agreement follows the *Senate* amendment (no provision).

(2) Effective Dates

Present Law

No provision.

House Bill

Provisions dealing with the exclusion for education expenses, the exclusion for child support payments, and eligibility of students would take effect on July 1, 1988.

Provisions relating to employment and training programs would take effect on October 1, 1988.

Provisions relating to family independence demonstration projects would take effect on January 1, 1988.

Other provisions would take effect on the date, if any, the Director of the Congressional Budget Office makes the determination set forth in the contingency provisions noted above.

(Sec. 1020.)

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the *Senate* amendment (no provision).

(3) Application of Amendments

Present Law

No provision.

House Bill

Amendments made by the Food Stamp Family Welfare Reform Act would not apply with respect to any certification period beginning before the effective date of the amendment.

(Sec. 1020.)

Senate Amendment

No provision.

Conference Agreement

The conference agreement follows the *Senate* amendment (no provision).

From the Committee on Ways and Means, for consideration of the House bill (except title X), and the Senate amendment (except secs. 293(b)(5), 203(b)(6), 392, 303, 402(d), and 509), and modifications committed to conference:

Dan Rostenkowski,
Tom Downey,
Harold Ford,
Donald J. Pease,
Barbara B. Kennelly,
Guy Vander Jagt,
Bill Frenzel,
Hank Brown,

From the Committee on Education and Labor, for consideration of title I and secs. 202, 511, and 804 of the House bill, and title II and secs. 502, 503, 506, 507, and 508 of the Senate amendment, and modifications committed to conference:

Stephen J. Solarz,
Jim Jeffords,
Steve Gunderson,
Paul B. Henry,

From the Committee on Energy and Commerce, for consideration of title IV of the House bill, and secs. 203(b)(5), 203(b)(6), 302, 303, 402(d), 402(f), 404, 508, 509, 510, and 704 of the Senate amendment, as well as that portion of sec. 201 of the Senate amendment which adds a new sec. 417(f)(6) to the Social Security Act, and modifications committed to conference:

John D. Dingell,
Henry A. Waxman,
James H. Scheuer,
Doug Walgren,
Ron Wyden,
Wayne Dowdy,
Ed Madigan,
Bob Whittaker,
Thomas J. Tauke,

From the Committee on Agriculture, for consideration of title X and sec. 801 of the House bill, and modifications committed to conference:

E de la Garza,
Leon E. Panetta,
Dan Glickman,
Harley O. Staggers, Jr.,
Mike Espy,
Bill Emerson,
Tom Lewis,
Bill Schuette,
Wally Herger,

Managers on the Part of the House.

Lloyd Bentsen,
Daniel Patrick Moynihan,
David Pryor,
John D. Rockefeller IV,
Thomas A. Daschle,
Bob Packwood,
Bob Dole,
Malcolm Wallop,
William L. Armstrong,

Managers on the Part of the Senate.

SENSE-OF-THE-CONGRESS RESOLUTION TO ALLOW PROFESSIONAL ATHLETES TO PARTICIPATE IN THE OLYMPICS

(Mr. McMILLEN of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McMILLEN of Maryland. Mr. Speaker, my respect and admiration for John Thompson and the American basketball team at the Seoul Olympics are undiminished by the loss to a talented and experienced Soviet team. In a short time, coach Thompson assembled an excellent team, composed of some of the world's most impressive young players. As a member of the 1972 Olympic team, I know what it means to lose a game, particularly a game in a sport invented by and defined by Americans.

Even before the final game in the 1972 Olympics, I was troubled by the fact that the United States could not send its best players to the Olympics. In truth, the Los Angeles Lakers, the defending National Basketball Association champion, not the Olympic gold medal winner, are the best team in the world.

It is a sham and a shame that American professionals are barred from Olympic competition in basketball. At a time when the distinction between "amateur" and "professional" is increasingly meaningless, every country should be able to send its best athletes to compete, in every event.

Toward that end, I will introduce a sense-of-the-Congress resolution asking the U.S. Olympic Committee to take whatever steps are necessary to allow NBA players and all athletes to participate in the Olympics. If the Olympics are truly to be a celebration of the world's greatest athletes, then the world's best athletes should be there.

Mr. Speaker, I hope that my colleagues will support my effort. Every athlete should be able to compete for his or her country.

VACATION AND REINSTATEMENT OF SPECIAL ORDERS

Mr. GRAY of Illinois. Mr. Speaker, I ask unanimous consent that the special order requested by the gentleman from New York [Mr. Owens] for 5 minutes today be vacated and that he be granted a special order for 60 minutes on today and a special order for 60 minutes on tomorrow.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

A TRIBUTE TO THE LATE HONORABLE JAMES P.S. DEVEREUX

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. Bentley] is recognized for 60 minutes.

Mrs. BENTLEY. Mr. Speaker, last month, on August 7, a great American, Gen. James P.S. Devereux, died. General Devereux was a man of many accomplishments, a beloved father, a four-term Members of this House, and a war hero.

"Patriot" is an often overused word, but when describing Jim Devereux, it is appropriate. General Devereux was one of those people who led by example and not by words.

Before I discuss in detail his actions on Wake Island, I will yield to the gentleman from California [Mr. Packard].

Mr. PACKARD. Mr. Speaker, I thank the gentlewoman from Maryland.

Mr. Speaker, in the early part of 1941 my father went to Wake Island as a construction worker to build an air base there for the Government, and he was there, of course, when the Japanese struck the island.

In our household, we still know him as "Major Devereux." The American people do not remember him as "General Devereux" or "Congressman Devereux;" the American people remember him as "Major Devereux." He was commanding the armed forces, small as they were, on Wake Island at the time of the attack. Wake Island was attacked the same morning as Pearl Harbor was attacked, and it was attacked every morning until the island fell 2 weeks later.

My father assisted and worked with Major Devereux in the defense of the island. So in our home "Major Devereux" became a household word. He became a hero to the American people. He became, of course, the symbol of what America needed most at that time, and that was that we had the courage to stand up to the attack.

"Remember Wake Island" became the buzzword, as "Remember the Alamo" did and as "Remember Pearl Harbor" did. "Remember Wake Island" was really the motto for America because that was the first time really during World War II that any of our armed forces really stood up to any of our enemies and defended America with gallantry and with heroism.

Major Devereux certainly did that, along with 400 and some servicemen that were there with him. There were about 1,200 civilian workers on the island at the time. I have already mentioned my father as being one of them.

The island fell on December 23. My father remembered when Major Devereux went around the island and asked the men to lay down their arms and do whatever the imperial Japanese conquerors instructed. They went to the prison camp together.

Interestingly enough, I have never met the man, Major Devereux, until just about a year ago. While serving here, I was assigned by my own family to do a little research on the Wake Island experience of my father and the prison experience of my father.

□ 1830

So, I thought, well, the best source would be the man whose book I have read, "Wake Island," several times and was the hero in our family at least for Wake Island, and I think the hero of America, and so I looked in the phone book to see if there was any Devereux that I might get some information relative to him and his experiences on Wake. And to my surprise there were some right in Maryland, just outside of the District. I called the lady that was listed, and to my surprise it was the daughter of then General Devereux. I asked about the general, and she was very kind to say that he is still alive and that, if I were interested, she would arrange to have a meeting with him, and so with my wife a few weeks later was privileged to meet with General Devereux. This was about a year ago. We sat down together and rehashed the experiences of Wake Island and the prison camp. He remembered my father. In his book he made mention of my father, and so I had a very enjoyable visit with him, had the opportunity of recording, tape recording, much of the experience that he recounted to me, and it personalized the experiences that my father had had some 30 or 40 years earlier.

So I saw the man, not as a great general, not even as a great major. I saw him as an elderly man, but still a statesman proud of his service in the Congress, certainly proud of his great heroic efforts and that of those who served with him on Wake Island, and so I stand here in this magnificent Hall to pay tribute to General Devereux, the remarkable man that he was, the symbol of gallantry and heroism that he and his men represented on Wake Island, and I am proud to honor him now after his passing as one of the great men of Congress as well.

Mrs. BENTLEY. Mr. Speaker, I thank the gentleman from California [Mr. PACKARD], and he referred to the fact that he called the Devereux home, and a lady answered, and Mrs. Devereux has just come into the gallery to just watch this presentation honoring the great general.

Mr. BLAZ. Mr. Speaker, will the gentlewoman yield?

Mrs. BENTLEY. I yield to the gentleman from Guam, the other general.

Mr. BLAZ. Mr. Speaker, I thank the gentlewoman from Maryland [Mrs. BENTLEY] for yielding.

Mr. Speaker, there are only a few instances in which I seek to come to the floor, and this is one of those instances because we are participating tonight in honoring a man who never knew that he was a model for my own life.

Mr. Speaker, I would like to say just a few words about a gentleman, a Congressman, and a general officer whom we all admired and by whose departure, he will be sorely missed. That man is James Patrick Sinnott Devereux, who lived an admirable and full 85 years and whose legacy is one of honor, hope, dedication, and excellence, which he has bequeathed to all of us.

I remember last month, when he received full military honors, that it was only fitting that Devereux's final resting place should be in Arlington National Cemetery. During the ceremony, as I watched the military officer's flag, red with its single star to designate brigadier general, flutter almost motionlessly in the bright sunshine, I was taken back in time. A time when the name "Devereux" inspired our Nation.

We had just suffered a devastating blow by the Japanese on Pearl Harbor. The cost had been high in both ships and spirit. There was confusion, uncertainty and fear. Then a story began to circulate. A story of unbelievable resistance against the Japanese. Wake Island had been bombed only hours after Pearl Harbor and 3 days later was attacked by what must have seemed to be the "entire Japanese nation." For 16 days, 449 marines kept the enemy at bay, inflicting disproportionately heavy losses, sinking 2 destroyers, shooting down 3 bombers, and killing over 800 enemy soldiers while losing 49 marines, 3 sailors and about 70 civilians.

From this amazing defense against all odds arose another story that fired the imagination. It was Devereux's alleged radio request, while under heavy attack, to "send us more Japs." From these stories came hope and determination that rallied our forces. It was to be an inspiration for the rest of the war. Even a movie of that brave stand was made in 1942.

It is difficult to judge the full weight of Devereux's actions in the fierce fighting that was to follow during the course of the war. I am sure it moved and inspired many of our troops to victory when their own situations were desperate. I can say, however, with certainty, that Devereux was to have a remarkable influence upon my own life. Guam, my island, fell 3 days after Pearl Harbor. We would have to wait 2½ years before the U.S. Marines were to return triumphantly to Guam.

In looking back over my own life, and reflecting on those, whose actions inspired my own dreams and ambitions, I must turn to Devereux as first and foremost. My own career has paralleled that of Devereux's. There are fewer, higher standards to follow. I too served in the Marine Corps as a general officer and now serve Guam as its elected Representative in Congress.

As I recall that final ceremony in Arlington and watched the faces around me, I realized that all of us were deep in our own distant memories, perhaps also thinking how Devereux had touched their lives. It is a final testimony and proof of his own greatness, that he inspired so many as he lived and that his inspiration lives on in each of us.

Mrs. BENTLEY. Mr. Speaker, would the gentleman from Guam [Mr. BLAZ] participate in a colloquy with me for a minute?

Mr. BLAZ. Mr. Speaker, it would be a privilege.

Mrs. BENTLEY. The gentleman said that General Devereux was a hero, somebody that he looked up to. When as a youngster in Guam did he first hear about him?

Mr. BLAZ. I heard about him actually after the liberation of Guam in 1944, and I began hearing about the marines at Wake Island.

Mrs. BENTLEY. Is that why you became a marine?

Mr. BLAZ. No, I was not in the Marines—yes, indeed, I was—believe it or not, despite my appearance I was a boy, and it was an inspiration for me, but I think, after hearing the gentleman from California [Mr. PACKARD], I think I should say that I never met General Devereux until about a year ago. I was at a function, and I looked across the room, and I saw a face that I thought looked familiar. I went over to introduce myself, and I said, "My name is BEN BLAZ," and I met Mrs. Devereux, and I could not believe it when he said, "My name is Jimmy Devereux."

It was as though it was destiny that I was to be there, but I think the thing that I wanted to point out is that the name Devereux was so much a part of my own life, and the parallel is almost unbelievable. There have been two general officers from the Marines that have shared in this body within the recent memory, and they both happen to be friends of the gentlewoman from Maryland [Mrs. BENTLEY], and incidentally at the funeral I ran into a gentleman named Col. Arthur Poindexter, and I introduced myself, and I said, "My name is BEN BLAZ," and he says, "Yes, you were a lieutenant of mine in Korea."

I said, "Yes, you were my commanding officer," and I said, "What is your relationship to Jimmy Devereux?"

He said, "Jimmy Devereux was my commanding officer on Wake Island when I was a lieutenant, Mr. Blaz."

So, there is a lot of feeling for me here. There is a lot of history here. There is a lot of emotion and memories, and I am not so sure that as hard as we are trying, I am not so sure we are doing him the justice he deserves.

Mrs. BENTLEY. Mr. Speaker, it is very difficult when you have a gentleman like General Devereux to try and present what he really represented, what he really was. Probably, if we could run the movie again, the Wake Island movie that the gentleman from California [Mr. Packard] referred to, that would tell it much better than any of the three of us, but I do appreciate both of them helping in this tribute to the gentleman who incidentally held the seat in Congress that I am now holding.

Mr. PACKARD. Mr. Speaker, will the gentlewoman yield?

Mrs. BENTLEY. I yield to the gentleman from California.

Mr. PACKARD. Mr. Speaker, I failed to mention that just a few months ago I was privileged to represent the House of Representatives, to go to Wake Island with a group of survivors of Wake Island. Some of these fought with Major Devereux, and some of the civilians that were there at the same time that assisted in that defense. And I was privileged to represent this country and the Congress officially by dedicating a memorial to those that defended the Island, and of course Major Devereux was a major part of that defense and thus was a major part of that ceremony as we dedicated the monument to those. And so there on Wake Island this year has been installed a monument honoring the man and civilians, and, of course, they already have a monument for the marines that were there so, I think, appropriately, and it was my first experience on Wake Island, and it was a remarkable reminder of things I had lived with all my life from my boyhood as to the experience my father and Major Devereux had, and so it was, I think, a very timely and certainly very deserved tribute to a great man.

Mrs. BENTLEY. Mr. Speaker, I thank the gentleman for letting us in on that particular event, and I do want to say that General Blaz, and I will call him General Blaz even though he is a Congressman now, but with all due respect General Blaz at the funeral of General Devereux said, "Well, there are two of us generals who were generals, and we were both in Congress, and we both represented small islands," and the gentleman from Guam [Mr. Blaz] meant Wake Island, of course, and Guam. I thought that was a very touching remark that he said.

I, too, want to comment that General Blaz himself is a very, very fine human being and a fine general himself. So I am sure that Jimmy Devereux, wherever he is looking down from, particularly is appreciative of the fact that he stayed over from a trip far off to the Pacific to pay this tribute to him tonight.

I will just go through an article, some of the excerpts from a 1942 Reader's Digest article, which have been referred to by both the gentleman from California [Mr. Packard] and General Blaz, the gentleman from Guam, which tells a little bit more about this very heroic event on Wake Island. It said:

> In his tent on Heel Point, Wake Island, Major Devereux awoke at reveille. Sunday, December 7, at Pearl Harbor was Monday, December 8, here, for Wake Island is just west of the international date line.
>
> Having shaved, with due respect for his small mustache, he strapped on his .45 caliber Colt and headed for the officers' mess. A wirey little man with the bulging brow of a student, he was quiet, slow to anger. He glanced at the sky and its sickly last-quarter moon: a good day for flying. His dawn patrol was already out over the Pacific.
>
> The major was in his element. Son of an Army medical officer, he was born in Cuba, the fourth child of a famous Army-Navy-Marine family of 10 children. He loved the life of a marine.
>
> Wake is 2,004 miles west of Pearl Harbor, but only 352 miles from Taong, and 700 from the Marshall Islands, where he knew the Japanese had strong air bases.
>
> The desolate coral atoll that is Wake had been built up on the rim of a sunken volcano, the crater forming a shallow lagoon 4 miles long by about a mile and half wide. The island was separated into three small islets: Wilkes, Peale, and Wake. Nowhere was the land more than a mile wide and the highest point on these treeless sandpits was not 10 feet above high tide.
>
> Beautiful, but what a place to defend.
>
> When Pan America first planned to land on Wake, in 1935, it was uninhabited; lest we offend Japan, our government had made it a bird sanctuary. Just a few months ago, the first construction had begun. Devereux and the main body of marines had been there only a few weeks. He had 25 officers and 418 men. . . .
>
> At seven thirty a marine came running excitedly from the radio shack and handed Devereux a decoded radio message:
>
> PEARL HARBOR HAD BEEN BOMBED
>
> . . . He had scarcely reached the Panamanian Hotel when he heard the drone of many motors and saw a squadron of 12 planes approaching from the south. For a moment he hoped they were American planes. But when he saw the flashes, heard the explosions, saw black smoke rising—he knew the Japanese had struck. A second flight of 12 planes was now coming right at him. . . .
>
> . . . Within minutes, twenty-five marines had been killed and seven wounded, including Major Putnam, commander of Wake's tiny Air Force. Eight of the twelve fighting planes that had been flown in from a carrier only a few days before had been caught on the ground. Seven were destroyed, another badly damaged. . . .
>
> Four small fighting planes against all the planes and warships the Japanese could send.
>
> For the rest, the marines had only pistols and rifles, six 5-inch Navy guns, 12 anti-aircraft guns, and 48 machine guns. Altogether not much more than the fire power of a destroyer.
>
> The 10 miles of beach made it probable that the Japanese would try to land at several points simultaneously. The major had to split his little force. . .
>
> On the credit side of the ledger stood 400 marines fighting mad.
>
> On the next day, 27 bombers came . . . one was shot down.
>
> On the third day, 27 more came.
>
> But the next day, December 11—when Tokyo announced a landing on Wake—was the major's day. Putnam's planes reported 12 enemy ships were coming up on the horizon. There was a transport, a supply ship, several gunboats and destroyers, and a cruiser. . . .
>
> Devereux ordered his gun captains to hold their fire until he gave the word. The fleet drew closer; its biggest guns opened fire. Getting no answer, the cruiser drove down on the atoll with her guns firing. Destroyers and gunboats also opened up as they came within range. . . .
>
> Ten thousand yards—eight thousand yards—six thousand. . . .
>
> Not until the cruiser stood at 4,700 yards and the enemy destroyers were still closer did he give the word 'Fire.'. . .
>
> Then the sweating and begrimed gun crews worked hard and fast. The 5-inch projectiles weigh 50 pounds. A smart crew fires 4 or 5 of these a minute, and up to 15 3-inch shells. They converged their fire on that cruiser, and they sank her, a blazing wreck. . . .

Major Devereux and his gallant forces were able to hold out for 13 more days, before they had to surrender to an overwhelming invasion force.

It was an expensive victory for the Japanese. By their own admission, Wake Island cost them 11 naval ships, 29 planes, and more then 5,700 men killed. The American losses were a dozen planes and 96 dead.

Major Devereux and the rest of his command were taken prisoner, and remained prisoners in China for the balance of the war.

Devereux and his men were brutally treated and starved, but they survived.

On August 20, 1944, the camp was "liberated" by the International Red Cross.

For then Major Devereux, "the high point was a single moment when I reached Washington," he said. Continuing his quote—"There was a crowd—kinsmen, old friends and a lot of theirs—but in that moment the only person I saw was my son Paddy coming toward me."

But General Devereux's service to his country did not end with World War II: He came to this House in January 1951 and served with distinction for four terms on the Republican side of the aisle.

General Devereux never did forget those with whom he served. In 1951, 6 years after World War II, 33 years after World War I, and during Korea, General Devereux fought for the override of a Presidential veto of a law that would provide monthly pensions for totally disabled veterans needing the assistance of others, when the disabilities were nonservice connected.

Devereux won this battle as well. It was his feeling that this great country should not forget those who sacrificed so much. He said veterans should be rewarded for combat service as those who "get in a destitute situation as envisioned in the bill would not be able to eat those combat ribbons and medals."

Like most men whose lives have depended on others, General Devereux judged others by what they were and not by who they were.

The movie "Wake Island," that has been referred to, and many articles quote General Devereux as having said "Send me more Japs." And General Blaz referred to that. Actually, he said he never did say that. Propagandists used the slogan to galvanize the public during the war. I hope we can put that to rest with him.

I raise this because I would like to read a postscript of General Devereux in his book "Wake Island."

> When I return to Hawaii, the first thing I will do will be to hunt up a friend of mine who deserves a place in any story of Wake Island. He is Ambrose C. Lum, "Honorary Pfc, United States Marines."
>
> Ambrose is of Chinese descent, but as a native of Honolulu he is an American citizen, a fact he proudly announced when he appeared at my command post to make himself useful as an orderly and handyman when the war began. Ambrose adopted the Marines as his own, especially Corporal Robert Brown. . . .
>
> Ambrose didn't like bombs any better than the rest of us, but he didn't bother to hide his feeling. He was a quick man into a hole when the bombers came. One day as we ducked for shelter, Ambrose noticed that Corporal Brown was missing.
>
> "Where's Bob?" he cried. "Where's Bob?"

Somebody mentioned that Corporal Brown had slipped into the brush for a little nap. Ambrose burst out, "He'll be killed!" A moment later, despite his fear of bombs, Ambrose was streaking out into the brush to find his friend. He awoke the sleeping corporal as the first bombs came whistling down. They had only seconds to spare as they sprinted for cover. After the raid, they returned to the spot to regain Corporal Brown's gear.

> They found a bomb crater where Brown had left his blankets.
>
> Ambrose went to prison camp with us and there, as a Chinese, he became an invaluable contact with the black market from which he smuggled necessities and such small luxuries as we could afford. He could have gouged American prisoners for his own profit, but he never did.
>
> When the Japanese started their inquisition into the black market, Ambrose was offered immunity if he would turn up the marines involved. They beat him until he was unconscious, and they gave him the water cure, forcing water down his gagging throat until he fainted, but they never got a word out of him.
>
> Then they tried kindness, trying to persuade him that he was an Asiatic; that we were his enemies; that he would benefit in privileges if he put the finger on the "guilty" Americans. All they got out of him, even when they flogged him again, was a defiant:
>
> ". . . I'm an American citizen! You better be careful what you do to me!"

General Devereux continued in his book to say:

> The Japs finally gave Ambrose up as a bad job. It was for this more than for his endless wangling for our benefit that some of the Marines decided to show their gratitude in the only way they could. They "elected" him an Honorary Pfc in the United States Marine Corps. They tell me there were tears in Ambrose's eyes when he was informed of it.
>
> After that Ambrose got his great idea. . . . When he got home, he said, he would open the most exclusive bar in the world. The name would be "The Wake Island Marine Bar." The only customers who would ever be admitted would be the marines or guests of marines. As "Honorary Pfc" Lum explained to Corporal Brown in prison camp:
>
> "I want to show I feel the honor. Anyhow, Marines got to stick together."
>
> I shall ask Ambrose to join me in the first drink.

□ 1845

And so ended General Devereux's book.

He was a man committed to his men, and to what he thought was right. In the 1950's General Devereux was a Congressman from a Southern State, and yet he was in the forefront of desegregation of public schools and an advocate of ending racial discrimination in employment.

He was a champion of these causes long before it became fashionable to do so.

He left the House to run for Governor of the State of Maryland, and even though he lost that political race, he remained active in the Republican Party all through his remaining years, and he gave very much of himself always to help the State and county GOP.

I know when I was running for office, he was one of those out there early on to keep prodding me on and to say, "Go, we're behind you. We want to help."

All of us who knew General Devereux, and counted him as our friend and mentor, will miss him.

General Devereux was a patriot in the truest sense of the word.

I would like to close with the words of President Roosevelt in his citation of Majors Devereux and Putnam—

Mr. DORNAN of California. Mr. Speaker, will the gentlewoman yield?

Mrs. BENTLEY. I am happy to yield to the gentleman from California.

Mr. DORNAN of California. I have asked the gentlewoman to yield at this point so she can use that quotation as a close.

I just raced over to join this special order a little early because General Devereux, then a major, was one of the heroes of my youth.

My good friend, Congressman BEN BLAZ, has maybe 6 months to a year on me and that got him into fighting.

I was 8 years of age when Wake Island fell. I studied the fate of all of those on that island, Commander Cunningham and the commander of the Marines, Major Devereux. They could not have picked a better actor than Brian Donlevy to play him in that 1942 film. It started in 1942 almost as soon as the island had fallen. Hollywood was organizing behind an effort to let Americans now the courageous struggle that had gone on there.

I would like to add to this two things that were the most painful experiences in this courageous marine's life. One was the young aviation mechanics, young enlisted marines, who had worked on the Grumman Wildcats that had flown to defend that island, one of them damaging a Japanese cruiser and sinking a destroyer. The young aircraft mechanics were taken first I believe to Formosa to a prison camp, now called Taiwan, and then eventually to Japan; but three of them were taken up on the deck, hands tied behind their backs blindfolded, and Bushido Knights, which were the equivalent of the German SS, beheaded these three young marines.

When the war crimes trial took place in Japan and we did execute the Bushido officers, and I believe even the senior commander on the ship, one of the young Japanese sailors on the ship broke down crying on the stand and said that as the three young marines were kneeling on the deck, the swish of the sword and the sound of the head hitting the deck as the first man was beheaded alerted the other two what their fate would be. They turned their heads in the direction of the murder, said not a word, and died as brave Marines.

I remember reading something after he was released that Devereux had written when he found out what had happened to some of his young aircraft mechnics.

The other great tragedy that was just a sword in his heart was the civilian construction workers at Wake.

Maybe the gentlewoman has mentioned this earlier.

Mrs. BENTLEY. The gentleman from California [Mr. PACKARD] whose father was one of them, joined in with us a few minutes ago.

Mr. DORNAN of California. Was one of the construction workers that lived or was executed?

Mrs. BENTLEY. That lived.

□ 1900

Mr. DORNAN of California. I did not realize that, because the ones who were lucky were the ones who were taken off to prison camp. The ones who were kept on the island, I believe 200, just a little less or a little more than 200, survived throughout the whole war. Major Devereux had made them instant honorary Marines, and they fought to defend that small outpost on the edge of freedom in the Pacific, and the lucky ones, like Ron's father, and I did not know that, survived, many of them. Some of them died in horrible prison-camp conditions, but the majority, 90 percent of them, were left behind on the island, and they survived through 1942, 1943 and 1944, and as America succeeded in the field, as we began to roll back the warlords under Tojo, naturally invasion fever struck the island and was the style with those most corrupt, most into the Japanese warlord philosophy, who decided they would execute all of those prisoners and did when we had already advanced beyond them in an island-hopping successful technique worked out by Admiral King and Admiral Nimitz, and it was a tragedy to survive almost 3 years of imprisonment on that island where they had gone to build it.

If I may make a point, and not a political point, but a historical point, this Congress, and under the Congresses that were in session then, had delayed so long in the 1930's and right up until 1940 itself putting the construction money on the line to fortify Guam and the Philippines and even little Wake Island which was a Pan American Airlines stop, that the construction workers had only really begun their work when the war started, and volunteering as civilians, for just a little kick in pay to go to this island, that cost them their lives after 3 agonizing years of imprisonment where their only joy was to know that the country that they loved was winning the war.

Major Devereux, soon General Devereux, never stopped communicating with those families of the young marines who were beheaded by this fascist curse that spread across the world or those civilian workers who had served him as citizen-soldiers like the Minuteman emblem up there in Massachusetts, and I did not know until I heard your special order that this hero of my youth, who in my mind is that rugged major of a great Irish actor, Brian Donlevy, a good friend of Ronald Reagan's, it is these World War II heroes who still have a more overriding influence on my life than any period since in all of my 55 years.

I thank the gentlewomen from Maryland for taking this beautiful special order, and I look forward to being rereminded of those words which I had completely forgotten of President Franklin Delano Roosevelt.

Mrs. BENTLEY. I thank the gentleman from California for giving us that additional insight into General Devereux, and the fact that he pointed out that he continued to keep in touch with the families of those young people who were beheaded. That is just typical of the person General Devereux was.

The words of President Roosevelt in his citation of Majors Devereux and Putnam were:

> The courageous conduct of the men who defended Wake Island against overwhelming enemy forces from December 8 to December 22, 1941, has been noted with admiration by their fellow countrymen and the civilized world. It will be not forgotten as long as gallantry and heroism are respected.

Certainly we today want to say we appreciate all that General Devereux was and did, and we want to extend our sympathy to the entire Devereux family, Mrs. Devereux and daughter and son who are with us, and to thank them for sharing him as much as they did with all of us while he was here on this Earth with us. Our country is, indeed, a better and freer nation because General Devereux was the heroic person that he was.

GENERAL LEAVE

Mrs. BENTLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order.

The **SPEAKER** pro tempore (Mr. BILBRAY). Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

WHAT REALLY CAUSED THE NARCOTIC PROBLEM IN THIS COUNTRY

The **SPEAKER** pro tempore. Under a previous order of the House, the gentleman from California [Mr. DORNAN] is recognized for 60 minutes.

Mr. DORNAN of California. Mr. Speaker, I intend to speak tonight on what really caused the narcotic problem that is tearing this country apart and destroying the governments, putting them under intense pressure, from Bolivia to Peru, up into Colombia and all the Central American countries, where we hear about Noriega so much in the Presidential campaign.

What really caused America to make this tremendous demand for narcotics?

Mr. Speaker, before we do that, I want to do, Mr. Speaker, what they call billboarding on the morning news shows, that is, to remind people who follow the proceedings of this House, and to remind the Speaker, that I will be doing a special order next week, and I have been putting it off week after week, on my visit to the seven concentration camps, six of them massive extermination death camps, in Poland that I did earlier this month on the 1st, 2d, and 3d, and that I also will be doing with the gentleman from New York [Mr. KEMP] and some others a special order tomorrow night and the next night on the 50th anniversary of what led up to Wake Island, what caused it, and that was Lord Chamberlain, the Prime Minister of England, going to Germany to meet with Herr Hitler, as he called him, and signing the infamous Chamberlain-Hitler pact that virtually wrote off Czechoslovakia as a free country, that so whetted Hitler's appetite for aggression that, combined with the Hitler-Stalin pact of August 1939, that that date, September 30, 1938, is used by most historians as the principal date beginning the horrors of World War II.

It was less than 11 months later on September 1, 1939, that Nazi troops crossed into Poland, after creating a Nazi provocation where Gestapo and SS dressed up as Polish soldiers and attacked their own German men, killing other young German soldiers serving their country, to create the provocation for the invasion, but 11 months earlier, on September 30, Chamberlain stood there at the airport field at Munich with an American Burbank, California-made Lockheed Electra 14 airplane behind him, the same kind that Amelia Earhart made famous, and he uttered those words heard and that still ring down through history a half a century later, "Peace in our time." He flew to a little field outside of London that is now closed called Henley and said the same thing, "I have brought you peace in our time," and it lasted 11 months.

It was because of a shortsighted British Parliament and a shortsighted United States Congress at the same time that allowed the aggressive forces of Hitler, when he did not have the wherewithal to sustain his invasions of the Rhineland, the Sudetenland, forcing Anschluss on Austria and then getting the British Prime Minister to cave in on his destruction of the fairly new state, since World War I, of Czechoslovakia.

On this 50th anniversary of Chamberlain "Peace in our time," the pact with Herr Hitler, we are going to tomorrow and the next day, tomorrow because it was on September 29 late at night that they initiated the pact, maybe at Berchtesgaden, and I will have that information tomorrow night, and then, of course, the world recorded in their papers of October 1, no television those days, what had happened on September 30 at the Munich airport and in London when Chamberlain set in motion the inexorable furies that brought about the death of 55 million people, concluding with those extermination camps in Poland that killed the majority of the 12 million people that died in Hitler's death camps, 6 million of them, the almost total annihilation of the Jewish population of East and West Europe.

What I would like to talk about is this drug problem tonight, and before I do, I would like to yield to my good colleague and outstanding member of the Committee on Armed Services, the gentleman from Pennsylvania [Mr. WELDON], who has done absolute journeyman work on the major violation of the ABM Treaty, the big radar at Krasnoyarsk.

Before I yield to the gentleman, I went through Krasnoyarsk on the Trans-Siberian Railroad, and, of course, they were not going to let this Congressman out to the radar site, because I would know more of what I was looking at than some of the appeasement-minded Congressmen, the freeze group that visited the radar site earlier and came back and said, "It means nothing." No, it means a lot.

Mr. Speaker, I yield to the gentleman from Pennsylvania.

DISMANTLE THE KRASNOYARSK RADAR

Mr. WELDON. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, we have long recognized that the Soviet construction of the radar site at Krasnoyarsk represents a blatant violation of the 1972 ABM Treaty. The House unanimously adopted my amendment last year recognizing this fact, and the Senate followed suit soon thereafter.

Following the passage of the Krasnoyarsk amendment, a small group of House Members and several committee staff individuals were allowed to visit Krasnoyarsk, but no real technical experts on phased-array radar were allowed to go with the group or were with that group. Following their visit, I wrote a letter to General Secretary Gorbachev asking permission to allow this body to send a bipartisan delegation to Krasnoyarsk to fully assess the radar site and determine its ABM implications. Receiving no response to my first letter to General Secretary Gorbachev, several months later I followed up that letter to General Secretary Gorbachev with a second letter to General Secretary Gorbachev, this time written in Russian, again asking him to allow us to send a bipartisan delegation including technical experts to visit Krasnoyarsk and to make a full and complete determination as to whether or not it is in fact a violation.

Mr. Speaker, I have not received a response to the second letter as well.

Although the Soviets have long denied that charge, they recently came forth with a public offer to dismantle the Krasnoyarsk radar. What many people have overlooked, though, is that the Soviets would only dismantle the facility in exchange for a United States pledge to abide by the ABM Treaty for an additional number of years.

The Soviets have publicly admitted that they violated the treaty. As a matter of fact, during the debate on my treaty last year, I offered testimony quoting Soviet generals fully admitting that Krasnoyarsk was in fact a breach of the treaty. But they are now trying to use their violation as a bargaining tool in ongoing ABM Treaty review negotiations. In effect, they are asking us to forgive, forget and go forward with unilateral adherence to a treaty which some would say is outdated.

Many have pushed for the United States to formally declare Krasnoyarsk a material breach of the ABM Treaty. This would allow us to break out of that treaty. While none of us dispute the violation, some would argue that now is not the time to charge the Soviets with such a breach. Regardless of one's opinion on that hairsplitting issue, I think we would all agree that we can not allow this Nation to be duped into unnecessary concessions at bargaining table. We have bent over backwards to uphold our end of the treaty, only to watch the Soviets violate theirs. We have paid too great a price already, we should take every precaution to make sure we don't pay again.

Upon U.S. negotiators' return from Geneva recently, the arms control and disarmament agency issued a statement saying:

> Throughout the review conference, the Soviet Union gave no indication that it was prepared to correct the violations without linking their agreement to do so to unacceptable demands.

Mr. Speaker, the Soviets are playing to our press to the hilt, and are taking the American people for fools. Those who have not had access to all the material and information that we in Congress have could understandably be inclined to support the Soviet's most recent gambit. But as responsible statesmen, we should not let them get away with it. It's time to expose this ploy for what it is and start standing up for ourselves.

Now, as we are about to explore the possibilities for entering into a new strategic arms agreement, it is more important than ever that we stand our ground and show the Soviets we mean business about all arms agreements we enter into. I believe we must require the Soviets to dismantle Krasnoyarsk before we enter into any future arms agreements.

Last week, the Senate unanimously adopted (81-0) a resolution saying the United States should not enter into any new arms agreements with the Soviet Union until the Krasnoyarsk radar is dismantled. I will be working with my colleagues to get a similar resolution through the Foreign Affairs Committee, and I urge the House to urge its adoption and protect the credibility of U.S. foreign policy.

Mr. Speaker, I would ask the gentleman, as a member of that committee, to assist me in bringing this issue to the forefront of the committee members and getting this resolution through his committee.

Mr. DORNAN of California. Done. May I ask the gentleman from Pennsylvania, obviously, he did not ask me, but I wanted to establish the fact that it is very unusual for a first-term Member, and he was very fortunate to get on the Committee on Armed Services, one of our five most important and prestigious committees, the others being Foreign Affairs, Rules, Appropriations, and Ways and Means.

☐ 1915

You immediately hit the ground running and I can recall on this very issue, this massive violation with this huge Krasnoyarsk radar, you achieved a unanimous amendment, 430-something, with the only people not here were those in the hospital that did not vote, to zero. Every single liberal on the other side of the aisle and a few liberals on our side all voted to support the Weldon amendment.

Refresh my memory what that said about Krasnoyarsk?

Mr. WELDON. It said the phased array radar system was a violation and we as a body encouraged the Soviet Union to dismantle the radar as quickly as possible. It did not have any specific tie-ins to adherence to the ABM treaty which this would do. It was not a materiel breach but says before we enter into new agreements the Soviets have to dismantle Krasnoyarsk.

I have not gotten a response, if you heard while I was speaking, I have not gotten a response to two letters I have written to General Secretary Gorbachev on this issue, one in English and one in Russian, where I asked him to respond and allow us to send a bipartisan delegation to Krasnoyarsk including techncial experts who know phased array radar and the capabilities of the phased array radar to allow us to visit that facility and make a full assessment.

I received a response to neither letter.

Mr. DORNAN of California. If you get a response, take me with you. I am anxious to visit the site. Having been through the Soviet Union, if you give me your evaluation as an expert, he might have answered you publicly by suggesting that we make it a space center to send the mission to the moon or to look for outer galactic beings.

I do not know what he is talking about. It is not designed as a joint space center but it is fair to analyze he is feeling the heat?

Mr. WELDON. A tremendous outcry in the public, press and in this country and in around the world there is press to the extent that Krasnoyarsk is labeled a blatant violation, and other nations joined us in the effort, and it is a case where Secretary Gorbachev really had not answered. His own generals that I have quoted in our House records have admitted publicly it is a clear violation of ABM.

Mr. DORNAN of California That trip of liberal Democrats that went a few months ago taking valuable photographs and videotape film, most Members missed the mark, but not the staff.

I would like your analysis of this, the Members came back so unimpressed with the concrete, with the bricklaying, bricks were off center, the concrete was sloppily laid, they do it in the dead of winter and the moisture and concrete are frozen and it thawed and they get crumbling, but the parts that should be goldplate, to use that expression, the electric connections for the hardware which most of which was not done, this was done quite precisely. In spite of accidents in the space program they have taken a huge lead that we hope to start closing with a successful launch tomorrow morning of the Discovery at Cape Canaveral, but they have more hours of men in space. Given their accidents and the deaths of cosmonauts, their space achievements are stunning. Seven percent of their GNP opposed to our less than 1 percent and their military is 13 or 14 percent and ours is 6½ percent or less of our GNP; do you feel the Democrats, because you have been to the Soviet Union and none of them had been there before you, do you feel they were deluded by the poor quality of construction of things that are, how should I describe it, like the rack of something, say, a poor rack you put your stereo equipment in, a cheaply made 2-bit rack, but the stereo equipment is the highest quality, who cares if the rack is bolted together crooked and messed up? What is your analysis of their analysis?

Mr. WELDON. The gentleman is correct, and I looked at the photographs and had the debriefing as soon as the delegaton returned and met with Tony Battista a staff member from the Armed Services Committee was along on the trip, and from the standpoint of construction and it is a crudely constructed facility, but if you have been to the Soviet Union as I have on 2 occasions, traveling throughout the country you realize all the construction is crude.

But the point is correct when you say that the technical operational part of the phased array radar was not looked at. The software is a key ingredient of the phased array radar for battle management capability. No one looked at that or what was being inserted into the tubes in the phased array radar system, to see whether or not they were sophisticated and whether they could do the job. We think they could do this in terms of battle management capability. That is what we need to go back and look at for a determination as to the future potential use of Krasnoyarsk.

Another example of the type of construction the Soviets have, my last trip to the Soviet Union which was this year when I went over on a bipartisan delegation with Hodding Carter and with the gentleman from Maryland [Mr. HOYER] and other Members of this body, we went through the American Embassy compound in Moscow and we saw a building constructed by the Soviets for our use, the chancery building, 10-story complex that when you looked at on the inside appears to be crudely constructed by our standards but deeply embedded in both walls and columns was the most sophisticated eavesdropping system we have ever seen, and we still do not understand how it fully operates.

This was done by the Soviets, in property that is supposed to be our sovereign territory. I saw it with my eyes and we can never let the Soviet construction techniques fool us into thinking that we are really unsophisticated technically. As Krasnoyarsk was not thoroughly looked at, we could apply that example to our own chancery building at the American Embassy in Moscow, I saw it with my own eyes, the eavesdropping, and read the study just released last week saying we should now take that entire building down and reconstruct it because it would cost us too much, and we do not have the technology to neutralize the types of eavesdropping equipment they placed in our embassy building.

Mr. DORNAN of California. This is a battle for you and me and for others who believe in solid security because I followed your footsteps, a few days ago, August 30 and 31, and your analysis is absolutely correct. As a matter of fact, in the domiciles, the long two-story buildings of domiciles they built better for us than their own people, trying to not call attention to the other buildings, and some people around here think they can give away top secret information, I think the American people should know this. For those citizens who think we absolutely were completely scrubbed and taken to the cleaners on the building of this building, there is, let me see how to say it, there was a school of thought that said we cannot be outsmarted, we are good enough, we can counter whatever they try to do if they deceitfully try to screw this up. The weak excuse that we do not build it is that American construction companies find life in the Soviet Union so oppressive with poor food, poor service, which is all true, that we could not entice a company to go over. I have never found, using the capitalist system, a salary that cannot be reached to eventually entice somebody to go to the North Sea, Prudhoe Bay, and the jungles of Malaysia to look for rubber. There is always somebody who will go to a fair salary. We just never tried, but we turned to Russian construction companies, thinking they could not outsmart us, but their sophistication on what counted, they broke ground in the area of how to listen, and as you said, we still do not know what they did to us and we thought we were capable of countering them.

I agree with you, that the building has to be torn down. The reason the issue is on ice, and remember the buttons we were wearing about recapturing Mount Alto, all finished and beautifully made and sitting up there waiting to be occupied is that I believe that nobody provocatively wants to insert this issue into the campaign between Mr. BUSH and Mr. Dukakis, and the bad news is the reports are in, we should tear it down and we will wait until after the Presidential race is over, probably take place either as a solid, intelligence move of President Reagan in his last few days, last few months, or a decision of the next President, but it will be one heck of a fight on this floor and with the Senator STEVE SYMMS on the other side to make sure that the building where we do not understand what they have done to us will have to be torn down, stone by stone, properly pay American construction people to build another.

I have been to the Soviet Union six times. This construction thing, the poor quality, is so stunning that I cannot pass up the opportunity to get your observation as someone over there as a young man and then in the beginning of this year. Not all construction over there is poor, but like Americans who like Russian music, I always say to them, when was it written? I am not making a case for czarist oppression or hemophiliacs who rule divine right of birth. That is silliness, but all music that the world plays now is over 70 years old, pre-Communist revolution and the buildings you and I saw that were beautiful were all built before 1917. Leningrad is a beautiful city because it was build under the oppressive czars, under the thing we call communism. It is terrible because communism like socialism just does not work.

I thank the gentleman.

Mr. WELDON. I appreciate you yielding to me and look forward to working with your committee.

Mr. DORNAN of California. Let's get the groundwork laid before the 101st Congress adjourns.

Mr. Speaker, in my remaining time I would like to call everyone's attention to one of the most incisively and properly written editorials I have ever seen in an American newspaper, national newspaper thank heavens, the Wall Street Journal.

It was earlier this week, September 26 entitled, "A Right To Drugs?" I have been saying this for years whenever my liberal Democratic colleagues would start to wax arrogantly about the failures of the Reagan-Bush administration on rolling back narcotics, or when Mr. Dukakis beats Vice President BUSH over the head about Noriega, and I was on the Panama Canal Subcommittee in 1977, 1978, 1979, and 1980 and we were not allowed to talk about Noriega because everything was told in closed executive sessions including the first executive session on this floor in 150 years. We closed the Galleries, our police, and Sergeant at Arms guarded the doors and we got a top secret briefing from the Defense intelligence people and we were told the mess in Panama, and JIM WRIGHT got up and just turned the body around talking about the Panama Canal would be like the Mississippi River, controlled by the Russians, bifurcating our countries, how could we do this to a people, and it was Jimmy Carter, President Jimmy Carter, Democrat administration, that turned over the Panama Canal to a big, tall, stupid dictator that Reagan called a tin pot dictator named Omar Torrijos but the brains was not the commander of Guardia but the intelligence head, G-2, Noriega, and Noriega has come back to haunt us because we gave the canal away to unstable people when we had a treaty that said we could have kept in perpetuity, and I did not go that far. I said I was willing to override "in perpetuity." We will give it to them, their own natural resource, but let us wait for two free elected Democratic governments in a row, please, with no assassination, no killing, no laundering of drug money or guerrilla warfare assisting the Communist forces in Nicaragua, just two Democratic administrations in a row. Then we will give away this multibillion-dollar asset that is one of the world's great seven choke points and the only one in this hemisphere of strategic military value.

Now I have been joined by one of the courageous fighters in this House, the gentleman from Indiana [Mr. BURTON]. I do not know if he has read this editorial in the Wall Street Journal, but I will gladly yield to him when I get to the flavor of the article. The meat starts in paragraph 2, which I will jump to first of all and then go back and recapture paragraph 1 because I was on the site of a brutal murder on the church where I was baptized in 1933, just on Saturday morning. Here is the second paragraph, "20 years ago liberals agitated for the effective decriminalization of drugs and weakened the tools of law enforcement."

Now the wheel has come full circle. I like the expression the worm has turned. The law is coming down on drug users. Despite this progress, ACLU, they do not spell it out even, the American Civil Liberties Union, assuming after the Presidential debates that the night after that Americans are finally finding out what the acronym stands for, the ACLU and others are in agony and they start quoting, "Assault on the Constitution wails California Representative DONALD EDWARDS."

Really, we frankly doubt that any court will discover a right to use drugs. Let me come back to that first paragraph.

Saturday morning I went up to New York to accept at the Women's Republican Club, the oldest in the country up on 51st Street, the Conservative Party of New York, their endorsement of Vice President GEORGE BUSH for President.

□ 1930

For Californians, Mr. Speaker, who follow the proceedings of the House in the RECORD or by national technical means, electronics, in California we really have only two competing parties and one liberal party, the Libertarians who say, "A pox on both your Houses," and waste their time and spin their wheels. But in New York, we have an aggressive pro-life party which is bigger than the liberal party. But the third largest party in the State is the Conservative Party. It can sometimes defy the Republican Party as it did when it endorsed William F. Buckley's fine brother, Jim Buckley, now a great Federal judge, and they endorsed him over the Republican nominee, Charles Goodell and Jim Buckley won a 6-year sentence in the U.S. Senate.

So it was great to get that honor, because Mr. BUSH was somewhere else too busy to go up there and pick up that endorsement.

After it was over I walked across the street with someone who was accompanying me because I never go to New York without visiting this little church where I was baptized—not so little, although it was built with peasant immigrant money, St. Patrick's Cathedral.

So I took my chief of staff in and I stood him on the spot where the baptismal font used to be. It has moved up inside the church. In the old tradition it was back on the left-hand side as you came in.

I stood on the spot and I said, "Right here is where I became a Christian." I did not have much to say about it, but I could say I was born again right here, 3 weeks old. This is where my mother and father had me baptized.

We go through the doors into the church to "make a visit" as it was called when I was young and still is. An usher recognizes me and comes up and says, "Aren't you Congressman DORNAN?" And I said, "Yes. What ceremony is going on?"

He said, "We are investing some new Knights of Malta," Knights the order of St. John of the Sepulchre on the Island of Malta. We have a few in this House., PETER RODINO who is retiring this year after decades of service; JOE DIOGUARDI on our side.

He said, "But this is sad, Congressman. Don't you know what happened here Wednesday?' I said, "No." He said, "A naked man burst into this church and started stabbing people." I said, "I just caught a glimpse of that on the evening news. Thank God he didn't kill anybody."

He said, "He killed my best friend, an usher." He took me over to the spot deep into the church, this beautiful cathedral, the largest in the United States, and a naked man, crazed on drugs, ran into St. Patrick's Cathedral and started plunging a knife into people and killed one of the senior citizens, who was a head usher.

Drugs, ladies and gentlemen, Mr. Speaker, are tearing our country apart.

Here is this paragraph: "After seven trips to Bellevue Hospital for drugs and mental illness and after a dozen arrests, a nude man races into St. Patrick's Cathedral, attacks worshipers and murders an usher. In Chicago a man with a history of drug abuse guns down four strangers. That these outrages have become routine helps explain the extraordinary action the House of Representatives took last week against drugs and crime. The antidrug bill that passed by a vote of 375 to 30 marks a long overdue passing of self-delusion."

Now I re-read the original paragraph, "Twenty years ago liberals agitated for the effective decriminalization of drugs and weakened the tools of law enforcement. Now the wheel has come full circle. The law is coming down on drug abusers." I will not stick pins in my friend DON EDWARDS anymore, but it is not an assault on the Constitution. The bill admits that the key to winning the drug war is assaulting the demand side. That is an economic term. Those who demand drugs in this country and create this unbelievable interdiction problem and destroy governments in Central and South America. There is some funding to control the borders but the bill acknowledges that the only way to limit drugs, many of which are grown or made domestically, is to multiply the price that users pay by jails, by fines, by loss of government benefits and by public humiliation. Which, by the way, is the only thing that works with prostitutes, male or female.

"The potentially most far-reaching provision is that anyone caught possessing even minute amounts of marijuana, cocaine, or other drugs can be fined up to $10,000. This will involve only a civil law suit with a lower burden of proof than a criminal case requires. Federal prosecutors will not have to devote anything but the same resources to get these civil fines. For many middle class users the glare of resulting publicity will probably be more onerous than the cash penalty." That is the part I love, "public humiliation." Even judgment-proof users, that means broke people or people who keep themselves broke, will have to bear a new burden for drug use. The bill also includes a provision that anyone convicted twice of either possessing or selling will lose their Federal entitlements, including public housing and access to student loans, on your tax dollars.

"Good-bye to crack, apartments in welfare hotels and funny looking plants in college dormitories. The bill reinforces the war against pushers. More significantly the exclusionary rule will no longer bar the use of drug evidence if the police made a good faith effort," that is House words, "to comply with search and seizure rules."

Most defendants who invoke that rule do so only to suppress evidence of drugs. Also the death penalty returns for anyone convicted in Federal court of a murder in a drug-related incident; drugs now account for most nonfamily murders. Those are two tragedies there. Most murders are still people killing their loved ones and the fact that number two is drug murders.

"Most Americans surely will pray that the Senate quickly passes identical legislation." It is now held up in the Senate and the liberal Democrat plan by the leadership, ladies and gentleman, Mr. Speaker, as you well know—you are part of that leadership—is that the 100th Congress die without the Senate ratifying and approving I would hope the work in this Chamber so that the next President, BUSH or Dukakis, has to start from scratch and 4 more months of murdering and mayhem goes on in this country and the further destruction of South American and Central Amerian countries takes place.

"Most Americans surely will pray—I hope they do not just pray, I hope they will write the leadership, Mr. BYRD over there—"that the Senate quickly passes identical legislation. Outraged citizens from Harlem to east Los Angeles have reached to enfeebled law enforcement by taking the law into their own hands, burning down crack houses, beating pushers to death, even torching drug-using vagrants." What a horrible thing for Americans, to burn some vagrant to death, but that is how desperate and angry citizens have become. "The police now have a chance to replace vigilantism in the fight against drugs. All this is simply too much for the Washington liberals." I re-read that powerful sentence. "All this is simply too much for the Washington liberals." I continue, "They are at pains to say they hate drugs as much as anyone else," and the way they say it, for example in the debates Sunday night, "And we are tired of Noriega, the Panamanian drug pusher pushing drugs on our kids, we are tired of the Panamanian drug pusher pushing drugs on our kids, we are tired of the Panamanian drug pusher and Mr. BUSH," are actually Mr. Dukakis called him "GEORGE" or "you", "You and Noriega." They rush to say how pained they are over drugs, but they insist that the Constitution cannot bear these reforms. They brag about being a card-carrying member of the ACLU, in the spring when they need to isolate their liberal Democratic vote.

Suddenly they issue a press release like Mr. Dukakis on Monday right after the debate saying, "Oh, I don't agree with the ACLU on everything." He is my age, he is going on 55. His whole life he has never denied one thing the ACLU stands for. Not crushing those words right off the wall, carving them off, taking down those letters and filling in the holes in the marble. Suddenly he is for God on our coins, our currency, our printed money. Suddenly he is not taking the tax exemption away from my faith, the Roman Catholic Church; suddenly he is not for child pornography when the ACLU says, "Once produced and they don't catch the slime that is producing it, you are allowed to traffic in it, distribute it, send it to Europe, have it come back bound better. You are allowed to be a child pornographer if you don't get caught making it." Suddenly he is starting to qualify all of this, Monday after the debate. Is it any wonder that tomorrow a poll will be coming out that says GEORGE BUSH won that debate; not as smooth as the ice man, the windup doll, R2D2, but GEORGE BUSH is coming out ahead in the polls. And this is why.

Now here is a quote from a friend of mine who served on the Narcotics Committee, he is the chairman. He says, "The war against drugs seems like it is becoming a war against the Constitution." He talks about reform of the exclusionary rule. The National Association of Criminal Defense Lawyers, you know who they are, everybody is entitled to a lawyer even at public expense, but this is the group that defends the person who rapes your daughter, this is the group that defends the person who killed his whole family and then throws himself on the mercy of the court because he is an orphan. This is the ax murderers, this is the man who cut the arms off a little girl 14 or 15 years old after he raped her. These are the people who defend and get off the Mafia when we have a big huge Federal trial up in New York. And they are the ones with their mouthpiece skills who are turning loose a lot of first degree felons, murderers, rapists, arsonists, crackhouse owners. They say that this means that "Virtually no police officer would bother to get a warrant." What are they saying? That all our police are gestapo? That they will not get warrants, that they will go around kicking in doors like we are some communist in a Nazi country? Morton Halperin of the ACLU "pledges the group," Dukakis' group, Mark Green's group who was supposed to debate me tonight on CNN. We are going to do it next week. I debated in front of 1,300 college students Monday night at a beautiful college up in Vermont, Castleton. He probably says, "I am a member" and "I am angry Michael Dukakis will not defend the ACLU more vigorously." Their man, Morton Halperin says, "The ACLU will bring all of its resources to bear in an effort to persuade the Senate to strip this bill of its unconstitutional provisions." Maybe they will not even hear the bill at all in the Senate if the liberal leadership has its way. These liberals assail fines for drug possession as unconstitutional. Yet they do not object to thousands of other civil fines. There is not a word in the Constitution about suppressing evidence of guilt. The exclusionary rule was created out of whole cloth by an earlier generation of judicial activists, most of them or many of them proudly members of the ACLU.

Los Angeles' police chief, Darryl Gates, my friend, has it about right. Chief Gates said he was nonpartisan but "you can't be strong on law and order if you are a member of the ACLU." And Michael Dukakis, a proud member—I do not use the word card carrying, I say dues paying, member in good standing because he can say "card carrying" but then when BUSH repeats it then they scream "McCarthyism." That is a cruel word that comes out of the fifties. Forget card carrying, he is a member in good standing of the ACLU. And he wants to be not only the Commander in Chief of our military, he wants to be the top cop in the United States, the commander of the Drug Enforcement Agency, the commander of the Coast Guard, the commander of Customs, the commander of every single man or woman in or out of uniform who tries to crush narcotics.

And the chief of police of the best reputation department in the United States says you cannot be strong on law and order if you are a member of the ACLU. The Wall Street Journal concludes "The states must match the Federal efforts before victory appears on the horizon. We still await revocation of Miranda." You know what that is, that is the Miranda rule, where you get some crazed guy covered with blood with an ax in his hand and said, "Do you want to have your rights read? You have the right to a lawyer, to this, that and the other thing." This whole thing where we have been bending over backwards for decades to make sure that most of the criminals do not end up in the slammer.

Final two points: "Reinstitutionalization of the drug demented" like the naked psycho who knifed the usher in St. Patrick's just 1 week ago, "and the return of vagrancy laws." That is a tough one. They do not have a problem with that in the Soviet Union because they are a Communist country. We say we have to let vagrants sleep on the vents right in front of the Archives within literally 100 feet of the Declaration of Independence and the Constitution. They can sleep on the Ellipse in front of the White House, in front of the Commerce Department or on the other side in front of the Red Cross and the Organization of American States. Who said we have to let people, vagrants, sleep all over our cities, out in the street, instead of trying to get them in an institutionalized way, to scrub them, try to get them off drugs and feed them nutritious food?

But for now this "Declaration of War" in this Chamber against drugs by the House is a refreshingly candid assessment of what must be done and it simply is too much for the Washington liberals. These liberals think it is unconstitutional and 20 years ago liberals agitated for the effect of decriminalization of drugs and weakened the tools of law enforcement.

I was on television and debated them regularly.

I will close on this fair, commonsense observation: When liberals were coming on my television show, which was a serious public affairs show and saying, "If it feels good, do it; turn in, tune on, drop out," that was a Harvard Ph.D. with a beautiful Irish name, Timothy Leary, one of only two people, and the other was a Communist, who I even said to "Get the hell off this television set."

□ 1945

Management said, "Why did you do that?" I said, "Because my kids watch their father and school is out, and I don't want this jerk looking at the camera and saying, 'Tune in, turn on, drop out.' "

They said, "You're right, BOB. You should have thrown him off. We were just wondering."

I lived through the 1960's and the 1970's when this was building up.

At my town hall meeting last week, disrupted by homosexual activists, with my opponent screaming in my face—I had never laid eyes on him before; and I was about to introduce him—a Hispanic gentleman stood up and said, "Mr. DORNAN, I watched you 22 years ago on televison warning us what would happen to our country if we had this laissez faire permissive attitude about drugs, and the liberals kept it up, and here is the observation I would like to make: Fair sense."

To whom do we assess the blame? Is the Wall Street Journal correct that it is the liberals' blame?

I would just reverse it and ask this question: If it is not the liberals, do we blame conservative judges to try to throw the book at people? Do we blame conservative philosophers or conservative talk school hosts like myself at that time? Do we blame conservative teachers like my brother, who is an outstanding high school teacher, the best, his kids say, year after year? He does not smoke grass with the kids to try to be accepted as an equal.

Do we blame conservative actors and singers? Do we blame Pat Boone, who was up in the gallery the other day? Do we blame Bob Hope? Do we blame John Wayne? Do we blame Bob Stack or Ricardo Montalban? Or do we blame the late Richard Egan? Do we blame all these in-family actors and actresses? Do we blame Loretta Young and Irene Dunne?

Or do we blame these people that are shacked up now and having children out of wedlock and crashing into trees with their Mercedes 540 SL's? Do we blame those who are getting high on cocaine and are caught and getting public service duty as part of their punishment?

Do we blame conservative Congressmen and Senators who were in these Chambers in the 1960's and 1970's? Do we blame conservative prelates, ministers, rabbis, or priests?

Those questions beg the answer. We do not blame the conservatives in our society. We blame the liberals who said, "Do what you want. It's your body. If you end up in a sanitarium on my tax dollars, maybe I'll have to look at it then, but until then"—and that includes the Far Right Libertarian Party—"until then, tune in, turn on, drop out. It's your decision."

Mr. Speaker, I yield now to my fine colleague from the great State of Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Speaker, I thank the gentleman for yielding. The gentleman is a tough act to follow, as always.

I just have a couple of observations. I was sitting in my office watching the gentleman on my monitor, and you were talking about some things that I thought really needed to be illuminated a little bit before you leave tonight. I know you have a speaking engagement.

Mr. DORNAN of California. At Georgetown. It is at Georgetown. I have to counter BARNEY FRANK, who made a weird speech over there 2 weeks ago.

Mr. BURTON of Indiana. Mr. Speaker, I think the President of the United States should tell this body and the other body that he will not allow us to adjourn sine die without a drug bill, and if we do, that he will call us back in special session. If he makes that perfectly clear before we adjourn sine die, I believe we will get a drug bill.

Mr. DORNAN of California. Mr. Speaker, if I may reclaim my time, does the gentleman say he is willing to come back into session right before Christmas, after Thanksgiving, during this period when we are to be with our loved ones, with the gentleman's three beautiful children? The gentleman is willing come back into session over drugs?

Mr. BURTON of Indiana. I say to the gentleman, "You're doggone right."

Mr. DORNAN of California. Amen.

Mr. BURTON of Indiana. For your kids and my kids and all the other kids, we need to get back here and get a drug bill to effectively combat the drug traffickers. This problem is the worst one that faces America right now, aside from some health issues like the AIDS bill that we have talked about in the past.

I just want to talk about two or three things quickly. One is that I hope the President will insist that Congress come up with a drug bill.

Second, the gentleman is absolutely on the money as far as Panama is concerned. We need to keep our presence down there. I was just in Panama, as the gentleman knows. I talked to the leadership. It is 52 miles long. It has a tremendous impact on the economy of the United States, and for us to turn that over completely to a man like Noriega would be a tragic mistake. I think we ought to have a military presence there in perpetuity.

Mr. DORNAN of California. Mr. Speaker, if the gentleman will allow me to interrupt for 1 second, let me ask the Chair, how much time do I have remaining?

The SPEAKER pro tempore. (Mr. BILBRAY) The gentleman from California [Mr. DORNAN] has 15 minutes remaining.

Mr. DORNAN of California. Mr. Speaker, what I would like to do is to yield to the gentleman from Indiana and then disappear and give you, the gentleman from Indiana, the job of adjourning the House.

Mr. BURTON of Indiana. I do not think you can do that. I will just take

1 more minute, if the gentleman will give me just 1 minute.

Mr. DORNAN of California. You are such an expert on parliamentary rules. That is because you served in the State of Indiana for so long.

Mr. BURTON of Indiana. I do not want to do anything to get the Speaker mad at me.

Let me just end up by saying that the reason I came over here is that you pointed out that 50 years ago, on September 30, the infamous Munich agreement was signed between Adolf Hitler, Mussolini, Lord Chamberlain, and I cannot remember the fourth person involved. But that infamous agreement led to World War II and the carnage that evolved out of that war, and during that war there are some parallels that can be drawn between what happened at that time and what is happening today.

Mr. DORNAN of California. Mr. Speaker, will the gentleman join me tomorrow night in a special order on that?

Mr. BURTON of Indiana. I will. But I would just like to say now very quickly that we see appeasement taking place in this Chamber and even among the leadership in this Chamber in the form of our Speaker, in my view, and I think that appeasement should stop. I think we should go back and look at the history books and see what led up to the carnage that took place in World War II, because in Central America, on our soft underbelly, the Mexican-American border, we may end up seeing a war that parallels what happened during World War II, only this time there are going to be thousands, maybe hundreds of thousands of American boys dying needlessly. If we do what is necessary and do not have a policy of appeasement that is evolving in this Chamber right now, we might be able to avoid that.

I am very concerned about Central America, as is the gentleman, having been down there many times, and I am very concerned that our leadership does not see the gravity of the situation. They should study what happened on September 30, 1938, and draw parallels to what is happening today. They should get their heads screwed on straight so we do not let that occur again.

Mr. DORNAN of California. Mr. Speaker, I hope that the seventh graders across this country—at least that is when I was first confronted with U.S. history, and World War II is a part of U.S. history—and I hope that the juniors in college—and that is generally, either then or in their freshman year, when they get history—and I hope those who are working on their master's and Ph.D's will spend more than the 2 hours we will spend tomorrow night and the next night on this cataclysmic event in world history.

Mr. Speaker, even though I have a couple of hundred students waiting for me, the 400,000 people who follow this Chamber are more important. So let me draw an analogy that is kind of frightening about our Speaker, whom I dearly love—and we are not questioning his patriotism; we are questioning his judgment, badly questioning his judgment, questioning his bad judgment.

He said—and this still rings in my ears—this, and this was in answer to a direct question by Chris Wallace, I think it was, on "Meet the Press." Mr. Wallace said, "Do you think Ortega is a Communist?"

And the Speaker, JIM WRIGHT of Texas—this is Texas of Alamo tradition—said, "Chris, I don't know. I don't know the man."

Now, I will bet that if British citizens confronting Lord Chamberlain on the airport ramp at Henley Field outside of London asked, "Is Hitler a Nazi?", I do not think he would of said, "I don't know. I don't know the man that well." What he would have said is what he did say: "I believe Herr Hitler is reasonable." And he was dead wrong, and 55 million died.

Mr. BURTON of Indiana. That is right.

Mr. DORNAN of California. If JIM WRIGHT had said, "I know he's a Communist, and so are all nine of the junta," we would have understood. I am briefed regularly by the CIA and the DIA that they are, and I have to take their word for it, particularly in classified, closed briefings. If he had said, "But I believe Mr. Ortega is a reasonable man," then we could argue, as we have argued with Arias, who says they are all Communists. This is a guy who works with Mr. WRIGHT in trying to maintain the peace process at all costs—peace in our time. If he had just said, "I think the Ortega brothers will be reasonable—about as reasonable as the gunslingers across the Yucatan Peninsula in Cuba, the other Communists brothers down there, Raul and Fidel—we could argue about it. Umberto and Danny Ortega are just about as reasonable Communists. But if he had said that, at least we could argue about whether they are reasonable. But when our Speaker from Texas says, "I don't know. I don't know the man," we have serious problems, and I think that is why my friend, JIM WRIGHT, has serious problems with not only the Republican side that has filed charges for investigations but with his own party when it comes time to choosing the next Speaker in December.

As I told him once at a prior breakfast, "You are a peacemaker, and blessed are the peacemakers, for they shall see God." And I said, "I hope, Mr. Speaker, you will have a closed session in this Chamber, and that we will have those CIA, because you now are denying you said that all of us had a right to release top secrets. I will accept your word that you didn't say that. But let's have that briefing together, and there won't be any posturing for the cameras, there won't be any speeches, the lights will be off, and it is just the Members elected to serve 500,000 people, including you, Mr. Speaker."

I said, "As a Member from Texas, that's it, and then the rest of your colleagues will be voting you as the leader of all of us."

Let us have one of those closed sessions. We had the first one in 150 years over Panama, and then we had one while I was out of here in 1983, in a break in my service. Then we had another one when I came back, and that was generally on South America, the same thing, about the Ortega brothers.

Let us find out the state of the art right now, how much Mr. Gorbachev is stuffing into Central America while he is talking peace. Let us find out about those Communist prison cells which the gentleman from Indiana [Mr. BURTON] has become such an expert on. Let us find out if I was correct when I said on national TV the other night to the face of my good friend, the gentleman from Michigan [Mr. BONIOR], that he and our Speaker were getting people beaten and tortured, and they were truly making Central America on North American soil safe for communism. I believe it, and I hate believing it. But Mr. BONIOR and our Speaker are doing that. I ask them to disabuse me of that thought with some facts. I say, "Don't just tell me, 'I don't know. I don't know the man.'"

I never met Adolf Hitler, but the evidence was there in 55 million dead bodies. I have seen enough of these prisoners and their families, just as the gentleman has. I was with him. We were together looking at these dark-skinned Camposinos, these peasant women, mothers, sisters, and sons, grieving over their parents who were thrown into prison summarily, with no trials, no writs of habeas corpus, nothing, none of this stuff that ACLU members talk about with drug dealers in this country. And they are rotting there on the suspicion that one of their sons or cousins or nephews might be one of the mucachos, one of the commandos, one of the young men or women laying their lives on the line for freedom in Central America.

I ask the gentleman from Indiana [Mr. BURTON] to join me in that special order tomorrow night.

Mr. BURTON of Indiana. I will, and I thank the gentleman for yielding.

Mr. DORNAN of California. Mr. Speaker, I yield back the precious balance of my time.

THE 50TH ANNIVERSARY OF THE MUNICH CONFERENCE—SEPTEMBER 29-30, 1938

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. KEMP] is recognized for 60 minutes.

Mr. KEMP. Mr. Speaker, today marks the eve, exactly 50 years ago, of tragic events which took place in Europe and which affect us to this day. On this day, 50 years ago, Prime Minister Neville Chamberlain of Great Britain proudly announced in the House of Commons that Nazi Germany's "Fuehrer" Adolf Hitler, had invited him to come to Munich, Germany on the next day.

In Munich, Chamberlain and Hitler, to be joined by the Prime Minister of France, Edouard Daladier, and Italy's "Duce" Benito Mussolini were to discuss German claims on Czechoslovakia and the future of peace in Europe.

The conference, which took place in Munich on September 29, marked a watershed in the well-intended but fundamentally flawed policies of leaders who completely misunderstood, and too long appeased, the imperial ambitions of dictators who threatened the very existence of the future of freedom and democracy.

What led to Munich, what happened there, and what followed continues to have extraordinary relevance in our contemporary world. It bears telling and retelling—as we will attempt to do here today and tomorrow in the House of Representatives of the greatest free nation on Earth. As we review those tragic events of 50 years ago, we need to apply the lessons of Munich to a preeminent American task today—the protection and extension of freedom and peace through strength, vision, courage and honorable diplomacy.

I have recently been reviewing the history surrounding the Munich events in some detail. Tomorrow I will turn to "A Chronology of Hopes, Appeasement and the March of Aggression in Europe Leading to World War II." I intend to review some of the major points of this chronology and to draw lessons from those events. I am sure all Americans will recognize the contempory relevance for us today.

Much of the history of Munich and its lessons benefits from the unique insights of Winston Churchill. I would begin by pointing to Churchill's revealing remarks in the preface to his 1948 book, The Gathering Storm, which covers most of that painful period.

Churchill subtitled his book as the chronicle of: "How the English-speaking peoples through their unwisdom, carelessness and good nature allowed the wicked to rearm." And, we might add, how they allowed the wicked to use those arms, and to exploit the democracies' appeasement policies to seek domination by the threat and the use of force.

Some 10 years after Munich and some 3 years after the Allies' hopes and sacrifices of the Second World War, Winston Churchill had been fully vindicated in his opposition to appeasement and in his belief in preserving peace through a strong defense. He had returned from his "wilderness years" to lead his people to victory and then had, in a sense, been returned to an unappreciated political wilderness following the conclusion of the war in a new era of hope.

Here is what Churchill said in his 1948 Introduction to "The Gathering Storm":

> One day President Roosevelt told me that he was asking publicly for suggestions about what the war should be called. I said at once "The Unnecessary War." There never was a war more easy to stop than that which has just wrecked what was left of the world from the previous struggle.

But please note what Churchill added, for it has an important bearing for us even today, not just for 1948, but in 1988. Said Churchill:

> The human tragedy reaches its climax in the fact that after all the exertions and sacrifices of hundreds of millions of people and of the victories of the righteous cause, we have still not found Peace or Security, and that we lie in the grip of even worse perils than those surmounted. It is my earnest hope that pondering upon the past may give guidance in days to come, enable a new generation to repair some of the errors of former years and thus govern, in accordance with the needs and glory of man, the awful unfolding scene of the future.

Tomorrow, as I have indicated, I intend to provide a detailed chronology and to discuss a number of historical lessons about the events that surrounded Munich.

Today, I would like to provide for the RECORD and for reading by all Americans who care about the protection of freedom and democracy, excerpts from a particularly insightful book on Churchill and his perspective on these events.

The following excerpt from Martin Gilbert's "Winston Churchill: The Wilderness Years," published in 1982, is drawn from the chapter entitled "Munich: 'The Sacrifice of Honour' " as follows:

> Throughout the summer of 1938 Churchill remained convinced that the intergrity of Czechoslovakia could be preserved by means of a firm British policy, in conjunction with France, Czechoslovakia, and any other State threatened by Germany. But he also feared that Chamberlain would continue his search for a general agreement with Germany and that this would blunt the edge of defence preparations.
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> In May Lord Swinton resigned, having fought in vain for a clear decision on the Air Ministry's expansion Scheme L, and having been attacked in the House of Commons for delays in air expansion. Churchill defended Swinton in a public speech: 'in my opinion', he said, Swinton was 'one of the least blameworthy among those responsible.' Swinton's 'contribution to rearmament', Churchill declared, had been 'far greater than that of some others who now hold high office of State'.
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> Lord Swinton was succeeded at the Air Ministry by Sir Kingsley Wood, the former Minister of Health, and Chamberlain's Parliamentary Private Secretary from 1924 to 1929. No place was found for Churchill, nor was a Ministry of Supply set up, as he had urged.
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> Churchill at once opened up a correspondence with Kingsley Wood. As with his letters to Swinton, one of his themes was the need for greater scientific research into air warfare and air defence. 'When I think of what might have been done in this period', he wrote to Kingsley Wood, 'to make us all safe, I find it difficult to express my grief.' But he would be glad to continue to send his ideas to the new Air Minister, being sure, as he wrote, that 'you will not turn and ask me, under penalty, where I got my information from!'
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> Press speculation about Churchill's possible return to the Government had followed every development in Cabinet policy. So too had sympathetic articles about Churchill's position. On 15 May 1938 an article in the *Sunday Referee* by Leo S. Condon, entitled 'Why Winston is out of it', described Churchill as 'the most dynamic statesman in our generation'. The article continued: 'in the House of Commons his voice is listened to more closely than any other man's—and that includes the Prime Minister. The mere hint that Mr. Churchill may speak in a debate sends members trooping into the chamber, and causes the Cabinet Minister who must deal with Mr. Churchill to study his notes with care. When Mr. Churchill is in the House of Commons you may usually find him in the smoking room, the centre of a Conservative group, speaking rapidly, listening attentively, breaking matchsticks into little pieces and throwing them about him on the floor, standing up to emphasise a point, then bouncing firmly back to his seat. His words are echoed and repeated in the lobbies. He has been called "the Prime Minister of the Smoking Room". He has more influence than any MP outside the Cabinet. Why then, is he not in the Cabinet? That is a question that everyone is asking. He has brains—brilliance many would call it. He has experience. He has held every possible Cabinet post a man could hold, except one—the Premiership.
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> Churchill did not expect, however, to be asked into the Cabinet. 'The Government have a solid majority', he wrote to a friend, 'and Chamberlain will certainly not wish to work with me.' And yet there were several members of Chamberlain's Cabinet who like the Press and the public believed that he ought to be in the Government. These Ministers encouraged him to send them his ideas, and sought his advice. One of them was the new Secretary of State for War, Leslie Hore-Belisha. Another was Duff Cooper.
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> At Sir Thomas Inskip's invitation, Churchill visited the Austin 'shadow' factory at Birmingham, which, in the event of war, would be ready to come into production at once. At Duff Cooper's invitation, he visited the Fleet, writing to the First Sea Lord on his return to London: 'I keenly enjoyed our expedition, and think it a great compliment that you should have conducted me personally upon it. A visit to the Fleet is a tonic in every sense.'
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> The purpose of Churchill's visit to the Fleet was to see, as part of his work on the Air Defence Research Committee, a new submarine interception system, 'Asdic'. Although impressed by 'Asdic', Churchill was still dissatisfied with the pace and scale of research. He was also increasingly worried about the lack of anti-aircraft defences for cities and vulnerable points. 'We have not got a dozen modern anti-aircraft guns in the country,' he wrote in protest to the deputy editor of the News of the World, after an article in the paper assuring its readers that all was well. Even the guns on order, Churchill added, were on a scale 'hopelessly below our requirements'.
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> In June 1938 Churchill published his collected speeches of the past decade. The volume, edited and introduced by Randolph, was called Arms and the Covenant. 'It is a memory to me of years of struggle,' wrote Desmond Morton, 'and not a little bitterness, as it must be to you.' Now both

Morton and Churchill believed that it might be too late to obtain the military and air strength needed to make diplomacy effective.

Replying to Morton, Churchill wrote that although he would have been glad 'to help in the work of rearmament' in late 1935 or in 1936, 'now the whole scene has changed'. Much had been done, he added, 'and much can never be done', while his own 'particular knowledge' of those days was no longer essential.

Each of Hitler's actions confirmed all that Churchill had forecast and feared: Nazi propaganda continued to abuse the Czechs, and all the evils of Nazi practice were being imposed on Austria with increasing severity. 'It is easy', Churchill wrote in the Daily Telegraph on 6 July 1938, 'to ruin and persecute Jews, to steal their private property; to drive them out of every profession and employment; to fling a Rothschild into a prison or a sponging-house; to compel Jewish ladies to scrub the pavements; and to maroon clusters of helpless refugees on islands in the Danube; and these sports continue to give satisfaction.'

Inside Czechoslovakia, Conrad Henlein had demanded not only autonomy for the Sudeten Germans, but also their right to profess what he called 'German philosophy'. For the Czechs it was an unacceptable request to allow Nazi activities and overt racism, both against Jews and Slavs. As the conflict between Berlin and Prague intensified, Chamberlin sent a leading Liberal peer, Lord Runciman, to try to effect a compromise. Churchill continued to approve the principle of any compromise based on Sudeten German autonomy. But in the Daily Telegraph on 18 August 1938 he warned that any German attempt to crush Czechoslovakia would ultimately involve 'all the greatest nations of the earth'.

Churchill repeated this warning to Major Ewalt von Kleist, an emissary of the German General Staff, who visited him at Chatwell on the following day. Von Kleist—who was hanged by the Nazis after the bomb plot against Hitler less than six years later—asked Churchill for a letter to enlighten the German General Staff as to where Britain stood: 'The spectacle of an armed attack by Germany upon a small neighbour', Churchill wrote in his letter, 'and the bloody fighting that will follow will rouse the whole British Empire and compel the gravest decisions.'

Once war began, Churchill warned von Kleist, it would be fought 'to the bitter end'. Germany had now to consider 'not what might happen in the first few months, but where we should all be at the end of the third or fourth year'. It would be 'a grave mistake', Churchill added, for the German Government to imagine 'that the slaughter of the civil population following upon air-raids would prevent the British Empire from developing its full war power'. The submarine, Churchill wrote, was 'practically mastered by scientific methods', and Britain would have 'the freedom of the seas and the support of the greater parts of the world'. Churchill's final warning to von Kleist was: 'The worse the air-slaughter was the beginning, the more inexpiable would be the war'.

Churchill was convinced that Britain would fight if Czechoslovakia were invaded. This was the basis of his letter to von Kleist. In Germany, however, Hermann Goering told the French Ambassador that he had received definite assurances from London that in the event of a war between Germany and Czechoslovakia, 'Britain would not lift a finger'.

Would British policy be that outlined by Churchill, or that forecast by Goering? At a Cabinet meeting on 30 August 1938, Lord Halifax reported that Churchill had urged a joint note to Berlin from a number of powers. But Halifax himself, as he told his colleagues, felt that it would be embarrassing to ask other countries to join in, as they might then ask what we intended to do if the Germans invaded Czechoslovakia.

During the Cabinet meeting three Ministers wanted to send a warning to Germany not to invade Czechoslovakia. One of the three, Duff Cooper, wanted to send the Fleet to Scapa Flow, as a sign of naval preparedness. But the majority decided to issue no threats.

As the Cabinet's deliberations continued, Churchill still tried to influence its decision, writing to Halifax to urge the Government to issue a joint note together with France and Russia, warning Hilter not to attack Czechoslovakia, and proposing that President Roosevelt should be asked to approach Hilter direct, in order to emphasize 'the gravity of the situation'. Churchill also suggested certain British naval movements, in order to cause 'a stir' in the ports, as he himself had done in 1914, when First Lord of the Admiralty.

Churchill believed that these activities might have an effect on Hilter, as there were rumours of 'grave technical hitches in the German mobilization'. He also hoped that the 'peaceful elements' in Germany might be encouraged to make a stand, if Britain and France were to act firmly.

On 2 September 1938 the Soviet Ambassador, Ivan Maisky, asked to see Churchill, and told him that the Soviet Government wanted to consult with Britain a France to discuss means of defending Czechoslovakia: That same day, the Czech Government formally offered autonomy to the Sudeten Germans. Lord Runciman urged Henlein to accept autonomy. But after being summoned to see Hilter, Henlein rejected the terms which, less than four months before, he had told Churchill he was willing to accept.

On 7 September 1938 The Times, in a leading article which many believed must reflect the British Government's policy, suggested that, as Henlein had now rejected the autonomy proposals, Czechoslovakia should cede the Sudetenland to Germany.

Although, officially, the Foreign Office dissociated the Government from the article in The Times, Churchill wrote to a correspondent that the proposal was widely interpreted as Government policy. Furthermore he believed that the mountain defence line of the Sudetenland was a vital safeguard to the national existence of the Czechoslovak State.

Hitler now demanded in strident terms that the Sudetenland be transferred to Germany. Far from sending a warning to Hitler, Chamberlain and Sir John Simon, meeting as a special 'Situation in Czechoslovakia Committee' of the Cabinet, decided to enter into negotiations with him, and without the Czechs being invited to participate.

On 10 September 1938, at a second meeting of this Czechoslovakia Committee, Chamberlain, Halifax, Simon and Hoare were read a telegram from the British Minister in Berlin, advising against any warning to Hitler. While these four Ministers were meeting, Churchill reached Downing Street, and waited for the meeting to end. 'We found Churchill waiting in the hall', Sir Samuel Hoare later recalled. 'He had come to demand an immediate ultimatum to Hitler. He was convinced it was our last chance of stopping a landslide, and according to his information, which was directly contrary to our own, both the French and the Russians were ready for an offensive against Germany.'

The following morning, 11 September 1938, Churchill went to the Foreign Office, and advised Halifax to warn Hitler that any violation of Czech territory meant immediate war. But Halifax had decided that the only way to prevent war was to agree to the separation of the Sudetenland from Czechoslovakia. This was precisely what The Times had suggested four days before.

During 11 September 1938 the British Government agreed that a Four-Power Conference should be summoned, at which Britain, France, Germany and Italy, would arrange the details of the transfer. Czechoslovakia was not to be a member of this Conference. Hitler, meanwhile, was demanding a plebiscite in the Sudetenland, to determine the will of its inhabitants.

Churchill confined his personal forbodings to a friend. 'Owing to the neglect of our defences', he wrote that same day, 'and the mishandling of the German problem in the last five years, we seem to be very near the bleak choice between War and Shame. My feeling is that we shall choose Shame, and then have War thrown in a little later on even more adverse terms than the present.'

These feelings were shared by several younger MPs, who felt that the situation could only be retrieved, and Czechoslovakia defended, if Churchill were brought into the Government. In his diary Leo Amery noted how he had found some of the young MPs 'particularly Harold Macmillan, very wild, clamouring for an immediate pogrom to get rid of Neville and make Winston Prime Minister'. But, Amery added, 'I poured cold water on that sort of talk.'

On 13 September there was a meeting of the Czechoslovakia Committee of the Cabinet. Those present included Chamberlain, Simon, Hoare, Halifax and Sir Horace Wilson. The Committee discussed means of arranging the plebiscite in the Sudeten area, which Hitler was demanding. The Committee was worried that a plebiscite might be considered a 'maximum triumph for Herr Hitler' and that the Czechs might consider it a 'disintegration of their State'. It was generally agreed, however, that the Cabinet Ministers would have great reluctance in involving Britain in a war if 'the alternative was a plebiscite, provided a plebiscite on fair and reasonable terms could be provided'.

On 14 September 1938 Chamberlain told the Cabinet that he was now determined to persuade the Czechs to surrender the Sudetenland, and, if Hitler insisted on it, to agree to a plebiscite. No democracy, Chamberlain told his colleagues, could refuse a plebiscite. 'The root factor of the present situation', he told his Cabinet, was that Britain and France together were not in a position to fight Germany, as 'a result of our failure to take adequate steps to rearm'.

On 15 September 1938 Chamberlain flew to see Hitler, at Berchtesgaden, and to discuss the plebiscite with him face to face. It was a dramatic gesture, Chamberlain's first flight in an aeroplane, and a means of seeking a solution without the Czechs themselves being involved.

When Randolph Churchill heard that Chamberlain was actually going to meet Hitler he wrote to warn his father that in future he should 'emulate my deepest distrust' of Chamberlain, his policies and his colleagues. Randolph added: 'There is no infamy of which they are not capable', and he went on to explain to his father that when Cabinet ministers talked to Churchill himself they spoke in 'honourable terms', but Randolph got a different picture from his own contacts who were the 'underlings' and were thus less 'discreet'.

At his meeting with Chamberlain, Hitler assured the British Prime Minister that 'he did not wish to include the Czechs inside the German Reich'. For his part, Chamberlain said he was not opposed to the separation of the Sudetenland from Czechoslovakia, telling Hitler that 'he did not object to the principle of self-determination', or, indeed, attach very much importance to it. What he wanted was a fair and peaceful settlement.

As a result of Chamberlain's remarks to Hitler, all that was not needed was to negotiate the details of the transfer and gain final Cabinet approval for the agreement. Returning to London, Chamberlain told his Cabinet colleagues that he was against a debate in Parliament, as any discussion there might ruin the 'very delicate negotiations'. 'In effect', Chamberlain told his Cabinet colleagues, 'Parliament would be informed of the decision of His Majesty's Government after it had been taken.'

On 18 September 1938 Chamberlain told the French Prime Minister, who had come to London, that as the Czechs and Sudetens could not agree, there would have to be plebiscite. After some resistance the French agreed to a joint Anglo-French plan, whereby the German-speaking areas would be transferred to Germany.

At the Czechoslovakia Committee the Cabinet late that same afternoon, Halifax said that when the Czechs realized what the results of the plebiscite were bound to be they 'might then agree to dispense with the formality of a plebiscite'. Furthermore, the Ministers decided that 'it should be stated pretty bluntly' to the Czech President, Edouard Beneš that if he 'did not leave himself in our hands that we should wash our hands of him'.

Britain and France now pressed Beneš to agree to the transfer of Czech sovereign territory to Nazi Germany. Were Czechoslovakia to refuse to give up the Sudetenland, Beneš was informed, then Britain and France would take no responsibility for the consequences. The Czechs were also instructed not to mobilize their army.

Sensing the increasing pressure on the Czechs, both from Britain and France, Churchill flew to Paris on the morning of 20 September 1938 to see whether the French Government might agree to abandon its pressure, and to support Czechoslovakia if it were invaded. Talking to two of his friends in the French Cabinet, Paul Reynaud and Georges Mandel, Churchill urged them to oppose the transfer of the Sudetenland to Germany. But Reynaud and Mandel told Churchill that, like Duff Cooper and Hore-Belisha in the British Cabinet, they too were in a minority.

Reynaud and Mandel spoke 'gloomily of resignation'. Churchill persuaded them not to do so. That afternoon, as he flew back to London, he was tempted, as he later recalled, to send a telegram to President Beneš to stand firm. The telegram would have been short, and clear: 'Fire your cannon, and all will be well.' But in the end Churchill decided not to send it, feeling, as he later recalled, that he would be grasping responsibilities 'which I had no right to seek, and no power to bear'.

Churchill opposed the Anglo-French plan. 'The partition of Czechoslovakia', he told the Press on 21 September 1938, 'under pressure from England and France amounts to the complete surrender of the Western Democracies to the Nazi threat of force.' Furthermore it would bring peace 'neither to England nor to France'. The two countries would, on the contrary, be in an even weaker position, for the 'neutralization of Czechoslovakia' would liberate twenty-five German divisions for the western front, and give the Nazis 'the road to the Black Sea'.

It was not only Czechoslovakia that was threatened, Churchill argued, but also 'the freedom and democracy of all nations'. The belief 'that security can be obtained by throwing a small State to the wolves is a fatal delusion'.

Chamberlain was convinced that he could finalize the details of a peaceful cession of the Sudetenland, and on 22 September 1938 he flew back to Germany, to see Hitler at Bad Godesberg, on the Rhine. Sir Horace Wilson went with him.

While Chamberlain was on his way to meet Hitler, Churchill went to 10 Downing Street, where he was told that Chamberlain would be taking a firm stand, based on the transfer of the Sudeten territories 'gradually, under an international commission', rather than immediate German occupation, and a guarantee for 'what remains of the Czechs' after the transfer. Furthermore, Polish and Hungarian claims to Czech territory, which were being pushed by Hitler, would also be resisted. Returning to his flat at Morpeth Mansions, Churchill passed on this news to a group of Peers and MPs who had gathered there, including Lord Cecil of Chelwood, Lord Loyd, Lord Horne, Archie Sinclair, Brendan Bracken and Harold Nicolson. Going up in the lift, Churchill said to Nicolson: 'It is the end of the British Empire.'

The group at Morpeth Mansions was agreed that Hitler was unlikely to agree to Chamberlain's terms, and was convinced that if he refused to accept them there would be war. If Chamberlain came back with 'peace with honour' or broke off the negotiations, the group would support him. But if he came back with 'peace with dishonour' they would oppose him. When someone commented that if war did break out it would be 'inconvenient having our Prime Minister in German territory', Churchill replied in a flash: even the Germans would not be so stupid as to deprive us of our beloved Prime Minister.

During the meeting, Nicolson spoke of his fears of what Downing Street had called the possibility of 'a general agreement'. What can that mean? he asked. Everyone agreed, as Nicolson wrote in his diary that night, 'that this is a terrifying prospect'. It might mean giving way on more than the Czech issue in return for such 'valueless concessions as "a fifty years peace" and "no bombing of open towns"'.

The Godesberg meeting was stormy. Hitler said it would take too long to carry out the Anglo-French plan, whereupon Chamberlain agreed to Hitler's demand that there should be no plebiscite in areas where more than half the population was German-speaking, but an immediate German occupation instead. Chamberlain also agreed that all Czech fortifications and war materials in the transferred areas should be handed over to Germany intact. At a private meeting between Wilson and Hitler, when Hitler asked what would happen if the Czechs refused these terms, Wilson told him: 'I will make those Czechos sensible.' Chamberlain likewise assured Hitler that he would persuade the Czech Government to accept the plan.

During the afternoon of 23 September 1938, while Chamberlain, Hitler and Horace Wilson were in conference at Bad Godesberg the Czechoslovakia Committee of the Cabinet, presided over by Lord Halifax, and with Vansittart in attendance, asked the Prime Minister by telegram to withdraw the British advice given to the Czechs not to mobilize. The Cabinet Committee or inner Cabinet had been informed that the Soviet Union would come to the aid of Czechoslovakia if it were attacked by Germany. The Committee also discussed the problems of mobilization in Britain itself, and decided to send a telegram to Chamberlain to see if he would authorize such mobilization in his absence.

Halifax's telegram withdrawing British opposition to Czech mobilization was eventually sent without Chamberlain's authorization, and against Sir Horace Wilson's advice.

But later that evening, Sir Horace Wilson telegraphed to the inner cabinet, in answer to their request for measures of mobilization in Britain itself, that the decision could wait until his and Chamberlain's return on he following day.

On 24 September 1938 Chamberlain returned from Germany, and that same afternoon he explained the Godesberg conclusions to his inner Cabinet. 'The most difficult part', he told them, 'was the immediate occupation by German troops, which was very difficult to deal with politically; but having once agreed to cession the sooner the transfer took place, the better,' Chamberlain told his colleagues that he was 'satisfied that Hitler was speaking the truth' when he said this was a 'racial question' and that he had no intention of taking over the rest of Czechoslovakia. Chamberlain did not think Hitler would make any more concessions. If he resorted to hostilities, Czechoslovakia would be 'overrun' in any case.

At this inner Cabinet meeting, Chamberlain also told Halifax, Simon and Hoare that he thought he had established 'some degree of personal influence over Herr Hitler'. According to the official, and secret, Cabinet records, Hitler had told Chamberlain that if we got this question out of the way without conflict', it would be a turning point in Anglo-German relations'. That, Chamberlain told his colleagues, was 'the big thing of the present issue'. He was also satisfied 'that Herr Hitler would not go back on his word once he had given it to him'.

The full Cabinet met on the following day, September 25, when Chamberlain urged his colleagues to agree to the immediate transfer of the Sudetenland to Germany. But many Ministers, who were not members of the inner Cabinet, and knew nothing of its discussions, expressed doubts at the wisdom of forcing Czechoslovakia to give in. Four Ministers, Halifax, Hailsham, Duff Cooper and Hore-Belisha, expressed their unease. Four Ministers, Sir Thomas Inskip, Sir Kingsley Wood, Malcolm MacDonald and Lord Sanhope, the President of the Board of Education, advised acceptance of Hitler's terms.

As the meeting broke up, Churchill again went to Downing Sreet to urge Chamberlain to issue a joint declaration with Russia, warning Germany not to try to resovle the crisis by force. He was told that a message being taken personally by Sir Horace Wilson to Hitler 'is in no way a retreat'.

Churchill returned to Morpeth Mansions and passed on this assurance to his friends, telling them that the younger members of the Cabinet had revolted, and were insiting on standing firm. Churchill had himself suggested to Chamberlain that the Fleet should be mobilized, as an earnest of British firmness, and Duff Cooper had strongly pressed this course, to which Chamberlain acceded.

That evening, Rex Leeper drafted, and Lord Halifax issued, a communiqué from the Foreign Office, stating that if Germany invaded Czechoslovakia, 'the immediate result must be that France will be bound to come to her assistance, and Great Britain and Russia will certainly stand by France'. Halifax later told Churchill that Chamberlain had been 'much put out' when he read the communiqué and had 'reproached' Halifax for not showing it to him first. But on the following day, 27 September 1938, unknown to Churchill and indeed to most members of the Cabinet, the British Government informed both Berlin and Prague of a new British plan to ensure that the Czechs would withdraw from the main Sudetenland border towns within four days, from all German-speaking majority areas within two weeks, and from all other areas within a month. Once these withdrawals were completed, the British Government announced, negotiations would begin between Britain, France and Germany to Guarantee Czechoslovakia's reduced frontier.

It was this British plan which finally convinced the Czech Government that their original borders of 1918 could no longer be preserved. And Chamberlain reinforced this conclusion when he declared, that same day, in a radio broadcast, that it seemed to him impossible 'that a quarrel which has already been settled in principle should be the subject of war'. It was also a quarrel, he said, 'in a faraway country between people of whom we know nothing'. This phrase caused offence to people like Churchill, who knew a great deal about Czechoslovakia, and who regarded the Czechs as almost the last remaining democratic people in central Europe; a people moreover whose re-emergence as a sovereign State in 1918 had been one of the features of British policy and British enthusiasm.

But Chamberlain did not share this sense of common interest or common feeling, and on the morning of 28 September 1938 he telegraphed to Hitler to ask for one further meeting, at which the two leaders could settle the final details of the transfer of the Sudetenland to Germany. Once more, the Czechs were not to be present at the negotiating table.

While waiting for Hitler's reply, Chamberlain went to the House of Commons to give an account of the crisis so far. While he was speaking, a message was brought in, and passed along the front bench to him. It was Hitler's reply, agreeing to Chamberlain's request for a further meeting, and inviting him to Munich.

Chamberlain at once broke off his speech to read the message. To an excited and appreciative audience Chamberlain announced that he would fly to Hitler's four-power meeting to which the French and Italians had also been invited. Most MPs rose to their feet. Chamberlain, Eden, Amery and Harold Nicolson sat still. MPs near them angrily demanded that they should get up. Then, as Chamberlain left the Chamber, Churchill went over to shake his hand, wishing him 'God Speed'. But in a Press statement issued a few hours later, Churchill warned: 'This new triumph of the Nazi regime, and the great accessions of military strength which it brings them, weights the balance heavily against democracy and freedom in Europe.'

As Chamberlain prepared to fly to Munich, the British Government sought to carry out his earlier assurance to Hitler, that the Czechs would be urged to accept the transfer. At eight o'clock that night Lord Halifax telegraphed to the British Minister in Prague that the Czechs should immediately make known their acceptance of the British plan and timetable.

President Bene's bowed to this pressure, and within three hours accepted the British plan. On the following morning Chamberlain flew from London to Munich, to inform Hitler that the Sudetenland was now German. During the Munich Conference, as the British, French, German and Italian delegates worked out how Czech territory was to be transferred to Germany, the Czech representatives were kept waiting in another room. Indeed, it was only after the Munich Agreement had been signed, and the Sudetenland formally transferred to Germany, that the Czech representatives were informed of their nation's fate.

During these final hours of the Munich Conference, Churchill was at the Savoy Hotel, at a meeting of his Freedom and Peace movement. He had decided, together with several Liberal and Labour politicians, to ask Eden and Attlee to join them in a telegram to Chamberlain, to the effect that if Chamberlain were to impose 'further onerous terms' on the Czechs, 'we shall fight him in the House'.

Both Eden and Attlee refused to sign. Harold Nicolson, who was among those at the Savoy meeting, noted in his diary that Eden would not sign because it would look like a vendetta against Chamberlain, and Attlee because he had not got the approval of his Party.

In deepest gloom, the Savoy gathering began to realize that they could do nothing, and they were almost in despair. Even Churchill, Nicolson noted, seemed to have 'lost his fighting spirit.' All sensed their helplessness, and as the meeting broke up one of those present noticed that 'there were tears in Winston Churchill's eyes'.

That same night, after the Freedom and Peace group had broken up, Churchill himself remained at the Savoy, where he dined with his friends of the Other Club: the all-Party, non-political gathering which he and F. E. Smith had founded nearly thirty years before. On that 'Munich' night, those present included Lloyd George, 'Prof' Lindemann, Bob Boothby, Brendan Bracken, Archie Sinclair, and the editor of the Observer, J. L. Garvin. Two members of Chamberlain's Cabinet were also present, Duff Cooper, the First Lord of the Admirality, and Walter Elliot, the new Minister of Health, both personal friends.

One of the youngest guests present, Colin Coote, later recorded how, during the dinner, Churchill was in 'a towering rage and a deepening gloom'. The failure to persuade Eden or Attlee to sign the telegram to Chamberlain had much upset him. Coote also recalled how Churchill' turned savagely upon the two ministers present, Duff Cooper and Walter Elliot'. An 'echoing timbre' to his usual voice betrayed his deep emotion. That night, Coote noted, 'it was not an echo, but a supersonic boom'. How, Churchill asked the two Ministers, 'could honourable men with wide experience and fine records in the Great War condone a policy so cowardly? It was sordid, squalid, sub-human, and suicidal.'

Duff Cooper was unable to defend a policy with which he was so out of sympathy. The atmosphere of the dinner was electric. In his diary Duff Cooper wrote of how 'I insulted Prof Lindemann, Bob Boothy and I insulted Garvin, so that he left in a rage. Then everybody insulted everybody else and Wintson ended by saying that at the next General Election he would speak on every Socialist platform in the country against the Government.'

'The sequel to the sacrifice of honour', Churchill warned his friends, 'would be the sacrifice of lives, our people's lives.'

While the Other Club dinner proceeded in deepening gloom, the Munich Agreement was being signed in Germany. In London, several late editions of the evening newspapers announced the terms. Areas of the Sudetenland with a majority of German-speaking inhabitants would be transferred by 10 October 1938; areas where the balance of population was uncertain were to be worked out by an International Commission and a plebiscite then held in them. Within a month the Sudetenland would become sovereign German territory.

Hearing newsboys in the Strand calling out that agreement had been signed, Colin Coote ran out to buy a newspaper. When he returned to the group, Duff Cooper seized the paper and in fury and disgust read aloud the terms of the Munich Agreement. He was greeted with appalled silence, and then he himself, in silence, walked out of the room.

As Churchill left the hotel, he passed an open door leading into one of the hotel's restaurants. From inside the crowded room the sound of merriment and laughter assailed him. Churchill stopped in the doorway, silent and impassive. Then, as he turned away, he muttered, as if to himself: 'Those poor people! They little know what they will have to face.'

The following afternoon Chamberlain flew back from Munich to London, the hero of the hour. Watching the cheering crowd in Downing Street from a Foreign Office window, one of Ralph Wigram's colleagues of 1936, Orme Sargent, commented to those beside him: One would have thought we were celebrating victory over a great enemy, rather than the betrayal of a minor ally. Clementine Churchill was equally distressed, and 'solemnly discussed' the idea of marching to Downing Street and hurling a brick through the window of Number Ten'.

On the following day Duff Cooper resigned from Chamberlain's Cabinet. Duff Cooper's wife telephoned Churchill to tell him the news. Later she recalled how, as she spoke, 'His voice was broken with emotion. I could hear him cry.'

THE EMERGING TECHNOLOGY POLICY CONSENSUS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. BROWN] is recognized for 20 minutes.

Mr. BROWN of California. Mr. Speaker, earlier today, at the annual meeting of the National Academy of Engineering, President Robert M. White delivered a speech on "The Emerging Technology Policy Consensus." In his remarks Dr. White notes that we have long had a political consensus in this country about the need for Federal support of the nation's science base. He now sees an emerging consensus centered on the need for Federal support for our technology base. He argues for a National Technology Base policy which he sees as an approach materially different from an industrial policy. Such a Technology Base policy would leave American industry to make its own decisions about product development and marketing and thus avoid the difficulty of government involvement in targeting. It would, however, provide strong support for engineering education and research.

Dr. White deplores what he sees as the de facto emergence of the Department of Defense as the country's Ministry of Technology and Industry through its strong and dominant support for our technology base. He applauds the transition of the former National Bureau of Standards into the National Institute of Standards and Technology. And he calls for the emergence of a civilian agency comparable to the Defense Advanced Projects Agency to support and strengthen our civilian technology base.

I believe that Dr. White's positive and forward looking statement will be of interest to all members. It deals with an important aspect of the rebuilding of America's competitive position in the world. It is only the latest in a long series of important contributions which Dr. White has made to the national debate on critical policy issues. I ask that an abbreviated version be inserted in the RECORD at this point.

THE EMERGING TECHNOLOGY POLICY CONSENSUS

(By Robert M. White)

Members, foreign associates, and guests, it is my pleasure to extend a warm welcome to this the 24th annual meeting of the National Academy of Engineering. A special welcome to our newly elected members and foreign associates of the class of '88.

We meet at an auspicious time. A little more than a month from now, we will have elected a new president of the United States. He and his administration will face unparalleled opportunities and unusual dilemmas. Many of these will involve issues of science and technology. Global issues will be at the top of the national agenda. These will range from securing the peace of the world, addressing problems of global economic competition and cooperation, and coming to grips with global environmental issues.

However, it will be a world of both heightened economic competition and cooperation among nations. Emerging regional free trading areas in North America between Canada and the United States; and in Europe among the nations of the European Economic Community, now scheduled for 1992, will alter longstanding relations. The spectacular economic growth of the Pacific Rim nations will continue. The changes in economic policies of nations with centrally planned economies, such as the Soviet Union and China, will add new dimensions to global economic issues. The Trade Bill recently signed into law by President Reagan establishes a new structure for interactions with other nations in matters of trade.

At the root of these changes is the force of engineering and technology—the key to economic growth, high standards of living, job creation, a habitable environment, and ultimately world influence. I would like to share with you some of my thoughts about these issues. Before I do, I think it important to report briefly on some of the highlights of the work of the Academy during this year past year.

One cannot be immersed, as I am, in the turbulence of the engineering and scientific currents in this city without being impressed by the changing thinking about the role of government in advancing the competitiveness of U.S. industry. It has been evident that we have lacked both a national technology policy and a federal technology structure adequate to address the competitiveness issue. Until now I think it fair to characterize the views in the engineering community about how to address the problem as ambivalent.

Two general lines of argument have been presented to address the situation. The first, expressed by thoughtful individuals like George Hatsopoulos and Ralph Landau in recent papers in *Science* magazine and the *Scientific American*, sees the remedy principally in actions by the federal government to alter its macroeconomic and fiscal policies to achieve higher savings rates, and provide competitive low-cost capital. The free enterprise system, thus freed from its economic and bureaucratic shackles, will respond to ensure the investment in the equipment and facilities embodying technological advance and thus ensure our civil technology base and industrial competitiveness. The second line of argument has focused on the absence of a conscious civil technology policy in the federal government aimed at working closely with industry and universities to invest federal funds in the nation's technology base. There is ample evidence that neither course by itself will solve all our problems and that both are essential. We need the right macroeconomic policies, coupled with focused government/industry/university initiatives to provide technological advantage.

This is the emerging consensus and is reflected in the work of the Academy; in the Trade Bill; in actions of the executive agencies of the federal government; and in the recent report of the Council on Competitiveness. Let me focus on the latter line of argument, recognizing the validity and importance of the former.

There has long been agreement on many aspects of the role of the government. There would be no disagreement among us on federal support for engineering research in our universities. We would all favor federal support for improving our engineering education systems. We would agree that the federal government, in pursuing its various defense, space, or other missions, should fund and acquire the engineering and technological capabilities, products, and services principally through the private sector, and that some of these investments would have spill over for strengthening the civil technology base. We would find widespread agreement that research and development directed at specific products and services is the responsibility of individual companies operating in a free market economy, in which the market determines the investment priorities for product research and development.

On the nontechnological side, there is now a growing understanding of the essential role of the federal government in addressing the contextual issues of economic policy, tax policy, intellectual property protection, and legal framewaorks that are needed to provide a favorable environment for investment, innovation, and increased productivity. We would similarly obtain agreement that it is the government's function to ensure that the regulatory process, so essential for the protection of the health and safety of humans and the quality of the environment, should be formulated and conducted in ways that do not disadvantage the competitiveness of American industry.

Then what is this emerging consensus about? It is about how the government, working with industry and universities, should act to help sustain the health of the broad civil technology base of the country in the national interest. Until now the political consensus has been that it is the obligation of the federal government to support the science base of this nation, but this consensus has not extended to the support of the technology base. Discomfort in the political community has been evident for some years and incremental changes have occurred. The National Science Foundation (NSF) has increased its support of the engineering and technology base. New legislation has empowered the National Laboratories to actively pursue collaboration with industry to foster technology transfer. The Department of Defense has moved to buttress the nation's industrial base as its concerns grow about its adequacy to meet defense needs. Now the new Trade Bill establishes a wide range of principles and institutions that will have significant effects on the federal role in fostering technological innovation.

The private sector is of course the mainstay in securing our national technology base. But the view that the civil technology base in our country will be sustained by the private sector under all circumstances, with the give and take of the free market determining the allocation of resources for technological development in the national interest, simply does not conform to the facts. Studies in this Academy have documented this situation in field after field—in electronics, machine tools, construction, automobiles, and photonics, among others. The decline has occurred willy-nilly as corporations struggling to maintain profitability in a global economy, and government agencies repeatedly torqued by political fashion, have been unable to play a sustained role in advancing U.S. technological leadership in key areas in the face of the concerted government/private sector efforts of other nations.

We have lacked a technology policy that can address this decline. There has been fear that government pursuit of a technology policy to assist in securing the national technology base is tantamount to promulgation of an industrial policy. This dismisses the need out of proper concern for government intrusion into private sector matters. We need to overcome our hangups that technology policy is industrial policy. It is not. While industrial policy may shape technology policy, the inverse relationship does not follow. Technology policy is something quite different.

But national needs will be satisfied. They are asserting themselves in strange ways. The Department of Defense has become the nation's de-facto Ministry of Technology and Industry by default. While we need to be thankful that some agency is taking the initiative, the Defense Department is not where it should be. I find it interesting that the recent budget proposals of the Japanese Ministry of International Trade and Industry targeted such fields as artificial intelligence, superconductivity, and hypersonic planes among others for concerted attention. And where are the analogous initiatives in the U.S. government? Largely in the DOD.

The issue is so central to the future of the technological leadership and economic growth of the United States, that it must not be hostage to ideological argument. At the present time the paralysis has resulted in a "catch as catch can" policy as the government in a variety of ways responds to industrial and economic needs. The Sematech Corporation to develop semiconductor manufacturing technology; the National Center for Manufacturing Science to address the machine tool problem, the high temperature superconducting materials initiative of the DOD, and the Engineering Research Center Program of the NSF are examples of our piecemeal approach.

As a consensus emerges on the need for the federal government to participate in the support of the nation's civil technology base there is no recognizable or effective governmental mechanism for doing so. Whereas we have a reasonably well-defined science structure in the federal government for support of scientific research, a technology structure is nonexistent.

It is an unfortunate state of affairs. The absence of a workable technology structure in the federal government that can come to grips with critical policy and program issues in the face of the transcendent need to remain competitive in the global economy is disheartening. There is no mechanism in the federal government short of the Office of Management and Budget in a position to decide how federal resources may be deployed most directly to advance the economic competitiveness of our industry. There is no mechanism to examine the trade-offs of various federal science and technology investments—an investment of $60.0 billion—so huge that it exceeds the sum of science and technology expenditures of the next three largest countries. There is no mechanism to ensure that government actions, wherever they originate, do not adversely affect our competitiveness position. Over the years we have established governmental institutions of all kinds to ensure the science base such as National Science Foundation and National Institutes of Health but not one until the passage of the Trade Bill to secure the technology base. And so we patch here and there with remedies of the moment. The fact is that we fiddle while our engineering and technology house burns.

We cannot be satisfied simply with the progress that has been made in the National Science Foundation, and it has been good progress which we must vigorously support in increasing funding for engineering research. In spite of these increases, the total amount for engineering remains a constant fraction of the NSF budget, continuing the traditional secondary role that engineering plays in that organization. The efforts of Eric Bloch, director of the NSF, have been heroic, but they are hemmed in by the pressures to maintain the science base in this country—a need supported by all thoughtful engineers.

We cannot be satisfied with the Defense Department acting as the principal government agency concerned with the nation's technology base, however grateful we are to the DOD for recognizing the critical nature of such support. We can join with the president of the National Academy of Sciences in placing at the top of our priority list the need to maintain the talent pipeline in the sciences, engineering and technology. The institutions and processes, including basic research, that train and educate our scientists and engineers are the bedrock of our technological future. However, engineering and science education and basic research in which the United States has been and remains a world leader have been clearly shown to be inadequate by themselves to sustain our competitive position and we cannot be satisfied with this situation.

We cannot continue to tilt at windmills, spend our time debating only science priorities however important, arguing that a freemarket economy will by itself secure our technological future, all the while watching a spiraling descent of our technological capabilities relative to other nations.

There is an urgent need for a recognized technology structure in the federal government that will enable decisions about directions the nation should take in supporting technological research and education and the manner in which it should do so.

We have not been at a loss for proposals to establish a technology structure in the federal government. The president's Commission on Competitiveness has recommended a Department of Science and Technology. Many organizations and individuals have suggested strengthening the hand of the president's science and technology advisor by elevating the post to the rank of a cabinet officer or a special assistant to the president—a sound idea. Bills have been introduced to establish a National Technology Foundation and a civilian analogue of the Defense Advanced Research Projects Agency.

Now something new has happened, the Congress of the United States in the recent Trade Bill has transformed the National Bureau of Standards into the National Institute of Standards and Technology. We have an opportunity to build on this new Institute now that it has been authorized, granting it increased funding, status and authority commensurate with its broadened mission and national need. As it now stands it can be considered only a first but important step. It must be accompanied by further action to strengthen the Department of Commerce in which the institute is lodged to a center of strength for advancement of the civil technology base. Moreover, the office of the President's science and technology adviser is clearly the logical place to provide a broad policy overview of all science and technology activities. But to do this well it must also be strengthened and provided with the necessary funding and authority.

In fact, the details of the structure are less important than the recognition of the need, the granting of legislative authority and the provision of necessary funding. We have devoted insufficient attention in our federal R&D expenditures to our technological future. The engineering and technology community needs to send a clear signal that the national interest is not being well served.

It is time that those who legislate and those who make decisions about resource allocations recognize that engineering has become the central enabling function of a technology-based economy. It is now the embodiment of comparative advantage; the central mechanism for capturing the economic benefits of investments in research. It is time that national engineering capabilities be regarded as a national resource to be husbanded, enhanced, and advanced. The intellectual capital of engineers is as important in the production of competitive products and services as the money capital for the acquisition of the facilities and equipment necessary to deploy new technology.

The engineering community has offered no clear signal to our government nor to our Congress about what to do. We need to speak now in a common voice to urge the strengthening of the engineering and technological base of the country. We must make others see the central role of engineering and technology in our national life. Economic growth and the maintenance of high standards of living are at stake. Our society's wealth-generating institutions that provide the resources for health care, a quality environment, a congenial infrastructure, and, yes, a vigorous scientific research enterprise are dependent on world class engineering capabilities.

We neglect support for engineering and technology at our peril. We have a science policy, but no technology policy. And while the debates in this city center largely on priorities for scientific activities, these debates, however important, are only loosely coupled to the fundamental issue that our country faces. As a new period of opportunity is presented with the election of a new president, we must come to grips with the need for a technology policy.

Your academy, as always, stands ready to provide its advice and counsel to the United States government on these broad issues so fundamental to our national welfare. It is encouraging that on some of the most critical issues, the engineering community is beginning to reconcile its divergent views and broadly support a consistent course of action. Only by a new consensus can we hope to arrest the current drift of ineffective federal measures in our drive for technological leadership and international competitiveness.

Thank you.

CONFERENCE REPORT ON H.R. 4587

Mr. FAZIO submitted the following conference report and statement on the bill (H.R. 4587) making appropriations for the fiscal year ending September 30, 1989, and for other purposes:

(Conference report appears on pages 26057-26060 in today's Record.)

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Clement (at the request of Mr. Foley), after 3:45 p.m. today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Gray of Illinois) to revise and extend their remarks and include extraneous material:)

Mr. Annunzio, for 5 minutes, today.

Mr. Brown of California, for 20 minutes, today.

Mr. Hayes of Illinois, for 5 minutes, on September 29.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mrs. BENTLEY) and to include extraneous matter:)

Mr. HAMMERSCHMIDT.

Mr. LENT in two instances.

Mr. HORTON.

Mr. LAGOMARSINO, for two instances.

Mr. BILIRAKIS.

Mr. DAVIS of Illinois.

Mr. RHODES.

Mr. PETRI.

Ms. SNOWE.

Mr. COURTER in two instances.

Mr. MCDADE.

Mr. TAUKE.

(The following Members (at the request of Mr. GRAY of Illinois) and to include extraneous matter:)

Mr. DORGAN of North Dakota in three instances.

Ms. KAPTUR.

Mr. TALLON.

Mr. SKELTON.

Mr. BERMAN.

Mr. SLATTERY.

Mr. DELLUMS.

Mr. KILDEE.

Mr. BONIOR.

Ms. OAKAR.

Mr. HAMILTON.

Mr. FLORIO.

Mr. LEVINE of California.

Mr. ANTHONY.

ENROLLED BILLS SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1467. An act to authorize appropriations to carry out the Endangered Species Act of 1973 during fiscal years 1988, 1989, 1990, 1991, and 1992, and for other purposes; and

H.R. 2858. An act to provide for refunds pursuant to rate decreases under the Federal Power Act.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 1518. An act to amend the Motor Vehicle Information and Cost Savings Act to provide for the appropriate treatment of methanol and ethanol, and for other purposes; and

S. 1934. An act pursuant to the report ordered by Public Law 99-229 which directed the Architect of the Capitol and the Secretary of Transportation to undertake a study of the needs of the Federal judiciary for additional Federal office space, to authorize the Architect of the Capitol to contract for the design and construction of a building adjacent to Union Station in the District of Columbia to house agencies offices in the judicial branch of the United States, and for other purposes.

ADJOURNMENT

Mr. BURTON of Indiana. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 56 minutes p.m.), the House adjourned until tomorrow, Thursday, September 29, 1988, at 10 a.m.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GORDON: Committee on Rules. House Resolution 550. Resolution providing for the consideration of H.R. 2642, a bill to facilitate and implement the settlement of Colorado Ute Indian reserved water rights claims in southwest Colorado, and for other purposes (Rept. 100-986). Referred to the House Calendar.

Mr. WHEAT: on Rules. House Resolution 551. Resolution waiving certain points of order against the conference report on H.R. 4481, a bill to provide for the closing and realigning of certain military installations during a certain period, and against consideration of such conference report (Rept. 100-987). Referred to the House Calendar.

Mr. DIXON: Committee of conference. Conference report on H.R. 4776 (Rept. 100-988). Ordered to be printed.

Mr. ASPIN: Committee of conference. Conference report on H.R. 4481 (Rept. 100-989). Ordered to be printed.

Mr. WHITTEN: Committee of conference. Conference report on H.R. 4784 (Rept. 100-990). Ordered to be printed.

Mr. BROOKS: Committee on Government Operations. Report on legislation needed to curb secrecy contracts (Rept. 100-991). Referred to the Committee on the Whole House on the State of the Union.

Mr. ROE: Committee on Science, Space, and Technology. S. 1966. A bill to amend the Public Health Service Act to improve information and research on biotechnology and the human genome, and for other purposes; with amendments (Rept. 100-992, Pt. 2). Ordered to be printed.

Mr. ROE: Committee on Science, Space, and Technology. H.R. 4502 A bill to establish a national advisory commission to promote and coordinate scientific information and research on biotechnology, and for other purposes; with an amendment (Rept. 100-993, Pt. 1). Ordered to be printed.

Mr. ST GERMAIN: Committee on Banking, Finance and Urban Affairs. H.R. 4645. A bill to provide for participation by the United States in a capital stock increase of the International Bank for Reconstruction and Development and a replenishment of the African Development Fund, and for other purposes; with an amendment (Rept. 100-994). Referred to the Committee on the Whole House on the State of the Union.

Mr. MOAKLEY: Committee on Rules. House Resolution 553. Resolution waiving certain points of order against the conference report on the bill (H.R. 4587) making appropriations for the legislative branch for the fiscal year ending September 30, 1989, and against consideration of such conference report (Rept. 100-995). Referred to the House Calendar.

Mr. HALL of Ohio: Committee on Rules. House Resolution 554. Resolution providing for a motion to recede and concur in Senate amendment numbered 119 to the bill (H.R. 4637) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1989, and for other purposes; with an amendment (Rept. 100-996). Referred to the House Calendar.

Mr. BONIOR: Committee on Rules. House Resolution 555. Resolution waiving certain points of order against the conference report on the bill (H.R. 4781) making appropriations for the Department of Defense for the fiscal year ending September 30, 1989, and against consideration of such conference report (Rept. 100-997). Referred to the House Calendar.

Mr. ROSTENKOWSKI: Committee of Conference. Conference report on H.R. 1720 (Rept. 100-998). Ordered to be printed.

Mr. CONYERS: Committee on the Judiciary. H.R. 3914. A bill to establish a commission to investigate racially motivated violence; with an amendment (Rept. 100-999). Referred to the Committee of the Whole House on the State of the Union.

Mr. FAZIO: Committee of Conference. Conference report on H.R. 4587 (Rept. 100-1000). Ordered to be printed.

Mr. CHAPPELL: Committee of conference. Conference report on H.R. 4781 (Rept. 100-1002). Ordered to be printed.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. BROOKS: Committee on Government Operations. H.R. 3675. A bill to reorganize and consolidate in a new Federal agency certain functions of the Federal Government relating to real estate appraisals and to authorize State appraiser certifying agencies, for the purpose of protecting the financial and public policy interests of the United States in certain real estate-related financial transactions, with amendments; referred to the Committee on Banking, Finance and Urban Affairs for a period ending not later than October 4, 1988 for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(d), rule X. (Rept. 100-1001, Pt. 1). Ordered to be printed.

SUBSEQUENT ACTION ON REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X the following action was taken by the Speaker:

H.R. 4127. The Committee on Merchant Marine and Fisheries discharged from further consideration of H.R. 4127. H.R. 4127 referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

H.R. 5288. Referral to the Committee on the Judiciary extended for a period ending not later than October 3, 1988.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ST. GERMAIN (for himself, Mr. Wylie, Mr. Schumer, Mr. Kleczka, Mr. Parris, Mr. Gonzalez, Mr. Hubbard, Mr. LaFalce, Mr. Garcia, Mr. Lehman of California, Mr. Morrison of Connecticut, Ms. Kaptur, Mr. Carper, Mr. Torres, Mr. Nelson of Florida, Mr. Kanjorski, Mr. McMillen of Maryland, Mr. Kennedy, Mr. Mfume, Ms. Pelosi, Mr. Ackerman, Mr. McCollum, Mr. Wortley, Mrs. Roukema, and Mr. Roth):

H.R. 5407. A bill to establish a National Commission on the Thrift Industry; to the Committee on Banking, Finance and Urban Affairs.

By Mr. COLEMAN of Missouri:

H.R. 5408. A bill to make a correction in the Education and Training for a Competitive America Act of 1988; to the Committee on Education and Labor.

By Mr. CONYERS (for himself, Mr. Swift, Mr. Jacobs, Mr. Courter, Mr. de Lugo, Mr. Nielson of Utah, Mr. Young of Florida, Mr. Gilman, Mr. Derrick, Mr. Chappell, Mr. Owens of Utah, Mr. Solarz, Mr. Brown of California, Mr. Garcia, Mr. Hawkins, Mr. Shays, Mr. Valentine, Mr. Spratt, Mr. Dellums, Mr. Udall, Mr. Kennedy, Ms. Kaptur, Mr. Lehman of Florida Mr. Oberstar, Mr. Smith of New Jersey, Mr. Goodling, Mr. Owens of New York, Mr. Hansen, Mr. Akaka, Mr. Evans, Mr. Bates, Mr. Fauntroy, Mr. Hayes of Illinois, Mr. Traficant, Mrs. Roukema, Mr. Levin of Michigan, Mrs. Morella, Mr. Foglietta, Mr. Packard, Mrs. Patterson, Mr. Atkins, Mrs. Collins, Mr. Flake, Mr. Wolpe, Mr. Henry, Mr. Brennan, and Mr. Weiss):

H.R. 5409. A bill to require the labeling of alcoholic beverages; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. BRYANT (for himself, Mr. Bonior of Michigan, Mr. Chapman, Mr. Coelho, Mr. Coleman of Texas, Mrs. Collins, Mr. Dorgan of North Dakota, Mr. Durbin, Mr. Frost, Mr. Glickman, Mr. Jontz, Ms. Kaptur, Mr. Leland, Mr. McMillen of Maryland, Mr. Smith of Florida, Mr. Staggers, and Mr. Williams):

H.R. 5410. A bill to provide for the registration of foreign interests in United States property, and for other purposes; to the Committee on Energy and Commerce.

By Mr. DORGAN of North Dakota:

H.R. 5411. A bill to direct the Secretary of the Smithsonian Institution to transfer Indian skeleton remains to Indian tribes to provide for appropriate interment; to the Committee on House Administration.

By Mr. DYSON:

H.R. 5412. A bill to allow the obsolete submarine United States ship *Blenny* to be transferred to the town of Ocean City, MD, before the expiration of the otherwise applicable 60-day congressional review period; to the Committee on Armed Services.

By Mr. JACOBS:

H.R. 5413. A bill to amend the Internal Revenue Code of 1986 to provide for the indexing of the basis of the taxpayer's principal residence; to the Committee on Ways and Means.

By Mr. JONTZ (for himself, Mr. Hatcher, Mr. Nagle, Mr. Johnson of South Dakota, Mr. Dorgan of North Dakota, Mr. Penny, Mr. Evans, and Mr. Lancaster):

H.R. 5414. A bill to amend the Small Business Act to lower the interest rate on disaster loans made to small agricultural cooperatives; to the Committee on Small Business.

By Mr. NOWAK (for himself, Mr. Kemp, and Mr. LaFalce):

H.R. 5415. A bill to allow the obsolete submarine ex-*Croaker* (ex-SS-246) to be transferred to the Buffalo and Erie County Naval and Servicemen's Park in Buffalo, NY, before the expiration of the otherwise applicable 60-day congressional review period; to the Committee on Armed Services.

By Mr. PARRIS:

H.R. 5416. A bill to establish a task force to be known as the Congressional Task Force on Concurrent Jurisdiction over Lorton; jointly, to the Committees on the Judiciary and the District of Columbia.

By Mr. SHUMWAY:

H.R. 5417. A bill to authorize the conveyance of the addition to the Lassen Memorial Hospital in Susanville, CA, and to waive any debt relating to the conveyance owed to the Federal Government by Lassen County, CA; to the Committee on Public Works and Transportation.

By Mr. TALLON:

H.R. 5418. A bill to amend title XVIII of the Social Security Act and the Internal Revenue Code of 1986 to permit individuals to elect not to receive benefits to which such individuals are entitled as a result of the enactment of the Medicare Catastrophic Coverage Act of 1988 and not to pay premiums imposed pursuant to such act; jointly, to the Committees on Energy and Commerce and Ways and Means.

By Mr. TAUKE:

H.R. 5419. A bill to permit the television industry to conduct certain activities relating to promoting improvements in television broadcast programming and to avoiding improper advertising practices during such programming; to the Committee on Energy and Commerce.

By Mr. FOLEY:

H.J. Res. 665. Joint resolution authorizing the hand enrollment of appropriations bills for fiscal year 1989 and authorizing the subsequent, post-enactment preparation of printed enrollments of those bills; considered and agreed to.

By Mr. DYMALLY:

H.J. Res. 666. Joint resolution to designate October 14, 1988, as "National Day of Remembrance for Political Prisoners in Iran"; to the Committee on Post Office and Civil Service.

By Mr. DORGAN of North Dakota (for himself, Mr. Johnson of South Dakota, Mr. Slattery, Mr. Manton, Mr. Bustamante, Mr. Martinez, Ms. Oakar, Mr. Berman, Mr. Horton, Mr. Campbell, Mr. Rodino, Mr. Fauntroy, Mr. Dingell, and Mr. Leland):

H.J. Res. 667. Joint resolution to designate the week of June 18 through June 24, 1989, as "National Grasslands Week"; to the Committee on Post Office and Civil Service.

By Ms. OAKAR (for herself, Mr. Rahall, Mr. Solarz, Mr. Levine of California, Mr. Dornan of California, Mr. Ackerman, Mr. Nielson of Utah, and Mr. Rowland of Connecticut):

H. Con. Res. 377. Concurrent resolution expressing the sense of the Congress regarding the state of affairs in Lebanon and urging all parties in Lebanon to work together to resolve the constitutional crisis; to the Committee on Foreign Affairs.

By Mr. DORGAN of North Dakota (for himself, Mr. Penny, Mr. Bereuter, Mr. Espy, Mr. Ackerman, Mr. Leland, Mr. Hall of Ohio, Mrs. Patterson, and Mr. Panetta):

H. Con. Res. 378. Concurrent resolution commending the initiative of the Ministers of Health of Central America and the Pan American Health Organization known as "Health: A Bridge for Peace"; to the Committee on Foreign Affairs.

By Mr. ROSTENKOWSKI:

H. Res. 552. Resolution returning to the Senate the bill S. 2763; considered and agreed to.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 722: Mr. Russo.

H.R. 916: Mr. Frenzel.

H.R. 1028: Mr. Swift, Mr. Anderson, Mr. Tallon, Mr. Kasich, Mr. Kleczka, Mr. Florio, Mr. Tauzin, and Mr. Cooper.

H.R. 1885: Mr. Shuster.

H.R. 2546: Mr. Staggers and Mr. Grant.

H.R. 2667: Mr. Lancaster.

H.R. 3143: Mr. Kostmayer.

H.R. 3241: Mr. Wilson.

H.R. 3322: Mr. Costello.

H.R. 3410: Mr. Carr.

H.R. 3914: Mr. Guarini and Mr. McCrery.

H.R. 3915: Mr. Weiss, Mr. Conyers, Mr. Donnelly, Mr. Ackerman, and Mr. Frank.

H.R. 4015: Mr. Tauzin.

H.R. 4127: Mr. Rodino, Mr. Lowery of California, and Mr. Weiss.

H.R. 4277: Mr. Hiler, Mr. LaFalce, and Mr. AuCoin.

H.R. 4302: Mr. Wolf, Mr. Lent, Mr. Vander Jagt, Mr. Davis of Michigan, Mr. Campbell, Mr. Bliley, Mr. Bartlett, Mrs. Vucanovich, Mr. Coble, Mr. Wilson, Mr. Robinson, Mr. Schaefer, Mr. Hiler, Mr. Traficant, Mr. Michel, Mr. Ireland, Mrs. Patterson, and Mr. Chapman.

H.R. 4768: Mr. Lightfoot.

H.R. 4982: Mr. Hughes.

H.R. 4992: Ms. Pelosi, Mr. Robinson, Mr. Thomas of Georgia, Mr. Brown of California, Mr. Wilson, and Mr. Bilbray.

H.R. 5051: Mr. English.

H.R. 5106: Mr. Ackerman and Mr. Foglietta.

H.R. 5199: Mr. Lewis of California.

H.R. 5214: Mr. DeFazio.

H.R. 5230: Mr. Dyson, Mr. Burton of Indiana, and Mr. Konnyu.

H.R. 5251: Mr. Fields.

H.R. 5279: Mr. Moakley, Mr. Stark, Mr. Fauntroy, and Mr. Sabo.

H.R. 5319: Mr. Smith of Florida, Mr. McCloskey, Mr. Solomon, Mr. McGrath, Mr. Vento, Mr. Frank, Mrs. Boxer, Mr. Sikorski, Mr. Lewis of Georgia, Mr. Kennedy, Mr. Scheuer, and Mr. Dellums.

H.R. 5321: Mr. Rowland of Georgia, Mr. Mineta, and Mr. Oberstar.

H.R. 5347: Mr. Towns and Mr. Dannemeyer.

H.R. 5375: Mr. Hawkins.

H.R. 5389: Mr. Dorgan of North Dakota.

H.J. Res. 438: Mr. Saxton, Mr. Payne, Mr. McMillen of Maryland, Mr. Hiler, and Mr. Gilman.

H.J. Res. 449: Mr. Gilman, Mr. Conte, Mr. Emerson, Mr. Montgomery, Mr. Borski, and Mr. Panetta.

H.J. Res. 528: Mr. YOUNG of Florida and Mr. BENNETT.

H.J. Res. 571: Mr. DICKS, Mr. FRANK, Mr. CONTE, Mr. MOLINARI, and Mr. HUTTO.

H.J. Res. 613. Mr. LAFALCE and Mr. PICKLE.

H.J. Res. 661: Mr. AKAKA, Mr. BENNETT, Mr. BORSKI, Mr. COBLE, Mr. DERRICK, Mr. EVANS, Mr. FIELDS, Mr. FISH, Mr. FRENZEL, Mr. FROST, Mr. GRAY of Pennsylvania, Mr. HAYES of Louisiana, Mr. HEFNER, Mr. HENRY, Mr. KEMP, Mr. KOSTMAYER, Mr. LANCASTER, Mr. LEHMAN of California, Mr. LEHMAN of Florida, Mr. LEVIN of Michigan, Mr. LEWIS of Georgia, Mr. LEWIS of Florida, Mr. MCDADE, Mr. MCGRATH, Mr. MCHUGH, Mr. MCMILLEN of Maryland, Mr. MACK, Mr. MATSUI, Mr. MOAKLEY, Mr. MRAZEK, Mr. MURPHY, Mr. OWENS of Utah, Mr. PORTER, Mr. RAVENEL, Mr. ROE, Mr. STRATTON, Mr. TOWNS, Mrs. VUCANOVICH, and Mr. PAYNE.

H. Con. Res. 142: Mr. THOMAS A. LUKEN.

H. Con. Res. 276: Mr. BLILEY, Mr. GUARINI, Mr. ANDERSON, Mr. KOSTMAYER, Mr. HILER, and Mr. MORRISON of Washington.

H. Con. Res. 371: Mr. PORTER and Mr. GILMAN.

H. Res. 483: Mr. BUECHNER, Mr. GONZALEZ, Mr. BENNETT, Mr. GUARINI, Mr. RODINO, Mr. BUSTAMANTE, Mr. COELHO, Mr. EDWARDS of Oklahoma, Mr. BLILEY, Mr. BONIOR of Michigan, and Mr. TALLON.

H. Res. 487: Mr. PRICE of North Carolina.

EXTENSIONS OF REMARKS

A CATHOLIC COMMITMENT TO ELIMINATING NUCLEAR WEAPONS

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Mr. KILDEE. Mr. Speaker, I want to take this opportunity to commend the parishioners from the Catholic Diocese of Lansing, MI, for their tremendous efforts to encourage the leaders of the superpowers to negotiate a comprehensive nuclear test ban treaty and to abide by a moratorium on the testing of nuclear weapons. Under the leadership of the Most Rev. Kenneth L. Povish, bishop of Lansing; Sister Maryanna Pratt, S.S.J., chairperson of the Peace and Justice Commission; and Mr. Myles McCabe, coordinator of the Peace and Justice Office of the Catholic Charities; more than 21,000 parishioners in the Lansing Diocese signed the petitions. The culmination of the petition drive came on August 7 when the diocese marked their annual celebration of Peace Sunday with the signing of the petitions in 68 of the diocese's 93 parishes. The text of the cards and petitions read:

I call upon the leaders of the Soviet Union and the United States to halt immediately all testing of nuclear weapons and to resume negotiations on a verifiable Comprehensive Test Ban Treaty as an essential step toward ending the arms race. I also call upon our senators and congressional representatives to support legislation of the above.

Mr. Speaker, I am proud that a parish in my district, St. Robert Bellarmine Church of Flushing, MI, returned more of the cards, 1,293, than any other parish in the diocese. In all, more than 4,480 parishioners in 23 churches in my district returned cards to the diocesan office.

Mr. Speaker, in these times, when many observers lament the lack of popular interest in foreign affairs, the courage and dedication of the thousands of Michigan people who signed these cards and petitions is truly an inspiration to all of us. Their outpouring of concern with the moral and physical danger of nuclear war should reinforce our commitment to support efforts to control, limit, and eventually eliminate these terrifying weapons from the face of the Earth.

I would like to share with my colleagues the article from the Catholic Weekly on the diocese's press conference at which they presented the cards and petitions to myself, to Congressmen Howard Wolpe and Bob Carr and to representatives of Senators Don Riegle and Carl Levin.

[From the Catholic Weekly, Sept. 9, 1988]

20,000 People of Diocese Call for Test Ban Treaty

(By Barbara Kelly)

Lansing.—More than 21,000 parishioners from the Lansing Diocese sent a clear message to leaders of the United States and the Soviet Union by signing petition cards calling for a Comprehensive Test Ban Treaty between the two countries.

The treaty would require both countries to halt their testing—and therefore development—of nuclear weapons.

During a Sept. 1 press conference, Bishop Kenneth J. Povish of the Lansing Diocese presented the petitions to U.S. Senators and Representatives of the 10-county area of the diocese or to their staff members.

"I am happy to announce," Bishop Povish said, "that on a large scale the people of our diocese have responded (to the diocese's test ban petition drive): 21,089 people—10 per cent of our diocese—have gone on record to say that the development of new nuclear weapons must end."

Bishop Povish said the statement of the people of the Lansing Diocese was moral rather than political.

"Our people are Democrats and Republicans and Independents," he said, "and because they believe that the mass destruction of life in any nuclear exchange would be wrong, because they feel the resources used to create weapons would better be used in fostering life and the quality of life, they have signed the petition."

Sixty-eight of the diocese's 93 parishes participated in the petition drive, which began in May as a diocesan response to the U.S. bishops' pastoral letter, "The Challenge of Peace: God's Promise and our Response." The culmination of the petition drive was Aug. 7 when the diocese marked their annual celebration of Peace Sunday with the signing of the petition cards in the parishes.

Parishioners at St. Robert Bellarmine Parish, Flushing, returned the most signed petition cards: 1,293. Father Paul Guoan, associate pastor, said his parishioners were already "conscious of war" because of the appearance in Flint of "the Moving Wall," a 250-foot replica of Washington D.C.'s Vietnam War Memorial.

"We don't need to build another Wall," Fr. Guoan said, "so this (the petition drive) is a small step not to do that again."

Democratic Congressman Dale Kildee, a native member of St. Mary Parish Flint, accepted 4,483 petition cards from the 23 parishes in his Flint district.

Rep. Kildee said he was "pleased" to accept the petition cards and noted the "courage and wisdom" of the parishioners who signed them.

"I use the words 'wisdom and courage,'" he said, "because in a highly charged political climate, peacemakers—especially those supporting specific proposals—are not always held in unalloyed esteem . . . The Sermon on the Mount would probably be subjected to several technical and clarifying amendments in today's Congress."

Rep. Kildee said he accepted the petition cards "with the pledge that I will renew my efforts to control, to limit, to eventually eliminate these awesome weapons."

Ed Dougherty, representing Senator Carl Levin, said the 21,089 petition cards were the "highest response I've seen since I've been with the Senator—by far."

"Any time we get something like this, it's bound to have an impact," he said.

Sister Maryanna Pratt, S.S.J., chairperson of the Peace and Justice Commission, which provided parishes with educational materials during the drive, also felt that the diocese's petition drive would have an impact.

"I believe that each person has significant power to influence decisions that are made by our leaders," she said. "I think each of us has a responsibility to influence decision-making."

She said she was "very grateful for all the people who were willing to sign petitions. I'm grateful for the number who did."

JOSEPH PATRICK DOHERTY

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Mr. LENT. Mr. Speaker, I would like to take this opportunity to express my deep concern over the plight of Joseph Patrick Doherty the Irish political prisoner who has been wrongfully incarcerated in the United States.

June 18, 1988, marked the sixth year of imprisonment in a Federal prison for Jospeh Doherty—imprisoned even though he has never been convicted of any crime in the United States. An immigration judge and the Board of Immigration Appeals ruled that Joseph Doherty should be permitted to depart the United States for the Republic of Ireland after establishing that his crimes were political and barred extradition. However, on June 14, 1988, Attorney General Meese ignored the rulings of Federal judges and released a statement that Doherty should be deported to the United Kingdom. Such action would deny Jospeh Doherty's individual due process rights and perpetuate this unconscionable violation of human rights.

I have spoken out on behalf of Mr. Doherty many times and will continue to call attention to this obvious travesty of justice until it is satisfactorily resolved. Joseph Doherty must be afforded the same rights as any other individual under the law and his suffering and persecution must end. I urge my colleagues to join with me in the effort to provide justice for Joseph Doherty and push for a speedy resolution allowing for U.S. asylum.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

A TRIBUTE TO SISTER SHIRLEY

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Mr. DELLUMS. Mr. Speaker, 20 years ago the people of Brooklyn elected a two-term member of the State assembly to the newly redrawn 12th Congressional District in New York. In the process of winning the election, she twice beat the political odds: First, against a corrupt political machine, and then against one of the luminaries in the civil rights movement, James Farmer.

During the 14 years she served in the U.S. House of Representatives Shirley Chisholm was truly a champion of the people she served and represented. She was a committed crusader for social justice, equal opportunity, and quality education for all.

As the first black and the first woman to make a serious run for the Presidency, she helped push back the barriers of fear, ignorance and prejudice based on race and gender. In a very real sense she helped pry open the door of opportunity for the candidacies of Geraldine Ferraro and Jesse Jackson.

I was privileged to serve with Shirley during 12 of the 14 years she served in the Congress. She was both teacher and friend to me. We were founding members of the Congressional Black Caucus, and in the vanguard of the legislative struggle for social change in this society.

Perhaps most important to me, Shirley stood with me—unequivocally—in unyielding opposition to the insanity and illegality of the American intervention in Indochina and in condemning the madness of the arms race, both nuclear and conventional.

Shirley Chisholm retired from the Congress in 1982, but she has continued to be an outspoken advocate for the poor, the needy, the disadvantaged and the disabled in our society. She is gone from our midst, but she has left behind a legacy of commitment and integrity that should serve as a model for all of us in the Congress.

Shirley Chisholm was my congressional colleague—but she will always be my friend and compadre—my sister in the struggle for peace and social justice.

THE PASSING OF HELEN HARDING HAYES

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Mr. LAGOMARSINO. Mr. Speaker, I rise today to mark to the passing of a remarkable woman, Helen Harding Hayes, who died September 17 at her home in New Jersey, just 4 days after her 106th birthday.

Born in Paisley, Scotland in 1882, Mrs. Hayes immigrated to America just 2 years after the turn of the century. The Hayes family lived in New York City until 1920, when they moved to Union Beach, NJ, where Mrs. Hayes spent most of the rest of her long and active life.

The oldest resident in the State of New Jersey at the time of her death, Mrs. Hayes raised four children and is survived by numerous devoted grandchildren and great-grandchildren. She was an active member of the Red Cross and the Keansburg Pentecostal Church, and had received commendations from New Jersey Gov. Tom Kean, President Ronald Reagan and Senator Richard Van Wagner.

Born during the Presidential term of Chester A. Arthur, Helen Harding Hayes' life spanned half the length of our Nation's history. This magnificent woman witnessed the close of the 19th and most of the 20th century, survived two world wars, watched as the advance of technology swept Americans from the beaches of Kitty Hawk to the lunar surface, and lived during the gay nineties, the roaring twenties, the Depression, the confident fifties, turbulent sixties and she was almost able to close out the eighties.

Her life truly was an American Odyssey.

Mr. Speaker, I would be remiss if I did not mention one other wonderful thing about Helen Harding Hayes; something that was conveyed to me by her only surviving child, Dr. Will Hayes of Santa Barbara, CA. Since Woman's Suffrage was won in 1919, Mrs. Hayes "stood shoulder to shoulder" with Republicans, never once casting an errant vote for the other party. And she raised her children, with the lone exception of Dr. Hayes himself, to follow her shining example.

The world changed very much during the lifetime of Helen Harding Hayes. Yet those who knew her can attest to the fact that other things remain unchanged, like the strength, warmth and wisdom of the American woman.

SUPPORT PAN AMERICAN HEALTH EFFORT

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Mr. DORGAN of North Dakota. Mr. Speaker, today, along with several of my colleagues, I am introducing legislation commending the initiative of the Ministers of Health of Central America and the Pan American Health Organization known as Health: A Bridge for Peace.

The Pan American Health Organization [PAHO], the Western Hemisphere's regional arm of the World Health Organization [WHO], is working hard to promote better health for people in Latin America and the Caribbean. While we are all familiar with WHO's work in general, we are only coming to appreciate the high quality and vital role of PAHO's health programs in Central America.

We in the Congress consistently support efforts to improve the health of children and others most in need, in particular through funds voted for the Child Survival Fund to support immunization, oral rehydration therapy, improved nutrition, and other essential interventions, and other funds voted by the Congress and used by the Agency for International Development for child survival activities. These activities reflect the best traditions of the American people.

This resolution enncourages the President to lend the full support of the U.S. Government to the "Bridge for Peace" initiative and the work of the Pan American Health Organization.

For the benefit of my colleagues, the full text of the resolution follows:

H. Con. Res. —

Whereas in August 1987, the Presidents of five Central American nations signed the Esquipulas Peace Accord in Guatemala, which represents their commitment to work for peace and democracy throughout Central America;

Whereas Article 25 of the Universal Declaration of Human Rights states that "Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family";

Whereas on August 27, 1987, the Ministers of Health of these Central American nations signed the Central American Health Declaration, which represents their commitment to work for improvements in health for all Central Americans;

Whereas the Ministers of Health and the Ministers for Social Security of six Central American nations have stated their "resolve to provide priority care to groups hitherto disadvantaged with respect to access to health services and to those at greatest risk: children, women, workers in the countryside and marginal areas, refugees, displaced persons, and all who are socially and economically depressed";

Whereas the Congress has consistently supported efforts to improve the health of children and others most in need, in particular through funds provided for the Child Survival Fund to support immunization, oral rehydration therapy, improved nutrition, and other essential interventions, and other funds provided by the Congress and used by the Agency for International Development for child survival activities; and

Whereas the humanitarian traditions of the American people are best represented by support for such basic human needs; Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress—

(1) commends the initiative of the Ministers of Health of Central America and the Pan American Health Organization known as "Health: A Bridge for Peace"; and

(2) encourages the President to lend the full support of the United States Government to this initiative and the work of the Pan American Health Organization.

HONORING CONGRESSMAN LOUIS STOKES—HAPPY 20TH ANNIVERSARY

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Ms. OAKAR. Mr. Speaker, I rise today to honor my very good friend, LOUIS STOKES, the distinguished dean of the Ohio delegation for his 20 years of exceptional service to the 21st District of Ohio, this institution, and indeed the Nation.

At the adjournment of the 100th Congress, LOU STOKES will have marked his 20th year in the U.S. House of Representatives. LOU

STOKES is a man of the highest honor and integrity—qualities which have won him assignments on the most important and even controversial committees.

In 1972 Congressman STOKES was appointed to sit on the Appropriations Committee. In that same year, he was elected chairman of the Congressional Black Caucus and served two terms. He was then elected by the Democratic Caucus to the Budget Committee and reelected twice.

LOU STOKES has always been called on in times of crisis. His widely regarded intellectual and leadership ability has brought him into the national spotlight on many occasions. Perhaps his most famous contributions have been made during his tenure on various select committees.

He was appointed by Speaker Albert in 1976 to serve on the Select Committee to Conduct an Investigation and Study of the Circumstances Surrounding the Death of President John F. Kennedy and the Death of Martin Luther King, Jr., and was then made chairman of the committee. The impact of his findings reverberated throughout the country.

On the basis of such excellent investigative work, LOU STOKES was then appointed to the Select Committee on Intelligence, which he now chairs. Most recently, LOU served on the House Select Committee to Investigate Covert Arms Transaction with Iran and made national headlines with his thoughtful and forceful questions.

Mr. Speaker, the list of LOU STOKES' congressional accomplishments stretch far longer than I can enumerate. He was already a very successful attorney before being elected as the first black representative from the State of Ohio.

Over the past 12 years, LOU and I have worked very closely together for the city of Cleveland, whose constituents and interests we both represent. As a senior member of the Appropriations Committee LOU has gone to bat for our area for roads, bridges, harbors, housing, jobs, and the list goes on. His most important contributions, however, have come on the personal level.

As a close personal friend, I can attest to LOU's warmth, humor and generosity. He is an extremely well-rounded person with a beautiful wife, Jay, delightful family, many friends and admirers. LOU is always there when you need him with a smile and good advice. He has certainly enriched the time I have served here in Congress with him.

One cannot discuss LOU STOKES' greatest contributions without mentioning the black community. He has been a trail blazer in countless ways, winning many awards and national recognition. LOU STOKES is a role model for all those who strive for excellence, for black youths whose struggle for success can mean surmounting daunting obstacles.

In his own community he has been tireless in advocating higher education for those who cannot afford it. On October 1, he will be honored for it at a gala event, the proceeds of which will be used to establish a scholarship fund for gifted, but economically disadvantaged students. It certainly is fitting that to honor his many years of public service, LOU STOKES will be helping others succeed. Best wishes LOU STOKES and many more years of public service. The people of Cleveland are proud of you.

CONGRATULATIONS TO BILL BROOMFIELD ON ACHIEVING THE 33D DEGREE IN FREEMASONRY

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Mr. HORTON. Mr. Speaker, it was great news to learn that our colleague and my good friend, BILL BROOMFIELD, received the 33d degree in Freemasonry on Tuesday evening September 27, 1988, in Grand Rapids, MI.

BILL was among a small group of distinguished Americans who were coroneted with the 33d degree by the Supreme Council of the Northern Jurisdiction of the Scottish Rite of Freemasonry.

I had the honor of receiving my 33d degree in Cleveland in 1965 in the same jurisdiction and I know how pleased and proud BILL BROOMFIELD must be.

For a Mason, it is the highest honor that can be attained.

Only a relative few receive it and you can't campaign for it. The 33d degree must be awarded by your peers and reflects their judgment that the sum total of your life meets the highest standards of the Masonic Code.

For BILL BROOMFIELD, who is the sixth generation of his family to serve as a Mason, it represents the highlight of his career.

It is a dream he has had since his grandfather raised him a Master Mason in 1947. Thus, after 41 years as a member of Lodge No. 536 in Berkley, MI, and a number of other Masonic organizations, that dream was realized in Grand Rapids, MI, last night.

I have served 26 years in the Congress and throughout that period, I worked closely with BILL BROOMFIELD. I have the highest regard and respect for his leadership, integrity, and dedication. To BILL and his wife, Jane—congratulations on this outstanding Masonic recognition.

I am extremely proud of BILL and his achievement. I hope all of our colleagues will join me in extending congratulations to BILL and his family on this especially joyous occasion.

CONSTITUTION DAY SPEECH BY DR. WILLIAM B. ALLEN, CHAIRMAN OF THE U.S. CIVIL RIGHTS COMMISSION

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Mr. COURTER. Mr. Speaker, yesterday I introduced the Civil Rights Enforcement Act of 1988, which is designed to guarantee the civil right of individual victims of racial discrimination to sue those who willfully discriminate in the making of contracts.

Freedom of contract is one of the most fundamental civil rights we have under our constitutional order. The new Chairman of the U.S. Civil Rights Commission, Dr. William B. Allen, gives long-overdue recognition to the importance of the right of contract in his eloquent speech commemorating Constitution Day, September 17th.

Chairman Allen, a committed conservative, has raised an important issue about conservatives' concern for civil rights. As a conservative I am pleased that he argues in this speech that we conservatives, who think of the Constitution as our particular heritage, must be at the forefront of the struggle to realize equal individual rights for all Americans.

I would like to share Chairman Allen's important speech with my colleagues.

CONSTITUTION DAY, SEPTEMBER 17, 1988

REMARKS AT THE U.S. COMMISSION ON CIVIL RIGHTS

(By W.B. Allen, Chairman)

What do Conservatives care about civil rights? That question occurs to me today because of the significant implication of Constitution Day, which we shall mark tomorrow. On each renewal of this case we echo the claims of the past on our future—looking back, now 200 years, to find our way forward. Looking back to the Constitution is conservative, in the way Lincoln defined it, namely adhering "to the old and tried, against the new and untried," when, as he said, "we stick to, contend for, the identical old policy . . . which was adopted by 'our fathers who framed the Government under which we live;' . . ." Today many say that the Framers had no regard for civil rights, rightly construed. Civil rights, they insist, is about changing the face of America, and therefore cannot be about the old look of things. It therefore becomes a serious question whether those who stick by the Framers, the Conservatives, care anything at all about civil rights.

Our work in this Commission is to superintend change in our nation—change in our laws and in our practices. It is a work which has been made necessary by our past shortcomings regarding some important dimensions of American life, and of those none more important than the guarantee of equal rights of citizenship. The general name for this valuable work has been "civil rights" for at least thirty years now. That is why this is called the United States Commission on Civil Rights.

Thirty-one years ago President Eisenhower recommended and the Congress acted to create the United States Commission of Civil Rights. In an atmosphere tense with suspicions of forced integration and recognition that America faced perhaps its greatest challenge since the War of American Union in the need to correct injustices inflicted on blacks by state and federal policies of discrimination, President Eisenhower recommended a "reasonable and moderate response," designed to provide a means of resolving "a great educational problem that involves a moral" principle. The Commission was to assist in identifying the responsibilities "not of Massachusetts or Mississippi but of the United States," to bring about better understanding and not to persecute anybody.

Since that positive and creative decision in the depths of the "bad old days," has from time to time resolved, and the President proclaimed, our country's dedication to the attainment of truly equal rights of citizenship.

Here we have a bedrock conservative issue if ever there was one. Living as we do in an era when some believe civil rights to be the privileged preserve of some, but not all Americans, we have cause to recover Eisenhower's vision. The preamble to our Constitution was drafted by Gouverneur Morris of Pennsylvania. But Norris's "We the People" was more than one man's idea. As Patrick Henry correctly remarked, Morris did not speak merely in his name, nor in the name of the thirteen states, but in the name of all the people of the United States. "We the People" made pledges and promises to be redeemed not by special interests but by all the individuals comprising this great society. It must be the work of this Commission to remind us of those pledges and promises, and that civil rights are the benchmarks not of oppression but of American citizenship.

Since the preamble was adopted, America has become a land of many races, and faiths. It remains, however, a land of one fight for all—where the rule of law benefits every one and not one or some at the expense of others. Ours is a democratic land, where the idea of majority rule encompasses "justice for all." The majority is a sacred republican expedient, not a class or a caste. When Americans begin to speak of the majority, not as the voice of republican liberty, but as one group in opposition to other groups in our society, they are perverting our heritage. When defenders of a quota-ized society scornfully reject the claims of "the majority," they turn an icon of republicanism into a mere racial epithet. They pit race against race, men against women, faith against faith, without any means of reuniting them.

President Eisenhower said that his objective "was to prevent anybody illegally from interfering with any individual's right." His Commission was to contribute to this end by representing "the spectrum of American opinion," and would consist of persons of such character and "national reputation that their opinions, convictions, and findings of fact wil be respected by America." Nothing less could provide a proper emphasis for the American principle that every individual's rights are precious.

To keep America on the track of its ancient pledges and promises, we need to keep the spirit of Civil Rights for all alive. That is a worthy Conservative goal, for nothing should so roil a Conservative's soul as to notice that Americans' civil rights are jeopardized by governmental indifference to the rights of individual Americans. If Conservatives sleep now, while a Civil Rights Commission true to Eisenhower's vision is being destroyed, we will awaken later, not to find that there is no longer a Civil Rights Commission, and all Americans secure in their constitutional rights without distinctions of race, gender, or class. We will awaken to a new Commission on Civil Rights bent on dividing and punishing our Country until one day no one remembers, we were once "We the people of the United States."

That is why I address myself particularly to this question, what do Conservatives care about civil rights? The answer must be everything for not otherwise can conservatives carry out their proper task. This must mean, then, that Conservatives do not contribute enough, when simply reminding their countrymen of the preferred solutions to the problems of our day. They must go beyond, and apply their convictions to practical wants, thereby demonstrating that civil rights properly understood answer to the needs of all.

We find no fitter example of this challenge to Conservatives than in the case of the Supreme Court's pending review of its decision in the case, *Runyon* v. *McCrary*. Speculation has it that the Court will overturn that decision's novel application of the original Reconstruction civil rights statutes. Such a result would be a lamentable mistake, for what the Court requires rather to do is to clarify and extend that ruling.

Conservatives do not err when they remark that it is unjust to empower a private individual to force another private individual into a contractual relation against the will of the latter. That, however, is the misapplication of the *Runyon* ruling and not its essence. Conservatives ought to notice still more how essential it is to bar private or public third-party interference in the right to make contracts. That is the legitimate civil right claim the legislation was aimed at. It is a means to spell out limits to contracts which confine their obligations to the contracting parties, as well as a means to protect the crucial entrepreneurial ambiance which alone renders the right of contract meaningful. Because Conservatives care enough about civil rights to insist upon clarity in their expression, they should urge the extension and clarification of Runyon, including providing due emphasis on damages (compensatory and punitive) over regulations and bureaucracy as the appropriate remedy for force and fraud injuries.

And now, if only they will listen—and I know not why they shouldn't—I would address a few words to the liberal, civil rights elite.

I would say to them:—You pride yourselves a reasonable and a just people; moreover, I do not doubt that you possess in general talents for reason and justice in proportion as other do. Nevertheless, whenever you speak of Conservatives, and Republicans, you do so only to wield the whip of "racism," using even the flimsiest of pretexts to hound us out of polite society as if we were no better than outlaws. Indeed, it often appears that even outlaws—murderers, muggers, and perverts—would sooner be received into your company than a Reagan Conservative. You grant us no hearing at all, while assuring them every consideration. Even when you cannot agree among yourselves, you can always restore harmony by starting up a condemnatory hymn of "Reagan Racism"—you use it as a secret password by which you give leave to one another to come and go. I beg you to think, though, how unjust this is to us—and indeed even to yourselves! Do indict what you perceive as our shortcomings; but then wait, at least long enough, to hear our account. We insist on taking the stand in our own defense; permit us to deny or justify. We ask no more.

The Commission on Civil Rights has been locked in a stranglehold by the liberal civil rights elite. Slowly, the past four years, they have been choking off its life and in the coming year threaten to kill it. Why do they in 1988 act the part of the obstructionists of 1957? Two words: Ronald Reagan. While the President is in office, they cannot reserve the Commission to their own uses. Unlike Eisenhower, they believe Civil Rights are not for all Americans but only for those interests who will push a liberal agenda. In 1957 the obstructionists forced a black woman to the back of the bus. In 1987 the obstructionists force even young black children to the back of the classroom, just to be able to save their notions of quotas and group interests for America. The Commission on Civil Rights would tell the truth about the liberal agenda. That is why the obstructionists attempt to cut off funding and silence the Commission.

And what is that truth? Namely, that policies touted as successful have consistently failed. This week the Equal Employment Opportunity Commission had to request a federal court to hold United Airlines in contempt for failing to abide by a nearly fifeteen year old settlement and, indeed, perverting its terms to the benefit of white males. The Airline had agreed to apply a 2:1 quota in its hiring arrangements consistent with the reasoning of that era; it promised a court that it would do so. The truth is, however, that it did not.

Similarly, a spokesman from Asian Americans for Affirmative Action appeared before the Commission in its Los Angles forum only last week, there to complain that affirmative action arrangements in universities and elsewhere were operating as effective devices for screening *out* American Asians. He expressed some surprise that a device so well suited to that precise operation would in fact be used that way.

At that same forum, three manifestly capable, intelligent black university professors—each from a different insitution, in different fields, and doubtless of different moral and political inclinations—brought before us a tale of an affirmative action underworld, where black professionals are kept circulating from institution to institution through revolving door processes which provide steady statistical reports for the institutions but no absolute improvement over time in their hiring patterns.

The most gruesome aspect of each of these stories is that they point out how thoroughly those who have acquired reputations for fairness in matters of race have in fact become the new custodians of an old-fashioned jim crow regime. The strongest architects and defenders of affirmative action, as often as not, are its chief violators—not least of all on Capitol Hill itself.

No one at this late date requires to hear rehearsed the sheer destruction and brutalization of education which this country has suffered through a mindless pursuit of chimerical goals without regard for individual accomplishments. For that is how all too many black children, suffering integration in school buildings distant from their homes, nevertheless receive a segregated education within classrooms and school buildings stratified by race.

Put these stories together, along with the mounting carnage of failed urban policies, and the watchful citizen can arrive at no conclusion short of horror for the evil that has been wrought. Nor is it necessary to deny that America has changed in numerous and valuable ways since August, 1964. There has been honest progress in the country, even while there is much room to speculate whether that progress has not consisted almost exclusively in the immediate changes effected by the passage of the historic civil rights laws. Where abuses have been legislated out of existence, the attainments have been real and palpable. By contrast, in almost every aspect of our lives where we have tried to *manage* our civil rights relations we have failed. Voting rights until recently has been a notable exception; that is, not only did citizens come to participate at a vastly improved rate in the governance of the community, but the complexion of the corps of office-holders in the country changed by several orders of magnitude (at least in municipal politics).

Now, though, we prepare to sail off into a brave new world, in which voting rights must be managed as thoroughly as our schools were—like our schools, presumably, managed into worthlessness. At every turn in our historic civil rights travail, we have been bedeviled by the penchant of the state to intrude itself between citizen and citizen—the reluctance to entrust to Americans themselves the management of their peaceful relations. Yet, nothing can be more clear than that, ultimately, no other solution will honestly fulfill the promises and pledges of America. Laws and strict enforcement are required to set the boundaries of our social and political life. Nevertheless, the complexion of the intricate and manifold relations of that social and political life must necessarily result from the particular negotiations of individuals wending their way into the future.

The liberal rights elite seems never to have understood this basic truth. They have confused the power to remove petty apartheid from American life with a power to govern in all things. They revile Conservatives because Conservatives seek to remind them of the limits of their power. Conservatives do not begrudge them their just desserts and proper recognition. Conservatives seek only to remind them that, though, indeed, they changed the fact of America, they have left its soul untouched. Conservatives care enought about civil rights to wish to redeem a nation's soul through the promises of its Constitution.

TRIBUTE TO PAVEL ABRAMOVICH FAMILY FREEDOM CAMPAIGN COMMITTEE

HON. HOWARD L. BERMAN

OF CALIFORNIA

HON. MEL LEVINE

OF CALIFORNIA

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Mr. BERMAN. Mr. Speaker, today we rise to commend the Pavel Abramovich Family Freedom Campaign Committee of the Stephen Wise Temple for its dedicated efforts in championing the causes of Soviet Jewry and human rights, and for its inspiring work which has contributed immeasurably to securing the freedom of the Abramovich family from the Soviet Union.

The Pavel Abramovich Family Freedom Campaign Committee for the past 5 years planned, organized, and led a wide range of activities including numerous community forums and Shabbat services, several press conferences and public speeches. Over 10,000 signatures from Los Angeles to Washington, DC, were obtained in support of the Abramovich family's struggle for freedom. In addition, the committee coordinated the involvement of 23 elected officials from the U.S. Senate and House of Representatives, the California State Legislature, the county board of supervisors, and the mayor and city council of Los Angeles in a concerted and effective letter-writing campaign, as well as mobilizing hundreds of members of the Stephen S. Wise Temple and thousands more throughout Los Angeles and southern California.

The efforts of the Pavel Abramovich Family Freedom Campaign Committee were rewarded when the Abramovich family was granted permission to emigrate to Israel on March 13, 1988. We wish to express our appreciation to this esteemed organization and its three cochairmen, Sheldon Cohen, Steve Saltzman, and Rabbi Jonathan Miller, for their many contributions to Jewish community life.

It gives us great pleasure to invite our colleagues to join with us in honoring the Pavel Abramovich Family Freedom Campaign Committee for its outstanding role in encouraging peace, goodwill, and justice throughout the world.

H.R. 5419, THE TELEVISION SELF-REGULATION ACT OF 1988

HON. THOMAS J. TAUKE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Mr. TAUKE. Mr. Speaker, as long as television has been a part of American life, Congress, and the Federal Communications Commission have struggled to address problems with television programming and advertising. Concerns have been expressed about the effects of the depiction of violence on our children; the effects of too many commercials on programming; and the effects of children's shows that are program-length commercials, where the show itself becomes a sales vehicle, just to name a few.

These examples are only a part of the overall debate about what, and how, television stations should program for their audiences. Some say that the fairness doctrine, which was abolished by the FCC last year, was the last remaining regulation which assures that TV stations operate for the benefit of their viewing public. I disagree with that contention, as the House knows. However, I believe strongly that effective steps should be taken to make the television industry more responsible for the shows they beam to the Nation, and more attentive to the possible effects of its products on our citizens.

There are basically two ways to accomplish the goal of better, more responsible television programming. In the first way, the Government imposes restrictions on what stations may program or advertise, or for how long they may do it, almost as a reflexive response to some perceived wrong. Legislation of this kind may seem smooth and innocuous on the surface. But the deeper you go, the murkier the rights of broadcasts become.

This Congress has approved two bills that provide excellent illustrations of the pitfalls of this approach. Last year, in the Fairness in Broadcasting Act, H.R. 1934/S. 742, we would have required all television and radio stations to provide time for the discussions of opposing views on issues of public importance. This sounds fair on the surface. But in reality, this legislation would have empowered the visible hand of Government to reach into the editor's office and dictate the content of newscasts. Not only that, but if the Government is not satisfied with the balance given to a story, it could impose sanctions against the station. Needless to say, this is a result precisely at odds with the letter and spirit of the first amendment. Fortunately, the President recognized this when he vetoed the bill, and the FCC demonstrated the violence it would have done to the first amendment when it repealed its Fairness Doctrine regulation last year.

My second example is provided by the Children's Television Act (H.R. 3966), which this House passed just last June. The bill's major provision limits the amount of commercial time that may be aired during children's programs on the theory that too many commercials harm children in some way. Yet, no clear evidence was presented to indicate how many commercials are too many, or how children are hurt by too many commercials. Not only that, but the vast majority of TV stations are not even violating the time limits ultimately imposed by the bill. Finally, no attempt was made to guage the effects of this allegedly harmful advertising on children watching programs other than children's programs, even though children watch more TV during prime time than on Saturday mornings.

The worst thing about the Children's Television Act is that many appear to believe the bill will foster improvements in children's programming. However, they are sadly mistaken. The bill never addressed in any substantive way the root concerns of parents and children's TV advocates—improving the programming our children watch.

The same thing can be said of fairness doctrine legislation. It does not improve programming. It provides no incentives for TV stations or networks to address problems associated with what news they cover or how they cover it. Legislation of this kind only provides hoops through which broadcasters jump in exchange for tacit Government agreement to let them run their business undisturbed. I say that kind of trade does no one any good. In fact, it perpetuates the very problems that legislation is meant to solve.

These attempts at reregulation come at a time in which broadcast television is losing significant audiences to cable TV and other video entertainment. Twenty percent of the broadcast network audience has been lost in the last 4 years. Clearly, in order to stay competitive, broadcasters need less regulation, not more. Not even must-carry legislation or the advent of high-definition television will save their preeminent place in the video world if their programming is not distinctive and desirable. After all, people watch programs, not pictures.

In the new, competitive video world, broadcasters cannot rely on jumping through regulatory hoops to retain the value of their licenses. Those hoops prevent them from responding effectively to the new challenges posed by an environment where consumers have many more places to go to get their news and entertainment. Legislation that imposes Government controls over content contributes to the stagnation of broadcast TV network programming, and ultimately to the decline of broadcast TV as a major force in American news and entertainment.

Both broadcasters and the Government face a dilemma. How can better programming be encouraged without censorship? I believe there is an alternative to the heavy hand of Government that does not add more hoops for broadcasters to jump through.

Those who are truly concerned about preserving our over-the-air system of broadcasting should encourage the television industry to better its service to the public in ways that the Government cannot, and should not, mandate. The best way to accomplish that goal is by permitting broadcasters to enact a comprehensive code governing the programming and practices of the television industry. The National Association of Broadcasters once had a code, but abandoned it after a 1982 court decision suspended it in part. Thus, legislation is necessary for broadcasters to set industrywide standards.

Today, I am introducting the Television Self-Regulation Act. Through its provisions, the television industry could work together to improve its programming in substantive, meaningful ways. A new broadcasting code would avoid the problems inherent in Government oversight of the content of broadcast programming. Through a new code, broadcasters could effectively address many of the problems that have vexed lawmakers and regulators for decades: The appropriate amount of advertising during programs, including children's programs; the curbing of portrayals of violence; even the responsibility of news and public affairs programs to present more than one side of important issues. The code would be voluntary in nature. However, the FCC could take a station's compliance with the code into account at renewal time. Participating stations thus could gain an advantage in the license renewal process by complying with the code's provisions.

Restoring the industry's ability to adopt cooperative programming standards would encourage the television industry to make collective decisions regarding programming and advertising standards that affect the industry as a whole. This is particularly appropriate in light of the place television occupies in our national life. Broadcasting provides a lifeline of shared experiences that knits our Nation together. It also is an important source of values and morals. We must never forget that. It should make us even warier of direct Government controls over programming content.

In an age where broadcasting shapes the national consciousness and frames the national debate, we must be concerned not only about the quantity of available programming, but about its quality as well. The other body has recognized this: Recently, it unanimously passed a bill, S. 844, to permit broadcasters to establish standards to lessen the amount of violent programming. It is time the House took a similar path, and allowed those who produce and air the programming to cooperate with each other to improve the programming.

Some say that television cannot be special unless it is subject to Government regulation. However, the focus should be less on who regulates and more on what the result is. Content controls imposed by the Federal Government will have consequences that are disturbing for the future of the broadcasting industry as we know it. I urge all Members who want to encourage the television industry toward more innovative, responsible programming, and advertising to support the Television Self-Regulation Act.

TRIBUTE TO MONSIGNOR RAUL DEL VALLE

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Mr. GARCIA. Mr. Speaker, I rise to pay tribute to Msgr. Raul del Valle, chancellor of the Archdiocese of New York, who passed away in New York on September 20, 1988 after a long and brave struggle with cancer.

The monsignor was appointed to the chancellor's position by His Eminence John Cardinal O'Connor in June 1985. In February of this year he was made an Honorary Prelate by His Holiness Pope John Paul II. Monsignor del Valle served his community in the love and grace with which our Lord would have hoped and we will miss him greatly.

Monsignor del Valle was born in Cuba in 1926. He was educated in Havana, Cuba and Rome, Italy. In Rome, he pursued graduate studies in canon law at the Gregorian University and received the degree of Licenciate in Canon Law. In 1949 he was ordained a Catholic priest in Rome and returned to Cuba the following year to serve in parish ministry, and since 1964 as personal secretary to the late Cardinal Manuel Arteaga, Archbishop of Havana. Monsignor del Valle was the author of a biography of Cardinal Arteaga. In 1958 while still in Cuba, the monsignor received the pontificial honor of Papal Chamberlain with the title of monsignor.

Since 1961 Monsignor del Valle was an active priest of the Archdiocese of New York, serving a variety of assignments, including parish ministry, hospital apostolate and counseling marriage cases in the Metropolitan Tribunal of New York. In 1974, he became pastor of St. Anselm's Church in the South Bronx and in 1981 he was transferred as pastor to St. Athanasius Church also in the South Bronx. In both parishes, Monsignor del Valle excelled for his dedication, strong leadership, and concern for the education of Hispanic children as well as adults. He motivated the parishioners to join community programs to revitalize the neighborhood and to promote mutual understanding and appreciation among the various ethic groups in the community.

Monsignor del Valle was chairman of the committee responsible for the study Hispanics in New York: Religious, Cultural and Social Experiences, published in 1982 under the sponsorship of the Archdiocese of New York. He was also a member of the Mayor's Commission on Hispanic Affairs which issued its most important report in December 1986 with recommendation to advance the education and welfare of Hispanics living in the city of New York.

Monsignor del Valle had a quite spiritual strength that enabled him to dedicate himself to his work and to reach out to the people of our South Bronx community. I was fortunate to observe first hand the people's response to Monsignor del Valle's compassion. As a Christian, I have always believed that the monsignor was a living saint here on Earth. I thank God for the opportunity to have met and worked with Monsignor del Valle and thank God for providing such a dedicated servant in our community. We will miss his love and friendship greatly.

APOLOGY TO CHAIRMAN FRANK ANNUNZIO

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Mr. RANGEL. Mr. Speaker, last week I inserted into the RECORD an article that appeared in the September 21 issue of the Coin World newspaper. This article was very critical of the way that the chairman of the House Banking Subcommittee on Consumer Affairs and Coinage, Representative FRANK ANNUNZIO, has handled H.R. 3314, of which I am the sponsor. This legislation would change the designs of U.S. circulating coins of which one reverse will have a theme of the Bicentennial of the Constitution. Representative ANNUNZIO is opposed to this bill. I had instead meant to insert an advanced copy of an article from Numismatic News, which I am taking the opportunity to insert today. The article speaks of recent Senate action on a 1989 congressional bicentennial commemorative coin bill.

Mr. Speaker, I want to take this opportunity to apologize to my good buddy FRANK for allowing this piece to be placed in the RECORD. It was an honest mistake. I in no way meant to question FRANK'S character and motives with regard to this legislation, as does this article. such questioning, in my opinion, deserves no place in this great body.

When Members have legislation that is being reviewed by the House Banking Subcommittee on Consumer Affairs and Coinage, one thing that they can be certain of is that Chairman ANNUNZIO will give their bill a fair hearing. This has been the case with H.R. 3314. Although FRANK is opposed to this legislation, I do not for one minute believe that he would purposely do anything to limit the progress of this bill, which has been approved by the Senate and has the support of 45 percent of the Members of the House.

Once again I apologize to Chairman ANNUNZIO for this insert. Over the years, he and I have developed a healthy personal and professional relationship and I trust and hope that this will in no way affect our friendship.

CONGRESS COINS GAINING MOMENTUM

(By Burnett Anderson)

A 1989 Congressional bicentennial commemorative coin bill, with a new twist, has been reintroduced and moved to the top of the numismatic watch list as Congress headed into the final two weeks of the current session. Adjournment is scheduled for Oct. 7.

The new measure represents probably the final and possibly successful effort of Congress to authorize a commemorative coin program for next year after more than 12 months of repeatedly aborted efforts.

Observers were quick to note two new provisions in the bill, which replace one that was killed in an intricate legislative maneuver last July, citing a "Capitol Preservation Fund" and a "Capitol Preservation Commission" which so far, at least, do not exist.

The move was immediately interpreted as the first step in a compromise with Senate forces headed by Majority Leader Robert Byrd, D-W.Va., who introduced an amendment creating such a commission in July.

It was approved by the Senate, but lost in a crossfire of House-Senate maneuvering that ultimately resulted in the death of the congressional commemorative bill.

Rep. Dante Fascell, D-Fla. highly respected veteran of 17 consecutive terms in the House, and Rep. Frank Annunzio, D-Ill., influential chairman of the House coinage subcommittee, are expected to have little or no difficulty in gaining the approval of that chamber.

In the Senate, the majority leader could add an amendment to the bill when it comes from the House, creating the Capitol Preservation Commission and, with Senate concurrence, return it to the House for final approval.

This is only one of the scenarios leading to passage being speculated about on Capitol Hill, but a logical one.

Success of the effort may turn on whether the negotiators are able to prevent sponsors of two other measures—one providing for design changes in circulation coins and the other for a 1989–1990 palladium commemorative coin—from blocking the congressional commemorative measure by insisting on attaching their own bills to it as the price of going along.

Those two bills, both of which have been approved by the Senate, have so far been unacceptable to the House.

There is also some disagreement in the House on the so-called palladium bill, which would commemorate the centennial of admission to statehood in 1889 and 1890 of six western states, where there is a competing bill sponsored by Rep. Larry E. Craig, R-Idaho, for making the $5 face value coins of silver rather than palladium.

Neither of the two measures, nor the two together, have attracted the 218 sponsors normally required for consideration by the House subcommittee on coinage.

The new congressional commemorative bill provides that an amount equal to the surcharges earned by the coins be paid to the prospective Congressional Commemorative Fund.

As envisioned in Byrd's original amendment, a Capitol Preservation Commission would be established for a period of five years with a mandate to improve and restore the Capitol structure.

The law would authorize issuance of 1 million $5 gold coins, 3 million silver dollars, and 4 million clad half dollars, all dated 1989 and all of traditional specifications. They would carry surcharges of $35, $7 and $1 per coin, respectively.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, September 29, 1988, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

SEPTEMBER 30

9:30 a.m.
Agriculture, Nutrition, and Forestry
Agricultural Credit Subcommittee
To hold oversight hearings on the implementation of the Agricultural Credit Act of 1987.
SR-442

:00 a.m.
Governmental Affairs
To hold joint hearings with the House Committee on Government Operations' Subcommittee on Environment, Energy, and Natural Resources to discuss the power surge incident at the Savannah River Plant in Aiken, South Carolina.
2154 Rayburn Building

OCTOBER 3

2:00 p.m.
Governmental Affairs
To resume hearings on regulatory reform.
SD-342

OCTOBER 4

8:00 a.m.
Joint Inaugural Ceremonies
To meet, to discuss printing arrangements, ticket distribution, crowd control, and security issues.
S-151, Capitol

9:30 a.m.
Energy and Natural Resources
Energy Regulation and Conservation Subcommittee
To hold hearings on S. 2179, to modify the terms under which termination of a petroleum franchise relationship is deemed reasonable.
SD-366

2:00 p.m.
Joint Library
To hold hearings to receive reports by the Librarian of Congress on his first year in office and on plans for the coming year.
H-238, Capitol

OCTOBER 5

9:30 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings to review current food prices in the United States.
SR-332

10:00 a.m.
Governmental Affairs
To hold hearings on S. 2721, Federal Advisory Committee Act Amendments of 1988.
SD-342

Special on Aging
To hold hearings on cost-of-living adjustments and the consumer price index (CPI).
SD-628

OCTOBER 6

9:00 a.m.
Armed Services
To hold hearings on the restructuring of the Strategic Defense Initiative (SDI) program.
SH-216

OCTOBER 12

9:30 a.m.
Select on Indian Affairs
To hold hearings on S. 1142, to provide Federal recognition of the Mowa Band of Choctaw Indians of Alabama.
SR-485

SENATE—*Thursday, September 29, 1988*

(Legislative day of Monday, September 26, 1988)

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by the Honorable ROBERT C. BYRD, a Senator from the State of West Virginia.

The PRESIDING OFFICER. This morning's prayer will be offered by the guest Chaplain, Rabbi Jeffrey A. Wohlberg, Adas Israel Congregation, Washington, DC.

PRAYER

Rabbi Jeffrey A. Wohlberg, Washington, DC, offered the following prayer:

O Lord, we turn to you in prayer. Give us the courage to quarrel—not for petty things but for important ones. Give us the courage to quarrel with the forces in this world that dehumanize society, that profane existence, that separate brother from brother.

But let our quarreling not be destructive, O God. Let it be out of love, not envy, in order to build up, not to break down. Let us quarrel with ignorance; let us quarrel with bigotry; let us quarrel with hopelessness. Let us be counted among those who quarrel with pain, who alleviate it by sharing it.

Let us be among those who are not satisfied with the status quo, who yearn and work for a better world—in outer space and in the inner cities of our land.

May we bring into this world a bit more truth, a little more justice, a bit more sensitivity than there would have been if we had not loved the world enough to quarrel with it out of a vision of what ought to be.

May our prayers and our deeds be pleasing to you, O Lord, whose lover's quarrel with the world to perfect itself is our constant guide and continuing challenge.

We add our personal and collective prayers, Lord, for our astronauts.

May they ascend in peace and return in peace. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. STENNIS].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, September 29, 1988.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable ROBERT C. BYRD, a Senator from the State of West Virginia, to perform the duties of the Chair.

JOHN C. STENNIS,
President pro tempore.

Mr. BYRD thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF THE MAJORITY LEADER'S TIME

The ACTING PRESIDENT pro tempore. Without objection, the time of the majority leader will be reserved.

RECOGNITION OF THE REPUBLICAN LEADER'S DESIGNEE

The ACTING PRESIDENT pro tempore. Under the order, the Chair recognizes the distinguished Senator, Senator STAFFORD, as the designee of the Republican leader.

RESERVATION OF THE REPUBLICAN LEADER'S TIME

Mr. STAFFORD. Mr. President, I ask unanimous consent that the time of the Republican leader be reserved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MORNING BUSINESS

Mr. STAFFORD. Mr. President, under those circumstances, if it is possible to go to morning business, we would like to do so.

The ACTING PRESIDENT pro tempore. Without objection, the Senate will proceed to morning business.

Mr. STAFFORD addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Vermont, Mr. STAFFORD, is recognized.

ATMOSPHERIC CONTAMINATION—XIII

Mr. STAFFORD. Mr. President, this is the 13th in a series of atmospheric contamination talks that the Senator from Vermont has been delivering during morning business.

As the temperatures rose in the summer of 1988 in the United States, so did the concentrations of low-level air pollution that we most often call smog.

Because so many air pollutants are invisible, or nearly so, we often fail to notice their presence. In much the same way, we overlook the damages caused by air pollution because those damages are often gradual and subtle.

But, evidence abounds of the air pollution toll that is being taken on the lakes, streams, and forests of both North America and Europe.

Forests are dying here and in Europe. Every major tree species in Europe and Eastern North America is suffering. In a few cases, the losses are visible even to the unskilled viewer.

At the peak of Mount Mitchell in North Carolina, for example, the ground is littered with the skeletons of thousands of acres of dead red spruce and balsam fir.

In other cases, the damage is less visible. For example, 80 million acres of yellow pine have begun to grow at only half their normal rate, while they are dying at twice the rate they were previously.

The Europeans call the circumstance forest death. It is worst in West Germany, where 55 percent of the trees are injured. One-third of the trees in Switzerland are suffering from forest death.

In the United States, foresters and scientists report extensive damage to all species of trees, with the damage bearing strong relationships to the levels of ozone.

Thus, here and abroad, where air pollution levels are high, trees are sick and dying. Where they are low, trees are not.

The same is true of lakes and streams.

Acid pouring into the waters has gradually destroyed their ability to absorb more pollution. The acid dissolves heavy metals such as aluminum, lead and mercury from soils, washing them into lakes and streams where it poisons not only the fish, but also their food—insects, frogs, and microorganisms.

As striped bass have disappeared from lakes, streams, bays, and sounds in the Eastern United States, scientists have isolated two probable causes—water pollution and air pollution.

From the air comes a flood of toxic chemicals. During the spring spawning season, the air pollution also brings with it sudden jumps in acidity and heavy metals that kill the young fish.

The pollution is so potent that it has begun to alter even the soil itself, something most scientists only 5 years

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

ago believed was not possible. Atop Mount Mitchell, the levels of lead in the soil are 150 times higher than they are in cities at sea level.

In Scandanavia, scientists have said that acid rain has turned even the deep soils—those 5 or 6 feet beneath the surface—acid. That is unheard of.

It is virtually impossible to come up with a dollar value on these losses, nor should the economic factor determine whether we should act. Still there have been rough estimates of the cost of this pollution.

For example, the National Acid Precipitation Assessment Program [NAPAP] has estimated ozone damage to agricultural crops at about $1 billion annually in the United States. Other researchers have put the damage to buildings and materials at $5 billion a year.

But setting an economic figure obscures what needs most to be understood—namely, that we are talking about dilute solutions of bleaches, acids, and poisons. If a substance can damage the steel and concrete of structures, think what it can do to the human lung and to trees and crops.

Forests are dying. So are lakes, rivers, and bays. There are some who tell us even the oceans are suffering massive damage. The air in this Nation—and in other parts of the world—is so filled with chemicals and other contaminants that lungs ache and tears flow from eyes.

Yet, there are those who argue that we should wait until scientists have the proof necessary for absolute certainty that air pollution is the cause of each and every one of these afflictions.

But, surely common sense tells us—in overwhelming fashion—that the right thing to do, and the necessary thing to do, is to begin reducing air pollution as much as possible and as fast as possible.

Mr. President, I will be back tomorrow with another discussion of this same problem.

THE NEW ENGLAND REGIONAL OFFICE OF THE ENVIRONMENTAL PROTECTION AGENCY

Mr. STAFFORD. Mr. President, the New England Regional Office of the Environmental Protection Agency has established a reputation as one of the most effective protectors of public health and the environment of all Federal organizations.

One of the reasons for this well-deserved reputation is Michael Deland, the regional administrator of EPA in Boston. Mr. Deland has been a champion of environmental protection through a long series of difficult and controversial issues.

A major element of his strength—and of his success—has been the fact that Mr. Deland has refused to be influenced by politics or by special interests. His guiding star has been protection of the environment.

Portions of the saga of Michael Deland are contained in a news article that appears in the September 28, 1988, issue of the Boston Globe. I ask unanimous consent that the article be printed in the Record at this point.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Boston Globe, Sept. 28, 1988]

EPA REGIONAL HEAD DRAWS PRAISE FROM BOTH SIDES

(By Larry Tye)

The chief of the Environmental Protection Agency's New England office is not your typical Reagan political appointee.

While the White House was waging war with environmentalists over issues ranging from acid rain to offshore oil drilling, Michael Deland was earning a reputation as their most effective champion in government.

While the administration was wooing business leaders, Deland was blocking developments from Maine to Rhode Island—and was the only prominent public official to endorse a moratorium on growth for Cape Cod.

And while most of President Reagan's appointees are anxious to forge ties with Vice President George Bush, Deland turned down an invitation to introduce Bush at one of the most widely trumpeted events of the campaign—a boat ride on Boston Harbor earlier this month.

"It is ironic that he is a Reagan appointee, but I welcome it," said Douglas Foy, director of the Conservation Law Foundation.

"In addition to being the premiere figure on the environment in government, I believe he is far and away the best regional administrator at EPA nationwide and the best we've ever had in New England," Foy said. "He definitely is in a class by himself."

Not everyone is so adoring. Deland has been immersed in one contentious issue after another during five years as EPA head—and has been especially controversial the last few months.

First he took on the governor of Maine, the state's entire congressional delegation, state legislators and the US Army Corps of Engineers. They supported a $35 million cargo terminal on Sears Island, but he tried to block it on the grounds it would destroy precious wetlands and there was a better site that has already been developed.

Then there was last summer's flap over fish from Boston Harbor's murky waters. An EPA study showed alarming levels of disease among certain species, and Deland warned against eating too much. But fishermen and editorial writers lambasted him for creating undue alarm.

Last month, Deland locked swords with Rhode Island Gov. Edward DiPrete, a fellow Republican and committed conservationist. DiPrete wanted to push ahead with the huge Big River Reservoir to ensure the state has sufficient drinking water: Deland has vowed to veto it because it would destroy 600 acres of wetlands.

About the same time, the EPA boss antagonized powerful developers on Cape Cod by endorsing the moratorium proposed by former US Sen. Paul Tsongas.

Deland's most contentious encounter, however, was when he spoiled Gov. Michael S. Dukakis' triumphant ribbon-cutting for the Boston Harbor cleanup by reminding reporters Dukakis had delayed the cleanup by six years—a move Deland called "the most expensive public policy mistake in the history of New England."

Dukakis and his aides were livid. Instead of celebrating the cleanup, the governor was forced to defend his environmental record, which is far superior to the Reagan administration's.

"A lot of people feel Mike Deland has never missed an opportunity to embarass the governor on his environmental record," said a Dukakis aide, pointing to the battle two years ago over destroying wetlands in Attleboro to build a mall. "There is clear evidence the harbor cleanup is on target and proceeding, but there was Mike Deland once again criticizing us for not moving quickly enough."

Staffers in the EPA Boston office also were upset, feeling Deland had unnecessarily politicized the agency.

In his defense, Deland pointed out he criticized Dukakis' delays in 1986, "well before any presidential electioneering started," and he acknowledged that EPA shares the blame. "I have an obligation to outline the facts as I see them . . . and that is what I was attempting to do on groundbreaking day," he added.

As if to reinforce that point, he rejected Bush's bid to participate in a harbor boat tour. "I feel strongly that the protection of our environment is too important," Deland said. "It transcends partisan politics and neither I nor this regional office should have any role in this campaign."

Hard-fought struggles are nothing new to the 46-year-old Deland.

He served on a US Navy destroyer after graduating from Harvard College in 1963. And his first job out of Boston College Law School was running John McGlennon's vigorous, but unsuccessful, campaign for Congress against Father Robert Drinan, Deland's former law school dean.

He proceeded to work for former University of Massachusetts president Robert Wood. In 1971, he joined EPA as an attorney, becoming chief of the enforcement division, which entailed going after polluters. He then spent seven years working for an environmental consulting firm in Concord.

Deland also sails with his wife and three young children, and last year he won the national championship for his design racing craft.

His toughest battle, however, has been a back problem that first emerged in 1964 when he was in the Navy. The problem has never been clearly defined and he now must use a wheelchair. He has had three operations and says, "happily for some years now it has been a stable situation."

Deland has been controversial at EPA since his first week on the job, when he accused the city of Boston and the powerful Archdiocese of Boston of failing to follow federal safety standards on asbestos in schools.

Since then, his regional office has set national records in tracking down and prosecuting firms polluting the air, water and land.

Deland wins praise even for those he has fought.

Maine Gov. John McKernan Jr., for instance, said, "We just agreed to disagree" on Sears Island. "It's like the view I took when I was in Congress that if I didn't speak up for Maine, no one else would. If he doesn't speak up for the environment, you can't expect the Commerce Department to."

Some say Deland is a likely candidate for the Republican nomination for governor, but he insists, "I simply have not considered it. I have not talked to any of the local Republican officials about it. In fact I've never met Ray Shamie, chairman of the state Republican Party.

"An appointive rather than elective role is the one for me."

Mr. PROXMIRE addressed the Chair.

The PRESIDING OFFICER (Mr. SHELBY). The Senator from Wisconsin is recognized.

WARSAW PACT CONVENTIONAL FORCES ARE NOT SUPERIOR TO NATO

Mr. PROXMIRE. Mr. President, a Brookings scholar has challenged the most common and basic assumption that our military leaders in the Defense Department and the Congress have made about the military threat of the Soviet Union. It has been widely accepted as an absolute, certain, unquestionable fact of life that the Warsaw Pact Convention Military Forces led by the Soviet Union in Europe are superior to the North Atlantic Treaty [NATO] forces. The corrolary fact that the Warsaw Pact has a huge military advantage in conventional combat over the NATO military forces is also considered by most informed Americans to be an established "fact." It is the wholesale acceptance of this Warsaw Pact conventional military superiority that has persuaded many Americans to believe that the Soviets may lead the Warsaw Pact into an invasion of Western Europe that would have a good chance of succeeding, unless NATO is willing to take the critical risk of going nuclear.

Joshua Epstein is the Brookings scholar who takes on this assumption of Warsaw Pact conventional military superiority with a challenging article on the 1988 Defense budget. He makes quite a case. In fact, the case Epstein makes is probably similar to the way Secretary Gorbachev and the Russian military leaders view the situation. Consider the points made by Epstein.

First, NATO has outspent the Warsaw Pact on its military defense every year since 1965. So how can the Warsaw Pact be superior? Are the Communists more efficient? Anyone who argues that spending by the Communist countries is more efficient than spending by the Western democracies should get an argument. Communist efficiency has never been greater than free world efficiency in any endeavor, including the military.

Second, a greater percentage of the spending by NATO than overall Warsaw Pact military spending is directed at Europe proper. This is true because roughly 15 percent of Soviet spending is directed at China.

Epstein argues that the pact's task in an invasion of Western Europe is more costly and more difficult than the NATO task of defending Western Europe. He quotes Clausewitz's principle that "the defensive form of warfare is intrinsically stronger than the offensive." Epstein contends that NATO would have the great advantage of fighting from prepared positions. But the attacking pact forces would have to come into the open and expose themselves to fire in order to advance. Also, he argues that the pact will be forced to fight on unfamiliar terrain. They can be forced to operate in poor tank country. This Senator would disagree with much of this Epstein argument in view of the French experience with their Maginot line in World War II. The French meticulously prepared the Maginot line to force an attacking German Army to run into murderous cross-fire. But what happened? The speed and mobility of the German Panzer tank divisions cut through the "perfect defense" in a few days like a razor-sharp knife through butter. That World War II nightmare haunts the memory of all of us old enough to have lived through World War II.

But Epstein makes other points that are persuasive. He cites the generally superior training and experience of NATO troops compared to Warsaw Pact troops. The flying time and the time for maneuver in mock combat situations for NATO troops sharply exceeds the training of Warsaw Pact forces. And there is no question that the United States allies in Western Europe are much more loyal to their cause than the Soviet allies are to the Warsaw Pact. Epstein cites the far better record of American pilots, with the ratio of 10 enemy planes downed to every American plane lost to Japan; and the even greater ratios of Israeli pilots flying planes produced in NATO countries against planes produced in Warsaw Pact countries in the Middle East war of 1967, the Yom Kippur War of 1973, the Lebanon War in 1982. He charges that the Soviet conventional air threat to Western Europe has been overrated. Without air control, a Warsaw conventional pact attack on Western Europe would have little chance.

Epstein sees the manpower lineup, NATO versus Warsaw Pact in Europe to place 3.8 million military personnel for the pact and only 2.2 million for NATO. Both forces would sharply increase these troops in a few days. Since both sides—in Europe—have the draft and very large reserves; and since the population of the NATO countries is larger than the Warsaw Pact population, the manpower line up would quickly approach equality. West German leaders, for example, say they could triple their 500,000 regular NATO component with 1,500,000 including fully trained reserves in a week.

There is no question that the Soviets have more tanks, more planes, more helicopters, more artillery. But they would get less than enthusiastic support out of their East German, Bulgarian, and Czeck allies and they might be fighting a rear guard action to quell a rebellion by their Romanian, Hungarian, and especially their Polish allies. This would be especially true if the Soviets as expected stationed the troops of these other Eastern European countries on the front line to be used as canon fodder and absorb the losses. The Soviets could quickly lose their manpower advantage. Their troops would certainly go into action with less training. Their weapons would be of generally inferior quality to NATO weapons.

And the Soviets cannot ignore the ultimate reliance that NATO can place on nuclear weapons on the spot, in place, ready-for-use. In spite of the prospect that intermediate nuclear troops may have been removed from Europe, NATO would still have a vast array of tactical nuclear weapons, backed up by short-range nuclear weapons and, of course, the ultimate, doomsday strategic nuclear weapons of the United States, the United Kingdom, and France.

CLEAN AIR COMPROMISE

Mr. BOSCHWITZ. Mr. President, I rise today to express my concerns about the reports I hear of the compromise on acid rain legislation, a compromise, from what I understand of it, which would sacrifice sound environmental and energy policy for parochial interests.

The proposed acid rain compromise that is now being circulated amounts to a welfare program for the oldest and dirtiest powerplants in the country. Furthermore, it will extend the life of these plants for another decade. The compromise does not look at economically attractive alternatives to reduce acid rain, and it raises some troubling environmental concerns. I will not be prepared to accept any time agreement on such a "compromise."

According to news reports and a summary I have received, this proposal would reduce sulfur dioxide by subsidizing scrubbers for 32 of our dirtiest, coal-burning plants. Although this approach may protect coal interests, it will make energy production in this country more inefficient, and it will have negative effects on the environment.

While scrubbers reduce sulfur dioxide emissions, they also reduce the generating efficiency of a plant. Plants with high sulfur dioxide emissions—generally our older, less efficient plants—would receive subsidies under this compromise to continue producing energy—at even less efficient rates.

This strategy, which deals with acid rain, intensifies other environmental problems, particularly the problem of global warming, the so-called greenhouse effect. While scrubbers can reduce sulfur dioxide emissions, they actually lead to higher emissions of carbon dioxide, one of the principal causes of global warming.

Environmental problems are linked. If we are going to address them responsibly, we cannot aggravate one as we seek to solve another. We cannot accept short-term solutions that add to long-term problems.

This compromise relies far more on political accommodation than it does on sound environmental policy. We are turning the acid rain legislation into a welfare program for our dirtiest plants, and I, for one, will not stand by.

Great strides are being made in the production of energy and in conservation as well. I believe it may be more efficient to invest in energy efficiency than in sulfur dioxide reductions. For example, currently, the Germans produce cement twice as efficiently as we do, and the Japanese produce steel at only half the energy per ton that we use. If we increase our energy efficiency, we will cut our fuel consumption and our emissions.

Mr. President, I intend to return to this subject in greater length. Should this proposed compromise come to the floor for Senate consideration, I believe others will join me in opposition. It is not an acceptable compromise as fashioned, and it is my hope that the Senate will adopt a sounder, more far-sighted approach.

THE PRECURSOR OF THE STRATEGIC DEFENSE INITIATIVE

Mr. BOSCHWITZ. Mr. President, many people ask the question, "Will the strategic defense initiative [SDI] work?" Many say "no" and take comfort that there has been an apparent deemphasis recently, at least in the sense that funding requests have been moderated. Well, I am a supporter of the SDI—for much the same reason I will support spending on research on the greenhouse effect and alternative energy sources. People are uncertain if the greenhouse effect is really occurring, but if it is, it is irreversible so we better get out ahead of it. And people are uncertain if SDI will work or if the Russians in their huge SDI Program will find an answer. But if they do, we are in deep, deep trouble—perhaps irreversible as well.

With this in mind, people should remember the fact that an SDI system worked spectacularly in Britian more than 40 years ago. Britain was being mercilessly pounded by German V-1 "buzz bombs." In defending against these rockets, the British could not depend on direct hits by their artillery. Direct hits on these small pilotless missiles would be almost impossible. Enter the SDI-1944 version. The SDI defense was based on a so-called proximity fuse which detonates the artillery shell as it approaches its target. In detonating near the V-1 rocket the exploding artillery shell created a spray of high velocity particles a few of which were far more likely to hit and disable the incoming rockets and this is indeed what happened.

The proximity fuse was developed by American scientists working for the Navy Bureau of Ordnance in the early 1940's. Amazingly, this was accomplished using vacuum tube technology—long before the age of transistors and microchips.

Prior to the invention of the proximity fuse, all shells projectiles were detonated by impact or by a timed fuse. Such fuses had serious limitations—they demanded either direct hits or precise timing. Early in the war, the Navy Bureau of Ordnance began to develop a proximity fuse principally to help naval ships fend off attacking planes. Finding the means for a fuse to gauge the proximity of a target proved immensely difficult. As in SDI, there was debate as to which technologies should be pursued. Photoelectric effect, acoustic, and other means were subjects of experiments, all to no avail. But the Navy forged ahead. It recruited a brilliant team of scientists from the Carnegie Institution and Johns Hopkins University. A laboratory, to be known as the Applied Physics Laboratory of Johns Hopkins, was organized and housed near Washington, in a vacant garage in Silver Spring, MD.

There the scientists devised a means by which a fuse could be activated by an electronic pulse reflected off the target. Such a fuse had to contain a radio transmitting station, a receiver, and a power supply to operate both—all this compressed into a space smaller than a hundred-watt light bulb and able to withstand a force 20 times that of gravity. There were dozens of complications. For example, the transmitter had to be designed so that it would not begin to operate until a certain time after it had been fired. Otherwise the projectile might mistake the ship that had fired it for its target. Yet, in a surprisingly short time, all of the components were developed—including vacuum tubes as small as beans that were tested for shock resistance by dropping them from the top of the Washington Monument without damage.

The Navy used the proximity fuse to great effect against Japanese planes, beginning in 1943. In 1944, the Army used the fuse not only to down German planes, but in howitzer ammunition where it stemmed the German advance toward the River Meuse. General Patton expressed his admiration for this kind of new shell and his relief that our side thought of it first. "The new shell with the funny fuse is devastating," he wrote.

However, the most dramatic application of the fuse came as the British struggled to develop a defensive shield against the German "buzz bomb" and to save their cities from destruction. The dramatic use of the fuse by the British sheds some light on our current debate over SDI. Those who choose to dwell on the technical difficulties we face in developing SDI might do well to consider how difficult the task must have appeared in 1944 and 1945—to hit a small target hurtling through the sky at 350 mph with a flight time of 15-20 minutes to the target and just a moment's notice that it was coming. But yet, the Americans and the British were able to deploy a system very much like SDI in a very short time. There was no time to debate the seriousness of that threat or whether an artillery shell with the proximity fuse would provide an impenetrable shield against the Germans. But by locating the rocket with radar and using the provided radar coordinates to aim, the British were able to stop 100 of the 104 or about 96 percent, of the incoming rockets on the final day the Germans used them, a spectacular result that saved their cities and many thousands of lives.

And in the weeks preceding that final day, they also knocked out of the sky most of the rockets that were shot at them, and that was 44 years ago.

Many scientists considered the obstacles to the proximity fuse insurmountable—but a concentrated effort proved the skeptics wrong as has happened innumerable times in the history of science. A similar commitment to SDI, combined with America's technical sophistication, could make SDI a reality.

To give you an idea of the results achieved by the British with the proximity fuse and perhaps a sense of what is possible under SDI, I draw my colleagues' attention to a passage from Lewis Strauss' autobiography, "Men and Decisions"—pages 140-141:

> The most spectacular success of the proximity fuse, however, was against the German V-1 buzz bomb. Early in 1943, Admiral Wilson Brown, who was an aide to President Roosevelt, had sent Blandy a message which the President had received from Churchill. British intelligence, the Prime Minister said, had heard of a project called "Anthodyd," reported to be a rocket powered by the "aerodynamic thermal duct" (from which presumably the term Athodyd was derived) and that it was to be used as a pilotless aircraft to bomb Britain. "What do your people," the Prime Minister inquired, "think of its feasiblity and the likelihood that it could be made operational?"
>
> Admiral Blandy read the message at a staff meeting of his division heads, and it

was the consensus of opinion that this was most likely more of the "secret weapon" propaganda—weapons invented by Goebels for psychological warfare. Captain Sam Shumaker and I, however, felt that there was a possibility that a self-propelled bomb could be flown across the Channel, riding a radio beam rather than taking a ballistic course. Given the short distance of England from the Continent, this beam could be kept narrow enough for hits on targets as large as cities. Blandy said that he had no objection if we wanted to express our conjectures but "definitely not as the opinion of 'BuOrd.'" This, in some detail, we did. Shumaker even dreamed up a device which nearly paralleled the actual weapon. Intelligence subsequently confirmed the prospective construction of the V-I bomb, and even pin-pointed launching sites.

As a result, we had supply of proximity fuses in England three months before the first "buzz bomb" appeared. The VT-fused antiaircraft shells were distributed to batteries along the channel coast with the expectation that if any of the rounds were duds they would fall into the water and could not be recovered by the Germans. The V-1 buzz bombs came over at about 350 miles per hour, were traced by radar, and the batteries which fired shells with proximity fuses were aimed by means of Army and Navy fire-control systems. The results were spectacular. During the last four weeks of the buzz-bomb campaign 24 percent of the bombs were destroyed in the first week; 46 percent in the second; 67 percent in the third week; and in the final week 79 percent were knocked down. On the last day the Germans used buzz bombs, 104 of them were picked up on the radar screen, of which number only four reached London.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

SCIENCE AND MATH

Mr. REID. Mr. President, recently a report prepared by the Council on Competitiveness, a group comprised of business, labor, and academic leaders interested in promoting U.S. technological excellence, gave a distressing picture of the U.S. students' level of education as compared to those of other developed nations.

For example, let us take calculus. Twelfth grade United States students posted a composite score well below Japan, Hong Kong, England, Finland, Sweden, Canada, Belgium, Israel, and New Zealand.

In chemistry, United States students scored significantly below students in Hungary, Poland and Singapore, not to mention Japan, England, Norway and some other developed nations.

In biology, U.S. performance was the poorest of the 13 countries tested. In 1996, this same council projects, the U.S. college-age students will be one-fourth fewer than in 1984. In a little more than 20 years it is estimated the United States will be 500,000 scientists and engineers short of its needs. The shortage, the council said, extends to teachers. The American Society for Engineering Education surveyed in 1985 indicated that over 20,000 full-time engineering faculty positions in U.S. universities were unfilled. More than half of all assistant professors in engineering under the age of 35 in U.S. universities are foreign born.

Mr. President, certainly these statistics are alarming.

The council had a number of suggestions as to what should and could be done. For example, they suggested that the Federal Government should spend more money for university research in part, of course, through matching grants with the private sector and loans and grants for students interested in science.

It is a sad thing, but in most areas of our higher education system, a student's access to that higher education depends on how much money his or her parents have. We have had a significant cutback in grants and loans in the past few years, which only further ties higher education to family income level. The talents of many middle and lower income young people, and their potential to bring greatness to this society are being systematically wasted due to continued decreases in education grant and loan availability.

In 1983, Senator SIMON, a Member of the House of Representatives, sponsored a bill called the emergency math and science bill. I was proud to be a cosponsor of this bill. It passed the House of Representatives. It suggested a number of incentives for teachers or potential teachers of math and science. For example, the bill established a number of grants that would be available to students of math and science and would provide financial incentives to stay in the teaching profession. Further, it would set up a number of summer workshop programs so that our math and science teachers could update their science and math skills and receive a financial reward for doing so. This would encourage teaching professionals to stay in their chosen field, and not go into the private sector.

There were a number of other programs of merit in the emergency math and science bill.

The problem was that it failed in the Senate.

I have recently spoken to Senator SIMON, and I think it is time that we again address this problem of the low numbers and outdated skill levels of our Nation's math and science teachers. The report released by the Council on Competitiveness, of which I spoke, certainly points to the need for improvement in our system of education.

Improvement in our educational system, particularly in the areas of math and science is well past due.

I think, finally, the council summarized it best by stating that the Government must get its high-technology act together if it is to help the country enhance its international competitiveness. I yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

A DRUG BILL

Mr. GRAMM. Mr. President, today is Thursday, September 29. We are nearing the end of the session. There is an election underway. A third of our colleagues are up for election. And yet we stay here day after day whistling music that is not so sweet to the ear as "Dixie." I have become frustrated in this process in that I believe we are not doing the Nation's business.

On all these mandated benefits, I think it is clear that the American people are going to have an opportunity on November 8 to vote on those things. We ought to get on with the Nation's business.

I want to make it clear to my colleagues so I do not appear to be surprising anybody and in that way act in any way that someone might perceive as having been unfair. Unless we get on with the drug bill and do it quickly, I am going to be inclined to take the drug bill that passed the House by an overwhelming margin and make that an amendment and offer it to one of these mandated benefit bills striking all after the enacting clause and substituting the House drug bill.

I think it would be an absolute outrage if we adjourned without dealing with the drug bill. I think it is clear we have work to do. We have to pass a drug bill. We have to pass a technical corrections bill. We have to pass the appropriations bills.

But I believe that a lot of the things we are doing now just simply represent a misallocation of our time. I am eager to get on with the task and I hope, if we are not going to move to the drug bill quickly, that my colleagues are going to be ready to deal with it as an amendment to one of these pending bills.

I yield the floor.

SALUTE TO JIM ABBOTT ON WINNING THE OLYMPIC GOLD MEDAL GAME

Mr. LEVIN. Mr. President, 6 months ago I rose before this body to recognize the accomplishments of an exceptional young man from Michigan. Yesterday, Jim Abbott added a lustrous new chapter to his story. Yesterday, Jim pitched the United States to an Olympic gold medal in baseball.

The last 6 months have been very busy for Jim Abbott. After winning the Sullivan Award as the Nation's top amateur athlete, he was the California Angels' first pick in the amateur draft, and he became the ace of the U.S. Olympic baseball team.

His Olympic coaches and teammates have grown to trust and depend on Jim. During the championship game, with the bases loaded, and, only one out, the U.S. team pinned all their hopes to Jim, depending on him to bring them through that jam to the gold medal. And Jim responded in a superhuman fashion, with the grit, guts, and belief in himself that he has displayed his entire life. He pitched the complete game. He has inspired a generation. He brought home the gold.

Jim Abbott, I salute you, and your teammates, on behalf of Michigan and a grateful nation.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the role.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF MORNING BUSINESS UNTIL 12 NOON

Mr. BYRD. Mr. President, I ask unanimous consent that morning business be extended until 12 noon, under the same conditions as heretofore agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HEFLIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMERICA'S RETURN TO SPACE

Mr. HEFLIN. Mr. President, today is a great day in the life of America's Space Program. As all of my colleagues, the people of the United States, and literally the entire world know, after nerly 3 years of down time and hundreds of changes, redesigns and upgrades to the shuttle system, the U.S. space shuttle *Discovery* blasted off from Cape Canaveral this morning returning America to space.

Today, America has new heroes: commander, Navy Capt. Frederick H. (Rick) Hauck; pilot, Richard O. Covey; and mission specialists, Lt. Col. David C. Hilmers, John M. (Mike) Lounge, and George D. (Pinky) Nelson. While there are our heroes in front of the scenes we have thousands more heroes in behind the scenes. Today's launch is a tribute to their dedication to the program and patriotism to their country.

I want to take this opportunity to congratulate NASA, NASA personnel at all levels, and the industry teams that have worked diligently and endlessly toward this day. They are to be commended for their efforts. Their work has not just been for themselves, for NASA, or for the Congress. Mr. President, their work has been for America. And today, their work for America has succeeded.

I want to especially congratulate J.R. Thompson and the dedicated personnel of Marshall Space Flight Center. Marshall led the redesign efforts of the solid rocket boosters and the management of all of the propulsion elements of the shuttle system. This day is a special tribute to their work and efforts.

It has been nearly 3 years since that tragic accident which destroyed the space shuttle *Challenger* and took the lives of her crew. The numbing tragedy of January 28, 1986, which befell *Challenger* is still fresh in our minds and weighs heavily on our hearts. In remembrance of the seven brave pioneers who lost their lives in that disaster, we must go on. We must improve and continue the vision that they pioneered. To allow the *Challenger* disaster to set us back or dull our mission—their mission—especially now that we have returned to flight, would be to desecrate and belittle their memories.

Mr. President, even before its first launch, the space shuttle captured the imagination of all Americans, symbolizing the possibility of routine space travel. We have come to depend upon the shuttle for the very important duties which only it can perform. The space shuttle has been the cornerstone of the U.S. manned Space Program. During its years of operation, the space shuttle has proven not only to be a marvel of technology, but a work horse capable of a variety of operations not here before possible. While we must have a mixed fleet, the space shuttle offers capabilities that cannot be achieved with today's expendable launch vehicles. For example, it has the ability to retrieve payloads from orbit for reuse; to repair and service satellites in space; to transport to orbit, operate and return space laboratories; to transport materials and equipment to orbit; and to perform rescue missions.

Let us never forget that despite the *Challenger* tragedy, the shuttle's history is a successful one. And as we look at the shuttle's successful history, we are reminded how we have come to depend upon its use. Also, we are preminded of the rich and bountiful resources that space has to offer. For by not exploring the endless bounds of space would, in the long run, constitute in and of itself a tragedy as great as the one we experienced in 1986.

Mr. President, I have spoken on the Senate floor and elsewhere on a great many occasions on behalf of the Space Program. All of my colleagues are aware of how I feel about this great resource. In that regard, I do not intend to take up a lot of my colleagues' time in talking about the benefits of space research and technology.

In my judgment, space is the greatest adventure of our time and any nation that sees itself as a world leader cannot, and must not, ignore it. Space has been important to us in the past and will become increasingly important to us in the future. We use space to ensure our national security, improve our standard of living, and broaden our scientific knowledge. America's Space Program clearly reflects our pioneering heritage, and provides the opportunity for greater economic growth and international cooperation.

How can we not go on? If a nation is to survive, it must turn its eyes, heart, spirit and imagination to the future. While we are resuming manned space flight aboard the space shuttle, we must also set our eyes on new and distant—but attainable—horizons. The key to the peaceful exploration of our Earth and the universe will be new, exciting and visionary scientific missions such as NASA's permanently manned space station—now called *Freedom*, a lunar outpost, probes to the outer planets of the solar system, and manned missions to the red planet of Mars.

As these new and exciting missions are planned, there will be increasing associated costs and risks. The *Challenger* tragedy taught us that there will always be inherent risks involved in the manned exploration of space. It cannot be made risk free—only as safe as possible. As my colleagues surely must realize, the only way to make the manned exploration of space perfectly safe is to not go at all.

Few Americans can say why we must explore space, only that it must be explored. This is not unusual. Most find it difficult to explain why they find certain things more important than others. But on one thing most Americans agree—the United States should lead the world in the exploration of space.

The society which ceases to explore, ceases to evolve. The society which ceases to evolve, stagnates, withers and dies.

The world will look up to us and follow our leadership only if we are there to be seen. It is ambitious; it is exciting; and it is within the American grasp. The risks are high if we do, but the losses are far too great if we do not.

Now, Mr. President, I say to NASA, to the Congress, and most importantly, to the American people, let us move forward; let us not hesitate; for it is America's destiny to explore the endless bounds of space. With the resumption of the flights of the space shuttle, America's space program, much like the Firebird, must and will go ever onward to reach new plateaus and new horizons in our eternal quest for the understanding of the cosmos and man's place in it.

Mr. President, we should not be afraid to fulfill the American dream.

Again, I congratulate NASA and the industry teams on this outstanding achievement.

Mr. President, I yield the floor.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I commend the distinguished Senator from Alabama for his eloquent statement. In Mississippi, we are very proud of the fact that we have a facility on the gulf coast that contributes to the body of knowledge and the testing of our rocket engines. The John C. Stennis Space Center was recently dedicated under its new name. It was a day of great celebration and pride in our State. We realize once again the important role that Mississippians are playing in the space program.

Today's successful shuttle launch is an event of which we should all be very proud. Those who work in the facilities in Alabama, in Florida, in Texas, and elsewhere ought to be commended.

I think President Reagan has shown important leadership and perseverance in his continued support of the shuttle program. Dr. Fletcher, head of NASA, and Richard Truly, a native of Mississippi and the Director of the Space Program for NASA, also deserve a great deal of credit.

This is a day when we can all take pride in our country and in the efforts that have been made by so many for the continued progress of our Space Program.

I again thank the Senator from Alabama for his remarks and for his leadership in this effort.

Mr. HEFLIN. Mr. President, I see that the Chair is now occupied by Senator RICHARD SHELBY, of Alabama, and I know he will make remarks on the Space Program when he gets out of the Chair.

He has been a great stalwart in the Space Program, as has been Senator COCHRAN and Senator BREAUX and Senator JOHNSON. I also want to give credit to Senator GARN of Utah for his outstanding support. He, of course, is one who has been in space and I don't believe anyone in the Senate have been as steady in his support for space as he has. Senator JOHN GLENN is one Senator who, of course, has been in space. There are a lot of us here in the Senate who have been in orbit but not in activities in regards to space.

This is a great day for America and a great day for America's Space Program. Dr. Fletcher took over NASA in the wake of the *Challenger* disaster and has done a great job. I commend him for his activities and his leadership in the space agency. As we all know, there are many, many more who have done so much to make this day possible.

This is a great day for America. It is a great day for the world and it is a great day for the exploration of the universe. Space is our greatest adventure, and it is one that I hope the U.S. Senate and the Congress and future Presidents will support.

I think there is much that can be accomplished in the space station which will allow us to have a permanent laboratory in space. In my judgment, a permanent laboratory in space will lead us to finding a cure for cancer and many, many diseases previously thought to be incurable. Space technology has so many great potentials. We cannot afford to not take advantage of the opportunities that lie in space.

I hope that this return to space will inspire the American people, will cause Members of Congress to support the Space Program in a manner more so than we have in the past and let us move forward in the many ways that space offers to improve the quality of life on Earth.

The Space Program has meant so much in so many different ways in improving the quality of life of all American citizens. I can look now and see in the rural farmhouse in America a satellite dish, and that satellite dish is bringing great enjoyment to the inhabitants of rural America. This is only one of the great many things that space technology can bring us.

I firmly believe that the Space Program will bring forth to the American people far more benefits than we can ever imagine today. I thank the Chair.

1988 OCTOBER QUARTERLY AND 12-DAY PREGENERAL ELECTION REPORTS

Mr. BYRD. Mr. President, the mailing and filing dates of the October quarterly and the 12-day pregeneral election reports required by the Federal Election Campaign Act, as amended, are Saturday, October 15, 1988, and Thursday, October 27, 1988, respectively. All principal campaign committees supporting Senate candidates in the 1988 races must file their reports with the Senate Office of Public Records, 232 Hart Building, Washington, DC, 20510-7116. You may wish to advise your campaign committee personnel of this requirement.

The Public Record Office will be open from 10 a.m. until 4 p.m. on Saturday, October 15, and from 8 a.m. until 9 p.m. on Thursday, October 27, for the purpose of receiving these filings. In general, reports will be available 24 hours after receipt. For further information, please do not hesitate to contact the Office of Public Records on (202) 224-0322.

IT'S TIME TO GIVE THE ELEPHANT A CHANCE

Mr. DOLE. Mr. President, there was a column by Courtland Milloy in the Washington Post of September 18, which I think will make compelling reading for Senators on both sides of the aisle.

I ask unanimous consent to put the text of the column—entitled "It's Time To Give the Elephant a Chance"—in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

IT'S TIME TO GIVE THE ELEPHANT A CHANCE

(By Courtland Milloy)

As far as the politics of black Americans are concerned, the Congressional Black Caucus' "legislative weekend," which ended yesterday, represents the continuation of a stubborn and of late, fruitless, allegiance of black people to the Democratic Party dating to Franklin D. Roosevelt.

All of the caucus members are Democrats. Their agenda is essentially the Democratic platform, plank for plank, with emphasis on civil rights and other charity programs of nebulous long-term value.

It seems to me that the time has come to bury, quietly and quickly, this paternalistic approach to the welfare of black people and go with the entrepreneurial ideas of the Republican Party.

It's not just because of the way the Democratic Party leadership has treated Jesse Jackson, either. I am simply tired of black leaders advocating the same old approaches, always seeming like they are begging for a handout if not bartering for crumbs from some kind of economic pie in the sky.

Look at us over the past week, financially unable to throw our own parties. I say down with galas and reception made possible by guilt money from cigarette manufacturers and liquor distillers.

This is no time to party, anyway.

Instead, black people should be about shaking off their plantation and welfare mentalities. Black people should be about building confidence, self-esteem and savings accounts.

Yet, black people behave as if wealth is for whites only. Many say silly things like, "I just want enough money to be comfortable," and mean it. They act like they don't want to be rich—and that is because they do not understand how money works in a capitalistic society.

Republicans understand money. Some groups divide their political contributions between both parties because they refuse to lose no matter who is in the White House.

Listen to Joshua Smith, the black millionaire president of the Rockville-based Maxima Corp.:

"There is something that I rarely hear black preachers and black politicians talk about that I hear white people talk about all the time. It's called business. Economics," he told a group of black politicians and preachers gathered at a "political summit" at the Shiloh Baptist Church in Northwest Washington yesterday. "We don't talk about economics. We talk politics. Yet politics without economics is lunatics."

Smith noted that at the Urban League Convention last year, only one of 50 workshops was devoted to economics. Of roughly the same number held at this year's Congressional Black Caucus braintrusts, there only two workshops—one called "Doing Business With the Federal Government" and the other "Minority Financial Institutions and Opportunities."

This is not nearly enough attention, given the reality that misunderstanding money is the greatest obstacle to black advancement in this country. It is the root of our education, housing, employment and drug problems.

Why, asked Smith, does black America—which earns $250 billion a year—own only about one-tenth of one percent of the assets in this country?

"It makes no sense that a people with the combined resources of the eighth or ninth largest country in the world, has no assets."

Something else makes no sense, either.

"We are the only ethnic group in America in which 90 to 95 percent of its people will vote for anybody in that 'other' party regardless of whether their policies will help us or not," he said.

There are, Smith said, five major factors in an election: organization, finance, issues, candidates and votes.

"Blacks have the votes," he noted, "but that is last on the list. And until we get our organization and finances together, that's where we'll stay."

The time has come for black people to drive a stake through the demon of Democratic paternalism that saps our will. At least some of us must begin to assert ourselves economically, begin to pool and transform our resources like all other prosperous people have done.

This requires an attitude change and, frankly, it is the Republican Party that embodies it. The evidence is irrefutable: This warped, one-party loyalty is failing black people miserably. During the past eight years, we were left out in the cold.

The way black people are losing economic ground, there is not much time—say about six weeks before the November elections—for us to act, or risk losing it all.

Mr. DOLE. The main thrust of the column is a suggestion that I and other Republicans around the country have been making for a long time: that black Americans, in their own interest, ought to consider supporting the Republican Party—the party whose policies offer the best opportunities for economic and social development for all Americans, regardless of color.

The column also cites some very interesting views expressed by a prominent black businessman in the Washington area, Joshua Smith—president of the Maxima Corp., Rockville, MD. Among other things, Mr. Smith points out that black Americans—whose aggregate annual income is in excess of $250 billion—own only about one-tenth of 1 percent of the assets of this country; a situation Mr. Smith attributes in part to the fact that black political and religious leaders spend too much time pursuing political "causes," and too little time working to improve the economic status and power of the black community.

Mr. Milloy and Mr. Smith come to the same bottom-line conclusion: economic power will bring political power; and the Republican Party offers the best chance to enhance the economic power of black Americans.

Mr. President, I say again, Senators on both sides of the aisle should read this column. It will be sobering reading for Democrats; and hopeful reading for Republicans.

But let me say to my colleagues on this side of the aisle, too: we must work for, and deserve, the support of black Americans—if we are to win that support. We must be genuinely open to their involvement; we must really welcome them in leadership roles; we must pay serious attention to their views and needs. If we do that, we can expect more and more black Americans to come to the same, very sound conclusion reached by Mr. Milloy and Mr. Smith.

BICENTENNIAL MINUTE

OCTOBER 3, 1913: CARTOONS IN THE CONGRESSIONAL RECORD

Mr. DOLE. Mr. President, 76 years ago this week, readers of the October 3, 1913, CONGRESSIONAL RECORD must have been surprised to discover two political cartoons illustrating a reprinted article by South Carolina Senator Benjamin Tillman. Since its establishment in 1873, the CONGRESSIONAL RECORD had maintained an austere and unillustrated format.

In the early years of the twentieth century an occasional chart, or outline map would appear—but never a political cartoon.

Senator Tillman had drawn the cartoons in 1896 to accompany an article, entitled "The Money Power", in which he attacked Wall Street interests for preying on the Nation's farmers. Tillman's purpose in reprinting the article was to demonstrate that many of the predictions he had made as a freshman Senator had come true.

Each of his drawings depicted an "Allegorical Cow", shown standing astride a map of the United States. As described in an accompanying caption, the first cow is shown facing west, "feeding on the produce of the farmers of the West and South, while her golden milk is drawn by the * * * speculators in Wall Street."

A second drawing depicted an east-ward-facing cow. Its caption explains:

> In this cartoon Senator Tillman shows the result of the attempt of the farmers to turn the big cow around to let her feed on income tax in the East while they should milk her in the West and South. But the cow * * * was not a reversible cow. As soon as she tried to feed on income tax, the Supreme court seized her by the throat as a reminder that she must do her eating exclusively in the agricultural regions.

Although Tillman had routinely obtained the Senate's unanimous consent for publication of these cartoons, several Senators later announced they would have objected to his request had they known of it. Today, a statute forbids insertion in the RECORD of maps, diagrams, or illustrations without approval by the Joint Committee on Printing.

CHARLESTON'S PRIDE BECOMES AMERICA'S PRIDE

Mr. HOLLINGS. Mr. President, in the wake of last night's resounding victory of the U.S. women's basketball team over Yugoslavia, winning a gold medal for the United States, it is time to add the name Katrina McClain to the honor list along side the names Joyner-Kersee, Lewis, Griffith Joyner, Louganis, and our other Olympic heroes.

Of course, we in South Carolina have known about Katrina McClain's extraordinary talent for a number of years now. At St. Andrews High School in Charleston, she displayed dazzling skills as a forward, winning selection to Parade Magazine's All-American Girl's High School Team and leading St. Andrews to an undefeated season and the State AAA Championship in 1983. More recently, as an undergraduate at the University of Georgia, she has played a dominant role on the women's basketball team as the leading scorer, the leading rebounder; the player with the highest free-throw percentage and most blocked shots.

Mr. President, at the Seoul Olympics this week, the pride of Charleston has become the pride of America. Katrina McClain has set an inspiring example not just of raw talent, but of discipline and determination and character. I'm sure that Edward and Sara McClain, are very very proud of their daughter's achievements. Today, all of America shares that pride. Katrina is a role model for all of our daughters—a sterling example of our very best.

Mr. President, I know that the entire Senate joins me in saluting the gold-medal victory of the our women's basketball team, and in congratulating Katrina McClain for her brilliant performance. We wish her a safe trip home.

COACH KAY YOW: NORTH CAROLINA IS PROUD OF HER

Mr. HELMS. Mr. President, this is a proud day for the State of North Carolina and, specifically, for two North Carolina natives. Last night the U.S. Women's Basketball team won the gold medal by defeating Yugoslavia, 77-70.

To move into the gold medal game, the Americans defeated the U.S.S.R., 102-88. The United States defeated the Soviets at the 1987 World Championships and the Goodwill games in Moscow.

Mr. President, the U.S. team is coached by Kay Yow, head coach of the North Carolina State Lady Wolfpack. One of the assistant coaches is Susan Yow, Kay's sister. Susan is head coach of women's basketball at Drake University. I am proud of the Yow sisters.

Mr. President, Kay Yow grew up in Gibsonville, NC. She was graduated from Gibsonville High School in 1960. She received a bachelor of science degree in English from East Carolina University in 1964. Six years later, she earned a master's degree in physical education from University of North Carolina in Greensboro. Coach Yow showed early promise to greatness in basketball by scoring a school record of 52 points in one game, which has never been broken. She has gone on to attain a 430-151 won/loss record and 20 of 22 winning seasons. She has been at N.C. State for 13 years.

While at N.C. State her teams have won three Atlantic Coast Conference Championships and appeared in six NCAA tournaments. What is more outstanding is that Coach Yow's players have a 95-percent graduation record. Kay Yow has received, this year, the prestigious Carol Eckman Award, which is awarded by the members of the Women's Basketball Coaches Association. This award is presented to an active coach who best demonstrates sportsmanship, honesty, courage, ethical behavior, dedication to purpose and a commitment to the student-athlete.

Mr. President, a recent release from North Carolina State's athletic department stated:

> Coach Yow's life is coaching and helping people. She's tireless in efforts to promote women's basketball all over the world. She's held in the highest esteem by all who know her. And she is revered by her past and present players.

One of Coach Yow's personal triumphs has been her recovery from major cancer surgery. She has shown great courage and determination.

When she was chosen to coach the women's Olympic Basketball Team, Kay Yow said:

> This summer I will represent the greatest country in the world as the United States Olympic Women's Basketball coach. I'm a patriotic person and I'm truly honored to have a chance to represent this country at the highest level of amateur sports, the Olympics. I welcome the challenge to coach for the Gold. And the chance to coach for all Americans.

Mr. President, Coach Yow is truly a woman of excellence. The people of North Carolina and of the United States commend her for her strong leadership with our young Olympians and with American youth. I am very proud of her.

Mr. COCHRAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess until 1 p.m. today.

There being no objection, at 11:59 a.m., the Senate recessed until 12:59 p.m.; whereupon the Senate reassembled when called to order by the Presiding Officer (Mr. SANFORD).

RECESS

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess for 30 minutes.

There being no objection, at 1 p.m., the Senate recessed until 1:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. SANFORD).

PARENTAL AND TEMPORARY MEDICAL LEAVE

Mr. BYRD. Mr. President, I ask that the pending business be laid down.

The PRESIDING OFFICER. The clerk will report the pending business.

The legislative clerk read as follows:

> A bill (S. 2488) to grant employees parental and temporary medical leave under certain circumstances, and for other purposes.

The Senate resumed consideration of the bill.

Mr. BYRD. Mr. President, I ask unanimous consent to proceed for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask that that request be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KARNES. Mr. President, I am strongly opposed to the pending legislation, S. 2488, which would mandate that all employers with 20 or more employees provide unpaid family and short-term disability leave. This bill would also guarantee that any employee taking such leave be able to return to his former or an equivalent position, with equivalent pay, benefits, and working conditions, at the end of the leave period. Employees would be permitted 10 weeks of unpaid leave upon the birth, adoption, or serious illness of a child, and 13 weeks for personal or family illness. Under the bill an employer must continue health benefits for workers on leave on the same basis as if the employees were on the job working.

Mr. President, granting parental and medical leave to employees is an admirable idea. It is the kind of benefit that many employers have incorporated into the package of benefits they provide to their work force.

According to a U.S. Chamber of Commerce survey of 1,000 firms in 1986, 77 percent of U.S. businesses already provide parental leave benefits to their employees. While such benefits may vary from company to company, many businessmen realize that to be competitive in the job market, they must offer parental leave to workers. According to the chamber of commerce report, 61 percent of the businesses cited recruitment and retention as the principal reasons why they offer parental leave.

It is one thing for businesses to decide to offer a cafeteria plan of benefits, including parental leave, to the employees. It is quite another for the Federal Government to dictate what benefits an employer must offer and to whom and under what conditions. This is what S. 2488 would do, Mr. President, and I hope the Senate will reject this radical proposal.

If the Government forces an employer to provide a particular benefit, it may necessitate the removal or reduction of another benefit. When employers are allowed to offer a selection of specific benefits, the individual employee can choose the kind of benefit most suitable to his or her needs and can thus personalize his or her own benefit package. These flexible benefit programs, which have become increasingly popular in the workplace, would be constrained by the kind of Government intervention resulting from S. 2488.

Benefits should be tailored to the needs of the individual business and its employees, not to the inflexible demands of Government.

Many employees neither need nor desire parental leave, so the mandated benefit would be inherently discriminatory to those workers. In that chamber of commerce survey I spoke of earlier, of the 23 percent of firms lacking parental leave policies, more than two-thirds indicated that their employees preferred other benefits. To dictate coverage of parental or family leave would force employees to take this benefit instead of some other. A working couple that chooses to put off having children or single workers or older couples who have already raised families would be forced to forego higher pay or a better pension plan or some other benefit more accommodating to their needs. Moreover, mandated parental leave is the kind of benefit that would be used for the most part by highly paid, two-earner couples, not low-income workers, or single parents, self-employed persons, or men whose wives are full-time homemakers and mothers.

Thus, S. 2488 would effectively discriminate against these other employees by mandating a yuppie benefit that would only be used by a limited number of workers.

Although there is a GAO report estimating that the cost of parental leave legislation to employers having 20 or more workers would be less than $194 million annually, the total costs to small business from mandated leave are inestimable. This mandate would be especially costly for businesses which employ a majority of women since, as a practical matter, more women than men would receive the benefits.

Small businesses do not usually have the funds necessary to retrain a new employee while the permanent employee takes leave. For the small employer to be compelled to carry double health and medical during the leave period for both the employee on leave and the temporary replacement employee, and then to have to provide unemployment insurance for the temporary employee who is let go when the permanent employee returns to work would create a heavy burden on the small company. Having an employee take intermittent leave, when medically necessary, to take care of a child with a serious health condition, will be an administrative nightmare and could create serious operational problems for an employer.

Small businesses do not always have the capacity to provide the same or "equivalent" position to the employee who returns from taking leave. Employers certainly will be hard pressed to afford the legal costs of defending a discrimination action filed by a disgruntled employee, and the large assessment of damages if they lose the lawsuit, in the event they make a good-faith effort but fail to provide the same or "equivalent" job to the returning employee. There is also no protection in the bill against a legal action brought by a temporary employee who challenges his or her displacement.

What S. 2488 does, in effect, is to impose by Federal mandate the benefit policies of America's largest companies on small businesses, without any consideration as to whether the little businessman can afford such a proposal. It is not surprising, therefore, that the issue of parental leave was one of the priority concerns contained in the report issued by the 1986 White House Conference on Small Business. The 1,800 delegates representing small businesses across the country voted overwhelmingly to recommend that Congress reject parental leave legislation. Incidentally, more than 600 delegates attending that conference were business women, and they opposed parental leave legislation by a wide majority.

Presumably women employees would be the major beneficiaries of S. 2488. Yet is likely that businesses, large and small, would be wary of hiring young women in the child-bearing years, if S. 2488 becomes law. In fact, this legislation could turn back the clock on working women, by promoting discrimination against them.

There are a host of other reasons why mandated leave legislation should be rejected. S. 2488 proposes a radical departure from traditional labor law, in that it firmly injects the Federal Government into the private operations of the workplace and the heretofore voluntary arrangements between employers and employees. If it becomes law, employers will effectively lose management control. Employees will be granted by the Congress an absolute legal right to decide a matter normally left to management determination or the bargaining process—namely, the right to say when to take leave and for how long and when to return to the job and whether to allow the worker to assume the same or equivalent job at the end of extended leave—regardless of the impact of such a decision on the operation of the business.

An employer who interferes with the employee's right to leave can be assessed monetary damages equal to four times the amount of wages and benefits lost by an employee—punitive damages which are unprecedented and contrary to the remedial purpose of other Federal labor statutes.

Moreover, the employer is legally required to continue all health benefits while an employee is on leave. On the other hand, employees are not held accountable if they decide ultimately not to return to work at the end of their leave period.

Mr. President, I agree with Secretary of Labor Ann McLaughlin, who, in a letter advising us of the administration's strong opposition to this legislation, stated:

> S. 2488 * * * would interfere with privately negotiated agreements between workers and employers and would impose rigidity on arrangements between employers and employees. This legislation runs counter to our Nation's critical need to increase competitiveness and to ensure a climate which fosters greater flexibility to meet the challenges for working men and women in the year 2000 and beyond.

My office has received a great deal of mail on this legislation. An overwhelming majority of Nebraskans are adamantly opposed to mandated parental and medical leave. Many correspondents cannot understand how the Congress could even contemplate such radical proposals. I find myself in total agreement with my constituents. I cannot only assume that the leaders of organized labor and of pro-ERA groups are trying to get Congress to mandate what they have been unable to achieve on their own, for there is no groundswell of popular support for this legislation.

One group of Nebraskans that is especially concerned about S. 2488 are our educators, who believe this legislation would be detrimental to our schoolchildren and to the operation of local school districts. Virtually all local districts have parental and medical leave policies—many more generous to employees than that provided in S. 2488—all of them tailored to the needs and interests of the classroom. Their concern is this legislation would cause considerable disruption to student learning.

A school must be able to minimize the classroom disruptions that occur when a teacher takes leave. A district or a principal should be able to require that extended leave be taken only at certain times and for certain blocks of school time, such as during or at the end of a grading period, a semester or a school year. They must be able to count on a teacher returning from leave at the beginning of this period. School districts and school boards have developed flexible policies that accommodate both the family and personal interests of teachers and the requirements of the school system and the student body. S. 2488 would destroy that balance by, in effect, giving prior consideration and greater weight to employees' rights over students' needs.

Let me illustrate. When a specially qualified teacher takes leave, especially outside the regular school-year semester cycle, it is difficult, if not impossible, for the school to find a competent substitute. The scarcity of qualified educators, especially personnel with specialized skills and training, is particularly acute in rural and remote areas. If S. 2488 becomes law, many school districts would be unable to meet their legal and educational responsibilities under Public Law 94-142 if they could not find qualified substitutes.

Similarly, if a special teacher decides to return from extended leave just prior to the end of a semester, as he could under this bill, the normal educational process would be interrupted at the critical point for review, final examinations, and grade evaluations, based on the semester's work. Student learning would inevitably suffer from such a practice. The solution to these problems could be extremely expensive to many school systems, especially in many parts of Nebraska and rural America.

Let me quote from the letter I received from the National School Boards Association urging me to oppose this bill:

> School districts make every effort to reasonably accommodate employees' requests

> for occasional parental leave or intermittent leave for medical reasons. However, the bill removes the ability of school officials to balance the frequency and/or timing of such requests against the local school district's primary responsibility for the education of students. * * * The focus of our objections to the legislation is educational, but the financial impact cannot be ignored. To the extent that this Federal mandate does impose new costs on local school districts, we object to the cost coming from the local tax base. The local tax base must fund locally determined priorities that improve education, rather than funding Federal priorities—especially when they will have a negative impact on learning.

Mr. President, S. 2488 is the sort of ill-considered legislative proposal that we had in mind when Senator COCHRAN of Mississippi introduced, and I became principal cosponsor of S. 2775. This bill would create the Commission on American Family and Employment, which would conduct a comprehensive study of various proposed mandated benefits and their impact of on the economy and on our ability to compete effectively in the international marketplace. The Commission would report its findings before the Congress takes action on pending legislation.

Mr. President, I am confident that if this Commission were in existence, we could have spared the Congress and the Nation the trouble and the expense of this misbegotten effort to dictate choices for employees and employers concerning the nature and extent of benefit packages available in the American workplace.

SENATE SCHEDULE

Mr. BYRD. Mr. President, I merely want to put a kind of timeframe on my holding the floor.

I would like to inquire of the distinguished Republican leader, inasmuch as there was a conference: The Republican leader indicated on yesterday that he wanted to talk with his colleagues today at around 11 o'clock, and I did not bring the Senate in until a given hour, so as to accommodate the Republican leader. He has had an opportunity to talk with his colleagues.

First, I inquire if there is a possibility of reaching an agreement on parental leave, the legislation that is before us, whereby we could have a vote on final passage either today or tomorrow or Monday, whatever, with no further amendments. Barring that, would there be a possibility of getting a time agreement at this time on that bill that would preclude any nongermane and/or nonrelevant amendments, thus allowing only amendments that are germane or relevant to the substance of the parental leave bill, and could we enumerate those, perhaps, and lay them out, and cut off all other amendments, so that we would know that we were working toward a final vote on that bill within today or the next day or so, without having various and sundry nongermane, nonrelevant amendments thereto?

Mr. DOLE. Mr. President, I say to the majority leader that the short answer would be "no" to each of the above.

However, I would add that we had a good, spirited conference; and I think the bottom line is that there are a number of Members on our side who do not feel that, in its present form, we should pass the parental leave bill, and they would like to continue to offer amendments, germane and nongermane amendments, including the House-passed drug bill. They would like to offer that to the parental leave bill, and perhaps a $4 minimum wage, with a training wage, to the parental leave bill.

The bottom line was that they did not want any restrictions on amendments. There are, I think, 10 or 15 amendments that are both relevant and germane.

So I do not have good news for the majority leader in that regard.

Mr. BYRD. Well, the Republican leader is frank and candid and to the point, and I admire him for that. He has had his conference, and he is reflecting the discussions that went on in the conference. I want to express my appreciation for his having had the meeting and for having brought the matter before his colleauges.

He is in much the same situation that I am in from time to time. I try to move in the direction of a consensus on my side. I have nothing but great respect and high regard for the Republican leader in what he has just said.

Mr. DOLE. Mr. President, will the Senator yield on one other matter, which is of interest to both sides? That is the technical corrections measure.

Senator PACKWOOD, the ranking Republican on the Finance Committee, did indicate that he felt that, even though we might not get a unanimous-consent agreement, in working with Senator BAUCUS he felt that maybe in a couple of days we could complete action on a technical corrections bill. That is an important piece of legislation.

So that did emerge from our conference. Nothing says that we can do it in 2 days. Tax bills sometimes are hard to shut down.

Senator BAUCUS is on the floor, and I know that he and Senator PACKWOOD and members of their staffs and people from the Treasury have been working on amendments. So that is a possibility.

I guess the priority on our side would be to move on drug legislation. If there was any consensus—it was a sort of raucous caucus—it was moving on drug legislation.

Mr. BYRD. Mr. President, let me say that I want very much to have a parental leave bill. I have had a great deal of pressure from various individuals and groups to do something on day care as well—on day care legislation. Of course, I have many pressures to bring up other measures as well.

I want to see action on the measure that is before us. We have already had opportunities to deal with minimum wage. The distinguished Republican leader mentioned minimum wage, indicating that there may be some on his side who would like to go back to that subject, and it may be that there would be no way to avoid going back to it. What they are really talking about, Mr. President, with all due respect to the Republican leader, is the subminimum wage.

We had minimum wage before the Senate for 5 days. We had two cloture votes, and our friends across the aisle voted against cloture. So we went on to something else, because we read the handwriting on the wall.

Before we go out, I would like very much to do the tax technical amendments. That measure contains some parts that are very important to all of us—to my State of West Virginia and to the States of other Senators. I am speaking as a Senator from West Virginia now. My colleague, Mr. ROCKEFELLER, is on the Finance Committee. So both West Virginia Senators are on the floor at this time.

That bill is important to our State. I want to do something on that. I want to act on that measure before we go home.

I am going to do everything I can to bring about action on this measure before we go out sine die.

The drug bill is something that we are all ready to do on this side of the aisle. We have a bipartisan bill. It was worked on by able Senators from both sides of the aisle who spent a great deal of time on it. Senators MOYNIHAN and NUNN on this side and Senator RUDMAN on the other side led a bipartisan working group on the drug bill. They came up with a package that is a bipartisan package, and it is my full intention to act on that if at all possible before we adjourn sine die.

The appropriations bills are well on their way to final enactment by or before midnight this coming Friday.

I would suggest to all Senators, if I may have their attention, that we ought to arrange our schedules to be here until midnight tomorrow night in order to beat that fiscal year deadline on the appropriations bills.

The welfare reform conference report is ready to go, and Senator MOYNIHAN is ready to do that this afternoon. Also, this afternoon, some of us, Senator DOLE and I and others on both sides of the Hill, will be meeting with the President from France, President Mitterrand.

We cannot be in late tonight. I believe I mentioned that to the distinguished Republican leader. We on our side of the aisle have a rendezvous with destiny tonight.

And when we get back next week, after working tomorrow—I hope we will not have to be in Saturday—we will be tackling these measures. We may have late sessions next week. If we can finish by next Friday or Saturday a week, I would like to do that.

If we are not able to finish these items that we have talked about—both the Republican leader and I have addressed our remarks to them—if we are not able to finish all of them we have to be back the next week. We cannot come back on Monday because that is Columbus Day and I have already indicated that the Senate would not be in session on Columbus Day. Senator DOLE, Senator MOYNIHAN, and others have important engagements on Columbus Day and we have to keep those.

All right. That brings me to this: Could we in the meantime be addressing ourselves off the floor and among our colleagues toward the tax bill and the drug bill to see if we can reduce the list of amendments to a bare minimum? We might be able to enter into an agreement as the days go on that will allow us to do the tax bill with only an agreed-upon list of amendments, say, X number on that side, X number on our side, the X being five or less, and on the drug bill perhaps the same or with X being one or less or two or less, so that as we get into the final days we will deal with these extremely important legislative measures, deal with them in time to get them to conference. We have to keep that in mind. We have to go to conference with the House on these measures before we can go out, but if we can dispose of them, get them off this floor, get them into conference and then while we are waiting on the conferences we can do other things and in the final analysis expedite the completion of our work and hasten the adjournment sine die.

Does this strike a welcome chord in the great heart of my friend across the aisle whose heart is as stout as the Irish oak and as pure as the Lakes of Killarney?

Mr. DOLE. The part that strikes my heart is getting out of here on October 8. That is the only thing I remember, but I think to do that each side is going to have to make some concessions, which would lead me to hope that if that is a possibility, and I really believe it is, that would be a great stimulant and incentive to some on this side. I must say that when our caucus started this morning, that was the bottom line—get out on October 8. By the time we finished, we had some say, "Oh, we are better off just to stay here."

So it went up and down. But I think most of us, obviously, want to do the work that needs to be done, that is, the appropriations bills, hopefully by midnight tomorrow night.

We really do not believe that much is being gained from this debate on parental leave. It is very important legislation. Do not misunderstand me. Now, if we are going to add child care, somehow that will fill out the labor agenda, the political agenda. I am not certain what it does for the public interests.

So, if there is a determination that we do the technical corrections and the drug bill and, of course, all the appropriations and other things we can agree on, then I believe we could probably make some progress.

But I understood the majority leader might be compelled to try some other way to keep parental leave and day care before the Senate. I am not sure I could get consent, if there were cloture filed, for example, that we go on to something else, but if we had some indication that October 8 was doable if we cooperated, obviously, and everybody cooperated, then that would be a real possibility.

Mr. BYRD. I thank my leader on the other side of the aisle. I believe that is a possibility.

MOTION TO RECOMMIT WITH INSTRUCTIONS

Mr. President, it is obvious that I will not be able to get any kind of time agreement on the parental leave bill.

So I am going to make a motion to recommit with instructions.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from West Virginia [Mr. BYRD] proposes a motion. He moves to recommit the bill to the Committee on Labor and Human Resources with instructions to report back forthwith with the following amendment: Strike all after the enacting clause and insert in lieu thereof the following:

Mr. BYRD. Mr. President, I ask unanimous consent that further reading be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The motion is as follows:

Mr. President I move to recommit the bill S. 2488 to the Committee on Labor and Human Resources with instructions to report back forthwith with the following amendment,

Strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Parental and Medical Leave Act of 1988".

(b) TABLE OF CONTENTS.—

TITLE I—GENERAL REQUIREMENTS FOR PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE

Sec. 101. Findings and purposes.
Sec. 102. Definitions.
Sec. 103. Parental leave requirement.
Sec. 104. Temporary medical leave requirement.
Sec. 105. Certification.
Sec. 106. Employment and benefits protection.
Sec. 107. Prohibited acts.
Sec. 108. Administrative enforcement.
Sec. 109. Enforcement by civil action.
Sec. 110. Investigative authority.
Sec. 111. Relief.
Sec. 112. Notice.

TITLE II—PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE FOR CIVIL SERVICE EMPLOYEES

Sec. 201. Parental leave and temporary medical leave.

TITLE III—COMMISSION ON PARENTAL AND MEDICAL LEAVE

Sec. 301. Establishment.
Sec. 302. Duties.
Sec. 303. Membership.
Sec. 304. Compensation.
Sec. 305. Powers.
Sec. 306. Termination.

TITLE IV—MISCELLANEOUS PROVISIONS

Sec. 401. Effect on other laws.
Sec. 402. Effect on existing employment benefits.
Sec. 403. Encouragement of more generous leave provisions.
Sec. 404. Regulations.
Sec. 405. Effective dates.

TITLE I—GENERAL REQUIREMENTS FOR PARENTAL LEAVE AND MEDICAL LEAVE

SEC. 101. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) the number of two-parent households in which both parents work and the number of single-parent households in which the single parent works are increasing significantly;

(2) it is important for the development of children and the family unit that fathers and mothers be able to participate in early child rearing and the care of children who have serious health conditions;

(3) the lack of employment policies to accommodate working parents forces many individuals to choose between job security and parenting;

(4) there is inadequate job security for employees who have serious health conditions that prevent the employees from working for temporary periods;

(5) due to the nature of the roles of men and women in our society, the primary responsibility for family caretaking often falls on women, and such responsibility affects their working lives more than it affects the working lives of men; and

(6) employment standards that apply to one gender only have serious potential for encouraging employers to discriminate against employees and applicants for employment who are of that gender.

(b) PURPOSES.—It is the purpose of this Act—

(1) to balance the demands of the workplace with the needs of families;

(2) to promote the economic security and stability of families;

(3) to entitle employees to take reasonable leave for medical reasons, for the birth or adoption of a child, and for the care of a child who has a serious health condition;

(4) to accomplish such purposes in a manner which accommodates the legitimate interests of employers;

(5) to accomplish such purposes in a manner which, consistent with the Equal Protection Clause of the Fourteenth Amendment, minimizes the potential for

employment discrimination on the basis of sex by ensuring generally that leave is available for eligible medical reasons (including maternity-related disability) and for compelling family reasons, on a gender-neutral basis; and

(6) to promote the goal of equal employment opportunity for women and men, pursuant to such clause.

SEC. 102. DEFINITIONS.

As used in this title:

(1) Commerce.—The terms "commerce" and "industry or activity affecting commerce" mean any activity, business, or industry in commerce or in which a labor dispute would hinder or obstruct commerce or the free flow of commerce, including "commerce" and any activity or industry "affecting commerce" within the meaning of the Labor Management Relations Act, 1947 (29 U.S.C 141 et seq.).

(2) Employ.—The term "employ" has the same meaning given the term in section 3(g) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(g)).

(3) Employee.—

(A) In general.—The term "employee" means an individual that is included under the definition of such term in section 3(e) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(e)) who has been employed by the employer with respect to whom benefits are sought under this Act for at least—

(i) 900 hours of service during the previous 12-month period; and

(ii) 12 months.

"(B) Exclusion.—The term "employee" does not include any Federal officer or employee covered under subchapter III of chapter 63 of title 5, United States Code (as added by title II of this Act).

(4) Employer.—The term "employer"—

(A) means any person engaged in commerce or in any industry or activity affecting commerce who employs 20 or more employees at any one worksite for each working day during each of 20 or more calendar workweeks in the current or preceding calendar year;

(B) includes—

(i) any person who acts directly or indirectly in the interest of an employer to one or more employees; and

(ii) any successor in interest of such an employer; and

(C) includes any public agency, as defined in section 3(x) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(x)).

(5) Employment benefits.—The term "employment benefits" means all benefits provided or made available to employees by an employer, including group life insurance, health insurance, disability insurance, sick leave, annual leave, educational benefits, and pensions, regardless of whether the benefits are provided by a policy or practice of an employer or by an employee benefit plan as defined in section 3(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(1)).

(6) Health care provider.—The term "health care provider" means—

(A) any person licensed under Federal, State, or local law to provide health care services, or

(B) any other person determined by the Secretary to be capable of providing health care services.

(7) Person.—The term "person" has the same meaning given the term in section 3(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(a)).

(8) Reduced leave schedule.—The term "reduced leave schedule" means leave scheduled for fewer than the usual number of hours of an employee per workweek or hours per workday.

(9) Secretary.—The term "Secretary" means the Secretary of Labor.

(10) Serious health condition.—The term "serious health condition" means an illness, injury, impairment, or physical or mental condition that involves—

(A) inpatient care in a hospital, hospice, or residential medical care facility; or

(B) continuing treatment or continuing supervision by a health care provider.

(11) Son or daughter.—The term "son or daughter" means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a de facto parent, who is—

(A) under 18 years of age; or

(B) 18 years of age or older and incapable of self-care because of a mental or physical disability.

(12) State.—The term "State" has the same meaning given the term in section 3(c) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(c)).

SEC. 103. PARENTAL LEAVE REQUIREMENT.

(a) In General.—

(1) Entitlement to leave.—An employee shall be entitled, subject to section 105, to 10 workweeks of parental leave during any 24-month period—

(A) as the result of the birth of a son or daughter of the employee;

(B) as the result of the placement, for adoption or foster care, of a son or daughter with the employee; or

(C) in order to care for the employee's son or daughter who has a serious health condition.

(2) Expiration of entitlement.—The entitlement to leave under paragraphs (1)(A) and (1)(B) shall expire at the end of the 12-month period beginning on the date of such birth or placement.

(3) Intermittent leave.—In the case of a son or daughter who has a serious health condition, such leave may be taken intermittently when medically necessary, subject to subsection (e).

(b) Reduced Leave.—On agreement between the employer and the employee, leave under this section may be taken on a reduced leave schedule, however, such reduced leave schedule shall not result in a reduction in the total amount of leave to which the employee is entitled.

(c) Unpaid Leave Permitted.—Except as provided in subsection (d), leave granted under subsection (a) may consist of unpaid leave.

(d) Relationship to Paid Leave.—

(1) Unpaid leave.—If an employer provides paid parental leave for fewer than 10 work-weeks, the additional weeks of leave added to attain the 10 work-week total may be unpaid.

(2) Substitution of paid leave.—An employee or employer may elect to substitute any of the employee's accrued paid vacation leave, personal leave, or other appropriate paid leave for any part of the 10-week period.

(e) Foreseeable Leave.—

(1) Requirement of notice.—In any case in which the necessity for leave under this section is foreseeable based on an expected birth or adoption, the employee shall provide the employer with prior notice of such expected birth or adoption in a manner which is reasonable and practicable.

(2) Duties of employee.—In any case in which the necessity for leave under this section is foreseeable based on planned medical treatment or supervision, the employee shall—

(A) make a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the operations of the employer, subject to the approval of the health care provider of the employee's son or daughter; and

(B) provide the employer with prior notice of the treatment or supervision in a manner which is reasonable and practicable.

(3) Regulations.—The Secretary shall promulgate regulations under section 108(a) that define the term "reasonable and practicable" for purposes of paragraphs (1) and (2)(B).

(f) Spouses Employed by the Same Employer.—In any case in which a husband and wife entitled to parental leave under this section are employed by the same employer, the aggregate number of workweeks of parental leave to which both may be entitled may be limited to 10 workweeks during any 24-month period, if such leave is taken under subparagraph (A) or (B) of subsection (a)(1).

SEC. 104. TEMPORARY MEDICAL LEAVE REQUIREMENT.

(a) In General.—

(1) Entitlement to leave.—Any employee who, as the result of a serious health condition, becomes unable to perform the functions of the position of the employee, shall be entitled to temporary medical leave, subject to section 105.

(2) Period of entitlement.—The entitlement under paragraph (1) shall continue for as long as the employee is unable to perform the functions, except that the leave shall not exceed 13 workweeks during any 12-month period.

(3) Intermittent leave.—Leave taken under this subsection may be taken intermittently when medically necessary, subject to subsection (d).

(b) Unpaid Leave Permitted.—Except as provided in subsection (c), leave granted under subsection (a) may consist of unpaid leave.

(c) Relationship to Paid Leave.—

(1) In general.—If an employer provides paid temporary medical leave or paid sick leave for fewer than 13 weeks, the additional weeks of leave added to attain the 13-week total may be unpaid.

(2) Substitution of paid leave.—An employee or employer may elect to substitute the employee's accrued paid vacation leave, sick leave, or other appropriate paid leave for any part of the 13-week period, except that nothing in this Act shall require an employer to provide paid sick leave or paid medical leave in any situation in which such employer would not normally provide any such paid leave.

(d) Foreseeable Leave.—

(1) Duties of employee.—In any case in which the necessity for leave under this section is foreseeable based on planned medical treatment or supervision, the employee shall—

(A) make a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the operations of the employer, subject to the approval of the employee's health care provider, and

(B) provide the employer with prior notice of the treatment or supervision in a manner which is reasonable and practicable.

(2) Regulations.—The Secretary shall promulgate regulations under section 108(a) that define the term "reasonable and practicable" for purposes of paragraph (1).

SEC. 105. CERTIFICATION.

(a) In General.—An employer may require that a claim for parental leave under section 103(a)(1)(C), or temporary medical leave under section 104, be supported by certification issued by the health care provider of the son, daughter, or employee, whichever is appropriate. The employee shall provide a copy of such certification to the employer.

(b) Sufficient Certification.—The certification shall be considered sufficient if it states—

(1) the date on which the serious health condition commenced;

(2) the probable duration of the condition;

(3) the appropriate medical facts within the knowledge of the provider regarding the condition; and

(4)(A) for purposes of leave under section 104, a statement that the employee is unable to perform the functions of the employee's position; and

(B) for purposes of leave under section 103(a)(1)(C), an estimate of the amount of time that the employee is needed to care for the son or daughter.

(c) Second Opinion.—

(1) In general.—In any case in which the employer has reason to doubt the validity of the certification provided under subsection (a), the employer may require, at its own expense, that the employee obtain the opinion of a second health care provider designated or approved by the employer concerning the information certified under subsection (b).

(2) Limitation.—Any health care provider designated or approved under paragraph (1) may not be employed on a regular basis by the employer.

(d) Resolution of Conflicting Opinions.—

(1) In general.—In any case in which the second opinion described in subsection (c) differs from the original certification provided under subsection (a), the employer may require, at its own expense, that the employee obtain the opinion of a third health care provider designated or approved jointly by the employer and the employee concerning the information certified under subsection (b).

(2) Finality.—The opinion of the third health care provider concerning the information certified under subsection (b) shall be considered to be final and shall be binding on the employer and the employee.

(e) Subsequent Recertification.—The employer may require that the employee obtain subsequent recertifications on a reasonable basis.

SEC. 106. EMPLOYMENT AND BENEFITS PROTECTION.

(a) Restoration to Position.—

(1) In general.—Any employee who takes leave under section 103 or 104 for its intended purpose shall be entitled, on return from the leave—

(A) to be restored by the employer to the position of employment held by the employee when the leave commenced; or

(B) to be restored to an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment.

(2) Loss of benefits.—The taking of leave under this title shall not result in the loss of any employment benefit accrued before the date on which the leave commenced.

(3) Limitations.—Except as provided in subsection (b), nothing in this section shall be considered to entitle any restored employee to—

(A) the accrual of any seniority or employment benefits during any period of leave; or

(B) any right, benefit, or position of employment other than that to which the employee was entitled to on the date the leave was commenced.

(4) Certification.—As a condition to restoration under paragraph (1), the employer may have a policy that requires each employee to receive certification from the employee's health care provider that the employee is able to resume work.

(5) Construction.—Nothing in this subsection shall be construed to prohibit an employer from requiring an employee on leave under section 103 or 104 to periodically report to the employer on the employee's status and intention to return to work.

(b) Maintenance of Health Benefits.—During any period an employee takes leave under section 103 or 104, the employer shall maintain coverage under any group health plan (as defined in section 162(i)(3) of the Internal Revenue Code of 1954) for the duration of such leave at the level and under the conditions coverage would have been provided if the employee had continued in employment continuously from the date the employee commenced the leave until the date the employee is restored under subsection (a).

SEC. 107. PROHIBITED ACTS.

(a) Interference With Rights.—

(1) Exercise of rights.—It shall be unlawful for any employer to interfere with, restrain, or deny the exercise of or the attempt to exercise, any right provided under this title.

(2) Discrimination.—It shall be unlawful for any employer to discharge or in any other manner discriminate against any individual for opposing any practice made unlawful by this title.

(b) Interference With Proceedings or Inquiries.—It shall be unlawful for any person to discharge or in any other manner discriminate against any individual because the individual—

(1) has filed any charge, or has instituted or caused to be instituted any proceeding, under or related to this title;

(2) has given or is about to give any information in connection with any inquiry or proceeding relating to any right provided under this title; or

(3) has testified or is about to testify in any inquiry or proceeding relating to any right provided under this title.

SEC. 108. ADMINISTRATIVE ENFORCEMENT.

(a) In General.—The Secretary shall issue such rules and regulations as are necessary to carry out this section, including rules and regulations concerning service of complaints, notice of hearings, answers and amendments to complaints, and copies of orders and records of proceedings.

(b) Charges.—

(1) Filing.—Any person alleging an act that violates this title may file a charge respecting the violation with the Secretary. Charges shall be in such form and contain such information as the Secretary shall require by regulation.

(2) Notification.—Not later than 15 days after the Secretary receives notice of a charge under paragraph (1), the Secretary shall—

(A) serve a notice of the charge on the person charged with the violation; and

(B) inform such person and the charging party as to the rights and procedures provided under this title.

(3) Time of filing.—A charge may not be filed later than 1 year after the date of the last event constituting the alleged violation.

(c) Process on Notice of a Charge.—Investigation; Complaint.—

(1) Investigation.—Within the 60-day period after the Secretary receives any charge, the Secretary shall investigate the charge and issue a complaint based on the charge or dismiss the charge.

(2) Complaint based on charge.—If the Secretary determines that there is a reasonable basis for the charge, the Secretary shall issue a complaint based on the charge and promptly notify the charging party and the respondent as to the issuance.

(3) Dismissal.—If the Secretary determines that there is no reasonable basis for the charge, the Secretary shall dismiss the charge and promptly notify the charging party and the respondent as to the dismissal.

(4) Settlement agreements.—

(A) With charging party.—The charging party and the respondent may enter into a settlement agreement concerning the violation alleged in the charge before any determination is reached by the Secretary under this subsection. To be effective such an agreement must be determined by the Secretary to be consistent with the purposes of this title.

(B) With secretary.—On the issuance of a complaint, the Secretary and the respondent may enter into a settlement agreement concerning a violation alleged in the complaint. Any such settlement may not be entered into over the objection of the charging party, unless the Secretary determines that the settlement provides a full remedy for the charging party.

(5) Civil actions.—If, at the end of the 60-day period referred to in paragraph (1), the Secretary—

(A) has not issued a complaint under paragraph (2);

(B) has dismissed the charge under paragraph (3); or

(C) has not approved or entered into a settlement agreement under subparagraph (A) or (B) of paragraph (4);

the charging party may elect to bring a civil action under section 109.

(6) Complaint and relief on secretary's initiative.—

(A) Issuance.—The Secretary may issue and serve a complaint alleging a violation of this title on the basis of information and evidence gathered as a result of an investigation initiated by the Secretary pursuant to section 110.

(B) Relief.—

(i) In general.—On issuance of a complaint, the Secretary shall have the power to petition the United States district court for the district in which the violation is alleged to have occurred, or in which the respondent resides or transacts business, for appropriate temporary relief or a restraining order.

(ii) Notice.—On the filing of any such petition, the court shall cause notice of the petition to be served on the respondent.

(iii) Type of relief.—The court shall have jurisdiction to grant to the Secretary such temporary relief or restraining order as the court considers just and proper.

(d) Rights of Parties.—

(1) Service of complaint.—In any case in which a complaint is issued under subsection (c), the Secretary shall, not later than 10 days after the date on which the complaint is issued, cause to be served on the respondent a copy of the complaint.

(2) Parties to complaint.—Any person filing a charge alleging a violation of this title may elect to be a party to any complaint filed by the Secretary alleging the violation. The election must be made before the commencement of a hearing.

(3) Civil action.—The failure of the Secretary to comply in a timely manner with any obligation assigned to the Secretary under this title shall entitle the charging party to elect, at the time of such failure, to bring a civil action under section 109.

(e) Conduct of Hearing.—

(1) Prosecution by secretary.—The Secretary shall prosecute any complaint issued under subsection (c).

(2) Hearing.—An administrative law judge shall conduct a hearing on the record with respect to a complaint issued under this title. The hearing shall be conducted in accordance with sections 554, 555, and 556 of title 5, United States Code, and shall be commenced within 60 days after the issuance of the complaint, unless the judge, in the judge's discretion, determines that the purposes of this Act would best be furthered by commencement of the action after the expiration of such period.

(f) Findings and Conclusions.—

(1) In general.—After a hearing is conducted under this section, the administrative law judge shall promptly make findings of fact and conclusions of law, and, if appropriate, issue an order for relief as provided in section 111.

(2) Notification concerning delay.—The administrative law judge shall inform the parties, in writing, of the reason for any delay in making the findings and conclusions if the findings and conclusions are not made within 60 days after the conclusion of the hearing.

(g) Finality of Decision; Review.—

(1) Finality.—The decision and order of the administrative law judge shall become the final decision and order of the Secretary unless, on appeal by an aggrieved party taken not later than 30 days after the action, the Secretary modifies or vacates the decision, in which case the decision of the Secretary shall be the final decision.

(2) Review.—Not later than 60 days after the entry of the final order of the Secretary under paragraph (1), any person aggrieved by the final order may obtain a review of the order in the United States court of appeals for the circuit in which the violation is alleged to have occurred or in which the employer resides or transacts business.

(3) Jurisdiction.—On the filing of the record with the court, the jurisdiction of the court shall be exclusive and its judgment shall be final, except that the same shall be subject to review by the Supreme Court of the United States on writ of certiorari or certification as provided in section 1254 of title 28, United States Code.

(h) Court Enforcement of Administrative Orders.—

(1) Power of secretary.—If a respondent does not appeal an order of the Secretary under subsection (g)(2), the Secretary may petition the United States district court for the district in which the violation is alleged to have occurred, or in which the respondent resides or transacts business, for the enforcement of the order of the Secretary, by filing in the court a written petition praying that the order be enforced.

(2) Jurisdiction.—On the filing of the petition, the court shall have jurisdiction to make and enter a decree enforcing the order of the Secretary. In the proceeding, the order of the Secretary shall not be subject to review.

(3) Decree of enforcement.—If, on appeal of an order under subsection (g)(2), the United States court of appeals does not reverse or modify the order, the court shall have the jurisdiction to make and enter a decree enforcing the order of the Secretary.

SEC. 109. ENFORCEMENT BY CIVIL ACTION.

(a) Right To Bring Civil Action.—

(1) In general.—Subject to the limitations in this section, an employee or the Secretary may bring a civil action against any employer to enforce the provisions of this title in any appropriate court of the United States or in any State court of competent jurisdiction.

(2) No charge filed.—Subject to paragraph (3), a civil action may be commenced under this subsection without regard to whether a charge has been filed under section 108(b).

(3) Limitations.—No civil action may be commenced under paragraph (1) if the Secretary—

(A) has approved, or has failed to disapprove, a settlement agreement under section 108(c)(4), in which case no civil action may be filed under this subsection if the action is based on a violation alleged in the charge and resolved by the agreement; or

(B) has issued a complaint under section 108(c)(2) or 108(c)(6), in which case no civil action may be filed under this subsection if the action is based on a violation alleged in the complaint.

(4) To enforce settlement agreements.—Notwithstanding paragraph (3)(A), a civil action may be commenced to enforce the terms of any such settlement agreement.

(5) Timing of commencement of civil action.—

(A) In general.—Except as provided in subparagraph (B), no civil action may be commenced more than 1 year after the date on which the alleged violation occurred.

(B) Exception.—In any case in which—

(i) a timely charge is filed under section 108(b); and

(ii) the failure of the Secretary to issue a complaint or enter into a settlement agreement based on the charge (as provided under section 108(c)(4)) occurs more than 11 months after the date on which any alleged violation occurred,

the employee may commence a civil action not more than 30 days after the date on which the employee is notified of the failure.

(6) Agencies.—The Secretary may not bring a civil action against any agency of the United States.

(b) Venue.—An action brought under subsection (a) in a district court of the United States may be brought—

(1) in any appropriate judicial district under section 1391 of title 28, United States Code; or

(2) in the judicial district in the State in which—

(A) the employment records relevant to the violation are maintained and administered; or

(B) the aggrieved person worked or would have worked but for the alleged violation.

(c) Notification of the Secretary; Right To Intervene.—A copy of the complaint in any action brought by an employee under subsection (a) shall be served on the Secretary by certified mail. The Secretary shall have the right to intervene in a civil action brought by an employee under subsection (a).

(d) Attorneys for the Secretary.—In any civil action brought under subsection (a), attorneys appointed by the Secretary may appear for and represent the Secretary, except that the Attorney General and the Solicitor General shall conduct any litigation in the Supreme Court.

SEC. 110. INVESTIGATIVE AUTHORITY.

(a) In General.—To ensure compliance with the provisions of this title, or any regulation or order issued under this title, subject to subsection (c), the Secretary shall have the investigative authority provided under section 11(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 211(a)).

(b) Obligation to Keep and Preserve Records.—An employer shall keep and preserve records in accordance with section 11(c) of such Act, and in accordance with regulations issued by the Secretary.

(c) Required Submissions Generally Limited to an Annual Basis.—The Secretary may not under this section require any employer or any plan, fund, or program to submit to the Secretary any books or records more than once in any 12-month period, unless the Secretary has reasonable cause to believe there may exist a violation of this title or any regulation or order issued pursuant to this title, or is investigating a charge brought pursuant to section 108.

(d) Subpoena Powers, Etc.—For purposes of any investigation conducted under this section, the Secretary shall have the subpoena authority provided under section 9 of the Fair Labor Standards Act of 1938 (29 U.S.C. 209).

(e) Dissemination of Information.—The Secretary may make available to any person substantially affected by any matter that is the subject of an investigation under this section, and to any department or agency of the United States, information concerning any matter that may be the subject of the investigation.

SEC. 111. RELIEF.

(a) Injunctive Relief.—

(1) Cease and desist.—On finding a violation under section 108 by a person, an administrative law judge shall issue an order requiring the person to cease and desist from any act or practice that violates this title.

(2) Injunctions.—In any civil action brought under section 109, a court may grant as relief any permanent or temporary injunction, temporary restraining order, or other equitable relief as the court considers appropriate.

(b) Monetary Damages.—

(1) In general.—Any employer that violates this title shall be liable to the injured party in an amount equal to—

(A) any wages, salary, employment benefits, or other compensation denied or lost to the employee by reason of the violation, plus interest on the total monetary damages calculated at the prevailing rate; and

(B) an additional amount equal to the greater of—

(i) the amount determined under subparagraph (A), as liquidated damages; or

(ii) the amount of consequential damages but not to exceed three times the amount determined under subparagraph (A).

(2) Good faith.—If an employer who has violated this title proves to the satisfaction of the court that the act or omission which violated this title was in good faith and that the employer had reasonable grounds for believing that the act or omission was not a violation of this title, the court may, in its discretion, reduce the amount of the liability or penalty provided for under this sub-

section to the amount determined under paragraph (1)(A).

(c) Attorneys' Fees.—A prevailing party (other than the United States) may be awarded a reasonable attorneys' fee as part of the costs, in addition to any relief awarded. The United States shall be liable for costs in the same manner as a private person.

(d) Limitation.—Damages awarded under subsection (b) may not accrue from a date more than 2 years before the date on which a charge is filed under section 108(b) or a civil action is brought under section 109.

SEC. 112. NOTICE.

(a) In General.—Each employer shall post and keep posted, in conspicuous places on the premises of the employer where notices to employees and applicants for employment are customarily posted, a notice, approved by the Secretary, setting forth excerpts from, or summaries of, the pertinent provisions of this title and information pertaining to the filing of a charge.

(b) Penalty.—Any employer who willfully violates this section shall be fined not more than $100 for each separate offense.

TITLE II—PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE FOR CIVIL SERVICE EMPLOYEES

SEC. 201. PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE.

(a) In General.—(1) Chapter 63 of title 5, United States Code, is amended by adding at the end thereof the following new subchapter:

"SUBCHAPTER III—PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE

"§ 6331. Definitions

"For purposes of this subchapter:

"(1) 'employee' means—

"(A) an employee as defined by section 6301(2) of this title (excluding an individual employed by the government of the District of Columbia); and

"(B) an individual under clause (v) or (ix) of such section;

who has been employed for at least 12 months and completed at least 900 hours of service during the previous 12-month period.

"(2) 'serious health condition' means an illness, injury, impairment, or physical or mental condition that involves—

"(A) inpatient care in a hospital, hospice, or residential medical care facility; or

"(B) continuing treatment, or continuing supervision, by a health care provider; and

"(3) 'son or daughter' means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a de facto parent, who is—

"(A) under 18 years of age; or

"(B) 18 years of age or older and incapable of self-care because of a mental or physical disability.

"§ 6332. Parental leave requirement

"(a)(1) An employee shall be entitled, subject to section 6334, to 10 workweeks of parental leave during any 24-month period—

"(A) as the result of the birth of a son or daughter of the employee;

"(B) as the result of the placement, for adoption or foster care, of a son or daughter with the employee; or

"(C) in order to care for the employee's son or daughter who has a serious health condition.

"(2) The entitlement to leave under paragraphs (1)(A) and (1)(B) shall expire at the end of the 12-month period beginning on the date of such birth or placement.

"(3) In the case of a son or daughter who has a serious health condition, such leave may be taken intermittently when medically necessary, subject to subsection (e).

"(b) On agreement between the employing agency and the employee, leave under this section may be taken on a reduced leave schedule, however, such reduced leave schedule shall not result in a reduction in the total amount of leave to which the employee is entitled.

"(c) Except as provided in subsection (d), leave granted under subsection (a) may consist of unpaid leave.

"(d)(1) If an employing agency provides paid parental leave for fewer than 10 workweeks, the additional weeks of leave added to attain the 10 work-week total may be unpaid.

"(2) An employee or employing agency may elect to substitute any of the employee's accrued paid vacation leave, personal leave, or other appropriate paid leave for any part of the 10-week period.

"(e)(1) In any case in which the necessity for leave under this section is foreseeable based on an expected birth or adoption, the employee shall provide the employing agency with prior notice of such expected birth or adoption in a manner which is reasonable and practicable.

"(2) In any case in which the necessity for leave under this section is foreseeable based on planned medical treatment or supervision, the employee shall—

"(A) make a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the operations of the employing agency, subject to the approval of the health care provider of the employee's son or daughter; and

"(B) provide the employing agency with prior notice of the treatment or supervision in a manner which is reasonable and practicable.

"(3) The Director of the Office of Personnel Management shall promulgate regulations that define the term 'reasonable and practicable' for purposes of paragraphs (1) and (2)(B).

"§ 6333. Temporary medical leave requirement

"(a)(1) Any employee who, as the result of a serious health condition, becomes unable to perform the functions of the position of the employee, shall be entitled to temporary medical leave, subject to section 6334.

"(2) The entitlement under paragraph (1) shall continue for as long as the employee is unable to perform the functions, except that the leave shall not exceed 13 administrative workweeks of the employee during any 12-month period.

"(3) Leave taken under this subsection may be taken intermittently when medically necessary, subject to subsection (d).

"(b) Except as provided in subsection (c), leave granted under subsection (a) may consist of unpaid leave.

"(c)(1) If an employing agency provides paid temporary medical leave or paid sick leave for fewer than 13 weeks, the additional weeks of leave added to attain the 13-week total may be unpaid.

"(2) An employee or employing agency may elect to substitute the employee's accrued paid vacation leave, sick leave, or other appropriate paid leave for any part of the 13-week period, except that nothing in this Act shall require an employing agency to provide paid sick leave or paid medical leave in any situation in which such employing agency would not normally provide any such paid leave.

"(d)(1) In any case in which the necessity for leave under this section is foreseeable based on planned medical treatment or supervision, the employee shall—

"(A) make a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the operations of the employing agency, subject to the approval of the employee's health care provider, and

"(B) provide the employing agency with prior notice of the treatment or supervision in a manner which is reasonable and practicable.

"(2) The Director of the Office of Personnel Management shall promulgate regulations that define the term 'reasonable and practicable' for purposes of paragraph (1).

"§ 6334. Certification

"(a) An employing agency may require that a claim for parental leave under section 6332(a)(10)(C), or temporary medical leave under section 6333, be supported by certification issued by the health care provider of the son, daughter, or employee, whichever is appropriate. The employee shall provide a copy of such certification to the employing agency.

"(b) The certification shall be considered sufficient if it states—

"(1) the date on which the serious health condition commenced;

"(2) the probable duration of the condition;

"(3) the appropriate medical facts within the knowledge of the provider regarding the condition; and

"(4)(A) for purposes of leave under section 6333, a statement that the employee is unable to perform the functions of the employee's position; and

"(B) for purposes of leave under section 6332(a)(1)(C), an estimate of the amount of time that the employee is needed to care for the son or daughter.

"(c)(1) In any case in which the employing agency has reason to doubt the validity of the certification provided under subsection (a), the employing agency may require, at its expense, that the employee obtain the opinion of a second health care provider designated or approved by the employing agency concerning the information certified under subsection (b).

"(2) Any health care provider designated or approved under paragraph (1) may not be employed on a regular basis by the employing agency.

"(d)(1) In any case in which the second opinion described in subsection (c) differs from the original certification provided under subsection (a), the employing agency may require, at its expense, that the employee obtain the opinion of a third health care provider designated or approved jointly by the employing agency and the employee concerning the information certified under subsection (b).

"(2) The opinion of the third health care provider concerning the information certified under subsection (b) shall be considered to be final and shall be binding on the employing agency and the employee.

"(e) The employing agency may require that the employee obtain subsequent recertifications on a reasonable basis.

"§ 6335. Job protection

"An employee who uses leave under section 6332 or 6333 of this title shall be entitled shall be entitled, on return from the leave—

"(1) to be restored to the position of employment held by the employee when the leave commenced; or

"(2) to be restored to an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment.

"§ 6336. Prohibition of coercion

"(a) An employee may not directly or indirectly intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce, any other employee for the purpose of interfering with the exercise of the rights of the employee under this subchapter.

"(b) For the purpose of this section, 'intimidate, threaten, or coerce' includes promising to confer or conferring any benefit (such as appointment, promotion, or compensation), or taking or threatening to take any reprisal (such as deprivation of appointment, promotion, or compensation).

"§ 6337. Health insurance

"An employee enrolled in a health benefits plan under chapter 89 of this title who is placed in a leave status under section 6332 or 6333 of this title may elect to continue the health benefits enrollment of the employee while in leave status and arrange to pay into the Employees Health Benefits Fund (described in section 8909 of this title), through the employing agency of the employee, the appropriate employee contributions.

"§ 6338. Regulations

"The Office of Personnel Management shall prescribe regulations necessary for the administration of this subchapter. The regulations prescribed under this subchapter shall be consistent with the regulations prescribed by the Secretary of Labor under title I of the Parental and Medical Leave Act of 1988.".

(2) The table of contents for chapter 63 of title 5, United States Code, is amended by adding at the end thereof the following:

"SUBCHAPTER III—PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE

"6331. Definitions.
"6332. Parental leave requirement.
"6333. Temporary medical leave requirement.
"6334. Certification.
"6335. Job protection.
"6336. Prohibition of coercion.
"6337. Health insurance.
"6338. Regulations.".

(b) EMPLOYEES PAID FROM NONAPPROPRIATED FUNDS.—Section 2105(c)(1) of title 5, United States Code, is amended by striking out "53" and inserting in lieu thereof "53, subchapter III of chapter 63,".

TITLE III—COMMISSION ON PARENTAL AND MEDICAL LEAVE

SEC. 301. ESTABLISHMENT.

(a) ESTABLISHMENT.—There is established a Commission to be known as the Commission on Parental and Medical Leave (hereinafter in this title referred to as the "Commission").

SEC. 302. DUTIES.

The Commission shall—

(1) conduct a comprehensive study of—

(A) existing and proposed policies relating to parental leave and temporary medical leave; and

(B) the potential costs, benefits, and impact on productivity of such policies on employers;

(2) to the extent practicable, include in the study of parental leave and temporary medical leave policies required under subsection (1)(A), a review of all studies of existing and proposed methods designed to provide workers with full or partial salary replacement or other income protection during periods of parental leave and temporary medical leave that are consistent with the legitimate business interests of employers;

(3) within 2 years after the date on which the Commission first meets, submit a report to Congress that outlines the findings of the Commission.

SEC. 303. MEMBERSHIP.

(a) COMPOSITION.—

(1) APPOINTMENTS.—The Commission shall be composed of 12 voting members and 2 ex-officio members appointed not more than 60 days after the date of the enactment of this Act as follows:

(A) One Senator shall be appointed by the majority leader of the Senate, and one Senator shall be appointed by the minority leader of the Senate.

(B) One member of the House of Representatives shall be appointed by the Speaker of the House of Representatives, and one member of the House of Representatives shall be appointed by the minority leader of the House of Representatives.

(C)(i) Two members each shall be appointed by—

(I) the Speaker of the House of Representatives,

(II) the majority leader of the Senate,

(III) the minority leader of the House of Representatives, and

(IV) the minority leader of the Senate.

(ii) Such members shall be appointed by virtue of demonstrated expertise in relevant family, temporary disability, and labor-management issues and shall include representatives of employers.

(2) EX-OFFICIO MEMBERS.—The Secretary of Health and Human Services and the Secretary of Labor shall serve on the Commission as nonvoting ex-officio members.

(b) VACANCIES.—Any vacancy on the Commission shall be filled in the same manner in which the original appointment was made.

(c) CHAIRPERSON AND VICE CHAIRPERSON.—The Commission shall elect a chairperson and a vice chairperson from among the members of the Commission.

(d) QUORUM.—Eight members of the Commission shall constitute a quorum for all purposes, except that a lesser number may constitute a quorum for the purpose of holding hearings.

SEC. 304. COMPENSATION.

(a) PAY.—Members of the Commission shall serve without compensation.

(b) TRAVEL EXPENSES.—Members of the Commission shall be allowed reasonable travel expenses, including a per diem allowance, in accordance with section 5703 of title 5, United States Code, while performing duties of the Commission.

SEC. 305. POWERS.

(a) MEETINGS.—The Commission shall first meet not more than 30 days after the date on which all members are appointed. The Commission shall meet thereafter on the call of the chairperson or a majority of the members.

(b) HEARINGS AND SESSIONS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers appropriate. The Commission may administer oaths or affirmations to witnesses appearing before the Commission.

(c) ACCESS TO INFORMATION.—The Commission may secure directly from any Federal agency information necessary to enable the Commission to carry out this Act. On the request of the chairperson or vice chairperson of the Commission, the head of the agency shall furnish the information to the Commission.

(d) EXECUTIVE DIRECTOR.—The Commission may appoint an Executive Director from the personnel of any Federal agency to assist the Commission in carrying out the duties of the Commission.

(e) USE OF SERVICES AND FACILITIES.—On the request of the Commission, the head of any Federal agency may make available to the Commission any of the facilities and services of the agency.

(f) PERSONNEL FROM OTHER AGENCIES.—On the request of the Commission, the head of any Federal agency may detail any of the personnel of the agency to assist the Commission in carrying out the duties of the Commission.

SEC. 306. TERMINATION.

The Commission shall terminate 30 days after the date of the submission of the final report of the Commission to Congress.

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. EFFECT ON OTHER LAWS.

(a) FEDERAL AND STATE ANTIDISCRIMINATION LAWS.—Nothing in this Act shall be construed to modify or affect any Federal or State law prohibiting discrimination on the basis of race, religion, color, national origin, sex, age, or handicapped status.

(b) STATE AND LOCAL LAWS.—Nothing in this Act shall be construed to supersede any provision of any State or local law that provides greater employee parental or medical leave rights than the rights established under this Act.

SEC. 402. EFFECT ON EXISTING EMPLOYMENT BENEFITS.

(a) MORE PROTECTIVE.—Nothing in this Act shall be construed to diminish the obligation of an employer to comply with any collective-bargaining agreement or any employment benefit program or plan that provides greater parental and medical leave rights to employees than the rights provided under this Act.

(b) LESS PROTECTIVE.—The rights provided to employees under this Act may not be diminished by any collective-bargaining agreement or any employment benefit program or plan.

SEC. 403. ENCOURAGEMENT OF MORE GENEROUS LEAVE POLICIES.

Nothing in this Act shall be construed to discourage employers from adopting or retaining leave policies more generous than any policies that comply with the requirements under this Act.

SEC. 404. REGULATIONS.

Not later than 60 days after the date of enactment of this Act, the Secretary shall prescribe such regulations as are necessary to carry out title I.

SEC. 405. EFFECTIVE DATES.

(a) ADVISORY COMMISSION.—Title III shall become effective on the date of enactment of this Act.

(b) OTHER TITLES.—

(1) IN GENERAL.—Except as provided in paragraph (2), titles I, II, and IV shall take effect 6 months after the date of the enactment of this Act.

(2) COLLECTIVE BARGAINING AGREEMENTS.—In the case of a collective bargaining agreement in effect on the effective date described in paragraph (1), title I shall apply on the earlier of—

(A) the date of the termination of such agreement, or

(B) the date which occurs 12 months after the date of the enactment of this Act.

Notwithstanding any other provision of this Act, the term "employer" means any person engaged in commerce or in any industry affecting commerce who employs 50 or more employees at any one worksite for each working day during each of 19 or more calendar workweeks in the current or preceding calendar year; and includes:

"(i) any person who acts directly or indirectly in the interest of an employer to one or more employees;

"(ii) any successor in interest of such an employer; and

"(iii) any public agency, as defined in section 3(x) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(x)): and

notwithstanding any other provision of this act, the period of entitlement described in Sec. 104 (a)(2) of this act shall not exceed 10 workweeks during any 12-month period; and notwithstanding any other provision of this act, the entitlement under paragraph (a)(2), in "Sec. 6333" entitled "Temporary Medical Leave Requirement" contained in Sec. 201 of this act shall not exceed 10 administrative workweeks of the employee during any 12-month period.

[Corrected version will appear on pages 26653-26658.]

TITLE V—CHILD PORNOGRAPHY AND OBSCENITY

SEC. 501. SHORT TITLE.

This title may be cited as the "Child Protection and Obscenity Enforcement Act of 1988".

Subtitle A—Child Pornography

SEC. 511. AMENDMENTS TO EXISTING OFFENSES.

(a) SEXUAL EXPLOITATION OF CHILDREN.—Paragraph (2) of subsection 2251(c) of title 18, United States Code, is amended by inserting "by any means including by computer" after "interstate or foreign commerce" both places it appears.

(b) MATERIAL INVOLVING SEXUAL EXPLOITATION OF CHILDREN.—Subsection 2252(a) of title 18, United States Code, is amended by inserting "by any means including by computer" after "interstate or foreign commerce" each place it appears.

(c) DEFINITION.—Section 2256 of title 18, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (4);

(2) by striking out the period at the end of paragraph (5) and inserting in lieu thereof: "; and"; and

(3) by adding at the end the following:

"(6) 'computer' has the meaning given that term in section 1030 of this title.".

SEC. 512. SELLING OR BUYING OF CHILDREN.

(a) IN GENERAL.—Chapter 110 of title 18, United States Code, is amended by inserting after section 2251 the following:

"§ 2251A. Selling or buying of children

"(a) Any parent, legal guardian, or other person having custody or control of a minor who sells or otherwise transfers custody or control of such minor, or offers to sell or otherwise transfer custody of such minor either—

"(1) with knowledge that, as a consequence of the sale or transfer, the minor will be portrayed in a visual depiction engaging in, or assisting another person to engage in, sexually explicit conduct; or

"(2) with intent to promote either—

"(A) the engaging in of sexually explicit conduct by such minor for the purpose of producing any visual depiction of such conduct; or

"(B) the rendering of assistance by the minor to any other person to engage in sexually explicit conduct for the purpose of producing any visual depiction of such conduct;

shall be punished by imprisonment for not less than 20 years or for life and by a fine under this title, if any of the circumstances described in subsection (c) of this section exist.

"(b) Whoever purchases or otherwise obtains custody or control of a minor, or offers to purchase or otherwise obtain custody or control of a minor either—

"(1) with knowledge that, as a consequence of the purchase or obtaining of custody, the minor will be portrayed in a visual depiction engaging in, or assisting another person to engage in, sexually explicit conduct; or

"(2) with intent to promote either—

"(A) the engaging in of sexually explicit conduct by such minor for the purpose of producing any visual depiction of such conduct; or

"(B) the rendering of assistance by the minor to any other person to engage in sexually explicit conduct for the purpose of producing any visual depiction of such conduct;

shall be punished by imprisonment for not less than 20 years or for life and by a fine under this title, if any of the circumstances described in subsection (c) of this section exist.

"(c) The circumstances referred to in subsections (a) and (b) are that—

"(1) in the course of the conduct described in such subsections the minor or the actor traveled in or was transported in interstate or foreign commerce;

"(2) any offer described in such subsections was communicated or transported in interstate or foreign commerce by any means including by computer or mail; or

"(3) the conduct described in such subsections took place in any territory or possession of the United States.".

(b) DEFINITION.—Section 2256 of title 18, United States Code, as amended by section 201 of this Act, is further amended—

(1) by striking out "and" at the end of paragraph (5);

(2) by striking out the period at the end of paragraph (6) and inserting "; and" in lieu thereof; and

(3) by adding at the end the following:

"(7) 'custody or control' includes temporary supervision over or responsibility for a minor whether legally or illegally obtained.".

(c) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 110 of title 18, United States Code, is amended by inserting after the item relating to section 2251 the following:

"2251A. Selling or buying of children.".

SEC. 513. RECORD KEEPING REQUIREMENTS.

(a) IN GENERAL.—Chapter 110 of title 18, United States Code, is amended by adding at the end thereof the following:

"§ 2257. Record keeping requirements

"(a) Whoever produces any book, magazine, periodical, film, videotape, or other matter which—

"(1) contains one or more visual depictions made after February 6, 1978 of actual sexually explicit conduct; and

"(2) is produced in whole or in part with materials which have been shipped in interstate or foreign commerce, or is shipped or transported or is intended for shipment or transportation in interstate or foreign commerce;

shall create and maintain individually identifiable records pertaining to every performer portrayed in such a visual depiction.

"(b) Any person to whom subsection (a) applies shall, with respect to every performer portrayed in a visual depiction of actual sexually explicit conduct—

"(1) ascertain, by examination of an identification document containing such information, the performer's name and date of birth, and require the performer to provide such other indicia of his or her identity as may be prescribed by regulations;

"(2) ascertain any name, other than the performer's present and correct name, ever used by the performer including maiden name, alias, nickname, stage, or professional name; and

"(3) record in the records required by subsection (a) the information required by paragraphs (1) and (2) of this subsection and such other identifying information as may be prescribed by regulation.

"(c) Any person to whom subsection (a) applies shall maintain the records required by this section at his business premises, or at such other place as the Attorney General may by regulation prescribe and shall make such records available to the Attorney General for inspection at all reasonable times.

"(d)(1) No information or evidence obtained from records required to be created or maintained by this section shall, except as provided in paragraphs (2) and (3), be used, directly or indirectly, as evidence against any person with respect to any violation of law.

"(2) Paragraph (1) of this subsection shall not preclude the use of such information or evidence in a prosecution or other action for a violation of any applicable provision of law with respect to the furnishing of false information.

"(3) In a prosecution of any person to whom subsection (a) applies for an offense in violation of subsection 2251(a) of this title which has as an element the production of a visual depiction of a minor engaging in or assisting another person to engage in sexually explicit conduct and in which that element is sought to be established by showing that a performer within the meaning of this section is a minor—

"(A) proof that the person failed to comply with the provisions of subsection (a) or (b) of this section concerning the creation and maintenance of records, or a regulation issued pursuant thereto, shall raise a rebuttable presumption that such performer was a minor; and

"(B) proof that the person failed to comply with the provisions of subsection (e) of this section concerning the statement required by that subsection shall raise the rebuttable presumption that every performer in the matter was a minor.

"(e)(1) Any person to whom subsection (a) applies shall cause to be affixed to every copy of any matter described in paragraph (1) of subsection (a) of this section, in such manner and in such form as the Attorney General shall by regulations prescribe, a statement describing where the records required by this section with respect to all performers depicted in that copy of the matter may be located.

"(2) If the person to whom subsection (a) of this section applies is an organization the statement required by this subsection shall include the name, title, and business address of the individual employed by such organization responsible for maintaining the records required by this section.

"(3) In any prosecution of a person for an offense in violation of section 2252 of this title which has as an element the transporting, mailing, or distribution of a visual depiction involving the use of a minor engaging in sexually explicit conduct, and in which that element is sought to be established by a showing that a performer within the meaning of this section is a minor, proof that the matter in which the visual depiction is contained did not contain the statement required by this section shall raise a rebuttable presumption that such performer was a minor.

"(f) The Attorney General shall issue appropriate regulations to carry out this section.

"(g) As used in this section—

"(1) the term 'actual sexually explicit conduct' means actual but not simulated conduct as defined in subparagraphs (A) through (E) of paragraph (2) of section 2256 of this title;

"(2) 'identification document' has the meaning given that term in subsection 1028(d) of this title;

"(3) the term 'produces' means to produce, manufacture, or publish and includes the duplication, reproduction, or reissuing of any material; and

"(4) the term 'performer' includes any person portrayed in a visual depiction engaging in, or assisting another person to engage in, actual sexually explicit conduct.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 110 of title 18, United States Code, is amended by adding after the item relating to section 2256 the following:

"2257. Record keeping requirements.".

(c) EFFECTIVE DATE.—Section 2257 of title 18, United States Code, as added by this section shall take effect 180 days after the date of the enactment of this Act except—

(1) the Attorney General shall prepare the initial set of regulations required or authorized by section 2257 within 90 days of the date of the enactment of this Act; and

(2) subsection (e) of section 2257 of this title and of any regulation issued pursuant thereto shall take effect 270 days after the date of the enactment of this Act.

SEC. 514. R.I.C.O. AMENDMENT.

Subsection 1961(1)(B) of title 18, United States Code, is amended by inserting after "section 1957 (relating to engaging in monetary transactions in property derived from specified unlawful activity)" the following: "sections 2251 through 2252 (relating to sexual exploitation of children),".

Subtitle B—Obscenity

SEC. 521. RECEIPT OR POSSESSION FOR SALE; PRESUMPTIONS FOR CHAPTER 71.

(a) RECEIPT OR POSSESSION FOR SALE.—Chapter 71 of title 18, United States Code, is amended by inserting after section 1465 the following:

"§ 1466. Receipt or possession of obscene matter for sale or distribution

"(a) Whoever is engaged in the business of selling or transferring books, magazines, pictures, papers, films, videotapes, or phonograph or other audio recordings, and knowingly receives or possesses with intent to distribute any obscene book, magazine, picture, paper, film, videotape, or phonograph or other audio recording, which has been shipped or transported in interstate or foreign commerce, shall be punished by imprisonment for not more than 5 years or by a fine under this title, or both.

"(b) As used in this subsection, the term 'engaged in the business' means that the person who sells or transfers or offers to sell or transfer books, magazines, pictures, papers, films, videotapes, or phonograph or other audio recordings, devotes time, attention, or labor to such activities, as a regular course of trade or business, with the objective of earning a profit, although it is not necessary that the person make a profit or that the selling or transferring or offering to sell or transfer such material be the person's sole or principal business or source of income. The offering for sale of or to transfer, at one time, two or more copies of any obscene publication, or two or more of any obscene article, or a combined total of five or more such publications and articles, shall create a rebuttable presumption that the person so offering them is 'engaged in the business' as defined in subsection (b).

"(c) In a prosecution for a violation of this section, it shall be an affirmative defense, on which the defendant has the burden of persuasion by a preponderance of the evidence, that the person—

"(1) ordered or received the obscene matter without examining the matter in advance;

"(2) did not in fact offer the matter for sale, or transfer or offer to transfer it to another person other than the sender; and

"(3) possessed the material less than 21 days.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 71 of title 18, United States Code, is amended by adding after the item relating to section 1465 the following:

"1466. Receipt or possession of obscene matter for sale or distribution.
"1467. Criminal forfeiture.".

(c) USE OF FACILITY OF COMMERCE.—The first paragraph of section 1465 of title 18, United States Code, is amended by inserting after the word distribution: ", or knowingly travels in interstate commerce, or uses a facility or means of commerce for the purpose of interstate or foreign sale or distribution of,".

(d) DISTRIBUTION OF PROCEEDS.—Section 1465 of title 18, United States Code, is amended by inserting "or the proceeds from the sale thereof" after "character,".

(e) PRESUMPTIONS.—Chapter 71 of title 18, United States Code, as amended by subsection (a) of this section and by section 302, is further amended by adding at the end the following:

"§ 1469. Presumptions

"(a) In any prosecution under this chapter in which an element of the offense is that the matter in question was transported, shipped, or carried in interstate commerce, proof, by either circumstantial or direct evidence, that such matter was produced or manufactured in one State and is subsequently located in another State shall raise a rebuttable presumption that such matter was transported, shipped, or carried in interstate commerce.

"(b) In any prosecution under this chapter in which an element of the offense is that the matter in question was transported, shipped, or carried in foreign commerce, proof, by either circumstantial or direct evidence, that such matter was produced or manufactured outside of the United States and is subsequently located in the United States shall raise a rebuttable presumption that such matter was transported, shipped, or carried in foreign commerce.".

(f) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 71 of title 18, United States Code, is amended by adding after the item relating to section 1468 the following:

"1469. Presumptions.".

SEC. 522. FORFEITURE IN OBSCENITY CASES.

(a) IN GENERAL.—Chapter 71 of title 18, United States Code, is amended by adding at the end the following:

"§ 1467. Criminal forfeiture

"(a) PROPERTY SUBJECT TO CRIMINAL FORFEITURE.—A person who is convicted of an offense involving obscene material under this chapter shall forfeit to the United States such person's interest in—

"(1) any obscene material produced, transported, mailed, shipped or received in violation of this chapter;

"(2) any property, real or personal, constituting or traceable to gross profits or other proceeds obtained from such offense; and

"(3) any property, real or personal, used or intended to be used to commit or to promote the commission of such offense. A forfeiture under this subparagraph shall be authorized only by the Attorney General, the Deputy Attorney General, the Associate Attorney General, or the Assistant Attorney General or the Acting Assistant Attorney General in the Criminal Division.

"(b) THIRD PARTY TRANSFERS.—All right, title, and interest in property described in subsection (a) of this section vests in the United States upon the commission of the act giving rise to forfeiture under this section. Any such property that is subsequently transferred to a person other than the defendant may be the subject of a special verdict of forfeiture and thereafter shall be ordered forfeited to the United States, unless the transferee establishes in a hearing pursuant to subsection (m) of this section that he is a bona fide purchaser for value of such property who at the time of purchase was reasonably without cause to believe that the property was subject to forfeiture under this section.

"(c) PROTECTIVE ORDERS.—(1) Upon application of the United States, the court may enter a restraining order or injunction, require the execution of a satisfactory performance bond, or take any other action to preserve the availability of property described in subsection (a) of this section for forfeiture under this section—

"(A) upon the filing of an indictment or information charging a violation of this chapter for which criminal forfeiture may be ordered under this section and alleging that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section; or

"(B) prior to the filing of such an indictment or information, if, after notice to persons appearing to have an interest in the property and opportunity for a hearing, the court determines that—

"(i) there is a substantial probability that the United States will prevail on the issue of forfeiture and that failure to enter the order will result in the property being destroyed, removed from the jurisdiction of the court, or otherwise made unavailable for forfeiture; and

"(ii) the need to preserve the availability of the property through the entry of the requested order outweighs the hardship on any party against whom the order is to be entered;

except that an order entered under subparagraph (B) shall be effective for not more than 90 days, unless extended by the court for good cause shown or unless an indictment or information described in subparagraph (A) has been filed.

"(2) A temporary restraining order under this subsection may be entered upon application of the United States without notice or opportunity for a hearing when an information or indictment has not yet been filed with respect to the property, if the United States demonstrates that there is probable cause to believe that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section and that provision of notice will jeopardize the availability of the property for forfeiture. Such a temporary order shall expire not more than 10 days after the date on which it is entered, unless extended for good cause shown or unless the party against whom it is entered consents to an extension for a longer period. A hearing requested concerning an order entered under this paragraph shall be held at the earliest possible time and prior to the expiration of the temporary order.

"(3) The court may receive and consider, at a hearing held pursuant to this subsection, evidence and information that would be inadmissible under the Federal Rules of Evidence.

"(d) Warrant of Seizure.—The Government may request the issuance of a warrant authorizing the seizure of property subject to forfeiture under this section in the same manner as provided for a search warrant. If the court determines that there is probable cause to believe that the property to be seized would, in the event of conviction, be subject to forfeiture and that an order under subsection (c) of this section may not be sufficient to assure the availability of the property for forfeiture, the court shall issue a warrant authorizing the seizure of such property.

"(e) Order of Forfeiture.—The court shall order forfeiture of property referred to in subsection (a) if the trier of fact determines, beyond a reasonable doubt, that such property is subject to forfeiture.

"(f) Execution.—Upon entry of an order of forfeiture under this section, the court shall authorize the Attorney General to seize all property ordered forfeited upon such terms and conditions as the court shall deem proper. Following entry of an order declaring the property forfeited, the court may, upon application of the United States, enter such appropriate restraining orders or injunctions, require the execution of satisfactory performance bonds, appoint receivers, conservators, appraisers, accountants, or trustees, or take any other action to protect the interest of the United States in the property ordered forfeited. Any income accruing to or derived from property ordered forfeited under this section may be used to offset ordinary and necessary expenses to the property which are required by law, or which are necessary to protect the interests of the United States or third parties.

"(g) Disposition of Property.—Following the seizure of property ordered forfeited under this section, the Attorney General shall destroy or retain for official use any property described in paragraph (1) of subsection (a) and shall direct the disposition of any property described in paragraph (2) of subsection (a) by sale or any other commercially feasible means, making due provision for the rights of any innocent persons. Any property right or interest not exercisable by, or transferable for value to, the United States shall expire and shall not revert to the defendant, nor shall the defendant or any person acting in concert with him or on his behalf be eligible to purchase forfeited property at any sale held by the United States. Upon application of a person, other than the defendant or person acting in concert with him or on his behalf, the court may restrain or stay the sale or disposition of the property pending the conclusion of any appeal of the criminal case giving rise to the forfeiture, if the applicant demonstrates that proceeding with the sale or disposition of the property will result in irreparable injury, harm, or loss to him.

"(h) Authority of Attorney General.—With respect to property ordered forfeited under this section, the Attorney General is authorized to—

"(1) grant petitions for mitigation or remission of forfeiture, restore forfeited property to victims of a violation of this chapter, or take any other action to protect the rights of innocent persons which is in the interest of justice and which is not inconsistent with the provisions of this section;

"(2) comprise claims arising under this section;

"(3) award compensation to persons providing information resulting in a forfeiture under this section;

"(4) direct the disposition by the United States, in accordance with the provisions of section 1616, title 19, United States Code, of all property ordered forfeited under this section by public sale or any other commercially feasible means, making due provision for the rights of innocent persons; and

"(5) take appropriate measures necessary to safeguard and maintain property ordered forfeited under this section pending its disposition.

"(i) Applicability of Civil Forfeiture Provisions.—Except to the extent that they are inconsistent with the provisions of this section, the provisions of section 1468(d) of this title (18 U.S.C. 1468(d)) shall apply to a criminal forfeiture under this section.

"(j) Bar on Intervention.—Except as provided in subsection (m) of this section, no party claiming an interest in property subject to forfeiture under this section may—

"(1) intervene in a trial or appeal of a criminal case involving the forfeiture of such property under this section; or

"(2) commence an action at law or equity against the United States concerning the validity of his alleged interest in the property subsequent to the filing of an indictment or information alleging that the property is subject to forfeiture under this section.

"(k) Jurisdiction To Enter Orders.—The district courts of the United States shall have jurisdiction to enter orders as provided in this section without regard to the location of any property which may be subject to forfeiture under this section or which has been ordered forfeited under this section.

"(l) Depositions.—In order to facilitate the identification and location of property declared forfeited and to facilitate the disposition of petitions for remission or mitigation of forfeiture, after the entry of an order declaring property forfeited to the United States, the court may, upon application of the United States, order that the testimony of any witness relating to the property forfeited be taken by deposition and that any designated book, paper, document, record, recording, or other material not privileged be produced at the same time and place, in the same manner as provided for the taking of depositions under Rule 15 of the Federal Rules of Criminal Procedure.

"(m) Third Party Interests.—(1) Following the entry of an order of forfeiture under this section, the United States shall publish notice of the order and of its intent to dispose of the property in such manner as the Attorney General may direct. The Government may also, to the extent practicable, provide direct written notice to any person known to have alleged an interest in the property that is the subject of the order of forfeiture as a substitute for published notice as to those persons so notified.

SEC. 524. COMMUNICATIONS ACT AMENDMENT.

Section 223(b) of the Communications Act of 1934 (47 U.S.C. 223(b)) is amended to read as follows:

"(b)(1)(A) Whoever knowingly—

"(i) in the District of Columbia or in interstate or foreign communication, by means of telephone, makes (directly or by recording device) any obscene communication for commercial purposes to any person, regardless of whether the maker of such communication placed the call; or

"(ii) permits any telephone facility under such person's control to be used for an activity prohibited by clause (i);

shall be fined in accordance with title 18 of the United States Code, or imprisoned not more than two years, or both.

"(2)(A) Whoever knowingly—

"(i) in the District of Columbia or in interstate or foreign communication, by means of telephone, makes (directly or by recording device) any indecent communication for commercial purposes to any person, regardless of whether the maker of such communication placed the call; or

"(ii) permits any telephone facility under such person's control to be used for an activity prohibited by clause (i),

shall be fined not more than $50,000 or imprisoned not more than six months, or both.".

SEC. 525. ELECTRONIC SURVEILLANCE.

Subsection (1) of section 2516 of title 18, United States Code, is amended by redesignating paragraphs (i) and (j) as (j) and (k), respectively, and by adding a new paragraph (i) as follows:

"(i) any felony violation of chapter 71 (relating to obscenity) of this title;".

SEC. 526. POSSESSION AND SALE OF OBSCENE MATTERS IN FEDERAL JURISDICTION OR ON FEDERAL PROPERTY.

(a) In General.—Chapter 71 of title 18, United States Code, is amended by inserting before section 1461 the following:

"§ 1460. Possession and sale of obscene matter on Federal property

"(a) Whoever, either—

"(1) in the special maritime and territorial jurisdiction of the United States, or on any land or building owned by, leased to, or otherwise used by or under the control of the Government of the United States; or

"(2) in the Indian country as defined in section 1151 of this title,

knowingly sells or possesses with intent to sell an obscene visual depiction or a visual depiction of a minor engaging in or assisting another person to engage in sexually explicit conduct, shall be punished by a fine in accordance with the provisions of this title or imprisoned for not more than 2 years, or both.

"(b) Except as provided in subsection (c), whoever, in an area described in subparagraph (1) or (2) of subsection (a) knowingly possesses an obscene visual depiction or a visual depiction of a minor engaging in or assisting another person to engage in sexually explicit conduct shall be punished by imprisonment for not more than 6 months or a fine of not more than $5,000 for an individual or $10,000 for a person other than an individual, or both.

"(c) Subsection (b) shall not apply in the case of a person who possesses an obscene visual depiction in any place where such person lives or resides.

"(d) For the purposes of this section—

"(1) the term 'visual depiction' includes undeveloped film and videotape but does not include mere words; and

"(2) the terms 'minor' and 'sexually explicit conduct' have the meaning given those terms in chapter 110 of this title.

"(e) In a prosecution for a violation of this section involving an obscene visual depiction, it shall be an affirmative defense, on which the defendant has the burden of persuasion by a preponderance of the evidence, that the person—

"(1) ordered or received the obscene matter without examining the matter in advance;

"(2) did not in fact offer the matter for sale, or transfer or offer to transfer it to another person other than the sender; and

"(3) possessed the material less than 21 days.".

(b) Clerical Amendment.—The table of sections at the beginning of chapter 71 of title 18, United States Code, is amended by adding before the item relating to section 1461 the following:

"1460. Possession and sale of obscene matter on Federal property.".

SEC. 527. CIVIL FORFEITURE.

(a) In General.—Chapter 71 of title 18, United States Code, is amended by adding the following new section at the end thereof:

"§ 1470. Civil forfeiture

"(a) Property Subject to Civil Forfeiture.—The following property shall be subject to forfeiture by the United States:

"(1) Any material that has been adjudged obscene in any criminal case, Federal or State, that is produced, transported, mailed, shipped, or received in violation of this chapter.

"(2) Any property, real or personal, constituting or traceable to gross profits or other proceeds obtained from a violation of this chapter involving material that has been adjudged obscene in any criminal case, State or Federal, except that no property shall be forfeited under this paragraph, to the extent of the interest of an owner, by reason of any act or omission established by that owner to have been committed or omitted without the knowledge or consent of that owner.

"(b) Seizure Pursuant to Supplemental Rules for Certain Admiralty and Maritime Claims.—Any property subject to forfeiture to the United States under this section may be seized by the Attorney General upon process issued pursuant to the Supplemental Rules for Certain Admiralty and Maritime Claims by any district court of the United States having jurisdiction over the property, except that seizure without such process may be made when the seizure is pursuant to a search under a search warrant. The government may request the issuance of a warrant authorizing the seizure of property subject to forfeiture under this section in the same manner as provided for a search warrant under the Federal Rules of Criminal Procedure.

"(c) Custody of Attorney General.—Property taken or detained under this section shall not be repleviable, but shall be deemed to be in the custody of the Attorney General, subject only to the orders and decrees of the court or the official having jurisdiction thereof. Whenever property is seized under any of the provisions of this subchapter, the Attorney General may—

"(1) place the property under seal;

"(2) remove the property to a place designated by him; or

"(3) require that the General Services Administration take custody of the property and remove it, if practicable, to an appropriate location for disposition in accordance with law.

"(d) Other Laws and Proceedings Applicable.—All provisions of the customs laws relating to the seizure, summary and judicial forfeiture, and condemnation of property for violation of the customs laws, the disposition of such property or the proceeds from the sale thereof, the remission or mitigation of such forfeitures, and the compromise of claims, shall apply to seizures and forfeitures incurred, or alleged to have been incurred, under this section, insofar as applicable and not inconsistent with the provisions of this section, except that such duties as are imposed upon the customs officer or any other person with respect to the seizure and forfeiture of property under the customs laws shall be performed with respect to seizures and forfeitures of property under this section by such officers, agents, or other persons as may be authorized or designated for that purpose by the Attorney General or the Postal Service, except to the extent that such duties arise from seizures and forfeitures effected by any customs officer.

"(e) Applicability of Certain Sections.—Sections 1606, 1607, 1608, 1609, 1613, 1614, 1617, and 1618 of title 19 shall not apply with respect to obscene material subject to forfeiture under subsection (a)(1) of this section.

"(f) Disposition of Forfeited Property.—Whenever property is forfeited under this section the Attorney General shall destroy or retain for official use any article described in paragraph (1) of subsection (a), and with respect to property described in paragraphs (2) and (3) of subsection (a) may—

"(1) retain the property for official use or transfer the custody or ownership of any forfeited property to a Federal, State, or local agency pursuant to section 1616 of title 19;

"(2) sell any forfeited property which is not required to be destroyed by law and which is not harmful to the public; or

"(3) require that the General Services Administration take custody of the property and dispose of it in accordance with law.

The Attorney General shall ensure the equitable transfer pursuant to paragraph (1) of any forfeited property to the appropriate State or local law enforcement agency so as to reflect generally the contribution of any such agency participating directly in any of the acts which led to the seizure or forfeiture of such property. A decision by the Attorney General pursuant to paragraph (1) shall not be subject to judicial review. The Attorney General shall forward to the Treasurer of the United States for deposit in accordance with section 524(c) of title 28 the proceeds from any sale under paragraph (2) and any moneys forfeited under this subchapter.

"(g) Title to Property.—All right, title, and interest in property described in subsection (a) of this section shall vest in the United States upon commission of the act giving rise to forfeiture under this section.

"(h) Stay of Proceedings.—The filing of an indictment or information alleging a violation of this chapter which is also related to a civil forfeiture proceeding under this section shall, upon motion of the United States and for good cause shown, stay the civil forfeiture proceeding.

"(i) Venue.—In addition to the venue provided for in section 1395 of title 28 or any other provision of law, in the case of property of a defendant charged with a violation that is the basis for forfeiture of the property under this section, a proceeding for forfeiture under this section may be brought in the judicial district in which the defendant owning such property is found or in the judicial district in which the criminal prosecution is brought.".

(b) Clerical Amendments.—The table of sections at the beginning of chapter 71 of title 18, United States Code, is amended by inserting after the item relating to section 1469 the following:

"1470. Civil forfeiture.".

(c) Repeal.—The last paragraph of section 1465 of title 18, United States Code, is repealed.

SEC. 528. CIVIL FINES.

Chapter 71 of title 18, United States Code, is amended by inserting at the end the following new section:

"Section 1471. Civil fines.

"(a) Whoever produces, transports, mails, ships or receives any article that has been adjudged obscene in any state or federal criminal case shall be subject to a civil penalty of—

"(1) for a first violation, not more than $10,000;

"(2) for a second violation, not more than $50,000; and

"(3) for a third or subsequent violation, not more than $250,000 in the case of an individual, or $500,000 in the case of an organization.

"(b) An action to recover a fine imposable under subsection (a) shall be brought in the name of the United States. The Attorney General may commence such a civil action in the district court in any district where the violation occurs. Such an action must be commenced within 5 years of the violation. The Attorney General may compromise, modify, or remit with or without condition any civil penalty imposed under this section.

"(c) In any civil action under this section, the defendant shall have a right to a trial by jury, and the government shall have the burden of proof, by a preponderance of the evidence, that the article is obscene under the standards of the community in which the trial takes place."

SEC. 529. SEVERABILITY.

If any of the provisions of this Act are found invalid, such finding shall not affect the validity or effect of the remaining provisions thereof.

TITLE V—CHILD CARE PROVISIONS

SEC. 501. SHORT TITLE.

This title may be cited as the "Act for Better Child Care Services of 1988".

SEC. 502. FINDINGS AND PURPOSES.

(a) Findings.—Congress finds that—

(1) the number of children living in homes where both parents work, or living in homes with a single parent who works, has increased dramatically over the last decade;

(2) the availability of quality child care is critical to the self-sufficiency and independence of millions of American families, including the growing number of mothers

with young children who work out of economic necessity;

(3) high quality child care programs can strengthen our society by providing young children with the foundation on which to learn the basic skills necessary to be productive workers;

(4) the years from birth to age 6 are a critical period in the development of a young child;

(5) a significant number of parents do not have a real choice as they seek adequate child care for their young children because of limited incomes, insufficient State child care standards, and the inadequate supply of child care services in their community;

(6) high quality early childhood development programs provided during such period are cost effective because such programs can reduce the chances of juvenile delinquency and adolescent pregnancy and can improve the likelihood that children will finish high school and become employed;

(7) the number of quality child care arrangements falls far short of the number required for children in need of child care services;

(8) the rapid growth of participation in the labor force by mothers of children under the age of 1 has resulted in a critical shortage of quality child care arrangements for infants and toddlers;

(9) the lack of available child care services results in many preschool and school-age children being left without adequate supervision for significant parts of the day;

(10) many working parents who are unable to afford adequate child care services do not receive adequate financial assistance for such services from employers or public sources;

(11) because of the lack of affordable child care, a large number of parents are not able to work or to seek the training or education they need to become self sufficient;

(12) making adequate child care services available for parents who are employed, seeking employment, or seeking to develop employment skills promotes and strengthens the well-being of families and the national economy;

(13) the payment of the exceptionally low salaries to child care workers adversely affects the quality of child care services by making it difficult to retain qualified staff;

(14) several factors result in the shortage of quality child care options for children and parents, including—

(A) the inability of parents to pay for child care services;

(B) the lack of up-to-date information on child care services;

(C) the lack of training opportunities for staff in child care programs;

(D) the high rate of staff turnover in child care facilities; and

(E) the wide differences among the States in child care licensing and enforcement policies; and

(15) improved coordination of child care services will help to promote the most efficient use of child care resources.

(b) PURPOSES.—The purposes of this subtitle are—

(1) to build on and to strengthen the role of the family by seeking to ensure that parents are not forced by lack of available programs or financial resources to place a child in an unsafe or unhealthy child care facility or arrangement;

(2) to promote the availability and diversity of quality child care services to expand child care options available to all families who need such services;

(3) to provide assistance to families whose financial resources are not sufficient to enable such families to pay the full cost of necessary child care services;

(4) to lessen the chances that children will be left to fend for themselves for significant parts of the day;

(5) to improve the productivity of parents in the labor force by lessening the stresses related to the absence of adequate child care services;

(6) to provide assistance to States to improve the quality of, and coordination among, child care programs;

(7) to increase the opportunities for attracting and retaining qualified staff in the field of child care to provide high quality child care services to children; and

(8) to strengthen the competitiveness of the United States by providing young children with a sound early childhood development experience.

SEC. 503. DEFINITIONS.

As used in this subtitle:

(1) ADMINISTRATOR.—The term "Administrator" means the Administrator of Child Care appointed under section 514(a).

(2) CAREGIVER.—The term "caregiver" means an individual who provides a service directly to an eligible child on a person-to-person basis.

(3) CENTER-BASED CHILD CARE PROVIDER.—The term "center-based child care provider" means a child care provider that provides child care services in a nonresidential facility.

(4) CHILD CARE CERTIFICATE.—The term "child care certificate" means a certificate that is issued by the State to parents who may use such certificate only as payment for child care services for an eligible child and that provides to an eligible child care provider a right to reimbursement for such services at the same rate charged by that provider for comparable services to children whose parents are not eligible for certificates under this subtitle or for child care assistance under any other Federal or State program.

(5) COMMUNITY-BASED ORGANIZATION.—The term "community-based organization" has the meaning given such term by section 4(5) of the Job Training and Partnership Act (29 U.S.C. 1503(5)).

(6) ELEMENTARY SCHOOL.—The term "elementary school" means a day or residential school that provides elementary education, as determined under State law.

(7) ELIGIBLE CHILD.—The term "eligible child" means an individual—

(A) who is less than 16 years of age;

(B) whose family income does not exceed 100 percent of the State median income for a family of the same size; and

(C) who—

(i) resides with a parent or parents who are working, seeking employment, or enrolled in a job training or educational program; or

(ii) is receiving, or needs to receive, protective services and resides with a parent or parents not described in clause (i).

(8) ELIGIBLE CHILD CARE PROVIDER.—The term "eligible child care provider" means a center-based child care provider, a group home child care provider, a family child care provider, or other provider of child care services for compensation that—

(A) is licensed or regulated under State law;

(B) satisfies—

(i) the Federal requirements, except as provided in subparagraph (C); and

(ii) the State and local requirements; applicable to the child care services it provides; and

(C) after the expiration of the 4-year period beginning on the date the Secretary establishes minimum child care standards under section 517(e)(2), complies with such standards that are applicable to the child care services it provides.

(9) FAMILY CHILD CARE PROVIDER.—The term "family child care provider" means 1 individual who provides child care services for fewer than 24 hours per day, as the sole caregiver, and in the private residence of such individual.

(10) FAMILY SUPPORT SERVICES.—The term "family support services" means services that assist parents by providing support in parenting and by linking parents with community resources and with other parents.

(11) FULL-WORKING-DAY.—The term "full-working-day" means at least 10 hours per day.

(12) GROUP HOME CHILD CARE PROVIDER.—The term "group home child care provider" means 2 or more individuals who jointly provide child care services for fewer than 24 hours per day and in a private residence.

(13) HANDICAPPING CONDITION.—The term "handicapping condition" means any condition set forth in section 602(a)(1) of the Education of the Handicapped Act (20 U.S.C. 1401(a)(1)) or section 672(1) of the Education of the Handicapped Act (20 U.S.C. 1471(a)).

(14) INDIAN TRIBE.—The term "Indian tribe" has the meaning given it in section 4(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(b)).

(15) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given such term in section 481(a)(1) of the Higher Education Act of 1965 (20 U.S.C. 1088(a)(1)), except that with respect to a tribally controlled community college such term has the meaning given it in section 2(a)(5) of the Tribally Controlled Community College Assistance Act of 1978 (25 U.S.C. 1801(a)(5)).

(16) LEAD AGENCY.—The term "lead agency" means the agency designated under section 506(a).

(17) LOCAL EDUCATIONAL AGENCY.—The term "local educational agency" has the meaning given that term in section 198(a)(10) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2854(a)(10)).

(18) PARENT.—The term "parent" includes a legal guardian or other person standing in loco parentis.

(19) SCHOOL-AGE CHILD CARE SERVICES.—The term "school-age child care services" means child care services that are—

"(A) provided during such times of the school day when regular instructional services are not in session; and

"(B) not intended as an extension of or replacement for the regular academic program, but are intended to provide an environment which enhances the social, emotional, and recreational development of children of school age;

(20) SECONDARY SCHOOL.—The term "secondary school" means a day or residential school which provides secondary education, as determined under State law.

(21) SECRETARY.—The term "Secretary" means the Secretary of Health and Human Services unless the context specifies otherwise.

(22) SCHOOL FACILITIES.—The term "school facilities" means classrooms and related facilities used to provide education.

(23) SLIDING FEE SCALE.—The term "sliding fee scale" means a system of cost sharing between the State and a family based on income and size of the family with the very low income families having to pay no cost.

(24) STATE.—The term "State" means any of the several States, the District of Columbia, the Virgin Islands of the United States, the Commonwealth of Puerto Rico, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Marshall Islands, the Federated States of Micronesia, or Palau.

(25) UNIT OF GENERAL PURPOSE LOCAL GOVERNMENT.—The term "unit of general purpose local government" means any city, county, town, township, parish, village, a combination of such general purpose political subdivisions including those in two or more States, or other general purpose political subdivisions of a State.

(26) TRIBAL ORGANIZATION.—The term "tribal organization" has the meaning given it in section 4(c) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(c)).

(27) TRIBALLY CONTROLLED COMMUNITY COLLEGE.—The term "tribally controlled community college" has the meaning given it in section 2(a)(4) of the Tribally Controlled Community College Assistance Act of 1978 (25 U.S.C. 1801(a)(4)).

SEC. 504. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—To carry out this subtitle, other than section 521, there are authorized to be appropriated $2,500,000,000 for the fiscal year 1990 and such sums as may be necessary in each of the fiscal years 1991 through 1994.

SEC. 505. AMOUNTS RESERVED; ALLOTMENTS.

(a) AMOUNTS RESERVED.—

(1) TERRITORIES AND POSSESSIONS.—The Secretary shall reserve not to exceed one half of 1 percent of the amount appropriated under section 504(a) in each fiscal year for payments to Guam, American Samoa, the Virgin Islands of the United States, the Commonwealth of the Northern Mariana Islands, the Marshall Islands, the Federated States of Micronesia, and Palau, to be allotted in accordance with their respective needs.

(2) INDIANS.—The Secretary shall reserve an amount, not less than 1.5 percent and not more than 3 percent of the amount appropriated under section 504(a) in each fiscal year, to carry out subsection (c) regarding Indian children.

(b) STATE ALLOTMENT.—

(1) GENERAL RULE.—From the remainder of the sums appropriated under section 504(a) for each fiscal year, the Secretary shall allot to each State (excluding jurisdictions referred to in subsection (a)(1)) an amount equal to the sum of—

(A) an amount that bears the same ratio to 50 percent of such remainder as the product of the young child factor of the State and the allotment percentage bears to the sum of the corresponding products for all States; and

(B) an amount that bears the same ratio to 50 percent of such remainder as the product of the school lunch factor of the State and the allotment percentage bears to the sum of the corresponding products for all the States.

(2) YOUNG CHILD FACTOR.—The term "young child factor" means the ratio of the number of children in the State who are less than 5 years of age to the number of children in all the States who are less than 5 years of age.

(3) SCHOOL LUNCH FACTOR.—The term "school lunch factor" means the ratio of the number of children in the State who are receiving free or reduced price lunches under the school lunch program established under the National School Lunch Act (42 U.S.C. 1751 et seq.) to the number of children in all the States who are receiving free or reduced price lunches under such program.

(4) ALLOTMENT PERCENTAGE.—

(A) IN GENERAL.—The allotment percentage for a State is determined by dividing—

(i) the per capita income of all individuals in the United States; by

(ii) the per capita income of all individuals in the State.

(B) LIMITATIONS.—If a sum determined under subparagraph (A)—

(i) exceeds 1.2, then the allotment percentage of that State shall be considered to be 1.2; and

(ii) is less that 0.8, then the allotment percentage of the State shall be considered to be 0.8.

(C) PER CAPITA INCOME.—For purposes of subparagraph (A), per capita income shall be—

(i) determined at 2-year intervals;

(ii) applied for the 2-year period beginning on October 1 of the first fiscal year beginning on the date such determination is made; and

(iii) equal to the average of the annual per capita incomes for the most recent period of 3 consecutive years for which satisfactory data are available from the Department of Commerce at the time such determination is made.

(c) PAYMENTS FOR THE BENEFIT OF INDIAN CHILDREN.—

(1) TRIBAL ORGANIZATIONS.—From the funds reserved under subsection (a)(2), the Secretary may, upon the application of a Indian tribe or tribal organization enter into a contract with, or make a grant to such Indian tribe or tribal organization for a period of 3 years, subject to satisfactory performance, to plan and carry out programs and activities that are consistent with this subtitle. Such contract or grant shall be subject to the terms and conditions of section 102 of the Indian Self-Determination Act (25 U.S.C. 450f) and shall be conducted in accordance with sections 4, 5, and 6 of the Act of April 16, 1934 (48 Stat. 596; 25 U.S.C. 655-657), that are relevant to such programs and activities.

(2) INDIAN RESERVATIONS.—In the case of an Indian tribe in a State other than the States of Oklahoma, Alaska, and California, such programs and activities shall be carried out on the Indian reservation for the benefit of Indian children.

(3) STANDARDS.—

(A) IN GENERAL.—Subject to subparagraph (B), the Secretary shall establish, through the application process, standards applicable to child care services provided under such programs and activities. For purposes of establishing such standards, the Secretary shall take into consideration—

(i) the codes, regulations, and cultural factors of the Indian tribe involved, as expressed by such tribe or the tribal organization that represents such tribe; and

(ii) the State licensing and regulatory requirements applicable to child care services provided in the State in which such program and activities are carried out.

(B) APPLICATION.—

(i) RULE.—Except as provided in clause (ii), after the Secretary establishes minimum child care standards under section 517(e)(2), such minimum standards shall apply with respect to child care services provided under such programs and activities.

(ii) WAIVERS AND MODIFICATIONS.—The Secretary may waive or modify, for a period not to exceed 5 years beginning on the date such minimum standards are established, any of such minimum standards that would limit the capacity of an Indian tribe or tribal organization to receive funds under this subtitle if the Secretary determines that there is a reasonable expectation that each of such standards requested to be waived will be met by the applicant by the end of the period for which the waiver is requested.

(4) AVAILABILITY OF STATE CHILD CARE SERVICES.—For the purpose of determining whether to approve an application for a contract or grant under this subsection, the Secretary shall take into consideration the availability of child care services provided in accordance with this subtitle by the State in which the applicant proposes to carry out a program to provide child care services.

(5) RULE OF CONSTRUCTION.—This subsection shall not be construed—

(A) to limit the eligibility of any individual to participate in any program carried out with assistance received under this subtitle by a State; or

(B) to modify any requirement imposed on a State by any provision of this subtitle.

(6) COORDINATION.—To the maximum extent practicable, the applicant for a grant or contract under this subsection and the State in which the applicant is located shall coordinate with each other their respective child care programs and activities, including child care programs and activities carried out with assistance received under this subtitle.

(d) DATA AND INFORMATION.—The Secretary shall obtain from each appropriate Federal agency, the most recent data and information necessary to determine the allotments provided for in subsection (b).

(e) REALLOTMENTS.—

(1) IN GENERAL.—Any portion of the allotment under subsection (b) to a State that the Secretary determines is not required to carry out a State plan approved under section 507(d), in the period for which the allotment is made available, shall be reallotted by the Secretary to other States in proportion to the original allotments to the other States.

(2) LIMITATIONS.—

(A) REDUCTION.—The amount of any reallotment to which a State is entitled to under paragraph (1) shall be reduced to the extent that it exceeds the amount that the Secretary estimates will be used in the State to carry out a State plan approved under section 507(d).

(B) REALLOTMENTS.—The amount of such reduction shall be similarly reallotted among States for which no reduction in an allotment or reallotment is required by this subsection.

(3) AMOUNTS REALLOTTED.—For purposes of any other section of this subtitle, any amount reallotted to a State under this subsection shall be considered to be part of the allotment made under subsection (b) to the State.

(f) DEFINITION.—For the purposes of this section, the term "State" means any of the several 50 States, the District of Columbia, or the Commonwealth of Puerto Rico.

SEC. 506. LEAD AGENCY.

(a) DESIGNATION.—The chief executive officer of a State desiring to participate in the program authorized by this subtitle shall designate, in an application submitted to the Secretary under section 507(a), an appropriate State agency that meets the requirements of subsection (b) to act as the lead agency.

(b) Requirements.—

(1) Administration of funds.—The lead agency shall have the capacity to administer the funds provided under this subtitle to support programs and services authorized under this subtitle and to oversee the plan submitted under section 507(b).

(2) Coordination.—The lead agency shall have the capacity to coordinate the services for which assistance is provided under this subtitle with the services of other State and local agencies involved in providing services to children.

(3) Establishment of policies.—The lead agency shall have the authority to establish policies and procedures for developing and implementing interagency agreements with other agencies of the State to carry out the purposes of this subtitle.

(c) Duties.—The lead agency shall—

(1) assess child care needs and resources in the State, and assess the effectiveness of existing child care services and services for which assistance is provided under this subtitle or under other laws, in meeting such needs;

(2) develop a plan designed to meet the need for child care services in the State for eligible children, including infants, preschool children, and school-age children, giving special attention to meeting the needs for services for low-income children, migrant children, children with a handicapping condition, foster children, children in need of protective services, children of adolescent parents who need child care to remain in school, and children with limited English-language proficiency;

(3) develop, in consultation with the State advisory committee on child care established under section 511, the State plan submitted to the Secretary under section 507(b);

(4) hold hearings, in cooperation with such State advisory committee on child care, annually in each region of the State in order to provide to the public an opportunity to comment on the provision of child care services in the State under the proposed State plan;

(5) make such periodic reports to the Secretary as the Secretary may by rule require;

(6) coordinate the provision of services under this subtitle with—

(A) other child care programs and services, and with educational programs, for which assistance is provided under any State, local, or other Federal law, including the State Dependent Care Development Grants Act (42 U.S.C. 9871 et seq.); and

(B) other appropriate services, including social, health, mental health, protective, and nutrition services, available to eligible children under other Federal, State, and local programs; and

(7) identify resource and referral programs for particular geographical areas in the State that meet the requirements of section 512.

SEC. 507. APPLICATION AND PLAN.

(a) Application.—To be eligible to receive assistance under this subtitle, a State shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require by rule.

(b) Plan.—The application of a State submitted under subsection (a) shall include an assurance that the State will comply with the requirements of this subtitle and a State plan that is designed to be implemented during a 4-year period and that meets the requirements of subsection (c).

(c) Requirements of a Plan.—

(1) Lead agency.—The plan shall identify the lead agency designated in accordance with section 506(a).

(2) Advisory bodies.—The plan shall demonstrate that the State will establish in accordance with section 511 a State advisory committee on child care.

(3) Policies and procedures.—The plan shall set forth policies and procedures designed to ensure all of the following:

(A) That—

(i) all providers of child care services for which assistance is provided under this subtitle comply with all licensing and regulatory requirements (including registration requirements) applicable under State and local law; and

(ii) such requirements are imposed and enforced by the State uniformly on all child care providers that provide child care services under similar child care arrangements. This subparagraph shall not be construed to prohibit a State from imposing more stringent standards or requirements on child care providers who provide services for which assistance is provided under this subtitle and who also receive State funds under any other law to provide child care services under a contract or other arrangement with the State.

(B) That procedures will be established to ensure that child care providers receiving assistance under this subtitle or under other publicly-assisted child care programs comply with the minimum child care standards established under section 517(e)(2) after the expiration of the 5-year period beginning on the date the Secretary establishes such standards, and comply with all applicable State and local licensing and regulatory requirements (including registration requirements).

(C) That the State will not—

(i) reduce the categories of child care providers licensed or regulated by the State on the date of enactment of this subtitle; or

(ii) reduce the level of standards applicable to child care services provided in the State and to the matters specified in sections 513(a) and 517(d), even if such standards exceed the minimum standards established under section 517(e)(2) by the Secretary unless the State demonstrates, to the satisfaction of both the Secretary and the State advisory committee on child care established under section 511, that the reduction is based on positive developmental practice.

(D) That funds received under this subtitle by the State will be used only to supplement, not to supplant, the amount of Federal, State, and local funds expended for the support of child care services and related programs in the State, except that States may use existing expenditures in support of child care services to satisfy the State matching requirement under section 516(b).

(E) That for each fiscal year the State will use an amount not to exceed 10 percent of the amount of funds received under section 505 by the State for such fiscal year to administer the State plan.

(F) That the State will pay funds under this subtitle to eligible child care providers in a timely fashion to ensure the continuity of child care services to eligible children.

(G) That resource and referral agencies will be made available to families in all regions of the State.

(H) That each eligible child care provider who provides services for which assistance is provided under paragraph (4)—

(i) provides services to children of families with very low income, taking into account family size;

(ii) after the expiration of the 4-year period beginning on the date the Secretary establishes minimum child care standards under section 517(e)(2), complies with such standards except as provided in clause (iv);

(iii) if such eligible child care provider is regulated by a State educational agency that—

(I) administers any State law applicable to child care services;

(II) develops child care standards that meet or exceed the minimum standards established under section 517(e)(2) and the State licensing or regulatory requirements (including registration requirements); and

(III) enforces the standards described in subclause (II) that are developed by such agency, using policies and practices that meet or exceed the requirements specified in subparagraphs (A) through (K) of paragraph (11);

complies with the standards described in subclause (II) that are developed by such agency; and

(iv) complies with the State plan and the requirements of this subtitle.

(I) That child care services for which assistance is provided under paragraph (4) are available to children with a handicapping condition.

(J) That State regulations will be issued governing the provision of school-age child care services if the State does not already have such regulations.

(K) That child care providers in the State are encouraged to develop personnel policies that include compensated time for staff undergoing training required under this subtitle.

(L) Encourage the payment of adequate salaries and other compensation—

(i) to full and part-time staff of child care providers who provide child care services for which assistance is provided under paragraph (4);

(ii) to the extent practicable, to such staff in other major Federal and State child care programs; and

(iii) to other child care personnel, at the option of the State.

(M) That child care services for which assistance is provided under paragraph (4) are available for an adequate number of hours and days to serve the needs of parents of eligible children, including parents who work nontraditional hours.

(4) Child care services.—The plan shall provide that—

(A) subject to subparagraph (B), the State will use at least 70 percent of the amount allotted to the State in any fiscal year to provide child care services that meet the requirements of this subtitle to eligible children in the State on a sliding fee scale basis and using funding methods provided for in section 508(a)(1), with priority being given for services to children of families with very low family incomes, taking into consideration the size of the family; and

(B) the State will use at least 10 percent of the funds reserved for the purposes specified in subparagraph (A) in any fiscal year to provide for the extension of part-day programs as described in section 508(b).

(5) Activities to improve the quality of child care.—The plan shall provide that the State will use not more than 10 percent of

the amount allotted to it in any fiscal year to do each of the following:

(A) Provide financial assistance, pursuant to procedures established under the State Dependent Care Development Grants Act (42 U.S.C. 9801 note), to private nonprofit organizations or public organizations (including units of general purpose local government) that meet the requirements of section 512 for the development, establishment, expansion, operation, and coordination of resource and referral programs specifically related to child care.

(B) Improve the monitoring of compliance with, and enforcement of, the licensing and regulatory requirements (including registration requirements) of the State.

(C) Provide training, technical assistance, and scholarship assistance in accordance with the requirements of subsections (b), (c), and (d) of section 513.

(D) Ensure that adequate salaries and other compensation are paid to full- and part-time staff who provide child care services for which assistance is provided under paragraph (4).

(6) ACTIVITIES TO INCREASE THE AVAILABILITY OF CHILD CARE.—The plan shall provide that the State will use not more than 10 percent of the amount allotted to it in any fiscal year for any of the following activities, together with an assurance that the State will give priority to the activities described in subparagraphs (A) and (B):

(A) Making grants and low interest loans to family child care providers and nonprofit child care providers to help such providers pay the cost of—

(i) establishing child care programs; and

(ii) making renovations and improvements in existing facilities to be used to carry out such programs.

(B) Making grants and low-interest loans to child care providers to assist such providers in meeting Federal, State, and local child care standards, giving priority to providers receiving assistance under this subtitle or under other publicly assisted child care programs and which serve children of families that have very low incomes.

(C) Providing assistance for the establishment and operation of after school child care programs.

(D) Making grants or loans to fund the start up costs of employer sponsored child care programs.

(E) Providing assistance for the temporary care of children who are sick and unable to attend child care programs in which such children are enrolled.

(F) Providing assistance for the establishment and operation of child care programs for homeless children.

(G) Providing assistance to link child care programs with programs designed to assist the elderly.

(H)(i) Establishing and administering a revolving loan fund from which any person desiring to make capital improvements to the principal residence of such person (within the meaning of section 1034 of the Internal Revenue Code of 1986) may obtain a loan in order to become a licensed family child care provider, pursuant to State and local law, and to comply with the minimum standards applicable to such providers as established under section 517(e)(2).

(ii) To permit the use of funds provided under this subtitle for the activity described in clause (i), the State shall set forth procedures and guidelines to carry out the purposes of such clause, including procedures—

(I) that provide assurances that only applicants who obtain a license for the operation of a child care facility in accordance with the provisions of State and local law and who will meet the minimum standards applicable to family child care services established under section 517(e)(2), benefit from loans made available pursuant to the provisions of clause (i);

(II) to assure that the revolving fund will be administered by the State and will provide loans to qualified applicants, pursuant to the terms and conditions established by such State, in an amount, determined by such State, that is not in excess of $1,500;

(III) to assure that funds used to carry out the purpose of clause (i) are transferred to such fund to provide capital for making loans;

(IV) to assure that interest and principal payments on loans and any other moneys, property, or assets derived from any action concerning such funds are deposited into such fund;

(V) to assure that all loans, expenses, and payments pursuant to the operation of the revolving loan fund are paid from such fund;

(VI) to assure that loans made from such fund are made to qualified applicants to enable such applicants to make capital improvements so that such applicant may obtain a State or local family child care provider license and so that such applicant may meet the minimum standards applicable to such providers established under section 517(e)(2); and

(VII) that specify how such revolving loan fund will continue to be financed in subsequent years, such as through contributions by the State or by some other entity.

(7) DISTRIBUTION OF FUNDS.—The plan shall provide that funds will be distributed—

(A) to a variety of types of child care providers in each community, including center-based child care providers, group home child care providers, and family child care providers; and

(B) equitably among child care providers to provide child care services in rural and urban areas.

(8) REIMBURSEMENTS.—The plan shall provide that for child care services for which assistance is provided under this subtitle, an eligible child care provider shall have a right to reimbursement at the same rate charged by that provider for comparable services to children of comparable ages and special needs whose parents are not eligible for certificates under this subtitle or for child care assistance under any other Federal or State program.

(9) PRIORITY.—The plan shall provide that priority will be given, in distributing funds in the State, to child care providers that—

(A) in providing child care services assisted by such funds, will give priority to eligible children of families with very low income;

(B) to the maximum extent feasible, provide child care services to a reasonable mix of children, including children from different socioeconomic backgrounds and children with a handicapping condition;

(C) provide opportunities for parent involvement in all aspects of providing such services; and

(D) to the maximum extent feasible, offer family support services.

(10) SLIDING FEE SCALE.—The plan shall provide for the establishment of a sliding fee scale that requires cost sharing based on the services provided to and the income of the families (adjusted for family size) of eligible children who receive services for which assistance is provided under this subtitle.

(11) PARENTAL INVOLVEMENT.—The plan shall establish procedures for parental involvement in State and local planning, monitoring, and evaluation of child care programs and services in the State.

(12) ENFORCEMENT OF LICENSING AND OTHER REGULATORY REQUIREMENTS (INCLUDING REGISTRATION REQUIREMENTS).—The plan shall provide that the State, not later than 4 years after the date of enactment of this subtitle, shall have in effect enforcement policies and practices that will be applicable to all licensed or regulated child care providers (including child care providers required to register) in the State, including policies and practices that—

(A) require personnel who perform inspection functions with respect to licensed or regulated child care services to have or receive training in health and safety, child abuse prevention and detection, program management, and relevant law enforcement;

(B) to the maximum extent feasible, have personnel requirements to ensure that individuals who are hired as licensing inspectors are qualified to inspect and have inspection responsibility exclusively for children's services;

(C) require—

(i) personnel who perform inspection functions with respect to licensed or regulated child care services to make not less than 1 unannounced inspection of each center-based child care provider and each group home child care provider in the State annually; and

(ii) personnel who perform inspection functions with respect to licensed or regulated child care services to make unannounced inspections annually of not less than 20 percent of licensed and regulated family child care providers in the State;

(D) require licensed or regulated child care providers (including registered child care providers) in the State—

(i) to have written policies and program goals and to make a copy of such policies and goals available to parents; and

(ii) to provide parents with unlimited access to their children and to providers caring for their children, during normal hours of operation of such providers and whenever children of such parents are in the care of such providers;

(E) implement a procedure to address complaints that will provide a reasonable opportunity for a parent, or child care provider, that is adversely affected or aggrieved by a decision of the lead agency or any program assisted under this subtitle, to be heard by the State;

(F) prohibit the operator of a child care facility to take any action against an employee of such operator that would adversely affect the employment, or terms or conditions of employment, of such employee because such employee communicates a failure of such operator to comply with any applicable licensing or regulatory requirement;

(G) implement a consumer education program designed to inform parents and the general public about licensing requirements, complaint procedures, and policies and practices required by this paragraph;

(H) require a child care provider to post, on the premises where child care services are provided, the telephone number of the appropriate licensing or regulatory agency that parents may call regarding a failure of such provider to comply with any applicable licensing or regulatory requirement; and

(I) require the State to maintain a record of parental complaints and to make information regarding substantiated parental complaints available to the public on request.

(13) Data collection.—The plan shall provide for the establishment of procedures for data collection by the State designed to show—

(A) by race, sex, ethnic origin, handicapping condition, and family income, how the child care needs of families in the State are being fulfilled, including information on—

(i) the number of children being assisted with funds provided under this subtitle, and under other State and Federal child care and preschool programs;

(ii) the type and number of child care programs, child care providers, caregivers, and support personnel located in the State;

(iii) the regional cost of child care; and

(iv) such other information as the Secretary considers necessary to establish how funds provided under this subtitle are being used;

(B) the extent to which the availability of child care has been increased; and

(C) how the purposes of this subtitle and the objectives of the State set forth in the State plan are being met, including efforts to improve the quality, availability, and accessibility of child care;

and shall provide that data collected by the State under this paragraph shall be submitted to the Secretary.

(d) Approval of Application.—The Secretary shall approve an application that satisfies the requirements of this section.

(e) Special Rule.—In carrying out the provisions of this section, the Secretary shall approve any application with respect to the activities described in the plan submitted under paragraph (5) of subsection (c), if the Secretary determines that the State is making reasonable progress in carrying out the activities which are described in subparagraphs (A) and (D) of paragraph (5).

SEC. 508. SPECIAL RULES FOR USE OF STATE ALLOTMENTS.

(a) Funding of Child Care Services.—

(1) In general.—The child care services referred to in section 507(c)(4) that are to be provided out of the allotment to a State, shall be provided—

(A) by contracts with or grants to eligible child care providers who agree to provide such services directly to eligible children;

(B) by grants to units of general purpose local government that agree to enter into contracts with eligible child care providers who agree to provide such services directly to eligible children; or

(C) by distributing child care certificates to parents of eligible children under such terms as the Secretary may prescribe to enable the recipients of such certificates to purchase child care services from eligible child care providers.

(2) Limitation on certificates.—Child care certificates authorized by paragraph (1)(C) may be issued by a State only if a resource and referral program carried out by an organization that meets the requirements of section 512 is available to help parents locate child care services made available by eligible child care providers.

(3) No entitlement to contract or grant.—Nothing in this subtitle shall be construed to entitle any child care provider or recipient of a child care certificate to any contract, grant or benefit, or to limit the right of any State to impose additional limitations or conditions on contracts or grants funded under this subtitle.

(b) Part-day Programs.—

(1) In general.—At least 10 percent of the funds available for activities under section 507(c)(4)(A) shall be used by the State to enable child care providers to extend the hours of operation of the part-day programs described in paragraph (2) to provide full-working-day child care services throughout the year, in order to meet the needs of parents of eligible children.

(2) Eligible programs.—As used in paragraph (1), the term "part-day programs" means—

(A) programs of schools and nonprofit child care providers (including community-based organizations) receiving State or local funds designated for preschool;

(B) programs established under the Head Start Act (42 U.S.C. 9831 et seq.);

(C) preschool programs for which assistance is provided under chapter 1 of the Education Consolidation and Improvement Act of 1981 (20 U.S.C. 3801 et seq.); and

(D) preschool programs for children with a handicapping condition.

(c) Facilities.—

(1) New facilities.—No financial assistance provided under this subtitle shall be expended for the construction of a new facility.

(2) Existing facilities.—No financial assistance provided under this subtitle shall be expended to renovate or repair any facility unless—

(A) the child care provider that receives such financial assistance agrees—

(i) in the case of a grant, to repay to the Secretary or the State, as the case may be, the amount that bears the same ratio to the amount of such grant as the value of the renovation or repair, as of the date such provider ceases to provide child care services in such facility in accordance with this subtitle, bears to the original value of the renovation or repair; and

(ii) in the case of a loan, to repay immediately to the Secretary or the State, as the case may be, the principal amount of such loan outstanding and any interest accrued, as of the date such provider ceases to provide child care services in such facility in accordance with this subtitle;

if such provider does not provide child care services in such facility in accordance with this subtitle throughout the useful life of the renovation or repair; and

(B) if such provider is a sectarian agency or organization, the renovation or repair is necessary to bring such facility into compliance with health and safety requirements imposed by this subtitle.

SEC. 509. PLANNING GRANTS.

(a) In General.—A State desiring to participate in the programs authorized by this subtitle that cannot fully satisfy the requirements of the State plan under section 507(b) without financial assistance may, in the first year that the State participates in the programs, apply to the Secretary for a planning grant.

(b) Authorization.—The Secretary is authorized to make a planning grant to a State described in subsection (a) if the Secretary determines that—

(1) the grant would enable the State to fully satisfy the requirements of a State plan under section 507(b); and

(2) the State will apply, for the remainder of the allotment that the State is entitled to receive for such fiscal year.

(c) Amount of Grant.—A grant made to a State under this section shall not exceed 1 percent of the total allotment that the State would qualify to receive in the fiscal year involved if the State fully satisfied the requirements of section 507.

(d) Limitation on Administrative Costs.—A grant made under this section shall be considered to be expended for administrative costs by the State for purposes of determining the compliance by the State with the limitation on administrative costs imposed by section 507(c)(3)(E).

SEC. 510. CONTINUING ELIGIBILITY OF STATES.

A State shall be ineligible for assistance under this subtitle after the expiration of the 4-year period beginning on the date the Secretary establishes minimum child care standards under section 517(e)(2) unless the State demonstrates to the satisfaction of the Secretary that—

(1) all child care providers required to be licensed and regulated in the State—

(A) are so licensed and regulated; and

(B) are subject to the enforcement provisions referred to in the State plan; and

(2) all such providers who are receiving assistance under this subtitle or under other publicly-assisted child care programs—

(A) satisfy the requirements of subparagraphs (A) and (B) of paragraph (1); and

(B) satisfy the minimum child care standards established by the Secretary under section 517(e)(2) of this subtitle.

SEC. 511. STATE ADVISORY COMMITTEE ON CHILD CARE.

(a) Establishment.—The chief executive officer of a State participating in the program authorized by this subtitle shall—

(1) establish a State advisory committee on child care (hereinafter in this section referred to as the "committee") to assist the lead agency in carrying out the responsibilities of the lead agency under this subtitle; and

(2) appoint the members of the committee.

(b) Composition.—The State committee shall be composed of not fewer than 21 and not more than 30 members who shall include—

(1) at least 1 representative of the lead agency designated under section 506(a);

(2) 1 representative of each of—

(A) the State departments of—

(i) human resources or social services;

(ii) education;

(iii) economic development; and

(iv) health; and

(B) other State agencies having responsibility for the regulation, funding, or provision of child care services in the State;

(3) at least 1 representative of providers of different types of child care services, including caregivers and directors;

(4) at least 1 representative of early childhood development experts;

(5) at least 1 representative of school districts and teachers involved in the provision of child care services and preschool programs;

(6) at least 1 representative of resource and referral programs;

(7) 1 pediatrician;

(8) 1 representative of a citizen group concerned with child care;

(9) at least 1 representative of an organization representing child care employees;

(10) at least 1 representative of the Head Start agencies in the State;

(11) parents of children receiving, or in need of, child care services, including at least 2 parents whose children are receiving or are in need of subsidized child care services;

(12) 1 representative of specialists concerned with children who have a handicapping condition;

(13) 1 representative of individuals engaged in business;

(14) 1 representative of fire marshals and building inspectors;

(15) 1 representative of child protective services; and

(16) 1 representative of units of general purpose local government.

(c) Functions.—The committee shall—

(1) advise the lead agency on child care policies;

(2) provide the lead agency with information necessary to coordinate the provision of child care services in the State;

(3) otherwise assist the lead agency in carrying out the functions assigned to the lead agency under section 506(c);

(4) review and evaluate child services for which assistance is provided under this subtitle or under State law, in meeting the objectives of the State plan and the purposes of this subtitle;

(5) make recommendations on the development of State child care standards and policies;

(6) participate in the regional public hearings required under section 506(c)(5); and

(7) perform other functions to improve the quantity and quality of child care services in the State.

(d) Meetings and Hearings.—

(1) In general.—Not later than 30 days after the beginning of each fiscal year, the committee shall meet and establish the time, place, and manner of future meetings of the committee.

(2) Minimum number of hearings.—The committee shall have at least 2 public hearings each year at which the public shall be given an opportunity to express views concerning the administration and operation of the State plan.

(e) Use of Existing Committees.—To the extent that a State has established a broadly representative State advisory group, prior to the date of enactment of this subtitle, that is comparable to the advisory committee described in this section and focused exclusively on child care and early childhood development programs, such State shall be considered to be in compliance with subsections (a) through (c).

(f) Subcommittee on Licensing.—

(1) Composition.—The committee shall have a subcommittee on licensing (hereinafter in this section referred to as the "subcommittee") that shall be composed of the members appointed under paragraphs (2)(A)(iv), (3), (6), (7), (11), (14), and (15) of subsection (b).

(2) Functions.—

(A) Review of licensing authority.—The subcommittee shall review the law applicable to, and the licensing requirements and the policies of, each licensing agency that regulates child care services and programs in the State unless the State has reviewed such law, requirements, and policies in the 4-year period ending on the date of the establishment of the committee under subsection (a).

(B) Report.—Not later than 1 year after establishment of the committee under subsection (a), the subcommittee shall prepare and submit to the chief executive officer of the State involved a report.

(C) Contents of report.—A report prepared under subparagraph (B) shall contain—

(i) an analysis of information on child care services provided by center-based child care providers, group home child care providers, and family child care providers;

(ii) a detailed statement of the findings and recommendations that result from the subcommittee review under subparagraph (A), including a description of the current status of child care licensing, regulating, monitoring, and enforcement in the State;

(iii) a detailed statement identifying and describing the deficiencies in the existing licensing, regulating, and monitoring programs of the State involved, including an assessment of the adequacy of staff to carry out such programs effectively, and recommendations to correct such deficiencies or to improve such programs; and

(iv) comments on the minimum child care standards established by the Secretary under section 517(e)(2).

(3) Receipt of report by the chief executive officer of the state.—Not later than 60 days after receiving the report from the subcommittee, the chief executive officer of the State shall transmit such report to the Secretary with—

(A) the comments of the chief executive officer of the State; and

(B) a plan for correcting deficiencies in, or improving the licensing, regulating, and monitoring, of the child care services and programs referred to in paragraph (2)(A).

(4) Termination of assistance.—None of the funds received under this subtitle may be used to carry out any activity under this section occurring more than 90 days after the State submits a report required by subsection (d).

(g) Services and Personnel.—

(1) Authority.—The lead agency is authorized to provide the services of such personnel, and to contract for such other services as may be necessary, to enable the committee and the subcommittee to carry out their functions under this subtitle.

(2) Reimbursement.—Members of the committee shall be reimbursed, in accordance with standards established by the Secretary, for necessary expenses incurred by such members in carrying out the functions of the committee and the subcommittee.

(3) Sufficiency of funds.—The Secretary shall ensure that sufficient funds are made available, from funds available for the administration of the State plan, to the committee and the subcommittee to carry out the requirements of this section.

SEC. 512. RESOURCE AND REFERRAL PROGRAMS.

(a) Eligibility for Assistance.—Each State receiving funds under this subtitle shall, pursuant to section 507(c)(5)(A), make grants to or enter into contracts with private nonprofit organizations or public organizations (including units of general purpose local government), as resource and referral agencies to ensure that resource and referral services are available to families in all geographical areas in the State.

(b) Funding.—Organizations that receive assistance under subsection (a) shall carry out resource and referral programs—

(1) to identify all types of existing child care services, including services provided by individual family child care providers and by child care providers who provide child care services to children with a handicapping condition;

(2) to provide to interested parents information and referral regarding such services, including the availability of public funds to obtain such services;

(3) to provide or arrange for the provision of information, training, and technical assistance to existing and potential child care providers and to others (including businesses) concerned with the availability of child care services; and

(4) to provide information on the demand for and supply of child care services located in a community.

(c) Requirements.—To be eligible for assistance as a resource and referral agency under subsection (a), an organization shall—

(1) have or acquire a database of information on child care services in the State or in a particular geographical area that the organization continually updates, including child care services provided in centers, group home child care settings, nursery schools, and family child care settings;

(2) have the capability to provide resource and referral services in a particular geographical area;

(3) be able to provide parents with information to assist them in identifying quality child care services;

(4) to the maximum extent practicable, notify all eligible child care providers in such area of the functions it performs and solicit such providers to request to be listed to receive referrals made by such organization; and

(5) otherwise comply with regulations promulgated by the State in accordance with subsection (d).

(d) Limitation on Information.—In carrying out this section, an organization receiving assistance under subsection (a) as a resource and referral agency shall not provide information concerning any child care program or services which are not in compliance with the laws of the State and localities in which such services are provided.

SEC. 513. TRAINING AND TECHNICAL ASSISTANCE.

(a) Minimum Requirement.—A State receiving funds under this subtitle shall require, not later than 2 years after the date of the enactment of this subtitle, that all employed or self-employed individuals who provide licensed or regulated child care services (including registered child care services) in a State complete at least 40 hours of training over a 2-year period in areas appropriate to the provision of child care services, including training in health and safety, nutrition, first aid, the recognition of communicable diseases, child abuse detection and prevention, and the needs of special populations of children.

(b) Grants and Contracts for Training and Technical Assistance.—

(1) Grants and contracts.—The State shall make grants to, and enter into contracts with State agencies, units of general purpose local government, institutions of higher education, and nonprofit organizations (including resource and referral organizations, child care food program sponsors, and family child care associations, as appropriate) to develop and carry out child care training and technical assistance programs under which preservice and continuing inservice training is provided to eligible child care providers, including family child care providers, and the staff of such providers including teachers, administrative personnel, and staff of resource and referral programs involved in providing child care services in the State.

(2) Eligibility requirements for grants and contracts relating to training for family child care providers.—To be eligible to receive a grant or enter into a contract for a training and technical assistance program for family child care providers under paragraph (1), a nonprofit organization shall—

(A) recruit and train family child care providers, including providers with the capacity to provide night-time and emergency child care services;

(B) operate resource centers to make developmentally appropriate curriculum materials available to family child care providers;

(C) provide grants to family child care providers for the purchase of moderate cost equipment to be used to provide child care services; and

(D) operate a system of substitute caregivers.

(3) Eligibility requirements for grants and contracts relating to technical assistance.—To be eligible to receive a grant, or enter into a contract under subsection (b) to provide technical assistance, an agency, organization, or institution shall agree to furnish technical assistance to child care providers to assist such providers—

(A) in understanding and complying with local regulations and relevant tax and other policies;

(B) in meeting State licensing, regulatory, and other requirements (including registration) pertaining to family child care providers.

(c) Scholarship Assistance.—The State shall provide scholarship assistance to—

(1) individuals who seek a nationally recognized child development associate credential for center-based or family child care and whose income does not exceed the poverty line (as defined in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) by more than 50 percent, in amounts sufficient to cover the costs involved in securing such credential; and

(2) caregivers who seek to obtain the training referred to in subsection (a) and whose income does not exceed such poverty line.

(d) Clearinghouse.—The State shall establish in the lead agency a clearinghouse to collect and disseminate training materials to resource and referral agencies and child care providers throughout the State.

SEC. 514. FEDERAL ADMINISTRATION OF CHILD CARE.

(a) Administrator of Child Care.—There is hereby established in the Department of Health and Human Services the position of Administrator of Child Care (hereinafter in this section referred to as the "Administrator"). The Secretary shall appoint an individual to serve as the Administrator at the pleasure of the Secretary.

(b) Duties.—The Administrator shall—

(1) coordinate all activities of the Department of Health and Human Services relating to child care, and coordinate such activities with similar activities of other Federal entities;

(2) annually collect and publish State child care standards, including periodic modifications to such standards;

(3) evaluate activities carried out with funds provided under this subtitle;

(4) act as a clearinghouse to collect and disseminate materials that relate to—

(A) the matters required by section 513(b)(1) to be addressed by training required by section 513 to be provided; and

(B) studies that relate to the salaries paid to individuals employed to provide child care services; and

(5) provide technical assistance to assist States to carry out this subtitle.

SEC. 515. FEDERAL ENFORCEMENT.

(a) Review of Compliance With State Plan.—The Secretary shall review and monitor State compliance with this subtitle and the plan approved under section 507(d) for the State.

(b) Noncompliance.—

(1) In general.—If the Secretary, after reasonable notice and opportunity for a hearing to a State, finds that—

(A) there has been a failure by the State to comply substantially with any provision or any requirements set forth in the plan approved under section 507(d) for the State; or

(B) in the operation of any program or project for which assistance is provided under this subtitle there is a failure by the State to comply substantially with any provision of this subtitle;

the Secretary shall notify the State of the finding and that no further payments may be made to such State under this subtitle (or, in the case of noncompliance in the operation of a program or activity, that no further payments to the State will be made with respect to such program or activity) until the Secretary is satisfied that there is no longer any such failure to comply or that the noncompliance will be promptly corrected.

(2) Additional sanctions.—In the case of a finding of noncompliance made pursuant to this paragraph (1), the Secretary may, in addition to imposing the sanctions described in such paragraph, impose other appropriate sanctions, including recoupment of money improperly expended for purposes prohibited or not authorized by this subtitle, and disqualification from the receipt of financial assistance under this subtitle.

(3) Notice.—The notice required under paragraph (1) shall include a specific identification of any additional sanction being imposed under paragraph (2).

(c) Issuance of Rules.—The Secretary shall establish by rule procedures for—

(1) receiving, processing, and determining the validity of complaints concerning any failure of a State to comply with the State plan or any requirement of this subtitle; and

(2) imposing sanctions under this section.

SEC. 516. PAYMENTS.

(a) In General.—

(1) Amount of payment.—Each State that—

(A) has an application approved by the Secretary under section 507(d); and

(B) demonstrates to the satisfaction of the Secretary that it will provide from non-Federal sources the State share of the aggregate amount to be expended by the State under the State plan for the fiscal year for which it requests a grant;

shall receive a payment under this section for such fiscal year in an amount (not to exceed its allotment under section 505 for such fiscal year) equal to the Federal share of the aggregate amount to be expended by the State under the State plan for such fiscal year.

(2) Federal share.—

(A) In general.—Except as provided in subparagraph (B), the Federal share for each fiscal year shall be 80 percent.

(B) Exception.—If a State makes the demonstration specified in section 510 throughout a fiscal year for which it requests a grant, then the Federal share shall be 85 percent.

(3) State share.—The State share equals 100 percent minus the Federal share.

(4) Limitation.—A State may not require any private provider of child care services that receives or seeks funds made available under this subtitle to contribute in cash or in kind to the State contribution required by this subsection.

(b) Method of Payment.—

(1) In general.—Subject to paragraph (2), the Secretary may make payments to a State in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments, as the Secretary may determine.

(2) Limitation.—The Secretary may not make such payments in a manner that prevents the State from complying with the requirement specified in section 507(c)(3)(F).

(c) Spending of Funds by State.—Payments to a State from the allotment under section 505 for any fiscal year may be expended by the State in that fiscal year or in the succeeding fiscal year.

SEC. 517. NATIONAL ADVISORY COMMITTEE ON CHILD CARE STANDARDS.

(a) Establishment.—

(1) In general.—In order to improve the quality of child care services, the Secretary shall establish, not later than 60 days after the date of the enactment of this subtitle, a National Advisory Committee on Child Care Standards (hereinafter in this section referred to as the "Committee"), the members of which shall be appointed from among representatives of—

(A) the chief executive officers of the several States;

(B) State legislatures;

(C) local governments;

(D) businesses;

(E) State individuals responsible for regulating the insurance industry within the State;

(F) religious institutions;

(G) persons who carry out different types of child care programs;

(H) persons who carry out resource and referral programs;

(I) child care and early childhood development specialists;

(J) early childhood education specialists;

(K) individuals who have expertise in pediatric health care, handicapping conditions, and related fields;

(L) organizations representing child care employees;

(M) individuals who have experience in the regulation of child care services; and

(N) parents who have been actively involved in community child care programs.

(2) Appointment of members.—The Committee shall be composed of 15 members of which—

(A) 5 members shall be appointed by the President;

(B) 3 members shall be appointed by the majority leader of the Senate;

(C) 2 members shall be appointed by the minority leader of the Senate;

(D) 3 members shall be appointed by the Speaker of the House of Representatives; and

(E) 2 members shall be appointed by the minority leader of the House of Representatives.

(3) Chairman.—The President shall appoint a chairman from among the members of the Committee.

(4) Vacancies.—A vacancy occurring on the Committee shall be filled in the same manner as that in which the original appointment was made.

(b) Personnel, Reimbursement, and Oversight.—

(1) Personnel.—The Secretary shall make available to the Committee office facilities, personnel who are familiar with child devel-

opment and with developing and implementing regulatory requirements, technical assistance, and funds as are necessary to enable the Committee to carry out effectively its functions.

(2) Reimbursement.—

(A) Compensation.—Members of the Committee who are not regular full-time employees of the United States Government shall, while attending meetings and conferences of the Committee or otherwise engaged in the business of the Committee (including traveltime), be entitled to receive compensation at a rate fixed by the Secretary, but not exceeding the rate specified at the time of such service under GS-18 of the General Schedule established under section 5332 of title 5, United States Code.

(B) Expenses.—While away from their homes or regular places of business on the business of the Committee, such members may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government service.

(3) Oversight.—The Secretary shall ensure that the Committee is established and operated in accordance with the Federal Advisory Committee Act (5 U.S.C. App.).

(c) Functions.—The Committee shall—

(1) review Federal policies with respect to child care services and such other data as the Committee may deem appropriate;

(2) not later than 180 days after the date on which a majority of the members of the Committee are first appointed, submit to the Secretary proposed minimum standards described in subsection (d) for child care services, taking into account the different needs of infants, toddlers, preschool and school-age children; and

(3) develop and make available to lead agencies, for distribution to resource and referral agencies in the State, model requirements for resource and referral agencies.

(d) Minimum Child Care Standards.—The proposed child care standards submitted pursuant to subsection (c)(2) shall be minimum standards and shall consist of only the following:

(1) Center-based child care services.—Such standards submitted with respect to child care services provided by center-based child care providers shall be limited to—

(A) group size limits in terms of the number of caregivers and the number and ages of children;

(B) the maximum appropriate child-staff ratios;

(C) qualifications and background of child care personnel;

(D) health and safety requirements for children and caregivers; and

(E) parental involvement in licensed and regulated child care services.

The standards described in subparagraphs (A) and (B) shall reflect the median standards for all States (using for States which apply separate standards to publicly-assisted programs the most comprehensive or stringent of such standards) as of the date of enactment of this subtitle.

(2) Family child care services.—Such standards submitted with respect to child care services provided by family child care providers shall be limited to—

(A) the maximum number of children for which child care services may be provided and the total number of infants for which child care services may be provided;

(B) the minimum age for caregivers; and

(C) health and safety requirements for children and caregivers.

(3) Group home child care services.—Such standards submitted with respect to child care services provided by group home child care providers shall be limited to the matters specified in paragraphs (1)(B) and (2).

(4) Limitation.—The Committee shall not submit any standard under subsection (c)(2) that is less or more rigorous than the least or most rigorous standard that exists in all States at the time of the submission of such recommendation.

(e) Consideration and Establishment of Standards.—

(1) Notice of proposed rulemaking.—Not later than 90 days after receiving the recommendations of the committee, the Secretary shall—

(A) publish in the Federal Register—

(i) a notice of proposed rulemaking concerning the minimum standards proposed under subsection (d) to the Secretary; and

(ii) such proposed minimum standards for public comment for a period of at least 60 days; and

(B) distribute such proposed minimum standards to each lead agency and each State subcommittee on licensing for comment.

(2) Establishment of minimum child care standards.—

(A) Issuance of rules.—The Secretary shall, in consultation with the committee—

(i) take into consideration any comments received by the Secretary with respect to the standards proposed under subsection (d); and

(ii) not later than 180 days after publication of such standards, shall issue rules establishing minimum child care standards for purposes of this subtitle. Such standards shall include the nutrition requirements issued, and revised from time to time, under section 17(g)(1) of the National School Lunch Act (42 U.S.C. 1766(g)(1)).

(B) Amending standards.—The Secretary may amend any standard first established under subparagraph (A), except that such standard may not be modified, by amendment or otherwise, to make such standard less comprehensive or less stringent than it is when first established.

(C) Extended period for comment.—If the Committee recommends a standard under subsection (c)(2) that no State has a requirement concerning, as of the time that such standard is recommended, the Secretary shall provide an additional 30 days during which States may submit comments concerning such standard.

(3) Additional comments.—The National Committee may submit to the Secretary and to the Congress such additional comments on the minimum child care standards established under paragraph (2) as the National Committee considers appropriate.

(f) Variances.—

(1) Time for compliance with standards.—Not later than the end of the 4-year period referred to in section 510, States shall comply with the standards established under this section.

(2) Exception.—At the expiration of the 4-year period referred to in paragraph (1) the chief executive officer, in consultation with the State advisory committee, may submit a request to the Secretary for a 1 year variance from the requirements of one or more particular standards.

(3) Requirements.—A request for a variance under this subsection shall include—

(A) a statement by the chief executive officer of the State of any steps taken to implement the relevant standards in the State within the 4-year period;

(B) the specific reasons for the submission of the variance request; and

(C) a detailed plan that outlines the additional procedures and resources to be used to come into compliance with the standards at the end of the variance period.

(4) Period of variance.—A variance granted by the Secretary shall be for a 1-year period and may be renewed at the discretion of the Secretary for an additional 1-year period if requested by the State.

(g) Termination of Committee.—The National Committee shall cease to exist 90 days after the date the Secretary establishes minimum child care standards under subsection (e)(3).

SEC. 518. LIMITATIONS ON USE OF FINANCIAL ASSISTANCE FOR CERTAIN PURPOSES.

(a) Sectarian Purposes and Activities.—No financial assistance provided under this subtitle shall be expended for any sectarian purpose or activity, including sectarian worship and instruction.

(b) Tuition.—With regard to services provided to students enrolled in grades 1 through 12, no financial assistance provided under this subtitle shall be expended for—

(1) any services provided to such students during the regular school day;

(2) any services for which such students receive academic credit toward graduation; or

(3) any instructional services which supplant or duplicate the academic program of any public or private school.

SEC. 519. NONDISCRIMINATION.

(a) Federal Financial Assistance.—Any financial assistance provided under this subtitle, including a loan, grant, or child care certificate, shall constitute Federal financial assistance for purposes of title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), title IX of the Education Amendments of 1972 (20 U.S.C. 1681, et seq.), the Rehabilitation Act of 1973 (29 U.S.C. 794 et seq.), the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.), and the regulations issued thereunder.

(b) Religious Discrimination.—A child care provider may not discriminate against any child on the basis of religion in providing child care services in return for a fee paid, reimbursement received, or certificate redeemed, in whole or in part with financial assistance provided under this subtitle.

SEC. 520. PRESERVATION OF PARENTAL RIGHTS AND RESPONSIBILITIES.

Nothing in this subtitle shall be construed or applied in any manner to infringe upon or usurp the moral and legal rights and responsibilities of parents or legal guardians.

Mr. BYRD. Mr. President, I ask for the yeas and nays on the motion.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 3309

Mr. BYRD. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

Mr. DOLE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOLE. It is possible to have that entire amendment read?

The PRESIDING OFFICER. The Senator is correct.

Mr. **DOLE.** I thought I would not ask for that. It will take a while.

The **PRESIDING OFFICER.** The clerk will report.

The legislative clerk read as follows:

The Senator from West Virginia [Mr. BYRD] proposes an amendment numbered 3309.

Mr. **BYRD.** Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Is there objection?

Mr. **DOLE.** I do not intend to object. I wonder if the majority leader just might indicate what the two amendments generally do.

Mr. **BYRD.** Yes.

The two amendments are child care amendments.

Mr. **DOLE.** The so-called ABC bill?

Mr. **BYRD.** Yes.

Mr. **DODD.** Yes.

Mr. **DOLE.** That is a terrible bill, but no reflection on the Senator from Connecticut.

It would be child care plus the parental care in its present form.

Mr. **BYRD.** Yes. The bill that would be reported back forthwith if the Senate were to vote for this motion to instruct would be the parental leave legislation as it is at the moment before the Senate, with the remaining committee amendment agreed to, and the committee amendment, as amended, would be a part of the text. We would include, of course, child pornography and it would also have child care as part of the text if the Senate were to vote favorably on the motion.

Mr. **DOLE.** Do I understand it requires the committee to agree to an amendment?

Mr. **BYRD.** Yes, the committee would report back forthwith with the committee amendment on parental leave agreed to. There is only one remaining committee amendment that would be agreed to.

That would be a part of the text of the bill as reported back. In addition to that, the amendments that have been agreed to would be a part of the text which would include child pornography. And as part of the text would be the child care amendments. And then that text would be open to amendments in the first and second degrees.

Mr. **DOLE.** And the motion to recommit is debatable?

Mr. **BYRD.** The motion to recommit is debatable.

The **PRESIDING OFFICER.** Is there objection?

Mr. **DOLE.** Reserving the right to object. I just wanted to make certain it would be debatable. I assume there will be some on our side that would want to at least express themselves on the motion to recommit. It might be that we could reach some agreement that we could do welfare reform and then——

Mr. **BYRD.** Once I get these in place, I would like to take up the conference report on welfare reform, which is a privileged matter and which we would have no difficulty going to and there is a 2-hour limitation on that. I would like to dispose of that this afternoon. It would be my intention to go to that immediately or at such time as the leader does not wish to discuss this matter further—and if there are other Senators who would wish to discuss this matter further we could take a few minutes—but I would like to go then to the welfare reform conference report which is under a time limitation and dispose of it within the 2-hour period.

Mr. **DOLE.** Mr. President, further reserving the right to object, I would ask the Chair if the Senate can order the committee to agree to a committee amendment or can only the Senate make that determination?

The **PRESIDING OFFICER.** Please repeat the question.

Mr. **DOLE.** The question is whether or not the Senate can order the committee to agree to a committee amendment.

The **PRESIDING OFFICER.** If the motion passes, the Senate is indeed ordering the committee to report it out with the amendment pending.

Mr. **DOLE.** But not agreed to?

The **PRESIDING OFFICER.** The Senator is correct.

Mr. **DOLE.** Mr. President, further reserving the right to object, and I shall not object, and I say this with all respect. What we have now is a total political agenda coming from the other side. We tried minimum wage for a day or two and then we tried parental leave for a day or two, and now there is one thing left out and that is child care, and so we are going to try that for a day or two.

And I do not believe anybody really in their heart feels that it is going to go anywhere.

It would seem to me that if we do have any hopes of finishing our business—doing the drug bill, which is very important to millions and millions of Americans; doing technical corrections, which is important to millions of Americans; and I know a lot of farmers are concerned about the diesel tax and the heifer tax and things of that kind. I am afraid what may happen, we may find ourselves debating the motion to recomit or be back on this bill or cloture—I understand the majority leader may file cloture—eating up 2 or 3 days of time we could be spending on issues that affect the public interest, not the political interest.

So I hope that we could dispose of this whole package. We have had a good debate. I think there is a great deal of merit in working out some kind of parental leave and I think there is a great deal of merit in working on some increase in the minimum wage. I think both candidates for President have indicated that, and both have indicated a great desire to do something in the area of child care. I believe that, if you asked the candidates, they would agree with that and also agree we should not do it this year.

But I understand the majority leader has the majority. He has the prior right of recognition. He is certainly within his rights. I will not object, but I would move to table at the appropriate time and get a vote and see whether we want to carry on this charade or whether we want to get on with other business.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. **BYRD.** The request which was not objected to was that further reading of the amendment be dispensed with?

The **PRESIDING OFFICER.** To dispense with the reading of the amendment.

The amendment is as follows:

Strike all after "Human Resources" and insert in lieu thereof the following: "with instructions to report back forthwith with the following amendment,".

Strike all after the exacting clause and insert in lieu there of the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Parental and Medical Leave Act of 1988".

(b) TABLE OF CONTENTS.—

TITLE I—GENERAL REQUIREMENTS FOR PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE

Sec. 101. Findings and purposes.
Sec. 102. Definitions.
Sec. 103. Parental leave requirement.
Sec. 104. Temporary medical leave requirement.
Sec. 105. Certification.
Sec. 106. Employment and benefits protection.
Sec. 107. Prohibited acts.
Sec. 108. Administrative enforcement.
Sec. 109. Enforcement by civil action.
Sec. 110. Investigative authority.
Sec. 111. Relief.
Sec. 112. Notice.

TITLE II—PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE FOR CIVIL SERVICE EMPLOYEES

Sec. 201. Parental leave and temporary medical leave.

TITLE III—COMMISSION ON PARENTAL AND MEDICAL LEAVE

Sec. 301. Establishment.
Sec. 302. Duties.
Sec. 303. Membership.
Sec. 304. Compensation.
Sec. 305. Powers.
Sec. 306. Termination.

TITLE IV—MISCELLANEOUS PROVISIONS

Sec. 401. Effect on other laws.
Sec. 402. Effect on existing employment benefits.
Sec. 403. Encouragement of more generous leave provisions.
Sec. 404. Regulations.
Sec. 405. Effective dates.

TITLE I—GENERAL REQUIREMENTS FOR PARENTAL LEAVE AND MEDICAL LEAVE

SEC. 101. FINDINGS AND PURPOSES.

(a) Findings.—Congress finds that—

(1) the number of two-parent households in which both parents work and the number of single-parent households in which the single parent works are increasing significantly;

(2) it is important for the development of children and the family unit that fathers and mothers be able to participate in early child rearing and the care of children who have serious health conditions;

(3) the lack of employment policies to accommodate working parents forces many individuals to choose between job security and parenting;

(4) there is inadequate job security for employees who have serious health conditions that prevent the employees from working for temporary periods;

(5) due to the nature of the roles of men and women in our society, the primary responsibility for family caretaking often falls on women, and such responsibility affects their working lives more than it affects the working lives of men; and

(6) employment standards that apply to one gender only have serious potential for encouraging employers to discriminate against employees and applicants for employment who are of that gender.

(b) Purposes.—It is the purpose of this Act—

(1) to balance the demands of the workplace with the needs of families;

(2) to promote the economic security and stability of families;

(3) to entitle employees to take reasonable leave for medical reasons, for the birth or adoption of a child, and for the care of a child who has a serious health condition;

(4) to accomplish such purposes in a manner which accommodates the legitimate interests of employers;

(5) to accomplish such purposes in a manner which, consistent with the Equal Protection Clause of the Fourteenth Amendment, minimizes the potential for employment discrimination on the basis of sex by ensuring generally that leave is available for eligible medical reasons (including maternity-related disability) and for compelling family reasons, on a gender-neutral basis; and

(6) to promote the goal of equal employment opportunity for women and men, pursuant to such clause.

SEC. 102. DEFINITIONS.

As used in this title:

(1) Commerce.—The terms "commerce" and "industry or activity affecting commerce" mean any activity, business, or industry in commerce or in which a labor dispute would hinder or obstruct commerce or the free flow of commerce, including "commerce" and any activity or industry "affecting commerce" within the meaning of the Labor Management Relations Act, 1947 (29 U.S.C. 141 et seq.).

(2) Employ.—The term "employ" has the same meaning given the term in section 3(g) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(g)).

(3) Employee.—

(A) In general.—The term "employee" means an individual that is included under the definition of such term in section 3(e) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(e)) who has been employed by the employer with respect to whom benefits are sought under this Act for at least—

(i) 900 hours of service during the previous 12-month period; and

(ii) 12 months.

"(B) Exclusion.—The term "employee" does not include any Federal officer or employee covered under subchapter III of chapter 63 of title 5, United States Code (as added by title II of this Act).

(4) Employer.—The term "employer"—

(A) means any person engaged in commerce or in any industry or activity affecting commerce who employs 20 or more employees at any one worksite for each working day during each of 20 or more calendar workweeks in the current or preceding calendar year;

(B) includes—

(i) any person who acts directly or indirectly in the interest of an employer to one or more employees; and

(ii) any successor in interest of such an employer; and

(C) includes any public agency, as defined in section 3(x) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(x)).

(5) Employment benefits.—The term "employment benefits" means all benefits provided or made available to employees by an employer, including group life insurance, health insurance, disability insurance, sick leave, annual leave, educational benefits, and pensions, regardless of whether the benefits are provided by a policy or practice of an employer or by an employee benefit plan as defined in section 3(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(1)).

(6) Health care provider.—The term "health care provider" means—

(A) any person licensed under Federal, State, or local law to provide health care services, or

(B) any other person determined by the Secretary to be capable of providing health care services.

(7) Person.—The term "person" has the same meaning given the term in section 3(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(a)).

(8) Reduced leave schedule.—The term "reduced leave schedule" means leave scheduled for fewer than the usual number of hours of an employee per workweek or hours per workday.

(9) Secretary.—The term "Secretary" means the Secretary of Labor.

(10) Serious health condition.—The term "serious health condition" means an illness, injury, impairment, or physical or mental condition that involves—

(A) inpatient care in a hospital, hospice, or residential medical care facility; or

(B) continuing treatment or continuing supervision by a health care provider.

(11) Son or daughter.—The term "son or daughter" means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a de facto parent, who is—

(A) under 18 years of age; or

(B) 18 years of age or older and incapable of self-care because of a mental or physical disability.

(12) State.—The term "State" has the same meaning given the term in section 3(c) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(c)).

SEC. 103. PARENTAL LEAVE REQUIREMENT.

(a) In General.—

(1) Entitlement to leave.—An employee shall be entitled, subject to section 105, to 10 workweeks of parental leave during any 24-month period—

(A) as the result of the birth of a son or daughter of the employee;

(B) as the result of the placement, for adoption or foster care, of a son or daughter with the employee; or

(C) in order to care for the employee's son or daughter who has a serious health condition.

(2) Expiration of entitlement.—The entitlement to leave under paragraphs (1)(A) and (1)(B) shall expire at the end of the 12-month period beginning on the date of such birth or placement.

(3) Intermittent leave.—In the case of a son or daughter who has a serious health condition, such leave may be taken intermittently when medically necessary, subject to subsection (e).

(b) Reduced Leave.—On agreement between the employer and the employee, leave under this section may be taken on a reduced leave schedule, however, such reduced leave schedule shall not result in a reduction in the total amount of leave to which the employee is entitled.

(c) Unpaid Leave Permitted.—Except as provided in subsection (d), leave granted under subsection (a) may consist of unpaid leave.

(d) Relationship to Paid Leave.—

(1) Unpaid leave.—If an employer provides paid parental leave for fewer than 10 work-weeks, the additional weeks of leave added to attain the 10 work-week total may be unpaid.

(2) Substitution of paid leave.—An employee or employer may elect to substitute any of the employee's accrued paid vacation leave, personal leave, or other appropriate paid leave for any part of the 10-week period.

(e) Foreseeable Leave.—

(1) Requirement of notice.—In any case in which the necessity for leave under this section is foreseeable based on an expected birth or adoption, the employee shall provide the employer with prior notice of such expected birth or adoption in a manner which is reasonable and practicable.

(2) Duties of employee.—In any case in which the necessity for leave under this section is foreseeable based on planned medical treatment or supervision, the employee shall—

(A) make a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the operations of the employer, subject to the approval of the health care provider of the employee's son or daughter; and

(B) provide the employer with prior notice of the treatment or supervision in a manner which is reasonable and practicable.

(3) Regulations.—The Secretary shall promulgate regulations under section 108(a) that define the term "reasonable and practicable" for purposes of paragraphs (1) and (2)(B).

(f) Spouses Employed by the Same Employer.—In any case in which a husband and wife entitled to parental leave under this section are employed by the same employer, the aggregate number of workweeks of parental leave to which both may be entitled may be limited to 10 workweeks during any 24-month period, if such leave is taken under subparagraph (A) or (B) of subsection (a)(1).

SEC. 104. TEMPORARY MEDICAL LEAVE REQUIREMENT.

(a) In General.—

(1) Entitlement to leave.—Any employee who, as the result of a serious health condition, becomes unable to perform the functions of the position of the employee, shall

be entitled to temporary medical leave, subject to section 105.

(2) Period of entitlement.—The entitlement under paragraph (1) shall continue for as long as the employee is unable to perform the functions, except that the leave shall not exceed 13 workweeks during any 12-month period.

(3) Intermittent leave.—Leave taken under this subsection may be taken intermittently when medically necessary, subject to subsection (d).

(b) Unpaid Leave Permitted.—Except as provided in subsection (c), leave granted under subsection (a) may consist of unpaid leave.

(c) Relationship to Paid Leave.—

(1) In general.—If an employer provides paid temporary medical leave or paid sick leave for fewer than 13 weeks, the additional weeks of leave added to attain the 13-week total may be unpaid.

(2) Substitution of paid leave.—An employee or employer may elect to substitute the employee's accrued paid vacation leave, sick leave, or other appropriate paid leave for any part of the 13-week period, except that nothing in this Act shall require an employer to provide paid sick leave or paid medical leave in any situation in which such employer would not normally provide any such paid leave.

(d) Foreseeable Leave.—

(1) Duties of employee.—In any case in which the necessity for leave under this section is foreseeable based on planned medical treatment or supervision, the employee shall—

(A) make a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the operations of the employer, subject to the approval of the employee's health care provider, and

(B) provide the employer with prior notice of the treatment or supervision in a manner which is reasonable and practicable.

(2) Regulations.—The Secretary shall promulgate regulations under section 108(a) that define the term "reasonable and practicable" for purposes of paragraph (1).

SEC. 105. CERTIFICATION.

(a) In General.—An employer may require that a claim for parental leave under section 103(a)(1)(C), or temporary medical leave under section 104, be supported by certification issued by the health care provider of the son, daughter, or employee, whichever is appropriate. The employee shall provide a copy of such certification to the employer.

(b) Sufficient Certification.—The certification shall be considered sufficient if it states—

(1) the date on which the serious health condition commenced;

(2) the probable duration of the condition;

(3) the appropriate medical facts within the knowledge of the provider regarding the condition; and

(4)(A) for purposes of leave under section 104, a statement that the employee is unable to perform the functions of the employee's position; and

(B) for purposes of leave under section 103(a)(1)(C), an estimate of the amount of time that the employee is needed to care for the son or daughter.

(c) Second Opinion.—

(1) In general.—In any case in which the employer has reason to doubt the validity of the certification provided under subsection (a), the employer may require, at its own expense, that the employee obtain the opinion of a second health care provider designated or approved by the employer concerning the information certified under subsection (b).

(2) Limitation.—Any health care provider designated or approved under paragraph (1) may not be employed on a regular basis by the employer.

(d) Resolution of Conflicting Opinions.—

(1) In general.—In any case in which the second opinion described in subsection (c) differs from the original certification provided under subsection (a), the employer may require, at its own expense, that the employee obtain the opinion of a third health care provider designated or approved jointly by the employer and the employee concerning the information certified under subsection (b).

(2) Finality.—The opinion of the third health care provider concerning the information certified under subsection (b) shall be considered to be final and shall be binding on the employer and the employee.

(e) Subsequent Recertification.—The employer may require that the employee obtain subsequent recertifications on a reasonable basis.

SEC. 106. EMPLOYMENT AND BENEFITS PROTECTION.

(a) Restoration to Position.—

(1) In general.—Any employee who takes leave under section 103 or 104 for its intended purpose shall be entitled, on return from the leave—

(A) to be restored by the employer to the position of employment held by the employee when the leave commenced; or

(B) to be restored to an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment.

(2) Loss of benefits.—The taking of leave under this title shall not result in the loss of any employment benefit accrued before the date on which the leave commenced.

(3) Limitations.—Except as provided in subsection (b), nothing in this section shall be considered to entitle any restored employee to—

(A) the accrual of any seniority or employment benefits during any period of leave; or

(B) any right, benefit, or position of employment other than that to which the employee was entitled to on the date the leave was commenced.

(4) Certification.—As a condition to restoration under paragraph (1), the employer may have a policy that requires each employee to receive certification from the employee's health care provider that the employee is able to resume work.

(5) Construction.—Nothing in this subsection shall be construed to prohibit an employer from requiring an employee on leave under section 103 or 104 to periodically report to the employer on the employee's status and intention to return to work.

(b) Maintenance of Health Benefits.—During any period an employee takes leave under section 103 or 104, the employer shall maintain coverage under any group health plan (as defined in section 162(i)(3) of the Internal Revenue Code of 1954) for the duration of such leave at the level and under the conditions coverage would have been provided if the employee had continued in employment continuously from the date the employee commenced the leave until the date the employee is restored under subsection (a).

SEC. 107. PROHIBITED ACTS.

(a) Interference With Rights.—

(1) Exercise of rights.—It shall be unlawful for any employer to interfere with, restrain, or deny the exercise of or the attempt to exercise, any right provided under this title.

(2) Discrimination.—It shall be unlawful for any employer to discharge or in any other manner discriminate against any individual for opposing any practice made unlawful by this title.

(b) Interference With Proceedings or Inquiries.—It shall be unlawful for any person to discharge or in any other manner discriminate against any individual because the individual—

(1) has filed any charge, or has instituted or caused to be instituted any proceeding, under or related to this title;

(2) has given or is about to give any information in connection with any inquiry or proceeding relating to any right provided under this title; or

(3) has testified or is about to testify in any inquiry or proceeding relating to any right provided under this title.

SEC. 108. ADMINISTRATIVE ENFORCEMENT.

(a) In General.—The Secretary shall issue such rules and regulations as are necessary to carry out this section, including rules and regulations concerning service of complaints, notice of hearings, answers and amendments to complaints, and copies of orders and records of proceedings.

(b) Charges.—

(1) Filing.—Any person alleging an act that violates this title may file a charge respecting the violation with the Secretary. Charges shall be in such form and contain such information as the Secretary shall require by regulation.

(2) Notification.—Not later than 15 days after the Secretary receives notice of a charge under paragraph (1), the Secretary shall—

(A) serve a notice of the charge on the person charged with the violation; and

(B) inform such person and the charging party as to the rights and procedures provided under this title.

(3) Time of filing.—A charge may not be filed later than 1 year after the date of the last event constituting the alleged violation.

(c) Process on Notice of a Charge.—Investigation; Complaint.—

(1) Investigation.—Within the 60-day period after the Secretary receives any charge, the Secretary shall investigate the charge and issue a complaint based on the charge or dismiss the charge.

(2) Complaint based on charge.—If the Secretary determines that there is a reasonable basis for the charge, the Secretary shall issue a complaint based on the charge and promptly notify the charging party and the respondent as to the issuance.

(3) Dismissal.—If the Secretary determines that there is no reasonable basis for the charge, the Secretary shall dismiss the charge and promptly notify the charging party and the respondent as to the dismissal.

(4) Settlement agreements.—

(A) With charging party.—The charging party and the respondent may enter into a settlement agreement concerning the violation alleged in the charge before any determination is reached by the Secretary under this subsection. To be effective such an agreement must be determined by the Secretary to be consistent with the purposes of this title.

(B) With secretary.—On the issuance of a complaint, the Secretary and the respondent may enter into a settlement agreement concerning a violation alleged in the complaint. Any such settlement may not be entered into over the objection of the charging party, unless the Secretary determines that the settlement provides a full remedy for the charging party.

(5) Civil actions.—If, at the end of the 60-day period referred to in paragraph (1), the Secretary—

(A) has not issued a complaint under paragraph (2);

(B) has dismissed the charge under paragraph (3); or

(C) has not approved or entered into a settlement agreement under subparagraph (A) or (B) of paragraph (4);

the charging party may elect to bring a civil action under section 109.

(6) Complaint and relief on secretary's initiative.—

(A) Issuance.—The Secretary may issue and serve a complaint alleging a violation of this title on the basis of information and evidence gathered as a result of an investigation initiated by the Secretary pursuant to section 110.

(B) Relief.—

(i) In general.—On issuance of a complaint, the Secretary shall have the power to petition the United States district court for the district in which the violation is alleged to have occurred, or in which the respondent resides or transacts business, for appropriate temporary relief or a restraining order.

(ii) Notice.—On the filing of any such petition, the court shall cause notice of the petition to be served on the respondent.

(iii) Type of relief.—The court shall have jurisdiction to grant to the Secretary such temporary relief or restraining order as the court considers just and proper.

(d) Rights of Parties.—

(1) Service of complaint.—In any case in which a complaint is issued under subsection (c), the Secretary shall, not later than 10 days after the date on which the complaint is issued, cause to be served on the respondent a copy of the complaint.

(2) Parties to complaint.—Any person filing a charge alleging a violation of this title may elect to be a party to any complaint filed by the Secretary alleging the violation. The election must be made before the commencement of a hearing.

(3) Civil action.—The failure of the Secretary to comply in a timely manner with any obligation assigned to the Secretary under this title shall entitle the charging party to elect, at the time of such failure, to bring a civil action under section 109.

(e) Conduct of Hearing.—

(1) Prosecution by secretary.—The Secretary shall prosecute any complaint issued under subsection (c).

(2) Hearing.—An administrative law judge shall conduct a hearing on the record with respect to a complaint issued under this title. The hearing shall be conducted in accordance with sections 554, 555, and 556 of title 5, United States Code, and shall be commenced within 60 days after the issuance of the complaint, unless the judge, in the judge's discretion, determines that the purposes of this Act would best be furthered by commencement of the action after the expiration of such period.

(f) Findings and Conclusions.—

(1) In general.—After a hearing is conducted under this section, the administrative law judge shall promptly make findings of fact and conclusions of law, and, if appropriate, issue an order for relief as provided in section 111.

(2) Notification concerning delay.—The administrative law judge shall inform the parties, in writing, of the reason for any delay in making the findings and conclusions if the findings and conclusions are not made within 60 days after the conclusion of the hearing.

(g) Finality of Decision; Review.—

(1) Finality.—The decision and order of the administrative law judge shall become the final decision and order of the Secretary unless, on appeal by an aggrieved party taken not later than 30 days after the action, the Secretary modifies or vacates the decision, in which case the decision of the Secretary shall be the final decision.

(2) Review.—Not later than 60 days after the entry of the final order of the Secretary under paragraph (1), any person aggrieved by the final order may obtain a review of the order in the United States court of appeals for the circuit in which the violation is alleged to have occurred or in which the employer resides or transacts business.

(3) Jurisdiction.—On the filing of the record with the court, the jurisdiction of the court shall be exclusive and its judgment shall be final, except that the same shall be subject to review by the Supreme Court of the United States on writ of certiorari or certification as provided in section 1254 of title 28, United States Code.

(h) Court Enforcement of Administrative Orders.—

(1) Power of secretary.—If a respondent does not appeal an order of the Secretary under subsection (g)(2), the Secretary may petition the United States district court for the district in which the violation is alleged to have occurred, or in which the respondent resides or transacts business, for the enforcement of the order of the Secretary, by filing in the court a written petition praying that the order be enforced.

(2) Jurisdiction.—On the filing of the petition, the court shall have jurisdiction to make and enter a decree enforcing the order of the Secretary. In the proceeding, the order of the Secretary shall not be subject to review.

(3) Decree of enforcement.—If, on appeal of an order under subsection (g)(2), the United States court of appeals does not reverse or modify the order, the court shall have the jurisdiction to make and enter a decree enforcing the order of the Secretary.

SEC. 109. ENFORCEMENT BY CIVIL ACTION.

(a) Right To Bring Civil Action.—

(1) In general.—Subject to the limitations in this section, an employee or the Secretary may bring a civil action against any employer to enforce the provisions of this title in any appropriate court of the United States or in any State court of competent jurisdiction.

(2) No charge filed.—Subject to paragraph (3), a civil action may be commenced under this subsection without regard to whether a charge has been filed under section 108(b).

(3) Limitations.—No civil action may be commenced under paragraph (1) if the Secretary—

(A) has approved, or has failed to disapprove, a settlement agreement under section 108(c)(4), in which case no civil action may be filed under this subsection if the action is based on a violation alleged in the charge and resolved by the agreement; or

(B) has issued a complaint under section 108(c)(2) or 108(c)(6), in which case no civil action may be filed under this subsection if the action is based on a violation alleged in the complaint.

(4) To enforce settlement agreements.—Notwithstanding paragraph (3)(A), a civil action may be commenced to enforce the terms of any such settlement agreement.

(5) Timing of commencement of civil action.—

(A) In general.—Except as provided in subparagraph (B), no civil action may be commenced more than 1 year after the date on which the alleged violation occurred.

(B) Exception.—In any case in which—

(i) a timely charge is filed under section 108(b); and

(ii) the failure of the Secretary to issue a complaint or enter into a settlement agreement based on the charge (as provided under section 108(c)(4)) occurs more than 11 months after the date on which any alleged violation occurred,

the employee may commence a civil action not more than 30 days after the date on which the employee is notified of the failure.

(6) Agencies.—The Secretary may not bring a civil action against any agency of the United States.

(b) Venue.—An action brought under subsection (a) in a district court of the United States may be brought—

(1) in any appropriate judicial district under section 1391 of title 28, United States Code; or

(2) in the judicial district in the State in which—

(A) the employment records relevant to the violation are maintained and administered; or

(B) the aggrieved person worked or would have worked but for the alleged violation.

(c) Notification of the Secretary; Right To Intervene.—A copy of the complaint in any action brought by an employee under subsection (a) shall be served on the Secretary by certified mail. The Secretary shall have the right to intervene in a civil action brought by an employee under subsection (a).

(d) Attorneys for the Secretary.—In any civil action brought under subsection (a), attorneys appointed by the Secretary may appear for and represent the Secretary, except that the Attorney General and the Solicitor General shall conduct any litigation in the Supreme Court.

SEC. 110. INVESTIGATIVE AUTHORITY.

(a) In General.—To ensure compliance with the provisions of this title, or any regulation or order issued under this title, subject to subsection (c), the Secretary shall have the investigative authority provided under section 11(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 211(a)).

(b) Obligation To Keep and Preserve Records.—An employer shall keep and preserve records in accordance with section 11(c) of such Act, and in accordance with regulations issued by the Secretary.

(c) Required Submissions Generally Limited to an Annual Basis.—The Secretary may not under this section require any employer or any plan, fund, or program to submit to the Secretary any books or records more than once in any 12-month period, unless the Secretary has reasonable cause to believe there may exist a violation of this title or any regulation or order issued pursuant to this title, or is investigating a charge brought pursuant to section 108.

(d) Subpoena Powers, Etc.—For purposes of any investigation conducted under this section, the Secretary shall have the subpoena authority provided under section 9 of the Fair Labor Standards Act of 1938 (29 U.S.C. 209).

(e) DISSEMINATION OF INFORMATION.—The Secretary may make available to any person substantially affected by any matter that is the subject of an investigation under this section, and to any department or agency of the United States, information concerning any matter that may be the subject of the investigation.

SEC. 111. RELIEF.

(a) INJUNCTIVE RELIEF.—

(1) CEASE AND DESIST.—On finding a violation under section 108 by a person, an administrative law judge shall issue an order requiring the person to cease and desist from any act or practice that violates this title.

(2) INJUNCTIONS.—In any civil action brought under section 109, a court may grant as relief any permanent or temporary injunction, temporary restraining order, or other equitable relief as the court considers appropriate.

(b) MONETARY DAMAGES.—

(1) IN GENERAL.—Any employer that violates this title shall be liable to the injured party in an amount equal to—

(A) any wages, salary, employment benefits, or other compensation denied or lost to the employee by reason of the violation, plus interest on the total monetary damages calculated at the prevailing rate; and

(B) an additional amount equal to the greater of—

(i) the amount determined under subparagraph (A), as liquidated damages; or

(ii) the amount of consequential damages but not to exceed three times the amount determined under subparagraph (A).

(2) GOOD FAITH.—If an employer who has violated this title proves to the satisfaction of the court that the act or omission which violated this title was in good faith and that the employer had reasonable grounds for believing that the act or omission was not a violation of this title, the court may, in its discretion, reduce the amount of the liability or penalty provided for under this subsection to the amount determined under paragraph (1)(A).

(c) ATTORNEYS' FEES.—A prevailing party (other than the United States) may be awarded a reasonable attorneys' fee as part of the costs, in addition to any relief awarded. The United States shall be liable for costs in the same manner as a private person.

(d) LIMITATION.—Damages awarded under subsection (b) may not accrue from a date more than 2 years before the date on which a charge is filed under section 108(b) or a civil action is brought under section 109.

SEC. 112. NOTICE.

(a) IN GENERAL.—Each employer shall post and keep posted, in conspicuous places on the premises of the employer where notices to employees and applicants for employment are customarily posted, a notice, approved by the Secretary, setting forth excerpts from, or summaries of, the pertinent provisions of this title and information pertaining to the filing of a charge.

(b) PENALTY.—Any employer who willfully violates this section shall be fined not more than $100 for each separate offense.

TITLE II—PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE FOR CIVIL SERVICE EMPLOYEES

SEC. 201. PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE.

(a) IN GENERAL.—(1) Chapter 63 of title 5, United States Code, is amended by adding at the end thereof the following new subchapter:

"SUBCHAPTER III—PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE

"§ 6331. Definitions

"For purposes of this subchapter:

"(1) 'employee' means—

"(A) an employee as defined by section 6301(2) of this title (excluding an individual employed by the government of the District of Columbia); and

"(B) an individual under clause (v) or (ix) of such section;

who has been employed for at least 12 months and completed at least 900 hours of service during the previous 12-month period.

"(2) 'serious health condition' means an illness, injury, impairment, or physical or mental condition that involves—

"(A) inpatient care in a hospital, hospice, or residential medical care facility; or

"(B) continuing treatment, or continuing supervision, by a health care provider; and

"(3) 'son or daughter' means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a de facto parent, who is—

"(A) under 18 years of age; or

"(B) 18 years of age or older and incapable of self-care because of a mental or physical disability.

"§ 6332. Parental leave requirement

"(a)(1) An employee shall be entitled, subject to section 6334, to 10 workweeks of parental leave during any 24-month period—

"(A) as the result of the birth of a son or daughter of the employee;

"(B) as the result of the placement, for adoption or foster care, of a son or daughter with the employee; or

"(C) in order to care for the employee's son or daughter who has a serious health condition.

"(2) The entitlement to leave under paragraphs (1)(A) and (1)(B) shall expire at the end of the 12-month period beginning on the date of such birth or placement.

"(3) In the case of a son or daughter who has a serious health condition, such leave may be taken intermittently when medically necessary, subject to subsection (e).

"(b) On agreement between the employing agency and the employee, leave under this section may be taken on a reduced leave schedule, however, such reduced leave schedule shall not result in a reduction in the total amount of leave to which the employee is entitled.

"(c) Except as provided in subsection (d), leave granted under subsection (a) may consist of unpaid leave.

"(d)(1) If an employing agency provides paid parental leave for fewer than 10 workweeks, the additional weeks of leave added to attain the 10 work-week total may be unpaid.

"(2) An employee or employing agency may elect to substitute any of the employee's accrued paid vacation leave, personal leave, or other appropriate paid leave for any part of the 10-week period.

"(e)(1) In any case in which the necessity for leave under this section is foreseeable based on an expected birth or adoption, the employee shall provide the employing agency with prior notice of such expected birth or adoption in a manner which is reasonable and practicable.

"(2) In any case in which the necessity for leave under this section is foreseeable based on planned medical treatment or supervision, the employee shall—

"(A) make a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the operations of the employing agency, subject to the approval of the health care provider of the employee's son or daughter; and

"(B) provide the employing agency with prior notice of the treatment or supervision in a manner which is reasonable and practicable.

"(3) The Director of the Office of Personnel Management shall promulgate regulations that define the term 'reasonable and practicable' for purposes of paragraphs (1) and (2)(B).

"§ 6333. Temporary medical leave requirement

"(a)(1) Any employee who, as the result of a serious health condition, becomes unable to perform the functions of the position of the employee, shall be entitled to temporary medical leave, subject to section 6334.

"(2) The entitlement under paragraph (1) shall continue for as long as the employee is unable to perform the functions, except that the leave shall not exceed 13 administrative workweeks of the employee during any 12-month period.

"(3) Leave taken under this subsection may be taken intermittently when medically necessary, subject to subsection (d).

"(b) Except as provided in subsection (c), leave granted under subsection (a) may consist of unpaid leave.

"(c)(1) If an employing agency provides paid temporary medical leave or paid sick leave for fewer than 13 weeks, the additional weeks of leave added to attain the 13-week total may be unpaid.

"(2) An employee or employing agency may elect to substitute the employee's accrued paid vacation leave, sick leave, or other appropriate paid leave for any part of the 13-week period, except that nothing in this Act shall require an employing agency to provide paid sick leave or paid medical leave in any situation in which such employing agency would not normally provide any such paid leave.

"(d)(1) In any case in which the necessity for leave under this section is foreseeable based on planned medical treatment or supervision, the employee shall—

"(A) make a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the operations of the employing agency, subject to the approval of the employee's health care provider, and

"(B) provide the employing agency with prior notice of the treatment or supervision in a manner which is reasonable and practicable.

"(2) The Director of the Office of Personnel Management shall promulgate regulations that define the term "reasonable and practicable" for purposes of paragraph (1).

"§ 6334. Certification

"(a) An employing agency may require that a claim for parental leave under section 6332(a)(10)(C), or temporary medical leave under section 6333, be supported by certification issued by the health care provider of the son, daughter, or employee, whichever is appropriate. The employee shall provide a copy of such certification to the employing agency.

"(b) The certification shall be considered sufficient if it states—

"(1) the date on which the serious health condition commenced;

"(2) the probable duration of the condition;

"(3) the appropriate medical facts within the knowledge of the provider regarding the condition; and

"(4)(A) for purposes of leave under section 6333, a statement that the employee is unable to perform the functions of the employee's position; and

"(B) for purposes of leave under section 6332(a)(1)(C), an estimate of the amount of time that the employee is needed to care for the son or daughter.

"(c)(1) In any case in which the employing agency has reason to doubt the validity of the certification provided under subsection (a), the employing agency may require, at its expense, that the employee obtain the opinion of a second health care provider designated or approved by the employing agency concerning the information certified under subsection (b).

"(2) Any health care provider designated or approved under paragraph (1) may not be employed on a regular basis by the employing agency.

"(d)(1) In any case in which the second opinion described in subsection (c) differs from the original certification provided under subsection (a), the employing agency may require, at its expense, that the employee obtain the opinion of a third health care provider designated or approved jointly by the employing agency and the employee concerning the information certified under subsection (b).

"(2) The opinion of the third health care provider concerning the information certified under subsection (b) shall be considered to be final and shall be binding on the employing agency and the employee.

"(e) The employing agency may require that the employee obtain subsequent recertifications on a reasonable basis.

"§ 6335. Job protection

"An employee who uses leave under section 6332 or 6333 of this title shall be entitled shall be entitled, on return from the leave—

"(1) to be restored to the position of employment held by the employee when the leave commenced; or

"(2) to be restored to an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment.

"§ 6336. Prohibition of coercion

"(a) An employee may not directly or indirectly intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce, any other employee for the purpose of interfering with the exercise of the rights of the employee under this subchapter.

"(b) For the purpose of this section, 'intimidate, threaten, or coerce' includes promising to confer or conferring any benefit (such as appointment, promotion, or compensation), or taking or threatening to take any reprisal (such as deprivation of appointment, promotion, or compensation).

"§ 6337. Health insurance

"An employee enrolled in a health benefits plan under chapter 89 of this title who is placed in a leave status under section 6332 or 6333 of this title may elect to continue the health benefits enrollment of the employee while in leave status and arrange to pay into the Employees Health Benefits Fund (described in section 8909 of this title), through the employing agency of the employee, the appropriate employee contributions.

"§ 6338. Regulations

"The Office of Personnel Management shall prescribe regulations necessary for the administration of this subchapter. The regulations prescribed under this subchapter shall be consistent with the regulations prescribed by the Secretary of Labor under title I of the Parental and Medical Leave Act of 1988.".

(2) The table of contents for chapter 63 of title 5, United States Code, is amended by adding at the end thereof the following:

"SUBCHAPTER III—PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE

"6331. Definitions.
"6332. Parental leave requirement.
"6333. Temporary medical leave requirement.
"6334. Certification.
"6335. Job protection.
"6336. Prohibition of coercion.
"6337. Health insurance.
"6338. Regulations.".

(b) Employees Paid From Nonappropriated Funds.—Section 2105(c)(1) of title 5, United States Code, is amended by striking out "53" and inserting in lieu thereof "53, subchapter III of chapter 63,".

TITLE III—COMMISSION ON PARENTAL AND MEDICAL LEAVE

SEC. 301. ESTABLISHMENT.

(a) Establishment.—There is established a Commission to be known as the Commission on Parental and Medical Leave (hereinafter in this title referred to as the "Commission").

SEC. 302. DUTIES.

The Commission shall—

(1) conduct a comprehensive study of—

(A) existing and proposed policies relating to parental leave and temporary medical leave; and

(B) the potential costs, benefits, and impact on productivity of such policies on employers;

(2) to the extent practicable, include in the study of parental leave and temporary medical leave policies required under subsection (1)(A), a review of all studies of existing and proposed methods designed to provide workers with full or partial salary replacement or other income protection during periods of parental leave and temporary medical leave that are consistent with the legitimate business interests of employers;

(3) within 2 years after the date on which the Commission first meets, submit a report to Congress that outlines the findings of the Commission.

SEC. 303. MEMBERSHIP.

(a) Composition.—

(1) Appointments.—The Commission shall be composed of 12 voting members and 2 ex-officio members appointed not more than 60 days after the date of the enactment of this Act as follows:

(A) One Senator shall be appointed by the majority leader of the Senate, and one Senator shall be appointed by the minority leader of the Senate.

(B) One member of the House of Representatives shall be appointed by the Speaker of the House of Representatives, and one member of the House of Representatives shall be appointed by the minority leader of the House of Representatives.

(C)(i) Two members each shall be appointed by—

(I) the Speaker of the House of Representatives,

(II) the majority leader of the Senate,

(III) the minority leader of the House of Representatives, and

(IV) the minority leader of the Senate.

(ii) Such members shall be appointed by virtue of demonstrated expertise in relevant family, temporary disability, and labor-management issues and shall include representatives of employers.

(2) Ex-officio members.—The Secretary of Health and Human Services and the Secretary of Labor shall serve on the Commission as nonvoting ex-officio members.

(b) Vacancies.—Any vacancy on the Commission shall be filled in the same manner in which the original appointment was made.

(c) Chairperson and Vice Chairperson.—The Commission shall elect a chairperson and a vice chairperson from among the members of the Commission.

(d) Quorum.—Eight members of the Commission shall constitute a quorum for all purposes, except that a lesser number may constitute a quorum for the purpose of holding hearings.

SEC. 304. COMPENSATION.

(a) Pay.—Members of the Commission shall serve without compensation.

(b) Travel Expenses.—Members of the Commission shall be allowed reasonable travel expenses, including a per diem allowance, in accordance with section 5703 of title 5, United States Code, while performing duties of the Commission.

SEC. 305. POWERS.

(a) Meetings.—The Commission shall first meet not more than 30 days after the date on which all members are appointed. The Commission shall meet thereafter on the call of the chairperson or a majority of the members.

(b) Hearings and Sessions.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers appropriate. The Commission may administer oaths or affirmations to witnesses appearing before the Commission.

(c) Access to Information.—The Commission may secure directly from any Federal agency information necessary to enable the Commission to carry out this Act. On the request of the chairperson or vice chairperson of the Commission, the head of the agency shall furnish the information to the Commission.

(d) Executive Director.—The Commission may appoint an Executive Director from the personnel of any Federal agency to assist the Commission in carrying out the duties of the Commission.

(e) Use of Services and Facilities.—On the request of the Commission, the head of any Federal agency may make available to the Commission any of the facilities and services of the agency.

(f) Personnel From Other Agencies.—On the request of the Commission, the head of any Federal agency may detail any of the personnel of the agency to assist the Commission in carrying out the duties of the Commission.

SEC. 306. TERMINATION.

The Commission shall terminate 30 days after the date of the submission of the final report of the Commission to Congress.

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. EFFECT ON OTHER LAWS.

(a) Federal and State Antidiscrimination Laws.—Nothing in this Act shall be construed to modify or affect any Federal or State law prohibiting discrimination on the basis of race, religion, color, national origin, sex, age, or handicapped status.

(b) State and Local Laws.—Nothing in this Act shall be construed to supersede any provision of any State or local law that provides greater employee parental or medical leave rights than the rights established under this Act.

SEC. 402. EFFECT ON EXISTING EMPLOYMENT BENEFITS.

(a) MORE PROTECTIVE.—Nothing in this Act shall be construed to diminish the obligation of an employer to comply with any collective-bargaining agreement or any employment benefit program or plan that provides greater parental and medical leave rights to employees than the rights provided under this Act.

(b) LESS PROTECTIVE.—The rights provided to employees under this Act may not be diminished by any collective-bargaining agreement or any employment benefit program or plan.

SEC. 403. ENCOURAGEMENT OF MORE GENEROUS LEAVE POLICIES.

Nothing in this Act shall be construed to discourage employers from adopting or retaining leave policies more generous than any policies that comply with the requirements under this Act.

SEC. 404. REGULATIONS.

Not later than 60 days after the date of enactment of this Act, the Secretary shall prescribe such regulations as are necessary to carry out title I.

SEC. 405. EFFECTIVE DATES.

(a) ADVISORY COMMISSION.—Title III shall become effective on the date of enactment of this Act.

(b) OTHER TITLES.—

(1) IN GENERAL.—Except as provided in paragraph (2), titles I, II, and IV shall take effect 6 months after the date of the enactment of this Act.

(2) COLLECTIVE BARGAINING AGREEMENTS.—In the case of a collective bargaining agreement in effect on the effective date described in paragraph (1), title I shall apply on the earlier of—

(A) the date of the termination of such agreement, or

(B) the date which occurs 12 months after the date of the enactment of this Act.

Notwithstanding any other provision of this Act, the term "employer" means any person engaged in commerce or in any industry affecting commerce who employs 50 or more employees at any one worksite for each working day during each of 19 or more calendar workweeks in the current or preceding calendar year; and includes:

"(i) any person who acts directly or indirectly in the interest of an employer to one or more employees;

"(ii) any successor in interest of such an employer; and

"(iii) any public agency, as defined in section 3(x) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(x)): and

notwithstanding any other provision of this act, the period of entitlement described in Sec. 104 (a)(2) of this act shall not exceed 10 workweeks during any 12-month period; and notwithstanding any other provision of this act, the entitlement under paragraph (a)(2), in "Sec. 6333" entitled "Temporary Medical Leave Requirement" contained in Sec. 201 of this act shall not exceed 10 administrative workweeks of the employee during any 12-month period.

[Corrected version will appear on pages 26653-26658.]

TITLE V—CHILD PORNOGRAPHY AND OBSCENITY

SEC. 501. SHORT TITLE.

This title may be cited as the "Child Protection and Obscenity Enforcement Act of 1988".

Subtitle A—Child Pornography

SEC. 511. AMENDMENTS TO EXISTING OFFENSES.

(a) SEXUAL EXPLOITATION OF CHILDREN.—Paragraph (2) of subsection 2251(c) of title 18, United States Code, is amended by inserting "by any means including by computer" after "interstate or foreign commerce" both places it appears.

(b) MATERIAL INVOLVING SEXUAL EXPLOITATION OF CHILDREN.—Subsection 2252(a) of title 18, United States Code, is amended by inserting "by any means including by computer" after "interstate or foreign commerce" each place it appears.

(c) DEFINITION.—Section 2256 of title 18, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (4);

(2) by striking out the period at the end of paragraph (5) and inserting in lieu thereof: "; and"; and

(3) by adding at the end the following:

"(6) 'computer' has the meaning given that term in section 1030 of this title.".

SEC. 512. SELLING OR BUYING OF CHILDREN.

(a) IN GENERAL.—Chapter 110 of title 18, United States Code, is amended by inserting after section 2251 the following:

"§ 2251A. Selling or buying of children

"(a) Any parent, legal guardian, or other person having custody or control of a minor who sells or otherwise transfers custody or control of such minor, or offers to sell or otherwise transfer custody of such minor either—

"(1) with knowledge that, as a consequence of the sale or transfer, the minor will be portrayed in a visual depiction engaging in, or assisting another person to engage in, sexually explicit conduct; or

"(2) with intent to promote either—

"(A) the engaging in of sexually explicit conduct by such minor for the purpose of producing any visual depiction of such conduct; or

"(B) the rendering of assistance by the minor to any other person to engage in sexually explicit conduct for the purpose of producing any visual depiction of such conduct;

shall be punished by imprisonment for not less than 20 years or for life and by a fine under this title, if any of the circumstances described in subsection (c) of this section exist.

"(b) Whoever purchases or otherwise obtains custody or control of a minor, or offers to purchase or otherwise obtain custody or control of a minor either—

"(1) with knowledge that, as a consequence of the purchase or obtaining of custody, the minor will be portrayed in a visual depiction engaging in, or assisting another person to engage in, sexually explicit conduct; or

"(2) with intent to promote either—

"(A) the engaging in of sexually explicit conduct by such minor for the purpose of producing any visual depiction of such conduct; or

"(B) the rendering of assistance by the minor to any other person to engage in sexually explicit conduct for the purpose of producing any visual depiction of such conduct;

shall be punished by imprisonment for not less than 20 years or for life and by a fine under this title, if any of the circumstances described in subsection (c) of this section exist.

"(c) The circumstances referred to in subsections (a) and (b) are that—

"(1) in the course of the conduct described in such subsections the minor or the actor traveled in or was transported in interstate or foreign commerce;

"(2) any offer described in such subsections was communicated or transported in interstate or foreign commerce by any means including by computer or mail; or

"(3) the conduct described in such subsections took place in any territory or possession of the United States.".

(b) DEFINITION.—Section 2256 of title 18, United States Code, as amended by section 201 of this Act, is further amended—

(1) by striking out "and" at the end of paragraph (5);

(2) by striking out the period at the end of paragraph (6) and inserting "; and" in lieu thereof; and

(3) by adding at the end the following:

"(7) 'custody or control' includes temporary supervision over or responsibility for a minor whether legally or illegally obtained.".

(c) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 110 of title 18, United States Code, is amended by inserting after the item relating to section 2251 the following:

"2251A. Selling or buying of children.".

SEC. 513. RECORD KEEPING REQUIREMENTS.

(a) IN GENERAL.—Chapter 110 of title 18, United States Code, is amended by adding at the end thereof the following:

"§ 2257. Record keeping requirements

"(a) Whoever produces any book, magazine, periodical, film, videotape, or other matter which—

"(1) contains one or more visual depictions made after February 6, 1978 of actual sexually explicit conduct; and

"(2) is produced in whole or in part with materials which have been shipped in interstate or foreign commerce, or is shipped or transported or is intended for shipment or transportation in interstate or foreign commerce;

shall create and maintain individually identifiable records pertaining to every performer portrayed in such a visual depiction.

"(b) Any person to whom subsection (a) applies shall, with respect to every performer portrayed in a visual depiction of actual sexually explicit conduct—

"(1) ascertain, by examination of an identification document containing such information, the performer's name and date of birth, and require the performer to provide such other indicia of his or her identity as may be prescribed by regulations;

"(2) ascertain any name, other than the performer's present and correct name, ever used by the performer including maiden name, alias, nickname, stage, or professional name; and

"(3) record in the records required by subsection (a) the information required by paragraphs (1) and (2) of this subsection and such other identifying information as may be prescribed by regulation.

"(c) Any person to whom subsection (a) applies shall maintain the records required by this section at his business premises, or at such other place as the Attorney General may by regulation prescribe and shall make such records available to the Attorney General for inspection at all reasonable times.

"(d)(1) No information or evidence obtained from records required to be created or maintained by this section shall, except as provided in paragraphs (2) and (3), be used, directly or indirectly, as evidence against any person with respect to any violation of law.

"(2) Paragraph (1) of this subsection shall not preclude the use of such information or evidence in a prosecution or other action for a violation of any applicable provision of law with respect to the furnishing of false information.

"(3) In a prosecution of any person to whom subsection (a) applies for an offense in violation of subsection 2251(a) of this title which has as an element the production of a visual depiction of a minor engaging in or assisting another person to engage in sexually explicit conduct and in which that element is sought to be established by showing that a performer within the meaning of this section is a minor—

"(A) proof that the person failed to comply with the provisions of subsection (a) or (b) of this section concerning the creation and maintenance of records, or a regulation issued pursuant thereto, shall raise a rebuttable presumption that such performer was a minor; and

"(B) proof that the person failed to comply with the provisions of subsection (e) of this section concerning the statement required by that subsection shall raise the rebuttable presumption that every performer in the matter was a minor.

"(e)(1) Any person to whom subsection (a) applies shall cause to be affixed to every copy of any matter described in paragraph (1) of subsection (a) of this section, in such manner and in such form as the Attorney General shall by regulations prescribe, a statement describing where the records required by this section with respect to all performers depicted in that copy of the matter may be located.

"(2) If the person to whom subsection (a) of this section applies is an organization the statement required by this subsection shall include the name, title, and business address of the individual employed by such organization responsible for maintaining the records required by this section.

"(3) In any prosecution of a person for an offense in violation of section 2252 of this title which has as an element the transporting, mailing, or distribution of a visual depiction involving the use of a minor engaging in sexually explicit conduct, and in which that element is sought to be established by a showing that a performer within the meaning of this section is a minor, proof that the matter in which the visual depiction is contained did not contain the statement required by this section shall raise a rebuttable presumption that such performer was a minor.

"(f) The Attorney General shall issue appropriate regulations to carry out this section.

"(g) As used in this section—

"(1) the term 'actual sexually explicit conduct' means actual but not simulated conduct as defined in subparagraphs (A) through (E) of paragraph (2) of section 2256 of this title;

"(2) 'identification document' has the meaning given that term in subsection 1028(d) of this title;

"(3) the term 'produces' means to produce, manufacture, or publish and includes the duplication, reproduction, or reissuing of any material; and

"(4) the term 'performer' includes any person portrayed in a visual depiction engaging in, or assisting another person to engage in, actual sexually explicit conduct.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 110 of title 18, United States Code, is amended by adding after the item relating to section 2256 the following:

"2257. Record keeping requirements.".

(c) EFFECTIVE DATE.—Section 2257 of title 18, United States Code, as added by this section shall take effect 180 days after the date of the enactment of this Act except—

(1) the Attorney General shall prepare the initial set of regulations required or authorized by section 2257 within 90 days of the date of the enactment of this Act; and

(2) subsection (e) of section 2257 of this title and of any regulation issued pursuant thereto shall take effect 270 days after the date of the enactment of this Act.

SEC. 514. R.I.C.O. AMENDMENT.

Subsection 1961(1)(B) of title 18, United States Code, is amended by inserting after "section 1957 (relating to engaging in monetary transactions in property derived from specified unlawful activity)" the following: "sections 2251 through 2252 (relating to sexual exploitation of children),".

Subtitle B—Obscenity

SEC. 521. RECEIPT OR POSSESSION FOR SALE; PRESUMPTIONS FOR CHAPTER 71.

(a) RECEIPT OR POSSESSION FOR SALE.—Chapter 71 of title 18, United States Code, is amended by inserting after section 1465 the following:

"§ 1466. Receipt or possession of obscene matter for sale or distribution

"(a) Whoever is engaged in the business of selling or transferring books, magazines, pictures, papers, films, videotapes, or phonograph or other audio recordings, and knowingly receives or possesses with intent to distribute any obscene book, magazine, picture, paper, film, videotape, or phonograph or other audio recording, which has been shipped or transported in interstate or foreign commerce, shall be punished by imprisonment for not more than 5 years or by a fine under this title, or both.

"(b) As used in this subsection, the term 'engaged in the business' means that the person who sells or transfers or offers to sell or transfer books, magazines, pictures, papers, films, videotapes, or phonograph or other audio recordings, devotes time, attention, or labor to such activities, as a regular course of trade or business, with the objective of earning a profit, although it is not necessary that the person make a profit or that the selling or transferring or offering to sell or transfer such material be the person's sole or principal business or source of income. The offering for sale of or to transfer, at one time, two or more copies of any obscene publication, or two or more of any obscene article, or a combined total of five or more such publications and articles, shall create a rebuttable presumption that the person so offering them is 'engaged in the business' as defined in subsection (b).

"(c) In a prosecution for a violation of this section, it shall be an affirmative defense, on which the defendant has the burden of persuasion by a preponderance of the evidence, that the person—

"(1) ordered or received the obscene matter without examining the matter in advance;

"(2) did not in fact offer the matter for sale, or transfer or offer to transfer it to another person other than the sender; and

"(3) possessed the material less than 21 days.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 71 of title 18, United States Code, is amended by adding after the item relating to section 1465 the following:

"1466. Receipt or possession of obscene matter for sale or distribution.
"1467. Criminal forfeiture.".

(c) USE OF FACILITY OF COMMERCE.—The first paragraph of section 1465 of title 18, United States Code, is amended by inserting after the word distribution: ", or knowingly travels in interstate commerce, or uses a facility or means of commerce for the purpose of interstate or foreign sale or distribution of,".

(d) DISTRIBUTION OF PROCEEDS.—Section 1465 of title 18, United States Code, is amended by inserting "or the proceeds from the sale thereof" after "character,".

(e) PRESUMPTIONS.—Chapter 71 of title 18, United States Code, as amended by subsection (a) of this section and by section 302, is further amended by adding at the end the following:

"§ 1469. Presumptions

"(a) In any prosecution under this chapter in which an element of the offense is that the matter in question was transported, shipped, or carried in interstate commerce, proof, by either circumstantial or direct evidence, that such matter was produced or manufactured in one State and is subsequently located in another State shall raise a rebuttable presumption that such matter was transported, shipped, or carried in interstate commerce.

"(b) In any prosecution under this chapter in which an element of the offense is that the matter in question was transported, shipped, or carried in foreign commerce, proof, by either circumstantial or direct evidence, that such matter was produced or manufactured outside of the United States and is subsequently located in the United States shall raise a rebuttable presumption that such matter was transported, shipped, or carried in foreign commerce.".

(f) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 71 of title 18, United States Code, is amended by adding after the item relating to section 1468 the following:

"1469. Presumptions.".

SEC. 522. FORFEITURE IN OBSCENITY CASES.

(a) IN GENERAL.—Chapter 71 of title 18, United States Code, is amended by adding at the end the following:

"§ 1467. Criminal forfeiture

"(a) PROPERTY SUBJECT TO CRIMINAL FORFEITURE.—A person who is convicted of an offense involving obscene material under this chapter shall forfeit to the United States such person's interest in—

"(1) any obscene material produced, transported, mailed, shipped or received in violation of this chapter;

"(2) any property, real or personal, constituting or traceable to gross profits or other proceeds obtained from such offense; and

"(3) any property, real or personal, used or intended to be used to commit or to promote the commission of such offense. A forfeiture under this subparagraph shall be authorized only by the Attorney General, the Deputy Attorney General, the Associate Attorney General, or the Assistant Attorney General or the Acting Assistant Attorney General in the Criminal Division.

"(b) THIRD PARTY TRANSFERS.—All right, title, and interest in property described in subsection (a) of this section vests in the United States upon the commission of the act giving rise to forfeiture under this section. Any such property that is subsequently transferred to a person other than the defendant may be the subject of a special verdict of forfeiture and thereafter shall be ordered forfeited to the United States, unless the transferee establishes in a hearing pursuant to subsection (m) of this section that he is a bona fide purchaser for value of such property who at the time of purchase was reasonably without cause to believe that the property was subject to forfeiture under this section.

"(c) Protective Orders.—(1) Upon application of the United States, the court may enter a restraining order or injunction, require the execution of a satisfactory performance bond, or take any other action to preserve the availability of property described in subsection (a) of this section for forfeiture under this section—

"(A) upon the filing of an indictment or information charging a violation of this chapter for which criminal forfeiture may be ordered under this section and alleging that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section; or

"(B) prior to the filing of such an indictment or information, if, after notice to persons appearing to have an interest in the property and opportunity for a hearing, the court determines that—

"(i) there is a substantial probability that the United States will prevail on the issue of forfeiture and that failure to enter the order will result in the property being destroyed, removed from the jurisdiction of the court, or otherwise made unavailable for forfeiture; and

"(ii) the need to preserve the availability of the property through the entry of the requested order outweighs the hardship on any party against whom the order is to be entered;

except that an order entered under subparagraph (B) shall be effective for not more than 90 days, unless extended by the court for good cause shown or unless an indictment or information described in subparagraph (A) has been filed.

"(2) A temporary restraining order under this subsection may be entered upon application of the United States without notice or opportunity for a hearing when an information or indictment has not yet been filed with respect to the property, if the United States demonstrates that there is probable cause to believe that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section and that provision of notice will jeopardize the availability of the property for forfeiture. Such a temporary order shall expire not more than 10 days after the date on which it is entered, unless extended for good cause shown or unless the party against whom it is entered consents to an extension for a longer period. A hearing requested concerning an order entered under this paragraph shall be held at the earliest possible time and prior to the expiration of the temporary order.

"(3) The court may receive and consider, at a hearing held pursuant to this subsection, evidence and information that would be inadmissible under the Federal Rules of Evidence.

"(d) Warrant of Seizure.—The Government may request the issuance of a warrant authorizing the seizure of property subject to forfeiture under this section in the same manner as provided for a search warrant. If the court determines that there is probable cause to believe that the property to be seized would, in the event of conviction, be subject to forfeiture and that an order under subsection (c) of this section may not be sufficient to assure the availability of the property for forfeiture, the court shall issue a warrant authorizing the seizure of such property.

"(e) Order of Forfeiture.—The court shall order forfeiture of property referred to in subsection (a) if the trier of fact determines, beyond a reasonable doubt, that such property is subject to forfeiture.

"(f) Execution.—Upon entry of an order of forfeiture under this section, the court shall authorize the Attorney General to seize all property ordered forfeited upon such terms and conditions as the court shall deem proper. Following entry of an order declaring the property forfeited, the court may, upon application of the United States, enter such appropriate restraining orders or injunctions, require the execution of satisfactory performance bonds, appoint receivers, conservators, appraisers, accountants, or trustees, or take any other action to protect the interest of the United States in the property ordered forfeited. Any income accruing to or derived from property ordered forfeited under this section may be used to offset ordinary and necessary expenses to the property which are required by law, or which are necessary to protect the interests of the United States or third parties.

"(g) Disposition of Property.—Following the seizure of property ordered forfeited under this section, the Attorney General shall destroy or retain for official use any property described in paragraph (1) of subsection (a) and shall direct the disposition of any property described in paragraph (2) of subsection (a) by sale or any other commercially feasible means, making due provision for the rights of any innocent persons. Any property right or interest not exercisable by, or transferable for value to, the United States shall expire and shall not revert to the defendant, nor shall the defendant or any person acting in concert with him or on his behalf be eligible to purchase forfeited property at any sale held by the United States. Upon application of a person, other than the defendant or person acting in concert with him or on his behalf, the court may restrain or stay the sale or disposition of the property pending the conclusion of any appeal of the criminal case giving rise to the forfeiture, if the applicant demonstrates that proceeding with the sale or disposition of the property will result in irreparable injury, harm, or loss to him.

"(h) Authority of Attorney General.—With respect to property ordered forfeited under this section, the Attorney General is authorized to—

"(1) grant petitions for mitigation or remission of forfeiture, restore forfeited property to victims of a violation of this chapter, or take any other action to protect the rights of innocent persons which is in the interest of justice and which is not inconsistent with the provisions of this section;

"(2) comprise claims arising under this section;

"(3) award compensation to persons providing information resulting in a forfeiture under this section;

"(4) direct the disposition by the United States, in accordance with the provisions of section 1616, title 19, United States Code, of all property ordered forfeited under this section by public sale or any other commercially feasible means, making due provision for the rights of innocent persons; and

"(5) take appropriate measures necessary to safeguard and maintain property ordered forfeited under this section pending its disposition.

"(i) Applicability of Civil Forfeiture Provisions.—Except to the extent that they are inconsistent with the provisions of this section, the provisions of section 1468(d) of this title (18 U.S.C. 1468(d)) shall apply to a criminal forfeiture under this section.

"(j) Bar on Intervention.—Except as provided in subsection (m) of this section, no party claiming an interest in property subject to forfeiture under this section may—

"(1) intervene in a trial or appeal of a criminal case involving the forfeiture of such property under this section; or

"(2) commence an action at law or equity against the United States concerning the validity of his alleged interest in the property subsequent to the filing of an indictment or information alleging that the property is subject to forfeiture under this section.

"(k) Jurisdiction To Enter Orders.—The district courts of the United States shall have jurisdiction to enter orders as provided in this section without regard to the location of any property which may be subject to forfeiture under this section or which has been ordered forfeited under this section.

"(l) Depositions.—In order to facilitate the identification and location of property declared forfeited and to facilitate the disposition of petitions for remission or mitigation of forfeiture, after the entry of an order declaring property forfeited to the United States, the court may, upon application of the United States, order that the testimony of any witness relating to the property forfeited be taken by deposition and that any designated book, paper, document, record, recording, or other material not privileged be produced at the same time and place, in the same manner as provided for the taking of depositions under Rule 15 of the Federal Rules of Criminal Procedure.

"(m) Third Party Interests.—(1) Following the entry of an order of forfeiture under this section, the United States shall publish notice of the order and of its intent to dispose of the property in such manner as the Attorney General may direct. The Government may also, to the extent practicable, provide direct written notice to any person known to have alleged an interest in the property that is the subject of the order of forfeiture as a substitute for published notice as to those persons so notified.

SEC. 524. COMMUNICATIONS ACT AMENDMENT.

Section 223(b) of the Communications Act of 1934 (47 U.S.C. 223(b)) is amended to read as follows:

"(b)(1)(A) Whoever knowingly—

"(i) in the District of Columbia or in interstate or foreign communication, by means of telephone, makes (directly or by recording device) any obscene communication for commercial purposes to any person, regardless of whether the maker of such communication placed the call; or

"(ii) permits any telephone facility under such person's control to be used for an activity prohibited by clause (i);

shall be fined in accordance with title 18 of the United States Code, or imprisoned not more than two years, or both.

"(2)(A) Whoever knowingly—

"(i) in the District of Columbia or in interstate or foreign communication, by means of telephone, makes (directly or by recording device) any indecent communication for commercial purposes to any person, regardless of whether the maker of such communication placed the call; or "(ii) permits any telephone facility under such person's control to be used for an activity prohibited by clause (i),

shall be fined not more than $50,000 or imprisoned not more than six months, or both.".

SEC. 525. ELECTRONIC SURVEILLANCE.

Subsection (1) of section 2516 of title 18, United States Code, is amended by redesignating paragraphs (i) and (j) as (j) and (k), respectively, and by adding a new paragraph (i) as follows:

"(i) any felony violation of chapter 71 (relating to obscenity) of this title;".

SEC. 526. POSSESSION AND SALE OF OBSCENE MATTERS IN FEDERAL JURISDICTION OR ON FEDERAL PROPERTY.

(a) IN GENERAL.—Chapter 71 of title 18, United States Code, is amended by inserting before section 1461 the following:

"§ 1460. Possession and sale of obscene matter on Federal property

"(a) Whoever, either—

"(1) in the special maritime and territorial jurisdiction of the United States, or on any land or building owned by, leased to, or otherwise used by or under the control of the Government of the United States; or

"(2) in the Indian country as defined in section 1151 of this title,

knowingly sells or possesses with intent to sell an obscene visual depiction or a visual depiction of a minor engaging in or assisting another person to engage in sexually explicit conduct, shall be punished by a fine in accordance with the provisions of this title or imprisoned for not more than 2 years, or both.

"(b) Except as provided in subsection (c), whoever, in an area described in subparagraph (1) or (2) of subsection (a) knowingly possesses an obscene visual depiction or a visual depiction of a minor engaging in or assisting another person to engage in sexually explicit conduct shall be punished by imprisonment for not more than 6 months or a fine of not more than $5,000 for an individual or $10,000 for a person other than an individual, or both.

"(c) Subsection (b) shall not apply in the case of a person who possesses an obscene visual depiction in any place where such person lives or resides.

"(d) For the purposes of this section—

"(1) the term 'visual depiction' includes undeveloped film and videotape but does not include mere words; and

"(2) the terms 'minor' and 'sexually explicit conduct' have the meaning given those terms in chapter 110 of this title.

"(e) In a prosecution for a violation of this section involving an obscene visual depiction, it shall be an affirmative defense, on which the defendant has the burden of persuasion by a preponderance of the evidence, that the person—

"(1) ordered or received the obscene matter without examining the matter in advance;

"(2) did not in fact offer the matter for sale, or transfer or offer to transfer it to another person other than the sender; and

"(3) possessed the material less than 21 days.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 71 of title 18, United States Code, is amended by adding before the item relating to section 1461 the following:

"1460. Possession and sale of obscene matter on Federal property.".

SEC. 527. CIVIL FORFEITURE.

(a) IN GENERAL.—Chapter 71 of title 18, United States Code, is amended by adding the following new section at the end thereof:

"§ 1470. Civil forfeiture

"(a) PROPERTY SUBJECT TO CIVIL FORFEITURE.—The following property shall be subject to forfeiture by the United States:

"(1) Any material that has been adjudged obscene in any criminal case, Federal or State, that is produced, transported, mailed, shipped, or received in violation of this chapter.

"(2) Any property, real or personal, constituting or traceable to gross profits or other proceeds obtained from a violation of this chapter involving material that has been adjudged obscene in any criminal case, State or Federal, except that no property shall be forfeited under this paragraph, to the extent of the interest of an owner, by reason of any act or omission established by that owner to have been committed or omitted without the knowledge or consent of that owner.

"(b) SEIZURE PURSUANT TO SUPPLEMENTAL RULES FOR CERTAIN ADMIRALTY AND MARITIME CLAIMS.—Any property subject to forfeiture to the United States under this section may be seized by the Attorney General upon process issued pursuant to the Supplemental Rules for Certain Admiralty and Maritime Claims by any district court of the United States having jurisdiction over the property, except that seizure without such process may be made when the seizure is pursuant to a search under a search warrant. The government may request the issuance of a warrant authorizing the seizure of property subject to forfeiture under this section in the same manner as provided for a search warrant under the Federal Rules of Criminal Procedure.

"(c) CUSTODY OF ATTORNEY GENERAL.—Property taken or detained under this section shall not be repleviable, but shall be deemed to be in the custody of the Attorney General, subject only to the orders and decrees of the court or the official having jurisdiction thereof. Whenever property is seized under any of the provisions of this subchapter, the Attorney General may—

"(1) place the property under seal;

"(2) remove the property to a place designated by him; or

"(3) require that the General Services Administration take custody of the property and remove it, if practicable, to an appropriate location for disposition in accordance with law.

"(d) OTHER LAWS AND PROCEEDINGS APPLICABLE.—All provisions of the customs laws relating to the seizure, summary and judicial forfeiture, and condemnation of property for violation of the customs laws, the disposition of such property or the proceeds from the sale thereof, the remission or mitigation of such forfeitures, and the compromise of claims, shall apply to seizures and forfeitures incurred, or alleged to have been incurred, under this section, insofar as applicable and not inconsistent with the provisions of this section, except that such duties as are imposed upon the customs officer or any other person with respect to the seizure and forfeiture of property under the customs laws shall be performed with respect to seizures and forfeitures of property under this section by such officers, agents, or other persons as may be authorized or designated for that purpose by the Attorney General or the Postal Service, except to the extent that such duties arise from seizures and forfeitures effected by any customs officer.

"(e) APPLICABILITY OF CERTAIN SECTIONS.—Sections 1606, 1607, 1608, 1609, 1613, 1614, 1617, and 1618 of title 19 shall not apply with respect to obscene material subject to forfeiture under subsection (a)(1) of this section.

"(f) DISPOSITION OF FORFEITED PROPERTY.—Whenever property is forfeited under this section the Attorney General shall destroy or retain for official use any article described in paragraph (1) of subsection (a), and with respect to property described in paragraphs (2) and (3) of subsection (a) may—

"(1) retain the property for official use or transfer the custody or ownership of any forfeited property to a Federal, State, or local agency pursuant to section 1616 of title 19;

"(2) sell any forfeited property which is not required to be destroyed by law and which is not harmful to the public; or

"(3) require that the General Services Administration take custody of the property and dispose of it in accordance with law.

The Attorney General shall ensure the equitable transfer pursuant to paragraph (1) of any forfeited property to the appropriate State or local law enforcement agency so as to reflect generally the contribution of any such agency participating directly in any of the acts which led to the seizure or forfeiture of such property. A decision by the Attorney General pursuant to paragraph (1) shall not be subject to judicial review. The Attorney General shall forward to the Treasurer of the United States for deposit in accordance with section 524(c) of title 28 the proceeds from any sale under paragraph (2) and any moneys forfeited under this subchapter.

"(g) TITLE TO PROPERTY.—All right, title, and interest in property described in subsection (a) of this section shall vest in the United States upon commission of the act giving rise to forfeiture under this section.

"(h) STAY OF PROCEEDINGS.—The filing of an indictment or information alleging a violation of this chapter which is also related to a civil forfeiture proceeding under this section shall, upon motion of the United States and for good cause shown, stay the civil forfeiture proceeding.

"(i) VENUE.—In addition to the venue provided for in section 1395 of title 28 or any other provision of law, in the case of property of a defendant charged with a violation that is the basis for forfeiture of the property under this section, a proceeding for forfeiture under this section may be brought in the judicial district in which the defendant owning such property is found or in the judicial district in which the criminal prosecution is brought.".

(b) CLERICAL AMENDMENTS.—The table of sections at the beginning of chapter 71 of title 18, United States Code, is amended by inserting after the item relating to section 1469 the following:

"1470. Civil forfeiture.".

(c) REPEAL.—The last paragraph of section 1465 of title 18, United States Code, is repealed.

§ 528. CIVIL FINES.

Chapter 71 of title 18, United States Code, is amended by inserting at the end the following new section:

"Section 1471. Civil fines.

"(a) Whoever produces, transports, mails, ships or receives any article that has been adjudged obscene in any state or federal criminal case shall be subject to a civil penalty of—

"(1) for a first violation, not more than $10,000;

"(2) for a second violation, not more than $50,000; and

"(3) for a third or subsequent violation, not more than $250,000 in the case of an individual, or $500,000 in the case of an organization.

"(b) An action to recover a fine imposable under subsection (a) shall be brought in the name of the United States. The Attorney General may commence such a civil action in the district court in any district where the violation occurs. Such an action must be commenced within 5 years of the violation. The Attorney General may compromise, modify, or remit with or without condition any civil penalty imposed under this section.

"(c) In any civil action under this section, the defendant shall have a right to a trial by jury, and the government shall have the burden of proof, by a preponderance of the evidence, that the article is obscene under the standards of the community in which the trial takes place."

SEC. 529. SEVERABILITY.

If any of the provisions of this Act are found invalid, such finding shall not affect the validity or effect of the remaining provisions thereof.

TITLE V—CHILD CARE PROVISIONS

SEC. 501. SHORT TITLE.

This title may be cited as the "Act for Better Child Care Services of 1988".

SEC. 502. FINDINGS AND PURPOSES.

(a) Findings.—Congress finds that—

(1) the number of children living in homes where both parents work, or living in homes with a single parent who works, has increased dramatically over the last decade;

(2) the availability of quality child care is critical to the self-sufficiency and independence of millions of American families, including the growing number of mothers with young children who work out of economic necessity;

(3) high quality child care programs can strengthen our society by providing young children with the foundation on which to learn the basic skills necessary to be productive workers;

(4) the years from birth to age 6 are a critical period in the development of a young child;

(5) a significant number of parents do not have a real choice as they seek adequate child care for their young children because of limited incomes, insufficient State child care standards, and the inadequate supply of child care services in their community;

(6) high quality early childhood development programs provided during such period are cost effective because such programs can reduce the chances of juvenile delinquency and adolescent pregnancy and can improve the likelihood that children will finish high school and become employed;

(7) the number of quality child care arrangements falls far short of the number required for children in need of child care services;

(8) the rapid growth of participation in the labor force by mothers of children under the age of 1 has resulted in a critical shortage of quality child care arrangements for infants and toddlers;

(9) the lack of available child care services results in many preschool and school-age children being left without adequate supervision for significant parts of the day;

(10) many working parents who are unable to afford adequate child care services do not receive adequate financial assistance for such services from employers or public sources;

(11) because of the lack of affordable child care, a large number of parents are not able to work or to seek the training or education they need to become self sufficient;

(12) making adequate child care services available for parents who are employed, seeking employment, or seeking to develop employment skills promotes and strengthens the well-being of families and the national economy;

(13) the payment of the exceptionally low salaries to child care workers adversely affects the quality of child care services by making it difficult to retain qualified staff;

(14) several factors result in the shortage of quality child care options for children and parents, including—

(A) the inability of parents to pay for child care services;

(B) the lack of up-to-date information on child care services;

(C) the lack of training opportunities for staff in child care programs;

(D) the high rate of staff turnover in child care facilities; and

(E) the wide differences among the States in child care licensing and enforcement policies; and

(15) improved coordination of child care services will help to promote the most efficient use of child care resources.

(b) Purposes.—The purposes of this subtitle are—

(1) to build on and to strengthen the role of the family by seeking to ensure that parents are not forced by lack of available programs or financial resources to place a child in an unsafe or unhealthy child care facility or arrangement;

(2) to promote the availability and diversity of quality child care services to expand child care options available to all families who need such services;

(3) to provide assistance to families whose financial resources are not sufficient to enable such families to pay the full cost of necessary child care services;

(4) to lessen the chances that children will be left to fend for themselves for significant parts of the day;

(5) to improve the productivity of parents in the labor force by lessening the stresses related to the absence of adequate child care services;

(6) to provide assistance to States to improve the quality of, and coordination among, child care programs;

(7) to increase the opportunities for attracting and retaining qualified staff in the field of child care to provide high quality child care services to children; and

(8) to strengthen the competitiveness of the United States by providing young children with a sound early childhood development experience.

SEC. 503. DEFINITIONS.

As used in this subtitle:

(1) Administrator.—The term "Administrator" means the Administrator of Child Care appointed under section 514(a).

(2) Caregiver.—The term "caregiver" means an individual who provides a service directly to an eligible child on a person-to-person basis.

(3) Center-based child care provider.—The term "center-based child care provider" means a child care provider that provides child care services in a nonresidential facility.

(4) Child care certificate.—The term "child care certificate" means a certificate that is issued by the State to parents who may use such certificate only as payment for child care services for an eligible child and that provides to an eligible child care provider a right to reimbursement for such services at the same rate charged by that provider for comparable services to children whose parents are not eligible for certificates under this subtitle or for child care assistance under any other Federal or State program.

(5) Community-based organization.—The term "community-based organization" has the meaning given such term by section 4(5) of the Job Training and Partnership Act (29 U.S.C. 1503(5)).

(6) Elementary school.—The term "elementary school" means a day or residential school that provides elementary education, as determined under State law.

(7) Eligible child.—The term "eligible child" means an individual—

(A) who is less than 16 years of age;

(B) whose family income does not exceed 100 percent of the State median income for a family of the same size; and

(C) who—

(i) resides with a parent or parents who are working, seeking employment, or enrolled in a job training or educational program; or

(ii) is receiving, or needs to receive, protective services and resides with a parent or parents not described in clause (i).

(8) Eligible child care provider.—The term "eligible child care provider" means a center-based child care provider, a group home child care provider, a family child care provider, or other provider of child care services for compensation that—

(A) is licensed or regulated under State law;

(B) satisfies—

(i) the Federal requirements, except as provided in subparagraph (C); and

(ii) the State and local requirements;

applicable to the child care services it provides; and

(C) after the expiration of the 4-year period beginning on the date the Secretary establishes minimum child care standards under section 517(e)(2), complies with such standards that are applicable to the child care services it provides.

(9) Family child care provider.—The term "family child care provider" means 1 individual who provides child care services for fewer than 24 hours per day, as the sole caregiver, and in the private residence of such individual.

(10) Family support services.—The term "family support services" means services that assist parents by providing support in parenting and by linking parents with community resources and with other parents.

(11) Full-working-day.—The term "full-working-day" means at least 10 hours per day.

(12) Group home child care provider.—The term "group home child care provider" means 2 or more individuals who jointly provide child care services for fewer than 24 hours per day and in a private residence.

(13) Handicapping condition.—The term "handicapping condition" means any condition set forth in section 602(a)(1) of the Education of the Handicapped Act (20 U.S.C. 1401(a)(1)) or section 672(1) of the Education of the Handicapped Act (20 U.S.C. 1471(a)).

(14) Indian tribe.—The term "Indian tribe" has the meaning given it in section 4(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(b)).

(15) Institution of higher education.—The term "institution of higher education" has the meaning given such term in section 481(a)(1) of the Higher Education Act of 1965 (20 U.S.C. 1088(a)(1)), except that with respect to a tribally controlled community college such term has the meaning given it in section 2(a)(5) of the Tribally Controlled Community College Assistance Act of 1978 (25 U.S.C. 1801(a)(5)).

(16) Lead agency.—The term "lead agency" means the agency designated under section 506(a).

(17) Local educational agency.—The term "local educational agency" has the meaning given that term in section 198(a)(10) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2854(a)(10)).

(18) Parent.—The term "parent" includes a legal guardian or other person standing in loco parentis.

(19) School-age child care services.—The term "school-age child care services" means child care services that are—

"(A) provided during such times of the school day when regular instructional services are not in session; and

"(B) not intended as an extension of or replacement for the regular academic program, but are intended to provide an environment which enhances the social, emotional, and recreational development of children of school age;

(20) Secondary school.—The term "secondary school" means a day or residential school which provides secondary education, as determined under State law.

(21) Secretary.—The term "Secretary" means the Secretary of Health and Human Services unless the context specifies otherwise.

(22) School facilities.—The term "school facilities" means classrooms and related facilities used to provide education.

(23) Sliding fee scale.—The term "sliding fee scale" means a system of cost sharing between the State and a family based on income and size of the family with the very low income families having to pay no cost.

(24) State.—The term "State" means any of the several States, the District of Columbia, the Virgin Islands of the United States, the Commonwealth of Puerto Rico, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Marshall Islands, the Federated States of Micronesia, or Palau.

(25) Unit of general purpose local government.—The term "unit of general purpose local government" means any city, county, town, township, parish, village, a combination of such general purpose political subdivisions including those in two or more States, or other general purpose political subdivisions of a State.

(26) Tribal organization.—The term "tribal organization" has the meaning given it in section 4(c) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(c)).

(27) Tribally controlled community college.—The term "tribally controlled community college" has the meaning given it in section 2(a)(4) of the Tribally Controlled Community College Assistance Act of 1978 (25 U.S.C. 1801(a)(4)).

SEC. 504. AUTHORIZATION OF APPROPRIATIONS.

(a) In General.—To carry out this subtitle, other than section 521, there are authorized to be appropriated $2,500,000,000 for the fiscal year 1990 and such sums as may be necessary in each of the fiscal years 1991 through 1994.

SEC. 505. AMOUNTS RESERVED; ALLOTMENTS.

(a) Amounts Reserved.—

(1) Territories and possessions.—The Secretary shall reserve not to exceed one half of 1 percent of the amount appropriated under section 504(a) in each fiscal year for payments to Guam, American Samoa, the Virgin Islands of the United States, the Commonwealth of the Northern Mariana Islands, the Marshall Islands, the Federated States of Micronesia, and Palau, to be allotted in accordance with their respective needs.

(2) Indians.—The Secretary shall reserve an amount, not less than 1.5 percent and not more than 3 percent of the amount appropriated under section 504(a) in each fiscal year, to carry out subsection (c) regarding Indian children.

(b) State Allotment.—

(1) General rule.—From the remainder of the sums appropriated under section 504(a) for each fiscal year, the Secretary shall allot to each State (excluding jurisdictions referred to in subsection (a)(1)) an amount equal to the sum of—

(A) an amount that bears the same ratio to 50 percent of such remainder as the product of the young child factor of the State and the allotment percentage bears to the sum of the corresponding products for all States; and

(B) an amount that bears the same ratio to 50 percent of such remainder as the product of the school lunch factor of the State and the allotment percentage bears to the sum of the corresponding products for all the States.

(2) Young child factor.—The term "young child factor" means the ratio of the number of children in the State who are less than 5 years of age to the number of children in all the States who are less than 5 years of age.

(3) School lunch factor.—The term "school lunch factor" means the ratio of the number of children in the State who are receiving free or reduced price lunches under the school lunch program established under the National School Lunch Act (42 U.S.C. 1751 et seq.) to the number of children in all the States who are receiving free or reduced price lunches under such program.

(4) Allotment percentage.—

(A) In general.—The allotment percentage for a State is determined by dividing—

(i) the per capita income of all individuals in the United States; by

(ii) the per capita income of all individuals in the State.

(B) Limitations.—If a sum determined under subparagraph (A)—

(i) exceeds 1.2, then the allotment percentage of that State shall be considered to be 1.2; and

(ii) is less that 0.8, then the allotment percentage of the State shall be considered to be 0.8.

(C) Per capita income.—For purposes of subparagraph (A), per capita income shall be—

(i) determined at 2-year intervals;

(ii) applied for the 2-year period beginning on October 1 of the first fiscal year beginning on the date such determination is made; and

(iii) equal to the average of the annual per capita incomes for the most recent period of 3 consecutive years for which satisfactory data are available from the Department of Commerce at the time such determination is made.

(c) Payments for the Benefit of Indian Children.—

(1) Tribal organizations.—From the funds reserved under subsection (a)(2), the Secretary may, upon the application of an Indian tribe or tribal organization enter into a contract with, or make a grant to such Indian tribe or tribal organization for a period of 3 years, subject to satisfactory performance, to plan and carry out programs and activities that are consistent with this subtitle. Such contract or grant shall be subject to the terms and conditions of section 102 of the Indian Self-Determination Act (25 U.S.C. 450f) and shall be conducted in accordance with sections 4, 5, and 6 of the Act of April 16, 1934 (48 Stat. 596; 25 U.S.C. 655-657), that are relevant to such programs and activities.

(2) Indian reservations.—In the case of an Indian tribe in a State other than the States of Oklahoma, Alaska, and California, such programs and activities shall be carried out on the Indian reservation for the benefit of Indian children.

(3) Standards.—

(A) In general.—Subject to subparagraph (B), the Secretary shall establish, through the application process, standards applicable to child care services provided under such programs and activities. For purposes of establishing such standards, the Secretary shall take into consideration—

(i) the codes, regulations, and cultural factors of the Indian tribe involved, as expressed by such tribe or the tribal organization that represents such tribe; and

(ii) the State licensing and regulatory requirements applicable to child care services provided in the State in which such program and activities are carried out.

(B) Application.—

(i) Rule.—Except as provided in clause (ii), after the Secretary establishes minimum child care standards under section 517(e)(2), such minimum standards shall apply with respect to child care services provided under such programs and activities.

(ii) Waivers and modifications.—The Secretary may waive or modify, for a period not to exceed 5 years beginning on the date such minimum standards are established, any of such minimum standards that would limit the capacity of an Indian tribe or tribal organization to receive funds under this subtitle if the Secretary determines that there is a reasonable expectation that each of such standards requested to be waived will be met by the applicant by the end of the period for which the waiver is requested.

(4) Availability of state child care services.—For the purpose of determining whether to approve an application for a contract or grant under this subsection, the Secretary shall take into consideration the availability of child care services provided in accordance with this subtitle by the State in which the applicant proposes to carry out a program to provide child care services.

(5) Rule of construction.—This subsection shall not be construed—

(A) to limit the eligibility of any individual to participate in any program carried out with assistance received under this subtitle by a State; or

(B) to modify any requirement imposed on a State by any provision of this subtitle.

(6) Coordination.—To the maximum extent practicable, the applicant for a grant or contract under this subsection and the State in which the applicant is located shall

coordinate with each other their respective child care programs and activities, including child care programs and activities carried out with assistance received under this subtitle.

(d) DATA AND INFORMATION.—The Secretary shall obtain from each appropriate Federal agency, the most recent data and information necessary to determine the allotments provided for in subsection (b).

(e) REALLOTMENTS.—

(1) IN GENERAL.—Any portion of the allotment under subsection (b) to a State that the Secretary determines is not required to carry out a State plan approved under section 507(d), in the period for which the allotment is made available, shall be reallotted by the Secretary to other States in proportion to the original allotments to the other States.

(2) LIMITATIONS.—

(A) REDUCTION.—The amount of any reallotment to which a State is entitled to under paragraph (1) shall be reduced to the extent that it exceeds the amount that the Secretary estimates will be used in the State to carry out a State plan approved under section 507(d).

(B) REALLOTMENTS.—The amount of such reduction shall be similarly reallotted among States for which no reduction in an allotment or reallotment is required by this subsection.

(3) AMOUNTS REALLOTTED.—For purposes of any other section of this subtitle, any amount reallotted to a State under this subsection shall be considered to be part of the allotment made under subsection (b) to the State.

(f) DEFINITION.—For the purposes of this section, the term "State" means any of the several 50 States, the District of Columbia, or the Commonwealth of Puerto Rico.

SEC. 506. LEAD AGENCY.

(a) DESIGNATION.—The chief executive officer of a State desiring to participate in the program authorized by this subtitle shall designate, in an application submitted to the Secretary under section 507(a), an appropriate State agency that meets the requirements of subsection (b) to act as the lead agency.

(b) REQUIREMENTS.—

(1) ADMINISTRATION OF FUNDS.—The lead agency shall have the capacity to administer the funds provided under this subtitle to support programs and services authorized under this subtitle and to oversee the plan submitted under section 507(b).

(2) COORDINATION.—The lead agency shall have the capacity to coordinate the services for which assistance is provided under this subtitle with the services of other State and local agencies involved in providing services to children.

(3) ESTABLISHMENT OF POLICIES.—The lead agency shall have the authority to establish policies and procedures for developing and implementing interagency agreements with other agencies of the State to carry out the purposes of this subtitle.

(c) DUTIES.—The lead agency shall—

(1) assess child care needs and resources in the State, and assess the effectiveness of existing child care services and services for which assistance is provided under this subtitle or under other laws, in meeting such needs;

(2) develop a plan designed to meet the need for child care services in the State for eligible children, including infants, preschool children, and school-age children, giving special attention to meeting the needs for services for low-income children, migrant children, children with a handicapping condition, foster children, children in need of protective services, children of adolescent parents who need child care to remain in school, and children with limited English-language proficiency;

(3) develop, in consultation with the State advisory committee on child care established under section 511, the State plan submitted to the Secretary under section 507(b);

(4) hold hearings, in cooperation with such State advisory committee on child care, annually in each region of the State in order to provide to the public an opportunity to comment on the provision of child care services in the State under the proposed State plan;

(5) make such periodic reports to the Secretary as the Secretary may by rule require;

(6) coordinate the provision of services under this subtitle with—

(A) other child care programs and services, and with educational programs, for which assistance is provided under any State, local, or other Federal law, including the State Dependent Care Development Grants Act (42 U.S.C. 9871 et seq.); and

(B) other appropriate services, including social, health, mental health, protective, and nutrition services, available to eligible children under other Federal, State, and local programs; and

(7) identify resource and referral programs for particular geographical areas in the State that meet the requirements of section 512.

SEC. 507. APPLICATION AND PLAN.

(a) APPLICATION.—To be eligible to receive assistance under this subtitle, a State shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require by rule.

(b) PLAN.—The application of a State submitted under subsection (a) shall include an assurance that the State will comply with the requirements of this subtitle and a State plan that is designed to be implemented during a 4-year period and that meets the requirements of subsection (c).

(c) REQUIREMENTS OF A PLAN.—

(1) LEAD AGENCY.—The plan shall identify the lead agency designated in accordance with section 506(a).

(2) ADVISORY BODIES.—The plan shall demonstrate that the State will establish in accordance with section 511 a State advisory committee on child care.

(3) POLICIES AND PROCEDURES.—The plan shall set forth policies and procedures designed to ensure all of the following:

(A) That—

(i) all providers of child care services for which assistance is provided under this subtitle comply with all licensing and regulatory requirements (including registration requirements) applicable under State and local law; and

(ii) such requirements are imposed and enforced by the State uniformly on all child care providers that provide child care services under similar child care arrangements.

This subparagraph shall not be construed to prohibit a State from imposing more stringent standards or requirements on child care providers who provide services for which assistance is provided under this subtitle and who also receive State funds under any other law to provide child care services under a contract or other arrangement with the State.

(B) That procedures will be established to ensure that child care providers receiving assistance under this subtitle or under other publicly-assisted child care programs comply with the minimum child care standards established under section 517(e)(2) after the expiration of the 5-year period beginning on the date the Secretary establishes such standards, and comply with all applicable State and local licensing and regulatory requirements (including registration requirements).

(C) That the State will not—

(i) reduce the categories of child care providers licensed or regulated by the State on the date of enactment of this subtitle; or

(ii) reduce the level of standards applicable to child care services provided in the State and to the matters specified in sections 513(a) and 517(d), even if such standards exceed the minimum standards established under section 517(e)(2) by the Secretary unless the State demonstrates, to the satisfaction of both the Secretary and the State advisory committee on child care established under section 511, that the reduction is based on positive developmental practice.

(D) That funds received under this subtitle by the State will be used only to supplement, not to supplant, the amount of Federal, State, and local funds expended for the support of child care services and related programs in the State, except that States may use existing expenditures in support of child care services to satisfy the State matching requirement under section 516(b).

(E) That for each fiscal year the State will use an amount not to exceed 10 percent of the amount of funds received under section 505 by the State for such fiscal year to administer the State plan.

(F) That the State will pay funds under this subtitle to eligible child care providers in a timely fashion to ensure the continuity of child care services to eligible children.

(G) That resource and referral agencies will be made available to families in all regions of the State.

(H) That each eligible child care provider who provides services for which assistance is provided under paragraph (4)—

(i) provides services to children of families with very low income, taking into account family size;

(ii) after the expiration of the 4-year period beginning on the date the Secretary establishes minimum child care standards under section 517(e)(2), complies with such standards except as provided in clause (iv);

(iii) if such eligible child care provider is regulated by a State educational agency that—

(I) administers any State law applicable to child care services;

(II) develops child care standards that meet or exceed the minimum standards established under section 517(e)(2) and the State licensing or regulatory requirements (including registration requirements); and

(III) enforces the standards described in subclause (II) that are developed by such agency, using policies and practices that meet or exceed the requirements specified in subparagraphs (A) through (K) of paragraph (11);

complies with the standards described in subclause (II) that are developed by such agency; and

(iv) complies with the State plan and the requirements of this subtitle.

(I) That child care services for which assistance is provided under paragraph (4) are available to children with a handicapping condition.

(J) That State regulations will be issued governing the provision of school-age child care services if the State does not already have such regulations.

(K) That child care providers in the State are encouraged to develop personnel policies that include compensated time for staff undergoing training required under this subtitle.

(L) Encourage the payment of adequate salaries and other compensation—

(i) to full and part-time staff of child care providers who provide child care services for which assistance is provided under paragraph (4);

(ii) to the extent practicable, to such staff in other major Federal and State child care programs; and

(iii) to other child care personnel, at the option of the State.

(M) That child care services for which assistance is provided under paragraph (4) are available for an adequate number of hours and days to serve the needs of parents of eligible children, including parents who work nontraditional hours.

(4) CHILD CARE SERVICES.—The plan shall provide that—

(A) subject to subparagraph (B), the State will use at least 70 percent of the amount allotted to the State in any fiscal year to provide child care services that meet the requirements of this subtitle to eligible children in the State on a sliding fee scale basis and using funding methods provided for in section 508(a)(1), with priority being given for services to children of families with very low family incomes, taking into consideration the size of the family; and

(B) the State will use at least 10 percent of the funds reserved for the purposes specified in subparagraph (A) in any fiscal year to provide for the extension of part-day programs as described in section 508(b).

(5) ACTIVITIES TO IMPROVE THE QUALITY OF CHILD CARE.—The plan shall provide that the State will use not more than 10 percent of the amount allotted to it in any fiscal year to do each of the following:

(A) Provide financial assistance, pursuant to procedures established under the State Dependent Care Development Grants Act (42 U.S.C. 9801 note), to private nonprofit organizations or public organizations (including units of general purpose local government) that meet the requirements of section 512 for the development, establishment, expansion, operation, and coordination of resource and referral programs specifically related to child care.

(B) Improve the monitoring of compliance with, and enforcement of, the licensing and regulatory requirements (including registration requirements) of the State.

(C) Provide training, technical assistance, and scholarship assistance in accordance with the requirements of subsections (b), (c), and (d) of section 513.

(D) Ensure that adequate salaries and other compensation are paid to full- and part-time staff who provide child care services for which assistance is provided under paragraph (4).

(6) ACTIVITIES TO INCREASE THE AVAILABILITY OF CHILD CARE.—The plan shall provide that the State will use not more than 10 percent of the amount allotted to it in any fiscal year for any of the following activities, together with an assurance that the State will give priority to the activities described in subparagraphs (A) and (B):

(A) Making grants and low interest loans to family child care providers and nonprofit child care providers to help such providers pay the cost of—

(i) establishing child care programs; and

(ii) making renovations and improvements in existing facilities to be used to carry out such programs.

(B) Making grants and low-interest loans to child care providers to assist such providers in meeting Federal, State, and local child care standards, giving priority to providers receiving assistance under this subtitle or under other publicly assisted child care programs and which serve children of families that have very low incomes.

(C) Providing assistance for the establishment and operation of after school child care programs.

(D) Making grants or loans to fund the start up costs of employer sponsored child care programs.

(E) Providing assistance for the temporary care of children who are sick and unable to attend child care programs in which such children are enrolled.

(F) Providing assistance for the establishment and operation of child care programs for homeless children.

(G) Providing assistance to link child care programs with programs designed to assist the elderly.

(H)(i) Establishing and administering a revolving loan fund from which any person desiring to make capital improvements to the principal residence of such person (within the meaning of section 1034 of the Internal Revenue Code of 1986) may obtain a loan in order to become a licensed family child care provider, pursuant to State and local law, and to comply with the minimum standards applicable to such providers as established under section 517(e)(2).

(ii) To permit the use of funds provided under this subtitle for the activity described in clause (i), the State shall set forth procedures and guidelines to carry out the purposes of such clause, including procedures—

(I) that provide assurances that only applicants who obtain a license for the operation of a child care facility in accordance with the provisions of State and local law and who will meet the minimum standards applicable to family child care services established under section 517(e)(2), benefit from loans made available pursuant to the provisions of clause (i);

(II) to assure that the revolving fund will be administered by the State and will provide loans to qualified applicants, pursuant to the terms and conditions established by such State, in an amount, determined by such State, that is not in excess of $1,500;

(III) to assure that funds used to carry out the purpose of clause (i) are transferred to such fund to provide capital for making loans;

(IV) to assure that interest and principal payments on loans and any other moneys, property, or assets derived from any action concerning such funds are deposited into such fund;

(V) to assure that all loans, expenses, and payments pursuant to the operation of the revolving loan fund are paid from such fund;

(VI) to assure that loans made from such fund are made to qualified applicants to enable such applicants to make capital improvements so that such applicant may obtain a State or local family child care provider license and so that such applicant may meet the minimum standards applicable to such providers established under section 517(e)(2); and

(VII) that specify how such revolving loan fund will continue to be financed in subsequent years, such as through contributions by the State or by some other entity.

(7) DISTRIBUTION OF FUNDS.—The plan shall provide that funds will be distributed—

(A) to a variety of types of child care providers in each community, including center-based child care providers, group home child care providers, and family child care providers; and

(B) equitably among child care providers to provide child care services in rural and urban areas.

(8) REIMBURSEMENTS.—The plan shall provide that for child care services for which assistance is provided under this subtitle, an eligible child care provider shall have a right to reimbursement at the same rate charged by that provider for comparable services to children of comparable ages and special needs whose parents are not eligible for certificates under this subtitle or for child care assistance under any other Federal or State program.

(9) PRIORITY.—The plan shall provide that priority will be given, in distributing funds in the State, to child care providers that—

(A) in providing child care services assisted by such funds, will give priority to eligible children of families with very low income;

(B) to the maximum extent feasible, provide child care services to a reasonable mix of children, including children from different socioeconomic backgrounds and children with a handicapping condition;

(C) provide opportunities for parent involvement in all aspects of providing such services; and

(D) to the maximum extent feasible, offer family support services.

(10) SLIDING FEE SCALE.—The plan shall provide for the establishment of a sliding fee scale that requires cost sharing based on the services provided to and the income of the families (adjusted for family size) of eligible children who receive services for which assistance is provided under this subtitle.

(11) PARENTAL INVOLVEMENT.—The plan shall establish procedures for parental involvement in State and local planning, monitoring, and evaluation of child care programs and services in the State.

(12) ENFORCEMENT OF LICENSING AND OTHER REGULATORY REQUIREMENTS (INCLUDING REGISTRATION REQUIREMENTS).—The plan shall provide that the State, not later than 4 years after the date of enactment of this subtitle, shall have in effect enforcement policies and practices that will be applicable to all licensed or regulated child care providers (including child care providers required to register) in the State, including policies and practices that—

(A) require personnel who perform inspection functions with respect to licensed or regulated child care services to have or receive training in health and safety, child abuse prevention and detection, program management, and relevant law enforcement;

(B) to the maximum extent feasible, have personnel requirements to ensure that individuals who are hired as licensing inspectors are qualified to inspect and have inspection responsibility exclusively for children's services;

(C) require—

(i) personnel who perform inspection functions with respect to licensed or regulated child care services to make not less than 1 unannounced inspection of each center-based child care provider and each group home child care provider in the State annually; and

(ii) personnel who perform inspection functions with respect to licensed or regulated child care services to make unannounced inspections annually of not less than 20 percent of licensed and regulated family child care providers in the State;

(D) require licensed or regulated child care providers (including registered child care providers) in the State—

(i) to have written policies and program goals and to make a copy of such policies and goals available to parents; and

(ii) to provide parents with unlimited access to their children and to providers caring for their children, during normal hours of operation of such providers and whenever children of such parents are in the care of such providers;

(E) implement a procedure to address complaints that will provide a reasonable opportunity for a parent, or child care provider, that is adversely affected or aggrieved by a decision of the lead agency or any program assisted under this subtitle, to be heard by the State;

(F) prohibit the operator of a child care facility to take any action against an employee of such operator that would adversely affect the employment, or terms or conditions of employment, of such employee because such employee communicates a failure of such operator to comply with any applicable licensing or regulatory requirement;

(G) implement a consumer education program designed to inform parents and the general public about licensing requirements, complaint procedures, and policies and practices required by this paragraph;

(H) require a child care provider to post, on the premises where child care services are provided, the telephone number of the appropriate licensing or regulatory agency that parents may call regarding a failure of such provider to comply with any applicable licensing or regulatory requirement; and

(I) require the State to maintain a record of parental complaints and to make information regarding substantiated parental complaints available to the public on request.

(13) DATA COLLECTION.—The plan shall provide for the establishment of procedures for data collection by the State designed to show—

(A) by race, sex, ethnic origin, handicapping condition, and family income, how the child care needs of families in the State are being fulfilled, including information on—

(i) the number of children being assisted with funds provided under this subtitle, and under other State and Federal child care and preschool programs;

(ii) the type and number of child care programs, child care providers, caregivers, and support personnel located in the State;

(iii) the regional cost of child care; and

(iv) such other information as the Secretary considers necessary to establish how funds provided under this subtitle are being used;

(B) the extent to which the availability of child care has been increased; and

(C) how the purposes of this subtitle and the objectives of the State set forth in the State plan are being met, including efforts to improve the quality, availability, and accessibility of child care;

and shall provide that data collected by the State under this paragraph shall be submitted to the Secretary.

(d) APPROVAL OF APPLICATION.—The Secretary shall approve an application that satisfies the requirements of this section.

(e) SPECIAL RULE.—In carrying out the provisions of this section, the Secretary shall approve any application with respect to the activities described in the plan submitted under paragraph (5) of subsection (c), if the Secretary determines that the State is making reasonable progress in carrying out the activities which are described in subparagraphs (A) and (D) of paragraph (5).

SEC. 508. SPECIAL RULES FOR USE OF STATE ALLOTMENTS.

(a) FUNDING OF CHILD CARE SERVICES.—

(1) IN GENERAL.—The child care services referred to in section 507(c)(4) that are to be provided out of the allotment to a State, shall be provided—

(A) by contracts with or grants to eligible child care providers who agree to provide such services directly to eligible children;

(B) by grants to units of general purpose local government that agree to enter into contracts with eligible child care providers who agree to provide such services directly to eligible children; or

(C) by distributing child care certificates to parents of eligible children under such terms as the Secretary may prescribe to enable the recipients of such certificates to purchase child care services from eligible child care providers.

(2) LIMITATION ON CERTIFICATES.—Child care certificates authorized by paragraph (1)(C) may be issued by a State only if a resource and referral program carried out by an organization that meets the requirements of section 512 is available to help parents locate child care services made available by eligible child care providers.

(3) NO ENTITLEMENT TO CONTRACT OR GRANT.—Nothing in this subtitle shall be construed to entitle any child care provider or recipient of a child care certificate to any contract, grant or benefit, or to limit the right of any State to impose additional limitations or conditions on contracts or grants funded under this subtitle.

(b) PART-DAY PROGRAMS.—

(1) IN GENERAL.—At least 10 percent of the funds available for activities under section 507(c)(4)(A) shall be used by the State to enable child care providers to extend the hours of operation of the part-day programs described in paragraph (2) to provide full-working-day child care services throughout the year, in order to meet the needs of parents of eligible children.

(2) ELIGIBLE PROGRAMS.—As used in paragraph (1), the term "part-day programs" means—

(A) programs of schools and nonprofit child care providers (including community-based organizations) receiving State or local funds designated for preschool;

(B) programs established under the Head Start Act (42 U.S.C. 9831 et seq.);

(C) preschool programs for which assistance is provided under chapter 1 of the Education Consolidation and Improvement Act of 1981 (20 U.S.C. 3801 et seq.); and

(D) preschool programs for children with a handicapping condition.

(c) FACILITIES.—

(1) NEW FACILITIES.—No financial assistance provided under this subtitle shall be expended for the construction of a new facility.

(2) EXISTING FACILITIES.—No financial assistance provided under this subtitle shall be expended to renovate or repair any facility unless—

(A) the child care provider that receives such financial assistance agrees—

(i) in the case of a grant, to repay to the Secretary or the State, as the case may be, the amount that bears the same ratio to the amount of such grant as the value of the renovation or repair, as of the date such provider ceases to provide child care services in such facility in accordance with this subtitle, bears to the original value of the renovation or repair; and

(ii) in the case of a loan, to repay immediately to the Secretary or the State, as the case may be, the principal amount of such loan outstanding and any interest accrued, as of the date such provider ceases to provide child care services in such facility in accordance with this subtitle;

if such provider does not provide child care services in such facility in accordance with this subtitle throughout the useful life of the renovation or repair; and

(B) if such provider is a sectarian agency or organization, the renovation or repair is necessary to bring such facility into compliance with health and safety requirements imposed by this subtitle.

SEC. 509. PLANNING GRANTS.

(a) IN GENERAL.—A State desiring to participate in the programs authorized by this subtitle that cannot fully satisfy the requirements of the State plan under section 507(b) without financial assistance may, in the first year that the State participates in the programs, apply to the Secretary for a planning grant.

(b) AUTHORIZATION.—The Secretary is authorized to make a planning grant to a State described in subsection (a) if the Secretary determines that—

(1) the grant would enable the State to fully satisfy the requirements of a State plan under section 507(b); and

(2) the State will apply, for the remainder of the allotment that the State is entitled to receive for such fiscal year.

(c) AMOUNT OF GRANT.—A grant made to a State under this section shall not exceed 1 percent of the total allotment that the State would qualify to receive in the fiscal year involved if the State fully satisfied the requirements of section 507.

(d) LIMITATION ON ADMINISTRATIVE COSTS.—A grant made under this section shall be considered to be expended for administrative costs by the State for purposes of determining the compliance by the State with the limitation on administrative costs imposed by section 507(c)(3)(E).

SEC. 510. CONTINUING ELIGIBILITY OF STATES.

A State shall be ineligible for assistance under this subtitle after the expiration of the 4-year period beginning on the date the Secretary establishes minimum child care standards under section 517(e)(2) unless the State demonstrates to the satisfaction of the Secretary that—

(1) all child care providers required to be licensed and regulated in the State—

(A) are so licensed and regulated; and

(B) are subject to the enforcement provisions referred to in the State plan; and

(2) all such providers who are receiving assistance under this subtitle or under other publicly-assisted child care programs—

(A) satisfy the requirements of subparagraphs (A) and (B) of paragraph (1); and

(B) satisfy the minimum child care standards established by the Secretary under section 517(e)(2) of this subtitle.

SEC. 511. STATE ADVISORY COMMITTEE ON CHILD CARE.

(a) ESTABLISHMENT.—The chief executive officer of a State participating in the program authorized by this subtitle shall—

(1) establish a State advisory committee on child care (hereinafter in this section referred to as the "committee") to assist the lead agency in carrying out the responsibilities of the lead agency under this subtitle; and

(2) appoint the members of the committee.

(b) Composition.—The State committee shall be composed of not fewer than 21 and not more than 30 members who shall include—

(1) at least 1 representative of the lead agency designated under section 506(a);

(2) 1 representative of each of—

(A) the State departments of—

(i) human resources or social services;

(ii) education;

(iii) economic development; and

(iv) health; and

(B) other State agencies having responsibility for the regulation, funding, or provision of child care services in the State;

(3) at least 1 representative of providers of different types of child care services, including caregivers and directors;

(4) at least 1 representative of early childhood development experts;

(5) at least 1 representative of school districts and teachers involved in the provision of child care services and preschool programs;

(6) at least 1 representative of resource and referral programs;

(7) 1 pediatrician;

(8) 1 representative of a citizen group concerned with child care;

(9) at least 1 representative of an organization representing child care employees;

(10) at least 1 representative of the Head Start agencies in the State;

(11) parents of children receiving, or in need of, child care services, including at least 2 parents whose children are receiving or are in need of subsidized child care services;

(12) 1 representative of specialists concerned with children who have a handicapping condition;

(13) 1 representative of individuals engaged in business;

(14) 1 representative of fire marshals and building inspectors;

(15) 1 representative of child protective services; and

(16) 1 representative of units of general purpose local government.

(c) Functions.—The committee shall—

(1) advise the lead agency on child care policies;

(2) provide the lead agency with information necessary to coordinate the provision of child care services in the State;

(3) otherwise assist the lead agency in carrying out the functions assigned to the lead agency under section 506(c);

(4) review and evaluate child services for which assistance is provided under this subtitle or under State law, in meeting the objectives of the State plan and the purposes of this subtitle;

(5) make recommendations on the development of State child care standards and policies;

(6) participate in the regional public hearings required under section 506(c)(5); and

(7) perform other functions to improve the quantity and quality of child care services in the State.

(d) Meetings and Hearings.—

(1) In general.—Not later than 30 days after the beginning of each fiscal year, the committee shall meet and establish the time, place, and manner of future meetings of the committee.

(2) Minimum number of hearings.—The committee shall have at least 2 public hearings each year at which the public shall be given an opportunity to express views concerning the administration and operation of the State plan.

(e) Use of Existing Committees.—To the extent that a State has established a broadly representative State advisory group, prior to the date of enactment of this subtitle, that is comparable to the advisory committee described in this section and focused exclusively on child care and early childhood development programs, such State shall be considered to be in compliance with subsections (a) through (c).

(f) Subcommittee on Licensing.—

(1) Composition.—The committee shall have a subcommittee on licensing (hereinafter in this section referred to as the "subcommittee") that shall be composed of the members appointed under paragraphs (2)(A)(iv), (3), (6), (7), (11), (14), and (15) of subsection (b).

(2) Functions.—

(A) Review of licensing authority.—The subcommittee shall review the law applicable to, and the licensing requirements and the policies of, each licensing agency that regulates child care services and programs in the State unless the State has reviewed such law, requirements, and policies in the 4-year period ending on the date of the establishment of the committee under subsection (a).

(B) Report.—Not later than 1 year after establishment of the committee under subsection (a), the subcommittee shall prepare and submit to the chief executive officer of the State involved a report.

(C) Contents of report.—A report prepared under subparagraph (B) shall contain—

(i) an analysis of information on child care services provided by center-based child care providers, group home child care providers, and family child care providers;

(ii) a detailed statement of the findings and recommendations that result from the subcommittee review under subparagraph (A), including a description of the current status of child care licensing, regulating, monitoring, and enforcement in the State;

(iii) a detailed statement identifying and describing the deficiencies in the existing licensing, regulating, and monitoring programs of the State involved, including an assessment of the adequacy of staff to carry out such programs effectively, and recommendations to correct such deficiencies or to improve such programs; and

(iv) comments on the minimum child care standards established by the Secretary under section 517(e)(2).

(3) Receipt of report by the chief executive officer of the state.—Not later than 60 days after receiving the report from the subcommittee, the chief executive officer of the State shall transmit such report to the Secretary with—

(A) the comments of the chief executive officer of the State; and

(B) a plan for correcting deficiencies in, or improving the licensing, regulating, and monitoring, of the child care services and programs referred to in paragraph (2)(A).

(4) Termination of assistance.—None of the funds received under this subtitle may be used to carry out any activity under this section occurring more than 90 days after the State submits a report required by subsection (d).

(g) Services and Personnel.—

(1) Authority.—The lead agency is authorized to provide the services of such personnel, and to contract for such other services as may be necessary, to enable the committee and the subcommittee to carry out their functions under this subtitle.

(2) Reimbursement.—Members of the committee shall be reimbursed, in accordance with standards established by the Secretary, for necessary expenses incurred by such members in carrying out the functions of the committee and the subcommittee.

(3) Sufficiency of funds.—The Secretary shall ensure that sufficient funds are made available, from funds available for the administration of the State plan, to the committee and the subcommittee to carry out the requirements of this section.

SEC. 512. RESOURCE AND REFERRAL PROGRAMS.

(a) Eligibility for Assistance.—Each State receiving funds under this subtitle shall, pursuant to section 507(c)(5)(A), make grants to or enter into contracts with private nonprofit organizations or public organizations (including units of general purpose local government), as resource and referral agencies to ensure that resource and referral services are available to families in all geographical areas in the State.

(b) Funding.—Organizations that receive assistance under subsection (a) shall carry out resource and referral programs—

(1) to identify all types of existing child care services, including services provided by individual family child care providers and by child care providers who provide child care services to children with a handicapping condition;

(2) to provide to interested parents information and referral regarding such services, including the availability of public funds to obtain such services;

(3) to provide or arrange for the provision of information, training, and technical assistance to existing and potential child care providers and to others (including businesses) concerned with the availability of child care services; and

(4) to provide information on the demand for and supply of child care services located in a community.

(c) Requirements.—To be eligible for assistance as a resource and referral agency under subsection (a), an organization shall—

(1) have or acquire a database of information on child care services in the State or in a particular geographical area that the organization continually updates, including child care services provided in centers, group home child care settings, nursery schools, and family child care settings;

(2) have the capability to provide resource and referral services in a particular geographical area;

(3) be able to provide parents with information to assist them in identifying quality child care services;

(4) to the maximum extent practicable, notify all eligible child care providers in such area of the functions it performs and solicit such providers to request to be listed to receive referrals made by such organization; and

(5) otherwise comply with regulations promulgated by the State in accordance with subsection (d).

(d) Limitation on Information.—In carrying out this section, an organization receiving assistance under subsection (a) as a resource and referral agency shall not provide information concerning any child care program or services which are not in compliance with the laws of the State and localities in which such services are provided.

SEC. 513. TRAINING AND TECHNICAL ASSISTANCE.

(a) Minimum Requirement.—A State receiving funds under this subtitle shall require, not later than 2 years after the date of the enactment of this subtitle, that all employed or self-employed individuals who provide licensed or regulated child care services (including registered child care services) in a State complete at least 40 hours of training over a 2-year period in areas appropriate to the provision of child care services, including training in health and safety, nutrition, first aid, the recognition of communicable diseases, child abuse detection and prevention, and the needs of special populations of children.

(b) Grants and Contracts for Training and Technical Assistance.—

(1) Grants and contracts.—The State shall make grants to, and enter into contracts with State agencies, units of general purpose local government, institutions of higher education, and nonprofit organizations (including resource and referral organizations, child care food program sponsors, and family child care associations, as appropriate) to develop and carry out child care training and technical assistance programs under which preservice and continuing inservice training is provided to eligible child care providers, including family child care providers, and the staff of such providers including teachers, administrative personnel, and staff of resource and referral programs involved in providing child care services in the State.

(2) Eligibility requirements for grants and contracts relating to training for family child care providers.—To be eligible to receive a grant or enter into a contract for a training and technical assistance program for family child care providers under paragraph (1), a nonprofit organization shall—

(A) recruit and train family child care providers, including providers with the capacity to provide night-time and emergency child care services;

(B) operate resource centers to make developmentally appropriate curriculum materials available to family child care providers;

(C) provide grants to family child care providers for the purchase of moderate cost equipment to be used to provide child care services; and

(D) operate a system of substitute caregivers.

(3) Eligibility requirements for grants and contracts relating to technical assistance.—To be eligible to receive a grant, or enter into a contract under subsection (b) to provide technical assistance, an agency, organization, or institution shall agree to furnish technical assistance to child care providers to assist such providers—

(A) in understanding and complying with local regulations and relevant tax and other policies;

(B) in meeting State licensing, regulatory, and other requirements (including registration) pertaining to family child care providers.

(c) Scholarship Assistance.—The State shall provide scholarship assistance to—

(1) individuals who seek a nationally recognized child development associate credential for center-based or family child care and whose income does not exceed the poverty line (as defined in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) by more than 50 percent, in amounts sufficient to cover the costs involved in securing such credential; and

(2) caregivers who seek to obtain the training referred to in subsection (a) and whose income does not exceed such poverty line.

(d) Clearinghouse.—The State shall establish in the lead agency a clearinghouse to collect and disseminate training materials to resource and referral agencies and child care providers throughout the State.

SEC. 514. FEDERAL ADMINISTRATION OF CHILD CARE.

(a) Administrator of Child Care.—There is hereby established in the Department of Health and Human Services the position of Administrator of Child Care (hereinafter in this section referred to as the "Administrator"). The Secretary shall appoint an individual to serve as the Administrator at the pleasure of the Secretary.

(b) Duties.—The Administrator shall—

(1) coordinate all activities of the Department of Health and Human Services relating to child care, and coordinate such activities with similar activities of other Federal entities;

(2) annually collect and publish State child care standards, including periodic modifications to such standards;

(3) evaluate activities carried out with funds provided under this subtitle;

(4) act as a clearinghouse to collect and disseminate materials that relate to—

(A) the matters required by section 513(b)(1) to be addressed by training required by section 513 to be provided; and

(B) studies that relate to the salaries paid to individuals employed to provide child care services; and

(5) provide technical assistance to assist States to carry out this subtitle.

SEC. 515. FEDERAL ENFORCEMENT.

(a) Review of Compliance With State Plan.—The Secretary shall review and monitor State compliance with this subtitle and the plan approved under section 507(d) for the State.

(b) Noncompliance.—

(1) In general.—If the Secretary, after reasonable notice and opportunity for a hearing to a State, finds that—

(A) there has been a failure by the State to comply substantially with any provision or any requirements set forth in the plan approved under section 507(d) for the State; or

(B) in the operation of any program or project for which assistance is provided under this subtitle there is a failure by the State to comply substantially with any provision of this subtitle;

the Secretary shall notify the State of the finding and that no further payments may be made to such State under this subtitle (or, in the case of noncompliance in the operation of a program or activity, that no further payments to the State will be made with respect to such program or activity) until the Secretary is satisfied that there is no longer any such failure to comply or that the noncompliance will be promptly corrected.

(2) Additional sanctions.—In the case of a finding of noncompliance made pursuant to this paragraph (1), the Secretary may, in addition to imposing the sanctions described in such paragraph, impose other appropriate sanctions, including recoupment of money improperly expended for purposes prohibited or not authorized by this subtitle, and disqualification from the receipt of financial assistance under this subtitle.

(3) Notice.—The notice required under paragraph (1) shall include a specific identification of any additional sanction being imposed under paragraph (2).

(c) Issuance of Rules.—The Secretary shall establish by rule procedures for—

(1) receiving, processing, and determining the validity of complaints concerning any failure of a State to comply with the State plan or any requirement of this subtitle; and

(2) imposing sanctions under this section.

SEC. 516. PAYMENTS.

(a) In General.—

(1) Amount of payment.—Each State that—

(A) has an application approved by the Secretary under section 507(d); and

(B) demonstrates to the satisfaction of the Secretary that it will provide from non-Federal sources the State share of the aggregate amount to be expended by the State under the State plan for the fiscal year for which it requests a grant;

shall receive a payment under this section for such fiscal year in an amount (not to exceed its allotment under section 505 for such fiscal year) equal to the Federal share of the aggregate amount to be expended by the State under the State plan for such fiscal year.

(2) Federal share.—

(A) In general.—Except as provided in subparagraph (B), the Federal share for each fiscal year shall be 80 percent.

(B) Exception.—If a State makes the demonstration specified in section 510 throughout a fiscal year for which it requests a grant, then the Federal share shall be 85 percent.

(3) State share.—The State share equals 100 percent minus the Federal share.

(4) Limitation.—A State may not require any private provider of child care services that receives or seeks funds made available under this subtitle to contribute in cash or in kind to the State contribution required by this subsection.

(b) Method of Payment.—

(1) In general.—Subject to paragraph (2), the Secretary may make payments to a State in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments, as the Secretary may determine.

(2) Limitation.—The Secretary may not make such payments in a manner that prevents the State from complying with the requirement specified in section 507(c)(3)(F).

(c) Spending of Funds by State.—Payments to a State from the allotment under section 505 for any fiscal year may be expended by the State in that fiscal year or in the succeeding fiscal year.

SEC. 517. NATIONAL ADVISORY COMMITTEE ON CHILD CARE STANDARDS.

(a) Establishment.—

(1) In general.—In order to improve the quality of child care services, the Secretary shall establish, not later than 60 days after the date of the enactment of this subtitle, a National Advisory Committee on Child Care Standards (hereinafter in this section referred to as the "Committee"), the members of which shall be appointed from among representatives of—

(A) the chief executive officers of the several States;

(B) State legislatures;

(C) local governments;

(D) businesses;

(E) State individuals responsible for regulating the insurance industry within the State;

(F) religious institutions;

(G) persons who carry out different types of child care programs;

(H) persons who carry out resource and referral programs;

(I) child care and early childhood development specialists;

(J) early childhood education specialists;

(K) individuals who have expertise in pediatric health care, handicapping conditions, and related fields;

(L) organizations representing child care employees;

(M) individuals who have experience in the regulation of child care services; and

(N) parents who have been actively involved in community child care programs.

(2) APPOINTMENT OF MEMBERS.—The Committee shall be composed of 15 members of which—

(A) 5 members shall be appointed by the President;

(B) 3 members shall be appointed by the majority leader of the Senate;

(C) 2 members shall be appointed by the minority leader of the Senate;

(D) 3 members shall be appointed by the Speaker of the House of Representatives; and

(E) 2 members shall be appointed by the minority leader of the House of Representatives.

(3) CHAIRMAN.—The President shall appoint a chairman from among the members of the Committee.

(4) VACANCIES.—A vacancy occurring on the Committee shall be filled in the same manner as that in which the original appointment was made.

(b) PERSONNEL, REIMBURSEMENT, AND OVERSIGHT.—

(1) PERSONNEL.—The Secretary shall make available to the Committee office facilities, personnel who are familiar with child development and with developing and implementing regulatory requirements, technical assistance, and funds as are necessary to enable the Committee to carry out effectively its functions.

(2) REIMBURSEMENT.—

(A) COMPENSATION.—Members of the Committee who are not regular full-time employees of the United States Government shall, while attending meetings and conferences of the Committee or otherwise engaged in the business of the Committee (including traveltime), be entitled to receive compensation at a rate fixed by the Secretary, but not exceeding the rate specified at the time of such service under GS-18 of the General Schedule established under section 5332 of title 5, United States Code.

(B) EXPENSES.—While away from their homes or regular places of business on the business of the Committee, such members may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government service.

(3) OVERSIGHT.—The Secretary shall ensure that the Committee is established and operated in accordance with the Federal Advisory Committee Act (5 U.S.C. App.).

(c) FUNCTIONS.—The Committee shall—

(1) review Federal policies with respect to child care services and such other data as the Committee may deem appropriate;

(2) not later than 180 days after the date on which a majority of the members of the Committee are first appointed, submit to the Secretary proposed minimum standards described in subsection (d) for child care services, taking into account the different needs of infants, toddlers, preschool and school-age children; and

(3) develop and make available to lead agencies, for distribution to resource and referral agencies in the State, model requirements for resource and referral agencies.

(d) MINIMUM CHILD CARE STANDARDS.—The proposed child care standards submitted pursuant to subsection (c)(2) shall be minimum standards and shall consist of only the following:

(1) CENTER-BASED CHILD CARE SERVICES.—Such standards submitted with respect to child care services provided by center-based child care providers shall be limited to—

(A) group size limits in terms of the number of caregivers and the number and ages of children;

(B) the maximum appropriate child-staff ratios;

(C) qualifications and background of child care personnel;

(D) health and safety requirements for children and caregivers; and

(E) parental involvement in licensed and regulated child care services.

The standards described in subparagraphs (A) and (B) shall reflect the median standards for all States (using for States which apply separate standards to publicly-assisted programs the most comprehensive or stringent of such standards) as of the date of enactment of this subtitle.

(2) FAMILY CHILD CARE SERVICES.—Such standards submitted with respect to child care services provided by family child care providers shall be limited to—

(A) the maximum number of children for which child care services may be provided and the total number of infants for which child care services may be provided;

(B) the minimum age for caregivers; and

(C) health and safety requirements for children and caregivers.

(3) GROUP HOME CHILD CARE SERVICES.—Such standards submitted with respect to child care services provided by group home child care providers shall be limited to the matters specified in paragraphs (1)(B) and (2).

(4) LIMITATION.—The Committee shall not submit any standard under subsection (c)(2) that is less or more rigorous than the least or most rigorous standard that exists in all States at the time of the submission of such recommendation.

(e) CONSIDERATION AND ESTABLISHMENT OF STANDARDS.—

(1) NOTICE OF PROPOSED RULEMAKING.—Not later than 90 days after receiving the recommendations of the committee, the Secretary shall—

(A) publish in the Federal Register—

(i) a notice of proposed rulemaking concerning the minimum standards proposed under subsection (d) to the Secretary; and

(ii) such proposed minimum standards for public comment for a period of at least 60 days; and

(B) distribute such proposed minimum standards to each lead agency and each State subcommittee on licensing for comment.

(2) ESTABLISHMENT OF MINIMUM CHILD CARE STANDARDS.—

(A) ISSUANCE OF RULES.—The Secretary shall, in consultation with the committee—

(i) take into consideration any comments received by the Secretary with respect to the standards proposed under subsection (d); and

(ii) not later than 180 days after publication of such standards, shall issue rules establishing minimum child care standards for purposes of this subtitle. Such standards shall include the nutrition requirements issued, and revised from time to time, under section 17(g)(1) of the National School Lunch Act (42 U.S.C. 1766(g)(1)).

(B) AMENDING STANDARDS.—The Secretary may amend any standard first established under subparagraph (A), except that such standard may not be modified, by amendment or otherwise, to make such standard less comprehensive or less stringent than it is when first established.

(C) EXTENDED PERIOD FOR COMMENT.—If the Committee recommends a standard under subsection (c)(2) that no State has a requirement concerning, as of the time that such standard is recommended, the Secretary shall provide an additional 30 days during which States may submit comments concerning such standard.

(3) ADDITIONAL COMMENTS.—The National Committee may submit to the Secretary and to the Congress such additional comments on the minimum child care standards established under paragraph (2) as the National Committee considers appropriate.

(f) VARIANCES.—

(1) TIME FOR COMPLIANCE WITH STANDARDS.—Not later than the end of the 4-year period referred to in section 510, States shall comply with the standards established under this section.

(2) EXCEPTION.—At the expiration of the 4-year period referred to in paragraph (1) the chief executive officer, in consultation with the State advisory committee, may submit a request to the Secretary for a 1 year variance from the requirements of one or more particular standards.

(3) REQUIREMENTS.—A request for a variance under this subsection shall include—

(A) a statement by the chief executive officer of the State of any steps taken to implement the relevant standards in the State within the 4-year period;

(B) the specific reasons for the submission of the variance request; and

(C) a detailed plan that outlines the additional procedures and resources to be used to come into compliance with the standards at the end of the variance period.

(4) PERIOD OF VARIANCE.—A variance granted by the Secretary shall be for a 1-year period and may be renewed at the discretion of the Secretary for an additional 1-year period if requested by the State.

(g) TERMINATION OF COMMITTEE.—The National Committee shall cease to exist 90 days after the date the Secretary establishes minimum child care standards under subsection (e)(3).

SEC. 518. LIMITATIONS ON USE OF FINANCIAL ASSISTANCE FOR CERTAIN PURPOSES.

(a) SECTARIAN PURPOSES AND ACTIVITIES.—No financial assistance provided under this subtitle shall be expended for any sectarian purpose or activity, including sectarian worship and instruction.

(b) TUITION.—With regard to services provided to students enrolled in grades 1 through 12, no financial assistance provided under this subtitle shall be expended for—

(1) any services provided to such students during the regular school day;

(2) any services for which such students receive academic credit toward graduation; or

(3) any instructional services which supplant or duplicate the academic program of any public or private school.

SEC. 519. NONDISCRIMINATION.

(a) FEDERAL FINANCIAL ASSISTANCE.—Any financial assistance provided under this subtitle, including a loan, grant, or child care certificate, shall constitute Federal financial assistance for purposes of title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), title IX of the Education Amendments of 1972 (20 U.S.C. 1681, et seq.), the Rehabilitation Act of 1973 (29 U.S.C. 794 et seq.), the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.), and the regulations issued thereunder.

(b) RELIGIOUS DISCRIMINATION.—A child care provider may not discriminate against any child on the basis of religion in providing child care services in return for a fee paid, reimbursement received, or certificate redeemed, in whole or in part with financial assistance provided under this subtitle.

SEC. 520. PRESERVATION OF PARENTAL RIGHTS AND RESPONSIBILITIES.

Nothing in this subtitle shall be construed or applied in any manner to infringe upon or usurp the moral and legal rights and responsibilities of parents or legal guardians.

Mr. BYRD. Mr. President, I ask for the yeas and nays on that amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 3310

Mr. BYRD. Mr. President, I send an amendment in the second degree to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from West Virginia [Mr. BYRD] proposes an amendment numbered 3310.

Mr. BYRD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike all after "with" and insert in lieu thereof the following: "instructions to report back forthwith with the following amendment,".

Strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Parental and Medical Leave Act of 1988".

(b) TABLE OF CONTENTS.—

TITLE I—GENERAL REQUIREMENTS FOR PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE

Sec. 101. Findings and purposes.
Sec. 102. Definitions.
Sec. 103. Parental leave requirement.
Sec. 104. Temporary medical leave requirement.
Sec. 105. Certification.
Sec. 106. Employment and benefits protection.
Sec. 107. Prohibited acts.
Sec. 108. Administrative enforcement.
Sec. 109. Enforcement by civil action.
Sec. 110. Investigative authority.
Sec. 111. Relief.
Sec. 112. Notice.

TITLE II—PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE FOR CIVIL SERVICE EMPLOYEES

Sec. 201. Parental leave and temporary medical leave.

TITLE III—COMMISSION ON PARENTAL AND MEDICAL LEAVE

Sec. 301. Establishment.
Sec. 302. Duties.
Sec. 303. Membership.
Sec. 304. Compensation.
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TITLE I—GENERAL REQUIREMENTS FOR PARENTAL LEAVE AND MEDICAL LEAVE

SEC. 101. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) the number of two-parent households in which both parents work and the number of single-parent households in which the single parent works are increasing significantly;

(2) it is important for the development of children and the family unit that fathers and mothers be able to participate in early child rearing and the care of children who have serious health conditions;

(3) the lack of employment policies to accommodate working parents forces many individuals to choose between job security and parenting;

(4) there is inadequate job security for employees who have serious health conditions that prevent the employees from working for temporary periods;

(5) due to the nature of the roles of men and women in our society, the primary responsibility for family caretaking often falls on women, and such responsibility affects their working lives more than it affects the working lives of men; and

(6) employment standards that apply to one gender only have serious potential for encouraging employers to discriminate against employees and applicants for employment who are of that gender.

(b) PURPOSES.—It is the purpose of this Act—

(1) to balance the demands of the workplace with the needs of families;

(2) to promote the economic security and stability of families;

(3) to entitle employees to take reasonable leave for medical reasons, for the birth or adoption of a child, and for the care of a child who has a serious health condition;

(4) to accomplish such purposes in a manner which accommodates the legitimate interests of employers;

(5) to accomplish such purposes in a manner which, consistent with the Equal Protection Clause of the Fourteenth Amendment, minimizes the potential for employment discrimination on the basis of sex by ensuring generally that leave is available for eligible medical reasons (including maternity-related disability) and for compelling family reasons, on a gender-neutral basis; and

(6) to promote the goal of equal employment opportunity for women and men, pursuant to such clause.

SEC. 102. DEFINITIONS.

As used in this title:

(1) COMMERCE.—The terms "commerce" and "industry or activity affecting commerce" mean any activity, business, or industry in commerce or in which a labor dispute would hinder or obstruct commerce or the free flow of commerce, including "commerce" and any activity or industry "affecting commerce" within the meaning of the Labor Management Relations Act, 1947 (29 U.S.C 141 et seq.).

(2) EMPLOY.—The term "employ" has the same meaning given the term in section 3(g) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(g)).

(3) EMPLOYEE.—

(A) IN GENERAL.—The term "employee" means an individual that is included under the definition of such term in section 3(e) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(e)) who has been employed by the employer with respect to whom benefits are sought under this Act for at least—

(i) 900 hours of service during the previous 12-month period; and

(ii) 12 months.

"(B) EXCLUSION.—The term "employee" does not include any Federal officer or employee covered under subchapter III of chapter 63 of title 5, United States Code (as added by title II of this Act).

(4) EMPLOYER.—The term "employer"—

(A) means any person engaged in commerce or in any industry or activity affecting commerce who employs 20 or more employees at any one worksite for each working day during each of 20 or more calendar workweeks in the current or preceding calendar year;

(B) includes—

(i) any person who acts directly or indirectly in the interest of an employer to one or more employees; and

(ii) any successor in interest of such an employer; and

(C) includes any public agency, as defined in section 3(x) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(x)).

(5) EMPLOYMENT BENEFITS.—The term "employment benefits" means all benefits provided or made available to employees by an employer, including group life insurance, health insurance, disability insurance, sick leave, annual leave, educational benefits, and pensions, regardless of whether the benefits are provided by a policy or practice of an employer or by an employee benefit plan as defined in section 3(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(1)).

(6) HEALTH CARE PROVIDER.—The term "health care provider" means—

(A) any person licensed under Federal, State, or local law to provide health care services, or

(B) any other person determined by the Secretary to be capable of providing health care services.

(7) PERSON.—The term "person" has the same meaning given the term in section 3(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(a)).

(8) REDUCED LEAVE SCHEDULE.—The term "reduced leave schedule" means leave scheduled for fewer than the usual number of hours of an employee per workweek or hours per workday.

(9) SECRETARY.—The term "Secretary" means the Secretary of Labor.

(10) SERIOUS HEALTH CONDITION.—The term "serious health condition" means an illness, injury, impairment, or physical or mental condition that involves—

(A) inpatient care in a hospital, hospice, or residential medical care facility; or

(B) continuing treatment or continuing supervision by a health care provider.

(11) Son or daughter.—The term "son or daughter" means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a de facto parent, who is—

(A) under 18 years of age; or

(B) 18 years of age or older and incapable of self-care because of a mental or physical disability.

(12) State.—The term "State" has the same meaning given the term in section 3(c) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(c)).

SEC. 103. PARENTAL LEAVE REQUIREMENT.

(a) In General.—

(1) Entitlement to leave.—An employee shall be entitled, subject to section 105, to 10 workweeks of parental leave during any 24-month period—

(A) as the result of the birth of a son or daughter of the employee;

(B) as the result of the placement, for adoption or foster care, of a son or daughter with the employee; or

(C) in order to care for the employee's son or daughter who has a serious health condition.

(2) Expiration of entitlement.—The entitlement to leave under paragraphs (1)(A) and (1)(B) shall expire at the end of the 12-month period beginning on the date of such birth or placement.

(3) Intermittent leave.—In the case of a son or daughter who has a serious health condition, such leave may be taken intermittently when medically necessary, subject to subsection (e).

(b) Reduced Leave.—On agreement between the employer and the employee, leave under this section may be taken on a reduced leave schedule, however, such reduced leave schedule shall not result in a reduction in the total amount of leave to which the employee is entitled.

(c) Unpaid Leave Permitted.—Except as provided in subsection (d), leave granted under subsection (a) may consist of unpaid leave.

(d) Relationship to Paid Leave.—

(1) Unpaid leave.—If an employer provides paid parental leave for fewer than 10 work-weeks, the additional weeks of leave added to attain the 10 work-week total may be unpaid.

(2) Substitution of paid leave.—An employee or employer may elect to substitute any of the employee's accrued paid vacation leave, personal leave, or other appropriate paid leave for any part of the 10-week period.

(e) Foreseeable Leave.—

(1) Requirement of notice.—In any case in which the necessity for leave under this section is foreseeable based on an expected birth or adoption, the employee shall provide the employer with prior notice of such expected birth or adoption in a manner which is reasonable and practicable.

(2) Duties of employee.—In any case in which the necessity for leave under this section is foreseeable based on planned medical treatment or supervision, the employee shall—

(A) make a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the operations of the employer, subject to the approval of the health care provider of the employee's son or daughter; and

(B) provide the employer with prior notice of the treatment or supervision in a manner which is reasonable and practicable.

(3) Regulations.—The Secretary shall promulgate regulations under section 108(a) that define the term "reasonable and practicable" for purposes of paragraphs (1) and (2)(B).

(f) Spouses Employed by the Same Employer.—In any case in which a husband and wife entitled to parental leave under this section are employed by the same employer, the aggregate number of workweeks of parental leave to which both may be entitled may be limited to 10 workweeks during any 24-month period, if such leave is taken under subparagraph (A) or (B) of subsection (a)(1).

SEC. 104. TEMPORARY MEDICAL LEAVE REQUIREMENT.

(a) In General.—

(1) Entitlement to leave.—Any employee who, as the result of a serious health condition, becomes unable to perform the functions of the position of the employee, shall be entitled to temporary medical leave, subject to section 105.

(2) Period of entitlement.—The entitlement under paragraph (1) shall continue for as long as the employee is unable to perform the functions, except that the leave shall not exceed 13 workweeks during any 12-month period.

(3) Intermittent leave.—Leave taken under this subsection may be taken intermittently when medically necessary, subject to subsection (d).

(b) Unpaid Leave Permitted.—Except as provided in subsection (c), leave granted under subsection (a) may consist of unpaid leave.

(c) Relationship to Paid Leave.—

(1) In general.—If an employer provides paid temporary medical leave or paid sick leave for fewer than 13 weeks, the additional weeks of leave added to attain the 13-week total may be unpaid.

(2) Substitution of paid leave.—An employee or employer may elect to substitute the employee's accrued paid vacation leave, sick leave, or other appropriate paid leave for any part of the 13-week period, except that nothing in this Act shall require an employer to provide paid sick leave or paid medical leave in any situation in which such employer would not normally provide any such paid leave.

(d) Foreseeable Leave.—

(1) Duties of employee.—In any case in which the necessity for leave under this section is foreseeable based on planned medical treatment or supervision, the employee shall—

(A) make a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the operations of the employer, subject to the approval of the employee's health care provider, and

(B) provide the employer with prior notice of the treatment or supervision in a manner which is reasonable and practicable.

(2) Regulations.—The Secretary shall promulgate regulations under section 108(a) that define the term "reasonable and practicable" for purposes of paragraph (1).

SEC. 105. CERTIFICATION.

(a) In General.—An employer may require that a claim for parental leave under section 103(a)(1)(C), or temporary medical leave under section 104, be supported by certification issued by the health care provider of the son, daughter, or employee, whichever is appropriate. The employee shall provide a copy of such certification to the employer.

(b) Sufficient Certification.—The certification shall be considered sufficient if it states—

(1) the date on which the serious health condition commenced;

(2) the probable duration of the condition;

(3) the appropriate medical facts within the knowledge of the provider regarding the condition; and

(4)(A) for purposes of leave under section 104, a statement that the employee is unable to perform the functions of the employee's position; and

(B) for purposes of leave under section 103(a)(1)(C), an estimate of the amount of time that the employee is needed to care for the son or daughter.

(c) Second Opinion.—

(1) In general.—In any case in which the employer has reason to doubt the validity of the certification provided under subsection (a), the employer may require, at its own expense, that the employee obtain the opinion of a second health care provider designated or approved by the employer concerning the information certified under subsection (b).

(2) Limitation.—Any health care provider designated or approved under paragraph (1) may not be employed on a regular basis by the employer.

(d) Resolution of Conflicting Opinions.—

(1) In general.—In any case in which the second opinion described in subsection (c) differs from the original certification provided under subsection (a), the employer may require, at its own expense, that the employee obtain the opinion of a third health care provider designated or approved jointly by the employer and the employee concerning the information certified under subsection (b).

(2) Finality.—The opinion of the third health care provider concerning the information certified under subsection (b) shall be considered to be final and shall be binding on the employer and the employee.

(e) Subsequent Recertification.—The employer may require that the employee obtain subsequent recertifications on a reasonable basis.

SEC. 106. EMPLOYMENT AND BENEFITS PROTECTION.

(a) Restoration to Position.—

(1) In general.—Any employee who takes leave under section 103 or 104 for its intended purpose shall be entitled, on return from the leave—

(A) to be restored by the employer to the position of employment held by the employee when the leave commenced; or

(B) to be restored to an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment.

(2) Loss of benefits.—The taking of leave under this title shall not result in the loss of any employment benefit accrued before the date on which the leave commenced.

(3) Limitations.—Except as provided in subsection (b), nothing in this section shall be considered to entitle any restored employee to—

(A) the accrual of any seniority or employment benefits during any period of leave; or

(B) any right, benefit, or position of employment other than that to which the employee was entitled to on the date the leave was commenced.

(4) Certification.—As a condition to restoration under paragraph (1), the employer may have a policy that requires each employee to receive certification from the em-

ployee's health care provider that the employee is able to resume work.

(5) CONSTRUCTION.—Nothing in this subsection shall be construed to prohibit an employer from requiring an employee on leave under section 103 or 104 to periodically report to the employer on the employee's status and intention to return to work.

(b) MAINTENANCE OF HEALTH BENEFITS.—During any period an employee takes leave under section 103 or 104, the employer shall maintain coverage under any group health plan (as defined in section 162(i)(3) of the Internal Revenue Code of 1954) for the duration of such leave at the level and under the conditions coverage would have been provided if the employee had continued in employment continuously from the date the employee commenced the leave until the date the employee is restored under subsection (a).

SEC. 107. PROHIBITED ACTS.

(a) INTERFERENCE WITH RIGHTS.—

(1) EXERCISE OF RIGHTS.—It shall be unlawful for any employer to interfere with, restrain, or deny the exercise of or the attempt to exercise, any right provided under this title.

(2) DISCRIMINATION.—It shall be unlawful for any employer to discharge or in any other manner discriminate against any individual for opposing any practice made unlawful by this title.

(b) INTERFERENCE WITH PROCEEDINGS OR INQUIRIES.—It shall be unlawful for any person to discharge or in any other manner discriminate against any individual because the individual—

(1) has filed any charge, or has instituted or caused to be instituted any proceeding, under or related to this title;

(2) has given or is about to give any information in connection with any inquiry or proceeding relating to any right provided under this title; or

(3) has testified or is about to testify in any inquiry or proceeding relating to any right provided under this title.

SEC. 108. ADMINISTRATIVE ENFORCEMENT.

(a) IN GENERAL.—The Secretary shall issue such rules and regulations as are necessary to carry out this section, including rules and regulations concerning service of complaints, notice of hearings, answers and amendments to complaints, and copies of orders and records of proceedings.

(b) CHARGES.—

(1) FILING.—Any person alleging an act that violates this title may file a charge respecting the violation with the Secretary. Charges shall be in such form and contain such information as the Secretary shall require by regulation.

(2) NOTIFICATION.—Not later than 15 days after the Secretary receives notice of a charge under paragraph (1), the Secretary shall—

(A) serve a notice of the charge on the person charged with the violation; and

(B) inform such person and the charging party as to the rights and procedures provided under this title.

(3) TIME OF FILING.—A charge may not be filed later than 1 year after the date of the last event constituting the alleged violation.

(c) PROCESS ON NOTICE OF A CHARGE.—Investigation; Complaint.—

(1) INVESTIGATION.—Within the 60-day period after the Secretary receives any charge, the Secretary shall investigate the charge and issue a complaint based on the charge or dismiss the charge.

(2) COMPLAINT BASED ON CHARGE.—If the Secretary determines that there is a reasonable basis for the charge, the Secretary shall issue a complaint based on the charge and promptly notify the charging party and the respondent as to the issuance.

(3) DISMISSAL.—If the Secretary determines that there is no reasonable basis for the charge, the Secretary shall dismiss the charge and promptly notify the charging party and the respondent as to the dismissal.

(4) SETTLEMENT AGREEMENTS.—

(A) WITH CHARGING PARTY.—The charging party and the respondent may enter into a settlement agreement concerning the violation alleged in the charge before any determination is reached by the Secretary under this subsection. To be effective such an agreement must be determined by the Secretary to be consistent with the purposes of this title.

(B) WITH SECRETARY.—On the issuance of a complaint, the Secretary and the respondent may enter into a settlement agreement concerning a violation alleged in the complaint. Any such settlement may not be entered into over the objection of the charging party, unless the Secretary determines that the settlement provides a full remedy for the charging party.

(5) CIVIL ACTIONS.—If, at the end of the 60-day period referred to in paragraph (1), the Secretary—

(A) has not issued a complaint under paragraph (2);

(B) has dismissed the charge under paragraph (3); or

(C) has not approved or entered into a settlement agreement under subparagraph (A) or (B) of paragraph (4);

the charging party may elect to bring a civil action under section 109.

(6) COMPLAINT AND RELIEF ON SECRETARY'S INITIATIVE.—

(A) ISSUANCE.—The Secretary may issue and serve a complaint alleging a violation of this title on the basis of information and evidence gathered as a result of an investigation initiated by the Secretary pursuant to section 110.

(B) RELIEF.—

(i) IN GENERAL.—On issuance of a complaint, the Secretary shall have the power to petition the United States district court for the district in which the violation is alleged to have occurred, or in which the respondent resides or transacts business, for appropriate temporary relief or a restraining order.

(ii) NOTICE.—On the filing of any such petition, the court shall cause notice of the petition to be served on the respondent.

(iii) TYPE OF RELIEF.—The court shall have jurisdiction to grant to the Secretary such temporary relief or restraining order as the court considers just and proper.

(d) RIGHTS OF PARTIES.—

(1) SERVICE OF COMPLAINT.—In any case in which a complaint is issued under subsection (c), the Secretary shall, not later than 10 days after the date on which the complaint is issued, cause to be served on the respondent a copy of the complaint.

(2) PARTIES TO COMPLAINT.—Any person filing a charge alleging a violation of this title may elect to be a party to any complaint filed by the Secretary alleging the violation. The election must be made before the commencement of a hearing.

(3) CIVIL ACTION.—The failure of the Secretary to comply in a timely manner with any obligation assigned to the Secretary under this title shall entitle the charging party to elect, at the time of such failure, to bring a civil action under section 109.

(e) CONDUCT OF HEARING.—

(1) PROSECUTION BY SECRETARY.—The Secretary shall prosecute any complaint issued under subsection (c).

(2) HEARING.—An administrative law judge shall conduct a hearing on the record with respect to a complaint issued under this title. The hearing shall be conducted in accordance with sections 554, 555, and 556 of title 5, United States Code, and shall be commenced within 60 days after the issuance of the complaint, unless the judge, in the judge's discretion, determines that the purposes of this Act would best be furthered by commencement of the action after the expiration of such period.

(f) FINDINGS AND CONCLUSIONS.—

(1) IN GENERAL.—After a hearing is conducted under this section, the administrative law judge shall promptly make findings of fact and conclusions of law, and, if appropriate, issue an order for relief as provided in section 111.

(2) NOTIFICATION CONCERNING DELAY.—The administrative law judge shall inform the parties, in writing, of the reason for any delay in making the findings and conclusions if the findings and conclusions are not made within 60 days after the conclusion of the hearing.

(g) FINALITY OF DECISION; REVIEW.—

(1) FINALITY.—The decision and order of the administrative law judge shall become the final decision and order of the Secretary unless, on appeal by an aggrieved party taken not later than 30 days after the action, the Secretary modifies or vacates the decision, in which case the decision of the Secretary shall be the final decision.

(2) REVIEW.—Not later than 60 days after the entry of the final order of the Secretary under paragraph (1), any person aggrieved by the final order may obtain a review of the order in the United States court of appeals for the circuit in which the violation is alleged to have occurred or in which the employer resides or transacts business.

(3) JURISDICTION.—On the filing of the record with the court, the jurisdiction of the court shall be exclusive and its judgment shall be final, except that the same shall be subject to review by the Supreme Court of the United States on writ of certiorari or certification as provided in section 1254 of title 28, United States Code.

(h) COURT ENFORCEMENT OF ADMINISTRATIVE ORDERS.—

(1) POWER OF SECRETARY.—If a respondent does not appeal an order of the Secretary under subsection (g)(2), the Secretary may petition the United States district court for the district in which the violation is alleged to have occurred, or in which the respondent resides or transacts business, for the enforcement of the order of the Secretary, by filing in the court a written petition praying that the order be enforced.

(2) JURISDICTION.—On the filing of the petition, the court shall have jurisdiction to make and enter a decree enforcing the order of the Secretary. In the proceeding, the order of the Secretary shall not be subject to review.

(3) DECREE OF ENFORCEMENT.—If, on appeal of an order under subsection (g)(2), the United States court of appeals does not reverse or modify the order, the court shall have the jurisdiction to make and enter a decree enforcing the order of the Secretary.

SEC. 109. ENFORCEMENT BY CIVIL ACTION.

(a) RIGHT TO BRING CIVIL ACTION.—

(1) IN GENERAL.—Subject to the limitations in this section, an employee or the Secre-

tary may bring a civil action against any employer to enforce the provisions of this title in any appropriate court of the United States or in any State court of competent jurisdiction.

(2) No charge filed.—Subject to paragraph (3), a civil action may be commenced under this subsection without regard to whether a charge has been filed under section 108(b).

(3) Limitations.—No civil action may be commenced under paragraph (1) if the Secretary—

(A) has approved, or has failed to disapprove, a settlement agreement under section 108(c)(4), in which case no civil action may be filed under this subsection if the action is based on a violation alleged in the charge and resolved by the agreement; or

(B) has issued a complaint under section 108(c)(2) or 108(c)(6), in which case no civil action may be filed under this subsection if the action is based on a violation alleged in the complaint.

(4) To enforce settlement agreements.—Notwithstanding paragraph (3)(A), a civil action may be commenced to enforce the terms of any such settlement agreement.

(5) Timing of commencement of civil action.—

(A) In general.—Except as provided in subparagraph (B), no civil action may be commenced more than 1 year after the date on which the alleged violation occurred.

(B) Exception.—In any case in which—

(i) a timely charge is filed under section 108(b); and

(ii) the failure of the Secretary to issue a complaint or enter into a settlement agreement based on the charge (as provided under section 108(c)(4)) occurs more than 11 months after the date on which any alleged violation occurred,

the employee may commence a civil action not more than 30 days after the date on which the employee is notified of the failure.

(6) Agencies.—The Secretary may not bring a civil action against any agency of the United States.

(b) Venue.—An action brought under subsection (a) in a district court of the United States may be brought—

(1) in any appropriate judicial district under section 1391 of title 28, United States Code; or

(2) in the judicial district in the State in which—

(A) the employment records relevant to the violation are maintained and administered; or

(B) the aggrieved person worked or would have worked but for the alleged violation.

(c) Notification of the Secretary; Right To Intervene.—A copy of the complaint in any action brought by an employee under subsection (a) shall be served on the Secretary by certified mail. The Secretary shall have the right to intervene in a civil action brought by an employee under subsection (a).

(d) Attorneys for the Secretary.—In any civil action brought under subsection (a), attorneys appointed by the Secretary may appear for and represent the Secretary, except that the Attorney General and the Solicitor General shall conduct any litigation in the Supreme Court.

SEC. 110. INVESTIGATIVE AUTHORITY.

(a) In General.—To ensure compliance with the provisions of this title, or any regulation or order issued under this title, subject to subsection (c), the Secretary shall have the investigative authority provided under section 11(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 211(a)).

(b) Obligation To Keep and Preserve Records.—An employer shall keep and preserve records in accordance with section 11(c) of such Act, and in accordance with regulations issued by the Secretary.

(c) Required Submissions Generally Limited to an Annual Basis.—The Secretary may not under this section require any employer or any plan, fund, or program to submit to the Secretary any books or records more than once in any 12-month period, unless the Secretary has reasonable cause to believe there may exist a violation of this title or any regulation or order issued pursuant to this title, or is investigating a charge brought pursuant to section 108.

(d) Subpoena Powers, Etc.—For purposes of any investigation conducted under this section, the Secretary shall have the subpoena authority provided under section 9 of the Fair Labor Standards Act of 1938 (29 U.S.C. 209).

(e) Dissemination of Information.—The Secretary may make available to any person substantially affected by any matter that is the subject of an investigation under this section, and to any department or agency of the United States, information concerning any matter that may be the subject of the investigation.

SEC. 111. RELIEF.

(a) Injunctive Relief.—

(1) Cease and desist.—On finding a violation under section 108 by a person, an administrative law judge shall issue an order requiring the person to cease and desist from any act or practice that violates this title.

(2) Injunctions.—In any civil action brought under section 109, a court may grant as relief any permanent or temporary injunction, temporary restraining order, or other equitable relief as the court considers appropriate.

(b) Monetary Damages.—

(1) In general.—Any employer that violates this title shall be liable to the injured party in an amount equal to—

(A) any wages, salary, employment benefits, or other compensation denied or lost to the employee by reason of the violation, plus interest on the total monetary damages calculated at the prevailing rate; and

(B) an additional amount equal to the greater of—

(i) the amount determined under subparagraph (A), as liquidated damages; or

(ii) the amount of consequential damages but not to exceed three times the amount determined under subparagraph (A).

(2) Good faith.—If an employer who has violated this title proves to the satisfaction of the court that the act or omission which violated this title was in good faith and that the employer had reasonable grounds for believing that the act or omission was not a violation of this title, the court may, in its discretion, reduce the amount of the liability or penalty provided for under this subsection to the amount determined under paragraph (1)(A).

(c) Attorneys' Fees.—A prevailing party (other than the United States) may be awarded a reasonable attorneys' fee as part of the costs, in addition to any relief awarded. The United States shall be liable for costs in the same manner as a private person.

(d) Limitation.—Damages awarded under subsection (b) may not accrue from a date more than 2 years before the date on which a charge is filed under section 108(b) or a civil action is brought under section 109.

SEC. 112. NOTICE.

(a) In General.—Each employer shall post and keep posted, in conspicuous places on the premises of the employer where notices to employees and applicants for employment are customarily posted, a notice, approved by the Secretary, setting forth excerpts from, or summaries of, the pertinent provisions of this title and information pertaining to the filing of a charge.

(b) Penalty.—Any employer who willfully violates this section shall be fined not more than $100 for each separate offense.

TITLE II—PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE FOR CIVIL SERVICE EMPLOYEES

SEC. 201. PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE.

(a) In General.—(1) Chapter 63 of title 5, United States Code, is amended by adding at the end thereof the following new subchapter:

"SUBCHAPTER III—PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE

"§ 6331. Definitions

"For purposes of this subchapter:

"(1) 'employee' means—

"(A) an employee as defined by section 6301(2) of this title (excluding an individual employed by the government of the District of Columbia); and

"(B) an individual under clause (v) or (ix) of such section;

who has been employed for at least 12 months and completed at least 900 hours of service during the previous 12-month period.

"(2) 'serious health condition' means an illness, injury, impairment, or physical or mental condition that involves—

"(A) inpatient care in a hospital, hospice, or residential medical care facility; or

"(B) continuing treatment, or continuing supervision, by a health care provider; and

"(3) 'son or daughter' means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a de facto parent, who is—

"(A) under 18 years of age; or

"(B) 18 years of age or older and incapable of self-care because of a mental or physical disability.

"§ 6332. Parental leave requirement

"(a)(1) An employee shall be entitled, subject to section 6334, to 10 workweeks of parental leave during any 24-month period—

"(A) as the result of the birth of a son or daughter of the employee;

"(B) as the result of the placement, for adoption or foster care, of a son or daughter with the employee; or

"(C) in order to care for the employee's son or daughter who has a serious health condition.

"(2) The entitlement to leave under paragraphs (1)(A) and (1)(B) shall expire at the end of the 12-month period beginning on the date of such birth or placement.

"(3) In the case of a son or daughter who has a serious health condition, such leave may be taken intermittently when medically necessary, subject to subsection (e).

"(b) On agreement between the employing agency and the employee, leave under this section may be taken on a reduced leave schedule, however, such reduced leave schedule shall not result in a reduction in the total amount of leave to which the employee is entitled.

"(c) Except as provided in subsection (d), leave granted under subsection (a) may consist of unpaid leave.

"(d)(1) If an employing agency provides paid parental leave for fewer than 10 workweeks, the additional weeks of leave added to attain the 10 work-week total may be unpaid.

"(2) An employee or employing agency may elect to substitute any of the employee's accrued paid vacation leave, personal leave, or other appropriate paid leave for any part of the 10-week period.

"(e)(1) In any case in which the necessity for leave under this section is foreseeable based on an expected birth or adoption, the employee shall provide the employing agency with prior notice of such expected birth or adoption in a manner which is reasonable and practicable.

"(2) In any case in which the necessity for leave under this section is foreseeable based on planned medical treatment or supervision, the employee shall—

"(A) make a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the operations of the employing agency, subject to the approval of the health care provider of the employee's son or daughter; and

"(B) provide the employing agency with prior notice of the treatment or supervision in a manner which is reasonable and practicable.

"(3) The Director of the Office of Personnel Management shall promulgate regulations that define the term 'reasonable and practicable' for purposes of paragraphs (1) and (2)(B).

"§ 6333. Temporary medical leave requirement

"(a)(1) Any employee who, as the result of a serious health condition, becomes unable to perform the functions of the position of the employee, shall be entitled to temporary medical leave, subject to section 6334.

"(2) The entitlement under paragraph (1) shall continue for as long as the employee is unable to perform the functions, except that the leave shall not exceed 13 administrative workweeks of the employee during any 12-month period.

"(3) Leave taken under this subsection may be taken intermittently when medically necessary, subject to subsection (d).

"(b) Except as provided in subsection (c), leave granted under subsection (a) may consist of unpaid leave.

"(c)(1) If an employing agency provides paid temporary medical leave or paid sick leave for fewer than 13 weeks, the additional weeks of leave added to attain the 13-week total may be unpaid.

"(2) An employee or employing agency may elect to substitute the employee's accrued paid vacation leave, sick leave, or other appropriate paid leave for any part of the 13-week period, except that nothing in this Act shall require an employing agency to provide paid sick leave or paid medical leave in any situation in which such employing agency would not normally provide any such paid leave.

"(d)(1) In any case in which the necessity for leave under this section is foreseeable based on planned medical treatment or supervision, the employee shall—

"(A) make a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the operations of the employing agency, subject to the approval of the employee's health care provider, and

"(B) provide the employing agency with prior notice of the treatment or supervision in a manner which is reasonable and practicable.

"(2) The Director of the Office of Personnel Management shall promulgate regulations that define the term "reasonable and practicable" for purposes of paragraph (1).

"§ 6334. Certification

"(a) An employing agency may require that a claim for parental leave under section 6332(a)(10)(C), or temporary medical leave under section 6333, be supported by certification issued by the health care provider of the son, daughter, or employee, whichever is appropriate. The employee shall provide a copy of such certification to the employing agency.

"(b) The certification shall be considered sufficient if it states—

"(1) the date on which the serious health condition commenced;

"(2) the probable duration of the condition;

"(3) the appropriate medical facts within the knowledge of the provider regarding the condition; and

"(4)(A) for purposes of leave under section 6333, a statement that the employee is unable to perform the functions of the employee's position; and

"(B) for purposes of leave under section 6332(a)(1)(C), an estimate of the amount of time that the employee is needed to care for the son or daughter.

"(c)(1) In any case in which the employing agency has reason to doubt the validity of the certification provided under subsection (a), the employing agency may require, at its expense, that the employee obtain the opinion of a second health care provider designated or approved by the employing agency concerning the information certified under subsection (b).

"(2) Any health care provider designated or approved under paragraph (1) may not be employed on a regular basis by the employing agency.

"(d)(1) In any case in which the second opinion described in subsection (c) differs from the original certification provided under subsection (a), the employing agency may require, at its expense, that the employee obtain the opinion of a third health care provider designated or approved jointly by the employing agency and the employee concerning the information certified under subsection (b).

"(2) The opinion of the third health care provider concerning the information certified under subsection (b) shall be considered to be final and shall be binding on the employing agency and the employee.

"(e) The employing agency may require that the employee obtain subsequent recertifications on a reasonable basis.

"§ 6335. Job protection

"An employee who uses leave under section 6332 or 6333 of this title shall be entitled shall be entitled, on return from the leave—

"(1) to be restored to the position of employment held by the employee when the leave commenced; or

"(2) to be restored to an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment.

"§ 6336. Prohibition of coercion

"(a) An employee may not directly or indirectly intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce, any other employee for the purpose of interfering with the exercise of the rights of the employee under this subchapter.

"(b) For the purpose of this section, 'intimidate, threaten, or coerce' includes promising to confer or conferring any benefit (such as appointment, promotion, or compensation), or taking or threatening to take any reprisal (such as deprivation of appointment, promotion, or compensation).

"§ 6337. Health insurance

"An employee enrolled in a health benefits plan under chapter 89 of this title who is placed in a leave status under section 6332 or 6333 of this title may elect to continue the health benefits enrollment of the employee while in leave status and arrange to pay into the Employees Health Benefits Fund (described in section 8909 of this title), through the employing agency of the employee, the appropriate employee contributions.

"§ 6338. Regulations

"The Office of Personnel Management shall prescribe regulations necessary for the administration of this subchapter. The regulations prescribed under this subchapter shall be consistent with the regulations prescribed by the Secretary of Labor under title I of the Parental and Medical Leave Act of 1988.".

(2) The table of contents for chapter 63 of title 5, United States Code, is amended by adding at the end thereof the following:

"SUBCHAPTER III—PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE

"6331. Definitions.
"6332. Parental leave requirement.
"6333. Temporary medical leave requirement.
"6334. Certification.
"6335. Job protection.
"6336. Prohibition of coercion.
"6337. Health insurance.
"6338. Regulations.".

(b) EMPLOYEES PAID FROM NONAPPROPRIATED FUNDS.—Section 2105(c)(1) of title 5, United States Code, is amended by striking out "53" and inserting in lieu thereof "53, subchapter III of chapter 63,".

TITLE III—COMMISSION ON PARENTAL AND MEDICAL LEAVE

SEC. 301. ESTABLISHMENT.

(a) ESTABLISHMENT.—There is established a Commission to be known as the Commission on Parental and Medical Leave (hereinafter in this title referred to as the "Commission").

SEC. 302. DUTIES.

The Commission shall—

(1) conduct a comprehensive study of—

(A) existing and proposed policies relating to parental leave and temporary medical leave; and

(B) the potential costs, benefits, and impact on productivity of such policies on employers;

(2) to the extent practicable, include in the study of parental leave and temporary medical leave policies required under subsection (1)(A), a review of all studies of existing and proposed methods designed to provide workers with full or partial salary replacement or other income protection during periods of parental leave and temporary medical leave that are consistent with the legitimate business interests of employers;

(3) within 2 years after the date on which the Commission first meets, submit a report to Congress that outlines the findings of the Commission.

SEC. 303. MEMBERSHIP.

(a) Composition.—

(1) Appointments.—The Commission shall be composed of 12 voting members and 2 ex-officio members appointed not more than 60 days after the date of the enactment of this Act as follows:

(A) One Senator shall be appointed by the majority leader of the Senate, and one Senator shall be appointed by the minority leader of the Senate.

(B) One member of the House of Representatives shall be appointed by the Speaker of the House of Representatives, and one member of the House of Representatives shall be appointed by the minority leader of the House of Representatives.

(C)(i) Two members each shall be appointed by—

(I) the Speaker of the House of Representatives,

(II) the majority leader of the Senate,

(III) the minority leader of the House of Representatives, and

(IV) the minority leader of the Senate.

(ii) Such members shall be appointed by virtue of demonstrated expertise in relevant family, temporary disability, and labor-management issues and shall include representatives of employers.

(2) Ex-officio members.—The Secretary of Health and Human Services and the Secretary of Labor shall serve on the Commission as nonvoting ex-officio members.

(b) Vacancies.—Any vacancy on the Commission shall be filled in the same manner in which the original appointment was made.

(c) Chairperson and Vice Chairperson.—The Commission shall elect a chairperson and a vice chairperson from among the members of the Commission.

(d) Quorum.—Eight members of the Commission shall constitute a quorum for all purposes, except that a lesser number may constitute a quorum for the purpose of holding hearings.

SEC. 304. COMPENSATION.

(a) Pay.—Members of the Commission shall serve without compensation.

(b) Travel Expenses.—Members of the Commission shall be allowed reasonable travel expenses, including a per diem allowance, in accordance with section 5703 of title 5, United States Code, while performing duties of the Commission.

SEC. 305. POWERS.

(a) Meetings.—The Commission shall first meet not more than 30 days after the date on which all members are appointed. The Commission shall meet thereafter on the call of the chairperson or a majority of the members.

(b) Hearings and Sessions.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers appropriate. The Commission may administer oaths or affirmations to witnesses appearing before the Commission.

(c) Access to Information.—The Commission may secure directly from any Federal agency information necessary to enable the Commission to carry out this Act. On the request of the chairperson or vice chairperson of the Commission, the head of the agency shall furnish the information to the Commission.

(d) Executive Director.—The Commission may appoint an Executive Director from the personnel of any Federal agency to assist the Commission in carrying out the duties of the Commission.

(e) Use of Services and Facilities.—On the request of the Commission, the head of any Federal agency may make available to the Commission any of the facilities and services of the agency.

(f) Personnel From Other Agencies.—On the request of the Commission, the head of any Federal agency may detail any of the personnel of the agency to assist the Commission in carrying out the duties of the Commission.

SEC. 306. TERMINATION.

The Commission shall terminate 30 days after the date of the submission of the final report of the Commission to Congress.

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. EFFECT ON OTHER LAWS.

(a) Federal and State Antidiscrimination Laws.—Nothing in this Act shall be construed to modify or affect any Federal or State law prohibiting discrimination on the basis of race, religion, color, national origin, sex, age, or handicapped status.

(b) State and Local Laws.—Nothing in this Act shall be construed to supersede any provision of any State or local law that provides greater employee parental or medical leave rights than the rights established under this Act.

SEC. 402. EFFECT ON EXISTING EMPLOYMENT BENEFITS.

(a) More Protective.—Nothing in this Act shall be construed to diminish the obligation of an employer to comply with any collective-bargaining agreement or any employment benefit program or plan that provides greater parental and medical leave rights to employees than the rights provided under this Act.

(b) Less Protective.—The rights provided to employees under this Act may not be diminished by any collective-bargaining agreement or any employment benefit program or plan.

SEC. 403. ENCOURAGEMENT OF MORE GENEROUS LEAVE POLICIES.

Nothing in this Act shall be construed to discourage employers from adopting or retaining leave policies more generous than any policies that comply with the requirements under this Act.

SEC. 404. REGULATIONS.

Not later than 60 days after the date of enactment of this Act, the Secretary shall prescribe such regulations as are necessary to carry out title I.

SEC. 405. EFFECTIVE DATES.

(a) Advisory Commission.—Title III shall become effective on the date of enactment of this Act.

(b) Other Titles.—

(1) In general.—Except as provided in paragraph (2), titles I, II, and IV shall take effect 6 months after the date of the enactment of this Act.

(2) Collective bargaining agreements.—In the case of a collective bargaining agreement in effect on the effective date described in paragraph (1), title I shall apply on the earlier of—

(A) the date of the termination of such agreement, or

(B) the date which occurs 12 months after the date of the enactment of this Act.

Notwithstanding any other provision of this Act, the term "employer" means any person engaged in commerce or in any industry affecting commerce who employs 50 or more employees at any one worksite for each working day during each of 19 or more calendar workweeks in the current or preceding calendar year; and includes:

"(i) any person who acts directly or indirectly in the interest of an employer to one or more employees;

"(ii) any successor in interest of such an employer; and

"(iii) any public agency, as defined in section 3(x) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(x)): and

notwithstanding any other provision of this act, the period of entitlement described in Sec. 104 (a)(2) of this act shall not exceed 10 workweeks during any 12-month period; and notwithstanding any other provision of this act, the entitlement under paragraph (a)(2), in "Sec. 6333" entitled "Temporary Medical Leave Requirement" contained in Sec. 201 of this act shall not exceed 10 administrative workweeks of the employee during any 12-month period.

TITLE V—CHILD PORNOGRAPHY AND OBSCENITY

SEC. 501. SHORT TITLE.

This title may be cited as the "Child Protection and Obscenity Enforcement Act of 1988".

Subtitle A—Child Pornography

SEC. 511. AMENDMENTS TO EXISTING OFFENSES.

(a) Sexual Exploitation of Children.—Paragraph (2) of subsection 2251(c) of title 18, United States Code, is amended by inserting "by any means including by computer" after "interstate or foreign commerce" both places it appears.

(b) Material Involving Sexual Exploitation of Children.—Subsection 2252(a) of title 18, United States Code, is amended by inserting "by any means including by computer" after "interstate or foreign commerce" each place it appears.

(c) Definition.—Section 2256 of title 18, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (4);

(2) by striking out the period at the end of paragraph (5) and inserting in lieu thereof: "; and"; and

(3) by adding at the end the following:

"(6) 'computer' has the meaning given that term in section 1030 of this title.".

SEC. 512. SELLING OR BUYING OF CHILDREN.

(a) In General.—Chapter 110 of title 18, United States Code, is amended by inserting after section 2251 the following:

"§ 2251A. Selling or buying of children

"(a) Any parent, legal guardian, or other person having custody or control of a minor who sells or otherwise transfers custody or control of such minor, or offers to sell or otherwise transfer custody of such minor either—

"(1) with knowledge that, as a consequence of the sale or transfer, the minor will be portrayed in a visual depiction engaging in, or assisting another person to engage in, sexually explicit conduct; or

"(2) with intent to promote either—

"(A) the engaging in of sexually explicit conduct by such minor for the purpose of producing any visual depiction of such conduct; or

"(B) the rendering of assistance by the minor to any other person to engage in sexually explicit conduct for the purpose of producing any visual depiction of such conduct;

shall be punished by imprisonment for not less than 20 years or for life and by a fine under this title, if any of the circumstances described in subsection (c) of this section exist.

"(b) Whoever purchases or otherwise obtains custody or control of a minor, or offers to purchase or otherwise obtain custody or control of a minor either—

"(1) with knowledge that, as a consequence of the purchase or obtaining of custody, the minor will be portrayed in a visual depiction engaging in, or assisting another person to engage in, sexually explicit conduct; or

"(2) with intent to promote either—

"(A) the engaging in of sexually explicit conduct by such minor for the purpose of producing any visual depiction of such conduct; or

"(B) the rendering of assistance by the minor to any other person to engage in sexually explicit conduct for the purpose of producing any visual depiction of such conduct;

shall be punished by imprisonment for not less than 20 years or for life and by a fine under this title, if any of the circumstances described in subsection (c) of this section exist.

"(c) The circumstances referred to in subsections (a) and (b) are that—

"(1) in the course of the conduct described in such subsections the minor or the actor traveled in or was transported in interstate or foreign commerce;

"(2) any offer described in such subsections was communicated or transported in interstate or foreign commerce by any means including by computer or mail; or

"(3) the conduct described in such subsections took place in any territory or possession of the United States.".

(b) DEFINITION.—Section 2256 of title 18, United States Code, as amended by section 201 of this Act, is further amended—

(1) by striking out "and" at the end of paragraph (5);

(2) by striking out the period at the end of paragraph (6) and inserting "; and" in lieu thereof; and

(3) by adding at the end the following:

"(7) 'custody or control' includes temporary supervision over or responsibility for a minor whether legally or illegally obtained.".

(c) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 110 of title 18, United States Code, is amended by inserting after the item relating to section 2251 the following:

"2251A. Selling or buying of children.".

SEC. 513. RECORD KEEPING REQUIREMENTS.

(a) IN GENERAL.—Chapter 110 of title 18, United States Code, is amended by adding at the end thereof the following:

"§ 2257. Record keeping requirements

"(a) Whoever produces any book, magazine, periodical, film, videotape, or other matter which—

"(1) contains one or more visual depictions made after February 6, 1978 of actual sexually explicit conduct; and

"(2) is produced in whole or in part with materials which have been shipped in interstate or foreign commerce, or is shipped or transported or is intended for shipment or transportation in interstate or foreign commerce;

shall create and maintain individually identifiable records pertaining to every performer portrayed in such a visual depiction.

"(b) Any person to whom subsection (a) applies shall, with respect to every performer portrayed in a visual depiction of actual sexually explicit conduct—

"(1) ascertain, by examination of an identification document containing such information, the performer's name and date of birth, and require the performer to provide such other indicia of his or her identity as may be prescribed by regulations;

"(2) ascertain any name, other than the performer's present and correct name, ever used by the performer including maiden name, alias, nickname, stage, or professional name; and

"(3) record in the records required by subsection (a) the information required by paragraphs (1) and (2) of this subsection and such other identifying information as may be prescribed by regulation.

"(c) Any person to whom subsection (a) applies shall maintain the records required by this section at his business premises, or at such other place as the Attorney General may by regulation prescribe and shall make such records available to the Attorney General for inspection at all reasonable times.

"(d)(1) No information or evidence obtained from records required to be created or maintained by this section shall, except as provided in paragraphs (2) and (3), be used, directly or indirectly, as evidence against any person with respect to any violation of law.

"(2) Paragraph (1) of this subsection shall not preclude the use of such information or evidence in a prosecution or other action for a violation of any applicable provision of law with respect to the furnishing of false information.

"(3) In a prosecution of any person to whom subsection (a) applies for an offense in violation of subsection 2251(a) of this title which has as an element the production of a visual depiction of a minor engaging in or assisting another person to engage in sexually explicit conduct and in which that element is sought to be established by showing that a performer within the meaning of this section is a minor—

"(A) proof that the person failed to comply with the provisions of subsection (a) or (b) of this section concerning the creation and maintenance of records, or a regulation issued pursuant thereto, shall raise a rebuttable presumption that such performer was a minor; and

"(B) proof that the person failed to comply with the provisions of subsection (e) of this section concerning the statement required by that subsection shall raise the rebuttable presumption that every performer in the matter was a minor.

"(e)(1) Any person to whom subsection (a) applies shall cause to be affixed to every copy of any matter described in paragraph (1) of subsection (a) of this section, in such manner and in such form as the Attorney General shall by regulations prescribe, a statement describing where the records required by this section with respect to all performers depicted in that copy of the matter may be located.

"(2) If the person to whom subsection (a) of this section applies is an organization the statement required by this subsection shall include the name, title, and business address of the individual employed by such organization responsible for maintaining the records required by this section.

"(3) In any prosecution of a person for an offense in violation of section 2252 of this title which has as an element the transporting, mailing, or distribution of a visual depiction involving the use of a minor engaging in sexually explicit conduct, and in which that element is sought to be established by a showing that a performer within the meaning of this section is a minor, proof that the matter in which the visual depiction is contained did not contain the statement required by this section shall raise a rebuttable presumption that such performer was a minor.

"(f) The Attorney General shall issue appropriate regulations to carry out this section.

"(g) As used in this section—

"(1) the term 'actual sexually explicit conduct' means actual but not simulated conduct as defined in subparagraphs (A) through (E) of paragraph (2) of section 2256 of this title;

"(2) 'identification document' has the meaning given that term in subsection 1028(d) of this title;

"(3) the term 'produces' means to produce, manufacture, or publish and includes the duplication, reproduction, or reissuing of any material; and

"(4) the term 'performer' includes any person portrayed in a visual depiction engaging in, or assisting another person to engage in, actual sexually explicit conduct.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 110 of title 18, United States Code, is amended by adding after the item relating to section 2256 the following:

"2257. Record keeping requirements.".

(c) EFFECTIVE DATE.—Section 2257 of title 18, United States Code, as added by this section shall take effect 180 days after the date of the enactment of this Act except—

(1) the Attorney General shall prepare the initial set of regulations required or authorized by section 2257 within 90 days of the date of the enactment of this Act; and

(2) subsection (e) of section 2257 of this title and of any regulation issued pursuant thereto shall take effect 270 days after the date of the enactment of this Act.

SEC. 514. R.I.C.O. AMENDMENT.

Subsection 1961(1)(B) of title 18, United States Code, is amended by inserting after "section 1957 (relating to engaging in monetary transactions in property derived from specified unlawful activity)" the following: "sections 2251 through 2252 (relating to sexual exploitation of children),".

Subtitle B—Obscenity

SEC. 521. RECEIPT OR POSSESSION FOR SALE; PRESUMPTIONS FOR CHAPTER 71.

(a) RECEIPT OR POSSESSION FOR SALE.—Chapter 71 of title 18, United States Code, is amended by inserting after section 1465 the following:

"§ 1466. Receipt or possession of obscene matter for sale or distribution

"(a) Whoever is engaged in the business of selling or transferring books, magazines, pictures, papers, films, videotapes, or phonograph or other audio recordings, and knowingly receives or possesses with intent to distribute any obscene book, magazine, picture, paper, film, videotape, or phonograph or other audio recording, which has been shipped or transported in interstate or foreign commerce, shall be punished by imprisonment for not more than 5 years or by a fine under this title, or both.

"(b) As used in this subsection, the term 'engaged in the business' means that the person who sells or transfers or offers to sell or transfer books, magazines, pictures, papers, films, videotapes, or phonograph or other audio recordings, devotes time, attention, or labor to such activities, as a regular course of trade or business, with the objective of earning a profit, although it is not necessary that the person make a profit or that the selling or transferring or offering to sell or transfer such material be the person's sole or principal business or source of income. The offering for sale of or to transfer, at one time, two or more copies of any obscene publication, or two or more of any obscene article, or a combined total of five or more such publications and articles, shall create a rebuttable presumption that the person so offering them is 'engaged in the business' as defined in subsection (b).

"(c) In a prosecution for a violation of this section, it shall be an affirmative defense, on which the defendant has the burden of persuasion by a preponderance of the evidence, that the person—

"(1) ordered or received the obscene matter without examining the matter in advance;

"(2) did not in fact offer the matter for sale, or transfer or offer to transfer it to another person other than the sender; and

"(3) possessed the material less than 21 days.".

(b) Clerical Amendment.—The table of sections at the beginning of chapter 71 of title 18, United States Code, is amended by adding after the item relating to section 1465 the following:

"1466. Receipt or possession of obscene matter for sale or distribution.

"1467. Criminal forfeiture.".

(c) Use of Facility of Commerce.—The first paragraph of section 1465 of title 18, United States Code, is amended by inserting after the word distribution: ", or knowingly travels in interstate commerce, or uses a facility or means of commerce for the purpose of interstate or foreign sale or distribution of,".

(d) Distribution of Proceeds.—Section 1465 of title 18, United States Code, is amended by inserting "or the proceeds from the sale thereof" after "character,".

(e) Presumptions.—Chapter 71 of title 18, United States Code, as amended by subsection (a) of this section and by section 302, is further amended by adding at the end the following:

"§ 1469. Presumptions

"(a) In any prosecution under this chapter in which an element of the offense is that the matter in question was transported, shipped, or carried in interstate commerce, proof, by either circumstantial or direct evidence, that such matter was produced or manufactured in one State and is subsequently located in another State shall raise a rebuttable presumption that such matter was transported, shipped, or carried in interstate commerce.

"(b) In any prosecution under this chapter in which an element of the offense is that the matter in question was transported, shipped, or carried in foreign commerce, proof, by either circumstantial or direct evidence, that such matter was produced or manufactured outside of the United States and is subsequently located in the United States shall raise a rebuttable presumption that such matter was transported, shipped, or carried in foreign commerce.".

(f) Clerical Amendment.—The table of sections at the beginning of chapter 71 of title 18, United States Code, is amended by adding after the item relating to section 1468 the following:

"1469. Presumptions.".

SEC. 522. FORFEITURE IN OBSCENITY CASES.

(a) In General.—Chapter 71 of title 18, United States Code, is amended by adding at the end the following:

"§ 1467. Criminal forfeiture

"(a) Property Subject to Criminal Forfeiture.—A person who is convicted of an offense involving obscene material under this chapter shall forfeit to the United States such person's interest in—

"(1) any obscene material produced, transported, mailed, shipped or received in violation of this chapter;

"(2) any property, real or personal, constituting or traceable to gross profits or other proceeds obtained from such offense; and

"(3) any property, real or personal, used or intended to be used to commit or to promote the commission of such offense. A forfeiture under this subparagraph shall be authorized only by the Attorney General, the Deputy Attorney General, the Associate Attorney General, or the Assistant Attorney General or the Acting Assistant Attorney General in the Criminal Division.

"(b) Third Party Transfers.—All right, title, and interest in property described in subsection (a) of this section vests in the United States upon the commission of the act giving rise to forfeiture under this section. Any such property that is subsequently transferred to a person other than the defendant may be the subject of a special verdict of forfeiture and thereafter shall be ordered forfeited to the United States, unless the transferee establishes in a hearing pursuant to subsection (m) of this section that he is a bona fide purchaser for value of such property who at the time of purchase was reasonably without cause to believe that the property was subject to forfeiture under this section.

"(c) Protective Orders.—(1) Upon application of the United States, the court may enter a restraining order or injunction, require the execution of a satisfactory performance bond, or take any other action to preserve the availability of property described in subsection (a) of this section for forfeiture under this section—

"(A) upon the filing of an indictment or information charging a violation of this chapter for which criminal forfeiture may be ordered under this section and alleging that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section; or

"(B) prior to the filing of such an indictment or information, if, after notice to persons appearing to have an interest in the property and opportunity for a hearing, the court determines that—

"(i) there is a substantial probability that the United States will prevail on the issue of forfeiture and that failure to enter the order will result in the property being destroyed, removed from the jurisdiction of the court, or otherwise made unavailable for forfeiture; and

"(ii) the need to preserve the availability of the property through the entry of the requested order outweighs the hardship on any party against whom the order is to be entered;

except that an order entered under subparagraph (B) shall be effective for not more than 90 days, unless extended by the court for good cause shown or unless an indictment or information described in subparagraph (A) has been filed.

"(2) A temporary restraining order under this subsection may be entered upon application of the United States without notice or opportunity for a hearing when an information or indictment has not yet been filed with respect to the property, if the United States demonstrates that there is probable cause to believe that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section and that provision of notice will jeopardize the availability of the property for forfeiture. Such a temporary order shall expire not more than 10 days after the date on which it is entered, unless extended for good cause shown or unless the party against whom it is entered consents to an extension for a longer period. A hearing requested concerning an order entered under this paragraph shall be held at the earliest possible time and prior to the expiration of the temporary order.

"(3) The court may receive and consider, at a hearing held pursuant to this subsection, evidence and information that would be inadmissible under the Federal Rules of Evidence.

"(d) Warrant of Seizure.—The Government may request the issuance of a warrant authorizing the seizure of property subject to forfeiture under this section in the same manner as provided for a search warrant. If the court determines that there is probable cause to believe that the property to be seized would, in the event of conviction, be subject to forfeiture and that an order under subsection (c) of this section may not be sufficient to assure the availability of the property for forfeiture, the court shall issue a warrant authorizing the seizure of such property.

"(e) Order of Forfeiture.—The court shall order forfeiture of property referred to in subsection (a) if the trier of fact determines, beyond a reasonable doubt, that such property is subject to forfeiture.

"(f) Execution.—Upon entry of an order of forfeiture under this section, the court shall authorize the Attorney General to seize all property ordered forfeited upon such terms and conditions as the court shall deem proper. Following entry of an order declaring the property forfeited, the court may, upon application of the United States, enter such appropriate restraining orders or injunctions, require the execution of satisfactory performance bonds, appoint receivers, conservators, appraisers, accountants, or trustees, or take any other action to protect the interest of the United States in the property ordered forfeited. Any income accruing to or derived from property ordered forfeited under this section may be used to offset ordinary and necessary expenses to the property which are required by law, or which are necessary to protect the interests of the United States or third parties.

"(g) Disposition of Property.—Following the seizure of property ordered forfeited under this section, the Attorney General shall destroy or retain for official use any property described in paragraph (1) of subsection (a) and shall direct the disposition of any property described in paragraph (2) of subsection (a) by sale or any other commercially feasible means, making due provision for the rights of any innocent persons. Any property right or interest not exercisable by, or transferable for value to, the United States shall expire and shall not revert to the defendant, nor shall the defendant or any person acting in concert with him or on his behalf be eligible to purchase forfeited property at any sale held by the United States. Upon application of a person, other than the defendant or person acting in concert with him or on his behalf, the court may restrain or stay the sale or disposition of the property pending the conclusion of any appeal of the criminal case giving rise to the forfeiture, if the applicant demonstrates that proceeding with the sale or disposition of the property will result in irreparable injury, harm, or loss to him.

"(h) AUTHORITY OF ATTORNEY GENERAL.—With respect to property ordered forfeited under this section, the Attorney General is authorized to—

"(1) grant petitions for mitigation or remission of forfeiture, restore forfeited property to victims of a violation of this chapter, or take any other action to protect the rights of innocent persons which is in the interest of justice and which is not inconsistent with the provisions of this section;

"(2) comprise claims arising under this section;

"(3) award compensation to persons providing information resulting in a forfeiture under this section;

"(4) direct the disposition by the United States, in accordance with the provisions of section 1616, title 19, United States Code, of all property ordered forfeited under this section by public sale or any other commercially feasible means, making due provision for the rights of innocent persons; and

"(5) take appropriate measures necessary to safeguard and maintain property ordered forfeited under this section pending its disposition.

"(i) APPLICABILITY OF CIVIL FORFEITURE PROVISIONS.—Except to the extent that they are inconsistent with the provisions of this section, the provisions of section 1468(d) of this title (18 U.S.C. 1468(d)) shall apply to a criminal forfeiture under this section.

"(j) BAR ON INTERVENTION.—Except as provided in subsection (m) of this section, no party claiming an interest in property subject to forfeiture under this section may—

"(1) intervene in a trial or appeal of a criminal case involving the forfeiture of such property under this section; or

"(2) commence an action at law or equity against the United States concerning the validity of his alleged interest in the property subsequent to the filing of an indictment or information alleging that the property is subject to forfeiture under this section.

"(k) JURISDICTION TO ENTER ORDERS.—The district courts of the United States shall have jurisdiction to enter orders as provided in this section without regard to the location of any property which may be subject to forfeiture under this section or which has been ordered forfeited under this section.

"(l) DEPOSITIONS.—In order to facilitate the identification and location of property declared forfeited and to facilitate the disposition of petitions for remission or mitigation of forfeiture, after the entry of an order declaring property forfeited to the United States, the court may, upon application of the United States, order that the testimony of any witness relating to the property forfeited be taken by deposition and that any designated book, paper, document, record, recording, or other material not privileged be produced at the same time and place, in the same manner as provided for the taking of depositions under Rule 15 of the Federal Rules of Criminal Procedure.

"(m) THIRD PARTY INTERESTS.—(1) Following the entry of an order of forfeiture under this section, the United States shall publish notice of the order and of its intent to dispose of the property in such manner as the Attorney General may direct. The Government may also, to the extent practicable, provide direct written notice to any person known to have alleged an interest in the property that is the subject of the order of forfeiture as a substitute for published notice as to those persons so notified.

SEC. 524. COMMUNICATIONS ACT AMENDMENT.

Section 223(b) of the Communications Act of 1934 (47 U.S.C. 223(b)) is amended to read as follows:

"(b)(1)(A) Whoever knowingly—

"(i) in the District of Columbia or in interstate or foreign communication, by means of telephone, makes (directly or by recording device) any obscene communication for commercial purposes to any person, regardless of whether the maker of such communication placed the call; or

"(ii) permits any telephone facility under such person's control to be used for an activity prohibited by clause (i);

shall be fined in accordance with title 18 of the United States Code, or imprisoned not more than two years, or both.

"(2)(A) Whoever knowingly—

"(i) in the District of Columbia or in interstate or foreign communication, by means of telephone, makes (directly or by recording device) any indecent communication for commercial purposes to any person, regardless of whether the maker of such communication placed the call; or

"(ii) permits any telephone facility under such person's control to be used for an activity prohibited by clause (i),

shall be fined not more than $50,000 or imprisoned not more than six months, or both.".

SEC. 525. ELECTRONIC SURVEILLANCE.

Subsection (1) of section 2516 of title 18, United States Code, is amended by redesignating paragraphs (i) and (j) as (j) and (k), respectively, and by adding a new paragraph (i) as follows:

"(i) any felony violation of chapter 71 (relating to obscenity) of this title;".

SEC. 526. POSSESSION AND SALE OF OBSCENE MATTERS IN FEDERAL JURISDICTION OR ON FEDERAL PROPERTY.

(a) IN GENERAL.—Chapter 71 of title 18, United States Code, is amended by inserting before section 1461 the following:

"§ 1460. Possession and sale of obscene matter on Federal property

"(a) Whoever, either—

"(1) in the special maritime and territorial jurisdiction of the United States, or on any land or building owned by, leased to, or otherwise used by or under the control of the Government of the United States; or

"(2) in the Indian country as defined in section 1151 of this title,

knowingly sells or possesses with intent to sell an obscene visual depiction or a visual depiction of a minor engaging in or assisting another person to engage in sexually explicit conduct, shall be punished by a fine in accordance with the provisions of this title or imprisoned for not more than 2 years, or both.

"(b) Except as provided in subsection (c), whoever, in an area described in subparagraph (1) or (2) of subsection (a) knowingly possesses an obscene visual depiction or a visual depiction of a minor engaging in or assisting another person to engage in sexually explicit conduct shall be punished by imprisonment for not more than 6 months or a fine of not more than $5,000 for an individual or $10,000 for a person other than an individual, or both.

"(c) Subsection (b) shall not apply in the case of a person who possesses an obscene visual depiction in any place where such person lives or resides.

"(d) For the purposes of this section—

"(1) the term 'visual depiction' includes undeveloped film and videotape but does not include mere words; and

"(2) the terms 'minor' and 'sexually explicit conduct' have the meaning given those terms in chapter 110 of this title.

"(e) In a prosecution for a violation of this section involving an obscene visual depiction, it shall be an affirmative defense, on which the defendant has the burden of persuasion by a preponderance of the evidence, that the person—

"(1) ordered or received the obscene matter without examining the matter in advance;

"(2) did not in fact offer the matter for sale, or transfer or offer to transfer it to another person other than the sender; and

"(3) possessed the material less than 21 days.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 71 of title 18, United States Code, is amended by adding before the item relating to section 1461 the following:

"1460. Possession and sale of obscene matter on Federal property.".

SEC. 527. CIVIL FORFEITURE.

(a) IN GENERAL.—Chapter 71 of title 18, United States Code, is amended by adding the following new section at the end thereof:

"§ 1470. Civil forfeiture

"(a) PROPERTY SUBJECT TO CIVIL FORFEITURE.—The following property shall be subject to forfeiture by the United States:

"(1) Any material that has been adjudged obscene in any criminal case, Federal or State, that is produced, transported, mailed, shipped, or received in violation of this chapter.

"(2) Any property, real or personal, constituting or traceable to gross profits or other proceeds obtained from a violation of this chapter involving material that has been adjudged obscene in any criminal case, State or Federal, except that no property shall be forfeited under this paragraph, to the extent of the interest of an owner, by reason of any act or omission established by that owner to have been committed or omitted without the knowledge or consent of that owner.

"(b) SEIZURE PURSUANT TO SUPPLEMENTAL RULES FOR CERTAIN ADMIRALTY AND MARITIME CLAIMS.—Any property subject to forfeiture to the United States under this section may be seized by the Attorney General upon process issued pursuant to the Supplemental Rules for Certain Admiralty and Maritime Claims by any district court of the United States having jurisdiction over the property, except that seizure without such process may be made when the seizure is pursuant to a search under a search warrant. The government may request the issuance of a warrant authorizing the seizure of property subject to forfeiture under this section in the same manner as provided for a search warrant under the Federal Rules of Criminal Procedure.

"(c) CUSTODY OF ATTORNEY GENERAL.—Property taken or detained under this section shall not be repleviable, but shall be deemed to be in the custody of the Attorney General, subject only to the orders and decrees of the court or the official having jurisdiction thereof. Whenever property is seized under any of the provisions of this subchapter, the Attorney General may—

"(1) place the property under seal;

"(2) remove the property to a place designated by him; or

"(3) require that the General Services Administration take custody of the property and remove it, if practicable, to an appropriate location for disposition in accordance with law.

"(d) Other Laws and Proceedings Applicable.—All provisions of the customs laws relating to the seizure, summary and judicial forfeiture, and condemnation of property for violation of the customs laws, the disposition of such property or the proceeds from the sale thereof, the remission or mitigation of such forfeitures, and the compromise of claims, shall apply to seizures and forfeitures incurred, or alleged to have been incurred, under this section, insofar as applicable and not inconsistent with the provisions of this section, except that such duties as are imposed upon the customs officer or any other person with respect to the seizure and forfeiture of property under the customs laws shall be performed with respect to seizures and forfeitures of property under this section by such officers, agents, or other persons as may be authorized or designated for that purpose by the Attorney General or the Postal Service, except to the extent that such duties arise from seizures and forfeitures effected by any customs officer.

"(e) Applicability of Certain Sections.—Sections 1606, 1607, 1608, 1609, 1613, 1614, 1617, and 1618 of title 19 shall not apply with respect to obscene material subject to forfeiture under subsection (a)(1) of this section.

"(f) Disposition of Forfeited Property.—Whenever property is forfeited under this section the Attorney General shall destroy or retain for official use any article described in paragraph (1) of subsection (a), and with respect to property described in paragraphs (2) and (3) of subsection (a) may—

"(1) retain the property for official use or transfer the custody or ownership of any forfeited property to a Federal, State, or local agency pursuant to section 1616 of title 19;

"(2) sell any forfeited property which is not required to be destroyed by law and which is not harmful to the public; or

"(3) require that the General Services Administration take custody of the property and dispose of it in accordance with law.

The Attorney General shall ensure the equitable transfer pursuant to paragraph (1) of any forfeited property to the appropriate State or local law enforcement agency so as to reflect generally the contribution of any such agency participating directly in any of the acts which led to the seizure or forfeiture of such property. A decision by the Attorney General pursuant to paragraph (1) shall not be subject to judicial review. The Attorney General shall forward to the Treasurer of the United States for deposit in accordance with section 524(c) of title 28 the proceeds from any sale under paragraph (2) and any moneys forfeited under this subchapter.

"(g) Title to Property.—All right, title, and interest in property described in subsection (a) of this section shall vest in the United States upon commission of the act giving rise to forfeiture under this section.

"(h) Stay of Proceedings.—The filing of an indictment or information alleging a violation of this chapter which is also related to a civil forfeiture proceeding under this section shall, upon motion of the United States and for good cause shown, stay the civil forfeiture proceeding.

"(i) Venue.—In addition to the venue provided for in section 1395 of title 28 or any other provision of law, in the case of property of a defendant charged with a violation that is the basis for forfeiture of the property under this section, a proceeding for forfeiture under this section may be brought in the judicial district in which the defendant owning such property is found or in the judicial district in which the criminal prosecution is brought.".

(b) Clerical Amendments.—The table of sections at the beginning of chapter 71 of title 18, United States Code, is amended by inserting after the item relating to section 1469 the following:

"1470. Civil forfeiture.".

(c) Repeal.—The last paragraph of section 1465 of title 18, United States Code, is repealed.

SEC. 528. CIVIL FINES.

Chapter 71 of title 18, United States Code, is amended by inserting at the end the following new section:

"Section 1471. Civil fines.

"(a) Whoever produces, transports, mails, ships or receives any article that has been adjudged obscene in any state or federal criminal case shall be subject to a civil penalty of—

"(1) for a first violation, not more than $10,000;

"(2) for a second violation, not more than $50,000; and

"(3) for a third or subsequent violation, not more than $250,000 in the case of an individual, or $500,000 in the case of an organization.

"(b) An action to recover a fine imposable under subsection (a) shall be brought in the name of the United States. The Attorney General may commence such a civil action in the district court in any district where the violation occurs. Such an action must be commenced within 5 years of the violation. The Attorney General may compromise, modify, or remit with or without condition any civil penalty imposed under this section.

"(c) In any civil action under this section, the defendant shall have a right to a trial by jury, and the government shall have the burden of proof, by a preponderance of the evidence, that the article is obscene under the standards of the community in which the trial takes place."

SEC. 529. SEVERABILITY.

If any of the provisions of this Act are found invalid, such finding shall not affect the validity or effect of the remaining provisions thereof.

TITLE V—CHILD CARE PROVISIONS

SEC. 501. SHORT TITLE.

This title may be cited as the "Act for Better Child Care Services of 1988".

SEC. 502. FINDINGS AND PURPOSES.

(a) Findings.—Congress finds that—

(1) the number of children living in homes where both parents work, or living in homes with a single parent who works, has increased dramatically over the last decade;

(2) the availability of quality child care is critical to the self-sufficiency and independence of millions of American families, including the growing number of mothers with young children who work out of economic necessity;

(3) high quality child care programs can strengthen our society by providing young children with the foundation on which to learn the basic skills necessary to be productive workers;

(4) the years from birth to age 6 are a critical period in the development of a young child;

(5) a significant number of parents do not have a real choice as they seek adequate child care for their young children because of limited incomes, insufficient State child care standards, and the inadequate supply of child care services in their community;

(6) high quality early childhood development programs provided during such period are cost effective because such programs can reduce the chances of juvenile delinquency and adolescent pregnancy and can improve the likelihood that children will finish high school and become employed;

(7) the number of quality child care arrangements falls far short of the number required for children in need of child care services;

(8) the rapid growth of participation in the labor force by mothers of children under the age of 1 has resulted in a critical shortage of quality child care arrangements for infants and toddlers;

(9) the lack of available child care services results in many preschool and school-age children being left without adequate supervision for significant parts of the day;

(10) many working parents who are unable to afford adequate child care services do not receive adequate financial assistance for such services from employers or public sources;

(11) because of the lack of affordable child care, a large number of parents are not able to work or to seek the training or education they need to become self sufficient;

(12) making adequate child care services available for parents who are employed, seeking employment, or seeking to develop employment skills promotes and strengthens the well-being of families and the national economy;

(13) the payment of the exceptionally low salaries to child care workers adversely affects the quality of child care services by making it difficult to retain qualified staff;

(14) several factors result in the shortage of quality child care options for children and parents, including—

(A) the inability of parents to pay for child care services;

(B) the lack of up-to-date information on child care services;

(C) the lack of training opportunities for staff in child care programs;

(D) the high rate of staff turnover in child care facilities; and

(E) the wide differences among the States in child care licensing and enforcement policies; and

(15) improved coordination of child care services will help to promote the most efficient use of child care resources.

(b) Purposes.—The purposes of this subtitle are—

(1) to build on and to strengthen the role of the family by seeking to ensure that parents are not forced by lack of available programs or financial resources to place a child in an unsafe or unhealthy child care facility or arrangement;

(2) to promote the availability and diversity of quality child care services to expand child care options available to all families who need such services;

(3) to provide assistance to families whose financial resources are not sufficient to enable such families to pay the full cost of necessary child care services;

(4) to lessen the chances that children will be left to fend for themselves for significant parts of the day;

(5) to improve the productivity of parents in the labor force by lessening the stresses related to the absence of adequate child care services;

(6) to provide assistance to States to improve the quality of, and coordination among, child care programs;

(7) to increase the opportunities for attracting and retaining qualified staff in the field of child care to provide high quality child care services to children; and

(8) to strengthen the competitiveness of the United States by providing young children with a sound early childhood development experience.

SEC. 503. DEFINITIONS.

As used in this subtitle:

(1) ADMINISTRATOR.—The term "Administrator" means the Administrator of Child Care appointed under section 514(a).

(2) CAREGIVER.—The term "caregiver" means an individual who provides a service directly to an eligible child on a person-to-person basis.

(3) CENTER-BASED CHILD CARE PROVIDER.—The term "center-based child care provider" means a child care provider that provides child care services in a nonresidential facility.

(4) CHILD CARE CERTIFICATE.—The term "child care certificate" means a certificate that is issued by the State to parents who may use such certificate only as payment for child care services for an eligible child and that provides to an eligible child care provider a right to reimbursement for such services at the same rate charged by that provider for comparable services to children whose parents are not eligible for certificates under this subtitle or for child care assistance under any other Federal or State program.

(5) COMMUNITY-BASED ORGANIZATION.—The term "community-based organization" has the meaning given such term by section 4(5) of the Job Training and Partnership Act (29 U.S.C. 1503(5)).

(6) ELEMENTARY SCHOOL.—The term "elementary school" means a day or residential school that provides elementary education, as determined under State law.

(7) ELIGIBLE CHILD.—The term "eligible child" means an individual—

(A) who is less than 16 years of age;

(B) whose family income does not exceed 100 percent of the State median income for a family of the same size; and

(C) who—

(i) resides with a parent or parents who are working, seeking employment, or enrolled in a job training or educational program; or

(ii) is receiving, or needs to receive, protective services and resides with a parent or parents not described in clause (i).

(8) ELIGIBLE CHILD CARE PROVIDER.—The term "eligible child care provider" means a center-based child care provider, a group home child care provider, a family child care provider, or other provider of child care services for compensation that—

(A) is licensed or regulated under State law;

(B) satisfies—

(i) the Federal requirements, except as provided in subparagraph (C); and

(ii) the State and local requirements;

applicable to the child care services it provides; and

(C) after the expiration of the 4-year period beginning on the date the Secretary establishes minimum child care standards under section 517(e)(2), complies with such standards that are applicable to the child care services it provides.

(9) FAMILY CHILD CARE PROVIDER.—The term "family child care provider" means 1 individual who provides child care services for fewer than 24 hours per day, as the sole caregiver, and in the private residence of such individual.

(10) FAMILY SUPPORT SERVICES.—The term "family support services" means services that assist parents by providing support in parenting and by linking parents with community resources and with other parents.

(11) FULL-WORKING-DAY.—The term "full-working-day" means at least 10 hours per day.

(12) GROUP HOME CHILD CARE PROVIDER.—The term "group home child care provider" means 2 or more individuals who jointly provide child care services for fewer than 24 hours per day and in a private residence.

(13) HANDICAPPING CONDITION.—The term "handicapping condition" means any condition set forth in section 602(a)(1) of the Education of the Handicapped Act (20 U.S.C. 1401(a)(1)) or section 672(1) of the Education of the Handicapped Act (20 U.S.C. 1471(a)).

(14) INDIAN TRIBE.—The term "Indian tribe" has the meaning given it in section 4(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(b)).

(15) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given such term in section 481(a)(1) of the Higher Education Act of 1965 (20 U.S.C. 1088(a)(1)), except that with respect to a tribally controlled community college such term has the meaning given it in section 2(a)(5) of the Tribally Controlled Community College Assistance Act of 1978 (25 U.S.C. 1801(a)(5)).

(16) LEAD AGENCY.—The term "lead agency" means the agency designated under section 506(a).

(17) LOCAL EDUCATIONAL AGENCY.—The term "local educational agency" has the meaning given that term in section 198(a)(10) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2854(a)(10)).

(18) PARENT.—The term "parent" includes a legal guardian or other person standing in loco parentis.

(19) SCHOOL-AGE CHILD CARE SERVICES.—The term "school-age child care services" means child care services that are—

"(A) provided during such times of the school day when regular instructional services are not in session; and

"(B) not intended as an extension of or replacement for the regular academic program, but are intended to provide an environment which enhances the social, emotional, and recreational development of children of school age;

(20) SECONDARY SCHOOL.—The term "secondary school" means a day or residential school which provides secondary education, as determined under State law.

(21) SECRETARY.—The term "Secretary" means the Secretary of Health and Human Services unless the context specifies otherwise.

(22) SCHOOL FACILITIES.—The term "school facilities" means classrooms and related facilities used to provide education.

(23) SLIDING FEE SCALE.—The term "sliding fee scale" means a system of cost sharing between the State and a family based on income and size of the family with the very low income families having to pay no cost.

(24) STATE.—The term "State" means any of the several States, the District of Columbia, the Virgin Islands of the United States, the Commonwealth of Puerto Rico, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Marshall Islands, the Federated States of Micronesia, or Palau.

(25) UNIT OF GENERAL PURPOSE LOCAL GOVERNMENT.—The term "unit of general purpose local government" means any city, county, town, township, parish, village, a combination of such general purpose political subdivisions including those in two or more States, or other general purpose political subdivisions of a State.

(26) TRIBAL ORGANIZATION.—The term "tribal organization" has the meaning given it in section 4(c) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(c)).

(27) TRIBALLY CONTROLLED COMMUNITY COLLEGE.—The term "tribally controlled community college" has the meaning given it in section 2(a)(4) of the Tribally Controlled Community College Assistance Act of 1978 (25 U.S.C. 1801(a)(4)).

SEC. 504. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—To carry out this subtitle, other than section 521, there are authorized to be appropriated $2,500,000,000 for the fiscal year 1990 and such sums as may be necessary in each of the fiscal years 1991 through 1994.

SEC. 505. AMOUNTS RESERVED; ALLOTMENTS.

(a) AMOUNTS RESERVED.—

(1) TERRITORIES AND POSSESSIONS.—The Secretary shall reserve not to exceed one half of 1 percent of the amount appropriated under section 504(a) in each fiscal year for payments to Guam, American Samoa, the Virgin Islands of the United States, the Commonwealth of the Northern Mariana Islands, the Marshall Islands, the Federated States of Micronesia, and Palau, to be allotted in accordance with their respective needs.

(2) INDIANS.—The Secretary shall reserve an amount, not less than 1.5 percent and not more than 3 percent of the amount appropriated under section 504(a) in each fiscal year, to carry out subsection (c) regarding Indian children.

(b) STATE ALLOTMENT.—

(1) GENERAL RULE.—From the remainder of the sums appropriated under section 504(a) for each fiscal year, the Secretary shall allot to each State (excluding jurisdictions referred to in subsection (a)(1)) an amount equal to the sum of—

(A) an amount that bears the same ratio to 50 percent of such remainder as the product of the young child factor of the State and the allotment percentage bears to the sum of the corresponding products for all States; and

(B) an amount that bears the same ratio to 50 percent of such remainder as the product of the school lunch factor of the State and the allotment percentage bears to the sum of the corresponding products for all the States.

(2) YOUNG CHILD FACTOR.—The term "young child factor" means the ratio of the number of children in the State who are less than 5 years of age to the number of children in all the States who are less than 5 years of age.

(3) SCHOOL LUNCH FACTOR.—The term "school lunch factor" means the ratio of the number of children in the State who are receiving free or reduced price lunches under the school lunch program established under the National School Lunch Act (42 U.S.C. 1751 et seq.) to the number of children in all the States who are receiving free or reduced price lunches under such program.

(4) ALLOTMENT PERCENTAGE.—

(A) IN GENERAL.—The allotment percentage for a State is determined by dividing—

(i) the per capita income of all individuals in the United States; by

(ii) the per capita income of all individuals in the State.

(B) LIMITATIONS.—If a sum determined under subparagraph (A)—

(i) exceeds 1.2, then the allotment percentage of that State shall be considered to be 1.2; and

(ii) is less that 0.8, then the allotment percentage of the State shall be considered to be 0.8.

(C) PER CAPITA INCOME.—For purposes of subparagraph (A), per capita income shall be—

(i) determined at 2-year intervals;

(ii) applied for the 2-year period beginning on October 1 of the first fiscal year beginning on the date such determination is made; and

(iii) equal to the average of the annual per capita incomes for the most recent period of 3 consecutive years for which satisfactory data are available from the Department of Commerce at the time such determination is made.

(c) PAYMENTS FOR THE BENEFIT OF INDIAN CHILDREN.—

(1) TRIBAL ORGANIZATIONS.—From the funds reserved under subsection (a)(2), the Secretary may, upon the application of a Indian tribe or tribal organization enter into a contract with, or make a grant to such Indian tribe or tribal organization for a period of 3 years, subject to satisfactory performance, to plan and carry out programs and activities that are consistent with this subtitle. Such contract or grant shall be subject to the terms and conditions of section 102 of the Indian Self-Determination Act (25 U.S.C. 450f) and shall be conducted in accordance with sections 4, 5, and 6 of the Act of April 16, 1934 (48 Stat. 596; 25 U.S.C. 655-657), that are relevant to such programs and activities.

(2) INDIAN RESERVATIONS.—In the case of an Indian tribe in a State other than the States of Oklahoma, Alaska, and California, such programs and activities shall be carried out on the Indian reservation for the benefit of Indian children.

(3) STANDARDS.—

(A) IN GENERAL.—Subject to subparagraph (B), the Secretary shall establish, through the application process, standards applicable to child care services provided under such programs and activities. For purposes of establishing such standards, the Secretary shall take into consideration—

(i) the codes, regulations, and cultural factors of the Indian tribe involved, as expressed by such tribe or the tribal organization that represents such tribe; and

(ii) the State licensing and regulatory requirements applicable to child care services provided in the State in which such program and activities are carried out.

(B) APPLICATION.—

(i) RULE.—Except as provided in clause (ii), after the Secretary establishes minimum child care standards under section 517(e)(2), such minimum standards shall apply with respect to child care services provided under such programs and activities.

(ii) WAIVERS AND MODIFICATIONS.—The Secretary may waive or modify, for a period not to exceed 5 years beginning on the date such minimum standards are established, any of such minimum standards that would limit the capacity of an Indian tribe or tribal organization to receive funds under this subtitle if the Secretary determines that there is a reasonable expectation that each of such standards requested to be waived will be met by the applicant by the end of the period for which the waiver is requested.

(4) AVAILABILITY OF STATE CHILD CARE SERVICES.—For the purpose of determining whether to approve an application for a contract or grant under this subsection, the Secretary shall take into consideration the availability of child care services provided in accordance with this subtitle by the State in which the applicant proposes to carry out a program to provide child care services.

(5) RULE OF CONSTRUCTION.—This subsection shall not be construed—

(A) to limit the eligibility of any individual to participate in any program carried out with assistance received under this subtitle by a State; or

(B) to modify any requirement imposed on a State by any provision of this subtitle.

(6) COORDINATION.—To the maximum extent practicable, the applicant for a grant or contract under this subsection and the State in which the applicant is located shall coordinate with each other their respective child care programs and activities, including child care programs and activities carried out with assistance received under this subtitle.

(d) DATA AND INFORMATION.—The Secretary shall obtain from each appropriate Federal agency, the most recent data and information necessary to determine the allotments provided for in subsection (b).

(e) REALLOTMENTS.—

(1) IN GENERAL.—Any portion of the allotment under subsection (b) to a State that the Secretary determines is not required to carry out a State plan approved under section 507(d), in the period for which the allotment is made available, shall be reallotted by the Secretary to other States in proportion to the original allotments to the other States.

(2) LIMITATIONS.—

(A) REDUCTION.—The amount of any reallotment to which a State is entitled to under paragraph (1) shall be reduced to the extent that it exceeds the amount that the Secretary estimates will be used in the State to carry out a State plan approved under section 507(d).

(B) REALLOTMENTS.—The amount of such reduction shall be similarly reallotted among States for which no reduction in an allotment or reallotment is required by this subsection.

(3) AMOUNTS REALLOTTED.—For purposes of any other section of this subtitle, any amount reallotted to a State under this subsection shall be considered to be part of the allotment made under subsection (b) to the State.

(f) DEFINITION.—For the purposes of this section, the term "State" means any of the several 50 States, the District of Columbia, or the Commonwealth of Puerto Rico.

SEC. 506. LEAD AGENCY.

(a) DESIGNATION.—The chief executive officer of a State desiring to participate in the program authorized by this subtitle shall designate, in an application submitted to the Secretary under section 507(a), an appropriate State agency that meets the requirements of subsection (b) to act as the lead agency.

(b) REQUIREMENTS.—

(1) ADMINISTRATION OF FUNDS.—The lead agency shall have the capacity to administer the funds provided under this subtitle to support programs and services authorized under this subtitle and to oversee the plan submitted under section 507(b).

(2) COORDINATION.—The lead agency shall have the capacity to coordinate the services for which assistance is provided under this subtitle with the services of other State and local agencies involved in providing services to children.

(3) ESTABLISHMENT OF POLICIES.—The lead agency shall have the authority to establish policies and procedures for developing and implementing interagency agreements with other agencies of the State to carry out the purposes of this subtitle.

(c) DUTIES.—The lead agency shall—

(1) assess child care needs and resources in the State, and assess the effectiveness of existing child care services and services for which assistance is provided under this subtitle or under other laws, in meeting such needs;

(2) develop a plan designed to meet the need for child care services in the State for eligible children, including infants, preschool children, and school-age children, giving special attention to meeting the needs for services for low-income children, migrant children, children with a handicapping condition, foster children, children in need of protective services, children of adolescent parents who need child care to remain in school, and children with limited English-language proficiency;

(3) develop, in consultation with the State advisory committee on child care established under section 511, the State plan submitted to the Secretary under section 507(b);

(4) hold hearings, in cooperation with such State advisory committee on child care, annually in each region of the State in order to provide to the public an opportunity to comment on the provision of child care services in the State under the proposed State plan;

(5) make such periodic reports to the Secretary as the Secretary may by rule require;

(6) coordinate the provision of services under this subtitle with—

(A) other child care programs and services, and with educational programs, for which assistance is provided under any State, local, or other Federal law, including the State Dependent Care Development Grants Act (42 U.S.C. 9871 et seq.); and

(B) other appropriate services, including social, health, mental health, protective, and nutrition services, available to eligible children under other Federal, State, and local programs; and

(7) identify resource and referral programs for particular geographical areas in the State that meet the requirements of section 512.

SEC. 507. APPLICATION AND PLAN.

(a) APPLICATION.—To be eligible to receive assistance under this subtitle, a State shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require by rule.

(b) PLAN.—The application of a State submitted under subsection (a) shall include an assurance that the State will comply with the requirements of this subtitle and a State plan that is designed to be implemented during a 4-year period and that meets the requirements of subsection (c).

(c) REQUIREMENTS OF A PLAN.—

(1) LEAD AGENCY.—The plan shall identify the lead agency designated in accordance with section 506(a).

(2) ADVISORY BODIES.—The plan shall demonstrate that the State will establish in ac-

cordance with section 511 a State advisory committee on child care.

(3) POLICIES AND PROCEDURES.—The plan shall set forth policies and procedures designed to ensure all of the following:

(A) That—

(i) all providers of child care services for which assistance is provided under this subtitle comply with all licensing and regulatory requirements (including registration requirements) applicable under State and local law; and

(ii) such requirements are imposed and enforced by the State uniformly on all child care providers that provide child care services under similar child care arrangements.

This subparagraph shall not be construed to prohibit a State from imposing more stringent standards or requirements on child care providers who provide services for which assistance is provided under this subtitle and who also receive State funds under any other law to provide child care services under a contract or other arrangement with the State.

(B) That procedures will be established to ensure that child care providers receiving assistance under this subtitle or under other publicly-assisted child care programs comply with the minimum child care standards established under section 517(e)(2) after the expiration of the 5-year period beginning on the date the Secretary establishes such standards, and comply with all applicable State and local licensing and regulatory requirements (including registration requirements).

(C) That the State will not—

(i) reduce the categories of child care providers licensed or regulated by the State on the date of enactment of this subtitle; or

(ii) reduce the level of standards applicable to child care services provided in the State and to the matters specified in sections 513(a) and 517(d), even if such standards exceed the minimum standards established under section 517(e)(2) by the Secretary unless the State demonstrates, to the satisfaction of both the Secretary and the State advisory committee on child care established under section 511, that the reduction is based on positive developmental practice.

(D) That funds received under this subtitle by the State will be used only to supplement, not to supplant, the amount of Federal, State, and local funds expended for the support of child care services and related programs in the State, except that States may use existing expenditures in support of child care services to satisfy the State matching requirement under section 516(b).

(E) That for each fiscal year the State will use an amount not to exceed 10 percent of the amount of funds received under section 505 by the State for such fiscal year to administer the State plan.

(F) That the State will pay funds under this subtitle to eligible child care providers in a timely fashion to ensure the continuity of child care services to eligible children.

(G) That resource and referral agencies will be made available to families in all regions of the State.

(H) That each eligible child care provider who provides services for which assistance is provided under paragraph (4)—

(i) provides services to children of families with very low income, taking into account family size;

(ii) after the expiration of the 4-year period beginning on the date the Secretary establishes minimum child care standards under section 517(e)(2), complies with such standards except as provided in clause (iv);

(iii) if such eligible child care provider is regulated by a State educational agency that—

(I) administers any State law applicable to child care services;

(II) develops child care standards that meet or exceed the minimum standards established under section 517(e)(2) and the State licensing or regulatory requirements (including registration requirements); and

(III) enforces the standards described in subclause (II) that are developed by such agency, using policies and practices that meet or exceed the requirements specified in subparagraphs (A) through (K) of paragraph (11);

complies with the standards described in subclause (II) that are developed by such agency; and

(iv) complies with the State plan and the requirements of this subtitle.

(I) That child care services for which assistance is provided under paragraph (4) are available to children with a handicapping condition.

(J) That State regulations will be issued governing the provision of school-age child care services if the State does not already have such regulations.

(K) That child care providers in the State are encouraged to develop personnel policies that include compensated time for staff undergoing training required under this subtitle.

(L) Encourage the payment of adequate salaries and other compensation—

(i) to full and part-time staff of child care providers who provide child care services for which assistance is provided under paragraph (4);

(ii) to the extent practicable, to such staff in other major Federal and State child care programs; and

(iii) to other child care personnel, at the option of the State.

(M) That child care services for which assistance is provided under paragraph (4) are available for an adequate number of hours and days to serve the needs of parents of eligible children, including parents who work nontraditional hours.

(4) CHILD CARE SERVICES.—The plan shall provide that—

(A) subject to subparagraph (B), the State will use at least 70 percent of the amount allotted to the State in any fiscal year to provide child care services that meet the requirements of this subtitle to eligible children in the State on a sliding fee scale basis and using funding methods provided for in section 508(a)(1), with priority being given for services to children of families with very low family incomes, taking into consideration the size of the family; and

(B) the State will use at least 10 percent of the funds reserved for the purposes specified in subparagraph (A) in any fiscal year to provide for the extension of part-day programs as described in section 508(b).

(5) ACTIVITIES TO IMPROVE THE QUALITY OF CHILD CARE.—The plan shall provide that the State will use not more than 10 percent of the amount allotted to it in any fiscal year to do each of the following:

(A) Provide financial assistance, pursuant to procedures established under the State Dependent Care Development Grants Act (42 U.S.C. 9801 note), to private nonprofit organizations or public organizations (including units of general purpose local government) that meet the requirements of section 512 for the development, establishment, expansion, operation, and coordination of resource and referral programs specifically related to child care.

(B) Improve the monitoring of compliance with, and enforcement of, the licensing and regulatory requirements (including registration requirements) of the State.

(C) Provide training, technical assistance, and scholarship assistance in accordance with the requirements of subsections (b), (c), and (d) of section 513.

(D) Ensure that adequate salaries and other compensation are paid to full- and part-time staff who provide child care services for which assistance is provided under paragraph (4).

(6) ACTIVITIES TO INCREASE THE AVAILABILITY OF CHILD CARE.—The plan shall provide that the State will use not more than 10 percent of the amount allotted to it in any fiscal year for any of the following activities, together with an assurance that the State will give priority to the activities described in subparagraphs (A) and (B):

(A) Making grants and low interest loans to family child care providers and nonprofit child care providers to help such providers pay the cost of—

(i) establishing child care programs; and

(ii) making renovations and improvements in existing facilities to be used to carry out such programs.

(B) Making grants and low-interest loans to child care providers to assist such providers in meeting Federal, State, and local child care standards, giving priority to providers receiving assistance under this subtitle or under other publicly assisted child care programs and which serve children of families that have very low incomes.

(C) Providing assistance for the establishment and operation of after school child care programs.

(D) Making grants or loans to fund the start up costs of employer sponsored child care programs.

(E) Providing assistance for the temporary care of children who are sick and unable to attend child care programs in which such children are enrolled.

(F) Providing assistance for the establishment and operation of child care programs for homeless children.

(G) Providing assistance to link child care programs with programs designed to assist the elderly.

(H)(i) Establishing and administering a revolving loan fund from which any person desiring to make capital improvements to the principal residence of such person (within the meaning of section 1034 of the Internal Revenue Code of 1986) may obtain a loan in order to become a licensed family child care provider, pursuant to State and local law, and to comply with the minimum standards applicable to such providers as established under section 517(e)(2).

(ii) To permit the use of funds provided under this subtitle for the activity described in clause (i), the State shall set forth procedures and guidelines to carry out the purposes of such clause, including procedures—

(I) that provide assurances that only applicants who obtain a license for the operation of a child care facility in accordance with the provisions of State and local law and who will meet the minimum standards applicable to family child care services established under section 517(e)(2), benefit from loans made available pursuant to the provisions of clause (i);

(II) to assure that the revolving fund will be administered by the State and will provide loans to qualified applicants, pursuant to the terms and conditions established by such State, in an amount, determined by such State, that is not in excess of $1,500;

(III) to assure that funds used to carry out the purpose of clause (i) are transferred to such fund to provide capital for making loans;

(IV) to assure that interest and principal payments on loans and any other moneys, property, or assets derived from any action concerning such funds are deposited into such fund;

(V) to assure that all loans, expenses, and payments pursuant to the operation of the revolving loan fund are paid from such fund;

(VI) to assure that loans made from such fund are made to qualified applicants to enable such applicants to make capital improvements so that such applicant may obtain a State or local family child care provider license and so that such applicant may meet the minimum standards applicable to such providers established under section 517(e)(2); and

(VII) that specify how such revolving loan fund will continue to be financed in subsequent years, such as through contributions by the State or by some other entity.

(7) DISTRIBUTION OF FUNDS.—The plan shall provide that funds will be distributed—

(A) to a variety of types of child care providers in each community, including center-based child care providers, group home child care providers, and family child care providers; and

(B) equitably among child care providers to provide child care services in rural and urban areas.

(8) REIMBURSEMENTS.—The plan shall provide that for child care services for which assistance is provided under this subtitle, an eligible child care provider shall have a right to reimbursement at the same rate charged by that provider for comparable services to children of comparable ages and special needs whose parents are not eligible for certificates under this subtitle or for child care assistance under any other Federal or State program.

(9) PRIORITY.—The plan shall provide that priority will be given, in distributing funds in the State, to child care providers that—

(A) in providing child care services assisted by such funds, will give priority to eligible children of families with very low income;

(B) to the maximum extent feasible, provide child care services to a reasonable mix of children, including children from different socioeconomic backgrounds and children with a handicapping condition;

(C) provide opportunities for parent involvement in all aspects of providing such services; and

(D) to the maximum extent feasible, offer family support services.

(10) SLIDING FEE SCALE.—The plan shall provide for the establishment of a sliding fee scale that requires cost sharing based on the services provided to and the income of the families (adjusted for family size) of eligible children who receive services for which assistance is provided under this subtitle.

(11) PARENTAL INVOLVEMENT.—The plan shall establish procedures for parental involvement in State and local planning, monitoring, and evaluation of child care programs and services in the State.

(12) ENFORCEMENT OF LICENSING AND OTHER REGULATORY REQUIREMENTS (INCLUDING REGISTRATION REQUIREMENTS).—The plan shall provide that the State, not later than 4 years after the date of enactment of this subtitle, shall have in effect enforcement policies and practices that will be applicable to all licensed or regulated child care providers (including child care providers required to register) in the State, including policies and practices that—

(A) require personnel who perform inspection functions with respect to licensed or regulated child care services to have or receive training in health and safety, child abuse prevention and detection, program management, and relevant law enforcement;

(B) to the maximum extent feasible, have personnel requirements to ensure that individuals who are hired as licensing inspectors are qualified to inspect and have inspection responsibility exclusively for children's services;

(C) require—

(i) personnel who perform inspection functions with respect to licensed or regulated child care services to make not less than 1 unannounced inspection of each center-based child care provider and each group home child care provider in the State annually; and

(ii) personnel who perform inspection functions with respect to licensed or regulated child care services to make unannounced inspections annually of not less than 20 percent of licensed and regulated family child care providers in the State;

(D) require licensed or regulated child care providers (including registered child care providers) in the State—

(i) to have written policies and program goals and to make a copy of such policies and goals available to parents; and

(ii) to provide parents with unlimited access to their children and to providers caring for their children, during normal hours of operation of such providers and whenever children of such parents are in the care of such providers;

(E) implement a procedure to address complaints that will provide a reasonable opportunity for a parent, or child care provider, that is adversely affected or aggrieved by a decision of the lead agency or any program assisted under this subtitle, to be heard by the State;

(F) prohibit the operator of a child care facility to take any action against an employee of such operator that would adversely affect the employment, or terms or conditions of employment, of such employee because such employee communicates a failure of such operator to comply with any applicable licensing or regulatory requirement;

(G) implement a consumer education program designed to inform parents and the general public about licensing requirements, complaint procedures, and policies and practices required by this paragraph;

(H) require a child care provider to post, on the premises where child care services are provided, the telephone number of the appropriate licensing or regulatory agency that parents may call regarding a failure of such provider to comply with any applicable licensing or regulatory requirement; and

(I) require the State to maintain a record of parental complaints and to make information regarding substantiated parental complaints available to the public on request.

(13) DATA COLLECTION.—The plan shall provide for the establishment of procedures for data collection by the State designed to show—

(A) by race, sex, ethnic origin, handicapping condition, and family income, how the child care needs of families in the State are being fulfilled, including information on—

(i) the number of children being assisted with funds provided under this subtitle, and under other State and Federal child care and preschool programs;

(ii) the type and number of child care programs, child care providers, caregivers, and support personnel located in the State;

(iii) the regional cost of child care; and

(iv) such other information as the Secretary considers necessary to establish how funds provided under this subtitle are being used;

(B) the extent to which the availability of child care has been increased; and

(C) how the purposes of this subtitle and the objectives of the State set forth in the State plan are being met, including efforts to improve the quality, availability, and accessibility of child care;

and shall provide that data collected by the State under this paragraph shall be submitted to the Secretary.

(d) APPROVAL OF APPLICATION.—The Secretary shall approve an application that satisfies the requirements of this section.

(e) SPECIAL RULE.—In carrying out the provisions of this section, the Secretary shall approve any application with respect to the activities described in the plan submitted under paragraph (5) of subsection (c), if the Secretary determines that the State is making reasonable progress in carrying out the activities which are described in subparagraphs (A) and (D) of paragraph (5).

SEC. 508. SPECIAL RULES FOR USE OF STATE ALLOTMENTS.

(a) FUNDING OF CHILD CARE SERVICES.—

(1) IN GENERAL.—The child care services referred to in section 507(c)(4) that are to be provided out of the allotment to a State, shall be provided—

(A) by contracts with or grants to eligible child care providers who agree to provide such services directly to eligible children;

(B) by grants to units of general purpose local government that agree to enter into contracts with eligible child care providers who agree to provide such services directly to eligible children; or

(C) by distributing child care certificates to parents of eligible children under such terms as the Secretary may prescribe to enable the recipients of such certificates to purchase child care services from eligible child care providers.

(2) LIMITATION ON CERTIFICATES.—Child care certificates authorized by paragraph (1)(C) may be issued by a State only if a resource and referral program carried out by an organization that meets the requirements of section 512 is available to help parents locate child care services made available by eligible child care providers.

(3) NO ENTITLEMENT TO CONTRACT OR GRANT.—Nothing in this subtitle shall be construed to entitle any child care provider or recipient of a child care certificate to any contract, grant or benefit, or to limit the right of any State to impose additional limitations or conditions on contracts or grants funded under this subtitle.

(b) PART-DAY PROGRAMS.—

(1) IN GENERAL.—At least 10 percent of the funds available for activities under section 507(c)(4)(A) shall be used by the State to enable child care providers to extend the hours of operation of the part-day programs described in paragraph (2) to provide full-working-day child care services throughout the year, in order to meet the needs of parents of eligible children.

(2) Eligible programs.—As used in paragraph (1), the term "part-day programs" means—

(A) programs of schools and nonprofit child care providers (including community-based organizations) receiving State or local funds designated for preschool;

(B) programs established under the Head Start Act (42 U.S.C. 9831 et seq.);

(C) preschool programs for which assistance is provided under chapter 1 of the Education Consolidation and Improvement Act of 1981 (20 U.S.C. 3801 et seq.); and

(D) preschool programs for children with a handicapping condition.

(c) Facilities.—

(1) New facilities.—No financial assistance provided under this subtitle shall be expended for the construction of a new facility.

(2) Existing facilities.—No financial assistance provided under this subtitle shall be expended to renovate or repair any facility unless—

(A) the child care provider that receives such financial assistance agrees—

(i) in the case of a grant, to repay to the Secretary or the State, as the case may be, the amount that bears the same ratio to the amount of such grant as the value of the renovation or repair, as of the date such provider ceases to provide child care services in such facility in accordance with this subtitle, bears to the original value of the renovation or repair; and

(ii) in the case of a loan, to repay immediately to the Secretary or the State, as the case may be, the principal amount of such loan outstanding and any interest accrued, as of the date such provider ceases to provide child care services in such facility in accordance with this subtitle;

if such provider does not provide child care services in such facility in accordance with this subtitle throughout the useful life of the renovation or repair; and

(B) if such provider is a sectarian agency or organization, the renovation or repair is necessary to bring such facility into compliance with health and safety requirements imposed by this subtitle.

SEC. 509. PLANNING GRANTS.

(a) In General.—A State desiring to participate in the programs authorized by this subtitle that cannot fully satisfy the requirements of the State plan under section 507(b) without financial assistance may, in the first year that the State participates in the programs, apply to the Secretary for a planning grant.

(b) Authorization.—The Secretary is authorized to make a planning grant to a State described in subsection (a) if the Secretary determines that—

(1) the grant would enable the State to fully satisfy the requirements of a State plan under section 507(b); and

(2) the State will apply, for the remainder of the allotment that the State is entitled to receive for such fiscal year.

(c) Amount of Grant.—A grant made to a State under this section shall not exceed 1 percent of the total allotment that the State would qualify to receive in the fiscal year involved if the State fully satisfied the requirements of section 507.

(d) Limitation on Administrative Costs.—A grant made under this section shall be considered to be expended for administrative costs by the State for purposes of determining the compliance by the State with the limitation on administrative costs imposed by section 507(c)(3)(E).

SEC. 510. CONTINUING ELIGIBILITY OF STATES.

A State shall be ineligible for assistance under this subtitle after the expiration of the 4-year period beginning on the date the Secretary establishes minimum child care standards under section 517(e)(2) unless the State demonstrates to the satisfaction of the Secretary that—

(1) all child care providers required to be licensed and regulated in the State—

(A) are so licensed and regulated; and

(B) are subject to the enforcement provisions referred to in the State plan; and

(2) all such providers who are receiving assistance under this subtitle or under other publicly-assisted child care programs—

(A) satisfy the requirements of subparagraphs (A) and (B) of paragraph (1); and

(B) satisfy the minimum child care standards established by the Secretary under section 517(e)(2) of this subtitle.

SEC. 511. STATE ADVISORY COMMITTEE ON CHILD CARE.

(a) Establishment.—The chief executive officer of a State participating in the program authorized by this subtitle shall—

(1) establish a State advisory committee on child care (hereinafter in this section referred to as the "committee") to assist the lead agency in carrying out the responsibilities of the lead agency under this subtitle; and

(2) appoint the members of the committee.

(b) Composition.—The State committee shall be composed of not fewer than 21 and not more than 30 members who shall include—

(1) at least 1 representative of the lead agency designated under section 506(a);

(2) 1 representative of each of—

(A) the State departments of—

(i) human resources or social services;

(ii) education;

(iii) economic development; and

(iv) health; and

(B) other State agencies having responsibility for the regulation, funding, or provision of child care services in the State;

(3) at least 1 representative of providers of different types of child care services, including caregivers and directors;

(4) at least 1 representative of early childhood development experts;

(5) at least 1 representative of school districts and teachers involved in the provision of child care services and preschool programs;

(6) at least 1 representative of resource and referral programs;

(7) 1 pediatrician;

(8) 1 representative of a citizen group concerned with child care;

(9) at least 1 representative of an organization representing child care employees;

(10) at least 1 representative of the Head Start agencies in the State;

(11) parents of children receiving, or in need of, child care services, including at least 2 parents whose children are receiving or are in need of subsidized child care services;

(12) 1 representative of specialists concerned with children who have a handicapping condition;

(13) 1 representative of individuals engaged in business;

(14) 1 representative of fire marshals and building inspectors;

(15) 1 representative of child protective services; and

(16) 1 representative of units of general purpose local government.

(c) Functions.—The committee shall—

(1) advise the lead agency on child care policies;

(2) provide the lead agency with information necessary to coordinate the provision of child care services in the State;

(3) otherwise assist the lead agency in carrying out the functions assigned to the lead agency under section 506(c);

(4) review and evaluate child services for which assistance is provided under this subtitle or under State law, in meeting the objectives of the State plan and the purposes of this subtitle;

(5) make recommendations on the development of State child care standards and policies;

(6) participate in the regional public hearings required under section 506(c)(5); and

(7) perform other functions to improve the quantity and quality of child care services in the State.

(d) Meetings and Hearings.—

(1) In general.—Not later than 30 days after the beginning of each fiscal year, the committee shall meet and establish the time, place, and manner of future meetings of the committee.

(2) Minimum number of hearings.—The committee shall have at least 2 public hearings each year at which the public shall be given an opportunity to express views concerning the administration and operation of the State plan.

(e) Use of Existing Committees.—To the extent that a State has established a broadly representative State advisory group, prior to the date of enactment of this subtitle, that is comparable to the advisory committee described in this section and focused exclusively on child care and early childhood development programs, such State shall be considered to be in compliance with subsections (a) through (c).

(f) Subcommittee on Licensing.—

(1) Composition.—The committee shall have a subcommittee on licensing (hereinafter in this section referred to as the "subcommittee") that shall be composed of the members appointed under paragraphs (2)(A)(iv), (3), (6), (7), (11), (14), and (15) of subsection (b).

(2) Functions.—

(A) Review of licensing authority.—The subcommittee shall review the law applicable to, and the licensing requirements and the policies of, each licensing agency that regulates child care services and programs in the State unless the State has reviewed such law, requirements, and policies in the 4-year period ending on the date of the establishment of the committee under subsection (a).

(B) Report.—Not later than 1 year after establishment of the committee under subsection (a), the subcommittee shall prepare and submit to the chief executive officer of the State involved a report.

(C) Contents of report.—A report prepared under subparagraph (B) shall contain—

(i) an analysis of information on child care services provided by center-based child care providers, group home child care providers, and family child care providers;

(ii) a detailed statement of the findings and recommendations that result from the subcommittee review under subparagraph (A), including a description of the current status of child care licensing, regulating, monitoring, and enforcement in the State;

(iii) a detailed statement identifying and describing the deficiencies in the existing licensing, regulating, and monitoring programs of the State involved, including an assessment of the adequacy of staff to carry out such programs effectively, and recommendations to correct such deficiencies or to improve such programs; and

(iv) comments on the minimum child care standards established by the Secretary under section 517(e)(2).

(3) Receipt of report by the chief executive officer of the State.—Not later than 60 days after receiving the report from the subcommittee, the chief executive officer of the State shall transmit such report to the Secretary with—

(A) the comments of the chief executive officer of the State; and

(B) a plan for correcting deficiencies in, or improving the licensing, regulating, and monitoring, of the child care services and programs referred to in paragraph (2)(A).

(4) Termination of assistance.—None of the funds received under this subtitle may be used to carry out any activity under this section occurring more than 90 days after the State submits a report required by subsection (d).

(g) Services and Personnel.—

(1) Authority.—The lead agency is authorized to provide the services of such personnel, and to contract for such other services as may be necessary, to enable the committee and the subcommittee to carry out their functions under this subtitle.

(2) Reimbursement.—Members of the committee shall be reimbursed, in accordance with standards established by the Secretary, for necessary expenses incurred by such members in carrying out the functions of the committee and the subcommittee.

(3) Sufficiency of funds.—The Secretary shall ensure that sufficient funds are made available, from funds available for the administration of the State plan, to the committee and the subcommittee to carry out the requirements of this section.

SEC. 512. RESOURCE AND REFERRAL PROGRAMS.

(a) Eligibility for Assistance.—Each State receiving funds under this subtitle shall, pursuant to section 507(c)(5)(A), make grants to or enter into contracts with private nonprofit organizations or public organizations (including units of general purpose local government), as resource and referral agencies to ensure that resource and referral services are available to families in all geographical areas in the State.

(b) Funding.—Organizations that receive assistance under subsection (a) shall carry out resource and referral programs—

(1) to identify all types of existing child care services, including services provided by individual family child care providers and by child care providers who provide child care services to children with a handicapping condition;

(2) to provide to interested parents information and referral regarding such services, including the availability of public funds to obtain such services;

(3) to provide or arrange for the provision of information, training, and technical assistance to existing and potential child care providers and to others (including businesses) concerned with the availability of child care services; and

(4) to provide information on the demand for and supply of child care services located in a community.

(c) Requirements.—To be eligible for assistance as a resource and referral agency under subsection (a), an organization shall—

(1) have or acquire a database of information on child care services in the State or in a particular geographical area that the organization continually updates, including child care services provided in centers, group home child care settings, nursery schools, and family child care settings;

(2) have the capability to provide resource and referral services in a particular geographical area;

(3) be able to provide parents with information to assist them in identifying quality child care services;

(4) to the maximum extent practicable, notify all eligible child care providers in such area of the functions it performs and solicit such providers to request to be listed to receive referrals made by such organization; and

(5) otherwise comply with regulations promulgated by the State in accordance with subsection (d).

(d) Limitation on Information.—In carrying out this section, an organization receiving assistance under subsection (a) as a resource and referral agency shall not provide information concerning any child care program or services which are not in compliance with the laws of the State and localities in which such services are provided.

SEC. 513. TRAINING AND TECHNICAL ASSISTANCE.

(a) Minimum Requirement.—A State receiving funds under this subtitle shall require, not later than 2 years after the date of the enactment of this subtitle, that all employed or self-employed individuals who provide licensed or regulated child care services (including registered child care services) in a State complete at least 40 hours of training over a 2-year period in areas appropriate to the provision of child care services, including training in health and safety, nutrition, first aid, the recognition of communicable diseases, child abuse detection and prevention, and the needs of special populations of children.

(b) Grants and Contracts for Training and Technical Assistance.—

(1) Grants and contracts.—The State shall make grants to, and enter into contracts with State agencies, units of general purpose local government, institutions of higher education, and nonprofit organizations (including resource and referral organizations, child care food program sponsors, and family child care associations, as appropriate) to develop and carry out child care training and technical assistance programs under which preservice and continuing inservice training is provided to eligible child care providers, including family child care providers, and the staff of such providers including teachers, administrative personnel, and staff of resource and referral programs involved in providing child care services in the State.

(2) Eligibility requirements for grants and contracts relating to training for family child care providers.—To be eligible to receive a grant or enter into a contract for a training and technical assistance program for family child care providers under paragraph (1), a nonprofit organization shall—

(A) recruit and train family child care providers, including providers with the capacity to provide night-time and emergency child care services;

(B) operate resource centers to make developmentally appropriate curriculum materials available to family child care providers;

(C) provide grants to family child care providers for the purchase of moderate cost equipment to be used to provide child care services; and

(D) operate a system of substitute caregivers.

(3) Eligibility requirements for grants and contracts relating to technical assistance.—To be eligible to receive a grant, or enter into a contract under subsection (b) to provide technical assistance, an agency, organization, or institution shall agree to furnish technical assistance to child care providers to assist such providers—

(A) in understanding and complying with local regulations and relevant tax and other policies;

(B) in meeting State licensing, regulatory, and other requirements (including registration) pertaining to family child care providers.

(c) Scholarship Assistance.—The State shall provide scholarship assistance to—

(1) individuals who seek a nationally recognized child development associate credential for center-based or family child care and whose income does not exceed the poverty line (as defined in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) by more than 50 percent, in amounts sufficient to cover the costs involved in securing such credential; and

(2) caregivers who seek to obtain the training referred to in subsection (a) and whose income does not exceed such poverty line.

(d) Clearinghouse.—The State shall establish in the lead agency a clearinghouse to collect and disseminate training materials to resource and referral agencies and child care providers throughout the State.

SEC. 514. FEDERAL ADMINISTRATION OF CHILD CARE.

(a) Administrator of Child Care.—There is hereby established in the Department of Health and Human Services the position of Administrator of Child Care (hereinafter in this section referred to as the "Administrator"). The Secretary shall appoint an individual to serve as the Administrator at the pleasure of the Secretary.

(b) Duties.—The Administrator shall—

(1) coordinate all activities of the Department of Health and Human Services relating to child care, and coordinate such activities with similar activities of other Federal entities;

(2) annually collect and publish State child care standards, including periodic modifications to such standards;

(3) evaluate activities carried out with funds provided under this subtitle;

(4) act as a clearinghouse to collect and disseminate materials that relate to—

(A) the matters required by section 513(b)(1) to be addressed by training required by section 513 to be provided; and

(B) studies that relate to the salaries paid to individuals employed to provide child care services; and

(5) provide technical assistance to assist States to carry out this subtitle.

SEC. 515. FEDERAL ENFORCEMENT.

(a) Review of Compliance With State Plan.—The Secretary shall review and monitor State compliance with this subtitle and the plan approved under section 507(d) for the State.

(b) Noncompliance.—

(1) In general.—If the Secretary, after reasonable notice and opportunity for a hearing to a State, finds that—

(A) there has been a failure by the State to comply substantially with any provision or any requirements set forth in the plan approved under section 507(d) for the State; or

(B) in the operation of any program or project for which assistance is provided under this subtitle there is a failure by the State to comply substantially with any provision of this subtitle;

the Secretary shall notify the State of the finding and that no further payments may be made to such State under this subtitle (or, in the case of noncompliance in the operation of a program or activity, that no further payments to the State will be made with respect to such program or activity) until the Secretary is satisfied that there is no longer any such failure to comply or that the noncompliance will be promptly corrected.

(2) ADDITIONAL SANCTIONS.—In the case of a finding of noncompliance made pursuant to this paragraph (1), the Secretary may, in addition to imposing the sanctions described in such paragraph, impose other appropriate sanctions, including recoupment of money improperly expended for purposes prohibited or not authorized by this subtitle, and disqualification from the receipt of financial assistance under this subtitle.

(3) NOTICE.—The notice required under paragraph (1) shall include a specific identification of any additional sanction being imposed under paragraph (2).

(c) ISSUANCE OF RULES.—The Secretary shall establish by rule procedures for—

(1) receiving, processing, and determining the validity of complaints concerning any failure of a State to comply with the State plan or any requirement of this subtitle; and

(2) imposing sanctions under this section.

SEC. 516. PAYMENTS.

(a) IN GENERAL.—

(1) AMOUNT OF PAYMENT.—Each State that—

(A) has an application approved by the Secretary under section 507(d); and

(B) demonstrates to the satisfaction of the Secretary that it will provide from non-Federal sources the State share of the aggregate amount to be expended by the State under the State plan for the fiscal year for which it requests a grant;

shall receive a payment under this section for such fiscal year in an amount (not to exceed its allotment under section 505 for such fiscal year) equal to the Federal share of the aggregate amount to be expended by the State under the State plan for such fiscal year.

(2) FEDERAL SHARE.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the Federal share for each fiscal year shall be 80 percent.

(B) EXCEPTION.—If a State makes the demonstration specified in section 510 throughout a fiscal year for which it requests a grant, then the Federal share shall be 85 percent.

(3) STATE SHARE.—The State share equals 100 percent minus the Federal share.

(4) LIMITATION.—A State may not require any private provider of child care services that receives or seeks funds made available under this subtitle to contribute in cash or in kind to the State contribution required by this subsection.

(b) METHOD OF PAYMENT.—

(1) IN GENERAL.—Subject to paragraph (2), the Secretary may make payments to a State in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments, as the Secretary may determine.

(2) LIMITATION.—The Secretary may not make such payments in a manner that prevents the State from complying with the requirement specified in section 507(c)(3)(F).

(c) SPENDING OF FUNDS BY STATE.—Payments to a State from the allotment under section 505 for any fiscal year may be expended by the State in that fiscal year or in the succeeding fiscal year.

SEC. 517. NATIONAL ADVISORY COMMITTEE ON CHILD CARE STANDARDS.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—In order to improve the quality of child care services, the Secretary shall establish, not later than 60 days after the date of the enactment of this subtitle, a National Advisory Committee on Child Care Standards (hereinafter in this section referred to as the "Committee"), the members of which shall be appointed from among representatives of—

(A) the chief executive officers of the several States;

(B) State legislatures;

(C) local governments;

(D) businesses;

(E) State individuals responsible for regulating the insurance industry within the State;

(F) religious institutions;

(G) persons who carry out different types of child care programs;

(H) persons who carry out resource and referral programs;

(I) child care and early childhood development specialists;

(J) early childhood education specialists;

(K) individuals who have expertise in pediatric health care, handicapping conditions, and related fields;

(L) organizations representing child care employees;

(M) individuals who have experience in the regulation of child care services; and

(N) parents who have been actively involved in community child care programs.

(2) APPOINTMENT OF MEMBERS.—The Committee shall be composed of 15 members of which—

(A) 5 members shall be appointed by the President;

(B) 3 members shall be appointed by the majority leader of the Senate;

(C) 2 members shall be appointed by the minority leader of the Senate;

(D) 3 members shall be appointed by the Speaker of the House of Representatives; and

(E) 2 members shall be appointed by the minority leader of the House of Representatives.

(3) CHAIRMAN.—The President shall appoint a chairman from among the members of the Committee.

(4) VACANCIES.—A vacancy occurring on the Committee shall be filled in the same manner as that in which the original appointment was made.

(b) PERSONNEL, REIMBURSEMENT, AND OVERSIGHT.—

(1) PERSONNEL.—The Secretary shall make available to the Committee office facilities, personnel who are familiar with child development and with developing and implementing regulatory requirements, technical assistance, and funds as are necessary to enable the Committee to carry out effectively its functions.

(2) REIMBURSEMENT.—

(A) COMPENSATION.—Members of the Committee who are not regular full-time employees of the United States Government shall, while attending meetings and conferences of the Committee or otherwise engaged in the business of the Committee (including traveltime), be entitled to receive compensation at a rate fixed by the Secretary, but not exceeding the rate specified at the time of such service under GS-18 of the General Schedule established under section 5332 of title 5, United States Code.

(B) EXPENSES.—While away from their homes or regular places of business on the business of the Committee, such members may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government service.

(3) OVERSIGHT.—The Secretary shall ensure that the Committee is established and operated in accordance with the Federal Advisory Committee Act (5 U.S.C. App.).

(c) FUNCTIONS.—The Committee shall—

(1) review Federal policies with respect to child care services and such other data as the Committee may deem appropriate;

(2) not later than 180 days after the date on which a majority of the members of the Committee are first appointed, submit to the Secretary proposed minimum standards described in subsection (d) for child care services, taking into account the different needs of infants, toddlers, preschool and school-age children; and

(3) develop and make available to lead agencies, for distribution to resource and referral agencies in the State, model requirements for resource and referral agencies.

(d) MINIMUM CHILD CARE STANDARDS.—The proposed child care standards submitted pursuant to subsection (c)(2) shall be minimum standards and shall consist of only the following:

(1) CENTER-BASED CHILD CARE SERVICES.—Such standards submitted with respect to child care services provided by center-based child care providers shall be limited to—

(A) group size limits in terms of the number of caregivers and the number and ages of children;

(B) the maximum appropriate child-staff ratios;

(C) qualifications and background of child care personnel;

(D) health and safety requirements for children and caregivers; and

(E) parental involvement in licensed and regulated child care services.

The standards described in subparagraphs (A) and (B) shall reflect the median standards for all States (using for States which apply separate standards to publicly-assisted programs the most comprehensive or stringent of such standards) as of the date of enactment of this subtitle.

(2) FAMILY CHILD CARE SERVICES.—Such standards submitted with respect to child care services provided by family child care providers shall be limited to—

(A) the maximum number of children for which child care services may be provided and the total number of infants for which child care services may be provided;

(B) the minimum age for caregivers; and

(C) health and safety requirements for children and caregivers.

(3) GROUP HOME CHILD CARE SERVICES.—Such standards submitted with respect to child care services provided by group home child care providers shall be limited to the matters specified in paragraphs (1)(B) and (2).

(4) LIMITATION.—The Committee shall not submit any standard under subsection (c)(2) that is less or more rigorous than the least or most rigorous standard that exists in all States at the time of the submission of such recommendation.

(e) CONSIDERATION AND ESTABLISHMENT OF STANDARDS.—

(1) Notice of proposed rulemaking.—Not later than 90 days after receiving the recommendations of the committee, the Secretary shall—

(A) publish in the Federal Register—

(i) a notice of proposed rulemaking concerning the minimum standards proposed under subsection (d) to the Secretary; and

(ii) such proposed minimum standards for public comment for a period of at least 60 days; and

(B) distribute such proposed minimum standards to each lead agency and each State subcommittee on licensing for comment.

(2) Establishment of minimum child care standards.—

(A) Issuance of rules.—The Secretary shall, in consultation with the committee—

(i) take into consideration any comments received by the Secretary with respect to the standards proposed under subsection (d); and

(ii) not later than 180 days after publication of such standards, shall issue rules establishing minimum child care standards for purposes of this subtitle. Such standards shall include the nutrition requirements issued, and revised from time to time, under section 17(g)(1) of the National School Lunch Act (42 U.S.C. 1766(g)(1)).

(B) Amending standards.—The Secretary may amend any standard first established under subparagraph (A), except that such standard may not be modified, by amendment or otherwise, to make such standard less comprehensive or less stringent than it is when first established.

(C) Extended period for comment.—If the Committee recommends a standard under subsection (c)(2) that no State has a requirement concerning, as of the time that such standard is recommended, the Secretary shall provide an additional 30 days during which States may submit comments concerning such standard.

(3) Additional comments.—The National Committee may submit to the Secretary and to the Congress such additional comments on the minimum child care standards established under paragraph (2) as the National Committee considers appropriate.

(f) Variances.—

(1) Time for compliance with standards.—Not later than the end of the 4-year period referred to in section 510, States shall comply with the standards established under this section.

(2) Exception.—At the expiration of the 4-year period referred to in paragraph (1) the chief executive officer, in consultation with the State advisory committee, may submit a request to the Secretary for a 1 year variance from the requirements of one or more particular standards.

(3) Requirements.—A request for a variance under this subsection shall include—

(A) a statement by the chief executive officer of the State of any steps taken to implement the relevant standards in the State within the 4-year period;

(B) the specific reasons for the submission of the variance request; and

(C) a detailed plan that outlines the additional procedures and resources to be used to come into compliance with the standards at the end of the variance period.

(4) Period of variance.—A variance granted by the Secretary shall be for a 1-year period and may be renewed at the discretion of the Secretary for an additional 1-year period if requested by the State.

(g) Termination of Committee.—The National Committee shall cease to exist 90 days after the date the Secretary establishes minimum child care standards under subsection (e)(3).

SEC. 518. LIMITATIONS ON USE OF FINANCIAL ASSISTANCE FOR CERTAIN PURPOSES.

(a) Sectarian Purposes and Activities.—No financial assistance provided under this subtitle shall be expended for any sectarian purpose or activity, including sectarian worship and instruction.

(b) Tuition.—With regard to services provided to students enrolled in grades 1 through 12, no financial assistance provided under this subtitle shall be expended for—

(1) any services provided to such students during the regular school day;

(2) any services for which such students receive academic credit toward graduation; or

(3) any instructional services which supplant or duplicate the academic program of any public or private school.

SEC. 519. NONDISCRIMINATION.

(a) Federal Financial Assistance.—Any financial assistance provided under this subtitle, including a loan, grant, or child care certificate, shall constitute Federal financial assistance for purposes of title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), title IX of the Education Amendments of 1972 (20 U.S.C. 1681, et seq.), the Rehabilitation Act of 1973 (29 U.S.C. 794 et seq.), the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.), and the regulations issued thereunder.

(b) Religious Discrimination.—A child care provider may not discriminate against any child on the basis of religion in providing child care services in return for a fee paid, reimbursement received, or certificate redeemed, in whole or in part with financial assistance provided under this subtitle.

SEC. 520. PRESERVATION OF PARENTAL RIGHTS AND RESPONSIBILITIES.

Nothing in this subtitle shall be construed or applied in any manner to infringe upon or usurp the moral and legal rights and responsibilities of parents or legal guardians.

Mr. BYRD. Mr. President, I want to get on to the welfare conference report as soon as possible. Does the distinguished Republican leader wish to say anything further at this point on this or any other matter?

Mr. DOLE. No, except at the appropriate time, when I can be recognized, I do intend to offer a motion to table. I have not quite decided whether to move to table the motion to recommit or just table the whole bill, so we can clear the deck on drugs, technical corrections, and appropriations, which I think are of paramount importance.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I now ask that the Chair lay before the Senate the conference report on H.R. 1720.

Mr. President, I understand the papers are not here.

The PRESIDING OFFICER. They are not.

MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that there be a period for morning business not to extend beyond 15 minutes. I understand Mr. PRYOR wishes to speak for 5 minutes. Hopefully the papers on welfare reform will be in the Chamber by that time.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

INTERNAL REVENUE SERVICE AUDIT REPORT OF SIGNIFICANT CURRENCY ACTIVITY

Mr. PRYOR. Mr. President, the Vice President stated yesterday that the Governor of Massachusetts plans to unleash an army of IRS agents on the public in order to decrease the national deficit. The basis of his statement is Governor Dukakis' plan to raise more revenue through better management at the IRS. Better management does not equate with hordes of agents being let loose on innocent taxpayers across our land. It means going after big time tax cheats and drug lords, who are ripping off the U.S. Treasury and the American taxpayer.

Mr. President, according to an IRS internal audit report dated June of 1986 that I have in my hands, Mr. President, it states "Official Use Only" at the bottom. Under this administration, the IRS has failed significantly to pursue the big-time operators who today walk into our banks literally with suitcases of money, do not file tax returns, and yet somehow avoid detection by the Internal Revenue Service.

Mr. President, this is an outrage.

Mr. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Arkansas.

Mr. PRYOR. I thank the Chair.

Mr. President, this is an outrage because, by the law, banks file reports with the IRS for all cash transactions over $10,000. These reports include the names, addresses, and ID numbers of the people who make these deposits. These reports go to the Internal Revenue Service.

This allows the IRS to pursue those tax cheats who deal in huge amounts of cash. Despite having the information in their computers, Mr. President, necessary to put these people away, the IRS internal audit report found, and I quote:

> Of taxpayers who had currency activity exceeding $100,000 each, 21 percent did not file tax returns and were not identified because currency reports were not used to initiate delinquency investigations.

The report goes on to say that these activities "averaged $183,000 each."

Mr. President, these people are walking into our financial institutions with wheelbarrows and suitcases full of cash money and the banks are telling the IRS who and where they are. It would not take an army of tax agents to go after these people. The IRS has their addresses and yet no one from this administration so much as knocked on their door. We spend millions of dollars each year to collect this information, yet this administration has failed to use it. The big guys get off, while the little folks get hit, harassed and hounded by this administration's IRS.

If I could ask Mr. BUSH a question, it would be: Mr. Vice President, rather than bad-mouthing proposals to implement good management and fairness, why do you not tell us who these people are or where they are and why has your administration not put them in jail? Why does this administration's IRS let the big guys go, and punish the small?

And while you are at it, Mr. Vice President, why do you not explain to the American taxpayers how, under this administration, the IRS management failed to collect over $100 million from large utility companies because someone last week forgot to file the appeal in a timely fashion. If this had been "Ma and Pa's" drug store, this administration's IRS would have nailed their hides to the wall.

In seeking greater compliance, what some of us here are talking about is not unleashing anyone on the public. What we are talking about is good management and simple fairness—of collecting what is owed from those who owe it. It is that simple.

As chairman of the Senate IRS Oversight Subcommittee, I intend to ask the IRS to come before my subcommittee and tell us about these huge piles of cash. In the meantime, I would advise this administration not to throw stones at anyone's proposal to increase compliance efforts at the IRS. They may be living in a glass house.

No wonder the little folks of America have lost faith in our tax system and the tax collector, the Internal Revenue Service.

I thank the Chair and yield the floor.

Mr. BYRD. Mr. President, may I inquire as to whether or not any other Senators wish to speak, strictly in morning business?

The PRESIDING OFFICER (Mr. FOWLER). There are no responses.

Mr. BYRD. All right. Mr. President, I ask morning business be closed.

The PRESIDING OFFICER. Without objection, morning business is closed.

Mr. BYRD. Mr. President, morning business is closed?

The PRESIDING OFFICER. It is.

PARENTAL AND TEMPORARY MEDICAL LEAVE

The Senate continued with the consideration of the bill.

Mr. BYRD. Mr. President, what is the pending matter before the Senate?

The PRESIDING OFFICER. The pending matter before the Senate is the motion to recommit the bill, S. 2488, motion to recommit of the majority leader, to the Committee on Labor and Human Resources with instructions to report back, with amendments to the instructions.

Mr. BYRD. Mr. President, I do not want to take any steps until the distinguished Republican leader is on the floor. He is on the telephone just now. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, parliamentary inquiry. Mr. President, I would like to clarify the record. The two amendments that I offered on the motion to recommit with instructions, I stated that they dealt with child care. That was a misstatement. They deal with child care but they deal with the whole thing, parental leave, the child pornography—the two amendments entail the entire bundle. They do not just deal with child care. So I would like to make the record clear on that.

And would it not be correct that if the Senate were to vote its approval of the motion to recommit with instructions to report back forthwith that the measure, which would be reported back, would be a committee substitute which would include the committee amendment, committee amendment No. 4, I believe it was, that had not yet been agreed to? Would that not be a part of the text when the committee substitute would be reported back?

The PRESIDING OFFICER. The majority leader is correct, assuming, of course, that that proposal is included in as in the amendment contained in the instructions.

Mr. BYRD. Yes. That is a part of the motion to recommit with instructions to report back and two amendments in the first and second degrees that have been offered. That is part of it.

The PRESIDING OFFICER. Yes, the Senator's inquiry is correct.

Mr. BYRD. I thought that should be clarified for all of us and also for the Republican leader who posed a question.

Mr. DOLE. If it comes back to the Senate, then what does the Senate do? We do not agree to the committee amendment?

The PRESIDING OFFICER. The Chair would advise, what he understands to be the Republican leader's inquiry, that the committee amendment then would be pending, and it is amendable.

Mr. DOLE. Is it pending or agreed to?

The PRESIDING OFFICER. It would be pending.

Mr. DOLE. So only the Senate could agree to it.

The PRESIDING OFFICER. That is correct.

Mr. BYRD. Would not the Senate be agreeing to it if the Senate were to approve the motion to recommit with instructions and report back, and then since the Senate would have already agreed to the two amendments because they are included, when the Senate agrees to this motion, which it may not do, and the two amendments, if it agrees to them, then does not the committee report back forthwith a committee substitute that has everything the Senate agreed to?

The PRESIDING OFFICER. In response to the inquiry of the majority leader, and after a consultation with the Parliamentarian, it is the Chair's understanding that this is the parliamentary situation:

Pending is the motion of the majority leader to recommit with instructions. If the Senate approves that and sends it to the committee and the committee reports the substitute amendment, then that would return to the full body encompassing the reported substitute amendment as proposed by the majority leader. But that matter would then be pending and amendable before the full Senate.

Mr. BYRD. Yes. So that the committee substitute, which would be the pending matter before the body, the substitute is pending, prior to action on the bill, the substitute is before the body, it is open to amendments in the first and second degree when it would be reported back, if the Senate agrees to this motion.

The PRESIDING OFFICER. That is correct.

Mr. BYRD. That would be before the body and that substitute, the text of that substitute would include parental leave, would include committee amendments that have been agreed to, the committee amendments as amended and the remaining fourth amendment would be a part of that text and the child care legislation would be included in that committee substitute.

It would be then for the Senate to determine whether or not it wanted to further amend that substitute, whether it wanted to agree to the substitute, and then upon agreeing to the substitute at such time as it did as amended if amended, then it would go to the bill and decide whether it wanted to pass the bill with the committee substitute as amended if amended.

So you have the whole thing in that committee substitute: you have your parental leave, you have your child care; you have your child pornography; and you have the fourth committee amendment as part of the text and open to amendment in another degree; is that correct?

The PRESIDING OFFICER. As the majority leader can appreciate, the Chair possibly should have but does not have entire knowledge of what is contained in the proposal put before and presently pending before the body.

Mr. BYRD. Yes.

The PRESIDING OFFICER. But if the Chair assumes the majority leader's representation of what is contained therein is correct, then the majority leader is correct.

Mr. BYRD. Yes, the Chair would have to assume that because the committee amendments were not read. By unanimous consent, the reading was dispensed with. So the Chair does have only my representations on which to base his statement. But the committee amendments, if they were properly drawn, and I have to assume that they were, they would include the matter that I have indicated.

Before I yield the floor, does the distinguished Republican leader wish to make any further parliamentary inquiry?

Mr. DOLE. No further parliamentary inquiry, but if the majority leader will yield without losing his right to the floor, I would hope we can agree on a time for debating or a motion to postpone or a motion to table so we can have some indication on what we may be doing. If we do that yet today or maybe tomorrow morning, it might clear up a lot of things.

If we can postpone this until after we have considered technical corrections, the drug bill—we cannot do it that way, I understand, but if we can do it a day certain, say, next Thursday, that will give us an opportunity to not only work on, if there is any compromise out there anywhere but, more important, to deal with the drug issue and technical corrections.

So maybe we can agree on a time, say, 30 minutes on each side to debate that as an appropriate time, whenever the majority leader would like to do that.

Mr. BYRD. That would be very agreeable. If the distinguished Republican leader wishes to indicate he prefers to move to table or prefers to postpone indefinitely, I think it would be well if we would have an hour equally divided or whatever.

I would suggest that that would probably be better done no earlier than tomorrow, depending on how long it takes to do the conference report on welfare.

CLOTURE MOTION

Mr. BYRD. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair, without objection, directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to recommit S. 2488, a bill to grant employees parental and temporary medical leave under certain circumstances, and for other purposes.

Senators Harry Reid, William Proxmire, Carl Levin, Dale Bumpers, Jay Rockefeller, Alan Cranston, Wyche Fowler, Jr., Christopher Dodd, Edward M. Kennedy, Claiborne Pell, Timothy Wirth, Daniel K. Inouye, Max Baucus, Robert C. Byrd, Terry Sanford, and Donald Riegle.

FAMILY WELFARE REFORM ACT—CONFERENCE REPORT

Mr. BYRD. Mr. President, I ask that the Chair lay before the Senate the conference report on H.R. 1720.

The PRESIDING OFFICER. Under the previous order, the clerk, will report the conference report on H.R. 1720.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1720) to replace the existing AFDC program with a new Family Support Program which emphasizes work, child support, and need-based family support supplements, to amend title IV of the Social Security Act to encourage and assist needy children and parents under the new program to obtain the education, training, and employment needed to avoid long-term welfare dependence, and to make other necessary improvements to assure that the new program will be more effective in achieving its objectives, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of September 28, 1988.)

The PRESIDING OFFICER. The chair announces that under the previous order there will be 2 hours of debate on this conference report to be equally divided and controlled by the Senator from New York, Mr. MOYNIHAN, and the Senator from Oregon, Mr. PACKWOOD.

The Senator from New York, Mr. MOYNIHAN, is recognized.

Mr. MOYNIHAN. Mr. President, in this historic Chamber, we perhaps use the term "historic" more often than is appropriate, but I do believe this is such an occasion. For the first time in half a century, the Senate, Congress, and shortly the President will move to an entire redefinition and overhaul of what we have come to know as our welfare system.

Mr. President, the basic legislation was adopted in this Chamber on June 16 by a vote of 93 to 3. Rarely has the Senate been of one mind in a matter of such complexity. It is a view that took 20 years to forge. It did not come easily, it did not come quickly, but it came.

We bring you back, Mr. President, the conference report which was unanimously approved by the Senate conferees. If I may be indulged a moment, I would like to record their names: The Senator from Texas, Mr. BENTSEN; the Senator from New York, Mr. MOYNIHAN; the Senator from Arkansas, Mr. PRYOR; the Senator from West Virginia, Mr. ROCKEFELLER; the Senator from South Dakota, Mr. DASCHLE; the Senator from Oregon, Mr. PACKWOOD; the Senator from Kansas, Mr. DOLE; the Senator from Wyoming, Mr. WALLOP; and the Senator from Colorado, Mr. ARMSTRONG. Complete unanimity on both sides of the aisle.

I would draw attention, Mr. President, to the beginning of the statement which describes the conference report. It says it is "A bill to replace the existing AFDC Program with a new Family Support Program which emphasizes work, child support, and need-based family support supplements, a bill to encourage and assist needy children and parents under the new program to obtain the education, training, and employment needed to avoid long-term welfare dependence and to make other necessary improvements."

Mr. President, what we intended to do, as you will hear from my distinguished and honored colleague, the Senator from Oregon, who has been with us so long on this matter, and the Senator from Colorado, was to redefine the whole question of dependency. Receiving income support is no longer to be a permanent or even extended condition but, rather, a transition to employment and an immediate gain of parental support for children.

Title I of this legislation, Mr. President, is child support and establishment of paternity. We start out with the proposition that we cannot abandon children in this country with impunity. You have a responsibility to them and if you do not exercise it on your own, society will see to it that you do.

The outlines of the legislation are familiar. Other Senators wish to speak. I will simply note that two of our distinguished colleagues are former Governors. I would like to read a letter just received this moment from the National Governor's Association. The letter is signed by Governors Clinton, and Castle, lead Governors on welfare reform, a bipartisan team, a

Democrat from Arkansas and a Republican from Delaware.

On behalf of the National Governors' Association they write:

National Governor's Association,
September 29, 1988.

Dear Senator: We write on behalf of the National Governor's Association to express our support for the welfare reform bill agreed to by the Conference on Welfare Reform. The bill represents a bi-partisan consensus for a major overhaul of our welfare system. We believe that we can implement this program efficiently and with positive results for millions of our welfare clients.

As you consider your vote on the welfare package, we urge you not to lose sight of the real purpose we are all trying to achieve with this legislation. The nation's Governors have had several years of experience with employment and training programs for our welfare clients and we know they work. We urge you not to let this historic opportunity pass to enact and implement a significant new national effort to reach out to our most needy citizens and provide them with the education, training and work experiences they need to become self-sufficient.

The Nation's Governors support the agreement reached by the conference. We urge you to support it too.

Sincerely,

Gov. Bill Clinton,
Lead Governor on Welfare Reform.
Gov. Michael N. Castle,
Lead Governor on Welfare Reform.

We have, Mr. President, bipartisan, unanimous support from the executives who will have to carry out the new programs we consider here today.

I have one other letter, Mr. President, if I could ask the Senate to indulge me just one more moment, from the American Public Welfare Association—the association comprised of State welfare commissioners, founded the year the Social Security Act was enacted into law, in response to the great trauma of the 1930's, the Depression when everyone was out of work, when everyone was in need or just about, or so it seemed. Here we are, a half century later dealing with the most baffling events of our age. A half century of unprecedented prosperity leaves us with an unprecedented number of poor children. Adults live well in our Nation by any standard. Children are now our poorest citizens. We do not know, cannot say how this dual family system came into being where one child in two will live in a single, female-parent-headed household before they reach age 18; where one child in three will be on what we call welfare, or did call welfare. We want to begin calling it family support.

Where one child in four is born poor. We don't know how this came to pass, but it has done. And this is our effort to respond.

The American Public Welfare Association, in the person of Stephen B. Heintz, who is the Commissioner of the Connecticut Department of Income Maintenance and Chair of the steering committee for this matter, and Sidney Johnson, the executive director, write:

Dear Senator: Reducing the number of American children living in poverty is the goal that undergirds the American Public Welfare Association's support for comprehensive welfare reform.

In November, 1986, we issued recommendations for sweeping reform, including mandatory, comprehensive state education, training, and employment programs.

Past efforts to gain even modest improvements in the welfare system have been mired in partisan conflict. The conference report before you represents a bipartisan consensus on a difficult issue.

Although the conference bill now before you is not as comprehensive as we would like, it does take this major step: it establishes as *national policy* the transformation of the welfare system into a system to promote the self-sufficiency of poor families.

We urge you to vote in favor of the conference report on H.R. 1720, the Family Welfare Reform Act.

With this first step toward comprehensive reform, states commit themselves to the massive task of education and training for jobs for families now receiving welfare. This federal-state partnership can begin to make a difference in the lives of poor families.

We urge your support.

Seeing my great leader in so many matters, the distinguished former chairman of the committee, chairman emeritus, you might call him, once the chairman and no doubt he intends to be again, I happily yield the floor to the distinguished Senator from Oregon.

Mr. PACKWOOD. Mr. President, I do not know about the future, but chairman emeritus sounds like I am a retired teacher from New York University. I am not ready for that status yet.

If my good friend would not mind, I would like to yield first to Senator Armstrong. Without him we would not have gotten on board on this.

Mr. MOYNIHAN. Mr. President, if I may, I think that would be the most appropriate possible beginning for this bipartisan consensus. Absent the Senator from Colorado, we would not be at this point indeed.

Mr. PACKWOOD. I yield 10 minutes to the Senator from Colorado.

The PRESIDING OFFICER. The Senator from Colorado is recognized for 10 minutes.

Mr. ARMSTRONG. Mr. President, I am grateful to my colleague from Oregon for yielding, and to my friend from New York for his kind words.

Mr. President, a couple of years ago the Senator from New York sent to me, as I expect he did to a number of Senators, a series of lectures which he had given on the subject of public welfare, summarizing what he had learned from studying the needs of welfare families and people in poverty over two or three decades.

When I received these, I did an uncharacteristic thing. I read these lectures. I guess, like most Members of this body, I get piles of stuff that I could not begin to read if I lived to be as old as Methuselah, but there was something about this particular series of papers which he sent that attracted my interest. I was richly rewarded by the experience because I learned a lot about public welfare from Senator Moynihan, who is indeed an expert on this matter.

In great detail he pointed out the various kinds of programs we have tried to serve the needs and concerns of people who find themselves below the poverty line and who are on programs of public assistance. I thought we reached a somewhat gloomy conclusion until the very last pages of this series of papers—I guess the so-called Godkin lectures—when he simply summed up by saying we have tried a lot of things, and so far we have not had anything like the success we would like to have, but we have to keep trying.

I complimented him on that at that time. I did not think too much more about it until he showed up in my office a year or so after that with the proposal or the first drafts of the proposal which now comes before us as this welfare reform bill in the conference report. He disclosed to me, as he did, I guess, in a series of house calls on members of the Finance Committee and others in the Senate, his dream of trying to break the poverty cycle by providing education and training. Let me say to my friend from New York that honestly when he first came around I did not think he was going to get very far with it.

At any point up until about 2 weeks ago I would have been willing to bet that somewhere along the line their bill was going to go over the rails because there were just too many reasons why it was not timely, why with the opposing interests involved the different points of view would not be reconciled.

But it is really an interesting example of superb legislative craftsmanship and leadership on the part of the Senator from New York that brings us to this stage. He has pumped life into this over and over again. When House and Senate conferees were ready to give up, he encouraged us. When we could not make a deal with the administration, he alternately cajoled, threatened, and bargained and did all of the things that finally made possible quite a remarkable achievement.

That achievement is this: That we are going to adopt—and I have no doubt that we will by a large margin—a bill which simultaneously expands the benefits for persons on welfare, which is faithful to his original intent which is to provide enhanced education and training opportunities so that people will really have a chance to get off welfare. It is not a certainty. We do not know whether it is going to really work as well as we all hope but at least that the changes—that the States will be given funds and entitlement—will be created so people can seek and receive an experience that will qualify them for a life of work instead of a life of dependence and misery.

At the same time, we are going to pass a bill that contains the kind of reforms that Ronald Reagan has been talking about off and on for all of his political life going back 20 or 25 years.

It is a, I think, in the finest sense of the word compromise we can all be proud of.

The essence of it is: First of all, education and training opportunities, entitlement for people to receive that kind of experience, some additional funding, some additional benefits for recipients in terms of Medicaid and child care support particularly to transition because we have had a situation where people on welfare would lose benefits when they went to work, and thereby be discouraged from actually seeking and accepting employment.

But we have built into this some important safeguards which are near and dear to the heart of a lot of conservatives in this Chamber, of a lot of taxpayers; just a lot of people at home who think the whole welfare system has probably become far too lax and far too permissive.

As a matter of fact, if you go out into the country and say what do you think welfare reform is and ask not recipients or experts in welfare, or scholars on the subject, but just the man or woman on the street, you just say to them, "Tell us about welfare reform, and what do you think that means?" They would say "Here is what a good program of public welfare should be: first of all, it should help people who need our help who are down on their luck, who are physically disabled, or cannot get a job, whatever it is. The second thing is welfare reform means we ought to have at some future date fewer people on welfare, not more. If the result is to get more and more people covered by welfare, and trap more and more people in some kind of a self-perpetuating cycle of dependency, that is not reform. The third thing is it ought to save money."

At some point, Mr. President, I think welfare reform does mean lowering the total cost to our Nation's taxpayers.

But if you ask people that question, what is welfare reform, one of the things they are going to tell you for sure is people on welfare ought to work, work, work because it is good for the soul, because it is fair to the taxpayers, because it rankles people who are paying taxes to support these programs to see people who are the recipients of them not get out to work.

That was the argument that President Reagan has been making, not only since he was President, but I guess dating back long before that, even when he was Governor of California and when he was out on the chicken dinner circuit for general lecturing. He said there ought to be some extension, and direct connection between receiving welfare and having to work.

Mr. President, I emphasize that because while I think Senator MOYNIHAN deserves a great deal of credit, and while I think Senator PACKWOOD does and others who have worked on this, including our colleagues in the House, we would miss a bet if we failed to pay tribute to President Reagan who at the crucial moment told us something that we needed to hear in order to make this compromise possible. He said, "If you don't do something about work in this bill, I am going to veto it."

At that point, some of us in the Chamber began to try to see if we could get a work requirement in. Senator DOLE took the lead. And some of the others were interested in it. And the provision that we have is a lot less probably than some of us would like. It does not say everybody on welfare has to work. But it does establish in the Federal law for the first time a link between receiving welfare and work. Here is how that goes, for Senators who have not followed it closely.

What this bill says in its final form is that of the new two-parent families who are entitled for the first time to receive welfare, at least one of the two parents in the family must work at least 16 hours a week under most circumstances. There are some exceptions, but that is the general idea. That is not very many people. It is only, I guess, about 7 or 8 percent of all the welfare recipients. I hope the idea will catch on. In fact, I think it will.

I believe the notion of welfare recipients working is a good idea, that it will ultimately be understood as a basic reform far beyond the requirements of this bill.

Up in Weld County, CO, we have a program which has been underway for some time in which practically everybody who receives welfare works.

The result of that, first of all, was that the cost of public welfare in Weld County, CO, has declined. During the years when the economy was soft in Colorado, during a time when welfare rolls were increasing all over our State, in Weld County the cost of welfare was not only holding steady, but was going down. Was this a burdensome thing, something that the recipients who had to work disliked? To hear some people who have opposed the work requirement—and I refer primarily to some of our colleagues in the other body—you would think this was an imposition on them. But in a survey among the recipients, among those who receive welfare in Weld County, CO, and are required to do some work, I believe over 83 percent said they thought it was a good idea and that it was fair.

This emphasizes something which is easy to lose track of. For the most part, people on welfare are not shiftless, good-for-nothing loafers who just love sitting around receiving public benefits, without doing anything in support of it. They do not object to working. In fact, my observation is that most people on welfare would like nothing better than to have a full-time, good job and work all the time, like the rest of us, and have the dignity and the sense of belonging and the purpose that goes with that. So the work requirement, I think, is an important element of it.

There are other reforms in this bill which I think are very significant. One is the participation requirement. We are saying not only that we are going to create an entitlement for people to have education and training, but also, we are going to hold the States accountable that they actually furnish this to the persons for whom it is intended; that we are going to establish a benchmark, a series of participation standards which gradually phase up to 22 percent over time; that at least that proportion of those eligible actually receive the benefits. We will monitor that to see if we can do more in the future.

There are other items about which I am pleased. I mentioned that this whole program of public welfare is needlessly expensive, extravagant, and loophole-ridden.

I am delighted that, with very little discussion and controversy, we have been able to put into this an antifraud requirement based upon the experience of the State of California, where they have the so-called FRED program. I have forgotten what that acronym means, but I believe it is fraud, eligibility—

Mr. MOYNIHAN. Fraud, eligibility, detection.

Mr. ARMSTRONG. Fraud, eligibility, detection.

The point is that before they get on welfare, they do a little test. They see through the computers how many cars are registered at your address, whether you paid income taxes, and so on.

Two things result from that. First, some people who would otherwise improperly qualify for welfare do not get it. Second, the general public is reassured that this is on the up-and-up, that this is on the level, that this is not just a scandalous, fraudulent abuse.

Mr. President, I am pleased to note, and would be remiss if I did not point this out, that while this is an expensive proposition—we are talking about a proposal that is going to spend $3.5 billion—under the leadership of the

Senator from New York and the Senator from Oregon, the Senate conferees were able to hold rather closely to our proposed expenditure for this. The House started out at over $7 billion, and we were at about $2.8 billion. The final figure is close to our number—I think $3.4 billion is contemplated.

While that is a lot of money and does represent a substantial expansion of benefits in some areas, what we are spending the money for, I think, is well justified. It costs something to provide these transition benefits for child care and Medicaid, but I think it is worth it. It costs something to provide these education programs, and I think that is worth it, too.

The one thing I do not believe we can afford is to just go on year after year, pumping out money to people and not giving them at the same time the kind of education, training, and work experiences that are necessary to give them the opportunity to help themselves. So I feel good about this. I am delighted to have a chance to vote for it.

I hope and assume that we are going to get a big vote on the rollcall vote; maybe 85 to 90 Senators will support this, and I think we should.

I hope and believe that the House will support it by a heavy margin and that the President will sign it. I think that is what will happen and should happen, and when it does, it will be a victory not only for PAT MOYNIHAN, Ronald Reagan, and BOB PACKWOOD, but also a victory for all people now on welfare who would like to have a chance to better their lot in life.

Mr. President, the conference report on the welfare reform bill is one of the most historic bills to come before this body in a long time.

It is, first of all, the product of compromise between different sincerely held views on how best to break the tragedy of dependency and poverty.

One view has long been advocated by our distinguished colleague, Senator PAT MOYNIHAN, of New York. The legislation introduced earlier this year by Senator MOYNIHAN had as its central feature a new program to provide States with the resources needed to educate and train those on welfare for a life of work and independence.

Another approach to welfare reform has, for a long time, been suggested by another prominent American, Ronald Reagan. As Governor and President, Mr. Reagan has long argued that work must be at the heart at any meaningful welfare reform effort. Under this view, our Nation's welfare policy must be not only one of compassion in providing cash assistance, food stamps, and Medicaid, but one which emphasizes the responsibility to work for oneself and families.

Those views, of course, are not mutally exclusive. For many, education and training is the only way out of poverty. For still many others, welfare ought to be conditioned on an obligation to work.

This bill is historic because these two philosophies of welfare reform are brought together. They coexist happily and comfortably in a measure which I believe will do much to help thousands trapped in poverty.

For that reason alone—because PAT MOYNIHAN has joined in common cause with Ronald Reagan to bring important changes to our welfare system—this is a historic occasion.

I am proud to have been a part of this process. Earlier this year, I joined with the distinguished Republican leader, Senator DOLE, in offering an amendment to establish the first mandatory work requirement in the history of our Nation's welfare system. I am grateful that proposal has survived conference intact. It is the linchpin to garnering President Reagan's support for this reform measure, and because of it, many months of effort on reforming welfare are coming to fruition today.

PROVISIONS OF THE BILL

Mr. President, I would like to discuss the relative merits, and some lingering concerns, with this bill. Before I do, however, it may be useful to briefly summarize its major provisions.

WORK REQUIREMENT

The bill establishes for the first time a Federal requirement that some welfare recipients must work as a condition of receiving benefits.

The bill provides that one parent in a two-parent AFDC-UP family must work at least 16 hours a week in a State-approved work program. States may use the Community Work Experience, Grant Diversion, or On-the-Job-Training Programs, or other State-designed work programs to meet this requirement.

States must ensure that at least 40 percent of their monthly AFDC-UP caseload is participating in a work program by 1994. This percentage rises to 75 percent by 1997.

States are allowed the flexibility of substituting education for the work requirement in the case of a UP parent under age 25 who has not completed high school.

The work requirement expires on September 30, 1998. After this date, States would still be allowed to operate the program but would not be required to do so.

EDUCATION AND TRAINING (JOBS PROGRAM)

The bill also creates a new "JOBS" Program authorizing education and training for welfare recipients.

Under JOBS, all recipients, including parents caring for a child over age 3, are required to participate in such programs to the extent State resources permit. Minor parents with children of any age are required to finish high school.

States will have considerable flexibility to determine the nature of their own education and training program. The only programs States are required to have are basic education and job skills, readiness, and placement training. States are also required to have two of the following four work-related programs: Community Work Experience, Intensive Job Search, Grant Diversion, and On-the-Job Training. Beyond this, States are free to establish programs best suited to help those on welfare in local communities.

States will also have considerable flexibility to determine the size and scope of their program. The Federal Government will match the amount of money devoted to education and training by State governments. But the essential decision on the size of the education and training program in each State will be up to local elected officials. Once they have decided on how much of their own money to commit, the Federal Government will match that at a 60-percent rate.

The bill does mandate minimal participation levels in education and training. This was among the more important amendments added to the bill by the Senate. Under this provision, States must ensure that 7 percent of the nonexempt monthly AFDC caseload must be participating in education or training by 1991. That percent gradually increases to 20 percent by 1995. This requirement will help ensure that the program reaches those who most risk long-term dependency.

Also under JOBS, the States will be required to provide child day care if necessary for an individual to participate. The Federal Government will match State payments for child care.

AFDC-UP

The bill would require that all States provide the so-called AFDC-UP benefit: cash assistance to two parent families who are eligible by reason of the unemployment of the principal earner. States currently have the option of providing AFDC-UP.

States that do not now provide AFDC-UP may limit cash benefits to 6 months per year and may require participation in JOBS for 40 hours a week. These States, however, would be required to provide Medicaid coverage for the entire family so long as they are eligible for cash assistance.

Those States that now operate an UP Program would be required to maintain full AFDC cash benefits and Medicaid. This mandate would expire on September 30, 1988, along with the work requirement.

WORK TRANSITION PROVISIONS

The bill contains two benefits to help families make the transition from welfare to work. States will be required to provide (helped by Federal matching payments) child care for 12 months to families that leave welfare.

Current law requires 30 days of transitional day care and 3 months at State option.

The bill also requires States to provide 12 months of Medicaid coverage after they leave the welfare rolls. Current law provides 4 months of Medicaid coverage. States will have the option of charging a premium for this coverage during the last 6 months for those whose income exceeds the poverty level.

These transition benefits will expire on September 30, 1998.

CHILD SUPPORT ENFORCEMENT

The bill strengthens Federal child support enforcement requirements by mandating immediate wage withholding for all new support awards, making State guidelines on award amounts binding on judges, and setting standards for the establishment of paternity. This will help increase the amount of support paid by absent fathers for their children on welfare.

MINOR PARENTS BENEFITS

The bill gives States the option of requiring a minor parent to live with a parent, adult relative, in another adult-supervised setting, or in foster care as a condition of receiving AFDC assistance. Current law creates an incentive for minor parents to leave home in order to receive AFDC by requiring that an entire household's income be calculated in determining benefits. Frequently, this means a minor leaves home to get AFDC. States would now have the option of requiring the minor to stay at home or in a similar environment.

ANTI-FRAUD PROGRAM

Finally, the bill requires States to establish a pre-eligibility fraud detection system. This would require States to screen an applicant's eligibility for assistance before they are actually placed on the rolls. California has a similar highly successful program.

COST

The conference report will increase Federal outlays by $3.3 billion from 1989 through 1993. This amount is fully offset by several revenue raising provisions of the bill to keep the legislation "deficit neutral."

This final cost is well below the that of the House-passed bill ($7.1 billion) and slightly higher than the Senate-passed bill ($2.8 billion).

CHARTING THE COURSE OF WELFARE REFORM

In addition to this brief summary of provisions, my colleagues may find it useful to trace the progress of this legislation from the time it was first reported to the Senate today. I will ask to have printed in the RECORD a short table demonstrating how the bill developed over the course of the year.

As the table indicates, the bill passed by the Senate has fared quite well in conference. The Senate approved amendments to add the work requirement, the JOBS participation rates, and sunsets on proposed transition benefits. All of these important features are in the conference report.

The Senate bill contained positive reforms, not in the House bill, which remain in the conference report. For instance, the Senate bill required all minor parents to complete high school or some other educational activity, and that has been retained.

The Senate proposed the requirement that minor parents live at home or under some adult supervision in order to receive welfare benefits. Under the conference agreement, this policy is not mandated by the Federal Government, but States are given the option of implementing it.

The conference report is also noteworthy for some of the things it does not contain. It does not contain a costly expansion in basic welfare benefits proposed by the House. It does not contain onerous restrictions on the Community Work Experience Program [CWEP], as proposed by the House, which would have essentially gutted the Nation's most important work program.

The conference report also does not contain a terrible work disincentive contained in the House bill which would have prohibited States from requiring people to take work unless it paid more than the full value of AFDC cash benefits, Food Stamps, and Medicaid. This provision would have been a severe disincentive to work, effectively pricing many on welfare out of the available job market and enshrining the motion that welfare is acceptable if it "pays more than work." It was born of the view that if welfare recipients aren't trained for high-paying jobs, they should not be asked to work. That view is simply wrong, in my view, for many coming off welfare will not have the kind of skills needed to initially obtain high paying jobs. The conference report requires States only to ensure that welfare recipients are not asked to take work paying less than their cash assistance. The proposed transition benefits will also help supplement the wages of those leaving welfare.

At this point, Mr. President, I ask unanimous consent that a table comparing the various Senate and House bills with the final conference report be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

WELFARE REFORM COMPARISON

	Committee-reported S. 1511	Senate-passed bill	House bill	Conference report
(1) Total five year cost	$2.8 billion	$2.8 billion	$7.1 billion	$3.3 billion.
(2) Child support enforcement	Strengthens Federal Child Support Enforcement standards and increase collections.	Strengthens Federal Child Support Enforcement standards and increase collections.	Strengthens Federal Child Support Enforcement guidelines and increase collections.	Strengthens Federal Child Support Enforcement standards and increase collections.
(3) UP work requirement	No provision	(Floor amendment)	No provision	Requires one parent in a two-parent AFDC–UP family to work 16 hours a week as a condition of receiving assistance
		Requires that 50 percent of the average monthly UP caseload be in the work program by fiscal year 1994, and 100 percent by fiscal year 1995.		Requires that 40 percent of the average monthly UP caseload be in the work program by fiscal year 1994 to 75 percent in fiscal year 1997–98. Sunset after fiscal year 1998
				Allows States to provide 2 months of intensive job search in advance of work requirement and substitute education for a parent under age 25 who has not finished high school.
(4) Antifraud provision	Requires States to implement pre-eligibility fraud detection system. (Committee amendment).	Requires States to implement pre-eligibility fraud detection system.	No provision	Requires States to implement pre-eligibility fraud detection system.
(5) Education/training (JOBS)	Authorizes the "JOBS" program to provide education and training for welfare recipients. Allows States to determine the types of programs to be provided, but requires basic education and training skills.	Authorizes the "JOBS" program to provide education and training for welfare recipients. Allows States to determine the types of programs to be provided, but requires basic education, skills training, and 2 of 3 work-related programs: Job Search, Community Work Experience, and Grant Diversion. (Floor amendment).	Authorizes the "NETWORK" program to provide education and training for welfare recipients. Allows States to determine the types of programs to be provided, but requires job search and skills training.	Authorizes the "JOBS" program to provide education and training for welfare recipients. Allows States to determine the types of programs to be provided, but requires basic education, skills training, job readiness, placement and development and 2 of 4 work-related programs: Job Search, Community Work Experience, Grant Diversion and On-the-Job-Training.
	Requires all minor parents to complete high school.	Requires all minor parents to complete high school.	No provision	Requires all minor parents to complete high school, including exempt mothers, but allows States to develop criteria (with HHS approval) to exempt some for whom school is inappropriate.

	Caps JOBS entitlement at $500 million in fiscal year 1989, $650 million in fiscal year 1990, $800 million in fiscal year 1991 and $1 billion in fiscal year 1992.	Caps JOBS entitlement at $500 million in fiscal year 1989, $650 million in fiscal year 1990, $800 million in fiscal year 1991 and $1 billion in fiscal year 1992.	Open-ended entitlement	Caps JOBS entitlement at $600 million in fiscal year 1989, $650 million in fiscal year 1990, $800 million in fiscal year 1991, $1 billion in fiscal year 1992, $1.1 billion in fiscal year 1993, and $1.3 billion in fiscal year 1994 and beyond.
	Prohibits States from requiring work if it pays less than value of AFDC cash benefits plus Food Stamps and Medicaid.	Prohibits States from requiring work only if it pays less than AFDC cash income. (Floor amendment).	Prohibits States from requiring work paying less than AFDC cash benefits plus the value of Food Stamps and Medicaid.	Prohibits States from requiring work paying less than AFDC cash income.
	No participation rates	Requires States to meet participation rates of 10 percent in fiscal year 1990 and fiscal year 1991, 14 percent in fiscal year 1992 and fiscal year 1993, 22 percent after fiscal year 1994 of average monthly non-exempt caseload (Floor amendment).	No participation rates	Requires States to meet participation rates of 7 percent in fiscal year 1990 and fiscal year 1991, 11 percent in fiscal year 1992 and fiscal year 1993, 15 percent after fiscal year 1994 and 20 percent in fiscal year 1995 and beyond of average monthly non-exempt caseload.
(6) Community work experience (Work-for-Welfare).	No change in current law	No change in current law	Reduces CWEP hours at beginning of assignment by dividing grant by rate of pay for similar job. Limits CWEP to 6 months and prohibits reassignment.	Reduces CWEP hours after 9 months in one assignment by dividing grant by greater of minimum wage or rate of pay of same employer at same site for similar job. No other limits on CWEP.
(7) AFDC–UP benefit	States must provide at least 6 months of AFDC–UP cash benefits and full Medicaid to family. After 6 months, Medicaid must be provided only to children and pregnant women if family is still cash-eligible. States may require UP recipients to participate in JOBS for 40 hours a week.	States must provide at least 6 months of AFDC–UP cash benefits and full Medicaid to family. After 6 months, Medicaid must be provided only to children and pregnant women if family is still cash-eligible. States may require UP recipients to participate in JOBS for 40 hours a week.	All States must provide full AFDC–UP cash benefits and Medicaid to entire family.	States currently providing AFDC–UP and full Medicaid must continue to do so without change in benefits until September 30, 1998. Non-UP States must provide at least 6 months of UP cash benefits and must provide Medicaid to the entire family beyond 6 months if family still cash-eligible. States may require UP recipients to participate in JOBS for 40 hours a week. Mandatory UP benefit & work requirement sunsets on September 30, 1998.
(8) Minor parents benefits	Requires unmarried minor parent to live at home or with guardian, adult relative or foster care as condition of receiving assistance. Household income (i.e. grandparents) counted in determining AFDC benefits.	Requires unmarried minor parent to live at home or with guardian, adult relative or foster care as condition of receiving assistance. Household income counted in determining AFDC benefits.	Requires unmarried minor parent to live at home or with guardian, adult relative or foster care as condition of receiving assistance but household income NOT counted in determining AFDC benefits.	States may require unmarried minor parent to live at home, with guardian, adult relative or foster care to receive AFDC. Household income counted in determining AFDC benefits.
(9) Income disregards	No change in current law	No change in current law	Increases child care disregard to $175 a month for a child over 2 and $200 a month for under 2. Raise standard disregard to $100. Disregards $50 in child support and EITC. Indexes disregards and allows State increases.	Increases child care disregard from $160 a month per child to $175 a month for a child over 2 and $200 a month for a child under 2. Raises standard deduction income disregard from $75 a month to $100. Disregards EITC.
(10) Medicaid transition	Requires States to provide (with Federal matching payments) 12 months of Medicaid benefits to AFDC families leaving welfare.	Requires States to provide (with Federal matching payments) 12 months of Medicaid benefits to AFDC families leaving welfare.	No provision. (The House adopted a Medicaid transition benefit in the 1987 Reconciliation bill.).	Requires States to provide (with Federal matching payments) 12 months of Medicaid benefits to AFDC families leaving welfare.
	Requires States to charge a premium during the last 6 months of benefits.	Requires States to charge a premium during the last 6 months of benefits.	xl	Allows States to charge a premium during the last 6 months of benefits.
	Limits to 12 of 36 months to reduce incentive to revert to AFDC.	Limits to 12 of 36 months to reduce incentive to revert to AFDC.	xl	No provision.
	No sunset on benefits	Sunsets benefits on December 31, 1993. (Floor amendment).	xl	Sunsets benefits on September 30, 1998.
(11) Child care transition	Requires States to provide (with Federal matching payments) 9 months of child care for families who leave welfare.	Requires States to provide (with Federal matching payments) 9 months of child care for families who leave welfare.	Requires States to provide (with Federal matching payments) 12 months of child care for families who leave welfare.	Requires States to provide (with Federal matching payments) 12 months of child care for families who leave welfare.
	Limits child care transition benefits to 9 of 36 months to reduce incentive to revert to welfare.	Limits child care transition benefits to 9 of 36 months to reduce incentive to revert to welfare.	No provision	Requires HHS study and regulations if benefit causes recycling.
	Provides that day care must meet standards set by State and local law.	Provides that day care must meet standards set by State and local law.	State law applies on child care standards, but States cannot reduce current standards, must require parental access, post phone number for complaint, and comply with local fire standards.	States must establish procedures to assure that center-based care is subject to State/local requirements on health and fire safety. States must also develop guidelines for family daycare. All daycare must allow parental access.
	No sunset on benefits	Sunsets benefits on December 31, 1993. (Floor amendment).	No sunset	Sunsets benefits on September 30, 1998.

BENEFITS OF THE PROPOSED REFORM

Mr. ARMSTRONG. Mr. President, some of us will differ as to what is the most beneficial reform in this bill. Many of them have considerable merit, to be sure. This bill will provide the necessary resources to help educate and train thousands for a life of work. The participation rates proposed in JOBS will help ensure the program reaches a good number of needy people, those with the lowest skills who most risk long-term dependency.

The bill will provide transitional assistance in the form of Medicaid and child care to avoid the cliff that faces many who want to leave welfare—namely, not enough wages to support day care and not enough health insurance to adequately protect a family.

The bill will provide more AFDC-UP, and that may help keep families together during hard times of unemployment.

The bill will send many teen mothers back to school to get the basic skills needed to begin competing in the work force.

The bill will establish a new anti-fraud system which will keep the undeserving and ineligible off welfare. That is fair to those in need and to those who pay the bill. The California FRED Program—which stands for fraud detection and prevention—is the model program in the Nation, and has been a great success.

THE WORK REQUIREMENT

But to me, the single most important reform in this bill is the work requirement. It is, for the first time ever, conditioning the receipt of welfare assistance with a requirement to work. This requirement is modest in scope—asking one parent in a two-parent welfare family to work 16 hours a week. It will apply to only a small percentage of the welfare caseload. But installing this principle in our welfare system is a historic step.

Here is why I believe that is so. First, I think it is simple justice. Most people fully share the view that those on welfare who are able to do so should work in return for the subsistence and support society is providing them. That is simple fairness, equity, and common sense. Second, work is good in and of itself. By working, we gain dignity, a sense of purpose and self respect. We develop skills, become responsible, and are able to advance in life to better serve our fellow man.

I have heard this idea of work-for-welfare characterized as "silly," "make-work," and worse still, "slavefare." Mr. President, comments such as these mystify me. I honestly believe those who oppose the work requirement do not fully understand how the world works. I say this because work is so fundamental to our being. I say this also because work will turn out to be a very popular reform—not just with the taxpayers paying the freight—but with those on welfare itself. I suspect there are actually precious few on welfare who want to be there. I know there are thousands who would leap at the opportunity to work.

In Weld County, CO, there is a highly successful work program in which people coming to the welfare office for assistance are given a job. The program enjoys great popularity; 86 percent of the clients said they thought it was fair or very fair to require work; 80 percent said the work program was worthwhile; 83 percent supported its purpose and rejected the notion that it was at all punitive. At the conclusion of my remarks, I will insert several recent articles on the Weld County experience.

I also completely reject the notion this requirement promotes "make-work." Many of the jobs involved are in community service—in Government offices or local nonprofit social welfare organizations serving the handicapped, disabled, senior citizens, and those on welfare itself. That is not make-work. Even if the jobs to be provided are not the most interesting, such as raking leaves, fixing roads, or cleaning parks, or would not lead to permanent careers, I still believe they are worth it.

Journalist Pete Hamill wrote the following in Esquire magazine in March 1988. He said:

> Human beings must work. It is as necessary to life as food and drink. . . . . There are no "dead-end" jobs for people who want to make something of their lives. When I was a kid I worked as a messenger, a delivery boy, a bank teller, a lowly assistant in an advertising agency's art department, a sheet-metal worker in the Brooklyn Navy Yard. I didn't make a career of any of those jobs, but they taught me how to work. That is, they taught me how to get up in the morning when I wanted to sleep another few hours. They taught me how to perform tasks that personally didn't interest me. They taught me how to understand the needs of others and their expectations of me.

That summarizes well the essential idea behind the work program.

I agree with those who say work is not always a substitute for needed education. But this provision does not deny educational opportunities. Work is part-time, no more than 16 hours a week. For those who need more education, ample time is available. For those on AFDC-UP under age 25 who have not finished high school, States may substitute education.

But work must be an essential part of reform. Many on welfare feel degraded by it. They feel trapped. They feel like they are caught up in a system and cannot get off. They really want to work. They want to be in the mainstream of American life. They want to be able to look their kids in the eye when they come home and say, "What did you do at school today? Here's what I did in my job." They just do not like the status they are in. So work is important for their own sake. It is important in and of itself.

REMAINING CONCERNS

Having noted the many benefits which I believe this bill will provide, it would be at best, an exaggeration, and at worst disingenuous, to suggest this legislation will solve all or even most of our welfare problem. It is not the kind of fundamental reform which many thoughtful scholars such as Charles Murray have suggested. Far from it.

Rather than dismantling the present welfare system and starting over, much in this bill builds upon that system and tries to make it better by targeting more resources toward work and work-related benefits. But there are those who believe the welfare problem cannot be solved by tinkering with the present system because that system itself is the problem.

Many are persuaded that welfare dependency is caused by welfare itself. In an effort to compassionately assist the poor, benefits are provided which far exceed what most would be able to gain through their own work. The result is unavoidable: people stay idle so as not to lose what is so desperately needed for day-to-day living. They are locked out of a life where work and self-reliance are the only means of survival and gain, and trapped in a web of benefits that cannot be given up. Some believe the only real way to solve this is not to begin it in the first place; to provide enough assistance to meet only minimal needs, to provide a unitary benefit versus a hodge-podge of programs from housing to medical care to nutrition to cash and to flatly require work and self-reliance in exchange for it. These are thoughtful views, but this bill does not accept that challenge.

On a less philosophical note, there is reason to be concerned that this bill will not help very many people. At best, only a small percentage of those on welfare will receive education and training. Of the average annual monthly caseload of about 3.8 million people, fully one-half are exempted from participating in the JOBS Program for one reason or another—the most significant being that they are the mother of a child under age 3. That leaves 1.9 million potential participants in JOBS. Of that number, the bill would only require States to ensure that 20 percent are involved in education or training—about 380,000 a month. Over the course of a year, the bill might put 800,000 individuals through education and training—3 million less than actually receiving assistance.

The work program will itself only put 370,000 welfare recipients to work in exchange for benefits when it is fully implemented in 1997. Again, that is a fraction of the total AFDC caseload.

Next, there is the danger that the new benefits provided by this bill will actually draw some people onto the welfare rolls. By mandating the two-parent AFDC-UP benefit, there is a certainty that thousands—perhaps as many as 80,000 per month on average—will be eligible for welfare, food stamps, and Medicaid that now are not.

The proposed transition benefits, though well conceived, also pose a danger. Many working poor who have not been on welfare may yet be attracted to the deal offered by this bill: Renewed educational opportunities while receiving cash assistance, Medicaid and food stamps, and then another 12 months of child care and Medicaid when they go back to work. Part of the reason this package of benefits may be attractive is that many working poor, nonwelfare families will someday be working along side those once on welfare now receiving substantial transition benefits. This is a potentially serious inequity which must be carefully watched.

In this regard, I am disappointed the conference report does not contain a provision in the Senate bill which would have limited the number of times an individual could have recycled on and off welfare. Many have argued that transition benefits are needed to end the terrible choice facing so many people on welfare: That as soon as they go to work, they lose all health care assistance. That problem has to be addressed, and the Medicaid transition will help. But in a sense, this benefit may only be postponing that stark choice for a year because, at some date, the benefits will run out. For that reason, there should be some reasonable limit on how many times the welfare system will carry an individual before society leaves them on their own.

Partly because of this, the bill would sunset transition benefits in 10 years so Congress can analyze if they have worked as intended.

Finally, Mr. President, perhaps the most damning indictment of this bill is that it does not address some of the basic reasons why welfare is needed by so many. This bill itself will not provide the economic opportunities so desperately needed. It will help train people for them, but not create them. Our Nation simply must pursue the kind of innovative policies of the past 8 years which have created jobs and opportunities for low-income Americans, or no amount of welfare reform will help.

This bill also doesn't really address some very fundamental issues of values in our society: The values that promote welfare and those needed to help avoid it. Congress cannot legislate away the kind of values that drive irresponsible young men to father children and then abandon them with their mother. Congress cannot legislate away the tragedy of teen pregnancy and the terribly unwise decisions that cause it. Congress cannot legislate the work ethic, or a sense of devotion, discipline, love, and religious influences that must exist in any family if children are to succeed, prosper, and give back to the parents that raised them.

For the most part, this bill is left to deal with the symptoms of broken moral and family values. That is not to say Congress should not lend the helping hand extended by this bill. But it is to suggest that unless our people, community leaders, schools, and churches attack the terrible influences in the lives of young Americans, from promiscuity to crime to drugs, and instead teach responsibility, work, discipline, religion, and self-control, welfare dependency will remain an unsolvable problem.

A REASON TO HOPE

Despite these important misgivings, Mr. President, I remain confident the proposal before us will make a difference for countless many. If it only gives 800,000 people a year the chance to make it, then it is worth it. If it only puts 370,000 to work in exchange for welfare, that is substantial progress.

Rather than measuring success in pure numbers, I believe this bill will establish new principles and a new atmosphere within our welfare system. Welfare can be transformed from a system of despair to a hotbed of education, training, and work. Thousands on welfare will come to know that something is expected of them in exchange for assistance, and they too will expect something of themselves. Many will warmly embrace the opportunities for training and work to be provided by this bill. And in the end, a new era of hope can be born within our welfare programs.

It has been decades since Congress last attempted to reform welfare. In a time less than that, Congress may again need to revisit the problem and examine the effects of what is being put forth today. It won't be too long before we know if this made a difference. If it doesn't, more fundamental change will be in order.

For now, however, I have great hope this will make a significant difference, that it will offer opportunity for many and test the promise of work. This is a road Congress must travel if our Nation is ever to end the dependency the present welfare system has inflicted on so many.

Mr. President, I ask consent that several articles on the Weld County Work Program which recently appeared in the Greeley Tribune be printed at this point in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Greeley (CO) Tribune, Sept. 11, 1988]

WELFARE REFORM CUTS WELD COSTS

(By Gayle Perez)

Last year Shar Thompson faced a problem shared by many single parents—she was without a job yet still responsible for supporting herself and her three young children.

Headed down a dead-end road and desperate for a job. Thompson was determined to keep her head above water and finally turned to the Weld County Department of Social Services for public assistance.

"I didn't want to be a (welfare) recipient but there was nothing I could do at the time. I was willing to work but had limited work experience," she said.

But at social services, instead of receiving welfare under the Aid to Families with Dependent Children's program, which most eligible clients receive, Thompson was given the chance to work as a temporary receptionist at the Greeley Unemployment office.

With the help of social services and the Weld County Human Resource Department, Thompson was able to gain enough work experience to land a full-time job with the Weld County Welfare Diversion Program.

Ironically it was the welfare diversion program that has helped Thompson and many other Weld County single parents get off public assistance and into the regular workforce.

For almost 10 years, the Weld Diversion Program has been helping people break out of the welfare cycle by learning to make themselves more employable.

The program has had remarkable success in reducing Weld's welfare caseload and is being cited across the nation as a model for welfare reform.

In the past five years, the number of AFDC recipients in Weld has decreased 4.2 percent. That compares to a 34.6 percent increase statewide in the same time. Some other Front Range counties have had considerably higher increases in AFDC recipients in the last five years: In Boulder County the caseload increased 99.8 percent; Arapahoe County has seen an 89.1 percent increase; and Jefferson County's caseload is up 81.2 percent.

"Our goal is employment, and we want our clients to establish good work habits such as getting to work on time and establishing a good working record," said Alvina Derrera, coordinator of employment and training programs at the Human Resource Department.

Weld County's program has been so successful it is attracting national attention. Welfare reform laws now being discussed in Congress would create programs similar to Weld's throughout the United States. The national Welfare Reform Bill passed both the House and the Senate with some revision and is now in committee where the differences will be worked out.

"The Weld County program is superb. It's the kind of program that needs to be expanded," said U.S. Rep. Hank Brown, R-Colo. and a Greeley resident. "It's been a success in Weld County and needs to be mimicked nationwide."

Sen. William Armstrong agrees the program should serve as a model for the rest of the country.

"This program was based on the assumption that people will choose to work rather than receive welfare if they have the choice," he added.

Seeds for the Weld diversion program were planted in 1979 with an Employment Opportunities Pilot Project formed by state and county government. It was designed to bring clients off welfare rolls through employment.

In the past seven years, different legislation has broadened the program—establishing most of the guidelines it operates under today.

"The current system coming out of Weld County was learned through trial and error," said Walt Speckman, executive director of the Human Resources Department.

The program operates this way: When clients are determined to be eligible for AFDC assistance, they are referred to the diversion program at the Human Resources Department. Clients are screened and if no disabilities or other barriers prohibit them from working, they are provided 40-hour-a-week work experience for up to eight weeks instead of getting AFDC money.

"We want to keep it short term so they don't begin to think it's another form of welfare," Derrera said of the time limit.

Jobs are provided by various county and non-profit organizations. The jobs range from day care and street maintenance to teacher's aides and office workers, Derrera said.

Employers throughout the county volunteer to provide jobs and the needed supervision for the clients.

Wages are paid jointly with 50 percent federal, 30 percent state and 20 percent county money. Weld County contributed $80,000 toward the program in 1988.

The county also uses the money from its Job Training Partnership Grant to help with the program.

"We've been able to do something I think is helpful for people without spending a lot of money," said Weld County Commissioner Jackie Johnson, a welfare reform advocate.

Diversion clients are paid—usually minimum wage—but at least equal to or more than they would receive from AFDC.

The clients also receive help in finding day care and receive Medicaid and Workman's Compensation Insurance.

While clients gain employment experience during the eight weeks, diversion employees help locate permanent jobs.

"The aim of the program is not to try and train the clients in a particular job, but rather to try and develop a work history for them," Johnson said.

"Many of these people do not have a work history or have a poor work history. Our goal is to get them a good work history," Johnson added.

Clients may not be enrolled for more than three periods.

In Weld, single parents with children 6 months or older are required to participate in the program if no work barriers exist.

"Our feeling is that young mothers might serve their children better if they don't get on the welfare system so quickly," Johnson said.

Individuals refusing to participate or unsuccessfully completing the program do not receive as much AFDC money.

"About 95 percent of the people want to work and they don't have a problem with it," Speckman said. "These are the ones we really focus on."

Bette Rhoden, Weld County purchasing director, and Ann Heiman, director of the Parent Child Learning Center in La Salle, said they employ diversion clients not only to aid the individuals but also for the extra help it provides them.

Rhoden said she has used diversion employees to do clerical work in her office since 1981. The only qualification she requires is some typing skills, but she added she is willing to work with employees to improve all their work skills.

"Our office works with them very closely and as a result many have been very fortunate in getting permanent jobs."

Heiman said the diversion clients she uses provide extra help for the tasks regular staff may not be able to do.

"We don't depend on them to be our regular staff, but it's a pleasure to have the extra help," she said. "Sometimes the little ones need an extra hand or a baby needs to be held and that's where they really help out."

Heiman said she uses the workers in various tasks ranging from cleaning and cooking to helping care for the children.

In addition to employing the individuals, Heiman also accepts children of diversions clients in the day-care program.

With enthusiastic employers and clients, the diversion program has become a success story for Weld County.

"The program has been very beneficial. Of the 10 larger counties, Weld is the only county in the state to show stability or a decline in the AFDC caseload," said Gene McKenna, director of Weld County Department of Social Services.

In a speech before Congress earlier this summer, Armstrong made note of the welfare caseload decline despite tough economic times in Weld.

". . . It is an agriculture county that has had all the problems that farm communities have had . . . and in a period when unemployment has been rising and the welfare caseload has been rising, in Weld County where they have this work program the caseload has been declining," he said.

Through August this year, the AFDC caseload in Weld has dropped 11 percent to 1,250 from 1,404 in 1987.

Likewise, the number of diversion clients at any one time has increased from an average of 37 in 1984 to an expected average of 109 clients this year. There now are 125 clients participating in the program.

"There are several reasons the county's caseload has dropped, but the welfare diversion program definitely has been a tremendous help," McKenna said.

Robert Henson, director of work programs for the Colorado Department of Social Services, agreed.

"I think it's one of the factors (for Weld's stabilized caseload). Given what's going on in the diversion program, it's been of some benefit of Weld County Social Services and the clients it serves," he said.

McKenna said one of the biggest benefits is that it provides a substantial savings to the county. Speckman estimated Weld saves about $500,000 to $600,000 a year in AFDC payments.

"By controlling the cost of government, I think the constituents feel good about it because it gives the county more money for such things as roads," Johnson said.

Results of a study done by social services of clients who successfully completed the program indicate approximately 68 percent did not return to public assistance, Derrera said.

But county and state officials aren't the only ones boasting about the program. Clients seem to value it as well.

Participants do an evaluation of the program and of those completing the evaluation, more than 80 percent indicated the program was worthwhile.

While Weld is enjoying some success with its program, other Colorado counties can be doing the same, Henson said.

"Any county in the state can do what Weld is doing but they haven't," he said.

Boulder County officials are in the process of starting a similar work program and have looked at Weld's program for direction.

"It's been really helpful to have a working model to look at," said Don Bishop, administrator of assistance payment division of the Boulder County Department of Social Services.

Bishop said Boulder's Employment Plus program is using a lot of the same technical rules as Weld that need to be followed to receive state and federal dollars.

Boulder County officials also looked at how Weld is providing day care and training for the diversion clients.

Mothers Discover Welfare Program Brings Satisfaction

(By Gayle Perez)

Sitting at a small table at the Parent Child Learning Center in La Salle, Delores Medina patiently showed about a half dozen preschool children how to cut out shapes and paste them on construction paper.

As the children diligently worked on their art projects, Medina complimented each one on the beautiful work they had done.

"I really enjoy being here around these little kids. They're a lot of fun to work with," Medina said as one of the students came up to give her a hug.

Although Medina never dreamed of becoming a teacher's aide, when she received the job through the Weld County Welfare Division Program she was delighted just to find work.

Three years ago, Medina and her family faced a financial crisis when her husband was forced to quit his job because of a heart disease.

Without a steady income to support the family of five, Medina sought public assistance through the Weld County Department of Social Services.

Instead of going on welfare, Medina was referred to the Weld County Division Program at the Weld County Human Resource Department and began working at the Parent Child center.

The diversion program has been helping people like Medina stay off the welfare rolls by providing paid work experience—subsidized by federal, state and county money—for a maximum of eight weeks. Officials hope after the eight weeks that most clients will find permanent employment and no longer need welfare.

"They asked me if I was interested in being a teacher's aide. I said I had never done it before but I was willing to try," said Medina, a Kersey resident.

She completed her eight-week term and on the last day was hired as a permanent employee at the center.

"This job is the only income for our family and it sure is a lot better than the $400 we would've received (from welfare)." she said.

About a year ago, Shar Thompson of Greeley faced a similar problem in not having a job but needing to support her three children.

Thompson sought public assistance and was referred to the diversion program. She landed a temporary job at the Greeley unemployment office and finally a permanent job with the diversion program.

"I am really thankful for the program," she said. "I really didn't want to be on public assistance but there was nothing I could do at the time."

Like Medina, Thompson said she was surprised to get a permanent job.

"I had looked for jobs before I got into the program and I knew it would be difficult, but I happened to gain the skills that were needed to get the (permanent) job," she said.

Thompson said she enjoys working for the diversion program, especially since she is helping people who are in the same situation as herself.

"A lot of them (diversion clients) come in and think that I don't know what they're going through—but I tell them I've been through it and I know what they are scared of," she said. "I think it helps knowing that I was once in their shoes."

While Medina and Thompson say they may have been lucky to find jobs, they also agree that determination and a willingness to work has helped them.

"A lot of being successful in finding employment has to do with attitude. I think the program has a lot to offer and I'm really thankful for the job I have," Thompson said.

Medina added, "I think it's a really good program and if you really get out there and try, something will come along."

Weld's Child-Support Collections Increase

(By Gayle Perez)

Collections of delinquent child support payments in Weld County are up $151,000 through the first eight months of 1988, and a record number of collections are expected to be made by the end of the year.

Through August, child support collections total $967,000 compared with $816,000 collected in the same period last year, said David Huffman, administrator of the child support enforcement program of the Weld County Department of Social Services.

"We're expecting to collect from $1.4 to $1.5 million by the end of the year," Huffman said.

The department's success in collecting delinquent child support payments has contributed to a decrease in the welfare caseload in Weld County, Huffman said. Some single mothers, for example, no longer need to rely on welfare when their child support payments are made in a timely manner.

Huffman said the collections are up mostly because of a stronger emphasis on getting non-supporting parents to make payments.

Weld County's increased collections mirror a statewide trend.

At the end of June, collections increased by more than 21 percent in Colorado—marking the third consecutive quarter they have increased by more than 18 percent, said Kathy Stumm, Child Support Enforcement Division Director for the Colorado Department of Social Services.

During the period, statewide child support collections totaled $9.95 million compared with $8.21 million collected during the same period last year.

There are four categories of child support collections in Weld County: welfare cases, non-welfare cases, "reciprocal" cases where one of the parents lives outside of Weld and cases where children are in foster care.

Huffman said there are about 10,000 child support collection cases in Weld but only about 3,000 are active.

Of the active cases there are approximately 1,700 on welfare, 700 non-welfare cases and about 600 reciprocal cases, Huffman said.

Through August, the biggest growth among collection methods in Weld has been by intercepting tax returns, with a 25 percent increase in that category, he said.

After it is verified that a nonsupportive parent is behind on child support payments, the Weld collection unit can submit a request to the Internal Revenue Service to intercept any federal or state income tax refund, that may be coming.

In the same manner, collections also may be taken from unemployment compensation.

In the first eight months of 1988 about $170,000 has been collected from federal income tax returns, about $8,000 from Colorado taxes and an additional $13,000 from unemployment compensation, Huffman said.

Statewide tax intercept collections netted $1.5 million through May.

The remainder of collections are made through day-to-day contact and negotiations with the nonsupporting parent.

If payments still lag after repeated contact from the office, then two other remedies—wage assignments and garnishments—are used.

A child-support provision passed by Congress in 1984 allows for wages to be withheld from the nonsupporting parents' paychecks if they fall behind on payments.

Weld County also has been busy switching the county's cases to a state computer system this year, Huffman said. The change will result in easier tax collections by having them all on one system as well as providing better access in locating a nonsupporting parent.

Mr. PACKWOOD. Mr. President, when we consider this bill—and we will find this time and again—when we have gone to our States—people will say: "How did we get in this jam? How did this happen? Why are there so many more people on welfare?"

Although he did not say it in his opening statement, I think the Senator from New York put his finger on it sometime ago.

The present welfare system was not designed for the present so-called welfare problem that we have. I believe I heard the Senator from New York refer to the original welfare reform as the "miners' widows' pension relief."

It was in the mid-1930's: Using the miner's widow as an example, the husband has been killed in the mine; she is 37, has three children, and she is not really trained for work in the job market. Anyone who says she does not work because she has stayed home does not understand what a housewife does, but she was not employable in the job market. Little or no pension from the mining company because of the death of her husband. The likelihood of her getting a job was very slim, especially in the mid-1930's, with employment at 20, 22, or 25 percent.

So we devised a system to give her relief, to help her along, to help educate the children a bit, get them up to the age of 16 or 18. That was the beginning of the welfare system—widows' relief.

Gradually, it was expanded to those generally handicapped and unable to work. But the system never imagined that it would have to serve a welfare population that was composed heavily of teenage or very young unmarried women with children who would be looking forward to 30, 40, or 50 more years of life. Yet, we continued to try to tinker and to draft into the old system something new, and we could not understand why it did not work, until we went back to the original premise and realized that it was never meant to work to solve the problem that we began to see in the late 1950's, the 1960's, and into the 1980's.

So it fell to the lot of the Senator from New York, in his excellent articles, and who lobbied us one by one. In this business, bills are not passed very often by extraordinary oratory on the Senate floor. They are passed by the willingness of one Senator to go to the office of another Senator and sit down and take 10, 20, or 30 minutes and sell the other Senator on the merits of the proposition. That is what PAT MOYNIHAN did.

BILL ARMSTRONG has laid out what the present bill does; and after all the difficulties we have gone through, there are only three or four premises in it.

We are going to try to change from the present system which, no matter what we do to it, cannot be made to serve the present problems. We are going to transform the existing cash assistance—that is, welfare, call it what you want—to a program based on employment and training.

Instead of giving our poor just monthly checks, just cash, this bill aids our country's poor by showing them the value of a job and an education, something we have not seriously tried before.

The bill requires that certain of these recipients work. That is a good four-letter word, Mr. President—work. We will try to educate them so that they can work in today's society at a job at which they, hopefully, can work for the remainder of their life.

In order to encourage people to continue to work, we have added a 1-year transition period for Medicaid—Medcaid being the low-income medical assistance we give to the very poorest of our country—a 1-year transition period for Medicaid benefits and for child care. So that if someone moves off welfare into a job that, very honestly, at the start is probably not going to pay a great deal of money we are going to help them make that transition through child care and Medicaid benefits.

Currently, when a recipient leaves welfare he or she nears a great risk of losing their child care or Medicaid.

So we have said during that first year we will continue your child care and Medicaid payments in addition to the job. I want to emphasize again that if many of these jobs at the start would pay more than $5 an hour or $6 an hour, I would be surprised. But it is going to teach people to start working, and give them a meaningful chance.

Then we have made enormous improvements in the collection of child support payments. Here we have learned a lot in the Congress and I think we can pat ourselves on the back over the last 4 or 5 years on child support.

We have recalcitrant father after recalcitrant father who would not pay. This was not a question of who the parent was. We know the parent. Sometimes the father was married to the woman, sometimes not. But we could not collect.

You go to the poor, overburdened district attorney's office who is worried about drug runners, murders, and rapists and you say "Johnny Jones here won't make his child support payments." The district attorney is inclined to think, "I've got limited resources and the county executive won't give me any more money. I am getting editorials in the press about criminals who are being turned loose on the street. They want me to chase down Johnny Jones and make him pay the child support payments."

No one faults anyone. It is understandable priorities. The district attorney says "That just isn't as high up on my list as murders, rapists, and drug runners."

So Johnny Jones escapes his family obligations.

This bill allows mandatory wage withholding of absentee fathers. You only have to chase Johnny Jones once, find out where he works, garnishee the wages and from that time onward the check comes to the family directly; you do not have to wait until Johnny Jones has failed to pay his child support for 1 month, 2 months, 3 months, or 4 months.

As you have heard already, the National Governors' Association supports this, and President Reagan supports it. I have said before there is no guarantee, no guarantee, that this necessarily will do everything we hope.

The longer I am in government, politics, call it what you want, the longer I watch government work, the less sanguine I become about what I know.

I absolutely knew in 1980 when President Carter was President and we had those $55 and $60 billion deficits that that was the reason for high interest rates and inflation and as soon as we chased that rascal out and brought the deficits down, the interest rates would come down.

We chased that rascal out and the deficits have gone up to $200 billion and the interest rates and the inflation have dropped in half, and I do not understand why.

I used to know why. I am not so sure anymore.

So when I say I support this bill, I support it as wholeheartedly as I have ever supported any bill before. I cannot guarantee it will do everything we hope, but we do know this for sure: what we have on the books, what we have been trying for 50 years, does not work. That we have proven, and that we can say with a certainty.

So I am delighted to join the others in lauding Senator MOYNIHAN as the mother, father, aunt, uncle, niece, and nephew of this bill. He has founded it, pushed it, supported it, cajoled us, persuaded us, convinced us, never threatened us, never browbeat us, and it is an immense step forward. If it does only half of what we hope, it is an immense step forward, and I am delighted to join in support and hope that every Senator votes for passage of this conference report.

The PRESIDING OFFICER. The Senator from New York [Mr. MOYNIHAN].

Mr. MOYNIHAN. Mr. President, I am genuinely moved and humbled by the remarks of the Senator from Colorado and the Senator from Oregon.

I sent the Senator a note the other day—I do not know if he got it—recalling those lines which I suspect the Presiding Officer will know, from Bellow, which goes: "From first beginning out to undiscovered ends, there's nothing worth the wear of winning save laughter and the love of friends."

I mean that.

I say to the question the Senator raises, he knows this particular set of problems forces itself on us by its sheer size. Yet, we do have one thing working for us. For the first time in 40 years the demography is working in our favor.

Demographers often refer to young people—and the young people do not know this—as barbarians. They say every society keeps being invaded by cohorts of barbarians. They do not know how to behave in society. They have to be taught. Even in barbarian societies, the young barbarians have to be taught.

The question is what is the number of defenders against the number of attackers. Between 1890 and 1960, the number of persons 14 to 24, which is your barbarian range, you might say, increased 10.8 million. In 70 years it grew 10.8 million. Then in the 1960's—in one decade—it grew by 11.8 million. In the 1970's it is down to 800,000, which was about the historic rate, and it has declined further in the 1980's.

So suddenly there are fewer young people. In the sixties they overwhelmed every institution, including families. They overwhelmed colleges. They overwhelmed the Presidency. They overwhelmed the streets.

Between now and the year 2000 the number of people aged 18 to 24 will drop by almost a quarter, and I think my friend from Oregon will remember Governor Kean, of New Jersey, coming before us and making this point. He said, and I do not recall the exact number, but he said:

> My Commissioner of Economic Development says to me that New Jersey is going to create 600,000 new jobs by the year 2000, and I do not have a child to waste, not that you ever have a child to waste, but we need these people.

We are trying to prepare young people to enter a tightening job market, and the Senator from Oregon is so absolutely correct in what he says.

In the city of New York there are 64,000 mothers with children, young mothers who in their lives have never had a day's employment. It is not a world they have ever been in or seen anybody in. You have to take them by the hand. You have to know they are going to fall down a couple of times. But we can help them to get up and dust themselves off and try again. We know they can succeed.

And that is what we have set out to do. We are not without knowledge. The Governors' programs have been studied. Governor Deukmejian, in California, Governor Dukakis' program in Massachusetts, one called GAIN, the other called ET.

The Manpower Demonstration Research Corp., in New York, has given us some solid data. We began to feel we knew what we were doing when we settled for a 22-percent participation rate in the JOBS Program and, almost simultaneously, we learned from a research report by the MDRC that a very rich San Diego demonstration program—that really put on a full court press—got 22 percent of the eligible people participating in State assigned work training activities. That is encouraging.

We are encouraged, and I see the distinguished Senator from West Virginia is on the floor, one of our former Governors who is one of our conferees. I know that he wishes to speak.

So, Mr. President, I will yield, but in order that the Senate staff might notify Senators that there will be a rollcall vote, I will ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from West Virginia has been yielded such time as he may use.

Mr. MOYNIHAN. Might I ask the Senator how much time he desires? The Senator from Mississippi wishes to speak and also the distinguished minority leader.

Mr. ROCKEFELLER. I would yield, of course, to the minority leader under any circumstances.

Mr. MOYNIHAN. Could I ask the Senator how much time he would like?

Mr. ROCKEFELLER. I would think that 10 minutes would be more than enough.

The PRESIDING OFFICER. The Senator from West Virginia, Mr. ROCKEFELLER, is recognized.

Mr. ROCKEFELLER. I thank the Chair.

Mr. President, this is an historic day for the Senate, the welfare system, and in the career of DANIEL PATRICK MOYNIHAN. We are close, ever so close, to passing legislation that has eluded passage for the past 20 years. We have finally reached a bipartisan consensus on a way to reform the welfare system, something many people thought was absolutely impossible.

I urge my colleagues to vote affirmatively for this bill so that poor families in this country will not have to wait a minute longer for the help they so desperately need, to improve their lives. I personally am very pleased to have been part of putting together this welfare reform package.

Much has already been said about Senator MOYNIHAN and much more will be said, not only today but in the future, in the many books that will be written about his accomplishments.

(Mr. MOYNIHAN assumed the Chair.)

Mr. ROCKEFELLER. But I want to add my comments. As his friend, admirer, and fellow member of the Senate Finance Committee, I have been truly inspired by Senator MOYNIHAN's commitment to helping people. He would not let us conferees forget how far this bill does go in improving the lot of the very poorest of Americans. Senator MOYNIHAN would constantly remind us of reality. He would remind us that we had work to do, that there were people in need, and we could help them.

So I thank the distinguished Presiding Officer, Senator MOYNIHAN, for your inspiration, for your foresight, for your commitment, for your tenacity, for your writings, for your poetry, and for your nature. And I will stop at that.

What makes this bill remarkable in many ways is that it is truly bipartisan. White House played a constructive role throughout the process.

Senator BENTSEN, took time from the campaign trail to work on this bill. I also would like to commend, Senator DOLE for his intuitive and instinctive compassion for people; Senator PACKWOOD for his wisdom and ability to think of ways to get things done when others cannot; Senator ARMSTRONG for his very humanistic and pragmatic approach to overcoming stumbling blocks; and Senators PRYOR, DASCHLE and WALLOP, for their tireless efforts to see this bill through to the end. This is an exciting moment in our country's history.

Our welfare system sorely needs a new direction. We have failed to provide the opportunity for all Americans to educate themselves, earn a decent living, and live a life of dignity. The welfare system has deteriorated to a meager cash assistance program that does little in the way of education, jobs training, or work experience—essential ingredients to helping poor men and women become prepared for and part of the work force.

With this bill, we can reshape and reform our current welfare system to one that will truly affect the lives of many of our poorest families.

Federal funding for our current employment and training program for welfare recipients—called the WIN Program—has been cut, Mr. President, by 80 percent since 1981. We can reverse that trend today. This bill will make $600 million available in the first year for important education and training programs.

Substantial research conducted in recent years, has demonstrated that we simply must devote more resources upfront if we are going to make a real difference in welfare families' lives.

Although 1987 represented the fifth year, Mr. President, of economic recovery for this Nation—the economic recovery left many poor Americans behind. In 1987, there were 8 million more poor people than there were in 1978.

What I find truly shocking is the striking increase in the number of children living in poverty. Some 13 million children were poor in 1987, compared to 9.9 million in 1978. That is the wrong direction. This bill will help to change that.

Mr. President, it is time to change the system throughout the country—in every State and on behalf of every one of the 32.5 million Americans living in dismal poverty. In order for this to happen, we are simply going to have to invest more money in the necessary programs.

I say "invest," as my predecessor, Senator Randolph used to say so frequently, because there have been real signs of hope from pilot projects that have spent money on education training for AFDC recipients.

These initial investments will pay off in the long term as former welfare recipients become employed and earn wages and pay taxes.

I, along with my distinguished senior colleagues, the majority leader, Senator BYRD, represent a State that is among those that needs this bill the most. West Virginia continues to have an extraordinary high rate of poverty and an extraordinary high rate of unemployment. Many people have left West Virginia to find employment in other States.

This year, Mr. President, in an average month, over 50,000 households in West Virginia receive AFDC benefits. They received through AFDC an average of $223 a month. Just imagine living on $223 a month.

I am extremely offended by statements made by some that poor people will not work; that welfare is permanent; that there is a welfare psychology that precludes people from having ambitions from caring about their children, from caring about their lives. I reject that.

When I first went to West Virginia a quarter of a century ago, I worked with unemployed coal miners in communities where as many as 50 families out of 56 were on welfare.

I sometimes went with them into what we call in West Virginia punch mines or dog holes. These are coal mines that are closed, have been worked out, and totally unsafe. These coalminers would go in with newspapers wrapped into a funnel, pour in some rock dust, put in a little powder, put in a fuse, light the fuse, go around the corner of the wall and wait for the explosion to go off so rock and maybe some coal would come down. They would pick out the coal and hope they could deliver enough to a tipple so that they could make $8 a day.

Why do men do this? Why did they do it then? Why do some do it now? Because they want to support their families; because they want to live in dignity.

They want to work, but they lack essential training. Tell me how you go down to Union Carbide in south Charleston and apply for a job when you cannot add or subtract, you can barely read, and you cannot even admit that to yourself?

I remember many families when I was a VISTA worker in West Virginia, whose children did not go to school because they were needed at home.

You have to break the cycle, you have to cut into the cycle and give people education and training and hope. People, at least in my State of West Virginia, want to work.

The Family Security Act will significantly increase the funds available to West Virginia and the rest of the States to help children and their parents escape poverty.

The bill begins logically, Mr. President, with provisions to insist that fathers who can financially support their children, whether or not they live in a different household or in a different State, will do so. The statistics on child support collection in most parts of this country are extremely depressing. This legislation makes it clear that men and women who bring children into the world must accept responsibility for them.

A crucial section of this bill is the JOBS Program, with provisions that direct all States to design comprehensive work oriented services—that must include basic education, training, and work experience—for AFDC recipients.

For States, such as my own, it provides the first opportunity—because of the funding levels proposed—for extending this kind of constructive and positive assistance to citizens who are likely to be without a high school degree, without perhaps even the most basic math or science ability, and with little or no work experience. Again, you cannot get a job at Union Carbide if you do not know how to read a job application manual—or anywhere else. You cannot get a job in a coal mine, Mr. President.

One final point about this part of the legislation. When I was Governor of West Virginia, Mr. President, I chose to implement something called the community work experience program—abbreviated as CWEP but dubbed by many as work fare.

I want to comment on the debate about this method of assisting welfare recipients.

The CWEP Program has been enormously successful in West Virginia. I do not understand, Mr. President, the concern expressed by many of my colleagues that CWEP.

It is a program meant to punish rather than help welfare recipients. I would once again like to emphasize that CWEP can be an important work experience and is an important work experience in West Virginia.

Just this past week a film crew from Australia was in West Virginia documenting West Virginia's success in running their CWEP Program. I am very proud of the accomplishments of my State's work and training programs where CWEP is but one of many programs to move an unemployed individual toward the goal of full employment.

Mr. President, there are also important transition benefits in this legislation. These benefits will help ease and encourage a move from the welfare rolls to work. Child care is frequently cited as the biggest reason why many mothers coming off welfare are unable to go to work—one study found that 60 percent of all welfare mothers listed lack of day care as a reason why they could not go to work. Almost a half million children a month will benefit from child care assistance provided by this bill. Helping mothers afford quality day care is an essential element of assisting mothers move from welfare to work.

Just as important, the length of time the entire family can receive health insurance is greatly expanded. Under current law, families receive 4 months of Medicaid coverage after leaving welfare. That is not very much. This bill guarantees a full year of health insurance coverage. Families will no longer have to choose between health insurance coverage for their children and themselves and going to work.

I know there are some who say to wait for next year. I say let us do it now, Mr. President. This is a good bill.

It is not perfect. But let us not waste this opportunity. We have accomplished a tremendous feat and I do not think we should waste the opportunity we have at our fingertips to reform the welfare system.

Again, I congratulate Senator MOYNIHAN for this historical event. I believe Congress has risen to Senator MOYNIHAN's challenge of enacting legislation that will really make a difference in the lives of the poorest families in America.

I thank the Chair and I yield the floor.

The **PRESIDING OFFICER**. Who yields time?

Mr. **PACKWOOD**. Mr. President, I have three speakers on the Republican side who are going to want to speak, counting the minority leader; and I know Senator CHILES wants to speak. I will yield 10 minutes to Senator COCHRAN; I think Senator CHILES is going next; and then Senator SPECTER. But we might indicate to those who want to speak after these are done, there is only about 1 hour's time left so it would be best to get to the floor and make their wishes known. I would now yield 10 minutes to the Senator from Mississippi.

The **PRESIDING OFFICER** (Mr. ROCKEFELLER). The Senator from Mississippi.

Mr. **COCHRAN**. Mr. President, I thank the distinguished Senator from Oregon. I will not use the 10 minutes but I do appreciate very much having this opportunity to express my support for the conference report and my congratulations to the managers of this legislation. It was really a pleasure to hear the news that the conferees had agreed upon the provisions of the report permitting reform of our Nation's welfare system. This bill reflects general agreement that, while Government has a responsibility to provide help to those in need, able-bodied welfare recipients have a responsibility to seek work to help support themselves and their children. This is a significant step forward in the national effort to help families move from welfare dependency to self-reliance.

I was an original cosponsor of the Senate bill, and I enthusiastically support the conference report. In my State of Mississippi, as in many other States, we have far too large a percentage of our population living in an environment unlikely to give them or their children an appreciation of the value of a job or the pride and personal confidence gained from being self-sufficient. Although many of these citizens want a better life for themselves and their children, there has been little hope for change until now.

This bill emphasizes parental support as the first line of defense against public dependency. Vigorous child support enforcement does more than simply extract financial support from absent parents. It makes a statement about what our society believes the role of parents to be. Parents should provide for their children, and public policy should obligate parents to provide that support.

There are also provisions in this bill which continue public assistance, such as Medicaid, for some time beyond the point that training and the work experience begin. Such benefits are necessary if welfare recipients are to be successfully encouraged to make the transition from welfare to work.

These and other provisions are part of a new strategy for strengthening family cohesion and responsibility and for breaking the cycle of welfare dependency.

There has been commendable cooperation between the White House and the Congress in reaching this compromise. No proposal for genuine welfare overhaul during the past 20 years has been successful, even when one party controlled the Congress and the administration. This compromise, therefore, represents quite a bipartisan achievement. Just as Congress can be proud of its work, the White House deserves praise as well. President Reagan gave the welfare reform issue renewed emphasis in his 1986 State of the Union Message, and this legislation reflects many goals and values he has long supported.

I especially congratulate the distinguished Senator from New York, Senator MOYNIHAN, for his knowledgeable and energetic leadership in the crafting of this landmark legislation. To achieve workable compromise on controversial issues is the greatest aim of legislation in a democracy. His determination and persistence, even in the face of sharp differences of opinion among Members on many of the details of this legislation, have resulted in the celebration of this day of achievement.

The **PRESIDING OFFICER**. The Senator from New York.

Mr. **MOYNIHAN**. I thank the distinguished Senator from Mississippi for his generous remarks. He is indeed an original cosponsor, and he has been an invaluable supporter throughout. His mention of President Reagan's State of the Union Address, asking us to bring this issue before the 100th Congress, is entirely appropriate. I take the opportunity now—I know everybody here would join me—in expressing our particular appreciation to Mr. Joseph Wright, Deputy Director of the Office of Management and Budget, and to note with pleasure that he is to succeed the present Director, Mr. Miller.

He represented the President with great tenacity, great clarity, and great openness.

Mr. President, I yield 5 minutes to the distinguished senior Senator from Florida.

Mr. **CHILES**. Mr. President, the conference report on welfare reform which has been brought before the Senate by Senator BENTSEN and Senator MOYNIHAN is an important reform of our welfare system. I wholeheartedly support it.

First, let me state for the RECORD that the conference report is well within budget limitations and the Finance Committee's budget 302 allocation. Based on Congressional Budget Office scoring, the bill saves $411 million in outlays in fiscal year 1989. The bill results in net savings of $0.5 billion over 3 years, and is deficit neutral over the 5-year budget period.

The conference report will also help us with the sequester situation, with a net savings under Office of Management and Budget scoring of $72 million in fiscal year 1989. The difference in scoring between the Congressional Budget Office and the Office of Management and Budget is mainly due to a difference in baseline assumptions for one of the items contained in the conference report.

Mr. President, the budget situation is good news—because we have just a razor thin margin left before we would hit a sequester this year. And a large part of the reason that we are going to avoid a sequester is because of the attentive and diligent work of Senator LLOYD BENTSEN this year as chairman of the Finance Committee. He has managed to complete work on two major pieces of legislation this year—Medicare catastrophic health insurance and welfare reform—without raising the deficit. Senator BENTSEN exemplifies the best in Democratic Party principles of working hard to achieve far-reaching social policy reforms and program improvements while being fiscally responsible at the same time.

Mr. President, this is a good bill.

I listened to my good friend from Mississippi saying he was an original cosponsor. As the distinguished Senator from New York knows, the Senator from Florida was not an original cosponsor and did not cosponsor this bill until the dying moments, primarily because the Senator from Florida was concerned about the budget implications of this bill, not because it was not for a good cause, but because of the great concern I had that this could be or might be more than we could afford.

So I congratulate all parties who worked on this bill to see that that did not happen and certainly the Senator from New York was mindful of that constantly through the process.

It is a good bill. It recognizes the great difficulty many have in getting off the welfare rolls and moving into productive, fulfilling jobs. It recognizes that help from three sides may be needed to effectively make this transition: Job opportunities and basic skills training and education, child care, and health insurance coverage for families, especially children, until a firm footing in new employment is achieved.

We have started on a new and good path with this bill. Since the 1950's, we have experienced a large enrollment growth in AFDC—aid to families with dependent children. Longstanding attitudes about welfare dependency, about welfare cheats, will take some time to unravel. But with the new directions set forth in this bill, we can begin to unwind these attitudes, and we can begin to offer some new hope to welfare recipients, to get them permanently out of welfare and into productive, independent lives.

I am especially heartened by the conferees' decision to provide transitional Medicaid assistance for 1 year to families leaving welfare for work. This could turn out to be one of the most important pieces of this legislation. Without this change, in many cases, welfare mothers with small children are put in an awful catch-22 situation. They can try to get off welfare and take a job. That job will probably be low-paying, and it will probably not bring health insurance coverage with it. Those are the kinds of jobs available to most welfare mothers. Then a child gets sick and the newly working mother is completely without protection against medical expenses. She has little choice but to stop work and go back on welfare, a move that will bring with it Medicaid coverage for her children.

Mr. President, as chairman of the National Commission to prevent infant mortality, and as chairman of the Labor, Health and Human Services and Education Appropriations Subcommittee, I am painfully aware of the importance of appropriate medical care and regular health screening for pregnant women, for infants and for young children. It is very clear now that appropriate early medical care can prevent later chronic medical problems and debilitating medical care expenses. If we can assure mothers that they and their families will continue to have access to medical care while they make their way into work and off welfare we will be giving them the best incentive there is to make that effort.

The bill would also require that States provide transitional child care benefits for 1 year, if that care is needed for employment. It would improve the collection of child support payments, making sure that absent parents pay the support they should, one of the first things that has to be done to help mothers move from dependence to independence. The bill would require all States to establish programs to provide a broad range of education, job training, and job readiness activities to assist in the transition from welfare to work.

This is a good bill, Mr. President. I congratulate all sides. The Senator from Oregon, Senator PACKWOOD, certainly has worked long and hard on this bill, as well as all of the members of the Finance Committee. I fully support it. I congratulate those members for their work.

Mr. PACKWOOD. Mr. President, I thank the Senator from Florida. Any time we can get the chairman of the Budget Committee on our side on a bill, we are indeed grateful.

I yield 10 minutes to the Senator from Pennsylvania.

Mr. SPECTER. I thank my colleague from Oregon, Mr. President. I am pleased to support this conference report. I congratulate the distinguished Senator from New York [Mr. MOYNIHAN] for his outstanding contribution, the distinguished Senator from Oregon, and all those who have participated in this important legislation. I have been very much concerned as of a week ago, when I saw my colleague in the Senate gym, that we would not see a conference concluded successfully and offered by assistance because of my longstanding concern about this problem. I am delighted to see this conference report before the Senate today and to know that ultimate passage and signature by the President is an imminent matter.

Mr. President, I have observed problems of welfare dependency for some 25 years, going back to my earliest days of public service. As an assistant district attorney in Philadephia, I have seen the tremendous impact, the tremendous cost occasioned by a program which did not realistically move people from welfare rolls to payrolls. I believe that this legislation presented today, while not perfect, is a significant step forward. It has as its basic objective to move people from the welfare rolls onto payrolls. It has as its objective, as articulately expressed by Rev. Leon Sullivan, the chairman and founder of OIC, to move people toward a hand up instead of a hand out, and we are on that road.

I am concerned that we may not have gone quite far enough in the legislation which will be enacted, but it is a big step forward and we can learn from the experience. I noted the distinguished Senator from Florida, Mr. CHILES' comment about the 1 year of Medicaid. As I read the compromise, it is 1 year—6 months without payment and 6 months with payment. That is one area of concern which this Senator has, whether there is sufficient Medicaid and AFDC benefits to provide for the appropriate transition. The ultimate success of this legislation will be measured in terms of whether there will be enough job training, education, and other needed assistance during the transition period so that people will move from the welfare rolls to the payrolls. Quite frankly, I would like to have seen just a little more along that line.

Mr. President, in the 99th Congress I had the pleasure to cosponsor with Senator MOYNIHAN Senate bills 2578 and 2579 which were directed toward these objectives. In the 100th Congress Senator MOYNIHAN was crafting his own legislation, and I introduced Senate bills 280 and 281 with the cosponsorship of Senator DODD. The concerns that I had expressed turned on whether there was sufficient assistance. We have taken a significant step forward. I think child support is very important and we have increased the enforcement, another item that I worked on extensively as district attorney. That is a big item in this legislation. Day care is also very important.

Mr. President, I think it is important to focus on the fact that the welfare issue is not solely a black issue, and that is frequently misunderstood. The statistics show that 41.9 percent of those on welfare are black, 41.3 percent are white, and the balance Hispanic, Asians, and native Americans. So this is an area of social need which cuts across all racial boundary lines.

Mr. President, it is my hope that community-based organizations will have a substantial role in the administration of this reform legislation. A good bit of my own insight into this problem has come, as I have said earlier, from work with Reverend Sullivan, having visited his OIC training centers in the early 1960's when he took over a policy station at 19th and Oxford in Philadelphia. He took over that abandoned police station and from that has fashioned a nationwide training program with extraordinary insights on how to move people through literacy training and job training and off of welfare rolls. His organization has certainly been in the leadership in these areas as has the National Urban League with its President John Jacob, as has SER—Jobs for Progress, the United Way of America, 70,001, The National Puerto Rican Forum, and the National Council of LaRaza.

It had been my hope, Mr. President, that these community-based organizations would have had more of a statutory role in the planning and development of the education and training program. They are available for service delivery, and I hope as we move through the program they will have an expansive role to play because I think they have great expertise and can help in the solution of the problem.

I am pleased, Mr. President, to note the obligation that in fiscal years 1990 and 1991 a State will be required to enroll at least 7 percent of the eligible parents in education and training programs, and that requirement would rise to 20 percent by the year 1995.

I think it is very important, Mr. President, that the work requirements be linked to education and job training so that it is meaningful and that it is related to long-term permanent employment opportunities. The work requirement is fine as long as it is part of an integrated whole.

Mr. President, I know the time is limited so I shall conclude with the comment that I believe it is up to the Congress to monitor this new program very carefully. It is an enormous achievement because it is the first welfare reform bill enacted, I think it has been cited, for 53 years. Senator MOYNIHAN refers to his 20 years of efforts on it, and to bring all of the parties together is a herculean achievement. I believe that President Reagan is entitled to substantial credit, the conferees to substantial credit, and we now have a bill where we can take big strides forward, but we have to be sure that we do not falter; we have to watch to see how the program works and whether it is successful in moving people from the welfare rolls to the payrolls, whether there is enough education and job training, whether there is enough carryover on AFDC and Medicaid so that a transition can be made and people will not fall back onto welfare. It is important that we make that transition and make those bridges strong.

I thank the Chair and yield the floor.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. May I express once again great personal gratitude to the Senator from Pennsylvania for his personal remarks, for the cogency of his general analysis, and to assure him that we fully intend to oversee, monitor, and track the new programs. He is absolutely correct that such oversight is essential.

Mr. SPECTER. I thank the distinguished chairman from New York very much for those comments and for those assurances.

Mr. DOLE addressed the Chair.

Mr. HELMS. Mr. President, will the Senator from Kansas allow me 1 minute to ask a couple questions?

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I thank the Chair and I thank the Senator from Kansas, the distinguished Republican leader.

Is my recollection correct that the bill as passed by the Senate cost $2.8 billion?

Mr. MOYNIHAN. That is correct. Is the Senator addressing the Senator from New York? I am sorry.

Mr. HELMS. Yes.

Mr. MOYNIHAN. That is correct.

Mr. HELMS. As I understand it, this conference report will cost $3.4 billion.

Mr. MOYNIHAN. $3.3 is our final figure; yes.

Mr. HELMS. As for the work requirement, that is going to be phased in over what amounts to a 10-year period; is that correct?

Mr. MOYNIHAN. That is essentially correct. It is the judgment of the Governors that getting the administrative arrangements in place will take some time. The JOBS Program is to be fully effective in fiscal year 1991 and the optimal participation rates must be achieved in fiscal year 1997.

Mr. HELMS. I read the other day an estimate that by 1998, 75 percent of the two-parent households will involve both the husband and the wife working. Is that an approximately correct figure?

Mr. MOYNIHAN. That is approximately correct. By fiscal year 1997, States must assure that in 75 percent of their eligible two-parent families at least one parent—both parents if the State can supply child care—is working.

Mr. HELMS. The training program for one-parent families in the original bill is still in this conference report?

Mr. MOYNIHAN. That is correct.

Mr. HELMS. I thank the Senator.

Mr. President, I was obliged to vote against the Family Security Act of 1988 when it passed the Senate on June 17. I regret that I cannot support this final version of the bill because I am convinced that it will do precious little to end the welfare cycle and may, in fact, perpetuate it.

Mr. President, none of us is opposed to helping those who are less fortunate. Americans, as individuals and communities, have a responsibility to help those who cannot help themselves with our time and our money. That responsibility cannot and should not be abdicated by us as individuals. Trying to place it entirely on the shoulders of government is a copout. It has never worked; it never will.

In fact, Mr. President, history shows that past efforts to shift this responsibility from individuals and communities to the Federal Government clearly have failed. Since we embarked down the road called the Great Society in the middle 1960's, the result has been massive Federal spending and more poverty, not less.

Mr. President, statistics show that child poverty is the core of the welfare problem. Declining steadily from 1959 to 1969, it then began rising hitting 19.5 percent in 1981 and has remained over 20 percent ever since.

This was not a national phenomenon, Mr. President. It was concentrated in States which pay the highest Aid for Families with Dependent Children [AFDC] benefits. A study for the Joint Economic Committee last year by Ohio University Profs. Richard Vedder and Lowell Gallaway showed that from 1969 to 1979 child poverty increased close to 40 percent in the 10 States with the highest AFDC benefits while child poverty decreased 20 percent in the 10 States with the lowest benefits. Between 1979 and 1984 black child poverty rates in the South fell while the West suffered a 38-percent increase—even though AFDC benefits in the West were twice those in the South.

The Family Security Act of 1988 ostensibly reforms welfare to reverse the errors of the past. Unfortunately, it will do nothing of the sort. It will not require all able-bodied welfare recipients to work. It will not foster individual responsibility. It simply robs from the State and Federal Treasury billions of dollars—a bill which our children and grandchildren will be forced to pay.

Let's look at the specifics of the bill, Mr. President:

First off, this legislation would create an entirely new entitlement to education and job training for AFDC recipients called the JOBS Program which will eventually cost taxpayers at least $1 billion a year. This money will be in addition to education and job training funds already targeted for the poor through the Adult Education Program, Job Training Partnership Act block grants, and several other programs.

In the debate on the bill in the Senate, Mr. President, we heard a lot about the supposed requirement under the JOBS Program that AFDC recipients either work, train, or be looking for a job in order to receive benefits. However, numerous exemptions together with the conditions imposed on the individual States effectively emasculate any mandatory aspects the JOBS Program might otherwise have. In fact, the States are only required to ensure that 20 percent of their AFDC caseload participate in the program by 1995.

Mr. President, approximately 50 percent of the AFDC caseload itself would be exempt from mandatory participation in the JOBS Program for one reason or another. For example, only able-bodied AFDC recipients with children over 3 years of age would be required to participate. This provision alone will exempt over 20 percent of all AFDC recipients. It will also effectively foreclose efforts to intervene early in the welfare dependency cycle despite the fact two-thirds of mothers who use AFDC for 10 years or more first enter the program with a child under 3.

Mr. President, mandatory participation in the JOBS Program would also be contingent on the States guaranteeing child care, transportation, and other work-related expenses for all participants. Even when recipients could be required to participate, States would not have to provide any significant work-related activities and could even pay for them to attend postsecondary education as part of the JOBS Program. As Senator ARMSTRONG noted in the Finance Committee's report, this may entice some to go on the rolls to reap significant education benefits.

Most ludicrous of all, Mr. President, this legislation would prohibit participants in the JOBS Program from taking most jobs. Participants could not be given jobs that cause current employees to be displaced, lose hours, or lose promotional opportunities. They also could not be given jobs filling vacancies in established positions or which result from layoffs. In other words, Mr. President, the JOBS Program would only permit participants to fill newly created jobs.

Mr. President, States also could not force AFDC recipients to take jobs paying less than the AFDC benefit amount unless a State will pay the difference between a recipient's wages and the former AFDC benefit. Each year, Mr. President, millions of Americans enter the work force making less than what they could receive under welfare. However, they are almost certain to earn much more in a few years than they would receive from welfare. I fail to understand why welfare recipients should receive a wage guarantee unavailable to other Americans.

Mr. President, if welfare recipients find and are willing to accept jobs, States must then provide them with 12 months of child care at a 5-year cost of at least $400 million to the Federal taxpayer. It will cost State taxpayers at least $300 million on top of that. Twelve months of transitional Medicaid benefits costing at least another $700 million would also have to be provided. These new benefits more than double the current transitional benefits to families leaving the AFDC Program.

Mr. President, in addition to expanding benefits the bill would also expand eligibility by making the AFDC-UP Program mandatory to the States rather than optional. So States, such as North Carolina, will be forced to provide AFDC-UP benefits. Under AFDC-UP, welfare assistance is extended to two-parent families in which the principal wage earner is unemployed. Another 130,000 families will thus be sucked into the welfare trap costing Federal taxpayers $1.1 billion and the State taxpayer $600 million over the next 5 years.

Mr. President, we have heard a lot about the work requirement in this conference report. One parent in a two-parent family must work 16 hours per week. However, what is not discussed, Mr. President, is that this work requirement does not go into full effect for 10 years and even then, only 75 percent of those in the AFDC-UP Program will be required to work. Furthermore, the hour requirement can be reduced and the participation rates can be waived under certain conditions. The hard-working taxpayer who is paying for this bill has worked and will continue to work far more than 16 hours a week. We should expect no less from those on welfare.

Mr. President, it is apparent that this bill—when looked at in its entirety—will not force welfare recipients to work as its advocates proclaim. The legislation sells out to the tried and failed philosophy of begging welfare recipients to work via work incentives and expanded benefits.

The mandate that recipients either work or prepare for work is negated by the bill's other provisions. Half of welfare's caseload would be exempt for one reason or another and the remaining recipients may only be forced to take newly created jobs—which are few in number—as part of the JOBS Program. Even when participation could be compelled, States would have to pay related transportation and child care expenses. Finally, States could not require recipients to take jobs unless the States will pay shortfalls between recipient wages and the AFDC benefit.

Mr. President, the hodgepodge of programs constituting our welfare system obviously needs to be coordinated and streamlined. However, the Family Security Act of 1988 merely takes us back to failed policies of the past rather than enacting meaningful improvement. The American taxpayer—and welfare recipients—deserve better. I sincerely wish I believed this bill would reform welfare, but I do not, and for that reason I must vote against it.

I thank the Senator from Kansas.

Mr. BIDEN. Mr. President, I support the conference report on welfare reform. While the bill has necessarily been weakened somewhat in the process of compromise, it is still—on balance—a very good bill.

Our policy in this area should be based on one simple premise: We should help the less fortunate in our society receive the education, training and services they need to work their way out of poverty, and we will expect in return that they will take responsibility for their own plight. Unfortunately, our current system of welfare meets neither goal of empowerment or responsibility. Because of its historical origins, our current welfare system is largely a system of income support. As a result, far too many Americans have become mired in patterns of long-term dependence.

The reforms contained in this bill emphasize job training, basic education, work programs and services such as child care that will enable welfare recipients to work. They will help welfare recipients get jobs and achieve economic independence. This is a significant improvement in the underlying philosophy of our welfare system. H.R. 1720 recognizes that there must be something more than just money in our outstretched hand.

Let me give a few specific examples of how this bill will improve our welfare system.

First, the bill will dramatically improve our system of child support. Society has a right to expect that parents will provide support for their children, unless they are not able to do so. Unfortunately, millions of wayward American parents are diverting to themselves more than $4 billion meant for their children.

The welfare reform bill will help correct this problem. It requires States to implement automatic wage withholding for all State-ordered child support payments, as soon as a support order is entered. In addition, States must establish guidelines so that judges will enter reasonable child support awards, and States must establish paternity for all children. These provisions will ensure that millions of absent parents, mostly fathers, will take some financial responsibility for their children.

A second important provision involves the bill's mandate that all States provide benefits to two-parent families. Fathers should not have to leave their families so that their children can become eligible for Government assistance. Under current Federal law, States are allowed to deny benefits to children when their fathers live at home. This policy is antifamily, breaking apart couples and creating the worst possible financial incentives. While the 16 hours of unpaid community work required for these two-parent families may not be the best use of our limited job training funds, the bill still serves the important role of eliminating the basic antifamily incentives of our current system.

A third provision assures welfare recipients of 1 year of day-care assistance, and thus helps eliminate one of the most serious barriers to employment for many welfare recipients. While it would be preferable for the bill to require that the subsidized day care providers meet basic safety and quality standards, it at least will provide some child care assistance to people who need it.

Despite all of these improvements, however, this bill is not the last word on this issue. This bill establishes the framework of a sound welfare policy, but its success will depend on how well we follow through to achieve the promise of this bill. For the crucial job training and education provisions of this bill to work, we will have to both provide adequate resources and ensure that future Federal dollars are well spent.

Let me use the bill's participation requirements as an example of both the promise and the peril we face. As the bill requires States to provide job training and education to more and more people in the years to come, there is the promise that hundreds of thousands of additional welfare recipients will be aided to move to lives of economic independence.

At the same time, however, there is also a risk that the bill will cover so many people that States will provide only token training and education. We must insist that job training does not come to mean mere job referral services for those who lack skills, and we must demand that education is not forgotten simply because it is often more difficult and expensive. We must be vigilant to ensure that we do not spread our resources too thin, and make welfare reform an empty promise.

In short, Mr. President, this bill is an important and historic step toward a more equitable and more effective welfare system. Our challenge in the years to come will be to build upon this legislation and to continue to improve our system so that we may some day achieve the goal of a society in which all Americans enjoy full economic independence.

Finally, I would like to say a few words about my friend and colleague, Senator MOYNIHAN, who crafted this legislation, and guided it to passage.

Mr. President, in writing one of the essays that became known as the Federalist papers, James Madison stated that the first aim of any government ought to be to seek out leaders "who possess the most wisdom to discern, and the most virtue to pursue, the common good of the society."

For two centuries, that comment has set the standards that the American people have traditionally expected of their elected representatives. We recognize that ideals and ideas are the fuel that feeds the republic and that committed, persevering public officials must mold those ideas and ideals into sound public policy.

We in the Senate are privileged to have in our ranks a colleague who embodies that spirit. Senator DANIEL PATRICK MOYNIHAN has been at the forefront of shaping public policy in this country for the better part of three decades. Whether he is writing at the old schoolhouse up in Pindar's Corners, speaking before national and international public forums, or here in the Halls of Congress, PAT MOYNIHAN has generated original and insightful political thought that touches upon the whole spectrum of issues facing public officials everywhere.

And yet, to say all of that is to tell only half the story of DANIEL PATRICK MOYNIHAN. For he is a doer as well as a thinker. Not content to simply identify the critical questions facing us as a nation, he labors unceasingly here in Congress to develop and enact into law sound public policies to confront those critical questions. He is the philosopher-statesman in the very best tradition.

For some time, Senator MOYNIHAN has been the Senate's most thoughtful advocate for meaningful, clear-headed, compassionate welfare reform in the face of a changing society. This week, the Congress has taken an important step towards that much-needed reform.

Mr. WALLOP. Mr. President, This afternoon, the Senate is acting on one of the most amazing conference reports to come before the 100th Congress. It is amazing for two reasons. First, this report encompasses a bill which provides true welfare reform. It is based on the principle that only effective way to overcome poverty is to become an active member in the labor force. The legislation stresses employment training and work experience activities. It provides the opportunity and the responsibility for able-bodies adults on welfare to become productive participants of our society. The second amazing feature of this report is that we have been able to even reach an agreement on a welfare reform bill supportive by the Senate, most of the House of Representatives, and the White House.

Some began this exercise from the perspective simply equating welfare reform to benefit expansion. The Senate never took this position. We realized that some work related benefits, the transition benefits of child care and Medicaid, could be improved. But, the focus of welfare reform has to be on work and work training.

The Senate reaffirmed this philosophy by its vote of approval for the Armstrong-Dole amendment. This amendment set strong participation requirements in jobs and job training programs. This was the major obstacle we had to overcome in the conference, but this philosophy ultimately prevailed, and we now have bill. Our arguments in favor of improved employment and training programs were significantly strengthened by the MRDC studies over the past 2 years. MRDC reviewed a number of State programs, and I should note that it has been the States that have led in real welfare reform activities. They have put together imaginative, effective employment training programs. The results, as reported by MRDC, demonstrated that the Senate was on the right course with our reforms.

Fortunately, we had the able leadership of the Senator from New York, Mr. MOYNIHAN, in developing this legislation. He has been active on this issue for decades. He knew why Congress failed to pass welfare reform back in the early 1970's. His leadership enabled us to avoid the mistakes of the past. We also had the strong advocacy of the Senator from Colorado, Mr. ARMSTRONG. He recognized that welfare reform was meaningless without strong work requirements. He proposed the requirements, he convinced the Senate to adopt them, and he finally convinced the House conferees to accept them. Without this incredible leadership by these two men, we would not have this welfare reform before us today.

The bill reforms the Aid to Families with Dependent Children from top to bottom. We strengthened the child support sections. This includes provisions to improve paternity determination and support collections. We provide a new entitlement program of job training to assist the single parents, usually female, who too often must turn to welfare in order to survive. This new training program will give them the opportunity to move into the mainstream, to become economically self-sufficient. We expand coverage to two-parent families where both parents are unemployed. This includes a real work requirement which will enable the unemployed father to remain active in the work force while receiving temporary assistance. Health insurance benefits and child care benefits have been improved. And, we have provided these reforms while maintaining a revenue neutral bill.

We had a fascinating conference. I thought it was an incredible experience, our small group of Senators facing about 40 House Members. I am proud to have been a participant. This is good legislation. It deserves to become law, and I look forward to attending the signing ceremony in the Rose Garden.

Mr. GRASSLEY. Mr. President, the U.S. Congress is about to adopt a major overhaul of our Nation's welfare system. I rise today to support the conference committee report, which embodies a real if somewhat imperfect, compromise. Even more significant than the compromise is the progress this legislation makes toward moving families into self-sufficiency.

I support welfare reform. Of course, I support legislation which improves on the manner in which we provide for the needs of the less fortunate. I am certain that every Member of this body supports welfare reform.

The mission of welfare reform legislation must be to help poor people become self-sufficient, while ensuring that basic human needs are met. As the social and economic conditions of our various States continue to change at ever-increasing rates, legislation must allow and encourage flexibility in responding to the challenges facing the poor.

Flexibility is best fostered by leaving much of the implementation procedures up to States and counties. The economic and social conditions in Iowa, for example, are not the same as in New York or Texas or Hawaii.

Variations in social and economic conditions not only affect the needs of low-income people in each unique locality; such variations also affect the resources available to address needs of low-income persons.

Nonetheless, the Federal Government has a role in providing assistance to less fortunate sectors of the population. The Federal Government must provide a safety net of support to low-income persons. That does not, however, entitle Congress to give away the store. In addition to its own assistance, Congress must continue to seek ways to encourage and enable involvement from the private sector. Charities, churches, civic organizations, as well as local governments, provide many vital links to the chain of low-income assistance.

For many people, welfare reform means simply—getting people back to work. Rightly or wrongly, the general public feels that people should work in exchange for assistance. This sentiment is expressed most strongly by those who have struggled on their own, without the benefit of Government entitlements.

Now, Mr. President, we should not regard work as punitive or demeaning. Work is a privilege. Work is an honor.

Professionals who are very experienced with social services clientele insist that welfare recipients want to work; that welfare recipients do not want to be dependent on public assistance.

I believe these professionals. I believe that welfare recipients want to work. Therefore, it is certainly appropriate that welfare reform legislation have a jobs program as its centerpiece, with supplemental assistance provided when needed. This bill, as reported by the conferees, contains that work requirement. It is a very moderate work requirement, as I understand it. I am most hopeful that it will be expanded after it has proved its most assured success.

Mr. GRAHAM. Mr. President, this is an important bill for all Americans because we are a lesser people when we tolerate the existence of a permanent welfare class in our society—and the Family Security Act of 1988 addresses, in pragmatic and compassionate terms, real ways to help Americans get off welfare.

I congratulate Senators MOYNIHAN, BENTSEN, and the other members of the Finance Committee for the thorough and thoughtful effort which went into crafting this legislation.

For the last 7 years we have seen programs designed to help welfare recipients dismantled. And the graphic evidence that this does not work is in the number of homeless families—with children—in our cities;

The small children and young people involved in drugs and petty street crime and truancy;

The families split up so they can qualify for welfare access;

The high statistics on teenage pregnancies particularly among the poor;

The tragic stories of mothers who must face a day of work knowing their young children are at home alone.

A government which turns its back on citizens who need help betrays the very trust on which it is founded.

Every American deserves the same chance to pursue prosperity and well-being. That chance is not a free ticket to anything—it is the opportunity to succeed. It is impossible obstacles removed. It is, for those caught in the cycle of poverty, the most basic nutrition and shelter, education and training, safe childcare.

Welfare should never be a permanent condition. It has to be an interim program to get people back into productive and meaningful, contributory lives.

Important components of this bill are transitional services.

Adults who find work will not immediately lose their medical coverage, nor have to leave young children unsupervised.

There will be a 12-month period of Medicaid coverage to bridge any health care gap between welfare coverage and the medical coverage offered by a new job.

And there will be free or reduced-cost childcare—childcare of a caliber which does not penalize a child for being poor.

The peace of mind which comes from knowing children are safe and cared for is necessary for every parent each day at work.

To get those job—jobs which have a future—not dead-end, task work—to get those jobs, people need skills and education.

Basic education and skills training are key to making welfare programs temporary. Give people with no hope, real hope and they will make their own miracles.

The bill pays attention to fathers and their responsibilities.

On the one hand it is designed to encourage fathers to stay with their families, rather than abandon them so the mothers and children will qualify for welfare payments.

On the other hand it strengthens child support enforcement with mandated garnishment of wages and a national system of updated parent identification.

Mr. President, this bill is different because the whole family is at the center of it and the preservation of family ideals is its heart. The focus on the family is not a new idea in the reevaluation of welfare.

In 1986 Florida held a special Governor's conference on the black family which articulated a comprehensive view of low-income family problems in many of Florida's black communities. That conference produced a report stressing many of the provisions which are in this welfare reform package we are considering now.

Transitional benefits, mandatory child support, two-parent unemployed benefits are important steps that many have recognized—Congress now included—as essential to breaking the welfare cycle once and for all.

There are real flaws in the current system—flaws which defeat the very purpose for which welfare was created: to get people back on their feet.

Those flaws were identified clearly in the Florida Black Family Conference.

They were identified clearly by the National Governor's Association Task Force which prepared the study from which this bill we consider today was drafted.

The problems of the poor are not specific to any ethnic or racial group. They are simply economic hardship, sometimes generations ingrained—and they can be resolved with commonsense assistance.

When someone is drowning you don't throw a handful of money at him and say, "Here, figure out how to swim." You throw him a lifeline. You choose a lifeline that is strong enough, long enough, and you hang on until that person has made it safely to shore.

That's what the Family Security Act of 1988 does. It gives people what they need to save themselves. It doesn't encourage them to flounder in a sea of bureaucratic well-meaning. It doesn't encourage them to float aimlessly and endlessly through the welfare program.

The Family Security Act is tough, pragmatic, humane legislation and I urge every one of my colleagues to support it.

Thank you, Mr. President.

SUPPORT WELFARE REFORM

Mr. KENNEDY. Mr. President, I commend the conferees for their tireless and successful effort to construct this far-reaching bipartisan welfare reform package that will help millions of poor Americans to escape from poverty. Above all, this measure is a tribute to the ability, vision, and leadership of our distinguished colleague from New York, Senator PAT MOYNIHAN. He has been striving for these reforms for many years and he richly deserves the praise he is receiving for this achievement.

I also commend Senator BENTSEN, Senator PACKWOOD, and Senator DOLE and all the other members of the

Senate Finance Committee and the House Ways and Means Committee for the skill and perseverance with which they reached this goal. The Family Security Act is one of the finest landmarks of this or any other Congress, and they all deserve great credit.

I am especially pleased to note that the best and most critical portions of the Senate bill are included in this legislation. It puts in place strong new child support enforcement mechanisms; it expands the AFDC Unemployed Parent Program; and most important, it establishes job training and education as the main goals of the welfare system. It is my hope that with the resources provided in this act, the vast majority of Americans trapped in a cycle of dependency will escape from poverty and fulfill their potential as productive members of society.

I still have some reservations about certain provisions of this compromise. I had hoped that Congress would extend AFDC-UP into a full-year program. Family stability should not be a 6-months-a-year proposition.

I also continue to have strong reservations about the misguided mandated of work requirement for AFDC-UP families. In a worthwhile change, however, this regressive provision has been modified to permit young parents to continue their education, instead of being forced to take make-work dead-end jobs in order to remain on welfare. Although the provision is improved, Congress must do more to ensure that the "work-fare" requirements do not become "punishment-for-poverty." The wiser and more effective approach is to concentrate on work experience and training, in order to move people off welfare rolls and on to payrolls.

Finally, I also want to note that many of the best provisions in this legislation say "Made in Massachusetts"—a tribute to the far-reaching welfare reforms developed and tested in Massachusetts in the past decade. Governor Dukakis deserves a special share of the credit for this legislation as he was a strong partner in advising us along the way. Again, I commend all those who contributed to this impressive reform. It will change the lives of millions of Americans, and we shall have a better and more productive country in the years ahead.

● Mr. BENTSEN. Mr. President, the conference committee on welfare reform has worked long and hard to reach compromise. The issues between the House and Senate were difficult, involving both important policy differences and very large differences in cost.

In my opinion, the conference agreement now before the Senate represents an excellent compromise. It provides the framework for a fundamental change in direction for the Nation's welfare system, and it goes a long way to help millions of poor children and their families break out of the cycle of poverty.

The welfare reform bill builds a vastly improved program of education, employment, and training for adult welfare recipients. It says to welfare recipients: "OK, if your children are over 3 years of age, you must go into an education or training program, or you must take a job. We'll see that you don't lose money going to work. We will provide 12 months of transitional child care; we'll continue your Medicaid for 12 months, because a lot of people on welfare, single mothers in particular, are deeply concerned about the health care of their children. But your part of the bargain is to break the cycle of dependency and get off welfare."

That is the gist, the heart of welfare reform. This conference agreement provides generous Federal matching funds that will enable the States to develop education, employment, and training programs. It will provide up to $1 billion in entitlement funding in 1991, which will mean more than a quarter of a million new participants will receive services to enable them to move from welfare to work.

It will also strengthen the child support system by providing several important reforms. It will require States to do a better job of establishing paternity. Child support collections will be increased as the result of immediate wage withholding requirements; and support levels will be improved as the result of periodic review and updating of child support orders. According to the Congressional Budget Office, child support collections will increase by well over one-half of a billion dollars over the next 5 years.

One other thing I would like to point out about this conference agreement: it is deficit neutral. When the Committee on Finance started out on the road to welfare reform a good many months ago, there was general agreement that the bill should not increase the deficit. The conference agreement meets our objective.

Mr. President, I would like to commend both the Senate and the House conferees for their diligence in seeking accord on tough issues. We have a conference agreement that has bipartisan support, and which we have every reason to believe the President will sign.

And I would like to take a moment to recognize the senior Senator from the State of New York, who has invested more than two decades in the framing and development of this legislation. Without his vision, and indeed stubborn determination, we would not be here today approving an historic agreement. In addition, I want to acknowledge the invaluable contributions of the members of the Finance Committee who served as conferees on this bill, Senator PACKWOOD, the ranking member and Senators DOLE, PRYOR, ROCKEFELLER, DASCHLE, ARMSTRONG, and WALLOP. The many hours they were willing to devote to crafting a compromise will mean much to the families whose lives will be changed with enactment of this measure. Chairman ROSTENKOWSKI and his able House conferees brought compassion and hard bargaining to the conference table and deserve much credit for forgoing a viable compromise.

Finally, I want to extend special recognition to the staff members who have spent more than 2 years crafting the provisions we have before us today. Under the able guidance of staff directors, Jim Gould and Ed Mihalski, the staff has helped bring this conference to a successful conclusion. For Margaret Malone, Joe Humphreys, Marina Weiss, Pat Oglesby, Lindy Paul, Brad Figel, and Rikki Baum, developing this bill has been a labor of love and has resulted in a compromise of which you should be very proud. My thanks to each and every one of you, and to the many staff members whom I have not named but who spent countless hours working out the details of this agreement and who—when it appeared we would not be able to reach a compromise—always found a way to overcome seemingly impossible obstacles.●

Mr. BRADLEY. Mr. President, the Family Welfare Reform Act will help many Americans lead more productive lives. The act changes the focus of our current AFDC Program to help welfare recipients train for and find real jobs that will enable them to provide for their families. This is a fundamental shift in our approach to welfare. Currently, we provide the poor with cash benefits and health care, but we do little else to help welfare recipients climb out of poverty, to achieve self-sufficiency.

The overwhelming majority of Americans believe that the poor who are able to work should do so rather than simply receiving a handout. I agree. But we will now provide the training, the access to child care and health care, and the access to jobs that make work a reality as well as a requirement. Americans want to be self-reliant, independent individuals, and I believe that it is our responsibility to give everyone an opportunity to achieve these goals.

Under this act, States will provide education, training, child care, and jobs for welfare recipients, thus trading in years of future welfare costs for an investment now in training. In the process, people get back their self-respect and control of their own lives.

The act consolidates existing work-related programs, reducing the fragmentation of services that are so frustrating to recipients and providers alike. These changes are patterned upon the success of several effective and innovative work training programs already in operation in many States. Since local conditions vary, States will determine how programs are to be administered to fit local conditions. This flexibility will aid my own State of New Jersey in its efforts to help welfare recipients through the New Jersey REACH Program.

Still, Mr. President, we should have no illusions. This act does not eliminate poverty; nor will it eliminate welfare. I am particularly concerned that we ensure that States will, in fact, provide sufficient child care, basic education, and training for welfare recipients. In addition, we must continue to provide effective support to single parents as they move off the welfare roles by insuring adequate transitional benefits, such as health care coverage and child care. Also, we must support unemployed, two-parent families through access to education and training programs as a means to return to full employment. With this act we begin to do so.

Mr. President, I am particularly pleased that this act incorporates several proposals I have made to improve the Child Support Enforcement Program. The terrible record of ensuring that children receive support from parents to which they are legally entitled has been a national shame. Improving our record in this area has been a long-standing concern of mine.

In 1984, Congress enacted major legislative changes which I proposed to significantly improve the collection of child support. Those changes mandated several enforcement steps, including wage withholding, if a parent is 1 month in arrears. It also established Federal and State income tax refund offsets to collect overdue child support. In addition, last year Congress adopted a bill I introduced that prohibited the courts from wiping out child support arrearages.

The changes we enacted in the Child Support Enforcement Amendments of 1984 and 1986 have significantly helped our children. Since 1978, total child support collections have tripled and twice as many children are now receiving child support. That is good news.

But there is still a lot of room for improvement. Despite improved child support efforts, most noncustodial parents fall far behind in their obligations to their children. The record, Mr. President, is still abominable.

Currently, of the 9 million single-parent mothers, over 40 percent receive no child support awards; of the mothers who are legally entitled to child support, 24 percent never get the money and 26 percent consistently received less than the amount awarded by the court. Despite improved collections, the overall record is still abysmal.

The average amount of child support actually received by families—less than $200 a month—is very low and has not increased in real terms since 1970.

Currently, almost 15 million children under the age of 18 live in a household where only 1 parent is present—almost double the 1970 level—and half of those live below the poverty level.

Mr. President, my home State of New Jersey has been a leader in child support enforcement. The State's efforts to standardize awards through guidelines and to review child support cases have improved the financial status of thousands of children. Yet even in New Jersey, only about 11 percent of welfare payments are recouped through child support payments from noncustodial parents. And there are thousands of New Jersey families not on welfare who do not receive the support to which they are entitled. There is clearly room for improvement, even in the States with the comparatively good records.

Mr. President, during Senate consideration of the 1984 child support amendments, I indicated that the 1984 legislative changes might not be enough to correct the abuse and neglect in the system. I warned that further steps would probably be necessary to improve the system. That time has come. In April 1987, I introduced the Child Support Improvement Act which has been integrated into this welfare reform effort. The following key provisions of my bill have been incorporated into Senator MOYNIHAN's legislation:

The establishment and use of uniform guidelines to determine the amount of child support to be awarded.

Automatic review every 3 years of the size of the child support awards to determine if increases or decreases are warranted.

Expand efforts to find noncustodial parents who fail in meeting their obligations.

Immediate wage withholding of support awards in cases that come before the child support agency unless good cause can be shown for an alternate arrangment.

Expansion of paternity enforcement activities to ensure that fathers are identified.

The establishment of a Commission to proposed improvements in interstate child support cases.

Mr. President, I support immediate wage withholding in all title IV-D and non-IV-D cases. I am pleased that this conference report provides for immediate wage withholding in all IV-D cases. And I am pleased that my colleagues agreed to my amendment to establish wage withholding for all cases starting in 1994.

Mr. President, the Federal Government clearly has a major role in helping families escape proverty, but Federal help must supplement the primary responsibilities of families to help themselves. Parents have a responsibility to care for their children.

Sadly, too often, noncustodial parents do not fulfill their responsibility. We, as a nation, have a moral obligation to provide assistance to poor families and their children—but only after parents shoulder their own responsibilities. I am pleased that the bill being considered today recognizes that improvements should be central to any welfare reform initiative enacted by the Congress.

I know that the Family Welfare Reform Act of 1988 is not a panacea. Even when it is enacted, many poor individuals and families will still cling to a "safety net"—a net they too often fall through. But I believe this legislation will enable many Americans to lead independent lives and provide for their childern. I hope it will be a lasting crack in the endless cycle of poverty.

Mr. **KERRY**. Mr. President, I am pleased to join with my colleagues today in supporting final passage of the conference report on H.R. 1720, the welfare reform bill. Once again, I would like to congratulate my distinguished colleagues from New York, Senator MOYNIHAN, for his leadership and diligence in seeing this process through to fruition. I do not have to remind my colleagues that the road to the point we have reached today was often a rocky one. In this regard, I would also like to commend my colleagues on the conference committee, those from the House as well as those from here in the Senate, for working in what was clearly a bipartisan effort to bring this measure before us today.

The legislation before us today represents the first significant change to our current welfare system in more than 50 years. Although I still have reservations about certain aspects of the bill, we are, today, undertaking a vitally important and long overdue first step in moving people from welfare to work. More importantly, by passing this legislation today, we will begin to provide people on welfare with a route out of poverty. Central to this effort are provisons contained in the bill which strengthen child support enforcement; provide education, training and employment opportunities and assist in the transition from welfare to work by providing much needed transitional health and child care benefits.

Mr. President, the conferees have done yeoman's work in bringing this legislation before us today, and I am sensitive to the fact that to arrive at this point, everyone concerned had to operate in the spirit of bipartisan cooperation that is characteristic of the legislative process. This process back in July 1987, when we introduced the original Senate version of the welfare reform bill and comes to fruition today.

The bill is not as expansive or comprehensive as many would have liked. It contains provisions troublesome to me such as the 16 hour weekly work requirement for two-parent families receiving benefits, the AFDC Unemployed Parent Program [AFDC-UP]. Nevertheless, all sides concerned have made compromises is an effort to begin to make a difference to those who need it the most—our Nation's poor children and their families.

Mr. President, most of my colleagues know by now, that the Employment and Training [ET] Program in my home State of Massachusetts, served as one of the models for provisions contained in the legislation before us today. The success of the Massachusetts experience is a working example of the fact that we can crack the cycle of welfare dependency if we provide individuals with genuine employment opportunities, counseling, education, training and extended health care and day care benefits. In short, by offering people a hand up and a way out. We can certainly expect to translate that experience to commensurate savings for the U.S. Treasury and in all of our States.

I am proud and pleased to be a part of one of the most important and significant efforts that we as a body have undertaken during this Congress—one that will provide real employment opportunities for our neediest citizens.

Mr. SANFORD. Mr. President, I want to congratulate my distinguished friends, Senator MOYNIHAN, Senator BENTSEN, and others who have worked so diligently these past 2 years to develop a better approach to our welfare system—an approach that will focus on moving people into independence and away from dependence on an outdated maintenance program.

Education must be the basic foundation of real welfare reform, and I am pleased that conferees have agreed to make education and training a central component of their compromise measure.

The thrust of welfare reform is jobs. It is that simple. Welfare reform is designed to lift individuals and families out of welfare dependence by moving them into jobs that promise hope for the future. And we know the barriers that prevent this are lack of health care, lack of day care, and lack of basic educational skills.

Welfare reform attempts to address these obstacles preventing gainful employment by providing transitional health care and child day care benefits that will allow individuals on welfare to move into jobs. This reform also gives priority to basic educational skills. If we expect welfare recipients to compete successfully in the job market, we must provide them the basic education and job skills.

This training in basic skills must address the very real problem of illiteracy among adults in this country. The U.S. Department of Education estimates that between 17 and 21 million adults in the United States are illiterate. That is 21 million individuals who are unable to read, write, speak, or otherwise communicate competently enough to meet the ordinary demands of modern society. And the highest rates of illiteracy are among welfare recipients.

I have seen estimates that the cost of illiteracy in this country is $200 billion or more each year. And there are other costs, human costs, involved. These human costs go beyond unemployment and underemployment. They include the lack of self-esteem. They also pose potentially life threatening situations where reading, for example, might be essential in a crisis situation.

Mr. President, I ask unanimous consent to submit for the RECORD an article written by David Work, executive director of the North Carolina Board of Pharmacy. He makes a good, and I believe somewhat unique case for strengthening educational programs that will effectively reverse the problem of illiteracy without our welfare system.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONGRESS SHOULD FIX IT RIGHT THIS TIME

Part of my daily routine is to pick up the mail at the local post office on the way to work. While sorting through the mail on a recent morning a young mother with her toddler entered the lobby and asked me where she should mail an out of town letter. The signs on two mail slots in her plain view about six feet behind me read "Stamped Mail" and "Metered Mail;" words that she obviously could not comprehend. By her question she declared herself functionally illiterate.

The United States Senate recently passed a bill which would greatly revise the American welfare system. These efforts are labeled as the largest overhaul of the welfare system in 50 years. It is imperative that programs be included in this legislation to assist the functionally illiterate and bring them into our society as full participating members. Being an informed voter, able to make reasonable choices in life and the opportunity for personal growth through reading would be the dawn of a new day for current non-readers.

AN AMERICAN CASTE OF INVISIBLES

Anyone who is in contact with the public can detect with regularity examples of illiteracy or literacy. Those with the problem are skilled at concealing their status and take care to blend in with the general public. They often ask for directions to be repeated so that they can be memorized, claim to have left their glasses at home or request information that is easily apparent to a reader. It is not an affliction that is readily detected by a person's demeanor, ethnic group or appearance. We see the homeless, especially in large cities, but the inability to read isn't a visible trait. They have in every sense been sentenced to a permanent position in the underclass of society as noted by Jonathan Kozol and others. In this sense the functionally illiterate are an American Caste of Invisibles.

The state agency I work for exists to protect the citizens of North Carolina in pharmaceutical matters such as prescription labelling. Common sense tells me that non-readers cannot understand the labelling which is on prescriptions and over the counter drugs. But government bureaucrats are notorious for claiming that the public is adequately informed about drugs if they have something in print such as labelling or patient leaflets for some drugs. Relying only on the printed word effectively excludes at least 20% of the population from information such as side effects, allergies or foods and beverages to avoid.

Pharmacists, physicians and medical authors have expressed concern for years that patients fail to follow medication directions. Indeed some researches have found that up to ⅓ of emergency room admissions are related to improper use of prescribed drugs. Other report that up to 10% of prescriptions written by doctors go unfilled which concerns physicians who expect prescribed drugs to be consumed by the patient. A non-reader is likely to choose to save money and not get a prescription filled if the label is meaningless. Pharmaceutical manufacturers are naturally concerned since it directly affects their sales. Apparently it has not occurred to any of these educated groups that such problems could be directly connected to the patients inability to read prescription directions.

PROBLEM IS GROWING

Even with the adult literacy programs now in place the problem is growing. Over 40,000 illiterate adults are added weekly to our population. These people are added to the millions, now approaching 30 million, who read at a grade school level if at all. It's estimated that another almost equal number have some reading skills but cannot reliably understand short sentences such as prescription directions. To put this in perspective the number of functional illiterates in our country is equal to the population of New York, New Jersey and Connecticut and growing. Doctors, nurses and pharmacists are reluctant to admit that a large part of the population doesn't understand the printed word. This is a natural response when these educated and literate professionals usually communicate among each other. They treat patients which, unfortunately, often doesn't always involve communication. Think back on your last medical care experience—would you have understood directions without the benefit of the printed word?

The existence of non-readers in our society is of real concern which evokes alarm when we realize that some of our social policies are spreading this group. The illiterate mother in the post office is not likely to raise a reading child. Even if she urged the child onward there would be no parent/child reading at home and the message would soon be conveyed to the child that reading isn't required to be an adult.

One of the collateral consequences of illiteracy among Medicaid recipients is the im-prudent spending of tax dollars. It just doesn't make sense for a government program to pay nearly $70 per month, which is over $800 per year, a common charge for a beneficiary's ulcer medication when the person does not understand the label directions.

As a minimum adult literacy education needs to be added as a benefit to Aid to Families with Dependent Children (AFDC) programs and Medicaid programs without delay. If reading programs were available to AFDC mothers it would have the overflow benefit of providing a reading parent for the child to emulate. This would help an immediate problem and make it more likely that a child in this situation will be a reader. Many state Medicaid programs now provide benefits for speech, hearing and language disorders which is just another form of failing to communicate. Literacy would be a natural addition to these programs for those who have another communicating problem—the inability to effectively read.

Cost is always a legitimate concern here but should not be a barrier. The cost per recipient for literacy programs is modest compared to a hospital admission which is a frequent result of patients failing to follow prescribed therapy because they don't understand what they are expected to do. According to recent national figures the cost for one day in a hospital is now more than $485 while a nationally recognized computer based reading program in Charlotte, North Carolina costs less than $200 per person for an entire year.

Our government leaders have a responsibility to provide effective medical care to the reading and non-reading beneficiaries of public assistance. Comparable and effective care is not available for the illiterate only because of their non-reading status. Literacy programs for these recipients would be an immense stride towards meeting that duty and demonstrate that Congress wants to fix the welfare system right this time.

Mr. DECONCINI. I rise in support of the conference report on H.R. 1720, the Family Welfare Reform Act. I would like to commend Senator MOYNIHAN and Chairman BENTSEN, as well as all the members of the conference committee, for their dedication and very hard work on this most important issue to the over 11 million Americans who rely upon the aid to families with dependent children welfare program. I think everyone in this body would agree that without Senator BENTSEN and Senator MOYNIHAN's leadership, we would not be voting on this measure today.

This bill takes a strong first step to break the dehabilitating cycle of governmental dependence by offering welfare recipients education and training. Today, the Congress will be trading handouts for a helping hand to self-sufficiency and a piece of the American dream.

While not perfect, I believe this bipartisan package provides a ray of hope for the millions of Americans living in poverty. This welfare reform effort clearly demonstrates that Congress, despite our budget woes, has not forgotten America's poor. I would have liked a bit more State flexibility and increased transitional health care provisions, but I appreciate that this package is as much as we can afford today.

I was a cosponsor of Senator MOYNIHAN's bill, S. 1511, the Family Security Act of 1988, but I cosponsored the bill with some reservations. I encouraged the learned Senator from New York and other members of the Senate Finance Committee to increase the Medicaid and child care transitional assistance provisions, to increase the funding for visitation counseling in order to improve child support collections, and to guarantee child care for individuals participating in the jobs program.

When the bill came to the Senate floor last June, I, along with many of my fellow colleagues, indicated that we had come a long way, but needed to go much further. I believed that the limitations upon child care assistance and Medicaid health benefits were the greatest obstacles in reducing welfare dependency. As it was certain S. 1511 would pass overwhelmingly, I urged the conferees not to be pennywise and pound-foolish with respect to the transition benefits, and not to limit the flexibility of the States to enter into public-private partnerships to achieve the aims of the legislation. As a result, child care transition benefits were increased to a minimum of 12 months without interruption as was added to House passed version by the Andrews amendment. As a result, welfare dependent parents need not fear for the health of their children or themselves as they enter the work force. And lastly, as a result, the bill will provide for demonstration projects to examine the benefits of using public-private partnerships in the efforts to reduce welfare dependency.

It is my firm belief that the Family Welfare Reform Act will improve the quality of lives of millions of Americans. The legislation before us today is both a tribute to the compassion of the American people and the ingenuity of its leadership. I am indeed very grateful to have taken part in the restructuring of our welfare system.

The Family Welfare Reform Act is not going to eliminate all the problems of the poor in America, but it is a great step forward. Despite its perceived deficiencies, I believe we should unanimously support the conference report on H.R. 1720.

Mr. BINGAMAN. Mr. President, I rise in strong support of the Family Security Act of 1988, which after months of negotiations and compromise has been presented to this body for a vote. I congratulate my good friend and colleague, Senator MOYNIHAN, for his outstanding leadership in the Senate's effort to reform our welfare laws, and I applaud all of the members of the Finance Committee who labored so long and hard on this important issue.

Whether valid or not, one of the major criticisms of our current welfare system is that it locks people into public dependency and thereby perpetuates a permanent class of poverty-struck and under-educated citizens. The legislation before us today takes a different approach. It places an emphasis on education, jobs and economic independence. It would, as stated in a New York Times editorial, transform our welfare system from an assistance program with an employment component into an employment program with financial assistance.

I, like Senator MOYNIHAN, believe we can help individuals break the chains of dependence and poverty and still remain a compassionate society. In my view, a truly compassionate society is one that helps people help themselves. And this legislation, with its emphasis on education, training, and jobs, does just that.

This is not a novel concept yet for more than 50 years, our welfare system—our Aid to Families With Dependent Children—seemingly has done little to help individuals break the chains of poverty. Indeed, AFDC benefits originally were intended to enable widows to stay home to care for their children. No work incentive was stressed then, and none was stressed when the number of AFDC participants, both mothers and children, ballooned in the 1960s. Some 20 years later, as we once again review current statistics and programs, we see that both the Federal Government and the States, which are charged with administering the programs, have largely failed in any real sense to get AFDC participants out of poverty and into the work force where they are so desperately needed.

Today, more than 11 million Americans receive AFDC benefits. More than 7 million of those are children. That is 7 million children living in poverty—one-fifth of all American children—going to sleep hungry, going to school hungry, going through life hungry, often undermotivated or unconcerned.

These children are our Nation's future. And if they or their parents are suffering from hunger or lack of motivation or unconcern, then every other American citizen is suffering also. These 7 million children soon must become this country's workers, leaders, educators, and taxpayers. If we ignore their needs now—if we refuse to seriously invest in them and continue to exclude their parents from the economic mainstream, we will not have the skilled, healthy, and productive work force we must have in the future to compete successfully in the global economy. And we will have jeopardized our Nation's social and economic security.

Our world is not the world of 50 years ago. We live in a new world—the competitive, global society of the 21st century. And the key to success in this world is our ability to equip all of our citizens with the tools necessary to become productive, contributing members of our society. That means we must deal with a changing work force, an outdated educational system, and the critical problems facing our children growing up in poverty and dependence.

NEW MEXICO PERSPECTIVE

In my State of New Mexico, the problems are especially critical. The Public Voice for Food and Health Policy, in a study profiling rural poverty in New Mexico and three other States—Kentucky, Georgia, and Kansas—revealed that rural poverty in New Mexico was higher than the national norm at the beginning of the 1980s and has worsened since.

In 1979, nearly 18 percent of New Mexico's population lived below the poverty line. All but one of the State's 32 counties had a poverty rate above the national average of 11.6 percent, and more than half of our counties had poverty rates at least 50 percent above the national average.

Minority populations are suffering the most in New Mexico. Last year, 23 percent of the State's Hispanics, 29 percent of its blacks, and more than 40 percent of its Indians live below the poverty threshold—compared to about 13 percent of the State's Anglo population.

And these statistics do not begin to convey fully the plight of New Mexico's poor—of America's poor. Poverty can shackle a person to a life of hardship, a life without the benefit of a good education, a stable job, or adequate health care. And when this happens, we all lose.

WELFARE REFORM

What does all this mean? To me, it means we must overhaul our welfare program now. Our current system is sorely shortsighted—we give a person or a family a check each month, shut our eyes, cross our fingers, and hope that in time such checks will no longer be needed. We can do better than that. And I believe we can do it with the legislation before us today.

This legislation offers a rare and valuable opportunity for the Federal Government, working with the States, to improve the quality of life for a portion of our population that desperately needs our help. At the same time, I believe the provisions crafted by the House and Senate conference committee allow the individual States sufficient latitude to design the type of assistance program best suited to each particular State.

I am particularly hopeful that this bill's education and employment provisions may help many of the New Mexicans now receiving welfare benefits. As I mentioned earlier, the unemployment rate in my home State is hovering around 9 percent. Much of the problem lies with the fact that many of our traditional industries in New Mexico—mining and oil and gas, for example—are in trouble. We need to make restraining a top priority, and I believe this legislation does that.

I do not mean to suggest that nothing curently is being done. On the contrary, New Mexico has implemented Project Forward, a successful pilot program to educate, train, and help long-term participants overcome their dependence on public assistance programs. Such planning by States is one of the requirements of the Family Security Act. However, this is only a pilot program, and like all new programs, problems remain to be addressed.

CHILD CARE ISSUE

I would like to discuss in greater detail one of these problems—a problem that necessarily arises whenever a parent is encouraged, or required, to leave the home for work or school: The problem of quality child care.

I do not think anyone will deny that the first 4 or 5 years of a child's life are extremely critical. They are years of rapid growth and development. And as the Children's Defense Fund points out, that development is uniquely subject to influence from outside sources.

Because we have the power to shape the lives of young Americans for generations to come and because by enacting this legislation we will shape the lives of thousands of children currently born into poverty, we must pay special attention to the needs of our children.

As I stated earlier, more than 7 million children presently are dependent on our Aid to Families With Dependent Children Program. That means that the parents of more than 7 million children, who currently receive little or no day care, will soon be required to find day care services for their children while they attend classes or work.

We in the Federal Government must work and cooperate with the States to ensure that any initiative requiring child care includes provisions for the availability of safe and adequate child care. I know that this is a very costly proposition, but I think it is a very wise one.

I am pleased that this legislation ensures States a stable funding source for child care projects in its entitlement provisions, and that title III of the act ensures transitional child care and Medicaid for newly employed and independent parents.

Many people have said that these provisions do not go far enough. Perhaps we could, and should, do more. I believe this is an issue that must be seriously addressed by us all, and it is one I am pursuing with parents, legislators, business persons, and other concerned individuals in my State.

There is much we can, and must, do for our children and for our fellow citizens struggling to break the grip of poverty. We must commit ourselves to helping them help themselves. This legislation—this landmark redirection of our public assistance programs—embodies such a commitment. I wholeheartedly support it and urge my colleagues and the administration to do likewise. Thank you.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Republican leader.

Mr. DOLE. Mr. President, early in 1987 we began a process that many of us doubted would ever really be completed, and it was the revamping of the welfare system. But I would say, as others have said on this floor, it was due to the diligence of a number of Senators, primarily Senator MOYNIHAN, but certainly the Presiding Officer, Senator ROCKEFELLER, and the ranking Republican on the Finance Committee, Senator PACKWOOD; Senator ARMSTRONG, a member of the Committee on Finance; Senator BENTSEN, certainly, as chairman; and Senator WALLOP.

If anybody would have told me that a group like that could be gotten together and have worked out a welfare reform bill, I would have said, "Well, maybe," because there are different ideas and different philosophies, all good men in this case, well-intentioned, but going in somewhat different directions. But lo and behold, here we are today with a bill we can support.

I would hope the vote would be unanimous. It may not be. We are here again today, as I indicated on the floor a couple of days ago, because most times when it is a matter of public interest the parties come together. This is not a Democratic bill, a Republican bill, or an administration bill. It is a consensus, I can say, with President Reagan helping lead the effort, saying all along that he would sign the bill under certain conditions, Senator MOYNIHAN leading in the effort on the Senate side, Congressman DOWNEY and others, Congressman BROWN of Colorado.

So we have reached an agreement that I assume some, who may be here 5 or 10 or 15 years from now, will be able to finally say, well, it worked or did not work, or we need to change this. It has been about 50-some years since we have really reached out, and had a comprehensive reform measure. There was never any dispute with the goal but how we were going to get there.

I happen to believe the Senate did the better job. I certainly do not criticize the House. I certainly do not criticize them now, but originally I think our bill was the more responsible bill.

I believe now the final product is much closer to the Senate bill than the House. But I know that there are some in the House who do not like this bill at all. Some are conservatives, some are moderates, and some are liberals. I would only speak to my Republican friends in the House. Ronald Reagan supports this bill.

I would guess a great many Republicans on the Senate side—I do not know how many, hopefully nearly all—will support this bill.

Senator ARMSTRONG, who has a pretty good reputation as a pretty solid conservative, is one of the cheerleaders for this bill, the final product, because he knows having spent hours and hours and weeks and weeks in session that there is a good product.

So I urge my Republican colleagues in the Senate and in the House to support this legislation.

The Finance Committee measure had a cost of $2.6 billion as compared to the House bill cost of approximately $7 billion over the same period of time and, as indicated just a moment ago in response to a question by Senator HELMS, this final package is about $3.345 billion, more or less. It is close enough for Government work.

But the reasons for the difference in the cost were, of course, the areas over which we had the greatest disagreement with the House proposal.

In a major concession, to those who were concerned that the costs of this new program would quickly grow, our bill contained an overall cap on the jobs portion of the bill. So while we have assured the Governors adequate funding so they are encouraged to put jobs programs into place, we have also protected the Treasury.

I do not want to leave out the Governors Association because they had a lot of input into this bill, and Republican and Democratic Governors, and members of the Governors' staffs were very active in the process, and certainly should be. They are going to be implementing the program.

The House also provided for a number of expansions, including increasing the income disregards; providing an increased Federal matching rate for benefit increases; providing the full 12-month transition period for child care and finally mandating all States put into place an AFDC unemployed parent provision.

We have what I believe would be a pretty good overall package, but alternatively, the Finance Committee bill, focuses its dollars and efforts on work, on education, and training activities, with expansions in those areas where we felt they supported the focus on jobs and training. Those are the key words "jobs and training and education."

While we mandate coverage of two parent families, where the principal wage earner is unemployed, we allow the States to limit the coverage to 6 months, and more importantly we also target our resources to take the most difficult to serve and require the States to offer real work experience as part of their jobs program.

There were flaws in the House bill but there are also some flaws in our bill. There was much concern that the White House expressed, concern about participation standards, about a work requirement, and we were able to reach an agreement on that. In fact, I think the vote was 54 to 41 on June 16. The American people won. I really believe if you look back on one—I do not suggest because I had a part of that event—that may have made a difference, it was that vote that day which in effect satisfied the President, and satisfied many on both sides of the aisle.

The chairman of the Finance Committee supported it. When there was an effort made to table the work requirement, it failed. The amendment was quickly adopted by the Senator from New York who had no personal problem with it, but the Governors had problems with it.

So participation standards is one of those areas where there is little philosophical debate as to the value of some kind of performance measure but rather a division of opinions as to what the measure should be and how quickly it should be put into place.

I believe that reasonable standards can help to encourage the States to actively pursue the jobs program, and offer services to a broader array of participants.

By 1992, according to the CBO's estimates, the States will be given almost four times the Federal resources they now receive under the Social Security Act for WIN, WIN demonstrations and other new authorities enacted in 1981 and 1982—job search, grant diversion, and a community work experience program, or CWEP. These resources will be in addition to those provided to them under the Jobs Training Partnership Act, and the social services block grant, vocational education, adult education, and other programs which are directed by law to serve populations that include AFDC recipients.

So I would just say that there has been a lot of good work done. There were a lot of days I assume—I did not attend all the conferences—when Senators PACKWOOD, MOYNIHAN, ROCKEFELLER, ARMSTRONG, whoever, probably came away feeling that maybe it was all lost. But in the final analysis, because they were all willing to make one more effort, one more effort, and the House had to be a part of that, I think we have a pretty good package.

So I believe the bill does improve the welfare system substantially. I believe it is time.

I do believe that the participation standards are an important principle and one we should put into place.

The transition benefits do deserve our review, once we have real experience with that.

The final requirement is that States offer jobs programs to ensure that welfare recipients will have a chance to gain some real work experience.

The House bill did not really require the States to do anything more than they now are doing in exchange for this flexibility and massive infusion of new Federal resources. They did not have to require the States to involve significant numbers of welfare recipients in meaningful employment and training activities. They only required States to have an employment and training program in place.

The bill before the Senate would require the States to involve a small but increasing number of AFDC recipients in work-related activities.

Participation standards would ensure that a significant proportion of the 60 percent of AFDC parents are required to be in some activity which will help them learn to support themselves and their children.

Given the level of activity the majority of States had achieved in 1985, it seems reasonable to expect that 6 or 7 years later, with more experience and vastly greater resources, all of the States should be able to meet and even exceed the goals outlined in the legislation.

TRANSITION BENEFIT

With regard to the transition benefits, while I would certainly agree that the availability and financing of child care and Medicaid services are a critical component of a work-based welfare system, the record is unclear as to whether or not the provision of these services after someone leaves the welfare rolls is necessary or what the ultimate cost will be. I believe allowing rather than mandating that the States cover these services made more sense until we have some better sense of what is really necessary. But given that the Congress did not agree, in the view of this Senator, the next best thing to do is to sunset these new transition services after a period of time and give us a chance for review.

The bill currently contains a requirement that a study be done examining the impact of the Medicaid benefit.

WORK REQUIREMENT

The Dole-Armstrong amendment was the other area in which we were able to reach an agreement providing for a specific work requirement. The Senate refused to table this amendment 41-51 and the conferees further recognized its importance. While it is clear that the States will have every incentive to start up programs there really was no absolute requirement that an individual ever go to work. In the view of the Senate, at a minimum one parent in the newly mandated AFDC/UP family should be required to work at least 16 hours per week. Such a requirement would hopefully help maintain the commitment to employment by these individuals.

CONCLUSION

I believe the bill does improve the welfare system substantially. Participation standards are an important principle and one we should put into place; the transition benefits do deserve our review once we have real experience and cost data; and finally the requirement that the States offer jobs programs insures that welfare recipients will have a chance to gain some real work experience.

I extend my thanks to all Senators and all the staff members. Sometimes we make the speeches and they do a lot of the work. Sometimes when we get into a bind, we say, "Work it out, and we will be back at 2:30." More often than not, they work it out, or at least give us some options. We have to make the decisions.

So I congratulate all those who particpated. This legislation may not be very exciting to a lot of people. It is welfare, and that turns some people off. There are some out there who will always believe no one should ever be on welfare. Sometimes there is no alternative.

If you are old or cannot find a job or have children, sometimes there is no alternative.

This type of legislation will not make the headlines. There will not be any political action committees rushing in to reward those who were active in support of this legislation, but it is very important. It is very important to many people who will never know what happened on the Senate floor today—children, the elderly, those without any income or very little income. They will be the beneficiaries of a lot of unselfish efforts by Members of this body on both sides of the aisle as well as by those in the White House and those in HHS, OMB, the Governors, and all the agencies.

We are anxious to help the States and see if it works. If we find that this new money and all this expanded authority simply leads to more people on welfare, then we have a problem, and we will have to come back and take another look and tighten it up. Governors will have much to account for if that happens. I have confidence in the Governors. There will be new Governors—new Republicans, new Democrats. But I believe they want this to succeed. They know that now that the bill is about to become law, it is going to shift the responsibility to them to make certain that it works. I think there will be pressure on all the States, and they will put pressure on one another to make certain it works, to get people back to work, to get people an education, to give them jobs, to give them training, and to do the best we can to restore dignity for a lot of Americans.

In closing, let me offer my thanks to Senator MOYNIHAN, Senator PRYOR, Senator DASCHLE, Senator BENTSEN, and Senator ROCKEFELLER for their patience and cooperation. I also want to thank Senators PACKWOOD, ARMSTRONG, and WALLOP who did a tremendous job of representing the views of the Senate Republicans in the conference. There are also a number of staff from the Finance Committee who deserve our thanks—Margaret Malone, Joe Humphreys, Marina Weiss, Lindy Paull, Brad Figel—as well as the representatives of HHS and the Office of Management and Budget—Joe Wright, Barbara Selfridge, Howard Rolston; the White House, Chuck Hobbs—and the personal staffs of the other members of the conference on the Senate side, including Rikki Baum of Senator MOYNIHAN's staff, and Tony Coppolino of Senator ARMSTRONG's staff.

The time for real welfare reform is here—I for one am anxious to help the States in their efforts to get recipients into meaningful employment and off the rolls. But I add a note of caution, if we find that this new money and expanded authority simply leads to an expansion of the rolls and no fundamental change, the Governors will have much to account for. They will also meet with strong resistance in the future for further funding incentives from at least this Senator.

Mr. MOYNIHAN. Mr. President, none of us has been more moved by the remarks of the distinguished minority leader, who has sustained this effort from its outset. We would not be here without him.

The distinguished majority leader would like to speak, and I yield such time as he may desire.

Mr. BYRD. Mr. President, I thank my highly esteemed colleague, the distinguished Senator from New York [Mr. MOYNIHAN].

Mr. President, with the adoption of the Family Security Act conference report, the Senate will take a major step forward in the reform of this country's welfare system. I view this as one of the most productive efforts we have made during the time I have been majority leader.

Many Senators—among them the distinguished Republican leader, Mr. DOLE; the chairman of the Finance Committee, Mr. BENTSEN; and the senior Senator from New York, Mr. MOYNIHAN—worked long and hard on this bill, bringing it to the Senate with broad bipartisan support at passage, and finally, in the conference report, with the unanimous support of the Senate conferees and the agreement of the White House.

The deep concern of those participating in the development of this legislation was particularly evident in the efforts of the senior Senator from Texas, who returned to the Senate to guide the final crafting of the conference report. His unstinting efforts in bringing this landmark bill to final passage only serve to add to the enormous respect in which I hold his talents and his wisdom.

The people of this country owe Senator MOYNIHAN a debt of gratitude for his consummate leadership and tireless efforts on this most difficult issue. He has turned his concerns for our country into action by not only crafting the bill that he and 26 cosponsors introduced here in the Senate last September, but by also working tirelessly during the conference period. He has demonstrated the very qualities that bring credit to the Senate and the Congress. I am proud to call him my friend and honored to call him my distinguished and preeminently capable colleague.

The people of this country also owe a debt of gratitude to the other conferees—those from the House; Senator PRYOR; my distinguished colleague, Senator ROCKEFELLER, who presently presides over the Senate with a degree of skill and dignity and expertise that is so rare as a day in June: Senator DASCHLE, Senator PACKWOOD, Senator DOLE, Senator WALLOP, Senator ARMSTRONG—for their perserverance and concern on this most difficult issue. Their efforts are a credit to the Senate and the Congress.

Mr. President, for all the years that I have served in the Congress, welfare reform legislation has been among the most contentious of issues addressed. Yet, it is among the most important of the issues we must handle. It speaks of people caught in a spiderweb of poverty, joblessness, illiteracy, and hopelessness. No matter in what direction they reach, the web entangles them further. If they find work, it is often low paying and does not include health benefits. But by finding work, the health benefits available to their children are lost. These salaries provide little money to spare for day care for their children, opening up a Pandora's box of difficulties for a single parent. A salary could increase the family's income just enough to reduce eligibility for food stamps—granting the pride of self-sufficiency, perhaps, but literally taking food from the table and from the mouths of children.

This is a painful issue in my own State of West Virginia, where we have a new population coming into our welfare system. This population is the new poor.

The Wall Street Journal notwithstanding, this same problem exists in the other 49 States of the United States.

These are individuals who have always worked, but have lost their jobs with the closing of many of our basic industries. My State needs a program that will benefit these individuals, many of whom for the first time in their lives find themselves without a job, without an income, and little or no prospect for obtaining employment without retraining.

This measure addresses these basic issues. Paramount among its provisions are those which emphasize the pride which goes with an honest day's work. While providing the necessary underpinnings of training, education, accessible child care and benefit protection, it takes immediate steps to move people off the welfare rolls into productive employment. This is accomplished both for individuals entering the work force for the first time, or reentering because of personal or regional economic misfortune. The bill also strengthens child support enforcement to insure that fathers meet their responsibilities to their children.

Let me say again, Mr. President, that I congratulate those Senators who are on the committees of jurisdiction for their toil and their labor, their talents and their vision, and I congratulate and thank their staffs on both sides of the aisle who likewise have labored in the vineyard so long to accomplish the results that we are proud to vote on today.

I am proud to be associated with this landmark legislation and with those of my colleagues who have guided this effort to a successful finish.

I yield back the time to Mr. MOYNIHAN.

The PRESIDING OFFICER (Mr. ADAMS). The Senator from Oregon,

Mr. PACKWOOD. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 12 minutes and 30 seconds.

Mr. PACKWOOD. Mr. President, how much time does the Senator from Washington wish?

Mr. EVANS. Five minutes.

Mr. PACKWOOD. I yield 5 minutes to the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington is recognized for 5 minutes.

Mr. EVANS. Thank you, Mr. President.

Let me add my voice to those which have already been raised in congratulations to the Senator from New York, the Senator from Oregon and other colleagues who have produced what I think will be known 10 years from now as one of the most remarkable accomplishments of this 100th Congress.

And I would suggest that it is just a first step, however, and I would particularly like to call attention to one small amendment which I offered to the bill when it came to the Senate which has been retained in the conference report and which allows us to move toward what I hope will be the next and perhaps even more important step. It evolved out of a study which was conducted on federalism in this country under the chairmanship of former Governor Robb of Virginia and myself. Out of that study of federalism we found that of all of the domestic responsibilities of the Federal Government of the United States perhaps none was more important than to insure that there was a safety net for all of our citizens, a safety net so tight and so strong that none would fall through, a safety net that provides adequately for the fundamental food, clothing, and housing for all of our people.

This Welfare Act assumes that responsibility at least in a beginning way.

We must now move toward a stronger assumption of that responsibility financially and a stronger assumption in ensuring a uniformity of benefits across the country instead of the huge disparities which now exist and, finally, to provide opportunity for those citizens who today have little if any opportunity.

This bill is remarkable in taking a first step toward all of those goals.

I hope that the study which is called for in this bill will allow us to take the next step.

Between now and then, however, it will be up to the States of the Nation primarily, the States who have prime responsibility for management of our welfare systems, to show that they can assume the new responsibilities and opportunities offered by this act and give back to us their ideas and their experiences, to share with us new hopes and new propositions, if they will, as to how we can make the next several steps until we have fully put together that impregnable safety net.

Most of all, Mr. President, it is important that we continue what has been so well started here during this 100th Congress and in doing so build a system that not only provides that safety net which is so important, but a system which at the same time retains to the maximum degree possible for the dignity of the individuals and families who seek help and give them at the same time the maximum opportunity to join with all other citizens in their productivity, in the use of their latent talents, and in doing so, to become full partners in the American dream which has eluded so many for so long.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. I thank the distinguished former Governor of the State of Washington, our colleague, Senator EVANS, and say again what he well knows: That it is the Governors who have led us to this point on the floor today and will lead us further in the years ahead.

Another distinguished Governor graces this institution. I am happy to see my friend, the distinguished Senator from Arkansas.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. PRYOR. Mr. President, I thank the distinguished friend from New York for yielding 5 minutes to me.

Mr. President, it was only 48 hours ago when the conferees on welfare reform finally adjourned and agreed to send this particular piece of legislation that we now consider to the floor of the U.S. Senate.

This compromise package emphasizes education and job training. It is also designed to ease that transition from the welfare rolls to the work force. It is long overdue.

I do not think that anyone in this body or in the other body could dispute that the driving force behind this legislation has been the very distinguished Senator from the State of New York, the Honorable DANIEL PATRICK MOYNIHAN. His tenacity and his perseverence are largely responsible for the conference agreement that was reached 2 days ago.

Not only has he been a most effective and skilled negotiator with the other body, at times very tenuous in negotiations, I might add, he has also demonstrated his willingness to listen to the concerns of this administration with regard to many of the complex provisions of this legislation.

There were a few times as the conference deliberations went on as in the Finance Committee that it appeared we had reached an impasse that was insolvable. The welfare reform legislation was pronounced dead by some in the media and many in the public assistance field doubted that an agreement could ever be reached in this session.

Senator MOYNIHAN often stood alone but undaunted in his conviction that the 100th Congress could, would, and must produce a new welfare law.

For the senior Senator from New York it must seem like a long road to travel. Almost for three decades, DANIEL PATRICK MOYNIHAN's name has been associated with the welfare issue and the wrongs of the present system. He has served four successive administrations, those of Presidents Kennedy, Johnson, Nixon, and Ford. No other person in American history can make that particular claim. Every Member of this body is aware of Senator MOYNIHAN's scholarly achievements, and there is no need to list them here.

Last year, a personal note, when Senator MOYNIHAN introduced the Senate version of the welfare reform measure, he asked if he could come to my office, room 264 of the Russell

Building, to personally lobby for my cosponsorship of this legislation. For more than 1 hour he lectured and he entertained. He was the professor at work, but more than the professor, he became the advocate, the advocate for change of a system that had broken down.

During that session that afternoon I invited several of my college interns to come into my office while Senator MOYNIHAN spoke. Those students were in awe not only of the intellect process exhibited but also of his humor and his certain dedication to his cause.

Of course, by the time he left my office he had a cosponsor of the welfare reform legislation.

Just before his introduction last year, the Congressional Quarterly published an article on Senator MOYNIHAN entitled the "Moynihan Factor" and the Chance for Welfare Reform Legislation to Move or Not Move in Congress this Session." At the outset of the article several questions were raised as to how effective this Senator might be in building that needed coalition of support with other Members, organizations, and this administration. The conference agreement that is on the floor this afternoon is that ultimate answer to those questions and any other doubts that might have been initially raised. We should all know by now that we never underestimate DANIEL PATRICK MOYNIHAN of New York.

I am proud to serve in the Senate with a man of such fierce determination, compassion, and integrity, and I congratulate him and the conference committee that met so many times and the splendid staff that helped craft this very complex piece of legislation, the Family Welfare Reform Act.

Mr. President, I ask unanimous consent that the March 21, 1987, Congressional Quarterly article entitled "Daniel Patrick Moynihan: Making Welfare Work" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Congressional Quarterly, Mar. 21, 1987]

DANIEL PATRICK MOYNIHAN: MAKING WELFARE WORK

(By Julie Rovner)

In welfare reform circles, they are calling it "The Moynihan Factor."

Loosely translated it is the sense of history brought to the current debate by Sen. Daniel Patrick Moynihan, whose name has been associated with welfare for a quarter of a century. It is his demonstrated ability to galvanize public support for welfare as a kind of children's crusade. And it is his help in bringing decision makers to agreement at least on broad concepts.

But The Moynihan Factor also includes some questions. Will the two-term New York Democrat follow through and convert support for a concept into support for a specific plan? Will he work with the administration and other members who have different views on how to approach the problem? And will he focus on the detailed provisions of the legislation as it moves through Congress?

"This is an extraordinary chance," said Moynihan. "We've determined where the areas of agreement are. . . . There are just so few moments when people are prepared to try something different."

Moynihan's reference is to an emerging consensus among politicians and academics from across the ideological spectrum. The agreement is that able-bodied welfare recipients should be expected to contribute to their well-being, either by working or training for a job; that government has a responsibility to make job training and child care available; and that parents should be expected to help support their children.

THE WORK AHEAD

Lawmakers are now trying to move from this conceptual framework to a specific plan, to find a way to pay for it and to convert it into legislation.

Moynihan is not the only key player. The Senate Labor Committee officially kicked off the legislative side of the welfare reform effort March 18 when it approved a bill (S. 514) introduced by its chairman, Edward M. Kennedy, D-Mass., that would pay states bonuses for moving long-term welfare recipients into jobs.

But most see Moynihan as the leader of the welfare reform drive and say his intellectual prowess and personal involvement in past efforts give him and his ideas a special status.

"If you take him out of the equation you have a very different set of circumstances," said Rep. Sander M. Levin, D-Mich., who March 19 reintroduced legislation he drafted with Moynihan to overhaul federal work and training program for welfare recipients.

"He's clearly the quarterback, and he's a veteran quarterback who's been hit high and low and is not only still on his feet but passing better than ever."

Kennedy, who has made no secret of his desire to play a major role in the welfare debate, also acknowledges Moynihan's supremacy. "They used to ask the famous British scientist, Lord Rutherford, why he always seemed to be riding the crest of the wave in modern physics. And he replied, 'I made the wave, didn't I?' That's the way I feel about Pat Moynihan and welfare reform," said Kennedy through an aide.

"He has a wealth and depth of knowledge that no other member of Congress has on this issue and few have on any issue," said Robert Greenstein of the Center for Budget and Policy Priorities, a Washington think tank. Moynihan, he said, also brings to the debate "a long knowledge of the past history of failures and why they failed."

Such an "institutional memory" is not to be taken lightly, says Leslie Lenkowsky, director of the Institute for Educational Affairs and a leading conservative voice who studied under and later worked for Moynihan. "Policy is usually made in the absence of any understanding of what's happened before. That is not the case with him."

Moynihan is also in a good position to become the broker of competing proposals. "There are now a lot of groups out there that are heavily invested in this," said Stephen Heintz, Connecticut's welfare commissioner and head of a group that developed a welfare reform proposal for the American Public Welfare Association. "How do you bring this all together? . . . I think Moynihan could be the key to that, because everybody respects him so much."

Indeed, almost all of the witnesses who appeared at a series of welfare hearings before Moynihan's Finance Subcommittee on Social Security and Family Policy began their statements by paying homage to the former Harvard professor and his efforts to end poverty.

"I'm not often humbled," testified Rep. Thomas J. Downey, D-N.Y. "But as a student of the chairman's writings on these issues since my college days, my speaking to you on welfare reform is like Pat Robertson explaining scripture to God."

Moynihan, however, is not universally adored. To his admirers, his slightly officious manner is deemed professorial. To his detractors, it is merely pompous. And some question his ability and willingness to focus on the politics involved in such a major undertaking.

"There's an unknown part of the Moynihan Factor, and that's the degree to which he will roll up his sleeves and do the nitty-gritty work in building a majority coalition," said one expert, who asked not to be named. "His interest in this, his knowledge, his intelligence, understanding and commitment are all unquestioned. But he's going to have to work closely with other members, and that part is still not clear."

It is also unclear whether Moynihan can win the support of President Reagan for his vision of welfare reform, which is likely to differ substantially from the administration's line.

"When he comes on television, the senator appears very conciliatory towards the Reagan administration," said Eleanor Homes Norton, former head of the Equal Employment Opportunity Commission and now a professor at the Georgetown University Law Center. "I think that may be because he wants to ward off a veto, and that may mean compromising in ways that will break up the coalition among liberal Democrats who don't want welfare reform at any price," she speculated.

THE PROFESSOR'S PERSPECTIVE

During an hour-long interview, Moynihan moves constantly about his dimly lit office, supplementing his own vast memory with reference books and readings from letters and other documents. He can stop talking in mid-sentence to take a phone call from a constituent, then return and pick up the conversation precisely where he left off.

He seems to derive a real teacher's pleasure in trying to explain the intricacies of the problem, delighting in peppering his answers with anecdotes and such welfare trivia as the bill number of the original Social Security Act. In the process he makes it clear he is worried about the direction not only of public policy, but also of society as a whole.

"Misfortune comes to the complacent; not by some moral law, but because complacense is the parent of incompetence," he reads from a little-known work by the British author Robert Byron, who died in 1941.

"Complacence is the parent of incompetence," he repeats slowly for emphasis. "It's a kind of race here between a complacency that things are going so well that you become incompetent and the alarums that say let's straighten it out. It is a profound social issue."

Moynihan's involvement in the problems of the poor dates back to the early days of President John F. Kennedy's administration. As a special assistant to the secretary of labor, Moynihan helped draft some of the early plans that became the Lyndon B. Johnson administration's war on poverty.

But it was not until 1965 that Moynihan became a household name. The occasion was the public release of what was intended to be an internal administration document. Its official title was "The Negro Family: The Case for National Action," but it is better known simply as "The Moynihan Report." (Congress and the Nation Vol. II p. 389)

Moynihan, by then an assistant secretary, based his report on government data showing that black family dissolution was no longer following a pattern of rising and falling in step with unemployment. His paper theorized that slavery, racism and systematic segregation had so weakened the status of the black male that the resulting trend toward increased dissolution of black families in urban ghettos portended a new crisis in race relations.

Calling the deterioration of the Negro family "the fundamental source of the weakness of the Negro community at the present time," the report argued that offering equal opportunities would not be enough.

"The principal challenge of the next phase of the Negro revolution is to make certain that equality of results now follow," the report stated. "If we do not, there will be no social peace in the United States for generations."

Although no specifics were offered, the report urged creation of a national policy whose objective "shall be designed to have the effect, directly or indirectly, of enhancing the stability and resources of the Negro American Family."

Released by the White House in an effort to help the press and public understand the violent riots that broke out in the Watts section of Los Angeles in August 1965, the paper caused an almost immediate uproar.

Many in the civil rights community rejected Moynihan's arguments and branded him a racist, and the administration dropped plans to consider family issues as part of a 1966 White House conference on civil rights.

But by 1987, feelings had cooled to the point that many of those who used the word "racist" to describe Moynihan found themselves switching to words like "farsighted."

Moynihan says he takes little satisfaction in having been proved right in predicting the rise in female-headed black families. "That's no great thing," he insisted.

"There's kind of a paradigm in scientific argument, and also in social science, when an argument breaks out in the discipline," he explained. "Everybody knows the world is flat, then someone comes along and says the world is round. It never is settled in the generation in which the argument breaks out. A new generation comes along and they all know the world is round; excepting that some say, 'No, it's not round, it's pinched at the top.' And others say, 'No, no it's pinched at the equator.' And then they fight about that."

With some prodding, though, he does express regret. "I was awfully bitter that we had lost what I knew was an enormous opportunity. And bitter in a much more generalized way. We lost a whole generation of people and let something metastasize."

REENLISTING WITH NIXON

Shortly after the furor over his report erupted, Moynihan left government to head the Harvard-Massachusetts Institute of Technology Joint Center for Urban Studies. But by 1969 he was back, this time as a counselor to President Richard M. Nixon, trying to push the Family Assistance Plan (FAP) through Congress.

FAP would have established nationally standardized minimum benefits under Aid to Families with Dependent Children (AFDC), the principal federal-state welfare program, and a number of other programs. It also would have provided assistance for the "working poor," those who did not earn enough at their jobs to escape poverty. (Congress and the Nation Vol. III, p. 622)

Attacked by liberals for not providing enough and by conservatives for providing too much, FAP was never enacted. But out of the FAP fight came the federalization of welfare plans for the aged, blind and disabled, which were consolidated into what is now the Supplemental Security Income program (SSI).

One problem Moynihan says he did not have to cope with during the debate over FAP was a massive federal deficit—an obstacle he admits looms very large this time around. "In the whole discussion of the Family Assistance Plan—in the whole two years I was involved with it—I never heard the subject of money raised," he said.

During his Nixon tenure, Moynihan's flamboyant writing style again got him into trouble with the black community. In a now-famous memo, he wrote: "The time may have come when the issue of race could benefit from a period of 'benign neglect.'" Further reading of the document makes it clear he meant that white politicians needed to tone down their racial rhetoric. But for many blacks the phrase 'benign neglect' confirmed earlier fears that Moynihan was a racist at heart.

Today, however, that is all behind Moynihan. "I don't see a lot of people thinking about Moynihan in those terms now," said Norton. "Maybe it's because the issue of welfare has become so urgent and Moynihan has spoken with such relevancy in today's terms that people are not harking back 20 years ago to an issue that no longer speaks to these times."

CARTER'S 700 PIECES

Welfare reform next topped the national agenda in 1977, when Carter proposed his Program for Better Jobs and Income (PBJI). The plan would have eliminated AFDC, SSI and food stamps, and replaced them with cash payments for about 32 million persons, including the working poor. At the same time, it would have created up to 1.4 million public service jobs. (Congress and the Nation Vol. V, p. 685)

Moynihan, as chairman of the Finance Subcommittee on Public Assistance in 1979, wavered—first praising, later criticizing the program as well as a scaled-down replacement proposal. In the meantime, the entire concept of welfare reform became entangled in the competing priorities of various politicians and interest groups.

In addition, Moynihan says, the Carter program was far too complicated. "I really worked hard, let me tell you. I spent a whole solid weekend with my feet on the floor working and I just couldn't understand a thing. Seven hundred moving parts," he said.

PRESUMPTIONS HAVE CHANGED

So how is 1987 different enough from 1977 to make comprehensive welfare reform a plausible political possibility?

A major factor, says Moynihan, is that people's presumptions about welfare have changed significantly in the last decade. Mothers in the work force are now the rule rather than the exception, and many of those who crusaded against "workfare" programs in the 1970s now take a different view. They admit that requiring work or training from able-bodied recipients can help reduce welfare dependency.

Census Bureau data showing that one out of every four children is born into poverty in the United States have helped Moynihan and other opinion leaders shift the focus away from "welfare queens" and onto AFDC's original target population—poor children.

A consensus is also developing around the concept of parental support: that absent fathers in particular must be held responsible for supporting their children. "It has to be understood that your're talking here about what is the central task of any society: to produce citizens," Moynihan said.

But a more fundamental element driving the move to clean up the welfare mess is demographic. "The era of the baby boom is over," pronounced Moynihan. "Since 1947 the United States has lived with the problem of too many of a certain kind of person. We had too many babies, then we had too many grade-schoolchildren, then we had too many teenagers and too many young adults. Then we had too many people entering the work force. And now suddenly we don't have enough. For so long it was how are we going to find places for the people, and now suddenly it's how are we going to find people for the places?

"And you hear [Massachusetts Democratic Gov. Michael S.] Dukakis say, 'We can't afford to waste a single child.' Not that we ever could, but this is absolutely new. A sense of, 'Hey, we're short of good hands and you can't let this happen,'" he said.

Moynihan is also optimistic about the leadership demonstrated by the nation's governors and the enthusiasm being generated by such experimental work-welfare programs as Massachusetts' E.T. and California's GAIN.

"You're actually seeing federalism work," he crowed. "Federalism works when it works, and not when someone who doesn't want to do something in Washington says it ought to work. For so many years when you invoked the word federalism in Washington you meant it was something you didn't want to do. When you said this should be done at the grass roots, what you meant was that you were confident it wouldn't be done at the grass roots and therefore it was a more acceptable way of saying, 'I don't think this should be done.'"

Moynihan won't talk in specifics about his legislation, now in the drafting stages. But he does admit that one reason he is trying to focus the debate on children is to avoid the racial overtones that have spelled doom for past reform efforts.

Moynihan acknowledges that the federal budget deficit is certainly a significant barrier to widespread change in the welfare system. But he says it has forced welfare reform advocates to explore alternatives that may in the long run prove more effective than spending more money on the problem. "If you had a lot of money the issue of parental support would not be so salient," Moynihan said. "And if you think about what you want to do, that's one of the things you most want to do, to make that statement."

Nor is he worried that things may be moving too fast, what with House Speaker Jim Wright, D-Texas, now calling for a bill to be on the House floor in May. "We've got to move fast," said Moynihan. "We're not going to know more than we know now, and we know a lot."

Whatever happens, Moynihan insists that success on welfare cannot be judged by what the 100th Congress does or does not do, and he is wary of over-promising in order to achieve a political goal.

"If we just get this idea of contract, get this idea of parental support, get this idea of accounting for everyone. . . .," he said of his immediate goals. "If you just get those principles, and the idea that we have to do that because it's not now happening.

"What took several generations to come about isn't going to disappear in the next fiscal year," he said. "If we begin to turn the corner at the turn of the century we shall have done pretty well."

Mr. PRYOR. Mr. President, I yield back the remainder of my time.

Mr. MOYNIHAN. Mr. President, I rise to express the deep gratitude of this Senator for those remarkable words. The Senator from Arkansas has lived with this issue and, as a member of the conference, has helped bring this matter to the floor today.

He very properly observes the role of those who have assisted throughout. I would not wish this afternoon to conclude without expressing the uttermost gratitude of the conferees to the Finance Committee staff: Marina Weiss, Margaret Malone, Joe Humphreys, Bruce Kelly, Jim Gould, and Pat Oglesby; and our own Rikki Baum and David Rich. On the minority side, it is hardly for me to speak, but Sheila Burke has been without "peer;" Brad Figel and Lindy Paull, on Senator Packwood's staff; and Tony Coppolino, on Senator Armstrong's staff, have been incomparable throughout. From the Congressional Budget Office, which guided us through intricacies beyond, certainly, my comprehension, Jan Peskin, Julie Isaacs, and Alan Fairbank.

I thank the Chair.

Mr. PACKWOOD. Mr. President, I yield 3 minutes to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. D'AMATO. Mr. President, I rise to express to my colleague from New York our profound thanks for his work in an area that is so critical to this Nation, to keeping this Nation one Nation undivided; to begin to undertake the most important challenge of dealing with the underclass which is developing, the welfare syndrome that is spewing out youngsters who will never reach the potential that God gave them as the result of a system that does not give them the opportunity to be nurtured; to those who have fallen victim and have lived for years, and, if given an opportunity for training, employment, if given an opportunity of support, adequate support, to see that those who have a responsibility meet that responsibility in all parts of this legislative effort in attempting to stem the tide of this burgeoning problem of the developing underclass.

I salute my colleague for his perspicacity, for his caring, for his concern, and for galvanizing a force and yet maintaining the flexibility necessary to bring this bill to fruition and a law that hopefully will begin to reverse this dreadful scourge—the scourge of people never having the opportunity to meet the greatness that is within so many. That is a terrible thing.

So, again, let me say to those who brought have this bill to a point where it can be signed into law, to Senator Packwood, to the Finance Committee, to many on the staff, congratulations for a job well done.

Mr. MOYNIHAN. Mr. President, my dear colleagues and friend will know how important his remarks were to me.

A page is asking him for a text. He has no text. Those words came from his heart, his mind, and they will not be forgotten by his colleague from New York.

Mr. President, I yield the floor.

Mr. PACKWOOD. Mr. President, I suggest the absence of a quorum. I ask unanimous consent that it be charged equally.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, do I have 4 minutes remaining?

The PRESIDING OFFICER. The Senator is correct.

Mr. PACKWOOD. I yield 4 minutes to the Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. CHAFEE. Mr. President, I thank the distinguished Republican manager of the bill.

I am delighted today to vote in favor of the conference report on H.R. 1720, the welfare reform bill. As a member of the Finance Committee, it has been my privilege to work alongside of our distinguished colleague, the senior Senator from New York, and I applaud his tremendous efforts on behalf of this legislation. It is one of the most important achievements of this Congress, clearly.

For a great many years now, we have been trying to do something constructive to improve the public welfare system in our country—to enable it to serve both the poor and our society in an efficient, effective, and compassionate way. And this is a tremendous task.

The conference report before us takes the first crucial step toward achieving these goals. Stressing family responsibility, education, and job training, this measure uses the elements we in this body know are the cornerstone of independence.

An important point I would like to make—and perhaps others have made it—is by decoupling the Medicaid benefits from cash assistance, and providing child care, we have removed one of the key disincentives to work under the current system. People cannot go to work because they have no place to care for their children. And if they go to work in low-income jobs where there are not health benefits provided, they lose their Medicaid—Medicaid coverage not only for themselves but for their children.

The $3.34 billion cost of this landmark bill is offset by revenue raising amendments such as extension of the Internal Revenue Services debt collection activities.

This measure could not have come at a better time in our Nation's history. Rates of welfare dependency in our Nation are unacceptably high. Even with a Federal expenditure of over $8.6 billion a year for AFDC alone, we are not adequately feeding and caring for the millions of poor children and their families in this country.

This welfare reform conference report is a short-term investment that I am confident will produce long-term rewards. Four fundamental changes in our welfare system are proposed by this measure. First and foremost, by amending child support collection and enforcement law, the conference report places a new emphasis on family responsibility, making paying child support an obligation, not just an option.

Now it is comme si, comme ca, under this bill, they have to do it.

Second, the bill provides funding for programs of education and job training so that the possibility of leaving the welfare rolls becomes a reality instead of a dream. For years we have been talking about the issue of long-term dependency. Yet we have often failed to recognize that just any job won't help most people get off of welfare. The reason is that individuals are not on welfare, families are. Whatever job a recipient leaves the welfare rolls for, must produce enough income to support a family. As such, meaningful reform must enable people to receive the training and education they need in order to obtain and keep higher paying jobs.

Third, the bill's work transition provisions ensure that child care and health insurance—two necessities in any family where the sole parent is working—are provided for a year after cash benefits have ended.

If you get off of welfare and you have these benefits of the Medicaid coverage for you and your children for a year. That, I think, is the one of the key provisions of this legislation.

This provision is designed to ease the transition from public assistance to private employment by recognizing that few benefits are bestowed before the employee has been on the job for several months.

Fourth, the report requires States to provide cash benefits to poverty stricken families who meet eligibility requirements for AFDC, with the exception that both parents are present. It is of great importance to me that this bill requires States to provide AFDC-UP, which is the term for this intact family assistance. There has been a lot of talk lately about the importance of the family as an American institution. It is my belief that this measure includes one of the most profamily initiatives of this session. Currently 24 States deny assistance to any poor child whose parents live together. This measure allows poor children to be eligible for benefits regardless of the presence of both parents. I would like to see the requirement extend for a full 12 months, instead of the 6-month requirement, but, as I stated previously, this measure is a first step.

Mr. President, this piece of legislation is not without flaws. I do not believe that it is wise to mandate CWEP [community work experience program] participation for those whom we know by experience need it the least: the AFDC-UP [unemployed parent] population. I think we need to know more about the logistics of providing jobs programs on a statewide scale before we mandate participation rates of 800,000 nationwide. Finally, I think the Medicaid transition, which is crucial to independence, security, and the well-being of children and their families, should be extended to 24 months. This amendment I offered in the Finance Committee and it was unfortunately defeated there.

These flaws, however, do not overshadow the benefits of this measure. There are two provisions included in this final conference report of which I feel especially proud: the teen care demonstration programs, and the bar to premiums for Medicaid coverage should a family be living below the Federal poverty level.

The teen care demonstration programs that we will approve today as part of this bill are a watershed in our efforts to end long-term dependency on welfare benefits. It is commonly recognized that one of the greatest contributing factors to welfare dependency is teenage pregnancy. The Children's Defense Fund tells us that a major cause of the high rates of teen pregnancy is low self-esteem and the perception of poor and troubled teens that their life options are limited. Marion Wright Edelman suggests one way to build self-esteem, and thus reduce teen pregnancy, is to provide young people with a "range of nonacademic opportunities for service and for feeling good about themselves—sports, recreation, the arts and other enrichment activities." My teen care proposal does just that.

The program is designed to coordinate and target existing services to teens, as well as fill in the gaps where such programs are missing, or are in need of expansion. This $4.5 million demonstration program will fund projects in four States in an attempt to address the four major problems faced by teenagers: drug abuse, dropping out, pregnancy, and suicide—through a coordinated program that would provide resource referral, general stress management and coping skill counseling, recreational referral organization, and general oversight.

Teen pregnancy, the dropout rate, teen suicide, and drug abuse are but four symptoms of one illness—inadequate development of American teens. By treating the illness, as opposed to isolating the symptoms, teen care presents a new approach that is worth investigating.

Second, I am delighted to see that my amendment in the Finance Committee, to bar the imposition of premiums for Medicaid coverage for families whose earnings are below the Federal poverty level, is included in the final conference report. Appropriate health coverage is imperative to the self-sufficiency of a family. To impose premiums on those in poverty, and risk adding to the ranks of the 37 million uninsured in this country, is the epitome of being "penny wise, and dollar foolish."

In closing, let me again applaud the efforts of Senator MOYNIHAN, the leadership of Senator BENTSEN, and the hard work of everyone involved in this measure.

Mr. President, I know my time is short, but I do wish to commend the distinguished senior Senator from New York. He has worked on this for a long, long time and now he is seeing it come to fruition. So we are all very, very happy with the result. I hope that everyone in the Senate will support this legislation.

Mr. MOYNIHAN. Mr. President, may I thank my distinguished friend and fellow member of the Finance Committee, who helped launch this legislation and who has helped to bring it before this body today.

Mr. President, I have letters from the American Federation of Labor and Congress of Industrial Organizations, the Children's Defense Fund, and the Child Welfare League of America, which I ask be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS,
Washington, DC, September 29, 1988.

DEAR SENATOR: Congress will soon consider the Conference Report on H.R. 1720, The Family Welfare Reform Act. The AFL-CIO urges you to oppose it.

The Conference Report falls far short of the balanced system of benefit improvements, education and training services, and work requirements contained in the House bill, which the AFL-CIO supported. Instead, it embraces the Administration's punitive and inequitable workfare philosophy and its unreasonable quotas for participation in work activities, while preserving few of the enhanced benefits approved by the House.

Unfortunately, the goal of the bill—to instill pride and self-sufficiency in those who are now humbled by welfare dependency—is thwarted by failing to provide pay equity to welfare recipients who are required to participate in work programs. Without adequate wage protections, enforced work programs will create a second-class pay system and a self-image of second-class citizenship. Workplace morale would also suffer under a system in which two persons doing the same entry-level job receive differing amounts of pay.

Many welfare recipients are in desperate need of a positive work experience, the kind of experience which offers the hope of regular employment and the self-respect which that engenders. This segment of the welfare population needs new skills—not make-work—to prepare for full-time productive employment. As reported out of conference, this legislation guarantees, instead, a cheap, unskilled labor pool that will remain downtrodden and welfare-dependent.

The AFL-CIO urges you to vote against this Conference Report.

Sincerely,

ROBERT M. MCGLOTTEN,
Director,
Department of Legislation.

CHILDREN'S DEFENSE FUND,
Washington, DC, September 28, 1988.

DEAR SENATOR: On behalf of the Children's Defense Fund (CDF), I urge you to oppose the Conference Report on H.R. 1720, The Family Welfare Reform Act, when it comes to the Senate floor later this week. The Conference agreement on welfare reform fails to ensure poor families the help they need to support their children and move toward economic self-sufficiency.

The final House-Senate compromise permits about one-half of the states to place arbitrary time limits on cash assistance for poor two-parent unemployed families, thereby continuing incentives toward family breakup. In addition, at the ideological insistence of the White House, the agreement proposes to squander taxpayers' dollars by mandating old-fashioned "make-work" programs for two-parent families. Such mandates will be implemented at the expense of far more productive investments in education and training programs for single parents on AFDC who will be unable to enter the job market without such help.

Specific provisions in the Conference Report that will prove most harmful to poor children and families include:

The failure to require that all states must provide full-year coverage under the AFDC-Unemployed Parent Program (AFDC-UP);

The imposition of federal "workfare" requirements on AFDC-UP families in all states, a provision which will force states to divert scarce resources toward non-productive make-work assignments for those parents with the greatest work experience and away from education and training programs for those single parent families who are most likely to become long-term AFDC recipients;

The establishment of rigid participation rates for the regular AFDC caseload in JOBS Program activities, thereby focusing resources on compliance with the participation quotas rather than on the intensive services needed to help young single parents move into jobs; and

The lack of a requirement that family day care assisted with AFDC funds, but currently exempt from state and local child care standards, must comply with minimum health and safety guidelines established by individual states or localities.

These provisions undermine the potential gains for poor children and families in the Conference agreement in the areas of child care, Medicaid transition, and child support enforcement. The additional funds for child care for children in AFDC families and for transitional child care and Medicaid for those families moving from AFDC to jobs are critically needed. Such investments, however, must not be thwarted by requirements which otherwise impede progress for poor families struggling to become economically self-sufficient.

We urge you to oppose the Conference Report on H.R. 1720 and to continue to seek critical improvements for poor children and families in the next Congress.

Sincerely,

MARIAN WRIGHT EDELMAN.

CHILD WELFARE LEAGUE
OF AMERICA, INC.,
Washington, DC, September 27, 1988.

An Open Letter to All Members of Congress:

We the undersigned members of the Child Welfare League of America are attending the 1988 Biennial Assembly to chart a course for Child Welfare Policy and Practice for the next two years. We are concerned that the pressure to reach consensus on welfare reform has resulted in a bill that will do little to enhance the long-term self-sufficiency of AFDC parents and even less for the 7.3 million children who depend on AFDC for their income security.

We urge you to oppose a bill that would:

Impose a workfare requirement on AFDC-UP recipients in two-parent families. Make-work is no substitute for quality job training. It is not cost effective and provides no long-term benefits.

Impose unrealistic participation rates in the JOBS program and particularly for AFDC-UP recipients.

Place recipients in Community Work Experience (CWEP) without time limits or protections against repeat assignments.

Allow children to be placed in family day care without guarantees that the home meets basic health and safety requirements.

We believe that the bill's overall emphasis on CWEP and high participation rates will divert very limited resources from those who need intensive basic education and training.

As you move toward final passage of a welfare reform bill, please be assured that the Child Welfare League of America and its 500 member agencies throughout the country supports efforts by Members of Congress to craft a bill that results in genuine and humane welfare reform. We stand ready to support you and other Members of Congress who withstand the pressures to further erode the modest improvements outlined in the original House bill.

CHILD WELFARE LEAGUE OF AMERICA, INC.

Agency, City/State:

Mississippi Children's Home Society and Family Services Association, Jackson, Mississippi.

Orchard Place, Des Moines, Iowa.

Children's Bureau of Indianapolis, Indianapolis, Indiana.

Lutheran Child and Family Service of Michigan, Bay City, Michigan.

Children's Aid Society, Birmingham, Alabama.

Family and Child Services, Birmingham, Alabama.

Harris County Children's Protective Services, Houston, Texas.

Fulton County Department of Family and Children's Services, Atlanta, Georgia.

St. Louis Christian Home, St. Louis, Missouri.

Juliette Fowler Homes, Inc., Dallas, Texas.

The Children's Center, Galveston, Texas.

Southern Christian Services, Jackson, Mississippi.

Beech Brook, Pepper Pike, Ohio.

Presbyterian Child Welfare Agency, Buckhorn, Kentucky.

Chicago Child Care Society, Chicago, Illinois.

Boston Children's Services Association, Boston, Massachusetts.

Central Baptist Children's Home, Lake Villa, Illinois.

Counseling and Family Services, Peoria, Illinois.

Sunny Hills Children's Services, San Anselmo, California.

Lutheran Family Services, Raleigh, North Carolina.

New England Home for Little Wanderers, Boston, Massachusetts.

The Salvation Army Social Services for Children, New York, New York.

Jewish Board of Family and Children's Services, New York, New York.

Worcester Children's Friend Society, Worcester, Massachusetts.

Catholic Community Services, Miami Shores, Florida.

Family and Children's Services of Chattanooga, Inc., Chattanooga, Tennessee.

Beacon Counseling, Boston, Massachusetts.

Jewish Child Care Association, New York, New York.

Lula Belle Stewart Center, Detroit, Michigan.

Mr. DOMENICI. Mr. President, I ask unanimous consent that I be permitted to speak for 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

It is my understanding from the managers that their time has been yielded so there is a total of 2 minutes.

Mr. MOYNIHAN. It is a great pleasure.

The PRESIDING OFFICER. For a total of 2 minutes the Senator is recognized.

Mr. DOMENICI. Mr. President, there are so many people to congratulate on this bill that I will merely indicate that I concur with all of the remarks made that were laudatory of Members of the Senate, the House, and the White House.

Let me say, however, that the United States of America over the last 25 years, almost every time you look at an economic recovery and an economic success story there has been attendant to it one failure. Single heads of households, and in the last 20 years, predominantly single women who are heads of households, have largely escaped the economic recoveries, be they the recovery right after the Second World War or the last three. Single heads of households have been the class of people that have not benefited as greatly from new jobs, from better jobs, from prosperity, from the so-called American dream.

As a matter of fact, I think I can say now that over the last 25 years they are about the only group of people that have not benefited proportionately from economic recovery. I think that is because we did not have an approach to welfare for single heads of households, trying to raise children in the slums and ghettos of America, that had a chance of working in the American economic system that is predicated upon jobs and entrepreneurial spirit. We merely invited them, that group of people, to stay where they were and accept some cash payments. And we should not be the least bit astounded that their numbers increased.

This bill's approach, is substantially different. It is aimed at a helping hand, training, education, and a job. Essentially the best American economic program is a job. Welfare is a last resort. And this, indeed, has a chance of working.

It may cost a few dollars but we have found a way to pay for it and I submit, if it reduces that growing group of Americans who do not participate in the American dream, it will be worth every penny because this is, indeed, one of America's true economic horror stories.

I am very hopeful that this new approach will work. Coupling education, training, a helping hand, and an opportunity to work might break the welfare cycle.

This is indeed both a landmark bill and a common sense bill. It provides a dramatic new emphasis on job training, a basic skills development, day care, and other support services to enable welfare recipients to escape dependence and leave the welfare rolls. It also contains the first real requirement ever that one parent in a two-parent welfare family perform some limited community service or other work activity as a condition of receiving benefits.

This bill results from substantial efforts by many people. President Reagan took the lead by calling from meaningful welfare reform in his State of the Union Address. The Governors have urged reform. The Senator from New York, Mr. MOYNIHAN, has worked hard on this issue for many years. Senate conferees brought us a conference agreement which upholds the key principles of our Senate-passed measure. And the administration negotiated well to craft a bill the President would support.

BUDGET EFFECTS

Mr. President, the 1989 budget resolution passed by this body provided the opportunity for welfare reform that was deficit neutral in 1988, 1989, and over the period 1989-1991. This bill does not significant costs, but I am happy to report that the measure before us meets the terms of the budget resolution.

According to the Congressional Budget Office [CBO], which we use for scoring all bills against the budget resolution, the measure will cost $3.3 billion from 1989-1993 and provide for new collections and revenues of $3.3 billion over the same period. Because some benefits provisions do not become fully effective until 1990 or later, CBO projects that the bill will in fact save $0.4 billion in 1989 and a total of $0.5 billion over 1989-91.

Under the Gramm-Rudman-Hollings Balanced Budget Act, however, the Office of Management and Budget [OMB] makes final estimates of costs of enacted legislation to determine whether the spending targets mandated by that law are met. Due to differences with CBO in estimating the baseline costs of the Aid to Families With Dependent Children [AFDC] Program, OMB projects this bill will yield savings of $72 million in 1989. Thus the 1989 deficit would be reduced slightly from current estimates.

I must emphasize to my colleagues, however, the pressing need to keep 1989 spending within the levels agreed to under the Bipartisan Budget Agreement to avoid an across the board sequester. The latest OMB figures, adjusted to include the small improvement resulting from welfare reform and other spending legislation before the Senate, show that we are within $0.5 billion of a sequester. That is less than one-tenth of 1 percent of $1 trillion budget. So I stress to all Senators on both sides of the aisle that there remains a very thin margin between current law and a sequester.

CHILD SUPPORT ENFORCEMENT

Mr. President, I am pleased that the bill includes provisions to strengthen Federal child support enforcement standards. The changes made are based on the principle that responsibility for the well-being of family and children lies first with the family itself, including the absent spouse.

The bill provides for automatic withholding of court-ordered child support payments from the paycheck of the absent parent, even if payments are not in arrears. And it takes steps designed to improve the adequacy of child support awards and the establishment of paternity for all children.

My own State of New Mexico has adopted laws that are similar to provisions in the bill. New Mexico has in place a program for intercepting income tax refunds to collect overdue child support payments. Laws have been passed in New Mexico which will increase the number of child support hearing officers to expedite adjudication of child support claims and to establish mandatory support standards for child support judgments. These measures, together with new Federal law, should measurably strengthen our State/Federal Child Support Program.

JOB TRAINING AND SUPPORTING SERVICES

The centerpiece of the bill, which I strongly support, is the new Job Opportunities and Basic Skills Program [JOBS]. This program replaces the current Work Incentives [or WIN] Program with expanded opportunities for job training, education, and basic skills development. Able-bodied recipients with children age 3 and older are generally required to participate in JOBS, to the extent States have resources available to fund the program. Day care and other supportive services must be provided during the training period.

Mr. President, the Federal Government has committed up to $1 billion a year for this purpose by 1992 and even more beyond. We have made it clear that we believe such an investment in job training offers a chance to help people pull themselves out of poverty. A job is the best possible cure for poverty—and for self-respect—that one can think of, Mr. President.

This bill seeks to bring into the labor force persons who are often relatively low-skilled and who do not have significant work history.

Mr. President, there are a number of bills on the agenda around here—the minimum wage, parental leave, mandatory health benefits, and so on—which would levy significant additional costs on business. These new costs amount to an increase in the payroll tax. Employers facing a new tax would have to cut costs and may well be forced to reduce employment opportunities.

It is particularly ironic that any job loss associated with mandated benefits will fall most heavily on precisely the population we seek to assist with this welfare reform bill—low skilled, disadvantaged, teenagers, including teenage mothers. That is the consensus view of virtually all economists.

Mr. President, we have to think about the total effects of the various pieces of legislation we consider. On the one hand we are trying to help the disadvantaged enter the labor market with welfare reform. We must be careful we do not negate the potential gains from welfare reform by passing other legislation which would limit the availability of entry level jobs.

Our economy has created more than 16 million jobs in the last 6 years. If we do not foul things up by imposing excessive mandated benefits on employers, it will continue to create jobs in the coming years. Some of those new jobs we hope will be filled by people trained by the welfare reform bill.

It will be important to monitor in the future the effectiveness of our large investment in these activities.

The final bill also includes two generous so-called transition benefits which seek to ease the transfer of current welfare recipients into the work force. Free day care is provided for up to 1 year after leaving the welfare rolls. And Medicaid coverage is extended for up to 1 year after leaving welfare, even if wages would otherwise make one ineligible.

Mr. President, we know that day care and health insurance are two of the most pressing concerns for many Americans, not just those on welfare. My own State of New Mexico has taken a leadership role in offering subsidized day care to welfare recipients who have found jobs and are attempting to stay in the labor force and off welfare.

These transition benefits may well be helpful to families. Given the large Federal expenditure involved—$400 million per year—their net effectiveness in keeping families off welfare should be carefully studied.

AFCD-UP AND THE WORK REQUIREMENT

Finally, Mr. President, the bill requires all States to implement a welfare program for two-parent families, where the principal wage earner is unemployed. Under current law, this is a State option—24 States, including my own State of New Mexico, have chosen not to implement this so-called AFDC-UP Program and instead to concentrate limited resources on other aspects of the welfare program.

Mandatory AFDC-UP will add roughly 3,000 new cases to the AFDC rolls in New Mexico. This new cash assistance, plus associated Medicaid coverage, will yield a significant cost increase. I would have preferred a continuation of current law, Mr. President, that gave States the flexibility to adapt their welfare programs to their own needs.

But I am glad that the final agreement includes a provision, similar to one included in the Senate bill, which would provide the first real work requirement in the 50-year history of the Federal Welfare Program. Mr. President, the bill simply requires that one parent in a two-parent AFDC-UP family participate in at most 16 hours a week of State-designed work experience or on-the job training.

Frankly, Mr. President, there has been a lot of extreme and misleading rhetoric about this provision. The purpose is not to penalize anyone, but simply to enable help able-bodied individuals in two-parent welfare families to maintain some contact with work skills and the work place.

Let me make clear that families subject to this requirement are receiving cash assistance. They receive health care coverage through Medicaid. They often receive food stamps. I do not think it is unreasonable—and I do not believe most Americans would—to ask recipients of that package of benefits to participate in State-designed work activities which are likely to benefit the community and help them maintain or gain work skills which may lead to a job.

SUMMARY

To sum up, on balance, this is a good bill. It is deficit neutral. It strengthens child support enforcement and family responsibility. It provides significant new resources to States for education, job training, day care, and health care coverage designed to give welfare recipients the opportunity to move from dependence to independence. While I do not believe it wise to require States to provide assistance to two-parent families, the principal wage earner in those families is subject to a reasonable, State-designed, work requirement. Mr. President, this is a sensible measure. I urge its adoption.

The **PRESIDING OFFICER**. The time of the Senator has expired.

There being no further debate, the question occurs on agreeing to the conference report.

The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. **CRANSTON**. I announce that the Senator from Texas [Mr. BENTSEN] and the Senator from Arkansas [Mr. BUMPERS] are necessarily absent.

Mr. **SIMPSON**. I announce that the Senator from Indiana [Mr. QUAYLE] is necessarily absent.

The **PRESIDING OFFICER** (Mr. LAUTENBERG). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 96, nays 1, as follows:

[Rollcall Vote No. 341 Leg.]

YEAS—96

Adams
Armstrong
Baucus
Biden
Bingaman
Bond
Boren
Boschwitz
Bradley
Breaux
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Garn
Glenn
Gore
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Hecht
Heflin
Heinz
Hollings
Humphrey
Inouye
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McClure
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Reid
Riegle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Wirth

NAYS—1

Helms

NOT VOTING—3

Bentsen
Bumpers
Quayle

So the conference report was agreed to.

Mr. **MOYNIHAN**. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. **DOLE**. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CORRECTIONS IN THE ENROLLMENT OF H.R. 1720

Mr. **MOYNIHAN**. Mr. President, I send to the desk a concurrent resolution and ask for its immediate consideration.

The **PRESIDING OFFICER**. The concurrent resolution will be stated by title.

The assistant legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 148) to correct technical errors in the enrollment of the bill H.R. 1720.

The **PRESIDING OFFICER**. Is there objection to the immediate consideration of the concurrent resolution.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. **MOYNIHAN**. Mr. President, this concurrent resolution simply corrects a small number of drafting errors that were discovered after the conference report on the welfare reform legislation was filed. I ask its adoption.

The **PRESIDING OFFICER**. The question is on agreeing to the concurrent resolution.

The concurrent resolution (S. Con. Res. 148) was agreed to, as follows:

S. CON. RES. 148

Resolved by the Senate (the House of Representatives concurring), That, in the enrollment of the bill (H.R. 1720) to revise the AFDC program to emphasize work, child support, and family benefits, to amend title IV of the Social Security Act to encourage and assist needy children and parents under the new program to obtain the education, training, and employment needed to avoid long-term welfare dependence, and to make other necessary improvements to assure that the new program will be more effective in achieving its objectives, the Clerk of the House of Representatives shall make the following corrections:

(1) In section 111(f)(3) of the bill, strike "such date" and insert "such data".

(2) In paragraphs (2) and (4) of subsection (i) of the proposed new section 482 of the Social Security Act (as added by section 210(b) of the bill), strike "403(k)" and insert "403(1)".

(3) In paragraph (1)(C)(i)(II) of the proposed new subsection (f) of section 402 of the Social Security Act (as added by section 301 of the bill), before the period insert ", or (if higher) an amount established by the State".

(4) In paragraph (6)(D) of the proposed new subsection (g) of section 402 of the Social Security Act (as added by section 301 of the bill), strike "$13,000,000,000" and insert "$13,000,000".

(5) In section 403(a) of the bill (in the matter preceding paragraph (1)), strike "402(f)" and insert "401(f)'.

(6) In section 604(a) of the bill (in the matter preceding paragraph (1)), strike "402(f)" and inserting "401(f)".

(7) In section 605(a) of the bill (in the matter preceding paragraph (1)), strike "402(f)" and insert "401(f)".

(8) In the proposed new subsection (e) of section 403 of the Social Security Act (as added by section 606 of the bill), immediately after "402(g)(1)(A)(i)", strike the brackets and the words included therein.

(a) In section 401(g)(2) of the bill, insert "Puerto Rico," after "respect to".

Mr. **MOYNIHAN**. I move to reconsider the vote by which the concurrent resolution was agreed to.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Labor and Human Resources.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 1:30 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4784) making appropriations for rural development, agriculture, and related agencies programs for the fiscal year ending September 30, 1989, and for other purposes; it recedes from its disagreement to the amendments of the Senate numbered 20, 60, 71, 78, 115, 117, 118, and 119 to the bill and agrees thereto; it recedes from its disagreement to the amendments of the Senate numbered 1, 12, 22, 43, 46, 56, 68, 75, 82, 90, 91, 109, 120, 121, 122, 126, 127, 128, 129, 130, 131, 140, 141, and 142 to the bill, and agrees thereto, each with an amendment, in which it requests the concurrence of the Senate; and that it insists upon its disagreement to the amendments of the Senate numbered 110 and 134 to the bill.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1472. An act to designate the post office building being constructed in West Liberty, TX, as the "M.P. Daniel and Thomas F. Calhoon, Sr., Post Office Building";

H.R. 3544. An act to increase the size of the Big Thicket National Preserve in the State of Texas by adding the Village Creek Corridor unit, the Big Sandy Corridor unit, and the Canyonlands unit;

H.R. 4417. An act to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal years 1989, and for other purposes;

H.R. 5210. An act to prevent the manufacturing, distribution, and use of illegal drugs, and for other purposes;

H.R. 5232. An act to grant the consent of the Congress to the Southwestern Low-Level Radioactive Waste Disposal Compact;

H.R. 5334. An act to make certain technical and conforming amendments to the Education of the Handicapped Act and the Rehabilitation Act of 1973, and for other purposes; and

H.R. 5337. An act to provide for the imposition of sanctions on Iraq.

At 2:14 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4587) making appropriations for the legislative branch for the fiscal year ending September 30, 1989, and for other purposes.

At 3:17 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3704. An act to amend the Federal Fire Prevention and Control Act of 1974 to direct the Director of the Federal Emergency Management Agency, acting through the Administrator of the U.S. Fire Administration, to propose and promulgate a model code and guidelines governing the use and installation of automatic sprinkler systems in places of public accommodation affecting commerce, and for other purposes.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 369. Concurrent resolution to commend the Department of State's science and technology officers on their outstanding performance and to recognize the importance of their work to the Congress and to the Nation.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker has signed the following enrolled bills and joint resolution:

S. 1259. An act to direct the Secretary of the Interior to permit access across certain Federal lands in the State of Arkansas, and for other purposes;

H.R. 4481. An act to authorize appropriations for fiscal year 1989 for military activities of the Department of Defense, for military construction, and the defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes;

H.R. 4782. An act making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1989, and for other purposes;

H.R. 4794. An act making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1989, and for other purposes; and

H.J. Res. 665. Joint resolution authorizing the hand enrollment of appropriations bills for fiscal year 1989 and authorizing the subsequent postenactment preparation of printed enrollments of those bills.

The enrolled bills and joint resolution were subsequently signed by the Acting President pro tempore (Mr. Byrd).

At 4:27 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4637) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 1989, and for other purposes; it recedes from its disagreement to the amendments of the Senate numbered 14, 28, 29, 32, 36, 37, 38, 40, 42, 61, 75, 78, 79, 80, 83, 106, 107, 108, 118, 120, 123, 125, 127, 128, 129, 130, 132, 136, 143, 155, 156, 157, 160, 163, and 166 to the bill, and agrees thereto; and it recedes from its disagreement to the amendments of the Senate numbered 1, 5, 7, 10, 11, 23, 31, 33, 35, 44, 47, 53, 55, 62, 64, 70, 84, 86, 88, 89, 90, 101, 103, 111, 112, 115, 119, 123, 133, 134, 135, 141, 144, 169, 170, 171, 172, 173, 175, 176, 177, 179, 180, and 182 to the bill, and agrees thereto, each with an amendment, in which it requests the concurrence of the Senate.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 4189. An act to authorize appropriations to carry out the Marine Mammal Protection Act of 1972 for fiscal years 1989 through 1993; and

H.R. 5056. An act to authorize agricultural research programs, improve the operations of the National Agricultural Library, and for other purposes.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 1472. An act to designate the post office building being constructed in West Liberty, Texas, as the "M. P. Daniel and Thomas F. Calhoon, Sr., Post Office Building"; to the Committee on Governmental Affairs.

H.R. 3544. An act to increase the size of the Big Thicket National Preserve in the State of Texas by adding the Village Creek Corridor unit, the Big Sandy Corridor unit, and the Canyonlands unit; to the Committee on Energy and Natural Resources.

H.R. 3704. An act to amend the Federal Fire Prevention and Control Act of 1974 to direct the Director of the Federal Emergency Management Agency, acting through the Administrator of the United States Fire Administration, to propose and promulgate a model code and guidelines governing the use and installation of automatic sprinkler systems in places of public accommodation affecting commerce, and for other purposes; to the Committee on Commerce, Science, and Transportation.

H.R. 4417. An act to authorize appropriations to the Secretary of Commerce for the programs of the National Bureau of Standards for fiscal year 1989, and for other purposes; to the Committee on Commerce, Science, and Transportation.

H.R. 5056. An act to authorize agricultural research programs, improve the operations of the National Agricultural Library, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 369. Concurrent resolution to commend the Department of State's Science and Technology Officers on their outstanding performance and to recognize the importance of their work to the Congress and to the Nation; to the Committee on Foreign Relations.

MEASURES PLACED ON THE CALENDAR

Pursuant to the order of the Senate of September 23, 1988, the following bill was red the first and second times by unanimous consent, and placed on the calendar:

H.R. 5210. An act to prevent the manufacturing, distribution, and use of illegal drugs, and for other purposes;

ENROLLED BILLS SIGNED

The ACTING PRESIDENT pro tempore (Mr. Byrd) reported that on today, September 29, 1988, he had signed the following enrolled bills, which had previously been signed by the Speaker of the House:

S. 1934. An act pursuant to the report ordered by Public Law 99-229 which directed the Architect of the Capitol and the Secretary of Transportation to undertake a study on the needs of the Federal judiciary for additional office space, to authorize the Architect of the Capitol to contract for the design and construction of a building adjacent to Union Station in the District of Columbia to house agency offices in the judicial branch of the United States, and for other purposes; and

H.R. 1467. An act to authorize appropriations to carry out the Endangered Species Act of 1973 during fiscal year 1988, 1989, 1990, 1991, and 1992, and for other purposes.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, September 29, 1988, he presented to the President of the United States the following enrolled bills:

S. 1259. An act to direct the Secretary of the Interior to permit access across certain Federal lands in the State of Arkansas, and for other purposes; and

S. 1934. An act pursuant to the report ordered by Public Law 99-229 which directed the Architect of the Capital and the Secretary of Transportation to undertake a study of the needs of the Federal judiciary for additional Federal office space, to authorize the Architect of the Capitol to contract for the design and construction of a building adjacent to Union Station in the District of Columbia to house agencies offices in the judicial branch of the United States, and for other purposes.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-619. A joint resolution adopted by the Legislature of the State of California; to the Committee on Agriculture, Nutrition, and Forestry.

"ASSEMBLY JOINT RESOLUTION No. 59

"Whereas, The forest fires of 1987 may result in a significant financial loss due to the decrease in federal timber receipts in many of the counties of California; and

"Whereas, The Forest Service, in the United States Department of Agriculture, contributes 25 percent of new timber sales on federal lands, in lieu of property taxes, to counties; and

"Whereas, Fire-damaged trees must be harvested immediately to prevent infestation of voracious bark bettles and heartwood bores and other deterioration; and

"Whereas, For the next several years, loggers will discontinue cutting green trees and concentrate on those trees damaged by fire; and

"Whereas, The Forest Service is not required to share timber receipts for salvaged lumber; and

"Whereas, Counties are required to spend one-half of the timber receipts they receive on schools and one-half on road maintenance and construction; and

"Whereas, Many rural counties depend heavily on the federal timber receipts they receive for their schools and road repairs; and

"Whereas, These counties currently recieve between $35 million and $55 million per year in federal timber receipts from the Forest Service; and

"Whereas, The Forest Service estimates that counties could lose up to $20 million for schools and roads; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature respectfully memoralizes the President and the Congress of the United States to enact legislation to guarantee each rural county currently receving federal timber receipts a minimum allocation of timber receipts for the 1987-88, 1988-89, 1989-90, and 1990-91 fiscal years to help ensure that each county may maintain essential public services; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to the Chief of the Forest Service."

POM-620. A joint resolution adopted by the Legislature of the State of California; to the Committee on Commerce, Science, and Transportation:

"ASSEMBLY JOINT RESOLUTION No. 80

"Whereas, The Federal Aviation Administration (FAA) is proposing to expand the use of foreign repair stations for United States registered aircraft; and

"Whereas, The proposed regulation amendment allowing expansion of foreign repair stations has been unilateral on the part of the FAA without proper notice for comment or debate; and

"Whereas, Motivation for the expansion of foreign repair stations is based on purely economic factors, without regard for safety concerns; and

"Whereas, This proposal would permit a United States air carrier to contract for maintenance, alteration, or inspection of its United States registered aircraft with any foreign repair station, whether or not it employs holders of the United States Airman Certificates; and

"Whereas, The FAA foreign repair station proposal would jeopardize airline safety in the United States by allowing any foreign country to inspect and maintain United States aircraft, and by using unlicensed mechanics and inadequately supervised maintenance on the United States aircraft without FAA inspection; and

"Whereas, The FAA foreign repair station proposal would result in the loss of thousands of jobs in the United States and in the displacement of workers; and

"Whereas, Our air transport industry has had an enviable safety record due to the strict control and monitoring currently imposed by the FAA with regard to aircraft maintenance and repairs; and

"Whereas, To alter or relax these controls would only subject the public to unnecessary risks; and

"Whereas, Looser standards for foreign repair stations fly in the face of the growing body of evidence that air safety is already threatened by the FAA's inadquate inspection programs; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the California Legislature respectfully memorializes the President and Congress of the United States to support efforts to ensure that all United States aircraft are repaired in facilities where trained, licensed, and competent mechanics are employed and are supervised by the FAA; and be it further

"Resolved, That any consideration of maintenance plans to the contrary be fully debated and that the FAA do so with an understanding of the impact on customer safety and the economic impact that may result from the use of foreign repair stations; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives and to each Senator and Representative from California in the Congress of the United States, and to the Director of the Federal Aviation Administration."

POM-621. A joint resolution adopted by the Legislature of the State of California; to the Committee on Finance:

"ASSEMBLY JOINT RESOLUTION No. 83

"Whereas, The collection point for the federal excise tax on diesel fuel for off-road vehicle use was changed from the retail to the wholesale level by the Congress as part of the 1987 Budget Reconciliation Act; and

"Whereas, Farmers and other off-road users are exempt from paying the federal 15.1 cents per gallon diesel fuel tax; and

"Whereas, When adopting the 1987 legislation, Congress required the Internal Revenue Service to collect the tax and offer farmers and other off-road users a refund at the end of the tax year; and

"Whereas, As of April 1, 1988, farmers and other off-road users began paying the diesel tax at the time of purchase; and

"Whereas, This change has created an unnecessary financial burden on California farmers and other off-road users of diesel fuel; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to repeal the collection of the federal diesel fuel excise tax for off-road vehicle use; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

POM-622. A joint resolution adopted by the Legislature of the State of California; to the Committee on Governmental Affairs.

"ASSEMBLY JOINT RESOLUTION No. 74

"Whereas, The United States Census Bureau will be conducting its decennial census in 1990; and

"Whereas, In every past census there has been a significant and disproportionate undercount of minorities, the poor, the homeless, recent immigrants, and residents of remote rural areas; and

"Whereas, Although the Census Bureau is planning to make a special effort to reduce the undercount in 1990, all experts agree that there will still be a significant undercount, particularly in urban areas, or minorities, the poor, the homeless, and recent immigrants, and of residents of some remote rural areas; and

"Whereas, A consensus has emerged among statisticians and other experts, including a panel of the National Academy of Sciences, that the methodology exists to make a statistically valid and technically feasible adjustment of the census to correct for the undercount; and

"Whereas, If the undercount is not corrected, California will lose over 50 million dollars per year in federal programs and federal assistance, which are based on census figures; and

"Whereas, California lost at least one congressional seat in the 1981 reapportionment because of the undercount in the 1980 Census; and

"Whereas, If the undercount is not corrected, California stands to lose one or two congressional seats in the 1991 reapportionment; and

"Whereas, If the undercount is not corrected, California will not be able to develop accurate statistics relating to health needs, infant mortality, and epidemiology, statistics needed for health and emergency services planning and for the allocation of federal health funds; and

"Whereas, If the undercount is not corrected, California schools will not be able to develop accurate statistics on age and ethnicity of children, needed for federal education funding, planning for English-as-a-second-language programs, school construction, desegregation, and other student needs; and

"Whereas, If the undercount is not corrected, California will be unable to develop accurate statistics on refugee migration, needed for planning for social and health services; on inner city transportation needs; and on density of housing, needed to determine housing adequacy and safety; and

"Whereas, Representative Mervyn Dymally has introduced in the House of Representatives a bill which would require the Census Bureau to adjust the 1990 Census by using statistically valid methodology to correct for the undercount; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of California, jointly,* That the Legislature of the State of California urges the Congress of the United States to pass, and the President of the United States to sign, legislation requiring the Census Bureau to adjust the 1990 Census by using statistically valid methodology to correct for any undercount of minorities, the poor, the homeless, recent immigrants, and residents of remote rural areas; and be it further

"*Resolved,* That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, the United States Secretary of Commerce, the Speaker of the United States House of Representatives, and each representative and senator from California in the Congress of the United States."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. KENNEDY, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute:

S. 2477. A bill to amend the Public Health Service Act to modify the authority for the regulation of clinical laboratories to require licensed laboratories to qualify under proficiency testing programs, and for other purposes (Rept. No. 100-561).

By Mr. CRANSTON, from the Committee on Veterans' Affairs:

Special Report entitled "Report of the Committee on Veterans' Affairs Pursuant to Section 302(b) of the Congressional Budget Act of 1974 (Rept. No. 100-562).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. LEAHY, from the Committee on Agriculture, Nutrition, and Forestry:

The following-named persons to the Members of the Board of Directors of the Federal Agricultural Mortgage Corporation:

John R. Dahl, of North Dakota;

Derryl McLaren, of Iowa;

Gordon Clyde Southern, of Missouri; and

Edward Charles Williamson, Jr., of Georgia.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. WILSON, from the Committee on Armed Services:

Milton L. Lohr, of California, to be Deputy Under Secretary of Defense for Acquisition.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. WILSON. Mr. President, from the Committee on Armed Services, I report favorably the attached listing of nominations.

Those identified with a single asterisk (*) are to be placed on the Executive Calendar. Those identified with a double asterisk (**) are to lie on the Secretary's desk for the information of any Senator since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing again.

The PRESIDING OFFICER. Without objection, it is so ordered.

**1. In the Marine Corps there are 78 appointments to the grade of colonel (list begins with James R. Acreback, but excludes the name of Lieutenant Colonel Robert L. Earl, 5372) (REF. 1132)

*2. Lieutenant General Leonard H. Perroots, U.S. Air Force, to be placed on the retired list in the grade of lieutenant general (REF. 1223)

*3. Lieutenant General Charles McCausland, U.S. Air Force, to be reassigned in the grade of lieutenant general (REF. 1224)

*4. Colonel Robert Everett Via, Jr., U.S. Army, to be brigadier general (REF. 1228)

*5. In the Navy Reserve there are 3 promotions to the grade of rear admiral (list begins with Samuel Edward McWilliams) (REF. 1229)

**6. In the Air Force there are 29 promotions to the grade of colonel (list begins with Marvin R. Bennett) (REF. 1230)

**7. In the Army there are 48 promotions to the grade of colonel and below (list begins with Lindel Anderson) (REF. 1231)

**8. In the Marine Corps there are 28 appointments to the grade of second lieutenant (list begins with Michael E. Corsey) (REF. 1232)

**9. In the Marine Corps Reserve there are 51 appointments to the grade of colonel (list begins with James C. Adamson) (REF. 1233)

**10. In the Navy there are 926 promotions to the grade of lieutenant commander (list begins with Scott Anthony Abbott) (REF. 1234)

**11. Admiral Ronald J. Hays, U.S. Navy, to be placed on the retired list in the grade of admiral (REF. 1259)

**12. In the Air Force there are 23 appointments to the grade of colonel and below (list begins with Thomas J. Conage) (REF. 1263)

**13. In the Air Force there are 3 promotions to the grade of major (list begins with Jimmie L. Benton) (REF. 1264)

**14. In the Army there are 15 promotions to the grade of colonel (list begins with William A. Aileo) (REF. 1265)

**15. In the Army there are 4 promotions to the grade of colonel and below (list begins with Morris H. Moses) (REF. 1266)

**16. In the Army there are 3 promotions to the grade of lieutenant colonel and below (list begins with Robert E. Williams) (REF. 1267)

**17. In the Air Force there are 3,363 promotions to the grade of major (list begins with Candace C. Abbott) (REF. 1268)

**18. In the Navy Reserve there are 1,292 appointments to the grade of captain and below (list begins with Jonathan C. Underwood) (REF. 1269)

**19. In the Navy there are 757 promotions to the grade of Lieutenant commander (list begins with Christopher R. Accetta) (REF. 1270)

*20. Admiral Lee Baggett, Jr., U.S. Navy, to be placed on the retired list in the grade of admiral (REF. 1273)

*21. Admiral Kinnaird R. McKee, U.S. Navy, to be placed on the retired list in the grade of admiral (REF. 1274)

*22. Vice Admiral Nils R. Thunman, U.S. Navy, to be placed on the retired list in the vice admiral (REF. 1275)

*23. Vice Admiral Daniel L. Cooper, U.S. Navy, to be reassigned in the grade of vice admiral (REF. 1276)

*24. David Elliott Bottorff, U.S. Navy, to be rear admiral (REF. 1277)

**25. In the Air Force there are 213 appointments to the grade no higher than major (list begins with Wiliam P. Bagley) (REF. 1278)

*26. Major General Robert P. McCoy, U.S. Air Force, to be lieutenant general (REF. 1288)

*27. In the Army National Guard there are 32 appointments to the grade of major general and below (list begins with Robert H. Appleby) (REF. 1289)

*28. James C. Rinaman, Jr., U.S. Army National Guard, to be brigadier general (REF. 1290)

**29. Thomas R. Blair, U.S. Air Force Reserve, to be lieutenant colonel (REF. 1291)

**30. In the Air National Guard there are 19 promotions to the grade of lieutenant colonel (list begins with Michael H. Abel) (REF. 1292)

**31. In the Army Reserve there are 18 appointments to the grade of colonel and below (list begins with Orlando T. Hines) (REF. 1293)

**32. In the Army National Guard there are 65 promotions to the grade of colonel and below (list begins with Willie L. Basler, Jr.) (REF. 1294)

*33. Vice Admiral Bruce Demars, U.S. Navy, to be admiral (REF. 1300)

*34. Lieutenant General H. Norman Schwarzkopf, U.S. Army, to be general (REF. 1311)

*35. Major General Carl W. Stiner, U.S. Army, to be lieutenant general (REF. 1312)

*36. Lieutenant General John W. Foss, U.S. Army, to be reassigned in the grade of lieutenant general and to be senior Army member of the Military Staff Committee of the United Nations (REF. 1313)

*37. In the Army there are 48 appointments to the grade of brigadier general (list begins with Richard W. Potter, Jr., but excludes the names of Col. William J. Edwards, [redacted], United States Army and Col. James J. Steele, [redacted], United States Army) (REF. 1314)

*38. Lieutenant General Hansford T. Johnson, U.S. Air Force, to be reassigned in the grade of lieutenant general (REF. 1330)

*39. General Arthur E. Brown, Jr., U.S. Army, to be placed on the retired list in the grade of general (REF. 1331)

*40. Lieutenant General Robert W. RisCassi, U.S. Army, to be Vice Chief of Staff of the Army (REF. 1332)

*41. Colonel Bruce T. Miketinac, U.S. Army, to be brigadier general (REF. 1333)

*42. Vice Admiral Henry C. Mustin, U.S. Navy, to be placed on the retired list in the grade of vice admiral (REF. 1334)

**43. In the Air Force Reserve there are 16 promotions to the grade of lieutenant colonel (list begins with Jack S. Arnold) (REF. 1346)

**44. In the Air Force there are 2 promotions to the grade of major (list begins with Linda R. Beson) (REF. 1347)

**45. In the Marine Corps there are 47 appointments to the grade of second lieutenant (list begins with Carl T. Amodio) (REF. 1348)

**46. In the Navy there are 2 appointments to the grade of ensign (list begins with Albert M. Passy) (REF. 1349)

**47. In the Air Force there are 1,177 appointments to a grade no higher than captain (list begins with Lex A. Abadie) (REF. 1350)

**48. In the Marine Corps Reserve there are 113 appointments to the grade of lieutenant colonel (list begins with Larry D. Adams) (REF. 1351)

**49. In the Air Force Reserve there is one appointment to the grade of lieutenant colonel (Douglas G. Malloy) (REF. 1366)

**50. In the Naval Reserve there are 11 appointments to the grade of commander (list begins with Mack Bonner) (REF. 1367)

**51. In the Air Force Reserve there are 1,167 promotions to the grade of lieutenant colonel (list begins with David Abramson) (REF. 1368)

**52. In the Army Reserve there are 95 promotions to the grade of colonel and below (list begins with Leon D. Anderson) (REF. 1369)

**53. Vice Admiral George W. Davis, Jr., U.S. Navy, to be placed on the retired list in the grade of vice admiral (REF. 1374)

Total: 9,671.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. LAUTENBERG (for himself and Mr. HEINZ):

S. 2844. A bill to provide for radon testing; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. HECHT:

S. 2845. A bill to provide for the transfer of a certain parcel of land located in Clark County, Nevada; to the Committee on Energy and Natural Resources.

By Mr. WEICKER (for himself and Mr. KENNEDY):

S. 2846. A bill to provide for the awarding of grants for the purchase of drugs used in the treatment of AIDS; considered and passed.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. MOYNIHAN:

S. Con. Res. 148. A concurrent resolution to correct technical errors in the enrollment of the bill H.R. 1720; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. LAUTENBERG (for himself and Mr. HEINZ):

S. 2844. A bill to provide for radon testing; to the Committee on Banking, Housing, and Urban Affairs.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT RADON POLICY ACT

● Mr. LAUTENBERG. Mr. President, today I am introducing the Department of Housing and Urban Development Radon Policy Act. I am pleased that Senator HEINZ has joined me as a cosponsor of this legislation.

Two weeks ago, the U.S. Public Health Service announced a national radon advisory for everyone living in homes and up to the second floor in apartments to test their homes for radon. At the same second time, EPA released the results of surveys of radon contamination in seven States carried out in response to my 1986 legislation which requires EPA to conduct a national radon assessment. One in three houses in these States had radon levels in excess of the standard established by EPA for taking action. In my State of New Jersey, the department of environmental protection estimates that nearly 2 million of the State's dwellings may be at risk from high levels of radon. Nationally, EPA estimates that 1 in 8 of the Nation's 75 million homes may contain excessive levels of radon.

Scientists believe that radon causes up to 20,000 lung cancer deaths a year, the second leading cause of lung cancer after smoking. It's clear that the danger posed by radon requires a comprehensive Federal and State effort and that radon contamination is one of the most serious problems facing the Nation's housing policymakers.

While EPA has developed a reasonably successful radon program, the Nation's housing agency, the Department of Housing and Urban Development, has failed to act.

According to a GAO report, Indoor Radon: Limited Federal Response to Reduce Contamination in Housing, which I released in April and confirmed by testimony at a May hearing before the Senate Superfund and Environmental Oversight Committee which I chair, HUD: First, has reacted to radon in a limited, piecemeal manner and doesn't have a radon policy, second, hasn't asked for any funding for radon, third, has failed to implement its responsibilities under the 1986 Superfund Amendments and Reauthorization Act to work with EPA in radon research and fourth, hasn't implemented its existing authority to provide safe housing, housing which is safe from the threats of radon.

As former EPA Deputy Director Jim Barnes said at our May hearing, HUD has an important role to play in the Nation's radon program by serving as a model and leader for the private sector.

Yet, HUD takes the attitude that it won't act without a mandate. So the legislation I am introducing today provides HUD with that mandate.

And HUD says that it can't act because there is no Federal radon regulatory standard. So my legislation will require HUD to use whatever standards or guidelines EPA develops and which are being used by every other Federal agency and by State and local governments.

The bill does not authorize to duplicate the efforts already being made by EPA and other Federal agencies. The bill specifically requires HUD to use the information EPA develops in its program. But the bill does require HUD to take this information and use it to establish and apply a radon policy and program to certain housing programs specified in the bill.

My legislation also will require HUD to disseminate radon information, establish a radon testing program, advise Congress on the extent of radon contamination in dwellings covered by this legislation and the most effective ways to mitigate radon contaminated housing and enter into an agreement with EPA to more fully establish HUD's radon responsibilities, particularly its research responsibilities under title IV of the Superfund Amendments and Reauthorization Act of 1986. The bill gives HUD the flexibility to carry out the testing and information programs. HUD is to work with EPA and devise programs to carry out these mandates.

Radon poses a serious health threat. But we know how to test, detect, and mitigate elevated levels of radon. With strong national and State efforts, we will be able to protect our citizens from the threat posed by radon. HUD, as the Nation's housing agency, has an important role to play in this effort. My legislation is designed to require HUD to undertake that role. I urge my colleagues to support this bill.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2844

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Department of Housing and Urban Development Radon Policy Act".

SEC. 2. FINDINGS.

The Congress finds that—

(1) exposure to radon poses a serious threat to public health in certain areas of the country and is estimated to cause between 5,000 and 20,000 lung cancer deaths each year;

(2) Federal response to the health threat posed by radon is essential;

(3) the Environmental Protection Agency, which is the lead Federal agency for addressing radon, with the assistance of other Federal agencies, State and local governments, and the private sector, is developing radon testing and mitigation techniques and identifying areas with elevated radon levels;

(4) the Department of Housing and Urban Development is responsible for assisting in the production of housing of sound standards of design, construction and livability;

(5) the Department of Housing and Urban Development does not have a comprehensive radon policy and program;

(6) the Department of Housing and Urban Development must participate in the Federal radon effort; and

(7) the Department of Housing and Urban Development, in coordination with the Environmental Protection Agency, must establish a comprehensive radon policy and program.

SEC. 3. PURPOSE.

The purposes of this Act are to—

(1) provide the Department of Housing and Urban Development with a mandate to establish a departmental radon policy and program;

(2) require the Department of Housing and Urban Development to use its programs to assist the Environmental Protection Agency address radon contamination; and

(3) require the Department of Housing and Urban Development, in coordination with the Environmental Protection Agency, to develop a radon assessment and mitigation program which utilizes Environmental Protection Agency recommended guidelines and standards to ensure that occupants of housing covered under this Act are not exposed to elevated levels of radon.

SEC. 4. DEFINITIONS.

As used in this Act:

(1) The term "Administrator" means the Administrator of the Environmental Protection Agency.

(2) The term "Secretary" means the Secretary of Housing and Urban Development.

SEC. 5. PROGRAM.

(a) APPLICABILITY.—The housing covered under this Act is—

(1) housing owned by the Department of Housing and Urban Development;

(2) public housing and Indian housing assisted under the United States Housing Act of 1937;

(3) housing receiving project-based assistance under section 8 of the United States Housing Act of 1937;

(4) housing assisted under section 236 of the National Housing Act; and

(5) housing assisted under section 221(d)(3) of the National Housing Act.

(b) IN GENERAL.—The Secretary, in coordination with the Administrator, shall develop a radon contamination program which provides programs for education research, testing, and mitigation measures.

(c) STANDARDS.—In developing and implementing the program, the Secretary shall utilize any guidelines, information, or standards established by the Environmental Protection Agency for—

(1) testing residential and nonresidential structures for radon;

(2) identifying elevated radon levels;

(3) identifying when remedial actions should be taken; and

(4) identifying geographical areas which are likely to have elevated levels of radon.

(d) COORDINATION.—The Secretary shall coordinate the efforts of the Department of Housing and Urban Development to establish and implement the program with the Environmental Protection Agency, other Federal agencies, State and local governments, the housing industry, consumer groups, health organizations, academia, and appropriate professional organizations.

(e) TESTING.—The Secretary in consultation with the Administrator shall establish a schedule for and conduct testing of housing covered by this Act. The Secretary shall work with the Administrator to establish priorities for such testing.

(f) REPORT.—The Secretary shall submit a report to Congress within 1 year after the date of enactment of this Act which describes the actions and plans the Department has taken and proposes to take to implement the program established under this Act including the memorandum of understanding established between the Secretary and the Administrator pursuant to section 7. The report also shall include an estimate of the housing covered by this Act that is likely to have elevated levels of radon and the recommendations from the Department of Housing and Urban Development on remedial actions.

SEC. 6. INFORMATION.

The Secretary shall, in cooperation with the Administrator, assist in the dissemination of general radon information to the public.

SEC. 7. COOPERATION WITH ENVIRONMENTAL PROTECTION AGENCY.

(a) MEMORANDUM OF UNDERSTANDING.—Within 6 months after the date of enactment of this Act, the Secretary and the Administrator shall enter into a memorandum of understanding describing the Secretary's plan to assist the Administrator in carrying out the Environmental Protection Agency's authority to assess the extent of radon contamination in the United States and help develop measures to avoid and reduce radon contamination.

(b) CONTENTS.—The memorandum of understanding shall specify how the Secretary will assist the Administrator by using the Secretary's existing programs to incorporate radon mitigation techniques in a limited number of projects assisted by the Department and to evaluate the effectiveness of those techniques.

SEC. 8. AUTHORIZATION.

To carry out the purposes of this Act, the Secretary is authorized to use funds from the fiscal year 1989 budget of the Office of Community Planning and Development of the Department of Housing and Urban Development.●

By Mr. HECHT:

S. 2845. A bill to provide for the transfer of a certain parcel of land located in Clark County, NV; to the Committee on Energy and Natural Resources.

TRANSFER OF CERTAIN LAND IN NEVADA

● Mr. HECHT. Mr. President, on May 4, 1988, the residents of Clark County and Henderson, NV, were devastated when the PEPCON rocket fuel plant exploded leaving two dead and over $75,000,000 in property damage. Furthermore, the Nation lost approximately 60 percent of its capacity to produce ammonium perchlorate, vital to the Space Program and to our Nation's defense. We have learned from this terrible disaster and now, for the sake of our Nation's defense readiness, the Space Program, and for the residents of Clark County and Henderson, NV, must look ahead and develop a new site for the storing and blending of rocket fuels.

Today I am introducing a bill that would help facilitate the process to acquire Federal land to reconstruct this facility. The bill would transfer approximately 20,000 acres from the Bureau of Land Management to Clark County, NV. This land transfer would provide residents in the county with the jobs that were lost, provide a way for Nevada to expand and diversify its industrial resources as well as providing a secure site for the production of a product essential to the Nation's defense.

I ask that my colleagues support this bill and assist in enacting this vital legislation.●

ADDITIONAL COSPONSORS

S. 708

At the request of Mr. PROXMIRE, the name of the Senator from Iowa [Mr. HARKIN] was added as a cosponsor of S. 708, a bill to require annual appropriations of funds to support timber management and resource conservation on the Tongass National Forest.

S. 2584

At the request of Mr. LAUTENBERG, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of S. 2584, a bill to eliminate drug-related crime in public housing projects.

S. 2601

At the request of Mr. HEFLIN, the names of the Senator from Florida [Mr. GRAHAM], and the Senator from California [Mr. WILSON] were added as cosponsors of S. 2601, a bill to amend section 371 of title 28, United States Code, to allow a Federal judge who is at least 60 years of age and has completed 20 years of service to retire from regular active service.

S. 2775

At the request of Mr. COCHRAN, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of S. 2775, a bill to create a Commission on the American Family and Employment.

SENATE CONCURRENT RESOLUTION 145

At the request of Mr. MITCHELL, the names of the Senator from Massachusetts [Mr. KERRY], and the Senator from Rhode Island [Mr. CHAFEE] were added as cosponsors of Senate Concurrent Resolution 145, a concurrent resolution expressing the sense of the Congress regarding the state of affairs in Lebanon and urging all parties in Lebanon to work together to resolve the constitutional crisis.

SENATE CONCURRENT RESOLUTION 148—CORRECTING TECHNICAL ERRORS IN THE ENROLLMENT OF THE BILL H.R. 1720

Mr. MOYNIHAN submitted the following concurrent resolution; which was considered and agreed to:

SENATE CONCURRENT RESOLUTION 148

Resolved by the Senate (the House of Representatives concurring), That, in the enrollment of the bill (H.R. 1720) to revise the AFDC program to emphasize work, child support, and family benefits, to amend title IV of the Social Security Act to encourage and assist needy children and parents under the new program to obtain the education, training, and employment needed to avoid long-term welfare dependence, and to make other necessary improvements to assure that the new program will be more effective in achieving its objectives, the Clerk of the House of Representatives shall make the following corrections:

(1) In section 111(f)(3) of the bill, strike "such date" and insert "such data".

(2) In paragraphs (2) and (4) of subsection (i) of the proposed new section 482 of the Social Security Act (as added by section 201(b) of the bill), strike "403(k)" and insert "403(l)".

(3) In paragraphs (1)(C)(i)(II) of the proposed new subsection (g) of section 402 of the Social Security Act (as added by section 301 of the bill), before the period insert ", or (if higher) an amount established by the State".

(4) In paragraphs (6)(D) of the proposed new subsection (g) of section 402 of the Social Security Act (as added by section 301 of the bill), strike "$13,000,000,000" and insert "$13,000,000".

(5) In section 403(a) of the bill (in the matter preceding paragraphs (1)), strike "402(f)" and insert "401(f)".

(6) In section 604(a) of the bill (in the matter preceding paragraphs (1)), strike "402(f)" and inserting "401(f)".

(7) In section 605(a) of the bill (in the matter preceding paragraphs (1)), strike "402(f)" and inserting "401(f)".

(8) In the proposed new subsection (e) of section 403 of the Social Security Act (as added by section 606 of the bill), immediately after "402(g)(1)(A)(i)", strike the brackets and the words included therein.

(9) In section 401(g)(2) of the bill, insert "Puerto Rico", after "respect to".

AMENDMENTS SUBMITTED

PARENTAL AND TEMPORARY MEDICAL LEAVE

D'AMATO AMENDMENT NO. 3307

(Ordered to lie on the table.)

Mr. D'AMATO submitted an amendment intended to be proposed by him to the bill (S. 2488) to grant employees parental and temporary medical leave under certain circumstances, and for other purposes, as follows:

On page 31, between lines 11 and 12, insert the following new section:

SEC. . ADMINISTRATION RESPECTING CERTAIN EDUCATIONAL EMPLOYEES.

(a) SPECIAL RULE.—In the case of any employee employed in an instructional capacity by a local educational agency (as defined in section 1471(12)) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2891(12)), if such employee intends to return from a period of leave within 28 days prior to the conclusion of an academic term—

(1)(A) under section 103(a)(1) (A) or (B); or

(B) under section 103(a)(1)(C) or 104 and the necessity for such period of leave is foreseeable based on planned medical treatment or supervision; and

(2) the return from leave may be scheduled so as not to be within 28 days prior to the conclusion of the relevant academic term;

the educational agency and the employee (or the employee's representative under the terms of a collective bargaining agreement) may mutually agree on the extension of the period of leave of the employee under any such section until the commencement of the succeeding relevant academic term and on the applicable terms and conditions of such extended leave.

(b) BENEFITS.—The protections provided in section 106 shall continue to apply in the case of any employee covered under an agreement described in subsection (a).

ARMSTRONG AMENDMENTS NOS. 3311 AND 3312

(Ordered to lie on the table.)

Mr. ARMSTRONG submitted two amendments intended to be proposed by him to the bill, S. 2488, supra, as follows:

AMENDMENT NO. 3311

On page 14, strike out lines 11 through 13, and insert in lieu thereof:

"(1) IN GENERAL.—The employer may".

On page 15, between lines 11 and 12, insert the following new paragraph:

(3) FAILURE TO OBTAIN OPINION.—An employee who refuses to obtain a second opinion after a request by an employer under paragraph (1) shall not be eligible for parental or medical leave pertaining to the claim for which such second opinion was requested.

AMENDMENT NO. 3312

On page 29, strike out line 24 and all that follows through line 5 on page 30, and insert in lieu thereof the following new subparagraph:

(B) an additional amount of actual damages.

TAX TECHNICAL CORRECTIONS ACT

SPECTER AMENDMENT NOS. 3313 AND 3314

(Ordered to lie on the table.)

Mr. SPECTER submitted two amendments intended to be proposed by him to the bill (S. 2238) to make technical corrections relating to the Tax Reform Act of 1986, and for other purposes, as follows:

AMENDMENT NO. 3313

At the end of the matter add the following:

SEC. . PRIVATE ACTIONS FOR RELIEF FROM CUSTOMS FRAUD.

(a) IN GENERAL.—

(1) Chapter 95 of title 28, United States Code, is amended by adding at the end thereof the following new section:

"§ 1586. Private enforcement action for customs fraud

"(a) Any interested party whose business or property is injured by a fraudulent, grossly negligent, or negligent violation of section 592(a) of the Tariff Act of 1930 (19 U.S.C. 1592) may bring a civil action in the district court of the District of Columbia or in the Court of International Trade, without respect to the amount in controversy.

"(b) Upon proof by an interested party that the business or property of such interested party has been injured by a fraudulent, grossly negligent, or negligent violation of section 592(a) of the Tariff Act of 1930, such interested party shall—

"(1) be granted such equitable relief as may be appropriate, which may include an injunction against further importation into the United States of the articles or products in question, or

"(2) if such injunctive relief cannot be timely provided or is otherwise inadequate, recover damages for the injuries sustained, and

"(3) recover the costs of suit, including reasonable attorney's fees.

"(c) For purposes of this section—

"(1) The term 'interested party' means—

"(A) A manufacturer, producer, or wholesaler in the United States of a like or competing product, or

"(B) a trade or business association a majority of whose members manufacture, produce, or wholesale a like product or a competing product in the United States.

"(2) The term 'like product' means a product which is like, or in the absence of like, most similar in characteristics and uses with products being imported into the United States in violation of section 592(a) of the Tariff Act of 1930.

"(3) The term 'competing product' means a product which competes with or is a substitute for products being imported into the United States in violation of section 592(a) of the Tariff Act of 1930.

"(d) The court shall permit the United States to intervene in any action brought under this section, as a matter of right. The United States shall have all the rights of a party.

"(e) Any order by a court under this section is subject to nullification by the President pursuant to the President's authority under section 203 of the International Emergency Economic Powers Act (50 U.S.C. 1702).".

(2) the table of contents for chapter 95 of title 28, United States Code, is amended by adding at the end thereof the following:

"1586. Private enforcement action for customs fraud.".

(b) ACCORDANCE WITH GATT.—It is the sense of the Congress that the provisions of this section are consistent with, and in accord with, the General Agreement on Tariffs and Trade (GATT).

AMENDMENT NO. 3314

At the end of subtitle A of title III of the bill, add the following:

SEC. . PRIVATE ACTIONS FOR RELIEF FROM UNFAIR FOREIGN COMPETITION.

(a) CLAYTON ACT.—Section 1 of the Clayton Act (15 U.S.C. 12) is amended by inserting "section 801 of the Act of September 8, 1916, entitled 'An Act to raise revenue, and for other purposes' (39 Stat. 798; 15 U.S.C. 72);" after "nineteen hundred and thirteen;".

(b) ACTION FOR DUMPING VIOLATIONS.—Section 801 of the Act of September 8, 1916 (39 Stat. 798; 15 U.S.C. 72) is amended to read as follows:

"SEC. 801. (a) No person shall import or sell within the United States any article manufactured or produced in a foreign country if—

"(1) such article is imported or sold within the United States at a United States price which is less than the foreign market value or constructed value of such article, and

"(2) such importation or sale—

"(A) causes or threatens material injury to industry or labor in the United States, or

"(B) prevents, in whole or in part, the establishment or modernization of any industry in the United States.

"(b) Any interested party whose business or property is injured by reason of an importation or sale in violation of this section, may bring a civil action in the district court of the District of Columbia or in the Court of International Trade against—

"(1) any manufacturer or exporter of such article, or

"(2) any importer of such article into the United States who is related to the manufacturer or exporter of such article.

"(c) In any action brought under subsection (b), upon a finding of liability on the part of the defendant, the plaintiff shall—

"(1) be granted such equitable relief as may be appropriate, which may include an injunction against further importation into, or sale or distribution within, the United States by such defendant of the articles in question, or

"(2) if such injunctive relief cannot be timely provided or is otherwise inadequate, recover damages for the injuries sustained, and

"(3) recover the costs of the action, including reasonable attorney's fees.

"(d)(1) The standard of proof in any action filed under this section is a preponderance of the evidence.

"(2) Upon—

"(A) a prima facie showing of the elements set forth in subsection (a) in an action brought under subsection (b), or

"(B) affirmative final determinations adverse to the defendant that are made by the administering authority and the United States International Trade Commission under section 735 of the Tariff Act of 1930 (19 U.S.C. 1673d) relating to imports of the article in question for the country in which the manufacturer of the article is located, the burden of proof in such action shall be upon the defendant.

"(e)(1) Whenever, in any action brought under subsection (b), it shall appear to the court that justice requires that other parties be brought before the court, the court may cause them to be summoned, without regard to where they reside, and the subpoenas to that end may be served and enforced in any district of the United States.

"(2) Any foreign manufacturer, producer, or exporter who sells products, or for whom products are sold by another party in the United States, shall be treated as having appointed the District Director of the United States Customs Service of the Department of the Treasury for the port through which the product is commonly imported as the true and lawful agent of such manufacturer, producer, or exporter upon whom may be served all lawful process in any action brought under subsection (b) against such manufacturer, producer, or exporter.

"(f)(1) An action may be brought under subsection (b) only if such action is commenced within 4 years after the date on which the cause of action accrued.

"(2) The running of the 4-year period provided in paragraph (1) shall be suspended while any administrative proceedings under subtitle B of title VII of the Tariff Act of 1930 (19 U.S.C. 1673, et seqq.) relating to the product that is the subject of the action brought under subsection (b), or any appeal of a final determination in such proceeding, is pending and for one year thereafter.

"(g) If a defendant in any action brought under subsection (b) fails to comply with any discovery order or other order or decree of the court, the court may—

"(1) enjoin the further importation into, or the sale or distribution within, the United States by such defendant of articles which are the same as, or similar to, those articles which are alleged in such action to have been sold or imported under the conditions described in subsection (a) until such time as the defendant complies with such order or decree, or

"(2) take any other action authorized by law or by the Federal Rules of Civil Procedure, including entering judgment for the plaintiff.

"(h)(1) Except as provided in paragraph (2), the confidential or privileged status accorded by law to any documents, evidence, comments, or information shall be preserved in any action brought under subsection (b).

"(2) The court in any action brought under subsection (b) may—

"(A) examine, in camera, any confidential or privileged material,

"(B) accept depositions, documents, affidavits, or other evidence under seal, and

"(C) disclose such material under such terms and conditions as the court may order.

"(i) Any action brought under subsection (b) shall be advanced on the docket and expedited in every way possible.

"(j) For purposes of this section—

"(1) Each of the terms 'United States price', 'foreign market value', 'constructed value', 'subsidy', and 'material injury', have the respective meaning given such term by title VII of the Tariff Act of 1930.

"(2) If—

"(A) a subsidy is provided to the manufacturer, producer, or exporter of any article, and

"(B) such subsidy is not included in the foreign market value or constructed value of such article (but for this paragraph),

the foreign market value of such article or the constructed value of such article shall be increased by the amount of such subsidy.".

"(k) The court shall permit the United States to intervene in any action brought under subsection (b), as a matter of right. The United States shall have all the rights of a party to such action.

"(l) Any order by a court under this section is subject to nullification by the President pursuant to the President's authority under section 203 of the International Emergency Economic Powers Act (50 U.S.C. 1702).".

(c) ACTION FOR SUBSIDIES VIOLATIONS.—Title VIII of the Act of September 8, 1916 (39 Stat. 798; 15 U.S.C. 72 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 807. (a) No person shall import or sell within the United States any article manufactured or produced in a foreign country if—

"(1) the foreign country, any person who is a citizen or national of the foreign country, or a corporation, association, or other organization organized in the foreign country, is providing (directly or indirectly) a subsidy with respect to the manufacture, production, or exportation of such article, and

"(2) such importation or sale—

"(A) causes or threatens material injury to industry or labor in the United States, or

"(B) prevents, in whole or in part, the establishment or modernization of any industry in the United States.

"(b) Any interested party whose business or property is injured by reason of an importation or sale in violation of this section, may bring a civil action in the district court of the District of Columbia or in the Court of International Trade against—

"(1) any manufacturer or exporter of such article, or

"(2) any importer of such article into the United States who is related to the manufacturer or exporter of such article.

"(c) In any action brought under subsection (b), upon a finding of liability on the part of the defendant, the plaintiff shall—

"(1) be granted such equitable relief as may be appropriate, which may include an injunction against further importation into, or sale or distribution within, the United States by such defendant of the articles in question, or

"(2) if such injunctive relief cannot be timely provided or is otherwise inadequate, recover damages for the injuries sustained, and

"(3) recover the costs of the action, including reasonable attorney's fees.

"(d)(1) The standard of proof in any action filed under this section is a preponderance of the evidence.

"(2) Upon—

"(A) a prima facie showing of the elements set forth in subsection (a) in an action brought under subsection (b), or

"(B) affirmative final determinations adverse to the defendant that are made by the administering authority and the United States International Trade Commission under section 705 of the Tariff Act of 1930 (19 U.S.C. 1671d) relating to imports of the article in question for the country in which the manufacturer of the article is located, the burden of proof in such action shall be upon the defendant.

"(e)(1) Whenever, in any action brought under subsection (b), it shall appear to the court that justice requires that other parties be brought before the court, the court may cause them to be summoned, without regard to where they reside, and the subpoenas to that end may be served and enforced in any district of the United States.

"(2) Any foreign manufacturer, producer, or exporter who sells products, or for whom products are sold by another party in the United States, shall be treated as having appointed the District Director of the United States Customs Service of the Department of the Treasury for the port through which the product is commonly imported as the true and lawful agent of such manufacturer, producer, or exporter upon whom may be served all lawful process in any action brought under subsection (b) against such manufacturer, producer, or exporter.

"(f)(1) An action may be brought under subsection (b) only if such action is commenced within 4 years after the date on which the cause of action accrued.

"(2) The running of the 4-year period provided in paragraph (1) shall be suspended while any administrative proceedings under subtitle A of title VII of the Tariff Act of 1930 (19 U.S.C. 1671, et seq.) relating to the product that is the subject of the action brought under subsection (b), or any appeal of a final determination in such proceeding, is pending and for one year thereafter.

"(g) If a defendant in any action brought under subsection (b) fails to comply with any discovery order or other order or decree of the court, the court may—

"(1) enjoin the further importation into, or the sale or distribution within, the United States by such defendant of articles which are the same as, or similar to, those articles which are alleged in such action to have been sold or imported under the conditions described in subsection (a) until such time as the defendant complies with such order or decree, or

"(2) take any other action authorized by law or by the Federal Rules of Civil Procedure, including entering judgment for the plaintiff.

"(h)(1) Except as provided in paragraph (2), the confidential or privileged status accorded by law to any documents, evidence, comments, or information shall be preserved in any action brought under subsection (b).

"(2) The court in any action brought under subsection (b) may—

"(A) examine, in camera, any confidential or privileged material,

"(B) accept depositions, documents, affidavits, or other evidence under seal, and

"(C) disclose such material under such terms and conditions as the court may order.

"(i) Any action brought under subsection (b) shall be advanced on the docket and expedited in every way possible.

"(j) For purposes of this section, each of the terms 'subsidy' and 'material injury' have the respective meaning given such term by title VII of the Tariff Act of 1930.

"(k) The court shall permit the United States to intervene in any action brought under subsection (b), as a matter of right. The United States shall have all the rights of a party to such action.

"(l) Any order by a court under this section is subject to nullification by the President pursuant to the President's authority under section 203 of the International Emergency Economic Powers Act (50 U.S.C. 1702).".

(d) Action for Customs Fraud.—

(1) Chapter 95 of title 28, United States Code, is amended by adding at the end thereof the following new section:

"§ 1586. Private enforcement action for customs fraud

"(a) Any interested party whose business or property is injured by a fraudulent, grossly negligent, or negligent violation of section 592(a) of the Tariff Act of 1930 (19 U.S.C. 1592) may bring a civil action in the district court of the District of Columbia or in the Court of International Trade, without respect to the amount in controversy.

"(b) Upon proof by an interested party that the business or property of such interested party has been injured by a fraudulent, grossly negligent, or negligent violation of section 592(a) of the Tariff Act of 1930, such interested party shall—

"(1) be granted such equitable relief as may be appropriate, which may include an injunction against further importation into the United States of the articles or products in question, or

"(2) if such injunctive relief cannot be timely provided or is otherwise inadequate, recover damages for the injuries sustained, and

"(3) recover the costs of suit, including reasonable attorney's fees.

"(c) For purposes of this section—

"(1) The term 'interested party' means—

"(A) A manufacturer, producer, or wholesaler in the United States of a like or competing product, or

"(B) a trade or business association a majority of whose members manufacture, produce, or wholesale a like product or a competing product in the United States.

"(2) The term 'like product' means a product which is like, or in the absence of like, most similar in characteristics and uses with products being imported into the United States in violation of section 592(a) of the Tariff Act of 1930.

"(3) The term 'competing product' means a product which competes with or is a substitute for products being imported into the United States in violation of section 592(a) of the Tariff Act of 1930.

"(d) The court shall permit the United States to intervene in any action brought under this section, as a matter of right. The United States shall have all the rights of a party.

"(e) Any order by a court under this section is subject to nullification by the President pursuant to the President's authority under section 203 of the International Emergency Economic Powers Act (50 U.S.C. 1702).".

(2) The table of contents for chapter 95 of title 28, United States Code, is amended by adding at the end thereof the following:

"1586. Private enforcement action for customs fraud.".

(e) Accordance with GATT.—It is the sense of the Congress that the provisions of this section are consistent with, and in accord with, the General Agreement on Tariffs and Trade (GATT).

VETERANS DISABILITY COMPENSATION

PRESSLER AMENDMENT NO. 3315

(Ordered to lie on the table.)

Mr. PRESSLER submitted an amendment intended to be proposed by him to the bill (S. 2011) to increase the rates of Veterans' Administration compensation for veterans with service-connected disabilities and dependency and indemnity compensation for the survivors of certain disabled veterans, as follows:

On page 6, insert before line 1, at the end of the matter relating to the table of contents the following:

"TITLE VIII—PAY OF MEMBERS OF CONGRESS

"Sec. 801. Pay of Members of Congress.".

At the end of the bill, add the following new title:

TITLE VIII—PAY OF MEMBERS OF CONGRESS

SEC. 801. PAY OF MEMBERS OF CONGRESS.

(a) Short Title.—This section may be cited as the "Congressional Pay Accountability Act of 1988".

(b) Congressional Vote on Presidential Recommendations To Increase Congressional Rates of Pay.—Section 225(i) of the Federal Salary Act of 1967 (2 U.S.C. 359) is amended to read as follows:

"(i) Effective Date of Presidential Recommendations; Congressional Vote on Increases in Congressional Rates of Pay.—(1)(A) Except for the recommendations relating to Members of Congress (which shall be subject to the provisions of paragraph (2)), the recommendations of the President which are transmitted to the Congress pursuant to subsection (h) of this section shall be effective as provided in subparagraph (B) of this paragraph, unless any such recommendation is disapproved by a joint resolution agreed to by the Congress not later than the last day of the 30-day period which begins on the date on which such recommendations are transmitted to the Congress.

"(B) The effective date of the rate or rates of pay which take effect for an office or position under subparagraph (A) of this paragraph shall be the first day of the first pay period which begins for such office or position after the end of the 30-day period described in such paragraph.

"(2)(A) The recommendations of the President relating to the rates of pay of Members of Congress which are transmitted to the Congress under subsection (h) of this section shall become effective only after the enactment of a joint resolution as provided under subparagraph (B).

"(B) The joint resolution described under subparagraph (A) shall—

"(i) relate only to the issue of such recommendation to increase the rates of pay of Members of Congress; and

"(ii) be recorded to reflect the vote of each Member of Congress thereon.

"(C) For purposes of this paragraph the term "Members of Congress" includes all positions described under section 225(f)(A), except for the Vice President of the United States.".

(c) Congressional Vote To Increase Congressional Rates of Pay With Increases in the General Schedule.—Section 601(a)(2) of the Legislation Reorganization Act of 1946 (2 U.S.C. 31(2)) is amended to read as follows:

"(2)(A) Any increase in the rates of pay of Members of Congress which corresponds to an increase in the rates of pay in the General Schedule under section 5305 of title 5, United States Code, in any fiscal year shall become effective only after enactment of a joint resolution as provided under subparagraph (B).

"(B) The joint resolution described under subparagraph (A) shall—

"(i) relate to the issue of the increase in the rates of pay of Members of Congress; and

"(ii) be recorded to reflect the vote of each Member of Congress thereon.

"(C) If a joint resolution is enacted as provided under subparagraphs (A) and (B), effective at the beginning of the first applicable pay period commencing on or after the first day of the month in which such joint resolution is enacted, each annual rate of pay of Members of Congress shall be adjusted by an amount, rounded to the nearest multiple of $100 (or if midway between multiples of $100, to the next higher multiple of $100), equal to the percentage of such annual rate which corresponds to the overall average percentage (as set forth in the report transmitted to the Congress under section 5305) of the adjustment in the rates of pay under the General Schedule.".

(d) CONGRESSIONAL VOTE ON ANY INCREASE IN THE RATES OF PAY OF MEMBERS OF CONGRESS.—(1) Notwithstanding any other provision of law, any increase in the rates of pay of Members of Congress shall become effective only after the enactment of a joint resolution as provided in subsection (b).

(2) The joint resolution described under subsection (a) shall—

(A) relate only to the issue of the increase in the rates of pay of Members of Congress; and

(B) be recorded to reflect the vote of each Member of Congress thereon.

TAX TECHNICAL CORRECTIONS ACT

PRESSLER AMENDMENT NO. 3316

(Ordered to lie on the table.)

Mr. PRESSLER submitted an amendment intended to be proposed by him to the bill S. 2238, supra, as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . PAY OF MEMBERS OF CONGRESS.

(a) SHORT TITLE.—This section may be cited as the "Congressional Pay Accountability Act of 1988".

(b) CONGRESSIONAL VOTE ON PRESIDENTIAL RECOMMENDATIONS TO INCREASE CONGRESSIONAL RATES OF PAY.—Section 225(i) of the Federal Salary Act of 1867 (2 U.S.C. 359) is amended to read as follows:

"(i) EFFECTIVE DATE OF PRESIDENTIAL RECOMMENDATIONS; CONGRESSIONAL VOTE ON INCREASES IN CONGRESSIONAL RATES OF PAY.—(1)(A) Except for the recommendations relating to Members of Congress (which shall be subject to the provisions of paragraph (2)), the recommendations of the President which are transmitted to the Congress pursuant to subsection (h) of this section shall be effective as provided in subparagraph (B) of this paragraph, unless any such recommendation is disapproved by a joint resolution agreed to by the Congress not later than the last day of the 30-day period which begins on the date on which such recommendations are transmitted to the Congress.

"(B) The effective date of the rate or rates of pay which take effect for an office or position under subparagraph (A) of this paragraph shall be the first day of the first pay period which begins for such office or position after the end of the 30-day period described in such paragraph.

"(2)(A) The recommendations of the President relating to the rates of pay of Members of Congress which are transmitted to the Congress under subsection (h) of this section shall become effective only after the enactment of a joint resolution as provided under subparagraph (B).

"(B) The joint resolution described under subparagraph (A) shall—

"(i) relate only to the issue of such recommendation to increase the rates of pay of Members of Congress; and

"(ii) be recorded to reflect the vote of each Member of Congress thereon.

"(C) For purposes of this paragraph the term "Members of Congress" includes all positions described under section 225(f)(A), except for the Vice President of the United States.".

(c) CONGRESSIONAL VOTE TO INCREASE CONGRESSIONAL RATES OF PAY WITH INCREASES IN THE GENERAL SCHEDULE.—Section 601(a)(2) of the Legislative Reognization Act of 1946 (2 U.S.C. 31(2)) is amended to read as follows:

"(2)(A) Any increase in the rates of pay of Members of Congress which corresponds to an increase in the rates of pay in the General Schedule under section 5305 of title 5, United States Code, in any fiscal year shall become effective only after enactment of a joint resolution as provided under subparagraph (B).

"(B) The joint resolution described under subparagrah (A) shall—

"(i) relate only to the issue of the increase in the rates of pay of Members of Congress; and

"(ii) be recorded to reflect the vote of each Member of Congress thereon.

"(C) If a joint resolution is enacted as provided under subparagraphs (A) and (B), effective at the beginning of the first applicable pay period commencing on or after the first day of the month in which such joint resolution is enacted, each annual rate of pay of Members of Congress shall be adjusted by an amount, rounded to the nearest multiple of $100 (or if midway between multiples of $100, to the next higher multiple of $100), equal to the percentage of such annual rate which corresponds to the overall average percentage (as set forth in the report transmitted to the Congress under section 5305) of the adjustment in the rates of pay under the General Schedule.".

(d) CONGRESSIONAL VOTE ON ANY INCREASE IN THE RATES OF PAY OF MEMBERS OF CONGRESS.—(1) Notwithstanding any other provision of law, any increase in the rates of pay of Members of Congress shall become effective only after the enactment of a joint resolution as provided in subsection (b).

(2) The joint resolution described under subsection (a) shall—

(A) relate only to the issue of the increase in the rates of pay of Members of Congress; and

(B) be recorded to reflect the vote of each Member of Congress thereon.

PARENTAL AND TEMPORARY MEDICAL LEAVE

BYRD AMENDMENT NO. 3308

Mr. BYRD proposed a motion to recommit with instructions to the bill, S. 2488, supra, as follows:

Mr. President, I move to recommit the bill S. 2488 to the Committee on Labor and Human Resources with instructions to report back forthwith with the following amendment.

Strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Parental and Medical Leave Act of 1988".

(b) TABLE OF CONTENTS.—

TITLE I—GENERAL REQUIREMENTS FOR PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE

Sec. 101. Findings and purposes.
Sec. 102. Definitions.
Sec. 103. Parental leave requirement.
Sec. 104. Temporary medical leave requirement.
Sec. 105. Certification.
Sec. 106. Employment and benefits protection.
Sec. 107. Prohibited acts.
Sec. 108. Administrative enforcement.
Sec. 109. Enforcement by civil action.
Sec. 110. Investigative authority.
Sec. 111. Relief.
Sec. 112. Notice.

TITLE II—PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE FOR CIVIL SERVICE EMPLOYEES

Sec. 201. Parental leave and temporary medical leave.

TITLE III—COMMISSION ON PARENTAL AND MEDICAL LEAVE

Sec. 301. Establishment.
Sec. 302. Duties.
Sec. 303. Membership.
Sec. 304. Compensation.
Sec. 305. Powers.
Sec. 306. Termination.

TITLE IV—MISCELLANEOUS PROVISIONS

Sec. 401. Effect on other laws.
Sec. 402. Effect on existing employment benefits.
Sec. 403. Encouragement of more generous leave provisions.
Sec. 404. Regulations.
Sec. 405. Effective dates.

TITLE I—GENERAL REQUIREMENTS FOR PARENTAL LEAVE AND MEDICAL LEAVE

SEC. 101. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) the number of two-parent households in which both parents work and the number of single-parent households in which the single parent works are increasing significantly;

(2) it is important for the development of children and the family unit that fathers and mothers be able to participate in early child rearing and the care of children who have serious health conditions;

(3) the lack of employment policies to accommodate working parents forces many individuals to choose between job security and parenting;

(4) there is inadequate job security for employees who have serious health condi-

tions that prevent the employees from working for temporary periods;

(5) due to the nature of the roles of men and women in our society, the primary responsibility for family caretaking often falls on women, and such responsibility affects their working lives more than it affects the working lives of men; and

(6) employment standards that apply to one gender only have serious potential for encouraging employers to discriminate against employees and applicants for employment who are of that gender.

(b) PURPOSES.—It is the purpose of this Act—

(1) to balance the demands of the workplace with the needs of families;

(2) to promote the economic security and stability of families;

(3) to entitle employees to take reasonable leave for medical reasons, for the birth or adoption of a child, and for the care of a child who has a serious health condition;

(4) to accomplish such purposes in a manner which accommodates the legitimate interests of employers;

(5) to accomplish such purposes in a manner which, consistent with the Equal Protection Clause of the Fourteenth Amendment, minimizes the potential for employment discrimination on the basis of sex by ensuring generally that leave is available for eligible medical reasons (including maternity-related disability) and for compelling family reasons, on a gender-neutral basis; and

(6) to promote the goal of equal employment opportunity for women and men, pursuant to such clause.

SEC. 102. DEFINITIONS.

As used in this title:

(1) COMMERCE.—The terms "commerce" and "industry or activity affecting commerce" mean any activity, business, or industry in commerce or in which a labor dispute would hinder or obstruct commerce or the free flow of commerce, including "commerce" and any activity or industry "affecting commerce" within the meaning of the Labor Management Relations Act, 1947 (29 U.S.C 141 et seq.).

(2) EMPLOY.—The term "employ" has the same meaning given the term in section 3(g) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(g)).

(3) EMPLOYEE.—

(A) IN GENERAL.—The term "employee" means an individual that is included under the definition of such term in section 3(e) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(e)) who has been employed by the employer with respect to whom benefits are sought under this Act for at least—

(i) 900 hours of service during the previous 12-month period; and

(ii) 12 months.

"(B) EXCLUSION.—The term "employee" does not include any Federal officer or employee covered under subchapter III of chapter 63 of title 5, United States Code (as added by title II of this Act).

(4) EMPLOYER.—The term "employer"—

(A) means any person engaged in commerce or in any industry or activity affecting commerce who employs 20 or more employees at any one worksite for each working day during each of 20 or more calendar workweeks in the current or preceding calendar year;

(B) includes—

(i) any person who acts directly or indirectly in the interest of an employer to one or more employees; and

(ii) any successor in interest of such an employer; and

(C) includes any public agency, as defined in section 3(x) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(x)).

(5) EMPLOYMENT BENEFITS.—The term "employment benefits" means all benefits provided or made available to employees by an employer, including group life insurance, health insurance, disability insurance, sick leave, annual leave, educational benefits, and pensions, regardless of whether the benefits are provided by a policy or practice of an employer or by an employee benefit plan as defined in section 3(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(1)).

(6) HEALTH CARE PROVIDER.—The term "health care provider" means—

(A) any person licensed under Federal, State, or local law to provide health care services, or

(B) any other person determined by the Secretary to be capable of providing health care services.

(7) PERSON.—The term "person" has the same meaning given the term in section 3(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(a)).

(8) REDUCED LEAVE SCHEDULE.—The term "reduced leave schedule" means leave scheduled for fewer than the usual number of hours of an employee per workweek or hours per workday.

(9) SECRETARY.—The term "Secretary" means the Secretary of Labor.

(10) SERIOUS HEALTH CONDITION.—The term "serious health condition" means an illness, injury, impairment, or physical or mental condition that involves—

(A) inpatient care in a hospital, hospice, or residential medical care facility; or

(B) continuing treatment or continuing supervision by a health care provider.

(11) SON OR DAUGHTER.—The term "son or daughter" means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a de facto parent, who is—

(A) under 18 years of age; or

(B) 18 years of age or older and incapable of self-care because of a mental or physical disability.

(12) STATE.—The term "State" has the same meaning given the term in section 3(c) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(c)).

SEC. 103. PARENTAL LEAVE REQUIREMENT.

(a) IN GENERAL.—

(1) ENTITLEMENT TO LEAVE.—An employee shall be entitled, subject to section 105, to 10 workweeks of parental leave during any 24-month period—

(A) as the result of the birth of a son or daughter of the employee;

(B) as the result of the placement, for adoption or foster care, of a son or daughter with the employee; or

(C) in order to care for the employee's son or daughter who has a serious health condition.

(2) EXPIRATION OF ENTITLEMENT.—The entitlement to leave under paragraphs (1)(A) and (1)(B) shall expire at the end of the 12-month period beginning on the date of such birth or placement.

(3) INTERMITTENT LEAVE.—In the case of a son or daughter who has a serious health condition, such leave may be taken intermittently when medically necessary, subject to subsection (e).

(b) REDUCED LEAVE.—On agreement between the employer and the employee, leave under this section may be taken on a reduced leave schedule, however, such reduced leave schedule shall not result in a reduction in the total amount of leave to which the employee is entitled.

(c) UNPAID LEAVE PERMITTED.—Except as provided in subsection (d), leave granted under subsection (a) may consist of unpaid leave.

(d) RELATIONSHIP TO PAID LEAVE.—

(1) UNPAID LEAVE.—If an employer provides paid parental leave for fewer than 10 work-weeks, the additional weeks of leave added to attain the 10 work-week total may be unpaid.

(2) SUBSTITUTION OF PAID LEAVE.—An employee or employer may elect to substitute any of the employee's accrued paid vacation leave, personal leave, or other appropriate paid leave for any part of the 10-week period.

(e) FORESEEABLE LEAVE.—

(1) REQUIREMENT OF NOTICE.—In any case in which the necessity for leave under this section is foreseeable based on an expected birth or adoption, the employee shall provide the employer with prior notice of such expected birth or adoption in a manner which is reasonable and practicable.

(2) DUTIES OF EMPLOYEE.—In any case in which the necessity for leave under this section is foreseeable based on planned medical treatment or supervision, the employee shall—

(A) make a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the operations of the employer, subject to the approval of the health care provider of the employee's son or daughter; and

(B) provide the employer with prior notice of the treatment or supervision in a manner which is reasonable and practicable.

(3) REGULATIONS.—The Secretary shall promulgate regulations under section 108(a) that define the term "reasonable and practicable" for purposes of paragraphs (1) and (2)(B).

(f) SPOUSES EMPLOYED BY THE SAME EMPLOYER.—In any case in which a husband and wife entitled to parental leave under this section are employed by the same employer, the aggregate number of workweeks of parental leave to which both may be entitled may be limited to 10 workweeks during any 24-month period, if such leave is taken under subparagraph (A) or (B) of subsection (a)(1).

SEC. 104. TEMPORARY MEDICAL LEAVE REQUIREMENT.

(a) IN GENERAL.—

(1) ENTITLEMENT TO LEAVE.—Any employee who, as the result of a serious health condition, becomes unable to perform the functions of the position of the employee, shall be entitled to temporary medical leave, subject to section 105.

(2) PERIOD OF ENTITLEMENT.—The entitlement under paragraph (1) shall continue for as long as the employee is unable to perform the functions, except that the leave shall not exceed 13 workweeks during any 12-month period.

(3) INTERMITTENT LEAVE.—Leave taken under this subsection may be taken intermittently when medically necessary, subject to subsection (d).

(b) UNPAID LEAVE PERMITTED.—Except as provided in subsection (c), leave granted under subsection (a) may consist of unpaid leave.

(c) RELATIONSHIP TO PAID LEAVE.—

(1) IN GENERAL.—If an employer provides paid temporary medical leave or paid sick leave for fewer than 13 weeks, the addition-

al weeks of leave added to attain the 13-week total may be unpaid.

(2) Substitution of paid leave.—An employee or employer may elect to substitute the employee's accrued paid vacation leave, sick leave, or other appropriate paid leave for any part of the 13-week period, except that nothing in this Act shall require an employer to provide paid sick leave or paid medical leave in any situation in which such employer would not normally provide any such paid leave.

(d) Foreseeable Leave.—

(1) Duties of employee.—In any case in which the necessity for leave under this section is foreseeable based on planned medical treatment or supervision, the employee shall—

(A) make a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the operations of the employer, subject to the approval of the employee's health care provider, and

(B) provide the employer with prior notice of the treatment or supervision in a manner which is reasonable and practicable.

(2) Regulations.—The Secretary shall promulgate regulations under section 108(a) that define the term "reasonable and practicable" for purposes of paragraph (1).

SEC. 105. CERTIFICATION.

(a) In General.—An employer may require that a claim for parental leave under section 103(a)(1)(C), or temporary medical leave under section 104, be supported by certification issued by the health care provider of the son, daughter, or employee, whichever is appropriate. The employee shall provide a copy of such certification to the employer.

(b) Sufficient Certification.—The certification shall be considered sufficient if it states—

(1) the date on which the serious health condition commenced;

(2) the probable duration of the condition;

(3) the appropriate medical facts within the knowledge of the provider regarding the condition; and

(4)(A) for purposes of leave under section 104, a statement that the employee is unable to perform the functions of the employee's position; and

(B) for purposes of leave under section 103(a)(1)(C), an estimate of the amount of time that the employee is needed to care for the son or daughter.

(c) Second Opinion.—

(1) In general.—In any case in which the employer has reason to doubt the validity of the certification provided under subsection (a), the employer may require, at its own expense, that the employee obtain the opinion of a second health care provider designated or approved by the employer concerning the information certified under subsection (b).

(2) Limitation.—Any health care provider designated or approved under paragraph (1) may not be employed on a regular basis by the employer.

(d) Resolution of Conflicting Opinions.—

(1) In general.—In any case in which the second opinion described in subsection (c) differs from the original certification provided under subsection (a), the employer may require, at its own expense, that the employee obtain the opinion of a third health care provider designated or approved jointly by the employer and the employee concerning the information certified under subsection (b).

(2) Finality.—The opinion of the third health care provider concerning the information certified under subsection (b) shall be considered to be final and shall be binding on the employer and the employee.

(e) Subsequent Recertification.—The employer may require that the employee obtain subsequent recertifications on a reasonable basis.

SEC. 106. EMPLOYMENT AND BENEFITS PROTECTION.

(a) Restoration to Position.—

(1) In general.—Any employee who takes leave under section 103 or 104 for its intended purpose shall be entitled, on return from the leave—

(A) to be restored by the employer to the position of employment held by the employee when the leave commenced; or

(B) to be restored to an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment.

(2) Loss of benefits.—The taking of leave under this title shall not result in the loss of any employment benefit accrued before the date on which the leave commenced.

(3) Limitations.—Except as provided in subsection (b), nothing in this section shall be considered to entitle any restored employee to—

(A) the accrual of any seniority or employment benefits during any period of leave; or

(B) any right, benefit, or position of employment other than that to which the employee was entitled to on the date the leave was commenced.

(4) Certification.—As a condition to restoration under paragraph (1), the employer may have a policy that requires each employee to receive certification from the employee's health care provider that the employee is able to resume work.

(5) Construction.—Nothing in this subsection shall be construed to prohibit an employer from requiring an employee on leave under section 103 or 104 to periodically report to the employer on the employee's status and intention to return to work.

(b) Maintenance of Health Benefits.—During any period an employee takes leave under section 103 or 104, the employer shall maintain coverage under any group health plan (as defined in section 162(i)(3) of the Internal Revenue Code of 1954) for the duration of such leave at the level and under the conditions coverage would have been provided if the employee had continued in employment continuously from the date the employee commenced the leave until the date the employee is restored under subsection (a).

SEC. 107. PROHIBITED ACTS.

(a) Interference With Rights.—

(1) Exercise of rights.—It shall be unlawful for any employer to interfere with, restrain, or deny the exercise of or the attempt to exercise, any right provided under this title.

(2) Discrimination.—It shall be unlawful for any employer to discharge or in any other manner discriminate against any individual for opposing any practice made unlawful by this title.

(b) Interference With Proceedings or Inquiries.—It shall be unlawful for any person to discharge or in any other manner discriminate against any individual because the individual—

(1) has filed any charge, or has instituted or caused to be instituted any proceeding, under or related to this title;

(2) has given or is about to give any information in connection with any inquiry or proceeding relating to any right provided under this title; or

(3) has testified or is about to testify in any inquiry or proceeding relating to any right provided under this title.

SEC. 108. ADMINISTRATIVE ENFORCEMENT.

(a) In General.—The Secretary shall issue such rules and regulations as are necessary to carry out this section, including rules and regulations concerning service of complaints, notice of hearings, answers and amendments to complaints, and copies of orders and records of proceedings.

(b) Charges.—

(1) Filing.—Any person alleging an act that violates this title may file a charge respecting the violation with the Secretary. Charges shall be in such form and contain such information as the Secretary shall require by regulation.

(2) Notification.—Not later than 15 days after the Secretary receives notice of a charge under paragraph (1), the Secretary shall—

(A) serve a notice of the charge on the person charged with the violation; and

(B) inform such person and the charging party as to the rights and procedures provided under this title.

(3) Time of filing.—A charge may not be filed later than 1 year after the date of the last event constituting the alleged violation.

(c) Process on Notice of a Charge.—Investigation; Complaint.—

(1) Investigation.—Within the 60-day period after the Secretary receives any charge, the Secretary shall investigate the charge and issue a complaint based on the charge or dismiss the charge.

(2) Complaint based on charge.—If the Secretary determines that there is a reasonable basis for the charge, the Secretary shall issue a complaint based on the charge and promptly notify the charging party and the respondent as to the issuance.

(3) Dismissal.—If the Secretary determines that there is no reasonable basis for the charge, the Secretary shall dismiss the charge and promptly notify the charging party and the respondent as to the dismissal.

(4) Settlement agreements.—

(A) With charging party.—The charging party and the respondent may enter into a settlement agreement concerning the violation alleged in the charge before any determination is reached by the Secretary under this subsection. To be effective such an agreement must be determined by the Secretary to be consistent with the purposes of this title.

(B) With secretary.—On the issuance of a complaint, the Secretary and the respondent may enter into a settlement agreement concerning a violation alleged in the complaint. Any such settlement may not be entered into over the objection of the charging party, unless the Secretary determines that the settlement provides a full remedy for the charging party.

(5) Civil actions.—If, at the end of the 60-day period referred to in paragraph (1), the Secretary—

(A) has not issued a complaint under paragraph (2);

(B) has dismissed the charge under paragraph (3); or

(C) has not approved or entered into a settlement agreement under subparagraph (A) or (B) of paragraph (4);

the charging party may elect to bring a civil action under section 109.

(6) Complaint and relief on secretary's initiative.—

(A) Issuance.—The Secretary may issue and serve a complaint alleging a violation of this title on the basis of information and evidence gathered as a result of an investigation initiated by the Secretary pursuant to section 110.

(B) Relief.—

(i) In general.—On issuance of a complaint, the Secretary shall have the power to petition the United States district court for the district in which the violation is alleged to have occurred, or in which the respondent resides or transacts business, for appropriate temporary relief or a restraining order.

(ii) Notice.—On the filing of any such petition, the court shall cause notice of the petition to be served on the respondent.

(iii) Type of relief.—The court shall have jurisdiction to grant to the Secretary such temporary relief or restraining order as the court considers just and proper.

(d) Rights of Parties.—

(1) Service of complaint.—In any case in which a complaint is issued under subsection (c), the Secretary shall, not later than 10 days after the date on which the complaint is issued, cause to be served on the respondent a copy of the complaint.

(2) Parties to complaint.—Any person filing a charge alleging a violation of this title may elect to be a party to any complaint filed by the Secretary alleging the violation. The election must be made before the commencement of a hearing.

(3) Civil action.—The failure of the Secretary to comply in a timely manner with any obligation assigned to the Secretary under this title shall entitle the charging party to elect, at the time of such failure, to bring a civil action under section 109.

(e) Conduct of Hearing.—

(1) Prosecution by secretary.—The Secretary shall prosecute any complaint issued under subsection (c).

(2) Hearing.—An administrative law judge shall conduct a hearing on the record with respect to a complaint issued under this title. The hearing shall be conducted in accordance with sections 554, 555, and 556 of title 5, United States Code, and shall be commenced within 60 days after the issuance of the complaint, unless the judge, in the judge's discretion, determines that the purposes of this Act would best be furthered by commencement of the action after the expiration of such period.

(f) Findings and Conclusions.—

(1) In general.—After a hearing is conducted under this section, the administrative law judge shall promptly make findings of fact and conclusions of law, and, if appropriate, issue an order for relief as provided in section 111.

(2) Notification concerning delay.—The administrative law judge shall inform the parties, in writing, of the reason for any delay in making the findings and conclusions if the findings and conclusions are not made within 60 days after the conclusion of the hearing.

(g) Finality of Decision; Review.—

(1) Finality.—The decision and order of the administrative law judge shall become the final decision and order of the Secretary unless, on appeal by an aggrieved party taken not later than 30 days after the action, the Secretary modifies or vacates the decision, in which case the decision of the Secretary shall be the final decision.

(2) Review.—Not later than 60 days after the entry of the final order of the Secretary under paragraph (1), any person aggrieved by the final order may obtain a review of the order in the United States court of appeals for the circuit in which the violation is alleged to have occurred or in which the employer resides or transacts business.

(3) Jurisdiction.—On the filing of the record with the court, the jurisdiction of the court shall be exclusive and its judgment shall be final, except that the same shall be subject to review by the Supreme Court of the United States on writ of certiorari or certification as provided in section 1254 of title 28, United States Code.

(h) Court Enforcement of Administrative Orders.—

(1) Power of secretary.—If a respondent does not appeal an order of the Secretary under subsection (g)(2), the Secretary may petition the United States district court for the district in which the violation is alleged to have occurred, or in which the respondent resides or transacts business, for the enforcement of the order of the Secretary, by filing in the court a written petition praying that the order be enforced.

(2) Jurisdiction.—On the filing of the petition, the court shall have jurisdiction to make and enter a decree enforcing the order of the Secretary. In the proceeding, the order of the Secretary shall not be subject to review.

(3) Decree of enforcement.—If, on appeal of an order under subsection (g)(2), the United States court of appeals does not reverse or modify the order, the court shall have the jurisdiction to make and enter a decree enforcing the order of the Secretary.

SEC. 109. ENFORCEMENT BY CIVIL ACTION.

(a) Right to Bring Civil Action.—

(1) In general.—Subject to the limitations in this section, an employee or the Secretary may bring a civil action against any employer to enforce the provisions of this title in any appropriate court of the United States or in any State court of competent jurisdiction.

(2) No charge filed.—Subject to paragraph (3), a civil action may be commenced under this subsection without regard to whether a charge has been filed under section 108(b).

(3) Limitations.—No civil action may be commenced under paragraph (1) if the Secretary—

(A) has approved, or has failed to disapprove, a settlement agreement under section 108(c)(4), in which case no civil action may be filed under this subsection if the action is based on a violation alleged in the charge and resolved by the agreement; or

(B) has issued a complaint under section 108(c)(2) or 108(c)(6), in which case no civil action may be filed under this subsection if the action is based on a violation alleged in the complaint.

(4) To enforce settlement agreements.—Notwithstanding paragraph (3)(A), a civil action may be commenced to enforce the terms of any such settlement agreement.

(5) Timing of commencement of civil action.—

(A) In general.—Except as provided in subparagraph (B), no civil action may be commenced more than 1 year after the date on which the alleged violation occurred.

(B) Exception.—In any case in which—

(i) a timely charge is filed under section 108(b); and

(ii) the failure of the Secretary to issue a complaint or enter into a settlement agreement based on the charge (as provided under section 108(c)(4)) occurs more than 11 months after the date on which any alleged violation occurred, the employee may commence a civil action not more than 30 days after the date on which the employee is notified of the failure.

(6) Agencies.—The Secretary may not bring a civil action against any agency of the United States.

(b) Venue.—An action brought under subsection (a) in a district court of the United States may be brought—

(1) in any appropriate judicial district under section 1391 of title 28, United States Code; or

(2) in the judicial district in the State in which—

(A) the employment records relevant to the violation are maintained and administered; or

(B) the aggrieved person worked or would have worked but for the alleged violation.

(c) Notification of the Secretary; Right to Intervene.—A copy of the complaint in any action brought by an employee under subsection (a) shall be served on the Secretary by certified mail. The Secretary shall have the right to intervene in a civil action brought by an employee under subsection (a).

(d) Attorneys for the Secretary.—In any civil action brought under subsection (a), attorneys appointed by the Secretary may appear for and represent the Secretary, except that the Attorney General and the Solicitor General shall conduct any litigation in the Supreme Court.

SEC. 110. INVESTIGATIVE AUTHORITY.

(a) In General.—To ensure compliance with the provisions of this title, or any regulation or order issued under this title, subject to subsection (c), the Secretary shall have the investigative authority provided under section 11(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 211(a)).

(b) Obligation to Keep and Preserve Records.—An employer shall keep and preserve records in accordance with section 11(c) of such Act, and in accordance with regulations issued by the Secretary.

(c) Required Submissions Generally Limited to an Annual Basis.—The Secretary may not under this section require any employer or any plan, fund, or program to submit to the Secretary any books or records more than once in any 12-month period, unless the Secretary has reasonable cause to believe there may exist a violation of this title or any regulation or order issued pursuant to this title, or is investigating a charge brought pursuant to section 108.

(d) Subpoena Powers, Etc.—For purposes of any investigation conducted under this section, the Secretary shall have the subpoena authority provided under section 9 of the Fair Labor Standards Act of 1938 (29 U.S.C. 209).

(e) Dissemination of Information.—The Secretary may make available to any person substantially affected by any matter that is the subject of an investigation under this section, and to any department or agency of the United States, information concerning any matter that may be the subject of the investigation.

SEC. 111. RELIEF.

(a) Injunctive Relief.—

(1) Cease and desist.—On finding a violation under section 108 by a person, an administrative law judge shall issue an order requiring the person to cease and desist from any act or practice that violates this title.

(2) INJUNCTIONS.—In any civil action brought under section 109, a court may grant as relief any permanent or temporary injunction, temporary restraining order, or other equitable relief as the court considers appropriate.

(b) MONETARY DAMAGES.—

(1) IN GENERAL.—Any employer that violates this title shall be liable to the injured party in an amount equal to—

(A) any wages, salary, employment benefits, or other compensation denied or lost to the employee by reason of the violation, plus interest on the total monetary damages calculated at the prevailing rate; and

(B) an additional amount equal to the greater of—

(i) the amount determined under subparagraph (A), as liquidated damages; or

(ii) the amount of consequential damages but not to exceed three times the amount determined under subparagraph (A).

(2) GOOD FAITH.—If an employer who has violated this title proves to the satisfaction of the court that the act or omission which violated this title was in good faith and that the employer had reasonable grounds for believing that the act or omission was not a violation of this title, the court may, in its discretion, reduce the amount of the liability or penalty provided for under this subsection to the amount determined under paragraph (1)(A).

(c) ATTORNEYS' FEES.—A prevailing party (other than the United States) may be awarded a reasonable attorneys' fee as part of the costs, in addition to any relief awarded. The United States shall be liable for costs in the same manner as a private person.

(d) LIMITATION.—Damages awarded under subsection (b) may not accrue from a date more than 2 years before the date on which a charge is filed under section 108(b) or a civil action is brought under section 109.

SEC. 112. NOTICE.

(a) IN GENERAL.—Each employer shall post and keep posted, in conspicuous places on the premises of the employer where notices to employees and applicants for employment are customarily posted, a notice, approved by the Secretary, setting forth excerpts from, or summaries of, the pertinent provisions of this title and information pertaining to the filing of a charge.

(b) PENALTY.—Any employer who willfully violates this section shall be fined not more than $100 for each separate offense.

TITLE II—PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE FOR CIVIL SERVICE EMPLOYEES

SEC. 201. PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE.

(a) IN GENERAL.—(1) Chapter 63 of title 5, United States Code, is amended by adding at the end thereof the following new subchapter:

"SUBCHAPTER III—PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE

"§ 6331. Definitions

"For purposes of this subchapter:

"(1) 'employee' means—

"(A) an employee as defined by section 6301(2) of this title (excluding an individual employed by the government of the District of Columbia); and

"(B) an individual under clause (v) or (ix) of such section;

who has been employed for at least 12 months and completed at least 900 hours of service during the previous 12-month period.

"(2) 'serious health condition' means an illness, injury, impairment, or physical or mental condition that involves—

"(A) inpatient care in a hospital, hospice, or residential medical care facility; or

"(B) continuing treatment, or continuing supervision, by a health care provider; and

"(3) 'son or daughter' means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a de facto parent, who is—

"(A) under 18 years of age; or

"(B) 18 years of age or older and incapable of self-care because of a mental or physical disability.

"§ 6332. Parental leave requirement

"(a)(1) An employee shall be entitled, subject to section 6334, to 10 workweeks of parental leave during any 24-month period—

"(A) as the result of the birth of a son or daughter of the employee;

"(B) as the result of the placement, for adoption or foster care, of a son or daughter with the employee; or

"(C) in order to care for the employee's son or daughter who has a serious health condition.

"(2) The entitlement to leave under paragraphs (1)(A) and (1)(B) shall expire at the end of the 12-month period beginning on the date of such birth or placement.

"(3) In the case of a son or daughter who has a serious health condition, such leave may be taken intermittently when medically necessary, subject to subsection (e).

"(b) On agreement between the employing agency and the employee, leave under this section may be taken on a reduced leave schedule, however, such reduced leave schedule shall not result in a reduction in the total amount of leave to which the employee is entitled.

"(c) Except as provided in subsection (d), leave granted under subsection (a) may consist of unpaid leave.

"(d)(1) If an employing agency provides paid parental leave for fewer than 10 workweeks, the additional weeks of leave added to attain the 10 work-week total may be unpaid.

"(2) An employee or employing agency may elect to substitute any of the employee's accrued paid vacation leave, personal leave, or other appropriate paid leave for any part of the 10-week period.

"(e)(1) In any case in which the necessity for leave under this section is foreseeable based on an expected birth or adoption, the employee shall provide the employing agency with prior notice of such expected birth or adoption in a manner which is reasonable and practicable.

"(2) In any case in which the necessity for leave under this section is foreseeable based on planned medical treatment or supervision, the employee shall—

"(A) make a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the operations of the employing agency, subject to the approval of the health care provider of the employee's son or daughter; and

"(B) provide the employing agency with prior notice of the treatment or supervision in a manner which is reasonable and practicable.

"(3) The Director of the Office of Personnel Management shall promulgate regulations that define the term 'reasonable and practicable' for purposes of paragraphs (1) and (2)(B).

"§ 6333. Temporary medical leave requirement

"(a)(1) Any employee who, as the result of a serious health condition, becomes unable to perform the functions of the position of the employee, shall be entitled to temporary medical leave, subject to section 6334.

"(2) The entitlement under paragraph (1) shall continue for as long as the employee is unable to perform the functions, except that the leave shall not exceed 13 administrative workweeks of the employee during any 12-month period.

"(3) Leave taken under this subsection may be taken intermittently when medically necessary, subject to subsection (d).

"(b) Except as provided in subsection (c), leave granted under subsection (a) may consist of unpaid leave.

"(c)(1) If an employing agency provides paid temporary medical leave or paid sick leave for fewer than 13 weeks, the additional weeks of leave added to attain the 13-week total may be unpaid.

"(2) An employee or employing agency may elect to substitute the employee's accrued paid vacation leave, sick leave, or other appropriate paid leave for any part of the 13-week period, except that nothing in this Act shall require an employing agency to provide paid sick leave or paid medical leave in any situation in which such employing agency would not normally provide any such paid leave.

"(d)(1) In any case in which the necessity for leave under this section is foreseeable based on planned medical treatment or supervision, the employee shall—

"(A) make a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the operations of the employing agency, subject to the approval of the employee's health care provider, and

"(B) provide the employing agency with prior notice of the treatment or supervision in a manner which is reasonable and practicable.

"(2) The Director of the Office of Personnel Management shall promulgate regulations that define the term reasonable and practicable for purposes of paragraph (1).

"§ 6334. Certification

"(a) An employing agency may require that a claim for parental leave under section 6332(a)(10)(C), or temporary medical leave under section 6333, be supported by certification issued by the health care provider of the son, daughter, or employee, whichever is appropriate. The employee shall provide a copy of such certification to the employing agency.

"(b) The certification shall be considered sufficient if it states—

"(1) the date on which the serious health condition commenced;

"(2) the probable duration of the condition;

"(3) the appropriate medical facts within the knowledge of the provider regarding the condition; and

"(4)(A) for purposes of leave under section 6333, a statement that the employee is unable to perform the functions of the employee's position; and

"(B) for purposes of leave under section 6332(a)(1)(C), an estimate of the amount of time that the employee is needed to care for the son or daughter.

"(c)(1) In any case in which the employing agency has reason to doubt the validity of the certification provided under subsection (a), the employing agency may require, at its expense, that the employee obtain the opinion of a second health care provider designated or approved by the employing agency concerning the information certified under subsection (b).

"(2) Any health care provider designated or approved under paragraph (1) may not be employed on a regular basis by the employing agency.

"(d)(1) In any case in which the second opinion described in subsection (c) differs from the original certification provided under subsection (a), the employing agency may require, at its expense, that the employee obtain the opinion of a third health care provider designated or approved jointly by the employing agency and the employee concerning the information certified under subsection (b).

"(2) The opinion of the third health care provider concerning the information certified under subsection (b) shall be considered to be final and shall be binding on the employing agency and the employee.

"(e) The employing agency may require that the employee obtain subsequent recertifications on a reasonable basis.

"§ 6335. Job protection

"An employee who uses leave under section 6332 or 6333 of this title shall be entitled, on return from the leave—

"(1) to be restored to the position of employment held by the employee when the leave commenced; or

"(2) to be restored to an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment.

"§ 6336. Prohibition of coercion

"(a) An employee may not directly or indirectly intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce, any other employee for the purpose of interfering with the exercise of the rights of the employee under this subchapter.

"(b) For the purpose of this section, 'intimidate, threaten, or coerce' includes promising to confer or conferring any benefit (such as appointment, promotion, or compensation), or taking or threatening to take any reprisal (such as deprivation of appointment, promotion, or compensation).

"§ 6337. Health insurance

"An employee enrolled in a health benefits plan under chapter 89 of this title who is placed in a leave status under section 6332 or 6333 of this title may elect to continue the health benefits enrollment of the employee while in leave status and arrange to pay into the Employees Health Benefits Fund (described in section 8909 of this title), through the employing agency of the employee, the appropriate employee contributions.

"§ 6338. Regulations

"The Office of Personnel Management shall prescribe regulations necessary for the administration of this subchapter. The regulations prescribed under this subchapter shall be consistent with the regulations prescribed by the Secretary of Labor under title I of the Parental and Medical Leave Act of 1988.".

(2) The table of contents for chapter 63 of title 5, United States Code, is amended by adding at the end thereof the following:

"SUBCHAPTER III—PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE

"6331. Definitions.
"6332. Parental leave requirement.
"6333. Temporary medical leave requirement.
"6334. Certification.
"6335. Job protection.
"6336. Prohibition of coercion.
"6337. Health insurance.
"6338. Regulations.".

(b) EMPLOYEES PAID FROM NONAPPROPRIATED FUNDS.—Section 2105(c)(1) of title 5, United States Code, is amended by striking out "53" and inserting in lieu thereof "53, subchapter III of chapter 63,".

TITLE III—COMMISSION ON PARENTAL AND MEDICAL LEAVE

SEC. 301. ESTABLISHMENT.

(a) ESTABLISHMENT.—There is established a Commission to be known as the Commission on Parental and Medical Leave (hereinafter in this title referred to as the "Commission").

SEC. 302. DUTIES.

The Commission shall—

(1) conduct a comprehensive study of—

(A) existing and proposed policies relating to parental leave and temporary medical leave; and

(B) the potential costs, benefits, and impact on productivity of such policies on employers;

(2) to the extent practicable, include in the study of parental leave and temporary medical leave policies required under subsection (1)(A), a review of all studies of existing and proposed methods designed to provide workers with full or partial salary replacement or other income protection during periods of parental leave and temporary medical leave that are consistent with the legitimate business interests of employers;

(3) within 2 years after the date on which the Commission first meets, submit a report to Congress that outlines the findings of the Commission.

SEC. 303. MEMBERSHIP.

(a) COMPOSITION.—

(1) APPOINTMENTS.—The Commission shall be composed of 12 voting members and 2 exofficio members appointed not more than 60 days after the date of the enactment of this Act as follows:

(A) One Senator shall be appointed by the majority leader of the Senate, and one Senator shall be appointed by the minority leader of the Senate.

(B) One member of the House of Representatives shall be appointed by the Speaker of the House of Representatives, and one member of the House of Representatives shall be appointed by the minority leader of the House of Representatives.

(C)(i) Two members each shall be appointed by—

(I) the Speaker of the House of Representatives,

(II) the majority leader of the Senate,

(III) the minority leader of the House of Representatives, and

(IV) the minority leader of the Senate.

(ii) Such members shall be appointed by virtue of demonstrated expertise in relevant family, temporary disability, and labor-management issues and shall include representatives of employers.

(2) EX-OFFICIO MEMBERS.—The Secretary of Health and Human Services and the Secretary of Labor shall serve on the Commission as nonvoting ex-officio members.

(b) VACANCIES.—Any vacancy on the Commission shall be filled in the same manner in which the original appointment was made.

(c) CHAIRPERSON AND VICE CHAIRPERSON.—The Commission shall elect a chairperson and a vice chairperson from among the members of the Commission.

(d) QUORUM.—Eight members of the Commission shall constitute a quorum for all purposes, except that a lesser number may constitute a quorum for the purpose of holding hearings.

SEC. 304. COMPENSATION.

(a) PAY.—Members of the Commission shall serve without compensation.

(b) TRAVEL EXPENSES.—Members of the Commission shall be allowed reasonable travel expenses, including a per diem allowance, in accordance with section 5703 of title 5, United States Code, while performing duties of the Commission.

SEC. 305. POWERS.

(a) MEETINGS.—The Commission shall first meet not more than 30 days after the date on which all members are appointed. The Commission shall meet thereafter on the call of the chairperson or a majority of the members.

(b) HEARINGS AND SESSIONS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers appropriate. The Commission may administer oaths or affirmations to witnesses appearing before the Commission.

(c) ACCESS TO INFORMATION.—The Commission may secure directly from any Federal agency information necessary to enable the Commission to carry out this Act. On the request of the chairperson or vice chairperson of the Commission, the head of the agency shall furnish the information to the Commission.

(d) EXECUTIVE DIRECTOR.—The Commission may appoint an Executive Director from the personnel of any Federal agency to assist the Commission in carrying out the duties of the Commission.

(e) USE OF SERVICES AND FACILITIES.—On the request of the Commission, the head of any Federal agency may make available to the Commission any of the facilities and services of the agency.

(f) PERSONNEL FROM OTHER AGENCIES.—On the request of the Commission, the head of any Federal agency may detail any of the personnel of the agency to assist the Commission in carrying out the duties of the Commission.

SEC. 306. TERMINATION.

The Commission shall terminate 30 days after the date of the submission of the final report of the Commission to Congress.

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. EFFECT ON OTHER LAWS.

(a) FEDERAL AND STATE ANTIDISCRIMINATION LAWS.—Nothing in this Act shall be construed to modify or affect any Federal or State law prohibiting discrimination on the basis of race, religion, color, national origin, sex, age, or handicapped status.

(b) STATE AND LOCAL LAWS.—Nothing in this Act shall be construed to supersede any provision of any State or local law that provides greater employee parental or medical leave rights than the rights established under this Act.

SEC. 402. EFFECT ON EXISTING EMPLOYMENT BENEFITS.

(a) MORE PROTECTIVE.—Nothing in this Act shall be construed to diminish the obligation of an employer to comply with any collective-bargaining agreement or any employment benefit program or plan that provides greater parental and medical leave rights to employees than the rights provided under this Act.

(b) LESS PROTECTIVE.—The rights provided to employees under this Act may not be diminished by any collective-bargaining agreement or any employment benefit program or plan.

SEC. 403. ENCOURAGEMENT OF MORE GENEROUS LEAVE POLICIES.

Nothing in this Act shall be construed to discourage employers from adopting or retaining leave policies more generous than any policies that comply with the requirements under this Act.

SEC. 404. REGULATIONS.

Not later than 60 days after the date of enactment of this Act, the Secretary shall prescribe such regulations as are necessary to carry out title I.

SEC. 405. EFFECTIVE DATES.

(a) ADVISORY COMMISSION.—Title III shall become effective on the date of enactment of this Act.

(b) OTHER TITLES.—

(1) IN GENERAL.—Except as provided in paragraph (2), titles I, II, and IV shall take effect 6 months after the date of the enactment of this Act.

(2) COLLECTIVE BARGAINING AGREEMENTS.—In the case of a collective bargaining agreement in effect on the effective date described in paragraph (1), title I shall apply on the earlier of—

(A) the date of the termination of such agreement, or

(B) the date which occurs 12 months after the date of the enactment of this Act.

Notwithstanding any other provision of this Act, the term "employer" means any person engaged in commerce or in any industry affecting commerce who employs 50 or more employees at any one worksite for each working day during each of 19 or more calendar workweeks in the current or preceding calendar year; and includes:

"(i) any person who acts directly or indirectly in the interest of an employer to one or more employees;

"(ii) any successor in interest of such an employer; and

"(iii) any public agency, as defined in section 3(x) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(x)): and

notwithstanding any other provision of this act, the period of entitlement described in Sec. 104(a)(2) of this act shall not exceed 10 workweeks during any 12-month period; and notwithstanding any other provision of this act, the entitlement under paragraph (a)(2), in "Sec. 6333" entitled "Temporary Medical Leave Requirement" contained in Sec. 201 of this act shall not exceed 10 administrative workweeks of the employee during any 12-month period.

[Corrected version will appear on pages 26653-26658.]

TITLE V—CHILD PORNOGRAPHY AND OBSCENITY

SEC. 501. SHORT TITLE.

This title may be cited as the "Child Protection and Obscenity Enforcement Act of 1988".

Subtitle A—Child Pornography

SEC. 511. AMENDMENTS TO EXISTING OFFENSES.

(a) SEXUAL EXPLOITATION OF CHILDREN.—Paragraph (2) of subsection 2251(c) of title 18, United States Code, is amended by inserting "by any means including by computer" after "interstate or foreign commerce" both places it appears.

(b) MATERIAL INVOLVING SEXUAL EXPLOITATION OF CHILDREN.—Subsection 2252(a) of title 18, United States Code, is amended by inserting "by any means including by computer" after "interstate or foreign commerce" each place it appears.

(c) DEFINITION.—Section 2256 of title 18, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (4);

(2) by striking out the period at the end of paragraph (5) and inserting in lieu thereof: "; and"; and

(3) by adding at the end the following:

"(6) 'computer' has the meaning given that term in section 1030 of this title.".

SEC. 512. SELLING OR BUYING OF CHILDREN.

(a) IN GENERAL.—Chapter 110 of title 18, United States Code, is amended by inserting after section 2251 the following:

"§ 2251A. Selling or buying of children

"(a) Any parent, legal guardian, or other person having custody or control of a minor who sells or otherwise transfers custody or control of such minor, or offers to sell or otherwise transfer custody of such minor either—

"(1) with knowledge that, as a consequence of the sale or transfer, the minor will be portrayed in a visual depiction engaging in, or assisting another person to engage in, sexually explicit conduct; or

"(2) with intent to promote either—

"(A) the engaging in of sexually explicit conduct by such minor for the purpose of producing any visual depiction of such conduct; or

"(B) the rendering of assistance by the minor to any other person to engage in sexually explicit conduct for the purpose of producing any visual depiction of such conduct;

shall be punished by imprisonment for not less than 20 years or for life and by a fine under this title, if any of the circumstances described in subsection (c) of this section exist.

"(b) Whoever purchases or otherwise obtains custody or control of a minor, or offers to purchase or otherwise obtain custody or control of a minor either—

"(1) with knowledge that, as a consequence of the purchase or obtaining of custody, the minor will be portrayed in a visual depiction engaging in, or assisting another person to engage in, sexually explicit conduct; or

"(2) with intent to promote either—

"(A) the engaging in of sexually explicit conduct by such minor for the purpose of producing any visual depiction of such conduct; or

"(B) the rendering of assistance by the minor to any other person to engage in sexually explicit conduct for the purpose of producing any visual depiction of such conduct;

shall be punished by imprisonment for not less than 20 years or for life and by a fine under this title, if any of the circumstances described in subsection (c) of this section exist.

"(c) The circumstances referred to in subsections (a) and (b) are that—

"(1) in the course of the conduct described in such subsections the minor or the actor traveled in or was transported in interstate or foreign commerce;

"(2) any offer described in such subsections was communicated or transported in interstate or foreign commerce by any means including by computer or mail; or

"(3) the conduct described in such subsections took place in any territory or possession of the United States.".

(b) DEFINITION.—Section 2256 of title 18, United States Code, as amended by section 201 of this Act, is further amended—

(1) by striking out "and" at the end of paragraph (5);

(2) by striking out the period at the end of paragraph (6) and inserting "; and" in lieu thereof; and

(3) by adding at the end the following:

"(7) 'custody or control' includes temporary supervision over or responsibility for a minor whether legally or illegally obtained.".

(c) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 110 of title 18, United States Code, is amended by inserting after the item relating to section 2251 the following:

"2251A. Selling or buying of children.".

SEC. 513. RECORD KEEPING REQUIREMENTS.

(a) IN GENERAL.—Chapter 110 of title 18, United States Code, is amended by adding at the end thereof the following:

"§ 2257. Record keeping requirements

"(a) Whoever produces any book, magazine, periodical, film, videotape, or other matter which—

"(1) contains one or more visual depictions made after February 6, 1978 of actual sexually explicit conduct; and

"(2) is produced in whole or in part with materials which have been shipped in interstate or foreign commerce, or is shipped or transported or is intended for shipment or transportation in interstate or foreign commerce;

shall create and maintain individually identifiable records pertaining to every performer portrayed in such a visual depiction.

"(b) Any person to whom subsection (a) applies shall, with respect to every performer portrayed in a visual depiction of actual sexually explicit conduct—

"(1) ascertain, by examination of an identification document containing such information, the performer's name and date of birth, and require the performer to provide such other indicia of his or her identity as may be prescribed by regulations;

"(2) ascertain any name, other than the performer's present and correct name, ever used by the performer including maiden name, alias, nickname, stage, or professional name; and

"(3) record in the records required by subsection (a) the information required by paragraphs (1) and (2) of this subsection and such other identifying information as may be prescribed by regulation.

"(c) Any person to whom subsection (a) applies shall maintain the records required by this section at his business premises, or at such other place as the Attorney General may by regulation prescribe and shall make such records available to the Attorney General for inspection at all reasonable times.

"(d)(1) No information or evidence obtained from records required to be created or maintained by this section shall, except as provided in paragraphs (2) and (3), be used, directly or indirectly, as evidence against any person with respect to any violation of law.

"(2) Paragraph (1) of this subsection shall not preclude the use of such information or evidence in a prosecution or other action for a violation of any applicable provision of law with respect to the furnishing of false information.

"(3) In a prosecution of any person to whom subsection (a) applies for an offense in violation of subsection 2251(a) of this title which has as an element the production of a visual depiction of a minor engaging in or assisting another person to engage in sexually explicit conduct and in which that element is sought to be established by showing that a performer within the meaning of this section is a minor—

"(A) proof that the person failed to comply with the provisions of subsection (a) or (b) of this section concerning the creation and maintenance of records, or a regulation issued pursuant thereto, shall raise a rebuttable presumption that such performer was a minor; and

"(B) proof that the person failed to comply with the provisions of subsection (e) of this section concerning the statement required by that subsection shall raise the rebuttable presumption that every performer in the matter was a minor.

"(e)(1) Any person to whom subsection (a) applies shall cause to be affixed to every copy of any matter described in paragraph (1) of subsection (a) of this section, in such manner and in such form as the Attorney General shall by regulations prescribe, a statement describing where the records required by this section with respect to all performers depicted in that copy of the matter may be located.

"(2) If the person to whom subsection (a) of this section applies is an organization the statement required by this subsection shall include the name, title, and business address of the individual employed by such organization responsible for maintaining the records required by this section.

"(3) In any prosecution of a person for an offense in violation of section 2252 of this title which has as an element the transporting, mailing, or distribution of a visual depiction involving the use of a minor engaging in sexually explicit conduct, and in which that element is sought to be established by a showing that a performer within the meaning of this section is a minor, proof that the matter in which the visual depiction is contained did not contain the statement required by this section shall raise a rebuttable presumption that such performer was a minor.

"(f) The Attorney General shall issue appropriate regulations to carry out this section.

"(g) As used in this section—

"(1) the term 'actual sexually explicit conduct' means actual but not simulated conduct as defined in subparagraphs (A) through (E) of paragraph (2) of section 2256 of this title;

"(2) 'identification document' has the meaning given that term in subsection 1028(d) of this title;

"(3) the term 'produces' means to produce, manufacture, or publish and includes the duplication, reproduction, or reissuing of any material; and

"(4) the term 'performer' includes any person portrayed in a visual depiction engaging in, or assisting another person to engage in, actual sexually explicit conduct.".

(b) Clerical Amendment.—The table of sections at the beginning of chapter 110 of title 18, United States Code, is amended by adding after the item relating to section 2256 the following:

"2257. Record keeping requirements.".

(c) Effective Date.—Section 2257 of title 18, United States Code, as added by this section shall take effect 180 days after the date of the enactment of this Act except—

(1) the Attorney General shall prepare the initial set of regulations required or authorized by section 2257 within 90 days of the date of the enactment of this Act; and

(2) subsection (e) of section 2257 of this title and of any regulation issued pursuant thereto shall take effect 270 days after the date of the enactment of this Act.

SEC. 514. R.I.C.O. AMENDMENT.

Subsection 1961(1)(B) of title 18, United States Code, is amended by inserting after "section 1957 (relating to engaging in monetary transactions in property derived from specified unlawful activity)" the following: "sections 2251 through 2252 (relating to sexual exploitation of children),".

Subtitle B—Obscenity

SEC. 521. RECEIPT OR POSSESSION FOR SALE; PRESUMPTIONS FOR CHAPTER 71.

(a) Receipt or Possession for Sale.—Chapter 71 of title 18, United States Code, is amended by inserting after section 1465 the following:

"§ 1466. Receipt or possession of obscene matter for sale or distribution

"(a) Whoever is engaged in the business of selling or transferring books, magazines, pictures, papers, films, videotapes, or phonograph or other audio recordings, and knowingly receives or possesses with intent to distribute any obscene book, magazine, picture, paper, film, videotape, or phonograph or other audio recording, which has been shipped or transported in interstate or foreign commerce, shall be punished by imprisonment for not more than 5 years or by a fine under this title, or both.

"(b) As used in this subsection, the term 'engaged in the business' means that the person who sells or transfers or offers to sell or transfer books, magazines, pictures, papers, films, videotapes, or phonograph or other audio recordings, devotes time, attention, or labor to such activities, as a regular course of trade or business, with the objective of earning a profit, although it is not necessary that the person make a profit or that the selling or transferring or offering to sell or transfer such material be the person's sole or principal business or source of income. The offering for sale of or to transfer, at one time, two or more copies of any obscene publication, or two or more of any obscene article, or a combined total of five or more such publications and articles, shall create a rebuttable presumption that the person so offering them is 'engaged in the business' as defined in subsection (b).

"(c) In a prosecution for a violation of this section, it shall be an affirmative defense, on which the defendant has the burden of persuasion by a preponderance of the evidence, that the person—

"(1) ordered or received the obscene matter without examining the matter in advance;

"(2) did not in fact offer the matter for sale, or transfer or offer to transfer it to another person other than the sender; and

"(3) possessed the material less than 21 days.".

(b) Clerical Amendment.—The table of sections at the beginning of chapter 71 of title 18, United States Code, is amended by adding after the item relating to section 1465 the following:

"1466. Receipt or possession of obscene matter for sale or distribution.
"1467. Criminal forfeiture.".

(c) Use of Facility of Commerce.—The first paragraph of section 1465 of title 18, United States Code, is amended by inserting after the word distribution: ", or knowingly travels in interstate commerce, or uses a facility or means of commerce for the purpose of interstate or foreign sale or distribution of,".

(d) Distribution of Proceeds.—Section 1465 of title 18, United States Code, is amended by inserting "or the proceeds from the sale thereof" after "character,".

(e) Presumptions.—Chapter 71 of title 18, United States Code, as amended by subsection (a) of this section and by section 302, is further amended by adding at the end the following:

"§ 1469. Presumptions

"(a) In any prosecution under this chapter in which an element of the offense is that the matter in question was transported, shipped, or carried in interstate commerce, proof, by either circumstantial or direct evidence, that such matter was produced or manufactured in one State and is subsequently located in another State shall raise a rebuttable presumption that such matter was transported, shipped, or carried in interstate commerce.

"(b) In any prosecution under this chapter in which an element of the offense is that the matter in question was transported, shipped, or carried in foreign commerce, proof, by either circumstantial or direct evidence, that such matter was produced or manufactured outside of the United States and is subsequently located in the United States shall raise a rebuttable presumption that such matter was transported, shipped, or carried in foreign commerce.".

(f) Clerical Amendment.—The table of sections at the beginning of chapter 71 of title 18, United States Code, is amended by adding after the item relating to section 1468 the following:

"1469. Presumptions.".

SEC. 522. FORFEITURE IN OBSCENITY CASES.

(a) In General.—Chapter 71 of title 18, United States Code, is amended by adding at the end the following:

"§ 1467. Criminal forfeiture

"(a) Property Subject to Criminal Forfeiture.—A person who is convicted of an offense involving obscene material under this chapter shall forfeit to the United States such person's interest in—

"(1) any obscene material produced, transported, mailed, shipped or received in violation of this chapter;

"(2) any property, real or personal, constituting or traceable to gross profits or other proceeds obtained from such offense; and

"(3) any property, real or personal, used or intended to be used to commit or to promote the commission of such offense. A forfeiture under this subparagraph shall be authorized only by the Attorney General, the Deputy Attorney General, the Associate Attorney General, or the Assistant Attorney General or the Acting Assistant Attorney General in the Criminal Division.

"(b) Third Party Transfers.—All right, title, and interest in property described in subsection (a) of this section vests in the United States upon the commission of the act giving rise to forfeiture under this section. Any such property that is subsequently transferred to a person other than the defendant may be the subject of a special verdict of forfeiture and thereafter shall be ordered forfeited to the United States, unless the transferee establishes in a hearing pursuant to subsection (m) of this section that he is a bona fide purchaser for value of such property who at the time of purchase was reasonably without cause to believe that the property was subject to forfeiture under this section.

"(c) Protective Orders.—(1) Upon application of the United States, the court may enter a restraining order or injunction, require the execution of a satisfactory performance bond, or take any other action to preserve the availability of property described in subsection (a) of this section for forfeiture under this section—

"(A) upon the filing of an indictment or information charging a violation of this chapter for which criminal forfeiture may be ordered under this section and alleging that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section; or

"(B) prior to the filing of such an indictment or information, if, after notice to persons appearing to have an interest in the property and opportunity for a hearing, the court determines that—

"(i) there is a substantial probability that the United States will prevail on the issue of forfeiture and that failure to enter the order will result in the property being destroyed, removed from the jurisdiction of the court, or otherwise made unavailable for forfeiture; and

"(ii) the need to preserve the availability of the property through the entry of the requested order outweighs the hardship on any party against whom the order is to be entered;

except that an order entered under subparagraph (B) shall be effective for not more than 90 days, unless extended by the court for good cause shown or unless an indictment or information described in subparagraph (A) has been filed.

"(2) A temporary restraining order under this subsection may be entered upon application of the United States without notice or opportunity for a hearing when an information or indictment has not yet been filed with respect to the property, if the United States demonstrates that there is probable cause to believe that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section and that provision of notice will jeopardize the availability of the property for forfeiture. Such a temporary order shall expire not more than 10 days after the date on which it is entered, unless extended for good cause shown or unless the party against whom it is entered consents to an extension for a longer period. A hearing requested concerning an order entered under this paragraph shall be held at the earliest possible time and prior to the expiration of the temporary order.

"(3) The court may receive and consider, at a hearing held pursuant to this subsection, evidence and information that would be inadmissible under the Federal Rules of Evidence.

"(d) WARRANT OF SEIZURE.—The Government may request the issuance of a warrant authorizing the seizure of property subject to forfeiture under this section in the same manner as provided for a search warrant. If the court determines that there is probable cause to believe that the property to be seized would, in the event of conviction, be subject to forfeiture and that an order under subsection (c) of this section may not be sufficient to assure the availability of the property for forfeiture, the court shall issue a warrant authorizing the seizure of such property.

"(e) ORDER OF FORFEITURE.—The court shall order forfeiture of property referred to in subsection (a) if the trier of fact determines, beyond a reasonable doubt, that such property is subject to forfeiture.

"(f) EXECUTION.—Upon entry of an order of forfeiture under this section, the court shall authorize the Attorney General to seize all property ordered forfeited upon such terms and conditions as the court shall deem proper. Following entry of an order declaring the property forfeited, the court may, upon application of the United States, enter such appropriate restraining orders or injunctions, require the execution of satisfactory performance bonds, appoint receivers, conservators, appraisers, accountants, or trustees, or take any other action to protect the interest of the United States in the property ordered forfeited. Any income accruing to or derived from property ordered forfeited under this section may be used to offset ordinary and necessary expenses to the property which are required by law, or which are necessary to protect the interests of the United States or third parties.

"(g) DISPOSITION OF PROPERTY.—Following the seizure of property ordered forfeited under this section, the Attorney General shall destroy or retain for official use any property described in paragraph (1) of subsection (a) and shall direct the disposition of any property described in paragraph (2) of subsection (a) by sale or any other commercially feasible means, making due provision for the rights of any innocent persons. Any property right or interest not exercisable by, or transferable for value to, the United States shall expire and shall not revert to the defendant, nor shall the defendant or any person acting in concert with him or on his behalf be eligible to purchase forfeited property at any sale held by the United States. Upon application of a person, other than the defendant or person acting in concert with him or on his behalf, the court may restrain or stay the sale or disposition of the property pending the conclusion of any appeal of the criminal case giving rise to the forfeiture, if the applicant demonstrates that proceeding with the sale or disposition of the property will result in irreparable injury, harm, or loss to him.

"(h) AUTHORITY OF ATTORNEY GENERAL.—With respect to property ordered forfeited under this section, the Attorney General is authorized to—

"(1) grant petitions for mitigation or remission of forfeiture, restore forfeited property to victims of a violation of this chapter, or take any other action to protect the rights of innocent persons which is in the interest of justice and which is not inconsistent with the provisions of this section;

"(2) comprise claims arising under this section;

"(3) award compensation to persons providing information resulting in a forfeiture under this section;

"(4) direct the disposition by the United States, in accordance with the provisions of section 1616, title 19, United States Code, of all property ordered forfeited under this section by public sale or any other commercially feasible means, making due provision for the rights of innocent persons; and

"(5) take appropriate measures necessary to safeguard and maintain property ordered forfeited under this section pending its disposition.

"(i) APPLICABILITY OF CIVIL FORFEITURE PROVISIONS.—Except to the extent that they are inconsistent with the provisions of this section, the provisions of section 1468(d) of this title (18 U.S.C. 1468(d)) shall apply to a criminal forfeiture under this section.

"(j) BAR ON INTERVENTION.—Except as provided in subsection (m) of this section, no party claiming an interest in property subject to forfeiture under this section may—

"(1) intervene in a trial or appeal of a criminal case involving the forfeiture of such property under this section; or

"(2) commence an action at law or equity against the United States concerning the validity of his alleged interest in the property subsequent to the filing of an indictment or information alleging that the property is subject to forfeiture under this section.

"(k) JURISDICTION TO ENTER ORDERS.—The district courts of the United States shall have jurisdiction to enter orders as provided in this section without regard to the location of any property which may be subject to forfeiture under this section or which has been ordered forfeited under this section.

"(l) DEPOSITIONS.—In order to facilitate the identification and location of property declared forfeited and to facilitate the disposition of petitions for remission or mitigation of forfeiture, after the entry of an order declaring property forfeited to the United States, the court may, upon application of the United States, order that the testimony of any witness relating to the property forfeited be taken by deposition and that any designated book, paper, document, record, recording, or other material not privileged be produced at the same time and place, in the same manner as provided for the taking of depositions under Rule 15 of the Federal Rules of Criminal Procedure.

"(m) THIRD PARTY INTERESTS.—(1) Following the entry of an order of forfeiture under this section, the United States shall publish notice of the order and of its intent to dispose of the property in such manner as the Attorney General may direct. The Government may also, to the extent practicable, provide direct written notice to any person known to have alleged an interest in the property that is the subject of the order of forfeiture as a substitute for published notice as to those persons so notified.

SEC. 524. COMMUNICATIONS ACT AMENDMENT.

Section 223(b) of the Communications Act of 1934 (47 U.S.C. 223(b)) is amended to read as follows:

"(b)(1)(A) Whoever knowingly—

"(i) in the District of Columbia or in interstate or foreign communication, by means of telephone, makes (directly or by recording device) any obscene communication for commercial purposes to any person, regardless of whether the maker of such communication placed the call; or

"(ii) permits any telephone facility under such person's control to be used for an activity prohibited by clause (i);

shall be fined in accordance with title 18 of the United States Code, or imprisoned not more than two years, or both.

"(2)(A) Whoever knowingly—

"(i) in the District of Columbia or in interstate or foreign communication, by means of telephone, makes (directly or by recording device) any indecent communication for commercial purposes to any person, regardless of whether the maker of such communication placed the call; or

"(ii) permits any telephone facility under such person's control to be used for an activity prohibited by clause (i),

shall be fined not more than $50,000 or imprisoned not more than six months, or both.".

SEC. 525. ELECTRONIC SURVEILLANCE.

Subsection (1) of section 2516 of title 18, United States Code, is amended by redesignating paragraphs (i) and (j) as (j) and (k), respectively, and by adding a new paragraph (i) as follows:

"(i) any felony violation of chapter 71 (relating to obscenity) of this title;".

SEC. 526. POSSESSION AND SALE OF OBSCENE MATTERS IN FEDERAL JURISDICTION OR ON FEDERAL PROPERTY.

(a) In General.—Chapter 71 of title 18, United States Code, is amended by inserting before section 1461 the following:

"§ 1460. Possession and sale of obscene matter on Federal property

"(a) Whoever, either—

"(1) in the special maritime and territorial jurisdiction of the United States, or on any land or building owned by, leased to, or otherwise used by or under the control of the Government of the United States; or

"(2) in the Indian country as defined in section 1151 of this title,

knowingly sells or possesses with intent to sell an obscene visual depiction or a visual depiction of a minor engaging in or assisting another person to engage in sexually explicit conduct, shall be punished by a fine in accordance with the provisions of this title or imprisoned for not more than 2 years, or both.

"(b) Except as provided in subsection (c), whoever, in an area described in subparagraph (1) or (2) of subsection (a) knowingly possesses an obscene visual depiction or a visual depiction of a minor engaging in or assisting another person to engage in sexually explicit conduct shall be punished by imprisonment for not more than 6 months or a fine of not more than $5,000 for an individual or $10,000 for a person other than an individual, or both.

"(c) Subsection (b) shall not apply in the case of a person who possesses an obscene visual depiction in any place where such person lives or resides.

"(d) For the purposes of this section—

"(1) the term 'visual depiction' includes undeveloped film and videotape but does not include mere words; and

"(2) the terms 'minor' and 'sexually explicit conduct' have the meaning given those terms in chapter 110 of this title.

"(e) In a prosecution for a violation of this section involving an obscene visual depiction, it shall be an affirmative defense, on which the defendant has the burden of persuasion by a preponderance of the evidence, that the person—

"(1) ordered or received the obscene matter without examining the matter in advance;

"(2) did not in fact offer the matter for sale, or transfer or offer to transfer it to another person other than the sender; and

"(3) possessed the material less than 21 days.".

(b) Clerical Amendment.—The table of sections at the beginning of chapter 71 of title 18, United States Code, is amended by adding before the item relating to section 1461 the following:

"1460. Possession and sale of obscene matter on Federal property.".

SEC. 527. CIVIL FORFEITURE.

(a) In General.—Chapter 71 of title 18, United States Code, is amended by adding the following new section at the end thereof:

"§ 1470. Civil forfeiture

"(a) Property Subject to Civil Forfeiture.—The following property shall be subject to forfeiture by the United States:

"(1) Any material that has been adjudged obscene in any criminal case, Federal or State, that is produced, transported, mailed, shipped, or received in violation of this chapter.

"(2) Any property, real or personal, constituting or traceable to gross profits or other proceeds obtained from a violation of this chapter involving material that has been adjudged obscene in any criminal case, State or Federal, except that no property shall be forfeited under this paragraph, to the extent of the interest of an owner, by reason of any act or omission established by that owner to have been committed or omitted without the knowledge or consent of that owner.

"(b) Seizure Pursuant to Supplemental Rules for Certain Admiralty and Maritime Claims.—Any property subject to forfeiture to the United States under this section may be seized by the Attorney General upon process issued pursuant to the Supplemental Rules for Certain Admiralty and Maritime Claims by any district court of the United States having jurisdiction over the property, except that seizure without such process may be made when the seizure is pursuant to a search under a search warrant. The government may request the issuance of a warrant authorizing the seizure of property subject to forfeiture under this section in the same manner as provided for a search warrant under the Federal Rules of Criminal Procedure.

"(c) Custody of Attorney General.—Property taken or detained under this section shall not be repleviable, but shall be deemed to be in the custody of the Attorney General, subject only to the orders and decrees of the court or the official having jurisdiction thereof. Whenever property is seized under any of the provisions of this subchapter, the Attorney General may—

"(1) place the property under seal;

"(2) remove the property to a place designated by him; or

"(3) require that the General Services Administration take custody of the property and remove it, if practicable, to an appropriate location for disposition in accordance with law.

"(d) Other Laws and Proceedings Applicable.—All provisions of the customs laws relating to the seizure, summary and judicial forfeiture, and condemnation of property for violation of the customs laws, the disposition of such property or the proceeds from the sale thereof, the remission or mitigation of such forfeitures, and the compromise of claims, shall apply to seizures and forfeitures incurred, or alleged to have been incurred, under this section, insofar as applicable and not inconsistent with the provisions of this section, except that such duties as are imposed upon the customs officer or any other person with respect to the seizure and forfeiture of property under the customs laws shall be performed with respect to seizures and forfeitures of property under this section by such officers, agents, or other persons as may be authorized or designated for that purpose by the Attorney General or the Postal Service, except to the extent that such duties arise from seizures and forfeitures effected by any customs officer.

"(e) Applicability of Certain Sections.—Sections 1606, 1607, 1608, 1609, 1613, 1614, 1617, and 1618 of title 19 shall not apply with respect to obscene material subject to forfeiture under subsection (a)(1) of this section.

"(f) Disposition of Forfeited Property.—Whenever property is forfeited under this section the Attorney General shall destroy or retain for official use any article described in paragraph (1) of subsection (a), and with respect to property described in paragraphs (2) and (3) of subsection (a) may—

"(1) retain the property for official use or transfer the custody or ownership of any forfeited property to a Federal, State, or local agency pursuant to section 1616 of title 19;

"(2) sell any forfeited property which is not required to be destroyed by law and which is not harmful to the public; or

"(3) require that the General Services Administration take custody of the property and dispose of it in accordance with law.

The Attorney General shall ensure the equitable transfer pursuant to paragraph (1) of any forfeited property to the appropriate State or local law enforcement agency so as to reflect generally the contribution of any such agency participating directly in any of the acts which led to the seizure or forfeiture of such property. A decision by the Attorney General pursuant to paragraph (1) shall not be subject to judicial review. The Attorney General shall forward to the Treasurer of the United States for deposit in accordance with section 524(c) of title 28 the proceeds from any sale under paragraph (2) and any moneys forfeited under this subchapter.

"(g) Title to Property.—All right, title, and interest in property described in subsection (a) of this section shall vest in the United States upon commission of the act giving rise to forfeiture under this section.

"(h) Stay of Proceedings.—The filing of an indictment or information alleging a violation of this chapter which is also related to a civil forfeiture proceeding under this section shall, upon motion of the United States and for good cause shown, stay the civil forfeiture proceeding.

"(i) Venue.—In addition to the venue provided for in section 1395 of title 28 or any other provision of law, in the case of property of a defendant charged with a violation that is the basis for forfeiture of the property under this section, a proceeding for forfeiture under this section may be brought in the judicial district in which the defendant owning such property is found or in the judicial district in which the criminal prosecution is brought.".

(b) Clerical Amendments.—The table of sections at the beginning of chapter 71 of title 18, United States Code, is amended by inserting after the item relating to section 1469 the following:

"1470. Civil forfeiture.".

(c) Repeal.—The last paragraph of section 1465 of title 18, United States Code, is repealed.

SEC. 528. CIVIL FINES.

Chapter 71 of title 18, United States Code, is amended by inserting at the end the following new section:

"Section 1471. Civil fines.

"(a) Whoever produces, transports, mails, ships or receives any article that has been adjudged obscene in any state or federal criminal case shall be subject to a civil penalty of—

"(1) for a first violation, not more than $10,000;

"(2) for a second violation, not more than $50,000; and

"(3) for a third or subsequent violation, not more than $250,000 in the case of an individual, or $500,000 in the case of an organization.

"(b) An action to recover a fine imposable under subsection (a) shall be brought in the name of the United States. The Attorney General may commence such a civil action in the district court in any district where the violation occurs. Such an action must be commenced within 5 years of the violation. The Attorney General may compromise, modify, or remit with or without condition any civil penalty imposed under this section.

"(c) In any civil action under this section, the defendant shall have a right to a trial by jury, and the government shall have the burden of proof, by a preponderance of the evidence, that the article is obscene under the standards of the community in which the trial takes place."

SEC. 529. SEVERABILITY.

If any of the provisions of this Act are found invalid, such finding shall not affect the validity or effect of the remaining provisions thereof.

TITLE V—CHILD CARE PROVISIONS

SEC. 501. SHORT TITLE.

This title may be cited as the "Act for Better Child Care Services of 1988".

SEC. 502. FINDINGS AND PURPOSES.

(a) Findings.—Congress finds that—

(1) the number of children living in homes where both parents work, or living in homes with a single parent who works, has increased dramatically over the last decade;

(2) the availability of quality child care is critical to the self-sufficiency and independence of millions of American families, including the growing number of mothers with young children who work out of economic necessity;

(3) high quality child care programs can strengthen our society by providing young children with the foundation on which to learn the basic skills necessary to be productive workers;

(4) the years from birth to age 6 are a critical period in the development of a young child;

(5) a significant number of parents do not have a real choice as they seek adequate child care for their young children because of limited incomes, insufficient State child care standards, and the inadequate supply of child care services in their community;

(6) high quality early childhood development programs provided during such period are cost effective because such programs can reduce the chances of juvenile delinquency and adolescent pregnancy and can improve the likelihood that children will finish high school and become employed;

(7) the number of quality child care arrangements falls far short of the number required for children in need of child care services;

(8) the rapid growth of participation in the labor force by mothers of children under the age of 1 has resulted in a critical shortage of quality child care arrangements for infants and toddlers;

(9) the lack of available child care services results in many preschool and school-age children being left without adequate supervision for significant parts of the day;

(10) many working parents who are unable to afford adequate child care services do not receive adequate financial assistance for such services from employers or public sources;

(11) because of the lack of affordable child care, a large number of parents are not able to work or to seek the training or education they need to become self sufficient;

(12) making adequate child care services available for parents who are employed, seeking employment, or seeking to develop employment skills promotes and strengthens the well-being of families and the national economy;

(13) the payment of the exceptionally low salaries to child care workers adversely affects the quality of child care services by making it difficult to retain qualified staff;

(14) several factors result in the shortage of quality child care options for children and parents, including—

(A) the inability of parents to pay for child care services;

(B) the lack of up-to-date information on child care services;

(C) the lack of training opportunities for staff in child care programs;

(D) the high rate of staff turnover in child care facilities; and

(E) the wide differences among the States in child care licensing and enforcement policies; and

(15) improved coordination of child care services will help to promote the most efficient use of child care resources.

(b) Purposes.—The purposes of this subtitle are—

(1) to build on and to strengthen the role of the family by seeking to ensure that parents are not forced by lack of available programs or financial resources to place a child in an unsafe or unhealthy child care facility or arrangement;

(2) to promote the availability and diversity of quality child care services to expand child care options available to all families who need such services;

(3) to provide assistance to families whose financial resources are not sufficient to enable such families to pay the full cost of necessary child care services;

(4) to lessen the chances that children will be left to fend for themselves for significant parts of the day;

(5) to improve the productivity of parents in the labor force by lessening the stresses related to the absence of adequate child care services;

(6) to provide assistance to States to improve the quality of, and coordination among, child care programs;

(7) to increase the opportunities for attracting and retaining qualified staff in the field of child care to provide high quality child care services to children; and

(8) to strengthen the competitiveness of the United States by providing young children with a sound early childhood development experience.

SEC. 503. DEFINITIONS.

As used in this subtitle:

(1) Administrator.—The term "Administrator" means the Administrator of Child Care appointed under section 514(a).

(2) Caregiver.—The term "caregiver" means an individual who provides a service directly to an eligible child on a person-to-person basis.

(3) Center-based child care provider.—The term "center-based child care provider" means a child care provider that provides child care services in a nonresidential facility.

(4) Child care certificate.—The term "child care certificate" means a certificate that is issued by the State to parents who may use such certificate only as payment for child care services for an eligible child and that provides to an eligible child care provider a right to reimbursement for such services at the same rate charged by that provider for comparable services to children whose parents are not eligible for certificates under this subtitle or for child care assistance under any other Federal or State program.

(5) Community-based organization.—The term "community-based organization" has the meaning given such term by section 4(5) of the Job Training and Partnership Act (29 U.S.C. 1503(5)).

(6) Elementary school.—The term "elementary school" means a day or residential school that provides elementary education, as determined under State law.

(7) Eligible child.—The term "eligible child" means an individual—

(A) who is less than 16 years of age;

(B) whose family income does not exceed 100 percent of the State median income for a family of the same size; and

(C) who—

(i) resides with a parent or parents who are working, seeking employment, or enrolled in a job training or educational program; or

(ii) is receiving, or needs to receive, protective services and resides with a parent or parents not described in clause (i).

(8) Eligible child care provider.—The term "eligible child care provider" means a center-based child care provider, a group home child care provider, a family child care provider, or other provider of child care services for compensation that—

(A) is licensed or regulated under State law;

(B) satisfies—

(i) the Federal requirements, except as provided in subparagraph (C); and

(ii) the State and local requirements;

applicable to the child care services it provides; and

(C) after the expiration of the 4-year period beginning on the date the Secretary establishes minimum child care standards under section 517(e)(2), complies with such standards that are applicable to the child care services it provides.

(9) Family child care provider.—The term "family child care provider" means 1 individual who provides child care services for fewer than 24 hours per day, as the sole caregiver, and in the private residence of such individual.

(10) Family support services.—The term "family support services" means services that assist parents by providing support in parenting and by linking parents with community resources and with other parents.

(11) Full-working-day.—The term "full-working-day" means at least 10 hours per day.

(12) Group home child care provider.—The term "group home child care provider" means 2 or more individuals who jointly provide child care services for fewer than 24 hours per day and in a private residence.

(13) Handicapping condition.—The term "handicapping condition" means any condition set forth in section 602(a)(1) of the Education of the Handicapped Act (20 U.S.C. 1401(a)(1)) or section 672(1) of the Education of the Handicapped Act (20 U.S.C. 1471(a)).

(14) Indian tribe.—The term "Indian tribe" has the meaning given it in section 4(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(b)).

(15) Institution of higher education.—The term "institution of higher education" has the meaning given such term in section 481(a)(1) of the Higher Education Act of 1965 (20 U.S.C. 1088(a)(1)), except that with respect to a tribally controlled community college such term has the meaning given it in section 2(a)(5) of the Tribally Controlled Community College Assistance Act of 1978 (25 U.S.C. 1801(a)(5)).

(16) Lead agency.—The term "lead agency" means the agency designated under section 506(a).

(17) Local educational agency.—The term "local educational agency" has the meaning given that term in section 198(a)(10) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2854(a)(10)).

(18) Parent.—The term "parent" includes a legal guardian or other person standing in loco parentis.

(19) School-age child care services.—The term "school-age child care services" means child care services that are—

"(A) provided during such times of the school day when regular instructional services are not in session; and

"(B) not intended as an extension of or replacement for the regular academic program, but are intended to provide an environment which enhances the social, emotional, and recreational development of children of school age;

(20) Secondary school.—The term "secondary school" means a day or residential school which provides secondary education, as determined under State law.

(21) Secretary.—The term "Secretary" means the Secretary of Health and Human Services unless the context specifies otherwise.

(22) School facilities.—The term "school facilities" means classrooms and related facilities used to provide education.

(23) Sliding fee scale.—The term "sliding fee scale" means a system of cost sharing between the State and a family based on income and size of the family with the very low income families having to pay no cost.

(24) State.—The term "State" means any of the several States, the District of Columbia, the Virgin Islands of the United States, the Commonwealth of Puerto Rico, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Marshall Islands, the Federated States of Micronesia, or Palau.

(25) Unit of general purpose local government.—The term "unit of general purpose local government" means any city, county, town, township, parish, village, a combination of such general purpose political subdivisions including those in two or more States, or other general purpose political subdivisions of a State.

(26) Tribal organization.—The term "tribal organization" has the meaning given it in section 4(c) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(c)).

(27) Tribally controlled community college.—The term "tribally controlled community college" has the meaning given it in section 2(a)(4) of the Tribally Controlled Community College Assistance Act of 1978 (25 U.S.C. 1801(a)(4)).

SEC. 504. AUTHORIZATION OF APPROPRIATIONS.

(a) In General.—To carry out this subtitle, other than section 521, there are authorized to be appropriated $2,500,000,000 for the fiscal year 1990 and such sums as may be necessary in each of the fiscal years 1991 through 1994.

SEC. 505. AMOUNTS RESERVED; ALLOTMENTS.

(a) Amounts Reserved.—

(1) Territories and Possessions.—The Secretary shall reserve not to exceed one half of 1 percent of the amount appropriated under section 504(a) in each fiscal year for payments to Guam, American Samoa, the Virgin Islands of the United States, the Commonwealth of the Northern Mariana Islands, the Marshall Islands, the Federated States of Micronesia, and Palau, to be allotted in accordance with their respective needs.

(2) Indians.—The Secretary shall reserve an amount, not less than 1.5 percent and not more than 3 percent of the amount appropriated under section 504(a) in each fiscal year, to carry out subsection (c) regarding Indian children.

(b) State Allotment.—

(1) General rule.—From the remainder of the sums appropriated under section 504(a) for each fiscal year, the Secretary shall allot to each State (excluding jurisdictions referred to in subsection (a)(1)) an amount equal to the sum of—

(A) an amount that bears the same ratio to 50 percent of such remainder as the product of the young child factor of the State and the allotment percentage bears to the sum of the corresponding products for all States; and

(B) an amount that bears the same ratio to 50 percent of such remainder as the product of the school lunch factor of the State and the allotment percentage bears to the sum of the corresponding products for all the States.

(2) Young child factor.—The term "young child factor" means the ratio of the number of children in the State who are less than 5 years of age to the number of children in all the States who are less than 5 years of age.

(3) School lunch factor.—The term "school lunch factor" means the ratio of the number of children in the State who are receiving free or reduced price lunches under the school lunch program established under the National School Lunch Act (42 U.S.C. 1751 et seq.) to the number of children in all the States who are receiving free or reduced price lunches under such program.

(4) Allotment percentage.—

(A) In general.—The allotment percentage for a State is determined by dividing—

(i) the per capita income of all individuals in the United States; by

(ii) the per capita income of all individuals in the State.

(B) Limitations.—If a sum determined under subparagraph (A)—

(i) exceeds 1.2, then the allotment percentage of that State shall be considered to be 1.2; and

(ii) is less that 0.8, then the allotment percentage of the State shall be considered to be 0.8.

(C) Per capita income.—For purposes of subparagraph (A), per capita income shall be—

(i) determined at 2-year intervals;

(ii) applied for the 2-year period beginning on October 1 of the first fiscal year beginning on the date such determination is made; and

(iii) equal to the average of the annual per capita incomes for the most recent period of 3 consecutive years for which satisfactory data are available from the Department of Commerce at the time such determination is made.

(c) Payments for the Benefit of Indian Children.—

(1) Tribal organizations.—From the funds reserved under subsection (a)(2), the Secretary may, upon the application of a Indian tribe or tribal organization enter into a contract with, or make a grant to such Indian tribe or tribal organization for a period of 3 years, subject to satisfactory performance, to plan and carry out programs and activities that are consistent with this subtitle. Such contract or grant shall be subject to the terms and conditions of section 102 of the Indian Self-Determination Act (25 U.S.C. 450f) and shall be conducted in accordance with sections 4, 5, and 6 of the Act of April 16, 1934 (48 Stat. 596; 25 U.S.C. 655-657), that are relevant to such programs and activities.

(2) Indian reservations.—In the case of an Indian tribe in a State other than the States of Oklahoma, Alaska, and California, such programs and activities shall be carried out on the Indian reservation for the benefit of Indian children.

(3) Standards.—

(A) In general.—Subject to subparagraph (B), the Secretary shall establish, through the application process, standards applicable to child care services provided under such programs and activities. For purposes of establishing such standards, the Secretary shall take into consideration—

(i) the codes, regulations, and cultural factors of the Indian tribe involved, as expressed by such tribe or the tribal organization that represents such tribe; and

(ii) the State licensing and regulatory requirements applicable to child care services provided in the State in which such program and activities are carried out.

(B) Application.—

(i) Rule.—Except as provided in clause (ii), after the Secretary establishes minimum child care standards under section 517(e)(2), such minimum standards shall apply with respect to child care services provided under such programs and activities.

(ii) Waivers and modifications.—The Secretary may waive or modify, for a period not to exceed 5 years beginning on the date such minimum standards are established, any of such minimum standards that would limit the capacity of an Indian tribe or tribal organization to receive funds under this subtitle if the Secretary determines that there is a reasonable expectation that each of such standards requested to be waived will be met by the applicant by the end of the period for which the waiver is requested.

(4) Availability of state child care services.—For the purpose of determining whether to approve an application for a contract or grant under this subsection, the Secretary shall take into consideration the availability of child care services provided in accordance with this subtitle by the State in which the applicant proposes to carry out a program to provide child care services.

(5) Rule of construction.—This subsection shall not be construed—

(A) to limit the eligibility of any individual to participate in any program carried out with assistance received under this subtitle by a State; or

(B) to modify any requirement imposed on a State by any provision of this subtitle.

(6) Coordination.—To the maximum extent practicable, the applicant for a grant or contract under this subsection and the State in which the applicant is located shall coordinate with each other their respective child care programs and activities, including child care programs and activities carried out with assistance received under this subtitle.

(d) Data and Information.—The Secretary shall obtain from each appropriate Federal agency, the most recent data and information necessary to determine the allotments provided for in subsection (b).

(e) Reallotments.—

(1) In general.—Any portion of the allotment under subsection (b) to a State that the Secretary determines is not required to carry out a State plan approved under sec-

tion 507(d), in the period for which the allotment is made available, shall be reallotted by the Secretary to other States in proportion to the original allotments to the other States.

(2) Limitations.—

(A) Reduction.—The amount of any reallotment to which a State is entitled to under paragraph (1) shall be reduced to the extent that it exceeds the amount that the Secretary estimates will be used in the State to carry out a State plan approved under section 507(d).

(B) Reallotments.—The amount of such reduction shall be similarly reallotted among States for which no reduction in an allotment or reallotment is required by this subsection.

(3) Amounts reallotted.—For purposes of any other section of this subtitle, any amount reallotted to a State under this subsection shall be considered to be part of the allotment made under subsection (b) to the State.

(f) Definition.—For the purposes of this section, the term "State" means any of the several 50 States, the District of Columbia, or the Commonwealth of Puerto Rico.

SEC. 506. LEAD AGENCY.

(a) Designation.—The chief executive officer of a State desiring to participate in the program authorized by this subtitle shall designate, in an application submitted to the Secretary under section 507(a), an appropriate State agency that meets the requirements of subsection (b) to act as the lead agency.

(b) Requirements.—

(1) Administration of funds.—The lead agency shall have the capacity to administer the funds provided under this subtitle to support programs and services authorized under this subtitle and to oversee the plan submitted under section 507(b).

(2) Coordination.—The lead agency shall have the capacity to coordinate the services for which assistance is provided under this subtitle with the services of other State and local agencies involved in providing services to children.

(3) Establishment of policies.—The lead agency shall have the authority to establish policies and procedures for developing and implementing interagency agreements with other agencies of the State to carry out the purposes of this subtitle.

(c) Duties.—The lead agency shall—

(1) assess child care needs and resources in the State, and assess the effectiveness of existing child care services and services for which assistance is provided under this subtitle or under other laws, in meeting such needs;

(2) develop a plan designed to meet the need for child care services in the State for eligible children, including infants, preschool children, and school-age children, giving special attention to meeting the needs for services for low-income children, migrant children, children with a handicapping condition, foster children, children in need of protective services, children of adolescent parents who need child care to remain in school, and children with limited English-language proficiency;

(3) develop, in consultation with the State advisory committee on child care established under section 511, the State plan submitted to the Secretary under section 507(b);

(4) hold hearings, in cooperation with such State advisory committee on child care, annually in each region of the State in order to provide to the public an opportunity to comment on the provision of child care services in the State under the proposed State plan;

(5) make such periodic reports to the Secretary as the Secretary may by rule require;

(6) coordinate the provision of services under this subtitle with—

(A) other child care programs and services, and with educational programs, for which assistance is provided under any State, local, or other Federal law, including the State Dependent Care Development Grants Act (42 U.S.C. 9871 et seq.); and

(B) other appropriate services, including social, health, mental health, protective, and nutrition services, available to eligible children under other Federal, State, and local programs; and

(7) identify resource and referral programs for particular geographical areas in the State that meet the requirements of section 512.

SEC. 507. APPLICATION AND PLAN.

(a) Application.—To be eligible to receive assistance under this subtitle, a State shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require by rule.

(b) Plan.—The application of a State submitted under subsection (a) shall include an assurance that the State will comply with the requirements of this subtitle and a State plan that is designed to be implemented during a 4-year period and that meets the requirements of subsection (c).

(c) Requirements of a Plan.—

(1) Lead agency.—The plan shall identify the lead agency designated in accordance with section 506(a).

(2) Advisory bodies.—The plan shall demonstrate that the State will establish in accordance with section 511 a State advisory committee on child care.

(3) Policies and procedures.—The plan shall set forth policies and procedures designed to ensure all of the following:

(A) That—

(i) all providers of child care services for which assistance is provided under this subtitle comply with all licensing and regulatory requirements (including registration requirements) applicable under State and local law; and

(ii) such requirements are imposed and enforced by the State uniformly on all child care providers that provide child care services under similar child care arrangements.

This subparagraph shall not be construed to prohibit a State from imposing more stringent standards or requirements on child care providers who provide services for which assistance is provided under this subtitle and who also receive State funds under any other law to provide child care services under a contract or other arrangement with the State.

(B) That procedures will be established to ensure that child care providers receiving assistance under this subtitle or under other publicly-assisted child care programs comply with the minimum child care standards established under section 517(e)(2) after the expiration of the 5-year period beginning on the date the Secretary establishes such standards, and comply with all applicable State and local licensing and regulatory requirements (including registration requirements).

(C) That the State will not—

(i) reduce the categories of child care providers licensed or regulated by the State on the date of enactment of this subtitle; or

(ii) reduce the level of standards applicable to child care services provided in the State and to the matters specified in sections 513(a) and 517(d), even if such standards exceed the minimum standards established under section 517(e)(2) by the Secretary unless the State demonstrates, to the satisfaction of both the Secretary and the State advisory committee on child care established under section 511, that the reduction is based on positive developmental practice.

(D) That funds received under this subtitle by the State will be used only to supplement, not to supplant, the amount of Federal, State, and local funds expended for the support of child care services and related programs in the State, except that States may use existing expenditures in support of child care services to satisfy the State matching requirement under section 516(b).

(E) That for each fiscal year the State will use an amount not to exceed 10 percent of the amount of funds received under section 505 by the State for such fiscal year to administer the State plan.

(F) That the State will pay funds under this subtitle to eligible child care providers in a timely fashion to ensure the continuity of child care services to eligible children.

(G) That resource and referral agencies will be made available to families in all regions of the State.

(H) That each eligible child care provider who provides services for which assistance is provided under paragraph (4)—

(i) provides services to children of families with very low income, taking into account family size;

(ii) after the expiration of the 4-year period beginning on the date the Secretary establishes minimum child care standards under section 517(e)(2), complies with such standards except as provided in clause (iv);

(iii) if such eligible child care provider is regulated by a State educational agency that—

(I) administers any State law applicable to child care services;

(II) develops child care standards that meet or exceed the minimum standards established under section 517(e)(2) and the State licensing or regulatory requirements (including registration requirements); and

(III) enforces the standards described in subclause (II) that are developed by such agency, using policies and practices that meet or exceed the requirements specified in subparagraphs (A) through (K) of paragraph (11);

complies with the standards described in subclause (II) that are developed by such agency; and

(iv) complies with the State plan and the requirements of this subtitle.

(I) That child care services for which assistance is provided under paragraph (4) are available to children with a handicapping condition.

(J) That State regulations will be issued governing the provision of school-age child care services if the State does not already have such regulations.

(K) That child care providers in the State are encouraged to develop personnel policies that include compensated time for staff undergoing training required under this subtitle.

(L) Encourage the payment of adequate salaries and other compensation—

(i) to full- and part-time staff of child care providers who provide child care services for which assistance is provided under paragraph (4);

(ii) to the extent practicable, to such staff in other major Federal and State child care programs; and

(iii) to other child care personnel, at the option of the State.

(M) That child care services for which assistance is provided under paragraph (4) are available for an adequate number of hours and days to serve the needs of parents of eligible children, including parents who work nontraditional hours.

(4) CHILD CARE SERVICES.—The plan shall provide that—

(A) subject to subparagraph (B), the State will use at least 70 percent of the amount allotted to the State in any fiscal year to provide child care services that meet the requirements of this subtitle to eligible children in the State on a sliding fee scale basis and using funding methods provided for in section 508(a)(1), with priority being given for services to children of families with very low family incomes, taking into consideration the size of the family; and

(B) the State will use at least 10 percent of the funds reserved for the purposes specified in subparagraph (A) in any fiscal year to provide for the extension of part-day programs as described in section 508(b).

(5) ACTIVITIES TO IMPROVE THE QUALITY OF CHILD CARE.—The plan shall provide that the State will use not more than 10 percent of the amount allotted to it in any fiscal year to do each of the following:

(A) Provide financial assistance, pursuant to procedures established under the State Dependent Care Development Grants Act (42 U.S.C. 9801 note), to private nonprofit organizations or public organizations (including units of general purpose local government) that meet the requirements of section 512 for the development, establishment, expansion, operation, and coordination of resource and referral programs specifically related to child care.

(B) Improve the monitoring of compliance with, and enforcement of, the licensing and regulatory requirements (including registration requirements) of the State.

(C) Provide training, technical assistance, and scholarship assistance in accordance with the requirements of subsections (b), (c), and (d) of section 513.

(D) Ensure that adequate salaries and other compensation are paid to full- and part-time staff who provide child care services for which assistance is provided under paragraph (4).

(6) ACTIVITIES TO INCREASE THE AVAILABILITY OF CHILD CARE.—The plan shall provide that the State will use not more than 10 percent of the amount allotted to it in any fiscal year for any of the following activities, together with an assurance that the State will give priority to the activities described in subparagraphs (A) and (B):

(A) Making grants and low interest loans to family child care providers and nonprofit child care providers to help such providers pay the cost of—

(i) establishing child care programs; and

(ii) making renovations and improvements in existing facilities to be used to carry out such programs.

(B) Making grants and low-interest loans to child care providers to assist such providers in meeting Federal, State, and local child care standards, giving priority to providers receiving assistance under this subtitle or under other publicly assisted child care programs and which serve children of families that have very low incomes.

(C) Providing assistance for the establishment and operation of after school child care programs.

(D) Making grants or loans to fund the start up costs of employer sponsored child care programs.

(E) Providing assistance for the temporary care of children who are sick and unable to attend child care programs in which such children are enrolled.

(F) Providing assistance for the establishment and operation of child care programs for homeless children.

(G) Providing assistance to link child care programs with programs designed to assist the elderly.

(H)(i) Establishing and administering a revolving loan fund from which any person desiring to make capital improvements to the principal residence of such person (within the meaning of section 1034 of the Internal Revenue Code of 1986) may obtain a loan in order to become a licensed family child care provider, pursuant to State and local law, and to comply with the minimum standards applicable to such providers as established under section 517(e)(2).

(ii) To permit the use of funds provided under this subtitle for the activity described in clause (i), the State shall set forth procedures and guidelines to carry out the purposes of such clause, including procedures—

(I) that provide assurances that only applicants who obtain a license for the operation of a child care facility in accordance with the provisions of State and local law and who will meet the minimum standards applicable to family child care services established under section 517(e)(2), benefit from loans made available pursuant to the provisions of clause (i);

(II) to assure that the revolving fund will be administered by the State and will provide loans to qualified applicants, pursuant to the terms and conditions established by such State, in an amount, determined by such State, that is not in excess of $1,500;

(III) to assure that funds used to carry out the purpose of clause (i) are transferred to such fund to provide capital for making loans;

(IV) to assure that interest and principal payments on loans and any other moneys, property, or assets derived from any action concerning such funds are deposited into such fund;

(V) to assure that all loans, expenses, and payments pursuant to the operation of the revolving loan fund are paid from such fund;

(VI) to assure that loans made from such fund are made to qualified applicants to enable such applicants to make capital improvements so that such applicant may obtain a State or local family child care provider license and so that such applicant may meet the minimum standards applicable to such providers established under section 517(e)(2); and

(VII) that specify how such revolving loan fund will continue to be financed in subsequent years, such as through contributions by the State or by some other entity.

(7) DISTRIBUTION OF FUNDS.—The plan shall provide that funds will be distributed—

(A) to a variety of types of child care providers in each community, including center-based child care providers, group home child care providers, and family child care providers; and

(B) equitably among child care providers to provide child care services in rural and urban areas.

(8) REIMBURSEMENTS.—The plan shall provide that for child care services for which assistance is provided under this subtitle, an eligible child care provider shall have a right to reimbursement at the same rate charged by that provider for comparable services to children of comparable ages and special needs whose parents are not eligible for certificates under this subtitle or for child care assistance under any other Federal or State program.

(9) PRIORITY.—The plan shall provide that priority will be given, in distributing funds in the State, to child care providers that—

(A) in providing child care services assisted by such funds, will give priority to eligible children of families with very low income;

(B) to the maximum extent feasible, provide child care services to a reasonable mix of children, including children from different socioeconomic backgrounds and children with a handicapping condition;

(C) provide opportunities for parent involvement in all aspects of providing such services; and

(D) to the maximum extent feasible, offer family support services.

(10) SLIDING FEE SCALE.—The plan shall provide for the establishment of a sliding fee scale that requires cost sharing based on the services provided to and the income of the families (adjusted for family size) of eligible children who receive services for which assistance is provided under this subtitle.

(11) PARENTAL INVOLVEMENT.—The plan shall establish procedures for parental involvement in State and local planning, monitoring, and evaluation of child care programs and services in the State.

(12) ENFORCEMENT OF LICENSING AND OTHER REGULATORY REQUIREMENTS (INCLUDING REGISTRATION REQUIREMENTS).—The plan shall provide that the State, not later than 4 years after the date of enactment of this subtitle, shall have in effect enforcement policies and practices that will be applicable to all licensed or regulated child care providers (including child care providers required to register) in the State, including policies and practices that—

(A) require personnel who perform inspection functions with respect to licensed or regulated child care services to have or receive training in health and safety, child abuse prevention and detection, program management, and relevant law enforcement;

(B) to the maximum extent feasible, have personnel requirements to ensure that individuals who are hired as licensing inspectors are qualified to inspect and have inspection responsibility exclusively for children's services;

(C) require—

(i) personnel who perform inspection functions with respect to licensed or regulated child care services to make not less than 1 unannounced inspection of each center-based child care provider and each group home child care provider in the State annually; and

(ii) personnel who perform inspection functions with respect to licensed or regulated child care services to make unannounced inspections annually of not less than 20 percent of licensed and regulated family child care providers in the State;

(D) require licensed or regulated child care providers (including registered child care providers) in the State—

(i) to have written policies and program goals and to make a copy of such policies and goals available to parents; and

(ii) to provide parents with unlimited access to their children and to providers caring for their children, during normal hours of operation of such providers and whenever children of such parents are in the care of such providers;

(E) implement a procedure to address complaints that will provide a reasonable opportunity for a parent, or child care provider, that is adversely affected or aggrieved by a decision of the lead agency or any program assisted under this subtitle, to be heard by the State;

(F) prohibit the operator of a child care facility to take any action against an employee of such operator that would adversely affect the employment, or terms or conditions of employment, of such employee because such employee communicates a failure of such operator to comply with any applicable licensing or regulatory requirement;

(G) implement a consumer education program designed to inform parents and the general public about licensing requirements, complaint procedures, and policies and practices required by this paragraph;

(H) require a child care provider to post, on the premises where child care services are provided, the telephone number of the appropriate licensing or regulatory agency that parents may call regarding a failure of such provider to comply with any applicable licensing or regulatory requirement; and

(I) require the State to maintain a record of parental complaints and to make information regarding substantiated parental complaints available to the public on request.

(13) DATA COLLECTION.—The plan shall provide for the establishment of procedures for data collection by the State designed to show—

(A) by race, sex, ethnic origin, handicapping condition, and family income, how the child care needs of families in the State are being fulfilled, including information on—

(i) the number of children being assisted with funds provided under this subtitle, and under other State and Federal child care and preschool programs;

(ii) the type and number of child care programs, child care providers, caregivers, and support personnel located in the State;

(iii) the regional cost of child care; and

(iv) such other information as the Secretary considers necessary to establish how funds provided under this subtitle are being used;

(B) the extent to which the availability of child care has been increased; and

(C) how the purposes of this subtitle and the objectives of the State set forth in the State plan are being met, including efforts to improve the quality, availability, and accessibility of child care;

and shall provide that data collected by the State under this paragraph shall be submitted to the Secretary.

(d) APPROVAL OF APPLICATION.—The Secretary shall approve an application that satisfies the requirements of this section.

(e) SPECIAL RULE.—In carrying out the provisions of this section, the Secretary shall approve any application with respect to the activities described in the plan submitted under paragraph (5) of subsection (c), if the Secretary determines that the State is making reasonable progress in carrying out the activities which are described in subparagraphs (A) and (D) of paragraph (5).

SEC. 508. SPECIAL RULES FOR USE OF STATE ALLOTMENTS.

(a) FUNDING OF CHILD CARE SERVICES.—

(1) IN GENERAL.—The child care services referred to in section 507(c)(4) that are to be provided out of the allotment to a State, shall be provided—

(A) by contracts with or grants to eligible child care providers who agree to provide such services directly to eligible children;

(B) by grants to units of general purpose local government that agree to enter into contracts with eligible child care providers who agree to provide such services directly to eligible children; or

(C) by distributing child care certificates to parents of eligible children under such terms as the Secretary may prescribe to enable the recipients of such certificates to purchase child care services from eligible child care providers.

(2) LIMITATION ON CERTIFICATES.—Child care certificates authorized by paragraph (1)(C) may be issued by a State only if a resource and referral program carried out by an organization that meets the requirements of section 512 is available to help parents locate child care services made available by eligible child care providers.

(3) NO ENTITLEMENT TO CONTRACT OR GRANT.—Nothing in this subtitle shall be construed to entitle any child care provider or recipient of a child care certificate to any contract, grant or benefit, or to limit the right of any State to impose additional limitations or conditions on contracts or grants funded under this subtitle.

(b) PART-DAY PROGRAMS.—

(1) IN GENERAL.—At least 10 percent of the funds available for activities under section 507(c)(4)(A) shall be used by the State to enable child care providers to extend the hours of operation of the part-day programs described in paragraph (2) to provide full-working-day child care services throughout the year, in order to meet the needs of parents of eligible children.

(2) ELIGIBLE PROGRAMS.—As used in paragraph (1), the term "part-day programs" means—

(A) programs of schools and nonprofit child care providers (including community-based organizations) receiving State or local funds designated for preschool;

(B) programs established under the Head Start Act (42 U.S.C. 9831 et seq.);

(C) preschool programs for which assistance is provided under chapter 1 of the Education Consolidation and Improvement Act of 1981 (20 U.S.C. 3801 et seq.); and

(D) preschool programs for children with a handicapping condition.

(c) FACILITIES.—

(1) NEW FACILITIES.—No financial assistance provided under this subtitle shall be expended for the construction of a new facility.

(2) EXISTING FACILITIES.—No financial assistance provided under this subtitle shall be expended to renovate or repair any facility unless—

(A) the child care provider that receives such financial assistance agrees—

(i) in the case of a grant, to repay to the Secretary or the State, as the case may be, the amount that bears the same ratio to the amount of such grant as the value of the renovation or repair, as of the date such provider ceases to provide child care services in such facility in accordance with this subtitle, bears to the original value of the renovation or repair; and

(ii) in the case of a loan, to repay immediately to the Secretary or the State, as the case may be, the principal amount of such loan outstanding and any interest accrued, as of the date such provider ceases to provide child care services in such facility in accordance with this subtitle;

if such provider does not provide child care services in such facility in accordance with this subtitle throughout the useful life of the renovation or repair; and

(B) if such provider is a sectarian agency or organization, the renovation or repair is necessary to bring such facility into compliance with health and safety requirements imposed by this subtitle.

SEC. 509. PLANNING GRANTS.

(a) IN GENERAL.—A State desiring to participate in the programs authorized by this subtitle that cannot fully satisfy the requirements of the State plan under section 507(b) without financial assistance may, in the first year that the State participates in the programs, apply to the Secretary for a planning grant.

(b) AUTHORIZATION.—The Secretary is authorized to make a planning grant to a State described in subsection (a) if the Secretary determines that—

(1) the grant would enable the State to fully satisfy the requirements of a State plan under section 507(b); and

(2) the State will apply, for the remainder of the allotment that the State is entitled to receive for such fiscal year.

(c) AMOUNT OF GRANT.—A grant made to a State under this section shall not exceed 1 percent of the total allotment that the State would qualify to receive in the fiscal year involved if the State fully satisfied the requirements of section 507.

(d) LIMITATION ON ADMINISTRATIVE COSTS.—A grant made under this section shall be considered to be expended for administrative costs by the State for purposes of determining the compliance by the State with the limitation on administrative costs imposed by section 507(c)(3)(E).

SEC. 510. CONTINUING ELIGIBILITY OF STATES.

A State shall be ineligible for assistance under this subtitle after the expiration of the 4-year period beginning on the date the Secretary establishes minimum child care standards under section 517(e)(2) unless the State demonstrates to the satisfaction of the Secretary that—

(1) all child care providers required to be licensed and regulated in the State—

(A) are so licensed and regulated; and

(B) are subject to the enforcement provisions referred to in the State plan; and

(2) all such providers who are receiving assistance under this subtitle or under other publicly-assisted child care programs—

(A) satisfy the requirements of subparagraphs (A) and (B) of paragraph (1); and

(B) satisfy the minimum child care standards established by the Secretary under section 517(e)(2) of this subtitle.

SEC. 511. STATE ADVISORY COMMITTEE ON CHILD CARE.

(a) ESTABLISHMENT.—The chief executive officer of a State participating in the program authorized by this subtitle shall—

(1) establish a State advisory committee on child care (hereinafter in this section referred to as the "committee") to assist the lead agency in carrying out the responsibilities of the lead agency under this subtitle; and

(2) appoint the members of the committee.

(b) COMPOSITION.—The State committee shall be composed of not fewer than 21 and not more than 30 members who shall include—

(1) at least 1 representative of the lead agency designated under section 506(a);

(2) 1 representative of each of—

(A) the State departments of—

(i) human resources or social services;

(ii) education;

(iii) economic development; and

(iv) health; and

(B) other State agencies having responsibility for the regulation, funding, or provision of child care services in the State;

(3) at least 1 representative of providers of different types of child care services, including caregivers and directors;

(4) at least 1 representative of early childhood development experts;

(5) at least 1 representative of school districts and teachers involved in the provision of child care services and preschool programs;

(6) at least 1 representative of resource and referral programs;

(7) 1 pediatrician;

(8) 1 representative of a citizen group concerned with child care;

(9) at least 1 representative of an organization representing child care employees;

(10) at least 1 representative of the Head Start agencies in the State;

(11) parents of children receiving, or in need of, child care services, including at least 2 parents whose children are receiving or are in need of subsidized child care services;

(12) 1 representative of specialists concerned with children who have a handicapping condition;

(13) 1 representative of individuals engaged in business;

(14) 1 representative of fire marshals and building inspectors;

(15) 1 representative of child protective services; and

(16) 1 representative of units of general purpose local government.

(c) Functions.—The committee shall—

(1) advise the lead agency on child care policies;

(2) provide the lead agency with information necessary to coordinate the provision of child care services in the State;

(3) otherwise assist the lead agency in carrying out the functions assigned to the lead agency under section 506(c);

(4) review and evaluate child services for which assistance is provided under this subtitle or under State law, in meeting the objectives of the State plan and the purposes of this subtitle;

(5) make recommendations on the development of State child care standards and policies;

(6) participate in the regional public hearings required under section 506(c)(5); and

(7) perform other functions to improve the quantity and quality of child care services in the State.

(d) Meetings and Hearings.—

(1) In general.—Not later than 30 days after the beginning of each fiscal year, the committee shall meet and establish the time, place, and manner of future meetings of the committee.

(2) Minimum number of hearings.—The committee shall have at least 2 public hearings each year at which the public shall be given an opportunity to express views concerning the administration and operation of the State plan.

(e) Use of Existing Committees.—To the extent that a State has established a broadly representative State advisory group, prior to the date of enactment of this subtitle, that is comparable to the advisory committee described in this section and focused exclusively on child care and early childhood development programs, such State shall be considered to be in compliance with subsections (a) through (c).

(f) Subcommittee on Licensing.—

(1) Composition.—The committee shall have a subcommittee on licensing (hereinafter in this section referred to as the "subcommittee") that shall be composed of the members appointed under paragraphs (2)(A)(iv), (3), (6), (7), (11), (14), and (15) of subsection (b).

(2) Functions.—

(A) Review of licensing authority.—The subcommittee shall review the law applicable to, and the licensing requirements and the policies of, each licensing agency that regulates child care services and programs in the State unless the State has reviewed such law, requirements, and policies in the 4-year period ending on the date of the establishment of the committee under subsection (a).

(B) Report.—Not later than 1 year after establishment of the committee under subsection (a), the subcommittee shall prepare and submit to the chief executive officer of the State involved a report.

(C) Contents of report.—A report prepared under subparagraph (B) shall contain—

(i) an analysis of information on child care services provided by center-based child care providers, group home child care providers, and family child care providers;

(ii) a detailed statement of the findings and recommendations that result from the subcommittee review under subparagraph (A), including a description of the current status of child care licensing, regulating, monitoring, and enforcement in the State;

(iii) a detailed statement identifying and describing the deficiencies in the existing licensing, regulating, and monitoring programs of the State involved, including an assessment of the adequacy of staff to carry out such programs effectively, and recommendations to correct such deficiencies or to improve such programs; and

(iv) comments on the minimum child care standards established by the Secretary under section 517(e)(2).

(3) Receipt of report by the chief executive officer of the state.—Not later than 60 days after receiving the report from the subcommittee, the chief executive officer of the State shall transmit such report to the Secretary with—

(A) the comments of the chief executive officer of the State; and

(B) a plan for correcting deficiencies in, or improving the licensing, regulating, and monitoring, of the child care services and programs referred to in paragraph (2)(A).

(4) Termination of assistance.—None of the funds received under this subtitle may be used to carry out any activity under this section occurring more than 90 days after the State submits a report required by subsection (d).

(g) Services and Personnel.—

(1) Authority.—The lead agency is authorized to provide the services of such personnel, and to contract for such other services as may be necessary, to enable the committee and the subcommittee to carry out their functions under this subtitle.

(2) Reimbursement.—Members of the committee shall be reimbursed, in accordance with standards established by the Secretary, for necessary expenses incurred by such members in carrying out the functions of the committee and the subcommittee.

(3) Sufficiency of funds.—The Secretary shall ensure that sufficient funds are made available, from funds available for the administration of the State plan, to the committee and the subcommittee to carry out the requirements of this section.

SEC. 512. RESOURCE AND REFERRAL PROGRAMS.

(a) Eligibility for Assistance.—Each State receiving funds under this subtitle shall, pursuant to section 507(c)(5)(A), make grants to or enter into contracts with private nonprofit organizations or public organizations (including units of general purpose local government), as resource and referral agencies to ensure that resource and referral services are available to families in all geographical areas in the State.

(b) Funding.—Organizations that receive assistance under subsection (a) shall carry out resource and referral programs—

(1) to identify all types of existing child care services, including services provided by individual family child care providers and by child care providers who provide child care services to children with a handicapping condition;

(2) to provide to interested parents information and referral regarding such services, including the availability of public funds to obtain such services;

(3) to provide or arrange for the provision of information, training, and technical assistance to existing and potential child care providers and to others (including businesses) concerned with the availability of child care services; and

(4) to provide information on the demand for and supply of child care services located in a community.

(c) Requirements.—To be eligible for assistance as a resource and referral agency under subsection (a), an organization shall—

(1) have or acquire a data base of information on child care services in the State or in a particular geographical area that the organization continually updates, including child care services provided in centers, group home child care settings, nursery schools, and family child care settings;

(2) have the capability to provide resource and referral services in a particular geographical area;

(3) be able to provide parents with information to assist them in identifying quality child care services;

(4) to the maximum extent practicable, notify all eligible child care providers in such area of the functions it performs and solicit such providers to request to be listed to receive referrals made by such organization; and

(5) otherwise comply with regulations promulgated by the State in accordance with subsection (d).

(d) Limitation on Information.—In carrying out this section, an organization receiving assistance under subsection (a) as a resource and referral agency shall not provide information concerning any child care program or services which are not in compliance with the laws of the State and localities in which such services are provided.

SEC. 513. TRAINING AND TECHNICAL ASSISTANCE.

(a) Minimum Requirement.—A State receiving funds under this subtitle shall require, not later than 2 years after the date of the enactment of this subtitle, that all employed or self-employed individuals who provide licensed or regulated child care services (including registered child care services) in a State complete at least 40 hours of training over a 2-year period in areas appropriate to the provision of child care services, including training in health and safety, nutrition, first aid, the recognition of communicable diseases, child abuse detection and prevention, and the needs of special populations of children.

(b) GRANTS AND CONTRACTS FOR TRAINING AND TECHNICAL ASSISTANCE.—

(1) GRANTS AND CONTRACTS.—The State shall make grants to, and enter into contracts with State agencies, units of general purpose local government, institutions of higher education, and nonprofit organizations (including resource and referral organizations, child care food program sponsors, and family child care associations, as appropriate) to develop and carry out child care training and technical assistance programs under which preservice and continuing inservice training is provided to eligible child care providers, including family child care providers, and the staff of such providers including teachers, administrative personnel, and staff of resource and referral programs involved in providing child care services in the State.

(2) ELIGIBILITY REQUIREMENTS FOR GRANTS AND CONTRACTS RELATING TO TRAINING FOR FAMILY CHILD CARE PROVIDERS.—To be eligible to receive a grant or enter into a contract for a training and technical assistance program for family child care providers under paragraph (1), a nonprofit organization shall—

(A) recruit and train family child care providers, including providers with the capacity to provide night-time and emergency child care services;

(B) operate resource centers to make developmentally appropriate curriculum materials available to family child care providers;

(C) provide grants to family child care providers for the purchase of moderate cost equipment to be used to provide child care services; and

(D) operate a system of substitute caregivers.

(3) ELIGIBILITY REQUIREMENTS FOR GRANTS AND CONTRACTS RELATING TO TECHNICAL ASSISTANCE.—To be eligible to receive a grant, or enter into a contract under subsection (b) to provide technical assistance, an agency, organization, or institution shall agree to furnish technical assistance to child care providers to assist such providers—

(A) in understanding and complying with local regulations and relevant tax and other policies;

(B) in meeting State licensing, regulatory, and other requirements (including registration) pertaining to family child care providers.

(c) SCHOLARSHIP ASSISTANCE.—The State shall provide scholarship assistance to—

(1) individuals who seek a nationally recognized child development associate credential for center-based or family child care and whose income does not exceed the poverty line (as defined in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) by more than 50 percent, in amounts sufficient to cover the costs involved in securing such credential; and

(2) caregivers who seek to obtain the training referred to in subsection (a) and whose income does not exceed such poverty line.

(d) CLEARINGHOUSE.—The State shall establish in the lead agency a clearinghouse to collect and disseminate training materials to resource and referral agencies and child care providers throughout the State.

SEC. 514. FEDERAL ADMINISTRATION OF CHILD CARE.

(a) ADMINISTRATOR OF CHILD CARE.—There is hereby established in the Department of Health and Human Services the position of Administrator of Child Care (hereinafter in this section referred to as the "Administrator"). The Secretary shall appoint an individual to serve as the Administrator at the pleasure of the Secretary.

(b) DUTIES.—The Administrator shall—

(1) coordinate all activities of the Department of Health and Human Services relating to child care, and coordinate such activities with similar activities of other Federal entities;

(2) annually collect and publish State child care standards, including periodic modifications to such standards;

(3) evaluate activities carried out with funds provided under this subtitle;

(4) act as a clearinghouse to collect and disseminate materials that relate to—

(A) the matters required by section 513(b)(1) to be addressed by training required by section 513 to be provided; and

(B) studies that relate to the salaries paid to individuals employed to provide child care services; and

(5) provide technical assistance to assist States to carry out this subtitle.

SEC. 515. FEDERAL ENFORCEMENT.

(a) REVIEW OF COMPLIANCE WITH STATE PLAN.—The Secretary shall review and monitor State compliance with this subtitle and the plan approved under section 507(d) for the State.

(b) NONCOMPLIANCE.—

(1) IN GENERAL.—If the Secretary, after reasonable notice and opportunity for a hearing to a State, finds that—

(A) there has been a failure by the State to comply substantially with any provision or any requirements set forth in the plan approved under section 507(d) for the State; or

(B) in the operation of any program or project for which assistance is provided under this subtitle there is a failure by the State to comply substantially with any provision of this subtitle;

the Secretary shall notify the State of the finding and that no further payments may be made to such State under this subtitle (or, in the case of noncompliance in the operation of a program or activity, that no further payments to the State will be made with respect to such program or activity) until the Secretary is satisfied that there is no longer any such failure to comply or that the noncompliance will be promptly corrected.

(2) ADDITIONAL SANCTIONS.—In the case of a finding of noncompliance made pursuant to this paragraph (1), the Secretary may, in addition to imposing the sanctions described in such paragraph, impose other appropriate sanctions, including recoupment of money improperly expended for purposes prohibited or not authorized by this subtitle, and disqualification from the receipt of financial assistance under this subtitle.

(3) NOTICE.—The notice required under paragraph (1) shall include a specific identification of any additional sanction being imposed under paragraph (2).

(c) ISSUANCE OF RULES.—The Secretary shall establish by rule procedures for—

(1) receiving, processing, and determining the validity of complaints concerning any failure of a State to comply with the State plan or any requirement of this subtitle; and

(2) imposing sanctions under this section.

SEC. 516. PAYMENTS.

(a) IN GENERAL.—

(1) AMOUNT OF PAYMENT.—Each State that—

(A) has an application approved by the Secretary under section 507(d); and

(B) demonstrates to the satisfaction of the Secretary that it will provide from non-Federal sources the State share of the aggregate amount to be expended by the State under the State plan for the fiscal year for which it requests a grant;

shall receive a payment under this section for such fiscal year in an amount (not to exceed its allotment under section 505 for such fiscal year) equal to the Federal share of the aggregate amount to be expended by the State under the State plan for such fiscal year.

(2) FEDERAL SHARE.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the Federal share for each fiscal year shall be 80 percent.

(B) EXCEPTION.—If a State makes the demonstration specified in section 510 throughout a fiscal year for which it requests a grant, then the Federal share shall be 85 percent.

(3) STATE SHARE.—The State share equals 100 percent minus the Federal share.

(4) LIMITATION.—A State may not require any private provider of child care services that receives or seeks funds made available under this subtitle to contribute in cash or in kind to the State contribution required by this subsection.

(b) METHOD OF PAYMENT.—

(1) IN GENERAL.—Subject to paragraph (2), the Secretary may make payments to a State in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments, as the Secretary may determine.

(2) LIMITATION.—The Secretary may not make such payments in a manner that prevents the State from complying with the requirement specified in section 507(c)(3)(F).

(c) SPENDING OF FUNDS BY STATE.—Payments to a State from the allotment under section 505 for any fiscal year may be expended by the State in that fiscal year or in the succeeding fiscal year.

SEC. 517. NATIONAL ADVISORY COMMITTEE ON CHILD CARE STANDARDS.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—In order to improve the quality of child care services, the Secretary shall establish, not later than 60 days after the date of the enactment of this subtitle, a National Advisory Committee on Child Care Standards (hereinafter in this section referred to as the "Committee"), the members of which shall be appointed from among representatives of—

(A) the chief executive officers of the several States;

(B) State legislatures;

(C) local governments;

(D) businesses;

(E) State individuals responsible for regulating the insurance industry within the State;

(F) religious institutions;

(G) persons who carry out different types of child care programs;

(H) persons who carry out resource and referral programs;

(I) child care and early childhood development specialists;

(J) early childhood education specialists;

(K) individuals who have expertise in pediatric health care, handicapping conditions, and related fields;

(L) organizations representing child care employees;

(M) individuals who have experience in the regulation of child care services; and

(N) parents who have been actively involved in community child care programs.

(2) Appointment of members.—The Committee shall be composed of 15 members of which—

(A) 5 members shall be appointed by the President;

(B) 3 members shall be appointed by the majority leader of the Senate;

(C) 2 members shall be appointed by the minority leader of the Senate;

(D) 3 members shall be appointed by the Speaker of the House of Representatives; and

(E) 2 members shall be appointed by the minority leader of the House of Representatives.

(3) Chairman.—The President shall appoint a chairman from among the members of the Committee.

(4) Vacancies.—A vacancy occurring on the Committee shall be filled in the same manner as that in which the original appointment was made.

(b) Personnel, Reimbursement, and Oversight.—

(1) Personnel.—The Secretary shall make available to the Committee office facilities, personnel who are familiar with child development and with developing and implementing regulatory requirements, technical assistance, and funds as are necessary to enable the Committee to carry out effectively its functions.

(2) Reimbursement.—

(A) Compensation.—Members of the Committee who are not regular full-time employees of the United States Government shall, while attending meetings and conferences of the Committee or otherwise engaged in the business of the Committee (including traveltime), be entitled to receive compensation at a rate fixed by the Secretary, but not exceeding the rate specified at the time of such service under GS-18 of the General Schedule established under section 5332 of title 5, United States Code.

(B) Expenses.—While away from their homes or regular places of business on the business of the Committee, such members may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government service.

(3) Oversight.—The Secretary shall ensure that the Committee is established and operated in accordance with the Federal Advisory Committee Act (5 U.S.C. App.).

(c) Functions.—The Committee shall—

(1) review Federal policies with respect to child care services and such other data as the Committee may deem appropriate;

(2) not later than 180 days after the date on which a majority of the members of the Committee are first appointed, submit to the Secretary proposed minimum standards described in subsection (d) for child care services, taking into account the different needs of infants, toddlers, preschool and school-age children; and

(3) develop and make available to lead agencies, for distribution to resource and referral agencies in the State, model requirements for resource and referral agencies.

(d) Minimum Child Care Standards.—The proposed child care standards submitted pursuant to subsection (c)(2) shall be minimum standards and shall consist of only the following:

(1) Center-based child care services.—Such standards submitted with respect to child care services provided by center-based child care providers shall be limited to—

(A) group size limits in terms of the number of caregivers and the number and ages of children;

(B) the maximum appropriate child-staff ratios;

(C) qualifications and background of child care personnel;

(D) health and safety requirements for children and caregivers; and

(E) parental involvement in licensed and regulated child care services.

The standards described in subparagraphs (A) and (B) shall reflect the median standards for all States (using for States which apply separate standards to publicly-assisted programs the most comprehensive or stringent of such standards) as of the date of enactment of this subtitle.

(2) Family child care services.—Such standards submitted with respect to child care services provided by family child care providers shall be limited to—

(A) the maximum number of children for which child care services may be provided and the total number of infants for which child care services may be provided;

(B) the minimum age for caregivers; and

(C) health and safety requirements for children and caregivers.

(3) Group home child care services.—Such standards submitted with respect to child care services provided by group home child care providers shall be limited to the matters specified in paragraphs (1)(B) and (2).

(4) Limitation.—The Committee shall not submit any standard under subsection (c)(2) that is less or more rigorous than the least or most rigorous standard that exists in all States at the time of the submission of such recommendation.

(e) Consideration and Establishment of Standards.—

(1) Notice of proposed rulemaking.—Not later than 90 days after receiving the recommendations of the committee, the Secretary shall—

(A) publish in the Federal Register—

(i) a notice of proposed rulemaking concerning the minimum standards proposed under subsection (d) to the Secretary; and

(ii) such proposed minimum standards for public comment for a period of at least 60 days; and

(B) distribute such proposed minimum standards to each lead agency and each State subcommittee on licensing for comment.

(2) Establishment of minimum child care standards.—

(A) Issuance of rules.—The Secretary shall, in consultation with the committee—

(i) take into consideration any comments received by the Secretary with respect to the standards proposed under subsection (d); and

(ii) not later than 180 days after publication of such standards, shall issue rules establishing minimum child care standards for purposes of this subtitle. Such standards shall include the nutrition requirements issued, and revised from time to time, under section 17(g)(1) of the National School Lunch Act (42 U.S.C. 1766(g)(1)).

(B) Amending standards.—The Secretary may amend any standard first established under subparagraph (A), except that such standard may not be modified, by amendment or otherwise, to make such standard less comprehensive or less stringent than it is when first established.

(C) Extended period for comment.—If the Committee recommends a standard under subsection (c)(2) that no State has a requirement concerning, as of the time that such standard is recommended, the Secretary shall provide an additional 30 days during which States may submit comments concerning such standard.

(3) Additional comments.—The National Committee may submit to the Secretary and to the Congress such additional comments on the minimum child care standards established under paragraph (2) as the National Committee considers appropriate.

(f) Variances.—

(1) Time for compliance with Standards.—Not later than the end of the 4-year period referred to in section 510, States shall comply with the standards established under this section.

(2) Exception.—At the expiration of the 4-year period referred to in paragraph (1) the chief executive officer, in consultation with the State advisory committee, may submit a request to the Secretary for a 1 year variance from the requirements of one or more particular standards.

(3) Requirements.—A request for a variance under this subsection shall include—

(A) a statement by the chief executive officer of the State of any steps taken to implement the relevant standards in the State within the 4-year period;

(B) the specific reasons for the submission of the variance request; and

(C) a detailed plan that outlines the additional procedures and resources to be used to come into compliance with the standards at the end of the variance period.

(4) Period of variance.—A variance granted by the Secretary shall be for a 1-year period and may be renewed at the discretion of the Secretary for an additional 1-year period if requested by the State.

(g) Termination of Committee.—The National Committee shall cease to exist 90 days after the date the Secretary establishes minimum child care standards under subsection (e)(3).

SEC. 518. LIMITATIONS ON USE OF FINANCIAL ASSISTANCE FOR CERTAIN PURPOSES.

(a) Sectarian Purposes and Activities.—No financial assistance provided under this subtitle shall be expended for any sectarian purpose or activity, including sectarian worship and instruction.

(b) Tuition.—With regard to services provided to students enrolled in grades 1 through 12, no financial assistance provided under this subtitle shall be expended for—

(1) any services provided to such students during the regular school day;

(2) any services for which such students receive academic credit toward graduation; or

(3) any instructional services which supplant or duplicate the academic program of any public or private school.

SEC. 519. NONDISCRIMINATION.

(a) Federal Financial Assistance.—Any financial assistance provided under this subtitle, including a loan, grant, or child care certificate, shall constitute Federal financial assistance for purposes of title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), title IX of the Education Amendments of 1972 (20 U.S.C. 1681, et seq.), the Rehabilitation Act of 1973 (29 U.S.C. 794 et seq.), the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.), and the regulations issued thereunder.

(b) Religious Discrimination.—A child care provider may not discriminate against any child on the basis of religion in providing child care services in return for a fee paid, reimbursement received, or certificate redeemed, in whole or in part with financial assistance provided under this subtitle.

SEC. 520. PRESERVATION OF PARENTAL RIGHTS AND RESPONSIBILITIES.

Nothing in this subtitle shall be construed or applied in any manner to infringe upon or usurp the moral and legal rights and responsibilities of parents or legal guardians.

BYRD AMENDMENT NO. 3309

Mr. BYRD proposed an amendment to amendment No. 3308 to the bill, S. 2488, supra, as follows:

Strike all after "Human Resources" and insert in lieu thereof the following:

with instructions to report back forthwith with the following amendment,

Strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Parental and Medical Leave Act of 1988".

(b) TABLE OF CONTENTS.—

TITLE I—GENERAL REQUIREMENTS FOR PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE

Sec. 101. Findings and purposes.
Sec. 102. Definitions.
Sec. 103. Parental leave requirement.
Sec. 104. Temporary medical leave requirement.
Sec. 105. Certification.
Sec. 106. Employment and benefits protection.
Sec. 107. Prohibited acts.
Sec. 108. Administrative enforcement.
Sec. 109. Enforcement by civil action.
Sec. 110. Investigative authority.
Sec. 111. Relief.
Sec. 112. Notice.

TITLE II—PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE FOR CIVIL SERVICE EMPLOYEES

Sec. 201. Parental leave and temporary medical leave.

TITLE III—COMMISSION ON PARENTAL AND MEDICAL LEAVE

Sec. 301. Establishment.
Sec. 302. Duties.
Sec. 303. Membership.
Sec. 304. Compensation.
Sec. 305. Powers.
Sec. 306. Termination.

TITLE IV—MISCELLANEOUS PROVISIONS

Sec. 401. Effect on other laws.
Sec. 402. Effect on existing employment benefits.
Sec. 403. Encouragement of more generous leave provisions.
Sec. 404. Regulations.
Sec. 405. Effective dates.

TITLE I—GENERAL REQUIREMENTS FOR PARENTAL LEAVE AND MEDICAL LEAVE

SEC. 101. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) the number of two-parent households in which both parents work and the number of single-parent households in which the single parent works are increasing significantly;

(2) it is important for the development of children and the family unit that fathers and mothers be able to participate in early child rearing and the care of children who have serious health conditions;

(3) the lack of employment policies to accommodate working parents forces many individuals to choose between job security and parenting;

(4) there is inadequate job security for employees who have serious health conditions that prevent the employees from working for temporary periods;

(5) due to the nature of the roles of men and women in our society, the primary responsibility for family caretaking often falls on women, and such responsibility affects their working lives more than it affects the working lives of men; and

(6) employment standards that apply to one gender only have serious potential for encouraging employers to discriminate against employees and applicants for employment who are of that gender.

(b) PURPOSES.—It is the purpose of this Act—

(1) to balance the demands of the workplace with the needs of families;

(2) to promote the economic security and stability of families;

(3) to entitle employees to take reasonable leave for medical reasons, for the birth or adoption of a child, and for the care of a child who has a serious health condition;

(4) to accomplish such purposes in a manner which accommodates the legitimate interests of employers;

(5) to accomplish such purposes in a manner which, consistent with the Equal Protection Clause of the Fourteenth Amendment, minimizes the potential for employment discrimination on the basis of sex by ensuring generally that leave is available for eligible medical reasons (including maternity-related disability) and for compelling family reasons, on a gender-neutral basis; and

(6) to promote the goal of equal employment opportunity for women and men, pursuant to such clause.

SEC. 102. DEFINITIONS.

As used in this title:

(1) COMMERCE.—The terms "commerce" and "industry or activity affecting commerce" mean any activity, business, or industry in commerce or in which a labor dispute would hinder or obstruct commerce or the free flow of commerce, including "commerce" and any activity or industry "affecting commerce" within the meaning of the Labor Management Relations Act, 1947 (29 U.S.C 141 et seq.).

(2) EMPLOY.—The term "employ" has the same meaning given the term in section 3(g) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(g)).

(3) EMPLOYEE.—

(A) IN GENERAL.—The term "employee" means an individual that is included under the definition of such term in section 3(e) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(e)) who has been employed by the employer with respect to whom benefits are sought under this Act for at least—

(i) 900 hours of service during the previous 12-month period; and

(ii) 12 months.

"(B) EXCLUSION.—The term "employee" does not include any Federal officer or employee covered under subchapter III of chapter 63 of title 5, United States Code (as added by title II of this Act).

(4) EMPLOYER.—The term "employer"—

(A) means any person engaged in commerce or in any industry or activity affecting commerce who employs 20 or more employees at any one worksite for each working day during each of 20 or more calendar workweeks in the current or preceding calendar year;

(B) includes—

(i) any person who acts directly or indirectly in the interest of an employer to one or more employees; and

(ii) any successor in interest of such an employer; and

(C) includes any public agency, as defined in section 3(x) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(x)).

(5) EMPLOYMENT BENEFITS.—The term "employment benefits" means all benefits provided or made available to employees by an employer, including group life insurance, health insurance, disability insurance, sick leave, annual leave, educational benefits, and pensions, regardless of whether the benefits are provided by a policy or practice of an employer or by an employee benefit plan as defined in section 3(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(1)).

(6) HEALTH CARE PROVIDER.—The term "health care provider" means—

(A) any person licensed under Federal, State, or local law to provide health care services, or

(B) any other person determined by the Secretary to be capable of providing health care services.

(7) PERSON.—The term "person" has the same meaning given the term in section 3(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(a)).

(8) REDUCED LEAVE SCHEDULE.—The term "reduced leave schedule" means leave scheduled for fewer than the usual number of hours of an employee per workweek or hours per workday.

(9) SECRETARY.—The term "Secretary" means the Secretary of Labor.

(10) SERIOUS HEALTH CONDITION.—The term "serious health condition" means an illness, injury, impairment, or physical or mental condition that involves—

(A) inpatient care in a hospital, hospice, or residential medical care facility; or

(B) continuing treatment or continuing supervision by a health care provider.

(11) SON OR DAUGHTER.—The term "son or daughter" means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a de facto parent, who is—

(A) under 18 years of age; or

(B) 18 years of age or older and incapable of self-care because of a mental or physical disability.

(12) STATE.—The term "State" has the same meaning given the term in section 3(c) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(c)).

SEC. 103. PARENTAL LEAVE REQUIREMENT.

(a) IN GENERAL.—

(1) ENTITLEMENT TO LEAVE.—An employee shall be entitled, subject to section 105, to 10 workweeks of parental leave during any 24-month period—

(A) as the result of the birth of a son or daughter of the employee;

(B) as the result of the placement, for adoption or foster care, of a son or daughter with the employee; or

(C) in order to care for the employee's son or daughter who has a serious health condition.

(2) EXPIRATION OF ENTITLEMENT.—The entitlement to leave under paragraphs (1)(A) and (1)(B) shall expire at the end of the 12-month period beginning on the date of such birth or placement.

(3) INTERMITTENT LEAVE.—In the case of a son or daughter who has a serious health condition, such leave may be taken intermit-

tently when medically necessary, subject to subsection (e).

(b) Reduced Leave.—On agreement between the employer and the employee, leave under this section may be taken on a reduced leave schedule, however, such reduced leave schedule shall not result in a reduction in the total amount of leave to which the employee is entitled.

(c) Unpaid Leave Permitted.—Except as provided in subsection (d), leave granted under subsection (a) may consist of unpaid leave.

(d) Relationship to Paid Leave.—

(1) Unpaid leave.—If an employer provides paid parental leave for fewer than 10 work-weeks, the additional weeks of leave added to attain the 10 work-week total may be unpaid.

(2) Substitution of paid leave.—An employee or employer may elect to substitute any of the employee's accrued paid vacation leave, personal leave, or other appropriate paid leave for any part of the 10-week period.

(e) Foreseeable Leave.—

(1) Requirement of notice.—In any case in which the necessity for leave under this section is foreseeable based on an expected birth or adoption, the employee shall provide the employer with prior notice of such expected birth or adoption in a manner which is reasonable and practicable.

(2) Duties of employee.—In any case in which the necessity for leave under this section is foreseeable based on planned medical treatment or supervision, the employee shall—

(A) make a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the operations of the employer, subject to the approval of the health care provider of the employee's son or daughter; and

(B) provide the employer with prior notice of the treatment or supervision in a manner which is reasonable and practicable.

(3) Regulations.—The Secretary shall promulgate regulations under section 108(a) that define the term "reasonable and practicable" for purposes of paragraphs (1) and (2)(B).

(f) Spouses Employed by the Same Employer.—In any case in which a husband and wife entitled to parental leave under this section are employed by the same employer, the aggregate number of workweeks of parental leave to which both may be entitled may be limited to 10 workweeks during any 24-month period, if such leave is taken under subparagraph (A) or (B) of subsection (a)(1).

SEC. 104. TEMPORARY MEDICAL LEAVE REQUIREMENT.

(a) In General.—

(1) Entitlement to leave.—Any employee who, as the result of a serious health condition, becomes unable to perform the functions of the position of the employee, shall be entitled to temporary medical leave, subject to section 105.

(2) Period of entitlement.—The entitlement under paragraph (1) shall continue for as long as the employee is unable to perform the functions, except that the leave shall not exceed 13 workweeks during any 12-month period.

(3) Intermittent leave.—Leave taken under this subsection may be taken intermittently when medically necessary, subject to subsection (d).

(b) Unpaid Leave Permitted.—Except as provided in subsection (c), leave granted under subsection (a) may consist of unpaid leave.

(c) Relationship to Paid Leave.—

(1) In general.—If an employer provides paid temporary medical leave or paid sick leave for fewer than 13 weeks, the additional weeks of leave added to attain the 13-week total may be unpaid.

(2) Substitution of paid leave.—An employee or employer may elect to substitute the employee's accrued paid vacation leave, sick leave, or other appropriate paid leave for any part of the 13-week period, except that nothing in this Act shall require an employer to provide paid sick leave or paid medical leave in any situation in which such employer would not normally provide any such paid leave.

(d) Foreseeable Leave.—

(1) Duties of employee.—In any case in which the necessity for leave under this section is foreseeable based on planned medical treatment or supervision, the employee shall—

(A) make a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the operations of the employer, subject to the approval of the employee's health care provider, and

(B) provide the employer with prior notice of the treatment or supervision in a manner which is reasonable and practicable.

(2) Regulations.—The Secretary shall promulgate regulations under section 108(a) that define the term "reasonable and practicable" for purposes of paragraph (1).

SEC. 105. CERTIFICATION.

(a) In General.—An employer may require that a claim for parental leave under section 103(a)(1)(C), or temporary medical leave under section 104, be supported by certification issued by the health care provider of the son, daughter, or employee, whichever is appropriate. The employee shall provide a copy of such certification to the employer.

(b) Sufficient Certification.—The certification shall be considered sufficient if it states—

(1) the date on which the serious health condition commenced;

(2) the probable duration of the condition;

(3) the appropriate medical facts within the knowledge of the provider regarding the condition; and

(4)(A) for purposes of leave under section 104, a statement that the employee is unable to perform the functions of the employee's position; and

(B) for purposes of leave under section 103(a)(1)(C), an estimate of the amount of time that the employee is needed to care for the son or daughter.

(c) Second Opinion.—

(1) In general.—In any case in which the employer has reason to doubt the validity of the certification provided under subsection (a), the employer may require, at its own expense, that the employee obtain the opinion of a second health care provider designated or approved by the employer concerning the information certified under subsection (b).

(2) Limitation.—Any health care provider designated or approved under paragraph (1) may not be employed on a regular basis by the employer.

(d) Resolution of Conflicting Opinions.—

(1) In general.—In any case in which the second opinion described in subsection (c) differs from the original certification provided under subsection (a), the employer may require, at its own expense, that the employee obtain the opinion of a third health care provider designated or approved jointly by the employer and the employee concerning the information certified under subsection (b).

(2) Finality.—The opinion of the third health care provider concerning the information certified under subsection (b) shall be considered to be final and shall be binding on the employer and the employee.

(e) Subsequent Recertification.—The employer may require that the employee obtain subsequent recertifications on a reasonable basis.

SEC. 106. EMPLOYMENT AND BENEFITS PROTECTION.

(a) Restoration to Position.—

(1) In general.—Any employee who takes leave under section 103 or 104 for its intended purpose shall be entitled, on return from the leave—

(A) to be restored by the employer to the position of employment held by the employee when the leave commenced; or

(B) to be restored to an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment.

(2) Loss of benefits.—The taking of leave under this title shall not result in the loss of any employment benefit accrued before the date on which the leave commenced.

(3) Limitations.—Except as provided in subsection (b), nothing in this section shall be considered to entitle any restored employee to—

(A) the accrual of any seniority or employment benefits during any period of leave; or

(B) any right, benefit, or position of employment other than that to which the employee was entitled to on the date the leave was commenced.

(4) Certification.—As a condition to restoration under paragraph (1), the employer may have a policy that requires each employee to receive certification from the employee's health care provider that the employee is able to resume work.

(5) Construction.—Nothing in this subsection shall be construed to prohibit an employer from requiring an employee on leave under section 103 or 104 to periodically report to the employer on the employee's status and intention to return to work.

(b) Maintenance of Health Benefits.—During any period an employee takes leave under section 103 or 104, the employer shall maintain coverage under any group health plan (as defined in section 162(i)(3) of the Internal Revenue Code of 1954) for the duration of such leave at the level and under the conditions coverage would have been provided if the employee had continued in employment continuously from the date the employee commenced the leave until the date the employee is restored under subsection (a).

SEC. 107. PROHIBITED ACTS.

(a) Interference With Rights.—

(1) Exercise of rights.—It shall be unlawful for any employer to interfere with, restrain, or deny the exercise of or the attempt to exercise, any right provided under this title.

(2) Discrimination.—It shall be unlawful for any employer to discharge or in any other manner discriminate against any individual for opposing any practice made unlawful by this title.

(b) Interference With Proceedings or Inquiries.—It shall be unlawful for any person to discharge or in any other manner discriminate against any individual because the individual—

(1) has filed any charge, or has instituted or caused to be instituted any proceeding, under or related to this title;

(2) has given or is about to give any information in connection with any inquiry or proceeding relating to any right provided under this title; or

(3) has testified or is about to testify in any inquiry or proceeding relating to any right provided under this title.

SEC. 108. ADMINISTRATIVE ENFORCEMENT.

(a) In General.—The Secretary shall issue such rules and regulations as are necessary to carry out this section, including rules and regulations concerning service of complaints, notice of hearings, answers and amendments to complaints, and copies of orders and records of proceedings.

(b) Charges.—

(1) Filing.—Any person alleging an act that violates this title may file a charge respecting the violation with the Secretary. Charges shall be in such form and contain such information as the Secretary shall require by regulation.

(2) Notification.—Not later than 15 days after the Secretary receives notice of a charge under paragraph (1), the Secretary shall—

(A) serve a notice of the charge on the person charged with the violation; and

(B) inform such person and the charging party as to the rights and procedures provided under this title.

(3) Time of filing.—A charge may not be filed later than 1 year after the date of the last event constituting the alleged violation.

(c) Process on Notice of a Charge.—Investigation; Complaint.—

(1) Investigation.—Within the 60-day period after the Secretary receives any charge, the Secretary shall investigate the charge and issue a complaint based on the charge or dismiss the charge.

(2) Complaint based on charge.—If the Secretary determines that there is a reasonable basis for the charge, the Secretary shall issue a complaint based on the charge and promptly notify the charging party and the respondent as to the issuance.

(3) Dismissal.—If the Secretary determines that there is no reasonable basis for the charge, the Secretary shall dismiss the charge and promptly notify the charging party and the respondent as to the dismissal.

(4) Settlement agreements.—

(A) With charging party.—The charging party and the respondent may enter into a settlement agreement concerning the violation alleged in the charge before any determination is reached by the Secretary under this subsection. To be effective such an agreement must be determined by the Secretary to be consistent with the purposes of this title.

(B) With secretary.—On the issuance of a complaint, the Secretary and the respondent may enter into a settlement agreement concerning a violation alleged in the complaint. Any such settlement may not be entered into over the objection of the charging party, unless the Secretary determines that the settlement provides a full remedy for the charging party.

(5) Civil actions.—If, at the end of the 60-day period referred to in paragraph (1), the Secretary—

(A) has not issued a complaint under paragraph (2);

(B) has dismissed the charge under paragraph (3); or

(C) has not approved or entered into a settlement agreement under subparagraph (A) or (B) of paragraph (4);

the charging party may elect to bring a civil action under section 109.

(6) Complaint and relief on secretary's initiative.—

(A) Issuance.—The Secretary may issue and serve a complaint alleging a violation of this title on the basis of information and evidence gathered as a result of an investigation initiated by the Secretary pursuant to section 110.

(B) Relief.—

(i) In general.—On issuance of a complaint, the Secretary shall have the power to petition the United States district court for the district in which the violation is alleged to have occurred, or in which the respondent resides or transacts business, for appropriate temporary relief or a restraining order.

(ii) Notice.—On the filing of any such petition, the court shall cause notice of the petition to be served on the respondent.

(iii) Type of relief.—The court shall have jurisdiction to grant to the Secretary such temporary relief or restraining order as the court considers just and proper.

(d) Rights of Parties.—

(1) Service of complaint.—In any case in which a complaint is issued under subsection (c), the Secretary shall, not later than 10 days after the date on which the complaint is issued, cause to be served on the respondent a copy of the complaint.

(2) Parties to complaint.—Any person filing a charge alleging a violation of this title may elect to be a party to any complaint filed by the Secretary alleging the violation. The election must be made before the commencement of a hearing.

(3) Civil action.—The failure of the Secretary to comply in a timely manner with any obligation assigned to the Secretary under this title shall entitle the charging party to elect, at the time of such failure, to bring a civil action under section 109.

(e) Conduct of Hearing.—

(1) Prosecution by secretary.—The Secretary shall prosecute any complaint issued under subsection (c).

(2) Hearing.—An administrative law judge shall conduct a hearing on the record with respect to a complaint issued under this title. The hearing shall be conducted in accordance with sections 554, 555, and 556 of title 5, United States Code, and shall be commenced within 60 days after the issuance of the complaint, unless the judge, in the judge's discretion, determines that the purposes of this Act would best be furthered by commencement of the action after the expiration of such period.

(f) Findings and Conclusions.—

(1) In general.—After a hearing is conducted under this section, the administrative law judge shall promptly make findings of fact and conclusions of law, and, if appropriate, issue an order for relief as provided in section 111.

(2) Notification concerning delay.—The administrative law judge shall inform the parties, in writing, of the reason for any delay in making the findings and conclusions if the findings and conclusions are not made within 60 days after the conclusion of the hearing.

(g) Finality of Decision; Review.—

(1) Finality.—The decision and order of the administrative law judge shall become the final decision and order of the Secretary unless, on appeal by an aggrieved party taken not later than 30 days after the action, the Secretary modifies or vacates the decision, in which case the decision of the Secretary shall be the final decision.

(2) Review.—Not later than 60 days after the entry of the final order of the Secretary under paragraph (1), any person aggrieved by the final order may obtain a review of the order in the United States court of appeals for the circuit in which the violation is alleged to have occurred or in which the employer resides or transacts business.

(3) Jurisdiction.—On the filing of the record with the court, the jurisdiction of the court shall be exclusive and its judgment shall be final, except that the same shall be subject to review by the Supreme Court of the United States on writ of certiorari or certification as provided in section 1254 of title 28, United States Code.

(h) Court Enforcement of Administrative Orders.—

(1) Power of secretary.—If a respondent does not appeal an order of the Secretary under subsection (g)(2), the Secretary may petition the United States district court for the district in which the violation is alleged to have occurred, or in which the respondent resides or transacts business, for the enforcement of the order of the Secretary, by filing in the court a written petition praying that the order be enforced.

(2) Jurisdiction.—On the filing of the petition, the court shall have jurisdiction to make and enter a decree enforcing the order of the Secretary. In the proceeding, the order of the Secretary shall not be subject to review.

(3) Decree of enforcement.—If, on appeal of an order under subsection (g)(2), the United States court of appeals does not reverse or modify the order, the court shall have the jurisdiction to make and enter a decree enforcing the order of the Secretary.

SEC. 109. ENFORCEMENT BY CIVIL ACTION.

(a) Right To Bring Civil Action.—

(1) In general.—Subject to the limitations in this section, an employee or the Secretary may bring a civil action against any employer to enforce the provisions of this title in any appropriate court of the United States or in any State court of competent jurisdiction.

(2) No charge filed.—Subject to paragraph (3), a civil action may be commenced under this subsection without regard to whether a charge has been filed under section 108(b).

(3) Limitations.—No civil action may be commenced under paragraph (1) if the Secretary—

(A) has approved, or has failed to disapprove, a settlement agreement under section 108(c)(4), in which case no civil action may be filed under this subsection if the action is based on a violation alleged in the charge and resolved by the agreement; or

(B) has issued a complaint under section 108(c)(2) or 108(c)(6), in which case no civil action may be filed under this subsection if the action is based on a violation alleged in the complaint.

(4) To enforce settlement agreements.—Notwithstanding paragraph (3)(A), a civil action may be commenced to enforce the terms of any such settlement agreement.

(5) Timing of commencement of civil action.—

(A) In general.—Except as provided in subparagraph (B), no civil action may be commenced more than 1 year after the date on which the alleged violation occurred.

(B) Exception.—In any case in which—

(i) a timely charge is filed under section 108(b); and

(ii) the failure of the Secretary to issue a complaint or enter into a settlement agreement based on the charge (as provided under section 108(c)(4)) occurs more than 11 months after the date on which any alleged violation occurred,

the employee may commence a civil action not more than 30 days after the date on which the employee is notified of the failure.

(6) AGENCIES.—The Secretary may not bring a civil action against any agency of the United States.

(b) VENUE.—An action brought under subsection (a) in a district court of the United States may be brought—

(1) in any appropriate judicial district under section 1391 of title 28, United States Code; or

(2) in the judicial district in the State in which—

(A) the employment records relevant to the violation are maintained and administered; or

(B) the aggrieved person worked or would have worked but for the alleged violation.

(c) NOTIFICATION OF THE SECRETARY; RIGHT TO INTERVENE.—A copy of the complaint in any action brought by an employee under subsection (a) shall be served on the Secretary by certified mail. The Secretary shall have the right to intervene in a civil action brought by an employee under subsection (a).

(d) ATTORNEYS FOR THE SECRETARY.—In any civil action brought under subsection (a), attorneys appointed by the Secretary may appear for and represent the Secretary, except that the Attorney General and the Solicitor General shall conduct any litigation in the Supreme Court.

SEC. 110. INVESTIGATIVE AUTHORITY.

(a) IN GENERAL.—To ensure compliance with the provisions of this title, or any regulation or order issued under this title, subject to subsection (c), the Secretary shall have the investigative authority provided under section 11(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 211(a)).

(b) OBLIGATION TO KEEP AND PRESERVE RECORDS.—An employer shall keep and preserve records in accordance with section 11(c) of such Act, and in accordance with regulations issued by the Secretary.

(c) REQUIRED SUBMISSIONS GENERALLY LIMITED TO AN ANNUAL BASIS.—The Secretary may not under this section require any employer or any plan, fund, or program to submit to the Secretary any books or records more than once in any 12-month period, unless the Secretary has reasonable cause to believe there may exist a violation of this title or any regulation or order issued pursuant to this title, or is investigating a charge brought pursuant to section 108.

(d) SUBPOENA POWERS, ETC.—For purposes of any investigation conducted under this section, the Secretary shall have the subpoena authority provided under section 9 of the Fair Labor Standards Act of 1938 (29 U.S.C. 209).

(e) DISSEMINATION OF INFORMATION.—The Secretary may make available to any person substantially affected by any matter that is the subject of an investigation under this section, and to any department or agency of the United States, information concerning any matter that may be the subject of the investigation.

SEC. 111. RELIEF.

(a) INJUNCTIVE RELIEF.—

(1) CEASE AND DESIST.—On finding a violation under section 108 by a person, an administrative law judge shall issue an order requiring the person to cease and desist from any act or practice that violates this title.

(2) INJUNCTIONS.—In any civil action brought under section 109, a court may grant as relief any permanent or temporary injunction, temporary restraining order, or other equitable relief as the court considers appropriate.

(b) MONETARY DAMAGES.—

(1) IN GENERAL.—Any employer that violates this title shall be liable to the injured party in an amount equal to—

(A) any wages, salary, employment benefits, or other compensation denied or lost to the employee by reason of the violation, plus interest on the total monetary damages calculated at the prevailing rate; and

(B) an additional amount equal to the greater of—

(i) the amount determined under subparagraph (A), as liquidated damages; or

(ii) the amount of consequential damages but not to exceed three times the amount determined under subparagraph (A).

(2) GOOD FAITH.—If an employer who has violated this title proves to the satisfaction of the court that the act or omission which violated this title was in good faith and that the employer had reasonable grounds for believing that the act or omission was not a violation of this title, the court may, in its discretion, reduce the amount of the liability or penalty provided for under this subsection to the amount determined under paragraph (1)(A).

(c) ATTORNEYS' FEES.—A prevailing party (other than the United States) may be awarded a reasonable attorneys' fee as part of the costs, in addition to any relief awarded. The United States shall be liable for costs in the same manner as a private person.

(d) LIMITATION.—Damages awarded under subsection (b) may not accrue from a date more than 2 years before the date on which a charge is filed under section 108(b) or a civil action is brought under section 109.

SEC. 112. NOTICE.

(a) IN GENERAL.—Each employer shall post and keep posted, in conspicuous places on the premises of the employer where notices to employees and applicants for employment are customarily posted, a notice, approved by the Secretary, setting forth excerpts from, or summaries of, the pertinent provisions of this title and information pertaining to the filing of a charge.

(b) PENALTY.—Any employer who willfully violates this section shall be fined not more than $100 for each separate offense.

TITLE II—PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE FOR CIVIL SERVICE EMPLOYEES

SEC. 201. PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE.

(a) IN GENERAL.—(1) Chapter 63 of title 5, United States Code, is amended by adding at the end thereof the following new subchapter:

"SUBCHAPTER III—PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE

"§ 6331. Definitions

"For purposes of this subchapter:

"(1) 'employee' means—

"(A) an employee as defined by section 6301(2) of this title (excluding an individual employed by the government of the District of Columbia); and

"(B) an individual under clause (v) or (ix) of such section;

who has been employed for at least 12 months and completed at least 900 hours of service during the previous 12-month period.

"(2) 'serious health condition' means an illness, injury, impairment, or physical or mental condition that involves—

"(A) inpatient care in a hospital, hospice, or residential medical care facility; or

"(B) continuing treatment, or continuing supervision, by a health care provider; and

"(3) 'son or daughter' means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a de facto parent, who is—

"(A) under 18 years of age; or

"(B) 18 years of age or older and incapable of self-care because of a mental or physical disability.

"§ 6332. Parental leave requirement

"(a)(1) An employee shall be entitled, subject to section 6334, to 10 workweeks of parental leave during any 24-month period—

"(A) as the result of the birth of a son or daughter of the employee;

"(B) as the result of the placement, for adoption or foster care, of a son or daughter with the employee; or

"(C) in order to care for the employee's son or daughter who has a serious health condition.

"(2) The entitlement to leave under paragraphs (1)(A) and (1)(B) shall expire at the end of the 12-month period beginning on the date of such birth or placement.

"(3) In the case of a son or daughter who has a serious health condition, such leave may be taken intermittently when medically necessary, subject to subsection (e).

"(b) On agreement between the employing agency and the employee, leave under this section may be taken on a reduced leave schedule, however, such reduced leave schedule shall not result in a reduction in the total amount of leave to which the employee is entitled.

"(c) Except as provided in subsection (d), leave granted under subsection (a) may consist of unpaid leave.

"(d)(1) If an employing agency provides paid parental leave for fewer than 10 workweeks, the additional weeks of leave added to attain the 10 work-week total may be unpaid.

"(2) An employee or employing agency may elect to substitute any of the employee's accrued paid vacation leave, personal leave, or other appropriate paid leave for any part of the 10-week period.

"(e)(1) In any case in which the necessity for leave under this section is foreseeable based on an expected birth or adoption, the employee shall provide the employing agency with prior notice of such expected birth or adoption in a manner which is reasonable and practicable.

"(2) In any case in which the necessity for leave under this section is foreseeable based on planned medical treatment or supervision, the employee shall—

"(A) make a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the operations of the employing agency, subject to the approval of the health care provider of the employee's son or daughter; and

"(B) provide the employing agency with prior notice of the treatment or supervision in a manner which is reasonable and practicable.

"(3) The Director of the Office of Personnel Management shall promulgate regulations that define the term 'reasonable and practicable' for purposes of paragraphs (1) and (2)(B).

"§ 6333. Temporary medical leave requirement

"(a)(1) Any employee who, as the result of a serious health condition, becomes unable to perform the functions of the position of the employee, shall be entitled to temporary medical leave, subject to section 6334.

"(2) The entitlement under paragraph (1) shall continue for as long as the employee is unable to perform the functions, except that the leave shall not exceed 13 administrative workweeks of the employee during any 12-month period.

"(3) Leave taken under this subsection may be taken intermittently when medically necessary, subject to subsection (d).

"(b) Except as provided in subsection (c), leave granted under subsection (a) may consist of unpaid leave.

"(c)(1) If an employing agency provides paid temporary medical leave or paid sick leave for fewer than 13 weeks, the additional weeks of leave added to attain the 13-week total may be unpaid.

"(2) An employee or employing agency may elect to substitute the employee's accrued paid vacation leave, sick leave, or other appropriate paid leave for any part of the 13-week period, except that nothing in this Act shall require an employing agency to provide paid sick leave or paid medical leave in any situation in which such employing agency would not normally provide any such paid leave.

"(d)(1) In any case in which the necessity for leave under this section is foreseeable based on planned medical treatment or supervision, the employee shall—

"(A) make a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the operations of the employing agency, subject to the approval of the employee's health care provider, and

"(B) provide the employing agency with prior notice of the treatment or supervision in a manner which is reasonable and practicable.

"(2) The Director of the Office of Personnel Management shall promulgate regulations that define the term "reasonable and practicable" for purposes of paragraph (1).

"§ 6334. Certification

"(a) An employing agency may require that a claim for parental leave under section 6332(a)(10)(C), or temporary medical leave under section 6333, be supported by certification issued by the health care provider of the son, daughter, or employee, whichever is appropriate. The employee shall provide a copy of such certification to the employing agency.

"(b) The certification shall be considered sufficient if it states—

"(1) the date on which the serious health condition commenced;

"(2) the probable duration of the condition;

"(3) the appropriate medical facts within the knowledge of the provider regarding the condition; and

"(4)(A) for purposes of leave under section 6333, a statement that the employee is unable to perform the functions of the employee's position; and

"(B) for purposes of leave under section 6332(a)(1)(C), an estimate of the amount of time that the employee is needed to care for the son or daughter.

"(c)(1) In any case in which the employing agency has reason to doubt the validity of the certification provided under subsection (a), the employing agency may require, at its expense, that the employee obtain the opinion of a second health care provider designated or approved by the employing agency concerning the information certified under subsection (b).

"(2) Any health care provider designated or approved under paragraph (1) may not be employed on a regular basis by the employing agency.

"(d)(1) In any case in which the second opinion described in subsection (c) differs from the original certification provided under subsection (a), the employing agency may require, at its expense, that the employee obtain the opinion of a third health care provider designated or approved jointly by the employing agency and the employee concerning the information certified under subsection (b).

"(2) The opinion of the third health care provider concerning the information certified under subsection (b) shall be considered to be final and shall be binding on the employing agency and the employee.

"(e) The employing agency may require that the employee obtain subsequent recertifications on a reasonable basis.

"§ 6335. Job protection

"An employee who uses leave under section 6332 or 6333 of this title shall be entitled, on return from the leave—

"(1) to be restored to the position of employment held by the employee when the leave commenced; or

"(2) to be restored to an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment.

"§ 6336. Prohibition of coercion

"(a) An employee may not directly or indirectly intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce, any other employee for the purpose of interfering with the exercise of the rights of the employee under this subchapter.

"(b) For the purpose of this section, 'intimidate, threaten, or coerce' includes promising to confer or conferring any benefit (such as appointment, promotion, or compensation), or taking or threatening to take any reprisal (such as deprivation of appointment, promotion, or compensation).

"§ 6337. Health insurance

"An employee enrolled in a health benefits plan under chapter 89 of this title who is placed in a leave status under section 6332 or 6333 of this title may elect to continue the health benefits enrollment of the employee while in leave status and arrange to pay into the Employees Health Benefits Fund (described in section 8909 of this title), through the employing agency of the employee, the appropriate employee contributions.

"§ 6338. Regulations

"The Office of Personnel Management shall prescribe regulations necessary for the administration of this subchapter. The regulations prescribed under this subchapter shall be consistent with the regulations prescribed by the Secretary of Labor under title I of the Parental and Medical Leave Act of 1988.".

(2) The table of contents for chapter 63 of title 5, United States Code, is amended by adding at the end thereof the following:

"SUBCHAPTER III—PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE

"6331. Definitions.
"6332. Parental leave requirement.
"6333. Temporary medical leave requirement.
"6334. Certification.
"6335. Job protection.
"6336. Prohibition of coercion.
"6337. Health insurance.
"6338. Regulations.".

(b) EMPLOYEES PAID FROM NONAPPROPRIATED FUNDS.—Section 2105(c)(1) of title 5, United States Code, is amended by striking out "53" and inserting in lieu thereof "53, subchapter III of chapter 63,".

TITLE III—COMMISSION ON PARENTAL AND MEDICAL LEAVE

SEC. 301. ESTABLISHMENT.

(a) ESTABLISHMENT.—There is established a Commission to be known as the Commission on Parental and Medical Leave (hereinafter in this title referred to as the "Commission").

SEC. 302. DUTIES.

The Commission shall—

(1) conduct a comprehensive study of—

(A) existing and proposed policies relating to parental leave and temporary medical leave; and

(B) the potential costs, benefits, and impact on productivity of such policies on employers;

(2) to the extent practicable, include in the study of parental leave and temporary medical leave policies required under subsection (1)(A), a review of all studies of existing and proposed methods designed to provide workers with full or partial salary replacement or other income protection during periods of parental leave and temporary medical leave that are consistent with the legitimate business interests of employers;

(3) within 2 years after the date on which the Commission first meets, submit a report to Congress that outlines the findings of the Commission.

SEC. 303. MEMBERSHIP.

(a) COMPOSITION.—

(1) APPOINTMENTS.—The Commission shall be composed of 12 voting members and 2 ex-officio members appointed not more than 60 days after the date of the enactment of this Act as follows:

(A) One Senator shall be appointed by the majority leader of the Senate, and one Senator shall be appointed by the minority leader of the Senate.

(B) One member of the House of Representatives shall be appointed by the Speaker of the House of Representatives, and one member of the House of Representatives shall be appointed by the minority leader of the House of Representatives.

(C)(i) Two members each shall be appointed by—

(I) the Speaker of the House of Representatives,

(II) the majority leader of the Senate,

(III) the minority leader of the House of Representatives, and

(IV) the minority leader of the Senate.

(ii) Such members shall be appointed by virtue of demonstrated expertise in relevant family, temporary disability, and labor-management issues and shall include representatives of employers.

(2) EX-OFFICIO MEMBERS.—The Secretary of Health and Human Services and the Secretary of Labor shall serve on the Commission as nonvoting ex-officio members.

(b) VACANCIES.—Any vacancy on the Commission shall be filled in the same manner in which the original appointment was made.

(c) Chairperson and Vice Chairperson.—The Commission shall elect a chairperson and a vice chairperson from among the members of the Commission.

(d) Quorum.—Eight members of the Commission shall constitute a quorum for all purposes, except that a lesser number may constitute a quorum for the purpose of holding hearings.

SEC. 304. COMPENSATION.

(a) Pay.—Members of the Commission shall serve without compensation.

(b) Travel Expenses.—Members of the Commission shall be allowed reasonable travel expenses, including a per diem allowance, in accordance with section 5703 of title 5, United States Code, while performing duties of the Commission.

SEC. 305. POWERS.

(a) Meetings.—The Commission shall first meet not more than 30 days after the date on which all members are appointed. The Commission shall meet thereafter on the call of the chairperson or a majority of the members.

(b) Hearings and Sessions.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers appropriate. The Commission may administer oaths or affirmations to witnesses appearing before the Commission.

(c) Access to Information.—The Commission may secure directly from any Federal agency information necessary to enable the Commission to carry out this Act. On the request of the chairperson or vice chairperson of the Commission, the head of the agency shall furnish the information to the Commission.

(d) Executive Director.—The Commission may appoint an Executive Director from the personnel of any Federal agency to assist the Commission in carrying out the duties of the Commission.

(e) Use of Services and Facilities.—On the request of the Commission, the head of any Federal agency may make available to the Commission any of the facilities and services of the agency.

(f) Personnel From Other Agencies.—On the request of the Commission, the head of any Federal agency may detail any of the personnel of the agency to assist the Commission in carrying out the duties of the Commission.

SEC. 306. TERMINATION.

The Commission shall terminate 30 days after the date of the submission of the final report of the Commission to Congress.

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. EFFECT ON OTHER LAWS.

(a) Federal and State Antidiscrimination Laws.—Nothing in this Act shall be construed to modify or affect any Federal or State law prohibiting discrimination on the basis of race, religion, color, national origin, sex, age, or handicapped status.

(b) State and Local Laws.—Nothing in this Act shall be construed to supersede any provision of any State or local law that provides greater employee parental or medical leave rights than the rights established under this Act.

SEC. 402. EFFECT ON EXISTING EMPLOYMENT BENEFITS.

(a) More Protective.—Nothing in this Act shall be construed to diminish the obligation of an employer to comply with any collective-bargaining agreement or any employment benefit program or plan that provides greater parental and medical leave rights to employees than the rights provided under this Act.

(b) Less Protective.—The rights provided to employees under this Act may not be diminished by any collective-bargaining agreement or any employment benefit program or plan.

SEC. 403. ENCOURAGEMENT OF MORE GENEROUS LEAVE POLICIES.

Nothing in this Act shall be construed to discourage employers from adopting or retaining leave policies more generous than any policies that comply with the requirements under this Act.

SEC. 404. REGULATIONS.

Not later than 60 days after the date of enactment of this Act, the Secretary shall prescribe such regulations as are necessary to carry out title I.

SEC. 405. EFFECTIVE DATES.

(a) Advisory Commission.—Title III shall become effective on the date of enactment of this Act.

(b) Other Titles.—

(1) In general.—Except as provided in paragraph (2), titles I, II, and IV shall take effect 6 months after the date of the enactment of this Act.

(2) Collective bargaining agreements.—In the case of a collective bargaining agreement in effect on the effective date described in paragraph (1), title I shall apply on the earlier of—

(A) the date of the termination of such agreement, or

(B) the date which occurs 12 months after the date of the enactment of this Act.

Notwithstanding any other provision of this Act, the term "employer" means any person engaged in commerce or in any industry affecting commerce who employs 50 or more employees at any one worksite for each working day during each of 20 or more calendar workweeks in the current or preceding calendar year; and includes:

"(i) any person who acts directly or indirectly in the interest of an employer to one or more employees;

"(ii) any successor in interest of such an employer; and

"(iii) any public agency, as defined in section 3(x) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(x)): and

notwithstanding any other provision of this act, the period of entitlement described in Sec. 104(a)(2) of this act shall not exceed 10 workweeks during any 12-month period; and notwithstanding any other provision of this act, the entitlement under paragraph (a)(2), in "Sec. 6333" entitled "Temporary Medical Leave Requirement" contained in Sec. 201 of this act shall not exceed 10 administrative workweeks of the employee during any 12-month period.

[Corrected version will appear on pages 26653-26658.]

TITLE V—CHILD PORNOGRAPHY AND OBSCENITY

SEC. 501. SHORT TITLE.

This title may be cited as the "Child Protection and Obscenity Enforcement Act of 1988".

Subtitle A—Child Pornography

SEC. 511. AMENDMENTS TO EXISTING OFFENSES.

(a) Sexual Exploitation of Children.—Paragraph (2) of subsection 2251(c) of title 18, United States Code, is amended by inserting "by any means including by computer" after "interstate or foreign commerce" both places it appears.

(b) Material Involving Sexual Exploitation of Children.—Subsection 2252(a) of title 18, United States Code, is amended by inserting "by any means including by computer" after "interstate or foreign commerce" each place it appears.

(c) Definition.—Section 2256 of title 18, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (4);

(2) by striking out the period at the end of paragraph (5) and inserting in lieu thereof: "; and"; and

(3) by adding at the end the following:

"(6) 'computer' has the meaning given that term in section 1030 of this title.".

SEC. 512. SELLING OR BUYING OF CHILDREN.

(a) In General.—Chapter 110 of title 18, United States Code, is amended by inserting after section 2251 the following:

"§ 2251A. Selling or buying of children

"(a) Any parent, legal guardian, or other person having custody or control of a minor who sells or otherwise transfers custody or control of such minor, or offers to sell or otherwise transfer custody of such minor either—

"(1) with knowledge that, as a consequence of the sale or transfer, the minor will be portrayed in a visual depiction engaging in, or assisting another person to engage in, sexually explicit conduct; or

"(2) with intent to promote either—

"(A) the engaging in of sexually explicit conduct by such minor for the purpose of producing any visual depiction of such conduct; or

"(B) the rendering of assistance by the minor to any other person to engage in sexually explicit conduct for the purpose of producing any visual depiction of such conduct;

shall be punished by imprisonment for not less than 20 years or for life and by a fine under this title, if any of the circumstances described in subsection (c) of this section exist.

"(b) Whoever purchases or otherwise obtains custody or control of a minor, or offers to purchase or otherwise obtain custody or control of a minor either—

"(1) with knowledge that, as a consequence of the purchase or obtaining of custody, the minor will be portrayed in a visual depiction engaging in, or assisting another person to engage in, sexually explicit conduct; or

"(2) with intent to promote either—

"(A) the engaging in of sexually explicit conduct by such minor for the purpose of producing any visual depiction of such conduct; or

"(B) the rendering of assistance by the minor to any other person to engage in sexually explicit conduct for the purpose of producing any visual depiction of such conduct;

shall be punished by imprisonment for not less than 20 years or for life and by a fine under this title, if any of the circumstances described in subsection (c) of this section exist.

"(c) The circumstances referred to in subsections (a) and (b) are that—

"(1) in the course of the conduct described in such subsections the minor or the actor traveled in or was transported in interstate or foreign commerce;

"(2) any offer described in such subsections was communicated or transported in interstate or foreign commerce by any means including by computer or mail; or

"(3) the conduct described in such subsections took place in any territory or possession of the United States.".

(b) DEFINITION.—Section 2256 of title 18, United States Code, as amended by section 201 of this Act, is further amended—

(1) by striking out "and" at the end of paragraph (5);

(2) by striking out the period at the end of paragraph (6) and inserting "; and" in lieu thereof; and

(3) by adding at the end the following:

"(7) 'custody or control' includes temporary supervision over or responsibility for a minor whether legally or illegally obtained.".

(c) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 110 of title 18, United States Code, is amended by inserting after the item relating to section 2251 the following:

"2251A. Selling or buying of children.".

SEC. 513. RECORD KEEPING REQUIREMENTS.

(a) IN GENERAL.—Chapter 110 of title 18, United States Code, is amended by adding at the end thereof the following:

"§ 2257. Record keeping requirements

"(a) Whoever produces any book, magazine, periodical, film, videotape, or other matter which—

"(1) contains one or more visual depictions made after February 6, 1978 of actual sexually explicit conduct; and

"(2) is produced in whole or in part with materials which have been shipped in interstate or foreign commerce, or is shipped or transported or is intended for shipment or transportation in interstate or foreign commerce;

shall create and maintain individually identifiable records pertaining to every performer portrayed in such a visual depiction.

"(b) Any person to whom subsection (a) applies shall, with respect to every performer portrayed in a visual depiction of actual sexually explicit conduct—

"(1) ascertain, by examination of an identification document containing such information, the performer's name and date of birth, and require the performer to provide such other indicia of his or her identity as may be prescribed by regulations;

"(2) ascertain any name, other than the performer's present and correct name, ever used by the performer including maiden name, alias, nickname, stage, or professional name; and

"(3) record in the records required by subsection (a) the information required by paragraphs (1) and (2) of this subsection and such other identifying information as may be prescribed by regulation.

"(c) Any person to whom subsection (a) applies shall maintain the records required by this section at his business premises, or at such other place as the Attorney General may by regulation prescribe and shall make such records available to the Attorney General for inspection at all reasonable times.

"(d)(1) No information or evidence obtained from records required to be created or maintained by this section shall, except as provided in paragraphs (2) and (3), be used, directly or indirectly, as evidence against any person with respect to any violation of law.

"(2) Paragraph (1) of this subsection shall not preclude the use of such information or evidence in a prosecution or other action for a violation of any applicable provision of law with respect to the furnishing of false information.

"(3) In a prosecution of any person to whom subsection (a) applies for an offense in violation of subsection 2251(a) of this title which has as an element the production of a visual depiction of a minor engaging in or assisting another person to engage in sexually explicit conduct and in which that element is sought to be established by showing that a performer within the meaning of this section is a minor—

"(A) proof that the person failed to comply with the provisions of subsection (a) or (b) of this section concerning the creation and maintenance of records, or a regulation issued pursuant thereto, shall raise a rebuttable presumption that such performer was a minor; and

"(B) proof that the person failed to comply with the provisions of subsection (e) of this section concerning the statement required by that subsection shall raise the rebuttable presumption that every performer in the matter was a minor.

"(e)(1) Any person to whom subsection (a) applies shall cause to be affixed to every copy of any matter described in paragraph (1) of subsection (a) of this section, in such manner and in such form as the Attorney General shall by regulations prescribe, a statement describing where the records required by this section with respect to all performers depicted in that copy of the matter may be located.

"(2) If the person to whom subsection (a) of this section applies is an organization the statement required by this subsection shall include the name, title, and business address of the individual employed by such organization responsible for maintaining the records required by this section.

"(3) In any prosecution of a person for an offense in violation of section 2252 of this title which has as an element the transporting, mailing, or distribution of a visual depiction involving the use of a minor engaging in sexually explicit conduct, and in which that element is sought to be established by a showing that a performer within the meaning of this section is a minor, proof that the matter in which the visual depiction is contained did not contain the statement required by this section shall raise a rebuttable presumption that such performer was a minor.

"(f) The Attorney General shall issue appropriate regulations to carry out this section.

"(g) As used in this section—

"(1) the term 'actual sexually explicit conduct' means actual but not simulated conduct as defined in subparagraphs (A) through (E) of paragraph (2) of section 2256 of this title;

"(2) 'identification document' has the meaning given that term in subsection 1028(d) of this title;

"(3) the term 'produces' means to produce, manufacture, or publish and includes the duplication, reproduction, or reissuing of any material; and

"(4) the term 'performer' includes any person portrayed in a visual depiction engaging in, or assisting another person to engage in, actual sexually explicit conduct.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 110 of title 18, United States Code, is amended by adding after the item relating to section 2256 the following:

"2257. Record keeping requirements.".

(c) EFFECTIVE DATE.—Section 2257 of title 18, United States Code, as added by this section shall take effect 180 days after the date of the enactment of this Act except—

(1) the Attorney General shall prepare the initial set of regulations required or authorized by section 2257 within 90 days of the date of the enactment of this Act; and

(2) subsection (e) of section 2257 of this title and of any regulation issued pursuant thereto shall take effect 270 days after the date of the enactment of this Act.

SEC. 514. R.I.C.O. AMENDMENT.

Subsection 1961(1)(B) of title 18, United States Code, is amended by inserting after "section 1957 (relating to engaging in monetary transactions in property derived from specified unlawful activity)" the following: "sections 2251 through 2252 (relating to sexual exploitation of children),".

Subtitle B—Obscenity

SEC. 521. RECEIPT OR POSSESSION FOR SALE; PRESUMPTIONS FOR CHAPTER 71.

(a) RECEIPT OR POSSESSION FOR SALE.—Chapter 71 of title 18, United States Code, is amended by inserting after section 1465 the following:

"§ 1466. Receipt or possession of obscene matter for sale or distribution

"(a) Whoever is engaged in the business of selling or transferring books, magazines, pictures, papers, films, videotapes, or phonograph or other audio recordings, and knowingly receives or possesses with intent to distribute any obscene book, magazine, picture, paper, film, videotape, or phonograph or other audio recording, which has been shipped or transported in interstate or foreign commerce, shall be punished by imprisonment for not more than 5 years or by a fine under this title, or both.

"(b) As used in this subsection, the term 'engaged in the business' means that the person who sells or transfers or offers to sell or transfer books, magazines, pictures, papers, films, videotapes, or phonograph or other audio recordings, devotes time, attention, or labor to such activities, as a regular course of trade or business, with the objective of earning a profit, although it is not necessary that the person make a profit or that the selling or transferring or offering to sell or transfer such material be the person's sole or principal business or source of income. The offering for sale of or to transfer, at one time, two or more copies of any obscene publication, or two or more of any obscene article, or a combined total of five or more such publications and articles, shall create a rebuttable presumption that the person so offering them is 'engaged in the business' as defined in subsection (b).

"(c) In a prosecution for a violation of this section, it shall be an affirmative defense, on which the defendant has the burden of persuasion by a preponderance of the evidence, that the person—

"(1) ordered or received the obscene matter without examining the matter in advance;

"(2) did not in fact offer the matter for sale, or transfer or offer to transfer it to another person other than the sender; and

"(3) possessed the material less than 21 days.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 71 of title 18, United States Code, is amended by adding after the item relating to section 1465 the following:

"1466. Receipt or possession of obscene matter for sale or distribution.
"1467. Criminal forfeiture.".

(c) USE OF FACILITY OF COMMERCE.—The first paragraph of section 1465 of title 18, United States Code, is amended by inserting after the word distribution: ", or knowingly travels in interstate commerce, or uses a facility or means of commerce for the purpose of interstate or foreign sale or distribution of,".

(d) Distribution of Proceeds.—Section 1465 of title 18, United States Code, is amended by inserting "or the proceeds from the sale thereof" after "character,".

(e) Presumptions.—Chapter 71 of title 18, United States Code, as amended by subsection (a) of this section and by section 302, is further amended by adding at the end the following:

"§ 1469. Presumptions

"(a) In any prosecution under this chapter in which an element of the offense is that the matter in question was transported, shipped, or carried in interstate commerce, proof, by either circumstantial or direct evidence, that such matter was produced or manufactured in one State and is subsequently located in another State shall raise a rebuttable presumption that such matter was transported, shipped, or carried in interstate commerce.

"(b) In any prosecution under this chapter in which an element of the offense is that the matter in question was transported, shipped, or carried in foreign commerce, proof, by either circumstantial or direct evidence, that such matter was produced or manufactured outside of the United States and is subsequently located in the United States shall raise a rebuttable presumption that such matter was transported, shipped, or carried in foreign commerce.".

(f) Clerical Amendment.—The table of sections at the beginning of chapter 71 of title 18, United States Code, is amended by adding after the item relating to section 1468 the following:

"1469. Presumptions.".

SEC. 522. FORFEITURE IN OBSCENITY CASES.

(a) In General.—Chapter 71 of title 18, United States Code, is amended by adding at the end the following:

"§ 1467. Criminal forfeiture

"(a) Property Subject to Criminal Forfeiture.—A person who is convicted of an offense involving obscene material under this chapter shall forfeit to the United States such person's interest in—

"(1) any obscene material produced, transported, mailed, shipped or received in violation of this chapter;

"(2) any property, real or personal, constituting or traceable to gross profits or other proceeds obtained from such offense; and

"(3) any property, real or personal, used or intended to be used to commit or to promote the commission of such offense. A forfeiture under this subparagraph shall be authorized only by the Attorney General, the Deputy Attorney General, the Associate Attorney General, or the Assistant Attorney General or the Acting Assistant Attorney General in the Criminal Division.

"(b) Third Party Transfers.—All right, title, and interest in property described in subsection (a) of this section vests in the United States upon the commission of the act giving rise to forfeiture under this section. Any such property that is subsequently transferred to a person other than the defendant may be the subject of a special verdict of forfeiture and thereafter shall be ordered forfeited to the United States, unless the transferee establishes in a hearing pursuant to subsection (m) of this section that he is a bona fide purchaser for value of such property who at the time of purchase was reasonably without cause to believe that the property was subject to forfeiture under this section.

"(c) Protective Orders.—(1) Upon application of the United States, the court may enter a restraining order or injunction, require the execution of a satisfactory performance bond, or take any other action to preserve the availability of property described in subsection (a) of this section for forfeiture under this section—

"(A) upon the filing of an indictment or information charging a violation of this chapter for which criminal forfeiture may be ordered under this section and alleging that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section; or

"(B) prior to the filing of such an indictment or information, if, after notice to persons appearing to have an interest in the property and opportunity for a hearing, the court determines that—

"(i) there is a substantial probability that the United States will prevail on the issue of forfeiture and that failure to enter the order will result in the property being destroyed, removed from the jurisdiction of the court, or otherwise made unavailable for forfeiture; and

"(ii) the need to preserve the availability of the property through the entry of the requested order outweighs the hardship on any party against whom the order is to be entered;

except that an order entered under subparagraph (B) shall be effective for not more than 90 days, unless extended by the court for good cause shown or unless an indictment or information described in subparagraph (A) has been filed.

"(2) A temporary restraining order under this subsection may be entered upon application of the United States without notice or opportunity for a hearing when an information or indictment has not yet been filed with respect to the property, if the United States demonstrates that there is probable cause to believe that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section and that provision of notice will jeopardize the availability of the property for forfeiture. Such a temporary order shall expire not more than 10 days after the date on which it is entered, unless extended for good cause shown or unless the party against whom it is entered consents to an extension for a longer period. A hearing requested concerning an order entered under this paragraph shall be held at the earliest possible time and prior to the expiration of the temporary order.

"(3) The court may receive and consider, at a hearing held pursuant to this subsection, evidence and information that would be inadmissible under the Federal Rules of Evidence.

"(d) Warrant of Seizure.—The Government may request the issuance of a warrant authorizing the seizure of property subject to forfeiture under this section in the same manner as provided for a search warrant. If the court determines that there is probable cause to believe that the property to be seized would, in the event of conviction, be subject to forfeiture and that an order under subsection (c) of this section may not be sufficient to assure the availability of the property for forfeiture, the court shall issue a warrant authorizing the seizure of such property.

"(e) Order of Forfeiture.—The court shall order forfeiture of property referred to in subsection (a) if the trier of fact determines, beyond a reasonable doubt, that such property is subject to forfeiture.

"(f) Execution.—Upon entry of an order of forfeiture under this section, the court shall authorize the Attorney General to seize all property ordered forfeited upon such terms and conditions as the court shall deem proper. Following entry of an order declaring the property forfeited, the court may, upon application of the United States, enter such appropriate restraining orders or injunctions, require the execution of satisfactory performance bonds, appoint receivers, conservators, appraisers, accountants, or trustees, or take any other action to protect the interest of the United States in the property ordered forfeited. Any income accruing to or derived from property ordered forfeited under this section may be used to offset ordinary and necessary expenses to the property which are required by law, or which are necessary to protect the interests of the United States or third parties.

"(g) Disposition of Property.—Following the seizure of property ordered forfeited under this section, the Attorney General shall destroy or retain for official use any property described in paragraph (1) of subsection (a) and shall direct the disposition of any property described in paragraph (2) of subsection (a) by sale or any other commercially feasible means, making due provision for the rights of any innocent persons. Any property right or interest not exercisable by, or transferable for value to, the United States shall expire and shall not revert to the defendant, nor shall the defendant or any person acting in concert with him or on his behalf be eligible to purchase forfeited property at any sale held by the United States. Upon application of a person, other than the defendant or person acting in concert with him or on his behalf, the court may restrain or stay the sale or disposition of the property pending the conclusion of any appeal of the criminal case giving rise to the forfeiture, if the applicant demonstrates that proceeding with the sale or disposition of the property will result in irreparable injury, harm, or loss to him.

"(h) Authority of Attorney General.—With respect to property ordered forfeited under this section, the Attorney General is authorized to—

"(1) grant petitions for mitigation or remission of forfeiture, restore forfeited property to victims of a violation of this chapter, or take any other action to protect the rights of innocent persons which is in the interest of justice and which is not inconsistent with the provisions of this section;

"(2) comprise claims arising under this section;

"(3) award compensation to persons providing information resulting in a forfeiture under this section;

"(4) direct the disposition by the United States, in accordance with the provisions of section 1616, title 19, United States Code, of all property ordered forfeited under this section by public sale or any other commercially feasible means, making due provision for the rights of innocent persons; and

"(5) take appropriate measures necessary to safeguard and maintain property ordered forfeited under this section pending its disposition.

"(i) Applicability of Civil Forfeiture Provisions.—Except to the extent that they are inconsistent with the provisions of this section, the provisions of section 1468(d) of this title (18 U.S.C. 1468(d)) shall apply to a criminal forfeiture under this section.

"(j) Bar on Intervention.—Except as provided in subsection (m) of this section, no party claiming an interest in property subject to forfeiture under this section may—

"(1) intervene in a trial or appeal of a criminal case involving the forfeiture of such property under this section; or

"(2) commence an action at law or equity against the United States concerning the validity of his alleged interest in the property subsequent to the filing of an indictment or information alleging that the property is subject to forfeiture under this section.

"(k) Jurisdiction To Enter Orders.—The district courts of the United States shall have jurisdiction to enter orders as provided in this section without regard to the location of any property which may be subject to forfeiture under this section or which has been ordered forfeited under this section.

"(l) Depositions.—In order to facilitate the identification and location of property declared forfeited and to facilitate the disposition of petitions for remission or mitigation of forfeiture, after the entry of an order declaring property forfeited to the United States, the court may, upon application of the United States, order that the testimony of any witness relating to the property forfeited be taken by deposition and that any designated book, paper, document, record, recording, or other material not privileged be produced at the same time and place, in the same manner as provided for the taking of depositions under Rule 15 of the Federal Rules of Criminal Procedure.

"(m) Third Party Interests.—(1) Following the entry of an order of forfeiture under this section, the United States shall publish notice of the order and of its intent to dispose of the property in such manner as the Attorney General may direct. The Government may also, to the extent practicable, provide direct written notice to any person known to have alleged an interest in the property that is the subject of the order of forfeiture as a substitute for published notice as to those persons so notified.

SEC. 524. COMMUNICATIONS ACT AMENDMENT.

Section 223(b) of the Communications Act of 1934 (47 U.S.C. 223(b)) is amended to read as follows:

"(b)(1)(A) Whoever knowingly—

"(i) in the District of Columbia or in interstate or foreign communication, by means of telephone, makes (directly or by recording device) any obscene communication for commercial purposes to any person, regardless of whether the maker of such communication placed the call; or

"(ii) permits any telephone facility under such person's control to be used for an activity prohibited by clause (i);

shall be fined in accordance with title 18 of the United States Code, or imprisoned not more than two years, or both.

"(2)(A) Whoever knowingly—

"(i) in the District of Columbia or in interstate or foreign communication, by means of telephone, makes (directly or by recording device) any indecent communication for commercial purposes to any person, regardless of whether the maker of such communication placed the call; or

"(ii) permits any telephone facility under such person's control to be used for an activity prohibited by clause (i),

shall be fined not more than $50,000 or imprisoned not more than six months, or both.".

SEC. 525. ELECTRONIC SURVEILLANCE.

Subsection (1) of section 2516 of title 18, United States Code, is amended by redesignating paragraphs (i) and (j) as (j) and (k), respectively, and by adding a new paragraph (i) as follows:

"(i) any felony violation of chapter 71 (relating to obscenity) of this title;".

SEC. 526. POSSESSION AND SALE OF OBSCENE MATTERS IN FEDERAL JURISDICTION OR ON FEDERAL PROPERTY.

(a) In General.—Chapter 71 of title 18, United States Code, is amended by inserting before section 1461 the following:

"§ 1460. Possession and sale of obscene matter on Federal property

"(a) Whoever, either—

"(1) in the special maritime and territorial jurisdiction of the United States, or on any land or building owned by, leased to, or otherwise used by or under the control of the Government of the United States; or

"(2) in the Indian country as defined in section 1151 of this title,

knowingly sells or possesses with intent to sell an obscene visual depiction or a visual depiction of a minor engaging in or assisting another person to engage in sexually explicit conduct, shall be punished by a fine in accordance with the provisions of this title or imprisoned for not more than 2 years, or both.

"(b) Except as provided in subsection (c), whoever, in an area described in subparagraph (1) or (2) of subsection (a) knowingly possesses an obscene visual depiction or a visual depiction of a minor engaging in or assisting another person to engage in sexually explicit conduct shall be punished by imprisonment for not more than 6 months or a fine of not more than $5,000 for an individual or $10,000 for a person other than an individual, or both.

"(c) Subsection (b) shall not apply in the case of a person who possesses an obscene visual depiction in any place where such person lives or resides.

"(d) For the purposes of this section—

"(1) the term 'visual depiction' includes undeveloped film and videotape but does not include mere words; and

"(2) the terms 'minor' and 'sexually explicit conduct' have the meaning given those terms in chapter 110 of this title.

"(e) In a prosecution for a violation of this section involving an obscene visual depiction, it shall be an affirmative defense, on which the defendant has the burden of persuasion by a preponderance of the evidence, that the person—

"(1) ordered or received the obscene matter without examining the matter in advance;

"(2) did not in fact offer the matter for sale, or transfer or offer to transfer it to another person other than the sender; and

"(3) possessed the material less than 21 days.".

(b) Clerical Amendment.—The table of sections at the beginning of chapter 71 of title 18, United States Code, is amended by adding before the item relating to section 1461 the following:

"1460. Possession and sale of obscene matter on Federal property.".

SEC. 527. CIVIL FORFEITURE.

(a) In General.—Chapter 71 of title 18, United States Code, is amended by adding the following new section at the end thereof:

"§ 1470. Civil forfeiture

"(a) Property Subject to Civil Forfeiture.—The following property shall be subject to forfeiture by the United States:

"(1) Any material that has been adjudged obscene in any criminal case, Federal or State, that is produced, transported, mailed, shipped, or received in violation of this chapter.

"(2) Any property, real or personal, constituting or traceable to gross profits or other proceeds obtained from a violation of this chapter involving material that has been adjudged obscene in any criminal case, State or Federal, except that no property shall be forfeited under this paragraph, to the extent of the interest of an owner, by reason of any act or omission established by that owner to have been committed or omitted without the knowledge or consent of that owner.

"(b) Seizure Pursuant to Supplemental Rules for Certain Admiralty and Maritime Claims.—Any property subject to forfeiture to the United States under this section may be seized by the Attorney General upon process issued pursuant to the Supplemental Rules for Certain Admiralty and Maritime Claims by any district court of the United States having jurisdiction over the property, except that seizure without such process may be made when the seizure is pursuant to a search under a search warrant. The government may request the issuance of a warrant authorizing the seizure of property subject to forfeiture under this section in the same manner as provided for a search warrant under the Federal Rules of Criminal Procedure.

"(c) Custody of Attorney General.—Property taken or detained under this section shall not be repleviable, but shall be deemed to be in the custody of the Attorney General, subject only to the orders and decrees of the court or the official having jurisdiction thereof. Whenever property is seized under any of the provisions of this subchapter, the Attorney General may—

"(1) place the property under seal;

"(2) remove the property to a place designated by him; or

"(3) require that the General Services Administration take custody of the property and remove it, if practicable, to an appropriate location for disposition in accordance with law.

"(d) Other Laws and Proceedings Applicable.—All provisions of the customs laws relating to the seizure, summary and judicial forfeiture, and condemnation of property for violation of the customs laws, the disposition of such property or the proceeds from the sale thereof, the remission or mitigation of such forfeitures, and the compromise of claims, shall apply to seizures and forfeitures incurred, or alleged to have been incurred, under this section, insofar as applicable and not inconsistent with the provisions of this section, except that such duties as are imposed upon the customs officer or any other person with respect to the seizure and forfeiture of property under the customs laws shall be performed with respect to seizures and forfeitures of property under this section by such officers, agents, or other persons as may be authorized or designated for that purpose by the Attorney General or the Postal Service, except to the extent that such duties arise from seizures and forfeitures effected by any customs officer.

"(e) Applicability of Certain Sections.—Sections 1606, 1607, 1608, 1609, 1613, 1614, 1617, and 1618 of title 19 shall not apply with respect to obscene material subject to forfeiture under subsection (a)(1) of this section.

"(f) Disposition of Forfeited Property.—Whenever property is forfeited under this section the Attorney General shall destroy or retain for official use any article described in paragraph (1) of subsection (a), and with respect to property described in paragraphs (2) and (3) of subsection (a) may—

"(1) retain the property for official use or transfer the custody or ownership of any forfeited property to a Federal, State, or local agency pursuant to section 1616 of title 19;

"(2) sell any forfeited property which is not required to be destroyed by law and which is not harmful to the public; or

"(3) require that the General Services Administration take custody of the property and dispose of it in accordance with law.

The Attorney General shall ensure the equitable transfer pursuant to paragraph (1) of any forfeited property to the appropriate State or local law enforcement agency so as to reflect generally the contribution of any such agency participating directly in any of the acts which led to the seizure or forfeiture of such property. A decision by the Attorney General pursuant to paragraph (1) shall not be subject to judicial review. The Attorney General shall forward to the Treasurer of the United States for deposit in accordance with section 524(c) of title 28 the proceeds from any sale under paragraph (2) and any moneys forfeited under this subchapter.

"(g) Title to Property.—All right, title, and interest in property described in subsection (a) of this section shall vest in the United States upon commission of the act giving rise to forfeiture under this section.

"(h) Stay of Proceedings.—The filing of an indictment or information alleging a violation of this chapter which is also related to a civil forfeiture proceeding under this section shall, upon motion of the United States and for good cause shown, stay the civil forfeiture proceeding.

"(i) Venue.—In addition to the venue provided for in section 1395 of title 28 or any other provision of law, in the case of property of a defendant charged with a violation that is the basis for forfeiture of the property under this section, a proceeding for forfeiture under this section may be brought in the judicial district in which the defendant owning such property is found or in the judicial district in which the criminal prosecution is brought.".

(b) Clerical Amendments.—The table of sections at the beginning of chapter 71 of title 18, United States Code, is amended by inserting after the item relating to section 1469 the following:

"1470. Civil forfeiture.".

(c) Repeal.—The last paragraph of section 1465 of title 18, United States Code, is repealed.

SEC. 528. CIVIL FINES.

Chapter 71 of title 18, United States Code, is amended by inserting at the end the following new section:

"Section 1471. Civil fines.

"(a) Whoever produces, transports, mails, ships or receives any article that has been adjudged obscene in any state or federal criminal case shall be subject to a civil penalty of—

"(1) for a first violation, not more than $10,000;

"(2) for a second violation, not more than $50,000; and

"(3) for a third or subsequent violation, not more than $250,000 in the case of an individual, or $500,000 in the case of an organization.

"(b) An action to recover a fine imposable under subsection (a) shall be brought in the name of the United States. The Attorney General may commence such a civil action in the district court in any district where the violation occurs. Such an action must be commenced within 5 years of the violation. The Attorney General may compromise, modify, or remit with or without condition any civil penalty imposed under this section.

"(c) In any civil action under this section, the defendant shall have a right to a trial by jury, and the government shall have the burden of proof, by a preponderance of the evidence, that the article is obscene under the standards of the community in which the trial takes place."

SEC. 529. SEVERABILITY.

If any of the provisions of this Act are found invalid, such finding shall not affect the validity or effect of the remaining provisions thereof.

TITLE V—CHILD CARE PROVISIONS

SEC. 501. SHORT TITLE.

This title may be cited as the "Act for Better Child Care Services of 1988".

SEC. 502. FINDINGS AND PURPOSES.

(a) Findings.—Congress finds that—

(1) the number of children living in homes where both parents work, or living in homes with a single parent who works, has increased dramatically over the last decade;

(2) the availability of quality child care is critical to the self-sufficiency and independence of millions of American families, including the growing number of mothers with young children who work out of economic necessity;

(3) high quality child care programs can strengthen our society by providing young children with the foundation on which to learn the basic skills necessary to be productive workers;

(4) the years from birth to age 6 are a critical period in the development of a young child;

(5) a significant number of parents do not have a real choice as they seek adequate child care for their young children because of limited incomes, insufficient State child care standards, and the inadequate supply of child care services in their community;

(6) high quality early childhood development programs provided during such period are cost effective because such programs can reduce the chances of juvenile delinquency and adolescent pregnancy and can improve the likelihood that children will finish high school and become employed;

(7) the number of quality child care arrangements falls far short of the number required for children in need of child care services;

(8) the rapid growth of participation in the labor force by mothers of children under the age of 1 has resulted in a critical shortage of quality child care arrangements for infants and toddlers;

(9) the lack of available child care services results in many preschool and school-age children being left without adequate supervision for significant parts of the day;

(10) many working parents who are unable to afford adequate child care services do not receive adequate financial assistance for such services from employers or public sources;

(11) because of the lack of affordable child care, a large number of parents are not able to work or to seek the training or education they need to become self sufficient;

(12) making adequate child care services available for parents who are employed, seeking employment, or seeking to develop employment skills promotes and strengthens the well-being of families and the national economy;

(13) the payment of the exceptionally low salaries to child care workers adversely affects the quality of child care services by making it difficult to retain qualified staff;

(14) several factors result in the shortage of quality child care options for children and parents, including—

(A) the inability of parents to pay for child care services;

(B) the lack of up-to-date information on child care services;

(C) the lack of training opportunities for staff in child care programs;

(D) the high rate of staff turnover in child care facilities; and

(E) the wide differences among the States in child care licensing and enforcement policies; and

(15) improved coordination of child care services will help to promote the most efficient use of child care resources.

(b) Purposes.—The purposes of this subtitle are—

(1) to build on and to strengthen the role of the family by seeking to ensure that parents are not forced by lack of available programs or financial resources to place a child in an unsafe or unhealthy child care facility or arrangement;

(2) to promote the availability and diversity of quality child care services to expand child care options available to all families who need such services;

(3) to provide assistance to families whose financial resources are not sufficient to enable such families to pay the full cost of necessary child care services;

(4) to lessen the chances that children will be left to fend for themselves for significant parts of the day;

(5) to improve the productivity of parents in the labor force by lessening the stresses related to the absence of adequate child care services;

(6) to provide assistance to States to improve the quality of, and coordination among, child care programs;

(7) to increase the opportunities for attracting and retaining qualified staff in the field of child care to provide high quality child care services to children; and

(8) to strengthen the competitiveness of the United States by providing young children with a sound early childhood development experience.

SEC. 503. DEFINITIONS.

As used in this subtitle:

(1) Administrator.—The term "Administrator" means the Administrator of Child Care appointed under section 514(a).

(2) Caregiver.—The term "caregiver" means an individual who provides a service directly to an eligible child on a person-to-person basis.

(3) Center-based child care provider.—The term "center-based child care provider" means a child care provider that provides child care services in a nonresidential facility.

(4) Child care certificate.—The term "child care certificate" means a certificate that is issued by the State to parents who

may use such certificate only as payment for child care services for an eligible child and that provides to an eligible child care provider a right to reimbursement for such services at the same rate charged by that provider for comparable services to children whose parents are not eligible for certificates under this subtitle or for child care assistance under any other Federal or State program.

(5) Community-based organization.—The term "community-based organization" has the meaning given such term by section 4(5) of the Job Training and Partnership Act (29 U.S.C. 1503(5)).

(6) Elementary school.—The term "elementary school" means a day or residential school that provides elementary education, as determined under State law.

(7) Eligible child.—The term "eligible child" means an individual—

(A) who is less than 16 years of age;

(B) whose family income does not exceed 100 percent of the State median income for a family of the same size; and

(C) who—

(i) resides with a parent or parents who are working, seeking employment, or enrolled in a job training or educational program; or

(ii) is receiving, or needs to receive, protective services and resides with a parent or parents not described in clause (i).

(8) Eligible child care provider.—The term "eligible child care provider" means a center-based child care provider, a group home child care provider, a family child care provider, or other provider of child care services for compensation that—

(A) is licensed or regulated under State law;

(B) satisfies—

(i) the Federal requirements, except as provided in subparagraph (C); and

(ii) the State and local requirements;

applicable to the child care services it provides; and

(C) after the expiration of the 4-year period beginning on the date the Secretary establishes minimum child care standards under section 517(e)(2), complies with such standards that are applicable to the child care services it provides.

(9) Family child care provider.—The term "family child care provider" means 1 individual who provides child care services for fewer than 24 hours per day, as the sole caregiver, and in the private residence of such individual.

(10) Family support services.—The term "family support services" means services that assist parents by providing support in parenting and by linking parents with community resources and with other parents.

(11) Full-working-day.—The term "full-working-day" means at least 10 hours per day.

(12) Group home child care provider.—The term "group home child care provider" means 2 or more individuals who jointly provide child care services for fewer than 24 hours per day and in a private residence.

(13) Handicapping condition.—The term "handicapping condition" means any condition set forth in section 602(a)(1) of the Education of the Handicapped Act (20 U.S.C. 1401(a)(1)) or section 672(1) of the Education of the Handicapped Act (20 U.S.C. 1471(a)).

(14) Indian tribe.—The term "Indian tribe" has the meaning given it in section 4(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(b)).

(15) Institution of higher education.—The term "institution of higher education" has the meaning given such term in section 481(a)(1) of the Higher Education Act of 1965 (20 U.S.C. 1088(a)(1)), except that with respect to a tribally controlled community college such term has the meaning given it in section 2(a)(5) of the Tribally Controlled Community College Assistance Act of 1978 (25 U.S.C. 1801(a)(5)).

(16) Lead agency.—The term "lead agency" means the agency designated under section 506(a).

(17) Local educational agency.—The term "local educational agency" has the meaning given that term in section 198(a)(10) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2854(a)(10)).

(18) Parent.—The term "parent" includes a legal guardian or other person standing in loco parentis.

(19) School-age child care services.—The term "school-age child care services" means child care services that are—

"(A) provided during such times of the school day when regular instructional services are not in session; and

"(B) not intended as an extension of or replacement for the regular academic program, but are intended to provide an environment which enhances the social, emotional, and recreational development of children of school age;

(20) Secondary school.—The term "secondary school" means a day or residential school which provides secondary education, as determined under State law.

(21) Secretary.—The term "Secretary" means the Secretary of Health and Human Services unless the context specifies otherwise.

(22) School facilities.—The term "school facilities" means classrooms and related facilities used to provide education.

(23) Sliding fee scale.—The term "sliding fee scale" means a system of cost sharing between the State and a family based on income and size of the family with the very low income families having to pay no cost.

(24) State.—The term "State" means any of the several States, the District of Columbia, the Virgin Islands of the United States, the Commonwealth of Puerto Rico, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Marshall Islands, the Federated States of Micronesia, or Palau.

(25) Unit of general purpose local government.—The term "unit of general purpose local government" means any city, county, town, township, parish, village, a combination of such general purpose political subdivisions including those in two or more States, or other general purpose political subdivisions of a State.

(26) Tribal organization.—The term "tribal organization" has the meaning given it in section 4(c) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(c)).

(27) Tribally controlled community college.—The term "tribally controlled community college" has the meaning given it in section 2(a)(4) of the Tribally Controlled Community College Assistance Act of 1978 (25 U.S.C. 1801(a)(4)).

SEC. 504. AUTHORIZATION OF APPROPRIATIONS.

(a) In General.—To carry out this subtitle, other than section 521, there are authorized to be appropriated $2,500,000,000 for the fiscal year 1989 and such sums as may be necessary in each of the fiscal years 1990 through 1993.

SEC. 505. AMOUNTS RESERVED; ALLOTMENTS.

(a) Amounts Reserved.—

(1) Territories and Possessions.—The Secretary shall reserve not to exceed one half of 1 percent of the amount appropriated under section 504(a) in each fiscal year for payments to Guam, American Samoa, the Virgin Islands of the United States, the Commonwealth of the Northern Mariana Islands, the Marshall Islands, the Federated States of Micronesia, and Palau, to be allotted in accordance with their respective needs.

(2) Indians.—The Secretary shall reserve an amount, not less than 1.5 percent and not more than 3 percent of the amount appropriated under section 504(a) in each fiscal year, to carry out subsection (c) regarding Indian children.

(b) State Allotment.—

(1) General rule.—From the remainder of the sums appropriated under section 504(a) for each fiscal year, the Secretary shall allot to each State (excluding jurisdictions referred to in subsection (a)(1)) an amount equal to the sum of—

(A) an amount that bears the same ratio to 50 percent of such remainder as the product of the young child factor of the State and the allotment percentage bears to the sum of the corresponding products for all States; and

(B) an amount that bears the same ratio to 50 percent of such remainder as the product of the school lunch factor of the State and the allotment percentage bears to the sum of the corresponding products for all the States.

(2) Young child factor.—The term "young child factor" means the ratio of the number of children in the State who are less than 5 years of age to the number of children in all the States who are less than 5 years of age.

(3) School lunch factor.—The term "school lunch factor" means the ratio of the number of children in the State who are receiving free or reduced price lunches under the school lunch program established under the National School Lunch Act (42 U.S.C. 1751 et seq.) to the number of children in all the States who are receiving free or reduced price lunches under such program.

(4) Allotment percentage.—

(A) In general.—The allotment percentage for a State is determined by dividing—

(i) the per capita income of all individuals in the United States; by

(ii) the per capita income of all individuals in the State.

(B) Limitations.—If a sum determined under subparagraph (A)—

(i) exceeds 1.2, then the allotment percentage of that State shall be considered to be 1.2; and

(ii) is less that 0.8, then the allotment percentage of the State shall be considered to be 0.8.

(C) Per capita income.—For purposes of subparagraph (A), per capita income shall be—

(i) determined at 2-year intervals;

(ii) applied for the 2-year period beginning on October 1 of the first fiscal year beginning on the date such determination is made; and

(iii) equal to the average of the annual per capita incomes for the most recent period of 3 consecutive years for which satisfactory data are available from the Department of Commerce at the time such determination is made.

(c) Payments for the Benefit of Indian Children.—

(1) Tribal organizations.—From the funds reserved under subsection (a)(2), the Secretary may, upon the application of a Indian tribe or tribal organization enter into a contract with, or make a grant to such Indian tribe or tribal organization for a period of 3 years, subject to satisfactory performance, to plan and carry out programs and activities that are consistent with this subtitle. Such contract or grant shall be subject to the terms and conditions of section 102 of the Indian Self-Determination Act (25 U.S.C. 450f) and shall be conducted in accordance with sections 4, 5, and 6 of the Act of April 16, 1934 (48 Stat. 596; 25 U.S.C. 655-657), that are relevant to such programs and activities.

(2) Indian reservations.—In the case of an Indian tribe in a State other than the States of Oklahoma, Alaska, and California, such programs and activities shall be carried out on the Indian reservation for the benefit of Indian children.

(3) Standards.—

(A) In general.—Subject to subparagraph (B), the Secretary shall establish, through the application process, standards applicable to child care services provided under such programs and activities. For purposes of establishing such standards, the Secretary shall take into consideration—

(i) the codes, regulations, and cultural factors of the Indian tribe involved, as expressed by such tribe or the tribal organization that represents such tribe; and

(ii) the State licensing and regulatory requirements applicable to child care services provided in the State in which such program and activities are carried out.

(B) Application.—

(i) Rule.—Except as provided in clause (ii), after the Secretary establishes minimum child care standards under section 517(e)(2), such minimum standards shall apply with respect to child care services provided under such programs and activities.

(ii) Waivers and modifications.—The Secretary may waive or modify, for a period not to exceed 5 years beginning on the date such minimum standards are established, any of such minimum standards that would limit the capacity of an Indian tribe or tribal organization to receive funds under this subtitle if the Secretary determines that there is a reasonable expectation that each of such standards requested to be waived will be met by the applicant by the end of the period for which the waiver is requested.

(4) Availability of state child care services.—For the purpose of determining whether to approve an application for a contract or grant under this subsection, the Secretary shall take into consideration the availability of child care services provided in accordance with this subtitle by the State in which the applicant proposes to carry out a program to provide child care services.

(5) Rule of construction.—This subsection shall not be construed—

(A) to limit the eligibility of any individual to participate in any program carried out with assistance received under this subtitle by a State; or

(B) to modify any requirement imposed on a State by any provision of this subtitle.

(6) Coordination.—To the maximum extent practicable, the applicant for a grant or contract under this subsection and the State in which the applicant is located shall coordinate with each other their respective child care programs and activities, including child care programs and activities carried out with assistance received under this subtitle.

(d) Data and Information.—The Secretary shall obtain from each appropriate Federal agency, the most recent data and information necessary to determine the allotments provided for in subsection (b).

(e) Reallotments.—

(1) In general.—Any portion of the allotment under subsection (b) to a State that the Secretary determines is not required to carry out a State plan approved under section 507(d), in the period for which the allotment is made available, shall be reallotted by the Secretary to other States in proportion to the original allotments to the other States.

(2) Limitations.—

(A) Reduction.—The amount of any reallotment to which a State is entitled to under paragraph (1) shall be reduced to the extent that it exceeds the amount that the Secretary estimates will be used in the State to carry out a State plan approved under section 507(d).

(B) Reallotments.—The amount of such reduction shall be similarly reallotted among States for which no reduction in an allotment or reallotment is required by this subsection.

(3) Amounts reallotted.—For purposes of any other section of this subtitle, any amount reallotted to a State under this subsection shall be considered to be part of the allotment made under subsection (b) to the State.

(f) Definition.—For the purposes of this section, the term "State" means any of the several 50 States, the District of Columbia, or the Commonwealth of Puerto Rico.

SEC. 506. LEAD AGENCY.

(a) Designation.—The chief executive officer of a State desiring to participate in the program authorized by this subtitle shall designate, in an application submitted to the Secretary under section 507(a), an appropriate State agency that meets the requirements of subsection (b) to act as the lead agency.

(b) Requirements.—

(1) Administration of funds.—The lead agency shall have the capacity to administer the funds provided under this subtitle to support programs and services authorized under this subtitle and to oversee the plan submitted under section 507(b).

(2) Coordination.—The lead agency shall have the capacity to coordinate the services for which assistance is provided under this subtitle with the services of other State and local agencies involved in providing services to children.

(3) Establishment of policies.—The lead agency shall have the authority to establish policies and procedures for developing and implementing interagency agreements with other agencies of the State to carry out the purposes of this subtitle.

(c) Duties.—The lead agency shall—

(1) assess child care needs and resources in the State, and assess the effectiveness of existing child care services and services for which assistance is provided under this subtitle or under other laws, in meeting such needs;

(2) develop a plan designed to meet the need for child care services in the State for eligible children, including infants, preschool children, and school-age children, giving special attention to meeting the needs for services for low-income children, migrant children, children with a handicapping condition, foster children, children in need of protective services, children of adolescent parents who need child care to remain in school, and children with limited English-language proficiency;

(3) develop, in consultation with the State advisory committee on child care established under section 511, the State plan submitted to the Secretary under section 507(b);

(4) hold hearings, in cooperation with such State advisory committee on child care, annually in each region of the State in order to provide to the public an opportunity to comment on the provision of child care services in the State under the proposed State plan;

(5) make such periodic reports to the Secretary as the Secretary may by rule require;

(6) coordinate the provision of services under this subtitle with—

(A) other child care programs and services, and with educational programs, for which assistance is provided under any State, local, or other Federal law, including the State Dependent Care Development Grants Act (42 U.S.C. 9871 et seq.); and

(B) other appropriate services, including social, health, mental health, protective, and nutrition services, available to eligible children under other Federal, State, and local programs; and

(7) identify resource and referral programs for particular geographical areas in the State that meet the requirements of section 512.

SEC. 507. APPLICATION AND PLAN.

(a) Application.—To be eligible to receive assistance under this subtitle, a State shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require by rule.

(b) Plan.—The application of a State submitted under subsection (a) shall include an assurance that the State will comply with the requirements of this subtitle and a State plan that is designed to be implemented during a 4-year period and that meets the requirements of subsection (c).

(c) Requirements of a Plan.—

(1) Lead agency.—The plan shall identify the lead agency designated in accordance with section 506(a).

(2) Advisory bodies.—The plan shall demonstrate that the State will establish in accordance with section 511 a State advisory committee on child care.

(3) Policies and procedures.—The plan shall set forth policies and procedures designed to ensure all of the following:

(A) That—

(i) all providers of child care services for which assistance is provided under this subtitle comply with all licensing and regulatory requirements (including registration requirements) applicable under State and local law; and

(ii) such requirements are imposed and enforced by the State uniformly on all child care providers that provide child care services under similar child care arrangements. This subparagraph shall not be construed to prohibit a State from imposing more stringent standards or requirements on child care providers who provide services for which assistance is provided under this subtitle and who also receive State funds under any other law to provide child care services under a contract or other arrangement with the State.

(B) That procedures will be established to ensure that child care providers receiving assistance under this subtitle or under other publicly-assisted child care programs comply with the minimum child care standards established under section 517(e)(2) after the expiration of the 5-year period beginning on the date the Secretary establishes such standards, and comply with all applicable State and local licensing and regulatory requirements (including registration requirements).

(C) That the State will not—

(i) reduce the categories of child care providers licensed or regulated by the State on the date of enactment of this subtitle; or

(ii) reduce the level of standards applicable to child care services provided in the State and to the matters specified in sections 513(a) and 517(d), even if such standards exceed the minimum standards established under section 517(e)(2) by the Secretary unless the State demonstrates, to the satisfaction of both the Secretary and the State advisory committee on child care established under section 511, that the reduction is based on positive developmental practice.

(D) That funds received under this subtitle by the State will be used only to supplement, not to supplant, the amount of Federal, State, and local funds expended for the support of child care services and related programs in the State, except that States may use existing expenditures in support of child care services to satisfy the State matching requirement under section 516(b).

(E) That for each fiscal year the State will use an amount not to exceed 10 percent of the amount of funds received under section 505 by the State for such fiscal year to administer the State plan.

(F) That the State will pay funds under this subtitle to eligible child care providers in a timely fashion to ensure the continuity of child care services to eligible children.

(G) That resource and referral agencies will be made available to families in all regions of the State.

(H) That each eligible child care provider who provides services for which assistance is provided under paragraph (4)—

(i) provides services to children of families with very low income, taking into account family size;

(ii) after the expiration of the 4-year period beginning on the date the Secretary establishes minimum child care standards under section 517(e)(2), complies with such standards except as provided in clause (iv);

(iii) if such eligible child care provider is regulated by a State educational agency that—

(I) administers any State law applicable to child care services;

(II) develops child care standards that meet or exceed the minimum standards established under section 517(e)(2) and the State licensing or regulatory requirements (including registration requirements); and

(III) enforces the standards described in subclause (II) that are developed by such agency, using policies and practices that meet or exceed the requirements specified in subparagraphs (A) through (K) of paragraph (11);

complies with the standards described in subclause (II) that are developed by such agency; and

(iv) complies with the State plan and the requirements of this subtitle.

(I) That child care services for which assistance is provided under paragraph (4) are available to children with a handicapping condition.

(J) That State regulations will be issued governing the provision of school-age child care services if the State does not already have such regulations.

(K) That child care providers in the State are encouraged to develop personnel policies that include compensated time for staff undergoing training required under this subtitle.

(L) Encourage the payment of adequate salaries and other compensation—

(i) to full and part-time staff of child care providers who provide child care services for which assistance is provided under paragraph (4);

(ii) to the extent practicable, to such staff in other major Federal and State child care programs; and

(iii) to other child care personnel, at the option of the State.

(M) That child care services for which assistance is provided under paragraph (4) are available for an adequate number of hours and days to serve the needs of parents of eligible children, including parents who work nontraditional hours.

(4) CHILD CARE SERVICES.—The plan shall provide that—

(A) subject to subparagraph (B), the State will use at least 70 percent of the amount allotted to the State in any fiscal year to provide child care services that meet the requirements of this subtitle to eligible children in the State on a sliding fee scale basis and using funding methods provided for in section 508(a)(1), with priority being given for services to children of families with very low family incomes, taking into consideration the size of the family; and

(B) the State will use at least 10 percent of the funds reserved for the purposes specified in subparagraph (A) in any fiscal year to provide for the extension of part-day programs as described in section 508(b).

(5) ACTIVITIES TO IMPROVE THE QUALITY OF CHILD CARE.—The plan shall provide that the State will use not more than 10 percent of the amount allotted to it in any fiscal year to do each of the following:

(A) Provide financial assistance, pursuant to procedures established under the State Dependent Care Development Grants Act (42 U.S.C. 9801 note), to private nonprofit organizations or public organizations (including units of general purpose local government) that meet the requirements of section 512 for the development, establishment, expansion, operation, and coordination of resource and referral programs specifically related to child care.

(B) Improve the monitoring of compliance with, and enforcement of, the licensing and regulatory requirements (including registration requirements) of the State.

(C) Provide training, technical assistance, and scholarship assistance in accordance with the requirements of subsections (b), (c), and (d) of section 513.

(D) Ensure that adequate salaries and other compensation are paid to full- and part-time staff who provide child care services for which assistance is provided under paragraph (4).

(6) ACTIVITIES TO INCREASE THE AVAILABILITY OF CHILD CARE.—The plan shall provide that the State will use not more than 10 percent of the amount allotted to it in any fiscal year for any of the following activities, together with an assurance that the State will give priority to the activities described in subparagraphs (A) and (B):

(A) Making grants and low interest loans to family child care providers and nonprofit child care providers to help such providers pay the cost of—

(i) establishing child care programs; and

(ii) making renovations and improvements in existing facilities to be used to carry out such programs.

(B) Making grants and low-interest loans to child care providers to assist such providers in meeting Federal, State, and local child care standards, giving priority to providers receiving assistance under this subtitle or under other publicly assisted child care programs and which serve children of families that have very low incomes.

(C) Providing assistance for the establishment and operation of after school child care programs.

(D) Making grants or loans to fund the start up costs of employer sponsored child care programs.

(E) Providing assistance for the temporary care of children who are sick and unable to attend child care programs in which such children are enrolled.

(F) Providing assistance for the establishment and operation of child care programs for homeless children.

(G) Providing assistance to link child care programs with programs designed to assist the elderly.

(H)(i) Establishing and administering a revolving loan fund from which any person desiring to make capital improvements to the principal residence of such person (within the meaning of section 1034 of the Internal Revenue Code of 1986) may obtain a loan in order to become a licensed family child care provider, pursuant to State and local law, and to comply with the minimum standards applicable to such providers as established under section 517(e)(2).

(ii) To permit the use of funds provided under this subtitle for the activity described in clause (i), the State shall set forth procedures and guidelines to carry out the purposes of such clause, including procedures—

(I) that provide assurances that only applicants who obtain a license for the operation of a child care facility in accordance with the provisions of State and local law and who will meet the minimum standards applicable to family child care services established under section 517(e)(2), benefit from loans made available pursuant to the provisions of clause (i);

(II) to assure that the revolving fund will be administered by the State and will provide loans to qualified applicants, pursuant to the terms and conditions established by such State, in an amount, determined by such State, that is not in excess of $1,500;

(III) to assure that funds used to carry out the purpose of clause (i) are transferred to such fund to provide capital for making loans;

(IV) to assure that interest and principal payments on loans and any other moneys, property, or assets derived from any action concerning such funds are deposited into such fund;

(V) to assure that all loans, expenses, and payments pursuant to the operation of the revolving loan fund are paid from such fund;

(VI) to assure that loans made from such fund are made to qualified applicants to enable such applicants to make capital improvements so that such applicant may obtain a State or local family child care provider license and so that such applicant may meet the minimum standards applicable to such providers established under section 517(e)(2); and

(VII) that specify how such revolving loan fund will continue to be financed in subsequent years, such as through contributions by the State or by some other entity.

(7) DISTRIBUTION OF FUNDS.—The plan shall provide that funds will be distributed—

(A) to a variety of types of child care providers in each community, including center-based child care providers, group home child care providers, and family child care providers; and

(B) equitably among child care providers to provide child care services in rural and urban areas.

(8) Reimbursements.—The plan shall provide that for child care services for which assistance is provided under this subtitle, an eligible child care provider shall have a right to reimbursement at the same rate charged by that provider for comparable services to children of comparable ages and special needs whose parents are not eligible for certificates under this subtitle or for child care assistance under any other Federal or State program.

(9) Priority.—The plan shall provide that priority will be given, in distributing funds in the State, to child care providers that—

(A) in providing child care services assisted by such funds, will give priority to eligible children of families with very low income;

(B) to the maximum extent feasible, provide child care services to a reasonable mix of children, including children from different socioeconomic backgrounds and children with a handicapping condition;

(C) provide opportunities for parent involvement in all aspects of providing such services; and

(D) to the maximum extent feasible, offer family support services.

(10) Sliding fee scale.—The plan shall provide for the establishment of a sliding fee scale that requires cost sharing based on the services provided to and the income of the families (adjusted for family size) of eligible children who receive services for which assistance is provided under this subtitle.

(11) Parental involvement.—The plan shall establish procedures for parental involvement in State and local planning, monitoring, and evaluation of child care programs and services in the State.

(12) Enforcement of licensing and other regulatory requirements (including registration requirements).—The plan shall provide that the State, not later than 4 years after the date of enactment of this subtitle, shall have in effect enforcement policies and practices that will be applicable to all licensed or regulated child care providers (including child care providers required to register) in the State, including policies and practices that—

(A) require personnel who perform inspection functions with respect to licensed or regulated child care services to have or receive training in health and safety, child abuse prevention and detection, program management, and relevant law enforcement;

(B) to the maximum extent feasible, have personnel requirements to ensure that individuals who are hired as licensing inspectors are qualified to inspect and have inspection responsibility exclusively for children's services;

(C) require—

(i) personnel who perform inspection functions with respect to licensed or regulated child care services to make not less than 1 unannounced inspection of each center-based child care provider and each group home child care provider in the State annually; and

(ii) personnel who perform inspection functions with respect to licensed or regulated child care services to make unannounced inspections annually of not less than 20 percent of licensed and regulated family child care providers in the State;

(D) require licensed or regulated child care providers (including registered child care providers) in the State—

(i) to have written policies and program goals and to make a copy of such policies and goals available to parents; and

(ii) to provide parents with unlimited access to their children and to providers caring for their children, during normal hours of operation of such providers and whenever children of such parents are in the care of such providers;

(E) implement a procedure to address complaints that will provide a reasonable opportunity for a parent, or child care provider, that is adversely affected or aggrieved by a decision of the lead agency or any program assisted under this subtitle, to be heard by the State;

(F) prohibit the operator of a child care facility to take any action against an employee of such operator that would adversely affect the employment, or terms or conditions of employment, of such employee because such employee communicates a failure of such operator to comply with any applicable licensing or regulatory requirement;

(G) implement a consumer education program designed to inform parents and the general public about licensing requirements, complaint procedures, and policies and practices required by this paragraph;

(H) require a child care provider to post, on the premises where child care services are provided, the telephone number of the appropriate licensing or regulatory agency that parents may call regarding a failure of such provider to comply with any applicable licensing or regulatory requirement; and

(I) require the State to maintain a record of parental complaints and to make information regarding substantiated parental complaints available to the public on request.

(13) Data collection.—The plan shall provide for the establishment of procedures for data collection by the State designed to show—

(A) by race, sex, ethnic origin, handicapping condition, and family income, how the child care needs of families in the State are being fulfilled, including information on—

(i) the number of children being assisted with funds provided under this subtitle, and under other State and Federal child care and preschool programs;

(ii) the type and number of child care programs, child care providers, caregivers, and support personnel located in the State;

(iii) the regional cost of child care; and

(iv) such other information as the Secretary considers necessary to establish how funds provided under this subtitle are being used;

(B) the extent to which the availability of child care has been increased; and

(C) how the purposes of this subtitle and the objectives of the State set forth in the State plan are being met, including efforts to improve the quality, availability, and accessibility of child care;

and shall provide that data collected by the State under this paragraph shall be submitted to the Secretary.

(d) Approval of Application.—The Secretary shall approve an application that satisfies the requirements of this section.

(e) Special Rule.—In carrying out the provisions of this section, the Secretary shall approve any application with respect to the activities described in the plan submitted under paragraph (5) of subsection (c), if the Secretary determines that the State is making reasonable progress in carrying out the activities which are described in subparagraphs (A) and (D) of paragraph (5).

SEC. 508. SPECIAL RULES FOR USE OF STATE ALLOTMENTS.

(a) Funding of Child Care Services.—

(1) In general.—The child care services referred to in section 507(c)(4) that are to be provided out of the allotment to a State, shall be provided—

(A) by contracts with or grants to eligible child care providers who agree to provide such services directly to eligible children;

(B) by grants to units of general purpose local government that agree to enter into contracts with eligible child care providers who agree to provide such services directly to eligible children; or

(C) by distributing child care certificates to parents of eligible children under such terms as the Secretary may prescribe to enable the recipients of such certificates to purchase child care services from eligible child care providers.

(2) Limitation on certificates.—Child care certificates authorized by paragraph (1)(C) may be issued by a State only if a resource and referral program carried out by an organization that meets the requirements of section 512 is available to help parents locate child care services made available by eligible child care providers.

(3) No entitlement to contract or grant.—Nothing in this subtitle shall be construed to entitle any child care provider or recipient of a child care certificate to any contract, grant or benefit, or to limit the right of any State to impose additional limitations or conditions on contracts or grants funded under this subtitle.

(b) Part-day Programs.—

(1) In general.—At least 10 percent of the funds available for activities under section 507(c)(4)(A) shall be used by the State to enable child care providers to extend the hours of operation of the part-day programs described in paragraph (2) to provide full-working-day child care services throughout the year, in order to meet the needs of parents of eligible children.

(2) Eligible programs.—As used in paragraph (1), the term "part-day programs" means—

(A) programs of schools and nonprofit child care providers (including community-based organizations) receiving State or local funds designated for preschool;

(B) programs established under the Head Start Act (42 U.S.C. 9831 et seq.);

(C) preschool programs for which assistance is provided under chapter 1 of the Education Consolidation and Improvement Act of 1981 (20 U.S.C. 3801 et seq.); and

(D) preschool programs for children with a handicapping condition.

(c) Facilities.—

(1) New facilities.—No financial assistance provided under this subtitle shall be expended for the construction of a new facility.

(2) Existing facilities.—No financial assistance provided under this subtitle shall be expended to renovate or repair any facility unless—

(A) the child care provider that receives such financial assistance agrees—

(i) in the case of a grant, to repay to the Secretary or the State, as the case may be, the amount that bears the same ratio to the amount of such grant as the value of the renovation or repair, as of the date such provider ceases to provide child care services in such facility in accordance with this subtitle, bears to the original value of the renovation or repair; and

(ii) in the case of a loan, to repay immediately to the Secretary or the State, as the case may be, the principal amount of such loan outstanding and any interest accrued, as of the date such provider ceases to provide child care services in such facility in accordance with this subtitle;

if such provider does not provide child care services in such facility in accordance with this subtitle throughout the useful life of the renovation or repair; and

(B) if such provider is a sectarian agency or organization, the renovation or repair is necessary to bring such facility into compliance with health and safety requirements imposed by this subtitle.

SEC. 509. PLANNING GRANTS.

(a) In General.—A State desiring to participate in the programs authorized by this subtitle that cannot fully satisfy the requirements of the State plan under section 507(b) without financial assistance may, in the first year that the State participates in the programs, apply to the Secretary for a planning grant.

(b) Authorization.—The Secretary is authorized to make a planning grant to a State described in subsection (a) if the Secretary determines that—

(1) the grant would enable the State to fully satisfy the requirements of a State plan under section 507(b); and

(2) the State will apply, for the remainder of the allotment that the State is entitled to receive for such fiscal year.

(c) Amount of Grant.—A grant made to a State under this section shall not exceed 1 percent of the total allotment that the State would qualify to receive in the fiscal year involved if the State fully satisfied the requirements of section 507.

(d) Limitation on Administrative Costs.—A grant made under this section shall be considered to be expended for administrative costs by the State for purposes of determining the compliance by the State with the limitation on administrative costs imposed by section 507(c)(3)(E).

SEC. 510. CONTINUING ELIGIBILITY OF STATES.

A State shall be ineligible for assistance under this subtitle after the expiration of the 4-year period beginning on the date the Secretary establishes minimum child care standards under section 517(e)(2) unless the State demonstrates to the satisfaction of the Secretary that—

(1) all child care providers required to be licensed and regulated in the State—

(A) are so licensed and regulated; and

(B) are subject to the enforcement provisions referred to in the State plan; and

(2) all such providers who are receiving assistance under this subtitle or under other publicly-assisted child care programs—

(A) satisfy the requirements of subparagraphs (A) and (B) of paragraph (1); and

(B) satisfy the minimum child care standards established by the Secretary under section 517(e)(2) of this subtitle.

SEC. 511. STATE ADVISORY COMMITTEE ON CHILD CARE.

(a) Establishment.—The chief executive officer of a State participating in the program authorized by this subtitle shall—

(1) establish a State advisory committee on child care (hereinafter in this section referred to as the "committee") to assist the lead agency in carrying out the responsibilities of the lead agency under this subtitle; and

(2) appoint the members of the committee.

(b) Composition.—The State committee shall be composed of not fewer than 21 and not more than 30 members who shall include—

(1) at least 1 representative of the lead agency designated under section 506(a);

(2) 1 representative of each of—

(A) the State departments of—

(i) human resources or social services;

(ii) education;

(iii) economic development; and

(iv) health; and

(B) other State agencies having responsibility for the regulation, funding, or provision of child care services in the State;

(3) at least 1 representative of providers of different types of child care services, including caregivers and directors;

(4) at least 1 representative of early childhood development experts;

(5) at least 1 representative of school districts and teachers involved in the provision of child care services and preschool programs;

(6) at least 1 representative of resource and referral programs;

(7) 1 pediatrician;

(8) 1 representative of a citizen group concerned with child care;

(9) at least 1 representative of an organization representing child care employees;

(10) at least 1 representative of the Head Start agencies in the State;

(11) parents of children receiving, or in need of, child care services, including at least 2 parents whose children are receiving or are in need of subsidized child care services;

(12) 1 representative of specialists concerned with children who have a handicapping condition;

(13) 1 representative of individuals engaged in business;

(14) 1 representative of fire marshals and building inspectors;

(15) 1 representative of child protective services; and

(16) 1 representative of units of general purpose local government.

(c) Functions.—The committee shall—

(1) advise the lead agency on child care policies;

(2) provide the lead agency with information necessary to coordinate the provision of child care services in the State;

(3) otherwise assist the lead agency in carrying out the functions assigned to the lead agency under section 506(c);

(4) review and evaluate child services for which assistance is provided under this subtitle or under State law, in meeting the objectives of the State plan and the purposes of this subtitle;

(5) make recommendations on the development of State child care standards and policies;

(6) participate in the regional public hearings required under section 506(c)(5); and

(7) perform other functions to improve the quantity and quality of child care services in the State.

(d) Meetings and Hearings.—

(1) In general.—Not later than 30 days after the beginning of each fiscal year, the committee shall meet and establish the time, place, and manner of future meetings of the committee.

(2) Minimum number of hearings.—The committee shall have at least 2 public hearings each year at which the public shall be given an opportunity to express views concerning the administration and operation of the State plan.

(e) Use of Existing Committees.—To the extent that a State has established a broadly representative State advisory group, prior to the date of enactment of this subtitle, that is comparable to the advisory committee described in this section and focused exclusively on child care and early childhood development programs, such State shall be considered to be in compliance with subsections (a) through (c).

(f) Subcommittee on Licensing.—

(1) Composition.—The committee shall have a subcommittee on licensing (hereinafter in this section referred to as the "subcommittee") that shall be composed of the members appointed under paragraphs (2)(A)(iv), (3), (6), (7), (11), (14), and (15) of subsection (b).

(2) Functions.—

(A) Review of licensing authority.—The subcommittee shall review the law applicable to, and the licensing requirements and the policies of, each licensing agency that regulates child care services and programs in the State unless the State has reviewed such law, requirements, and policies in the 4-year period ending on the date of the establishment of the committee under subsection (a).

(B) Report.—Not later than 1 year after establishment of the committee under subsection (a), the subcommittee shall prepare and submit to the chief executive officer of the State involved a report.

(C) Contents of report.—A report prepared under subparagraph (B) shall contain—

(i) an analysis of information on child care services provided by center-based child care providers, group home child care providers, and family child care providers;

(ii) a detailed statement of the findings and recommendations that result from the subcommittee review under subparagraph (A), including a description of the current status of child care licensing, regulating, monitoring, and enforcement in the State;

(iii) a detailed statement identifying and describing the deficiencies in the existing licensing, regulating, and monitoring programs of the State involved, including an assessment of the adequacy of staff to carry out such programs effectively, and recommendations to correct such deficiencies or to improve such programs; and

(iv) comments on the minimum child care standards established by the Secretary under section 517(e)(2).

(3) Receipt of report by the chief executive officer of the state.—Not later than 60 days after receiving the report from the subcommittee, the chief executive officer of the State shall transmit such report to the Secretary with—

(A) the comments of the chief executive officer of the State; and

(B) a plan for correcting deficiencies in, or improving the licensing, regulating, and monitoring, of the child care services and programs referred to in paragraph (2)(A).

(4) Termination of assistance.—None of the funds received under this subtitle may be used to carry out any activity under this section occurring more than 90 days after the State submits a report required by subsection (d).

(g) Services and Personnel.—

(1) Authority.—The lead agency is authorized to provide the services of such personnel, and to contract for such other services as may be necessary, to enable the committee and the subcommittee to carry out their functions under this subtitle.

(2) Reimbursement.—Members of the committee shall be reimbursed, in accordance with standards established by the Secretary, for necessary expenses incurred by such members in carrying out the functions of the committee and the subcommittee.

(3) Sufficiency of funds.—The Secretary shall ensure that sufficient funds are made available, from funds available for the administration of the State plan, to the committee and the subcommittee to carry out the requirements of this section.

SEC. 512. RESOURCE AND REFERRAL PROGRAMS.

(a) Eligibility for Assistance.—Each State receiving funds under this subtitle shall, pursuant to section 507(c)(5)(A), make grants to or enter into contracts with private nonprofit organizations or public organizations (including units of general purpose local government), as resource and referral agencies to ensure that resource and referral services are available to families in all geographical areas in the State.

(b) Funding.—Organizations that receive assistance under subsection (a) shall carry out resource and referral programs—

(1) to identify all types of existing child care services, including services provided by individual family child care providers and by child care providers who provide child care services to children with a handicapping condition;

(2) to provide to interested parents information and referral regarding such services, including the availability of public funds to obtain such services;

(3) to provide or arrange for the provision of information, training, and technical assistance to existing and potential child care providers and to others (including businesses) concerned with the availability of child care services; and

(4) to provide information on the demand for and supply of child care services located in a community.

(c) Requirements.—To be eligible for assistance as a resource and referral agency under subsection (a), an organization shall—

(1) have or acquire a database of information on child care services in the State or in a particular geographical area that the organization continually updates, including child care services provided in centers, group home child care settings, nursery schools, and family child care settings;

(2) have the capability to provide resource and referral services in a particular geographical area;

(3) be able to provide parents with information to assist them in identifying quality child care services;

(4) to the maximum extent practicable, notify all eligible child care providers in such area of the functions it performs and solicit such providers to request to be listed to receive referrals made by such organization; and

(5) otherwise comply with regulations promulgated by the State in accordance with subsection (d).

(d) Limitation on Information.—In carrying out this section, an organization receiving assistance under subsection (a) as a resource and referral agency shall not provide information concerning any child care program or services which are not in compliance with the laws of the State and localities in which such services are provided.

SEC. 513. TRAINING AND TECHNICAL ASSISTANCE.

(a) Minimum Requirement.—A State receiving funds under this subtitle shall require, not later than 2 years after the date of the enactment of this subtitle, that all employed or self-employed individuals who provide licensed or regulated child care services (including registered child care services) in a State complete at least 40 hours of training over a 2-year period in areas appropriate to the provision of child care services, including training in health and safety, nutrition, first aid, the recognition of communicable diseases, child abuse detection and prevention, and the needs of special populations of children.

(b) Grants and Contracts for Training and Technical Assistance.—

(1) Grants and contracts.—The State shall make grants to, and enter into contracts with State agencies, units of general purpose local government, institutions of higher education, and nonprofit organizations (including resource and referral organizations, child care food program sponsors, and family child care associations, as appropriate) to develop and carry out child care training and technical assistance programs under which preservice and continuing inservice training is provided to eligible child care providers, including family child care providers, and the staff of such providers including teachers, administrative personnel, and staff of resource and referral programs involved in providing child care services in the State.

(2) Eligibility requirements for grants and contracts relating to training for family child care providers.—To be eligible to receive a grant or enter into a contract for a training and technical assistance program for family child care providers under paragraph (1), a nonprofit organization shall—

(A) recruit and train family child care providers, including providers with the capacity to provide night-time and emergency child care services;

(B) operate resource centers to make developmentally appropriate curriculum materials available to family child care providers;

(C) provide grants to family child care providers for the purchase of moderate cost equipment to be used to provide child care services; and

(D) operate a system of substitute caregivers.

(3) Eligibility requirements for grants and contracts relating to technical assistance.—To be eligible to receive a grant, or enter into a contract under subsection (b) to provide technical assistance, an agency, organization, or institution shall agree to furnish technical assistance to child care providers to assist such providers—

(A) in understanding and complying with local regulations and relevant tax and other policies;

(B) in meeting State licensing, regulatory, and other requirements (including registration) pertaining to family child care providers.

(c) Scholarship Assistance.—The State shall provide scholarship assistance to—

(1) individuals who seek a nationally recognized child development associate credential for center-based or family child care and whose income does not exceed the poverty line (as defined in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) by more than 50 percent, in amounts sufficient to cover the costs involved in securing such credential; and

(2) caregivers who seek to obtain the training referred to in subsection (a) and whose income does not exceed such poverty line.

(d) Clearinghouse.—The State shall establish in the lead agency a clearinghouse to collect and disseminate training materials to resource and referral agencies and child care providers throughout the State.

SEC. 514. FEDERAL ADMINISTRATION OF CHILD CARE.

(a) Administrator of Child Care.—There is hereby established in the Department of Health and Human Services the position of Administrator of Child Care (hereinafter in this section referred to as the "Administrator"). The Secretary shall appoint an individual to serve as the Administrator at the pleasure of the Secretary.

(b) Duties.—The Administrator shall—

(1) coordinate all activities of the Department of Health and Human Services relating to child care, and coordinate such activities with similar activities of other Federal entities;

(2) annually collect and publish State child care standards, including periodic modifications to such standards;

(3) evaluate activities carried out with funds provided under this subtitle;

(4) act as a clearinghouse to collect and disseminate materials that relate to—

(A) the matters required by section 513(b)(1) to be addressed by training required by section 513 to be provided; and

(B) studies that relate to the salaries paid to individuals employed to provide child care services; and

(5) provide technical assistance to assist States to carry out this subtitle.

SEC. 515. FEDERAL ENFORCEMENT.

(a) Review of Compliance With State Plan.—The Secretary shall review and monitor State compliance with this subtitle and the plan approved under section 507(d) for the State.

(b) Noncompliance.—

(1) In general.—If the Secretary, after reasonable notice and opportunity for a hearing to a State, finds that—

(A) there has been a failure by the State to comply substantially with any provision or any requirements set forth in the plan approved under section 507(d) for the State; or

(B) in the operation of any program or project for which assistance is provided under this subtitle there is a failure by the State to comply substantially with any provision of this subtitle;

the Secretary shall notify the State of the finding and that no further payments may be made to such State under this subtitle (or, in the case of noncompliance in the operation of a program or activity, that no further payments to the State will be made with respect to such program or activity) until the Secretary is satisfied that there is no longer any such failure to comply or that the noncompliance will be promptly corrected.

(2) Additional sanctions.—In the case of a finding of noncompliance made pursuant to this paragraph (1), the Secretary may, in addition to imposing the sanctions described in such paragraph, impose other appropriate sanctions, including recoupment of money improperly expended for purposes prohibited or not authorized by this subtitle, and disqualification from the receipt of financial assistance under this subtitle.

(3) Notice.—The notice required under paragraph (1) shall include a specific identification of any additional sanction being imposed under paragraph (2).

(c) Issuance of Rules.—The Secretary shall establish by rule procedures for—

(1) receiving, processing, and determining the validity of complaints concerning any failure of a State to comply with the State

plan or any requirement of this subtitle; and

(2) imposing sanctions under this section.

SEC. 516. PAYMENTS.

(a) IN GENERAL.—

(1) AMOUNT OF PAYMENT.—Each State that—

(A) has an application approved by the Secretary under section 507(d); and

(B) demonstrates to the satisfaction of the Secretary that it will provide from non-Federal sources the State share of the aggregate amount to be expended by the State under the State plan for the fiscal year for which it requests a grant;

shall receive a payment under this section for such fiscal year in an amount (not to exceed its allotment under section 505 for such fiscal year) equal to the Federal share of the aggregate amount to be expended by the State under the State plan for such fiscal year.

(2) FEDERAL SHARE.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the Federal share for each fiscal year shall be 80 percent.

(B) EXCEPTION.—If a State makes the demonstration specified in section 510 throughout a fiscal year for which it requests a grant, then the Federal share shall be 85 percent.

(3) STATE SHARE.—The State share equals 100 percent minus the Federal share.

(4) LIMITATION.—A State may not require any private provider of child care services that receives or seeks funds made available under this subtitle to contribute in cash or in kind to the State contribution required by this subsection.

(b) METHOD OF PAYMENT.—

(1) IN GENERAL.—Subject to paragraph (2), the Secretary may make payments to a State in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments, as the Secretary may determine.

(2) LIMITATION.—The Secretary may not make such payments in a manner that prevents the State from complying with the requirement specified in section 507(c)(3)(F).

(c) SPENDING OF FUNDS BY STATE.—Payments to a State from the allotment under section 505 for any fiscal year may be expended by the State in that fiscal year or in the succeeding fiscal year.

SEC. 517. NATIONAL ADVISORY COMMITTEE ON CHILD CARE STANDARDS.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—In order to improve the quality of child care services, the Secretary shall establish, not later than 60 days after the date of the enactment of this subtitle, a National Advisory Committee on Child Care Standards (hereinafter in this section referred to as the "Committee"), the members of which shall be appointed from among representatives of—

(A) the chief executive officers of the several States;

(B) State legislatures;

(C) local governments;

(D) businesses;

(E) State individuals responsible for regulating the insurance industry within the State;

(F) religious institutions;

(G) persons who carry out different types of child care programs;

(H) persons who carry out resource and referral programs;

(I) child care and early childhood development specialists;

(J) early childhood education specialists;

(K) individuals who have expertise in pediatric health care, handicapping conditions, and related fields;

(L) organizations representing child care employees;

(M) individuals who have experience in the regulation of child care services; and

(N) parents who have been actively involved in community child care programs.

(2) APPOINTMENT OF MEMBERS.—The Committee shall be composed of 15 members of which—

(A) 5 members shall be appointed by the President;

(B) 3 members shall be appointed by the majority leader of the Senate;

(C) 2 members shall be appointed by the minority leader of the Senate;

(D) 3 members shall be appointed by the Speaker of the House of Representatives; and

(E) 2 members shall be appointed by the minority leader of the House of Representatives.

(3) CHAIRMAN.—The President shall appoint a chairman from among the members of the Committee.

(4) VACANCIES.—A vacancy occurring on the Committee shall be filled in the same manner as that in which the original appointment was made.

(b) PERSONNEL, REIMBURSEMENT, AND OVERSIGHT.—

(1) PERSONNEL.—The Secretary shall make available to the Committee office facilities, personnel who are familiar with child development and with developing and implementing regulatory requirements, technical assistance, and funds as are necessary to enable the Committee to carry out effectively its functions.

(2) REIMBURSEMENT.—

(A) COMPENSATION.—Members of the Committee who are not regular full-time employees of the United States Government shall, while attending meetings and conferences of the Committee or otherwise engaged in the business of the Committee (including traveltime), be entitled to receive compensation at a rate fixed by the Secretary, but not exceeding the rate specified at the time of such service under GS-18 of the General Schedule established under section 5332 of title 5, United States Code.

(B) EXPENSES.—While away from their homes or regular places of business on the business of the Committee, such members may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government service.

(3) OVERSIGHT.—The Secretary shall ensure that the Committee is established and operated in accordance with the Federal Advisory Committee Act (5 U.S.C. App.).

(c) FUNCTIONS.—The Committee shall—

(1) review Federal policies with respect to child care services and such other data as the Committee may deem appropriate;

(2) not later than 180 days after the date on which a majority of the members of the Committee are first appointed, submit to the Secretary proposed minimum standards described in subsection (d) for child care services, taking into account the different needs of infants, toddlers, preschool and school-age children; and

(3) develop and make available to lead agencies, for distribution to resource and referral agencies in the State, model requirements for resource and referral agencies.

(d) MINIMUM CHILD CARE STANDARDS.—The proposed child care standards submitted pursuant to subsection (c)(2) shall be minimum standards and shall consist of only the following:

(1) CENTER-BASED CHILD CARE SERVICES.—Such standards submitted with respect to child care services provided by center-based child care providers shall be limited to—

(A) group size limits in terms of the number of caregivers and the number and ages of children;

(B) the maximum appropriate child-staff ratios;

(C) qualifications and background of child care personnel;

(D) health and safety requirements for children and caregivers; and

(E) parental involvement in licensed and regulated child care services.

The standards described in subparagraphs (A) and (B) shall reflect the median standards for all States (using for States which apply separate standards to publicly-assisted programs the most comprehensive or stringent of such standards) as of the date of enactment of this subtitle.

(2) FAMILY CHILD CARE SERVICES.—Such standards submitted with respect to child care services provided by family child care providers shall be limited to—

(A) the maximum number of children for which child care services may be provided and the total number of infants for which child care services may be provided;

(B) the minimum age for caregivers; and

(C) health and safety requirements for children and caregivers.

(3) GROUP HOME CHILD CARE SERVICES.—Such standards submitted with respect to child care services provided by group home child care providers shall be limited to the matters specified in paragraphs (1)(B) and (2).

(4) LIMITATION.—The Committee shall not submit any standard under subsection (c)(2) that is less or more rigorous than the least or most rigorous standard that exists in all States at the time of the submission of such recommendation.

(e) CONSIDERATION AND ESTABLISHMENT OF STANDARDS.—

(1) NOTICE OF PROPOSED RULEMAKING.—Not later than 90 days after receiving the recommendations of the committee, the Secretary shall—

(A) publish in the Federal Register—

(i) a notice of proposed rulemaking concerning the minimum standards proposed under subsection (d) to the Secretary; and

(ii) such proposed minimum standards for public comment for a period of at least 60 days; and

(B) distribute such proposed minimum standards to each lead agency and each State subcommittee on licensing for comment.

(2) ESTABLISHMENT OF MINIMUM CHILD CARE STANDARDS.—

(A) ISSUANCE OF RULES.—The Secretary shall, in consultation with the committee—

(i) take into consideration any comments received by the Secretary with respect to the standards proposed under subsection (d); and

(ii) not later than 180 days after publication of such standards, shall issue rules establishing minimum child care standards for purposes of this subtitle. Such standards shall include the nutrition requirements issued, and revised from time to time, under section 17(g)(1) of the National School Lunch Act (42 U.S.C. 1766(g)(1)).

(B) AMENDING STANDARDS.—The Secretary may amend any standard first established under subparagraph (A), except that such standard may not be modified, by amendment or otherwise, to make such standard less comprehensive or less stringent than it is when first established.

(C) EXTENDED PERIOD FOR COMMENT.—If the Committee recommends a standard under subsection (c)(2) that no State has a requirement concerning, as of the time that such standard is recommended, the Secretary shall provide an additional 30 days during which States may submit comments concerning such standard.

(3) ADDITIONAL COMMENTS.—The National Committee may submit to the Secretary and to the Congress such additional comments on the minimum child care standards established under paragraph (2) as the National Committee considers appropriate.

(f) VARIANCES.—

(1) TIME FOR COMPLIANCE WITH STANDARDS.—Not later than the end of the 4-year period referred to in section 510, States shall comply with the standards established under this section.

(2) EXCEPTION.—At the expiration of the 4-year period referred to in paragraph (1) the chief executive officer, in consultation with the State advisory committee, may submit a request to the Secretary for a 1 year variance from the requirements of one or more particular standards.

(3) REQUIREMENTS.—A request for a variance under this subsection shall include—

(A) a statement by the chief executive officer of the State of any steps taken to implement the relevant standards in the State within the 4-year period;

(B) the specific reasons for the submission of the variance request; and

(C) a detailed plan that outlines the additional procedures and resources to be used to come into compliance with the standards at the end of the variance period.

(4) PERIOD OF VARIANCE.—A variance granted by the Secretary shall be for a 1-year period and may be renewed at the discretion of the Secretary for an additional 1-year period if requested by the State.

(g) TERMINATION OF COMMITTEE.—The National Committee shall cease to exist 90 days after the date the Secretary establishes minimum child care standards under subsection (e)(3).

SEC. 518. LIMITATIONS ON USE OF FINANCIAL ASSISTANCE FOR CERTAIN PURPOSES.

(a) SECTARIAN PURPOSES AND ACTIVITIES.—No financial assistance provided under this subtitle shall be expended for any sectarian purpose or activity, including sectarian worship and instruction.

(b) TUITION.—With regard to services provided to students enrolled in grades 1 through 12, no financial assistance provided under this subtitle shall be expended for—

(1) any services provided to such students during the regular school day;

(2) any services for which such students receive academic credit toward graduation; or

(3) any instructional services which supplant or duplicate the academic program of any public or private school.

SEC. 519. NONDISCRIMINATION.

(a) FEDERAL FINANCIAL ASSISTANCE.—Any financial assistance provided under this subtitle, including a loan, grant, or child care certificate, shall constitute Federal financial assistance for purposes of title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), title IX of the Education Amendments of 1972 (20 U.S.C. 1681, et seq.), the Rehabilitation Act of 1973 (29 U.S.C. 794 et seq.), the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.), and the regulations issued thereunder.

(b) RELIGIOUS DISCRIMINATION.—A child care provider may not discriminate against any child on the basis of religion in providing child care services in return for a fee paid, reimbursement received, or certificate redeemed, in whole or in part with financial assistance provided under this subtitle.

SEC. 520. PRESERVATION OF PARENTAL RIGHTS AND RESPONSIBILITIES.

Nothing in this subtitle shall be construed or applied in any manner to infringe upon or usurp the moral and legal rights and responsibilities of parents or legal guardians.

BYRD AMENDMENT NO. 3310

Mr. BYRD proposed an amendment to amendment No. 3309 to the bill, S. 2488, supra; as follows:

Strike all after "with" and insert in lieu thereof the following:

instructions to report back forthwith with the following amendment,

Strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Parental and Medical Leave Act of 1988".

(b) TABLE OF CONTENTS.—

TITLE I—GENERAL REQUIREMENTS FOR PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE

Sec. 101. Findings and purposes.
Sec. 102. Definitions.
Sec. 103. Parental leave requirement.
Sec. 104. Temporary medical leave requirement.
Sec. 105. Certification.
Sec. 106. Employment and benefits protection.
Sec. 107. Prohibited acts.
Sec. 108. Administrative enforcement.
Sec. 109. Enforcement by civil action.
Sec. 110. Investigative authority.
Sec. 111. Relief.
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TITLE I—GENERAL REQUIREMENTS FOR PARENTAL LEAVE AND MEDICAL LEAVE

SEC. 101. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) the number of two-parent households in which both parents work and the number of single-parent households in which the single parent works are increasing significantly;

(2) it is important for the development of children and the family unit that fathers and mothers be able to participate in early child rearing and the care of children who have serious health conditions;

(3) the lack of employment policies to accommodate working parents forces many individuals to choose between job security and parenting;

(4) there is inadequate job security for employees who have serious health conditions that prevent the employees from working for temporary periods;

(5) due to the nature of the roles of men and women in our society, the primary responsibility for family caretaking often falls on women, and such responsibility affects their working lives more than it affects the working lives of men; and

(6) employment standards that apply to one gender only have serious potential for encouraging employers to discriminate against employees and applicants for employment who are of that gender.

(b) PURPOSES.—It is the purpose of this Act—

(1) to balance the demands of the workplace with the needs of families;

(2) to promote the economic security and stability of families;

(3) to entitle employees to take reasonable leave for medical reasons, for the birth or adoption of a child, and for the care of a child who has a serious health condition;

(4) to accomplish such purposes in a manner which accommodates the legitimate interests of employers;

(5) to accomplish such purposes in a manner which, consistent with the Equal Protection Clause of the Fourteenth Amendment, minimizes the potential for employment discrimination on the basis of sex by ensuring generally that leave is available for eligible medical reasons (including maternity-related disability) and for compelling family reasons, on a gender-neutral basis; and

(6) to promote the goal of equal employment opportunity for women and men, pursuant to such clause.

SEC. 102. DEFINITIONS.

As used in this title:

(1) COMMERCE.—The terms "commerce" and "industry or activity affecting commerce" mean any activity, business, or industry in commerce or in which a labor dispute would hinder or obstruct commerce or the free flow of commerce, including "commerce" and any activity or industry "affecting commerce" within the meaning of the Labor Management Relations Act, 1947 (29 U.S.C 141 et seq.).

(2) EMPLOY.—The term "employ" has the same meaning given the term in section 3(g) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(g)).

(3) EMPLOYEE.—

(A) IN GENERAL.—The term "employee" means an individual that is included under the definition of such term in section 3(e) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(e)) who has been employed by the employer with respect to whom benefits are sought under this Act for at least—

(i) 900 hours of service during the previous 12-month period; and

(ii) 12 months.

"(B) EXCLUSION.—The term "employee" does not include any Federal officer or employee covered under subchapter III of chapter 63 of title 5, United States Code (as added by title II of this Act).

(4) EMPLOYER.—The term "employer"—

(A) means any person engaged in commerce or in any industry or activity affecting commerce who employs 20 or more employees at any one worksite for each working day during each of 20 or more calendar workweeks in the current or preceding calendar year;

(B) includes—

(i) any person who acts directly or indirectly in the interest of an employer to one or more employees; and

(ii) any successor in interest of such an employer; and

(C) includes any public agency, as defined in section 3(x) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(x)).

(5) Employment benefits.—The term "employment benefits" means all benefits provided or made available to employees by an employer, including group life insurance, health insurance, disability insurance, sick leave, annual leave, educational benefits, and pensions, regardless of whether the benefits are provided by a policy or practice of an employer or by an employee benefit plan as defined in section 3(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(1)).

(6) Health care provider.—The term "health care provider" means—

(A) any person licensed under Federal, State, or local law to provide health care services, or

(B) any other person determined by the Secretary to be capable of providing health care services.

(7) Person.—The term "person" has the same meaning given the term in section 3(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(a)).

(8) Reduced leave schedule.—The term "reduced leave schedule" means leave scheduled for fewer than the usual number of hours of an employee per workweek or hours per workday.

(9) Secretary.—The term "Secretary" means the Secretary of Labor.

(10) Serious health condition.—The term "serious health condition" means an illness, injury, impairment, or physical or mental condition that involves—

(A) inpatient care in a hospital, hospice, or residential medical care facility; or

(B) continuing treatment or continuing supervision by a health care provider.

(11) Son or daughter.—The term "son or daughter" means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a de facto parent, who is—

(A) under 18 years of age; or

(B) 18 years of age or older and incapable of self-care because of a mental or physical disability.

(12) State.—The term "State" has the same meaning given the term in section 3(c) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(c)).

SEC. 103. PARENTAL LEAVE REQUIREMENT.

(a) In General.—

(1) Entitlement to leave.—An employee shall be entitled, subject to section 105, to 10 workweeks of parental leave during any 24-month period—

(A) as the result of the birth of a son or daughter of the employee;

(B) as the result of the placement, for adoption or foster care, of a son or daughter with the employee; or

(C) in order to care for the employee's son or daughter who has a serious health condition.

(2) Expiration of entitlement.—The entitlement to leave under paragraphs (1)(A) and (1)(B) shall expire at the end of the 12-month period beginning on the date of such birth or placement.

(3) Intermittent leave.—In the case of a son or daughter who has a serious health condition, such leave may be taken intermittently when medically necessary, subject to subsection (e).

(b) Reduced Leave.—On agreement between the employer and the employee, leave under this section may be taken on a reduced leave schedule, however, such reduced leave schedule shall not result in a reduction in the total amount of leave to which the employee is entitled.

(c) Unpaid Leave Permitted.—Except as provided in subsection (d), leave granted under subsection (a) may consist of unpaid leave.

(d) Relationship to Paid Leave.—

(1) Unpaid leave.—If an employer provides paid parental leave for fewer than 10 work-weeks, the additional weeks of leave added to attain the 10 work-week total may be unpaid.

(2) Substitution of paid leave.—An employee or employer may elect to substitute any of the employee's accrued paid vacation leave, personal leave, or other appropriate paid leave for any part of the 10-week period.

(e) Foreseeable Leave.—

(1) Requirement of notice.—In any case in which the necessity for leave under this section is foreseeable based on an expected birth or adoption, the employee shall provide the employer with prior notice of such expected birth or adoption in a manner which is reasonable and practicable.

(2) Duties of employee.—In any case in which the necessity for leave under this section is foreseeable based on planned medical treatment or supervision, the employee shall—

(A) make a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the operations of the employer, subject to the approval of the health care provider of the employee's son or daughter; and

(B) provide the employer with prior notice of the treatment or supervision in a manner which is reasonable and practicable.

(3) Regulations.—The Secretary shall promulgate regulations under section 108(a) that define the term "reasonable and practicable" for purposes of paragraphs (1) and (2)(B).

(f) Spouses Employed by the Same Employer.—In any case in which a husband and wife entitled to parental leave under this section are employed by the same employer, the aggregate number of workweeks of parental leave to which both may be entitled may be limited to 10 workweeks during any 24-month period, if such leave is taken under subparagraph (A) or (B) of subsection (a)(1).

SEC. 104. TEMPORARY MEDICAL LEAVE REQUIREMENT.

(a) In General.—

(1) Entitlement to leave.—Any employee who, as the result of a serious health condition, becomes unable to perform the functions of the position of the employee, shall be entitled to temporary medical leave, subject to section 105.

(2) Period of entitlement.—The entitlement under paragraph (1) shall continue for as long as the employee is unable to perform the functions, except that the leave shall not exceed 13 workweeks during any 12-month period.

(3) Intermittent leave.—Leave taken under this subsection may be taken intermittently when medically necessary, subject to subsection (d).

(b) Unpaid Leave Permitted.—Except as provided in subsection (c), leave granted under subsection (a) may consist of unpaid leave.

(c) Relationship to Paid Leave.—

(1) In general.—If an employer provides paid temporary medical leave or paid sick leave for fewer than 13 weeks, the additional weeks of leave added to attain the 13-week total may be unpaid.

(2) Substitution of paid leave.—An employee or employer may elect to substitute the employee's accrued paid vacation leave, sick leave, or other appropriate paid leave for any part of the 13-week period, except that nothing in this Act shall require an employer to provide paid sick leave or paid medical leave in any situation in which such employer would not normally provide any such paid leave.

(d) Foreseeable Leave.—

(1) Duties of employee.—In any case in which the necessity for leave under this section is foreseeable based on planned medical treatment or supervision, the employee shall—

(A) make a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the operations of the employer, subject to the approval of the employee's health care provider, and

(B) provide the employer with prior notice of the treatment or supervision in a manner which is reasonable and practicable.

(2) Regulations.—The Secretary shall promulgate regulations under section 108(a) that define the term "reasonable and practicable" for purposes of paragraph (1).

SEC. 105. CERTIFICATION.

(a) In General.—An employer may require that a claim for parental leave under section 103(a)(1)(C), or temporary medical leave under section 104, be supported by certification issued by the health care provider of the son, daughter, or employee, whichever is appropriate. The employee shall provide a copy of such certification to the employer.

(b) Sufficient Certification.—The certification shall be considered sufficient if it states—

(1) the date on which the serious health condition commenced;

(2) the probable duration of the condition;

(3) the appropriate medical facts within the knowledge of the provider regarding the condition; and

(4)(A) for purposes of leave under section 104, a statement that the employee is unable to perform the functions of the employee's position; and

(B) for purposes of leave under section 103(a)(1)(C), an estimate of the amount of time that the employee is needed to care for the son or daughter.

(c) Second Opinion.—

(1) In general.—In any case in which the employer has reason to doubt the validity of the certification provided under subsection (a), the employer may require, at its own expense, that the employee obtain the opinion of a second health care provider designated or approved by the employer concerning the information certified under subsection (b).

(2) Limitation.—Any health care provider designated or approved under paragraph (1) may not be employed on a regular basis by the employer.

(d) Resolution of Conflicting Opinions.—

(1) In general.—In any case in which the second opinion described in subsection (c) differs from the original certification provided under subsection (a), the employer may require, at its own expense, that the employee obtain the opinion of a third health care provider designated or approved jointly by the employer and the employee concerning the information certified under subsection (b).

(2) Finality.—The opinion of the third health care provider concerning the information certified under subsection (b) shall be considered to be final and shall be binding on the employer and the employee.

(e) Subsequent Recertification.—The employer may require that the employee obtain subsequent recertifications on a reasonable basis.

SEC. 106. EMPLOYMENT AND BENEFITS PROTECTION.

(a) Restoration to Position.—

(1) In general.—Any employee who takes leave under section 103 or 104 for its intended purpose shall be entitled, on return from the leave—

(A) to be restored by the employer to the position of employment held by the employee when the leave commenced; or

(B) to be restored to an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment.

(2) Loss of benefits.—The taking of leave under this title shall not result in the loss of any employment benefit accrued before the date on which the leave commenced.

(3) Limitations.—Except as provided in subsection (b), nothing in this section shall be considered to entitle any restored employee to—

(A) the accrual of any seniority or employment benefits during any period of leave; or

(B) any right, benefit, or position of employment other than that to which the employee was entitled to on the date the leave was commenced.

(4) Certification.—As a condition to restoration under paragraph (1), the employer may have a policy that requires each employee to receive certification from the employee's health care provider that the employee is able to resume work.

(5) Construction.—Nothing in this subsection shall be construed to prohibit an employer from requiring an employee on leave under section 103 or 104 to periodically report to the employer on the employee's status and intention to return to work.

(b) Maintenance of Health Benefits.—During any period an employee takes leave under section 103 or 104, the employer shall maintain coverage under any group health plan (as defined in section 162(i)(3) of the Internal Revenue Code of 1954) for the duration of such leave at the level and under the conditions coverage would have been provided if the employee had continued in employment continuously from the date the employee commenced the leave until the date the employee is restored under subsection (a).

SEC. 107. PROHIBITED ACTS.

(a) Interference With Rights.—

(1) Exercise of rights.—It shall be unlawful for any employer to interfere with, restrain, or deny the exercise of or the attempt to exercise, any right provided under this title.

(2) Discrimination.—It shall be unlawful for any employer to discharge or in any other manner discriminate against any individual for opposing any practice made unlawful by this title.

(b) Interference With Proceedings or Inquiries.—It shall be unlawful for any person to discharge or in any other manner discriminate against any individual because the individual—

(1) has filed any charge, or has instituted or caused to be instituted any proceeding, under or related to this title;

(2) has given or is about to give any information in connection with any inquiry or proceeding relating to any right provided under this title; or

(3) has testified or is about to testify in any inquiry or proceeding relating to any right provided under this title.

SEC. 108. ADMINISTRATIVE ENFORCEMENT.

(a) In General.—The Secretary shall issue such rules and regulations as are necessary to carry out this section, including rules and regulations concerning service of complaints, notice of hearings, answers and amendments to complaints, and copies of orders and records of proceedings.

(b) Charges.—

(1) Filing.—Any person alleging an act that violates this title may file a charge respecting the violation with the Secretary. Charges shall be in such form and contain such information as the Secretary shall require by regulation.

(2) Notification.—Not later than 15 days after the Secretary receives notice of a charge under paragraph (1), the Secretary shall—

(A) serve a notice of the charge on the person charged with the violation; and

(B) inform such person and the charging party as to the rights and procedures provided under this title.

(3) Time of filing.—A charge may not be filed later than 1 year after the date of the last event constituting the alleged violation.

(c) Process on Notice of a Charge.—Investigation; Complaint.—

(1) Investigation.—Within the 60-day period after the Secretary receives any charge, the Secretary shall investigate the charge and issue a complaint based on the charge or dismiss the charge.

(2) Complaint based on charge.—If the Secretary determines that there is a reasonable basis for the charge, the Secretary shall issue a complaint based on the charge and promptly notify the charging party and the respondent as to the issuance.

(3) Dismissal.—If the Secretary determines that there is no reasonable basis for the charge, the Secretary shall dismiss the charge and promptly notify the charging party and the respondent as to the dismissal.

(4) Settlement agreements.—

(A) With charging party.—The charging party and the respondent may enter into a settlement agreement concerning the violation alleged in the charge before any determination is reached by the Secretary under this subsection. To be effective such an agreement must be determined by the Secretary to be consistent with the purposes of this title.

(B) With secretary.—On the issuance of a complaint, the Secretary and the respondent may enter into a settlement agreement concerning a violation alleged in the complaint. Any such settlement may not be entered into over the objection of the charging party, unless the Secretary determines that the settlement provides a full remedy for the charging party.

(5) Civil actions.—If, at the end of the 60-day period referred to in paragraph (1), the Secretary—

(A) has not issued a complaint under paragraph (2);

(B) has dismissed the charge under paragraph (3); or

(C) has not approved or entered into a settlement agreement under subparagraph (A) or (B) of paragraph (4);

the charging party may elect to bring a civil action under section 109.

(6) Complaint and relief on secretary's initiative.—

(A) Issuance.—The Secretary may issue and serve a complaint alleging a violation of this title on the basis of information and evidence gathered as a result of an investigation initiated by the Secretary pursuant to section 110.

(B) Relief.—

(i) In general.—On issuance of a complaint, the Secretary shall have the power to petition the United States district court for the district in which the violation is alleged to have occurred, or in which the respondent resides or transacts business, for appropriate temporary relief or a restraining order.

(ii) Notice.—On the filing of any such petition, the court shall cause notice of the petition to be served on the respondent.

(iii) Type of relief.—The court shall have jurisdiction to grant to the Secretary such temporary relief or restraining order as the court considers just and proper.

(d) Rights of Parties.—

(1) Service of complaint.—In any case in which a complaint is issued under subsection (c), the Secretary shall, not later than 10 days after the date on which the complaint is issued, cause to be served on the respondent a copy of the complaint.

(2) Parties to complaint.—Any person filing a charge alleging a violation of this title may elect to be a party to any complaint filed by the Secretary alleging the violation. The election must be made before the commencement of a hearing.

(3) Civil action.—The failure of the Secretary to comply in a timely manner with any obligation assigned to the Secretary under this title shall entitle the charging party to elect, at the time of such failure, to bring a civil action under section 109.

(e) Conduct of Hearing.—

(1) Prosecution by secretary.—The Secretary shall prosecute any complaint issued under subsection (c).

(2) Hearing.—An administrative law judge shall conduct a hearing on the record with respect to a complaint issued under this title. The hearing shall be conducted in accordance with sections 554, 555, and 556 of title 5, United States Code, and shall be commenced within 60 days after the issuance of the complaint, unless the judge, in the judge's discretion, determines that the purposes of this Act would best be furthered by commencement of the action after the expiration of such period.

(f) Findings and Conclusions.—

(1) In general.—After a hearing is conducted under this section, the administrative law judge shall promptly make findings of fact and conclusions of law, and, if appropriate, issue an order for relief as provided in section 111.

(2) Notification concerning delay.—The administrative law judge shall inform the parties, in writing, of the reason for any delay in making the findings and conclusions if the findings and conclusions are not made within 60 days after the conclusion of the hearing.

(g) Finality of Decision; Review.—

(1) Finality.—The decision and order of the administrative law judge shall become the final decision and order of the Secretary unless, on appeal by an aggrieved party taken not later than 30 days after the action, the Secretary modifies or vacates the decision, in which case the decision of the Secretary shall be the final decision.

(2) Review.—Not later than 60 days after the entry of the final order of the Secretary under paragraph (1), any person aggrieved by the final order may obtain a review of the order in the United States court of appeals for the circuit in which the violation is alleged to have occurred or in which the employer resides or transacts business.

(3) Jurisdiction.—On the filing of the record with the court, the jurisdiction of the court shall be exclusive and its judgment shall be final, except that the same shall be subject to review by the Supreme Court of the United States on writ of certiorari or certification as provided in section 1254 of title 28, United States Code.

(h) Court Enforcement of Administrative Orders.—

(1) Power of secretary.—If a respondent does not appeal an order of the Secretary under subsection (g)(2), the Secretary may petition the United States district court for the district in which the violation is alleged to have occurred, or in which the respondent resides or transacts business, for the enforcement of the order of the Secretary, by filing in the court a written petition praying that the order be enforced.

(2) Jurisdiction.—On the filing of the petition, the court shall have jurisdiction to make and enter a decree enforcing the order of the Secretary. In the proceeding, the order of the Secretary shall not be subject to review.

(3) Decree of enforcement.—If, on appeal of an order under subsection (g)(2), the United States court of appeals does not reverse or modify the order, the court shall have the jurisdiction to make and enter a decree enforcing the order of the Secretary.

SEC. 109. ENFORCEMENT BY CIVIL ACTION.

(a) Right To Bring Civil Action.—

(1) In general.—Subject to the limitations in this section, an employee or the Secretary may bring a civil action against any employer to enforce the provisions of this title in any appropriate court of the United States or in any State court of competent jurisdiction.

(2) No charge filed.—Subject to paragraph (3), a civil action may be commenced under this subsection without regard to whether a charge has been filed under section 108(b).

(3) Limitations.—No civil action may be commenced under paragraph (1) if the Secretary—

(A) has approved, or has failed to disapprove, a settlement agreement under section 108(c)(4), in which case no civil action may be filed under this subsection if the action is based on a violation alleged in the charge and resolved by the agreement; or

(B) has issued a complaint under section 108(c)(2) or 108(c)(6), in which case no civil action may be filed under this subsection if the action is based on a violation alleged in the complaint.

(4) To enforce settlement agreements.—Notwithstanding paragraph (3)(A), a civil action may be commenced to enforce the terms of any such settlement agreement.

(5) Timing of commencement of civil action.—

(A) In general.—Except as provided in subparagraph (B), no civil action may be commenced more than 1 year after the date on which the alleged violation occurred.

(B) Exception.—In any case in which—

(i) a timely charge is filed under section 108(b); and

(ii) the failure of the Secretary to issue a complaint or enter into a settlement agreement based on the charge (as provided under section 108(c)(4)) occurs more than 11 months after the date on which any alleged violation occurred,

the employee may commence a civil action not more than 30 days after the date on which the employee is notified of the failure.

(6) Agencies.—The Secretary may not bring a civil action against any agency of the United States.

(b) Venue.—An action brought under subsection (a) in a district court of the United States may be brought—

(1) in any appropriate judicial district under section 1391 of title 28, United States Code; or

(2) in the judicial district in the State in which—

(A) the employment records relevant to the violation are maintained and administered; or

(B) the aggrieved person worked or would have worked but for the alleged violation.

(c) Notification of the Secretary; Right To Intervene.—A copy of the complaint in any action brought by an employee under subsection (a) shall be served on the Secretary by certified mail. The Secretary shall have the right to intervene in a civil action brought by an employee under subsection (a).

(d) Attorneys for the Secretary.—In any civil action brought under subsection (a), attorneys appointed by the Secretary may appear for and represent the Secretary, except that the Attorney General and the Solicitor General shall conduct any litigation in the Supreme Court.

SEC. 110. INVESTIGATIVE AUTHORITY.

(a) In General.—To ensure compliance with the provisions of this title, or any regulation or order issued under this title, subject to subsection (c), the Secretary shall have the investigative authority provided under section 11(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 211(a)).

(b) Obligation To Keep and Preserve Records.—An employer shall keep and preserve records in accordance with section 11(c) of such Act, and in accordance with regulations issued by the Secretary.

(c) Required Submissions Generally Limited to an Annual Basis.—The Secretary may not under this section require any employer or any plan, fund, or program to submit to the Secretary any books or records more than once in any 12-month period, unless the Secretary has reasonable cause to believe there may exist a violation of this title or any regulation or order issued pursuant to this title, or is investigating a charge brought pursuant to section 108.

(d) Subpoena Powers, Etc.—For purposes of any investigation conducted under this section, the Secretary shall have the subpoena authority provided under section 9 of the Fair Labor Standards Act of 1938 (29 U.S.C. 209).

(e) Dissemination of Information.—The Secretary may make available to any person substantially affected by any matter that is the subject of an investigation under this section, and to any department or agency of the United States, information concerning any matter that may be the subject of the investigation.

SEC. 111. RELIEF.

(a) Injunctive Relief.—

(1) Cease and desist.—On finding a violation under section 108 by a person, an administrative law judge shall issue an order requiring the person to cease and desist from any act or practice that violates this title.

(2) Injunctions.—In any civil action brought under section 109, a court may grant as relief any permanent or temporary injunction, temporary restraining order, or other equitable relief as the court considers appropriate.

(b) Monetary Damages.—

(1) In general.—Any employer that violates this title shall be liable to the injured party in an amount equal to—

(A) any wages, salary, employment benefits, or other compensation denied or lost to the employee by reason of the violation, plus interest on the total monetary damages calculated at the prevailing rate; and

(B) an additional amount equal to the greater of—

(i) the amount determined under subparagraph (A), as liquidated damages; or

(ii) the amount of consequential damages but not to exceed three times the amount determined under subparagraph (A).

(2) Good faith.—If an employer who has violated this title proves to the satisfaction of the court that the act or omission which violated this title was in good faith and that the employer had reasonable grounds for believing that the act or omission was not a violation of this title, the court may, in its discretion, reduce the amount of the liability or penalty provided for under this subsection to the amount determined under paragraph (1)(A).

(c) Attorneys' Fees.—A prevailing party (other than the United States) may be awarded a reasonable attorneys' fee as part of the costs, in addition to any relief awarded. The United States shall be liable for costs in the same manner as a private person.

(d) Limitation.—Damages awarded under subsection (b) may not accrue from a date more than 2 years before the date on which a charge is filed under section 108(b) or a civil action is brought under section 109.

SEC. 112. NOTICE.

(a) In General.—Each employer shall post and keep posted, in conspicuous places on the premises of the employer where notices to employees and applicants for employment are customarily posted, a notice, approved by the Secretary, setting forth excerpts from, or summaries of, the pertinent provisions of this title and information pertaining to the filing of a charge.

(b) Penalty.—Any employer who willfully violates this section shall be fined not more than $100 for each separate offense.

TITLE II—PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE FOR CIVIL SERVICE EMPLOYEES

SEC. 201. PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE.

(a) In General.—(1) Chapter 63 of title 5, United States Code, is amended by adding at the end thereof the following new subchapter:

“SUBCHAPTER III—PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE

“§ 6331. Definitions

“For purposes of this subchapter:

“(1) ‘employee’ means—

"(A) an employee as defined by section 6301(2) of this title (excluding an individual employed by the government of the District of Columbia); and

"(B) an individual under clause (v) or (ix) of such section;

who has been employed for at least 12 months and completed at least 900 hours of service during the previous 12-month period.

"(2) 'serious health condition' means an illness, injury, impairment, or physical or mental condition that involves—

"(A) inpatient care in a hospital, hospice, or residential medical care facility; or

"(B) continuing treatment, or continuing supervision, by a health care provider; and

"(3) 'son or daughter' means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a de facto parent, who is—

"(A) under 18 years of age; or

"(B) 18 years of age or older and incapable of self-care because of a mental or physical disability.

"§ 6332. Parental leave requirement

"(a)(1) An employee shall be entitled, subject to section 6334, to 10 workweeks of parental leave during any 24-month period—

"(A) as the result of the birth of a son or daughter of the employee;

"(B) as the result of the placement, for adoption or foster care, of a son or daughter with the employee; or

"(C) in order to care for the employee's son or daughter who has a serious health condition.

"(2) The entitlement to leave under paragraphs (1)(A) and (1)(B) shall expire at the end of the 12-month period beginning on the date of such birth or placement.

"(3) In the case of a son or daughter who has a serious health condition, such leave may be taken intermittently when medically necessary, subject to subsection (e).

"(b) On agreement between the employing agency and the employee, leave under this section may be taken on a reduced leave schedule, however, such reduced leave schedule shall not result in a reduction in the total amount of leave to which the employee is entitled.

"(c) Except as provided in subsection (d), leave granted under subsection (a) may consist of unpaid leave.

"(d)(1) If an employing agency provides paid parental leave for fewer than 10 workweeks, the additional weeks of leave added to attain the 10 work-week total may be unpaid.

"(2) An employee or employing agency may elect to substitute any of the employee's accrued paid vacation leave, personal leave, or other appropriate paid leave for any part of the 10-week period.

"(e)(1) In any case in which the necessity for leave under this section is foreseeable based on an expected birth or adoption, the employee shall provide the employing agency with prior notice of such expected birth or adoption in a manner which is reasonable and practicable.

"(2) In any case in which the necessity for leave under this section is foreseeable based on planned medical treatment or supervision, the employee shall—

"(A) make a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the operations of the employing agency, subject to the approval of the health care provider of the employee's son or daughter; and

"(B) provide the employing agency with prior notice of the treatment or supervision in a manner which is reasonable and practicable.

"(3) The Director of the Office of Personnel Management shall promulgate regulations that define the term 'reasonable and practicable' for purposes of paragraphs (1) and (2)(B).

"§ 6333. Temporary medical leave requirement

"(a)(1) Any employee who, as the result of a serious health condition, becomes unable to perform the functions of the position of the employee, shall be entitled to temporary medical leave, subject to section 6334.

"(2) The entitlement under paragraph (1) shall continue for as long as the employee is unable to perform the functions, except that the leave shall not exceed 13 administrative workweeks of the employee during any 12-month period.

"(3) Leave taken under this subsection may be taken intermittently when medically necessary, subject to subsection (d).

"(b) Except as provided in subsection (c), leave granted under subsection (a) may consist of unpaid leave.

"(c)(1) If an employing agency provides paid temporary medical leave or paid sick leave for fewer than 13 weeks, the additional weeks of leave added to attain the 13-week total may be unpaid.

"(2) An employee or employing agency may elect to substitute the employee's accrued paid vacation leave, sick leave, or other appropriate paid leave for any part of the 13-week period, except that nothing in this Act shall require an employing agency to provide paid sick leave or paid medical leave in any situation in which such employing agency would not normally provide any such paid leave.

"(d)(1) In any case in which the necessity for leave under this section is foreseeable based on planned medical treatment or supervision, the employee shall—

"(A) make a reasonable effort to schedule the treatment or supervision so as not to disrupt unduly the operations of the employing agency, subject to the approval of the employee's health care provider, and

"(B) provide the employing agency with prior notice of the treatment or supervision in a manner which is reasonable and practicable.

"(2) The Director of the Office of Personnel Management shall promulgate regulations that define the term "reasonable and practicable" for purposes of paragraph (1).

"§ 6334. Certification

"(a) An employing agency may require that a claim for parental leave under section 6332(a)(10)(C), or temporary medical leave under section 6333, be supported by certification issued by the health care provider of the son, daughter, or employee, whichever is appropriate. The employee shall provide a copy of such certification to the employing agency.

"(b) The certification shall be considered sufficient if it states—

"(1) the date on which the serious health condition commenced;

"(2) the probable duration of the condition;

"(3) the appropriate medical facts within the knowledge of the provider regarding the condition; and

"(4)(A) for purposes of leave under section 6333, a statement that the employee is unable to perform the functions of the employee's position; and

"(B) for purposes of leave under section 6332(a)(1)(C), an estimate of the amount of time that the employee is needed to care for the son or daughter.

"(c)(1) In any case in which the employing agency has reason to doubt the validity of the certification provided under subsection (a), the employing agency may require, at its expense, that the employee obtain the opinion of a second health care provider designated or approved by the employing agency concerning the information certified under subsection (b).

"(2) Any health care provider designated or approved under paragraph (1) may not be employed on a regular basis by the employing agency.

"(d)(1) In any case in which the second opinion described in subsection (c) differs from the original certification provided under subsection (a), the employing agency may require, at its expense, that the employee obtain the opinion of a third health care provider designated or approved jointly by the employing agency and the employee concerning the information certified under subsection (b).

"(2) The opinion of the third health care provider concerning the information certified under subsection (b) shall be considered to be final and shall be binding on the employing agency and the employee.

"(e) The employing agency may require that the employee obtain subsequent recertifications on a reasonable basis.

"§ 6335. Job protection

"An employee who uses leave under section 6332 or 6333 of this title shall be entitled, on return from the leave—

"(1) to be restored to the position of employment held by the employee when the leave commenced; or

"(2) to be restored to an equivalent position with equivalent employment benefits, pay, and other terms and conditions of employment.

"§ 6336. Prohibition of coercion

"(a) An employee may not directly or indirectly intimidate, threaten, or coerce, or attempt to intimidate, threaten, or coerce, any other employee for the purpose of interfering with the exercise of the rights of the employee under this subchapter.

"(b) For the purpose of this section, 'intimidate, threaten, or coerce' includes promising to confer or conferring any benefit (such as appointment, promotion, or compensation), or taking or threatening to take any reprisal (such as deprivation of appointment, promotion, or compensation).

"§ 6337. Health insurance

"An employee enrolled in a health benefits plan under chapter 89 of this title who is placed in a leave status under section 6332 or 6333 of this title may elect to continue the health benefits enrollment of the employee while in leave status and arrange to pay into the Employees Health Benefits Fund (described in section 8909 of this title), through the employing agency of the employee, the appropriate employee contributions.

"§ 6338. Regulations

"The Office of Personnel Management shall prescribe regulations necessary for the administration of this subchapter. The regulations prescribed under this subchapter shall be consistent with the regulations prescribed by the Secretary of Labor under title I of the Parental and Medical Leave Act of 1988.".

(2) The table of contents for chapter 63 of title 5, United States Code, is amended by adding at the end thereof the following:

"SUBCHAPTER III—PARENTAL LEAVE AND TEMPORARY MEDICAL LEAVE

"6331. Definitions.
"6332. Parental leave requirement.
"6333. Temporary medical leave requirement.
"6334. Certification.
"6335. Job protection.
"6336. Prohibition of coercion.
"6337. Health insurance.
"6338. Regulations.".

(b) Employees Paid From Nonappropriated Funds.—Section 2105(c)(1) of title 5, United States Code, is amended by striking out "53" and inserting in lieu thereof "53, subchapter III of chapter 63,".

TITLE III—COMMISSION ON PARENTAL AND MEDICAL LEAVE

SEC. 301. ESTABLISHMENT.

(a) Establishment.—There is established a Commission to be known as the Commission on Parental and Medical Leave (hereinafter in this title referred to as the "Commission").

SEC. 302. DUTIES.

The Commission shall—

(1) conduct a comprehensive study of—

(A) existing and proposed policies relating to parental leave and temporary medical leave; and

(B) the potential costs, benefits, and impact on productivity of such policies on employers;

(2) to the extent practicable, include in the study of parental leave and temporary medical leave policies required under subsection (1)(A), a review of all studies of existing and proposed methods designed to provide workers with full or partial salary replacement or other income protection during periods of parental leave and temporary medical leave that are consistent with the legitimate business interests of employers;

(3) within 2 years after the date on which the Commission first meets, submit a report to Congress that outlines the findings of the Commission.

SEC. 303. MEMBERSHIP.

(a) Composition.—

(1) Appointments.—The Commission shall be composed of 12 voting members and 2 ex-officio members appointed not more than 60 days after the date of the enactment of this Act as follows:

(A) One Senator shall be appointed by the majority leader of the Senate, and one Senator shall be appointed by the minority leader of the Senate.

(B) One member of the House of Representatives shall be appointed by the Speaker of the House of Representatives, and one member of the House of Representatives shall be appointed by the minority leader of the House of Representatives.

(C)(i) Two members each shall be appointed by—

(I) the Speaker of the House of Representatives,

(II) the majority leader of the Senate,

(III) the minority leader of the House of Representatives, and

(IV) the minority leader of the Senate.

(ii) Such members shall be appointed by virtue of demonstrated expertise in relevant family, temporary disability, and labor-management issues and shall include representatives of employers.

(2) Ex-officio members.—The Secretary of Health and Human Services and the Secretary of Labor shall serve on the Commission as nonvoting ex-officio members.

(b) Vacancies.—Any vacancy on the Commission shall be filled in the same manner in which the original appointment was made.

(c) Chairperson and Vice Chairperson.—The Commission shall elect a chairperson and a vice chairperson from among the members of the Commission.

(d) Quorum.—Eight members of the Commission shall constitute a quorum for all purposes, except that a lesser number may constitute a quorum for the purpose of holding hearings.

SEC. 304. COMPENSATION.

(a) Pay.—Members of the Commission shall serve without compensation.

(b) Travel Expenses.—Members of the Commission shall be allowed reasonable travel expenses, including a per diem allowance, in accordance with section 5703 of title 5, United States Code, while performing duties of the Commission.

SEC. 305. POWERS.

(a) Meetings.—The Commission shall first meet not more than 30 days after the date on which all members are appointed. The Commission shall meet thereafter on the call of the chairperson or a majority of the members.

(b) Hearings and Sessions.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers appropriate. The Commission may administer oaths or affirmations to witnesses appearing before the Commission.

(c) Access to Information.—The Commission may secure directly from any Federal agency information necessary to enable the Commission to carry out this Act. On the request of the chairperson or vice chairperson of the Commission, the head of the agency shall furnish the information to the Commission.

(d) Executive Director.—The Commission may appoint an Executive Director from the personnel of any Federal agency to assist the Commission in carrying out the duties of the Commission.

(e) Use of Services and Facilities.—On the request of the Commission, the head of any Federal agency may make available to the Commission any of the facilities and services of the agency.

(f) Personnel From Other Agencies.—On the request of the Commission, the head of any Federal agency may detail any of the personnel of the agency to assist the Commission in carrying out the duties of the Commission.

SEC. 306. TERMINATION.

The Commission shall terminate 30 days after the date of the submission of the final report of the Commission to Congress.

TITLE IV—MISCELLANEOUS PROVISIONS

SEC. 401. EFFECT ON OTHER LAWS.

(a) Federal and State Antidiscrimination Laws.—Nothing in this Act shall be construed to modify or affect any Federal or State law prohibiting discrimination on the basis of race, religion, color, national origin, sex, age, or handicapped status.

(b) State and Local Laws.—Nothing in this Act shall be construed to supersede any provision of any State or local law that provides greater employee parental or medical leave rights than the rights established under this Act.

SEC. 402. EFFECT ON EXISTING EMPLOYMENT BENEFITS.

(a) More Protective.—Nothing in this Act shall be construed to diminish the obligation of an employer to comply with any collective-bargaining agreement or any employment benefit program or plan that provides greater parental and medical leave rights to employees than the rights provided under this Act.

(b) Less Protective.—The rights provided to employees under this Act may not be diminished by any collective-bargaining agreement or any employment benefit program or plan.

SEC. 403. ENCOURAGEMENT OF MORE GENEROUS LEAVE POLICIES.

Nothing in this Act shall be construed to discourage employers from adopting or retaining leave policies more generous than any policies that comply with the requirements under this Act.

SEC. 404. REGULATIONS.

Not later than 60 days after the date of enactment of this Act, the Secretary shall prescribe such regulations as are necessary to carry out title I.

SEC. 405. EFFECTIVE DATES.

(a) Advisory Commission.—Title III shall become effective on the date of enactment of this Act.

(b) Other Titles.—

(1) In general.—Except as provided in paragraph (2), titles I, II, and IV shall take effect 6 months after the date of the enactment of this Act.

(2) Collective bargaining agreements.—In the case of a collective bargaining agreement in effect on the effective date described in paragraph (1), title I shall apply on the earlier of—

(A) the date of the termination of such agreement, or

(B) the date which occurs 12 months after the date of the enactment of this Act.

Notwithstanding any other provision of this Act, the term "employer" means any person engaged in commerce or in any industry affecting commerce who employs 50 or more employees at any one worksite for each working day during each of 20 or more calendar workweeks in the current or preceding calendar year; and includes:

"(i) any person who acts directly or indirectly in the interest of an employer to one or more employees;

"(ii) any successor in interest of such an employer; and

"(iii) any public agency, as defined in section 3(x) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(x)); and

notwithstanding any other provision of this act, the period of entitlement described in Sec. 104 (a)(2) of this act shall not exceed 10 workweeks during any 12-month period; and notwithstanding any other provision of this act, the entitlement under paragraph (a)(2), in "Sec. 6333" entitled "Temporary Medical Leave Requirement" contained in Sec. 201 of this act shall not exceed 10 administrative workweeks of the employee during any 12-month period.

TITLE V—CHILD PORNOGRAPHY AND OBSCENITY

SEC. 501. SHORT TITLE.

This title may be cited as the "Child Protection and Obscenity Enforcement Act of 1988".

Subtitle A—Child Pornography

SEC. 511. AMENDMENTS TO EXISTING OFFENSES.

(a) Sexual Exploitation of Children.—Paragraph (2) of subsection 2251(c) of title 18, United States Code, is amended by inserting "by any means including by computer" after "interstate or foreign commerce" both places it appears.

(b) Material Involving Sexual Exploitation of Children.—Subsection 2252(a) of title 18, United States Code, is amended by inserting "by any means including by computer" after "interstate or foreign commerce" each place it appears.

(c) DEFINITION.—Section 2256 of title 18, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (4);

(2) by striking out the period at the end of paragraph (5) and inserting in lieu thereof: "; and"; and

(3) by adding at the end the following:

"(6) 'computer' has the meaning given that term in section 1030 of this title.".

SEC. 512. SELLING OR BUYING OF CHILDREN.

(a) IN GENERAL.—Chapter 110 of title 18, United States Code, is amended by inserting after section 2251 the following:

"§ 2251A. Selling or buying of children

"(a) Any parent, legal guardian, or other person having custody or control of a minor who sells or otherwise transfers custody or control of such minor, or offers to sell or otherwise transfer custody of such minor either—

"(1) with knowledge that, as a consequence of the sale or transfer, the minor will be portrayed in a visual depiction engaging in, or assisting another person to engage in, sexually explicit conduct; or

"(2) with intent to promote either—

"(A) the engaging in of sexually explicit conduct by such minor for the purpose of producing any visual depiction of such conduct; or

"(B) the rendering of assistance by the minor to any other person to engage in sexually explicit conduct for the purpose of producing any visual depiction of such conduct;

shall be punished by imprisonment for not less than 20 years or for life and by a fine under this title, if any of the circumstances described in subsection (c) of this section exist.

"(b) Whoever purchases or otherwise obtains custody or control of a minor, or offers to purchase or otherwise obtain custody or control of a minor either—

"(1) with knowledge that, as a consequence of the purchase or obtaining of custody, the minor will be portrayed in a visual depiction engaging in, or assisting another person to engage in, sexually explicit conduct; or

"(2) with intent to promote either—

"(A) the engaging in of sexually explicit conduct by such minor for the purpose of producing any visual depiction of such conduct; or

"(B) the rendering of assistance by the minor to any other person to engage in sexually explicit conduct for the purpose of producing any visual depiction of such conduct;

shall be punished by imprisonment for not less than 20 years or for life and by a fine under this title, if any of the circumstances described in subsection (c) of this section exist.

"(c) The circumstances referred to in subsections (a) and (b) are that—

"(1) in the course of the conduct described in such subsections the minor or the actor traveled in or was transported in interstate or foreign commerce;

"(2) any offer described in such subsections was communicated or transported in interstate or foreign commerce by any means including by computer or mail; or

"(3) the conduct described in such subsections took place in any territory or possession of the United States.".

(b) DEFINITION.—Section 2256 of title 18, United States Code, as amended by section 201 of this Act, is further amended—

(1) by striking out "and" at the end of paragraph (5);

(2) by striking out the period at the end of paragraph (6) and inserting "; and" in lieu thereof; and

(3) by adding at the end the following:

"(7) 'custody or control' includes temporary supervision over or responsibility for a minor whether legally or illegally obtained.".

(c) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 110 of title 18, United States Code, is amended by inserting after the item relating to section 2251 the following:

"2251A. Selling or buying of children.".

SEC. 513. RECORD KEEPING REQUIREMENTS.

(a) IN GENERAL.—Chapter 110 of title 18, United States Code, is amended by adding at the end thereof the following:

"§ 2257. Record keeping requirements

"(a) Whoever produces any book, magazine, periodical, film, videotape, or other matter which—

"(1) contains one or more visual depictions made after February 6, 1978 of actual sexually explicit conduct; and

"(2) is produced in whole or in part with materials which have been shipped in interstate or foreign commerce, or is shipped or transported or is intended for shipment or transportation in interstate or foreign commerce;

shall create and maintain individually identifiable records pertaining to every performer portrayed in such a visual depiction.

"(b) Any person to whom subsection (a) applies shall, with respect to every performer portrayed in a visual depiction of actual sexually explicit conduct—

"(1) ascertain, by examination of an identification document containing such information, the performer's name and date of birth, and require the performer to provide such other indicia of his or her identity as may be prescribed by regulations;

"(2) ascertain any name, other than the performer's present and correct name, ever used by the performer including maiden name, alias, nickname, stage, or professional name; and

"(3) record in the records required by subsection (a) the information required by paragraphs (1) and (2) of this subsection and such other identifying information as may be prescribed by regulation.

"(c) Any person to whom subsection (a) applies shall maintain the records required by this section at his business premises, or at such other place as the Attorney General may by regulation prescribe and shall make such records available to the Attorney General for inspection at all reasonable times.

"(d)(1) No information or evidence obtained from records required to be created or maintained by this section shall, except as provided in paragraphs (2) and (3), be used, directly or indirectly, as evidence against any person with respect to any violation of law.

"(2) Paragraph (1) of this subsection shall not preclude the use of such information or evidence in a prosecution or other action for a violation of any applicable provision of law with respect to the furnishing of false information.

"(3) In a prosecution of any person to whom subsection (a) applies for an offense in violation of subsection 2251(a) of this title which has as an element the production of a visual depiction of a minor engaging in or assisting another person to engage in sexually explicit conduct and in which that element is sought to be established by showing that a performer within the meaning of this section is a minor—

"(A) proof that the person failed to comply with the provisions of subsection (a) or (b) of this section concerning the creation and maintenance of records, or a regulation issued pursuant thereto, shall raise a rebuttable presumption that such performer was a minor; and

"(B) proof that the person failed to comply with the provisions of subsection (e) of this section concerning the statement required by that subsection shall raise the rebuttable presumption that every performer in the matter was a minor.

"(e)(1) Any person to whom subsection (a) applies shall cause to be affixed to every copy of any matter described in paragraph (1) of subsection (a) of this section, in such manner and in such form as the Attorney General shall by regulations prescribe, a statement describing where the records required by this section with respect to all performers depicted in that copy of the matter may be located.

"(2) If the person to whom subsection (a) of this section applies is an organization the statement required by this subsection shall include the name, title, and business address of the individual employed by such organization responsible for maintaining the records required by this section.

"(3) In any prosecution of a person for an offense in violation of section 2252 of this title which has as an element the transporting, mailing, or distribution of a visual depiction involving the use of a minor engaging in sexually explicit conduct, and in which that element is sought to be established by a showing that a performer within the meaning of this section is a minor, proof that the matter in which the visual depiction is contained did not contain the statement required by this section shall raise a rebuttable presumption that such performer was a minor.

"(f) The Attorney General shall issue appropriate regulations to carry out this section.

"(g) As used in this section—

"(1) the term 'actual sexually explicit conduct' means actual but not simulated conduct as defined in subparagraphs (A) through (E) of paragraph (2) of section 2256 of this title;

"(2) 'identification document' has the meaning given that term in subsection 1028(d) of this title;

"(3) the term 'produces' means to produce, manufacture, or publish and includes the duplication, reproduction, or reissuing of any material; and

"(4) the term 'performer' includes any person portrayed in a visual depiction engaging in, or assisting another person to engage in, actual sexually explicit conduct.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 110 of title 18, United States Code, is amended by adding after the item relating to section 2256 the following:

"2257. Record keeping requirements.".

(c) EFFECTIVE DATE.—Section 2257 of title 18, United States Code, as added by this section shall take effect 180 days after the date of the enactment of this Act except—

(1) the Attorney General shall prepare the initial set of regulations required or au-

thorized by section 2257 within 90 days of the date of the enactment of this Act; and

(2) subsection (e) of section 2257 of this title and of any regulation issued pursuant thereto shall take effect 270 days after the date of the enactment of this Act.

SEC. 514. R.I.C.O. AMENDMENT.

Subsection 1961(1)(B) of title 18, United States Code, is amended by inserting after "section 1957 (relating to engaging in monetary transactions in property derived from specified unlawful activity)" the following: "sections 2251 through 2252 (relating to sexual exploitation of children),".

Subtitle B—Obscenity

SEC. 521. RECEIPT OR POSSESSION FOR SALE; PRESUMPTIONS FOR CHAPTER 71.

(a) Receipt or Possession for Sale.—Chapter 71 of title 18, United States Code, is amended by inserting after section 1465 the following:

"§ 1466. Receipt or possession of obscene matter for sale or distribution

"(a) Whoever is engaged in the business of selling or transferring books, magazines, pictures, papers, films, videotapes, or phonograph or other audio recordings, and knowingly receives or possesses with intent to distribute any obscene book, magazine, picture, paper, film, videotape, or phonograph or other audio recording, which has been shipped or transported in interstate or foreign commerce, shall be punished by imprisonment for not more than 5 years or by a fine under this title, or both.

"(b) As used in this subsection, the term 'engaged in the business' means that the person who sells or transfers or offers to sell or transfer books, magazines, pictures, papers, films, videotapes, or phonograph or other audio recordings, devotes time, attention, or labor to such activities, as a regular course of trade or business, with the objective of earning a profit, although it is not necessary that the person make a profit or that the selling or transferring or offering to sell or transfer such material be the person's sole or principal business or source of income. The offering for sale of or to transfer, at one time, two or more copies of any obscene publication, or two or more of any obscene article, or a combined total of five or more such publications and articles, shall create a rebuttable presumption that the person so offering them is 'engaged in the business' as defined in subsection (b).

"(c) In a prosecution for a violation of this section, it shall be an affirmative defense, on which the defendant has the burden of persuasion by a preponderance of the evidence, that the person—

"(1) ordered or received the obscene matter without examining the matter in advance;

"(2) did not in fact offer the matter for sale, or transfer or offer to transfer it to another person other than the sender; and

"(3) possessed the material less than 21 days.".

(b) Clerical Amendment.—The table of sections at the beginning of chapter 71 of title 18, United States Code, is amended by adding after the item relating to section 1465 the following:

"1466. Receipt or possession of obscene matter for sale or distribution.
"1467. Criminal forfeiture.".

(c) Use of Facility of Commerce.—The first paragraph of section 1465 of title 18, United States Code, is amended by inserting after the word distribution: ", or knowingly travels in interstate commerce, or uses a facility or means of commerce for the purpose of interstate or foreign sale or distribution of,".

(d) Distribution of Proceeds.—Section 1465 of title 18, United States Code, is amended by inserting "or the proceeds from the sale thereof" after "character,".

(e) Presumptions.—Chapter 71 of title 18, United States Code, as amended by subsection (a) of this section and by section 302, is further amended by adding at the end the following:

"§ 1469. Presumptions

"(a) In any prosecution under this chapter in which an element of the offense is that the matter in question was transported, shipped, or carried in interstate commerce, proof, by either circumstantial or direct evidence, that such matter was produced or manufactured in one State and is subsequently located in another State shall raise a rebuttable presumption that such matter was transported, shipped, or carried in interstate commerce.

"(b) In any prosecution under this chapter in which an element of the offense is that the matter in question was transported, shipped, or carried in foreign commerce, proof, by either circumstantial or direct evidence, that such matter was produced or manufactured outside of the United States and is subsequently located in the United States shall raise a rebuttable presumption that such matter was transported, shipped, or carried in foreign commerce.".

(f) Clerical Amendment.—The table of sections at the beginning of chapter 71 of title 18, United States Code, is amended by adding after the item relating to section 1468 the following:

"1469. Presumptions.".

SEC. 522. FORFEITURE IN OBSCENITY CASES.

(a) In General.—Chapter 71 of title 18, United States Code, is amended by adding at the end the following:

"§ 1467. Criminal forfeiture

"(a) Property Subject to Criminal Forfeiture.—A person who is convicted of an offense involving obscene material under this chapter shall forfeit to the United States such person's interest in—

"(1) any obscene material produced, transported, mailed, shipped or received in violation of this chapter;

"(2) any property, real or personal, constituting or traceable to gross profits or other proceeds obtained from such offense; and

"(3) any property, real or personal, used or intended to be used to commit or to promote the commission of such offense. A forfeiture under this subparagraph shall be authorized only by the Attorney General, the Deputy Attorney General, the Associate Attorney General, or the Assistant Attorney General or the Acting Assistant Attorney General in the Criminal Division.

"(b) Third Party Transfers.—All right, title, and interest in property described in subsection (a) of this section vests in the United States upon the commission of the act giving rise to forfeiture under this section. Any such property that is subsequently transferred to a person other than the defendant may be the subject of a special verdict of forfeiture and thereafter shall be ordered forfeited to the United States, unless the transferee establishes in a hearing pursuant to subsection (m) of this section that he is a bona fide purchaser for value of such property who at the time of purchase was reasonably without cause to believe that the property was subject to forfeiture under this section.

"(c) Protective Orders.—(1) Upon application of the United States, the court may enter a restraining order or injunction, require the execution of a satisfactory performance bond, or take any other action to preserve the availability of property described in subsection (a) of this section for forfeiture under this section—

"(A) upon the filing of an indictment or information charging a violation of this chapter for which criminal forfeiture may be ordered under this section and alleging that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section; or

"(B) prior to the filing of such an indictment or information, if, after notice to persons appearing to have an interest in the property and opportunity for a hearing, the court determines that—

"(i) there is a substantial probability that the United States will prevail on the issue of forfeiture and that failure to enter the order will result in the property being destroyed, removed from the jurisdiction of the court, or otherwise made unavailable for forfeiture; and

"(ii) the need to preserve the availability of the property through the entry of the requested order outweighs the hardship on any party against whom the order is to be entered;

except that an order entered under subparagraph (B) shall be effective for not more than 90 days, unless extended by the court for good cause shown or unless an indictment or information described in subparagraph (A) has been filed.

"(2) A temporary restraining order under this subsection may be entered upon application of the United States without notice or opportunity for a hearing when an information or indictment has not yet been filed with respect to the property, if the United States demonstrates that there is probable cause to believe that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section and that provision of notice will jeopardize the availability of the property for forfeiture. Such a temporary order shall expire not more than 10 days after the date on which it is entered, unless extended for good cause shown or unless the party against whom it is entered consents to an extension for a longer period. A hearing requested concerning an order entered under this paragraph shall be held at the earliest possible time and prior to the expiration of the temporary order.

"(3) The court may receive and consider, at a hearing held pursuant to this subsection, evidence and information that would be inadmissible under the Federal Rules of Evidence.

"(d) Warrant of Seizure.—The Government may request the issuance of a warrant authorizing the seizure of property subject to forfeiture under this section in the same manner as provided for a search warrant. If the court determines that there is probable cause to believe that the property to be seized would, in the event of conviction, be subject to forfeiture and that an order under subsection (c) of this section may not be sufficient to assure the availability of the property for forfeiture, the court shall issue a warrant authorizing the seizure of such property.

"(e) Order of Forfeiture.—The court shall order forfeiture of property referred to in subsection (a) if the trier of fact determines, beyond a reasonable doubt, that such property is subject to forfeiture.

"(f) Execution.—Upon entry of an order of forfeiture under this section, the court shall authorize the Attorney General to seize all property ordered forfeited upon such terms and conditions as the court shall deem proper. Following entry of an order declaring the property forfeited, the court may, upon application of the United States, enter such appropriate restraining orders or injunctions, require the execution of satisfactory performance bonds, appoint receivers, conservators, appraisers, accountants, or trustees, or take any other action to protect the interest of the United States in the property ordered forfeited. Any income accruing to or derived from property ordered forfeited under this section may be used to offset ordinary and necessary expenses to the property which are required by law, or which are necessary to protect the interests of the United States or third parties.

"(g) Disposition of Property.—Following the seizure of property ordered forfeited under this section, the Attorney General shall destroy or retain for official use any property described in paragraph (1) of subsection (a) and shall direct the disposition of any property described in paragraph (2) of subsection (a) by sale or any other commercially feasible means, making due provision for the rights of any innocent persons. Any property right or interest not exercisable by, or transferable for value to, the United States shall expire and shall not revert to the defendant, nor shall the defendant or any person acting in concert with him or on his behalf be eligible to purchase forfeited property at any sale held by the United States. Upon application of a person, other than the defendant or person acting in concert with him or on his behalf, the court may restrain or stay the sale or disposition of the property pending the conclusion of any appeal of the criminal case giving rise to the forfeiture, if the applicant demonstrates that proceeding with the sale or disposition of the property will result in irreparable injury, harm, or loss to him.

"(h) Authority of Attorney General.—With respect to property ordered forfeited under this section, the Attorney General is authorized to—

"(1) grant petitions for mitigation or remission of forfeiture, restore forfeited property to victims of a violation of this chapter, or take any other action to protect the rights of innocent persons which is in the interest of justice and which is not inconsistent with the provisions of this section;

"(2) comprise claims arising under this section;

"(3) award compensation to persons providing information resulting in a forfeiture under this section;

"(4) direct the disposition by the United States, in accordance with the provisions of section 1616, title 19, United States Code, of all property ordered forfeited under this section by public sale or any other commercially feasible means, making due provision for the rights of innocent persons; and

"(5) take appropriate measures necessary to safeguard and maintain property ordered forfeited under this section pending its disposition.

"(i) Applicability of Civil Forfeiture Provisions.—Except to the extent that they are inconsistent with the provisions of this section, the provisions of section 1468(d) of this title (18 U.S.C. 1468(d)) shall apply to a criminal forfeiture under this section.

"(j) Bar on Intervention.—Except as provided in subsection (m) of this section, no party claiming an interest in property subject to forfeiture under this section may—

"(1) intervene in a trial or appeal of a criminal case involving the forfeiture of such property under this section; or

"(2) commence an action at law or equity against the United States concerning the validity of his alleged interest in the property subsequent to the filing of an indictment or information alleging that the property is subject to forfeiture under this section.

"(k) Jurisdiction To Enter Orders.—The district courts of the United States shall have jurisdiction to enter orders as provided in this section without regard to the location of any property which may be subject to forfeiture under this section or which has been ordered forfeited under this section.

"(l) Depositions.—In order to facilitate the identification and location of property declared forfeited and to facilitate the disposition of petitions for remission or mitigation of forfeiture, after the entry of an order declaring property forfeited to the United States, the court may, upon application of the United States, order that the testimony of any witness relating to the property forfeited be taken by deposition and that any designated book, paper, document, record, recording, or other material not privileged be produced at the same time and place, in the same manner as provided for the taking of depositions under Rule 15 of the Federal Rules of Criminal Procedure.

"(m) Third Party Interests.—(1) Following the entry of an order of forfeiture under this section, the United States shall publish notice of the order and of its intent to dispose of the property in such manner as the Attorney General may direct. The Government may also, to the extent practicable, provide direct written notice to any person known to have alleged an interest in the property that is the subject of the order of forfeiture as a substitute for published notice as to those persons so notified.

"(2) Any person, other than the defendant, asserting a legal interest in property which has been ordered forfeited to the United States pursuant to this section may, within 30 days of the final publication of notice or his receipt of notice under paragraph (1), whichever is earlier, petition the court for a hearing to adjudicate the validity of his alleged interest in the property. The hearing shall be held before the court alone, without a jury.

"(3) The petition shall be signed by the petitioner under penalty of perjury and shall set forth the nature and extent of the petitioner's right, title, or interest in the property, the time and circumstances of the petitioner's acquisition of the right, title, or interest in the property, any additional facts supporting the petitioner's claim, and the relief sought.

"(4) The hearing on the petition shall, to the extent practicable and consistent with the interests of justice, be held within 30 days of the filing of the petition. The court may consolidate the hearing on the petition with a hearing on any other petition filed by a person other than the defendant under this subsection.

"(5) At the hearing, the petitioner may testify and present evidence and witnesses on his own behalf, and cross-examine witnesses who appear at the hearing. The United States may present evidence and witnesses in rebuttal and in defense of its claim to the property and cross-examine witnesses who appear at the hearing. In addition to testimony and evidence presented at the hearing, the court shall consider the relevant portions of the record of the criminal case which resulted in the order of forfeiture.

"(6) If, after the hearing, the court determines that the petitioner has established by a preponderance of the evidence that—

"(A) the petitioner has a legal right, title, or interest in the property, and such right, title, or interest renders the order of forfeiture invalid in whole or in part because the right, title, or interest was vested in the petitioner rather than the defendant or was superior to any right, title, or interest of the defendant at the time of the commission of the acts which gave rise to the forfeiture of the property under this section; or

"(B) the petitioner is a bona fide purchaser for value of the right, title, or interest in the property and was at the time of purchase reasonably without cause to believe that the property was subject to forfeiture under this section;

the court shall amend the order of forfeiture in accordance with its determination.

"(7) Following the court's disposition of all petitions filed under this subsection, or if no such petitions are filed following the expiration of the period provided in paragraph (2) for the filing of such petitions, the United States shall have clear title to property that is the subject of the order of forfeiture and may warrant good title to any subsequent purchaser or transferee.

"(n) Construction.—The provisions of this section shall be liberally construed to effectuate its remedial purposes.

"(o) Substitute Assets.—If any of the property described in subsection (a), as a result of any act or omission of the defendant—

"(1) cannot be located upon the exercise of due diligence;

"(2) has been transferred or sold to, or deposited with, a third party;

"(3) has been placed beyond the jurisdiction of the court;

"(4) has been substantially diminished in value; or

"(5) has been commingled with other property which cannot be divided without difficulty;

the court shall order the forfeiture of any other property of the defendant up to the value of any property described in paragraphs (1) through (5).".

(b) Repeal.—The last paragraph of section 1465 of title 18, United States Code, is repealed.

(c) Sexual Abuse of Children.—Sections 2253 through 2254 of title 18, United States Code, are amended to read as follows:

"§ 2253. Criminal forfeiture

"(a) Property Subject to Criminal Forfeiture.—A person who is convicted of an offense under this chapter involving a visual depiction described in sections 2251, 2251A, or 2252 of this chapter shall forfeit to the United States such person's interest in—

"(1) any visual depiction described in sections 2251, 2251A, or 2252 of this chapter, or any book, magazine, periodical, film, videotape, or other matter which contains any such visual depiction, which was produced, transported, mailed, shipped or received in violation of this chapter;

"(2) any property, real or personal, constituting or traceable to gross profits or other proceeds obtained from such offense; and

"(3) any property, real or personal, used or intended to be used to commit or to promote the commission of such offense.

"(b) Third Party Transfers.—All right, title, and interest in property described in subsection (a) of this section vests in the United States upon the commission of the act giving rise to forfeiture under this section. Any such property that is subsequently transferred to a person other than the defendant may be the subject of a special verdict of forfeiture and thereafter shall be ordered forfeited to the United States, unless the transferee establishes in a hearing pursuant to subsection (m) of this section that he is a bona fide purchaser for value of such property who at the time of purchase was reasonably without cause to believe that the property was subject to forfeiture under this section.

"(c) Protective Orders.—(1) Upon application of the United States, the court may enter a restraining order or injunction, require the execution of a satisfactory performance bond, or take any other action to preserve the availability of property described in subsection (a) of this section for forfeiture under this section—

"(A) upon the filing of an indictment or information charging a violation of this chapter for which criminal forfeiture may be ordered under this section and alleging that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section; or

"(B) prior to the filing of such an indictment or information, if, after notice to persons appearing to have an interest in the property and opportunity for a hearing, the court determines that—

(i) there is a substantial probability that the United States will prevail on the issue of forfeiture and that failure to enter the order will result in the property being destroyed, removed from the jurisdiction of the court, or otherwise made unavailable for forfeiture; and

(ii) the need to preserve the availability of the property through the entry of the requested order outweighs the hardship on any party against whom the order is to be entered;

except that an order entered pursuant to subparagraph (B) shall be effective for not more than 90 days, unless extended by the court for good cause shown or unless an indictment or information described in subparagraph (A) has been filed.

"(2) A temporary restraining order under this subsection may be entered upon application of the United States without notice or opportunity for a hearing when an information or indictment has not yet been filed with respect to the property, if the United States demonstrates that there is probable cause to believe that the property with respect to which the order is sought would, in the event of conviction, be subject to forfeiture under this section and that provision of notice will jeopardize the availability of the property for forfeiture. Such a temporary order shall expire not more than 10 days after the date on which is it entered, unless extended for good cause shown or unless the party against whom it is entered consents to an extension for a longer period. A hearing requested concerning an order entered under this paragraph shall be held at the earliest possible time and prior to the expiration of the temporary order.

"(3) The court may receive and consider, at a hearing held pursuant to this subsection, evidence and information that would be inadmissible under the Federal Rules of Evidence.

"(d) Warrant of Seizure.—The Government may request the issuance of a warrant authorizing the seizure of property subject to forfeiture under this section in the same manner as provided for a search warrant. If the court determines that there is probable cause to believe that the property to be seized would, in the event of conviction, be subject to forfeiture and that an order under subsection (c) of this section may not be sufficient to assure the availability of the property for forfeiture, the court shall issue a warrant authorizing the seizure of such property.

"(e) Order of Forfeiture.—The court shall order forfeiture of property referred to in subsection (a) if the trier of fact determines, beyond a reasonable doubt, that such property is subject to forfeiture.

"(f) Execution.—Upon entry of an order of forfeiture under this section, the court shall authorize the Attorney General to seize all property ordered forfeited upon such terms and conditions as the court shall deem proper. Following entry of an order declaring the property forfeited, the court may, upon application of the United States, enter such appropriate restraining orders or injunctions, require the execution of satisfactory performance bonds, appoint receivers, conservators, appraisers, accountants, or trustees, or take any other action to protect the interest of the United States in the property ordered forfeited. Any income accruing to or derived from property ordered forfeited under this section may be used to offset ordinary and necessary expenses to the property which are required by law, or which are necessary to protect the interests of the United States or third parties.

"(g) Disposition of Property.—Following the seizure of property ordered forfeited under this section, the Attorney General shall destroy or retain for official use any article described in paragraph (1) of subsection (a), and shall retain for official use or direct the disposition of any property described in paragraph (2) or (3) of subsection (a) by sale or any other commercially feasible means, making due provision for the rights of any innocent persons. Any property right or interest not exercisable by, or transferable for value to, the United States shall expire and shall not revert to the defendant, nor shall the defendant or any person acting in concert with him or on his behalf be eligible to purchase forfeited property at any sale held by the United States. Upon application of a person, other than the defendant or person acting in concert with him or on his behalf, the court may restrain or stay the sale or disposition of the property pending the conclusion of any appeal of the criminal case giving rise to the forfeiture, if the applicant demonstrates that proceeding with the sale or disposition of the property will result in irreparable injury, harm, or loss to him.

"(h) Authority of Attorney General.—With respect to property ordered forfeited under this section, the Attorney General is authorized to—

"(1) grant petitions for mitigation or remission of forfeiture, restore forfeited property to victims of a violation of this chapter, or take any other action to protect the rights of innocent persons which is in the interest of justice and which is not inconsistent with the provisions of this section;

"(2) compromise claims arising under this section;

"(3) award compensation to persons providing information resulting in a forfeiture under this section;

"(4) direct the disposition by the United States, in accordance with the provisions of section 1616, title 19, United States Code, of all property ordered forfeited under this section by public sale or any other commercially feasible means, making due provision for the rights of innocent persons; and

"(5) take appropriate measures necessary to safeguard and maintain property ordered forfeited under this section pending its disposition.

"(i) Applicability of Civil Forfeiture Provisions.—Except to the extent that they are inconsistent with the provisions of this section, the provisions of section 2254(d) of this title (18 U.S.C. 2254(d)) shall apply to a criminal forfeiture under this section.

"(j) Bar on Intervention.—Except as provided in subsection (m) of this section, no party claiming an interest in property subject to forfeiture under this section may—

"(1) intervene in a trial or appeal of a criminal case involving the forfeiture of such property under this section; or

"(2) commence an action at law or equity against the United States concerning the validity of his alleged interest in the property subsequent to the filing of an indictment or information alleging that the property is subject to forfeiture under this section.

"(k) Jurisdiction to Enter Orders.—The district courts of the United States shall have jurisdiction to enter orders as provided in this section without regard to the location of any property which may be subject to forfeiture under this section or which has been ordered forfeited under this section.

"(l) Depositions.—In order to facilitate the identification and location of property declared forfeited and to facilitate the disposition of petitions for remission or mitigation of forfeiture, after the entry of an order declaring property forfeited to the United States, the court may, upon application of the United States, order that the testimony of any witness relating to the property forfeited be taken by deposition and that any designated book, paper, document, record, recording, or other material not privileged be produced at the same time and place, in the same manner as provided for the taking of depositions under rule 15 of the Federal Ruled of Criminal Procedure.

"(m) Third Party Interests.—(1) Following the entry of an order of forfeiture under this section, the United States shall publish notice of the order and of its intent to dispose of the property in such manner as the Attorney General may direct. The Government may also, to the extent practicable, provide direct written notice to any person known to have alleged an interest in the property that is the subject of the order of forfeiture as a substitute for published notice as to those person so notified.

SEC. 524. COMMUNICATIONS ACT AMENDMENT.

Section 223(b) of the Communications Act of 1934 (47 U.S.C. 223(b)) is amended to read as follows:

"(b)(1)(A) Whoever knowingly—

"(i) in the District of Columbia or in interstate or foreign communication, by means of telephone, makes (directly or by recording device) any obscene communication for commercial purposes to any person, regardless of whether the maker of such communication placed the call; or

"(ii) permits any telephone facility under such person's control to be used for an activity prohibited by clause (i);

shall be fined in accordance with title 18 of the United States Code, or imprisoned not more than two years, or both.

"(2)(A) Whoever knowingly—

"(i) in the District of Columbia or in interstate or foreign communication, by means of telephone, makes (directly or by recording device) any indecent communication for commercial purposes to any person, regardless of whether the maker of such communication placed the call; or

"(ii) permits any telephone facility under such person's control to be used for an activity prohibited by clause (i),

shall be fined not more than $50,000 or imprisoned not more than six months, or both.".

SEC. 525. ELECTRONIC SURVEILLANCE.

Subsection (1) of section 2516 of title 18, United States Code, is amended by redesignating paragraphs (i) and (j) as (j) and (k), respectively, and by adding a new paragraph (i) as follows:

"(i) any felony violation of chapter 71 (relating to obscenity) of this title;".

SEC. 526. POSSESSION AND SALE OF OBSCENE MATTERS IN FEDERAL JURISDICTION OR ON FEDERAL PROPERTY.

(a) IN GENERAL.—Chapter 71 of title 18, United States Code, is amended by inserting before section 1461 the following:

"§ 1460. Possession and sale of obscene matter on Federal property

"(a) Whoever, either—

"(1) in the special maritime and territorial jurisdiction of the United States, or on any land or building owned by, leased to, or otherwise used by or under the control of the Government of the United States; or

"(2) in the Indian country as defined in section 1151 of this title,

knowingly sells or possesses with intent to sell an obscene visual depiction or a visual depiction of a minor engaging in or assisting another person to engage in sexually explicit conduct, shall be punished by a fine in accordance with the provisions of this title or imprisoned for not more than 2 years, or both.

"(b) Except as provided in subsection (c), whoever, in an area described in subparagraph (1) or (2) of subsection (a) knowingly possesses an obscene visual depiction or a visual depiction of a minor engaging in or assisting another person to engage in sexually explicit conduct shall be punished by imprisonment for not more than 6 months or a fine of not more than $5,000 for an individual or $10,000 for a person other than an individual, or both.

"(c) Subsection (b) shall not apply in the case of a person who possesses an obscene visual depiction in any place where such person lives or resides.

"(d) For the purposes of this section—

"(1) the term 'visual depiction' includes undeveloped film and videotape but does not include mere words; and

"(2) the terms 'minor' and 'sexually explicit conduct' have the meaning given those terms in chapter 110 of this title.

"(e) In a prosecution for a violation of this section involving an obscene visual depiction, it shall be an affirmative defense, on which the defendant has the burden of persuasion by a preponderance of the evidence, that the person—

"(1) ordered or received the obscene matter without examining the matter in advance;

"(2) did not in fact offer the matter for sale, or transfer or offer to transfer it to another person other than the sender; and

"(3) possessed the material less than 21 days.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 71 of title 18, United States Code, is amended by adding before the item relating to section 1461 the following:

"1460. Possession and sale of obscene matter on Federal property.".

SEC. 527. CIVIL FORFEITURE.

(a) IN GENERAL.—Chapter 71 of title 18, United States Code, is amended by adding the following new section at the end thereof:

"§ 1470. Civil forfeiture

"(a) PROPERTY SUBJECT TO CIVIL FORFEITURE.—The following property shall be subject to forfeiture by the United States:

"(1) Any material that has been adjudged obscene in any criminal case, Federal or State, that is produced, transported, mailed, shipped, or received in violation of this chapter.

"(2) Any property, real or personal, constituting or traceable to gross profits or other proceeds obtained from a violation of this chapter involving material that has been adjudged obscene in any criminal case, State or Federal, except that no property shall be forfeited under this paragraph, to the extent of the interest of an owner, by reason of any act or omission established by that owner to have been committed or omitted without the knowledge or consent of that owner.

"(b) SEIZURE PURSUANT TO SUPPLEMENTAL RULES FOR CERTAIN ADMIRALTY AND MARITIME CLAIMS.—Any property subject to forfeiture to the United States under this section may be seized by the Attorney General upon process issued pursuant to the Supplemental Rules for Certain Admiralty and Maritime Claims by any district court of the United States having jurisdiction over the property, except that seizure without such process may be made when the seizure is pursuant to a search under a search warrant. The government may request the issuance of a warrant authorizing the seizure of property subject to forfeiture under this section in the same manner as provided for a search warrant under the Federal Rules of Criminal Procedure.

"(c) CUSTODY OF ATTORNEY GENERAL.—Property taken or detained under this section shall not be repleviable, but shall be deemed to be in the custody of the Attorney General, subject only to the orders and decrees of the court or the official having jurisdiction thereof. Whenever property is seized under any of the provisions of this subchapter, the Attorney General may—

"(1) place the property under seal;

"(2) remove the property to a place designated by him; or

"(3) require that the General Services Administration take custody of the property and remove it, if practicable, to an appropriate location for disposition in accordance with law.

"(d) OTHER LAWS AND PROCEEDINGS APPLICABLE.—All provisions of the customs laws relating to the seizure, summary and judicial forfeiture, and condemnation of property for violation of the customs laws, the disposition of such property or the proceeds from the sale thereof, the remission or mitigation of such forfeitures, and the compromise of claims, shall apply to seizures and forfeitures incurred, or alleged to have been incurred, under this section, insofar as applicable and not inconsistent with the provisions of this section, except that such duties as are imposed upon the customs officer or any other person with respect to the seizure and forfeiture of property under the customs laws shall be performed with respect to seizures and forfeitures of property under this section by such officers, agents, or other persons as may be authorized or designated for that purpose by the Attorney General or the Postal Service, except to the extent that such duties arise from seizures and forfeitures effected by any customs officer.

"(e) APPLICABILITY OF CERTAIN SECTIONS.—Sections 1606, 1607, 1608, 1609, 1613, 1614, 1617, and 1618 of title 19 shall not apply with respect to obscene material subject to forfeiture under subsection (a)(1) of this section.

"(f) DISPOSITION OF FORFEITED PROPERTY.—Whenever property is forfeited under this section the Attorney General shall destroy or retain for official use any article described in paragraph (1) of subsection (a), and with respect to property described in paragraphs (2) and (3) of subsection (a) may—

"(1) retain the property for official use or transfer the custody or ownership of any forfeited property to a Federal, State, or local agency pursuant to section 1616 of title 19;

"(2) sell any forfeited property which is not required to be destroyed by law and which is not harmful to the public; or

"(3) require that the General Services Administration take custody of the property and dispose of it in accordance with law.

The Attorney General shall ensure the equitable transfer pursuant to paragraph (1) of any forfeited property to the appropriate State or local law enforcement agency so as to reflect generally the contribution of any such agency participating directly in any of the acts which led to the seizure or forfeiture of such property. A decision by the Attorney General pursuant to paragraph (1) shall not be subject to judicial review. The Attorney General shall forward to the Treasurer of the United States for deposit in accordance with section 524(c) of title 28 the proceeds from any sale under paragraph (2) and any moneys forfeited under this subchapter.

"(g) TITLE TO PROPERTY.—All right, title, and interest in property described in subsection (a) of this section shall vest in the United States upon commission of the act giving rise to forfeiture under this section.

"(h) STAY OF PROCEEDINGS.—The filing of an indictment or information alleging a violation of this chapter which is also related to a civil forfeiture proceeding under this section shall, upon motion of the United States and for good cause shown, stay the civil forfeiture proceeding.

"(i) VENUE.—In addition to the venue provided for in section 1395 of title 28 or any other provision of law, in the case of property of a defendant charged with a violation that is the basis for forfeiture of the property under this section, a proceeding for forfeiture under this section may be brought in the judicial district in which the defendant owning such property is found or in the judicial district in which the criminal prosecution is brought.".

(b) CLERICAL AMENDMENTS.—The table of sections at the beginning of chapter 71 of title 18, United States Code, is amended by inserting after the item relating to section 1469 the following:

"1470. Civil forfeiture.".

(c) REPEAL.—The last paragraph of section 1465 of title 18, United States Code, is repealed.

SEC. 528. CIVIL FINES.

Chapter 71 of title 18, United States Code, is amended by inserting at the end the following new section:

"Section 1471. Civil fines.

"(a) Whoever produces, transports, mails, ships or receives any article that has been adjudged obscene in any state or federal criminal case shall be subject to a civil penalty of—

"(1) for a first violation, not more than $10,000;

"(2) for a second violation, not more than $50,000; and

"(3) for a third or subsequent violation, not more than $250,000 in the case of an individual, or $500,000 in the case of an organization.

"(b) An action to recover a fine imposable under subsection (a) shall be brought in the name of the United States. The Attorney General may commence such a civil action in the district court in any district where the violation occurs. Such an action must be commenced within 5 years of the violation. The Attorney General may compromise, modify, or remit with or without condition any civil penalty imposed under this section.

"(c) In any civil action under this section, the defendant shall have a right to a trial by jury, and the government shall have the burden of proof, by a preponderance of the evidence, that the article is obscene under the standards of the community in which the trial takes place."

SEC. 529. SEVERABILITY.

If any of the provisions of this Act are found invalid, such finding shall not affect the validity or effect of the remaining provisions thereof.

TITLE V—CHILD CARE PROVISIONS

SEC. 501. SHORT TITLE.

This title may be cited as the "Act for Better Child Care Services of 1988".

SEC. 502. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) the number of children living in homes where both parents work, or living in homes with a single parent who works, has increased dramatically over the last decade;

(2) the availability of quality child care is critical to the self-sufficiency and independence of millions of American families, including the growing number of mothers with young children who work out of economic necessity;

(3) high quality child care programs can strengthen our society by providing young children with the foundation on which to learn the basic skills necessary to be productive workers;

(4) the years from birth to age 6 are a critical period in the development of a young child;

(5) a significant number of parents do not have a real choice as they seek adequate child care for their young children because of limited incomes, insufficient State child care standards, and the inadequate supply of child care services in their community;

(6) high quality early childhood development programs provided during such period are cost effective because such programs can reduce the chances of juvenile delinquency and adolescent pregnancy and can improve the likelihood that children will finish high school and become employed;

(7) the number of quality child care arrangements falls far short of the number required for children in need of child care services;

(8) the rapid growth of participation in the labor force by mothers of children under the age of 1 has resulted in a critical shortage of quality child care arrangements for infants and toddlers;

(9) the lack of available child care services results in many preschool and school-age children being left without adequate supervision for significant parts of the day;

(10) many working parents who are unable to afford adequate child care services do not receive adequate financial assistance for such services from employers or public sources;

(11) because of the lack of affordable child care, a large number of parents are not able to work or to seek the training or education they need to become self sufficient;

(12) making adequate child care services available for parents who are employed, seeking employment, or seeking to develop employment skills promotes and strengthens the well-being of families and the national economy;

(13) the payment of the exceptionally low salaries to child care workers adversely affects the quality of child care services by making it difficult to retain qualified staff;

(14) several factors result in the shortage of quality child care options for children and parents, including—

(A) the inability of parents to pay for child care services;

(B) the lack of up-to-date information on child care services;

(C) the lack of training opportunities for staff in child care programs;

(D) the high rate of staff turnover in child care facilities; and

(E) the wide differences among the States in child care licensing and enforcement policies; and

(15) improved coordination of child care services will help to promote the most efficient use of child care resources.

(b) PURPOSES.—The purposes of this subtitle are—

(1) to build on and to strengthen the role of the family by seeking to ensure that parents are not forced by lack of available programs or financial resources to place a child in an unsafe or unhealthy child care facility or arrangement;

(2) to promote the availability and diversity of quality child care services to expand child care options available to all families who need such services;

(3) to provide assistance to families whose financial resources are not sufficient to enable such families to pay the full cost of necessary child care services;

(4) to lessen the chances that children will be left to fend for themselves for significant parts of the day;

(5) to improve the productivity of parents in the labor force by lessening the stresses related to the absence of adequate child care services;

(6) to provide assistance to States to improve the quality of, and coordination among, child care programs;

(7) to increase the opportunities for attracting and retaining qualified staff in the field of child care to provide high quality child care services to children; and

(8) to strengthen the competitiveness of the United States by providing young children with a sound early childhood development experience.

SEC. 503. DEFINITIONS.

As used in this subtitle:

(1) ADMINISTRATOR.—The term "Administrator" means the Administrator of Child Care appointed under section 514(a).

(2) CAREGIVER.—The term "caregiver" means an individual who provides a service directly to an eligible child on a person-to-person basis.

(3) CENTER-BASED CHILD CARE PROVIDER.—The term "center-based child care provider" means a child care provider that provides child care services in a nonresidential facility.

(4) CHILD CARE CERTIFICATE.—The term "child care certificate" means a certificate that is issued by the State to parents who may use such certificate only as payment for child care services for an eligible child and that provides to an eligible child care provider a right to reimbursement for such services at the same rate charged by that provider for comparable services to children whose parents are not eligible for certificates under this subtitle or for child care assistance under any other Federal or State program.

(5) COMMUNITY-BASED ORGANIZATION.—The term "community-based organization" has the meaning given such term by section 4(5) of the Job Training and Partnership Act (29 U.S.C. 1503(5)).

(6) ELEMENTARY SCHOOL.—The term "elementary school" means a day or residential school that provides elementary education, as determined under State law.

(7) ELIGIBLE CHILD.—The term "eligible child" means an individual—

(A) who is less than 16 years of age;

(B) whose family income does not exceed 100 percent of the State median income for a family of the same size; and

(C) who—

(i) resides with a parent or parents who are working, seeking employment, or enrolled in a job training or educational program; or

(ii) is receiving, or needs to receive, protective services and resides with a parent or parents not described in clause (i).

(8) ELIGIBLE CHILD CARE PROVIDER.—The term "eligible child care provider" means a center-based child care provider, a group home child care provider, a family child care provider, or other provider of child care services for compensation that—

(A) is licensed or regulated under State law;

(B) satisfies—

(i) the Federal requirements, except as provided in subparagraph (C); and

(ii) the State and local requirements;

applicable to the child care services it provides; and

(C) after the expiration of the 4-year period beginning on the date the Secretary establishes minimum child care standards under section 517(e)(2), complies with such standards that are applicable to the child care services it provides.

(9) FAMILY CHILD CARE PROVIDER.—The term "family child care provider" means 1 individual who provides child care services for fewer than 24 hours per day, as the sole caregiver, and in the private residence of such individual.

(10) FAMILY SUPPORT SERVICES.—The term "family support services" means services that assist parents by providing support in parenting and by linking parents with community resources and with other parents.

(11) FULL-WORKING-DAY.—The term "full-working-day" means at least 10 hours per day.

(12) GROUP HOME CHILD CARE PROVIDER.—The term "group home child care provider" means 2 or more individuals who jointly

provide child care services for fewer than 24 hours per day and in a private residence.

(13) HANDICAPPING CONDITION.—The term "handicapping condition" means any condition set forth in section 602(a)(1) of the Education of the Handicapped Act (20 U.S.C. 1401(a)(1)) or section 672(1) of the Education of the Handicapped Act (20 U.S.C. 1471(a)).

(14) INDIAN TRIBE.—The term "Indian tribe" has the meaning given it in section 4(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(b)).

(15) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given such term in section 481(a)(1) of the Higher Education Act of 1965 (20 U.S.C. 1088(a)(1)), except that with respect to a tribally controlled community college such term has the meaning given it in section 2(a)(5) of the Tribally Controlled Community College Assistance Act of 1978 (25 U.S.C. 1801(a)(5)).

(16) LEAD AGENCY.—The term "lead agency" means the agency designated under section 506(a).

(17) LOCAL EDUCATIONAL AGENCY.—The term "local educational agency" has the meaning given that term in section 198(a)(10) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2854(a)(10)).

(18) PARENT.—The term "parent" includes a legal guardian or other person standing in loco parentis.

(19) SCHOOL-AGE CHILD CARE SERVICES.—The term "school-age child care services" means child care services that are—

"(A) provided during such times of the school day when regular instructional services are not in session; and

"(B) not intended as an extension of or replacement for the regular academic program, but are intended to provide an environment which enhances the social, emotional, and recreational development of children of school age;

(20) SECONDARY SCHOOL.—The term "secondary school" means a day or residential school which provides secondary education, as determined under State law.

(21) SECRETARY.—The term "Secretary" means the Secretary of Health and Human Services unless the context specifies otherwise.

(22) SCHOOL FACILITIES.—The term "school facilities" means classrooms and related facilities used to provide education.

(23) SLIDING FEE SCALE.—The term "sliding fee scale" means a system of cost sharing between the State and a family based on income and size of the family with the very low income families having to pay no cost.

(24) STATE.—The term "State" means any of the several States, the District of Columbia, the Virgin Islands of the United States, the Commonwealth of Puerto Rico, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Marshall Islands, the Federated States of Micronesia, or Palau.

(25) UNIT OF GENERAL PURPOSE LOCAL GOVERNMENT.—The term "unit of general purpose local government" means any city, county, town, township, parish, village, a combination of such general purpose political subdivisions including those in two or more States, or other general purpose political subdivisions of a State.

(26) TRIBAL ORGANIZATION.—The term "tribal organization" has the meaning given it in section 4(c) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(c)).

(27) TRIBALLY CONTROLLED COMMUNITY COLLEGE.—The term "tribally controlled community college" has the meaning given it in section 2(a)(4) of the Tribally Controlled Community College Assistance Act of 1978 (25 U.S.C. 1801(a)(4)).

SEC. 504. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—To carry out this subtitle, other than section 521, there are authorized to be appropriated $2,500,000,000 for the fiscal year 1990 and such sums as may be necessary in each of the fiscal years 1991 through 1994.

SEC. 505. AMOUNTS RESERVED; ALLOTMENTS.

(a) AMOUNTS RESERVED.—

(1) TERRITORIES AND POSSESSIONS.—The Secretary shall reserve not to exceed one half of 1 percent of the amount appropriated under section 504(a) in each fiscal year for payments to Guam, American Samoa, the Virgin Islands of the United States, the Commonwealth of the Northern Mariana Islands, the Marshall Islands, the Federated States of Micronesia, and Palau, to be allotted in accordance with their respective needs.

(2) INDIANS.—The Secretary shall reserve an amount, not less than 1.5 percent and not more than 3 percent of the amount appropriated under section 504(a) in each fiscal year, to carry out subsection (c) regarding Indian children.

(b) STATE ALLOTMENT.—

(1) GENERAL RULE.—From the remainder of the sums appropriated under section 504(a) for each fiscal year, the Secretary shall allot to each State (excluding jurisdictions referred to in subsection (a)(1)) an amount equal to the sum of—

(A) an amount that bears the same ratio to 50 percent of such remainder as the product of the young child factor of the State and the allotment percentage bears to the sum of the corresponding products for all States; and

(B) an amount that bears the same ratio to 50 percent of such remainder as the product of the school lunch factor of the State and the allotment percentage bears to the sum of the corresponding products for all the States.

(2) YOUNG CHILD FACTOR.—The term "young child factor" means the ratio of the number of children in the State who are less than 5 years of age to the number of children in all the States who are less than 5 years of age.

(3) SCHOOL LUNCH FACTOR.—The term "school lunch factor" means the ratio of the number of children in the State who are receiving free or reduced price lunches under the school lunch program established under the National School Lunch Act (42 U.S.C. 1751 et seq.) to the number of children in all the States who are receiving free or reduced price lunches under such program.

(4) ALLOTMENT PERCENTAGE.—

(A) IN GENERAL.—The allotment percentage for a State is determined by dividing—

(i) the per capita income of all individuals in the United States; by

(ii) the per capita income of all individuals in the State.

(B) LIMITATIONS.—If a sum determined under subparagraph (A)—

(i) exceeds 1.2, then the allotment percentage of that State shall be considered to be 1.2; and

(ii) is less that 0.8, then the allotment percentage of the State shall be considered to be 0.8.

(C) PER CAPITA INCOME.—For purposes of subparagraph (A), per capita income shall be—

(i) determined at 2-year intervals;

(ii) applied for the 2-year period beginning on October 1 of the first fiscal year beginning on the date such determination is made; and

(iii) equal to the average of the annual per capita incomes for the most recent period of 3 consecutive years for which satisfactory data are available from the Department of Commerce at the time such determination is made.

(c) PAYMENTS FOR THE BENEFIT OF INDIAN CHILDREN.—

(1) TRIBAL ORGANIZATIONS.—From the funds reserved under subsection (a)(2), the Secretary may, upon the application of a Indian tribe or tribal organization enter into a contract with, or make a grant to such Indian tribe or tribal organization for a period of 3 years, subject to satisfactory performance, to plan and carry out programs and activities that are consistent with this subtitle. Such contract or grant shall be subject to the terms and conditions of section 102 of the Indian Self-Determination Act (25 U.S.C. 450f) and shall be conducted in accordance with sections 4, 5, and 6 of the Act of April 16, 1934 (48 Stat. 596; 25 U.S.C. 655-657), that are relevant to such programs and activities.

(2) INDIAN RESERVATIONS.—In the case of an Indian tribe in a State other than the States of Oklahoma, Alaska, and California, such programs and activities shall be carried out on the Indian reservation for the benefit of Indian children.

(3) STANDARDS.—

(A) IN GENERAL.—Subject to subparagraph (B), the Secretary shall establish, through the application process, standards applicable to child care services provided under such programs and activities. For purposes of establishing such standards, the Secretary shall take into consideration—

(i) the codes, regulations, and cultural factors of the Indian tribe involved, as expressed by such tribe or the tribal organization that represents such tribe; and

(ii) the State licensing and regulatory requirements applicable to child care services provided in the State in which such program and activities are carried out.

(B) APPLICATION.—

(i) RULE.—Except as provided in clause (ii), after the Secretary establishes minimum child care standards under section 517(e)(2), such minimum standards shall apply with respect to child care services provided under such programs and activities.

(ii) WAIVERS AND MODIFICATIONS.—The Secretary may waive or modify, for a period not to exceed 5 years beginning on the date such minimum standards are established, any of such minimum standards that would limit the capacity of an Indian tribe or tribal organization to receive funds under this subtitle if the Secretary determines that there is a reasonable expectation that each of such standards requested to be waived will be met by the applicant by the end of the period for which the waiver is requested.

(4) AVAILABILITY OF STATE CHILD CARE SERVICES.—For the purpose of determining whether to approve an application for a contract or grant under this subsection, the Secretary shall take into consideration the availability of child care services provided in accordance with this subtitle by the State in which the applicant proposes to carry out a program to provide child care services.

(5) RULE OF CONSTRUCTION.—This subsection shall not be construed—

(A) to limit the eligibility of any individual to participate in any program carried out with assistance received under this subtitle by a State; or

(B) to modify any requirement imposed on a State by any provision of this subtitle.

(6) Coordination.—To the maximum extent practicable, the applicant for a grant or contract under this subsection and the State in which the applicant is located shall coordinate with each other their respective child care programs and activities, including child care programs and activities carried out with assistance received under this subtitle.

(d) Data and Information.—The Secretary shall obtain from each appropriate Federal agency, the most recent data and information necessary to determine the allotments provided for in subsection (b).

(e) Reallotments.—

(1) In general.—Any portion of the allotment under subsection (b) to a State that the Secretary determines is not required to carry out a State plan approved under section 507(d), in the period for which the allotment is made available, shall be reallotted by the Secretary to other States in proportion to the original allotments to the other States.

(2) Limitations.—

(A) Reduction.—The amount of any reallotment to which a State is entitled to under paragraph (1) shall be reduced to the extent that it exceeds the amount that the Secretary estimates will be used in the State to carry out a State plan approved under section 507(d).

(B) Reallotments.—The amount of such reduction shall be similarly reallotted among States for which no reduction in an allotment or reallotment is required by this subsection.

(3) Amounts reallotted.—For purposes of any other section of this subtitle, any amount reallotted to a State under this subsection shall be considered to be part of the allotment made under subsection (b) to the State.

(f) Definition.—For the purposes of this section, the term "State" means any of the several 50 States, the District of Columbia, or the Commonwealth of Puerto Rico.

SEC. 506. LEAD AGENCY.

(a) Designation.—The chief executive officer of a State desiring to participate in the program authorized by this subtitle shall designate, in an application submitted to the Secretary under section 507(a), an appropriate State agency that meets the requirements of subsection (b) to act as the lead agency.

(b) Requirements.—

(1) Administration of funds.—The lead agency shall have the capacity to administer the funds provided under this subtitle to support programs and services authorized under this subtitle and to oversee the plan submitted under section 507(b).

(2) Coordination.—The lead agency shall have the capacity to coordinate the services for which assistance is provided under this subtitle with the services of other State and local agencies involved in providing services to children.

(3) Establishment of policies.—The lead agency shall have the authority to establish policies and procedures for developing and implementing interagency agreements with other agencies of the State to carry out the purposes of this subtitle.

(c) Duties.—The lead agency shall—

(1) assess child care needs and resources in the State, and assess the effectiveness of existing child care services and services for which assistance is provided under this subtitle or under other laws, in meeting such needs;

(2) develop a plan designed to meet the need for child care services in the State for eligible children, including infants, preschool children, and school-age children, giving special attention to meeting the needs for services for low-income children, migrant children, children with a handicapping condition, foster children, children in need of protective services, children of adolescent parents who need child care to remain in school, and children with limited English-language proficiency;

(3) develop, in consultation with the State advisory committee on child care established under section 511, the State plan submitted to the Secretary under section 507(b);

(4) hold hearings, in cooperation with such State advisory committee on child care, annually in each region of the State in order to provide to the public an opportunity to comment on the provision of child care services in the State under the proposed State plan;

(5) make such periodic reports to the Secretary as the Secretary may by rule require;

(6) coordinate the provision of services under this subtitle with—

(A) other child care programs and services, and with educational programs, for which assistance is provided under any State, local, or other Federal law, including the State Dependent Care Development Grants Act (42 U.S.C. 9871 et seq.); and

(B) other appropriate services, including social, health, mental health, protective, and nutrition services, available to eligible children under other Federal, State, and local programs; and

(7) identify resource and referral programs for particular geographical areas in the State that meet the requirements of section 512.

SEC. 507. APPLICATION AND PLAN.

(a) Application.—To be eligible to receive assistance under this subtitle, a State shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require by rule.

(b) Plan.—The application of a State submitted under subsection (a) shall include an assurance that the State will comply with the requirements of this subtitle and a State plan that is designed to be implemented during a 4-year period and that meets the requirements of subsection (c).

(c) Requirements of a Plan.—

(1) Lead agency.—The plan shall identify the lead agency designated in accordance with section 506(a).

(2) Advisory bodies.—The plan shall demonstrate that the State will establish in accordance with section 511 a State advisory committee on child care.

(3) Policies and procedures.—The plan shall set forth policies and procedures designed to ensure all of the following:

(A) That—

(i) all providers of child care services for which assistance is provided under this subtitle comply with all licensing and regulatory requirements (including registration requirements) applicable under State and local law; and

(ii) such requirements are imposed and enforced by the State uniformly on all child care providers that provide child care services under similar child care arrangements.

This subparagraph shall not be construed to prohibit a State from imposing more stringent standards or requirements on child care providers who provide services for which assistance is provided under this subtitle and who also receive State funds under any other law to provide child care services under a contract or other arrangement with the State.

(B) That procedures will be established to ensure that child care providers receiving assistance under this subtitle or under other publicly-assisted child care programs comply with the minimum child care standards established under section 517(e)(2) after the expiration of the 5-year period beginning on the date the Secretary establishes such standards, and comply with all applicable State and local licensing and regulatory requirements (including registration requirements).

(C) That the State will not—

(i) reduce the categories of child care providers licensed or regulated by the State on the date of enactment of this subtitle; or

(ii) reduce the level of standards applicable to child care services provided in the State and to the matters specified in sections 513(a) and 517(d), even if such standards exceed the minimum standards established under section 517(e)(2) by the Secretary unless the State demonstrates, to the satisfaction of both the Secretary and the State advisory committee on child care established under section 511, that the reduction is based on positive developmental practice.

(D) That funds received under this subtitle by the State will be used only to supplement, not to supplant, the amount of Federal, State, and local funds expended for the support of child care services and related programs in the State, except that States may use existing expenditures in support of child care services to satisfy the State matching requirement under section 516(b).

(E) That for each fiscal year the State will use an amount not to exceed 10 percent of the amount of funds received under section 505 by the State for such fiscal year to administer the State plan.

(F) That the State will pay funds under this subtitle to eligible child care providers in a timely fashion to ensure the continuity of child care services to eligible children.

(G) That resource and referral agencies will be made available to families in all regions of the State.

(H) That each eligible child care provider who provides services for which assistance is provided under paragraph (4)—

(i) provides services to children of families with very low income, taking into account family size;

(ii) after the expiration of the 4-year period beginning on the date the Secretary establishes minimum child care standards under section 517(e)(2), complies with such standards except as provided in clause (iv);

(iii) if such eligible child care provider is regulated by a State educational agency that—

(I) administers any State law applicable to child care services;

(II) develops child care standards that meet or exceed the minimum standards established under section 517(e)(2) and the State licensing or regulatory requirements (including registration requirements); and

(III) enforces the standards described in subclause (II) that are developed by such agency, using policies and practices that meet or exceed the requirements specified in subparagraphs (A) through (K) of paragraph (11);

complies with the standards described in subclause (II) that are developed by such agency; and

(iv) complies with the State plan and the requirements of this subtitle.

(I) That child care services for which assistance is provided under paragraph (4) are available to children with a handicapping condition.

(J) That State regulations will be issued governing the provision of school-age child care services if the State does not already have such regulations.

(K) That child care providers in the State are encouraged to develop personnel policies that include compensated time for staff undergoing training required under this subtitle.

(L) Encourage the payment of adequate salaries and other compensation—

(i) to full and part-time staff of child care providers who provide child care services for which assistance is provided under paragraph (4);

(ii) to the extent practicable, to such staff in other major Federal and State child care programs; and

(iii) to other child care personnel, at the option of the State.

(M) That child care services for which assistance is provided under paragraph (4) are available for an adequate number of hours and days to serve the needs of parents of eligible children, including parents who work nontraditional hours.

(4) CHILD CARE SERVICES.—The plan shall provide that—

(A) subject to subparagraph (B), the State will use at least 70 percent of the amount allotted to the State in any fiscal year to provide child care services that meet the requirements of this subtitle to eligible children in the State on a sliding fee scale basis and using funding methods provided for in section 508(a)(1), with priority being given for services to children of families with very low family incomes, taking into consideration the size of the family; and

(B) the State will use at least 10 percent of the funds reserved for the purposes specified in subparagraph (A) in any fiscal year to provide for the extension of part-day programs as described in section 508(b).

(5) ACTIVITIES TO IMPROVE THE QUALITY OF CHILD CARE.—The plan shall provide that the State will use not more than 10 percent of the amount allotted to it in any fiscal year to do each of the following:

(A) Provide financial assistance, pursuant to procedures established under the State Dependent Care Development Grants Act (42 U.S.C. 9801 note), to private nonprofit organizations or public organizations (including units of general purpose local government) that meet the requirements of section 512 for the development, establishment, expansion, operation, and coordination of resource and referral programs specifically related to child care.

(B) Improve the monitoring of compliance with, and enforcement of, the licensing and regulatory requirements (including registration requirements) of the State.

(C) Provide training, technical assistance, and scholarship assistance in accordance with the requirements of subsections (b), (c), and (d) of section 513.

(D) Ensure that adequate salaries and other compensation are paid to full- and part-time staff who provide child care services for which assistance is provided under paragraph (4).

(6) ACTIVITIES TO INCREASE THE AVAILABILITY OF CHILD CARE.—The plan shall provide that the State will use not more than 10 percent of the amount allotted to it in any fiscal year for any of the following activities, together with an assurance that the State will give priority to the activities described in subparagraphs (A) and (B):

(A) Making grants and low interest loans to family child care providers and nonprofit child care providers to help such providers pay the cost of—

(i) establishing child care programs; and

(ii) making renovations and improvements in existing facilities to be used to carry out such programs.

(B) Making grants and low-interest loans to child care providers to assist such providers in meeting Federal, State, and local child care standards, giving priority to providers receiving assistance under this subtitle or under other publicly assisted child care programs and which serve children of families that have very low incomes.

(C) Providing assistance for the establishment and operation of after school child care programs.

(D) Making grants or loans to fund the start up costs of employer sponsored child care programs.

(E) Providing assistance for the temporary care of children who are sick and unable to attend child care programs in which such children are enrolled.

(F) Providing assistance for the establishment and operation of child care programs for homeless children.

(G) Providing assistance to link child care programs with programs designed to assist the elderly.

(H)(i) Establishing and administering a revolving loan fund from which any person desiring to make capital improvements to the principal residence of such person (within the meaning of section 1034 of the Internal Revenue Code of 1986) may obtain a loan in order to become a licensed family child care provider, pursuant to State and local law, and to comply with the minimum standards applicable to such providers as established under section 517(e)(2).

(ii) To permit the use of funds provided under this subtitle for the activity described in clause (i), the State shall set forth procedures and guidelines to carry out the purposes of such clause, including procedures—

(I) that provide assurances that only applicants who obtain a license for the operation of a child care facility in accordance with the provisions of State and local law and who will meet the minimum standards applicable to family child care services established under section 517(e)(2), benefit from loans made available pursuant to the provisions of clause (i);

(II) to assure that the revolving fund will be administered by the State and will provide loans to qualified applicants, pursuant to the terms and conditions established by such State, in an amount, determined by such State, that is not in excess of $1,500;

(III) to assure that funds used to carry out the purpose of clause (i) are transferred to such fund to provide capital for making loans;

(IV) to assure that interest and principal payments on loans and any other moneys, property, or assets derived from any action concerning such funds are deposited into such fund;

(V) to assure that all loans, expenses, and payments pursuant to the operation of the revolving loan fund are paid from such fund;

(VI) to assure that loans made from such fund are made to qualified applicants to enable such applicants to make capital improvements so that such applicant may obtain a State or local family child care provider license and so that such applicant may meet the minimum standards applicable to such providers established under section 517(e)(2); and

(VII) that specify how such revolving loan fund will continue to be financed in subsequent years, such as through contributions by the State or by some other entity.

(7) DISTRIBUTION OF FUNDS.—The plan shall provide that funds will be distributed—

(A) to a variety of types of child care providers in each community, including center-based child care providers, group home child care providers, and family child care providers; and

(B) equitably among child care providers to provide child care services in rural and urban areas.

(8) REIMBURSEMENTS.—The plan shall provide that for child care services for which assistance is provided under this subtitle, an eligible child care provider shall have a right to reimbursement at the same rate charged by that provider for comparable services to children of comparable ages and special needs whose parents are not eligible for certificates under this subtitle or for child care assistance under any other Federal or State program.

(9) PRIORITY.—The plan shall provide that priority will be given, in distributing funds in the State, to child care providers that—

(A) in providing child care services assisted by such funds, will give priority to eligible children of families with very low income;

(B) to the maximum extent feasible, provide child care services to a reasonable mix of children, including children from different socioeconomic backgrounds and children with a handicapping condition;

(C) provide opportunities for parent involvement in all aspects of providing such services; and

(D) to the maximum extent feasible, offer family support services.

(10) SLIDING FEE SCALE.—The plan shall provide for the establishment of a sliding fee scale that requires cost sharing based on the services provided to and the income of the families (adjusted for family size) of eligible children who receive services for which assistance is provided under this subtitle.

(11) PARENTAL INVOLVEMENT.—The plan shall establish procedures for parental involvement in State and local planning, monitoring, and evaluation of child care programs and services in the State.

(12) ENFORCEMENT OF LICENSING AND OTHER REGULATORY REQUIREMENTS (INCLUDING REGISTRATION REQUIREMENTS).—The plan shall provide that the State, not later than 4 years after the date of enactment of this subtitle, shall have in effect enforcement policies and practices that will be applicable to all licensed or regulated child care providers (including child care providers required to register) in the State, including policies and practices that—

(A) require personnel who perform inspection functions with respect to licensed or regulated child care services to have or receive training in health and safety, child abuse prevention and detection, program management, and relevant law enforcement;

(B) to the maximum extent feasible, have personnel requirements to ensure that individuals who are hired as licensing inspectors are qualified to inspect and have inspection responsibility exclusively for children's services;

(C) require—

(i) personnel who perform inspection functions with respect to licensed or regulated child care services to make not less than 1 unannounced inspection of each center-based child care provider and each group home child care provider in the State annually; and

(ii) personnel who perform inspection functions with respect to licensed or regulated child care services to make unannounced inspections annually of not less than 20 percent of licensed and regulated family child care providers in the State;

(D) require licensed or regulated child care providers (including registered child care providers) in the State—

(i) to have written policies and program goals and to make a copy of such policies and goals available to parents; and

(ii) to provide parents with unlimited access to their children and to providers caring for their children, during normal hours of operation of such providers and whenever children of such parents are in the care of such providers;

(E) implement a procedure to address complaints that will provide a reasonable opportunity for a parent, or child care provider, that is adversely affected or aggrieved by a decision of the lead agency or any program assisted under this subtitle, to be heard by the State;

(F) prohibit the operator of a child care facility to take any action against an employee of such operator that would adversely affect the employment, or terms or conditions of employment, of such employee because such employee communicates a failure of such operator to comply with any applicable licensing or regulatory requirement;

(G) implement a consumer education program designed to inform parents and the general public about licensing requirements, complaint procedures, and policies and practices required by this paragraph;

(H) require a child care provider to post, on the premises where child care services are provided, the telephone number of the appropriate licensing or regulatory agency that parents may call regarding a failure of such provider to comply with any applicable licensing or regulatory requirement; and

(I) require the State to maintain a record of parental complaints and to make information regarding substantiated parental complaints available to the public on request.

(13) DATA COLLECTION.—The plan shall provide for the establishment of procedures for data collection by the State designed to show—

(A) by race, sex, ethnic origin, handicapping condition, and family income, how the child care needs of families in the State are being fulfilled, including information on—

(i) the number of children being assisted with funds provided under this subtitle, and under other State and Federal child care and preschool programs;

(ii) the type and number of child care programs, child care providers, caregivers, and support personnel located in the State;

(iii) the regional cost of child care; and

(iv) such other information as the Secretary considers necessary to establish how funds provided under this subtitle are being used;

(B) the extent to which the availability of child care has been increased; and

(C) how the purposes of this subtitle and the objectives of the State set forth in the State plan are being met, including efforts to improve the quality, availability, and accessibility of child care;

and shall provide that data collected by the State under this paragraph shall be submitted to the Secretary.

(d) APPROVAL OF APPLICATION.—The Secretary shall approve an application that satisfies the requirements of this section.

(e) SPECIAL RULE.—In carrying out the provisions of this section, the Secretary shall approve any application with respect to the activities described in the plan submitted under paragraph (5) of subsection (c), if the Secretary determines that the State is making reasonable progress in carrying out the activities which are described in subparagraphs (A) and (D) of paragraph (5).

SEC. 508. SPECIAL RULES FOR USE OF STATE ALLOTMENTS.

(a) FUNDING OF CHILD CARE SERVICES.—

(1) IN GENERAL.—The child care services referred to in section 507(c)(4) that are to be provided out of the allotment to a State, shall be provided—

(A) by contracts with or grants to eligible child care providers who agree to provide such services directly to eligible children;

(B) by grants to units of general purpose local government that agree to enter into contracts with eligible child care providers who agree to provide such services directly to eligible children; or

(C) by distributing child care certificates to parents of eligible children under such terms as the Secretary may prescribe to enable the recipients of such certificates to purchase child care services from eligible child care providers.

(2) LIMITATION ON CERTIFICATES.—Child care certificates authorized by paragraph (1)(C) may be issued by a State only if a resource and referral program carried out by an organization that meets the requirements of section 512 is available to help parents locate child care services made available by eligible child care providers.

(3) NO ENTITLEMENT TO CONTRACT OR GRANT.—Nothing in this subtitle shall be construed to entitle any child care provider or recipient of a child care certificate to any contract, grant or benefit, or to limit the right of any State to impose additional limitations or conditions on contracts or grants funded under this subtitle.

(b) PART-DAY PROGRAMS.—

(1) IN GENERAL.—At least 10 percent of the funds available for activities under section 507(c)(4)(A) shall be used by the State to enable child care providers to extend the hours of operation of the part-day programs described in paragraph (2) to provide full-working-day child care services throughout the year, in order to meet the needs of parents of eligible children.

(2) ELIGIBLE PROGRAMS.—As used in paragraph (1), the term "part-day programs" means—

(A) programs of schools and nonprofit child care providers (including community-based organizations) receiving State or local funds designated for preschool;

(B) programs established under the Head Start Act (42 U.S.C. 9831 et seq.);

(C) preschool programs for which assistance is provided under chapter 1 of the Education Consolidation and Improvement Act of 1981 (20 U.S.C. 3801 et seq.); and

(D) preschool programs for children with a handicapping condition.

(c) FACILITIES.—

(1) NEW FACILITIES.—No financial assistance provided under this subtitle shall be expended for the construction of a new facility.

(2) EXISTING FACILITIES.—No financial assistance provided under this subtitle shall be expended to renovate or repair any facility unless—

(A) the child care provider that receives such financial assistance agrees—

(i) in the case of a grant, to repay to the Secretary or the State, as the case may be, the amount that bears the same ratio to the amount of such grant as the value of the renovation or repair, as of the date such provider ceases to provide child care services in such facility in accordance with this subtitle, bears to the original value of the renovation or repair; and

(ii) in the case of a loan, to repay immediately to the Secretary or the State, as the case may be, the principal amount of such loan outstanding and any interest accrued, as of the date such provider ceases to provide child care services in such facility in accordance with this subtitle;

if such provider does not provide child care services in such facility in accordance with this subtitle throughout the useful life of the renovation or repair; and

(B) if such provider is a sectarian agency or organization, the renovation or repair is necessary to bring such facility into compliance with health and safety requirements imposed by this subtitle.

SEC. 509. PLANNING GRANTS.

(a) IN GENERAL.—A State desiring to participate in the programs authorized by this subtitle that cannot fully satisfy the requirements of the State plan under section 507(b) without financial assistance may, in the first year that the State participates in the programs, apply to the Secretary for a planning grant.

(b) AUTHORIZATION.—The Secretary is authorized to make a planning grant to a State described in subsection (a) if the Secretary determines that—

(1) the grant would enable the State to fully satisfy the requirements of a State plan under section 507(b); and

(2) the State will apply, for the remainder of the allotment that the State is entitled to receive for such fiscal year.

(c) AMOUNT OF GRANT.—A grant made to a State under this section shall not exceed 1 percent of the total allotment that the State would qualify to receive in the fiscal year involved if the State fully satisfied the requirements of section 507.

(d) LIMITATION ON ADMINISTRATIVE COSTS.—A grant made under this section shall be considered to be expended for administrative costs by the State for purposes of determining the compliance by the State with the limitation on administrative costs imposed by section 507(c)(3)(E).

SEC. 510. CONTINUING ELIGIBILITY OF STATES.

A State shall be ineligible for assistance under this subtitle after the expiration of the 4-year period beginning on the date the Secretary establishes minimum child care standards under section 517(e)(2) unless the State demonstrates to the satisfaction of the Secretary that—

(1) all child care providers required to be licensed and regulated in the State—

(A) are so licensed and regulated; and

(B) are subject to the enforcement provisions referred to in the State plan; and

(2) all such providers who are receiving assistance under this subtitle or under other publicly-assisted child care programs—

(A) satisfy the requirements of subparagraphs (A) and (B) of paragraph (1); and

(B) satisfy the minimum child care standards established by the Secretary under section 517(e)(2) of this subtitle.

SEC. 511. STATE ADVISORY COMMITTEE ON CHILD CARE.

(a) Establishment.—The chief executive officer of a State participating in the program authorized by this subtitle shall—

(1) establish a State advisory committee on child care (hereinafter in this section referred to as the "committee") to assist the lead agency in carrying out the responsibilities of the lead agency under this subtitle; and

(2) appoint the members of the committee.

(b) Composition.—The State committee shall be composed of not fewer than 21 and not more than 30 members who shall include—

(1) at least 1 representative of the lead agency designated under section 506(a);

(2) 1 representative of each of—

(A) the State departments of—

(i) human resources or social services;

(ii) education;

(iii) economic development; and

(iv) health; and

(B) other State agencies having responsibility for the regulation, funding, or provision of child care services in the State;

(3) at least 1 representative of providers of different types of child care services, including caregivers and directors;

(4) at least 1 representative of early childhood development experts;

(5) at least 1 representative of school districts and teachers involved in the provision of child care services and preschool programs;

(6) at least 1 representative of resource and referral programs;

(7) 1 pediatrician;

(8) 1 representative of a citizen group concerned with child care;

(9) at least 1 representative of an organization representing child care employees;

(10) at least 1 representative of the Head Start agencies in the State;

(11) parents of children receiving, or in need of, child care services, including at least 2 parents whose children are receiving or are in need of subsidized child care services;

(12) 1 representative of specialists concerned with children who have a handicapping condition;

(13) 1 representative of individuals engaged in business;

(14) 1 representative of fire marshals and building inspectors;

(15) 1 representative of child protective services; and

(16) 1 representative of units of general purpose local government.

(c) Functions.—The committee shall—

(1) advise the lead agency on child care policies;

(2) provide the lead agency with information necessary to coordinate the provision of child care services in the State;

(3) otherwise assist the lead agency in carrying out the functions assigned to the lead agency under section 506(c);

(4) review and evaluate child services for which assistance is provided under this subtitle or under State law, in meeting the objectives of the State plan and the purposes of this subtitle;

(5) make recommendations on the development of State child care standards and policies;

(6) participate in the regional public hearings required under section 506(c)(5); and

(7) perform other functions to improve the quantity and quality of child care services in the State.

(d) Meetings and Hearings.—

(1) In general.—Not later than 30 days after the beginning of each fiscal year, the committee shall meet and establish the time, place, and manner of future meetings of the committee.

(2) Minimum number of hearings.—The committee shall have at least 2 public hearings each year at which the public shall be given an opportunity to express views concerning the administration and operation of the State plan.

(e) Use of Existing Committees.—To the extent that a State has established a broadly representative State advisory group, prior to the date of enactment of this subtitle, that is comparable to the advisory committee described in this section and focused exclusively on child care and early childhood development programs, such State shall be considered to be in compliance with subsections (a) through (c).

(f) Subcommittee on Licensing.—

(1) Composition.—The committee shall have a subcommittee on licensing (hereinafter in this section referred to as the "subcommittee") that shall be composed of the members appointed under paragraphs (2)(A)(iv), (3), (6), (7), (11), (14), and (15) of subsection (b).

(2) Functions.—

(A) Review of licensing authority.—The subcommittee shall review the law applicable to, and the licensing requirements and the policies of, each licensing agency that regulates child care services and programs in the State unless the State has reviewed such law, requirements, and policies in the 4-year period ending on the date of the establishment of the committee under subsection (a).

(B) Report.—Not later than 1 year after establishment of the committee under subsection (a), the subcommittee shall prepare and submit to the chief executive officer of the State involved a report.

(C) Contents of report.—A report prepared under subparagraph (B) shall contain—

(i) an analysis of information on child care services provided by center-based child care providers, group home child care providers, and family child care providers;

(ii) a detailed statement of the findings and recommendations that result from the subcommittee review under subparagraph (A), including a description of the current status of child care licensing, regulating, monitoring, and enforcement in the State;

(iii) a detailed statement identifying and describing the deficiencies in the existing licensing, regulating, and monitoring programs of the State involved, including an assessment of the adequacy of staff to carry out such programs effectively, and recommendations to correct such deficiencies or to improve such programs; and

(iv) comments on the minimum child care standards established by the Secretary under section 517(e)(2).

(3) Receipt of report by the chief executive officer of the state.—Not later than 60 days after receiving the report from the subcommittee, the chief executive officer of the State shall transmit such report to the Secretary with—

(A) the comments of the chief executive officer of the State; and

(B) a plan for correcting deficiencies in, or improving the licensing, regulating, and monitoring, of the child care services and programs referred to in paragraph (2)(A).

(4) Termination of assistance.—None of the funds received under this subtitle may be used to carry out any activity under this section occurring more than 90 days after the State submits a report required by subsection (d).

(g) Services and Personnel.—

(1) Authority.—The lead agency is authorized to provide the services of such personnel, and to contract for such other services as may be necessary, to enable the committee and the subcommittee to carry out their functions under this subtitle.

(2) Reimbursement.—Members of the committee shall be reimbursed, in accordance with standards established by the Secretary, for necessary expenses incurred by such members in carrying out the functions of the committee and the subcommittee.

(3) Sufficiency of funds.—The Secretary shall ensure that sufficient funds are made available, from funds available for the administration of the State plan, to the committee and the subcommittee to carry out the requirements of this section.

SEC. 512. RESOURCE AND REFERRAL PROGRAMS.

(a) Eligibility for Assistance.—Each State receiving funds under this subtitle shall, pursuant to section 507(c)(5)(A), make grants to or enter into contracts with private nonprofit organizations or public organizations (including units of general purpose local government), as resource and referral agencies to ensure that resource and referral services are available to families in all geographical areas in the State.

(b) Funding.—Organizations that receive assistance under subsection (a) shall carry out resource and referral programs—

(1) to identify all types of existing child care services, including services provided by individual family child care providers and by child care providers who provide child care services to children with a handicapping condition;

(2) to provide to interested parents information and referral regarding such services, including the availability of public funds to obtain such services;

(3) to provide or arrange for the provision of information, training, and technical assistance to existing and potential child care providers and to others (including businesses) concerned with the availability of child care services; and

(4) to provide information on the demand for and supply of child care services located in a community.

(c) Requirements.—To be eligible for assistance as a resource and referral agency under subsection (a), an organization shall—

(1) have or acquire a database of information on child care services in the State or in a particular geographical area that the organization continually updates, including child care services provided in centers, group home child care settings, nursery schools, and family child care settings;

(2) have the capability to provide resource and referral services in a particular geographical area;

(3) be able to provide parents with information to assist them in identifying quality child care services;

(4) to the maximum extent practicable, notify all eligible child care providers in such area of the functions it performs and solicit such providers to request to be listed to receive referrals made by such organization; and

(5) otherwise comply with regulations promulgated by the State in accordance with subsection (d).

(d) LIMITATION ON INFORMATION.—In carrying out this section, an organization receiving assistance under subsection (a) as a resource and referral agency shall not provide information concerning any child care program or services which are not in compliance with the laws of the State and localities in which such services are provided.

SEC. 513. TRAINING AND TECHNICAL ASSISTANCE.

(a) MINIMUM REQUIREMENT.—A State receiving funds under this subtitle shall require, not later than 2 years after the date of the enactment of this subtitle, that all employed or self-employed individuals who provide licensed or regulated child care services (including registered child care services) in a State complete at least 40 hours of training over a 2-year period in areas appropriate to the provision of child care services, including training in health and safety, nutrition, first aid, the recognition of communicable diseases, child abuse detection and prevention, and the needs of special populations of children.

(b) GRANTS AND CONTRACTS FOR TRAINING AND TECHNICAL ASSISTANCE.—

(1) GRANTS AND CONTRACTS.—The State shall make grants to, and enter into contracts with State agencies, units of general purpose local government, institutions of higher education, and nonprofit organizations (including resource and referral organizations, child care food program sponsors, and family child care associations, as appropriate) to develop and carry out child care training and technical assistance programs under which preservice and continuing inservice training is provided to eligible child care providers, including family child care providers, and the staff of such providers including teachers, administrative personnel, and staff of resource and referral programs involved in providing child care services in the State.

(2) ELIGIBILITY REQUIREMENTS FOR GRANTS AND CONTRACTS RELATING TO TRAINING FOR FAMILY CHILD CARE PROVIDERS.—To be eligible to receive a grant or enter into a contract for a training and technical assistance program for family child care providers under paragraph (1), a nonprofit organization shall—

(A) recruit and train family child care providers, including providers with the capacity to provide night-time and emergency child care services;

(B) operate resource centers to make developmentally appropriate curriculum materials available to family child care providers;

(C) provide grants to family child care providers for the purchase of moderate cost equipment to be used to provide child care services; and

(D) operate a system of substitute caregivers.

(3) ELIGIBILITY REQUIREMENTS FOR GRANTS AND CONTRACTS RELATING TO TECHNICAL ASSISTANCE.—To be eligible to receive a grant, or enter into a contract under subsection (b) to provide technical assistance, an agency, organization, or institution shall agree to furnish technical assistance to child care providers to assist such providers—

(A) in understanding and complying with local regulations and relevant tax and other policies;

(B) in meeting State licensing, regulatory, and other requirements (including registration) pertaining to family child care providers.

(c) SCHOLARSHIP ASSISTANCE.—The State shall provide scholarship assistance to—

(1) individuals who seek a nationally recognized child development associate credential for center-based or family child care and whose income does not exceed the poverty line (as defined in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) by more than 50 percent, in amounts sufficient to cover the costs involved in securing such credential; and

(2) caregivers who seek to obtain the training referred to in subsection (a) and whose income does not exceed such poverty line.

(d) CLEARINGHOUSE.—The State shall establish in the lead agency a clearinghouse to collect and disseminate training materials to resource and referral agencies and child care providers throughout the State.

SEC. 514. FEDERAL ADMINISTRATION OF CHILD CARE.

(a) ADMINISTRATOR OF CHILD CARE.—There is hereby established in the Department of Health and Human Services the position of Administrator of Child Care (hereinafter in this section referred to as the "Administrator"). The Secretary shall appoint an individual to serve as the Administrator at the pleasure of the Secretary.

(b) DUTIES.—The Administrator shall—

(1) coordinate all activities of the Department of Health and Human Services relating to child care, and coordinate such activities with similar activities of other Federal entities;

(2) annually collect and publish State child care standards, including periodic modifications to such standards;

(3) evaluate activities carried out with funds provided under this subtitle;

(4) act as a clearinghouse to collect and disseminate materials that relate to—

(A) the matters required by section 513(b)(1) to be addressed by training required by section 513 to be provided; and

(B) studies that relate to the salaries paid to individuals employed to provide child care services; and

(5) provide technical assistance to assist States to carry out this subtitle.

SEC. 515. FEDERAL ENFORCEMENT.

(a) REVIEW OF COMPLIANCE WITH STATE PLAN.—The Secretary shall review and monitor State compliance with this subtitle and the plan approved under section 507(d) for the State.

(b) NONCOMPLIANCE.—

(1) IN GENERAL.—If the Secretary, after reasonable notice and opportunity for a hearing to a State, finds that—

(A) there has been a failure by the State to comply substantially with any provision or any requirements set forth in the plan approved under section 507(d) for the State; or

(B) in the operation of any program or project for which assistance is provided under this subtitle there is a failure by the State to comply substantially with any provision of this subtitle;

the Secretary shall notify the State of the finding and that no further payments may be made to such State under this subtitle (or, in the case of noncompliance in the operation of a program or activity, that no further payments to the State will be made with respect to such program or activity) until the Secretary is satisfied that there is no longer any such failure to comply or that the noncompliance will be promptly corrected.

(2) ADDITIONAL SANCTIONS.—In the case of a finding of noncompliance made pursuant to this paragraph (1), the Secretary may, in addition to imposing the sanctions described in such paragraph, impose other appropriate sanctions, including recoupment of money improperly expended for purposes prohibited or not authorized by this subtitle, and disqualification from the receipt of financial assistance under this subtitle.

(3) NOTICE.—The notice required under paragraph (1) shall include a specific identification of any additional sanction being imposed under paragraph (2).

(c) ISSUANCE OF RULES.—The Secretary shall establish by rule procedures for—

(1) receiving, processing, and determining the validity of complaints concerning any failure of a State to comply with the State plan or any requirement of this subtitle; and

(2) imposing sanctions under this section.

SEC. 516. PAYMENTS.

(a) IN GENERAL.—

(1) AMOUNT OF PAYMENT.—Each State that—

(A) has an application approved by the Secretary under section 507(d); and

(B) demonstrates to the satisfaction of the Secretary that it will provide from non-Federal sources the State share of the aggregate amount to be expended by the State under the State plan for the fiscal year for which it requests a grant;

shall receive a payment under this section for such fiscal year in an amount (not to exceed its allotment under section 505 for such fiscal year) equal to the Federal share of the aggregate amount to be expended by the State under the State plan for such fiscal year.

(2) FEDERAL SHARE.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the Federal share for each fiscal year shall be 80 percent.

(B) EXCEPTION.—If a State makes the demonstration specified in section 510 throughout a fiscal year for which it requests a grant, then the Federal share shall be 85 percent.

(3) STATE SHARE.—The State share equals 100 percent minus the Federal share.

(4) LIMITATION.—A State may not require any private provider of child care services that receives or seeks funds made available under this subtitle to contribute in cash or in kind to the State contribution required by this subsection.

(b) METHOD OF PAYMENT.—

(1) IN GENERAL.—Subject to paragraph (2), the Secretary may make payments to a State in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments, as the Secretary may determine.

(2) LIMITATION.—The Secretary may not make such payments in a manner that prevents the State from complying with the requirement specified in section 507(c)(3)(F).

(c) SPENDING OF FUNDS BY STATE.—Payments to a State from the allotment under section 505 for any fiscal year may be expended by the State in that fiscal year or in the succeeding fiscal year.

SEC. 517. NATIONAL ADVISORY COMMITTEE ON CHILD CARE STANDARDS.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—In order to improve the quality of child care services, the Secretary shall establish, not later than 60 days after the date of the enactment of this subtitle, a National Advisory Committee on Child Care Standards (hereinafter in this section referred to as the "Committee"), the members

of which shall be appointed from among representatives of—

(A) the chief executive officers of the several States;

(B) State legislatures;

(C) local governments;

(D) businesses;

(E) State individuals responsible for regulating the insurance industry within the State;

(F) religious institutions;

(G) persons who carry out different types of child care programs;

(H) persons who carry out resource and referral programs;

(I) child care and early childhood development specialists;

(J) early childhood education specialists;

(K) individuals who have expertise in pediatric health care, handicapping conditions, and related fields;

(L) organizations representing child care employees;

(M) individuals who have experience in the regulation of child care services; and

(N) parents who have been actively involved in community child care programs.

(2) Appointment of members.—The Committee shall be composed of 15 members of which—

(A) 5 members shall be appointed by the President;

(B) 3 members shall be appointed by the majority leader of the Senate;

(C) 2 members shall be appointed by the minority leader of the Senate;

(D) 3 members shall be appointed by the Speaker of the House of Representatives; and

(E) 2 members shall be appointed by the minority leader of the House of Representatives.

(3) Chairman.—The President shall appoint a chairman from among the members of the Committee.

(4) Vacancies.—A vacancy occurring on the Committee shall be filled in the same manner as that in which the original appointment was made.

(b) Personnel, Reimbursement, and Oversight.—

(1) Personnel.—The Secretary shall make available to the Committee office facilities, personnel who are familiar with child development and with developing and implementing regulatory requirements, technical assistance, and funds as are necessary to enable the Committee to carry out effectively its functions.

(2) Reimbursement.—

(A) Compensation.—Members of the Committee who are not regular full-time employees of the United States Government shall, while attending meetings and conferences of the Committee or otherwise engaged in the business of the Committee (including traveltime), be entitled to receive compensation at a rate fixed by the Secretary, but not exceeding the rate specified at the time of such service under GS-18 of the General Schedule established under section 5332 of title 5, United States Code.

(B) Expenses.—While away from their homes or regular places of business on the business of the Committee, such members may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government service.

(3) Oversight.—The Secretary shall ensure that the Committee is established and operated in accordance with the Federal Advisory Committee Act (5 U.S.C. App.).

(c) Functions.—The Committee shall—

(1) review Federal policies with respect to child care services and such other data as the Committee may deem appropriate;

(2) not later than 180 days after the date on which a majority of the members of the Committee are first appointed, submit to the Secretary proposed minimum standards described in subsection (d) for child care services, taking into account the different needs of infants, toddlers, preschool and school-age children; and

(3) develop and make available to lead agencies, for distribution to resource and referral agencies in the State, model requirements for resource and referral agencies.

(d) Minimum Child Care Standards.—The proposed child care standards submitted pursuant to subsection (c)(2) shall be minimum standards and shall consist of only the following:

(1) Center-based child care services.—Such standards submitted with respect to child care services provided by center-based child care providers shall be limited to—

(A) group size limits in terms of the number of caregivers and the number and ages of children;

(B) the maximum appropriate child-staff ratios;

(C) qualifications and background of child care personnel;

(D) health and safety requirements for children and caregivers; and

(E) parental involvement in licensed and regulated child care services.

The standards described in subparagraphs (A) and (B) shall reflect the median standards for all States (using for States which apply separate standards to publicly-assisted programs the most comprehensive or stringent of such standards) as of the date of enactment of this subtitle.

(2) Family child care services.—Such standards submitted with respect to child care services provided by family child care providers shall be limited to—

(A) the maximum number of children for which child care services may be provided and the total number of infants for which child care services may be provided;

(B) the minimum age for caregivers; and

(C) health and safety requirements for children and caregivers.

(3) Group home child care services.—Such standards submitted with respect to child care services provided by group home child care providers shall be limited to the matters specified in paragraphs (1)(B) and (2).

(4) Limitation.—The Committee shall not submit any standard under subsection (c)(2) that is less or more rigorous than the least or most rigorous standard that exists in all States at the time of the submission of such recommendation.

(e) Consideration and Establishment of Standards.—

(1) Notice of proposed rulemaking.—Not later than 90 days after receiving the recommendations of the committee, the Secretary shall—

(A) publish in the Federal Register—

(i) a notice of proposed rulemaking concerning the minimum standards proposed under subsection (d) to the Secretary; and

(ii) such proposed minimum standards for public comment for a period of at least 60 days; and

(B) distribute such proposed minimum standards to each lead agency and each State subcommittee on licensing for comment.

(2) Establishment of minimum child care standards.—

(A) Issuance of rules.—The Secretary shall, in consultation with the committee—

(i) take into consideration any comments received by the Secretary with respect to the standards proposed under subsection (d); and

(ii) not later than 180 days after publication of such standards, shall issue rules establishing minimum child care standards for purposes of this subtitle. Such standards shall include the nutrition requirements issued, and revised from time to time, under section 17(g)(1) of the National School Lunch Act (42 U.S.C. 1766(g)(1)).

(B) Amending standards.—The Secretary may amend any standard first established under subparagraph (A), except that such standard may not be modified, by amendment or otherwise, to make such standard less comprehensive or less stringent than it is when first established.

(C) Extended period for comment.—If the Committee recommends a standard under subsection (c)(2) that no State has a requirement concerning, as of the time that such standard is recommended, the Secretary shall provide an additional 30 days during which States may submit comments concerning such standard.

(3) Additional comments.—The National Committee may submit to the Secretary and to the Congress such additional comments on the minimum child care standards established under paragraph (2) as the National Committee considers appropriate.

(f) Variances.—

(1) Time for compliance with standards.—Not later than the end of the 4-year period referred to in section 510, States shall comply with the standards established under this section.

(2) Exception.—At the expiration of the 4-year period referred to in paragraph (1) the chief executive officer, in consultation with the State advisory committee, may submit a request to the Secretary for a 1 year variance from the requirements of one or more particular standards.

(3) Requirements.—A request for a variance under this subsection shall include—

(A) a statement by the chief executive officer of the State of any steps taken to implement the relevant standards in the State within the 4-year period;

(B) the specific reasons for the submission of the variance request; and

(C) a detailed plan that outlines the additional procedures and resources to be used to come into compliance with the standards at the end of the variance period.

(4) Period of variance.—A variance granted by the Secretary shall be for a 1-year period and may be renewed at the discretion of the Secretary for an additional 1-year period if requested by the State.

(g) Termination of Committee.—The National Committee shall cease to exist 90 days after the date the Secretary establishes minimum child care standards under subsection (e)(3).

SEC. 518. LIMITATIONS ON USE OF FINANCIAL ASSISTANCE FOR CERTAIN PURPOSES.

(a) Sectarian Purposes and Activities.—No financial assistance provided under this subtitle shall be expended for any sectarian purpose or activity, including sectarian worship and instruction.

(b) Tuition.—With regard to services provided to students enrolled in grades 1 through 12, no financial assistance provided under this subtitle shall be expended for—

(1) any services provided to such students during the regular school day;

(2) any services for which such students receive academic credit toward graduation; or

(3) any instructional services which supplant or duplicate the academic program of any public or private school.

SEC. 519. NONDISCRIMINATION.

(a) FEDERAL FINANCIAL ASSISTANCE.—Any financial assistance provided under this subtitle, including a loan, grant, or child care certificate, shall constitute Federal financial assistance for purposes of title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), title IX of the Education Amendments of 1972 (20 U.S.C. 1681, et seq.), the Rehabilitation Act of 1973 (29 U.S.C. 794 et seq.), the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.), and the regulations issued thereunder.

(b) RELIGIOUS DISCRIMINATION.—A child care provider may not discriminate against any child on the basis of religion in providing child care services in return for a fee paid, reimbursement received, or certificate redeemed, in whole or in part with financial assistance provided under this subtitle.

SEC. 520. PRESERVATION OF PARENTAL RIGHTS AND RESPONSIBILITIES.

Nothing in this subtitle shall be construed or applied in any manner to infringe upon or usurp the moral and legal rights and responsibilities of parents or legal guardians.

NOTICES OF HEARINGS

SUBCOMMITTEE ON NUTRITION AND INVESTIGATIONS

Mr. LEAHY. Mr. President, I wish to announce that the Subcommittee on Nutrition and Investigations of the Committee on Agriculture, Nutrition, and Forestry will hold a hearing on the Soil Conservation Service's implementation of the soil conservation provisions of the Food Security Act of 1985. The hearing will be held on October 4, 1988, at 9:30 a.m. in room 332 Russell Senate Office Building.

Senator HARKIN will preside. For further information please contact Mark Halverson of the committee staff at 224-5207.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. GLENN. Mr. President, I would like to announce that the Governmental Affairs Committee will hold a joint hearing with the House Government Operations Subcommittee on environment, energy, and natural resources on Friday, September 30, at 10 a.m., in 2154 Rayburn. For further information, please call Len Weiss, staff director, at 224-4751.

Mr. President, I would like to announce that the Governmental Affairs Committee will hold a hearing on Monday, October 3, at 2 p.m., on the subject of regulatory reform: The structure and performance of the regulatory regime. For further information, please call Len Weiss, staff director, at 224-4751.

Mr. President, I would like to announce that the Governmental Affairs Committee will hold a hearing on Wednesday, October 5, at 10 a.m. on the subject of S. 2721, Federal Advisory Committee Act of 1988. For further information, please call Len Weiss, staff director, at 224-4751.

AUTHORITY FOR COMMITTEES TO MEET

SPECIAL SUBCOMMITTEE ON WAR POWERS

Mr. BYRD. Mr. President, I ask unanimous consent that the Special Subcommittee on War Powers of the Committee on Foreign Relations, be authorized to meet during the session of the Senate on Thursday, September 29, to hold a hearing on the War Powers Resolution.

The PRESIDING OFFICER. Without objection, it is ordered.

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Oversight of Government Management, Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Thursday, September 29, to hold a hearing on Oversight of Department of Defense Ethics Programs.

The PRESIDING OFFICER. Without objection, it is ordered.

COMMITTEE ON ARMED SERVICES

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Thursday, September 29, 1988, in closed session to discuss the issue of unauthorized appropriations for fiscal year 1989 and to act on the Lohr, Kramer, and certain pending military nominations.

The PRESIDING OFFICER. Without objection, it is ordered.

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS AND FORESTS

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources and the Subcommittee on Conservation and Forestry of the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Thursday, September 29, 1988, to hold a joint hearing to receive testimony from the Departments of the Interior and Agriculture on their current policies regarding fire management on lands administered by the National Park Service and the Forest Service; how those policies were formulated; and the manner in which they were implemented with respect to the recent fires in and around Yellowstone National Park.

The PRESIDING OFFICER. Without objection, it is ordered.

SUBCOMMITTEE ON ENERGY REGULATION AND CONSERVATION

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Energy Regulation and Conservation of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, September 29, 1988, to receive testimony on S. 2313 and S. 1998, bills to prohibit the Federal Energy Regulatory Commission from authorizing the bypass of local distribution companies when the Commission deems such authority is required by the public convenience and necessity.

The PRESIDING OFFICER. Without objection, it is ordered.

SUBCOMMITTEE ON AGRICULTURAL RESEARCH AND GENERAL LEGISLATION

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommitee on Agricultural Research and General Legislation of the Senate Committee on Agriculture, Nutrition, and Forestry, and the Subcommittee on Department Operations, Research, and Foreign Agriculture of the House Committee on Agriculture, be authorized to meet during the session of the Senate on Thursday, September 29, 1988, to hold a joint hearing on the critical challenges facing agricultural research.

The PRESIDING OFFICER. Without objection, it is ordered.

SUBCOMMITTEE ON EDUCATION, ARTS, AND THE HUMANITIES

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Education, Arts, and Humanities, of the Committee on Labor and Human Resources, be authorized to meet during the session of the Senate on Thursday, September 29, 1988, in SD-430 to conduct a hearing on National Commission on Human Resources Act, Senate Joint Resolution 368.

The PRESIDING OFFICER. Without objection, it is ordered.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Select Committee on Indian Affairs, be authorized to meet during the session of the Senate on Thursday, September 29, 1988, at 2 p.m., to hold a markup on the following bills: S. 187, the Native American Cultural Preservation Act—clarifying amendment; S. 2672, the Federal recognition of the Lumbee Tribe of North Carolina—clarifying amendment; S. 2723, Hoopa-Yurok Indian Reservation; S. 2752, Quinault boundaries; H.R. 3621, Southern California Indian Land Transfer Act; Confirmation of Presidential Appointments to the Board of Regents of the Institute of American Indian and Alaska Native Culture and Arts Development—additions; S. 136, Health Status of Native Hawaiians; and for other purposes.

The PRESIDING OFFICER. Without objection, it is ordered.

ADDITIONAL STATEMENTS

TOWNSHIP OF LAKEWOOD, NJ, CELEBRATES RESTORATION EFFORT

● Mr. LAUTENBERG. Mr. President, on Saturday, October 1 and 2, the township of Lakewood, NJ, will stage a 2-day children's program, art festival and parade to celebrate the continuing $6.5 million restoration of the downtown business sector with the Lakewood Redevelopment Agency as the sponsor.

This year's parade will be the biggest ever. It will feature many floats, the Broomal Mummers String Band, as well as 8 to 10 high school bands competing for over $1,000 in cash prizes. More than 1,000 marchers will participate including a number of professional bands and bagpipers.

The township committee has issued a resolution officially declaring the weekend as "Dizzy Gillespie Weekend." The weekend will belong to the great jazz trumpet player. He will be appearing in concert at the Strand Theater and will serve as grand marshal for the parade on Sunday afternoon. On Monday morning, October 3 he will conduct a jazz clinic for 1,000 students from 20 school districts at the Strand Theater under the sponsorship of the theater, the Lakewood Community School, and the Lakewood Redevelopment Agency.

Mr. President, I extend my best wishes to the community of Lakewood as it celebrates its restoration effort.●

POW/MIA RECOGNITION DAY

● Mr. LEAHY. Mr. President, on September 16, 1988, I traveled to Vermont to attend a ceremony honoring former Vermont prisoners of war. The event was indeed a bittersweet occasion because it was appropriately held on National POW/MIA Recognition Day. We honored those who gave a part of their lives so that we could continue to be free. We remembered with pride the adversity they overcame. But, at the same time, we remembered and paid tribute to, with just as much emotion, those who did not return home.

For many, this reminds us of those who are still missing in action in Vietnam. There are also many others who did not return from Europe, the Pacific or Korea. As I have told the many concerned Vermonters who have contacted me about POW's and MIA's, we must continue every effort to locate and identify all missing servicemen.

Mr. President, Governor Madeline Kunin also proclaimed September 16 as National POW/MIA Recognition Day in Vermont. I ask that the text of her proclamation be included in the RECORD.

The proclamation follows:

STATE OF VERMONT, EXECUTIVE DEPARTMENT,
A PROCLAMATION

Whereas, the people of the United States owe a debt of gratitude to those Americans who have defended our country's liberty and, in so doing, have paid the price of capture and imprisonment; and

Whereas, the people of the United States take inspiration from the sacrifices of brave Americans who have endured captivity for their allegiance to our land and national ideas; and

Whereas, the POW/MIA issue remains a matter of high national priority and must continue to remain so until it is resolved; and

Whereas, past efforts to secure the release of, and definitive information on those Americans still missing or unaccounted for have been largely unproductive; and

Whereas, the families of those Americans who remain missing or unaccounted for have displayed extraordinary fortitude in the most trying of personal circumstances, and deserve the empathy and support of the American people;

Now, therefore, I, Madeleine M. Kunin, Governor of the State of Vermont, do hereby proclaim September 16, 1988, as "POW/MIA Recognition Day" in Vermont, and call upon the people of this great state to participate in POW/MIA Recognition Day and honor all former prisoners of war, those still missing and their families, all of whom have made extraordinary sacrifices on behalf of their country.●

NAMIBIAN INDEPENDENCE

● Mr. SIMON. Mr. President, today marks the 10th anniversary of the adoption of United Nations Security Council Resolution 435, the United Nations plan for Namibian independence. We can be proud of the efforts the United States made in helping to bring about that agreement and to bring the people of Namibia a step closer to their rightful independence.

I am hopeful that the current United States-sponsored negotiations will result in peace for the people of the region and success for the cause of justice and self-determination for the Namibian people.

But it has taken 10 long years to come back to the point of seriously moving ahead on implementing the independence plan. And we cannot fail to call attention to what is happening inside Namibia. Each day without independence results in lives lost, atrocities committed, families separated. We must remain vigilant to ensure that genuine independence comes to Namibia. The current negotiations are a very positive and critical step, and I fully support the effort.

For the past 20 years, the lives of Namibian men, women, and children have been bartered away into hatred and despair. They live without knowing the joy and inspiration that freedom brings to a human life.

As we come to the closing days of this 100th Congress, my deep hope is that the people of Namibia are finally seeing the bright light at the end of the tunnel, that the positive signals of today will bring a new day in Namibia. A whole generation of Namibians should have been free today. I hope that this will be the last anniversary of Resolution 435 that compels us to press for its implementation. Let us, as a free nation and leader in the world, help to ensure that the long wait is finally over.

In closing, Mr. President, I want to recommend the following speech, recently given by Ambassador Don McHenry during his recent private visit to Namibia. Ambassador McHenry's long experience, insight, and exceptional contribution to the effort for Namibian independence brings an invaluable perspective to our outlook on United States policy and the future of Namibia. I very highly recommend his thoughtful speech to all of my colleagues.

The remarks follow:

NAMIBIA PEACE PLAN COMMEMORATION OF TEN YEARS OF UNITED NATIONS RESOLUTION 435

(By Donald F. McHenry)

I am pleased to have this opportunity to be with you this evening. My association with this country covers a great many years.

As a graduate student I and my generation studied South West Africa as students of international law and organization. The South West Africa cases before the International Court of Justice were, and indeed are, part of the effort of the international community to develop and apply the rule of law to international disputes.

As a young foreign service officer in the United States Department of State, I had the responsibility for coordinating the United States response to the 1966 opinion of the International Court of Justice. Some of you may view the action of the Court as a frustration or even a victory. I am afraid that I fall in the category of the frustrated though I support the principle of legal standing even if it means that a dispute will escape resolution.

As the American representative on the Western Contact Group on Namibia, I was deeply involved in the negotiations which led to United Nations Security Council Resolution 435, a resolution which many of us hoped would lead to a solution to the problems of this troubled country. The inability of the international community to implement 435 was again the source of enormous frustration. However, the effort has not been in vain. Resolution 435 remains the basis of a settlement even for those whose intention it is to deviate from its spirit.

More recently my association with Namibia is that of an interested observer of events here, in South Africa and in the region. I have no official status and in fact have the luxury of saying whatever I please.

Thus, my association with Namibia covers a great many years and I count many of you as old friends. I am reasonably familiar with the starts and stops, the hopes and disappointments, the optimism and cynicism, and the local, regional, and global factors which have been brought to bear on this small corner of the globe.

My association with the search for peace in Namibia, or for that matter in the volatile Middle East, has not always been a pleasant experience. Some of you are familiar with the efforts here and in South

Africa to paint the endeavor of the Western Contact Group, and particularly my participation, in highly personal terms, even derogatory terms. It was a sometimes painful experience. As a diplomat, I was not a participant in the parochial politics of South Africa or of Namibia. I was not permitted to return rhetorical arrows in kind—though I confess I was sorely tempted to do so. Nor will I do so today. Then and in my remarks today, I have always tried to keep in mind the long term objectives of the bulk of the world community for Namibia: a free people, equal in the sight of their Creator, striving to live in peace, to care for their common needs, and to govern themselves with the consent of the governed.

I am not naive about these objectives nor about the difficulty of their attainment. As goals they can stand as beacons of light, ever guiding their followers toward ideals, but always reminding them that the work of liberty is never done. Or, they can be the refuge of the tyrant and the oppressor who uses the admitted difficulty of attaining such lofty heights to circumscribe self-determination or, equally abhorrent, to deny basic rights to an ostensibly free people.

Nor am I naive about the effect which time and absence of responsibility may have on my objectivity. I have jokingly told the press that my experience with Namibia negotiations is such that I might not recognize a settlement if it dressed itself in sexy attire and took a seat next to me.

Perhaps at no time since the passage of United Nations Security Council Resolution 435, almost ten years ago, have hopes for a Namibia settlement been higher. Having ridden the exhilarating roller coaster of expectations since the Contact Group negotiations, you know better than I of the depths to which hopes can plunge. It will come as no surprise to you that I have been and remain critical of the politics followed by the United States and South Africa over the last eight years. Even the successful conclusion of a settlement now does not vindicate those policies. The negotiations were needlessly complicated by East-West factors such as Cuban linkage and assistance to Savimbi. Time and lives have been lost. Conciliation and nationbuilding have been delayed and made more complicated.

Having expressed my position about the current approach, let me assure you, as an American Congressman did recently; I have no desire to be the skunk at the party of renewed expectations. I would welcome a settlement as much as anyone. Equally important, I have had the responsibility for juggling the many factors that affect negotiations. I am especially sensitive to the damage which was done to my own efforts in 1980 and 1981 by inappropriate remarks and attitudes by an incoming American administration. (On the other hand, perhaps I might energize the negotiations by describing the policies which might be followed by a new American administration.)

My discussions with many of you reveal a skepticism about South Africa's intention to implement Resolution 435 in good faith. I understand your skepticism. It is born of experience. At the same time you must not lose hope. Perhaps you might join me and become a hopeful skeptic.

It is not my intention to exhume the details of the failure to implement 435 ten years ago. It was clear to me in 1978, as it is clear to me now, that given the necessary political will, no legitimate obstacle stood or stands in the way of implementation of 435 and independence for Namibia on a basis acceptable to most Namibians and the international community. Absent political will, the most absurd of excuses can and will be invoked and interminable delay can be imposed. Political will has remained elusive in the naive assumption that postponement of the inevitable is an acceptable policy goal.

In the ten years since 435, there have been no winners, only losers:

Thousands of lives have been lost in Namibia and in Angola;

Badly needed infrastructure has been destroyed and funds for new infrastructure has been spent on the implements of war;

New and extraneous factors have further complicated an already complicated situation;

The important middle ground has become narrower as positions have polarized;

Valuable time has been lost. It will be a poorer, more weary Namibia and Angola which must begin the difficult process of developing and nurturing their own institutions, the process of nationbuilding.

To speak of the current negotiations is like painting a moving train. Any comments may become irrelevant immediately. Nevertheless, it appears that the question today is again one of political will, though in 1988 the question is dressed in terms of Cuban withdrawal from Angola, just as in 1978 it was dressed in terms of United Nations impartiality, the composition of United Nations forces and other such excuses. Ominously, as progress on Cuban withdrawal draws near there is renewed talk of the impartiality of the United Nations. Its the necessary political will present today? The answer is found in the responses to four critical questions.

1. Will South Africa proceed to implement 435 or will it take advantage of the legitimate security concerns of Angola and therefore rationalize continuation of its dominance of Namibia?

2. If the Cuban withdrawal issue is disposed of, will South Africa and Namibia proceed to implement both the letter and spirit of 435 or will they use numerous procedural devices, administrative tactics and even legitimate but secondary grievances to make more difficult an already difficult process. Essentially, the question is, will all parties support free and fair elections?

3. If perchance we get to the election of a constituent assembly, will Namibians come together in good faith to work out that degree of consensus which provide the basis of government today? Or will Namibians of various factions, perhaps influenced by past and continuing South African attitudes and policies, take positions which they know can never be acceptable to the other and thus make consensus impossible?

4. Finally, can Namibians find and develop the necessary wisdom and patience to evolve a government appropriate to this country? Or will the new government follow policies which in their own way are as bankrupt and oppressive as those which rightly have been so harshly criticized? Will the government lurch into social, economic and political policies which are divisive and which have failed wherever they have been tried?

These, then, are the four crucial sets of questions before you in this moment of great expectations. Let me elaborate on each of them.

From all reports the present negotiations have been deadlocked over a difference on a timetable for Cuban withdrawal from Angola, an issue which is not a part of 435 and which was not advanced as a reason for South Africa's initial refusal to implement the resolution. I have always believed it possible to separate Namibia from most developments in Angola. Indeed, the policies followed over the last seven years of occupation of southern Angola by South Africa and continued strengthening of UNITA have made the Angolan government more not less dependent on assistance from Cuba.

It will be argued that my own analysis is historical and beside the point now that the principle of linkage has been formally accepted. From the outset Angola has justified the presence of Cuban forces on threats to Angolan security, initially from South Africa and later from South Africa and Savimbi. In the present negotiations Angola may indeed have accepted the concept of linkage but its public suggestions of a Cuban withdrawal timetable indicates continued concern by Angola for its security. Governments are not known to willingly commit suicide. In the absence of an internal settlement, Angola must be concerned about a UNITA which is already strong, which continues to receive assistance from the United States, and if Nkomati is any guide, would continue to be assisted by South Africa despite pledges to do otherwise.

Is there a way to separate legitimate Namibian security concerns from Angola? If South Africa needs some fig leaf to justify its recent withdrawal from Angola, to drop its demands for simultaneous withdrawal of Cuba and to grant Namibia independence, can such a fig leaf or political justification be developed? I think so. It is partly in the acceptance of a realistic timetable in terms of Angolan security, perhaps twenty-four to thirty months, and recognition of the fact that peace in Namibia may be the only feasible means of forcing Angolan parties to recognize the necessity of coming to terms with each other. Beyond that, it is possible to monitor the border, perhaps by an Angolan, Namibian and United Nations joint monitoring group; demilitarized zones could be established; the location of Cuban forces could be agreed upon; and there might be qualitative limits agreed upon. Finally, there might be pressure on both sides in the Angolan conflict to come to terms with the reality of the others existence without external support. Even beyond these suggestions, of course, there is the political, military and economic reality that an independent Namibia would be forced in its own interest to distance itself from Angola and, for that matter, from developments in South Africa itself.

IMPLEMENTATION OF 435

In the wake of optimistic reports of a settlement, some have asked whether it is necessary to go through the laborous process of 435. Surely the answer is obvious. Resolution 435 is the only agreed procedure for reasonably providing a minimum measure of fairness. At this stage, those who question the application of 435 raise serious questions about their seriousness. Similarly, intentions are questionable when old concerns about impartiality are raised, especially given previous statements by South Africa that the only obstacle was Cuban withdrawal. And, as much as I appreciate the concerns of many of you that agreements on the nature of a constitution must precede an election, I must regretfully disagree. Such a procedure is inconsistent with 435 and would threaten its implementation. Moreover, the objective of consensus building can be met within the framework of 435.

I have always thought that the various Namibian parties hoped to obtain advantages in the implementation phase that they were unable to obtain in Resolution 435 itself. Indeed, it is clear that 435 or any other basis of settlement can be thwarted by any of the parties, particularly by South Africa given its role in continuing to carry out administration. In the final analysis, the power of the United Nations is its ability to confer legitimacy on the electoral process. Impartiality, therefore, is a two-way street. It requires impartiality on the part of both the United Nations and of South Africa. It requires an acceptance by Namibians of the participation of all parties on an equal footing. When is that footing equal and when have free and fair conditions been established? I venture to suggest that many of you have not read 435 for some time. I urge you to do so, for it requires conditions which some will object to and try to skirt. Let me simply conclude that 435 is not self-implementing. Differences on implementation are to be expected. In the final analysis, little will have been accomplished if any of the parties can legitimately point to an unfair process.

THE CONSTITUENT ASSEMBLY AND NATIONBUILDING

I come now to the two most important questions, namely the work of the constituent assembly and the nature of a Namibian government in a society unaccustomed in a modern governmental sense, to democratic rule.

The duty of the constituent assembly is to work out an agreed upon basis for government. Clearly, this could have been worked out in advance, as was largely done in Southern Rhodesia prior to Lancaster House. However, it was clear to those involved in drafting 435 that the necessary consensus did not exist and that multiple parties were then in a position to assert conditions far beyond their reasonable powers. Thus, the idea of elections and the development of a structure of government by the people themselves.

Two points need to be made about the work of a constituent assembly. First, a system of government imposed by a majority over the vigorous, determined opposition of a minority will not guarantee peace. Nor will a system forced upon the majority by an insensitive and selfish minority. Either extreme will only guarantee immediate resentment and continued turmoil.

This does not mean that accommodation is impossible. History is replete with schemes which seek to guarantee fairness. The American constitution contained both temporary and permanent guarantees of this kind. Closer to you, so did the Zimbabwe constitution. The trick is to work out an accommodation in good faith, keeping in mind that ironclad guarantees are wishful thinking and impossible. It is more important to create an atmosphere of trust.

Second, it is important to note that while a constituent assembly is to produce a basic document, it must not be a static document. One would hope that the document which might be reached in the future would differ considerably from what might be agreed upon today. A document which entrenches privilege only guarantees future turmoil.

Finally, with regard to nationbuilding, I would urge you to recognize that it is a task which is never complete. In addition, Namibia must build a nation while much of the international community has already moved on to the even more difficult task of structuring interdependence.

You start with the heritage of a social and political system which is universally condemned. Your society has seen normal differences accentuated leading to increased polarization and years of turmoil. And, of course, while Namibia will be independent politically, economic ties to South Africa are a fact of life. In the words of Adlai Stevenson, you can, like a child, accept these adverse circumstances from your past and rationalize continued difficulty or you can move on. You can curse the darkness or you can light a candle. The decision belongs entirely to Namibians.

In this respect there are lessons to be learned from your unhappy history. The fact and experience of turmoil should have taught lessons and instilled a desire for peace and cooperation. All Namibians, particularly those who have endured exile, know the depths to which a country can sink if it perpetuates ethnic religious, racial or other group advantage. Exiles have also seen the economic, social and political deterioration which result from the abrupt imposition of alien or proven disasterous economic and political structures.

Know that in your undertaking Namibia is unique among nations. The international community has not had the power or even the will to right the situation here. But no nation in history has experienced a more constant guardianship than Namibia. That guardianship will continue in the implementation of 435 and, I believe, in assistance in good faith efforts to build a vibrant, peaceful and independent Namibia. But the international community can only assist. Only you can determine the difficult and winding road ahead.●

LEAD-BASED PAINT ABATEMENT

● Mr. SIMON. Mr. President, on behalf of Senator DIXON and myself, I offer the following joint statement.

We wish to bring to your attention a potentially disastrous situation which seems to have been narrowly avoided through the hard work and cooperation of several individuals and agencies. We are referring to the lead-based paint abatement [LBP] prohibition included in the recently passed HUD-independent agencies appropriations bill.

The 1989 HUD-Independent Agencies Appropations Act, which the President signed on August 19, included an administrative provision prohibiting the Department from enforcing its June 6, 1988, regulations on lead-based paint testing and abatement in public housing until technical guidelines could be developed. HUD anticipated that the guidelines would take approximately 6 months to develop.

Many of us were deeply concerned with HUD's interpretation of the provision. In a HUD internal memo draft on the lead-based paint requirements, HUD stated that:

> The 1989 Appropriations Act prohibits the use of funds in the 1989 Appropriations Act or any previously appropriated funds to implement or enforce the June 6, 1988 regulation with respect to the testing and abatement of LBP in public housing until the Secretary develops comprehensive technical guidelines on reliable testing protocols, safe and effective abatement techniques, cleanup methods, and acceptable post-abatememt lead dust levels.

The Senate Appropriations Committee staff convened a meeting on September 13 with HUD officials to discuss congressional intent on the lead-based paint abatement provision. We are pleased to state that significant progress was made during that meeting. In preventing the enforcement of the June 6 regulations, it was not the intent of the Appropriations Committee to interrupt progress on lead-based paint abatement any of the public housing authorities [PHA's] were making.

Having resolved the issue of congressional intent on the HUD lead-based paint regulations, a new worry arose. Many public housing authorities had been informed by HUD not to enter into any new Comprehensive Improvement Assistance Program [CIAP] contracts until the new HUD regulations were promulgated. This would have caused PHA's to miss a HUD-imposed deadline for receiving Federal funds.

We are happy to announce that it is our understanding that a grace period will be extended by HUD so that the PHA's will not be penalized. We wish to extend our appreciation and thanks to everyone who cooperated in resolving this problem.

We wish to include for the RECORD, copies of: first, our correspondence with members of the Appropriations Committee; second, correspondence from the House and Senate leadership of the Appropriations Committees to HUD Secretary Samuel Pierce and third, our correspondence with James Baugh, the General Deputy Assistant Secretary HUD. I ask that these letters be printed in the RECORD.

The letters follow:

U.S. SENATE,
Washington, DC, September 8, 1988.

Hon. WILLIAM PROXMIRE,
Chairman, Subcommittee on HUD-Independent Agencies, Committee on Appropriations, Washington, DC.

DEAR BILL: We are writing about language which was included in the recently passed HUD-Independent Agencies Appropriations bill. In particular, we wish to express our concern regarding Amendment No. 24, the Lead Based Paint Abatement Prohibition.

We share the general concern regarding the Department of Housing and Urban Development's failure to develop useful guidelines for lead based paint testing and abatement programs. However, if left unchanged, this prohibition would do little to ensure that HUD promulgated reasonable regulations in a timely fashion but would have a serious impact upon the Public Housing Authorities (PHAs) in Illinois. The ramifications would be felt in all areas where the PHAs are trying to upgrade and improve the existing stock through contracts which were signed or were to be signed after August 19, 1988. The impact is already being felt in the following areas:

The modernizaiton and abatement program. Major programs have been put on hold resulting in higher costs for the PHAs;

Repairing and refilling vacancies. Units currently vacant cannot be repaired. In many cases, this will result in increased costs because the vacant units end up being vandalized and used by gangs as headquarters. Moreover, a monthly subsidy is lost for each unit that is not rented;

Routine maintenance. If the PHAs are not allowed to break any painted surface, how can they fix the plumbing, wiring, and heating, ventilating and air conditioning?

A good example of the effect of these regulations upon the housing authorities exists in Chicago. The Chicago Housing Authority (CHA) had begun work to develop lead based paint testing and abatement in accordance with the June 6, 1988 regulations. CHA was about to purchase $400,000 worth of testing equipment when the prohibition was enacted. The program is now in limbo, increasing the residents' exposure to lead based paint and increasing the authority's liability.

In conclusion, we urge that this problem be resolved immediately. We request that the funds for the Lead Based Paint Abatement Program be released on an interim basis while comprehensive technical guidelines on safe and effective methods of abatement are being developed.

We appreciate your cooperation in working to resolve this serious problem. Thank you for your assistance.

Sincerely,

PAUL SIMON,
U.S. Senate.
ALAN J. DIXON,
U.S. Senate.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON APPROPRIATIONS,
Washington, DC, September 13, 1988.

Hon. SAMUEL R. PIERCE, Jr.,
Secretary, Department of Housing and Urban Development, Washington, DC.

DEAR SECRETARY PIERCE: As you know, the 1989 HUD-Independent Agencies Appropriations Act, which the President signed on August 19, includes an administrative provision prohibiting the Department from enforcing its June 6 regulations on lead-based paint testing and abatement in public housing until technical guidelines are developed. It is expected that the development of such guidelines will take approximately six months.

The Committees understand that questions have arisen concerning the interpretation of this language and its application to projects funded under the Comprehensive Improvement Assistance Program (CIAP) that may involve lead-based paint testing and abatement during the interim period. We believe some clarification of Congressional intent would be useful to assure that progress continues to be made on abatement of lead-based paint.

First, in blocking the enforcement of the June 6 regulations, it was not our intent to interrupt progress on lead-based paint abatement. This language was intended to postpone enforcement through the regulations of the statute which they implemented for a limited period until improved technical guidelines could be developed. Despite this language, the compelling need for lead-based paint abatement persists. Accordingly, at the very least, it is important to rely on the provisions of the 1986 regulations.

Second, as indicated in our May 11 letter to the Department, the Committees feel strongly that the Comprehensive Improvement Assistant Program must not be derailed or delayed. While enforcement of the June 6 regulations was stayed, the Appropriations Committees intended that the CIAP program's momentum be maintained and that projects encompassing lead-based paint abatement be conducted responsibly and effectively.

Unfortunately, some uncertainty is unavoidable during the next few months with respect to the technical requirements governing lead-based paint in CIAP projects. The Committees' intent was that all modernization projects proceed during this interim period under the Department's purview employing abatement techniques which are judged to be safe and thorough.

During the interim period, the Committees urge the Department to provide all available information on testing and abatement of lead-based paint for the CIAP program to assure that projects proceed in a responsible manner. Close working relationships between HUD area offices and PHAs can help assure successful projects. In any event, it is clear that as more comprehensive guidelines are developed, standards for lead-based paint abatement and cleanup will be stringent and work undertaken in the interim should be cognizant of this fact.

We hope this clarification of legislative intent has been helpful and that comprehensive modernization projects, including those involving lead-based paint, can continue to proceed expeditiously and responsibly.

Sincerely,

WILLIAM PROXMIRE,
Chairman, Senate Subcommittee on HUD-Independent Agencies.
JAKE GARN,
Ranking Minority Member, Senate Subcommittee on HUD-Independent Agencies.
EDWARD P. BOLAND,
Chairman, House Subcommittee on HUD-Independent Agencies.
BILL GREEN,
Ranking Minority Member, House Subcommittee on HUD-Independent Agencies.

U.S. SENATE,
Washington, DC, September 15, 1988.

Mr. JAMES E. BAUGH,
General Deputy Assistant Secretary, Office of Public and Indian Housing, Department of Housing and Urban Development, 451 Seventh Street, SW., room 4100, Washington, DC.

DEAR MR. BAUGH: We are pleased to learn of your conversation on September 14th with Sylvia Davis Thompson of Senator Dixon's staff, who spoke with you on our behalf regarding the Chicago Housing Authority (CHA) and its dilemma with the HUD lead-based paint regulations. We understand that this is a nationwide dilemma.

As you know, because the Chicago HUD Regional Office advised CHA against entering into any Comprehensive Improvement Assistance Program (CIAP) contracts until the HUD lead-based paint regulations are clarified, CHA will be unable to award renovation contracts by the September 30 HUD-imposed deadlines in order to receive the $14 million Federal funds.

We understand from your conversation with Sylvia that because the program delay was not caused by public housing authorities, HUD will provide a reasonable grace period to the CHA to obligate funds under CIAP.

As you may know, Secretary Pierce has received a letter from the House and Senate leadership of the Subcommittees on HUD-Independent Agencies which clarifies Congressional intent to assure that "progress continues to be made on public housing modernization and safe and effective abatement of lead-based paint."

Thank you for your continued support for the success of the CHA.

Sincerely,

PAUL SIMON,
U.S. Senate.
ALAN J. DIXON,
U.S. Senate.●

VIETNAM AND INDOCHINA

● Mr. SIMON. Mr. President, recently there has been some movement on the subject of Vietnam and Indochina and I rise today to discuss some of these important issues. Several months ago, a number of my colleagues joined with Senator JOHN MCCAIN to introduce Senate Concurrent Resolution 109, which recommended the exchange of interest sections with Vietnam. That resolution offered an opportunity, nearly a decade and a half after the end of the war in Vietnam, to start repairing our shattered relationship.

We should take this step now because it would serve the interest of the United States.

Negotiations are now in progress to reach a settlement of the tragedy in Cambodia which would involve a withdrawal of Vietnamese forces and a guarantee against the return to power of the brutal Khmer Rouge. An engaged America, which can deal with Hanoi on this issue, can bring the day of settlement nearer.

There may also be opportunities to reduce Soviet influence in Vietnam during the process of adjustment and realignment now in progress throughout the region, and we should certainly try to move Vietnam out from under the Soviet orbit if at all possible.

With movement toward political solutions in the region, there will also be a move to expand trade relations with Vietnam. Japan and most ASEAN nationa have maintained a foundation in diplomatic and economic ties with Vietnam upon which they can build when the moment is appropriate. If Vietnam completes its withdrawal from Cambodia, and is forthcoming on the whole POW/MIA issue, then we ought to be ready to explore trade relations.

Along these lines, we have some serious issues to discuss with Vietnam, from MIA's to refugees. There is no question we would be more effective in pressing these issues if we had direct, ongoing contact.

Mr. President, we held hearings in the Senate Foreign Relations Committee on August 2 of this year to consider the resolution which Senator MCCAIN, I, and others had introduced on relations with Vietnam. Unfortunately, the decision by Vietnam shortly thereafter to suspend cooperation on joint searches for MIA's led us to postpone our efforts in Congress. At that time I wrote to Vietnamese Foreign Minister Nguyon Co Thach expressing my concern about his government's decision to hold up cooperation on this and other humanitarian issues.

I was pleased to receive a response from Foreign Minister Thach on August 27 stating that Vietnam had decided to resume cooperation on MIA's in response to my expressed concern and the wishes of the American people. Mr. President, I would like to submit both my letter to the Foreign Minister and his response for the RECORD because I believe the exchange illustrates that the Vietnamese do react, sometimes favorably, when you deal with them directly. That is my point. I certainly do not agree with much in his letter, but it shows Vietnam engaging our views and expressing their own. And that's where negotiations begin.

Mr. President, I ask that my letter to Foreign Minister Thach and his response be printed in the RECORD in full.

The letter follows:

Hon. NGUYEN CO THACH,
Foreign Minister, Socialist Republic of Vietnam, Hanoi.

DEAR MR. MINISTER: Postponement of joint MIA search missions as announced in your 31 July letter to Gen. Vessey is deeply disturbing to one who has consistently urged U.S.-Vietnamese mutual diplomatic recognition. Unfortunately, your decision has made it very difficult for Congress to pursue, as I would wish, current hearings to study the desirability of such recognition. I hope that both our countries can quickly return to the path of positive steps which has characterized our contacts in recent months.

Sincerely yours,
PAUL SIMON,
U.S. Senator from Illinois.

AUGUST 27, 1988.

Hon. PAUL SIMON,
U.S. Senate, Washington, DC.

DEAR SIR, I share your concern about the recent developments in the U.S.-Vietnam relations.

Throughout the recent past, we have done our utmost to implement the agreements reached between General John Vessey, the U.S. President's Special Emissary, and me in the August 1987 talks in Hanoi and in the June 1988 talks in New York, with a clear purpose of putting the past behind and looking forward to the future for the long-term interests of the people of the two countries.

General John W. Vessey has also affirmed in his letter to me dated August 5th, 1988 that the American people have especially been encouraged with the recent progress made possible by the Vietnamese side on resolving the American MIA issue and on the issue of the resettlement in the United States of all those who have been released from re-education centres. But it is regrettable that while Vietnam is showing such a good-will attitude, the statements made by U.S. senior officials at the end of last July demonstrating the United States' continued policy of hostility toward Vietnam do not contribute to the creation of a favourable atmosphere for a fair resolution of humanitarian issues of both sides as well as the issue concerning those released from re-education centres.

I would like to reaffirm to you that we unswervingly consider the settlement of the American MIA issue as a humanitarian one, and that both sides should put an end to hostile attitudes, creating favourable atmosphere for the resolution of these issues.

In response to your concern and to the wishes of the American people, I would like to inform you that the Vietnamese side agrees to the U.S. side participation in joint activities of investigation and survey on the MIA issue and is prepared for the meeting of specialists of the two sides on September 9th-12th, 1988 to discuss concrete plans.

Regarding the resettlement in the United States of the people who have been released from re-education centres, I am of the view that because major differences and an unfavorable atmosphere still exist, the specialists' second meeting cannot be arranged now.

I highly appreciate your recent activities in the U.S. Congress aimed at promoting the resolution of the remaining issues of both sides as well as improving the relations between the two countries. I wish you may, with your prestige and influence, urge the U.S. government create favourable conditions for the implementation of the agreements reached between the two sides.

Please accept, Sir, my best wishes and sincere regards.

Signed: NGUYEN CO THACH,
Minister for Foreign Affairs.●

PESTICIDES REFORM

● Mr. METZENBAUM. Mr. President, yesterday the Senate passed a bill to reform our Nation's pesticide law, the Federal Insecticide, Fungicide and Rodenticide Act [FIFRA]. It is an important first step. The legislation which passed will enable the Environmental Protection Agency to finally get on with the critical task of reviewing the health and safety of thousands of pesticides which are in use today.

This legislation is long overdue. In 1972 Congress instructed EPA to review and reregister all pesticides on the market. Today, 16 years later, the overwhelming majority of the 600 active chemical ingredients found in pesticides have not been adequately tested for health and safety effects.

The delays in pesticide reregistration have left a cloud of uncertainty hovering over the safety of our Nation's agricultural products. Consumers have a right to expect, and receive, rigorous and expeditious review of the pesticides used on agricultural products which they purchase. Up to now, the process has been appallingly slow. At the current pace, reregistration of all pesticides on the market will not be completed for another 30 years.

S. 659 will halt the delays in the testing and reregistration of pesticide products. The reregistration and fee provisions of the bill grow out of work begun in the 99th Congress. S. 659 sets a strict 9-year deadline for completion of the reregistration process. More importantly, this bill gives EPA the tools to do the job. The fee provisions in the bill will provide EPA with the resources to conduct the necessary health and safety testing.

Consumers also have a right to expect that pesticides found to be unsafe will be swiftly removed from the market. Unfortunately, that has often not been the case because EPA has been handcuffed in its ability to ban dangerous pesticides. Current law requires the agency to compensate manufacturers for the costs of unsafe pesticides removed from the market. In addition, taxpayers also must foot the bill for the storage and disposal of these dangerous substances. As a result, the cost of banning a single pesticide often exceeds the budget for the agency's entire pesticide program.

S. 659 puts an end to this notorious quirk in our Nation's pesticide law. Manufacturers can no longer count on taxpayers to subsidize the costs of removing dangerous pesticide products from the shelves. No longer will EPA have to face the untenable choice between leaving a dangerous product on the market or diverting money from the safety review process in order to ban an unsafe pesticide.

While S. 659 takes some critical steps in the regulation of pesticides, there is still much more to be done when we return to work next year. Limiting the ability of manufacturers to export dangerous pesticides abroad, and authorizing citizen suits to aid enforcement of FIFRA are among the next steps which must be taken. In particular, allowing citizens to bring suit against violators of FIFRA would provide an additional cost—effective enforcement tool which would help ensure compliance with the law.

I also share with Senator DURENBERGER concerns regarding the urgent need to address the problem of ground water contamination. The safety of drinking water in many areas of the Nation is jeopardized by the seepage of pesticides into underground water supplies. While we were unable to address this issue fully this year, it is apparent that quick action must be taken to stop ground water pollution.

In short, while I am pleased with the progress we made yesterday, I am also mindful that much work remains to be done in the area of pesticide reform in order to protect the public health and safety.●

SID CAMPBELL

● Mr. DIXON. Mr. President, my friend Sid Campbell recently passed away. Though Sid was of a different political persuasion, I valued Sid's judgment and welcomed his views. The Jacksonville Journal Courier of Jacksonville, IL, said it best in its headline, "Our Area Lost a Lot When Sid Campbell Died." I would like to express my heartfelt condolences to his wife, Rosemary, and to his family. I would also like to submit for the RECORD the text of the editorial which appeared September 7 in the Jacksonville Journal Courier.

The editorial follows:

OUR AREA LOST A LOT WHEN SID CAMPBELL DIED

Neighboring Cass County citizens suffered the loss of one of its leading citizens this week with the passing of William "Sid" Campbell of rural Ashland. One of a rare breed that managed somehow to combine a number of activities into a single working day, he lived life to the fullest. His untimely death has saddened the entire community.

Sid Campbell, a farmer, political leader and manufacturer, used an uncanny knack for creativity and innovation to become well known throughout the state. When he came home from World War II, he settled into the family farming operation west of Ashland and quickly became very involved in community work. He was a member of the local school board and joined various community organizations. Besides the community projects, he became interested in politics, later becoming chairman of the Cass County Republican Central Committee, a post he held from 1966 until the time of his death.

The fact that his chosen party gained some strength in a Democrat stronghold gave Campbell state recognition. For a time he served as president of the Illinois Republican County Chairman's Association. His interest in education, begun at the local level, took him to involvement with committee work at the state level. All of these jobs paid nothing, but Sid Campbell cheerfully took the time from his own busy schedule to perform countless hours as chairman of the Illinois Community College Board and the Illinois Board of Higher Education, while at the same time serving on countless local committees connected with his beloved community of Ashland and Cass County.

Several years ago Campbell founded the Campbell Container Company and set up his small manufacturing operation in an unused implement dealership building in the Cass County seat of Virginia. Using his ability to create and innovate, Campbell improved on the already state-of-the-art machinery which was run by electronic controls, and produced a line of bottles used for such liquids as peroxide and rubbing alcohol. Also to be added to the production line was an eye-catching plastic bottle which would be used to merchandise locally-grown popcorn.

All this took place as Campbell continued to be active on the political scene. Those familiar with the mechanics of politics know that the local county chairman is the busiest person on the local scene. Sid Campbell not only lived up to every challenge, he thoroughly enjoyed tending to the machinery in his little bottle plant, fixing what needed to be fixed, while at the same time answering the never-ending requests that come the way of a political figure.

Sid Campbell was one of a now-rare breed which had his definite views on every subject. While a Republican partisan, he could count many friends on the Democrat side. He respected a person for the views he held, whether he agreed with them or not. Campbell had little patience with the person "with no opinion, either way."

At the time of his unexpected last illness, Sid Campbell was gearing up for yet another election, hoping for a decent crop, and working, as usual, his many-hour days. Many had asked his help, his counsel, and his wisdom through the past years.

He was never stingy with his time. His kind always seem to be able to reach back and "spare a few minutes," when in reality the time he spent helping others often came at the expense of his own time.

Sid Campbell was one who could have, at the end of the war over forty years ago, taken his unusual talents elsewhere to fame and fortune. We who knew him well are very thankful he chose to settle down in Cass County and be that "good neighbor," we all hope to be during our lifetimes.

Our condolences go to his wife, Rosemary, and his outstanding family. We share their loss because Sid Campbell reached out and touched so many other lives. He will be missed, but he leaves a vivid memory of a man who just couldn't sit still very long and let a problem go uncorrected.●

IN MEMORIAM—DR. RICHARD A. LEWIS

● Mr. DIXON. Mr. President, on Tuesday, September 20, the State of Illinois and the Nation lost a great man and scientist. Dr. Richard A. Lewis, president of the Illinois Defense Technology Association, Director of the Argonne National Laboratory Strategic Defense Initiative Program office, and Director of the Argonne National Laboratory's Engineering Division, was killed while he practiced for the national aerobatics competition.

Dick grew up in California, received his bachelor's and master's degrees from the University of California at Los Angeles. He later earned a Ph.D. in nuclear engineering from Stanford, and an M.B.A. from the University of Chicago. Dick had been with Argonne Laboratory in Illinois since 1964.

Both in professional and private life, Dick made excellence his goal. He was active in scuba diving, sailing, and has a special interest in precision flying. In fact, in 1987, 2 years after beginning the sport, Dick earned the title of U.S. national aerobatic champion in the sportsman class, and he recently won the Illinois State aerobatic championship in the intermediate class.

Professionally, there were none better than Dick Lewis. During his tenure at Argonne, Dick contributed to the advancement of science through various positions. No matter what he was charged with achieving—whether presiding over research and development programs, or innovating new procedures—he accomplished his goals and exceeded expectation. Our Nation's defense efforts, and our scientific achievements were greatly advanced under his guidance.

Richard A. Lewis was a brilliant scientist and a well-respected man. Dick Lewis will, indeed, be missed, but long remembered for all he contributed.●

JEROME H. STONE

● Mr. METZENBAUM. Mr. President, I rise today to honor an individual who has been a pioneer in raising our national consciousness about one of the most serious threats to the health and well-being of our society.

As a businessman, Jerome H. Stone distinguished himself as a leader and an innovator. As a director of several major industrial companies, his business sense and savvy is considered invaluable. And as a community-minded citizen, his involvement in charitable and civic causes has been the source of immeasurable help to many.

For most of us, all of that would have been enough. For Jerry Stone, it was only a small downpayment on a legacy of caring and commitment.

Late in 1979, Jerry Stone and a handful of dedicated individuals gathered here in Washington to discuss how they might mount a national effort to combat an affliction that—at the time—received very little attention from the general public or the Congress. That affliction was Alzheimer's disease.

Prior to that time, countless millions of Americans had suffered in silence, their families often too embarrassed to even mention what was happening to their loved ones.

Driven by their pain and his own personal experience, Jerome Stone took the helm as president and later chairman of the Board of the Alzheimer's Disease and Related Disorders Association. Although a most difficult and challenging task, he attacked it with skill born of rich experience and insight born of deep compassion. But through his tireless efforts and the hard work and dedication of Alzheimer families across the country, we have all come to recognize the heavy toll Alzheimer's disease is taking on our society.

The association has since grown to become a national voluntary organization dedicated to finding the cure for this dread disease, as well as easing the burden of the more than 2.5 million victims, their families and loved ones. In addition to offering families the guidance and support they so desperately need, the association has taken on the role of national spokesperson.

On a regular basis, I and many of my colleagues have turned to Jerry Stone to learn how we can best address the needs of Alzheimer families.

For my part, I am proud to have played a role in helping to focus attention and resources to this critical issue. Four years ago, I sponsored an amendment to the Labor-HHS appropriations bill, establishing the first of 15 Alzheimer Research Centers. I have also introduced and fought for passage of several measures aimed at meeting the patient care and family service needs of this growing population.

But I can think of no more fitting tribute to Jerry Stone than the recent passage of legislation appropriating $120 million for medical research into the cause and cure for Alzheimer's disease.

I recently learned that Jerry Stone will soon be stepping down as chairman of the Alzheimer's Disease and Related Disorders Association, and I could not let the occasion pass without extending my thanks and best wishes to an old and dear friend.

Jerry, you are entitled to look back on your record of public service with great pride and satisfaction. The people of this Nation owe you their thanks for the distinguished service you have rendered for us all.●

LEGISLATIVE ALERTS

● Mr. KARNES. Mr. President, one of the most important duties we have as representatives of our our constituents is to keep them apprised on what we are doing in Congress.

In recent weeks, I have received thousands of responses from Nebraskans who have received Legislative Alerts from me. I believe these alerts perform a valuable service for the citizens who need to know, with great specificity, what we do and think. They have expressed great appreciation that a Member of the U.S. Senate would make the effort to explain the issues and then ask their opinions. I feel my efforts to explain several Senate bills have been quite successful, and the feedback I have received in turn from my constituents will help me greatly in my efforts to represent their views.

It takes a great deal of effort by some very talented people to accomplish this task. I have had the opportunity to thank my staff personally for the fine job they have done to assist me with this endeavor, but I rarely have a similar opportunity to express my appreciation to others who have played a major role in this process. Hard-working professionals in the Republican Conference such as Art Director Karen Portik and her staff have provided invaluable assistance to this end. I am pleased to express my thanks for their exemplary work and to extend my warm personal regard for their efforts.

Washington is a city of opinions and ideas, but no opinions are more important than those of the people we represent. I feel the time and effort necessary to communicate with them and solicit their opinions is very worthwhile. Ultimately, everyone benefits when more people become involved in the process of government.●

TIME AGREEMENT—S. 2846

Mr. BYRD. Mr. President, I ask unanimous consent that on a bill that Mr. WEICKER and Mr. KENNEDY are introducing, there be a 1-minute time limitation to be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

GRANTS FOR TREATMENT DRUGS FOR AIDS

Mr. WEICKER. Mr. President, I send a bill to the desk and ask that it be read.

Mr. BYRD. I ask that no amendments be in order.

The PRESIDING OFFICER. The clerk will report.

Mr. BYRD. No amendments and no motions to recommit.

The PRESIDING OFFICER. Without objection, it is so ordered.

The assistant legislative clerk read as follows:

A bill (S. 2846) to provide for the awarding of grants for the purchase of drugs used in the treatment of AIDS.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. WEICKER. Mr. President, very simply put, this is the authorization for $15 million to be expended between now and March 1989 for the provision of AZT for those who cannot afford it. The present program expires tomorrow. Without it there are thousands undoubtedly who will die. This will start the procedure going which will make the drug available for an additional period of time. It is hoped we will determine those policies that are properly applicable in this type of situation. I thank Senator KENNEDY and Senator HATCH for assisting me on this matter.

Mr. KENNEDY. Mr. President, I too join in urging the Senate to accept this bill. It is an emergency measure. It is absolutely essential. It is really a matter of life and death. I hope that we will pass it.

The PRESIDING OFFICER. All time has expired. The Senator from Kansas.

Mr. DOLE. I will defer to the Senator from Florida.

Mr. CHILES. Mr. President, this is an issue which I have not seen. As I look at it now, it looks like it authorizes and appropriates. Is it an authorizing measure or is it also appropriating?

Mr. WEICKER. In response to the Senator from Florida, it is strictly meant to be of an authorizing nature.

Mr. BYRD. Mr. President, I ask that the time be extended for 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHILES. For the purpose of carrying out subsection (a), there is authorized to be appropriated $15,000,000. Now, I do not know exactly what that covers.

Mr. WEICKER. For the purpose of setting the record clear, there is no intention in the course of this legislation to have this as an appropriation, merely to continue the program in an authorization status and then to come back at the appropriations process in another vehicle at another time.

Mr. CHILES. I certainly will not object to it if it is authorizing. If it is appropriating the money, then it is something that I would have to consider.

Mr. WEICKER. I make it explicitly clear to the Senator from Florida this is strictly authorization, not appropriation.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Republican leader.

Mr. DOLE. I would just add that that is my understanding. I think there is going to be some reprogramming. It is not going to be a new appropriation. It is a matter of emergency and I certainly hope we can pass it without any objection.

I yield back any time on this side.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 2846

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. GRANTS FOR TREATMENT DRUGS FOR ACQUIRED IMMUNE DEFICIENCY SYNDROME.

Part B of title III of the Public Health Service Act (42 U.S.C. 243 et seq.) is amended by inserting after section 314 the following new section:

"SEC. 315. GRANTS FOR TREATMENT DRUGS FOR ACQUIRED IMMUNE DEFICIENCY SYNDROME.

"(a) AUTHORITY.—The Secretary, may make grants to the States for the purpose of assisting grantees in the provision of drugs determined to prolong the life of individuals found to have acquired immune deficiency syndrome and related conditions.

"(b) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out subsection (a), there is authorized to be appropriated $15,000,000.

"(c) PERIOD FOR GRANTS.—No grant may be made under this section after March 31, 1989.

"(d) REPEALER.—This section shall cease to exist on March 31, 1989.".

Mr. WEICKER. I move to reconsider the vote by which the bill passed.

Mr. DOLE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WEICKER. Mr. President, I ask unanimous consent that Senators

CRANSTON, WILSON, KENNEDY, HATCH, DOLE, and LAUTENBERG be included as original cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

VISIT BY THE PRESIDENT OF FRANCE

Mr. BYRD. Mr. President, the President of France, Francois Mitterrand, will be the guest of the Congress in Statuary Hall beginning at 4:50 p.m. today to be honored by the Speaker and the distinguished Republican leader and myself on the occasion celebrating the bicentennial of the French Revolution. All Senators are invited and the event should last about 30 to 45 minutes.

ORDERS FOR TOMORROW

RECESS UNTIL 10 A.M.

Mr. BYRD. Mr. President, the distinguished Republican leader and I have discussed going out at this time and unless the distinguished Republican leader has anything further, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 10 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that after the two leaders are recognized on tomorrow, there be a period for morning business not to extend beyond 10:30 a.m. and that Senators may speak therein for 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask now that 5 minutes of that time be under the control of Mr. KERRY.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. BYRD. Mr. President, I thank all Senators. There will be a great number of rollcall votes tomorrow. I emphasize the fact that the Senate may be in until midnight tomorrow. We are going to do everything possible to meet the fiscal year deadline on appropriations bills, and unless such an appropriations bill as the DOD appropriations bill were not to meet that deadline, then I would say at this point the prospects for a Saturday session are pretty dim. But if the DOD appropriations bill has not been cleared by midnight tomorrow night, there is every prospect for a Saturday session.

So there will be rollcall votes late into the evening tomorrow. I hope all Senators and staff will be well aware of that probability—not that possibility but that probability.

Mr. DECONCINI. Will the leader yield for a question?

Mr. BYRD. Yes.

Mr. DECONCINI. When the Senator says we are going to be late into the evening, I realize this body does not run for any one Senator, although sometimes that could be debated, but my question is, would the Senator advise someone who needs to leave by 8 o'clock not to leave?

Mr. BYRD. Well, I would advise someone who needs to leave by 8 o'clock that he may miss some very important rollcall votes. They could be close. If it were I about to leave at 8 o'clock, I would say, "See you, folks; I am going to be on the Senate floor."

Mr. EXON. Will the leader yield for a question?

Mr. BYRD. Yes.

Mr. EXON. Did I understand the leader to say that we might have a vote or votes and a session on Saturday but the chances are dim? Is that what the Senator said?

Mr. BYRD. Depending on whether or not the Senate has disposed of the DOD appropriations bill by midnight tomorrow.

Mr. EXON. I thank the leader.

RECESS UNTIL 10 A.M. TOMORROW

Mr. BYRD. Mr. President, I move, in accordance with the order previously entered, that the Senate stand in recess until the hour of 10 o'clock tomorrow morning.

The motion was agreed to and the Senate, at 4:49 p.m., recessed until Friday, September 30, 1988, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate September 29, 1988:

NATIONAL MEDIATION BOARD

ARTHUR ALBERT BRENNAN, OF MASSACHUSETTS, TO BE A MEMBER OF THE NATIONAL MEDIATION BOARD FOR THE TERM EXPIRING JULY 1, 1991, VICE HELEN M. WITT, RESIGNED.

RAILROAD RETIREMENT BOARD

JOHN D. CRAWFORD, OF ILLINOIS, TO BE A MEMBER OF THE RAILROAD RETIREMENT BOARD FOR THE TERM OF 5 YEARS FROM AUGUST 29, 1988 (REAPPOINTMENT).

NATIONAL SCIENCE FOUNDATION

MIGUEL RIOS, JR., OF NEW MEXICO, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR A TERM EXPIRING MAY 10, 1994, VICE NORMAN C. RASMUSSEN, TERM EXPIRED.

HOUSE OF REPRESENTATIVES—*Thursday, September 29, 1988*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We are grateful, O loving God, for those heroes who inspire us, for those leaders who lighten the path, for those prophets who point to the way of truth. As we encounter the struggles and opportunities of our age, may we be blessed by the wisdom of those who have gone before. For their vision and faithfulness, O God, we offer this prayer of thanksgiving. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. The Chair would ask the gentleman from Missouri [Mr. SKELTON] if he would kindly come forward and lead the Members in the Pledge of Allegiance.

Mr. SKELTON. Mr. Speaker, I ask that the Members rise and place their hands over their hearts.

Mr. SKELTON led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation, under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Ms. Snowe, one of its clerks, announced that the Senate had passed without amendment, bills, joint resolutions, and concurrent resolutions of the House of the following titles:

H.R. 2952. An act to increase the amount authorized to be appropriated for acquisition at the Women's Rights National Historical Park;

H.R. 4998. An act to amend the Food Stamp Act of 1977 to make technical corrections in the Family Independence Demonstration Project;

H.J. Res. 576. Joint resolution designating February 19 through 25, 1989, as "National Visiting Nurse Associations Week";

H.J. Res. 665. Joint resolution authorizing the hand enrollment of appropriations bills for fiscal year 1989 and authorizing the subsequent, post-enactment preparation of printed enrollments of those bills;

H. Con. Res. 350. Concurrent resolution authorizing the printing of a history of the Committee on Ways and Means; and

H. Con. Res. 361. Concurrent resolution authorizing the printing of the booklet entitled "Our Flag."

The message also announced that the Senate agrees to the amendment of the House to the amendment of the Senate to the bill (H.R. 3977), "An act to authorize appropriations for the Mining and Mineral Resources Research Institute Act for fiscal years 1990 through 1993."

The message also announced that the Senate agrees to the amendments of the House to the bill (S. 659) entitled "an act to establish agricultural aid and trade missions to assist foreign countries to participate in U.S. agricultural aid and trade programs, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4481), "An act to provide for the closing and realigning of certain military installations during a certain period."

H.R. 2036, THE STRATOSPHERIC OZONE PROTECTION ACT

(Mr. BATES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BATES. Mr. Speaker, this week the EPA released a report which concluded that nothing short of an immediate halt in the use of chlorofluorocarbons can save the stratospheric ozone layer from further depletion.

The report states that even if all the nations participated in the Montreal protocol, an environmental treaty that calls for reducing CFC consumption by 50 percent over 10 years, the concentration of ozone-depleting substances will still double by the year 2075.

During the 1st session of the 100th Congress, I introduced H.R. 2036, the Stratospheric Ozone Protection Act. H.R. 2036 accelerates the timetable for reducing CFC production established in the Montreal protocol. The bill requires a 95-percent phaseout over the next 7 years and would control trade in these substances by U.S. producers and consumers.

I urge all my colleagues to cosponsor this very important piece of legislation.

REQUEST TO MODIFY LANGUAGE IN REPORT OF COMMITTEE ON RULES ON HOUSE RESOLUTION 554, PROVIDING FOR CONSIDERATION OF H.R. 4637, FOREIGN OPERATIONS EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1989

Mr. PEPPER. Mr. Speaker, in the report of the Committee on Rules on House Resolution 554, certain language was inadvertently omitted. To correct this error, I ask unanimous consent that the language contained in the report of House Resolution 554 be modified as follows:

Strike out "is hereby enacted into law:" and insert in lieu thereof: "is hereby enacted into law: *Provided further*, That title I of H.R. 5263 as passed by the House of Representatives on September 20, 1988 is hereby enacted into law:"

The SPEAKER. Is there objection to the request of the gentleman from Florida?

Mr. BUNNING. Reserving the right to object, Mr. Speaker, I do so in order that the distinguished chairman of the Rules Committee may explain exactly what is going on.

Mr. PEPPER. Mr. Speaker, if the gentleman will yield, the explanation is that House Resolution 554 is the rule providing for the disposition of Senate amendment numbered 119 to H.R. 4637, the Foreign Operations appropriations bill for fiscal year 1989. This modification is necessary to make the report consistent with the intended action of the Committee on Rules.

It simply is an inadvertent omission in the rule that we are asking to correct.

Mr. BUNNING. Mr. Speaker, could I at least have a copy to make sure I understand before I remove my objection?

The SPEAKER. Will the Clerk please provide a copy.

Mr. BUNNING. Mr. Speaker, would the gentleman withhold his request until we have a chance to go over this?

The SPEAKER. Will the distinguished chairman of the committee withhold his request for just a few moments? The Chair will take some 1-minute speeches and the gentleman may then renew his request.

Mr. PEPPER. Yes, Mr. Speaker, and I thank the Chair.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

TIME IS RUNNING OUT ON STATE AND LOCAL ANTIDRUG FUNDING

(Mr. SMITH of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Texas. Mr. Speaker, I rise to encourage my colleagues to cosponsor House Resolution 546, which I introduced earlier this week. This bill expresses the sense of the House that a provision in H.R. 5210, the Omnibus Drug Initiative Act of 1988, that changes the current method for allocating funds to State and local jurisdictions should not be enacted into law, and that the current formula should be maintained.

I have been informed by the Bureau of Justice Assistance that fiscal year 1989 grants to local governments will be delayed for up to 20 months pending the accumulation of data necessary to implement the new law.

The new formula will also damage the current State and local fight against drugs as is explained in a letter signed by the National Governors' Association, National Conference of State Legislators, National Criminal Justice Association, and the Police Executive Research Forum.

Mr. Speaker, the new formula contained in H.R. 5210 will delay grants, eliminate statewide strategies and coordination, threaten over 500 multijurisdictional task forces nationwide, and could return federally assisted local antidrug efforts to ground zero. I encourage my colleagues to register their objection to this formula by cosponsoring House Resolution 546.

THE MINIMUM WAGE

(Mrs. BOXER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BOXER. Mr. Speaker, two things happened in recent days that should bring home the message quite clearly to the American people that the Republican Party is no friend of the working family.

The Republicans in the Senate filibustered successfully to block the first increase in the minimum wage since Mr. Reagan took office. The minimum wage is now $3.35, and under the Democratic plan would go to $3.75 next year.

Republicans say raising the minimum wage would be inflationary. The same arguments could have been made and were made by the Republicans when the minimum wage was 25 cents, and with that inflation argument perhaps the minimum wage would still be 25 cents per hour.

How about these numbers, Mr. Speaker, are they inflationary?

The income for the chairman of K-mart increased fivefold from 1981 to 1986, while the Limited CEO's income rose more than 200 percent. It was $3.4 million more for A&P's chairman, and the list goes on and on.

Now, while a mean-spirited Republican filibuster succeeded in the Senate, the Republican Party unveiled their Family Act, just 8 weeks before the Presidential election, and George Bush says he wants a kinder, more gentle nation.

Now, what kind of kind and gentle nation will we have if we never even look at raising the minimum wage, if we ignore the 100,000 homeless children and in some places the 50-percent dropout rate in high schools?

I have to say, Mr. Speaker, this is an election year. I hope the people of this country are looking and see who the real friends are of the working family. The real friends of the working family are the Democrats.

LISTEN TO OUR SENIOR CITIZENS

(Mr. DAVIS of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DAVIS of Illinois. Mr. Speaker, I would like to take the floor today to publicly thank the ranking member of the Committee on Ways and Means, the gentleman from Texas [Mr. Archer] for his "Dear Colleague" letter recently sent to all of us, suggesting radical modification of the recently passed and enacted catastrophic health care bill.

I have a repealer for that same bill that I intend to introduce next week.

All across this Nation senior citizens' voices are rising in a crescendo to say, "Why have we been selected out of all Americans to pay additional income taxes and additional Medicare part B premium taxes for the provisions of this bill? Why have you done this to us?"

That movement started in the Fourth District of Illinois. It started with my senior citizens and it is sweeping the Nation.

I thank the ranking Member for publicly acknowledging the deficiencies of the recently passed and misnamed catastrophic health care bill, because the only thing catastrophic about it was the bill itself, which I deem to be a catastrophy for seniors.

So I encourage you all to sign on to the repealer and mount the pressure, to modify or repeal this very bad concept and go back to work on something that has long-term health care and long-term home health care and long-term nursing care in it as well.

THE REPUBLICAN VICE-PRESIDENTIAL CANDIDATE

(Mr. WILLIAMS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WILLIAMS. Mr. Speaker, yesterday Republican Vice-Presidential candidate Dan Quayle was in Texas. He visited, he was kind enough to go by and visit a Job Corps center in El Paso, and while there he looked 300 Job Corps students in the eye and said, "We believe in you."

He did not tell them that he had voted to shut that center down. He did not tell them that the Reagan-Bush administration in fact has demanded that every Job Corps center in America, bar none, be closed.

This is the same Senator Quayle that supports wars that he won't fight, the same Senator Quayle who got into law school under an entry minority program that he later votes against.

There is a word for it, my colleagues, it is called hypocrisy.

Mr. LUNGREN. Mr. Speaker, I ask that the gentleman's words be taken down.

The SPEAKER. The Chair is sorry; what did the gentleman ask?

Mr. LUNGREN. Mr. Speaker, I ask that the words of the gentleman who just appeared in the well be taken down.

The SPEAKER. The words of the gentleman from Montana?

Mr. LUNGREN. That is correct.

The SPEAKER. The Clerk will report the words of the gentleman from Montana.

□ 1015

The Clerk read as follows:

> This is the same Senator Quayle that supports wars that he won't fight, the same Senator Quayle who got into law school under an entry minority program that he later votes against.
>
> There is a word for it, my colleagues, it is called hypocrisy.

The SPEAKER. The Chair has considered closely the question of the use of words to distinguish policies as opposed to individuals. There are precedents touching on proper and improper references in debate and dealing with the preservation of comity between the House and Senate. It is important to recognize that the individual referenced in the remarks not only is a candidate for Vice President of the United States but is a Member of the other body.

The precedents relating to references in debate to the President, Vice President, or to a Member of the other body who is a nominated or declared candidate for President or Vice President permit criticisms of official policy, actions and opinions of that person as a candidate, but do not permit personal abuse, do not permit innuendo and do not permit ridicule, and they do require that the proper rules of decorum must be followed during any debate relating to the

President of the United States or a Member of the other body.

It could be argued that there is a distinction between calling an individual a hypocrite, for example, and referring to some policy as hypocrisy, but the Chair has discovered a precedent that seems to be directly in point. In 1945, a Member of the House from Georgia referred to another Member and said, "I was reminded that pretexts are never wanting when hypocrisy wishes to add malice to falsehood or cowardice to stab a foe who cannot defend himself." Speaker Rayburn ruled that this was out of order as an unparliamentary reference to another Member of the body.

By extension, the same identical words should be held out of order in reference to a Member of the other body whether or not he were a candidate for a high office, and under these circumstances and citing this precedent, the Chair would suggest that the gentleman from Montana withdraw the offending remarks, including the particular word "hypocrisy," and either amend his reference in the permanent RECORD or delete it.

PARLIAMENTARY INQUIRIES

Mr. WILLIAMS. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. WILLIAMS. Mr. Speaker, do I understand correctly that the Speaker's ruling is based upon my characterization of a U.S. Senator, in this case Senator QUAYLE, that had the Republican Vice-Presidential candidate not been at this time a U.S. Senator, that my remarks would, in fact, be in order?

Mr. LUNGREN. Mr. Speaker, that is not a parliamentary inquiry.

The SPEAKER. Let the Chair respond. The Chair would suggest to the gentleman from Montana that there are standards that apply in the Chamber and in the precedents with respect to nominated candidates for President and Vice President. The Chair is not certain if they are precisely the same as applied to a Member of the other body or a Member of this body, but in this instance, it is not necessary to make that hypothetical distinction since the individual involved is a Member of the other body.

Mr. WILLIAMS. Further parliamentary inquiry, Mr. Speaker: Would it be within the rules of the House if the last sentence of my 1-minute, the one which characterizes Senator QUAYLE's actions as hypocrisy, be removed by unanimous consent from my 1-minute statement?

The SPEAKER. The Chair would suggest to the gentleman from Montana that this might be a satisfactory solution.

Mr. WILLIAMS. Mr. Speaker, I ask unanimous consent that the last sentence of my 1-minute statement, the sentence in which I characterized Senator QUAYLE's actions as hypocrisy, be stricken.

Mr. LUNGREN. Mr. Speaker, parliamentary inquiry.

The SPEAKER. Please, the Chair will recognize the gentleman for a parliamentary inquiry, but, first, please permit the gentleman from Montana to complete his request.

Mr. LUNGREN. Mr. Speaker, my point is——

The SPEAKER. Would the gentleman kindly——

Mr. LUNGREN. I reserve the right to object, Mr. Speaker.

The SPEAKER. That is fine. The gentleman may reserve his right to object, but in the interests of orderly procedure, permit the Chair to allow the gentleman from Montana to complete his request.

Mr. WILLIAMS. Let me be sure the Chair understands my request: I have asked unanimous consent that the last sentence of my 1-minute statement be stricken. That sentence, as I understand it, is the one to which——

Mr. LUNGREN. Mr. Speaker, reserving the right to object——

The SPEAKER. The Chair has not put the question and would remind his distinguished friend from California——

Mr. LUNGREN. Mr. Speaker, the purpose of the rule is to not allow offensive language in the House.

The SPEAKER. The Chair has recognized the gentleman from Montana, and he has the floor.

Mr. LUNGREN. You are repeating the offensive language three times.

The SPEAKER. The gentleman will kindly desist. The Chair will recognize the gentleman in due course. When the gentleman from Montana has completed his request, the Chair will respect the gentleman's right to reserve a right to object.

Has the gentleman from Montana completed his request?

Mr. WILLIAMS. No, Mr. Speaker, I have not. Both times I have been interrupted as I have attempted to ask unanimous consent that the last sentence of my 1-minute statement be eliminated. That was the sentence which referred to Senator QUAYLE's actions as hypocrisy. I seek unanimous consent to strike the last sentence of my 1-minute statement.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

Mr. LUNGREN. Mr. Speaker, reserving the right to object, Mr. Speaker, under normal circumstances and in the interests of comity of this House and the relationship of this House and the other body, I would not object. However, as is very obvious from the statements of the gentleman, the insult, the language that is not to be used under our rules was repeated three times in an effort to make a point which violates, in my judgment, the sense of the rules of the House and, therefore, since it is not, I believe, appropriate to do that, I object.

The SPEAKER. Objection is heard.

Mr. WILLIAMS. Mr. Speaker, I ask unanimous consent that all of the words of my 1-minute statement characterizing Senator QUAYLE's actions as hypocrisy and delineating the three reasons for that be stricken from the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

Mr. LUNGREN. I object; I object, Mr. Speaker.

The SPEAKER. Objection is heard.

TIME TO ACT IS NOW ON INTERNATIONAL CHEMICAL WEAPONS CONFERENCE

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, in his farewell speech to the United Nations, President Reagan rightly called for the convening of an international conference on chemical weapons use and proliferation. The timeliness for this conference has been made tragically clear by Iraq's use of chemical weapons against its Kurdish minority.

In his speech, the President noted the dangerous lack of enforcement and the seemingly casual erosion of the spirit that surrounded the 1925 Geneva protocol. This protocol, which resulted from world condemnation of the horrors of poison gas warfare in World War I, prohibits the use in war of chemical weapons. Notably, Iran and Iraq are both signatories to the protocol.

Unfortunately, it appears that the passage of time has fogged the world's memory of the scourge of these weapons. Weeks after proof that Iraq had bombed its own citizens, many around the world sat in disturbing silence.

President Reagan's call for an international conference is a tribute to his lasting efforts in the pursuit of a peaceful world. The United Nations should respond positively and quickly to lead in ridding the world of these ghastly weapons.

SUPPORTING THE STEEL IMPORT STABILIZATION EXTENSION ACT

(Mr. VISCLOSKY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VISCLOSKY. Mr. Speaker, I rise in support of the Steel Import Stabilization Extension Act, introduced today by Mr. MURTHA. Mr. MURTHA's legislation would extend the Voluntary Restraint Agreement [VRA] Program which expires on September 30, 1989.

As the U.S. representative for the Nation's largest steel-producing district, I am deeply concerned about the future of the U.S. steel industry and its ability to compete in a changing global market.

For many years, the steel industry helped provide the United States with economic strength and stability. However, it has recently suffered through difficult times. From 1979 to 1984, it sustained losses totaling billions of dollars due, in part, to surges in steel imports.

The current VRA Program has attempted to address the steel import problem by establishing partnerships with participating countries to limit their shipments of steel to the United States.

Under the 1984 act, the provisions specified a range of market share targets for all imported steel products. As a result, steel imports have fallen from a high of 26 percent in 1984 to 21 percent in 1987. Imports currently represent 20.7 percent of the domestic market.

Domestic steel producers and suppliers are benefiting from the program. In 1987, the industry enjoyed its first profit in 5 years.

This recent turnaround experienced by the U.S. steel industry is certainly good news and is evidence of the VRA Program's success. However, given the significant losses sustained by the industry during the last decade, I believe its brief return to profitability demonstrates that this effective program should be extended, not abandoned.

The steel industry is recovering its financial health, but the cold winds of unpredictable markets and a cyclical economy still chill the air. That is why I support the Steel Import Stabilization Extension Act. This act would allow the continued recovery of the domestic steel industry until 1994.

The extension is important to the future of the entire steel industry and most importantly to the individuals who derive their income from it. I am very proud to be an original cosponsor of the legislation.

□ 1030

PERMISSION TO MODIFY LANGUAGE IN REPORT OF COMMITTEE ON RULES ON HOUSE RESOLUTION 554, PROVIDING FOR CONSIDERATION OF H.R. 4637, FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 1989

Mr. PEPPER. Mr. Speaker, in the report of the Committee on Rules on House Resolution 554, certain language was inadvertently omitted. To correct this error, I ask unanimous consent that the language contained in the report on House Resolution 554 be modified as follows:

Strike out "is hereby enacted into law:" and insert in lieu thereof: "is hereby enacted into law: *Provided further,* That title I of H.R. 5263 as passed by the House of Representatives on September 20, 1988 is hereby enacted into law:"

The SPEAKER. Is there objection to the request of the gentleman from Florida?

Mr. BUNNING. Mr. Speaker, reserving the right to object, I was the original objector to this and after having seen the amendment, we withdraw our objection.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The text of the amendment to Senate amendment numbered 119, as modified by the unanimous consent request, is as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

Funds appropriated by this Act may be obligated and expended notwithstanding section 10 of Public Law 91-672 and section 15 of the State Department Basic Authorities Act of 1956: *Provided,* That section 514 of the Foreign Assistance Act of 1961 is amended by amending subsection (b)(2) to read as follows: "(2) The value of such additions to stockpiles in foreign countries shall not exceed $77,000,000 for fiscal year 1989.": *Provided further,* That the amendment in the nature of a substitute to the text of H.R. 4645, as ordered reported from the Committee on Banking, Finance and Urban Affairs on September 22, 1988, is hereby enacted into law: *Provided further,* That title I of H.R. 5263 as passed by the House of Representatives on September 20, 1988 is hereby enacted into law: *Provided further,* That purchases, investments or other acquisitions of equity by the fund created by section 104 of H.R. 5263 as hereby enacted are limited to such amounts as may be provided in advance in appropriations Acts.

"CHILDREN'S PROGRAMS: A COMPARATIVE EVALUATION FRAMEWORK AND FIVE ILLUSTRATIONS," A GAO STUDY

(Mr. COATS asked and was given permission to address the House for 1 minute.)

Mr. COATS. Mr. Speaker, today I am releasing a 77-page study from the General Accounting Office titled "Children's Programs: A Comparative Evaluation Framework and Five Illustrations."

GAO has been conducting this study over the last 1½ years. Their analysis has been reviewed by experts from all over the country including major universities such as Harvard and Yale, think tanks such as the American Enterprise Institute and the Rand Corp., the Congressional Research Service, and the Congressional Budget Office.

Most past studies merely publish data that is used to justify increased expenditures for the programs highlighted. While they are interesting to read, they have been of little use to us in Congress who must make the hard trade-off decisions in the budget process.

The Federal deficit was out of control until we passed the Gramm-Rudman Deficit Reduction Act. Unfortunately, while it was necessary, it cuts both good and bad programs across the board.

The GAO report I am releasing today is an important first step toward a logical analysis of what works, what doesn't and why. It is essential to develop such an approach if we are to be able to prioritize our spending based upon facts rather than emotion.

THE 1988 NOBEL PEACE PRIZE AWARDED TO UNITED NATIONS PEACEKEEPING FORCES

(Mr. ATKINS asked and was given permission to address the House for 1 minute.)

Mr. ATKINS. Mr. Speaker, I think all of us were pleased this morning to learn that the 1988 Nobel Peace Prize has gone to the United Nations peacekeeping forces around the world.

It is ironic, perhaps, that there are so many men under arms in various peacekeeping forces under the flag of a body that was meant to render conflict obsolete.

But the award by the distinguished Nobel Committee, a signal of the world's respect for Secretary General Perez De Cuellar, should usher in a new era of reliance by the world's leaders on the United Nations. After 40 years, there is hope that the United Nations, even if it must send armed troops to put a lid on regional conflicts, can fulfill the function it was born to perform.

The Nobel Committee cited the U.N. forces in the Middle East, Cyprus, and the Indian subcontinent for having "played a significant role in reducing the level of conflict even though the fundamental causes of the struggles frequently remain." Although the award went to the peacekeeping forces, it is clear, Mr. Speaker, that the Nobel Committee was also praising the Secretary General for his important work in mediating the Iran-Iraq cease fire, the Soviet withdrawal from Afghanistan and progress in talks on Southwest Africa.

GOVERNING THE HOUSE OF REPRESENTATIVES AND THE NATION

(Mrs. MARTIN of Illinois asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MARTIN of Illinois. Mr. Speaker, it should come as no surprise that on one side of the aisle people will support one candidate for President and on the other side people will support another. It is my hope that this is done with skill and ability. Tactics that are inappropriate to the House do nothing for a candidate and in fact lower the chance for anything to come out of this House of value. But, having said that, that does not mean we cannot talk about delicate subjects and I must ask a question about something that affects our own House.

I am neither a member of the Select Committee on Intelligence or the Select Committee on Ethics, nor do I automatically assume that I know more. But as a Member I am concerned that the Select Committee on Ethics will not be looking at the allegations that do affect the very fiber of this House.

I am also concerned with what we as Members may learn and what we may discuss and how it affects this Nation. That does not show less respect for the office of the Speaker, but how that office is handled should matter to each Member of this House and to this Nation, and that is not partisan politics, that has to do with governing this country.

PRAISE FOR VIRGIN ISLANDS' FIRST OLYMPICS MEDAL WINNER

(Mr. DE LUGO asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DE LUGO. Mr. Speaker, I am extremely proud to rise today and praise the U.S. Virgin Islands' first Olympics medal-winner.

Peter Holmberg is coming home from Seoul with a silver medal in the Finn Class of the sailing competition.

Peter comes from one of our leading sailing families. His father, Dick, first learned to sail in our waters and has been an enthusiastic competitor and frequent winner in local competitions. He obviously has passed on his knowledge of seas and sails to his sons, Peter and his brother John. I extend my warmest congratulations to Dick and Peter's mother, Louise, as well as Peter himself.

And, of course, there is no better place to hone your sailing skills than the spectacular and scenic waters of the U.S. Virgin Islands. I also want to congratulate the Virgin Islands, Olympic Committee so ably headed by Senator Edgar Ailes.

I know the people of the Virgin Islands are proud to join the ranks of medal-winners in the Olympic games. We already have achieved medal-winning status in the pan-American games, and I am sure the world has not heard the last from our fine athletes.

[From the Daily News of the Virgin Islands, Sept. 29, 1988]

AN OLYMPIC TRIUMPH

For the first time in the 20 years that Virgin Islands athletes have fielded teams for Olympic competition, a Virgin Islander is bringing home a medal for the territory.

Sailor Peter Holmberg, 28, in a spectacular come-from-way-behind finish, earned a silver in the Finn class competition in Pusan, Korea. This after a 17th place finish in the first race and a premature start in another—two bad races that made Holmberg angry, gutsier than usual, and determined to shine.

And shine he did. He can bask in that glow for a long, long time, and all of us in the Virgin Islands can share in the reflected glory.

Peter Holmberg has done us proud. And he has put us on the Olympic map—no small feat.

Between Holmberg and World Boxing Association junior middleweight champion Julian Jackson, the athletic world is learning that the Virgin Islands is producing world-class competitors.

TRUE MEANING OF SENATOR QUAYLE'S REMARKS

(Mr. PARRIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PARRIS. Mr. Speaker, I want to address my remarks and the attention of my colleagues to a portion of the comments contained in the unfortunate incident and represented by the words of the gentleman from Montana earlier this morning. He restated and referred to language used by the Senator from Indiana, DAN QUAYLE, yesterday in an appearance in Texas as "we believe in you." The gentleman from Montana immediately assumed that the Senator from Indiana was talking about the programs in which the young people present were enrolled.

I respectfully suggest that the Senator's words were intended to apply to the individual students, as individuals, and as individual people we do believe in them. This difference reflects the usual orientation of the liberal left in this Nation, which is represented in part by the gentleman from Montana.

The Democrats believe this is a great Nation because of all the things that the Government does for its citizens, and we Republicans reject that approach. Republicans believe this is a magnificent Nation because of the freedom and opportunity that our form of government permits us as American citizens to do for ourselves. Therein lies a critically important political difference which is fundamental to this country and its future.

WHAT IS HYPOCRISY?

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, I was listening to the interchange before between the gentleman from Montana and my colleagues on this side of the aisle and just my good friend, the gentleman from Virginia, and I began to think, let us say there was an individual, let us call him Joe, who decided that he believed strongly in a war where thousands overseas were dying. Joe decided that instead of enlisting like so many of his contemporaries had done, he would join the National Guard and not have to go overseas and fight. Let us say another gentleman named Sam went to a job training center in one great State of this country. And Sam said he loved these centers and he believed in them, and yet Sam had voted against every act or most every act that created or funded job training centers. Then, let us say another individual, Bill, had opposed affirmative action with every fiber of his body, but when it came to getting into law school, Bill used an affirmative action program to gain admission to that school.

I would ask my colleagues how would they characterize those acts? As acts of principled heroism?

HYPOTHETICAL HYPOCRISY

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, when I was a little tyke romping over the hills and dales of Central Park in New York I learned the expression "there is more than one way to skin a cat." The prior speaker from New York has very cleverly shown this Irishman that there are indeed more ways to skin a cat and I would like to take the opportunity to talk about hypocrisy and read the definition of the word.

"The act or practice of pretending to be what one is not or to have principles or beliefs that one does not have." Now the essence of that is pretending to have principles to which you do not hold.

Suppose there were a Governor from one of our States named Michael and he said that the new Air Force B-2 Stealth bomber was too stealthy to be deployed. But as a politically serious election drew closer, say 45 days, he suddenly changed his mind and said he was for the Stealth. Suppose he called strategic defense a fantasy, a boondoggle, a ghastly waste of money. Yet as he got into the last few weeks of the election cycle, close to election day, he said that, well, maybe we ought to spend a billion dollars on it. Suppose he chose as his running mate somebody who called the young men and women fighting for freedom in Nicaragua "freedom fighters," but he himself referred to them as "narco agents" and "cut-throats." I do not know, but that guy named Michael might be coming a lot closer to the word hypocrisy, but I will leave that to your good judgment.

FLOODING IN BANGLADESH

(Mr. MOODY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOODY. Mr. Speaker, I rise to call attention to my colleagues to the tragedy, the terrible tragedy in Bangladesh, a tragedy of unimaginable proportions. Flooding in the Ganges River Basin has brought incredible devastation to a nation already one of the world's poorest, a nation that I served in the Peace Corps.

Bangladesh desperately needs speedy and responsive humanitarian assistance from the United States and other nations. The graphic news reports we have seen only begin to describe the damage in that unfortunate country. Seventy-five percent of the entire nation has been under water. More than 28 million Bangladeshis are homeless, and most of the water supply has now been contaminated. Thirty thousand cases of diarrhea and dysentery are reported daily. Authorities fear the spread of epidemic through the relief camps.

Meanwhile, the damage to the rail lines and roads makes distribution of food and medical supplies difficult if not impossible. The real tragedy is that this disaster should strike a country where so many lives are already at the edge of poverty and starvation. The bumper crop expected this year has now been lost and the September planting season for rice is gone. Sadly, this disaster is only the beginning for millions of Bangladeshees.

PASSING OF THE HONORABLE CHARLES JONAS

(Mr. McMILLAN of North Carolina asked and was given permission to address the House for 1 minute.)

Mr. McMILLAN of North Carolina. Mr. Speaker, I rise with sadness to announce the passing of my predecessor, Charles R. Jonas, of North Carolina. He served the Ninth District of that State with distinction from 1952 to 1972. Mr. Jonas passed away yesterday. His funeral will be in Lincolnton, NC, at 2 o'clock on Saturday.

If you would like to get further details please contact my office. I know you will want to join me in extending to his family and friends our deepest sympathy.

□ 1045

QUAYLE'S RECORD SPEAKS FOR ITSELF

(Mr. COLEMAN of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COLEMAN of Texas. Mr. Speaker, I would only say to my colleagues that you ought not to worry about what Senator J. DANFORTH QUAYLE said or did not say. His record speaks for itself. His votes against the Job Corps centers of America in 1985 and for reductions of them in 1986 prior to the time that he spoke at the No. 1 Job Corps center in America, in my district in El Paso, TX, were well known by the citizens, the employees and the young men and women who are there to find work, to find a skill so they can find jobs in this country.

And so you should not worry about that because the people who count, those that the Job Corps center tries to help and the small businesses who hire these young men and women, knew all along where J. DANFORTH QUAYLE stood.

THE NO. 1 ISSUE IS CRIME

(Mr. LUNGREN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUNGREN. Mr. Speaker, since we are discussing a number of different issues on the national level, it seems to me important for us to talk about the No. 1 issue, at least according to the people in my district and, by polls, in the Nation, and that is the issue of crime.

The statement was made during the Presidential debate that the Federal furlough program is the most liberal in the country, suggesting that somehow criticism visited upon the Massachusetts furlough program could be deflected.

Let us just examine that for a moment. In Massachusetts they had a felony furlough program which allowed those who had been convicted of first degree murder and sentenced to life without possibility of parole to get out for 48 hours of unsupervised furloughs; that is, to roam out among the law-abiding citizens of the country in hopes they would come back.

No other program in the country has ever allowed that.

The Federal furlough program does not allow that at all. The Federal furlough program allows people who are within 2 months of the day of release from their sentence, to go out for a specific purpose. That is a far different thing than what the State of Massachusetts under Governor Dukakis did. They allowed people who were given life imprisonment without possibility of parole as an alternative to the death sentence the right to roam among us for 48 hours in hopes that they would come home.

Who is kidding whom? And is that the philosophy we want brought here to Washington, DC, so that the whole Nation can have done to it what has been done to Massachusetts?

IS THE REPUBLICAN PARTY CONSISTENT?

(Mr. MILLER of California asked and was given permission to address the House for 1 minute.)

Mr. MILLER of California. Mr. Speaker, a number of people have taken the floor today to ask whether or not the Republican Party is consistent in its attitudes and the positions it puts forth to the American public.

We have seen just recently that the Republicans have put forth a Family Act, trying to suggest to the American public that they are for the family. Yet we see Republican Senators leading the attack on parental leave, which would give the right of family members to have some time off from work to take care of a critically ill parent or a critically ill member of their family and not lose their jobs. Yet what we see is an effort led by the Republicans to kill that.

We see the Republicans say the people ought to leave welfare and public assistance, to go out and get an entry level job and make it in their interest.

Yet we see them lead the effort against the minimum wage that would encourage these people to go out and to get off of public assistance.

What we see is hypocrisy throughout this party.

It was talked about later here about the Vice Presidential nominee and we see that not only has he taken two positions on almost every issue confronting the Nation today but we see he has also continued.

He has gone out West, and J. DANFORTH QUAYLE has talked about how Michael Dukakis is going to cut water projects. Then we find out that he led that fight along with President Carter to cut the water projects in the West.

He has accused Michael Dukakis of being weak on defense because Michael Dukakis was against the B-1 bomber.

Now we find out that J. DANFORTH QUAYLE led the fight against the B-1 bomber along with President Carter.

So what we have apparently is a Presidential candidate and a party that he leads that speaks out of both sides of their mouth.

CONFERENCE REPORT ON H.R. 4784, RURAL DEVELOPMENT, AGRICULTURE, AND RELATED AGENCIES APPROPRIATIONS ACT, 1989

Mr. WHITTEN. Mr. Speaker, pursuant to the previous order of the House, I call up the conference report on the bill (H.R. 4784) making appropriations for Rural Development, Agriculture, and Related Agencies programs for the fiscal year ending September 30, 1989, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Pursuant to House Resolution 548, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of Wednesday, September 28, 1988.)

The SPEAKER. The gentleman from Mississippi [Mr. WHITTEN] will be recognized for 30 minutes and the gentlewoman from Nebraska [Mrs. SMITH] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, may I say at this time I wish to thank all my colleagues on the Committee on Appropriations and particularly Mrs. SMITH, the ranking Republican on this subject matter and on the subcommittee, for their cooperation in making this possible today. I also want to thank all members of the subcommittee for their assistance and cooperation.

CONTINUING RESOLUTIONS

May I say I do not know when an Appropriations Committee has faced a more trying situation than we have here.

Contrary to what has been represented from time to time, our Committee on Appropriations on the House side has not been responsible for the two continuing resolutions we have had for the last 2 years, for we did our job on time.

We have done our job in the House. Unfortunately our colleagues on the other side of the Capitol were unable to act in time.

Again, I want to thank all members of the Committee on Appropriations for their hard work and cooperative efforts in making it possible to get these bills through on time. This we have been able to do each year in the House.

CHANGING ALLOCATIONS

Let me repeat to the House some of the things we faced this year. For the RECORD, the House started to mark up the appropriations bills based on the so-called summit agreement. Then the House passed a budget resolution which reallocated summit totals and we were to reduce agriculture by $400 million. Fifty-three days later, well after the deadline for passage of the budget resolution, the budget resolution was completed. The final version reduced the total for discretionary domestic spending by an additional $1.9 billion. That means that of that total of $1.9 billion, the rural development, agriculture and related agencies bill accepted a $121 million further cut.

So that means we cut $400 million, then we had to cut it again by $121 million.

One week after the budget resolution was adopted, when a copy of the conference agreement became available, we found a change in the scoring conventions that caused an additional $300 million reduction in agriculture.

When the Senate marked up the bill in committee they cut out an additional $280 million.

REDUCTIONS NOT APPLIED TO DEFICIT

May I say, Mr. Speaker, that involved in this is the fact that in the last 7 years domestic expenditures have been reduced 38 percent, none of which was used on the debt or on the deficit. Military spending has increased 47 percent, interest on the debt has increased 92 percent, and payments to individuals have increased 27 percent.

May I say, notwithstanding all these problems, our committee has been able to hold the appropriations bills down to the called for level.

In this bill before you we recommend $10 billion less than fiscal 1988, $27 million less than the budget request, and $1.9 million under the 302(b) allocation.

Yet we are able to recommend $42,512,839,000 in new budget authority.

May I say I do not know what we can do, as to our colleagues and the problems they have on the other side. But the Senate added 146 amendments to the bill with almost 400 issues to be resolved. In practically all instances the Senate added legislation. As you know we do not have jurisdiction over legislation.

SENATE AMENDMENTS

Since I've been chairman and long before, we have tried to cooperate with our legislative committees and on occasion we have carried the load for them with their consent and approval and, at times, their request. But we have tried our best to stay free of having legislation in our bills. But practically every change made on the Senate side was legislative in nature.

Now I had thought that they did not have a rule requiring germanes. I understand however they do have a rule but do not enforce it. At any rate, this matter of having 300 or 400 amendments added in the Senate makes for real problems in conference for House rules require germaneness. I am very proud that in our conference we had the cooperation of our friends on the other side. We removed practically all of those amendments except in those few cases where the legislative committees in the House agreed with us to go ahead.

May I say too that on the amendments added in the Senate created problems for some of our colleagues here from the same State.

So many of the additions made on the other side we have been able to straighten out and thereby protect our House colleagues.

I want to tell my colleagues our committee works on a bipartisan basis.

You will be interested in what we had to do to protect essential domestic programs.

BUDGET REQUEST

This year again we had to restore funds, as against the budget request, for just about everything of any value to the domestic economy.

OUR PROBLEM

In this year's budget request the following reductions have been made by the President's budget for agriculture and for those living in rural areas of our country:

I. PROGRAMS PROPOSED FOR ELIMINATION BY BUDGET, OMB

Conservation programs:	
Agricultural conservation program	$176,935,000
Great Plains conservation program	20,474,000
Water bank program	8,371,000
Forestry incentives program	11,891,000
Colorado River Basin salinity control program	4,904,000
	222,575,000
Rural development programs:	
All rural housing loans	1,845,490,000
All rural grants	59,457,000
	1,904,947,000
Farmer programs:	
Conservation loans	24,156,000
Rural electrification programs:	
Electrification loans	622,050,000
Telephone loans	358,875,000
Capitalization of Rural Telephone Bank	28,710,000
Reimbursement for interest and other losses	327,675,000
	1,337,310,000
Research and Extension:	
Animal health grants	5,476,000
Urban gardening	3,329,000
Farm safety	970,000
Financial management assistance and grants to farmers	4,777,000
Renewable resource extension	2,765,000
Pest management programs	7,164,000
Graduate fellowships and Morrill-Nelson	5,452,000
Foreign currency research	1,500,000
1890's facilities	9,508,000
Aquaculture Centers	3,500,000

Low-input agriculture	2,100,000
	46,541,000
Child nutrition programs:	
National education and training	5,000,000
Child care audit	9,000,000
Nutrition studies and surveys	2,085,000
	343,887,000
Short-term export credit	2,000,000,000
Animal and plant health:	
Imported fire ant	5,000,000
Noxious weeds	443,000
Golden nematode	1,018,000
	6,461,000
Agriculture marketing:	
Federal-state market improvement program	942,000
Feeding programs:	
Temporary emergency food assistance program	50,000,000

II. SIGNIFICANT PROGRAM REDUCTIONS BY BUDGET, OMB

Conservation programs:	
Watershed and flood prevention	65,460,000
Watershed planning	1,738,000
River basin surveys and investigations	2,242,000
Emergency watershed protection operations	1,000,000
	70,440,000
Rural development programs:	
Water and sewer loans	80,380,000
Community facility loans	45,700,000
Rural development loan fund	14,000,000
Rural water and waste disposal grants	34,395,000
	174,475,000
Farmer programs:	
Farm ownership loans	405,000,000
Farm insured operating loans	400,000,000
Emergency disaster loans	500,000,000
	1,305,000,000
Research and Extension:	
Expanded food and nutrition education program (EFNEP)	36,524,000
Smith-Lever (3b & c)	13,111,000
Forestry research	4,525,000
Special grants	26,208,000
Critical agricultural materials	4,250,000
	84,618,000
Animal and plant health:	
Boll weevil	11,866,000
Grasshopper/Mormon cricket	5,685,000
Brucellosis eradication	9,776,000
Animal damage control	11,419,000
	38,746,000
Agricultural Cooperative Service	2,308,000
Food and nutrition programs:	
Food stamp program	158,802,000

As I told you, what the budget proposal cut out would not have gone to pay the debt or reduce the deficit—it would have gone to increase other areas at the expense of the domestic programs. Thirty-eight percent has been cut from domestic programs in the last 8 years.

Now we have not gone along with the reductions proposed by OMB but we have done the best we could for every Member, Republican or Democrat.

In this bill we restored items of interest to House Members, we restored Senate reductions in rural housing.

LOWER MISSISSIPPI DEVELOPMENT COMMISSION

We funded the Lower Mississippi Development Commission.

Our relationship with our Committee on Public Works has always been excellent. We have worked together this time and throughout my service. The chairman of that committee and the members, I have no better friends, and we have worked toward the same goal for years. By making it plain we hold general support for the Lower Mississippi Development Commission I made it plain we were tending to our business and not assuming jurisdiction of the legislative committee. I took it up with the chairman of the legislative committee. We have his support and that of his committee.

EXPORT PROGRAMS

There are two or three export programs that are financed here because the law calls for it.

The profit goes to the exporter but the cost of the program is charged to the farmer. Last year $2 billion of commodities were given to the exporters to do what they have authority to do with the help of section 32 funds. Instead they have used CCC which charges this lost to agriculture.

PROVISIONS OF THE AGREEMENT

The conference agreement recommends a bill: $10 billion less than fiscal year 1988 (because of CCC); $27.1 million less than budget request; $1.9 million under 302(b) allocation; and $42,539,915,000 in new budget authority.

Senate added 146 amendments, almost 400 issues had to be resolved.

Senate legislation—most removed in conference except items requested by legislative committees.

Restores items of interest to the House Members which the Senate had cut out.

Restores Senate reductions in rural housing.

Fund the Lower Mississippi Development Commisison.

Funds the WIC Program at $1.9 billion, $125 million more than last year.

Provides $200 million for the Targeted Export Assistance Program but puts $30 million in reserve.

Funds the Hunger Prevention Act which was recently passed by Congress.

Earmarks for the Competitive Grants Program have been removed.

Restores the Urban Gardening Program.

May I say for a relatively small amount of money, this program, the Urban Gardening Program, gives our friends and our colleagues and the people of our cities a chance to have knowledge about growing things. You would be surprised how many Members come to us wanting to keep that program. These city gardens are free from vandals, they are a matter of great pride. This program gives to our city Members and interest in this bill.

As far as I know, the committee is united on this bill. We have had a whole lot of problems to solve. May I thank the leadership, too, for their cooperation in enabling us to bring these bills here to the floor.

We are bringing the appropriation bills to you. We have held the line on spending. We have restored basic domestic programs which are so essential and all below the total requested by Presidents' budget.

□ 1100

Madam Speaker, I am proud of this bill. I am proud of my colleagues for their efforts in working with us to make this possible.

At their point in the RECORD, I will include the detailed tables setting forth the conference agreement.

FISCAL YEAR 1989 RURAL DEVELOPMENT, AGRICULTURE, AND RELATED AGENCIES APPROPRIATIONS ACT

	FY 1988 Enacted	FY 1989 Estimate	House	Senate	Conference
TITLE I - AGRICULTURAL PROGRAMS					
Production, Processing and Marketing					
Office of the Secretary	1,466,000	1,762,000	1,762,000	1,762,000	1,762,000
Investigation of large payments	100,000				
Office of the Deputy Secretary	321,000	363,000	363,000	363,000	363,000
Office of the Assistant to the Secretary for Special Services	416,000		150,000		150,000
Office of the Assistant Secretary for Administration	498,000	467,000	467,000	467,000	467,000
Rental payments (USDA)	49,665,000	56,407,000	50,659,000	50,659,000	50,659,000
Building operations and maintenance	20,024,000	22,429,000	21,297,000	21,297,000	21,297,000
Advisory committees (USDA)	1,308,000	2,294,000	1,494,000	1,494,000	1,494,000
Hazardous waste management	2,000,000	10,000,000	5,000,000	5,000,000	5,000,000
Departmental administration	25,004,000	26,542,000	25,862,000	25,922,000	25,922,000
Working Capital Fund	5,708,000	6,000,000	5,708,000	4,708,000	4,708,000
Office of the Assistant Secretary for Governmental and Public Affairs	347,000	408,000	408,000	408,000	408,000
Office of Governmental and Public Affairs:					
Public affairs	7,700,000	7,940,000	7,826,000	7,940,000	7,883,000
Congressional relations	497,000	500,000	497,000	500,000	497,000
Intergovernmental affairs	476,000	479,000	476,000	479,000	479,000
Total, Office of Governmental and Public Affairs	8,673,000	8,919,000	8,799,000	8,919,000	8,859,000
Office of the Inspector General	48,795,000	51,442,000	49,541,000	51,442,000	50,491,000
Office of the General Counsel	18,734,000	23,064,000	20,594,000	21,079,000	20,836,000
Office of the Assistant Secretary for Economics	484,000	447,000	447,000	447,000	447,000
Economic Research Service	48,186,000	49,771,000	49,336,000	49,336,000	49,336,000
National Agricultural Statistics Service	61,176,000	64,086,000	63,091,000	64,086,000	63,588,000
World Agricultural Outlook Board	1,730,000	1,906,000	1,820,000	1,836,000	1,820,000
Office of the Assistant Secretary for Science and Education	386,000	432,000	432,000	432,000	432,000
Agricultural Research Service	538,884,000	559,157,000	555,755,000	551,657,000	561,581,000
Special fund	1,800,000	1,800,000	1,800,000	1,800,000	1,800,000
Buildings and facilities	57,815,000	11,000,000	11,000,000	57,385,000	28,350,000
Total, Agricultural Research Service	598,499,000	571,957,000	568,555,000	610,842,000	591,731,000
Cooperative State Research Service	303,654,000	257,489,000	284,276,000	315,420,000	315,107,000
(By transfer)				(100,000)	
Extension Service	318,336,000	299,542,000	316,880,000	359,012,000	361,370,000
(Transfer from food stamp program)	(39,627,000)		(39,627,000)		
Total, Extension Service	(357,963,000)	(299,542,000)	(356,507,000)	(359,012,000)	(361,370,000)
National Agricultural Library	12,194,000	13,599,000	13,446,000	14,682,000	14,268,000
Office of the Assistant Secretary for Marketing and Inspection Services	363,000	421,000	421,000	421,000	421,000
Animal and Plant Health Inspection Service:					
Salaries and expenses	329,330,000	294,243,000	329,273,000	328,170,000	331,207,000
Buildings and facilities	2,246,000	2,847,000	2,546,000	2,847,000	2,546,000
Total, Animal & Plant Health Inspection Service	331,576,000	297,090,000	331,819,000	331,017,000	333,753,000
Food Safety and Inspection Service	392,009,000	405,680,000	404,954,000	405,680,000	404,954,000
Federal Grain Inspection Service	7,020,000	8,255,000	8,115,000	8,255,000	8,115,000
Inspection and Weighing Services (limitation on administrative expenses, from fees collected)	(36,856,000)	(36,856,000)	(36,856,000)	(36,856,000)	(36,856,000)
Agricultural Cooperative Service	4,611,000	2,303,000	4,655,000	4,655,000	4,655,000
Agricultural Marketing Service:					
Marketing Services	32,409,000	33,087,000	33,373,000	33,541,000	33,373,000
(Limitation on administrative expenses, from fees collected)	(30,628,000)	(31,701,000)	(31,701,000)	(34,000,000)	(34,000,000)
Funds for strengthening markets, income, and supply (Section 32) (by transfer)	(7,601,000)	(7,911,000)	(7,811,000)	(7,911,000)	(7,811,000)
Payments to States and possessions	942,000		942,000	942,000	942,000
Office of Transportation	2,397,000	1,395,000	2,397,000	2,419,000	2,397,000
Total, Agricultural Marketing Service	35,748,000	34,482,000	36,712,000	36,902,000	36,712,000
Packers and Stockyards Administration	9,402,000	9,562,000	9,562,000	9,562,000	9,562,000
Total, Production, Processing and Marketing	2,308,433,000	2,227,119,000	2,286,625,000	2,406,105,000	2,388,687,000
Farm Income Stabilization					
Office of the Under Secretary for International Affairs and Commodity Programs	524,000	413,000	413,000	413,000	413,000
Agricultural Stabilization and Conservation Service:					
(Transfer from Commodity Credit Corporation)	(610,427,000)	(580,000,000)	(580,000,000)	(580,000,000)	(580,000,000)
Dairy indemnity program	95,000		5,000	5,000	5,000
Total, Farm Income Stabilization	(611,046,000)	(580,413,000)	(580,418,000)	(580,418,000)	(580,418,000)

FISCAL YEAR 1989 RURAL DEVELOPMENT, AGRICULTURE, AND RELATED AGENCIES APPROPRIATIONS ACT—Continued

	FY 1988 Enacted	FY 1989 Estimate	House	Senate	Conference
CORPORATIONS					
Federal Crop Insurance Corporation:					
Administrative and operating expenses	200,000,000	217,970,000	200,426,000	203,571,000	201,992,000
Federal crop insurance corporation fund	228,523,000	112,000,000	112,000,000	112,000,000	112,000,000
Total, Federal Crop Insurance Corporation	428,523,000	329,970,000	312,426,000	315,571,000	313,992,000
Commodity Credit Corporation:					
Reimbursement for net realized losses[1]	21,133,658,000	9,828,286,000	6,828,286,000	9,828,286,000	8,828,286,000
General Sales Manager (transfer from Commodity Credit Corporation)	(7,157,000)	(7,268,000)	(7,200,000)	(7,268,000)	(7,200,000)
Total, Corporations:					
New budget (obligational) authority	21,562,181,000	10,158,256,000	7,140,712,000	10,143,857,000	9,142,278,000
(By transfer)	(7,157,000)	(7,268,000)	(7,200,000)	(7,268,000)	(7,200,000)
Total, title I, Agricultural Programs:					
New budget (obligational) authority	23,871,233,000	12,385,788,000	9,427,755,000	12,550,380,000	11,531,383,000
(By transfer)	(657,211,000)	(587,268,000)	(626,827,000)	(587,368,000)	(587,200,000)
(Transfer from Sec. 32)	(7,601,000)	(7,911,000)	(7,811,000)	(7,911,000)	(7,811,000)
(Limitation on obligations)	(67,484,000)	(68,557,000)	(68,557,000)	(70,856,000)	(70,856,000)
TITLE II - RURAL DEVELOPMENT PROGRAMS					
Rural Development Assistance					
Office of the Under Secretary for Small Community and Rural Development	440,000	418,000	418,000	418,000	418,000
Farmers Home Administration:					
Rural Housing Insurance Fund:					
Insured loans (loan authorization)	(1,844,420,000)		(1,844,420,000)	(1,693,854,000)	(1,844,420,000)
Site loans (loan authorization)	(570,000)		(570,000)	(570,000)	(570,000)
Collection and servicing contracts (limitation on obligations)	(10,000,000)		(10,000,000)	(10,000,000)	(10,000,000)
Rent supplement authorization (limitation on obligations)	(275,310,000)		(275,310,000)	(275,310,000)	(275,310,000)
Reimbursement for interest and other losses	2,964,249,000	3,660,061,000	3,660,061,000	3,660,061,000	3,660,061,000
Total, Rural Housing Insurance Fund:					
New budget (obligational) authority	2,964,249,000	3,660,061,000	3,660,061,000	3,660,061,000	3,660,061,000
(Loan authorization)	(1,844,990,000)		(1,844,990,000)	(1,694,424,000)	(1,844,990,000)
(Limitation on obligations)	(285,310,000)		(285,310,000)	(285,310,000)	(285,310,000)
Self-help Housing Land Development Fund (loan authorization)	(500,000)		(500,000)	(500,000)	(500,000)
Agricultural Credit Insurance Fund:					
Farm ownership loans (loan authorization):					
Insured	(115,000,000)		(115,000,000)	(75,000,000)	(95,000,000)
Guaranteed	(390,000,000)	(100,000,000)	(454,000,000)	(494,000,000)	(474,000,000)
Total, farm ownership loans (loan authorization)	(505,000,000)	(100,000,000)	(569,000,000)	(569,000,000)	(569,000,000)
Operating loans (loan authorization):					
Insured	(900,000,000)	(500,000,000)	(900,000,000)	(900,000,000)	(900,000,000)
Guaranteed	(2,400,000,000)	(3,500,000,000)	(2,300,000,000)	(3,100,000,000)	(2,300,000,000)
Total, operating loans (loan authorization)	(3,300,000,000)	(4,000,000,000)	(3,200,000,000)	(4,000,000,000)	(3,200,000,000)
Soil and water loans (loan authorization):					
Insured	(11,000,000)		(11,000,000)	(6,000,000)	(11,000,000)
Guaranteed	(3,000,000)		(3,000,000)	(3,000,000)	(3,000,000)
Total, soil and water loans (loan authorization)	(14,000,000)		(14,000,000)	(9,000,000)	(14,000,000)
Indian tribe land acquisition loans (loan authorization)	(2,000,000)		(2,000,000)	(2,000,000)	(2,000,000)
Emergency disaster loans (loan authorization)	(600,000,000)	(100,000,000)	(600,000,000)	(600,000,000)	(600,000,000)
Watershed and flood prevention (loan authorization)	(7,949,000)		(7,949,000)	(7,949,000)	(7,949,000)
Resource conservation loans (loan authorization)	(1,207,000)		(1,207,000)	(1,207,000)	(1,207,000)
State mediation program (by transfer)				(3,000,000)	(3,000,000)
Reimbursement for interest and other losses	3,627,153,000	3,467,596,000	3,467,596,000	3,467,596,000	3,467,596,000
Total, Agricultural Credit Insurance Fund:					
New budget (obligational) authority	3,627,153,000	3,467,596,000	3,467,596,000	3,467,596,000	3,467,596,000
(Loan authorization)	(4,430,156,000)	(4,200,000,000)	(4,394,156,000)	(5,189,156,000)	(4,394,156,000)
Rural Development Insurance Fund:					
Water and sewer facility loans (loan authorization)	(330,380,000)	(250,000,000)	(330,380,000)	(330,380,000)	(330,380,000)
Industrial development loans: Guaranteed (loan authorization)	(95,700,000)	(95,700,000)	(95,700,000)	(95,700,000)	(95,700,000)
Community facility loans (loan authorization)	(95,700,000)	(50,000,000)	(95,700,000)	(95,700,000)	(95,700,000)
Reimbursement for interest and other losses	842,682,000	1,607,047,000	1,607,047,000	1,607,047,000	1,607,047,000

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[1] Requested in the FY 1988 budget documents as a permanent indefinite appropriation and in 1989 as a current definite appropriation. Senate provides a current indefinite appropriation.

FISCAL YEAR 1989 RURAL DEVELOPMENT, AGRICULTURE, AND RELATED AGENCIES APPROPRIATIONS ACT—Continued

	FY 1988 Enacted	FY 1989 Estimate	House	Senate	Conference
Total, Rural Development Insurance Fund:					
New budget (obligational) authority	842,682,000	1,607,047,000	1,607,047,000	1,607,047,000	1,607,047,000
(Loan authorization)	(521,780,000)	(395,700,000)	(521,780,000)	(521,780,000)	(521,780,000)
Rural Development Loan Fund (loan authorization)	(14,000,000)		(6,500,000)	(14,000,000)	(14,000,000)
Rural water and waste disposal grants	109,395,000	75,000,000	109,395,000	109,395,000	109,395,000
Very low-income housing repair grants	12,500,000		12,500,000	12,500,000	12,500,000
Rural housing for domestic farm labor	9,513,000		9,513,000	9,513,000	9,513,000
Mutual and self-help housing	8,000,000		8,000,000	8,000,000	8,000,000
Rural community fire protection grants	3,091,000		3,091,000	3,091,000	3,091,000
Compensation for construction defects	713,000		500,000	713,000	500,000
Rural rental assistance payments (voucher program)		381,600,000			
Rural housing preservation grants	19,140,000		19,140,000	19,140,000	19,140,000
Rural development grants	6,500,000		540,000	6,500,000	6,500,000
Office of the Administrator	600,000		600,000		600,000
Salaries and expenses	407,634,000	420,188,000	414,734,000	415,334,000	414,734,000
(Transfer from loan accounts)	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)
Total, salaries and expenses	(411,634,000)	(424,188,000)	(418,734,000)	(419,334,000)	(418,734,000)
Total, Farmers Home Administration:					
New budget (obligational) authority	8,011,170,000	9,611,492,000	9,312,717,000	9,318,890,000	9,318,677,000
(By transfer)	(4,000,000)	(4,000,000)	(4,000,000)	(7,000,000)	(7,000,000)
(Loan authorization)	(6,811,426,000)	(4,595,700,000)	(6,767,926,000)	(7,419,860,000)	(6,775,426,000)
(Limitation on obligations)	(285,310,000)		(285,310,000)	(285,310,000)	(285,310,000)
Rural Electrification Administration:					
Rural electrification & telephone revolving fund:					
Direct loans:					
Insured loans:					
Electric	(622,050,000)		(622,050,000)	(622,050,000)	(622,050,000)
Telephone	(239,250,000)		(239,250,000)	(239,250,000)	(239,250,000)
Total, insured loans (loan authorization)	(861,300,000)		(861,300,000)	(861,300,000)	(861,300,000)
Guaranteed loans:					
Electric	(813,450,000)		(813,450,000)	(813,450,000)	(813,450,000)
Telephone	(119,625,000)		(119,625,000)	(119,625,000)	(119,625,000)
Total, guaranteed loans (loan authorization)	(933,075,000)		(933,075,000)	(933,075,000)	(933,075,000)
Reimbursement for interest and other losses	327,675,000		327,675,000	341,000,000	341,000,000
Total, Rural electrification and telephone revolving fund:					
New budget (obligational) authority	327,675,000		327,675,000	341,000,000	341,000,000
(Loan authorization)	(1,794,375,000)		(1,794,375,000)	(1,794,375,000)	(1,794,375,000)
Rural telephone bank	28,710,000		28,710,000	28,710,000	28,710,000
Direct loans (limitation on obligations)	(177,045,000)	(177,045,000)	(177,045,000)	(177,045,000)	(177,045,000)
Rural communication development fund	1,309,000	1,447,000	1,447,000	1,447,000	1,447,000
Rural economic development subaccount				540,000	540,000
Office of the Administrator	155,000		160,000		160,000
Salaries and expenses	30,713,000	22,137,000	31,124,000	31,284,000	31,124,000
Total, Rural Electrification Administration:					
New budget (obligational) authority	388,562,000	23,584,000	389,116,000	402,981,000	402,981,000
(Loan authorization)	(1,794,375,000)		(1,794,375,000)	(1,794,375,000)	(1,794,375,000)
(Limitation on obligations)	(177,045,000)	(177,045,000)	(177,045,000)	(177,045,000)	(177,045,000)
Total, Rural Development Assistance:					
New budget (obligational) authority	8,400,172,000	9,635,494,000	9,702,251,000	9,722,289,000	9,722,076,000
(By transfer)	(4,000,000)	(4,000,000)	(4,000,000)	(7,000,000)	(7,000,000)
(Loan authorization)	(8,605,801,000)	(4,595,700,000)	(8,562,301,000)	(9,214,235,000)	(8,569,801,000)
(Limitation on obligations)	(462,355,000)	(177,045,000)	(462,355,000)	(462,355,000)	(462,355,000)
Conservation					
Office of the Assistant to the Secretary for Natural Resources and Environment		461,000		461,000	266,000
Soil Conservation Service:					
Conservation operations	398,670,000	455,208,000	403,262,000	406,846,000	403,262,000
River basin surveys and investigations	12,051,000		12,051,000	12,051,000	12,051,000
Watershed planning	8,651,000		8,651,000	8,651,000	8,651,000
Watershed and flood prevention operations	165,873,000		172,373,000	172,373,000	172,373,000
(By transfer)	(10,000,000)				
Resource conservation and development	25,120,000	25,020,000	25,120,000	25,120,000	25,120,000
Great Plains conservation program	20,474,000	6,013,000	20,474,000	20,474,000	20,474,000
Water resource management and protection		116,000,000			
Total, Soil Conservation Service	630,839,000	602,241,000	641,931,000	645,515,000	641,931,000
Agricultural Stabilization and Conservation Service:					
Agricultural conservation program	176,935,000		176,935,000	176,935,000	176,935,000
Forestry incentives program	11,891,000		11,891,000	13,000,000	12,446,000
Water bank program	8,371,000		5,000,000	12,000,000	9,000,000
Emergency conservation program	1,000,000		3,000,000	5,000,000	5,000,000
Colorado River Basin salinity control program	4,904,000		4,904,000	6,000,000	5,452,000
Conservation reserve program	1,131,000,000	1,864,000,000	1,864,000,000	572,000,000	1,864,000,000
Conservation reserve program (mandatory)				1,292,000,000	

FISCAL YEAR 1989 RURAL DEVELOPMENT, AGRICULTURE, AND RELATED AGENCIES APPROPRIATIONS ACT—Continued

	FY 1988 Enacted	FY 1989 Estimate	House	Senate	Conference
Total, Agricultural Stabilization and Conservation Service	1,334,101,000	1,864,000,000	2,065,730,000	2,076,935,000	2,072,833,000
Total, Conservation:					
New budget (obligational) authority	1,964,940,000	2,466,702,000	2,707,661,000	2,722,911,000	2,715,030,000
Total, title II, Rural Development Programs:					
New budget (obligational) authority	10,365,112,000	12,102,196,000	12,409,912,000	12,445,200,000	12,437,106,000
(By transfer)	(14,000,000)	(4,000,000)	(4,000,000)	(7,000,000)	(7,000,000)
(Loan authorization)	(8,605,801,000)	(4,595,700,000)	(8,562,301,000)	(9,214,235,000)	(8,569,801,000)
(Limitation on obligations)	(462,355,000)	(177,045,000)	(462,355,000)	(462,355,000)	(462,355,000)
TITLE III - DOMESTIC FOOD PROGRAMS					
Office of the Assistant Secretary for Food and Consumer Services	365,000	406,000	406,000	406,000	406,000
Food and Nutrition Service:					
Child nutrition programs	679,826,000	515,855,000	530,855,000	497,544,000	497,544,000
(Transfer from sec. 32)	(3,817,803,000)	(4,093,272,000)	(4,093,272,000)	(4,093,272,000)	(4,093,272,000)
Total, Child nutrition programs	(4,497,629,000)	(4,609,127,000)	(4,624,127,000)	(4,590,816,000)	(4,590,816,000)
Special milk program	21,500,000	19,925,000	19,925,000	19,925,000	19,925,000
Special supplemental food program for women, infants and children (WIC)	1,802,363,000	1,876,749,000	1,927,362,000	1,929,362,000	1,929,362,000
WIC supplement	....	....	....	30,825,000	....
Commodity supplemental food program	50,000,000	47,099,000	53,500,000	50,000,000	50,000,000
Food stamp program	12,678,507,000	12,519,705,000	12,519,705,000	12,690,705,000	12,690,705,000
Nutrition assistance for Puerto Rico	879,250,000	908,250,000	908,250,000	908,250,000	908,250,000
Total, Food stamp program	13,557,757,000	13,427,955,000	13,427,955,000	13,598,955,000	13,598,955,000
Food donations programs for selected groups:					
Needy family program	53,796,000	57,854,000	57,854,000	48,751,000	57,854,000
Elderly feeding program	140,312,000	141,293,000	141,293,000	150,396,000	141,293,000
Soup kitchens	....	....	....	40,000,000	40,000,000
Total, Food donations programs	194,108,000	199,147,000	199,147,000	239,147,000	239,147,000
Temporary emergency food assistance program	50,000,000	....	50,000,000	47,280,000	50,000,000
Commodity purchases - TEFAP	....	....	....	145,000,000	120,000,000
Food program administration	85,828,000	94,825,000	86,494,000	91,952,000	89,223,000
Total, Food and Nutrition Service	16,441,382,000	16,181,555,000	16,295,238,000	16,649,990,000	16,594,156,000
Human Nutrition Information Service	8,623,000	9,288,000	9,013,000	8,823,000	8,823,000
Total, title III, Domestic Food Programs:					
New budget (obligational) authority	16,450,370,000	16,191,249,000	16,304,657,000	16,659,219,000	16,603,385,000
(Transfer from sec. 32)	(3,817,803,000)	(4,093,272,000)	(4,093,272,000)	(4,093,272,000)	(4,093,272,000)
TITLE IV - INTERNATIONAL PROGRAMS					
Foreign Agricultural Service	92,017,000	89,057,000	92,017,000	100,900,000	95,017,000
Agricultural aid and trade missions	200,000	....	400,000	....	400,000
Public Law 480:					
Title I and III - Credit sales:					
Program level	(852,000,000)	(812,000,000)	(817,000,000)	(851,900,000)	(851,900,000)
Direct loans	(749,300,000)	(734,700,000)	(738,000,000)	(773,000,000)	(773,000,000)
Ocean freight differential	(102,700,000)	(77,300,000)	(79,000,000)	(79,000,000)	(79,000,000)
Appropriation	429,596,000	428,200,000	428,200,000	468,100,000	468,100,000
Title II - Commodities for disposition abroad:					
Program level	(630,000,000)	(595,000,000)	(630,000,000)	(630,000,000)	(630,000,000)
Appropriation	630,000,000	595,000,000	630,000,000	630,000,000	630,000,000
Total, Public Law 480:					
Program level	(1,482,000,000)	(1,407,000,000)	(1,447,000,000)	(1,481,900,000)	(1,481,900,000)
Appropriation	1,059,596,000	1,023,200,000	1,058,200,000	1,098,100,000	1,098,100,000
Office of International Cooperation and Development	5,295,000	3,972,000	3,827,000	5,319,000	5,319,000
Scientific activities overseas (foreign currency program)	1,500,000	....	1,000,000	1,500,000	1,000,000
Total, title IV, International Programs:					
New budget (obligational) authority	1,158,608,000	1,116,229,000	1,155,444,000	1,205,819,000	1,199,836,000

FISCAL YEAR 1989 RURAL DEVELOPMENT, AGRICULTURE, AND RELATED AGENCIES APPROPRIATIONS ACT—Continued

	FY 1988 Enacted	FY 1989 Estimate	House	Senate	Conference
TITLE V - RELATED AGENCIES					
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Food and Drug Administration:					
Salaries and expenses	431,234,000	441,424,000	441,424,000	441,424,000	441,424,000
(By transfer)				(1,000,000)	
Acquired Immune Deficiency activities	24,770,000	40,420,000	40,420,000	40,420,000	40,420,000
Buildings and facilities	1,450,000	26,450,000	23,950,000	26,450,000	23,950,000
Rental payments (FDA)	25,612,000	25,612,000	25,612,000	25,612,000	25,612,000
Total, Food and Drug Administration	483,066,000	533,906,000	531,406,000	533,906,000	531,406,000
DEPARTMENT OF TREASURY					
Financial Management Service:					
Payments to the farm credit system financial assistance corporation		175,000,000	175,000,000	175,000,000	175,000,000
INDEPENDENT AGENCIES					
Commodity Futures Trading Commission	32,813,000	35,547,000	33,898,000	35,547,000	34,723,000
Farm Credit Administration (limitation on administrative expenses)	(35,000,000)	(38,100,000)	(35,000,000)	(35,000,000)	(35,000,000)
Farm Credit System Assistance Board (limitation on administrative expenses)			(1,352,000)	(2,235,000)	(2,000,000)
Total, title V, Related Agencies:					
New budget (obligational) authority	515,879,000	744,453,000	740,304,000	744,453,000	741,129,000
(Limitation on obligations)	(35,000,000)	(38,100,000)	(36,352,000)	(37,235,000)	(37,000,000)
RECAPITULATION					
Grand Total:					
New budget (obligational) authority	52,361,202,000	42,539,915,000	40,038,072,000	43,605,071,000	42,512,839,000
(By transfer)	(671,211,000)	(591,268,000)	(630,827,000)	(595,368,000)	(594,200,000)
(Loan authorization)	(8,605,801,000)	(4,595,700,000)	(8,562,301,000)	(9,214,235,000)	(8,569,801,000)
(Limitation on obligations)	(564,839,000)	(283,702,000)	(567,264,000)	(570,446,000)	(570,211,000)
Title I - Agricultural programs	23,871,233,000	12,385,788,000	9,427,755,000	12,550,380,000	11,531,383,000
Title II - Rural development programs	10,365,112,000	12,102,196,000	12,409,912,000	12,445,200,000	12,437,106,000
Title III - Domestic food programs	16,450,370,000	16,191,249,000	16,304,657,000	16,659,219,000	16,603,385,000
Title IV - International programs	1,158,608,000	1,116,229,000	1,155,444,000	1,205,819,000	1,199,836,000
Title V - Related agencies	515,879,000	744,453,000	740,304,000	744,453,000	741,129,000
Total, new budget (obligational) authority	52,361,202,000	42,539,915,000	40,038,072,000	43,605,071,000	42,512,839,000
Transfer from sec. 32 (Customs Receipts)	3,825,404,000	4,101,183,000	4,101,083,000	4,101,183,000	4,101,083,000
Total obligational authority	56,186,606,000	46,641,098,000	44,139,155,000	47,706,254,000	46,613,922,000
Memoranda:					
Direct and insured loan level	4,977,555,000	1,077,045,000	4,970,055,000	4,781,989,000	4,957,555,000
Guaranteed loan level	3,821,775,000	3,695,700,000	3,785,775,000	4,625,775,000	3,805,775,000
Transfers from Commodity Credit Corporation	610,427,000	580,000,000	580,000,000	580,000,000	580,000,000

Mrs. SMITH of Nebraska. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise in support of the conference report on H.R. 4784, making appropriations for Rural Development, Agriculture, and Related Agencies for fiscal year 1989.

Let me commend my good friend and colleague, the chairman of the full Appropriations Committee and chairman of the Appropriations Subcommittee on Rural Development, Agriculture, and the Related Agencies, Mr. WHITTEN, for his hard work in running the conference and bringing us a bill that I believe the President will sign and that significantly addresses the needs of rural America, yet serves an extremely broad spectrum of constituencies.

I also want to thank the other members of the subcommittee who have worked hard and in a bipartisan manner on behalf of agriculture, and of all rural residents. They truly recognize the importance of agriculture to the U.S. economy and to the well-being of all Americans. I also want to thank our staff for their dedicated assistance.

With 146 amendments containing over 400 items of disagreement, I am happy to report to you that most of these have been worked out very satisfactorily from the House's and the administration's point of view. Let me stress that we had a very difficult task but after 3½ days of meeting with our counterparts in the Senate I believe we have a bill that will address the concerns of Members on both sides of the aisle and the needs of the American public.

This year's total new budget (obligational) authority is almost $10 billion below fiscal year 1988. In fiscal year 1988, our bill had $56.18 billion in total obligational authority, and this year it is down to $42.512 billion.

The funding levels of this bill are within the proposed levels in the President's budget—$27 million below the President's request—and $1.986 million below the 302b allocation, and the outlay allocation. The bill is in line with last year's budget summit agreement.

Three major programs that were expanded this year include the Women, Infants, and Children Nutrition Program; the Food Safety Inspection Service; and the Food and Drug Administration.

First, the WIC Program has been increased by nearly $127 million for fiscal year 1989 above the 1988 level and is more than $52 million above the President's request. This program has proven itself over and over again as one of the most effective methods of improving our Nation's future citizens' health and prosperity.

Unfortunately, funding limitations have prevented us from being able to serve even half of those eligible for the program.

WIC is not the only nutrition program. Other nutrition programs help disseminate information vital to our citizens' health through the Human Nutrition Information Service, and send food for peace to Africa, Asia, South America, and other regions of the world where there is a shortage of food.

We have provided funds to help serve nutritious meals for both the young and the elderly of the United States through programs like the School Lunch Program and the elderly feeding programs under title III of the Older Americans Act of 1965.

Second, the Food Safety and Inspection Service has been increased by more than $12.9 million above fiscal year 1988 to $404,954,000. This is a vital program to assure that Americans have meat and poultry products that are wholesome, unadulterated, and properly labeled and packaged. While Americans enjoy a nutritious abundant food supply, we must be ever vigilant to ensure that our meat and poultry products are the best and safest possible.

Third, the Food and Drug Administration's appropriation has been increased by more than $31 million to $481,844,000 for fiscal year 1989. The primary goal of the FDA is to protect the consumer by setting standards on food, testing drug safety, conducting research on health hazards, and helping to promote orphan drug development.

Although may important issues are addressed in this bill, none is more vital than providing assistance to our farmers and ranchers. Agriculture has been and will continue to be the backbone of America's economic, military, and political strength.

Unfortunately, the backbone of America has lost over 261,000 farmers and ranchers or 11 percent of the farm population since 1981.

On the other hand, you and I have both heard how much better off our agricultural producers were in 1987. The United States had record net cash farm income totaling $57 billion in 1987, compared to $52 billion in 1986 and $47.3 billion in 1985. Estimates for 1988 earlier this year indicated an income in the $50 to $55 billion range, but that was before the drought began to take affect and this level cannot be sustained and will fall in 1988.

But for now the good news is that the CCC needs only $8.8 billion to restore prior years losses—a substantial drop from $14.3 billion of a year ago—another positive sign of the improvement in the agricultural economy last year. Also dramatic increased exports are helping to reduce total spending on agriculture.

The number of farmworkers in the civilian labor force is 2.75 million as of April 1988, when added to the 20-plus million workers who support the production and delivery of food and fiber to our citizens, you have the largest single industry in the United States. Agriculture employs as many workers as the transportation, steel, and automobile industries combined.

One of the reasons our country has been able to achieve so much is so little of our family income is used to buy food. In fact, our families spend the smallest percent of their income for food than families in any other country in the world, only 12.3 percent for all food and 7.9 percent for food purchased for use at home. For every dollar spent on food last year, only 25 cents went to the producer.

While at-home expenditures for food averaged a 31 cents return to the farm, away from home food purchases only returned 17 cents. This clearly indicates consumers' ability and willingness to spend more for food for convenience and in conjunction with entertainment.

The annual percentage change in the Consumer Price Index [CPI] for food from 1986 to 1987 increased 4 percent for food purchased away from home and a 4.5-percent increase for at-home food purchases.

Overall, during 1987 retail food prices rose 4.1 percent but this was largely due to a greater difference in the farm-to-retail price spread. In other words, farmers' portion of the food dollar went down.

We have funded $39.716 million in competitive research grants—down from $42.37 in fiscal year 1988. We initiated a stratospheric ozone study program—half of the President's request. This is a very important need, and we did our best to fully fund this worthwhile program designed to maintain our planet's ability to protect our food and our lives from the Sun's harmful rays.

Another high priority item is the special research grant program funded through the Cooperative State Research Service. This year, we funded $41.886 million worth of these very important projects, an increase from fiscal year 1988 level of $31.18 million.

These projects work on such things as animal health research, aquaculture, dairy research, integrated pest management, rural development, tropical and subtropical research, and wood research. As you can plainly see, this is a very broad spectrum of important research affecting every part of the country.

We have once again had to protect the rural citizen's ability to obtain affordable and adequate electric and telephone service. This bill also continues to help provide much needed rural housing to low-income families.

We have continued with American citizens' desire to protect our valuable natural resources by funding the various conservation programs set up over the years by Congress. Conservation of these resources is priceless when you consider the alternative and is the key to our future.

In addition, we must continue to provide adequate credit and loans to our Nation's farmers, ranchers, and other rural citizens. No program has been better able to work toward that goal than the Farmers Home Administration.

This Agency is responsible for helping to keep youth vitality in our rural areas by providing low cost funds at critical moments in young men's and women's careers.

Not only are rural people helped in starting their productive lives, but the FmHA in many instances has kept farmers and ranchers in business when nothing else stood between them and the road to foreclosure and bankruptcy.

I have outlined just a few of the important activities and agencies funded by the Rural Development and Agricultural appropriations bill. We provide as much funding for nonfarm residents and programs that serve all our citizens as we do farm programs.

For Nebraska, I thank the chairman and the other member of the subcommittee for protecting the following amendments targeted for my State: $335,000 for the Meat Animal Research Center to expand and equip the swine research facility; $250,000 for a

University of Nebraska feasibility study and preliminary planning for the Center for Advanced Technology in Lincoln, NE; $40,000 to the Cooperative State Research Service [CSRS] for grants to conduct research on making plastics from cornstarch; $68,000 for milkweed research as a substitute for imported goosedown insulation in the alternative crops division of the CSRS appropriation; report language asking the USDA to determine future expansion of the swine research facilities at the Meat Animal Research Center in Clay Center, Nebraska; $75,000 to CSRS to complete research for the integrated reproductive management program; $100,000 for the Sandhills grazing management program at the Gudmanson Ranch near Whitman, Nebraska; $418,750 for the Ag-In-Transition Program operated under section 1440 of the farm bill; this is Nebraska's share of $3.35 million divided among Nebraska, Iowa, Missouri, North Dakota, Kansas, Oklahoma, Mississippi, and Vermont; $65,000 to CSRS to continue the crambe and rapeseed research project; $190,000 to the Extension Service for the Managing Mainstreet Business Program, and $47,000 to the Extension Service for the Integrated Reproductive Management Education Program.

I urge you to support the conference report on H.R. 4784, the Rural Development, Agriculture, and Related Agencies Appropriations bill for fiscal year 1989.

Conference Agreement

President's budget request:	
New budget authority	$42,539,915,000
Total budget authority ...	46,641,098,000
Amount in the bill:	
New budget authority	42,512,839,000
Total budget authority ...	46,613,922,000
Amount under President's budget	27,076,000

	Budget authority	Outlays
301(b) allocation	$14,787,000,000	$9,209,000,000
Amount in the bill	14,785,014,000	9,169,422,000
Amount under 302(b) allocation	1,986,000	39,578,000

Mr. WHITTEN. Madam Speaker, I yield myself such time as I may consume, and I yield to the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. Madam Speaker, I rise in support of the conference report.

Once again, Madam Speaker, the chairman and the members of the Committee on Appropriations and the Subcommittee on Agriculture and Rural Development have done a magnificent job in fending off efforts to diminish or destroy programs of the Soil Conservation Service, the Farmers Home Administration, the Rural Electric Administration, and other programs that mean so much in the preservation and enhancement of the quality of life in rural America.

Madam Speaker, I particularly appreciate the chairman's patience and forbearance in hearing my concerns and those of my colleagues on the other side, for instance, Senator BUMPERS' in recent days about the Senate amendment that was brought back in true disagreement which concerns a matter of importance to the rural electric cooperatives in Arkansas. The Arkansas Rural Electric Cooperative is attempting to finance the construction of a hydroelectric powerplant on the Arkansas River in order to bring cheaper power to the ratepayers in its system, and in conjunction therewith to prepay loans to the Federal Financing Bank without penalty in the amount of about $120 million. The interest penalty involved would amount to some $12 million.

It is my understanding that the administration has objected strenuously to this effort to prepay loans without penalty to the Federal Financing Bank, and that it would propose a veto of this bill in the event that amendment should be agreed to by the Congress.

Let the record show that the effort being made by the Arkansas Rural Electric Cooperative is for the purpose of lowering the cost to its ratepayers by the amount of the proposed prepayment to the Federal Financing Bank. The administrator's refusal to accept this amendment will thwart an effort to save ratepayers in rural Arkansas $11,000 per day. I regret that no accommodation could be reached on this issue, but I understand the concerns of the committee chairman that have been presented as a result of the administration's position.

I would simply ask of the chairman, if I could, on behalf of supporters of this and other projects that wish to avail themselves of the cheapest financing avenues available in order to lower costs to ratepayers in the rural electric system, if he would advise us as to what avenues he would recommend they pursue in order to address this very important and vital matter.

Mr. WHITTEN. Madam Speaker, may I say that the gentleman from Arkansas [Mr. ALEXANDER] and I have worked together through the years, certainly for the REA and various other things, where the Federal Government is trying to meet local needs throughout the country.

However, this is an issue that, from the viewpoint of the executive branch, has been resolved. I, like the gentleman from Arkansas, have urged that we try to get the right of our REA cooperatives to pay off all their loans. Two years ago, they got a bill through on the other side, which we managed to catch onto here, in which it enabled the folks to pay off their loans, but if they did they could not borrow any more money from the Government. They said it applied only to the State of Alaska, but when you read it, the bill applied to everyone. Well, we stopped that by limiting it to Alaska only. But 2 years ago, when we had the continuing resolution, we had this out with Secretary Baker. He insisted—and I quote what he said—"that in the process we would be endangering the operation of the Federal Financing Bank." That was his side of the argument. We insisted otherwise. But we did provide that, as approved by the Congress, up to $2 billion of debt could be refinanced.

Now, the decision as to who could and who could not was left up to Secretary Baker, working through the Federal Financing Bank. From the letter that Mr. Miller sent us today, it seems they have limited it to those who are in financial need.

So the point of it is that if we want to do it, we would be, from their viewpoint, reneging on what has been settled between the committee acting for the House and Mr. Baker, who was Secretary of the Treasury. I think it would be an invitation to veto the bill because the agreement was made, signed by both parties, and approved by the Congress.

So sooner or later we can go after that agreement, but to just set it aside in this appropriations bill would be a mistake, and I shall oppose it. There is some merit to the fact that this matter was settled and this amendment would reopen it.

Mr. ALEXANDER. Madam Speaker, I appreciate the gentleman's response, and I would hope that next year, when Congress reconvenes in the 101th Congress, it can examine the problems that are created by the financing that is presently on the books at higher rates of interest, in hopes that the authorization process can accommodate the concern of ratepayers in the rural electric cooperative system. I feel that with the cooperation and leadership of the chairman and members of this committee we can find a resolution of this most difficult problem.

Mr. WHITTEN. Madam Speaker, I thank my colleague for his statement. May I say that when somebody owes you money, you had better accept it when you can get it.

Mr. ALEXANDER. That sounds like good advice.

Mr. WHITTEN. Madam Speaker, we have been tied down by an agreement that has been reached before.

Madam Speaker, I reserve the balance of my time.

Mrs. SMITH Of Nebraska. Madam Speaker, I yield such time as he may consume to my good friend, the gentleman from Massachusetts [Mr. CONTE], vice chairman of the full Committee on Appropriations.

Mr. CONTE. Madam Speaker, at the outset, let me say that I support this Agriculture appropriation conference report. I want to congratulate the chairman of the committee, the gentleman from Mississippi [Mr. WHITTEN], and our ranking minority member, the gentlewoman from Nebraska [Mrs. SMITH], for the yeoman service they performed in bringing this bill out, and I also congratulate all the members of the subcommittee for slogging through a bill that, by the end of it, seemed less like Agriculture bill than an agony bill.

The Senate added more amendments to this bill than sides of bacon in a smokehouse.

There were more banks than Wall Street—water banks, food banks, off-budget banks, and river banks.

And if you thought you'd seen everything, just wait till you get to the contact lens provision.

But I want to talk about something serious, that's sure to set this whole place buzzing.

As my favorite philosopher once said, "Isn't it funny how a bear likes honey?"

Well, I'm not here to pooh-pooh our Nation's pollination efforts, but I am here to tell you of the efforts we've made to keep our taxpayers from becoming poor-poor.

All of you know how that story ends, with the bear getting so greedy he gets his head stuck in the honey jar.

For years we've had a swarm of hungry honey bees feeding off the nectar of sweet Federal funding.

Over the past years, they've had unlimited ceilings on subsidies the honey producers could cream from the crop. Year after year, we've tried to smoke them out of "hiving," but when we zigg they zagg; when we buzz they bizz.

People are worried about the killer bees coming from South America. Well, I'm not worried at all, because they'll be no match for the killer honey producers who attack at the whiff of a cut in their sweet "subsibees".

This year, Madam Speaker, we've tried to work it out. I originally proposed limiting the amount of loans that could be given for honey to $250,000. We worked with the Agriculture Committee to work out a compromise to limit forfeitures to $250,000. I would like to thank Mr. DE LA GARZA and Mr. MADIGAN and their staffs for their help. From now on, any honey producers who forfeit more than $250,000 will have to pay it back.

That compromise was basically adopted in conference. Some modifications were made, which we hope did not create any unintended loopholes, but you know as well as I that as soon as this bill is passed, those honey producers will be combing for ways around the limit.

But my intention, as it has been for years, is to put a limit on just how much free lunch these honey producers can get.

There are about a dozen honey producers who've been receiving between $500,000 and $1 million in subsidies every year. It is my intention to put that to an end with this amendment.

Furthermore, there is broad regulatory authority to restrain any attempts to get around this limit. It is my intent, as the author of the amendment, that the Secretary of Agriculture, pursuant to new section 405A(d) of the Agriculture Act of 1949, may require a honey producer to furnish a bond or other financial assistance to protect the interests of the United States—Commodity Credit Corporation—in the event the producer fails to repay a honey loan. But if any abuses show up, or these limits on subsidies turn out not to be sufficient, we will be back.

It is my hope that from this day forward it can be said that there is no funny business in the honey business.

Mrs. SMITH of Nebraska. Madam Speaker, I yield 2 minutes to my good friend, the gentleman from Minnesota [Mr. WEBER], who is a member of the committee.

Mr. WEBER. Madam Speaker, as a member of the subcommittee, I rise in support of the conference report, appropriating funds for the Department of Agriculture and related agencies for the next fiscal year. With a lot of hard work and effort, we are able today to present a bill that meets the budget targets, while protecting the critical programs and agencies administered by the Department of Agriculture. It was not an easy task. The bill overall is substantially below last year's level by about 20 percent. Most agencies are funded at last year's level, and in some cases had to endure reductions.

Given the tight budget targets we had to meet, I want to commend Chairman WHITTEN and Congresswoman SMITH for their tireless work and effort on this bill. It's been a difficult year and I want to complement them for all the cooperation and patience they've shown throughout the appropriations process.

While this bill will not accomplish all that is needed, it does contain a number of important initiatives that will help build a healthy and prosperous future for rural America.

First, I am pleased that funds were available to start a number of research projects in ag utilization. This is an exciting field which holds a great deal of promise for all agricultural producers. Developing biodegradable corn-based plastics and soybean ink—to name only two examples—will directly help farmers by providing new markets and new uses for their products. This is not only good news for farmers but good news for the environment, because in many cases the new product being developed will help reduce environmental pollution. I am particularly pleased that our subcommittee was able to promote ag utilization by initiating a Federal-State partnership with the Greater Minnesota Corp., a public-private entity which has established an agriculture utilization institute. Federal money will be leveraged with State and local money to undertake a number of research projects.

I am also encouraged that we have been able to continue our research commitment to low-input agriculture, finding ways to limit fertilizer use and lower farmers' input costs. As we know, ground water contamination is an increasing concern. By developing innovative farming techniques and using emerging computer technologies, we can reduce the damage to the environment and increase farm profitability.

Finally, I am glad that we are able to continue our work on rural development to help strengthen and diversify the rural economy. My own State of Minnesota had been very active in this field through its extension service. Among a number of rural development initiatives, some Federal funding is available to augment their efforts.

The challenges facing rural communities are immense and this bill will address only a part of their needs. But it is a good, solid bill, and I urge its support.

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Mr. WHITTEN. Madam Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. TRAXLER].

Mr. TRAXLER. Madam Speaker, I wish to commend the distinguished chairman, the gentleman from Mississippi and the distinguished ranking minority member, the gentlewoman from Nebraska [Mrs. SMITH]. I commend them for the fine work they did in the course of the conference with our colleagues from the other body.

This is a bill that is fair to the producer, it is fair to the consumer, it is fair to the American taxpayer, and deserves all our support.

I might note that the gentleman from Mississippi [Mr. WHITTEN] has chaired this subcommittee since 1949, with the exception of 2 years when the other party was in control. I know of no person in this body or in the other body who has done more for American agriculture. If there is any one thing that this bill stands for, it is total and complete dedication to the American farmer and rural America.

Madam Speaker, I rise in support of the conference report to accompany H.R. 4784, the fiscal 1989 appropriations for rural development, the Department of Agriculture, and related agencies. We bring before you an agreement that is fair to the concerns of the House—both in terms of the appropriate funding levels for the programs contained in this agreement, and in terms of compliance with responsible budget limitations.

I want to again offer my compliments and thanks to our chairman, the gentleman from Mississippi [Mr. WHITTEN], for his outstanding leadership and his steadfast support of the concerns of the House.

Madam Speaker, I want to emphasize just a few items contained in this agreement insofar as they impact my State. I covered many items in detail when we originally considered some time ago the bill that led to this conference agreement, and I want to address myself to a limited number of matters impacted by the conference.

In the appropriation for buildings and facilities for the Agricultural Research Service, we have provided $1.25 million for planning funds for a Food Toxicology Center at Michigan State University. This center has been under study for several years, and the amount we include will begin the construction planning process. The State of Michigan has already contributed a great deal of funds through facilities and general support items, so there should be no question about Michigan meeting the 50 percent matching principle that we have been requiring for projects of this kind.

It is important to remember that we still do not have a central research facility for the study of toxic items in the food chain. We have to be prepared to move away from a crisis response mechanism and toward an "already prepared" mechanism. This facility will move us in that direction.

Within the budget for the Cooperative State Research Service, we provided $1.75 million for the Michigan Biotechnology Institute. This funding is for research work on the use of biotechnological techniques in processing and manufacturing products derived from commodities. There has already been more than $20 million put into this institute by the State of Michigan and private industry. With MBI's state-of-the-art facility, it is ready to move ahead with specific research projects, and does not require any waiting period for the construction of a facility.

Within the Human Nutrition Information Service, the conference agreement repeats the statutory roles of this agency of the Department of Agriculture relative to other Federal agencies. This language is intended as a very clear directive of how human nutrition matters should be reviewed, and is a definite signal that we will continue to closely monitor this matter.

While the conference agreement funds the Commodity Supplemental Food Program at the Senate level of $50 million, this does not reflect a reduction of support for this program. There will be a $10 million carryover of fiscal 1988 funds to fiscal 1989, creating a total dollar available amount of $60 million. We had not known of the scope of this carryover at the time of approving the House funding level of $53 million.

With the dollars that are available, there is room for program expansion at new and existing sites, including expanding to additional locations in the State of Michigan as provided for in House Report 100-690. This direction for expansion is complemented by the language in Senate Report 100-389, calling for expansion of both the mother, infant and children, and elderly components of this program at both new and existing sites.

Madam Speaker, this is a responsible appropriations agreement before us, and it deserves the support of all of our colleagues.

Mr. WHITTEN. Madam Speaker, I yield such time as he may require to my colleague, the gentleman from Mississippi [Mr. ESPY].

Mr. ESPY. Madam Chairman, I do not want to take a long amount of time, but I certainly want first of all to echo everything that has been said about my colleagues from the First District of Mississippi and our chairman of the Appropriations Committee, the gentleman from Mississippi [Mr. WHITTEN] for his leadership in bringing this conference report to this body. I think it is a good report. I would like to suggest to my colleagues that they pass this report and I certainly endorse it.

The chairman has worked diligently and hard for the interests of the American farmer and for agribusiness.

Madam Chairman, this is a good conference report.

I want to call the attention of my colleagues to three elements of this bill. One is the key program of the Targeted Export Assistance Program, which continues to allow us to promote our products in overseas markets. This program has proven itself and we continue the funding for the TEA Program within this conference report.

The second is the farm mediation bill that allows us to address the needs of farmers throughout the country with regard to their credit needs and their credits interests. This is also a matter which has been extended and is addressed in this conference report.

The third, Madam Speaker, in conclusion, is the ability to create something called a Lower Mississippi Delta Commission, which is a nine-member Commission which will address the serious and very crucial need within seven States on regional economic development and poverty.

So Madam Speaker, this is a good bill. It is a good conference report and I would like to ask the body to pass it, and again let me thank our chairman for his leadership and diligence.

Madam Chairman, I appreciate the opportunity to add to my comments in favor of this thoughtfully crafted and negotiated conference committee report on H.R. 4784, the 1989 Rural Development, Agriculture, and Related Agencies appropriation bill. The esteemed and distinguished chairman of the Appropriations Committee must be commended on his leadership. I am proud to be a delegation colleague of Chairman WHITTEN.

This conference report contains funding for several very important programs affecting rural America, and will have a significant positive impact on my rural Mississippi delta region. The Targeted Export Assistance [TEA] Program has received an appropriate increase under this conference report. I believe the $200 million, which includes $30 billion of discretionary money for the Secretary of Agriculture, will go a long way toward expanding foreign markets for products that suffer barriers and unfair trade practices abroad. In my district, cotton, soybeans, and more recently, farm-raised catfish, are being promoted in foreign markets with industry funds matched with TEA money. My district produces 95 percent of farm-raised catfish for the U.S. market, and with the help of the TEA Program, I believe we can develop and maintain new markets abroad.

The Agricultural Credit Act of 1987 provides for matching Federal funds for qualified State mediation programs. Federal support for State mediation programs is a step in the right direction and helps secure the economic health of many farm communities. The Secretary of Agriculture shall pay to a State not more than 50 percent of the cost of the operation and administration of the agricultural loan mediation program within the State.

You are aware of the agricultural credit problems facing our farmers and rural lending institutions. Both farmers and creditors will continue to face severe financial pressures as a result of this year's drought. These State mediation programs can contribute to alleviating some of these severe pressures. I believe the funding provided in this conference report is essential to the successful implementation of the Agricultural Credit Act of 1987.

Madam Chairman, enactment of H.R. 5378, the Lower Mississippi Delta Development Act is more than just meaningful to the people of that region. It is new hope and a chance to join the rest of America in sharing the economic pie of this great Nation. Chairman JAMIE WHITTEN has taken the initiative to guide his Appropriations Committee to look at impoverished towns such as Tunica, MI. His leadership in this regard and others endears all Mississippians.

I especially appreciate the Chairman's willingness to include in this legislation compromise language enacting and funding the Lower Mississippi Delta Development Act. In adopting the motion, with respect to Senate amendment No. 75, to recede and concur with a further House amendment, we are incorporating by reference and enacting the provisions of H.R. 5378, introduced on September 26 by Chairman WHITTEN, Ms. OAKAR, and me, and the provisions of S. 2836, identical legislation introduced by Senator BUMPERS on September 27. These two bills we are referencing are in turn compromise versions of H.R. 4373, which I and others introduced earlier this year, and S. 2246 introduced by Senator BUMPERS and others on March 31, 1988.

Other critical legislative history can be found in the transcripts of the hearings held in both the Senate and the House on S. 2246 and H.R. 4373 on June 28, 1988. Joint hearing by Committee on Environment and Public Works and Committee on Small Business of the Senate on S. 2246, and hearing by Subcommittee on Economic Stabilization of the House of Representatives on H.R. 4373.

The legislative language of H.R. 5378 and S. 2836, the identical bills we are enacting as a part of this Agriculture Appropriations bill, is the product of negotiations among relevant committees of both the House and Senate, primarily the Environment and Public Works Committee of the Senate, the Economic Stabilization Subcommittee of the House, and the Agriculture Appropriations Subcommittees of both the House and Senate.

In working out this compromise, I want to especially thank Representatives WHITTEN, OAKAR, ANDERSON, and ST GERMAIN and Senators BUMPERS, BURDICK, COCHRAN, and BREAUX.

This legislation is a critical first step toward bringing together the local, State, and Federal governments and the private sector to work to alleviate the poverty of the lower Mississippi Delta area. It establishes a nine member Commission composed of one member appointed by the Governor of each State and two members appointed by the President. The Commission is required to identify and study the problems of the region and to prepare a 10-year plan that recommends ways to promote economic development in the region. It is intended that the Commission's report will form the basis for programs and policies adopted by all levels of Government directed at the development of the lower Mississippi River.

Authorizing committees in both the House and Senate have acted on the earlier bills, S. 2246 and H.R. 4373, on which this legislation is based. On August 10 the Committee on Environment and Public Works reported S. 2246 with an amendment. On September 14, the Economic Stabilization Subcommittee of the House Committee on Banking, Finance and Urban Affairs reported an original bill, H.R. 5283, which was based upon H.R. 4373.

The lower Mississippi Delta region follows the course of the Mississippi River and stretches from southern Illinois to the delta of the Mississippi River and the Gulf of Mexico. The 187 counties in the 7 States—Illinois, Missouri, Kentucky, Tennessee, Arkansas, Mississippi, and Louisiana—that make up the region are the home of more than 11 million Americans.

The lower Mississippi River valley is the poorest, most underdeveloped region in the United States, ranking lowest in almost every economic and social indicator. According to the Congressional Research Service, all but three counties in the region are well below the national average in terms of measurable poverty—that is, the number of people below the poverty line, per capita income, and unemployment.

Tunica County, MS, for example, is the poorest county in the Nation. Almost 53 percent of its citizens live below the national poverty level. The per capita income is $6,643, or 48 percent below the national average. In Lee County, AR, 44.3 percent of the population lives in poverty, with a per capita income of just $6,542. In Madison Parish, LA, 42.7 percent of the population lives below the national poverty level; in Lake County, TN, the comparable figure is 31.3 percent. Similar statistics abound throughout the region.

The poverty in the region is reflected in the statistics for education and health. Since 1900, Louisiana and Mississippi have consistently ranked first and second in illiteracy and Arkansas has ranked in the top 10. Louisiana, Mississippi, Tennessee, and Kentucky are all among the worst States in terms of the public school dropout rates, in excess of 30 percent. Per pupil spending rates are also among the lowest in the country. Arkansas ranks 45th, Tennessee ranks 46th, Kentucky ranks 48th, and Mississippi ranks last.

With respect to health, Mississippi and Arkansas ranked first and second in teen pregnancy rates in 1985. Louisiana, Mississippi and Arkansas ranked in the worst one-fifth of all States in their infant mortality rates, far in excess of the national average of 10.6 deaths per 1,000 live births.

This data clearly highlights the hardships faced by the people who inhabit the lower Mississippi Delta region. The Commission established by this legislation will be required to identify and study the specific problems of the region that perpetuate these hardships and prepare a 10-year plan with recommendations to address the problems of the area.

Although the legislation does not give the Commission authority to implement its recommendations, it is the intent of the sponsors that the State and local government entities in the area and Federal Government will rely principally on the Commission's report when developing legislative and executive initiatives that address the problems identified by the Commission.

SUMMARY OF MAJOR PROVISIONS

The legislation establishes the Lower Mississippi Delta Development Commission to study the economic development problems of the lower Mississippi River Delta. The Commission is to be composed of nine members, one member appointed by the Governor of each State and two members to be appointed by the President.

The Commission is to remain in effect for 2 years from the date of its first meeting. An interim report of the Commission's activities is required within 9 months after the first meeting of the Commission and a final report is expected within 18 months after the first Commission meeting. The Commission is to remain organized for an additional 120 days after the final report is issued in order to answer questions or to conduct further studies required to carry out the purposes of the act.

The Commission is directed to identify and study the economic development, infrastructure, employment, transportation, resource development, education, health care, housing, and recreation needs of the lower Mississippi region and develop a 10-year plan that recommends and establishes priorities to alleviate the needs identified by the Commission. The Commission is directed to study and report on the specific problems that are enumerated by the legislation, and to make recommendations for solving such problems. In addition, the Commission may study, report, and make recommendations on other issues it determines are relevant to economic development.

SECTION-BY-SECTION ANALYSIS OF H.R. 5378 (AND COMPANION S. 2836)

SECTION 1. SHORT TITLE

This section provides that this legislation may be cited as the "Lower Mississippi Delta Development Act."

SECTION 2. FINDINGS

House and Senate committees heard testimony, reviewed studies, and heard reports about the development needs of the Lower Mississippi Delta Region.

The solutions to the long-term economic development problems of the region depend upon a combined effort and long-term commitment of federal, state and local governments. No single level of government can address the complex problems of the Region. Moreover, to the greatest extent possible, the governments should rely on the expertise and suggestions of the private sector, citizens of the area, and any organizations committed to the development of the area. Considerable expertise exists in the academic community in the region and should be fully utilized.

Economic revitalization and long-term economic growth of the region is dependent upon the ability of the region to sustain itself through expansion of employment and business opportunities. Business expansion in the region offers the greatest hope for economic growth and revitalization of the region. Toward the achievement of this goal, the Commission is to develop an inventory of business resources in the region and compare the availability of those resources with those available in other regions of the Nation; and to study and make recommendations for improvements in federal, state and local business development and financing programs. To attract businesses and other investment into the area, the region needs to be developed in such a way to create a favorable business environment. The approach to development of the area must be comprehensive and include: increasing investment capital availability, developing infrastructure, providing adequate educational opportunities and health care services, ensuring the availability of adequate housing and recreational activities, and maximizing resource development in the area.

The Mississippi River, although a tremendous natural resource for the region, has been somewhat of a barrier to the development of highway transportation. Meeting transportation needs in the region is essential to an overall economic development plan. Therefore, the legislation directs the Commission to study and recommend a system of joint federal and state-funded limited access highways and parkways interconnecting the region, and connecting the region to other major national transportation routes.

SECTION 3: PURPOSE

This section establishes the purpose of the Delta legislation. A Commission is created to study the economic needs of the region and make recommendations on how to alleviate those needs. The phrase "economic needs and economic development" should be interpreted in a comprehensive manner. The Commission is not to focus all of its efforts on business development. The Commission must also look at ways to create a favorable business environment and improve the quality of life for the region's inhabitants including studying and making recommendations that address education, health, transportation, and housing needs. Obviously, improvement in these areas is key to economic development.

SECTION 4: DEFINITIONS

This section defines the key terms used throughout the legislation. The title "Lower Mississippi" refers to the Lower Mississippi River, which begins geographically at the confluence of the Ohio and Mississippi Rivers at the southern tip of Illinois, and continues down the Mississippi to the Gulf of Mexico.

The term "delta" is used both in the geographical and cultural sense. The Lower Mississippi Delta is the common term used in the area to describe what is geographically known as the Mississippi alluvial plain; an area of soils created by the deposits of loess and silt in the Mississippi Basin over thousands of years, reaching as wide as 125 miles on each bank, and which follows the river's course from southern Illinois to the Gulf. This is not to be confused with the more precise geographical usage of the term "Mississippi delta", which is often used to mean the area of silt deposited at the mouth of the river in southern Louisiana. "Delta" is also a cultural term, used by the inhabitants of this region to define their unique culture, including their literature, music and institutions.

The legislation uses this term because the Lower Mississippi Valley Delta region includes the poorest counties of the country and is the poorest region, and because the people and counties of the region that are targeted share many of the same cultural, economic, geographical, geological and other regional similarities. However, while the act targets those counties with a reasonable proximity to the Mississippi River, it is important to note that it does not exclude other counties or areas near the Delta from being examined if the Commission finds such examination useful in carrying out the purposes of this Act.

SECTION 5: ESTABLISHMENT

This section establishes the Lower Mississippi Delta Development Commission.

SECTION 6: MEMBERSHIP AND ORGANIZATION

The Governor of each State in the region—Arkansas, Illinois, Kentucky, Louisiana, Missouri, Mississippi and Tennessee—is required to participate and to appoint a Commission member. The President is required to appoint two members from the economic development community.

The Governors should coordinate their appointments in order that there be a diversity of expertise represented on the Commission. For example, one State may wish to appoint a Commission member with expertise in public health or education, while another may wish to appoint a member with expertise in natural resource development.

The states are primarily responsible for developing the report and recommendations. However, many federal agencies have expertise valuable to solving the problems of the Lower Mississippi River Delta region including the Corps of Engineers, the Small Business Administration, the U.S. Department of Agriculture, the Department of Housing and Urban Development, the Department of Health and Human Services, the Department of Transportation, and the Appalachian Regional Commission. Rather than selecting from among these agencies which will be represented on the Commission, the legislation authorizes the President to appoint federal employees as representatives. The Presidential appointees do not have to be federal employees, however, and must be drawn from the economic development community.

Each appointee, state or Presidential, shall serve at the pleasure of the appointing officer. Commission members are not appointed for the life of the Commission and may be terminated if the officer who appoints them is no longer in office. Thus, if the administration changes, the new administration will have the authority to either retain the former administration's appointee or appoint a new member.

For the purposes of conducting business, such as approving the interim or final report or for purposes of selecting a chairman, a quorum of five Commission members is required. The Commission may establish a lesser quorum for purposes of conducting meetings, holding hearings, and discussion forums or other similar activities relating to the development of the interim or final report.

Four or more of the state appointed members shall determine the date, time and place of the first meeting and shall call the first meeting. The first meeting must be held within forty-five days after the enactment of this legislation. The first meeting should be at a location centrally located in the region. The first order of business at the meeting shall be to appoint a chairman. The Chairman must be selected from among the state appointees. The quorum required for selecting a Chairman is five members of the Commission.

The Commission shall conduct additional meetings as it feels are appropriate and shall decide how the meetings shall be called. Each meeting location should be easily and economically accessible by all members of the Commission.

The Commission is required to establish a headquarters.

SECTION 7: DUTIES OF THE COMMISSION

The Commission is directed to identify and study the economic development, infrastructure, employment, transportation, resource development, education, health care, housing and recreation needs of the Lower Mississippi Delta region. Each of the listed needs are to receive equal consideration in the identification and study process.

The Commission is to use the information it gathers to develop a ten-year plan that makes recommendations on actions that should be taken to alleviate the problems of the area. The Committee intends that the ten-year plan form the basis for any actions taken by the federal, state and local governments to address the problems in the region. The Commission is directed to establish priorities from among the recommended actions to help guide an orderly economic development course for the region.

In addition to the issues enumerated in the legislation, the Commission is given discretion to study other issues the Commission feels are relevant to economic development. Although most of the specified items in this section address economic development needs, all of the needs identified by the Commission as important to carrying out the purposes of the act should receive equal consideration in the study process. In studying and reporting on the issues, the Commission is required to conduct studies, investigations and field hearings. The Commission should actively encourage and solicit public participation in the study process. Considerable expertise exists within the region—in colleges and universities, businesses, economic development organizations, and state and local institutions—and the Commission should fully utilize such regional expertise.

The Commission is directed to compare issues in the Delta Region with those nationwide. The Commission should focus its resources primarily on developing local data. The Commission is not to conduct nationwide data gathering activities. Rather, the Commission is to rely on existing data and resources when making the comparisons required by this section.

The Commission is directed by the legislation to hold one hearing in each State in the region. Hearings and discussion forums should be well publicized in order to encourage the highest possible level of public participation.

SECTION 8: COMPENSATION OF THE COMMISSION

This section provides the manner of compensation for the Commission members. The Governors are not required to compensate their appointees but are not precluded from doing so. Members appointed by the President shall not receive additional compensation for their Commission activities if they are already employees of the federal government. If the Presidential appointees are not federal employees they will be compensated at a rate no higher than a level GS-15 civil service employee for the time spent on Commission business.

All members of the Commission, state and federal, will be reimbursed by the federal government for travel and subsistence costs accrued during the performance of their duties on the Commission.

SECTION 9: POWERS AND ADMINISTRATIVE PROVISIONS

This section gives the Commission authorities necessary to conduct its business, including entering into contracts.

SECTION 10: REPORTS

The Commission is required to submit an interim report of its findings and activities within nine months after the first Commission meeting. The interim report is to be submitted to the seven Governors, the President, and to the Speaker of the House and the President pro tempore of the Senate. The Speaker and President pro-tempore are to submit copies of the report to the appropriate committees of the House and Senate.

Within eighteen months after the date of the first Commission meeting, the Commission is to file a final report. The final report is to contain recommendations on all the items specified in this section. In addition, the Commission may make recommendations on other issues it believes are relevant to the economic development of the region. Recommendations should discuss the proper role of the state, federal and local governments in alleviating the problems of the area. In addition, the Commission should consider the proper role of the private sector and make recommendations accordingly.

SECTION 11: LIFE OF THE COMMISSION

The Commission is required to remain in effect for 120 days after the date the final report is submitted, but in no event is the total term of the Commission to exceed 2 years from the date of enactment of this legislation.

SECTION 12: AUTHORIZATION OF APPROPRIATIONS

This section authorizes $2 million for fiscal year 1989 and $1 million for fiscal year 1990 to fund the activities of the Commission.

Mr. DORGAN of North Dakota. Mr. Speaker, I rise today in strong support of the conference report on H.R. 4784, appropriations for rural development, agriculture, and related agencies. I commend the chairman of the Appropriations Committee, Mr. WHITTEN, and the other committee members for putting together an excellent bill that will provide the funds to sustain rural America through the coming fiscal year.

Most importantly, this bill supplies the Commodity Credit Corporation with operating money for fiscal year 1989, some of which will be used to make the disaster relief payments to farmers and ranchers who have suffered from the withering drought and heat of the summer of 1988. It is important to remember that we will likely spend less on drought relief than would have been spent in the absence of the drought. We have already saved money in fiscal year 1988, and we will save billions of dollars in fiscal year 1989 and probably future years as well. These savings will more than cover the cost of the disaster relief legislation.

It has been estimated that North Dakota producers will receive about $400 million in disaster payments, which will just about make up for the payments that were expected before the drought. These payments are badly needed to make up for lost income from shriveled crops, and feed assistance is desperately needed to help livestock producers maintain their herds in a time when normal feed supplies are greatly reduced.

Also in this bill are several projects of particular interest to North Dakota. Foremost is an appropriation of $4.2 million for the establishment of an Institute for Earth Systems Science at the University of North Dakota, which will make use of remote sensing data to greatly improve our understanding of and ability to predict weather patterns. This is obviously of great significance to agriculture, especially in this time of uncertainty due to suspected global warming, caused by the so-called greenhouse effect. While $4.2 million is less than the amount originally sought for the institute, it will provide funding for the first major phase of the project.

In addition, the bill contains funding for an Industrial Agriculture and Communications Center at North Dakota State University, along with money for various projects at the university. These research projects include trade policy research on northern crops such as grains and oilseeds; research on alternative uses of oilseeds, potato disease and genetics, blackbird depredation of crops, insect control for sunflowers, variety improvement for dry edible beans, and grasshopper control; funds to help the State of North Dakota celebrate its centennial by planting 100 million new trees; and continued funding for the Center for Rural Development.

Among other important provisions, the bill restores the full $1.8 billion to the Rural Electrification Administration, despite repeated efforts by the Reagan-Bush administration over the last 8 years to eliminate this program.

Mr. Speaker, this bill is vital to the health of rural America, and I urge my colleagues to support it.

Mr. SHUMWAY. Mr. Speaker, I rise in opposition to the conference report.

Among other things, this report contains authorization for the Lower Mississippi Delta Regional Commission.

This bill came before the Economic Stabilization Subcommittee of the House Banking Committee in September of this year. At this time, significant objections were made by Republican members of the subcommittee to both the nature and purpose of the bill. The legislation authorizes $2 million for the establishment of a commission to study the economics of the Mississippi Delta region, and to suggest further programs which might alleviate the economic stagnation of the area. Subsequent to this study, a new commission would be established which would operate just like the Appalachian Regional Commission [ARC].

I do not need to go into a lengthy discussion of the weaknesses and ineffectiveness of the ARC. Suffice it to say that the administration has attempted to kill this program for over the past 6 years, and the program has not received money through the normal legislation process in nearly as long.

It is this aberration from procedure to which I am most opposed. It is no secret that such Federal programs have been extremely unpopular in the past. This sort of regional favoritism flies in the face of national priorities and a policy of fiscal balance.

In this case, the proponents of this bill have simply ignored the systems of voting and comment used by this body to bring careful scrutiny and review to proposals before it.

The Lower Mississippi Delta Development Commission has been added to this agriculture bill at the last minute, and has nothing to do with agriculture or any other jurisdictional parameters of the bill. I suggest that under the bright light of full legislative process, this Commission would never justify itself to the majority of Members of the House. However, we are now faced with no choice on the merits and no ability to modify or change the bill itself.

Such disregard for procedure makes a mockery of the legislative process, and is a poor way to craft the laws of the country.

GENERAL LEAVE

Mr. WHITTEN. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous material, on the conference report on H.R. 4784, now under consideration.

The SPEAKER pro tempore (Mrs. BOXER). Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mrs. SMITH of Nebraska. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. WHITTEN. Madam Speaker, I yield back the balance of my time, and I move the previous question on the conference report.

The previous question was ordered.

The **SPEAKER** pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mrs. **SMITH** of Nebraska. Madam Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The **SPEAKER** pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 353, nays 35, not voting 43, as follows:

[Roll No. 364]

YEAS—353

Ackerman
Akaka
Alexander
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Bliley
Boggs
Bonior
Borski
Bosco
Boucher
Boxer
Brennan
Broomfield
Bruce
Bryant
Bunning
Burton
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Clarke
Clay
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Costello
Coughlin
Courter
Coyne
Craig
Crockett
Darden
Daub
de la Garza
DeFazio
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frost
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Hoyer
Hubbard
Hutto
Hyde
Inhofe
Ireland
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lukens, Donald
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCrery
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Moakley
Molinari
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Payne
Pease
Pelosi
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Richardson
Ridge
Rinaldo
Roberts
Robinson
Rodino
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Sabo
Saiki
Sawyer
Saxton
Schuette
Schulze
Schumer
Sharp
Shaw
Shuster
Sisisky
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Sundquist
Swift
Swindall
Synar
Tallon
Tauke
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Torres
Towns
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weber
Weiss
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NAYS—35

Anderson
Archer
Armey
Brown (CO)
Cheney
Crane
Dannemeyer
Davis (IL)
DeLay
DioGuardi
Dreier
Fawell
Fields
Frank
Frenzel
Gallegly
Hefley
Hughes
Jacobs
Kyl
Lagomarsino
Luken, Thomas
Lungren
McCollum
Moorhead
Russo
Schaefer
Scheuer
Schroeder
Sensenbrenner
Shays
Shumway
Smith, Denny (OR)
Smith, Robert (NH)
Stump

NOT VOTING—43

Bentley
Boehlert
Boland
Bonker
Boulter
Brooks
Brown (CA)
Buechner
Callahan
Clement
Davis (MI)
Dowdy
Flippo
Garcia
Gregg
Hayes (LA)
Huckaby
Hunter
Kemp
Kolbe
Konnyu
Lujan
Mack
MacKay
McCandless
McCurdy
Mineta
Nagle
Nelson
Rhodes
Ritter
Roe
Savage
Schneider
Sikorski
Skaggs
Smith (FL)
Sweeney
Torricelli
Traficant
Vucanovich
Walker
Weldon

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Mr. **KYL** and Mr. **THOMAS A. LUKEN** changed their votes from "yea" to "nay."

Mr. **MANTON** changed his vote from "nay" to "yea."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AMENDMENTS IN DISAGREEMENT

The **SPEAKER** pro tempore. (Ms. Boxer). The Clerk will designate the first amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 1: Page 2, strike out lines 18 to 25.

MOTION OFFERED BY MR. WHITTEN

Mr. **WHITTEN**. Madam Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 1 and concur therein with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows:

OFFICE OF THE ASSISTANT TO THE SECRETARY FOR SPECIAL SERVICES

For necessary salaries and expenses to continue the Office of the Assistant to the Secretary for purposes of providing special services to the Department, $150,000: *Provided*, That none of these funds shall be available for the supervision or management of Natural Resources and Environmental activities, the Soil Conservation Service, or the Forest Service, or any other activities or functions associated therewith.

Mrs. **SMITH** of Nebraska (during the reading). Madam Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The **SPEAKER** pro tempore. Is there objection to the request of the gentlewoman from Nebraska?

There was no objection.

The **SPEAKER** pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. Whitten].

The motion was agreed to.

The **SPEAKER** pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 12: Page 11, line 3, strike out "$555,755,000" and insert "$551,657,000".

MOTION OFFERED BY MR. WHITTEN

Mr. **WHITTEN**. Madam Speaker, I offer a motion.

The Clerk read as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 12 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$561,581,000".

The motion was agreed to.

The **SPEAKER** pro tempore. The Clerk will designate the next amendment in disagreement.

Mr. **WHITTEN**. Madam Speaker, I ask unanimous consent that Senate amendments numbered 20, 60, 71, 78, 115, 116, 117, 118, and 119 be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The texts of the various Senate amendments referred to in the unanimous-consent request are as follows:

Senate amendment No. 20: Page 13, line 10, after "facilities" insert ": *Provided*, further, That funds recovered in satisfaction of judgment at the Plum Island Animal Disease Center shall be available and augment funds appropriated in a prior fiscal year for construction at Plum Island Animal Disease Center and be used for construction necessary to consolidate research and operations at the Center and for renovation of the Beltsville Agricultural Research Center".

Senate amendment No. 60: Page 34, after line 14, insert:

CITY OF LINCOLN

Hereafter, the area within the present city limits of the city of Lincoln, Burleigh County, State of North Dakota, and the southeast quarter (SE¼) of section eighteen (18), township one hundred thirty-eight (138) north, range seventy-nine (79) west, Burleigh County, North Dakota, shall continue to be eligible for loans and payments administered by the Farmers Home Administration through the Rural Housing Insurance Fund.

Senate amendment No. 71: Page 37, line 18, after "$540,000" insert ": *Provided*, that $500,000 shall be available for grants to qualified non-profit organizations to provide technical assistance for rural communities needing improved passenger transportation systems or facilities in order to promote economic development".

Senate amendment No. 78: Page 41, after line 7, insert:

RURAL ECONOMIC DEVELOPMENT SUBACCOUNT

For grants and loans authorized under section 313 of the Rural Electrification Act for the purpose of promoting rural economic development and job creation projects, $540,000: *Provided*, That this amount will be in addition to any amounts generated by the interest differential on voluntary cushion of credit payments made by REA borrowers.

Senate amendment No. 115: Page 65, line 19, after "banks" insert "and the Federal Agricultural Mortgage Corporation".

Senate amendment No. 116: Page 72, line 5, after "Act." insert "Further, no agency of the Department of Agriculture, from funds otherwise available, shall reimburse the General Services Administration for payment of space rental and related costs provided to such agency at a percentage rate which is greater than is available in the case of funds appropriated in this Act".

Senate amendment No. 117: Page 73, line 2, after "agencies:" insert "Food and Drug Administration, 7,350;".

Senate amendment No. 118: Page 74, line 11, strike out "None" and insert "hereafter, none".

Senate amendment No. 119: Page 74, line 11, after "this" insert "or any other".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Madam Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendments of the Senate numbered 20, 60, 71, 78, 115, 116, 117, 118, 119 and concur therein.

Mrs. SMITH of Nebraska (during the reading). Madam Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Nebraska?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 22: Page 14, line 11, strike out all after "University;" down to and including "450i)" in line 13, and insert "$32,506,000 for contracts and grants for agricultural research under the Act of August 4, 1965, as amended (7 U.S.C. 450i), including special research grants (in lieu of competitive research grants) of not less that $2,000,000 for an animal science food safety consortium, $2,500,000 for a biotechnology midwest consortium, $2,000,000 for alternative pest control, and $1,750,000 for a biotechnology Iowa consortium".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Madam Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 22 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "$41,886,000 for contracts and grants for agricultural research under the Act of August 4, 1965, as amended (7 U.S.C. 450i)".

Mrs. SMITH of Nebraska (during the reading). Madam Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Nebraska?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 43: Page 18, line 10, strike out "$7,550,000" and insert "$5,757,000".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Madam Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 43 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$9,083,000".

Mrs. SMITH of Nebraska (during the reading). Madam Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Nebraska?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 46: Page 19, line 17, strike out "$329,273,000" and insert "$328,170,000".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Madam Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 46 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$331,207,000".

Mrs. SMITH of Nebraska (during the reading). Madam Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Nebraska?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 56: Page 30, line 6, strike out "but not to exceed $6,828,286,000,".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Madam Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 56 and concur therein with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows: "but not to exceed $8,828,286,000,".

Mrs. SMITH of Nebraska (during the reading). Madam Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Nebraska?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

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The SPEAKER pro tempore (Mrs. BOXER). The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 68: Page 36, line 5, strike out "$6,500,000" and insert "$3,000,000 and from funds transferred from the Rural Development Insurance Fund, $11,000,000: *Provided*, That such funds be made available within six months of enactment".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Madam Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 68 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "$3,000,000 and from funds transferred from the Rural Development Insurance Fund, $11,000,000".

Mrs. SMITH of Nebraska (during the reading). Madam Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Nebraska?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 75: Page 39, line 7, after "systems" insert ": *Provided further*, That notwithstanding any other provision of law, $2,000,000 of this appropriation shall be available solely to carry out S. 2246, the Lower Mississippi Delta Development Commission, as reported by the Committee on Environment and Public Works, and the provisions of such reported bill are hereby incorporated by reference and made a part of this Act".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Madam Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 75 and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert the following: : *Provided further*, That notwithstanding any other provision of law, $2,000,000 of this appropriation shall be available solely to carry out H.R. 5378 and S. 2836, the Lower Mississippi Delta Development Act, as introduced in the House of Representatives on September 26, 1988, and in the Senate on September 27, 1988, and the provisions of such bills are hereby incorporated by reference and made a part of this Act".

Mrs. SMITH of Nebraska (during the reading). Madam Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Nebraska?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 82: Page 43, after line 2, insert:

CONSERVATION

OFFICE OF THE ASSISTANT SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT

For necessary salaries and expenses of the Office of the Assistant Secretary for Natural Resources and Environment to administer the laws enacted by the Congress for the Forest Service and the Soil Conservation Service, $461,000.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Madam Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 82 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

CONSERVATION

OFFICE OF THE ASSISTANT TO THE SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT

For necessary salaries and expenses of the Office of the Assistant to the Secretary for Natural Resources and Environment to administer the laws enacted by the Congress for the Forest Service and the Soil Conservation Service, $266,000: *Provided*, That the position of the Assistant to the Secretary for Natural Resources and Environment, for maximum results, should be filled by an experienced employee of the Soil Conservation Service or the Forest Service.

Mrs. SMITH of Nebraska (during the reading). Madam Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Nebraska?

There was no objection.

Mr. YATES. Madam Speaker, I rise in support of the amendment and ask to be recognized.

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. WHITTEN] is recognized for 30 minutes.

Mr. WHITTEN. Madam Speaker, I yield such time as he may consume to the gentleman from Illinois [Mr. YATES].

Mr. YATES. Madam Speaker, I thank the gentleman for yielding.

I rise in support of this amendment which relates to the subject of natural resources in the bill and I rise to point out how well it accords with the provisions of the Interior appropriations bill, H.R. 4867, which President Reagan signed into law on Tuesday. In that bill, we provided funds of in excess of the requests of the administration for research, development, and demonstration of technologies that relate to the curbing of acid rain and related research for protecting the environment. President Reagan's fight against acid rain and the greenhouse effect was at best a token one. Congress did much better. Research related to global warming, for example, was increased from $388 million, requested by the administration over the last 8 years, to $862 million by our committee and by the Congress, an increase of 123 percent. My bill for this year and the earlier years of the Reagan administration provided significant impetus to technologies that would mitigate the effect of both acid rain and atmospheric warming.

In energy conservation research and development the increase over the requests of the administration for the last 8 years were from $560 million to $1.1 billion, a 98-percent increase.

I cite these increases, Madam Speaker, to show the determination by our committee and by the Congress to treat the problems of acid rain, to recognize their difficulties, to show our determination to combat them, also to combat the warming atmosphere known as the greenhouse effect and to over rule the administrations inadequate funding.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 90: Page 53, line 6, strike out all after "Act" down to and including "services" in line 8, and insert "may be transferred to the conservation operations account of the Soil Conservation Service for services of its technicians".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Madam Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 90 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: ", but not to exceed $61,461,000, shall be available for payment to technicians of the Soil Conservation for services".

Mrs. SMITH of Nebraska (during the reading). Madam Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Nebraska?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 91: Page 53, line 12, strike out all after "land" down to and including "1989" in line 16.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Madam Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 91 and concur therein with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows: ": *Provided further,* That not to exceed $385,000,000 of the funds in this Act, or otherwise made available by this Act, shall be available to provide cost share assistance on crop year 1989 acreage during fiscal year 1989; for the purposes of section 202 of the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (Public Law 100-119, September 29, 1987), to the extent that this proviso has the effect of transferring an outlay of the United States from one fiscal year to an adjacent fiscal year, such transfer is a necessary (but secondary) result of a significant policy change"

Mrs. SMITH of Nebraska (during the reading). Madam Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Nebraska?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 109: Page 63, line 19, after "otherwise" insert "without regard to chapter 51 and subchapter III of chapter 53 of title 5: *Provided further,* That funds appropriated may be obligated or expended by the Commissioner of Food and Drugs, without regard to the provisions of title 5, United Sates Code, governing appointments in the competitive services and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, to establish such technical and scientific review groups as are needed to carry out the functions of the Food and Drug, Administration, including functions under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 201 et seq.), and to appoint and pay the members of such groups, except that officers and employees of the United States shall not receive additional compensation for service as members of such groups, and the Federal Advisory Committee Act shall not apply to the duration of a peer review group appointed under this paragraph.

For purposes of carrying out the provisions of section 10 of the Medical Device Amendments of 1976 (42 U.S.C. 3512) there shall be up to $4,000,000 available from the devices and radiological products account.

For purposes of establishing and implementing a demonstration project that authorizes the Secretary to use the facilities of any public or private cooperative, with the permission of any such cooperative, to perform any of the activities authorized under chapter VII of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 371 et seq.), in accordance with regulations to be promulgated by the Secretary, up to $3,000,000 shall be made available.

For purposes of establishing and implementing a program under which the Secretary of Health and Human Services, acting through the Commissioner of the Food and Drug Administration, may make grants to, or enter into contracts with, any public or nonprofit academic institution, including schools of medicine, dentistry, and core curriculum programs that will be used to train individuals in the field of regulatory review medicine, $1,000,000 shall be made available.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Madam Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 109 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "Without regard to chapter 51 and subchapter III of chapter 53, and section 2105(a) of chapter 21 of title 5, United States Code.

"For purposes of establishing and implementing a demonstration project that authorizes the Secretary to use the facilities of any public or private cooperative, with the permission of any such cooperative, up to $3,000,000 may be made available".

Mrs. SMITH of Nebraska (during the reading). Madam Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Nebraska?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 110: Page 63, after line 19 insert:

No later than September 30, 1989, contact lenses as defined in 21 CFR 886.5916 and 886.5925 shall be considered class II devices unless the Secretary has affirmatively determined that such devices meet the criteria set forth in 21 U.S.C. 360c(a)(1)(C).

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Madam Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House insist on its disagreement to the amendment of the Senate numbered 110.

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. WHITTEN] is recognized for 30 minutes.

Mr. WHITTEN. Madam Speaker, I yield such time as he may consume to the gentleman from California [Mr. WAXMAN].

Mr. WAXMAN. Madam Speaker, I am greatly disappointed that the Members of the other body have sent us this provision, and I rise to join the distinguished chairman of the Appropriations Committee, Mr. WHITTEN, and the distinguished chairman of the Committee on Energy and Commerce, Mr. DINGELL, in asking you to reject it.

It is most inappropriate for this provision to come before the House in an appropriations measure, for two equally important reasons. First, since it involves changes in the substantive law of the Federal Food, Drug, and Cosmetic Act. It violates the procedures of this body. Second, considering this provision in isolation undermines the years of effort that Mr. DINGELL and I have put into developing H.R. 4640, the Medical Device Improvements Act of 1988.

Madam Speaker, the Food and Drug Administration is charged with determining the safety and effectiveness of medical devices. Hearings conducted by Mr. DINGELL in his Oversight and Investigations Subcommittee as well as hearings before the Subcommittee on Health and the Environment have documented many serious problems that have arisen in the course of implementing the medical device laws.

The matter addressed in the provision before the House is but one of a multitude of such issues that we have resolved in H.R. 4640, the Medical Device Improvements Act of 1988. That bill represents a compromise worked out by ourselves and our colleague. The ranking minority member of the Subcommittee on Health and the Environment, Mr. MADIGAN, with industry representatives. H.R. 4640 passed this body without objection and a conference with the Senate is now pending.

Adoption of this provision in an appropriations measure would be an open invitation to other interests to abandon the comprehensive bill and to attempt to seek self-serving solutions through other routes. This undermines not only the negotiations on H.R. 4640, but threatens the integrity of the Federal, Food, Drug, and Cosmetic Act itself.

I urge all Members to reject this misguided attempt to subvert House procedures and sabotage our legislative efforts.

Mr. DINGELL. Madam Speaker, I rise to express my opposition to item 110, a provision in disagreement on this bill.

My colleague, Chairman WHITTEN, and the conferees from his committee have dealt well and fairly with this appropriations bill. They have acknowledged that this provision from the Senate—affecting the regulation of contract lenses under the Food, Drug and Cosmetic Act—is a legislative matter which should be resolved in the usual manner between the relevant authorizing committees.

It is alway a temptation to add provisions to any passing legislative vehicle. But Chairman WHITTEN and I have always stood firmly against authorizing legislation on appropriations bills. Furthermore, in this case, for those who wish to see such a provision enacted, there is another very viable alternative.

The House has recently passed and sent to the Senate for conference a bill H.R. 4640, the Medical Device Improvements Act of 1988.

This legislation was the result of 3 years of work by the Energy and Commerce Committee, and represents the first comprehensive reform of Federal medical device law in 12 years. The bill specifically addresses the issues concerning contact lenses raised in the Senate amendment.

I urge the House to support Chairman WHITTEN and to vote against inclusion of this item in the conference report on H.R. 4784.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 120: Page 74, line 19, after "Fund." insert "Also, none of the funds in this Act, or otherwise made available by this Act, shall be used to sell more loans from the Rural Development Insurance Fund than needed to realize net proceeds of $584,000,000, the total level authorized by the Omnibus Reconciliation Act of 1986, Public Law 99-509, and the Continuing Approriations Act of 1987, Public Law 99-591.".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Madam Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 120 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "Also, none of the funds in this Act, or otherwise made available by this Act, shall be used to sell or offer for borrower prepayment more loans from the Rural Development Insurance Fund than needed to realize net proceeds of $584,000,000, the total level authorized by the Omnibus Reconciliation Act of 1986, Public Law 99-509, and the Continuing Appropriations Act of 1987, Public Law 99-591. Further, Rural Development Insurance Fund loans offered for sale in fiscal year 1989 shall be first offered to the borrowers for prepayment. Borrowers who rejected prepayment offers in fiscal year 1988 shall remain eligible for prepayment in fiscal year 1989.".

Mrs. SMITH of Nebraska (during the reading). Madam Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Nebraska?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 121: Page 74, strike out all after line 19 over to and including line 2 on page 75.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Madam Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 121 and concur therein with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows:

SEC. 634. (a) Effective beginning with the 1989 crop year for honey, section 405 of the Agricultural Act of 1949 (7 U.S.C. 1425) is amended, in the text of subsection (a) (as so designated by section 1004(1) of the Food Security Act of 1985 effective for the 1986 through 1990 crops), by striking out "No producer" and inserting in lieu thereof "Except as otherwise provided in section 405A, no producer".

(b) The Agricultural Act of 1949 is amended by inserting after section 405 the following new section:

"SEC. 405A. (a) A producer of honey may satisfy the producer's obligation to repay a loan, or a portion of a loan, made to the producer under section 201(b) of this Act by forfeiting the collateral for the loan, or portion of the loan, only if the value of the collateral forfeited, when taken together with the value of the collateral forfeited on any other loan or loans of the producer for such crop of honey under section 201(b), does not exceed $250,000: *Provided, however,* that the loan forfeiture limitation provided by this section shall not be applicable for any crop year for which the Secretary does not permit producers of honey to repay the price support loans at a level determined under section 201(b)(2)(B).

"(b) The producer of honey shall be personally liable for the repayment of a loan or loans made to the producer under the program for the crop of honey involved, with respect to that portion of the loan or loans for which satisfaction of the loan by forfeiture, as provided in subsection (a), is prohibited.

"(c) The loan contracts of the Commodity Credit Corporation entered into with producers of honey shall clearly indicate the extent to which a producer of honey may be personally liable for repayment of a loan under this section.

"(d) The Commodity Credit Corporation may issue such regulations as the Corporation deems necessary to carry out this section.".

Mrs. SMITH of Nebraska (during the reading). Madam Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Nebraska?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 122: Page 75, strike out lines 3 to 8.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Madam Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 122 and concur therein with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows:

SEC. 635. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries of personnel who carry out a targeted export assistance program under section 1124 of the Food Security Act of 1985 if the aggregate amount of funds and/or commodities under such program exceeds $200,000,000: *Provided,* That $30,000,000 shall be held in reserve to be released by the Secretary of Agriculture only if required.

Mrs. SMITH of Nebraska (during the reading). Madam Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Nebraska?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 126: Page 76, after line 2, insert:

SEC. 634. No later than 30 days after enactment of this Act, funds provided in this Act shall be used to implement section 633 of the "Rural Development, Agriculture and Related Agencies Appropriations Act, 1988", and, within the authorities provided in such section, shall allocate $150,000,000 in prepayments to telephone program borrowers and $350,000,000 in prepayments to electric program borrowers.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Madam Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 126 and concur therein with an amendment, as follows: In lieu of the first section number named in said amendment, insert "637".

Mrs. SMITH of Nebraska (during the reading). Madam Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Nebraska?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 127: Page 76, after line 2, insert:

SEC. 635. None of the funds in this Act, or otherwise made available by this Act, shall be used to prevent a Rural Telephone Bank borrower from concurrently rescinding the unadvanced portion of an approved loan made by the Bank prior to October 1, 1987, and reapplying during this fiscal year, without prejudice, to the Rural Telephone Bank for a new loan in such amount for the same purpose or purposes; nor, shall such funds be used to regulate the order or sequence of advances of funds to a borrower under any combination of approved telephone loans from the Rural Electrification Administration, the Rural Telephone Bank or the Federal Financing Bank.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Madam Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 127 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"SEC. 638. None of the funds in this Act, or otherwise made available by this Act, shall be used to regulate the order or sequence of advances of funds to a borrower under any combination of approved telephone loans from the Rural Electrification Administration, the Rural Telephone Bank or the Federal Financing Bank."

Mrs. SMITH of Nebraska (during the reading). Madam Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Nebraska?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 128: Page 76, after line 2, insert:

SEC. 636. Not less than $10,000,000 nor more than $20,000,000 of section 32 funds shall be used to purchase sunflower oil, such purchases to facilitate additional sales of sunflower oil in World Markets at competitive prices, so as to compete with other countries in Fiscal years 1989 and 1990: *Provided*, That these funds shall be in addition to funds made avaialble for this purpose by the Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988 (Public Law 100-202).".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Madam Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 128 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

"SEC. 639. In fiscal years 1989 and 1990, $20,000,000 of section 32 funds shall be used to purchase sunflower and cottonseed oil, as authorized by law, such purchases to facilitate additional sales of such oils in world markets at competitive prices, so as to compete with other countries: *Provided*, That these funds shall be in addition to funds made available for this purpose by the Rural Development, Agriculture, and Related Agencies Appropriations Act, 1988 (Public Law 100-202).".

Mrs. SMITH of Nebraska (during the reading). Madam Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Nebraska?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 129: Page 76, after line 2, insert:

SEC. 637. Within 30 days of the enactment of this section the Secretary of Agriculture may establish and operate a program for fiscal year 1989 as follows:

(a) The Secretary shall make available to sugar refiners, operators and processors commodities acquired by the Commodity Credit Corporation at such levels as the Secretary determines necessary to permit such refiners, operators or processors to purchase in the amounts specified below raw sugar grown in the Republic of the Philippines and countries designated as beneficiary countries pursuant to section 212 of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702) at prices equivalent to the market price for raw cane sugar in the United States on the condition that an equivalent amount of sugar refined in the United States is exported to world markets within 60 days. The Secretary shall make such commodities available on the basis of competitive bids and shall have discretion to accept or reject bids under such criteria as the Secretary determines appropriate. Generic certificates shall be issued in lieu of commodities acquired by the Commodity Credit Corporation under the program established under this section.

(b) The Secretary shall make available sufficient commodities to permit the importation of no less than 290,000 short tons of sugar, raw value, from the beneficiary countries specified in subsection (a), and no less than 110,000 short tons of sugar, raw value, from the Republic of the Philippines. Sugar imported under the program authorized under this section shall be in addition to any sugar quota level established for the countries specified in subsection (a) pursuant to headnote 3 of schedule 1, part 10, subpart A of the Tariff Schedules of the United States (9 U.S.C. 1202).

(c) In order to maximize the number of competing bidders, the Secretary shall, in determining the low bidders in the program established under this section, make appropriate adjustments in bids received from sugar refiners, operators and processors to reflect differing transportation costs based on refinery and factory location.

(d) The program authorized under this section shall be in addition to, and not in place of, any authority granted to the Secretary or the Commodity Credit Corporation under any other provision of law.

(e) The Secretary shall carry out the program authorized by this section through the Commodity Credit Corporation.

(f) Nothing in this section shall be deemed to increase the appropriation for any program administered by the United States Department of Agriculture.

(g) The Secretary may provide such other terms and conditions as the Secretary determines appropriate to carry out this section.".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Madam Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 129 and concur therein with an amendment, as follows: In lieu of the first section number named in said amendment, insert "640".

Mrs. SMITH of Nebraska (during the reading). Madam Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Nebraska?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 130: Page 76, after line 2, insert:

SEC. 638. (a) Section 17(p) of the National School Lunch Act (42 U.S.C. 1766(p)) is amended by adding at the end thereof the following new paragraph:

"(4) For the purpose of establishing eligibility for free or reduced-price meals or supplements under this subsection, income shall include only the income of an eligible person and, if any, the spouse and dependents with whom the eligible person resides.".

(b) Section 17(p) of such Act (as amended by subsection (a) of this section) is amended by adding at the end thereof the following new paragraph:

"(5) A person described in paragraph (1) shall be considered automatically eligible for free meals or supplements under this subsection, without further application or eligibility determination, if the person is—

"(A) a member of a household receiving assistance under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.); or

"(B) a recipient of assistance under title XVI or XIX of the Social Security Act (42 U.S.C. 1381 et seq.).".

(c) Subparagraph (A) of section 17(p)(3) of such Act is amended to read as follows:

"(A) The Secretary, in consultation with the Commissioner of Aging, shall establish, within 6 months of enactment, separate guidelines for reimbursement of institutions described in this subsection. Such reimbursement shall take into account the nutritional requirements of eligible persons, as determined by the Secretary on the basis of tested nutritional research, except that such reimbursement shall not be less than would otherwise be required under this section.".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Madam Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 130 and concur therein with an amendment, as follows: I lieu of the first section number named in said amendment, insert "641".

Mrs. SMITH of Nebraska (during the reading). Madam Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Nebraska?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 131: Page 76, after line 2, insert:

SEC. 639. Such sums as may be necessary for fiscal year 1989 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Madam Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 131 and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "642".

Mrs. SMITH of Nebraska (during the reading). Madam Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Nebraska?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 134: Page 76, after line 2, insert:

SEC. 642. Notwithstanding any provision of the Rural Electrification Act of 1936, as amended (7 U.S.C. 901-950b), any REA borrower which has hydroelectric facilities and associated equipment, the acquisition or construction of which was not financed with loans made or guaranteed under such Act, may, at the option of the borrower, without the approval of the Administrator, sell such facilities and equipment to an entity not receiving financial assistance hereunder and use the proceeds from such sale, or any part thereof, to prepay outstanding loans made by the Federal Financing Bank and guaranteed under such Act. Such Federal Financing Bank loans may be prepaid hereunder by paying the outstanding principal balance and accrued interest due on the loan and no sums in addition thereto may be charged against the borrower, the fund, or the Rural Electrification Administration. Prepayments hereunder shall not require the consent of the Secretary of the Treasury under section 306A of such Act or otherwise and shall not be included within those amounts authorized for prepayment pursuant to, or otherwise subject to, section 1401 of the Omnibus Budget Reconciliation Act of 1987 (Public Law 100-203) or section 633 of Continuing Appropriations, Fiscal Year 1988 (Public Law 100-202): *Provided, however,* That such prepayments shall be made not later than December 31, 1988.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Madam Speaker, I offer a motion.

The Cerk read as follows:

Mr. WHITTEN moves that the House insist on its disagreement to the amendment of the Senate numbered 134.

Mrs. SMITH of Nebraska (during the reading). Madam Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Nebraska?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 140: Page 76, after line 2, insert:

SEC. 648. When issuing statements, press releases, requests for proposals, bid solicitations, and other documents describing projects or programs funded in whole or in part with Federal money, all grantees receiving Federal funds, including but not limited to State and local governments, shall clearly state (1) the percentage of the total cost of the program or project which will be financed with Federal money, and (2) the dollar amount of Federal funds for the project or program.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Madam Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 140 and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert "644".

Mrs. SMITH of Nebraska (during the reading). Madam Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Nebraska?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 141: Page 76, after line 2, insert:

SEC. 649. (a) There is appropriated $30,825,000 for necessary expenses to carry out the special supplemental food program as authorized by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), to remain available through September 30, 1990.

Notwithstanding any other provision of this Act, in addition to the reduction required under section 643, each appropriation item made available under this Act shall be reduced by .7 percent of the original item, rounded to the nearest thousands of dollars, except for programs scored as mandatory during fiscal year 1989 and amounts made available for Public Law 480, the Farmers' Home Administration, the Rural Electrification Administration, the conservation reserve program, the commodity supplemental food program, and the supplemental food program for women, infants, and children.

(c) Section 643 shall not apply to the amount made available by subsection (a).

(d) Section 17(f) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(f) is amended—

(1) in paragraph (1)—

(A) by striking out "and" at the end of clause (viii);

(B) by striking out the period at the end of clause (ix) and inserting in lieu thereof "; and" and

(C) by adding at the end thereof the following new clause:

"(x) a description of the feasibility and types of cost containment procedures described in section 3 of the Commodity Distribution Reform Act and WIC Amendments of 1987 (7 U.S.C. 612c note) (including infant formula rebates) implemented to acquire infant formula and other foods that are necessary to carry out this section."; and

(2) by adding at the end thereof the following new paragraph:

"(17) A State agency shall examine the feasibility of implementing the procedures referred to in paragraph (1)(x). If the State agency determines that such a procedure would lower costs and enable more eligible persons to be served (without interference with the delivery of nutritious foods to recipients), the State agency shall implement such procedure.".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 141 and concur therein with an amendment, as follows. In lieu of the matter proposed by said amendment, insert the following:

SEC. 645. Effective August 30, 1989, none of the funds available in this Act for the Special Supplemental Food Program for Women, Infants, and Children (WIC) may be used by a state if that state has not examined the feasibility of implementing cost containment procedures described in section 3 of the Commodity Distribution Reform Act and WIC Amendments of 1988 (7 U.S.C. 612c note) (including infant formula rebates) for acquiring infant formula and, where practicable, other foods that are necessary to carry out such program, and if the state has determined that such a procedure would lower costs and enable more eligible persons to be served (without interference with the delivery of nutritious foods to recipients) and has not initiated action to implement such procedures. The Secretary may extend the effective date of implementation on a case-by-case basis where necessary.

Mrs. SMITH of Nebraska (during the reading). Madam Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request that the gentlewoman from Nebraska?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the last amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 142: Page 76, after line 2, insert:

SEC. 650. Section 6.29 of the Farm Credit Act of 1971 (12 U.S.C. 2278b-9) is amended by—

(1) in subsection (a)(1), striking out "Except as provided in paragraph (2)," and inserting in lieu thereof "Except as provided in paragraphs (2) and (3),",

(2) adding at the end of subsection (a) the following new paragraph:

"(3) PERIODIC PURCHASES.—(A) Notwithstanding any other provision of this section, the Financial Assistance Corporation shall establish a program under which System institutions shall purchase, as debt obligations are issued under section 6.26(a), stock of the Corporation in amounts described in this paragraph.

"(B) The program shall provide, with respect to each issuance of debt obligations under section 6.26(a), that each System institution originally required to purchase stock under paragraph (1), or the successor thereto, shall purchase Corporation stock in an amount determined by multiplying the amount of stock such institution was orginally required to purchase under that paragraph by a percentage equal to the percentage which the amount of the issuance bears to $4,000,000,000.

"(C) The Financial Assistance Corporation shall promptly rescind purchases of stock of the Corporation made under paragraph (1) or (2) by System institutions and refund to such institutions, or their successors, the purchase price for the stock, except that, with respect to each issuance of debt obligations that occurs before October 1, 1988, the Corporation shall deduct from any refund due any System institution, and retain, the amount payable by such institution.

(3) in subsection (c)—

(a) striking out "Within" and inserting in lieu thereof "(1) Within",

(b) striking out "(1) the" and inserting in lieu thereof "(A) the", and

(c) striking out "(2) in the case" and inserting in lieu thereof "(B) in the case", and

(4) adding at the end thereof the following new paragraph:

"(2) Not later than 15 days before each issuance of debt obligations under section 6.26(a) occurring after September 30, 1988, the Financial Assistance Corporation shall notify each System institution required to purchase Corporation stock under subsection (a)(3) of the amount of the stock it is required to purchase.".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 142 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

SEC. 646. Effective October 1, 1989, section 6.29 of the Farm Credit Act of 1971 (12 U.S.C. 2278b-9) is amended by—

(1) in subsection (a)(1), striking out "Except as provided in paragraph (2)," and inserting in lieu thereof "Except as provided in paragraphs (2) and (3),",

(2) adding at the end of subsection (a) the following new paragraph:

"(3) PERIODIC PURCHASES.—(A) Notwithstanding any other provision of this section, the Financial Assistance Corporation shall establish a program under which System institutions shall purchase, as debt obligations are issued under section 6.26(a), stock of the Corporation in amounts described in this paragraph.

"(B) The program shall provide, with respect to each issuance of debt obligations under section 6.26(a), that each System institution originally required to purchase stock under paragraph (1), or the successor thereto, shall purchase Corporation stock in an amount determined by multiplying the amount of stock such institution was originally required to purchase under that paragraph by a percentage equal to the percentage which the amount of the issuance bears to $4,000,000,000.

"(C) The Financial Assistance Corporation shall promptly rescind purchases of stock of the Corporation made under paragraph (1) or (2) by System institutions and refund to such institutions, or their successors, the purchase price for the stock, except that, with respect to each issuance of debt obligations that occurs before October 1, 1988, the Corporation shall deduct from any refund due any System institution, and retain, the amount payable by such institution.

(3) in subsection (c)—

(a) striking out "Within" and inserting in lieu thereof "(1) Within",

(b) striking out "(1) the" and inserting in lieu thereof "(A) the", and

(c) striking out "(2) in the case" and inserting in lieu thereof "(B) in the case", and

(4) adding at the end thereof the following new paragraph:

"(2) Not later than 15 days before each issuance of debt obligations under section 6.26(a) occurring after September 30, 1988, the Financial Assistance Corporation shall notify each System institution required to purchase Corporation stock under subsection (a)(3) of the amount of the stock it is required to purchase.".

Mrs. SMITH of Nebraska during the reading). Madam Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Nebraska?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

CONFERENCE REPORT ON H.R. 4587, LEGISLATIVE BRANCH APPROPRIATIONS ACT, 1989

Mr. BEILENSON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 553 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 553

Resolved, That upon the adoption of this resolution it shall be in order to consider the conference report on the bill (H.R. 4587) making appropriations for the legislative branch for the fiscal year ending September 30, 1989, and all points of order against the conference report and against its consideration are hereby waived, subject to copies of the conference report being available for at least two hours. The conference report shall be considered as read when called up for consideration.

The SPEAKER pro tempore (Mr. DELLUMS). The gentleman from California [Mr. BEILENSON] is recognized for 1 hour.

Mr. BEILENSON. Mr. Speaker, for purposes of debate only, I yield 30 minutes to the gentleman from Missouri [Mr. TAYLOR] pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 553 is the rule waiving all points of order against the consideration of the conference report on H.R. 4587 the legislative branch appropriations for fiscal year 1989.

The rule further provides that the conference report shall be available for Members at least 2 hours prior to its consideration.

Finally, Mr. Speaker, the rule provides that when the conference report is called up for consideration, it shall be considered as having been read.

Mr. Speaker, the rule before us today simply allows the House, after proper debate time to vote up or down the conference report for appropriations for the legislative branch for fiscal year 1989.

The programs and amounts of this conference report fall within the guidelines of the agreed budget summit of last year. Conferees, in order to avoid the need for a continuing resolution have been diligently working on presenting to the House the 13 individual appropriation bills and they are to be commended for their effort.

Mr. Speaker, with only 2 days remaining before the start of the new fiscal year any further delays only brings us closer to a continuing resolution. The effort of all the conferees and their staff would have been wasted. It is important that the House, in avoiding the need for a continuing resolution, finish the remaining business and pass these last few appropriation bills.

I urge my colleagues to support the resolution.

Mr. TAYLOR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 553 is a rule under which the House will take final action on the legislative branch appropriations conference report for fiscal 1989.

The rule waives all points against the provisions of the conference agreement, which was concluded and filed yesterday, and which has been available to Members for the required 2 hours.

Mr. Speaker, when the House considers conference reports, we often have to dispose of amendments in technical disagreement through a series of motions that are routinely adopted in both the House and the Senate.

Due to the subject matter of this conference report, the leadership of the Committee on Appropriations asked the Committee on Rules to fashion a rule to avoid last-minute mischief in the Senate.

The conference agreement includes all of the items that would have been brought back in technical disagreement, thus we will not have a series of motions to dispose of them after the conference report is adopted. Under this rule, the vote on adoption of the conference report will be the final action on the matter for both the House and the Senate.

Mr. Speaker, this rule is a way of avoiding additional Senate amendments when the report is considered there, and I urge its adoption.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BEILENSON. Mr. Speaker, I have no further requests for time. I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FAZIO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the consideration of the conference report to the bill, H.R. 4587, making appropriations for the legislative branch for the fiscal year ending September 30, 1989, and for other purposes, and that I may include extraneous and tabular material.

The SPEAKER pro tempore. Is there objection to request of the gentleman from California?

There was no objection.

Mr. FAZIO. Mr. Speaker, pursuant to the provisions of House Resolution 553, I call up the conference report on the bill (H.R. 4587) making appropriations for the legislative branch for the fiscal year ending September 30, 1989, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 553, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of September 28, 1988.)

The SPEAKER pro tempore. The gentleman from California [Mr. FAZIO] will be recognized for 30 minutes, and the gentleman from Illinois [Mr. PORTER] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. FAZIO].

Mr. FAZIO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we are bringing to the House the conference agreement on the Legislative Branch Appropriations Act, 1989 (H.R. 4587). The House and Senate conferees have reached agreement on the 26 amendments of the Senate to the House bill.

The agreement provides $1,807,624,200 in new budget authority for Congress and other agencies of the legislative branch for fiscal year 1989. This is an increase of just 3.4 percent over the current year. Excluding the Senate items, where the increase is almost 11 percent, the agreement allows for a modest increase of 1.5 percent over fiscal year 1988. Clearly, the legislative branch is doing its share in helping keep down the Federal deficit. This token increase is actually a decline in real terms and will undoubtedly require some cutbacks—and certainly stringent fiscal management.

It is interesting to compare the token increase of 3.4 percent in the legislative budget to the President's budget request for the judicial branch. That increase is about 17.9 percent over the current fiscal year. So we are doing a good job of controlling and managing our resources in the legislative branch.

Mr. Speaker, in reaching our agreement with the Senate, we met and even surpassed our goals to make reductions in legislative branch spending as required by the allocations under the budget resolution and the economic summit agreement on deficit reduction. We had a budget authority target of $1.913 billion, and we did $44 million better than that. On outlays, we came in at $45 million below the target.

The conference agreement is also below the Gramm-Rudman-Hollings baseline. That is the level where the fiscal year 1988 appropriated levels are adjusted only for cost-of-living adjustments and other mandatory spending. That would be the break-even level for fiscal 1989. The legislative budget is $32 million below that baseline in budget authority and $22 million below the outlay baseline.

I will insert at this point in the RECORD a tabulation of the conference agreement.

	FY 1988 Enacted	FY 1989 Estimate	House	Senate	Conference	Conference compared with enacted
TITLE I - CONGRESSIONAL OPERATIONS						
SENATE						
Mileage of the Vice President and Senators and Expense Allowances of the Vice President, the President Pro Tempore, Majority and Minority Leaders, Majority and Minority Whips, and Chairmen of the Majority and Minority Conference Committees						
Mileage of the Vice President and Senators	60,000	60,000	....	60,000	60,000	....
Expense allowances of the Vice President, the President Pro Tempore, Majority and Minority Leaders Majority and Minority Whips, and Chairmen of the Majority and Minority Conference Committees:						
Vice President	10,000	10,000	....	10,000	10,000	....
President Pro Tempore of the Senate	10,000	10,000	....	10,000	10,000	....
Majority Leader of the Senate	10,000	10,000	....	10,000	10,000	....
Minority Leader of the Senate	10,000	10,000	....	10,000	10,000	....
Majority Whip of the Senate	5,000	5,000	....	5,000	5,000	....
Minority Whip of the Senate	5,000	5,000	....	5,000	5,000	....
Chairmen of the Majority Conference Committee	3,000	3,000	....	3,000	3,000	....
Chairmen of the Minority Conference Committee	3,000	3,000	....	3,000	3,000	....
Representation allowances for the Majority and Minority Leaders	20,000	20,000	....	20,000	20,000	....
Total, expense allowances	76,000	76,000	....	76,000	76,000	....
Total, Vice President and Senators	136,000	136,000	....	136,000	136,000	....
Salaries, Officers and Employees						
Office of the Vice President	1,145,000	1,168,000	....	1,168,000	1,168,000	+23,000
Office of the President Pro Tempore	153,000	156,000	....	156,000	156,000	+3,000
Office of the Deputy President Pro Tempore	90,000	92,000	....	23,000	23,000	-67,000
Offices of the Majority and Minority Leaders	1,388,000	1,416,000	....	1,416,000	1,416,000	+28,000
Offices of the Majority and Minority Whips	431,000	440,000	....	440,000	440,000	+9,000
Conference committees	1,113,000	1,135,000	....	1,135,000	1,135,000	+22,000
Offices of the secretaries of the Conference of the Majority and the Conference of the Minority	270,000	279,000	....	279,000	279,000	+9,000
Office of the Chaplain	115,000	117,000	....	117,000	117,000	+2,000
Office of the Secretary	8,005,000	8,165,000	....	8,165,000	8,165,000	+160,000
Administrative, clerical, and legislative assistance to Senators[1]	109,605,500	....	....	....	....	-109,605,500
Office of the Sergeant at Arms and Doorkeeper	44,161,000	50,253,000	....	24,987,000	24,987,000	-19,174,000
Offices of the secretaries for the Majority and Minority	918,000	944,000	....	944,000	944,000	+26,000
Agency contributions	28,802,200	17,760,000	....	10,425,000	10,425,000	-18,377,200
Total, salaries, officers and employees	196,196,700	81,925,000	....	49,255,000	49,255,000	-146,941,700
Office of the Legislative Counsel of the Senate						
Salaries and expenses	1,764,000	2,265,000	....	1,799,000	1,799,000	+35,000
Office of Senate Legal Counsel						
Salaries and expenses	633,000	657,000	....	646,000	646,000	+13,000
Expense allowances for the Secretary of the Senate, Sergeant at Arms and Doorkeeper of the Senate, and Secretaries for the Majority and Minority of the Senate	12,000	12,000	....	12,000	12,000	....
Items.						
Contingent Expenses of the Senate						
Senate policy committees	2,203,000	2,203,000	....	2,203,000	2,203,000	....
Inquiries and investigations	57,161,000	62,673,000	....	62,673,000	62,673,000	+5,512,000
Expenses of United States Senate Caucus on International Narcotics Control	325,000	325,000	....	325,000	325,000	....
Secretary of the Senate	666,300	727,200	....	727,200	727,200	+60,900
Sergeant at Arms and Doorkeeper of the Senate	68,021,000	65,643,000	....	65,643,000	65,643,000	-2,378,000
Miscellaneous items	10,183,000	6,180,000	....	6,180,000	6,180,000	-4,003,000
Senators' official personnel and office expense account	....	154,544,000	....	151,065,000	151,065,000	+151,065,000
Stationery (revolving fund)	13,000	13,000	....	13,000	13,000	....
Total, contingent expenses of the Senate	138,572,300	292,308,200	....	288,829,200	288,829,200	+150,256,900
Total, Senate	337,314,000	377,303,200	....	340,677,200	340,677,200	+3,363,200
HOUSE OF REPRESENTATIVES						
Payments to Widows and Heirs of Deceased Members of Congress						
Gratuities, deceased Members	89,500	....	....	....	358,000	+268,500
Mileage of Members						
Mileage of Members	210,000	210,000	210,000	210,000	210,000	....

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[1] Transferred to new Senator's account under Misc. items.

	FY 1988 Enacted	FY 1989 Estimate	House	Senate	Conference	Conference compared with enacted
Salaries and Expenses						
House Leadership Offices						
Office of the Speaker	798,000	902,000	902,000	902,000	902,000	+104,000
Office of the Majority Floor Leader	708,000	828,000	828,000	828,000	828,000	+120,000
Office of the Minority Floor Leader	789,000	926,000	926,000	926,000	926,000	+137,000
Office of the Majority Whip	621,000	733,000	733,000	733,000	733,000	+112,000
Office of the Minority Whip	540,000	635,000	635,000	635,000	635,000	+95,000
Total, House leadership offices	3,456,000	4,024,000	4,024,000	4,024,000	4,024,000	+568,000
Members' Clerk Hire						
Clerk hire	174,556,000	182,477,000	178,828,000	178,828,000	178,828,000	+4,272,000
Committee Employees						
Professional and clerical employees on standing committees	49,102,000	71,770,000	51,067,000	51,067,000	51,067,000	+1,965,000
Committee on the Budget (Studies)						
Salaries and expenses	329,000	346,000	336,000	336,000	336,000	+7,000
Contingent Expenses of the House						
Standing Committees, Special and Select						
Salaries and expenses	52,418,000	56,124,000	54,092,000	54,092,000	54,092,000	+1,674,000
Allowances and Expenses						
Official Expenses of Members	81,523,000	86,376,000	82,068,000	82,068,000	82,068,000	+545,000
Supplies, materials, administrative costs and Federal tort claims	16,719,000	25,193,000	21,193,000	21,193,000	21,193,000	+4,474,000
Furniture and furnishings	1,005,000	1,265,000	1,265,000	1,265,000	1,265,000	+260,000
Stenographic reporting of committee hearings	550,000	800,000	800,000	800,000	800,000	+250,000
Reemployed annuitants reimbursements	1,118,000	1,380,000	1,380,000	1,380,000	1,380,000	+262,000
Government contributions	73,260,000	81,250,000	69,835,000	69,835,000	69,835,000	-3,425,000
Miscellaneous items	622,000	622,000	622,000	622,000	622,000	....
Total, allowances and expenses	174,797,000	196,886,000	177,163,000	177,163,000	177,163,000	+2,366,000
Total, contingent expenses of the House	227,215,000	253,010,000	231,255,000	231,255,000	231,255,000	+4,040,000
Committee on Appropriations (Studies and Investigations)						
Salaries and expenses	4,300,000	4,522,000	4,429,000	4,429,000	4,429,000	+129,000
Salaries, Officers and Employees						
Office of the Clerk	14,917,000	16,205,000	15,905,000	15,905,000	15,905,000	+988,000
Office of the Sergeant at Arms	21,180,000	24,033,000	951,000	951,000	951,000	-20,229,000
Office of the Doorkeeper	7,915,000	8,245,000	7,525,000	7,525,000	7,525,000	-390,000
Office of the Postmaster	2,517,000	2,760,000	2,610,000	2,610,000	2,610,000	+93,000
Office of the Chaplain	75,000	78,000	78,000	78,000	78,000	+3,000
Office of the Parliamentarian	716,000	746,000	746,000	746,000	746,000	+30,000
Office of the Parliamentarian	(496,000)	(526,000)	(526,000)	(526,000)	(526,000)	(+30,000)
Compilation of precedents of the House of Representatives	(220,000)	(220,000)	(220,000)	(220,000)	(220,000)	....
Office for the Bicentennial	243,000	261,000	261,000	261,000	261,000	+18,000
Office of the Law Revision Counsel	870,000	969,000	954,000	954,000	954,000	+84,000
Office of the Legislative Counsel	3,025,000	3,277,000	3,222,000	3,222,000	3,222,000	+197,000
Six minority employees	447,000	521,000	521,000	521,000	521,000	+74,000
House Democratic Steering Committee and Caucus	721,000	803,000	803,000	803,000	803,000	+82,000
House Democratic Steering Committee	(579,000)	(644,000)	(644,000)	(644,000)	(644,000)	(+65,000)
House Democratic Caucus	(142,000)	(159,000)	(159,000)	(159,000)	(159,000)	(+17,000)
House Republican Conference	721,000	803,000	803,000	803,000	803,000	+82,000
Other Authorized Employees	1,182,000	1,295,000	1,182,000	1,182,000	1,182,000	....
Technical assistant, Office of the Attending Physician	(59,000)	(59,000)	(66,000)	(66,000)	(66,000)	(+7,000)
L.B.J. Interns and Former Speakers' staff	(1,012,000)	(1,134,000)	(1,014,000)	(1,014,000)	(1,014,000)	(+2,000)
Miscellaneous items	(111,000)	(102,000)	(102,000)	(102,000)	(102,000)	(-9,000)
Total, salaries, officers and employees	54,529,000	59,996,000	35,561,000	35,561,000	35,561,000	-18,968,000
Total, salaries and expenses	513,487,000	576,145,000	505,500,000	505,500,000	505,500,000	-7,987,000
Total, House of Representatives	513,786,500	576,355,000	505,710,000	505,710,000	506,068,000	-7,718,500
JOINT ITEMS						
Contingent Expenses of the Senate						
Joint Economic Committee	3,179,000	3,430,000	3,330,000	3,330,000	3,330,000	+151,000
Joint Committee on Printing	1,037,000	1,199,000	1,143,000	1,143,000	1,143,000	+106,000
Joint Congressional Committee on Inaugural Ceremonies of 1989	....	700,000	....	700,000	775,000	+775,000
Total, contingent expenses of the Senate	4,216,000	5,329,000	4,473,000	5,173,000	5,248,000	+1,032,000

	FY 1988 Enacted	FY 1989 Estimate	House	Senate	Conference	Conference compared with enacted
Contingent Expenses of the House						
Joint Committee on Taxation	4,219,000	4,500,000	4,346,000	4,346,000	4,346,000	+127,000
Office of the Attending Physician						
Medical supplies, equipment, expenses, and allowances	1,493,000	1,414,000	1,414,000	1,414,000	1,414,000	-79,000
CAPITOL POLICE BOARD						
Capitol Police						
Salaries			25,673,000	52,922,000		
Sergeant at Arms and Doorkeeper of the Senate					27,249,000	+27,249,000
Sergeant at Arms of the House of Representatives					25,673,000	+25,673,000
General expenses	1,734,000	2,189,000	1,887,000	1,887,000	1,887,000	+153,000
Technical Security Countermeasures Office						
Technical Security Countermeasures Office (by transfer)				(150,000)		
Reappropriation				500,000		
Total, Capitol Police Board	1,734,000	2,189,000	27,560,000	55,309,000	54,809,000	+53,075,000
Official Mail Costs						
Expenses	82,163,000	58,926,000	53,926,000	26,000,000	53,926,000	-28,237,000
Capitol Guide Service						
Salaries and expenses	1,137,000	1,220,000	1,220,000	1,220,000	1,220,000	+83,000
Statements of Appropriations						
Preparation	19,000	20,000	20,000	20,000	20,000	+1,000
Total, joint items	94,981,000	73,598,000	92,959,000	93,482,000	120,983,000	+26,002,000
OFFICE OF TECHNOLOGY ASSESSMENT						
Salaries and expenses	16,901,000	18,321,000	17,505,000	18,203,000	17,937,000	+1,036,000
BIOMEDICAL ETHICS BOARD						
Salaries and expenses	100,000					-100,000
Reappropriation	150,000					-150,000
Total, Biomedical Ethics Board	250,000					-250,000
CONGRESSIONAL AWARD BOARD						
Congressional Award Program	189,000					-189,000
CONGRESSIONAL BUDGET OFFICE						
Salaries and expenses	17,886,000	18,900,000	18,361,000	18,361,000	18,361,000	+475,000
ARCHITECT OF THE CAPITOL						
Office of the Architect of the Capitol						
Salaries	5,925,000	7,236,000	6,532,000	6,532,000	6,532,000	+607,000
Contingent expenses	48,000	100,000	100,000	100,000	100,000	+52,000
Total, Office of the Architect of the Capitol	5,973,000	7,336,000	6,632,000	6,632,000	6,632,000	+659,000
Capitol Buildings and Grounds						
Capitol buildings	12,793,000	21,180,000	15,471,000	15,471,000	15,471,000	+2,678,000
Capitol grounds	3,404,000	3,911,000	3,771,000	3,771,000	3,771,000	+367,000
Senate Office Buildings	23,265,000	38,459,000		24,086,000	24,086,000	+821,000
House Office Buildings	30,547,000	32,910,000	28,895,000	28,895,000	28,895,000	-1,652,000
Capitol Power Plant	26,533,000	26,855,000	26,735,000	26,735,000	26,735,000	+202,000
Offsetting collections	-1,950,000	-1,950,000	-1,950,000	-1,950,000	-1,950,000	
Net, Capitol Power Plant	24,583,000	24,905,000	24,785,000	24,785,000	24,785,000	+202,000
Total, Capitol buildings and grounds	94,592,000	121,365,000	72,922,000	97,008,000	97,008,000	+2,416,000
Total, Architect of the Capitol (except items in Title II)	100,565,000	128,701,000	79,554,000	103,640,000	103,640,000	+3,075,000
LIBRARY OF CONGRESS						
Congressional Research Service						
Salaries and expenses	43,022,000	47,889,000	44,684,000	44,684,000	44,684,000	+1,662,000
Speaker's Civic Achievement Awards Program						
Expenses		680,000				
Total, Library of Congress	43,022,000	48,569,000	44,684,000	44,684,000	44,684,000	+1,662,000

	FY 1988 Enacted	FY 1989 Estimate	House	Senate	Conference	Conference compared with enacted
GOVERNMENT PRINTING OFFICE						
Congressional printing and binding	70,359,000	77,700,000	72,000,000	72,000,000	72,000,000	+1,641,000
John C. Stennis Center						
John C. Stennis Center fund for Public Service Training and Development				10,000,000	7,500,000	+7,500,000
Total, title I - Congressional Operations	1,195,253,500	1,319,447,200	830,773,000	1,206,757,200	1,231,850,200	+36,596,700
TITLE II - OTHER AGENCIES						
BOTANIC GARDEN						
Salaries and expenses	2,221,000	2,521,000	2,521,000	2,521,000	2,521,000	+300,000
LIBRARY OF CONGRESS						
Salaries and expenses	143,866,000	164,189,000	152,647,000	153,042,000	153,042,000	+9,176,000
Authority to spend receipts	-5,000,000	-5,000,000	-5,000,000	-5,000,000	-5,000,000	
Net, Salaries and expenses	138,866,000	159,189,000	147,647,000	148,042,000	148,042,000	+9,176,000
Copyright Office, salaries and expenses	19,061,000	20,173,000	19,697,000	19,697,000	19,697,000	+636,000
Authority to spend receipts	-7,931,000	-8,034,000	-8,034,000	-8,034,000	-8,034,000	-103,000
Reappropriation	150,000					-150,000
Net, Copyright Office, salaries and expenses	11,280,000	12,139,000	11,663,000	11,663,000	11,663,000	+383,000
Books for the blind and physically handicapped, salaries and expenses	36,186,000	37,692,000	36,474,000	36,474,000	36,474,000	+288,000
Furniture and furnishings	5,816,000	3,575,000	3,381,000	3,381,000	3,381,000	-2,435,000
Total, Library of Congress (except items in Title I)	192,148,000	212,595,000	199,165,000	199,560,000	199,560,000	+7,412,000
ARCHITECT OF THE CAPITOL						
Library Buildings and Grounds						
Structural and mechanical care	6,741,000	8,975,000	7,500,000	7,500,000	7,500,000	+759,000
COPYRIGHT ROYALTY TRIBUNAL						
Salaries and expenses	662,000	637,000	633,000	633,000	633,000	-29,000
Authority to spend receipts	-533,000	-510,000	-510,000	-510,000	-510,000	+23,000
Net, Salaries and expenses	129,000	127,000	123,000	123,000	123,000	-6,000
GOVERNMENT PRINTING OFFICE						
Office of Superintendent of Documents, salaries and expenses	19,162,000	26,800,000	13,731,000	13,731,000	13,731,000	-5,431,000
(By transfer)	(5,500,000)		(11,424,000)	(11,424,000)	(11,424,000)	(+5,924,000)
Total, Government Printing Office (except Congressional printing and binding)	19,162,000	26,800,000	13,731,000	13,731,000	13,731,000	-5,431,000
GENERAL ACCOUNTING OFFICE						
Salaries and expenses	329,847,000	393,864,000	346,339,000	348,139,000	347,339,000	+17,492,000
GENERAL SERVICES ADMINISTRATION						
Expenses, Presidential Transition		2,000,000			2,000,000	+2,000,000
Total, title II - other agencies	550,248,000	646,882,000	569,379,000	571,574,000	572,774,000	+22,526,000
Grand total:						
New budget (obligational) authority	1,745,501,500	1,966,329,200	1,400,152,000	1,778,331,200	1,804,624,200	+59,122,700
Appropriations	(1,745,201,500)	(1,966,329,200)	(1,400,152,000)	(1,777,831,200)	(1,804,624,200)	(+59,422,700)
Reappropriations	(300,000)			(500,000)		(-300,000)
(By transfer)	(5,500,000)		(11,424,000)	(11,574,000)	(11,424,000)	(+5,924,000)
RECAPITULATION						
TITLE I - CONGRESSIONAL OPERATIONS	1,195,253,500	1,319,447,200	830,773,000	1,206,757,200	1,231,850,200	+36,596,700
TITLE II - OTHER AGENCIES	550,248,000	646,882,000	569,379,000	571,574,000	572,774,000	+22,526,000
TITLE I - CONGRESSIONAL OPERATIONS						
Senate	337,314,000	377,303,200		340,677,200	340,677,200	+3,363,200
House of Representatives	513,786,500	576,355,000	505,710,000	505,710,000	506,068,000	-7,718,500
Joint Items	94,981,000	73,598,000	92,959,000	93,482,000	120,983,000	+26,002,000
Office of Technology Assessment	16,901,000	18,321,000	17,505,000	18,203,000	17,937,000	+1,036,000
Biomedical Ethics Board	250,000					-250,000
Congressional Award Board	189,000					-189,000
Congressional Budget Office	17,886,000	18,900,000	18,361,000	18,361,000	18,361,000	+475,000
Architect of the Capitol (except Library buildings and grounds)	100,565,000	128,701,000	79,554,000	103,640,000	103,640,000	+3,075,000

	FY 1988 Enacted	FY 1989 Estimate	House	Senate	Conference	Conference compared with enacted
Library of Congress:						
Congressional Research Service	43,022,000	47,889,000	44,684,000	44,684,000	44,684,000	+1,662,000
Speaker's Civic Achievement Awards Program	....	680,000	....	....	....	....
Congressional printing and binding, Government Printing Office	70,359,000	77,700,000	72,000,000	72,000,000	72,000,000	+1,641,000
John C. Stennis Center	....	....	....	10,000,000	7,500,000	+7,500,000
Total, title I - congressional operations	1,195,253,500	1,319,447,200	830,773,000	1,206,757,200	1,231,850,200	+36,596,700
TITLE II - OTHER AGENCIES						
Botanic Garden	2,221,000	2,521,000	2,521,000	2,521,000	2,521,000	+300,000
Library of Congress (except items in Title I)	192,148,000	212,595,000	199,165,000	199,560,000	199,560,000	+7,412,000
Architect of the Capitol (Library buildings and grounds)	6,741,000	8,975,000	7,500,000	7,500,000	7,500,000	+759,000
Copyright Royalty Tribunal	129,000	127,000	123,000	123,000	123,000	-6,000
Government Printing Office (except congressional printing and binding)	19,162,000	26,800,000	13,731,000	13,731,000	13,731,000	-5,431,000
General Accounting Office	329,847,000	393,864,000	346,339,000	348,139,000	347,339,000	+17,492,000
General Services Administration	....	2,000,000	....	....	2,000,000	+2,000,000
Total, title II - other agencies	550,248,000	646,882,000	569,379,000	571,574,000	572,774,000	+22,526,000
Grand total, new budget (obligational) authority	1,745,501,500	1,966,329,200	1,400,152,000	1,778,331,200	1,804,624,200	+59,122,700

We did add some items that had to be addressed at this time. For example, we provided several death gratuities for recently deceased Members of Congress. We provided authority to proceed with the legislative branch telecommunications plan. We have provided authority for an additional technical assistant in the attending physician's office. We also provided funds requested by the White House for the Presidential transition. And we have established a national garden that will be constructed with the contributions and volunteer time.

Mr. Speaker, the agreement worked out with the Senate conferees is a fair one and one that I believe can be supported by all Members.

I ask for an "aye" vote on the conference report.

Mr. Speaker, I reserve the balance of my time.

Mr. PORTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I think this is a victory for the Congress. I commend the chairman of our subcommittee, the gentleman from California [Mr. FAZIO] for a magnificent job in addressing the needs of the Congress and holding the cost within the guidelines of Gramm-Rudman, within the 302(b) allocation and at a lower figure than the inflation increase that has been experienced in our economy over the last year.

I also commend the ranking member, the gentleman from California [Mr. LEWIS], and the other members of the subcommittee who worked so hard to make this a successful endeavor.

Mr. Speaker, 3.4-percent increase is a contribution to holding down the deficit. Even the gentleman from Minnesota, with whom I agree very often, will have to agree that this is an effort that is worthy of commendation.

The Senate and the House have no amendments in disagreement. All of the matters have been settled between them. I might say, Mr. Speaker, one matter that I wish had been settled more favorably was an effort by the Senate that the House did not agree to, to provide flextime for the Government Printing Office.

Almost all of the agencies of our Government have the authority to plan flexible schedules for their employees and that same effort, that same tool ought to be available to the Government Printing Office in managing its affairs, and to do so therefore in a better way, a more flexible way to meet its targets in handling the funds that we provide to it. I would urge my chairman and the other members of the committee that next year this provision be included. Whether it is in this bill or some other, it is something that has to be adopted.

Mr. FAZIO. Mr. Speaker, will the gentleman yield?

Mr. PORTER. I yield to the chairman of the subcommittee.

Mr. FAZIO. I thank the gentleman for yielding.

Mr. Speaker, I want to reassure my good friend and colleague, a member of our subcommittee, that we will give this matter complete consideration. It was denied without prejudice against the concept. I am sure when presented to us in appropriate form, and when we take into consideration our concerns about maintaining top quality printing services from GPO, which is essential in carrying out congressional operations, since the legislative process in the House and Senate requires a significant amount of printing, some with very short and urgent deadlines, we may well agree to such a reform next year.

Mr. PORTER. I thank the gentleman for making his statement in the RECORD and I am hopeful to see that that is provided in the future.

With that one small disagreement with my chairman, let me say again that the chairman and ranking minority member and the members of the subcommittee did an excellent job. This is well within the Gramm-Rudman guidelines and ought to be adopted unanimously.

Mr. Speaker, I yield such time as he may consume to the ranking minority member on the subcommittee, the gentleman from California [Mr. LEWIS].

Mr. LEWIS of California. I thank the gentleman for yielding.

If the Chair would bear with me, I would like to yield to the gentleman from Minnesota.

Mr. FRENZEL. I thank the gentleman for yielding.

Mr. Speaker, the gentleman from Illinois indicated that I should commend the subcommittee. I do because the increase this year is less than in past years. Unfortunately, it is not yet good enough, and not quite up to my curmudgeonly standards. The subcommittee is doing better, but it can surely do even more. A freeze or even a 10-percent cut would be appropriate.

I do want to call attention to the statement of managers, amendment No. 7, where the House figure of $54 million for official mail cost prevailed. The conferees urged the committees of jurisdiction to determine the feasibility for providing separate allocations for members for official mailing costs.

That is a very important matter. The Senate has devised a system. It is not a perfect one but is far better than ours. In ours, there is no way to assign accountability for mail to individual Members. We are still sitting with the large number of newsletters for which in the basement of the Rayburn Building the cut off date was nearly a month ago. They have not been sent out yet. They are being sent at tremendous cost to the taxpayers and in violation, at least, of the spirit of the law. The 60-day period is being violated every day.

So that is a good recommendation by the subcommittee and I urge the committees of jurisdiction to follow it up and devise such a system.

Mr. LEWIS of California. Mr. Speaker, I appreciate the patience shown in rearranging our schedule here. I want to first express my deep appreciation to our colleague on the subcommittee from Illinois who stepped in for me when I was tied up in another meeting, during the initial stages of this discussion.

Mr. Speaker, I want to bring to the attention of the House what I consider to be very professional and fine work by my chairman, the gentleman from California [Mr. FAZIO], as well as the staff of this subcommittee. They work hard to ensure that the House as well as the other body to use these resources we make available as efficiently as possible. It has already been mentioned that this bill is under our budget allocations, and considerable effort was made to find other areas of activity to reduce expenditure as the House carries forth its work.

There is ongoing concern and some controversy about the mail programs in both Houses. We are making an effort to explore reforms that will help to keep postal expenditures at as low a cost as possible.

Currently, we do have problems with the expanding flow as well as the cost of mail as expressed by the gentleman from Minnesota [Mr. FRENZEL].

Presently I must say that the Postmaster indicates the cost of approximately $61 million ahead of us and in reality this bill underfunds that amount.

So we may have to address ourselves to that question fruther down the line.

I believe there is reason to take a look at the legitimate use of a 60-day limitation in terms of mass mailings to districts in our mail program. There is no doubt that Members and their staffs are very sophisticated in terms of dealing with the problems of the post office.

So when we have 100 Members deliver significant mailing packages on the 61st day before an election, obviously there is going to be backup and that causes that mail to be delivered very close to election.

We are discussing those matters. It is not a perfect circumstance, nor will it be after we make additional changes. I must suggest however that a serious review needs to take place and it will be an important review.

Mr. FRENZEL. Mr. Speaker, will the gentleman yield further?

Mr. LEWIS of California. I yield to the gentleman from Minnesota.

Mr. FRENZEL. I thank the gentleman for yielding.

Mr. Speaker, I do want to restate my strongest commendation to the managers on the part of the House for their recommendation for an accountability program in the mailing program. We have written some letters to the chairman of the Franking Commission, who, regrettably, is not on the floor at the moment, and the chairman has indicated that he would be willing to try to work that problem out with us, but indicated he was not terribly optimistic about it.

I hope that the Committee on Appropriations and my committee, the Committee on House Administration, will continue to press this matter because, often, all of us are judged by the franking appetites of those of us who are the biggest hogs. If we could isolate the cost per Member I think it would contribute to a better spirit of frugality on all sides and would at least identify those who do not choose to make use of that spirit.

Mr. LEWIS of California. I thank the gentleman from Minnesota.

I must say his cooperation through his work on the Committee on House Administration as well as the Franking Commission has allowed this subcommittee to more effectively address some of these questions. That contact and communication, indeed, has brought us to the point where the bill comes to the floor with almost no controversy.

Mr. CONTE. Mr. Speaker, I rise in support of the conference report on the fiscal 1989 appropriations for the legislative branch and related agencies.

Mr. Speaker, as we near the end of the fiscal year, and as we continue our efforts to avoid a continuing resolution, we must keep our own house in order. That is what this bill does, and I commend the subcommittee chairman, VIC FAZIO, the ranking member, JERRY LEWIS, and the other conferees for their work on the bill.

The members of this subcommittee, myself included, have to dodge a lot of bullets, knock down scores of Cloakroom rumors, and endure countless conspiratorial theories in dealing with this bill. The facts are that there is no change at all in current law relating to Members' pay. What you see is what you get.

The bill appropriates $1.8 billion for the legislative branch, which is $162 million below the budget requests. About two-thirds of the total amount is for congressional operations, with the remainder going to other agencies such as the General Accounting Office, the Government Printing Office, and nonlegislative activities of the Library of Congress.

In terms of our trillion dollar Federal Budget, the entire legislative branch costs approximately two-tenths of 1 percent. The cost of running the House of Representatives is five-hundredths on 1 percent of the Federal budget—hardly a blip on OMB's charts.

Even so, the conferees have whitted down the budget requests by $162 million, or 9 percent. The bill is below the 302(b) allocations in both budget authority and outlay.

You can vote for this bill. And I urge you to do so as we continue our considerable progress toward enactment of all 13 annual appropriations bills.

□ 1215

Mr. FAZIO. Mr. Speaker, I have no further requests for time.

Mr. LEWIS of California. Mr. Speaker, I have no futher requests for time.

Mr. FAZIO. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore (Mr. DELLUMS). The question is on the conference report.

The question was taken; and the Speaker pro tempore, announced that the ayes appeared to have it.

Mr. FRENZEL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 253, nays 133, not voting 45, as follows:

[Roll No. 365]

YEAS—253

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Badham
Baker
Barnard
Bateman
Bates
Beilenson
Bennett
Berman
Bevill
Bilbray
Bliley
Boggs
Bonior
Borski
Bosco
Boucher
Boxer
Brennan
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Clarke
Clay
Clement
Clinger
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Costello
Coughlin
Coyne
Crockett
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dixon
Donnelly
Downey
Durbin

Dwyer
Dyson
Early
Edwards (CA)
Edwards (OK)
English
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Gaydos
Gejdenson
Gephardt
Gibbons
Gonzalez
Gordon
Grant
Gray (PA)
Green
Guarini
Hamilton
Hatcher
Hawkins
Hayes (IL)
Hefner
Hertel
Hochbrueckner
Horton
Hoyer
Hughes
Hyde
Jeffords
Jenkins
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lipinski
Livingston
Lowery (CA)
Lowry (WA)
Luken, Thomas
Madigan
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McDade
McGrath
McHugh
McMillen (MD)
Mfume
Mica
Michel
Miller (CA)
Moakley
Molinari
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murtha
Myers
Natcher
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Parris
Pashayan
Payne
Pease
Pelosi
Pepper
Perkins
Pickett
Pickle
Porter
Price
Quillen
Rahall
Rangel
Ravenel
Ray
Richardson
Rinaldo
Robinson
Rodino
Rogers
Rose
Rostenkowski
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Scheuer
Schroeder
Schumer
Sisisky
Skeen
Skelton
Slaughter (NY)
Smith (IA)
Smith (NJ)
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stokes
Stratton
Studds
Swift
Synar
Taylor
Thomas (CA)
Thomas (GA)
Towns
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wylie
Yates
Young (AK)

NAYS—133

Archer
Armey
Ballenger
Bartlett
Barton
Bereuter
Bilirakis
Broomfield
Brown (CO)
Bunning
Burton
Callahan
Cheney
Coats
Coble
Coleman (MO)
Combest
Courter
Craig
Crane
Dannemeyer
Daub
Davis (IL)
DeLay
DeWine
Dickinson
DioGuardi
Dorgan (ND)
Dornan (CA)
Dreier
Eckart
Emerson
Erdreich
Fawell
Fields
Frenzel
Gallegly
Gallo
Gekas
Gilman
Gingrich
Glickman
Goodling
Gradison
Grandy
Gunderson
Hall (TX)
Hammerschmidt
Hansen
Harris
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Houghton
Hubbard
Hunter
Hutto
Inhofe
Ireland
Jacobs
Johnson (CT)
Johnson (SD)
Kasich
Kyl
Lagomarsino
Latta
Leach (IA)
Lightfoot
Lloyd
Lott
Lukens, Donald
Lungren
Marlenee
Martin (IL)
Martin (NY)
McCollum
McCrery
McEwen
McMillan (NC)
Meyers
Miller (OH)
Miller (WA)
Moorhead
Murphy
Nielson
Packard
Patterson
Penny
Petri
Pursell
Regula
Ridge
Roberts
Roth
Roukema
Rowland (CT)
Saxton
Schaefer
Schuette
Schulze
Sensenbrenner
Sharp
Shays
Shumway
Shuster
Slattery
Slaughter (VA)
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Stangeland
Stenholm
Stump
Sundquist
Swindall
Tallon
Tauke
Tauzin
Upton
Vander Jagt
Weber
Wyden
Yatron
Young (FL)

NOT VOTING—45

Bentley
Boehlert
Boland
Bonker
Boulter
Brooks
Buechner
Dingell
Dowdy
Dymally
Flippo
Garcia
Gray (IL)
Gregg
Hall (OH)
Hayes (LA)
Huckaby
Kemp
Kolbe
Konnyu
Lujan
Mack
MacKay
McCandless
McCurdy
Mineta
Nagle
Neal
Nelson
Oxley
Rhodes
Ritter
Roe
Schneider
Shaw
Sikorski
Skaggs
Smith (FL)
Sweeney
Torres
Torricelli
Traficant
Vucanovich
Walker
Weldon

□ 1234

The Clerk announced the following pairs:

On this vote:

Mr. Mineta for, with Mr. Boulter against.
Mr. Oxley for, with Mr. Shaw against.

Mr. BURTON of Indiana, Mrs. LLOYD and Mr. McMILLAN of North Carolina changed their vote from "yea" to "nay."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. RHODES. Mr. Chairman, I was unavoidably detained from the House during consideration of and during the vote on H.R. 4587, the legislative appropriations conference report.

I would like the RECORD to show that had I been present at that time, I would have voted "no."

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER AGAINST CONFERENCE ON H.R. 1720, FAMILY WELFARE REFORM ACT OF 1987, AND AGAINST CONSIDERATION OF SUCH CONFERENCE REPORT

Mr. GORDON, from the Committee on Rules, submitted a privileged report (Rept. No. 100-1003) on the resolution (H. Res. 556) waiving certain points of order against the conference report on the bill (H.R. 1720) to replace the existing AFDC Program with a new Family Support Program which emphasizes work, child support, and need-based family support supplements, to amend title IV of the Social Security Act to encourage and assist needy children and parents under the new program to obtain the education, training, and employment needed to avoid long-term welfare dependence, and to make other necessary improvements to assure that the new program will be more effective in achieving its objectives, and against consideration of such conference report, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF S. 2749 NATIONAL DEFENSE AUTHORIZATION ACT, FISCAL YEAR 1989

Mr. GORDON, from the Committee on Rules, submitted a privileged report (Rept. No. 100-1004) on the resolution (H. Res. 557) providing for the consideration of the bill (S. 2749) to authorize appropriations for fiscal year 1989 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, which was referred to the House Calendar and ordered to be printed.

PROVIDING FOR A MOTION TO RECEDE AND CONCUR IN SENATE AMENDMENT NUMBERED 119 TO H.R. 4637, FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAM APPROPRIATIONS ACT, 1989, WITH AN AMENDMENT

Mr. GORDON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 554 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 554

Resolved, That upon the adoption of this resolution it shall be in order to consider a motion, if offered by Representative Obey of Wisconsin, or his designee, to recede and concur in Senate amendment number 119 to the bill (H.R. 4637) making appropriations for foreign operations, export financing and related programs for the fiscal year ending September 30, 1989, and for other purposes, with an amendment printed in the report of the Committee on Rules accompanying this resolution. The motion shall be debatable for not to exceed one hour, to be equally divided and controlled by the proponent and a Member opposed thereto. The motion shall not be subject to a demand for a division of the question. The previous question shall be considered as ordered on the motion to final adoption without intervening motion, and all points of order against the motion are hereby waived.

The SPEAKER pro tempore (Mr. DELLUMS). The gentleman from Tennessee [Mr. GORDON] is recognized for 1 hour.

Mr. GORDON. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Tennessee [Mr. QUILLEN], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 554 provides for the consideration of a motion, if offered by Representative OBEY of Wisconsin or his designee, to recede and concur in Senate amendment numbered 119 to the bill H.R. 4637, with an amendment printed in the report of the Committee on Rules accompanying this resolution.

The rule further provides 1 hour of debate on the motion, to be equally divided and controlled by the proponent and a Member opposed thereto. The motion is not subject to a demand for a division of the question, and all points of order against the motion are waived.

Mr. Speaker, Senate amendment numbered 119 to the conference report on the Foreign Aid Appropriations bill for fiscal 1989 was reported in technical disageement. The managers on the part of the House are seeking to offer a motion to recede and concur in the Senate amendment with an amendment dealing with authorization requirements for programs funded in this appropriations legislation. The managers on the part of the Senate will move to concur in this House amendment to the Senate amendment.

The House version of H.R. 4637 had required the enactment of a foreign aid authorization bill before the expenditure of fiscal 1989 foreign aid appropriations. Since the other body has not yet passed such an authorization, the motion made in order by this rule would waive the House bill's authorization requirement.

The effect of this motion would be to permit appropriations to move forward on a wide variety of foreign aid measures, including security assistance, development aid, and economic support aid. This would allow money to flow for child survival and basic human needs assistance to the world's poorest people, in addition to providing aid to bolster allies like Israel and Egypt.

Although the motion would waive the general authorization requirement, it also contains authorization for certain specific programs. The amendment proposed by the motion would include authorization language for the Overseas Private Investment Corporation [OPIC], as set forth in title I of H.R. 5263 as passed by the House of Representatives on September 20, 1988, subject to certain limitations specified in the amendment. It further would provide an authorization for a capital increase in the World Bank, as contained in the amendment in the nature of a substitute to the text of H.R. 4645, as ordered reported by the House Banking Committee on September 22, 1988. Finally, the amendment specified in the motion places a limit of $77 million on war reserves stockpiles in foreign countries.

The motion on the amendment made in order by this rule will permit a 6-year authorization for a capital increase in the World Bank, and will enable the United States to meet its commitments to the Bank. This is one part of this amendment which especially merits my colleagues' support.

Mr. Speaker, the motion on this amendment under this rule will allow both Chambers to address authorization requirements for numerous foreign aid programs. This rule has strong bipartisan support, and I would urge my colleagues to adopt it.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is a good rule. Whatever our feelings on foreign aid might be this rule is appropriate and necessary. Mr. Speaker, I have a number of requests for time. I support the rule. I urge the adoption of the motion of the gentleman from Wisconsin [Mr. OBEY].

Mr. Speaker, I yield 5 minutes to our distinguished minority leader,the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. Mr. Speaker, I rise in support of this rule because I believe there is more at stake here than the majority and minority interests. What is at stake here, quite frankly, is the national interest.

The President of the United States has assured me, and I take his assurance very seriously, that we need this bill. And we need the funds for security assistance. We are the leader of the free world not because we say so, but because we have made commitments to freedom, and those commitments are in the bill.

Mr. Speaker, this year in a spirit of bipartisan cooperation not seen around this body all that often the administration and the Congress have fashioned legislation that meets our national security needs in a balanced way.

There are funds for countries where we have military bases. There are funds for our allies to help them defend themselves. There are funds for Central America, aid to fledgling democracies, and there are funds to help developing nations of the Third World.

This bill has passed the House and the other body by lopsided majorities. It is not perfect, but I would ask to be shown a bill that is perfect coming out of either one of our houses these days.

It does contain some very delicate compromises, none of which is more delicate than the decision to authorize the general capital increase for the World Bank.

I am reminded; as matter of fact, I just got off the phone with our good friend, Barber Conable, who is currently in Europe held up in a motel momentarily because of demonstrations by the leftists on what we are out there proposing and the position that we have taken, and I am reminded, my colleagues on my left over here, of when all the criticism about the World Bank and when Barber Conable came back to us and told us, "You know what we've done out there? We've fired 500 people out of that organization to clean it up and make it lean and mean," and so he has done an outstanding job, and I have to take a good recommendation from him from time to time on what he sees as the best course of action for our country.

Now I know there are some to my left and to the right who may not like the action. Some want a 6-year authorization, and others want a 3-year authorization, and of course, I suppose, there are some who do not want any authorization at all.

□ 1245

But the provisions in this bill have been agreed upon by the White House, by the majority of the conferees. They have the support of the majority of the Banking Committee, and most importantly, they are absolutely crucial to insuring that this bill be signed into law.

This account is a very small part of our spending for foreign affairs, $50 million out of $16 billion, that is less than 0.006 percent, but the benefits to our Nation in economic, humanitarian, foreign policy goals, are enormous.

I say to my friends on our side of the aisle, much of this money will go to lending which supports market-oriented reforms that will achieve real sustainable growth in emerging democracies, something we strongly support.

You know, if we bow out of our commitment here and tend to minimize it or to decrease our effort, you know there are others out there who would like to step into the breach, and I am talking particularly about Japan with all its financial resources and what they can do to influence a number of these potential markets for us down the road apiece in these Third World countries.

Our failure to keep this program alive will lump us, of all things, with Libya, South Yemen, Cambodia, Vietnam, nations who refuse to participate in the World Bank. What kind of company is this to keep when we are the leaders, supposedly, of the free world?

My friends and my colleagues, I certainly ask you on this time around to support the rule.

Mr. GORDON. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentleman from Ohio [Mr. HALL].

Mr. HALL of Ohio. Mr. Speaker, many of my colleagues and I have been following with great interest the renewed efforts of the World Bank, under the leadership of its president, Barber Conable, to target more of its lending to poverty alleviation. We have been pleased with the dialogue we have been able to maintain with the World Bank on specific measures to ensure that the Bank's activities have a positive impact on the poor, and that they help to achieve the overall poverty reduction objectives set forth by the Bank.

The motion on the amendment made in order by this rule will permit a 6-year authorization for a capital increase in the World Bank, and will enable the United States to meet its commitments to the Bank. This is one part of this amendment which especially merits my colleagues' support.

Mr. Speaker, the motion on this amendment under this rule will allow both Chambers to address authorization requirements for numerous foreign aid programs. This rule has strong bipartisan support, and I would urge my colleagues to adopt it.

Mr. QUILLEN. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts [Mr. CONTE].

Mr. CONTE. Mr. Speaker, I will not take up the time of the House. I went before the Rules Committee yesterday to ask for this waiver on this very important matter, amendment 119. I urge my colleagues to vote for the waiver and then to vote for the rule.

Mr. QUILLEN. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. WYLIE].

Mr. WYLIE. Mr. Speaker, I would like to respectfully ask Members of both sides of the aisle to vote for this, but especially I am requesting Members on our side of the aisle to vote for the rule.

I would like to speak to the general capital increase for the World Bank.

Only eight countries in the world, as the gentleman from Illinois [Mr. MICHEL] mentioned a little while ago, have not approved the capital increase: Rwanda, Kampuchea, Yemen, Libya, Vietnam, Romania, the United Arab Emirates, and the United States. I do not think that is good company for us to be in.

The Japanese would like nothing better than for us to back out of our commitment. I was in Berlin for the World Bank IMF meeting over the weekend and on Monday. The Japanese Governor said that Japan would like to play a bigger role in the World Bank. Japan will gladly pay our share to take our leading role.

Failure to approve the general capital increase will weaken our leadership role in the World Bank and will signal to the international community that the United States no longer wishes to play that lead role.

Given the challenges ahead of us, we cannot afford to abdicate this leadership.

The capital increase voted by the member nations, with the vote of the U.S. representative, will provide $20 billion per year in additional lending authority over 6 years. Our share would be only $70 million per year over 6 years. This is a real bargain for the United States.

Last year the World Bank financed U.S. firms to the tune of $1.6 billion. That is more than the total amount of all our contributions over the years since the United States formed the World Bank with 40 percent of the shares and with the approval and participation of 37 other nations 40 years ago.

May I add, Ohio last year had $9.4 million in export sales through the World Bank. Florida, the biggest participant, had $140 million in sales, almost three times the amount we are asking for here.

Today there are 151 participating nations, and the United States still holds the most shares, 18.75 percent. Japan will pay almost any price to buy our shares, and they have the money to do it, because they are so export-minded. Japan would like to throw our president, Barber Conable out. I am for Barber Conable. We are now the only country that has the veto power and we appoint the president.

Just a little while ago I received a press release from the Associated Press, UPI, Dow Jones, Reuters, and the Commodity News. This says, and if you do not believe what I say, listen to this:

> Japan has never commanded such a powerful presence as at this year's joint annual meeting of the International Monetary Fund (IMF) and the World Bank in Berlin.

This is by a Japanese reporter, Akihiro Sato.

He said quoting an unnamed official:

> Japan's presence was so powerful here that I felt almost frightened." Further, that H. Onno Ruding, chairman of the IMF Policy Making Interim Committee agreed: "What is new about this meeting is that Japan is playing a very important role and I don't have any objection to that," said Ruding, who is Finance Minister of the Netherlands.
>
> A very senior European monetary official predicted that Japan will be as strong as the United States by the year 2000. We've got to start thinking about that, he added.

I really cannot understand why any Representative to Congress in the United States would be against the $50 million appropriated for fiscal year 1989 in this bill.

We are not just talking about the World Bank here. Without approval of amendment No. 119 there will be no military or economic aid to Israel, Egypt, the Philippines, Turkey, Greece, Morocco, Kenya, Tunisia, and Portugal.

I have a letter from Nicholas Brady, the new Secretary of the Treasury, in support of this rule. He adds:

> Should the Foreign Operations Appropration bill reach the President's desk without the GCI, I will recommend that the President veto the legislation.

And for what it means, money for the resistance fighters in Nicaragua would be out.

Mr. QUILLEN. Mr. Speaker, I yield 5 minutes to the gentleman from Kentucky [Mr. BUNNING].

Mr. BUNNING. Mr. Speaker, I rise today in strong opposition to the rule. This rule should be opposed for two reasons.

First, this rule waives all points of order. There is nothing new about this type of approach. I generally oppose that approach, but I've gotten used to it.

However, this rule goes way beyond that. In essence this rule waives a point of order retroactively. Yesterday, the Chair ruled in favor of a point of order on what has come to be known as amendment 119. Now, this rule attempts to change the ruling of the Chair retroactively.

This type of an approach to legislation is an arrogant attempt to prostitute the legislative process. This type of an approach should be shunned by this body by voting down the rule.

Second, a vote today for this rule is a vote for the general capital increase to the World Bank.

The provision that prompted my point of order yesterday is authorizing language for a 6-year, $14 billion general capital increase to the World Bank.

There comes a time when the United States should reassess their participation in the various multilateral lending institutions. Such a time is at hand with the World Bank.

It comes as no great secret that the U.S. Congress is concerned about these intitutions. We are constantly checking up on them. We have found their loan portfolios to be in horrendous shape, their lending has hurt the environment and, in some instances, has hurt the U.S. economy. Unfortunately, the criticism usually comes after the fact of putting dollars in their pockets and our cries of reform fall on deaf, but well-funded, ears.

This is the problem with the general capital increase to the World Bank as contained in the foreign operations appropriations bill. Both sides of the aisle have issued sharp criticism of the Bank. But, instead of demanding reform before the dollars, we write a check and hope.

The time has come to speak out. The authorizing language contained in the report is for 6 years. If you do not say something now, you are not going to have a chance to do anything about it for 6 years.

If the GCI is necessary, as is argued, it should be able to stand a vote in this body on its own. By defeating this rule, we would force the general capital increase to stand on its own. To let this rule fly ultimately gives a 6-year free ride to the World Bank.

One final point, Mr. Speaker. There has arisen some question about possible funds to Israel in amendment 119. No one opposing this amendment is opposed to those funds. In fact, this situation could be remedied very easily by offering the motion on 119 and line out the GCI. Everyone here realizes that. I think that such a motion would pass this body without objection.

I have heard it stated that the Japanese might want to take our share of the World Bank. I do not have a big argument with that. Maybe they can do a better job of cleaning up what is at the World Bank than the United States has done over the recent past.

It was stated here on the floor that this bill has been considered by the House of Representatives. The general capital increase to the World Bank has never come to this floor, and we never have had a vote up or down on the general capital increase to the World Bank.

If we would just maybe clean up our banking laws to allow our own individual banks to compete in the world market, maybe then the Japanese would not be making the advances they have in the banking business.

I urge defeat of this rule.

Mr. QUILLEN. Mr. Speaker, I yield 3 minutes to the gentleman from North Carolina [Mr. McMILLAN].

Mr. McMILLAN of North Carolina. Mr. Speaker, I rise in support of the rule on consideration of the general capital increase [GCI] for the World Bank. Many people have mischaracterized a general capital increase for the Bank as a bailout. This is unfortunate, as the $70 million proposed over 6 years is in our national economic and strategic interest and represents an investment in our future leadership in the Bank and the world economy.

The question is no longer whether the capital should be increased, since 75 percent of the member nations already ratified the GCI. The crux of the issue is whether the United States will continue to exercise leadership in the Bank and, actually, be in a better position to leverage our influence in the future. Failure to participate in the GCI would cause a loss of our leadership, particularly since the only other countries which have not subscribed to the GCI include Libya, Vietnam, Kampuchea, Yemen, and Romania. That is not very good company. That leadership would shift to our major competitors such as Japan and West Germany.

Furthermore, as the largest shareholder in the Bank, of any member country, the United States owns over 18 percent of the Bank shares and votes that. United States failure to participate in the GCI would result in a drop of our share to 15.3 percent in April 1989 and to 11 percent by the end of the 6-year period.

Since this would be below 15 percent, the United States would lose its charter veto power and possibly the position of our Bank president. I firmly believe that we cannot afford to lose our position in this important forum as a leader promoting economic growth and development.

The bill includes language which allows Congress to continue close monitoring of World Bank lending over the life of the GCI—6 years. The Banking Committee is responsible for assessing the progress of U.S. initiatives in the Bank over the life of the GCI, and as a member of the Banking Committee, I intend to keep a watchful eye on its activities to ensure U.S. interests are well protected.

I urge my colleagues to support the rule.

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Mr. QUILLEN. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin [Mr. ROTH].

Mr. ROTH. Mr. Speaker, I thank the gentleman for yielding time to me. I wish it could be for a little bit longer.

Mr. Speaker, I urge rejection of this rule. We passed the foreign operations appropriations bill in May, and the other body passed it in July. There was not a single word about the World Bank. Yesterday, we discovered that by legislative sleight of hand, we have an entirely new section dipping into the taxpayers' pocketbooks for some $14 billion. Then we find this is exactly the same bill we approved just last week in the Committee on Banking, Finance and Urban Affairs. Now that bill has emerged out of thin air to appear in this appropriations bill. Harry Houdini would be impressed.

When we last left this mystery story, the presiding officer ruled, quite properly, that these provisions do not belong in this bill. Not willing to accept that decision, the legislative magicians have brought us this new ploy to overturn the rules and to try this trick again. What this rule means is that the House of Representatives will be given no chance to debate and vote on a 6 year, $14 billion increase in the American taxpayers' obligation to the World Bank.

Only by defeating this entire foreign operations bill would there be any way for the House to decide whether the American people should continue and expand their support for an organization that is providing assistance to Ethiopia's brutal dictator, the worst human rights violator in the world; to our strategic adversaries such as China, Hungary, Yugoslavia; and to our growing economic competitors in India, Korea, Argentina, and Brazil.

So our only opportunity is to vote against this rule. By manipulating the rules, this choice is forced upon us. Every time one of these legislative tricks is played, the American people lose confidence in our credibility. Then we lament that people do not go and vote in the polls on election day. Why should they when Congress acts in this way?

For those of us who want to debate and vote on the World Bank bill, this is a bitter moment. The Democrat leadership must resort to tricks to get this bill through, because they know it could not stand the test of full debate.

The American people do not want their money to be spent on these loans to Communist countries, but the Democrat leadership in this body wants to ignore the American people.

This is a sad example of unbridled legislative arrogance. I ask that we vote against this rule.

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. ROTH. I am happy to yield to the gentleman.

Mr. BURTON of Indiana. Mr. Speaker, it has been brought to my attention that much of the money that is going to be utilized by the World Bank and loaned out would be going to countries that allow abortion and use government funds for that, which means that American taxpayers' dollars will be used for funding abortions in those countries. I just wanted to know, is the gentleman aware of that, and does he agree that that is what some of this money will be used for?

Mr. ROTH. Reclaiming my time, Mr. Speaker, I cannot answer that question. The World Bank does assist Ethiopia and other countries that have huge human rights violations, and nothing can be said to dispute that. This is not the way this bill should be brought before us. If this bill is good enough, it should come and stand on its own merits, not be sneaked in, so we can debate these issues.

Mr. QUILLEN. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. DREIER].

Mr. DREIER of California. Mr. Speaker, 73 loans involved in this swept right through.

Mr. Speaker, I rise in opposition to this rule because it makes a mockery of the legislative process. Last night, the Chair sustained the point of order by the gentlemen from Kentucky because the language authorized the general capital increase for the World Bank is nongermane to the appropriations bill. In fact, it was added to the conference report at the last minute to sidestep what would be a sure defeat for the measure if it were unprotected and considered separately in this

Chamber. Now we are asked to vote on a rule which, if approved, will retroactively repeal the Chair's determination.

In spite of the ingenious efforts to pull the wool over the eyes of the American taxpayers, this institution will be held accountable. What we are faced with here is simply an up or down vote to ratify a 6 year, $14 billion funding increase for the World Bank. This vote has nothing to do with aid to Israel or authorizations for the Overseas Private Investment Corporation. It is a vote to give the World Bank more taxpayer money to bail out international bankers and Third World deadbeats.

In all, total U.S. taxpayer liability to the bank will be $30 billion if this resolution is adopted. When you consider that nearly all of the loses now incurred by U.S. money center banks in recent years are the result of international loans—loans to the same countries that the World Bank lends to—it is obvious that the $30 billion in callable capital is at substantial risk. It is hard to justify such a risk when we have a $150 billion deficit, and a savings and loan crisis that requires over $50 billion in capital to resolve.

Supporters of the World Bank insist that this recapitalization is needed to maintain our country's leadership position in the institution and veto power over Bank charter changes. First, let me clarify that the United States will not lose its veto power if the GCI is not approved this year. According to the Bretton Woods Fund, the United States share in the fund would fall to, at most, 15.32 percent, which is above the 15-percent need to maintain veto power.

Second, lets look at what that leadership has done for us thus far. Between 1983 and 1987, every single loan opposed by the United States—73 in all—was approved by the Bank over our objections. Every single one. In addition, United States law mandates that the United States executive director at the World Bank oppose loans to countries that violate human rights or support terrorism, yet the bank made loans to Ethiopia, Laos, Syria, South Yemen, and Uganda. Seventy five percent of the Bank's African agricultural projects and 40 percent of the education projects were failures. Total nonperforming loans now amount to three times the Bank's stated profit for 1987.

In summary, Mr. Speaker, with U.S. leadership, the World Bank promotes money losing public works projects, irresponsible LDC spending policies, a trillion-dollar Third World debt crisis, environmental and ecological devastation, and massive human rights violations. And now, with this legislation, the World Bank will be required to use its resources to provide debt relief to developing countries when here at home, American farmers and homeowners have no protection from bank foreclosures?

Clearly, this is leadership we can do without. And it concerns me that this Congress wants to fork over millions of dollars in direct appropriations, and billions of dollars in future liabilities, to the World Bank without any scrutiny or accountability. If we allow it to happen this year, Mr. Speaker, there's no telling what kind of scheme the House leadership will cook up next year when we are faced with a request to double U.S. funding to the International Monetary Fund.

Mr. Speaker, the GCI authorization is bad legislation, and this is a bad rule that only perpetuates the disgraceful budget process of the Congress. A vote for this resolution is a vote to increase funding for the World Bank. I urge my colleagues to defeat it.

[The Heritage Foundation, May 23, 1988]

WORLD BANK SNOOKERS U.S. CONGRESS, AGAIN

INTRODUCTION

This year Congress is being asked by the Reagan Administration to approve an extra $14 billion in cash and guarantees for the World Bank. This would be the United States' contribution to the World Bank's $74.8 billion "general capital increase." This increase would nearly double the size of the Bank.[1] Congress has good reason to view unfavorably this gargantuan increase in the Bank's size. As it is, Congress already is very concerned about the failure of World Bank lending to promote economic growth in less developed countries (LDCs). In addition, Congress has questioned whether World Bank lending serves other U.S. economic, political, and ethical interests. As a result, Congress, through explicit legislation, has directed the U.S. executive director at the World Bank and other multilateral development banks to oppose loans, for example, to foreign industries that compete directly with U.S. enterprises or to countries that abuse the human rights of their citizens.[2] Yet all of Congress' efforts have failed to stop such lending.

Ignoring U.S. Views. In the most recent five years for which data have been assembled—U.S. fiscal years 1983-1987—all 73 loans of the World Bank Group which the U.S. has opposed, through either abstention or voting "no," nonetheless were approved by the Bank (see table). These loans, which are contrary to U.S. interests, total over $5 billion in World Bank commitments; of this, the U.S. share is approximately $1 billion. Similarly, in the 1978 to 1982 period, another 74 loans were approved over U.S. opposition. Countless other loans that the U.S. did support with its vote, moreover, have been contrary to sustainable economic development and private sector growth in the Third World.

U.S. Treasury officials argue that more money for the World Bank serves U.S. interests since America's influence at the Bank is substantial. The evidence contradicts this. Were this true, one would expect that at least a few loans opposed by the U.S. would have been blocked. Instead, the World Bank consistently opposes U.S. interests as legislated by Congress. Until it can remedy this situation, Congress should question the wisdom of giving $14 billion more in U.S. taxpayer funds and commitments to the World Bank.

A RECORD OF ECONOMIC FAILURES

The World Bank was established in 1944 as a lender of last resort for the reconstruction of Europe after World War II. In the 1960s and 1970s, the Bank turned increasingly to LDCs in Latin America, Africa and Asia. Bank officials maintained that providing these governments with massive transfers of wealth from the industrial Western countries would produce economic growth and prosperity. In fact, World Bank loans and the policies that they supported promoted mainly wasteful, money-losing public works projects, irresponsible LDC spending policies, and a trillion-dollar debt crisis in the Third World.

Congress understandably has been concerned about the World Bank's failed policies. The Chairman of the House of Representatives Banking Subcommittee on International Development Institutions and Finance, Walter E. Fauntroy, the District of Columbia Democrat, recently observed of the Bank's policy loans that "the track record has not been brilliant thus far and the Bank has been constrained to offer various explanations as to why so many of its adjustment programs have failed."[3] A good part of this explanation lies in the fact that most Bank funds support government projects and enterprises. This is true even of the new and presumably reformist "policy-based" loans that are supposed to be made only if recipient countries alter their economic policies.

Typical bank loans have gone to a Peruvian government gold mine, the Mexican state steel sector, the Hungarian government's railroad, the Indian government's coal mines, petroleum finance for the government of Yugoslavia, and funds for rural collectives in the People's Republic of China.

SUBSIDIES FOR HUMAN RIGHTS ABUSERS

Many Third World and all East bloc countries abuse the human rights of their citizens as a matter of national policy. As a means to uphold the principles of justice for which the U.S. stands, Congress in 1977 mandated that the U.S. executive director at the World Bank, as well as U.S. representatives at the other multilateral development banks, oppose loans to countries that violate human rights.[4] Yet numerous World Bank loans, approved over U.S. opposition, provide considerable assistance to regimes with notorious records of human rights violations. Example: the Marxist military government of Ethiopian dictator Mengistu Haile Mariam has received over $600 million in loans from the Bank since 1979. During that period, over 4 million villagers were uprooted forcibly from their rural homes in eastern Ethiopia and relocated on collective farms.[5] The government intends to have relocated nearly all of Ethiopia's 30 million rural dwellers by the mid-1990s. Very often villagers resist the move, and this is met with violence, beatings, rapes, and death.

Falling Teff Output. Still another Mengistu program—this one launched in 1984—has forcibly resettled 600,000 northern Ethiopians in the south. The French relief organization, Doctors Without Borders, estimates than 100,000 Ethiopians died during resettlement.[6] After an international outcry, the program was suspended during 1986 and 1987. But Mengistu restarted the program last December and intends to resettle another 300,000 people in 1988. Last January, the World Bank approved another $70 million for Ethiopia, over U.S. objections.

Aside from their brutality, Mengistu's programs also have been an economic disaster. Production of teff, Ethiopia's main food grain, fell by 60 percent between 1975 and 1982, while reserves that might have forestalled famine evaporated.[7] Some three million residents of Eritrea and Tigre provinces now face starvation for the secod time in four years.

Loans for Laos, Syria, Uganda. Similarly, in Laos, the government received a $15 million World Bank loan in 1981, despite its detention of thousands of political prisoners in "re-education" camps, where many have starved or been executed for trying to escape.[8]

In Syria, President Hafez al-Assad's February 1982 massacre of 20,000 members of the banned Muslim Brotherhood in Hama was followed two months later by a $22 million World Bank loan.

Uganda in 1985 received two World Bank loans worth $34 million despite the large-scale human rights violations under President A. Milton Obote. An Amnesty International report released that year charged that Ugandan government security forces had been involved in mass detentions, routine torture, widespread abductions, and frequent killings of prisoners.

FINANCING SURPLUS COMMODITIES

While free trade and international competition help all countries, government subsidies to particular industries or sectors create economic distortions and unfairly harm more competitive enterprises, including American businesses. For this reason, Congress mandates that the U.S. executive director at the World Bank and other multilateral development banks oppose loans for:

Production of any commodity for export if the commodity is in surplus on world markets and the aid will cause substantial injury to U.S producers of the same, similar, or competing commodities (often referred to as the "Obey amendment"); [10]

Establishing or expanding production for export of palm oil, sugar, or citrus crops if the loans will injure U.S. producers of the same, similar, or competing agricultural commodities;[11]

Production of any copper commodity for export or for the expansion or improvement of any copper mining, smelting, or refining capacity.[12]

Yet World Bank funds have gone for these purposes. Example: Brazil received $155 million in April 1986 for expanded soybean production. Example: in the same month, Zaire received $110 million for its copper industry.

POLITICAL GROUNDS FOR OPPOSITION

Congress requires the U.S executive director to oppose World Bank loans for a variety of other reasons. Loans are to be opposed to countries that:

Provide refuge to individuals committing acts of international aircraft hijacking;[13]

Expropriate investments owned by U.S. citizens, repudiate contracts with U.S. citizens or impose discriminatory taxes which have a similar confiscatory effect, unless arrangements for prompt, adequate, and effective compensation have been made or good faith negotiations are underway.[14]

Failed, in the view of the President, to take adequate steps to prevent the illegal sale of narcotics or other controlled substances to U.S. government personnel stationed in that country or to prevent the illegal entry of such drugs from that country into the U.S.[15]

Yet Ethiopia, despite repeated expropriation of property, continues to receive loans. In addition, Syria has received over $145 million in Bank funds and South Yemen over $130 million since the State Department in 1979 listed them as supporting terrorism.

SEEKING EFFECTIVE LEGISLATION

Senator Robert W. Kasten, the Wisconsin Republican, has sponsored recent legislation which requires that the Agency for International Development enhance its "early warning system" to anticipate the potential environmental impact of World Bank and other multilateral development bank (MDB) loans well in advance of their approval. When adverse environmental impact is found likely, the U.S. executive director at the appropriate MDB is to seek project changes to eliminate the problem.[16] This legislation attempts to head off environmentally destructive projects, rather than specifying grounds for U.S. opposition at the time of votes on proposed loans.

Senator Steve Symms, the Idaho Republican, has attempted to bring some accountability to the World Bank and other MDBs with his Foreign Agricultural Investment Reform (FAIR) bill. Similar to—but stronger than—the 1979 Obey amendment, FAIR would require the U.S. executive director at all MDBs to oppose loans for the production of commodities that are already in world over-supply, otherwise economically unviable, or subsidized, as defined by the General Agreement on Tariffs and Trade (GATT). But if the World Bank or other MDB approves such assistance over U.S. opposition, the U.S. Treasury is to request a statement of policy from the MDB and may not agree to any capital increase or replenishment until this is forthcoming.[17]

FAIR also would mandate that U.S. paid-in contributions under any subsequent capital increase or replenishment for the World Bank or other MDBs would be that level to which the U.S. originally agreed minus a penalty for every commodity loan, as defined in the bill, approved over U.S. opposition.[18] There is a danger that the contribution requested from the U.S. would be inflated, anticipating such an automatic cut. Still, FAIR is an important attempt to hold the World Bank accountable. The bill has passed the Senate four times in recent years, but has yet to pass the House.

CONCLUSION

Congressional requirements that the U.S. vote against proposed World Bank loans that harm U.S. economic, political, or ethical interests have yielded nothing. Every U.S.-opposed loan since 1977 has been approved by the World Bank, annually sending hundreds of millions of dollars in scarce resources to governments that abuse human rights, export terrorism, and pursue accelerated production of commodities already in world over-supply. In addition, billions of dollars in U.S.-supported World Bank loans annually flood the treasuries of developing countries either to finance or bail out countless state-run enterprises that private capital for good reason would not touch.

Using U.S. Leverage. Now the World Bank is coming hat-in-hand to Congress for $14 billion in new cash and guarantees to expand further its questionable activities. The only real leverage U.S. lawmakers seem to have over the Bank is to deny such new resources. In light of past congressional impotence to influence Bank policy, a denial of new funds seems to be the only way for Congress to reassert its authority.

MELANIE S. TAMMEN,
Research Associate.

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[1] Current capital stock of the 44-year old International Bank for Reconstruction and Development (IBRD) totals $96 billion. The capital increase would boost subscribed capital to $171 billion. The general capital increase is for the IBRD, the main body in the "World Bank" Group. The International Development Association (IDA) and the International Finance Corporation (IFC) affiliates are funded separately.

[2] In addition, the U.S. executive director also frequently opposes loans out of concerns Congress has not explicitly targeted, such as the potential displacement of foreign private capital or the inappropriate macro-economic policies of the recipient.

[3] Opening statement at the House Banking subcommittee's May 4, 1988 hearing on "A General Capital Increase for the World Bank: Policy Based Lending and the World Bank."

[4] International Financial Institutions Act of 1977, sec. 701(a) and (e) (Harkin amendment").

[5] According to Karl Zinsmeister, a specialist on Sub-Saharan Africa and adjunct research associate at the American Enterprise Institute: "In a typical operation, government troops arrive in an agricultural hamlet, arrest the traditional chiefs, requisition all private property (crops, livestock, tools), then force the locals to break down their huts. They are then force-marched, carrying pieces of their houses on their backs, to a new central location . . . [which] often lacks adequate water supplies and is usually far removed from old fields. Much previously cultivated land is neglected and abandoned as a result . . . The old sites are bulldozed." See "All the Hungry People," *Reason*, June 1988, p. 25.

[6] Cited in *ibid.*

[7] *Ibid.*

[8] Reportedly, 20 camps held 15,000 prisoners in 1980. See "Country Reports on Human Rights Practices for 1983," report submitted by the U.S. Departemnt of State to the House Foreign Affairs Committee and the Senate Foreign Relations Committee, February 1984, p. 827.

[9] See "Country Reports on Human Rights Practices for 1985," pp. 358-361.

[10] Foreign Assistance Appropriations Act of 1979, secs. 609-610, introduced by Representative David R. Obey, the Wisconsin Democrat.

[11] International Financial Institutions Act of 1977, sec. 901(a), introduced by Representative Dawson Mathis, the Georgia Democrat.

[12] Supplemental Appropriations Act, 1985, sec 501 and 502(c), introduced by Senator Jake Garn, the Utah Republican.

[13] International Financial Institutions Act of 1977, sec. 701(a) and (e), introduced by then Representative Tom Harkin, the Iowa Democrat.

[14] IDA III Act of 1972, adding sec. 12 to the 1960 IDA Act introduced by Representative Henry B. Gonzalez, the Texas Democrat; acceptance of a non-germane amendment mandated application to the IBRD as well.

[15] IDA III Act of 1972, adding sec. 13 to the 1960 IDA Act, introduced by Representative Charles B. Rangel, the New York Democrat; acceptance of a non-germane amendment mandated application to the IBRD as well. (If the House now votes to reject Ronald Reagan's certification of Mexico, as the Senate did last April, it will have only a symbolic effect. Since all loans opposed by the U.S. at the World Bank are nevertheless approved, there is no reason to believe that Mexico will be penalized in any way as a result of this action.)

[16] Sec. 537 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, of 1988; as included in the fiscal 1988 omnibus spending bill and replicated in authorizing legislation as well.

[17] The Treasury also may not allow the letting of any instrument or note of credit by the institution either in the United States or denominated in U.S. dollars.

[18] The aggregate penalty is calculated by projecting the U.S. share of the funding increase—for example, 18.75 percent for the current general capital increase—into the total amount of such commodity assistance the Bank approved during the previous funding period. For example, had the legislation been in place at the time of the recently negotiated general capital increase and the approved commodity loans, as defined by FAIR, in the previous period totaled $2 billion, the U.S. would have to subtract 18.75 percent of $2 billion—or $375 million—from its paid-in contributions.

U.S. NEGATIVE VOTES AND ABSTENTIONS IN THE WORLD BANK GROUP: 1983–1987 [1]

[In millions of dollars]

Institution	Date	Borrower	Amount	Project	U.S. vote	Reason	Final disposition of loan
IBRD	Oct. 1982	India	$165.5	Krishna-Godavari Petroleum Exp.	No	Potential displacement of foreign private capital and inappropriate sector policies.	Approved.
IBRD	Jan. 1983	China	162.4	Daging Oilfield Secondary Recovery.	No	Potential displacement of foreign private capital and inappropriate sector policies.	Do.
IBRD	Feb. 1983	India	222.3	South Bassein Offshore Gas Dev't	No	Potential displacement of foreign private capital and inappropriate sector policies.	Do.
IBRD	Mar. 1983	China	100.8	Zhongyuan-Wenliu Petroleum Exp. and Development.	No	Potential displacement of foreign private capital and inappropriate sector policies.	Do.
IBRD	May 1983	Egypt	203.7	El Dikheila Reinforcing Bar	Abstain	Not a developmental priority	Do.
IDA	Mar. 1983	Ghana	13.0	Water Supply Rehabilitation	Abstain	Inappropriate macroeconomic policies	Do.
IDA	Apr. 1983	Yemen, PDR	9.0	Second Ag'l Dev't Project	Abstain	Human Rights	Do.
IDA	May 1983	Ethiopia	20.0	Urban Development	No	Expropriation	Do.
IDA	May 1983	Ghana	11.0	Energy Project	Abstain	Inappropriate macroeconomic policies	Do.
IDA	May 1983	Yemen, PDR	7.6	Health Development	Abstain	Human Rights	Do.
IDA	Jun. 1983	Ethiopia	7.0	Petroleum Exp. Promotion and Geothermal Study.	No	Expropriation	Do.
IDA	Jun. 1983	Laos, PDR	6.2	Ag'l Production Support Project	Abstain	Human Rights	Do.
IDA	Jul. 1983	Ethiopia	70.0	Roads	No	Expropriation	Do.
IDA	Jul. 1983	Tanzania	35.0	Mtera Hydropower	Abstain	Inappropriate macroeconomic policies	Do.
IBRD	Mar. 1984	Hungary	90.0	Petroleum Project	No	Potential displacement of foreign private capital.	Do.
IBRD	Mar. 1984	India	242.5	Cambay Basin Petroleum Project	No	Potential displacement of foreign private capital and inappropriate sector policies.	Do.
IBRD	Mar. 1984	Nigeria	25.0	Gas Technical Assistance	No	Potential displacement of foreign private capital.	Do.
IBRD	Mar. 1984	Zambia	75.0	Copper Industry Rehabilitation	No	Doubtful financial viability	Do.
IBRD	May 1984	China	100.3	Karamay Petroleum Project	No	Potential displacement of foreign private capital and inappropriate sector policies.	Do.
IBRD	May 1984	Hungary	24.3	Petroleum Project	Abstain	Potential displacement of foreign private capital.	Do.
IBRD	Sep. 1984	Philippines	150.0	Agricultural	No	Inadequate sector	Do.
IDA	Dec. 1983	Ethiopia	35.0	Second Coffee Processing and marketing.	No	Expropriation	Do.
IDA	May 1984	Yemen, PDR	10.4	Fourth Education	Abstain	Human Rights	Do.
IDA	Jun. 1984	Benin	18.0	Seme Oilfield Development II	Abstain	do	Do.
IDA	Jun. 1984	Benin	5.4	Forestry Project	Abstain	do	Do.
IDA	Jun. 1984	India	220.0	National Cooperative Dev't	No	Inadequate sector reform conditionality.	Do.
IDA	Jul. 1984	Ethiopia	40.0	Telecommunications	No	Expropriation	Do.
IDA	Sep. 1984	Ethiopia	70.0	Sixth Education Project	No	do	Do.
IDA	Sep. 1984	Ethiopia	4.0	Tech. Assist. for Econ. Mgmt	No	do	Do.
IDA	Sep. 1984	Ethiopia	22.0	Ag'l Research	No	do	Do.
IBRD	Nov. 1984	Colombia	130.0	Petroleum Dev't	No	Potential displacement of foreign private capital.	Do.
IBRD	Mar. 1985	Chile	11.0	Public Sector Management	Abstain	Human Rights	Do.
IBRD	Aug. 1985	Mexico	150.0	Low Income Housing	Abstain	Negative real interest rates and budget subsidy.	Do.
IDA	Dec. 1985	Benin	5.0	Technical Assist.	Abstain	do	Do.
IDA	Mar. 1985	Uganda	5.1	Petroleumn Tech. Assistance	Abstain	do	Do.
IDA	Mar. 1985	Uganda	28.8	Power Rehabilitation II	Abstain	do	Do.
IDA	Mar. 1985	Yemen, PDR	5.0	Ag'l Research and Extension	Abstain	do	Do.
IDA	Apr. 1985	Ethiopia	30.0	Drought Recovery	No	Expropriation	Do.
IDA	Jun. 1985	Yemen, PDR	14.4	Highways IV	Abstain	Human Rights	Do.
IFC	Feb. 1985	Brazil	3.0	COSIGUA Steel Modernization	No	Additional IFC equity investment not necessary, and so could displace local private capital.	Do.
IFC	Jun. 1985	Chile	18.7	COCAR Coal	Abstain	Human Rights	Do.
IBRD	Dec. 1985	Mauritania	20.0	SNIM Iron Ore Mining Rehab	Abstain	Potentially premature due to global overcapacity, and unsound sector tax policy.	Do.
IBRD	Mar. 1986	China	75.0	Third Industrial Credit Project	Abstain	Unsustainable textile export trend given bilateral quota agreements.	Do.
IBRD	Apr. 1986	Brazil	155.0	Ag'l Extension II	Abstain	Obey amendment	Do.
IBRD	Apr. 1986	Zaire	110.0	GECAMINES copper	No	Garn amendment	Do.
IBRD	May 1986	Hungary	64.0	Electric Power	Abstain	Inadequate tariff levels	Do.
IBRD	May 1986	Syria	70.0	Aleppo Sewerage II	Abstain	Human rights	Do.
IBRD	Jun. 1986	Brazil	500.0	Electric Power Sector Loan	No	Inadequate tariff levels and potential environmental problems.	Do.
IBRD	Jul. 1986	Malaysia	55.0	Second Western Johor Ag. Dev. (Palm Oil).	No	No institution building role for IBRD	Do.
IDA	Mar. 1986	China	25.0	Third Industrial Credit Project	Abstain	Unsustainable textile export trend given bilateral quota agreements.	Do.
IDA	Apr. 1986	Ethiopia	5.5	Port Project	Abstain	Human rights	Do.
IDA	May 1986	Burma	30.0	Grain Storage and Processing (Rice).	Abstain	Inadequate sector reform and private sector role.	Do.
IDA	May 1986	Ethiopia	62.0	Energy	Abstain	Human rights	Do.
IDA	Jul. 1986	Ethiopia	45.0	Forestry	Abstain	do	Do.
IDA	Aug. 1986	Guyana	7.0	Bauxite Industry Tech. Assistance Project.	Abstain	Premature pending resolution of inappropriate country macro-economic policies.	Do.
IFC	Sep. 1986	India	8.6	Carbon Black	No	Excessive level of protection from imports.	Do.
IBRD	Nov. 1986	Chile	250.0	Structural Adjustment II	Abstain	Human rights	Do.
IBRD	Jan. 1987	Indonesia	226.0	Power Transmission and Distribution.	No	Inadequate tariffs	Do.
IBRD	Mar. 1987	China	250.0	Fourth Industrial Credit Project	Abstain	Unsustainable textile export trend given bilateral quota agreements.	Do.
IBRD	Jun. 1987	Chile	95.0	Peheunche Hydropower	Abstain	Human rights	Do.
IBRD	Jun. 1987	Chile	21.5	Power Transmission	Abstain	do	Do.
IBRD	Jun. 1987	Mexico	400.0	Agricultural Credit	Abstain	Negative sub-loan interest rates	Do.
IDA	Oct. 1986	Yemen, PDR	5.6	Water Supply II	Abstain	Human rights	Do.
IDA	Mar. 1987	China	50.0	Fourth Industrial Credit Project	Abstain	Unsustainable textile export trend given bilateral quota agreements.	Do.
IDA	Mar. 1987	Ethiopia	7.0	Small Scale Irrigation	Abstain	Human rights	Do.
IDA	Apr. 1987	Ethiopia	39.0	Livestock Project	Abstain	do	Do.
IDA	Jun. 1987	Yemen, PDR	16.8	Highways V	Abstain	do	Do.
IFC	Feb. 1987	Chile	15.0	Arauco Pulp Mill Modernization and Expansion.	Abstain	do	Do.

U.S. NEGATIVE VOTES AND ABSTENTIONS IN THE WORLD BANK GROUP: 1983–1987 [1]—Continued

[In millions of dollars]

Institution	Date	Borrower	Amount	Project	U.S. vote	Reason	Final disposition of loan
IFC	May 1987	Venezuela	37.6	VENCEMOS Cement Mill Expansion..	Abstain	Significant export subsidy relevant to U.S. market.	Do.
IFC	Jun. 1987	Brazil	20.0	MBR Iron Ore Mine Expansion.........	No	IFC funding not really needed..............	Do.
IFC	Aug. 1987	Brazil	20.0	Three Banks Ind. Modernization Financing.	No	Unconditional balance of payments support, debt moratorium, and no IFC institution-building role.	Do.

[1] U.S. fiscal years are used. Source: "International Finance: The National Advisory Council on International Monetary and Financial Policies, Annual Report to the President and to the Congress," various annuals for fiscal years 1983 through 1986, and fiscal 1987 in draft form.

[2] The World Bank Group is composed of the International Bank for Reconstruction and Development (IBRD), its main body, in addition to the International Development Association (IDA) and International Finance Corporation (IFC) affiliates. Total approved over U.S. opposition: $5.3 billion.

Mr. QUILLEN. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. WORTLEY].

Mr. WORTLEY. Mr. Speaker, I rise in support of this rule. I do not intend to abandon the World Bank to the Japanese.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the gentleman from Oklahoma [Mr. EDWARDS].

Mr. EDWARDS of Oklahoma. Mr. Speaker, I rise in opposition to the rule.

Mr. Speaker, I do not remember that when we passed the bill in the House there was any money in it for the general capital increase for the World Bank. In fact, we not only did not have it in our bill but the members of our subcommittee opposed it, and every Republican member of the subcommittee opposed it.

That is not my point. I am against the capital increase. I can give the Members the reasons why I am against it, but I am here to oppose the rule.

We have a very unique situation here. There have been times when, for a variety of reasons, I have voted for a rule that contains waivers, and probably everybody in this Chamber has at one time or another voted for a rule that contained a waiver, but we do not have a hypothetical situation here. What we have is a situation where yesterday a Member of this House rose and objected to a provision and said it was a violation of the House rules, and a ruling was handed down by the Chair that upheld that point of order. We now have, after the Chair has ruled that in fact this provision is a violation of House rules, gone back to the Committee on Rules and said, "Yes, we all know now that it is not hypothetically a violation, it is a violation of House rules, but we are going to change things so Members cannot get to it, and they cannot do anything about it." I think that that is a bad precedent. I think it is a bad way to operate.

Mr. Speaker, I am saying I have lost before, and I am not for the capital increase, but I am used to having times when the House votes differently than I would have it vote.

I think we passed a good bill. I worked with the chairman, the gentleman from Wisconsin [Mr. OBEY]. This was a good foreign aid bill. It is a good foreign aid bill, but this one provision which has been held to be against the House rules ought not to be covered up now by going back to the Committee on Rules.

I would ask the Members to vote against it.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. Mr. Speaker, I rise in very strong support of this rule. That is an atypical position for me. I normally oppose rules which provide waivers such as this one does. I also am normally in the same position as my colleague, the gentleman from Oklahoma, and my colleague, the gentleman from Kentucky. However, in this case, there is a crying need which must be met. The United States needs to meet its obligations to the World Bank for this level of replenishment and, therefore, it is essential that we pass this rule and that we pass the motion of the gentleman from Wisconsin which will be made later on.

In answer to those who said they are not getting enough chance to debate this matter, I would say that the debate on this rule is a good deal longer than most of the time allowed to us to debate important matters before this House.

I will also say the organization in question, the World Bank, has the best record in the international marketplace for requiring programs on the part of the recipient countries of its loans to open up their markets and to provide choice in the marketplace and to make growth one of their goals.

The restructuring of the World Bank under the leadership of our former colleague has made it a leaner institution. That has been a very difficult and a torturous process. It is now complete. The organization is reorganized.

The United States should not, in terms of a stronger World Bank, allow its voting participation to be eroded. If we do not pass the rule and the motion by the gentleman from Wisconsin [Mr. OBEY], that will happen.

Mr. Speaker, I believe very strongly that this is one of the most important votes of the year. It is an area where we do well be doing good. We not only help Third World countries, but we help ourselves by advancing our own commercial interests.

Mr. QUILLEN. Mr. Speaker, to close debate, I yield 4 minutes to the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Speaker, I would like to make it quite clear from the beginning of my comments that this rule is requested not only by the distinguished gentleman from Wisconsin [Mr. OBEY] but by the distinguished Republican leader, Mr. MICHEL, by Secretary of the Treasury, Brady specifically by letter today, as he also supports the appropriation. The authorization and appropriation has been supported by the previous Secretary of the Treasury, Mr. Baker, by the Secretary of State and, on June 10 of this year, by President Ronald Reagan in a letter to Representative MICHEL which read, "I ask you to support quick and unencumbered passage of authorizing legislation for the GCI."

This rule is requested and supported by the administration and by the ranking Republican on the Banking Committee and the Banking subcommittee chairmen and myself in behalf of the administration.

A few minutes ago Members heard reference to the number $14 billion. I want to make it quite clear that as far as the GCI—we are dealing with the World Bank—a proposed authorization of $70.1 million for 6 years, and we are considering a proposed appropriation action of $50 million. Please do not confuse what is prepared with some $14 billion figure.

If Members take a look at what the American contribution, 18 percent of the total governmental contribution means, it means a leveraging of the United States paid in capital contributions for World Bank activity by 70 times or even as much as 200 times, depending on how one counts it. I think if we take a look at the way the World Bank has been moving in the last several years, or at the kind of record our former colleague, World Bank President Barber Conable, one of the most distinguished men to leave this body in this century, has established, it will be noted for at least three things: First, the environmental review and policy change that he has made in the

World Bank lending practices directly in answer to appropriate criticisms of those concerned about World Bank loans; second, to encourage, to recognize, and to promote the role of women in development; and third, the encouragement of privatization, thus moving these countries to market-oriented economies with export-import opportunities and other crucial economic and structural reform.

Loans geared toward structural reform, today range up to 25 percent of the total loan activity. I think it is important that the United States live up to its intention to authorize our contributions for 6 years. The United States is the Nation that asked for the longer 6-year authorization period in order to spread our payment over that longer period of time. The British, for example, contributed all of their additional capital immediately. Indeed, most of the countries, the majority necessary to make this GCI happen, have already made their contribution. You've heard already about the undistinguished notions in which the United States finds itself today in having failed to meet its general capital increase commitment.

I also heard reference to the nation of Ethiopia. Let it be crystal clear that Ethiopia is too poor to qualify for the IBRD loans that are authorized and appropriated by this action on the GCI. Ethiopia, and what its policies are, is not a factor. Ethiopia is too poor to qualify for the IBRD loan program but is instead funded at "the soft window," that is to say IDA. None of the poorest of the poor countries are eligible for what we are doing in the proposed GCI here today, so that fact ought to be borne in mind.

Let me remind my colleagues here, too, this rule is not just about the GCI—it is probably less than 1 percent of the funds involved in the amendment No. 119 which is the specific focus of this proposed rule. We are considering the African Development Fund. In fact it covers about all foreign aid programs that are not authorized but which are typically authorized by an appropriation bill or continuing resolution. Generally, in recent years, the Congress has failed to enact a foreign assistance authorization bill and as the authorization is secured through the appropriations process.

H.R. 4645, the banking bill, passed last week by the Banking Committee, passed with a majority of Republicans voting for it.

It was folded into this appropriation bill at the request of the committee. It thus includes the replenishment for the African Development Fund. Finally, permit me to emphasize that the funds for AID for Israel, for Egypt, the Peace Corps, our antiterrorism programs, et cetera, also part of conference amendment No. 119, too.

I urge support for the rule.

The SPEAKER pro tempore. All time of the gentleman from Tennessee [Mr. Quillen] has expired.

Mr. GORDON. Mr. Speaker, for purposes of debate only, I yield 5 minutes to the gentleman from Wisconsin [Mr. Obey].

Mr. OBEY. Mr. Speaker, I simply rise to take note of some of the statements made on the House floor and try to correct some of the misstatements which have been made.

One of the previous speakers, the gentleman from Wisconsin, said that it is no wonder that people do not go to the polls and vote when they see action like this. I would suggest that perhaps one of the reasons people do not go to the polls and vote is because voters are being told so many things by some Members of this body that just are not so.

I would suggest that the gentleman from Nebraska has just accurately summarized what is and is not at stake on this issue. Let me make matters clear. First of all, the gentleman from Wisconsin indicated that this rule is here because it was brought here by the "Democrat leadership" bending the rules. The fact is that this bill is here at the request of the Democratic and Republican leadership. It is here at the request of myself, among a good many other people, because we are trying to support a compromise with a Republican administration even though I myself have strong doubts about that compromise.

□ 1315

This is a body in which you have to try to have 535 men and women work their will in a united way and in a way which does not make the United States look silly in the process. That is what we are trying to do by supporting the administration's request for today.

Second, it was stated that this vote is a vote pure and simple on the GCI. That is simply not correct. This vote is simply a vote on whether or not we are going to allow a vote on authorizing every item in the bill which is unauthorized. To put that in perspective, the GCI proposition is about $50 million. All of the other unauthorized items in this bill are about $14 billion. I would say that the vote on the rule is the furthest thing possible from a vote specifically on the GCI. It is simply a vote on whether or not we are going to do what we have done many times in the past, namely, authorize legislation which has not been able to make it through the authorization process so that we can avoid a continuing resolution.

If Members want to be on a continuing resolution, if we want to be here Saturday, if we want to be here next week and violate our promise to the President to produce 13 appropriation bills without going to a CR, then vote against the motion. If you want to enable the House to meet the obligation, to pass 13 appropriation bills in a timely way, although we may all have disagreements about specific items in the bill, then you support the motion of the Committee on Rules and go on and support the Obey motion.

Let me say also that the assertion was also made by the gentleman from Kentucky, that if Members vote for this they will not be able to do anything at all about the GCI for the next 6 years is the furthest thing possible from the truth. We have limited GCI appropriations in the Obey amendment to $50 million, not $70 million, precisely because a good many people on this side of the aisle share a feeling that I think is held on the part of many people on that side of the aisle that at the present time our Third World policy, the Baker policy, and the policies of the World Bank are in some respects misguided.

We think that they do not specifically take into account the need for our own agriculture sector to grow and our own manufacturing sector to grow. So we have limited the appropriation to $20 million below the amount requested by the administration. And I have a letter here which I am sending to the Secretary of the Treasury today and I would invite anyone to sign it who would like to sign it with me, which simply states here that future appropriations for the GCI over each of the next 6 years are going to be determined to a very great extent by the manner in which the Treasury Department and the World Bank handle this entire question of Third World debt.

I do not believe that we ought to provide American support for any structural loan, if that country is required to devote more than 20 percent of its foreign exchange to repay loans, because I think that messes up their ability to buy our own products.

If any of you are interested in joining with me on that letter I would be happy to have your name on it, but the fact is this rule allows the House to do what it has an obligation to do which is to send it to the President before October 1.

Mr. GORDON. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. Dellums). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BUNNING. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 303, nays 84, not voting 44, as follows:

[Roll No. 366]

YEAS—303

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Baker
Barnard
Bateman
Bates
Beilenson
Bentley
Bereuter
Berman
Bevill
Bilbray
Bliley
Bonior
Borski
Bosco
Boucher
Boxer
Brennan
Broomfield
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Clarke
Clay
Clement
Clinger
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Costello
Coughlin
Courter
Coyne
Crockett
Darden
de la Garza
DeLay
Dellums
Derrick
DeWine
Dicks
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
English
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Florio
Foglietta
Foley
Ford (MI)
Frank
Frenzel
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grant
Gray (PA)
Green
Guarini
Hall (OH)
Hall (TX)
Hamilton
Hatcher
Hawkins
Hayes (IL)
Hefner
Hertel
Hochbrueckner
Horton
Houghton
Hoyer
Hughes
Hutto
Hyde
Inhofe
Ireland
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kostmayer
LaFalce
Lagomarsino
Lancaster
Lantos
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lightfoot
Lipinski
Lloyd
Lowery (CA)
Lowry (WA)
Luken, Thomas
Lukens, Donald
Lungren
Madigan
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCrery
McDade
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Moakley
Molinari
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murtha
Myers
Natcher
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Panetta
Parris
Pashayan
Patterson
Payne
Pease
Pelosi
Penny
Perkins
Pickett
Pickle
Porter
Price
Quillen
Rahall
Rangel
Ravenel
Regula
Richardson
Ridge
Rinaldo
Robinson
Rodino
Rose
Rostenkowski
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Scheuer
Schroeder
Schulze
Schumer
Sharp
Shays
Sisisky
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (IA)
Smith (NJ)
Smith (TX)
Snowe
Solarz
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauke
Tauzin
Thomas (CA)
Thomas (GA)
Torres
Towns
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)

NAYS—84

Archer
Armey
Badham
Ballenger
Bartlett
Barton
Bennett
Bilirakis
Brown (CO)
Bunning
Burton
Cheney
Coats
Combest
Craig
Crane
Dannemeyer
Daub
Davis (IL)
Davis (MI)
DeFazio
Dreier
Edwards (OK)
Emerson
Erdreich
Fawell
Fields
Gekas
Grandy
Gunderson
Hammerschmidt
Hansen
Harris
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Hubbard
Hunter
Jacobs
Kasich
Kolter
Kyl
Latta
Lewis (CA)
Lewis (FL)
Livingston
Lott
Marlenee
Martin (IL)
McCollum
McEwen
Moorhead
Murphy
Nielson
Packard
Petri
Pursell
Ray
Roberts
Rogers
Roth
Schaefer
Schuette
Sensenbrenner
Shaw
Shumway
Shuster
Slaughter (VA)
Smith (NE)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Stump
Swindall
Taylor
Upton
Weber
Whittaker
Young (FL)

NOT VOTING—44

Boehlert
Boggs
Boland
Bonker
Boulter
Brooks
Buechner
Dickinson
Dingell
Dowdy
Flippo
Ford (TN)
Gray (IL)
Gregg
Hayes (LA)
Huckaby
Jones (TN)
Kemp
Kolbe
Konnyu
Lujan
Mack
MacKay
McCandless
McCurdy
Mineta
Nagle
Neal
Nelson
Pepper
Rhodes
Ritter
Roe
Schneider
Sikorski
Skaggs
Smith (FL)
Sundquist
Sweeney
Torricelli
Traficant
Vucanovich
Walker
Weldon

□ 1338

Mr. LEWIS of California and Mr. LIVINGSTON changed their vote from "yea" to "nay."

Mrs. BENTLEY changed her vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ORDER OF BUSINESS

Mr. COLEMAN of Missouri. Mr. Speaker, I ask unanimous consent to be allowed to take my special order this evening prior to the special order of the gentlewoman from Maryland [Mrs. Bentley].

Mr. Speaker, this has been cleared with the gentlewoman from Maryland.

The SPEAKER pro tempore (Mr. Bruce). Is there objection to the request of the gentleman from Missouri?

There was no objection.

MOTION TO RECEDE AND CONCUR IN SENATE AMENDMENT NUMBERED 119 TO H.R. 4637, FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATION ACT, 1989 WITH AN AMENDMENT

Mr. OBEY. Mr. Speaker, pursuant to House Resolution 554, I offer a motion.

The Clerk read as follows:

Mr. Obey moves that the House recede from its disagreement to the amendment of the Senate numbered 119 and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment, insert the following:

Funds appropriated by this Act may be obligated and expended notwithstanding section 10 of Public Law 91-672 and section 15 of the State Department Basic Authorities Act of 1956: Provided, That section 514 of the Foreign Assistance Act of 1961 is amended by amending subsection (b)(2) to read as follows: "(2) The value of such additions to stockpiles in foreign countries shall not exceed $77,000,000 for fiscal year 1989.": Provided further, That the amendment in the nature of a substitute to the text of H.R. 4645, as ordered reported from the Committee on Banking, Finance and Urban Affairs on September 22, 1988, is hereby enacted into law: Provided further, That title I of H.R. 5263 as passed by the House of Representatives on September 20, 1988 is hereby enacted into law: Provided further, That purchases, investments or other acquisitions of equity by the fund created by section 104 of H.R. 5263 as hereby enacted are limited to such amounts as may be provided in advance in appropriations Acts.

Mr. CONTE (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. Pursuant to House Resolution 554, the motion to a demand for a division of the question.

The gentleman from Wisconsin [Mr. Obey] will be recognized for 30 minutes, and a Member opposed will be recognized for 30 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. Obey].

Mr. OBEY. Mr. Speaker, I yield myself 7 minutes.

Mr. Speaker, I would simply like to put in perspective what it is that the House is going to be voting on some time within the next half hour or hour.

As the House knows it has been an almost annual occurrence for the Appropriations Committee to carry a variety of authorization bills when we finally get to the passage of the final appropriations bills at the end of the year.

Normally in the case of foreign affairs that has been done in a continuing resolution. This is the first time in 7 years that we will not have a continuing resolution, at least as far as foreign operations is concerned.

We have, for the first time in 7 years, produced what appears to be an independent, freestanding foreign operations bill which the President will sign.

Let me simply summarize what we are doing.

In 1985 we had to authorize the Special Facility for Africa and the IFC.

In 1986 we had to authorize on the appropriations bill the African Development Fund. In 1987 we had to authorize IDA8 on the appropriation bill, as we had to authorize IDA7 in 1984.

We are doing the same thing this year with respect to virtually all items in the bill as we have done in the past for the items I have just described, because we do not yet have, through the other body, the authorization legislation for foreign aid. That means that all military assistance, all economic assistance or almost all, all the assistance to Central America, to the Middle East, you name it, has to be authorized as well as appropriated for in this bill, or we simply cannot function and the country would have no aid program.

The bone of contention which has arisen has related primarily to the issue of the general capital increase for the World Bank. Let me simply say that while I certainly disagree with the gentleman from Kentucky and others in terms of the resolution that they sought for this matter, I do not necessarily disagree with them as to the substance, at least in part.

Let me simply say that if you want to know where I am coming from on the issue of the general capital increase, I suggest that you take a look at our hearings, read the hearing which we had with Secretary Baker, or, if you would like, take a look at the two studies put out by the Joint Economic Committee, one entitled, "Trade Deficits, Foreign Debt and Sagging Growth," and the other entitled, "The Impact of the Latin American Debt Crisis on the United States Economy."

Both of those were prepared by the Joint Economic Committee.

It is my view that while it is perfectly appropriate and in fact essential that the United States participate in the World Bank and participate in the general capital increase, it is also my view that the specific policies being followed by the Bank and the specific policies being followed by Treasury insofar as they insist on adhering rigidly to the Baker plan, are misguided. Because I believe that if we require, especially Latin American countries, to devote a very large share of foreign exchange simply to pay American or other banks for previous debts, that means that to the extent that they have to do that we are squeezing the ability of those economies to grow. And if those economies cannot grow, they cannot buy our agricultural goods, they cannot buy our manufactured goods.

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So I do not object to participating in the World Bank. I think that is essential as an act of leadership on the part of the United States. I do share with some of those who voted against the rule a concern about specific policies being followed by the Bank. I simply want to assure any Members who remain opposed to the GCI that over the next 5 years we will have ample opportunity to review the conduct of both the Bank and the U.S. Treasury Department in providing leadership in that Bank.

I want to assure the Members that we will have ample opportunity to review the conduct of both the Bank and the Treasury, and we will be basing our future appropriations in very large measure on how both institutions perform. As I indicated earlier, I have a letter which I am sending to Secretary Brady this afternoon. I have the highest respect for the Secretary. I have known him for some time, and I think he is a first-rate individual and a first-rate public servant. But let me simply say that I would invite anyone who has any concerns about the GCI to join me in signing this letter to the Secretary indicating our concern about the specific policies being followed by the World Bank and being followed by the Treasury Department insofar as they stick to the Baker plan. I think that is the constructive way to deal with the question of the general capital increase without calling into question American determination and without calling into question American leadership.

As was indicated by the gentleman from Ohio [Mr. WYLIE], the ranking Republican on the Committee on Banking, Finance and Urban Affairs, this really is a question of leadership. It is a question of whether we will maintain the leadership of the most important international financial institution in the world with respect to the impact it has on international affairs. It also in the broader sense is the only vehicle we have available to us which will enable this House to meet its responsibilities in providing assistance to Central America, to Africa, and to the Middle East, areas which I know have broad support on the part of Members on both sides of the aisle.

So, Mr. Speaker, that is very simply what is at issue. We cannot proceed without the passage of this amendment, and for that reason I urge the Members to support it.

The SPEAKER pro tempore (Mr. BRUCE). Without objection, the gentleman from Oklahoma [Mr. EDWARDS] will be recognized for 30 minutes in opposition to the motion.

There was no objection.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the Chair for recognizing me. I do not oppose the provision. I do have objections to the inclusion of the funds for the general capital increase for the World Bank, but there are other provisions in the gentleman's motion which make it worth supporting.

Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. CONTE], the vice chairman of the Committee on Appropriations.

Mr. CONTE. Mr. Speaker, I want to thank my dear friend and colleague, the gentleman from Oklahoma [Mr. EDWARDS], for giving me this time.

Mr. Speaker, I strongly urge my colleagues to support the chairman's motion to recede and concur with an amendment as agreed to by the full conference on the foreign aid bill.

Do not hold up this bill at this late date. Yesterday, this House voted overwhelmingly 327 to 92 to adopt this conference report. Our colleagues on the Senate side are at this moment fighting to hold off members of their own authorizing committees who want to tack on controversial provisions to this bill when it gets over there. If we begin that process here, we may well not get this bill signed into law.

On the merits of this individual case, the House Banking Committee did report out the authorization bill for the general capital increase for the World Bank. It took until the very day our conferees were meeting on this appropriations bill, but they finally reported that bill. Our conferees have agreed with the authorizing committee to put that authorization bill into this conference report.

That authorization and this appropriation will allow the United States to finally join the responsible nations in the free world in contributing to the general capital increase. We would be able to leave the company of the other countries which have not paid—such luminaries as Libya, Vietnam, Cambodia, Romania, and the People's Republic of Yemen.

That is not the company we want to keep. The responsible vote here is to support the chairman's motion.

The conferees agreed to a $50 million U.S. contribution as our initial input into the general capital increase, although our share should be $70 million. The reduction was necessary due to our budget constraints. Hopefully, we can assume our full share in future years.

A $70 million annual U.S. contribution would, by the 1990's, leverage more than $20 billion a year in total World Bank lending. Most of this lending will go to countries with overwhelming debt burdens, countries which because of their debt burdens have stopped buying U.S. exports. Helping to stimulate growth in those nations means major new markets for U.S. products, and that means jobs right here in this country.

Much of the World Bank aid goes to countries of strategic importance to the United States, such as the Philippines, Pakistan, Tunisia, and Turkey, and to countries such as Mexico, Brazil, and Argentina where we have important interests but virtually no bilateral aid programs.

The World Bank, under the leadership of our former colleague Barber Conable, is playing a major role in encouraging market-oriented policy reforms around the world. That is directly in our national interests.

Mr. Speaker, the United States was the major mover in the original establishment of the World Bank because we knew that economic growth and stability and free markets around the world were in our own long-term interests. As the biggest shareholder in the Bank, it certainly would not be in our interests to weaken the Bank and cripple its effectiveness now.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield 5 minutes to the gentleman from Nebraska [Mr. Bereuter].

Mr. BEREUTER. Mr. Speaker, first I thank the distinguished gentleman from Oklahoma [Mr. Edwards] for yielding me this time.

I rise in support of the committee position on amendment No. 119 to the conference report accompanying H.R. 4637. This action is necessary to fund virtually all of our foreign aid programs for fiscal year 1989.

Congress has not passed out a full-scale authorization bill for foreign aid programs since 1985. Amendment No. 119 allows for the appropriation for a wide variety of foreign aid programs, despite the lack of authorizing legislation. It is not a good way to proceed, but it is the only way to proceed now available to us and I commend the Committee on Appropriations for its action in proceeding to keep us on track here and to provide some of the oversight and direction from itself and the relevant authorizing committees through including of their language and adopted views.

Therefore, what we are considering here in amendment 119 really includes appropriations for the Economic Support Fund Program, the Military Assistance Program, the Agency for International Development, the Peace Corps, the Inter-American Foundation for American schools and hospitals abroad, the International Disaster Assistance Program, the Migration and Refugee Assistance Program, the Antiterrorism Program, the International Narcotics Control Program, the Trade and Development Program, and others. Without approval of amendment 119, there would be no military or economic aid appropriated to key allies and base-rights countries such as Israel, Egypt, the Philippines, Turkey, Greece, Morocco, Kenya, Tunisia, and Portugal. There also would be no foreign assistance to Central American countries where we have with great difficulty reached a bipartisan agreement.

Aside from the foreign aid appropriations to be dispersed without authorizing legislation, this amendment 119 specifically authorizes the general capital increase for the World Bank. That is for the IBRD loan program only, that portion which was enacted when the House Committee on Banking, Finance and Urban Affairs recently passed H.R. 4645. That legislation, by the way, was approved by a majority of Members on both sides of the aisle.

The amendment also would reauthorize and fund title I of H.R. 5623, the authorization for the Overseas Private Investment Corporation. Finally, it includes the replenishment funds for the African Development Fund. Most of the contention, as has been pointed out, relates to the general capital increase for the IBRD of the World Bank.

Let me say that I certainly share some of the same concerns about the performance of the World Bank, as demonstrated by most past actions and statements in the past, that many Members on both sides of the aisle have already expressed, plus other concerns, but most of what we have heard and read about in the Reader's Digest relates to things that have been going on for some period of time and for which corrective actions have now been taken by the reforms initiated by World Bank President Barber Conable—in part because of encouragement and strong messages from the Congress of the United States.

In this legislation, H.R. 4645 now incorporated in the appropriation measure, we have strong environmental provisions to further strengthen what Barber Conable has already put into place within the World Bank. We encourage his activities and the Bank's activities for women and development because they are so crucial, especially in most of the sub-Saharan African countries. We are encouraging a variety of innovative approaches to reduce the international debt of many nations, including greater use of debt-equity swaps and debt for development (educational and environmental protection and enhancement) swaps. We also encourage structural reforms that encourage basic economic reforms and movement toward market economies in these countries, which encourage export opportunities for them and U.S. exports that are important to us but which we are pushing for the type of structural reforms that are beneficial for the people of these nations and which do not cause deprivation to those people.

In the area of reform it is important to note that this Member, has taken the initiative, supported by the distinguished gentleman from the District of Columbia [Mr. Fauntroy] and two of our counterparts in the Senate, in the area of loans to our agricultural export competitors. We put in place a consultation process with the Treasury Department and USDA to ensure that the kind of voting decisions by the U.S. executive director of the World Bank to identify and energetically work to stop permit loans which encourage competition with our farmers and miners in commodities that are already in surplus in the world's export markets. So for those concerns expressed, for example, about World Bank loans to Argentina several years ago, there are reformed procedures now in effect in the United States Government to keep such World Bank loans from being made again.

There are ample opportunities for congressional oversight of the World Bank. The distinguished gentleman from Wisconsin [Mr. Obey], the chairman of the Foreign Operations Subcommittee of the Appropriations Committee, has rightly pointed out the restraints and directions already prepared through oversight and the further opportunities to provide oversight. He pointed to the fact that we are appropriating only $50 million, not the requested $70.1 million as generating a requirement to monitor World Bank activities and initiatives.

I would also indicate that the IDA program of the World Bank, the subject of additional International Development Association loans, the "soft loan" money for the World Bank, will be before the next Congress for scrutiny. There once again will be an opportunity to exercise oversight over that key component of the World Bank.

Finally, this Member would also like to list, to the extent I have time, some of the reasons why the administration is pushing so hard for the authorization and appropriations of the GCI for the World Bank by the United States. We are concerned about our lack of clout or influence the United States will have if we do not honor our GCI commitment now.

Why is the administration pushing for U.S. participation in the World Bank general capital increase?

These are some of the answers suggested by the administration:

The World Bank GCI accounts for a very small proportion of U.S. spending for foreign affairs—$70 million out of $16.5 billion, or 0.006 percent—and a much smaller percentage of the overall budget.

However, the benefits of U.S. participation are extremely large and important to our foreign policy, economic, and humanitarian goals.

The U.S. subscription, plus repayment flows from earlier loans, make available an average of $18.8 billion in new annual World Bank loan commitments over the period, a multiple 268 times the U.S. appropriation.

In 1987, U.S. firms received $1.6 billion in disbursements from the World Bank for foreign procurement—an amount which is greater than U.S. paid-in captial to the Bank over its entire history.

The GCI will provide new development funding for countries strategically and economically important to the United States; for example, Morocco, Pakistan, the Philippines, Tunisia, and Turkey at a level far beyond what we could accomplish bilaterally.

Even more striking, the World Bank supports countries that are important to us where there is no bilateral economic assistance: Argentina, Brazil, and Mexico.

Roughly 25 percent of the new GCI will go toward policy-based lending which supports market-oriented reforms to help achieve sustainable growth, an important element of any debt strategy.

During GCI negotiations the administration secured agreement by the Bank's executive board on issues important to the United States.

Environmental protection will be a permanent priority;

The Bank will promote greater reliance on market incentives;

The Bank will support production of primary commodities only where such production is efficient and provides satisfactory rates of return without subsidies.

U.S. failure to participate in the GCI would cause the United States to lose leadership in the World Bank and seriously erode our ability to provide the followthrough that is necessary to achieve success on these and other issues.

Member governments representing sufficient voting power have ratified the GCI to bring it into force.

The language of this initiative, H.R. 4645, incorporated in this appropriations bill by amendment 119, includes language encouraging Treasury through the person of the U.S. Executive Director to support a facilitating role by the World Bank in debt conversion and reduction, which is a necessary step forward. I believe that this is a responsible debt initiative. In particular, it meets the major concern expressed by this Member during the earlier Banking Committee hearing with Secretary Baker; that is, that any scheme for debt reduction should not require significant public-sector funding, other than that directly provided through a capital increase for the IBRD and such later replenishment for IDA that Congress would approve.

In H.R. 4645, now to be incorporated through amendment No. 119, the Congress will have set out a number of criteria for determining when U.S. Treasury support of debt reduction schemes is appropriate: They are as follows:

Participation in debt reduction schemes must be voluntary;

Debt reduction plans must be created on a case-by-case approach, tailored to an individual country's situation;

Assistance must be conditioned on the implementation and sustaining of market-oriented economic reforms, to be encouraged over a period of time;

World Bank involvement in debt reduction and conversion must never lower the credit rating of the World Bank itself;

Debt reduction must not be seen as an end in itself, but as a means to more growth and investment and the restoration of voluntary private lending to the heavily indebted developing countries.

These seem to this Member to be eminently reasonable criteria, actually developed on the basis of the remarks delivered by Secretary Baker before the Banking Committee earlier this year. They are, I believe, a responsible yardstick for measuring when any given debt reduction proposal should be supported.

It is imperative that we go forward with the GCI now. As President Reagan noted in his letter to the House leadership urging passage of the legislation before us, the GCI is in our national economic, and strategic interests.

The vast majority of the funds of the World Bank goes to middle income developing nations, which are strategically and economically important to the United States. Bilaterally we would never be able to reach this level of development funding for these countries on a dollar-for-dollar basis. It is appropriately estimated that each dollar appropriated for the GCI multiplies or is leveraged to $180 in lending by the World Bank. Moreover, the market-oriented structural economic reforms advocated by the World Bank, including privatization, freeing prices from official controls, and reducing trade barriers will be beneficial in the longer term to U.S. business. And on the business side, we should note that U.S. companies got $1.6 billion—or 22 percent—of World Bank procurement business in 1987; it is expected to be $1.8 billion in 1988. This is from an institution where the immediate U.S. contribution under this GCI would amount to $50 million appropriated and an authorization of $70.1 million a year or a $420 million total over a 6-year period.

Another section of H.R. 4645 to be incorporated in this appropriations measure encourages U.S. support for the World Bank to play an advisory role with debtor country governments in developing systematic debt-for-development swap programs—that is, this Member emphasizes, human welfare and environmental conservation types of development—not physical development. A recent U.S. Internal Revenue Service ruling has opened the way for creditors of debt-distressed countries to receive charitable deductions when those creditors donate part or all of the value of the debt to eligible nonprofit organizations for charitable, educational, and scientific uses in that developing country. For several pioneering private voluntary organizations, like CARE, it could mean more funds for grassroots development, nutrition, and health projects. For U.S. universities and colleges, it could mean access to research and training funds for use in those countries for agricultural research and for international programs that build ties with their counterpart institutions there. All of these groups and many more are aware of and supportive of this provision.

The International Finance Corporation of the World Bank has provided a similar sort of advisory service on structuring debt-equity swap programs for many countries in Latin America. There is no reason that similar help from the World Bank should not be provided for structuring charitable debt-for-development mechanisms through the IBRD loan program.

Another provision of H.R. 4645, and thus this proposed act, calls on the U.S. Executive Director at the African Development Bank to propose that this institution work together with the World Bank to explore whether there may be additional potential for using bilateral debt reduction from various countries, as outlined in the Toronto summit communique, to create local currency funds for such purposes. A particular need in Africa, for example, is the restoration of degraded natural habitats, for humans as well as a variety of animal and plant species. This type of pioneering ecological work is something the African Bank is interested in encouraging through its work with African governments and environmental nongovernmental organizations. The local currency funding might be obtainable from some pilot efforts through conversion of bilateral debt. If so, the African Bank should particularly be encouraged to develop its ideas on that approach.

Other provisions of H.R. 4645, and again thus this proposed act, encourages that the World Bank consider, as part of its lending process, the record of compliance of government in abiding by agreements they have entered into as part of debt-for-development swaps that have required governments to set aside or limit the use of land for conservation purposes. This is a situation where a World Bank's oversight on environmental policies can be a useful complement to the work of local or international environmental organizations in establishing and funding such conservancy projects if governments do not honor their agreements.

Still another section of H.R. 4645, and thus this proposed act, responds to a pressing need to develop ongoing statistical data on the status of the poor in developing countries including social indicators of mortality, health, education, and nutrition, as a guide to policymaking to monitor poverty alleviation strategies and to identify and measure the impact of structural adjustment lending. The World Bank is already working with some African governments in such efforts. It should be encouraged to expand and accelerate this effort.

Finally, Mr. Speaker, I would like to stress the fact that this GCI has already been approved by governments with at least 79 percent of the voting shares of the Bank and is thereby already in effect. If the U.S. contribution to the GCI is not authorized, the present U.S. 18-percent voting share could and would eventually fall below the 15-percent level necessary to maintain our veto over charter changes as soon as a year from now. It would eventually fall to about 11 percent. Members should support this bill to continue U.S. leadership in the World Bank, to enhance and increase environmentally sound development efforts worldwide, and to promote market-oriented economic reforms.

Mr. Speaker, for all of these reasons and many more, I urge an "aye" vote on the motion of the distinguished gentleman from Wisconsin [Mr. OBEY].

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield 3 minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Mr. Speaker, I rise in support of the general capital increase for the World Bank. I believe the continued participation of the United States in the World Bank is an absolute necessity. And, I might add, so does the majority of the House Banking Committee where the GCI was approved by a vote of 35 to 12 last week.

I want to acknowledge the fact that the distinguished chairman of Foreign Operations Appropriations Subcommittee in his comments referencing the restructuring of Third World debt. This is certainly a pressing issue weighting down the global economy and one to be addressed in a serious forum. But the subject is only tangential to the central issue of the GCI of the World Bank.

In my opinion, the case-by-case approach of Secretary James Baker has been successful but most certainly the next Congress will take a hard look at the worldwide debt problem and its profound domestic and foreign policy implications.

In approving this measure, the United States would join 144 other nations of the world who belong to the Bank and who have already approved their participation in the GCI. Only nations such as Vietnam, Kampuchea, Nicaragua, South Yemen, and Libya have refused to ratify their increase.

The approval of the GCI authorization will allow the United States to retain its 18 percent share of the voting power in the World Bank and will allow our Executive Director at the Bank to continue to weld United States influence, and pursue our interests when it comes to lending policies and decisions. U.S. influence has been central to the World Bank's evolution since its founding in 1946 and reflects this Nation's position in the international economy and our history of strong world leadership. As a result, we have been accorded the privilege of things such as nominating the Bank's President which is today, our former colleague, Barber Conable.

Economically, membership in the Bank has positive spinoffs for our own business community. For a 6-year authorization request of $70 million, both the Treasury Department and the Chamber of Commerce estimate that annual procurement orders placed by the Bank in this country will run about $1.5 billion. In addition, as U.S. exports have regained some of their competitiveness, the demand for these products has increased and nations receiving World Bank loans have turned around and purchased U.S. goods. This directly relates to our trade deficit picture.

While we may not always get our way as far as loan decisions are concerned, I believe it would be a grave mistake for the Congress to deny this authorization and thus relegate the United States to the status of a nonplayer in the international development arena.

Mr. Speaker, the World Bank works. It stands at the center of the global efforts to reduce poverty and stimulate growth.

The World Bank is a force for free markets because the United States has continuously insisted that market-oriented reforms be instituted and that loan recipients adopt monetary and fiscal reforms, eliminate government subsidies, and open protected sectors to competition.

The World Bank is cost effective in that for every $1 the United States contributes, the Bank can lend over $200.

The United States receives long-term economic benefits in that we depend on developing nations for their raw materials and for their demand for our agricultural and manufacturing goods and services. This GCI has a direct relationship to our trade deficit figures. We need markets and suppliers.

Mr. Speaker, the President supports the GCI, the Secretary of State supports it and our new Secretary of the Treasury, Mr. Brady, who has just returned from Berlin attending the meeting of the World Bank, supports this measure.

Let me quote from a letter written by the Secretary, Nicholas Brady, on September 29, 1988, as follows:

> U.S. support for multilateral bank lending is a vital element of our foreign economic policy, and we will benefit through increases in trade with less developed countries and greater growth in our economy.

Mr. Speaker, I urge my colleagues to support this measure.

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Mr. OBEY. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I simply want to say that the President is for this, the Secretary of the Treasury is for it, the Secretary of State is for it, the Republican leadership is for it, and the Democratic leadership is for it.

The only countries who have not yet subscribed to the general capital increase, as has been indicated, are Libya, Vietnam, Cambodia, Romania, and Yemen. I do not think we would put them on our international list of winners.

It has been mentioned that there were some 73 loans provided by the World Bank with which our Government disagreed.

I would like to insert at this point in the RECORD a statement by the U.S. Treasury Department which addresses each of those loans.

REPLY TO REPUBLICAN STUDY COMMITTEE ON THE GCI BY U.S. TREASURY DEPARTMENT

Question: How do you respond to charges in the Republican Study Committee Press Release that the World Bank has approved some loans over U.S opposition, and that this constitutes sufficient grounds for Congress to deny the Administration's request for U.S. participation in the GCI.

Answer. The loans we opposed during 1983-1987 comprise about 5 percent of the World Bank's non-concessional hard loan operations during the period. The overwhelming majority of World Bank operations are consistent with U.S. policy interests.

Of the total 31 IBRD loans opposed by the U.S., 10 loans were opposed pursuant to our oil and gas policy. While the loans were not stopped per se, the U.S. objective was achieved: the World Bank has now acquiesced to our view, and the loans for projects in this sector have diminished.

The United States opposed 9 loans due to inappropriate economic policies in the borrowing country, and not because the loans were directly contrary to U.S. interests.

Only 4 of the 31 loans were opposed because they involved production of goods (e.g. copper, steel, textiles) considered potentially competitive with U.S. enterprises. The U.S. also opposed an agricultural extension project in Brazil (1986) because of potential injury to U.S. producers.

The United States opposed 7 World Bank loans to communicate U.S. concerns over human rights violators in Chile and in Syria.

The Press Release was inaccurate in the examples given of past World Bank lending. Laos, Uganda, and Ethiopia have not been receiving hard IBRD loans; these countries are too poor to be eligible for IBRD loans that would be financed from the GCI.

The charge is unjustified that the World Bank provides loans to countries that support international terrorism. Only six countries—Cuba, Libya, North Korea, Iran, Syria, and PDR Yemen—are currently designated as countries that the U.S. Secretary of State has determined to have repeatedly provided support for international terrorism. None is currently an eligible borrower of World Bank hard loans that would be funded by the GCI.

The Administration also believes the U.S vocal opposition to several IBRD loans were instrumental in initiating serious economic policy shifts in the borrowing countries: that is, the Philippine agriculture sector loan ($150 million) in 1984, a Mexico low-income housing ($150 million) in 1985, and a Brazil electric sector loan ($500 million) in 1986.

BENEFITS TO THE UNITED STATES IGNORED BY THE RSC PRESS RELEASE

U.S. participation in the Bank enables us to:

Encourage a more secure and politically stable world;

Preserve and expand a free and open international economic system;

Alleviate poverty and improve material well-being of people in developing countries.

The U.S. subscriptions in the GCI, plus repayment flows from earlier loans, make available an average of $18.8 billion in new annual World Bank loan commitments over the period, a multiple 268 times the U.S. appropriation.

In 1987, U.S. firms received $1.6 billion in disbursements from the World Bank for foreign procurement—an amount which is greater than U.S. paid-in capital to the Bank over its entire history.

The GCI will provide new development funding for countries strategically and economically important to U.S. (e.g., Morocco, Pakistan, the Philippines, Tunisia, and Turkey) at a level far beyond what we could accomplish bilaterally.

Even more striking, the World Bank supports countries that are important to us where there is no bilateral economic assistance: Argentina, Brazil, and Mexico.

During GCI negotiations the United States secured agreement that the World Bank will foster:

Greater focus on the environment;

Increased reliance on market incentives;

Greater privatization of developing country economies.

United States failure to participate in the GCI would cause the U.S. to lose leadership in the World Bank and seriously erode our ability to provide the follow-through that is necessary to implement the reforms agreed upon in the GCI negotiations.

Only the United States and seven other countries—Kampuchea, Libya, Romania, Rwanda, United Arab Emirates, Vietnam, and Yemen P.D.R.—have not cast their vote on the GCI.

It clarifies that situation quite a bit, and it also points out that even if one feels that that number was an accurate number, it would only represent some 5 percent of the loans made, which would mean that we contribute 18 percent of the money for the general capital increase, and we win 95 percent of the arguments. That is not a bad percentage anytime in my judgment.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. Wylie].

Mr. WYLIE. Mr. Speaker, I rise in support of the motion.

The question is no longer whether the capital of the World Bank should be increased, but whether the United States should continue to exercise leadership in an international institution it founded more than 40 years ago. I believe that the United States should continue to exercise this leadership. The President, the Secretary of State, the Secretary of Treasury, and the House leadership on both sides of the aisle believe the United States should continue to exercise this leadership.

The capital increase was an important initiative for the administration. In a letter to House leadership, President Reagan noted that the capital increase is in "our national economic and strategic interest." Secretary of State George Shultz also wrote House Members urging U.S. approval of the increase, noting that the increase "represents a sound investment in our own future as well as a humanitarian gesture to the nations of the Third World." Secretary of the Treasury James Baker III testified before the House Banking Committee that the United States has been a major beneficiary of the World Bank and failure to participate in the general capital increase would cause a loss of our leadership in the institution.

Failure to authorize this capital increase will mean a loss of U.S. leadership in the World Bank and will signal to the international community that we no longer want to play the lead role in the world economy. Given our past successes and future challenges, we cannot afford to abdicate leadership.

Finally, Mr. Speaker, I want to emphasize once again that all Members should be aware that there is far more at stake here than the GCI. Many of the foreign aid appropriations made in H.R. 4637 may not be disbursed unless the amendment in question is approved. This is not only a foreign policy issue but a trade policy issue and whether our trade policy will be as aggressive in a very competitive market.

Mr. Speaker, I urge adoption of the amendment.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. Roth].

Mr. ROTH. Mr. Speaker, I thank the gentleman from Oklahoma [Mr. Edwards], my friend, for yielding.

A lot has been made today of the fact that we want to pass these 13 appropriation bills so we do not have to face a continuing resolution. I guess everybody is in agreement with that. But there are ways of doing things, and then there are ways of doing things. We should not swallow every last-minute addition just to say that we passed 13 appropriation bills. That is how Congress gets into trouble and makes bad decisions, like this one. I think we should always pass judgment on the merit of each piece of legislation. That must be the form.

Now the gentleman from Wisconsin [Mr. Obey], our good friend, says, "If you have concern, sign my letter," but I do not think that that is a solution. We have concerns about the World Bank, and now is the time to examine this legislation, not just send some letter. A letter on the World Bank at this point is meaningless.

The presiding officer yesterday said that the provisions dealing with the World Bank do not belong in this legislation, and so someone went back to the Committee on Rules, and got them to propose this change in the rules. That is not a proper procedure. Not content with the ruling of the chair, the proponents of this $14 billion mistake want to change the rule.

Mr. Speaker, I am concerned about some of the World Bank's practices. If this is such a good provision, if it is so important, then let its supporters bring this legislation up under its own merits. Let us not hide the World Bank authorization in a huge bill that Members have to vote for for one reason or another. Let the World Bank bill stand or fall on its own strength or weakness.

Just because we do not want a continuing resolution does not mean that we want to acquiesce and swallow everything. Our first obligation is to our own people, our own taxpayers. They put their trust and confidence in us, and I think that we owe them the obligation of passing on the merits of the legislation.

Mr. Speaker, that is why I am opposed to this legislation, not only because of my concerns about the content of the legislation, but also because of the manner in which we are passing this legislation. It is a proper way of doing business.

To give my colleagues some idea of the important questions which pertain to the World Bank, I am enclosing the text of a speech describing the impact of the World Bank's assistance to totalitarian governments on the people of those troubled countries.

SUBSIDIZING TRAGEDY: THE WORLD BANK AND THE NEW COLONIALISM

(An Address by Yonas Deressa, President, Ethiopian Refugees Education and Relief Foundation, Inc.)

You've all seen the pictures of starving, gaunt-faced men and women, the children with the dull, hopeless eyes and swollen bellies. This year, like three years ago, famine has returned to Ethiopia. This time, as the last, people are suffering as a direct result of the policies of ruthless, inhuman communist regime that cares not the least bit for human life—only for the preservation and expansion of its own power.

In the years since the 1984-85 famine, people in the West have learned the truth about the reasons for that tragedy. Now they are aware that strongman Mengistu Haile Mariam took advantage of drought to engineer a famine in order to destroy opposition. In areas of rebel activity his soldiers burned crops, stole livestock, confiscated seed and food reserves. Mengistu cut those areas off from the rest of the world. He only allowed relief aid after the international outcry that resulted when a BBC camera crew smuggled out the footage we now remember so well: the videotapes of his wretched victims. Much of the food that was sent by the West to feed the hungry was diverted and used to supply Ethiopia's huge army instead. The areas in the north where opposition to the regime is strongest were precisely the areas that were hit hardest by the famine, because Mengistu deliberately kept food away from them.

But that is only the tip of the iceberg. The Soviet client regime in Ethiopia has committed crimes beyond description, worse even than those of the infamous Idi Amin. This is a dictatorship that during its Red Terror campaign of ten years ago murdered hundreds of schoolchildren and left their bodies stacked in the streets and hanging from lamp posts. Political murders number in the thousands, and everyone in the cities lives in fear of the midnight knock on the door, of being taken away to disappear forever. Suspected democrats are tortured by suspending them from shackles and hanging concrete weights from their genitals. This regime has earned for itself the distinction of being the most brutal on the face of the earth. In its determination to construct a new Marxist-Leninist workers' paradise, it is destroying everything it touches, with no regard for the havoc and misery it leaves in its wake.

In pure Stalinist fashion, this dictatorship is engaged in a massive social engineering program that is wrecking the very structure of Ethiopian society, destroying the lives and families of millions, and ruining the country's ability to feed itself. And, most ironic and tragic of all, Mengistu is using money from the West—from the World Bank—to do it. The World Bank has given over 659 million dollars to a regime that is recognized as the most oppressive and inhuman in the world. Why?

In 1984 the Mengistu regime began a project called "Operation Red Star," to move a million and a half people from areas in the high, arid north to camps in the humid lowlands of the southwest. Mengistu claimed that the reason was to prevent famine, but the real reason was to depopulate areas of guerrilla activity. Mao said that a guerrilla "moves among the people like a fish swims in water," so Mengistu has decided just to drain the pond.

Soldiers come to drag farmers off their lands during harvest time. Families are deliberately torn apart, and people brutally packed into trucks, buses, and unheated and unpressurized airplanes. Thousands die on the journey—many from suffocation or being trampled to death. Often the authorities starve people in jails before the journey to make them easier to handle. And most tragic of all, many who are kidnapped have grown sufficient food for themselves and their families. They are in no danger of starvation at all!

When they arrive at their destinations these people find themselves not in new homes, as the regime tells Westerners. They become inmates in prison camps. They are forced to labor at gunpoint, with little food, and under the constant threat of torture, beatings, and death. People are paid with food to inform on one another. Many try to escape, and those who fail are shot. From what my own sources tell me, I estimate that at least 160,000 have died so far in the camps or during relocation. Mengistu plans to subject 1.5 million people to this abomination.

When the West found out about this, the outrage was so great that Mengistu was forced to suspend the project for a few months. But even when the protests were at their loudest, the World Bank proposed to give him more money—a hundred million dollars for "development."

Then there is what the regime calls its "villagization" campaign. In it soldiers force families to pull up stakes and carry their houses on their backs to centralized compounds, where they can be watched and constantly supervised by agents of the regime. If they don't submit they are beaten, raped, or killed. In these so-called villages people are reduced to the status of serfs. Their crops are taken from them, and they are forced to attend interminable indoctrination sessions, to teach them how to be good communists. The dictatorship has vowed to subject over 30 million people to this ruthless campaign.

Even where these monstrosities haven't yet been imposed, the damage by the regime to Ethiopian society is tremendous. Mengistu has destroyed the traditional farming economy with communist controls on prices, by confiscating all land, and by making the state the sole buyer and seller of food. Since 1979, agricultural output has fallen in Ethiopia by 15 percent. Before the communists, my country not only fed itself, it even exported food. Now, even in good years, 7 or 8 million people are on the verge of starvation. Ethiopia has become an economic basket case. Life has become so horrible that over 3 million people have fled, most of them trudging for up to a month through the wilderness risking death from thirst or starvation.

What is the World Bank's answer to this litany of cruelty and disaster? In the face of overwhelming evidence that Ethiopia's rulers are murdering cutthroats, hostile to the West, and committed to violence and expansionism, the Bank carries on business as usual. In 1985 it doled out an amount equal to sixteen percent of the dictatorship's budget. In 1986 it gave Mengistu 45 million dollars. In May 1987 it handed the Ministry of Agriculture, which has been carrying out the villagization campaign, 39 million dollars. And a few months ago it proposed a loan of a nice, round 100 million dollars.

Ethiopia's case, while perhaps the most extreme in Africa, is not unique. Nearly everywhere on the continent inept, uncaring, and corrupt regimes are bleeding their people dry. But to all of them, the World Bank hands out money like candy, helping to keep ruthless dictators in power, making them millionaires through stolen funds, and financing the oppression of their victims.

In Tanzania, for instance, the Bank provided the money for dictator Julius Nyerere's campaign called *ujamaa*, a prototype of Mengistu's villagization. Farmers lost their freedom, and the state took over their lands and claimed their crops, all with the help and blessing of the World Bank. In a few short years Nyerere turned his country into a ruin, a starving beggar nation. But the Bank has never admitted its folly.

In fact, the World Bank is a leading exponent of what I call the New Colonialism. Ethiopia was unique in black Africa in that, until it became a vassal of the Soviet Union, it had never been colonized. The rest of the continent was divided up in the 19th century between the European powers: France, Britain, Germany, Belgium, and Italy.

These old colonialists were concerned mainly with trade and the extraction of our raw materials, and had little desire to interfere in the day to day lives of their subjects. They left native institutions and customs pretty well alone, even ruling through local chiefs and headmen, as the British often did. Their influence was concentrated mainly on the coasts, rivers, and a few major population centers. Nine-tenths of Africans continued to live much as they had always done.

Now, I'm not saying the old colonial rule was good or fair. Africans were treated as second-class citizens, and often colonial governments were stupid, clumsy, and heartless. And remember, no matter how enlightened a colonial ruler is, people want to be able to run their own countries. But, ironically, it was in the late fifties and early sixties—when the Europeans left—that the real oppression of the African people began.

As the old white elite relinquished power, the machinery of colonialism was simply taken over by a new, African elite. But unlike their predecessors, the new rulers wanted absolute hegemony. They ruthlessly crushed opposition, and began immediately to impose arrogant, unworkable social engineering schemes on their helpless subjects. Badly educated in third-rate Marxism, they looked upon their populations as little more than ants in an anthill, or cogs in a machine.

All over Africa dictators interfered in every aspect of their people's lives. Africa's century's-long traditions of free trade and entrepreneurship were swept away by pathetic, incompetent attempts to plan economies. State bureaucracies expanded tremendously, but without a European industrial base to support these new parasites. As a result the 80 percent of Africa's population that lives in the countryside is squeezed and exploited to support a new class of government worker who makes up to ten times the per-capita income.

This huge expansion of government power has been paid for in part by funds from the World Bank. The Bank has funnelled billions to African dictators to help them consolidate their power. It has actively helped them set up immense so-called "development" projects that wind up sucking the life-blood of their economies.

Almost every kind of boondoggle you could imagine has been dreamed up and paid for by the World Bank in the Third World. Huge irrigation projects that waterlog the soil or fill it with salt so that it becomes sterile. Government-owned steel mills that immediately fail because of bad design or because there is no market for their product. Soviet-style state farms that can hardly grow enough to feed their own workers. Dams that flood valuable forest and farmland, destroy peoples' homes and provide breeding grounds for disease and mosquitos. Badly-constructed highways to nowhere. State-run cattle ranches that turn grassland into desert. In Vietnam, the Bank even directly financed the infamous "new ecomomic zones" that resulted in hundreds of thousands fleeing the country in overcrowded, leaky boats. You name it, the Bank has done it.

The World Bank has spent billions on agriculture in Africa—2.4 billion dollars between 1973 and 1980 alone. And yet since 1960 per capita food production has fallen 20 percent. All the money has done is to strengthen the stranglehold of dictatorships on the lives and work of their people.

And always money is skimmed off, to fill the pockets of the ruling classes, to swell the Swiss bank accounts of dictators, to build luxurious villas and buy Mercedes-Benzes for the new colonialists, while their countrymen live in abject squalor. But the Bank hardly seems to care.

Conceivably such an institution as the World Bank could do a lot of good in Africa and the rest of the Third World. It could make funds available to set up local banks and savings and loans, that could advance capital to qualified people who wanted to start small businesses, or to farmers to expand production on their family holdings. But for such enterprises to be successful, they must take place in societies where the people are free to act in their own interests, where governments let people live their own lives. Unfortunately, the World Bank has actually fostered the kinds of regimes that prevent development. By funding state capitalism, it has discouraged enterprise, promoted socialism, and perpetuated poverty.

Today this kind of folly is more apparent than ever before. Socialism has been stripped of its credibility in the eyes of the entire world. While the socialized economies of Europe haven't created a single job in the last 8 years, in that same time Reagan's America produced 15 million new jobs, and shows no sign of slowing down. The courageous Mrs. Thatcher has revitalized the once moribund British economy. Even the rulers of those bastions of socialism, the Soviet Union and Red China, recognize the bankruptcy of socialism, and are trying to find a way to get the economic benefits of freedom without losing power.

It is time for the World Bank to recognize the error of its ways. Every dollar it lends to ruthless dictatorships adds to the suffering of their people. Every loan that fails to raise productivity adds to a crushing burden of debt, that will either hang like a millstone around the necks of generations, or will be defaulted on and add to the West's own financial difficulties. Every advance to such ruthless rulers as Mengistu frees up funds for the military and bureaucracy. As long as the World Bank gives them money, they don't have to make the choice between oppressing their people and survival.

Remember, it's your tax dollars that the World Bank is spending to keep dozens of little Hitlers and Stalins in power. Write to your Congressmen. Tell them you want an end to this continuing disaster. Better that the Bank's magnificent buildings here in Washington be demolished or sold. Better that its legions of overpaid, underworked bureaucrats be forced to get real jobs.

Better that those billions be used for a strong, well-armed American presence in the world, than that another cent of your money be spent to subsidize tragedy.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield 3 minutes to the gentleman from Florida [Mr. BILIRAKIS].

Mr. BILIRAKIS. Mr. Speaker, what we are debating here is simply a referendum on the World Bank. Does the World Bank deserve $14 billion more of taxpayers money?

That is what we must decide—should we shovel $14 billion more in U.S. tax revenue into World Bank subsidies, increasing the bank's annual lending to $20 billion? I say no.

I say that the World Bank should not receive a penny until it makes the drastic and long overdue reforms that many of us in this body have been demanding for years.

Some of you may have seen a report that James Bovard wrote for the Cato Institute last year detailing just what the World Bank is doing with these tax dollars. For one thing, the bank's International Finance Corporation—established to promote private sector development, by the way—is loaning millions to oppressive Communist nations and a host of state run projects.

Should we be squandering our precious investment capital on regimes hostile to our principles? The IFC thinks so—the fastest growing part of the bank's portfolio in the past decade has been its loans to Communist nations, and, in fact, Yugoslavia is the bank's largest beneficiary, having receive nearly $400 million in loans.

Additionally, the IFC has made loans to Romania, Hungary, Poland, Ethiopia, Mozambique, and South Yemen, not to mention the Soviet Union and mainland China.

Furthermore, Mr. Speaker, while the debt bomb is ticking, the World Bank is setting the timer. U.S. tax dollars continue to be committed to the World Bank at an alarming rate to bail out heavily indebted Third World nations, even as they increasingly talk of repudiating their debt.

Worse, despite the billions U.S. citizens are pumping into the World Bank, the United States receives much the same treatment from the bank as it does from the United Nations. The Washington Times has noted that "between 1983-1987, the U.S. veto was overridden 73 times for a grand total of $5 billion in loans, 13 of which went to communist Ethiopia at the height of its murderous resettlement program."

As a member of the Veterans' Affairs Committee deeply involved in trying to bring our POW-MIA's home, I particularly dislike the fact that over United States objections, $15 million was provided to Laos—a country that may be holding United States POW-MIA's.

This unrestrained and often irrational lending at a time when we have so many unmet needs here at home cannot be supported. It is long past time to cut off the World Bank until deep and meaningful reforms are completed.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield 1 additional minute to the gentleman from Florida [Mr. BILIRAKIS].

Mr. BILIRAKIS. Mr. Speaker, I yield to the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Speaker, I thank the gentleman from Florida [Mr. BILIRAKIS] for yielding.

I am concerned about the issues that have been raised as well on which I have demonstrated that concern for some period of time. I just think it is important probably to note and to have the gentleman's recognition, if he is able and willing, to say that the general capital increase, which has been the focus here in the World Bank, has not been for the IFC, but for the IBRD, and those IBRD funds are not the subject of all of the concerns and outrageous situations that the gentleman has mentioned.

Would the gentleman from Florida [Mr. BILIRAKIS] concur in that judgment?

Mr. BILIRAKIS. Mr. Speaker, I am sure the gentleman from Nebraska [Mr. BEREUTER] has much more knowledge on that subject than I do from a direct standpoint, but, as far as I am concerned, I am not sure they can be separated. The gap is not really that large, and my feeling is that the overall workings of the World Bank which of course includes the——

Mr. BEREUTER. Mr. Speaker, will the gentleman yield once more?

Mr. BILIRAKIS. I yield to the gentleman from Nebraska.

Mr. BEREUTER. Mr. Speaker, I appreciate the comments of the gentleman from Florida [Mr. BILIRAKIS], and I would join the gentleman in suggesting that we need to focus more direct concern, and outrage and oversight on the IFC that is responsible for the activities that the gentleman has brought to our attention.

Mr. OBEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would simply again like to correct some of the statements just made.

Mr. Speaker, this motion does not provide $14 billion in taxpayers' money for the GCI. This motion allows us to proceed with funding $50 million for the general capital increase.

Second, I would like to point out that, as far as the IFC is concerned, the administration asked for $35 million for the IFC. In contrast, this committee provided only $4.8 million for the IFC. That is hardly cooperating in providing a large amount of money in comparison to the administration's request for an institution which the gentleman seems to oppose.

Third, I would point out that the IFC is not within the purview of this motion. If my colleagues vote for or against this motion, they will not be voting on the IFC in any way, shape or form.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. WORTLEY].

Mr. WORTLEY. Mr. Speaker, I rise in strong support of amendment 119, of the general capital increase, because without it the United States would be sure to lose significant influence in the World Bank.

I was a participant at the annual World Bank Conference in West Berlin earlier this week. I was asked several times why the U.S. Congress had not approved the GCI. As you know, we are in very strange company in not yet approving the increase, Vietnam, Libya, Yemen, Kampuchea, and Rumania, among a few others. I assured our friends and trading partner that the GCI would soon be agreed to.

Of course, there are other important reasons the Congress should pass the GCI. We are bound to lose a large amount of votes in the bank, enough to lose our veto power, if we neglect our national economic and strategic interests by refusing to subscribe to the already accepted increase.

Let's take a minute to look at what may happen if the Congress fails to accept the increase. We are operating in a global economy today, one in which many prospering countries would be more than happy to reverse U.S. influence in that economy by whatever means.

For example, the Japanese have been less than candid in their interest in assuming a larger role in the World Bank. The Japanese have recently floated a plan which would essentially forgive many Western loans to Third World countries which have payment difficulties. The U.S. Government, the Congress, and U.S. banks have international obligations to fullfil. We cannot afford to simply allow countries such as Japan to come into the World Bank and squash our interests and obligations.

Sure, the World Bank needs reforms. Several of my colleagues are not supportive of the increase unless it is somehow tied to a form of Third World debt reduction. Others don't want to support the increase because they are rightly concerned about the Bank's loans to "Socialist," which means Communist, countries which in turn don't use the money for legitimate purposes.

I acknowledge that there are problems at the Bank. But we have our own man running the show there. Barber Conable is working to reduce the Third World debt burden and to restructure loan policy to Communist governments such as Ethiopia. He is doing this in an effective and thorough manner.

I have to ask, however, what would happen to the leadership structure of the World Bank if the United States, thanks to the Congress, loses significant influence in it. I'm afraid that people such as Mr. Conable, who have American interests in mind, would not be in positions of authority, as they are now.

Mr. Speaker, it is vital for the United States to hold on to its influence in the World Bank. I strongly urge my colleagues to support this capital increase.

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Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Speaker, I thank the gentleman for yielding me this time.

As I understand it, only about 3 percent of what we pledge to the World Bank is in the form of cash, so this $420 million that we are pledging over the next 6 years represents an additional pledge of about $14 billion, so if the World Bank needs that money or needs those assets, we are pledging $14 billion of U.S. taxpayers' money to the World Bank.

Now, where is this money going? Let us just look at where it has been going since 1980. From 1980 to 1986 these are the Communist countries that have received U.S. taxpayers' funds:

There is $149.4 million to Binin.

There is $4.169 billion to China.

There is $95.6 million to Communist Congo.

There is $470.5 million to Ethiopia that is slaughtering their own people right now in Eritrea and Tegre Provinces, using our food stuffs as a weapon, and that is a Communist tyranny.

Guyana, $88.1 million.

Hungary, $992 million.

Laos, $38.5 million.

Communist Mozambique, $47.5 million.

Communist Nicaragua, that we have been opposing, $106.7 million of United States taxpayers' fund.

There is $1.007 billion to Communist Romania.

There is $126.1 million to Communist Yemen, and $2.725 billion to Communist Yugoslavia.

The American taxpayers do not want their moneys used for that purpose, and yet that is what is happening.

Now let us talk about another issue. This body votes continually against Federal funding for abortion, and yet there are funds that are used by the World Bank to support abortion and family planning in other countries. For instance, in Indonesia they are using World Bank funds for Government programs over there that fund abortion and family planning. They are doing it in the Philippines. They are doing it in China. They are doing it in Pakistan and they are doing it in Bangladesh.

So if you are opposed to abortion and using Federal funds for it, how can you support using Federal taxpayer dollars to go to the World Bank, which in turn will be used for abortion worldwide? It simply does not make sense.

This is a bad precedent we are setting today. We should not appropriate this money. We should stop it.

Mr. BEREUTER. Mr. Speaker, will the gentleman yield?

Mr. BURTON of Indiana. I yield to my colleague, the gentleman from Nebraska.

Mr. BEREUTER. Mr. Speaker, I thank the gentleman for yielding to me.

I would say to the gentleman that we have not had testimony before the subcommittee on the use of World Bank funds for abortion. There have been nations that deny they use it.

I would also like to say to the gentleman that the nations he has mentioned in general are not eligible for the GCI because they are too poor. They do not get this money.

Mr. BURTON of Indiana. Well, I know you can try to split this out and say that, but the World Bank funds that are going—and I am against funds for the World Bank if they help our enemies or if they support abortion programs.

I would just like to quote from a book entitled "Human Life International" by William M. O'Reilly:

> An example of this (World Bank funding) would be paying the salaries of the abortionists in the hundreds of clinics throughout Bangladesh. Since AID and UNFPA are under pressure to not fund abortion activities, this item is paid for by the World Bank, where there is less scrutiny of expenditures for abortion-related activities.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey [Mr. SAXTON].

Mr. SAXTON. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise today in the strong support of this general capital increase for the World Bank.

U.S. support for this increase and for the World Bank in general is vital to reassure the international community that the United States will not backpeddle away from its responsibility to provide leadership and guidance to the nations of the Third World.

The importance of the continued development of multilateral institutions like the World Bank cannot be overemphasized.

This GCI for the World Bank, with full U.S. support, will help reestablish the world's economic and financial and environmental health as well as pay substantial dividends to U.S. foreign policy.

The general capital increase is in our national economic and strategic interests. The Bank commits the vast majority of its funds in support of specific investment projects in the middle-income developing nations. These are mostly nations—such as the Philippines, Egypt, Pakistan, Turkey, Morocco, Tunisia, Mexico, Argentina, Indonesia, and Brazil—that are strategically and economically important to the United States.

The Bank's general capital increase will provide new development funding for these countries at a level far beyond that which we could accomplish bilaterally.

I would stress, as many of my colleagues have, that this appropriation calls for an outlay of only $70 million.

When one looks at what the United States has to gain for this investment, the cost becomes a bargain, and a sound investment in our future, as well as a humanitarian gesture to the nations of the Third World.

It is humanitarian in the sense that it contains provisions which will help make loans from the World Bank that both the people and the environment of these Third World nations can live with.

This bill contains provisions that will establish debt for development swaps which will allow debtor nations to make deductions on their debt owed to creditor nations if the corresponding amount is donated to eligible nonprofit organizations for charitable, educational, and environmental uses such as the protection of tropical rain forests.

Past strong U.S. involvement in the World Bank has pressured the Bank to review its environmental policies and make environmental considerations central to every one of its lending programs.

New language in this bill that would have loans granted only for "sustainable development projects" ensures further advancement on environmental concerns so that a rush to development does not take place at the expense of the environments of these nations.

By opposing this bill, we will only weaken U.S. influence and cripple our standing as a supporter of effective multilateral cooperative economic approaches.

I urge my colleagues to support this GCI for the World Bank.

Mr. OBEY. Mr. Speaker, I yield 3 minutes to the gentleman from Connecticut [Mr. MORRISON].

Mr. MORRISON of Connecticut. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I think it is important to underscore what the chairman of the subcommittee has been saying about this motion, which is that it has a lot more in it than the World Bank. The discussion on the floor might suggest that that is all we are voting on here.

Clearly, the appropriation for the World Bank for next year has already been adopted by the House and what we are talking about here is authorizing most of the foreign assistance programs that are otherwise funded in the bill, and in particularly aid to the Middle East in terms of Israel and Egypt.

I intend to vote for this motion.

I also want to commend the subcommittee chairman for the language that is in the conference report with respect to the issue of Third World debt.

I would have preferred that the authorization language that was adopted in the Banking Committee required some additional checkpoints with respect to the Banking Committee jurisdiction, and the examination of the issue of Third World debt, but I also understand that the Appropriation Subcommittee shares many of the concerns which we expressed in the Banking Committee, and which are incorporated as stated concerns in the conference report.

I think it is important to emphasize what that language in the conference report says, which is that the current policy of the World Bank with respect to the debt of the major middle income debtor nations in the world is inadequate and there needs to be a change in direction.

Mr. Speaker, I will insert in the RECORD the dissenting views of myself and the gentleman from Massachusetts [Mr. FRANK] and the gentleman from New York [Mr. SCHUMER] in the report of the Banking Committee regarding the bill which is incorporated as the authorization in this bill to underscore our concerns that this issue of the debt in the Third World and the importance of a more aggessive posture by the World Bank is something that needs to be reexamined as the Appropriations Committee considers subsequent year appropriations under the authorization that will be enacted under this motion that is pending now.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

The dissenting views above referred to are as follows:

DISSENTING VIEWS OF BRUCE A. MORRISON, CHARLES SCHUMER, AND BARNEY FRANK, BANKING COMMITTEE, GENERAL CAPITAL INCREASE OF THE WORLD BANK

We are supportive of the mission of the World Bank. This mission is the promotion of sustainable growth and broadly based development of less developed countries (LDCs). To accomplish this mission, the resources of the World Bank must be used for lending that is likely to improve the economic performance and social conditions in the borrowing countries. Because current lending practices of the World Bank fail to meet these standards by promoting a reduced debt and debt service burden for the borrowers and because H.R. 4645 authorizes a massive increase in U.S. liability for contributions to the World Bank without sufficiently conditioning the contribution on a change in World Bank debt strategy, we oppose the bill and dissent from the majority report.

Since 1982, the onset of the debt crisis, the LDCs have doubled their debt (see the Appendix: Ratio of Public and Publicly Guaranteed Debt Outstanding and Disbursed to Gross National Product and the Public and Publicly Guaranteed Debt Outstanding and Disbursed for the Seventeen Highly Indebted Countries). The three most negative consequences of the debt problem are by now well known. First, the frantic efforts of the debtor nations to earn enough foreign exchange to pay their annual interest tab has produced import restrictions in their markets and promotion of exports into our markets that have had a major negative impact on our balance of trade. That, of course, has translated into the loss of thousands of U.S. jobs, especially in our export sector. And this has included a self-defeating process by which the flooding of commodity markets in a furious pursuit of foreign exchange has depressed their terms of trade.

Second, the U.S. and global financial systems continue to be at risk from the huge overhang of Third World debt that both market evaluations and bank reserving decisions predict cannot be paid in full.

Third, our national security interest in bolstering democratic rule in Argentina, Brazil, Mexico, the Philippines, and elsewhere is jeopardized by the downward spiral of living standards in those nations caused by the discredited strategy of borrowing more to pay interest while allowing growth promoting investment to languish (see the Appendix: Growth Tables).

The Third World debt problem prevents the World Bank from fulfilling its development mission. The Baker Plan, the Bank's existing strategy for dealing with the debt crisis, has proven ineffective. In fact, World Bank policies which increasingly emphasize policy-based lending to the highly indebted countries proves to be in fact, if not in intention, a mechanism for funneling U.S. taxpayers' dollars through the debtors to their commercial bank creditors in the form of interest payments at the expense of growth and development in those nations.

For example, note the two most recent debt rescheduling packages: Brazil and Argentina. The IMF and the World Bank have both pledged money to Brazil along with the private banks, but the total $6.6 Billion package is less than Brazil is expected to pay the private banks for their interest bill this year alone. The World Bank has pledged $1.25 Billion to Argentina, which is negotiating with the IMF for an additional

$1.2 Billion. The total of public funds to be committed exceeds the $2 Billion the Argentines need to pay this year's interest bill. It is an open secret that Brazil and Argentina will be back next year to borrow more money to pay their next year's multi-billion dollar interest bill.

Fully one-fourth of the World Bank's lending will be used for SALs. This thinly disguised balance of payments lending will surely be used to enable payments on existing debts. At anticipated lending levels, that would mean $30 Billion of World Bank money could be used to pay debt service over the six years of the GCI. That increased exposure of the World Bank will occur without any commensurate improvement in the debt and creditworthiness of the borrowing countries; instead, they will be still deeper in debt.

The results of the failure to develop a coherent strategy for dealing with the debt crisis is reflected in the disturbing development statistics recently reported in the Bank's World Development Report 1988 and the Bank's Annual Report, 1988:

1. There have been widespread reversals in child health, nutrition, and education;

2. The growth rate in Gross Domestic Product (GDP) in Highly Indebted Countries (HICs) has dropped from 3.5% in 1986 to 1.7% in 1987. In Latin America, the drop has been from 1.4% in 1986 to a negative growth rate of −0.5%. The level of standard of living in Latin America today is the same as it was in 1978. In other words, there has been no progress since 1978;

3. Growth rates in per capita GDP for HICs is projected by the World Bank to be between 1.0% and 2.5% by 1995, not nearly enough to substantially add to the standard of living, even in the best case;

4. Investment within the HICs has declined at an average annual rate of 5.3% between 1980 and 1987. In large part, this represents the capital the HICs must export to pay interest on outstanding debt. Without dramatic increases in investment in the productive capacities of these nations, there is no hope for improvements in standards of living, no hope for growth, and no hope that new markets will be opened in these countries for American exports.

5. Another measure of this problem is the net capital transfers. In 1987, the debtor nations of the Third World sent $17 billion to the industrialized nations, further reducing the opportunity to create wealth through investment.

6. Recently, the problem of capital flowing out of some HICs to pay debt and debt service has extended to the World Bank. Latin American debtors have paid $361.8 million more to the World Bank than they have received in development financing.

This latest fact is an ominous sign. How much longer can or will these nations be willing to drain capital desperately needed for domestic investment to repay banks that are supposed to be contributing to development? If the HICs are forced to continue to export capital they need for development, they will have no incentive to repay the World Bank. This, in turn, could threaten the credit rating and perhaps the solvency of the Bank, putting at risk a portion of the approximately $14 billion in callable capital voted by the Committee at a time of severe budgetary constraint.

This concern is exacerbated by the increase in the number of countries now in default to the World Bank, the decrease in commercial bank lending, and the selling off of existing loans on the secondary markets. As these trends continue, the World Bank's relative exposure will grow, thereby increasing the threat to its fiscal stability.

H.R. 4645 expresses concerns regarding the debt problem and directs the U.S. executive director to the World Bank to seek better controls on SALs. Unfortunately, these provisions do not go far enough to assure that continuing U.S. support for the World Bank is conditional on real progress in promoting sustainable growth through a sensible debt strategy. We believe that the Banking Committee should not have approved the GCI without adequate assurance that there will be renewed growth in the debtor nations, their underlying debt problems are being resolved, and they are being returned to creditworthiness. Without such assurances, we are risking the long-term weakening of the World Bank, we are exposing the U.S. taxpayer to major financial risk due to our callable capital commitments in the GCI and in past World Bank funding authorizations, and we are not doing what we could for new growth and trade promotion strategy for these nations.

Instead of proceeding in this fashion, we have supported several variations of the same theme—tying continuing U.S. support to the GCI to ongoing accountability of economic performace in the debtor nations. We proposed regular reporting and reauthorization checkpoints to chart the progress of the debtor nations with regard to reducing the debt burden for achieving sustainable and equitable economic growth as measured by:

(A) the reduction in the annual ratio of debt service to exports of such country,

(B) the increase in net resources flows into such country,

(C) the reduction in the ratio of the overall stock of indebtedness to the gross national product of such country,

(D) the increase in new investment within such country, and

(E) the growth in per capita income for the majority of the population of such country.

In the absence of imposing such objective measures, we fear the continuing claims of success for the current debt strategy, despite the clear economic evidence to the contrary. We believe that our approach met our goal of sending a clear and binding signal to the World Bank that the U.S. Congress believes a new direction is required on the debt/growth problem. There are many other potential solutions worthy of consideration. The key, however, is to end the role of the U.S. as a roadblock to the solution. In the absence of the needed change in approach, support for the full six-year GCI is irresponsible.

This issue is not going away. The IMF quota increase is expected to come before the Congress next year. Those of us who believe that it is the mission of the international development institutions to promote growth and development, not debt service, in the Third World ask: how many more billions of dollars in commitments will the Congress endorse before we call a halt to a failed debt strategy?

TABLE 2. PUBLIC AND PUBLICLY GUARANTEED DEBT OUTSTANDING AND DISBURSED [DOD], 17 HIGHLY INDEBTED COUNTRIES, 1978–86

[In billions of dollars]

	1978	1979	1980	1981	1982	1983	1984	1985	1986
Argentina	6.7	9.6	10.2	10.6	15.9	25.4	26.7	35.6	38.5
Bolivia	1.7	1.9	2.2	2.7	2.8	3.1	3.1	3.2	3.5
Brazil	30.2	35.6	40.2	44.9	50.5	59.8	70.3	73.9	82.5
Chile	5.6	4.8	4.7	4.5	5.3	6.9	10.8	12.9	15.1
Colombia	2.8	3.4	4.1	5.1	6.0	6.9	8.0	9.4	11.4
Costa Rica	1.0	1.3	1.7	2.2	2.4	3.2	3.3	3.6	3.6
Ecuador	2.2	2.6	3.3	4.3	4.0	5.5	6.7	7.1	7.9
Ivory Coast	2.8	3.7	4.3	4.5	5.1	4.9	5.1	5.9	6.5
Jamaica	1.1	1.2	1.4	1.7	2.1	2.4	2.6	2.9	3.0
Mexico	25.5	29.0	34.0	43.1	51.6	66.8	70.1	72.2	75.0
Morocco	5.1	6.2	7.4	8.1	9.1	10.3	10.6	12.8	14.6
Nigeria	2.4	3.3	4.2	6.3	9.1	12.2	11.7	13.0	21.5
Peru	5.4	5.9	6.2	6.0	7.0	8.6	9.6	10.5	11.0
Philippines	4.3	5.2	6.5	7.6	8.9	10.6	11.6	13.6	19.8
Uruguay	0.8	0.9	1.1	1.3	1.7	2.5	2.5	2.7	2.8
Venezuela	6.9	9.8	10.7	11.4	12.2	13.8	18.1	17.1	24.5
Yugoslavia	3.4	3.7	4.6	5.2	5.5	7.2	8.6	11.6	13.2
Total	107.9	127.1	146.8	169.6	199.2	250.0	279.6	308.0	354.4

Source: World Bank. World Debt Tables. 1984–85, 1985–86, and 1987–88 eds.

TABLE 3. RATIO OF PUBLIC AND PUBLICLY GUARANTEED DEBT OUTSTANDING AND DISBURSED TO GROSS NATIONAL PRODUCT [DOD/GNP], 17 HIGHLY INDEBTED COUNTRIES, 1978–86

[In percent]

	1978	1979	1980	1981	1982	1983	1984	1985	1986
Argentina	16.0	8.2	18.1	18.9	30.4	42.8	37.0	58.9	51.7
Bolivia	52.6	43.5	77.1	87.6	92.0	112.0	112.3	73.0	90.6

TABLE 3. RATIO OF PUBLIC AND PUBLICLY GUARANTEED DEBT OUTSTANDING AND DISBURSED TO GROSS NATIONAL PRODUCT [DOD/GNP], 17 HIGHLY INDEBTED COUNTRIES, 1978–86—Continued

[In percent]

	1978	1979	1980	1981	1982	1983	1984	1985	1986
Brazil	14.8	15.6	17.3	17.6	19.9	31.0	35.5	34.4	30.6
Chile	29.1	24.0	17.8	14.5	23.5	38.1	62.9	91.8	101.1
Colombia	12.2	12.2	12.3	14.1	15.7	18.2	21.7	28.4	36.6
Costa Rica	27.8	33.6	36.8	94.9	111.6	114.6	101.4	102.7	95.5
Ivory Coast	37.3	41.2	48.3	55.4	71.4	78.1	84.1	91.3	73.4
Ecuador	30.1	29.2	29.6	32.9	35.1	56.1	73.0	60.5	73.9
Jamaica	44.2	51.7	59.4	66.6	76.2	77.1	129.1	173.0	152.1
Mexico	25.3	22.1	18.8	18.7	33.3	50.2	43.5	42.7	61.8
Morocco	37.7	38.1	42.7	57.3	63.9	80.9	94.0	115.8	103.9
Nigeria	4.4	4.9	4.9	8.0	11.9	15.7	15.0	17.5	44.7
Peru	51.6	41.8	31.1	24.8	28.2	45.5	49.9	66.1	45.0
Philippines	17.8	17.4	18.5	19.8	22.7	31.1	36.8	42.7	65.8
Uruguay	15.8	12.8	70.7	73.0	100.9	170.3	184.8	202.4	173.3
Venezuela	17.4	20.1	18.0	17.1	18.4	21.2	37.7	36.3	51.1
Yugoslavia	6.2	5.3	6.3	7.4	8.7	15.4	19.4	25.1	20.4
HIC's	17.6	16.0	17.1	18.0	23.7	34.4	37.5	41.0	45.6

Source: World Bank. World Debt Tables. 1984–85, 1985–86, and 1987–88 eds.

Growth of production

	GDP (1980-86)
Philippines	−1.0
Morocco	3.3
Bolivia	−3.0
Zimbabwe	2.6
Nigeria	−3.2
Cote D'Ivoire	−0.3
Peru	−0.4
Ecuador	1.8
Colombia	2.4
Chile	0.0
Brazil	2.7
Mexico	0.4
Uruguay	−2.6
Yugoslavia	1.2
Argentina	−0.8
Venezuela	−0.9

Source: World Development Report 1988.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia [Mr. SWINDALL].

Mr. SWINDALL. Mr. Speaker, I rise in strong opposition to the amendment for a number of reasons.

First of all, we have heard a great deal of debate here about our responsibility to the world. Missing from that debate is our responsibility to the American taxpayers.

The gentleman from Indiana makes a very good point. We are obligating here $14 billion. That is important when you look at the next point that is made so frequently, and that is we have significant influence in terms of the World Bank. Nothing could be further from the truth.

The truth is that we vetoed or abstained from more than 70 loan applications, and every single one of those loan applications was subsequently approved over our veto or abstention.

Why is that important? Because of the third point. If you look at those loans, you will find that 13 loans were made to Ethiopia.

Why is that important? Ethiopia has a Government-sanctioned policy of human rights violations that includes murder. How can we be consistent with the policy that the House has taken vis-a-vis South Africa, where we say we will divest because of the far left, I think, significant human rights violations, and that is apartheid, and without in any way condoning apartheid, it certainly is nowhere near as violent as forced starvation, and yet here we are divesting from South Africa at the same time that we are subsidizing a government that kills people.

Read the Reader's Digest. Read virtually any of the information we have about what is going on in Ethiopia today, and do not turn your face from this. We are subsidizing them. When you make an injection of $14 billion and then turn around and watch what that Government is doing, you are subsidizing the forced starvation and massacre of millions of people.

How can we in good conscience do that? The answer is that we cannot. Vote against the amendment.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield the remainder of our time to the gentleman from Minnesota [Mr. FRENZEL].

The SPEAKER pro tempore. The gentleman from Minnesota is recognized for 1 minute.

Mr. FRENZEL. Mr. Speaker, I do not know where the $14 billion figure came from. Neither of the previous speakers that mentioned it indicated where it came from.

We are talking about a $70 million authorization which is to support a capital contribution of $420 million. That is the extent of the liability that is before the House in this motion.

The question about Ethiopia and other countries is an interesting one. They, however, borrow from the International Development Association. We are talking about the GCI, which is the regular loans. This will not be supporting loans to Ethiopia, either; so you can put those two thoughts out of your mind.

We are talking in our total foreign aid budget this year of about a half of 1 percent to progress the worthwhile programs of the World Bank. If we do not contribute, we will be with South Yemen, North Vietnam, Libya, Kampuchea, among a very tiny portion of the world which is not contributing.

Support the Obey amendment. It is very worthwhile.

Mr. HOUGHTON. Mr. Speaker, the so-called GCI or general capital increase for the World Bank should be accepted by this body. The point of my remarks is merely to reinforce the effective and more than that highly successful job the World Bank continues to do under the innovative leadership of our former colleague, Barber Conable.

I believe in the mission of the World Bank just as others before me did when it was created at Bretton Woods in 1944. I think particularly of Henry Fowler.

Its geographic focus has changed since then of course but its ongoing vitality has continued to mean a lifeline for those who without it might go under and in the process pull us with them.

This country, no matter what internal problems it tries to resolve, should never turn its back on the World Bank or its sister institution, the IMF.

Ms. PELOSI. Mr. Speaker, I rise in support of amendment 119. Chairman ST GERMAIN and Chairman FAUNTROY worked long and hard to craft the compromise on the general capital increase. I believe that they have responded to a very difficult problem in a productive and constructive manner. I would like to commend Chairman ST GERMAIN and Chairman FAUNTROY, Mr. WYLIE, and Mr. BEREUTER for their excellent work on crafting the compromise on the general capital increase.

Our participation in the World Bank allows the United States to continue its world leadership in international development policy and in seeking an overall solution to the debt crisis experienced by Third World countries.

Increased debt pressure drives these countries to exploit and deplete their natural resources, which are vital to their long-term economic stability. The authorization for the GCI includes language important to continuing our work and leadership to improve conservation efforts in these countries. The GCI language, which focuses on the concept of sustainable development, advances a change in policy from development priorities to environmental restoration that will ensure sustainable resource use.

The Sierra Club, which is headquartered in my district of San Francisco, supports the GCI language because the loss of tropical forests and other wild living resources are global concerns. Conserving and restoring these resources should be priorities for the international community. By taking these steps now, we can maintain our role in this community to preserve natural resources that lie out of U.S. territory, but whose destruction affects all of us.

I urge my colleagues to support amendment 119.

Mr. OBEY. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, I simply again want to repeat some facts in order to counter some of the fiction which we have heard on the floor today.

Again I repeat, what is at stake here in the World Bank is not $14 billion. It is $50 million, beginning with an "M", not $14 billion.

Second, the only question with respect to the World Bank which is really at stake is whether we are going to lead the Bank or whether we are going to see the leadership in that institution pass to other nations, such as the Japanese.

I would submit that the President made the judgment, and I agree with his judgment, that it is in the national interests of the United States for the United States, rather than some other country to lead that Bank.

In answer to the gentleman from Georgia who just spoke, again I ask Members to remember: this issue is not an issue of just the World Bank. What is at issue today is whether we are going to authorize $50 million for the World Bank and $14 billion for the rest of the world, including $80 million for a very seriously needed drug initiative. If we are going to do something about drug trafficking in this world, especially in this hemisphere, we need to have that money to spend in those countries to deal with that problem.

I would point out that if we are talking about protecting the taxpayer, I would simply point out that this bill is 20 percent below the levels we were spending on foreign aid in 1985. This House can take full credit for the fact that in the last 2 years we have cut billions of dollars out of the administration's foreign assistance request. We have made larger percentage cuts in foreign assistance than we have made in any other bill before this House.

☐ 1430

This House can take full credit for it and so can this subcommittee. Mr. Speaker, I urge a yes vote on the motion. It is the only way that we can responsibly fulfill our obligations.

The SPEAKER pro tempore (Mr. BRUCE). The question is on the motion offered by the gentleman from Wisconsin [Mr. OBEY].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I object to the vote on the grounds that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 303, nays 90, not voting 38, as follows:

[Roll No. 367]

YEAS—303

Ackerman
Akaka
Alexander
Andrews
Annunzio
Anthony
Aspin
Atkins
AuCoin
Baker
Ballenger
Bartlett
Bateman
Bates
Beilenson
Bentley
Bereuter
Berman
Bevill
Bilbray
Bliley
Boggs
Bonior
Borski
Bosco
Boucher
Boxer
Brennan
Broomfield
Brown (CA)
Bruce
Bryant
Bunning
Burton
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Cheney
Clarke
Clay
Clement
Clinger
Coats
Coble
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Costello
Coughlin
Courter
Coyne
Crockett
Darden
Daub
Davis (MI)
de la Garza
DeLay
Dellums
Derrick
DeWine
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Downey
Durbin
Dwyer
Dymally
Dyson
Edwards (CA)
Edwards (OK)
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Florio
Foglietta
Foley
Ford (MI)
Frank
Frenzel
Frost
Gallegly
Gallo
Garcia
Gejdenson
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hefley
Henry
Hertel
Hiler
Hochbrueckner
Horton
Houghton
Hoyer
Hughes
Hunter
Hyde
Inhofe
Ireland
Jeffords
Johnson (CT)
Johnson (SD)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lipinski
Lowery (CA)
Lowry (WA)
Luken, Thomas
Lungren
Madigan
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCrery
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Moakley
Molinari
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murtha
Natcher
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Panetta
Parris
Pashayan
Patterson
Payne
Penny
Pepper
Pickett
Pickle
Porter
Price
Pursell
Quillen
Rangel
Ravenel
Regula
Richardson
Ridge
Rinaldo
Robinson
Rodino
Rose
Rostenkowski
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schroeder
Schuette
Schumer
Sharp
Shaw
Shays
Sisisky
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (IA)
Smith (NJ)
Smith (TX)
Snowe
Solarz
Spence
Spratt
St Germain
Stenholm
Stokes
Stratton
Studds
Swift
Synar
Tauke
Thomas (CA)
Thomas (GA)
Torres
Towns
Traxler
Udall
Upton
Vander Jagt
Vento
Visclosky
Walgren
Watkins
Waxman
Weber
Weiss
Wheat
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates

NAYS—90

Anderson
Applegate
Archer
Armey
Badham
Barnard
Barton
Bennett
Bilirakis
Brown (CO)
Coleman (MO)
Combest
Craig
Crane
Dannemeyer
Davis (IL)
DeFazio
Dickinson
Dreier
Early
Eckart
Emerson
English
Gaydos
Gekas
Gingrich
Hammerschmidt
Hansen
Hefner
Herger
Holloway
Hopkins
Hubbard
Hutto
Jacobs
Jenkins
Kasich
Kolter
Lightfoot
Livingston
Lloyd
Lott
Lukens, Donald
Marlenee
Martin (IL)
Mollohan
Montgomery
Moorhead
Murphy
Myers
Neal
Nichols
Nielson
Packard
Pease
Perkins
Petri
Rahall
Ray
Roberts
Rogers
Roth
Russo
Schulze
Sensenbrenner
Shumway
Shuster
Slaughter (VA)
Smith (NE)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Staggers
Stallings
Stangeland
Stark
Stump
Swindall
Tallon
Tauzin
Taylor
Traficant
Valentine
Volkmer
Whittaker
Whitten
Yatron
Young (AK)
Young (FL)

NOT VOTING—38

Boehlert
Boland
Bonker
Boulter
Brooks
Buechner
Dowdy
Flippo
Ford (TN)
Gregg
Hayes (LA)
Huckaby
Jones (TN)
Kemp
Kolbe
Konnyu
Lujan
Mack
MacKay
McCandless
McCurdy
Mineta
Nagle
Nelson
Pelosi
Rhodes
Ritter
Roe
Schneider
Sikorski
Skaggs
Smith (FL)
Sundquist
Sweeney
Torricelli
Vucanovich
Walker
Weldon

☐ 1451

The Clerk announced the following pair:

On this vote:

Mr. Mineta for, with Mr. Boulter against.

Mr. STALLINGS and Mr. NEAL changed their vote from "yea" to "nay."

Messrs. DAVIS of Michigan, WEBER, HUNTER, BURTON of Indiana, HALL of Texas, and FIELDS changed their vote from "nay" to "yea."

So the motion was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

FEDERAL EQUITABLE PAY PRACTICES ACT OF 1988

The SPEAKER pro tempore (Mr. BRUCE). Pursuant to House Resolution 537 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 387.

□ 1453

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 387) to promote equitable pay practices and to eliminate discrimination within the Federal civil service, with Mr. KILDEE in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the committee of the Whole rose on Wednesday, September 28, 1988, section 4 was open to amendment at any point.

Are there further amendments to section 4?

The Clerk will designate section 5.

The text of section 5 is as follows:

SEC. 5. CONSULTANT.

(a) LIST OF QUALIFIED CONSULTANTS.—The Comptroller General of the United States shall prepare and, as soon as practicable after the Commission is established, submit to the Commission a list of at least 5 consultants which, on the basis of their impartiality, expertise, and experience, the Comptroller General considers appropriate to conduct the study under this Act. Selections under this subsection shall be made in accordance with the laws and regulations governing procurements by agencies generally.

(b) FINAL SELECTION.—The selection of a consultant to conduct the study under this Act shall be made by the Commission from among the consultants included on the list prepared under subsection (a).

AMENDMENT OFFERED BY MR. ARMEY

Mr. ARMEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ARMEY: Page 10, line 24, strike "5" and insert in lieu thereof "10".

Page 11, strike lines 5 through 8 and insert in lieu thereof the following:

(b) FINAL SELECTIONS.—The Commission shall select, from among the consultants included on the list prepared under subsection (a), at least 3 consultants to conduct the study under this Act. The functions of the consultants under this Act shall be performed by such consultants acting jointly.

Page 11, line 12, strike "consultant" and insert in lieu thereof "consultants".

Page 12, line 10, strike "consultant" and insert in lieu thereof "consultants".

Page 12, line 15, strike "ANT'S" and insert in lieu thereof "ANTS' ".

Page 12, line 17, strike "consultant, pursuant to its" and insert in lieu thereof "consultants, pursuant to their".

Page 14, line 15, strike "consultant's" and insert in lieu thereof "consultants' ".

Mr. ARMEY (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. ARMEY. Mr. Chairman, this is a relatively simple amendment. The amendment require that the Commission selects the consultant or consultants by which the study will be conducted rather than as the bill required having the Commission look at a population of 5 consultants and choosing from that population one singular consultant, we asked that the Commission look at a population of 10 consultants and choose from that population 3, to actually conduct a study.

Now, Mr. Chairman, the legislation is very precise in what kind of study is desired. That is a study that will first do job content analysis on those jobs that had been selected and identified to be historically dominated by one gender or one race and make comparisons among these jobs.

There is, of course, nothing scientific about the comparison of these alternative jobs and the effort to determine the comparable worth to society at large of these jobs. As a matter of fact the subjectivity of job content analysis is well documented.

In Minnesota, Iowa, Vermont, and Washington, for example, where they tried such studies, we have seen conflict. In Washington and in Iowa, secretaries were ranked above laundry workers and data entry operators, and in Minnesota and Vermont laundry workers and data entry operators were ranked above secretaries. Among these, data entry were ranked first in Minnesota but third in Iowa. In Vermont and Washington, data entry operators were ranked second. Photographers were valued more than twice as highly in Vermont as in Iowa and photographers in Minnesota were valued 25 percent more highly than in Iowa. In Minnesota, librarians were valued 30 percent more highly than in Vermont. In Vermont, liberarians were valued 20 percent more highly then Iowa. It is all complex.

Mr. Chairman, I am not going to belabor all of these inconsistencies. The point is made. The fact of the matter is I have always known that whatever job I am doing is more valuable to the community at large than whatever job anyone I know is doing, and every person I know knows the same. In fact, some of my friends are so misguided they think the job they are doing is more valuable than the job I am doing, and that is called subjectivity. The comparable work of different jobs will always be in the eyes of the beholder. Nevertheless, in this bill after this process of expressing subjective evaluation of the worth of alternative jobs, there must be a job content analysis.

There is then a second kind of study being asked for that is known under the euphemism "economic study". I have studied economics all my life and I do not know a reputable economist that would produce such an "economic study," then, suggests that once the subjective determination has been made, that people in occupations A, that is historically staffed by women, are doing work of comparable value to those people in occupations B historically staffed by men. They then evaluate that pay differential between the two occupations.

Now the long and short of that pay differential evaluation is that as they identify the "legitimate variables by which the pay differential may be explained," and then sort out, I suppose, with multiple regression analysis if in fact they are doing an economical analysis, I would expect that to be the methodology employed. What they did with a statistical data base, you could explain some of the wage differentials as you move along.

□ 1506

But obviously your power to explain would be only as complete as the number and the power of the variables that you are able to put in your model. Nobody, nobody who has tried to do this kind of study has ever contended that they could come up with a model that was so complete that it would have explained every bit of the variation of the salary.

Mr. BURTON of Indiana. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I yield to the gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. I think I have made the point. The fact of the matter is there is no way you can have a professional study here. Everybody understands that. The concept is simply not a concept that will accommodate to any degree of professionalism in the process and the people who do this and make a living doing it, understand the failures, and that is all right. As one of our experts said, this is acceptable as long as it is voluntary and part of the process. Another one has pointed out that as much as 40 percent of the differential cannot be explained by even the best models.

The problem that we have is there is a predilection in this legislation that says any unexplained differential must be discrimination. That would be like my saying any time that I suffer a deficiency in the vote count on a vote here that I cannot explain with some quasi-subjective model that I produced from my unbiased point of view as a minority Member, that that residual that is not explained by that model must necessarily be, then, blatant, mean-spirited politics.

Therefore, we must carry some kind of corrective measure in here to protect me from the mean-spirited politics that must be part of every vote because I so often lose the votes.

Now if I were to suggest such a thing in this body you would quite rightly call me curious at best and cranky at worst and ask me to go home and do my homework over again. Quite frankly, there is not enough homework that can be done to get this kind of procedure called for in this law to come anywhere near anything that can be responsibly called science or objectivity by any scholar, any place in the Nation that values their reputation.

With that, I would suggest if we are going to have a subjective process, let us have a larger population of subjective evaluators from which we can choose the three subjective evaluators to do the "study" and hopefully at least the process could benefit from a lively debate among the people who do the study and perhaps in that process you can sift some wheat from the chaff.

I thank the gentleman for yielding.

Mr. BURTON of Indiana. I thank the gentleman for his comments. I support the gentleman's amendment. I would just like to say that this study, as we have said before, is a biased study and it will lead to a comparable worth program for the people in the Federal Government. But that is just the tip of the iceberg. The goal is to have a comparable worth approach to the private sector as well, so that all jobs are equated one with another. It is going to cause all kinds of problems in the courts. We are going to have all kinds of bureaucrats, a huge bureaucracy created with this. The proponents of the bill know that.

I would just like to ask a rhetorical question and that is: Are we going to get to the point where we are going to be comparing basketball players like Larry Bird with Congressmen? He makes $2 or $3 million a year as I understand it. A lot of people in this body would say he should not make more than we do. But then there are others who say we should make a lot less because we waste a lot of time.

The fact of the matter is this is a very subjective study that you are proposing and you intend fully to take it beyond the Federal Government and out into the private sector. And everybody in the Chamber ought to be aware of that.

This is just the beginning; you are just getting the camel's nose under the tent. If you have your way with this, we are going to face a socialization of the workplace, I think, nationwide. I think that is the ultimate objective of the proponents of this bill.

Mr. ACKERMAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would just like to remind the gentleman that Larry Bird works at least 15 minutes per quarter.

Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I am really amazed at the arguments that have been put forth for this amendment by those who have been on the floor for the past several days opposing studies and their cost.

This amendment, by tripling the number of consultants would basically triple the cost of the bill.

The committee believes that the Comptroller General, after preparing extensive and analytical materials on pay equity discrimination studies for Congress is highly qualified to make recommendations to the Commission.

I believe that one consultant is sufficient to perform the study and I urge my colleagues to oppose the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. ARMEY].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BURTON of Indiana. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device; and there were—ayes 111, noes 285, not voting 35, as follows:

[Roll No. 368]

AYES—111

Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bentley
Bereuter
Bliley
Broomfield
Brown (CO)
Bunning
Burton
Callahan
Chandler
Cheney
Coats
Coble
Combest
Courter
Craig
Crane
Dannemeyer
Daub
Davis (IL)
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Emerson
Fawell
Fields
Gallegly
Gallo
Gekas
Gingrich
Goodling
Gradison
Grandy
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Houghton
Hunter
Hyde
Inhofe
Ireland
Jacobs
Johnson (CT)
Kasich
Konnyu
Kyl
Lagomarsino
Latta
Lent
Lewis (CA)
Lightfoot
Livingston
Lowery (CA)
Lukens, Donald
Lungren
Madigan
Marlenee
Martin (IL)
McCollum
McCrery
McEwen
McMillan (NC)
Michel
Miller (WA)
Molinari
Moorhead
Nielson
Oxley
Packard
Parris
Pashayan
Porter
Quillen
Roberts
Rogers
Schaefer
Scheuer
Schuette
Schulze
Shaw
Shumway
Shuster
Skeen
Slaughter (VA)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Stangeland
Stump
Swindall
Taylor
Thomas (CA)
Upton
Vander Jagt
Weber
Whittaker
Wortley

NOES—285

Ackerman
Akaka
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Bateman
Bates
Beilenson
Bennett
Berman
Bevill
Bilbray
Bilirakis
Boehlert
Boggs
Bonior
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clay
Clement
Clinger
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Costello
Coughlin
Coyne
Crockett
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Florio
Foglietta
Foley
Ford (MI)
Frenzel
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Hopkins
Hoyer
Hubbard
Hughes
Hutto
Jeffords
Jenkins
Johnson (SD)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (FL)
Lewis (GA)
Lipinski
Lloyd
Lowry (WA)
Lujan
Luken, Thomas
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McDade
McHugh
McMillen (MD)
Meyers
Mfume
Mica
Miller (CA)
Miller (OH)
Moakley
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Patterson
Payne
Pease
Pelosi
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Price
Pursell
Rahall
Rangel
Ravenel
Ray
Regula
Richardson
Ridge
Rinaldo
Robinson
Rodino
Roe
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schroeder
Schumer
Sensenbrenner
Sharp
Shays
Sisisky
Skelton
Slattery
Slaughter (NY)
Smith (IA)
Smith (NE)
Smith (NJ)
Snowe
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauke
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant

Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Walker
Watkins
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NOT VOTING—35

Alexander
Boland
Bonker
Boulter
Bryant
Buechner
Dowdy
Flippo
Ford (TN)
Frank
Frost
Gregg
Horton
Huckaby
Jones (TN)
Kemp
Kolbe
Lott
Mack
MacKay
McCandless
McCurdy
McGrath
Mineta
Nagle
Rhodes
Ritter
Schneider
Sikorski
Skaggs
Smith (FL)
Sundquist
Sweeney
Vucanovich
Weldon

□ 1527

The Clerk announced the following pair:

In this vote:

Mr. Boulter for, with Mr. Mineta against.

Messrs. SENSENBRENNER, MARTINEZ, and BERMAN changed their vote from "aye" to "no."

Mr. LATTA and Mr. COMBEST changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. JEFFORDS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise today in strong support of this legislation. The House has approved similar legislation by overwhelming margins in each of the past two Congresses.

H.R. 387 would simply call for a study of the Federal wage structure to determine if discrimination based on sex, race, or ethnic origin exists in the system. We already know that there are major differences between pay for male and female civil servants. On average, women working for the Federal Government are earning $11,000 less than men. A 1985 Government Accounting Office study found that black women working in the Federal civil service earned only 62 percent of what men earned.

Given these facts, it is totally appropriate to take steps beyond mere calculation of the wage differences. We need to assess the underlying factors that have caused the differences. Without further study, we can only guess at the causes.

We cannot afford to turn our backs on facts that give rise to seeming inequities. H.R. 387 is straightforward enough, it would simply collect the data that we need to make informed decisions about the Federal wage structure. I urge my colleagues to support passage of this legislation.

Mrs. COLLINS. Mr. Chairman, I move to stike the last word.

Mr. Chairman, I rise in support of the legislation.

Mr. Chairman, I stand before you today to express my strong support for H.R. 387, the Federal Equitable Pay Practices Act. This measure would provide for a study to determine whether and to what extent, pay and job classification in the Federal sector are affected by race, sex, and/or ethnicity. The study called for in H.R. 387 would look at those occupations where women and minorities are concentrated and access whether there is any relationship between the Federal classification and compensation system and the low wages paid for work performed by women and minorities. If any of those factors play a role in setting pay or establishing job classification, not only is it wrong, but it is also illegal and must be changed.

It is utterly outrageous that almost 25 years after passage of the Civil Rights Act, we must come to the floor and implore the House of Representatives to merely commission a study of race- and sex-based discrimination in the Federal work force. I don't know what upsets me more: the fact that the statistics on employment in the Federal Government are so grim or that the House refuses to acknowledge that the distribution and salaries of minorities and women employed in the Federal sector are in all likelihood sex- or race-based, or both. The facts are these:

While women represents 45 percent of the work force, they make only 65-68 cents for every dollar that men make.

Of the 2 million workers employed by the Federal Government, 40 percent are women. Yet, female workers are concentrated in the lowest eight grades while men are concentrated in the top five grades. As a result of past and present male-dominated classification and hierarchy, women in the Federal sector earn on the average approximately $12,000 less per year than their male colleagues.

In its 65 years of existence, the Federal pay and classification system has never been examined for unfair bias.

Clearly, at the very least, the Federal Government is not the role model it should be in setting an example for the Nation when it comes to equal employment rights or for equal pay for equal work. The Federal Government is a reluctant, recalcitrant, foot-dragger which lags far, far behind the States. I am very proud to say that my home State of Illinois is one of 20 States that has made adjustments in pay to correct pay inequity. Action on pay equity has been taken in 42 other States either through studies, collective bargaining with State employees, or in litigation, but we are just today struggling with whether there should be a commission to look into the matter. And you and I know what that means: It means there will probably be the passing of another three or four years before any real action in the form of equity in Government will be realized.

Pay equity is not a fad, and it will not just go away. On this matter, we have been dragging our feet since 1982, in the 97th Congress, when our distinguished colleague from Ohio, MARY ROSE OAKAR, brought this issue to our attention by conducting a series of hearings when she chaired the Subcommitee on Compensation and Employee Benefits.

I commend my colleague for her diligent efforts and urge this body to put the Federal Government in step with the rest of the Nation. The need has been established, the time is here, the action is today: let's leave a legacy in this 100th Congress of having begun to right the wrongs of pay inequity in our Federal pay system.

AMENDMENTS OFFERED BY MR. BURTON OF INDIANA

Mr. BURTON of Indiana. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendments offered by Mr. BURTON of Indiana: Page 10, strike line 20 and all that follows thereafter through page 11, line 8, and insert in lieu thereof the following:

SEC. 5. METHODOLOGY.

In order to carry out the purpose set forth in section 2(a)(1), the Commission shall review all studies conducted by the Office of Personnel Management, the General Accounting Office, and the General Accounting Office (whether jointly or separately) since January 1, 1975, which compare pay scales of occupations within the Federal Government, especially those which are dominated by a particular race, sex, or ethnic group, and which analyze and attempt to explain any disparities evident in those comparisons. In addition, the Commission shall include a review of any Office of Personnel Management studies which compare Federal pay scales with free market wages, again noting any disparities.

Page 11, strike line 9 and all that follows thereafter through page 12, line 4.

The CHAIRMAN. Without objection, the amendments will be considered en bloc.

Mr. BURTON of Indiana. Mr. Chairman, reserving the right to object, I did not hear that statement.

The CHAIRMAN. Without objection, the amendments will be considered en bloc.

Mr. BURTON of Indiana. What amendments, Mr. Chairman?

The CHAIRMAN. There are two amendments that were read. Does the gentleman want them considered en bloc?

Mr. BURTON of Indiana. As I understand it, I have 1 amendment here, Mr. Chairman.

The CHAIRMAN. The last part of the amendment does amend the next section and as such constitutes two amendments.

Mr. BURTON of Indiana. I stand corrected, Mr. Chairman.

The CHAIRMAN. Without objection, the amendments will be considered en bloc.

There was no objection.

☐ 1530

Mr. BURTON of Indiana. Mr. Chairman, for those who could not support the amendment of the gentleman from Texas which preceded this one because of the cost, I have good news for them. This one will reduce the cost.

This will reduce the costs of the study, and it should enable those Members to overcome their previous objections and support this amendment.

This amendment eliminates, Mr. Chairman, the contracting with a consultant for a study. It eliminates a mandated study based on the flawed comparable worth idea. In many hearings economic experts from State legislatures and business people have stated over and over again that comparable worth is a flawed concept.

In fact we had 30 studies, 30 studies, piled here on this desk yesterday, that I said would give me a hernia if I tried to carry them to the well, that state the same thing that I just stated.

It is well known by now that comparable worth studies conducted by different States have yielded completely different results. In one State a nurse is worth more than a chemist, but less than a social worker. In another State that same nurse is worth more than the social worker, but less than the chemist. How arbitrary can it be?

Yet we are proposing to lock in thousands of innocent employees to this study's definition of what their job is worth. Instead my amendment directs the Commission to review the studies which have already been done, over 30 studies by OPM, GAO, and CBO and independent agencies. These studies examine wages based on things we can measure like equal pay for equal work, like education, experience, seniority, and performance. They examine blue collar and white collar occupations separately, unlike this bill, because working conditions can be another factor in pay differentials.

As for any discrimination which may still exist, it cannot be proven by job content analysis. It can only be proven by real substantive differences in treatment of employees. And my colleagues know the Federal Government is sensitive to lawsuits and is continually working to eliminate that because they know that employees have recourse to the courts if they do not.

I feel this Commission can do an excellent job of assessing pay equity by using the resources at hand, like these many intensive studies, and should not rely on something as arbitrary as a comparable work study.

Mr. ACKERMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the amendment basically eliminates the Commission's ability to conduct a study. The amendment limits the staff available to the Commission, eliminates the Commission's authority to hire a consultant, eliminates the Commission's subpoena authority and deletes the entire section on methodology.

Mr. Chairman, this amendment will not result in a study of any value. The bill is designed to determine whether there is bias built into the system. The amendment will prohibit the commission from examining the pay and classification systems, and it will restrict the Commission to reviewing studies already published which do not address the question of discrimination.

Mr. Chairman, I oppose the amendment, and I urge my colleagues to do the same.

Ms. OAKAR. Mr. Chairman, will the gentleman yield?

Mr. ACKERMAN. I yield to the gentlewoman from Ohio.

Ms. OAKAR. Mr. Chairman, I thank the gentleman from New York [Mr. ACKERMAN], my chairman, for yielding.

Just very briefly the fact is, as has been mentioned, there are all the studies which were brought yesterday from 1970, and they do not address what we are trying to address.

Second, I think it is very important that we not be misled on this. This is a study relative to job content and economic analysis, and I want my colleagues, since many of them serve on the Committee on Veterans' Affairs, to understand what we are trying to do here, and the fact is that we have many, many job categories that are capped. There are over 2,000 nurses and nurses aides that we need for our veterans hospitals. They cannot get these people who are trained in this field to apply because of the artificial capping of the salaries. They can go right down the street to another hospital and make in some cases twice as much money, and so we are losing dedicated career employees to serve the veterans, among others, of this country.

So, Mr. Chairman, do not be fooled by all these buzz words relative to the language that is used relative to comparable worth. That is not the issue at all. The issue is we have not looked at the classification system in 60 or more years. It is about time that we did, and we have a shortage of certain fields, and one of the reasons we do is that we have not done an analysis to see where our needs are and to see whether or not we should upgrade some of the salaries.

Mr. Chairman, it is as simple as that.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. ACKERMAN. I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. Mr. Chairman, I would just like to emphasize what both of my colleagues have been saying. Of the 30 reports that the gentleman from Indiana [Mr. BURTON] has been talking about, none have looked at the Federal pay and classification system in the manner that we are talking here and in the manner the General Accounting Office is talking about.

Furthermore, even the Defense Department, when it has studied the pay of the Federal service versus the private service, shows that the Federal service is 26 percent behind.

So I think that any way we look at this that we are way off balance, and I would just hope that we could quickly defeat this amendment and get on to passage.

Mr. DELAY. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I yield to the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Chairman, I thank the gentleman from Texas [Mr. DELAY] for yielding.

Mr. Chairman, the gentlewoman from Colorado [Mrs. SCHROEDER] just indicated that there has been no study on this subject. I have before me a study that was completed in September 1987 entitled "Comparable Worth for Federal Jobs."

Now this study was done by OPM, Constance Horner as a Director, and I would just like to read, if I might, her remarks at the beginning of the study. She says:

> The following pages relate what we believe is a remarkable story about women and work in the federal government. This study tells of the tremendous occupational progress women in government have made and of their ability to compete and succeed in the work place. And it shows that the prognosis for the future is even more favorable.
>
> Within this context, the report also weighs the case for imposing "comparable worth" on the federal government's personnel system. The conclusions are clear: good intentions aside, the comparable worth "solution" will not provide positive results. Far from being the key to women's success, comparable worth is likely to retard or even reverse the great strides women are making.
>
> These observations are applicable not only to the federal government, but to all employers. The true key to women's occupational success depends on two fundamental factors: employers' guarantee of full equality of opportunity and women's own decisions concerning personal investment, career ambitions, and job preferences. Recognition of these facts promises the best future for women, their families, and the economy at large.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. Mr. Chairman, the fact of the matter is that a study was done just last year. This was one of the 30 studies I talked about yesterday, and many of them were very voluminous.

So, when the proponents of this legislation say time and again that no studies have been conducted, they are simply misleading those who are paying attention to the debate. There have been multiple studies. The most recent one on comparable worth for Federal jobs was concluded in September 1987, and, if the gentlewoman has not seen it, I will be glad to give her a copy.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. DELAY. Mr. Chairman, I would be glad to yield to the gentlewoman from Colorado [Mrs. SCHROEDER], but we seem to be running out of time because her side keeps objecting to the requests for time. So I have to give the gentleman from Indiana [Mr. BURTON] the time that he needs to make his point.

Mr. Chairman, I will be glad to yield to the gentlewoman from Colorado [Mrs. SCHROEDER] if there is any time left.

Mr. BURTON of Indiana. Mr. Chairman, this study, which was concluded last year by OPM, was very extensive, and yet the proponents of this legislation want to spend another $2.5 million for the 31st study which, I believe, is a waste of taxpayers' money.

Now I would like to ask a question, and I am sure that they are going to make a comment in a minute, so I would like to ask this question: Where are those funds coming from?

As I understand it, the budget for the Office of Personnel Management was reduced, and all of the funds that were appropriated for that Agency have already been spent or are already authorized for some project, so they are going to have to take $2.5 million out of current expenditures for this study, and that means they are going to have to lay some people off which is going to cost jobs.

My colleagues say they want to help people. It is going to cost jobs in the Office of Management and Personnel over there because there are no funds available for this study.

So, I am asking: Where are my colleagues going to get that $2.5 million unless we get an additional appropriations, which is not likely?

Mr. Chairman, the fact of the matter is my colleagues are going to take it from some other project that OPM has underway which is going to take away from what they are trying to accomplish and obviously going to take away jobs from that agency of Government. So, if my colleagues are proposing to help Federal employees in the workplace, would they explain why they are going to take away some jobs from OPM?

Mr. DELAY. Mr. Chairman, I now yield to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Chairman, let me just say that I guess the gentleman from Indiana [Mr. BURTON] has admitted that the other 29 studies were not on the point. Let me now direct myself to the 1 out of the 30 that he mentioned that he says did not cover it.

The gentleman from Indiana [Mr. BURTON] has obviously missed the conclusions. OPM said in its conclusion that there are more women in professional positions; we agree with that, in the Federal Government, but it also said that women still get paid on the average in the Federal Government only 69 cents for every dollar earned by men. Mr. Chairman, that is not our definition of "pay equity."

Furthermore, Mr. Chairman, I would like to put in the RECORD, which answers this perfectly, the letter from GAO which ends up in summary saying that OPM's report, which the gentleman is citing, does not provide comprehensive assessment of pay equity as an issue or satisfy the objectives of what this Congress is trying to do in this bill. It does not adequately address if there are pay differentials among Federal jobs in which work involves equivalent skills, efforts, or responsibilities——

Mr. DELAY. Mr. Chairman, reclaiming my time——

Mrs. SCHROEDER. Government Accounting Office, and that——

The CHAIRMAN. The time of the gentleman from Texas [Mr. DELAY] has expired.

Mr. ARMEY. Mr. Chairman, I rise in support of the amendment.

I yield to the gentleman from Indiana [Mr. BURTON], my friend.

Mr. BURTON of Indiana. Mr. Chairman, just briefly I would just like to say that it is a matter of conjecture whether or not this study meets the test of a competent study. The folks who are proponents of this legislation and want to spend $2.5 million on yet another study say that it is not worth the paper it is written on. Those of us who looked at it believe it is a comprehensive study and is worth—has merit, and so for that reason I think that the new study is a waste of taxpayers' money.

We have gone over this again and again and again for 30 times. This is a good study.

A moment ago the gentlewoman from Colorado [Mrs. SCHROEDER] said there was no study, current study that covered this. We proved that there was. Now she is trying to denigrate the study. The fact of the matter is that it is a good one, and we should live by it.

Ms. OAKAR. Mr. Chairman, will the gentleman yield?

Mr. ARMEY. If the gentlewoman will do so quickly so that I can have some of my own time.

Ms. OAKAR. Mr. Chairman, will the gentleman from Indiana [Mr. BURTON] repeat the title of the study?

Mr. BURTON of Indiana. The title of the study is "Comparable Worth for Federal Jobs."

Ms. OAKAR. Mr. Chairman, I thought the gentleman from Indiana said he was not for comparable worth studies.

I thank the gentleman from Texas [Mr. ARMEY] for yielding.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. ARMEY. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, I am not for an additional study on comparable worth. It is a waste of taxpayers' dollars. At the behest of many of the folks on that side of the aisle this study was completed last year. It has been done. We do not need to do it again.

I thank the gentleman from Texas [Mr. ARMEY] for yielding.

□ 1545

Mr. ARMEY. Mr. Chairman, I would like to kind of go back to base one for a moment. If there is discrimination against individual Americans, either within or outside the official actions of the Federal Government, it is not acceptable behavior. We have laws on the books that prohibit such behavior. I, for one, believe those laws should be fully enforced.

On the other hand, I do not accept that in lieu of dedicating our energy and our resources to the full enforcement of the laws that protect the rights of individual American citizens that we should divert our attention and our resources and our political and legislative energies to an alternative that may in fact do nothing to help them and could possibly make it worse, and to do so by making a Federal case out of one statistic is particularly difficult for me to accept.

Now, I continue to hear the infamous 69 percent of male earnings figures cited, but the fact of the matter is there has been ample study and there has been ample testimony that is totally disregarded here that explains that as you account for the different behavioral patterns among men and among women by virtue of their free and voluntary choices that this 69-percent pay differential is explained, not in terms of discrimination against these individuals, but in terms of their free exercise of their rights to make those choices with respect to occupations that best fit them and their families' needs.

I know that is hard for people to understand. It is often hard for me to understand why seemingly intelligent and responsible people will make choices different than what I would make if I were them, but that is what makes us different as individuals.

Now, the fact of the matter is if you take the 69-percent pay differential and if you account for the differences in the number of hours worked, the differential is substantially reduced, because men tend to work more hours on the job than women do, freely and voluntarily. If you make a comparison between married women and married men, aside from single women and single men, you account for more of the differential and it continues to be reduced.

If you take into consideration age, again the differential between young men and women is not as high as that between older men and women. If you take into consideration numbers of months of uninterrupted work, again women more often than men freely and voluntarily take absences.

So I would love to see us go forward with this debate, but I would hate to see that we predicate such a debate on something as superficial as this 69-percent pay differential. It just simply is not something that we should make a Federal case of.

Mrs. MORELLA. Mr. Chairman, I move to strike the requisite number of words.

I just want to quickly respond. I do not know where the gentleman gets these wild notions about men working longer hours than women, women not being as dedicated to the job, the age differential. This indicates the absolute need for a study of this nature so that we can see what is happening in the Federal work force.

Mr. ARMEY. Mr. Chairman, will the gentlewoman yield?

Mrs. MORELLA. For a moment, I yield to the gentleman from Texas.

Mr. ARMEY. I get these figures from a study called "Male and Female Differences in Work Experience, Occupation and Earnings," August 1987, from the Bureau of Census, Dr. June O'Neal; also in a study called "Comparable Worth Issues for the Eighties," a consultant for the U.S. Commission on Civil Rights. These are from official studies.

Mrs. MORELLA. Then that shows there is a need for a real study to be done with a consultant and with people on a Commission that have some expertise who will truly objectively look into this situation.

As a matter of fact, we keep talking about, as we did yesterday, maybe it was the day before, because this seems to be dragging on so long, we did talk about the distinction between a pay equity study and comparable worth and the fact that we are talking only about the Federal work force and the fact that there has been no job classification as such since 1925; so it is time to move on with this bill, which has been before this body before I was elected, to just vote it up or down on its merits, and I think it is meritorious, and not to come along with these delaying tactics of dilatory amendments being offered.

Mr. ARMEY. Mr. Chairman, will the gentlewoman please yield?

Mrs. MORELLA. I yield to the gentleman from Texas.

Mr. ARMEY. Mr. Chairman, I appreciate the gentlewoman yielding to me.

I have to say quite frankly that I do not relish being here today in this discussion any more than does the gentlewoman. I would like to be home with my wife, quite frankly; but nevertheless, the thing that bothers me, if the gentlewoman will continue to yield, maybe I will try another tack.

If we are going to have objective public choice analysis on the basis of which we make public policy, we must be willing to take a data base that is objective, that is scientific. Certainly the Bureau of the Census should have some credibility, and at least acknowledge that these sources of information are valuable to us. If we cannot accept the Bureau of Census testimony, how then will we be able to redistrict this United States to draw new congressional districts and come back to work after 1990? Certainly the Bureau of Census must be of some value by way of providing some data base by which we can make decisions.

If on the other hand the only data base that we can find acceptable are the ones that support the conclusions to which we are driving, then of course the thing to do would be to go out and manufacture your own data base from the beginning, disregarding the Bureau of Census, and save the taxpayer all that money.

I thank the gentlewoman for yielding.

Mrs. MORELLA. Mr. Chairman, I think the gentleman's argument is specious at best and faulty in reality. We need to look at the complete data base of the Federal Government.

Mr. BILIRAKIS. Mr. Chairman, I move to strike the requisite number of words.

Hitchhiking upon that, Mr. Chairman, I would ask the gentlewoman from Maryland, what is wrong with this study as against what the gentlewoman is now a proponent of? The reason I would ask that is because a couple years ago when we addressed this particular issue, I supported it because I feel very strongly, I have felt all along very strongly, that there are adequate laws on the books to take care of these problems and that a study would help to determine whether there are in fact adequate laws and whether some of them need to be improved or strengthened or whatever the case may be.

Now I find out, and frankly I was not aware of it, that there has been a comparable worth study conducted, and it is called "Comparable Worth," as a matter of fact, even though up to now we supposedly have talked about pay equity and we do not want to use those words.

So I would ask the gentlewoman, what is the distinction and what is wrong with it?

Mrs. MORELLA. Mr. Chairman, if the gentleman will yield, first of all, I want to clarify that comparable worth is different from pay equity. We are not comparing with jobs in the private sector. We are not comparing the statistics of other jobs.

We other looking at classifications, and this has not formally been done. I scanned that book, too, and it is kind of a little synopsis of some categories, but it is not a thorough analysis that was done, including minorities and ethnics.

What this simply would do is say we get a good consultant, that the Commission looks at it, they do a study.

The job classification has not truly been reviewed in a thorough fashion, in an objective fashion, really since 1925.

As we mentioned earlier in our statements, at that time 5 percent of the work force were women. We know now they comprise like 49 percent of the work force.

We also know that they are in the lowest categories, that is grades 1 through 6.

Now, does that not say to us that it is time for us as the people who care about those who make Government run, namely, our Federal employees, that we take a look at it once and for all? It obviously is a topic that all of you cared about, and I am glad the gentleman voted for it before and I hope the gentleman will again, because it is not comparable worth. It would be a thorough study and it would be advisory in nature. I see no problem with it. I think it is very simple.

Mr. BILIRAKIS. I admire and respect the gentlewoman greatly, as she knows, but first of all, we talked about a comprehensive study and then we leave out the congressional employees and the congressional staffs. If we are getting any complaints, frankly, it is from those people and not so very much, I do not think, from the rest of the Government classifications and what not.

Mrs. MORELLA. We are hoping that another bill will come to the floor that will do that.

Mr. BILIRAKIS. I understand there may be another bill.

Mrs. MORELLA. We do not have jurisdiction over the Congress in those committees.

Mr. BILIRAKIS. I would ask the gentlewoman, and afterwards if I have any time remaining I will be glad to yield to the gentlewoman to explain to me that there will be additional legislation coming on, and I wonder how much more legislation we have ahead of us as far as this matter is concerned.

I would ask, what if a study were to come back under the provisions of this piece of legislation and the gentlewoman is not completely satisfied with that study, are we then going to throw up our hands and say that everything is equal and there is no problem with comparable worth, or are we just going to ask for an additional piece of legislation in addition to the study.

Mrs. MORELLA. If the gentleman will yield further, no, no. You see, the beauty of this is that a study will be done. We will know the situation once and for all, but it is advisory. That is what makes it so simple and so appropriate at this time. It is strictly advisory. We look at it. It goes to the President. The President sends it to Congress and then Congress in its wisdom makes a determination about whether there is need for any change. It goes through the whole legislative process. So it is really advisory so that we know where we are.

Mr. BILIRAKIS. And the gentlewoman would say that Congress does not have enough wisdom or there is not enough wisdom in this particular study here for us to make a decision whether or not there is adequate pay equity in the Federal Government?

Mrs. MORELLA. Yes, that is what I am saying.

Ms. OAKAR. Mr. Chairman, will the gentleman yield?

Mr. BILIRAKIS. I yield to the gentlewoman from Ohio.

Ms. OAKAR. Mr. Chairman, I always appreciated the fact that the gentleman voted for the study the last time and I wanted to just take a minute to explain a few things.

We just saw a wonderful launch of NASA today. Many Federal employees are responsible, as the gentleman will agree, for the success of that launch and we are proud of it.

NASA has come in with the recommendation of the OPM to change the wage scales of many of their employees, so they take one agency and change those wage scales.

The CHAIRMAN. The time of the gentleman from Florida has expired.

(At the request of Ms. OAKAR, and by unanimous consent, Mr. BILIRAKIS was allowed to proceed for 30 additional seconds.)

Mr. BILIRAKIS. Mr. Chairman, I yield to the gentlewoman from Ohio.

Ms. OAKAR. We have another situation, Mr. Chairman, where OPM arbitrarily changed the wages of certain people who are Federal employees who work in Washington, DC; not Baltimore, not Boston, not Cleveland, not the gentleman's area in Florida or other areas, just those employees. They do it piecemeal.

The fact is at the whim or pressure of various agencies, that is what has happened. What we really need to do is take a comprehensive look at where we are. We have never done that. That is why we have a shortage of nurses.

It is not necessarily that concept. That study only addresses the upper echelon of women who are in the Federal work force. It does not address why we have a shortage of nurses, secretaries, and others.

□ 1600

That is the problem that we are doing it piecemeal and we are not doing it comprehensively. As a result, it is very, very faulty.

The CHAIRMAN. The time of the gentleman from Florida [Mr. BILIRAKIS] has again expired.

(By unanimous consent, Mr. BILIRAKIS was allowed to proceed for 30 additional seconds.)

Mr. BILIRAKIS. Mr. Chairman, I would say to the gentlewoman that we all know that the pay scales for nurses are inadequate. We all know that. All we have to do is go, as I did, to Denver a few days ago and walk into the military hospitals and into the veterans' hospitals and see where the problem might lie. I do not know that we necessarily need a study.

Having worked in the aerospace industry as an engineer long before even dreaming of going to Congress, I would say that there may be some merit to that particular agency possibly determining what is best for their employees in terms of pay as against maybe another agency in the Federal Government. There may be some merit there. I should think we would take that into consideration.

Ms. OAKAR. Mr. Chairman, will the gentleman yield?

Mr. BILIRAKIS. I am happy to yield to the gentlewoman form Ohio.

Ms. OAKAR. Mr. Chairman, we are not just talking about engineers though.

Mr. BILIRAKIS. I appreciate that.

Ms. OAKAR. We are talking about clerks; we are talking about people who are mechanics and so on.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Indiana [Mr. BURTON].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BURTON of Indiana. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 106, noes 289, not voting 36, as follows:

[Roll No. 369]

AYES—106

Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bentley
Bilirakis
Bliley
Bunning
Burton
Callahan
Chandler
Cheney
Coats
Coble
Combest
Coughlin
Courter
Craig
Crane
Dannemeyer
Daub
DeLay
Dickinson
DioGuardi
Dreier
Edwards (OK)
Emerson
Fields
Gallegly
Gallo
Gekas
Gingrich
Gradison
Grandy
Hall (TX)
Hammerschmidt
Hansen
Hastert
Hefley
Herger
Hiler
Holloway
Hopkins
Houghton
Hunter
Hutto
Inhofe
Ireland
Kasich
Konnyu
Kyl
Latta
Leach (IA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Marlenee
Martin (IL)
McCollum
McCrery
McMillan (NC)
Miller (OH)
Miller (WA)
Moorhead
Myers
Nielson
Oxley
Packard
Quillen
Regula
Rogers
Roth
Saxton
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Skeen
Slaughter (VA)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Spence
Stangeland
Stenholm
Stump
Swindall
Tauke
Taylor
Upton
Vander Jagt
Walker
Weber
Wilson
Wortley
Young (FL)

NOES—289

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Bateman
Bates
Beilenson
Bennett
Bereuter
Berman
Bevill
Bilbray
Boehlert
Boggs
Bonior
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clay
Clement
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Costello
Coyne
Crockett
Darden
Davis (IL)
Davis (MI)
DeFazio
Dellums
Derrick
DeWine
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fish
Flake
Florio
Foglietta
Foley
Ford (MI)
Frank
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Gordon
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Henry
Hertel
Hochbrueckner
Hoyer
Hubbard
Hughes
Hyde
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lagomarsino
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Livingston
Lloyd
Lowry (WA)
Luken, Thomas
Madigan
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McEwen
McGrath
McHugh
McMillen (MD)
Meyers
Mfume
Mica
Michel
Moakley
Molinari
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)

Owens (UT)
Panetta
Parris
Pashayan
Patterson
Payne
Pease
Pelosi
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price
Pursell
Rahall
Ravenel
Ray
Richardson
Ridge
Rinaldo
Roberts
Robinson
Rodino
Roe
Rose
Rostenkowski
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Schaefer
Scheuer
Schroeder
Schuette
Schumer
Sharp
Shays
Sisisky
Skelton
Slattery
Slaughter (NY)
Smith (IA)
Smith (NE)
Smith (NJ)
Snowe
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauzin
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whittaker
Whitten
Williams
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)

NOT VOTING—36

Boland
Bonker
Boulter
Bryant
Buechner
Clinger
de la Garza
Dowdy
Flippo
Ford (TN)
Frenzel
Frost
Gregg
Horton
Huckaby
Jones (TN)
Kemp
Kolbe
Lott
Mack
MacKay
McCandless
Miller (CA)
Mineta
Nagle
Rangel
Rhodes
Ritter
Schneider
Sikorski
Skaggs
Smith (FL)
Sundquist
Sweeney
Vucanovich
Weldon

☐ 1620

The Clerk announced the following pair:

On this vote:

Mr. Boulter for, with Mr. Mineta against.

Mr. ROWLAND of Georgia and Mr. TORRES changed their vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there further amendments to section 5?

The Clerk will designate section 6.

The text of section 6 is as follows:

SEC. 6. STUDY REQUIREMENTS.

(a) Methodology.—In order to carry out the purpose set forth in section 2(a)(1), the Commission shall provide, by contract with the consultant selected under section 5(b), for the conduct of a study under which job-content analysis and economic analysis shall be applied with respect to a representative sample of occupations in which either sex is numerically predominant, any race is disproportionately represented, or either ethnic group is disproportionately represented.

(b) Comparisons.—In performing the study, comparisons shall be made—

(1) both within the same system (as referred to in section 2(a)(1)) and between the respective systems (as so referred to); and

(2) both on an intra-agency and on an inter-agency basis.

(c) Appointments and Promotions.—Under the contract, the consultant shall also be required to perform a separate study to carry out the purpose set forth in section 2(a)(2).

The CHAIRMAN. Are there amendments to section 6?

The Clerk will designate section 7.

The text of section 7 is as follows:

SEC. 7. REPORTING REQUIREMENTS.

(a) Deadline.—The Commission shall, not later than 18 months after the date of its establishment, submit to the President and each House of Congress—

(1) a copy of a report which shall be prepared by the consultant selected to perform the study under this Act; and

(2) comments of the Commission relating to such report.

(b) Information to be Provided in Consultant's Report.—Included in the report referred to in subsection (a)(1) shall be a detailed statement of the findings and conclusions of the consultant, pursuant to its study, with respect to differentials in rates of basic pay between or among occupations compared on the basis of sex, race, and ethnicity, including—

(1) a list of any groups of occupations with respect to which differentials were found although the work performed in the respective occupations comprising any such group involved skills, effort, responsibilities, qualification requirements, and working conditions which, while not identical, were equivalent in totality;

(2) such study shall include and measure the impact on wages in occupations as defined in section 10(3) which have been negotiated under collective bargaining agreements;

(3) the extent to which any differentials identified under paragraph (1) can be accounted for by the application of job-content and economic analyses; and

(4) the extent to which any differentials identified under paragraph (1) cannot be accounted for by the application of job-content and economic analyses.

The consultant shall also report any findings and conclusions of its study relating to appointment and promotion practices of the Government.

(c) Commission Comments.—(1) Included under subsection (a)(2) shall be recommendations by the Commission concerning appropriate measures for eliminating any differentials under subsection (b) if, and to the extent that, such differentials cannot be accounted for by the application of job-content and economic analyses.

(2) The Commission shall identify which (if any) of the measures under paragraph (1) may be carried out pursuant to any authority available under existing law, and shall make recommendations for any legislation or administrative action needed to carry out the other measures under such paragraph.

(3) The Commission may not make any recommendation under this Act which involves a reduction in any rate of pay or grade.

(4) Also included under subsection (a)(2) shall be the Commission's determination as to whether any portion of any differential identified under subsection (b)(1) which cannot be accounted for by the application of job-content and economic analyses may be inconsistent with the general policy expressed in section 2(a)(1) that sex, race, and ethnicity should not be among the factors considered in determining any rate of pay.

(d) Additional Requirement.—The Commission shall furnish a copy of the consultant's report, together with the Commission's comments, to each appointing authority in the legislative branch of the Government.

The CHAIRMAN. Are there amendments to section 7?

The Clerk will designate section 8.

The text of section 8 is as follows:

SEC. 8. CONSTRUCTION; ADVISORY NATURE OF STUDY.

(a) Nothing in this Act shall be construed to limit any of the rights or remedies provided under the Civil Rights Act of 1964, section 6(d) of the Fair Labor Standards Act of 1938, or any other provision of law relating to discrimination on the basis of race, color, religion, sex, national origin, handicap, or age.

(b) Advisory Nature.—The consultant's study and any findings, conclusions, recommendations, or comments by the consultant or the Commission under this Act with respect to such study shall be considered to be of an advisory nature only.

AMENDMENT OFFERED BY MR. FAWELL

Mr. FAWELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Fawell:

On page 15, after line 5, insert the following:

(c) None of the procedures used in this Act to arrive at the findings, conclusions, and determinations thereunder shall be used in construing Congressional intent under title VII of the Civil Rights Act of 1964 or section 6(d) of the Fair Labor Standards Act.

Mr. FAWELL. Mr. Chairman, I know that we have had a number of amendments. I have waited patiently to present this one. I think that it is important.

This amendment, in effect, states that the comparable worth procedures, or if you want to call it something else that is all right with me, but the procedures of this bill should not be construed to mean that Congress intends that such a comparable worth procedure, or whatever the name may be, may otherwise be used in lawsuits as a procedural remedy against private employers to prove violations under the 1964 Civil Rights Act or under the Fair Labor Standards Act.

Mr. ACKERMAN. Mr. Chairman, I ask to reserve a point of order.

The CHAIRMAN. The gentleman from New York is tardy in his reservation. The gentleman from Illinois [Mr. Fawell] is recognized.

Mr. FAWELL. Mr. Chairman, there has been a point of order?

The CHAIRMAN. The Chair has stated that the gentleman from New York was tardy in his reserving the point of order.

Mr. FAWELL. Mr. Chairman, my argument here may be a bit difficult, but I urge Members to listen carefully to it. This bill does provide methodology or procedures using the comparable worth concept. That is, coming up with pay-rate differentials of unlike occupations, of finding that there is equivalency in totality of these occupations and differentials are not explained by job content and economic analysis. So that it is a concept or procedure that is used to determine if the position classification system and the prevailing rate system of the U.S. Government is inconsistent, that is to say whether or not it is violative of the 1964 Civil Rights Act.

Mr. Chairman, if this is only a study, as the sponsors have said, and I believe they are sincere when they say that, and if there is no effect on any other law in any way, as the sponsors have said, then you really have nothing to fear in regard to this particular amendment.

I want to emphasize I am not talking about findings of the commission or conclusions which under section 8(b) are clearly advisory and not binding on the U.S. Government.

So hopefully the U.S. Government will not, as a legal matter, be deemed bound by these findings, but I am referring you to section 7(c)(3) which states that any portion of any differential in rates of pay between two unlike occupations may be inconsistent and violative of the Civil Rights Act of 1964 or section 6(d) of the Fair Labor Standards Act.

So I am talking, Mr. Chairman, about the procedures here, or you might say the remedies set forth here, the comparable worth remedies authorized in this bill by Congress to prove discrimination of perhaps sex, race, or ethnicity under the Civil Rights Act and under section (6)(d) of the Fair Labor Standards Act.

Now Congress, in its wisdom, may opt for the comparable worth procedures to show discrimination under the Civil Rights Act or the Fair Labor Standards Act exists in the U.S. Government position classification system and in the prevailing system. But I believe that it is paving a way for a suit on that same procedural basis under the Civil Rights Act.

My point even more importantly is that this should not be construed to mean that Congress intends that such a comparable worth procedure may be otherwise used against private businesses as a remedy to prove violations of the Civil Rights Act.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

(By unanimous consent, Mr. Fawell was allowed to proceed for 2 additional minutes.)

Mr. FAWELL. Mr. Chairman, I realize the State of Washington case is done and over with, an appellate court decision has been made, not the U.S. Supreme Court, but Judge Kennedy said in that case nothing in the language of title VII or its legislative history indicates Congress intended to abrogate fundamental economic principles, such as the laws of supply and demand, if in effect, in order to determine if a charge of discrimination exists under the Civil Rights Act.

□ 1630

By this bill and putting in this legislative history of title VII, and that is what we are doing, that Congress now believes that by using these comparable worth procedures one can prove violations of discrimination under the Civil Rights Act, I believe opens up the possiblility that, indeed, this will be used as a remedy against private businesses, indeed against the U.S. Government. But I am more concerned about private business and that that remedy will be used.

The amendment does nothing more than to say that nothing in this bill will be construed to create that kind of a presumption of intent by Congress in reference to construing the Civil Rights Act of 1964 and section 6(d) of the Fair Labor Standards Act. I would hope that perhaps you could accept this amendment because again I repeat that if this is only a study, and I believe you when you say that that is your intent, and I believe you when you say you do not mean to in any way mess up any other laws or the constructing of any other laws, then you can easily accept this and we do not have to be concerned that in any way we are messing up the legislative history of title VI or the Civil Rights Act of 1964 or section (d) of the Fair Labor Standards Act.

Mr. FORD of Michigan. Mr. Chairman, I move to strike the last word.

Mr. FORD of Michigan. Mr. Chairman, I do not rise to oppose the amendment because I do not understand it. Frankly, when I first looked at it I thought that it would be subject to a point of order but I looked at it late in the process, because if it meant anything it would affect the enforcement of title 7 of the Civil Rights Act of 1964 or of section 6(d) of the Fair Labor Standards Act; on further reading it does not appear to affect the enforcement of them. As a matter of fact, it does not appear to do anything.

The gentleman's concern arises out of first setting up the strawman of some kind of a presumption coming out of the procedures used in this act to arrive at the findings, conclusions and determinations thereunder, and then he knocks it down with the amendment. He creates something that does not exist and then knocks it down.

Frankly, there is some risk in this that I would not commit to support in conference, but at this point I do not think it does anything and I would respectfully recommend that the committee not oppose the amendment, if we can get by without taking another vote.

Mr. FAWELL. Mr. Chairman, will the gentleman yield?

Mr. FORD of Michigan. I yield to the gentleman from Illinois.

Mr. FAWELL. I thank the gentleman for yielding.

Mr. Chairman, may I respectfully suggest that if, as the chairman of the committee has stated, it creates something that does not exist or that you do not think it does anything, then this amendment could not hurt in any way. My main point is just to simply make it crystal clear that what we are trying to do is use these procedures in order to have the study in reference to the pay rate programs of the U.S. Government.

It is not meant to influence any other case law or any other statutory law, that we are trying to simply use these procedures in order to have the kind of a study you want to have for this particular bill.

Mr. FORD of Michigan. Reclaiming my time, I have to observe to the gentleman that the bill that we have before us does not change any substantive law. It does not provide for anything accept a commission to contract with appropriate experts to conduct a study which is nothing more than that when it is through. And then, presumably our committee and the committee on the Senate side, if they are impressed by anything they find in the study, will proceed to address whatever problems the study reveals.

So that the gentleman's concern that this law does not amend any other law is a nullity, because this law, this does not provide for anything except the taking of a study.

I might point out to the gentleman something I observed privately to a number of Members on the other side, and it does not seem to impress them, that there is nothing to prevent our committee from contracting for this study now except that we feel that if you had a balanced commission picking out the contractor, it might have more validity with the doubting Thomases in both bodies than it would if my committee did it.

We can do everything that this study talks about. As a matter of fact we can bring you legislation that you vote up or down on pay raises for people that we already know are not being handled properly. We did not choose to do that. We have tried to take the more responsible approach which parallels very much what Mr. Taylor and I worked out when we worked on your pensions and these people's pensions; we hired outsiders because we did not think a whole lot of people would believe what we said or OMB said or what OPM said about what ought to be done.

Mr. FAWELL. I think I have not completely made myself clear. But when the gentleman says that it does not change substantive law and that it is only a study, I say then you have nothing to fear about this amendment. And when the gentleman says that I have created something and then I try to knock it down, I respectfully submit I have not.

If you will look at section 7(c)(3) it clearly sets forth the methodology. It basically says if you find the differentials in pay rates of unlike occupations then you have more or less an expert opinion that these two occupations are equivalent in totality, then if you do not, by a job content or an economic analysis have an explanation of why these differentials in rates of pay exist, then the result is discrimination and discrimination which is inconsistent with the Civil Rights Act. That is set forth right there in section 7.

My fear, you see, is not substantive law, my fear is that we are creating a procedure, a remedy, a procedural law that goes into the history of the Fair Labor Standards Act and the history of the Civil Rights Act so that any court in the future construing this will say, "Well, Congress has seen fit that this kind of proof, that is the differentials in unlike occupations"——

The CHAIRMAN. The time of the gentleman from Michigan [Mr. FORD] has expired.

(By unanimous consent, Mr. FORD of Michigan was allowed to proceed for 3 additional minutes.)

Mr. FORD of Michigan. If I understand what the gentleman is saying, he is referring to section 7(c)(3) "The commission may not make any recommendation under this act which involves a reduction in any rate of pay or grade." Is that the part the gentleman is talking about?

Mr. FAWELL. Yes, section (c)(4). Under section (c)(4) the commission has a right to reach a conclusion that there are differentials in pay rates of two unlike occupations, let us say a typist and a truck driver. They can then also make a determination that these two occupations are equivalent in totality which to me sounds like comparable worth but I will not argue the point. They then go on to say that if you cannot explain these differentials by the job content and economic analysis, then indeed you have a right to make a decision that it is violative of the Civil Rights Act and also of section 6(d) of the Fair Labor Standards Act, that it is inconsistent with those acts.

Now my only fear—and I may not be correct on this—but I think I have a very reasonable basis for fear on this point and other constitutional lawyers have sensed that, all I am saying is let us make it clear that because we have used this kind of a procedure, which you are free to use—no one is even questioning that—but let us make it clear that when we use this procedure, when Congress condones the use of that procedure as far as the Federal Government is concerned and when we hook it up to that violation, possibly, that can be found under the procedures of this act, of the Civil Rights Act, that we make it clear that we do not intend to in any way imply that aside from authorizing it be done here, it does not affect the construction or the intent of Congress in regard to what procedures may be used under the Civil Rights Act or under section 6(d) of the Fair Labor Standards Act.

Mr. FORD of Michigan. As the gentleman explains it now it clearly is nongermane to this bill because this bill is not intended in any way to amend anything connected with either the Civil Rights Act or the Fair Labor Standards Act.

For that reason I do not think it does anything. But the further you explain it, the more it concerns me because it seems like you are aware of some legal theory that we are not aware of. I did not know, for example, that section (6)(d) of the Fair Labor Standards Act applied to civil service employees. It applies clearly to employees of private employers of sufficient size to be covered under the Interstate Commerce Commission.

Since the Fair Labor Standards Act is an extension of our authority under the clause of the Constitution, I do not see how it applies to these people.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. FORD] has again expired.

(By unanimous consent, Mr. FORD of Michigan was allowed to proceed for 2 additional minutes.

Mr. FORD of Michigan. What I am trying to get at is a simple one-line statement of what it is the gentleman wants us to agree to. The gentleman had it when I stood up here to accept it; now you have got me confused.

Mr. FAWELL. Mr. Chairman, has the gentleman indicated he could possibly accept the amendment?

Mr. FORD of Michigan. Yes, if the gentleman goes back to his original explanation of what he is trying to do.

Mr. FAWELL. I am sorry if I have not made it clear.

I am sure it is my deficency in that regard. But what I am saying is that the procedures set forth——

Mr. FORD of Michigan. To carry out this study——

Mr. FAWELL. To carry out this study which admittedly can tie differentials in rates of pay to violations of the Fair Labor Standards Act and/or the Civil Rights Act of 1964, I do not want that to be construed to cause a court, in reviewing the legislative history of the Fair Labor Standards Act or the Civil Rights Act, to say since Congress approved that kind of a procedure in regard to this bill, well, that kind of a procedure, in order to find a violation of the Civil Rights Act, is all right in the eyes of Congress.

Therefore, if someone files a private suit under the Fair Labor Standards Act or under the Civil Rights Act and uses the identical theory, this comparable worth concept which I outlined, and says, "We have a right to bring in proofs of differentials of unlike occupations; we have a right to put an expert on the stand who will testify to comparable worth of these two unlike jobs; we have a right to another expert on the stand who says he made a job content and economic analysis——"

Mr. FORD of Michigan. Mr. Chairman, would the gentleman be willing to stipulate that it is his intent, as he was explaining a few moments ago, that section 7(c)(3) of this act would not apply——

Mr. FAWELL. That is (c)(4).

Mr. FORD of Michigan. Well, we are not even talking about the same section of the bill.

Mr. FAWELL. Section (c)(4) sets forth the procedures to be used which call for a finding of a possible discrimination of sex or race or ethnicity which can be violative of the Civil Rights Act. And I am saying that I do not want that to in any way mess up the legislative history of the Civil Rights Act.

Mr. HENRY. Mr. Chairman, I move to strike the penultimate word and I rise in support of the amendment.

Mr. Chairman, I think we may be very close to reaching an agreement. If my colleague from Michigan could give me his ear for just a minute, there are amendments and there are amendments. We have seen some very intriguing ones these last several days.

The gentleman from Indiana [Mr. BURTON] has inquired to what I mean.

But I think this really is a good faith amendment to try to address concerns that are felt particulary on this side of the aisle. We may very well be mistaken, and the gentleman from Michigan [Mr. FORD] may be correct. It seems to me though if I take the gentleman from Michigan's comments at face value, if the gentleman from Illinois is mistaken in his interpretation, as the gentleman suggests, and that the intent which he sees in the study as stated on his side of the aisle, then there is no harm in the amendment and it would do a good deal to alleviate, assuage some of the concerns on this side of the aisle.

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Mr. FORD of Michigan. Mr. Chairman, let me be very frank with the gentleman, if he will yield to me.

My purpose in jumping up here is not to usurp the position of the subcommittee chairman who is handling the bill, and I do not even have his permission to accept the amendment. I am not in a position to accept the amendment. But my whole motivation is the hope that we did not have a new player who was going to come in here with a whole lot of amendments and continue filibustering this bill. I thought if we could extend some kind of an olive branch here to indicate we are not automatically against any idea Members have, I could indicate that this looks harmless to me. The longer I talked to the gentleman from Illinois [Mr. FAWELL], the more apprehensive I became because his enthusiasm indicates he thinks this has some operative effect. So I may be in fact prejudicing the hard work of my own subcommittee by making this gesture and asking them to consider accepting this, because I am the only one at this point over here who is convinced that it does no harm.

Mr. HENRY. Mr. Chairman, I wonder if it would be reasonable to ask if the subcommittee chairman would be willing to accept the amendment?

Mr. ACKERMAN. Mr. Chairman, will the gentleman yield?

Mr. HENRY. I yield to the chairman of the subcommittee.

Mr. ACKERMAN. Mr. Chairman, I thank the gentleman for yielding.

Part of the confusion here, it appears to me, is in the fact that the gentleman's "Dear Colleague" letter refers to section 7(c)(3) when in fact in his argument—and we have been trying to follow it in that vein—he has been talking about section 7(c)(4) all this time, and that has lent to the confusion for those of us who have been trying to follow the gentleman's discussion.

Mr. FAWELL. The gentleman is correct in that regard. I did make a mistake in the "Dear Colleague" letter.

Mr. ACKERMAN. Mr. Chairman, I think we are trying to take a look at it from that vantage point as well, and also from the vantage point of what has been happening here on the floor during the day while we have been looking at this issue.

Sometimes the area of discussion gets a bit muddled, and sometimes it is hard to tell the jewels from among the junk. With everything that has been thrown on the table during these past few days, sometimes short shrift has been given to some things we might be able to look at a little more carefully.

Let me ask the gentleman a question. Is this the basic thing that concerns the gentleman about the legislation before us?

Mr. FAWELL. Yes, speaking for myself, yes, this is the one great concern I have about this legislation.

Mr. ACKERMAN. Were these fears to be allayed by our accepting the amendment, would the gentleman then be prepared to accept the legislation?

Mr. FAWELL. I think probably I could. I still have a reticence about accepting the comparable worth theory for a study, but as long as I know it is kept within the walls of this body so we can look at only the Federal Government, with a lot of reticence I think I could feel safe in my own mind that the study could be conducted without having ill effects elsewhere.

Mr. ACKERMAN. Mr. Chairman, as we stated, the only condition we make through this committee at present is that the study apply only to the Federal employee, and we would go no further with this piece of legislation.

With that assurance from the gentleman, Mr. Chairman, I believe we will be prepared to accept this amendment, although we do not really think it has much of an effect.

Ms. OAKAR. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am not going to take issue with my chairman of the full committee or with the subcommittee chairman, but I do want to say for the RECORD that I oppose the amendment. I will not ask for a vote, because hopefully we can get to the final vote on the bill soon.

The gentleman mentioned court cases. I think it is very important, because some of the sponsors, not necessarily this gentleman but others, have said that this is going to lead to court cases. Nothing could be further from the truth.

As a matter of fact, in a case in the State of Washington several years back, one of the many areas that they submitted was a study, and the court ruled that a study which indicated a particular wage study might be more equitable should not bind the employer who commissioned it.

I want the Members to understand what this amendment does. I think it is wrong because I think it is unconstitutional. Here is what we have in the bill. We say: "Nothing in this Act shall be construed to limit any of the rights or remedies provided under the Civil Rights Act. * * *"

In other words, we are saying that just because we have a study of this nature does not mean that, under the protection of the Civil Rights Act, title VII, or the Fair Pay Act or the Fair Labor Standards Act, I as an individual could not go to court for other reasons. We are saying that this is just a study and it is advisory. The word "advisory," is repeated over and over again.

What I am afraid of is this: Let us say there is a sexual harassment case, for example. Are we saying that just because we have certain wage scales, an employee does not have the right to go to court and sue someone who might be violating the civil rights of that individual, male or female?

I think this is a very dangerous amendment, not because it applies to intent, and I am sure it is not malicious because I think the gentleman is a very thoughtful individual in terms of what he is trying to do. But I think it is very, very dangerous to indicate in a bill that an individual has no right to pursue an avenue that is inherent under laws that were created more than 20 years ago.

For that reason I want to publicly oppose the amendment for the purpose of clarifying what the intent is. This study is meant to be advisory. It is meant in no way, shape, or form to be used to go to court. That is why we are doing it, so people do not think they are discriminated against, because we have the responsibility and want to take a comprehensive look at the manner in which people are classified. But to say that somehow we have to limit somebody's civil rights, I just intellectually cannot buy that at all.

Mr. FAWELL. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. Mr. Chairman, will the gentlewoman yield?

Ms. OAKAR. Let me yield to my friend, the gentlewoman from Colorado [Mrs. SCHROEDER], and then I will yield to the gentleman from Illinois.

Mrs. SCHROEDER. Mr. Chairman, I thank the gentlewoman for yielding.

I think the gentleman from Ohio is absolutely correct. When it comes to wages and hours, I do not think it would have any application whatsoever because that is totally to one side. When it comes to the Civil Rights Act, obviously the Civil Rights Commission cannot take a Federal study of the Federal Government's Classification Service and use that for any purpose except in the Federal Government.

Nevertheless, if the gentleman is trying to get us to say that the procedures we are using in this study are incorrect, then I would disagree with the gentleman. We want to make it very clear that they are not saying that the procedures we are using are inaccurate, because that has been how they have been looking at the employer classifications of their employees to find out if there is discrimination there.

That is the methodology. It has been used now for 40 years. It is very sophisticated. Nothing is a total science, but after 40 years we have got it pretty well down. We think this is proper methodology, and we want to be sure it is done by proper people, not politicans but people out there in personnel law.

If the Members are thinking that we are going to reject that, then I would have to come out totally against this amendment, because to reject that methodology would be to reject what we have been doing. We would say there is no reason to have equal rights if equal pay does not hinge on that. Otherwise what does it mean?

The CHAIRMAN. The time of the gentlewoman from Ohio [Ms. OAKAR] has expired.

(By unanimous consent, Ms. OAKAR was allowed to proceed for 1 additional minute.)

Mrs. VUCANOVICH. Mr. Chairman, will the gentlewoman yield?

Ms. OAKAR. I yield to the gentlewoman from Nevada.

Mrs. VUCANOVICH. Mr. Chairman, I rise today in strong support of the Fawell amendment to H.R. 387, the Federal Equitable Pay Practices Act of 1988.

Unquestionably, the intentions of this bill's proponents are more than honorable, and I appreciate their genuine desire to make a difference. My concern is that my colleagues who support this bill acknowledge the legal reality of the results of this bill's study—namely, that supposedly advisory studies like the one proposed in this bill have resulted in expensive lawsuits on the State and local level and could result in a lawsuit against the Federal Government. The Fawell amendment takes into account this legal reality.

H.R. 387 says that the study would be advisory only. However, the fact is that State and local comparable worth studies that were supposedly advisory in nature have more often than not resulted in expensive lawsuits against the State or locality that conducted the study.

We have laws that protect victims of discrimination—and they are good laws. When Judge Kennedy ruled in the Washington State lawsuit, he said legislative history does not exist to determine if title 7 of the Civil Rights Act or section 6(d) of the Fair Labor Standards Act had been breached. Passage of this bill as written will provide that legislative history and turn the so-called advisory study results into evidence that would encourage lawsuits against the Federal Government based on this bill.

Mr. Chairman, this is a good amendment. I strongly support it and the legal clarification it would provide. I urge my colleagues to vote aye on the Fawell amendment.

Ms. OAKAR. Mr. Chairman, I want to again go on record as strongly opposing this amendment. I will not ask for a vote. I would just like to say that any time we are not sure what an amendment means relative to one's civil rights, we should reject it. I think there really is some fuzziness with this amendment, and I want to make sure we know this for the RECORD.

Mr. FAWELL. Mr. Chairman, will the gentlewoman yield?

Ms. OAKAR. I yield briefly to the gentleman from Illinois.

Mr. FAWELL. Mr. Chairman, I do want to make this very clear. Nobody is limiting anybody's civil rights. Anybody can bring a cause of action.

The only thing I am saying is that when we talk about the congressional intent in regard to the civil rights law, we are simply saying that because of what we are doing here, I do not want that to be construed that we are necessarily approving or disapproving in regard to these procedures in construing the Civil Rights Act and the Fair Labor Standards Act. But as far as any remedies or as far as anybody bringing suit on any constitutional grounds, they may do that, and if anyone wants to try out that particular procedure, they may, under the Civil Rights law or under the Fair Labor Standards Act. I do not want what we are doing here to make any change in that regard.

Ms. OAKAR. Mr. Chairman, reclaiming my time, honestly that is not what the gentleman's amendment says.

The CHAIRMAN. The time of the gentlewoman from Ohio [Ms. OAKAR] has again expired.

(On request of Mr. FORD of Michigan, and by unanimous consent, Ms. OAKAR was allowed to proceed for 5 additional minutes.)

Mr. FORD of Michigan. Mr. Chairman, will the gentlewoman yield?

Ms. OAKAR. I yield to the gentleman from Michigan.

Mr. FORD of Michigan. Mr. Chairman, I am looking at the report, and we see that on page 40 of the report this language appears:

> The Department of Justice rejects the validity of any comparable worth plan as a measurement of, or remedy for, alleged wage discrimination, and is concerned that the reports mandated by this bill would be misused as the basis for class action litigation seeking a judicially mandated restructuring of the entire federal pay and classification system. The Department's concern is not that such reports would constitute a valid basis for a successful lawsuit against the Federal Government. Rather, the Department's concern is that the highly subjective "study" mandated by the bill is rigged to make the seriously erroneous finding that differences in pay between dissimilar jobs are caused by sex discrimination. Litigation in which plaintiffs use the seriously flawed results of such a study as evidence could result in unjustified court orders requiring the total restructuring of the entire federal pay and classification system.

Now, is it the gentleman's opinion that his amendment meets this objection by the Justice Department, that it does what they want done?

Mr. FAWELL. I am sorry, Mr. Chairman, but I could not hear all that the gentleman was saying.

Mr. FORD of Michigan. Mr. Chairman, the point is that the committee heard from the Justice Department saying that they do not think the results of this should be used in any court for a class action suit against the Federal Government where a judge would tell the Federal Government to restructure its pay system.

That is the whole purpose of the study, and if that is the intent of the gentleman's amendment, I must apologize to him and tell him that I no longer recommend to the committee that they accept it.

We are four-square in agreement with the Justice Department on the use of this.

Does the gentleman think his amendment would prevent a group of employees who, as a result of this study, discovered that they had been put on the shelf but have been overlooked for many years, and then they said to the court, "Look, here is evidence of the fact that we are distinguished from other classes of employees doing the same thing, and therefore, we want the court to tell Congress that they ought to do it"?

I am not at all sure about this. The Justice Department wrote this, and I am not at all sure the court can tell us to legislate anything, and the court cannot change pay for Federal employees; only we can do that.

Nevertheless, if the gentleman's assurance is that it is not his intention to follow this red herring that the Justice Department set up and deprive anybody from using the results of this study in any litigation that may arise against the Federal Government, not private employers but the Federal Government, then I am more comfortable.

It is not the gentleman's intention to prevent anybody from using this, either legislatively or judicially, to deal with the Federal Government in its dealing with its employees, is it?

Mr. FAWELL. Mr. Chairman, if the gentlewoman will yield, I have no concern with the findings or conclusions that may come about here, and you may make whatever use of it as you may, as I see it, or as any of the employees in class action suits may wish to do so.

I am only concerned that the procedures used in this bill to arrive at the conclusion that there might be violations of the Civil Rights Act are not taken into consideration when the court has to construe the intent of the Civil Rights Act and/or the Fair Labor Standards Act. That is all it does, but it is significant.

Mr. MORELLA. Mr. Chairman, will the gentlewoman yield?

Ms. OAKAR. I yield to the gentlewoman from Maryland.

Mrs. MORELLA. Mr. Chairman, my question is really this: If there were an intentional discrimination suit, would the gentleman's amendment then limit the already recognized legal remedies in an intentional discrimination?

Mr. FAWELL. No, it would not disturb the standard provisions that have always stood in regard to sex discrimination or racial discrimination or whatever. If one can prove that there is sex discrimination under the standard procedures, yes, of course. It would in no way affect that. All I am talking about is when the Supreme Court or any court has to construe the congressional intent in regard to the Fair Labor Standards Act, what Congress had in mind when they passed that act, I do not want them to think by passing this act, we are saying the procedures used here mean that we necessarily assume there is discrimination that would be depository so far as construing intent under the Civil Rights Act.

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The CHAIRMAN. The time of the gentlewoman from Ohio [Ms. OAKAR] has expired.

(By unanimous consent, Ms. OAKAR was allowed to proceed for 1 additional minute.)

Ms. OAKAR. Mr. Chairman, if the gentleman's intention is that the sense of Congress' purpose is not to in effect take this material and use it for court cases, which we unequivocally have said that is not our purpose at all; the purpose is really to do an analytical study based on job content, and the economy, and the marketplace, et cetera, I think a colloquy suffices.

But I want to repeat this. The gentleman has an amendment that nobody really quite understands. My chairman, who is a distinguished attorney, has kind of gone back and forth in interpreting what this means, and he is our chairman who knows more about the law than all of us put together I think.

I think it is dangerous honestly, and I know that is not what the intent is. I think a colloquy putting more language in after our record would suffice.

It has already been acknowledged that the courts in the case that I mentioned and our cases said, "Studies don't count."

My colleagues, why put an amendment like this in? I think it is very dangerous.

Mr. Chairman, I would hope that we could work this out without a vote on this.

The CHAIRMAN. The time of the gentlewoman from Ohio [Ms. OAKAR] has expired.

(By unanimous consent, Ms. OAKAR was allowed to proceed for 1 additional minute.)

Ms. OAKAR. Mr. Chairman, I really understand what the gentleman is trying to do, but I do not think his amendment does it. That is my instinct about it, and I really just think it is a dangerous amendment.

Mr. FAWELL. Mr. Chairman, will the gentlewoman yield?

Ms. OAKAR. I yield to the gentleman from Illinois.

Mr. FAWELL. Mr. Chairman, I am left at a loss over here. I am not quite sure if the gentlewoman has accepted the amendment with her reservations or what.

Ms. OAKAR. Mr. Chairman, I do not accept it. Under a voice vote I am going to vote a resounding no because I feel strongly that it is dangerous.

Mr. ARMEY. Mr. Chairman, I rise in support of the amendment.

Mr. ACKERMAN. Mr. Chairman, will the gentleman yield?

Mr. ARMEY. Mr. Chairman, if I might just pose a question to the gentleman from New York [Mr. ACKERMAN], and then yield to the gentleman.

Do I now understand, because it has become somewhat cloudy, that the committee is prepared to accept this amendment? I mean that is my question before I proceed with my time.

Mr. ACKERMAN. Mr. Chairman, we would prefer to voice vote it. It is my belief, after hearing the gentleman's explanation, reading the legislation, that it would not have any effect in law, and, therefore, we are willing to accept it.

Mr. ARMEY. Mr. Chairman, reclaiming my time, let me congratulate the gentleman from Illinois [Mr. FAWELL] on having put his finger on a very, very key concern for most of us. The fact of the matter is that in those areas where comparable worth has been implemented, it has been sort of the backdoor approach. Certainly Washington State is an exemplary example where the legislative body authorizes the study, and then upon accepting the study they were hit with a class action suit—Washington State, Illinois, Michigan, California, Connecticut, Rhode Island, Iowa, Hawaii, Pennsylvania, Philadelphia, Colorado Springs, Los Angeles, county of Nassau, NY, New York City, and San Jose.

Although this amendment, if accepted, does not assuage my colleagues, it certainly helps me to feel somewhat more assured that we will have some basis by which we can defend the Government in the lawsuit that would most certainly follow if the law should be passed, so I would again commend the Member for his amendment and his hard work, and I encourage the Members to vote for the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. FAWELL].

The amendment was agreed to.

The CHAIRMAN. Are there any further amendments to section 8?

If not, the Clerk will designate section 9.

The text of section 9 is as follows:

SEC. 9 FUNDING.

Sums appropriated to the Office of Personnel Management for general operating expenses shall be available to carry out this Act. Any authority to enter into contracts under this Act shall be effective only to such extent or in such amounts as are provided in appropriation Acts, including any sums referred to in the preceding sentence.

AMENDMENT OFFERED BY MR. BURTON OF INDIANA

Mr. BURTON of Indiana. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BURTON of Indiana: Page 15, strike lines 6 through 12 and insert in lieu thereof the following:

SEC. 9. FUNDING.

Before any provisions of this bill are executed, a specific amount of funds must be reviewed and recommended by the Appropriations Committee and approved by Congress.

Mr. BURTON of Indiana. Mr. Chairman, this amendment requires that an actual appropriation of funds be made for this study. In the current bill it states that the moneys which would have been used for these hirings are to be taken out of the OPM budget, a budget which has already been approved by Congress according to the projects and staffs we felt OPM should have this year.

Now, if we take approximately $2.5 million out of this already approved budget, which of the other projects that we have already approved are going to be eliminated?

Mr. Chairman, I would like for someone to respond to that on the other side. The bill's proponents say this will help certain Federal Government employees. Well, which other Federal Government employees are we hurting by eliminating the programs administered by OPM? Shall we remove the employee assistance program or put a hold on hiring because we cannot afford the suitability investigations? Or should we just furlough some OPM employees?

Mr. Chairman, we are talking about $2.5 million coming out of their budget which has not been appropriated for this purpose that I know of. In fact, as I recall, we cut OPM's budget. This is irresponsible spending at its worst, and I would like to ask somebody over there who is a proponent of the bill, "Where do you propose to get the $2.5 million for this study? From what programs are you going to take these funds?"

Mr. Chairman, is there anyone over there who can respond to me?

No one wants to respond?

Mr. Chairman, the fact of the matter is that $2.5 million will be cut from some funds, and they are not willing to tell where they are going to cut them.

It is interesting to me, when I hear them talking about Presidential candidates, they are always asking them where they are going to reduce the deficit, and they jump all over Mr. BUSH when he does not respond the way they want him to. I am asking them now where are they going to get the $2.5 million out of the OPM budget to pay for this study, and nobody will respond.

Mr. FORD of Michigan. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from Michigan.

Mr. FORD of Michigan. Mr. Chairman, it is hard for anybody to respond to that question because it would be up to whoever, by the time this goes into effect next year, is running OPM, and it may not be any of the people who are there now, no matter who wins the election, but I think if the gentleman wants something to worry about, do not worry about $2.5 million.

The Director of the Office of Personnel Management has been meeting with me with a new wage plan for the Defense Department employees, and NASA employees and some other groups that costs in the hundreds of millions of dollars to implement, and it is pursuant to a study that they just released 2 days ago showing that the average Federal employee is 26 percent behind the same job in the private sector——

Mr. BURTON of Indiana. Reclaiming my time, Mr. Chairman, the gentleman has answered my question.

Mr. ACKERMAN. Mr. Chairman, his administration is asking me to go along with a multi-multi-billion-dollar or million-dollar pay increase for these people. Two and a half is peanuts to OPM.

Mr. BURTON of Indiana. Well, the American taxpayer, with all due respect to my beloved chairman, does not consider $2.5 million for the 31st study on this subject to be peanuts. So I mean he may consider that to be peanuts; I do not know how much money he has, but it obviously must be a lot if he considers $2.5 million peanuts, but the American taxpayer wants us to be very scrupulous when we spend their tax dollars.

Ms. OAKAR. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentlewoman from Ohio.

Ms. OAKAR. Mr. Chairman, the gentleman from Indiana [Mr. BURTON] is giving the impression that we are trying to add on $2.5 million. What we are saying is, "Take it out of the $107 million that OPM already has that frankly much of which has been spent on consultants doing all those studies that are sort of innocuous."

So the fact is that we are trying to not add on the money. We are trying to take it out of an agency that already gets $107 million, and frankly they use a lot of it on those studies that are kind of innocuous studies that really have very little relevancy to the classification system.

Mr. CHAIRMAN. The time of the gentleman from Indiana [Mr. BURTON] has expired.

(By unanimous consent, Mr. BURTON of Indiana was allowed to proceed for 1 additional minute.)

Mr. BURTON of Indiana. Mr. Chairman, I think it depends on whose ox is gored and whom you want to believe as far as whether or not a study is important, relevant, or innocuous. Many of those studies OPM has been conducting are very important. This study here I, on the other hand, think is innocuous, irrelevant, because we have already had studies on this subject ad infinitum. We have had 30 already, and there will be 31.

I see no reason to spend $2.5 million on this study, but, if we are going to do it, OPM does not have the money available for this study, and I think we should appropriate the money for this purpose.

I think this amendment is a very important one, and I urge its adoption.

Mr. ACKERMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, as to the gentleman's question of where the $2.5 million is going to come from, I think upon careful reading of the bill the gentleman will find that it does not require $2.5 million. It is $2 million, and it is not $2 million per annum. It is $2 million over 2 years or $1 million per year, and basically we intend on our side for that to come out of OPM's budget. They have a budget of $107.5 million. Divide that 2 million over 2 years. It is less than 1 percent of their total budget of moneys already appropriated.

Mr. Chairman, I have to say that the gentleman from Indiana [Mr. BURTON] seeks to make a new appropriation in his amendment, a new appropriation of moneys for this which would require us to go through the Committee on Appropriations, and, to do this entire debate, as enjoyable as I am sure it is to the gentleman; some of us are rather tiring of it, but we are patient and understanding, and we have no intention of going through this whole thing again should the gentleman want to put it through the appropriation process.

The bill as it stands uses sums already appropriated, and, therefore, we will have to cause the taxpayer no additional expense other than what we have caused already.

Mr. Chairman, having no desire to further extend this debate, I yield back the balance of my time, and hopefully we can get back to the people's business.

Mr. ARMEY. Mr. Chairman, I rise in support of the amendment.

I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, I know the gentleman from New York [Mr. ACKERMAN] has no desire to extend this debate, but I would like to ask him a question.

Mr. Chairman, did the gentleman talk to OPM and ask them if they had the $2.5 million available for this study? Did anybody on that side talk to OPM?

Mr. ACKERMAN. Mr. Chairman, will the gentleman yield?

Mr. BURTON of Indiana. I yield to the gentleman from New York.

Mr. ACKERMAN. Mr. Chairman, perhaps the gentleman from Indiana [Mr. BURTON] did not hear me. It is not $2.5 million. It is $2 million over 2 years, and OPM has $107.5 million that they have already appropriated, and we ask that they take it out of those funds.

Mr. BURTON of Indiana. Mr. Chairman, the answer is that the gentleman from New York [Mr. ACKERMAN] did not talk to OPM about this.

Mr. ACKERMAN. Mr. Chairman, we do not have to talk to them. We gave them $107.5 million. It is my understanding that they have two.

Mr. BURTON of Indiana. Mr. Chairman, the fact of the matter is that people at OPM will tell any Member of this body they are already strapped, the 1.7 is less than they requested, so their budget is reduced, as I understand it. They do not have the $2.5 million over 2 years to pay for this study.

So, Mr. Chairman, my amendment merely says:

[If you're going to spend it, you have to appropriate it. You can't take money that's already appropriated for some other purpose away from them without hurting that agency and without hurting employees in that agency.

Mr. Chairman, my colleagues purport to want to help bring about equality in the work force, and yet they are taking $2.5 million for an agency that is going to cause them to maybe lay off employees, maybe cut their salaries. I do not know, but it is certainly going to take money from other programs within that agency.

Mr. Chairman, this does not make sense. If we are going to spend the money, then in my view we should appropriate the money or ask for an appropriation from the Committee on Appropriations that will cover the expense of the study.

I thank the gentleman from Texas [Mr. ARMEY] for yielding.

Mr. ARMEY. Mr. Chairman, I would like to use the remainder of my time to just point out that I will always try to acquire as much time as possible. We do not object when somebody asks for a sentence of our time, and we certainly would like to see our Members be given the same courtesy when they ask for an extension of their time.

□ 1715

Certainly both sides have an equal right to be heard as fully as both sides feel necessary to make their points.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. BURTON].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. BURTON of Indiana. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 122, noes 273, not voting 36, as follows:

[Roll No. 370]

AYES—122

Annunzio
Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Broomfield
Brown (CO)
Bunning
Burton
Callahan
Chandler
Coats
Coble
Combest
Courter
Craig
Crane
Dannemeyer
Daub
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Emerson
Fawell
Fields
Gallegly
Gallo
Gekas
Gingrich
Goodling
Gradison
Grandy
Gunderson
Hammerschmidt
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Houghton
Hunter
Hyde
Inhofe
Ireland
Jacobs
Kasich
Kolbe
Konnyu
Kyl
Latta
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lowery (CA)
Lujan
Luken, Thomas
Lukens, Donald
Lungren
Madigan
Marlenee
Martin (IL)
McCollum
McCrery
McEwen
McMillan (NC)
Meyers
Miller (OH)
Moorhead
Murphy
Nielson
Oxley
Packard
Pickle
Porter
Quillen
Regula
Rhodes
Ritter
Roberts
Rogers
Roth
Saxton
Schaefer
Schuette
Schulze
Shaw
Shumway
Shuster
Skeen
Slaughter (VA)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Stump
Taylor
Thomas (CA)
Upton
Vander Jagt
Vento
Vucanovich
Walker
Weber
Whittaker
Wilson
Wortley
Young (FL)

NOES—273

Ackerman
Akaka
Alexander
Anderson
Andrews
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Bates
Beilenson
Bennett
Berman
Bevill
Bilbray
Boehlert
Bonior
Borski
Bosco
Brennan
Brooks
Brown (CA)
Bruce
Buechner
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clay
Clement
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Costello
Coughlin
Coyne
Crockett
Darden
Davis (IL)
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Downey
Durbin
Dwyer
Dyson
Early
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Ford (MI)
Frank
Frenzel
Garcia
Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Grant
Gray (IL)
Gray (PA)
Guarini
Hall (TX)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Hopkins
Horton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lagomarsino
Lancaster
Lantos
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Lowry (WA)
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McGrath
McHugh
McMillen (MD)
Mfume
Mica
Miller (CA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Parris
Pashayan
Patterson
Payne
Pease
Pelosi
Penny
Pepper
Perkins
Petri
Pickett
Price
Pursell
Rahall
Ravenel
Ray
Richardson
Ridge
Robinson
Rodino
Rose
Rostenkowski
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Scheuer
Schroeder
Schumer
Sensenbrenner
Sharp
Shays
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Snowe
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Studds
Swift
Synar
Tallon
Tauke
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whitten
Williams
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)

NOT VOTING—36

Boggs
Boland
Bonker
Boucher
Boulter
Boxer
Bryant
Cheney
Clinger
Dowdy
Dymally
Edwards (OK)
Foley
Ford (TN)
Frost
Green
Gregg
Hall (OH)
Jones (TN)
Kemp
Lott
Mack
MacKay
McCandless
Michel
Miller (WA)
Rangel
Rinaldo
Roe
Schneider
Solarz
Stratton
Sundquist
Sweeney
Swindall
Weldon

☐ 1735

The Clerk announced the following pairs:

On this vote:

Mr. Boulter for, with Mrs. Boxer against.
Mr. Swindall for, with Mrs. Boggs against.

Messrs. PASHAYAN, DWYER of New Jersey, and MAVROULES changed their vote from "aye" to "no."

Mr. ROBERTS and Mr. VENTO changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there other amendments to section 9?

If not, the Clerk will designate section 10.

The text of section 10 is as follows:

SEC. 10. DEFINITIONS.

For the purpose of this Act—

(1) "job-content analysis", as applied with respect to occupations, means an objective, quantitative method of rating representative entry-level positions within such occupations in order that—

(A) composite values may be established with respect to such occupations based on factors such as the skill, effort, responsibilities, qualification requirements, and working conditions involved; and

(B) comparisons may be made with respect to the positions and occupations involved;

(2) "economic analysis", as applied with respect to 2 or more occupations, means an objective method for analyzing differentials in pay between or among those occupations in order to determine if, and the extent to which, those differentials are attributable to—

(A) job-related factors such as seniority, merit, productivity, education, work experience, or veteran status;

(B) geographic factors; and

(C) other factors, exclusive of sex, race, and ethnicity;

(3) "occupation" means any grouping of positions within an agency, as identified or defined under chapter 51 of title 5, United States Code, or subchapter IV of chapter 53 of such title;

(4)"position" means the work, consisting of the duties and responsibilities, assignable to an individual;

(5) "ethnicity" refers to the quality of being, or not being, of Hispanic origin;

(6) "ethnic group" refers to a grouping based on ethnicity;

(7) an individual shall be considered to be of Hispanic origin if such individual is of Mexican, Puerto Rican, Cuban, Central American, South American or other Spanish origin;

(8) "consultant" includes an organization which provides consultant services;

(9) "Commission" means the Commission on Equitable Pay Practices established under section 3;

(10) "labor organization" has the meaning provided by section 7103(a)(4) of title 5, United States Code;

(11) "exclusive representative" has the meaning provided by section 7103(a)(16) of title 5, United States Code;

(12) "agency" means an executive agency within the meaning of section 105 of title 5, United States Code (other than the General Accounting Office); and

(13) "Government" means the Government of the United States.

The CHAIRMAN. Are there any amendments to section 10?

AMENDMENT OFFERED BY MR. GEKAS

Mr. GEKAS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GEKAS: Page 16, strike out lines 18 and 19 and insert in lieu thereof the following:

"(5) "ethnicity" refers to the country where a person was born or the country from which his or her ancestors came;".

Mr. GEKAS. Mr. Chairman, we ought to get right from the start that this has nothing to do with the death penalty.

Mr. Chairman, the reason we are offering this amendment is to try to clarify something which has been puzzling me ever since this issue has arisen. The definition for ethnicity in the bill right now seems to be relegated to being of Hispanic origin or not being of Hispanic origin. All we want to do is to try to demonstrate that ethnicity means for others besides those of Hispanic roots, and those of Hispanic roots, of course, are well protected in any event.

Mr. Chairman, I would ask the gentlewoman from Ohio [Ms. Oakar] to explain how she intends to have the Record indicate how ethnicity and national origins will be covered.

Ms. OAKAR. Mr. Chairman, will the gentleman yield?

Mr. GEKAS. I am happy to yield to the gentlewoman from Ohio.

Ms. OAKAR. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, on page 3, lines 9 and 10, the bill says:

> (1) are generally consistent with applicable provisions of law prohibiting discrimination on the basis of sex, race, or national origin.

When the bill came up before, the issue of national origin was added to the bill by the distinguished gentleman from Illinois [Mr. Lipinski], who requested that that language be added, and at that time I engaged in a colloquy with the gentleman from Illinois [Mr. Lipinski], and if my friend, the gentleman from Illinois, does not mind my repeating his words in my own, he said, "I rise for the purpose of entering a colloquy." He said, "It is my understanding that the chairwoman," and I think that that is what you were interested in, and it is a very important point, that the meaning of the term "national origin" in this amendment includes individuals of all ethnic backgrounds who have been historically discriminated against including Italians, Polish, Germans, Irish, Lithuanians, Ukrainians, Yugoslavians, Czechoslovakians or any other ethnic background," and our answer was, "Yes, that is my understanding."

He asked, "Is it also the understanding of the chairwoman that the consultant will use this meaning of national origin while conducting the study mandated by this legislation?" The answer was "Yes." So that is where we put the gentleman's element in the bill, and we think that that is exactly consistent with what the point is the gentleman is trying to make that we take a look at all ethic groups, not just one.

Mr. GEKAS. I thank the gentlewoman for that explanation.

There is one further bit of explanation for the Record. In an off-the-record conversation that I had with the gentleman from New York [Mr. Garcia] I wanted to point out to him that where we discuss being of Hispanic origin or not being of Hispanic origin, I want the record to be clear that that in itself would cover all other ethnic groups, and we wanted it to mean that way. By the wording itself, it is not clear, but now the legislative record and the Congressional Record will indicate so.

Mr. GEKAS. Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. Are there further amendments to section 10?

The Clerk will designate section 11.

The text of section 11 is as follows:

> SEC. 11. EFECTIVE DATE.
>
> This Act shall take effect 30 days after the date of the enactment of this Act.

Ms. SLAUGHTER of New York. Mr. Chairman, I rise today in strong support of H.R. 387, the Federal Equitable Pay Practices Act of 1988. The statistics and evidence clearly show that the Federal Government pays significantly lower wages to women and minorities.

Some would argue that these statistics are not evidence of discrimination based on sex, race or ethnicity. This study is designed to find the reasons for wage disparity. Differences in responsibility levels, education levels, and other economic and job content factors are legitimate and acceptable reasons for wage disparities. Differences based on sex, race or national origin are completely unacceptable.

The positive effects of equitable pay practices extend beyond the employee. We are talking about assuring economic security and self-sufficiency for entire families. Women at all ages are twice as likely as men to be poor and one in six families is headed by a woman. Our elderly women are especially likely to live in poverty. In 1986, the median income of elderly women was only 56 percent of that of elderly men. During the height of the earning cycle—generally considered to be between the ages of 45 and 64—the wage gap between men and women is greatest. Even when major differences in work force participation between men and women are eliminated, women's earnings lag well behind those of men, as do job-related benefits. It is time to remedy pay inequities so we can begin improving the economic situation for today's worker and tomorrow's senior citizen.

We must update our Federal pay scales to reflect the 1980's and 1990's not the 1920's, where the first and only study of our Federal pay scales was completed. As responsible legislators we owe it to all Federal workers and all Americans to assure that equitable pay practices are used by the Nation's largest employer. I join my colleagues in a bipartisan effort to pass H.R. 387 and in doing so, break down the barriers to pay equity for many who want only a fair wage for their hard work.

Mr. GARCIA. Mr. Speaker, I rise today in support of H.R. 387, the Federal pay equity study, and I commend Chairman Ford and Representative Oakar on their efforts to move this bill to the floor.

H.R. 387 is a much needed bill to help eliminate wage discrimination based on race or sex. The goal of pay equity is to ensure that women and minority groups are paid equally according to the worth of their jobs. The fact show that this is not the case at this time.

For instance, in 1987, full-time women workers earned, on average, only 64 cents compared to every dollar earned by men. In 1986, the median annual wage for men was $25,256 and $16,232 for women. These types of inequities can no longer be tolerated.

We are experiencing a changing work force, and it is becoming clear that women will constitute a greater share of the Nation's work force and of the income earners in the future. Right now, the average working wife contributes 28 percent of her family's annual income. One in six families is headed by a woman and one in three of these female-headed families is poor. The number of poor families would be cut in half if women were paid at the same rates as men in the same positions.

For minorities, the situation is even worse. On average, black women earn only 57 percent of the salary earned by white men, and Hispanic women make only 53 percent.

Some opponents of this bill will argue that these differences can be explained by factors such as education and work experience. However, the Census Bureau found that 35 to 40 percent of the gap in earnings could not be explained by these factors.

It is time that women and minorities move out of the low-paying, low-responsibility jobs that they have been concentrated in. Women deserve an equal opportunity to work in sectors other than clerical, sales, service, and factory jobs, of which they made up 77 percent of the work force in 1985.

This bill is a step in the right direction to solving these inequities. It establishes a Commission to determine whether the Federal pay system is discriminatory in any way, and to make recommendations on its improvement. It does not adjust private sector pay scales or implement a national pay scale. Rather, it would study the existing wage gaps and recommend what can be done in the Federal Government to alleviate such inequities in the future. I urge my colleagues to support this bill.

Mr. HOYER. Mr. Chairman, I again want to commend the gentlewoman from Ohio, the honorable Mary Rose Oakar. She and the nearly 150 other Members of this body who have joined her in support of this important legislation, the Federal Equitable Pay Practices Act, deserve high praise for bringing to this body a necessary and reasoned piece of legislation.

Today, the House of Representatives is debating legislation that for the first time since 1923 provides for a study of the Federal wage and classification system by a bipartisan commission.

The Pay Equity Act does one thing—it will help answer a question which has never received an answer—does the Federal wage and classification system discriminate on the basis of race, gender, or ethnic origin?

Present law requires that all positions on the General Schedule be classified into 1 of 18 grades and be paid according to their level of difficulty and responsibility.

Is the system administered according to the law, or are the salary levels of these positions influenced by factors such as race, gender, and ethnicity?

Put another way, "Is the Federal wage and classification system administered fairly?"

Consider the facts: Women earn only 63 cents for every dollar a man earns; black women earn even less; three-quarters of women in the Federal sector are concentrated in the lower paying office service, clerical and administrative positions; 85 percent of men in the Federal sector are found in primarily supervisory positions in grades 10 through 15.

Those are the facts.

A study of the Federal Government's wage and classification system seems reasonable. It is also logical and necessary unless we turn our backs on the principles of equal opportunity upon which this Nation is founded.

We cannot close our eyes to the apparent inequities in the system's administration.

H.R. 387 is itself a charge to discover the facts; it is a mandate to simply determine the truth.

The House of Representatives first voted to approve pay equity legislation in 1985.

In 1985, some of our colleagues viewed this legislation as an effort to overturn free market pay scales, or the time proven theories of supply and demand.

That fear was unfounded in 1985. But turning logic and sound public policy on its head, that fear continues to confuse and cloud the issue today.

Again, the facts: H.R. 387 does not presume that wage differentials are the result of discrimination; H.R. 387 does not extend to private sector or State and local employers; H.R. 387 does not mandate a national employment or pay policy for the Federal Government.

I would prefer that the fear that motivates some of the opponents of the Pay Equity Act were moved rather to empathy, concern, even outrage. Not just because: Female civil servants are overwhelmingly employed in grades 1-6, or; because 85 percent of men are in supervisory and management roles, even though women are 48 percent of the Federal work force, or; because the average annual earnings of women in the Federal sector are $11,000 less than those of men.

But because these people—women, in particular—are entitled to a fair shake.

They deserve to be compensated on the basis of the true value of their labor.

As far back as 1870, close to 30 percent of the households in Baltimore, MD, relied in some way on female-generated income. By 1900, that proportion had risen to 40 percent.

Today, Prince George's County, MD, the community that I represent, has one of the highest proportions of working women in the country. And the reason, in 1870, in 1900, and in 1988, is economic necessity.

Women have always worked. They simply have not always been compensated, let alone compensated fairly, for their labor.

We cannot ignore the possibility that in its treatment of many of its employees, the Federal Government may violate the letter or spirit of the fair labor or civil rights standards that are intended to protect all Americans.

Isn't it about time we had the courage to simply ask the question and determine whether hardworking, dedicated civil servants are the victims of a very costly form of discrimination?

We deserve to know the truth.

In the 99th Congress the House faced the facts, understood the potential problem, and approved legislation calling for a review of the Federal pay classification system.

I am confident that the House will again turn away from those who would appeal to blind fear and baser instincts.

It is untenable that we deny ourselves the information that could provide us with the evidence to determine whether the largest employer in the Nation is also one of its biggest practitioners of discrimination.

The 100th Congress has achieved much in this session, including enactment of the Civil Rights Restoration Act and the Fair Housing Act. Let's add the Pay Equity Act to the list.

The **CHAIRMAN**. Are there further amendments?

If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The **CHAIRMAN**. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. HOYER] having assumed the chair, Mr. KILDEE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 387) to promote equitable pay practices and to eliminate discrimination within the Federal civil service, pursuant to House Resolution 537, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The **SPEAKER** pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on the amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

□ 1745

The **SPEAKER** pro tempore (Mr. HOYER). The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The **SPEAKER** pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. **BURTON** of Indiana. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 302, noes 98, not voting 31, as follows:

[Roll No. 371]

AYES—302

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Bates
Beilenson
Bennett
Berman
Bevill
Bilbray
Boehlert
Boggs
Bonior
Borski
Bosco
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Buechner
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clay
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Coleman (TX)
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Coyne
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Davis (IL)
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de la Garza
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Flake
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Ford (MI)
Frank
Frenzel
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Gaydos
Gejdenson
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Gordon
Grant
Gray (IL)
Gray (PA)
Green
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Gunderson
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)

Hayes (LA)
Hefner
Henry
Hertel
Hochbrueckner
Hopkins
Horton
Hoyer
Hubbard
Hughes
Hutto
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jontz
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Kasich
Kastenmeier
Kennedy
Kennelly
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Lewis (GA)
Lipinski
Lloyd
Lowry (WA)
Luken, Thomas
Madigan
Manton
Markey
Martin (IL)
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Martinez
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Mavroules
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McEwen
McGrath
McHugh
McMillen (MD)
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Michel
Miller (CA)
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Moakley
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Mollohan
Montgomery
Moody
Morella
Morrison (CT)
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Mrazek
Murphy
Murtha
Myers
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Natcher
Neal
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Nichols
Nowak
Oakar
Oberstar
Obey
Ortiz
Owens (NY)
Owens (UT)
Oxley
Panetta
Parris
Pashayan
Patterson
Pease
Pelosi
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Regula
Richardson
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Rowland (CT)
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Roybal
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Sawyer
Schaefer
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Schroeder
Schuette
Schulze
Schumer
Sharp
Shays
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Snowe
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stark
Stokes
Stratton
Studds
Synar
Tallon
Tauke
Tauzin
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whitten
Williams
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)

NOES—98

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Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bateman
Bereuter
Bilirakis
Bliley
Bunning
Burton
Callahan
Chandler
Coats
Coble
Combest
Courter
Craig
Crane
Dannemeyer
DeLay
DeWine
DioGuardi
Dornan (CA)
Dreier
Edwards (OK)
Emerson
Fields
Gallegly
Gallo
Gekas
Gingrich
Gradison
Grandy
Hammerschmidt
Hansen
Hastert
Hefley
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Hiler
Holloway
Houghton
Huckaby
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Hyde
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Ireland
Kolbe
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Lightfoot
Livingston
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Marlenee
McCollum
McCrery
McMillan (NC)
Meyers
Moorhead
Nielson
Olin
Packard
Payne
Porter
Quillen
Rhodes
Ritter
Roberts
Rogers
Roth
Saxton
Sensenbrenner
Shaw
Shumway
Shuster
Skeen
Slaughter (VA)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Stangeland
Stenholm
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Thomas (CA)
Vucanovich
Walker
Weber
Whittaker
Wilson
Young (FL)

NOT VOTING—31

Bentley
Boland
Bonker
Boucher
Boulter
Boxer
Bryant
Cheney
Clinger
Dowdy
Ford (TN)
Frost
Gregg
Jones (TN)
Kemp
Kyl
Lott
Mack
MacKay
McCandless
Miller (WA)
Rinaldo
Roe
Rostenkowski
Schneider
Slaughter (NY)
Sundquist
Sweeney
Swift
Swindall
Weldon

☐ 1805

The Clerk announced the following pairs:

On this vote:

Mrs. Boxer for, with Mr. Cheney against.

Ms. Slaughter of New York for, with Mr. Boulter against.

Mr. Miller of Washington for, with Mr. Swindall against.

Mr. DANNEMEYER changed his vote from "aye" to "no."

Mr. BROOMFIELD changed his vote from "no" to "aye."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ACKERMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous matter, on H.R. 387, the bill just passed.

The SPEAKER pro tempore (Mr. Hoyer). Is there objection to the request of the gentleman from New York?

There was no objection.

FEDERAL EQUITABLE PAY PRACTICES ACT OF 1988

Mr. ACKERMAN. Mr. Speaker, I ask unanimous consent for 3 minutes to address the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. WALKER. Mr. Speaker, reserving the right to object, and I will not object, I just would remind the gentleman that yesterday during the debate when I was trying to make a point here the gentleman did cut me off when I asked for time on the floor which I think does not help the debate process in the House of Representatives. I would hope that maybe in the spirit of comity, we would allow the debate to go forward and not have that kind of incident to happen.

I will not object at this time.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The gentleman from New York is recognized for 3 minutes.

Mr. ACKERMAN. Mr. Speaker, I appreciate the gentleman's point. Let me assure him that it was not my intent yesterday when I objected to his additional request for an extension of time to limit the debate or to impede the orderly processes of the House but it was becoming obvious to a great many Members on both sides of the aisle that there seemed to be a concerted effort, rather than to allow the House to debate, to just extend the day. We were just trying to speed things along.

Mr. Speaker, I yield to the gentlewoman from Ohio [Ms. Oakar] sponsor of the legislation just passed who has done an admirable job so that we may have a colloquy.

Ms. OAKAR. First of all, Mr. Speaker, I want to thank the Members for supporting the bill relative to our Federal employees. I was pleased that so many on both sides of the aisle supported the legislation.

The other night tempers were a little higher than normal and I have always believed you can disagree without being disagreeable.

I want to thank Mr. Burton for not offering the 10 or 15 more amendments that he conceivably could have offered because in the democratic process that is all fair game.

I wanted to say to the gentleman from Indiana [Mr. Burton] that even though we do not always agree but I do think he is a conscientious member of the Committee on Post Office and Civil Service and I want to thank him for his cooperation.

Mr. ACKERMAN. Mr. Speaker, I yield further to the gentleman from Texas [Mr. Armey].

Mr. ARMEY. I thank the gentleman for yielding.

Yes, Mr. Speaker, we have completed this business. It has been a colorful 2 days. We certainly had tempers flare on both sides. But I think it says something for the Members of the body and the conviction with which they approach these important issues that come before this body. Certainly we have had our resistance out of strong conviction and certainly the proponents of the legislation advanced their case out of strong conviction.

But I have found that once the smokes settles and the smoke clears that, around a cup of coffee or a coke or a pleasant exchange in the hall, we go back to being the kind of gentlemen and gentlewoman that this body tries to foster.

I look forward to more pleasant times in the next few days.

Ms. OAKAR. Mr. Speaker, I want to thank the gentleman for his words and I agree with them and I thank my distinguished chairman, the gentleman from New York [Mr. ACKERMAN] which I failed to do, for all of his hard work. He has a fantastic staff. Also I wish to pay special tribute to my own staff who have worked very hard on this.

Mr. ARMEY. And thank the Lord we are done with this bill.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 4345. An act to amend the United States Grain Standards Act to extend through September 30, 1993, the authority contained in section 155 of the Omnibus Reconciliation Act of 1981 and Public Law 98-469 to charge and collect inspection and weighing fees, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1720) "An act to replace the existing AFDC Program with a new Family Support Program which emphasizes work, child support, and need-based family support supplements, to amend title IV of the Social Security Act to encourage and assist needy children and parents under the new program to obtain the education, training, and employment needed to avoid long-term welfare dependence, and to make other necessary improvements to assure that the new program will be more effective in achieving its objectives."

The message also announced that the Senate had passed a bill and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 2846. An act to provide for the awarding of grants for the purchase of drugs used in the treatment of AIDS; and

S. Con. Res. 148. Concurrent resolution to correct technical errors in the enrollment of the bill H.R. 1720.

PERMISSION FOR COMMITTEE ON THE JUDICIARY TO SIT TOMORROW, SEPTEMBER 30, 1988, DURING THE 5-MINUTE RULE

Mr. FRANK. Mr. Speaker, with the consent of the minority, I seek permission for the Committee on the Judiciary to meet tomorrow during the 5-minute rule, if we get to the 5-minute rule, for the purpose of discharging the agenda that was begun on Wednesday and suspended for lack of a quorum.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PERSONAL EXPLANATION

(Mr. SKAGGS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SKAGGS. Mr. Speaker, I had the great privilege to join many of my colleagues this morning and early this afternoon to watch the return to space with the launch of the *Discovery* shuttle.

Had I been present for several votes, I would like to note how I would have been recorded: Aye on the adoption of the conference report on H.R. 4784; aye on the rule for considering H.R. 4637; and aye on Mr. OBEY's motion in connection with that bill; and no on Mr. ARMEY's and Mr. BURTON of Indiana's amendment to H.R. 387.

PERSONAL EXPLANATION

Mr. SIKORSKI. Mr. Speaker, I was not here this afternoon because of my observation of the shuttle *Discovery* launch.

Had I been here, I would have voted "yes" on the conference report on H.R. 4784; "yes" on the conference report on H.R. 4587; "yes" on the rule on the conference report on H.R. 4637; "yes" on the motion offered by the gentleman from Wisconsin [Mr. OBEY] on H.R. 4637; and "no" on the amendments offered by Mr. ARMEY and Mr. BURTON of Indiana to H.R. 387.

TRAUMA CARE SYSTEMS PLANNING AND DEVELOPING ACT OF 1988

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 536 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 536

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3133) to amend the Public Health Service Act to improve emergency medical services and trauma care, and for other purposes, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and which shall not exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Energy and Commerce, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Energy and Commerce now printed in the bill as an original bill for the purpose of amendment under the five-minute rule and each section shall be considered as having been read. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

□ 1815

The SPEAKER pro tempore (Mr. HOYER). The gentleman from Massachusetts [Mr. MOAKLEY] is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Tennessee [Mr. QUILLEN], for the purposes of debate only, pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 536 is an open rule providing for the consideration of H.R. 3133, the Trauma Care Systems Planning and Development Act of 1988.

The rule provides for one hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Energy and Commerce.

The rule further makes in order the Energy and Commerce Committee amendment in the nature of a substitute now printed in the bill as the original text for the purpose of amendment under the 5-minute rule. Each section of the substitute shall be considered as having been read.

Finally, the rule provides for one motion to recommit, with or without instructions.

Mr. Speaker, the purpose of H.R. 3133 is to assist State governments in the development, implementation, and improvement of regional systems of trauma care. The bill is intended to encourage the establishment of designated trauma centers that will have the staff, training, and equipment required to address the special needs of trauma patients.

According to the American College of Surgeons, less than 20 percent of our citizens live in areas served by trauma centers. As a result, each year about 20,000 preventable trauma deaths occur. This legislation will help to develop the trauma care systems needed to save these lives and to reduce the number of permanently disabling injuries.

Mr. Speaker, I am not aware of any objections to the bill, this is open rule, and I would urge my colleagues to adopt it.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, each year approximately 140,000 Americans die because of trauma. In addition, another 80,000 suffer permanent disability due to severe head and spinal cord injuries. It has been estimated that approximately 15 to 20 percent of trauma deaths and permanently disabling injuries could be prevented if medical treatment were provided in designated trauma centers.

Mr. Speaker, we can all agree on the goal of saving lives. The problem is working out the best way to achieve that goal.

The administration, for example, supports the further development and improvement of trauma care and emergency medical services. However, it opposes enactment of this bill because this bill would create an unnecessary State grant program with strict planning requirements subject to Federal scrutiny.

The administration believes that broad block grant programs are far superior to prescriptive new Federal categorical authorities.

Mr. Speaker, whatever differences there may be with regard to the provisions of the bill, there is nothing wrong with this rule. There are no restrictions on amendments and no waivers of the House rules. Therefore, Mr. Speaker, I will support this rule, so that the House may proceed to debate the Trauma Care Systems Planning and Development Act of 1988.

Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. Walker].

Mr. WALKER. Mr. Speaker, I appreciate the gentleman's yielding time to me.

Mr. Speaker, this is an example, in my opinion, of the process working. When at this late hour we can bring to the floor an important bill under an open rule—and I expect that we are going to move this bill through this evening—the process works, but it is, I think, well to point out that with this process the Democratic leadership in this House is making known what its priorities are. The scheduling of business on the floor is the power of the Speaker; it is the power of the majority.

Between now and the end of the session we will find out what the majority regards as important, and, more importantly, what it regards as not important, because in this particular case what we have seen is that there is something coming up out of the Committee on Energy and Commerce which is very important, namely, this trauma care bill. That may be. But they are also telling us it is more important than something else that is in the Committee on Energy and Commerce, the Clean Air Act, because we are scheduling this bill, but we have yet to schedule the Clean Air Act. There is absolutely no movement that I can see to bring the Clean Air Act to the floor, and yet here we are with a rule this evening, and instead of talking about the Clean Air Act on the floor, we are going to talk about this bill.

I would suggest to the House that there are a lot of Members around here, in fact, the majority of the Members of this House, who have said they want a Clean Air Act passed in this session. It is going to be interesting to find out whether or not the majority party is willing to schedule that bill. So far they have not scheduled it.

We are going to pass another rule tonight, and we are going to bring up a bill out of the specific committee that handles clean air. We are going to move that bill here tonight, but it will not be the Clean Air Act.

Mr. Speaker, I hope that we can correct that situation in the next few weeks or in the next couple of weeks and bring the Clean Air Act out and get it passed and get it to the President for signature.

Mr. QUILLEN. Mr. Speaker, I have no further requests for time, but I do urge the adoption of the rule and the bill whenever it is presented.

Mr. MOAKLEY. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

□ 1823

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3133) to amend the Public Health Service Act to improve emergency medical services and trauma care, and for other purposes, with Mr. Wolpe in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from California [Mr. Waxman] will be recognized for 30 minutes and the gentleman from Illinois [Mr. Madigan] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. Waxman].

Mr. WAXMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am pleased to present to the House H.R. 3133, the Trauma Care Systems Planning and Development Act.

The principal purpose of this legislation is to reduce death and disability due to injury by assisting States in the development of regional trauma care systems.

Trauma centers perform medical miracles. When President Reagan and his Press Secretary, Jim Brady, were wounded in 1981, it was the trauma center at George Washington University Hospital that rapidly mobilized its medical staff to save their lives. That they are alive today is a tribute to the experience and skill of the medical personnel and the wisdom of the trauma center concept.

We are fortunate in Washington DC, to be surrounded by excellent trauma centers such as George Washington University and the Washington Hospital Center. Unfortunately, the Washington metropolitan area is an exception. The American College of Surgeons has testified before our subcommittee that fewer than 20 percent of the U.S. population resides in areas served by trauma centers. As a result, an estimated 25,000 trauma deaths occur each year unnecessarily.

The decision of a State or community to regionalize its system of trauma care can make the difference between life, death, and permanent disability.

H.R. 3133 provides States incentive grants to assist in the planning and development of regional trauma care systems and the designation of trauma centers. By establishing such systems, and designating trauma centers, committees will stop the dangerous practice of taking seriously injured patients to the closest hospital. Instead, they will transport patients to the hospital with the staff, training, and equipment most appropriate to the patient's needs.

Severely injured patients require swift and highly specialized medical care. The trauma system concept requires that seriously injured patients be transported to designated centers with specialized personnel and equipment on duty 24 hours a day.

H.R. 3133 requires States to develop statewide trauma care systems with particular emphasis upon the unique needs of rural areas. It is essential that in the development of regional systems of trauma care, States take steps to remedy serious deficiencies that exist in the availability of basic EMS and advanced life support services.

I am pleased to report that this legislation enjoys broad support from medical, consumer, and health care organizations. H.R. 3133 is supported by the American Medical Association, American College of Emergency Physicians, American Academy of Pediatrics, and the American Association of Retired Persons.

I am pleased to inform Members that at the appropriate time an amendment will be offered by the distinguished ranking minority member from Illinois, Mr. Madigan, which will clarify provisions of the committee reported bill and strengthen provisions to provide trauma care services in rural areas. With the adoption of this amendment the legislation will enjoy broad bipartisan support.

Mr. Chairman, at this time I want to commend the distinguished author of H.R. 3133, Mr. BATES, for his commitment and leadership in the field of trauma care. The gentleman is an active member of the subcommittee and has been instrumental in focusing greater public attention on the need for and the lifesaving benefits of trauma care systems.

I urge support for the legislation.

Mr. MADIGAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I did not support H.R. 3133, the Trauma Care Systems Planning and Development Act of 1988 as reported by the Energy and Commerce Committee. In attempting to enhance State development of emergency medical services systems, I felt this legislation would only create more problems than it could solve. I was concerned about the impact the bill would have on access to patient care, particularly in rural areas.

H.R. 3133 authorizes $60 million for States to write trauma care plans and to designate trauma centers. The bill requires States to adopt the standards for trauma care developed by the American College of Surgeons [ACS] and the American College of Emergency Physicians. H.R. 3133 also requires States, if they wish to obtain Federal money, to improve their trauma systems, and to designate trauma regions and trauma centers. While it may be appropriate to designate levels of trauma centers, in my view, it is not appropriate to limit the number of trauma centers.

As reported by the committee, this legislation simply puts the hospital in a rigid and untenable situation. Urban and especially rural hospitals are currently under severe financial restraints. Because health care resources vary tremendously from one region of the country to another, giving States some flexibility in determining trauma care standards is vital.

H.R. 3133, as reported by committee, would completely eliminate State flexibility in establishing trauma systems.

Additionally, I was concerned that the bill contained inappropriate and unrealistic authorization levels.

It is my intention to offer an amendment that addresses all of the concerns that I have just noted. I am pleased that the chairman of the Health Subcommittee is willing to agree to this amendment. I appreciate his willingness to accommodate my concerns, and I will be pleased to support the bill upon adoption of my amendment.

Mr. WAXMAN. Mr. Chairman, I am pleased to yield 5 minutes to the gentleman from California [Mr. BATES], who is the author of the legislation that is pending.

Mr. BATES. Mr. Chairman, I thank the gentleman from California for yielding this time to me.

Since I introduced H.R. 3133, the Trauma Care Systems Planning and Development Act on August 6, 1987, a lot of people have been actively involved in bringing this bill to the floor today. I want to emphasize the importance of this legislation and I would like to commend my distinguished colleague Mr. WAXMAN, the chairman of the Health and the Environment Subcommittee, for all of his efforts on behalf of this bill. I would also like to commend my distinguished colleague from Illinois, Mr. MADIGAN for his efforts and concern in emergency medical services. I am certainly encouraged by this bipartisan compromise which we have worked out. This legislation will save 20,000 lives per year.

We have a crisis in trauma care in this country. In the past 3 years, 8 of Los Angeles County's 24 designated trauma centers have closed, leaving the region's trauma network near collapse. Yet trauma can largely be prevented. As chairman of the San Diego County Board of Supervisors, we initiated the first comprehensive trauma care system for that county. A recent study in San Diego showed that the trauma death rate fell by 55 percent after the implementation of a trauma care system. My surgical critical care task force, chaired by Dr. Howard Champion, and consisting of such distinguished trauma care experts as Dr. Steven Shackford and Dr. Brent Eastman, strongly supports this Federal legislation.

One hundred forty thousand Americans die from injuries each year—20,000 of them needlessly. Severe injuries are the leading cause of death for those up to the age of 44. Unfortunately the life-saving services of a regional trauma center are unavailable to 80 percent of our constituents. A trauma patient injured in an area serviced by a regional trauma center has a chance for survival nearly double that of a trauma patient treated by a conventional hospital emergency room.

Finally, we know that there is a high injury and death rate from trauma in rural areas because of transportation difficulties, long response time for personnel, and the lack of trauma systems. I would like to commend my colleagues, Mr. RICHARDSON of New Mexico and Mr. COOPER of Tennessee, for their work in this bill. During Energy and Commerce Committee markup on this bill, the committee adopted their amendment that requires participating States to identify rural areas which have no access to emergency medical services through the 911 emergency telephone number.

This measure will allot $45 million per year for 3 years to the States to develop, implement, and monitor the trauma care component of each State's emergency medical services. The American College of Surgeons, and the American College of Emergency Physicians, as the recognized leaders in the field of trauma care, have played an important role in the development of this legislation. In addition, the bill has the support of the American Medical Association, the American Association of Retired Persons, and the American Trauma Society.

This bill will help save lives, and I urge its passage.

□ 1830

Mr. WAXMAN. Mr. Chairman, I yield 4 minutes to the gentleman from New Mexico [Mr. RICHARDSON], an important member of our full Committee on Energy and Commerce who has been a constructive participant in the development of this legislation.

Mr. RICHARDSON. Mr. Chairman, I thank the gentleman from California [Mr. WAXMAN] for the kind words.

I rise in strong support of H.R. 3133, the Trauma Care Improvement Act. H.R. 3133 requires that States develop and implement regional trauma care centers and establishes a block grant program and an advisory council on trauma care systems to implement this mandate.

Mr. Chairman, I would like to quote some shocking statistics: Each year, it is estimated that 140,000 Americans die from trauma or medical injury. In other words, trauma causes 1 death in every 12. More importantly, trauma is the leading cause of death in people up to age 44 and kills more people than all diseases combined in people up to age 34. In addition to human loss and agony, severe injury is also economically costly: We spend $118 billion each year in medical expenses, insurance, lost wages, and other costs.

For these reasons, I am a strong supporter of provisions in H.R. 3133 requiring States to designate trauma care centers. This requirement will ensure that those who are injured will be transported immediately to a designated center with specialized equipment and more importantly, with personnel trained in the specific needs of trauma care patients.

Unfortunately, many trauma deaths are attributed to a failure to recognize signs of traumatic injury, and furthermore, to a failure to apply standard medical techniques. In other words, greater numbers of trauma victims would survive if medical priorities for the treatment and transportation of trauma victims were in place. H.R. 3133 will eliminate much needless loss of life by requiring States to adopt guidelines to these ends.

Finally, I am pleased H.R. 3133 includes two provisions offered by myself and my distinguished colleague, Mr. COOPER, during committee consideration of this bill. These provisions are designed to address the critical problem of trauma injuries occurring in rural areas of our country. Rural areas have been hardest hit by the Omnibus Budget Reconciliation Act of 1981 which among other things, severely curtailed Federal assistance for emergency medical services. Many rural areas must rely on a single aging ambulance to cover large areas of remote country. In fact, it is estimated that accidental injuries are three times as likely to be fatal if they occur in rural areas. In my estimation, this is an unethical and inequitable situation. Thus, my provision directs the advisory council on trauma care systems to periodically conduct assessments of trauma care needs giving special consideration to the unique needs of rural areas.

I am greatly concerned that the lives of individuals who are injured in remote areas will hang in the balance, dependent upon the whims of State and local politics which are often dominated by urban interests. Thus, our second provision requires that participating States identify those rural areas for which there is currently no access to emergency medical services through the 911 emergency telephone number, and/or no access to basic life-support or advanced-life support systems. Under the provisions of H.R. 3133, States must make plans to incorporate these areas in their emergency medical services plans.

In closing, I commend the sponsor, Mr. BATES and the chairman, Mr. WAXMAN for their excellent work on this much needed legislation.

Mr. WAXMAN. Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota [Mr. OBERSTAR].

Mr. OBERSTAR. Mr. Chairman, I want to thank the gentleman from California [Mr. WAXMAN], the chairman, for yielding the time.

Mr. Chairman, 12 days ago, on September 17, I was out on a fitness exercise, which I try to do on weekends, bicycling, when a car swerved into my path from the roadside traveling the wrong way on a street in suburban Bethesda, and at 20 miles per hour on my bike I smashed into the front end of that car, went over the handlebars, onto the hood, into the windshield of that vehicle. I was saved from a more tragic end by a crash helmet that literally saved, if not my life, at least myself from serious spinal damage. The rescue squad was there within 5 minutes, took me safely and responsibly and with consummate professional care, the Bethesda rescue squad, to a nearby hospital where I received all of the treatment, and x rays and examination, and found that there were no broken bones. I had a severe cut under the eye and some tingling numbness in my arm.

Mr. Chairman, I was lucky that that accident happened in an urban setting. Had it happened in a remote area of my 25,000-square-mile congressional district, I would not have been so fortunate. It would have been a long drive under very painful conditions. Maybe some further injury would have occurred.

I do not speak just on speculation. I know that we have in rural areas twice the death rate from trauma incidents than of large urban metropolitan centers because the distances are greater, the time is greater, to travel from the point and placement of an ambulance to the point of injury, and the travel back is long, and the equipment is not always available, and they do not always have the best facilities. So, the death rate is elevated.

Mr. Chairman, this legislation responds to the needs of rural areas as well as to the needs of urban areas. Just 1 week ago in the city of Duluth, Duluth, MI, drawing from surrounding areas, we have had a celebration of sorts of marking trauma care week where trauma care specialists gathered together to display what can be done, and the services that are available and the need to respond to trauma situations in rural areas. There is concern on the part of some hospitals that designation as a trauma care center would detract from other hospitals in the area, that it would attract business away from other hospitals in the area. That is not the case.

Mr. Chairman, trauma care represents less than 1 percent of the emergency admissions. There is great support for trauma care designation among the people of this country because they know that means longer life and a higher quality of life.

This Member is a recent victim of trauma and is a witness to the need for this legislation, and I strongly support it and the configuration especially in this legislation of focusing resources on rural areas. I commend the members of the commitee for bringing this legislation to the floor.

Mrs. COLLINS. Mr. Chairman, one of our many responsibilities as legislators is to learn of problems in American society and then act to alleviate them.

Every year there are an estimate 20,000 to 25,000 deaths in our country which could be avoided. Would this constitute a problem? Certainly. Is anything being done about it? Again, yes, and the solutions are embodied in H.R. 3133, the Trauma Care Systems Planning and Development Act.

Physical trauma is the leading cause of death for Americans under 45 years of age and the third leading cause of death among all Americans. An estimated 140,000 Americans die from trauma each year, and the costs—from medical expenses, lost wages, government expenditures, insurance and property costs—are estimated to be between $118 and $135 million each year. Approximately 20,000 to 25,000 of these deaths are unnecessary and avoidable, attributed to inadequate trauma and emergency care services.

Despite the magnitude of this problem, there is presently no federally coordinated body to assess trauma care needs in the United States, nor is there any direct means for the Federal Government to support the development of trauma care facilities. A national trauma care policy is desperately needed to fill these gaping holes.

The Trauma Care Systems Planning and Development Act makes good sense and is long overdue. The essence of this bill is the creation of a block grant to assist States in the development and operation of regional trauma care centers and emergency medical care facilities. This will encourage States to develop a system whereby the most severely injured patients are transported to designated medical centers with specialized personnel and equipment on duty 24 hours a day, in order to greatly increase the injured person's chances of recovery.

In addition, H.R. 3133 authorizes the Secretary of Health and Human Services to take various actions to promote the advancement of trauma care services, including research, training, demonstration projects, studies and reports. The Secretary would also be authorized to establish an Advisory Council on Trauma Care Systems to assess the country's needs and services relating to trauma care.

Thus, this bill clearly recognizes a national problem and takes clear, well-directed steps toward eliminating that problem. Moreover, it establishes a national policy and assigns responsibility for that policy so that progress in this area can continue in years to come.

Mr. Chairman, the Trauma Care Systems Planning and Development Act represents a very important step in filling the gap in national trauma care policy. As an original cosponsor of H.R. 3133, I strongly urge my colleagues to support this measure.

Mr. ECKART. Mr. Speaker, I rise today in strong support for H.R. 3133, the Trauma Care Improvement Act, which was reported by the Energy and Commerce Committee. Trauma is responsible for 140,000 deaths and over 400,000 injuries every year in the United States. In economic terms, trauma costs our Nation a staggering $120 billion per year.

Yet, we can act to prevent some of these human and economic costs. This legislation is a step in that direction. According to the General Accounting Office, the current system of lumping emergency medical services funding into preventive health block grants has failed to adequately address the needs of trauma victims. H.R. 3133 would establish a separate block grant program for EMS services, and would require States to develop organized regional trauma care systems.

The bill also includes provisions I authored which will help protect frontline health care providers—police officers, firefighters, and paramedics—from the spread of infectious diseases in emergencies. Medical facilities will be required to notify emergency personnel when they are at risk of infection from an accident victim. This system parallels that which the House adopted for AIDS in passing H.R. 5142, the AIDS Federal Policy Act, last week. It is important that we expand that system to cover such diseases as hepatitis B, pulmonary tuberculosis, meningitis and others as designated by the Department of Health and Human Services.

Each year, an estimated 300,000 new cases of hepatitis B occur in the United States. Yet, certain diseases such as hepatitis can be transmitted by blood-to-blood contact between a paramedic or firefighter and an accident victim. Emergency workers usually have little or no knowledge of the medical background of accident victims. Currently, there is no system in place to ensure that emergency personnel who may be infected during the line of duty are notified.

Passage of H.R. 3133 will eliminate this inequity, and will help prevent needless deaths due to trauma in this country. I urge my colleagues to support the bill.

Mr. BRUCE. Mr. Chairman, the purpose of H.R. 3133 is to assist State governments in the effort to improve trauma care. Each year an estimated 140,000 Americans die from trauma while another 80,000 suffer permanent disability from severe head and spinal cord injuries. With a better trauma care system we might reduce this toll by 15 to 20 percent.

However, I am afraid that this legislation, as reported to the House would create problems, especially in rural areas. The bill would limit the number of trauma centers to be designated in a State and would set right criteria for those centers. Because health care resources vary tremendously from one region of the country to another, I believe giving States and hospitals flexibility in determining trauma care standards is vital. It is particularly important in rural States because 70 percent of trauma fatalities occur in rural areas.

In addition, the bill as reported, would unfairly distribute the Federal assistance dollars to the detriment of rural areas.

It is my understanding that agreement has been reached on an amendment which would address these important issues. I strongly support leaving to the State the decision of whether to limit the number of trauma centers. In addition, I understand that the funding systems has been revised to more adequately assist rural areas. Finally, I understand that a process will be established to allow States to seek, from the Secretary of HHS, a waiver from the criteria for setting up trauma centers. I believe these changes greatly improve the legislation and with their adoption I would support H.R. 3133.

Mr. Chairman, I would like to congratulate the sponsor of this legislation, Mr. BATES, the chairman of the subcommittee Mr. WAXMAN, and Mr. MADIGAN, the ranking minority member, for their hard work and dedication in resolving the outstanding concerns with this legislation.

Mr. MADIGAN. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. WAXMAN. Mr. Chairman, I yield back the balance of our time.

The CHAIRMAN. Pursuant to the rule, the committee amendment in the nature of a substitute, now printed in the reported bill, is considered as an original bill for the purpose of amendment, and each section is considered as having been read.

The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Trauma Care Systems Planning and Development Act of 1988".

The CHAIRMAN. Are there any amendments to section 1?

If not, the Clerk will designate section 2.

The text of section 2 is as follows:

SEC. 2. FINDINGS.

The Congress finds that—

(1) the Federal Government and the governments of the States have established a history of cooperation in the development, implementation, and monitoring of integrated, comprehensive systems for the provision of emergency medical services throughout the United States;

(2) physical trauma is the leading cause of death of Americans between the ages of 1 and 44 and is the third leading cause of death in the general population of the United States;

(3) physical trauma in the United States results in an aggregate annual cost of $135,000,000,000 in medical expenses, insurance, administrative costs, property damage, and indirect costs (including more than an annual $31,000,000,000 in lost wages of individuals who are in their most productive work years); and

(4) the number of incidents of physical trauma in the United States is a serious medical and social problem, and the number of deaths resulting from such incidents can be substantially reduced by improving the trauma-care components of the systems for the provision of emergency medical services in the United States.

Mr. WAXMAN (during the reading). Mr. Chairman, I ask unanimous consent that the remainder of the committee amendment in the nature of a substitute be printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to ther request of the gentleman from California?

There was no objection.

The text of the remainder of the committee amendment in the nature of a substitute is as follows:

SEC. 3. ESTABLISHMENT OF PROGRAMS WITH RESPECT TO TRAUMA CARE.

The Public Health Service Act (42 U.S.C. 201 et seq.) is amended by inserting after title XI the following new title:

"TITLE XII—TRAUMA CARE

"PART A—GENERAL AUTHORITY AND DUTIES OF SECRETARY

"SEC. 1201. ESTABLISHMENT.

"(a) IN GENERAL.—The Secretary shall—

"(1) conduct and support research, training, evaluations, and demonstration projects with respect to trauma care systems;

"(2) foster the development of appropriate, modern trauma care systems through the sharing of information among agencies and individuals involved in planning, furnishing, and studying such services and care;

"(3) collect, compile, and disseminate information on the achievements of, and problems experienced by, State and local agencies and private entities in providing trauma care;

"(4) provide to State and local agencies technical assistance relating to trauma care systems; and

"(5) sponsor workshops and conferences on trauma care.

"(b) GRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS.—The Secretary may make grants, and enter into cooperative agreements and contracts, for the purpose of carrying out subsection (a).

"SEC. 1202. ADVISORY COUNCIL ON TRAUMA CARE SYSTEMS.

"(a) ESTABLISHMENT.—The Secretary shall establish an advisory council to be known as the Advisory Council on Trauma Care Systems.

"(b) DUTIES.—The Council shall—

"(1) periodically conduct assessments of the needs in the United States with respect to trauma care, including special consideration of the unique needs of rural areas, and the extent to which the States are responding to such needs;

"(2) submit to the Secretary the findings made as a result of such assessments; and

"(3) advise the Secretary with respect to activities carried out under this title.

"(c) MEMBERSHIP.—

"(1) The Secretary shall appoint to the Council 12 appropriately qualified representatives of the public who are not officers or employees of the United States. Of such members—

"(A) 4 shall be individuals experienced or specially trained in trauma surgery (including a critical care nurse);

"(B) 3 shall be individuals experienced or specially trained in emergency medicine;

"(C) 1 shall be an individual experienced or specially trained in the care of injured children;

"(D) 1 shall be an individual experienced or specially trained in physical medicine and rehabilitation; and

"(E) 3 shall be individuals experienced or specially trained in the development, administration, or financing of trauma care systems.

"(2) The Secretary may designate as ex officio members of the Council appropriately qualified representatives of the Department of Health and Human Services, the Department of Transportation, the Federal Emergency Management Agency, and such other agencies of the Federal Government as the Secretary determines to have functions affecting emergency medical services.

"(d) TERMS.—

"(1) Except as provided in paragraph (2), members of the Council appointed under subsection (c)(1) shall serve for a term of 4 years.

"(2) Of the members first appointed to the Council under subsection (c)(1), the Secretary shall appoint 4 members to serve for a term of 4 years, 4 members to serve for a term of 3 years, and 4 members to serve for a term of 2 years.

"(e) VACANCIES.—

"(1) Any member of the Council appointed under subsection (c)(1) to fill a vacancy occurring before the expiration of the term of the predecessor of the member shall be appointed for the remainder of the term of the predecessor.

"(2) A member of the Council appointed under subsection (c)(1) may continue to serve after the expiration of the term of the member until a successor is appointed.

"(f) CHAIRPERSON.—The Secretary, or the designee of the Secretary, shall serve as chairperson of the Council.

"(g) MEETINGS.—The Council shall meet at the call of the chairperson and shall meet not less than once each 3 months.

"(h) COMPENSATION AND REIMBURSEMENT OF EXPENSES.—

"(1) Members of the Council who are officers or employees of the United States may not receive compensation for service on the Council in addition to the compensation otherwise received for duties carried out as such officers or employees.

"(2) Members of the Council appointed under subsection (c)(1) shall receive compensation for each day (including traveltime) engaged in carrying out the duties of the Council. Such compensation may not be in an amount in excess of the maximum rate of basic pay payable for GS-18 of the General Schedule.

"(i) STAFF.—The Secretary shall provide to the Council such staff, information, and other assistance as may be necessary to carry out the duties of the Council.

"(j) TERMINATION.—Notwithstanding section 14(b) of the Federal Advisory Committee Act, the Council shall continue in existence until otherwise provided by law after the date of the enactment of the Trauma Care Systems Planning and Development Act of 1988.

"PART B—GRANTS WITH RESPECT TO MODIFICATIONS OF STATE PLANS

"SEC. 1211. ESTABLISHMENT OF PROGRAM.

"(a) REQUIREMENT OF ALLOTMENTS FOR STATES.—Subject to section 1232(c), the Secretary shall for each fiscal year make an allotment for each State in an amount determined in accordance with section 1219. The Secretary shall make payments each fiscal year to each State from the allotment for the State if the Secretary approves for the fiscal year involved an application submitted by the State pursuant to section 1218.

"(b) PURPOSE OF ALLOTMENTS.—The Secretary may not make payments under subsection (a) to a State for a fiscal year unless the State agrees that, with respect to the trauma-care component of the State plan for the provision of emergency medical services, the payments will be expended only for the purpose of developing, implementing, and monitoring the modifications to such component described in section 1213.

"SEC. 1212. REQUIREMENT OF MATCHING FUNDS FOR FISCAL YEARS SUBSEQUENT TO FISCAL YEAR 1989.

"(a) IN GENERAL.—

"(1) The Secretary may not make payments under section 1211(a) unless the State involved agrees, with respect to the costs to be incurred by the State in carrying out the purposes described in section 1211(b), to make available non-Federal contributions (in cash or in kind under subsection (b)) toward such costs in an amount equal to—

"(A) for fiscal year 1990, not less than $1 for each $1 of Federal funds provided in payments from the allotment for such fiscal year; and

"(B) for each fiscal year subsequent to fiscal year 1990, not less than $3 for each $1 of Federal funds provided in payments from the allotment for each such fiscal year.

"(2) With respect to an allotment under section 1211(a) for a State for fiscal year 1989, the Secretary may not require the State to make non-Federal contributions as a condition of receiving payments from the allotment.

"(b) DETERMINATION OF AMOUNT OF NON-FEDERAL CONTRIBUTION.—Non-Federal contributions required in subsection (a) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

"SEC. 1213. REQUIREMENTS WITH RESPECT TO CARRYING OUT PURPOSE OF ALLOTMENTS.

"(a) STATE PLAN.—The Secretary may not make payments under section 1211(a) for a fiscal year unless the State involved agrees to develop, implement, and monitor, in accordance with this section, modifications to the trauma-care component of the State plan for the provision of emergency medical services. With respect to such component, the State plan will be modified—

"(1) to specify that the modifications required pursuant to paragraphs (2) through (10) will be implemented by the principal State agency with respect to emergency medical services or by the designee of such agency;

"(2) to specify the public or private entity that will designate trauma care regions and trauma centers in the State;

"(3) to contain standards and requirements for the designation of trauma centers (including trauma centers with specified capabilities and expertise in the care of the pediatric trauma patient) by such entity, including standards and requirements for—

"(A) the number and types of trauma patients for whom such centers must provide care in order to ensure that such centers will have sufficient experience and expertise to be able to provide quality care for victims of injury;

"(B) the resources and equipment needed by such centers; and

"(C) the availability of rehabilitation services for trauma patients;

"(4) to contain standards and requirements for the implementation of regional trauma care systems, including standards and guidelines for medically directed triage and transportation of trauma patients prior to care in designated trauma centers;

"(5) to contain standards and requirements for medically directed triage and transport of severely injured children to designated trauma centers with specified capabilities and expertise in the care of the pediatric trauma patient;

"(6) to specify procedures for the accreditation and evaluation of designated trauma centers (including trauma centers described in paragraph (4)) and trauma care systems;

"(7) to provide for the establishment in the State of a central data reporting and analysis system for—

"(A) identifying severely injured trauma patients within regional trauma care systems in the State;

"(B) identifying the cause of the injury and any factors contributing to the injury;

"(C) for identifying the nature and severity of the injury; and

"(D) for monitoring trauma patient care (including prehospital care) in each designated trauma center within regional trauma care systems in the State (including relevant emergency-department discharges and rehabilitation information);

"(8) to provide for the use of procedures by paramedics and emergency medical technicians to assess the severity of the injuries incurred by trauma patients;

"(9) to provide for the use of appropriate transportation and transfer policies to ensure the delivery of patients to designated trauma centers and other facilities within and outside of the jurisdiction of such system, including policies to ensure that only individuals appropriately identified as trauma patients are transferred to designated trauma centers;

"(10) to provide for the conduct of public education activities concerning injury prevention and obtaining access to trauma care; and

"(11) with respect to the requirements established in paragraphs (2) through (10), to provide assurances of coordination and cooperation between the State and any other State with which the State shares any standard metropolitan statistical area.

"(b) CERTAIN STANDARDS WITH RESPECT TO TRAUMA CARE CENTERS AND SYSTEMS.—The Secretary may not make payments under section 1211(a) for a fiscal year unless the State involved agrees that, in carrying out paragraphs (3) and (4) of subsection (a), the State will adopt guidelines for the designation of trauma centers, and for triage, transfer, and transportation policies, equivalent to the applicable guidelines developed by the American College of Surgeons and by the American College of Emergency Physicians.

"SEC. 1214. REQUIREMENT OF ANNUAL REPORT BY DESIGNATED TRAUMA CENTERS.

"The Secretary may not make payments under section 1211(a) for a fiscal year unless the State involved agrees to require each designated trauma center in the State to provide to the emergency medical system of the State each fiscal year a report that—

"(1) specifies the number of trauma patients cared for by such facility during the fiscal year;

"(2) specifies the total number of inpatient hospital days used by such patients during the fiscal year; and

"(3) describes the diagnoses, treatment, and treatment outcomes for such patients.

"SEC. 1215. REQUIREMENT OF PROVISION OF CERTAIN INFORMATION TO SECRETARY.

"(a) INFORMATION RECEIVED BY STATE REPORTING AND ANALYSIS SYSTEM.—The Secretary may not make payments under section 1211(a) for a fiscal year unless the State involved agrees that the State will, not less than once each year, provide to the Secre-

tary the information received by the State pursuant to section 1213(a)(7).

"(b) Availability of Emergency Medical Services in Rural Areas.—The Secretary may not make payments under section 1211(a) for a fiscal year unless—

"(1) the State involved identifies any rural area in the State for which—

"(A) there is no system of access to emergency medical services through the telephone number 911;

"(B) there is no basic life-support system; or

"(C) there is no advanced life-support system; and

"(2) the State submits to the Secretary a list of rural areas identified pursuant to paragraph (1) or, if there are no such areas, a statement that there are no such areas.

"SEC. 1216. RESTRICTIONS ON USE OF PAYMENTS.

"(a) In General.—The Secretary may not, except as provided in subsection (b), make payments under section 1211(a) for a fiscal year unless the State involved agrees that the payments will not be expended—

"(1) for any purpose other than developing, implementing, and monitoring the modifications required by section 1213(a) to be made to the State plan for the provision of emergency medical services;

"(2) to make cash payments to intended recipients of services provided pursuant to the such section;

"(3) to purchase or improve real property (other than minor remodeling of existing improvements to real property) or to purchase major medical or communication equipment, ambulances, or aircraft;

"(4) to satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds; or

"(5) to provide financial assistance to any entity other than a public or nonprofit private entity.

"(b) Exception.—If the Secretary finds that the purpose described in section 1211(b) cannot otherwise be carried out, the Secretary may, with respect to an otherwise qualified State, waive the restriction established in subsection (a)(3).

"SEC. 1217. REQUIREMENT OF REPORTS BY STATES.

"(a) In General.—The Secretary may not make payments under section 1211(a) for a fiscal year unless the State involved agrees to prepare and submit to the Secretary an annual report in such form and containing such information as the Secretary determines (after consultation with the States and the Comptroller General of the United States) to be necessary for—

"(1) securing a record and a description of the purposes for which payments received by the State pursuant to such section were expended and of the recipients of such payments; and

"(2) determining whether the payments were expended in accordance with the purpose of the program involved.

"(b) Availability to Public of Reports.—The Secretary may not make payments under section 1211(a) unless the State involved agrees that the State will make copies of the report described in subsection (a) available for public inspection.

"(c) Evaluations by Comptroller General.—The Comptroller General of the United States shall, from time to time, evaluate the expenditures by States of payments under section 1211(a) in order to assure that expenditures are consistent with the provisions of the program involved.

"SEC. 1218. REQUIREMENT OF SUBMISSION OF APPLICATION CONTAINING CERTAIN AGREEMENTS AND ASSURANCES.

"The Secretary may not make payments under section 1211(a) to a State for a fiscal year unless—

"(1) the State submits to the Secretary an application for the payments containing agreements in accordance with sections 1211(b) through section 1217;

"(2) the agreements are made through certification from the chief executive officer of the State;

"(3) with respect to such agreements, the application provides assurances of compliance satisfactory to the Secretary;

"(4) the application contains the information required to be submitted to the Secretary pursuant to section 1215(b)(2); and

"(5) the application otherwise is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this part.

"SEC. 1219. DETERMINATION OF AMOUNT OF ALLOTMENT.

"(a) Minimum Allotment.—Subject to the extent of amounts made available in appropriations Acts, the amount of an allotment under section 1211(a) for a State for a fiscal year shall be the greater of—

"(1) $250,000; and

"(2) an amount determined under subsection (b).

"(b) Determination Under Formula.—The amount referred to in subsection (a)(2) is the product of—

"(1) an amount equal to the amount made available under section 1232(b)(2) for the fiscal year involved; and

"(2) a percentage equal to the quotient of—

"(A) an amount equal to the population of the State involved, as indicated by the most recent data collected by the Bureau of the Census; divided by

"(B) an amount equal to the population of the United States, as indicated by the most recent data collected by the Bureau of the Census.

"(c) Disposition of Certain Funds Appropriated for Allotments.—

"(1) Amounts described in paragraph (2) shall, in accordance with paragraph (3), be allotted by the Secretary to States receiving payments under section 1211(a) for the fiscal year (other than any State referred to in paragraph (2)(C)).

"(2) The amounts referred to in paragraph (1) are any amounts made available pursuant to 1232(b)(2) that are not paid under section 1211(a) to a State as a result of—

"(A) the failure of the State to submit an application under section 1218;

"(B) the failure, in the determination of the Secretary, of the State to prepare within a reasonable period of time such application in compliance with such section; or

"(C) the State informing the Secretary that the State does not intend to expend the full amount of the allotment made for the State.

"(3) The amount of an allotment under paragraph (1) for a State for a fiscal year shall be an amount equal to the product of—

"(A) an amount equal to the amount described in paragraph (2) for the fiscal year involved; and

"(B) the percentage determined under subsection (b)(2) for the State.

"SEC. 1220. FAILURE TO COMPLY WITH AGREEMENTS.

"(a) Repayment of Payments.—

"(1) The Secretary may, in accordance with subsection (b), require a State to repay any payments received by the State pursuant to section 1211(a) that the Secretary determines were not expended by the State in accordance with the agreements required to be made by the State as a condition of the receipt of payments under such section.

"(2) If a State fails to make a repayment required in paragraph (1), the Secretary may offset the amount of the repayment against any amount due to be paid to the State under section 1211(a).

"(b) Opportunity for a Hearing.—Before requiring repayment of payments under subsection (a)(1), the Secretary shall provide to the State an opportunity for a hearing.

"SEC. 1221. PROHIBITION AGAINST CERTAIN FALSE STATEMENTS.

"(a) In General.—

"(1) A person may not knowingly make or cause to be made any false statement or representation of a material fact in connection with the furnishing of items or services for which payments may be made by a State from amounts paid to the State under section 1211(a).

"(2) A person with knowledge of the occurrence of any event affecting the right of the person to receive any payments from amounts paid to the State under section 1211(a) may not conceal or fail to disclose any such event with the intent of fraudulently securing such amount.

"(b) Criminal Penalty for Violation of Prohibition.—Any person who violates a prohibition established in subsection (a) may for each violation be fined in accordance with title 18, United States Code, or imprisoned for not more than 5 years, or both.

"SEC. 1222. TECHNICAL ASSISTANCE AND PROVISION BY SECRETARY OF SUPPLIES AND SERVICES IN LIEU OF GRANT FUNDS.

"(a) Technical Assistance.—The Secretary shall, without charge to a State receiving payments under section 1211(a), provide to the State (or to any public or nonprofit private entity designated by the State) technical assistance with respect to the planning, development, and operation of any program or service carried out pursuant to section 1211(b). The Secretary may provide such technical assistance directly, through contract, or through grants.

"(b) Provision by Secretary of Supplies and Services in Lieu of Grant Funds.—

"(1) Upon the request of a State receiving an allotment under section 1211(a), the Secretary may, subject to paragraph (2), provide supplies, equipment, and services for the purpose of aiding the State in carrying out section 1211(b) and, for such purpose, may detail to the grantee any officer or employee of the Department of Health and Human Services.

"(2) With respect to a request described in paragraph (1), the Secretary shall reduce the amount of payments to the State under section 1211(a) by an amount equal to the fair market value of any supplies, equipment, or services provided by the Secretary and shall, for the payment of expenses incurred in complying with such request, expend the amounts withheld.

"SEC. 1223. REPORT BY SECRETARY.

"Not later than October 1, 1990, the Secretary shall report to the Congress on the activities of the States carried out pursuant to section 1211. Such report may include any recommendations of the Secretary for appropriate administrative and legislative initiatives.

"Part C—General Provisions

"SEC. 1231. DEFINITIONS.

"For purposes of this title:

"(1) The term 'Council' means the Advisory Council on Trauma Care Systems established pursuant to section 1202(a).

"(2) The term 'designated trauma center' means a trauma center designated in accordance with the modifications to the State plan described in section 1213.

"(3) The term 'plan for the provision of emergency medical services' means a plan for a comprehensive, organized system to provide for the access, response, triage, field stabilization, transport, hospital stabilization, definitive care, and rehabilitation of patients of all ages with respect to emergency medical services.

"(4) The term 'State' means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

"(5) The term 'trauma-care component of the plan for the provision of emergency medical services' means a plan for a comprehensive health care system for the prompt recognition, prehospital care, emergency medical care, acute surgical and medical care, rehabilitation, and outcome evaluation of seriously injured patients.

"SEC. 1232. FUNDING.

"(a) Authorization of Appropriations.—For the purpose of carrying out this title, there is authorized to be appropriated $60,000,000 for each of the fiscal years 1989 through 1991.

"(b) Allocation of Funds by Secretary.—

"(1) For the purpose of carrying out part A, the Secretary shall make available 10 percent of the amounts appropriated for a fiscal year pursuant to subsection (a).

"(2) For the purpose of making allotments under section 1211(a), the Secretary shall, subject to subsection (c), make available 90 percent of the amounts appropriated for a fiscal year pursuant to subsection (a).

"(c) Effect of Insufficient Appropriations With Respect to Allotments.—

"(1) If the amounts made available pursuant to subsections (a) and (b)(2) are insufficient for providing, in accordance with section 1219(b), each State with an allotment under section 1211(a) of not less than $250,000, the Secretary shall, from such amounts as are made available pursuant to such subsections, make grants to the States for carrying out the purpose described in section 1211(b).

"(2) Paragraph (1) may not be construed to require the Secretary to make a grant under such paragraph to each State.

"Part D—Emergency Response Employees

"SEC. 1241. DEVELOPMENT OF GUIDELINES AND MODEL CURRICULUM WITH RESPECT TO EMERGENCY RESPONSE EMPLOYEES AND INFECTIOUS DISEASES.

" (a) In General.—Not later than 90 days after the effective date of this section, the Secretary, acting through the Director of the Centers for Disease Control, shall develop guidelines and a model curriculum for emergency response employees with respect to the prevention of exposure to infectious diseases during the process of responding to emergencies.

"(b) Inclusion of Certain Information.—The guidelines and the model curriculum developed under subsection (a) shall, to the extent practicable, include—

"(1) information with respect to the manner in which infectious diseases are transmitted; and

"(2) information that can assist emergency response employees in distinguishing between conditions in which such employees are at risk with respect to such diseases and conditions in which such employees are not at risk with respect to such diseases.

"(c) Appointment of Task Force.—The Secretary shall establish a task force to assist the Secretary in developing the guidelines and the model curriculum required in subsection (a). The Secretary shall appoint to the task force representatives of the Centers for Disease Control, representatives of State governments, and representatives of emergency response employees.

"(d) Dissemination of Information.—The Secretary shall—

"(1) transmit to State public health officers copies of the guidelines and the model curriculum developed under subsection (a) with the request that such officers disseminate such copies as appropriate throughout the State; and

"(2) make such copies available to the public.

"SEC. 1242. NOTIFICATION OF EMERGENCY RESPONSE EMPLOYEES WITH RESPECT TO INFECTIOUS DISEASES.

"(a) Routine Notification of Designated Officer.—The Secretary may not make payments under section 1211(a) unless the State involved agrees to establish the following requirements for medical facilities:

"(1) If a victim of an emergency is transported by emergency response employees to a medical facility and the medical facility makes a determination that the victim has an infectious disease, the medical facility must, with respect to the determination, notify the designated officer of the emergency response employees who transported the victim to the medical facility.

"(2) If a victim of an emergency is transported by emergency response employees to a medical facility and the victim dies at or before reaching the medical facility, the medical facility ascertaining the cause of the death of the victim must, with respect to the designated officer of the emergency response employees who transported the victim to the initial medical facility, notify the designated officer of any determination by the medical facility that the victim had an infectious disease.

"(3) With respect to a determination described in paragraph (1) or (2), the notification required in each of such paragraphs must be made not later than 48 hours after the determination is made.

"(b) Notification Upon Request of Designated Officer.—The Secretary may not make payments under section 1211(a) unless the State involved agrees to establish the following requirements for medical facilities:

"(1) If a victim of an emergency is transported by emergency response employees to a medical facility, the medical facility must, upon the request of the designated officer of any emergency response employees who attended, assisted, or transported the victim, notify the designated officer of any determination by the medical facility that the victim has an infectious disease.

"(2) If a victim of an emergency is transported by emergency response employees to a medical facility and the victim dies at or before reaching the medical facility, the medical facility ascertaining the cause of the death of the victim must, upon the request of the designated officer of any emergency response employees who attended, assisted, or transported the victim, notify the designated officer of any determination by the medical facility that the victim had an infectious disease.

"(3)(A) A medical facility must make a notification required in paragraph (1) or (2) not later than 48 hours after receipt of a request pursuant to the paragraph involved if, prior to the request, a determination described in such paragraph has been made by the medical facility.

"(B) A medical facility must make a notification required in paragraph (1) or (2) not later than 48 hours after making a determination described in the paragraph involved if, after receipt of a request pursuant to such paragraph, the determination is made.

"(c) Procedures for Notification of Designated Officer.—The Secretary may not make payments under section 1211(a) unless the State involved agrees to establish the following requirements for medical facilities, with respect to paragraphs (1) and (2)(A), and for designated officers of emergency response employees, with respect to paragraph (2)(B):

"(1) In making a notification required under subsection (a) or (b), a medical facility must provide the date on which the victim of the emergency involved was transported by emergency response employees to a medical facility and, upon request, the location at which such emergency occurred (including, to the extent practicable, the address of the location).

"(2) If a notification under subsection (a) or (b) is mailed or otherwise indirectly made—

"(A) the medical facility sending the notification must, upon sending the notification, inform the designated officer to whom the notification is sent of the fact that the notification has been sent; and

"(B) such designated officer must, not later than 10 days after being informed by the medical facility that the notification has been sent, inform such medical facility whether the designated officer has received the notification.

"(d) Designation of Individuals To Request and Receive Notifications From Medical Facilities.—The Secretary may not make payments under section 1211(a) unless the State involved agrees as follows:

"(1) The public health officer of each State will, for the purpose of requesting and receiving notifications under subsections (a) and (b), and for the purpose of carrying out subsection (e), designate 1 official or officer of each employer of emergency response employees in the State.

"(2) In making designations required in paragraph (1), a public health officer will give preference to individuals who are trained in the provision of health care or in the control of infectious diseases.

"(e) Notifications to Employees.—The Secretary may not make payments under section 1211(a) unless the State involved agrees to establish the following requirements for designated officers of emergency response employees:

"(1) After receiving a notification under subsection (a) or (b), a designated officer of emergency response employees must, to the extent practicable, immediately notify each of such employees who—

"(A) responded to the emergency involved; and

"(B) as indicated by the guidelines and the model curriculum developed by the Secretary under section 1241(a), may have been exposed to an infectious disease.

"(2) A designated officer of emergency response employees must, upon request of such an employee—

"(A) determine whether, if a victim of an emergency to which the employee responded had an infectious disease, the employee might have been exposed to the disease; and

"(B) make a request described in subsection (b) if, as indicated by a determination made pursuant to subparagraph (A), the em-

ployee might have been exposed to the infectious disease.

"(3) A notification under this subsection to an emergency response employee must inform the employee involved of—

"(A) the fact that the employee may have been exposed to an infectious disease;

"(B) the name of the infectious disease;

"(C) any action by the employee that, as indicated by the guidelines and model curriculum developed by the Secretary under section 1241(a), is medically appropriate; and

"(D) if medically appropriate under such guidelines and model curriculum, the location of the emergency involved and the date and time of such emergency.

"(f) LIMITATION.—The Secretary may not make payments under section 1211(a) unless the State involved agrees that subsections (a)(1) and (b)(1) will not apply to any determination described in such subsections made with respect to a victim of an emergency after the expiration of the 60-day period beginning on the date that the victim is transported by emergency response employees to a medical facility.

"(g) RULES OF CONSTRUCTION.—The Secretary may not make payments under section 1211(a) unless the State involved agrees as follows:

"(1) This section will not, with respect to victims of emergencies, be construed to authorize or require a medical facility to test any such victim for any infectious disease.

"(2) This section will not be construed to authorize or require any medical facility, any designated officer of emergency response employees, or any such employee, to make disclosures with respect to the identity of a victim if such disclosures are prohibited under the law of the State or under Federal law.

"(h) ENFORCEMENT.—The Secretary may not make payments under section 1211(a) unless the State involved agrees to establish enforcement provisions, including injunctive relief and a civil cause of action for damages, with respect to violations of the requirements established by the State pursuant to this section.

"(i) DEFINITIONS.—The Secretary may not make payments under section 1211(a) unless the State involved agrees that, for purposes of this section, the following definitions will apply:

"(1) The term 'emergency' means an emergency involving injury or illness.

"(2) The term 'emergency response employees' means firefighters, law enforcement officers, paramedics, and other individuals (including employees of legally organized and recognized volunteer organizations, without regard to whether such employees receive nominal compensation) who, in the course of professional duties, respond to emergencies in the geographic area involved.

"(3) The term 'employer of emergency response employees' means an organization that, in the course of professional duties, responds to emergencies in the geographic area involved.

"(4)(A) Except as provided in subparagraph (B), the term 'infectious disease' means hepatitis B, hepatitis non-A/non-B, pulmonary tuberculosis, meningoccal meningitis, rubella, and any other disease designated under guidelines issued by the Secretary as an infectious disease for purposes of this section.

"(B) The term 'infectious disease' does not include any condition arising from infection with the etiologic agent for acquired immune deficiency syndrome.".

SEC. 4. REQUIREMENT OF CERTAIN STUDIES RELATING TO TRAUMA CARE.

(a) MEDICAID POLICIES OF STATES.—The Secretary of Health and Human Services (hereafter in this section referred to as the "Secretary") shall conduct a study for the purpose of determining the policies adopted by States in reimbursing trauma centers pursuant to title XIX of the Social Security Act (42 U.S.C. 1396 et seq.). The study shall assess the adequacy and appropriateness of the reimbursements provided pursuant to such title by States to such centers and shall include recommendations with respect to whether the requirements imposed under such title should be modified in order to ensure that such centers are appropriately reimbursed.

(b) LONG-TERM ECONOMIC EFFECTS OF TRAUMA.—The Secretary shall conduct a comprehensive multidisciplinary study of the long-term economic effects of incidences of trauma in the United States. In conducting the study, the Secretary shall—

(1) consult with the Advisory Council on Trauma Care Systems (established pursuant to section 1202(a) of the Public Health Service Act, as added by section 3 of this Act); and

(2) utilize the services of individuals with expertise in appropriate fields (including epidemiology, statistics, behavioral sciences, and health economics) in order to identify and evaluate as many factors as possible that influence the impact and long-term outcome of a trauma incident.

(c) TIME FOR COMPLETION.—The Secretary shall, not later than 1 year after the effective date of this Act, complete the studies required in subsections (a) and (b) and submit to the Congress a report describing the findings made as a result of the studies.

SEC. 5. CERTAIN REQUIREMENTS WITH RESPECT TO COMMUNICATION NEEDS OF EMERGENCY MEDICAL SERVICES.

(a) IN GENERAL.—The Federal Communications Commission shall—

(1) complete a study of the availability of spectra allocations and radio frequencies for emergency medical services communications between ambulances and hospitals, including both public and private ambulances and hospitals;

(2) establish a plan to ensure that the needs of emergency medical services communications shall be adequately provided for in the assignment of spectra allocations and radio frequencies;

(3) with respect to any State responsibilities under such plan, develop information relating to the manner in which the States should carry out such responsibilities, including information relating to the types of equipment that should be utilized and information relating to general operating procedures; and

(4) make such information available to appropriate State officials.

(b) TIME FOR COMPLETION.—The Federal Communications Commission shall, not later than 1 year after the effective date of this Act, complete the study required in paragraph (1) of subsection (a) and submit to the Congress a report describing—

(1) the findings made as a result of the study;

(2) the plan required in paragraph (2) of such subsection; and

(3) the information required in paragraph (3) of such subsection.

SEC. 6. EFFECTIVE DATE.

This Act and the amendments made by this Act shall take effect October 1, 1988, or upon the date of the enactment of this Act, whichever occurs later.

AMENDMENT OFFERED BY MR. MADIGAN

Mr. MADIGAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MADIGAN: Page 11, line 10, insert after "patients" the following: "(including patients injured in rural areas)".

Page 13, after line 15, add the following new subsections:

"(c) WAIVER OF CERTAIN STANDARDS.—

"(1) The Secretary may, with respect to any guideline required to be adopted by a State pursuant to subsection (b), waive the requirement for a State if—

"(A) the State, acting through the principal State agency with respect to emergency medical services, submits to the Secretary an application for the waiver, including a statement of the facts upon which the State justifies the request for the waiver; and

"(B) the Secretary determines that granting the waiver will not result in the diminishment of the availability or quality of trauma care in the State.

"(2) The Secretary may grant a waiver under paragraph (1) only after—

"(A) providing notice to the public that the State involved is applying for the waiver;

"(B) soliciting and considering comments from the public with respect to the application for the waiver; and

"(C) permitting the public not less than a 30-day period in which to respond to the solicitation for such comments, which period shall commence on the day after the Secretary provides the notice required in subparagraph (A).

"(3) The notice and the solicitation of comments required in paragraph (2) shall be made through publication in the Federal Register.

"(d) RULE OF CONSTRUCTION WITH RESPECT TO NUMBER OF DESIGNATED TRAUMA CENTERS.—With respect to compliance with subsection (a) as a condition of the receipt of a grant under section 1211(a), such subsection may not be construed to specify the number of trauma care centers designated pursuant to such subsection.

Page 18, line 6, strike "$250,000" and insert "$500,000".

Page 23, line 15, insert after "system" the following: ", within rural and urban areas of the State,".

Page 23, line 23, strike "$60,000,000" and insert "$45,000,000".

Page 24, line 15, strike "$250,000" and insert "$500,000".

Page 34, strike line 21 and all that follows through page 35, line 10.

Page 35, line 11, strike "(c)" and insert "(b)".

Page 35, line 13, strike "studies" and all that follows through "(b)" and insert the following: "study required in subsection (a)".

Page 35, line 15, strike "studies" and insert "study".

Mr. MADIGAN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MADIGAN. Mr. Chairman, my amendment addresses the four areas of concern about H.R. 3133 that I voiced in my opening statement—the impact on access to care in rural areas, the limitation on the number of designated centers, the lack of State flexibility and excessive authorization levels.

Specifically, my amendment addresses these problems by: First, increasing the minimum allotment a State can receive from $250,000 to $500,000 and requiring that the standards for designated trauma centers include standards for the triage and transportation of trauma patients injured in rural areas. Both of these new provisions will improve access to trauma services in rural areas; second, including a provision stating that this legislation may not be construed to specify the number of trauma care centers that a State may designate under this act; third, providing authority for the Secretary to waive compliance with regard to the standards for designated trauma centers for a State if the Secretary determines that granting the waiver will not result in the diminishment of the availability or quality of trauma care in the State; and fourth, decreasing the authorization levels from $60 million for each of fiscal years 1989-91 to $45 million.

I urge my colleagues to adopt my amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. MADIGAN].

The amendment was agreed to.

Mr. SMITH of Florida. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I just rise in support of this bill and to tell the Members of this body that this is something that is very sorely needed.

In my own area in south Florida we have attempted to work out a trauma network, and it has been unfortunately a very fragmented and very difficult thing to do, and I wanted to acknowledge publicly the gentleman from Florida [Mr. LEHMAN] from Dade County who has done phenomenal work in this area. After putting together a trauma network, it just collapsed because of the problems inherent in the system: Insurance problems, crisis problems and the number of same problems which are mirrored all over this country and affect the capability of providing trauma care which is a grave concern to many parts of the country. Certainly it is in south Florida.

I rise in strong support of this bill, and I hope this body will adopt it.

Mr. DANNEMEYER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to make an observation about this bill. I have been privileged to hear the debate. I have served on the subcommittee where it was considered. I have no quarrel with a recitation of the need for this legislation; that case has been made.

The question is: Where are we going to get the money? The proponents of this legislation are silent on that. They come forward with this new need that has been identified in an eloquent way, and then they say, "Dig it up somewhere."

Mr. Chairman, we are increasing the indebtedness of the U.S. Government in this fiscal year by $243 billion. This Nation will have added three-quarters of a trillion dollars to its national debt in this fiscal year, the next one and the last one.

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The major item that is missing in this legislation on the part of the proponents is where the money is going to come from. Given the huge deficit that this country now deals with everyday, every week, every month, every year, in the era where proponents of yet new programs as a part of improving the lot of all of us have a duty to say where the money is going to come from. They have the duty to say that some existing program with less priority is to abate or remit enough to finance this one. That proposal is not forthcoming from the proponents of this legislation. We are just going to dig $45 million more into the hole. I do not think that is a responsible way for this body to be legislating.

I do not intend to ask for a rollcall vote on this matter because I have no doubt in my mind, given the philosophical bias of the 100th Congress, which way the rollcall would go.

We cannot develop the resistance for any new spending program that comes along, let alone one as meritorious as improving the health care needs of people for emergency care, whatever their circumstance is in life; but sometime, somewhere, we are going to have to develop the courage to provide the money for these new programs that come along, as meritorious as they may be.

Mr. TAUKE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I simply want to join with those who are supporting this legislation because I believe it is so important to the delivery of health care services in rural America. In many rural areas, including my own State of Iowa, the delivery of trauma care services is a top priority, and with the adoption of the Madigan amendment, this legislation will do a lot to improve the delivery of those services in the rural part of our Nation.

So I commend the gentleman from Illinois and others who are making it possible for us to consider this legislation this evening.

The CHAIRMAN. Are there any further amendments? If not, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. OBERSTAR] having assumed the chair, Mr. WOLPE, Chairman of the Committee on the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 3133) to amend the Public Health Service Act to improve emergency medical services and trauma care, and for other purposes, pursuant to House Resolution 536, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on the amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 3133, TRAUMA CARE SYSTEMS PLANNING AND DEVELOPMENT ACT OF 1988

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 3133, the Clerk be authorized to make corrections in section numbers, cross-references, punctuation, and indentations and to make other technical and conforming changes necessary to reflect the actions of the House in amending the bill, H.R. 3133, the Trauma Care Systems Planning and Development Act of 1988.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

GENERAL LEAVE

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous material, on H.R. 3133, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

CONFERENCE REPORT ON H.R. 4776, DISTRICT OF COLUMBIA APPRPOPRIATIONS, 1989

Mr. DIXON submitted the following conference report and statement on the bill (H.R. 4776) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1989, and for other purposes:

CONFERENCE REPORT (H. REPT. 100-1010)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4776) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1989, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 5, 8, 10, 11, 13, 14, 18, and 20.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 4, 9, 16, and 17, and agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert ***$32,040,000***; and the Senate agree to the same.

Amendment numbered 7:

That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert ***$623,924,000***; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 3, 6, 12, 15, 19, 21, 22, 23, 24, 25, 26, 27, 28, and 29.

JULIAN C. DIXON,
WILLIAM H. NATCHER
(except amendment
No. 15),
LOUIS STOKES,
LES AUCOIN,
WES WATKINS,
STENY H. HOYER,
JAMIE L. WHITTEN,
LAWRENCE COUGHLIN,
BILL GREEN,
RALPH REGULA,
SILVIO O. CONTE,
Managers on the Part of the House.

TOM HARKIN,
FRANK R. LAUTENBERG,
(except amendment
No. 15),
HARRY REID,
JOHN C. STENNIS,
DON NICKLES,
CHUCK GRASSLEY,
MARK O. HATFIELD,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 4776) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fisacl year ending September 30, 1989, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the actions agreed upon by the managers and recommended in the accompanying conference report.

TITLE I—FISCAL YEAR 1989 APPROPRIATIONS

Amendment No. 1: Inserts title and fiscal year heading to separate fiscal year 1989 appropriations from supplemental appropriations for fiscal year 1988.

FEDERAL PAYMENT FOR WATER AND SEWER SERVICES

Amendment No. 2: Appropriates $32,040,000 instead of $36,726,000 as proposed by the House and $27,130,000 as proposed by the Senate. The amount agreed to by the conferees is based on revised estimates submitted by District officials. The conferees note that the President's budget had proposed that the District bill the individual Federal agencies for these services. In denying that request and providing the lump sum payment, the conferees do not express unequivocal opposition to the proposal. However, in an April 1987 letter, the General Accounting Office stated that the proposal was contrary to existing law, and that the District has no statutory authority to bill or to accept payments from agencies. The conferees would encourage the relevant committees to consider the proposed request to change the statute. If such legislation is enacted during the fiscal year, the Committees on Appropriations will consider a request to adjust the amount provided.

CRIMINAL JUSTICE INITIATIVE

Amendment No. 3: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the matter proposed by said amendment, insert the following: : *Provided*, That construction may not commence unless access and parking for construction vehicles are provided solely at a location other than city streets: *Provided further*, That District officials meet monthly with neighborhood representatives to inform them of current plans and discuss problems: *Provided further*, That the District of Columbia shall operate and maintain a free, 24-hour telephone information service whereby residents of the area surrounding the new prison, can promptly obtain information from District officials on all disturbances at the prison, including escapes, fires, riots, and similar incidents: *Provided further*, That the District of Columbia shall also take steps to publicize the availability of that service among the residents of the area surrounding the new prison.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The language agreed to by the conferees requires the District government to take certain steps to mitigate the impact of the proposed new prison on the surrounding neighborhood in Southeast Washington. The conferees have deleted the proviso requiring access and egress on other than 19th Street, Southeast, and the proviso that required a portion of the old D.C. jail site to become a neighborhood shopping center.

PUBLIC SAFETY AND JUSTICE

Amendment No. 4: Appropriates $734,207,000 as proposed by the Senate instead of $735,528,000 as proposed by the House.

Metropolitan Police Department—The conference action appropriates $207,157,000 as proposed by the House instead of $207,407,000 as proposed by the Senate. The conferees have not approved the increase of $250,000 proposed by the Senate. These funds would have been used in cooperation with Federal authorities to mount a drug interdiction initiative at the District's Lorton Correctional Complex. This matter is discussed under amendment number 5.

Superior Court.—The conference action provides $54,646,000 and 1,173 positions as proposed by the Senate instead of $52,680,000 and 1,137 positions as proposed by the House. The increase of $1,966,000 and 36 positions above the House allowance will fund mandatory pay increases and provide needed staff and resources for various divisions in the Superior Court.

Court System.—The conference action provides $20,080,000 and 80 positions as proposed by the Senate instead of $19,875,000 and 75 positions as proposed by the House. The increase of $205,000 consists of $47,000 to fund two existing positions in the Equal Employment Opportunity program, $94,000 and five positions for a pilot test of a court-manned security force and $64,000 for liability insurance for the District's judicial officers.

SECURITY AND MAINTENANCE OF COURT BUILDINGS

The increase of $94,000 will fund five positions and will permit the court system to pilot test a court-manned supplemental security force. Court official have testified that they continue to experience severe security problems which they have reported for several years, and instead of improving, the situation has deteriorated. Court officials further reported that the security and maintenance services provided by the District's Department of Administrative Services have not been satisfactory.

Because of these problems, court officials have repeatedly requested the transfer of these responsibilities and the applicable funding to the court. For whatever reasons, this has not been accomplished.

Testimony from court officials indicates that the Department of Administrative Services' responsibility for these services, if properly performed, would be acceptable to the courts. However, in light of the continued dissatisfaction with the obviously less than satisfactory service, the conferees recommend funding a small supplemental security force and evaluating the courts' ability to accomplish improved security in the buildings it occupies.

JUDICIAL INDEMNITY INSURANCE

An increase of $64,000 is provided for professional liability insurance. This increase is unnecessary except for the fact that the Council of the District of Columbia has not yet completed action on legislation amending the D.C. Code to ensure appropriate liability coverage for judicial employees comparable to that provided for medical employees under D.C. Code, sec. 1-1215(b). The need for this legislation results from the liability exposure created by the Supreme Court decision in the case of ***Pulliam* v. *Allen*** (1984) 104 S. Ct. 1970. This issue was first called to the attention of District officials in House Report 99-223 dated July 24,

1985. The report stated that "* * * the Committee urges the Mayor and Council to pursue the expedited passage of legislation amending the D.C. Code to ensure appropriate coverage for judicial employees thereby eliminating the need for funds to cover insurance premiums in fiscal year 1986."

That was over three years ago. The conferees are deeply concerned with what appears to be inaction on a seemingly innocuous bill that is simply good government as well as cost effective.

Department of Corrections—The conference action provides $193,855,000 instead of $197,347,000 as proposed by the House and $193,605,000 as proposed by the Senate. The reduction of $3,492,000 below the House allowance will provide $29,496,000 for the Federal Bureau of Prisons payment instead of $32,988,000 as proposed by the House and $29,246,000 as proposed by the Senate.

DRUG INTERDICTION TASK FORCE

Amendment No. 5: Deletes language proposed by the Senate concerning the use of funds proposed under amendment number 4 for the drug interdiction task force at the Lorton, Virginia prison complex. The conferees have agreed to delete the $250,000 proposed by the Senate under amendment number 4 for use by the Metropolitan Police Department to establish a drug interdiction task force at the Lorton, Virginia prison complex.

The conferees are concerned, however, that the flow of illicit drugs into the Lorton complex remains a serious problem and may contribute to instability and disturbances at the prison. The conferees direct the District of Columbia government to focus increased resources and effort on drug enforcement activities at Lorton.

The conferees further direct the District of Columbia government to proceed with the establishment of a drug interdiction task force. The District of Columbia Government should seek funding, as appropriate, from other Federal programs such as those being established as part of the omnibus drug legislation presently being considered by the Congress and/or use available funds to pay for police salaries, transportation, communications, drug testing services and equipment, and related expenses necessary to establish and operate a task force at Lorton and throughout the District of Columbia prison system.

The conferees believe that such a task force could greatly reduce the flow of drugs into Lorton and thus help prevent more serious problems. Therefore, the conferees direct the District of Columbia government to report to the Committees on Appropriations of the House and Senate, not later than January 15, 1989, on the effort being made to establish the task force, obtain funding, and on the severity of the drug problem at Lorton and throughout the prison system.

Amendment No. 6: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides that the staffing levels of two-piece engine companies within the Fire Department shall be maintained in accordance with the Fire Department's Rules and Regulations until final adjudication by the relevant courts.

Public Education System

Amendment No. 7: Appropriates $623,924,000 instead of $623,424,000 as proposed by the House and $623,981,000 as proposed by the Senate. The increase of $500,000 above the House allowance is for the Very Special Arts Program founded in 1974 as an educational affiliate of the John F. Kennedy Center for the Performing Arts. The program is dedicated to enriching the lives of people with disabilities through the arts, music, dance, drama, creative writing and the visual arts. These funds will be used to provide interpreters, ramps, needed medical coverage, accessible transportation equipment and signage services in support of the International Very Special Arts Festival scheduled to be held in Washington, D.C. in June 1989.

The conferees have not approved $57,000 proposed by the Senate for the Civil Air Patrol. This matter is discussed under amendment number 8.

Amendment No. 8: Allocates $452,403,000 for the public schools of the District of Columbia as proposed by the House instead of $452,460,000 as proposed by the Senate. The reduction of $57,000 below the Senate allocation reflects the deletion of funds intended for the establishment of a Civil Air Patrol Cadet Program within the District of Columbia Public Schools. This is done without prejudice to the program, and the conferees hope that the Board of Education will seriously consider any proposal from the Civil Air Patrol to establish this program in the D.C. school system.

The Cadet Program is an activity for young men and women between the ages of 13 and 21 years old. The basic program includes training in leadership, aerospace education, moral leadership, and physical fitness. Under the leadership of CAP senior members, cadets progress through a series of structured achievements earning military type promotions in grade. The Cadet Program provides its participants a forum in which they are challenged to perform and rewarded when they do.

Programs such as the Civil Air Patrol Cadet Program are of great value in providing worthwhile activities for youth during the hours after school as a method of combating the temptation of drug abuse.

Public Schools.—The conferees are concerned about what the Mayor has described as a crisis of values particularly among school-age children in the District of Columbia. This crisis manifests itself in the apparent insensitivity of youth to the specter of violence and drug use and where being victimized is viewed simply as part of growing up. In response to this type of crisis the Board of Education has established a Values Commission that is to report to the Board on a program that could be implemented in all schools and all grades.

This Commission is a fine first step in recognizing a fundamental problem in our current culture. However, the job will not be completed when the report is received and the program implemented. The conferees hope that the School Board will examine its own operations to ensure that they are sending the proper message to students through their own actions and deeds.

In addition, the conferees hope that the Commission will take into consideration the message that is received by students when the D.C. Public School system ranks last in teacher salaries in the region and by the deteriorated condition of the schools themselves. The conferees are aware that these are not easy questions to address, nor will they be inexpensive to correct, but students will judge our commitment to these goals by our adherence to the principles we establish.

Supplemental budget needs.—The conferees are aware of the financial needs of the District of Columbia Public Schools and the possible shortfall of $13,000,000 in the proposed fiscal year 1989 budget. The new Superintendent testified that he hopes that the Mayor will propose and the District Council will enact a supplemental budget that will fully fund the needs of the public schools. The conferees direct that the Board of Education transmit to the Committees on Appropriations of the Senate and House of Representatives its estimate of needed supplemental funding at the same time this request is transmitted to the Mayor.

This request is made so that the Committees can be kept apprised of the budgetary situation in the D.C. Public Schools and not as a promise to fund all amounts requested. The Board of Education should continue to be mindful of possible administrative savings and is requested to detail in its transmittal the steps it has taken that could mitigate the final amount needed.

Amendment No. 9: Allocates $4,192,000 for the Commission on the Arts and Humanities as proposed by the Senate instead of $3,692,000 as proposed by the House. The increase of $500,000 above the House allowance is for the Very Special Arts Program discussed under amendment number 7.

Human Support Services

Amendment No. 10: Appropriates $744,901,000 as proposed by the House instead of $745,665,000 as proposed by the Senate.

Department of Human Services.—The conference action provides $616,555,000 as proposed by the House instead of $617,319,000 as proposed by the Senate. The conferees have deleted the $264,000 proposed by the Senate for a pilot project which would have provided housing and supportive services for mentally disabled mothers. The conferees do so without prejudice to the merits of such a program and encourage the Commission on Mental Health to assess the magnitude of the need in the District of Columbia and report to the Committees on Appropriations of the Senate and House of Representatives not later than December 31, 1988. This report should include the number of such mothers in the District as well as information on how these mothers and infants are currently cared for in the District.

The Committees will consider a supplemental or reprogramming request as early in fiscal year 1989 as the Commission on Mental Health and District government deem appropriate. The conferees have not approved the additional $500,000 proposed by the Senate for Project Volta. An appropriation of $990,000 was included in the District's fiscal year 1988 appropriations act for this project. The conferees have included bill language under "Human Support Services" in amendment number 29 making the $990,000 available solely for Project Volta and extending the availability of those funds until expended.

The conferees are concerned about cuts in the Handicapped Infant Intervention Project (HIIP). This is a program, similar to Project Volta in approach, which provides for early intervention for handicapped infants and toddlers up to age three. This is done through screening of high risk newborn infants for early recognition of mental retardation, minimal brain damage, and overall delay in development skills. The conferees share the concern expressed by others that without this program, deafness in many infants might go undetected and intervention might not occur. The conferees hope that ways can be found to minimize the impact of reductions on this program.

The conferees direct that $36,000 be disbursed within 15 days of the enactment of this Act to the Samaritans of Washignton, a nonprofit, nonsectarian largely volunteer tax-exempt organization which operates a round-the-clock hotline to serve persons who are in despair or contemplating suicide. Since the Samaritans' hotline became operational in February 1986 the number of calls has increased from 300 a month to as many as 2,500 a month. The Samaritans' phones are staffed by 45 trained volunteers who are on duty approximately 1,500 hours each month. The cost effectiveness of this program is obvious.

Amendment No. 11: Deletes language proposed by the Senate concerning the payment of funds under amendment number 10 to Project Volta. The conferees did not approve the additional $500,000 proposed by the Senate for this project under amendment number 10.

Public Works

Amendment No. 12: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, amended to read as follows:

In lieu of the matter proposed by said amendment insert the following: *: Provided further, That the Taxicab Commission shall report to the Committees on Appropriations of the Senate and House of Representatives by January 15, 1989 on a plan as outlined in Senate Report 100-162 to issue and implement regulations including but not limited to the age of vehicles, frequency of inspection, and cleanliness of vehicles*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees remain concerned about the pace of progress of the Taxicab Commission in reaching the goals set out in last year's conference report (House Report 100-498). At that time the conferees requested the submission of a report and stated:I23 "This report should include a timetable for consideration of a fair, equitable, non-discriminatory fare structure based on time and mileage; consideration of taxicab vintage; a review of driver standards; a review of methods to provide better monitoring of the industry including the possibility of monthly insurance stickers; and a policy on the types of permitted radio operations."

The conferees are aware of the report of Sepember 1, 1988 by the Taxicab Commission to the Committees which outlines plans for many of the items mentioned in last year's conference report. The conferees are pleased to note that some progress is being made, and continue to strongly believe that all of the information that the Commission should require ought to be available at this time. The conferees also strongly believe that the Commission, after receiving public comment, should take final action not later than January 1, 1989 on a vintage standard as well as on the other matters contained in the September 1, 1988 report, and report the results of that action to the Committees by January 15, 1989. In addition, the Commission is requested to include in its report a schedule for consideration of the other items mentioned in the above directive, including the frequency of taxicab inspections, the age of vehicles used as cabs, the condition of heating and air-conditioning systems, and the cleanliness of vehicles.

The conferees are also aware that the Commission intends to contract for a wide-ranging study of the taxicab industry in the Nation's Capital. The conferees support this effort; however, the conferees are concerned about the length of time the study is proposed to take. One of the stated purposes of the study is to gather information about the economics of the industry to aid in setting rates. I does not seem that this data would be required to make a determination on whether or not the current zone fare system should be replaced by a system of meters. This is an important first step in progressing to a regional uniform taxicab system where fares are uniform and trip origin and destination barriers are removed.

MOTOR TRUCK SAFETY

The conferees note with concern that the District has not become a member of the Motor Carrier Safety Assistance Program (MCSAP). Currently, over 50 of 56 eligible jurisdictions are involved in this program which provides grants to jurisdictions which adopt the Federal Motor Carrier Safety Regulations and Hazardous Materials Regulations and provide their police with sufficient authority to enforce these regulations.

Currently, the District does not have the capacity to enforce regulations governing truck safety and the transportation of hazardous materials. The conferees note that the MCSAP program has been extremely successful in other jurisdictions, increasing annual roadside inspections of trucks from 30,000 in 1984 to over one million this year, and an expected 1.5 million in fiscal year 1989.

The MCSAP program provides Federal funds for training and hiring personnel and would be a direct benefit to the motoring public. By becoming a member of the MCSAP program, the District would greatly enhance the regional effort to ensure that trucks operating in the Washington Metropolitan Region are operating safely.

Accordingly, the conferees strongly encourage the District to join the MCSAP program and adopt local regulations and laws necessary to enforce the program. The conferees direct the District to report back to the House and Senate Committees on Appropriations no later than March 1, 1989, on the status of the District's efforts.

Inaugural Expenses

The conferees direct that $80,000 of the $2,300,000 appropriated for expenses that the District government expects in connection with the upcoming Presidential inauguration be allocated to the D.C. National Guard for expenses that it incurs in connection with the inauguration activities.

Capital Outlay

Amendment No. 13: Appropriates $138,336,000 as proposed by the House instead of $148,336,000 as proposed by the Senate. The conferees have not approved the increase of $10,000,000 proposed by the Senate to finance the construction of the Federal City Communications Center on the campus of Catholic University.

Amendment No. 14: Deletes language proposed by the Senate concerning the availability of funds under amendment number 13 for the Federal City Communications Center. The conferees did not approve the funds proposed by the Senate under amendment number 13.

General Provisions

Amendment No. 15: Reported in disagreement.

Amendment No. 16: Deletes language proposed by the House and stricken by the Senate concerning the expenditure of funds in any workplace that is not free of illegal use or possession of controlled substances. The conferees strongly agree with the intent of the provision included by the House. However, the conferees have agreed to strike this language since this issue was addressed on a government-wide basis in Section 628 of the conference report for the Treasury-Postal Service and General Government Appropriations Act, 1989 (H.R. 4775; H. Rept. 100-881, pp. 33-34). Section 628 of that Act (Public Law 100-440) covers the District of Columbia as well as all Federal entities.

Amendment No. 17: Deletes language proposed by the House and stricken by the Senate concerning the District's residency requirement for employees. This matter is addressed under amendment number 24.

Amendment No. 18: Deletes language proposed by the Senate which would have provided a Federal loan guarantee in an amount not to exceed $20,000,000 to the Washington Center, a nonprofit corporation, for the construction of an educational housing facility.

Amendment No. 19: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

Sec. 135. (a) Section 11-1563(d), D.C. Code is amended—

(A) by inserting "or while receiving retirement salary under this subchapter but before having recouped all contributions," before "the lump-sum credit for retirement"; and

(B) by inserting "or the balance after deduction of retirement salary paid prior to death, if applicable," before "shall be paid,".

(b) The Mayor within 30 days after the enactment of this Act, shall engage an enrolled actuary, to be paid by the District of Columbia Retirement Board, and shall comply fully with the requirements of section 142(d) and section 144(d) of the District of Columbia Retirement Reform Act of 1979 (Public Law 96-122, D.C. Code, secs. 1-722(d) and 1-724(d)).

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Senate amendment agreed to by the conferees changes the section number and makes a technical correction to D.C. Code, sec. 11-1563(d) concerning the refund of retirement withholdings to judges of the District of Columbia courts. Currently, if a judge who has not elected to participate in the Survivor Annuity Program dies while in active service, the contributions made by the judge to the retirement system are returned to the named beneficiary or the judge's estate. In those cases where a retired judge has not yet recouped the contributions prior to death, there is no provision for a named beneficiary or the estate to recoup the remaining portion of the contributions. The language in Senate amendment number 19 corrects this inequity. The language also requires the Mayor to engage an enrolled actuary to determine the financial effects of this change on the retirement fund and to comply fully with sections 142(d) and 144(d) of Public Law 96-122.

Amendment No. 20: Deletes language proposed by the Senate concerning the qualification requirements for retirement benefits for persons serving in the position of Executive Officer of the District of Columbia

Courts. The proposed language sought to clarify the treatment for the Executive Officer of the District of Columbia Courts under circumstances where the Officer is involuntarily removed from office. Section 11-1703(c) of the District of Columbia Code states that "The Executive Officer shall receive the same compensation as an associate judge of the Superior Court."

The conferees ask that the courts bring back this proposal with a fuller explanation of the need for such clarification.

Amendment No. 21: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, amended to read as follows:

In lieu of the matter proposed by said amendment, insert the following:

SEC. 136. (a) Within 30 days after the date of enactment of this Act, the United States, acting through a duly authorized official, shall convey to the District of Columbia without consideration, all right, title, and interest of the United States, in the real property described in subsection (b) (and any improvements thereon).

(b) The real property referred to in subsection (a) is that property (commonly known as the District of Columbia Employment Security Building at 500 C Street, Northwest) located in the District of Columbia in Square 491 described in a deed from the District of Columbia to the United States dated April 20, 1961, and recorded on April 26, 1961, as instrument number 11232 in liber 11589, folio 135 of the District of Columbia.

(c) If for any reason the District of Columbia should dispose of the real property described in subsection (b) (and any improvements thereon), such disposition shall be in accordance with procedures established by the Federal Department of Labor as are applicable to any of the 50 states.

SEC. 137. Section 147 of the Surface Transportation and Uniform Reallocation Assistance Act of 1987 (Public Law 100-17, approved April 2, 1987) is repealed.

SEC. 138. Notwithstanding Section 110 of this Act, appropriations in this Act shall not be available, during the fiscal year ending September 30, 1989, for the compensation of any person appointed to a permanent position in the District of Columbia government during any month in which the number of employees exceeds 38,512, the number of positions authorized by this Act.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference action inserts language to transfer title of the District's Employment Security Building located at 500 C Street, NW, to the District government. The General Accounting Office, in response to a request from the House and Senate Committees on Appropriations as to how ownership of title to the District's Employment Security Building might equitably be handled if the District were treated as if it were a state under the employment security program, has sent the Committees a letter dated September 14, 1988 stating that the building was paid for from appropriations for employment security grants, and that this use of the grants was consistent with the use of such grants by other states. The letter from the General Accounting Office further states that an official of the Federal Department of Labor told them that the District's Employment Security Building is the only instance they were aware of wherein a state did not hold legal title to similar employment services program property.

The site was originally titled to the District of Columbia and was transferred to the Federal government in April 1961 at no cost. It should be noted that before the District received Home Rule in 1973, the Federal government provided a myriad of municipal services to the District. In a letter dated January 29, 1959 from Robert E. McLaughlin, President of the Board of Commissioners of the District of Columbia, to James E. Dodson, Administrative Assistant Secretary of the Federal Department of Labor, Mr. McLaughlin, in outlining the conditions of the site transfer, stated ". . . it is hoped that this structure will ultimately become District property . . ." (see letter submitted for the record in hearings on the District's fiscal year 1989 budget held on May 10, 1988, before the House Subcommittee on District of Columbia Appropriations, part 1, pp. 410-411).

The conferees have also included language in subsection (c) to ensure that the District abides by procedures established by the Federal Department of Labor in the event the District disposes of the property. These procedures were developed by the Federal Department of Labor for the disposal of facilities used in the various States' Employment Security Agencies Program (SESA). It is the express intent of the conferees that the District of Columbia be treated in the same manner as any of the 50 states.

The conferees have also approved a new section 137 which repeals Section 147 of Public Law 100-17, the Surface Transportation and Uniform Reallocation Assistance Act of 1987. Section 147 was included by the House as part of Public Law 100-17 when the Commonwealth Transportation Board, Commonwealth of Virginia refused to make certain adjustments in the High Occupancy Vehicle (HOV) restrictions on the I-95/I-395 facilities (the Shirley Highway express lanes)—adjustments which would have improved the ingress/egress of the high volume of traffic moving in and out of Washington, D.C. The conferees have been advised that an agreement has since been reached with the Commonwealth Transportation Board whereby in return for repeal of Sec. 147, the state will lower HOV requirements from four persons per vehicle to three persons per vehicle; will keep open to all traffic the Pentagon HOV-lanes access ramp (Ramp G) for as long as is practical; will maintain the current 6:00 p.m. time at which the express lanes are open to all traffic; and will institute certain improvements in HOV-restriction enforcement procedures and programs. These changes will go into effect in January 1989. The language agreed to by the conferees has been cleared with the chairman and ranking member of the Subcommittee on Surface Transportation of the House Committee on Public Works and Transportation.

The conferees have also approved a new section 138 which increases the employment ceiling in section 110 from 38,471 to 38,512. The increase of 41 reflects the changes for the D.C. Superior Court and the Court System agreed to by the conferees.

Amendment No. 22: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the matter proposed by said amendment, insert the following:

SEC. 139. (a) Up to 118 officers or members of the Metropolitan Police Department who were hired before February 14, 1980, and who retire on disability before the end of calendar year 1989 shall be excluded from the computation of the rate of disability retirement under subsection 145(a) of the District of Columbia Retirement Reform Act, as amended, approved September 30, 1983 (97 Stat. 727; D.C. Code, sec. 1-725(a)), for purposes of reducing the authorized Federal payment to the District of Columbia Police Officers and Fire Fighters' Retirement Fund pursuant to subsection 145(c) of the District of Columbia Retirement Reform Act.

(b) The Mayor, within 30 days after the enactment of this Act, shall engage an enrolled actuary, to be paid by the District of Columbia Retirement Board, and shall comply with the requirements of section 142(d) and section 144(d) of the District of Columbia Retirement Reform Act of 1979 (Public Law 96-122, D.C. Code, secs. 1-722(d) and 1-724(d)).

(c) If any of the 118 light duty positions that may become vacant under subsection (a) are filled, a civilian employee shall be hired to fill that position.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference action allows for the retirement of not to exceed 118 police officers and states that their retirements are to be excluded from the computation of the rate of disability retirement under subsection 145(a) of the District of Columbia Retirement Reform Act of 1979 (Public Law 96-122). This rate of disability retirements is used to determine whether to reduce the authorized Federal payment to the Police Officers and Firefighters' Retirement Fund. Testimony from the Mayor and the Chief of Police indicated that a number of officers are in a limited or light duty status or on extended sick leave. The police chief stated that it is important to replace these individuals with able-bodied police officers who can perform on the street.

Prior to the enactment of subsection 145(a) of Public Law 96-122, there was concern that the District's retirement system was being abused with excessive disability retirements. In some years, disability retirements accounted for 99 percent of all police and fire retirements. In order to address the situation, the Congress approved subsection 145(a) as part of the District's Retirement Reform Act to provide some incentive to District managers to reduce the percentage of disability retirements. The conferees believe the District has responded favorably and has included this language which will allow these individuals to retire without reducing the authorized Federal payment to the retirement funds and will permit the Metropolitan Police Department to hire police officers to fill the vacated positions. The conferees direct that these retirements, while exempt from the computation of the rate of disability retirements, be subject to all of the rules and regulations of the District's Board of Surgeons as well as the Policemen and Firemen's Retirement and Relief Board and meet all of the criteria for retirement.

The language agreed to by the conferees requires the Mayor to engage an enrolled actuary to determine the financial effects of this change on the retirement fund and to comply fully with sections 142(d) and 144(d) of Public Law 96-122. The language also requires that if any of the 118 positions that may become vacant because of retirements under subsection (a) are filled, a civilian employee shall be hired to fill that position. The objective of this section is to ensure that the objectives of the Mayor and the

Metropolitan Police Chief to hire more able bodied officers for street duty are carried out.

Amendment No. 23: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which allows for the operation of a home for the dying poor, including those with AIDS. The conference action is consistent with a unanimous ruling by the District's five-member Board of Zoning Adjustment on September 7, 1988, which granted the home a zoning exemption so that it can operate as a community residential facility. This action by the conferees will ensure the continued operation of this much-needed facility for homeless AIDS patients at no cost to District taxpayers.

Amendment No. 24: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the matter proposed by said amendment, insert the following:

SEC. 141. (a) If by May 1, 1989, the District of Columbia government has not adopted, and implemented no later than September 30, 1989, a preference system that does not preclude the hiring of noncity residents, none of the funds provided or otherwise made available by this Act may be used to pay the salary or expenses of any officer, employee, or agent who is engaged in implementing, administering, or enforcing a District of Columbia residency requirement with respect to employees of the Government of the District of Columbia.

(b) After the date of enactment of this section, the District shall not dismiss any employees currently facing adverse job action for failure to comply with the residency requirement.

The managers on the part of the Senate will offer a motion to concur in the amendment of the House to the amendment of the Senate.

The conference action requires the District to adopt by May 1, 1989, and to implement by September 30, 1989, a hiring preference system that allows for the hiring of non-city residents as proposed by the Senate. The conferees have also agreed to prohibit the use of any funds, rather than just Federal funds as proposed by the Senate, to implement, administer or enforce the residency law if either the date for adoption or the date for implementation is not met. The conferees have also agreed to language which prohibits the District from dismissing any employees for failure to comply with the residency requirement.

Amendment No. 25: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate requiring that all fiscal year 1989 pay raises be absorbed within the levels appropriated in this Act. With the adoption of this language, there will not be any additional Federal funds appropriated to finance any pay raises that the District government may provide to employees during fiscal year 1989. This provision applies only to Federal funds and does not apply to local District funds which are not included in the Federal scorekeeping process.

Amendment No. 26: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the matter proposed by said amendment, insert the following:

SEC. 143. None of the Federal funds appropriated by this Act shall be obligated or expended after December 31, 1988, if on that date the District of Columbia has not repealed District of Columbia Law 6-170, the Prohibition of Discrimination in the Provision of Insurance Act of 1986 (D.C. Law 6-170), or amended the law to allow testing for the human immunodeficiency virus as a condition for acquiring all health, life and disability insurance without regard to the face value of such policies. Eligibility for coverage and premium costs shall be determined in accordance with ordinary practices.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The language agreed to by the conferees prohibits the use of Federal funds by the District government after December 31, 1988, if the District has not repealed D.C. Law 6-170, the Prohibition of Discrimination in the Provision of Insurance Act of 1986, or adopted amendments to the Act to allow the testing of individuals as a basis for purchasing all health, life and disability insurance without regard to the face value of the policy. It also provides that eligibility for coverage and premium costs will be determined in accordance with ordinary practices.

Amendment No. 27: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which requires the mandatory reporting of individual abortions for statistical purposes.

Amendment No. 28: Reported in disagreement.

TITLE II—FISCAL YEAR 1988 SUPPLEMENTAL APPROPRIATIONS

DISTRICT OF COLUMBIA FUNDS

Amendment No. 29: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the matter proposed by said amendment, insert the following:

TITLE II—FISCAL YEAR 1988 SUPPLEMENTAL APPROPRIATIONS

DISTRICT OF COLUMBIA FUNDS

GOVERNMENTAL DIRECTION AND SUPPORT

(INCLUDING RESCISSION)

For an additional amount for "Governmental direction and support", $2,168,000: Provided, That of the funds appropriated under this heading for fiscal year 1988 in the District of Columbia Appropriations Act, 1988, approved December 22, 1987 (Public Law 100-202, sec. 101(c); 101 Stat. 1329-91 to 1329-92), $3,525,000 are rescinded.

ECONOMIC DEVELOPMENT AND REGULATION

(INCLUDING RESCISSION)

For an additional amount for "Economic development and regulations", $143,000: Provided, That of the funds appropriated under this heading for fiscal year 1988 in the District of Columbia Appropriations Act, 1988, approved December 22, 1987 (Public Law 100-202, sec. 101(c); 101 Stat. 1329-92), $15,779,000 are rescinded.

PUBLIC SAFETY AND JUSTICE

(INCLUDING RESCISSION)

For an additional amount for "Public safety and justice", $33,253,000: Provided, That of the funds appropriated under this heading for fiscal year 1988 in the District of Columbia Appropriations Act, 1988, approved December 22, 1987 (Public Law 100-202, sec. 101(c); 101 Stat. 1329-92 to 1329-93), $2,000 are rescinded.

PUBLIC EDUCATION SYSTEM

(INCLUDING RESCISSION)

For an additional amount for "Public education system", $13,900,000 which shall be allocated for the public schools of the District of Columbia: Provided, That of the funds appropriated under this heading for fiscal year 1988 in the District of Columbia Appropriations Act, 1988, approved December 22, 1987 (Public Law 100-202, sec. 101(c); 101 Stat. 1329-93 to 1329-94), $210,000 for the District of Columbia School of Law, $549,000 for the Public Library, and $355,000 for the Commission on the Arts and Humanities are rescinded.

HUMAN SUPPORT SERVICES

(INCLUDING RESCISSION)

For an additional amount for "Human support services", $24,467,000: Provided, That of the funds appropriated under this heading for fiscal year 1988 in the District of Columbia Appropriations Act, 1988, approved December 22, 1987 (Public Law 100-202, sec. 101(c); 101 Stat. 1329-94), $8,578,000 are rescinded: Provided further, That an additional $2,545,000, to remain available until expended, shall be available solely for the District of Columbia employees' disability compensation: Provided further, That the $990,000 appropriated in the District of Columbia Appropriations Act, 1988, approved December 22, 1987 (Public Law 100-202, sec. 101(c)) shall be solely for Project Volta and shall remain available until expended: Provided further, That $746,054 in funds made available to the District of Columbia pursuant to the Employment Security Administrative Financing Act of 1954, approved August 5, 1954 (68 Stat. 668; 42 U.S.C. 1103), shall be appropriated for the purpose of providing $39,210 towards the purchase of an optical character reader and $706,844 to pay unemployment insurance staff salaries and benefits: Provided further, That the $746,054 referred to in the preceding proviso shall be withdrawn and expenses incurred after the enactment date of this Act and shall not be available for obligation after the close of a 12-month period which begins on the date of the enactment of this Act.

PUBLIC WORKS

(INCLUDING RESCISSION)

For an additional amount for "Public works", $2,783,000: Provided, That of the funds appropriated under this heading for fiscal year 1988 in the District of Columbia Appropriations Act, 1988, approved December 22, 1987 (Public Law 100-202, sec. 101(c); 101 Stat. 1329-94), $2,625,000, including $241,000 from the school transit subsidy are rescinded.

REPAYMENT OF LOANS AND INTEREST

(RESCISSION)

Of the funds appropriated under this heading for fiscal year 1988 in the District of Columbia Appropriations Act, 1988, approved December 22, 1987 (Public Law 100-202, sec. 101(c); 101 Stat. 1329-95), $1,005,000 are rescinded.

REPAYMENT OF GENERAL FUND DEFICIT

For an additional amount for "Repayment of general fund deficit", $118,000.

OPTICAL AND DENTAL BENEFITS

For an additional amount for "Optical and dental benefits", $1,080,000.

PERSONAL SERVICES

For "Personal services", for pay increases and related costs, to be transferred by the

Mayor of the District of Columbia to the various appropriation titles for fiscal year 1988 from which employees are properly payable, $34,150,000, which includes a 12 percent pay absorption to be apportioned among the various appropriations titles by the Mayor.

ADJUSTMENTS

Of the funds appropriated under the various appropriation titles in the District of Columbia Appropriations Act, 1988, approved December 22, 1987 (Public Law 100-202, sec. 101(c); 101 Stat. 1329-90 to 1329-104), $911,000, as determined by the Mayor, are rescinded.

CAPITAL OUTLAY

For an additional amount for "Capital outlay", $6,340,000, to remain available until expended.

WATER AND SEWER ENTERPRISE FUND

For an additional amount for "Water and sewer enterprise fund", $39,750,000, of which $8,385,000 shall be apportioned and payable to the debt service fund for repayment of loans and interest incurred for capital improvement projects and $31,365,000 shall be for pay-as-you-go capital projects, of which $10,500,000 shall be for new capital project authority for fiscal year 1988 and $20,865,000 shall be for prior-year capital project authority.

For an additional amount for construction projects, $10,500,000, as authorized by an Act authorizing the laying of water mains and service sewers in the District of Columbia, the levying of assessments therefor, and for other purposes, approved April 22, 1904 (33 Stat. 244; Public Law 58-140; D.C. Code, sec. 43-1512 et seq.).

LOTTERY AND CHARITABLE GAMES ENTERPRISE FUND

For an additional amount for "Lottery and charitable games enterprise fund", $764,000.

GENERAL PROVISIONS

SEC. 201. Nothwithstanding any other provision of law, appropriations made and authority granted pursuant to this title shall be deemed to be available for the fiscal year ending September 30, 1988.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference action inserts a new "Title II" and heading for fiscal year 1988 supplemental appropriations as proposed by the Senate and appropriates $135,877,000 instead of $103,938,000 as proposed by the Senate. There are no Federal funds involved in this supplemental; it is funded entirely with increases in local revenue collections above the level projected at the time the District's regular appropriations bill for fiscal year 1988 was considered and approved by the Congress. The District government submitted three separate supplemental requests; none of which was submitted in time to be considered by the House and only one was submitted in time to be considered by the Senate. The three supplemental requests total $180,877,000 and consist of a net increase of $103,938,000 submitted in House Document 100-188, a net increase of $31,939,000 submitted in House Document 100-223, and $45,000,000 in capital budget authority also submitted in House Document 100-223. The increase of $31,939,000 recommended by the conferees above the Senate allowance reflects the second supplemental request. The conferees have denied without prejudice $45,000,000 in additional capital budget authority submitted as the District's third supplemental request. This item is discussed later in this report under the heading "capital outlay".

GOVERNMENTAL DIRECTION AND SUPPORT

The conference action recommends the appropriation of an additional $2,168,000 and rescinds $3,525,000 for a net decrease of $1,357,000 as proposed by the Senate for the appropriation account "Governmental direction and support". A brief description of the conferees' recommendations by office follows:

Office of the Secretary.—The conference action provides an additional $117,000 consisting of $27,000 to provide staff for the newly-established controller's unit, and $150,000 to cover the cost of automating the records of the Office of Public Records.

Office of Communications.—The conference action provides an additional $32,000 for contractual services and printing costs for publishing and disseminating general information to the public and $7,000 for computer equipment to upgrade and enhance the office's computer system.

Office of Intergovernmental Relations.—The conference action provides an additional $559,000 including increases of $162,000 for underfunded positions, $29,000 for office supplies, $22,000 for communications costs, $188,000 for other services and charges, and $158,000 for computer equipment.

Office of Personnel.—The conference action rescinds $1,043,000 consisting of $789,000 in personal services due to attrition, position vacancy management, termination of term appointments and curtailment of paid overtime and $254,000 due to reducing the publication and mailings of job bulletins, shared computer usage and executive recruitment costs.

Department of Administrative Services.—The conference action provides a net increase of $1,194,000 consisting of an increase of $2,000,000 for increased space rental costs for leased facilities, a rescission of $688,000 in personal services due to underspending resulting from maintaining vacant positions and restructuring positions downward to the entry level as they become vacant and a rescission of $118,000 due to an across-the-board reduction in contractual services.

Deputy Mayor for Finance.—The conference action rescinds $52,000 due to savings from positions remaining vacant.

Office of the Budget.—The conference action rescinds $139,000 due to position vacancy management and $44,000 due to printing fewer budgets and a reduction in office supplies.

Office of Financial Management.—The conference action rescinds $1,700,000 consisting of $700,000 due to a delay in purchasing a laser printer and upgrading the hardware and software for the Share Computer Center and $1,000,000 due to a decrease in contractual services for upgrading various programs.

Department of Finance and Revenue.—The conference action rescinds $537,000 consisting of $427,000 due to delays in filling vacant positions and $110,000 due to delays in the purchasing of equipment.

Office of Campaign Finance.—The conference action provides an additional $189,000 consisting of $150,000 to provide full funding for current on-board staff and $39,000 to cover the cost of upgrading the computer system.

Office of Employee Appeals.—The conference action provides an additional $10,000 for board members' compensation due to an increase in the number of board meetings in order to reduce the backlog in the number of appeals.

Commission on Baseball.—The conference action rescinds $10,000 in other services and charges for the promotion of baseball in the District.

ECONOMIC DEVELOPMENT AND REGULATION

The conference action recommends the appropriation of an additional $143,000 and rescinds $15,779,000 for a net decrease of $15,636,000 instead of an additional $143,000 and rescissions of $11,279,000 for a net decrease of $11,136,000 as proposed by the Senate. A brief description by office follows:

Office of the Deputy Mayor for Economic Development.—The conference action rescinds $178,000 due to a delay in filling vacant positions in the Office of Banking.

Office of Planning.—The conference action rescinds $193,000 due to a delay in filling vacant positions.

Department of Housing and Community Development.—The conference action rescinds $3,150,000 as follows: $150,000 in the Mortgagé Default Prevention Program, $2,300,000 in the Citywide Home Purchase Assistance Program, and $700,000 in the Ward 8 Purchase Assistance Program. These rescissions are being made because carryover funds are available for these programs from fiscal year 1987. The conference action also recommends rescissions of $4,500,000 requested in the second supplemental due to certificate holders in the Tenant Assistance Program not being able to find housing during fiscal year 1988.

Department of Employment Services.—The conference action rescinds $2,441,000 as follows: $900,000 due to revised projections in the number of participants in the Adults-With-Dependents Program, $681,000 due to revised projections in the number of participants in the Training/Retraining Program, and $860,000 due to the postponed implementation of the Teen PREP Program until fiscal year 1989.

Office of Business and Economic Development.—The conference action provides an additional $83,000 for the Commercial Development Assistance Program for loans to start up businesses along the commercial corridors in Ward 8 and rescinds $1,312,000 consisting of $54,000 in personal services due to savings through attrition and delays in hiring, $1,000,000 in the Business Purchase Assistance Program due to the availability of carryover funds from previous fiscal years, $200,000 in the Economic Development Finance Corporation due to the level of private investment in the corporation and $58,000 from positions no longer needed which were created to help implement the Economic Development Finance Corporation.

Minority Business Opportunity Commission.—The conference action rescinds $69,000 due to lower than anticipated personal services costs and $68,000 due to the deferral of the preparation of audio/visual displays for community outreach efforts and the purchase and maintenance of equipment.

Housing Finance Agency.—The conference action rescinds $69,000 due to positions remaining vacant longer than anticipated and $400,000 due to delays in implementing the Mortgage Loan Guarantee Program which is still in the development stage.

Board of Appeals and Review.—The conference action rescinds $10,000 due to personal services costs being less than originally budgeted.

Board of Equalization and Review.—The conference action rescinds $35,000 in personal services due to a delay in upgrading staff positions.

Department of Consumer and Regulatory Affairs.—The conference action provides an additional $160,000 and 12 positions and rescinds $3,572,000 for a net decrease of $3,412,000. Additional funds are provided for the implementation of the Alcoholic Beverage Control Amendment Act, D.C. Law 6-217, which requires a comprehensive overhaul of the regulation of alcoholic beverage control licensing in the District. Rescissions of $1,357,000 due to delays in filling vacant positions and $2,215,000 due to a reduction in spending for the Abatement of Nuisances Program, the ADP program and equipment purchases.

Public Service Commission.—The conference action rescinds $25,000 due to delays in filling positions in the securities regulation area.

Office of the People's Counsel.—The conference action provides an additional $39,000 to fully fund on-board staff and $104,000 for space rental costs and legal analysis expenses.

PUBLIC SAFETY AND JUSTICE

The conference action recommends the appropriation of an additional $33,253,000 and rescinds $2,000 for a net increase of $33,251,000 for the appropriation account "Public safety and justice" as proposed by the Senate. A brief description of the conferees recommendations follows:

Metropolitan Police Department.—The conference action provides an additional $9,468,000 consisting of $7,080,000 for the increased costs of night differential, terminal leave, holiday pay, and longevity pay, $388,000 for 38 additional police officers and associated overtime for anti-drug enforcement efforts and $2,000,000 for software development and licensing and maintenance contracts for both computer software hardware.

Fire Department.—The conference action provides an additional $9,117,000 which includes $5,665,000 for additional overtime; $565,000 for employee health benefits; $406,000 for self-contained underwater breathing apparatus and training; $440,000 to upgrade 11 units to advance life-support ambulances; $204,000 for paramedic physical examinations; and $150,000 for the paramedic recruitment program. Other increases approved by the conferees include $250,000 and 32 paramedic positions to convert the Emergency Ambulance Service to advanced life support service; $436,000 for ambulance and first aid supplies; $504,000 for development of promotional and entrance examinations; $90,000 for outside medical costs; $352,000 for communications equipment and maintenance vehicles; $30,000 for a medical physician position; and $25,000 for personal computers for the recently established Emergency Ambulance Bureau.

Court of Appeals.—The conference action provides an additional $120,000 for the judicial pay raise and the senior judges' pay differential in accordance with Public Law 99-190.

Superior Court.—The conference action provides an additional $510,000 for the judicial pay raise and the senior judges' pay differential in accordance with Public Law 99-190.

D.C. Court System.—The conference action provides an additional $8,000 for the Executive Officer's pay adjustment and $1,265,000 for Criminal Justice Act Program fees. The conferees have also approved three positions for the Equal Employment Opportunity Office. The cost of these positions will be absorbed by the Court System.

Office of the Corporation Counsel.—The conference action provides an additional $1,061,000 and 26 positions and rescinds $100,000. The increases include $344,000 for the new Contract Appeals Board, $148,000 for new term full-time positions for the Civil Division to reduce the backlog in cases, $178,000 for support of St. Elizabeths Hospital functions, $135,000 for asbestos litigation, $166,000 for the Juvenile Diversion Program and $90,000 for expert witnesses, depositions, transcripts, terminal leave, library books, and the Citizens' Complaint Center.

Settlements and Judgments.—The conference action provides an additional $3,060,000 consisting of $1,530,000 for out-of-court settlements of claims and suits and $1,530,000 for payment of judgments.

Public Defender Service.—The conference action provides an additional $25,000 for an improved telephone system, $24,000 for staff support to the Superior Court Single Representation Program, and $9,000 for litigation services in support of the Civil Legal Services Program.

Pretrial Services Agency.—The conference action provides an additional $142,000 for the Juvenile Drug Testing Program.

Department of Corrections.—The conference action provides an additional $8,012,000 consisting of $2,500,000 for unfunded care factor costs, $2,511,000 for D.C. Code violators housed in other facilities, $1,301,000 for the medical contract at the several detention facilities, $525,000 for the Drug Abatement Program, and $1,175,000 for management of the increasing prison population.

Board of Parole.—The conference action provides an additional $115,000 and two positions for expansion of the Board from three to five members and $47,000 for increased office security.

Office of Emergency Preparedness.—The conference action provides an additional $300,000 and 11 positions to cover costs in the Executive Command and Communications Center previously funded by intra-District agreements with various District agencies.

Commission on Judicial Disabilities and Tenure.—The conference action rescinds $2,000 due to the deferral of the purchase of a computer software package.

Law Revision Commission.—The conference action provides an additional $18,000 for underfunded commissioners' stipends.

Office of Criminal Justice Plans and Analysis.—The conference action provides a net increase of $52,000 including an increase of $160,000 and rescissions of $108,000. The increase of $160,000 is for use by the Civilian Complaint Review Board to eliminate the backlog of cases. The rescission of $108,000 is due to the delay in filling vacant positions.

PUBLIC EDUCATION SYSTEM

The conference action recommends the appropriation of an additional $13,900,000 and rescinds $1,114,000 for a net increase of $12,786,000 for the appropriation account "Public education system" instead of an additional $10,000,000 and rescission of $1,114,000 for a net increase of $8,886,000 as proposed by the Senate. A brief description of the amount recommended by agency follows:

Board of Education (Public Schools).—The conference action provides an additional $10,000,000 to support the fiscal year 1988 increase for teachers' salary adjustments. The conference action also provides an additional $3,900,000 requested in the District's second supplemental request for other regular pay purposes.

District of Columbia Law School.—The conference action rescinds $210,000 due to lower than anticipated costs for personal services and contractual services.

Public Library.—The conference action rescinds $579,000 and deletes four positions and provides an additional $30,000 for four security guards at branch libraries. The rescissions consist of $290,000 due to projected savings in energy, $115,000 due to deferring carpet and vehicle purchases, $95,000 due to a delay in the opening of the new Shephard Park Branch Library, and $79,000 due to various miscellaneous cost-saving measures.

Commission on the Arts and Humanities.—The conference action rescinds $355,000 consisting of $20,000 due to a decrease in the funding level for the Capital Children's Museum, $190,000 due to a slowdown in program expansion, $30,000 due to a reduction in cultural arts research and assessment, and $115,000 due to a decrease in program maintenance and delays in implementing new programs.

HUMAN SUPPORT SERVICES

The conference action recommends an additional appropriation of $24,467,000 and rescinds $8,578,000 for a net increase of $15,889,000 for the appropriation account "Human support services" instead of an additional $2,550,000 and rescissions of $18,361,000 for a net increase of $15,811,000 as proposed by the Senate. A brief summary by agency follows:

Department of Human Services.—The conference action provides an additional $37,072,000 and rescinds $49,355,000 for a net decrease of $12,283,000. The increase of $37,072,000 includes the following: $4,000,000 to cover unbudgeted costs in rent, communications, and energy, $4,782,000 to implement the Comprehensive Homeless Plan, $8,000,000 for the Foster Care Program, $5,600,000 for the implementation of the Jerry M. Consent Decree requirements, $2,000,000 for the Day Care Program, $2,000,000 for the Emergency Assistance Program, $1,200,000 for PCP Clinics, $150,000 to increase the hourly rate of homemaker and chore aides, $1,800,000 for specialized home care and respite services, $900,000 for the Randolph-Sheppard Vending Program, $1,000,000 to reinstate the three percent reimbursement increase for hospitals, and $2,550,000 for drug abuse prevention and treatment services. The conferees also recommend increases of $1,024,000 to implement the Nursing Assignment Act of 1987, $656,000 for the Cancer and Teenage Pregnancy Prevention Program, and $1,410,000 for compliance with the State Medicaid Plan and replacement of equipment. The rescission of $49,355,000 consists of the following: $14,478,000 from administrative savings, $6,322,000 because of a limitation on new hires to fill non-critical positions, $10,041,000 as a result of program adjustments and resizing measures, $12,800,000 as a result of increased revenue collections enhancements, $4,558,000 due to delays in filing vacant positions, $500,000 in the Youth Services Administration due to lower than anticipated inflationary cost estimates, and $656,000 in rental costs of the Preventive Health Services Administration due to lower actual costs.

The conference action also provides an additional $34,200,000 requested in the second supplemental request (H. Doc. 100-223) as follows: (1) $7,606,000 for personal services to fill critical and essential vacant positions, (2) $50,000 for regulatory and legislative services, (3) $659,000 for necessary funding for personal services contracts, (4) $49,000 for the required 100% match for the State Student Incentive Grant Program, (5) $500,000 to upgrade the Office of Information Systems computer capability, (6) $426,000 for relocation costs of the Office of Information Systems to make room for the Department of Corrections Treatment Facility, (7) $19,000 for additional court reporter services to provide legally mandated verbatim transcripts of hearings, (8) $70,000 to purchase computer equipment, (9) $100,000 for administrative support costs in the Office of Inspection and Compliance, (10) $4,088,000 to cover increased costs of emergency shelter for families and other homeless persons, (11) $6,212,000 for the foster care program, (12) $4,978,000 for increases in the costs of settlements of prior years' services, (13) $3,765,000 for increased inpatient and outpatient services at D.C. General Hospital, increased home health care services, and day treatment programs for the mentally retarded and frail elderly, (14) $2,157,000 for increases in mandated and uncontrollable costs of services, and (15) $3,521,000 for increases in contractual services in the Commission on Mental Health.

The conferees have deleted, without prejudice, language allocating $400,000 in fiscal year 1988 and $264,000 in each of the fiscal years ending September 30, 1989, September 30, 1990, and September 30, 1991, for the operation of a residential facility for mentally-disabled mothers and their infants. The subject is addressed earlier in this report under amendment number 10 under the side heading "Department of Human Services".

The conferees have included bill language providing that the $990,000 appropriated in the District's fiscal year 1988 appropriations act be solely for Project Volta and remain available until expended. Project Volta is a joint project of the District and the Alexander Graham Bell Association for the Deaf for early detection and intervention of hearing impaired children in the District of Columbia.

Department of Recreation.—The conference action rescinds $1,077,000 consisting of $399,000 due to a reduction in the use of school custodians, $72,000 due to a reduction in the hours of operation for recreation centers and playgrounds, $514,000 due to a reduction in funding for various programs, and $92,000 due to a reduction in nonpersonnel services, terminal leave and leaving two positions vacant.

Office on Aging.—The conference action rescinds $1,239,000 consisting of $1,086,000 due to a delay in the construction of the multi-purpose senior centers, $125,000 due to a delay in the implementation of the Later Life Learning Resource Center, and $28,000 due to a delay in filling new positions authorized in fiscal year 1988.

D.C. General Hospital.—The conference action rescinds $3,500,000 due to management improvements that have increased operational efficiency and improved the hospital's ability to more accurately estimate revenue and to bill and collect that revenue. The conference action also rescinds an additional $2,500,000 contained in the second supplemental request (H. Doc. 100-223) due to improved revenue generation and the transfer of equipment repair and purchase authority from the operating budget to the capital improvements program.

Disability Compensation Fund.—The conference action provides an additional $2,545,000 consisting of $2,200,000 for benefit payments due to a cost of living adjustment of 4.2 percent and $345,000 for medical services due to an increase in medical billings.

Office of Human Rights.—The conference action rescinds $98,000 and deletes two positions due to a decrease in personal services resulting from positions remaining vacant and $30,000 due to the deferral of the purchase of furniture, equipment and consultant services.

Office on Latino Affairs.—The conference action rescinds $13,000 due to a decrease in the purchase of office supplies and equipment and $121,000 due to savings in the Latino Initiative Program due to the lengthy recruitment efforts required to find qualified bilingual personnel.

Energy Office.—The conference action provides an additional $5,000 to support the Gasoline Advisory Board established by the Retail Service Station Act of 1976.

PUBLIC WORKS

The Committee recommends an additional appropriation of $2,783,000 and rescinds $2,625,000 for a net increase of $158,000 for the appropriations account "Public works" instead of rescissions of $6,293,000 as proposed by the Senate. A brief summary by agency follows:

Department of Public Works.—The conference action provides an increase of $2,098,000 and rescinds $4,650,000 for a net decrease of $2,552,000. The increases approved by the conferees are as follows: $15,000 for the Eastern Market renovation project, $35,000 for the Hazardous Material Study Commission, $30,000 for training programs for blue-collar workers, $676,000 for department-wide rental costs, $125,000 to establish the Office of the Litter and Solid Waste Reduction Commission, $30,000 for the Roadway and City Gateway Beautification Program, $183,000 for electrical energy, $50,000 to establish the Bureau of Recycling and Resource Recovery, and $954,000 for the Residential Parking Permit Program. The rescission of $4,650,000 consists of $1,640,000 due to reduction in personal services cost resulting from leaving positions vacant, $100,000 due to delaying the study to consolidate and link the existing independent data bases for motor vehicle registrations, motor vehicle operator permits, insurance, and traffic tickets, $690,000 due to a department-wide reduction in overtime costs, $100,000 due to a reduction in streetlight and traffic signal electrical energy due to lower fuel costs, $960,000 due to a reduction in streetlight operations and maintenance due to postponing the conversion of streetlights to sodium vapor, $200,000 due to a reduction in contractual park maintenance, and $308,000 due to a reduction in building maintenance. The conferees also recommend rescissions of $127,000 due to a reduction in the mechanical alley cleaning program, $100,000 due to a reduction in underpass electrical testing, $225,000 due to a reduction in the purchase of supplies, vehicle inspection stickers, and contractual services, and $200,000 due to a reduction in the gateway beautification project, public space maintenance and the delay in purchasing a new filing system for the Adjudication Processing Division.

The conference action provides an additional $4,935,000 contained in the second supplemental request (H. Doc. 100-223) consisting of $1,455,000 for snow removal and $3,480,000 for increased dump fee costs at the Lorton landfill.

Department of Public Works (Pay-As-You-Go Capital).—The conference action rescinds $2,384,000 as requested in the second supplemental (H. Doc. 100-233) due to postponement until fiscal year 1989 of the purchase of selected large items of equipment such as packers, sweepers, and dump trucks.

Washington Metropolitan Area Transit Authority.—The conference action rescinds $3,500,000 due to a credit resulting from the fiscal year 1987 audit which will be used to offset the District's fiscal year 1988 operating subsidy. The conference action recommends the rescission of $3,254,000 requested in the second supplemental (H. Doc. 100-223) due to increased revenues from ridership growth. The conference action provides an increase of $7,154,000 requested in the second supplemental consisting of $6,644,000 for Metrobus Operations due to increased bus costs, lower audit adjustment credits, and reduced Federal operating grants, and $510,000 for rail construction management due to accelerated rail construction on the Green, Red, and Yellow lines.

School Transit Subsidy.—The conference action rescinds $241,000 due to lower-than-anticipated student ridership.

REPAYMENT OF LOANS AND INTEREST

The conference action recommends an additional $3,469,000 as proposed by the Senate for debt service on the District's outstanding long-term capital debt which is higher than previously estimated. As a result, the District will be required to borrow capital funds in mid-spring rather than early summer as planned, and thus incur additional debt service costs.

The conference action rescinds $4,474,000 contained in the second supplemental request due to lower than anticipated interest costs on the new capital funds bond issue.

REPAYMENT OF GENERAL FUND DEFICIT

The conference action appropriates an additional $118,000 as proposed by the Senate for repayment of the District's accumulated general fund deficit.

OPTICAL AND DENTAL BENEFITS

The conference action appropriates an additional $1,080,000 as proposed by the Senate for optical and dental payments for District employees based on the increase in the number of claims.

PERSONAL SERVICES

The conference action appropriates an additional $34,150,000 for the estimated costs of employee pay raises instead of $34,377,000 as proposed by the Senate. These raises represent an increase of approximately 4 percent for police officers, an average increase of 9.66 percent for registered nurses and a 3 percent or $1,000 base increase, whichever is higher, for most other employees.

ADJUSTMENTS

The conference action recommends approval of an unallocated rescission of $911,000 requested in the second supplemental (H. Doc. 100-223) to be taken from various appropriation titles as determined by the Mayor.

CAPITAL OUTLAY

The conference action recommends an additional appropriation of $6,340,000 as proposed by the Senate for the "Capital Outlay" appropriation account. The conference allowance consists of $540,000 for the purchase of a structure to house a halfway house for women, and $5,800,000 to purchase equipment and make renovations at D.C. General Hospital. The conferees have deferred, without prejudice, the additional capital borrowing authority of $45,000,000 for an 800-bed Correctional Housing Development project at Lorton, Virginia, requested in the District's third supplemental request submitted in H. Doc. 100-223.

The proposed additional capacity continues the District's efforts to expand prison capacity to catch-up with rapidly increasing prison population. Since 1974, the year before Home Rule, the District has expanded jail capacity by more than 104 percent and Lorton capacity by approximately 97 percent, yet facilities are more overcrowded than they were a decade ago. The District is also faced with court orders that limit the number of inmates at the jail to 1,694, which is 22 percent above its original design capacity. Courts have also placed a population limitation on the Central Facility at the Lorton Complex.

The District has responded by proposing an 800 bed Correctional Treatment Facility (CTF) in Southeast Washington; 230 halfway house beds in the District; and the proposed 800 bed expansion at Lorton. As responsive as these plans are, there needs to be a more coordinated and comprehensive review of the District's prison capacity needs. In Senate Report 99-367, dated August 5, 1986, the following suggestion was included:

> The Department of Corrections should begin to undertake a department-wide analysis of its current prison space. More than one-half of the capacity at the Lorton complex is contained in buildings that are 60 years old or older. During testimony March 26, 1986, the Council Chairman suggested a comprehensive public safety plan. Realistic long-range analysis is overdue and should be undertaken as soon as possible.

That need still exists. The conferees direct that the District undertake such a review and analysis and submit a plan and program addressing capacity issues for the remainder of this century. This report should be submitted to the Council and the Committees on Appropriations of the Senate and House of Representatives not later than April 15, 1989.

The plan should address issues such as the need to replace various current facilities; expected cost savings of new buildings compared to high maintenance cost of antiquated facilities. Also addressed should be the location of any replacement buildings. It should be noted that the total acreage at the District's Lorton Correctional complex is 3,000 acres. However, according to a report of the District in March 1985, actual prison facilities encompass only 201.51 acres. The consolidation of facilities should be examined with an eye toward freeing some of the acreage for non-District, non-correctional uses. The conferees would expect that the District would address the latter issue of consolidation prior to undertaking any final siting decision on the proposed expansion now requested.

WATER AND SEWER ENTERPRISE FUND

The conference action recommends an additional appropriation of $39,750,000 as proposed by the Senate for "Water and Sewer enterprise fund" appropriation account to pay deferred principal and interest on Potomac Interceptor projected "C" borrowings and for pay-as-you-go capital projects.

The conference action recommends an additional appropriation of $10,500,000 as proposed by the Senate for capital outlay and includes $5,000,000 for facility rehabilitation, $3,000,000 for major equipment acquisitions, and $2,500,000 for water meter replacements.

LOTTERY AND CHARITABLE GAMES ENTERPRISE FUND

The conference action recommends an additional appropriation of $764,000 as proposed by the Senate for the "Lottery and Charitable Games Enterprise Fund" as follows: $207,000 for the estimated fiscal year 1988 pay adjustment, $120,000 to fund authorized marketing positions, $171,000 for personnel functions and public relations, $40,000 for agency realignments, and $226,000 for automated information services.

GENERAL PROVISIONS

The conference action adds language to the bill which deems the appropriations made in Title II to be available for the fiscal year ending September 30, 1988. This language in effect ratifies all obligations and expenditures made in anticipation of the enactment of the District's fiscal year 1988 supplemental request as approved in Title II of this Act.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1989 recommended by the Committee of Conference, with comparisons to the fiscal year 1988 amount, the 1989 budget estimates, and the House and Senate bills for 1989 follow:

FEDERAL FUNDS

New budget (obligational) authority, fiscal year 1988	$550,000,000
Budget estimates of new (obligational) authority, fiscal year 1989	541,596,000
House bill, fiscal year 1989	541,596,000
Senate bill, fiscal year 1989	532,000,000
Conference agreement, fiscal year 1989	536,910,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1988	−13,090,000
Budget estimates of new (obligational) authority, fiscal year 1989	−4,686,000
House bill, fiscal year 1989	−4,686,000
Senate bill, fiscal year 1989	+4,910,000

DISTRICT OF COLUMBIA FUNDS

FISCAL YEAR 1989

New budget (obligational) authority, fiscal year 1988	$3,077,347,000
Budget estimates of new (obligational) authority, fiscal year 1989	3,206,916,000
House bill, fiscal year 1989	3,206,916,000
Senate bill, fiscal year 1989	3,216,916,000
Conference agreement, fiscal year 1989	3,206,095,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1988	+128,748,000
Budget estimates of new (obligational) authority, fiscal year 1989	−821,000
House bill, fiscal year 1989	−821,000
Senate bill, fiscal year 1989	−10,821,000

DISTRICT OF COLUMBIA FUNDS

FISCAL YEAR 1988 SUPPLEMENTAL

Budget estimates of new (obligational) authority, fiscal year 1988 supplemental	$180,877,000
House bill, fiscal year 1988 supplemental	....
Senate bill, fiscal year 1988 supplemental	103,938,000
Conference agreement, fiscal year 1988 supplemental	135,877,000
Conference agreement compared with:	
Budget estimates of new (obligational) authority, fiscal year 1988 supplemental	−45,000,000
House bill, fiscal year 1988 supplemental	+135,877,000
Senate bill, fiscal year 1988 supplemental	+31,939,000

Julian C. Dixon,
William H. Natcher (except amendment 15),
Louis Stokes,
Les AuCoin,
Wes Watkins,
Steny H. Hoyer,
Jamie L. Whitten,
Lawrence Coughlin,
Bill Green,
Ralph Regula,
Silvio O. Conte,
Managers on the Part of the House.

Tom Harkin,
Frank R. Lautenberg, (except amendment 15),
Harry Reid,
John C. Stennis,
Don Nickles,
Chuck Grassley,
Mark O. Hatfield,
Managers on the Part of the Senate.

Mr. DIXON. Mr. Speaker, pursuant to the previous order of the House, I call up the conference report on the bill (H.R. 4776) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1989, and for other purposes.

The Clerk read the title of the bill.

The **SPEAKER** pro tempore. Pursuant to House Resolution 548, the conference report is considered as having been read.

(For conference report and statement, see prior proceedings of the House of today, September 29, 1988.)

The **SPEAKER** pro tempore. The gentleman from California [Mr. Dixon] will be recognized for 30 minutes and the gentleman from Pennsylvania [Mr. Coughlin] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. Dixon].

GENERAL LEAVE

Mr. DIXON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report on the bill, H.R. 4776, and all amendments in disagreement.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DIXON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, following the action taken by the House yesterday on the conference report making appropriations for the District of Columbia for fiscal year 1989, the conferees met earlier today to try to come to some agreement on amendment No. 15 concerning funding for abortions in the District of Columbia.

We did not come to an agreement at our conference this afternoon; however, let me at the very outset make clear certain facts.

First of all, the abortion amendment is not wrapped into this conference report. It is a separate amendment that is being brought back outside the conference report. This will allow Members an opportunity to work their will on this amendment after the conference report is adopted.

That was the case yesterday and it is still the case today.

We have no intention of blocking Members from working their will on this amendment, just as we had no intention yesterday of blocking Members from having a separate vote on amendment No. 15, the abortion amendment. A vote against the conference report does not touch the abortion amendment directly, because the abortion amendment is not included in the conference report. I want to make that very clear.

Therefore, I would ask Members to vote for the conference report so that we can have a separate vote on amendment No. 15, the abortion amendment for the District of Columbia.

With that clarification, let me explain how we have come to this point. The language in the House version of H.R. 4776, which passed the House on June 28, prohibited the use of all local and Federal funds for abortions, with no exceptions.

The Senate struck the House language and inserted the provision that has been carried since fiscal year 1980 which prohibits the use of Federal funds, with the following five exceptions; that is to save the life of the mother, for rape, for incest, for ectopic pregnancies, and for drugs or devices to prevent implantation of the fertilized ovum.

The Senate language, as I mentioned a moment ago, has been carried in the District's funding measures since 1980, and those measures have been signed each year by the President.

Granted, some of those measures were continuing resolutions which included other bills; however, some were individual appropriations acts enacted solely for the District government.

In our first conference this past Tuesday, the Senate conferees insisted on their position—that is, that no Federal funds, with five exceptions—and that is what was brought back in technical disagreement as amendment No. 15 yesterday.

In our conference today, we could not reach a compromise between the House and Senate positions. There were two compromises offered, one that would allow no Federal funds for abortions except to save the life of the mother; that proposal was rejected by the Senate. The second proposal was that no funds, local or Federal, could be used for abortions except to save the life of the mother. That was rejected by the House. So the conferees agreed to take this amendment back to their respective bodies in true disagreement.

The proposal I made at the conference as chairman of the House conferees is the exact same language—word for word—as the language adopted by the House earlier this month in the Labor, Health and Human Services and Education appropriation bill. That bill has been signed by the President and is our national policy for fiscal year 1989.

What I am saying to the Members is that in a few minutes, when I ask that the previous question be ordered, it is my understanding there will be a motion to recommit this conference report with instructions. If you adopt that motion, we have to go back to conference. If you defeat that motion, we will have an opportunity to vote on amendment No. 15 this evening. And I will offer a motion that says no Federal funds shall be used to perform abortions, except to save the life of the mother.

Mr. Speaker, I reserve the balance of my time.

Mr. COUGHLIN. Mr. Speaker, I yield myself such time as I may consume.

The issues involved in the conference report were discussed at length last evening.

The sole issue that we have here today, or tonight, is whether a local jurisdiction, be it the District of Columbia, a State, or some other jurisdiction, be allowed to use its own money for a particular purpose.

I regret that we have come to this situation, but we are in that position.

Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. Mr. Speaker, I thank my good friend for yielding me this time.

Initially I would like to state some heartfelt feelings about how the majority has protected my rights and always treated me with great fairness on this very difficult and sometimes very emotional issue.

My colleague, the gentleman from California [Mr. DIXON], has been a man of his word in the decade I have served with him, and has always been very straightforward with me. I appreciate it and I honor the gentleman for that colleague protection of a minority member.

On my own side, the gentleman from Pennsylvania [Mr. COUGHLIN] is the same. He has always been straight with me, alerted me about what was going to happen, and protected my rights.

What the majority of this House wants is the Conte-Hyde language, but we want it to apply to all funds. That is the position of the prolifers in this House.

Although I understand the chairman's desire to go through a procedure that has a slight beneficial turn toward his position, I want us, as is my right, to relive yesterday, where I will submit a motion to recommit.

I told the gentleman earlier that I might avoid that process so we could pass the conference and then go to a division of the question where we would vote on an amendment of his, but I think the gentleman knows that if we only go back two centuries, analyzing our great legislative process in this Chamber or the Mother of Parliaments in London, and I do not have to go back to the Senate in Rome, one thing a minority member should never do is give up his power when he has the votes, and I believe given the vote yesterday, 228 to 188, that it is minority wisdom on my part to relive yesterday.

☐ 1900

There has been one significant change. At the conference today, the Senate conferees on the second set of words pulled back from their position and voted 4 to 3 for the House position that no funds should be spent that did not live up to the Conte-Hyde language, and because of that significant change that the Senate conferees have now receded to the House position, and that it is the House conferees who are insisting on language that would not pass this House up or down on a vote, just on the House conferees' language, I think that I am being fair and as honorable and honest with my colleagues on both sides of the aisle as they have been with me, protecting my time and my rights, so I do have an amendment at the desk, and at the appropriate time, I know the gentleman in the chair, the Speaker pro tempore, will protect me, and I am going to again submit a motion to recommit and ask for the yeas and nays on that.

Mr. DIXON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me try to once again put in focus what is about to occur here.

On September 20, the President of the United States, by signing into law the Health and Human Services Appropriations Act for fiscal year 1989, established a national policy adopted by the Congress at least for the next fiscal year, concerning abortions. And that is that there shall be no Federal funds spent on abortions except to save the life of the mother. That is the national policy for fiscal year 1989. That means in Kentucky and in California and in all of the other 48 States no Federal money can be spent on abortions. That leaves to the individual States the opportunity to make their own decision through their State legislative process as to what they can or cannot do with their own money. That is our national policy.

Today, I received a letter, and I believe other Members received the same letter from the President of the United States concerning our conference. That is the same President, Mr. Ronald Reagan, who served with me in Sacramento; and it is the same President who signed the bill on September 20 establishing a national policy. He says:

> DEAR JULIAN: Congress soon will consider the conference report on the District of Columbia Appropriations bill for fiscal year 1989. If the bill presented to me permits—

And these are the key words—

> the use of appropriated funds to pay for abortions other than those where the life of the mother would be endangered if the fetus were carried to term, I will veto it.

In the District of Columbia appropriations bill, there are basically two types of money. There is the District's own locally generated revenues, and there is the Federal money.

I ask the President of the United States why is he setting two standard—one for the 50 States and one for the District of Columbia. Is it because the people who live here are black? I think not. Why is it that he does not want the law of the land that applies to the 50 States to apply to the District of Columbia? Is it because they do not have a vote in the House? I think not. It is because that during this election year there is a climate to try to appeal to a group of constituents, either small in number or few in number, without impacting the rest of the country, but taking it out on the citizens of the District.

Mr. Speaker, no logic can tell me that the President of the United States should have two separate standards for the citizens of this Nation. The national policy should apply to all jurisdictions. He has signed a bill that says the 50 States can do what they want with their own money. He sends me a letter that says the District cannot do what it wants with its own money.

When I move the previous question on adoption of the conference report I will simply be asking every Member to give us an opportunity to have an up-or-down vote on this issue on amendment number 15, and to vote no, against the motion to recommit.

Mr. Speaker, I reserve the balance of my time.

Mr COUGHLIN. Mr. Speaker, I yield 1 minute to the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Speaker, I thank the gentleman for yielding time to me.

I just want to let the House and the membership know that the vote today will be identical to the vote we had last night. The motion that the gentleman from California [Mr. DORNAN] will be offering will be identical, and we hope for consistency sake that those who consider themselves to be pro-life in that they are opposed to abortion and the use of funding, whether it be local or Federal, for the purpose of abortion, will vote the same way.

The issue is also that we are talking in the District's use of its own money about abortion on demand. We are not talking about exception to abortion on demand. In fiscal year 1986, there were approximately 3,600 abortions which were financed and subsidized by the District.

We do have the power of the purse here. We have the power to dictate some policy, at least with regard to the Federal enclave, the District of Columbia, and I believe we ought to exercise it when such a momentous and important issue of abortion is involved. When the lives of children are literally at stake, I would hope the membership would stay consistent with last night's vote to recommit the bill with instructions.

It is my view that will get us to a bill signed by the President very, very quickly. The President has said he will veto it, so if we want to stay here next week and thereafter, vote against the Dornan motion, and if we want to get this bill wrapped up, I would strongly advise Members to vote with the Dornan motion.

Mr. COUGHLIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me say only that what we are doing here is denying Federal funds to one jurisdiction on the condition that it take a particular action which we are not doing to any other jurisdiction in the United States, where we are not denying them Federal funds based upon the same premise, and I think it is a mistake.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DIXON. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the conference report.

The previous question was ordered.

MOTION TO RECOMMIT OFFERED BY MR. DORNAN OF CALIFORNIA

Mr. DORNAN of California. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the conference report?

Mr. DORNAN of California. Mr. Speaker, I am.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. DORNAN of California moves to recommit the conference report on the bill H.R. 4776 to the committee of conference with instructions to the managers on the part of the House to insist on the House text of section 117 relating to use of funds for abortions, or to agree to an amendment to such House text containing an exception where the life of the mother would be endangered if the fetus were carried to term.

The SPEAKER pro tempore. The question is on the motion to recommit offered by the gentleman from California [Mr. DORNAN].

The motion to recommit was agreed to.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mrs. VUCANOVICH. Mr. Speaker, today I had an official leave of absence to attend the launch of the space shuttle. But, had I been here, I would have voted:

"Yes" on rollcall No. 364, agriculture appropriations;

"No" on rollcall No. 365, legislative appropriations;

"No" on rollcall No. 366, the rule to make in order the Obey motion to recede and concur in the Senate amendment No. 119;

"Yes" on rollcall No. 367, the Obey motion to recede and concur in the Senate amendment No. 119;

"Yes" on the Armey and Burton amendments.

CHICAGO AND NORTH WESTERN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. HAYES] is recognized for 5 minutes.

Mr. HAYES of Illinois. Mr. Speaker, I have taken out this Special Order to discuss the actual experience of working people, during the Reagan administration. The question is, Are American working people better off now than they were 4 years ago? The answer is that working people across America are worse off today.

On September 9, 1988, the House passed Senate Joint Resolution 374—(Public Law 100-429)—providing for settlement of a labor-management dispute between Chicago & North Western Transportation Co. and the United Transportation Union.

The Chicago & North Western currently operates with four-man crews—an engineer, a conductor, and two brakemen. The railroad has contended that it can in most cases operate with only two-man crews, just as many of its competitors' trains are operated. CNW contends that its financial condition is such that it must have relief from current crew rules in order to survive in the long run.

The reduction in crew size was opposed by the UTU. The CNW initiated formal collective bargaining on its crew size proposal on May 15, 1987. It followed the procedures mandated by the Railway Labor Act, including collective bargaining, mediation, and, finally, submission of the dispute to a Presidential Emergency Board, which was appointed in an attempt to resolve the issue. The Emergency Board issued a decision July 1, 1988, which contains its report and recommendations. The Board ruled that CNW could reduce to three-man crews under certain circumstances. The Emergency Board also granted to employees who resign voluntary, severance payment of $50,000. Employees who are laid off involuntarily would receive $45,000.

Fifty thousand dollars is no substitute for the loss of a permanent job. Fifty thousand dollars, does not give a person with a family much of a future to look forward to, when railroad work is all you have known your working life.

The reduction of crew size was opposed by the UTU.

The Emergency Board's ruling is not binding. After 30 days negotiations failed. On August 4, 1988, after an additional cooling-off period UTU went on strike.

Also on August 4, 1988, the House passed Senate Joint Resolution 356, which extended the cooling off period to midnight September 8, 1988. The issues were not resolved and UTU went on strike on September 8, 1988.

The purpose of Senate Joint Resolution 374, which passed the House, the Senate, and was signed by the President (Public Law 100-429), is to settle the longstanding dispute.

I objected to the consideration of a congressionally mandated solution to the CNW-UTU dispute when it was considered on the floor of the House for several reasons. One, I do not like this process of collective bargaining. I do not know what is involved in it. Also, some of these people who are going to be affected in one way or another are constituents of mine, and I want to be in a position to at least explain it to them. I know there are a number of people who are going to lose their jobs. I object to this because Congress should not be getting involved if both sides act responsibly in the collective bargaining process.

First, CNW summarily fired—terminated—approximately 200 brakemen on or about September 7, 1988, 2 days before the strike of September 9, 1988. Also in violation of the Railway Labor Act [RLA].

Second, the fired employees are not being considered by CNW as being under the protection of the Presidential Emergency Board Report which has been imposed upon the UTU as a result of congressional action—which may be in violation of the RLA.

Third, CNW is also now operating reduced crews with impunity, and in direct violation of the "Status Quo" requirements of the Presidential Emergency Board Report to maintain the existing relationship for a period of 6 months while determinations are made on the bidding and applying of voluntary resignations, followed by forced resignations, in accordance with the imposed Presidential Emergency Board Report. These actions by CNW are also a direct violation of the Railway Labor Act in that changes in working conditions are being affected without negotiation, and thus represents a "major" dispute, and is enjoinable by court action.

These are some of the issues that may have been resolved if we in the Congress had let the collective bargaining process resolve this problem. This is an example of the actual experience of working people, during the Reagan administration. I do not believe that the employees of CNW who have lost or will be losing their jobs, in the near future, believe that their lives are better off now. The answer for millions of middle income and poor working people, across America is that they are worse off today.

In addition, I have attached copies of an "Open Letter to Congress" and article, "Strike Forestalled: Presidential Board Imposed at CNW," from Straight Track newspaper, letters dated August 11, 1988, September 11, 1988, and September 14, 1988, from United Transportation Union for review by my colleagues.

BUSH ATTACKS DANGEROUSLY STRIKE AT THE CONSTITUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas [Mr. Glickman] is recognized for 5 minutes.

Mr. GLICKMAN. Mr. Speaker, there has been considerable attention in recent weeks to the number of nonsubstantive issues which have been the focus of the current Presidential campaign. One point which I think has been lost is that some of these "nonsubstantive" issues do strike at fundamental values which were enshrined in our Constitution by the Founding Fathers. Recently, the Wichita Eagle-Beacon, the largest circulation newspaper published in the State of Kansas, editorialized very poignantly on this very point. As the paper's editorial concluded, "Mr. Bush should stop wrapping himself in the American flag, cease impugning his opponent's patriotism and start showing that he is dedicated to the U.S. Constitution."

I ask unanimous consent that the editorial, "Threat to Liberty," be printed at this point in the Record.

[From the Wichita Eagle Beacon, Sept. 28, 1988]

THREAT TO LIBERTY—BUSH ATTACKS THE CONSTITUTION

Every so often someone will take a copy of the Bill of Rights and, without saying what it is, ask people whether they support the Constitution's first 10 amendments. Inevitably, a majority of those surveyed oppose some of the country's basic legal protections.

It is to the mentality that would rip up parts of the Constitution that Vice President George Bush is appealing by attacking Gov. Michael Dukakis for vetoing a bill requiring the recitation of the Pledge of Allegiance and for his membership in the American Civil Liberties Union.

The strategy is that rather than stress such substantive matters as the deficit, housing, or defense, the Bush campaign wants to portray Mr. Dukakis as an extreme leftist who would subvert basic U.S. values. The thinking is that if Mr. Bush can hang an unflattering liberal label onto Mr. Dukakis then voters won't examine the Democrat's ideas about health care, education and other issues.

It's outrageous. Mr. Bush's tactic seems a textbook example of what Samuel Johnson was talking about when he said that "patriotism is the last refuge of a scoundrel."

If it is anything more than despicable election-year demagoguery, Mr. Bush's quarrel isn't with Mr. Dukakis or the ACLU, but with the Founders who drafted the Constitution. It was they, not the ACLU, who separated church from state, and led the ACLU and many church groups to criticize efforts to use government to promote religion. It was James Madison, George Washington and Benjamin Franklin, not Michael Dukakis, who enshrined freedom of conscience, leading to the 1943 Supreme Court decision forbidding government from coercing people to recite the pledge.

One of the obligations of living in a democracy is to allow others to disagree with popular political beliefs. Sadly, some people are quick to send any dissenter to a witch's bonfire. The country, however, is fortunate to have such an organization as the ACLU that will defend the right of Nazis—disgusting though they are—to march in Skokie, Ill., that will question displaying religious symbols in front of city halls and courthouses, that will ask whether Lt. Col. Oliver North is getting a fair shake from the legal system.

Indeed, without the ACLU and other groups committed to constitutional rights, the United States could become a dictatorship of the majority without any guarantees of freedom of thought and expression.

Mr. Bush should stop wrapping himself in the American flag, cease impugning his opponent's patriotism and start showing that he is dedicated to the U.S. Constitution.

TRIBUTE TO ASTRONAUTS FROM CLINTON COUNTY, IA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa [Mr. TAUKE] is recognized for 5 minutes.

Mr. TAUKE. Mr. Speaker, after 2½ years of review, research, and reflection, the United States began a new era in space today when the space shuttle *Discovery* blasted into orbit around the Earth. America watched with bated breath as the *Discovery* roared off its Cape Canaveral launching pad and started our Nation's comeback in the exploration of space. Our hopes and prayers are with the *Discovery* crew: Mission Commander Frederick Hauck, Pilot Richard Covey, and mission specialists David Hilmers, John Lounge, and George Nelson.

While all Americans share in the pride of the successful launch of the *Discovery,* perhaps no area of the country has more interest in this mission than the 55,000 residents of Clinton County, IA, who are sending two of their own on this mission. Marine Lt. Col. David C. Hilmers was born in Clinton, IA, and grew up in DeWitt, IA. His parents are Matilda and Paul Hilmers, and they both still live in the area. Dr. George "Pinky" Nelson is a civilian astronomer who was born in Charles City, IA, but his parents, Tess and George Nelson, now reside in Clinton.

Colonel Hilmers and Dr. Nelson are both space shuttle veterans and are well suited to help lead our Nation back into space. Interestingly, they share the experience of space flight with yet another Clintonian. Navy Comdr. Dale A. Gardner, who has now returned to active military duty, is also a veteran of two shuttle flights. Commander Gardner considers Clinton to be his hometown and his parents, Mr. and Mrs. William Gardner, still reside there.

Dave, Pinky, and Dale have brought enormous pride to the people of Clinton County through their heroic efforts in space and through their outstanding civic contributions. Four years ago I mentioned in a statement before the House that I knew of no other area in the country that had as unique a relationship with the shuttle program. At that time, I stated that Clinton County could lay claim to the title, "County of the Astronauts." Today's launch of the *Discovery,* with Hilmers and Nelson aboard, certainly reinforces that claim.

The *Discovery* will be in space for 5 days and is scheduled to land on Monday morning. On behalf of the citizens of Clinton County, IA, "The Astronaut County," I wish the crew of the *Discovery* Godspeed.

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Mr. PORTER. Mr. Speaker, will the gentleman yield?

Mr. TAUKE. Mr. Speaker, I yield to the gentleman from Illinois.

Mr. PORTER. Mr. Speaker, the gentleman might be interested that the manager of my first campaign in 1978 was named Jack Hotaling, a close friend; his wife, Ginny Hotaling, comes from Clinton; and her brother is David Hilmers, up in space right now, so we have some relationship with the famous astronaut from Iowa, as well as you.

Mr. TAUKE. Mr. Speaker, I thank the gentleman from Illinois for his comments.

THE SPEAKER IS WRIGHT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. CROCKETT] is recognized for 5 minutes.

Mr. CROCKETT. Mr. Speaker, a few days ago Speaker JIM WRIGHT blew the whistle on the Reagan administration's policy of trying to provoke the Sandinista crackdowns that it then uses to justify funding the Contras and sabotaging the Central American peace process.

It is undeniably public knowledge that this administration tries consistently to provoke the Sandinista government. The American people already know that the U.S. Government as a matter of policy seeks to achieve the violent overthrow of the Sandinista government. They know that the CIA has taken the leading role in trying to accomplish that task.

And any Member of Congress who has visited Nicaragua knows, from firsthand experience, that the United States mission in Managua, is among the CIA's principal accomplices and has encouraged and incited opposition elements within Nicaragua who share this administration's goal.

We are not talking about the legitimate, democratic, loyal opposition that opposes the Sandinistas' repressive tendencies and seeks to exercise democratic rights—such as freedom of speech, press, and assembly—to open up political space. That loyal opposition has gotten little attention or support from our Embassy. I am talking about the so-called opposition that openly supports United States policy and the Contras, and that actively seeks the violent overthrow of the Nicaraguan Government.

This opposition regularly uses our Embassy premises to verbally attack their government and to urge military aid for the Contras. All of us who have been there have sat through these gripe sessions arranged by the Embassy in which opposition members and Embassy personnel compete with each other in their condemnation of the Sandinista government. And by the way, these opposition figures show up at these Embassy sessions in broad daylight, in their own cars, and nothing happens to them.

There has been a great deal of controversy about our Embassy's role in the recent Nandaime demonstration that precipitated the recall of ambassadors. Well, when I was in Managua last year as the head of a congressional delegation, the Embassy bused us to the scene of a seemingly staged street demonstration. We could clearly see from the bus; yet the Embassy exhorted us to get out and go over to the demonstration—despite the fact that our presence clearly might incite violence.

The United States Embassy in Managua is not a neutral observer of Nicaraguan politics. It is an active participant on the side that is killing civilians and running drugs to the United States. Those, too, are public facts. It has nothing to do with something someone may have learned in confidence.

I know of no other government in the world that would tolerate foreign diplomats openly and actively working with political elements allied to an armed, antigovernment movement and a foreign power that seeks the host government's violent overthrow. Certainly, our own Government would not.

It is the impropriety of United States policy toward Nicaragua that should be the issue—not the courage of the Speaker in telling the truth.

HOUSE RESOLUTION 558—FAIR EMPLOYMENT PRACTICES RESOLUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, today I am introducing along with Mr. FOLEY, Mr. MICHEL, Mr. COELHO, Mr. ANNUNZIO, Mr. HAWKINS, Mr. FRENZEL, Mrs. SCHROEDER, Mrs. MARTIN of Illinois, Mr. ROBERTS, Mr. BARTLETT, Mr. ECKART, and Mr. DURBIN, the Fair Employment Practices Resolution.

This resolution applies basic civil rights protection to employees in the House of Representatives. It is the product of contributions by the authors of employee protection legislation introduced in the 100th Congress: Chairman HAWKINS (H.R. 5060), Representative SCHROEDER (H.R. 4821), Representative MARTIN of Illinois (H.R. 4576), and Representative BARTLETT (H.R. 4821). Their proposals and suggestions during discussions held in recent months on the issue of employee protection were critical to the drafting of this resolution.

The Fair Employment Practices Resolution is scheduled for consideration under the suspension calendar this Monday, October 3.

The following is a brief summary of the resolution.

PROTECTION AGAINST DISCRIMINATION

The resolution provides all House employees and applicants for employment with protection against discrimination based on race, color, national origin, religion, sex—including marital or parental status—handicap, or age. This prohibition will not prevent a Member from taking into account an individual's domicile or political affiliation in making employment decisions.

OFFICE OF FAIR EMPLOYMENT PRACTICES AND REVIEW PANEL

An Office of Fair Employment Practices—the Office—is created to counsel, mediate, investigate and hear alleged violations. Also established is a review panel made up of four members of the House Administration Committee—two Democrats and two Republicans—two House officers appointed by the Speaker and two minority employees appointed by the minority leader.

PROCESS

The process to resolve complaints of violations of the antidiscrimination provision involves three steps.

First, counseling and mediation: An employee has 180 days from the time of an alleged violation to contact the Office of Fair Employment Practices to request counseling. The counseling period lasts for 30 days. At the end of the 30-day period the individual may proceed to mediation, also conducted by the Office.

Second, formal complaint and a request for a hearing: Not later than 15 days after the end of the counseling period, the individual may file a formal complaint with the Office. This may be followed by a request for a hearing, which will be on the record and which will allow the individual to be represented. A written decision is issued by the hearing officer within 20 days after completion of the hearing.

Third, final review by review panel: Either party may seek a final review by the review panel. The review panel will examine the record of the hearing by the Office, statements from the parties, and, if necessary, may hold its own hearing. After reviewing the record a written decision is submitted to both parties.

REMEDIES

The possible remedies provided by the resolution for application by both the Office and the review panel are:

First, monetary compensation, to be paid from the contingent fund of the House of Representatives, or from clerk-hire if a serious violation is found;

Second, injunctive relief;

Third, costs and attorney fees; and

Fourth, employment, reinstatement to employment, or promotion—with or without back pay.

The first step in this area was taken last March when the Committee on House Administration adopted a procedure which provides similar protection to employees under the House Officers. This Adverse Action Procedure was created because of a commitment to authors of legislation in the 99th Congress to begin developing employee protections for the House of Representatives. A hearing held in August by the Personnel and Police Subcommittee on employee protection legislation marked the beginning of discussions on the next step: extending protection to all House employees. Meetings and negotiations involving the authors of the key legislation continued over the past 6 weeks and the resolution being introduced today is the result.

There is a clear need for the establishment of an employee protection procedure.

First, there is a basic issue of fairness raised when this body passes laws relating to employment which apply to the private sector and executive branch agencies but excludes the U.S. Congress. The House is admittedly a unique institution, but that is no reason to exempt it from those basic standards which we apply by law to other Americans. The Civil Rights Act, which the Fair Employment Practices Resolution reflects, was passed 24 years ago. It is time that the House adopt those basic civil rights protections which the rest of America has been enjoying for over two decades.

Second, lawsuits against Members of the House are possible because no internal procedure exists to remedy employee complaints of discrimination. With this procedure in place, the courts will not accept jurisdiction of discrimination lawsuits by House employees.

Today the only alternative in these situations other than a lawsuit is to go to the news media. But this option does not necessarily lead to a solution of a personnel problem. The Fair Employment Practices Resolution will give the employee time for counseling and mediation—which will likely resolve most cases. If the process continues to a hearing or to the review panel a written decision on the complaint will exist to establish the facts in the case.

Finally, without this procedure the pressure on the House will increase to adopt proposals which apply Federal employee protection laws to the House with enforcement by Federal agencies. One proposal which could result in the enforcement of the Fair Labor Standards Act by the Labor Department against the House of Representatives has already been adopted by the House Education and Labor Committee as part of the minimum wage amendments (H.R. 1834).

There are strong arguments based on the Constitution's speech or debate clause and the separation of powers doctrine that executive branch agencies should not be allowed to interfere with the essential functions of the legislative branch. The Fair Employment Practices Resolution places the responsibility of enforcement within the House of Representatives, thereby preventing executive branch interference and avoiding constitutional problems.

The Fair Employment Practices Resolution is a very positive and long overdue step for the House of Representatives. The resolution represents a consensus among the authors of current legislation and it has the endorsement of the Democratic and Republican Leadership. I hope Members will join us in supporting the resolution when it is considered on the floor next week.

The following is a section-by-section summary of the resolution and the text of the resolution.

FAIR EMPLOYMENT PRACTICES RESOLUTION

Section 1. Short Title

The resolution is entitled the Fair Employment Practices Resolution

Section 2. Nondiscrimination in House of Representatives Employment

a) All House employees and applicants for employment are granted protection against discrimination based on race, color, national origin, religion, sex (including marital or parental status), handicap, or age.

b) Interpretations under subsection (a) shall reflect the principles of current law, as generally applicable to employment.

c) Subsection (a) does not require any Member of the House to employ any individual whose domicile is not in the district or State that the Member represents, nor does it prohibit the taking into consideration of political affiliation with respect to employment.

Section 3. Procedure for Consideration of Alleged Violations

Step I. Counseling and Mediation.

Step II. Formal Complaint, Hearing and Review by the Office of Fair Employment Practices.

Step III. Final Review by Review Panel.

Section 4. Establishment of Office of Fair Employment Practices

Personnel in the Office of Fair Employment Practices (the Office) shall be appointed by, and serve at the pleasure of, the Chairman and ranking minority party member of the Committee on House Administration, and shall be under the administrative direction of the Clerk of the House. Employees in the office shall conduct mediation and counseling, investigate formal complaints, and conduct hearings and review.

Section 5. Counseling and mediation

a) Not later than 180 days after an alleged violation is committed, an individual may request counseling by counselors in the Office, who shall provide information with respect to rights and related matters. The counseling period is thirty days. The employing authority is not notified until mediation begins or a formal complaint is filed.

b) If necessary mediation between the individual and the employing authority occurs after the counseling period.

Section 6. Formal Complaint, Hearing, and Review by the Office of Fair Employment Practices

a) Formal Complaint and Request for Hearing.—Not later than 45 days after a request for counseling, an individual may file a formal complaint with the Office. Not later than 10 days after filing a formal complaint, the individual may file with the Office a written request for a hearing on the complaint.

b) Hearing.—The hearing shall be conducted

(1) not later than 10 days after filing of the written request under subsection (a), except that the Office may authorize delay of not more than 30 days for investigation.

(2) on the record by an employee of the Office

(3) to the greatest extent practicable, in accordance with the principles and procedures set forth in sections 555 and 556 of title 5, United States Code, which sets forth guidelines on qualified representatives, regulations of hearings and disposition of procedural requests.

c) Decision.—Not later than 20 days after the hearing, the Office shall issue a written decision to the parties. The decision shall clearly state the issues raised by the complaint, and shall contain a determination as to whether a violation has occurred.

Section 7. Final Review by Review Panel

a) Not later than 20 days after issuance of the decision under section 6, any party may seek a final review of the decision by filing a written request with the Office. The final review shall be conducted by a panel constituted at the beginning of each Congress and composed of—

1) 2 elected officers of the House appointed by the Speaker

2) 2 employees of the House appointed by the Minority Leader

3) 2 members of the Committee on House Administration (one of whom shall be appointed chairman of the panel), appointed by the Chairman of that Committee; and

4) 2 members of the Committee on House Administration, appointed by the ranking minority party member of that Committee.

If any member of the panel withdraws from a particular review, the appointing authority for such member shall appoint another officer, employee, or Member of the House to be a temporary member of the panel for purposes of that review only.

b) The review under this section shall consist of a hearing, if considered necessary by the panel, an examination of the record, together with any statements or other documents the panel deems appropriate. The panel shall complete the review and submit a written decision to the parties and to the Committee on House Administration not later than 30 days after filing of the request under subsection (a).

Section 8. Resolution by Agreement

If the parties resolve the issues involved, the parties shall enter into a written agreement, which shall be binding and conclude the case under review by the Office under section 6 or the panel under section 7.

Section 9. Remedies

The Office or the Review Panel may order the following remedies:

1) Monetary compensation, to be paid from the contingent fund of the House of Representatives.

2) In the case of a serious violation, a payment in addition to compensation under paragraph (2), to be paid from the clerk-hire allowance of a Member of the House, or from personnel funds of a committee of the House or other entity, as appropriate.

3) Injunctive relief.

4) Costs and attorney fees to be paid from the contingent fund.

5) Employment, reinstatement to employment, or promotion (with or without back pay)

Section 10. Costs of Attending Hearings

An individual with respect to whom a hearing is held under this resolution shall be reimbursed for actual and reasonable costs of attending the hearing, if the individual resides outside the District of Columbia.

Section 11. Prohibition of Intimidation

Any intimidation of, or reprisal against, any person by an employing authority because of the exercise of a right under this resolution is a violation of section 2.

Section 12. Closed Hearings and Confidentiality

All hearings shall be closed. All information relating to any procedure under this resolution is confidential, except that a decision of the Office under section 6 or a decision of a review panel under section 7 shall be published, if the decision constitutes a final disposition of the matter.

Section 13. Exclusivity of Procedures and Remedies

The procedures and remedies under this resolution are exclusive except to the extent that the Rules of the House and the rules of the House Committee on Standards of Official Conduct provide for additional procedures and remedies.

Section 14. Definitions

1) "employment position" means a position the pay for which is disbursed by the Clerk of the House, and any other employment position in a legislative service organization or other entity that is paid through funds derived from the clerk-hire allowance;

2) "employing authority" means the Member of the House or elected officer of the House with the power to appoint the covered employee;

3) "Member of the House of Representatives" means a Representative in or Resident Commissioner to the Congress;

4) "elected officer of the House of Representatives" means an elected officer of the House of Representatives (other than the Speaker)

H. Res. 558

Resolved,

SECTION 1. SHORT TITLE.

This resolution may be cited as the "Fair Employment Practices Resolution".

SEC. 2. NONDISCRIMINATION IN HOUSE OF REPRESENTATIVES EMPLOYMENT.

(a) In General.—Personnel actions affecting employment positions in the House of Representatives shall be made free from discrimination based on color, national origin, religion, sex (including marital or parental status), handicap, or age.

(a) Interpretations.—Interpretations under subsection (a) shall reflect the principles of current law, as generally applicable to employment.

(a) Construction.—Subsection (a) does not prohibit the taking into consideration of—

(1) the domicile of an individual with respect to a position under the clerk-hire allowance; or

(2) the political affiliation of an individual with respect to a position under the clerk-hire allowance or a position on the staff of a committee.

SEC. 3. PROCEDURE FOR CONSIDERATION OF ALLEGED VIOLATIONS.

The procedure for consideration of alleged violations of section 2 consists of 3 steps as follows:

(1) Step I, Counseling and Mediation, as set forth in section 5.

(2) Step II, Formal Complaint, Hearing, and Review by the Office of Fair Employment Practices, as set forth in section 6.

(3) Step III, Final Review by Review Panel, as set forth in section 7.

SEC. 4. ESTABLISHMENT OF OFFICE OF FAIR EMPLOYMENT PRACTICES.

There is established an Office of Fair Employment Practices (hereafter in this resolution referred to as the "Office"), which shall carry out functions assigned under this resolution. Employees of the Office shall be appointed by, and serve at the pleasure of, the Chairman and the ranking minority party member of the Committee on House Administration, acting jointly, and shall be under the administrative direction of the Clerk of the House of Representatives. The Office shall be located in the District of Columbia and shall begin operation not more than 30 days after the date on which this resolution is agreed to.

SEC. 5. STEP I: COUNSELING AND MEDIATION.

(a) Counseling.—An individual aggrieved by an alleged violation of section 2 may request counseling by counselors in the Office, who shall provide information with respect to rights and related matters under that section. A request for counseling shall be made not later than 180 days after the alleged violation and may be oral or written, at the option of the individual. The period for counseling is 30 days. The Office may not notify the employing authority of the counseling before the beginning of mediation or the filing of a formal complaint, whichever occurs first.

(b) Mediation.—If, after counseling, the individual desires to proceed, the Office shall attempt to resolve the alleged violation through mediation between the individual and the employing authority.

SEC. 6. STEP II: FORMAL COMPLAINT, HEARING, AND REVIEW BY THE OFFICE OF FAIR EMPLOYMENT PRACTICES.

(a) Formal Complaint and Request for Hearing.—Not later than 15 days after the end of the counseling period, the individual may file a formal complaint with the office. Not later than 10 days after filing the formal complaint, the individual may file with the Office a written request for a hearing on the complaint.

(b) Hearing.—The hearing shall be conducted—

(1) not later than 10 days after filing of the written request under subsection (a), except that the Office may authorize a delay of not mroe than 30 days for investigation;

(2) on the record by an employee of the Office; and

(3) to the greatest extent practicable, in accordance with the principles and procedures set forth in sections 555 and 556 of title 5, United States Code.

(c) Decision.—Not later than 20 days after the hearing, the Office shall issue a written decision to the parties. The decision shall clearly state the issues raised by the complaint, and shall contain a determination as to whether a violation of section 2 has occurred.

SEC. 7. STEP III: FINAL REVIEW BY REVIEW PANEL.

(a) In General.—Not later than 20 days after issuance of the decision under section 6, any party may seek final review of the decision by filing a written request with the Office. The final review shall be conducted by a panel constituted at the beginning of each Congress and composed of—

(1) 2 elected officers of the House of Representatives, appointed by the Speaker;

(2) 2 employees of the House of Representatives appointed by the minority leader of the House of Representatives;

(3) 2 members of the Committee on House Administration (one of whom shall be appointed as chairman of the panel), appointed by the Chairman of that Committee; and

(4) 2 members of the Committee on House Administration, appointed by the ranking minority party member of that Committee.

If any member of the panel withdraws from a particular review, the appointing authority for such member shall appoint another officer, employee, or Member of the House of Representatives, as the case may be, to be a temporary member of the panel for purposes of that review only.

(b) Review and Decision.—The review under this section shall consist of a hearing (conducted in the manner described in section 6(b)(3)), if such hearing is considered necessary by the panel, and an examination of the record, together with any statements or other documents the panel deems appropriate. A tie vote by the panel is an affirmation of the decision of the Office. The panel shall complete the review and submit a written decision to the parties and to the Committee on House Administration not later than 30 days after filing of the request under subsection (a).

SEC 8. RESOLUTION BY AGREEMENT.

If, after a formal complaint is filed under section 6, the parties resolve the issues involved, the parties shall enter into a written agreement, which shall be effective—

(1) in the case of a matter under review by the Office under section 6, if approved by the Office; and

(2) in the case of a matter under review by a panel under section 7, if approved by the panel.

SEC. 9. REMEDIES.

The Office or a review panel, as the case may be, may order the following remedies:

(1) Monetary compensation, to be paid from the contingent fund of the House of Representatives.

(2) In the case of a serious violation, a payment in addition to compensation under paragraph (2), to be paid from the clerk-hire allowance of a Member of the House, or from personnel funds of a committee of the House or other entity, as appropriate.

(3) Injunctive relief.

(4) Costs and attorney fees.

(5) Employment, reinstatement to employment, or promotion (with or without back pay).

SEC. 10. COSTS OF ATTENDING HEARINGS.

An individual with respect to whom a hearing is held under this resolution shall be reimbursed for actual and reasonable costs of attending the hearing, if the individual resides outside the District of Columbia.

SEC. 11. PROHIBITION OF INTIMIDATION.

Any intimidation of, or reprisal against, any person by an employing authority because of the exercise of a right under this resolution is a violation of section 2.

SEC. 12. CLOSED HEARINGS AND CONFIDENTIALITY.

All hearings under this resolution shall be closed. All information relating to any procedure under this resolution is confidential, except that a decision of the Office under section 6 or a decision of a review panel under section 7 shall be published, if the decision constitutes a final disposition of the matter.

SEC. 13. EXCLUSIVITY OF PROCEDURES AND REMEDIES.

The procedures and remedies under this resolution are exclusive except to the extent that the Rules of the House of Representatives and the rules of the House Committee on Standards of Official Conduct provide for additional procedures and remedies.

SEC. 14. DEFINITIONS.

As used in this resolution—

(1) the term "employment position" means with respect to the House of Representatives, a position the pay for which is disbursed by the Clerk of the House of Representatives, and any employment position in a legislative service organization or other entity that is paid through funds derived from the clerk-hire allowance;

(2) the term "employing authority" means, the Member of the House of Representatives or elected officer of the House of Representatives with the power to appoint the employee;

(3) the term "Member of the House of Representatives" means a Representative in, or a Delegate or Resident Commissioner to, the Congress; and

(4) the term "elected officer of the House of Representatives" means as elected officer of the House of Representatives (other than the Speaker and the Chaplain).

TRIBUTE TO THE HONORABLE GENE TAYLOR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. Coleman] for 60 minutes.

GENERAL LEAVE

Mr. COLEMAN of Missouri. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order tonight.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. COLEMAN of Missouri. Mr. Speaker, I took this minute tonight to honor one of our retiring Members of Congress, Gene Taylor, my colleague from the State of Missouri. Gene, who has served in the Congress for 16 years, who has risen to the position of ranking Republican on the Committee on Post Office and Civil Service and who is one of our stalwarts on the Committee on Rules, is leaving the Congress after an exceptional career, and I know so many of his colleagues and Members here are very sorry to see Gene make that decision to leave the House.

I would like to take this moment to have some of our colleagues participate in a special order that reflects back on Gene Taylor and what he means to this House and to us as individuals.

Gene was born in the southwest part of our State that he now represents in the State, near his hometown of Sarcoxie. Gene eventually became mayor of that small town in southwest Missouri. He was a schoolteacher. Now, I do not know if I can imagine Gene Taylor being my teacher in school, but I bet he kept the attention of the students like he has kept the attention of his colleagues through the years.

Gene was an automobile dealer before he was elected to the House, and I never had the opportunity of buying a car from Gene, but I bet that was an experience as well. I did know Gene as our national committeeman and as national committeeman Gene Taylor visited many areas of our State and lent his support to bringing back and revitalizing the Republican Party in our State.

I know the first time I had a chance to meet Gene Taylor was in 1968 during a political campaign which at that time was going to eventually elect the first statewide Republican in Missouri in over 25 years. I was working for that candidate, the gentleman from Missouri, Mr. Danforth, who became attorney general and now a senior Senator, and I remember how the campaign awaited with baited breath the arrival of Gene Taylor for a strategy session to see if we could get this young man elected attorney general, and Gene arrived with good, positive suggestions for newspapers to go see and what to do in this campaign, and through that type of support and wisdom, the gentleman from Missouri, Mr. Danforth, was elected, and many of us have felt that type of wisdom through the years.

I have attended probably well over 20 Lincoln Days in the State of Missouri, and while we may have Governors and we may have Presidents and Congressmen and all statewide types of officials that all make comments, the ones that really count and the ones that are looked forward to are from our colleague, Gene Taylor.

I would hate to follow him in any act. I would hate to follow him on stage at any time, and I know that he has been able to instill in the State of Missouri's Republican Party the type of respect we have for him here, but in such a way there is not any person who does not like Gene Taylor. He does that with Republicans, he does it with Democrats, he does it with those who agree with him and those that might disagree philosophically, but not personally, which is why I have here tonight many statements from Democrats as well as Republicans who think so highly of our colleague.

GENE is a dedicated individual and not one that necessarily seeks the limelight.

That is really something these days when so much of the activity of Congress and of politicians is measured on how many times a Member gets on television or how many times a name appears in the national print media. GENE TAYLOR does his job, the back job that needs to be done to carry this House and legislation through. He does it in committee, he does it with his colleagues, he does it all the time and we are certainly going to miss that. GENE has been busy for the last 16 years, not just in Washington, but believe it or not GENE has returned every weekend with the exception of one or two during the 16 years that we have been in session, back to his home district in southwest Missouri. I do not know too many Members of Congress who have done that for 16 years, and certainly he deserves a little bit of rest and consideration for having accomplished all of that.

Now the reason that GENE TAYLOR gets along with everybody in the world that I know is that GENE's humor and down-home ways have really made it an opportunity for people to really love and to like GENE TAYLOR. GENE will stand usually back behind the back rail and dispense wisdom throughout the sessions here in kind of a humorous sort of way and he makes his point the same way he makes it in committee, the same way as on the floor of the House or in personal conversations. He does it by usually asking a question that might be asked by a constituent from the Ozarks.

Now I do not know if all the people that GENE has mentioned are in fact real people or some he has made up, but regardless he gets the point across and I suspect that it is maybe half and half. Half are real and half are fictitious. The point is when we get all together here, we have glorious debates and we have studies and commissions and we have many citations of fact and philosophy. GENE TAYLOR cuts through to the heart of the matter by asking a simple question that would be asked by a constituent of his or others that gets to the heart of the matter so we stop and wonder if what we are doing is the correct thing, the right thing, something the taxpayers would want to have happen, would they pay for it, something that we need in this country? That is the way GENE TAYLOR has approached his philosophy of Government, how he has approached his way of being a Congressman, and I must say it has been quite successful for him and all of us have taken a lesson from him. His humor knows no boundaries. I cannot tell all the stories here tonight, but GENE likes to tell them on himself as well as on anybody else, and I remember one which I will repeat.

That was the time that GENE says he got a call from a constituent who was exercised and upset that her trash had not been picked up that particular week, and GENE would take the call and he visited with her for a while and said that it was nice of her telling him about the problem but the trash is not a Federal problem, it is a local problem, had she talked to her city councilman, and she no, she did not want to start that high.

So GENE has told that story and of course we pick up the stories and tell them around the Nation, and we would be in trouble if GENE went out and told the story that we tell in our own district and try to take credit for his own story.

We have honored this gentleman before. There are not too many of us who leave this House voluntarily that already have a Federal building named after them. We have bestowed the honor to GENE TAYLOR. There is a Federal building in Springfield, MO, that has his name on it.

Common sense, down-home humor, the ability to get things done, wisdom, respect, love and affection. These other things that we think about when we thing about GENE TAYLOR.

I want to yield to some of my friends and colleagues now, and friends of GENE's as they want to make a statement and spend a few moments reminiscing, saying thank you, GENE, and goodbye, and we now want to recognize those colleagues.

Mr. Speaker, I yield to my fellow colleague from Missouri [Mr. SKELTON].

Mr. SKELTON. Mr. Speaker, I thank the gentleman for yielding, and I especially thank him for taking this special order for a very great Missourian, GENE TAYLOR.

You know, in this work that we do, this legislative work, we have knowledge of procedure, we have knowledge of substance, but the one catalyst that makes this work is this thing we call good will. The good will of an individual legislator and all that goes with it is what makes this place work and makes this democracy such a key place in this world.

GENE TAYLOR is the very epitome of legislative good will. Partisanship is used at the correct times as all of us do, but he has that innate ability to know what is good for the Nation, the good will that is the result of legislation that we work and craft and pass and send to the President, and he has done such a good job in expressing the good will that he has that has caused on many occasions legislation to become law where otherwise it would not have been.

So I say his whole star is that of good will, but there are other things about GENE TAYLOR I would like to touch upon, and that is his sincerity. He is truly one of the most sincere individuals I have ever known. He wants to do right for his district. He wants to do right for the State of Missouri. He wants to do right for America. His record here and those of us that remember him after he leaves this body will be one who sincerely tried to live up to his oath to the Constitution and live up to the best hopes of his constituents, those who elected him.

I would also wish to mention something personal to me, and that is his friendship. We will enjoy his friendship long after he leaves and we will also have memories, as you just mentioned, the fun times, the good times and the stories that he tells that are more than stories, they emphasize things he is trying to get across to us in a very humorous and also very subtle, sincere way.

GENE TAYLOR's friendship stretches across this aisle. Democrats are so fond of him as Republicans are so fond of him. He is truly the best possession, and that is a friend. We feel that we possess him and I heard him speak on friendship not so long ago at the Member's Prayer Breakfast. Knowing his sincerity with which he takes friendship, we also know that in order to have a friend you must be one. GENE TAYLOR is one.

I wish him the best as my friend as a friend of so many Missourians, and a friend of so many people, both Democrats and Republicans, we wish him and we wish Dorothy, his charming wife, the very, very best in years ahead.

Mr. COLEMAN of Missouri. Mr. Speaker, I thank the gentleman for his contribution, and I yield to my colleague, the gentleman from Ohio [Mr. LATTA].

Mr. LATTA. Mr. Speaker, I want to thank the gentleman from Missouri for yielding and commend him for taking the time to say a few words about our good friend, GENE TAYLOR.

As most of you know I have been here now for 30 years and I have served with hundreds and hundreds of Members of Congress, but there is only one GENE TAYLOR in all those numbers. I think that says something about the gentleman that we speak about tonight, because he is one of the select few. I do not know how you could describe GENE TAYLOR or how I could other than to say in my humble judgment he is a second Will Rogers, putting him in a category by himself, bringing a chuckle to anybody he talks to. I do not care who it is, whether on this side of the aisle or the other side of the aisle, he always has a twinkle in his eye, and I just wish that people on the outside of this Chamber could know GENE TAYLOR like we know him.

□ 1930

And certainly in his district in the Ozarks they know him and they send him back by increasing margins time after time.

But I think we need more GENE TAYLOR's in this day and age to bring happiness and good will to more and more people and he certainly has done that in this Chamber.

We cannot speak about GENE TAYLOR without recalling how he mimmics, in good will, our chairman, Chairman PEPPER. And he makes our chairman laugh. As a matter of fact we have said that he speaks more like our chairman than the chairman does. GENE is a lucky fellow because he has got a wonderful mate in Dorothy. I know the first time that my wife, Rosemary, met Dorothy they hit it off real well and they spent a lot of time together. And he is lucky to have somebody like that when he goes back home into the Ozarks—Sarcoxie—and there is a Sarcoxie. I looked it up on the map. As the gentleman from Missouri [Mr. COLEMAN] mentioned, some of these people that GENE refers to in his stories, they are real people. A lot of people do not believe that, but I remember one time when Congressman CRANE was out there in his district, he asked about a certain individual who GENE was always telling stories about and he was at that meeting. So they are real people. As a matter of fact, in my district, my former district, we had a town called Van Wert which we used to call the peony capital of the world. You know, Sarcoxie took that title from us. They grow beautiful peonies down there besides beautiful people.

GENE and I attended several conventions. As a matter of fact, we have been roommates together at several conventions and got to know one another very, very well.

In addition to bringing joy and laughter to this place, GENE TAYLOR has brought a dedication and a sincerity that shows all the time. I have observed him in the Committee on Rules time after time and he really does his homework. When these bills come up there, you could kind of let the other fellow do the work and you not do your homework, but GENE does his homework. He has been an outstanding member of the Committee on Rules, he is always a thoughtful individual.

Certainly this body is going to miss GENE TAYLOR's sense of humor and his ability to get the best from all of us.

Certainly as he goes back home he will be spending time in that new vacation home that he has, doing some fishing and certainly he deserves catching some of those big fish, and I know he will do exactly that.

Certainly he epitomizes all those characteristics that I belive we seek in an individual.

So I just want to wish GENE and his good wife, Dorothy, the best of everything as they go back to Missouri.

I thank the gentleman for allowing us this opportunity to pay tribute to our friend GENE.

Mr. COLEMAN of Missouri. Referring to what the gentleman from Ohio just mentioned, about GENE's making impressions, he is an impressionist. That is what he does. He can make the chairman's impression sound just like the chairman speaking.

Mr. PEPPER, last night at the reception for GENE, made some very kind comments and his last comments were that GENE TAYLOR can do CLAUDE PEPPER better than CLAUDE PEPPER can do CLAUDE PEPPER. I think that is probably true.

DAN ROSTENKOWSKI said it is always great when GENE is invited to a social function in Washington; not only do you get GENE TAYLOR you get CLAUDE PEPPER too. So that is for sure.

I yield to the gentleman from Arkansas, Mr. HAMMERSCHMIDT.

Mr. HAMMERSCHMIDT. I thank the gentleman for yielding.

Mr. Speaker, I want to thank the gentleman from Missouri for having this special order so that we can pay tribute to our distinguished colleague, Congressman GENE TAYLOR.

GENE is one of the finest men in Government today, and I feel honored that I have been able to serve with him for all of his 16 years in the House. Enjoying the close friendship and wise counsel of GENE TAYLOR has been one of the highlights of my service in this body. He is a man of integrity, compassion and he happens to be blessed with an inordinate amount of just plain common sense.

The people of Missouri's Seventh Congressional District will greatly miss the helping hand and generous spirit of GENE TAYLOR when he retires at the end of this Congress.

His southwest Missouri district borders my district in northwest Arkansas, and we have worked together for years on projects affecting both of our districts. So, I know very well just how hard GENE has worked for his folks back home.

When the veterans in his district needed his help, he responded and used his considerable skill and influence to win the battle for the outpatient clinic in Mount Vernon.

When U.S. Highway 71 needed upgrading to four lanes, GENE helped get the needed highway funds to widen the road from the Arkansas line to Carthage, MO.

Upgrading this great highway will provide safety, convenience, and economic development all along its corridor in northwest Arkansas and Missouri. As a member of the Public Works Committee and later, the Rules Committee, GENE's leadership was invaluable to our success with the Highway 71 project.

GENE loves the Ozarks and loves helping his people in that region. Frankly, part of his uniqueness has been his ability to bring his constituents to Washington in his marvelous stories about them.

After hearing time and again the warm, folksy and often humorous stories about these people, many of us felt like we knew them first hand. Actually, I have had the opportunity to meet some of them, and they are every bit as delightful as GENE described them.

So, in a sense, when GENE leaves—and we hope he won't get too far away—we will be figuratively saying goodbye to folks like J.D. Everetts, Smokey Burkett, Luther Camp, Leggs Luna, Jim Tatum, Horace Nations, Lucky Cantrell, Dewey Hankins, Maggie Hall, Jimmy Willis, Maude Freeland, and dozens of others from GENE's beloved Missouri. I've had the pleasure of knowing some of these folks personally but through GENE's ability to portray them, I imagine they would be surprised if they knew how many Members of Congress know them too. Some of these folks have now passed on but they still live in our memories because of GENE.

We are going to miss those folks and the GENE TAYLOR yarns that have brought them so vividly to us in these Chambers.

We are also going to miss the good, solid, commonsense judgment and the informal, accessible, and very effective legislative style of GENE TAYLOR.

GENE, as you conclude your great career in this Chamber, I wish you and Dorothy the very best in the months and years ahead.

Mr. COLEMAN of Missouri. I do not know how the gentleman from Arkansas could have gotten through all of that stuff about highways and various other things without speaking about the fish hatchery. He will have to amend his remarks because the fish hatchery has taken on monumental importance in this body from time to time as I recall.

Mr. Speaker, I yield to the gentleman from Massachusetts.

Mr. MOAKLEY. I thank the gentleman from Missouri for reserving this time to honor our friend and colleague.

Mr. Speaker, I want to thank the gentleman from Missouri [Mr. COLEMAN] for reserving this time to honor our friend and colleague, GENE TAYLOR, who after serving in the House since 1972 has decided its time to go back home to the Ozarks.

Speaking as a member from the Rules Committee where GENE has sat as a member for the past 8 years, the committee is not only losing a distinguished and knowledgeable member, but also a member who has built warm and lasting friendships there.

As the Rules Committee meetings open, I can always turn to the right end of the table for a warm smile, a cordial greeting, or a funny story.

Mr. Speaker, not all those stories bear retelling in this formal Chamber, but the departure of the Will Rogers of the Rules Committee will make our sessions more somber.

It is characteristic of GENE that his service in the House has been on the Public Works Committee, the Post Office Committee, and Rules. None are committees that get you on network news. Rather they are committees where you have a real chance to serve your district, which is what GENE came here to do.

We are all aware of GENE's career. During his rise to ranking minority member of the Committee on Post Office and Civil Service GENE has become our in-house expert on Civil Service and Federal retirement programs. It is safe to say that without GENE's input and cooperation back in 1978, one of the most important Civil Service bills that Congress had dealt with at that time, the Civil Service Reform Act of 1978, would not have become a reality.

Besides GENE's service on the Post Office Committee, GENE also served 8 years on the Public Works Committee. The Rules Committee has benefited enormously from the expertise he brought from that service.

Mr. Speaker, over the years that I have had the pleasure to work with GENE both socially and professionally, I have felt assured of two things when dealing with GENE: Even though he might disagree on an issue, he would be willing to cooperate to see if a fair solution could be worked out and that, when everything was over, we could walk away with a smile, and the knowledge that friendship is stronger and lasts longer than any disagreement.

And friends GENE has—that was never more evident than at last night's reception honoring our friend. Two of our most distinguished chairmen, Senator PEPPER and Chairman ROSTENKOWSKI joined a number of Members from both sides of the aisle to pay tribute to GENE in a genuine showing of affection for a man who will be missed by all.

As GENE returns home to Sarcoxie, MO, I am reminded of GENE's observation, when he told someone once, "people in Sarcoxie are a lot smarter than people in Washington."

"How do you figure that?" his visitor asked.

"Everyone in Sarcoxie knows where Washington is," GENE responded, "but no one in Washington knows where Sarcoxie is."

As many of us know, GENE was a car dealer before he came to Congress, and perhaps it decribes him best to say he is the kind of guy I would buy a used car from.

Mr. Speaker, again I want to thank the gentleman from Missouri [Mr. COLEMAN] for offering us this opportunity to express our thanks and best wishes to GENE for his friendship over the years and for good health to him and his family.

Mr. COLEMAN of Missouri. I thank the gentleman very much for his contribution.

Mr. Speaker, I yield to the gentleman from Tennessee [Mr. QUILLEN].

Mr. QUILLEN. Mr. Speaker, I want to join my colleagues in paying tribute to our friend, Congressman GENE TAYLOR of Missouri's Seventh Congressional District, who is retiring from the House at the end of the 100th Congress. GENE and his lovely wife, Dorothy, will be found at their lakeside cottage at Table Rock Lake in the Ozarks, enjoying a well-deserved rest after many years of dedicated public service.

I'll bet GENE will be on the lake teaching his six grandchildren how to fish and telling them his famous Ozark stories just as often as he can.

As one who has served with GENE since he first took his seat in 1973, and who has worked closely with him since he became a member of the Rules Committee in 1980, I am really going to miss him when the 101st Congress convenes in January of next year.

GENE TAYLOR's good qualities and virtues are many, but I just want to say a few words about two aspects of his personality and character. The first is his constant good humor and ability to maintain a calm and cheerful outlook whatever the level of dispute, disagreement, or stress may be around him. GENE not only remains calm and collected in the midst of confusion, he can usually be relied upon to tell a humorous, Ozark-inspired story that, by way of analogy, is right to the point at issue and shows the way to a solution after the laughter has died down. GENE TAYLOR's Ozark stories are a legend around here, and they are invariably funny and well-told, but their greatest merit is that they reflect a commonsense point of view that is sometimes in short supply in our deliberations.

In this way, GENE TAYLOR has been a good teacher for all of us, and we are going to miss these lessons in common sense, sometimes disguised as funny country stories.

Another of GENE's attributes I want to mention is his hard work and ability to achieve good results as a Member of Congress.

Congressman TAYLOR's outstanding service on the Rules Committee is only a part of his fine career. As ranking Republican member of the House Committee on Post Office and Civil Service, he played important leadership roles in the enactment of the Civil Service Reform Act of 1978, the Social Security Act Amendments of 1983, and the creation of the new Federal Employees Retirement System. In addition to these prominent laws, Congressman TAYLOR worked quietly and tirelessly for the flight service station specialists who provide essential flight services to general aviation at our smaller airports. A few years back, Congressman TAYLOR made sure they will get Federal employee retirement benefits to which they were previously not entitled. GENE got the job done—that's the kind of Congressman he has been since his first election to the House. Another recent example is the funding he obtained for the Veterans' Administration Outpatient Clinic in Mount Vernon, MO, in his district, which will be dedicated this fall.

So, I am going to miss GENE after the Congress adjourns a few weeks from now. A true-blue Republican, he has been a staunch ally on the Rules Committee and is a good and loyal friend. Because he is a hard-working Congressman and because of his positive and genial outlook, his sense of humor, and his superb story-telling talent, GENE TAYLOR is good company, and I am going to miss him. You are a special person, GENE, and I salute you, my friend. All the best in the many years that lie ahead for you, your lovely wife, Dorothy, and your family. Keep in touch, pal, and good fishing.

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Mr. COBLE. Mr. Speaker, will the gentleman yield?

Mr. COLEMAN of Missouri. I yield to the gentleman from North Carolina.

Mr. COBLE. Mr. Speaker, I, too, want to express thanks to the gentleman from Missouri [Mr. COLEMAN] for having taken this special order to honor our friend.

Before I start, I want to say a word to the distinguished gentleman from Arkansas [Mr. HAMMERSCHMIDT]. As he reeled off the names of those luminaries in the Ozarks, I believe he failed to include the inimitable Sister Ledbetter. She deserves her place in the Sun as well.

About 4 years ago, let me say to the gentleman from Missouri and to my friends, I was standing back at the rail here and GENE TAYLOR was in the well of the House speaking to a full House. Unlike most of the times we are here as a body, everyone was quiet. I was standing next to then Congressman Jim Broyhill, later Senator Jim Broyhill. He placed his arm on my shoulder and he said, "Howard, the three best wits in the Congress are ALAN SIMPSON, MO UDALL, and BOB DOLE, but," he said, "the best storyteller, hands down, is GENE TAYLOR, and they are waiting for a story."

The issue was contemporaneous recordkeeping, and we all remember that abominable exercise. But when GENE got to the punch line, the Members of this House erupted with laughter, expressing their approval for their beloved storyteller.

Our Chaplain, Jim Ford, whom I saw on the House floor earlier—I am not sure he is here now—said to me about 4 or 5 months ago, "I have heard Congressman TAYLOR tell the same story 5 times and," the Chaplain said, "it was just as funny the fifth time as it was the first time."

Recently, as the gentleman from Missouri [Mr. SKELTON] mentioned, GENE TAYLOR was our guest speaker at our weekly Congressional Prayer Breakfast. He was introduced to this group by our friend, Congressman BOB STUMP, and after Mr. STUMP gave some interesting bio information concerning GENE TAYLOR, he then looked to the members of the Prayer Breakfast group and said, "Ladies and gentlemen, I am pleased to present to you, GENE TAYLOR, the Sage of the Ozarks."

GENE TAYLOR's success with stories, let me say to my friends, violates the old adage that a story must be vulgar or risque to be humorous. GENE TAYLOR's stories are neither vulgar or risque. GENE TAYLOR's are not X-rated. His stories, rather, could be told at a Sunday school picnic, and I am sure they have been many times.

As I look across the floor, I see many of his friends on both sides of the aisle, and that reinforces the fact that this man has been blessed with a special, unique talent, a special, unique ability to entertain others. He is in fact our ambassador of goodwill.

Mr. Speaker, as he prepares to leave this, the People's House, we wish our best to Dorothy and her husband, the Sage of the Ozarks.

Mr. Speaker, I thank the gentleman for yielding.

Mr. COLEMAN of Missouri. Mr. Speaker, I thank the gentleman from North Carolina [Mr. COBLE] very much.

Mr. PEPPER. Mr. Speaker, will the gentleman yield?

Mr. COLEMAN of Missouri. Mr. Speaker, I am delighted Senator PEPPER has joined us, and I yield to the gentleman from Florida.

Mr. PEPPER. Mr. Speaker, I thank the able gentleman from Missouri for yielding to me.

Mr. Speaker, it has been the good fortune of the Rules Committee to have GENE TAYLOR for many, many years as one of its distinguished members. It will be a source of grave regret to me as he and two other of his distinguished colleagues, including the distinguished gentleman from Ohio [Mr. LATTA], who is on the floor now, will be leaving our committee.

GENE TAYLOR has contributed immeasurably to that committee. He is knowledgeable about the subjects we discuss, he is constant in his attendance, and he is very knowledgeable about what he proposes to do and what the committee does. GENE TAYLOR is an extremely able member of that committee and of the House of Representatives.

I know of no man who is more deeply dedicated to the public interest than GENE TAYLOR. He is a man who understands our country and what it is all about. He is a man who comes from the soil of this blessed America, and, therefore, he has in his heart the American dream.

He has been a magnificent contributor not only to the work of the Rules Committee but to the House of Representatives itself in the many years he has been here.

In his personal capacity, I have a peculiar regret that GENE TAYLOR is leaving the House. He is my best imitator in the Congress, and without GENE, I do not know who is going to perform that role. GENE can tell my stories better than I can, as he illustrated yesterday evening down in the Rayburn Plaza, when he told a couple of my stories, to the delight of the audience, in a much better way than I could have provided if I had told them myself. So if GENE TAYLOR is going to leave us, I must insist that he leave behind an imitator who would be somewhat comparable to himself in his excellence as an imitator, because otherwise I am going to be very lonesome without GENE TAYLOR.

GENE TAYLOR is a charming man personally. He has that wonderful smile, which reveals an open and compassionate heart. He is a man who likes to get along with his fellow Americans and likes to make his contribution to a greater and a better country.

I regret exceedingly that GENE TAYLOR is leaving us. I am sorry to see him go. Whatever his motives are that prompt him to depart from us, I hope he might yet change his mind, but if he does not, I want him to carry with him the deep affection of his colleagues in this House, and especially of the chairman and the members of the Rules Committee, of which he has been such a distinguished member.

So, GENE and your lovely wife, I wish that you may enjoy the years ahead. I hope you have a long time, good health, great happiness, and the satisfaction of knowing that as a public servant you lifted to a higher ground the country you love so much.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. COLEMAN of Missouri. I certainly do yield to my colleague, the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I thank the gentleman from Missouri, Mr. COLEMAN, for arranging this special order enabling us to honor GENE TAYLOR.

Congress is not going to be the same without our good colleague and dear friend, the gentleman from Missouri, GENE TAYLOR. And as much as we are going to miss him, we know that his retirement is duly earned.

As the ranking minority member of the Post Office and Civil Service Committee, GENE TAYLOR has given real meaning to the term "bipartisanship" in the development of meaningful legislation. He and another of our colleagues, the gentleman from Missouri, Mr. CLAY, were the key players in putting together the Missouri compromise, circa 1987, better known as Hatch Act reform. Because of their herculean efforts, their Hatch Act reform measure won approval in this body with more than 300 affirmative votes. GENE also played an important role in crafting legislation creating the new Federal Employees' Retirement System Act of 1986.

We will long remember and will surely miss GENE's "Down Home" yarns with which he often lightened our burdens.

GENE, we will miss you along the back rail, the Post Office and Civil Service Committee, the Rules Committee, the Congress and Americans everywhere are going to miss your leadership.

GENE, have a great time back in the Ozarks, on your Sarcoxie farm and we hope you won't make yourself scarce around here.

Mr. Speaker, we all join in wishing Dorothy and GENE a retirement filled with happiness and good health.

Mr. ROBERTS. Mr. Speaker, will the gentleman yield?

Mr. COLEMAN of Missouri. I yield to the gentleman from Kansas.

Mr. ROBERTS. Mr. Speaker, I thank the gentleman for yielding, and I thank him for reserving this very special time for our very special friend, GENE TAYLOR. I should revise and extend, but I typed this up on my 1947 Underwood that I got from Maude Freeland, as opposed to a word processor that everybody uses here in this body now. I typed it up myself, so, by golly, I am going to read the whole thing.

Mr. Speaker, I am most happy to have this opportunity and privilege to take part in this tribute to my good friend and colleague, GENE TAYLOR, who has announced his retirement from the Congress.

Now, when I say "most happy" I am not getting into the lilly gilding business, I mean I have been looking forward to this; not to GENE's retirement mind you, but this opportunity that lets me say some things about GENE where for once he can't do me one better with one of his stories. And, I don't think I've seen a time where anyone ever did that.

Where to start with the man from Sarcoxie, MO? Well, for sure the good people of the Seventh District sent an uncommon man to represent them in Washington. Without getting into a full blown discussion of the merits, style and contributions of individual Members of this august body, Gene has not been what I call a "floor person," one of our 1-minute musketeers, or a self-declared expert on everything from aardvarks to zebras that comes to this floor. If you are what we now call a C-Span regular, Gene Taylor has not played a starring role. But, if awards were handed out, he sure would be in the running for best homework, common sense, and results.

When he had something to say it was usually within his committee assignment, or an issue upon which he had done his homework and legislation to which he brought considerable expertise. In other words, when Gene Taylor took the floor or spoke in committee he knew what he was talking about and people paid attention.

I especially want to thank him for his help as a most influential Member of the House Rules Committee. His respected voice enabled many of us on the House Agriculture Committee to consider legislation vital to our farmers and ranchers in such a way that we could achieve progress to benefit rural America.

Mr. Speaker, my colleagues will rightfully stress Gene's many accomplishments—named by Time magazine as the Quality Award Automobile Dealer in his private life profession—his work in behalf of many local, civic and religious organizations back home—to a whole laundry list of awards and honors he has received from various organizations here in Washington who believe in fiscal responsibility, rural and small town America, private enterprise and just plain old fashioned American patriotism. To achieve this recognition he did it the old fashioned way, he earned it, coming through the appropriate chairs within our Republican Party and through bipartisan respect from his colleagues.

Now, all of that is going to be placed in the record of these proceedings and I hope written up throughout Gene's district. And, as Mr. Lincoln said, "It is altogether fitting and proper that we do this." But, I suspect, that while we are in the business this evening of putting up Gene Taylor's name in lights, that later on Gene would be taking it all down from the marquee with a stepladder. Gene Taylor on a stepladder? I might even pay to see that.

But, the truth of it is, all of this fuss we are making over Gene makes him as nervous as the proverbial long-tailed cat in a room full of rockers.

No, Mr. Speaker, what I want to talk about is the Gene Taylor I know holding forth on the back rail of this House. We are sure going to miss him. His was an unfailing ability to cut through all of the noise and window dressing back here and represent the folks back home.

We are, by the very name of this body, the House of Representatives. I don't think anyone has ever taken the pulse better. Gene Taylor doesn't have constituents, he has folks. If you wanted to know how this bill or that amendment or whatever resolution affected the folks back home in regard to their daily lives or pocketbooks you had only to check with Gene.

Well now, I say check with Gene but in doing that you also got some sage advice from folks like Leggs Luna, the often quoted Republican Chairman from Gainesville; Buff Lamb, the no nonsense sheriff from Christian County; or Maude Freeland, the now deceased columnist of the Taney County Gazette.

"What does the administration think about this, Gene?" "Well, Pat, I don't rightly know but this sure doesn't make sense to Leggs Luna!"

"Is this bill over budget, Gene?" "Well, they say its close but I tell you one thing, Maude Freeland would sure have trouble seeing the sense in handing out money this way."

You know, I feel as if I know these folks, even good old Barney Mathis, of dubious fame and notoriety, plus most of everyone else in Gene's district and the reason why is what Gene told me fit like a glove with what my people tell me in Dodge City, Abilene, Elkhart, or Goodland. If it made sense to Gene, I could pretty well bet it made sense back home. If it didn't, chances are about six snakes would come out of that legislative box to bite you down the road.

I mean, after a couple of years on the backrail with our colleague, I thought of Maude Freeland as a good friend. She was, by the way, a very intelligent, well read, writer for the Gazette. When Gene told me she was in the hospital and not doing well, I went back to the office and called her. It took me the better part of 15 minutes to explain who I was, why I was calling and to assure her I wasn't some Federal bill collector.

Mr. Speaker, those of us from Kansas just have a natural historical inclination to view those "Show Me State" neighbors of ours, with a cautious eye. But, I can say without reservation Gene Taylor has done about the best job of representing his people in the U.S. Congress and citizens throughout rural and small town America of anyone I know.

Gene, for me, in the memory of my predecessor Keith Sebelius, for all of our good people in Kansas, many thanks good friend and the best of everything to you.

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Mr. COLEMAN of Missouri. Mr. Speaker, I yield to the gentleman from New Mexico [Mr. Skeen].

Mr. SKEEN. Mr. Speaker, I thank the gentleman from Missouri [Mr. Coleman] for yielding, and I want to commend him for taking this special order.

My colleagues know that when we come to this body that we are immediately impressed with the kind of folks that we meet and so forth, but the one thing we gravitate toward is an individual we believe in and we feel that we have known all of our lives. And that is Gene Taylor because anybody that comes from Sarcoxie, MO, can certainly identify with somebody from Picacho, NM, because: Who cares?

Well, we do, and we want to know somebody that is down to Earth, is willing to give of themselves, but has that sense of humor and that feeling that, "Listen, I am in the greatest body of the world, the Congress of the United States, but I'm the same person that I was in Sarcoxie, MO, or Picacho, NM."

And fun? We can have fun in this place. We can enjoy it. We have to laugh at ourselves. One does not have to take these things so seriously, because it is serious, and what we do here is extremely serious. But how about an individual that can say, "Look, no matter whether hell freezes over tomorrow or the Sun doesn't come up in the East and set in the West, you can enjoy a good story together," because what is it that we take away from here? The associations that we have with the people that we know here, and they are great folks in this body, each and every one of them.

But one of the most outstanding individuals has been Gene Taylor because, if someone wants to get leveled off after they have been up in the high or down at an extreme low, here is a fellow that can pull them up and tell them a good story, have a good laugh with and identify with one another thereby knowing that the world is OK, that the Sun will come up in the right place and set in the right place, and hell will not freeze over, it will melt, and everything is going to go on, and that is the kind of person we want to know because they have kept their perspective and they have made their contributions to good government, because that is what all of us are here for, to make a contribution.

One hears all of the vilification of people in Congress that they are taking and doing this and doing this, that and the other, but they are also giving, and one of the greatest givers I have ever known has been Gene

Taylor because he has given something to each and every one of us.

And what is it we take out of this life? This is not a eulogy because Gene Taylor has had the wisdom to decide when he wanted to leave here and spend a little time in his life with those grandkids, with that beautiful wife, running a few cows down there in Missouri, and my colleagues know that there are not too many things better than that, except maybe running sheep in New Mexico.

So what is it that my colleagues take away from here? The associations that we have had. And what is it, my colleagues, we take when we leave this life? The associations we have had with different people, good, bad or indifferent. There are great moments, and, Gene has certainly contributed to a lot for each and every one of us.

We are going to miss him sorely, and we also know that he is going to be around here somewhere, and we take great gratification knowing that he is going to be enjoying doing what he wanted to do by not answering those confounded bells that somebody else has rigged up to ring at the wrong time. He is going to be out there doing what he wants to do for himself and family.

God bless you, go in peace, but come back and visit us. We never want to forget you, and we never will.

Mr. COLEMAN of Missouri. Mr. Speaker, before I recognize my colleagues from Missouri, let me tell the Members here that we have 8 minutes left, and I know that other special orders are waiting in the wings.

Mr. Speaker, I yield to the gentleman from Missouri [Mr. Emerson].

Mr. EMERSON. Mr. Speaker, I appreciate the gentleman from Missouri [Mr. Coleman] yielding to me, and I will be brief. I will put into the Record ultimately an appropriate tribute to Gene, but I wanted to say here this evening that I am going to be brief because frankly I do not like this occasion. I do not like the thought of saying goodbye to Gene Taylor here in the House of Representatives.

Mr. Speaker, it is not goodbye, but it is not going to be the same place anymore without Gene here. Truly it will not be.

Gene, we are going to miss you.

Gene knows, I am sure, in the depths of his heart how I feel about him and what a dear and wonderful friend and great mentor that he has been to me. Everything that has been said about him here this evening I and many others could say in spades, but I want him to know as he leaves here that he leaves with our love, and our thoughts and our affection, and we want him, and Dorothy, and Linda, and Larry and the grandkids to have a wonderful time down there on Tablerock Lake, and I am going to come down there and do a little bass fishing with him, one of my favorite pastimes, and we will talk about things back here.

But I want him to know how much I am going to miss those daily consultations as we hang back by the rail there and discuss the state of the House and the world events, and I am going to miss his daily touch around here. He is a person who epitomizes to me really the best of commonsense values for which I think our State is famous. He is the epitome of that, and he has brought a great deal to this House and to the country in his service here and in a lot of other positions throughout his life.

Gene Taylor is going to be missed, but he certainly goes with our affections and our best wishes, and I want only the best things for him in the years that lie ahead for what he has been to us.

Mr. COLEMAN of Missouri. Mr. Speaker, I yield to the gentleman from California [Mr. Dreier].

Mr. DREIER of California. Mr. Speaker, I thank my friend for yielding, and I appreciate the fact that he yielded to me as the gentleman from California because I am proud to represent California, but I am equally as proud to be a native of the Show Me State.

Now I have never run sheep or cows, and I am not from that part of the country. I am from what Gene Taylor often refers to as the silk stocking part of Kansas City, which is where I originally grew up, but I can say that Gene has been a great friend and is an individual who provided me with a great deal of inspiration. He was an inspiration because, as I know a number of our colleagues have said, of his common sense.

There are a number of stories which I cannot recount here. I will never forget one of my favorite ones centered around a debate dealing with outdoor facilities for our California farm workers. I am not going to repeat that one for our colleagues, but I will say that some of the greatest common sense came from this guy when he said to me that before he came to the Congress he was asked by a fellow in his district to ask himself three questions every time he was posed with the prospect of forming another government bureaucracy or spending program here.

The first question was: Do we really need it?

The second question was: Can we really afford it?

And, if the answer is "yes" to both of those questions, then ask yourself: How in the world have we gotten along for such a long period of time without it?

Mr. Speaker, since Gene said that to me I have asked myself those questions every time I cast a vote, and maybe that is the reason that I have consistently voted against all these marvelous appropriation bills that we have passed out in the past few weeks.

But I will miss Gene Taylor's smiling face and his encouragement, and I am convinced that the people of Sarcoxie, MO, are in fact more intelligent than people in Washington, DC.

Good luck to you, Gene.

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Mr. PASHAYAN. Mr. Speaker, I thank the gentleman for yielding to me.

I want to say a few words about my very good friend and mentor, this son of Sarcoxie. I do now know exactly how we met the first time, but I know that is one of the best things that happened to this young guy from California who never held an office before.

Gene, I want to thank you for all you have taught me over the years, because I have listened to your jokes and I have also listened to your good common sense and advice. This man is loaded with common sense.

I guess I have enjoyed most of all, Gene, the dinners we have had together. I guess you know me as somebody who can put away quite a bit at the dinner table, Gene, and I want to thank you very much for giving me some good keen competition. I will not tell my colleagues who won that competition, but I have to thank Gene for that. You have always got to look over your shoulder at the dinner table.

Dorothy is a delight. She will be happy to have her man home, and thanks to Dorothy, Gene will be sitting in a brandnew pink chair in his newly decorated home. I thought our colleagues ought to know that.

One note of seriousness here. Gene Taylor was one of the hardest working men I know. He did a lot more than just put Sarcoxie on the map. When he was talking about leaving this place, I would say, "Gene, stick around. We have got to have you here. We need you. we want you. We don't want you to leave."

Then he told me that he had a telephone in his house and he would sit there and answer phone calls from his constituents.

I said, "Gene, why don't you get rid of the telephone? Give yourself a Sunday off. Ease up a little bit. Maybe you will be encouraged to stay some more terms."

He would not do it that way. He would either go all out for his constituents, or he then made the decision to retire, and that is the kind of man he is. It is either 100 percent or he is going to go into retirement.

Gene, we wish you the best of luck, you, the man of two homes, one in the mountains and one at the lake.

Gene, my last word to you is, the raisins will keep coming.

Mr. COLEMAN of Missouri. I see that our time is just about to expire. I notice that the gentleman from Nebraska seeks recognition, and I yield to the gentleman from Nebraska.

Mr. BEREUTER. Mr. Speaker, I thank the gentleman for yielding to me and I thank him for taking out this special order. This Nebraskan wants to join in this tribute to GENE TAYLOR.

He is a man of uncommon common sense, which has frequently been mentioned. The humor, the storytelling capacity is incredible. Daily he has been going about his representational duties representing very, very ably, the people of his district in Missouri. That is one thing that we ought not to forget and we will not forget. He has been representing them and serving them in the public interest. He is a man who has unfailing good humor to help all of us in our duties.

I thank the gentleman and I wish the gentleman from Missouri every success in his retirement and good fishing and best wishes to his wife as well.

Mr. LOTT. Mr. Speaker, I commend the gentleman from Missouri [Mr. COLEMAN] on taking this special order to pay tribute to our colleague, GENE TAYLOR, who is retiring from the House at the end of this Congress.

Mr. Speaker, GENE TAYLOR and I were both elected to the House in 1972, and so we developed a friendship from our earliest days here as fellow freshmen. In addition, I have had the pleasure during our 16 years here in the House of serving with GENE on not one, but two committees, Post Office and Rules. And so we were able to not only build on that early friendship, but to develop a close professional, working relationship as well.

Even though I had to drop all my other committee assignments to stay on the almost exclusive Rules Committee, GENE was so well thought of by our leadership that he was not only permitted to retain his Post Office Committee assignment in 1981, but to become its ranking Republican member in 1983. And believe me, GENE he has been a real credit to our party and staunch right arm to our leadership in both positions ever since.

Mr. Speaker, one of the greatest joys and learning experiences of serving with GENE on these committees and in the House has been to observe first hand his ability to cut through the legislative fogs which so often enshroud us and focus the clear light of common sense on the nub of the matter. And instead of doing so in a manner that might give offense, GENE has an uncanny knack for doing all this with a humorous remark or story that brings a smile or laugh to everyone involved, even those on the other side of the issue.

Mr. Speaker, it is often said that there are two kinds of politicians up here—the show horses and the work horses. GENE TAYLOR best epitomizes the solid, Missouri plow horse—a reliable work horse who gets things done for his party, his committees, and his constituents. GENE does his best work out of the limelight, quite often at the back rail of this Chamber, in his ongoing discussions with Members of both parties over matters legislative and otherwise.

While "backbenchers" connotes the junior, relatively powerless Members in the British House of Commons, the back-of-the-benchers here tend to be the in-the-know, movers, and shakers when it comes to getting things done. And GENE fits very comfortably into that group of Members.

Mr. Speaker, hopefully I will be moving on to the other body, so I will miss the House a great deal. But even when I return to visit my colleagues in this Chamber, I will be especially saddened not to see GENE TAYLOR at the back rail, puffing on his pipe and dispensing his down home wit and wisdom.

I want to thank GENE for the friend he has been to me over the years and the many contributions he has made here in the Congress. I wish him many years of joy and happiness in his retirement and hope he will stay in touch with us so that we can continue to benefit from his sage advice and humorous perspective.

Mr. VOLKMER. Mr. Speaker, I'm honored to join with my colleagues today to pay homage to my fellow Missourian, GENE TAYLOR.

Congressman TAYLOR and I are from opposite corners of Missouri. An on many political issues we are on opposite sides. But we have one thing in common. We agree on our pride in Missouri.

In GENE TAYLOR's heart Missouri is No. 1. And his beloved Ozarks will never have a prouder champion here in Congress. GENE is renowned both here in Washington and in southwest Missouri for his tradition of spending each and every weekend in his district. And he is not just there to visit, he works. The people of Freistatt, and Lockwood, and Stella, and Elsey and Rocky Comfort know their Congressman. And it doesn't have to be an election year for GENE TAYLOR to come and visit. He is there taking care of his constituents, taking care of his Ozarks.

I have no doubt that GENE TAYLOR could be a Member of this body for as long as he cared to serve. He says its time to go home to Sarcoxie in his beloved Ozarks. Our loss will be his neighbors' and friends' gain.

It's been my honor to serve with you, GENE. Best wishes.

Mr. FISH. Mr. Speaker, I rise this evening to pay tribute to a friend and colleague, GENE TAYLOR. It has been my privilege to have known GENE TAYLOR since he became a Congressman in 1972.

GENE came to Congress with the solid background that has made him an excellent legislator. A businessman, he knows the importance of a sound economy. A former member of the board of education in his hometown of Sarcoxie, MO., he knows the importance of education to America. A former mayor of his hometown as well, he knows the importance of our domestic needs and community concerns and he knows the importance of American values.

GENE has served on the Committees on Post Office and Civil Service, Public Works and Transportation, and Rules. He has served as an effective and fair-minded legislator.

And he has served with an irrepressible sense of humor. I recall his good-natured and roaringly funny imitation of the distinguished chairman of the Rules Committee, CLAUDE PEPPER.

GENE has been a dedicated public servant, and we wish him well.

Mr. DICKINSON. Mr. Speaker, today, I join many of my colleagues in saluting my good friend, GENE TAYLOR, for his 14 years of service in Congress.

GENE has served the interests of the House Republicans well in his leadership role as the ranking minority member of the Post Office and Civil Service Committee, as well as being a member of the Rules Committee.

As a staunch conservative, GENE has supported many important defense and foreign policy issues over the years; including; the MX missile program and the United States backing of the Nicaraguan freedom fighters.

As a former member of the Public Works Committee, GENE has also been a stalwart against wasteful Federal spending for unnecessary public works projects.

GENE has served the Seventh District of Missouri in a commendable fashion and will be a tough act to follow. I will miss GENE "holding court" in the Chamber, his good humor and his friendship; and wish him well and success in his future endeavors.

Mr. GOODLING. I rise today to say goodbye to a unique man. GENE TAYLOR has been a dedicated Member of this House, a good friend of mine as well as that of my father, George Goodling. Once again I see my father's sound judgment and wisdom by the company he chose.

GENE TAYLOR's 16 years here have made him an off the record legend. GENE, though he'll insist CLAUDE PEPPER is more adept than he, is one of the best storytellers on the Hill. His manner of setting one at ease, while he spins a yarn, is a pleasure to sit back and enjoy. When he tells a tale, it's almost as if you've sat down near a fire with a good book, ready to relax and let the words soothe your mind. It's this good nature and relaxed manner that has made him such a dear colleague, both on the Democrat as well as the Republican side of the aisle.

It may be his consistency, yet fair-minded actions that have kept him here as long as this. Many of his friends believe as I do that he's far too young to leave us. Even though I know it's been said before, I hope that in the future he will not be a stranger to these Halls.

GENE TAYLOR began his career in the House in 1972. During his stay he's been successful as a low key, affable Member of this body. It's for those reasons that he owes his success here, both on Public Works and later on Rules Committee—not to mention Post Office and Civil Service. His ability to cajole a person into a smirk or grin has served him well.

He's been a popular candidate in the Seventh Congressional District of Missouri, and his record shows he's tried to do the best for them. Yet, more than that, he has also tried to reach that precious balance of serving both his constituency and his country. I believe that he's done admirably well.

While we walk these Halls in the future, and from behind hear what sounds like a good-natured southern drawl, I hope when we turn we'll find the welcome sight of Mr. TAYLOR, and not his memory echoing away.

So, from your colleagues and all those around you who've known you, voted for you, or worked with you, we wholeheartedly say, good luck, and sadly say goodbye.

Mr. WHEAT. Mr. Speaker, since my first weeks in Congress it has been an honor to work with our friend and colleague, GENE TAYLOR.

As ranking minority member of the Committee on Post Office and Civil Service, GENE has proven himself to be a valuable ally to hard-working Federal employees, and I know that thousands of civil servants that live and work in my district appreciate his efforts in this regard.

My best memories of serving with GENE are from our many long hours together on the Rules Committee. GENE's unfailing good humor has been an inspiration to all of us on more than one occasion.

Throughout GENE's career in public service he has earned the respect and admiration of thousands of citizens whose lives he has touched over the years.

GENE will surely be missed by all who had the privilege of working with him, and his service will be remembered fondly for many years to come. It is truly my honor to commend GENE on the occasion of his retirement and to extend my very best to him and his wife Dorothy in the years ahead.

Mr. YATES. Mr. Speaker, GENE TAYLOR has a host of friends and admirers in the House and I am proud to say that I am one of them. I am also very pleased to have this opportunity to thank him for his friendship and to wish him every happiness and much success in his retirement. GENE has made many valuable contributions to our work during his service here, and I admire him greatly for his skill and wonderful wit. I am going to miss GENE and I hope he will come by and visit with us often.

Mr. BENNETT. Mr. Speaker, I thank my colleague, TOM COLEMAN, for arranging this special order for our esteemed colleague, GENE TAYLOR.

All of us are going to miss GENE when he retires from Congress at the end of this session. He has done a great job for his community, State, and Nation, and we are all going to find it hard to have his place filled in any way. Each of us has found a pleasure in his friendship, his warm and delightful personality, his great stories of Missouri and of mankind, his sense of humor and his overall solid American, progressive outlook on life. I wish him well on his retirement, which is a great loss to the House, in particular, and the Congress as a whole.

Mr. FROST. Mr. Speaker, it is with real sadness that I rise today to take part in the special order honoring my good friend GENE TAYLOR. I regret having to participate in this special order because this time has been reserved to honor a man who is leaving Congress. I will be sorry to see him go and I will miss him.

But, I will always remember GENE TAYLOR as a man of honor, decency, and as one of the funniest human beings I have ever known. Since he joined the select group who meet from time to time in a very small room on the third floor of this building, GENE has, along with my friend JOE MOAKLEY, lent an air of levity to proceedings that can sometimes be acrimonious. His good humor has more than once brought laughter to the Committee on Rules when partisan wrangling has brought ill will and bad humor. That special gift will be missed.

But, Mr. Speaker, in addition to his humor, we will miss his good sense and dedication to the House of Representatives and the work we do here. All the while he has served on the Rules Committee, he has continued to serve as the ranking Republican member of the Committee on Post Office and Civil Service and has been a strong supporter on the Rules Committee of his former colleagues on the Committee on Public Works. He knows the issues and he knows how to work effectively with Members on both sides of the aisle. GENE comes from Missouri, the Show-Me State, and he has shown all of us that it is possible, in oftentimes very difficult circumstances, to reach compromise and even consensus. That is a rare characteristic in an institution that is becoming more and more partisan, and I will personally miss his counsel and guidance.

GENE, I wish you all the best when you leave the House. I know you will find much to keep you busy, but I hope you will find time to keep in touch with us.

Mr. HALL of Ohio. Mr. Speaker, I am pleased to join in this tribute to our retiring colleague, the gentleman from Missouri, GENE TAYLOR.

I have enjoyed having the opportunity to serve with GENE on the House Rules Committee. He has been a genuinely warm and friendly presence on our committee, and we will miss him.

Although GENE is a member of the loyal opposition, he never has allowed partisan differences to become an obstacle to good relations with all of his colleagues on our committee. Indeed, his cheerful manner has helped to take the edge off the disputes that sometimes arise.

GENE has been truly representative of his constituency. He has brought the common sense and practicality of the Ozarks to his work in Congress and on the Rules Committee.

We, his colleagues, salute him for the many contributions he has made throughout his career to the activities of the House of Representatives. We're sorry to see you go, GENE, but we wish you health and happiness in retirement.

Mr. RINALDO. Mr. Speaker, the end of the 100th Congress also marks the conclusion of the House career of our good friend and colleague, GENE TAYLOR.

GENE and I began our services together in January 1973. During the past 16 years I have enjoyed his company on and off the floor. He is a dedicated public servant who speaks the language of the people and is a delight to be around.

I know the people of Missouri's Seventh Congressional District will miss the representation of this conscientious individual who has made such a valuable contribution to the work of the House, and I know I will miss his presence here.

I congratulate GENE on an outstanding record of service and extend my best wishes for every future happiness and success.

Mr. YATRON. Mr. Speaker, I rise today to pay tribute to my esteemed colleague and good friend, GENE TAYLOR. As you know, GENE will be retiring from the House of Representatives at the end of the 100th Congress.

As members together on the Post Office and Civil Service Committee, I have come to know GENE as a most competent, respected, and effective Member of Congress. Certainly the citizens of the Seventh District of Missouri have benefited by GENE's representation, his level of dedication and commitment clearly evident in all his work. He has served with distinction for over a decade and has had many achievements in that time.

Among those accomplishments, GENE has helped greatly our infrastructure system through his past service on the Public Works Committee. He has also provided outstanding leadership during his tenure on the Rules Committee. A strong supporter and advocate for Federal retirees, GENE has achieved important victories for them as well. In all these endeavors, GENE has always been a statesman, yet a man of good humor who enjoys a well-told story and a hearty laugh.

For my own part, I am honored to have been able to serve in this body with GENE TAYLOR. While GENE will be greatly missed by all of us, I know that his work in the House will long be remembered—by Members and constituents alike. It is an honor to salute the 14 years of public service of my good friend and I wish him and his family the very best in their future activities.

Mr. HORTON. Mr. SPEAKER, I am very proud to rise and pay tribute to a very close friend and an outstanding legislator, GENE TAYLOR. His decision not to seek reelection this November means that the great storyteller from Missouri will not be with us when we convene next January.

We will all miss GENE TAYLOR and for a number of reasons. He is a man of style and character. His sense of humor and storytelling abilities are his trademarks, and I would be the first in line for tickets if he ever started a nightclub act.

But having served with GENE throughout his entire 16 years in the Congress, I know as well as anyone that the stories and humor are but a small part of the total picture. GENE TAYLOR is an effective legislator. He represents well the citizens of Missouri's Seventh Congressional District, and he represents well the interests of the citizens of this Nation. He does this principally from his work on the Rules Committee, where he is a Senior Republican, and he does it from his position as ranking minority member of the Post Office and Civil Service Committee, on which I serve.

GENE TAYLOR's simple style and commonsense approach to problems mask a complex mind that knows how to get a job done. A master of negotiation, he has many times brought together parties with different views and forged compromise. He did so this year with H.R. 3400, Hatch Act reform. The fact that this legislation won such broad, bipartisan support in the House is due, in large measure, to his efforts.

GENE TAYLOR is a man of honesty and integrity, a man who loves his country and who has proudly and capably served it in this House. And he is a man of family. He and his lovely wife Dorothy are the proud parents and grandparents of two children and five grandchildren.

GENE, you have been and will always be to me a good and trusted friend. You are an outstanding American. As you leave this House, Nancy and I send with you and Dorothy our very best wishes for many, many years of happiness and good health. It has been a genuine pleasure to have served with you. God bless you.

Mr. ANNUNZIO. Mr. Speaker, I rise to join with my colleagues in the House of Representatives in paying tribute to the Honorable GENE TAYLOR, who is leaving the House after 16 years of dedicated service. His efforts on behalf of his constituents of the Seventh Congressional District of Missouri, which he ably represented, and on behalf of the citizens of the United States, are most worthy of recognition.

Elected to the 93d Congress in 1972, GENE TAYLOR has served in the House of Representatives with diligence and has distinguished himself as the ranking minority member of the House Post Office and Civil Service Committee and as a member of the Subcommittee on Investigations. He also has gained the admiration and respect of his colleagues for his service as a member of the House Rules Committee and the Subcommittee on the Legislative Process and the Subcommittee on Rules.

GENE TAYLOR is a fine legislator, a dedicated and devoted American, and a Congressman of great ability and skill. He will be missed by all of us in the House of Representatives who have had the opportunity to know him and to work with him.

Mr. Speaker, I extend to GENE TAYLOR my best wishes for success in all of his future endeavors.

Mr. MINETA. Mr. Speaker, I am delighted to join with my colleagues in saluting the distinguished gentleman from Missouri, GENE TAYLOR, upon his retirement after a proud career in the House of Representatives.

I am glad to have had the pleasure of serving on both the Post Office and Civil Service, and the Public Works and Transportation Committees with GENE. I have enjoyed his wit, his good humor, and his commitment to public service.

But GENE's, achievements and service are not limited to his accomplishments in the House of Representatives. He served the people of Sarcoxie both as their mayor and as a member of the board of education. As one who has served as the mayor of San Jose, CA, I can appreciate GENE's background and concern for local government.

He works hard to keep in touch with the folks back home, in the Seventh Congressional District of Missouri, and he can be proud of his record of service.

I salute my friend and colleague GENE TAYLOR as he prepares to retire from a lengthy, productive career in public service. I have enjoyed serving in this distinguished body with him, and we will miss him a great deal.

I join my colleagues in sending my congratulations and best wishes for a happy, healthy, and prosperous future to you and your family, GENE.

Mr. FORD of Michigan. Mr. Speaker, it is with great pleasure that I rise to join my colleagues in this tribute to my friend and close associate, GENE TAYLOR.

Party lines notwithstanding, GENE is one of the most dedicated colleagues with whom I have worked in my 12 terms in Congress—and one of the most fair-minded.

He has, as most of us have come to admire, that disarming country-boy aura that disguises a first-class mind. We have all witnessed him using this charming ploy to dispatch his opponents.

I dare say that many of us have been among the dispatched. Sometimes we weren't even aware of it.

Since 1983, GENE has been the ranking minority member of my Post Office and Civil Service Committee. And I think it is worth noting that those 5 years have been among the most active and productive periods of the committee. And when I needed GENE on important business he was always there. He has not always agreed with me, but he has been willing to listen and to help fashion important compromises.

Since then the committee has handled some critical pieces of legislation. We created, for example, a completely new Federal retirement system for employees hired after 1983. For some this would have created an ideal place for bashing Federal employees and demagogy. Not GENE. He rolled up his sleeves and in time we were able to reach a compromise, creating an excellent retirement system for these new employees without doing damage to the already existing civil service retirement system.

GENE brought the same enthusiasm and devotion to our efforts to modify the 50-year-old Hatch Act. He was with me when we began that endeavor and again when we won overwhelming floor support for its passage. This was not a comfortable place for GENE to be. He had to go against the President of his own party. But for GENE it was a matter of principle. He felt it right to try to correct an inequity and allow Federal and Postal employees the same political rights enjoyed by other

Americans. The question of right and wrong transcended party affiliation.

Indeed Gene's sense of fairness and equality have been his trademark in Congress.

Within these boundaries the people of Gene's district have always come first. He has been foursquare for the people of southwest Missouri.

We will all miss Gene Taylor—for his friendship, his dedication, his skill, his boundless integrity and his droll wit that added just the right touch of levity to countless situations. Gene told us when we were taking ourselves too seriously. We would all do well to try to emulate his light touch.

Mr. ROE. Mr. Speaker, today I rise in honor of a special man, a good friend, and tireless public servant from the great State of Missouri, the Honorable Gene Taylor. I am most pleased to join in this well-deserved salute today to one of Missouri's favorite sons, who is leaving the House of Representatives after 16 years of outstanding service to the people of Missouri and the Nation.

Gene Taylor is widely recognized by his colleagues as one of the most effective Members of this august body. During the years we served together on the Public Works Committee, Gene demonstrated a unique devotion to his work that won him the admiration of all those who worked with him.

He has been one of this body's most effective Members, a powerful voice for fiscal conservatism when it was less popular than it is today. He has always possessed special insight into the real needs of the Nation and, equally important, a grasp of how best to meet those needs in a sensible and cost-effective manner.

Mr. Speaker, the people of the Seventh District of Missouri have a forceful voice for their interests in Gene Taylor. It is a voice that will be sorely missed.

Mr. CLAY. Mr. Speaker, it is my privilege to join in this tribute to our dear friend and collegue, the Honorable Gene Taylor on the occasion of his retirement from the House of Representatives.

I have had the pleasure of serving with Representative Taylor on the Post Office and Civil Service Committee and as a fellow member of the Missouri delegation. He is a highly talented and insightful leader whose sound, practical judgment, tenacity and spirit have earned him the highest respect of his colleagues.

Congressman Gene Taylor has demonstrated the deepest devotion to the human cause. He has been an indefatigable spokesman for his constituents and a dutiful Representative of his district, State, and Nation. The people of Missouri's Seventh District have been well served by Congressman Gene Taylor. His contributions to our Nation will benefit generations to come.

Gene Taylor is a fine friend and a distinguished leader. We will miss him in the next Congress. Best wishes for health and happiness in the future.

Mr. CONTE. Mr. Speaker, the end of a Congress brings many feelings to a head—thoughts of the campaign trail, spending time with the family, getting out of Washington. But in the never-ending rush toward adjournment, sometimes we forget that we are losing some of our fellow Members. And one that I know we will all miss a great deal is Gene Taylor of Missouri.

I've seen them come and I've seen them go over the past 30 years. But I can't think of a more down-to-earth, Southern gentleman than Gene Taylor.

Gene came to the House in 1972, Mr. Speaker, but it really seems as though he's been with us forever. His friendly demeanor and his unbeatable style of storytelling make him a winner in the eyes of all who know him.

I think all of us here today could retell some yarns that Gene has told us over the years. God knows if we can't, Gene would be more than happy to refresh our memories. He has an almost uncanny ability to light up a room with a tall tale from the "Show-Me State."

But a wise man would be careful not to underestimate this gentleman. Gene sometimes likes to act like he's just a good ol' boy from the South, but any of us who have ever been on the other side of a debate know that he's not a man to be taken lightly.

His tenure as the senior Republican on the Committee on Post Office and Civil Service has been an especially productive one, as he constantly strived to strike a practical balance between the interests of the Federal workers and the Nation as a whole. Democrat or Republican, members of that committee are unanimous in their respect for Gene Taylor.

During his time on the Rules Committee, Gene has been a valuable asset to the rulemaking process. His commonsense approach to House procedures was invaluable.

Gene Taylor is a good, decent man I'm very proud to call my friend. Our former colleague Gene Snyder hosted a farewell reception for him earlier this week, and the size of the crowd was proof enough that his presence will be sorely missed in the 101st Congress.

Mr. Speaker, Gene and his lovely wife Dorothy will be heading back to the Ozarks when Congress adjourns next month. It's a well-deserved rest for two beautiful people.

Mr. CRANE. Mr. Speaker, it certainly won't be the same in this Chamber after our friend and colleague from Missouri retires next January. For almost 16 years, Gene Taylor has graced the U.S. House of Representatives with humor, a smile, warmth, and pleasantness—ingredients that he combined with his ability to solve problems, to find answers to congressional questions.

As a member of the House Rules Committee, he is well acquainted with all of the legislative matters which go before this House. As ranking Republican on the House Post Office and Civil Service Committee, he has faced more than his share of legislative crises, and he has helped mold solutions to end those dramatic situations.

Gene Taylor's popularity, of course, is not confined to the membership of this Chamber. He is held in high regard, and with great affection, by his constitutents. And that affection works both ways. There have been few weekends in the eight terms Gene Taylor has served in Congress that he has not gone back to Missouri to be with his constituents in the Ozarks.

Several years ago, I was honored by being afforded the opportunity to speak in behalf of Gene in Springfield, MO. There, I personally witnessed the admiration with which the people of this special Ozark mountain district hold for their Congressman.

It is difficult to find anyone in Missouri's Seventh Congressional District who doesn't believe he or she knows Gene personally and feels he can call upon him anytime—day or night—at home or in Washington.

Perhaps the best illustration of that is a story Gene Taylor likes to tell himself. A constituent called him early one morning to complain about the collection of her trash. After listening a few minutes, Gene advised her that he was her Federal representative in Washington, and since the problem was a local one, she should contact someone at the local government level. The lady replied that this was probably true, but that this was her first call and she didn't want to bother anyone that high with it.

Hopefully, Gene will visit with us in Washington after he retires.

He has served his constituents exceptionally well in the U.S. Congress, and now he and his lovely wife, Dorothy, deserve some time to themselves—time to rest and enjoy their grandchildren.

Mr. SCHULZE. Mr. Speaker, I rise to offer tribute to my colleague, Gene Taylor of Missouri, who will be retiring from the House of Representatives at the close of this 100th Congress. Always conscientious and colorful, those of us who have had the opportunity to serve with Gene know that he will be sorely missed in this body.

Throughout his life, Gene has displayed the ability to achieve excellence. He has given himself generously in both public and private endeavors. He served three distinguished terms as mayor of Sarcoxie, MO, and served his party well as a Republican committeeman. Gene is a former treasurer of the board of regents and former member of the board of trustees for Missouri Southern College, a past president of the Lions Club and the Sarcoxie Chamber of Commerce, and a former director of the Missouri Automobile Dealers Association. In 1970, Gene received the Time magazine "Quality Award Dealer for Missouri," not only for successful and ethical business practices, but for Gene's extraordinary civic and community contributions as well.

Gene was first elected to the U.S. Congress in 1972, where he was quickly recognized by the National Associated Business Men and the National Federation of Independent Businessmen as a dependable friend and defender of the small businessmen. The awards bestowed upon him, numerous times, the "Watchdog of the Treasury" and "Guardian of Small Business," adequately reflect Gene's efforts as a Member of Congress to ensure that public money is spent wih care and small business be spared suffocating Government regulations.

Through his diligence and leadership, Gene became the ranking minority member of the House Committee on Post Office and Civil Service and the vice-chairman of the Subcommittee on Rules of the House for the Committee on Rules. In these distinguished and important roles, Gene gave America leadership and straight talk mixed with common sense and good humor.

Understandably, all of Congress will miss the guidance, expertise and contributions Gene Taylor has to offer. I join my colleagues in bidding Gene Taylor a heartfelt farewell, and wish him all the future successes he deserves.

Mr. UDALL. Mr. Speaker, my friend Gene Taylor is leaving this House to retire to the Ozarks of southwestern Missouri, and I'm going to miss him.

Gene has devoted 14 years to serving the people of his district, his State and the Nation. He is an American original, conscientious, fiercely dedicated.

As Gene retires, I join with all our colleagues in wishing him and his family the very best. We hope he might stop by and visit now and then, and share some of that Taylor humor which we all have enjoyed over the years.

Mr. SPENCE. Mr. Speaker, when Congress adjourns sine die we will be saying goodbye to one of the most popular Members to ever serve in this body, our dear friend, Gene Taylor.

Just this week a very large and enthusiastic crowd gathered in the Rayburn Building Courtyard to honor Gene with a farewell party. As our colleagues from both sides of the aisle took to the microphone to praise Gene, it was obvious, to even the most casual observer, that he is universally loved and admired. A good example was the case of one of our most respected colleagues, Claude Pepper. I have heard Claude make some eloquent speeches, but his tribute to Gene Taylor was an absolute masterpiece. While these two gentlemen don't often agree politically, there is no question that the affection that our colleagues hold for Gene Taylor transcends political differences, and the gentleman from Florida made this known to all in attendance.

I am going to miss Gene Taylor. We are all going to miss him. He is a gentleman of the first order, and the citizens of the seventh district of Missouri are to be commended for sending him to the House for eight terms.

As most of us know, Gene is from the great town of Sarcoxie, MO. In fact, he was the mayor of Sarcoxie for about 6 years. This part of Missouri is truly America at its best. The people are honest, hardworking, and, to their everlasting credit, maintain a wonderful sense of humor. For those of us who have been privileged to hear Gene's stories about Sarcoxie, and indeed all of southwest Missouri, there can be little doubt that he is one of the greatest exponents of this unique brand of Missouri humor. No matter how bad your day is going, a story by Gene Taylor can brighten things Up. He is the Will Rogers of Congress, and I just hope that he will now find time to write a book. It would be a best seller.

Gene Taylor believes in the America dream. As a successful businessman and community leader his life has been devoted to helping people and standing up for America. He has been a friend of the taxpayer, and as an effective member of the House Rules Committee Gene has fought long and hard to send legislation to the floor that reflects this philosophy.

Mr. Speaker, I feel certain that the future will continue to find Gene Taylor involved in matters affecting the welfare of his State and Nation. While we shall miss him as a Member of this body, we can take solace in the fact that he will still visit and give us the benefit of his wisdom and counsel. Gene, thank you for your friendship and for a job well done.

Mr. SHUSTER. Mr. Speaker, Gene Taylor and I came to the Congress together as Members of the freshman class of the 93d Congress in 1973, and I rise today to pay special tribute to a friend and colleague who is retiring at the end of the 100th Congress.

Gene Taylor was born in Sarcoxie, MO, in 1928 and continues to make his home there today. Educated in public schools, Gene attended Southwest Missouri State University and returned to Sarcoxie to be married to the lovely Dorothy Wooldridge.

After serving his country with honor in the 108th Cavalry, Gene returned again to Sarcoxie where he began his political career by becoming mayor of the town. After serving three terms as mayor, he successfully ran for a position on the Jasper County Republican Committee, where he was later elected to the chairmanship.

By 1966, Gene reached the level of National Republican Committeeman, a post he served in until he was elected to the 93d Congress on November 7, 1972. His commitment to his constituency has assured his reelection in every successive Congress since then.

While serving in the Congress, Gene has been the recipient of numerous awards, among them, the "Watchdog of the Treasury Award" from the National Association of Businessmen, the "Guardian of Small Business Award" from the National Federation of Independent Business, and the NRA's "Defender of Individual Rights Award." This recognition confirms the respect and admiration of his friends and colleagues. As the ranking minority member of the Post Office and Civil Service Committee and the ranking minority member of the Subcommittee on the Rules of the House, House Rules Committee, Gene has helped the party and his constituency by forming the strong coalitions of Members that improve the efficiency of our great body.

Gene has been a friend 16 years and his time in the House has been one of service to the Nation, his district, and his friends and ideals. We shall miss you Gene.

Mr. JONES of Tennessee. Mr. Speaker, I appreciate very much the opportunity to offer remarks on behalf of my good friend and colleague Gene Taylor. It has indeed been a pleasure to have served with Gene during his distinguished service as a Member of this body.

Though the two of us represented districts in different States and represent the views of different political parties, I have no doubt that Gene Taylor would have been as successful in my district as he was in his own. The reason is simple. He went out of his way to make people feel comfortable in his presence and used his good humor to make them feel at ease.

Never did Gene Taylor presume that the office of Representative in this House entitled him to a monopoly on the solutions to the problems our great country confronts. He sought the views of others because he wanted to reach workable solutions to problems. He did so, many times, with humor and an even disposition.

We all are subject to terrific pressures here and sometimes those pressures lead us to take ourselves too seriously. Gene broke that pressure many times and used his great wit to bring us back to Earth without hurting our feelings.

Gene Taylor has served his district, his State, his Nation, and his party well. I will miss his bantering on the floor and in the halls. I wish him well and hope that he will make use of the I-55 bridge from Missouri to Tennessee to drop by for a visit at my farm.

We can at least compare notes about how our pending retirements are going and drown a few worms down at the pond.

Good luck and best wishes for a happy retirement.

Mr. WOLF. Mr. Speaker, I join with my colleagues today to salute the distinguished career of the gentleman from Missouri, Gene Taylor, who is retiring at the end of the 100th Congress after serving the Seventh District of Missouri since 1973.

When I came to Congress as a freshmen in 1981, I had the pleasure of serving with Gene Taylor, on the Post Office and Civil Service Committee. He was always helpful and supportive of the effort to protect the jobs and benefits of Federal employees and retirees. As the ranking Republican on the committee since 1983, Gene Taylor, has continued to be a leader on civil service issues and a spokesman for fair and equitable treatment of the Nation's civil servants.

He has also served with distinction on the Rules Committee since 1980 and prior to that assignment was a member of the Public Works and Transportation Committee where he was an advocate for programs to improve the nation's infrastructure.

Gene Taylor, has been a conservative voice in Congress and an able spokesman for his Ozark highlands district in southwestern Missouri. Always a statesman, he nevertheless has also always had an appreciation for humor and is always ready to share a good joke.

It has been an honor to have served in Congress with Gene Taylor. We will miss this colorful gentleman from Missouri and wish him well as he retires to the Ozarks with his family.

Mr. COLEMAN of Missouri. Mr. Speaker, I thank the gentleman, and I want to thank all my colleagues on both sides of the aisle for staying around tonight. This is a very hectic part of the session. We all have many other things to do. We have a whole bunch of written remembrances of Gene which we are going to place in the Record, and they have 5 days to add to those. I want to thank all those who stayed here.

Finally, let me wrap it up by saying that obviously we wish Dorothy and Gene the very best as they go into retirement together, health and happiness.

I want to issue you a challenge, Gene. I want you to start writing down some of the stories that you have spoken of so many years around here, because I think it would be good for this institution, it would be good for America, and I think it would be something that would always keep us on the right course. If you will do that, I think it will be awfully important.

TRIBUTE TO FORMER CONGRESSMAN MARIO BIAGGI

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. Rangel] is recognized for 60 minutes.

Mr. RANGEL. Mr. Speaker, I have taken out this special order to pay tribute to our dear friend and colleague, Mario Biaggi.

This afternoon the New York congressional delegation had a luncheon where we paid tribute to a man who has brought so much, not only to the Congress, but indeed to the United States. We hear so often of those people who are the sons of immigrants and the progress they have been able to make in this great country, but to see a son of very poor immigrants who came here from Italy and worked hard on the streets of Harlem, the district that I represent, was able not only to serve that district and working in the post office, but eventually went to law school and then ultimately ended up in the U.S. Congress.

I think it is the kind of "can do" that we always talk about when we say that the odds are against us and some people just survive.

At that luncheon we were able to share with each other how Mario Biaggi, who sometimes is referred to as a son of Italy and certainly beloved by Italian Americans, has been able to do that with so many different groups, whether they are black or white, Jew or Gentile. In the Jewish community where he had the courage to stand up and stand for what he thought was right for Israel, our ally in the Middle East, and to hear stories from some of our colleagues as to how he was able to stand up for the rights of the Irish in Northern Ireland before even some of the Irish felt prepared to do it.

As a member of the New York City Police Department for over 23 years, he became the most decorated policeman that we have had in the history of the city of New York, having been wounded 10 times doing that type of service where he put his life on the line for his fellow New Yorkers.

It is amazing to see how even after the difficulties he had faced, how the love and affection of the people in his congressional district have, had and still have for him. It is really a remarkable achievement from the beginning where from 1968 where for 16 years no Democrat has ever won that district that he not only won it and kept it—but how the liberals—the Republicans, the liberals and the conservatives, as well as his party, the Democrats, said that it was his district as long as he wanted it and where his votes really bordered at 94, 95, and 96 percent.

This is a time that sometimes when we say so long to a colleague, it sounds more like a eulogy, but I guess what we are saying in this great body that we have, we are able to establish friendships that last longer than those who just leave us. Certainly when we talk about the city of New York and the many illustrious figures who have had the opportunity to serve that New York, that we had our problems. When you think of all the work we have done in our delegation and the pride and egos that we have, if someone was to ask any of us from the city of New York, or indeed the delegation from New York State, just who did the most, who worked the hardest and who was the most effective, whether you talk with former Mayor Beam, or you talk with Mayor Koch, or you talk with former Governor Carey, or whether you talk with anyone in the delegation, it was Mario Biaggi; one, because he was effective, but two, because he had the charm and the ability to talk with Members and to have them listen to him and make his case for all of us.

And so, Mario, I guess what we are saying is that we have had the best of times and sometimes you go through the worst of times; but God is good when he allows you to have one thing which no one can take away from you, and that is the friendship of those people who not only work with you and admire and respect you, but I guess the word that we used at our luncheon, who love you and love to be with you.

So you do not really leave us, nor do we leave you. What it means is that there is a break in the type of responsibilities that you are going to have to achieve, but when you leave the House of Representatives you take a little bit with us and we want you to know that we respect and admire the friendship that you shared with us.

Mr. MANTON. Mr. Speaker, will the gentleman yield?

Mr. RANGEL. I yield to the gentleman from New York.

Mr. MANTON. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, I wish to honor our beloved former colleague, the Honorable Mario Biaggi, who served with dedication his constituents in the Bronx and in that part of Westchester County that he represented, and yes, even part of Queens that he had represented under past reapportionments, where I now have the honor and pleasure of serving.

He served this Congress for the past 20 years. His has been a long and distinguished career of public service which few individuals could ever hope to achieve.

I was just a teenager when I first came to know of Mario Biaggi as a tough detective lieutenant in what we cal the 114th Precinct in the neighborhood in Queens where I grew up, called Astoria. Mario later came to serve part of that precinct, at least as a Member of this great body, and I now have the pleasure and the honor of serving that community as well.

He served in a number of capacities in the New York City Police Department for some 23 years. I found out later when I myself joined that department the full measure and the importance of Mario's achievements on the New York City Police Department and the numerous awards for distinguished service and valor that he earned during his years on the force.

In fact, Mario Biaggi is the most decorated New York City police officer, in the history of the department, having been awarded 28 heroism commendations. In 1960, Mario's heroic service to his community was recognized once again when he was honored with the department's highest award, the Police Medal of Honor for Valor.

During his long service to the city of New York Mario was wounded 10 times in the line of duty—scars and pains he has had to live with for these many years, but which have not slowed him down as he continued to fight the battles for his constituents as a Member of Congress.

Mr. Speaker, I believe most individuals would have been satisfied with such a distinguished career; but, not Mario Biaggi. When most would have been willing and anxious to retire, he went on to become a lawyer at the age of 49. He still had much to give to his community and the citizens of the Bronx. Like myself, the son of immigrant parents, and a lifelong resident of the city of New York, Mario felt he could better serve the interests of his neighbors as a Member of Congress.

And, for 20 years he has done just that. He has championed many causes on behalf of the average citizen, the city and State of New York, and the country.

Mario has played an instrumental role in child abuse prevention, fighting crime and illegal drug trafficking, promoting education, and protecting our Nation's elderly and handicapped. I must say from the heart, in Mario's work as chairman of the Ad Hoc Committee on Irish Affairs, Ireland being the land of my ancestors, Mario has fought tirelessly and he fought at a time when many of our Irish brethren were not prepared to stand up and take on that fight. He fought to end injustice to an embattled Catholic minority in Northern Ireland. He can hold his head high for his many worthwhile endeavors.

Mr. Speaker, in many ways, my career has paralleled the gentleman from the Bronx; first as a New York City police officer, then as a Member of Congress and, finally, joining Mario as a member of the House Committee on Merchant Marine and Fisheries.

It is as a member of the Merchant Marine Committee that I had the greatest opportunity to know and work with Congressman Biaggi. I learned many invaluable lessons from the gentleman that Speaker WRIGHT once referred to as "possessing the most craftsmanlike abilities in enacting legislation" the Speaker had ever seen in all his years in Congress.

As a member of the Merchant Marine Committee, Mario was often the lead proponent of legislation to protect and enhance our Nation's merchant marine, which is often referred to as this country's "fourth arm of defense."

Like his service as a police officer, Mario's work on behalf of the merchant marine industry and the men and women who serve it have earned him many accolades—including the Award for Outstanding Civilian Leadership by the Navy League of the United States; the Merchant Marine Achievement Award of the Merchant Marine Industries Post of the American Legion; and the Admiral of the Ocean Sea Award, which is the most prestigious maritime award given by the United Seamen's Service.

He was at the forefront of numerous merchant marine legislative initiatives including the 1984 Shipping Act, legislation to increase the requirement for U.S. citizen crewmembers on U.S.-flag vessels, protecting our cargo preference laws, the Port Development Act, defending State maritime schools against budget cuts and recognizing the valiant service of U.S. merchant mariners during World War II.

Mr. Speaker, I am pleased to have had the opportunity to serve with Congressman Mario Biaggi and I wish him and his family well in the years ahead. The Congress and its constituents will miss him, and in the words of the Irish phrasemaker, "I bless the day I met you, and I bless the day we will meet again."

Mr. Speaker, I would also like to thank my colleague, the gentleman from New York [Mr. RANGEL] for taking out this very important special order.

Mr. RANGEL. Mr. Speaker, I yield to my friend, the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I would like to take this opportunity to join with my colleagues in commemorating the extensive dedicated public career of our colleague, the gentleman from New York, Mr. Biaggi. Permit me to commend my good friend from New York, the distinguished chairman of our Narcotics Committee, Mr. RANGEL, for taking this time to allow us to share our thoughts on Representative Biaggi's 20 years of service in the House of Representatives.

Mario Biaggi and I shared in the representation of a portion of Westchester County. Congressman Biaggi earned the respect of his constituents in Westchester County and the Bronx for his sympathetic understanding for the courageous work of the cop-on-the-beat, for his eloquence in defending the rights of the elderly and handicapped, For his tenacity in fighting narcotics, and for his advocacy of the rights of all individuals suffering from persecution and intolerance of their personal beliefs whether it be in Northern Ireland, Behind the Iron Curtain, in the Middle East and elsewhere throughout the world.

Throughout his 25 years of public service, Congressman Biaggi was perhaps best remembered as "the most decorated cop in America." Wounded 10 times in the line-of-duty, this accolade was well-deserved, and Congressman Biaggi became the only New York City policeman named to the National Police Hall of Fame.

I served with Representative Biaggi on our Ad Hoc Congressional Committee for Irish Affairs, a human rights cause in which our former colleague has been a dedicated leader. As vice chairman of the Committee on Merchant Marine and Fisheries, our colleague from New York was particularly effective. I shall always recall our efforts to secure fair and equitable benefits for merchant mariners who served side-by-side with our World War II veterans in that valiant conflict. We prevailed in that effort, and I am confident that Representative Biaggi will also prevail against other obstacles and tribulations which may confront him.

I understand that his supporters recently honored Congressman Biaggi with a gala reception celebrating his career. I know that the gentleman from New York was deeply touched by this outpouring of public sentiment, and I know that the 19th Congressional District has enjoyed the representation of a committed, caring, and passionate legislator. Mario's presence in the Congress shall be deeply missed.

Mr. RANGEL. Mr. Speaker, I yield to my friend, the gentleman from New York [Mr. OWENS].

Mr. OWENS of New York. Mr. Speaker, I congratulate my colleague, the gentleman from New York [Mr. RANGEL], for holding this special order. I, too, want to lend my voice in tribute to Mario Biaggi and speak on some subjects I have not heard mentioned thus far.

I was at a luncheon in honor of Mario today, and I heard some of the same kinds of things I have heard repeated here. Everybody knows that

Mario is a decorated police officer, he has been saluted for his bravery, everybody knows of his great concerns for law enforcement and his association with law enforcement, legislation with the merchant marine, with the support for certain ethnic groups, and there are a number of things that are well known, and I do not think it is well known that Mario Biaggi served on the Committee on Education and Labor, and he was intricately involved in some of the best and most productive legislation of that committee.

As a newcomer to the House of Representatives, I joined the Committee on Education and Labor and watched the performance of Mario Biaggi as one of the steadfast members of that committee. Always he seemed to know the details of the legislation before us, especially the process of reauthorizing the Higher Education Assistance Act of 1986, which is probably one of the most monumental pieces of legislation that I have been involved in since I have been here, and a piece of legislation which has an impact on the lives of young people throughout this Nation. That reauthorization, I think, did a great deal in taking back many of the things that had been lost over the previous years to the Reagan administration's cuts.

Mr. Speaker, I watched Mario and watched how he operated as a scholar and expert throughout that whole proceeding. He knew in geat detail all of the facets of the bill, and he particularly knew how to protect New York City's interests. There are peculiar interests that New York alone has in terms of large numbers of part-time students, various problems with 2-year colleges, a number of things that I saw Mario take the lead on and serve as advocate for those students. Of course, then, I was quite surprised to learn of his tremendous knowledge of child-care programs, adoption services, foster care, child abuse; his knowledge and his great interest in the knowledge of and the scholarly understanding of the Higher Education Assistance Act was surpassed by his knowledge and his passion for the child care programs, the programs related to adoption, programs related to child abuse.

When I became the chairman of the Subcommittee on Select Education which was responsible for child abuse prevention legislation, I discovered how much not only that Mario knew about it but how much he cared about it, how over the years he has been very much identified with this kind of legislation and knows what is going on, especially in New York in terms of the institutions and the people who are in the forefront of work to prevent child abuse.

Mr. Speaker, I am here to speak on behalf of those who are not here, the students who benefited greatly from his involvement in higher education matters over the years and for the children who do not ever know that he was their protector; I salute him for his work in that area, and I very much would like to highlight it, because it is always left out.

Mr. Speaker, I think that he was as brave and as courageous and as monumental and made as much of a contribution to those two areas as he did anywhere else, and I want to add my voice to the salute to Mario Biaggi.

Mr. HORTON. Mr. Speaker, I rise to draw my colleagues' attention to the many contributions of Congressman Mario Biaggi. As a child of poor Italian immigrants, Mario had to work hard to overcome many hardships. To help his family make ends meet, and to serve the people of New York, he began to work as a policeman.

Mario Biaggi was a member of the New York City Police Force in Manhattan for 23 years and remained dedicated to his job despite being wounded in the line of duty 10 times. During his tenure with the police force, Mario Biaggi received 28 commendations for heroism. This included being given the Police Medal of Honor for Valor, the highest award in the New York City Police Department.

Mario Biaggi went on to receive a law degree at the age of 43. In even more proof of his tenacity, he then went on to run for Congress. As a Member of Congress, Mario was an important friend to the merchant marine industry. As the vice chairman of the Coast Guard and Navigation Subcommittee of the House Merchant Marine and Fisheries Committee, he worked for the environment by writing legislation to clean up oilspills.

I had the privilege of serving with Mario as fellow members of the New York State delegation. Together we worked on achieving a home port for the U.S.S. *Iowa* in New York City, against the distribution of "cop-killer" bullets, and to give assistance to the elderly and handicapped, among other issues.

Mario Biaggi will be truly missed by his constituents in the Bronx and by his colleagues in the U.S. House of Representatives. My wife, Nancy, and I wish to express our best wishes to Mario and his family.

Mr. STRATTON. Mr. Speaker, when I first became a member of the New York State congressional delegation, I did not know many of the city members. But there was one member of the delegation whose name was a household word in New York City—Mario Biaggi, the most decorated member of the New York City Police Department.

I was delighted to come to know Mario and to serve with him over the years. He was a leader in the Committee on Education and Labor and was also a strong supporter of senior citizens. Although of Italian birth, Mario organized a congressional group of members to provide help for the people in Northern Ireland who wished to be part of the Irish free state.

No wonder the people of New York hailed Mario Biaggi. They knew he was on their side.

We wish him and his wife the best of health and the best of luck in the days ahead.

Mr. FISH. Mr. Speaker I rise this evening to pay tribute to a friend and colleague, Mario Biaggi. Mario and I came to this institution together in the 91st Congress. Now 20 years of friendship and 10 Congresses later, I stand before the House of Representatives and state without hesitation that Mario has demonstrated to me, the New York delegation, current and past colleagues, that he has been a diligent, efficient public servant.

As a police officer he never spared himself in the pursuit of his duties; as a Member of Congress, he has been a dedicated Representative of the 19th Congressional District of New York and a champion of education. I have worked most closely with Mario on the Ad Hoc Congressional Committee for Irish Affairs, which he chairs and I serve as cochairman. Under his direction, the committee has promoted peaceful and just solutions in Northern Ireland. It has raised the awareness of the American people to the injustices in Northern Ireland. The committee opposes violence of any kind as a solution.

Mario has been a leading advocate for changes in United States visa policy to allow visits from political figures in Northern Ireland. He has been a strong ally in the campaign to secure passage of the Northern Ireland Fair Employment Practices Act, legislation that I introduced to combat religious discrimination in the workplace. Mario has carefully nurtured the Ad Hoc Committee for Irish Affairs into one of the strongest and most effective caucuses on Capitol Hill.

Mario's career in the House of Representatives has come to an end, but his accomplishments over the last two decades will remain as a monument to a dedicated and exceptional legislator.

Mr. DOWNEY of New York. Mr. Speaker, I am proud to join my colleagues in honoring my good friend, colleague, and fellow member of the New York delegation, Mario Biaggi.

For over 40 years, Mario Biaggi has been employed in the service of the residents of New York City. For 23 years, Mario served as a member of New York's finest, retiring as the most decorated officer in the New York Police Force. Since that retirement, he has served the residents of New York's 19th Congressional District in the Bronx, here in the House of Representatives. The high degree of popularity he has enjoyed with his constituents is testimony to the level of service he provided to them.

Throughout my seven terms in the House, and especially as a young man in my earliest terms, Mario Biaggi was always there with willing advice and assistance. He never hesitated to help or to listen. These are the qualities that have endeared him to me and to his constituents. It is also why we will miss him. We will not easily forget Mario Biaggi's legacy of service.

Mr. SHUMWAY. Mr. Speaker, I appreciate having this opportunity to reflect upon the career of our friend and former colleague Mario Biaggi, with whom I was privileged to serve on the House Committee on Merchant Marine and Fisheries, as well as the Select Committee on Aging.

Although I represent a different side of the aisle and a district on the opposite coast, there were many areas in which we saw eye to eye, and much about Mario's dedicated public service that I admired. During his many years as chairman of the Merchant Marine Subcommittee, he demonstrated a tireless commitment to this American industry, with its numerous and complex problems. He also had a keen understanding of the valuable contributions played by the Merchant Marine in time of national emergency, when their service becomes defense oriented. And I know that America's seniors were equally well defended by Mario from my experience with him on the Aging panel.

Mario Biaggi's record of heroism with the New York City Police Department is well known even to Californians like me. At various levels of Government, he has contributed his leadership, and he has left his mark. I appreciate having this opportunity to say goodbye to him, and to wish him well.

Mr. ANNUNZIO. Mr. Speaker, I rise to join with my colleagues in the House of Representatives in paying tribute to Congressman Mario Biaggi, in recognition of his 20 years of dedicated service to his constituents from the 19th Congressional District of New York.

Before coming to Congress, Mario Biaggi served as a member of the New York City Police Department from 1942 through 1965, where he demonstrated on numerous occasioins his bravery and heroism. He was wounded 10 times in the line of duty, and received 28 decorations and commendations for his actions, including the highest award of the department—the Medal of Honor for Valor. He retired from the force with the rank of detective lieutenant.

Elected to the 91st Congress in 1968, Mario Biaggi continued in his public service career of devoted and selfless service, compiling an outstanding record of achievement. He tirelessly represented the concerns of his constituents as a member of the Subcommittee on Human Resources, the Subcommittee on Select Education, the Subcommittee on Labor-Management Relations, and the Subcommittee on Elementary, Secondary, and Vocational Education of the House Education and Labor Committee. He proved himself a most effective legislator as chairman of the Subcommittee on Merchant Marine of the House Merchant Marine and Fisheries Committee. In addition, he served with distinction as a member of the Subcommittee on Human Services of the House Aging Committee.

Mr. Speaker, Congressman Biaggi is a man of compassion and courage who cared deeply about his constituents, and he will be missed by all of us in the House of Representatives who had the opportunity to work with him and to know him as a friend. His dedicated 20 years of service to the House has left a lasting impact on this Nation and his constituency which he so proudly represented.

Mr. GOODLING. Mr. Speaker, Mario Biaggi was a colleague of mine on the Committee on Education and Labor for 14 years. During that time he was an active and committed participant in the creation and reauthorization of many important education programs.

As you know, Mario was wounded several times in the line of duty as a New York City Police Officer. It always was an inspiration to see the Congressman making his way, with the aid of a cane, through the crowded hearing room toward his seat on the dais. Once in place, he was an intense participant and always pushed witnesses with his probing questions. Not one to beat around the bush, Mr. Biaggi asked his questions, got a clear answer, and made his point.

Mario represented the 19th District of New York. His district included parts of the Bronx, an area with many social and economic problems. The education programs under the jurisdiction of our committee were critical to the youngsters in his district and he was a solid supporter of them. Chapter 1, the child nutrition programs, bilingual education, and many other Federal education programs came out of the last 8 years strong and intact because of the support of Members like Mr. Biaggi.

Most recently, the Committee on Education and Labor reauthorized most of the major Federal elementary and secondary education programs. H.R. 5 had the backing of Mario Biaggi throughout the process and contained a special program that he championed. While feeling very strongly that the Federal Government has a responsibility to assist the disadvantaged student, he also believes that there is a need to provide increased opportunities for our gifted and talented children.

The Gifted and Talented Children Program contained in Public Law 100-297 was first introduced in the House of Representatives by Mr. Biaggi. The Congressman carried this program through the hearing process, the markups, and is largely responsible for its inclusion in the Hawkins-Stafford amendments. The fiscal year 1989 appropriations bill contains $8 million for gifted and talented education. It will be a fitting tribute to this friend of education that thousands of eager young boys and girls will be challenged and pushed to higher levels of achievement as a result of his work.

Mr. ROYBAL. Mr. Speaker, I would like to take a moment to share some comments about my good friend, and a great friend to the elderly of America, Mario Biaggi.

For the past 20 years, Mr. Biaggi has served the interests of his constituents with various committee assignments that included Education and Labor, Merchant Marine and Fisheries, and the Select Committee on Aging. It is on the Aging Committee that I had the pleasure to serve with Mr. Biaggi on behalf of the elderly in need of a strong ally in the Congress. With his assistance from the Education and Labor Committee, legislation was introduced which not only benefited the elderly, but also was of assistance to the disabled, to the Nation's educational system, and to the many in need of strong Federal support for service programs in our Nation.

As chairman of Aging Committee's Subcommittee on Human Services, Mario Biaggi was instrumental in working on reforms to the Older Americans Act, the most important vehicle for services to older persons. During the 1987 reauthorization, Mr. Biaggi worked long and hard to provide for changes that benefited the most vulnerable of older Americans—the frail, the oldest old, the low income, and the ethnic/racial minorities.

It is with pleasure that I stand here today to honor a man who worked so hard in his 20 years in Congress on behalf of all older Americans.

Mr. LENT. Mr. Speaker, I join with my colleagues in paying tribute to a respected colleague and very dear friend, Congressman Mario Biaggi. Mario is retiring after 20 years in Congress and I welcome this opportunity to recognize his many laudable achievements.

Mario's distinguished career in Congress has been marked by superlatives. Dubbed "New York's Best Service Congressman" by his constituents, Mario has consistently demonstrated his dedication and effectiveness in representing the people of the 19th Congressional District. As the head of a special congressional task force in 1978, Mario's leadership and tenacity have been credited with helping save New York City from fiscal ruin and collapse.

But Mario's legendary compassion and determination extend well beyond the confines of his 19th Congressional District. Mario has established himself as a leading activist for numerous other important national and international causes. As the founder and chairman of the Ad Hoc Congressional Committee for Irish Affairs, Mario has worked tirelessly to end the violence in Northern Ireland and to promote human rights and peace in that war-torn country. A former New York City police officer whose extraordinary valor and bravery are well documented, Mario has also been a leader in the effort to combat crime and ensure the safety of our citizens. He has been an eloquent and effective spokesman for our Nation's law enforcement officers and his expertise in this area will be sorely missed.

Mario is truly a remarkable man. Whether he was working to prevent child abuse or promoting the rights of the handicapped and elderly, the one thing that consistently stood out among all Mario's many attributes was his deep compassion for people. His idealism and enthusiasm for bettering our Nation and our world have infected us all and will enable us to carry on his good works in Congress. I wish Mario all the best and feel very fortunate to have been able to work with him for these many years in Congress.

Mr. JEFFORDS. Mr. Speaker, I thank the gentleman from New York [Mr. RANGEL] for organizing this special order to recognize the long and distinguished legislative record of our former colleague, Mario Biaggi. While considerable attention has been focused on Mario over the past year, little notice has been paid to his extensive legislative record and his many efforts to improve the quality of life for elderly and less fortunate Americans.

Because I served with Mario for many years on the Education and Labor Committee, I will focus my remarks upon my knowledge of his work in this area. Many of the causes Mario championed were ones that I also supported, and I was pleased to join him in several efforts. For example, the nontraditional student in postsecondary education programs, the gifted and talented youngster in our local education systems, and the older American both at work and in retirement. Each is an individual with a distinct need that may not be addressed by the mainstream programs we tend to broadly define in many of our legislative endeavors.

Nontraditional and part-time students represent the fastest growing component of postsecondary education. Between 1972 and 1982, part-time student enrollments increased 65 percent, accounting for over 5 million students. This figure represents fully over 40 percent of all postsecondary eduction enrollments. At a time when full-time enrollments are declining, part-time enrollments will continue to grow.

Part-time students tend to be older than the traditional postsecondary education student. More of them have family and work obligations. The Federal role in higher education has always been first and foremost, to provide access and choice to those who face special barriers to obtaining postsecondary education. Until Mr. Biaggi fought in the 1986 reauthorization of the higher eduction amendments to have less than half-time students recognized as eligible for receipt of student financial assistance, we failed to assure that this nontraditional cohort had similar opportunity for access and choice. Because of his efforts, less than half-time students are now eligible to qualify for Federal financial student assistance.

I was pleased to be able to join Mr. Biaggi twice in cosponsoring legislation which would provide assistance to this Nation's gifted and talented students. This legislation was successfully included in the Hawkins-Stafford Elementary and Secondary School Improvement Amendment of 1988.

Gifted and talented children and youth have special needs. Often these students are not even identified through the regular school process. Unless the special talents of these children are recognized and developed during their elementary and secondary school years, much of their potential for contributing to our national interest will be lost. These are our best and brightest students and we need to assure that they are specifically and effectively served by our school systems. Fortunately, through the efforts of Mario Biaggi, efforts are now underway to meet this challenge.

Finally, as we who served with Mr. Biaggi on the Education and Labor Committee and the Select Committee on Aging know well, he labored long and hard and very successfully in advocating for and championing interests of our Nation's senior citizens.

There are few if any laws affecting the elderly that have been enacted since he has served in this body that are not replete with provisions that he authored and for which he doggedly fought. Surely, the Older Americans Act is a living tribute to his untiring efforts on behalf of our seniors. With a unique empathy for our poorer and frailer elderly and a special sensitivity to the needs of our minority elderly, Mr. Biaggi sought changes that would improve the quality of life that would be enjoyed by all our seniors in their golden years.

This Nation's senior men and women have lost the services of no finer friend than Mr. Biaggi. And for those of us who share his deep compassion for the elderly, there remains the challenge of continuing to advance and promote the initiatives which he developed, fought to have enacted, and for which he will long be remembered.

Mr. Biaggi's efforts and unending support for these and other issues that were near to his heart will be missed. He challenged all of us to work to improve the quality of life for many Americans. We will miss his support and legislative efforts on their behalf.

Mr. GARCIA. Mr. Speaker, I rise to pay tribute to my friend and colleague, Mario Biaggi, longtime Congressman from the Bronx, NY.

Mario Biaggi has had a long and distinguished career in public service, devoting his life and career to the people of the Bronx.

Mario Biaggi was born in Harlem in 1917 to Italian immigrants and worked his way up from cleaning office buildings to a distinguished career with the New York City Police Department to a dedicated and effective career in the U.S. House of Representatives.

As a New York City police officer for 23 years, Mario Biaggi was wounded 10 times in the line of duty. He also received 28 commendations for heroism while on the force. In 1960 he received the police Medal of Honor for Valor, the highest award available to New York's police force.

Mario Biaggi was elected to Congress to represent the Bronx in 1968 and served the people for 20 years. He served on various committees, including Education and Labor, Merchant Marine and Fisheries, and Aging, and was an effective and caring legislator during those years. The people of the Bronx were served by an effective voice during Mario's tenure.

Mario Biaggi will be greatly missed in the House and I ask my colleagues to remember Mario in their prayers. He was a good friend and colleague. His record of service is something that his friends and constituents can look upon with pride and satisfaction. To Mario I would simply say, God's speed Mario, our prayers are with you.

Mr. BONKER. Mr. Speaker, I believe that all those Members of this House that have had the chance to know Mario Biaggi are saddened by his legal problems and his resignation. We are saddened because we have lost from this body a kind and compassionate man, and an excellent legislator.

Today we have the opportunity to recognize the many accomplishments of Mario Biaggi. We cannot approach the tribute which his constituents, and many others across the country would bestow on him if they were given an opportunity.

Mr. Speaker, the circumstances which led to our colleague's resignation do not undo the advocacy and legislative service that he has provided to this country. He deserves to be recognized for his accomplishments.

Mario Biaggi has contributed to our society with legislation ranging from banning cop-killer bullets to improving the minimum wage, but today I simply want to add to this recognition a reminder to my colleagues of the distinguished service that Mario Biaggi gave as chairman of the House Select Committee on Aging's Subcommittee on Human Services, and as an active member of the full committee.

Mario Biaggi was an original member of the Select Committee on Aging and over the past 11 years as chairman of the subcommittee, Mario Biaggi has conducted over 100 hearings and published numerous reports on key issues affecting older Americans. The goal of these hearings was always to seek the facts, make the public aware of important issues facing the elderly, and to develop effective and compassionate solutions to the problems of older Americans. Suffice it to say, he has reached this goal, time after time. He has, in a positive fashion, affected the legislative process, the regulatory process, and our perceptions of the needs of the elderly.

Mr. Biaggi has been extremely effective in using his position on the Education and Labor Committee to advocate in behalf of the Older Americans Act programs. He has converted the knowledge and experience gathered through his work on the Aging Committee into countless legislative successes, including work on the reauthorization of the Older Americans Act 11 times.

The Aging Committee has been fortunate to have such distinguished chairmen as Senator CLAUDE PEPPER and Representative EDWARD ROYBAL, but there is not a Member of this House that has done more to promote and improve the Older Americans Act than Mario Biaggi. The Older Americans Act serves millions of needy older adults each year by providing home delivered and congregate meals, transportation, home care, adult day care, elder abuse prevention, employment, and other social services. Mario is responsible for developing and improving many of these services. He has shown steadfast commitment to this important program.

Representative Biaggi has also served as a delegate to the World Assembly on Aging in Vienna, played a key role in the fight to end mandatory retirement, and led the congressional effort to provide grandparents with visitation rights to their grandchildren when divorce occurs. Mario has truly been a friend of the elderly.

Mr. Speaker, Mario and his staff on the Subcommittee on Human Services have received numerous awards and distinctions over the years for their superior service, and it is appropriate to mention Bob Blancato and Moya Benoit who have served on his staff at the subcommittee. Bob Blancato has served with distinction as the staff director of the subcommittee for 11 years; he is known across the country as an expert on aging issues. And I am pleased to say that Bob and Moya will continue their excellent work with Tom Downey, who now chairs the subcommittee.

In behalf of the elderly of this Nation and those who support programs for older Americans, I thank you, Mario, for your commitment and immeasurable contributions to the quality of life for older Americans.

Mr. MAZZOLI. Mr. Speaker, I rise today to pay tribute to former U.S. Representative Mario Biaggi for his 20 years of diligent service to the citizens of the Bronx, NY, and to the Nation in general.

When I came to Congress, Mario and I were colleagues on the House Education and Labor Committee. Mario, who already had 4 years of service under his belt, was most gracious to this newcomer as he helped me learn the "legislative ropes" on the committee and in the House.

Most know Mario from his work in behalf of law enforcement personnel. Both in the Congress, and in his days on the New York City Police Department, where he became its most decorated police officer, Mario's efforts for New York's and our Nation's finest is distinguished.

Many of us are also aware of the compassionate and unfailing service Mario provided to New York's 19th District. He represented his constituents with diligence and hard work, paying particular attention to those who are too often overlooked—the young and the elderly.

I am sorry for Mario and his family that his career had to end in the manner it did. But, this will not and should not erase from the historical record of the House the excellent work he did while among us.

Mr. RANGEL. Mr. Speaker, I would like to take this time to thank that wonderful staff led by Bob Blancato of Congressman Biaggi and, of course, we are going to put together not only what we have said this evening but the statements that so many Members have entered into the RECORD and those that were given to me to put in by the gentleman from New York [Mr. LENT], the gentleman from New York [Mr. FISH], the gentleman from California [Mr. SHUMWAY], the gentleman from New York [Mr. DOWNEY].

We have our peaks and our valleys, but I am reminded by a friend of mine who worked under Mario when he was a lieutenant detective, and I am reminded because my friend, the gentleman from New York [Mr. MANTON], refreshed my recollection, and he said, "Do you know Mario?" I said, "I know him." "Well," he says, "I just want you to know that he is a standup guy, and he had a lot of class when I worked with him," and I can tell him that today, that even though life has its peaks and its valleys that we will be able to put the record of what we have said today to give to his family, his children and grandchildren, and as he came here and as he leaves here, he is still a standup guy, and he leaves with a lot of class.

ORDER OF BUSINESS

Mr. BEREUTER. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. PACKARD], who has a very brief special order, may immediately precede me.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

AMERICA SHOULD NEVER ALLOW THE SPIRIT OF ADVENTURE TO DIE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PACKARD] is recognized for 5 minutes.

Mr. PACKARD Mr. Speaker, I stand before the House tonight my heart filled with pride due to the successful launching of the space shuttle *Discovery*. Two-and-a-half years ago this country suffered a tremendous tragedy with the loss of those seven shuttle astronauts aboard the *Challenger*. Today, America stands proud as we watched the renewal of our space program.

I also believe we have reached a turning point in the U.S. Space Program. We are no longer the dominant force in international space research or implementation. Gone are the days of Apollo and missions to the moon. Gone are the days of skylab and volumes of rewarding research gathered. We are faced with new challenges and we cannot afford to look back, but must remember to go forward. America should never allow the spirit of adventure to die.

More than anything else, I believe today's launch should become a theme for NASA. The theme is discovery. We move forward toward a time when we must seek new space research techniques, new exploration, and a greater sense of direction. If we do not work toward these goals, our space program will be less than this Nation deserves or can afford to keep. NASA will become a second rate operation.

Therefore, I believe we must look forward and choose a direction for our space program. Will the shuttle be the only leg on which we stand? I don't believe it should be. Will we look toward alternative developments such as the space plane and space station? I believe we should. They offer a promise of a new direction into space—a new direction we cannot afford not to follow.

In order to move in this direction, Congress has supported and the President has signed legislation authorizing $900 million in new funds to be used toward research and development of a space station. However, our next President may, if he chooses, withhold $515 million of this funding. I have introduced a resolution which expresses the sense of Congress that both Presidential candidates should endorse full funding for this program.

It is our sense of discovery that kept us looking to the Moon. It is our sense of discovery that kept skylab orbiting the Earth. We must keep our curiosity when looking to the stars. If we do not, we risk losing precious knowledge for future generations. This investment must be made before it's too late. I call on this body, the 100th Congress, President Reagan and the citizens of this great Nation to invest in the discovery of future knowledge. Let's invest in the space station.

UNITED STATES-PHILIPPINES BASE AGREEMENT NEGOTIATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Nebraska [Mr. BEREUTER] is recognized for 60 minutes.

Mr. BEREUTER. Mr. Speaker, I rise tonight, before the 100th Congress adjourning sine die in a few days, to express my concern and dismay at the tenor of the dialog between the United States and the Philippines in our ongoing review of United States military facilities in that country. The demands and not-so-veiled threats being publicly hurled by the Philippine negotiators are inconsistent with the long, friendly history and sound relations between our two nations. The negotiations have degenerated into hard and highly emotional bargaining on how much money the United States will pay in rent during the coming 3 years for its major military installations in the Philippines—Clark Air Force Base and the Subic Bay Naval Facility.

The high state of rhetoric distorts a relationship which, from the United States point of view, encompasses a wide range of mutual interests including our support of an emerging democracy, our concern about the potentially destabilizing effects of the Communist insurgency in the Philippines, on the special sentiments that over 2 million Philippine-Americans have for their mother country, and on our legitimate concern for the security of the Philippines and its geostrategic role in the security of Southeast Asia. The strident demands for larger payments run counter to the growing regional and international responsibilities attendant to a developing democracy. Further, the harsh tone of the discussion between two friends strikes a discordant and disturbing note at a time when oftentimes more moderately worded negotiations between hostile powers are taking place in other parts of the world, such as Angola, Iran-Iraq, Vietnam-Cambodia, and Afghanistan.

If the current review fails, the United States will continue its military operations from the Philippine installation for the next 3 years, making its "best efforts" in assistance provisions. Such an arrangement is provided for in the initial military base agreement entered into in 1947, as amended by 5-year reviews undertaken to assure that the mutual interests of both parties are being served by the agreement. However, the failure of current discussions would inflict substantial damage on the prospects for successful negotiations for a new agreement to replace the current one which lapses in 1991. After that date, either Government can terminate the agreement with a 1-year notification. The negotiations for a new agreement are expected to commence next year.

Although unfortunately United States-Philippine 5-year reviews are usually attended by shrill emotional debate and outrageous exchanges, they are inappropriate to the current discussions. The conditions surrounding such negotiations have changed and excess hyperbole could jeopardize for both parties the outcome of important future negotiations. We do not want to back ourselves into corners. We do want to reach an equitable agreement which serves the interests of both parties. I believe that for the time being, the interests of both countries are in maintaining a U.S. military presence in the islands. Over time, this situation may change. But for now, it is crucial to avoid poisoning the atmosphere for future negotiations.

Clark Air Force Base is the largest outside the United States. Subic Bay is the largest naval depot in the world. These two installations support two of the three regions in the world in which we maintain forward deployment. They support operations in Northeast Asia, where the Soviet Pacific fleet is based. They support operations in the Indian Ocean and Persian Gulf and inhibit Soviet access to the Middle East. They provide security for the Western Pacific and Southeast Asian regions. Redeployment of these facilities would be costly and would present operational coverage problems. But I would say to our Philippine friends, redeployment is not out of the question. The United States is not without alternatives. We are not required or willing to pay any price.

If the price demanded by the Philippines is considered too high and too many restrictions are placed on our operations there, redeployment may be the preferred option. Among the demands the United States absolutely cannot accept are the Philippine request for annual payments in excess of $1 billion, advance notification of the transit or storage of nuclear weapons, and prior Philippine approval of United States operations from the bases that are not related to the United States-Philippine Mutual Defense Treaty.

The United States has been the leading supporter of the Philippine transition to democracy. The U.S. Government—the executive and legislative branches together eventually pressed the Marcos regime for democratic reforms. We encouraged the non-Communist political opposition, the Catholic Church, business and military in their efforts to achieve reforms. Together the two branches eventually pressed Marcos to step down.

Equally important has been our continuing support of President Aquino and her efforts to build and institutionalize democratic structures. Our foreign assistance to the Philippines has almost doubled although our own budget constraints makes it difficult to maintain the one-half billion dollar per year bilateral aid level. The Congress and the Reagan administration suggested a multilateral donor plan—a mini-Marshall Plan—for up to $10 billion over 5 years for the Philippines. Money would come from the United States, Japan, ASEAN, private investors, and the multilateral development banks. We are now in the process of discussing this concept with other Governments.

The United States has and continues to demonstrate its support of the Philippine democracy and, to that extent, encourages the rising sense of nationalism in that nation. However, we are not undervaluing our bases there. It is not a matter of what we are willing to pay—it is a question of what we can pay given our own budgetary problems and global security commitments. These limitations confront not only the administration in its negotiations with the Philippine Government, but also the Congress.

Continued United States military presence in the Philippines clearly demonstrates United States support of, and commitment to, the strengthening of a democracy and contributes to the stability of this delicate transition from the Marcas regime to democracy in full flame. It also represents a deterrent to the communist insurgency and foreign support of it or of other efforts to thwart the building of a democratic government. The bases themselves represent a source of jobs to some 65,000 Philippinos—the second largest employer after the Philippine Government. They represent an important source of income to the republic—estimated at about 2.5 percent of the Philippine GNP.

The presence of the U.S. bases on Philippine soil enhances the regional role of both the United States and the Philippines, particularly with ASEAN nations and with the Japan nation of which relies on the South China sea lanes for the transit of most of its imported oil. The world, particularly the world economy, is becoming inextricably intertwined. Providing for the security of regions is not limited to preventing military confrontations, the goal is also to provide a stable basis for political and economic commerce and development. That is a distinguished and important role for any nation—for the United States and especially for a nation like the Philippines which is in the process of developing politically and economically.

Statements from the Philippines to the effect that more money is needed for the bases to satisfy growing feelings of nationalism actually ill serve the interests of the Philippine people. If nationalistic tendencies were paramount, then lesser economic dependence rather than greater would be in order. The Philippines is not in the midst of an effort to throw off the yoke of superpower colonialism. It is and has been an independent nation for over 40 years. It is developing and strengthening democratic institutions with the encouragement and help of the United States.

Likewise, the often-cited United States payment to Israel and Egypt in AID moneys for maintaining peace in the region without providing bases—no matter how one feels about such expenditures—is not analagous to the Philippine situation. There are very different histories, different geostrategic interests, and very different conditions that prevail in these two situations.

The rhetoric now coming out of the Philippines must be replaced by more responsible dialog. We cannot let rhetoric become reality. The present discussions on the review will lay the groundwork for the upcoming agreement. The nature of Philippine public opinion will be crucial to the success or failure of these negotiations. Unlike the past, the Philippine Senate will have to approve any agreement. In addition, it may be subjected to a referendum. In 1992, the Philippines will hold a Presidential election and the political dialog will run high, heated, and exaggerated in the preceding year—the year in which the new agreement will be decided.

Confrontation and brinksmanship are risky policies in view of U.S. economic contraints. The United States concerns about and efforts to support the Philippines make this approach particularly irksome.

Discussions should seek more creative or innovative approaches. For example, suggestions for regional support of the United States bases in the Philippines should be explored. Efforts for a mini-Marshall plan should be pursued. New approaches to bilateral aid such as debt-swaps and trade concessions should also be examined.

The Philippines, with its fragile evolutionary steps toward democracy, its troubled economy, and the internal threat of a Communist insurgency, puts a great deal of risk in tainting the atmosphere for the future base agreement and brings into question whether, because of accentuated opposition, these base agreements will remain. Concluding an agreement after the atmosphere is think changed might then be politically impossible—despite any mutual agreement by the political leadership of the two nations that the bases should remain. Such a loss would be very costly to both nations. Over time, with changing conditions and priorities, both governments may wish to move the bases elsewhere. Right now, however, the United States bases in the Philippines are crucial to both countries. Our dialog should reflect that fact.

In an aside, I would like to note that the Soviet suggestion that it would dismantle its radar in Krasnoyarsk and close its facility at Cam Ranh Bay in exchange for a United States withdrawal from Clark and Subic Bay does not represent a reasonable offer or a symmetrical reduction. Furthermore it is clear that such a Soviet offer is intended to complicate United States—Philippine negotiations and serve the Soviet's self-interest. Krasnoyarsk is a violation of the ABM Treaty and should be dismantled without any similar action by the United States for a great many obvious reasons the Cam Rahn Bay facility is not analagous to our installations at Clark and Subic Bay.

In conclusion, this Member calls attention to what should remain obvious, that the United States and the Philippines share a long and special history of friendship and cooperation. Following the recapture of Corregidor by Allied Forces in World War II, Gen. Douglas MacArthur noticed that the old flagpole that had flown the American flag during the long, but ultimately unsuccessful holdout against the Japanese was still standing. He directed the Col. George Jones to have his troops "hoist the colors to its peak, and let no enemy ever haul them down again."

We must make sure that no enemy hauls the flag down. But more importantly, we must make sure that our actions do not bring that flag down before we—the United States and the Philippines acting together want it to come down.

□ 2045

CONSIDERATION OF CONFERENCE REPORT ON WELFARE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. OWENS] is recognized for 60 minutes.

Mr. OWENS of New York. Mr. Speaker, tomorrow we will be considering the conference report on welfare reform. It is generally conceded that this conference report will probably pass the House by a landslide vote. The contents of the report, although it is not generally known since the report is not printed and not available to Members yet, but what is known of it, certain segments of it are being applauded by editorials across the country. It is generally assumed that we have here a major reform of the welfare program, a major reform of the act, the most monumental kind of change in the last 50 years or more than 50 years. So it is very interesting that although we have this monumental change, the first to take place in 50 years, a major revision of the Social Security Act. It is being rushed and stampeded into probable passage but for some reason we are not even being given a chance to read the conference report.

Now the conference report is the result of deliberations that took place between the Senate, the House, and the White House. Unfortunately, the conference report is far different from the act that passed this House, H.R. 1720. H.R. 1720 passed this House, it was a very different welfare reform bill from what we have read, the conference report now appears to be. Nevertheless, there is a great sense of emergency and urgency, for some reason, that this report must be rushed through. Members will not even have a chance to read it. I do not know what the urgency is or the emergency is. We are making a change that we waited more than 51 years to make. Many of the features of the bill will not go into effect for 1 year and many for 3 or 4 years. So what is the hurry? Why are we being stampeded and why can we not be allowed to read the conference report? Some of the things in there are known already, and the dramatic changes between H.R. 1720 that left this House and what the conference report looks like now has already been brought to the attention of several major groups in this country who are interested in legislation related to welfare, interested in legislation related to jobs, also interested in legislation related to child care, because involved in this reform are all three. Child care is a major concern, jobs are a major concern and what happens to families, of course, is also a major concern.

□ 2100

It is a major revision of the Social Security Act. Organizations that know certain basics which have been changed are now in opposition. Many organizations that supported H.R. 1720, as I did, reluctantly when I voted for H.R. 1720 because I was promised that it would be the kind of thing that would prevail in the conference with the Senate and House conferred. I was very reluctant because of the fact that in the era of Ronald Reagan, while Ronald Reagan is still in the White House, this President has already made it clear how he feels about anybody who is powerless. People who are on welfare are powerless. This is a President who has made it impossible for us to get a decent job bill during the course of his Presidency. We have not had decent job legislation while Ronald Reagan has been President. In fact, we have had dramatic changes in job legislation. We now have a JTPA which everybody agrees is defunct almost, has no impact on people who need jobs most.

My reasoning is: Why should we have a welfare reform bill which proposes to replace welfare with jobs while Ronald Reagan the President is in office? Why not wait for a new administration? Why rush in the last year of this Presidency? I also reason that if this President, who has made it quite clear that he has no concern for the people on the bottom, for the people who are powerless, if this President is in office, he will insist on certain conditions before he signs the bill. He will send a message to the conferees, the Senate and House conferees that he wants a certain kind of bill, otherwise he will veto it. Certainly any veto of welfare reform could not be overridden by Congress, either the House or the Senate. So, as I say, we are setting up a situation that would be dominated by the President. If you really want a welfare reform bill, if you go through the motions, in the end the President will dictate the nature of the welfare reform bill. And this is exactly what has to happen here. the Senate and House conferees did not work out this bill by themselves. At a certain critical point the Senate and House conferees who were more in agreement with the President were called to the White House for a meeting. Certain conferees who were in disagreement with the President were not invited to the meeting. Experts on jobs, members of the Committee on Education and Labor, were not invited to the meeting. The chairman of the Committee on Education and Labor who has worked for more than 20 years on full employment issues was not a part of the agreement reached with the White House.

So if this is a bill about jobs, if it is being praised by editorials all across the country for its contribution in replacing welfare with jobs, then why were not the people who are designated in the Congress, designated in the House of Representatives to take care of matters relating to jobs, who have jurisdiction over legislation related to jobs, why were they locked out of the process? Why were the people who are concerned primarily with the education of small children, members of the Committee on Education and Labor, why were they locked out of the process? Why were the people who are concerned with education, because part of this process requires a unit in every program which relates to education and job training; so education and what happens with education is a vital part of the process of job training, of the process of moving the person along the road to the point where they can get a job, because to get a job in 1988 and even more so as we move into the 1990's and into the 21st century, to get a job means you have to have a certain level of education. A high school diploma already is almost obsolete. But certainly you have to have a high school diploma, or some specialized training.

So this was recognized and this was part of a long set of deliberations in the Committee on Education and Labor.

We talked a great deal, debated a great deal about the best way to proceed to guarantee that we had a realistic welfare reform bill because it had a component in there which allowed a person to move from being on welfare roles into an educational situation which would set them up to move into a job training and job situation.

We were proud of the legislation, our contribution to H.R. 1720; we were proud of that section of the legislation. But in the critical hours when the conference report that will be before us tomorrow was being decided, our conferees, most of them were locked out of the process. The chairman of the Committee on Education and Labor certainly was locked out of the process. So here is a bill that will be produced tomorrow and the experts were locked out, the experts on education and on jobs were locked out and we are expected to go forward and pass it without having an opportunity to read it. But from what is known about it, the following organizations have indicated they oppose it. These organizations supported H.R. 1720 as it passed the House and now they are in opposition to what they know, to the things that they do know that have been changed in the conference report. AFSCME-AFL-CIO is in opposition, the AFL-CIO is in opposition, the Americans for Democratic Action are in opposition, Bread for the World is in opposition, Children's Defense Fund now is in opposition; Church Women United, Coalition for the Homeless, Coalition on Human Need, Poor Research and Action Center, Friends Committee on National Legislation, Full Employment Action Council, Interfaith Action, League of Women Voters, National Council of Churches, National Council of IRASA, National Puerto Rican Coalition, National Organization of Women, National Urban League, United Church of Christ, United States Catholic Conference, Wider Opportunities for Women. They are all now in opposition to a bill which they supported in the form as it passed the House.

I want to read a letter from Marian Wright Edelman of the Children's Defense Fund:

CHILDREN'S DEFENSE FUND,
Washington, DC, September 28, 1988.

DEAR REPRESENTATIVE: On behalf of the Children's Defense Fund (CDF), I urge you to oppose the Conference Report on H.R. 1720, The Family Welfare Reform Act, when it comes to the House floor later this week. The Conference agreement on welfare reform fails to ensure poor families the help they need to support their children and move toward economic self-sufficiency.

The final House-Senate compromise permits about one-half of the states to place arbitrary time limits on cash assistance for poor two-parent unemployed families, thereby continuing incentives toward family breakup. In addition, at the ideological insistence of the White House, the agreement proposes to squander taxpayers' dollars by mandating old-fashioned "make-work" programs for two-parent families. Such mandates will be implemented at the expense of far more productive investments in education and training programs for single parents on AFDC who will be unable to enter the job market without such help.

Specific provisions in the Conference Report that will prove most harmful to poor children and families include:

The failure to require that all states must provide full-year coverage under the AFDC-Unemployed Parent Program (AFDC-UP);

The imposition of federal "workfare" requirements on AFDC-UP families in all states, a provision which will force states to divert scarce resources toward non-productive make-work assignments for those parents with the greatest work experience and away from education and training programs for those single parent families who are most likely to become long-term AFDC recipients;

The establishment or rigid participation rates for the regular AFDC caseload in JOBS program activities, thereby focusing resources on compliance with the participation quotas rather than on the intensive services needed to help young single parents move into jobs; and

The lack of a requirement that family day care assisted with AFDC funds, but currently exempt from state and local child care standards, must comply with minimal health and safety guidelines established by individual states or localities.

These provisions undermine the potential gains for poor children and families in the

Conference agreement in the areas of child care, Medicaid transition, and child support enforcement. The additional funds for child care for children in AFDC families and for transitional child care and Medicaid for those families moving from AFDC to jobs are critically needed. Such investments, however, must not be thwarted by requirements which otherwise impede progress for poor families struggling to become economically self-sufficient.

We urge you to oppose the Conference Report on H.R. 1720 and to continue to seek critical improvements for poor children and families in the next Congress.

Sincerely,

MARIAN WRIGHT EDELMAN.

That was a letter addressed to all the Representatives in the House by Mrs. Edelman of the Children's Defense Fund.

A second letter came from the American Federation of State, County and Municipal Employees—AFL-CIO. It states:

DEAR REPRESENTATIVE: On behalf of its 1.1 million members, the American Federation of State, County and Municipal Employees (AFSCME) opposes the Conference Report on H.R. 1720, the Family Welfare Reform Act.

H.R. 1720 falls far short of the balanced system of benefit improvements, education and training services, and work requirements originally envisioned in the House bill which AFSCME supported. Instead, it embraces the Administration's unreasonable quotas for participation in work activities and its punitive and inequitable workfare philosophy, while preserving very little of the enhanced benefits approved by the House.

As a result of this bill, untold thousands of welfare recipients will be forced to work off their welfare grants in state and local agencies without the dignity of a paycheck or the opportunity to get the education, training and job search services they need for real self-sufficiency. The bill fails to assure them equity in the form of full equal pay protection, and it will cause the loss of public sector entry-level jobs that offer decent wages and benefits for low-skilled workers.

Finally, the bill shortchanges young single women on welfare who need education and training services the most. It will drain the efforts and resources of the states away from these young women as the states seek to meet impossibly high and burdensome workfare requirements for two-parent families who do not need "work experience."

In point of fact, H.R. 1720 will be a waste of the taxpayers money, denying education and training opportunities to those segments of the welfare population who need new skills, not make-work, to prepare for full-time productive employment. It will also create considerable chaos in the public sector and violates the basic principles of fairness and equity. It should be defeated and we urge you to vote against the Conference Report.

Sincerely,

GERALD W. MCENTEE,
International President.
WILLIAM LUCY,
International Secretary-Treasurer.

Now those employees belonging to those organizations are concerned because there is immediate threat to the members. Make-work programs are programs requiring that welfare members work off their grant and they will immediately put their members out of work. There are people who will be put to work next to municipal county and State employees and they will be working for less than minimum wage, working with no benefits, doing the same work in many cases that employees who are civil service employees will be doing. There is a story often told about the man who was the dogcatcher and the town had problems with their budget. So he was laid off as dogcatcher making $11 an hour and he was later employed with CETA funds, when the CETA Program came along, and he was reemployed as the same dogcatcher making $9 an hour and then CETA funds went out and he went on welfare. He was later reemployed as the same dogcatcher at minimum wage, or equivalent to the minimum wage. He did not get any money because he was working off his welfare grant of $3.35 an hour or less, all in the same job.

Every worker must feel some threat as a result of this kind of movement into an era where people will be forced to work to replace workers who are already in place. People will be forced to work at minimum wage or less than minimum wage without any benefits. It is a threat to the standards for all workers. It also will flood the work force with people who are willing to work for far less than wages that are being paid now.

□ 2115

For the standards of all of the working people in America are threatened by a situation which forces people into a situation which lowers the standards, takes away the benefits, and because they are powerless they must accept it. Certainly union organizers and any attempt to organize against this kind of effort will be very difficult.

We must remember that we will be moving from a situation in the Social Security Act which says that anybody who is indigent, any person who is really poor, cannot take care of themselves, must be assisted by their government. They must be assisted. We are moving into a situation which says, "No, that entitlement is no longer there." If we have a situation with a mother of a child, and the child is 3 years old, we do not have to assist them, they have to go out and get a job. But if they are going to go out and get a job, they will have to have child care. Therefore we have to provide child care for them. If they are to get a job in this very complex work force of ours, they have to have education, but we will provide an education for them. We will provide job training.

Mr. Speaker, all of that is beautiful, and I would applaud it if it were really in this bill, in this conference report, that will be before us tomorrow. If we really provide it, child care, I would applaud this bill.

The problem is that for the mother of a 3-year-old who now has to go to work or must go into an educational program and leave the child somewhere, that alternative will not be real child care. The alternative will be some makeshift situation which will be paid for by the Government depending on what State a person is in at a rate which is called market rate, and market rate may be quite low indeed. Market rate could be such that one can only find a warehouse or some situation to put their child in which is comparable to a warehousing situation. Poor children who are already suffering will not be any better off if they are put in situations where there will be no developmental program, no one to take them for a walk and fresh air, the problems of disease, the problems of retarded development, all the things that are being suffered by poor children now where their mothers are being taken away. This will only be amplified and only be that much worse, but here is the situation they are being forced into.

In H.R. 1720, as we originally envisioned it, we had minimum requirements so, when we said "child care," and when we forced a mother to put their child into a care program, it had to meet minimal requirements, it had to be a safe situation, it had to be a situation where the child was assured someone would attend to their meals, somebody would attend to their exercise program, and some minimum of education. The usual kinds of standards that are required of child care programs would be required across the board for any arrangements to take care of children, so that is the first fraud that is perpetrated.

There is no real child care here, or, if it is here, it is here with a cap. There is a certain amount of money available, and all of the mothers will be forced to move into a situation where the child must be taken care of.

The amount of money will run out in some States and in some situations earlier than in others. There is no entitlement. There is no open-ended funding. When it runs out, if it is given to certain groups that favor it over others in the administration of it, then tough luck. My colleagues know there will just not be enough or less for those people that come later.

The same thing is true for the Education Program. The States will have the option of whether or not a person can go into a junior college or to college. And I submit to my colleagues that in many situations a high school education or high school diploma is already obsolete.

My colleagues cannot make a person productive. They cannot get a decent job without having to go to at least a 2-year junior college program, but in many States that will not be allowed. That is considered pampering people, and yet that is the only route out of poverty. The only real job that pays a decent wage, that has benefits, decent health benefits, is a job that results from at least a 2-year college degree. Yet that is cut off. That is optional. Some States may do it, some States may not, and, when it comes to the actual job programs, there is no guarantee that the jobs are there because we have a situation where the people who have suffered the greatest amount of unemployment, the areas in the country with the greatest amount of unemployment, are also the areas which have the largest number of people who are on welfare.

Mr. Speaker, these people are on welfare in most instances because they cannot find jobs, and yet we are assuming that the jobs will be there. And in the Committee on Education and Labor we have been attempting to get job deals going for the last 6 years. Since I have been here we have been attempting to get some decent job legislation.

In fact, the first bill that I introduced upon arriving in Congress was a bill that I knew would take some while before it sank in, before it would pass, and that is a bill requiring the first steps toward a constitutional amendment to guarantee the right to a job opportunity to every American who wants to work.

There are a number of countries in the free world incidentally who have such guarantees in their constitutions, and in the final analysis what this means is that the employer of last resort must be the Government. If jobs do not exist, the Government must yield the jobs, but real jobs, jobs that pay real wages and jobs that have decent benefits.

Jobs and income are at the heart of the solution to all the social problems faced by people on welfare. It does not take a genius to figure out what the problem is. Families who have income, families who have jobs, can take care of most of their problems themselves. The problem is that there are no jobs. The problem is that jobs in McDonald's and Burger King, fast food operations, are really jobs for teenagers. They are not jobs for people with families. A family cannot be supported with the kind of fast food employment that has been created on a wholesale scale during the past 8 years.

This administration is correct. It has created many, many new jobs, but the jobs are all jobs which pay a little more than minimum wage, often no benefits. Many of them are part-time; steelworkers, people in manufacturing plants, people who are making $16 to $20 an hour, and they are now being asked to take jobs at $4 and $5 an hour. They cannot take care of families on those kinds of jobs.

So, real jobs, the creation of jobs that pay decent wages, ought to be what the Government is all about. If my colleagues want to solve problems, if they want to have people who can take care of their own housing needs, if they want to have people who take care of their own educational needs, there is a direct correlation between income and education. People who have a decent income find ways to educate their children. They encourage their children to stay in school. They have a whole set of standards and ways in which they proceed which are different from people who do not have income or who have minimal income and are struggling to survive.

So, jobs are at the heart of it.

My colleagues know there is editorial talk about this welfare reform bill as being a great step forward because it has a great emphasis on jobs. I applaud their perception. And my colleagues know that, if that were correct, I would vote yes for the conference report tomorrow also. But it is a fraud. The jobs are really not there. The kind of educational programs to allow people to get jobs are not there. The child care programs of substance providing real care for children are not there. They have been cut in various ways from the bill.

Many of the special featurers that were in H.R. 1720 are gone. One of those features was providing for a minimal base pay for people throughout the United States. All of the States have a minimum, but they must provide for people who are indigent and on welfare. That is cut out of the numerous other positive features which have been cut out.

So we have being brought to us tomorrow a bill which many people, many of my colleagues that I call cynical optimists, are trying to sell on the basis of the fact that, if we get this bill, despite the fact that it has many flaws, despite the fact that there may be a little fraud and a little deception about the jobs and child care, it we get it, then at least we have moved the Federal Government into a situation where the Federal Government is making a commitment to a jobs program. I mean through the back door we have got what we have not been able to get in any other way.

We have a jobs program which we call welfare reform. That is the argument many of my colleagues are offering. If we can get the Federal Government to commit itself to providing jobs and eventually every person on welfare begins to have some kind of right to a job, are we not achieving what we really want when we call for a constitutional amendment to guarantee everybody a job opportunity? Or when the gentleman from California [Mr. HAWKINS] and the gentleman from Illinois [Mr. HAYES] are calling for a bill of rights for all workers, jobs with decent pay, with fringe benefits, are we not achieving that if we get the Federal Government on the right road through the back door with this welfare reform act? Well, the cynical optimists, my colleagues know, may prove to be right. I hope they do, but I am not a cynical optimist. I am an experienced realist, and I think what is really going to happen is, if we have this one great change in the Social Security Act over the last 150 years, everybody is going to settle down and say, "It's been done, this is it, it's accomplished," and to revise this monstrosity would be almost an impossibility in the next few years regardless of who the new administration is. Regardless. We will sell this as a jobs bill. We will say we solved the problem. We will sell it as a decent child care bill. We will say we have solved the problem, and we will not address it anymore. We will not deal with what is most basic, and that is that in our society we have a situation where large numbers of people who are primarily concentrated in our inner city communities are without jobs and without income.

Mr. Speaker, we have a deteriorating process there because, as has been pointed out by Dr. Wison in a book called "The Real Disadvantage," more and more a group of people are being segregated in terms of economics.

We had a problem once before a short time ago with segregation on the basis of race. And we thought we were in deep trouble. We were. Segregation on the basic of race was a great evil, and we fought to get rid of segregation on the basis of race.

One of the byproducts of succeeding in eliminating a lot of the segregation on the basis of race has been that there is no longer the traditional ghetto in the inner city. The traditional ghetto was not a ghetto that had only one economic class of people because segregation of a class of people, of a certain race, blacks in Chicago, or blacks in New York, or blacks in Memphis, TN, they all lived in inner city communities where they could not break out because of segregation. There were doctors, lawyers, teachers. We had middle class communities that provided leadership, and that middle class community stabilized institutions. We had a whole dynamic going there that nobody foresaw the loss of. We did not foresee the loss of all this. This middle class without the constraint of segregation moved into the suburbs. Then the leadership left. The people who propped up the institutions left. All that is left is the churches. Churches are still functioning because on Sunday morning in any inner city ghetto communities big cars are seen lined up outside the churches where the people have driven in from the suburbs. They did not change their churches. They stayed in the same churches, and those churches are still the one remaining institution in the ghetto, certainly in the black communities in the inner city, but in the meantime everything else is deteriorating. Very poor leadership, very little leadership, very poor basis for institutions, for the maintenance of institutions, primarily because the people left there are poor. They have to struggle to survive. They do not have the energy to go to PTA meetings. They do not have the energy to go to organizational meetings after they come home. In many cases they are in a situation where they can work more than 40 hours a week and come home with a paycheck that does not make ends meet. They cannot survive on what they make even though they have a job.

Mr. Speaker, here is the situation we are confronted with. The only way out of this situation is education. Our present society offers them no hope because there are no manufacturing, unskilled jobs being created. There was a time when everybody could expect to get work because large numbers of jobs did not require education. Those jobs are gone. They are vanished from the inner cities, and the only alternative now is to get an education. But there is a tremendous education deficit. There is a tremendous problem in terms of poor people who never had the opportunity to get an education.

The basis of the problem is very seldom discussed. There is a secret word that nobody wants to talk about in the black community, or the black leadership; certainly the white leadership does not want to talk about it, responsible public officials. Nobody wants to talk about the S word. The S word is slavery, s-l-a-v-e-r-y. This country had more than 250 years of slavery, 250 years of free labor. It helped to build the country. Any real economist would have to acknowledge that all that free labor made a great contribution in bringing us to a certain point. However, it is not talked about. Slavery was designed to obliterate humanity, humanness. In order to be efficient and effective, slavery had to destroy the humanity of people who were the slaves.

☐ 2130

The slave owners attempted to do this. They attempted to wipe out the humanness. The family structures that were brought over from Africa were destroyed deliberately. Any semblance of culture was destroyed deliberately. They wanted to wipe out the humanness of the slaves. They did not succeed. They did not succeed in obliterating the humanity of the slaves, but they did do a great deal of damage. A great deal of damage was done to a large number of people.

What we have today is a situation where within the black community, within the community of ex-slaves, although they do not like to talk about it, they do not like to use the word, but within the community you have large numbers of people who are damaged and have an educational deficit. They do not have the kind of supermen in large numbers.

You know, as a result of ending racial segregation in certain areas, large numbers of blacks have achieved a great deal. There are numerous examples to demonstrate that blacks can do anything anybody else can do. We can serve on corporate boards. We have people who have become millionaires and billionaires. All of that is very good. We have those examples of people who have achieved.

We can also see there is a large class, there are really two classes that blacks have evolved into—not evolved into, but economically, people who have made it, who can live anywhere they want to live, who have the education to get a great diversity of job opportunities, and they are surviving very well.

But statistics also show that large numbers, almost 65 to 70 percent of blacks have not made it; 60 to 75 percent of blacks are in poverty or just above the poverty line; 65 to 70 percent cannot overcome their conditions unless they have a great deal of help in getting the kind of education needed to operate in this society.

We have an education deficit as the result of those 250 years of slavery. Nothing was ever done to compensate for those 250 years of slavery. There was no Nuremberg Trial to declare anybody guilty. It might be just as well if there was not. There certainly was no Marshall plan to compensate for all the things that had been done over those 250 years, and that is the unfortunate thing. Nobody has ever attempted to compensate. Blacks alone have had to struggle to compensate and to get out of that kind of bond.

What we need is a massive program of education, massive amounts of compensatory education directed to the inner city communities to help people get the kind of education they need to catch up with 1988, to catch up with where the 21st century will take us.

This program could have been one small step in that direction if it really had a strong educational program, if it really provided the kind of opportunities for education that it started out with in H.R. 1720. We were serious about it. In H.R. 1720 we called for an education counselor for each person taken off welfare to guide that person's education.

We called for a program which would carry people into many jobs that are available. We have shortages of teachers. We have shortages of child care workers in day care centers. You can take a person who is a graduate with an 8th grade education, take them through a high school equivalency program, put them to work as a child care assistant, move them from that high school equivalency program into a junior college program. It is a slow process, I know, because in New York City we had Head Start programs, we had programs in the public schools which took people who were paraprofessionals, who had no education of substance when they went in back in the early days of the antipoverty program and as a result of a career ladder program where they could work and go to school at the same time, have moved over a 10-year period where a person who had only an 8th grade education to a teacher, a person went the hard route, worked at the same time they went to school, but they had a job in a setting which allowed them and encouraged them, a setting which provided fringe benefits. They were not so tired when they got home at night that they could not study. They had a job situation which encouraged them to go to school and they moved from an 8th grade welfare recipient with an 8th grade education to a teacher in 10 years.

We know how to do it, but it takes that kind of subsidy. They had to have the jobs. They had to have the opportunities to go to school. They had to have the hope at the end of the program.

This kind of overcoming of the educational deficit in large hotel programs is needed for our inner city communities. We cannot separate out welfare from the provision of education. We cannot separate job programs from the provision of education.

If you want a real welfare reform bill, you have to confront the problem of 250 years of slavery. You have to confront the problem that nothing was done to compensate. There were no reparations paid to the slaves. We do not want reparations. We want programs which recognize the need and compensate with tremendous amounts of help, and that help should come at this point in the form of education.

Welfare reform which focuses only on giving the minimal amount of child care, the minimal amount of education, and the minimal amount of jobs, will only discourage people more and they will fail.

We have a number of studies which already tell us that what they call workfare, people working off their grants, is a great failure. We have had workfare programs. We have had professional studies of our workfare programs, and what they show is that the cost of workfare programs involves 16 hours of work a week in many cases and they involve situations which are unreal. The cost of providing supervision, the cost of developing the programs, the cost of transporting people to where the jobs are, curiously they often are not where the people are, and on and on it goes. They are not worth what it costs in most cases. We have found that most of the workfare programs are not really successful, that they are not operating, they are not that productive.

Most people think, well, it is immoral to receive money from the Government and not work for it. We have seen in this 100th Congress where people who are in trouble, disadvantaged people, have received this year alone billions of dollars. The farmers who are suffering from a drought, 1 year of being disadvantaged, 1 year temporarily disadvantaged farmers, were given without much argument on this floor $3.9 billion, and there was little argument on the floor when somebody got up and said that we ought to put a cap on this, and farmers whose gross income is $2 million or more should not be eligible for the program—$2 million. You can make up to $2 million and still receive the benefits of the drought relief program.

Nobody at any time when we discussed the drought relief program said that those farmers who are making a $1 million dollars gross or $2 million gross had to give something back to the Government. Nobody said they had to open their farms and allow urban kids to come out to picnic. Nobody said they had to let the kids play with the cows or do something for the Government or something for the public.

The farmers were temporarily disadvantaged, and I certainly sympathize with all the small farmers who were temporarily disadvantaged, the drought was a major disaster, they had no reserves, small farmers should have been helped; but we help farmers who make up to $2 million gross this year, and I think that is ridiculous. Nobody complained and nobody required that they work at all. Nobody required that they do anything for the Government to give it back.

We have bailed out our Federal Deposit Insurance Corporation. They bailed out the Continental Bank in Illinois; $4 billion of FDIC money went into the Continental Bank of Illinois, under the supervision of the FDIC, which is a quasi-Federal agency, $4 billion helped to bail out a bank that was failing because of incompetence and crookedness. There is no other way to put it. The crooks and the incompetents had made a mess to the tune of $4 billion. That is not even discussed. Most Americans do not even know that $4 billion was used to bail out a bank.

That is kind of what you might call socializing the banking system, socializing the banking industry.

We have spent even more and we have appropriated here on this floor for the Federal Savings and Loan Insurance Corporation—I hope I got the initials correctly—the FSLIC. We have spent money to bail out failing savings and loan associations. Taxpayers' money has been put in to back it up, and now they are predicting, Senator PROXMIRE predicts that we need another $20 billion to bail out the Federal savings and loan associations.

Somewhere soon, probably not in this session, but early in the next session the taxpayers will be called upon to give $20 billion to help bail out incompetence and crookedness in a deregulated banking system, the deregulated commercial banks, the deregulated savings and loan associations, and this is just the tip of the iceberg, we are told, and yet nobody has said that the people in those savings and loan associations or the people in these failed banks should work it off somehow, provide free income tax service with accountants in the banks or the banking executives should provide free advice to small businesses, or do anything. All of this goes on. We have great generosity for people with power, a great amount of generosity for people with power, but for people who are trying to survive, struggling to survive, this 100th Congress wants to stampede into a process which takes away their basic entitlements and replaces it with very fuzzy, very vague kinds of programs in child care, education, and jobs.

In closing, I just want to point out a few facts that we do know that will appear in this big conference report tomorrow. The entitlement is a capped entitlement. They say that people will all have access to education. They will have access to child care and the jobs will be there for all, but there is a cap on it. After we spend $1.2 billion in 1995, when the program is fully operational, then that is it. Anybody who comes after that will not be able to be helped.

The WIN Program, the Work Incentive Program, which is a work program for welfare recipients, before Ronald Reagan's administration came into office in 1980, the Work Incentive Program was spending already $1.2 billion providing this kind of job program for people on welfare. How is this progress? We were already doing a good job on a program which was much less vague and spread out than this one.

Another fact is that there will be less money for participants. The WIN Program was serving fewer people. Now we expect it to serve many more for the same amount of money.

By 1995, the States must serve one-third more people with this welfare program than the CETA Program did, with only 14 percent of the money for the CETA Program. In other words, the CETA Program which existed when the Reagan administration came into power was serving one-third fewer people than this program will be required to serve when it reaches its peak in 1995, and yet this program will have 14 percent of the amount of money that the CETA Program had, a very tiny portion of the amount of money that CETA had.

It is a matter of smoke and mirrors, statistics which are unreal. It is not outright fraud, but a lot of wishful thinking. When this program is thoroughly analyzed, I assure you that both economists and social workers and everybody who is concerned will say that this welfare reform conference report that we will be voting on tomorrow is not a monumental change for good. It is a monumental step backwards, and it does not have to be. We could do a thorough job. We could do a decent job. We could do a program, develop a program which provides real education, provides decent child care and provides real jobs, if we were to take the time to do it and do it not under the hammer of the present administration. The present administration has a history of trampling poor people. It has a history of not caring about people who have no power.

The present administration made it quite clear that the most punitive provisions that are in the conference report had to be there, or they would not sign the bill.

I think we should not have gone forward. We should not have been under the hammer and under the threat of the Reagan administration. We should not let Ronald Reagan leave us a final legacy as having taken basic entitlements away from poor people, basic changes in the Social Security Act, the most basic in 51 years, and we have allowed it to happen, a democratically controlled Congress has allowed it to happen.

I think tomorrow will be a day of shame. I hope that my colleagues will stop and think and that certainly many of them will make a statement, if we cannot prevent this bill from passing, we will make a statement by standing up to vote against this monstrous act. This is an act which will not help people. This is an act which will degrade people.

□ 2145

This is an act which is not in keeping with the kind of generosity that the 100th Congress has shown everybody else. We have taken care of our bankers, we have taken care of our millionaire farmers, we have taken care of a lot of people who have power. We should show that we have some compassion and some wisdom and some vision that we care about the people who are out there in the inner-city ghettos who are not exactly irrelevant. They are the youngest people in America in those inner-city communities. They are the people who made the greatest contribution to the war in Vietnam. We will find the statistics of who died in Vietnam, who had to go off to war, because they were drafted and they had no alternative. Larger numbers come from these communities in the inner city where the people who are the beneficiaries of the welfare program live. They are not insignificant Americans. They have made their contributions, and they are certainly the descendants of people who deserve more justice at the hands of our decisionmakers today than they have been able to get.

This is not a proud moment in the history of the 100th Congress. I hope that many of my colleagues will register their protest by voting no on the conference report.

THE MOST INCREDIBLE 50 YEARS IN THE HISTORY OF MANKIND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DORNAN] is recognized for 60 minutes.

Mr. DORNAN of California. Mr. Speaker, I am sure the Speaker has made the same observation that I have over the years, that if one has an abiding interest in history and a hunger not to forget the past as the Spanish philosopher George Santayana said, "Those who forget the past are cursed to relive it." If one has this hunger and thirst, it can be a lonely place around here. One would think that with 435 men and women, all of them extremely smart, but it is very difficult to get the honor of serving a half million Americans in this Chamber, and one would think that there would be an abiding and intense interest in history that would be shared by all of us. Such is not the case.

Occasionally I am able to engage in historical discourse with some of the Members on the majority side of the aisle, two of them particularly because they were born in Eastern Europe, in Hungary, and so as children they were raised on a scope and a sweep of history that was absolutely astounding. On our side we have the gentleman from Georgia [Mr. GINGRICH], who is a Ph.D. in history, and has a hunger for it, but I find that in my trips as a Congressman to college campuses, particularly high school campuses, that is where I fulfill my need to try and learn everything I can about the history of not only all of mankind but of the recent past, so that I can contribute in some small way to not reliving the nightmares of this century.

If I were to put a title on my remarks of this evening it would simply be to say that the last 50 years has been the most incredible half century of history in all of the recorded time of man upon this small, delicate planet.

Tonight is the 50th anniversary of the signing of what was called in 1938 the German-Anglo Pact, but it really involved four countries. Three of the names still ring down through history, certainly two of them, Adolf Hitler and Benito Mussolini, who signed this pact together with a man that I do not think much is taught about in school. He was a good man. His name became synonymous with the words weakness and appeasement, and that was Neville Chamberlain, Lord Chamberlain, who was the immediate predecessor as Prime Minister of Great Britain, right before the great Lord Winston Churchill. There was a fourth signature not known to many people today, Edouard Daladier, the Prime Minister of the nation of France. These four people signed five points, a very small text, of what was then henceforth called the Hitler-Chamberlain Pact, or the "Peace in our Time Pact." It was signed in Munich on the night of September 29, 1939.

Most of our history books recall the 50th anniversary as September 30, because it was 50 years ago tomorrow morning that Lord Chamberlain had his press conference at the airport at Munich, and then repeated it at a small field, and I believe it was Henley, outside of London, and it is closed today, and at both places, in Munich on the airport ramp, and outside of London, Lord Chamberlain said, in his very stuffy manner, and he was a nice man, very stuffy, "I believe I have brought you peace in our time." The "peace in our time" lasted 11 months precisely to the day. It was on September 1, 1939, that Germany invaded Poland in a most cowardly way, even using German commandos dressed up in Polish uniforms to infiltrate into the Polish side, turn around come back at some German border units and kill fellow German soldiers to make the point they had the provocation to invade Poland.

On that 1st of this month, which is the 49th anniversary of that invasion of Poland, I was there with my 28-year-old son in Warsaw looking at a film in a small museum in the center of town, the civic center that is being beautifully restored in the medieval fashion, and we sat there looking at scratchy, shaky film of the Luftwaffe, which was not even supposed to exist in any great numbers then, just carpet-bombing the city of Warsaw. Some of the bomb strikes were very clear in industiral areas, residential areas and, of course, the Germans began on that day a torture of Warsaw that did not end until 6 years later.

In 1943 was the horror of the Jewish uprising in the Warsaw ghetto, where the Germans had put massive brick walls around an area of the city that was predominantly a Jewish neighborhood, and then crammed thousands and thousands of people into this area, raising the density up to a level where sanitation was a horror, disease was rampant, and that was in 1943. In 1944 the Germans made a stand inside Warsaw. The Polish underground rose up, fought Hitler, called for the aid of the Russian troops which were just across the river, and the Russians refused to come in. The Polish underground was decimated, and then the Russians came in and finished the job that the Germans had started, literally hardly leaving a stone upon stone in Warsaw.

What I would like to discuss tonight, in addition to the 50th anniversary tonight of the Hitler-Stalin Pact, is a stunning article in the Washington Post on the 18th of this month that was titled "Was Hitler Stalin's Fault?"

Before I read parts of this article, the subtitle is, "With Glasnost, the Greatest Myth of World War II Is Unraveling." Let me set the stage for this incredible article written on stories in Russian now that are probably the cause for the tension that has developed, causing Mr. Shevardnadze, their Foreign Minister, to be recalled just yesterday abruptly out of a meeting with the Presidential candidate, Gov. Michael Dukakis. He was called back to Moscow where all this weekend the Communist Party is having a secret, major closed meeting, and the Soviet watchers in the free world believe that it may be even as critical a subject as: Is Mr. Gorbachev going to survive beyond the 4 years next March that he has been in power? Will glasnost, the speaking out, survive? Will perestroika, restructuring, survive?

I was in Moscow, my son Mark and I, and we went to Poland, and we had come in through what I would call the back door. We flew to Beijing, and we took a beat-up twin-engine Russian airplane, an Antonov 24, up to Ulanbator, where I learned it is one word, not two as we learn in the United States atlases, and Ulanbator, there are two a's repeated twice, and in Ulanbator we got on the train and traveled north, where we joined up with the Trans-Siberian Railroad, which starts in Vladivostok on the Pacific Ocean, and traveled 4 days across south central Siberia through the city that we discuss so often on this floor, the city of Krasnoyarsk, where this major violation of the Anti-Ballistic Missile Treaty exists, where there is this phased-array radar that they continue to stonewall on or just flat-out lie about, and then we came into the Yaroslavl station in Moscow. That was my son's very first trip to a Communist country, a stunning experience for him.

All across that vast experience in talking at various stops to the soldiers and other people, trying to bridge the language gap, coming up to speed with conversational Russian, finding out there were people who spoke some little bit of English, playing charades, and we could see that glasnost was a reality to an extent. People are speaking out, looking over their shoulders as they do it, and they are taking chances, but they feel that this is an opportunity under General Secretary Gorbachev that will never be there again.

In Moscow, I mentioned this in a special order the other night, I met with over 20 refuseniks, mostly Jewish refuseniks, some of them, a handful, Christians, and one poor, handsome young man, just a Russian who would rather live somewhere else, and he seemed to have suffered more than any of the others there, because why would a Russian want to leave Russia, so they immediately put somebody like that into an insane asylum and inject them with drugs and forcefeed them all sorts of psychotropic drugs. He seemed like a tough, courageous young man that someday will either see his country a true democracy or will find some way to emigrate and live a life as a Russian emigre, becoming a citizen in one of the free countries of the world.

At this meeting with all the refuseniks, I asked them was it true what I had read in the Washington Post in early August that a documentary was gong to be shown over Soviet television which dominates the whole country through 11 time zones, and keep in mind we have 4, 11 time zones from Minsk to Vladivostok on the Pacific, and they said, "Yes, it was the most stunning experience of our lives." One of the gentlemen was in his seventies, He said, "The documentary told us, a nation of 287 million people, that our liberator of World War II, the commander of the Red army and the head of state, the man, Josef Stalin, that had led the resistance at Leningrad, Moscow, and Stalingrad," when they were all under siege and had begun the incredible rollback on a one-front war when they alone were standing against the land-might of the Nazi power with augmented troops from Hungary, Rumania, Italy, all fighting on the eastern front under Hitler's generals, that this man who had led what they called the great patriotic war, and they do not call it World War II, that is, this man was as evil as Adolf Hitler, and had actually killed more human beings than Hitler. I said, "This must be the topic of conversation at every line, every queue," and there are lines everywhere in the Soviet Union just like our great humorist, Will Rogers, laughed about on his trip in the late 1920's or early 1930's. There is hardly anything to purchase, and what is there they still form in long queues. I said, "This must be the major discussion in this country in several decades." They said, "It is. We still cannot get over that Stalin has been compared to Adolf Hitler."

Stalin's statue, and there is only one left, still stands in the maintown square in Tbilisi, the capital of Georgia, the Georgian S.S.R., Georgian Soviet Socialist Republic. We saw the statue, my son and I, in that capital Ulanbator in Mongolia. They asked me not to call it Outer Mongolia, because they said that presupposes that there is an Inner Mongolia, and they do not like Inner Mongolia, which is in China, but in the People's Republic of Mongolia there is a statue of Stalin, because he held the line in Mongolia against being swallowed by the brandnew emerging, in 1949, Communist China, so there are still two statues of a killer whose crimes were as enormous as Hitler's, says the Communist government of the Soviet Union today.

Members can imagine having heard that this documentary was going to run, talking with Soviet citizens who saw it and were absolutely in utter stunned disbelief that they had physically heard and seen this, to find this article after I had returned 11 days, after I returned that said "Was Hitler Stalin's Fault," and this will give everyone an idea of the tension of the meeting of all the major Communist apparatchiks, the Communist figures in Moscow this weekend, why it is so critically important for the other body, the United States Senate, and this great legislative body, to follow carefully while we are in the emerging little period of euphoria and maybe new-day détente, the result of a Presidential race to be known in just over 40 days, why it is so important that we track this face-moving flow of events in the Soviet Union.

This 50 years that I am going to discuss briefly tonight, if we pick up any history book that tries to put the history of civilization and mankind into one book, hundreds of years sometime pass by with a paragraph, certainly each page covers a hundred years or more.

□ 2200

Unless the country is oriented to the country that is producing or publishing the history book, even civil wars only get four or five pages, like our Civil War. World War II in some history books I have seen for our young people, World War II is covered in two or three pages. Well, 50 years of history is a snap of the fingers in time and yet from that signing of the Hitler-Stalin Pact tonight, or rather the Chamberlain-Hitler Pact, the Anglo-German Pact, through August of next year when the Hitler-Stalin Pact was signed through to this very day, the flow of history in those 50 years from the genocide of European Jewry to the genocide of Cambodia right up to this amazing fast flow of events in the Soviet Union today, this is the unquestioned, most amazing period of history that anyone could ever conceive of.

Now here is the article for the Post by S. Frederick Starr. "Since the day in 1939 when Stalin signed his notorious nonagression pact with Hitler the Soviet people have been told it was merely a grand ploy to gain time to build up the Red army against Hitler." Now on the 49th anniversary of the agreement, Soviet readers have just learned for the first time that Stalin viewed the pact not as a ploy but as the start of Nazi-Soviet détente and that the failure left the Soviet homeland more vulnerable than ever.

These troubling issues were raised in an article published last month, in Komsomolskaya which means Pravda, for the young people, by suggesting that millions of Soviet citizens may have died in World War II as a result of Stalin's folly, the article challenged one of the most basic myths of Soviet life, the Soviet Government presents the war as the great formative event for which the Soviet mentality, the drama in which government and people came together to fend off Hitler, the great patriotic war, not World War II, they do not call it that. To make this credible, Stalin's pact with Hitler on the eve of the war had to be explained away. In fact, last month this year the official line held that one, the pact was a skillful adroit move by Stalin to gain time to prepare for Hitler's inevitable assault. And that the ploy succeeded, Hitler hoodwinked the Fuhrer and the Red Army gain 2 precious years in which to ready itself; point two, the pact was purely defensive, the fact that shortly afterwards the Soviet Union next evaded, captured, swallowed the independent states that were free for 19 years since World War I of Latvia, Estonia, Lithuania, parts of Western Ukraine, and White Russia, both of the countries that Roosevelt gave a separate vote in the United Nations although all other nations get single votes and the province of Romania and Finland had nothing to do with the pact. That is Russian history to list various, the territories were added to free elections, is the Soviet story or through actions arising for the Soviet's legitimate need to secure the borders.

Soviet spokesmen recently repeated the traditional lie in a series of articles directed against nationalists in the Baltic Republic. Remember it is not just the Soviet States of Azerbaidzhan and Soviet Armenia where we see demonstrations in the streets. Sometimes a crowd reaches a million people, as it did in the capital of Azerbaidzhan or the capital of Baku is the capital of Azerbaidzhan, but in the capital of Armenia, a million people I have seen on the overhead imagery from satellite photography. It is incredible but up north people march by the thousands in Riga, in Lithuania, Tillinn. So just recently they have tried to put down the spirit of nationalism in the countries that do not speak Russian, although the language is forced on the children. At school they speak their languages, and when you visit there flying from Moscow you feel you have already left the oppressive feeling of a Communist state and you feel like you are arriving in a Western style democracy.

Now the former Ambassador to Germany, Valentin Fallin, now head of Novesti, press agency, led the chorus in an important prime time TV interview 4 days after our Republican Convention just last month, just a few weeks ago he led the prime time interview laying out all of this lying pattern.

The next morning Komsomolskaya exploded its bombshell. The author of a five-column article was V.M. Kulish, a military historian and a war veteran, citing hereby untapped materials from the state archives. Mr. Kulish demolished the party line just upheld by Fallin the night before on television. Kulish argued that the Hitler-Stalin pact was the genuine article, no mere ploy. Think of that, what we have always known, we were not the Soviets' first choice as an ally. At the beginning stages of World War II, the Russian Communist choice of an ally under Stalin was Hitler himself, the mad dog killer of 12 million people in concentration camps, and we were his second choice for expediency because he was losing the war to Hitler and we began a tremendous resupply through Alaska and through the Black Sea of the Soviet Union to defend itself against Hitler's invasion.

Why else would Stalin blithely have turned over to the Gestapo German Communists, refugees who were in prison in Moscow, turn them over to be slaughtered. They sought asylum. Why else let Nazi spies prowl around on the border in the guise of looking for graves of German soldiers killed in World War I? They were mapping a frontier for the Operation Barbarosa, and they had the maps. You could not rely on the Soviet map. It was just admitted recently, the Soviet Union had to make an embarrassing admission, they have been deliberately distorting all of the maps in the whole country for almost 70 years, moving rivers, moving cities, moving villages and completely obliterating some villages because the paranoia was in the 1930's so incredible under the murderer Stalin purges, they had spies on the brain and changed all the maps of the country and have remained crippled by poor maps for half a century.

The historian, Mr. Kulish, noted if the pact were a ploy it failed. Far from gaining a respite for the Soviets, it assured Hitler's army a free hand in France which they conquered in June 1940 and enabled them to build up for 13 months and throw their full might against Russia with only England able to air power to counter any Nazi strength whatsoever.

Thus Stalin made himself the Russian campaign, a one-front effort with all of its bloody consequences.

The Komsomolskaya Pravda article also showed Stalin scheming against the Baltic Republics, against Poland, Kulish cites, for the first time in the Central Soviet Press. A month after I left, this is all hot breaking stuff, that the secret protocols that Molotov, Stalin's foreign minister, signed were amended to this treaty.

By these protocols, Hitler repaid Moscow for its hands-off policy as he ravaged Poland, by handing Stalin the three Baltic Republics, all in writing in secret protocols and other territories reaching from the Baltic Sea all the way to the Arctic. The deal included a big chunk of Poland, which Molotov contemptuously dismissed as "the mishapen runt" of a country from the Versailles Treaty that ended World War I. Hitler had worse things to say, calling it a bastard nation and using foul language when referring to Czechoslovakia. As if the accusations were not grave enough, Mr. Kulish concludes with the devastating charge that Stalin helped bring Hitler to power in the first place.

I wonder if this will be taught in high schools and colleges and graduate courses? For years, Hitler's main concern was not with fascism but with the German Social Democrats, former Communists who had split with Lenin and moved quickly and rapidly to the political center.

In the last year of the crumbling republic, there could have been an important bulwark against Hitler's rise, but Stalin ordered his German Communist allies inside Germany to concentrate their attacks on the former Communists now essentially democrats, liberals of the left middle, rather than to undermine Hitler.

None of this is going to come as any news to us in the West where it has been known for decades, or surprise the suffering people in the Baltic Republic, but for the official newspaper of the Communist youth organization to trumpet this is an absolute sensation. What political intrigues lie behind the revelation?

Keep this in mind, this is a September 18 article and as we stand here on the 50th anniversary of this other pact that preceded this one, the Chamberlain-Hitler Pact, we now have Communist leaders coming together in an almost panic situation in Moscow.

The trail leads back to Valentin Fallin, whose outspoken defense of the party line seems to have triggered this Kulish article. Long known as a liberal, he seems to have concluded that Gorbachev's reforms have gotten out of hand. The word "liberal" there could confuse you. Let us call Mr. Fallin an old line Communist or traditionalist, especially in the Baltic Republic in Poland in trying to reign in this nationalism, he has joined the traditionalists strongly felt in Moscow these days. This weekend, this clearly bothers the Gorbachev team. Someone at the top, Gorbachev or his henchman, Alexander Yakovlev, must have concluded that decisive action was called for. This piece by the historian Kulish is a major strike against the traditionalists and it hits the bull's eye.

The Pravda article is bound to have far-reaching effects. It challenges the mystic status of World War II as the great unifying event in Soviet history, and in effect transforms every Soviet war memorial monument, every Soviet war memorial into a monument in part to the victims of Stalinism. Just as important, for the first time, an official party organ has cast doubts on the legitimacy of Russian claims to territory gain in World War II. This is bound to fan nationalist sentiment in non-Russian republics of the Soviet Union.

My colleagues, Mr. Speaker, we may be seeing the beginning of the end of the Soviet Union with these 15 so-called republics held together by a police state with 66,000 police precincts spread over all of the republics. Whatever the political outcome, the Kulish article attests to a new readiness in Moscow to pull even the most horrifying skeletons from the national closet. No government easily admits to past error, let alone crimes. Look how long it took this House and the other body and the White House to finally resolve the pain suffered by the Americans of Japanese descent by putting them in holding camps in California and further West, and we did no such thing of Americans of Italian or German descent. This is true. It took us 47 years to rectify the hurts of 1941 and 1942. No government easily admits to past errors, let alone crimes, let alone crimes that have cost you millions in the lives of soldiers. Keep in mind that although Germany lost 3½ million soldiers in World War II, the Soviet Union lost 20 million people. Six million were men in armies, and I visited the camps, as I have said in this well several times this month, I visited the extermination camps in Poland and the beginning of the massive killing in Majdanek and Auschwitz involved Soviet prisoners. It was the death of 700 Soviet prisoners in C-block 11 at Auschwitz where they worked out the poison gas cyclone B gas they used later to kill most of the 6 million Jews that suffered at the hands of the Nazi terror.

By opening up this sordid Hitler-Stalin affair to candid suggestion, Kulish and the backers initiated a process by which the Soviet Union can finally transcend it. I confess to you as I told some of my Soviet hosts in Moscow last month I would rather visit the Soviet Union than any nation on the face of the earth because I am fascinated in the course of their history; the suffering their people have undergone. The fact there are only two superpowers in the world together, each capable of not only destroying the other many times over, but even one, if we do not resolve our differences, able to virtually destroy civilization as we know it.

□ 2215

The Soviet Union is going through absolute spasms of internal tension because everything is coming unraveled in their concocted role in history. If I am back in the 101st Congress, I will do a series of special orders leading up to August 24, 1939, the signing of that Hitler/Stalin pact.

Now what led up to this pact, the 50th anniversary of which comes on this very night? Here is, from an encyclopedia, the entire context of the Munich Agreement, September 29, 1938.

Again, the world does not know until tomorrow morning. It is so short that I am going to put it into the RECORD and I will read highlights from these two pages.

Section 1 "Germany, the United Kingdom, France, and Italy, taking into consideration the agreement which has already been reached in principle for cession to Germany of the Sudeten German territory, have agreed on the following terms and conditions governing the said cession and the measures consequent theron, and by this agreement they each hold themselves responsible for the steps necessary to secure its fulfillment." Then they list eight points. I will synthesize them. No. 1 is one sentence: The evacuation will begin on the 1st of October 1938. They are evacuating whole areas of the nation of Poland. Here is the sketch map annexed to the agreement signed at Munich. Where Czechoslovakia had very irregular borders formed mostly by the peaks of mountain ranges and rivers, this is as though they took a child's protractor, and just cut straight lines through the country at sharp angles and take chunk 1 out that was to be completed turned over to Germany on October 1 and 2, chunk 2 on October 2 and 3, chunk 3, the infamous Sudeten land as it was called in all the news reels 50 years ago. Chunk 4 over here on the middle/northern border of the country was to be taken over on October 6 and 7. But then as the other points go on to say, there were going to be plebiscites in every single part of Czechoslovakia where there three people who could speak German. No. 2 says "The United Kingdom, France, and Italy agree that the evacuation of the territory shall be completed by the 10th of October without any existing installations having been destroyed and that the Czechoslovakian government will be held responsible for carrying out this evacuation without damage to the said installations." In other words, you will participate in the destruction and chopping up of your country. And France and Great Britain are going to sign to make sure that you do this.

No. 3, "The condition governing the evacuation will be laid down in detail by an international commission composed of representatives of Germany, the United Kingdom, France, Italy, and Czechoslovakia." Czechoslovakia is ordered to participate in the Frankenstein cutting up of their country. No. 4, "The occupation by stages," will go through the situation I just described on the map.

No. 5, "The international commission referred to in paragraph 3 will determine the territories in which a plebiscites is to be held. These territories will be occupied by international bodies," which turned out to be German troops, "until the plebiscite has been completed. The same commission will fix the conditions in which the plebiscite is to be held, taking as a basis the conditions of the Saar plebiscite." That is where Hitler took back all the territories in the mineral-rich Saar Valley area. "The commission will also fix a date not later than the end of November, on which the plebiscite will be held." Total destruction of the country of Czechoslovakia.

No. 6, "The final determination of the frontiers will be carried out by the international commission." Now get this, "This commission will also be entitled to recommend to the four powers, Germany, the United Kingdom, France, and Italy in certain exceptional cases minor modifications in the strictly ethnographical determination of the zones which are to be transferred without plebiscite," That is without an election. Get that word "ethnographical," ethnicity. This was the beginning of Hitler's moves to start declaring people subhuman and eliminating whole classes and whole religious bodies of human beings; gypsies, Jews of Europe, 6 million of whom died within a few years. The concentration camps had already been running for years outside of Dachau the place near Austria and a few other cities. Some of the camps were already open as of 5 years, some just a few months.

Then No. 7, "There will be a right of option into and out of the transferred territories, the option to be exercised within 6 months from the date of this agreement." That means if you are German and you wanted to move into what had been Czechoslovakian territory, if you were a Czech or a Slovak who wanted to move out, you probably went to prison.

Now No. 8, and get this, "The Czechoslovak Government," a free country since world War I "will within a period of 4 weeks from the date of this agreement release from their military and police forces any Sudeten Germans who may wish to be released," including bombers and terrorists, "and the Czechoslovak government will within the same period release Sudeten German prisoners who are serving terms of imprisonment for political offenses." That is it, folks, nothing else. First signature—they did not even go alphabetical—Adolf Hitler. Reichs-Chancellor of the Third Reich then Neville Chamberlain with no "Lord" title there; Edouard Daladier of France and Benito Mussolini Munich, September 29, 1938.

Then comes an annex to the agreement "his majesty's government in the United Kingdom and the French Government have entered into the above agreement on the basis that they stand by the offer, contained in paragraph 6 of the Anglo-French proposals of the 19th of September, relating to an international guarantee of the new boundaries of the Czechoslovak state against unprovoked aggression. When the question of the Polish and Hungarian minorities in Czechoslovakia have been settled, Germany and Italy for their part will give a guarantee to Czechoslovakia." Now we know what they mean by "ethnographical." Then the four signatures again at Munich, September 29, 1938.

Then a "declaration" which says, "the heads of the governments of the four powers declare that the problems of the Polish and Hungarian minorities in Czechoslovakia if not settled within 3 months by agreement between the respective governments shall form the subject of another meeting of the heads of government of the four powers here present."

All of this, of course, fell apart. Then the same names, Adolf Hitler, Neville Chamberlain, Edouard Daladier, Benito Mussolini at Munich, same date.

Then we have a "supplementary declaration" which says, "all questions which may arise out of the transfer of the territories shall be considered as coming within the terms of reference to the international commission." That is the next one. Again the four signatures, same date.

Then "composition of the international commission," which says and this ladies and gentlemen and Mr. Speaker is the totality of the infamous German-Anglo pact, the Munich pact, the Hitler/Chamberlain pact. Again, "composition of the international commission: the four heads of government here present agree that the international commission provided for in the agreements signed by them today shall consist of", and get this, I have never seen this or heard of anything like this before, "the Secretary of State in the German foreign office," which is like our Secretary of State, George Shultz, "the British, French, and Italian ambassadors accredited in Berlin, and a representative to be nominated by the Government of Czechoslovakia." Now no matter how high or high important the assignment to Berlin, an ambassador in a capital is not equal to the Secretary of State, the foreign minister of a country. They actually called him the Secretary of State. They did not use the words foreign minister, they used the same term we used in this country. I did not know that any other country used that term. Secretary of State in a German foreign office plus three ambassadors accredited in Berlin. Now get this the last words of this infamous Munich agreement "a representative to be nominated by the Government of Czechoslovakia." Poor little Czechoslovakia was not even participating, they were supposed to send some traitor to participate in the destruction of their country.

And this evil that started tonight laid the ground work for this horror of what was to take place 50 years ago this coming August, the Hitler/Stalin pact that I just talked about.

Mr. Speaker, if glasnost is a real change in the Soviet Union or if it is simply just another case of deception designed to buy time for the next onslaught on democracy and free enterprise and human rights, then we must remember history or we are cursed to relive it. I am encouraged by glasnost. I am the most recent Congressman to see it. The first and only Congressman or senator to meet with the head of the whole Soviet prison system. All those concentration camps that are outside the woods where Stalin successfully murdered, starved to death, buried alive maybe as many or more people, according to the current Gorbachev government, as did Adolf Hitler. There are no tours as I saw tours of Russians going through Auschwitz or Majdanek, there are no tours of anybody going through those wooded camps, the Archipelago Island camps out through the Gulag, the torture areas of Siberia. Nobody is opening them up to the public. There were no stops where I could get off the trans-Siberian railroad and take a railroad north to those camps. Some of the camps are not so far from the trans-Siberian railroad.

When are we going to open up to history the mass graves of Siberia so that Russian citizens can grieve for their dead and the German families who lost hundreds of thousands of prisoners—it is understood that they were the invading army—or the American citizens who disappeared in the Soviet Union in the thirties who died in some nameless spot shot to death or starved to death or died of disease, or froze to death trying to escape Siberia; when will that wonderful day be when a true democracy is in the Soviet Union and they say to the world, to forensic experts everywhere "help us to retrace what Gorbachev calls the blank pages of Soviet history," so that people can not only visit but so that it may never happen again, the death and extermination camps of Nazi Germany, but the death and extermination camps of Hitler's companion, Josef Stalin, the killer who may have killed more people than Adolf Hitler.

We have to watch carefully the withdrawal from Afghanistan. Any improvement in United States-Soviet relations, is it in the best interest of the United States of America? I believe we must exercise extreme caution in all of our responses to these incredible things that are happening in the Soviet Union at the end of this amazing period of history over the last central 50 years of this century.

Soviet leadership always institutes short-term domestic solutions and rapprochement with former adversaries when they are having grievous economic problems. And they are having incredible food shortages. I saw it with my own eyes. It is even worse in Romania.

But on that August 24 date of just last month, on the 49th anniversary of that treaty of so-called nonaggression between Nazi Germany and the Soviet Union, that agreement should be something that every one of us will study next year as we go through our defense budget for the defense authorization that we will be coming to, in an agreement for fiscal year 1989. Tomorrow is the end of the fiscal year, September 30. This historical date that celebrates when Mr. Chamberlain himself said, "peace in our time," let us be most sure that when we begin to not even keep our defense budget up with the small inflation rate that we do have, when we begin to take real cuts because of inflation, that we are not turning our back upon a Ronald Reagan defense rebuilding, rearmament that brought the Soviet Union to the table for the INF Treaty which we should know by now did not destroy one nuclear weapon, not one atomic bomb. Not one device was destroyed. Only the carriers that move around these deadly weapons of doom.

That would be like saying that dynamite that is transported to a school to blow up a school on the bus that you destroy the bus but you put the dynamite aside to be carried by some other means in the future.

Now that is an important debate that we have coming up tomorrow on the 50th anniversary of Neville Chamberlain, the master of appeasement with his great statement "peace in our time."

I hope as we begin to relive now the 50th year anniversaries of all the events leading up to Pearl Harbor—I do not know about the other Members, but this Member, God willing, will be at Pearl Harbor on the 50th anniversary, December 7, 1991. I will then go to the 50th anniversary of every major, or most, as many as I can, of the major American victories of World War II, even the island campaigns, the Solomon Islands, Tarawa, shortly thereafter. I will certainly be on the beaches of Normandy in 1994 and in December 1994 I intend to walk the forest around Bastogne, visit the site of Malmady, Belgium, where German SS soldiers machinegunned to death 108 American POW's, young kids, 18 and 19 years of age, raw recruits that had surrendered honorably to what they thought was a fellow nation with the same cultural standards, being slaughtered like animals.

□ 2230

This is an incredible beginning of 50-year anniversaries that we are going to go through for the next 6 years, and I hope that people in this Chamber, in this still dangerous world, will use all of these 50-year anniversaries to recall just a short period of history of horror that has taken place and the millions upon millions of people that have been murdered in World War II, in Korea, in Vietnam, the killing fields of Cambodia, and the slaughters that still go on in various corners of the world, a few in the name of fascism, but the overwhelming in the name of communism and in the name of what we saw in the deceit of that Hitler-Stalin pact and the betrayal of the sad pact of appeasement that was signed 50 years ago tonight.

Mr. Speaker, I yield back the balance of my time.

THE 50TH ANNIVERSARY OF THE MUNICH CONFERENCE, SEPTEMBER 29-30, 1938

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. KEMP] is recognized for 60 minutes.

Mr. KEMP. Mr. Speaker, in extended remarks yesterday I took special note of the fact that we were on the eve of the 50th anniversary of the momentous conference which took place in Munich Germany on September 29, 1938.

At Munich, the leaders of two great democracies, Prime Minister Neville Chamberlain, of Great Britain, and Prime Minister Edouard Daladier, of France, met with two revolutionary dictators Nazi Germany's Adolf Hitler and Fascist Italy's Benito Mussolini.

As I noted yesterday, Munich marked a watershed in the well-intended but fundamentally flawed policies of democratic leaders who completely misunderstood and too long appeased the imperial ambitions of dictators who threatened the very existence of a democratic future.

The fate of Czechoslovakia and of Central Europe discussed and decided then has importance for us to this day. Indeed, what led to Munich, what happened there, and what followed continues to have extraordinary relevance in our contemporary world. Those tragic decisions and developments of a half century ago surely bear retelling and reconsideration.

I am convinced that we need to apply the lessons of Munich to a preeminent American task today—the protection and extension of freedom and democracy in a world where there are those do not share our democratic values and would seek domination over those who do.

Yesterday I cited writings and insights of Winston Churchill, noting some of his most incisive insights about "The Gathering Storm" which led to Munich and to World War II in all their tragic implications. I also entered into the RECORD, an excerpt on Churchill's life during that Munich period taken from a book on Churchill's, and perhaps England's so-called Wilderness Years.

Today, I would like to insert into the RECORD a detailed chronology of the history surrounding the Munich events and the misguided appeasement policy which so greatly contributed to the outbreak of World War II, and then to draw some lessons from it. This chronology has been prepared by my staff from a wide variety of scholarly sources.

A CHRONOLOGY OF HOPES, APPEASEMENT AND THE MARCH OF AGGRESSION LEADING UP TO WORLD WAR II

Winston Churchill focussed on the following events in his book, *The Gathering Storm* and subtitled the book "How the English-speaking peoples through their unwisdom, carelessness and good nature allowed the wicked to rearm." Opposed to the Allied appeasement which spured the dictators to war, Churchill told President Roosevelt that World War II should be called: "The Unnecessary War. There never was a war more easy to stop than that which just wrecked what was left of the world from the previous struggle."

1918 *Armistice Day* (Nov 11)—End of "The War to End All Wars".

1919 *Varsailles Treaty* (June)—Germany to be largely disarmed, Rhineland occupied by Allied forces, heavy reparations, new borders and states, mandates for former German colonies, etc. Terms help foster some of grievances and weaknesses that contribute to causes of World War II. League of Nations established, but U.S. does not join.

1919 *German Workers Party* founded in Jan. in Munich; joined in Sep. by Hitler, who by July 1921 becomes it leader and changes its title to National Socialist German Workers Party—i.e. the National Socialists, or "Nazis."

1922 *Washington Naval Treaty* (Feb)—Terms: US/UK naval parity; Japan at 2/3 US/UK level; France and Italy at 1/2 Japanese level.

1922 *German-Soviet Treaty of Rapallo* Rapproachement. Terms include: no war indemnity, resumption of diplomatic relations; most favored nation trade. At same time, Soviet Union (Lenin) agrees to train German armor and air force officers in Soviet Union with their equipment in violation of Versailles Treaty. Training is continued by Stalin and not stopped until Hitler ends practice, preferring German self-reliance.

1922 *Mussolini's March on Rome; Fascists Seize Power in Italy* (Oct)—Move to eliminate opposition.

1923 *France and Belgium Occupy Ruhr* (Jan) to try to force German payment of reparations, which were severely hampered by rampant German inflation and economic problems.

1923 *Hitler Putsch Attempt* (Nov) with war-time leader Gen. Ludendorff unsuccessful in attempt to seize power for Nazis in Bavaria. Hitler on trial in 1924 and imprisoned for 9 months; writes "Mein Kampf" (My Battle) outlining militant future Nazi plans within Germany and abroad. Book and Hitler not taken too seriously, especially abroad.

1925 *Locarno Treaties* (Oct)—UK/Italy guarantee Franco/German border; but not borders of Germany's eastern neighbors.

1925 *Franco-Soviet Treaty*—obliges USSR to aid Czechoslovakia against attack pending similar French action.

1926 *German-Soviet Treaty of Berlin* extends Rapallo Treaty of 1922; includes promise of neutrality in case of attack by any third country.

1926 *Germany Joins League of Nations* (Sep)

1928 *Kellog-Briand Pact* (August)—US, UK, France, Germany, Italy, and Japan agree to renounce aggressive war.

1930 *London Naval Treaty* (April)—Limitations on battleships, cruisers, destroyers and submarines. In Japan, Prime Minister Inukai is assassinated by militants because of his support for the Treaty.

1930 *German Elections* (Sep)—Nazis become second largest party with 20% of vote. Communists also do well.

1932 *German Presidential Elections* (Mar-Apr)—Hindenburg defeats Hitler. Nazi SA troops are banned after discovery of coup plans. Hitler denies knowledge and insists Nazis work within electoral system.

1933 *Hitler*, on Jan 30 called by President Hindenburg to become Chancellor of Germany, following series of political maneuvers since the November 1932 elections at which Nazi Party's share of vote had declined from 37% to 33% in Germany's last free election. Following Reichstag (Parliament) fire, Nazis soon move against left and conservative opposition parties via intimidation and "emergency" legislation.

1934 *Austria* (July) Nazi conspirators murder Chancellor Dollfuss but do not succeed in pro-Nazi coup.

1934 *Hitler* (Aug) becomes German "Fuehrer" upon death of Pres. Hindenburg; rapid consolidation of totalitarian dictatorship; Armed Forces swear personal oath to Hitler; stepped up German rearmament.

1934 *U.S. Diplomatic Recognition of Soviet Union*—Concern about Japanese expansionism. Soviets promise Communist restraint within US (pledge soon violated).

1935-1937 *UK: Baldwin Government*—appeasement, minimal rearmament; Churchill, Eden criticize.

1935 *German Nuremberg Decrees* (March)—Intensified persecution of Jews.

1935 *German Rearmament* (March) Hitler announces conscription; and establishment of air and submarine forces. This violates Versailles Treaty forbidding Ger. air and sub forces and limiting Ger. to 100,000-man army. Ger. soon has 600,000 man army. Response: At Stresa Conference UK/FR/Italy condemn breaches of Versailles Treaty, but there is little substance to this.

1935 *Anglo-German Naval Agreement* (June)—UK agreed to permit Germany 35% of UK levels and to build submarines. This violates Versailles Treaty and Stresa agreement. France is not consulted till late stage and her protests are ignored. At broader conference in London later in year, proposals for international naval limitations are not finally agreed.

1935 *U.S. Neutrality Act (Apr)*—prevents financial assistance to any country involved in a war and states no protections can be offered to U.S. citizens who enter a war zone.

1935 *Abyssinia (Ethiopia)* (Oct)—Italy crushes country by force. Response: Led by UK and France, League of Nations votes economic sanctions, which it later withdraws. With these half-hearted sanctions, oil supplies are left unhindered and Suez Canal is open to Italian troopships. France proposes partition and UK accepts Mussolini's conquest. Hitler and Mussolini observe ineffectiveness of League.

1936 *Rhineland* (March)—Hitler cancels Locarno Pact and, against advice of German generals, sends German troops into districts west of Rhine demilitarized by Versailles Treaty as reaffirmed at Locarno. Troops are under orders to withdraw if Allies resist. *Response:* Brief Allied protests, but no resistance. A triumph for Hitler, demonstrating French lack will to act.

1936 *Abyssinia War Ends* (May)—Italy annexes. Emperor Haile Selassie flees.

1936 *Sanctions Ended Against Italy* (July)

1936 *Germany*—(Aug)—Olympic Games in Berlin; 2 yr. Ger. consciption enacted.

1936 *Axis "Anti-Comintern" Pact*—Germany & Japan (Nov); Italy (Jan 1937); Spain (Mar 1939).

1937 *Hitler Formally Abrogates Versailles Treaty* (Jan)—In Reichstag speech abrogating all provisions, Hitler claims it is impossible for a great power to accept such restrictions.

1937 *Chamberlain Becomes British Prime Minister* (May)—Favors appeasement, slow rearmament.

1937 *U.S.: Roosevelt's Quarantine Speech* (Oct 4)—Neutrality is said to be impossible in face of epidemic of lawlessness. In London, U.S. Ambassador Joseph Kennedy and in Paris U.S. Ambassador William Bullit emphasise Germany's military might and counsel Allied appeasement as does C. Lindbergh.

1937 *Hitler's Hossback Conference* (Nov)—At this secret conference with his senior generals he lays out plans for expansion to East by force, preceded by near-term moves against Austria and Czechoslovakia. Concern among a number of the generals.

1937-8 *Winter Consultations Between U.K. & France*—Towards concessions on Hitler's Sudetenland claims against Czechoslovakia.

1938 *Eden Resigns as U.K. Foreign Minister* (Feb)—Opposed slow U.K. rearmament, appeasement to Ger and Italy and opposed Chamb. rejection of U.S. diplomatic approach from Roosevelt, Churchill continues to press for rapid rearmament, especially of air and air-defense forces.

1938 *Austria* (March)—German forces invade Austria; no fighting; "Anschluss" i.e. annexation with German Reich supported by over 99% in Austrian plebiscite in April. Hitler claims application of self-determination principle promoted by W. Wilson and enshrined in Versailles Treaty. *Response:* No Allied opposition.

1938 *U.K.-Italian Agreement* (Apr)—Churchill criticizes as "giving Italy in effect a free hand in Abyssinia and Spain in return for the imponderable value of Italian good will in Central Europe."

1938 *German Military Purges & Resistance to Hitler*—With forcible Nazification of German state & society and following Hitler's secret revelations to them of his future war aims (e.g. Hossback Conference Nov 1937 and March 1938 directive to plan attack on Czechosolvakia), increased opposition by senior German military leaders. In Feb, Defense Minister Gen. von Blomberg and Army head Gen. von Fritsch are fired; subsequently, Army chief Cen. Beck resigns. Major anti-Hitler coup/trial planned by senior anti-Nazi generals & For Min and Intelligence officials.

In contacts with British and French governments they warn of Hitler's specific war plans, and seek UK/FR change from appeasement to resistance to Hitler's demands and recognition of their own high risk resistance efforts on behalf of an antiNazi "other" Germany. Coup plans postponed by Chamberlain's trips/appeasement at Berchtesgarden, Godesberg and Munich. Future plots fail and most German Resistance figures are subsequently caught and executed by Nazis during the war.

1938 *U.K. and France on Defending Czechoslovakia* (Sep 10-12)—On September 10, the French Foreign Minister, Bonnet, asked the UK Ambassador in Paris, Sir Eric Phipps, whether if Hitler attacked Czechoslovakia and France mobilized "Will Britain march with us?" The diplomatic reply sent by the British Foreign Office on September 12 said: ". . . Her Majesty's Government . . . are unable to make precise statements of the character of their future action, or the time at which it would be taken, in circumstances that they cannot at present forsee."

1938 *Berchtesgarden Conference (Chamberlain/Hitler)* (Sep 16)—On visit to Hitler's "Eagle's Nest" in Bavaria, Chamberlain is inclined to accept Hitler's demands that Czechs cede large "Sudeten" areas, including Czech fortress line and 3 and 1/2 million German-speaking Czechs, to annexation by German Reich. Such annexation goes far beyond initial notion of "autonomy" for Sudeten areas within Czechoslovakia. UK Government approves Chamberlain's acceptance.

France (Prime Minister Eduoard Daladier, joins Chamberlain in accepting Hitler's demands and in issuing UK/French ultimatum to Czech President (Benes) to yield without a fight, even though Czechs, UK and French together have far stronger defense forces combined than Germany and Czechs, modern forces and fortresses are generally thought capable of putting up a very strong defense, especially if Germany faced threat from west.

1938 *U.K.: Report of Runciman Mission* (Sep 17)—Chamberlain's special emmissary to Czechoslovakia returns recommending an appeasement policy for "the transfer of predominantly German districts to Germany."

1938 *French/UK Consultations in London* (Sep 18)—Prime Minister Daladier and Foreign Minister Bonnet, the latter a strong proponent of appeasement, agree with Chamberlain on ceding German speaking districts to Germany. Said Churchill: "The British and French . . . presented a front of two overripe melons crushed together; whereas what was needed was a gleam of steel. On one thing they were all agreed: there should be no consultation with the Czechs. These should be confronted with the decision of their guardians. The Babes in the Woods had no worse treatment."

On night of September 20/21 UK and French Ministers in Prague press Czech President, Benes, to accept the proposals "before producing a situation for whch France and Britain could take no responsibility." Benes bows.

On Sept 21 Churchill issues statement saying: "The partition of Czechoslovakia under pressure from England and France amounts to the complete surrender of the western Democracies to the Nazi threat of force. Such a collapse will bring peace or security neither to England nor to France. On the contrary, it will place these two nations in an ever-weaker and more dangerous situation . . . . . It is not only Czechoslovakia alone that is menaced, but also the freedom and the democracy of all nations. The belief that security can be obtained by throwing a small state to the wolves is a fatal delusion."

1938 *BAD Godesberg Conference* (Chamberlain/Hitler) (Sep 22-23)—Chamberlain flies to Germany for second time. Hitler adds new demands for further Czech areas to be ceded by October 1. Chamberlain and subsequently his cabinet, and the French reject the new demands. UK mobilizes her fleet, and the French partially mobilize. Hitler hestitates briefly until new Allied appeasement steps occur.

1938 *German Military Warns Hitler Against War* (Sep 26-29)—Senior General Staff Generals, Chief of Navy warn Hitler against war and against pressing the Allies. Point to Czech 1.5 million army and modern air and armored forces, border fortress line which is stronger than France's Maginot Line and as problem of largely undefended German western frontier with France. Anti-Hitler Resistance figures hope for Allied change from appeasement policy.

1938 *Munich Conference* (Sep 29)—Note: Czechoslovakian state was created by Versailles Conference. Some 3.5 of its 14 m people were German-speaking, living principally in Sudetenland border regions. Pro-Nazi agitation lead by Henlein's Sudeten German Party had pressed in turn for rights, autonomy and annexation (with German Reich). Following major disturbances, Henlein and hard core followers had fled to Germany.

Conference Circumstances: On Sep 28 Chamberlain writes Hitler saying "I feel certain you can get all essentials without war, and without delay. I am ready to come . . . myself at once to discuss arrangements . . ." At same time Chamberlain urges Mussolini's agreement. In response, Hitler immediately invites Chamberlain, Daladier and Mussolini to Munich for conference on next day. Chamberlain flies to Munich on September 29; returns Sep 30.

The Czechs are not represented at this "great power" conference and subsequently, as Benes resigns, state they "register their protest against a decision in which they had no part." USSR also not present; they had earlier signalled support of Czech resistance if France would fight. The Soviets probably assumed France would not fight, and Soviets themselves were severely weakened militarily by Stalin's recent purge of 35,000 commanders.

Terms: All of Hitler's demands met as presented by Mussolini and drafted by Germans. Czechs to cede Sudeten areas to Reich beginning October 1 and to be completed in 10 days. UK/France "guarantee" remaining Czech borders (a pledge subsequently ignored). An International Commission is to determine final frontiers.

1938 *Anglo-German Declaration of Nonagression* (Sep 30)—Document drafted by Chamberlain and co-signed by Hitler on morning of Sep 30 is shown by Chamberlain to public in London upon return as assuring "peace in our time." To skeptical colleagues Chamberlain says: "this time its different; this time he (Hitler) has made his promises to me," and "We are on a firm wicket. Hitler has promised me, and I believe him. We have made Europe safe."

Chamberlain hailed as peacemaker, as is Daladier in France. But First Lord of the Admiralty, Duff Cooper, resigns from Chamberlain cabinet in protest against short-sighted appeasement policy, and Churchill strongly opposes.

In Parliament, Winston Churchill expressed the Allies' shame, and appeasement's costs as follows:

"One pound was demanded at the pistol's point. When it was given, two pounds were demanded at the pistol's point. . . . I believe the Czechs, left to themselves . . . would have been able to make better terms than they have got after all this tremendous perturbation. . . . All is over, silent, mournful, abandoned, broken, Czechoslovakia recedes into the darkness. . . . I find unendurable the sense of our country falling into the power, into the orbit and influence of Nazi Germany, and of our existence becoming dependent upon their good will or pleasure. It is to prevent that that I have tried my best to urge the maintenance of every bulwark of defense. . . . It has all been in vain. Every position has been abandoned on specious and plausible excuses. . . . Our loyal, brave people . . . should know the truth. . . . There has been gross neglect and deficiency in our defences . . . we have sustained a defeat without a war, . . . the foretaste of a bitter cup which will be proffered to us year by year unless, by a supreme recovery of moval health and martial vigor, we arise again and take our stand for freedom as in olden time."

U.S.: Roosevelt, buttressed by U.S. Ambassador Joseph Kennedy's strong pro-Chamberlain views, sends congratulatory telegram to Chamberlain. Subsequently, Roosevelt seeks to encourage Allied resistance as well as U.S. rearmament and military assistance for Allies.

1938 *Poland Demands and Seizes Tschechen Area from Czechoslovakia* (Sept. 30).

1938 *Benes Resigns as Germans Move into Sudetenland* (Oct. 1)—Hach becomes Czechoslovakia's new president.

1938 *German-French Nonagression Declaration* (Dec.)—Parallels German-UK Declaration sought by Chamberlain at Munich.

1939 *Chamberlain Still Dreams of Peaceful Golden Age* (March 10)—On March 10, on the eve of the German invasion of Czechoslovakia in contravention of the Munich Agreement, an optimistic Chamberlain summarised his hopes to the UK Home Secretary Sir Samuel Hoare the following:

"Suppose that political confidence can be restored in Europe . . . Suppose that the people of Europe will be able to free themselves from the nightmare that haunts them, and from an expenditure on armaments that beggars them. Could we not then devote the inventions and discoveries of our time to the creation of a Golden Age? Five men in Europe (Chamberlain, Hitler, Mussolini, Stalin & Dladier) if they worked with a singleness of purpose and a unity of action, might in an incredibly short space of time transform the whole history of the world. . . ."

1939 *Germany Invades Remainder of Czechoslovakia* (Mar. 16)—Czechs, having been abandoned by their Allies and pressed to yield their fortress defense lines at Munich, do not resist, although they have modern air and armored forces. Germany's western frontier with France is left virtually unprotected from far more numerous (100) French divisions. But France and UK do not act and do not apply their Munich Agreement obligation to guarantee remainder of Czech territory against attack. Harsh occupation regime begins.

1939 *Germany Seizes Memel Area From Lithuania* (Mar 22)—Hitler's gains continue as area is incorporated into Reich, following German ultimatum to Lithuania.

1939 *Italy Invades Albania* (April)—Western powers do nothing to help Albania, but UK & France guarantee Greece and Rumania against German or Italian attack. Hitler rejects Roosevelt offer to mediate.

1939 *Hitler Revokes German-Polish Nonagreesion Pact of 1934 and Anglo-German Naval Agreement of 1935* (April)

1939 *German-Italian "Pact of Steel* (May 22)

1939 *UK Begins Conscription* (May 22)

1939 *Hitler/Stalin Pact* August 21-4)—While UK and French representatives are in Moscow to work on anti-Nazi stance, Stalin, with own defenses weak, frees Hitler's hand against Poland and against Western democracies.

Soviet-German Economic Agreement (Aug 21)—Germany to receive vital raw materials incuding oil and iron ore. Germany to supply machined goods.

Soviet-German Nonaggression Treaty (Aug 23-4)—Molotov and Ribbentrop toast "Socialist" dictatorships to be allied against common enemies—the "democratic capitalists"; secret agreement on division of Poland and zones of German and Soviet influences in Baltics (Ger. re Lithuania; USSR re Finland, Estonia & Latvia. Population transfers.

Note: Soviets remain in support of Hitler and his subsequent invasions to East and West until June 22, 1941 German invasion of Soviet Union.

1939 *Hitler-Chamberlain Exchanges* (Aug.)—Chamberlain warns UK prepared to help Poland with force. Hitler insists on German interest in Danzig and Corridor. (Nazi leader Forster, proclaimed head of state by Danzig Senate.)

1939 *German Invasion of Poland, Beginning of World War II* (Sept. 1)—Hitler demands City of Danzig's incorporation into Reich and German pathway to East Prussia across Polish Corridor. UK/FR state support of Poland if it resists Ger. attack Large German forces (53 divisions) invade on September 1.

UK and France issue ultimatum demanding withdrawal and declare war on September 3. Chamberlain forms War Cabinet including anti-appeasement leaders Churchill as First Lord of the Admirality and Anthony Eden as Secretary for the Dominions.

US declares neutrality (Sept. 5)

Brief entry of French patrols into German border area in West where Germans have only some 10 divisions. French troops withdraw Sept. 17. Beginning of Western "Sitzkrieg" i.e. "sitting war."

1939 *Soviet Invasion of Poland* from East (Sept. 17)—Soviets invade with two Army Groups. Poles, with only 35 battalions on their eastern frontier, are rapidly overwhelmed.

1939 *Germany Incorporates Western Poland into Reich* (Sept. 17)—

1939 *Soviet Moves in Baltics*

Soviet-Estonian Mutual Assistance Pact (Sept. 29)

Soviet-Latvian Mutual Assistance Pact (Oct. 5)

Soviet-Lithuanian Mutual Assistance Pact (Oct. 10)

These Pacts permit Soviet bases. Rather than providing protection, all three pacts are subsequently violated by forcible Soviet invasion/occupation/annexation.

1939 *Soviet Invasion of Finland* (Nov. 30)—Soviets attack with 26 divisions in 4 armies against outnumbered but strong Finish resistance. By Moscow Agreement (Mar. 1940) Finland is forced to cede Karelian Isthmus and eastern Karelia, and to lease Hango. USSR receives Petsamo transit rights.

Response: Soviets reject League of Nations mediation and are expelled from League (Dec 14, 1939)

1940 *German-Soviet Economic Agreement* (Feb 11)—As part of Nazi-Soviet anti-democratic alliance, the agreement provides vital raw materials to Germany's war machine; circumvents UK's naval blockade.

1940 *German Invasion of Denmark* (Apr 9)—Which surrenders on same day without a struggle.

German Invasion of Norway (Apr 9)—Which capitulated on June 10 after UK troops sent to Narvik areas were forced to leave

German Invasion of Netherlands and Belgium (May 10)—Netherlands capitulate May 15, Belgium on May 28

UK: Churchill Becomes Prime Minister (May 10)—having earlier (Apr 3) been appointed chairman of UK's Ministerial Defense Committee. Anti-appeasement, pro-defense views fully vindicated, though at terrible price.

German Invasion of France (June 5)—Which capitulates on June 22. Some 335,000 UK and French forces are rescued from beaches at Dunkirk. France partitioned into occupied zone and an unoccupied zone (Vichy) nominally under Field Marshal Petain who becomes Vichy "head of state" on July 10.

1940 *Battle of Britain*—(Summer)

1941 *US: Lend-Lease Act* (March)—To provide military aid to Britain in exchange for rights to bases. President may provide war materials to any country whose defenses the President deems vital to the defense of the US and without requiring immediate payment. US neutrality less and less feasible with war at sea, etc.

1941 *German Invasion of Soviet Union* (June 22)—Germany betrays Hitler-Stalin Pact, Soviets change sides vis'a vis Germany, but are neutral to Japan. Enormous cost in Soviet lives and treasure.

1941 *Soviet-Japanese Nonagression Pact*—Secures Japan's rear for expansion south (occupation of French Indo-China in July) and east:

Japanese Attack on Pearl Harbor (Dec 7)—U.S. Declares War on Japan (Dec 8)

Germany and Italy Declare War on US (Dec 11)

SOME INSIGHTS FROM MUNICH

There are many lessons this chronology of tragic misunderstandings, decisions and events carries forward to us today. I would mention just a few at this point, leaving others to be drawn by other Americans who care about our future as a free people.

1. Indifference to evil is evil (E. Wiesel). Neutralism does not work.

What Elie Wiesel has said about the Holocaust applies to other aspects as well of a free people's encounter with fundamental evil. The leaders of the democracies failed to recognize or understand the revolutionary nature of the totalitarian dictators they faced. Accustomed to governments which rule by consent, constitutional law and basic freedoms, and working with allies who generally shared basic values, they simply would not or could not understand the unconstrained ambitions and drive for power, both domestic and international, of the militant adversaries they were facing. Nuremberg laws, crushing of political and religious resistance, broken promises and treaties, unwarranted arms expansion, and invasions—all were too long ignored or wished away, even as the evil increased.

Particularly in their person-to-person summit meetings, the democracies' leaders, proved too ready to forgive and forget broken justice and broken treaties and to listen to the "last" demand, the "reasonable" appeal or the "new" language of unprincipled dictators. They signed on to new agreements while old ones were broken and put their faith in the latest words of a promised reformation. Their illusions brought shame and catastrophe to the people who had relied on their leadership and to all mankind.

Regrettably, such illusions and temptations have not eluded us to this day and must be avoided if we are to remain free and secure in an honorable peace.

2. Weakness and appeasement invite aggression.

Hitler and Mussolini, as later Tojo and Stalin, and other dictators, consistently exploited the democracies' weakness, first in military power and then in will power, to push to ever new demands and new expansions of their power. The democracies failure to acknowledge the facts about the growing threats and to provide for appropriate defense budgets, modern arms well defended pro-democratic alliances—like the illusions about unilateral arms restraints, ineffective international organizations and unenforceable arms control conventions—proved exceedingly costly.

Chamberlain's anger with Churchill, Eden and others for pointing out the facts about weak defenses and weak diplomacy in the face of aggressive adversaries proved dangerously misplaced. Individually even, and certainly when combined, France and England, and Czechoslovakia, should have assured adequate military deterrent power and a confident diplomacy and could have built on that strength with telling effect. Instead of assuring peace through strength—

military, economic and moral—they chose to appease and thereby brought far greater dangers with each surrender.

Is not this, too, a lesson with highly contemporary applications?

3. *Keeping trust with allies is essential to honour, and peace without honour is not peace nor does it bring security. Peace without honour destroys the chance for a true peace based on democracy within and among nations linked by just principles.*

Great powers are too often tempted to sacrifice smaller nations, including smaller allies, for what they perceive to be their own larger national interests. The Western democracies negotiated on the fate of smaller allies while at important stages excluding them from the negotiating table—an unworthy act which too often still plagues us to this very day in Central America, Africa and Asia. The surrender of allies in battle or at the negotiating table brings not peace or security, but aggression, terror and dishonour.

Failing to honor alliance commitments and defending those who resist tyranny has wide-reaching implications. It discourages democratic allies and democratic resistance forces everywhere. It feeds the hunger of revolutionary dictators for dominations, both at home and abroad. Not only Czechoslovakia, but a host of smaller countries were to be attacked, and finally France and England themselves. And within Germany the democracies' appeasement tragically undercut the resistance efforts, including plans of the German Resistance generals and officials who opposed Nazism and Hitler and who wanted to bring Hitler to trial and create a democratic and peaceful Germany. Munich ended the best chance for such a change, which would have ended Nazi terror within Germany and abroad and prevented the war that was to follow with all its horrors.

Are there not major lessons for us in such insights today?

THE WORLD COURT TESTIMONY OF EDGAR CHAMORRO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. BONIOR] is recognized for 60 minutes.

Mr. BONIOR. Mr. Speaker, I will not use my full time, but I wanted to take this time to address a question that is persistently being pursued by some of my colleagues in this body, and that is the question of the involvement of the Central Intelligence Agency and the activities in the country of Nicaragua and, to that point, the question of what has and has not been put on the public record.

I would like to submit for the RECORD the testimony before the World Court of Edgar Chamorro. Many of us in this body know Edgar Chamorro. He has been here and talked to virtually hundreds of Members of Congress over the years. He is 54 years of age. He was born in Grenada, Nicaragua, to a very prominent conservative party family. At the age of 19 he joined the Jesuit order and later entered the priesthood. Chamorro studied at Marquette and Harvard Universities through an exchange program developed under the auspices of John F. Kennedy and through his inspired Alliance for Progress. In Nicaragua Dr. Chamorro served as dean of the School of Humanities at Managua's University of Central America.

> In 1977, after a second career in advertising and public relations, he was appointed to Nicaragua's Mission to the United Nations. Chamorro left Nicaragua in 1979, disturbed by the increasingly brutal acts of the Somoza government, such as the bombing of residential neighborhoods, and what he perceived to be the radical excesses of the Sandinistas, who came to power in July of that year.

His testimony is, I think, important because he participated in the revolution. He tried to work with the Nicaraguan Government after the revolution, July 19, 1979. He had serious disagreements with the Sandinistas in the government. He left. He joined the Nicaraguan Democratic Union.

In fact, he was one of, I believe, the principal founders, lived in exile, and this is the time that the Central Intelligence Agency, our Central Intelligence Agency, was beginning to relieve, if you will, the Argentinians in their war against the existing Government of Nicaragua.

Mr. Chamorro lays out in a very comprehensive, believable way how the Central Intelligence Agency involved themselves, not only in overthrowing the Government of Nicaragua, but inviting officials, journalists of Honduras and Costa Rica in total disregard for the institutions of democracy in those countries, in addition to Nicaragua itself.

Let me, if I could, address some of his assertions in his testimony, and I am going to skip to page four of his testimony and read from the section entitled "The Buying of Influence." Mr. Chamorro says:

> At the end of January, 1983 I was insructed to relocate to Tegucigalpa, Honduras to establish and manage the FDN's communications office. The CIA station in Tegucigalpa, which at that time included about twenty agents working directly with the FDN, gave me money, in cash, to hire several writers, reporters and technicians to prepare a monthly bulletin called "Comandos," to run a clandestine radio station, and to write press releases.
>
> I also received money from the CIA to bribe Honduran journalists and broadcasters to write and speak favorably about the FDN, that is the Nicaraguan Contra movement, and to attack the government of Nicaragua and call for its overthrow. Approximately fifteen Honduran journalists and broadcasters were on the CIA's payroll, and our influence was thereby extended to every major Honduran newspaper, radio and television station. I learned from my CIA colleagues that the same tactic was employed in Costa Rica in an effort to turn the news media of that country against the Nicaraguan government.
>
> Most of the CIA operatives who worked with us in Honduras were military trainers and advisers. Our troops were trained in guerrilla warfare, sabotage, demolitions, and in the use of a variety of weapons. We were also trained in field communications, and the CIA taught us how to use sophisticated codes that the Nicaraguan government forces would not be able to decipher. This was critical to our military operations.
>
> Even more critical to our military activities was the intelligence that the CIA provided to us. The CIA, working with United States military personnel, operated electronic interception stations in Honduras for the purpose of monitoring radio and telephonic communications among Nicaraguan military units. This intelligence was invaluable to us. Without it our forces would not have been able to operate with any degree of effectiveness in Nicaragua.
>
> The United States government also made it possible for us to resupply our troops inside Nicaragua, thus permitting them to remain longer in the country. Under cover of military maneuvers in Honduras during 1983, United States armed forces personnel constructed airstrips that, after the CIA provided us with airplanes, were instrumental in resupplying our troops under the cover of military maneuvers.
>
> In 1983, the CIA instructed us not to destroy farms or corps because that would be politically counterproductive. In 1984, however, we were instructed to destroy export crops especially coffee and tobacco, and to attack farms and cooperatives. Accordingly, we changed our tactics.
>
> In July 1983 we were visited in Tegucigalpa by Duane Clarridge, the CIA official in charge of the Agency's military and paramilitary activities in Nicaragua. At the time we were introduced to Clarridge as "Dewey Maroni."

It goes on to speak about:

> In September 1983, the CIA blew up the pipeline, just as Clarridge had advised us it would.

He is talking here about the oil pipeline off of Nicaragua's Pacific coast, the mining of the harbors. The actual operatives were agency employees of Hispanic descent referred to within the agency as unilaterally Latino assets or UCLA's. These UCLA's were specifically trained underwater demolition experts who were dispatched from a CIA mother ship.

In his testimony that has been made public before the World Court Chamorro goes on to outline specifically the agency's role in mining the harbors.

> In May 1984 in a section called "The Selling of Congress," the United States Congress voted not to provide more asssitance to the CIA for military and paramilitary activities against Nicaragua. Many of us became worried about receiving continued support from the United States government.
>
> Around this time we were visited by Ronald F. Lehman II, a Special Assistant to the President of the United States, who was serving on the National Security Council. Mr. Lehman assured us that President Reagan remained committed to removing the Sandinistas from power. He told us that President Reagan was unable at that time to publicly express the full extent of his commitment to us because of the upcoming presidential elections in the United States. But, Mr. Lehman told us, as soon as the elections were over, President Reagan would publicly endorse our efforts to remove the Sandinistas and see to it that we received all the support that was necessary for that purpose. We received a similar assurance from

Lt. Col. Oliver North, another official of the National Security Council.

Mr. Chamorro goes on in his testimony before the World Court and states—

> These officials and the CIA had not abandoned hope that the Congress could be persuaded to resume funding our activities. Our CIA colleagues enlisted us in an effort to lobby the Congress, attend meetings, and basically these are my words, do the things that were necessary to bring about resumption of aid.

Mr. Chamorro then outlines in great detail a consistent pattern of Contra atrocities. He talks about a manual entitled "Psychological Operations in Guerrilla Warfare." It talks about raids, kidnappings, tortures, mutilations, that I will not go into in any great detail this evening, but I commend this reading to my colleagues because I think it states so very, very clearly what many of us have been suggesting for so very, very long, and that is that while the administration on the one hand was putting up a facade of peace, holding out an olive branch for peace, it was running a secret operation through Colonel North, Admiral Poindexter, and others, trying to overthrow the Government and scuttle any efforts on the part of the Contadora countries, and eventually Costa Rico President Arias in putting together a successful peace proposal for Central America.

This is important testimony. It has probably been overlooked too long by us, and I would beseech my colleagues to look at it carefully because it does, in fact, lay out the plan of this administration to disrupt the peace process and to really set back the goals in which we are all trying to strive for here, peace and democracy in Central America.

Mr. Speaker, at this point I would yield back the balance of my time.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Callahan (at the request of Mr. Michel), for today until 12 noon, on account of a death in the family.

Mr. Clement (at the request of Mr. Foley), for today before 11:45 a.m., on account of official business.

Mrs. Vucanovich (at the request of Mr. Michel), for today, until 4 p.m., on account of official business as congressional observer at space launch.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mrs. Vucanovich) to revise and extend their remarks and include extraneous material:)

Mr. Callahan, for 5 minutes, today.

Mr. Miller of Washington, for 5 minutes, today.

Mr. Kemp, for 60 minutes, today.

Mr. Tauke, for 5 minutes, today.

Mr. Packard, for 5 minutes, today.

Mrs. Bentley, for 60 minutes, on September 30 and 60 minutes on October 3, 4, 5, and 6.

(The following Members (at the request of Mr. Hoyer) to revise and extend their remarks and include extraneous material:)

Mr. Glickman, for 5 minutes, today.

Mr. Crockett, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Price, for 60 minutes, on October 4.

Mr. Panetta, for 5 minutes, today.

(The following Member at his own request, to revise and extend his remarks and inc*** BAD MAG TAPE ***lude extraneous material:)

Mr. Owens of New York, for 60 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mrs. Vucanovich) to revise and extend their remarks and include extraneous material:)

Mr. Ritter.
Mr. Kemp.
Mr. Solomon.
Mr. Kyl.
Mr. Marlenee.
Mr. Rogers.
Mr. Hunter.
Mr. Jeffords in two instances.
Mr. McEwen.
Mr. Green.
Mr. Leach of Iowa.
Mr. Rhodes.
Mr. Bereuter.
Mr. Stump.
Mrs. Johnson of Connecticut.
Mr. Dornan of California in two instances.
Mr. Lagomarsino.
Mr. Schuette.
Mr. Pursell.

(The following Members (at the request of Mr. Hoyer) and to include extraneous matter:)

Mr. Mazzoli.
Mr. Coleman of Texas.
Mr. Stark in four instances.
Mr. Traficant.
Mr. Sharp.
Mrs. Schroeder.
Mr. Pepper.
Mr. Hoyer in two instances.
Mr. Dymally.
Mr. Studds.
Ms. Oakar.
Mr. Feighan.
Mr. Clay in two instances.
Mrs. Byron.
Mr. Kanjorski.
Mr. Bennett.
Mr. Williams.
Mr. Florio.
Mr. Harris.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. **ANNUNZIO**, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 4419. An act to authorize appropriations for activities under the Federal Fire Prevention and Control Act of 1974;

H.R. 4481. An act to authorize appropriations for fiscal year 1989 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes;

H.R. 4782. An act making appropriations for the Department of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1989, and for other purposes;

H.R. 4794. An act making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 1989, and for other purposes; and

H.J. Res. 665. Joint resolution authorizing the hand enrollment of appropriations bills for niscal year 1989 and authorizing the subsequent, post-enactment preparation of printed enrollments of those bills.

SENATE ENROLLED BILL AND JOINT RESOLUTION SIGNED

The **SPEAKER** announced his signature to an enrolled bill and a joint resolution of the Senate of the following titles:

S. 1259. An act to direct the Secretary of the Interior to permit access across certain Federal lands in the State of Arkansas, and for other purposes, and

S. Res. 317. Joint resolution commemorating the bicentennial of the French Revolution and the Declaration of the Rights of Man and of the Citizen.

ADJOURNMENT

Mr. **BONIOR**. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 44 minutes p.m.), the House adjourned until tomorrow, Friday, September 30, 1988, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4390. A letter from the Chairman, Securities and Exchange Commission, transmitting a draft of proposed legislation to amend the Federal securities laws in order to provide additional enforcement remedies for violations of those laws; to the Committee on Energy and Commerce.

4391. A letter from the Deputy Associate Director for Collection and Disbursements, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

4392. A letter from the Comptroller General, General Accounting Office, transmitting a report entitled, "Nuclear Waste: Fourth Annual Report on DOE's Nuclear Waste Program" (GAO/RCED-88-131), pursuant to 42 U.S.C. 1022(d); jointly, to the Committees on Government Operations, Energy and Commerce, and Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DINGELL: Committee on Energy and Commerce. H.R. 4140. A bill to require an Office of Investigations within the Nuclear Regulatory Commission (Rept. 100-878, Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. DINGELL: Committee on Energy and Commerce. H.R. 2848. A bill to amend title 17, United States Code, relating to copyrights, to provide for the interim statutory licensing of the secondary transmission by satellite carriers of superstations for private viewing by earth station owners; with amendments (Rept. 100-887, Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. RODINO: Committee on the Judiciary. H.R. 4982. A bill to amend the Federal Food, Drug, and Cosmetic Act to authorize abbreviated new animal drug applications and to amend title 35, United States Code, to authorize the extension of the patents for animal drug products; with an amendment (Rept. 100-972, Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONIOR: Committee on Rules. House Resolution 556. Resolution waiving certain points of order against the conference report on H.R. 1720 and against the consideration of such conference report (Rept. 100-1003). Referred to the House Calendar.

Mr. DERRICK: Committee on Rules. House Resolution 557. Resolution providing for the consideration of S. 2749, an act to authorize appropriations for fiscal year 1989 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes (Rept. 100-1004). Referred to the House Calendar.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 4883. A bill to amend the Federal Water Pollution Control Act to include Massachusetts Bay, Massachusetts, in the National Estuary Program; with amendments (Rept. 100-1005, Pt. 1). Ordered to be printed.

Mr. ANDERSON: Committee on Public Works and Transportation. H.R. 5186. A bill to designate the Federal Building and United States Courthouse at 109 South Highland, Jackson, Tennessee, as the "Ed Jones Federal Building"; with amendments (Rept. 100-1006). Referred to the House Calendar.

Mr. ANDERSON: Committee on Public Works and Transportation. S. 1476. An act to designate the Federal Record Center at 9700 Page Boulevard, Overland, Missouri, as the "SSG Charles F. Prevedel Building"; with amendments (Rept. 100-1007). Referred to the House Calendar.

Mr. ANDERSON: Committee on Public Works and Transportation. S. 2496. An act to provide for the leasing of certain real property to the American National Red Cross, District of Columbia Chapter, for the construction and maintenance of certain buildings and improvements. (Rept. 100-1008). Referred to the Committee of the Whole House on the State of the Union.

Mr. ANDERSON: Committee on Public Works and Transportation. H.R. 5321. A bill to amend the Motor Carrier Safety Act of 1984 to eliminate application of the commercial zone exemption to commercial motor vehicle safety regulations, and for other purposes; with an amendment (Rept. 100-1009). Referred to the Committee of the Whole House on the State of the Union.

Mr. DIXON: Committee of conference. Conference report on H.R. 4776 (Rept. 100-1010). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FASCELL (by request):

H.R. 5420. A bill to authorize the lease of a specified naval repair ship to the Government of Pakistan; to the Committee on Foreign Affairs.

By Mr. JONES of North Carolina (for himself, Mr. Lowry of Washington, and Mr. Studds):

H.R. 5421. A bill to provide for development of a National Global Change Research Plan to coordinate oceanographic, atmospheric, terrestrial, and cryospheric research programs, and to establish the Council on Global Environmental Policy; jointly, to the Committees on Science, Space, and Technology, Merchant Marine and Fisheries, and Interior and Insular Affairs.

By Mr. MURTHA (for himself, Mr. Gaydos, Mr. Regula, Mr. Ritter, Mr. Visclosky, Mr. Erdreich, Mr. Dingell, Mr. Evans, Mr. Kolter, Mr. Kostmayer, Mr. Lipinski, Mr. MacKay, Mr. Murphy, Mr. Natcher, Mr. Nowak, Mr. Pease, Mr. Rahall, Mr. Shuster, Mr. Walgren, Mr. Wilson, Mr. Yatron, Mr. Campbell, Mr. Donald E. Lukens, Mr. Cardin, Mr. Foglietta, Mr. Costello, Mr. Nichols, Mr. Coleman of Missouri, Mr. Applegate, Mr. Harris, Mr. Miller of Ohio, Mr. Clinger, Mr. Oberstar, Mr. Traficant, Mr. Schulze, Mr. Montgomery, Mr. Davis of Illinois, Mrs. Bentley, Mr. Mollohan, Mr. McCloskey, Mr. Gekas, Mr. Kanjorski, Mr. Bevill, Mr. Conyers, Mr. Smith of New Jersey, Ms. Oakar, Mr. Coyne, Mr. Nielson of Utah, Mr. McDade, Mr. Ridge, Mr. Savage, Mr. Manton, Mr. Jontz, Mr. Clay, Mr. Callahan, Mr. Feighan, Mr. Davis of Michigan, Mr. Ford of Michigan, Mr. Coughlin, Mr. Guarini, and Mr. Towns):

H.R. 5422. A bill to extend the Steel Import Stabilization Act for an additional 5 years; to the Committee on Ways and Means.

By Mr. RICHARDSON:

H.R. 5423. A bill to authorize continued storage of water at Abiquiu Dam in New Mexico; to the Committee on Public Works and Transportation.

By Mr. SHARP:

H.R. 5424. A bill to amend the Energy Policy and Conservation Act to increase the efficiency and effectiveness of State energy conservation programs conducted under such act, and for other purposes; jointly, to the Committees on Energy and Commerce and Science, Space and Technology.

By Mr. GONZALEZ:

H.J. Res. 668. Joint resolution to reduce the amount of manmade material in space; jointly, to the Committees on Science, Space and Technology and Foreign Affairs.

By Mr. DYMALLY (for himself and Mr. Donald E. Lukens):

H.J. Res. 669. Joint resolution to designate October 14, 1988, as "National Day of Remembrance for Political Prisoners in Iran"; to the Committee on Post Office and Civil Service.

By Mrs. BYRON:

H. Con. Res. 379. Concurrent resolution expressing the sense of the Congress concerning the current fraternization policies of the Armed Forces of the United States; to the Committee on Armed Services.

By Mrs. JOHNSON of Connecticut (for herself, Mr. Oberstar, Mrs. Boxer, Mr. Madigan, Mr. Hastert, Mr. Stangeland, Mr. Lightfoot, and Mr. Craig):

H. Con. Res. 380. Concurrent resolution expressing the sense of Congress regarding reductions in payments to hospitals under part A of the Medicare Program; to the Committee on Ways and means.

By Mr. PANETTA (for himself, Mr. Foley, Mr. Michel, Mr. Coelho, Mr. Annunzio, Mr. Frenzel, Mr. Hawkins, Mrs. Schroeder, Mrs. Martin of Illinois, Mr. Roberts, Mr. Bartlett, Mr. Eckart, and Mr. Durbin):

H. Res. 558. Resolution providing for fair employment practices in the House of Representatives; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

Mr. KENNEDY introduced a bill (H.R. 5425) for the relief of Wen-Lan Pao Hsi; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 2116: Mr. Chapman.
H.R. 2854: Mr. Kolbe.
H.R. 3241: Mr. Carr.
H.R. 3515: Mr. Lent and Miss Schneider.
H.R. 3889: Mr. Mfume and Mr. Carr.
H.R. 4049: Mr. Jacobs and Mr. DioGuardi.
H.R. 4140: Mr. Slattery.
H.R. 4250: Mrs. Patterson.
H.R. 4396: Mr. Miller of Washington.
H.R. 4924: Ms. Kaptur and Mr. Neal.

H.R. 4987: Mr. TORRICELLI.

H.R. 4992: Mrs. JOHNSON of Connecticut, Mr. LOWRY of Washington, and Mr. MAVROULES.

H.R. 5033: Mr. FAUNTROY.

H.R. 5043: Mr. HUGHES and Mr. SMITH of Texas.

H.R. 5154: Mr. GOODLING and Mr. HOUGHTON.

H.R. 5278: Mr. FASCELL.

H.R. 5281: Mr. BENNETT, Mr. PEPPER, Mr. FASCELL, Mr. GIBBONS, Mr. CHAPPELL, Mr. YOUNG of Florida, Mr. LEHMAN of Florida, Mr. NELSON of Florida, Mr. HUTTO, Mr. MICA, Mr. SHAW, Mr. MCCOLLUM, Mr. MACKAY, Mr. LEWIS of Florida, Mr. MACK, Mr. BILIRAKIS, Mr. SMITH of Florida, and Mr. GRANT.

H.R. 5293: Mr. MCCANDLESS, Mrs. JOHNSON of Connecticut, Mr. BOEHLERT, Mr. BADHAM, and Ms. KAPTUR.

H.R. 5303: Mr. BUNNING.

H.R. 5324: Mr. TRAFICANT, Mr. RODINO, Mr. ROWLAND of Connecticut, Mr. LAGOMARSINO, Mr. MCGRATH, Mr. SMITH of Florida, Mr. GIBBONS, Ms. KAPTUR, Mr. PORTER, and Mr. LEHMAN of California.

H.R. 5329: Mr. BATES, Mrs. BENTLEY, Mr. DIOGUARDI, Mr. ACKERMAN, Mr. LENT, Mr. FAZIO, Mr. GOODLING, and Mr. MOORHEAD.

H.R. 5338: Mr. JEFFORDS, Mr. JONTZ, Mr. MORRISON of Connecticut, Mr. PEASE, Mr. SLATTERY, and Mr. VENTO.

H.R. 5376: Mr. HILER, Mr. OLIN, Mr. JONES of North Carolina, Mr. HORTON, Mr. BAKER, Mr. SLATTERY, Mr. JONTZ, Ms. KAPTUR, Mr. LEHMAN of California, and Mr. PARRIS.

H.R. 5394: Mr. ACKERMAN, Mr. MRAZEK, Mr. BATES, Mr. DELLUMS Mr. DAVIS of Illinois, Mr. MCCURDY, Mr. STRATTON, and Mrs. BOXER.

H.R. 5402: Mr. GUNDERSON.

H.R. 5410: Mr. GAYDOS, Mr. ACKERMAN, Mrs. BENTLEY, Mr. ECKART, Mrs. BOXER, and Mr. ERDREICH.

H.J. Res. 321: Mr. PAYNE.

H.J. Res. 516: Mr. EDWARDS of Oklahoma.

H.J. Res. 537: Mr. BADHAM and Mr. KLECZKA.

H.J. Res. 554: Mr. PICKLE, Mr. DINGELL, Mr. CROCKETT, Mr. TRAXLER, Mr. MARTINEZ, and Mr. ROSE.

H.J. Res. 575: Mr. ACKERMAN, Mr. AKAKA, Mr. BURTON of Indiana, Mr. BUSTAMANTE, Mr. COATS, Mr. DANNEMEYER, Mr. DOWDY of Mississippi, Mr. GALLO, Mr. GILMAN, Mr. HALL of Ohio, Mr. MCCOLLUM, Mr. MOLINARI, Mr. PRICE of North Carolina, Mr. COSTELLO, Mr. RAVENEL, Mr. ROSE, Mrs. ROUKEMA, Mr. SCHAEFER, Mr. SHAW, Mr. TAUZIN, Mr. THOMAS of Georgia, Mr. VALENTINE, Mr. VANDER JAGT, Mr. WEISS, Mr. MOORHEAD, Mr. CRAIG, Mr. SLAUGHTER of Virginia, Mr. GEKAS, Mr. BILIRAKIS, Mr. JEFFORDS, Mr. BOEHLERT, Mrs. VUCANOVICH, and Mr. SIKORSKI.

H.J. Res. 607: Mr. ANTHONY, Mr. ATKINS, Mr. AUCOIN, Mr. BATEMAN, Mr. BENNETT, Mr. BOEHLERT, Mr. BOLAND, Mr. BORSKI, Mr. BRYANT, Mr. CARPER, Mr. CLAY, Mr. CLEMENT, Mr. CONYERS, Mr. COOPER, Mr. COYNE, Mr. CROCKETT, Mr. DAVIS of Michigan, Mr. DELLUMS, Mr. DERRICK, Mr. DEWINE, Mr. DIXON, Mr. DONNELLY, Mr. DOWDY of Mississippi, Mr. FLIPPO, Mr. FROST, Mr. GEPHARDT, Mr. GILMAN, Mr. GRAY of Illinois, Mr. GRAY of Pennsylvania, Mr. GREEN, Mr. GUARINI, Mr. HALL of Ohio, Mr. HAMMERSCHMIDT, Mr. HANSEN, Mr. HAYES of Illinois, Mr. HAYES of Louisiana, Mr. HEFNER, Mr. HERTEL, Mr. HOCHBRUECKNER, Mr. HOYER, Mr. SOLOMON, Mr. SYNAR, Mr. TAUKE, Mr. TAUZIN, Mr. THOMAS of Georgia, Mr. TORRES, Mr. TORRICELLI, Mr. TOWNS, Mr. TRAFICANT, Mr. TRAXLER, Mr. UPTON, Mr. WATKINS, Mr. WHITTAKER, Mr. WOLF, Mr. WOLPE, and Mr. YATRON.

H.J. Res. 636: Mr. CROCKETT, Mr. PANETTA, Mr. RAHALL, and Mr. KASICH.

H.J. Res. 656: Mr. STUMP, Mrs. SMITH of Nebraska, Mr. BADHAM, Mr. WORTLEY, Mr. BEREUTER, and Mr. IRELAND.

H.J. Res. 661: Mr. ASPIN, Mr. BROWN of California, Mr. CARPER, Mr. HALL of Ohio, Mr. HOUGHTON, Mr. JACOBS, Mr. LOWRY of Washington, Mr. MANTON, Mr. MILLER of California, Mr. MILLER of Washington, Mr. MOLINARI, Mr. PEPPER, Mr. RIDGE, Mr. SAXTON, Mr. SHAW, Mr. SISISKY, Mr. SMITH of New Jersey, Mr. SMITH of Florida, Mr. STARK, Mr. TALLON, Mr. TRAFICANT, Mr. WALGREN, Mr. WYDEN, and Mr. YOUNG of Alaska.

H. Con. Res. 160: Mr. CHAPMAN, Mr. BAKER, and Mr. BEREUTER.

H. Con. Res. 276: Mr. MOORHEAD, Mr. FUSTER, Mr. SAVAGE, Mr. OWENS of Utah, Mr. DOWDY of Mississippi, Mr. SABO, Mr. FORD of Tennessee, Mr. PICKETT, Mr. KANJORSKI, Mr. BRUCE, Mr. GORDON, Mr. FOLEY, and Mr. YOUNG of Florida.

H. Con. Res. 355; Mr. PENNY.

H. Con. Res. 365: Mr. CHAPMAN and Mr. GLICKMAN.

H. Con. Res. 371: Mr. AUCOIN and Mr. LANTOS.

H. Con. Res. 377: Mr. HYDE.

H. Res. 546: Mr. ARMEY, Mr. MCCURDY, Mr. BOULTER, and Mr. SWEENEY.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 387

By Mr. BURTON of Indiana:

—Page 9, strike line 13 and all that follows thereafter through page 10, line 12.

—Page 10, line 13, strike "(4)" and insert in lieu thereof "(3)".

—Page 10, line 17, strike "(5)" and insert in lieu thereof "(4)".

—Page 10, strike line 20 and all that follows thereafter through page 11, line 8, and insert in lieu thereof the following:

SEC. 5. METHODOLOGY.

In order to carry out the purpose set forth in section 2(a)(1), the Commission shall review all studies conducted by the Office of Personnel Management, the General Accounting Office, and the General Accounting Office (whether jointly or separately) since January 1, 1975, which compare pay scales of occupations within the Federal Government, especially those which are dominated by a particular race, sex, or ethnic group, and which analyze and attempt to explain any disparities evident in those comparisons. In addition, the Commission shall include a review of any Office of Personnel Management studies which compare Federal pay scales with free market wages, again noting any disparities.

—Page 11, strike line 9 and all that follows thereafter through page 12, line 4.

—Page 12, strike line 5 and all that follows thereafter through page 14, line 17, and insert in lieu thereof the following:

SEC. 6. REPORTING REQUIREMENTS.

The Commission shall, not later than 6 months after the date of its establishment, submit to the President and each House of Congress a summary of the findings and conclusions of the Commission, pursuant to its review of relevant studies and reports, with respect to differentials in rates of basic pay between or among occupations compared on the basis of sex, race, and ethnicity, including reasons for any disparities. This report shall also include recommendations for remedying any inequities.

—Page 14, line 18, strike "Sec. 8." and insert in lieu thereof "Sec. 7.".

—Page 15, strike lines 1 through 5, and insert in lieu thereof the following:

(b) ADVISORY NATURE.—Any findings, conclusions, recommendations, or comments of the Commission with respect to its review under this Act shall be considered to be of an advisory nature only.

—Page 15, line 6, strike "Sec. 9." and insert in lieu thereof "Sec. 8.".

—Page 15, strike line 13 and all that follows thereafter through Page 17, line 15.

—Page 17, line 16, strike "Sec. 11." and insert in lieu thereof "Sec. 9.".

—Page 15, strike lines 6 through 12 and insert in lieu thereof the following:

SEC. 9. FUNDING.

Before any provisions of this bill are executed, a specific amount of funds must be reviewed and recommended by the Appropriations Committee and approved by Congress.

EXTENSIONS OF REMARKS

WOMEN'S VIETNAM WAR MEMORIAL

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Mr. LENT. Mr. Speaker, I welcome this opportunity to express my strong support for legislation to establish a memorial in the District of Columbia to honor the women of the U.S. armed services who served in Vietnam.

This legislation, S. 2042, was passed unanimously by the House on September 23 and now must be considered by the Senate. I am hopeful that the measure will be enacted swiftly so that work may begin on this worthwhile project commemorating the women of the Vietnam war.

The women who served in Vietnam made an immeasurable contribution to our country through their dedication and self-sacrifice. This tribute to the courage and compassion of these some 260,000 women is long overdue and as a cosponsor of S. 2042, I am pleased by the bill's favorable consideration by the House.

The Vietnam war took a terrible toll on the lives of many of our young men and women and we owe those brave Americans a debt of gratitude and recognition for their selfless service in the defense of our Nation. I will continue to press for expedient action on this important measure and look forward to the establishment of the women's Vietnam war memorial as a testament to their patriotism and valor.

COMMENDING MR. BENJAMIN (BEN) HARGRAVE, FIRST BLACK PRINCIPAL IN THE OAKLAND PUBLIC SCHOOL SYSTEM

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Mr. DELLUMS. Mr. Speaker, on September 30, 1988, a distinguished educator, Mr. Benjamin (Ben) Hargrave, will be honored in Oakland, CA. Mr. Hargrave was the first black principal in the Oakland public school system. Over the years, Mr. Hargrave's life touched many of us who grew up in the Oakland school system. He has been an exemplary educator, and his leadership capabilities inspired and directed many of us to a more successful life in our chosen endeavors.

I am pleased to join the NAACP of Oakland, on behalf of its freedom fund, and Mr. Hargrave's many friends and admirers in congratulating him on this occasion, and in wishing him many more years of happiness and fruitful endeavors.

A TRIBUTE TO PATRICIA DILLON BLISS

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Mr. LAGOMARSINO. Mr. Speaker, California's 19th District is blessed with a wealth of noteworthy public servants, and so it is always a pleasure when I have an opportunity to recognize any one of them individually. Today I would like to mention Patricia Dillon Bliss, the recent recipient of this years Family Service Agency's Exceptional Volunteer Award, as well as a letter of recognition from the mayor of Santa Barbara.

Patricia Dillon Bliss has been unselfishly giving of herself for 20 years and has remained one of the driving forces behind the Family Service Agency, serving there as both president and board member. Her work with the Family Service Agency has assisted numerous families and individuals suffering through troubled times. Over the years, she has also involved herself with Planned Parenthood, the Junior League, the Boys' Club, and the Human Service Commission. Somehow, she has also managed to be involved with the Santa Barbara Museum of Art, the Montecito Association, the American Institute of Food and Wine and the UCSB General and Arts Affiliates, contributing to the cultural richness of the community in and around Santa Barbara.

I know that I speak for the entire Santa Barbara community when I thank Patricia Dillon Bliss for her efforts to improve the lives of the people living there, and when I congratulate her for winning the Exceptional Volunteer Award, which she so richly deserves.

THE KOREAN BAN ON PORK IMPORTS

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Mr. DORGAN of North Dakota. Mr. Speaker, all eyes are on South Korea this week as the 1988 summer Olympics continue. As we watch our athletes compete for the gold, we should be aware that their host nation thinks nothing of breaking the rules that govern international trade competition.

The South Koreans are using various forms of protectionism to restrict imports on such items as fresh and frozen pork. In 1979 the United States exported almost 5,000 metric tons of fresh and frozen pork to South Korea and in 1980 that amount dropped to 8 metric tons. Since 1980 the South Koreans, through their import licensing system, have placed a virtual ban on fresh and frozen pork imports.

This year the United States will import 427,000 South Korean-made autos. Nearly two-thirds of the South Korean auto output is aimed toward the North American market. This is an amazing figure when one considers that in 1985, the South Koreans exported no cars to the United States.

I want to send a strong message to the South Koreans about the basic inequity in this trading arrangement. The message is that we expect the South Koreans to follow the rules of fair competition in trade and end immediately the ban on pork imports. American pork producers deserve a fair chance to compete. All U.S. producers deserve that opportunity.

INTRODUCTION OF HOUSE CONCURRENT RESOLUTION 377—THE CONSTITUTIONAL CRISIS IN LEBANON

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Ms. OAKAR. Mr. Speaker, until 1975, Lebanon was renowned in the community of nations for its role as the financial and trade center of the Middle East. This sovereign state was known by all as a haven for Moslem, Christian, and Jewish people. Lebanon's unique economic and social structure made it a model of coexistence in a troubled region of the world.

The democratically elected Government of Lebanon was essential to fostering that tradition of peaceful prosperity. The maintenance of democratically elected government is equally essential in preserving Lebanon's freedom, sovereignty, unity, and independence today.

But in the last several days, our sister democracy has moved to the brink of a constitutional crisis.

Minutes before his term expired last Thursday night, President Amin Gemayel of Lebanon appointed an interim, military government to rule until a new civilian president can be elected. Under the Lebanese constitution, President Gemayel cannot succeed himself as his 6-year term comes to an end.

The Government of Lebanon has been deadlocked for 1 month now, trying to hold parliamentary elections for a new president.

The United States and Syria advocated a member of Lebanon's parliament be elected president. However, Christian militiamen blocked attempts last month and last week to convene parliament because they feared a pro-Syrian president would be selected.

Syria now has 40,000 troops controlling roughly 70 percent of Lebanese territory. Israel maintains a self-designated security zone in the south.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

In this atmosphere of deadlock and drawn lines, some factions are moving toward a new alliance with Iraq, plans for partition of the country into a Maronite enclave and a Moslem north are being floated, and shelling between militiamen and the army has renewed in some sectors for the first time in 3 years.

The future of Lebanon is deteriorating virtually by the hour.

Mr. Speaker, it is essential for the United States to act. We must use our influence to urge all parties in Lebanon to resolve this constitutional crisis together, quickly, and peacefully.

It has long been the policy of the United States that Lebanon's unity, freedom, sovereignty, and independence must be preserved. With this concurrent resolution, we would reiterate that commitment at this critical hour.

The United States should encourage all parties in Lebanon to support the constitutional mandate to elect a new president without delay. We should reinforce our commitment to national sovereignty for Lebanon, and we should support actions which promote the unity of Lebanon.

American support for peace through democracy must not waiver. House Concurrent Resolution 377 sends a clear message that the United States remains committed to Lebanon's survival as a democratic nation.

Only by preserving a democratic government can Lebanon hope to rebuild to prosperity. It is, therefore, essential that the United States prominently reaffirm its commitment to a reconstruction of Lebanon that reinforces the constitutional democracy.

House Concurrent Resolution 377 will start us on that path.

GENERAL ABRAHAMSON'S RETIREMENT

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Mr. COURTER. Mr. Speaker, yesterday the Department of Defense announced that Lt. Gen. James Abrahamson will resign at the end of January. Lieutenant General Abrahamson, of course, has been the director of President Reagan's Strategic Defense Initiative Organization since it was created 4 years ago.

Lieutenant General Abrahamson previously distinguished himself by managing the space shuttle and F-16 jet fighter programs. Having had the pleasure of working with him frequently on strategic defense issues, I can say that in so many ways he was the perfect man to direct the new SDIO.

Abe has been an unflappable optimist concerning America's technical capacity to build strategic weapons to defend our Nation against offensive nuclear weapons. Under his direction the SDIO conducted important research and tests which have justified his optimism and hold out the promise of making the Reagan-Abrahamson vision of strategic defense a reality in the not very distant future.

Abe and the President are part of a minority here in Washington—though, implicitly, a majority of the Nation—who have always understood the terrible shortcomings of the doctrine of mutual assured destruction, the doctrine that underlies the unstable balance we thought to preserve in the SALT and ABM Treaties. When America finally changes its strategic doctrine and builds missile defenses to protect us against the nuclear threat, we will strengthen the Western alliance and make the whole world safer. The military logic behind missile strikes will be weakened and the likelihood of a nuclear exchange will be reduced. This will be a major achievement for the cause of peace and freedom, and we will all owe a debt of gratitude to the vision, leadership, and dedication of this man who is a model public servant.

Nothing characterizes Abe so much as his forward-looking, "can-do" attitude. That he accomplished so much in 4 years despite formidable technical obstacles, despite congressional budget constraints, bureaucratic infighting, and the negativism of certain politicized scientists, not to mention personal tragedy, bears eloquent witness to the depth of his commitment to our Nation's freedom in a world at peace.

It would be too much to expect the new administration to find an equally suitable replacement. Few such men of great vision and greater spirit exist. His departure will unfortunately leave the SDI Organization even more exposed to its political opponents. Let us hope that the next President of the United States recognizes how integral the promise of strategic defense is to the maintenance of peace as well as arms reduction negotiations. And though it is much to be regretted that we are losing him at this critical time, let us join in wishing Lieutenant General Abrahamson a long and well-earned retirement.

OMNIBUS DRUG INITIATIVE ACT OF 1988

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Mrs. BOXER. Mr. Speaker, for the opportunity to speak in behalf of the Omnibus Drug Initiative Act of 1988, which, with its overwhelming passage in the House of Representatives, is a testament to this body's commitment to the war on drugs.

This is no perfect piece of legislation—few ever are—but it shows that as lawmakers we will come to grips with the venom that drugs inject into our society. Permit me to make just a few points about this bill.

One of the more important and urgent provisions in this bill is the expansion of drug treatment centers. Although we have not reached the point of treatment on demand, with this bill we are making progress. It is simply ludicrous to have people addicted to drugs who are waiting in line for treatment. It is unconscionable. There are about 6.5 million people endangering their health by using drugs, according to the National Institute on Drug Abuse. There are no more than 250,000 of them in treatment, and about 148,000 of them are intravenous drug abusers. That's only about 12 percent of an estimated 1.2 million IV drug abusers who are receiving treatment. The President's Commission on the HIV Epidemic has warned that IV drug abuse has the greatest potential for spreading the AIDS virus.

The drug bill provides for increasing treatment capacity by authorizing $100 million to current drug treatment centers that are unable to admit anyone to the program earlier than 1 month after someone seeks treatment. We must get treatment to those who need it.

This bill also joins the war on drugs with the war on AIDS. It incorporates H.R. 3137, legislation which I introduced to provide AIDS counselors at IV drug abuse clinics. We know there is as yet no cure for AIDS, but we do know the group which has the greatest potential for spreading it—the IV drug abusers. If they were the only victims it would be one thing, but the vast majority of AIDS virus-infected youth—under the age of 13—become infected before or during birth by their mothers who used IV drugs or were the sexual partner of IV drug abusers. According to the latest Centers for Disease Control statistics, 899 of the 1,154 children with AIDS were infected by parents with or at risk of AIDS. Behind the statistics, lie the stark, tragic lives of young children living their short lives behind hospital walls.

AIDS counseling must go hand in hand with drug treatment if we are going to curb the onslaught of the AIDS virus epidemic. If we are going to forget the ones who said "yes" to drugs and don't counsel them to say "no" to AIDS, then we are giving them and their children a death sentence. The bill authorizes $250 million next year and $1.5 billion total over the next 3 years to fund programs to reduce AIDS among IV drug abusers. Several thousand drug abuse counselors and health care providers will be trained to provide AIDS counseling.

As I said, the bill is not perfect, but it was in better shape before the special interest gun lobby turned out to bludgeon the Brady amendment from the bill. A 7-day waiting period before someone can pick up a firearm from his or her neighborhood gun dealer is a lot to ask. Not for the gun buyer, but for the safety of innocent victims. How could any concientious gun buyer look Sarah Brady in the eye and say they could not wait 7 days to buy a handgun. John Hinckley, yes, but surely none of my colleagues, even with the gun lobby at their backs.

Many of the opponents of the waiting period said this should be a matter left to the States, as if no one ever crossed a State line to commit a crime. The cry of States rights is rarely heard in this House these days, but it was used against the Brady amendment. A friend of mine, Barbara Goldsmith, a noted author, sent me a quotation on that subject recently, and I would like to share it with my colleagues. Benjamin Butler, a Union general and 19th century Congressman, delivered a speech in which he said, "I thought the issue of States rights was buried forever in the red sea of blood south of the Potomac." It is not the rights of the States that we should be worried about here.

This insane effort that struck the Brady amendment flaws the law enforcement provision of a bill that should make great progress in our war on drugs. Nevertheless, I support its passage.

A SPENDING FREEZE

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, September 28, 1988 into the CONGRESSIONAL RECORD.

Often someone will suggest to me that the best way to bring the budget deficit under control is to freeze all federal spending. It is an idea that has wide appeal, although it becomes more complicated when examined more closely.

Clearly something needs to be done about the deficits. Each year since 1981, the federal government has generally spent $150-200 billion more than it has received in revenues, more than doubling the size of our national debt in seven years. That means higher real interest rates, fewer funds available for investment, increased reliance on foreign capital, and a lower standard of living for our children. Recent estimates are for the deficits to continue in the $120-140 billion range through 1994.

The idea of freezing all federal spending has much going for it. A freeze is easily understood, avoids difficult program-by-program decisions, and shares the burden broadly. It would not single out specific areas of the budget for cuts (such as President Reagan's targeting domestic programs); instead, all spending categories would be treated similarly. A broad freeze could produce a sharp reduction in the deficit. If good economic growth continues, federal tax revenues will automatically increase; so freezing spending levels would allow expected growth in revenues to eventually balance the budget. A spending freeze conceivably could produce a balanced budget within three years.

Yet there are several problems with an across-the-board spending freeze. First, there are various technical difficulties. A freeze on all federal spending categories is simply not possible; for example, interest payments on the national debt cannot be frozen. Some 14% of the budget goes for interest that the federal government must pay on the money it has borrowed—payments that are steadily increasing. In addition, it is difficult to freeze the 47% of the budget that represents the various "entitlement" programs, in which benefits are automatically given to qualified recipients. We cannot know in advance, for example, how many families will meet the income qualifications for food stamps, or, for agricultural subsidies, know what future harvests and market prices will be. Moreover, expenditures for certain defense programs are difficult to freeze because they are funded years into the future. For many programs, a simple freeze would require major program restructuring.

Second, defense and programs for older persons would be hardest hit by an across-the-board freeze. Currently 27% of all federal spending goes for defense ($287 billion), and 33% goes for Social Security ($217 billion), Medicare ($80 billion), and federal retirement programs ($46 billion). With 14% of the budget going for federal interest payments that cannot be frozen, that means that more than ⅔ of the reductions under a freeze would occur in defense or programs for retirees. Politically, that would be very difficult to do.

Third, a spending freeze overlooks tax breaks. For example, some would prefer making large reductions in the deficit by curbing mortgage interest deductions for the wealthy, ending special tax provisions for the oil and gas industries, and reducing tax incentives for hostile corporate takeovers. A deficit reduction package placing all the burden on the spending side and ignoring tax breaks would be unbalanced, and would have difficulty passing the Congress.

Fourth, counting on continuous, good economic growth to pull in more revenues and eventually balance the budget is questionable. Many economists instead expect an economic downturn sometime in 1989 or 1990. Should that occur, the budget deficit, even with a spending freeze, would increase rather than decrease.

Fifth, an across-the-board freeze does not allow the Congress to sort priorities and meet emerging needs. It locks in past inequities—maintaining high spending levels for programs that have increased the most in recent years and have contributed most to the deficit problem. It could also lock in high levels that are no longer needed, such as one-time emergency or crisis funds. It gives all programs equal priority, which is not the case, and assumes that the current spending breakdown is the correct one. It also does not allow policymakers to be responsive to new national needs and challenges, like AIDS research, education, or the war against drugs. Moreover, freezing some programs could sharply increase future costs, for example, if the freeze slows defense production to less-than-optimal rates.

For these reasons, several freeze variations have been proposed that would allow more flexibility and exceptions. Some have proposed an "aggregate" freeze, in which only the overall spending figure is frozen. That would allow increases in some programs to be offset by cuts in others. An aggregate freeze would, however, lead to questions of who gets the increases and who suffers the cuts, and it loses the strong selling point of treating all spending categories similarly.

Another variation is the "flexible" freeze, such as exempting Social Security and interest on the national debt, and allowing the rest of the budget to increase at the rate of inflation. Yet modified freezes mean smaller savings because they exempt large portions of the budget from cuts. When a modified freeze with only a few exceptions was offered in the Senate last year, its two-year savings would have been about the same as the Budget Committee package. Some modified freezes might not even reduce the deficit as quickly as the Gramm-Rudman-Hollings deficit reduction law, which requires a balanced budget by 1993.

Despite its limitations, the concept of a modified freeze has been getting more attention from policymakers in recent years, as major program cuts get harder to find. I have supported some modified freezes. Yet my sense is that the term "spending freeze" is so loosely used that it could cover almost any conceivable spending plan, and it obscures real budget issues. We will likely be hearing more talk about spending freezes, but there is still no way to escape the need to make hard choices among spending priorities.

CARIBOU CARRIER'S CONCERN APPLAUDED

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Ms. SNOWE. Mr. Speaker, in today's world we often are told that people don't care about each other anymore. I am proud to say that Postal Carrier Bob Ouellette of Caribou, ME, is not one of those people.

I would like to share with my colleagues an article from the September 1988 Postal Record outlining how Mr. Ouellette's action helped an 89-year-old woman on his route who had fallen and was unable to summon help.

Our postal employees often bear the brunt of criticism for everything from late mail to the price of stamps. Mr. Ouellette's story, however, is a shining example of the dedication of the thousands of men and women who work in the Postal Service.

[From the Postal Record, September 1988]

PERSISTENT CONCERN SAVES FALL VICTIM

Twenty-year Postal Service veteran Bob Ouellette was concerned when an 89-year-old patron's mail from the previous day was still in the box. Knowing the woman lived alone along his Caribou, Maine route, the carrier looked around the yard for the woman and listened for strange noises coming from the house.

Finding nothing but feeling something was amiss, Ouellette tried to phone members of her family. Unsuccessful, he knew the patron's son-in-law would be attending a meeting later in the day, where the Presque Isle Branch 2394 carrier finally made contact.

The family immediately went to the house where they found the woman on the floor. She had fallen outside several days before, and unable to walk, had pulled herself on her elbows from the outside shed into the kitchen.

Thanks to Ouellette's conscientious actions, she recovered and recently celebrated her 90th birthday.

NATIVE AMERICAN SKELETAL REMAINS

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Mr. DORGAN of North Dakota. Mr. Speaker, the Smithsonian currently has the remains of almost 19,000 Native Americans in its possession. Indian remains make up 42.5 percent of the Smithsonian's skeletal holdings; whites comprise 20 percent; Eskimos, Aleuts, and Koniags, 11.9 percent; blacks, 5.1 percent; and others, 20.6 percent.

Approximately 4,000 of the Native American skeletal remains within the Smithsonian's possession were acquired from the Army Medical Museum. Of these, about 3,400 are prehistoric (before 1500 A.D.), and 600 are historic (after 1500 A.D.). The 600 historic remains were assigned tribal identifications by the Army Medical Museum but the Smithsonian supports the documentation provided on only 270 of them.

While most of the prehistoric skeletons were obtained by archeological excavation of Native American grave sites and burial grounds, many of the 600 historic remains were obtained from the Army which systematically collected Indian bodies prior to the turn of the century. In some cases remains were stolen from existing Native American cemeteries chiefly by Army personnel, and later transferred to the Smithsonian from the Army Medical Museum.

The Smithsonian contends that these remains are of considerable scientific value. The fact remains that these Native American skeletal remains are being denied proper burial. It seems to me that those bones should be studied and then returned. They've already had 100 years to study most of them. Enough is enough.

I am introducing legislation aimed at reinterring the historic skeletal remains of Native Americans within the Smithsonian's possession. I propose that a 2-year period for identification of these remains be granted. After such time, these remains should be returned to those Indian tribes that request them.

While other legislation has been introduced to cover both prehistoric and historic remains, this legislation is specifically designed to address historic remains which are more readily identifiable than those that are prehistoric in nature.

This proposal represents a reasonable and workable solution to this matter. It is also a step toward assuring that Native American remains are treated the same and accorded the same respect as those of other citizens. Finally, it protects the fundamental rights of tribal descendants to ensure proper burial of the remains of their dead ancestors.

A TRIBUTE TO MR. JAY J. SHUER

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Ms. KAPTUR. Mr. Speaker, today I rise in recognition of a true pioneer in the advancement of training and rehabilitation for the mentally retarded throughout northwest Ohio and our nation at large. Mr. Jay J. Shuer, who will celebrate his 80th birthday with his wife, Clare, family, and friends on October 1, 1988, is nationally recognized for his dedication to securing equal opportunities for all retarded children.

Mr. Shuer's accomplishments for the cause of the mentally retarded are a brilliant testimony to a life committed to enhancing the dignity of others. As a founder of the National Association for Retarded Children in 1950, Mr. Shuer went on to help found the Ohio Association for Retarded Children and served as its president from 1956-60. In addition, he was the founder of the Lucas County Association for Retarded Children [LARC], serving as its president from 1950-54 and again, from 1965-66. He was further recognized for his contribution to this organization by being named an honorary board member of LARC for a life term.

For over 40 years, Jay Shuer has served as a board member, chairman, vice chairman, treasurer, and advisor to numerous national, State, and local organizations dedicated to securing a more promising future for the mentally retarded. Among those which have benefitted from Mr. Shuer's involvement are: the American Association on Mental Deficiency, the Lott Sheltered Workshop Foundation of Lucas County, the Division of Mental Retardation (State of Ohio), the Northwest Ohio Study on Mental Health, Lucas County Board of Mental Retardation, Lucas County Children Services Board, Ohio Association for Retarded Children, State of Ohio Special Olympics, and the Department of Mental Health and Mental Retardation (State of Ohio).

While Mr. Shuer's 80th birthday celebration provides us an appropriate occasion to recognize his many accomplishments, the awards and honors bestowed on him throughout the years serve as a constant reminder of the appreciation we owe Mr. Shuer for his selfless efforts on behalf of the mentally retarded. He is a recipient of the Pioneer Award from the Ohio Association for Retarded Children; the International St. Ursula Medal for "dedication to social betterment through assistance to the unfortunate"; the Northwestern Ohio Rehabilitation Association Award for Outstanding Contributions to Rehabilitation; the Gold T Award as Outstanding Alumnus (University of Toledo); the Founders Award, National Association for Retarded Children; Sertoma Award for dedication to community work; and in 1971 the Ohio Legislature passed a resolution commending Mr. Shuer for 21 years of continuous service to the developmentally disabled. An honor, however, which perhaps best summarizes Mr. Shuer's efforts to provide specialized education for retarded children was the dedication of the Jay J. Shuer School in Lucas County, OH, in 1970.

In summary, Mr. Speaker, I welcome this opportunity to commend Mr. Jay J. Shuer for a life which has dared to be defined by the needs of others. For those of us who have in some way been touched by a mentally retarded child, their innocence, simplicity, and above all, their unconditional love are humble, yet profound lessons in a world which seeks to obscure life's true priorities. Indeed, mentally retarded children everywhere have gained by Mr. Shuer's courage to realize a grander vision for their capacity to contribute to society. We, however, will forever be grateful to him for teaching us that in our efforts to enhance the quality of life and dignity of others, we are made better.

CONSUMER GROUP CONCERNED ABOUT AIRPORT FEES FOR AUTO RENTAL COMPANIES

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Mr. FLORIO. Mr. Speaker, the Consumer Federation of America [CFA] has expressed concern about the practices of airports in charging fees to off-premise car rental companies. What follows is a recent article from the CFA newsletter discussing the issue and a recent congressional initiative:

SENATE CALLS FOR STUDY OF AIRPORT FEES

Responding to a study by the Consumer Federation of America, a Senate Appropriations subcommittee has called for a Department of Transportation evaluation of airport pricing practices with regard to off-premises rental services.

The study is to be conducted by the DOT in consultation with the Federal Trade Commission. In particular, the report is to evaluate the reasonableness and competitiveness of those pricing practices.

The Transportation Subcommittee decision was prompted in part by a study released by CFA in June entitled, "Airport Fees for Auto Rental Companies: A Consumer Perspective." Comparing fees charged for ground and air services, the study concludes that airport fee structures are both inefficient and inequitable.

The report evaluates airport pricing from four perspectives—taxing the benefits derived from airport use, revenue maximization, resource allocation, and congestion control.

In particular, the report examines airport charges for rental car companies that have no facilities located on airport property but pick up and discharge customers in vans that use airport roadways and curbsides.

An increasing number of airports have begun charging these companies a percentage of their total revenues—a gross receipts fee. Frequently, the percentage charged the off-premises companies is the same or nearly as much as the charge to rental companies that have facilities, such as concession stands and parking lots, on airport grounds.

The report estimates that widespread imposition of gross receipts fees on off-premises airport users could raise prices for auto rentals alone by $500 million or more. The direct increase in the cost of doing business will be passed through to the consumers. Furthermore, the off-premises companies, who have been forcing pricing competition in the auto rental industry, will be unable to compete.

The most direct burden would fall on tourists, who are the ones most likely to use the off-premises companies and least able to negotiate discounts with the big, on-airport firms, as do major corporate renters, the report concludes.

"The airports are behaving like Robber Barons, gouging those customers with the least economic and political power, while letting others freeload," said Mark Cooper, CFA Research Director and author of the report. "You cannot convince us that, when the airports charge tourists for the privilege of riding a van to and from the airport but let small and medium sized jets land and park for free, they are engaging in fair and reasonable pricing."

The cost to the airport per vehicle trip is approximately $.25, but even a one day rental would be charged five to 10 times that amount with a gross receipts fee. Individuals who build up a higher rental bill would pay proportionately more for their one trip to and from the airport.

The fees also are unrelated to ground traffic control, since they are not differentiated by time of day to reflect peak usage. And they do not reflect differences in the traffic burden placed on airports, since other vans which use the airport in the same way are charged less, and on-premises companies which cause more congestion are charged no more.

In fact, a passenger who rents both a room and a car at an off-premises establishment could avoid paying the fee entirely by going to the hotel first.

At the same time, at virtually all of the airports imposing gross receipts fees, small planes are allowed to land and park for free. Many of these airports collect more from fees on auto rental companies than from landing fees.

"These fees are not only inequitable and inefficient, they are also anti-competitive in an industry that has a very checkered past," Cooper added. "The big three on-premises companies have found a perfect trigger man to kill their competition. They want the airports to put their off-premises competitors at a tremendous disadvantage, just the way they did themselves back in the 1970s before they signed the FTC's cease and desist order."

The pricing irregularities have been perpetuated because of a legal loophole that has allowed airports to escape both regulatory and judicial oversight.

"Frankly, airport pricing structures have become so irrational that we are urging Congress to consider making just and reasonable fees a precondition for use of the trust fund in all cases," Cooper said.

Rather than rely on the regulatory intervention of a reluctant agency or creation of a new agency, the report recommends as a permanent solution, that a right of private action against unfair pricing be allowed under the FAA Act. "The right standards already exist in the law," Cooper concluded, "we simply need to bring airport service under those standards."

NATIONAL GRASSLANDS WEEK

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Mr. DORGAN of North Dakota. Mr. Speaker, I am introducing today a House joint resolution designating the week beginning June 18, 1989, as "National Grasslands Week."

The national grasslands comprise approximately 4 million acres of publicly owned land in 14 States extending from California to New York. These lands are managed by the Forest Service of the U.S. Department of Agriculture, according to the principles of land conservation and multiple use. The chief aims are to promote development of grassland agriculture and sustained yield management of the forage, fish, wildlife, timber, water, and recreational resources in the areas of which the national grasslands are a part.

The grasslands provide employment to thousands of Americans in rural areas and contribute approximately $750,000,000 to the gross national product of the United States from a wide range of activities. Millions of our citizens as well as foreign visitors enjoy our national grasslands for such recreational activities as camping, hiking, fishing, boating, horseback riding, hunting, snowmobiling, biking, cross-country skiing, and many other outdoor activities.

Our grasslands are of great historical, archaeological, and anthropological, as well as environmental, value to our Nation. They are models to the public of the principles of conservation, multiple use of the land, as well as appreciation of our national resources.

The purpose of National Grasslands Week is to increase public awareness of the history and the present role and benefits—social, cultural, and economic—of the national grasslands.

I invite my colleagues to join me in cosponsoring this resolution.

H.R. 303

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Mr. BILIRAKIS. Mr. Speaker, I introduced H.R. 303, a bill which would change an antiquated 1891 law that is harsh and unfair to the retired career military who have service-connected disabilities. Under this out-dated law, the career military are the only group compelled to forfeit 100 percent of their earned retirement pay in order to receive disability compensation from the Veterans' Administration. As a result, the career military upon retirement receive no separate payment for the injuries they suffered in the line of duty to our country.

During this Congress, the issues raised by H.R. 303 and the plight of the career military have received much attention and support. For the first time, on April 14, 1988, the Veterans' Affairs Subcommittee on Compensation, Pension, and Insurance held a comprehensive hearing on H.R. 303. At the hearing, the bill was supported by 17 national veterans organizations representing 3.1 million persons in the veterans community who urged a change in the current law. We also learned at the hearing that the actual financial outlay for implementing H.R. 303 is $762 million annually and not $2 billion as formerly stated by the bill's opponents. I am greatly encouraged by the large bipartisan support the bill has received with 247 cosponsors in the House. The bill in previous Congresses never received such wide support. A similar bill, S. 2120, was introduced in the Senate by Senator SPARK MATSUNAGA which also received support.

I look forward to the enactment of H.R. 303 into law in the 101st Congress. Next year we will begin immediately where we finished in this Congress. The issues are clearly framed and there is more than a majority of the House in favor of ending this ancient, inequitable, prohibition on receiving both disability pay and earned retirement pay by military retirees. I appreciate the support of all the veterans organizations who have assisted in educating the Congress about the current unfairness to military retirees. One of these groups, the Uniformed Services Disabled Retirees (USDR) has made the enactment of H.R. 303 their primary goal. I am particularly grateful for their untiring efforts on behalf of H.R. 303. U.S.D.R. recently held their national convention in San Antonio, TX, where they passed the following resolution which should be of interest to all Members of the House. The text of the resolution follows:

UNIFORMED SERVICES DISABLED RETIREES RESOLUTION

SUBJECT: SUPPORT OF THE CAREER MILITARY RETIREES WITH 20 OR MORE YEARS ACTIVE SERVICE/TITLE III

Whereas, the career military who are service-connected disabled are subject to an antiquated 1981 law;

Whereas the current law prohibits retired military who are disabled from receiving both earned retirement pay and Veterans Administration disability compensation;

Whereas the career military earned their retirement pay and are required to forfeit it to fund their disability compensation;

Whereas the offset creates a real financial hardship for retired career military who cannot seek additional gainful employment because of their disabilities;

Whereas, the career military who are service-connected disabled are the only group who are denied by the Government earned retirement pay in favor of disability compensation;

Whereas, the Congress is the only forum available to change the offset policy by enacting H.R. 303 or S. 2120 into law, introduced by Representative Bilirakis (Fl-R) and Senator Matsunaga (Hi-D);

Whereas, there are 17 national veterans organizations representing approximately 3.1 million members in support of H.R. 303 and S. 2120;

Whereas, there is wide support in the Congress to eliminate the offset with 247 members of the House as cosponsors of H.R. 303;

Now, therefore, be it resolved, That the Uniformed Services Disabled Retirees assembled in convention at the Marriott Hotel, San Antonio, Texas, September 22 to September 25, 1988, urge the Congress of the United States to enact H.R. 303 and S. 2120, to eliminate the offset between military retirement pay and Veterans Administration disability compensation.

THE M-16A2 RIFLE: A COST-EFFECTIVE WEAPON

HON. LANE EVANS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Mr. EVANS. Mr. Speaker, today I would like to draw to your attention an encouraging and thought-provoking article written by David Evans, the highly respected military affairs correspondent for the Chicago Tribune. In a recently published editorial, Mr. Evans (no relation) describes the successful efforts of our U.S. Marine Corps to refine and improve the M-16 rifle. In these days of penny pinching and budget crunching, it is certainly refreshing to see an updated and vastly improved M-16 rifle coming off the production line—and at virtually the same cost to the taxpayers as the original rifle bought back in 1966. I would urge you to read David Evans' article, which was included in the Friday, September 23, edition of the Tribune:

An Improved Rifle Whose Parts Fit the Original Model

(By David Evans)

Quantico, VA—As he tells it, Lt. Col. Dave Lutz, a self-professed "gun nut," was given a dream job.

"The generals gave me very simple instructions: Make the M-16 a better rifle," said Lutz.

He may have done just that. The A2 version of the M-16 now in production for the Marines and the Army is sturdier, more reliable and more accurate than the rifle that was rushed into Vietnam combat with mixed success in 1966.

But those orders that sounded simple in concept weren't so simple to carry out.

Lutz had to come up with a brand-new version of the M-16 whose parts were interchangeable with the older model, five millon of which were built to equip American and allied armies. Moreover, the new rifle had to fire both the original bullet designed for the M-16 and a new more powerful bullet adopted for NATO use called the M855.

"The old bullet design had anemic performance," explained Lutz. "The new one has awesome power, it can reach out and penetrate a helmet at 800 yards."

To achieve the accuracy needed to hit anything that far away, however, Lutz had to increase the "twist" to the rifling inside the barrel of the M-16.

"This modification caused a huge debate," he recalled, because of an effect called "tumbling."

"A lot of Marines were concerned that if the bullet was real stable in flight, it would just zip though an enemy soldier without stopping him cold. They wanted a bullet that was just unstable enough to tumble when it hit, causing maximum damage."

"When we modified the rifle for the new bullet, there were all sorts of skeptics, but one test is worth a thousand expert opinions," he said.

Before a live audience, Lutz's team fired test shots into gelatin targets.

"This wasn't dessert gelatin but rendered animal solids that duplicate living tissue," Lutz recalled. "We chilled blocks of the stuff in trash can molds to make the targets, which were popped out like popsicles at the rifle range."

The bullets hit and flipped over inside the gelatin, causing huge, distended cavities. Against living targets, the effects would be devastating.

The day's tests ended the Great Bullet Debate.

Like the twisting inside the barrel, few of Lutz's other changes to the M-16 are readily visible. The barrel is stiffer, a little heavier. The flash suppressor screwed to the muzzle doesn't have any open slots at the bottom like the previous model. They were eliminated because the muzzle blast venting through those slots used to kick up the rifle, as well as dust, giving away the shooter's position.

There's a half-inch metal "hump" behind the opening on the right side of the rifle where the empty cartridge cases spit out. The hot cases bounce off that hump and pling forward, away from the cheeks of left-handed shooters.

Perhaps the biggest change from the original M-16 is a burst-control switch. The old rifle could be fired single-shot or the bullets could be hosed out in full automatic. No more.

"The barrel rose up on full auto, and most of those shots went wild, into the air," said Lutz.

Now an infantryman can fire single shots or, with one squeeze of the trigger, get a three-round burst.

According to Lutz, the burst-control device resulted from Army firing tests done in 1970-72. Whole companies of troops were run through tests with two-, three- and four-shot burst-control devices on their weapons.

"The three-round burst control got the most hits, especially at night," said Lutz.

All this in a rifle whose every part can be interchanged with the tens of thousands of original M-16s still in service.

Quite a feat, especially since the improved version costs about the same. The Marines bought their original batch of M-16s back in 1966 for $491 each. (This figure is in 1988 dollars, and thus accounts for inflation since 1966.) The A2 model M-16s cost $534 apiece.

"We completely disassembled an M-16A2, spread the parts out on a big table, and went over the price of each piece with the prime contractor. For every part he didn't make, we wanted to see three bids from subcontractors," said Lutz.

The extra $43 for the improved rifle may be well worth it. Marine recruits are hitting more bulls-eyes with M-16A2s on the rifle range. In a 1984-85 comparison at the Parris Island, S.C., rifle range, the number of shooters rated "expert" nearly doubled when they used the new rifle. These are recruits who shoot 220 or better out of a possible 250 points.

The real advantage will be in combat, when the troops are firing at more lethal targets than Lutz's jellied molds.

RETIREMENT OF ADM. RONALD HAYS

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Mr. SKELTON. Mr. Speaker, I take this opportunity to offer a tribute to Adm. Ronald Jackson Hays, a man of many accomplishments and a personal friend who retires later this month. Recipient of the Navy Cross, Admiral Hays entered the Navy and began an illustrious naval career in 1946. He graduated from the U.S. Naval Academy in 1950 and achieved the designation of naval aviator in 1952. Serving as a test pilot from 1955 to 1959, Hays was one of the pioneers in the field of jet aviation in this country. Admiral Hays continued his training and graduated from the Naval War College in 1962.

In addition to being singled out as a recipient of the Navy Cross, Admiral Hays has also been recognized for his exemplary military performance with the award of numerous honors including the Distinguished Service Medal with one Gold Star, the Silver Star Medal with two Gold Stars, the Legion of Merit, the Distinguished Flying Cross with one Silver Star and one Gold Star, and the Bronze Star Medal.

In 1972 Hays was designated rear admiral while serving as director of general planning and programming in the Office of the Chief of Naval Operations. Admiral Hays was the executive and commanding officer of an attack squadron in Vietnam, and the commander of Carrier Group FOUR from 1974 to 1975. In 1978 he was awarded the rank of vice admiral and in 1980 became commander in chief, U.S. Naval Forces and in Europe the naval component commander of the U.S. European Command. As of 1983 Hays was awarded the full rank of admiral and has served as the vice chief of naval operations from April 1983. Most recently and unitl his retirement later this month, Admiral Hays will have served as the commander in chief of U.S. Naval Forces in the Pacific.

On behalf of this body, I wish to express appreciation to Admiral Hays and recognize him for his many years of devoted service to the Navy and to our country. I also extend my sincere thanks to his wife Jane and his three children, Dennis, Michael, and Jacquelyn, for their loyalty and willingness to make sacrifices as devoted members of a career Navy family. Congratulations and best wishes.

THE LIFE OF THE LATE REPRESENTATIVE GLENN DAVIS

HON. THOMAS E. PETRI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Mr. PETRI. Mr. Speaker, it is with great sadness that I rise to speak of Glenn Davis in the past tense. We are all a little less well off without him.

Glenn spent most of his life serving the country he loved. After serving in the Navy in World War II, he practiced law for several years, and then he entered a different arena: politics.

While he served in this body, he was on the Appropriations Committee's District of Columbia Subcommittee. Millions of visitors to our Nation's Capital as well as residents can be grateful that Glenn Davis was a supporter of the Metrorail system. He believed, quite rightly, that the capacity of the area's highways would be insufficient for the growth that was bound to come to the Washington area.

Glenn Davis was a generous, honorable man. Most of us are aware that he created the Davis Trust to help disabled youngsters. But I have my own experience with his generosity. Back in 1974, I decided to take on then two-term Senator, Gaylord Nelson.

My campaign was so low budget that I'm not even sure it would qualify as a real effort by today's standards. But, I had no primary opposition. Glenn Davis, on the other hand, had been challenged in his House race by Bob Kasten who now represents Wisconsin in the Senate. Glenn Davis lost the primary, and much to his surprise, found he had a little campaign money left over.

He looked around the State and decided that he might as well donate these left over dollars to my campaign. Frankly, that donation probably represented close to 30 percent of my whole budget and was a mighty big help to a very small campaign. I lost that race but I sure wouldn't have gotten even a third of the votes, if it hadn't been for Glenn's helping hand.

My condolences to the Davis family and our heartfelt thanks for the support he received from you in his life of public service.

THE 50TH ANNIVERSARY OF DORA PERLMUTTER BECOMING A UNITED STATES CITIZEN

HON. BEN NIGHTHORSE CAMPBELL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Mr. CAMPBELL. Mr. Speaker, I wish to pay tribute to Ms. Dora Perlmutter, a constituent of mine who today celebrates her golden anniversary of becoming a resident and citizen of the United States.

Ms. Perlmutter and her husband, the late Nick Perlmutter, M.D., colonel, U.S. Army (Retired), emigrated from Germany and arrived in the United States on September 28, 1938.

Within 2 years of her arrival, she was practicing in her career as a registered nurse in Savannah, GA. Beginning in 1945 she accompanied her husband into the Army for his 26 year career. During this period she worked and served faithfully as a volunteer nurse, American Red Cross volunteer, homeroom mother, PTA officer, volunteer translator, den mother, Girl Scout leader, cookbook editor, thrift shop president, Officer's Wives Club president, and commanders wife.

Having been a resident of Colorado since 1967 she continued her selfless volunteer work as a Meals on Wheels volunteer and once again as a Red Cross volunteer and hospital volunteer. Recently, on her 76th birthday, she was named Hospital Volunteer of the Year by Saint Mary's Hospital in the city of Grand Junction. Today, she continues to volunteer for many worthwhile charities and organizations in my district.

For the past 50 years she has been an exceptional citizen of this country in her roles as a professional, wife, mother, grandmother, and volunteer.

My congratulations to Dora Perlmutter for her outstanding community service; let us all join in wishing her continued success in her many pursuits.

BROOMFIELD RECEIVES 33D DEGREE, HIGHEST MASONIC HONOR

HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Mr. HAMMERSCHMIDT. Mr. Speaker, on Tuesday our colleague and my good friend, BILL BROOMFIELD, received the 33d degree in Freemasonry, the highest honor that can be attained by a Mason.

BILL was among a distinguished group from throughout the Northern United States who were coroneted with the 33d degree by the Supreme Council of the Northern Jurisdiction of the Scottish Rite of Freemasonry at Grand Rapids, MI.

As one who has been so honored myself, I can tell you that it is the culmination of a lifelong quest for a Mason and an honor that reflects the genuine respect and affection of your peers. It is a tribute that you cannot seek. It must be bestowed upon you by fellow Masons who feel that you have lived a life that meets the high standards of Freemasonry.

For BILL BROOMFIELD, receiving the 33d degree, represents the fulfillment of a lifelong dream.

BILL is the sixth generation of his family to participate in Masonry. He was raised a Master Mason by his grandfather, Dur Taylor, in 1947. He has been a member of Lodge No. 536 in Berkley, MI, ever since and received his life membership in that lodge on March 7, 1987.

He is also a life member of Royal Oak, Michigan Chapter No., 167, R.A.M.; a life member of Pontiac, MI, Commandery No. 2, Scottish Rite; the Moslem Temple of Detroit; the North Woodward Shrine Club; the Greater Farmington, Michigan Shrine Club; and the Capitol Hill Shrine Club.

Recalling the rich Masonic traditions of his family, BILL has told me that his great, great-grandfather, Joshua Taylor, and his great, great-uncle, Daniel B. Taylor, were part of a small group of Master Masons who came to Michigan from New York, Connecticut, and Massachusetts during the 1820's.

Together, in what is now suburban Detroit, they helped found Stoney Creek Lodge. In 1828 it was one of the first Masonic Lodges in Michigan and was located in a virtual wilderness.

BILL's ancestors kept Masonry alive in Michigan during the 1830's when it was in decline around the Nation.

In later years, BILL's grandfather, uncle, and cousin, all served as worshipful masters of Lake Orion, MI, Lodge No. 46. His great-grandfather and his father, the late Dr. S.C. Broomfield, all were active in Masonry in Michigan.

Tuesday's ceremonies in Grand Rapids, MI, marked an extremely important and proud moment in BILL BROOMFIELD's life and long service as a Mason. I know we all share in his joy and I hope my colleagues will join me in extending best wishes to BILL on this major achievement for him and his family.

TRIBUTE TO MARVIN E. BERGER

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Mr. WELDON. Mr. Speaker, I rise today to pay tribute to a true professional and expert in the area of employment training. A man who has given endlessly of himself and his time.

I join with his many friends in congratulating Marvin E. Berger on his being selected by the National Alliance of Business as the "Business Volunteer of the Year."

I have had the great fortune to become friends with the man known in Delaware County as "Mr. Jobs." During my tenure on Delaware County Council and now as the U.S. Representative for the Seventh District of Pennsylvania I have continually relied on the advise and expertise of Marv Berger.

Marv is president and owner of Rayco Auto Services Stores. He serves as chairman of the Delaware County, PA Private Industry Council, was appointed by the Governor of Pennsylvania to chair the State Job Training Coordinating Council in 1984 and has been appointed alternate member to the National Commission for Employment Policy.

Under Marv's leadership, Delaware County Private Industry Council has exceeded the goals set for this region each and every year. He has been instrumental in developing new programs affecting the harder to employ and has been active in the establishment of job centers throughout the State.

Marv's success serves as an example to us all of what a dedicated volunteer can accomplish.

On behalf of our region and the thousands of unemployed and underemployed that Marv has assisted, I would like to congratulate and thank him for his many hours of dedicated service.

MEDICARE CATASTROPHIC PROTECTION ACT

HON. ROBIN TALLON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Mr. TALLON. Mr. Speaker, today I am introducing a bill that will make the recently passed Medicare Catastrophic Protection Act optional for all eligible beneficiaries.

There are many Americans who already have catastrophic protection with either the Federal Employees Health Benefit Program or private insurance. These people should not have to pay costly additional premiums for unnecessary benefits. The Catastrophic Coverage Election Act of 1988 addresses this imbalance.

When catastrophic was originally considered in the House during the summer of 1987, I supported the failed substitute which would have financed catastrophic benefits from the optional part B of the Medicare program. I still believe that optional financing and coverage is the only fair way to implement catastrophic coverage for such a varied population.

This year, I voted for catastrophic protection because there are many Medicare-eligible people in this country presently have no option for this type of coverage. The benefits of unlimited hospital coverage, a cap on out-of-pocket costs, and coverage for prescription drugs are coverages that many Americans could not afford outside of Medicare.

All too often, families of such patients contact me in desperation because they are forced to spend down all of their assets to pay tremendous medical bills. Eventually, they end up on Medicaid at taxpayers' expense.

While the urgency of these people demanded Congress to take sweeping action, a whole segment of the Medicare eligible population was taken for granted and, to some degree, they were taken advantage of during consideration of catastrophic legislation. These people are already covered under some type of catastrophic coverage and yet they must now pay for a duplication of benefits under the new Medicare changes.

The new law is flawed in that it makes the new benefits and premiums mandatory for all Medicare beneficaries. I think my colleagues will agree that this is the single most repeated complaint from beneficiaries.

These people who write and call us are in that 45 percent of people who have an income tax liability above $150.00 a year. Thirty-three percent of single enrollees will have to pay at least an additional $250 in supplemental and part B premiums. A married enrolled couple with a taxable income of $59,590 would have to pay approximately $1,700 in added premiums for coverage which they may not need.

While these figures may appear to affect a small percentage of the population, these inequities could be avoided completely with an adjustment to the financing mechanism of the catastrophic law.

My bill will enable Medicare eligible citizens to elect not to have catastrophic coverage. Individuals not wanting catastrophic coverage will file a notice with the Department of Health and Human Services. By doing so, a person would not have a to pay the additional supplemental premium or the increase in the Medicare part B premium.

The Medicare catastrophic protection law is a good idea, but it needs refinement. People who are already protected should not be burdened with financing another coverage. The Catastrophic Coverage Election Act of 1988 will remedy this inequity.

COMPROMISE LEGISLATION ON ALCOHOL WARNING LABELS

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Mr. CONYERS. Mr. Speaker, today I would like to introduce, with 46 cosponsors, compromise legislation on alcohol warning labels H.R. 5409 on September 20, 1988, the full Senate Committee on Commerce, Science and Transportation unanimously approved this language. The language was reached with the input of representatives of the alcohol industry, bipartisan members of the committee and representatives of public health organizations. Senator THURMOND and I together started this effort earlier this year.

Alcohol is the most widely used, most addictive, and possibly the most dangerous drug threatening American communities today. Like drugs, ignorance about alcohol and its consequences is massive, and so are the costs. Public surveys continually show excessively low levels of awareness of the impact of overconsumption on ability to drive, on pregnancy, and on a wide range of other health problems.

The experience with warning labels with a range of other products has shown us that they work, that they are affective in informing consumers about dangers and in getting them to moderate self-destructive habits.

This year we have the opportunity to promote education on the potential dangers of alcohol, and I hope this legislation is the beginning. It is critical to our renewed commitment to the war on drugs.

STEROID ABUSE

HON. BERYL ANTHONY, JR.

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Mr. ANTHONY. Mr. Speaker, in the past several days, the media has devoted much attention to the tragic affair surrounding Ben Johnson, the Canadian stripped of his gold medal for the 100 meter run for steroid usage. This unfortunate event demonstrates how disruptive drug usage can be, not only to one's personal life, but also to one's country. Equally as important, it raises our awareness of the detrimental impact of anabolic steroid usage—an issue no longer to be ignored. I would, therefore, like to take this time to echo the concerns expressed by the media, the sports and medical community, and the world as a whole that drug abuse and illegal usage will no longer be tolerated.

I believe it is important for us to take this opportunity to devote some attention to the matter of steroid usage. While this drug has been abused by our talented athletes for years, we have chosen to ignore the problem. Coaches, managers and fellow athletes have been taught to turn their heads when steroid usage is suspected. Furthermore, the competitive athletic environment has fostered an attitude which even encourages such activities—the mentality that when it comes to winning, anything goes. Well, steroid usage won't go here.

According to Dr. Forest Tennant, the National Football League drug adviser, steroids are now the No. 1 new drug epidemic. The number of athletes in the United States using steroids to enhance their performance may number as high as 1 million. While the abuses of steroids haven't received the notoriety afforded narcotics, the preponderance of medical evidence now concludes that steroid usage has severe long- and short-term consequences. There is evidence that steroids can cause serious physiological, as well as psychological disorders, ranging from manic depressiveness to hallucinations.

In addition to these costs to the individual, one cannot ignore the costs to society. The manufacturing and distribution of steroids have developed into an extremely sophisticated and lucrative business. Clandestine laboratories and manufacturing operations have made millions of dollars from the illegal distribution of anabolic steroids, mostly in the mail-order business.

Furthermore, steroid usage has created a mentality which is undermining both the integrity and the comradery of the Olympic games, and the athletic community as a whole. Like narcotics, the usage of these drugs fosters a conspiratory attitude, which threatens to cross over the line of mere substance abuse into hard core drugs. At what point can we draw the line between allowing steroid usage for the purpose of winning, and marijuana and use of cocaine for recreation? We must act now to change the mentality which exists surrounding the usage of steroids, especially in the athletic community.

Last week, the House included in the Omnibus drug bill a very important provision—we mandated that the distribution of anabolic steroids for other than medical purposes is a felony. By doing so, we have made it explicit that we intend to treat the abuse of steroids as seriously as that of narcotics. This is an important step toward curtailing the distribution of these dangerous drugs.

But we must not stop there. We must dispel the notion that the benefits of these drugs to young athletes outweigh the obvious medical dangers. Because the effects of these drugs are not limited to the athletic community, this is not merely a debate over whether or not an athlete has the right to use steroids to improve his performance. Sports heroes as role models have a profound influence on the social direction of our youth. Not until the drug-induced deaths of promising young athletes such as basketball player, Len Bias, and pro-football player, Don Rogers, has our attention focused on the severity of drug abuse among the most gifted and talented young people this country has to offer. I believe it is imperative that we recognize steroid abuse as merely another component of the tragedy of drug abuse.

Therefore, Mr. Speaker, I urge that we not let this issue die, and that we use this opportunity to make some real headway into giving due consideration to the serious problem of steroid abuse.

WATS-WAVR RECEIVES CRYSTAL RADIO AWARDS

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Mr. McDADE. Mr. Speaker, I am proud to bring to the attention of my colleagues the news that radio stations WATS-WAVR in the Sayre-Waverly area of northeastern Pennsylvania recently received honorable mention in the National Association of Broadcasters prestigious Crystal Radio Awards competition for excellence in local achievement.

The Cyrstal Competition honors those stations that demonstrate the highest degree of effective leadership in community organizations, programs, consistent effort in programming coverage of local events, ongoing public service campaigns and constant interaction with both listeners and community businesses.

As the representative of the WATS-WAVR area, I can personally attest to the excellent record of community service provided by these stations and the high regard with which they are held in their listening area.

The honorable mention is a great achievement, particularly because the stations have only eight full-time employees. Those stations honored by the NAB represent the top half of one percent of radio stations throughout the United States.

IN HONOR OF THE MENTAL HEALTH REFERRAL SERVICE OF SOUTHERN CALIFORNIA

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Mr. LEVINE of California. Mr. Speaker, I rise today to ask my colleagues in the U.S. House of Representatives to join me in saluting a unique and vital organization, the Mental Health Referral Service of Southern California as it celebrates its 10th anniversary. Our community is indeed fortunate that this organization, under the leadership of Dr. L. James Grold, is willing to devote its time, energy, and enthusiasm, working to improve the lives and well-being of others. The innumerable benefits derived from the service's dedication has earned it the highest respect and admiration of the entire community.

Approximately 10 years ago, Dr. L. James Grold and several psychiatrists, social workers, and psychologists, got together at his home in Malibu to attempt to develop a program which would help those individuals in southern California who are at a loss as to the type of therapist or agency that would best fit with their mental health problems or needs.

From this small beginning, and with a minimal budget, Dr. Grold and the other referral resource counselors now help 3,000 to 4,000 people per year. These callers are often desperate individuals who do not know the differences between psychologists, psychiatrists, M.F.G.G.'s, and social workers. Many are confused and bewildered, and are very grateful for this fine community service.

A referral resource counselor is available 24 hours a day, 7 days a week, to help the individual find either an agency or a therapist in his or her area. The potential therapist's credentials have been checked out by the service and they have been screened and interviewed.

Each therapist on the panel in the southern California area has agreed to help the individual callers and is willing to work on a sliding fee scale, according to a person's financial situation.

The Mental Health Referral Service extends to include all of southern California and it does receive calls from the northern part of the State. It frequently assists individuals from California to find therapists in other States when they are relocating.

I would like to extend my heartiest congratulations to the Mental Health Referral Service of Southern California and its members as they celebrate their 10th anniversary.

ARTHUR KNAPP WILL BE HONORED BY LARCHMONT YACHT CLUB

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Mr. DioGUARDI. Mr. Speaker, on Saturday evening, October 29, the Larchmont Yacht Club will be honoring one of its own world renowned sailors, Arthur Knapp, Jr.

Arthur Knapp's remarkable sailing career spans three-quarters of a century, starting with a cat-rigged *Butterfly* in 1917. In 1922, at the age of 15, he became the second skipper to win the Sears Cup, emblematic of the National Junior Sailing Championship. He crewed on Harold Vanderbilt's famous J-boat *Ranger* in its successful defense of the 1937 America's Cup. He won the Star World Championship in 1930, the Shields Class Nationals in 1973, five Shields Season Championships from 1972 to 1983 and many International One-Design Season Championships.

Having won the very first intercollegiate regatta in 1928 for the Princeton team against Yale and Harvard, he is one of the founding fathers of the Intercollegiate Yacht Racing Association and was elected to the intercollegiate hall of fame in 1971. He was also one of the founders of the Frostbite Yacht Club in 1932 and had won the winter sailing season championship in the fiercely competitive interclub fleet 14 times before retiring from frostbiting in 1966.

His 1952 book, "Race Your Boat Right," has instructed three generations of sailboat racers.

In 1985 the U.S. Yacht Racing Union presented Mr. Knapp with the union's most prestigious award, the Nathanael G. Herreshoff Trophy, for outstanding contribution to the sport of sailing in this country.

More important, however, is the tremendous contribution Mr. Knapp has made as an ambassador of good will throughout the world. He is a credit to both our Nation and our people and I ask my colleagues to join me in saluting him today.

THE 50TH ANNIVERSARY OF THE BLUE WATER BRIDGE

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Mr. BONIOR. Mr. Speaker, I rise today to pay tribute to the upcoming 50th anniversary celebration of the Blue Water Bridge, which connects Port Huron, MI, in the 12th Congressional District, with Point Edward, ON, in Canada. The celebration will take place on October 1-2, 1988.

This important transportation link serves as a strong reminder of the bond our Nation has with Canada, our neighbor to the north. We share the longest undefended border in the world and we enjoy a trading relationship that is a model for other nations.

The Blue Water Bridge is jointly managed by Canada and the United States. The Blue Water Bridge Authority in Point Edward and the Michigan Department of Transportation share responsibility for operation of the bridge. It is believed that the Blue Water Bridge is the only international bridge in the world owned by two countries.

Opened on October 8, 1938, the Blue Water Bridge in its 50 years has had a positive impact on the economic growth of the communities served. Further expansion of the bridge is expected to begin in 1989, and a second bridge is being planned for construction early in the next century.

I am proud to have the American side of the Blue Water Bridge in the congressional district I represent, and I commend those public officials and private citizens who have contributed so much to the bridge's success over the years.

HEALTH WASTE ANTI-DUMPING ACT OF 1988

HON. GEORGE J. HOCKBRUECKNER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 28, 1988

Mr. HOCHBRUECKNER. Mr. Speaker, I applaud my colleagues for their unanimous vote to impose criminal penalties on dumpers of medical waste. I also rise to ask support of pending legislation to ban ocean dumping of sewage sludge.

September 26, the House of Representatives passed H.R. 5225. This legislation imposes criminal penalties against anyone caught dumping hospital wastes into the ocean. Under this legislation, which was written by the gentleman from New Jersey, Congressman WILLIAM HUGHES, fines of up to a quarter of a million dollars could be imposed. A dumper's profits could also be confiscated and if a dumper uses a barge or boat or any such asset during the offense, it, too, could be confiscated. This is a well-crafted proposal. I hope that the Senate will consider it favorably.

Our colleague, Mr. HUGHES, has another bill coming up for a vote soon in the House of Representatives. I rise today to encourage my colleagues to make the vote to pass this bill unanimously.

The bill is H.R. 4338, legislation to ban ocean dumping of sewage sludge in 1992. Although the issue here is as clear as our oceans once were, the bill is not without its detractors. Yet the Senate recently put aside all opposition to a companion bill. On August 8, the Senate passed the ban on sludge dumping by a vote of 97 to 0. Such unanimity sends the strongest message that a legislative body can muster. Through unanimity, we in the House can show similar resolve. Through unanimity, we can prempt those dumpers who would continue to spoil our seas in hopes of an appeal or deadline extension. Through unanimity, we can scare off any thought of a Presidential veto. Through unanimity, we can end ocean dumping once and for all.

Perhaps as early as next week we can hope to see H.R. 4338 come before the House. I was proud to vote for this bill in the Merchant Marine and Fisheries Committee on June 8, 1988. Along with the gentleman from New Jersey, I hope to see a successful vote by the full House to end ocean dumping.

We face a situation now in which once again Long Island is supplying the infamous symbols for the Nation's waste management problems. Last year it was the Islip garbage barge. This year, it's syringes on the beach.

Yes, infectious medical waste including syringes and blood vials, and raw pieces of sewage, have washed up on our beautiful beaches. The washups have resulted in the closing of beaches to both swimmers and fishermen. This, in turn, has forced people to cancel summer vacation plans, and devastated industries which serve the beachgoing population—forcing some people out of business. It has been a tragic turn of events.

The 100th Congress has already moved to solve this problem. The Plastic Pollution Research and Control Act passed and was signed into law by the President in December. It offers a comprehensive plan to deal with threats from floating marine debris. The law outlaws ocean dumping of plastic garbage anywhere in the world by American ships and by foreign vessels within 200 miles of our coasts. Clearly, plastic has been a key constituent of the wastes washing up on Long Island beaches. The Merchant Marine and Fisheries Committee also designed a new law banning toxic boat paints, parallelling State legislation adopted in New York. Thus, we have worked very hard to protect the marine environment.

If we are to tackle the beach washup crisis afflicting my district and others, I believe that additional legislation will be required during this Congres. To control ocean pollution, particularly infectious medical wastes, I believe we should institute a system of tracking the disposal of hospital wastes, as has been proposed by Congressman JIM SAXTON, a member of the Merchant Marine and Fisheries Committee, and by Congressman JIM FLORIO, a member of the Energy and Commerce Committee. A similar measure has already passed the Senate.

Further, I propose that we establish a Federal-State-private sector research center on Long Island to coordinate regional ocean monitoring and protection efforts. This can be achieved with the enactment of H.R. 4231, introduced by my committee colleague, JOE BRENNAN of Maine. H.R. 4231 would create 11 regional marine research centers around the country. I am hopeful that the State University of New York at Stony Brook will be designated as the center for the New York Bight area. SUNY Stony Brook has an exceptional marine sciences research center which would lend itself superbly to this effort.

Even though the Coast Guard is an enforcer of antidumping laws, budget negotiators last year cut its funding by $103 million—while in the same session new water quality requirements were passed. This reduction forced a 55-percent cut in law enforcement patrols, against drugs and dumping. That budget cut was particularly disturbing to me. Fortunately, Congress has passed a supplemental appropriation bill which provides for the restoration of $60 million this year to the Coast Guard. We absolutely must adequately fund the Coast Guard to ensure that it can successfully pursue all of its missions—including enforcing antidumping laws and drug interdiction.

Finally, the overall problem of waste disposal can be attacked by recycling as much of our consumer product packaging as possible, and by requiring that those items which cannot be recycled will at least decay naturally in the environment and not float on our seas or remain in our landfills for centuries. I have introduced H.R. 5000, which launches a Federal effort to open markets for recycled products and help U.S. manufacturers prepare for an agressive new program of recycling. The bill requires that, after 5 years, most consumer product packaging must be recycled. Packaging which cannot be recycled must be degradable. H.R. 5000 specifically authorizes a Federal study into plastic products which decay safely in sea water. The bill also requires a report to Congress on the feasibility of using recyclable or degradable materials in medical supplies such as syringes. I am pleased that 58 of my colleagues both Democrats and Republicans have now become cosponsors of H.R. 5000.

By continuing and reinforcing the effective programs we already have in place, and by adopting sound new policies and legislation, I am confident that we can conquer the beach washup problem and protect our coastline for future generations. It will require experimenting with creative ideas, making sacrifices in the home and at work, and learning to adopt practices which lessen the damage to our marine resources.

TRIBUTE TO AN AIDS NURSE

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. STUDDS. Mr. Speaker, I recently had the opportunity to meet a remarkable woman who has touched the lives of many people living with AIDS. Betsy Finley is only one of many Americans who have dedicated themselves to easing the pain and suffering wrought by this tragic disease, but I was especially moved by her compassion and sensitivity. I believe Betsy is an inspiration to all of us and would like to share with my colleagues the following July 26, 1988, Woman's Day article which further details her important work.

[From Woman's Day, July 1988]

CARING ENOUGH TO CRY: THE LIFE OF AN AIDS NURSE

(By Sandra G. Boodman)

As she bent over her patient, struggling to free an intravenous tube, Betsy Finley had one thing on her mind. Other nurses had tried unsuccessfully to extract the tube. If Finley failed, her patient, a man who was dying of AIDS—acquired immune deficiency syndrome—would have to undergo painful surgery.

After several minutes of skillful jiggling, she managed to free the tube. As she did, the apparatus came unstuck and some of the patient's blood splashed into her eye.

"I almost had a heart attack," recalled Finley, a nurse practitioner at the Washington Hospital Center, a few miles from the United States Capitol. "I had this overwhelming sense of 'This is it, I'm going to die.'" Finley remained composed enough to attach new IV tubing and make sure her patient was all right. Then she walked to a small office near the nurses' station, closed the door and burst into tears.

That was two years ago. Today Betsy Finley is fine. Despite her exposure to the AIDS virus, a series of blood tests that would have revealed infection were all negative.

The potential risks inherent in her job, however, are a constant presence for the 39-year-old Finley. Public-health experts have repeatedly stated that AIDS, which is transmitted in blood and semen, is not spread through casual contact with an infected person by shaking hands, sharing eating utensils or using the same telephone. And although federal health officials say that the risk to health-care workers who routinely handle blood and other body fluids is very small if proper precautions are followed, there is still the fear among many that the danger is more real than theoretical.

AIDS demands that nurses, whose jobs bring them into the most frequent, intimate contact with patients—through bathing, changing bedpans, drawing blood, adjusting intravenous lines—balance concern for their personal safety with the selflessness that is the mark of their profession. The fear many nurses feel was fueled in May 1987 when the CDC reported that three female health-care workers apparently contracted the virus after handling the blood of infected patients. In two cases the women were not wearing gloves, as the CDC recommends, and the third, who suffered a more serious splash injury than Finley's, had an earlier non-AIDS-related condition that lowered her resistance.

"Even though intellectually you realize cases of AIDS contracted as a result of hospital work are very unusual, you still wonder what we don't know about AIDS," Finley said. "But ultimately, I think if you've made a decision to be a health-care professional you don't bail out when an epidemic starts."

Although she does wear gloves when she draws blood, she refuses to wear what she calls "a space suit": the disposable mask, gown and booties some health-care workers have adopted. "And I don't hesitate having hands-on contact with a patient," said Finley, a tall, blond, gray-eyed woman with a warm, seff-assured manner, "but I'm definitely more careful than I was."

Remarks that AIDS patients deserve their illness infuriate Finley. "Recently I was with a group of people, and someone mentioned 'faggots with AIDS.' Remarks like that make me angry and very sad. I wanted to say, 'Hey, that could be your bother,' but I didn't."

Finley did confront a nursing colleague whom she felt was rude to an AIDS patient because she disapproved of his homosexuality. "People with that attitude should not be health-care workers," she said.

The steady increase in the number of cases in the Washington area, which has the fifth highest incidence of AIDS in the country, is reflected among the patients on the salmon-pink title corridors of 2D, the unit where Finley works. One week recently seven of the 38 patients had AIDS.

Finley coordinates the patients' care and examines them during daily rounds, much as a first-year resident does. She has more independence and responsibility than a staff nurse, although her work is supervised by physicians who are ulitimately accountable.

"You couldn't ask for a better person in this field," said Dr. John Stuckey, Finley's supervisor. "Betsy brings maturity and sensitivity to this job along with medical competence and emotional stability. She conveys a sense of confidence, and she's not surprised or shocked by anything."

Talking to patients and their families is an especially crucial task for nurse pracitioners. In some cases a disagnois of AIDS may be the first time anguished parents learn that their son is homosexual. And because so many victims of the disease are young—in their twenties and thirties—the specter of premature death is particularly wrenching.

When someone is diagnosed as having AIDS, there are so many decisions to make: how should they deal with telling friends and family; what treatment options should they choose; does the patient want to be in the hospital or at home?

One of the patients Finley was closest to was Stanley Stockman, a bartender who died at the Hospital Center in March 1986 at the age of 39. Stockman's mother lives in Prosperity, South Carolina, a Bible Belt town of 800 people, and faithfully visited her son during his four hospitalizations over a two-year period.

"Betsy was wonderful," recalled Orrie Stockman Harrison, who admitted that some of her neighbors were unsympathetic about the illness. "She was real caring and when I'd get upset and cry, well, she'd cry right along with me."

One of the things Stockman wanted to do most before he died was to see La Cage Aux Folles, a comedy about an aging gay couple, then playing in Washington. A social worker arranged for tickets in a private box and Stockman, in a wheelchair, his doctor, Finley, the social worker and Orrie Harrison—who had never seen a play—attended.

"Stanley was in a fair amount of pain and we were concerned about whether he could make it through," said Finley, "but he did and he loved it."

"You become intensely involved with patients and their families, and yet it isn't your family," said Finley, who was divorced after a brief marriage. "You support people as much as you can, but you learn to let go or you'd go crazy."

It was the chance to make a difference in the lives of others that attracted Finley, the youngest of three daughters of an IBM executive, to nursing in the first place. As a child growing up in Bronxville, an affluent suburb of New York City, Finley never thought much about what she wanted to do with her life. She was a high school cheerleader and a part-time model and has today the high cheekbones and slim figure that made her eligible for both.

In high school she participated in a tutoring program in East Harlem sponsored by the Episcopal church her family attended. The program exposed her to a world far different from the sheltered comfort of Bronxville, and touched her deeply.

After her junior year in 1970 Finley dropped out of Wheaton College a small exclusive liberal-arts school for women in Massachusetts. She was dissatisfied, she said, with an education that she felt prepared her more for country-club life then the social activism to which more and more she felt drawn. After a stint as a waitress in Boston, Finley decided to apply to nursing school at Massachusetts General Hospital. Her parents, she recalled with a wry smile, "were glad I was going to be able to support myself."

It was while working in the emergency room there that Finley developed a style one colleague admiringly characterized as "grace under pressure."

After several years at Mass. General, Finley decided she wanted to learn more about medicine. Becoming a nurse practitioner offered her a chance to improve her clinical skills without becoming an administrator or spending years in medical school. After completing a one-year nurse-practitioner program at George Washington University in Washington, D.C., Finley took a job at Johns Hopkins Hospital in Baltimore. A year later, she became an administrator at the Washington Free Clinic, working with disadvantaged women. In 1983 Finley joined the staff of Washington Hospital Center. Within months she was confronted with her first AIDS patient.

"I remember being frightened, but I also remember saying to myself, 'All right, this is something that anybody who stays in health care is going to have to deal with.' At the time the CDC guidelines were not clear, and those of us caring for AIDS patients did not know how much risk we were facing."

Her first AIDS patient, a man in his mid-thirties, was angry at the hospital, at his diagnosis and, most of all, at the prospect of an early death. "He was so nasty at the start that nobody wanted to take care of him," Finley said. "Over the course of the next two hospitalizations he changed and made friends, and the day before he died, he went around to say good-bye to everyone on the floor who had helped him."

The man's anger was not unusual. "A lot of AIDS patients feel, 'What could this person in a white coat possibly offer me?'" Finley says. "There's a tendency not to trust someone whose experience is so different."

Her most haunting memories are of a patient in his late thirties whom she care for during several hospitalizations. Although he and Finley had become friends, the man made only oblique references to his family.

"One night when it was clear that he was dying, he called me," Finley said. "He told me he had not seen his parents in twenty years, even though they live nearby. They had found out he was gay while he was in college and thrown him out of the house and out of the family.

"He seemed so sad that I said, "Would you mind if after you die I call your parents and tell them what a wonderful person you were?' I thought he would object, but he said, 'Would you mind doing it before I die?'"

A Roman Catholic priest who serves as one of the hospital's chaplains called the man's parents, who are devout Catholics. Finley and the priest met with the parents and several weeks later, the couple reluctantly visited their son.

"It was not a very warm or comfortable reunion," Finley said, "but at least he got to see them and tell them how he felt, and that was important to him."

The most difficult situations for Finley are AIDS patients who spend months in the hospital without visitors and who die alone. One of the current ones, a man in his thirties, has a wife and young child living in another state who can't afford to visit him. He had a visiting "buddy," assigned by a local AIDS group, but the patient was so unpleasant the buddy stopped coming.

On a recent morning, Finley pushed open the door to his room and greeted him as he lay unmoving in his bed, his spindly legs protruding from the diaper he wears because he is incontinent.

Finley, who wears a white lab coat over a blue dress, a beeper dangling from a pocket, talked to him in straightforward, reassuring tones. She then put on translucent disposable gloves, drew blood, removed the glove, examined him briefly and checked the air mattress designed to prevent bedsores.

There is little that can be done for the man, who is going blind and whose weight has dwindled to 108 pounds. He will probably die in the hospital, which has been his home since February. He spends his days lying in bed, smoking cigarettes and watching television.

"It is the sense of isolation people have that makes AIDS so different from other diseases," she said, closing the room door, which bears a magenta sign warning that the man within is suffering from an infectious disease.

Finley knows the feeling: she felt it after her splash injury. Minutes after the incident she flushed out her eye with saline and went to the hospital's ophthalmology clinic. A physician examined her eye and immediately threw away a piece of equipment that was not disposable.

"I felt completely contaminated; it was terrifying," Finley said. "I did not tell anyone what had happened for a long time. And until the second blood test I was pretty worried."

Finley said that members of her family, while supportive, are sometimes uneasy about her work. Friends have been supportive as well. "Most people are curious and want to know more about AIDS."

Because her work is so stressful, Finley creates an environment outside the hospital that helps maintain her equilibrium. Living alone helps. "There are times when I really need not to have to talk or listen," she said. "I'm with hundreds of people every day and I enjoy the quiet. I love to read, and I have a lot of friends. I'm not a recluse, but I enjoy my quiet time."

AIDS has taught her important lessons about life. "What I see every day challenges the notion we all have, that we have all the time in the world," she said. "AIDS can provide people with an opportunity for reconciliation. I see families rallying around, loving someone and being with them during their illness and death, and that's very powerful."

"What I get out of it is a sense that my presence has made a difference, that something can be done to make the situation more tolerable or maybe even positive. I wouldn't be able to function in a job in which I felt, 'Shoot, anybody can do this.'"

THE IMPORTANCE OF A LIVING MINIMUM WAGE TO BLACK AMERICANS

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. CLAY. Mr. Speaker, from Thursday, September 15 until Monday, September 26, our colleagues in the Senate have sought to act on legislation to provide a very modest increase in the minimum wage. Incredibly, the Republican Party has blocked even this minimal assistance to our poorest workers by filibustering this legislation. There is no clearer indication of the total lack of concern of the Republican Party for the welfare of working Americans.

The debate over whether to raise the minimum wage has special significance for black Americans. Blacks, Hispanics, and women constitute a disproportionate share of minimum wage workers. There are 741,000 black Americans earning the minimum wage. Almost 15 percent of the minimum wage workers in the country are black. Minimum wage workers constitute 8.7 percent of all black workers and

8.1 of all Hispanic workers. Among whites, minimum wage workers only constitute 7.8 percent of workers, almost a full percentage less than among blacks. For women, the figures are even worse. While minimum wage workers only constitute 5.4 percent of all male workers, they constitute 10.5 percent of all female workers. Sixty-five percent of all minimum wage workers are women.

There has been no increase in the minimum wage since 1981. In the meantime, inflation has steadily eroded the income of minimum wage workers. In terms of 1981 dollars, the minimum wage declined from $3.35 in purchasing ability in 1981 to a level of only $2.687 in 1987. Today, it requires a wage of $4.45 an hour to earn what a worker paid $3.35 an hour earned in 1981. A minimum wage worker who worked full time, 52 weeks a year, without taking any vacation earns $6,986 for his or her efforts, an amount below the poverty line for a family of two. As the Washington Post pointed out in an editorial in support of a minimum wage increase:

> The income gap between the richest and poorest fifths of the population—their share of total income—is the greatest it has been since World War II.

The depressed minimum wage and its consequential depression of the wages of other workers has not only seriously eroded the earning power of the black community, thereby damaging black business owners as well as black workers, but has further torn the fabric of the black community, itself. Over the last decade, the earning power of black men has declined by 50 percent. As stated in a report by the children's defense fund, the decline in the earning power of the black community, and of black men in particular, has "greatly exacerbated the teen pregnancy problem and the declining marriage rates among young black men and women, and has fueled substantial increases in poverty among young families and their children."

Minimum wage workers, no less than anyone else, have certain basic needs that must be met. To the extent that workers, through their wages, are unable to provide for these needs, they must be accounted for in another manner. If one's wages do not provide sufficient income to feed one's family then either that family will be malnourished or someone else must pay the cost of providing the food. If a worker is unable to earn wages sufficient to provide for the education of his or her children then either those children must go uneducated or someone else must assume those costs.

Our Republican colleagues in the Senate justified their opposition to the minimum wage legislation on the basis that it will adversely impact the working poor and especially minorities. Mr. Speaker, it is worth noting that the minimum wage bill was introduced in the House of Representatives by the dean of the Congressional Black Caucus, Congressman HAWKINS. It is worth noting that this legislation is among the highest priorities of the Black Caucus and is supported by all of its members. It is worth noting that those who have historically been elected by black Americans and have fought to bring about equality of opportunity for all Americans regardless of race are in strong support of this legislation while those who have historically opposed that struggle are leading the opposition.

Especially for black Americans, for whom the American dream has been an irrelevant myth for too long, the importance of being able to maintain oneself and one's family through gainful employment cannot be overemphasized. One works to provide a livelihood for one's family. Employment that does not convey to workers a degree of independence and self-reliance diminishes the dignity and worth of the individual, increases the divergence between rich and poor, and bares a closer resemblance to servitude than black Americans, given our history, can or should be willing to tolerate.

JEWISH EMIGRATION AND REFUSENIKS

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. HOYER. Mr. Speaker, I bring to my colleagues attention the current situation of Soviet Jewish refuseniks, as seen through their eyes. Depsite the upbeat atmoshere surrounding the visit of President Reagan in June, despair once again has set in. Yuri Cherniak and Vladimir Kislik, two long-term refuseniks, have provided the Helsinki Commission with an assessment of Jewish emigration and refuseniks since the summit meeting in June. As we can see by their report, Mr. Speaker, despite an increase in numbers, many refuseniks in the Soviet Union still feel that they are pawns in a superpower chess game.

Mr. Speaker, I ask permission to share their insights with my colleagues:

NOTES ABOUT THE SITUATION WITH JEWISH EMIGRATION AND REFUSENIKS

There is much rhetoric on the part of the Soviet officials about the new approach to the human rights issue in the USSR, in particular to Jewish emigration problem. In fact, the new way of dealing with the West is the new way to discuss sore problems rather than to solve them. The general problem of Jewish emigration breaks into two different problems, the one of emigrational quotas and the one of long-term refuseniks. It is quite obvious for those who is deeply involved into the problem that the Soviet authorities are just playing their game and have no intention to solve the general problem as such.

There has been a certain increase in the emigration quota but the figures are still much lower than in 1979 when 51320 Jews left the USSR. The Statute on Entering and leaving the USSR, i.e., the emigration regulation that came into force in January 1987, has received much criticism for its inconsistency with both Soviet and internatonal Law, so we will not dwell on it here. But instead of improving the regulation, which would fix the improved rules, the Soviet Authorities have been manipulating the practice of Jewish emigration in circumvention of the regulation, out of various political considerations. The practice is changed on the day-to-day basis and is different for different regions. Such an approach is undoubtedly a game.

There is still neither a legal act in the USSR, where the right to emigrate is recognized, nor the way for legal defense of this right. This fact, the practice and the above mentioned Statute contradict to the recommendations of the Vienna Conference to incorporate into the Soviet Law the articles of the International Convention Civil and Political Rights ratified by the USSR in 1973. Were it not a game the Soviet authorities would have announced the right to emigrate and also would have let the courts defend this right.

Much worse is the situation with refuseniks. Now there are two groups of them, security refuseniks, those who are claimed to possess important state secrets, and so called "poor relatives", those who cannot present to the Visa office affidavits from remaining relatives and/or ex-spouses stating that they pose no financial claims. Both groups of refuseniks are undoubtedly articifcially created and no step towards solution of the problem as a whole has been taken. Instead, the Soviet authorities prefer to bargain about each refusenik separately, using thereby the market created by their general policy towards Jewish emigration. The Institution of long-term refuseniks is not only the stock of the material for the concessions to the West but also a simple way to intimidate possible-new-applicants and prevent the growth of emigration.

The play under discussion is very vividly seen from the fact that the last summit meeting in Moscow brought about very few permissions to old term refuseniks. The figures are telling by themselves: from about 250 families of security refuseniks that were on our list, 17 received permissions in April, 37 in May, only 3 in June, again 3 in July, and 2 in August. It proved possible perhaps because the main problems had been solved in advance without any linkage to our fates and because the Soviet side would not like to make (gifts) concessions to the American Administration that did not have much time ahead of it.

None can take seriously the explanations of Soviet officials that they are guided by the security considerations in repeatedly refusing those people to leave who have had no contact with so-called secrecy for 10, 15, 20 and more years or even have had no access to such information at all. The problem of the security refuseniks turns out to be rather a political than technical one. In order to continue their game the Soviet authorities ignore the fact that the 12 Western powers submitted their resolution at the Vienna Conference in June 1987 for a maximum term for restricting emigration for reasons of secrecy to one year; the Soviet Union has still introduced no such terms at all.

In spite of the Statute where the ministries under whose supervision the refuseniks worked have not been mentioned among the decision makers they now announce new preposterous times for the next consideration, such as 1995, 1997 etc., despite the fact that the people had left their jobs long years ago. Say, the Ministry of Radio Industry announced 1992 for Boris Chernobylsky (quit in 1974), Sergey Dikii (quit in 1979), Leonid Gonorovskii (1970), Aron Grinberg (1983), Ludmila Lubenskaya (1969), Tamara Mukomolova (1972), Sophiya Severinovskii (1974), Lev Stambler (1976), Boris Strelchik (1974), (all from Moscow) and 1995 for Vladimir Raiz (1965) from Vilnus. Thus, all but one who left their jobs at so different times are given the same moment of reconsideration, which casts doubts on the reality of the consideration. Moreover, many new applicants who worked under the same classified Ministries and thereby were at least formally involved into classified works have been receiving permissions. This double approach shows that the Soviet authorities use the problem of secrecy also as a pretext to bargain about something from the West.

Is it not a game when the highest Soviet bodies first authorize, in circumvention of the Statute, the ministries and employers to make the decisions whether their ex-employees may or may not leave the country, and then claim that it is not them but the ministries and employers are the real decision makers? To make their claims more realistic they say that the decision is subject to the secret commissions which announce their decisions through the emigration offices. It is often not indicated which member of the family in particular is the cause of the refusal, for what reason, for how long, or for what work done. It is also a game and not a very good one.

Moreover, in contradiction to any conceivable legal procedure but according to the existing practice and to Mr. Vitaliy Sidorov, an official of the Central Committee of CPSU, even a person who has never had a formal access to classified information (clearance) may be denied permission to leave because he/she might know secrets. The terms of refusal for such purely alleged secrecy are very long, by now it is 12 years for Galina Zigmond, 11 years for Boris Teplitsky and Alexander Aronov (all from Lenigrad), and 8 for Eugene Grechanovsky from Moscow. The worst case is that of Mark Grauer from Chernovtzy who applied in 1972 immediately after his graduation from an ordinary technical college and is still in refusal. It implies that any new applicant may become an object of such bad a game.

Perhaps the worst game played by the Soviet authorities is that they deliberately deny permissions to sick and elderly people to create a larger bargaining chip. For example, with a view to improve their image in the eyes of the world public and exactly before the summit meeting in Washington in 1987, which was the most important one in the whole series, the Soviet authorities granted about 25 permissions to regular members of Moscow Refusenik Scientific Seminar leaving behind seven refuseniks most of them were either unhealthy or aged (Nahumn Meiman, Benjamin Charny, Yuri Ziman, Vladimir Kislik, Yuri Chernyak and Elias Pinsker). Half of these remaining people have received their permissions to leave, each as a particular concession to the West, while the other half is waiting until their "prices" in the Western market raise to the level acceptable for the Soviets.

The problem of "poor relatives" comprises another game because it is purely artificial and no steps towards its solution has been taken. Please note that in overwhelming majority of cases, those remaining behind refuse to supply the affidavit for fear of the consequences, or simply because they wish to hamper emigration. These reasons are not recognized by law. There is a juridical mechanism equivalent to obtaining the affidavit but it has been approved only for Baltic Republics. The fact that this experience has not been recommended for other Republics implies that the authorities deliberately create an unsurmountable obstacle to a considerable number of applicants.

One more typical example of the game the Soviet authorities play is that they grant visas to leave for Israel to people, like Pentecostals and Baptists to make the impression that Jewish emigration is higher than it really is. Thus, in July 1988, about 300 non-Jews left on Israeli visas and the overall figure for Jewish emigration was thereby inflated by about 23 percent. On the other hand such a policy is used to show Israel in a bad light as if it promotes emigration of non-Jewish population of the USSR.

For about a year instead of taking practical measures the authorities have been referring to the new emigration law which has been claimed to be in accord with the International Covenant on Civil and Political Rights and similar documents. But they have worked out the draft of the law secretly and refuse to acquaint us and with it. On the other hand for more than a year the authorities have been promising to introduce soon the new emigration law but none is sure that it will appear at all. So they are doing in the same traditional spirit of 1970s when the Jewish emigration issue was used as a pawn in international affairs.—Moscow, August 16, 1988.

Vladimir Kislik.
Yuri Cherniak.

INTRODUCTION OF THE STEEL IMPORT STABILIZATION ACT EXTENSION

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. MURTHA. Mr. Speaker, as chairman of the Executive Committee of the House Steel Caucus, today, I and 58 of my colleagues on the caucus are introducing legislation extending the steel voluntary restraint agreement program for a period of 5 years.

The steel caucus has been a strong advocate for import relief for the domestic steel industry. Our efforts have begun to pay off under the steel Voluntary Restraint Agreement Program [VRA's]. Since 1984, steel imports have declined from 26.4 percent to 20.4 percent and productivity has nearly doubled. Though these signs are encouraging, the job of obtaining the steel industry's competitiveness is not complete.

American steel producers compete in a world market dominated by foreign governments. In most steel producing countries, decisions about investment, disinvestment, production and pricing are influenced by the Government. In addition, many foreign producers are heavily protected from foreign competition by high tariffs, quotas, restrictive import licensing and other nontariff barriers. These restrictive measures inevitably restrict U.S. steel producers from competing in the global and domestic steel market. For the United States, the net effect has been plant closings and lost jobs.

The steel VRA Program, established as a trade policy in 1984 to take comprehensive action against unfair trade practices, is working. Under the VRA Program, the U.S. steel industry has made excellent progress toward its goal of becoming more competitive. Costs are being lowered sharply, labor productivity has been increased dramatically and product quality has been improved greatly.

Regardless of the progress made, substantially more remains to be done. New investment on a sustained basis of $3 to $5 billion annually is needed if the domestic steel industry is to match the competitiveness of its leading foreign competitors. After sustained losses of $12 billion between 1982 and 1986, the industry's financial gains of the past 18 months are inadequate to complete its comeback. Substantial reinvestment and modernization is still called for. Failure to extend the steel VRA's will abort completion of the steel industry's orderly restructuring. Moreover, in a world in which market forces are dominated by foreign government intervention, the restructuring of the steel industry will be hampered by the absence of an effective mechanism to deal with unfairly traded steel imports.

Steel is a notoriously cyclical industry. In 1988, the steel market, domestically and internationally, has been very strong. However, there is no assurance that the current strong market condition will last. Therefore, the steel VRA's are needed as a long-run mechanism to protect the steel industry from the likely flood of imports as the steel market weakens. A continuation of the steel VRA Program is not only called for, it is justified.

Mr. Speaker, the legislation being introduced goes beyond just providing assistance to the country's steel industry, it also means continued economic growth and prosperity for the Nation's economy.

BUCHANAN EXPOSES ACLU

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. SOLOMON. Mr. Speaker, no wonder liberals hate Pat Buchanan. No one has a more sensitive radar against cant and hypocrisy, which he invariably exposes in the most vivid and straightforward writing in Washington.

His recent column on the ACLU, which appeared in the September 28 Washington Times, is definitive. Michael Dukakis is starting to wilt under the exposure of his liberal past. And no skeleton in his closet rattles as loudly as his long-time support for the ACLU agenda.

Mr. Speaker, one of the positive aspects of this Presidential campaign is the scrutiny being applied to the ACLU. Toward that end, I take pleasure in placing in the Record this contribution by Pat Buchanan.

[From the Washington Times, Sept. 28, 1988]

Dukakis' ACLU Albatross

(By Patrick Buchanan)

"Just take a look at the positions of the ACLU," Vice President Bush shot back at Peter Jennings Sunday night, "I don't want my 10-year-old grandchild to go into an X-rated movie. I'd like those rating systems [kept]. I don't think they're right to try to take the tax exemption away from the Catholic Church. I don't want to see the kiddy pornographic laws repealed."

Finally, the ACLU's radical agenda may be exhumed and laid out on the table for the autopsy my press colleagues seem anxious to avoid.

Instead of defending his 35-year-old ACLU ties, Massachusetts Gov. Michael Dukakis retreated into a precooked defense of his patriotism. "Of course, the vice president's questioning my patriotism," he said grimly into the camera, "and I resent it, I resent it."

Well, I don't think the Duke is going to get away with that one. Too many millions heard the vice president; and the ACLU, taking a deserved pounding, is about to come out and make itself an issue.

In an enraged letter, accusing this writer of McCarthyism, "political terrorism," and "slime," executive director Ira Glasser demands that I substantiate my assertion that today's ACLU has been "recaptured by the hard left," since '68, and that it is now "closer in ideology to the ACLU of the 1930s from which John Dewey resigned, because of Marxist domination."

Well, Ira, herewith more substance.

In 1939, John Dos Passos, the great novelist, also resigned from the National Committee of the ACLU "because of Communist participation in the Union's affairs." So writes Bill Donohue in "The Politics of the American Civil Liberties Union." Is he wrong?

While the old ACLU voted 11-8 to expel Communist Elizabeth Gurley Flynn from the governing board in 1940, after the Nazi-Soviet pact, in 1976, it reversed itself, rescinded the expulsion 32-18, and hailed Ms. Flynn, *after* her remains had been buried in the Kremlin Wall by the Moscow regime she served so slavishly.

In 1974, the ACLU board flatly declared that "no member of any political party or any other association in the United States is ineligible for membership on the Board of Directors of the Union . . . by reason of being a member of such party or association." That was an open invitation, Ira, for the "hard left" to come home and play a role, as they had in the '20s and '30s, when Communist Party leaders Elizabeth Gurley Flynn and William Z. Foster graced the masthead.

And, how, other than hard left, Ira, does one describe National Advisory Council member William Kunstler, who stated in 1979: "I do not believe in public attacks on socialist (i.e. Soviet Bloc) countries where violations of human rights may occur."?

What occasions this column is another letter, this one from Father Bruce Ritter of Covenant House, along with his book, "Sometimes God Has a Kid's Face," which is about Father Ritter's decades of picking up children off the Minnesota Strip: "The slimy underbelly of Manhattan, a 15-block stretch of Eighth Avenue porno parlors, strip joints . . . cheap bars, fleabag hotels, and thousands of drifters, hookers and pimps."

Father Ritter tells of a 10-year-old boy brought into Covenant House with the toy cars and trucks his customers gave him, of an 11-year-old-girl arrested eight times for prostitution, thrown out a window to her death by her pimp before her 12th birthday, of runaway children in the thousands selling themselves to survive.

"There is an absolute, direct relationship between pornography and what happens to these children," he writes, "To proclaim piously that there is no demonstrable relationship between pornography and violence and warped attitudes really is ludicrous."

"If I delivered an ethnic slur, even implicit, the American Civil Liberties Union would jump all over me. They would scream that I was teaching people to hate. But they don't seem to worry that pornography degrades an entire gender, that it teaches millions of young men that it's OK to subjugate and torture young women. . . .

"I think there is a tremendous lack of fortitude in our society. We're afraid to be considered book-burners. We're afraid to be considered fanatics. We're afraid to take moral positions. We're afraid to lose friends. And so this really evil thing—pornography, the whole sex industry—has grown like a weed in our society."

The weed grows, Ira, because the clean-fingernailed crowd at the ACLU is always there, in court, whenever the "slime" merchants need a First Amendment cover.

If the ACLU seeks to legalize prostitution, street solicitation, and the sale and distribution of pornography—even child pornography, once it has been produced—then Mr. Dukakis should explain why he does not denounce its policy positions, or get out. But, to the governor, his ACLU membership is no cursory thing.

As far back as 1970 he introduced legislation calling for repeal of all state laws prohibiting sodomy, abortion, blasphemy and bestiality—i.e. sex between men and animals. As one wag put it, the young Duke wanted to legalize not only coveting your neighbor's wife, but your neighbor and your neighbor's dog as as well.

Can one imagine how CBS would play the news if Dan Quayle had sponsored such legislation; he would be history.

Why does the press not press the Duke on the ACLU? Because the liberal press sees in Dukakis-Bentsen the last, best hope it will ever have to discredit Reaganism and defeat George Bush; this time, they're not going to blow it.

MISDIRECTED WAR ON DRUGS

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. CLAY. Mr. Speaker, last week I was 1 of the 30 Members of this House who voted against the antidrug bill, H.R. 5210. Certainly I am not against antidrug legislation. But I do oppose dubious legislation. I cannot see how this bill will do anything to eradicate illegal drug markets and eliminate the use of illegal drugs in our society.

I would like to share with my colleagues an insightful editorial which recently appeared in the St. Louis Post-Dispatch.

[From the St. Louis Post-Dispatch, Sept. 26, 1988]

A MISDIRECTED WAR ON DRUGS

Rep. Dan Lundgren of California says the House was not "genuflecting to the political winds" in its overwhelming approval of anti-drug legislation last week. But that's exactly what it did. The drug bill is a perfect example of election-year grandstanding: It tackles a horrible problem with tough-sounding measures that in many respects are as wrong as wrong can be.

Not all provisions of the bill are bad. Money is provided for a new block grant program for the states through 1991 for new treatment and rehabilitation centers, and funds for new programs aimed at prevention of drug and alcohol use among young children and youth gangs also are made available.

But funding for those programs is far from certain, since federal spending is approaching the limit for the new fiscal year. And the negative aspects of the bill could damage civil liberties and constitutional protections far more than its positive provisions will help combat drug abuse.

Most troubling are the shortcuts the bill authorizes law enforcement officials to take in their battle against drug dealers and drug users. The legislation permits introduction of evidence obtained in an unconstitutional search, provided that officers acted in the "good faith belief" that they were proceeding in a lawful manner. Since law enforcement officers almost always feel they are acting in good faith, such assurance is likely to provide scant safeguards for drug suspects.

Similarly troubling is a provision establishing civil penalties of as much as $10,000 for possession of small amounts of marijuana, cocaine or any other illegal drug for "personal use." A conviction in such a case could be gained by proving "clear and convincing evidence"—a standard far easier to obtain than the rule of "beyond a reasonable doubt" required in criminal cases.

Also included is the use of the death penalty for anyone who intentionally kills a person during a drug felony. Since capital punishment falls disproportionately upon those who cannot afford the legal expertise to defend themselves against it, creating a new category where the lives of poor defendants may be lost for the want of adequate representation merely extends an unjust and unjustifiable punishment.

Authorization of more money for the Coast Guard's anti-drug effort is another misdirected provision in the bill. Intercepting drugs on their way into the nation sounds like a good policy, but it hasn't worked and isn't likely to work without a lot more money, personnel and equipment than the nation can afford. Efforts so far have not succeeded, and the dropping price of drugs on the street shows that the supply has become greater, not less.

The House drug bill passed 375 to 30 because it sounds good, not because it is practical. But quick-fix solutions that trample on civil rights and common sense will not solve the drug problem in this country. If more effort were put into treating those who would like to get off drugs and into educating those who have not yet been drawn by their spell, the problem could be on its way to a solution. When the Senate votes on its own drug bill, it should consider this and not take the easy way out.

THE SPEAKER WAS RIGHT

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. COLEMAN of Texas. Mr. Speaker, Speaker WRIGHT was absolutely correct when, in a statement on his remarks about the involvement of the CIA in Nicaragua, he said this week that "the question is not what I said and whether I should have said it. The question is what our Government has done, and whether we should be doing it * * * it is the responsibility of Congress to speak out whenever it discovers any agency of Government, financed by the taxpayer's money, is operating contrary to established public policy."

The Wall Street Journal carried an excellent article this morning that gets to the heart of the issue. Titled "Wright vs. CIA: A Challenge to the Secret Government." It is an excellent analysis of the issue of making sure that even the CIA remains accountable to the elected representatives of the American people.

The article and statements follow:

[From the Wall Street Journal, Sept. 29, 1988]

WRIGHT VS CIA: A CHALLENGE TO THE SECRET GOVERNMENT

(By Alexander Cockburn)

For an eloquent statement of political and moral principle we may turn, not to the transcript of the recent presidential debate, but to the Sept. 23 statement of House Speaker Jim Wright. Those wearied by Vice President George Bush's impetuous jabber or Michael Dukakis's somewhat wooden pronouncements will be refreshed by Mr. Wright's firm grasp of the essentials. His remarks are well worth recalling.

"The question of greatest importance," the speaker stated, "is not what I said and whether I should have said it. The question is what our government has done, and whether we should be doing it. The CIA was created to gather intelligence, not to make policy. That is the role of Congress. Congress is not subservient to the CIA or any other agency, nor dependent upon their permission to speak. It is the responsibility of Congress to speak out whenever it discovers any agency of government, financed by the taxpayer's money, is operating contrary to established public policy."

Mr. Wright quoted the testimony to the World Court of David MacMichael, a senior analyst for the CIA, who stated under oath that the actions against Nicaragua by the CIA were undertaken partly in the hope "the Nicaraguan government would clamp down on civil liberties within Nicaragua, arresting its opposition."

The press, or at least a large part of it, paid scant attention to this and went haring off along the path staked out for it by the Reagan administration, which naturally led into thickets of abuse for Mr. Wright for having given away "secrets." Not everyone joined the pack. Newsday pointed out that Mr. Wright had in fact been set up by one of Assistant Secretary of State Elliott Abram's equerries, who had funneled some private remarks of Mr. Wright, made in a meeting with Contra leaders, to the Washington Times, which had then used them as a pivot to elicit the supposed disclosure of the secrets by the speaker.

When Vice President Bush offered to Mr. Dukakis last Sunday what might be termed his Devil's Compact—that he would take all the blame for the administration's performance in the Iran-Contra affair and in its dealings with Gen. Manuel Noriega, so long as he got half the credit for all the achievements also—he seems to have been gesturing at a chilling system of political ethics precisely the reverse of Mr. Wright's forthright stand. Mr. Bush was suggesting that ends justified means and that if, somehow, the bottom line looks okay, who cares how many generally accepted accounting principles have been breached along the way.

Concerning such breeches, the day before Mr. Wright made the statement quoted above, David Bonior, House Democratic deputy majority whip, sent a letter to his colleagues outlining the public record on CIA activity in Nicaragua, starting with the agency's creation of the Contras in 1981; the mining of the harbors; the compilation of the "Assassination Manual" advising "the selective use of violence" to "neutralize carefully selected and planned targets such as court judge, police and state security officials, etc.," and most recently the pouring of several million dollars into the coffers of internal Nicaraguan opposition groups.

U.S. officials have denied that they directed the Nandaime affair of July 10 in which police and opposition groups clashed, but one certainly could not blame the Nicaraguan government if it were to suspect that there was some connection between the U.S. funding noted above and the affray. After all, in its edition for Sept. 26, the Washington Times cited an administration source as supporting the judgment that "there's enough truth in Mr. Wright's accusations that they cannot be flatly denied"—the essential accusation being, of course, that the CIA was funding opposition groups in Nicaragua to foment provocative actions and thus sabotage the Central American peace process.

Activities of Nicaragua's internal opposition have been timed to coincide with congressional debates on aid to the Contras. According to a report by the Council of Hemispheric Affairs, back in January of this year a U.S.-funded Nicaraguan opposition group, the Jan. 22 Movement of Mothers of Political Prisoners, organized an anti-Sandinista demonstration in Managua, ending in a rock-throwing incident between the group and some government supporters. U.S. journalists in Managua relayed stories of the confrontation back to the U.S., where they were widely disseminated, though the fact that the anti-Sandinista group had got $22,000 from Washington was not mentioned.

The administration should not receive sole blame for these efforts to mine the road to peace in Central America. Both Mr. Wright and Mr. Bonior should turn their attention to the National Endowment for Democracy. This body gets bipartisan funding from Congress, which pays little or no attention to how such funds are actually distributed by the fanatical cold warriors who run the group. At this very minute Congress is preparing to give $1 million to $2 million to the National Endowment for Democracy, which in turn will pass it on to groups sympathetic to the Contras, under the bland rubric of "promotion of democracy in Nicaragua."

One of the administration's attacks on Speaker Wright was that by his disclosure he was compromising the reputation of the entire political opposition in Nicaragua, since the Nicaraguan government could now apply the same label of CIA-sponsorship across the board. But it is clear that U.S. officials have long been intent on throwing money at more or less everything that moves in a Contrary direction in Nicaragua, so that nation's government can scarcely be blamed for drawing the conclusions that it has. Mr. Bush and his colleagues are more to be blamed than Mr. Wright for discrediting the opposition in Nicaragua.

In 1983, Rep. George Brown (D., Calif.) angrily resigned from the House Select Committee on Intelligence. He protested that, by classifying information that could well be on the public record, the CIA was preventing members of Congress from taking an appropriate role in the review of public policy. And this indeed has been a prime consequence of the system of intelligence review set up after the hearings into CIA conduct in the mid-1970s. In recent years the CIA has withheld from the intelligence committees material for which it feared adverse reception and returned from the Hill with the remainder rubber-stamped by the witting legislators, then inhibited from any public debate of what the government was actually doing, as opposed to what it said it was doing. By challenging this profoundly undemocratic procedure, Mr. Wright has introduced a genuine issue of principal into the presidential campaign: accountability and that secret government of which Mr. Bush has been so assiduous an executive.

STATEMENT BY SPEAKER JIM WRIGHT

When I made a personal comment last Friday in a private meeting with leaders of the Nicaraguan contra movement, I did not intend that comment to become the focal point of a national debate.

Now that others have chosen to make it that, let's go to the heart of the matter.

The question of greatest importance is not what I said and whether I should have said it. The question is what our government has done, and whether we should be doing it.

The CIA was created to gather intelligence, not to make policy. That is the role of Congress.

Congress is not subservient to the CIA or any other agency, nor dependent upon their permission to speak.

It is the responsibility of Congress to speak out whenever it discovers any agency of government, financed by the taxpayer's money, is operating contrary to established public policy.

In the early 1970s, the CIA engaged secretly in undermining and destabilizing the elected government of Chile while we publicly maintained friendly relations. Congress was misinformed, and the truth was revealed by Gerald Ford after he became President.

What resulted from the overthrow and assassination of President Allende has been 15 years of oppressive military dictatorship.

In 1984, the CIA, in violation of U.S. law, mined the public harbors of Nicaragua while we were publicly maintaining diplomatic relations with that country and its government.

Former Senator Barry Goldwater, among others, blew the whistle on that sad chapter in American history. The World Court found us guilty of violating international law.

In 1986, operatives in the White House annex, in violation of law and without informing Congress, sold weapons to Iran and diverted the profits to the contras. This action has resulted in enormous public embarrassment for the United States.

If someone had publicly protested these misadventures when they were first contemplated, perhaps great mischief could have been avoided.

It is unfortunately true that while our government has pursued a public policy of supporting the peace talks in Central America, agents of our government have engaged in efforts to destabilize the Nicaraguan government and to produce incidents aimed at provoking an overreacton on the part of that government of a type that is calculated to be disruptive to the peace talks.

This is the continuance of a policy which has been in force for many months. On September 16, 1985, David MacMichael, a senior analyst for the CIA, testified under oath before the World Court. He said:

"The principal actions to be undertaken were paramilitary which hopefully would provoke cross-border attacks by Nicaraguan forces and thus serve to demonstrate Nicaragua's aggressive nature . . . It was hoped that the Nicaraguan Government would clamp down on civil liberties within Nicaragua itself, arresting its opposition . . . and further that there would be reaction against United States citizens, particularly against United States diplomatic personnel within Nicaragua and thus serve to demonstrate the hostility of Nicaragua toward the United States."

It is my contention that this practice is contrary to officially announced public policy and should be discontinued during the period when we are trying to encourage the peace process.

The United States should not say one thing publicly and do another privately. That is unworthy of our nation. We will not be trusted or respected by others if we do.

I have said these things privately to members of the Administration. I regret the necessity to say them publicly. But I believe they need to be said.

LET'S STOP COMPLAINING ABOUT ROADBLOCKS AND GET TO WORK

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. McEWEN. Mr. Speaker, I recently read an article in the June issue of Petroleum Independent concerning the difficult times the oil industry is going through. The article by Frank Pitts, an independent producer from Dallas, makes the point that the recession that hit the oil patches threatens the Nation with a full-fledged depression unless the Nation's political leaders wake up and take notice.

He notes that it's important for the government of any producing nation to help maintain a healthy oil industry, and that excessive dependence on foreign oil and natural gas threatens our economic stability and national security.

I bring this to the attention of my colleagues with the suggestion that this is an informative article. I also ask that it be entered into the CONGRESSIONAL RECORD.

LET'S STOP COMPLAINING ABOUT ROADBLOCKS AND GET TO WORK

(By Frank Pitts)

Oil and gas questions and answers change so fast these days that hard answers don't come easy. But I do have some tough ideas for you. Not ideas I always like, or dreams I wish would come true, but hard facts.

When oilmen sell a few barrels less oil per day, somebody's oil truck doesn't run; somebody else's rig is idle; a roughneck misses a payment on his pickup, and Anthony's sale on bluejeans is a flop. Tomorrow, they may need one less employee at the Longhorn Cafe; the bank is in trouble; and the school district is trying to pry new tax money from retired mail carriers and waitresses, who never before gave a thought about their stake in the oil business.

Those are facts of life that you and I share with the folks in Caps and Merkel and Houston. But they are still unknown to most Americans in Beverly Hills, Vermont, or Georgia. And so we shout, "The recession that started in the oil patch threatens the nation with a full-fledged depression unless the politicians wake up!"

Hard Fact No. 1: The politicians are wide-awake! The U.S. economy, beginning with the demise of the oil industry in 1982, is trying to take off! A new low-valued dollar has us competitive overseas again. The Midwest rust belt of manufacturing is sprouting chrome. Japan is importing American-made Hondas because they're cheaper than Japanese-built Hondas! We can plead dangers of dependence on foreign oil all we want—and in the long run, we may be proven right. But politicians have accurately read the pulse of most Americans, and they know what can get them re-elected. We cannot this year overturn the general feeling that things are improving in this country, and that cheap foreign oil is just what we needed all the time.

I have been an avid supporter of a variable import fee on foreign oil ever since the Saudis dumped two million barrels per day on the market and ran the price down to $10. Many oil operators have supported those same efforts and others have resisted them in support of free enterprise, or shown concern of the danger of more government interference in our business. There are good arguments on both sides, but our differences have destroyed our lobby position.

Hard Fact No. 2: In my opinion, there will be no oil import fees established, and no government floor or price support that will assist the 10 principal oil and gas producing states. Not under Mr. Reagan, and not under the next president, regardless of his name or party.

That leads head-on to Hard Fact No. 3: The price of oil the next several years will remain at $15 to $20 in 1988 dollars.

I believe any producer who is sitting around hoping for a crisis that will raise oil prices to $25 to $30 in the next two or three years is kidding himself. It is absolutely in OPEC's interest to keep the price as high as possible, but low enough that high-cost producers, such as Americans, cannot give them any serious competition. If the price of oil creeps high enough to let Americans or Canadians make easy profits again, OPEC's huge producing capacity will flood the market again and drive us producers to the wall. They may fight, stab, and cheat each other on the quotas, but OPEC is not going to come unglued.

For a producer to continue in business, he must grit his teeth! Face the facts! Trim his operation! Analyze every prospect down to the last pore-space! Get on the computer and check every step of the dozens of ways his financial deals can be structured. "Necessity is the mother of invention." He can make some money from $15 to $20 oil if he'll use the technology available to him.

There still is $15 to $20 oil left to be found and recovered in this country. But it is not nearly as large a resource as $2.50 to $4 natural gas. As a premium fuel, natural gas is even more under priced than oil at the moment, but that's going to improve. Gas producers are worried about the temporary gas surplus that is still driving prices down, and about Canadian gas that is still shipped into U.S. markets. Canadian gas filled 5 percent of the U.S. market last year and is expected to climb to 10 percent of the U.S. market by 1994 or 1995. Some gas producers are gearing up to fight tooth and nail to prevent ratification of the natural gas portion of the U.S.-Canada free trade bill.

Hard Fact No. 4: The treaty will be ratified. New England gas utilities are in favor of Canadian gas imports. In California, Pacific Gas welcomes the cheaper, more stable supply of Canadian gas. There are many products such as Amoco and Exxon, and some U.S. independents, too, who have Canadian gas to sell. There is more nearly a coalition favoring an open market for Canadian gas than there is against it.

Hard Fact No. 5: U.S. gas producers are not selling their abundance of gas! They're talking so much about future shortages and high prices of natural gas, that they're driving their best potential markets away! Too many of them are in a strange new world with no map. For 40 years, the regulated pipelines basically told producers what they'd pay, and how much gas they'd take.

When Jimmy Carter was elected in 1976, he looked at the gas reserve curve sliding downhill and decreed: "The United States is out of natural gas. We've got to stop wasting precious gas on generating electricity and use coal and other types of energy." His new laws did away with free market intrastate pricing, but prices were allowed to rise.

Soon, expensive new gas choked the pipelines. Consumers couldn't pay for it. Industry wasn't allowed to use it. A surplus of gas smothered producers, just as the Arabs drove the price of oil down below $10. The entire oil and gas industry crashed, bringing down with it all kinds of subsidiary industries, multibillion dollar banks, investors, and the ripple-effects were felt far and wide. Today, new laws have opened up a huge expanse of potential markets, but most producers are still waiting for the pipeline to come and buy their surplus. He's never had to sell aggressively, and doesn't know how to start selling gas to an end user.

In my more than 40 years experience in this business, I've seen only two clear windows of real opportunity. The first was in the early 1970s, when our government had prices squeezed down so nobody could drill and make a profit with $3 oil and 14 cents to 25 cents gas. Reserves were dropping and imports were increasing to the danger level. It was obvious that something had to give. Together with a few associates, we began drilling wells. Within two years, the prices began to rise, and our investment paid off.

The second window is right here today. The conditions are nearly the same as 15 years ago. I believe the government is going to have to come to its senses again. The U.S. oil industry will recover, but only after Congress pulls some chocks from the wheels.

The government of any producing nation should help maintain a healthy oil industry. There are some wonderful examples of incentives and partnerships aimed at reviving and encouraging producers in Norway, Sweden and England, which have all granted tax privileges or special credits. Australia and Argentina have cancelled oppressive tax disincentives. On the average, non-OPEC countries have cut about $7 from every $10 of former taxes. Canada has been particularly helpful to producers, even making outright cash grants designed to increase exploration, drilling and production.

That's in marked contrast to the "get lost" attitude of our own government's response, which was to add $10 billion in taxes to U.S. producers in 1986. The difference is apparent. At present, as the industry has tried to creep toward recovery, active drilling rigs have increased in the U.S. by 30 percent, and in Canada by 100 percent. The chairman of Petrocanada recently reported that Canada's new tax policies have allowed him to make as much profit on $18 oil as he once did on $30 oil.

What can our government do? It can eliminate many disincentives and create some new incentives. 1) Our government could instigate tax credits for new drilling. 2) Our government could eliminate federal taxes on all new discoveries and their associated development wells for a period of, say, five years. 3) Our government could repeal the misnamed windfall profit tax. 4) Our government could restore 27.5 percentage depletion, thereby increasing the production of even $15 oil by 370,000 barrels a day. 5) Our government must open more government lands to exploration, onshore and offshore.

Fortunately, there appears to be a growing pool of investment money that will be available when government signals a tax climate under which we can conduct profitable operations even with today's low prices. Some is foreign, some is institutional, such as insurance companies and pension funds, and some is private U.S. dollars.

But the type of investor that Texas producers have depended on for 50 years, those looking for tax shelters, are probably gone forever. The new investor operates on conservative business principles.

Hard Fact No. 6: Razzle-dazzle has been replaced by computer printouts. New kinds of investors are going to create a whole new breed of independent producer; one who knows his market; one who knows how to sell to his market; one who knows how to manage a really tight ship, where nothing slips through the cracks; and one who stays abreast of and uses as much of the new technology as is applicable to his operation.

Companies like Mobil, Texaco, and Conoco are not finding the transition easy, and it will be even more traumatic for most independents. There's going to be a period of adjustments and regulatory turmoil, too. In the long run, most small independents may continue to sell to pipelines, and through a new breed of oil field cat, the gas sales broker.

But opportunity is about to beat the hinges off producers' doors! The electric generation business alone must produce 22 percent more power by 1995 to meet the estimated demand. We've got the cleanest fuel, and plenty of it. It costs less to build and maintain a gas-fired plant than any other.

In order to capture this huge market, two questions must be answered, positively: (1) Will there be a long-term supply of gas? and (2) Will the purchaser be able to negotiate a long-term contract?

The expansion of natural gas markets will be especially helpful to the Texas economy. SMU has calculated that for every gas well drilled, 192 jobs are spread through the economy. To add one trillion cubic feet of gas to our supplies requires 312 rigs, which equals 64,000 jobs, and contributes $1.6 billion in personal income. New gas markets are important to a lot more people than just a few producers.

It's time for us to put on our selling clothes and convince investors and customers that we're the cornerstone to America's future economy. It's time to stop fighting government windmills. Instead of complaining about Canadian and Mexican gas digging into our markets, let's use that extra availability as one of our strong points: a gas network over all of North America is our back-up cushion to prevent shortages! The pie is plenty big enough for us all to share.

Hard Fact No. 7: We need to stop complaining about roadblocks, get out our building blocks, and get to work!

FINANCIAL DISCLOSURE FOR 1987

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. MAZZOLI. Mr. Speaker, it has been my custom to submit a statement of financial disclosure every year that I have served in the House of Representatives. While the law now dictates that Members of Congress submit financial statements in May of each year, I continue to file this more detailed family financial report. In this way, my constituents are kept fully and completely informed concerning my financial status.

Romano L. and Helen D. Mazzoli Income Calendar Year, 1987

Income:	
Interest, dividends, rents and distributions:	
American Life Insurance Co., Policy No. 16-11163212-0	$33.86
American Life Insurance Co., Policy No. 16-1011729-0	15.69
Congressional Federal Credit Union No. 62967-0	5.58
Congressional Federal Credit Union No. 62976-1	242.00
First Nationwide Bank No. 531-0015549	11.79
Meritor Savings Bank No. 05-99-76	188.62
Meritor Savings Bank No. 05-18-241	63.38
Meritor Savings Bank No. 05-96-1906	378.09
Liberty National Bank & Trust Co. No. 010090063046	115.19
First National Bank No. 427-5518-4	20.73
U.S. Treasury Bills (No. LV4-2-400-40-3938-01; No. MK7-2-400-40-3938-01; No. MX9-2-400-40-3938-01)	1,142.60
Liberty National Bank & Trust Co. No. 29-5081232 (IRA)	162.75
Liberty National Bank & Trust Co. No. 01-527320 (IRA)	362.75
Lincoln Federal Savings & Loan Assn. No. 1-01-205992 (IRA)	150.34
939 Parkway Drive, Louisville, KY (RENT)	1,304,50
Distribution from Retirement Plan (1099-4)	3,649.87
Total interest, dividends, rents and distributions	7,847.74
Honorariums:	
National Association of Homebuilders	$2,000.00
Independent TV Station Owners Assn	1,000.00
National Employment Law Institute	1,000.00
The Brookings Institution	300.00
National Association of Broadcasters	1,500.00
National Council of Agricultural Employers	1,000.00
National Assn. of S.B.I.C.'s	500.00
Toucle Voss & Company	1,000.00
National Association of Broadcasters	1,500.00
National Restaurant Association	1,000.00
The Brookings Institution	300.00
Northern KY Chamber of Commerce	230.00
The Brookings Institution	300.00
The Brookings Institution	300.00
Total honorariums	11,930.00
U.S. House of Representatives (R.L. Mazzoli)	82,181.24
Data Management Specialists, Inc. (Helen Mazzoli)	26,169.96
Real Estate Settlement Fee (Helen Mazzoli)	168.75
Total salaries	108,519.95
Gross income	128,297.69

Romano L. and Helen D. Mazzoli, statement of financial worth as of December 31, 1987

Cash on deposit:	
Congressional Federal Credit Union, No. 62976-0	$93.22
Congressional Federal Credit Union, No. 62976-1	2,024.02
First Nationwide Bank, No. 531-0015549	223.63
Meritor Savings Bank, No. 05-99-76	5,753.94
Meritor Savings Bank, No. 05-18-241	1,044.87
Meritor Savings Bank, No. 05-96-1906	2,081.25
Liberty National Bank, No. 010090063046	4,517.48
First National Bank, No. 427-5518-4	1,665.55
Sergeant at Arms, No. 5348	2,896.24
Total cash on deposit	20,300.20
Individual retirement accounts:	
Liberty National Bank & Trust Co., No. 29-5081232	7,145.47
Liberty National Bank & Trust Co., No. 01-527329	14,784.07
First Nationwide Bank, No. 0401564814	6,110.89
Total individual retirement accounts	28,040.43
Bonds and Treasury bills:	
U.S. Government bonds, series E	2,073.30
U.S. Treasury Bill, No. LV4-2-400-40-3938-01	10,000.00
U.S. Treasury Bill, No. MK7-2-400-40-3938-01	10,000.00
U.S. Treasury Bill, MX9-2-400-40-3938-01	10,000.00
Total bonds and Treasury bills	32,073.30
Real property:	
939 Ardmore Drive, Louisville, KY (assessed value)	55,000.00
Less: Mortgage, the Cumberland S & L Assn., No. 15970	5,458.00
Subtotal	49,542.00
1030 Anderson Street, Alexandria, VA (assessed value)	109,200.00

Less: Mortgage, Cowger & Miller Co., No. 15184	40,827.00
Subtotal	68,373.00
939 Parkway Drive, Louisville, KY (assessed value)	37,500.00
Less: Mortgage, Brad Valla	35,100.00
Subtotal	2,400.00
Total real property	120,315.00
Cash surrender value of life insurance policies:	
American United Life Insurance Co., No. 16-11729-0	5,477.21
American United Life Insurance Co., No. 16-111632120	1,232.67
Total cash surrender values	6,709.88
Federal Employees Retirement System: Total contributions since 1971	61,283.15
Federal Employee Thrift Savings Plan (401K)	4,102.06
Automobiles:	
1965 Rambler (assessed value)	$200.00
1973 Chevrolet (assessed value)	1,096.00
1985 Chevrolet (assessed value)	5,976.00
Less: Mortgage, Cong. Fed. Credit Union No. 6976-2	2,024.00
Total	3,952.00
Total automobiles	5,248.00
Household goods and miscellaneous personal property	6,000.00
Total assets	284,072.02
Liabilities: miscellaneous	1,279.51
Net assets	282,792.51

Romano L. and Helen D. Mazzoli 1987 income tax recapitulation Federal, State, local

Federal:	
Gross income	$125,768
Adjustments to income	
Adjusted gross income	125,768
Deductions and exemptions	24,048
Taxable income	97,920
Taxes	27,639
Taxes withheld	26,238
Tax due	1,401
Kentucky:	
Tax withheld (and tax paid to other States)	4,310
Tax due	3,953
Refund	357
Virginia:	
Tax withheld	1,289
Tax due	966
Refund	323
Louisville and Jefferson County, KY:	
Tax due	310

DISASTER RELIEF FOR JAMAICA

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. DYMALLY. Mr. Speaker, I rise today before this distinguished body to discuss the very pressing issue of assistance to Jamaica to help that country recover from the devastation wrought by Hurricane Gilbert. I am pleased to say that my dear colleague, The Honorable DAVID OBEY, chairman of the Subcommittee on Foreign Operations, has given me his assurance that the conference report on appropriations earmarks not less than $35 million for relief, rehabilitation and reconstruction assistance for Jamaica.

The report specifies that this earmarked assistance is to be in addition to development assistance funds otherwise made available to that country. Chairman OBEY has also informed me that these specified funds should be used to restore power distribution and communication, to distribute food and other needed supplies, to provide materials for temporary shelters, to contribute to the process of redevelopment, and for other emergency needs. It is also my understanding that more than $23 million in relief, rehabilitation and food will be obligated for Jamaica by the end of this week that would constitute fiscal year 1988 funds.

For fiscal year 1989, in addition to the $35 million foreign operations has earmarked, Jamaica is scheduled to receive $17.6 million in regular development assistance, and $30 million in Public Law 480, which is already signed up. In addition, I am informed that $10 million in new Public Law 480 is in the works to provide needed lumber for the reconstruction effort. Jamaica will also receive $15 million in housing investment guarantees. And finally, Jamaica is eligible to receive up to $25 million in ESF to support narcotics control activities in that country. According to Chairman OBEY, there is also authority, subject to the discretion of the administration, to provide funds from the regular disaster assistance accounts and from the special de-ob re-ob authority we provide for Jamaica and Bangladesh for any additional relief and reconstruction needs that may arise.

I would like to commend my colleague from Wisconsin for the crucial role he has played to provide sufficient funding to the relief and reconstruction activities in Jamaica and to assure that United States assistance is sufficient to meet the extraordinary needs that country will be facing. I would like to take this time to thank Congressman OBEY for his time, effort, and assurance on this issue and look forward to working with him and other members of the Subcommittee on Foreign Operations, as well as with the chairman and members of the Committee on Foreign Affairs on this effort to assist our good and close neighbor.

THE SYMBOLIC FLIGHT OF BILL CONRAD'S HYDROGEN POWERED PLANE

HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. PEPPER. Mr. Speaker, you know of my avid belief that a person's age whether young or old, is not alone indicative of his or her ability to contribute meaningfully to society and how hard I have worked to dispell the myth to the contrary. An 80-year-old citizen of south Florida, Mr. Bill Conrad, recently provided further strong substantiation of my contention. Mr. Conrad, who has a long and distinguished career in aviation, established history when he made a 36-second flight in a hydrogen-powered plane, the first of its type according to officials of the Smithsonian Institution, the U.S. Navy and the National Aeronautics Association. This important breakthrough has the potential for leading to the development of hydrogen-powered vehicles whose use would vastly improve the quality of our environment. Mr. Conrad, in achieving this milestone, has proven once again that significant achievement is not confined to the younger generation, but that senior citizens still have a strong will, the ability, the stamina to continue to make valuable contributions to the betterment of our world. His flight is symbolic of the ambitious and courageous feats which visionary and determined Americans have undertaken throughout our history to make our country the great and progressive Nation it is.

Mr. Speaker, I warmly commend to you and our colleagues the story of Mr. Conrad's historic flight as reported in the Broward news section of the Miami Herald of June 23, 1988, and respectfully request that it be printed following my remarks for permanent preservation.

[From the Miami Herald, June 23, 1988]

FLYING INTO HISTORY ON HYDROGEN—14 YEARS OF WORK PAY OFF IN PILOT'S 36-SECOND FLIGHT

(By John Arundel)

For the last 14 years Bill Conrad tinkered with a project aviators said would never fly: a plane powered solely by hydrogen.

Last weekend, Conrad's conviction paid off.

His sleek, single-engine Grumman lifted off the tarmac Sunday at Fort Lauderdale Executive Airport and became the first plane to take off and land powered only by a tank of liquid hydrogen.

Officials at the Smithsonian Institution, U.S. Navy and the National Aviation Association confirmed Conrad's brief flight was the first of its type in aviation history. They said his efforts topped those of the U.S. and Soviet military, which have failed in similar ventures.

"What he did was set aviation history," said Peter Foster, and NAA recording official who witnessed the event. "Having now crossed into that very special area called world record holder, he now walks in the same league as Lindbergh, Yeager and Orville and Wilbur Wright."

Experts differ on whether hydrogen flight has commercial promise. A Boeing Corp. spokesman said several companies are researching the topic, while a spokesman for the Lockheed Corp. said his company has concluded that it isn't viable. Currently, hydrogen fuel costs three times as much to produce as an equivalent amount of jet fuel.

The Pompano Beach pilot's flight is nonetheless a milestone, said a University of Miami expert in alternative energy sources.

"It's very historic news," said T. Nejat Veziroglu, director of the university's Clean Energy Research Institute. "It's very important because it demonstrates how we don't have to be tied to jet fuel for plane engines."

Conrad's 36-second flight, which occurred at 1:30 p.m. Sunday, was not supposed to happen when it did. When Conrad taxied down Runway 8, briefly gunning the engine, he intended only to check the acceleration of the specially equipped plane.

Instead, the plane picked up enough speed to rise 100 feet into the air, astonishing the 40 or so onlookers.

"I was somewhat shocked when it took off," Conrad said Wednesday, as he stood beside his plane in the searing summer heat. "I guess we were all taken by surprise."

Foster, also a veteran pilot and a six-time world record holder, was watching from the control tower. "I said to the controllers, 'My God, you've just witnessed history.' For a minute there was dead silence in the tower."

Conrad said he could have stayed aloft longer than 36 seconds, but questions of safety brought him back down.

"He could have stayed up for hours," Foster said, "But the 'big' word was precaution."

Conrad agreed.

"You have to learn to crawl before you can walk," he said.

Veziroglu, a proponent of hydrogen fuel, said it could result in vehicles that are lighter, quieter and cleaner than conventional ones.

"If we converted our land, sea and air vehicles to run on hydrogen we [would] be saving our environment from pollution, acid rain and the greenhouse effect," he said.

Since hydrogen is one-third the weight of jet fuel, it could permit smaller engines and lighter holding tanks and perhaps lead to a reduction in air fares and traveling time, he said.

"I hope that aircraft companies will take notice of this and start building passenger planes to run on hydrogen," he said. "It's a very exciting occasion."

Conrad, a tall, soft-spoken man who has flown and instructed for 59 years, is modest about his achievement.

The plane "performed marvelously," he said quietly. "It had a good idle and a smooth taxi."

Conrad first began flying in Detroit in 1929. A decade later he moved to Miami to become Pan Am's first director of flight training.

In 1946 he founded Airline Training Inc., a Fort Lauderdale-based company which has since trained about 25,000 transport pilots, flight engineers and dispatchers, according to Tom Johnston, an attorney whom Conrad trained as a pilot 30 years ago and enlisted a year ago on the hydrogen project.

Despite limited formal education, Conrad has written more than 100 flight manuals, been certified to fly 52 different airplanes and holds 51 patents on aircraft parts.

"He is probably the most senior aviator in the world today," Johnston said. "He's a true aviation pioneer."

Conrad began his quest in 1974 with the concept that hydrogen could be used for any kind of internal combustion engine. He began collecting data from professors and other scientific experts, a pursuit that led him as far as Tokyo. Last year he approached Johnston, whose hobby was hot-rod engines.

Working in Johnston's garage after work and on weekends, they retooled an engine to accept hydrogen fuel. Afterward they purchased a plane from Fort Lauderdale electronics engineer Roy Parsons, who helped them modify it to accept the new engine and fuel tank.

While one world record might be enough for most, Conrad said he has already set his next goal: To build the first hydrogen-powered 18-wheeler.

A TRIBUTE TO DR. RUBEN F. METTLER

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. FEIGHAN. Mr. Speaker, on December 1, Dr. Ruben F. Mettler, chairman and chief executive officer of TRW Inc., in Cleveland, will retire after 40 years of dedicated service as an engineer, scientist, and business leader. Throughout his distinguished career, Dr. Mettler contributed to the security and technical progress of the United States as a leader in the development of the Nation's ballistic missile and early space programs. He was in charge of the technical supervision of the Atlas, Titan, Thor, and Minuteman programs and was responsible for developing several of the Nation's early scientific satellites—including Pioneer, the first satellite launched by a private company.

In addition to serving as chirman of the board and chief executive officer of TRW Inc., Ruben F. Mettler served with distinction in Government service positions. Currently, Dr. Mettler is a member of the Advisory Council on Japan-United States Economic Relations. Previously, he was vice chairman of the Defense Industry Advisory Council, a member of the President's Commission on Executive Exchange, chairman of the President's Task Force on Science Policy, and a member of the President's Blue Ribbon Defense Panel. He and former Secretary of State Muskie were cochairmen of the 1980 United Nations Day in Washington.

Being highly conscious of the social responsibilities of business, Ruben F. Mettler played a leading role in business organizations, especially those organizations focusing on the economically and educationally disadvantaged. Dr. Mettler is a trustee of the Committee for Economic Development and the Council on Foreign Relations. Earlier, he served as chairman of the Business Council, chairman of the Business Roundtable, and chairman of the National Alliance of Business, which helps train and find jobs in industry for the less privileged. He was also chairman of the National Campaign for the United Negro College Fund.

Mr. Speaker, under Ruben F. Mettler's leadership, TRW Inc., expanded from $1.6 billion in sales to $7 billion and now employs more than 75,000 persons at 300 locations in 33 States and 24 countries. The company is a leading supplier of high technology products and services for space, defense, information systems, automotive, and energy markets. Because of Dr. Mettler's leadership, TRW established an excellent reputation as a progressive employer and responsible corporate citizen involved in a broad range of programs that benefit the public.

For many years, Ruben F. Mettler articulated the necessity for the United States to regain its international manufacturing competitiveness. In that message, Dr. Mettler has urged the public and private sector to work together to resolve the crucial issues necessary to revitalize our Nation's strategic industrial base. Ruben F. Mettler has exemplied the highest standards of legal and ethical conduct in his own career and in the leadership of his corporation. Over the years, he has been a prudent adventurer, functioning with skill and grace in science, engineering, and business. His leadership in these fields has expanded our knowledge and our national capacity to build a more secure future.

Mr. Speaker, I am certain that my colleagues who know and have worked with Ruben F. Mettler will join me in recognizing him on his retirement and wishing him future happiness and personal fulfillment.

CALIFORNIA HEALTH CRISIS

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. STARK. Mr. Speaker, September 23, the Ways and Means Health Subcommittee received excellent testimony from Dr. E. Richard Brown of UCLA's school of public health care in California due to the rising number of uninsured persons.

It is compelling testimony on the need for mandated health insurance and other reforms in the national health care system. Following is a summary of the testimony (with footnotes omitted).

SUMMARY

The number of Californians who are uninsured increased by more than 50%, from 3.5 million in 1979 to 5.1 million in 1986. We estimate that about half this increase was due to growth in California's population and half to a rising rate at which people were uninsured. In 1979, 17% of nonelderly Californians were uninsured all year, but by 1985, the rate reached 22%.

Lack of insurance coverage has increased among all age groups, but was steepest for young adults, followed by children 6-17 years of age and adults 45-54 years of age.

Near-poor children and adults (those with family incomes between 100% and 150% of the federal poverty level) suffered severe deterioration in their health insurance coverage. Poor adults (with family incomes below poverty), lower-moderate-income adults (with family incomes between 150% and 299% of the poverty level), and more-affluent children and adults (with family incomes of at least 300% of the poverty level) all experienced decreased rates of insurance coverage. A large proportion of the uninsured are not poor at all: one-fourth had family incomes at least three times the poverty level in 1986.

Latino children and adults sustained dramatic decreases in their health insurance coverage. Rates for other ethnic groups fluctuated without showing clearly increasing or decreasing trends, although data for black children and adults showed substantial jumps in the proportions of uninsured in 1986.

Among adults (16-64 years of age) who did not work throughout the year—including homemakers, students, and those who were retired, ill, or unemployed all year—one-fourth were uninsured, but their rate was only somewhat higher in 1986 than in 1979.

The proportion of workers who are uninsured increased from 15% in 1979 to 20% in 1986, a rate that was one-third higher than for the U.S. as a whole. Working people comprise more than half the uninsured. The proportion of private-sector employees and self-employed workers who were uninsured increased sharply between 1979 and 1986. The probability of being uninsured increased sharply among both full-time and parttime employees between 1979 and 1986.

For full-time employees, the increases in the proportion who are uninsured correspond to decreases in health insurance coverage provided as a fringe benefit by employers.

The proportion of employees with health insurance as a fringe benefit is lower among service, retail, construction and agricultural employees. Latino employees experienced the biggest drop in this fringe benefit.

WHY IS THE GROWING LACK OF HEALTH INSURANCE A PROBLEM?

The uninsured have less access to care. Compared to people with health insurance coverage, the uninsured have much less access to necessary medical care. A 1977 study by the U.S. National Center for Health Services Research found that insured persons under age 65 averaged 3.7 physician visits per year, 54% more than the average of 2.4 per year for people without insurance. Furthermore, this difference in use of health services does not seem to be due only to differences in health status between the insured and the uninsured since, among people who were in fair or poor health, the insured averaged 68% more physician visits per year than did the uninsured (see table below). They also found that insured people received 91% more days of hospitalization.

Similarly, a 1986 study by the Robert Wood Johnson Foundation found that, compared to insured people, uninsured persons were less likely to see a physician in a 12-month period, less likely to get their young children adequately immunized, less likely to receive prenatal care in the first trimester of pregnancy, less likely to have their blood pressure checked, and less likely to see a physician if they had serious symptoms (see table below).

LESS ACCESS TO HEALTH CARE

	Insured	Uninsured
Average physician visits per year (1977)	3.7	2.4
Average physician visits per year among people in fair or poor health (1977)	6	4.1
Percent with physician visit in a year (1986)	68	59
Percent young children with adequate immunizations (1986)	94	81
Percent pregnant women with prenatal care in first trimester (1986)	85	80
Percent of persons with blood pressure check in a year (1986)	60	50
Percent with serious symptoms who saw physician in 30 days (1986)	61	32

Source: (1977 data) K. Davis, D. Rowland, "Uninsured and Underserved: Inequities in Health Care in the United States," Milank Memorial Fund Quarterly, 1983, 61:149–176; (1986 data) H.E. Freeman, "Americans Report on Their Access to Health Care: The 1986 Robert Wood Johnson Foundation Survey," Institute for Social Science Research, University of California, Los Angeles, May 1987.

Access for the uninsured has deteriorated. Not only do the uninsured have less access to care; their access has been declining during the 1980s. The Robert Wood Johnson Foundation study found substantial deterioration in the access to care of all Americans between their survey in 1986 and an earlier one in 1982. In that four-year period, the percent of the uninsured with a regular source of care and those who saw a physician within a year declined 13 percent, and the average number of physician visits per uninsured person fell 16 percent (see table below).

CHANGES IN ACCESS TO HEALTH CARE, 1982–86

Uninsured population	1982	1986	Percent change
Percent with regular source of care	79	69	−13
Percent who saw physician in past year	68	59	−13
Average number of physician visits in year	3.8	3.2	−16

Source: H.E. Freeman, "Americans Report on Their Access to Health Care: The 1986 Robert Wood Johnson Foundation Survey," Institute for Social Science Research, University of California, Los Angeles, May 1987; and H.E. Freeman et al., "Americans Report on Their Access to Health Care," Health Affairs, 1987, 6:6–18.

Less access, poorer health. The little research that has been conducted on the impact on people's health of being uninsured suggests that reduced access to medical care due to lack of insurance coverage may contribute to the worsening of health status, especially among persons with chronic illnesses. For example, a study at the UCLA Medical Center found that loss of Medi-Cal coverage had a serious adverse impact on the health status of patients with diabetes and high blood pressure.

Everyone pays for care to the uninsured. Lack of health insurance also creates financial burdens on health care providers and government. The growing numbers of uninsured people are reflected in the mounting financial pressures county hospitals, many nonprofit hospitals, and community clinics experience from uncompensated care they provide. Although reliable estimates of the charity care provided by community clinics and private doctors have not been developed, the burden on hospitals has been well documented.

Uncompensated care (bad debts and charity care) cost California's hospitals $827 million in fiscal year 1984-85, up from $531 million in 1981-82. In inflation-adjusted dollars, uncompensated care increased 27% in just three years. Providing for the most essential health care needs of the medically indigent—low-income uninsured people—adds to the fiscal difficulties of the counties and the state. California's county hospitals in fiscal year 1984-85 reported $345 million in uncompensated care, 41% of the total for all hospitals in the state and three and one-half times their share of all hospital beds. This problem is likely to worsen as the number of AIDS patients, including those who are medically indigent, increases during the next few years. Taxpayers shoulder the financial burden of uncompensated care provided by county hospitals.

Private hospitals provided the other 59% of uncompensated care ($481 million) in 1984-85. Private hospitals shifted the costs of much of their uncompensated care to privately insured patients and their employers, who pay most of their health insurance premiums. But as cost-shifting has become more difficult over the last few years, more and more private hospitals have closed their trauma centers and shut their doors to rescue ambulances in an effort to decrease their financial burdens resulting from uninsured patients.

PUBLIC SPENDING FOR THE MEDICALLY INDIGENT HAS FALLEN

Providing for the health care needs of uninsured low-income people (the "medically indigent") is a state responsibility which the state shares with the counties. It is therefore important to understand how state and county spending has changed over time in relation to changes in the number of uninsured low-income people. Because the transfer of "medically indigent adults" from the Medi-Cal program to county responsibility on January 1, 1983 significantly changed this state-county relationship and because the Current Population Survey is not sufficiently sensitive to accurately measure even changes as large as the sudden loss of Medi-Cal by 250,000 people, we will consider only changes in state and county indigent medical care expenditures (the medical care "safety net") from 1983 to 1986.

In 1983, state and county programs spent $911 million on medical care to this population. If we consider the 2,077,000 persons who were uninsured and had family incomes below 150% of the poverty level as the "medically indigent" target population, then California spent an average of $439 per medically indigent person in that year. In 1986, the state and counties spent a total of $1,112 million on this population, which had grown to 2,304,000—an average of $483 per medically indigent person. After adjusting for inflation, total spending increased less than 1% during these three years, but because of the increasing poor and near-poor uninsured population, spending per medically indigent person fell 9%.

NEED FOR PUBLIC POLICY ACTION

The number of uninsured Californians and the proportion of the nonelderly population who are uninsured have increased dramatically. Rapidly rising proportions of children, young adults, lower-income and minority Californians, full-time and part-time workers, and even many more affluent families and individuals have no protection against health care expenses all year long.

It is apparent that private-sector employers have shifted at least some of the costs of health care to employees in the form of less comprehensive coverage to those with insurance. These relatively fortunate individuals, together with those who are less fortunate because they have no coverage at all, are at increased risk of being denied access to care they need for financial reasons. When they do need publicly subsidized care, they add to the growing numbers of people who must depend on county programs for their health care. All these uninsured indigent patients must be served with far fewer financial resources today than were available even a very few years ago.

The results of this mounting problem are felt by all Californians. The uninsured experience it directly in the form of less access to needed medical care. All of us bear the burden of paying for the minimal care that is provided to this population. And essential emergency and trauma services are increasingly being denied to all people in many communities because of the burden posed by treatment provided to the uninsured. The problem of the uninsured already has reached crisis proportions. It requires the immediate attention of public policymakers.

TRIBUTE TO MRS. AMBER DENSMORE

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. JEFFORDS. Mr. Speaker, today the National Endowment for the Arts honored 12 American folk artists from across the Nation. I was pleased to participate in this moving ceremony along with the director of the Vermont Folklife Center, Jane Beck, in celebrating the selection of my constituent, Amber Densmore, as a National Endowment for the Arts 1988 Heritage Fellow.

The purpose of the $5,000 fellowship goes beyond the monetary reward and recognizes those individuals who practice and nurture folk art in this country. I am sorry Mrs. Densmore was not able to attend the awards ceremony this morning.

Over her life, Mrs. Densmore, 87 years young, from Chelsea, VT, has given away her quilts, bedspreads, lace doilies, and hooked rugs. The most recent issue of the Quilter's News reports that,

> Her most spectacular work, the Farm and Home Memory Quilt, consists of 172 embroidered blocks, each capturing a memory of her life on the farm. It won first prize at the Tunbridge World's Fair in Vermont. She is currently at work on a Flower Garden made from scraps representing treasured memories.

Her excellence in her art deserves to be recognized by us.

Mrs. Densmore is the epitomy of Vermont's best traditions of hard work, artistic talent and a charitable heart. It is people such as Mrs. Densmore who add so much to the cultural life and traditional heritage of America. As vice chairman of the Congressional Arts Caucus, I congratulate Mrs. Densmore on her selection for this honor because, in the quiet pursuit of her art, she honors and enriches all of us.

"JUST THE FACTS" ABOUT JOB CORPS

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. WILLIAMS. Mr. Speaker, Let's look at "just the facts" about the Reagan-Bush record on funding for the Job Corps Program. Right after the last Presidential election, the Reagan-Bush team trooped up to Congress with a zero funding request for Job Corps for fiscal year 1986, demanding that all 107 centers be shut down. Congress rejected that request and provided for increased funding for Job Corps.

When that failed, the Reagan-Bush team asked for a 43-percent cut for fiscal 1987, which the Congress also rejected. The first term of the Reagan-Bush administration was marked by a request for a 34-percent cut in their fiscal 1983 Job Corps budget.

Only one time, just before the 1984 election, in their fiscal 1985 budget, did they request a token increase of one-tenth of 1 percent for Job Corps.

The table below compares the Reagan-Bush requests with appropriations:

FUNDING FOR THE JOB CORPS

[In millions of dollars on a fiscal year base]

	1982	1983	1984	1985	1986	1987	1988	1989
Reagan request	552.9	387	553.2	600	0	351.7	651.7	710.6
Reagan request over + /under − prior year's appropriation		−198.6	−64.8	+0.8	−617	−260.8	−4.7	−5.5
Appropriation	585.6	618	599.2	617	612.5	656.4	716.1	741.8
Appropriation over + /under − Reagan request	+32.6	+237	+46	+17	+612.5	+304.6	+64.4	+31.2

A TRIBUTE TO DEAN CAROL NEMITZ OF IOWA WESLEYAN COLLEGE

HON. JIM LEACH

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. LEACH of Iowa. Mr. Speaker, it is my privilege to recognize an outstanding contributor to private higher education from Iowa's First Congressional District—the Vice President for Student Affairs at Iowa Wesleyan College—Carol Nemitz. Carol is a class of 1956 alumna of Iowa Wesleyan, the oldest coeducational private college west of the Mississippi River in continuous existence. I am proud to serve as a member of Iowa Wesleyan's Board of Trustees.

On October 8, in conjunction with the college's 1988 homecoming, we will celebrate Dean Nemitz's 25 years of service to her alma mater. She began her career at Iowa Wesleyan College in 1963 as the counselor for women, and then was named dean of women, dean of student personnel services, and, in 1979, vice president for student affairs. She is a member of the National Association of Women Deans, Administrators and Counselors, and is a past president of the Iowa association of that organization. She is currently president of the Advisory Council of the Iowa Student Personnel Association.

Carol Nemitz personifies Iowa Wesleyan's commitment to its students. She is the one person on campus with whom every student over the past 25 years has had personal contact. For many she is Iowa Wesleyan: she is there to encourage, motivate and nurture; to arrange special solutions for personal problems; to console when troubled and trumpet achievements when warranted. Simply put, she gives totally of herself to the campus community.

It is indeed a distinct privilege to pay tribute to one who has earned the respect and admiration of thousands of students; to someone who has stretched horizons for 25 years at Iowa Wesleyan College. Part and parcel of the stretching of the mind is stretching the images of human possibilities, for which what is taught is sometimes less important than the manner of teaching. In all of life, but particularly in higher education, the inspiration of role models can never be underestimated. In the final analysis, that is why so many people will gather to honor Carol Nemitz next week.

Carol Nemitz is an educator in the finest sense of the word. In Carol, the students of Iowa Wesleyan, the citizens of the State and of America, could not find a finer model of an administrator and teacher. Hers is the kind of mettle that distinguishes and nurtures the parts; the kind of glue that holds the whole together.

I am honored to add my voice to the many who offer Carol a heartfelt thank you for a job well done and best wishes and Godspeed for many more years of service to Iowa Wesleyan.

NAIVE TALK OF "CHALLENGES"

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. LAGOMARSINO. Mr. Speaker, in a recent op-ed in the Washington Post, Charles Krauthammer outlines the foreign policy successes of the Reagan administration as a result of its peace through strength policy. Sometimes this policy is viewed negatively by the press, but when examining the facts, one will note that it has brought about many succeses since 1981. I urge my colleagues to review Krauthammer's commentary.

NAIVE TALK OF "CHALLENGES"

(By Charles Krauthammer)

Last week was foreign policy week for Michael Dukakis: three major speeches and a tank ride. The ride was not well received. The consensus was that the Duke looked like Snoopy. The speeches were given a better reception—mixed, to be sure, but still unduly generous.

In Chicago, Dukakis finally unveiled his Soviet policy. Yes, he will build on Reagan's successes. But he will "challenge" the Russians to do more. Such as: join with us to conquer AIDS, reduce nukes, "advance the cause of peace," eliminate their advantage in tanks and artillery, evacuate Eastern Europe, "admit the tragedy at Katyn" (Tragedy? It was mass murder), prevent the spread of nuclear weapons and missiles, "reject terrorism," and permit freedom of religion and free emmigration. This is only a sample, but you get the idea.

How swell it would be if Gorbachev accepted. Unfortunately, he won't. The notion of "challenge" is not just naive. It is based on a misunderstanding of recent history. Reagan's successes, which Dukakis is quick to applaud, happened not because he challenged the Russians to be nice but because he forced them to give in. Reagan didn't just challenge the Russians to remove their SS-20s from Europe. He deployed Pershing and cruise missiles that could hit Soviet soil. After mulling that over, the Soviets decided to accept Reagan's challenge and remove all intermediate-range systems, SS-20s included.

Reagan didn't challenge the Soviets to get out of Afghanistan. He flooded the mujaheddin with arms. The Soviets subsequently accepted the challenge to disinvade Afghanistan.

In one area—Nicaragua—Reagan was ultimately denied the tools for challenging the Soviets. It is no accident that Nicaragua is also the one place where Gorbachev has remained contrary. He shows no signs of accepting the "challenge" to get out of Central America.

Not that he has not been asked. After Congress cut off aid to the contras in February, President Arias sent a letter to Gorbachev asking that he now stop sending arms to his clients in Central America. Gorbachev's answer was contemptuous. He did not even deign to reply directly. In an unsigned note delivered by the Soviet ambassador, he denied that he was supplying the Salvadoran guerrillas and said he would consider stopping aid to the Sandinistas when the United States cut off aid to all the governments of Central America!

Dukakis' Nicaragua policy is to promise to ask again, nicely: "I will challenge Mr. Gorbachev * * * to heed the pleas of President Arias and cease the shipment of arms to the government of Nicaragua." Heed the pleas, indeed.

Dukakis ended each of his three major foreign policy speeches with a recitation of John Kennedy's inaugural pledge to "pay any price, bear any burden, meet any hardship, support any friend [and] oppose any foe to assure the survival and success of liberty"—the most expansive, open-ended statement ever of America's commitments abroad, the beginning of Kennedy's road into Vietnam. Is Dukakis serious? Nobody believes that any more. Democrats don't, whether they are Kennedy or Henry Jackson or Jesse Jackson Democrats. Liberals don't. Conservatives don't. Not even the most ideologically anti-Soviet foreign policy argues for Kennedy's "global containment." The hardest of hard-liners argue for "selective containment," under which the United States picks and chooses where to oppose Soviet expansionism rather than blindly bearing the burden and accepting Soviet terms of engagement everywhere.

Dukakis has spent a year on the campaign trail talking about America's relative decline. He has criticized such American exercises "to assure the success of liberty" as the invasion of Grenada, the bombing of Libya and the naval deployment in the Persian Gulf. He insists that before America act it consult the allies in committee. Yet now, seven weeks before the election, he solemnly repeats the most radical statement of American interventionism ever made. And he has the chutzpah to complain that the other guy is campaigning cynically.

Cynicism is not the worst of it. On Sept. 8, during a single press conference, Dukakis made the following two statements about Star Wars. Dukakis: "If I made the judgment and if the Congress made the judgment that it [Star Wars] was essential to our national security, then obviously we'd proceed with it." So you might deploy? Dukakis: "Well, obviously we're not going to test and deploy if it's a violation of the treaty."

The problem with these answers is not just that they are confused. And not just that they are mutually contradictory. (A subsequent Dukakis position paper claims, correctly, that deployment *is* a violation of the ABM treaty, so how could he deploy?) Anyone can be confused and self-contradictory. But it takes a man of unusual smugness and self-righteousness to append the word "obviously" to both halves of his contradictions.

MARIO J. DONNANGELO, SALISBURY HIGH PRINCIPAL, NAMED BEST IN PENNSYLVANIA

HON. DON RITTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. RITTER. Mr. Speaker, I extend hearty congratulations to a stellar citizen of the Lehigh Valley, Mario J. Donnangelo, on being named Pennsylvania's Secondary School Principal of the Year by the National Association of Secondary School Principals [NASSP]. In addition, Mr. Donnangelo was selected to represent Pennsylvania in a unique national educational symposium called "In Honor of Excellence." The symposium, for the fifth year in a row will be sponsored by Burger King Corp., in cooperation with NASSP and Council of Chief State School Officers.

We all are aware of the extremely valuable benefits which result from the type of high quality leadership that Mario Donnangelo exercises as an educator and principal. Specifically, the Burger King Corp. advised me that Mr. Donnangelo was selected on five key criteria: First, the principal anticipates emerging problems and acts in an effective way to resolve them; second, the principal is moving actively to implement the goals and objectives of the school; third, the principal works to improve the educational program and student achievement; fourth, the school climate is positive and reflects high morale; and fifth, the school involves the community in the life of the school, and uses community resources for students.

"In our small school, we try many, many new things to keep up with modern education," he said. And as a result of this attitude, according to an article in the September 22 issue of the Allentown Morning Call, Mr. Donnangelo believes he received the Pennsylvania honor, at least in part, because of his known willingness to try new and innovative things.

Mr. Speaker, Mr. Donnangelo is one of the 108 outstanding teachers and secondary school principals, one from each State, the District of Columbia, Puerto Rico, American Samoa, and Aruba, selected to participate in the symposium, which is the Nation's only joint recognition program of teachers and principals.

The "In Honor of Excellence Program" was established in 1984 and provides a forum for these educators to exchange ideas and opinions concerning the critical issues facing education today. Leading scholars, educators, and business executives are invited to attend and participate in the interchange of ideas.

Mr. Speaker, the "In Honor of Excellence" program was selected to receive a 1987 President's Citation Program award sponsored by the White House Office of Private Sector Initiatives. The President's Citation Program was established to recognize worthy community projects undertaken by businesses and associations. The end result of such partnerships is a better educated and trained American work force, capable of meeting the demands of a complex and ever-changing domestic and global economy.

Mr. Donnangelo has contributed much to his community, his State, and the Nation. Those of us in the Lehigh Valley have been especially fortunate to reap the benefits of an administrator with the skills of Mario Donnangelo. I know that all Members would like to have men and women of his caliber throughout their districts.

To reach that goal, Mr. Speaker, we should work toward attracting and retaining the very best educators through the use of market-sensitive and merit-based salary and reward systems. It's beginning to happen in individual State and school districts. The Congress too must continue to look for new and innovative ways to make the field of education more competitive with other professions like accounting, law, and medicine. Then, we might win an award like Mario Donnangelo.

ANDREW CARTER COMPETES IN CLOSE UP CITIZEN BEE

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. JEFFORDS. Mr. Speaker, it is with great pleasure that I rise today to bring to the attention of my colleagues a significant accomplishment of one of my young constituents. Andrew Carter, a student at Fair Haven High School, was recently in Washington, DC, competing in the national finals of the Close Up Citizen Bee. I am very proud of the tremendous amount of time and effort he put into preparing for the competition and learning about the history and culture of the American people.

I want to take this opportunity to acknowledge the support provided to the Citizen Bee in my district by Secretary of State James Douglas, IBM, Green Mountain Power Corp., New England Telephone, Rock of Ages Corp., and Franklin Lamoille Bank. Their support enables Andrew and many other young people in my district to compete in the Close Up Citizen Bee and learn more about the American people.

Congratulations, Andrew, on a job well done.

WILKES-BARRE IS PENNSYLVANIA'S "CAPITAL FOR A DAY"

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. KANJORSKI. Mr. Speaker, I think my colleagues will be interested in a special program of events which is taking place for 2 days this week in Wilkes-Barre, PA. Wilkes-Barre and the entire 11th Congressional District are participating in a unique example of bringing our government closer to the people. Today and tomorrow, Wilkes-Barre is serving as Pennsylvania's "Capital for a Day."

Gov. Robert P. Casey, Lt. Gov. Mark S. Singel, and 18 cabinet secretaries are in Wilkes-Barre, where they can learn first hand of the concerns and interests of the citizens in the northeastern Pennsylvania region.

During this time, Wilkes-Barre citizens have a unique opportunity to meet with the Governor, and to directly address their concerns and interests to the top leaders in Pennsylvania's government.

I am particularly pleased that Wilkes-Barre is only the second city in the Commonwealth selected for this honor. It is a clear indication that Governor Casey recognizes the quality of our area and our people. Northeastern Pennsylvania has long been recognized for the inherent beauty of our landscape, the richness of our natural resources, and most importantly, the productivity, determination, and high-character of our people.

Governor Casey and other officials will be visiting schools, community centers, and businesses throughout Wilkes-Barre during their 2 days in the city. They will also meet with local and regional officials and announce a series of State initiatives. Tonight, the Governor hosts a town meeting at the Dorothy Dickson Darte Center for the Performing Arts at Wilkes College where local citizens can share their ideas and suggestions on improving services and policies throughout the Commonwealth.

Mr. Speaker, I know that other Members of the House will join me in saluting this effort on the part of Governor Casey, Wilkes-Barre Mayor Lee Namey and all the citizens of the 11th Congressional District.

POLONIA FOUNDATION OF OHIO

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Ms. OAKAR. Mr. Speaker, on Sunday, October 9, 1988, the Polonia Foundation of Ohio will celebrate its silver anniversary with a scholarship and recognition awards banquet that will be held at the St. Michael's Woodside Center. Appropriately, this special 25th anniversary celebration will take place in conjunction with Ohio Pulaski Memorial Day. Ohio's commemoration of Pulaski Memorial Day is special since ours is the first State to memorialize General Pulaski by statute rather than proclamation.

Gen. Casimir Pulaski, the father of American Cavalry, died on October 11, 1779 of wounds suffered during efforts to wrest Savannah, GA, from British control during our Revolutionary War. General Pulaski, a great freedom fighter, is a hero of Poland as well as the United States. Since 1929, he has been memorialized under an act of Congress which designates October 11 as Pulaski Memorial Day. Commemorative ceremonies are held at the Pulaski Memorial in Washington, DC. In Poland, the American Ambassador in Warsaw journeys to Warka to place a wreath at the birthplace of General Pulaski.

The memory of General Pulaski is traditionally recognized by publicly acknowledging the merits of men and women of Polish descent who have brought honor upon themselves as unselfish community leaders in American society. This year the prestigious Polonia Foundation Heritage Awards will be bestowed upon Dr. Wallace J. Kosinski, a distinguished scholar and professor of history at John Carroll University and immediate past president of the Cleveland Society of Poles; the Honorable Paul R. Matia, an outstanding former member of the Ohio Senate and now judge of the Cuyahoga County Court of Common Pleas; and Carolyn R. Maresky, a corporate executive officer, a past president of the Polonia Foundation and a woman of extraordinary accomplishments in the business world and in service to her community.

I would like to join the many friends of the Polish community in honoring the Polonia Foundation Heritage Award winners and in congratulating Casimir Bielen, president of the Polonia Foundation, along with all the officers, directors and members on 25 years of service to America and to the Polish community. Best wishes on your next 25 years of service and accomplishment!

A SALUTE TO COMMANDER DON R. PEARS

HON. FREDERICK S. UPTON

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. UPTON. Mr. Speaker, it is with great pleasure that I rise today to salute Mr. Don R. (Buddy) Pears, of Buchanan, MI, who was recently elected to the position of commander of the Veterans of World War I. As the Representative of the Fourth Congressional District of Michigan, I want to let my colleagues know how proud southwestern Michigan is of this distinguished gentleman.

Buddy Pears has lead a storybook life, both in and out of the U.S. military. He is an Army veteran of both World Wars I and II, having enlisted 10 days after his 18th birthday in 1917. He arrived with the first 100,000 men of the American Expeditionary Forces in France, and served our country honorably for 19 months overseas. He later went on to serve as an officer in the Army Reserve Corps from 1923 to 1942.

In the years following his distinguished military career, Mr. Pears compiled numerous other accomplishments in private life. After graduation from Western State Normal School in Kalamazoo, he went on to teach and serve as a school physical director for a number of years.

Buddy Pears continued his interest in serving his country by running for public office. He was first elected to the position of Berrien County register of deeds, and then went on to serve as county clerk for three terms. By that time, like many of us in this body, Mr. Pears realized that he had politics in his blood, and he took the plunge and ran for the Michigan State House of Representatives. He was elected to this office in short order, and served for 18 years. At the pinnacle of his political career, he was elected by his colleagues to serve as speaker of the house for 4 years.

After retiring from political office, Mr. Pears returned to Buchanan and owned and operated the Hollywood Theatre—the only and the last motion picture in town. He also was a licenced real estate broker and insurance agent for many years.

Of all of Buddy Pears' accomplishments, however, I understand that there is nothing that was given him greater pleasure than his 57 years of wonderful marriage to his wife Gladys. I am sure that she, along with his daughters Donna and Charlene and his five grandchildren, are very proud of him.

On behalf of the citizens of the fourth district, I stand before my colleagues in the U.S. House of Represenatives today, September 29, 1988, to say that we, too, are very proud of Don R. Pears, National Commander of the Veterans of World War I.

JOSEPH J. CROSETTI—WATSONVILLE AND CALIFORNIA LOSE A GREAT CITIZEN AND FRIEND

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. PANETTA. Mr. Speaker, not long ago, Joseph J. Crosetti, a good friend and a distinguished resident of my district, passed away. My wife, Sylvia, and I, along with countless others, will always remember and truly miss Joe.

On April 23, 1986, Mr. Speaker, I spoke in the House to bring the attention of my colleagues to the decision by the Government of Italy to award Joe its Solidarity Medal. At this time, to honor Joe's memory, I would like to insert in the RECORD a copy of that statement.

J.J. CROSETTI RECEIVES SOLIDARITY MEDAL FROM GOVERNMENT OF ITALY

Mr. PANETTA. Mr. Speaker, it is with great pride that I inform my colleagues that the Government of Italy has decided to award a Solidarity Medal to J.J. (Joe) Crosetti, a native son of Watsonville, CA, and an outstanding citizen of Santa Cruz County for many decades. On July 13, Lodge No. 2016 of the Order of Sons of Italy in America will present this prestigious award to Mr. Crosetti, and I would like to take this opportunity to list the achievements of this great man.

Joe Crosetti is the chairman of the board of J.J. Crosetti Co., as well as Crosetti Frozen Foods, Crosetti Cold Storage, and Crosetti Orchards. He is also president of Transit Cooling, Inc. He is a leading member of the agricultural community of Watsonville and Santa Cruz County and his work on behalf of that community and his fellow citizens seems far beyond the possible accomplishments of one individual.

Joe Crosetti was born in 1908 in Watsonville. His parents were Frank and Margherita Crosetti, who were immigrants from Italy. Joe attended the Watsonville schools, graduating from Watsonville High School in 1927. That year, he formed his own band, and they went around the world playing for the Dollar Steamship Lines.

In 1935, Joe married Theresa Muzzio, and they celebrated their 50th wedding anniversary just last year. They have three children and six grandchildren.

Joe began his career working for the Horgan Co. A few years later, he started on his own, and today, his frozen foods plant employs 600 workers. His products are shipped around the world.

Among Joe's achievements and contributions to the agricultural and business communities of Santa Cruz County and California over the past several decades are the following: president of the Santa Cruz County Fair Board, six times; Exposition Hall at Santa Cruz County Fairgrounds dedicated in his honor, 1969; member of California Board of Agriculture, 8 years; State Fair Board vice president, 8 years; chairman, State Horse Show, 3 years; director of the 14th Agricultural District, 40 years; member of first agricultural tour of Soviet Union; president, California-Arizona Farm Labor Association, 6 years; president, Watsonville Chamber of Commerce, 1947; Watsonville Chamber of Commerce Man of the Year, 1963; president of Grower-Shipper Vegetable Association, 1963; former member board of directors of Western Growers Association.

Joe has also been very active in charitable causes, serving as president of the Watsonville chapter of the American Red Cross for 42 years, as president of the Santa Cruz County Cancer Society. A number of local charities, as well as needy individuals and families in the area, have been able to count on his support over the years. In addition, he has been a member of the Elks Club for 51 years; a charter member, and the only honorary member, of the Lions Club; a Paul Harris fellow of the Rotary Club; and a member of the Commonwealth Club of San Francisco.

In 1965, Joe was honored by resolutions adopted by the California State Senate, Santa Cruz County, and the city of Sacramento. He was a member of the county grand jury from 1944 to 1946; a delegate to the Presidential convention of 1964; and a member of the electoral college in 1964.

Mr. Speaker, as a son of Italian immigrants, as a member of the agricultural community of neighboring Monterey County, and as Joe Crosetti's Representative in Congress, I am proud of his accomplishments. He is the kind of person upon which this country has been built—he has worked hard, made opportunities, succeeded, spread his success to his employees, to his colleagues, and to his community, and has contributed of his time and resources to those less fortunate than he.

My wife Sylvia and I, who are friends and relatives to Joe Crosetti, hope to be able to attend the ceremony at which Joe receives his Solidarity Medal. We will bring with us the well-deserved congratulations and respect of all my colleagues for this remarkable and outstanding citizen, farmer, father, and friend.

LETTER TO AN MIA

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. DORNAN of California. Mr. Speaker, I would like to share with you a letter that I received concerning two issues that are close to my heart—the sanctity of life and America's missing in action. On the surface these two issues do not seem related, however, the letter from Christy Anne Collins to a Vietnam war MIA, Lt. Ralph Foulks, makes a compelling connection.

Lieutenant Foulks was taken prisoner on January 5, 1968; he never returned. Miss Collins, a prolife activist, wore his POW/MIA bracelet for more than 17 years. On July 4, 1986, she placed the bracelet and her letter underneath his name at the Vietnam War Memorial. I urge all my colleagues to read her moving words.

JULY 4, 1986.

LT. RALPH FOULKS: On March 28th of this year . . . Good Friday . . . I was taken prisoner and was required to remove this bracelet. It's funny, when I put it on my arm some 17 years ago, I wondered about the circumstances which would accompany it's removal. I enjoyed dreaming somehow, miraculously, you would survive; at the end of the war you would be counted among the brave men who would be coming home.

When the war ended, you, in my heart, were conspicuously absent. Being a "Navy brat" living in a Navy town, with a dad who had served time in Vietnam, I was anxious to hear several names . . . my elation at watching Capt. Denton step off that plane was an awesome contrast to the deep pain of realizing you were probably among the thousands who would never return.

I cried myself to sleep that night; angry because the only means civilized people had to solve problems was to kill and torture one another, yet seeing clearly the need to actively resist evil. I faced a dilemma that was not resolved, only absorbed, in my tears.

During the seventeen years I have worn your bracelet I have had countless opportunities to remind people of the awesome price of freedom. Thousands of husbands, fathers, brothers, sons and friends were sacrificed. The deep-seated turmoil which accompanied the Vietnam war in no way diminished the enormous sacrifice of individuals and families.

It's been said that freedom has never been arbitrarily given by an oppressor to an oppressed people . . . it has to be demanded by the oppressed. I stand in awe at each of you who were willing to risk your lives that mankind might live free. My freedom has cost me virtually nothing, yet I know it is far from cheap.

I think about the cost of freedom a lot these days. You see Lieutenant, America is in the midst of another bizarre war, one that may cost many of us our freedom.

I mentioned that on March 28, I was taken prisoner. Last December I witnessed a woman who was preparing to kill her child. She had nearly $200.00 to pay a man to help her do the killing. I was on my way to talk with her, to try and help her realize the seriousness of the crime she was about to commit. I knew she was facing a deep emotional crisis, but there was a lot of help available to her. I wanted her to know I loved both her and the child, and I would do anything I could to assist her.

In order to talk with the woman, I had to cross a driveway of a local business. A Falls Church City police officer saw me step on the driveway and arrested me for trespass. I begged him to let me talk with the woman . . . or it would be too late, the child would be dead. My pleas were to no avail, the trespass was a criminal action and her intentions were not. I was arrested. The child, later, was killed.

As I stood before Judge Bach in Fairfax County Circuit Court, he used your death as one of the justifications as to why I should be punished. He told he there are many instances of state-sanctioned killings of human beings, (such as war) and even though the dead child was, by all evidence, a human being, the killing was sanctioned by the state. However, my trespass was not. He sentenced me to 60 days in jail.

As I walked into the jail, every possession and every freedom I owned was stripped away from me. I was placed in a 5' x 6' cell with a bright light that shined 24 hours a day. With no concept of time I tossed and turned all night, for several nights; I would sleep a couple of hours and awaken for a few hours around the clock. I thought about many things in those hours of disorientation . . . like removing this bracelet.

In America, where life is declared to be an unalienable rights, and freedom is the cornerstone upon which our Nation's life has been built, you and other American's throughout history have died that I might live free. You had become a personal reminder to me of the cost of my freedom. As I handed the bracelet to the guard it occurred to me other generations had exchanged life for freedom . . . would mine be willing to exchange that freedom for life?

I often wonder, "would you have willingly died for a country that would use your death to justify the slaughter of innocent life? Would you ever have imagined America could declare war on the most helpless members of her own society . . . our youngest American citizens? Would you have imagined Americans would elevate the legislature to the place of God in their lives, and therefore allow the state to dictate evil and justify that evil by making it law?"

Your life, or perhaps your death has challenged me to follow your example. The Word of God mandates that people of God rise up against the evildoers. You have given your life so we might live free, I can give my freedom that our children might simply live.

I'm not putting your bracelet back on Lieutenant. Instead, as our nation celebrates our freedom I am putting it, together with a symbol of this new war, at the site where our nation honors your sacrifice. These little feet show the size of a baby's perfectly developed feet at ten weeks gestation. Having been enlisted as a soldier in the war against the unborn, this has become a new symbol of man's quest for freedom.

The American Holocaust must be brought to an end; and with the help, power and strength of God I believe it will be. This war already represents the greatest loss of life we have ever seen. More Americans have died at the hands of abortionist than in all of the wars in which we have fought throughout the history of our Nation . . . 20 million innocent victims are dead. Although not one single soldier has had to give their life in this war, nearly 500 (including me) have been taken prisoner.

It has been a long and difficult battle, but our committment and resolve continues to be strengthened. Thanks for your inspiration to fight the fight.

With love and gratitude,

CHRISTY ANNE COLLINS.

Mr. Speaker, throughout history men and women have given their lives that we might live free. Today, a small dedicated group of prolife activists like Christy Anne Collins, risks freedom so our children might simply live.

STATE ENERGY CONSERVATION PROGRAM IMPROVEMENT ACT OF 1988

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. SHARP. Mr. Speaker, today I am introducing the State Energy Conservation Program Improvement Act of 1988, a bill to improve, streamline, and make more effective the State and local assistance programs administered by the Department of Energy.

The Department of Energy administers four State and local assistance programs. The Weatherization Assistance Program [WAP] provides insulation and other conservation services to low-income households. The Institutional Conservation Program [ICP] pays part of the cost for making schools and hospitals more energy efficient, thereby increasing the percentage of their budgets that they can spend on teaching and healing. The State energy conservation plans [SECP] provides States with targets for increasing their energy efficiency through plans that are tailored to the specific needs of each State. Finally, the Energy Extension Service [EES] provides information to farmers, small businesses and other consumers on how they can save energy and reduce their bills.

All of these programs have been around 10 or more years. There have been many successful results from these programs. The Weatherization Program has already upgraded 3 million low-income houses with average savings of 10 to 20 percent. The ICP Program has provided over 21,000 grants to schools and hospitals to reduce their energy costs since its inception. The SECP Program has resulted in a number of innovative programs that are tailored to specific States' needs such as a program to encourage the use of alternative vehicle fuels in California, a Louisiana research and demonstration program to reduce energy use in the commercial fishing fleet and a Maine interest rate buy down on energy conservation loans to small businesses, industry and nonprofit organizations.

Despite these successes, some of the requirements in these programs no longer make sense, while there are new activities that States could successfully undertake to reduce the burden of energy costs on their citizens.

I am under no illusions that this bill will become law in the remaining days of the 100th Congress. Rather, I am filing it now in an effort to elicit comments and suggestions and in the hope that the matter can then undergo a full congressional review and passage early in the 101st Congress.

A TRIBUTE TO JIM ABBOTT—OLYMPIC GOLD MEDAL WINNER

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. PURSELL. Mr. Speaker, I rise today to pay tribute to a constituent, and an Olympian, Jim Abbott, pitcher for the gold medal winning U.S. baseball team. Yesterday Abbott led the U.S.A. to an inspiring 5 to 3 victory over Japan to win the gold medal. He pitched nine innings, allowed seven hits and struck out four.

"It was the dream of a lifetime," said Abbott, 21, the son of Mike and Kathy Abbott of Flint, MI. "Our focus all along was on winning the gold medal. It is a great feeling to accomplish it."

While a student-athlete at the University of Michigan, Jim Abbott realized many dreams. His pitching sparked the Wolverines to Big Ten titles in 1986 and 1987 and just last summer he was named Big Ten Male Athlete of the Year. By winning the 1987 James E. Sullivan Award for the best athlete in America, he joined the company of Jackie Joyner-Kersee and Carl Lewis. He is the first baseball player ever to win the 58 year-old award.

In his three seasons at Michigan, Abbott was 26–8 with a 3.03 ERA, 186 strike outs—82 in 1988—and 6 shutouts. Those numbers were good enough for the California Angels to make him their first pick, the eighth player overall, in last June's baseball draft.

What makes Abbott's accomplishments particularly sensational is that he was born without a right hand. He switches the glove to his pitching hand after delivering the ball.

Teams occassionally test Abbott's fielding with hits back at him and bunts. With a runner on first in the eighth inning of yesterday's game, a ground ball back through the middle caught Abbott in the middle of his switch. He knocked down the ball, retrieved it, and threw out the batter.

In 1987 in Havana, the Cubans tried a bunt against Abbott. He pounced on the ball, picked it up with his bare left hand, and threw out the runner. Abbott went on to become the first American ever to beat the Cubans in Cuba.

Mr. Speaker, I ask my colleagues in the House of Representatives to join me in offering sincere congratulations to Jim Abbott. He is an inspiration for all Americans to reach as high and climb as far as their God-given talents will take them.

PERSONAL STATEMENT

HON. HAROLD ROGERS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. ROGERS. Mr. Speaker, I was unavoidably detained on September 28 during rollcall 362. Had I been present, I would have voted "aye."

DEBATE ON THE TEXTILE AND APPAREL TRADE ACT

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. HUNTER. Mr. Speaker, during debate on the Textile and Apparel Trade Act last week we discussed the relationship between technology and foreign penetration of the U.S. market. Our fabric, fiber, apparel, and footwear industries are competitive, and over the past 8 years they have invested over $18 billion in new technology.

I have been concerned about our industrial base for many years, and in 1981 the House Armed Services Committee adopted a report concluding that "an alarming erosion of crucial industrial elements, coupled with a mushrooming dependence on foreign sources for critical material, is endangering our defense posture at its very foundation." Unfortunately, the passage of 8 years has seen only further U.S. industrial erosion and foreign dependence in numerous fields.

Since 1980, three major producers of armor plate have closed, leaving only two major U.S. companies to supply plate steel to the Pentagon. Foreign penetration into the U.S. market for ferroalloys climbed from 47.6 to 67.2 percent, and imported petroleum is reaching the levels of the 1973 and 1979 oil shocks. We have seen similar statistics on ball bearings, machine tools, and in the defense electronics industry.

To better understand this problem I would urge all of my colleagues to read a new book by Clyde Prestowitz, the former counselor to the late Commerce Secretary Malcolm Baldrige. One particular eye opening chapter in Trading Places is on the semiconductor industry, which is near the top of any list of strategic industries. According to Prestowitz, 21 absolutely critical United States military systems contain chips available only from foreign, mainly Japanese, sources. Of more importance is the fact that the development momentum has clearly been with the Japanese.

Semiconductor technology was invented in the United States, but in the last decade we have seen our market share for dynamic random access memory [DRAM's] chips fall from 95 to just a couple of percent. The Japanese were able to make this stride because they protected their markets, and the Tokyo government orchestrated a major research and development effort by their domestic industry. They specifically targeted companies such as IBM, Texas Instruments, and Hewlett-Packard. To obtain a share of the United States market the Japanese companies formed cartels and practiced dumping on a major scale. These Japanese companies were concerned only with market share, not profit, and they had tremendous resources in the form of the Japanese Government behind them.

The entire semiconductor issue is a prime example of how we are losing the ability to stay at the leading edge of technology—and how we are becoming dependent on Japan for technology critical for our entire defense strategy. This tremendous upheaval in this vitally important industry went largely unnoticed in the national security community until the Semiconductor Task Force of the Defense Science Board released its report last year. Under the chairmanship of Norman Augustine of Martin Marietta, the Defense Science Board was instrumental in establishing Sematech. This joint business-government effort includes 13 United States companies which are contributing half the costs of developing prototype production lines that will hopefully enable United States industry to catch up with Japan in the manufacturing of semiconductors.

The Department of Defense will be contributing $600 million over 6 years for Sematech, and another such consortium is directed at the machine tool industry. The Pentagon will contribute $5 million in seed money over a 3-year period to the National Center for Manufacturing Sciences in Ann Arbor, MI, with 10 times as much money coming in from industry. Similar centers for the ball bearings and optics industries are now under consideration.

The development of a national strategy to improve coordination of research and development efforts and increase the level of cooperative research and development is needed if we hope to restore the competitiveness of the U.S. semiconductor industry. While Sematech addresses semiconductor manufacturing technology, it does not address or identify, at least directly, the components of an overall national strategy. Thus, the National Advisory Committee on Semiconductors has been created in order to obtain greater efficiency in the application of both public and private funds for semiconductor research and development. This will be a government and industry partnership that will be addressing a critical national priority, and their work will have a major impact on our defense agenda for years to come.

It is still too early to predict if these government-industry consortiums will be successful, but they seem to be on track, and they are clearly one of the best hopes for the survival of our defense industrial base. They are all aimed at keeping engineering from going off shore, and this is the capability which will most determine our leadership position in the free world.

TRIBUTE TO SHIRLEY CHISHOLM

HON. FLOYD H. FLAKE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. FLAKE. Mr. Speaker, it is with great pleasure that I have this opportunity to express my gratitude to my friend and former Congresswoman Shirley Chisholm for all that she had done both as an elected official and as a private citizen to help Americans struggling to obtain their basic civil rights in this the land of opportunity. Ms. Chisholm's leadership, commitment and dedication to the struggle for equality for all Americans should serve as an inspiration for all to follow.

Shirley Chisholm is to be commended for the efforts she made to raise America's level of consciousness by being the first black woman in the history of our Nation to campaign for the Democratic Party nomination for President. Shirley Chisholm may be certain that she set a precedent that enabled others to follow. I know that during my tenure in the Congress, I will certainly continue to adhere to the standards that she has set and that adequately meeting the needs of my constituency will always be my number one priority.

Again, it is my pleasure to express gratitude to Shirley Chisholm for her commitment to the betterment of mankind. Shirley Chisholm's work on behalf of the poor in her capacity as a U.S. Congresswoman from 1968–82 was unparalleled. As the title of one of her books reflects, Shirley Chisholm is certainly "Unbought and Unbossed".

PERSONAL EXPLANATION

HON. BILL NELSON

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. NELSON of Florida. Mr. Speaker, I was in my district for the launch of the space shuttle *Discovery*. If I had been present I would have voted:

On rollcall 364: "Yes."
On rollcall 365: "Yes."
On rollcall 366: "No."
On rollcall 367: "No."

TIME FOR ACTION AGAINST THE HORRORS OF PORNOGRAPHY

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. SCHUETTE. Mr. Speaker, I rise today to draw the attention of my colleagues to a very special week next month. October 23 to October 30 is National Pornography Awareness Week, and I urge all my colleagues to declare their opposition to the national tragedy of pornography which exploits so many in our society.

National Pornography Awareness Week is a time when all of us can make a stand in support of common decency and the values on which this Nation was founded. It is a week where we can all declare our opposition to the reprehensible practices associated with the production and distribution of illegal pornography.

In recent years, many of my colleagues in Congress have become very concerned about the troublesome increase in the production and trafficking of pornography. The president and his administration have taken the lead in the fight against this national disgrace with the establishing of the Attorney General's Commission on Pornography, and the important report and legislation which has resulted from the Commission's work.

It seems to me that a strong response by the Congress to this national tragedy is long overdue. I am hopeful that we may indeed make this National Pornography Awareness Week one where we can discuss and applaud our deeds against pornography instead of simply just speaking out against it.

In particular, I would like to see the Members of this Chamber applauding the passage and signing into law of H.R. 3999, the Child Protection and Obscenity Enforcement Act. This crucial proposal, which would implement many of the recommendations proposed by the Attorney General's Commission on Pornography, would stamp out the special horror that is child pornography, and should be passed before the 100th Congress adjourns this fall. The bill has more than 200 cosponsors, and takes a number of important steps to strengthen existing Federal laws to crack down on those who would exploit our children in obscene materials.

It is time for the Congress to act to end child pornography and act swiftly on this important bill. I am hopeful that on October 23, when we are all home meeting and talking with our constituents, we will all be applauding the passage of a tough, new law which puts an end to the special horror of child pornography.

WORLD WAR II SUBMARINE, U.S.S. "CROAKER," TO FIND NEW HOME IN BUFFALO, NY

HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. KEMP. Mr. Speaker, I am pleased to join with my colleagues from western New York, Congressmen HENRY NOWAK and JOHN LAFALCE, in introducing legislation to expeditiously transfer the U.S.S. *Croaker* to the Buffalo and Erie County Naval and Servicemen's Park. This legislation will enable the park to receive the World War II submarine before winter weather settles over the Atlantic Ocean and the Great Lakes.

The U.S.S. *Croaker,* launched in 1942, saw service in the Pacific theater. It participated in six combat patrols, contributing to the allied victory by sinking a cruiser, four tankers, two freighters, two escort craft, a minesweeper, and an ammunition ship. The submarine was taken off active duty in 1971. Because of its deteriorating condition, the Navy had initially planned to scrap the vessel or use it as a target in training exercises.

Instead, the Navy has transferred title of the submarine to the Buffalo and Erie County Naval and Servicemen's Park, which will undertake restoration of the vessel. The Buffalo waterfront already has an exciting naval exhibit with the light cruiser U.S.S. *Little Rock* and the World War II destroyer U.S.S. *The Sullivans.* The U.S.S. *Croaker* will enhance the park's ship exhibit. I share the excitement felt by other western New Yorkers at the addition.

The legislation introduced by my colleagues and me will waive the 60-day congressional review period of the transfer from the Navy to the park. This waiver is essential if the submarine is to reach Buffalo before bad weather makes travel treacherous on the Atlantic and the Great Lakes. I urge my colleagues to support this bill so that one of the last 17 surviving World War II submarines can once again be seen by the American public.

THE SUPER COLLIDER IN THE WEST

HON. BOB STUMP

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. STUMP. Mr. Speaker, the Western States of this great Nation, including Arizona, have long gone unrecognized for their merit as centers of scientific research and natural resources. As Massachusetts Institute of Technology's David Birch told a recent Western Governors Association conference, the rest of the country treats the West "like a Third World country" by reaping the benefits of its rich natural resources without allowing it any reciprocating advancements in industry.

Mr. Speaker, Professor Birch also told the 16 Western Governors that in addition to high quality government, the presence of excellent university research and a skilled labor force in the Western States should mark them as the land of opportunity for many important enterprises. Advances in scientific research are nothing new to the Southwest. In fact, Dr. George Webb, a leading expert on the history of science in the American Southwest, has traced the area's rise as a scientific center to strong ties to the national scientific establishment and the ideal arid laboratory for biologists and astronomers. This is why elected officials, business and labor leaders, and the academic community are among those who enthusiastically support siting the superconducting super collider in the West.

Examples of excellence in research at Western universities are abundant. NASA, for example, recently announced that it will establish a $7 million University Space Engineering Research Center at the University of Arizona. The National Science Foundation has funded $1.7 million in grants for the University of Arizona's new Center for Insect Science. In the semiconductor industry, SEMATECH has named the University of Arizona's College of Engineering and Mines as one of the five universities in the Nation to assist in perfecting the manufacture of semiconductors in the United States. The first hologram of single atoms was recently produced through a joint venture by the University of Arizona and the Massachusetts Institute of Technology.

Arizona State University was recently awarded grants from the Department of Energy to fund a national plant science research center. Engineers at ASU have developed a computer chip capable of artificial intelligence, while their electron microscopy department has recently installed two custom-made electron microscopes with high-vacuum resolution, the most powerful particle research instrument in the world.

The skilled labor force in the West is also uniquely well-equipped for the construction of the super collider. In the State of Arizona, recent major construction projects such as the Central Arizona project, an extensive aqueduct system, the Palo Verde nuclear plant, and the Papago Freeway drainage tunnels all attest to an expansive and highly skilled work force experienced in many of the tunneling and excavation techniques to be employed in the SSC construction.

These are skilled workmen, using the latest techniques from hard-rock boring to cut-and-fill excavation. In fact, Arizona construction and mining firms have been in the forefront of technological innovations that have refined these techniques used throughout the United States. Additionally, neighboring Western States can also provide highly skilled construction workers and contractors. This well-developed technical and industrial base would also support the SSC's operation after construction is complete.

Mr. Speaker, construction of the SSC offers fantastic rewards for the Western United States. It is estimated that the potential for technical and manufacturing contracts will be $1.1 billion, and that the project will generate over 26,000 jobs in the West, mostly in the construction and manufacturing industries. While grand in scale, this is a project that can easily be built using the existing infrastructure and highly skilled labor pool in Arizona. The Maricopa site is particularly desirable because of its stable geology and ideal desert weather. With no snow and only 10 inches of precipitation per year, the lowest among the seven final sites, construction can proceed nearly year-round. Using proven construction methods, project engineers have designed models which show that the Maricopa SSC can be built at a cost saving of more than 22 percent compared to the DOE generic model, and 2 full years faster than any other proposed site.

Further, the West offers some of the finest academic and research institutions in the land. Through anticipated joint faculty positions, research fellowships and other cooperative initiatives in higher education, an SSC in the West would be supremely well-positioned to take full advantage of the wealth of Arizona resources.

Support for the SSC site in the West is coming together from all our neighboring States. I would like to submit for the record just two of the many recent editorials on the subject, one from Nevada's Las Vegas Review-Journal and one from Salt Lake City's Deseret News.

Mr. Speaker, I strongly support funding for the superconducting super collider, and urge my colleagues to support an Arizona SSC siting.

[Las Vegas Review-Journal, September 17, 1988]

ARIZONA SUPERCOLLIDER COULD BENEFIT NEVADA

(By Laura Wingard)

Nevada's bid for the federal government's $4.4 billion superconducting supercollider failed, but the state could reap financial rewards if Arizona wins the project, according to a University of Arizona economic report.

The August 1988 report shows that contracts worth $34.5 million could be awarded to Nevada businesses should the U.S. Department of Energy select a 16,000-acre site 35 miles southwest of Phoenix for the high-tech physics project.

Those contracts also could lead to the creation of 793 jobs in Nevada, the report said.

Peter Carruthers, technical committee chairman for the Arizona superconducting supercollider project, used the report and the statistics it contained during a brief visit Friday to Las Vegas to garner support in Nevada for the Arizona site.

Lt. Gov. Bob Miller, head of the state Economic Development Commission, signed a resolution earlier this year voicing Nevada's support for the Arizona location. Naturally, Nevada would have preferred that a site near Winnemucca be selected, but it did not make the Energy Department's final list, Miller said.

"Certainly it's more beneficial to Nevada to have it in northern Arizona than somewhere else in the United States," he said.

The Energy Department is scheduled to name a preferred site in November before making a final decision in January. Arizona is competing with Colorado, Illinois, Michigan, North Carolina, Tennessee and Texas for the project.

Carruthers, a professor and head of the Physics Department at the University of Arizona in Tucson, said Arizona is serious about winning the rights to what he said will be "the premiere scientific facility in this research field."

The collider, expected to be the largest particle accelerator in the world, would require building an underground turnnel in a 53-mile ring where protons moving in opposite directions at nearly the speed of light would collide, creating subatomic particles for scientific study.

Carruthers said the project will boost Nevada's economy while potentially providing opportunities for professors and graduate students at the University of Nevada, Las Vegas. He sees the benefits from the superconducting super-collider extending to 13 Western states.

"We figure we have to hustle to fend off the powerful giants of the East," he said.

Carruthers described Arizona's chances as "good" winning the project, with the state's major competition being Texas. Favorable features he mentioned for the Arizona site include its geology and proximity to Phoenix. The site also lacks much private property that would have to be obtained.

"We're convinced our case is very strong," he said. "But we also have to keep high the interest in neighboring states if we're going to win."

SUPPORT SUPERCOLLIDER IN WEST

When this state lost its bid to be one of seven finalists for the $4.5 billion supercollider science project, Utah's interest in the undertaking promptly faded. That's understandable, but the supercollider should not be forgotten. Utah still has a stake in seeing that it at least is located in the West.

Arizona and Colorado are both still in the running, and Utah's governor and other officials should join hands with the rest of the Western states—done informally earlier—in reemphasizing a regional approach to the project.

Anything that benefits the Mountain West region in an economic and technical sense—even in a neighboring state—also will benefit Utah to some degree.

Dr. Richard J. Jacob, a former Utahn who is chairman of the Department of Physics at Arizona State University, and a member of Arizona's supercollider task force, explained it this way during a visit to Utah this week:

"The supercollider, whether in Arizona or Colorado, will have a positive effect on universities in surrounding states; it will be a world center for research. Western companies dealing in technology will have an edge in bidding on portions of the project because of their proximity."

There are good arguments for the West as a site for the supercollider. Jacob noted that the region offers growth, the fastest improvement in education systems, two years less construction time for a supercollider, and as much as a 20 percent saving in construction costs.

In June, the Western Interstate Commission for Higher Education, better known as WICHE, adopted a resolution supporting the selection of Arizona or Colorado as the final site.

There is another reason for the West to speak with one voice. After the final site recommendation is made in November by the Department of Energy, there may be political attempts to alter the choice.

If Arizona or Colorado is the finalist, it will take the combined political clout of the West to help resist the inevitable attacks mounted by the losers. Gov. Norm Bangerter and other Western chief executives should go on record—as did WICHE—to once again make clear they back a site in the Mountain West.

TRIBUTE TO FRANCES HARKINS LOVEJOY—33 YEARS OF PUBLIC SERVICE

HON. CLAUDE HARRIS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. HARRIS. Mr. Speaker, I come before the House today to pay tribute to a wonderful lady who has served the residents of Bibb County for many years. Mrs. Frances Harkins Lovejoy recently retired as chief clerk of the Bibb County Probate Court after 33 years.

She has been the court's living memory. Mrs. Lovejoy began work at the court in 1955 with probate Judge G.H. Stacy as the only clerk of the court. Since that time she has served with three other probate judges, Fred Davis, W.T. Vanderford, and George Desmond, and seen the court's workload expand dramatically with the growth of Bibb County. Known as "Miss Frances" to the Bibb County residents who come to the court, she has performed countless marriage ceremonies, issued thousands of car tags and drivers' licenses, and handled many adoptions.

Public servants of Mrs. Lovejoy's loyalty and skill are priceless assets to any community. She has been a gracious and helpful presence at the Bibb County courthouse and will be sorely missed by the residents of the county doing business with the court. I congratulate her on an outstanding career serving the people of Alabama and I wish her health and happiness in her well-earned retirement.

QUAYLE GOT A JOB WITH PEACE DURING VIETNAM

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mrs. SCHROEDER. Mr. Speaker, DAN QUAYLE was down in Texas yesterday attacking the Jobs With Peace Campaign, on whose board I sit, along with World War II vet George McGovern, Vietnam vet Senator JOHN KERRY, and Marine Corps vet Congressman RON DELLUMS.

I can't understand why DAN QUAYLE is against jobs with peace—that's what he had during the Vietnam war. A job 1 weekend a month writing press releases and covering parades. That's what I call a nice job with plenty of peace.

No wonder QUAYLE'S position on the B-1 won't fly. QUAYLE helped kill the B-1 and now says he supports it. QUAYLE thinks the B-1 is a vitamin.

TRIBUTE TO COL. FRANCIS M. RUSH, JR.

HON. BEVERLY B. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mrs. BYRON. Mr. Speaker, on September 30, 1988, the U.S. Air Force will retire one of its finest officers, Col. Francis M. Rush, Jr. On behalf of the House of Representatives, and the people that we represent, I would like to publicly acknowledge Colonel Rush's contributions in the area of military personnel management.

Over the last 10 years that Colonel Rush has been assigned to headquarters, U.S. Air Force and to the Office of the Secretary of Defense he has personally designed programs for, and been involved in the management of, the significant growth of Reserve military forces in our Nation's defense.

Particularly noteworthy is the leadership that Colonel Rush provided as the staff director of the Sixth Quadrennial Review of Military Compensation of the Secretary of Defense. Under his direction, the Department of Defense examined the impact of compensation on Reserve force structure and developed recommendations for the improvement of Reserve personnel retention and management effectiveness. Colonel Rush can also take great pride in the work he has done to improve the medical readiness of the reserve components. Current medical staffing shortfalls in the Reserves are indeed "war stoppers," and Colonel Rush has provided vital leadership in addressing this situation.

Colonel Rush has provided the foundation from which the National Guard and Reserve force of this country can build an even stronger personnel structure. Professionalism has been his hallmark, and the results of his leadership have been—and will continue to be—keenly felt.

Even though Colonel Rush will leave active duty after 26 years of service, his grateful Nation will not forget his contributions. Our thanks and best wishes go with him and his family.

TAIWAN'S 77TH NATIONAL DAY

HON. MIKE ESPY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. ESPY. Mr. Speaker, Monday, October 10, 1988, will be celebrated as the 77th National Day of Taiwan, and it is important that I bring this observation to the attention of my colleagues in Congress.

I had the pleasure of visiting this island nation and was impressed with the industriousness and persistence of its people. The Government of Taiwan has embraced the basic elements of democracy and is making lasting changes in its society to further democractic ideals.

Mr. Speaker, I would like to congratulate the people of Taiwan and their President, Mr. Lee Teng-hui, and assure them that the United States-Taiwan relationship is ongoing and vibrant. My colleagues and I look forward to continuing our relationship with them under the leadership of their new representative in Washington, Minister Ding Mou-shih.

PERSONAL EXPLANATION

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. COURTER. Mr. Speaker, due to previously scheduled business in my district, I was not present for several rollcall votes on September 9, 22, and 23. Had I been present, I would have voted "yes" on Journal votes Nos. 335, 336, 337, 338, 342, and 344, and "no" on Journal votes 302, 303, 304, 339, 340, 341, and 343.

THE 35TH ANNIVERSARY OF THE APSA CONGRESSIONAL FELLOWSHIP PROGRAM

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. BEREUTER. Mr. Speaker, I would like to congratulate and commend the American Political Science Association [APSA] on the 35th anniversary of its Congressional Fellowship Program. The APSA program was one of the first congressional fellowship programs established. It provides an opportunity to those from other professions to learn firsthand how the Federal legislative process works by working in the Congress.

The current APSA program brings about 50 journalists, academicians, anthropologists, Federal executives, foreign affairs and defense specialists, health care professionals, and foreign nationals to Washington for 1 year. Following an orientation period featuring a series of lectures and visits focusing on the American political process, system, and current issues, fellows take up unpaid positions on the staffs of Members, committees, and caucuses. There, they both observe and participate in the debate on national priorities and the formulation of national policies and law.

Aside from gaining an intimate understanding of the intricacies of the legislative process, fellows gain a perspective on how their particular areas of interest relate to other priorities and how sometimes competing national interests are weighed and decided. The lessons learned and experience gained from a year on the hill are carried with fellows back to their respective professions and incorporated into their daily worklives. The perspectives and professional growth derived during the fellowship benefits not only the fellow but the respective country, agency, academic institution, or organization.

The fellowship program also enriches the Congress. Many of the men and women who participate in the program have indepth experience and technical knowledge about complex national and international issues and institutions that Members and congressional staffs can draw upon. The fellowship program provides cross fertilization between Congress and a variety of other professions and agencies.

Over the years I have had a number of fellows in my office from several fellowship programs, including the APSA program. They have worked on a broad range of issues from trade to foreign affairs to defense. I believe they have profited from the experience and I am certain that they have added an important, highly beneficial dimension to my staff.

I commend the American Political Science Association for its program and wish APSA continued success.

OPPOSING THE INCREASE OF MINIMUM WAGE

HON. RON MARLENEE

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. MARLENEE. Mr. Speaker, Montana businesses and the jobs they provide have scored a desperately needed victory with the defeat in the Senate last week of legislation to increase the minimum wage.

Montana has yet to catch up with the rest of the Nation's general economic recovery and many of the State's businesses are struggling just to pay the existing minimum wage, let alone pay a higher one.

H.R. 1834 would raise the minimum wage to $5.05 an hour over 4 years, an increase of more than 50 percent. S. 837 would have raised the minimum wage from $3.35 an hour to $4.55 over 3 years, an increase of nearly 40 percent.

Forcing employers to give raises to their lowest paid workers is a fine-sounding idea until you take a look at the real world. And the real world can be found in places like Montana.

In the private sector of Montana, unlike Washington, employers hire workers only when what they produce is worth more than the added payroll costs. If a new law raises the costs of paying a jobseeker above what the employer will receive in goods and services, the jobseeker will simply not be hired.

The record on that is crystal clear. The Congressional Budget Office and reputable economists testifying before the House Education and Labor Committee verify a 1-to-3-percent job destruction effect for every 10-percent increase in the Federal minimum wage. A Clemson University study found that if the proposed minimum wage is implemented, Montana will lose 2,595 jobs in just 24 months and 6,369 jobs by 1995. Montana teenagers would lose 1,593 jobs by 1990 and 4,669 jobs by 1995.

Clearly, it's the young, unskilled worker who would suffer the most. Few businesses in the largely agricultural-based communities of Montana can afford total employment with a higher minimum wage of $4.55 and up. These businesses have many unskilled job levels that employ high school students, part-time help, and other workers. Raising the minimum wage would only shove many jobs out of the marketplace and with them, the jobholders.

I've received hundreds of letters and calls from my constitutents in opposition to increasing the minimum wage. And I think one of the letters from a constituent who runs a small business in Montana best sums up the realities of this legislation: "Raising the minimum wage would force me to cut back on working hours of our employees in order to pay higher jobs. Some entry level jobs will be eliminated completely. We should be trying to preserve opportunities for young unskilled workers, not destroy them. The best training for the future is a real job."

THE 77TH ANNIVERSARY OF THE REPUBLIC OF CHINA

HON. CHARLES PASHAYAN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. PASHAYAN. Mr. Speaker, a sparkling green jewel in the far reaches of the Pacific Ocean, the insular Republic of Taiwan, shines forth a prosperous world-class economy and a burgeoning democracy. The Taiwanese will celebrate their National Day, the 77th anniversary of the founding of the Republic of China, on Monday, October 10, and we here in Congress should celebrate it with them. Their new Ambassador to the United States, former Foreign Minister Ding Mou-shih, has recently arrived in Washington. As the direct representative of President Lee Teng-hui, he should know that we continue to stand behind the Taiwan Relations Act of 1979, and that we fully intend to assist him and his country in meeting the challenges and opportunities that lie ahead in the decades to come.

HAMILTON-MADISON HOUSE CELEBRATES 90TH ANNIVERSARY

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. GREEN. Mr. Speaker, I rise today to celebrate the 90th anniversary of Hamilton-Madison House, located in my district on Manhattan's Lower East Side. Situated in the "Two-Bridges" neighborhood, named for the famous spans over the East River, the Brooklyn and Manhattan bridges, it was one of the seminal establishments of the settlement-house movement. These vital houses arose in the decades at the turn of the century, during the peak period of influx of European refugees to New York. Hamilton-Madison House, now at 50 Madison Street, was the product of the merging of two such centers, Madison House and Hamilton House. The former was founded in 1898, primarily to fight against the dreadful diseases that were running rampant through the crowded and dirty tenements in the area.

Largely through their efforts, and those of our humanitarian organizations like Hamilton House, incorporated in 1902, the epidemics subsided. But the social ills of poverty and ethnic tension among the many nationalities settling there continued, and the role of the houses expanded in response. One of Madison House's first and most ambitious projects included the establishment, under the leadership of Bella Moses—mother of Robert Moses—of a summer camp providing the youth of the area with an escape from their teeming environs.

As the background of the waves of immigrants shifted from Europeans to Asian and Hispanic, the settlement houses evolved to meet the needs of the community. In 1954, following a visit to Hamilton House the previous year by Mrs. Eleanor Roosevelt, the two houses merged. By this time, they had become a veritable beacon in the area, aiding not only immigrants, children, and the ill, but the elderly, the handicapped, and the unemployed. With Hamilton-Madison House's support, offshoot groups advocating citizens' action and tenant rights flourished in ensuing years. With Chinatown growing, its unique professional experience working with Asian Americans led to the expansion of services citywide.

In sum, Hamilton-Madison House speaks the many languages of the mosaic of the Lower East Side. The Chinatown Family Consultation Center even treats Chinese patients in 12 dialects. It has changed the lives of thousands of every race and creed for the better. Its budget now exceeds $4 million and is funded by a variety of public and private sources, attesting to the high quality of the dutiful and compassionate service it renders.

Under the able guidance of Executive Director Frank Modica since 1976, Hamilton-Madison continues to meet the changing needs of the community. I am pleased to have worked with his organization during my tenure, and know that even now as we pause and look back with pride upon its accomplishments, Hamilton-Madison will rise to the challenges of the future.

SOARING MEDICAL COSTS

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mrs. JOHNSON of Connecticut. When Medicare was first instituted, we made a promise to the American public to provide access to quality health care for our senior citizens. That commitment is now threatened by a system which cannot keep pace with soaring medical costs.

This is a long-term problem with short-term, immediate consequences due to proposed budget cuts which will only increase the already widening gap between rising medical costs and declining hospital reimbursements under Medicare. We cannot continue to cut back on health care without first understanding why costs continue to rise despite our best efforts to control them and still deliver quality services.

Current studies show actual medical costs rising much more steeply than market basket estimates or Medicare reimbursements. AIDS prevention, increases in nurses salaries, technology, and other factors are pushing costs up more rapidly than anticipated. Yet average hospital operating margins have dropped from a high of 14 percent in the first year of the Prospective Payment System, and are estimated to drop below zero in fiscal year 1989.

With profitability now at zero, we must stop the slide in reimbursements until we clearly understand the reality our hospitals face, or we will destroy for our seniors the access and quality that has marked American health care as the best in the world.

AMERICA'S HOMELESS

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. JEFFORDS. Mr. Speaker, I recently received a letter from Mr. Scott Hastings, Jr., a constituent of mine from Taftsville, VT. Not too long ago, Mr. Hastings and his wife, Elsie, were out on a morning walk when they came upon a woman—and let me now continue in Mr. Hasting's own words for a moment:

A woman, fifties or early sixties, sitting in a patch of grass beside the road. She had an old green blanket and several plastic bags tied to a little two-wheeled tote similar to the big ones used in unloading a truck. Corduroy pants, red sweater, still blonde hair under a blue bandanna and a deeply suntanned face. By now you've guessed it—a bag lady. * * *

Yes, Mr. Speaker; a bag lady, a homeless person alongside a country road. Maybe this comes as a surprise to those whose image of country life is one of pastoral splendor, fresh air and sunshine. Yet the problem of homelessness knows no boundary and it is to emphasize this point that I respectfully enter Scott Hastings' letter into the CONGRESSIONAL RECORD. This letter is poignant testimony to the reality of homelessness and the degree to which people are committed to doing something about it.

Clearly, there can be no sense of regionalism in the attempt to provide shelter for the thousands of lonely individuals wandering America's myriad inner-city streets and backwoods roads. These individuals are our homeless and we must join hands in a shared responsibility to put an end to this human misery, and we must do it now.

TAFTSVILLE, VT, *July 6, 1988.*

Congressman JAMES JEFFORDS,
House of Representatives,
Washington, DC.

DEAR JIM: I write because of something that happened early this morning while my wife and I were walking beside the Ottauquechee River across from Taftsville. We passed a woman, fifties or early sixties, sitting in a patch of grass beside the road. She had an old green blanket and several plastic bags tied to a little two-wheeled tote similar to the big ones used in unloading a truck. Corduroy pants, red sweater, still blonde hair under a blue bandanna and a deeply sun-tanned face. By now you've guessed it—a bag lady in Vermont.

When we walked back by she was still there. We spoke to her but she didn't answer beyond a quick look. When we got home a few minutes later we decided we couldn't just leave her there. We put some food in a bag and I went back and gave it to her. I was glad I did because she didn't have a scrap to eat and I don't think she had a dime to her name. She was drinking water out of an old two-litre plastic bottle. I'm certain that was to have been her breakfast.

I surely didn't feel like leaving her there beside the road so I began talking with her. She was headed for White River Jct. where she'd heard there was a woman's shelter. She felt if she could get a night's sleep inside, she could then hitchhike on to Manchester, N.H. where some kind of wanderer's instinct tells her she will find work, at least for awhile. Incongruously, last night she was in Woodstock—bastion and stronghold of the rich—looking for a safe place to sleep outside. It never entered her head to hope for a night in a bed inside. She planned to sleep, sitting up against a wall, at the local Cumberland Farms store because it's open and lighted all night. But there were a lot of kids around and she got frightened. She, as I understand many of these unfortunate people do, has a great fear of being hurt or molested during the nighttime. She got up and somehow wandered three or four miles over onto the river road which is thickly wooded on one side, and sat up beside the river for the balance of the night. She was so exhausted and hungry when we spoke to her this morning that she just wasn't able to respond. How she spent the night, alone and hungry, with thick woods all round and with only a ragged blanket and the ground for her "shelter" is truly beyond my capability to imagine. She must have been terror-stricken all through the dark hours.

I finally got her to agree to let me put her stuff in the car and took her down to White River and stopped at the Old Age Center to ask directions to the shelter. I learned the shelter is closed for three weeks. A very helpful social worker called Head Rest in Lebanon, N.H. and they were willing to give her a meal and a place to rest for the day but couldn't guarantee a bed tonight. Lilla decided she'd let me bring her to Lebanon to spend the day in the park, hope for a night's rest at Head Rest, then hitch to Manchester tomorrow. I said to myself, "The hell with that music," and I got her to agree to my buying her a bus ticket to Manchester and we gave her twenty-five dollars to help out when she got there.

I am not writing this to tell you what good guy's Scott and Elsie Hastings are. Anyone would have done the same and we only hope we did enough. And helping her, even this little bit, probably did us more good than it did her. No, I have a different reason for writing you. When I got back home I was pretty upset. I know there isn't a damn thing you can do about it but I just felt I had to write to somebody in D.C. who I was sure would be as upset as I am.

About Lilla. She seemed healthy and she obviously makes an effort to keep herself clean. Her teeth are pretty well gone and she sure as hell isn't eating regularly. She wants to work but I have no idea whether or not she can get or hold a job. And I didn't feel that giving her a bus ticket and a few bucks entitled me to pry into her life. I let her know I'd be willing to listen to anything she cared to say and she told me a little but not much. I was once a Vermont social worker and offered to take her to the social welfare office to try and get her some General Assistance but she was very reluctant because she felt she'd be a bother and a nuisance to them. It is very unsettling to once again have personal experience, in the person of this woman, with those who have neither kith nor kin, shelter, food, money, nor any place to live other than the inside of their own heads.

Though I've been retired a year or two I ended up as a folklorist and have some experience of outcast groups like tinkers, gypsies and so on. I just wrote a book titled "Goodbye Highland Yankee" about growing up in West Lebanon and White River during the Depression and even the hoboes and tramps, back then, had friends and seemed somehow far less deprived than today's homeless. I think the operant word here is "groups." No matter how down and out tinkers and hoboes may be, they still have the security of human contact within a group. This makes all the difference! The single, most awful, thing that gets to me most about Lilla is not that she was hungry, and not that she didn't have a dime or was a wanderer on the roads. It is that she is enduring all of this in isolation—she lives in a loneliness that is almost absolute. One result is that she has become very shy with others and also afraid. She has become almost like a wild thing. Yet I found her well-spoken and most appreciative for the little my wife and I were able to do for her.

I don't know what ails this country anymore. We used to do things better! I don't buy the argument that these unfortunates like things the way they are. Nor do I believe they have a civil right to starve to death and live in misery. Decent care, food, and human contact for them would soon disabuse them and us of such notions. County homes and the old-fashioned Poor Farm, with all of their faults, were at least a better answer than the present administration's callous solution of throwing unfortunate people out into the streets and byways. At least they ate, were afforded the opportunity of some kind of meaningful work, and enjoyed some contact with other humans.

Perhaps it is the lingering effects of the old frontier mentality or the Puritan ethic that makes us treat our own so shabbily—I just don't know. What I am sure of is that this country now seems to operate on a baseline of a greed so intense it has become institutionalized. As a result, our priorities have gone badly astray. We have enormous riches and the worst record, in terms of caring for our citizens, of any of the industrialized countries. (Only South Africa may be worse, I am not sure).

We will never forget a tour we took in Copenhagen during which the bus turned down a broad clean street lined with pleasant, well-built, brick buildings with pretty white lace curtains at almost every window. The tour guide was momentarily embarrassed as she explained, "This is our slum." Untold millions of Americans would think they had died and gone to heaven if they were fortunate enough to live in such a place.

As I write this, the lady we helped this morning is just reaching Manchester, N.H. We are hoping the police, or someone, will help her find a shelter to stay in tonight. And we know she can eat for a day or so. After that it's anybody's guess. We sure hope she comes out all right. But she is, after all, just one out of many thousands—the one we happened to meet. When we think of how many others there are like her, who are simply being left to their own devices by this administration, it makes us feel sick. You know Jim, the American people are not fools. They fully realize that the balance of wealth has shifted to the rich at the expense of the poor. They also know that a huge amount of money which should be going for human needs is simply being pissed away to crooked defense contractors on arms we don't need, and to all kinds of other boondoggles. The fact that governments have operated this way throughout history is no excuse—we should be better than this.

Do you remember the old 1930s song, "The Big Rock Candy Mountain"? One of the stories in my book begins by quoting this song in full and goes on to say,

Quite often we'd hear "The Big Rock Candy Mountain" playing on the radio and snatches of it being whistled or sung on the streets. A wistful song with a note of pathos, it was an expression of the yearning of millions of poor Americans for the promised land of milk and honey. Somehow, with the hard times and thousands of men on the hobo trail, it seemed more appropriate as the American anthem in those years than the "Star-Spangled Banner" or even "America the Beautiful." It fit the mood of the people better.

We see no reason, after today's meeting with our personal bag lady, to change our minds. Patriotism for us, as for many other Americans these days, has become an intensely selective matter. It is reserved for the common working folk and small businessmen who keep this country going, and have always kept it going, against all odds, even though they know what's going on and how poorly they are governed. We find a widespread feeling of powerlessness and disillusionment with affairs in Washington that far exceeds anything we have ever encountered before. I predict that the time will come when this feeling is going to cost the country dearly.

Sincerely,

Scott Hastings, Jr.

BIG SUR GRANGE CELEBRATES ITS 40TH ANNIVERSARY

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. PANETTA. Mr. Speaker, on October 6, the Big Sur Grange will celebrate its 40th anniversary.

The grange is one of the most important organizations helping to unite the diverse Big Sur community. It sponsors numerous community events and activities, such as fundraising events, entertainment of all kinds, and disaster relief.

It also contributes money to a wide range of local causes, including the Big Sur Ambulance, the Big Sur Fire Brigade, the Salvation Army, the Red Cross, the Big Sur Health Center, and the Big Sur Library Fund, as well as needy families in the area.

The grange also makes its facilities available to a wide range of community groups and to the town itself.

Mr. Speaker, the Big Sur Grange is much like granges in rural areas throughout the country. But just as Big Sur is unique, the Big Sur Grange is unique. I hope my colleagues will join me in congratulating the Big Sur Grange on this happy occasion.

CATHOLIC BISHOPS' LETTER ON WAR AND PEACE: THE MORAL DILEMMA OF SELF-DETERRENCE

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. DORNAN of California. Mr. Speaker, an April 15 New York Times headline read, "U.S. Bishops Oppose Anti-Missile Plan" and on June 26, the Washington Post carried the headline, "Bishops See Moral Flaws in 'Star Wars', U.S. Catholic Leaders Warn of Nuclear Risk." Both articles were reporting on the National Catholic Bishops Conference's updated letter on war and peace which registers moral opposition to SDI deployment.

In their pastoral update on war and peace the bishops concede that the advocates of SDI deployment may have good intentions. However, in order to make a sound moral judgment the bishops state that they were compelled to go beyond the intentions underpinning SDI deployment and instead look at its likely consequences. Accordingly, the letter addresses what the bishops refer to as the "ethics of effect":

> Assessment of SDI in light of its impact on strategic stability forces the moral argument onto the path of examining the contrasting views of whether the transition from assured destruction to common security can be carried off with acceptable risk * * * Assessing these risks—evaluating which are prudent to pursue, which are too high to tolerate—involves a moral as well as a technological judgment.

Based on their technical and strategic analysis, the U.S. bishops have determined that the likely consequences of deploying SDI would be unacceptable risky transition period—therefore SDI should not be deployed. But were the bishops qualified to make a technical, strategic, and ethical evaluation of SDI? In the same document the bishops prefaced their conclusions by stating:

> We do not lay claim to any special grasp of military or political realities beyond that of any carefully informed citizens—We are teachers, not technicians. We do not intend that our treatment of [the arms race, contemporary warfare, weapon systems, and negotiating strategies] carry the same moral authority as our statements of universal moral principles and formal Church teaching.
>
> As bishops, we are interested in the scientific and strategic dimensions of the SDI policy debated, but we are not in a position to contribute to them.

Yet, despite their claim that it is not their proper role to contribute to the scientific or strategic debate, the bishops proceeded to outline three major points:

First. Deploying strategic defenses would be perceived by the Soviet Union as threatening and provoke the Kremlin into launching a nuclear attack against the United States;

Second. U.S. strategic defenses would be shifted toward offensive uses; and

Third. SDI would not work—this conclusion is based on selected poll data indicating that a majority of the nation's scientists believe SDI is not technically feasible.

Since the bishops intended to base their moral judgment of SDI deployment on strategic and technical analyses, it is essential that their analysis be correct. Unfortunately, due to their acknowledged lack of technical or strategic expertise in national security matters, the bishops' three main reasons for opposing SDI deployment contain major and fundamental flaws.

Concluding that SDI deployment would provoke the Soviets into a first strike could only be derived from one of two fallacious assumptions. The first assumption requires that the Soviet leadership will respond in either an irrational or irresponsible manner. Under this assumption, nuclear deterrence exists on both sides—any nuclear strike means suicide for the attacker due to nuclear retaliation—but the Soviet Union would risk suicide anyway as the United States started to deploy strategic defenses.

The second assumption is that the Soviet Union has such an overwhelming nuclear superiority over the United States that is could successfully launch a first strike without fear of retaliation. Under this assumption the United States would risk annihilation if it started to deploy SDI or any other militarily significant weapons system. "Don't get the bear upset" would indeed by the order of the day.

Neither assumption is credible. The Soviets are not suicidal, nor do they enjoy the overwhelming nuclear superiority required to escape United States retaliation. Therefore, the conclusion that SDI deployment would cause a Soviet first strike is unsupportable. The Bishops could very easily educate themselves on why these assumptions are untenable.

The bishops' technical and strategic analysis that U.S. space-based strategic defense systems will be used offensively is also flawed. Any weapon can be used offensively. The real question is whether or not a weapon is particularly useful for offense or defense. Take the example of a shield in battle. It is entirely within the realm of possibility that a shield could be thrown at one's opponent and might do some damage, but a lance is better suited for the task of spearing the enemy. The shield in turn is better suited for blunting or deflecting sword or spear thrusts.

So, too, with strategic defense weapons in space. The technology suitable for an early 1990's space-based defense if the "smart bullet"—a projectile carried on satellites that homes in on its target—a ballistic missile—by the heat and radar signature it emits, and then destroys the missile on impact. Smart bullet interceptors weigh 10 pounds, are nonnuclear, and will probably contain no explosives of any kind. While potentially very effective in defending against ballistic missiles, "smart bullets" in space are not weapons of mass destruction—(offensive— and cannot destroy even a single building, because they lack the heat shielding necessary to penetrate the Earth's atmosphere without burning up.

Strategic defense lasers and particle beams weapons, probably not available to us in the free world until the next century, are also better suited for defense and are not weapons of mass destruction. If a laser in a satellite fires by accident or misses a ballistic missile and hits the ground, it might set a roof on fire, but it cannot blow up a city or kill millions of people. Analysis by the scientists at the George C. Marshall Institute indicates that more offensive destruction could be done to a target on the ground by a laser satellite if you dropped the whole satellite on a target from a bomber rather than firing its laser at the target from space.

Finally, the bishops' conclusion that SDI will not work is not supported by polls indicating a majority of the scientific community believe SDI to be infeasible. The majority of nonmilitary scientists are narrowly focused in their knowledge of scientific issues. They tend to have extensive knowledge of their particular field of work, but little knowledge in other areas of science. Some of those polled have considerable expertise on common monkey vision, biotechnology, astronomical proof of the creation of the universe, etc. * * * But, a vast majority of the scientific community polled on SDI have little or no expertise or knowledge on strategic defense technologies. The bishops would have been better served if they had polled those scientists with expertise on SDI's feasibility, those actively working on defense technologies.

Polling the scientific community on SDI is analog to polling the medical community on whether or not they believe an artificial heart can be built this year for use in a patient wanting a normal life span. Those medical people who do not know how you construct such an artificial heart or how to put one in a patient safely—that is, the majority of the medical profession who, of course, are not working in this highly specialized area—would in sincere honesty express their skepticism. Their skepticism, however, would not necessarily represent an informed medical assessment.

The bishops' intentions were undoubtedly well meaning in trying to provide moral judgments on the complex question of "SDI, war and peace." However, the National Bishops Conference's opposition to SDI deployment is technically and strategically unfounded. The bishops should note that the principle of the "ethics of effect or consequence" is a double-edged sword—there are effects in omission as well as commission. In short, there are risks posed in deploying SDI, but there are also deadly risks as a consequence of not defending the American people from ballistic missile attack. The bishops should reread the preamble to our Constitution. It states very clearly "provide for the common defense." That's a moral mandate.

TRIBUTE TO CLYDE "KINDY" SPROAT

HON. DANIEL K. AKAKA

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. AKAKA. Mr. Speaker, once again Hawaii has the distinguished honor to count among its citizens a recipient of the Folk Arts Heritage Fellowship Award of the National Endowment for the Arts.

Mr. Clyde "Kindy" Sproat, our Hawaiian treasure, is a renowned singer. In addition, he is an expert mule rancher and trainer. Born in Kohala on the Big Island of Hawaii, he grew up in the rural isolation of the third valley from Pololu named Honokane Iki where his family sang every night after supper.

He continued his informal singing lessons when his family moved to Niulii. His school principal taught him old Hawaiian songs and the meanings and history behind them. Clyde continued to enlarge his repertoire to include the songs of the Hawaiian paniolos (cowboys).

At age 60, Clyde continues to practice his art. He has sung at Carnegie Hall for the National Folk Festival and was featured on a recording of paniolo music by the State Foundation on Culture and the Arts.

Mr. Speaker, it is an honor to represent Clyde Sproat in Congress and I would like to take this opportunity to congratulate him on behalf of the people of Hawaii and this great country.

LONGEST CONCRETE CABLE-STAYED BRIDGE OF WESTERN HEMISPHERE ERECTED IN JACKSONVILLE, FLORIDA

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. BENNETT. Mr. Speaker, last Saturday, September 24, 1988, many thousands of spectators participated in the dedication of the Napoleon Bonaparte Broward Bridge in Jacksonville connecting the sparsely populated northside of the St. Johns River with the heavily populated southern bank of the river.

This bridge was built using new concrete construction technology making it the longest concrete cable-stayed bridge in the Western Hemisphere. The main span clears the St. Johns River at 175 feet above the surface and measures 1,300 feet between the 472 feet tall twin towers; it is that dimension which gives the bridge its distinction, although from river bank to river bank it runs 2.1 miles total. Additionally, the bridge contains 190,000 tons of concrete, 978 miles of reinforcing steel and its 221 miles of cable will require 4,200 gallons of paint. Finally, this bridge contains its own wildlife sanctuary of 10 acres, and the endangered woodstork has been seen nesting within its boundaries.

It was my pleasure to deliver the dedication speech in honor of Florida's Gov. Napoleon Bonaparte Broward for whom the bridge is named. My remarks were as follows:

NAPOLEON BONAPARTE BROWARD AND HIS BRIDGE

(Remarks by Congressman Charles E. Bennett)

For this dedication of the Napoleon Bonaparte Broward Bridge we have waited for the better part of a century. At last we have found a truly fitting memorial! This is a magnificent structure, and Broward's life was one of magnificent achievement.

What sort of a man was he? Physically, he was six-feet two; and in his late twenties weighed 210 pounds—deeply tanned skin, dark penetrating eyes, and a magnetic smile and personality.

His most magnificent quality was his spirit—a spirit that gave him a tremendous concern for the welfare of the common man.

He grew up on a prosperous farm in the timberland culture of North Florida, but was orphaned at twelve without very substantial formal education, which required him to assume tremendous responsibilities in the depressed years shortly after the War Between the States.

His family and his ancestors owned many thousands of Florida acres. Francis, his Huguenot great-grandfather came from Provence, France, to South Carolina in the 1700's, fought in the Revolution under Pulaski and came to Doctor's Island in our Nassau River in 1800. His grandfather, John, cultivated his plantations in or near the St. John's River, fought in 1817 for the Spanish King against the interloper, Sir Gregor MacGregar, and served in the 1845 Florida Legislature. John's son Napoleon Bonparte Broward, Sr. expanded the many cultivated acres of the family, built a house at Cedar Creek where Napoleon Jr. was born April 19, 1857, went off to battle for the South in the War Between the States, and, returning land-poor and in broken health, soon died and left his large, young family to fend as best it could in its newfound poverty.

But the orphaned Napoleon was not vanquished, but actually inspired by his great responsibilities at an early age. He became a man before his time, self-confident, altruistic, and a natural leader, dedicated to helping those who needed help—those who also had to struggle in that deprived aftermath of the War Between the States.

First he worked as a farm hand, then a timber hand, and then as a steamboat roustabout, commercial fisherman, seaman on river boats, and then ran a wood yard, developed phosphate mining interests and became owner of a steam tug. He commanded the tug "The Three Friends" on eight hazardous voyages through the Spanish blockade, with war material and Cuban sympathizers, to aid the successful Cuban Revolution of 1898.

He was twice elected Sheriff of Duval County (having been removed by the Governor and then defeating the Governor's appointee). He was a Jacksonville City Councilman, member of the 1901 Florida House and member of the State Board of Health.

He was elected Governor of Florida in 1905 and his tenure (through 1909) was a stormy one because he espoused bold, controversial ideas. He was successful in unifying the State's institutions of higher learning under a Board of Control and reclaimed for the State many acres of land in the Everglades, a project first espoused by his grandfather in the 1845 legislature.

Broward was an unsuccessful candidate for the United States Senate in 1908 while Governor, but won the nomination two years later. He died in Jacksonville, October 1, 1910 before becoming Senator.

There were many times when Broward demonstrated great courage and decisive leadership: in his providing military aid to the Cuban Revolution; in his closing down of illegal gambling; in preventing a lynching in a murder case; in his marshalling forces to combat the tragedies of the 1888 yellow fever epidemic and the 1901 city-wide fire; and in persistently demanding honest elections—in that time a rarity.

Of interest particularly to students of modern government, and all present-day politicians, are his recommendations to the State Legislature when he was Governor. These included:

(1) Unification and improvement of college-level education;

(2) Drainage of parts of the Everglades for truck farming;

(3) Uniform school textbooks, laws and teachers's pay raises;

(4) Wildlife, forest and clean rivers legislation;

(5) Encouragement to free-enterprise projects;

(6) Economy in state appropriations;

(7) Child labor laws;

(8) Compulsory state-run life insurance;

(9) Mandatory primary laws to supplant smoke-filled conventions;

(10) Campaign expenditure disclosure laws, including revealing of lists of contributors and their contributions; and

(11) And, to use the exact language of his recommendations, a statute requiring that all persons "desiring to present any matters to the legislature or to the members thereof should be registered with the Secretary or Clerk of either House and should state their interest and the bills, claims and resolutions and reports in which they are interested, and what interests or persons they represent and in what capacity."

Some of these objectives were achieved during his administration, notably the first few mentioned in this list. Some have never been achieved. But the modernity of these proposals, now almost a century old, is surely impressive.

The Florida-Times Union observed at his death: "We do not believe that more sorrow has ever oppressed the State at the loss of an honored one than the people of Florida felt today. While Governor Broward lived, Floridans were his friends or his foes. There was nothing in his nature that tolerated neutrality or permitted luke-warmness. Among Governor Broward's supporters were a number of able men, but he was the brightest brain, the most masterful power. It was his brain, his force, his power, that won for him the position of leadership."

The Jacksonville Metropolis wrote:

"He was a great man in every sense of the word and the most marked characteristic of his greatness was his goodness and gentleness."

To conclude my remarks, I quote from Broward's June 6, 1910, speech in Hemming Park. It illustrates his paramount motive of seeing to it that democracy would triumph, then and in the future, against any special interests that might seek, by bribery or other improper methods, to influence the thrust of good government. In that speech he said:

"For the benefit of the young men and young women of this country, for the protection of American institutions, it is absolutely necessary that you control your own affairs. Upon what theory will you turn over to the specially privileged few the right to select your legislative officers? It is your duty, it is my duty, to hold intact your institutions and to pass them down to your children as pure as when they were turned over to us."

Surely Broward was a man who has left all of us a rich heritage.

A TRIBUTE TO DEAN WILLIAM CARLSON

HON. JAMES H. BILBRAY

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. BILBRAY. Mr. Speaker, I rise today to say a special word in tribute to the late William D. Carlson, the first dean of the school that today is the University of Nevada, Las Vegas.

No one is more responsible for development during the early years of UNLV than William Carlson. Dean Carlson was so conscientious in everything that he did. He always had the young school and its growth at heart. Dean Carlson was one of the pioneers who built what today is UNLV out of what was just a dream.

William Carlson was born in Sandstone, MN. He was decorated for his Army service in Europe during World War II. William Carlson received his bachelor's degree from St. Cloud State Teachers College in Minnesota and a master's and a doctorate degree from the University of Minnesota.

Dean Carlson began his education career as a teacher in a one-room school in Minnesota. He arrived in Nevada and served as dean of men and dean of student affairs at the University of Nevada in Reno before moving to Las Vegas in 1957.

Dean Carlson was at UNLV from 1957 until his retirement in 1980. He was fond of recalling that when he arrived at UNLV, then known as the southern regional division of the University of Nevada, the entire university staff numbered 14.

I have special memories of Dean Carlson, since he was my dean when I was student body president at UNLV. Each and every student was important to him.

Mr. Speaker, by any measure—be it civic leadership or professional contribution—Dean William Carlson represents the finest in Nevada's commitment to excellence and his legacy will long survive him.

THE GLOBAL ENVIRONMENT RESEARCH AND POLICY ACT OF 1988

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. JONES of North Carolina. Mr. Speaker, today I am introducing the Global Environment Research and Policy Act of 1988. This bill will improve our understanding of the significant global environmental changes we are now witnessing by providing for a national global change research plan. In addition, this bill will encourage development of a coordinated national policy to abate, mitigate, and adapt to the effects of these changes through the creation of a Council on Global Environmental Policy [CGEP].

Title I of the bill directs all Federal agencies involved to coordinate their scientific research activities. By developing a coordinated research plan, we will enhance our understanding of the Earth system on a global scale, improve our capability to predict natural or human induced changes and, most importantly, provide the best scientific information on which we can develop necessary and responsibie policy decisions.

Title I is similar in concept to S. 2614, a bill recently introduced by Senator HOLLINGS, the chairman of the Commerce, Science, and Transportation Committee and one of the leaders, along with Senator GORE, on the issue of global climate change.

Title II establishes the CGEP which shall initiate, coordinate, and recommend domestic and international global environmental programs, studies, and policies taking into consideration the findings and recommendations of the national global change research plan.

This summer a severe drought devastated the Midwest resulting in an estimated 10 billion dollars' worth of damages. Three weeks ago hurricane Gilbert ravaged the Caribbean. Preliminary estimates for human casualties are in the hundreds. Estimates for economic loss for all nations affected range between $10 and $12 billion.

These events are stark and current reminders of our need to understand the Earth system and the impact humankind has on its delicate dynamic. There is scientific evidence that this drought might not reflect natural climate variability, but rather, represents a more severe and irreversible trend in global warming. Separating natural variability from changes induced by human activities presents a great challenge to science. My bill meets this challenge by facilitating the coordination of the best scientific capabilities of the U.S. Government in a 10-year research plan.

There is a consensus in the international scientific community that humanity, in the next generations, will face potentially severe problems of adaptation to global warming and sea level rise. Evidence of systematic increases in greenhouse gases such as carbon dioxide, methane, nitrous oxide, and the chloroflourocarbons [CFC's] is well documented. Observational evidence of a rise in the height of sea levels is also a well accepted fact.

The greenhouse effect as a contributing mechanism to global warming has long been understood by the scientific community. The so-called greenhouse gases absorb radiation from the Sun and the Earth blocking the escape of energy into space, and hence, warming the lower layers of the atmosphere. The steady input of carbon dioxide into the atmosphere, recorded for the last 30 years, will double sometime before the middle of the next century. The effect of other greenhouse gases such as methane, nitrous oxide, and CFC's has proven to be cumulative, furthering the greenhouse effect. Methane input continues to rise by 1 percent a year. The recent Montreal protocol, addressing the ozone depletion problem, succeeded in restricting—but by no means eliminating—the input of CFC's into the atmosphere.

The oceans are a very important component of the integrated Earth climate system. Their unique role results from their ability to store heat and to take up carbon dioxide from the atmosphere. Scientific attention should continue to focus on the interaction of the ocean and other components of the system. An effective national program in global environmental change must include a strong focus on the interaction of the oceans and other components of the system. The National Oceanic and Atmospheric Administration Fleet Modernization Act of 1988, which I introduced on May 26, 1988, provides for the fleet capability and the scientific equipment needed in carrying out the objectives of the national global research plan mandated in this act.

The global mean temperature is now as high as it has been since the last glaciation, about 18,000 years ago. The four warmest years in the past century have occurred in the 1980's. Scientific estimates indicate 1988 could be the warmest year on record. Although we cannot ascertain that global warming is responsible for the current drought, scientists are ready to state with a large degree of confidence that current temperatures represent a real warming trend rather than a natural fluctuation.

As chairman of the Committee on Merchant Marine and Fisheries, I am particularly concerned about the profound effects global warming will have on marine production. Biological production and distribution of fisheries will be notably altered with uncertain implications for the economies of both coastal and inland regions. In addition, the rise of sea levels will bring flooding to many coastal areas. Even small increases in sea level pose a considerable threat to low-lying communities and ecosystems including the barrier islands of North Carolina, the coasts of Florida, and the Mississippi Delta. Beach erosion, wetland destruction, and the flooding of coastal structures are problems which will require adequate solutions, based on sound scientific knowledge.

Since the beginning of the Industrial Revolution, human activities such as fossil fuel burning, industrial practices, agriculture, and land use patterns, must be regarded as an active element in the global environment. However, the cumulative effect of these activities is not fully understood. Responsible policy decisions addressing the consequences of global change can only be formulated with reliable scientific information. The questions that need to be addressed are not simple. They require the understanding of the whole Earth as one integrated and dynamic system. This formidable scientific challenge will require the concerted effort of some of our Nation's most innovative scientific capabilities.

Collaboration among scientists from diverse disciplines is essential if we are to understand the complex interactions of ocean, atmosphere, ice, solid earth, and biological systems. Research will require the use of the most advanced technology in ocean-going vessels, supercomputers, satellites, and remote sensing instruments. Data management systems capable of processing, storing, and distributing the information collected will be of central importance. International collaboration will be necessary to collect the essential global observations. Cooperative efforts are currently underway. Attention has centered on two programs: the International Geosphere Biosphere Program [IGBP] developed by the International Council of Scientific Unions [ICSU] and the World Climate Research Program sponsored jointly by the World Meteorological Organization [WMO], the United Nation's Environment Program [UNEP] and ICSU.

The Federal Government in recent years has spent millions of dollars on global change research. The National Oceanic and Atmospheric Administration, the National Science Foundation, the National Aeronautics and Space Administration, the Environmental Protection Agency, the U.S. Geological Survey, and the Departments of Agriculture, Defense, and Energy conduct research in different global climate areas within their respective missions. As this Nation's realization of the imperative need for global change research continues to grow, so will the appropriations for these programs. Institutional coordination and budgetary efficiency are essential if this array of research efforts is to be pooled together to solve one of humanity's most compelling scientific challenges.

Title I of my bill directs the Federal Coordinating Council for Science, Engineering, and Technology [FCCSET] to develop a 10-year plan to coordinate scientific efforts and budgetary resources of numerous Federal agencies into a unified global science program. In addition, title I requires FCCSET, in carrying out its responsibilities to:

Develop goals and priorities which will advance scientific understanding and provide a basis for policy decisions;

Define the role of each Federal agency and department in implementing the plan;

Describe the levels of Federal funding, and specific activities required to achieve the goals and priorities of the plan;

Review, prior to the President's budget submission, each agency budget in the context of the plan and make the results available to each agency and to the Office of Management and Budget;

Coordinate the Federal effort with the National Research Council and with other national and international research initiatives; and

Submit progress reports periodically to Congress on the implementation of the plan.

The plan is to be implemented by the Federal agencies and shall include national global change research policy recommendations and proposals for the implementation of that research policy through legislative and regulatory changes.

Title II establishes the CGEP as an Executive office of the President to be chaired by the Chairman of the Council on Environmental Quality [CEQ] and composed of members from different Federal agencies and the Chairman of FCCSET. This Council shall analyze and recommend national policies to abate, mitigate, and adapt to the impacts of global environmental change. In addition, CGEP shall:

Coordinate and initiate Federal studies on economic and social impacts of global environmental change;

Incorporate in its policy decisions the findings of the national global change research plan;

Provide recommendations to FCCSET on policy goals and objectives which most effectively provide a basis for global environmental policy decisions;

Collect and analyze data and information on social, economic, and environmental impacts of global environmental change and related policy; and,

Submit to Congress, after 5 years, and periodically thereafter, a comprehensive national program in response to the impacts of global environmental change;

In view of the present uncertainties in our knowledge of global climate change, scientific understanding of the whole Earth system should be a national priority. Furthermore, the results of this formidable research effort should be incorporated into a comprehensive national global environmental policy. The success of the global climate change research program lies in a concerted effort at the national international level. Our challenge will not stop with the scientific understanding of the problems that lie ahead. We must also develop the institutional capacity to effectively incorporate scientific discoveries into national policy at all levels. My bill is an attempt to develop a coordinated Federal Research Program and institute a central policy coordinating body sensitive to the findings of the research plan and to the emerging needs of different agencies and sectors of our society.

OUR LADY OF SORROWS PARISH CELEBRATES ITS 50TH ANNIVERSARY

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. FLORIO. Mr. Speaker, it is with great pleasure that I ask my colleagues to join with me in extending my congratulations to Our Lady of Sorrows Parish of Hamilton Township, NJ, on the occasion of its 50th anniversary next year.

A myriad of special events and activities are being scheduled this year to allow the 50th anniversary of Our Lady of Sorrows to be a memorable and special observance. The parish is rich with history and exceptional individuals whom are responsible for its success.

Our Lady of Sorrows Parish was established on January 23, 1939, by Bishop Moses E. Kiley. Sunday masses were originally held in the Mercerville Firehouse until completion of the new church in October 1942. Our Lady of Sorrows Parish was raised from a mission church to a full canonical parish by Bishop Griffen on June 19, 1943.

After nearly 50 years, Our Lady of Sorrows Parish has evolved from a small congregation meeting in a firehouse to a parish with hundreds of members, a school and a convent for the Sisters that staff the school. Indeed, Our Lady of Sorrows Parish has reason to be proud.

Again, I would like to extend my congratulations to Our Lady of Sorrows Parish and wish them the best of luck in the years ahead.

TRIBUTE TO THE AMERICAN SPACE SHUTTLE PROGRAM

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. ANDERSON. Mr. Speaker, I rise today to recognize the efforts and the accomplishments of the National Aeronautics and Space Administration and the contributions of the private aerospace industry as it pioneers the American space program into the future.

Today, as the space shuttle rises to the stars, so too, does the future of the American space program. After 3 years' absence, the Stars and Stripes returns to space. As Americans usually do, we turn tragedy into triumph. We will not forget the valiant seven who gave their lives for their country. Their quest to explore the final frontier will be carried on by the combined efforts of NASA and the aerospace industry.

The launch today proves that through hard and diligent work, even the toughest obstacles can be overcome. It has been this kind of drive that keeps America at the forefront of space technology and we must not let that drive falter if we are to be the leaders of space exploration in the 21st century.

In my State of California, the aerospace industry contributes $3.2 billion to the local economy. Rockwell International, which is a prime contractor for the space shuttle, employs 6,500 people at the company's Downey, CA, facility. Nationally, Rockwell employs over 13,000 people and the estimated economic impact, based on shuttle-related contracts to 1992, is $18.5 billion.

Another large aerospace company in my area is McDonnell Douglas. They have been a pioneering force in this Nation's defense and aerospace industries. McDonnell Douglas, along with Rockwell and Boeing, will be developing America's first permanent manned space station. The company's California operations alone employ 50,000 people which are paid over $1 billion a year.

Lockheed, which employs about 43,000 people statewide and injects nearly $1.5 billion a year into the California economy, is well known for its contributions to the defense industry. They are also involved in the launching process of the space shuttle and the development of the orbiting space telescope.

A study conducted at the University of Southern California shows that for every job in the aerospace industry, 2.5 jobs are created in other sectors of the economy.

As you can see, Rockwell, McDonnell Douglas, Lockheed, as well as many other aerospace firms are laying a foundation upon which this country can build a bright and strong future. If we do not capitalize on the technological advantages we now hold, we may never retain our preeminence in the field of space exploration.

This is only the beginning of continued economic prosperity for the entire Nation as we prepare to enter the 21st century. The United States pioneered a reusable launch vehicle, the space shuttle. With continued support, the United States will be the pioneer in constructing a permanent space station and eventually accomplishing a manned mission to Mars.

Over the past years, more United States satellites have been put into orbit by our foreign competitors than by our own space program. The space programs of France, Japan, and West Germany are making great progress. Of course, we wish our friends success with their space programs, but not at the expense of our own. Our absence from space has not only allowed our foreign competition to grab a share of the market, but has also allowed the Soviet Union an unchallenged domain in space exploration.

The setbacks of the past must not slow down our progress toward the future. The launch today is proof that NASA and the private aerospace industry have committed a great deal of their future to the success of the space program, and the future of this country.

To all the thousands of men and women who dedicate their lives to making the American space program the safest and best in the world, I salute you.

GEORGI SAMOILOVICH DENIED LIFE-SAVING TREATMENT BY SOVIET AUTHORITIES

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. TORRICELLI. Mr. Speaker, I rise today to express my support for Georgi Samoilovich, and to express my dismay at the Soviet Government's lack of compassion for his plight.

Mr. Samoilovich is a Soviet Jewish refusenik who is suffering large cell lymphoma, a fatal condition. Last month, the 63-year-old former mathematician and engineer was removed from a waiting list to enter the Blokhin Cancer Institute in Moscow for treatment. He lives in Moscow with his wife Vera, a physician, and his son Victor, a mathematician. Georgi was in the Soviet Air Force in World War II, and was decorated many times. Much of this family, including his parents, died in the war.

On September 9, he was denied a visa to go to the Hackensack Medical Center, in Hackensack, NJ, for treatment. This facility is located in my district. Linda Opper, Director of the International Physicians Committee has urged the Soviets to act before it is too late.

This case is not without precedent. On March 6, 1987, Michael Shirman died from leukemia when a bone marrow transplant from his sister was delayed too long by Soviet authorities. I met with Soviet officials regarding this case, and he was subsequently released. Unfortunately, the delays he encountered in trying to obtain an exit visa resulted in the transplant coming too late to save his life.

Mr. Samoilovich is being denied an exit visa for what the Soviets call secrecy charges. That is not a valid reason, for he has not worked in his profession in over 10 years. I urge the Soviet Union to allow Mr. Samoilovich to seek treatment in the West while there is still a chance to save his life.

ROSA PARKS: HER DETERMINATION INSPIRED A NEW CHAPTER IN AMERICAN HISTORY

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. CONYERS. Mr. Speaker, it is with mixed feelings that I announce to my colleagues today the retirement from my Detroit staff of Mrs. Rosa L. Parks. Mrs. Parks, considered the "Mother of the Civil Rights Movement," has been a source of support and inspiration to me since my election to this body in 1964.

Rosa Parks was born in Tuskegee, AL, in 1913. She married a local civil rights activist, Raymond Parks, in 1932 and together they worked tirelessly for the Montgomery branch of the NAACP, as well as on the notorious Scottsboro case, which triggered international attention throughout most of the 1930's.

As we know, December 1, 1955, marked the turning point in Mrs. Parks' life and work. The story of the woman who stood up to legal racial segregation in the South by refusing to give up her bus seat to a white man is legendary in American history. Her quiet, simple act of courage resulted in a 13-month bus boycott by black citizens and ultimately a Supreme Court decision integrating the bus line. The boycott, organized and led by a young minister, who was catapulted to international prominence and gave this country one of our most loved and respected leaders—Dr. Martin Luther King, Jr.

Mrs. Parks moved north to Detroit where we met and began our long friendship and working relationship. Throughout these years, she has remained dedicated to the principles of the movement she sparked, traveling and speaking to audiences throughout America on peace and justice. An important theme of hers is that although much was achieved during the movement's early years, the struggle is far from over. This message is directed particularly to young people, to whom Mrs. Parks is deeply committed and for whom she believes the struggle was and continues to be fought.

My feelings on her retirement are mixed because, simply, I will miss her. But I am comforted in the knowledge that the quest for peace and freedom to which she has dedicated her life will be further strengthened by her attention to a new goal.

Mrs. Parks is not really retiring, but is redirecting her efforts toward the young people of Detroit and the Nation through the Rosa and Raymond Parks Institute for Self-Development, which she founded in 1987. The institute seeks to provide underprivileged youth with programs in motivation and self-esteem in order to help improve their lives and achieve their goals. It is this worthwhile undertaking which Mrs. Parks enthusiastically turns her attention.

At the age of 75, one could expect Rosa Parks to be retiring in the true sense of the word. But she is a woman with a mission: one of those rare individuals who believes that a good life means helping to improve the lives of others. She has proven that one person can, indeed, make a difference, and will continue to be an outstanding example of all of the citizens of our great country.

I am inordinately proud that we have worked together for the last 23 years, and I ask my colleagues to join me in wishing her much happiness and success in her new endeavors. She will forever be remembered and appreciated.

J.C. HEARD: DETROIT'S INTERNATIONALLY RENOWN JAZZ DRUMMER

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 29, 1988

Mr. CONYERS. Mr. Speaker, it is with great sadness that I inform my colleagues of the passing of the 71-year-old legendary jazz drummer, J.C. Heard. During his life time, he performed with most of the jazzs giants of America including Coleman Hawkins, Benny Carter, Cab Calloway, Duke Ellington, Count Basie, Woody Herman, Louis Armstrong, Teddy Wilson, Charlie Parker, Oscar Peterson, Billie Holiday, Dinah Washington, Lena Horne, and Ella Fitzgerald.

J.C. Heard was a prodigious and versatile artrist, a band leader, singer and tap dancer who appeared on stages around the world. He performed on more than 1,200 recordings with his own and other bands. Few artists were more supportive in urging passage of House Concurrent Resolution 57 expressing the sense of Congress that jazz is a national American treasure. He and his brother, Dave Heard were utterly devoted in their commitment to the preservation and support of this great art form.

J.C. Heard truly exemplified the spirit of this magnificent music that he loved and lived for and his contributions to it, will be best and most lasting evidence of enormous talent. From Jazz at the Philharmonic appearance in the forties to his final appearance this month, he will never be forgotten.

The following article on J.R. Heard's life and accomplishments was printed in today's Detroit News and I wish to share it with my colleagues, and include it in the RECORD:

[From the Detroit News, Sept. 29, 1988]

HE WAS THE MOST PROLIFIC OF DRUMMERS

(By Jim Dulzo)

It was the most somber of rehearsals, made ever more painful by irony: It should have been the most joyful of reunions. There they were—Dizzy Gillespie and some of Detroit's finest musicians, terribly quiet, eyes rimmed with tears, walking around the stage of the Detroit Institute of Arts auditorium in a trance.

J.C. Heard, legendary drummer, bandleader and bon vivant, was dead at 71.

Heard died of a heart attack Tuesday in Beaumont Hospital, Royal Oak, ending a career that sometimes ran parallel with those of the late Gene Krupa and Buddy Rich.

Last year Heard was operated on successfully for colon cancer and had not had a recurrence. He had no previous history of heart trouble, said his daughter-in-law, Cindy Heard.

Heard, of Troy, had been scheduled to play with Dizzy Gillespie tonight in the DIA.

To meet him was to discover how young 71 could be. To hear him play, whether swinging his elegant, steaming big band or playing beside a long list of superstars, was to know the sweet ferocity that is jazz at its finest.

Gillespie, just off the plane from New York, was subdued as he remembered.

"I met him in 1938, over in the Valley," he said, referring to Detroit's long-gone black entertainment district, Paradise Valley.

"He was the most prolific of drummers. He set such high standards."

Born in Dayton, Ohio, Oct. 8, 1917, Heard broke into the business in Detroit on the vaudeville stage, where he picked up his indefatigable showbiz persona. He was a tap dancer and singer in amateur shows at age 11. His mother dressed him in short trousers and a bow tie and gave him a megaphone to sing through. He added the dancing.

At age 15, he dropped out of school to devote all his time to performing, learning from Cuba Austin, the McKinney Cotton Pickers' legendary drummer, and from visiting stars Big Sid Catlett and Chick Webb.

By 1936 he had his own group at Detroit's Cozy Corner.

After a number of offers from musicians visiting the Corner, he joined Teddy Wilson's band. That led to stints with Coleman Hawkins, Benny Carter, Cab Calloway, Duke Ellington, Count Basie, Woody Herman, Louis Armstrong, Charlie Parker, Oscar Peterson and records with Billie Holiday, Dinah Washington and Ella Fitzgerald.

When he had his own band in the 1940s in a New York club called Cafe Society, he gave a chance to a beautiful young singer who, to this day, publicly claims it was her first big break in show business. Her name: Lena Horne.

He cut one of the first bebop records with Charlie Parker and Gillespie.

"He created the guideline for drummers who have come after him," Gillespie said. "He was a member of the drum triumvirate, along with Kenny Clarke, who invented bebop drumming, and Max Roach. His loss is like losing Charlie Parker, or Kenny. He made thousands of records. Thousands."

In the late '40s, Heard, Krupa and Rich were among the all-stars of American jazz who performed in the renowned Jazz at the Philharmonic concert series. Although Krupa, Rich and Heard usually played separately, there were hot moments when Krupa and Rich dueled on the skins, and they got hotter when Heard joined the battle. The three seemed to have a tight grip on drumming awards.

Heard visited Japan with a package of jazz superstars, met his wife-to-be, Hiroko, and stayed on for four more years before coming back to the States in 1957.

"Sometimes people ask, 'Who's J.C. Heard?'" Heard once recalled. "People say, 'Why everyone who loves jazz knows him.' They say, 'How come you're not on TV? How come you're not in Hollywood?' I say, 'I've seen them stars driving up in their Rolls-Royces to pick up their unemployment checks.'"

In New York he cut still more albums, shifting effortlessly from the swing era to the new thing, bebop.

But he moved back to Detroit in 1966 for good—a tough decision for someone with such an insatiable taste for nonstop action.

"What felt good for me," said Jim Fleming, Heard's agent for the last five years and a close personal friend, "was seeing him starting to get acknowledgments again from his old peers when they visited here.

"Like at the Montreux Detroit festivals. Miles Davis, Sonny Rollins, Carmen McRae—they were so eager to talk to him when they heard he was here. He has lost personal contact with those people, and it helped him gain back his credibility within himself when he saw them seeking him out."

The Detroit News' Michigan Magazine named Heard a Michiganian of the Year in 1987. He annually played Montreux Detroit and once served as its ambassador of goodwill, touring Europe.

He is listed in Who's Who of Jazz and the Jazz Encyclopedia.

Heard created his own scene here, gathering around him musicians who were attracted to his personal magnetism, his jazz spirit.

Sundiata Keita, a percussionist, called him "a major influence on my training." That is a sobriquet that many younger musicians readily pin on this man, who had come to be known as Detroit's grandmaster of jazz.

"I am forever indebted to him because he always looked out for the younger musicians," Keita said.

Heard's big band had been formed six years ago as a one-night-only setup to celebrate Ellington's birthday, but gradually grew into a terrific vehicle for modern jazz, as Heard found renewed delight in leading his own orchestra. The band was catching on outside of Detroit, playing around the state last year as part of the sesquicentennial celebration, visiting Montreal last summer and aiming for the Chicago Jazz Festival and Europe next year.

"He made all kinds of sacrifices for the music," Gillespie said. "Having a big band depending on you—whew, that is a lot of stress."

The word spoken most often at Wednesday's rehearsal was this one: inspiration. Heard, his obvious joy for life, his untiring lust for great jazz superbly performed, his crazy jokes, ribald ribbing, constant showbiz patter from the stand—it was all pure inspiration to those around him.

"When I get discouraged with how hard this business is," Fleming said, "I used to talk to him about it. He would always put it in perspective. He always renewed my vitality. He always inspired me."

Added Earl Van Riper, an old friend and Heard's pianist since 1979: "He was quite important to the people that were seriously involved in the Detroit jazz scene. He had such an effect on them with his personality and enthusiasm."

"Nobody ever said anything bad about J.C.," Fleming said, shaking his head. "People loved him. He was a lovable guy. Hopefully, some of the young guys learned from him."

Surviving Heard are his wife, Hiroko, son Eric, two grandchildren, one brother and one sister.

Visitation will be 5-9 tonight and 1-9 p.m. Friday in the Hopcroft-Swanson Funeral Home, 31445 John R., Madison Heights. Services will be at 1 p.m. Saturday in the funeral home, with burial in White Chapel Memorial Park, Troy.